

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
Friday, November 7 and Saturday, November 8, 2014
Bellinger Hall, Chautauqua Institution, Chautauqua, NY

DRAFT MINUTES

<u>Members Present</u>		<u>Members Absent</u>	<u>Others Present</u>	
James Pardo, Chair	Ron Kilpatrick	James Brady	Sherra Babcock	George Murphy
Karen Arrison	Candace Littell	Don Boswell	Sebby Baggiano	Bill Neches
Jill Bellowe	Bob Metzgar	Laurie Miller	Rindy Barmore	Sam Price
Christine Brueschke	Jack McCredie		Tom Becker	Maureen Rovegno
Hugh Butler	Greg Miller		Doug Conroe	John Shedd
Carolyn Byham	John Milos		Matt Ewalt	Bruce Stanton
Laura Currie	Sheila Penrose		Geof Follansbee	Linda Steckley
Jennifer DeLancey	Steve Percy – ex-officio		Robert Franklin	Jordan Steves
Bonnie Gwin	Tim Renjilian		Marty Merkley	
John Haughton	David Rosen		Deborah K. Moore	
Bob Jeffrey	Dede Trefts			

I. Opening of November 7th Meeting

Mr. Pardo opened the meeting.

On motion made, seconded, and carried, the Board moved into Executive Session, asking Mr. Percy and Mr. Price to remain present and participate. Subsequent to the conclusion of the Executive Session, the Board meeting was adjourned until November 8, 2014.

II. Opening of November 8 Meeting

Mr. Pardo opened the November 8 meeting with a word of prayer.

III. Minutes

On motion made, seconded, and carried, the minutes of the August 23, 2014 meeting of the Board of Trustees were approved as presented.

IV. Ratification of June 27, 2014, Executive Committee Actions

On motion made, seconded, and carried, the Board ratified the actions of the Executive Committee at its meeting of June 27, 2014.

V. Chairman's Report

Mr. Pardo thanked Mr. Becker and those members of the Staff and Board for their work relating to the "deep dive" discussions held on Friday, November 7, regarding the status of the proposed Amphitheater project and the ongoing work of the Staff on issues of customer satisfaction. Mr. Pardo reported general satisfaction among the Trustees regarding the current format for Board and Committee meetings, which will continue at least through the May, 2015, meeting. Mr. Pardo intends to review the process for

Committee meetings with Mr. Becker and with the Committee chairs, with an eye to facilitating some in-person meetings of Committees, including in particular the Program Policy Committee. Mr. Pardo will be working with Mr. Becker and Mr. Renjilian to refine the topics for the February Board Retreat and determine those Board members who will be asked to assist in facilitating the retreat discussions. Mr. Pardo noted that the likely retreat topic will focus on an examination of programming as it relates to revenue and census growth (the current focus of the Program Policy Committee) and how decisions regarding the delivery of programming relate to the operating budget (the work of the Asset Policy Committee). Mr. Pardo and Mr. Percy have discussed inviting three Foundation Directors, per business meeting, to join the Friday deep dive discussions and the Saturday Board meetings. This would begin in February, 2015, and Mr. Pardo and Mr. Percy (or his successor) will re-evaluate the value of continuing such a process after a cycle of five meetings (which would provide an opportunity for all members of the Foundation Board to participate in at least one Board of Trustee weekend).

VI. Report of the President

Mr. Becker recognized Mr. Doug Conroe for his 30 years of service, dedication and love for Chautauqua and in particular his dedication to the health of the lake and the grounds in his work as Director of Operations. Mr. Conroe will retire at the end of the year, but may stay on as a consultant to work on issues of lake and storm water management.

Mr. Becker discussed the topic and process for the February Retreat, which may include a brainstorming session on programming, attendance for the programs, and reimagining that program for sustainability and revenue growth.

VII. Committee Reports

Asset Policy Committee

Mr. Baggiano reviewed the 2014 projected year-end results, including earned revenue, philanthropy and direct expenses. He discussed the proposed 2015 budget and fees for the Institution and the Chautauqua Hotel. The 2015 Institution Budget calls for a decrease in the popular entertainment budget to mitigate the loss in that area over the last few years and maintain the flat budget strategy implemented by the Board. The strategy for this program change is being addressed at the Program Policy Committee table. The Hotel anticipates some revenue loss in the fall of 2015 based on the projected Amphitheater construction.

Approval of ALU Regulations

Upon the unanimous recommendation of the ARB and the Asset Policy Committee and on motion made, seconded and carried, the Board approved the proposed revisions to the Architectural Land Use Regulations.

Standard Resolutions

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board approved the Standard Banking Resolutions.

2015 Ticket Pricing Fees

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board approved the 2015 schedule of Ticket Pricing & Fees.

Nominating & Governance

Due to recent changes to the New York State Not-For-Profit law the Nominating & Governance Committee has reviewed and recommended changes to the Chautauqua Institution By-laws.

By-Law Changes

Upon the recommendation of the Nominating & Governance Committee and on motion made, seconded and carried, the Board approved the revised By-Laws for the Chautauqua Institution.

Election of Officers

Upon the recommendation of the Nominating & Governance Committee and on motion made, seconded and carried, the Board elected the following individuals to the following offices:

<i>Sebastian Baggiano</i>	<i>Vice President of Finance & Community Service, Treasurer and Chief Operating Officer</i>
<i>Sherra Babcock</i>	<i>Vice President of Education</i>
<i>Rindy Barmore</i>	<i>Corporate Secretary</i>
<i>George Follansbee, Jr.</i>	<i>Vice President of Development</i>
<i>Marty Merkley</i>	<i>Vice President and Director of Programming</i>
<i>George Murphy</i>	<i>Vice President and Chief Marketing Officer</i>

Approval of Trustee Expectations

Upon the recommendation of the Nominating & Governance Committee and on motion made, seconded and carried, the Board approved the adoption of the proposed Trustee Expectations.

Ms. Gwin noted that the Trustee Expectations document will be shared with trustee candidates in initial discussions regarding possible election to the Board. Two vacancies for the position of Class A Trustees on the Board will arise in August, 2015, and the committee will be seeking candidates for those positions. Board members will be asked to complete a self-evaluation prior to the February Board meeting.

Program Policy

Mr. Renjilian stated that the Committee has held three meetings to discuss strategic issues regarding programming as a driver of census and revenue growth. The Program Policy Committee will coordinate its discussions with Asset Policy as it relates to budgeting, revenue and sustainability issues.

Development Council Report

Ms. Currie reported for Mr. Brady in his absence. The Council reviewed the results of a survey conducted of donors by the Foundation regarding overall giving patterns. Mr. McCredie, chair of the Chautauqua Fund, reported on the results of the 2014 Chautauqua Fund to-date and discussed the volunteer process for solicitation of donors toward the achievement of the 2014 year-end goal. To-date \$2.8 million has been achieved toward the \$3.7 million goal. This does not include the 00 Anderson matching grant and Mr. McCredie is optimistic that the 2014 goal will be achieved. The Planned Giving Program reported 18 new gifts for 2014 which is a little under the 2014 goal.

Chautauqua Foundation

Mr. Percy reported for the Foundation Board of Directors noting that the Promise Campaign has achieved approximately \$75 million in gifts and pledges toward its \$98.2 million goal.

The Foundation Board met two weeks ago, at which time they revised and approved changes to their by-laws due to changes in the New York State Not-For-Profit law. Total Foundation assets now stand at approximately \$85 million.

ARB

Mr. Jeffrey reported that the recent changes to the ALU regulations have provided more clarity for property owners and contractors. He recognized Mr. Milos and Mr. Haughton as new members of the ARB. He briefly discussed the cases that came before ARB at its meeting on Thursday, November 6.

Hotel Board

Mr. Becker reported on behalf of the Hotel Board, which at its meeting discussed year-end results and budgets for 2015. The strategic plan, which led to the current structure of capital investment and bifurcation of the food service from accommodations, has provided cost control, pricing and staff adjustments that have made a positive impact. The Hotel Board continues to discuss strategies, and the Hotel management is implementing the operational business plan with a focus on growth in occupancy.

VIII. Executive Session

On motion made, seconded, the Board moved into executive session inviting Mr. Percy, Mr. Price and Mr. Becker to participate.

There being no further business the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore
Corporate Secretary
Chautauqua Institution Board of Trustees