
CALL TO ORDER | OPEN FORUM

Call to Order / Open Forum

Dean Griffin, Board Chair, called the meeting to order at 8:05 a.m. A quorum was confirmed.

Members present: Jennifer Anderson, Lynda Campbell, Karrie Fletcher, Dean Griffin, Sean Huggard, Matt Joblon, Rosella Louis, Bob Mattucci, Lisa McInroy, Michael Moore, Lisa Tyler

Members absent: Terri Garbarini, Callie McCue

Staff present: Nick LeMasters, Richard Barrett, Jeannie Johnson, Jeanne St. Onge, Kate Lynch, Patrick Allison

Representatives, Guests and/or Owners present:

CliftonLarsonAllen – Jason Carroll, Accountant

Fiscal Focus Partners – Eric Barnes, CPA Partner

Progressive Urban Management Associates (P.U.M.A.) – Brad Segal, Erin Laetz

Public comment: There were no public attendees

MONTHLY BUSINESS

Approval of Meeting Minutes: Motion by Lisa Tyler to approve the meeting minutes of February 24, 2021. Second by Rosella Louis. Vote: Unanimous in favor.

COMMITTEES & TASK FORCE REPORTS

➤ **Finance Committee** – Lynda Campbell, Chair

Lynda alerted the board that tax collection was still lagging while payroll appeared higher than usual. The higher payroll amount appears to be a product of PTO balances not taken; likely due to COVID. Lynda recommended a separate line item for PTO rather than bundled together under Wages.

Rosella questioned reduced marketing numbers for February. Jeannie cited the lack of an existing ad agency however, interviews will be conducted to find the right agency to represent CCN. Lynda reiterated lining up the budget appropriately to minimize any highs or lows experienced throughout the year. Richard also stated that when the budget was initially completed, it was aligned with different vendors.

Approval of February financials: Motion by Lisa Tyler to approve the February financial statement. Second by Karrie Fletcher. Vote: Unanimous in favor.

Internal Auditor Presentation:

Lynda introduced independent auditor for CCN, Eric Barnes of Fiscal Focus Partners. Eric explained the audit process from completion to end and stated there were no issues of substance to report to the board. The auditor's opinion was that internal financial controls were in place with the financials materially correct. The auditor offered an unqualified/clean opinion for the 2020 audit. As requested, the final audit will be presented to the City on or before March 31, 2021.

Approval of the CCN 2020 Independent Audit: Motion by Lisa McInroy to approve the auditor's report. Second by Lisa Tyler. Vote: Unanimous in favor.

- **Marketing Advisory Committee** – Michael Moore
Michael provided a recap of new committee people and some innovative ideas to be discussed at the next May meeting.
- **Safety Working Group** – Lisa McInroy / Richard Barrett
Lisa discussed the work that has begun exploring neighborhood priorities and the robust group of safety participants involved toward safety and procedures. Richard shared plans for expanded daylight security hours with safety and security the number one priority. Richard also discussed crimes of opportunity that the daytime security will address with merchants.

STRATEGIC ALLIANCE

Brad Segal and Erin Laetz of P.U.M.A. brought the board up to date on their best practices research and the significant progress made since the January meeting. They also provided a roll-out of recommendations on how three organizations (BID, Chamber, Alliance) could fit together with one another. A variety of other BID-based organizational structures had been reviewed in and out of Colorado to determine best value or significance.

Several organizational commonalities were found in the research for the proposed structure along with a key finding that in all of the instances reviewed, every one of the organizations threaded together under one umbrella structure – the 501(c)(6) being the most common. The Downtown Denver Partnership, RiNo Art District, and Downtown Boulder were some of the umbrella organizations discussed with the various entities responsible for a variety of areas.

Brad and Erin then presented a **Phase 1** approach to creating the new 501(c)(6) non-profit organization – pseudonym only for example purposes: “Cherry Creek Inc.” (CCI). Brad stated nationally that the 501(c)(6) was the best practice model.

- CCN BID – Assessment income, clean and safe, marketing, beautification, business support
- Alliance – Membership income, advocacy
- Chamber – Membership income, business-to-business networking, education, events
- Cherry Creek Area Foundation (repurposing of the CCN Arts Foundation) – Grants and sponsorship income, special projects – this entity would act as a 501(c)(3)

Brad and Erin then introduced an optional **Phase 2** plan with the CCI once again acting as a committee (or board at this level) of the whole:

- CCN BID – Assessment income, clean and safe, marketing, beautification, business support
- Cherry Creek Chamber – Membership income, business-to-business networking, education, and events, (Issues Council): Membership income, advocacy
- Cherry Creek Area Foundation – Grants, sponsorship income, special projects

Rosella asked Brad for clarity around a (c)(3) vs (c)(6) organization. Brad characterized the (c)(6) as being chartered more as an advocacy organization. The (c)(3) is more charitable and equipped to receive grants and contributions with donations written off for tax advantage purposes.

Discussion ensued around accounting complexities and alignment of staff. Lynda felt an organizational chart would be helpful while stressing the importance of aligning the organizations. Brad indicated a unified voice was one of the compelling reasons to get the organizations and stakeholders together within the same framework. Jennifer reminded the board of the Bylaws and charter along with the need for constructing decision-making and authority at the CCI level.

Based on Matt's question on individuals accountable for CCI, Brad indicated it would be CEO Nick LeMasters. Brad is also seeking formal action from each of the organizations with a board resolution that supports the hierarchy for a mid- to late summer timetable.

Dean asked for the board's acceptance of findings knowing that discussion of the overall concept would move into May's board meeting. Nick asked the board if anyone was opposed to guiding P.U.M.A. and the idea of the proposed structure. Brad invited questions from the board and indicated a final determination could be provided at the May meeting on whether to move forward or not as time would be

needed to work with lawyers and accountants. Bob suggested to continue exploring the roll-up of the various organizations and initiate the broader view of bringing everyone together for alignment purposes. Without hearing any opposition either way, Dean suggested to move forward with more information forthcoming in May.

Brad and Erin then outlined Next Steps:

- Conduct meetings with the BID, Chamber and Alliance boards to vet organizational framework and gain consensus
- Draft a plan that would include governance, staffing, resources, etc.
- Make a final draft plan for board adoption – May 2021

CEO REPORT

Nick updated the board on the potential acceptance of the 5-Star Program once the on-site audit takes place on Friday, March 26 and indicated that CCN was one of the top 4 neighborhoods with 5-star service.

Nick also made the board aware of conference calls with the city assessor's office due to pandemic impacts and will see what the valuations and revenue look like from this year's flow into next year's budget. Of good news will be Matt's new development, the Clayton Members Club & Hotel, opening in May.

Marketing: Jeannie discussed the ad agency interviews that were in progress with a final selection to be made mid-month. Jeannie also updated the board on the available Digital Communications & Promotions Manager position that was in progress with accepting applications. The position will ideally be filled in May.

ADJOURN

Adjourn: The meeting was adjourned at 9:30 a.m.

UPCOMING BOARD MEETING DATES:

- April 28, 2021 – Virtual Meeting
- May 26, 2021 – Virtual Meeting
- June 23, 2021 – Virtual Meeting

UPCOMING ACTIVATION DATES:

- Sidewalk Sale – July 15-18, 2021
- Food & Wine – August 11-14, 2021