

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
Bellinger Hall, Chautauqua Institution, Chautauqua, NY
8:30 a.m. Saturday, February 6, 2016

MINUTES

<u>Members Present</u>		<u>Member Absent</u>	<u>Others Present</u>	
Jim Pardo – Chair	Ron Kilpatrick	Don Boswell	Sherra Babcock	Sam Price
Karen Arrison	Jim Klingensmith	Jim Brady	Sebby Baggiano	Maureen Rovegno
Cathy Bonner (ex officio)	Candace Maxwell	Kyle Keogh	Rindy Barmore	John Shedd
Christine Brueschke	Bob Metzgar	Sheila Penrose	Tom Becker	Bruce Stanton
Hugh Butler	Greg Miller		Matt Ewalt	Jordan Steves
Carolyn Byham	John Milos		Geof Follansbee	
Judith Claire	Tim Renjilian		Robert Franklin	
Laura Currie	David Rosen		Deborah S. Moore	
Bonnie Gwin	Larry Thompson		George Murphy	
John Haughton	Dede Trefts		Bill Neches	
Bob Jeffrey			Dusty Nelson	

Mr. Pardo opened the meeting with a word of prayer.

I. Minutes

There being no corrections or additions to the minutes, the minutes of the November 7, 2015, and December 30, 2015, meetings of the Chautauqua Board of Trustees stood approved as presented.

II. Report of Chairman

Mr. Pardo referred to the remarks made by him during the Board's working session on Friday, February 5, where he (a) referenced the results of the August 2015 Board survey, (b) thanked Ms. Gwin for her report on the work of the Nominating & Governance Committee relating to open meetings and increased Board transparency and community engagement, Mr. Becker for his comments on possible master planning, Mr. Kilpatrick for his report on financial planning, sustainably and operating and capital models; Mr. Renjilian on his report on the working group on the Re-imagination of Programming and Census Growth, and Mr. Klingensmith on the working group on Strategic Investment, and (c) provided an update to the Board regarding the Amphitheater Project and related litigation and the Presidential Search Process.

III. Report of President

Mr. Becker asked members of the Senior Staff to speak about the 2016 program. Rev. Franklin reported on programming sponsored or otherwise offered by the Department of Religion, Ms. Babcock provided detail on the 10:45 speakers and in particular those speakers that might not be as well-known but who will provide rich and significant contributions to the theme of their specific week, and Ms. Sunya Moore spoke to the Board about innovations in visual arts, theater, dance, opera and the CSO. Ms. Sunya Moore also referred to the some of the artistic director transitions noting success in recent hires and the search process in other areas.

IV. Committee Reports

Executive Committee

Ms. Trefts reported that, consistent with New York State not-for-profit law and the Institution's By-Laws, the Executive Committee ratified the salaries for 2016 of members of the Senior Staff that are direct reports to Mr. Becker.

Mr. Pardo recommended that the term and powers of the current Amphitheater-Related Special Committee be extended through the Board's scheduled meeting in August, 2016, so as to deal with issues that may arise during the enabling phase or the 2016 Season.

On motion made, seconded and carried, the Board of Trustees approved the extension of the term and powers of the current Amphitheater-Related Special Committee (Mr. Pardo, Ms. Currie, Ms. Maxwell, Mr. Milos, Mr. Jeffrey, Mr. Kilpatrick, and Mr. Rosen) through the Board's scheduled meeting in August, 2016.

Mr. Pardo reminded the Board that a four-Trustee working group was working to identify an executive search firm to assist the Institution with the Presidential Search process. Mr. Pardo requested that the Board authorize him to execute a contract, satisfactory in form and substance to him and the other members of the working group, with an Executive Search firm.

On motion made, seconded and carried, the Board authorized Mr. Pardo to execute a contract, satisfactory in form and substance to him and the other members of the working group in their sole and absolute discretion, with an Executive Search firm to assist the Institution with the Presidential Search process.

Asset Policy

Mr. Kilpatrick reported that the committee had accepted the 2016 Annual Police Report on behalf of the Board of Trustees.

Mr. Kilpatrick reviewed the proposed amendments to the 2016 Operating Budget and recommended those amendments to the Board. He noted that there were no amendments to the 2016 Capital Budget.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the adoption of the 2016 Operating Budget Amendments that were contained in the pre-read materials.

Mr. Follansbee reported that there exists a rain garden on South Lake Drive in Miller Park that a donor has stated an interest in endowing. The gift has been committed and the agreement has been presented to the donor. The agreement includes language that, in the event in the future the Board should determine the property should be used for another purpose, the garden would be relocated to another area mutually agreed to by the donor and the Board.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the naming of the existing rain garden located on South Lake Drive in

Miller Park as the Arline and Ralph Bernstein Memorial Rain Garden subject to the following conditions:

- 1. Receipt of a gift in the amount that satisfies the Garden Policy adopted by the Boards of the Institution and Foundation, and**
- 2. Execution of a gift agreement providing that in the event the Board of Trustees determines that such land is necessarily used for another purpose, the donor agrees to the transfer of naming rights to another garden of similar size and purpose, the location of which would be mutually agreed to by the parties to the agreement.**

Program Policy

Mr. Haughton reported that the Program Policy Committee has not met since November but will meet again in the next few months.

Marketing & Communications Committee

Mr. Pardo referred to a revised 2016 Board of Trustee Committee list, which includes the membership of the recently established Marketing & Communications Committee.

Mr. Klingensmith stated that the committee is scheduled to meet four times over the next few months and will develop its work plan over that time.

Development Council

Ms. Bonner reported that the Chautauqua Fund received gifts of \$3,782,540 in 2015, the largest amount ever received in a single year.

The Development Council and the Foundation Board approved and recommended a 2016 Chautauqua Fund Goal of \$3,850,000. The Foundation Board unanimously dedicated the 2016 Chautauqua Fund to Tom and Jane Becker. The new donor task force chaired by John Milos, has been working with the Board and staff on new initiatives to increase the number of new donors to the Fund. The Chautauqua Fund goal not only includes a numerical goal but also a goal to increase the number of new donors to the Fund. The Foundation Board has accepted the new initiative to increase the number of new donors by 127 this year with a 5% increase in new donors to the Fund over the next two years.

Upon the recommendation of the Chautauqua Foundation and the Development Council and on motion made, seconded and carried, the Board of Trustees approved the 2016 Chautauqua Fund Goal of \$3,850,000.

Mr. Pardo discussed the importance of leadership giving on behalf of the members of the Board of Trustees and urged the members to provide a gift or pledge to the Chautauqua Fund prior to the Board's meeting May.

Mr. Follansbee reported on the Promise Campaign, which has raised just under \$93 million at the end of 2015. The Campaign Cabinet met and is committed to working with its volunteer teams to achieve the final goal. The endowment for the Amphitheater and the new endowment for Miller Cottage are two new fundraising initiatives that staff and volunteers will be focusing on this coming season. These will be community fundraising efforts. Mr. Follansbee reported on the investment performance for the

Foundation's portfolio, and he noted that the Investment Committee submitted requests for proposals for investment managers and approved the continuation of Hirtle Callaghan as their investment managers.

ARB

Mr. Jeffrey reported that the ARB reviewed one case at its February 4 meeting. Mr. Jeffrey reported that the ARB has had eight to ten meetings under its new Rules and Regulations and that it will reflect on its experience to determine if further changes need to be made to make the ARB process more efficient.

Hotel Board

Mr. Becker reported on the Hotel Board's February 4 meeting. A sub-group of the Hotel Board is focused on financial analysis and budgeting analysis. It will review the audit material prior to the time that material is presented to the Institution's Audit Committee. The sub-group will continue to meet with staff throughout the year to assist in the budget review and analysis. There have been several capital improvements at the Hotel, including a new sprinkler system, foundation and support work on columns at the front of house, and some water mitigation surrounding the building.

Executive Session

On motion made, seconded and carried, the Board went in to executive session inviting Mr. Becker, Mr. Price, Ms. Bonner, Mr. Moore, Mr. Baggiano, Mr. Murphy, Mr. Shedd and Mr. Steves to participate.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore
Corporate Secretary
Chautauqua Institution Board of Trustees