



Department of Cultural Affairs FY21 Budget Request

**Debra Garcia y Griego, Cabinet Secretary
Legislative Finance Committee**

December 12, 2019

Department of Cultural Affairs Mission

- ▶ To improve the quality of life and economic well-being of all New Mexicans through culture by preserving and interpreting New Mexico's past, fostering a diversity of expressions in the present, and building a vibrant, resilient future.
- ▶ Key Programs
 - ▶ Museums and Historic Sites (P536)
 - ▶ Preservation (P537)
 - ▶ Library Services (P539)
 - ▶ Arts (P761)
 - ▶ Program Support (P540)

DCA Goals

1. Increase Partnerships in Rural and Tribal Communities
2. Expand Access and Inclusion
3. Enhance Stewardship of Cultural Resources
4. Grow Collective Impact

Art and Culture's Economic Impact in New Mexico

- ▶ In New Mexico, arts and cultural industries account for:
 - ▶ 1 in 18 jobs (5.5%)
 - ▶ The primary source of employment for over 43K New Mexicans
 - ▶ Equal to the state's construction industry
 - ▶ Larger than the manufacturing industry
 - ▶ \$1.37B in wages and salaries
 - ▶ Equal to the total paid by the state's mining industry
 - ▶ More than the total paid by hotels and restaurants¹

- ▶ The National Governor's Association noted, "(a)n arts-based economy can enhance state efforts to diversify rural economies, generate revenue, improve quality of life, and attract visitors and investment"²

Sources: https://bber.unm.edu/media/publications/NM_CreativeEconomy_report_0814.pdf
<https://nasaa-arts.org/wp-content/uploads/2018/08/Strengthening-Rural-Economies-Through-the-Arts-2005.pdf>



DCA FY19 Successes

- ▶ 6.9M visits to New Mexico public and tribal libraries
- ▶ 94K+ children participated in summer reading programs at public and tribal libraries.
- ▶ 5.85M library transactions were made using electronic resources funded by the New Mexico State Library.
- ▶ 1.48M people attended programs provided by arts organizations statewide, funded by New Mexico Arts from recurring appropriations.
- ▶ 1.35M people visited museums and historic sites.
- ▶ 33% of grant funds from recurring appropriations were distributed to communities outside of Santa Fe, Albuquerque, and Las Cruces.
- ▶ \$4.49M in earned revenue (includes admissions, rentals, and other revenue).
- ▶ \$9.25M worth of construction underway on historic buildings using state and federal tax credits.

DCA FY19 Community Support

- ▶ In FY19, volunteers across New Mexico contributed more than 93,000 hours of their time on Department of Cultural Affairs' programs and projects, an estimated value of \$1.9M equivalent to 45 full time employees
- ▶ In FY19, DCA's foundation partners contributed \$4.79M in support of special exhibitions and educational programs at DCA museums and Historic Sites
 - ▶ Foundation support is non-recurring and varies from year to year.

DCA FY19 Review

- ▶ DCA's vacancy rate is 18%
- ▶ 19 positions are unfunded
- ▶ In FY19, DCA filled 93 positions
- ▶ Approximately 20% of DCA's vacancies were filled through internal promotions, creating new vacancies
- ▶ 50% of turnover was in pay band 55 or lower

DCA FY21 General Fund Budget Request

DCA Program	FY21 Request
Museums and Historic Sites	\$ 24,863.4
Historic Preservation	\$ 840.5
Library Services	\$ 4,401.5
Arts Services	\$ 2,207.0
Program Support	\$ 5,162.6
DCA Total	\$ 37,475.0

- ▶ 13.7% increase from FY20
 - ▶ \$2.59M (7.8%) base
 - ▶ \$1.98M (5.9%) expansion items

DCA Base Budget Increases

- ▶ Increase in basic operating costs, including fixed costs
- ▶ Personnel - retention; STRM to PERM; fund positions to meet mandates and core services
- ▶ IT - technology refresh, licensing, database consolidations, software updates
- ▶ Arts in the Military
- ▶ Wonders on Wheels (WOW) Van operating and personnel
- ▶ Los Luceros Historic Site operations and personnel

PRIORITY#1 Facility Renewal and Replacement \$4.5M

[Non-General Fund]

- ▶ DCA is responsible for 191 structures, 100 of which are on the State Cultural Properties and/or National Register of Historic Places

- ▶ DCA is working with DFA and NMFA on statutory change to the Public Project Revolving Loan Fund (PPRF) for dedicated, non-general, recurring funding to support facility renewal and replacement.

- ▶ An initial analysis shows justification for over \$5M of needs
 - ▶ Historic structures are more expensive to maintain and renovate
 - ▶ Basic repair and replacement (e.g. leaking roofing, HVAC repair, water systems leaks, etc.); long term investments (e.g. photovoltaic systems)
 - ▶ Stewardship of resources
 - ▶ Builds upon \$500K received in FY20 to create a Facilities Management Division

DCA Budget Priority #2

Community Investment \$1M

- ▶ Two-part initiative to advance economic vitality and access to services
 1. **\$500K State Library**
 - ▶ The New Mexico Library Association has named an increase of \$2M their top legislative priority
 - ▶ Current funding is <\$1.50 per capita vs \$3.50 nationally
 - ▶ Funding will help libraries keep computer equipment up-to-date to take advantage of the high speed broadband being rolled out by DCA.
 - ▶ Funding will improve cooperation and resource sharing between libraries, expand early education services, promote K-12 school partnerships, support the development of rural public libraries, and increase diverse and inclusive library programming.
 2. **\$500K New Mexico Arts Services Match**
 - ▶ First increase in 20 years, will bring New Mexico's per capital arts funding from \$0.47 to \$0.71 (\$0.91 = national average)
 - ▶ National Endowment for the Arts, will match the funding, which supports over 300 full-time and 600 part-time jobs statewide.
 - ▶ Will provide important arts learning both in school and out, arts trails, economic and entrepreneurial development, arts projects and folk arts projects

DCA Budget Priority #3

Rural Exhibition Program \$500K

- ▶ Expand DCA's museum program exhibits to rural communities increasing access and inclusion while generating tourism and economic benefit
- ▶ Across DCA high quality exhibitions are developed and presented
 - ▶ DCA piloted an in-state traveling exhibition program with Flamenco: From Spain to New Mexico.
 - ▶ The exhibit, originating from the Museum of International Folk Art in Santa Fe, travelled to four non-DCA museums around the state.
 - ▶ The pilot has proven an effective method of reaching New Mexicans in their home communities, building tourism impact and expanding educational opportunities.
 - ▶ The ability to rent these same exhibits to out-of-state museums also increases the department's earned income potential

DCA Budget Priority #4

Statewide Collaboration & Marketing \$480K

- ▶ Maximize impact and earned income potential for DCA's public programs through a meaningful investment in marketing and advertising
- ▶ Focus on in-market audiences to build attendance and increase earned income, amplifying Tourism Department's efforts
- ▶ Majority of promotion occurs through lower price outlets such as social media platforms and earned media
- ▶ Managed by DCA's Marketing and Communications Coordinator, this proactive marketing strategy will focus on in-market audiences to build attendance and increase earned income.

DCA Special Appropriation Requests

- ▶ \$100K for a study on strategies to increase attendance at museum hill cultural institutions
- ▶ \$100K for information technology and security improvements at DCA facilities
- ▶ \$300K reauthorized to expand storage through FY21
- ▶ \$75K for a study to increase local requests for National Register of Historic Places designations

DCA ICIP Request for FY21

ICIP Request FY21	Amount
Life, Health, & Safety	\$ 5,700,000
Facility Stabilization (incl. climate control)	\$ 4,247,000
Preservation of Property	\$ 2,305,000
Life-Cycle Repairs, Efficiencies, Visitor Services	\$ 2,390,000
Revenue Enhancement	\$ 4,085,000
TOTAL	\$18,727,000

\$14.6M critical and life-cycle repairs

\$ 4.1M revenue enhancement / exhibit upgrades

\$18.7M total request



DCA Facilities Management Responsibilities

The Department of Cultural Affairs has been entrusted with the stewardship of the State's 191 museums, historic sites and support facilities.

DCA is responsible for the maintenance and improvements of those sites which includes:

- ▶ 8 State Museums (Alamogordo, Albuquerque, Las Cruces, Santa Fe)
 - ▶ 9 Historic Sites Properties (Jemez, Bernalillo, Fort Sumner, Radium Springs, Mesilla, Lincoln, Ft Stanton, Socorro, Alcalde)
 - ▶ Center for New Mexico Archaeology (Santa Fe county)
-
- ▶ 1.3M square feet
 - ▶ Over 1,000 acres
 - ▶ 87 structures listed on state or federal historic registers

Specialized Facilities

- ▶ Climate-controlled (humidity and temperature) facilities necessary to preserve collections and exhibitions artifacts
- ▶ National Accreditation of DCA Museums
 - ▶ Enables grant funds from federal and private foundations
 - ▶ Enables national and international loans of exhibitions objects
 - ▶ i.e. Smithsonian Institution , British Museum, Museo del Prado
- ▶ Preservation of irreplaceable collections of New Mexico's history and patrimony

Proactive Approach to Maintenance

- ▶ Correcting small problems before they become larger issues
- ▶ Over one million visitors annually - many facilities are open to the public 7 days/week
- ▶ Tourism & economic impact to local communities
- ▶ Minimizing facility closures (revenue and accountability)

Sources of Capital Improvement Funds

- ▶ DCA relies on state Severance Tax Bonds for capital repairs
- ▶ DCA has minimal facility repair funds in operating budget
 - ▶ Lack of funding has resulted in significant deferred maintenance backlog
- ▶ DCA receives \$360,000 in GGRT for capital repairs

Examples of other State Agencies with recurring capital funding

- ▶ State Parks GGRT: \$5M annually for 34 State Parks
 - ▶ GSD CBRF: \$8M annually for buildings in Santa Fe, totaling 1.5 M sq. ft.
- ▶ DCA Foundations
 - ▶ DO contribute private funding for special exhibits, new capital projects and educational programming
 - ▶ DO NOT raise private funds for building repairs

New Mexico Arts



NM Arts: Thanks From the National Dance Institute of New Mexico



October 30, 2019

Dear, New Mexico Arts,

My name is Jayven I'm in the third grade class. I am 9 years old. I go to Gonzales Community School. I live Santa Fe, NM.

My favorite part about NDI NM is the runs and jumps. My favorite favorite is the rainbow chapter. We jump and move our hands over our head like a rainbow. Thank you for supporting NDI NM!

Sincerely,
Jayven

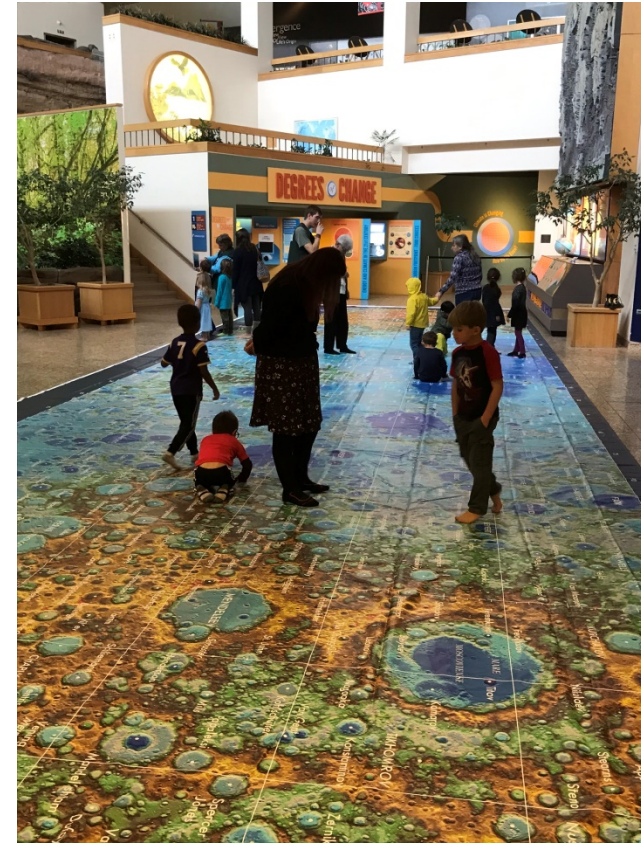
New Mexico Libraries



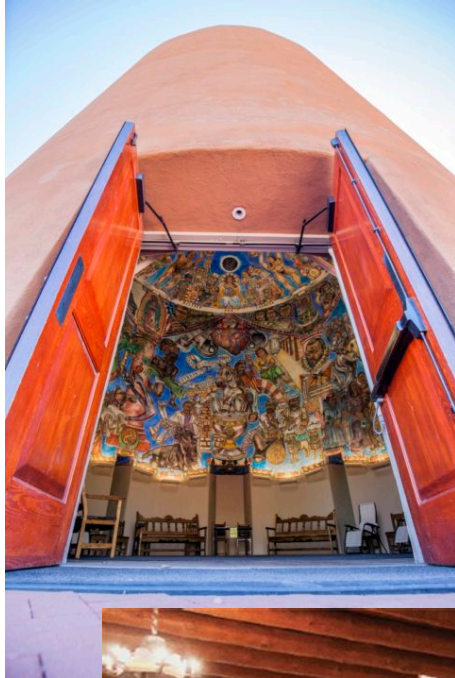
Rural Exhibition Program – From Spain to New Mexico



Natural History and Science Museum



National Hispanic Cultural Center



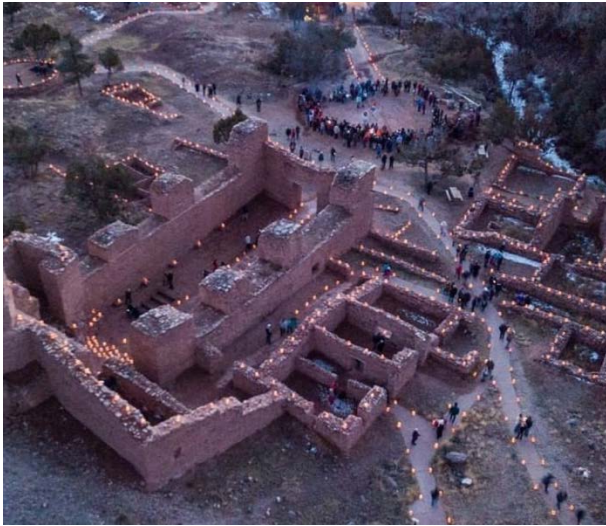
New Mexico Farm and Ranch Heritage Museum



Museum of Space History



New Mexico Historic Sites



Before and after window preservation at Ft. Stanton

