



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

January 18, 2024
11 a.m.

Present: Dr. Denise Walters, Amishi Amin, Gina Burgin, Karey Malyszko, Patricia Nicoson, Ukay Jackson, Dr. Richard Groover and Cristina Ramirez.

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

Other Attendees: Debora Love, Office of the Attorney General

Welcome, Call To Order and Approval of October 19, 2023 Meeting Minutes

Dr. Denise Walters welcomed everyone and called the meeting to order at 11:03 a.m.

Ms. Burgin called for a motion to approve the October 19, 2023, meeting minutes. Dr. Walters made the motion. Ms. Ramirez seconded it. The motion was called by voice vote and all voted in favor of approving the October 19, 2023, meeting minutes as presented.

Director's Report

Mr. Conti highlighted the following:

- Following the Education committee meeting, there will be a lunch meeting with new staff and a historic tour of the campus led by Dr. Bryan Green.
- While the summer exhibit slightly underperformed, group numbers have shown strength, with January attendance expected to break records.
- There have been subtle shifts in expenses, including increases in pay for wage and classified staff.
- Housekeeping and security services have been insourced, resulting in these expenses being reflected in the payroll line rather than contracted services.
- Reserves remain strong, with approximately \$1M in working capital and over \$1M unencumbered in the Trustee Discretionary Fund in the Foundation.

- The Northern Virginia Science Center project has progressed, with the Science Museum now owning the 3.5 acres of land after two and a half years of negotiations.
- A further three and a half years are needed to complete the project.
- The project's design is complete, and the A&E team is responding to comments from DEB.
- The building will be state funded and the exhibits will be privately funded.
- The Green Phase II is progressing well and is expected to finish in March as planned.
- Bids for the Workers' Compensation building demolition plan have been favorable, with an award expected this week.
- The HVAC project continues, with potential closure in September to work on exterior windows and flooring upgrades in the Dome lobby. A decision is expected by March.
- Plans for a Space-themed half-gallery on Level 0 are in progress, aiming to improve an interior space that has been often overlooked.

FY24 Financials

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

- Overall, revenues are tracking consistently above targets.
- Admissions are slightly lagging behind expectations, but membership numbers remain robust.
- A \$441k increase in the general fund has been allocated to cover salary raises in personal services and expenses.
- The working capital is showing an upward trend, with the ending balance increasing.

Dr. Walters inquired about the delay in the disbursement of general funds dollars, to which Mr. Conti responded that he was unaware of the reason behind the delay. There is no reason for concern at this stage.

Capital and Maintenance Reserve

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

- The Capital and Maintenance Reserve funds are managed carefully with consideration to various ongoing projects.
- The parking deck, which opened two years ago, was completed under budget.
- Efforts are underway to secure funding for the construction phase of the Northern Virginia Science Center.
- The HVAC, windows and doors project is ongoing.
- The Green is not state-funded but is being managed through the state process.
- Bids for the demolition of the Workers' Compensation building came in lower than expected, allowing for additional funds to be allocated to the East Green project.

Ms. Nicoson asked about other options for guest parking apart from the deck. Mr. Conti said there are parking options along DMV Drive, along

Leigh Street and at the K lot adjacent to the Dewey Gottwald Center, with some availability at the DMV on weekends.

Ms. Burgin asked who else uses the Science Museum's parking deck. Mr. Conti replied that the parking deck is also used by the Children's Museum of Richmond.

Business Operations Report

Ms. Moyer reviewed the attendance performance patterns:

- The fall season has been particularly successful, with over 116k in visitation, marking a 26% increase compared to the same period last year.
- This strong fall performance has helped the organization catch up on its targets.
- Group visitation numbers have continued to rebound, showing a 27% increase over the previous year.
- Spring bookings are currently at 27k and are expected to grow further.
- Holiday programming has also been successful.
- Model Railroad Weekend saw 12,500 in visitation, with 36% member attendance, generating \$90k in admission revenue and \$117k in total revenue.
- Favorite Things week attracted 11k in visitation, representing an 11.5% increase over the previous Sizzling Science offering last year.
- Review of upcoming exhibitions:
 - *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

Dr. Walters shared her excitement, as well as her 27-year-old son, at the return of a dinosaur focused summer exhibition. Mr. Moyer said the Science Museum plans to host a dinosaur exhibition every 4-5 years.

Ms. Amin asked about potentially screening science fiction or other films in The Dome. Ms. Moyer said that most feature fills are not formatted for viewing on the uniquely curved Dome screen. Also, the royalties for feature films are quite steep.

Foundation Update

Ms. Peeler provided the following information:

- The Foundation is currently in excellent financial standing.
- \$7.5M raised for Phase I and II of The Green.
- Significant milestones have been met, including the Mary Morton Parsons challenge grant.

- The focus now shifts to achieving the Cabell Foundation challenge grant.
- Once certain benchmarks are reached, any additional funds raised will be directed towards The East Green.
- A challenge grant has been offered from the Rob and Jean Estes Foundation.
- The overall goal for The East Green project is set at \$10M.
- Operating support for the Science Museum in fiscal year 2024 is projected to reach \$640k, surpassing the budget projection of \$391k.
- There has been an increase in interest earned on assets, contributing to the rise in operating support.

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

Trustee Discretionary Fund Transfers, Resolution 003-24

Mr. Conti reviewed the following resolution regarding Trustee Discretionary Fund distribution transfers:

Resolution #003-24

Approval to allocate funds for website maintenance and advertising.

It is the responsibility of the Board of Trustees to approve all transfers from the Trustee Discretionary Fund. Management is requesting the following actions:

- Allocation of \$150,000 to support BODY WORLDS: The Anatomy of Happiness advertising.
- Allocation of \$15,000 to replenish the fund used to improve and maintain the Science Museum's website.

Management is requesting \$150,000 in advertising support to increase awareness and drive attendance to the summer 2024 touring exhibition, BODY WORLDS: The Anatomy of Happiness. This funding will augment the Science Museum's state-supported budget which is needed to advertise the increased programming being offered this year.

In resolution #002-2020, the Board approved a \$125,000 transfer from the Trustee Discretionary Fund to support the redesign of the Science Museum's website. As websites are "living things," continued funding is needed to support ongoing maintenance as well as improvements to increase accessibility and further improve the user experience.

Management is requesting an additional \$15,000 to be added to the fund to support this work. The Board authorizes the Science Museum of Virginia Foundation to transfer \$165,000 from the Trustee Discretionary Fund held in account #817 for the above expenses.

Ms. Nicoson made a motion to recommend #003-24 to the full Board for approval. The second was called by Dr. Walters. A vote was taken, all were in favor, and the motion carried.

Looking Ahead

Mr. Conti gave the following points:

- Insourcing housekeeping and security has positioned the Science Museum favorably, providing a more aligned and personalized guest approach while ensuring employees receive state benefits and competitive pay.
- *BODY WORLDS: Anatomy of Happiness* will arrive in May.
- Phase II of The Green is set to conclude in March or April, with the full opening of the front circle anticipated to impact overall performance positively.
- The East Green project represents another significant endeavor, involving the recruitment of a new design team to offer fresh perspectives.
- Plans are in place to invite public input on The Green to ensure a comprehensive approach.
- There are fewer constraints for work along DMV Drive for The East Green project, presenting additional opportunities.
- Once the construction contract is finalized, focus will shift to completing exhibit work for the Northern Virginia Science Center, which entails developing 100 discrete exhibits, representing a substantial undertaking.
- The 15-acre site at the back of the Science Museum's campus is still up in the air.

Ms. Burgin asked if the City of Richmond has kept the Science Museum in the loop regarding any developments or changes regarding the 15-acre lot. Mr. Conti responded that the City has not maintained communication about the lot or its potential usage. The city cannot build on the site without the Science Museum's permission, since the Science Museum owns the land.

Ms. Jackson expressed the need to maintain the peace of The Green. The calm and beauty of the campus needs to be a priority. Mr. Conti assured the Board that once construction is complete, the 6 acres of native plants and winding walkways will maintain a peaceful and calm ambiance.

No other comments or new business occurred.

Adjournment

Ms. Burgin called for a motion to adjourn the meeting. Ms. Amin called the motion and Ms. Malyszko seconded the motion. A vote was taken and it passed without objection. The meeting was adjourned at 11:39 a.m.

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