

## USS TURNER JOY REUNION GROUP (TJRG)

### NOTES TO CALENDAR YEAR 2022 (CY2022) FINANCIAL STATEMENTS--Audited

Ending December 31, 2022

1. **NOTE on Unconditional Promises to Give.** The TJRG By-Laws and Guidelines (BL&G's) were finalized on December 16, 2019 and started distribution to the membership on December 26, 2019. We continue the policy of cheerfully asking members to pay dues as their budgets allow. Out of the current 355 members, some 85% have their dues paid up to date and we hope to continue increasing that percentage.
2. **Compensation.** All the Executive Committee (EXCOM) staff are non-paid volunteers as well as TJRG Members! Dave Leverenz has joined the EXCOM as the TJRG 21MC Newsletter Editor and worked with Jim Chester to get out the 21MC Newsletters. Chad James left the EXCOM on April 1, 2022. Thanks for your service to the TJRG.
3. **EXCOM Mailing Fees.** After we were granted official 501 ( c ) 7 status on 7/23/19, to work on maintaining FULL Compliance with IRS RR&G's; certain Postage Expenses were either directly allocated or re-allocated for FULL DISCLOSURE of EXCOM mailing costs and are delineated in the 2022 TJRG Financial Statements. Proof of EXCOM interaction is required by the IRS RR&G's!
4. **Donations.** Before we were required by the IRS to become a separate 501 ( c ) 7 Veterans Social Group, it is my understanding the unregulated TJRG would send in donations for the Drydocking Maintenance funds for the USS Turner Joy, which are run by the Bremerton Historic Ships Association (BHSA), a 501 ( c ) 3 non-profit Corporation. Under the past unregulated setup, it is my understanding Drydocking Maintenance funds donated were tax deductible. All donations to our 501 ( c ) 7 non-profit, tax exempt Veterans Social Group are **NOT** tax deductible per the IRS. However, the donations received have made our large Veteran's Group financially healthy, which was our goal!
5. **Two differing TJRG Statement of Activities are submitted to give a "better" FULL DISCLOSURE picture to the membership.** The TJRG finished CY 2022 with \$-0- in Designated Funds and \$500 in Temporary Restricted Funds, for previous authorized honorarium for Mr. Dale Byhre. **NO** expenses for CY 2022 were carried over for payment in CY 2023! The \$500 Honorarium reserved for Mr. Dale Byhre may or may not be paid in CY 2023, depending upon circumstances. In both TJRG Statement of Activities for CY 2022, the Portion of Revenues for Special Member Donations-Codeword Greyhound are delineated in **RED** and have yet to be internally audited iaw IRS RR&G's and will be reported to the TJRG membership in a future 2023 21MC Newsletter. The TJRG Statement of Activities by Date Group Financial Statement for CY 2022 does include the 12/18/2022 21MC Newsletter information for all financial data disclosed to the TJRG Membership up to that date. Subsequent financial information for 12/18/22 to 12/31/22 is included is included in the 12/18/22 to 12/31/22 column. It is also included in the CY 2022 internal audit package developed for the EXCOM. **GREEN** portions in these financial statements are costs for new web site development and yet to be internally audited for CY 2022.
6. **WA State Charitable Registration.** Washington State Office of the Secretary of State Chartable Organization Registration under WA State Statue RCW 19.09 Informed the TJRG on January 26<sup>th</sup>, 2021, that we have maintained FULL (100%) Compliance.

7. **EXCOM approved financial protection!** The entire EXCOM had decided in 2019, to do our best NOT to fall below \$10,000 of TJRG Funds in our NFCU Checking and Savings accounts; thus, when adverse financial situations arose in early to mid-November of 2021, TJRG member donations were provided, subject to outside Grant submission for reimbursement of TJRG member donated funds to pay for this 'contract irregularity'. After further research in the IRS RR&G's, the Grant Request for refund of funds was rescinded due to 'possible violation of the IRS 35/15 rule'. We cannot maintain our tax exempt 501 ( c ) 7 status if the 35/15 rule is violated!!!! These NOTES to the TJRG Financial Statements are Unaudited and when the regular CY 2022 internal audit is completed, and the financial statements will go from Un-Audited to Audited, this will be reported to membership at a future date.
8. **Statement of CASH FLOWS and BALANCES for CY 2022.** The **RED** portions delineate the **SPECIAL MEMBER DONATIONS CODEWORD-GREYHOUND** for the new Website development and the **GREEN** amounts delineate the total expenses to get our new web site up and running by May 16, 2022. General Member Donations help pay for the new web site. The new web site has legal protections built into it; thus, it is highly improbable this web site can be stolen.