



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

June 20, 2024
11 a.m.

Present: Dr. Denise Walters, Gina Burgin, Karey Malyszko, Patricia Nicoson, Thomas Gottwald

Staff: Rich Conti, Ash Harris, Courtney Moyer, MJ Benson and Ada Sue Siler.

Other Attendees: Adam Kane, Office of the Attorney General
Adam Thailhimer, Alex Kurland

Welcome, Call To Order and Approval of April 18, 2024 Meeting Minutes

Ms. Burgin welcomed everyone and called the meeting to order at 11:02 a.m.

Ms. Burgin called for a motion to approve the April 18, 2024, meeting minutes. Ms. Nicoson made the motion. Dr. Walters seconded it. The motion was called by voice vote and all voted in favor of approving the April 18, 2024, meeting minutes as presented.

Director's Report

Mr. Conti reviewed the following:

- The meeting agenda was reviewed, marking the last meeting of the fiscal year.
- The Science Museum is on track for record attendance
- Currently, there is a restructuring of the Foundation, with Martha Quinn assuming the role of Chief Development Officer (CDO).

- The completion of the Green Phase II is nearly finished, with some remaining punch list items and pending bills.
- The Workers' Compensation building has been removed and the area has been seeded, with the remaining trees appearing healthy.
- The East Green is our next major local project.
- The Broad Street Station windows and front doors are scheduled for improvements.
- An HVAC contractor has been secured. Significant work is scheduled for September, necessitating the closure of *Boost* during that period.
- *Orbit*, a new gallery on Level 0 near The Dome is planned. Current improvements on Level 0 include a new terrazzo floor.
- Plans are underway to improve the wayfinding system, with installations planned in the fall.
- Summer camp is progressing well, accommodating 60 children per week over nine weeks. The Science Museum also hosts other summer campers for field trips during the day.
- A new work plan for F-25 has been established

Trustee Financial Summary Review

Ms. Moyer conducted a review of the financial figures, indicating that revenues are currently exceeding budget projections while expenses are generally below budget.

- Emphasis was placed on conservative financial management, particularly with the adjustment to in-house housekeeping and security services impacting the numbers.
- Mr. Conti provided an overview of the Trustee Discretionary Funds, detailing their current status.

Dr. Walters expressed gratitude for the Science Museum's effective management under challenging circumstances.

Mr. Conti also reviewed the Capital and Maintenance Reserve numbers, highlighting allocations for major repairs and maintenance, the completion of the parking deck project, construction plans for the Northern Virginia Science Center, critical infrastructure upgrades, and the redevelopment of community green spaces.

Six-Year Capital Projects

Mr. Conti gave an overview of the two proposed six-year capital projects:

- Development of the East Green is projected to cost \$10,000,000.
- The long-term vision for greenspace on the Science Museum's campus has expanded to include development down DMV Drive to include the property formerly occupied by the Workers' Compensation building.
- Drawing on lessons learned from Phase I and II, the new East Green project would have a new design, engineering and construction team, with goals helped set by several rounds of community involvement and feedback.

Mr. Kurlund inquired about the funding source for the \$10 million project. Mr. Conti explained that it will primarily come from special fund dollars generated privately.

Dr. Walters inquired about potential partnerships. Mr. Conti mentioned ongoing discussions with the city of Richmond about housing Parks and Recreation headquarters in the building, noting that Bon Secours will vacate the premises next year.

Ms. Burgin asked about plans for the East Green area. Mr. Conti outlined their approach, stating they will engage the community for input and carefully develop ideas.

Ms. Nicoson raised concerns about the parking impact. Ms. Burgin also queried the plan for large events and its effect on parking. Mr. Conti reviewed their strategy for alternative parking arrangements.

Mr. Thailhimer asked about the amount raised in private funds for The Green project. Mr. Conti indicated that approximately \$5 million has been raised through private contributions.

- The second proposed project is the competition of infrastructure improvements to expand access to food service and touring exhibitions.
- The cost is estimated to be \$6,000,000, with \$250,000 in planning funds already received.
- This project would allow the Science Museum to make the infrastructure improvements to convert the Garner Gallery and NewMarket Plaza into a full-service restaurant to service guests at the Science Museum and The Green. It would also make the infrastructure improvements to convert the Level 3 office space into a touring exhibition gallery.

Ms. Nicoson asked about the impact on Level 3. Mr. Conti responded that Level 3 East might be converted into a gallery space, necessitating the relocation of offices to another part of the building.

Ms. Burgin asked for a motion to recommend two capital projects to the full Board of Trustees. Ms. Nicoson called motion and Ms. Malyszko called second. A vote was taken by verbal affirmation. All those present in favor, motion carried.

FY25 Proposed Operating Plan

Mr. Conti gave an overview of the operating plan.

- The agency continues to draw salary support from the Foundation and Enterprise to maintain staffing levels in Education and the gift shop.
- There has been an increase in revenue from Education Program Fees due to a resurgence in group attendance and expanded capacity for summer camps.
- The budget includes provisions for six months of cafe revenue and a conservative estimate for six months of revenue sharing from a third-party cafe operator.
- Admission, membership, and special events revenue have been cautiously increased to avoid financial strain, ensuring sustainability.
- Currently, there is no Federal grant revenue.
- Allocation has been earmarked for potential salary increases for Special Fund positions.
- There is a decrease in non-personal services expenses and an increase in personal services expenses related to the transition of housekeeping and security services in-house.
- Budgeting includes six months of expenses in the cafe in anticipation of transitioning to a third-party provider.
- Adjustments are being made to the staff structure in Special Events and Technical Solutions to support new programming, internal AV requirements, and occasional support for Foundation activities.
- A new position is being added in Communications to enhance support for all Science Museum & Foundation activities.

Mr. Conti asked for the approval of the committee of the proposed FY25 operating plan.

Ms. Burgin expressed that she has engaged directly with Ms. Moyer to deep dive into the numbers. Ms. Burgin assures the committee that all is in order.

Ms. Nicoson made a motion to recommend the FY25 Operating Plan to the Full Board of Trustees as presented. Ms. Malyszko called the second. A vote was taken by verbal vote, all in favor, motion carried.

Business Operations Report

Ms. Moyer reviewed the attendance performance patterns:

- From July to May, attendance has reached 478,920 visitors, marking a 7.9% increase compared to the same period last year.
- Group visitation during this time totaled 62,668, surpassing last year's figures. In June alone, bookings amounted to 4,835 visitors.
- The early attendance for the *BODY WORLDS* exhibit reached 9,024 visitors.
- While group visitation has exceeded last year's numbers, attendance has been somewhat impacted by school schedules.
- The *BODY WORLDS* exhibition attendance, while slightly behind initial projections, remains ahead of attendance figures from our previous *BODY WORLDS* exhibition hosted by the Science Museum.
- Exhibitions and films
 - *Discover Steampunk*
 - February 10–August 18, 2024
 - *Secrets of the Sea*
 - Opened March 1, 2024
 - *BODY WORLDS: The Anatomy of Happiness*
 - May 25–September 2, 2024
 - *Animal Kingdom*
 - Opens June 1, 2024
 - *MathAlive*
 - September 28, 2024–January 12, 2025
 - *Towers of Tomorrow with LEGO® Bricks*
 - February 1–August 24, 2025
 - *Ultimate Dinosaurs*
 - May 31–September 1, 2025

Looking Ahead

Mr. Conti gave the following points:

- This year marks significant progress for the Foundation, characterized by restructuring and a new strategic direction.
- There is enthusiastic energy within the Foundation Board of Directors, expected to translate into improved fundraising outcomes.
- These developments are laying the groundwork for the 2027 milestone—the Science Museum's 50th anniversary—aiming to sustain momentum and introduce a major project, potentially unveiling the Northern Virginia Science Center just before the anniversary.

- Plans also include refreshing existing exhibits and securing final construction funding for the Science Center, which is a prominent project with statewide visibility, requiring continued advocacy efforts.
- Additionally, there is a focus on optimizing interior space allocation within the Science Museum and leveraging the East Green area as an opportunity for creative and adventurous design and content, with fewer constraints compared to previous phases.

Ms. Burgin inquired about the potential monetization of the East Green. Mr. Conti clarified that generating revenue is not the primary goal, the focus is on creating an elegant space. However, they are open to exploring monetization opportunities if they align with the Science Museum's brand and objectives.

Mr. Harris suggested the possibility of amenities like a snack bar or other revenue-generating options for guests who may visit the East Green without entering the Science Museum.

Ms. Nicoson sought clarification on which three positions were being replaced and staffed within the Foundation. Mr. Conti explained that the Foundation's lead director had retired, presenting an opportunity to streamline operations and redefine roles to enhance efficiency and strategic alignment.

Mr. Kurlund inquired about the timeline for developing the East Green. Mr. Conti indicated that progress depends on securing funding. Mr. Kurlund then proposed a fund structure involving IRA donations that could appeal to potential donors.

Ms. Burgin asked for further clarification on how IRA funds could be accessed and earmarked in this scenario. Mr. Kurlund provided additional details and clarification in response to her query.

Adjournment

Ms. Burgin called for a motion to adjourn the meeting. Ms. Malyszko called the motion and Ms. Nicoson seconded the motion. A vote was taken and it passed without objection. The meeting was adjourned at 11:46 a.m.

The next Finance and Business Operations Committee meeting is scheduled for Thursday, October 17, 2024.