

Minutes BCCC Special Board Meeting

Date: January 13, 2022 Online via ZOOM, 7 pm

In attendance: Gary Parsons, President
Mario Obejas, Vice-President
Susan Callaway, Secretary
Leila Grantz, Treasurer
Laura Lohnes, Member at Large

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

1. Review legal advice given by nonprofit lawyer regarding inappropriate activities paid for with 501c3 money. Discuss risk to current 501c3.

Gary presented information on the meetings he and Mario had with 3 different lawyers. They chose to have a more in-depth meeting with Heather Glick-Atalla, paying for a one hour consult. The results of this meeting were written up and presented to the Board to review in advance of this meeting. (Note: Per Gary, the write-up was approved by Heather after several revisions.)

We were advised that, except for the Youth Education Program, the club is not being operated for charitable purposes. BCCC is functioning as a membership-based organization; the members not the community are receiving benefits. The club should not be paying for things that only benefit members such as Ride with GPS. The club should stop using the Wild Apricot system for membership purposes; it should only be used to support the Youth Education Program.

2. Review requirements to set up a 501c7 and determine if it is appropriate for a recreational and social bike club similar to what BCCC has been operating.

The lawyer stated a 501c7 should be established for our bicycle club because that is how we are operating. The Board is in agreement with this; several current members have already agreed to loan the money necessary to start up the new club. It could be called BCCC, once the existing BCCC (that is a 501c3) completes the necessary steps/paperwork to make this change

3. Discuss changing the name of current 501c3 to Beach Cities Cycling Foundation to better reflect its true mission as a charitable organization and not a membership-focused club.

Several issues were brought up regarding the implementation and effects of this potential change:

- We need to find out if the funding from RBPD (which comes from the CA Office of Traffic Safety) would still be available to us if we have a different name.
Action: Susan will ask Steve Reichlin to check with the police department about this.
- Is Foundation the proper term to add to our name since we are classified as a public charity not a private foundation?
Action: Gary will provide the Board with information indicating this terminology would be appropriate.
- Per lawyer, we are supposed to stop collecting dues; can we ask for donations instead?
- Insurance: Would people be considered members if they make donations instead of paying dues, so they could be covered by our insurance?

Actions:

- **Gary** will check with our insurance agent regarding dues vs. donation and coverage.
- **Gary** will ask if we can pay for 6 months rather than a year.
- **Gary** will ask about the price difference between insurance coverage for a bike club vs an advocacy organization that offers Youth Education Pedestrian and Bike Education classes.

- Members would need to vote on changes according to our bylaws; 21 day notice required
- Once name of existing c3 is changed, information needs to be updated with Secretary of State, Tax Board, Bank, IRS, etc.
- Determine payment allocation for Wild Apricot and Ride with GPS based on when c7 files Articles of Incorporation and establishes bylaws (Note: Bylaws will indicate c7 would support c3 by notifying its members of volunteer opportunities with YEP.)
- C3 would retain current Quickbooks program; c7 will need their own accounting software
Action: *Leila will provide list of due dates of upcoming payments.*
Leila will update 2022 budget by removing items specific to member-only activities.

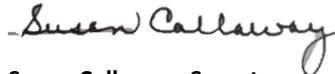
4. Determine if follow up ZOOM meeting with nonprofit lawyer is needed, and if so when.

We will likely have additional questions as the process moves forward. Those relating to 501c3 matters should be paid for by existing club; questions related to formation of 501c7 should not be.

5. Agenda for next Board meeting was presented and revised based on results of today's meeting.

Next Board Meeting: January 25, 2022 at 7:00 pm

The meeting adjourned at 8:32 pm.



Susan Callaway, Secretary