



**CHAUTAUQUA INSTITUTION
BOARD OF TRUSTEES**

Saturday, May 4, 2024

MINUTES

Trustees Present:

Candy Maxwell, Veronica Biggins, Laurie Branch, Nancy Gibbs, Paul Hagman, Izumi Hara, Terry Horner, Nancy Kyler, Anita Lin, Sarah Hagen McWilliams, Steve Messinger, Mike Metzger, Bob Obee, Rich Osborne, David Peckinpaugh, Jill Penrose, Marnette Perry, Sara Ponkow, Larry Thompson, Steve Zenczak

Trustees Absent:

Rick Evans, Helene Gayle, Bill Neches, Gwen Norton

Others Present:

Michael Hill, Sebbly Baggiano, Geof Follansbee, Amy Gardner, Dana Lundberg, Deborah Sunya Moore, Debbie Moore, Emily Morris, Tim Renjilian, Shannon Rozner, Angela Schuettler, John Shedd, Tamara Silzle, George Snyder, Melissa Spas, Jordan Steves, Amit Taneja, Vanessa Weinert

I. Call to Order

Ms. Maxwell called the meeting to order.

II. Action to Adopt Draft Minutes of February 3, 2024

Upon motion duly made and seconded, the Board approved the February 3, 2024, meeting minutes as distributed.

III. Report of Chair of the Board

Action to Adopt Revisions to the 150 Forward Plan

Discussion occurred regarding a refresh of the *150 Forward* strategic plan, specifically how management would implement annual operating plans tied to multi-year budgets to support the refreshed plan's goals. Management answered questions about proposed Key Performance Indicators (KPIs). Most work in monitoring detailed KPIs and tracking progress of operating plans will occur in committee, but higher-level reporting will roll up to a dashboard that will be available to the full Board. Management will also consider further prioritization of plan strategies for future consideration by the Board. Plans for community outreach and education about the plan and about the future vision it is working toward were also discussed.

Upon motion duly made and seconded, the Board adopted the 150 Forward Strategic Plan refresh as presented in the pre-meeting materials.

Action to Approve 2024 Annual Corporation Inspectors of Election

Upon motion duly made and seconded, the Board passed a resolution appointing the 2024 Inspectors of Election without discussion. The resolution is attached as Appendix A.

IV. Report of President

Dr. Hill provided updates on his 2024 objectives, including progress toward campaign goals, securing lake funding in the state budget, partnerships expansion, staff housing challenges and progress on capital projects that are part of the Boundless campaign. Dr. Hill also described capital projects celebrating the 150th anniversary, including the restoration of the Bestor Fountain, expansion of the brick walk to Miller and Ames avenues, planned updates at Turner Fitness Center and upgrades to playground areas. A discussion occurred regarding the environmental impact of new buildings.

Dr. Hill reviewed how learnings from a successful eclipse weekend will be applied year-round.

Dr. Hill discussed plans for continued improvements in patron services, focusing on a pilot partnership for food and beverage operations.

V. Committee and Other Reports

A. Executive Committee

Action to Authorize Pursuit of Philanthropy for Staff Housing

Ms. Maxwell described the history of how the Board has considered the challenge of staff housing over multiple years, including committee review of the issue as a challenge to staff recruitment and retention as well as a cost containment mechanism if the Institution reduces rental expenses related to private property rentals for staff and faculty.

Ms. Maxwell noted that the Board does not typically approve management's pursuit of specific philanthropic projects that address the priorities of a capital campaign because those projects are approved when the campaign is approved. Nevertheless, she felt it important to get the Board's formal support of such an important initiative and was therefore bringing forward a resolution to authorize management to pursue philanthropy around a "tiny homes" concept for staff housing, as recommended by management.

Further discussion occurred highlighting the critical need for staff housing, the flexibility a tiny homes concept offers, and the fact that this is one piece of a multi-faceted approach to increase and improve staff and faculty housing, a key component of the strategic plan's Labor & Talent Solutions cross-cutting imperative. Management noted that this project is tied to a larger effort to improve housing that also involves the hotel and Bellinger Hall.

In response to a question regarding why tiny homes is the concept being pursued, Dr. Hill noted the flexibility of the units. Unlike an apartment building, individual units can be shut down or opened in the non-summer seasons as the Institution seeks additional rental revenues from skiers, anglers, etc. and needs housing for residency participants. He also noted the changing needs of today's season-long workforce, who seek private space and individual kitchens and bathrooms versus the shared spaces common at Chautauqua.

Management noted that they recognize the resolution only authorizes the pursuit of philanthropy around a concept. Site planning, purchasing of materials and construction work will require additional Board approvals if the tiny homes concept becomes fully funded.

Upon motion duly made and seconded, the Board passed a resolution authorizing management to pursue philanthropy for a “tiny homes” concept for staff housing. The resolution is attached as Appendix B.

Action to Approve Amendment to CI Rules & Regulations

Ms. Rozner directed trustees to a memo included in the pre-read materials that outlined management’s request to reinsert Section 2 of Article X in the Institution’s Rules & Regulations because the section had been inadvertently deleted from the Article in published versions.

Upon motion duly made and seconded, the Board approved the reinsertion of Section 2 to Article X of the Institution’s Rules & Regulations. The updated complete Article X is attached as Appendix C.

B. Budget and Finance Committee

Dr. Branch reported positive indicators for 2024 and better than expected final results for 2023, largely due to the Chautauqua Fund performing better than expected. She cautioned that there are still many weeks left until season and trends could shift, though the Committee has no 2024 budget variances to report at this time.

Action to Authorize the Development of a Climate Action Plan with a Net-Zero Carbon Goal

The Sub-committee on Lake and Climate Change Initiatives recommended the development of a Climate Action Plan. Discussion focused on fundraising implications and alignment with other organizational objectives.

Upon motion duly made and seconded, the Board passed a resolution authorizing the development of a Climate Action Plan that sets a goal of reaching net-zero carbon no later than 2050 with a friendly amendment to correct a typo in the resolution. The corrected resolution is attached as Appendix D.

C. Audit Committee

Mr. Lundberg reminded trustees and officers that disclosures should be made throughout the year whenever a potential conflict of interest arises and described his review of two such mid-cycle updates the Audit Committee received in April. He also noted that the Institution’s conflict of interest policy goes beyond what is required under New York law by including “friend” in the definition of a related party. New York State law requires only that a not-for-profit have a policy requiring disclosure of transactions involving relatives.

Mr. Osborne reported in Ms. Norton’s absence.

Action to Accept December 31, 2023, Audited Financial Statements for the Institution and Hotel Corporation

Mr. Osborne reported on the Committee’s review of the consolidated 2023 Audited Financial Statements for the Institution and the Hotel Corporation and the management letter from the auditors, BDO, who issued a clean opinion.

Upon motion from the Committee, the Board voted to accept the consolidated December 31, 2023, Audited Financial Statements for the Institution and Hotel Corporation as distributed.

D. Marketing and Brand Strategy Committee

Mr. Peckinpaugh shared that census and ticket sales have exceeded purchase pace projections and if purchase pace matches 2023, the Institution is on track to exceed budget goals. Revenue per person is below budget, but that is expected to change as ticket prices increase as the Summer Assembly approaches.

Targets for Grounds Access Pass (GAP) sales are lower for 2024 than 2023 and currently account for 11% of sales, about equal to 2023 at this point in the sales cycle.

Mr. Peckinpaugh reviewed the 2024 risks the Committee is closely monitoring, which include the potential for an accelerated purchase pace given pricing incentives to purchase early and selling more GAPs than projected, because GAPs bring in less revenue per person than the Traditional Gate Pass (TGP).

Finally, Mr. Peckinpaugh discussed the Committee's review of an updated CHQ Assembly business plan. The Committee's primary learning from that review is that CHQ Assembly is the prime digital expression of the Institution's brand. The Committee is focused on monitoring how management will leverage CHQ Assembly as a marketing investment and service versus only as a profit center, as CHQ Assembly serves as the foundation of Chautauqua's content marketing strategy.

E. Nominating and Governance Committee

Ms. Kyler shared that the Committee will present three candidates to the Board in July to fill vacancies. Two candidates have already been selected by the Committee and members are currently in discussions with a third candidate.

Ms. Kyler also noted that the Board self-assessment results are being reviewed and will be provided in late June for discussion at the July meeting.

Finally, Ms. Kyler shared details about a Board policy review in which the Committee is engaged and noted that the Committee had shared policies that should be considered for sunset in the pre-read materials. Those recommendations will be voted on in August.

F. Human Resources and Compensation Committee

Ms. Perry asked that the statement below, which was reviewed and discussed during the Board educational session the prior day, be recorded in the minutes and received a unanimous show of hands indicating trustee alignment with the statement.

The Chautauqua Institution Board of Trustees recognizes that it has become more prevalent in general society to experience angry, abusive, and harassing expressions of dissatisfaction or disagreement. The Institution, even as an organization whose staff and patrons are dedicated to exploring the best in human values, is not immune to this experience. The Board believes that Chautauqua Institution is uniquely positioned to counter this prevalence given its long history of convening thoughtful and respectful conversations across difference. Therefore, the Board determined yesterday at its educational session to take the following steps during the Institution's 150th Summer Assembly season to create an environment that nurtures respect across difference and appropriate expressions of disagreement or dissatisfaction by all members of the Institution community:

- *support and participate in small group sessions designed to offer opportunities for respectful discussion of issues important to patrons with Board and staff leaders;*

- *publicize and publicly support a community campaign which seeks to promote civility and kindness through empathy and respect;*
- *mandate that all supervisors at the Institution be offered de-escalation training;*
- *identify constructive dialogue, creativity, tact, diplomacy and finding common ground as the desired tactical skills staff will use in every interchange; and*
- *support management in implementing consequences in the rare instances when an employee or patron engages in inappropriate, abusive or harassing behavior.*

The Chautauqua Institution Board of Trustees recognizes its duty to ensure staff and patrons have a safe and healthy environment in which to work and play, and believes these efforts are reasonably designed to fulfill that duty. The Board will continue to monitor and update these efforts as circumstances demand, primarily via its Human Resources & Compensation Committee.

G. Development Council

Ms. Gardner provided updates on fundraising efforts and progress toward campaign goals, calling attention to the dashboards that were shared in the pre-read materials. Most fundraising goals are on track, but Ms. Gardner discussed two updates.

First, Boundless: A Campaign for Chautauqua has raised \$112M toward its \$150 million goal with the securing of a naming gift for the new theater building. The Chautauqua Fund is slightly behind where it was last year at this time but that is likely due to the timing of this year's spring appeal, which had just been launched when these dashboards were last updated. The team is getting many responses to the appeal and expects the Fund to be back on track versus last year soon.

Also, endowment gifts are lower at this time versus May 2023, but that is likely due to the unusually large number of endowment gifts closed in 2023.

Ms. Gardner indicated there are no red flags in any area of Advancement's work.

Action to Approve Revised Chautauqua Institution/Chautauqua Foundation Operating Agreement

This agreement was previously brought before the Board of Trustees and Foundation Board of Directors in February. There have been no material changes to the draft since that robust discussion.

Upon motion from the Council, the Board approved the revised Chautauqua Institution/Chautauqua Foundation Operating Agreement as presented.

H. Architectural Review Board

Ms. Lin shared that the Architectural Review Board decided four cases at their meeting on May 2, 2024, three of which were approved to proceed and one of which was denied.

Action to Approve Chautauqua Property Transfer Policy

This policy was discussed at the Board's February meeting and no major revisions have occurred to the draft since that discussion.

Upon motion from the Architectural Review Board, the Board of Trustees approved the Chautauqua Property Transfer Policy as presented.

I. Chautauqua Hotel Board

Mr. Hagman noted that the Hotel Board reviewed the audit of the 2023 financial statements with BDO, who issued a clean opinion. The Hotel Board believes that all issues raised in the management letter are being satisfactorily reviewed and responded to by management.

Room revenue year to date is almost at goal, and management expects to reach goal in 2024. Conference/special events are performing well.

Mr. Hagman also described a pilot partnership in food and beverage services that will allow hotel staff to focus on operations of the Heirloom, Afterwords Wine Bar, Minerva, Bellinger, Double Eagle Patio on the Green and the President's Cottage while a partner operates the Brickwalk Café and Three Taps/A Truck. The management fee paid to the partner is a budget variance that management expects will be offset by removal of the lease expense on the A Truck after a food trailer was purchased. The partnership pilot is not aimed at cost savings but rather at focusing resources on what staff can do well to create an improved patron experience. Mr. Hagman clarified that management of the venues is being outsourced, which includes staff hiring and training, menu development, budget management, vendor arrangements, and the like.

Finally, Mr. Hagman described plans to offer informational tours this summer regarding the rehabilitation plans for the hotel for historic preservation professionals from regional, state and federal governments in addition to historical tours for the public.

VI. Report of the Chautauqua Foundation

Mr. Renjilian reported on the Chautauqua Foundation's investment strategies, asset allocation, and efforts to grow the endowment. The Foundation is reviewing the language in donor agreements to allow flexibility as it seeks to make its payout to the Institution as efficient as possible.

VII. Action to Move to Executive Session

A motion was made to move to executive session, inviting Dr. Hill, Mr. Lundberg, and Ms. Rozner. The motion passed.

There being no further business, the meeting was adjourned.

Respectfully submitted,

Shannon D. Rozner, Esq.
Corporate Secretary



**Resolution Appointing Inspectors of Election
for the
Annual Corporation Meeting
to be held on Saturday, August 10, 2024**

Whereas, the Chautauqua Institution Board of Trustees wishes to ensure the accurate and fair counting of ballots in elections of its Class B trustees,

Now Therefore Be It Resolved that the Chautauqua Institution Board of Trustees hereby appoints the following to serve as Inspectors of Election for the Chautauqua Institution Annual Corporation Meeting to be held on Saturday, August 10, 2024, at 12:00 pm Eastern Standard Time on the grounds of Chautauqua Institution: Shannon Rozner, Esq., George L. Follansbee, Jr., Amit Taneja, Amy Gardner, John Shedd and Dana A. Lundberg, Esq. or Myra V. Blasius, Esq.

I do hereby certify that the above resolution is a true and correct copy of the resolution adopted by the Board of Trustees of Chautauqua Institution at a regular meeting held on May 4, 2024.

Shannon Rozner, Esq.
Corporate Secretary
Chautauqua Institution

**Resolution Regarding
Staff Housing Project as part of
Boundless, A Campaign for Chautauqua**

WHEREAS, the Chautauqua Institution Board of Trustees at its meeting of February 6, 2021, authorized “staff and the volunteer leadership of the campaign, as it is put in place, to raise funds for the objectives set forth in the materials presented to the Board of Trustees at its February 6, 2021, meeting as part of the lead gift phase of an intended campaign which shall run from January 2021 through the end of 2025 or the first quarter of 2026”; and

WHEREAS, at its November 4, 2023, meeting, the Board of Trustees passed a resolution that listed as one of the key objectives of Boundless, A Campaign for Chautauqua, to raise funds for a comprehensive solution for faculty and staff housing; and

WHEREAS, the Board of Trustees received updates on a proposed solution by the Administration at multiple Development Council presentations leading up to the passage of Boundless; and

WHEREAS, the Administration presented to the Board of Trustees a comprehensive educational webinar on all potential housing solutions on February 22, 2024, including the related costs for construction and operating costs; and

WHEREAS, the Administration has concluded that the optimal strategic option for Chautauqua to implement is a “Tiny Homes” project as outlined in the various presentations to the Board of Trustees; and

WHEREAS, the Administration has reviewed the available prospect pool remaining for the campaign and believes there is sufficient support for a “Tiny Homes solution,”

NOW THEREFORE BE IT RESOLVED, that the Board of Trustees authorizes the undertaking of the fundraising necessary to secure the funds necessary for a phase one project of at least \$10,000,000 (including maintenance endowment), and directs the Administration once funds have been pledged to return to the Board of Trustees with the necessary Capital Projects Checklist analysis for further authorization to commence with the implementation of the project as part of Boundless, A Campaign for Chautauqua, and

BE IT FURTHER RESOLVED, that the Board of Trustees hereby expresses its gratitude to the volunteer members of the campaign cabinet and to staff fundraisers for their commitment to advancing this important project for Chautauqua.

ARTICLE X

SALE AND USE OF ALCOHOLIC BEVERAGES

Section 1. Sale of Alcoholic Beverages: The sale, any time, directly or indirectly, of alcoholic beverages within the Chautauqua Grounds is prohibited except the following:

- A. Spirits, wine, and beer may be sold for on-premises consumption throughout the year in restaurants or hotels that are open during the Summer Assembly Season not less than six (6) days per week and that, when open, offer to the general public substantial food-service, comprising not less than two meals per day, including a dinner period of not less than three hours in length, (i) pursuant to a license issued by the New York State Liquor Authority; (ii) between the hours of 11:00 a.m. and midnight (Sundays noon to midnight); and (iii) provided that the restaurant or hotel has also been issued a separate revocable Chautauqua Institution license to sell spirits, wine, and beer. Said license will specifically include the location, dates, and times where and when spirits, wine, and beer may be sold and shall be issued by the President of Chautauqua Institution in their sole and absolute discretion after considering the best interests of the Institution, including the Institution's commitment to providing a first-class experience for all of its residents, patrons, and guests.
- B. Spirits, wine, and beer may be sold pursuant to a temporary license for an event occurring on Chautauqua Institution property or in a Chautauqua Institution facility (i) pursuant to a license issued by the New York State Liquor Authority and (ii) pursuant to a special Chautauqua Institution temporary revocable license that has been approved by the President of Chautauqua Institution. Said temporary license will specifically include the location, dates, and times where and when spirits, wine, and beer may be sold and will be issued by the President of Chautauqua Institution in their sole and absolute discretion after considering the best interests of the Institution, including the Institution's commitment to providing a first-class experience for all of its residents, patrons, and guests.
- C. Spirits, wine, and beer may be sold for on- and/or off-premises consumption at any other business owned and/or operated by Chautauqua Institution or the Chautauqua Hotel Company:
 - (i) pursuant to a license issued by the New York State Liquor Authority and (ii) provided that the business has also been issued a separate revocable Chautauqua Institution license to sell spirits, wine, and beer. Said license will be issued by the President of Chautauqua Institution in their sole and absolute discretion after considering the best interests of the Institution, including the Institution's commitment to providing a first-class experience for all of its residents, patrons, and guests.
- D. Sealed containers of spirits, wine, and beer may be sold for off-premises consumption at any business operating on Chautauqua Institution's grounds in Western New York: (i) pursuant to a license issued by the New York State Liquor Authority and (ii) provided that the business has also been issued a separate revocable Chautauqua Institution license to sell spirits, wine, and beer. Said license will be issued by the President of Chautauqua Institution in their sole and absolute discretion after considering the best interests of the Institution, including the Institution's commitment to providing a first-class experience for all of its residents, patrons, and guests.

Section 2. Use of Alcoholic Beverages

- A. Public Areas:** The use of alcoholic beverages or carrying alcoholic beverages in open containers within the grounds in areas and buildings generally open to the public is prohibited except in such public areas identified pursuant to Section 1. Such areas and buildings where use of alcoholic beverages or carrying alcoholic beverages in open containers is prohibited include, but are not limited to, roads, walks, parks, playgrounds and other recreation facilities, beaches and waterfront areas, concert and lecture halls, theaters, stores, schools, libraries, and practice shacks.
- B. Private Areas:** The Institution does not regulate or prohibit the use of alcoholic beverages by persons 21 years of age or over at any time in a house, hotel room, apartment, room or boarding house room, condominium unit, and appurtenant private yard or area, owned or leased or used for residential purposes; provided, however, that the Institution may prohibit, restrict or otherwise regulate the use of alcoholic beverages in any place owned or leased by it.
- C. Public Intoxication:** Any behavior or activity which constitutes breach of the peace, or causes public disturbance, or which violates the quiet hour rules of the Institution, is prohibited; and all laws, rules and regulations regarding the same shall be strictly enforced.
- D. Operation of Vehicle or Boat:** The operation of any vehicle within the Chautauqua grounds, or the operation of any boat within 200 feet of the Chautauqua grounds waterfront while the operator is illegally impaired, as defined under New York State law, is prohibited. Violation of this section may involve not only a suspension of the violator's right to operate a vehicle on the Chautauqua grounds, but may be reported to Chautauqua County and New York State agencies for appropriate action including the revocation or suspension of operator's license, and other fines and penalties.

Board Resolution to Authorize the Development of a Climate Action Plan with a Net-Zero Carbon Goal

WHEREAS there is scientific consensus that human caused emissions of greenhouse gases are dangerously warming the planet, threatening ecosystems, plant, animal and human communities; and

WHEREAS governments around the globe, including New York State and the United States, have agreed that to prevent irreversible catastrophic changes to our planet, global emissions of carbon dioxide must reach net zero by 2050, and are adopting regulatory programs to meet this goal; and

WHEREAS Chautauqua Institution has a long history of educating its audiences on the threats posed by climate change and solutions and, in 2021, launched the Chautauqua Climate Change Initiative to bring enduring focus to climate change; and

WHEREAS Chautauqua Institution has sought to be a model of good environmental stewardship by investing in renewable energy, clean transportation, efficient operations, waste reduction, and effective stormwater management; and

WHEREAS Chautauqua Institution's strategic plan calls out its special responsibility to respond to challenges before they become crises, and calls on the Institution, "as a steward with an eye to the next generation," to value the "ecology of Chautauqua's historic Grounds and surroundings," and improve "the health and sustainability of Chautauqua Lake and elevate its conservation as the centerpiece of the region's economic prosperity"; and

WHEREAS the Board of Trustees recognizes that, to lead the conversation on climate change, Chautauqua Institution must serve as a model for its audiences, the region, and the nation;

NOW, THEREFORE, BE IT RESOLVED THAT the President of the Institution and his staff are approved and advised to develop a climate action plan for the Institution that: (1) achieves net-zero carbon emissions for Institution operations by no later than 2050; (2) ensures compliance with all applicable federal and state climate laws and policies; (3) sets annual benchmarks that progressively reduce the Institution's greenhouse gas emissions; (4) funds measures to achieve these benchmarks through sustainable annual budgets; (5) advances measures to improve the long-term climate resilience of the Institution's lake and grounds; (6) creates pathways for engagement and participation by relevant external stakeholders; and (7) is used by the Institution as a model to inspire climate action by others.