

Colorado Mountain Club
Board of Directors Meeting
September 27, 2022

LIVE ATTENDANCE: American Mountaineering Center, Golden<CO

VIA Zoom (virtual attendance): <https://us02web.zoom.us/j/85989552118?pwd=SVIDK21mWUttTRHVks0aWRSWGdWUT09>

Meeting Minutes - Approved

1. Call to Order by Board President Jeff Flax at 5:30 pm MST
2. Roll Call of Meeting Attendees:
 - a. **Board Members In- Person:** Dan Cummings, Kathy Workman, Chris Chopyak, Merrilee Millar, Jason Antin, Don Carpenter, Jason Mittman, Mark Armstrong, Maren Olson, Jeff Flax, Rachel Roberts
 - b. **Board Members Online, via “Zoom”:** Evan Randall, Pete Hamilton, Jesse Mattner
 - c. **Staff in attendance:**
 - i. Keegan Young, Executive Director
 - ii. Jacob McCracken, Director of Operations and Finance
 - iii. Scott Farley, Chief Resource Development Officer
 - iv. Julie Mach, Conservation Director
 - d. **Other Attendees:** Linda Lawson
3. Welcome by Board President, Jeff Flax
4. July 2022 Board Meeting Minutes:
 - a. Reviewed and Motion to approve:
 - i. Dan Cummings moved to approve
 - ii. The motion was seconded by Chris Chopyak
 - iii. Approved unanimously
5. Board President, Jeff Flax: Mr. Flax made oral remarks as out-going (last meeting) President.
6. Operations Update, Keegan Young:
 - a. Budget – Dues to be increased by \$10 annually for each Club Member.
 - b. For cash flow issues:
 - i. There will be a required cut of senior staff schedules.
 - ii. Keegan Young will be taking a voluntary unpaid leave in November 2022.
 - c. The Club is running an aggressive growth program as the path to achieve the strategic plan.
 - d. The Club received a loan, from a lender whom wishes to remain anonymous.
 - i. The loan is to address the 2023 anticipated cash flow challenges.
 - e. The Club is in need of new Avalanche gear.
 - i. Keegan Young asked for Board Members to donate to get to the \$7500.
 1. To date, Keegan donated \$2,500; and
 2. Jason Mittman donated \$2,500; and
 3. Outside donations totaled \$1,500

7. Fund Development Committee report from in-coming President Dan Cummings
 - a. Colorado Mountain Festival ("Mountain Fest"):
 - i. There was strong attendance by Board Members at Mountain Fest.
 - ii. Special Thank you's were stated with regards to event sponsorship
 1. John from Rab
 2. Jesse from CAMP
 3. Jason Antin of CMS
 - iii. Gross Revenue for Mountain Fest was estimated between \$23,000 and \$24000.
 - iv. Staff will provide detailed reporting on expenses and net income at a later date.
 - b. Overall philanthropic goals for 2022 exceeded expectations:
 - i. \$445,000 was the goal and \$475,000 raised.
 - c. Annual Appeal Update:
 - i. Ashley H (Membership Manager) is managing the appeal.
 - ii. Mid-Nov to the end of year is the Club's primary asking season.
 - iii. The Club will be reaching out to all Board Members requesting more Board participation for the end-of-year appeal.
8. Finance Committee, Mark Armstrong
 - a. Year-to-date ("YTD") results :
 - i. The budget information is as of today looking forward.
 - ii. This is the Club's best projection knowing that the budget may change.
 - iii. YTD is presently net positive versus the projected loss.
 1. Currently the Club is \$556,000 over projected budget.
 2. The Club received an unexpected \$150, 000 grant from the CMC Foundation.
 - b. Operations have done well overall.
 - c. The Club has rebuilt youth programming, led by Scott and Madeline.
 - d. Areas impacting budget shortfall include:
 - i. Six-month delay in website implementation, and
 - ii. Major cash outlays for the American Mountaineering Center ("AMC") related to:
 1. Deferred maintenance, and
 2. Legal fees, and
 3. AMC under utilization for facility rentals.
 - e. CMC general press discussion followed including:
 - i. A large cash investment needed which would generate long-term residuals.
 - ii. Discussion around creative marketing solutions to leverage what the Club has and to needed promotions for the Club.
 - iii. The Club is ending it's contractor relationship with the marketing firm Bonfire.
 1. The Club is replacing Bonfire with an internal content manager.

- f. A suggestion was made for a board workshop around promotion, marketing, how to sell membership, etc.
 - g. The summer was as normal for the Club which is lean on cash.
 - h. This year the months of October and November also are projected to be financially difficult.
 - i. Operating cash was \$50,000 at the end of September.
 - j. The Club is currently pursuing a line of credit.
 - k. The Club is unlikely to get traditional funding while in the current on-going lawsuit.
 - l. The Club, led by Keegan, is pursuing non-traditional financing and looking at various online lending options.
 - m. The Club has a generous donor willing to fund activities through approximately November 2022.
 - n. The priority is to ensure front line staff and programming is not impacted by a budget shortfall.
 - o. December is expected to start additional incoming revenue.
 - p. Rachel is pursuing Club eligibility for the Employee Retention Credit ("ERC").
 - i. The Club may be eligible for one quarter and possibly more. Projected estimates from this ERC are approximately \$200,000.
 - q. The budget year is October 1, 2022 through September 30, 2023.
 - r. The budget goal is to break even or perhaps have a slight surplus.
 - s. The Club aim is to invest in the long-term core operations and mission of the club. Difficult decisions will need to be made outside of Club core operations.
 - t. A focus area for the Club should be on member experience and retention with a goal of improving retention rate from the current 20% to 75% via auto renewal of membership and other potential ideas. This may net in a revenue increase of \$21,000.
9. A motion was made to approve the 2023 fiscal year budget with a net increase of \$21,000 by Mark Armstrong. The motion was seconded by Don Carpenter
- a. Discussion occurred:
 - i. Jason Mittman commented: - Most importantly don't run out of cash. The Board needs to think creatively to help support cash flow.
 - b. The motion for the 2023 fiscal year budget passed unanimously.
10. A motion was made to allow Keegan to accept a loan from a lender who wishes to remain anonymous, in the amount of \$150,000 by Mark Armstrong. The motion was seconded by Jason Mittman.
- a. Discussion:
 - i. A question was posed as to why not a \$200,000 loan instead of a \$150,000 loan as a line of credit which would be accessed based on cash outlay needs.
 - ii. The loan could be extended for up to 18 months, 6 months interest only, then 12 months of principal repayment.
 - iii. Final terms are still under discussion.

- iv. Some of the interest may be returned as a donation as well.
 - v. This loan would be enacted for fiscal year 2023.
 - vi. The loan would be collateralized with assets of CMC.
 - vii. This individual will need to be in a second lien position behind other traditional funding the Club is working to secure.
 - b. An amendment was made to the Motion by Jason Mittman: The Club Board of Directors authorizes the Club to obtain a loan up to \$200,000 as a line of credit and further authorizes the Executive Director, or an Officer of the Club's Board to sign the loan obligation on behalf of the Club. The motion was seconded by Mark Armstrong.
 - i. There was no further discussion.
 - ii. The amended motion passed unanimously
 - c. A motion was made by Jason Mittman and seconded by Jesse Mattner to strike the original motion and replace it with the amended motion.
 - i. The motion passed unanimously.
11. Governance Committee report was provided.
- a. Governance committee members are: Evan Randall, Chairperson, Dan Cummings, Jeff Flax, Glenn Barr-SC, Carrie Simon- SC
 - b. Board of Director ("BOD") nominee Discussion and Elections occurred.
 - c. Four BOD members are cycling off.
 - d. The Club does not need to replace BOD's one for one, but the Club does want to grow the BOD.
 - e. There were eight initial applicants and one withdrew their application.
 - f. Seven potential directors were interviewed and one additional applicant withdrew after the interview process.
 - g. Six candidates were sent to the State Council which recommended they be sent to the BOD for approval.
 - h. Directors up for renewed terms are Peter Hamilton, Robert Lueke, Jason Anton, Jesse Mattner, and Rachel Roberts.
12. A motion was made by Dan Cummings to renew the slate of Peter Hamilton, Robert Lueke, Jason Anton, Jesse Mattner, and Rachel Roberts to a 2nd three year term. The motion was seconded by Merrilee Millar
- a. Discussion: None.
 - b. The motion passed unanimously.
 - c. A note was made that Board Member Robert M's last name changed to "Lueke" during last board term.
13. A new term proposed slate of Directors was presented:
- a. Sarah Riley
 - b. Albert Plawinski
 - c. Robby Vaughn
 - d. David Sanders
 - e. Roger Huang
 - f. Sheryl Lampert.

14. A motion was made by Kathy Workman to accept the proposed slate of new Directors. The motion was seconded by Dan C.ummings.
 - a . Discussion: None.
 - b . The Motion passed unanimously.
15. The current slate of Board Officers was presented:
 - a . Dan Cummings as President
 - b . Peter Hamilton as Vice President
 - c . Rachel Roberts as Treasurer
 - d . Don Carpenter as Secretary
16. A Motion to accept the slate of officers was made by Mark Armstrong. The motioned was seconded by Chris Chopyak.
 - a . Discussion: None.
 - b . The Motion passed unanimously.
17. Thanks were given by Keegan to outgoing Board of Directors and Officers.
18. An update on the Diversity, Equity, and Inclusion (“DEI”) - B Committee was given by Director Chris Chopyak.
 - a . Discussion occurred on making this a board-level committee.
 - b . General discussion: Proposal to create DEI Board committee.
 - i . DEI strategic plan is currently under development.
 - ii . One challenge is budget constraints and doing DEI with no funding.
 - iii . The Club needs to be creative as this is still an important issue for the club to take action.
 - iv . The proposal is to elevate from an ad-hoc committee to a standing Board committee.
 - v . Evan Randall stated bylaws would need to be amended for this to be a standing Board committee. A draft would need to be made for the amended bylaws in advance of a regular meeting, share with Board prior to the next Board meeting.
 - vi . Discussion occurred to elevate DEI to a Board committee to make a statement of importance of DEI to the Club.
 - vii . The goal is to vote at the November 2022 Board meeting to add DEI as a standing committee.
 - viii . Evan Randall will draft proposed language and have vetted by attorney Ben Johnson.
 - ix . The Club currently has six standing committees. The Club needs to make sure there are enough directors on the Board to ensure active participation from all Board of Directors on all committees.
 - c . Jason Mittman proposed having a future budget workshop for all Board Members.
19. A motion was made to move into Executive Session by Jason Mittman. The Motion was seconded by Dan Cummings.
 - a . Discussion: None.
 - b . The motion passed unanimously.

20. A motion was made to adjourn from the Executive Session by Jason Mittman. The Motion was seconded by Peter Hamilton.
 - a . Discussion: None.
 - b . The motion passed unanimously.
21. A motion was made to adjourn the Board meeting by Don Carpenter. The Motion was seconded by Mark Armstrong
 - a . Discussion: None.
 - b . The motion passed unanimously.

*All meetings are scheduled for 5:30pm - 7:00pm