



Colorado Chautauqua Association Minutes of the Board of Director's Regular Meeting November 18, 2019

Directors Present: Nan Anderson, Linda Arroyo-Holmstrom, Henry Beer, Bill Briggs, Frank Bruno, Anne Clemons, Dan Corson (via conference phone at 6:00pm, arrived in person at 6:20 P.M.), Shun-Luoi Fong, Mike Franson (via conference phone), Bruce Neumann, Margaret Ryder, Cindy Schmidt, Alice Trembour, Star Waring, Mary Young

Staff: Shelly Benford, Wanona Tara, Sue Perkins, Jeff Medanich, Debbie Stewart, Liza Purvis, Jason Hill, Adam Gillespie, Brandon Moynihan (CU Leeds Fellow)

Visitors Present: Lisa Morzel, Wendy Baring-Gould, Ben Gilbert, Millie Williams, Georgia Chamberlain, Catherine Long Gates, Kip van den Honert

I. CALL TO ORDER; DETERMINATION OF QUORUM

President Anderson called the meeting to order at 6:03pm and determined that a quorum was present for the conduct of business. She thanked Ms. Morzel for her service during her time as the City appointee and introduced new CCA board member and City Councilwomen Mary Young.

II. PUBLIC PARTICIPATION

Catherine Long Gates commented that she enjoyed seeing the diverse audiences at University for a Day, but was disappointed that tickets were originally much more expensive than tickets sold closer to the event. She also enjoyed giving a tour as part of the 3rd grade field trip again this fall and encouraged CCA to continue the program.

III. CONSENT AGENDA

The 2020 Board Schedule and the September 2019 Meeting Minutes were removed from the consent agenda. For the other items on the consent agenda, Ms. Schmidt moved (Mr. Bruno seconded) that the consent agenda be approved. The motion passed (15-0-0). For the calendar, Ms. Ryder recommended that the annual meeting be moved to July 20 to allow for more time for voting between the record date and the annual meeting. Ms. Ryder moved (Ms. Arroyo-Holmstrom seconded) that the minutes of the 2020 Schedule of Board Meetings be approved as amended. The motion passed (15-0-0). For the September minutes, Mr. Briggs and Mr. Corson suggested minor amendments to clarify statements regarding the Auditorium Green Room and the creation of a memorial policy. Mr. Bruno moved (Ms. Waring seconded) that the minutes of the September 30, 2019 Board Meeting be approved as amended. The motion passed (15-0-0).

IV. MATTERS FROM BOARD MEMBERS

A. President's Report

President Anderson requested that board members send her topics that would they would like to discuss at the 2020 retreat.

B. Governance

Ms. Waring announced that given the conclusion of the election, the ad hoc Election Oversight Committee (EOC) was disbanded. Ms. O'Donnell presented an overview of the membership and election process and shared staff's recommendations regarding election software. **Ms. Waring moved (Mr. Beer seconded) to retain Audience View membership software, add clarifying instructions to the membership page of the website, and contract with eBallot "managed services" for future elections. The motion passed (13-0-2). Ms. Trembour abstained. Mr. Franson abstained due to difficulty hearing on the conference line.**

V. ACTION ITEMS

A. Revisions to Board and Committee Responsibilities

The Board discussed the updated Position Descriptions document, now called Board and Committee Responsibilities. Several additional amendments to the document were proposed. As an addition to the guidelines for general conduct, Ms. Trembour recommended adding "Official board business needs to be confined to board meetings." As an addition to the responsibility for leadership and governance section, Ms. Ryder proposed clarifying that "the board will guide the ED and act in the best interest of CCA." Several other board members recommended removal of another clause which discussed Committee member independence. Other formatting, non-substantive changes were made. The Position Description document previously stated that major changes to the policy should be seen at two board meetings before being approved. Ms. Ryder moved (Ms. Clemmons seconded) that major changes to the Board and Committee Responsibilities should be required to be reviewed by the board at two meetings. The motion failed (5-9-1). **Mr. Briggs moved (Ms. Schmidt seconded) to approve the Board and Committee Responsibilities as amended. The motion passed (15-0-0).**

VI. MATTERS FROM BOARD MEMBERS (Continued)

A. Finance Committee

Mr. Bruno reported that the Committee has reviewed the budget and recommends board approval.

VII. ACTION ITEMS (Continued)

A. Approve 2020 Operating and Capital Budgets

Ms. Perkins presented the 2020 budget. The budgeted revenue projection of \$6.7M resulted from an increase in the nightly lodging rate and occupancy, contract negotiations, and greater income from development. The revenue target does not include any investment income given the unpredictability of the market. Expenses of \$5.7M include the typical increase in salaries and related expenses and an additional 1.5 FTE. A change in health insurance provider is slated to reduce related expenses in 2020. For the capital budget, Ms. Perkins stated that several projects, including the auditorium roof, are dependent on receiving grant funding and otherwise will not be carried out. Additionally, Ms. Benford explained that after each reforecast staff evaluates whether to start new projects throughout the year. Staff is furthering the goal of aligning capital spending with depreciation and focusing on balancing deferred maintenance. Ms. Ryder commented that during the current up economy we have dipped into the reserves for capital spending. She inquired as to what CCA would do if there was a downturn in the market. Ms. Perkins explained that the budget is based on the 2019 reforecast and represents a medium-case prediction rather than one that is overly positive or negative. **Mr. Bruno moved (Mr. Briggs seconded) to approve the 2020 Capital and Operating Budgets as presented. The motion passed (15-0-0).**

VIII. MATTERS FROM BOARD MEMBERS (Continued)

A. Buildings and Grounds Committee

Mr. Corson encouraged board members with questions about the Auditorium Green Room to send them to Ms. Benford. Ms. Trembour inquired about the HVAC unit outside of Galey Cottage. Mr. Medanich explained that other locations jeopardized the structure of the cottage given the lack of foundation. Mr. Corson added that the location of the HVAC was approved as part of the City's process. Mr. Corson stated that the creation of memorial guidelines does not yet have a scheduled completion date and a consultant has not yet been hired.

B. Community Connections and Development Committee

Ms. Schmidt presented the charter for the new Development Committee, separate from the Community Connections Committee. **Ms. Schmidt moved (Mr. Corson seconded) to approve the formation of a Development Committee as presented. The motion passed (15-0-0)**

IX. EXECUTIVE DIRECTOR REPORT

Ms. Benford welcomed Ms. Young to the board. She thanked all those who have volunteered for Winterfest so far.

V. ITEMS FOR DISCUSSION AND INFORMATION

A. Cottager Additional Rent Memo

In response to inquiries received from Cottage Owners, Ms. Benford prepared a memo regarding the Additional Rent sum as designated in the 2015 subleases. Ms. Perkins explained that the auditor recommended against creating a separate entry for the amount collected. Instead, the amount collected is included as a footnote in the financial statements and tracked internally. Mr. Hill stated that the Additional Rent is used for ongoing infrastructure projects including curbing replacements and road repairs. If the City requests an investment for larger infrastructure projects in the future from

CCA, it will likely exceed any remaining funds collected as part of the Additional Rent. However, under the current sublease, regardless of the total cost of any infrastructure projects, the cottage owners will not be required to contribute any more than the Additional Rent of \$2,400 per year. Mr. Neumann and Ms. Ryder expressed concern that the current internal tracking is unsatisfactory. Mr. Neumann moved (Ms. Ryder seconded) that the board refer the matter back the Finance Committee for discussion. Mr. Bruno explained that the advice of the auditor and legal team should be followed, and it would not make sense for Finance Committee to handle the matter differently. The motion failed (3-11-1).

B. Other Items

Mr. Bruno introduced the recommendation of the Finance Committee to remove the money currently invested in the Market through First Western Trust. Five years ago, \$750K was invested with the intention to evaluate the returns after five years. Ms. Perkins explained that CCA currently holds another \$1M in CDs. **Mr. Neumann moved (Mr. Bruno seconded) to close the account with First Western Trust. The Finance Committee will provide a recommendation of what to do with the funds. The motion passed (15-0-0).**

VI. ADJOURN

At 9:15 pm, Ms. Schmidt moved (Mr. Beer seconded) that the meeting be adjourned. The motion passed (15-0-0).



Star Waring
Secretary, CCA Board of Directors