



Minutes of the Regular Meeting
Colorado Chautauqua Association Board of Directors
Monday, September 26 2011 6:00 p.m.
Rocky Mountain Climbers Club Room in the Community House

Directors Present: Mike Franson, Barbara Guthery, John Kenyon, Nancy Kornblum, Betsy Matteson, Bill Patterson, Richard Polk, Ed Sanders, Phil Shull, Josh Taxman, Thomas Thorpe (arrived at 6:14), Deb van den Honert
Directors Absent: Richard Foy, Patty Limerick, Dominick Sekich
Staff Present: Sue Brophy, Susan Connelly, Ann Obenchain, Sharon Reid, Sandra Sage
Visitors Present: Jim Williams

I. Call to Order, Roll Call, Announcements, Determination of Quorum, Public

Comment - Having established that a quorum was present for the conduct of business, CCA President Josh Taxman called the regular meeting to order at approximately 6:07 p.m. Mr. Taxman officially welcomed incoming BOD members Deborah van den Honert, John Kenyon and Dominick Sekich (absent), whose terms started September 1st. He recognized the contributions of the three most-recently retired BOD members and their service to the CCA. Colorado Music Festival (CMF) Board Chair Jim Williams was introduced and reported that CMF tickets sold were up 4% and revenue up 7% in 2011. Mr. Williams attributed this success, in part, to the wonderful atmosphere and facilities at Chautauqua.

II. Approval of Minutes of 8/22/2011 Regular Meeting - Mr. Sanders moved and Mr. Kenyon seconded approval of the minutes of the August 22, 2011 Regular Meeting. The motion carried 10-0-1 (Mr. Franson abstaining).

III. President's Report - Mr. Taxman reviewed the BOD committee assignments as previously distributed, saying the placements were based on organizational needs and the individual skills and experience of its BOD members. He noted that a subcommittee would work to institutionalize the annual Executive Director's performance evaluation process.

IV. Finance Committee - In addressing the August/Year-to-Date financials distributed to the BOD and reviewed by the Finance Committee, Treasurer Bill Patterson said that August proved to be yet another strong month. He predicted that a large portion of budgeted but not yet spent funds would be spent on year-end projects and that the CCA would end up ahead of budget for 2011. Mr. Patterson reported that the Finance Committee was already discussing the 2012 budget.

V. Buildings and Grounds Committee - Committee Chair Tom Thorpe reported that information collected over the past year, including through B&G Committee walkabouts, BOD input and Cottager meetings and subsequent input all is being assimilated and organized in specific focus areas. He said that over the next two months, B&G will work to complete the Landscape Design Guidelines and Master Exterior Lighting Plan. The committee also will provide input on matters concerning the 2012 budget, the 2020 Plan and the Collaborative Stewardship Framework (CSF). He noted the value of having two Cottage owners on the committee.

VI. 2020 Planning Committee - A detailed update regarding the Collaborative Stewardship Framework (CSF) process with the City of Boulder was included in the BOD packet. Committee Chair Phil Shull said there would be a lot of number crunching over the next few months, and multiple opportunities to work with the CSF consultants to inform them about CCA, its programs and goals. He commented that it was a strong consulting team. Mr. Shull noted an upcoming initial public open house to introduce the CSF process and the consultant team, with anticipated second and possibly third community opportunities in December and/or January, followed by a study session with City Council tentatively scheduled for February. He noted that CCA should budget for design work in 2012, to follow the CSF process. Ms. Connelly discussed the Master Program Inventory, consisting of the actual daily uses of all Chautauqua facilities by CCA (including its tenants, CMF and the Dining Hall), Open Space and Mountain Parks Department and Parks and Recreation Department, saying that the consultants' goal was to fully understand and be able to paint vivid pictures of usage patterns at Chautauqua over the course of a year in order to plan for appropriate coordination and management of uses, including access and parking as part of a larger evaluation of parking and access, physical space and program activities. She said that key findings from the collected data and results of the summer parking study and User Intercept Surveys would be presented by the consultants at the CSF Open House.

VII. Governance Committee - Committee Chair Deb van den Honert asked the BOD to review the distributed *Principles and Practices for Non-Profit Excellence* 2nd edition by the Colorado Nonprofit Association, noting the new sections addressing communications, information technology and new Form 990 references. She said that the Committee's two anticipated activities, likely in the first quarter of 2012, will be to have the BOD adopt the updated Principles and Practices, as it had adopted the original edition, and to utilize the associated self-assessment tools to do a staff and then BOD evaluation of CCA's compliance with the *Principles and Practices*.

VIII. Executive Director's Report - Ms. Connelly noted the recent passing of Donna Spence, owner of Cottage #212. Ms. Sage reported on the evaporative coolers used in the Auditorium over the weekend of August 26th, noting that the coolers successfully reduced the overall temperature in the Auditorium by 8 to 9 degrees. She noted that the benefit of creating a better customer experience was weighed against cost and factors such as seasonal temperatures, cooling effectiveness, water consumption, power usage, fan noise, equipment set-up and running times. The BOD reviewed customer comments and discussed CCA's messaging of heritage and the "authentic Chautauqua experience" through the use of historic

photos, certificates, books and signage in each cottage. Ms. Sage reported that the outlook for group sales was strong for the year-end, that 375 group events, many of whom were repeat customers, had been hosted in 2011. The value of investment in grounds through landscaping and lighting was discussed vis-à-vis annual cottage rehabilitations as being more than just aesthetics, but also about reflecting smart energy usage and sharing community values.

IX. Use Management Policy Review and Board Action - Ms. Connelly highlighted key elements of the CCA Use Management Policy (UMP) as presented in the BOD packet, noting the minor modifications made to the draft presented to the BOD in August and specific questions for BOD input and direction. She explained the intent of the policy, its internal and external applications, the timing of the document and the individual items addressed by the document, its mathematical derivation (in terms of number of parking spaces available to serve various uses and users) and the focus on what CCA is able to control. Ms. Connelly requested that the BOD consider and adopt the revised policy document so it could be published on the CCA website and shared with the CSF working team and consultants to inform that process. During discussion of the policy, peak period parking mitigation efforts were examined as was the overall growth of the CCA's cultural mission along with growth of the Boulder community, the roles of the HOP2 Chautauqua shuttle, OSMP user parking, shared auxiliary parking, use of the Community House spaces and the desires of CMF relative to CCA venues.

Mr. Taxman reiterated that the UMP document was a guideline to aid in the implementation of the necessary changes and adjustments that would be required to keep use demand and historic assets in balance. Ms. Van den Honert requested that the language regarding limits on availability be clarified in Section 4. a. 2. "Peak Period/ CMF Programs", and Mr. Taxman asked for clarification of the auxiliary parking language in Section 4.a.1. Continued discussion of programming agendas, usage patterns, parking limits and the needs of each constituent led to further questions of booking practices and deadlines, alternative transportation options, and overall scheduling priorities.

Mr. Shull noted that the impetus for the UMP was the fact that the City's development use review process requires a use management policy, and this exceeds what is required by the City but is very helpful for internal decision-making. He said that it demonstrates that CCA is the best policeman up here - that CCA can and will say no to additional uses as necessary. Mr. Shull suggested that CCA should create an expectation that all parties participating in the CSF process must contribute on the same level. Mr. Taxman asked if the BOD recommended approval of the UMP for release. A motion to use the UMP for internal purposes only was made by Ms. Guthery and seconded by Mr. Thorpe, but later withdrawn. The BOD approved on a head nod the use of the document for internal use, serving as interim guidance pending results of the CSF process. The BOD determined that while the UMP should not be posted or publicized, it could be shared with the CSF consultants as arbiters and mediators for the CSF process as a demonstration of CCA's good faith.

X. Initial Planning Assumptions for 2012 Budget - Ms. Connelly addressed the Initial Planning/Budgeting Assumptions for 2012, as outlined in the BOD packet supplement. She brought specific items to the BOD's attention and stressed the importance of BOD input during this early stage of 2012 planning and budget preparation. She noted that a preliminary budget would be considered by the Finance Committee before BOD consideration on November 7th, and finalization and approval of the 2012 budget at the December meeting should be pro-forma.

Mr. Patterson asked the BOD to look at the anticipated 2020 Plan investments and the continuing use of retained earnings to fund the capital budget in excess of projected depreciation. Ms. Sanders noted that most of the 2020 Plan items will require separate financing, vs. funding through operations, anyway. After discussion, Mr. Taxman noted BOD consensus to invest more in grounds improvements vs. one cottage rehabilitation and not attempting to drive additional gross revenue growth with a lot of associated expenses.

Mr. Thorpe said the goal should be to improve the user experience in visible ways by addressing items such as washout mitigation and paving on Kinnikinic, phase 1 street lighting, refurbishment of the Waterwise Garden and improvements in landscaping on Kinnikinic. The BOD discussed and directed staff to proceed on several items, including; a campus-wide Wi-Fi upgrade, rental (vs. purchase) of evaporative coolers in the Auditorium, an increase in ticket service fees, continued work by Fehr and Peers on circulation and parking issues along Kinnikinic, funds for preparation of a capital campaign, scheduled Dining Hall improvements and anticipated professional and legal fees.

Mr. Patterson recommended that the capital budget not exceed depreciation plus \$100,000. Ms. Guthery recommended budgeting for a net profit for future 2020 Plan expenditures or invest in 2020 Plan items in 2012. Mr. Taxman and Mr. Patterson agreed that creating an annual net profit to add to retained earnings would be a good practice, and that the goal could be 2-3% or approximately \$100,000 annually. Ms. Brophy asked the BOD to not allow 2020 Plan and Dining Hall expenditures to cannibalize other organizational objectives, basic operations and routine capital investment.

Executive Session - The Board adjourned the regular meeting at approximately 9:10 p.m. and went into executive session.

Adjournment - The board emerged from executive session and adjourned the regular meeting at approximately 9:40 p.m. and then adjourned.

Respectfully submitted,



Barbara Sublett Guthery
Secretary, CCA Board of Directors