



Visit Estes Park  
The Destination  
Marketing Organization  
VisitEstesPark.com

# Board of Directors Regular Meeting Minutes

Monday, December 4, 2017, 1:00 p.m.  
Town Hall Board Room, 170 MacGregor Ave

**Board Members Attending:** Sean Jurgens, Pat Murphy, Anne Morris, Stefano Tomasello, Lowell Richardson, Chris Amundson and Adam Shake (arrived late)

**Also Attending:** Mark Holdt, Jon Nichols, Carrie & Ken Arnold, Zach Clemens, Deborah Gibson, Michael Fogarty, Jim Pickering, Brian Press, Josh Westmoreland and Scott Webermeier

Elizabeth Fogarty, President and CEO, Visit Estes Park  
Michael Bodman, Finance & Administration Manager, Visit Estes Park (taking minutes, backup)  
Wendi Bryson, Operations Manager, Visit Estes Park (taking minutes & coordinating recording)  
Jonathan Chml, Lyons Gladdis, Visit Estes Park Attorney  
Kathy Asche, C.P.A., Visit Estes Park Accountant

The meeting was called to order by Sean Jurgens at approximately 1:00 pm.

**Public Comment:** Brian Press congratulated Elizabeth Fogarty and staff on a good job with the budget and operating plan. He expressed some concerns about some fluctuations between the 2016 actuals and the 2017 budgets.

## A. Action Items

1. Approval of Agenda

Amundson motioned to approve the agenda, Morris seconded, and the board approved unanimously

2. Approval of 11/21/2017 Regular Board Meeting Minutes

Morris motioned to approve the 11-21 regular meeting minutes, Amundson seconded, and the board approved unanimously

3. Approval of 11/21/2017 Executive Session Meeting Minutes

Amundson motioned the approve the 11-21 executive meeting minutes, Richardson seconded, and the board approved unanimously

#### 4. Sage Consulting Contract

Morris motioned to approve the continuation of the Mountain Sage consulting contract, Jurgens seconded

Amundson questioned when and who brought in Mountain Sage, what has been produced and how much has been spent on it. Jurgens confirmed that Mountain Sage was contracted about a year ago and that was done by the board chair at the time Scott Webermeier. Jurgens explained that Mark Holdt had helped with the board governance training and strategic plan. Amundson asked if the senior board members thought that the process had been beneficial so far or a distraction. Jurgens stated that he thought the it had been beneficial and that finishing the remaining two steps would give the board a clear definition of how they should operate moving forward. Shake agreed that it had been beneficial and a lot of time had already been spent on the process by the board and the community. Shake feels that to stop now when the board is so close to finishing is a waste of time and money. Morris shared that she thought Mark could offer an objective voice of experience while the board goes through it's strategic planning. Amundson asked about the time commitment for the final two stages. Morris expressed concern that without Mark Holdt's help that the board could get off track on making the strategic decisions. Richardson stated that he thought the strategic plan was very ambitious and that he thinks it far exceeds what is needed currently. Richardson feels that there are other things that should be a priority ahead of the policy based board governance. Jurgens stated that the two remaining components, ends and executive limitations, were two things that the community was expressing concern with and would be important to address. Richardson stated that the organization would probably cease to exist in six months, so why should they spend money on an organization that does not exist. Shake asked Mark Holdt what the remaining time requirements the remaining two sections would need. Mark Holdt stated that the previous board had a draft version of the executive limitations policy done, but had not started on the ends policy yet. Mark Holdt explained how the board has been working on the policies in roughly a month time frame. Shake asked to verify with Mark Holdt that the discussions are generally an hour during the board meeting. Morris asked Richardson what he means by Visit Estes Park will be going away in 6 months. Richardson stated that he thinks it will be turned over to the local government based on comments made by a County Commissioner. Morris then asked if the marketing and taxes were just going to go away. Richardson said we would need to ask those organizations. Richardson went on to say that Visit Estes Park would cease to exist if we did not address the pressing issues first. Morris stated that she could not find where this state was coming from and what the end result was or any information on it. Richardson said that it was a public statement made by Commissioner Johnson stating that Visit Estes Park would be dead in the water if they don't address these issues. Morris wants to know exactly what those issues are and what the end state is going to be if they dissolve the organization. Amundson agreed that he reached out to Commissioner Johnson twice to discuss what the issues were and had been refused. Amundson asked Mark Holdt if there was an negative connotation to holding off for 30-90 days. Mark Holdt said that there weren't really any negatives, except for what Jurgens said about the executive limitations being one of the things the community was asking for. Elizabeth Fogarty provided the amount of money paid into the contract in 2016 (\$2,674) and 2017 (\$13,619). Amundson asked what the estimate was for 2018. Jurgens read \$2,750 per month and confirmed with Mark he was estimating four months. Amundson stated that it does address some policies that we need to get under control, and he feels that someone else is better suited to draft that policy.

The board approved the contract 5-2, with Tomasello and Richardson opposed.

**5. Approval of Resolution 05-17 Naming Bank Signatories**

Shake motioned to approve Resolution 05-17, Tomasello seconded, and the board approved unanimously.

**6. VEP Board Public Email**

Shake motioned to approve VEP board public email, Morris seconded.

Morris asked for an update on the board email accounts. Fogarty stated the board emails were ready to go, but it would take some time for the platform for public email. Shake asked who was working on that. Fogarty stated that MJT was working on it. Shake asked for more information on how this was going to work. Fogarty said it will be hosted on our website.

The board approved unanimously.

**7. National Park Proposed Increase**

Amundson motioned to approve, Shake seconded.

Shake asked for an update from Elizabeth Fogarty. Fogarty talked about the extension of the public comment period for the proposal, and that there have been a lot of opposition from other destinations regarding the increase.

The board approved unanimously.

**8. Amending Public Comment Policy**

Amundson moved to approve amending the public comment policy, Richardson seconded

Richardson talked about that the public is used to being able to give general comment and comment on subjects specific to action items during those topics. Shake asked if the amendment would be for public comment at the beginning of each action item. Amundson and Richardson corrected that it would be after the board discussion. Amundson amended his motion that public comment would be allowed on each action item after board discussion and prior to the vote. Richardson seconded. Shake asked that everything else would remain the same. Amundson asked if the first line could be struck. Everyone agree.

Amundson amended his motion that the first line of public comment policy be struck and

that public comment be allowed for each action item after board discussion and prior to the vote, Richardson seconded, and the board approved unanimously.

**9. Request to Enter Executive Session**

Executive Session for the purpose of discussion of a personnel matter related to the CEO pursuant to C.R.S. Section 24-6-402(2)(f) and 24-6-402(4)(b) to receive legal advice from the District's attorney on the CEO's contract.

Jurgens moved to go into executive session, Richardson seconded

John Chml pointed out that there was typo and that the first one should be section 24-6-402(4)(f) and asked that C.R.S. Section 24-6-402(4)(E) be added for the purpose of discussing matters related to the CEO that may be the subject of negotiations be added as well. John Chml then summarized the motion for Jurgens.

Jurgens amended his motion to Executive Session for the purpose of discussion of a personnel matter related to the CEO pursuant to C.R.S. Section 24-6-402(4)(f) and 24-6-402(4)(b) to receive legal advice from the District's attorney on the CEO's contract and C.R.S. Section 24-6-402(4)(E) be added for the purpose of discussing matters related to the CEO regarding negotiations, Richardson seconded, the board approved unanimously.

**10. CEO Elizabeth Fogarty's Employment**

Jurgens motioned to accept the resignation of Elizabeth Fogarty and approver her severance contract, Richardson seconded, the board approved unanimously.

**B. DISCUSSION ITEMS AND REPORTS**

**1. Media Communications**

Amundson thinks that the communications policy needs to be expanded to include the board. Richardson asked that the staff provide a draft for the next meeting. Jurgens mentioned that he thought that whomever the boards point of contact is should have some form of training on how to communicate with the media. Richardson stated that all the other public agencies he had looked at allowed all the board members to be points of contact to the media, but he agreed that any members that choose to speak to the media should be prepared for that in advance. Morris stated that if a board member does speak it should be attributed to that member. Shake cautioned against board members speaking to the media in reference to Visit Estes Park before running it by the rest of the Board. Richardson said that he understands the concern, and thinks that the how the information is shared could be managed by the policy. Amundson asked if the policy is changed that Mark Holdt could help draft the policy and training could be brought in at that time.

**2. VEP Representative on EDC Board**

Jurgens mentioned that Jim Pickering had emailed him about the VEP presence on the EDC board and requested that the board fills that position. Jurgens mentioned that Shake

works for the EDC, and Shake said that he was going to go ahead and recuse himself from the discussion since he is a staff member of the EDC. Jurgens asked for an explanation of what would be the expectation for the EDC Board appointment. Jim Pickering spoke about the EDC's need to get this position since Visit Estes Park is a charter member. Jurgens asked about the role of the member. Jim Pickering explained that it would be to represent Visit Estes Park and the taxing district on the board and the community as a whole. Meetings are once a month, every third Thursday of the month 3pm - 5pm. Jurgens asked if anyone would be interested. Richardson mentioned that normally he would, but he was involved in the development of the EDC and he was concerned there might be some misperceptions. Richardson went on to say that board representation should be as a liaison not a board member, because it has been seen as impropriety by the public in the past. Richardson went on to say it should not just be for the EDC but other organizations. Jurgens asked Jim Pickering if this was a voting member, and Jim confirmed that it was. Jon Nichols spoke up that whether the Visit Estes Park representative was a voting member would be something the EDC board could address. Jon Nichols went on to explain it was historically a voting member, because they felt it was important that it was an active member. Jim Pickering stated that it was important for the EDC to know what the issues are from the perspective of Visit Estes Park, and for Visit Estes Park to vote on those issues with the exception of anything that might be a conflict of interest. Jim Pickering mentioned that there were two representatives on the EDC board from the Town of Estes Park and they recuse themselves from anything that is a conflict for them. Richardson stated he thought the board needed to have a bigger discussion on what other boards they needed to be involved in, what boards it would be appropriate to have a vote and what was not. Jim Pickering stated that the board could contact the EDC when they made their decision. Jon Nichols extended an invitation for one of the board members to come to the next EDC meeting on the 14<sup>th</sup> at 2pm. Morris agreed that other board involvement needed to be discussed and volunteered to go to the EDC meeting on the 14<sup>th</sup> as an unofficial liaison. Amundson agreed that an official discussion on other board involvement was needed as well, and that the community needed to be involved in that discussion.

### 3. Detailed DOLA Budget Review

Fogarty spoke about where the 2016 data came from, and where the 2017 budget figures came from. Fogarty explained that the 2017 year end forecast tax figures were estimates as of September which was the last figures received. Fogarty went on to say that the October figures may be received before the next in which case those figures will be adjusted. Fogarty explained that currently the October through December figures were estimated based off of the previous year's figures. Fogarty stated that the expenses were calculated based on actual year to date expenses and the estimated expenses still outstanding. She went on to explain that we try to get those figures as close to accurate as possible. Fogarty explained that to be conservative in the proposed 2017 appropriation resolution 06-17 a 5% cushion was added to expenses to make sure that Visit Estes Park does not spend more than was appropriated since that is a violation of state law. She then explained that a 5% cushion was added to the revenue in resolution 06/17 as well, and that revenue that is not appropriated in essence has to be given back. Richardson asked about the difference in the budgeted and forecast in expenses. Fogarty explained that the reduction was due to the marketing position being unfilled most of the year and three large projects that were not done. Fogarty then moved to the 2018 budget and explained that the lodging tax was estimated at a 5% reduction in 2018 in an effort to be mindful of the proposed park fee increase and the end of three years of centennials. She

spoke about the ending fund balance being 21.29% of 2018 expenses. She gave the history of the ending fund balance amount and why the figure was set the way it was. Richardson asked about spending down the fund balance and said that it looks volatile. Richardson asked what the difference from 2017 budgeted expenses and forecasted year end was going to be spent on. Fogarty explained that the detailed DOLA budget shows where we are executing the funding carried over from the prior year. Morris stated that it looked like many categories were going up and if we were spreading that funding to those areas. Fogarty explained that everything she had talked about them not spending in 2017 was budgeted for in 2018. Fogarty went on to explain that there was the marketing position to fill plus an open part-time position in the proposed budget and there was an allowance for an additional full-time person. She went on to explain that an audit of the website, update for the website, economic and visitor studies as well as two destination analysts ongoing reports. Richardson asked how the strategic spending is determined. Fogarty explained that the spending is based on the strategic plan that was approved by the board. Richardson contested that it was not spelled out. Fogarty asked Richardson if he could give some direction on what he would like to see. Richardson agreed he could share some concepts. Morris asked the original board members if they could see the correlation between the strategic plan and the budget. Jurgens stated that he could see it. Shake agreed with Jurgens, and he said that he understands where Richardson is coming from. Shake explained that he can see in the budget where funds are shifted to follow the strategic plan, but he could see Richardson's point about how there wasn't specific detail. Richardson explained he thought there needed to be another fund in the budget that would be tracked separately for the unreserved fund balance in a simple way. Richardson questioned if the average citizen knew what a fund balance is. Fogarty stated she thinks the average citizen understands that a fund balance is carry over from the previous year. Fogarty went on to explain where the \$800,000 balance figure came from. Amundson asked if a separate document breaking it down would be easier rather than changing the accounting system. Richardson thought it would make things more complicated and wanted to sit down with the Amundson and Michael Bodman. Fogarty spoke about the increase of the personnel figures. She shared that the industry average for personnel costs is 37% and Visit Estes Park is currently 18%. Fogarty explained the difference between tax revenue and non-tax revenue. She explained that we are a pay as you go organization. Fogarty explained that increases in a line item is due to a decrease in another one or an increase in revenue. Amundson asked about the separate account for non-tax revenue. Amundson asked if the balance was reflected in the report. Fogarty answered yes and gave him the figure. Richardson clarified that tax and non-tax revenue isn't comingled. Fogarty explained that tax revenue is not allowed to be used on capital expenses unless the state amends the law, and that was why the funds are separate. Amundson asked if in the future that non-tax funds could be used on marketing. John Chml explained that yes it could, and went on to talk about that the statue limited only what the tax funds could be use for. Richardson asked Fogarty if she knew when that may be changed. Fogarty stated that they don't, and there are only 5 destinations that are funding by lodging taxes like Visit Estes Park in Colorado. She went on to explain that the state know that you can't continue to market the same thing every year and stay competitive. Amundson thanked Fogarty for all her work with the legislature on this and for leaving Visit Estes Park on such good footing.

## **Board Comments**

Shake apologized for being late to the meeting.

**Adjournment** - Shake motioned to adjourn at 3:40pm, Amundson seconded, the board approved unanimously.

  
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Wendi Bryson, Recording Secretary

  
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Sean Jurgens, Chair

1 DATE: 12/20/17

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