

COLORADO CHAUTAUQUA ASSOCIATION ANNUAL REPORT TO MEMBERS AND FRIENDS - FALL 2008

LETTER FROM THE PRESIDENT OF THE CCA BOARD OF DIRECTORS

My first three months as President of the Colorado Chautauqua Association (CCA) Board of Directors has been a wonderful experience. I had no real idea of how much work there would be!

What a great time to be associated with Chautauqua. It is both a pleasure and a keen responsibility to be part of this special place. Part of our job is to educate people about Chautauqua and about the mission of CCA as the nonprofit steward of what we think of locally as Chautauqua Park but which is now also the Colorado Chautauqua National Historic Landmark. (You knew that CCA is a nonprofit that supports all of the preservation maintenance and capital improvements, programming, lodging and private event rentals at Chautauqua, right? You may be surprised at how many people do not realize that. You will be seeing much more communication and outreach on Chautauqua's mission and financial situation in 2009 and beyond as we try to engage an ever larger part of our community in this important, exciting, challenging and rewarding stewardship effort.)

CCA has had yet another outstanding year (see our Executive Director's Report), and I want to mention two of the most exciting highlights.

The "Greening" of Chautauqua - As CCA board and staff have been thinking strategically about how to ensure a strong future for Chautauqua, it has become increasingly clear that we have both a responsibility and a tremendous opportunity to take a leadership role in the marriage of historic preservation and environmental sustainability. We wish to use Chautauqua as a laboratory for learning and to become the most environmentally responsible and sustainable National Historic Landmark in the entire country. To that end, and with a generous grant from the Governor's Energy Office, we commissioned the creation of an Environmental Sustainability Plan for Chautauqua. The plan addresses: energy efficiency upgrades to cottages, our office and other buildings; the possibilities of on-site and off-site solar and geothermal energy generation; storm water management; indoor and outdoor water use; solid waste reduction; possible operating improvements, and educational opportunities around the various improvements. Implementation is underway. We look forward to sharing more with you on this important subject as it continues to evolve. *(continued next page)*



The Inaugural Grand Convergence - We were so pleased to have been able to offer a special weekend at Chautauqua September 19-20 that included;

- a spectacular fundraising dinner in the Community House provided by local and nationally renowned Frasca Food and Wine
- a stimulating panel of diverse thinkers on climate change Saturday morning in the Auditorium moderated by Richard Brenne and featuring author/provocateur James Howard Kunstler along with former U.S. Senators from Colorado Hank Brown and Gary Hart, Patty Limerick, Bill Shutkin, Sanjayan and Chuck Kutscher
- a Texas-style barbecue hosted by the Chautauqua Cottagers Association
- an afternoon of in-depth discussion on climate change in the Community House
- a sold-out e-town taping in the Auditorium featuring the legendary Joan Baez and popular up-and-comer Brett Dennen that was later broadcast over 230 radio stations

The Grand Convergence raised new consciousness, new funds and new friends for Chautauqua, serving to remind ourselves and our community of Chautauqua's once and future role as the cultural center for Boulder. We thank the many participants in the Grand Convergence events and those who made the multiple events possible, including: Bobby Stuckey and Lachlan MacKinnon-Patterson of Frasca; dinner underwriters, St. Charles Capital, Free Wave and Crestone Capital Management; our summer series and Grand Convergence sponsors United Western Bank, Hogan and Hartson, Roche Colorado, the Camera, KBCO, the Chautauqua Cottagers Association and the Mary Edna Crawford Foundation; Communication Arts; Nick Forster and Roger Menell of e-town; Patty Limerick; The Nature Conservancy; Richard Brenne and all of our amazing speakers; Jack Stoakes and Liquor Mart, Kuvy Axe, Nanette Schunk, our amazing CCA staff, and my fellow Grand Convergence Committee members Mike Franson, Cody Oreck, Richard Foy, Grayson Cecil, Steve Brett, Kathleen Woodberry and Molly Tayer.

I wish to share a comment on the Grand Convergence received from the venerable A. Baker Duncan of San Antonio, TX -- a third generation Chautauquan of 80-some years: "... I have been coming to Chautauqua since 1937. We have known some tough times, we have known some lost feeling, but it all seemed worth holding on to when we arrived at a weekend such as you provided." In commenting on the barbecue hosted by the Chautauqua Cottagers Association as part of the Grand Convergence festivities, Mr. Duncan said: "... looking out over that crowd, I saw something that I have wanted to see at Chautauqua - a community served by Texans but of Boulder, Denver and surrounds all enjoying together the beauty of the place. What could have been more exciting." What a lovely measure of success.

Our excitement over the accomplishments of the past year at Chautauqua is tempered a bit by the uncertain economic times we are experiencing now and face in the year ahead. Nonprofits - including the Colorado Chautauqua Association -- suffer when the community's members are stretched thin. Chautauqua has survived for 110 years so far and, with your participation and support, will continue to survive and thrive, offering a respite from the challenges and pressures of the world and an opportunity to truly **ESCAPE - ENGAGE - ELEVATE**.

We look forward to seeing you at Chautauqua soon and often.

GEORGE KARAKEHIAN
PRESIDENT, CCA BOARD OF DIRECTORS

MISSION STATEMENT

The Colorado Chautauqua Association preserves the site and perpetuates the spirit of the historic Chautauqua in Boulder, building community through unique cultural, educational, recreational and social experiences.

STATEMENT OF VALUES

The Chautauqua experience is based on lifelong learning, love of nature, voluntary simplicity, and music, oration and the arts. Historic significance, traditions, cultural relevance, respite and enrichment are among the community benefits provided by the Colorado Chautauqua.

EXECUTIVE DIRECTOR'S REPORT

I am happy to report many successes over the last year, and no major problems. Our greatest challenge always is how to accomplish our endless list of goals with limited time and financial resources.

Financial Condition- Having celebrated its 110th birthday on July 4, 2008, the Colorado Chautauqua Association (CCA) not only survives but thrives, with strong current financial results and five straight years of year-end net profits to be reinvested into operations and capital improvements. The CCA Board of Directors (BOD) approved a 2008 budget that utilizes some retained earnings from prior years (vs. only projected revenues from 2008) in order to provide even more operational, programmatic and capital improvements this fiscal year. The BOD adopted a policy to maintain a certain cash reserve. We have not needed to utilize our line of credit to balance cash flow over the past five years.

Strategic Direction - CCA continues to develop a Chautauqua 2020 Plan (formerly referred to as Chautauqua's Second Century Plan) to ensure the physical, environmental, cultural and economic sustainability of our beloved Chautauqua. This effort includes identifying, costing and prioritizing needed improvements to site and facilities (as recommended by the Cultural Landscape Assessment and Plan completed in 2004), environmental sustainability, programming, and financial sustainability and to create an implementation plan, including how to finance the identified improvements over time.

"Greenest" NHL - To advance CCA's commitment to being the most environmentally responsible and sustainable National Historic Landmark (NHL) in the country and a laboratory for learning about historic preservation and environmental sustainability, this past summer we completed an Environmental Sustainability Plan, as mentioned in George Karakehian President's Report. Implementation already has begun, including: installation of on-demand water heaters, on-demand water heater/furnace combos and high-tech Rinnai energy-saver space heaters in renovated cottages; switching to compact fluorescent lighting in our cottages, the Community House and the Academic Hall; experimenting with several potential cooling options; stepping up our recycling program; switching to more eco-friendly cleaning products in housekeeping; and converting to a more "green" line of guest bath amenity products in the cottages. Implementation of the Environmental Sustainability Plan will continue in earnest in 2009.

Preservation and Capital Improvements - Four cottage renovations have been completed year-to-date (21, 22, 506 and 508) and two more are underway for completion by the holidays (510 and 512). We replaced portions of the Auditorium roof, funded in part by a generous grant from the State Historic Fund (SHF).

Visitor Experience - We have made a number of improvements to our cottages to create an even better experience for our overnight guests, including installation of ceiling fans, new window blinds and historic photos, as well as improving maintenance and upkeep. We completed a renovation of the Rocky Mountain Climbers Club (RMCC) space in the lower level of the Community House for use by RMCC and CCA, including for private event rental. Grounds improvements included the planting of some 700 bulbs in fall 2007 that blossomed in spring 2008, as well as repairs to the water features in the Centennial and Waterwise gardens and installation of flag lights in the Waterwise Garden. We thank the Chautauqua Cottagers Association and the Winslow Foundation for helping fund the garden feature improvements. One of our important visitor improvements in 2008 was a collaboration with the City of Boulder and other local organizations (including the Colorado Music Festival) on the Hop 2 Chautauqua pilot project to provide free off-site parking and free shuttle service connecting Chautauqua to downtown Boulder and points east from noon until 10 p.m. (11 p.m. on concert nights) seven days a week May 10 - August 26, 2008. We are aware that parking and traffic circulation is one of the greatest challenges facing Chautauqua and continue to look for ways to improve that situation.

Programming - 2008 saw CCA's first collaboration with Boulder Going Local on a summer-long Forum Series in the Community House, including several standing-room only evenings, as well as a collaboration with the Boulder Arts Association.

Interpretation - In 2008, CCA completed an Interpretive Services Plan for Chautauqua and was awarded a grant from the State Historic Fund to prepare signage guidelines and to design, manufacture and install Phase I way finding and interpretive signage in 2009.

Asset Protection - We completed a comprehensive risk assessment analysis and developed and started implementing a Risk Mitigation Plan, including comprehensive key/lock replacement, a new more secure procedure for late arrivals in Lodging, better training of seasonal staff, and fire safety training for all staff. We appreciated the gift of an automated external defibrillator (AED) from the Chautauqua Cottagers Association.

Key Collaborations - We continue to appreciate our ongoing collaborations with the Colorado Music Festival (30 years in the Chautauqua Auditorium!) and e-town. *(continued next page)*

EXECUTIVE DIRECTOR'S REPORT (CONTINUED)

Strong Governance - The CCA Board of Directors (BOD) has become more active than ever on the community outreach and fundraising fronts, including developing and spearheading the first Grand Convergence fundraising and awareness-raising event September 19-20, 2008. (See discussion in the President's Report.) CCA enjoyed 100% BOD-giving in 2007 and expects the same in 2008. The BOD adopted policies to ensure full compliance with the requirements of the new IRS Form 990 for nonprofit reporting and best practices in nonprofit governance and ethics. We bid a fond farewell to outgoing CCA BOD president Grayson Cecil and to Cody Oreck, both of whom served on the BOD for six years. We welcomed new BOD member Richard Polk, local businessman and former Boulder City Council member, and were pleased to welcome back through re-election Ben Gilbert, Steve Brett and Kathleen Woodberry. Please see a complete list of the CCA Board of Directors elsewhere in this report.

Staff Stability and Enhanced Capacity - I have just celebrated my fifth year as CCA's Executive Director. Director of Finance and Administration Sue Brophy is going on four years. In September 2007, we hired Jim Turner, a 30-year veteran of the hospitality industry, to become our Director of Operations to oversee Lodging, Facilities and Preservation, Private Events and Public Events (Programming). In March 2008, marketing expert Denise Link joined us in the new position of Marketing and Development Director and in May 2008 we were able to hire 30-year construction/renovation veteran and LEED-certified Jeff Medanich as our Facilities and Preservation Manager to

add additional expertise in "green" construction and retrofitting as it applies to historic preservation. Associate Facilities and Preservation Manager Steve Watkins is celebrating 23 years with CCA this month, while Lodging Director Bert Farin has been with us for more than six years and Lodging Front Desk and Leasing Coordinator Kathleen Clendenen more than eight years. Our entire team is dedicated and we thank them for all of their efforts.

The Challenge/Opportunity Ahead - While Chautauqua has been only slightly impacted by declining economic conditions in 2008, we are planning and budgeting very conservatively for 2009. The list of basic needs and desired enhancements to buildings, grounds, visitor services, and programs is much longer than what we can fund with forecast revenues. We welcome your financial support for near-term improvements and long-term sustainability actions now more than ever.

Thank you for caring about Chautauqua, for being an active participant at Chautauqua, and for supporting the preservation, enhancement and programming mission of the Colorado Chautauqua Association. If you have questions, comments or ideas, please contact me at susan@chautauqua.com or (303)952-1617.

SUSAN CONNELLY
CCA EXECUTIVE DIRECTOR

JULY 2008 MEMBERSHIP ELECTION RESULTS

The annual election of members to the Board of Directors by CCA members concluded in July. It was an uncontested election this year (three incumbents running for three seats and no other candidates), with no bylaw or other items for membership consideration. The three incumbents re-elected were: Steve Brett, Ben Gilbert, and Kathleen Woodberry.

CCA BOARD OF DIRECTORS (AS OF 9-1-08)

The Board of Directors (BOD) of the Colorado Chautauqua Association is comprised of 15 members, each serving a three-year term with a limit of two successive terms. Two members of the BOD are appointed by the Boulder City Council, one member is appointed by the Chautauqua Cottagers Association, one member is appointed annually by the BOD itself (per bylaw amendment approved in 2006), and three members are elected annually by the CCA membership.

In 2008, three incumbent directors were re-elected and the BOD appointed Richard Polk, president and co-founder of Boulder's 40-year-old Pedestrian Shops.

We bid a fond farewell and offered great thanks to Grayson Cecil and Cody Oreck who stepped off the CCA board after serving for six years, with Grayson serving as board president in her final year.

GEORGE KARAKEHIAN, PRESIDENT, CITY APPOINTEE
KATHLEEN WOODBERRY, VICE PRESIDENT
JOHN MEYER, TREASURER
MOLLY TAYER, SECRETARY
DENNIS AHLBURG, BOARD APPOINTEE

STEPHEN BRETT
RICHARD FOY
MICHAEL FRANSON
BEN GILBERT

BARBARA GUTHERY, COTTAGER APPOINTEE
CONRAD LATTES, CITY APPOINTEE
RICHARD POLK, BOARD APPOINTEE
LARA RAMSEY
ED SANDERS
JOSH TAXMAN

COLORADO CHAUTAUQUA ASSOCIATION STATEMENT OF FINANCIAL POSITION

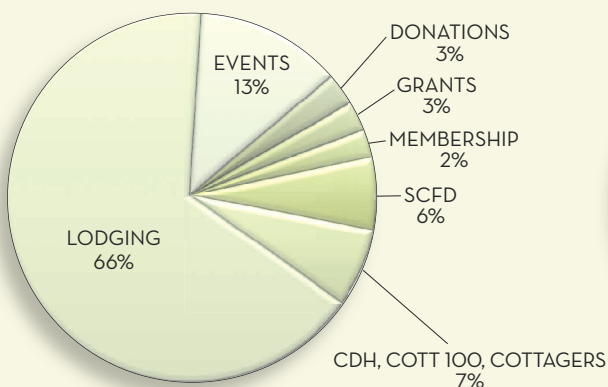
DECEMBER 31, 2007 AND 2006

December 31,	2007	2006
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 704,712	\$ 552,694
Accounts receivable	5,200	510
Contributions receivable	84,847	47,400
Prepaid expenses	32,140	34,265
Total current assets	826,899	634,869
PROPERTY AND EQUIPMENT, NET	4,206,658	4,072,982
OTHER ASSETS		
Assets held by foundation (Note 4)	181,625	171,086
TOTAL ASSETS	\$ 5,215,182	\$ 4,878,937

LIABILITIES AND NET ASSETS

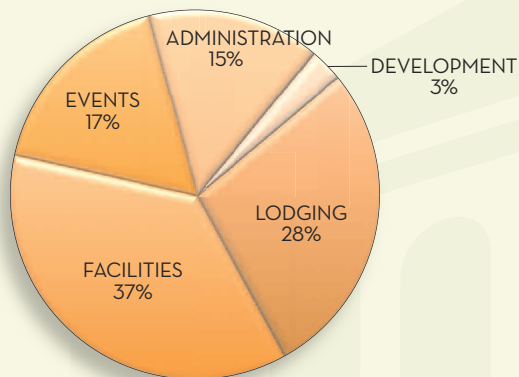
CURRENT LIABILITIES		
Accounts payable	\$ 113,992	\$ 85,364
Accrued liabilities	241,383	208,304
Deferred revenue	223,909	189,319
Total current liabilities	579,284	482,987
COMMITMENTS (Note 7)		
NET ASSETS		
Unrestricted	4,320,382	4,143,980
Temporarily restricted	133,891	80,884
Permanently restricted	181,625	171,086
Total net assets	4,635,898	4,395,950
TOTAL LIABILITIES AND NET ASSETS	\$ 5,215,182	\$ 4,878,937

2007 SOURCES OF REVENUE



2007 CAPITAL & OPERATING EXPENSES

BEFORE DEPRECIATION



SPONSOR DESCRIPTIONS

THANK YOU, SCFD

Since 1989, the Scientific and Cultural Facilities District (SCFD) has distributed funds from a 1/10 of 1% sales and use tax to cultural facilities throughout the seven-county Denver metropolitan area. The funds support cultural facilities whose primary purpose is to enlighten and entertain the public through the production, presentation, exhibition, advancement and preservation of art, music, theatre, dance, zoology, botany, natural history and cultural history. The distribution budget for scientific and cultural organizations in the seven-county area is approximately \$40 million annually. The Colorado Chautauqua Association has been fortunate to be a participant in the Scientific and Cultural Facilities District (SCFD) at the Tier II level since 1995.



Scientific & Cultural
Facilities District

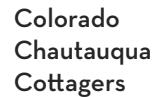
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AND THANK YOU, TO OUR CONTRIBUTING SPONSORS:



MARY EDNA & WALTER CRAWFORD FOUNDATION



2008 DONORS

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Dottie & Ray Joyce Designated Fund
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FreeWave Technologies
Hogan and Hartson LLP
Inner Doorway
James and Alvina Bartos Balog Foundation
Liberty Gives Foundation
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Lincoln Financial Foundation
Longmont Red Hat Society
Peacock Consulting
Polk Family Charitable Fund
Roche Colorado Corporation
Sun Microsystems Matching Gifts Program
St. Charles Capital
TEBO/KARAKEHIAN, LLC
The Winslow Foundation
United Western Bank
Wells Fargo Bank

INDIVIDUALS

Lois Abbott
Neal T. Anderson
Carol Lynne Andrews
Julie Andrews
Francie Anhut
Peggy Archibald
Lucy Gray Arnold
John Ashby
Debra Baskett
Nancy Berman

INDIVIDUALS *continued*

Doug Bonnette
Stanley & Virginia Boucher
Joan Brennan
Steve Brett & Linda Shoemaker
David Brunel
Michael Burgermeister
Donald & Anne Burke
Sandi Cardillo
James Carey
Jim & Susan Cargill
David H. Carlson
Cindy Carrillo
Mark & Margaret Carson
Dan & Robin Catlin
Grayson R. Cecil
Susan Connelly & Rich Smith
Michael Connolly
Michael Cuba
Lyle Davis
A. Baker Duncan
Christopher Findlater
Robert & Elizabeth Finley
Richard Foy
Leroy Frankel
Michael Franson
Kenneth J. Gamauf
Roy & Ann Garstang
Daniel Gerken
Ben & Kerry Gilbert
Diana L. Graham
Carolyn Grant
Ferd & Louise Grauer
Bob & Joan Greer
Barbara Sublett Guthery
Brian Hansen
Terrance & Noel Hefty
Terry Holum

Danna Horak
Tom Iyob
Victoria Johns Jacobson
Keith Jimmerson
Richard Jorgensen
Coleman & Marica Kahn
George & Kristin Karakehian
Quentin Karlsrud
Neil D. Kelley
Frank Keith
Ron Levine
Jeff & Claudia Liedtke
Patricia & Jeffrey Limerick
Mary & Conheeny Lippi
Elizabeth Lipstreu
Rhea Little
Catherine Long Gates
Heidi Lynch
Janet Martin
Steve & Susan Maxwell
Chris Martinson
Dossett McCullough
Michael McCarthy
Jean McDonald
David & Catherine Moll
James & Heather Mulvihill
Danielle Okin
Bruce & Cody Oreck
Zach & Anuschka Pashel
Eleanor Payne
Michael Pitteway
Mariah Quish
Aaron & Lara Ramsey
Margaret Phelan Reed
Fred & Ayliffe Ris
Margaret Ryder
Mary Lynn Ryder
Ed & Peggy Sanders

David and Ella Schleicher
Phillip Schull
Elizabeth Sherry
Morris & Jennifer Siegel
Thomas Slover
W.B. Smallwood
Jane Smith
TK Smith & Connie Holden
Virginia Smith
John & Jane Spencer
Sara Snyder
Stacey Steers
Anthony and Randi Stroh
Lyle Dvis & Sylvia Tawse
John and Molly Tayer
Lewis Proctor Thomas III
Harris & Laurene Thompson
Deborah Van den Honert
John Van Til
Gary Wagner
Jack Walker
Alice Dodge Wallace
Goerge Wallace
James Wallace
Steven Wallace
Neale Ward
Taylor & Jo Jo Watts
Lisa Weber
Leonard Wessell III
Dana Willett
Arnold & Millie Williams
Fred Williams
Jim & Nurit Wolf
John & Kathleen Woodberry
Jim & Nancy Ziegler

JOIN US IN OUR STEWARDSHIP OF CHAUTAUQUA

The CCA board and staff are mindful of our responsibility and privilege as stewards of this precious community – and now national treasure – in these critical early years of Chautauqua's second century. We extend heartfelt thanks to our members, donors, business partners, sponsors, the State Historical Fund, and the Scientific and Cultural Facilities District (SCFD), whose financial support each year enables the preservation of the site and the perpetuation of the spirit of the historic Chautauqua in Boulder.

Please join us in the stewardship of Chautauqua in one or all of the following ways:

• **Membership** We thank our members with a variety of benefits including advance ticket purchase for the popular summer series and discounts on tickets year-round. Join online at www.chautauqua.com. Give Chautauqua memberships at the holidays as gifts that show your community spirit.

- **Planned Giving** Please consider advancing Chautauqua's legacy as part of your own legacy through planned giving.
- **Corporate Sponsorship** If you would like your business to become a sponsor of the Chautauqua Summer Series, please contact Denise Link at 303-952-1645.
- **Donate today** Make your tax-deductible contribution to support preservation in action and programming that engages and inspires online now at www.chautauqua.com.

*Thank you for joining us in our stewardship
of the Colorado Chautauqua National Historic Landmark.*