

BOARD OF TRUSTEES MEETING MINUTES
THE WILD CENTER
January 9, 2012 – McKinsey & Co., New York City
1:00 PM – 5:00 PM

Board Present:

Michael Bettmann, Lynn Birdsong, Obie Clifford, Connie Ferguson, Robert Friedman, Kevin Keane, Peter Kindler, Claire Leonardi, Betsy Lowe, Nancy Simpkins, Charles Svenson, and Karen Thomas.

Board/Advisory Board via Webex:

Paul Alioto, Joe Beck, Jim Carr, John Colston, Rick Godin, Sally Hart, Gary Hartwick, Nancy Howard, Mike Hunsinger, Paul Maroun, and Dan Sullivan

Board Absent:

Tom Aydelotte, Amy Elrod, Charlie Frenette, Bill Hutchens, Dave Johnson, Thomas Jorling, Chris McFadden, Steve Potter, and Sandra Strader.

Advisory Board Present:

Lynn Fox and Jack Ryder.

Others via Webex:

Ed Forbes (Wings Designee)

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

I. Welcome

Discussion: Lynn Birdsong called the meeting to order and thanked all board members for attending in person and via Webex. He stated that this was the annual meeting and that Trustees as well as officers would be elected and the 2012 budget approved. He also took the time to thank Obie Clifford for helping to secure the boards use of the meeting room at McKinsey.

Action: N/A

II. Board Elections

Discussion: Lynn Birdsong stated that he was reporting on behalf of the Governance Committee. He stated that a few years ago, there were no term limits and that currently board members are elected to three year terms. He reported that there were eight board members whose terms expired at the end of 2011.

Action: A motion to re-elect the following board members to new three year terms: Robert Friedman, Rick Godin, Nancy Howard, Mike Hunsinger, Bill Hutchens, Dave Johnson, Kevin Keane, and Peter Kindler was unanimously approved.

Betsy Lowe, motion, Nancy Simpkins second.

Discussion: Lynn Birdsong also stated that there were two new board positions that the Governance Committee was asking for a vote on. He stated that he and Obie Clifford had met with Connie Ferguson of Dorset, Vermont in regard to joining The Wild Center's board. He told board members that she is in tune with the mission of the museum, she was highly qualified, an experienced Trustee, and oversees the Enoch Foundation.

He also reported that there had been discussion regarding adding a Wings position to the board. He reported that the group had been organizing a series of events, raising money to benefit The Wild Center. Lynn mentioned that he had spoken with Ed Forbes and Ed expressed the groups desire to establish a closer relationship with The Wild Center. It was decided that the board would elect a Wings seat to the board and that it would be a three year rotating seat until 2014. It was decided that Ed Forbes would attend the first meeting and the position would rotate from there for each of the four 2012 meetings. The others who would attend the next three meetings would be Mary Beth Reiss, Matt Cobb and Victoria Duley.

There was a question from board member, Betsy Lowe regarding whether the bylaws needed to be changed to add this board seat and Lynn Birdsong answered that it did not require a bylaw change.

Action: A motion to elect Connie Ferguson to the Board of Trustees as well as a three year rotating board seat for Wings was unanimously approved.

Nancy Simpkins motion, Michael Bettmann second.

III. Approval of Minutes

Discussion: Lynn Birdsong asked if there were any changes or corrections to either the revised July 5, 2011 meetings minutes or the October 6, 2011. There were none.

Action: It was unanimously approved to accept the minutes of both the July 5 and October 6, 2011 meetings.

IV. Election of Officers

Discussion: Lynn Birdsong stated that the following board officers were up for re-election: Chairman - Obie Clifford, President – Lynn Birdsong, Vice President – Bill Hutchens, Secretary – Nancy Howard, and Treasurer – Claire Leonardi.

Action: A motion to re-elect officers was unanimously approved.

Charles Svenson motion, Nancy Simpkins second.

V. Reports from the President and Executive Director

Discussion: Lynn Birdsong stated that 2011 had been a remarkable year for The Wild Center. He said that the \$2.8 million Vaughan gift, which was the single largest gift to TWC to date, made a huge difference and that it says wonderful things about what the museum is doing. He mentioned that in the Cabinet meeting that took place before the Board meeting that cabinet members proposed getting approval from Linda Vaughan's niece to name the Planned Giving Society after Linda.

Lynn also reported on the recent changes that had taken place within the Development area. He stated that he feels that the museum is now in a great position moving forward. He reported that half of the \$20 million dollar campaign funds had been raised so far under Hillarie Logan-Dechene's direction. He thanked all Trustees who have made the museums success to date possible. He restated the importance of growing the endowment. Lynn also reminded board members about the museums eight strategic directions and sustainability principles.

Lynn mentioned that the Executive Committee had met in December to give Stephanie Ratcliffe approval to investigate a broadband opportunity that had presented itself. He stated that she needed permission to pursue it before this board meeting.

Action: N/A

Stephanie Ratcliffe then reported on the following 2011 highlights:

- Completed Finland project
- Youth Climate Summit continues
- Wild Walk reconceptualized
- Experimented with Fest concept
- Hit milestone 5,000 Facebook friends
- Installed dock, tested logistics/partnerships
- Completed pellet boiler project
- Installed Lutron lighting system
- Improved café function, improved store and online sales
- Special events business growing
- Fully staffed professional campaign team

Stephanie then gave a brief update on next steps for the Wild Walk project.

- Chip Reay, HOK and Bill Palmer have rejoined the team
- Chip Reay has sketched new elements

- Team is evaluating and cost estimating options
- Some site prep will begin

She also mentioned that she would work with staff members Dave St. Onge and Leah Valerio to get the APA approval process to where it needs to be and that all information has to be submitted to the APA by April. It will be presented to Commissioners there sometime in June.

Stephanie then gave a brief update regarding the broadband opportunity for The Wild Center.

- Fully operational by late summer 2012
- TWC hosting equipment
- Control 12 strands of fiber
- Link educational facilities
- Town park wireless hotspot
- Allows TWC to fully execute distance learning
- High speed
- Game changer
- Flip the switch event

She stated that this will not cost The Wild Center anything and that it will allow the museum to be connected to the schools, the library and the Adirondack Public Observatory (APO). She said that being connected to the schools will help with distance learning and that with high definition we could stream four different events at one time (?). The only obstacle at this point is that there is still the need for a last mile provider and Stephanie mentioned that she was working with someone who is interested in providing that. There was then discussion regarding all of the opportunities that broadband would provide for the museum as well as the Adirondacks.

Stephanie gave a brief overview of The Wild Center's new Community Maple Sugaring Test Project.

- Connects people to nature through local food traditions and production
- Involves community in sap collection
- Connects generations
- Offers several programming opportunities throughout the winter months
- Creates new branded products for sale
- Future efforts will emphasize energy efficient methods

There was then much discussion regarding the many opportunities that this project could bring for the museum, from great PR to becoming a retail outlet for New York State maple producers.

Stephanie also gave a status update on the upcoming Science on a Sphere exhibit which had recently been named "Planet Adirondack". The exhibit will be place

based, all stories will begin and end in the Adirondacks. She reported that the team was busily working on exhibit design and that messy construction would begin in April. She shared some program ideas such as Weather, Out of this World, and Owl Moon.

One other program that Stephanie reported on was Canoes at The Wild Center.

- Partnership with Raquette River Outfitters
- Naturalists tours daily
- Boat to The Wild Center and dock your boat or canoe
- Up charge of \$10 per person for canoe rental
- Small mini-canoe “fest” in August
- Rentals/tours for special parties

There was some discussion regarding the need for liability insurance, the possibility of doing canoe trips with the school, etc.

Action: N/A

VI. 2011 Challenges

Discussion: Claire Leonardi reported on 2011 challenges. She stated that the museum is facing a multi-year transition period where it is moving from an annual fund driven funding model to an endowment funding model. She said that the first year of the campaign has taught a great deal. She said that we were overly optimistic on attendance and membership and that the sunny weather definitely impacted visitation while the volatile stock market and uncertain economy were also factors. She reported that there would be an emphasis on endowment fundraising and the good news is, the endowment is building. She reported that donors seem to be deciding between operating and endowment support when deciding their gifts. Claire stated that the good news is that the museum is in a stronger position now than it was at the same time a year ago. She pointed out that:

- There is no debt
- Net assets are up
- Increased endowment
- Campaign underway
- Fully staffed for next stage of campaign

Action: N/A

VII. Financial Report

Discussion: Claire then reported on operating revenue and showed a comparison of 2010 actual compared to 2011 budget as well as estimated revenue. She stated that the museum raised \$1.6 million dollars but had predicted \$2.2 million. She reported that Admissions was down about \$100,000 from 2010 and

that membership was down 11%. She mentioned that the campaign had approved a \$2m expense to be paid from campaign revenues. She said that when originally approved there was an assumption that the campaign expenses would be funded by the annual fund. The annual fund in 2011 was about \$600,000 below budget and \$300,000 below last year. The finance committee is now asking for \$305,000 for campaign expenses to come out of the endowment. Lynn Birdsong stated that in order to end 2011 positively and to plan for 2012, expenses needed to be categorized and they needed to be funded by the endowment. Claire mentioned that in 2011 vs. 2010 there was more investment in development and less in facilities and marketing.

Claire stated that on the revenue side a different story was being told, it tells the story of successful fundraising and support for the museum's long term sustainability. She also reported on the endowment stating that it was at \$4,192,936 in December 2011 which includes \$293,000 reserved for Science on the Sphere as compared to December 2010 when it was at \$1,905,696.

Action: The board unanimously approved an allocation not to exceed \$310,000 from the board designated endowment to operating.

Kevin Keane motion, Joe Beck second.

VIII. 2012 Budget Development Process

Discussion: Stephanie Ratcliffe then presented the 2012 budget development strategy in terms of public and educational programs and reported the following:

- All will be executed with existing staff
- Invest in a major new core exhibit experience that also allows for changing new programming
- Repeat successful past experiments
- Experiment with programs that have:
 - A small initial capital investment
 - Create new revenue streams
 - Multiyear growth potential
 - Retractable after one year if experiment is not successful

Stephanie then reported on the budget impact of programs:

- Price increase for general admission
- Assumes small increase in attendance starting in July
- New revenue from up-charge programs and maple sales
- Assume will raise Youth Climate Summit funds to cover out of pocket expenses
- Offer two "fest" instead of five

Grant funded projects were also mentioned by Stephanie. She stated that the museum would:

- Continue executing grant funded special projects. These tasks will be completed with a combination of existing and contract staff.
 - Exhibits on Whiteface
 - Tupper Lake Town Park project
 - Distance learning
 - Distribution of Matter of Degrees statewide

She also spoke regarding staffing. She reported that priority consideration would:

1. Ensure that the museum has the right people to deliver its mission and continues to grow in strategic directions
2. Avoid layoffs of full time staff
 - a. Not filling vacant positions
 - b. Reducing part time hours
 - c. Adjusting job responsibilities to cover vacant position responsibilities
 - d. Outsourcing non-core functions

Bob Kronenberger then spoke regarding 2012 budget impact on staffing. He reported that:

- There would be one week unpaid vacation for all FT staff
- Reduction of interns from 6 to 4, train for cross departmental functions, reduce time period
- Do not hire open positions, shift work responsibilities
- Reduce major consultant costs to mirror staff furlough
- Outsource special event catering

Bob then reported on budget development strategies for Facilities and Maintenance:

- Continue scheduled maintenance
- Continue investment and installation of equipment to save energy

Information Technology:

- Transition to new management structure

Bob then spoke regarding the 2012 budget impact related to facilities, maintenance and IT. He stated that the museum would:

- Devote 40% of curatorial staff member to in-house help desk support
- Add consultant for high level support
- Transition many specialized software functions to 'cloud' model
- Change to less expensive client management software

Action: N/A

Claire Leonardi then reported on projected operating revenues for 2012. She stated that revenue in 2011 was \$2.9 million and was projected to be \$3.1 million in 2012. She said annual fund and membership are expected to be flat and admission was expected to be up approximately 1.6%. Auxiliary activities may be down slightly due to outsourcing of catering. She also mentioned that endowment support should be up to help cover campaign expenses.

There was discussion regarding all funding, including restricted and Claire mentioned that the Vaughan gift was unexpected and wasn't one that is expected every year. She stated that endowment gifts and cash receipts were at \$500,000 and that capital gifts were minimal because a major exhibit was still in concept phase. Lynn Birdsong stated that there is now a better idea of what to expect from the donor base moving forward. Claire stated that there had been many difficult decisions made to bring the budget to a breakeven point and that expenses remain flat with a very modest positive bottom line.

Action: A motion to accept the 2012 budget was unanimously approved.
Kevin Keane motion, Michael Bettmann second.

IX. Development/Campaign Report

Discussion: Hillarie Logan-Dechene then gave her development report. Some key points from her presentation were:

- Fully staffed as of December
- Board Members actively soliciting and prospecting
- Analyzing results in membership and development
- Building "Wild Center" relationships with more individuals
- Using "Moves Management" techniques and tracking activity
- Cost-per-dollar-raised is being monitored and remains appropriate and within ideal limits

Hillarie also shared the following 2011 Development Insights:

- Loyal donor base motivated to build endowment
- Great willingness of Board members to work with staff on fundraising
- We have maintained our donors in 2011
- Donors are making decisions about where to give (\$157k of our \$188k Annual Fund (AF) moved to endowment or restricted gifts)
- We had 15% more new AF dollars in 2011 from 35% fewer first time new donors (120)
- 231 people left us (\$26,252) – we know who they are and will re-engage them (3 major donors passed away - \$32,252)
- We need to place an emphasis on planned giving
- We need to use membership to build donor base

She then spoke regarding the importance of having more hands in Development:

- 1489 year-end letters had a personal note
- Board members took 108 year-end assignments resulting in 34 gifts (\$80,000)
- Staff members took 129 year-end assignments, visited 21 donors at year-end, and spoke on the phone with 80 donors resulting in 57 gifts (\$46,442)
- Letters signed 30% response vs. 1% with no note

Kevin Keane stated that adding personal notes to letters has tremendous leverage and Obie Clifford said that he doesn't open anything without a personal note.

Lynn Birdsong then commented on campaign progress. He stated that almost half of the campaign working goal has been raised so far and he went on to applaud all for their great work. Hillarie Logan-Dechene stated that Cabinet members had their assignments and were moving forward.

Action: N/A

X. Other Business

Lynn Birdsong took some time to recognize and give board members some background on Ed Forbes who joined the meeting late via conference call. Ed shared his enthusiasm with board members about Wings' involvement with The Wild Center and encouraged board and advisory board members to invite their children and grandchildren to join the Wings group. Ed also shared his excitement to learn more about the board as well as the museum's issues and challenges. Lynn Birdsong stated that Wings had recently helped support campers visiting the museum as well as the Youth Climate Summit.

XI. Executive Session

XII. Upcoming 2012 Meeting Dates

- April 2, 2012 – New York City
- July 9, 2012 – The Wild Center
- October 4, 2012 – The Wild Center