



Sitka Historical Society and Museum

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May 17, 2010

Dear Mayor McAdams and Assembly Members:

This is a follow-up communication to our April 17th letter, related to the FY11 budget. During the appropriate budget work-session, we were not prepared to address you as earlier in the week I had been told that the public would not be allowed to testify. Therefore we would like to ask for the opportunity to formally address the Assembly regarding our FY11 allocation via an agenda item at the next regular assembly meeting.

At our May 13 board meeting, we reviewed our most current financial status and options. We found that we cannot cover the funding of a curator with the city's proposed allocation. With a \$70,000 city allocation, we would end the FY11 year with at least a loss of \$43,704 that would put us in peril of suspending operations. Clearly we could not hire a curator for FY11. We would be more than willing to share our financial reports with the assembly, or city staff.

Keeping our curator is the Board's highest priority in terms of the protection and care of Sitka's history. As our only professionally trained museum staff person, Ms. Kircher has done an outstanding job. With the implementation of our Rasmuson Organizational Improvement Grant, and the securing of the USFS White House for collections storage and curatorial services (10-year special use permit @ \$100/year), the Society and City of Sitka are finally at a stage that we can care for and value the artifacts, documents, and photos that are Sitka's Heritage and History. The support of the Assembly and City over the past two years has made this forward progress possible.

Without a curator, our Executive Director and current Curator do not believe we can meet the current requirements of our \$60,000 Rasmuson Grant, and this was confirmed by a Rasmuson program officer this week. Rasmuson wants to be informed as soon as we know the status of our curator position.

Even though Ashley Kircher is leaving us, we have a qualified candidate interested in assuming the position, continuing our core mission, and continuing our Rasmuson Grant and the priority objective- the CMAP (Collections Management Assessment Program), and fulfilling study findings/recommendations.

In addition, we are including as an attachment, the survey of museum funding amounts and associated municipal support. We may have an update soon from Scott Carrlee of the Alaska State

Museum. This will allow you to compare our numbers to our sister cities and museums across the state.

Our FY 09 budget request was \$120,000, with the priority being the addition of a curator. We were allocated \$53,000 and asked by the Assembly to request the remainder of the funding later in the year. This request was made, and eventually granted, with the remaining \$67,000 disbursed late in the final quarter of the fiscal year. A hiring search was completed with the hiring of Curator Ashley Kircher who started June 1st of 2009.

For our FY10 functional operations, \$120,000 would technically be needed but because of the final quarter FY09 bump of \$67k, and obvious carryover, we reduced our FY 2010 request and we were allocated \$73,000. Therefore, we operated FY 2010 with city funding of \$120,000, although the C&B actually only allocated \$73,000.

On Feb. 19th of this year, board member Ernestine Massey and Executive Director Bob Medinger met with City Administrator Jim Dinley and Finance Director Dave Wolff. We made our FY 2011 request with the justification to keep existing positions. We were informed that the administration's proposed allocation would be based on a 5% cut of our reduced allocation for FY 10 of \$73,000. This would in fact constitute a 42.2% cut, from our functional city allocation for FY 10.

In order to keep a curator, we respectfully request that our allocation be restored to an operational staffing level of \$120,000 for FY 11.

Sincerely,

A handwritten signature in cursive script that reads "Doris Bailey". The signature is written in dark ink and is positioned below the word "Sincerely,".

Doris Bailey, President

Statistics from the Alaska State Museum Survey, Pratt Museum Statewide Survey, and Sitka Historical Society Compilations

Alaska Museum Comparisons								
		Size						Building
	Pop.	Museum sq.ft.	City or Non-prof	Full FTE	Part FTE	Budget Total	City Contribution	Maint./ Oper
Sitka FY2010	8986	2161	N/P	2	0.75	\$157,261	\$120,000	City
								(late carryover included)
Juneau City Museum	30987	6000	City	2	2	\$400,000	\$270,000	City
Wasilla: Page	8471	10112	N/P	1	2	\$159,708	\$159,708	City
Kenai	7464	10000	N/P			\$300,000	\$80,000	City
Ketchikan Tongass & Totem	7685	5600	City	6	2	\$759,000	\$572,000	City
Kodiak Baranof	7000	4978	N/P	2	1.5	\$300,000	\$50,000	City
	Use to be fully funded by the city, now have endowment of \$1,300,000							
Homer Pratt	5360	11300	N/P	9	5	\$669,921	\$80,000	
	Large Endowment							
Unalaska	4347	9500	N/P	4		\$450,000	\$223,000	City
Valdez	4015	7500	City	3	1	\$325,000	\$204,000	City
Haines-Sheldon	2015	7000	N/P	4	1.5	\$185,000	\$169,488	City
Cordova	2288	2300	N/P	1	3	\$287,000	\$162,000	
Nome	3508	2264	City	2	1	\$210,000	\$200,000	City
Average (w/o Sitka)	7087	6959		3	2	\$337,136	\$226,688	(no endowment locations)
Sitka (repeat)	8986	2161	N/P	2	0.75	\$157,261	\$120,000	

Colleen Ingman

From: Sandy Lorrigan [director@sitka.org]
Sent: Tuesday, May 25, 2010 12:38 PM
To: assembly@cityofsitka.com
Cc: 'Sara Peterson'
Subject: Requested information
Attachments: bww9079.RTF; FY11budgetbeginning.xls; FY10budgetapprovedinsert.xls

Dear Assembly Members

At yesterday's SCVB board meeting, Assembly Hackett asked staff to submit a budget for FY11 to make a more informed decision in the upcoming budget discussions. Though the board did submit a letter requesting an amount using a formula and information, we have based that budget on the formula's amount. The board has discussed, and will discuss, the actual approved budget after the assembly's appropriated amount is finalized. Also attached is our latest financial report.

On behalf of the Sitka Convention and Visitors Bureau Board
Sandy Lorrigan
(907) 747-5940

SITKA CONVENTION/VISITORS BUR.

Statement of Revenue & Expense

	11 Months May/10	Annual Budget	Unused	% Used
	=====	==	=====	=====
Revenue				
CITY/STATE GRANTS	\$314,000.00	\$330,487.04	\$16,487.04	95.0%
MEMBERSHIP	28,008.17	28,500.00	491.83	98.3%
FUNDRAISERS	0.00	1,000.00	1,000.00	0.0%
INTEREST	926.58	1,500.00	573.42	61.8%
VIDEO REVENUE	9.95	50.00	40.05	19.9%
SPECIAL PROJECTS-AD SALES	51,810.06	41,200.00	(10,610.06)	125.8%
AIRPORT/WEBSITE/ PHONEBOARD ADS	3,618.75	1,200.00	(2,418.75)	301.6%
TRANSFER FROM RESERVES	0.00	55,000.00	55,000.00	0.0%
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TOTAL Revenue	398,373.51	458,937.04	60,563.53	86.8%
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Adjustments				
BANKCARD DISCOUNT	(556.58)	(2,500.00)	(1,943.42)	22.3%
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TOTAL Adjustments	(556.58)	(2,500.00)	(1,943.42)	22.3%
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NET REVENUE	397,816.93	456,437.04	58,620.11	87.2%
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GROSS REVENUE	397,816.93	456,437.04	58,620.11	87.2%
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Expenses				
SALARY & WAGE EXP	125,882.33	146,073.00	20,190.67	86.2%
CONTRACT SECRETARY	380.50	2,592.00	2,211.50	14.7%
EMPLOYEE HEALTH BENEFIT/LIFE	13,250.86	18,000.00	4,749.14	73.6%
EMPLOYEE BENEFIT-RETIREMENT	568.45	3,200.00	2,631.55	17.8%
AD PRODUCTION	2,514.22	2,454.95	(59.27)	102.4%
BANK CHGS	158.56	85.00	(73.56)	186.5%
DUES/FEES/SUBSCRIPTIONS	1,680.00	3,000.00	1,320.00	56.0%
EDUCATION EXPENSE	2,765.50	2,320.00	(445.50)	119.2%
POSTAGE-BULK	7,239.09	12,050.00	4,810.91	60.1%
POSTAGE-WHITE MAIL	7,856.11	11,000.00	3,143.89	71.4%
INSURANCE	458.00	3,050.00	2,592.00	15.0%
LEGAL/ACCOUNTING SERVICES	2,295.00	3,000.00	705.00	76.5%
MISCELLANEOUS	0.00	100.00	100.00	0.0%
OFFICE SUPPLIES	2,358.89	4,000.00	1,641.11	59.0%
COMPUTER	657.20	3,000.00	2,342.80	21.9%
PROMOTION-TRADE	24,179.73	27,180.09	3,000.36	89.0%
PROMOTION-VOLUN. APPREC.	175.00	175.00	0.00	100.0%
PROMOTION-MEMBER APPREC.	700.00	700.00	0.00	100.0%
PROMOTION-TRAVEL WRITERS	2,044.46	4,795.00	2,750.54	42.6%
PROMOTION-CRUISE	3,747.79	3,500.00	(247.79)	107.1%
PROMOTION-CONVENTIONS	35,270.25	37,905.00	2,634.75	93.0%
PROMOTION-ADS ONLY	15,835.15	17,500.00	1,664.85	90.5%
RENT	11,554.13	14,700.00	3,145.87	78.6%
TAX EXPENSE-PAYROLL	11,129.47	14,250.00	3,120.53	78.1%
TELEPHONE	5,352.50	6,000.00	647.50	89.2%
TRAVEL	9,734.48	12,682.00	2,947.52	76.8%
UTILITIES	1,587.51	2,750.00	1,162.49	57.7%
WEBSITE UPGRADE	37,184.00	55,000.00	17,816.00	67.6%
SPECIAL PROJ-VACATION PLANNER	34,271.12	39,775.00	5,503.88	86.2%
WEB SITE MAINTENANCE/UPGRADE	344.00	3,200.00	2,856.00	10.8%
PLANNER DISTRIBUTION	840.00	2,400.00	1,560.00	35.0%
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TOTAL Expenses	362,014.30	456,437.04	94,422.74	79.3%
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OPERATING BALANCE	35,802.63	0.00	(35,802.63)	
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NET BALANCE	<u><u>\$35,802.63</u></u>	<u><u>\$0.00</u></u>	<u><u>(\$35,802.63)</u></u>	

**Sitka Convention and Visitors Bureau Budget FY11
Draft (Board's Proposed Amount)**

	FY11
REVENUE	
City	\$313,225.00
Membership	\$28,000.00
Fundraisers	\$1,000.00
Interest	\$1,500.00
Web Site & Ad Sales revenue	\$900.00
Special Projects - Ad Sales	\$36,000.00
Total Revenue	\$380,625.00

EXPENSES

Salary & Wage Exp	\$148,665.00
Tax Expense - Payroll	\$14,250.00
Health Benefit/life	\$23,000.00
Retirement	\$3,200.00
Legal/ Accounting	\$3,000.00
Rent	\$14,700.00
Utilities	\$2,750.00
Insurance (Liability & workman's comp)	\$3,050.00
Education	\$1,000.00
Telephone	\$6,000.00
Office Supplies	\$4,000.00
Postage - Bulk	\$8,000.00
Postage - White	\$10,000.00
Promotion - Tourism/Travel Trade	\$26,200.00
Promotion - Cruise	\$2,500.00
Promo- Convention	\$33,000.00
Promo-Tourism (ads only)	\$17,500.00
Ad Production	\$1,000.00
Travel	\$11,725.00
Dues, fees, subscription	\$3,000.00
Special Projects - Vac. planner production	\$36,000.00
Web Site Maintenance/Upgrade/hosting	\$3,000.00
Planner Distribution	\$1,900.00
Miscellaneous/Unbudgeted Expense	\$100.00
Computers	\$3,000.00
Bank Charges	\$85.00
Total Expenditures	\$380,625.00

Sitka Convention and Visitors Bureau Budget FY10

REVENUE	FY10
City	\$314,000.00
Membership	\$28,500.00
Fundraisers	\$1,000.00
Interest	\$1,500.00
Web Site revenue	\$900.00
Video Revenue	\$50.00
Special Projects - Ad Sales	\$39,000.00
Total Revenue	\$384,950.00

EXPENSES	
Salary & Wage Exp	\$148,665.00
Tax Expense - Payroll	\$14,250.00
Contracted Tourism Commission Secretary* (included in Salary)	
Health Benefit/life	\$18,000.00
Retirement	\$3,200.00
Legal/ Accounting	\$3,000.00
Rent	\$14,700.00
Utilities	\$2,750.00
Insurance (Liability & workman's comp)	\$3,050.00
Computers	\$3,000.00
Education	\$1,200.00
Telephone	\$6,000.00
Office Supplies	\$4,000.00
Postage - Bulk	\$11,000.00
Postage - White	\$11,000.00
Promotion - Tourism/Travel Trade **	\$26,300.00
Promotion - Cruise	\$3,500.00
Promo- Convention***	\$33,000.00
Promo-Tourism (ads only)	\$17,500.00
Ad Production	\$2,000.00
Travel	\$11,750.00
Dues, fees, subscription	\$3,000.00
Special Projects - Vac. planner production	\$39,000.00
Web Site Maintenance/Upgrade/hosting	\$3,000.00
Planner Distribution	\$1,900.00
Miscellaneous/Unbudgeted Expense	\$100.00
Bank Charges	\$85.00
Total Expenditures	\$384,950.00

NOTE: \$55,000 transferred from banking into budget to pay for the new website overhaul/upgrade (3 installment payments)