

BOARD OF TRUSTEES MEETING MINUTES
THE WILD CENTER
May 1, 2017 – The Princeton Club, New York City
1:00 PM – 5:00 PM

Board Present:

Paul Alioto, Tom Aydelotte, Joe Beck, Michael Bettmann, George Cigale, Lynn Fox, Rick Godin, Sally Hart, Thomas Jorling, Betsy Lowe, Linda Rosenstock, Jack Ryder, James Schoff, Nancy Simpkins, Charles Svenson, Karen Thomas, and Joel Treisman.

Board/Advisory Board/Staff Present via Conference Call:

Obie Clifford, Charles Frenette, Peter Kindler, Chris McFadden, Sandra Strader, and Eugene Zeltmann.

Advisory Board Present:

Lee Bailey

Board Absent:

Nancy Howard, Michael Hunsinger, Rich Malloch, and Paul Maroun.

Staff/Consultants Present: Marci Bencze, Jane Geever, Hillarie Logan-Dechene, Bob Kronenberger, Stephanie Ratcliffe, and Bill Ryan.

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 stated that regular Board business would be brief and that it would be followed by the Board retreat with Bill Ryan of Ryan Consulting. She also mentioned that effective immediately, Robert Friedman, had resigned from his Board position stating that he would be recognized for his contributions to the Board at the July Board meeting with the traditional Wild Center pen and a resolution.

I. Approval of Minutes

Discussion: A motion to approve the minutes of the January 23, 2017 meeting was unanimously approved.

Paul Alioto motion, Linda Rosenstock second.

Action: N/A

II. APPROVAL OF 2016 AUDIT

Discussion: Joe Beck began by sharing the following 2016 audit report highlights:

- Auditors report reflects a “clean opinion” - meaning that in the opinion of our auditors the financial statements present fairly the financial position and results of operations of the museum.
- Statement of Financial Position
 - Total cash/investments at \$5.7 mm (up \$400k from 2015)
 - Contributions receivable decreasing with collection of pledges (and with no new pledges since end of campaign).
 - Note payable was reduced by \$2.5mm in 2016. The note was also restructured to reduce future annual principal payments to \$100k per year and remove the restriction on the bank account that was held as collateral for the loan.
 - Total liabilities/debt at \$1.1mm (down from \$3.7 mm in 2015).
 - Overall net assets decreased to \$32,387,000 from \$32,931,000 in 2015.
- Statement of Activities
 - Total support and revenues were \$4.7mm in 2016. This is down \$900k from 2015 - \$700k from support revenues and \$200k from earned revenues.
 - Total operating expenses were \$4.3mm in 2016. This is down \$125k from 2015 – Program expenses were up \$165k while support expenses were down \$290k.
 - Change in net assets was down \$544k in 2016 vs. up by \$2,363k in 2015.
 - From an operations perspective:
 - Excess of support and revenues over operating expenses was \$80k in 2016 vs. \$796k in 2015.

Joe then gave a brief overview of the audit overall sharing the positives as well as a few items of concern:

- Positives
 - Debt has been reduced substantially.
 - No cash collateral expenses.
 - Investments up from last year.
 - Exercising good expense control.
 - More liquid, less leveraged.
- Challenges
 - Net assets declined, worth less on paper.
 - Bottom line (change in net assets) was negative (which is after depreciation expense).
 - Overall large depreciation number - \$1.3m depreciation expense.
 - Seeing the need to start making investments in physical building and infrastructure as we have passed our 10th anniversary.

- Would continue to emphasize the need to build balance sheet.

Bob K. mentioned that in the near future he would be reviewing the specific functions of the Finance Department to make sure that we have as much duplicity in functional capabilities as possible (to make sure that key functions could be performed in the absence of staff with regular responsibility for specific functions). Bob also mentioned that new accounting standards will result in a more simplified presentation of financials to be implemented no later than 2018. Bob will work with the auditors to see if we are able to implement early and use the new format for our 2017 financials.

Action: A motion to approve the 2016 Audit was unanimously approved.
James Schoff motion, Tom Jorling second.

Joe Beck then took a moment to commend Bob Kronenberger and his staff for their work in preparing and presenting all info for the auditors.

Chris McFadden, who was attending via conference call, presented the following two resolutions for adoption:

- Resolution #1 – Secure Permanent Intern Housing
 - *“With the objective of supporting The Wild Center’s long-standing internship program, the Board of Trustees authorizes the Staff to secure a 1-year lease for the property at 359 Park Street, Tupper Lake, New York for an estimated annual cost of \$13,200. It is anticipated that this lease agreement will include an option to purchase the property for \$110,000. Any future property purchase shall be subject to Board approval and confirmation from the Executive Director that the Center’s Development Staff has secured designated funding commitments of at least \$75,000. In addition to the leasing expense, the Board authorizes \$7,500 for planned building improvements and utilities, to be funded from the Center’s operating budget”.*

Nancy Simpkins stated that Muriel Ginsberg had left \$35,000 to The Wild Center and that could be used toward the expense of the home and Development staff would raise additional funds needed.

Stephanie Ratcliffe stated that providing intern housing is key to attracting high level staff. She mentioned that two to four interns will be living in the house year round and eight will reside there during the summer.

Action: A motion to adopt the resolution to secure permanent intern housing was unanimously approved.
Lynn Fox motion, Tom Aydelotte second.

- Resolution #2 – Constructing a New Visitor Parking Lot

- *“In anticipation that The Wild Center will not be granted access to the grass athletic fields at L.P. Quinn Elementary School for visitor parking during the 2017 summer season, the Board of Trustees authorizes construction of a parking lot adjacent to The Wild Center estimated to hold 150 cars and to be built on property leased from the Tupper Lake School District for a term of not less than 25 years. The Board further authorizes a one-time construction expenditure of \$250,000 to be funded from The Wild Center’s operating reserves. Authority is delegated to the Board President and Finance Committee to review and approve any lease agreement with the Tupper Lake School District, required permitting and construction contracts.*

Bob K. stated that we had applied for grants to allow construction of a parking lot but we did not receive that funding. He said that once the school had commenced work on the fields we found out that we would not have access to the fields for parking. He stated that the projected start date of the project was June 5th and stated that they were going to try and get it built quickly. Stephanie stated that we had been keeping track of spaces last summer to try and determine approximately how many spaces would be needed in the new lot.

Action: A motion to adopt the resolution to construct a new visitor parking lot was unanimously approved.

Paul Alioto motion, Jim Schoff second.

III. Summary of Development Audit

Discussion:

Charlie Svenson began by taking a moment to thank Jane Geever for being in attendance saying that she had done a very thoughtful audit. He then invited her to present her findings. Jane began by stating that the Committee was amazed that she was able to fit the fundraising analysis on one page, actually the one page is a summary of a 17-page report presented in full to the Development Committee earlier. She then stated that what had been accomplished in the last 19 years, taking an idea to reality with a world class building, dynamic programming, and an endowment of \$5 million, is a miracle in the non-profit world. Expectations for what can be accomplished over the next few years need to be realistic.

TWC is in the center of the philanthropic action with the environment being the fastest growing recipient category in 2015. Jane then shared the following recommendations:

- Corporate fundraising
 - Let go of it
 - Smallest support segment

- Been decreasing
- Two Recommendations
 - Deliberate incremental growth
 - Aggressive bequest fundraising but not in a campaign format
- Seven Issues to Explore
 - Fundraise for the next not the current year
 - Joe Beck asked how we do this. – need to create a goal and raise double the funds in one year and save half for the next year.
 - Take a project approach to fundraising
 - Continue to push the State of New York connections
 - Be a model
 - Be a local catalyst
 - Understand the nature of the periodic resident/donor
 - Embrace the fundraising/fundgiving role of the Board

Jane stated that there were no big negatives, some tweaks needed to be made to the Annual Fund and Membership and that there had been some great ideas for new Fundraising avenues that should be explored. She also mentioned that it was important to build the endowment through bequests over time, and conversion of those to planned gifts. She said that she did not recommend an endowment campaign at this time. Charlie Svenson thanked her and those who participated in this important study, he noted that this study will help guide our Development Plan and inform our Case Statement Project.

IV. Board Development Retreat

Discussion: Lynn Fox began by introducing Bill Ryan of Ryan Consulting who would be providing the training for the retreat. See the following bio:

“Bill Ryan has changed the way nonprofit leaders approach governance. In 2005, Bill and his co-authors challenged conventional wisdom with their seminal book “Governance as Leadership: Reframing the Work of Nonprofit Boards” (John Wiley and Sons). Since then, Bill has consulted with dozens of nonprofits, helping make lasting improvements in their governance. Bill also spent 10 years as principal and research fellow at the Hauser Center for Nonprofit Organizations at Harvard University, where he now teaches in executive education programs at the Kennedy School of Government. Bill’s BA is from Columbia University and Masters in Public Administration from the Kennedy School.

Bill began by going through some participatory exercises. The first was a mental model exercise. He asked Board members to think about different analogies giving the example – “Board is to organization as ...”. Some of the responses were as follows:

- Brain is to body
- Conductor is to orchestra
- Captain is to ship
- Coach is to team
- Architect is to blueprint
- Air traffic controller is to jet

Bill stated that the retreat would focus on the value of the Board to the organization. He then talked about a no Board scenario and asked if the Board didn't meet or function two years, what would the biggest consequences be. The following are some of the answers that were given:

- Disengaged Board
- Lack of guidance, outside perspective
- Could lead to bad decisions
- Better decisions
- Staff might be demoralized
- Limited long range planning
- Violation of the law
- No assessment of the institution

There was then much discussion regarding the role of the Board with the following comments being made:

- Michael Bettmann: Are we protecting assets and being wise stewards?
- Tom Jorling: How do we recruit Board members in terms of our needs?
- Nancy Simpkins: Board members who are on Board for "status" not the ones doing the work typically. Changing the way the Board works could help the Board to become more engaged.
- Lynn Fox: We are in the process of recruiting more Board members, we could use this approach.
- Bill Ryan: What does The Wild Center need their Board to be?

(These comments as well as other discussion were interspersed within the course of Bill's presentation. Please see his power point at the end of the minutes).

Bill then discussed Board recruiting and asked the following questions:

- What should Governance Committee be thinking about looking for?
- What assumptions have led to current Board composition?
- What was operating theory when recruiting Board members? These examples were given:

- Committed to Adirondacks
- Deep passion for Adirondacks
- Friend of Obie Clifford
- Risk takers/excitement
- Wanting to help shape new institution
- Belief in giving people information that they don't know
- People with right information will make right decisions and help to create change
- Positive economic driver for a failing community

Jack Ryder mentioned that the Committee on Trustees is thinking about who to recruit next and how to choose; stated that it needs to be worked out together.

Bill Ryan then talked about Board meetings. There was a consensus that there was not enough time in meetings. Paul Alioto suggested maybe having a workshop or two to develop organization goals. Michael Bettmann asked the question – should the Board have one day retreats devoted to specific topics?

George Cigale asked “Should the CEO or Executive Director be defining the top three issues and then bring to the Board”? Then bring the three things to the Board at an annual retreat? He stated that the Board’s role is to identify the right CEO who should then drive the issues.

There was then discussion regarding the diversity of the Board and the following items were discussed:

- In order to recruit new Board members, need to figure out issues
- As a ten year old organization, what kind of Board do we need?
- Need people interested in this conversation to be on the Board
- We advertise as a science based organization but there aren't many science focused Board members. Having at least one scientist on Board would be ideal.

The retreat concluded at approximately 5:00 pm and Board members in attendance enjoyed a wine and cheese social hour.

Action: N/A

XI. Upcoming 2017 Meeting Dates

Monday, July 3, 2017 (TWC)
 Friday, October 6, 201 (TWC)
 Monday, January 22, 2018 (NYC)