

**CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES**  
**Hultquist Center, Chautauqua Institution, Chautauqua, NY**  
**8:30 a.m. Saturday, August 27, 2016**

**MINUTES**

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

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

**I. Minutes**

***There being no corrections or additions, the minutes of the May 7, 2016, meeting of the Board of Trustees stood approved as presented.***

Mr. Pardo introduced Ms. Lin and Ms. Kyler, and he then excused them from the meeting. Mr. Pardo also recognized Mr. Neches, CPOA President, as an observer at today's meeting.

**II. Report of Audit Committee**

Ms. Maxwell stated that the Audit Committee had reviewed the Conflict of Interest and Related Party Transaction Statements received from Ms. Kyler and Ms. Lin (the nominees for the position of Class A Trustee) and from Mr. Brady and Mr. Rosen (the renewing Class A Trustees) and found them to present no issue. It was noted for the record that Mr. Neches had completed a Conflict of Interest and Related Party Transaction form prior to his election as Class B Trustee at the recent Corporation meeting.

Ms. Maxwell also reported that the Form 990 had been reviewed by the Audit Committee and accepted and will be posted on the Trustee website for access by the Board.

**III. Initial Report of the Nominating & Governance Committee**

Ms. Gwin gave the report of the Nominating & Governance Committee.

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board of Trustees approved the re-election of Mr. James Brady for a four-year term to the Board of Trustees (to the class of 2020).***

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board of Trustees approved the re-election of Mr. David Rosen for a four-year term to the Board of Trustees (to the class of 2020).***

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board of Trustees approved the election of Ms. Nancy Kyler for a four-year term to the Board of Trustees (to the class of 2020).***

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board of Trustees approved the election of Ms. Anita Lin for a four-year term to the Board of Trustees (to the class of 2020).***

Ms. Kyler and Ms. Lin were invited to return to the meeting.

It was noted for the record that Mr. Neches had been elected for a four-year term as a Class B Trustee at the annual meeting of the Corporation in August.

#### **IV. Executive Session**

***On motion made, seconded and carried, the Board went into executive session, inviting Mr. Becker, Mr. Baggiano, Mr. Murphy, Ms. Bonner, Ms. Kyler, Ms. Lin, Mr. Neches, Mr. Lundberg, Mr. Morse, and Mr. Price, to participate.***

***On motion made, seconded and carried, the Board reconvened in open session.***

#### **V. Further Report of Nominating & Governance Committee**

Ms. Gwin continued the report of the Nominating & Governance Committee.

The Nominating & Governance Committee recommended amendments to three documents: the Agreement Between the Chautauqua Foundation and the Chautauqua Institution, the Development Council Protocol, and the Chautauqua Institution's By-Laws. The amendments arise from discussions with the Foundation's leadership regarding the composition and focus of the Development Council. The size of the Development Council will be reduced under the amendments. The Chair of the Board of Trustees will retain the power to appoint the Development Council Chair, but under the amendments he or she may do so from any appointed members of the Council (i.e., not just from the Trustee-nominated members). The Foundation's Board of Directors approved the proposed changes to the Protocol and the Agreement at its recent meeting in August. In addition to approving the proposed changes to the Protocol and the Agreement, the Institution's By-Laws will require that conforming amendments be made because the Development Council is a committee of the Corporation specified and described therein.

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board approved the proposed amendments to the Agreement Between the Chautauqua Foundation and the Chautauqua Institution.***

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board approved the proposed amendments to the Development Council Protocol.***

***Upon the recommendation of the Nominating & Governance Committee taken as a motion, and after a second to the motion, the Board approved the proposed amendments to the Chautauqua Institution By-Laws.***

The Board asked the Institution's Staff to post on the Institution's website a red-lined version of the specific by-law amendment as well as a complete copy of the amended by-laws.

#### **VI. Joint Report of the Asset Policy Committee and the Architectural Review Board**

The case that was expected to come before the ARB did not materialize and, therefore, there is no action item to be brought before the Board relative to the ARB.

Mr. Kilpatrick, however, reported from the Asset Policy Committee that a naming opportunity had recently developed that requires Board approval. Mr. Kilpatrick and Mr. Follansbee reported that a plaza area will be created behind Smith Memorial Library and adjacent to the new Amphitheater. As a result of a generous gift from Steve and Anne Odland, it was proposed that the plaza be named as The Odland Plaza. The gift will be received by the Institution as unrestricted. Some funds will be allocated toward the creation of the plaza, and the potential exists for other of the funds to be allocated toward an endowment for the care of the plaza. Staff will work with the Asset Policy Committee and the Board, once the design is completed, to determine if an endowment is needed and the appropriate level of any such endowment.

***On motion made, seconded and carried, the Board of Trustees approved the naming of the to-be-created plaza area behind Smith Memorial Library and adjacent to the new Amphitheater as The Odland Plaza subject to the execution of the normal documentation for gifts of this kind.***

#### **VII. Report of Program Policy Committee**

Mr. Haughton reported that the Program Policy Committee held a session during the Season with Steven Osgood, Artistic Director of the Chautauqua Opera Company. Mr. Haughton summarized that meeting and discussed the artistic direction of the Opera Company, a ten-year plan for Opera at Chautauqua, and programming for the 2017 Season.

#### **VIII. Development Council**

Mr. Brady reported that as of July 31<sup>st</sup>, the Chautauqua Fund had received \$2,214,023 towards its \$3,850,000 goal. There is a slight increase in the number of new donors to the Fund from this time last year, with a total of 157 first-time donors contributing almost \$162,000. The Promise Campaign reported total gifts and pledges of \$97,363,705 (as of July 31<sup>st</sup>) toward its overall goal of \$98,200,000. Mr. Brady spoke specifically to the issue regarding the decrease in the year-to-date total number of donors to the Chautauqua Fund.

#### **IX. Chautauqua Foundation Report**

Ms. Bonner and Mr. Follansbee made the report on behalf of the Foundation, referring to the material provided in the Board's pre-read materials relative to the Foundation's portfolio and investment performance. The Foundation has elected two new Directors, Georgia Court and Dick Ward.

#### **X. Report of the Hotel Board**

Mr. Becker reported that the Hotel Board met on August 11<sup>th</sup> and discussed occupancy for the Hotel throughout the Season and the business model innovations relative to overall food service and profitability.

#### **XI. Committee Assignments**

The Board received the list of 2016-2017 Committee Assignments.

*On motion made, seconded and carried, the Board of Trustees approved the selection of Ron Kilpatrick, Laura Currie, and John Milos to serve on the Executive Committee as appointed by the Chairman of the Board.*

#### **XII. Report of Other Committees and Working Groups**

##### ***Asset Policy***

Mr. Baggiano provided a brief report on attendance to-date, expenses, and revenue for the 2016 year-to-date. The Institution in 2016 likely will be flat in terms of overall attendance measured by long-term (overnight) person days. Mr. Becker discussed the programmatic initiatives in the 2016 Season, which were implemented to impact growth positively. Mr. Becker reported in particular about the programming initiatives in Weeks 8 and 9. Staff will analyze the results to determine areas of success and weakness as it begins to develop the strategy for programming in the 2017 relative to growth.

#### **XIII. Chairman's Report**

Mr. Pardo referred to the Board transparency and community engagement initiatives that were implemented this Season and noted that the Nominating & Governance Committee will evaluate those initiatives to determine which should be continued going forward, which should be modified or rescheduled but continued, and which were unproductive and should be discontinued.

#### **XIV. President's Report**

Mr. Becker shared his pride as to the work and programs presented during the 2016 Season, noting several highlights from the Season, including the programmatic partnerships. He commended the Staff on its effort and thanked everyone for the pride that they hold in executing the work of the Institution.

#### **XV. Report of Special Committee on Amphitheater-Related Issues**

Mr. Rosen reported that the Special Committee met throughout the Season to receive reports from Staff on the progress of the Amphitheater project, costs, and cash flow expectations. The work accomplished in the enabling phase assisted in the timeline for the fall and winter construction phase of project. The Special Committee will continue to meet in the off-Season approximately every three weeks to stay abreast of the project. Staff has and will continue to have conversations with those homeowners that are on the construction route. Mr. Shedd reported on the construction phases that will take place immediately after the Season and the timing for each of those phases. Two cameras will be installed to allow the community to view the progress of the project. Mr. Murphy discussed the communication plan for the project, including communications with those homeowners who live on the construction route. Mr. Baggiano discussed the cash flow for the project, change orders received to-date, and the allocation of the costs of those change orders between the owner and the construction company.

***On motion made, seconded and carried, the Board approved the continuation of the Special Committee on Amphitheater-Related Issues as currently constituted through the August 2017 Board meeting.***

**XVI. Executive Session**

***On motion made, seconded and carried, the Board went into executive session inviting Mr. Becker, Mr. Price, Mr. Follansbee, Ms. Bonner, Ms. Lin, Ms. Kyler, and Mr. Neches to participate.***

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore  
Corporate Secretary  
Chautauqua Institution Board of Trustees

## **Recognition of Retiring Trustees**

At the conclusion of the Executive Session, Mr. Pardo recognized Ms. Karen Arrison, Mr. Greg Miller and Mr. Tim Renjilian, each of whom is retiring from the Board after completing their respective terms as Trustees. Mr. Pardo noted that each has contributed greatly to the Board and the community, and he read the following resolutions:

### **Karen A. Arrison**

***WHEREAS, Karen Arrison has served the Chautauqua Institution as a member of its Board of Trustees for four years, 2012-2016, serving as a member of the Program Policy Committee and the Personnel Committee; and***

***WHEREAS, during her tenure on the Board Ms. Arrison also served as a member of the Institution's Amphitheater Study Group from 2011- 2012 and its Amphitheater Advisory Group from 2012- 2014; and***

***WHEREAS, throughout her service on the Board Ms. Arrison has at all times been devoted solely to the best interests of the Institution; and***

***WHEREAS, in particular, through her dedication, imagination, creativity and perseverance, Ms. Arrison, as a member of the Board of Trustees and of the Institution's Amphitheater Study Group and Amphitheater Advisory Group, demonstrated leadership of and a steadfast commitment to the highest principles of excellence underlying the Amphitheater Project; and***

***WHEREAS, Ms. Arrison's strong and effective voice coupled with her demand for and encouragement of consistently high standards made her a particularly effective member of the Board; NOW, THEREFORE, BE IT***

***RESOLVED, that in deep gratitude for Ms. Arrison's exemplary service to the Chautauqua Institution, we, the Board of Trustees, do hereby record upon the permanent records of the Institution our sincere thanks and appreciation.***

### **Mr. Gregory J. Miller**

***WHEREAS, Gregory Miller has served the Chautauqua Institution as a member of its Board of Trustees for eight years, 2008-2016, serving on the Program Policy Committee, the Audit Committee, and the Re-Imagination of Programming Working Group; and***

***WHEREAS, as a Trustee elected by the members of the Chautauqua Corporation, Mr. Miller has been an effective advocate in bringing the concerns of the Chautauqua community to the attention of the Board of Trustees and has been equally effective in articulating the activities and decisions of the Board to the Chautauqua community; and***

***WHEREAS, Mr. Miller has been a strong and effective voice on the Program Policy Committee, in particular as a strong champion for the importance of increased and directed youth programming; and***

**WHEREAS, during his service on the Board, Mr. Miller has consistently demonstrated the highest level of leadership, commitment, and oversight to the policies adopted by the Board; NOW, THEREFORE, BE IT**

**RESOLVED, that in deep gratitude for Mr. Miller's exemplary service to the Chautauqua Institution, we, the Board of Trustees, do hereby record upon the permanent records of the Institution our sincere thanks and appreciation.**

**Mr. M. Timothy Renjilian**

**WHEREAS, Tim Renjilian has served the Chautauqua Institution as a member of its Board of Trustees for eight years, 2008-2016, serving as:**

- a member of the Asset Policy Committee,**
- a member and Chair (2012–2014) of the Audit Committee,**
- a member and Chair (2014-2015) of the Program Policy Committee,**
- a member of the Executive Committee,**
- Chair (2014-2016) of the Re-Imagination of Programming Working Group, and**
- Vice Chair (2013-2015) of the Board of Trustees; and**

**WHEREAS, Mr. Renjilian has at all times been devoted solely to the best interests of the Institution throughout his service and in all of his roles on the Board; and**

**WHEREAS, through his imagination, creativity, and perseverance as Chair of the Program Policy Committee and of the Re-Imagination of Programming Working Group, Mr. Renjilian demonstrated leadership of and commitment to Chautauqua's programming and to the Board's oversight and assessment role relating thereto; and**

**WHEREAS, Mr. Renjilian's strong and effective voice coupled with his demand for and encouragement of consistently high standards made him a particularly effective member of the Board, in general, and Vice Chair of the Board, in particular, NOW, THEREFORE, BE IT**

**RESOLVED, that in deep gratitude for Mr. Renjilian's exemplary service to the Chautauqua Institution, we, the Board of Trustees, do hereby record upon the permanent records of the Institution our sincere thanks and appreciation.**

Ms. Arrison, Mr. Miller, and Mr. Renjilian each shared remarks on their service on the Board of Trustees.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore  
Corporate Secretary