

**Oregon Shakespeare Festival
Board of Directors Meeting
January 24, 2014**

PRESENT

Board: Susan Cain, Yogen Dalal, Julie Dixon, Mary Driver, Tony Drummond, Brad Edgerton, Mort Friedkin, Dave Glen, Harold Goldstein, Pam Hammond, Ken Hitz, Rudd Johnson, Peter Koehler, Gail Lopes, Kathryn Ma, Darleen Ortega, Fred Rehms, Jane Shaw, Perry Simon, Patsy Smullin, Trine Sorensen, Jerry Taylor, Wally Weisman.

Trustees: Laurie Hoagland, Bill Nichols, Robert Porter.

Staff and Guests: John Boland, Linda Fern, Jessica Kopolas, Mallory Pierce, Bill Rauch, Cynthia Rider, Becky Ross, Cynthia Scherr.

ABSENT

Board: Joel Axelrod, Rick Bleiweiss, Sid DeBoer, Laurie Gibbs, Louise Gund, Heather Johnson, Cynthia Lawrence, Danny Santos, Maria Underwood.

Trustees: Chuck Butler, Bill Meehan, Kelly Meldrum, Dan Thorndike.

- I. **Welcome:** President Rudd Johnson facilitated the meeting, called the meeting to order and declared a quorum was present.
- II. **President's Report:** Johnson extended a welcome to Endowment Trustee Laurie Hoagland and thanked him for the arrangements at the William and Flora Hewlett Foundation. Johnson introduced Cynthia Scherr as meeting facilitator, and John Boland, President and CEO of KQED. Jessica Koplos, Director of Electronic Media, San Francisco Opera will present on electronic media later in the meeting.
- III. **Presentations:**
 - **John Boland, President and CEO of KQED Public Radio and Television Station:** Boland reviewed KQED's transformation strategy for strategic planning. Key points included the business model should reflect the needs of the audience and community; audience receives information electronically and through social media, which requires an increase in technology support; the organization must examine the way it works inside the building, and working capital to pay for those changes; learn to tell the story for the fundraising campaign. Boland noted his Board provided the funding to make those organizational changes.
 - **Jessica Koplos, Director of Electronic Media, San Francisco Opera:** Koplos presented the Opera's simultaneous broadcast outreach program, made possible by partnering with Giants Major League Baseball. Key points included \$1.8 million revenue generated over six years; requires additional funding for technology and marketing; negotiations with the unions for an agreeable contract. Koplos noted two generous donors made the program possible.
- IV. **Business Meeting:**
 - **Approval of the Minutes:**

Motion by Harold Goldstein, second by Susan Cain, to approve the minutes of the September 27, 2013 meeting as distributed. Passed unanimously.

Motion by Harold Goldstein, second by Dave Glen to approve the Executive Session minutes of the September 27, 2013 meeting as distributed. Passed unanimously.
 - **Finance Committee Report:** Susan Cain, Committee Chair, reviewed the financial report presented in the Board packet, and noted the Festival continues to move in a positive direction. Operating expenses were higher than budgeted because of an increase in health insurance claims. We have a new health care administrator and network provider, estimated to save \$300,000 when compared to last year's claims.
 - **Investment Policy:** The Festival's investment funds have performed fine, but communication with the

investment manager was poor. Members of the subcommittee had a preliminary meeting with the investment manager, and reviewed the expectations as follows: preservation of funds, no bond mutual funds, reduce risk and securities with no longer than three year reserve, and specific quarterly reports. The investment policy was amended.

Motion by Fred Rehms, second by Ken Hitz to approve the Investment Policy as amended. Passed unanimously.

- **Ticket Sales:** Ticket sales are 7,357 below last year at this point, with approximately 4,000 due to group sales. Revenue is up 5.2%, in line with budget.
- **Production Building:** The paint shop, props shop and costume rental business and storage have successfully moved into the new building. The scene shop will move in this summer after they complete their work on the 2014 sets. The March Board meeting will include a tour of the new facilities and a company open house. Company members are very grateful to the Board and proud of their new work space.
- **Rehearsal Center:** During the design process, we identified additional space to add a mezzanine, for an additional cost of \$300,000. The plan is to house Voice and Text, actor training classes, and company development. The total cost of the remodel, including furniture and equipment outfitting, is \$3.5 million. Construction will begin next summer, and since the building is being re-purposed there will not be additional costs incurred once occupied.

Motion by Wally Weisman, second by Mary Driver to approve the addition of a mezzanine inside the Hay-Patton Rehearsal Center.

- **Governance Committee:** Gail Lopes, Committee Chair, reported members have been working to expand the Festival's network in terms of philanthropy, diversity and geographically for Board candidates. Lopes reviewed the slate of new candidates: Lynne Carmichael, Nina Swanke, and Alex Sutton.

Motion by the Governance Committee to accept the nomination for Board membership of Lynne Carmichael, Nina Swanke and Alex Sutton. Passed unanimously.

Elections at the March meeting will include the renewal of Mary Driver, Pam Hammond, Ken Hitz, and Danny Santos. Susan Cain and Joel Axelrod will be up for full term renewal. Maria Underwood has declined to renew. Elections will be held for extended term candidates Mort Friedkin and Louise Gund to move back into their permanent slots. Peter Koehler will serve a second term in an extended slot. The officer slate for 2014 – 2015 are Sid DeBoer – President, Kathryn Ma – Vice President, Gail Lopes – Secretary, and Susan Cain – Treasurer. The Committee Request Form will be distributed in February. The March Board dinner will be hosted in individual homes to promote socializing in smaller groups. The 2015 Board dates have not been finalized, but the Board will meet on February 27 and June 12 to coincide with openings.

V. Artistic Director's Report:

- **All The Way:** The production is in the second week of rehearsal and the cast is fantastic. The set was rebuilt to fit the smaller stage, which has created a more dynamic show. March 4, 2014 is the OSF door night and opening is March 6, 2014.
- **2015 Season Planning:** Rauch will announce the season at the March 14 Board meeting, followed by a public announcement. The Thomas Theatre will run three shows at once, since the model was successful last year.
- **Canon in 10 Years:** Rauch is excited to announce his commitment to produce the entire Shakespeare Canon over ten years. This will require extensive planning to determine which plays to produce in each season. Rauch believes this will create urgency for patrons to come see Shakespeare's work to complete the canon. This project demonstrates our commitment to Shakespeare. There is interest to produce some of the plays in ancillary spaces.
- **Allen Elizabethan Theatre:** There are on-going issues with this theatre, and sound reinforcement is a priority; the audience needs to hear the words. John and Helen Meyer of Meyer Sound, have met with staff to select the equipment, which is transferable to a new space should there be a resign of the theatre. Joel Axelrod and Judy Shih have entertained a proposal for fund the upgrade of the sound system. The small

ongoing expense will be staffing the run crew.

- **Strategic Planning – Draft Vision Statement:** The Board reviewed Rauch’s artistic vision for the future. In 2025, our audience would match the diversity of our country, a passion of Rauch’s. Cynthia Rider, Executive Director, and Rauch share this vision on the audience diversity.
- **New Work:** There is more new work being developed than we can put on stage, because there has to be a balance of familiar titles for the audience. Rauch would like to share the new work process with the audience in a workshop to get feedback. More funding is needed to produce new work, because we are limited in staff and space. New work is what sells tickets at the Festival, not Shakespeare. Rauch wants to commission playwrights of color to write comedies, which are difficult to find. Rauch was asked what he needs from the Board; wisdom, vision, and culture of philanthropic support.

VI. Closing Remarks: Johnson stated the purpose of this meeting was to set the stage to begin the strategic planning process; understanding the artistic vision, and recognizing the Board’s responsibility to support that vision. The quality of the strategic plan is critically important.

Meeting Adjourned.

Respectfully submitted

Gail Lopes
Corporate Secretary