The Mountaineers
Minutes of the Monthly Meeting of the Board of Trustees
March 1, 2007

Approved April 5, 2007

Board Members Present

Officers
President, Bill Deters
President-Elect, Eric Linxweiler
Vice-President of Publishing, Don Heck
Secretary, Don Schaechtel
Treasurer, Jordan Roderick
Vice-President of Rec. Properties, Scott Eby

Branch Trustees
Everett, Rob Simonsen
Foothills, Gerry Haugen
Kitsap, Jimmy James
Olympia, John Flanagan
Seattle, Steve Sears
Tacoma, Tom Shimko

At-Large Trustees
Dale Flynn
Ken Hahn
Ed Henderson
Lynn Hyde
Sabrina Oesterle
Patti Polinsky
Eva Schönleitner
Mona West

Board Members Absent

Bellingham Branch Trustee, Steven Glenn

Others Present

Executive Director, Steve Costie
Controller, Brian Horstman
Publisher, Mountaineers Books, Helen Cherullo
Vice-President, Conservation Division, Michael Shurgot
Vice-President, Mountaineers Foundation, Paul Robisch

Guests Present

Fran Troje, Susan Graham, and Eileen Allen

Call to Order and Approval of Agenda

The meeting was called to order by President Bill Deters at 7:07 pm. Don Schaechtel served as Secretary. A quorum was in attendance.

It was moved by Ed Henderson and seconded to approve the agenda with the addition of an item for Unfinished Business: Reaffirm and Ratify the Purchase and Sale Agreement.
The motion passed.

Note: A Presentation of the 2006 Financial Review by Judy Jones, CPA was on the agenda, but she was unable to attend. Board members did receive copies of the Accountant's Review Report and the accompanying financial statements.

Minutes of the Last Meeting

It was moved by Dale Flynn and seconded to approve the minutes of the February 1, 2007 meeting. The motion passed.

Consent Agenda

The following members were approved for the Investment Advisory Committee:
- Jordan Roderick (Chair)
- Jerry Lockwood
- Brian Horstman
- Craig Rowley
- Don Heck

Officer Reports

President
Bill Deters reported that almost 100 people participated in the 100-year anniversary hike. A good time was had by all.

Executive Director
Steve Costie reported that:
- "Radical Reels" will be presented tomorrow night. 400 tickets have been sold so far.
- "Arctic Wings" will be presented April 11 at Kane Hall (UW) with funding provided by Mountaineers Books.
- Author Helen Thayer is being sought as a speaker for a fall program. Steve recommended that she be nominated for life membership.

President-Elect
Eric Linxweiler commended Matt Vadnal for his work on the 100-year hike. He also reported that:
- The Snoqualmie Land Use Committee met again on February 5 and is evaluating options and criteria for a framework, including the budget required for information gathering. They plan to submit a budget request to the Finance Committee this month.
- The Managing Committee approved a Minimum Clubwide Standard for Recreational Properties.
- The Managing Committee will be proposing an ad hoc committee charter to look at club governance at the April Board Meeting.

Secretary
Don Schaechtel presented a report recommending an approach for revising the Policy Manual (attached).

Treasurer
Jordan Roderick reported that revenue, earnings, and cash flow all exceeded budget for Books and the branches, offsetting below plan performance in the rest of the club.

The Controller's January 2007 Financial Report is attached.

Jordan distributed copies of a new financial report for Board members. It includes three pages: a summary page showing trends, a page showing performance by Branch and Division, and a balance sheet. Jordan believes this consolidated information will be more useful to Board members than the 13-page report used by the Finance Committee. He will begin distributing the new report starting next month. Jordan said that any Board members who would still like to receive the 13-page report should let him know and it will be provided.

Vice-President, Publishing
Helen Cherullo reported that:

- The January Books Operations Report (confidential) was included in the Board Packet.
- The Mountaineers Books has just replaced their publicist. Krista Holmstrom will start work next week, and comes to us from HarperCollins in San Francisco, a large general public publisher. She will bring the skills we need to successfully launch the Skipstone imprint, as well as continue to promote core outdoor titles.
- Maria Carantit, Marketing and Publicity Coordinator, has resigned. She is recently engaged, and will move to Arizona with her fiancé. Books recognized her conscientious service to the organization.

Vice-President, Recreational Properties
Scott Eby reported that everything is going well at the lodges. The club bookstore is selling discounted lift tickets for Snoqualmie Pass.

Unfinished Business

Motion to reaffirm and ratify the Purchase and Sale Agreement
Bill Deters reviewed the contents of the third, fourth, and fifth amendments to the Purchase and Sale Agreement.

Board members received copies of the sixth amendment to the Purchase and Sale Agreement, which had been carefully reviewed by the New Building Construction Committee and Lisa Peterson, who is the real estate attorney representing the club, and reviewed and signed by Bill on February 16, 2007. Bill presented an overview of the agreement's contents. He also explained that the club's property taxes and excise taxes will be higher due to the increased cost of the tenant improvements at Magnuson Park. Bill confirmed that the club will hire an independent project manager to look after the club's interest during construction.

The following motion was made by Dale Flynn and seconded: Be it resolved that the Board reaffirm and ratify the sixth Purchase and Sale Agreement as signed by President Bill Deters on February 16, 2007.

After discussion, Ed Henderson asked for a roll call vote.

- Voting For (13): Eric Linxweiler, Don Heck, Don Schaechtel, Jordan Roderick, Scott Eby, Steve Sears, Tom Shimko, Rob Simonsen, Dale Flynn, Sabrina Oesterle, Eva Schönleitner, Ken Hahn, and Mona West.
- Voting Against (6): Gerry Haugen, Jimmy James, John Flanagan, Ed Henderson, Lynn Hyde, and Patti Polinsky.

The motion passed.

New Business

Motions to approve revisions to Board Policy 422 and 423:

Jordan Roderick explained that since becoming Treasurer and meeting with Branch Treasurers he has identified issues with Board Policies 422, Contracts and Encumbrances, and 423, Financial Management, that need to be addressed. He has discussed these issues with the Finance Committee and proposed policy revisions to the Board that:

1. Eliminate the current requirement for branches to sweep excess cash into club accounts.
2. Provide interest payments to branches that do have cash in club accounts.
3. Require separate branch bank accounts to be moved to Bank of America.
4. Raise branch authority to make unbudgeted expenditures without coming to the Executive Committee and Board.

He gave these reasons for the revisions:

1. The current requirement of BP 423 to sweep excess cash into club accounts is now six months late in implementation. It has led to a couple of negatives. First, branches have considered spending proposals simply to avoid having excess cash rather than on the merits of the expenditures. Second, BP 423 has fueled suspicions that the club might try to seize branch cash once it is in club accounts. Rather than implement the current board policy which is driving this behavior, we propose to modify 423.
2. It is unfair for the club not to pay interest to branches that entrust their cash to the club.
3. Moving all accounts to the same bank will allow consolidated electronic reporting to the Controller. This helps address a persistent weakness in the club's internal accounting controls.
4. Allowing branches more authority over what they do with their money should improve both branch and club operations. It allows branches greater flexibility to meet unexpected opportunities, and focuses the Executive Committee and Board on more strategic issues.

It was moved by Don Schaechtel and seconded to revise Board Policy 422, Contracts and Encumbrances, as shown in the draft e-mailed to Board members on February 26, 2007 (attached).

Several Board members noted that other changes are needed in Board Policy 422 and 423. This motion and the following motion are designed to address immediate concerns about these policies, but not other flaws.

The motion passed (Ed Henderson voted against the motion).

It was moved by Jordan Roderick and seconded to revise Board Policy 423, Financial Management, as shown in the draft e-mailed to Board members on February 26, 2007 (attached).

The motion passed.

New Staff Position: Program Development and Marketing Coordinator
It was moved by Jimmy James and seconded to amend the 2007 budget to include $40,000 per annum, inclusive of benefits, for a new staff position – a Program Development and Marketing Coordinator – as described in the position description distributed by Steve Costie.

Steve stated that the person who fills this position will drive implementation of the plan developed by the Marketing Committee.

The motion passed.

Committee Reports

Strategic Planning
Bill Deters presented the 2007-2012 Strategic Plan (attached) developed by the Strategic Planning Committee.

After discussion Board members were asked to comment via an on-line community forum for Board members (to be established) or by e-mail to Don Schaechtel. Bill asked Don to send a MS Word version of the Strategic Plan to Board members so they can propose specific changes.

Program Reports

Conservation Division
Michael Shurgot reported that:

- The Wild Sky Wilderness proposal has been formally sent to the House of Representatives and the Senate.
- The Conservation Division held their retreat and refined their mission statement and letter writing program. Gina Ottoboni, in her capacity as policy staff, will focus issues involving roads and trails in Northwest national forests and national parks.
- Michael will be reaching out to other Branch Conservation programs and will include some of their work in "Conservation Currents" in *The Mountaineer*.
- Norm Winn sent a letter regarding delisting of the Gray Wolf in Wyoming and Idaho.
- Michael attended a U. S. Forest Service meeting in Wenatchee about forming new Wilderness Areas in the Wenatchee National Forest.

- On Wednesday, March 21, the Conservation Division will host Ken and Bonnie Miller, Directors of the Washington Farm Forestry Association and members of the Board of Directors of the Cascade Agenda, which is a coalition seeking to map the future of Washington State for the next 100 years.
- On February 8th, Gina, Tom O'Keefe, and Michael joined other environmental, business, and government representatives at the opening ceremony for the Cascade Agenda in the Capital Rotunda.
- Gina Ottoboni and Tom Shimko toured flood damage at Mt. Rainier National Park and discussed repairs with the National Park Service and other members of the NW Public Lands Restoration Coalition.

Recreational Resources
Ed Henderson reported that Annik Wolf is working with Gina Ottoboni on trail maintenance planning.

Everett
Rob Simonsen reported that their annual membership drive at the Everett REI store was a success.

Foothills Branch
Gerry Haugen reported that their first winter season of activities was a success. Their monthly meeting last night was well attended; Gary Paul of the U. S. Forest Service discussed trail damage in the Forest and their budget constraints.

Kitsap Branch
Jimmy James reported that local schools have scheduled trips to the Rhododendron Preserve to see newly-hatched salmon.

Olympia Branch
John Flanagan reported that the Wilderness Travel Course was well attended and the Scrambling Course is underway.

Seattle Branch
Steve Sears reported that:
- The Branch is ahead of budget on revenue and under budget on expenses
- The Branch will fund six members to take the Tacoma Branch's respected Leadership Course and ask them to report back about establishing a similar course in the Seattle Branch.
- A UW professor is interested in bringing some courses to the University in cooperation with the Mountaineers. Michael Shurgot said that he and Gina were interested in connecting with UW on conservation issues and would be interested in talking with Steve about this opportunity.

Tacoma Branch
Tom Shimko reported that:
- Monthly programs continue to attract standing room only audiences.
- The bathrooms in the Tacoma Clubhouse will be remodeled in April.

- The Branch will celebrate the 50th anniversary of the Clubhouse this month. Paul Wiseman, who was President of the Branch in 1957, will attend.

Mountaineers Foundation
Paul Robisch reported that the Foundation will soon start a strategic planning process.

It was moved by Scott Eby and seconded to adjourn. The motion passed. The meeting was adjourned at 10:23 pm.

Attachments:
- Secretary's Report
- January 2007 Financial Report
- Board Policy 422, as revised February 26, 2007 and approved March 1, 2007
- Board Policy 423, as revised February 26, 2007 and approved March 1, 2007
- The Mountaineers Strategic Plan, 2007-2012

The Sixth Amendment of the Purchase and Sale Agreement is a separate attachment to these minutes to reduce the bulk of the electronic document.

Secretary's Report, March 1, 2007

Presented by Don Schaechtel

On February 27, with the approval of Steve Costie, I discussed approaches for revising the club's Policy Manual with LaVerne Woods, attorney for non-profit matters.

The existing club policies are an eclectic collection of policies, rules, procedures, and plans. Many are out-of-date. For these reasons Steve has suggested that we build a new Policy Manual that better meets the needs of the club. With Board approval, this new Policy Manual could replace the existing Policy Manual. I agree with this approach and during my conversation with LaVerne we discussed how this could be accomplished.

LaVerne offered these suggestions:

- Information that is not policy should not be in the Policy Manual. It is better to have fewer policies that are followed than so many policies that they cannot be monitored.
- Committee Charters are not policies and could be maintained elsewhere (this removes 30 numbered documents from the existing Policy Manual).
- Procedures, plans, and related information in the current Policy Manual can move to other documents.
- There are some policies that every non-profit organization should have, including Conflict of Interest (code of conduct), Gift Acceptance, Whistleblower, and Document Retention. The last two are policy requirements of the Sarbane-Oxley Act.
- Otherwise most 501(c) organizations are different enough that it is difficult to prescribe a set of policies that can be copied from one organization to another.
- Her recommended approach for revising the Policy Manual is to convene a work group of volunteers and staff who can draft policies with legal review. The legal review can confirm that the final policies are consistent with RCW 24.03, the Articles of Incorporation, and the Bylaws. This is the approach used by most non-profit organizations.
- The club's Bylaws may also need revisions to address electronic communications about meetings and elections, which was allowed in a law revised in 2004.

Based on this conversation I offer the following recommendations:

1. Convene a Bylaws Committee to review recent changes in non-profit law and propose revisions if they are needed by the May Board meeting.

2. Convene an ad hoc Committee to develop a new Policy Manual for presentation to the Board for approval.

The Mountaineers
YTD Financial Summary

	Current Year	Budget	Prior Year
Revenue	$600,000	$624,000	$646,000
Contributions	15,000	12,000	11,000
Reserve Spending	0	0	0
Net Income (Loss)	58,000	67,000	58,000
Depreciation	26,000	19,000	30,000
Capital Projects	(43,000)	(28,000)	(15,000)
Cash Flow	$41,000	$58,000	$73,000

Financial Summary for the month of January, 2007

Club Operations

- The Club net operating income for the month was $25,000 compared to budgeted operating income of $44,000 and net operating income of $39,000 last year. The cash flow for the month was positive $29,000 vs. budget of $52,000 and $39,000 last year.

The results by program are as follows:

- **Membership Services**
  Membership Dues and Fees in January, 2007 club membership was 10,773. The total membership as of one year ago was 11,427. This was a decline of 5.7 %, over the one year period. Total dues and initiation fees YTD are $272,000 compared to budget of $281,000 and $307,000 last year.

  Membership service YTD expense was $143,000 vs. budget of $152,000. The largest variance was a negative in printing and postage of $6,000 and a positive variance in other services $11,000.

- **Administration** YTD expense was $164,000 vs. budget of $167,000.

- **Conservation** YTD expense was $1,600 vs. budgeted expense of $5,900 and $500 in expense last year.

- **Recreation Resource** YTD expense was $1,100 vs. budget of $6,000 and $900 last year.

- **Building** sales for the month were $25,000 vs. budget of $37,000 and $37,000 last year. YTD net income was $2,000 vs. budget of $22,000 and a loss of $20,000 last year.

- **Recreational Properties** YTD net operating income was $14,000, vs. a budget of $13,000 and a operating loss of $200 last year.

- **Magnuson Park** Capital $65,000 Expense $15,000 Total $80,000

Mountaineers Financial Summary Excluding Books
Four Months Ending January 31. 2007

	Rec Resource	Conservation	Rec Prop	Membership	Admin	Building	Bellingham	Everett	Kitsap	Olympia	Seattle	Foothills	Tacoma	Total
Actual YTD														
Revenue	29	0	87,178	345,527	25,401	142,268	9,718	10,778	6,951	18,805	156,366	19,225	33,357	855,603
Expense	1,139	1,558	72,971	162,258	163,938	140,199	5,828	16,503	2,446	13,122	72,349	3,778	31,586	687,675
Net	(1,110)	(1,558)	14,207	183,269	(138,537)	2,069	3,890	(5,725)	4,505	5,683	84,017	15,447	1,771	167,928
Budget YTD														
Revenue	167	6,200	78,837	359,668	26,500	153,098	8,650	8,551	1,540	10,191	125,354	11,297	27,758	817,810
Expense	6,188	12,056	65,027	176,954	166,675	130,954	7,257	22,347	1,719	10,191	64,821	11,005	26,792	701,986
Net	(6,021)	(5,856)	13,810	182,714	(140,175)	22,144	1,393	(13,796)	(179)	0	60,533	292	966	115,824
Net Variance	4,911	4,298	397	555	1,638	(20,075)	2,497	8,071	4,684	5,683	23,484	15,155	805	52,104

	Rec Resource	Conservation	Rec Prop	Membership	Admin	Building	Bellingham	Everett	Kitsap	Olympia	Seattle	Foothills	Tacoma	Total
Actual Month														
Revenue		0	38,290	105,860	2,416	28,558	7,848	2,209	885	4,796	29,736	6,540	4,392	231,530
Expense	317	212	24,523	37,469	46,146	33,461	3,670	4,541	197	5,888	26,421	921	4,496	188,262
Net	(317)	(212)	13,767	68,391	(43,730)	(4,903)	4,178	(2,332)	688	(1,092)	3,315	5,619	(104)	43,268
Budget Month														
Revenue	42	4,500	36,316	97,031	15,625	39,866	350	4,405	385	2,548	26,037	2,824	6,939	236,868
Expense	1,939	4,512	19,934	41,124	43,079	31,781	1,012	6,646	430	2,548	16,815	2,751	6,698	179,269
Net	(1,897)	(12)	16,382	55,907	(27,454)	8,085	(662)	(2,241)	(45)	0	9,222	73	241	57,600
Net Variance	1,580	(200)	(2,615)	12,484	(16,276)	(12,988)	4,840	(91)	733	(1,092)	(5,907)	5,546	(345)	(14,332)

Cash		143,500	115,339	51,278	251,805		16,500	93,329	12,050	69,856	107,566	14,973	98,306	974,502

Membership

	Bellingham	Everett	Kitsap	Olympia	Seattle	Foothills	Tacoma	Total
Current	198	970	267	663	7,297	228	1,150	10,773
Last year	194	979	238	691	7,897	166	1,262	11,427
Variance	4	(9)	29	(28)	(600)	62	(112)	(654)
% Change	2.1%	-0.9%	12.2%	-4.1%	-7.6%	37.3%	-8.9%	-5.7%

The Mountaineers
Summary of Club Divisions
For the Four Months Ending January 31, 2007

January							YTD						
											Act vs Bud		
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Variance	Last Year	%
						Sales							
$36,167	20.65%	$51,343	27%	$49,013	27%	Sales	$164,180	27%	$196,262	31.43%	($32,082)	$199,869	31%
18,085	10.33%	24,692	13%	25,810	14%	Cost of Sales	71,165	12%	94,700	15.16%	23,535	96,807	15%
18,082	10.33%	26,651	14%	23,203	13%	Gross Margin	93,015	15%	101,562	16.26%	(8,547)	103,062	16%
						Other Revenue							
85,799	48.99%	80,713	42%	89,289	49%	Dues	271,814	45%	281,082	45.01%	(9,268)	307,115	48%
4,607	2.63%	3,396	2%	2,995	2%	Course,Admissions	28,003	5%	27,683	4.43%	320	28,278	4%
30,208	17.25%	30,056	16%	34,156	19%	Lodge Fees	68,152	11%	63,608	10.19%	4,544	72,154	11%
7,984	4.56%	7,376	4%	551	0%	Grants & Contributions	14,871	2%	12,469	2.00%	2,402	10,908	2%
10,358	5.91%	20,496	11%	5,923	3%	Other	53,383	9%	43,365	6.94%	10,018	28,103	4%
138,956	79.35%	142,037	73%	132,914	73%	Total Other Revenue	436,223	73%	428,207	68.57%	8,016	446,558	69%
						Expenses							
54,833	31.31%	58,824	30%	56,860	31%	Personnel	215,843	36%	232,388	37.21%	16,545	220,760	34%
10,756	6.14%	9,907	5%	10,667	6%	Insurance	43,022	7%	39,627	6.35%	(3,395)	42,669	7%
4,253	2.43%	1,324	1%	1,741	1%	Taxes	19,968	3%	16,004	2.56%	(3,964)	19,827	3%
16,641	9.50%	6,087	3%	8,069	4%	Utilities	45,003	7%	20,708	3.32%	(24,295)	46,403	7%
1,943	1.11%		0%	3,165	2%	Repair and Maint.	10,078	2%	2,632	0.42%	(7,446)	14,170	2%
2,434	1.39%	1,726	1%	1,288	1%	Marketing & Advertising	6,328	1%	6,904	1.11%	576	6,126	1%
6,590	3.76%	4,258	2%	7,339	4%	Depreciation	26,201	4%	18,733	3.00%	(7,468)	29,671	5%
11,787	6.73%	11,999	6%	9,135	5%	Printing & Postage	51,829	9%	47,152	7.55%	(4,677)	52,576	8%
538	0.31%	535	0%	661	0%	Rent Expense	5,677	1%	7,339	1.18%	1,662	5,842	1%
1,936	1.11%	2,271	1%	2,774	2%	Supplies	8,431	1%	9,083	1.45%	652	7,949	1%
2,201	1.26%	275	0%	214	0%	Travel	2,463	0%	1,100	0.18%	(1,363)	2,127	0%
174	0.10%	4,630	2%	3,841	2%	Professional Fees	1,879	0%	11,517	1.84%	9,638	10,129	2%
6,565	3.75%	6,103	3%	7,256	4%	Committee Expense	16,335	3%	13,057	2.09%	(3,278)	12,410	2%
1,585	0.91%	3,304	2%	49	0%	Director & Instructor Ex	2,645	0%	3,673	0.59%	1,028	2,657	0%
6,740	3.85%	10,047	5%	9,783	5%	Other Services	35,783	6%	47,686	7.64%	11,903	30,933	5%
3,910	2.23%	2,071	1%	(2,510)	-1%	Bank Charges	11,532	2%	8,285	1.33%	(3,247)	3,912	1%
(9,978)	-5.70%	(6,446)	-3%	(5,805)	-3%	Interco. Allocation	(36,659)	(6%)	(25,784)	(4.13%)	10,875	(20,678)	-3%
1,175	0.67%	763	0%	1,698	1%	Other Expense	4,604	1%	3,053	0.49%	(1,551)	4,263	1%
124,083	70.85%	117,678	61%	116,225	64%	Total Expenses	470,962	78%	463,157	74.17%	(7,805)	491,746	76%
32,955	18.82%	51,010	26%	39,892	22%	Net Contribution	58,276	10%	66,612	10.67%	(8,336)	57,874	9%

The Mountaineers
Conservation Policy/Education
For the Four Months Ending January 31, 2007

January							YTD						
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Act vs Bud Variance	Last Year	%
						Other Revenue							
	0.00%	$1,200	27%	$1,790	99%	Course,Admissions		0%	$2,900	24.05%	($2,900)	$3,242	88%
	0.00%	3,300	73%		0%	Grants & Contributions		0%	3,300	27.37%	(3,300)		0%
	0.00%	4,500	100%	1,790	99%	Total Other Revenue		0%	6,200	51.43%	(6,200)	3,242	88%
						Expenses							
157	74.06%	1,582	35%	623	34%	Personnel	859	55%	4,986	41.36%	4,127	623	17%
	0.00%	209	5%		0%	Marketing & Advertising	66	4%	834	6.92%	768	25	1%
	0.00%	1,771	39%	760	42%	Printing & Postage	82	5%	2,433	20.18%	2,351	1,191	32%
	0.00%		0%		0%	Rent Expense	75	5%		0.00%	(75)	60	2%
	0.00%	17	0%		0%	Supplies		0%	67	0.56%	67		0%
	0.00%	208	5%	194	11%	Travel		0%	833	6.91%	833	259	7%
15	7.08%	175	4%		0%	Professional Fees	131	8%	700	5.81%	569	104	3%
	0.00%	83	2%	180	10%	Committee Expense	35	2%	333	2.76%	298	233	6%
	0.00%		0%		0%	Director & Instructor Expense		0%		0.00%		150	4%
	0.00%	16	0%		0%	Other Services		0%	63	0.52%	63		0%
40	18.87%	322	7%	(15)	-1%	Interco. Allocation	310	20%	1,288	10.68%	978	550	15%
	0.00%	129	3%	75	4%	Other Expense		0%	519	4.30%	519	499	14%
212	100.00%	4,512	100%	1,817	100%	Total Expenses	1,558	100%	12,056	100.00%	10,498	3,694	100%
(212)	-100.00%	(12)	0%	(27)	-1%	Net Contribution	(1,558)	(100%)	(5,856)	(48.57%)	4,298	(452)	-12%

The Mountaineers
Recreation Resource
For the Three Months Ending December 31, 2006

December							YTD						
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Act vs Bud Variance	Last Year	%
	0.00%		0%		0%	Sales	$29	4%		0.00%	$29		0%
	0.00%		0%		0%	Gross Margin	29	4%		0.00%	29		0%
						Other Revenue							
	0.00%	42	4%		0%	Course,Admissions		0%	125	3.82%	(125)		0%
	0.00%	42	4%		0%	Total Other Revenue		0%	125	3.82%	(125)		0%
						Expenses							
	0.00%	717	66%		0%	Personnel	703	85%	2,147	65.60%	1,444		0%
	0.00%	8	1%		0%	Utilities		0%	25	0.76%	25		0%
	0.00%	8	1%		0%	Marketing & Advertising		0%	25	0.76%	25		0%
	0.00%	38	3%		0%	Printing & Postage		0%	113	3.45%	113		0%
	0.00%	50	5%		0%	Travel		0%	150	4.58%	150		0%
	0.00%	146	13%		0%	Professional Fees		0%	438	13.38%	438		0%
	0.00%	13	1%	120	100%	Committee Expense		0%	38	1.16%	38	120	75%
40	100.00%	96	9%		0%	Interco. Allocation	120	15%	287	8.77%	167	40	25%
	0.00%	17	2%		0%	Other Expense		0%	50	1.53%	50		0%
40	100.00%	1,093	100%	120	100%	Total Expenses	823	100%	3,273	100.00%	2,450	160	100%
(40)	-100.00%	(1,051)	-96%	(120)	-100%	Net Contribution	(794)	(96%)	(3,148)	(96.18%)	2,354	(160)	-100%

The Mountaineers
Recreational Properties Summary
For the Four Months Ending January 31, 2007

January							YTD						
											Act vs Bud		
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Variance	Last Year	%
						Sales							
$2,485	6.49%	$5,202	14%	$3,551	9%	Sales	$5,484	6%	$10,996	13.95%	($5,512)	$7,401	8%
2,100	5.48%		0%	2,135	5%	Cost of Sales	2,100	2%		0.00%	(2,100)	2,135	2%
385	1.01%	5,202	14%	1,416	4%	Gross Margin	3,384	4%	10,996	13.95%	(7,612)	5,266	6%
						Other Revenue							
2,203	5.75%	154	0%	1,205	3%	Course,Admissions	3,474	4%	617	0.78%	2,857	5,900	7%
30,208	78.89%	30,056	83%	34,156	87%	Lodge Fees	68,152	78%	63,608	80.68%	4,544	72,154	83%
	0.00%	8	0%	22	0%	Grants & Contributions	645	1%	33	0.04%	612	609	1%
3,394	8.86%	896	2%	420	1%	Other	9,423	11%	3,583	4.54%	5,840	1,190	1%
35,805	93.51%	31,114	86%	35,803	91%	Total Other Revenue	81,694	94%	67,841	86.05%	13,853	79,853	92%
						Expenses							
	0.00%	365	1%		0%	Taxes	6,036	7%	6,246	7.92%	210	6,300	7%
8,391	21.91%	4,592	13%	941	2%	Utilities	16,395	19%	11,329	14.37%	(5,066)	18,542	21%
891	2.33%		0%	1,782	5%	Repair and Maint.	7,700	9%	1,632	2.07%	(6,068)	10,645	12%
128	0.33%	129	0%		0%	Marketing & Advertising	128	0%	517	0.66%	389	50	0%
643	1.68%	800	2%	1,227	3%	Depreciation	4,043	5%	3,200	4.06%	(843)	5,200	6%
1	0.00%	50	0%	38	0%	Printing & Postage	465	1%	3,409	4.32%	2,944	1,708	2%
	0.00%	85	0%	85	0%	Rent Expense	3,474	4%	4,039	5.12%	565	4,029	5%
920	2.40%	795	2%	885	2%	Supplies	3,627	4%	3,178	4.03%	(449)	2,804	3%
	0.00%		0%	20	0%	Travel	103	0%		0.00%	(103)	20	0%
	0.00%	333	1%		0%	Professional Fees		0%	1,333	1.69%	1,333		0%
5,455	14.25%	5,691	16%	4,683	12%	Committee Expense	12,607	14%	11,307	14.34%	(1,300)	9,067	10%
1,477	3.86%	3,304	9%	2,255	6%	Director & Instructor Ex	1,928	2%	3,673	4.66%	1,745	2,507	3%
422	1.10%	329	1%	66	0%	Other Services	1,009	1%	1,317	1.67%	308	7,707	9%
4,038	10.55%	3,187	9%	2,520	6%	Interco. Allocation	11,450	13%	12,747	16.17%	1,297	9,955	11%
57	0.15%	274	1%		0%	Other Expense	1,906	2%	1,100	1.40%	(806)	889	1%
22,423	58.56%	19,934	55%	14,502	37%	Total Expenses	70,871	81%	65,027	82.48%	(5,844)	79,423	91%
13,767	35.95%	16,382	45%	22,717	58%	Net Contribution	14,207	16%	13,810	17.52%	397	5,696	7%

The Mountaineers
Membership Services Summary
For the Four Months Ending January 31, 2007

January							YTD						
											Act vs Bud		
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Variance	Last Year	%
						Sales							
$8,656	8.18%	$8,891	9%	$8,315	8%	Sales	$30,766	9%	$40,016	11.13%	($9,250)	$37,542	10%
5,345	5.05%	5,512	6%	5,185	5%	Cost of Sales	18,760	5%	24,810	6.90%	6,050	23,671	6%
3,311	3.13%	3,379	3%	3,130	3%	Gross Margin	12,006	3%	15,206	4.23%	(3,200)	13,871	4%
						Other Revenue							
85,799	81.05%	80,713	83%	89,289	90%	Dues	271,814	79%	281,082	78.15%	(9,268)	307,115	80%
2,404	2.27%	2,000	2%		0%	Course,Admissions	24,529	7%	24,000	6.67%	529	19,136	5%
7,137	6.74%	3,568	4%		0%	Grants & Contributions	11,748	3%	7,136	1.98%	4,612	8,936	2%
1,864	1.76%	1,859	2%	2,145	2%	Other	6,670	2%	7,434	2.07%	(764)	8,924	2%
97,204	91.82%	88,140	91%	91,434	92%	Total Other Revenue	314,761	91%	319,652	88.87%	(4,891)	344,111	90%
						Expenses							
19,052	18.00%	18,482	19%	18,709	19%	Personnel	74,368	22%	73,926	20.55%	(442)	73,115	19%
	0.00%	33	0%	22	0%	Utilities		0%	133	0.04%	133	88	0%
1,345	1.27%	834	1%	338	0%	Marketing & Advertising	2,986	1%	3,334	0.93%	348	2,462	1%
11,044	10.43%	9,874	10%	9,141	9%	Printing & Postage	46,084	13%	40,093	11.15%	(5,991)	47,550	12%
25	0.02%		0%		0%	Rent Expense	25	0%	1,500	0.42%	1,475		0%
3	0.00%	258	0%	219	0%	Supplies	146	0%	1,033	0.29%	887	397	0%
2,201	2.08%		0%		0%	Travel	2,270	1%		0.00%	(2,270)	1,819	0%
	0.00%	683	1%		0%	Professional Fees		0%	2,733	0.76%	2,733	400	0%
166	0.16%		0%	6	0%	Committee Expense	426	0%	100	0.03%	(326)	372	0%
108	0.10%		0%	(2,206)	-2%	Director & Instructor Ex	717	0%		0.00%	(717)		0%
434	0.41%	5,342	6%	7,941	8%	Other Services	17,928	5%	28,867	8.03%	10,939	15,239	4%
(2,586)	-2.44%	52	0%	(2,255)	-2%	Interco. Allocation	(2,096)	(1%)	208	0.06%	2,304	(8,615)	-2%
332	0.31%	54	0%	259	0%	Other Expense	644	0%	217	0.06%	(427)	1,150	0%
32,124	30.35%	35,612	37%	32,174	32%	Total Expenses	143,498	42%	152,144	42.30%	8,646	133,977	35%
68,391	64.61%	55,907	58%	62,390	63%	Net Contribution	183,269	53%	182,714	50.80%	555	224,005	59%

The Mountaineers
Administration Summary
For the Four Months Ending January 31, 2007

January							YTD						
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Act vs Bud Variance	Last Year	%
						Other Revenue							
$847	1.84%	$500	1%	$529	1%	Grants & Contributions	$2,478	2%	$2,000	1.20%	$478	$1,363	1%
1,569	3.40%	15,125	35%	336	1%	Other	22,923	14%	24,500	14.70%	(1,577)	4,848	3%
2,416	5.24%	15,625	36%	865	2%	Total Other Revenue	25,401	15%	26,500	15.90%	(1,099)	6,211	4%
						Expenses							
22,632	49.04%	22,548	52%	21,849	56%	Personnel	88,086	54%	90,191	54.11%	2,105	85,354	52%
9,905	21.46%	9,907	23%	7,813	20%	Insurance	39,619	24%	39,627	23.78%	8	31,250	19%
1,859	4.03%	958	2%	(818)	-2%	Taxes	4,358	3%	5,198	3.12%	840	3,292	2%
729	1.58%	1,100	3%	694	2%	Utilities	2,845	2%	4,400	2.64%	1,555	4,283	3%
	0.00%		0%		0%	Repair and Maint.	136	0%		0.00%	(136)		0%
	0.00%	25	0%		0%	Marketing & Advertising		0%	100	0.06%	100		0%
4,516	9.79%	3,458	8%	4,317	11%	Depreciation	16,313	10%	13,833	8.30%	(2,480)	17,321	10%
592	1.28%	267	1%	(837)	-2%	Printing & Postage	4,970	3%	1,067	0.64%	(3,903)	1,974	1%
75	0.16%		0%		0%	Rent Expense	325	0%		0.00%	(325)		0%
494	1.07%	475	1%	348	1%	Supplies	835	1%	1,900	1.14%	1,065	1,076	1%
	0.00%	17	0%		0%	Travel	47	0%	67	0.04%	20		0%
159	0.34%	3,292	8%	3,841	10%	Professional Fees	1,748	1%	6,167	3.70%	4,419	9,625	6%
824	1.79%	317	1%	2,142	6%	Committee Expense	3,126	2%	1,267	0.76%	(1,859)	2,582	2%
5,111	11.08%	3,148	7%	1,060	3%	Other Services	12,928	8%	12,588	7.55%	(340)	3,051	2%
3,756	8.14%	1,833	4%	(2,555)	-7%	Bank Charges	10,290	6%	7,333	4.40%	(2,957)	3,025	2%
(4,622)	-10.02%	(4,428)	-10%	583	2%	Interco. Allocation	(22,646)	(14%)	(17,712)	(10.63%)	4,934	1,836	1%
116	0.25%	162	0%	285	1%	Other Expense	958	1%	649	0.39%	(309)	429	0%
46,146	100.00%	43,079	100%	38,722	100%	Total Expenses	163,938	100%	166,675	100.00%	2,737	165,098	100%
(43,730)	-94.76%	(27,454)	-64%	(37,857)	-98%	Net Contribution	(138,537)	(85%)	(140,175)	(84.10%)	1,638	(158,887)	-96%

The Mountaineers
Building Summary
For the Four Months Ending January 31, 2007

January							YTD						
Actual	%	Budget	%	Last Year	%		Actual	%	Budget	%	Act vs Bud Variance	Last Year	%
						Sales							
$25,027	100.00%	$37,250	100%	$37,147	100%	Sales	$127,901	100%	$145,250	100.00%	($17,349)	$154,926	100%
10,640	42.51%	19,180	51%	18,490	50%	Cost of Sales	50,305	39%	69,890	48.12%	19,585	71,001	46%
14,387	57.49%	18,070	49%	18,657	50%	Gross Margin	77,596	61%	75,360	51.88%	2,236	83,925	54%
						Other Revenue							
3,531	14.11%	2,616	7%	3,022	8%	Other	14,367	11%	7,848	5.40%	6,519	13,142	8%
3,531	14.11%	2,616	7%	3,022	8%	Total Other Revenue	14,367	11%	7,848	5.40%	6,519	13,142	8%
						Expenses							
12,835	51.28%	14,649	39%	15,059	41%	Personnel	51,673	40%	58,596	40.34%	6,923	61,045	39%
851	3.40%		0%	2,855	8%	Insurance	3,403	3%		0.00%	(3,403)	11,419	7%
2,394	9.57%		0%	2,559	7%	Taxes	9,574	7%	4,559	3.14%	(5,015)	10,235	7%
7,521	30.05%	353	1%	6,412	17%	Utilities	25,763	20%	4,812	3.31%	(20,951)	23,490	15%
1,052	4.20%		0%	1,384	4%	Repair and Maint.	2,240	2%	1,000	0.69%	(1,240)	3,526	2%
961	3.84%	522	1%	876	2%	Marketing & Advertising	3,148	2%	2,088	1.44%	(1,060)	3,515	2%
1,432	5.72%		0%	1,796	5%	Depreciation	5,843	5%	1,700	1.17%	(4,143)	7,150	5%
110	0.44%		0%	31	0%	Printing & Postage	190	0%		0.00%	(190)	115	0%
438	1.75%	450	1%	576	2%	Rent Expense	1,753	1%	1,800	1.24%	47	1,753	1%
519	2.07%	726	2%	1,321	4%	Supplies	3,824	3%	2,904	2.00%	(920)	3,670	2%
	0.00%		0%		0%	Travel	43	0%		0.00%	(43)	29	0%
	0.00%		0%		0%	Committee Expense	20	0%		0.00%	(20)	25	0%
772	3.08%	1,213	3%	716	2%	Other Services	3,918	3%	4,852	3.34%	934	4,934	3%
154	0.62%	238	1%	46	0%	Bank Charges	1,243	1%	952	0.66%	(291)	887	1%
(2,488)	-9.94%	(1,275)	-3%	(2,238)	-6%	Interco. Allocation	(6,237)	(5%)	(5,099)	(3.51%)	1,138	(6,677)	-4%
(3,730)	-14.90%	(4,275)	-11%	(3,321)	-9%	Other Expense	(16,504)	(13%)	(17,100)	(11.77%)	(596)	(16,470)	-11%
22,821	91.19%	12,601	34%	28,072	76%	Total Expenses	89,894	70%	61,064	42.04%	(28,830)	108,646	70%
(4,903)	-19.59%	8,085	22%	(6,393)	-17%	Net Contribution	2,069	2%	22,144	15.25%	(20,075)	(11,579)	-7%

The Mountaineers
BALANCE SHEET
As of January 31 2007

Assets		2007
Current assets:		
Cash and investments	$	165,009
Branch Cash:		
Foothills		14,973
Kitsap		12,050
Seattle		107,566
Board funds:		
Program Development		51,278
Conservation Education		143,500
Books Reserve		200,000
Lodge Reserve		115,339
Total Reserve		510,117
Total cash and investments		675,126
Receivables		299,551
Prepaid Expense		112,825
Inventory		59,249
		1,146,751
Property and equipment		2,134,805
Accumulated depreciation		(1,386,098)
Net property and equipment		748,707
Other Long term Assets		
Total assets	$	1,895,458
Liabilities		
Current Liabilities:		
Accounts payable	$	242,827
Accrued expenses		42,261
Total current liabilities		285,088
Net assets		1,610,370
Total liabilities and net assets	$	1,895,458

The Mountaineers

CASH AND INVESTMENTS SUMMARY

Period ending January 31, 2007

	2007
Beginning cash	641,543
Cash from operations:	
Net income (Loss)	58,276
Depreciation expense	26,201
Total	84,477
Cash sources (uses):	
Inventory, Receivables and Payables	22,212
Capital purchases	(42,486)
Total	(20,274)
Net cash from operations	64,203
Cash transfers	
from Seattle Branch	84,017
from Foothills Branch	15,447
from Kitsap Branch	4,505
Total	103,969
Ending cash balances	$ 809,715

The Mountaineers
CASH FLOW PROJECTION
As of January 31, 2007
Eight months ending September 30, 2007

		Club
Cash		809,715
Less reserves		(540,737)
Cash Available		268,978
Projected Cash from operations current-9/30/07:		
Income Forecast Excluding Branches		66,502
Depreciation expense		26,600
	Total	93,102
Cash uses:		
Remaining Capital Expense (admin only)		(15,514)
		(15,514)
	Net cash from operations	77,588
Cash transfers		
	Seattle Branch	(84,017)
	Foothills Branch	(15,447)
	Kitsap Branch	(4,505)
	Total	(103,969)
Cash available		$ 242,597

General Statement

It is the policy of the board to hold all authority for the making of contracts and encumbrances of club assets.

References

Revised Bylaws, Article III, Section 1

Contract Defined

A contract is any agreement, whether or not in writing, which involves payment or receipt by the club of money, goods, or services.

Encumbrance Defined

An encumbrance is any agreement, whether or not in writing, which creates an interest, claim or lien on any real or personal property of the club.

Authority for Making of Contracts and Encumbrances

Except as approved by the board in a formal business plan, all encumbrances of club assets and agreements to lease, purchase, or sell real property, shall be made by the President.

Except as expressly delegated by board policy, all contracts shall be made by the President.

The President may in writing delegate to any club employee or member authority to make a specific contract.

Contracts Approved through Budget or Business Planning Process

Contracts involving club expenditures which have been approved through an annual budget process or through a business plan may be made by the Executive Director, either personally or through an appropriate staff employee, or the Branch, Division, or Committee Chairperson who has primary responsibility to implement the budget or business plan containing the expenditure.

Contracts Not Approved through Budget or Business Planning Process

~~All contracts involving expenditures which have not been approved by the board through the annual budget process and all encumbrances of club assets of more than one year's duration shall be reviewed and approved by the Executive Committee prior to being made. The President will regularly report to the board all contracts and encumbrances which have been reviewed and approved by the Executive Committee.~~

All contracts involving expenditures, except branch expenditures of $5,000 or less, which have not been approved by the board through the annual budget process, and all encumbrances of club assets of more than one year's duration shall be reviewed and approved by the Executive Committee prior to being made. The President will regularly report to the board all contracts and encumbrances which have been reviewed and approved by the Executive

Committee. All contracts involving expenditures by a branch of $5,000 or less, which have not been approved by the board through the annual budget process, and all encumbrances of branch assets of more than one year's duration shall be reviewed by the branch Chair, the branch Treasurer, and the club's Executive Director. Branches will regularly report to the managing committee all contracts and encumbrances that have been reviewed and approved in this manner. The authority for branches to make such expenditures is contingent upon the branch having sufficient cash on hand to fund any operating deficit in the current fiscal year, plus the unplanned expenditure, plus a minimum cash balance equal to 10% of annual budgeted revenue.

Requirement that Agreement be in Writing

All encumbrances of more than one year's duration and all contracts involving a value of more than $1,500 will be made in writing.

Board Policy Manual

SECTION: 400 **GENERAL BOARD POLICIES**

SUBJECT: 423 **Financial Management**

General Statement
It is the policy of the board to manage the Club's financial affairs through the prudent application of budgetary planning and financial management practices.

References
Revised Bylaws, Article III, Sections 1,5,7. General Board Policies # 309 and 415.

Role of the Treasurer
Ensures that procedures are established and properly operating for the collection and disbursement of all funds belonging to the Club.

Ensures that proper accounts are kept and, when requested by the board, presents a report of its financial condition.

Conducts a detailed review of the Club financial results on a monthly basis with assistance from the Finance Committee and Club Controller.

With Assistant Treasurer (if any), oversees and provides guidance for the preparation of the annual operating and capital budgets.

Budgetary Planning
Each organizational unit, i.e. Administration, Books, Branches, Divisions, etc, within the club shall prepare annual operating and capital budgets that are based on an operating plan. This plan shall include, at minimum, a description of program(s), goal(s), and a financial proposal to support its program(s).

Committee Role
Prepares an annual operating and capital budget under the guidance of the branch/division Chairperson or the branch/division Treasurer.

Committees who are not part of a branch/division will prepare a budget under the guidance of the Club Treasurer.

Organizational Unit Role
Prepares an annual operating and capital budget. All organizational unit budgets shall include within them the budgets of each of the committees (if any) in that organization unit.

Controller Role
Coordinates and compiles Club budgetary plans for presentation to the Club Treasurer and the board.

Board Role
Establish budget assumptions for all organizational units at the start of the budget planning cycle.

Reviews and approves all annual operating and capital budgets prior to the beginning of each fiscal year on October 1.

Monitoring Financial Performance
All organizational units shall monitor revenues and expenditures on a regular basis, make program adjustments as necessary to ensure adherence to budget plan, and meet established net income targets set by the board.

Branches, through their duly elected treasurer or other branch approved designee, are responsible for ensuring that their financial obligations are met, and for submitting their financial results and status of all branch financial accounts to the Mountaineers Treasurer and Mountaineers Controller on a monthly basis.

~~In the past, branches have been allowed financial accounts for the purposes of depositing revenue, paying expenses and establishing operating and capital asset reserves. Total balances in "branch held" capital reserves shall be in accordance with their Board approved operating plan.~~

~~Total balances in the "branch held" operating reserves shall not exceed 50% of the Board approved budget expenses for that Branch for the respective fiscal year. Branches that had total operating reserves in excess of 50% of their Board approved budget expenses on October 01, 2001 shall develop strategies in their operating plans to utilize these excess funds, no later than September 30, 2006, on projects or initiatives that fulfill Mountaineers' purposes. These projects and initiatives are subject to Board approval.~~

~~Operating reserves in excess of 50% of the Board approved budget expenses for that Branch for the respective fiscal year shall be deposited in Club accounts and tracked in a cost center for that Branch. Exceptions to this policy fall under provisions within Board Policy 415.~~

Branches will maintain their cash in unified Club accounts. These will separately identify amounts attributable to each branch. These cash balances will be invested pursuant to Board Policy 426, and interest income will be attributed to each branch based on their respective cash balance. Branches with existing bank accounts will have a grandfathered exception to this requirement so long as their accounts are with a single bank specified by the Controller of the Club and of a type that provides electronic reporting to the Controller in a manner that he or she finds satisfactory. Investing these separately held funds in accordance with Board Policy 426 will remain the responsibility of the branch.

All branch financial accounts and their signatories must be re-authorized by the Board on an annual basis unless the branch chooses to delegate the responsibility of its financial accounts to the Club. The Mountaineers Executive Director must be one of the signatories on all branch financial accounts.

The Controller assists the Club Treasurer in the detailed review of club financial results and reports monthly to the Finance Committee. When requested by the Treasurer, prepares a report on the Club's financial condition for the Board. Compiles and integrates organizational unit financial results, disburses approved support funds, and provides technical assistance to organizational unit Chairpersons.

The Finance Committee shall be responsible for monitoring all organizational unit revenues and expenditures on a monthly basis, and for making recommendations to the Club Treasurer and Controller as necessary (see General Board Policies # 309).

The Club Treasurer and/or the Controller are responsible for providing the board with timely updates on the financial condition of the Club and on matters that could affect the financial condition of the Club.

The Board meets on a regularly scheduled basis to consider and vote on these matters where appropriate.

The Board bears the ultimate fiduciary responsibility for the Club's financial management.

The Mountaineers Strategic Plan
2007 - 2012

Draft March 2007

MISSION

To enrich the lives of people by helping them explore, conserve, learn about, and enjoy the wild lands and waters of the Northwest.

TEN YEAR VISION

The Mountaineers is the foremost outdoor recreation club of the Northwest, dedicated to the responsible enjoyment and protection of natural and recreational lands and waters. We are an integral part of our community, nurturing both people and the places where they meet nature. Our outings, gatherings, and offerings are open to all to learn about and enjoy the outdoors – especially the next generations of explorers, conservationists, educators, and voters.

5 YEAR GOALS AND STRATEGIES

1. **Grow The Mountaineers** by creating opportunities to make the outdoors more relevant to more people. Target 15,000 members by 2012 and 30,000 by 2017.

   Strategies

   1. Make our courses easier to attend and complete for adults of all ages.

   2. Establish family-oriented activities to bring more children and parents into the club.

   3. Develop a conservation agenda that attracts a large membership base that values, responds to and acts upon the conservation of and access to recreational lands and waters.

   4. Develop magazine, web, and publishing channels that bond people to The Mountaineers and its mission.

   5. Lower effective membership cost, particularly for families.

2. **Add Value to our Members' Lives and our Community** by focusing on the activities in which The Mountaineers is uniquely capable.

   Strategies

   1. Focus conservation efforts on recreational lands and waters:

      a. Mobilize the membership for Wild Sky Wilderness.

      b. Develop a mechanism for mobilizing volunteer work, starting with trail work in Mount Rainier National Park.

      c. Implement a comprehensive program to deal with access issues.

      d. Develop conservation priorities that leverage publishing and outreach capabilities of the Books division.

2. Develop a plan to maximize the utilization of the Recreational Properties in support of our mission:

    a. Seek to establish year-round uses for as many properties as possible.

    b. Take rational steps to achieve recognized hospitality standards at the properties.

    c. Open properties to public use and encourage the lodges and other properties to serve as club mission centers.

    d. Consider the acquisition of additional properties along with the planned sustainability of existing properties.

3. Establish the Magnuson Park Headquarters as a major hub of outdoor activities in the Puget Sound area and as an asset in the recruiting of new members:

    a. Major public evening programs at least once a month.

    b. Recruit new members among park visitors.

    c. Hold a grand opening comparable to the opening of REI's flagship store.

4. Develop new media with volunteers:

    a. A multi-media Freedom of the Hills.

    b. Promote web-based trip reports.

5. Open all Mountaineers activities to the public (subject to pre-requisites and fees where appropriate), members receive discounts and priority.

6. Develop programs for children and young adults to introduce them to the outdoors.

7. Build an aspect of community into all of our activities and courses.

8. Conduct an annual membership survey to measure our success in adding value.

3. **Build a Sustainable Operating Environment Of Sound Governance And Finances** so that The Mountaineers thrives for another 100 years. Target $20 million in revenue by 2017.

Strategies

1. Grow revenue to keep the organization's operating budget into the black.

    a. Increase membership dues revenue primarily by growing membership, rather than by raising dues.

    b. Increase fee revenue by opening courses and activities to public participation.

    c. Partner with schools, youth groups and outdoor retailers to develop more revenue for education programs.

    d. Provide Mountaineers content to drive Books revenue.

    e. Upgrade the magazine and web site to drive revenue through ads, sales and subscriptions.

2. Develop a core competence in fundraising to support the mission of The Mountaineers.

3. Seek corporate and non-profit leaders for Board seats.

4. Empower professional managers (executive director and key staff) with greater operational decision-making authority.

5. Rely on volunteers first, but hire staff when volunteers cannot meet the needs of the organization.