

CHAUTAUQUA INSTITUTION BOARD OF TRUSTEES
8:30 a.m., Saturday, February 2, 2013
Bellinger Hall, Chautauqua Institution, Chautauqua, NY

Minutes

<u>Members Present</u>		<u>Members Absent</u>	<u>Others Present</u>
George Snyder – Chair	Bob Metzgar	Don Boswell	Sherra Babcock
Karen Arrison	Greg Miller	Jennifer DeLancey	Sebastian Baggiano
Jill Bellowe	John Milos	Barbara Georgescu	Rindy Barmore
Jim Brady	Jim Pardo	Bonnie Gwin	Tom Becker
Carolyn Byham	Sheila Penrose		Hugh Butler
Laura Currie	Steve Percy		Doug Conroe
Jim Groninger	Jason Phillips		Matt Ewalt
Ron Kilpatrick	Tim Renjilian		Geof Follansbee
Candace Littell	David Rosen		Marty Merkle
Jack McCredie	John Viehe		George Murphy
	Donna Zellers		Sam Price
			John Shedd
			Bruce Stanton
			Linda Steckley

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

I. Minutes

On motion made, seconded and carried the minutes of the November 3, 2012 meeting of the Board of Trustees were approved as presented.

II. Report of Chairman

Mr. Snyder thanked the Board for their contributions to the Chautauqua Fund. He commented on the Board Retreat stating that Mr. Howard Teibel's participation and summary was excellent.

III. Report of the President

Mr. Becker provided an update on the 2013 calendar of events and highlighted weeks one and nine where additional programming will be provided specific to the themes.

Mr. Tim Renjilian shared with the committee the details of the arts collaboration meeting in New York City in early January. The various artistic directors and associated seasonal staff met with Institution staff in Chautauqua Opera's New York City office space to discuss the details of The Romeo & Juliet Project that will be produced and presented in 2013. He commended Vivienne Benesch for her role as facilitator and artistic leader and noted that the group worked very well together. Institution marketing staff shared with the group a document to begin the process of evaluating the three year inter-arts collaboration projects. The purpose is to measure beyond ticket revenue and attendance. The document includes a draft objective statement, six key attributes for defining the value and success of each project, and a list of key indicators within each attribute. The goal is that with successful production and promotion of these projects, Chautauqua will work to develop a unique brand in the performing arts world and endeavor to build long-term philanthropic support for the Institution. It was noted that these

projects are being funded through philanthropic support and staff continues to seek funding for the current Romeo & Juliet Project.

Mr. Becker presented the draft 2014 Lecture Themes and discussed the speakers that have or will be approached to speak. There are several collaborations within the program which include: Roger Rosenbaltt, Colonial Williamsburg and Ken Burns. The Program Policy Committee met by phone last week to review and discuss the draft 2014 Lecture Themes.

He also reported on the current capital projects which include: the Visitors Center, upgrades to housing above the Bike Rent Center; structural repairs to the Athenaeum Hotel and upgrades to rooms; and tree removal in the ravine (caused by damage in the recent storm). Staff is preparing a communication to property owners and others regarding the removal of the trees in the ravine.

IV. Chautauqua Foundation Report

Fundraising Update

The Chautauqua Fund achieved \$3,523,871.88 towards its \$3,650.00 goal. A total of \$2,260,582 was achieved toward capital/other in 2012 and \$7,951,975 in support of endowment. The Planned Giving Program achieved \$3,354,127 in 2012 and Mr. Follansbee attributed this to the Planned Giving Cabinet led by Mr. John Corry.

The Promise Campaign has achieved \$33,057,945 to date. The Campaign Cabinet met in Pittsburgh last week to discuss the progress to-date and the potential launch of the public phase of the campaign. It is the recommendation of staff that additional work needs to be done in the silent phase and further clarification regarding funding for the Amphitheater Project prior to the campaign going public. It is anticipated that the public phase would be announced in January 2014. Staff is actively pursuing prospects for the Amphitheater Project. Mr. Follansbee also thanked the Board of Trustees for their gifts to the Chautauqua Fund and the challenge making this year the largest amount raised in the Chautauqua Fund to-date.

Development Council

The Development Council met last week in Pittsburgh and discussed the long term strategic plan for the Chautauqua and its sustainability. The Development Council discussed the need to be conservative in the establishment of the public 2013 Chautauqua Fund Goal. It was suggested that a goal of \$3,610,000 be set for the 2013 Chautauqua Fund, which is a 2.3% increase over prior year actual.

Upon the recommendation of the Development Council and on motion made, seconded and carried, the Board of Trustees approved a goal of \$3,610,000 for the 2013 Chautauqua Fund.

The endowment now stands at \$62 million, which is up 5.3%. There is a higher amount of cash due to the receipt of recent gifts that will be invested in the market. The hedge funds continue to perform as expected. Overall, the market performance is very good and the Foundation is pleased with the investment advisors and their results to date. Mr. Follansbee reported that the financial software in the Foundation is being updated to account for all the various funds held by the Foundation.

V. Committee Reports

Nominating & Governance

Mr. McCredie noted that the committee is reviewing potential candidates for the Board. Currently, there are four potential openings. The committee hopes to present those candidates to the Board in July for formal election in August. The committee utilizes a matrix of the outlining the competencies and skills of the current board and the potential candidates in its decision process. Mr. McCredie distributed the list of competencies listed in the matrix and asked the Board members to complete the form identifying the top 3 to 5 competencies that he or she possess. The committee also reviewed the Conflict of Interest Statements and found no conflicts to report.

At the November meeting, the committee discussed a change to the By-Laws under Section 1.4 Election and Succession: Vacancies. The current language states "In the event a trustee is elected to fill a term created by a vacancy of more than two years, that trustee will be eligible for re-election to only one successive four year term." The proposed language states, "that no person "elected to a full four-year term" shall be eligible to be subsequently re-elected to more than a second full "four-year" term.; and "In the event a trustee is elected to fill a vacancy, that trustee will be eligible for re-election to "as many as" two successive four-year terms." The committee presented this potential change to the Board in November for discussion and now recommends its adoption by the Board.

Upon the recommendation of the Nominating & Governance Committee and on motion, made, seconded and carried, the Board of Trustees adopted the proposed change to Section 1.4 of the By-Laws. Mr. James Brady abstained from the vote.

Asset Policy

The committee reviewed and accepted the annual Police Department Report. There was a discussion regarding the investment allocation of the School Fund and it is the consensus of the committee to continue with a conservative investment strategy to assure adequate funds are available to pay off the loan.

The committee received a request for the creation of the Judge Walter W. Braham and recommends its approval by the Board.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the creation of the Judge Walter Braham Garden and passed the following resolution:

Whereas, James and Kathleen Braham have made a gift to the Foundation and the Institution to cover the costs of the construction of a new garden to be located in the landscaped area to the west of the main entrance to the Bookstore and according to the Garden Policy have further established a fund within the Chautauqua Foundation adequate to care and maintain the garden in perpetuity, therefore be it

Resolved, that the Board of Trustees does hereby designate such land as an endowed garden to be named in memory of Judge Walter W. Braham, the 9th President of Chautauqua Institution.

The committee received and discussed the amendments to the 2013 Capital and Operating Budgets and recommends their approval to the Board.

Upon the recommendation of the Asset Policy Committee and on motion made, seconded and carried, the Board of Trustees approved the 2013 Capital and Operating Budget amendments.

Personnel Committee

Mr. Pardo discussed the evaluation process for the President of the Institution which includes the annual review of the President's Job Description. He noted that the current President's Job Description remains accurate and no changes are recommended at this time.

VI. Executive Session

On motion made, seconded and carried, the Board went into executive session, inviting 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