



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

June 13, 2019
11:00 a.m.

Present: Dr. Denise Waters, Patricia Nicoson, Dr. Richard Groover

Staff Present: Rich Conti, Beth Voelkel, Kyle Smith, Jim Blow, Ada Sue Siler

Other attendees: Cynthia Norwood, Office of the Attorney General

Dr. Groover called the meeting to order at 11:02 a.m.

Introduction and Greeting

Mr. Conti welcomed the committee and staff to the meeting and introduced Kyle Smith, Accounts Payable Supervisor. Mr. Smith shared some detailed information about budget planning, collecting funds and general accounts payable procedures.

Approval of Minutes

After giving the committee a moment to review the minutes, Dr. Groover called for a vote to approve the minutes. Ms. Nicoson made the motion to approve the minutes without correction, which was seconded by Dr. Walters. The motion passed unanimously without objection.

Budget Report

Rich Conti provided an overview of the following

- FY 19 is coming to a close and our best year ever
- Attendance has been staggering, third continuous record breaking year with over 427k visitors
- The Museum has seen a 14% increase in earned revenue
- We take some expense for the next FY in the current FY to mitigate some costs, we have taken 391k in prepaid this year to get ahead of next year's finances; specifically, for insurance, travel, and exhibits
 - Traveling exhibits are great revenue, Curious George doing great, and Pompeii is showing very good numbers so far
- Members are utilizing memberships more, we may need to increase rates for memberships and general admission

- Earned revenue numbers though May are tracking as expected based on strong attendance.
- We are seeing a strong year to year growth
- Special events are booking into 2022
- Comparing actuals vs last year financials, special events and rentals performing exceptionally well
- Staff salaries are increasing and this accounts for some of the rise in expenses
- Expenses for contractor services has gone up, this is attributed to the Glavé and Holmes Deck Design project
 - We are accessing the State appropriated funds from the Capitol
 - Also working with the Planning and Budget Department to achieve resolution, specifically with Thomas Bernatis and Michael Ball
- We may have peaked with attendance this year, we probably won't sustain double digit growth next year
- Continued work on site planning; including the parking deck, museum greenspace, and Workers Compensation Building
 - Potential of partnering with VCU in the Workers Comp space; bring formal education and research in line with our informal education efforts
 - Workers Comp renovations could cost upwards of \$3m
 - Still debating, do we demolish or keep and renovate?
- NOVA project is going well
 - The head of Department of General Services is great, familiar with project
 - Continuing to work with Loudoun County
 - Project moving fast
 - We are waiting on finalizing the deed transfer of the land
- Danville Science Center
 - Finished up the new gallery, we had some state funds and private giving
 - We still have some public funds that we need to use
 - Great example of preservation of historic building
 - Procurement issues involving the new exhibit, open new bids on July 2nd

Dr. Groover asked if we have it a threshold of too many visitors. Mr. Conti replied that some events need a cap on the number of attendees, but overall general attendance numbers are balanced with the facility capacity. Mr. Conti also mentioned that the Museum is entertaining the idea of demand pricing. For instance, on slower weekdays having a lower price than busy weekend days or holidays.

Dr. Groover, asked how a tourist visiting would find out about SMV and Pompeii. Dr. Walters responded that marketing has strategies in place for that. Mr.

Conti added that we are advertising more in local papers and via local channels. Mrs. Voelkel mentioned that the more grass roots advertising we can achieve, the better.

Dr. Walters asked if we are going to apply for more grants. Mr. Conti responded stating that we have several Federal Grants pending as well as an IMLS grant. We are also perusing the NFWF grant.

FY 20 Proposed Budget

Mr. Conti presented the following details for the proposed budget:

- We need to continue to be be mindful of spending
- Admission revenue projections are conservative
- We have flexible funds from the Foundation including some restricted and unrestricted funds
- Staff salary and wage raises are scheduled to take place in the next period, general funds from the State will increase to help pay for these payroll increases
- There is a Trustee Discretionary Fund balance
- The Parking deck cost estimates are over budget, so we are adjusting before putting out to bid

Dr. Groover asked for questions regarding the proposed FY 20 Budget. No questions presented. Dr. Walters moved to approve, Ms. Nicoson seconded the motion. Dr. Groover called for a vote which passed without objection. The FY 20 Budget passed as presented.

FY 20 Work Plan

Mrs. Voelkel discussed the following points:

- The team has worked diligently to finalize this plan to give us a guide for the next year and next steps for the Museum
- Starting with SWOT analyses with all departments, the senior leadership compiled the highlights and presented to the Board of Trustees and Directors
- Developed the “how will we” plan to different communities
- Continuing to focus on Staff retention and efficient recruitment
- Working with Foundation to help bring in specialized staff
- Formulate a plan for the Workers Comp building to maximize potential
- Focus on refining vision for green space, hire an artist, and develop an interpretive plan
- Better leverage of technology, improvement of the website, and exploring how to streamline systems
- Looking at kiosk check in for members
- Run a full inventory and analysis of tech in building including platforms and equipment
- Draft and implement plan for NOVA over next year

Ms. Nicoson asked for details on how the Museum thinks about exhibits and the methods to develop and maintain the scientific integrity of the content. Mr. Conti responded that we have a development team that constantly works to improve our exhibits. The team focuses on staying relevant and listening to the community and what their changing needs are, while still presenting sound scientific information.

Dr. Groover asked for motion to vote and approve the FY 20 Work plan. Vote called by Ms. Nicoson and seconded by Dr. Walters. All approve, no opposed. FY 20 Work plan passed as presented.

SMV Foundation Overview

Ms. Murphy discussed the following points:

- 15 days away from FY 19 year-end, we saw record for amount of unrestricted funds
- As of the end the year, spending at \$3.2million
- Illumination Gala went well, Foundation raised \$100k net
- The date is set for next year's fundraising Gala
- Membership households currently at 7.5k, which is roughly 25,000 people
- Members come about 5 times a year, we are seeing increased utilization of memberships
- Each yearly membership fee will increase by \$15
- Transition to new digital membership cards underway and going well.
- All maker education is funded by Foundation funds, this is for The Mix and The Forge
- Capital Campaign fundraising is over

New Business

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

Adjournment

With no further business, Dr. Groover asked for a motion to adjourn. Ms. Nicoson made the motion and Dr. Walters seconded. The vote passed unanimously without objection and the meeting was adjourned at 12:00pm.

Next Finance Committee Board meeting scheduled for October 17th 2019 at 11am.