

**OREGON SHAKESPEARE FESTIVAL
BOARD MEETING MINUTES
September 7, 2007**

PRESENT:

Board: Karen Allan, Mary Arnstad, Ray Bacchetti, George Bell, Bertie Bialek, Rick Bleiweiss, Susan Cain, Kevin Cartwright, Yogen Dalal, Sid DeBoer, Bill Findlay, Bobbie Foster, Mort Friedkin, Louise Gund, Lyn Hennion, Rudd Johnson, Ginny Lang, Celia Meese, Jim Risser, Angelica Ruppe, Nancy Tait, Jerry Taylor, Roy Vinyard, Noell Webb, Brenda Williams, Elisabeth Zinser

Trustees: Chuck Butler, Beth Cotner, Bill Nichols, Fred Rehmus, Dan Thorndike

Staff: Linda Fern, Joan Langley, Paul Nicholson, Mallory Pierce, Bill Rauch, Peter Thomas, Jerry Roos, G. David Smith, Bruce Wand

ABSENT:

Board: Julie Dixon, Paul Hill, Peter Koehler, Jr., Jody Patton, Guy Saperstein

Trustees: Robert Porter, Mick Seidl

A. Call to Order: President Jerry Taylor called the meeting to order and a quorum was noted. Taylor asked if there were any additions or corrections to the minutes of the last meeting.

Motion by Brenda Williams, second by Ray Bacchetti to ratify the minutes of the June 15, 2007 meeting as corrected. Carried unanimously.

B. President's Report: Taylor introduced Yogen Dalal, incoming Board member, who received a warm welcome. Taylor reported on the smooth transition within the Festival as Libby Appel retires and Bill Rauch takes over as Artistic Director. The leadership has been very communicative during the entire process and Appel has been very supportive. Several changes have occurred, some of which have been difficult, but the positive attitude has helped. Taylor complimented the entire organization on the transition process and welcomed Rauch as the fifth Artistic Director in 72 years at the Oregon Shakespeare Festival.

C. Tudor Guild Report: Geri Anderson, Tudor Guild Liaison, reported that 8,632 volunteer hours have been recorded so far for the 2007 season. Rauch was the guest speaker at the quarterly meeting where he talked about the production of *Romeo and Juliet*. Two actors from that play, John Tuffs and Christine Albright, will be guest speakers at the next meeting. The Guild has launched its new website and thanked Bruce Wand, Director of ITS, for his guidance on this project. Carolyn Peak, President of the Tudor Guild, presented the Festival with a check for \$100,000, the second installment of the Guild's \$180,000 commitment. Peak also announced that the Guild plans to give the same amount for the 2008 season, noting that the Festival has the full support of the Guild Board of Directors, which is very professional and innovative.

D. Endowment Trustee Report: Fred Rehmus, President of the Endowment Fund, reviewed the Endowment Fund's relationship with the Festival, stating it is a separate entity, charged with the purpose of providing long term income stability to the Festival. As Trustees, one of their key responsibilities is to select an advisor for the portfolio, which is currently R.V. Kuhns. The portfolio is diversified so that the Festival can receive the annual pay out of 5% of the moving average of fund investments, in support of the Festival's budget. Rehmus noted that a 5% rate is aggressive; the Endowment Board will keep it there for the coming year but assesses it

regularly to ensure that a rate that high does not erode the Endowment's purchasing power. Beth Cotner, Endowment Vice-President, reported on the financial status of the Endowment Fund, with a balance of \$34,238,000 as of June 30, 2007. Rehmus noted that Cotner will be retiring as a Trustee in March 2008, and Board members are encouraged to submit potential candidates' names to him.

E. Artistic Presentation: Rauch introduced three actors from the company, Michael Hume, John Tufts and Gwendolyn Mulamba. Each was asked to share experiences about how they became interested in acting, why they like repertory theatre and why they choose to work at OSF.

F. Strategic Issues:

1. Striving for Artistic Excellence (Goal 1): Rauch reported that the transition is going very well, with many people to credit, especially Appel who has been remarkable. July 31st was her last full time day and Rauch is now at the helm. Claudia Alick, Associate Producer, Community, has arrived; she is responsible for the new Green Show. Alison Carey, Director of the U.S. History Cycle, began on September 1st and is looking forward to meeting the Board. Jacob Padrón, Associate Producer, Company, will arrive in June 2008. David Dreyfoos, Producing Director, has agreed to stay on while Padrón finishes his schooling. Dreyfoos has been extraordinary during this entire process. Rauch reported on his plans to provide training for actors to enrich their skills which in turn will make a stronger acting company. The casting for the 2008 season continues. He noted that, while substantial, the percentage of change within the acting company is neither the highest nor the lowest in the Festival's history. Rauch added that actors of color will be 45% of next year's company, compared to 30% this year. Negotiations continue with acting contracts; the casting announcement is scheduled to be released in October. Rauch stated that casting roles is the most emotional and the most important part of his job. Rauch reported on his plans for commissioned works. Six are under way, two of which are the African-American *Pygmalion* and *Don Quixote*. Appel is commissioned to adapt Chekhov's *The Seagull*; she has been invited to adapt as many of Chekhov's plays as she likes. Lisa Loomer, playwright for *Distracted* and also an Ashland resident, is being invited to write a play specifically for OSF. Rauch reported on the Hip Hop Boot Camp where eight hip hop artists from around the country and three of our actors will work together to develop new works incorporating Shakespeare's sonnets into hip hop. In closing, Rauch stated that it has been one year since the Board announced he was the new Artistic Director and he is very pleased with the tremendous progress made on his initiatives during that time.

2. Developing our Audience Partnership (Goal 4): Mallory Pierce, Director of Marketing and Communications, reported that YTD attendance is 90% of capacity, compared with 87% last year at this time; ticket sales for the season are up 5.6% over last year at this time; ticket revenue is up 7.1%; we need to be up 4.6% to make budget. Pierce identified several objectives for the 2008 season: reaching out to South-East Asian audiences with the production of *The Clay Cart*, partnering with La Clinica Del Valle on the production of *Breakfast, Lunch and Dinner* to connect with the local Hispanic audiences, partnering with Veterans of Foreign Wars for the production of *Welcome Home, Jenny Sutter*, review of the OSF branding, enhancing OSF as a destination theatre by making seats affordable to more patrons with the introduction of the \$20 "C" seats, providing more sign interpreted productions and backstage tours for the hearing impaired audiences, and creating new play images for the 2008 brochure.

3. Creating Strong Development Relationships (Goal 7): Peter Thomas, Director of Development, reported the goal for contributed income is budgeted higher for the 2008 season to support next year's programs, noting that he believes the 11.6% increase is

achievable. Institutional Giving under foundations and government will increase significantly. Rauch has provided new Foundation connections to the Festival, and government support at both Federal and State levels is likely to increase. The Festival will be applying for four NEA grants. The Board membership renewal campaign is underway; a letter went out from Peter Koehler, Jr., Development Committee Chair, asking Board members to increase their financial support of the Festival through their membership and to continue to contribute to the Bowmer Society which provides funding for OSF's education programs. Rauch is personally contacting the Artistic Director Circle members asking for their continued support and receiving great responses. Thomas thanked Mort and Amy Friedkin for introducing the Koret Foundation to the Festival; after visiting the Festival, they awarded OSF a \$30,000 grant for the education programs and will continue to do so through the years.

4. Ensuring Fiscal Health (Goal 6): Angelica Ruppe, Finance Committee Chair, thanked Jerry Roos, Director of Finance and Administration, for his detailed work on the 2008 budget. Roos presented the 2008 budget (\$26,690,000) and highlighted the following: the budget is based on 87% audience attendance, which is up 1% from last year's budget; there are several one-time expenditures in the budget due to the new artistic initiatives; the seating has been reconfigured to accommodate the new \$20 C seating. There will be more A+, A and B seats, with a reduction in the amount of C seating in the Bowmer and Elizabethan Theatres; C seats have been included in the New Theatre for the first time. The budget is \$2,039,000 (8.3%) higher than that for 2007 and the senior staff are developing contingency plans in the event that funding and ticket sales do not come through as expected. Some Board members expressed concern over the reduction in reserves; Roos noted that reserves are equivalent to 20% of the operating budget. Also, the reserves are lower now because of the replacement of the HVAC system in the Angus Bowmer Theatre and the recent purchase of an apartment complex to accommodate the housing needs for directors, designers and the acting company. Ruppe noted that a sub-committee has been formed to develop a reserves policy; she commented that the policy should be ready to be considered at the January Board meeting. To deal with unforeseen challenges from the wider economy, Taylor, Nicholson, and others noted that spending be restrained to some extent in response to a potential revenue downturn and that the long range plan, now being updated, is a key factor in maintaining long range financial equilibrium.

Motion by Susan Cain and seconded by George Bell to approve the 2008 budget proposal. Passed unanimously.

5. Creating a Supportive Company Environment (Goal 2): Rudd Johnson, Human Resource Committee Chair, reviewed the OSF Sick Leave Policy. There has been a significant change in the demographics regarding company members and the need to care for ageing parents. The HR Committee believes the Festival should try to meet this need. In the last session, the Oregon Legislature passed a new law, Oregon Medical Leave Act – Bill 1108, expanding the definition of "family." The Committee recommended as a motion, expanding the definition even further to include step-children and foster children. A motion was presented, however after additional discussion of the Oregon Medical Leave Act, the motion was withdrawn so that the Committee could do additional research and make a presentation at the January Board meeting. Johnson also reported on the new management training workshop which will begin in the Costume Department and then expand to other departments throughout the coming year.

6. Maintaining and Enhancing Education Programs (Goal 5): Joan Langley, Director of Education, presented her report on the programs for 2007. Many adult classes were provided this summer; 30 lectures were scheduled and well attended; Prefaces, which run from June through September, have now finished. Fifty teachers participated in Shakespeare in the Classroom; Summer Seminar, a two week program, included 65 High

School Juniors. School groups have returned to the Festival this fall. This year the department's initiative was to significantly expand the number of school groups reached through our educational programs. In 2007, 925 school groups will have been reached, up from 685 in 2005. The department is maxed out on available space at both the Festival campus and in the community. The School Visit Program is currently making offers to actor/teachers and preparing for the 2007 tour.

7. Dealing with Space and Facilities Challenges (Goal 11): Paul Nicholson, Executive Director, announced that he has been meeting with developers regarding a new production building and will give more specific information at the Board Retreat.

8. Developing a Diverse, Fully-Informed Board (Goal 9): Ray Bacchetti, Board Governance Committee Chair, reported that it is time to review Board candidates for appointment in March 2008. Two Board members are retiring and four are eligible for renewal, including Lee Pelton's position which became vacant last year when he resigned because of time demands relating to his position as President of Willamette University. Board members are encouraged to contact Bacchetti with names of potential candidates.

G. Strategic Focus – Information and Theatre Technology (Goal 8): Bruce Wand, Director of Information and Technology Services, provided a presentation on the structure of his department and the many areas in the Festival with which they interface. The ITS department has become more involved with production because of the increase in technology on stage. Currently, the department is focusing on the 2008 website which enables online ticketing.

H. Forum for Non-Agenda Items: Geri Anderson, Tudor Guild Liaison, reported that her term is ending and this was her last Board meeting. New officers will be elected soon and she thanked the Board for welcoming her over the last two years. Nicholson noted that the Libby Appel Celebration will be October 8th in the Angus Bowmer Theatre; Board members are encouraged to save the date and they will receive an invitation shortly. Nicholson commented that he and Rauch are in discussions regarding OSF becoming a member of the League of Resident Theatres (LORT.) The Festival chose not to become a member of LORT when it first signed a contract with Actors' Equity. It may now be time to consider the benefits and costs of becoming a member of the body that negotiates the national Equity contract. Such a change would need to be Board approved and will be addressed further at the January Board meeting.

The meeting adjourned at 3:30 p.m.

Respectfully submitted,

Ray Bacchetti
Secretary