



**APPROVED Minutes**  
Science Museum of Virginia  
Finance and Business Operations Committee Meeting  
Forum  
2500 West Broad Street  
Richmond, VA 23220

October 19, 2023  
11 a.m.

**Present:** Dr. Denise Walters, Amishi Amin, Karey Malyszko, Patricia Nicoson (teleconference) and Cristina Ramirez.

**Staff:** Rich Conti, Ash Harris, Courtney Moyer, Kinsey Peeler, Timshel Purdum, Kyle Smith, and Ada Sue Siler.

**Other Attendees:** Cindy Norwood-Marquez, Office of the Attorney General; R. Alexander Kurland, Science Museum of Virginia Foundation; Sumeet Shrivastava, Chair of Northern Virginia Science Center Foundation; Adalene Spivey, Executive Director of the Northern Virginia Science Center Foundation; and Chris Powel, Vice Board Chair of the Northern Virginia Science Center Foundation.

**Welcome, Call To Order and Approval of June 15, 2023 Meeting Minutes**

Dr. Denise Walters welcomed everyone and called the meeting to order at 11:03 a.m. She took a moment to remember John Benton who passed away in September. Mr. Benton was a fabulous collaborator. His contributions were many and he will be missed.

Dr. Walters asked for a motion to approve the June 15, 2023, meeting minutes. Ms. Ramirez made the motion and Ms. Malyszko seconded it. The motion was called by voice vote and all voted in favor of approving the June 15, 2023, meeting minutes as presented.

Mr. Conti invited those in attendance to introduce themselves. The Finance meeting kicks off the day's proceedings and it is followed by lunch and a behind the scenes tour of The Dome. The day will conclude with the full Board meeting.

**Director's Report**

Mr. Conti highlighted the following:

- The Science Museum completed the first quarter of FY24 with a strong financial base.

- Management continues to keep a close watch on payroll.
- New staff additions were made to grow the personnel composition and improve the organization's structure.
- An additional two percent salary increase - mandated by the General Assembly - will be given in December to classified staff.
- The Capital and Maintenance Reserves accounts remain healthy.
- Funding for the Workers Compensation building demolition has been approved by the state, it is in the Commonwealth budget overview.
- Northern Virginia Science Center is a \$115M project and the biggest in the Science Museum's history. The state is paying for the building. The land ownership closing is in its final stage.
- The Dome renovation is complete and has been a great success.
- The Green Phase II is in construction. The project has a great contractor and it is ahead of schedule. The new road design will curb vehicle travel speeds and make it safer for pedestrians.

### **FY24 Financials**

Mr. Conti asked Mr. Kyle Smith to review the Trustee Summary Report:

- First quarter FY24 total revenues are spot on compared to FY23 with a slight \$432k increase.
- Enterprise revenues are tracking slightly behind in the first quarter FY24.
- Rental income is steadily increasing.
- The state General Fund allocation to cover the classified salary increase has yet to be released.
- YTD revenues are tracking slightly above the anticipated budget amount.
- Most exhibit payments occur at the end of the fiscal year.
- Management continues to monitor wage spending closely and if expenses surpass budgeted amounts, funds will be pulled from the Foundation to offset.
- The \$1.5M obligation for Phase II of The Green will begin to be used now that the project is underway. The remaining needed funds will be pulled from the Foundation after the \$1.5M is spent.

Mr. Kurland asked why the Science Museum hasn't posted \$600k in Foundation revenue yet. Ms. Moyer explained how the Trustee Summary report is structured and the difference is annual budget vs YTD budget. Mr. Kurland also offered advice on diversifying investments. Ms. Moyer explained that the money pulled from the Foundation is from distributions and not invested funds.

### **Capital and Maintenance Reserve**

Mr. Conti reviewed current appropriations for capital projects and the maintenance reserve. The following were highlighted:

- Maintenance Reserve can be used for unexpected major repairs and planned maintenance.
- Upkeep of the parking facility continues. In keeping with the master site plan, additional electric vehicle charging stations are scheduled for installation.

- Design funds for the Northern Virginia Science Center are available. Construction funds will be requested for allocation once the working drawings are approved and a construction contract is in place.
- Work continues on identifying and initiating critical infrastructure upgrades for Broad Street Station.
- Plans for demolishing the Workers' Compensation Building are underway.

### **TDF Fund Resolutions**

Ms. Moyer reviewed the following resolutions regarding Trustee Discretionary Fund distribution transfers:

#### **Resolution #001-24**

#### **Approval to reduce the fund transfer for completed projects and amend the purpose of the transfers for ticketing and membership systems and the development of food service concept(s) for the Science Museum.**

It is the responsibility of the Board to approve reductions or amendments in funding to previously approved transfers from the Trustee Discretionary Fund.

The transfers below were made to accomplish specific projects that have been completed. Management is requesting that the remaining funds be transferred back to the Trustee Discretionary Fund. The following reductions are requested:

- Staff bonuses reduced from \$11,250 to \$0 and
- DEAI consultant reduced from \$55,430.33 to \$0.

In resolution #002-2021, the Board of Trustees approved a \$80,000 transfer from the Trustee Discretionary Fund to allocate funds for the costs of the Ticketure ticketing and membership system. As of September 30, 2023, there is \$28,078.68 remaining in the fund. Management would like to request that the purpose of that funding be expanded to include costs associated with improvements to the Science Museum admission process.

In resolution #007-2023, the Board of Trustees approved a \$150,000 transfer from the Trustee Discretionary Fund to hire expertise to evaluate potential restaurant space. Management has identified a partner with experience operating food service within museums. The partnership would provide a more immediate solution to the Science Museum's food service needs within the existing cafe space. Management would like to repurpose the \$150,000 in Trustee Discretionary Funds to complete the renovations and purchase the equipment needed to operate the new food service concept.

The Board of Trustees authorizes the Science Museum of Virginia Foundation to return \$66,680.33 to the Trustee Discretionary Fund from the previously approved projects above, expand the purpose of the remaining \$28,078.68 in the ticketing and membership fund and repurpose the \$150,000 allocated for restaurant expertise to cafe renovations.

Mr. Conti explained that these adjustments permit flexibility in continuing progress.

Mr. Harris is talking with a consulting firm regarding the cafe food service concept and they recommended reaching out to Bean Sprouts.

Dr. Walters asked if the food service will continue in the same space as the current cafe. Mr. Conti responded yes.

Mr. Kurland asked if the Science Museum intended on buying the needed equipment for the food service operation. Mr. Harris answered that the Science Museum already has the equipment, but may need to supplement it and not have to overhaul it.

Mr. Kurland then asked what if the plan and business model does not work. Mr. Harris explained that this is a profit-share agreement, so if it does not succeed, then the Science Museum can step back and not be at a loss. In addition, Bean Sprouts can offer small catering options for Science Museum benefit.

Dr. Walters asked if any further discussion was needed. Hearing none Dr. Walters then called for a motion to recommend Resolution #001-24 and send it to the full Board for approval. Ms. Ramirez called the motion and Ms. Amin seconded it. The motion was approved unanimously with an all in favor vote.

### **Resolution #002-24**

#### **Approval to allocate funds for improvements to the Thalhimer Pavilion.**

It is the responsibility of the Board of Trustees to approve all transfers from the Trustee Discretionary Fund. Management is requesting an action to approve a transfer of \$100,000 to complete improvements to the Thalhimer Pavilion.

The Thalhimer Pavilion was created more than 20 years ago as a temporary event space. The space continues to be utilized for special event rentals; however, it is in need of new carpets and lighting, as well as ceiling fans and a thorough cleaning of the canvas walls. Management anticipates the updates will result in increased usage and revenue for the Science Museum.

The Board authorizes the Science Museum of Virginia Foundation to transfer \$100,000 from the Trustee Discretionary Fund held in account #817 for the above expenses.

Mr. Conti said it is a good idea to keep the Thalhimer Pavilion updated because it is a revenue generator for the Science Museum.

No further discussion occurred. Dr. Walters called for a motion to recommend Resolution #002-24 and send it to the full Board for approval. Ms. Ramirez called

the motion and Ms. Malyszko seconded. The motion was approved by all by vote.

### **Business Operations Report**

Ms. Moyer reviewed the attendance performance patterns:

- July to September visitation is down 8.6% year over year, total attendance for the period was 135k.
- The summer exhibition *Space: an Out-of-Gravity Experience* proved not as popular as *Planet Shark: Predator or Prey* or *Tyrannosaur: Meet the Family*.
- The closure of The Dome for renovations also impacted admission.
- Total attendance for *Space* was 45k, which is down 9% from *Planet Shark: Predator or Prey* and 27% down from *Tyrannosaur: Meet the Family*.
- Conversion rate, guests who purchased an upgrade ticket from general admission, was at 28%.
- Repeat member attendance for *Space* was up 292% from last summer.
- Group attendance was up 179% from last summer and 786% up from *Tyrannosaur: Meet the Family*.
- September brought a rebound in general attendance and group visitation is up. Fall group booking are up 50%
- Review of upcoming exhibitions:
  - *Wild Kratts®: Creature Power®!* - September 23, 2023 – January 21, 2024.
  - *Discover Steampunk* - February 10 – August 18, 2024.
  - *BODY WORLDS: Anatomy of Happiness* - May 25 – September 2, 2024.
  - *Math Alive!* - September 28, 2024 - January 12, 2025.
  - *Towers of Tomorrow with LEGO® Bricks* - February 1 – August 24, 2025.
  - *Ultimate Dinosaurs* - tentative summer 2025.

Mr. Conti added that this is a great opportunity to refresh the Science Museum's approach regarding exhibitions.

Mr. Powell asked how much does a traveling exhibition cost. Ms. Moyer said a single booking averages around \$75k, a double booking around \$150k. The Dewey Gottwald Center exhibitions can cost between \$250k and \$500k and go up to \$700k.

Ms. Moyer also provided some information regarding The Dome film schedule:

- *Ancient Caves* - opened October 1.
- Extended *Into America's Wild* and *Antarctica* leases for another year.
- Spring film about water (ideally sharks).

### **Foundation Update**

Ms. Peeler provided the following information:

- The Foundation is restructuring the Board of Directors meeting schedule, changing the meeting structure and moving it from afternoon to the morning, to help increase participation.
- Foundation meetings will return to a more formal format structure.
- Elena Edwards is the new Foundation Board of Directors' President.
- The Board has new members.
- The Annual Fund campaign is being re-branded to better focus efforts. The campaign is now called Annual Giving, and once giving reaches the annual goal, all additional funds will be endowed for Title 1 students to come to the Science Museum for free.
- Currently the Foundation has \$32M in total assets with an endowment of \$22M managed by Spider and TIFF management groups plus \$9M in cash.

Ms. Peeler asked if there were any questions. Hearing none the floor was given back to Mr. Conti.

### **Looking Ahead**

Mr. Conti commented on upcoming activities:

- With half the FY24 over, opportunities to fine tune operational budgeting will be apparent.
- Mid-year adjustments will be made to the financial budget and operational plan.
- *Wild Kratts®: Creature Power®!* is performing well, school groups are back and booking in large numbers, and Science Museum phones are ringing off the hook.
- The Green Phase II construction is underway.
- The Science Museum is awaiting a public announcement by the City of Richmond on the 15 acre lot which will be a new recreation site for the City.

No other comments or new business occurred.

### **Adjournment**

Dr. Walters called for a motion to adjourn the meeting. Ms. Ramirez called the motion and Dr. Walters seconded the motion. A vote was taken and it passed without objection. The meeting was adjourned at 11:49 a.m.

The next Finance and Business Operations Committee meeting is scheduled for Thursday, January 18, 2024.