

**SDR-SCCA
SOLO COMMITTEE
BOARD MEETING**

Solo Board

Chair - Scott Lewis (SL)	Attending	Y
Vice Chair - Dov Zazkis (DZ)		N
Tres.- Michael Snare (MS)		N
Sec.- Hank Yamfang (HY)		Y
Past Chair - Bill Schiller (BS)		N

Club Rep's

SDAD - Larry Dennstedt (LD)	Attending	Y
TART - Rick Perry (RP)		Y
SCAT - Daryled Bristol (DB)		Y
SCNAX - Warren Leach (WL)		Y
DCCSD - Kenny Berchtold (KB)		Y

Committee Heads

Equipment - Jeff Lonsdale (JL)	Y
Timing and Scoring - Larry Chan (LC)	Y
Sound - Jason Kuyper (JK)	Y
Novice - Ron Chapman (RC)	Y
Membership - Warren Leach (WL)	Y
Waiver - Open Position	?
Lot - RP	Y
Region - Jeff Lonsdale (JL)	Y

Guests

Rachel Monaco (RM)	Y
Robbie Robinson (RR)	Y
Peter Bollenbecker (PB)	Y
Bob Silvestro (BS)	Y

Topic	date initiated	Description	Action by
CALL TO ORDER		7:10 PM at C2 Motorsports, 8030D Vickers Street, San Diego	SL
MINUTES		April minutes approved	Solo Comm.
TREASURER'S REPORT		Report Approved - MS: Just received a check from RC for \$2600 but does not have a copy of the contract.	SL
COMMITTEE REPORTS			
		Equipment	JL
		JL: Purchased battery. Found blower knocked over. Need to better secure it. Battery issues from earlier resolved. Committee votes to keep blower. Bought a tune-up kit too.	
		Timing and Scoring	LC
		LC: Bought new brake pads for bike. Got 120 18" traffic cones (medium) for the tour. No problem with the TART event. Has event statistics. Will try to get percentages for more meaningful data.	
		Sound	JK
		JK: Nothing over 99. 2 people over 93 on Sat, 1 on Sunday (TART).	
		Novice	RC
		RC: July 1. Intention is to get flyer out on June 1.	
		Membership	WL

**SDR-SCCA
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May 7th, 2012

WL: Sold 13 for a total of 367. Numbers may not be accurate. Need a Safety Steward school badly. LD: Is taking this year off, so does not want to be involved. Will be happy to help Dave D. and perhaps an instructor. RP: Does not approve of Dave because of TART's event. WL: Is worried that with only 5 SSS, it will be difficult to find a SS for RP. SL: Wants to take this on as an isolated incident LD: Please implore members to volunteer for SS school. WL: Will try to schedule early next year for the next SSS.

Waiver

?

Nothing to report.

Lot

Nothing new. Too early to know about schedule next half of year.

PAST EVENTS**Region 57 Report**

RC/BS/

Members: Jeff Lonsdale (Region 57 Member at Large), Peter Bollenbecker (Secretary of Region 57), Ron Chapman (Treasurer), Bob Silvestro, (Region Executive), Warren Leach (Membership) are in attendance. RC: Have heard through the grapevine of clubs having trouble making ends meet. Intent was never for the clubs to take the economic risks. The way we've been handling finances gives the program risk from tax liability. The SCCA wants to take on the financial risk and also keep the accounting accurate. See attached for details of financial reorganization. This is for both Practice/Champ. RP: questions changes and the fact that there have been no issues to date. RC: the problem is having club bearing financial burdens - avoiding raising fees, increasing membership rates, having a quality program. RP: This is part of the persona that merged us into SCCA: fear. Where has there be a problem? WL: RP you can't personalize it. This is a consensus RP: You're taking everything from us and giving it to the board.

WL: The main problem is we are in violation of tax code. PB: The tax issue exists today. We are worried about the 1099s being filed by each club as it would raise a red flag. Intent is to wait until next fiscal year. WL/JL: this is not a new issue. WL: Our fear is one person having a 1099 for a large amount of money (ten of thousands) on them if it is not a not-for-profit. RR: We are filing every year and not-for-profit. WL: there is a lack of transparency in the finances. PB: Some upside is going away, but also less risk if there's a slow event. PB: Checks will go to the Solo Committee, not the club. RP: What's the incentive to be a club anymore? WL: You will get paid a sum to run the event (assuming \$500). DB: If the Solo Committee goes to zero, will the Region step up? RC: It stands to reason the Region will take care of the Committee, but dependent on circumstances. LD: Wishes to shelve the discussion for now. BS: This is the time to voice opinions as this is as DRAFT. We want to make this is self-sustaining. KB: If we want to start this July 1, there isn't much time to discuss this.

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May 7th, 2012

PB: Let's just send this out as an email and accept responses. (PB distributes his e-mail). BS: Would it be okay to postpone Region meeting to Thursday of next week? (A vote is passed to postpone.) MS: Is the Region willing to support us but not try to control us? PB: That's the situation now. Ultimately, the Region is responsible for the Committee now. LD: What if the Region begins making demands? WL: This was brought up because of discrimination against Junior Karts (because of age). The clubs have to follow the law. (All further discussion is shelved).

TART 4/22/12

RP: 66 on the practice. 167 on Sunday. Things went well. RP: Brings up check

RP

National Tour

WL: PB was cochair. Jeff and Larry. SDAD did gate and worked awesome. RP Delivered the trailer. SCAT did tech. TART picked up. Tour went great. 279 participations. Just gave MS \$2880 with more money to come. Still have reimbursements coming in.

UPCOMING EVENTS

DCCSD

Flyer is up

KB

Topic	Date initiated	Description	Action by
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OLD BUSINESS

Run group sizes proposal

LC: For 5 groups, ladies classes may be compromised and run at the same time as open classes, other complications with shuffling 5 groups. Logistically difficult to make this work LD: Raised point to have increased workers during run groups with 5 heats. SL: calls for vote, in favor 2, opposed 3. Proposal does not pass

LD

Fee increase proposal

See attached. LD: Carol S outlined numbers for fee increases that are currently incurred by clubs and how fee increase for events would cover the additional expenses. Noted changes for new members/discounts. Temp memberships would be maintained at \$50. RR: Several people thought it was fair to raise the price to \$35 but keep the prices down for novices. KB: This is all based on cost increase. Any entry fee adjustment should be based on the actual cost to break even. (Discussion/vote shelved.)

LD

NEW BUSINESS

No new business

MEETING ADJOURNED 8:53:00 PM - Next meeting is June 4, 2012 at C2 Motorsports

ATTACHMENTS Fee Increase Proposal, Financial Reorganization Draft, TART Event Stats

These meeting minutes are assumed to be an accurate account of the discussed items from the meeting unless otherwise notified.

Hank Yamfang

2012 SOLO Committee Secretary

FINANCIAL REORGANIZATION OF THE SAN DIEGO REGION SCCA SOLO COMMITTEE
May 7, 2012

BACKGROUND

-The San Diego Region SCCA ("SDR"-which conducted a road racing program) and the San Diego Asebring Association ("SDAA"- which conducted an autocross racing program) merged approximately 20 year ago. The San Diego Region SCCA was the surviving entity; all assets and liabilities of the San Diego Asebring Association were legally assumed by the SDR. SDAA ceased to exist.

-Despite the merger, the road racing and autocross programs were managed completely separately. However, the SDR is responsible for maintaining proper records and filing the necessary disclosure and tax documents for all the programs, including the autocross program. In addition, all assets of the autocross committee are legally owned by the SDR.

-While this arrangement has remained static over the years, the economic, tax and regulatory environment has evolved considerably over the previous 20 years. In addition, the policies and requirements of the parent to the SDR, the Sports Car Club of America, have evolved considerably over the past twenty years. A notable example of the SCCA requirements occurred a few years ago, when SCCA membership was required of all participants in autocross events. This helped assure the preservation of the SDR and SCCA's tax exempt status, as by tax law tax exempt organizations may derive only 35% of their revenue from non members (see attached Exhibit A, an excerpt from IRS Publication 557.

CURRENT ISSUES

- 1) While attendance of the solo program has been declining due to a poor economy and more motorsports alternatives, both fixed and variable operating costs have been increasing. The individual clubs, which are not SCCA entities but are in reality acting as paid agents of the SDR, are thus bearing the business risks of operating the events. As these events are sanctioned by the SCCA for the benefit of SCCA members, the variable financial outcome of the events should be borne by the SCCA, not the independent clubs.
- 2) The current financial structure of event operations, wherein clubs take in all the entry proceeds and remit only the event costs and agreed upon overhead items back to the Solo Committee of the SDR, leads to tax reporting issues. Most event revenue never crosses SDR's books and leads to underreporting of SDR's revenue. In addition, this structure greatly complicates the ability of the SDR to issue 1099s to the independent clubs, as is required by tax law. Since the clubs are taking in the SCCA's revenue, the amount reported on the 1099s in the current scenario should be the gross amount of the event revenue.

RESOLVING THESE ISSUES

After reviewing these issues, it is the consensus of the SDR Board of Directors that the current method of funding Solo events needs to be changed to accommodate current economic and tax conditions.

- 1) The individual, independent clubs should not be bearing the business risks of the SDR Solo operation. As they are in essence independent contractors who supply event management services for SDR, they should be compensated on a fixed fee schedule for their services. This transfers the business risk of holding Solo events to the SDR, where it belongs.

Further, as is the case with any service supplier to whom the SDR remits more than \$500 annually, the clubs should receive a year end 1099 reflecting payment for services rendered.

- 2) Entry fees and temporary membership fees collected in the course of the Solo events should be collected by the Solo Committee Treasurer or the Treasurer's designees and deposited to the account of the Solo Committee. All event expenses, including trophies, will be paid for by the Solo Committee from this account. This will ensure accurate tax reporting of the SDR revenue.

IMPLEMENTATION

- 1) The effective date of the changes will be July 1 2012, which corresponds to the beginning of the Region's new tax year. This also provides time to plan for and address the details of the new system.
- 2) The compensation for the clubs is proposed as follows:
 - \$500 for championship events, plus an additional \$5 for every entrant above 150.
 - \$400 for practice days
- 3) The Solo Committee, not the hosting club, will be responsible for manning the registration table. All other event management tasks, including fliers, course setup, worker management, and course cleanups, will be the responsibility of the hosting club.
- 4) Event entry fees will be determined by the Solo Committee Board, subject to review and approval of the SDR Region Board.
- 5) The Solo Committee, as presently constituted, will retain management of the local rule book, including classing and event management requirements and procedures.
- 6) All net funds generated by the Solo program will remain in the Solo program and used for the benefit of its participants.
- 7) Event entry fees can be waived for specific individuals who provide event support well beyond the scope of a normal work assignment, such as the timing chief, the equipment chief, the membership chief, and the event chair.
- 8) The event calendaring procedures shall be the same, with the exception that available site days which are not picked by a club during the draw meeting may be retained by the Solo Committee Board and the Novice Chair.

- 9) **Fun run proceeds, which are immaterial to the overall financial results of SDR, may be retained by the clubs for their own use.**

San Diego Region SCCA

Event: TART#5, Apr 22, 2012

Run Statistics

Item	Totals	Heat 1	Heat 2	Heat 3	Heat 4	Heat 5	Heat 6
Staging Row (flip)		91	186	315	458	572	694
Elapsed time for Runs	07:09:41	00:40:05	00:44:19	01:11:23	01:09:22	00:54:00	00:56:19
Estimated Time Remaining	00:00:00	00:28:00	00:00:00	00:00:00	00:34:00	00:33:43	00:00:00
Average Overlap between Runs	00:55	00:48	01:03	02:27	01:25	01:59	00:55
First Car Out	09:05:20am	09:05:20am	09:52:15am	10:46:14am	12:42:11am	02:12:50pm	03:18:42pm
Last Car Out	04:15:01pm	09:45:25am	10:36:34am	11:57:37am	01:51:33pm	03:06:50pm	04:15:01pm
Delay Between Heats		00:06:50	00:09:40	00:44:34	00:21:17	00:11:52	
# of Registrations	167	31	16	20	41	31	29
Configured for # Runs							
Total # of Runs expected	668	124	64	80	164	124	116
Estimated Remaining Runs	-1	35	-24	-48	24	17	-1
Actual Runs Completed	669	89	88	128	140	107	117
Lowest Overlap Time	00:01	00:09	00:12	00:12	00:08	00:16	00:01
Longest Overlap Time	44:34	03:25	02:02	03:46	01:44	05:00	04:59
Total Runs With Cones	160	18	21	28	36	29	28
Total # of cones hit	229	34	27	29	53	46	40
Total DNF's	48	3	5	7	16	6	11
Total RRN's	24	1	7	1	3	7	5
# of cars that hit 1 cone	115	8	17	27	23	21	19
# of cars that hit 2 cones	27	6	2	1	10	2	6
# of cars that hit 3 cones	12	2	2	0	2	3	3
# of cars that hit 4 cones	6	2	0	0	1	3	0
# of cars that hit 5 cones	0	0	0	0	0	0	0
# of cars with more than 5 cones	0	0	0	0	0	0	0
# of OFF's	0	0	0	0	0	0	0

PROPOSAL TO CHANGE FROM 6 RUN GROUPS TO 5 RUN GROUPS AT CHAMPIONSHIP EVENTS

REASON FOR PROPOSAL: With lower participation it has become clear that some run groups are so small that there aren't enough course workers to effectively man the course. This requires sponsoring clubs to work the course themselves and find labor wherever they can and often means some people work as many as 3 run groups and with fewer course workers than actually needed. This also has a negative effect on fun runs as the workers just run out of energy after working the course much of the day. With summer coming on the hotter days will further exacerbate the problem of working several groups. The main problem seems to be in the afternoon when the modified cars run and the run groups are smaller.

PROPOSAL: Change the run groups from 6 to 5 at championship events and readjust the run groups to be more balanced.

SUGGESTION: Run 3 groups in the morning and 2 in the afternoon. This would also result in one less worker change saving more time.

2012 Event Statistics.txt

	03/04	03/25
Elapsed Time for Runs (hh:mm)	07:00	06:17
# of Registrations	149	146
Total # of Runs Expected	596	584
Actual Runs Completed	591	580
Total Runs with Cones	148	99
Total # of Cones Hit	257	137
Total DNFs	52	41
Total Re-Runs	22	11
# of cars that hit 1 cone	89	70
# of cars that hit 2 cones	24	21
# of cars that hit 3 cones	24	7
# of cars that hit 4 cones	8	1
# of cars that hit 5 cones	2	0
# of cars that hit >5 cones	1	0