

Approved at the February 23, 2009 Board Meeting



Minutes of the Regular Meeting
Colorado Chautauqua Association Board of Directors
Monday, January 19, 2009
Rocky Mountain Climbers Club Room
Chautauqua Community House

Directors Present: George Karakehian, Conrad Lattes, Josh Taxman, Kathleen Woodberry, Barbara Guthery, Lara Ramsey, Ed Sanders, Ben Gilbert, Dennis Ahlburg, Steve Brett, Molly Tayer, Richard Polk, Mike Franson, Richard Foy
Directors Absent: John Meyer
Staff Present: Susan Connelly, Jim Turner Sue Brophy, Denise Link, Jeff Medanich, Steve Watkins, Bert Farin, Molly MacGregor

I. Call to Order/Roll Call, Announcements

Having established that a quorum was present for the conduct of business, President George Karakehian called the meeting to order at approximately 6:05 p.m.

II. Review and Approval of Minutes of November 17, 2008 Meeting Minutes

Mr. Foy moved and Mr. Brett seconded approval of the minutes, which motion was approved unanimously.

III. Presidents Report

Mr. Karakehian expressed his concern about the effect on Chautauqua with the State of Colorado budget cuts. Mr. Karakehian said that Ms. Connelly would submit her self-evaluation of 2008 performance next week. Mr. Foy noted the Sunday New York Times article and photographs about a wedding at Chautauqua on December 30th and its tremendous free publicity value.

IV. Executive Director's Report

D&O insurance - Mr. Franson asked about the defense costs mentioned in Ms. Brophy's memo re: CCA's officers and directors liability insurance policy. Ms. Brophy will clarify for the Board.

New NIPP contract - Mr. Turner addressed the proposed new two-year contract with Nobody in Particular Presents (NIPP). Ms. Woodberry expressed concerns about the repetitive nature of their programming and Mr. Turner responded that NIPP has committed to diversify the lineup this year. Mr. Franson asked what NIPP nets on a concert and Ms. Connelly replied that she believed it was under 10% as of a few years ago. Discussion ensued about how to deal with folks who sit outside of the Auditorium, and the possibility of charging them in the future. Mr. Polk suggested that we get

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sponsors to purchase a bulk of maybe 100 tickets and these can be handed out to the closest "outside" guests and also constitute paid attendance, and might even prompt people to donate. Mr. Taxman agreed to be the first sponsor. Ms. Tayer moved to approve the new deal terms with NIPP and authorize contract by the BOD president and CCA Executive Director. Mr. Sanders seconded. The motion was approved unanimously.

Revisions to Transfer Assurances Document - Ms. Connelly reminded the BOD that this checklist is used in conjunction with transfers of ownership/assignment of subleases on privately-owned cottages. The proposed update contains no substantive changes but just date updates and minor wording, and is brought to the BOD now so that an updated document can be included in the annual invoice to cottage owners that will go out in early February. Mr. Franson asked about the service fee referenced and Ms. Connelly clarified that it is the standard annual fee associated with mail and trash removal. Ms. Woodberry suggested that the annual membership renewal form be included in the annual billing. Mr. Brett moved to approve the revisions to the Cottage Transfer Assurances Document and Mr. Foy seconded. The motion was approved unanimously.

Final 2009 Budget (Operating and Capital) -

Ms. Connelly highlighted items in her memo on the final 2009 operating and capital budgets, noting the summary of CCA priorities for 2009 and the specific goals behind each priority, requested use of retained earnings as had been discussed in December, compliance with relevant Policy Governance provisions, suggested timing controls on certain expenditures in light of economic uncertainty, and "upside potential" not reflected in the budget. She noted that the 2009 operating budget does not include the 2009 Grand Convergence, which will have a separate budget of revenues and expenditures. The 2009 operating budget anticipates \$2.8 million in revenues and \$2.56 million in operating expenditures (before depreciation) plus \$455,500 in capital expenditures and requires approval of use of retained earnings in the amount of \$211,971.

Mr. Taxman represented the Finance Committee in the absence of Mr. Meyer. He said that all the staff had done a great job managing the 2008 budget to a 2% variance and delivering CCA into 2009 well in the excess of a 2:1 quick ratio. Ms. Brophy reminded the BOD that the 2008 year-end financial statements are still in draft form and subject to some adjustments. She reported: cash in bank at the end of the year of \$71,000 greater than at the same time last year, and noted that the transition to Wells Fargo is almost complete; quick ratio at the end of December was 2:1 as compared to 1.8:1 at end of 2007; revenue above plan at \$111,000, expenses below plan by \$118,000, net income of \$152,355 above plan \$220,000, keeping in mind that this amount was left on the table to cover specific items including \$72,000 for the Grand Convergence-funded projects that will be completed in 2009, \$60,000 SHF signage grant that is being carried forward for completion in 2009 and capital expenditures over original budget by \$76,000. Mr. Franson commented that CCA Lodging revenue has almost doubled over a five year period, a huge accomplishment for which staff should be recognized. Mr. Farin noted that some of this is due to the upgrading of the cottages and Ms. Connelly noted that during this period we dramatically increased the number of cottages available for nightly rental year-round vs. nine-month leases. Mr. Foy said that the continuing potential for

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growth in lodging revenue is an asset that should be mined to its fullest, noting that there is a market that is responding to the product we offer.

Mr. Franson asked if there are carbon monoxide detectors in the cottages, and the answer was no. Due to liability issues, as well as a new law that is in process, he suggested we think about installing them.

Ms. Woodberry recommended, in light of the recent wildfires caused by downed utility lines, that we expedite looking into undergrounding the overhead utility lines around Chautauqua.

Mr. Brett moved to approve the 2009 Operating and Capital Budgets as presented in the memo dated January 15, 2009 from CCA Executive Director Susan Connelly utilizing \$211,971 of retained earnings and to find that the budgets, with the approved use of retained earnings, comply with all relevant provisions of CCA Policy Governance. Mr. Foy seconded. The motion was approved unanimously (12-0-3, with Ms. Tayer and Mr. Sanders having left the meeting and Mr. Meyer absent).

V. Committee Reports

Building and Grounds - Ms. Ramsey said that the City of Boulder Landmarks Board has approved the draft amendments to the signage provisions of the Chautauqua Design Guidelines and will formally adopt in February. She then addressed the proposed revisions to the Rules and Regulations for Private Cottage Owners, which are mostly date and language updates but substantive in regard to prohibiting construction projects in the summer months. Henceforth, construction projects within the CCA leasehold will not be permitted from June 15th to August 15th or on weekends and holidays from May 1st through September 30th. Mr. Brett moved to approve the proposed revisions. Ms. Guthery seconded the motion. The motion was approved 11-0-4 (Mr. Gilbert abstaining).

Fundraising - Ms. Woodberry said that the previously-selected date for the 2009 Grand Convergence had proved problematic, and recommended Friday, October 16 for the Frasca dinner and Saturday, September 12 for the program was suggested, as well as September 17-19th in 2010. Ms. Guthery moved to approve the dates. Ms. Woodberry seconded. The motion was approved unanimously.

Governance - Mr. Lattes reported that the committee was working to simplify the existing governance policies and make them more accessible and relevant. He said there is agreement that the CCA BOD is a policy board not a working board, so the basic structure of BOD and Executive Director/staff interaction will not need to be changed.

Nominating Committee - Mr. Polk reported that the terms of Mr. Franson, Mr. Foy, Ms. Tayer and Mr. Sanders will expire this summer, and Mr. Karakehian's term (city appointee) this spring. He said that all but Ms. Tayer would like to continue to serve, leaving one upcoming opening on the board.

VI. Executive Session

The Board entered into the Executive Session at approximately 8:10 PM

VII. Adjournment

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The meeting adjourned at approximately 8:30 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Molly Tayer", written over a horizontal line.

Molly Tayer, Board Secretary