

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
Tom and Jane Becker Room, Chautauqua Amphitheater
Chautauqua Institution, Chautauqua, NY
8:30 a.m. Saturday, August 26, 2017

MINUTES

<u>Members Present</u>		<u>Members Absent</u>	<u>Others Present</u>	
Jim Pardo – Chair	Ron Kilpatrick	Don Boswell	Michael Hill	Robert Franklin
Cathy Bonner (ex officio)	Nancy Kyler		Sherra Babcock	Richare Miller
Jim Brady	Jim Klingensmith		Sebby Baggiano	Deborah S. Moore
Christine Brueschke	Anita Lin		Rindy Barmore	Emily Morris
Hugh Butler	Candy Maxwell		Matt Ewalt	Sam Price
Carolyn Byham	Bob Metzgar		Geof Follasbee	John Shedd
Judith Claire	John Milos			George Snyder
Laura Currie	Bill Neches			
Bonnie Gwin	Sheila Penroze			
John Haughton	David Rosen			
Bob Jeffrey	Larry Thompson			
Kyle Keogh	Dede Trefts – V. Chiar			

I. Minutes

There being no corrections or additions, the minutes of the May 6, 2017, Board of Trustees meeting stood approved as presented.

II. Report of the Chairman

Mr. Pardo referred to the very successful season with excellent programming, completion and opening of the new Amphitheater, and positive census results. He referred to the opportunities ahead under the leadership of Mr. Hill and to the reorganization of Mr. Hill's Senior Staff; initial planning for the development of a timeline that will lead to the next strategic plan; examination and possible reorganization of certain Board committees to better align the Board's focus with that of the restructured Senior Staff; and a staff-driven process to examine the issue of accommodations. Mr. Pardo noted the departures of Ms. Sherra Babcock and Dr. Robert Franklin as they retire from the Institution's Senior Staff and of Mr. Kilpatrick and Ms. Currie, who's terms as Trustees end on October 1 and who collectively have given 22 years of service to the Board.

III. President's Report

Mr. Hill reported on staff reorganization; recognized Dr. Franklin and Ms. Babcock for their outstanding work and as dedicated colleagues; shared highlights of the 2017 Season, including the opportunity to collaborate with the Jamestown Comedy Center during Week 6 and local chefs, wineries and breweries during the Week 9 food festival; noted the success of "Chautauqua Live" during which a day of programming was live streamed; discussed planned activities in the area of diversity made possible by a recent gift from Ms. Penrose and her husband, Ernie Mahaffey; recognized Mr. Thompson for a recent

gift of art to be placed in the lobby of the Athenaeum Hotel; referred to the Institution's continued discussions with County Officials regarding the health of the lake and the use of herbicides; and discussed the Senior Staff's intent to examine accommodations on the Grounds, including their potential for use during the off-Season. Mr. Hill thanked the Board for its support over the last several months and in particular during his first Season.

IV. Report of the Audit Committee

Ms. Maxwell reported that the committee met and reviewed and approved the Form 990 for 2016; approved the engagement of BWB as the Institution's auditors for 2016; and reviewed the Conflict of Interest and Related Party Transaction forms for Trustee-elects and to-be-reelected Trustees (including Mr. Pardo) and found no issues or conflicts.

V. Nominating & Committee

Mr. Pardo recused himself from the meeting, asking Ms. Trefts to chair the meeting in his absence.

Recommendation for Re-Election of Chair of the Board

Upon the recommendation of the Nominating & Governance Committee and on motion made, seconded and carried, the Board of Trustees unanimously approved the election of Mr. Pardo as Chairman of the Board of Trustees for a third two-year term and as a member of the Board of Trustees (to the class of 2019) pursuant to the Institution's By-Laws.

Mr. Pardo was invited to return to the Board meeting and to chair the balance of the meeting.

Recommendation for Election to the Class of 2021

Upon the recommendation of the Nominating & Governance Committee, and on motion made, seconded and carried, the Board of Trustees unanimously approved the re-election of Ms. Brueschke, Ms. Penrose and Ms. Trefts, each for a four-year term to the Board of Trustees (to the class of 2021).

Each of Ms. Brueschke, Ms. Penrose and Ms. Trefts abstained from voting as to their own reelection.

Upon the recommendation of the Nominating & Governance Committee, and on motion made, seconded and carried, the Board of Trustees unanimously approved the election of Mr. Michael Metzger and Mrs. Marnette Perry, each for a four-year term to the Board of Trustees (to the class of 2021).

VI. Report of Executive Committee

Based on recent changes in New York State Not-For-Profit Law, amendments are required to the Conflict of Interest and Related Party Transaction Policy and to the Certification of Independence Policy.

Amendment to Conflict of Interest and Related Party Transaction

Upon the recommendation of the Executive Committee and on motion made, seconded and carried, the Board approved the amended Conflict of Interest and Related Party Transaction Policy and the related Schedule A, all as set forth in the Board's pre-read materials.

Amendment to Certification of Independence Policy

Upon the recommendation of the Executive Committee and on motion made, seconded and carried, the Board approved the amended Certification of Independence Policy as set forth in the Board's pre-read materials.

Amendment to Alcohol Policy

Upon the recommendation of the Alcohol Policy Working Group and the Executive Committee and on motion made, seconded and carried, the Board approved the amended Alcohol Policy as set forth in the Board's pre-read materials. A copy of the amended Policy is attached to the official minutes.

VII. Asset Policy

Naming of J. Marcus and Ellen Bernstein Fultz Family Garden

Mr. Brady reported that the Asset Policy Committee recommends the creation and naming of a rain garden located in the area to the east of the Susan Hirt Hagen Center, from the back stairs to the pedestrian walkway, noting that the gift giving rise to the named garden satisfies the policies of the Board of Trustees.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board approved the naming of the rain garden located on the east of the Susan Hirt Hagen Center at the Chautauqua Amphitheater as the J. Marcus and Ellen Bernstein Fultz Family Gardens.

Transfer of Miller/Edison Cottage

Mr. Brady also reported that the Asset Policy Committee has favorably reviewed and approved the check-list of items relating to the use and required renovations to the Miller/Edison Cottage and, as a result, recommends that the Institution accept the transfer of the Miller/Edison Cottage from the Chautauqua Foundation.

Upon recommendation of the Asset Policy Committee, and on motion made, seconded and carried, the Board approved the transfer of the Miller/Edison Cottage from the Chautauqua Foundation to the Chautauqua Institution.

Mr. Brady commented on the preliminary census numbers for the 2017 Season, noting their favorability as to budget and noting further that the Asset Policy Committee will receive a more detailed census report from the Senior Staff during the Committee's meetings leading up to the November Board meeting.

Mr. Pardo referred to an additional possible naming opportunity that may come before the Asset Policy Committee in the early fall and, because of the unique circumstances surrounding that gift, may then go

to the Executive Committee (acting on behalf of the full Board between regularly scheduled Board meetings) for approval. No objection was made to that proposed course of action.

VIII. Report of Program Policy Committee

Mr. Haughton reported that the Program Policy Committee met three times during the Season to receive deep dive presentations from the Senior Staff in the areas of Youth Programming, Literary Arts, and Performing & Visual Arts. The Committee will be collaborating in the coming Season with the Marketing & Communications Committee as a means to coordinate the respective work of those committees.

IX. Report of Development Council

Mr. Pardo reported that the evolution of the Development Council continues, with the Council intending to meet in October, 2017, around the Foundation's scheduled meeting in Chautauqua, in January, 2018, around the Foundation's scheduled meeting in Pittsburgh, at a time to be determined in July, 2018, during the Season, and in October, 2018, around the Foundation's scheduled meeting in Chautauqua. The composition of the Council will continue in 2017-18 to consist of Mr. Hill and Mr. Follansbee, of Ms. Bonner and Mr. Pardo, of two Directors appointed by Ms. Bonner, and of two Trustees or Trustee/Directors appointed by Mr. Pardo. Ms. Goodell will again chair the Development Council for 2017-18.

Mr. Follansbee reported that the Chautauqua Annual Fund is progressing, with the challenge to Directors and Trustees to increase their annual gifts for 2017 so as to participate in the leadership challenge program.

Mr. Follansbee also reported that Amphitheater Endowment fundraising continues and is expected show more positive results in 2018 when the opportunity to name permanent benches is again available.

X. Report of the Chautauqua Foundation

Ms. Bonner noted that Ms. Currie will be leaving the Foundation Board as a Trustee/Director and thanked Mr. Houghton for accepting the open position of Trustee/Director. The Foundation has also elected Ms. Sheila Schroeder and Mr. Tim Renjilian to its Board.

Mr. Follansbee provided a brief report on the Foundation's investment portfolio and recent returns.

XI. Report of the Hotel Board

The Hotel Board met to review preliminary financial results, discuss food service, identify planned renovations to rooms and overall capital needs, and examine potential marketing opportunities for next season.

Mr. Alan Greenberg, a long-time member of the Hotel Board, and Mr. Kilpatrick, will both end their respective terms of service as directors on the Hotel Board. Mr. Brady and Mr. Baggiano will join the Hotel Board as Directors.

XII. Report of Other Committees & Working Groups

Mr. Jeffrey referred to the recent permanent hire of Mr. Williams and his work with the ARB. Mr. Jeffrey also briefly discussed the recent cases that came before the ARB.

XIII. Committee Assignments

The Board received the list of 2017-2018 Committee Assignments.

Approval of Executive Committee Assignments

On motion made, seconded and carried, the Board of Trustees approved the selection of Ms. Brueschke and Mr. Rosen to serve on the Executive Committee as appointed by the Chairman of the Board.

Election of Vice-Chair

On motion made, seconded and carried, the Board of Trustees unanimously approved the election of Ms. Dorothy Trefts to serve as the Vice-Chair of the Board of Trustees for a two-year term.

Mr. Pardo asked Mr. Richard Miller and Mr. George Snyder to share comments.

Mr. Miller referred to Mr. Hill's presidency, commending him on his work. He also congratulated the Board for its selection of Mr. Hill. Mr. Miller noted the evolution the Board over the years, commending the Trustees for the increased focus and clarity in their work. He also noted with appreciation the work of Mr. Kilpatrick and Mr. Greenhouse and Board in their work toward financial sustainability.

Mr. George Snyder referred with pleasure to his opportunity to again sit at the Board of Trustee's table and to serve in consultation with the active members of the Board. He too noted his respect in the evolution of the Board's work. He also referred to Mr. Hill's presidency and to the healing of the Chautauqua community that occurred during this Season.

The Board's Special Committee on Amphitheater-Related Issues has completed its work, and Mr. Hill thanked the members of that Special Committee for their service during the multi-year assignment, noting the extraordinary amount of time each had given to the successful completion of the Amphitheater Project.

XIV. Recognition of Trustees

Mr. Pardo recognized Ms. Currie and Mr. Kilpatrick, each of whom is retiring from the Board after completing their respective terms as Trustees. He noted that they have collectively served the Board for a total of 22 years, each contributing a great deal to the Board and the community, and he read the following resolutions:

Laura Pembridge Currie

WHEREAS, Laura Currie has served as a member of the Chautauqua Institution's Board of Trustees for eight years, 2009-2017, serving as:

- a member (2009-2013) of the Program Policy Committee,
- a member (2010-2013, 2014-2017) of the Nominating and Governance Committee,
- a member (2011-2013), Chair (2013-2016), and Vice Chair (2016-2017) of the Personnel Committee,
- a member (2012-2017) of the Development Council, and
- a member (2013-2017) of the Executive Committee; and

WHEREAS, Mrs. Currie for seven years (2011-2017) also devoted her time, service, skills and counsel to the oversight of the Amphitheater Renovation Project, serving successively during that time on the Amphitheater Study Group, the Amphitheater Advisory Committee and the Board Special Committee on Amphitheater Issues; where she consistently advocated and advanced the best interests of the Institution and the Chautauqua community to ensure the timely and successful completion of the Project; and

WHEREAS, in 2016 Mrs. Currie served as a member of the Search Committee that identified and recommended Michael Hill to the Board of Trustees as the Institution's eighteenth president, thereby extending the breadth and scope of her contribution to the Institution and ensuring the Institution's future for the foreseeable future; and

WHEREAS, through her vision for leadership development and her knowledge of the Chautauqua community, she provided particularly effective counsel and insights into the selection of candidates for election to the Institution's Board of Trustees through her work as a member of the Nominating & Governance Committee; and

WHEREAS, Mrs. Currie'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 of Trustees and its various committees, **NOW, THEREFORE, BE IT**

RESOLVED, that in deep gratitude for Mrs. Currie's exemplary, steadfast, and dedicated 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.

Ronald Kilpatrick

WHEREAS, Ron Kilpatrick has served on the Chautauqua Institution's Board of Trustees in various capacities for fourteen years, 2004-2017, serving as:

- a community member, member, Chair, and Vice Chair (2004-2017) of the Asset Policy Committee;
- a member (2014) of the Architectural Review Board;
- a member (2006-2017) of the Executive Committee; and
- a member (2015-2017) of the Nominating and Governance Committee; and

WHEREAS, Mr. Kilpatrick also served (2013-2017) as a member of the Chautauqua Hotel Corporation's Board of Directors; and

WHEREAS, Mr. Kilpatrick served tirelessly as a member of the Board of Trustee's Special Committee on Amphitheater Related Issues, where through his diligent observations and tireless suggestions for improvement he ensured the timely and successful completion of the Amphitheater Project and won the appreciation and admiration of all with whom he came into contact; and

WHEREAS, Mr. Kilpatrick has been an extraordinarily strong and effective voice in the development, implementation, measurement, and oversight of the Strategic Plan adopted by the Board in February 2010, and as Chair and Vice Chair of the Asset Policy Committee exhibited extraordinary dedication to the oversight of the Institution's financial planning, sustainability and internal financial modeling and procedures, insisting at all times on the highest levels of process and conduct in the Board's oversight and assessment role; **NOW, THEREFORE, BE IT**

RESOLVED, that in deep gratitude for Mr. Kilpatrick'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. Currie and Mr. Kilpatrick each made remarks to the Board and others in attendance at the meeting, which remarks were warmly acknowledged.

XV. Executive Session

The Board went into executive session inviting Ms. Bonner, Mr. Miller, Mr. Snyder, Mr. Hill and Mr. Price to participate.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Rindy S. Barmore
Corporate Secretary
Chautauqua Institution Board of Trustees