



Minutes of the Regular Meeting  
Colorado Chautauqua Association Board of Directors  
Monday, February 22, 2010  
Rocky Mountain Climbers Club, Community House

**Directors Present:** Kathleen Woodberry, Mike Franson, Barbara Guthery (via speaker phone), Phil Shull, Richard Polk, Ben Gilbert, Conrad Lattes, John Meyer, Josh Taxman, Richard Foy, Ed Sanders  
**Directors Absent:** Steve Brett, Patty Limerick [plus two vacancies at present]  
**Staff Present:** Susan Connelly, Molly MacGregor, Sue Brophy, Jim Turner  
**Visitors Present:** George Karakehian

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

Having established that a quorum was present for the conduct of business, President John Meyer called the meeting to order at approximately 6:35 p.m. The Board welcomed guest George Karakehian, former President of the CCA Board and now a Boulder City Council member, who mentioned several of the items on which he is working on Council.

**II. Review and Approval of the Regular Minutes of December 14, 2009**

Mr. Taxman moved and Mr. Lattes seconded approval of the minutes of the December 14, 2009 meeting with no corrections. The motion passed unanimously.

**III. President's Report**

Mr. Meyer asked for all of the committees to please schedule their meetings at least two weeks prior to the Board meetings rather than during the week of Board meeting packet preparation.

The Board meeting dates for the rest of 2010 were discussed and confirmed as:

- Monday, April 5<sup>th</sup>
- Monday, May 17<sup>th</sup>
- There will be no June meeting however there is a Saturday, June 12<sup>th</sup> Board retreat,
- Friday, July 16<sup>th</sup> at 4:00 p.m. - the Annual Meeting
- Monday August, 16<sup>th</sup>
- Monday September 20<sup>th</sup>
- Monday, October 18<sup>th</sup>
- Monday, November 15<sup>th</sup> (*tentative - if needed*)
- Monday, December 13<sup>th</sup>

**IV. Executive Director's Report**

Ms. Connelly said that she has not yet had a chance to note the progress to date on the 2010 organizational priorities but would find a way to do that without replicating information otherwise provided in the ED Report.

Mr. Meyer asked about the note in the ED Report re: selection of a vendor to provide our website booking engine and internet third-party channel connectivity and Ms. Connelly asked Director of Operations Jim Turner to respond. Mr. Turner said this is the long-discussed and much needed ability to use online real-time booking capabilities, both on our website and via internet channels such as Expedia, Hotel.com. as well as through the Global Distributions Systems (travel agency channels). Mr. Turner said that three of the best known service providers responded to our RFP and Travel Click was determined to be the best option. Mr. Turner said we are in final contract negotiations and it will then take approximately 30 days to build the platform and go live. Mr. Franson asked if this also includes search engine optimization and Mr. Turner replied not in the package we are purchasing. Mr. Taxman asked if the company projected any specific increase in yield and Mr. Turner said no. Mr. Turner mentioned that the Boulder Outlook hotel also uses Travel Click and strongly endorsed the product.

Mr. Gilbert asked about certain of the items within the 2010 Organizational Priorities, and Ms. Connelly responded that "more community relations in addition to media relations" refers to moving beyond focus on newspapers and magazines to include communications about items of relevance to Chautauqua and also local interest, such as a possible city charter amendment to allow longer than 20 year leases, possible accommodations tax increases, and other possible ballot issues, and "provide additional staff resources on the ground" means, for example the House Person's, hours being expanded from five days to seven, allowing the Facilities department to stay on the bigger jobs while providing necessary help with Housekeeping needs.

Mr. Meyer asked what do we do with the guest comment cards that note specific items to be addressed and Mr. Turner responded that comment cards are turned in on a daily basis and comments that require immediate attention are addressed immediately and a summary of the comments and guest scores are discussed during the weekly Operations Team meeting. Mr. Turner said that guest comments that occur with some frequency -- such as requests for hooks on the backs of the doors or tea kettles in addition to coffee pots -- are addressed and a plan put in place to install, purchase, etc. Mr. Meyer noted the ongoing comments about parking and the need to address it. Mr. Turner informed the Board that as of January 1<sup>st</sup> there is a slightly modified version of the guest comment card strictly for lodging guests and a separate meeting/event planners feedback form put in place, as well as a survey form that is given to the group clients so that feedback can be received from them as well, to allow for inclusion of more open ended questions such as "Would you return to Chautauqua?", "Would you recommend Chautauqua to a friend, if not, why?" Mr., Turner noted that we are looking into an online survey/feedback tool.

Mr. Foy asked about the status of the \$100-200K being implemented in Marketing, recalling that at the December meeting the Board had asked staff to bring back a potential supplemental 2010 budget. Ms. Connelly said that a list of items is being compiled for initial review by the Finance committee, including possible additional expenditures on marketing, with anticipated presentation to the Board in April. Mr. Meyer wondered whether the Finance Committee was best suited to help formulate this list, and Mr. Polk said the whole Board should take responsibility for this. Mr. Franson wondered if we were jumping the gun, given that the new Marketing Director scheduled to start in mid-March would want to give input on marketing needs. Mr. Shull suggested that the additional expenditures be incremental, one-time and revenue producing. Mr. Taxman said that there should be an ongoing list of additional spending opportunities.

Mr. Taxman asked if there was an update from Nobody in Particular Presents (NIPP) re: the summer concert line-up and Ms. Connelly replied no.

## **V. Committee Reports**

### **Finance Committee**

Prior to handing over the report to Director of Finance and Administration Sue Brophy, Mr. Taxman noted that 2009 was very successful for CCA on many counts, including Lodging really keeping pace and continuing to strive. Ms. Brophy said that in December 2009, using November actual results and December projections, staff forecasted a net profit of \$35,008 for 2009 year-end and draft financial statements for the 2009 year-end show net income of \$9,487. She said that subsequent to the reforecast, staff performed an annual review of the Association's fixed asset schedule and disposed of assets, which generated a loss of \$24,741. When adjusted for the disposals, the net income of \$9,487 is within \$780 of the original reforecast. Ms. Brophy also noted that quick ratio increased from 1.96:1 on December 31, 2008 to 2.70:1 on December 31, 2009, and is projected to be 2.25:1 on December 31, 2010. She reported that our auditor has started working on the audit of 2009 financial statements and expects to bring the audited financial results to the Board at its May meeting.

Mr. Polk asked if Lodging has the greatest capacity for revenue increase of the Association's various revenue streams and Mr. Brophy said definitely it is, and referred to the analysis in the Board packet re: CCA's top revenue streams, which ones we have control over and which have the capacity to grow. Ms. Connelly noted that in addition to the "top 10" there are two additional revenue streams not indicated -- the categories of "other" and "miscellaneous", which include things like purchases of memorial bricks and rental of extra beds and cribs - which might be small individual charges but add up. Ms. Connelly pointed out that 2009 was the first year that Private Events has ever produced a net profit instead of a net loss. Ms. Connelly said we have not yet analyzed the full growth opportunity for each revenue area except that Mr. Turner had done some pro forma analysis of Lodging in the context of the 2020 planning. Mr. Turner said our average occupancy rate ranges from 37% in January to 92% in July. Mr. Sanders asked if, given the Association's budget dependence on nightly rental revenue, we remain comfortable with the 2010 revenue projections and Mr. Turner said that our pace of reservations and occupancy is even with our pace last year. Mr. Lattes asked if our SCFD funds are based solely on ticketed attendance at our public events and Ms. Connelly replied that while this used to be the case, 2009 was the first year of an SCFD re-definition of "ticketed attendance" and "eligible income" that allowed us to count both additional lodging revenue and lodging nights as ticketed attendance, in addition to our public events. Ms. Meyer suggested that the working draft be re-worked with allocation of SCFD funding to its sources and used as a management document, not just an accounting document. He also noted that our planning and decision-making always takes into account support for the Association's missions and not just the bottom line.

### **Nominations Committee**

Mr. Lattes reported that February 19<sup>th</sup> was the deadline for submittal of applications for the two City Council appointments to the CCA Board, noting that five people had applied. Discussion ensued, resulting in the Board agreeing that a letter should be sent to Council addressing the skill sets and experiences that would best support Chautauqua at this time and noting that two of the five applicants seem most likely to provide the desired expertise. Ms. Connelly thanked the committee members for their efforts.

### **Fundraising**

Mr. Franson discussed the proposed outline of the Grand Convergence III which was included in the Board packet, noting that budgeted net income from GCIII is \$30,000. He proposed changing the fundraising dinner to a lower ticket price "cottage crawl" featuring different restaurants in each cottage and then all guests coming together for dessert and a live auction in the Community House. He said the event could be in the spring or the fall. Mr. Franson reported that he and Ms. Connelly and Mr. Turner had met with NIPP about a possible special fundraising concert with a bigger performer, a bigger ticket

price and a bigger net gain for CCA, but also an additional risk that CCA did not have with the regular NIPP concerts because NIPP assumes 100% of the risk of ticket sales not covering performer guarantee and other costs to produce the concerts. Discussion ensued re: the suggested overall CG III theme of economic/social/environmental health. Mr. Foy suggested a series of pairings for discussion, not adversarial debate, such as the state of food in our society and the economic health of Colorado. Mr. Polk suggested that we include something about facing the future and new technology, and regarding the cottage crawl, have something from local farms. Mr. Meyer supported changing the fundraiser dinner to several cottage crawls and matching that to a price that is not so expensive. Ms. Guthery said that having the cottage crawl in late May or early June would allow participation by a good portion of the summer community. There was agreement that the GCIII program topics and the details of the "Cottage Crawl" should be determined by staff and reported at the next Board meeting, including preparation of a preliminary budget. Possible use of the Buck Arnold Fund for GC III was mentioned, and Ms. Guthery said that it cannot be used for the fundraising concert but could be used for intellectually stimulating programming during the summer months, which could possibly dovetail with the speaker portion of GC III. Ms. Woodberry agreed to contact Baker Duncan to discuss with him.

Mr. Foy said that he likes the idea of the big ticket concert but we should have a pullout clause. Mr. Franson said we would have to commit before we know who the performer is. Discussion ensued. Ms. Woodberry said that we should decide tonight what direction we are going. Ms. Connelly said that the most important thing at this time is to decide yes or no on the big ticket concert, and the rest can be continued to be worked on. Discussion ensued. **Ms. Woodberry moved to create an ad hoc committee to negotiate with NIPP for an up-to-\$100,000 performer and that the committee, consisting of Mr. Franson and Ms. Connelly, has the authority to negotiate with NIPP and determine a final yes or no.** Mr. Foy seconded the motion. The motion passed 6-5 (with two absent and two vacancies).

### Governance

Mr. Lattes referenced the memo in the Board's packet re: possible changes to membership structure and reported that the committee was looking at ways to: eliminate difficulty in reaching quorum for annual elections; pursue development and marketing opportunities with different levels of donations and perks to encourage larger donations and more/better connections to Chautauqua; maintain a broad network of those who feel affiliation with Chautauqua; and reduce the possibility of a rogue membership block taking over. Mr. Lattes noted that the CCA Bylaws only allow one class of membership. He said that the committee had come up with three possible approaches.

- The first option is not to change the Bylaws but to redefine what it is to be a "member" to exclude those persons who join simply to get preferential purchase of concert tickets, with these folks potentially being called "Friend of Chautauqua" or "Concert Patrons." For an additional fee, people could choose to be "members" with voting privileges. Ms. Guthery commented that the concert-focused folks should never have been considered "members" for the purposes addressed in the Bylaws.
- The second approach would be to amend the Bylaws to create different classes of membership, some of which have the right to vote and of which do not. Any amendment of the Bylaws would require a vote of the membership, but this alternative would allow people who are currently members to still think of themselves as members.
- The third approach would be to amend the Bylaws to eliminate the election of Board members by the membership, which would make CCA more similar to other nonprofits, with mostly a Board-appointed Board. The City would still have some appointment power, as would the Cottagers.

Approved April 5, 2010

Mr. Taxman noted that there are competing interests of control through voting and affiliation and outreach. competing interests of control through voting and affiliation and outreach. Ms. Connelly expressed concern at the prospect of disenfranchising 75% of our current members by removing the title of "member." Discussion ensued. Mr. Polk moved that the committee pursue the first option in more detail and report back to the Board. Mr. Sanders seconded the motion. The motion passed unanimously (11 - 0, with two absent and two vacancies).

Mr. Meyer said that discussion of Ms. Woodberry's recommendations re: electronic notice and voting in the annual elections will be postponed to the April meeting.

**Building and Grounds Committee**

Mr. Gilbert asked that if anyone had any ideas to be presented to the Building and Grounds Committee, to please bring them to his attention.

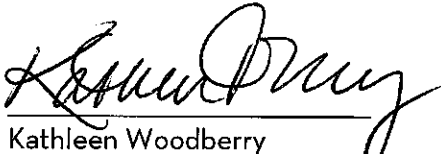
**VI. Executive Session**

The Board entered into Executive Session at approximately 9:00 p.m.

**VII. Adjournment**

The meeting adjourned at approximately 9:45 p.m.

Respectfully submitted,



Kathleen Woodberry  
Secretary, CCA Board of Directors