

**Greater Eugene Area Riders (GEARs) Minutes for Board Meeting
Tuesday, February 13, 2018**

Time Meeting Called to Order: 6:30 PM

Meeting Place: Stellaria Building, 150 Shelton McMurphey Blvd., 2nd Floor Boardroom, Eugene

Names of Meeting Participants and Absentees:

Present

Larry Diffie, President
Steve Hecker, Vice President
John Hofer, Treasurer
Dave Zumbrunnen, Secretary
Karen Goodwin, Member at Large
John Reidy, Member at Large
Jessi Stinson, Member at Large
Mike Cantrell, Administrator

Absent

Al Hongo, Member at Large
Jim Wilcox, Member at Large

Guests

Devin McKinney

A quorum was present.

1. Introductions- (Everyone was previously acquainted.)

2. Meeting Expectations-Larry would prefer not to use Roberts Rules of Order. He likes to see board members' passion and encourages respectful dialogue. Dave mentioned the importance of motions and that their consideration requires some formality. Discussions should be focused on them when they are introduced so that votes can be taken without ambiguity and minutes can be accurately written.

3. Minutes Approval- A motion was made by Dave Z. for approval of the board meeting minutes for January 2018. Karen had changes that were not reported earlier to Dave and will send these soon to him. Dave will amend the minutes with these changes and distribute the amended minutes via e-mail for approval.

4. Committee Reports-

a) Ride Committee – Mike distributed a Ride Committee Budget for 2018 that totaled \$1000. Budget items were as follows: Rider Rewards \$350, Trophy Engraving \$50, Ride Leader Dinner \$150, GEARs Mini-Tour \$200, Ride with GPS Membership \$250. Ride with GPS Club Membership is new and is deemed to be an attractive benefit to members. The Ride Committee would like to know if the Board wants to proceed with it. Board members may be

asked to try Ride with GPS to assess its performance before it is made available to the broader membership. Access by GEARs members would follow in April.

Motion: A motion was made to approve funds expenditure for Ride with GPS Club Membership (\$250). The motion was approved unanimously by voice vote.

b) Administrator Report – Mike is making changes to the GEARs web site. The web site now has a new design. A few members commented that they like the improvements. A donation button may be added to encourage unsolicited donations. Karen mentioned that the membership fee pull-down menu can appear to require a \$100 membership fee even though lower fees are available. Mike will check to make sure that the complete options of membership fees is clear.

The inventory of GEARs descriptive cards is depleted. These are used to market GEARs at various events and at bike shops. Mike reported that about 1000 are consumed each year.

Motion: A motion was made to order 2500 GEARs descriptive cards and expend funds to cover costs. The motion was approved unanimously by voice vote.

c) R & R/Business Membership Committee – John R. has created a GEARs Facebook group. He suggested that the availability of the Facebook group should be made known to members perhaps by making an announcement on the GEARs web site. John R. mentioned that several people preferentially refer to Facebook for ride information, so everyone is encouraged to use it. All approved participants can make postings to the Facebook group. This is distinct from the GEARs Facebook page that is more of a marketing tool for GEARs. Steve mentioned that rides can be more spontaneously organized with the Facebook group and that its availability may expand ridership. Possible future problems include off-topic postings and scammers. John R. will watch for these. Users who do not use the Facebook group as intended can be removed.

d) Education Committee– Steve reported that “Nutrition for Cycling” will be the subject of the GEARs educational gathering on March 6. This information will be sent to members in the upcoming newsletter which should be distributed via e-mail on about Friday, February 16. Jackie and Lynn plan to prepare nutritious snacks in keeping with the subject.

Motion: \$35 will be provided to Jackie and Lynn to cover the cost of nutritious snacks for the educational program scheduled for March 6. The motion was approved unanimously by voice vote.

e) bRamble – Karen distributed an 11 page business plan prepared by Devin and her for the 2018 bRamble. The projected total expenses according to the business plan is \$24064. This amount is a significant increase over expenses for prior bRambles. Devin described possible changes that could increase ridership and thereby revenues. Earlier planning than done in the past was also anticipated to bolster rider participation. The registration cost would be increased to help cover the cost of an accompanying after-ride meal. A family group ride of 5 miles may attract persons who did not previously participate. Current GEARs members would receive a 10% discount. Steve reported that the bRamble may be part of a Willamette Valley Triple Century that is being coordinated with the Salem Bike Club and Portland Wheelmen to add interest and broaden awareness of the bRamble to locations

outside the Eugene-Springfield area. A bRamble volunteer coordinator is still being sought but Karen and Devin are moving bRamble planning forward in the interim. A bRamble volunteer ride is scheduled for July 28.

John H. asked about the motivation for expanding the bRamble. Larry answered that the bRamble has greater potential that should be pursued. Karen felt that the positive experiences of bicycling should and can be shared by expanding the bRamble. She also mentioned the importance of the bRamble to fund-raising for GEARs. Larry noted that bRamble planning is ahead of last year which is a positive sign for successfully holding an enlarged bRamble. John H. and Jessie asked whether the bRamble's purpose is shifting from providing financial support to increasing membership and serving cyclists in light of the increased cost per bRamble participant. Devin mentioned that last year's bRamble also had risks but that more advanced planning that is being done for this bRamble can reduce them. Steve mentioned that the bRamble engenders much good will and strengthens GEARs standing in the community so enlarging the bRamble can be worthwhile. John H. and Dave wondered whether sufficient commitment exists among volunteers to plan and carry out a larger bRamble. John R. made the point that the number of volunteers and equipment do not increase in proportion to the number of participants. (A larger event can make more effective use of facilities, equipment, and volunteers.)

In his role as treasurer, John H. presented a sensitivity analysis that considered how the bottom line revenue from the bRamble is affected by ridership. The analysis was done with respect to the number of riders as a percentage (from 5% to 53%) above those participating in the 2017 bRamble. Fixed costs that do not change with ridership and variable costs that depend on the number of riders were taken into account. The sensitivity analysis is attached to these minutes. The analysis shows that for 400 riders (53% increase), net income would be \$5141. (This income compares to \$8514 for the 2017 bRamble with fewer riders, reflecting an increased cost per rider.) For 275 riders (5% increase), net income would be \$884. Based on projected expenses and revenues, the planned larger bRamble is projected to provide reduced income.

Steve expressed that GEARs needs to accept some risk with the bRamble to maintain and enhance its position in the community. Dave was concerned that the \$24604 in expenses (from the bRamble business plan presented earlier) is similar to the funds GEARs has in its bank account. He suggested that the sensitivity analysis that John H. prepared might be used to reduce risk and increase revenues by assessing what is driving costs.

Motion: John R. offered a motion to adopt the bRamble business plan and authorize the bRamble Committee to expend funds accordingly. The motion passed with John H. voting no and Dave Z. abstaining.

f) Advocacy Committee – A report was deferred to the next meeting.

5. Treasurer's Report- John H. discussed finances for the month of January. GEARs had a net income of \$68 and overall monthly expenses of \$1847. This cash flow is improved over January 2017 when the expenses exceeded revenues by \$1074. The improvement is largely due to receipt of \$1000 from Cycle Oregon. The report also pointed out financial risks associated with the planned 2018 bRamble. The Treasurer's Report is attached below.

6. Pending Business-

- a) Larry reported that the club volunteer coordinator position is still pending.
- b) The January potluck dinner at the Eugene Garden Club was a success. 35 persons attended. Thanks to Karen for her preparatory work.
- c) Dave and Larry met with the EPD at their headquarters to learn about bicycle theft. Dave prepared an article based on this meeting and other information he located. The article will appear in the newsletter. Larry asked everyone to consider writing articles or recruiting persons to write articles on topics of interest to members.
- d) Cycling related community events will be listed on the GEARs web site.

6. New Business-

- a) Karen felt that GEARs would benefit as a member of Travel Lane County. Members expressed agreement and it was mentioned that membership would aid with bRamble planning.

Motion: Karen made a motion for GEARs to become a member of Travel Lane County for a first year fee of \$210. Six members voted in favor and John Hofer voted against.

- b) Cycle Oregon will have a weekender event in Eugene on July 13-15, 2018. GEARs should consider how it might participate.

Time Meeting Adjourned: 8:48 PM

Anticipated Time and Place for Next Meeting: Tuesday, March 13, 2018, 6:30 to 8:30 PM, Location To Be Announced.

Respectfully submitted,
Dave Zumbrunnen, Secretary
Monday, February 14, 2018

Below:

2018 bRamble Budget Sensitivity Analysis (Prepared by John Hofer)

Treasurer's Report

2018 bRamble Budget Sensitivity Analysis

Number of Riders	400	350	300	275
Percent Increase Over 2017	53%	34%	15%	5%

	2017	2018	2018 (a)	2018 (b)	2018 (c)
Net Revenues (riders)		21350	18681	16013	14678
Sponsors		3500	3500	3500	3500
Auction		1200	1050	900	825
Total Revenue (Net)	17367	26050	23231	20413	19003

Staffing-coordinator contract	FU	2316	4000	4000	4000	4000
Insurance/Permits	V	1702	2400	2100	1800	1650
Facilities	FU	716	800	800	800	800
Registration costs	V	120	150	131	113	103
Marketing	FU	849	2000	2000	2000	2000
Food & Drink @ rest stops	V	987	3399	2974	2549	2337
Pie & Ice Cream	V	624	960	840	720	660
Dinner @ \$6 burrito (600-volunteers?)	V	0	3600	3600	3600	3600
Celebration (rentals, decor)						
200 chairs/20 tables	V	566	1000	875	750	688
Music	.5V	200	500	470	438	420
Equipment U Haul	V	215	250	219	188	172
Valet parking	F	250	300	300	300	300
Gas for Sag	F	25	50	50	50	50
T shirts \$5 x 100 volunteers	FU	0	500	500	500	500
Miscellaneous	.5V	283	1000	940	875	840
Total Expenses		8853	20909	19799	18682	18119

Net Income	8514	5141	3432	1731	884
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Donation to SRTS	1323	0	0	0	0
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Net to Club after Donations	7191	5141	3432	1731	884
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Club Operating Loss	3865	3000	3000	3000	3000
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Club Net Income	3326	2141	432	-1269	-2116
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Upfront Expenses	3881	7300	7300	7300	7300
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February Treasurer's Report – reporting January financial results

January Results

GEARs broke even in January, a significant improvement over 2017, when the club lost \$1074 in January. Most of the improvement was due to the booking of a \$1000 donation from Cycle Oregon.

Revenue: \$1915

- PayPal revenues were \$790, more than double last year.
- Total Membership (including PayPal): \$915.
- bRamble revenue: none

Expenses: \$1847

- Club expenses were \$1597, an increase of 12% over 2017
- bRamble expenses were \$250

Net income: \$68

Current bank balance (including uncleared checks): **\$25,316**, up \$68 from year end

Unspent monies authorized by the board: \$1000; logo (\$250; sports conference and marketing plan development (\$750)

Managing bRamble risk

So far the board has authorized \$1250 for expenses not incurred by the bRamble in 2017, \$1000 unspent as yet. Another proposal is on the table to become a member of the Lane County tourist office.

These expenses are different from what was spent in 2017 and already represent about 15% of what was spent on the bRamble in 2017. Everything else equal, spending this additional \$1500 means that the 2018 bRamble will have to attract 30 more riders, a growth of 10%, to recoup the additional costs. Ridership for the past three years has been essentially flat.

The bRamble committee wants to make the 2018 bRamble bigger and better. The question becomes how to do this without having the organization assume a lot of financial risk in the event that a significant increase in the number of riders does not materialize after significant up-front expenses have been sunk.

On the other hand, the bRamble committee most certainly wants to have the autonomy and authority to pursue its goals without having to get board approval for each and every expenditure it needs to make.

Proposal

- Authorize the committee to make the same up-front expenditures as made in 2017 for facilities, permits, and marketing: \$1500

- Authorize the committee to make additional up-front expenditures not to exceed the amounts received (not pledged) in cash donations from sponsors that are not earmarked for special purposes, such as Safe Routes to School.
- Authorize the committee to spend what it spent last year for activities on the day of the bRamble for food, drink, ice cream, insurance, equipment, SAG drivers, valet service and the celebration.
- The board will need to approve any additional features and rider benefits that raise the cost per rider.
- Hiring of contractors will still need board approval.
- Additional requests for funds will need board approval and should be accompanied by a proposal, a budget, and an explanation of how the additional expenditures will increase the number of riders. Any proposal should be submitted to the Executive Committee before submission to the board.