

BOARD OF TRUSTEES ANNUAL MEETING MINUTES
THE WILD CENTER
January 28, 2019 - The University Club, NYC
1:00 PM - 4:00 PM

Board of Trustees Present:

Paul Alioto, Joe Beck, Terry Birdsong, George Cigale, Larry Clifford, Lynn Fox, Sally Hart, Thomas Jorling, Peter Kindler, Betsy Lowe, Rich Malloch, Brooks Reynolds, Linda Rosenstock, James Schoff, Nancy Simpkins, Karen Thomas and Virginia Valkenburgh.

Board/Advisory Board/Staff Present via GoToMeeting:

Martha Bullock, Rick Godin, Gary Hartwick, Nancy Howard, Pamela Matt, and Charlie Svenson.

Advisory Board Present:

Lee Bailey, Lynn Birdsong, Barbara Grose, David McAlpin, Juan Rodriguez, and Stan Rumbough.

Board Absent:

Tom Aydelotte, Michael Bettmann, Charles Frenette, Michael Hunsinger, Paul Maroun, Jack Ryder, Sandra Strader and Joel Treisman.

Staff/Consultants Present:

Marci Bencze, Hillarie Logan-Dechene, Robin Ellis, Bob Kronenberger, and Stephanie Ratcliffe.

Welcome

Discussion:

Nancy Simpkins called the meeting to order at 1:00 pm and welcomed all in attendance in the room and on the phone. She then stated that Board members had participated in a wonderful dinner the night before and thanked those in attendance for joining.

I. Board Elections

Discussion: Nancy Simpkins stated that there were some Board members whose terms were expiring who would need to be re-elected, new Board members to be elected and officers who would need to be re-elected.

Action: A motion to elect Larry Clifford, Brooks Reynolds, and Virginia Valkenburgh and to re-elect Lynn Fox, Elizabeth Lowe, Paul Maroun, Linda Rosenstock, James Schoff, Nancy Simpkins, Sandra Strader, Charles Svenson and Karen Thomas for three year terms (1/19 - 1/22) was unanimously approved.

Peter Kindler motion, Sally Hart second.

Action: A motion to elect the following officers to the Board of Trustees was also unanimously approved:

- Nancy K. Simpkins - President
- Jack Ryder - Vice President
- Secretary - Nancy Howard
- Treasurer - Joe Beck

Nancy Simpkins also took a moment to welcome the following recent additions to the Advisory Board:

- Juan Rodriguez
- Stan Rumbough

II. Approval of Minutes

Discussion: Minutes of the October 5, 2018 meeting were unanimously approved as presented.

Lynn Fox motion, Peter Kindler second.

III. Executive Director Report

Discussion: Stephanie Ratcliffe began her report by sharing the following 2018 highlights:

- Ways of Knowing (WOK)
 - Oxbow re-interpretation - adds a missing perspective from our interpretation.
 - Sacred seeds & three sisters garden
 - We Are From Akwesasne install/deinstall
 - Roots of Wisdom install/deinstall
 - WOK Opening Celebration
 - WOK workshops (native pottery, corn dolls)
 - We Are All Related (art show)
- 10th Anniversary Year Begins - Youth Climate Summit
 - New dimension to the work - leadership retreats
 - One held at Camp Treetops - three days of programming so students are ready to lead in their schools.
 - Teacher Institute - teacher climate institute
 - Attended by teachers involved in the Catskill and Brooklyn Summits.
 - Summits continue to expand

- Over 1700 students reached in 2017-2018
 - 65 summits in the first ten years, thirty one locations
 - NYC Dept. of Education - 1st Climate Summit - 250 students, 4 boroughs
 - Developing a Portfolio of Work
 - Summit structure and materials
 - DIY Toolkit
 - Summit Planning/Green Team Leadership Cohorts
 - Student Leadership Retreats
 - Teacher Climate Institutes
 - Cross-sector Workshops for City leaders
 - We are working strategies to make this important work more visible to all of our visitors.
 - U.S. Senior Lead for Climate Education, Frank Neipold, NOAA very supportive of Jen and our Climate program as a whole.
- Sensory Friendly Days
 - Inspired by other museums.
 - A place like TWC is not easy for a child on the autism spectrum to handle.
 - We have hosted two to date - 5/10/18 - 75 individuals, and 10/25/18 - 46 individuals.
 - Sounds throughout museum turned down, attendance limited, tactile, sensory friendly activities, designated quiet spaces. Pre-visit materials created.
 - School groups from Tupper Lake and Saranac Lake made up most of the attendance for both events.
 - Fully sponsored by grant from family foundation
- Teen Interpreters
 - Program unfunded in 2019, will test to see if there is interest on a volunteer basis.
 - Looking for a funder that might be interested in program.
 - Piloted in 2018 with full support from a non-Board funder
- Looking Ahead 2019 Goals
 - Overhaul the way we approach staff and execute programmatic offerings.
 - Work aggressively to stabilize admission and membership trends
 - Focus on two main segments
 - Tourists - First time to TWC
 - Repeat - Members and others
- Ways of Knowing - Year 2
 - Oxbow Reinterpretation

- Sacred foods staying
- Celebration Day
- Special Canoe Trips led by a Native American person
- Interns rotating between sites
- Member's trip to Cultural Center and Pow Wow
- We Are All Related and Art Studio
- What's New for 2019
 - We Are All Related & Art Studio returns
 - Storytelling in iForest
 - More free flight programs
 - More animal encounters in theater
 - Spooky Forest at Halloween
 - 2020 - Getting kids outdoors and Backyard Wilderness movie
 - 2021 - Climate change exhibition
 - Museum Access National Broadcast - Stephanie will send the link and let everyone know when the episode will air.
 - Continue Master Planning process and detail the costs and specifics of next projects.

IV. Financial Report

Discussion: Joe Beck began by reporting that the Finance Committee had met recently. He stated that there has been a decline in attendance from the peak when Wild Walk opened and that donor fatigue has been a concern that we may now be seeing. He then made the following points:

- TWC is relevant now more than ever
- We have a strong investment balance
- Endowment is at \$6 million
- Bad news is we are down 20% in most areas that drive our revenue budget
- Decision was made not to make significant changes to major programs
- Trimmed some programs and deferred some
- Stephanie, Bob and Hillarie are working on a priority project list
- We are an organization where labor expenses constitute our major cost.
- Committee was unanimous in approving 2019 budget, with caveat to make changes and institute actions if needed by 2020.
- Will work with Lynn Birdsong to see if we need to make any investment adjustments.

Joe stated that he would like to institute a policy that each Board member should make five solicitations each year (institutional, personal, etc).

There was then much discussion with the following points being made:

- Jim Schoff
 - TWC has succeeded so far well beyond expectations.
 - There is a demand for sensory day and the Native American project.
 - What is the expectation for money to sustain our organization?
 - When there is a deficit it is hard to ask for endowment funds.
- Rich Malloch
 - The way that the Finance Committee looked at it was that they need to support museum management.
 - 2018 deficit is largest we have suffered.
 - Wild Walk has been a huge success.
 - Let's support this year or pare \$250,000 in expenses from budget.
 - Hopefully Admissions will see a boost otherwise we will need to prioritize.
- Charles Svenson
 - We have a realistic plan in place.
- Joe Beck
 - We have a fairly significant endowment but still need Annual Fund, etc.
 - Need to maintain relevance.
 - All need to be more involved in fundraising.
- Nancy Simpkins
 - It is more important than ever if possible for people to give their Annual Fund gift earlier rather than later. Spring and Summer is a good time as well.
- Lynn Birdsong
 - When you hear endowment, you think it can't be touched. Ours is a Board designated endowment which means that we can use it if we need it.
 - To date we have had the blessing of favorable markets, now we need to defend it.
- Paul Alioto
 - Important to remember that a down year is different than a financial crisis.
 - We are in a strong financial position.

Bob Kronenberger then shared the following observations of the Committee regarding the financial report:

Attendance

- 2018 total attendance was down 24% from 2017 (difference of 36,000 visitors).
- 2018 paid attendance was down 22% from 2017 and member visits were down 36%.
- 2018 total attendance 109,000 vs. 145,000 in 2017 (vs. high of 159,000 in 2015 and 59,000 in 2014 pre Wild Walk).
- 2019 attendance is budgeted at 104,000 or down 5% from 2018.

Admission Revenue

- 2018 admission revenues down 16% from 2017.
- 2018 admissions revenue \$1.2mm (\$340,000 under budget) vs. \$1.14mm in 2017.
- 2019 budgeted admission revenues \$1.15mm (5% decrease).

Earned Revenues

- 2018 membership revenues are down 23% (\$111,000) vs. 2017.
- Overall membership retention rate @47% in 2018 (down from 55% in 2017)
- Store revenues were down 20% vs. 2017, but sales per visitor were up 7%.
- 2019 budget for membership revenues up slightly.

Support Revenues

- Overall 2018 operating support revenues exceeded budget (Obie Clifford Fund).
- 2018 Annual Fund about \$300,000 below budget.
- 2019 budget includes increased funding for Youth Climate program.
- 2019 will have reduced support from operating grants.

Annual Revenue Distribution

- 2018 revenue was \$5.2mm, including \$1.3mm for Board Designated fund. 2019 budgeted revenues are \$4.2mm.
- 2018 earned revenues estimated to be just over \$2mm or 39% of total. Earned revenues are projected to remain flat in 2019, but increase to 49% of total.
- 2018 Annual Fund and Operating grants were \$1.5mm, increasing to \$1.7mm in 2019 revenue budget. Additional revenues are to support operations of expanded Youth Climate Program initiatives.

Functional Operating Expenses

- Overall 2018 operating expenses are \$374,000 under budget.
- 2019 budget includes:
 - 4 less staff positions (education (2), development and marketing);
 - No general staff salary increases, only select merit increases, minimum wage adjustments and health insurance cost increases (9%) shared with staff;
 - Expanded Youth Climate Program initiative (some costs subject to funding);
 - Reduced marketing staff and consulting fees and reallocated to direct expenditures.

Income Statement Forecast

- 2018 earned income \$600,000 below budget.
- 2018 operating expenses \$374,000 under budget.
- 2018 operating support \$300,000 under budget.
- Overall 2018 operating results well below budget. Excludes funds raised for Board Designated Endowment.

Balance Sheet Highlights

- Bank line of credit \$750,000. \$0k drawn as of 12/31/18.
- Wild Walk term loan balance \$800,000 with next principal payment of \$100,000 due December 2019.
- Additional term loans of \$203,000 to finance new parking meadow and purchase of Bobcat utility vehicle for facilities. Loans are payable monthly over 60 months.
- Including the outstanding Wild Walk pledges and Gala commitments, term loan balance ~\$60,000.

Endowment Performance

- Current portfolio weighting is 68% stocks, 32% cash and bonds. Obie Clifford Fund is invested 100% in US Treasury Notes.
- Portfolio widely diversified via mutual fund holdings and Treasury Notes.
- S & P down 6.2% in 2018.
- Market value of investments decreased by \$417,000 in 2018. As of 1/15/19, \$159,000 has been recovered.

Conclusions

- 2018 attendance down 24% from LY. 2019 budget includes another 5% decrease.

- Earned income down 18% from LY and \$634,000 below budget.
- Unrestricted contributions about \$300,000 below budget.
- Operating expenses \$374,000 below budget and \$253,000 less than LY.
- Endowment still providing tangible support to operating funds, although market performance was down 4.5% LY.
- Obie Clifford Fund balance at \$1,253k, with total Board Designated Fund at \$6.5mm.
- Line of credit balance has been reduced to \$0 (\$750k available), although \$280,000 needs to be transferred from operating funds to Board Designated funds.
- Overall, forecast for 2018 shows an operating deficit of \$579,000 (this is exclusive of contributions to Board Designated Funds).
- Lower attendance and thus lower earned revenues has required us to modify operations as we plan for 2019. Our plan still reflects a deficit for 2019, though it has been reduced to \$236,000.
- We do have the liquidity to manage through these deficits, but we are committed to monitoring 2019 results closely and being prepared to make adjustments during the year should 2019 results differ from the plan presented.
- The 2019 budget proposal is supported by the Finance Committee.

Discussion then ensued with the following points being made:

- Ginny Valkenburgh - Might be helpful to capture all of attendance from YCS offsite for 2017-2018.
 - If you can show immediate impact - someone might be willing to fund programs.
- Tom Jorling - Concerned that another organization might try to steal YCS, should be copyrighted.
 - Bob Kronenberger spoke with attorney and will follow up.
 - In terms of Ways of Knowing - have we invited anyone from the National Museum of the American Indian to come and see what we have done?
 - Would be a live example of their work.
 - Membership
 - Need to boost Otter content, provide more substantial information as a membership benefit.
- Karen Thomas - In terms of charging for YCS materials, Stephanie stated that we wouldn't be where we are today if we had to monetize what we do.
- Rich Malloch - Took expense of New York based major gifts officer out of budget as there was almost no return on investment. It is now incumbent on Board to raise that money.

- Stephanie Ratcliffe - New York City is now open to us as we serve the population with climate summits, etc.
- Hillarie Logan-Dechene - Jen Kretser will be working exclusively on YCS now.
 - Some attrition in staff.
 - Would like endowment for YCS.
- Joe Beck - Should push virtual content further forward.
- George Cigale - There is support for providing virtual content going forward.
 - Need to find a planning grant to help fund it.

2019 Budget Approval

Discussion: A motion to adopt the 2019 budget as presented was unanimously approved.

Tom Jorling motion, Nancy Simpkins second

V. Committee on Trustees

Discussion: Lynn Fox began her report by stating that the Board had recommended that the Committee on Trustees (COT) create an Emeritus Trustee category. Lynn stated that the position was intended to honor long term exemplary service to The Wild Center by a Board member. The following criteria must be met to be considered for this honor:

- Be an active participant.
- Provide consistent financial support.

A motion to nominate Advisory Board member Lynn Birdsong as the first TWC Emeritus Trustee was unanimously approved.

Jim Schoff motion, Peter Kindler second.

Bylaws

Discussion: Lynn Fox reported that one of the current projects of the COT is to update Bylaws, stating that she has never been involved in an organization where bylaws were current. She then made the following points:

- The COT just got a review by the New York State Council on Nonprofits.
- Removed President and VP positions, leaving Chair and Vice Chair.
- Executive Committee will be updated.
- Making changes to committee descriptions.
- Committees should be created by the Chair and approved by the Board.
- Can only have 25 Board members, we currently have 29. There is no penalty for having more.
- We are in a transition period, will comply with attrition in time and will let process work itself out naturally.

- Asked all to read bylaws and suggest edits, send comments to Lynn Fox.
- Will share final at the Spring meeting.

Board Self Assessment and Discussion

Discussion: Stephanie began the session by asking Board members to split into groups. After much discussion, each group reported out the following:

Group 1 - Lynn Fox

- Always one you feel guilty about.
- Fundraising and introductions.
- Knowledge about programs and education is not as good as it should be.
- Why do I care?
- Board as a whole doing a good job overall.
- Need to do more with diversity, skills.
- Conversation about technology needs falling behind.
 - Heavy on bricks, light on clicks.
- YCS people - what do they want?
- Discussed Ways of Knowing exhibit
 - What is Board role?
 - What is passion for it?

Group 2 - Joe Beck

- Diversity - need to broaden scope.
- Too focii - Adks. site based climate science.
- Should help guide fundraising thinking.
- Attend meetings and what it means to be a Board member.
- Remote calls are less productive, important that all should attend one or two on site meetings a year.
- Maybe make a change to bylaws regarding requirements.
 - What Advisory Board role and purpose should be.
- Soliciting for Ways of Knowing.
- All should be involved in soliciting.
- Need to be more active on how Board can help.
- Board should all have notecards to write notes.

Group 3 - Paul Alioto

- Fundraising
- As a group appreciate being asked how to improve Board experience.
- Committee restructuring appreciated as well.

- Opportunity to work with staff and Administration.
- Way to address issue of taking part in fundraising is to write thank you's.
- Resurrect early donors and write thank you's to people who donated in the past.
- Be invited to additional TWC events and other offsite TWC activities to act as ambassadors.
- Have a rescued resident moose or other animals.
- Spend more time at TWC, guide tours, get hands dirty, get more connected.
- Workshops, retreats, demonstrations at TWC.
- Would love to participate in receptions.
- Time commitments can be more difficult in terms of holidays.

Group 4 - Ginny Valkenburgh

- Needed Board members to experience TWC in a bigger way
 - Talk to staff/volunteers, do exit interviews with visitors.
- Different when onsite.
- Didn't feel equipped enough to make five solicitations, need a cheat sheet to put in pocket with key #'s (visitors, YCS attendees, etc.)
- Reticence in talking to people about giving, etc.
- Go to schools and be a field expert and then give charge to students.
 - Give handouts to students.
- Green building - being involved in committee helps talk to people about that.
- New tax laws - what will impacts be on giving?

VI. Development Report

Discussion: Charlie Svenson opened the Development presentation by thanking staff for their work. He said that there would be three parts to the report - Membership, Annual Fund and Bequests. In the area of Annual Fund, he reported that Development had raised almost as much in 2018 as was raised in 2017 with \$5.8 m raised. Charlie then invited Hillarie Logan-Dechene to provide her portion of the report and she shared the following:

Membership

- Membership and Admission peaked due in part to an increase in ticket prices in 2015, while the cost of membership did not change until 2018.
- Renewal rates fluctuate and are much higher in non-summer months.
- Lessons learned:
 - When admission prices change there should be a corresponding analysis of membership pricing, to maintain a sweet spot for membership fees and benefits in relation to ticket cost.

- Extroverted, incentivized, continually trained staff do best with membership sales as well as on customer service.
- Many visitors do not know about our Youth Climate Program, our community maple effort and other initiatives and success stories. Member retention rates could be enhanced by better onsite visibility for all of the great work that we do.
- Steps to improve member results:
 - Better visibility for our mission and programs.
 - Enhanced and reinforced Admission staff training .
 - Improve retention with increased contact - email, special events, pop up member events and activities.

Annual Fund & Overall Giving

- Losing high level gifts has major impact.
- More donors in the \$100-\$999 than the lower levels.
- Losing donors at the lowest level because they are moving up to the next level.
- Lessons Learned:
 - Base annual fund numbers on average of past years.
 - \$100,000 level Board operating gifts cannot be replaced with smaller gifts.
 - Bequests to Endowment are key to a sustainable future.
 - Having more Board members involved in the Annual Fund improved results.
- Steps to improve results from Board action:
 - Encourage top level \$100,000 Board operating gifts.
 - Heavily promote planned gifts and work towards 100% Board participation in the Linda Vaughan Society.
 - Use opportunities like Museum Access viewings to engage new major donors.

Bequests and Endowment Giving

- 2018 Bequest Activity
 - 8 - new intentions - \$1,675,003
 - 4 - realized - \$879,726
 - 4 - in probate
- Remember what Obie said -
 - “Bequests are great because when you are dead you won’t miss it”.
- Lessons learned:
 - Membership increased since 2015 and then decreased in 2018.

- Bequests realized in 2018 were added to the Obie Clifford Fund, which is a part of the Board Designated Endowment.
- Grants play a major role in our business model.
- 2018 significantly increased over prior years, mainly due to the Obie Clifford Fund.

Hillarie then commented that although membership was down and the Annual Fund didn't meet goal, cumulative fundraising generated over \$5.8 million in gifts and pledges in 2018 which was up over 2017.

VII. Program Assessment & Marketing Update

Discussion: Hillarie then gave a brief update on the current status of programs and the process of deciding which programs to eliminate as well as a marketing update sharing the following information:

- Helped staff embrace best programs.
- Evaluated program outcomes, cost and return on investment.
- Cut those that had ran their course, achieved objective, were too costly for return, or were mission light, such as:
 - Farmer's Market
 - Teen Program
 - Science on Tap and 16 smaller programs.

Side benefits of process:

- Helped gain a broader understanding among staff of the budget process.
- Brought staff from all departments together to rate and understand our larger organizational objectives and needs.

2019 Marketing Goals

- Increase brand awareness of TWC and its experiences/packages.
- Seek third party endorsements of TWC through active PR.
- Drive traffic to the ticket page on website.
- Influence conversations on TWC's website.
- Increase the number of visitors during September and October.
- Full presentation of plans at April Board meeting.

VIII. Other

IV. Upcoming 2019 Meeting Dates

Monday, April 15, 2019 (NYC)

Monday, July 8, 2019 (TWC)

Friday, October 11, 2019 (TWC)

Monday, January 27, 2020 (NYC)