



**Minutes of CCA Board of Directors Regular Meeting  
Monday, September 24, 2018 6:00p.m.  
Rocky Mountain Climbers Club Room**

**Directors Present:** Nan Anderson, Henry Beer, Bill Briggs, Anne Clemons, Mike Franson, Bob Morehouse, Lisa Morzel, Bruce Neumann, Julie Rogers, Margaret Ryder, Cindy Schmidt, Dan Corson (via phone), Star Waring (arrived 6:13)

**Absent:** Linda Arroyo-Holmstrom, Frank Bruno

**Staff:** Shelly Benford, Charlotte O'Donnell, Sue Perkins, Wanona Tara, David Lurie, Jeff Medanich

**I. CALL TO ORDER AND DETERMINATION OF QUORUM**

Board President Cindy Schmidt called the meeting to order at 6:02pm and established that a quorum was present for the conduct of business.

**II. PUBLIC PARTICIPATION**

Emily Wehring, President of the Cottagers Association, explained that the Cottager's bylaws state that their president is automatically appointed to serve as cottage representative on the CCA board if the original appointee resigns. Ms. Wehring explained that based on this provision in their bylaws she should have been able to speak and vote as a board member in the August meeting. President Schmidt clarified that Chautauqua's bylaws state that in the event the appointee spot is open, the organization responsible for the appointee may appoint a replacement. If notification had been made of the official appointment, Ms. Wehring could have participated as the representative based on the CCA bylaws. However, because CCA was not informed that Ms. Wehring was appointed to the CCA Board, she was permitted to participate, not as a board member, but as a member of the public during the August meeting.

Other guests present were cottage owners Dick and Sherry Ramser and Bella Weber, whose family formerly owned a cottage.

**III. CONSENT AGENDA**


Ms. Clemons requested that the minutes of August 27 be removed from the consent agenda for further discussion. The 2019 Board Meeting Calendar and the resolution to update the new Treasurer as a bank signer remained on the consent agenda. Mr. Morehouse moved (Ms. Morzel seconded) to approve the remaining consent agenda. The motion passed (12-0-0).

**IV. APPROVAL OF MINUTES OF AUGUST 27, 2018 REGULAR BOARD MEETING**

Ms. Clemons noted that the attendance of Ms. Wehring was missing from the August minutes. Ms. Anderson moved (Mr. Briggs seconded) to approve the minutes of August 27, 2018 as amended to include Ms. Wehring's attendance as a guest via conference phone. The motion passed (7-2-3).

**V. ITEMS FOR DISCUSSION/INFORMATION**

Ann Goldman and Leslie Allen of Front Range Source (FRS) described the capital campaign readiness process, including creation of the preliminary case statement, analysis of potential donors, and evaluation of internal capacity and donor cultivation practices. The case statement will focus on the need for a new maintenance facility, or "Preservation Lab", and the subsequent restoration of Primrose. These projects will cost approximately \$2.7M, but the target amount is now \$3M,



which includes additional staff and other costs of a campaign. FRS's analysis showed that CCA's current donors mostly give small amounts, but many give frequently and consistently over several years. Recommendations for increasing internal capacity included the addition of staff dedicated to development, such as a development director, creation of more defined actions that board members can take to encourage stewardship, and revision of the gift acceptance policy. Public hearings required for a Preservation Lab will also have to be factored in to the timing of a campaign. Additionally, funding from historical grants or another 2A ballot measure could reduce the remaining needs.

The next step is for the board to vote on a feasibility study. The study would begin in early 2019 and include work towards formulating a case statement and 25 interviews with potential large donors. In this case, FRS recommends also interviewing 5 cottage owners given their unique involvement. The board would also form a committee to help guide the feasibility study process. If, following the study, the board decides not to launch a capital campaign, the recommendations and insight will still be helpful to implementing a major gifts program.

Ms. Goldman and Ms. Allen left the meeting. The board agreed to amend the agenda to vote on the prospect of a feasibility study before other matters. Ms. Ryder expressed concern about the ambiguity of the location for the Preservation Lab. Ms. Anderson added that a public process needs to be defined. **Ms. Anderson moved (Mr. Franson seconded) to contract a feasibility study by FRS. The motion passed (13-0-0).**

## **VI. MATTERS FROM BOARD MEMBERS**

### **A. President's Report**

Ms. Schmidt requested that board members send her topics they want to discuss at the 2019 retreat.

### **B. Governance Committee**

Ms. Waring highlighted the memo in the board packet about CCA's conflict of interest policy. Board members should speak up if they believe they may have a conflict with a topic being discussed. Mr. Briggs mentioned that the Governance Committee is now working on potential bylaw revisions to be placed on the ballot next summer.

### **C. Finance Committee**

Ms. Perkins stated that year-to-date results showed a net loss of \$34K, which was \$122K better than budget. Expenses were worse than 2017 and budget mainly due to items that did not qualify for capitalization and were therefore moved from the capital budget to operating expenses.

### **D. Spirit Committee**

President Schmidt announced that the Spirit Committee would be refining its scope statement and changing its name to the Community Connections Committee. A new scope statement will be presented to the board at the next meeting.

## **VII. MATTERS FROM STAFF**

### **A. Executive Director's Report**

Ms. Benford reported on the finale of the auditorium season and thanked Ms. Arroyo-Holmstrom for donating refreshments for Symbols of Resistance, the first Community House event.

Mr. Medanich reported on the State Historical Fund grant for the Auditorium roof replacement. Since the contract would place a covenant on this city-owned building, the contract will be included as part of the City Council consent agenda in an upcoming meeting.

## **VIII. ACTION ITEMS**



**A. Lodging Loyalty Program**

Ms. Clemons proposed that a task force be set up to look at the Loyalty Program in more detail. Mr. Lurie reiterated that staff's focus for the Loyalty Program is on adding value to the guest experience rather than giving discounts. Mr. Briggs suggested that the board address the conflict of interest which several members may have on this topic before voting and clarified that members should disclose if they believe they have a conflict and asked that those with a conflict of interest on this matter recuse themselves from voting. Several board members emphasized that potentially conflicted parties could participate in discussion, while recusing themselves from voting. Mr. Franson disclosed his recent and planned renting expenditures and recused himself from voting. Ms. Clemons and Ms. Ryder recused themselves from voting after being asked to do so. **Ms. Waring moved (Ms. Morzel seconded) to continue the current level of discounts through the summer of 2021 while increasing added-value rewards. The motion passed (9-1-0).**

**B. Budget Assumptions**

Mr. Neumann expressed concerns that net cash from operations has been decreasing and that the reserves format should be changed to comply with the annual audit. Ms. Clemons requested that more conversations be held about adjusting expenses rather than raising rental rates 3% annually. **Ms. Rogers moved (Mr. Morehouse seconded) to approve with 2019 Budget Assumptions with additional expense for the feasibility study. The motion passed (9-2-2).**

**IX. EXECUTIVE SESSION**

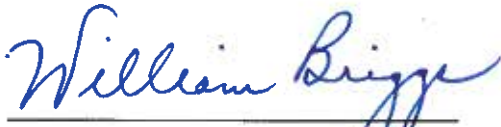
At 8:59 Mr. Briggs moved (Mr. Morehouse seconded) that the board go into executive session. The motion passed (13-0).  
At 9:23 Ms. Rogers moved (Ms. Anderson seconded) that the board leave executive session. The motion passed (13-0).

**Mr. Morehouse moved (Mr. Briggs seconded) to authorize the Executive Director to finalize a three-year contract, from 2019 to 2021, with Z2 Entertainment according to the contract details presented at the meeting and with the possible additions discussed by the board. The motion passed (13-0-0).**

At 9:24 Ms. Morzel moved (Mr. Morehouse seconded) that the board go into executive session. The motion passed (13-0). Ms. Anderson, Mr. Beer (recusing himself), and Mr. Corson (by phone) left the meeting. At 9:30 Morzel left the meeting.

**X. ADJOURNMENT**

At 9:40 Ms. Waring moved (Mr. Briggs seconded) that the board leave executive session and adjourn. The motion passed (9-0).

  
William Briggs, Secretary, CCA Board of Directors