

Executive Committee Meeting Minutes
The Claiborne Robertson Room
Monday, 9 January 2012, 12:00 pm

There were present:

Thurston R. Moore, Chairman
Mrs. Suzanne T. Mastracco, Vice-Chairman
Martin J. Barrington
Thomas F. Farrell II
John A. Luke, Jr.

By Invitation:

Alex Nyerges, Director	Dr. Monroe E. Harris, Jr.
Stephen Bonadies	Ms. Linda Lipscomb
Ms. Suzanne Broyles	Ms. Joan W. Murphy
Dr. Lee Anne Chesterfield	Robin Nicholson
	Ms. Fern Spencer

Absent:

James W. McGlothlin

I. Report of the Chairman – Thurston R. Moore

Chairman, Thurston Moore, called the meeting to order at 12:10 pm, and welcomed the group. He mentioned that a trustee evaluation survey has not been done since 2004 and he feels it is a good tool that needs to be done regularly for boards of this size. He said our board meetings are quite large and not conducive to questions so we will work up a draft survey for your review and plan to have the full board complete it in the spring for their responses. He thanked Mr. Barrington for providing information on board surveys.

President Moore noted that it is time for this committee to suggest names for board nominations which need to be submitted to the Governor by the end of April. Information in the meeting folders shows that there will be two openings and five members eligible for reappointment. Mr. Moore said the Governor has been remarkably supportive of our recommendations. He asked the committee members to give this some thought and to be creative in recommending those who would be strong contributors and financial leaders. He asked that names be submitted by early April. The Director noted that other priorities for prospective board members are statewide representation and those with great interest in the Museum with influence and affluence.

II. Minutes – Thurston R. Moore

Motion: proposed by Mr. Moore and seconded by Mr. Barrington that the minutes of the October 17, 2011 Executive Committee meeting be approved as distributed on the 10th of November 2011. Motion carried.

III. Report of the Director – Alex Nyerges

Alex Nyerges mentioned that he wants to get all the Museum's support groups into alignment under the Membership department to streamline our operations after the Governor's \$400,000 budget cut. He noted that he will be notifying both boards about this change soon. The Director went on to inform the group that the Taubman Museum in Roanoke is having financial trouble and supporters who have kept them afloat might have to cut off their funding.

Mr. Nyerges asked Stephen Bonadies to report on the Windsor Foundation funding we will be receiving to support the study of our sculpture garden to make it more of a community resource. Mr. Bonadies said with community partners we can make it a vital and vibrant space and a world class campus. The Director noted that we are also working on a board specific website to allow better and quicker access to board messages and materials.

He called on Linda Lipscomb, Deputy Director for Advancement, to describe the capital campaign final close out. Ms. Lipscomb referred to the handout saying we will reconcile expenses and revenue to date, and develop a financial model for sustaining transformation and building the future for finance and advancement. To start the planning process she will hold interviews with Trustees on the future look of VMFA. She plans on three to four meetings in the summer of 2012. Ms. Lipscomb then reviewed the membership and development revenues year to date as of January 6, 2012. She provided a plan for sustainable exhibition support for FY2012 through 2015 saying the robust exhibition program is central to the success and growth of VMFA. She noted several exhibition funding challenges such as balancing the immediate need of funding exhibitions over the next 2-3 fiscal years and building a pool of funds for exhibition planning to move beyond reliance on ad hoc funding by exhibition; with the longer term critical need of building an exhibition endowment and moving from relying on traveling exhibitions to a mix of VMFA-organized and traveling shows.

Linda Lipscomb went on to recommend creating a fund of \$4 million to build available funding for exhibition support while realizing longer-term goals of increased endowment over the next 24 months, through December 2014. In planning for FY13, she said we will focus on major gifts for the exhibition fund and accompanying endowment with consideration to expanding the planned giving program. She concluded by indicating that the immediate goal in FY12 is to close the gap of the estimated \$250,000 in exhibition funding and that Trustees and Directors are critical to the short term success while building the donor base.

The Director stated that with Linda Lipscomb and Membership Manager Tom Zydell, we should be able to meet the revised goals. The timing of the two new exhibitions is good as they will be here over the holidays which bring in many visitors. Chihuly opens in October and Hollywood Costumes opens in 2013, which will give incentive to members to renew.

IV. Finance Report – Fern Spencer

Fern Spencer provided an update of the Governor’s budget as discussed in the December 21 memo to VMFA Trustees. Our 4% reduction came out to be \$401,414. She noted that in the Governor’s budget VMFA was the hardest hit of all the state’s museums adding that the Science Museum of Virginia did not receive a reduction. Ms. Spencer gave an overview of exhibitions and as it turned out, the last few days of December were fast and furious, with increased traffic in the Museum. We also realized increased total revenue in our food services area, primarily through increased patronage in our restaurants as well as a number of special events over the holiday season.

She commented that the success of our restaurants and shop is driven by visitors to our exhibitions. Over the holiday season we saw significant increases in attendance to our *Mummy: Secrets of the Tomb* exhibition the day after Thanksgiving and then again the day after Christmas. The photography exhibition *Elvis at 21* realized similar increased attendance the day after Christmas. However, the watermark day was January 8th when visitors joined us for Elvis’ birthday, celebrating with free birthday cake. Throngs of fans lined up for a book signing by Elvis’ “mystery woman” depicted in the photographs on view. That day brought in over 2,500 visitors. Ms. Spencer mentioned that we initially did not envision *Elvis* as a ticketed exhibition so we added \$20,000 to our FY12 projected exhibition ticket revenue after we finalized the budget.

Fern Spencer provided a budget revision summary showing the approved state budget vs. the revised budget and the variance for revenues and expenditures. She explained that we are in the process of identifying savings throughout Museum operations in order to offset the projected FY12 funding gap caused primarily by lower than anticipated earned income.

Alex Nyerges remarked that we need to fill the gap in exhibition support by raising funds and we will go to both boards for help, selectively asking for your gifts. President Moore noted that we need to raise \$250,000 which could be done with 70 gifts of approximately \$3,500. Board members and corporations will be asked to increase their support to get VMFA off the treadmill of catch up after an exhibition.

No other business was brought before the Committee and the meeting adjourned at 1:05 pm.

Recorded: _____ Date: _____
Suzanne Broyles, Secretary

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

Approved: _____ Date: _____
Alex Nyerges, Director