

Minutes BCCC Board Meeting

Date: Feb. 17, 2022 Online via ZOOM

Board Members In Attendance: Gary Parsons, President
Mario Obejas, Vice-President
Laura Lohnes, Member at Large

Members in Attendance:

Craig Barton, George Brown, Susan Callaway, Sim Ezzes, Bernie Freeman, Jackie Friedman, Catherine Graham, Diane Granville, Leila Grantz, Hawk Granville, Jim Hannon, Danny Hylands, Bob Kellogg, Justin Ladabouche, Krissy Lim, Del Losson, Dale Mooney, Mike Mosig, Susan Reichel, Steve Reichlin, Peter Richardson, Sue Richardson, Richard Schmalzried, Suzy Stock, O.M Travis, Martin Welch, Bob Wolstein

After roll call and establishment of a quorum, the meeting was called to order by President Gary Parsons at 7:00 pm.

The minutes of the following meetings, sent out by email, were approved:

- January 25, 2022 Board Meeting

Attendee comments

Steve Reichlin supported keeping the youth education program as is, George Brown stated we should not change the way BCCC has been operating for many years, Susan Callaway wanted keep the youth education program as is, Diane Granville supported the youth education program, Craig Barton supported the youth education program, Jackie Friedman supported the youth education program and wanted to know if the Club could vote on it, Peter Richardson was looking for answers to his written questions, Leila Grantz accused the board of directors of having a conflict of interest and suggested they should all resign, Catherine Graham supported the youth education program.

Financial Report

Laura reviewed the Statement of Activity Detail report. Our largest expense was \$3331.21 for our annual general liability and director and officers' insurance. Revenue from membership renewals was \$500. Net revenue was -\$2898.39.

January 31, 2022 General Fund account balance was \$56,772.42. Youth Education Program Restricted Funds balance was \$9,920.

Unfinished Business

1. President Gary Parsons presented the following information:
 - a) Reviewed the BCCC five charitable purposes as listed in the BCCC By-Laws and reminded members that these were the charitable purposes BCCC told the IRS the Club would perform to get approve by the IRS as a 501(c)3 charitable organization.
 - b) The following IRS 501(c)3 regulations were discussed 1) Must be organized and operated exclusively for the approved charitable purpose and must not deviate from its purpose or mission, 2) Need to provide the benefit to the general public and 3) Net income or assets of this corporation shall never benefit any director, officer or member thereof or to the benefit of any private person.
 1. Key Takeaway Point - BCCC as currently organized and operated as a recreational & social club focused on providing group riding activities to its members only while spending 501(c)3 money on those members only activities is NOT in compliance with the above IRS 501(c)3 requirements!
 - c) A chart was presented showing the "Member Only" benefits each BCCC member receives for their \$25 membership fee which includes \$1,000,000 of personal general liability insurance if a member seriously hurts someone else while on a BCCC sponsored and organized ride and \$10,000 in secondary medical insurance for the member if they are hurt while on a BCCC sponsored and organized ride. These benefits were in additional to member only access to over 400 Club organized and lead bicycles rides each year.
 1. Key Takeaway Point – A public charity cannot provide benefits such as listed above to its members only. A public charity must provide a benefit to the general public.
 - d) A Mutual Benefits Corporation was discussed along with the IRS requirements for a 501(c)7 which state the organization must be organized for pleasure & recreation purposes, composed of individuals who come together for a common purpose, primarily supported by dues, fees, or similar charges paid by members, the club's earnings MUST be spent for general benefits to its members and it must provide its members with the opportunity for personal contact and fellowship amongst each other.

1. Key Takeaway Point – A 501(c)7 Mutual Benefit Corporation best fits the description of how BCCC is currently operated as a membership based recreational and social bike club.
- e) The following four volunteer opportunities that support BCCC five purposes were discussed, and members were encouraged to send an e-mail to the BCCC Board expressing their interest in helping with them:
 - a) Torrance School District Youth Education Program Event on March 9, 2022, 1 PM to 4 PM
 - b) Girl & Boy Scout Troops needing assistance with obtaining their Cycling Merit Badges
 - c) Volunteers to assist with organization and leading a Disabled Veterans Bike Ride
 - d) Volunteers to assist with bike advocacy efforts of the South Bay Bicycle Coalition (SBBC)
- f) Members were again encouraged to send an e-mail to Board@BCCClub.org expressing interest in supporting the above four volunteer opportunities or suggest other volunteer opportunities that support one of the BCCC five charitable purposes.
- g) If the BCCC membership shows little to no interest in supporting the five charitable purposes, it may be time to discuss dissolving the 501(c)3 organization and transferring the cash and physical assets over the South Bay Bicycle Coalition which is a qualified 501(c)3 charitable organization. Dissolving the BCCC 501(c)3 would require a majority vote of the membership.
2. Stop paying for anything that supports member only biking activities (e.g., Ride with GPS)
 - a) The BCCC Board has agreed to not spending any future money on any activity that supports member only group bike riding.
3. Establish a timeline to remove cycling activities from 501(c)3
 - a) All member only group bike riding activity will be removed off the current BCCC webpage and the webpage will be reconfigured to reflect BCCC five charitable purposes and clearly state donations go to 501(c)3 these purposes. It is estimated this effort will take two to three months.

New Business

1. Review status of applications for vacant Treasurer and Secretary positions.
 - a) We have received e-mails from two members interested in the Treasurer position and one for the Secretary position. Members have until Friday, Feb. 25, 2022 to submit their interest in being appointed to either of these two board of director positions for the remainder of the term.
2. Establishment of procedures for internal control until new Treasurer can be appointed
 - a) Laura presented a process when she will handle all the Treasurer functions EXCEPT would not be issue payments of club funds. The President would have that function until a new Treasurer can be appointed.
3. Review and approve 2022 budget
 - a) The proposed BCCC 2022 budget was reviewed. Highlighted is \$25,000 allocated towards to the Youth Education Program (By-Laws Purpose #2) and \$5,000 allocated towards Donations to Advocacy Organizations (By-Laws Purposes #3 & 5).
 - b) A motion was made by Mario Obejas to approve the budget as presented. It was seconded by Gary Parsons.
 1. Motion passed, - 3 vote approving (Parsons, Obejas, Lohnes), votes opposed – 0
 2. The approved 2022 budget will be posted to the BCCC website for member review.

Board Round Table

No comments

Next Board Meeting: March 24, 2022 at 7 pm via ZOOM

The meeting was adjourned at 8:05 pm.

Mario Obejas
Acting Secretary