

CARTER OBSERVATORY
QUARTERLY MONITORING REPORT TO WCC
5 May 2006

Overview

The financial situation has been brought under control by further reducing staff levels (including ceasing the Chief Executive function for the time being), taking close control of expenditures and taking further initiatives to reduce these. Senior managers are working together well and the observatory continues to operate satisfactorily. Staff are making big efforts to improve the visitor experience at minimal cost.

As discussed below further, the Carter is now running at a cost level that can be sustained for a while without the Learning Outside the Classroom grant (LEOTC) funding i.e. with income from the MORST grant, from income from education and visitor admissions, and from the WCC grant providing we can negotiate a roll over into 06/07. While this is not easy nor sustainable (for example staff are doing the cleaning themselves, and there is no marketing spend whatsoever), the idea is that this gets us to the redevelopment project which is hopefully on track for September as the business case assumes or certainly before Xmas, at which time the Observatory will be closed for a short time.

In respect to the redevelopment project I am optimistic that we are close to agreeing a 'Business Case' for the redevelopment project with officials from MORST and the WCC. The next step is for the Business Case to be put by officials into both the formal MORST approval process which includes Treasury agreement and subsequently a cabinet paper, and into the WCC processes in support of the request for a continuation of the current operating grant of \$150,000.

The Business Case is a cautious business plan for the redevelopment of the Observatory with projections of 30,000 paying visitors in the first full year and on the back of ample marketing spend, and I am confident we can do this.

Financial

- Carter remains on track regarding cash flow, and expects to be in a cash positive state at year end (June 30). Cash reserves are currently approximately \$50k.
- Costs have been cut further through a wide range of small initiatives.
- Costs are settling around \$56k per month comprising \$33k approx staff time and the balance operating costs.
- Income per month comprises \$23k from the MORST grant, \$10k from LEOTC, about \$15k though this varies for admissions and up to \$10k from fees from children (\$5/head) plus distance learning – totaling some \$58k.
- After June the LEOTC goes. In effect it will be replaced by the hoped for continuation of the WCC grant of \$150k, i.e. effectively 12/month.

MORST/WCC/Strategic

- The business case in its final comments phase from MORST before it is formally submitted and goes to the senior MORST team and then to Treasury/and into a cabinet paper after the budget is confirmed.

- Meetings continue with MORST regarding the 06/07 contract (for \$271k).
- We are seeking another \$20k of MORST funds to allow Jasmox to carry the design to another stage to allow consent processes to start in earnest.
- I have recently met with Prof John Hearnshaw and Assoc Prof Peter Cottrell at Canterbury to discuss the Carter restructuring, who remain totally supportive of our plans.
- Positively Wellington is reviewing our Business Case and visitor projections (Michael Grace).
- The Royal Society are offering to hold and fund a big Astronomy Conference with us to mark the opening of the refurbished Carter – they are also supportive of the restructuring and letters are on their way.
- We have a June roll over for Crown appointed directors to deal with soon.

Operations

- Some effort has been given to researching and designing a possible ‘Friends of the Carter’ programme. Current views are that membership would be \$50/adult with concessions for families etc. The scheme would be launched as the Trust was launched, and is included in the Business Case.
- Prof Tony Fairall from the Uni of Cape Town will be doing the Carter lectures mid year at dates to be advised. Brian continues to do DL assessments which have been pretty full on this month.
- Proposals are being worked up to seek substantial funding for the education programme post June.
- In respect to school classes we have increased our per head fee to \$5 (was \$4), now matching Stardome.
- Employment contracts with all part timers are way out of date and are being reviewed by Tamsyn and RB.

Visitor Experience, Marketing and Projects

- There is a huge staff effort going into getting a regular stream of chargeable ‘events’ plus new exhibits and displays.
- By the end of this month we expect new displays on Polynesian astronomy/navigation and other historical aspects including Cooks visits.
- Next event is the Jupiter event around 20th May (over two nights as the Saturn event). This will be followed by Matariki on 27 June.
- Our IT expert has devised a way of warping presentations for planetarium shows which may be the easiest and certainly the cheapest way to get some new shows into the (ageing) planetarium.
- The solar eclipse was shown live at the Carter (entry \$20) using NASA feed with our own expert commentary. The real significance of the occasion was the successful NASA feed from our refurbished dish on the roof full wall giving coverage in three rooms which is clearly something we can now consider doing routinely - for example for rocket launches and landing events associated with spaceflights and shuttles etc.
- The contract with Roger Butland regarding his purchase and our use with him of the big CCD camera on the Ruth Crisp telescope (for amateur research programmes) is in final form.

Richard Bentley
Chairman of the Carter Board and Acting CEO
5 May 2006