

OLBRICH BOTANICAL SOCIETY
Board of Directors Virtual Meeting Minutes
April 21, 2020

Members Present: Julie Rupert, Philip Bradbury, Renee Boyce, Mary Phillips, Bill White, Alnisa Allgood, Susan Goodwin, Kevin Hess, Tim Sherry, Liz Dannenbaum, Brad Hinkfuss, Eric Knepp, Roberta Sladky

Members Absent: Erik Lincoln, Laura Peterson, Dick Wagner, Betty Chewning, Laurel Neverdahl, Nancy Ragland

Advisors Present: Jt Covelli, Sandy Dolister, Elizabeth Ogren Erickson, Barb Tensfeldt

Staff Present: Jake Immel, Katy Nodolf, Marty Petillo, Rylee Schuchardt, Kai Skadahl, Elizabeth Spry, Joe Vande Slunt

Special Guests: Phillis Lovrien (OBSF Board), John LaFramboise (BDO), Mitch Tordoff (BDO)

I. **The meeting called to order at 4:01 pm.**

II. **APPROVAL OF MINUTES**

A motion was made by Mr. White and seconded by Ms. Goodwin to approve the meeting minutes of February 11, 2020. Motion carried unanimously.

III. **PUBLIC COMMENTS**

There were no members of the public who wished to comment on items not on the agenda.

IV. **REPORTS**

A. President's Report

- a. **OBS's Response to COVID-19** – President Rupert thanked to Board for their quick approval of the Paycheck Protection Program Small Business Administration loan through Monona Bank. She also acknowledged the OBS staff that put all of the materials together so quickly. Ms. Sladky spoke about where the Olbrich staff are working. Typically 15 to 20 staff working on site every week day and 3 or 4 on the weekends, some office staff are helping out in the greenhouse and outdoor gardens. Around 12 to 15 people are telecommuting and an average of 6 to 10 people either are not scheduled or taking a leave day. Katy Nodolf explained that our primary communicating with the public has been through social media. In the last month, our followers have grown more than we typically get -- even for the duration of GLEAM. She talked about new things we are trying: Jeff Epping did a FaceBook Live Q&A; Avery Pronchinske has been posting videos on Instagram where she walks around the gardens and shows what is blooming; Marty Petillo is sending out volunteer e-newsletters every two weeks; a new organizational system called AirTable was developed (a spreadsheet database hybrid) that has been helping the PR & Marketing staff stay organized. Ms. Sladky added that OBS Board Director, Laura Peterson, was a great help and thanked her and all of the Monona Bank staff. She also noted that the PPP Loan has a separate checking account and we will refund our Associated Bank operating account for each expense so we have a good tracking system.

B. Financial Report

- a. **February 2020 Financials** – Rylee Schuchardt reviewed the Financial Summary Report and noted that all of the departments were all above budgeted revenue at the end of February and that most departments were below budget expenses. She noted a few minor things that put us over budget: the timing of what we had to pay for audit expenses; the additional expense for the ASC 606 was not included in the audit budget; and gift shop was over due to the first quarter inventory purchasing for the year.

- b. **Presentation of the 2019 Audit by BDO USA, LLP** – Mitch Tordoff from BDO began by saying that the staff was incredible, stepping up and helping with everything BDO asked for. He pointed out that it was a challenging year with the adoption of ASC 606 and the staff took on the challenge and made the process very smooth.

John LaFramboise from BDO reviewed the areas of audit focus. He made special mention of the adoption of the ASC 606, which is a significant new accounting standard related to revenue and how it would impact revenue recognition. He was pleased to report that they issued a clean opinion of the financial statements and thanked management for their cooperation with granting access to all requested records. He discussed the audit adjustments and noted that all of the small dollar amounts (with the exception of ASC 606), were part of the typical reclassification entries that are expected. He talked about ASC 606 and explained that it was determined that membership dues had to be accounted for in this new way. Mr. Tordoff described that a portion of the membership dues are used for future benefits, since the memberships are for 12 months from the day they sign up/renew. Since we are going to be receiving benefits in the future year, we had to re-class some of those memberships from revenue to a deferred revenue item and then recognize that revenue in the following year. This did not impact the profit and loss because it was for past years and our membership dues stay relatively similar. Mr. Vande Slunt mentioned that this would not change anything with memberships being 100% tax deductible. He also noted that this should not impact what is seen on monthly reports, but it will be an adjustment made at the end of the year and reviewed with the audit.

Mr. Tordoff reviewed the 3 year trend of the consolidated financial statements. He made special note that investments increased \$1,000,000.00 based on market value, which has now since decreased value with the pandemic. The big increase in the “Garden/Conservatory” expenses was from the capital campaign payment to the City. Everything else was similar from year to year. After reviewing the Society-Only Operating Results, he noted that operating revenues and expenses are also similar year to year.

Mr. LaFramboise concluded by going over the summary of the findings from the audit and noted that the only weakness in internal control is the size and resources of OBS’s accounting staff. He reassured that this is very common for a lot of their non-profit clients.

Discussion ensued about what OBS still owes and when they will need to pay to the City after the completion of the project. Ms. Sladky said we do not have the invoice from the City yet, so no liability on our financials. BDO said they would add a Subsequent Event Disclosure footnote that there is an unpaid commitment that we will receive an invoice for in the future. Since the exact amount is not known because the project isn’t complete, the word “approximate” will be used in the footnote.

A motion was made by Mr. Sherry and seconded by Mr. Bradbury to accept the 2019 Audit Report with the addition of the Subsequent Event Disclosure. The motion carried unanimously.

C. Director’s Report

Staff Written Reports – Ms. Sladky reviewed the staff reports. She described how staff are taking advantage of the Gardens being closed to the public and are tackling projects that couldn’t otherwise be easily completed with visitors in the Conservatory and Gardens. She noted that staff cancelled as many plant orders as possible for the upcoming plant sale. With the remaining plants, we are waiting to hear from the Public Health Department to see if an online sale and curb-side pick-up would be possible. She also mentioned that there is talk about doing a weekly bouquet pick-up and staff are working on logistics.

Ms. Sladky announced that hiring for the Director of Education position has been postponed to September or October with hopes to do interviews in July. It has been narrowed down to two good candidates. She expressed gratitude to the Education staff that have been adapting their schedules to cope with not having a leader in that position.

D. Development Report – Mr. Vande Slunt reviewed the Development report. He talked about conversations that non-profit communities are having about how it is appropriate to continue to fundraise during this time of crisis. He described their upcoming plans, including Olbrich’s participation in the upcoming Giving Tuesday and reaching out to donors to check-in and say hello. He gave a special thanks to Board members Jt Covelli and Liz Dannenbaum who offered to help with the outreach. President Rupert noted the importance of reminding donors about employer match programs.

E. Marketing & Public Relations Report – Ms. Nodolf reviewed the Marketing and PR Report. She highlighted the work they have been doing with Wisconsin Public Television who is offering Olbrich a month of free messaging. We will have a new spot with current images of the gardens that highlights our mission with a call-to-action about membership information being available on the website. She also noted that, in an effort to keep expenses down, there will not be a printed newsletter this summer and that communication will be through other platforms such as social media, e-news, website, etc.

V. **NEW BUSINESS**

Parks Superintendent Eric Knepp thanked the OBS Board and all Olbrich staff for the great job that everyone is doing to maintain the gardens and stay on top of the project. He described that they are continuing to work with the contractor to determine final consideration based on a number of issues and that initial steps have been taken on liquidated damages, which is why there not a final cost estimate yet. He noted that they have allocated some of the landscaping needs for the project out of Parks resources, to stay within the budget of the project. He also gave an update on how the Parks Department is responding to the COVID-19 pandemic. He assured that they will continue to work with Public Health on how to be safe when we can reopen the Gardens, and Parks overall.

VI. **ANNOUNCEMENTS**

There are no announcements.

VII. **ADJOURNED**

The meeting adjourned at 4:57 pm.