

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
Saturday, February 7, 2015
Bellinger Hall, Chautauqua Institution, Chautauqua, NY

MINUTES

Members Present

| | |
|---------------------|--------------------------|
| Jim Pardo – Chair | Candace Littell |
| Karen Arrison | Bob Metzgar |
| Jim Brady | Jack McCredie |
| Christine Brueschke | Greg Miller |
| Hugh Butler | John Milos |
| Carolyn Byham | Sheila Penrose |
| Laura Currie | Steve Percy – ex officio |
| Bonnie Gwin | Tim Renjilian –V. Chair |
| John Houghton | David Rosen |
| Bob Jeffrey | Dede Trefts |
| Ron Kilpatrick | |

Members Absent

Jill Bellowe
Don Boswell
Jennifer DeLancey
Laurie Miller

Others Present

| | |
|--------------------|------------------|
| Sherra Babcock | Marty Merkley |
| Sebastian Baggiano | Deborah S. Moore |
| Rindy Barmore | George Murphy |
| Tom Becker | Sam Price |
| Karen Bloize | Maureen Rovegno |
| Matt Ewalt | John Shedd |
| Lauren Fine | Jordan Steves |
| Geof Follansbee | Steve Zenczak |
| Robert Franklin | |
| Karen Goodell | |

I. Opening of Meeting

Mr. Pardo opened the meeting with a prayer.

II. Minutes

On motion made, seconded and carried, the minutes of the November 8, 2014, meeting of the Board of Trustees were approved as presented.

III. Chairman's Report

Mr. Pardo thanked the Trustees and Staff for their participation in the Board of Trustees' retreat sessions held on Friday, February 6th. During those sessions the Board reviewed and discussed at great length the proposed Amphitheater Project - including the strategic rationale for the project; the process that led to the development of the design; various issues relating to historic rehabilitation; the Institution's plan for improved communications; cost estimates and fundraising status; and timing issues relating to the project, including its possible consideration by the Board as a possible action item. The retreat sessions also included discussions about the relationship between volume growth and programming in the specific areas of Education/Religion, CSO/Opera, and Popular Entertainment. Over the next several months members of the Staff will work with the Trustee sub-group (Tim Renjilian, John Houghton, Greg Miller and Sheila Penrose) drawn from the Program Policy and Asset Policy Committees to analyze these programming areas and to develop metrics by which these programs can meaningfully be measured on both a quantitative and qualitative basis keeping in mind the roles they play in the Institution's mission and in driving volume (and thus revenue) growth.

Mr. Pardo recognized the members of the Foundation Board that were present at the Board retreat sessions and meeting, Ms. Lauren Fine, Ms. Karen Goodell and Mr. Steve Zenczak.

III. President's Report

Mr. Becker noted the announcement of Mr. Merkley's retirement at the end of September 2015. He thanked and commended Mr. Merkley for his dedication, service to Chautauqua, and his teamwork in all aspects of his work with staff and the community.

The area on North Lake Drive that was damaged by the landslide last season is being stabilized and storm water plans are being implemented along various points of the lakefront from the Strohl property to the Bell Tower.

An analysis is being conducted by Forecon, a tree service, to determine the health of just over 3,000 trees on the grounds. Mr. Becker briefly discussed the results of that assessment and the communications plan that will provide information to property owners that might be affected by the implementation of the report's recommendations and to the larger community.

There have been several changes and realignments in the staff structure with hires in the areas of gardens and the fitness center and promotions within various departments, including the buildings and grounds crew.

Ms. Bonnie Halda, of the National Park Service/Department of Interior, is scheduled to meet in the near future with Staff to discuss the Amphitheater Project.

Mr. Becker briefly provided an update to the Board on the 2015 program. Mr. Becker announced that Ms. Deborah Sunya Moore will be promoted to VP and Director of Programming upon the retirement of Mr. Marty Merkley.

IV. Committee Reports

Asset Policy

Mr. Kilpatrick made the report of the Asset Policy Committee.

The Asset Policy Committee received and accepted the 2014 Annual Chautauqua Police Department Report.

The Asset Policy Committee recommended changes to Section 5.11.4.6 of the ALU Regulations (Highlands Subdistrict) relating to the number and placement of parking spaces in that district. The recommended change is needed to correct a drafting error that was inadvertently contained in the recently adopted comprehensive changes to the ALU Regulations. The effect of the proposed change would be to ensure that parking in the Highlands Subdistrict remains unaffected by the comprehensive changes to the ALU Regulations. The recommended change would provide:

All residences shall be designed to include a garage with parking capacity for not more than one (1) vehicle (existing homes with two-car garages are permitted). Driveways and exterior parking spaces shall be located between the building and the street. Two parking spaces are permitted on the driveway on the lot in addition to one in the garage. Off street parking must be located on an approved driveway.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the adoption of the above changes to Section 5.11.4.6 of the Architectural Land Use Regulations.

Mr. Kilpatrick reviewed the amendments to the 2015 Operating & Capital budgets and recommended those amendments to the Board.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the adoption of the 2015 Operating & Capital Budget Amendments.

Personnel Committee

Ms. Currie made the report of the Personnel Committee. The Personnel Committee and Mr. Becker both reviewed the current Presidential Job Description, and both concluded that the Job Description as currently drafted is adequate and requires no modifications or amendments.

Upon the recommendation of the Personnel Committee and on motion, made, seconded and carried, the Board of Trustees approved the Presidential Job Description without modification or amendment.

Program Policy Committee

Mr. Renjilian provided the report of the Program Policy Committee and thanked the Staff for their presentations on growth as it relates to programming. He urged the Board to provide feedback to the Trustee sub-group in their work going forward.

Development Council

Mr. Brady made the report of the Development Council and stated that the Council met last week in Pittsburgh and received an update on the 2014 fundraising results. The goal of the Development Council continues to be to review all aspects of fundraising (annual fund, capital campaign, and planned giving). There has been a declining trend in the overall number of donors to the annual fund, and John Milos has agreed to work with the Staff to develop a plan to address the issue.

Upon the recommendation of the Development Council and the Foundation Board of Directors, and on motion, made, seconded and carried, the Board of Trustees approved a 2015 Chautauqua Annual Fund goal of \$3.850 million.

Ms. Linda Steckley is retiring as the Foundation's Major Gift Officer and Ms. Karen Bloize has been promoted to that position. Mr. Follansbee will be hiring a new Planned Giving Officer to replace Ms. Bloize's position.

Mr. and Mrs. McCredie were commended for their work as co-chairs for the Chautauqua Fund. Mr. McCredie noted that the fund is supported by the many volunteers who work on behalf of the achievement of the goals.

Mr. Pardo urged the Trustees to make an initial gift or an initial pledge to the Chautauqua Fund prior to the May meeting so that the Staff can report 100% participation by the Board of Trustees prior to the commencement of the summer Season.

Chautauqua Foundation Report

Mr. Percy made the report of the Foundation Board and reported on the results of the Promise Campaign to-date. The campaign cabinet will be examining the overall and individual goals to determine if they need to be

adjusted. The Foundation's net assets have grown in the course of the last nine months from \$83.5 million to \$88 million.

The Board of Directors met and upon the recommendation of their Nominating & Governance Committee approved Ms. Cathy Bonner as the successor to Mr. Steve Percy as Chairman of the Foundation Board upon his retirement at the end of the August 2105 Board of Directors meeting.

Architectural Review Board Report

Mr. Jeffrey reported that there were four cases presented to the ARB at its Thursday, February 5th meeting. Three of those were approved and one has been tabled. The Cambridge Project was approved to move forward.

Hotel Board Report

Mr. Becker made the report of the Hotel Board, which meet on Thursday, February 5th and reviewed hotel operations and capital spending. The sprinkler system is being upgraded in stages and is currently in the design phase for the overall project. The operating plan was reviewed in detail, and time was spent considering the results of the first year of the new business model and the bifurcation of food service and room services.

V. Executive Session

On motion made, seconded and carried, the Board went into executive session inviting Mr. Percy, Mr. Price, Ms. Goodell, Ms. Fine, Mr. Zenczak and Mr. Becker to remain present and to participate.

There being no further business the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore
Corporate Secretary
Chautauqua Institution Board of Trustees