



Date: May 16, 2022

To: Chairperson Marcelia Nicholson., Milwaukee County Board of Supervisors
Chairperson Liz Sumner, Committee on Finance
Chairperson Sheldon Wasserman, Committee on Parks, Energy, and Environment

CC: Kelly Bablitch, Chief of Staff, County Board
Janelle M. Jensen, Senior Committee Coordinator, Office of the County Clerk
Kelsey Evans, Committee Coordinator - Parks, Office of the County Clerk
Shanin Brown, Committee Coordinator - Finance, Office of the County Clerk

**Subject: Report from the Milwaukee Public Museum
Results for the 7 month period ended March 31, 2022**

The Mission of the Milwaukee Public Museum is to inspire curiosity, excite minds and increase desire to preserve and protect our world's natural and cultural diversity through exhibitions, educational programs, collections and research.

Current State of the Museum

The Museum has been fully open (Wednesdays – Mondays) from 10am – 5pm since November. The café and kiosk are open Thursdays through Sundays. Schools started returning in limited numbers in March and event rentals (weddings, proms, etc) started to pick up in March.

Attendance has consistently exceeded our projected goals and we are 27% ahead of where we had expected to be. Our spring break attendance actually exceeded the 2019 attendance. We attribute this to three things 1) people want something to do and feel safe at MPM, 2) it was cold and rainy during spring break which helps with attendance and 3) we have Tyrannosaurs: Meeting the Family – dinosaurs always do well. As of March 31st, the exhibit attendance was 49,108 visitors. The exhibit closes on May 18th.

We started to welcome schools back to MPM in March. There were 724 students that came to MPM during this month. We will slowly increase school attendance making sure that everyone continues to feel safe. We have also begun outreach into schools and other organizations. We continued to utilizing social media and other web-based platforms for programming and worked directly with public school teachers and parents to make the best possible efforts to continue our primary mission and deliver on our commitment to serve the County and its citizens. We have also started to deliver educational programs to the public on the floors of the museum.

Requests for collection data, information and photos are at high levels with staff responding to over 350 external requests. The museum is open to external researchers however we control how many can come in at any one time. Collection work, digitization and grant tasks continue.

Milwaukee Public Museum

Fiscal Summary

For the seven months ended March 31, 2022, MPM consolidated financial statements reported an operating surplus of \$2.5 million compared to \$500,000 from the prior year and \$1 million in FY2019 – pre-pandemic year. Overall, the change in net assets was an increase of \$3.6 million vs. a \$1 million in the prior year and \$400,000 in FY2019.

Consolidated operating revenue increased in this fiscal year to about \$9 million vs. \$5 million in the prior year and \$8 million in FY2019. This increase is mainly due to improving operations, particularly due to growing attendance and memberships, and larger contributions than anticipated. Operations are now mostly back to pre-pandemic level.

Consolidated operating expenditures for the year were \$6.6 million vs. \$4.6 million in the prior year and \$7 million in FY2019. All operating expenses increased as expected in the current fiscal year as most operations returned including opening six days a week, and bringing back traveling exhibits and staff.

In other non-operating activity, MPM and the Endowment investments reported an investment loss of \$120,000 as the market has been volatile this year. MPM finally received forgiveness for its PPP loan and received another \$1.2 million in federal support. Within the year, distribution from the MPM Endowment Fund totaled \$50,000, historically comparable to those of prior years. MPM continues to have to a fiscally conservative course of significantly reduced reliance on MPM Endowment earnings than in the decade prior.

Capital Investment

Summary County Funded

Capital Projects

Major County funded projects that are currently in process or will hopefully be in process soon at the Museum include:

- Fire panel/fire safety system replacement – on going and awaiting shipment, expected completion in August.

MPM Federally Funded Projects

Dr. Jennifer Zaspel, VP/Academic Dean continued working on the \$4.3 million grant from the National Science Foundation (NSF). This project is a national effort to digitize more than 1.3 million arthropod specimens, including parasites like fleas, ticks and mosquitoes, to develop a nationwide database of historical records.

Ms. Patty Burke is finishing work funded by the Institute of Museum and Library Services to digitize and organize the collection of Ordovician fossils in the Museum (\$362,887).

Reaccreditation

MPM submitted its final report to the Accreditation Commission in April. For the final report the commission required confirmation of state and county support towards the new museum as well as details on how the county would continue to support the needs of the collections. We are grateful to the County Supervisors for the approval of \$45M in bonded funding toward the new museum as well as the continued annual support through the Lease and Management Agreement. We have also continued to protect the collections and ready them for packing as part of the Bridge Plan. The Accreditation Commission will meet in June and convey their decision in July. We are confident that because of the County's support we will be re-accredited.

Milwaukee Public Museum

We will be happy to take questions during our appearance before the Committees.

Sincerely,



Lue Hang
Vice President of Finance and Operations
Milwaukee Public Museum



Ellen Censky, PhD
President/CEO
Milwaukee Public Museum

Milwaukee Public Museum

MPM Consolidated Statement of Activities for the Seven Months Ended 3/31/22

	YTD	YTD		Prior Year	Prior Year
	Actual	Budget	Dev	Actual	Change
Revenue:					
Contributions	2,936,048	1,766,976	1,169,072	1,293,007	1,643,041
Membership	937,266	673,748	263,518	214,736	722,531
Special Event Revenue	403,734	432,000	(28,266)	237,197	166,537
Public Support	2,047,320	2,041,667	5,654	2,196,129	(148,809)
Admissions	1,428,520	851,628	576,892	205,850	1,222,670
Theatre/Planetarium	81,964	101,600	(19,637)	14,485	67,479
Programs	11,505	34,497	(22,992)	8,260	3,245
Contributed Services	0	0	0	0	0
Restaurant and Facility Rental	71,609	77,056	(5,447)	0	71,609
Retail	449,758	269,950	179,808	38	449,720
Other income	67,072	52,700	14,372	38,857	28,216
Net Assets released from restrictions	663,002	339,350	323,652	885,866	(222,864)
Total Operating Revenue	9,097,797	6,641,171	2,456,626	5,094,423	4,003,374
Operating Expenses:					
Cost of Goods Sold	192,188	117,000	75,188	225	191,963
Supplies	459,407	537,716	(78,309)	157,754	301,653
Salaries and Wages	3,239,318	3,584,722	(345,404)	2,532,948	706,370
Benefits	796,361	934,032	(137,671)	679,286	117,075
Travel	29,514	79,598	(50,084)	1,405	28,109
Insurance	39,980	41,540	(1,560)	37,442	2,538
Marketing/Public Relations	248,084	481,882	(233,798)	62,820	185,264
Member/Donor Development	31,552	62,997	(31,445)	5,704	25,848
Subscriptions/Memberships	11,313	19,830	(8,517)	11,961	(648)
Maintenance	491,442	444,728	46,714	410,084	81,358
Utilities	578,413	534,763	43,650	494,758	83,654
Professional Fees	402,048	338,120	63,928	175,104	226,944
Interest Expense	1,059	0	1,059	5,973	(4,914)
Miscellaneous	104,366	197,013	(92,647)	29,066	75,300
Tax Expense	1,567	1,060	507	626	941
Contributed Services	0	0	0	0	0
Total Operating Expenses	6,626,611	7,375,000	(748,390)	4,605,154	2,021,456
Inc/(dec) from Net Assets in Operating Activities	2,471,187	(733,829)	3,205,016	489,269	1,981,918
Non-Operating Items:					
Investment Earnings	(55,190)	0	(55,190)	347,015	(402,205)
Transfer to Endowment	0	0	0	0	0
Pension & Post Retirement Expenses	(210,000)	(210,000)	0	(210,000)	0
Depreciation	(466,223)	(464,906)	(1,317)	(543,420)	77,197
Non-Operating Income - Covid Related	2,572,381	0	2,572,381	1,227,450	1,344,931
Foundation for Future Revenue	8,806	0	8,806	21,525	(12,719)
Foundation for Future Expenses	(279,362)	(276,059)	(3,303)	(444,618)	165,256
Total Non-Operating Items	1,570,412	(950,965)	2,521,377	397,953	1,172,459
Inc/(dec) in Net Assets Without Donor Restrictions	4,041,599	(1,684,794)	5,726,393	887,222	3,154,377
Changes in With Donor Restricted Net Assets:					
Contributions	321,587	250,000	71,587	480,104	(158,517)
Investment Earnings	(65,650)	0	(65,650)	507,177	(572,827)
Net Assets released from restrictions for operations	(663,002)	(339,350)	(323,652)	(885,866)	222,864
Inc/(dec) in With Donor Restricted Net Assets	(407,064)	(89,350)	(317,714)	101,416	(508,480)
Inc/(dec) in Net Assets	3,634,534	(1,774,144)	5,408,679	988,638	2,645,897
Total Net Assets at Beginning of Period	16,906,999	0	0	13,503,055	3,403,944
Total Net Assets at End of Period	20,541,533	(1,774,144)	5,408,679	14,491,693	6,049,841

Milwaukee Public Museum

MPM Consolidated Statement of Financial Position as of 3/31/22				
	<u>3/31/22</u>	<u>3/31/21</u>	<u>8/31/21</u>	Prio Year Change
Assets:				
Cash and cash equivalents	8,613,343	4,391,393	6,419,569	4,221,950
Investments	453,382	444,274	480,313	9,108
Accounts Receivable	74,044	95,677	337,430	(21,634)
Note Receivable	500,000	0	0	500,000
Contributions Receivable -Current	104,523	325,782	471,447	(221,258)
Due From Other Funds/Entities	0	4,617	0	(4,617)
Inventories, net	69,046	82,575	45,972	(13,529)
Prepaid Expenses	43,495	28,078	47,096	15,417
Total Current Assets	9,857,833	5,372,396	7,801,827	4,485,437
Other Assets:				
Cash and investments held for endowment	8,647,568	7,215,420	7,691,385	1,432,148
Contributions Receivable - Long Term	423,086	399,385	48,998	23,701
Total Other Aassets	9,070,654	7,614,805	7,740,383	1,455,849
Property & Equipment:				
Building Additions	19,875,741	19,875,741	19,875,741	0
Furniture, equipment and other improvements	12,980,289	12,966,231	12,966,232	14,058
Gross Property & Equipment	32,856,030	32,841,972	32,841,973	14,058
Less-Accumulated depreciation	(24,330,111)	(23,549,707)	(23,902,263)	(780,404)
Net Property & Equipment	8,525,918	9,292,265	8,939,710	(766,346)
Total Assets	27,454,406	22,279,466	24,481,920	5,174,940
Liabilities and Net Assets:				
Accounts Payable	523,958	373,260	520,768	150,698
Accrued Payroll & Benefits	492,750	476,716	641,263	16,034
Deferred Revenue	1,454,407	508,340	802,255	946,067
Refundable Advance	0	1,237,700	1,237,700	(1,237,700)
Accrued Postretirement Benefits - Current	276,186	137,036	276,186	139,150
Line of Credit	0	0	0	0
Total Current Liabilities	2,747,301	2,733,052	3,478,172	14,249
Accrued Postretirement Benefits	4,165,571	5,050,104	4,096,746	(884,533)
Due to Other Funds/Entities	0	4,617	0	(4,617)
Total Liabilities	6,912,872	7,787,773	7,574,918	(874,901)
Net Assets:				
Without Donor Restrictions	13,783,553	6,971,184	9,741,957	6,812,369
With Donor Restrictions	6,757,981	7,520,509	7,165,045	(762,528)
Total Net Assets	20,541,533	14,491,693	16,907,002	6,049,841
Total Liabilities and Net Assets	27,454,406	22,279,466	24,481,920	5,174,940

Milwaukee Public Museum

Consolidated Statement of Cash Flows for the Seven Months Ended 3/31/22

	YTD	Prior YTD
	<u>Actual</u>	<u>Actual</u>
Operating Activities:		
Increase in net assets	2,304,263	988,638
Adjustments to reconcile net cash flows from operations:		
Depreciation and amortization	466,223	543,420
Loss on disposal of assets	0	0
Forgiveness of PPP Refundable Advance	0	0
Unrealized (gain)/loss on investments	35,918	(1,137,100)
Realized (gain)/loss on investments	(6,551)	(135,293)
Contributions restricted for capital and endowment	0	(631,102)
Changes in operating assets and liabilities:		
Accounts Receivable	263,386	(16,121)
Contribution Receivable	366,923	281,968
Inventories and Other Assets	(23,074)	594
Prepaid Expenses	3,601	21,942
Accounts Payable, Accrued Expenses and Accrued Benefits	(76,489)	(27,493)
Due to Affiliates	0	0
Refundable Advance	(1,237,700)	1,237,700
Deferred Revenue	652,152	(309,564)
Total Adjustments	444,390	(171,050)
Net cash provided/(used) by operating activities	2,748,653	817,588
Investing Activities:		
Purchases of Property & Equipment	(42,132)	(24,894)
Purchases of Property & Equipment - Restricted	0	(19,445)
Net Change in Note Receivable	(500,000)	0
Proceeds from Sale of Investments	76,931	4,360,768
Purchases of Investments	(89,678)	(4,395,244)
Net cash provided/(used) in investing activities	(554,880)	(78,814)
Financing Activities:		
Proceeds from contributions restricted for capital and endowment	0	3,000
Net proceeds from Line of Credit	0	(1,000,000)
Net cash provided/(used) in financing activities	0	(997,000)
Net Inc/(Dec) in Cash and Cash Equivalents	2,193,774	(258,226)
Cash and Cash Equivalents, beginning of period	6,419,569	4,649,620
Cash and Cash Equivalents, end of period	8,613,343	4,391,394