An overview of how the Community Cycling Center arrived at their financial crisis:

Since the pandemic, the Community Cycling Center (CCC) began experiencing a financial challenge. Our current financial crisis can be traced to three primary factors: frequent Executive Director turnover, high administrative costs, and challenges within our bike shop due to industry changes.

Executive Director Turnover

Over the past 4.5 years, CCC has faced challenges with leadership turnover, having had six Executive Directors, none of whom were able to stay longer than 18 months. This lack of consistent leadership weakened our long-term financial vision and led to costly recruiting and onboarding processes. However, we are excited to share that we have recently hired an exceptional new Executive Director, Ruben Alvarado. The Board is confident that their experience and vision will guide CCC to a strong financial recovery and future success.

High Administrative Costs

Historically, CCC was “top heavy,” with too many leadership positions performing tasks that could have been outsourced to specialists at a lower cost. Additionally, we transitioned to a year-round employment model for staff who were primarily seasonal, providing benefits, even as the bike industry and programs slowed in the winter. Despite declining revenue, all staff, except select leadership, were guaranteed annual cost of living increases ranging from 6% - 10%.

Changing Bike Shop Industry

The bike shop industry has seen a decline, with many local shops closing. COVID-19 disrupted the supply chain for bikes and bike parts, which severely impacted our sales. The shift to remote work has also reduced bike commuting, leading to fewer customers in-store. Furthermore, many customers have shifted to buying bikes online, directly from suppliers, bypassing local shops like ours. While bike sales surged during the pandemic, much of that business went to online retailers rather than community-based shops like the CCC. In response to these changes, we adapted by offering classes and memberships, allowing people to use our shop space and tools. While this new model has potential, it has not yet replaced the revenue lost from bike sales.

Additional Challenge

Our programs are largely funded by reimbursement-based grants, which require us to pay costs upfront and wait a few months for reimbursement. To manage these periods–the equivalent of six payroll cycles–we rely on unrestricted funding, which can be used wherever it’s needed most. Unfortunately, over the past 18 months, fundraising has not generated enough unrestricted funds to cover these critical shortfalls.

These combined factors have brought us to our current financial crisis. Without immediate support, we will not be able to sustain our operations long enough to deliver and benefit from the $716,330 in grants that fund programs until July 2026.

Historical Net Operating Income from 2019 - Present Day

	FY20	FY21	FY22	FY23	FY24*
Revenue	$1,835,610	$1,714,471	$2,001,865	$1,989,250	$1,640,038
Expenses	$1,802,854	$1,540,200	$1,844,436	$2,250,847	$1,821,607
Net income	$32,756	$174,271	$157,429	-$261,597	-$181,569
Contributions		59.4%	58.9%	58.5%	52.8%
Sales		38.5%	39.9%	40.1%	45.0%

* FY24 has not been reviewed by a Certified Public Accountant.
***The Payroll Protection Program loan was received in FY21 for $271,000 and FY22 for $317,000.

	FY 25 year to date
Revenue	$ 532,901.16
Expenses	$ 681,389.16
Net income	-$ 148,488.00
Contributions	44.9%
Sales	37.4%