



Draft Minutes  
Science Museum of Virginia  
Finance Committee Meeting  
2500 West Broad Street  
Richmond, VA 23220

October 17, 2019  
11:00 a.m.

Present: Dr. Richard Groover

Staff Present: Rich Conti, Beth Voelkel, Pat Murphy, Kinsey Peeler, Reggie Wilson, Ada Sue Siler, Courtney Moyer, Brandon Smith

Other attendees: Cynthia Norwood, Office of the Attorney General

Dr. Groover called the meeting to order at 11:01 a.m.

**Introduction and Greeting**

Dr. Groover welcomed the staff to the meeting.

**Approval of Minutes**

Dr. Groover reviewed the minutes from the June 13, 2019 meeting and approved them without edits.

**Budget Report**

Mr. Conti provided an overview of the FY19 Year End

- FY 19 was the best year ever
  - Admission revenue was up 17% over previous record year, which translated to \$363K in revenue
  - Enterprises up 15%, which translated to \$112K in revenue
  - Membership up 25% which translated to \$127K in revenue
  - Expenses were lowered by 1% from the previous year
- Working capital to increase by \$364K
  - Expenses this fiscal year are higher, and may exceed appropriations amount,
  - The Museum may need to get permission to spend beyond what the General Assembly appropriated.
  - The increase in working capital allows some flexibility, hopefully these funds will be able to contribute to updating the Worker's Comp building for lease to VCU's School of Education
- Trustee discretionary fund increased by \$251K in the Foundation
- Pre-payments on future exhibits are an option

- Programming lineup has been strong
  - Curious George and Pompeii performed well
  - Attendance up to 523K this year.
  - The Science Within Reach program continuing to get traction, grew to over 11,000 users within the last year, up from 1,500 the previous year.
  - Includes Minds of All Kinds, Science for the Young at Heart, our Senior Program funded by Genworth; and Museums for All, our low-income membership program which now reaches 554 households

Mr. Groover praised The Museum's expense controls.

Ms. Moyer added that January and February are traditionally considered quieter months but for the first six weeks of Curious George exhibit the Museum hosted over a thousand visitors every Saturday, and Pompeii saw over 51 thousand visitors total.

Ms. Voelkel added that the EBT program has only been active for two years and that people are taking advantage of it. The Science Museum was one of the first—if not the first—to use Museums for All; since then, many other museums are taking advantage of the program. The Museum developed flyers that other museums in the area are now using to promote the program, making the Museum a trailblazer in that respect.

Mr. Wilson added that in addition to Pompeii and Curious George's contribution, Model Rail Road and Science on Tap contributed to the overall increase in revenue. He added that it was mentioned last year that catering revenue was down because we had not been aggressive enough in our collection processes. This year we are using new strategies to mitigate this.

Dr. Groover asked for a clarification on catering revenue. Mr. Wilson responded that the catering revenue is 10% of a client's food/beverage bill paid to us by the caterer. Dr. Groover added that revenue from the Periodic Table was up 13%.

Mr. Conti stated that facility use is stabilized now. Ms. Voelkel added that bookings are into 2022 now for the DGC for events including weddings, fundraisers, and corporate holiday parties.

Mr. Conti discussed the following points regarding the FY20 First Quarter:

- Some senior positions have recently been vacated, they are going through the process of reviewing whether these positions needed to be filled
- Currently using the Institute of Museum and Library Services (IMLS) grant to bring on a community science person, currently looking into the applications for that
- A PhD student from VCU is working on exhibit projects with us.
- This year first quarter was good, with 182K visitors

- 31K visitors this September up from 13K visitors in September of 2012; September is usually a slow month
- Attendance is up 24% over the record year, which was up 17% over the previous record year
- Earned revenue for the first quarter is \$400K over the first quarter of last year, which was a record year
- Ticketing helps contribute to revenue, there are up-charges for special exhibits like Pompeii
- Membership is continuing to grow, expenses are well under control
- Goal is to sustain growth for the rest of the year.

Dr. Groover asked whether the state-issued salary raises accounted for part of the expenses in the report. Mr. Conti confirmed this was true.

Dr. Groover asked about Dr. Maurakis' recently vacated position. Mr. Conti said Dr. Hoffman will be filling this position. Dr. Groover mentioned that he was hoping the museum would look into hiring a life science expert. Mr. Conti said that we were looking into hiring a life science person, a neuroscientist that is earning her PhD in the Spring. The community science person will likely be a life scientist as well.

Ms. Moyer discussed the following points regarding 2020 programming:

- Bionic Me is open now, Giant Insects exhibit coming in January
- Looking at a dinosaur film for the Spring, not completely planned out yet, but it is on the short list.
- Summer DGC exhibit will be Planet Shark: Predator or Prey
- After the Giant Insects will be Hot Wheels: Race to Win in the Garner Gallery, will probably be one of the few exhibits that will rival George in attendance.
- Almost ready to sign a contract for a dinosaur exhibit that will be in the DGC in Summer 2021

Dr. Groover asked for clarification on which space Giant Insects will be in. Ms. Moyer responded that it will be in the Garner Gallery downstairs around the Dome.

Dr. Groover asked when the Hot Wheels exhibit will open. Ms. Moyer answered that it would open at the end of September through close to the end of January 2021. Dr. Groover added that if the exhibit coincides with the races happening at the time it might be a good opportunity for one of the racers to come in.

Mr. Conti discussed the following points regarding proposed TDF disbursement:

- Have permission to bid on the parking deck project now; that should be in motion in the next week or so
  - The market for the precast concrete threw off the timeline, but hopefully that construction should start in the first quarter of next year

- Bringing in the architect and the landscape architect to the trustee meeting this afternoon to do an extensive update on the schematic design for the Green Space
- There will also be a discussion about the Worker's Comp building and how it will play out with the School of Education at VCU in a couple of years
- Danville is now working with exhibit fabricators, probably looking at an opening next summer, the October meeting of next year could be in Danville
- Bringing two exhibits from the Danville package to the Museum to be opened in December, they will be added to Boost
- This afternoon a lot of time will be spent on discussing the Northern Virginia project
  - Request the Trustees endorse this first agreement between the Northern Virginia Foundation, Loudon County, and the Museum, this will set everything in motion and lock in the Loudon funding commitment
  - Architect and an exhibit design build team are selected, neither are under contract yet
  - Likely four years from ground breaking

Dr. Groover asked whether the design of the parking deck was finished. Mr. Conti confirmed that it was. Dr. Groover also asked what was decided to be put on the top of the building. Mr. Conti answered that more parking would be put on the top. Dr. Groover added that he was hoping for solar power or grain to be put on top. Mr. Conti said that we could come back and look at this idea but they couldn't get it in the base bid.

Dr. Groover asked about the press on the piece of artwork that was over \$1M and whether there would be a negative reaction to the Museum spending that much money on a piece of art. Ms. Peeler answered that this purchase was privately funded and was allocated specifically for that purchase.

### **SMV Foundation Overview**

Ms. Murphy discussed the following points:

- \$1.3M on an unrestricted basis transferred to the Museum to support general operations, including what was allocated to the discretionary fund
- Also have \$2M in restricted funds to be allocated to specific projects
- If you combine the two columns from last year the Foundation gave \$3.3M worth of support to the museum
- Slightly smaller budget for FY20 but still expecting to see the same membership figures; spending a little more on membership to expand on advertising and potentially contribute to kiosk expenditures
- The figures for the first quarter are not in the document, but a few big things did come in
  - Renewed our \$75K sponsorship with Bon Secours for the year

- Got the \$250K IMLS grant
- Received \$250K for endowment of capital campaign gift from a donor
- All annual funds, events, etc. are moving along as expected
- Currently have \$23M in assets, \$16M of endowment investments, and \$6M in cash, half of which is campaign funds, Mr. Conti still has \$1M of general campaign funds that can be used towards Green Space or another project

Dr. Groover asked if the kiosks would be off-property. Ms. Peeler answered that they would be in the Rotunda so that the members could come up and do self check-in. This technology is still being worked on but it is in the budget.

Dr. Groover asked if we have to spend funds once they get to a certain ceiling. Ms. Moyer answered that on the campaign funds you do not have to, but for the Trustee Discretionary Fund we want to keep that at about a \$500K level. This is the Foundation's choice but the State asks about it every year. Ms. Peeler added that it is usually during the October meeting that the Trustees address allocating some of these funds to specific projects.

### **Website/TDF**

- The strategic plan for this year discusses upgrading the website to work better with more platforms, this means a full-scale redesign. Brandon Smith, Ms. Moyer, and a smaller project team met with other stakeholders in the organization and put together a short list of four partners that they were interested in
  - Proposals that ranged from \$48K to \$454K
- The project team decided to go with Lift Interactive to design the website
  - Lift has designed very robust field trip planners for other organizations that they believe will help the group sales team as well as education
  - Their proposal is \$125K
  - The TDF transfer request will help to fund their proposal as well as secondary expenses that will come along with the redesign, including photography and video
- The goal completion date would be Fall of next year if not before
  - Don't want to flip the site in the middle of the summer; if it can't be executed in time for Planet Shark it will be executed in the Fall
  - There will also be a redesign of the Danville Science Center, this is not part of the \$125K proposal, DSC is paying for their portion

Dr. Groover gave approval of the website design plan.

### **New Business**

Dr. Groover asked for any new business with nothing heard from the committee.

**Adjournment**

With no further business, Dr. Groover adjourned the meeting at 11:33 am.

Next Finance Committee Board meeting scheduled for January 23, 2020 at 10 am.