

Arizona Historical Society

	FY 2014 ACTUAL	FY 2015 ESTIMATE	FY 2016 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	51.9	51.9	51.9 ^{1/}
Personal Services	1,133,700	1,227,900	1,227,900
Employee Related Expenditures	492,700	529,900	523,400
Professional and Outside Services	58,400	18,300	18,300
Travel - In State	3,300	0	0
Other Operating Expenditures	427,100	341,200	350,700
Equipment	1,300	0	0
OPERATING SUBTOTAL	2,116,500	2,117,300	2,120,300
SPECIAL LINE ITEMS			
Arizona Experience Museum	428,300	428,300	428,100
Field Services and Grants	66,000	66,000	66,000
Papago Park Museum	544,200	544,400	542,800
AGENCY TOTAL	3,155,000	3,156,000	3,157,200 ^{2/}
FUND SOURCES			
General Fund	3,155,000	3,156,000	3,157,200
SUBTOTAL - Appropriated Funds	3,155,000	3,156,000	3,157,200
Other Non-Appropriated Funds	1,118,900	1,177,400	1,109,400
Federal Funds	16,800	100	1,900
TOTAL - ALL SOURCES	4,290,700	4,333,500	4,268,500

AGENCY DESCRIPTION — The Arizona Historical Society acquires, preserves, maintains, and publicly exhibits archival and museum objects pertaining to the history of Arizona, the West, and the Indian tribes inhabiting the state. The Society's major museums are in Yuma, Flagstaff, Tucson, Phoenix, and Tempe (Papago Park).

Operating Budget

The budget includes \$2,120,300 and 40.4 FTE Positions from the General Fund in FY 2016 for the operating budget. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of \$3,000 from the General Fund in FY 2016 for statewide adjustments. (Please see the Agency Detail and Allocations section.)

Arizona Experience Museum

The budget includes \$428,100 and 1 FTE Position from the General Fund in FY 2016 for the Arizona Experience Museum. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(200) from the General Fund in FY 2016 for statewide adjustments.

This line item funds personnel and rent of the Arizona Experience Museum. This facility was formerly the Arizona Mining and Mineral Museum on the Capitol Mall and was operated by the Department of Mines and Mineral Resources.

The Mining and Mineral Museum closed May 1, 2011 for renovations and the Department of Mines and Mineral Resources was eliminated as a state agency in FY 2012. The building was eventually renamed the Centennial Museum and then the Arizona Experience Museum but was never re-opened. The Arizona Historical Society (AHS) does not currently plan to re-open the facility.

Rent is still paid on the vacant 18,000 square-foot property and a Curator position is retained to care for the mineral collection. Of the total appropriation for the Arizona Experience Museum, \$360,800 is used to pay rent for the vacant property and the remaining \$67,500 is used to fund the Curator position.

^{1/} Includes 11.5 FTE Positions funded from Special Line Items in FY 2016.

^{2/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

In October 2014, AHS opened an exhibition at the Papago Park Museum utilizing a portion of the mining and mineral collection. The remainder of the collection remains at the former Mining and Mineral Museum's facility.

The FY 2015 General Appropriation Act contained a footnote requiring AHS and the Department of Administration (ADOA) to submit a joint report before November 28, 2014 to the Joint Legislative Budget Committee (JLBC) with options and a recommendation for use of the vacant building. The report raised 4 options for the former Arizona Mining and Mineral Museum:

- 1) Re-open the Arizona Mining and Mineral Museum: Cost of \$2.1 million related to significant building system upgrades and space reconfiguration.
- 2) Convert the space into offices: Cost of \$3.1 million for renovations, upgrades to building systems, and relocation of memorabilia and equipment. This would result in a building containing approximately 123 workstations, including primarily cubicle space.
- 3) Sell the facility: One-time revenue (savings) of \$2.9 million. If the buyer were to convert the space to non-museum use, ADOA would incur costs related to relocating mining related memorabilia and equipment.
- 4) Keep the facility closed: No cost compared to current budget. However, AHS would still continue to pay ADOA rent of \$360,800 per year.

ADOA and AHS selected Option 4 as the preferred option for the former Arizona Mining and Mineral Museum. The agencies note that while Options 2 and 3 may repurpose the museum, the state would still face costs associated with relocating and storing the current mineral collections.

In April 2015, the Governor vetoed SB 1200, which would have transferred \$428,100 and 1 FTE Position (as adjusted for statewide allocations) from the General Fund from AHS to the Arizona Geological Survey to reopen the Museum. The bill would have renamed the Centennial Museum as the Mining, Mineral and Natural Resources Educational Museum (Museum).

SB 1200 would have transferred all unexpended and unencumbered monies remaining in the Centennial Special Plate Fund to the Mining, Mineral and Natural Resources Educational Museum Account within the Arizona Geological Survey Fund consisting of monies received from the Museum to be used exclusively for restoration, maintenance, and operations of the Museum. *(Please see Other Issues for more information.)*

Field Services and Grants

The budget includes \$66,000 and a 0.4 FTE Position from the General Fund in FY 2016 for Field Services and Grants. These amounts are unchanged from FY 2015.

This line item funds contracts with certified county historical societies for services to be performed for the benefit of the state.

Papago Park Museum

The budget includes \$542,800 and 10.1 FTE Positions from the General Fund in FY 2016 for the Papago Park Museum. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(1,600) from the General Fund in FY 2016 for statewide adjustments.

This line item funds the operations and maintenance of the Papago Park Museum.

Additional Legislation

Arizona History Magazine Fund Repeal

The FY 2016 Government Budget Reconciliation Bill (Laws 2015, Chapter 12) amended A.R.S. § 41-824 to repeal the Arizona History Magazine Fund, which was no longer active. The fund consisted of monies appropriated by the Legislature and all monies received from magazine subscriptions. Although AHS still publishes the Arizona History Magazine, the agency no longer collects a magazine subscription fee.

Other Issues

Experience Museum and Centennial Special Plate Funds

A.R.S. § 28-2448 established the centennial specialty license plate, which requires a \$25 fee. Of the \$25 fee, \$8 is for special plate administration costs, and \$17 is a donation for the Centennial Special Plate Fund. Beginning in FY 2013, permanent law required the Arizona Department of Transportation to make annual distributions of the monies in the Centennial Special Plate Fund to AHS to pay costs related to the maintenance and operations of the Centennial Museum that houses the Mining and Mineral Museum. To date, \$126,500 has been collected in the Centennial Special Plate Fund.

As noted in the discussion above, the Mining and Mineral Museum is now closed. As a result, AHS may not have the authority to expend these funds. AHS, however, plans to utilize the funds in FY 2016 to support the curation of

collections (including the mining and mineral collection), exhibits, and educational programs that were developed for the Arizona Experience Museum. The collections, exhibits, and programming will be primarily featured in the Papago Park facility.

Museum Attendance

Table 1

FY 2014 Museum Attendance

<u>Facility</u>	<u>Visitors</u>
Arizona History (Tucson)	7,014
Downtown History (Tucson)	927
Fort Lowell (Tucson)	3,086
Sanguinetti House (Yuma)	2,066
Museum at Papago Park (Tempe)	3,375
Pioneer Museum (Flagstaff)	6,277
Riordan Mansion (Flagstaff)	<u>22,008</u>
Total	44,753