



NEW ENGLAND ASSOCIATION OF CITY AND TOWN CLERKS
BOARD MEETING MINUTES
Tuesday April 23, 2024 10:00 am
Meeting held via Zoom

Present Via Zoom: Carol Anderson (CT), Lisa Arpin (CT), Joan Chabot (RI), Kelly Darling (MA), Andy Dowd (MA), Marc Garofalo (CT), Lisa Goodwin (ME), Michele Grande (CT), Millie McGinnes Highet (RI), Kathy Larkin (CT), Lissa Magauran (MA), Mary Maslowski (MA), John Myers (ME), John Odum (VT), Sarah Rapose (RI), Sharyn Thomas (MA), Francesca Villani (CT), Kate Wall (CT).

Absent: Tracy Borst (VT), Betsy Browne (CT), Shelly Crosby (ME), Mary de Alderete (MA), Josie Ewing (NH), Belinda Harris (VT), Donna Kinville (VT), Erin Liese (RI), Sarah Masson (RI), Sue MacKinnon (NH), Kerri Parker (NH), Diana Vachon (VT) Darci Wheeler (ME), Lucrecia Wonsor (VT).

Call to Order – President Millie McGinnes Highet called the meeting to order at 10:05 a.m. noting the presence of a quorum.

Discussion and vote on authorization of funding to hire a professional to research/confirm non-profit and non-taxable status of NEACTC and review of documentation to potentially address missing/needed documents, filings, etc.

A discussion was had regarding whether to incorporate and whether to obtain non-profit and/or tax-exempt status for each of the States individually or under the umbrella of the NEACTC. Michele Grande (MG) said she didn't think you had to be incorporated to be a non-profit. Connecticut hasn't incorporated and they were able to get Board of Directors Insurance. Millie Highet (MH) said there were problems with StarChapter because we weren't incorporated. Mary Maslowski (MM) said a tax attorney could look at a website called Charity Navigator to see if/how we are listed as an organization. She thought we were probably classified as a 501C6. MG said they (in CT) have a Tax ID filed with the IRS and she was told there are no filing requirements with the IRS. MM pointed out that there is a 7-year statute of limitations IF you file taxes; however, if no filing is made, there is no statute of limitations if the IRS decides to collect. MG said they never applied for Tax Exempt status even though they are a non-profit. MG also stated she felt nervous handling all the conference money as it was a lot of money. Filing requirements differ based on how the organization is registered both with the state and the IRS. A letter from the IRS was shared and distributed to all board members which provided information regarding filing, but not specifically whether we need to file and what to file.

MG wondered which state we should incorporate in if we choose to do that. Most of the treasurers have been from CT, but it doesn't have to be there. She said we need to focus on what we want to accomplish. Why are we looking for Tax Exempt Status? The Board voted in 2019 that each state vice-president should get their own Tax ID. The fear is that if all of the

conference money collected/spent goes through NEACTC, the dollar amounts will be very high and might be taxable. MM said because we are doing business in multiple states, we could incorporate in one and qualify for business transactions in multiple states. The IRS letter doesn't say specifically that we don't have to file. She thinks it's worth the money to have a tax attorney look at our situation and make recommendations. She suggested we authorize funds of around \$4,000 - \$6,000 to hire a tax attorney and said they would send a letter with pricing estimates for their services. MM also said that it cost about \$4,000 to 6,000 for the initial consultation and incorporation and another \$3,000 for non-profit status. Kate Wall (KW) said we currently have a balance of \$43,187.00, so we have the money. MH asked if we should keep the conference funds separate by state and said we should establish a baseline for reporting which could then be handed off to the incoming President.

This discussion has been ongoing for a while, and all agreed that a Tax Attorney should be hired to consult with us as to the best path forward. John Odum made a motion, seconded by Kelly Darling to allocate \$5,000.00 to hire a Tax Attorney. The motion carried unanimously.

Next meeting scheduled for Tuesday June 18, 2024 at 9:00 AM

Meeting adjourned at 10:28 AM

Submitted by:

Elizabeth "Lissa" Magauran

Approved: June 17, 2024