



Visit Estes Park  
The Destination  
Marketing Organization  
VisitEstesPark.com

# Board of Directors Regular Meeting June 14, 2017 \*Amended Minutes

**Board Members Attending:** Steve Kruger, Lindsay Lamson, Adam Shake, Charley Dickey, Cody Walker (Town Trustee Liaison), Sean Jurgens, and David Ciani (by telephone).

**Also Attending:** Kyle Patterson, Dan West, Zach Clemens, Mark Holdt, Paula Scheil, Ken and Carrie Arnold, and Michael Fogarty.

Elizabeth Fogarty, President and CEO, Visit Estes Park  
Michael Bodman, Finance & Administration Manager, Visit Estes Park (taking minutes)  
Jonathan Chmil, Lyons Gaddis, Visit Estes Park Attorney  
Kathy Asche, C.P.A., Visit Estes Park Accountant

The meeting was called to order by Chair Steve Kruger at approximately 1:00 p.m. Shake moved to enter the meeting, Lamson seconded, and the board approved unanimously.

## A. Action Items

### 1. Approval of Agenda:

Dickey commented that the board should change the agenda by moving board officer positions from action to a discussion item because he said there was no information provided about what action was to be taken beforehand. Lamson noted that Dickey has raised the discussion issue of board officer positions in the past.

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

### 2. Swearing-In of Board Member Sean Jurgens:

Chair Kruger read the oath of office, and Jurgens repeated accordingly. Kruger noted that board member Morgan Mulch had resigned from the board, effective immediately.

### 3. Approval of Revised 03-20-2017 Board Meeting Minutes

Dickey asked what was changed since the last time the minutes were presented to the board. Fogarty replied the last sentence on page two was changed, per Dickey's request at the last meeting, where it states that the board will share information across multiple avenues to make the public aware of VEP's board governance. Dickey commented that he is concerned about the editing process for the minutes, and whether the board has an adequate understanding of what has and what hasn't been changed. Lamson replied that word-smithing things on a word-for-word basis is beside the point. The board should be looking at whether the minutes accurately summarize the issues discussed. Shake stated that minutes are always edited. Dickey expressed a further concern about how the public is able to correct the minutes.

Kruger replied that Dickey was taking the board off-topic since the issue at hand was approval of the revised 03-20-2017 minutes.

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

4. Approval of 05-16-2017 Board Meeting Minutes

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

5. Board Officer Positions

Kruger noted that in the past Dickey had requested that Kruger turn over his Board Chair position to someone else. Kruger asked the board if it would like to replace the current Board Chair with another member of the board. Dickey moved to have a vote on the Chair position, but Dickey did not specify who that other person should be, Ciani seconded, and the board disapproved 5-1 with Dickey the only vote in favor. Kruger asked for a motion to remove Dickey as Secretary/Treasurer. Kruger cited (1) Dickey's refusal to sign checks at the conclusion of the last board meeting, (2) Dickey's refusal to sign/attest to resolution 03-17 in his capacity as Secretary, which was approved 4-1 by the board at the last meeting and, at the request of Dickey, had Dickey's officer position of Secretary on it for signature/attest, and (3) Dickey's refusal to comply with approved board policy that board emails shall not be shared publicly, to protect confidential information. Based on these reasons, Kruger maintained that Dickey was not fulfilling his fiduciary duty.

Lamson commented that he observed Dickey refuse to sign/attest to resolution 03-17, and refuse to sign checks and, based on those refusals, Lamson believed that Dickey effectively resigned his position as Secretary/Treasurer by not doing what he was elected to do (i.e., sign/attest in his capacity as Secretary to a resolution approved by the board and sign checks in his capacity as Treasurer). Lamson added that he was concerned about the foul language used by Dickey - when staff, thinking that Dickey did not understand the first request to sign/attest to board resolution 03-17, went out into the parking lot to make a second request for attest/signature on board resolution 03-17.

Dickey replied that, "I was never asked to sign those" documents. Kruger replied that he specifically asked Dickey to sign checks, Dickey refused, and walked out the door at the conclusion of the last meeting. Dickey stated that, "I did not use any foul language" when talking to staff. Dickey said that he told staff what he was told before that, staff "was making me feel very uncomfortable, very uncomfortable, and I suggested that [staff] leave because I was starting to feel aggressive." Dickey added, "Chair Kruger never asked me to sign the documents." Dickey maintained that it was his questioning of board policies and procedures, or lack thereof, including the inability of the board to control budgetary spending of the CEO, that brought the board to this point. Dickey stated, "Go ahead. But you are making a statement when you do that." Kruger replied that his decision to entertain a motion to remove Dickey as Secretary/Treasurer had nothing to do with anything Dickey had said in previous meetings about finances and budget, but rather it had everything to do with Dickey's conduct (i.e., refusing to sign checks and board resolution 03-17) at the conclusion of the last meeting.

Lamson contradicted Dickey's statements about the inability of the board to monitor and control finances and budgetary spending. Lamson noted that Visit Estes Park relies upon an independent third-party C.P.A. to ensure financial and budgetary controls and compliance. Moreover, Lamson noted that Visit Estes Park has received a clean audit opinion from an independent auditor every year, with the Town of Estes Park looking over that audit. In this connection, Lamson asked for the opinion of Visit Estes Park Accountant Kathy Asche, C.P.A., on whether Visit Estes Park has sufficient budgetary controls in place. Asche confirmed that Visit Estes Park does, in fact, have very good and sufficient financial, spending, and budgetary controls in place, which is evident by the organization's clean audit opinion received every year, and the reliance on an independent, state-licensed, third-party C.P.A., as opposed to internal Visit Estes Park staff alone, when managing accounting and finances. Asche also

noted that Visit Estes Park has adopted many of the same financial policies and procedures as the Town of Estes Park because Visit Estes Park is reported on the Town's Comprehensive Annual Financial Report (audit report) as a component unit of the Town for financial reporting purposes. Visit Estes Park Attorney Chmil confirmed that his legal opinion was that Visit Estes Park was in good condition when it comes to finances, spending, and budgetary controls, contrary to false allegations made by Dickey.

Shake stated that he believed that the accusations against Dickey were accurate, even though Shake was not there to witness things, because Shake had conversations with several people who were there to witness events as they transpired. Shake maintained that he believed that Dickey refused to sign checks, refused to sign resolution 03-17, and treated staff in an unprofessional, bordering on verbally abusive, manner.

Lamson moved to remove Dickey as Secretary/Treasurer, Ciani seconded, and the board approved 5-1 with Dickey the only vote in opposition.

Kruger asked for a nomination for a new Secretary/Treasurer. Lamson nominated Jurgens, Jurgens accepted the nomination, Shake seconded, and the board approved 4-0 with Dickey abstaining from the vote and Jurgens not voting for himself.

## **B. DISCUSSION ITEMS AND REPORTS**

### **1. Town Board Liaison Update:**

The liquor license for the Barrel and All Seasons' Bistro got approved. Height measurement of downtown buildings was approved. Housing density proposals are under consideration. The sidewalk sale during Farmers Market was approved. There is a need for more members on the Family Advisory Board. The Mountain Pack Monument letter was not signed by the Town Board. Walker expressed confidence in Jurgens as a new VEP board member.

### **2. RMNP Update – Kyle Patterson, RMNP Management Specialist/Public Affairs Officer:**

Pavement preservation efforts are underway. Trail Ridge Road did not open for Memorial Day weekend due to a large snowstorm in late May. Patterson shared a Parents Magazine article that highlighted RMNP.

### **3. VEP Board Strategic Plan & Board Process Policy – Sage Consulting Mark Holdt:**

Holdt went through his presentation, and the board contributed their thoughts as he went along. Not everything in the bylaws has a place in board policy documents, according to Holdt. Shake noted that the board does not manage operations but rather takes a high-level strategic viewpoint. The board agreed to add state statute to scope of activities based on a comment by Dickey. Board member position descriptions are a best practice, according to Holdt. Jurgens said that he would appreciate a position description as a new board member. It is common to combine Secretary/Treasurer as one position for a board the size of VEP, according to Holdt. The CEO should be cc'd on all email correspondence from committee members, according to Holdt. Lamson commented that leasing might be a way around the legal restriction on capital spending by DMOs.

### **4. CEO Update – Financial Report & Updates:**

Fogarty reviewed the current financial situation. The total received in the month of April was 7.88% lower than last year. When adjusted for late and missing payments, however, the difference is estimated to be 8.02% higher than last year. The total received year-to-date (YTD) through April 2017 is up 8.60% compared to the same four-month YTD period last year. Adjusting for late and missing payments, the YTD change is estimated to be up about 10.58%. For the winter season, defined as December through February, lodging taxes were down -2.41% compared to the same season last year. Adjusting for late and

missing payments, the winter season is estimated to be up 15.18%. The Town of Estes Park's 2016 audit took place. The audit results should be ready sometime later this summer. Fogarty noted that Estes Park received more grant money than any other destination in the recent round of CDBG Disaster Relief grant applications. The higher amount received by Estes Park was due in part to Visit Estes Park's excellent performance and accountability indicators, thereby providing an accountable economic impact that the state recognized as impactful. Fogarty distributed an outreach and transparency handout to the board. She asked if there was anything that needed to be added or if anything was missing that VEP should be focusing on and isn't. None of the board members requested any changes to VEP outreach and transparency. Fogarty distributed a copy of the CEO performance goals, as requested by Dickey. She also distributed copies of the 2016 VEP Annual Report stating that additional metrics and data are added each year to the report.

**Board Comments:**

Kruger stated that he was concerned about Dickey's behavior at the last meeting, where Dickey became verbally abusive towards a VEP staff member, and noted that it was not an isolated incident. In the past, Dickey wrote an email apologizing for his behavior to two VEP staff members, with Dickey indicating that he let his emotions get the best of him. Kruger stated that Dickey should consider resigning from the Board.

Shake took exception to public comments made by Dickey at the last Town Board meeting. He stated that the majority view is what prevails. Shake added that Dickey's concerns are frequently operational rather than policy level or strategic, which is where board members are obligated to work. Public input is not being stifled, according to Shake, and if any audio recordings were lost, it was not due to malintent or secrecy. It is not uncommon for organizations to have one designated person as a media spokesperson. CORA is an act of transparency, according to Shake. Minutes are always edited, and that does not mean that the legal basis is questionable. Three EALA Board members on the VEP Board does not make up a majority vote, and the Town Board and County Commissioners were well aware of any EALA affiliations prior to appointment to the VEP Board. Apparently, the Town and County found no inherent conflict of interest between EALA and VEP.

Lamson stated that he was flabbergasted when he listened to Dickey's public comments at the last Town Board meeting. Dickey requested that all VEP Board members be removed from office, except for Dickey himself, according to Lamson. Lamson stated that Dickey's intent seems to be to undermine VEP as an organization.

**Public Comments:**

Paula Scheil. 1710 Fall River Road. Scheil stated that her business is way up, with a 212% increase in RevPAR, thanks in large part to Visit Estes Park. Dan West. 351 Moraine Ave. West stated that it would be better to have public comment at the beginning of the meeting, not the end. West expressed reservations about the way that the meeting between VEP and the Trail-Gazette was presented at the last meeting.

**5. ADJOURN**

Lamson moved to adjourn the Board meeting at approximately 4:30 p.m., Shake seconded, and the Board approved unanimously.

  
Michael Bodman, Recording Secretary

DATE: 9-6-17

  
Steve Kruger, Chair

DATE: 9-6-17