

SOCIAL EVENT RULE CLARIFICATION
May 2016 – Casa Priavera HOA

In response to questions, rumors and statements made regarding clubhouse rules covering food and alcohol service, and social gambling, the HOA Board consulted with attorney Carolyn B. Goldschmidt, who specializes in homeowner association law. It was our goal to learn what we can do to meet our legal and liability responsibilities and still hold social functions for the benefit of Canyon View residents.

To clarify our policies and meet legal requirements while encouraging socialization among Canyon View residents, the Board offers the following information:

- For any event in the clubhouse that involves food or privately supplied alcohol, NO money can be charged or collected. This means no cover charge, donation, entry fee or any other fee of any kind. Individuals may bring and consume their own alcoholic beverages during Association events, (such as pot lucks, Meet and Eat) and they may even share what they have brought with others, but no money can be charged or collected during the event.
- The traditional breakfasts held at the Clubhouse for which a fee was charged are no longer allowed. In their place, residents may hold non-commercial social pot luck events. Since the event must be “non-commercial,” there can be no entry fee or cover charge. Potlucks, where there is no entry charge and attendees prepare food and drink at home, and bring the food to the Clubhouse, are permitted. Residents may bring their alcoholic beverages to the event so long as no money is charged in association with the event.
- The Clubhouse kitchen is not a commercial kitchen, therefore food cannot be prepared in the clubhouse kitchen for commercial purposes or ventures. The stove, microwave and refrigerator may be used to keep potluck food at proper serving temperatures.
- Alcohol is NOT allowed at events when the clubhouse is rented for a private party. This is due to liability concerns. Rental rules have not changed.
- People who gamble among themselves, such as at a friendly poker game, may continue to do so. Arizona has an exemption for “social gambling” which applies so long as: (1) the players are competing on equal terms; (2) only the players receive the winnings and no other person or entity receives a direct or indirect benefit from the gambling. Thus, no cover charge, entrance fee, or buy-in fee or percentage of the winnings can be charged.
- 50-50 raffles are not allowed at Association events because the Association is not tax-exempt under Section 501(c) of the Internal Revenue Code, and because the winnings do not go only to the players.