

The Standing Committee on Administration & Finance

Conference Call

October 1, 2007

Minutes of the Meeting

The call was brought to order at 2:06 by the chair, Josephine Hicks, with thanks to the Archives Task Force and board members for their work.

Present were: Bonnie Anderson, Kurt Barnes, Jon Bruno, Vicky Garvey, Del Glover, Tom Gossen, Josephine Hicks, Dennis Stark and Ted Yumoto; from the Archives and Archives Board Mark Duffy, Newland Smith, and Larry Maze. Absent with notice: Gay Jennings, Bettye Jo Harris, Linda Watt,

Mark gave an overview of the work of the Task Force and the Archives board since the last Executive Council (EC) meeting. They had inherited the Strategy Committee's recommendations, the questions resulting from its work and the charge to consider back-up plans. The task group and the Executive Committee of the Archives board met in Austin and Philadelphia. They talked with two developers in Austin and with representatives from St. David's Church (Austin). Conversations are continuing specific to funding/cost implications so that there is a clearer picture to present to EC at the end of October. Christ Church Philadelphia approached Archives again as a possible site for the Archives. The idea was attractive as a back-up plan so a trip was made there. Mark has a meeting scheduled with Bishop Wimberly on October 5, which may provide an idea of the level of commitment that might be expected from the Diocese of Texas.

Bonnie said that she had met with Mark and Bishop Katharine about the research for Austin going forward and the need for a back-up plan being developed. Having financials to consider is key for EC and the urgency of moving plans forward needs to be well articulated for EC.

Mark allowed as how the task group is operating on time deadlines and has considered what could be done now if it was necessary to move into an interim situation. He believes it is necessary to look far down the road in order to avoid making decisions that are not in the best interests of the church because we are in a hurry. The Church doesn't have resources to waste on half-measures.

Dennis described the trip to Philadelphia and the exploration of the church there as a back-up plan while the primary focus is on Austin. A possible advantage in Philadelphia is the potential for the public aspect to the Archives in terms of exhibition space and tourism. Possible costs related to the Philadelphia space are only rough estimates at this point. Money will have to be expended to learn more about Philadelphia, and a feasibility study needs to be done to determine where we can best fund the Archives project.

Jon identified a possible concern with Philadelphia in that there may be a change in the rector that might also change the offer. He agreed that it is a good back-up plan, however. He was highly impressed with the Austin site and the willingness of the church there to work with us. A review was made concerning the cost of the feasibility studies and what elements would be included in those. A suggestion was made to limit the feasibility study to \$60K just to obtain the information we need to know; spending the added money would provide greater detail than necessary. (Of the \$60K estimated cost, Christ Church Philadelphia has offered to pay \$30K, which means the DFMS would need to contribute \$30K.)

Discussion that followed included the desires of the Archives for being in a totally new building or having storage elsewhere; being in a refitted structure. It was noted that Philadelphia will cost more for new construction per square foot.

Larry Maze raised the issue that another factor (for the Board) is the ownership of the property. It's not just a question of the space being new or redesigned. The Board has been sensitive to tenancy these past years and a priority is to look at ownership. What's being described is exactly right as the next step, in his opinion, and it may be premature to spend even \$30K-\$60K with the Austin project being as far along as it is (and the work being done is pro bono).

Bonnie agreed that it would be premature to invest any money at all in Philadelphia at this time.

Jon disengaged from the call at 2:39 PM.

Newland Smith added that another attraction of the Austin site is sustainability and the promise there of generating income.

Josephine reviewed the discussion, pointing out that whatever proposal is chosen will require significant expense, and asking what A&F and EC need to be doing with regard to financing either at the October or February meetings.

Del said the Archives Board isn't going to be able to raise the necessary money. An immediate source is to take from the endowment. He is working with the Mission Funding Initiative (MFI), which is coming to grips with the need for raising major funds. While the importance of fund-raising should not be ignored, it would be an attractive option for the MFI. We have invested some money for fund-raising, if we can find a way to embrace this project as part of it, there may be funds available to be more effectively put to use for this work.

Kurt suggested that Mark's conversation with Bishop Wimberly will be key to where we go from there if Texas will support the project. Comprehensive discussion followed concerning the need to move forward. Note was also made that Philadelphia would not be a fee-simple arrangement but a lease long-term at best (a 99 year lease at \$1 per year, renewable at the end of 99 years). Question arose about why we would consider spending so much money on a property we can't end up owning and Mark added that there needs to be an understanding that the Archives is not a museum but an informational and institutional support business. If we considered exhibit space there would be a hugely increased staffing need.

More questions arose regarding method(s) of payment. Funding will have to come from the endowment or be borrowed to meet cash flow needs and the fund drive will pay as much back to the endowment as it is able to raise. A&F will need to know what kind of impact this will have on the budget.

Del pointed out that we would be borrowing the money in any case, but from whom? If the endowment, it will be 5% of whatever is needed to do the work. Conversation covered suggested options for presenting the numbers to A&F/Council in October and about what amount of money will be needed and when and from what source? It is likely that funds will be needed quickly to secure the property in Austin if there is another offer on the property, which would threaten the project.

Josephine is concerned about the impact to the 2008 and 09 budgets as well as that of the next triennium.

Kurt, in Panama, left the call at 2:14 PM.

Mark raised the question of how the financial impact to the church might be diminished and repeated that sustainability is a big issue. He said that fund-raising is part of the budget for the archives and Bonnie supported that by adding that fund-raising *for* the archives needs to be a priority for mission funding group; this matter has been in process for some time and it would be a great kick-off for mission funding. EC should be asked to approve a resolution to that effect. Dennis will do a draft to that effect by the Friday prior to EC.

Josephine asked the task force to prepare a memo for A&F outlining the potential funds needed in 2007, 2008, 2009, and the impact on the DFMS budget for each of those years if the money is taken (borrowed) from the Endowment. A&F also needs a proposed resolution to consider in Dearborn. Josephine asks the task force to prepare a draft resolution. A&F also needs to know the potential Archives-related needs for the 2010-2012 budget, although that information is not needed for the October 2007 meeting.

For EC at Dearborn A&F will have the following items on the agenda: Archives, re-organization and budget impact; IARCA, meeting with IC twice during the time in Michigan; everything else on the to do list. In order to ease the agenda it would be helpful to have another conference call to deal with 1) IARCA (planning), 2) ERD revised by-laws, 3) Diocesan Commitments Task force report, 4) financial reports, and 5) other less time consuming matters.

Possible dates:

October 22nd at **1 PM**, October 17th at **2 PM**, October 15th at **2 PM**. Nancy will poll and report to Josephine.

Josephine thanked the task force and Archives board members for their hard work and patience with process and adjourned the call at 3:30 PM.

Respectfully submitted,

Nancy Caparulo
Staff Support to the Committee