

BOARD OF TRUSTEES MEETING MINUTES
THE WILD CENTER
July 8, 2013 – The Wild Center, Tupper Lake
1:00 PM – 5:00 PM

Board Present:

Paul Alioto, Tom Aydelotte, Joe Beck, Michael Bettmann, Lynn Birdsong, Obie Clifford, John Colston, Connie Ferguson, Lynn Fox, Charles Frenette, Rick Godin, Nancy Howard, Mike Hunsinger, Bill Hutchens, Dave Johnson, Thomas Jorling, Betsy Lowe, Paul Maroun, Chris McFadden, James Schoff, Nancy Simpkins, Sandra Strader, Dan Sullivan, Charles Svenson, and Karen Thomas.

Board/Advisory Board Present via Web Ex: Jim Carr and John Huwiler.

Board Absent:

Amy Elrod, Robert Friedman, Peter Kindler, and Claire Leonardi.

Advisory Board Present:

Barbara Grose, Sally Hart, Gary Hartwick, Kevin Keane, and Jack Ryder.

Others:

Ed Forbes (Wings Designee)

Staff/Consultants Present: Marci Bencze, Hillarie Logan-Dechene, Robin Ellis, Jamie Ford, Howard Fish, Jen Kretser, Bob Kronenberger, Stephanie Ratcliffe, and Dave St. Onge.

Welcome

Discussion: Lynn Birdsong called the meeting to order at 1:08 pm. He welcomed all in attendance and thanked Board members who were in the room as well as on Web Ex for their participation. Stephanie Ratcliffe then took a moment to introduce two of The Wild Center's newest employees, Kathleen Brannon and Chelsae Radell. Kathleen is the newest Facilities employee replacing long-time Administrative Assistant, Bob Andrews. Chelsae is the new Herpetologist who replaced Frank Panaro. Board members welcomed them both to the staff.

I. Approval of Minutes

Discussion: Minutes of the April 15, 2013 and June 17, 2013 meetings were unanimously approved with one edit to the April 15 minutes.

Tom Aydelotte motion, Nancy Simpkins second.

Action: N/A

II. Report from the President

Discussion: Lynn Birdsong stated that it was a momentous day for the future of The Wild Center and that the campaign would go public that night at the Campaign launch party. He stated that there would be a large turnout for the party. Lynn mentioned that before the Campaign goes public there were two very important topics that needed to be covered at this meeting. He stated that there were two resolutions that would be need to be passed to go forward. The Board needs to authorize Stephanie Ratcliffe to sign the construction contract for Wild Walk and the Board also needs to authorize the Finance Committee to secure financing for Wild Walk. He stated that Bob Kronenberger has been negotiating financing terms with several banks.

Lynn also reported that while Board member Claire Leonardi plans to stay on the Board, her new position has left her little time to participate regularly. He stated that Charlie Svenson has agreed to take over her role as Chair of the Finance Committee and that Board member John Huwiler would take on the role of Vice Chair.

Lynn went on to talk about a friend of his son's named Geoff Mueller who recently wrote a book about fly fishing called "What a Trout Sees". He stated that the intro to the book was written about the trout pond here at The Wild Center. He suggested that the Wild Supply Co. sell it. He said that it was a very well written book.

III. Report from the Executive Director

Discussion: Stephanie Ratcliffe began her report by stating that The Wild Center was now operating under high speed broadband. She reported that Jen Kretser and Kendra Ormerod put together a distance learning program that they presented remotely to the first New York State Broadband Summit in Albany, NY on June 20, 2013.

She also reported on the Whiteface exhibit opening which took place on that same day. She stated that it was a fantastic day and that there was a live salute to the Broadband Summit from the top of Whiteface at the end of the day. She said that:

- Ed Ketchledge's shoes are on display at the Alpine Summit.
- You can access movies in the gondola.
- There are now two live cams on Whiteface.

Some other items that she reported on were:

- The museum was approved for an Absolute Charter which stated that it is officially an educational institution and also allows www.wildcenter.edu to be used (this is a topic for future discussion).

- This summer is all about butterflies. Buzzfest took place on 7/6/13 and the film “Flight of the Butterflies” debuted on the same day. She stated that there had been great feedback on it.
- The Lake Placid Horse Show – a new jump was built which is sponsored by The Wild Center and there were otters with mini programs on all of the tables which gave the museum great exposure.
- The museum received a \$100,000 New York State Energy Research and Development Authority (NYSERDA) grant to help increase the efficiency of the pellet boiler by adding more storage. An opportunity that was custom created for TWC.
- The Wild Center also received a \$50,000 grant through Science Education for New Civic Engagements and Responsibilities (SENCER) to fund the creation of a college course that would be created by Rob Carr and Curt Stager. It was meant to reform the way higher education courses are created to deal with relevant issues (i.e., climate change, etc.)

IV. **Governance**

Discussion: Current Ad Hoc Committee Chairs then gave brief report outs on the recent activity of their committees. Governance Committee Chair, Nancy Simpkins stated that the Membership Committee is currently sunseting as of now. Lynn Birdsong stated that the Governance Committee had been experimenting for a little over a year and that the committees seem to be working. He said that it is a living, breathing system.

John Colston then reported on the activity of the Website Committee. He stated that the main goal of the committee was to bring the website up to where the museum’s brand is currently. He said that Howard Fish would give a brief presentation on the status of the website to date.

Howard Fish began his presentation by expressing the committee’s appreciation to the Board. He stated that the committee had come together to create a great website and that they had been diligently working with the web development company. He then went on present current web traffic slides. He reported that Google had given the museum a grant and that he and Stephanie Ratcliffe had recently met with Google’s Head of External Affairs. He stated that when the website development company had been hired, they toured The Wild Center and were blown away by the experience saying the goal of the visit was to have them fall in love with the museum. He then reported that the new website had gone live that day and that the goal was to get lots of traffic.

Lynn Birdsong suggested that Howard send an email to Board members letting them know that the new site was up. There was then discussion regarding what changes were made to the site. Charlie Frenette asked if there was a webmaster and Howard responded that he was currently that person. Paul Alioto asked if there was room in our web presence for a Wiki site. Howard stated that there

was but that there should be more discussion on the issue. He also stated that phase two of the website would happen within the next year.

There was then discussion about the public accessing the website and experiencing The Wild Center without spending money to come through the doors. Lynn Birdsong suggested asking for some kind of contribution or asking people to consider becoming a base member as a way to help raise money. He suggested the formation of an ad hoc revenue generating committee. Charlie Frenette stated that it might be a good way to connect with the Google Foundation. Lynn Fox asked how old website archives were preserved and Howard Fish stated that the information is locked up in a safe place.

V. Financial Report

Discussion: Bob Kronenberger went over the highlights of the financial dashboard that was handed out in the board packets:

- Paid attendance was even
- Overall attendance was up but primarily due to members and unpaid admissions
- Active memberships are even with last year
- Store revenue per visitor dropped to the 2011 level
- Café revenue was maintaining a level pace
- Revenues through May were 21% below budget, but 1% ahead of last year
- Admissions revenue was up 14% through May
- Contributions were behind budget
- Board designated support was at \$400,000 for the year
- Membership revenue was 30% below budget
- Expenses were \$150,000 below budget as a few things had been deferred
- Consultant fees were on budget
- Maintenance supplies were \$64,000 below budget
- Utilities were under budget
- \$580,000 deficit overall as of May which is \$300k better than budget
- Bottom line better than a year ago
- Board designated endowment was at \$4.5 m at the end of June – Paul Alioto mentioned that \$20,000 of the Board designated endowment was used for operating in 2012. Bob Kronenberger explained that it was income from the prior year.

There was then discussion about the café and events, it was mentioned that there were less weddings booked this year than last year.

VI. Wild Walk Update

Discussion: Stephanie Ratcliffe reported that the museum had started working with Northland Associates, Inc. on Wild Walk and that it had been a great

experience so far. She stated that Dan Sullivan had recommended them highly and said that they have never gone over budget. She said that once the contract was signed there would not be a lot of activity on site until at least September. Dan Sullivan stated that he has spoken with the Owner of the company who said that everything is in place to start work and that they feel honored to do this project and to work with The Wild Center.

John Colston asked whether or not it had been decided how to handle traffic/ticket sales for exhibit. Stephanie said that this issue would be discussed at the committee level and then reported to the Board.

Tom Jorling asked if our insurance company had been contacted regarding liability insurance coverage for design requirements and if there had been any conflicts with the insurance company regarding ADA compliance. Stephanie stated that it would be looked into as soon as possible.

There was then discussion about targets for the Board designated endowment. Paul Alioto stated that he felt that targets needed to be set for what would be in the endowment in the next five, ten, or twenty years.

Action: N/A

VII. Development/Campaign Report

Discussion: Hillarie Logan-Dechene then gave her Development/Campaign Report. She began by thanking the Membership Ad Hoc Committee for all of their hard work, especially in creating and implementing new memberships. She then went over a document that she had prepared in response to questions that have come up at recent Board meetings and to provide some background information about The Wild Center. These are some of the points that she highlighted:

- The Wild Center is located in the sparsely populated Adirondack Park.
- The majority of Wild Center support comes from individuals who live more than five hours away.
- TWC is a major catalyst and economic engine for the North Country. This was confirmed by a study published this year.
- Most, if not all, American museums rely on a more balanced mix of revenue sources including admissions, sales, program fees, rentals, investment earnings, gifts and grants, and sometimes government appropriations to support operations.
- The Wild Center's mix is more dependent upon contributions.
- The Wild Center is heavily reliant on philanthropic sources for its operating funds.
- The Wild Center relies on philanthropic revenue for over 75% of its funds.

- For the next three years, The Wild Center must raise a substantial amount of “unearned revenue” to meet the operating needs of the organization.
- The Campaign for The Wild Center’s Annual Fund Goal of \$9,000,000 will cover the anticipated operating needs during the campaign time period. These figures do not include anticipated debt service for Wild Walk financing.
- Board members have provided a significant percentage of annual operating support since the museum’s inception.
- While we would never want to discourage generous Board giving, an important goal is to increase overall non-Board donations over the campaign period to raise more dollars for Wild Center work and to decrease the percentage of support from the Board.
- The Wild Center has a Board Designated Endowment Fund that is quasi-endowment and requires Board approval for expenditures. It does not currently have a Permanently Restricted Endowment Fund. Both types of funds are common for charitable organizations.
- The Wild Center’s Cost per Dollar Raised is in line with national standards and when compared to peer organizations in the region, we are exceeding results, as shown in a chart presented to Board members that provides comparison with museums, science centers and other Adirondack organizations.
- The Wild Center has 38 full-time equivalent positions, and 29 core year-round staff. Job duties often cross departmental lines.
- One of the ways The Wild Center is able to have the reach and depth of program it does, is due to more than a dozen strategic partnerships with organizations within and outside the region.
- The Wild Center has a unique set of financial dynamics.
- We regularly benchmark against our peer organizations and we hold ourselves accountable.

Charlie Frenette then expressed his concern regarding the effectiveness of the museum’s fund-raising. He asked how we determine whether or not the museum has a return on investment for Development. He stated that he was unsure how to measure the effectiveness of the staff’s influence on gifts and donations. He indicated that using bench marks might be confusing given the unique circumstances of The Wild Center and wondered if a set of metrics would be in order. Dan Sullivan stated that a significant investment had been made in increasing Development staff but cost per dollar raised had not increased. He stated that Linda Vaughan gave to the essence of the museum and not because of one person specifically. He said that he did not regret the decision to increase staff. Charlie agreed with that sentiment and indicated he was open to increase Development staff if there was indeed a return. Charlie Frenette then stated that the sustainability of the business model was a concern and that he has not seen an economic model for The Wild Center that can sustain itself over time. He also stated that he would encourage the Board to get together to build a framework on how the museum can sustain itself in the long term. Obie Clifford stated that we need to increase our donor base and that in the meantime we need to hang

on year by year for the time being and things will continue to get better. Lynn Birdsong stated that going forward it would be helpful to have a more broad based discussion regarding sustainability. Michael Bettmann stated that a conscious effort needed to be made to plan for the future. There was then much discussion regarding the creation of a sustainability plan.

Lynn Birdsong then commended staff members for cutting the budget without skipping a beat in all areas. He also stated that he was not a fan of creating a ten year plan but that it would be a good idea to provide some direction for the future. Lynn Fox stated that creating a format providing a framework would be a good idea. Tom Aydelotte stated that we need to continue to lead and create new ideas or we will falter. He also stated that the museum presents things in an instructional, exciting and captivating way. Lynn Fox stated that she had never been in a campaign launch meeting that talked about the future, she said that this says something positive about the organization. Charlie Svenson stated that Wild Walk is going to be an energizer and great for the local economy. Joe Beck stated that a big challenge is how to diversify the donor base, what foundations still need to be approached and how can Board members help make calls to get new donors. Hillarie Logan-Dechene stated that if everyone in the room got one major donor before 12/1/13 it could make a huge difference. She asked all Board members to pledge to approach at least one new person. Joe Beck stated that the Board needed to complement the work of the Development department.

Hillarie then went over some documents that she provided to Board members that showed what needs to be raised for the Campaign as well as Wild Walk. These are some key points:

- Must raise operating support first
- We know what bequest intentions are to date
- Each campaign priority has a defined need that must be met
- Still need to raise \$6.7 m before 2015
- If we exceed the goal, the Board can decide where it is spent

VIII. Wild Walk Financing

Discussion: Bob Kronenberger reported on his recent discussions with Adirondack Bank and Community Bank regarding Wild Walk financing:

- He has been through several stages of discussion and both banks understand the museum's needs.
- In the process of negotiating terms.
- Flexibility is more important than rate.
- Currently discussing collateral but not where it needs to be yet.
- Adirondack Bank is a smaller bank and the loan amount is near their loan limit which means they may have greater collateral needs.
- Community Bank has taken a more realistic approach to how they are looking at it. They are a larger bank.

- Both banks would provide a two year construction loan.
- Have ability to term out portions of the loan to lock in interest rate.
- Adirondack Bank is asking for a debt service covenant but Community Bank is not.

Charlie Frenette asked if the museum would retire loan as soon as possible and Bob Kronenberger said yes. Lynn Birdsong stated that a line of credit would be more useful than long term debt. Bob Kronenberger said that the sticking point with Community Bank is a balloon payment at the end of five years. He said he would prefer a ten year term.

Two resolutions were then presented to Board members for approval:

Resolution #1:

“Let it be resolved that the Board of Trustees authorized, Executive Director Stephanie Ratcliffe to execute the contract with Northland Associates, Inc., of Liverpool, NY for the Wild Walk project, for an amount not to exceed \$5,500,000 once commercial bank financing for the project is formally approved by the Board of Trustees or its agents.”

Resolution #2:

“Let it be resolved that the Board of Trustees does hereby authorize the Board Finance Committee to investigate best financing options, select a loan offer and secure bank financing for Wild Walk in an amount not to exceed \$5,500,000.”

Action: Resolution #1 was unanimously approved.
Dan Sullivan motion, Nancy Simpkins second.

Resolution #2 was unanimously approved.
Bill Hutchens motion, Michael Bettmann second.

IX. Meet the Interns

Discussion: Jen Kretser introduced eight of the summer’s ten interns:

- Emily – Graduate of Penn State, staying through the winter
- Chelsie – Paul Smith’s College student, working in Animal Care
- Carrie – SUNY ESF graduate, Animal Care intern
- Nick – SUNY Cobleskill graduate, helped design trail flags, staying through winter
- Meadow – Villanova student, canoe intern, also helping out in Development
- Rin – SUNY ESF, Butterfly expert
- Kelsie – Cornell University, Animal sciences

- Eric – Connecticut, doing programs, animal encounters, trail walks, Science on a Sphere expert

Action: N/A

X. Executive Session

XI. Upcoming 2013 Meeting Dates
Friday, October 11, 2013 (TWC)