

D17B0151

**Historic St. Mary's City
FY 2018 Budget Testimony
February 9 & 10, 2017**

Artifact Preservation: HSMCC currently does not employ a conservator due to previous budget restrictions. There is a backlog of artifacts that require conserving, and HSMCC does not possess the funds required to do so. **HSMCC should comment on plans for acquiring additional funding.**

The conservator position is related to the museum's core legislated mission of preservation and research. Conservation requires highly specialized skills to stabilize and preserve artifacts. It should not be supported by special funds. HSMCC identified a conservator as one its top priorities.

According to the International Council of Museums, museums have a particular responsibility "for the care, accessibility and interpretation of primary evidence collected and held in their collections because they preserve, interpret and promote the natural and cultural inheritance of humanity." HSMCC's collections represent approximately 10,000 years of human habitation at St. Mary's City, including the cultures of Native Americans, Africans, and Europeans.

HSMCC understands that it holds archaeological artifacts in trust for the benefit of society and takes this responsibility very seriously. The museum is genuinely concerned that the present backlog and that the lack of a conservator might jeopardize its accreditation through the American Alliance of Museums.

The absence of a conservator was noted in the museum's 2003 accreditation report and will be a point of investigation for its accreditation application due July 1, 2017. *"There is a substantial backlog of artifacts that need conservation attention that has existed since the 1997 conservation survey at least (p. 5) . . . The impact of this capital expansion can be seen in the inability of the research and collections staff to complete research reports and provide appropriate care of the archaeological materials excavated (p.7).*

If the museum were to have the expectation of a position, its application for reaccreditation would be greatly strengthened.

Conservation work can be deferred, like facility maintenance, but artifacts will continue to deteriorate if not treated. In past years, HSMCC has secured federal grant funds to hire contractual conservation services. These grant funds are becoming increasingly competitive. They also require matching funds. Because HSMCC does not have funds, it uses the salary of the Curator of Collections, sometimes up to 75% of his time to manage the contractor. Thus, the Curator is not able to accomplish his work.

The collection grows each year. Each capital project at the college or museum generates approximately one million artifacts that must be cleaned, catalogued and conserved. Metal artifacts are particularly vulnerable to moisture and rusting, for example. Below is an image of boxes of artifacts recently excavated before the construction of the Anne Arundel Hall as staff catalogues them before conservation assessment and eventual storage.



Contractual staff cataloguing 1 million+ artifacts from Anne Arundel Hall capital project site

Special Fund Revenue: Increasing the number of visitors will increase the commission’s special fund revenue. From fiscal 2015 to 2016, there was a decrease from \$619,674 to \$587,246 for a total of \$32,428. While the commission receives special funds from other sources, commission earned special funds is the largest source. The projection for the future special fund revenue shows a decrease in earned special funds in spite of the projected increase in visitors. HSMCC notes that it believes that the Special Fund revenue for 2016 stated in the Budget Books and Managing for Results (MFR) document is inaccurate. **HSMCC should comment on why there is this discrepancy.**

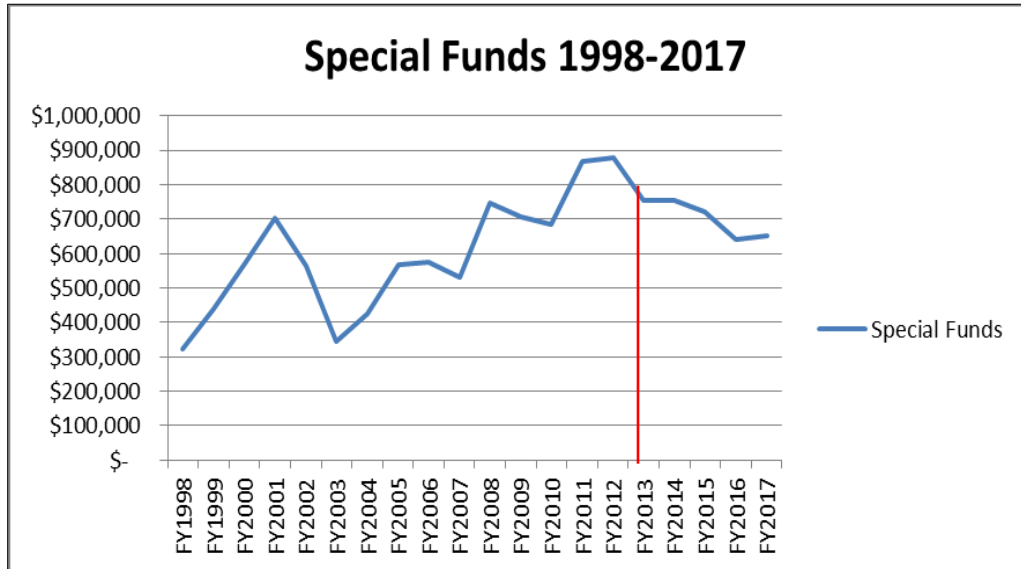
The difference between the revenue recorded in the Budget Book and the MFR does not reflect additional revenues over expenses. HSMCC has held \$60,000 in earned revenue from 2016 in reserve for emergencies, potential budget cuts, or necessary maintenance.

HSMCC should comment on whether it can increase special fund revenue in fiscal year 2018.

HSMCC has several projects that it expects will help generate revenue through rental fees.

1. The HSMC Foundation raised private funds to construct an open air wooden pavilion to provide a sheltered space for weddings and events.
2. HSMCC will also solicit bids for rental of its commercial kitchen to provide food service for visitors; visitors may sit under the pavilion and enjoy views to the State House and St. Mary’s River while they eat.
3. HSMCC is investing \$350,000 in grant funds to upgrade a 66 acre site known as Chancellor’s Point for water access and camping. Administration expects revenues to be generated through fees for camping, firewood, and environmentally low impact events.

HSMCC has generally increased its earned income by developing a variety of revenue streams, including museum admissions, site rental, property lease, and special events. Fluctuations in Special Fund revenues can be linked to increases in gas prices, budget cuts to schools, and a local economy that is heavily reliant on the economy of Patuxent River Naval Air Station and Department of Defense spending.

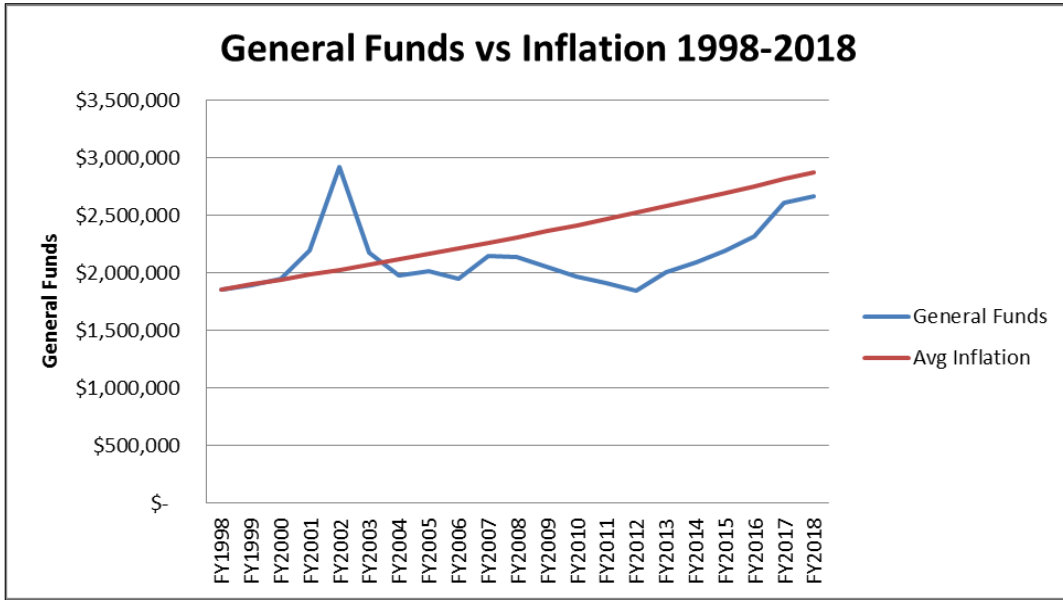


— Federal Sequestration Implemented

Recent revenue decrease has been due primarily to a decline in event and site rentals. There are several factors that lead to the reduced projection for this area of earned revenue:

- Lack of adequate marketing funds to effectively promote the site and programs
- Increased competition in Southern Maryland.
- Aging equipment and tent
- Deferred maintenance on site

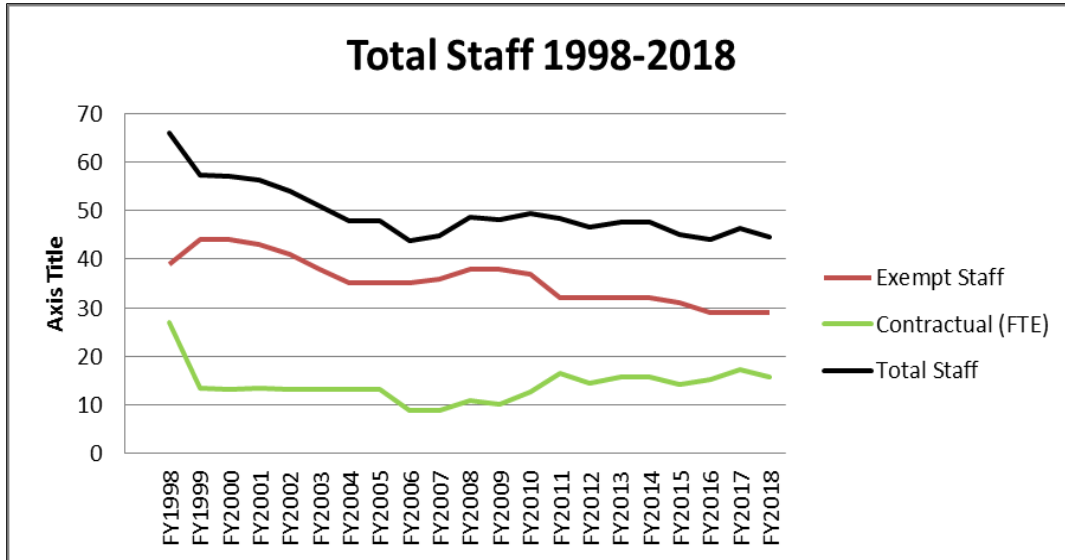
Since 2003, state support for the museum has steadily decreased, creating a gap of approximately \$207,000 between funding in FY1998 and FY2018 when adjusted for inflation. Without increased state support, the museum cannot adequately fulfill its mission to educate, preserve, and steward the cultural and natural resources of the site.



Special funds have helped fill the inflationary gap, but leave less time and funding for critical operations. When Maintenance staff spends 32 man hours erecting and taking down a tent for a wedding, they are not able to repair exhibit structures. The construction of the new wooden pavilion will save time and maintenance funds, serve a variety of educational and revenue generating programs without a consistent heavy burden on Maintenance staff.

HSMCC operates on a slim financial margin. For example, it has not purchased a new vehicle in over 10 years. HSMCC has instead purchased used, high-mileage vehicles from MD State Highways and hired a mechanic as needed for repairs. While HSMCC has received an increase in maintenance funds in the past two fiscal years, they are not enough to deal with years of deferred maintenance. Of necessity, when there are gaps in the budget, the Commission reallocates maintenance funds to other areas of operation.

HSMCC’s single largest revenue stream is its educational programs and events. Due to reduction of PINs, staff levels have declined by 20% since 2008; current staff struggles to carry out mission driven programs. As a cost saving measure, interpreters’ weekly hours were reduced from 40 to 37, then 35, then 30 since 2010; this makes it difficult to hire and retain qualified staff at wages HSMCC can afford.



HSMCC was able to obtain a budget increase for FY2018 for marketing. However, these funds will be allocated primarily to digital marketing and promotion. \$40,000 will be HSMCC’s entire marketing budget and replaces support once provided by HSMCC Foundation as it focuses on fundraising for the Maryland Heritage Interpretive Center for the next few years.

Whenever possible, HSMCC supports its mission through grants in a variety of operational areas and site upgrades. Since 2010, the museum has obtained \$973,000 in grant funding, including:

- \$95,000 from St. Mary’s County to support IT upgrade
- \$350,000 to provide ADA compliant water access, visitor amenities, and campsites at HSMCC’s 66 acre Chancellor’s Point site
- \$190,000 in private funds to construct a pavilion for programs and rental income
- \$150,000 federal grant for collections conservation (2011-13)
- \$60,000 project to create a burial crypt for the lead coffins that held Chancellor Philip Calvert, his wife, and child.
- \$30,000 project to restore wooden duplex slave quarter in Maryland and create exhibit about African American experience pre and post emancipation
- \$60,000 grant for grounds maintenance equipment
- \$40,000 grant to restore 1917 tobacco barn matched
- \$21,000 grant to construct interpretive pavilion adjacent to Brick Chapel
- \$10,000 grant to support Civic Engagement and Leadership program with the Reginald Lewis Museum in Baltimore