

**MINUTES  
ANNUAL MEETING OF TRUSTEES  
CHARLES HOSMER MORSE FOUNDATION**

**May 2, 2022**

The Annual Meeting of the Board of Trustees of the Charles Hosmer Morse Foundation (Foundation) commenced on Monday, May 2, 2022, and was held in the Board Room of the Elizabeth Morse Genius and Charles Hosmer Morse Foundation office, 329 Park Avenue North, Winter Park, Florida, and by teleconference.

Notice of the meeting was given to all Trustees and Members of the Board in accordance with the Bylaws.

Trustees Attending in Person

Harold A. Ward, III, Chairman  
Susan F. McKean  
Charles C. Ogden  
Sandra M. Ogden  
Randolph J. Rush  
Ann M. Saurman  
Lewis I. Sharp  
Theodore E. Stebbins, Jr.  
Richard M. Strauss  
Leila E. Trismen

Attending by teleconference:

Sandra M. Ogden

Others Attending in Person:

Richard O. Baldwin, Jr.  
Mary W. Christian  
Bonnie C. Hubbard  
Laurence J. Ruggiero  
Douglas A. Woodman

Attending by teleconference:

R. Michael Strickland

Wellington Management  
by teleconference:

Jake Brown  
Randall F. W. Mayer  
Isobel Morton  
Mary Ross

The Chairman called the meeting to order.

**Wellington Management – Investment Update:**

Randall Mayer, Relationship Manager, greeted the Trustees and introduced Jake Brown, Investment Director, Mary Ross, Client Analyst, and Isobel Morton, Investment Analyst.

Mr. Brown presented a review noting that through the first quarter the portfolio returns were down 6.8 percent net of fees versus the custom benchmark down 5.0 percent. Mr. Brown noted that this is the first time in seven years there was an underperformance in a quarter, a reflection of the unique market environment for the last two years and a lack of diversification from fixed income for the prior two to three months. The most recent period has been one where both equities and fixed income suffered.

Mr. Brown explained his proposal for changes to the portfolio: the largest allocation of the portfolio is Global Opportunities, which has done well over the long term and did very well in the COVID draw-down and recovery in 2020, however has struggled more recently. The proposal is

to moderate this exposure by reducing it from 40 percent to 30 percent and to allocate those proceeds into the Quality Value portfolio, increasing it from 10 percent to 20 percent. These changes will improve the overall quality of the portfolio in terms of management quality, balance sheet strength, and earnings stability. This will reduce the portfolio's balances so it is not tilted towards either value or growth.

**Upon a motion duly made, seconded and unanimously carried, changes in the Foundation's Investment Portfolio as recommended by Wellington Management were approved. The recommended changes are:**

- **Reduce Global Opportunities from 40% to 30% of portfolio**
- **Increase Quality Value from 10% to 20%**

The Chairman thanked the Wellington Management representatives for their presentation, who then left the meeting.

**Approval of Minutes:**

**Upon a motion duly made, seconded and unanimously carried, the following minutes were approved:**

- **Special Meeting of Trustees – November 8, 2021**
- **Executive Committee – December 20, 2021**
- **Joint Meeting – Trustees of Elizabeth Morse Genius Foundation and Charles Hosmer Morse Foundation – January 17, 2022**

**Committee on Trustees:**

**Upon a motion duly made by the Chair of the Committee on Trustees, and unanimously carried, the following Founding Members/Trustees and Members at Large were elected:**

Susan F. McKean	Founding Member/Trustee
Charles C. Ogden	Member at Large/Trustee
Sandra M. Ogden	Founding Member/Trustee
Randolph J. Rush	Member at Large/Trustee
Ann M. Saurman	Founding Member/Trustee
Lewis I. Sharp	Founding Member/Trustee
Theodore E. Stebbins, Jr.	Member at Large/Trustee
Richard M. Strauss	Founding Member/Trustee
Leila E. Trismen	Founding Member/Trustee
Harold A. Ward, III	Founding Member/Trustee

**Election of Officers:**

**Upon a motion duly made by the Chair of the Committee on Trustees and unanimously carried, the following Officers were elected:**

Harold A. Ward, III	Chairman of the Board
Randolph J. Rush	President
Richard M. Strauss	Executive Vice President and Treasurer

Charles C. Ogden  
Leila E. Trismen  
Bonnie C. Hubbard  
Susan M. Stavros

Vice President  
Secretary  
Assistant Secretary  
Assistant Treasurer

**Upon a motion duly made and unanimously carried, the following Trustees were elected to the Executive and Audit Committee:**

Harold A. Ward, III, Chairman  
Randolph J. Rush  
Ann M. Saurman

Richard M. Strauss  
Leila E. Trismen

**Committee Appointments:**

**The Chairman appointed the following Trustees to the Committee on Trustees:**

Ann M. Saurman, Chairman  
Randolph J. Rush

Richard M. Strauss  
Harold A. Ward, III

**The Chairman appointed the following Trustees to the Planning and Policy Committee:**

Leila E. Trismen, Chairman  
Susan F. McKean  
Charles C. Ogden  
Sandra M. Ogden  
Randolph J. Rush

Ann M. Saurman  
Lewis I. Sharp  
Theodore E. Stebbins, Jr.  
Harold A. Ward, III

**Director's Report:**

The Director, Dr. Ruggiero presented a review of Museum activities:

The museum had 17,000 visitors, about 50 per cent of pre-COVID number. The website visit numbers are about the same and the virtual programs were well attended. The attendance for virtual openings in some cases were higher than in-person attendance. The film and lecture programs, now held in-person, had good attendance, though less than in the past.

An update on the current building and facilities projects included getting a third proposal for the fresh-air unit that was discussed in July. Plans for redeveloping the courtyard will add a patio section and additional plantings. The elevator was repaired, and an emergency condenser was added.

Dr. Ruggiero proposed the following items for accession in the Museum collection:

- Pairpoint puffy lamp: 2022-003
- Large Rookwood pottery vase: 2021-008
- Furniture from Ayer Mansion – ten side chairs, one round table with separable top, one square table, various table parts and conservation sample panels: 2022-001:1-15
- Five Rookwood pottery pieces: 2022-002:1-5
- Tiffany Studios reproduction Chippendale table: 2022-004
- Iris pastel by Jeannette Genius and Bromeliad by Wilhelmina Greene: 2022-005:1,2
- Player piano, bench, and a large number of music rolls: 22011.1-3

**Upon a motion duly made, seconded and unanimously carried, the accessions, as listed in the Director's Report, were unanimously approved.**

Dr. Ruggiero proposed the following items for retrospective accession in the Museum collection:

- Bronze figurine of a dog: 22001
- Dogs hunting figurine: 22002
- Lamp in shade of a young boy: 22003
- Bronze jardiniere: 22004
- Faberge style egg: 22005
- Brass vase: 22006
- Bronze incense burner: 22007
- Dog-shaped lidded box: 22008
- Radio: 22009
- *China Painting: A Practical Manual for the Use of Amateurs in the Decoration of Hard Porcelain:* 22010
- Photograph of Tiffany Studios on Madison Avenue: 2022-006
- Archival correspondence concerning Tiffany Studios, and Louis C. Tiffany's death and accounting for Louis C. Tiffany Studios: 2022-007: 1-14
- Correspondence from Tiffany family during late 19<sup>th</sup> century: 2022-008:1-7

**Upon a motion duly made, seconded and unanimously carried, the retrospective accessions, as listed in the Director's Report, were unanimously approved.**

The Museum has returned to normal operations since COVID-related restrictions are no longer enforced. During the COVID restrictions, eight or nine staff members worked from home; the policy was changed so these staff members, with permission of their supervisor, can work from home four days a month. To compensate for the decrease in employees, some job duties were combined, and part-time positions were added.

Other topics presented: the increased cost for security and training of new guards; the need to increase salaries for the whole staff due to cost of living in Central Florida. These will be discussed at the budget meeting.

**Upon a motion duly made, seconded and unanimously carried, the report of the Director was accepted.**

### **Chairman's Report:**

The Chairman presented several topics for future consideration:

- As the number of staff increases, the Foundation needs to prepare for the effect on compensation costs. This additional cost is taking place at same time that our endowment is deteriorating.
- The Wellington relationship has been positive over the length of our experience and should not be judged on the recent investment results. However, looking at our investment manager is something for a future agenda.
- Suggest that the Planning and Policy Committee review the Museum's gift policy regarding donated art. Consider if the Museum should enter into agreements that will obligate the length of time donated art must be displayed. The Museum has an agreement for The Stebbins Collection, however additional agreements of this type would be

difficult to meet.

- Regarding cyber-attacks, it may be time to conduct another security audit. It is suggested we contract with an outside consultant to do the audit.
- A thank you to the Succession Planning Task Force for the work they have done and for their report.

**Upon a motion duly made, seconded and unanimously carried, the report of the Chairman was accepted.**

### **Treasurer's Report:**

Mr. Strauss presented:

- Preliminary financial statements for periods ending March 31, 2022.
- Net operating assets decreased \$123,873 due mostly to depreciation.
- Report on the investment portfolio; a negative return of almost 7%.
- Real estate management income after expenses of \$16,752 versus a budget loss of \$5,220.

The Treasurer reported assets of \$59,649,115, a decrease of \$3,585,170 from last year.

A Volusia County update: within our 5,500 acres, there are two parcels owned by others. One of the ten-acre parcels that came up for sale is listed for \$135,000. This parcel is surrounded by the Foundation's property. The county will not issue a building permit for this landlocked parcel because the roads do not follow the platting. An offer to purchase for \$60,000 was emailed to the real estate agent; we will continue to contact them.

A discussion regarding the Museum Gift Shop followed the Treasurer's report. Points from the discussion: it is an expected amenity; the shop should be making a contribution and not be subsidized. The average sale per customer increased to \$38 from \$35 in 2019, with an average sale per visitor of \$11.00. Future discussion about the shop regarding any adjustments are needed

**Upon a motion duly made, seconded and unanimously carried, the Treasurer's Report was approved.**

### **Succession Committee Report:**

Mr. Rush, Chairman of the Committee, reported that the board appointed committee has met several times to consider the succession plan.

The Chairman shared some of the Committee's discussion points and the suggested next steps:

- Create a timeline and discuss the process. Have discussions and feedback specifically about the mission and the mission documents.
- Draft a mission statement. Include Hugh McKean's thoughts of making visitors comfortable and inspire them to make art an important part of their lives. Make sure it has a clear and unified understanding of what the mission and vision is, what the McKean's envisioned and what adjustments need to be made in the future to fulfill the mission. The mission statement must be a living document.
- Prepare a job description for the position of Director. Dr. Ruggiero's thoughts are that he would serve two years, then a year or two as advisor.

- Work with the Director and the staff to become familiar with staff functions.
- Decide where the Museum wants to position itself and how the museum is going to continue to evolve. Decide on options and direction to decide who we want as director, what their priorities will be, their attributes and talents.
- Recognize how the Morse Museum is different from other museums: how the art is exhibited; the role of membership as ambassadors; the continuation of our founder's belief that it is important to experience art, to give people access to art, how art may be a part of your life.
- Define how to communicate the Museum vision and how to explain this to the new director.
- Educate ourselves to be able to have clear and a unified understanding of the mission and vision for the institution, that it is what the McKean's had envisioned, what adjustments need to be made in the future for us to fulfill the mission of the institution, it is very much a living document.
- Determine if search firm is needed; early interviews indicate the first part of the process could take six months to one year time. This includes the firm getting to know the museum and its needs for the future, the board of trustees, and the director position. The next 4 to 6 months includes bringing forward candidates and taking them through the interview process.
- If search firm is engaged, submitted candidates will be screened as a group, followed up by interviews either as a group or individually.
- Consider internal candidates and consider word of mouth regarding possible candidates.

Be ready to start the process by November; have a consensus on visions and mission for the museum and have some understanding of the process that we'll go through in order to make this happen.

**Other Business:**

There being no other business, the meeting was recessed until May 3rd.

Approved,



Harold A. Ward, III  
Chairman