



Visit Estes Park
The Destination
Marketing Organization
VisitEstesPark.com

Board of Directors Policy Based Board Governance Retreat March 20, 2017

Board Members Attending: Steve Kruger, Morgan Mulch, Charley Dickey, Lindsay Lamson, Adam Shake, and David Ciani.

Board Members Absent: Cody Walker (Town Trustee Liaison)

Also Attending: Mark Holdt

Elizabeth Fogarty, President and CEO, Visit Estes Park

Michael Bodman, Finance & Administration Manager, Visit Estes Park (taking minutes)

Chair Kruger called the meeting to order at approximately 8 a.m.

A. Action Items:

1. Approval of Agenda

Mulch moved to approve the agenda, Lamson seconded, and the board approved 5-1 with Dickey opposed.

B. Discussion Items and Reports:

1. Mark Holdt with Sage Mountain Consulting – Policy Based Board Governance

Holdt outlined what policy based governance is about: (1) Clarifying the roles of the board and management, (2) Focusing on long-term organizational outcomes, (3) Establishing a clear accountability system, (4) Providing continuity in direction, (5) Empowering the board to lead the organization, and (6) Empowering the CEO to run the organization.

The Board discussed if there's a community perception that the lodging industry is receiving more attention from Visit Estes Park than other stakeholders. The Board discussed how lodging and other industries are all connected. In addition, the Board discussed how, on the one hand, outreach and education continue to support the organization's transparency efforts; and how, on the other hand, you can't please everybody all the time and there will always be a small vocal minority who choose to ignore facts and can't be pleased no matter how much education and transparency is provided. It was expressed that the organization must respond to the majority to remain on track and keep the board's strategic direction moving along.

The board agreed on the importance of being public and visible (i.e., showing not telling). Furthermore, the Board agreed, without objection, that the lodging industry is no more nor less an owner than other stakeholders and that the local lodging community understands and supports this as well. It was discussed how, in the past, there were issues with Board members not being positive about the organization in the context of their day-to-day community interactions. The Board agreed that being positive about the organization at all times is part of their role and duty as Board members in the context of policy based governance and fiduciary duty.

Holdt asked CEO Fogarty what percentage of time in the past few months has been spent on media distractions, intrigue, legal matters, and politicized issues as opposed to destination marketing. The CEO and the board agreed on a recent time percentage of 80-90% spent on political, legal matters and media intrigue. The Board discussed whether anyone has a problem with not speaking to the media independently without first consulting with the Chair or the CEO. None of the board members present at the meeting objected.

Holdt discussed how operational questions should go to the CEO while governance questions should go to the Board. Holdt clarified this issue for the Board during the discussion about “addressing public questions/concerns” in the goal clarification exercise. Holdt went through a detailed list of issues during the goal clarification exercise on pages 8-9 of the presentation, and the Board was educated on which issues are operational, governance, or both. No one objected to the answers Mark and the board provided.

Holdt suggested that a community roadshow (e.g., Rotary) to present the strategic plan could be helpful. He also noted that the strategic plan could be stamped “draft” for up to a year during which time the community could provide input.

Provided that the Visit Estes Park bylaws do not prohibit non-Board members from serving on committees, Holdt encouraged the Board to consider putting public members on committees. The Board also discussed becoming more active in forwarding information on suitable candidates to the Town and the County with respect to filling vacant Board seats.

Holdt outlined a typical executive limitations policy and the advantages of having executive limitations policies. In addition, Holdt outlined the policy monitoring process:

- The Board speaks with one voice or not at all;
- Board decisions should be policy decisions;
- Ends determination is the pivotal duty of board governance;
- Boards first develop the biggest policies, then develop smaller policies;
- A Board should plan and delegate, rather than react and ratify;
- The Board can best control staff means by limiting, not prescribing;
- A Board designs its own processes;
- The Board acts as a Trustee;
- A Board must form an empowering and safe linkage with management; no single linkage is as important as that between the Board and the CEO; and
- CEO performance must be monitored only against policy criteria; the performance of the organization equals the performance of the CEO.

The Board agreed that it would be appropriate for the Chair to meet with the Town Board and the County Commissioners regarding the policy based governance initiative under development, and how Visit Estes Park is pro-actively engaged in enhancing the capabilities of the Board and its ability to execute. Holdt offered to join the meetings. The Board also discussed making sure VEP shares across multiple avenues to make the public aware of VEP's board governance work.

The Board agreed that enhancing the board orientation package would be helpful, especially if it could be developed and presented by an outside expert, possibly by the policy based board governance contractor.

Public Comments - Please state your name & address. We allow three minutes for public comment. N/A.

Board Comments - N/A.

C. ADJOURN

Mulch moved to adjourn the retreat, Dickey seconded, and the Board approved unanimously at approximately 12:05 p.m.



Michael Bodman, Recording Secretary



Steve Kruger, Chair

DATE: 6-14-17

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