



FINAL APPROVAL BY BOARD

Colorado Mountain Club
Board of Directors Meeting
American Mountaineering Center
April 22, 2017 – MINUTES

8:20am Welcome and Call to Order – Matt Biscan

8:20am Attendance – Jeff Flax

Present: Matt Biscan (President), Bill Flaherty (Treasurer), Jeff Flax (Secretary), Kevin Duncan (Trustee Emeritus), Jason Kolaczowski, Linda Lawson, Bruce McClintock, Mark Schaible, Liz Stahura, Matt Stevens, and Chantal Unfug.

Present by phone: Dan Cummings.

Not present: John Marotta (Vice President), Craig, Clark, Rachel Miller, Scott Otteman, Dave Swinehart, and Stephen Szoradi.

Staff present: Scott Robson (Executive Director), Chun Chiang (Director of Finance), Jay Cordes (Development Director), Lauren Shockey (Membership Manager), and Rachel Vermeal (Membership and Marketing Director).

Colorado Mountain Club Foundation (CMCF): Steve Bain, Katie Blackett, Steve Bownowski, Kent Groninber, Art Hogling, Gary Mintz, Sherry Richardson, and Karen Schwartz.

8:20am CMC Foundation Report – Steve Bain

CMC State Board and Colorado Mountain Club Foundation (CMCF) members had a lengthy discussion among Board members and CMCF guests about goals and objectives for the club. These included the Board's fiduciary duties, long-term stability, financial viability, focus on issues of importance to members, younger members, kids, and club

leaders. A list was of items offered by Board members and guests. The list was subsequently distributed to CMC and CMCF Board members and staff.

CMCF funds are very restricted by donors.

9:35am Agenda Additions and Adoptions – Matt Biscan

Discussion about the AAC **Excellence In Climbing Awards** given on June 3rd at the Westin.

9:35am Member Comment Period – Matt Biscan

Steve Bonowski discussed the stewardship program, and specifically the U.S. Congress House Bill H.R. 1339 as it applies to opening mountain biking in wilderness areas (currently banned). The CMC has joined with three other Outdoor Alliance members and conservation groups addressing this issue affecting public land policies.

Kevin Duncan (CMC Board Trustee Emeritus) discussed the initiative with the Kent School for 11th graders meeting certain climbing of approved 14ers receiving CMC memberships.

Kevin Duncan discussed an ongoing effort to obtain land use rights of a mountain property for CMC's use. The property would offer CMC schools, trips, and other activities on the mountain land, which would include elevation and snow-covered areas.

9:35am Minutes from January 2017 Meeting – Jeff Flax

PASSED UNANIMOUSLY (Moved by Mark Schaible and seconded by Linda Lawson).

9:45am State Council Update – Matt Biscan

Five groups have approved the proposed changes to the State Constitution and Bylaws. Jeff Flax will be contacting the smaller CMC groups seeking their approval for the proposed changes. The State Constitution requires 2/3rds of the groups and 2/3rds of each group's members (as represented by each group's council) to approve the proposed changes to the state constitution, and the addition of CMC charter. The Denver, Boulder, Denver, El Pueblo, and Pikes Peak Groups have approved the changes. Ft. Collins is still considering the changes and their questions will be addressed by Matt Stevens. The goal is to receive sufficient approval of the groups to formalize these changes at the next State Board meeting. These provisions would include State Council electing the five new Board members as provided in the revised (and approved) State Bylaws.

9:50am Finance Report –

(1) Bill Flaherty (Treasurer) – revenue is up 20% over last year, 10% over budget, and expenses are 3.6% below budget.

(2) Chun Chiang (staff Director of Finance) – FY2016 was a good year. The FY2017 budget has been adjusted for growth based on revenue. Expect end of year cash may be possibly about \$20K higher. Cash management is expected to be favorable, even though it drops during the summer until SCFD funds are received. Currently have 30 days cash-on-hand, which should be increased to 90 days. There was no need to utilize the CMCF line of credit. AT had two canceled trips, one of which was related to a permit issue. Philip Swiny will now manage permits. Member contributions continue to be an issue.

(4) The Finance Committee met on April 19, 2019 and approved the finance report provided by Chun.

(4) Jay Cordes – Development Director – spoke briefly about contributions issue, as well board contributions, and the summer campaign.

MOTION TO ACCEPT FINANCIAL REPORT

PASSED UNANIMOUSLY (Moved by Chantal Unfug and seconded by Bruce McClintock).

10:00am Report on Smaller CMC Groups – Scott Robson

We are working with the smaller groups regarding the budget and accounting submissions to the state office. This issue was identified in the auditor's comments. Some of the groups have nothing more than their checkbooks. Specifically, Long's Peak may merge with Longmont, Aspen has a new chair who is being contacted, and Shining Mountains would like to merge with Ft. Collins. Some of the other smaller groups are not active and have not had trips in some time. Audit show progress overall. The cash position is positive, in part due to the transfer of Denver Group funds.

10:05pm Database Needs/Web Committee Report – Jeff Flax

The web committee has completed its work after substantial time involving the committee and staff. The committee reviewed many options that would potentially meet the club's requirements for a replacement to the current website and database platform used to manage the club's data. The committee determined that there were two Customer Relationship Management (CRM) platforms that meet our needs. Each would use a third-party company to provide the installation and support. After an analysis of the total cost of ownership (TOC) over three and five years it was determined by committee that Microsoft Dynamics 365 would be the best platform in terms of

extensive functionality, and cost initially and in subsequent years. Nextec was selected as the company that would be the third-party as described above.

A presentation was made to the Board detailing the needs of the club, how the CRM platform work, the steps to implement the solution, comparisons between the two finalists (including the TOC for each), why Microsoft's Dynamics 365 was selected, and the initial estimated costs at \$275K. Their estimate would be staged as described to the Board. The first step, called discovery, would involve a much deeper examination for the club's current system, specific requirements for members and staff, and user stories and focus groups involving staff and members of various interests across the club. The discovery cost is up to \$10K. The club could decide to proceed with the discovery phase without a commitment for the remainder of the system. Several Board members commented that the new platform was badly needed to manage the club. A capital campaign would be required and conducted by staff and the Board's Database/Web Funding Committee. It was suggested that the project be named to promote the system to club members and other sources of funding. The platform should include a membership auto-renew function to improve club revenue and member retention.

MOTION TO ACCEPT COMMITTEE'S RECOMMENDATION TO RETAIN NEXTEC TO IMPLEMENT MICROSOFT'S DYNAMICS 365 UP TO THE INITIAL LIMIT OF \$10K FOR THE DISCOVERY PHASE, AND TO THEN DETERMINE WHETHER TO PROCEED WITH THE IMPLEMENTATION OF THE PLATFORM.

PASSED UNANIMOUSLY (Moved by Brice McClintock and seconded by Liz Stahura).

It was recommended that the determination to proceed with the project after the discovery phase would only be made once the club has the entire funding on-hand. A long discussion was held about various funding sources for the project, including sources to begin the project over the initial 15 weeks. A discussion was held about the initial determination for the need of a website by the club many years ago and the capital campaign that was held for the project and the procurement of the American Mountaineering Center building.

11:45am Committee Reports

Finance Committee – detailed above.

Database/Web Committee – detailed above.

Database Funding Committee – detailed above.

Governance Committee – continuing to seek group's approval of the repeal of the State Constitution, which would be replaced with a club charter and bylaws that have already

been approved which would accommodate an additional five Board members as selected by the State Council.

Risk Management – evaluating certification for AIARE and AMG. There will be more focus on schools across the state for the standardization of curriculum and tuition. This includes the main groups, which offer schools (Denver, Boulder, Ft. Collins, and Pikes Peak). Want club to be the premier outdoor education in Colorado. A discussion was held about whether and how to expand club beyond our existing population. There may be insurance implications as the club extends into other areas of activity.

Development – Preparing more detailed report.

11:50am Strategic and Operations Plan – Scott Robson

Developing framework for new strategic plan. The current plan sunsets in 2017. Scott is working with Board's Executive Committee on a new plan. The two-year plan would be flexible and dynamic that is significantly shorter identifying the club's goals and landscape on outdoor conservation and activities. The plan would include: (A) mission statement; (B) Organizational chart of groups, Board and staff; (C) increasing membership, increase net revenue, deliver best school education, stewardship, and programming, decrease organizational exposure and risk, and implement financial and operational controls; (D) develop operational strategies; and (E) produce draft overview of plan. The specific operational strategies would be detailed in a separate document. The plan would be submitted for Board approval. Would work with staff on implementation, including specific written work plans. The Strategic Plan would be updated yearly including budget changes and updates, funding strategies, review and approval of annual group budgets (with which the Board would become involved – not currently done). This would meet club's fiduciary responsibilities, transparency, and compliance with auditor's report and recommendations.

A goal is to increase club's state-wide visibility. The detailed goals and strategies would be reviewed every two years, which would then be approved by the Board. This would include operational strategies, meeting staff goals, staff performance reviews and metrics, and staff annual work plans. This may require changes to the KPI reports and action plans. The goals in the strategic plan would also include goals and exposure by volunteers. The professional staff would oversee operational functions, including AT (including insurance risks in certain countries), risk mitigation, school budgets, outdoor schools, safety and operations, instructor training, school curricula, and the possibility of hiring AMG guides for certain courses.

There are two staff hires planned, including school's coordinator (reporting to Philip) and AT manager. Press is doing well and self-funding. AT has canceled trips and has budgetary issues. A business plan is required for AT. The goal is for outdoors schools to be self-funded. A recommendation was made to include club school directors in

transition to state school management, as well as Board involvement to ensure accountability and a role in the changes. An additional recommendation was made to follow points of club's mission statement in development of changes to existing group schools. Working the AMC on the management of the building, including the museum.

The CMCF is also involved in an updated strategic plan.

12:12pm

**Motion to Adjourn
PASSED UNANIMOUSLY**

Respectfully Submitted:

/s/

Jeff Flax, Secretary
Colorado Mountain Club State Board of Directors