
June 18, 2024

**DRAFT MINUTES OF PUBLIC MEETING OF THE ARIZONA HISTORICAL SOCIETY
STATE BOARD OF DIRECTORS FINANCE COMMITTEE**

Mission: Connecting people through the power of Arizona's history.

- 1. Call to Order - Linda Whitaker 9:06am**
- 2. Roll Call - Linda Whitaker**
 - a. Present: Jim Snitzer, Linda Whitaker, Bruce Gwynn**
 - b. Absent: Richard Powers, Sandy Navarrete, Eric Flohr (resigned)**
- 3. Staff: David Breeckner, Vincent Bradley, David Turpie, Nikky D'Anzi, Melba Davis, Rebekah Tabah**
- 4. Minutes** - Discussion and action, if any, to approve the draft minutes of the [May 21, 2024 MEETING MINUTES](#).
 - a. No discussion or action was had due to lack of quorum.
 - b. Note: Going forward, quorum (3) will be based on the latest committee membership (5).
- 5. Call to the Public** – No Members of the Public in attendance.
- 6. AHS Financial Update- [David Breeckner](#)**

- a. AHS Organizational Updates: CFO & Finance

The Board discussed the Arizona Historical Society's budget for FY2025, which was recently finalized by the state legislature. The budget is smaller than previously approved or expected, and includes both reductions to appropriations but also sweeps by the Governor's Office. The budget is still within the parameters of the Board's approved deficit budget from last August.

Salary increases for AHS staff that were previously approved by the Board are still pending final approval from the state. Documentation justifying the increases is being prepared by Melba Davis to submit for review. A decision is expected within 3-10 days after submission. Board members reaffirmed their support for implementing the increases once approved and requested the Board be updated regarding the status of those raises.

Preliminary numbers show the FY2024 budget may end in a small surplus rather than a deficit as originally projected, providing a cushion for the smaller FY2025 budget.

Upcoming new hires include an Events Coordinator at Tempe who will start on June 26th to help increase event rental revenue. Interviews are also underway for an Archivist in Tucson.

b. Revenue, Expenditures, YTD

	May 24	YTD (May24)	FY24 (Budget)
Revenue	\$108,522.84	\$1,098,145.43	\$1,425,622.00
Expense	\$765,522.64	\$3,918,664.68	\$4,955,431.00
Net	-\$656,999.80	-\$2,820,519.25	-\$3,529,809.00
Appropriation	\$0.00	\$3,045,800.00	\$3,045,800.00
Total	-\$656,999.80	\$225,280.75	-\$484,009.00

	YTD (May 24)	YTD (May 23)	YTD (May 22)
Revenue	\$1,098,145.43	\$901,112.13	\$816,779.00
Appropriation	\$3,045,800.00	\$3,214,700.00	\$3,116,920.00
Expense	\$3,918,664.68	\$3,938,042.88	\$3,814,626.00
Total	\$225,280.75	\$177,769.25	\$119,073.00

c. Opportunity for questions related to FY25 budget

d. Draft FY26 budget

Arizona Historical Society's Executive Director David Breeckner noted that the differences between the approved FY2025 budget and the upcoming FY2026 budget will likely be negligible on paper, as FY2026 will be based on FY2025 numbers. However, he predicted that event rentals revenue may see some substantial growth between the two fiscal years as the new Events Coordinator position is staffed and has time to further develop that program area. This was highlighted as a potential area of budget growth when planning for FY2026.

Budget details:

ARIZONA HISTORICAL SOCIETY - 2024-25

FTE positions 50.9

Operating lump sum appropriation \$ 2,420,900

Field services and grants 65,400

Papago park museum 559,500

Total appropriation — Arizona historical society \$ 3,045,800

Fund sources -- State general fund \$ 3,045,800

Sweep details: \$83,500 to be removed from total appropriation cited above

7. Donations Management - How and When to Direct

Options for donors wishing to support specific AHS programs directly through Friends of AHS or the AHS accounts were discussed. Clarification on public vs private funds was given as they pertain to donations to the state. The function distinctions between how AHS and Friends receive, track, and may expend/disburse funds were discussed from the perspective of AHS. Linda Whitaker identified Bruce Gwynn as the Committee's liaison to Friends. Bruce clarified that Friends does not fundraise or solicit donations; that work must come from AHS staff who need to be trained to do so. Friends was created as a support group to serve as a "protected bank" for non taxpayer donations - money that cannot be swept by the State. He stated that Friends has a solid Treasure and a good President and can conduct the business of accepting and requesting disbursement of funds according to donor expectations.

Clarification is still needed on AHS' donation procedures between AHS and Friends: The goal is to facilitate timely donor deposits and avoid requests to reissue donor checks.

- Where checks should be sent?
- What is the difference between giving to AHS and Friends?
- What options are there for donors to restrict the use of their donations for specific projects, activities, or departments?
- How do staff determine a donor's area(s) of interest?
- How is this information communicated to ensure donations reach the intended programs?
- Can a button be added next to AHS' donation link in its emails and the website to direct to Friends?

As presented, this is a matter of Board, staff, and donor education. Board members need to understand this as potential donors themselves, and when asked, be able to inform members of the public. Clarification is needed between AHS' accounts and Friends' to avoid duplication. Concern was expressed that staff direct public donations to the agency's accounts as general practice, and not to Friends; staff should provide donors with a more complete list of options for their consideration. David Breeckner suggested that additional changes may be required to AHS' statute to permit some of what's been requested. Additionally, Friends has not met in several months but anticipates a meeting this summer. It needs to determine its own capacity to advance prior to any commitment by AHS.

8. Announcements and considerations in future board or committee meetings.

Melba Davis announced she will be leaving AHS on August 2nd but has offered to continue as a volunteer to work on policies. Sebastian will take over her duties as the new Assistant Deputy Director. The Chief Financial Officer position will be reopened.

Organizational changes will shift Vince to oversee the guest experience team,

better aligning with his expertise. Sebastian will supervise the finance department in his new role.

9. Adjournment- Linda Whitaker 10:05am

Arizona Historical Society State Board of Directors

DATE: June 19, 2024

Linda Whitaker

Linda Whitaker, Treasurer and Finance Chair

Finance Committee Meeting Schedule

Virtual unless announced otherwise

Next Meeting Dates	September 17, 2024
June 18, 2024	October 15, 2024
July 16, 2024	November 19, 2024
August 20, 2024	December 17, 2024(tentative)