

Executive Committee Meeting Minutes
The Claiborne Robertson Room
Wednesday, 1 May 2013, 12:00 pm

There were present:

Thurston R. Moore, Chairman
Mrs. Suzanne T. Mastracco, Vice-Chairman by phone
Martin J. Barrington
John A. Luke, Jr.
William A. Royall, Jr.

By Invitation:	Benjamin W. Rawles III
Alex Nyerges, Director	Anne Kenny-Urban
Stephen Bonadies	Ms. Linda Lipscomb
Ms. Suzanne Broyles	Cameron O'Brien
Dr. Lee Anne Chesterfield	Ms. Fern Spencer

Absent:

Thomas F. Farrell II
James W. McGlothlin

I. Report of the Chairman – Thurston R. Moore

Chairman, Thurston Moore, called the meeting to order at 12:02 pm and welcomed the group.

II. Minutes

Motion: proposed by Mr. Moore and seconded by Mr. Barrington that the minutes of the last meetings of the Executive Committee held on the 27th of November 2012 and the 9th of January 2013 be approved as distributed on the 7th of March 2013. Motion carried.

III. Report of the Chairman – Thurston Moore

Mr. Moore noted that the Operating Agreement between the VMFA Foundation and the Museum runs for five years with Executive Committee review each year. The agreement was sent to this Committee for their annual review. All present agreed that the agreement was serving its purpose and no issues were raised.

At 12:05 pm the meeting went into closed session.

Motion: proposed by Mr. Moore, and seconded by Mr. Luke that the meeting go into closed session under Section 2.2-3711 (A) (1), (3), and (6) of the Freedom of Information Act to discuss a **personnel** matter which is not public, to discuss a **real estate matter** which is not public, and to discuss **investment of public funds**. Motion carried.

At 1:06 pm, by motion proposed, seconded and carried, the meeting resumed in open session.

Motion: proposed by Mr. Moore and seconded by Mr. Royall that the Committee certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed. Motion carried.

A roll call vote was taken and the results of which are outlined in the Certification Resolution.

Motion: proposed by Mr. Moore and seconded by Mr. Luke that the Peninsula Fine Arts Center (PFAC) resolution be approved with the amendment to empower the Director and the President to take action if deemed necessary as discussed in closed session. Motion carried.

IV. Report of the Director – Alex Nyerges

Alex Nyerges gave a Strategic Plan Task Force update showing the timeline for planning for the next Five Year Plan – 2016-2020. An Overview of the role and responsibilities for the Strategic Plan Task Force, written by Chair, Marty Barrington, were discussed. When the task force members are chosen, they will then interview and select a consulting firm. Mr. Barrington mentioned that the preliminary work is finished and all that is left to do is to get everyone together. All trustees will be kept up to speed on the strategic planning which will continue through July 2015 when the Plan will be implemented.

Linda Lipscomb, Deputy Director for Advancement, gave the Advancement Report showing that total year to date revenue, including membership, was \$4.1 million as of April 26. Third quarter results did not make the forecast, but are ahead of FY12. Ms. Lipscomb mentioned that we are on track to finish the year as forecasted with \$4.7 million in contributed revenue to support the operating budget with \$750,000 in outstanding corporate and foundations proposals with decisions before June 30; \$400,000 in outstanding leadership giving renewals (renewal rate of more than 85%); and membership revenue exceeding original forecast. A membership update was provided showing the positive effect of the *Chibuly* exhibition; new and renewals boosted above projections and peaking at 41,000 members. Aggressively marketing *Wesselmann* preview day to members resulted in 4,800 tickets reserved for the preview. Ms. Lipscomb noted that May through June is a critical renewal period and she increased e-mail renewal campaigns in the past two months and started testing six new templates with the goal of surpassing the 39% renewal rate we had at the close of *Picasso*. She has developed a prospect pipeline of \$12 million to support exhibitions, technology, endowment, education and other special projects over the next three years with a FY14 goal of booking \$4.2 million of restricted or deferred gifts. President Moore asked for an extraordinary hard continued push for planned giving of the next generation who he said probably will not give as much as their parents and Ms. Lipscomb agreed.

Fern Spencer, Chief Financial Officer, reported that two bequests, designated for the Museum and not the Foundation, had been identified. One bequest in the amount of \$25,000 had already been received and the second, in the amount of approximately \$20,000 was pending. She proposed that both bequests be used for the IT initiatives area since this is the Museum's strategic priority. The following motion was proposed, seconded and carried.

Motion: proposed by Mr. Barrington and seconded by Mr. Luke that two bequests (one for \$20,000 and one for \$25,000) be moved to the Foundation to be used for IT initiatives. Motion carried.

Ms. Spencer provided the March Museum Operations financials to the committee and the March Food Service and Shop Comparative Statements of Revenues, Expenses, and Changes in Fund Net Assets. She gave highlights of several line items and fielded questions from those present. She provided highlights on the FY14 budget process and discussed revenue, expenses, base operating costs and exhibitions. Ms. Spencer indicated that good progress has been made by all twenty-eight departments on refining their submissions. Mr. Barrington asked if Finance was pursuing longer term budgeting beyond one year and Ms. Spencer replied in the affirmative, indicating that a cultural change still needed to occur in order to make that final transition. She stated she felt progress had been made toward that goal and that senior management is anxious to have multi-year budgeting for planning purposes.

Fundraising and sponsorships for the upcoming Hollywood Costume exhibition were discussed. The Director explained a marketing proposal tied in to Amtrak to get people from Northern Virginia to attend the Hollywood Costume exhibition. President-Elect Bill Royall asked to see that marketing plan.

At 1:22 pm the meeting went into closed session.

Motion: proposed by Mr. Moore, and seconded by Mrs. Mastracco that the meeting go into closed session under the Virginia Freedom of Information Act, Section 2.2-3711 (A) subsections (1) of the Code of Virginia to discuss a **personnel matter** which is not public. Motion carried.

At 1:38 pm, by motion proposed, seconded and carried, the meeting resumed in open session.

Motion: proposed by Mr. Moore and seconded by Mr. Luke that the Committee certify that the closed session just held was conducted in compliance with Virginia State law, as set forth in the Certification Resolution distributed. Motion carried.

A roll call vote was taken, the results of which are outlined in the second Certification Resolution.

MOTION:	Mr. Moore	MEETING:	Executive Committee
SECOND:	Mr. Royall	DATE:	1 May 2013

FIRST CERTIFICATION OF CLOSED MEETING

WHEREAS, the Executive Committee has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and

(ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Executive Committee.

VOTE

AYES: Moore/Mastracco/Barrington/Luke/Royall

NAYS: None

[For each nay vote, the substance of the departure from the requirements of the Act should be described.]

ABSENT DURING VOTE: None

ABSENT DURING MEETING: Farrell/McGlothlin

MOTION: Mr. Moore

MEETING: Executive Committee

SECOND: Mrs. Mastracco

DATE: 1 May 2013

SECOND CERTIFICATION OF CLOSED MEETING

WHEREAS, the Executive Committee has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Committee that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Executive Committee hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Executive Committee.

VOTE

AYES: Moore/Mastracco/Barrington/Luke/Royall

NAYS: None

[For each nay vote, the substance of the departure from the requirements of the Act should be described.]

ABSENT DURING VOTE: None

ABSENT DURING MEETING: Farrell/McGlothlin

V. Meeting Adjourned

No other business was brought before the Committee and the meeting adjourned at 1:40 pm.

Recorded: _____ Date: _____
Suzanne Broyles, Secretary

Approved: _____ Date: _____
Thurston R. Moore, Chairman

Approved: _____ Date: _____
Alex Nyerges, Director