

**BOARD OF TRUSTEES MEETING MINUTES
THE WILD CENTER**

**April 11, 2016 – American Museum of Natural History, New York City
10:00 AM – 3:00 PM**

Board Present:

Tom Aydelotte, Joe Beck, George Cigale, Obie Clifford, Lynn Fox, Robert Friedman, Thomas Jorling, Peter Kindler, Betsy Lowe, Chris McFadden, Linda Rosenstock, Jack Ryder, Nancy Simpkins, Charles Svenson, and Karen Thomas.

Board/Advisory Board/Staff Present via Web Ex:

Charles Frenette, Rick Godin, Nancy Howard, and Rich Malloch.

Advisory Board Present:

Eugene Zeltmann

Board Absent:

Paul Alioto, Michael Bettmann, Lynn Birdsong, John Colston, Amy Elrod, Sally Hart, Michael Hunsinger, Paul Maroun, James Schoff, Sandra Strader, and Joel Treisman.

Staff/Consultants Present: Marci Bencze, Hillarie Logan-Dechene, Robin Ellis, Clifford Hart, Howard Fish, Bob Kronenberger, Christine Owens, and Stephanie Ratcliffe.

Welcome

Discussion:

Nancy Simpkins called the meeting to order at 10:05 am and welcomed all in attendance in the room and on the phone.

I. Approval of Minutes

Discussion: A motion to approve the minutes of the January 26, 2016 meeting was unanimously approved.

Tom Aydelotte motion, Robert Friedman second.

Action: N/A

II. Presidents Report

Discussion: Nancy Simpkins stated that her report would be brief and that she had two important points that she would like to make:

- The Wild Center had an amazing year last year and would have another this year.

- She wanted to thank all for their hard work. The Future’s Committee for their devotion, the Marketing Committee for their passion and time and the Staff for their effort.

III. Executive Director Report

Discussion:

Stephanie Ratcliffe began her report by showing a photo that was taken eighteen months before opening day. The photo was taken with all of the students from LP Quinn Elementary School standing in the pit that would soon be The Wild Center. Tony Provost was one of the students in the pit that day. Today, Tony is on our Animal Care staff. He began as one of our fabulous interns two years ago until he left us to work out in Colorado. Upon his return from Colorado he was hired as a full time staff member. We hope to gather more stories like this throughout the years.

Stephanie then shared the following information with Board members:

- 2016 was a record maple sugaring year
 - 167 gallons produced so far this year
 - Ran out of storage
- The Wild Center was voted Best Tourist Attraction in the Adirondacks by Adirondack Life Magazine in their annual Best of the Park contest
- New 2016 Juried Regional Art Exhibition – “Seeing the Forest and the Trees”
 - Opens May 6th
 - Artist reception on June 25th
 - Exhibit developed in house with assistance from Caroline Welsh
- Wild Walk on Exhibit in Boston and San Francisco in an exhibition on creative play spaces
 - Stephanie will send more information when she has it
- Gina Fiorile was invited to the Earth Day signing of the Paris Agreement
 - Very proud of her
 - Jen Kretser will accompany her

Stephanie then asked the Board to approve the following resolution for a USDA grant that The Wild Center was in the process of applying for:

“The Board of Trustees of The Wild Center (Natural History Museum of the Adirondacks), acting on behalf of the Board of Trustees as approved in the institutional by-laws, hereby resolves to file with USDA/Rural Development for grant funding and to authorize total funding and/or commitment of funds for the projects listed below should grant funding be secured from the USDA and other grantors”:

Rural Development Business Grant Application:

Upgrade to the Theater/AV Equipment

Request **\$80,000** in technology upgrades
(wireless, exhibit projectors & computers, Planet Adirondack projectors)

Required Match from previously awarded grants from: McDonald Foundation (\$28,000), EDS Market NY Tourism Facility Funding (\$153,000), Annual budget (\$45,000) = (Total if USDA successful - \$278,000)

Action: A motion to approve the proposed resolution was unanimously approved.
Tom Jorling motion, Jack Ryder second.

IV. Audit Report

Discussion: Joe Beck reported on the current audit stating that it was the best that we have had to date. He stated that there were only two issues addressed:

1. We have used the same company since the beginning, we will be rotating to a new partner in the firm next year.
2. The Wild Center has a small finance staff which limits the amount of segregation of duties possible.

Joe then stated that the auditors reported that it was a clean audit with no material weaknesses found. He also reported that Bob Kronenberger and his team had done a great job presenting information to the auditors. There was much discussion about whether we should have an outside firm do a review of our internal controls. Joe Beck stated that with only two or three people working in finance and lots of overlap of functions there was a chance for misappropriation of funds. He stated that it was difficult with such a small staff to totally segregate the functions of the department.

There was then discussion regarding the contents of the audit report with Tom Jorling asking about page 11 of the report which talked about the balance of the loan at the end of construction in 2014 which was a construction loan at the time. Bob Kronenberger stated that it had been converted to a term loan last summer. He also stated that based on funds received plus pledges outstanding we were \$120,000 short of fully funding the loan principal at this point. Joe Beck stated that we are looking to negotiate the terms of our loan based on the amount of funds we have received to date that are in a pledged cash amount at the bank. Obie Clifford asked if we would ever consider changing banks and Bob Kronenberger said it's possible but not likely as we have a great relationship with our current bank.

There was some discussion about using a different accounting firm but at this time it was deemed unnecessary. Joe Beck stated that Bob Kronenberger would work on figuring out where our weaknesses might lie and would also work on enhancing internal controls.

Action: A motion was unanimously approved to accept the 2015 audit .
George Cigale motion, Linda Rosenstock second.

V. **Financial Report**

Discussion: Chris McFadden began by sharing the following brief highlights as the new Treasurer of the Executive Committee:

- He is pleased to be in this new role.
- Thanked the committee.
- It was a financially successful 2015 and we are off to a good start in 2016.
- Provided a cautionary remark – 2015 was a deviation from past years, we need to monitor closely how this season affects our earned revenue for this year.
- We are in a strong liquidity position right now.

Chris then turned it over to Bob Kronenberger to present the current financial dashboard and he shared the following information:

- Revenue Drivers
 - For the first time in many years the chart looks different.
 - 31% of revenue came from Admissions. It was at \$1.6 million compared to \$500,000 last year.
 - Grant revenue increased about \$200,000 to \$800,000.
 - Membership revenue doubled.
- Donations
 - Total annual fund was down from 2014.
 - Wild Walk contributions were up from a little over \$700,000 in 2014 to just over \$2 million in 2015.
 - Our 2016 budget anticipates a 20% decline in summer admissions revenue.
- Store
 - Store sales per visitor dropped from \$5.40 to \$3.70 – possibly because of people leaving the museum directly from Wild Walk or over-crowding in the store. We will be adding another structure up near the Wild Walk kiosk to provide more retail space as well as possibly adding a mobile register inside to help with check-out times.
- Café
 - Café sales per visitor dropped from \$2.17 in 2014 to \$2.05 in 2015.

There was then discussion about the Wild Center's impact on the Tupper Lake community as well as the relationship with the school for parking and whether or not there is an agreement in place for this summer.

Parking

- Stephanie stated that we have secured field for this summer but there is still a question about next year.
- It would be great if we could set up a long term lease with the school.
 - This might be a good way to help provide more financial stability for the school and would be a win-win for the school and The Wild Center.
- We are keeping on top of the issue so that we stay in the loop.
- Parking will continue to be an issue for us.

Impact on Tupper Lake Community

- Do people in town realize the role we play in town?
 - We need to share that in a subtle way.
 - Maybe use PR to remind people what we do for the town.
 - The Wild Center is definitely well loved in the community.
 - It is important for people to feel the magic of The Wild Center.
 - We could use the 10th Anniversary as a time to thank the community without being too self-serving.
 - Charlie Frenette suggested taking an ad in the Tupper Lake Free Press which would reference the 10th anniversary and thank the community for their support as well as point out the economic impact of The Wild Center and follow up with presentations to the local Rotary, Lions, etc.
- Is there any joint marketing that we are doing with the town?
 - We are doing interpretive signage and providing free wi-fi for the Town Park project.
 - Have we ever quantified the value of wi-fi, free visitations, etc that we give to the community?
 - Tupper Lake High School's prom is at TWC this year.

Bob then took the time to report on The Wild Center Expense Drivers and shared the following information:

- Marketing expenses increased from 9% in 2014 to 14% in 2015.
- There was an increase in salaries and benefits in 2015 due to staff bonuses.
- Consulting expenses also increased in 2015, this was marketing driven.

There was then discussion and the following points were made:

- Chris McFadden – TWC's portfolio of endowment as of today is at 45% liquidity – Lynn Birdsong should be proud.
 - 65% of earned revenue comes in 2 months.
- Bob Kronenberger – Gala net proceeds were \$600,000 after expenses.
- Obie Clifford – Thinking of his work with different institutions over the years, never had one with such an uncertain outlook. We estimated a 20% increase, had a 200% increase.
 - This year anything could happen.

- o Stressed the importance of Board members getting the word out about The Wild Center.
- Tom Jorling – Does any organization keep track of first time Adirondack visitors?
 - o Stephanie Ratcliffe – ROOST (Regional Office of Sustainable Tourism) tracks that.
 - Approximately 70% of people have visited the Adirondacks before. TWC had many first time visitors because of Wild Walk.
- Stephanie Ratcliffe – More lodging choices would benefit us.
- Hillarie Logan-Dechene – As follow-up to our grant funded research project with I Love New York, we are developing a millennial tool kit for e Adirondack businesses.
 - o Working on how to market us and the entire region to millennials
 - Will be presenting that at the Adirondack towns and villages meeting later this week.
- Lynn Fox – No snow winters – what are things that we could do to monitor/adjust budget if we need to.
- George Cigale – Budget question – How are we doing now?
 - o Bob Kronenberger – Flat at this time.
 - o Chris McFadden – Jan, Feb, March only represents 5% of the annual income. Bob K. will keep us posted.
 - Action Item – Develop initial scenarios – what if we are off trend in July?
 - Obie Clifford – Figure it both ways, up and down.
- Charlie Svenson – We are now a weather proof destination with Wild Walk.

VI. **Development and Campaign Analysis Report**

Discussion: Karen Thomas thanked all in the room for their support and dedication. She then stated that staff had prepared a comprehensive campaign report which was qualitative as well as quantitative. Hillarie then provided the following top line report:

- Exceeded \$20,000,000 goal
- Raised \$23,738,596 in five years.
- Positive outcomes of the campaign
 - o Gift segmentation as planned.
 - o More donors than expected.
 - o Identified 137 New Major Donor Prospects.
 - o 100 % Board and Staff participation, 94% Advisory Board participation.
 - o A financially successful Gala netting over \$650,000.
 - o Also raised \$4,350,000 outside Campaign during the same period.

She then shared some of what was learned over the course of the campaign:

- Distribution of gifts was not as predicted

- o More small gifts than anticipated.
- o Less major gifts between \$10,000 and \$500,000.
- o Of 137 new major donor prospects (\$25,000 +), identified 31 or 23% made Campaign gifts: 27 identified by Board members.
- o 110 identified by Staff.
- Of top 10 leadership level (\$100,000 +) donors:
 - o Seven are Trustees (1 joined Board during Campaign).
 - o 1 bequest
 - o 1 Government
 - o 1 Donor
 - o Six of seven Trustees have been on Board for ten years or longer.

Hillarie also shared with Board members some of the opportunities that the campaign provided:

- Mine general gift level to move donors up.
- More cultivation of major donor prospects.
- Engage with 106 new prospects in 2016.
- Steward 31 new donors moving forward.

Discussion then ensued regarding donors, Obie asked how we handle transitional donors (Jack Ma, Rupert Johnson, etc.) stating that they first need to be identified. Lynn Fox stated that now is a fabulous time for the cultivation of potential new major donors. Hillarie agreed saying that more people are getting involved who want to make a difference and they really care where their money is going. Gene Zeltmann suggested the possibility of setting up a dinner meeting with staff and potential donors, and Hillarie said that staff are very available for this sort of event.

Destination Marketing and Group Sales

Hillarie then shared information regarding her work with destination marketing which includes bus tours as well as group sales which both have the potential to provide a whole new revenue stream for The Wild Center. She then shared the following goals that she would like to meet using Market New York funding:

- Aligning priorities with I Love New to maximize funding opportunities and promotion of The Wild Center.
- Building networks in the Destination Marketing Organization (DMO) world.
- Reigniting interest in regional Bus Tour Companies to build business during shoulder seasons.
 - o We just booked our ninth bus tour group for the year.

China Ready

Hillarie then shared the following points regarding her work on China Ready:

- March 13 – Attended an event in Flushing, Queens.

- May – Trip to China – Grant funded (later postponed until October).
- Working with I Love New York and Region TPA to get the area more China Ready.

Charlie Frenette stated that we should not miss the opportunity to have Chinese menus in the café as well as a list of items in the store.

VII. Marketing Committee 2016 Plan Update

Discussion:

Tom Aydelotte began by stating that the Marketing group had recently expanded with the addition of Clifford Hart. He then gave a brief background on Clifford stating that he has a home in Tupper Lake as well as in Staatsburg, NY. He brings to the group considerable knowledge of The Wild Center and Wild Walk. Recently, Clifford and his wife, Kyla, founded Hart Branding, a marketing partnership in the Hudson Valley which has focused most recently on packaged goods as well as non-profit institutions. Tom also stated that he as well as Clifford had both worked at Grey Advertising in New York City, although at different times. He said that The Wild Center had realized a phenomenally successful year in 2015, and that we expect every bit as much success in 2016, if not more.

Clifford then presented The Wild Center’s 2016 Business Objectives and Strategies as well as provided a review of the following marketing and communications plan. He stated that we need to expand our horizons as our success last summer showed that we are important in the region.

He then reported on The Wild Center’s 2016 Web Effort and shared the following:

- We want to wow people and get them to visit.
- We are interviewing digital content fellows, it is a two year position, looking for someone young and experienced to do this.
- Responsibilities:
 - All of our engagement with the world – Snapchat, Twitter, Facebook, etc.
 - Social media management – this is a full time job.
 - Google adwords is a successful tool in driving people to our website, we need to help people to get to us. Once they visit the website they might want to come visit in person.
 - We need to spend a certain amount of money a month or we lose the money.
 - Every click should be a positive transaction.
 - We will be hiring a person who is dedicated to maintaining our adwords account.
 - Adword Campaigns – where we are driving people.
 - TWC’s mission in the Adirondacks
 - Online exhibits

- Archives – video, etc.
- Wild Walk
- Visit Adirondacks – 150 different ad groups

There was then discussion regarding our relationship with Google. George Cigale asked if we had thought about leveraging Google on the grant. Howard Fish stated that he had met with Google and told them that we are only open three months out of the year and he said that they are interested in putting a team together to help build website for the other eight months of the year. They are interested in helping us build our science content online.

Clifford then shared other areas of focus for marketing this year:

- Print efforts: (Ad/PR Communications Focus)
 - Adirondack Life
 - Adirondack Explorer
- Promotional efforts:
 - Freshened up imagery in brochure
 - Would VRBO (Vacation Rentals By Owner) be interested in partnering to get word out?
- Radio efforts: (Telling people in the Albany area that we are here)
 - WAMC
 - NCPR

Charlie Frenette stated that we should pressure test the marketing plan relative to principals. Clifford Hart and Howard Fish said that they would take a look at it and report back to Charlie. Tom Aydelotte stated that the marketing committee has every confidence that we will have a fantastic year.

VIII. Future’s Committee Update

Discussion: Lynn Fox began by thanking the future’s committee members for all of their time and dedicated service. She then gave Board members an update on the work of the Future’s Committee.

Why we started this process:

- A Sustainability Committee examination of TWC’s financial future conducted in late 2014 indicated TWC was likely to face a financial shortfall.
- A primary challenge is a limited pool of consistent major donors, most of whom reside full-time or seasonally reside inside the “Blue Line”.
 - There is also concern about donor fatigue and the lack of an endowment to support annual operations.
- The Future’s Committee is working to address these concerns and will today report early findings from Wellspring.
- The urgency of the project has been tempered by the programmatic and financial successes of Wild Walk and the 10th Anniversary Gala.

Toward a Solution and Plan:

- The TWC Board charged the Future's Committee to explore expanded programming and broadening the organization.
- The Committee was asked to examine resources and capabilities to execute such a plan.
- Wellspring was retained to provide research and develop scenarios resulting in a detailed 5 year program and budget plan with a ten year forecast.

Work to Date:

- Wellspring reviewed programming elements and expenses.
 - A short introduction to future programming. Stephanie showed an 8 minute video showing all of the things that we are working on:
 - iForest – Designing a system for the space.
 - VTS – working with three other museums.
 - Connecting with the world – Barncast, Green building at Master's house, moose scat
 - New theater system being installed – will be portable, TED type talks, content produced in house.
 - YCS Program
 - Started 9 years ago.
 - Went from regional to global.
 - Students have created a movement.
 - Helping youth to become leaders.
 - Vermont to Finland and beyond.
 - Convening
 - Part of a larger world wide movement.
 - Two Row
 - Project thought of 14 years ago.
 - All labels told in Native American language.
 - Will tell story with a native American lens.
- Wellspring updated our financial model based on 2016 revenue and projections of future income and expenses.
 - The Committee continues to discuss this model. It assumes that we can fund operations for at least ten years if we undertake ongoing fundraising activities (\$22 million during the 10 year period) and achieve the revised admissions forecasts.
 - The primary differences in the models are the impact of new revenue projections tied to higher admissions and additional fundraising goals.

- Interviews were conducted with potential donors and other stakeholders located “outside of the Blue Line” or those otherwise unaffiliated or unfamiliar with TWC’s current profile and mission.
 - While a low number of respondents, the data raised some doubt in the Committee’s mind as to the ability of TWC to successfully solicit and engage new donors or stakeholders without additional national programming, outreach and development resources.

Chris McFadden then presented the financial analysis findings. He stated that a ten year forecast had been done and our capital campaign needs, etc. were included in that. He said that one of the scenarios that Wellspring showed in their analysis was Admissions stating that 2015 should be the new baseline and that post analysis the good news is that we have increased our financial literacy.

He then shared the following key focus areas for the next five years based on Wellspring’s work:

- Campus and Adirondack Connection
 - TWC connects people and experiences, resources and ideas around living in and thriving with nature
- Online
 - TWC connects Youth Climate Summit participants online.
- Convenings
 - TWC hosts Youth Climate Summits and other convenings in the Adirondacks and surrounding region.
 - TWC fosters Youth Climate Summits outside the region.

Chris then shared key learnings to date:

- A steadily growing Endowment remains an underlying assumption of future stability. However, we cannot earn our way to sustainability.
- We do not currently have the brand value or name identification required to have a predictable fundraising impact outside the Blue Line (and even inside the ADK we could enhance the understanding of our work and our needs).
 - This observation could also be stated in relation to recent Gala solicitations. Although the event was financially successful, it reached very few new financial supporters.
- The Committee believes that we need to bring forward a plan that includes an impact statement and we have asked a task group to develop that statement.
- Wellspring and TWC staff have recommended that we expand the Youth Climate Summit (combined with an enhanced strategic communications plan) as the pathway for extending the Center’s reach.

Chris then spoke regarding some barriers that have prevented TWC from bringing in new donors. He stated that while we have a strong, compelling mission statement, the value proposition for investing in The Wild Center is not compelling. He also said that creation of a core narrative is the next big task of the committee which will hopefully trigger a meaningful point of view to help attract people who will want to be philanthropic towards us.

He stated that there were three important things that need to be done:

- Help increase visits to campus
- Help propagate mission to wider constituents via the web
- Assist in fundraising – have a vital value proposition

He reported that Stephanie Ratcliffe will convene staff to create an impact statement, develop narrative and then embed that into the case statement.

Next Steps:

- Continue to review the financial model.
- Develop an impact statement, comprehensive review of communication challenges and a compelling value proposition/case for support.
- We will also develop a more specific fundraising plan.

There was then discussion amongst Board members regarding the next steps of the committee. Chris stated that the committee would continue to review the financial model and develop an impact statement, a comprehensive review of communication challenges and a compelling value proposition or case for support. There were then some comments made by Board members:

- Charlie Frenette – A solid narrative is going to span the demographic focus, young people are consuming messages in different ways.
 - We have to talk about the value proposition so we aren't just another organization looking for money, we need to be compelling and relevant.
- Charles Svenson – We need people outside of the Adirondacks to be interested, and we need to have a real focused message.
- Joe Beck – We have to be salient, relative and compelling in what we do.
- Tom Aydelotte – The Consult Econ study done seven years ago made it clear. For us to continue to thrive, we need to add new exhibits. The numbers went up because we came up with a new exhibit called Wild Walk. Investment is necessary for us to continue to grow.
 - We should have been already thinking about what's next before Wild Walk was finished.
 - We are an institution that teaches young people, this is very important.

- o We need to continue to bring new people to The Wild Center.
- o Chris McFadden – Charlie Frenette is taking the lead to set the foundation for the organization.

IX. 10th Anniversary Celebration

Discussion: Nancy Simpkins gave a brief overview of the upcoming 10th Anniversary Celebration. She stated that a small group of Board members and staff had met last week and that there was interest in doing something more engaging to involve supporters over the years. She then shared some of the ideas for the day:

- Birthday Party as part of the regular day on Saturday, July 2nd.
 - o 10 themed programs.
 - o 10 birthday cakes that will be shared with visitors.
- Post Board meeting celebration on Friday, July 1st.
 - o Guests will pay a modest ticket price.
 - o Fun themed evening with entertainment.
 - o American picnic food items available.
 - o This will be a community event.

X. Executive Session

Discussion: There was a brief executive session and the meeting was adjourned at 3:00 p.m.

XI. Upcoming 2016 Meeting Dates

Friday, July 1, 2016 (TWC)

Friday, October 7, 2016 (TWC)