

Friends of the Museums of Florida History, Inc.

MEETING MINUTES

10:00 a.m., Monday, October 3, 2022

Room 307, R.A. Gray Building

Participants

Directors: Ms. Laura Rogers, Chair; Mr. Lester Abberger; Mr. John Boudet; Mr. Andrew Collins; Ms. Kathy Guilday; Ms. Lena Juarez; Mr. Stephen Birtman; Mr. Bill Herrle; Mr. Jon Moyle

Staff: Ms. Lisa Barton; Ms. Alissa Lotane; Ms. Kaitlin Silcox; Ms. Superie Palmer

Guests: Mr. Scott Hilton, Wells Fargo Advisors

I. Call to Order

Ms. Rogers, Chair, called the meeting to order at 10:01 a.m.

II. Introduction of Board, Staff, and Guests

Ms. Rogers welcomed all board members, staff members, and guests attending the meeting. Ms. Rogers asked everyone at the meeting in person to introduce themselves to be followed by those on the conference call.

III. Adoption of Agenda

Ms. Rogers requested a motion to adopt the agenda.

MOTION TO PROCEED WITH AGENDA: Mr. Abberger

SECOND: Mr. Birtman

MOTION PASSED WITH NO OBJECTION

IV. Chair's Comments

Ms. Rogers stated that she appreciated staff providing the board meeting documents to the board members in a timely manner. She added that she wished to hold any other comments until later in the meeting.

V. Consent Items

Ms. Rogers inquired if there were questions about any of the consent items. With no questions or comments, Ms. Rogers requested a motion to pass all the consent items on the agenda at once.

Note: Consent items up for vote were provided to the Board in advance via email.

A. Meeting Minutes from June 6, 2022, quarterly board meeting

B. Financial Report through August 2022

MOTION TO APPROVE THE CONSENT ITEMS: Mr. Abberger

SECOND: Mr. Moyle

MOTION PASSED WITH NO OBJECTION

VI. Business Items

A. Financials

1. Endowments Progress Report

Ms. Rogers introduced Mr. Hilton to discuss the endowments. Mr. Hilton started with a recap of the economic outlook and looked back at the first half of 2022. Mr. Hilton stated that people started to take note of inflation during the 4th quarter of 2021. Mr. Hilton added that the Federal Reserve discussed raising interest rates up to five or six times in 2022 and this caused some uncertainty around the market. The invasion of Ukraine by Russia caused energy prices to spike, costing about \$130.00 a barrel at its height. Then energy prices went down to about \$83.00 a barrel, which, Mr. Hilton

noted was positive. He mentioned that the Federal Reserve took a very aggressive stance on inflation, which at the time ran about 8.3%, and that the Federal Reserve would like to see it at about 3/3.5% over the following year. Mr. Hilton stated that inflation has had a dampening effect on the economy. Analysts have predicted an episodic recession rather than the recession we saw in 2020, and they believe this recession will slowly roll through the economy. Mr. Hilton noted that the housing market has been largely affected with rising interest rate costs and supply chain issues. GDP in 2022 ended at +1.8%; in 2023 they predicted it will decline just under 1%. Mr. Hilton predicted that the recession would last longer than people may expect.

Mr. Hilton then discussed each individual endowment. The Charles Knott Endowment ended the second quarter down 15.98%. At the end of August, it was down 14.1%. That account is invested heavily in bonds, which has had tempered returns so far this year. The James Knott Endowment was down 18.8% at the end of the second quarter, and at the end of August it was down to 16.4%. The account was down primarily due to volatility in the stock market, which is where most of the funds are invested. The Cultural Endowment was down 1.2%, and at the end of August it was down 1.05%. It has good cash cushion and has taken advantage of higher interest rates. Mr. Hilton mentioned that interest rates are expected to go up in 2023, which should help the Cultural Endowment. Overall, Mr. Hilton stated that he thought the endowments were well positioned regardless of what happens and that he remains optimistic about the long-term prospects. Mr. Hilton said that he felt things would rebound by the end of the year with both stock and bond markets rebounding, although there could be volatility around the time of election.

Mr. Hilton opened the floor to questions. Mr. Collins asked Mr. Hilton's opinion about scarcity and market dislocations, wondering if the supply chain is improving or if the demand is low due to interest rates rising. Mr. Hilton stated that both demand and supply chain issues are the result of rising interest rates. Mr. Moyle asked about rebalancing at the end of the year, and if we rebalance automatically or if that is something that the board decides. What are the terms of the CD, and are the terms set? Mr. Hilton stated that we ladder the terms from 6 -24 months so there isn't a lot of discretion in terms of maturity. When a 6-month CD matures, we then buy a 24 month and try to get the best rate. Mr. Moyle asked about the episodic recession, mentioning two quarters of negative growth, and if we are meeting our benchmark despite the recession. Mr. Hilton replied, that going forward the issue is centered around the Federal Reserve over tightening and that it may prolong the recession. With no other questions, Ms. Rogers thanked Mr. Hilton for his presentation.

B. Staff Updates

Ms. Rogers called on the staff to provide any updates. Ms. Lotane spoke about the preparation for repairs to the plaza. She stated that the staff was doing a fantastic job of moving the artifacts from the gallery and storing them in other areas in the building for protection. The deadline to have objects removed was October 6th. Ms. Lotane mentioned that the department was waiting on the activation of the contract for the plaza. She said that initially there will be testing to determine the extent of the leaks; revisions will need to be made to the contract with DMS and funds will need to be released before that can happen. Ms. Lotane's understanding was that they would pull up the pavers in the front area so they can see the full membrane and they would flood the plaza to find out the location of the leaks. She explained that was the reason it was very important to cover the items below that area. Ms. Lotane stated that a prediction of how long the repairs would take could not be made, as it could be a quick fix or there could be the need for extensive construction and there would be no news until possibly January. The board members were very concerned with the construction being handled properly given the ongoing issue with the roof prior to this closure. Ms. Lotane expressed confidence in DMS and in the contractors to get the job done properly. Mr. Abberger inquired about plans to add landscaping to the plaza to increase visibility and visitation to the Museum. Although, there were no existing plans to "beautify" the plaza, board members generally agreed that it's something that should be considered upon the completion of repairs.

Ms. Rogers asked Ms. Barton if she could discuss staff updates. Ms. Barton stated that, while the Museum was temporarily closed, it still planned to be a "Museum on the Move", with the intention to continue the mission to share Florida history with the public by getting outside of the building and going where people are. She mentioned that Museum staff was still interested in continuing Second Saturdays and that the Museum was partnering with sister museums such as The Grove and Mission San Luis for "Museum on the Move" and Second Saturdays. Ms. Barton stated that in November, the Museum would be at the Leon County Public Library, the main branch, to present Second Saturday activities there, and that in the new year the Museum would also like to reintroduce History at High Noon lecture topics offsite. She explained that the Museum would be expanding community outreach to strengthen new and existing bonds. Ms. Barton elaborated on the social media component stating that there were plans to produce content about the collection, what happened behind the scenes, and to share our resources. Mr. Abberger commended Ms. Barton's efforts and suggested that she connect with the Florida Humanities Council. Ms. Lotane added that the education staff had been redeployed to other sites such as The Grove, History Shop, and Union Bank. Mr. Birtman mentioned that he would like for the Museum to utilize its artifact collection for market days and pop ups in different cities in Florida if possible.

Ms. Rogers called on Ms. Silcox to provide any updates about the History Shop. Ms. Silcox started by discussing how the History Shop was being affected by the Museums closure. Ms. Silcox stated that she had sent a lot of merchandise to the other stores. She explained that the new Capitol had some construction blocking the entrance to the shop and that it may affect sales, but Ms. Silcox hoped the construction would be done soon. Ms. Silcox discussed the new website hosted by Shopify. The new website would also assist with the online donation process.

VII. Other Business

A. Upcoming events

Ms. Rogers asked if there were any upcoming events worth highlighting that were not discussed. Staff indicated that all upcoming events had been covered.

B. Wrap Up—Summary of Meeting Accomplishments

Ms. Rogers stated that she wished to thank everyone for attending the meeting and encouraged everyone to come to upcoming events and programs. Mr. Birtman inquired about the café space and asked if there were any updates with how to use the space for productivity or revenue. Ms. Lotane stated that the Museum was currently using that space as storage for the time being. Ms. Guilday stated that she agreed with Mr. Abberger on many of the things he expressed during the meeting and was very impressed with action taken by the Museum during the period of closure. Ms. Guilday asked if this was the third closure of the Museum. Ms. Barton replied that, counting the closure during the pandemic, it was the third time. Ms. Rogers asked for the members to consider if they knew anyone who would like to serve on the board.

VIII. Public Comment

Ms. Rogers opened the floor for questions or comments. There were none. Since there were no questions and no members of the public on the call, Ms. Rogers suggested ending the meeting.

IX. Adjourn

Ms. Rogers asked for a motion to adjourn the meeting.

MOTION TO ADJOURN THE MEETING: Ms. Rogers

SECOND: Mr. Birtman

MOTION PASSED WITH NO OBJECTION

The meeting adjourned at 11:01 a.m.

Ms. Laura Rogers, Chair
Friends of the Museums of Florida History, Inc.

Date

Ms. Lisa Barton, Director
Museum of Florida History

Date

Ms. Alissa Lotane, Director
Division of Historical Resources

Date