

**D17B0151**  
**Historic St. Mary's City Commission**

***Operating Budget Data***

(\$ in Thousands)

	<b><u>FY 16</u></b> <b><u>Actual</u></b>	<b><u>FY 17</u></b> <b><u>Working</u></b>	<b><u>FY 18</u></b> <b><u>Allowance</u></b>	<b><u>FY 17-18</u></b> <b><u>Change</u></b>	<b><u>% Change</u></b> <b><u>Prior Year</u></b>
General Fund	\$2,314	\$2,613	\$2,668	\$54	2.1%
Adjustments	0	48	-7	-55	
<b>Adjusted General Fund</b>	<b>\$2,314</b>	<b>\$2,661</b>	<b>\$2,660</b>	<b>-\$1</b>	<b>0.0%</b>
Special Fund	639	878	837	-40	-4.6%
Adjustments	0	0	-1	-1	
<b>Adjusted Special Fund</b>	<b>\$639</b>	<b>\$878</b>	<b>\$836</b>	<b>-\$41</b>	<b>-4.7%</b>
Federal Fund	7	0	0	0	
<b>Adjusted Federal Fund</b>	<b>\$7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Adjusted Grand Total</b>	<b>\$2,960</b>	<b>\$3,539</b>	<b>\$3,497</b>	<b>-\$42</b>	<b>-1.2%</b>

Note: Includes targeted reversions, deficiencies, and contingent reductions.

- The Historic St. Mary's City Commission (HSMCC) adjusted fiscal 2018 budget decreases by approximately \$42,000, or 1.2%, over the adjusted fiscal 2017 appropriation.
- There is a deficiency in the amount of \$48,142 to cover the move of artifacts to Anne Arundel Hall.

Note: Numbers may not sum to total due to rounding.

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***Personnel Data***

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	<b><u>FY 16</u></b> <b><u>Actual</u></b>	<b><u>FY 17</u></b> <b><u>Working</u></b>	<b><u>FY 18</u></b> <b><u>Allowance</u></b>	<b><u>FY 17-18</u></b> <b><u>Change</u></b>
Regular Positions	29.00	29.00	29.00	0.00
Contractual FTEs	<u>16.99</u>	<u>17.30</u>	<u>15.60</u>	<u>-1.70</u>
<b>Total Personnel</b>	<b>45.99</b>	<b>46.30</b>	<b>44.60</b>	<b>-1.70</b>

***Vacancy Data: Regular Positions***

Turnover and Necessary Vacancies, Excluding New Positions	0.00	0.00%
Positions and Percentage Vacant as of 12/31/16	0.00	0.00%

- The number of contractual positions declines by 1.7 in fiscal 2018.
- As of December 31, 2016, HSMCC had no vacancies.

## ***Analysis in Brief***

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### **Major Trends**

***Research and Preservation:*** In fiscal 2009, HSMCC loaned three seventeenth-century lead coffins to the Smithsonian Institution in Washington, DC for research and display. In fiscal 2016, research through DNA testing showed that the lead coffins contained the remains of a colonial Maryland Governor.

***Attendance Levels:*** HSMCC aims to educate the public by increasing the number of visitors. The largest number of visitors come from scholastic sponsored tours. The number of visitors is expected to increase in fiscal 2017 and 2018 due to new site development. A new educational-related grant was also introduced, which will increase the number of attendees via scholastic tours.

***Earned Special Funds:*** HSMCC earns revenue through ticket and gift shop sales, rent paid on commission-owned properties, food sales, and an onsite bed and breakfast. Other sources include foundation earned support, grants and gifts, as well as volunteer in-kind support.

### **Issues**

***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 currently does not possess the funds required to do so. **HSMCC should comment on plans for acquiring additional funding.**

### **Recommended Actions**

1. Concur with Governor’s allowance.

### **Updates**

***Report on HSMCC’s Role and Outreach:*** HSMCC provided a thorough report outlining current educational outreach programs, ideas for future programs, and how regional tourism is promoted.

***Reaccreditation Process in Progress:*** HSMCC’s reaccreditation process was initiated in fiscal 2016 by the Alliance of American Museums.

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**D17B0151**  
**Historic St. Mary's City Commission**

***Operating Budget Analysis***

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**Program Description**

Historic St. Mary's is an outdoor history and archaeology museum that preserves, researches, and interprets the site of Maryland's first capital. In 1997, the Historic St. Mary's City Commission (HSMCC) became an independent unit of State government, removing it from the Department of Housing and Community Development. HSMCC is also part of the multi-year capital improvement project with St. Mary's College of Maryland (SMCM), known as the Maryland Heritage Project.

The mission of HSMCC is to preserve and protect the archaeological and historical record of Maryland's first capital and to appropriately develop the historic and scenic site for education, enjoyment, and general benefit of the public. The goal of the commission is that the archaeological sites and collections, scenic views, and rural character of the historic city be safeguarded by preservation and research practices consistent with its status as a National Historic Landmark District.

**Performance Analysis: Managing for Results**

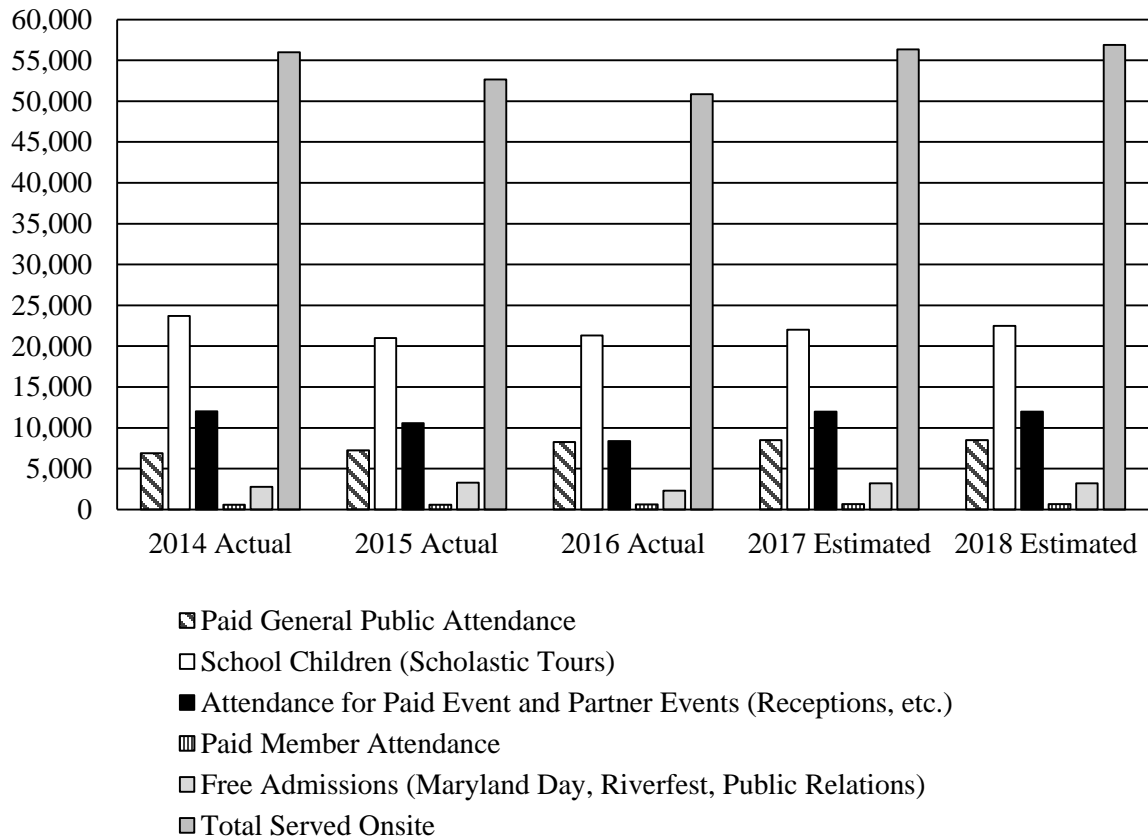
**1. Research and Preservation**

In fiscal 2009, HSMCC loaned three seventeenth-century coffins to the Smithsonian Institution in Washington, DC for research and public display. The coffins were returned in fiscal 2014. Bone specimens analyzed by a Harvard geneticist determined that the remains belonged to colonial elite – Phillip Calvert, his first wife Anne Calvert, and his infant son. The discovery was featured in *The Washington Post*.

**2. Attendance Levels**

HSMCC aims to educate the public by increasing the number of visitors to its site. **Exhibit 1** shows attendance levels from paid general attendance, paid member attendance, scholastic tours, weddings, and free admission days. While overall attendance has declined for the last two fiscal years, HSMCC projects an increase for the upcoming fiscal year. Scholastic tours are the largest group of visitors aiding in the commission's educational-based mission. In fiscal 2016, HSMCC received a grant that covers the cost of transporting students from St. Mary's County to Baltimore City to patronize the Reginald F. Lewis Museum of Maryland African American History and Culture, and vice versa. Chancellor's Point, part of Historic St. Mary's City, is being developed and scheduled to open in late fiscal 2017. The site consisting of Chesapeake Bay gateways and water trails will contain Americans with Disabilities Act access to the water and restrooms and will also be used as a campsite. This new development is expected to increase visitors.

**Exhibit 1**  
**Historic St. Mary’s City Commission Visitors**  
**Fiscal 2014-2018 Estimated**

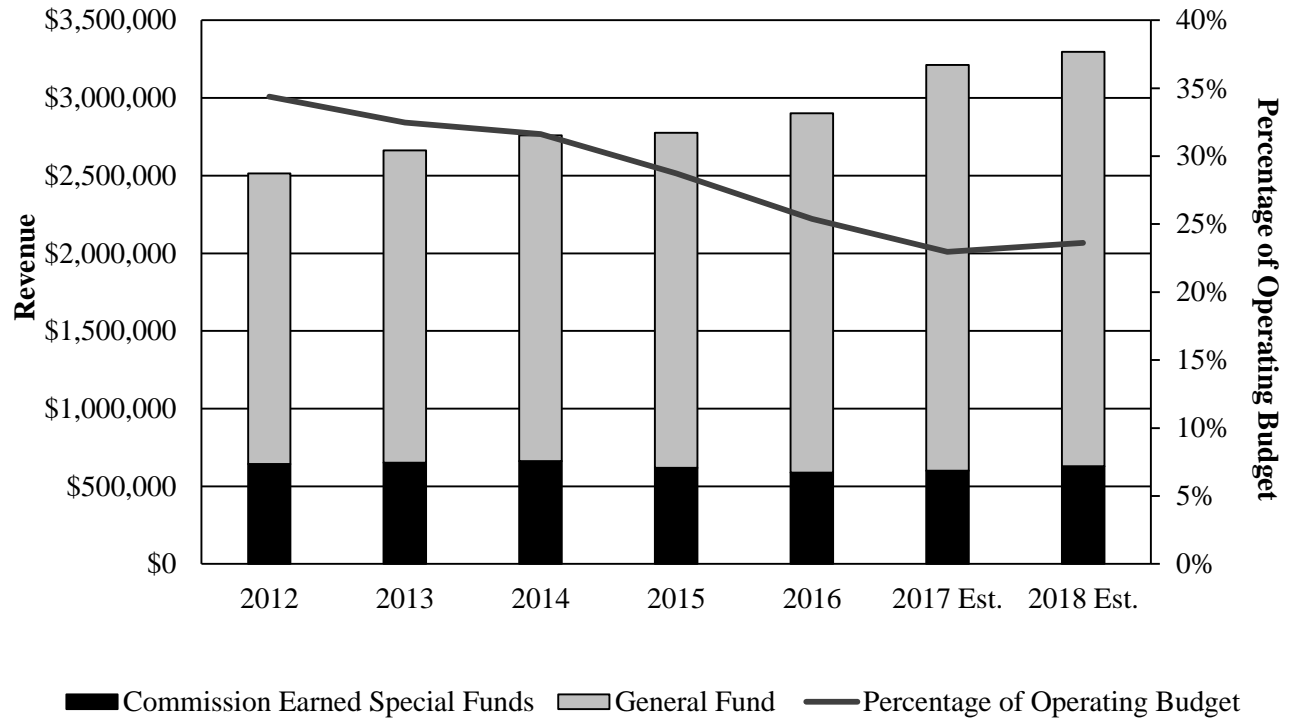


Source: Historic St. Mary’s Commission

### 3. Earned Special Funds

Increasing the number of visitors will increase the commission’s earned special fund revenue. **Exhibit 2** shows commission earned special funds from fiscal 2012 through 2018. 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 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 fiscal 2016 stated in the budget books and Managing for Results document is inaccurate. **HSMCC should comment on why there is this discrepancy.**

**Exhibit 2**  
**Earned Special Funds**  
**Fiscal 2012-2018 Est.**



Source: Historic St. Mary’s City Commission

## **Fiscal 2017 Actions**

### **Proposed Deficiency**

The budget includes a deficiency appropriation for \$48,142 to provide funds to cover expenses incurred during the relocation of artifacts to Anne Arundel Hall. This was necessary for HSMCC to be reaccredited.

## **Proposed Budget**

**Exhibit 3** shows HSMCC’s budget decreases by \$42,000. One large adjustment is for a deficiency appropriation of \$48,142 removed for fiscal 2018. There was also a large decrease in other technical and special fees which provided funds for a contractual full-time equivalent position.

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**Exhibit 3**  
**Proposed Budget**  
**Historic St. Mary’s City Commission**  
**(\$ in Thousands)**

<b>How Much It Grows:</b>	<b><u>General</u> <u>Fund</u></b>	<b><u>Special</u> <u>Fund</u></b>	<b><u>Federal</u> <u>Fund</u></b>	<b><u>Total</u></b>
Fiscal 2016 Actual	\$2,314	\$639	\$7	\$2,960
Fiscal 2017 Working Appropriation	2,661	878	0	3,539
Fiscal 2018 Allowance	<u>2,660</u>	<u>836</u>	<u>0</u>	<u>3,497</u>
Fiscal 2017-2018 Amount Change	-\$1	-\$41	\$0	-\$42
Fiscal 2017-2018 Percent Change		-4.7%		-1.2%

### **Where It Goes:**

#### **Personnel Expenses**

Workers’ compensation .....	\$16
Regular earnings .....	8
Retirement contributions.....	-5
Health insurance .....	-43
Other fringe benefit adjustments.....	-3



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**Where It Goes:**

**Other Changes**

Advertising and legal publications .....	31
Utilities.....	14
Other technology and special fees .....	-28
Fiscal 2017 deficiency appropriation.....	-48
Other .....	16
<b>Total</b>	<b>-\$42</b>

Note: Numbers may not sum to total due to rounding.

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**Across-the-board Reductions**

The fiscal 2018 budget bill includes a \$54.5 million (all funds) across-the-board contingent reduction for a supplemental pension payment. Annual payments are mandated for fiscal 2017 through 2020 if the Unassigned General Fund balance exceeds a certain amount at the close of a fiscal year. This agency’s share of these reductions is \$7,971 in general funds. This action is tied to a provision in the Budget Reconciliation and Financing Act of 2017.

## ***Issues***

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### **1. Artifact Preservation**

The commission’s goal to investigate at least 500 cubic feet of soil per year was exceeded in fiscal 2012 and 2014, aiding in fulfilling their ultimate mission of appropriately developing this historic site. While HSMCC previously employed a conservator, the position was eliminated over 20 years ago. Federal grants have been utilized in order to identify and conserve artifacts. However, there is a backlog of newly excavated artifacts from more recent capital projects. HSMCC would require additional funding in order to eliminate the backlog and conserve the remaining artifacts. **HSMCC should comment on plans to seek additional funding.**

## ***Recommended Actions***

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1. Concur with Governor’s allowance.

## ***Updates***

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### **1. Report on HSMCC’s Role and Outreach**

Historic St. Mary’s City’s (HSMC) audience can be grouped into the following categories: students, general public, recreational visitors, event rentals, and volunteers. Approximately 24,000 students visit HSMC annually accompanied by educators and parents. Public visitors include Maryland residents, as well as residents from neighboring states including Pennsylvania and Virginia. Recreational visitors who take advantage of HSMC’s paths, trails, and tidewater are commonly students from nearby SMCM and local residents. Event rentals include attendees from weddings, memorials, reunions, and other organized meetings. Volunteers are a free labor source for HSMCC, aiding the commission in gardening, event staffing, marketing, and trail maintenance.

HSMCC identifies its community as Calvert, Charles, and St. Mary’s counties. The underserved population includes minorities, nonvisiting members of the community, and military personnel stationed at Patuxent River. Still, the museum notes that its appeal to non-Maryland residents can be improved and aims to change this by promoting itself as an authentic seventeenth-century English urban site.

HSMCC elected to participate in the American Alliance of Museum’s Museum Assessment Program. The assessment revealed that 81% of its participants believe that the preservation of the site is very important. HSMC consulted multiple groups to gain insight to the level and quality of community engagement: community members, a focus group, business leaders, paid and unpaid staff, teachers, visitor surveys, and voters in the 2014 mid-term elections.

HSMC has a variety of current education programs. At this time, admission to museum is free for SMCM students, staff, and faculty. A number of SMCM students also undertake credit internships or volunteer within HSMC. Commission staff and faculty have developed multiple programs that support program learning, including environmental studies, site visits, reports, and “Books that Cook” that take place on the Godiah Spray Plantation site. The museum currently has a program called Mother Goose Rhyme Time that addresses the pre-school audience. There is also a home school program that eligible students may take advantage of, the Terra Maria Program. Summer camps at HSMC offer participants a one-week stay on the grounds giving them the opportunity to learn about survival in early Maryland. HSMC’s Maritime History Outreach currently serves Southern Maryland and the Eastern Shore utilizing the *Maryland Dove* to travel to schools where visits to the site may be impractical. The museum provides educational materials through its website, as well as a distance learning program cosponsored by the Maryland Historical Society. HSMC is currently exploring options on how to expand educational opportunities for high school audiences.

Multiple events are held at HSMC such as Riverfest, Bottom County Festival, and the annual Garden Market. In partnership with the Department of Natural Resources, HSMC allows hunting on selected portions of its site attracting multiple demographics. HSMC is also in the process of rehabilitating Chancellor’s Point where other activities including swimming, kayaking, birding, and fishing will be offered.

The report recommends HSMC adopt the following: develop a strategic plan, develop a professional marketing plan, and commit to adequate resources necessary for accreditation.

## **2. Reaccreditation Process in Progress**

The American Alliance of Museums (AAM) previously discovered that HSMCC lacked adequate storage space for museum collections and other artifacts in their care. The demolition and reconstruction of Anne Arundel Hall, which opened in August of 2016, serves as the solution to this problem. Anne Arundel Hall is a joint facility shared by HSMCC and SMCM. This addition was part of the capital-funded Maryland Heritage Project. The commission must participate and submit three self-studies as indicated by AAM and also prepare for multiple site visits in preparation for the upcoming accreditation. It should be noted that HSMC remains accredited during this process.

**Appendix 1**  
**Current and Prior Year Budgets**  
**Historic St. Mary’s City Commission**  
**(\$ in Thousands)**

	<b><u>General Fund</u></b>	<b><u>Special Fund</u></b>	<b><u>Federal Fund</u></b>	<b><u>Reimb. Fund</u></b>	<b><u>Total</u></b>
<b>Fiscal 2016</b>					
Legislative Appropriation	\$2,280	\$930	\$0	\$0	\$3,210
Deficiency Appropriation	0	0	0	0	0
Budget Amendments	34	3	102	0	139
Reversions and Cancellations	0	-294	-95	0	-389
<b>Actual Expenditures</b>	<b>\$2,314</b>	<b>\$639</b>	<b>\$7</b>	<b>\$0</b>	<b>\$2,960</b>
<b>Fiscal 2017</b>					
Legislative Appropriation	\$2,577	\$872	\$0	\$0	\$3,449
Cost Containment	0	0	0	0	0
Budget Amendments	36	5	0	0	41
<b>Working Appropriation</b>	<b>\$2,613</b>	<b>\$878</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,491</b>

Note: Does not include targeted reversions, deficiencies, and contingent reductions. Numbers may not sum to total due to rounding.

## **Fiscal 2016**

In fiscal 2016, the Historic St. Mary’s City Commission’s federal funds were increased by a budget amendment in the amount of \$102,000 to fund the National Park Service Grant requirements for public access at Chancellor’s Point. General funds also increased by \$34,000 and special funds by \$3,000 to restore a 2% salary reduction. There was a \$95,000 cancellation of federal funds due to a delay in the development of Chancellor’s Point, and \$293,580 of special funds were canceled mainly due to the delay in hiring the Director of Archaeology.

## **Fiscal 2017**

There is one general fund budget amendment that provided an additional \$35,899 in general funds and \$5,338 in special funds allocated for employee salary increments.

**Appendix 2**  
**Audit Findings**

Audit Period for Last Audit:	July 1, 2012 – August 23, 2015
Issue Date:	April 29, 2016
Number of Findings:	1
Number of Repeat Findings:	1
% of Repeat Findings:	100%
Rating: (if applicable)	n/a

**Finding 1:**     **Verification that all collections were forwarded for deposit were performed by an employee who also processed the related collections.**

\*Bold denotes item repeated in full or part from preceding audit report.



**Appendix 3**  
**Object/Fund Difference Report**  
**Historic St. Mary's City Commission**

<u>Object/Fund</u>	<u>FY 16 Actual</u>	<u>FY 17 Working Appropriation</u>	<u>FY 18 Allowance</u>	<u>FY 17 - FY 18 Amount Change</u>	<u>Percent Change</u>
<b>Positions</b>					
01 Regular	29.00	29.00	29.00	0.00	0%
02 Contractual	16.99	17.30	15.60	-1.70	-9.8%
<b>Total Positions</b>	<b>45.99</b>	<b>46.30</b>	<b>44.60</b>	<b>-1.70</b>	<b>-3.7%</b>
<b>Objects</b>					
01 Salaries and Wages	\$ 2,159,495	\$ 2,339,537	\$ 2,320,793	-\$ 18,744	-0.8%
02 Technical and Spec. Fees	318,187	413,083	393,603	-19,480	-4.7%
03 Communication	10,882	10,700	10,700	0	0%
04 Travel	7,875	11,000	11,000	0	0%
06 Fuel and Utilities	93,668	144,250	159,300	15,050	10.4%
07 Motor Vehicles	37,148	27,572	28,352	780	2.8%
08 Contractual Services	187,264	320,938	352,419	31,481	9.8%
09 Supplies and Materials	110,237	187,166	193,738	6,572	3.5%
10 Equipment – Replacement	-1	2,000	2,000	0	0%
11 Equipment – Additional	4,544	7,000	7,000	0	0%
12 Grants, Subsidies, and Contributions	-1	0	0	0	0.0%
13 Fixed Charges	30,836	27,425	25,784	-1,641	-6.0%
<b>Total Objects</b>	<b>\$ 2,960,134</b>	<b>\$ 3,490,671</b>	<b>\$ 3,504,689</b>	<b>\$ 14,018</b>	<b>0.4%</b>
<b>Funds</b>					
01 General Fund	\$ 2,313,689	\$ 2,613,138	\$ 2,667,518	\$ 54,380	2.1%
03 Special Fund	639,377	877,533	837,171	-40,362	-4.6%
05 Federal Fund	7,068	0	0	0	0.0%
<b>Total Funds</b>	<b>\$ 2,960,134</b>	<b>\$ 3,490,671</b>	<b>\$ 3,504,689</b>	<b>\$ 14,018</b>	<b>0.4%</b>

Note: Does not include targeted reversions, deficiencies, and contingent reductions.

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