



ANNUAL REPORT 2017 - 2018

July 2018

Dear Members and Friends of TCFR:

The fiscal year just ended was a strong one for the Tucson Committee on Foreign Relations. We improved our performance in some areas, and we maintained excellence where it already existed. Some of our strength can be measured, while some is more subjective. To be sure, there are still improvements needed and new possibilities to explore, but we just finished a year of which we can be proud.

Three aspects of the 2017-2018 season stand out:

Continued excellence in programs: Not only was the quality of our 2017-18 programs exceptionally high but the timeliness and diversity of topics were impressive. Our speakers represented an interesting mix of policy practitioners, academics, and journalists, and they didn't pull any punches in their commentary. Our programs are at the heart of TCFR's mission, and this year's programs were among the best we've had.

Growing participation in TCFR: Judging from membership and attendance numbers, the word about TCFR is getting out, and when folks know who we are and what we do, many want to be part of it. TCFR has a self-imposed limit of 150 members (including family memberships). We have rarely approached that number, but in 2016-17 we reached 150 members by season's end, and in 2017-18 we hit 150 in January 2018. Event attendance averaged 138.3 in 2017-18, compared to 116.2 the year before, a 19% increase.

How is the word getting out? Mostly it's word of mouth. It's you telling your friends about TCFR and bringing them to events as guests. Keep up the good work!

With greater participation comes greater financial stability. As you will see from the summary financial information later in this Annual Report, the financial picture has improved.

Better experience at events: We continue to press our event venues for the best service possible, and we saw a positive effect from that last season. But the biggest improvement was in the quality of the sound system. After years of using sound equipment provided by the event venues, we purchased a high-quality, portable system of our own. It has made an immense difference in the experience of TCFR events. The

sound system cost about \$4,000, a big investment for a small nonprofit like TCFR, but the entire cost was covered by voluntary donations by TCFR members. Thank you so much to all who contributed.

So we had a good year. But we know we can't stand still. New world events will shape the foreign policy discussion. Unexpected challenges can affect management of the small business that is TCFR. Oh, and there's going to be a pretty important election in November. This year of 2018-2019 is going to be fun!

Sincerely,
Robert L. Thompson
President
robert.thompson865@gmail.com

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TCFR's 2017 - 2018 Programs

TCFR presented seven dinner programs and two luncheons this season. The topics and speakers were:

- "The Intelligence Community: Illuminating a Turbulent World," **Steven Hall**
- "Evaluating Trump's Foreign Policy Team: The Struggle for Power and Policy," **David Rothkopf**
- "How to Deal With the Growing Threat from Nuclear North Korea" **Patrick McEachern, Ph.D.**
- "China's Strategy to Become an Economic Superpower," **David Lampton, Ph.D.**
- "Trade Policy in the Trump Administration: Where Is It Leading Us?" **Peter Allgeier, Ph.D.**
- "Climate Change as a Global Security Threat," **Barbara Finamore, J.D.**
- "That Nuclear Button: Facts, Fiction, & Safeguards for Presidents," **Jon Wolfsthal**
- "The Role of the News Media in Covering the Trump Administration at Home and Abroad," **David Cuillier, Ph.D.**
- "Chaos in Venezuela: Can Democracy Be Restored?" **Cynthia Arnson, Ph.D.**

Speakers generally appear without fee or honorarium (TCFR pays travel expenses). We are grateful for their generosity.

Confusing Policies 1 - 5

TCFR is probably not unique in having a few policies and practices we rarely explain but expect folks somehow to understand nonetheless. Here are five of ours with a brief explanation of each:

Confusing Policy #1 - Reduced Dues: Twice a year TCFR offers special dues arrangements so *new members* who join late in the season are treated equitably. *New members* who join on or after January 1 can pay one-half of the annual dues to be members for the remainder of the current season. *New members* who join on or after March 1 can pay full annual dues to cover membership for the remainder of the current season and all of the next season. These offers apply only to *new members*, not renewing members. Otherwise, few renewing members would pay when renewals are normally due (August/September of the new season), and TCFR's revenue would be drastically reduced.

Confusing Policy #2 - Guests: Members are encouraged to invite guests to TCFR events. However, the guest privilege should not be used as a substitute for membership. After attendance at one or two events it is appropriate for a guest to decide whether he or she wishes to join TCFR in order to continue attending events.

Confusing Policy #3 - Individual and Family Memberships: An individual membership covers one individual. Family membership covers a member and spouse or significant other. An *individual* member's spouse/significant other can attend an event as a guest a time or two during the season, but if it is desired that the spouse/significant other attend regularly a family membership should be purchased.

Confusing Policy #4 - Refunds: If you register and pay for a TCFR dinner or luncheon but later find it necessary to cancel, TCFR will refund your payment if you notify us before we have to give the final headcount and food orders to the venue. This is typically three or four days before the event. Thereafter TCFR is committed to pay for the meals ordered and cannot make refunds for cancelations.

Confusing Policy #5 - Can I Just Come for the Talk and Not Pay for the Meal? No. TCFR events are intended to be a collegial experience, and most members find significant value in the table talk during the meal. We want to preserve that ambiance and believe attendees entering after the meal would detract from it. It also would impose a considerable administrative burden on event volunteers who already have their hands full.

Introducing Tucson Committee on Foreign Relations, Inc.

TCFR has operated for more than 50 years as an unincorporated association. An unincorporated association can be recognized as a tax-exempt organization by the IRS (as TCFR is) and can accept tax-deductible donations (as TCFR can), but for most other purposes an unincorporated association has no legal status. After reviewing the pros and cons of operating as an unincorporated association and the practices of similar organizations, TCFR's Executive Board decided that the organization and its members would be best served by incorporating TCFR.

Tucson Committee on Foreign Relations, Inc. was formed on May 3, 2017. Until the IRS grants tax-exempt status to the new corporation (a slow process that is underway), we

are continuing to operate through the unincorporated association. Once the corporation is granted tax-exempt status all the assets, liabilities, and operations of old TCFR will be transferred to the corporation, and the life of TCFR will continue uninterrupted (but on a more solid legal base). Members won't notice any difference, except that our name will begin to appear with "Inc." on the end.

The cost of forming the corporation, effecting the transition, and the future cost of operating in corporate form, are insignificant.

2017 - 2018 Executive Board and Officers

We appreciate the many hours invested by our Executive Board on behalf of TCFR. The following served on the Board in the past year:

Robert Thompson, President
Thomas Volgy, Vice President
Gary Guertner, Vice President, Program
Christine Shea, Treasurer
Cody Nicholls, Secretary
John Bryant
George Gluski
Marvin Goldberg
Margaret Houy*

Roy Morey
Linda Mount
Sven Olson
Janet Sanderson*
Donald Shepperd
Elise Collins Shields*
Elliott Weiss
Christine Wells*
Virginia Yrun

* Took office as of June 1, 2018

Thanks to Our Donors!

The following persons made donations to TCFR beyond their annual dues in 2017. We are extremely grateful for their support.

Arch Brown
Ellen and George Citron
David and Barbara Earnest
Gene and Sandy Gerner
Marvin and Carol Goldberg
Elinor and Gerry Hallowell
Robert Hamilton and Eleanor Staley
Charles and Margaret Houy
Dr. and Mrs. John H. Hughes
David Huisjen
Bob and JoAnne Hungate
Oscar and Jackie Hunsaker
David and Gypsy Lyle
Jackie Manning

Sandra Maxfield
J. Thomas McAndrew
Roy and Delores Morey
Jeannie Horner Mueller and Bob Crone
John Mueller
Sig Olney
Donald and Shirley Peterson
Bradford Rich
Lawrence and Susan Ring
Peter Salomon and Patricia Morgan
John and Ellen Tidd
Robert B. and Eileen Thompson
Robert L. and Carolyn Thompson
Thomas Volgy and Sharon Douglas

The following firms made valuable in-kind contributions to TCFR:

Duffield Adamson Helenbolt, P.C., Attorneys-at-Law
Robert E. Fee Law Offices

Thanks to Joy Thompson for enabling TCFR to host events at Tucson Country Club under her TCC membership.

Summary Financial Statements

BALANCE SHEET As of June 30, 2018, and June 30, 2017

	<u>2018</u>	<u>2017</u>
<u>Assets</u>		
Cash & Cash Equivalents	\$20,434	\$13,731
Fixed Assets	4,190	0
TOTAL ASSETS	24,624	13,731
<u>Liabilities & Equity</u>		
Liabilities	0	0
Equity		
Retained Earnings	13,816	13,794
Net Income/Loss	10,808	<63>
TOTAL LIABILITIES & EQUITY	\$24,624	\$13,731

[Financial statements continued on next page]

INCOME STATEMENT
For Fiscal Years Ended
June 30, 2018,
and June 30, 2017

<u>Revenue</u>	<u>2018</u>	<u>2017</u>
Dues	\$18,643	\$12,583
Donations	5,870	2,265
Program Revenue	53,980	36,460
Other Revenue	12	235
TOTAL REVENUE	78,505	51,543
 <u>Expenses</u>		
General & Admin.	5,004	3,600
Speaker Fees & Travel	8,565	9,123
Program Expenses	54,078	38,883
Taxes	50	0
TOTAL EXPENSES	67,697	51,606
<u>NET INCOME/LOSS</u>	\$10,808	<\$63>

For a copy of complete financial statements or IRS Form 990-EZ, send requests, in writing, to:

TCFR
Attn: Treasurer
P.O. Box 32076
Tucson, AZ 85751

TCFR is a 501(c)(3) tax-exempt nonprofit organization.

Tucson Committee on Foreign Relations
P.O. Box 32076
Tucson, AZ 85751

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