

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS  
HISTORY COLORADO  
April 26, 2017**

A meeting of the Colorado Historical Society (History Colorado/HC) Board of Directors was held at 8:00 am at the History Colorado Center on April 26, 2017. Present were directors Marco Abarca, Cathy Carpenter Dea, Bob Musgraves, Ann Pritzlaff, Alan Salazar, Chris Tetzeli and Tamra Ward. History Colorado staff in attendance were Steve Turner, Jim Parone, and Michelle Zale. Also attending was Mavis Kacena, Volunteer Council President, Judy Durzo, Volunteer Council President-Elect, and Ed Ellis, Volunteer. Sherry Lestina served as recording secretary.

Bob Musgraves, Board Chair, called the meeting to order at 8:04 am and confirmed the presence of a quorum.

**Financial information**

- FY18 budget (Attachment B). Proposed budget is balanced and expenses are stable. It is anticipated that HC will receive \$10.2M from state gambling funds. Under current Board policy, only \$10M of this amount may be included in the budget with the balance to go into reserves. The budget for FY17 had a \$250K contingency, which is not in the FY18 budget due the large increase in POTS (payroll expenses other than salary). The cost for OIT has increased dramatically. The Colorado State budget for FY18 includes a raise for classified staff (HC currently has 5 classified staff). The non-classified staff will not receive raises for FY18. They have only received 2 raises in the past 8 years. Most state agencies receive additional funds from the State general fund to cover raises and increases in OIT and POTS. HC does not receive State general funds for this purpose; however, conversations have begun with OSPB about this disparity and OSPB is willing to consider a proposal. Carpenter Dea asked about morale, retention and recruiting due to the lack of raises. Turner responded that he realizes this isn't a good situation, but it would take approximately \$100K to give a 1% raise to all staff, money we simply don't have. Turner feels that cuts in expenses are as deep as they can be, so funding raises cannot come from there if we want to maintain a balanced budget. The fact that raises have not been given may help with our case with OSPB. Leadership is trying to find other ways to give the staff some type of benefit, such as paid days off based on performance evaluations. Turner would also like approval to look at the situation in Period 9 and 10 to determine if there is any possibility to give one-time raises or bonuses. Musgraves noted that while it's not an optimal situation, he is hopeful that most of the staff understands the situation given what they have been through over the last several years with layoffs and belt tightening. On motion by Musgraves, seconded by Abarca, the Board approved the FY18 budget as presented with the understanding that (1) management may need to request Board approval to dip into the additional \$200,000 of gaming monies in case of crisis and (2) management will re-evaluate the possibility of raises or one-time bonuses late in the year once the results for the year begin to take shape and we can better evaluate our income situation.

- 5-year budget projection (Attachment C). If gaming revenues remain fairly consistent, the projections show that HC will need to significantly grow visitation, enterprise revenue and development in order to maintain a balanced budget. The goals shown in the projection are based on many assumptions. Salazar suggested that HC explore the Peak Performance Academy (as used in Denver County) to aid in ideas, innovation and creativity to increase enterprise revenue and efficiency and decrease costs.
- Period 8 financials (Attachment E). Membership is increasing at a slow but steady rate of about 10 memberships a day. KM revenues are still below projections; however, they have a new sales force and are dedicated to increasing revenue. OAHF funding is showing low, but that is simply a matter of the timing of funds coming into the account.

#### **Chair**

- The minutes of the meeting of March 23, 2017 were approved without change. (Attachment A)
- Naming opportunities – Turner approached Boettcher for \$500K for naming rights to the new 3<sup>rd</sup> floor gallery. Boettcher was very interested, but felt that they could only do \$250K at this time, but may be able to help with an additional separate donation towards the 100 Objects exhibit. Turner will compile some naming rights from other culturals and the discussion will continue.
- Potential gift and gift acceptance policy (Attachment D). HC received notice that it had been named in a bequest of approximately 200 acres of land in NE Colorado, including associated mineral rights. Under HC's gift acceptance policy, we need to complete several steps before such a gift can be accepted, including an environmental assessment and appraisal. Under the gift acceptance policy, there is to be a committee to help assess the appropriateness of receiving this give. Since they were already working on other real estate-related matters on behalf of HC, Musgraves suggested that Pederson and Musgraves comprise this committee to work with Turner and management as it concerns this particular bequest of real estate. No disagreement to the suggestion.

#### **Executive Director**

- Colorado! Rebecca Olchawa Barker manages the program within Development. The next event is May 11<sup>th</sup> at Tom Petrie's home. Currently have 24 member households out of a goal of 30 members. Events will probably be put on hold for the summer and begin again in September.
- Gaming proposal (Attachment F). A change has been proposed to the gaming tax process. The proponents have been working with the Community Colleges to develop a proposal that would not financially harm the recipients of tax benefits. There will be an additional meeting of the Gaming Commission regarding this proposal in July. One point that is still under discussion is who would pay for the cost of re-programming the gaming computers to account for this new "Free Play Proposal". Need to be sure that this cost is covered by the casinos, not the tax recipients. HC's position is that we are neutral on this proposal until the costs are clarified.

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- Lowry (Attachment G). Update meeting with real estate brokers to be held today. There are still challenges with zoning rules. Ward excused herself from the meeting during this discussion given a conflict of interest (her fiancé is affiliated with one of the bidders for the parcel).
- Priorities update report (Attachment H). This report will be provided to the board on a quarterly basis.
- HC is currently looking at a new development opportunity, but would like to complete additional research before presenting to the board.
- The Clyfford Still Museum is looking for additional office space and would like to purchase and move the Byers-Evans House. As a general rule from a historic preservation standpoint, historic buildings should not be moved as the site is also valuable historically. On motion by Pritzlaff, seconded by Salazar, the Board rejected the offer from the Clyfford Still Museum to purchase and move the Byers-Evans House. Musgraves excused himself from the meeting during this discussion given a conflict of interest (his spouse is the Deputy Director of the Clyfford Still Museum).
- Director of Development – the recruitment process has narrowed the field to 3 candidates. Second interviews were held last week. References will be checked this week and a decision made shortly thereafter.

#### **Volunteers**

- Mavis Kacena, current President of the Volunteer Council was asked to provide a report to the Board on the status and direction of our volunteer program.
- Volunteers currently provide approximately 33,000 hours of service to HC, which is worth about \$810K in value.
- The Service Enterprise Initiative Program is ongoing and has a goal of effective volunteer engagement. It is funded by the volunteer's fund and the balance by a private donation. Key staff members have been attending and Carpenter Dea is also now attending. The process began with an online assessment survey. HC has a lot of strengths, but also lots of opportunities for additional volunteer engagement. An action plan is currently in development. Volunteers are being used very effectively in OAHP in archaeological processing and document scanning. If specific projects are identified, volunteers can be recruited to fit those projects with the skill set required. Carpenter Dea is offering assistance with production of a short promotional film to aid in showing how valuable volunteers are to an organization and to help with recruitment.

There being no further business to come before the Board of Directors, the meeting was adjourned at 9:58 am.