

**The Ohio Historical Society
Board of Trustees**

Friday, August 24, 2007 – 10:30 a.m.
Ohio Historical Center – Classrooms 1 & 2

Trustees Present: Richard Ruppert (President), David Baker (Vice President), Jon Elsasser (Vice President), Marian Vance (Secretary), Cathy Crain, Jan Devereaux, Grant Douglass, Pat Eldredge (Emeritus), Bob Goldberg, Linda Herrnstein, Tom Johnson, George Jones, Joseph Leonard, Priscilla Mead, Neil Mortine, Lucy Porter (Emeritus), Ted Prasse, Rich Simpson & Bob Tannous (Exofficio)

Regrets: Marnie C. Black, Robert (Tad) H. Jeffrey (Treasurer), Mac Stewart & Ann Lowder

Ex Officio's

Present: Dan Baker (representing Speaker of the House), Deborah Gavlik (representing Ohio Board of Regents), Amir Eylon (representing Ohio Division of Travel & Tourism), Michael Herschler (representing Ohio Academy of Science), Malik Hubbard (representing the Office of the Governor), William Muthig (representing Ohio Department of Education), Andi Watts (representing Senate Minority Leader) and Kenny Yuko (representing House Minority Leader).

Staff Present: Bill Laidlaw, Rachel Tooker, Jackie Barton, Ron Bednar, Connie Bodner, Beth Case, George Kane, Jeri Kozobarich, Melanie Nye, Jim Strider, Janet Cole CPS and Fritz Milligan (Legal Counsel)

I. Call to Order:

President's Report – President Ruppert called the meeting to order at 10:35 a.m. Dr. Ruppert welcomed board members and ex-officios. Dr. Ruppert welcomed first time attendees: Deborah Gavlik (representing the Ohio Board of Regents), Andi Watts (representing Senate Minority Leader), Kenny Yuko (representing House Minority Leader, Amir Eylon (representing Ohio Division of Travel and Tourism) and Malik Hubbard (representing the Office of the Governor). Dr. Ruppert's reported the majority of this meeting will focus on Item 11, the Planning & Assessment tab, with a goal of providing guidance to staff in preparation of the FY09 budget for the board's review later in the year. He reported two committees (Physical Structures and Locations and Marketing) will meet at 2 p.m. following lunch and the Site Education Session.

Executive Director's Report – Executive Director Bill Laidlaw reviewed the budget challenges facing OHS for the FY08 and FY09 budgets. He reported cited disparate results such as earned revenue is up 12% over last year but 20% below budget. While membership revenue increased, the number of paying members is down. An 18 ½% increase in investments was a saving grace for the FY07 budget. Dr. Laidlaw reported the Society will be facing a \$1.2 million deficit in FY09. Staff is seeking guidance from trustees in order to make hard decisions and adjustments in order to prepare a balanced budget in FY09.

Dr. Laidlaw reviewed the upcoming September 28th Board Meeting and Annual Business Meeting events. He encouraged attendees to register for the lunch with speaker Richard Cordray, Ohio's State Treasurer, and for the dinner which includes the Tiffin Award presentation to Ralph Ramey.

Dr. Laidlaw reviewed the Interpretive Plan meeting held at the Historical Center on July 14th, the new Historic Tax Credit program which started July 1, our recent grant award notification of the Ohio Historical Society Congressional Academy Program in the amount of \$203,115 and the Society's acceptance for a new Google Grant for Ad Words for non-profits. He reported the Executive Director's office will continue sending out listings of planned dates for Historic Marker Dedications and encouraged trustees to participate in these if possible. Dr. Laidlaw also invited trustees to attend the "Once Upon a Dime" traveling exhibit at the Center that opens Labor Day Weekend.

II. Planning & Assessment – Dr. Laidlaw observed the board needed to accomplish two things at this meeting: 1). decide what constitutes "success" and 2). provide some clarification about the relative importance of items ranked by trustees at the Planning and Assessment Committee retreat at Adena at its June 15th and 16th meeting. He reported the Management Team plans to meet on September 18th to expand and assign duties downward to lower level managers as outlined in the priorities and action steps matrix in the board packet. Board members spoke openly about their feelings as to where OHS should focus and why. Some of the suggestions included:

- Focus on measuring success by number of contacts, membership, attendance, etc. as quality cannot be measured
- Change mission to "preserve, promote manage and protect most important assets of statewide importance"
- Focus on "Edutainment", school groups, make ourselves the expert and promote having fun
- Ask ourselves where to allocate funds for improved entertainment if faced with budget cuts and less staff
- Apply for more federal government grants
- Need for increase in private funding
- Focus on what we can do successfully with the budget we have and what we can do to make history relevant
- Take history out into the field
- Face reality, legislators believe they have supported OHS, cut back more
- Hire a pit bull lobbyist, find out how others have fared with a lobbyist
- Start up a major capital fund drive (statewide)

III. Finance – Ron Bednar recapped the FY2007 financial results as of June 30, 2007. He reported an operating income of \$89,000 to date exceeds budget by \$704,000. Total change in net assets exceeds budget by \$1,550,000 and is due almost entirely to the performance of OHS investments during the past year. He reported generating more earned revenue will be the key to the Society's continued success. An adjustment to the fringe benefit accrual resulted in a positive operating income for the year. Mr. Bednar asked board members to note that expenses increased more than income from the prior year even with a strong fundraising effort. Unrealized gains totaled \$846,000 above budget.

FY08-09 Budget

Mr. Bednar reviewed the budget assumptions for the proposed FY08 deficit budget (\$227,907) that was approved by the Executive Committee at its July 24, 2007 meeting. He reported the budget emphasizes revenue generation, educational outreach and technology. He noted the State of Ohio added \$671,000 in the state operating appropriations line. However, \$300,000 was earmarked for State Archives, \$136,000 to administer historic tax credit and \$60,000 for the Dunbar House, so the amount to support operations increased about 1%. He added rising health care and increasing utility costs played a major role in the projected budget deficit. Mr. Bednar reported every effort will be made to balance the FY09 budget.

George Jones made a motion to accept the FY08 budget as presented. Bob Goldberg seconded the motion and it carried unanimously.

Mr. Bednar reported Rea & Associates is currently working on the Society's audit and plans to complete and present the final audit to the Finance Committee at its September meeting.

IV. Nominating – Dr. Goldberg, Chair, presented a slate of nominees for the 2007 trustee election by members of the Society. All three nominees are currently serving on the board and have agreed to run again: Jon Elsasser, Joseph Leonard and Robert Goldberg. Dr. Goldberg reported three suggested nominations have been sent to the Governor for consideration for governor appointment. He reported next year there will be four positions open due to term limits. He asked trustees to send any recommendations for next year to Executive Director Bill Laidlaw or his attention.

V. Consent Agenda – President Ruppert asked if anyone had questions regarding the consent agenda. Hearing none, Jon Elsasser moved that all items in the consent agenda be approved. Linda Herrnstein seconded and the motion passed unanimously.

There being no business further required, Tom Johnson moved the board meeting be adjourned at 12:10 p.m. George Jones seconded and the motion carried unanimously.

Education Session – Review of the SE Region of Ohio

David Baker introduced site Managers who gave informational overviews of the respective OHS sites they oversee. Andy Verhoff presented information on Campus Martius and the Ohio River Museum; Mary Ellen Weingartner gave a presentation on National Road/Zane Grey Museum; Erin Bartlett covered Flint Ridge, Newark, Octagon and Wright Earthworks and George Kane reported on Buffington Island and Big Bottom. Awards were presented to the friends groups for the respective sites: Friends of Campus Martius, Sons and Daughters of the Pioneer Rivermen and Friends of the National Road/Zane Grey Museum. Awards were presented to honored guests for providing exemplary community involvement and support for their dedication in the preservation of these historic sites.

The education session adjourned at 2:00 p.m.

Respectfully submitted by Janet Cole CPS.