

Meeting of the Board of Directors Tuesday, June 14, 2022

Members in Attendance

Mr. Carlos Alfonso, Chair; Mr. Preston Farrior, Vice-Chair; Mrs. Kathy Barco, Treasurer; Mr. Richard A. Corbett, Chair Emeritus; Mr. Steve Crisafulli; Mr. Tucker Fredrickson; Mr. Joshua Kellam; Mr. Seth D. McKeel, Jr.; Mr. Robert Spottswood, Jr.; Mr. Steve Swindal; Mrs. Daphne Wood; Mr. Paul Avery; Mr. Jerry Pate; Mr. Kent Shoemaker; Mr. Ignacio Borbolla; Mr. John Pope; Mr. Adam Putnam; Mrs. Donna "Boo" Rawson.

Members not in Attendance

Mrs. Connie Parker, Secretary; Mrs. Laura Russell, 2nd Vice-Chair; Mr. Eric Sutton, FWC Executive Director.

Guests & Advisors in Attendance

Mr. John Lacy, Investment Manager, The Lacy Group/Merrill Lynch/Bank of America; Ms. Tindl Rainey, FWC Chief Communications Officer; Ms. Sharon Tatem, FWC Volunteer Program Manager.

Staff in Attendance

Ms. Michelle Ashton, Mr. Will Bradford, Ms. Danielle Cummings, Ms. Anita Forester, Ms. Rachael Schirmer, Ms. Erin Smart, Ms. Lauren Srodka and Mr. Andrew Walker.

I. Call to Order and Opening Remarks - Mr. Carlos Alfonso, Chair

Chairman Alfonso called the meeting to order at 2:00 pm Eastern Standard with a roll call establishing quorum. He welcomed everyone and thanked them for their time. Introductions were made for Kent Shoemaker. Carlos spoke about recruiting younger people for a new young professional board.

II. Consent Agenda - Mr. Carlos Alfonso, Chair

March Minutes: Motion made by Mrs. Woods to approve minutes as presented; seconded by Mr. Kellam and Chair Emeritus Corbett. Unanimously approved.

III. FWC Director's Remarks - Given by Ms. Tindl Rainey, FWC Chief Communications Officer & Foundation Liaison

Ms. Rainey reported FWC lost two team members, one to cancer and another in a traffic accident while on duty. The latter, Senior Investigator Patterson, had been honored by the Foundation in 2018 by breaking up an illegal sea turtle egg smuggling ring. FWC would welcome thoughts and prayers for the families. Chairman Alfonso offered his condolences. Mr. Kellam asked if there was a fund available to assist the family of the fallen officer. The Foundation will work with Ms. Rainey, Jennifer Fitzwater, and Col. Young to determine a grant/scholarship policy for survivors and report back to the Board on how they can help further.



Ms. Rainey recapped the May commission meeting, the first for newly appointed Commissioner Albert Maury of Coral Gables, President & CEO of the Leon Medical Centers. She thanked the Foundation for honoring John Hunt and Kate Hubbard with the Louise Ireland Humphrey and Rodney Barreto awards, respectively. She said Mr. Walker's update to the Commission was well received and a letter of appreciation was being sent to the Foundation from Commission Chair Rodney Barreto. She then briefed the Board on the FWC-Bass Pro Shops' 10th Annual Trophy Catch competition.

In February, FWC released ten pink-tagged bass in different lakes in Florida. Ms. Rainey reported the first has been caught by Florida angler Dale Dew, who will receive a \$5,000 gift card to Bass Pro Shops and Cabela's and \$1,000 to shop at AFTCO. This catch also means he has a chance to win an additional \$10,000, which will be awarded at a ceremony this fall.

Other news that Ms. Rainey reported: Mosaic is providing access to a number of its lakes as the first leg of the Florida Fishing Trail; ribbon cutting will be in early 2023. FWC is midway through public hearings on proposals for improved management of redfish, which would include dividing the state into nine redfish management zones. Final recommendations will be presented to the Commissioners at their July meeting in Jacksonville.

IV. FWC Volunteer Program - Ms. Sharon Tatum, FWC Volunteer Program Manager

In response to a recent query on volunteer opportunities from Chair Alfonso, the Foundation at Ms. Rainey's suggestion invited Ms. Tatem to present an overview of FWC's statewide volunteer program. The program is lodged with the agency's Habitat and Species Conservation Division, but reflects FWC's full array of programs, from aquatic habitat conservation and restoration to youth hunting. She gave examples of volunteers' contributions as either Regular Service or Occasional Service Volunteers, the latter generally engaged in one-day cleanups, etc. at Wildlife Management Areas. She said between 2010 and 2020, some 46,000 volunteers had contributed one million hours of service. Over that time, there was an 86 percent increase in the number of FWC staff who work with volunteers and a 49 percent increase in volunteer numbers. In response to a question from Chair Alfonso, Ms. Tatem said most volunteers are students or retirees. In response to Mr. Shoemaker's question, she said potential volunteers learn more and sign up at www.myFWC/get-involved.com.

Mr. Corbett noted the importance and challenge of getting young people out in nature and asked what the volunteer program needs to be even more effective. Ms. Tatem said priorities include new volunteer management software that will allow them to capture demographics and more training of FWC staff on how to work with and maximize the value of volunteer support. In response to a Board member's question about the annual growth of volunteers in the last several years, she said the volunteer pool has grown steadily by 2,000 to 3,000 people annually; she'd like to double the pace of growth to 5,000 – 6,000/year. New volunteer event management

V. Foundation President's Remarks - Mr. Andrew Walker, CEO

In introducing Mr. Walker, Chair Alfonso mentioned he and Commissioner Barreto had chaired a panel discussion at the May meeting of the Florida Council of 100 on the importance of land and water conservation to Florida's economy. Mr. Walker, Mr. Sutton, and Eric Eikenberg of the Everglades Foundation served on the panel, and several Foundation Board members were in the audience. The Council voted to establish a task force on water quality later in the meeting.

Mr. Walker began by thanking the staff for its outstanding work on the manatee, from Ms. Cummings and Ms. Srodka's fundraising and Ms. Ashton and Ms. Schirmer's highly effective communications to Mrs. Smart and Mr. Bradford's keeping up with the hundreds of donations received from 49 states and 12 countries.

The \$8 million Principal Gift from Garner & Connie Koons: Mr. Walker said discussions with the Koons on the use of their transformational gift were ongoing; the draft gift agreement for the first \$5.8 million of the gift reflected our current understanding.

Panther Habitat Payment Plan: Mr. Walker and Ms. Jennifer Goff, FWC Deputy Director for Habitat and Species Conservation, have taken the lead on writing a \$2.1 million proposal to the National Fish and Wildlife Foundation to create a payment-for-ecosystem-services program to compensate ranchers for restoring or maintaining high-quality native habitat in South Florida. Federal programs compensating ranchers for livestock depredation from panthers have several significant deficiencies that FWC's proposed panther-habitat program is designed to overcome. The Foundation has ~\$500,000, including \$400,000 from Connie Koons, that can be used to match a NFWF grant. The proposal will also include funds for tracking panthers north of the Caloosahatchee River to better understand their movements and identify dangerous road crossings (two female panthers, one pregnant, have been killed by cars north of the river this Spring). The principal goal of the program is establishment of a second viable population of panthers north of the river – three viable populations are required for the panther to be considered “recovered.”

Chair Emeritus Corbett asked if the plan is being vetted with ranchers. Part of FWC's approach is based on University of Florida interviews and discussions with 42 ranchers, as well as FWC's own conversations with several. Once the proposal is complete, Ms. Goff intends to talk to the Florida Cattleman's Association, among others. Mr. Kellam suggested adding Ernie Barnett and the FL Land Council to the list, and Mrs. Woods suggested Mr. Walker speak to Bill Palmer at Tall Timbers about Orrin Ingram and the Escape Ranch. Mr. Walker promised to follow up with each. He and Michelle Ashton will also be talking with Carlton Ward about his own ranching contacts. Mrs. Woods asked whether there would be enough money available to pay ranchers for a full five years; Mr. Walker said we would probably not launch without a high degree of confidence about having at least \$200,000/year in hand for the five years.

Land acquisition: Mr. Walker reported the Foundation has closed on the small Crump tract at the Babcock-Webb Wildlife Management Area near Punta Gorda. Significant titles and other issues have been cleared up. We'll reach out again to the adjoining Zemel family. The property will be transferred to the Florida Department of Environmental Protection for management by FWC. We have also been approached by FWC regarding the Drode tract, a 321-acre property adjacent to FWC's Platt Branch Wildlife and Environmental Area. The owner in France has stopped paying taxes, and we may be able to acquire it at auction. It's a top Florida Forever priority and we would seek reimbursement from the State for acquiring it.

FYCCN Architectural Design Competition: The three participating firms in our competition to design the next generation of camps and camp buildings is coming to an end, with presentations happening next week, Mr. Walker said.

FWC Headquarters Project: The continuing hope is to locate the new FWC headquarters on a 40-acre gift of land, from whom the state will be acquiring a conservation easement of some 4,000 acres. Site preparation costs may be high, however, and we believe there are no present plans by the county to widen the roads. Mr. Corbett asked if the state will be paying for building, noting the Governor's support of conservation and the agency's good relationship with the legislature. Mrs. Woods asked if the headquarters were on the Phipps property, would workers have to pay a toll every day? Mr. Walker said it will depend on where the 40 acres is finally located; there has been preliminary talk about issuing toll passes or moving the collection structure. He noted the firm we've retained to work with FWC, Zubatkin Owner Representation, is also looking at alternative building sites closer to Tallahassee.

Proposed FY23 Principal Goals: Mr. Walker asked the Board to approve the preliminary FY 2023 goals, stating that the biggest difference is the large jump in funds raised this year to be spent over the next few years. Chair Alfonso asked for a motion to approve; Mr. Kellam motioned to approve, Chair Emeritus Corbett and Mr. Borbolla seconded. Passed unanimously. The goals will be finalized over the summer as FY22 performance reviews are completed and individual FY23 goals are set.

Mr. Walker ended by thanking the Board and staff for a great year. Mr. Shoemaker asked if we have a tracking system for tracking longer-term progress; Mr. Walker promised to send him the final report of our five-year strategic business plan.

VI. Fundraising - Ms. Danielle Cummings, Director of Institutional Giving

Seagrass Restoration: Ms. Cummings reported we've received \$1,866,800 for eel- and seagrass restoration to date, with another \$50,000 incoming. Virtually all is for the Indian River Lagoon. Most of the donors are new to us, including Boston Celtics co-owner Rob Hale and his family, who made a \$1 million gift via their Fox Rock Foundation. Ms. Cummings reviewed the nine IRL restoration sites we are currently funding (NW Loxahatchee, North Fork St. Lucie River, Sebastian River, Goat Creek, Turkey Creek, Taylor Creek, Crane

Creek, SW Loxahatchee Titusville Causeway, and Preacher's Hole). The Foundation is working with FWC, the St. Johns River Water Management District, Sea and Shoreline, Inc. and others to identify additional promising sites along the Atlantic.

Mr. Walker said the Foundation is also exploring the feasibility of selling carbon credits as a way to fund large-scale seagrass restoration in the IRL and elsewhere. Mr. Lacey asked if and how we are evaluating seagrass survival; in response Ms. Cummings said virtually all sites are fenced to prevent premature grazing by manatees, and vendors check each site monthly. The vendors also guarantee their work and will replant if needed.

Recent Gifts & Outstanding Proposals: From March 9, 2022 to June 1, 2022 the Foundation received gifts totaling \$9,679,000, led by the Koons gift. The Foundation has applied for 29 foundation and corporate grants in FY22.

A Night for Nature 2023: Ms. Cummings reminded the Board that *Night for Nature* is fast approaching on March 31 of next year at the Pelican Club in Jupiter. The volunteer committee includes Chuck Collins, Tucker Frederickson, Josh Kellam, John Lacy and Laura Russell. Others are welcome to join. Ms. Cummings asked the Board to review the list of potential NfN sponsors in the Board book and to identify the prospects for which they'd like to solicit a sponsorship. Mr. Kellam thanked his Board colleagues and staff for the job they did in 2021, and encouraged board members to get involved again, along with their companies. He noted that he and Mr. Shoemaker will be focusing on agribusinesses this year, which ties in to our heightened involvement with water quality. Chair Alfonso echoed Mr. Kellam's remarks and suggested Board members start their outreach soon. Mr. Kellam also let the Board know we would be honoring, among others, country musician Chris Jansen, a native Floridian who is involved in conservation. Mr. Johnny Morris will present the award to Chris.

VII. Finance and Audit - Ms. Kathy Barco & Mr. Will Bradford, COO

FY21 3rd Quarter Report & Year-End Projections: Mr. Bradford reported on the first nine months of the fiscal year. Total funds under management have grown nine percent to \$51 million, with a net year-to-date surplus of \$4 million. This is 29% above budget. Through June 13, we raised \$10.7 million in charitable gifts and posted an operating surplus of \$99,000 through March 31st. Our administrative fee revenue increased 19% year over year.

All that said, the sharp drop in the investment markets, with our losses above \$500,000 for the fourth quarter suggests we will finish FY22 with about a \$300,000 operating deficit, our first deficit in nine years, Mr. Bradford said. He assured the Board we have reserves to weather this, thanks in part to the \$1.33 million operating surplus in FY21. With interest rates rising, Mr. Bradford and Mr. Lacy are looking at rolling CD's and possibly other ways to remove some volatility in operating funds. Chairman Alfonso suggested we also



look in the future at additional alternative investments and expressed interest in the Foundation's research on the carbon market.

Investment Report: Mr. Lacy gave the investment report. The Lacy Group moved earlier this spring to cut our investment in the tech sector in half while increasing the Foundation's energy sector holdings and raising our materials sector investment. These actions have buffered our losses, as our overall portfolio continues to outperform all major indices.

Proposed FY23 Budget: Mr. Bradford presented the FY23 proposed budget. He explained the program portion of the budget will be substantially larger than last year's due to the \$10 million in principal gifts received this year and the \$4 million for manatee signage from the U. S. Fish and Wildlife Service. Mr. Bradford offered to answer questions. Mr. Kellam motioned to approve the budget; Mr. McKeel seconded. Unanimously approved.

VIII. Communications Report - Ms. Michelle Ashton, Director of Communications

In introducing her, Chair Alfonso thanked Ms. Ashton for her hard work and success to date.

Communications April to June Report: Ms. Ashton reported media placements were a large part of the manatee supplemental feeding trial fundraising success, the Hales and others having donated after reading about the crisis. National media attention on manatees has slowed, but continues. She is working now on placing stories about the release of the 501st captive-bred Florida grasshopper sparrow. Online fundraising has remained strong despite the conclusion of the manatee feeding campaign. She also shared the following:

- Our social media audience continues to grow, thanks Ms. Schirmer's innovative storytelling and ad campaigns. Our audience across all four platforms totals 20,932, an increase of 25% over a year ago.
- Ms. Ashton said eblasts remain a vital tool with a 42% open rate and only 0.3% unsubscribe rate; 44,700 people currently receive them.
- Raffle results to date have been somewhat disappointing, but FWC has improved the raffle's placement on its license site and is planning two push notifications through their license app, and we continue to promote it on all of our owned channels and through advertising.
- Sales of the redesigned "Conserve Wildlife" bear plate are up 24% this year and thanked the Board members who helped in the redesign. By contrast, sales of our other three plates are up two to five percent.

A wide-ranging discussion of communications ensued. Mr. McKeel again thanked Ms. Ashton and Ms. Schirmer for their work.

IX. Grants - Ms. Anita Forester, Grant Programs Administrator

Recent Grant Reports: Ms. Forester drew the Board's attention to the grant final reports in the Board book. She said the reports have been excellent, and all of her meetings with grantees have proven worthwhile and reassuring that they're doing effective work. Ninety-six percent of our grantees are also reporting on time.

New Grant Requests: Two new requests for funds were presented to the Board:

- 1) *Investigating the origins and potential cross-species transmission of pathogenic reptilian ferla viruses between exotic and native wildlife* – \$30,130 for University of Florida
- 2) *The Ribbit Exhibit: Frogs and Toads of Florida* -- \$30,380 for Tampa Bay Watch Discovery Center.

A third request, *Cherry Lake Angler and Resource Usage Survey* from FWC was pulled for further agency review.

In response to a question from Mr. Farrior, Ms. Forester said the results would add to the body of knowledge about Florida reptiles. Mrs. Woods suggested documenting the threat of disease transmission might encourage the legislature to increase enforcement and fines for unlawfully releasing non-native, captive animals into the wild.

The Board then discussed the request from the Tampa Bay Watch Discovery Center for a frog and toad exhibit. Mr. Farrior said virtually all schoolchildren in the Tampa Bay area visit the Discovery Center at one time or another. Ms. Forester noted the higher retention of information that comes from hands-on learning with live animals and mentioned the Discovery Center's work with a number of camps. Chairman Alfonso called for a vote on accepting the grant reports and funding the newly proposed grants. Mr. Swindal moved to approve the first proposal (*Investigating the origins and potential cross-species transmission of pathogenic reptilian ferla viruses between exotic and native wildlife*) and request additional information on the second proposal (*The Ribbit Exhibit*), seconded by Mr. Borbolla. Motion approved unanimously. Mr. Farrior expressed his appreciation for Ms. Forester's work and her report on how the Foundation's money is being used. Mrs. Woods noted her appreciation for the lay summaries that Anita includes.

X. Open Session- New Business and Emerging Issues

- a. Chairman Alfonso spoke on the idea of creating a Foundation Youth Advisory Board as a way to get young people involved, and possibly another group involving retirees. He asked the Board for any comments. Mr. Walker said he, Mr. Bradford, and Ms. Cummings would look into the pros and cons of such an approach, staff capacity to manage another Board(s) being an important thing to consider.
- b. The dates for the calendar year 2023 board meetings were reviewed and approved. Locations for the in-person April and September meetings need to be decided. White Oak is happy to host us again; Mrs. Woods volunteered to host next year's September meeting. Mr. Walker and Ms. Srodka promised to follow up.
- c. The next meeting will be September 18 & 19 in Orlando at SeaWorld and will include a tour of the Florida Coral Rescue Center which SeaWorld and we manage.

XI. Closing Remarks- Carlos Alfonso, Chair

Chairman Alfonso thanked everyone for being here. There being no further business, the meeting adjourned at 4:11 pm.



Mr. Carlos Alfonso, Board Chair

Date

Ms. Connie Parker, Secretary

Date

Mr. Andrew Walker, CEO

Date