

Business Plan
Working Draft
(February 2007)

Introduction

The Besser Museum for Northeast Michigan is one of Northeast Michigan's most significant cultural assets. As a learning center it provides critical support to the regions school districts. As an entertainment attraction it plays an important role in the ability of the region to attract tourist dollars. As a preservation center for the regions' cultural identity, it is appreciated and supported by the public.

The Trustees and Executive Director recognize the unique fiscal and organizational challenges of operating a modern, professional 42,000 plus square foot facility on a eight plus acre campus in rural Northern Michigan. The goal of this Business Plan is to recognize and build upon current strengths and to identify areas for immediate and long-term potential growth.

It is the intent of the Business Plan to project activity over the next three years. The best financial information available over the past four fiscal cycles inform future projections with an eye always to the challenging conditions of the national and local economic exigencies.

Mission Statement

The Besser Museum for Northeast Michigan is an educational institution dedicated to serving the public of all ages and abilities in art, history and science. Through research, it collects, preserves and interprets artifacts, specimens and information concerning fifteen counties in Northeast Michigan. Through programs and exhibits, it promotes understanding and appreciation of the past and present. Accredited by the American Association of Museums.

Background

Established by leading Alpena business and educational leaders in 1962, the Besser Museum has held close to the original vision of it's founding generation, to be a cultural living and learning center for the region. Our exhibits focus equally on the three core mission areas, art-history-science. Our public programming appeals to students and visitors alike.

The day to day operations of the Besser Museum are managed by the Museum's Executive Director, who answers directly to the Board of Trustees through the Board President. The professional full-time staff is composed of a Development Director and Facilities/Exhibits Director. The full-time support staff includes an administrative assistant, secretary/receptionist, and a facilities assistant. A professional part-time curator, planetarium operator and weekend receptionist complete the staff.

Community Profile

The stated mission applies to 15 counties in Northeast Michigan, however, traditional income generation has focused on Alpena, Alcona, Montmorency, and Presque Isle counties' citizens and businesses. The generation of income through school utilization does successfully draw from the entire service area. The income generated from tourism dollars has remained steady in the summer months (\$4,000-\$5,000/year).

The population in the 15 county region, by the latest census data, is 290,431, with 43,758 being school age children. The senior population is the single largest component in most of the 15 counties. Our traditional 4 county target area has a population of 67,759 (23%) with a school age population of 8,917 (20%). The percent of households classified at poverty level ranges from 11.7% to 20.8% of any given county (average 17.5%). In the 4 county area that range is 14.2% to 20.3% (average 17.2%).

The bulk of the 4 county and 15 county area workforce is engaged in blue collar industrial/light industrial goods and service occupations. Median household income for the four county area is \$31,500 as compared to the Michigan median income of \$44,315 or a Rural U.S. median income of \$42,409.

The impact of tourism dollars on the immediate 4 county area continues to be a strategic opportunity pursued by local governments, chambers, and the Thunder Bay National Marine Sanctuary (essential to their success). The Museum's challenge continues to be inserting our identity as an attraction in the marketing strategies of each of these groups, as well as, pursuing our own avenues.

Traditional Funding Sources

The Besser Museum's income resembles any non-profit museum today with a mix of Contributions/Fundraising/Earned income areas. Currently the Capital Campaign is augmenting this mix in consideration that Campaign fundraising impacts Operational fundraising adversely. The Besser Foundation is our single largest yearly donor. The current fiscal year pie equals 65% Contributions, 18% Earned Income, 8% Fundraising, 9% Campaign augmentation.

A critical factor for the future is changing our tax status to allow the museum to receive funding from large Foundations, i.e. Kresge, Dow, etc. That goal should be reached with the assistance of the Bodman Law Firm. A healthier income pie should reflect greater diversification in the Donations section, but continue to represent an approximate 60% contributions, 20% earned income, 20% fundraising.

There is always room to do better in these three basic categories in any given year. The goal is to increase the base amount, the income that the 60%/20%/20% represents. Critical staffing and collection needs can only be met if the goal is accomplished.

Goals and Action Plans

The following goals with the basic action plans represent activity over the short term – three years or FY 2008/09, FY 2009/10 and FY 2010/11. Re-accreditation begins in 2012, what is listed here needs to be accomplished if that status is to be maintained.

I. Capital Campaign

1. Finish Fundraising portion of Capital Campaign (Dec. 2009)
 - important public milestone
 - Changes requested are a critical component of financial stability, building improvement and collections care.
 - Un-finished it's presence threatens Operational funding Goals
2. Resolve Museum Tax Status Issue (June 2008)
 - Grants critical for Campaign and Operational funding
 - Lobby Federal Government representatives (now)
 - Federal appropriations have a chance this cycle and represent up to 1/3 of Campaign goal

II. General Operations

Income Generation Audience Growth Volunteer Growth Loyal Constituency

1. General Operations Budget Plan to increase FY 2008/09 to \$500,000
 - Add critical staff
 - Collections Manager (\$33,000 FTE)
 - Education Coordinator (\$12,000 PTE)
 - Solicit major donations/Planned Giving donors to augment Endowment Funds to generate 5% (optimistic) of General Operation Income (\$25,000)
 - Membership Drive focused on families
 - Current 350 members average \$10,500/year – increase by 25% (438) to \$13,140/year
 - Generate additional Earned Income (FY 07/08 projected \$12,000)
 - Support increased family memberships by devising perks attractive to category
 - Pursue a Corporate Sponsorship Program (local/regional)
 - Establish lines of communication similar to College and Hospital
 - Underwrite exhibit and programming
 - Increase visibility
2. Focus on Exhibit Assets (on-going)
 - Pursue a blockbuster family friendly educational exhibit over the winter period yearly (\$5,000-\$15,000)
 - Market Planetarium to Public
 - Currently require 10 admissions to break even at a public show. Average 20 admissions, \$3,360 profit per year. Increase to capacity of 50, generate \$12,600/year.

- Market Museum Educational Benefits to Schools
Currently attracting approx. 60 classes per year (1/2 of those in the 6 week period April to June), generating \$5,000-\$6,000 per year. Historically that number was approx. 120, or \$15,000-\$16,000 per year.
 - Renovate standard exhibits
Focus on Educational requirements
Engage locals and visitors
 - Market Northern Michigan strength of Great Outdoors
Focus on Natural History Exhibits
3. Increase Public Programming
- Family Friendly activities (every Sat. theme)
 - Educational workshops and classes
Art Classes currently generate \$2,000 per year
Broaden topics to other disciplines
 - Establish an Academic series (3 disciplines)
Guest lectures, films, events i.e. Bob Ballard, Nature film series, Mars Landing.
 - Build a Volunteer base around festivals
Fall Harvest and Log Cabin
Public Celebrations – Riverfest, 4th of July, etc.
4. Marketing Campaign – The Museum Experience
- Develop a brand identity (compete with NOAA for visibility)
 - Attract new audiences – focus on rural population
 - Maintain visibility in regional venues

Conclusion

The Besser Museum is a unique institution. The generosity of the founding generation established a museum in Alpena, but one far larger than the rural local community could support. The museum's governing body, staff and volunteers have struggled to keep it viable and vibrant over the past 40 years.

Perserverance and time have been their own rewards. Those who came before fought to keep the museum the best that a cultural institution can be. The time has arrived that our community and the region can support the museum if trustees and staff can match that commitment with careful planning and oversight along with outside philanthropic dollars.

The critical components leading to the American Association of Museums granting the Besser Museum Re-accreditation are outlined in this plan – we must complete the fundraising phase of the Campaign so that Trustee and Staff attention can turn to the Operational needs of funding two critical staff positions while we all focus on exhibit and public programming that will draw the needed audience to help sustain our income and from which a vibrant volunteer base will grow.