



Date: Nov 13, 2024

To: Chairperson Sheldon Wasserman, Jr., Committee on Parks and Culture
Vice Chairperson Steven Taylor, Committee on Parks and Culture

CC: Kelsey Evans, Committee Coordinator

Subject: P 24-50 Report from the President of the Milwaukee Public Museum, providing an informational report regarding programs and financial statements.

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 Museum Activities

The museum completed its 2024 fiscal year on August 31. We served more than 446,000 visitors during the year. This was slightly lower than what we had projected. The main reason for this was that school group attendance was down from projected. This was due to several factors out of our control – lack of school buses and school cutting back on field trips. We have adjusted our numbers for FY2025 accordingly. Attendance for the start of FY2025 is on-track with projections.

This past summer, MPM provided educational programs to more than 12,000 kids and families through our on-site and outreach programs. This included a summer full of Dinosaur programming, including Family Dino Trivia Night and a planetarium show about asteroids and the demise of dinosaurs.

We also hosted our most successful Summer Connections program, providing free educational programming and access to the Museum to more than 600 kids in grades K-8. This program was done in coordination with several community partners.

We also partnered with the Harbor District to present a Bilingual Community Event. Our bilingual educators presented programming on freshwater ecology, Silurian reef fossils from this area and they conducted butterfly surveys.

We kicked off our Fall programming in September with a family edition of our Mystery Night – this one dedicated to glitz and glam – focusing on uncovering the glitzy and glamorous objects in the collections. We also hosted Hispanic Heritage Month with programming that explored Latin American music, festival dresses, ancient civilizations, and the history of Latinos in Milwaukee. Dancers and artists also shared their traditions. On October 14, MPM celebrated Indigenous People's Day with programming throughout the floors and several performances by the Ho-Chunk drum group Little Priest and Milwaukee dance troupe México Indígena. On November 1st, we kicked off a month of celebration of Native American culture.

On October 18th, we opened the exhibit *Groundbreaking: The Evolution of a Natural History Museum*.

Milwaukee Public Museum

Celebrating more than 142 years of innovative achievements, this exhibition explores MPM's evolution in research, preservation, and education from its founding to our Future Museum. Highlighted topics include the Museum's origins as an academy, notable figures who helped shape MPM, and the revolutionary practices that have earned us our pioneering legacy. This exhibit runs through January 20th.

And, for the first time ever, MPM decorated the Streets of Old Milwaukee for autumn and Halloween, with turn-of-the-century decorations. In early November we swapped them out for *Deck the Streets* winter decorations.

In September, Dr. Jonathan Hendricks, Manegold Research Curator of Paleontology, joined the research staff at MPM. He came to us from the Paleontological Research Institute at Cornell. Dr. Liz Hermsen, a paleobotanist, also joined the team to help with the packing and moving of the collections. Also, in September, several research staff from the Museum traveled to Japan to present their research at international conferences. Dr. Nick Dowdy was awarded Fulbright Specialist by the US State Department's Bureau of Education and Cultural Affairs.

In October, MPM hosted its most successful Gala. With over 400 guests in attendance, the events raised more than \$900K for annual operations. And in late October, the museum hosted more than 5,000 kids for Halloween Hauntings.

Status of Current Facility

Since June, we have been dealing with several issues with the building:

- The freight elevator was inoperable for 4 weeks. The reason for the outage was a drive that failed. It was obsolete so it could not be immediately replaced. It had to be rebuilt causing the delay in operation. This meant that tables and chairs needed for events had to be moved to the second floor via the passenger elevator, causing stress on them. It also meant that we could not move crates packed with collections to our swing space.
- The steam regulator, which reduces high pressure steam to low pressure and regulates the amount of steam that is released to our building equipment failed this summer. The existing steam regulators and trip stop were dismantled by the County Facilities Management and found to be completely unserviceable. They need to move forward with a new regulator station, including a safety valve vent line run outside the building. Estimated cost about \$100k.
- We continue to deal with humidity issues in the basement collection areas. This is due to moisture infiltration through the concrete block, which has no moisture barrier.

MPM Fiscal Summary

FY 2024

For the year ended August 31, 2024, MPM consolidated financial statements reported an operating income of \$2.2 million compared to \$0.5 million in the previous year. Overall, the change in net assets was an increase of \$4.9 million this year compared to a \$6.0 million increase a year ago.

Consolidated operating revenue increased in fiscal year 2024 to about \$15.4 million vs. \$14.0 million in the previous year, primarily from net assets released from restrictions on pledged contributions.

Consolidated operating expenditures for the year were \$13.2 million vs \$13.5 million in the previous year. This is primarily due to increases in salaries, wages and benefits offset by a decrease in professional services.

In other non-operating activity, MPM and the Endowment investments reported a net investment gain of \$1.9 million, consistent with market performance.

Milwaukee Public Museum

We are also happy to report that cash and investments held by the MPM Endowment have increased by \$4.6 million to \$14.7 million, thanks to donor contributions and investment return.

FY 2025

For the one-month period ended September 30, 2024, MPM consolidated financial statements reported an operating deficit of \$195,000 compared to \$96,000 in income from the same period as the previous year.

Consolidated operating revenue decreased in this month to \$911,000 vs. \$1.1 million in the same period in the previous year. This decrease was mainly due to timing of contributions and net assets released from restrictions.

Consolidated operating expenditures for the month were \$1.1 million compared to \$997,000 in the prior year. This increase is primarily timing of non-payroll services such as maintenance and marketing/public relations costs.

In other non-operating activity, MPM and the Endowment investments reported an investment gain of about \$154,000.

New Museum progress

6th and McKinley Site progress – in July, deep foundation (pile) testing was conducted. Conditions on the site require piles be driven 45-75 feet in depth, depending on the area on the site. In August, the first of 522 piles was driven, and this work has been completed. Site barriers were placed on McKinley, 6th Street, and Vliet. The Tower Crane was erected in September. And Mortensen opened their site office in a building on Vliet, across from the site. In October, the city issued the building permit which allows for the next phase of the project – going vertical.

Exhibit Progress -- Germantown-based artist Mark Fischer of the Oneida Nation has been selected to design and create an outdoor art installation for the Future Museum. The piece, titled *The Gathering Place*, will serve as a space to welcome visitors and to honor the rich cultural heritage of Native American tribes in Wisconsin. The artwork takes inspiration from aspen trees, organisms which Fischer says speak with each other, much like humans, through their root systems. Fischer will create a group of aspen trees made of copper to represent Wisconsin's First Nations. The trees will form a circular shape with their branches coming together in the shape of a dome, mimicking the support poles seen in a traditional Great Lakes home. Each of the poles will be adorned with welded-on, cultural patterns affiliated with each tribe of Wisconsin.

In November, after an RFP process, an exhibit fabricator, lighting and AV/multimedia companies were hired to work with Thinc Design to execute the vision for the exhibits in the new museum.

Offsite Storage – An offsite storage site was secured in July and upgrades to bring the site up to Alliance of American Museum standards will be completed early next year. Once that is completed, some collections will start to be moved.

Collections Move – MPM cares for Milwaukee County's collections. In the museum world, the definition of "collection" is an object that has been accessioned. Accessioning is the formal process of transferring the object to the Museum's permanent collections. The museum uses the following criteria to accession items -- it is of such nature and quality as to be consistent with and in furtherance of the accomplishment of the Museum's defined mission, its provenance is satisfactory, it was obtained legally, clear title can be established, it is unencumbered by donor restrictions, its use is unrestricted or unencumbered by intellectual property right or by its nature (e.g., hazardous materials), and its

Milwaukee Public Museum

collection from nature does not unnecessarily harm biological populations or deplete natural resources. All accessioned collections, both on display or in storage, will be going to the new museum building or offsite storage.

The county also owns all props, painted backdrops, and other items that have not been officially accessioned because they are reproduced items, or they do not meet the standards for accessioning. Some of these items will be repurposed into the future museum exhibits. Some will not. MPM will work with the County over the next year to determine the outcome of these items. There may be instances where a community discussion about opportunities to repurpose items outside a museum setting would be appropriate

We continue to work on assessing, inventorying and packing the collections for the move. For more than two years, we have been hiring and training technicians to help with the move. Currently, we have 13 technicians working in all collection areas. We also have determined which collections that are currently on display will be on display in the future museum and which collections will be returned to storage for a well-needed rest. We are working with fabricators on a deinstallation schedule. There are objects that have been damaged by water and humidity in collection storage areas. These will be brought to the county for deaccessioning at a future meeting.

We are happy to take questions during our appearance before the Committee.

Sincerely,



Ellen Censky, PhD
President/CEO
Milwaukee Public Museum



Thomas M. Oechler
VP Finance and Operations
Milwaukee Public Museum

MPM Consolidated Statement of Activities for the Year Ended 8/31/24

	<u>YTD</u>	<u>YTD</u>		<u>Prior Year</u>	<u>Prior Year</u>
	<u>Actual</u>	<u>Budget</u>	<u>Dev</u>	<u>Actual</u>	<u>Change</u>
Revenue:					
Contributions	3,811,585	2,508,045	1,303,540	3,401,485	410,100
Membership	1,251,612	1,267,226	(15,614)	1,351,138	(99,526)
Special Event Revenue	914,389	863,750	50,639	820,780	93,609
Public Support	3,572,168	3,581,000	(8,832)	3,506,741	65,426
Admissions	2,308,022	2,759,680	(451,658)	2,685,407	(377,385)
Theatre/Planetarium	215,970	172,412	43,558	169,155	46,815
Programs	153,344	134,925	18,419	67,460	85,884
Restaurant and Facility Rental	129,740	385,360	(255,620)	222,827	(93,087)
Retail	803,406	896,560	(93,154)	904,786	(101,379)
Other income	118,132	77,527	40,606	124,793	(6,661)
Net Assets released from restrictions	2,152,588	818,793	1,333,796	754,103	1,398,485
Total Operating Revenue	15,430,957	13,465,277	1,965,680	14,008,677	1,422,281
Operating Expenses:					
Cost of Goods Sold	351,970	380,053	(28,083)	394,656	(42,687)
Supplies	806,549	908,762	(102,213)	673,090	133,459
Salaries and Wages	7,293,581	7,535,521	(241,940)	6,824,996	468,585
Benefits	1,524,706	1,921,474	(396,769)	1,540,827	(16,121)
Travel	149,459	184,122	(34,663)	90,084	59,376
Insurance	71,507	76,389	(4,882)	71,631	(125)
Marketing/Public Relations	563,877	680,786	(116,909)	568,274	(4,397)
Member/Donor Development	101,694	105,595	(3,901)	71,317	30,377
Subscriptions/Memberships	53,291	63,510	(10,219)	50,455	2,835
Maintenance	605,297	677,362	(72,065)	653,608	(48,311)
Utilities	1,075,772	1,139,980	(64,208)	1,097,977	(22,205)
Professional Fees	416,577	519,593	(103,016)	1,249,282	(832,706)
Interest Expense	3,342	4,410	(1,068)	15,259	(11,917)
Miscellaneous	193,805	179,570	14,235	171,189	22,617
Tax Expense	3,144	2,800	344	3,190	(46)
Total Operating Expenses	13,214,570	14,379,927	(1,165,356)	13,475,835	(261,264)
Inc/(dec) from Net Assets in Operating Activities	2,216,387	(914,649)	3,131,036	532,842	1,683,545
Non-Operating Items:					
Investment Earnings (Loss)	1,206,110	42,000	1,164,110	448,703	757,407
Pension & Post Retirement Expenses	568,161	(360,000)	928,161	13,657	554,504
Depreciation & Amortization	(1,454,543)	(788,509)	(666,034)	(814,263)	(640,280)
Total Non-Operating Items	319,729	(1,106,509)	1,426,237	(351,903)	671,631
Inc/(dec) in Net Assets Without Donor Restrictions	2,536,116	(2,021,158)	4,557,274	180,939	2,355,176
Changes in With Donor Restricted Net Assets:					
Contributions	3,535,677	190,000	3,345,677	6,183,804	(2,648,127)
Investment Earnings	974,331	0	974,331	404,901	569,430
Net Assets released from restrictions for operations	(2,152,588)	(818,793)	(1,333,796)	(754,103)	(1,398,485)
Inc/(dec) in With Donor Restricted Net Assets	2,357,420	(628,793)	2,986,212	5,834,602	(3,477,182)
Inc/(dec) in Net Assets	4,893,535	(2,649,951)	7,543,486	6,015,542	(1,122,006)
Total Net Assets at Beginning of Period	25,996,445	10,425,892	0	19,980,903	6,015,542
Total Net Assets at End of Period	30,889,980	7,775,941	7,543,486	25,996,445	4,893,536

MPM Consolidated Statement of Financial Position as of 8/31/24

	<u>8/31/24</u>	<u>8/31/23</u>	<u>Change</u>
Assets:			
Cash and cash equivalents	4,113,764	5,731,554	(1,617,790)
Investments	3,706,473	1,471,778	2,234,695
Accounts Receivable	35,250	174,652	(139,402)
Note Receivable	0	450,000	(450,000)
Contributions Receivable -Current	1,500,152	1,441,271	58,880
Inventories, net	69,093	66,835	2,258
Prepaid Expenses	96,370	101,806	(5,436)
Total Current Assets	<u>9,521,103</u>	<u>9,437,897</u>	<u>83,206</u>
Other Assets:			
Cash and investments held for endowment	14,677,016	10,097,764	4,579,252
Contributions Receivable - Long Term	5,138,585	4,555,012	583,573
Total Other Assets	<u>19,815,601</u>	<u>14,652,776</u>	<u>5,162,825</u>
Property & Equipment:			
CIP	0	59,226	(59,226)
Building Additions	19,875,741	19,875,741	0
Furniture, equipment and other improvements	13,177,077	13,059,378	117,698
Right to Use Asset	65,637	65,637	0
Gross Property & Equipment	<u>33,118,454</u>	<u>33,059,982</u>	<u>58,472</u>
Less-Accumulated depreciation & amortization	(26,978,672)	(25,524,129)	(1,454,543)
Net Property & Equipment	<u>6,139,783</u>	<u>7,535,853</u>	<u>(1,396,070)</u>
Total Assets	<u>35,476,487</u>	<u>31,626,525</u>	<u>3,849,961</u>
Liabilities and Net Assets:			
Accounts Payable	325,439	324,608	831
Accrued Payroll & Benefits	630,940	605,665	25,275
Deferred Revenue	1,199,065	1,361,221	(162,156)
Lease Payable - Current	13,056	12,506	550
Current Portion of Post Retirement Benefits	235,626	168,132	67,494
Total Current Liabilities	<u>2,404,125</u>	<u>2,472,132</u>	<u>(68,006)</u>
Accrued Postretirement Benefits	2,153,307	3,115,817	(962,510)
Lease Payable	29,074	42,131	(13,056)
Total Liabilities	<u>4,586,506</u>	<u>5,630,079</u>	<u>(1,043,573)</u>
Net Assets:			
Without Donor Restrictions	15,714,833	13,178,716	2,536,116
With Donor Restrictions	15,175,148	12,817,729	2,357,419
Total Net Assets	<u>30,889,980</u>	<u>25,996,446</u>	<u>4,893,535</u>
Total Liabilities and Net Assets	<u>35,476,487</u>	<u>31,626,525</u>	<u>3,849,962</u>

MPM Consolidated Statement of Activities for the One Month Ended 9/30/24

	<u>YTD</u>	<u>YTD</u>		<u>Prior Year</u>	<u>Prior Year</u>
	<u>Actual</u>	<u>Budget</u>	<u>Dev</u>	<u>Actual</u>	<u>Change</u>
Revenue:					
Contributions	113,023	262,906	(149,883)	202,549	(89,525)
Membership	85,006	55,454	29,552	64,140	20,866
Special Event Revenue	115,000	177,900	(62,900)	117,560	(2,560)
Public Support	292,245	291,667	578	291,667	578
Admissions	93,945	118,646	(24,701)	110,168	(16,223)
Theatre/Planetarium	6,725	5,445	1,280	12,773	(6,048)
Programs	2,666	6,337	(3,671)	10,121	(7,455)
Restaurant and Facility Rental	17,518	17,700	(182)	18,614	(1,095)
Retail	40,480	41,700	(1,220)	41,130	(650)
Other income	23,471	33,831	(10,360)	29,771	(6,300)
Net Assets released from restrictions	121,043	32,348	88,695	194,271	(73,228)
Total Operating Revenue	911,122	1,043,933	(132,811)	1,092,763	(181,641)
Operating Expenses:					
Cost of Goods Sold	17,494	17,810	(316)	17,055	439
Supplies	81,424	111,020	(29,596)	94,974	(13,550)
Salaries and Wages	590,001	605,465	(15,463)	575,420	14,582
Benefits	105,132	123,799	(18,667)	116,137	(11,006)
Travel	250	18,587	(18,337)	(129)	380
Insurance	6,161	6,050	112	5,890	271
Marketing/Public Relations	84,474	48,628	35,846	33,507	50,967
Member/Donor Development	2,091	8,770	(6,679)	1,938	153
Subscriptions/Memberships	4,624	9,961	(5,337)	4,894	(270)
Maintenance	72,511	47,452	25,059	27,551	44,959
Utilities	88,617	88,732	(115)	83,497	5,119
Professional Fees	41,280	50,029	(8,750)	26,874	14,406
Interest Expense	1,045	1,451	(406)	1,428	(383)
Miscellaneous	10,715	11,168	(453)	7,793	2,923
Total Operating Expenses	1,105,821	1,148,922	(43,101)	996,829	108,992
Inc/(dec) from Net Assets in Operating Activities	(194,699)	(104,989)	(89,710)	95,934	(290,633)
Non-Operating Items:					
Investment Earnings (Loss)	154,399	12,000	142,399	(169,437)	323,835
Pension & Post Retirement Expenses	(30,000)	(30,000)	0	(30,000)	0
Depreciation & Amortization	(129,162)	(127,331)	(1,831)	(67,431)	(61,730)
Total Non-Operating Items	(4,763)	(145,331)	140,568	(266,868)	262,105
Inc/(dec) in Net Assets Without Donor Restrictions	(199,461)	(250,320)	50,858	(170,934)	(28,528)
Changes in With Donor Restricted Net Assets:					
Contributions	88,413	0	88,413	3,932	84,481
Investment Earnings	121,583	0	121,583	(198,800)	320,383
Net Assets released from restrictions for operations	(121,043)	(32,348)	(88,695)	(194,271)	73,228
Inc/(dec) in With Donor Restricted Net Assets	88,954	(32,348)	121,302	(389,139)	478,093
Inc/(dec) in Net Assets	(110,508)	(282,668)	172,160	(560,073)	449,565
Total Net Assets at Beginning of Period	30,889,980	10,425,892	0	25,996,445	4,893,535
Total Net Assets at End of Period	30,779,472	10,143,224	172,160	25,436,372	5,343,100

MPM Consolidated Statement of Financial Position as of 9/30/24

	<u>9/30/24</u>	<u>9/30/23</u>	<u>Change</u>
Assets:			
Cash and cash equivalents	4,016,829	6,000,911	(1,984,082)
Investments	4,250,529	1,459,012	2,791,517
Accounts Receivable	73,303	84,753	(11,450)
Contributions Receivable -Current	1,585,719	1,350,738	234,981
Inventories, net	73,388	73,256	132
Prepaid Expenses	77,891	91,042	(13,151)
Total Current Assets	<u>10,077,659</u>	<u>9,059,712</u>	<u>1,017,947</u>
Other Assets:			
Cash and investments held for endowment	14,816,756	9,809,807	5,006,949
Contributions Receivable - Long Term	5,141,181	4,542,270	598,911
Total Other Assets	<u>19,957,937</u>	<u>14,352,077</u>	<u>5,605,860</u>
Property & Equipment:			
CIP	0	59,226	(59,226)
Building Additions	19,875,741	19,875,741	0
Furniture, equipment and other improvements	13,177,078	13,059,378	117,699
Right to Use Asset	65,637	65,637	0
Gross Property & Equipment	<u>33,118,455</u>	<u>33,059,982</u>	<u>58,473</u>
Less-Accumulated depreciation & amortization	(27,107,833)	(25,591,560)	(1,516,273)
Net Property & Equipment	<u>6,010,622</u>	<u>7,468,421</u>	<u>(1,457,799)</u>
Total Assets	<u><u>36,046,218</u></u>	<u><u>30,880,210</u></u>	<u><u>5,166,008</u></u>
Liabilities and Net Assets:			
Accounts Payable	335,370	339,571	(4,202)
Accrued Payroll & Benefits	671,136	638,927	32,209
Deferred Revenue	1,791,203	1,091,223	699,980
Lease Payable - Current	13,056	12,506	550
Current Portion of Post Retirement Benefits	235,626	168,132	67,494
Total Current Liabilities	<u>3,046,390</u>	<u>2,250,359</u>	<u>796,031</u>
Accrued Postretirement Benefits	2,192,347	3,152,370	(960,023)
Due to Other Funds/Entities	0	0	0
Lease Payable	28,008	41,109	(13,101)
Total Liabilities	<u>5,266,745</u>	<u>5,443,838</u>	<u>(177,093)</u>
Net Assets:			
Without Donor Restrictions	15,515,372	13,007,783	2,507,588
With Donor Restrictions	15,264,102	12,428,589	2,835,513
Total Net Assets	<u>30,779,473</u>	<u>25,436,372</u>	<u>5,343,101</u>
Total Liabilities and Net Assets	<u><u>36,046,218</u></u>	<u><u>30,880,210</u></u>	<u><u>5,166,009</u></u>