



**Minutes of the Regular Meeting
Colorado Chautauqua Association Board of Directors
Monday, October 26, 2009
Communication Arts Inc.'s Conference Room**

Directors Present: George Karakehian, Kathleen Woodberry, Mike Franson, Barbara Guthery, Dennis Ahlburg, Richard, Foy (arrived at 7:30), Phil Shull Richard Polk, Ben Gilbert, Conrad Lattes, John Meyer, Ed Sanders Josh Taxman [plus one vacancy]

Directors Absent: Steve Brett

Staff Present: Susan Connelly, Jim Turner Sue Brophy, Bert Farin, Denise Link, Molly MacGregor

Visitors Present: None

I. Call to Order/Roll Call, Announcements, Public Comment

Having established that a quorum was present for the conduct of business, President George Karakehian called the meeting to order at approximately 5:35 p.m.

II. Review and Approval of the Regular Minutes of September 21, 2009

Mr. Sanders moved to approve the minutes and Ms. Guthery seconded. The motion passed 10-0-3 (Mr. Ahlburg, and Mr. Shull abstaining, having been absent at that meeting).

III. Presidents Report

Debrief of the GC II will not occur today as originally anticipated as the financial reconciliation is not yet completed. Mr. Karakehian said the Frasca dinner evening was great and requested that all table captains ensure that payments are sent in asap. He mentioned that the cottage stroll was a very popular aspect of the event, and that such a stroll could also happen during off-season and could be something to discuss as a future event in and of itself. Discussion ensued regarding next years event.

Mr. Karakehian announced that Mr. Ahlburg has accepted a position in San Antonio, TX as the President of Trinity University. The Board presented him with a gift and thanked him for his service to the CCA. Mr. Karakehian announced the process to replace Mr. Ahlburg's vacancy, and asked for a volunteer to join the Nominations Committee. Ms. Guthery volunteered.

IV. Executive Director's Report

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Ms. Connelly announced that Director of Operations Jim Turner will be appointed the new president of the Boulder Hotel and Motel Association board of directors, which will make him a member of the Boulder Convention and Visitors Advisory Board, which Ms. Connelly continues to chair. She said this was a wonderful recognition of Mr. Turner as well as another great opportunity for Chautauqua.

Ms. Connelly opened the meeting for questions on the ED Report that had been submitted to the BOD in advance of the meeting. Mr. Meyer asked about the semi-annual meeting with the City of Boulder and Ms. Connelly replied that the discussion with the City Manager and representatives of five City departments included: a sidewalk along the north side of Baseline; re-stripping pedestrian crosswalks on Baseline; bus vehicle pullout near the park entrance; permit parking within the historic core; speed bumps; Ranger Cottage parking lot improvements; diagonal parking on the north side of The Green. She reported that OSMP will be reinstating education and outreach funds to staff up the Ranger Cottage, and have also purchased four new artist panels to be installed there. She said the Dining Hall roof replacement was discussed and it was confirmed that \$20,000 is allocated to CCA from the City's Cultural and Heritage Fund in 2010. Ms. Connelly said that the City's Transportation Engineer offered to work with CDOT on CCA's behalf re: getting NHL signs on Highways 36 and 93 and that City Manager Jane Brautigam offered to push staff to complete the Preserve America Community application, which is a White House program that, upon community designation, could allow CCA to tap into a pool of grant funds. Ms. Brautigam also offered to check with the City Attorney on the status of the ordinance which would expand the no smoking zones into parks beyond the 15 feet from the entrance to a building.

Mr. Meyer asked if staff had come to a decision on how to proceed after the beta testing of Auditorium event safety procedures during the last three sold-out summer concerts. Mr. Turner replied that while this is high on his agenda, a final decision has not yet been made. Mr. Meyer also asked about safety at the main entry to Chautauqua and Ms. Connelly said that this was one of the main topics of conversation during the recent meeting with the City, and the solution would be part of the Baseline sidewalk project if the City were to be successful in receiving federal funding in the next few years.

Mr. Karakehian said that our relationship with the City is extremely important and it only continues to grow and get stronger.

Mr. Gilbert asked about the new heavier materials associated with the Dining Hall roof replacement and Ms. Connelly responded that any materials other than the current wood shingle (which no longer meets City code) will be a heavier material and will require additional structural engineering. She said that Jeff Medanich and Steve Watkins of our Facilities and Preservation department had done a thorough analysis that was discussed in detail with representatives of the State Historical Fund (SHF) and which likely will be used by SHF and possibly the National Park Service as valuable information for use in other projects. Ms. Connelly said that recognition of the need for additional structural engineering caused us to bypass the October 1st SHF grant submittal deadline, and we are now targeting the April 1st grant cycle and will budget accordingly. Mr. Polk asked if the additional engineering would

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also take into account the weight of additional insulation and Ms. Connelly said yes. Mr. Shull mentioned a product called SIPS (Structural Insulated Panels) that would deliver structure and insulation and can be installed quickly as a good product to discuss with the structural engineers.

V. Finance Committee Report – Q3/YTD, 2009 Reforecast

Mr. Taxman commended Mr. Turner on his appointment to the Boulder Hotel and Motel Association and noted that Chautauqua has outperformed the Boulder lodging market in the last year despite the economy.

Mr. Taxman noted that the reforecast is \$100,000 ahead of budget at this time. Of this amount, approximately \$30,000 in year-end projects has been identified and approximately \$70,000 is anticipated to be carried over into the 2010 budget. Mr. Taxman asked Director of Finance and Administration Sue Brophy to elaborate. Ms. Brophy distributed the reforecast and explained that it is based on actual results through the end of September and projected results for the last quarter of the year. She reminded the BOD that 2009 budget had been approved originally to result in a net loss of approx \$136,000. She reported that the expectation at present is that we will be approximately \$17,000 above budget revenue-wise at year-end and under-budget about \$115,000 in expenses, while depreciation will be over budget, resulting in an anticipated year-end net loss of \$35,512. Compared to the original budgeted net loss, this leaves \$101,172 available for re-allocation and use in 2009 or to carry over to the following year. Ms. Brophy noted that the 2009 capital budget reforecast of \$455,561 is very close to the original capital budget of \$464,700. She said the reforecast numbers will be updated each month through the end of the year.

VI. Discussion of Preliminary 2010 Budget – Revenue Projections and Initial Expenditure Considerations

Ms. Connelly walked the BOD through the preliminary revenue assumptions and welcomed questions or comments regarding the projections. There were no questions. Ms. Brophy addressed the 2010 revenue projections line-by-line item. Discussion ensued about preliminary revenue and expenditure items. Mr. Karakehian asked what the next steps were and Ms. Brophy replied that a consolidated budget with expense detail would be discussed with the Finance Committee in two meetings in November prior to consideration and approval by the full BOD in December.

Discussion ensued about whether the Grand Convergence fundraising event should occur again in 2010. Ms. Connelly noted that Ms. Nanette Schunk, who served as our event planner on both the GC I and II dinners, would like to attend our next BOD meeting to share her perspective on how to ensure success in future fundraising events. .

VII. Executive Session I

The Board entered into an Executive Session at approximately 7:30 p.m. and returned at approximately 8:30 p.m.

VIII. Resumption of Regular Meeting and Continued Discussion of 2010 Budget Assumptions

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Ms. Connelly said there are some items on which she seeks specific direction from the BOD that impact completion of the 2010 budget.

- She referred to a memo that had been distributed to the BOD recommending a variety of modifications to the existing lodging discount programs. **Mr. Lattes moved and Ms. Guthery seconded approval of the recommended modifications, including phasing in over time, with one amendment: that starting in 2010 and beyond, eligible new participants will receive all benefits in the third year after they have otherwise met program criteria for at two consecutive years. The motion passed unanimously (13-0).**
- Ms. Connelly referred to a memorandum proposing a comprehensive overhaul of the cottages classification system to provide greater consistency and better descriptions of value associated with each cottage. She noted that any pricing changes that might result from the re-classification would not become effective until 2011 for the current Priority Cottagers. **A motion was deemed unnecessary and the BOD indicated its approval with the proposed reclassification.**
- Mr. Meyer specified that we need to communicate this information quickly to affected persons so they know what to expect in 2010 and beyond.
- Ms. Connelly referred to information distributed to the BOD regarding a CCA employee compensation philosophy and plan and her proposal to implement Phase I of the recommendations, involving market adjustments to 11 CCA employee positions in order to bring all CCA positions to where they should be market-wise and range-wise and to create the foundation for implementation of a pay-for-performance system in 2010. She noted that one of the recommended market adjustments is for the Executive Director position, which is solely the purview of the BOD.
- Ms. Connelly referred to a memo distributed to the BOD recommending transition of the CCA employee retirement plan a Simple IRA to a 401k, noting the advantages of the shift as well as the additional associated costs, both start-up and ongoing.

VIII. Date and Agenda for Next BOD Meeting

Mr. Karakehian raised the idea of scheduling a November BOD meeting even though originally it had not been scheduled. Ms. Connelly said that the budget would not be ready for in-depth review by November 16th, but noted other items the BOD might want to address, including: appointment of a new member to replace Mr. Ahlburg, what the BOD wishes to pursue re: 2020 planning in 2010, and the Grand Convergence II debrief and discussion with event planner Nanette Schunk. The BOD decided to move forward with a regular BOD meeting on Monday, November 16th (the second Monday, due to Thanksgiving week).

Mr. Meyer suggested that we omit the Executive Director's Report (both written and oral) and the President's Report to reduce pre-meeting work load on staff and to allow more time to devote to the agenda items as discussed. Ms. Guthery requested that a draft of the expense budget be provided at the November meeting.

IX Executive Session II

The Board entered into a second Executive Session at approximately 8:45 p.m.

X Adjournment

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The meeting adjourned at approximately 9:30 p.m.

Respectfully submitted,

Kathleen Woodberry
Secretary, CCA Board of Directors