Carnegie Building/City Assets Ad Hoc Committee

10:00 a.m.
Monday, October 6, 2014
Governmental Center - Second Floor Committee Room
400 Boardman Avenue
Traverse City, MI 49684
Posted and Published: October 2, 2014

If you are planning to attend the meeting and you have a disability requiring any special assistance at the meeting, please notify the City Clerk, immediately.

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Agenda

1. Consideration of Approving Minutes from the Meeting of September 12, 2014
2. Assessment of other contracts/leases associated with Carnegie Building
3. Assessment of Con Foster Collection
4. Assessment of Carnegie Building
5. History Center Financial Analysis
6. Public Comment
7. Task Review
8. Adjournment

City Commission Ad Hoc Committee
Carnegie Building/City Asset Discussion
Minutes
Meeting of September 12, 2014

A meeting of the City Commission Ad Hoc Committee: Carnegie Building/City Asset Discussion was called to order on Friday, September 12, 2014 at 10:00 a.m. in the Second Floor Training Room, 400 Boardman Avenue, Traverse City, Michigan.

The following Commissioners were present, constituting a quorum: Commissioner Easterday, Commissioner Richardson, and Commissioner Howe.

The following Commissioners were absent: None.

1. The first item being: "Consideration of selecting a secretary for the duration of the committee."

   By consensus, Commissioner Howe would serve as secretary for the duration of the committee.

2. Next item being, "Public Comment."

   The following people addressed the Committee:

   Marsha Smith, 529 Washington St.
   Bob Streit, Treasurer, Art Center, Elk Rapids
   Stephen Morris, 517 6th St. Traverse City, Treasurer History Center
   Lori Gabel, 724 E. Shore Rd.
   Michael Jackson, 217 6th St. TC
   John Noonan, 908 S. Union St

3. Next item being, "discuss immediate needs for the Carnegie Building."

   It was moved by Commissioner Richardson, seconded by Commissioner Howe, to recommend to the City Commission, that the city assumes direct costs for maintaining the building not to exceed $12,250, until the remainder of the year, 2014.

   The following people addressed the Committee:

   Seamus Shinners, 410 7th Street, Traverse City
   Stephen Morris, 517 6th Street, Traverse City
   Marsha Smith, 529 Washington Street, Traverse City

   CARRIED unanimously.

4. Next items being, "discuss timeline for developing recommendations for future use of the Carnegie Building and other City-owned properties."

By consensus, the committee will make a recommendation to the City Commission for discussion at a Study Session before making final recommendation to the City Commission to take action.

5. Next item being, "discuss the process for developing recommendations for future use of the Carnegie building and other City-owned properties."

   By consensus, the agenda items for the next meeting of the committee would be as follows:
   1. Assess of other contracts/leases associated with Carnegie Building
   2. Con Foster Collection
   3. Assessment of Carnegie Building
   4. History Center Financial Analysis

6. Next item, "public comment."

   None.

There being no objection, Commissioner Easterday declared the meeting adjourned at 11:00 a.m.

_____
Commissioner Gary Howe
Designated Secretary

Prepared by: Katelyn Stroven, Administrative Specialist

The City of Traverse City

Communication to the Carnegie Building Ad Hoc Committee

FOR THE CARNEGIE BUILDING AD HOC COMMITTEE MEETING OF OCTOBER 6, 2014

DATE: OCTOBER 2, 2014

FROM: JERED OTTENWESS, CITY MANAGER

SUBJECT: AGENDA ITEMS FOR CONSIDERATION

Background:

Building:

- In 1902, the City of Traverse City acquired the Carnegie Building site from the Hannah & Lay Company, "... subject, however, to the condition and limitation that said above described premises be used and occupied FOREVER by said Traverse City as a site for the Carnegie Library building proposed to be erected in said city of Traverse City, and for no other purpose."
- In 1983, the City deeded the property to the Traverse Area District Library "... provided, however, that such property be used for public library purposes only and that all or any portion of said property shall revert to the City of Traverse City in the event that it is not so used." In 2003, when the Traverse Area District Library moved to its current location, the property was deeded back to the City.
- In 1996, then City Attorney Peter Doren issued a legal opinion regarding restrictions on the use of the Carnegie Library Building, which indicates that there is no ongoing legal responsibility on the part of the City to the Hannah & Lay Company, the Carnegie Foundation, or any other legal entity, to maintain a library at this site.
- In 2000, the Grand Traverse Heritage Center (formerly, the Friends of the Con Foster Museum, Inc.) relocated from the Con Foster Museum to the

Carnegie Library Building.

Con Foster Collection: City staff is researching the acquisition of the Con Foster collection. It is assumed that it would have been some time after his death in the mid-1940's, but so far we are unable to locate an official record of the gift. This will be important to know as part of the potential deaccession plan.

1. *Assessment of Other Contracts/Leases Associated with Carnegie Building*

Under the current Management and Lease Agreement between the City of Traverse City and the History Center of Traverse City, Inc., the History Center may sublease or allow regular occupancy of the Carnegie Building with the prior written consent of the City Manager. The History Center currently holds four such leases;

- American Association of University Women ($2,340/year, one year lease, ends **07/01/2015**. May be terminated earlier with a 90 day notice of termination. Includes office space, secure storage areas and all common areas.)
- Women's History Project of Northwest Michigan ($1,560/year, one year lease, ends **01/27/2015**. May be terminated earlier with a 90 day notice of termination. Includes office space, secure storage areas and all common areas.)
- Railroad Historical Society of Northwest Michigan ($1,950/year, one year lease, ends **12/31/2014**. May be terminated earlier with a 90 day notice of termination. Includes office space, secure storage areas and all common areas.)
- Grand Traverse Area Rock & Mineral Club ($2,600/year, one year lease, ends **12/31/2014**. May be terminated earlier with a 90 day notice of termination. Includes office space, secure storage areas and all common areas.)

History Center Staff has provided copies of the current lease agreements.

The History Center also has a Management Contract with the Northern Michigan Railroad Club to host the Festival of Trains. Setup is to begin on December 6, 2014 and removal to be completed by **January 5, 2015**. Should any modifications or cancellation of the current History Center lease agreement with the City of Traverse City be experienced prior to or during 2014 Festival of Trains; any or all conditions of the contract may be subject to change or termination. $6,000 paid to Northern Michigan Railroad Club; ½ paid on opening day (12/13/14) and ½ paid upon removal.

It should be noted that the Carnegie Library Building is a key polling location utilized by the City during elections. It is also a meeting place for Central Neighborhood Association meetings, and has individual (daily) rentals to other organizations.

2. *Assessment of Con Foster Collection*

History Center staff has prepared a summary of the types of items included in the Con Foster collection (see attachment). The collection consists of approximately 10,000 artifacts collected from all over the United States and the world. Many of these artifacts are not relevant to the Traverse City area or to its heritage. If the committee recommends that the collection be evaluated with a goal toward deaccession of items in the collection, it will be necessary to identify organizations with expertise in the area of accession/deaccession to assist with developing a plan and process. It should be noted that any Deaccession Plan would need to be consistent with State Law (PA 24 of 1992, Museum Disposition of Property Act)(see attached) and City Commission Policy (see attached Con Foster Museum Long Term Loan Conversion Policy, and Policy Statement on Collection Accessions, Deaccessions and Loans). City staff has started this process by making inquiries with various contacts who may have expertise in this regard.

3. *Assessment of Carnegie Building*

History Center staff has prepared a general assessment of the Carnegie Building which includes immediate repairs needed and long term capital improvements that may be required (see attachment). History Center staff developed this list through comments made from different maintenance people over time, and through experiencing continued repairs and maintenance for the same items over time. History Center Staff has provided estimates to replace current HVAC controls with new controls ($6,360), and to clean, jet and televise the sanitary sewer lead ($695). City staff has prepared a summary of maintenance expenses that we have records to substantiate for the elevator, HVAC and Miscellaneous expenses for the building from 2006-2013(see attachment).

A detailed inspection of the building by a qualified inspector has not been done in the recent past, and in order to determine the extent of repairs needed, including prioritization of repairs, the Ad Hoc Committee may consider recommending that an inspection for major items such as roof, foundation, windows, HVAC, plumbing and electrical be performed. An appraisal of the building and land has not been performed in the recent past either. The Ad Hoc Committee should consider this type of expense with a focus on the future use of the building, and determine

whether incurring expenses such as these will be necessary or not.

4. *History Center Financial Analysis*

History Center staff has provided a Profit and Loss statement through August 31, 2014, indicating a year to date net loss of $8,703.56 (see attachment). They have also provided a copy of the 2013 Form 990, which is the equivalent of a tax return for a Non-Profit organization (see attachment). Form 990 demonstrates that for the year ending 12-31-2012, the History Center had an unrestricted fund balance of $73,731, and for the year ending 12-31-2013, the History Center had an unrestricted fund balance of $37,648.

Relevant Documents Attached:

1. PA 24 of 1992, Museum Disposition of Property Act
2. Con Foster Museum Long Term Loan Conversion Policy
3. Policy Statement on Collection Accessions, Deaccessions and Loans
4. Brief Overview of Con Foster Collection, prepared by History Center staff
5. Known Issues with Carnegie Building, prepared by History Center staff
6. Summary of Maintenance Expenses for Elevator, HVAC and Miscellaneous Expenses, prepared by City staff
7. Statement of Profit & Loss Year to Date August 31, 2014, prepared by History Center Staff
8. History Center Form 990, pages 1, 9, 10, 11 and 12

e-copy: Steve Morris, Treasurer, History Center of Traverse City, Inc.

THE MUSEUM DISPOSITION OF PROPERTY ACT
Act 24 of 1992

AN ACT to provide for the disposition of property loaned to museums, archives, and libraries.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

The People of the State of Michigan enact:

399.601 Short title.

Sec. 1. This act shall be known and may be cited as "the museum disposition of property act".

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.602 Definitions.

Sec. 2. As used in this act:

(a) "Lender" means a person whose name appears on the records of the museum as the person legally entitled to property on loan to a museum, or a person the museum knows to be legally entitled to property on loan to a museum, or a person who establishes his or her legal entitlement to that property.

(b) "Loan" means a deposit of property that is not accompanied by a transfer of title to the property.

(c) "Museum" means an institution generally known as a museum, archives, or library located in this state that is or does each of the following:

(*i*) Established primarily for artistic, educational, scientific, historic, or preservation purposes.

(*ii*) Exhibits, cares for, studies, archives, or catalogs property.

(*iii*) Operated by a nonprofit corporation, college, university, or public agency.

(d) "Property" means an animate or inanimate object in a museum's possession or under a museum's care because of that object's artistic, educational, scientific, historic, or cultural value.

(e) "Undocumented property" means property in the possession of a museum, the owner or lender of which the museum has no reasonable means of identifying.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.603 Property loaned to museum on or after January 1, 1993; duties.

Sec. 3. For each item of property loaned to a museum on or after January 1, 1993, the museum shall do all of the following at the time of the loan:

(a) Make and retain a written record containing at least all of the following information:

(*i*) The owner's name, address, and telephone number.

(*ii*) The name, address, and telephone number of a person designated by the owner for the museum to contact in the event that the owner cannot be located.

(*iii*) A description of the property loaned.

(*iv*) The beginning date of the loan.

(*v*) The duration of the loan.

(b) Provide the lender a signed receipt or loan agreement containing at least the record set forth in subdivision (a).

(c) Inform the lender of the existence of this act and provide the lender with a copy of this act upon the lender's request.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.604 Property loaned to museum generally; duties.

Sec. 4. Regardless of the date of a loan of property, a museum shall do each of the following:

(a) Update its records if a lender informs the museum of a change of address or change in ownership of property loaned, or if the lender and museum negotiate a change in the duration of the loan.

(b) If the museum changes its address, do each of the following:

(*i*) Provide each lender whose name and address is known to the museum with written notice of the change of address by ordinary mail within 30 days of the change of address.

(*ii*) Publish a notice of the change of address at least twice, 60 or more days apart, in a newspaper of general circulation in the county in which the museum is located.

(c) If the museum is permanently closing, terminate each loan pursuant to section 7.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.605 Notice of change in lender or designee's address or ownership.

Sec. 5. For each item of property loaned to a museum on or after January 1, 1993, a lender shall provide

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the museum with written notice of a change in the lender's address, a change in the address of a person described in section 3(a)(*ii*), or a change in ownership of the property loaned.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.606 Notice by museum to terminate loan of property; conditions.

Sec. 6. Regardless of the date of a loan of property, beginning January 1, 1993, a museum may give notice of termination of a loan of property pursuant to section 7 under any of the following circumstances:

(a) The property was loaned to the museum for an indefinite term.

(b) The property was loaned to the museum for a specific term, and the term has expired.

(c) The property is undocumented property.

(d) The museum is permanently closing.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.607 Notice by museum to terminate loan of property; determining identity and last known address of lender; written statement included in notice; signed return receipt not received; publication of notice in newspaper.

Sec. 7. (1) Before terminating a loan of property, a museum shall provide notice of a termination of a loan of property as provided in this section. In providing notice of a termination of a loan of property, a museum shall employ all reasonable means to determine the identity and last known address of the lender of that property, and, if applicable, the identity and last known address of the lender's designee.

(2) If the museum determines the identity of the lender and the lender's last known address, the museum shall personally serve or send to that lender, by certified mail, return receipt requested, a notice of termination of loan. The notice shall include a written statement substantially conforming to the following:

"Records of _____ (name of museum) indicate you loaned the following property to the museum _____ (description of property), on or about _____ (date of loan).

____ The term of the loan has expired.

____ The loan was for an indefinite time and the museum wishes to terminate the loan.

____ The museum is permanently closing.

(check appropriate blank)

You are required to contact the museum and make arrangements for the removal of the property. If you do not remove the property within 1 year of receiving this notice, you will be deemed to have donated the property to the museum and any ownership or other rights in the property you have shall end.

To make arrangements to pick up the property, please contact _____ (name of museum employee or office) at _____ (museum address), _____ (telephone number)."

(3) If a signed return receipt of a notice sent by certified mail to the lender under subsection (2) is not received by the museum within 30 days after the notice is mailed, the museum shall do 1 of the following:

(a) If records of the museum identify a lender's designee, the museum shall send notice by certified mail, return receipt requested, to that designee.

(b) If records of the museum do not identify a lender's designee, the museum shall make written request to the secretary of state for the lender's current address, and use all other reasonable means to determine the lender's current address. If the museum obtains the lender's current address, the museum shall proceed under subsection (2).

(4) If the museum is unable to determine the identity of the lender or the lender's last known address, the identity of the lender's designee or the designee's last known address, or if a signed return receipt of a notice sent by certified mail to the lender or the lender's designee under subsection (2) or (3) is not received by the museum within 30 days after the notice is mailed, the museum shall publish the notice of termination of loan at least twice, 60 or more days apart, in a newspaper of general circulation in the county in which the museum is located, and the county of the lender's most recent address, if known. The notice shall substantially conform to the following:

"The _____ (name of museum) was loaned the following property _____ (description of property), by _____ (name of lender, if known), of _____ (lender's last known address, if any) on or about _____ (approximate date of loan, if known).

If you claim ownership or another legal interest in this property, you are required to establish your interest and to remove the property from the museum within 1 year of the date of this notice, or your interest shall end.

To preserve your interest in the property, contact _____ (name of museum employee or office) at _____ (museum address), _____ (telephone number)."

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

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399.608 Property loaned for indefinite term.

Sec. 8. Beginning January 1, 1993, regardless of the date of a loan of property, a lender may give notice of termination of a loan of property if the property was loaned for an indefinite term. The lender shall give the museum at least 60 days' notice before the lender intends to remove the property.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.609 Documentation establishing ownership.

Sec. 9. A museum shall require a person to provide documentation sufficient to establish that the person is a lender of an item of property or the authorized representative of the lender of an item of property before allowing that person to remove the property from the museum under this act.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.610 Competing claims for property.

Sec. 10. If more than 1 person claims to be the lender of an item of property, and the claims are competing, a museum may wait to release the property until the competing claims are resolved by agreement or legal action of the claimants.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.611 Museum gaining title to property; conditions; notice.

Sec. 11. (1) Beginning January 1, 1993, a museum gains title to an item of property, subject only to an interest or interests in that property previously recorded pursuant to state law, under any of the following circumstances:

(a) For an item of property for which a museum provides written notice to a lender or a lender's designee pursuant to section 7(2) or (3) and personal service is effectuated or a signed return receipt is received, if a lender of that item does not contact the museum within 1 year after the date notice was received.

(b) For an item of property for which newspaper publication is made pursuant to section 7(4), if a lender of that item does not contact the museum within 1 year after the date of second publication.

(c) Undocumented property that is not solicited by the museum and that is delivered to the museum or left on museum premises after January 1, 1993.

(2) Subject to subsection (3), beginning January 1, 1994, a museum gains title to undocumented property that has been in the possession of the museum for 35 or more consecutive years, subject only to an interest or interests in that undocumented property previously recorded pursuant to state law.

(3) A museum does not gain title to undocumented property that has been in its possession for 35 or more consecutive years unless all of the following occur:

(a) If the museum has an annual budget of more than $50,000.00, the museum publishes a notice in a newspaper of general circulation in the county within which the museum is located. The notice shall be prominently placed in the newspaper at least once each week for 2 or more weeks, shall be no less than 4 inches wide and 6 inches in height, with a black border that is not less than 1/4 inch wide, and shall include all of the following:

(*i*) The word "NOTICE" in not less than 25-point type.

(*ii*) A statement in not less than 22-point type in substantially the following form:

CERTAIN LOANED PROPERTY CURRENTLY IN THE POSSESSION OF _____ (NAME OF MUSEUM) WILL BECOME THE PROPERTY OF THE MUSEUM IF UNCLAIMED, BEGINNING ON _____ (JANUARY 1, 1994, OR DATE WHICH IS 6 MONTHS OR MORE AFTER THE FINAL PUBLICATION OF THE NOTICE, WHICHEVER IS LATER).

(*iii*) A statement in not less than 10-point type that follows the statement described in subparagraph (*ii*) and is in substantially the following form:

THE MUSEUM DISPOSITION OF PROPERTY ACT AUTHORIZES _____ (NAME OF MUSEUM) TO BECOME THE OWNER OF PROPERTY LOANED TO THE MUSEUM AND POSSESSED BY THE MUSEUM FOR 35 OR MORE YEARS WITHOUT DOCUMENTATION OR EVIDENCE ESTABLISHING THE IDENTITY OF THE PROPERTY'S LENDER. A PERSON WHO WISHES TO PRESERVE AN INTEREST IN ANY UNDOCUMENTED PROPERTY WHICH WILL HAVE BEEN IN THE MUSEUM'S POSSESSION FOR 35 OR MORE YEARS ON _____ (DATE THAT IS USED IN THE STATEMENT REQUIRED BY SUBDIVISION (A)(*ii*)) MUST CONTACT THE MUSEUM BEFORE THAT DATE. A PERSON WHO WISHES TO PRESERVE AN INTEREST IN OTHER UNDOCUMENTED PROPERTY MUST CONTACT THE MUSEUM BEFORE THE PROPERTY HAS REMAINED IN THE POSSESSION OF THE MUSEUM FOR 35 YEARS. UNDOCUMENTED PROPERTY THAT IS UNCLAIMED AFTER BEING IN THE MUSEUM'S POSSESSION FOR 35 YEARS

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BECOMES THE PROPERTY OF THE MUSEUM AS PROVIDED BY LAW.

THE LAW DOES NOT REQUIRE THE MUSEUM TO PROVIDE ANY FURTHER PUBLIC NOTICE CONCERNING THE MUSEUM DISPOSITION OF PROPERTY ACT OR YOUR OBLIGATION TO CONTACT THE MUSEUM REGARDING UNDOCUMENTED PROPERTY IN WHICH YOU MAY HAVE AN INTEREST.

(b) If the museum has an annual budget of $50,000.00 or less, the museum publishes a readily visible notice in a newspaper of general circulation in the county within which the museum is located. The notice shall be in substantially the form described in subdivision (a), but the size of the notice, print, and border may be less than the size specified for each in subdivision (a).

(c) The museum posts a copy of a notice substantially corresponding to the notice described in subdivision (a)(*i*), (*ii*), and (*iii*) in a conspicuous location on the museum premises at the time notice is provided by newspaper publication under subdivision (a), and the notice remains posted in a conspicuous location until the museum has obtained title to all undocumented property in its possession under subsection (2).

(d) The museum does not receive documentation or other evidence establishing a person's ownership interest in the undocumented property within the applicable period of time specified in the published notices pursuant to subdivision (a)(*iii*).

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.612 Abrogation of rights and obligations.

Sec. 12. This act does not abrogate rights and obligations of a lender or museum identified in a written agreement.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

399.613 Immunity from civil liability.

Sec. 13. Beginning January 1, 1993, a museum that in good faith relinquishes property in compliance with this act to a lender is immune from civil liability for that relinquishment.

History: 1992, Act 24, Imd. Eff. Mar. 23, 1992.

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The City of Traverse City

Office of the City Clerk

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CON FOSTER MUSEUM
LONG TERM LOAN CONVERSION POLICY

1. Materials loaned to the Con Foster Museum may be claimed by the original owners or their agents, or the materials may be converted to gifts to the museum provided the requirements of this policy are met.
2. Materials include any artifact(s) or document(s) in the museum's possession which was placed there with the intention that it/they be returned to the owner at a future date.
3. Early documentation of loans was kept on index cards. Prior to 1942, there appears to be no loan receipts. Convincing proof of ownership could be established by an individual's proper identification and an indication of accurate knowledge of the materials being claimed. Questions of rightful heirs and power of attorney would be addressed as indicated below.
4. Between 1942 and 1979, loans and donations were documents in receipt books which were originally intended as loan receipts. There are receipts which have been altered on both the original and the copy so that the word "loaned" is struck out and the work "donated" is written in its place. Materials listed on the altered receipts are considered as permanent donations and will not be returned to the original owners or their agents.
5. Currently, loans are accepted for only a specific exhibit or program and only for a digested amount of time. These materials are recorded on loan forms with a copy provided to the owner. In order to retrieve the loaned materials, the copy must be presented by the owner or the owner's agent.
6. Anyone wishing to claim materials recorded as loans which were left at the Con Foster Museum must provide convincing evidence proving that the materials are those which are in the museum's possession and that the individual(s) claiming ownership are, in fact, the right owners of the property. All returned of long term loans are subject to the review of the Advisory Board.
7. Original owners of loaned materials may claim their loans after having produced the proper receipts or other identification indicating their ownership of specific items and providing that the museum staff can retrieve the materials from the descriptions provided.
8. An heir to the estate owner of loaned materials must establish that he or she is the rightful heir of the property in question. The following will be required:
    a. A copy of the original owner's death certificate and will, if any, must be presented.
    b. Proper museum receipts may be required for loaned materials for which receipts were given.
    c. The personal representatives of the estate must provide a written document releasing the martials to a specify individual, that individual will be given the material.
    d. If no estate is being probated and a spouse survives, then the materials will be released to the spouse.

e. If no estate is being probated and there is no spouse, the person claiming ownership must present a written statement to that effect. In addition, written statements from the other heirs allowing the materials to be released to the individual claiming ownership may be required.
f. If the original owner is still living and has given a power of attorney to another, this power of attorney must also be validated for the museum's records.
g. Other documentation may be required by the museum staff if they deem it appropriate.

9. Original owners, their agents, or heirs who wish to convert loaned materials into permanent donations to the museum must provide convincing evidence of ownership. Upon making such a donation, the established owner must sign the donation agreement provided by the museum in accordance with the museum's adopted collection policy.

I hereby certify that the above policy was adopted by the City Commission of the City of Traverse City at its regular meeting of March 2, 1987, held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

Benjamin C. Marentette, CMC, City Clerk

The City of Traverse City

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CON FOSTER MUSEUM
POLICY STATEMENT ON COLLECTION ACCESSIONS, DEACCESSIONS AND LOANS

I. Introduction
   a. Purpose of Document
   b. Background of Collections
II. Policy Acquisition
   a. Acquisition Evaluation
   b. Accession Records
   c. Method of Acquisitions
   d. Behavior: Museum Employee, Volunteer, Any Individual or Organization Involved in Museum's Management or Operations.
   e. Policy Violation
III. Policy for Deaccession and Disposition
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   b. Method of Deaccession
   c. Restrictions to Deaccession and Disposition
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IV. General Policy on the Use of the Collections
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   b. Appraisals, Identification and Authentication
V. General Policy for Loans
   a. Policy for Loans to the Museum
   b. Policy for Loans from the Museum Collection
VI. Insurance
VII. Implementation

I. Introduction

A. Purpose of Document: This document establishes policies and guidelines for accessions to the collections of the City of Traverse City's Con Foster Museum, and delineates the circumstances by which objects shall be deaccessioned rom the Museum's collections. It also establishes policies regarding loans to and from the Museum Collections. The term "accession" includes gifts, purchases, exchanges and other transactions by which title to incoming material is transferred to Con Foster Museum. The term "deaccession" includes gifts, sales, exchanges, and any other transaction by which outgoing institution or individual, as well as disposal by intentional destruction. Temporary physical transfers of material to or from the Museum which do not involve a change in ownership are termed "loans."

Elements to be considered in this policy statement are:

1. To development basic priorities for adding new material to the collections.
2. To affirm that the Con Foster Museum shall be in full compliance with the laws and regulations, both domestic and foreign, governing the transfer of ownership and movement of objects across political boundaries.
3. To affirm that the highest ethical standards continue to be met by the Museum and its employees and any individuals or organizations involved in its management and/or operations and their employees.
4. To assure that the documentation for the collections shall equal or exceed prevailing museum standards.
5. To define the conditions of acceptance that may be placed upon objects from the Museum's collections.
6. To define the contributions governing loans to and from the Museum.

B. Background of Collections

MISSION STATEMENT:
The Con Foster Museum, of the City of Traverse City, is a non-profit, public institution whose purpose is to collect, preserve, and present the cultural history of the Grand Traverse region. (Adopted by the City Commission 4/16/84) The Museum will develop its collection through purchase, gift, bequest or exchange for the purpose of meeting the objectives outlined in its mission statement.

The Museum cooperates with other museums, educational and public institutions to further the objective of its mission and to assist these institutions in meeting our mutual objectives. To this end, the Museum makes loans to, or exchanges with, responsible museums, educational and public institutions.

The Museum has three types of collections (approved by the City Commission 4/16/84):

1. Permanent Exhibit Collections: These items relate directly to the Museum's purposes. Used primarily for exhibition, they are original and generally priceless.
2. Study Collections: These usually are duplicate or worn items that have definite teaching quality. These items are used for exhibition, study or sometimes loaned to other museums and institutions.
3. Expendable Collections: These items usually are donated by individuals or institutions which no longer need them. The museum normally will not classify them as type 1 or 2, but will use them to acquire artifacts or other pertinent materials to fill out its permanent or study collection.

II. Policy for Acquisition

A. Acquisition Evaluation

1. All potential acquisitions must be evaluated first in accordance with the mission of the Museum, and then in terms of:
   a. Documentation as to origin, previous ownership and use,
   b. needs in the collection in terms of condition and duplication,

c. possible resolution of legal or ethical standards regarding possession and use, and
d. storage availability.

2. All acquisitions to the collection will be considered permanent as long as they retain their physical integrity, their identity, and their authenticity, and as long as they remain useful within the objectives and purposes of the Museum, and as long as the Museum retains the ability to store them properly.
3. The Museum shall not acquire, either by purchase or gift, bequest or exchange, any object unless the City Manager is reasonably satisfied that:
   a. The object has not been stolen.
   b. The object, if exported from a foreign country, was done so legally.
   c. The circumstances of the recovery of the object did not involve any unscientific or intentional destruction of a site or monument either in the United States or elsewhere.

B. Accession Records: Adequate accession records evidencing the place and circumstances of the origin of each object in the Museum collections shall be obtained and maintained on Museum computer with a back-up disk provided to the City Treasurer.

C. Method of Acquisition
   1. Acquisition through purchase, gift, bequest, or exchange shall be made whenever possible so that title to all objects acquired for the collection shall be obtained free and clear, without restriction as to use or future disposition.
   2. Objects with restrictions may be accepted only with the approval of the City Manager and City Commission.
   3. For an object acquired as an unconditional gift, a Con Foster Museum Donation Agreement shall be signed by the donor and the City Manager. In the case of an object acquired as a conditional gift, a Con Foster Museum Donation Agreement shall be signed by the donor and by the City Manager, Mayor, and City Clerk, upon approval and authorization of the City Commission.
   4. All gifts to the Museum, unconditional or conditional, must be reported to the City Commission.
   5. The Museum cannot provide appraisals for purposes of tax deduction or other external purposes. The Museum may, however, do its utmost to suggest reputable appraisers to assist the donors in obtaining appraisals for tax deduction purposes. The Museum cannot pay for appraisals done by other for the donor.
   6. For an object acquired through purchase, a purchase order shall be prepared in accordance with current City of Traverse City policy regarding purchase of property.

D. Behavior: Employee, Volunteer, Any Individual or Organization Involved in the Museum's Management and/or Operations

1. All of the above shall act responsibility, ethically and legally in acquiring, accepting or disposing of any collection object.
2. All of the above will not be discouraged from maintaining collections in their areas of responsibility within the Museum. However, they should provide the City Manager with a statement of their personal collections and submit records of private transactions. In instances where a privately acquired object is integral to the Museum's collection, the purchasing individual or organization shall offer the object to the Museum for their purchase price, to prevent personal profit. Collections acquired prior to employment or involvement with the Museum are not subject to this rule.
3. All of the above shall not use their Museum affiliation for personal profit or engage in any activity that may compromise the integrity of the Museum or undermine the public confidence.
4. All of the above shall comply with City Charter, Ordinance and Executive Orders regarding conflict of interest and private use of public property.

E. Policy Violation: In difficult cases regarding the acceptance of objects by gift, bequest, exchange, purchase or loan, the final decision will be made by the City Manager and City Commission.

III. Policy for Deaccession and Disposition

A. Criteria for Deaccession: Objects in the collection shall be retained permanently in the Museum as long as they continue the objectives and purposes of the museum and if the objects can be properly and adequately stored, maintained, preserved and used. Deaccessioning of objects may, in some cases, be considered when these factors can no longer be met, or in the interest of improving the collections and scope of the Con Foster Museum.

B. Method for Deccession: Objects in the collections shall be accessioned only upon the recommendation of the City Manager. Final approval must be granted by the City Commission.

C. Restrictions to Deaccession and Disposition
1. The Museum must have clear title to any object in the collection before it can be disposed of.
2. If the object under consideration is subject to conditions or restrictions on its use or disposition, the Museum will adhere to same, unless otherwise ordered by a court of competent jurisdiction.
3. When necessary, the Museum shall seek legal counsel regarding restrictions.
4. As a matter of courtesy, the Museum will attempt to inform the previous owners of the intended deaccession of donated objects, and this process will be in accordance with Section 11(3) of State of Michigan PA 24 of 1992.
5. All information regarding the deaccessioned objects will be available to the general public upon request.

D. Manner of Disposition
1. Permanent removal and disposition of deaccessioned objects will be done in an ethical and legal manner.

2. The method of disposition chosen shall represent the best interests of the Museum, the public it serves, the public trust it represents in maintaining and preserving the collections, and the scholarly and cultural community it represents.
3. Primary consideration shall be given to placing deaccessioned objects, either by gift, exchange or sale, in other tax-exempt institutions wherein they might serve a valid purpose in research, exhibition, education or public service. If objects are offered for sale elsewhere, primary consideration will be given to sale or advertised public auction or the public marketplace in a manner that will best project the objectives, purpose, activities and legal status of the Museum.
4. Objects will not be given or sold, directly or indirectly, to individuals or organizations employed by or involved with the management and/or operations of the Museum or the City of Traverse City. In the event of a public sale, such individuals shall be eligible, as any other private individuals, to bid on offered objects.
5. In the case of exchanges, when the fair market value is estimated to be over $1000.00 for an individual object or when the aggregate value of the collection is estimated to be more than $1000.00, an independent professional appraisal may be required by the City Commission to verifiy the equality of the exchange.

E. Allocation of Proceeds: All proceeds realized from the deaccession of objects shall be placed in the City's General Fund and designated as Museum Collections Fund, and shall be allocated to support collections acquisition and conservation. No funds realized from the sale of objects shall be used to support the general museum or City operations.

IV. General Policy on use of the Collections

A. Availability of the Collections
1. Due to storage constraints, the collections of the Museum shall be available for examination and study only when on public exhibit, except by special arrangement.
2. All standard Museum security procedures will apply to individuals studying or otherwise using the collections.
3. The City Manager will make the final determination upon the credentials of those seeking access to the collections.

B. Appraisals, Identification and Authentication: No member of the Museum staff or any individual or organization involved in the Museum's management and/or operations shall give appraisals for the purpose of establishing the tax deductible value of gifts offered to the Museum, nor shall they appraise, identify or otherwise authenticate objects for other persons or agencies under circumstances that would encourage or benefit illegal, unethical or irresponsible traffic in such objects. Identification and authentication may be given for professional or educational purposes and in compliance with the legitimate requests of professional or governmental bodies or their agents.

V. General Policy for Loans

A. Policy for Loans to the Museum

1. The same criteria for the permanent acquisition of objects shall apply to the acceptance of loan projects. Loans shall not be accepted by the Museum except for the purposes of a special exhibit, educational or research purposes.
2. Items in the Museum for consideration as potential acquisitions will be considered as loan objects.
3. Receipt of loans shall conform to Section 11(3), PA 24 of 1992.
4. An Agreement Form for Incoming Loans to Con Foster Museum shall be completed and executed prior to receipt of all loans.

B. Policy for Loans from the Museum Collections

1. To further the general objectives of research, exhibition, education and public service, the Museum makes loans to responsible museums and other educational and public institutions.
2. Loaning of objects from the Museum's collections for decorative purposes will not be permitted.
3. The Museum shall not loan any object the condition of which is too unstable to withstand normal shipping or display procedures.
4. Loans shall not be made from Museum's collections to further commercial purposes without City Commission approval.
5. An Agreement for Outgoing Loans from Con Foster Museum shall be completed and executed prior to loans leaving the Museum.

VI. Insurance

A. Insurance shall be carried on the permanent collections at their established current market value.

B. Objects in the Museum on loan shall be insured at their current market value by the City unless otherwise specified per Loan Agreement.

C. In instances of loans to other institutions or agencies from Museum, the borrowing organization must provide insurance on each object for the time that object is outside the Museum according to the terms of the Loan Agreement.

VII. Implementation

This policy statement shall be effective upon approval of the City Commission and shall apply to all collection objects listed on the Con Foster Museum Accessioning Inventory.

Approved by the City Commission (date): November 21, 1994

I hereby certify that the above policy was adopted by the City Commission of the City of Traverse City at its regular meeting of November 21, 1994, held in the Commission Chambers, Governmental Center, 400 Boardman Avenue, Traverse City, Michigan.

Benjamin C. Marentette, CMC, City Clerk

Con Foster Collection
Brief overview

*****Items in the Con Foster Collection are from all over the United States and the world. It was collected as a Cabinet of Wonder for Traverse City residents and tourists***

Wellington Street Location Storage

Switchboard
Logging Diorama
Several Diorama- Santa Village and an Unknown
Tool Box
Record Eagle Process Camera (Parts in other storage on Cass Street)
Big Wheel in many pieces
Children's sleigh
School Bell
Kerosene Stove
Dresser
Homemade Shovel Plow
Horse Drawn Ice Cutter
2 Hoxie ladders
Business Machine?

4 Big Crates---Possible display cases inside (Not aware of it being city owned)
Several State Hospital Items (Not City owned)

Cass Street Location Storage

Large Covered Wagon
Cast Iron Stove
Large Pieces of older farming equipment
The rest of the Record Eagle Process Camera

Carnegie Building Location Storage-Items on this list number over 10,000 items
This is just a list of item topics collected from the time of Con Foster(1930's) to 2007

Farming Equipment and tools
Logging tools
Business and Restaurant Items
Military (Civil War-Vietnam)
Clothing (Military, wedding dresses, nurses uniform, etc.)
Flags
Rugs
Furniture
Native American (From all over the United States)-Some items have been deaccessioned in the past due to NAGPRA- The Native American Graves Protection and Repatriation Act
Aztec Indian items
Trunks and suitcases
Rocks and Minerals
Medical items (Not the State Hospital Items)
Guns
Swords and knives
Home goods
Toys
Some photos and postcards
School house items
Firemen items
Human remains
Horse tack
Radio and media items
Musical instruments
Blacksmithing
Maps
Books
Collectibles

Items known to have issues in the Carnegie Building with no estimates

(These items have been brought to the attention of staff at History Center from 2011 -2014 by different maintenance people)

1. Front cement steps leading to the building has crack in it
2. Accessible ramp near the accessible parking
3. Gutters on the back of the Carnegie Building-There is only gutters on the front of the building (Recently done)
4. Boilers are showing their age and are not energy efficient
5. Lights are not energy efficient

Items we have estimates for (Maybe out dated)

1. HVAC Control system
2. Maintenance on sewer lines

Advanced Building Control Systems Inc.

January 11, 2013

Subject: **Traverse City Heritage Center**

Price includes programming, checkout and on-site startup, onsite training with two people. and As-Builts. Four year factory warranty on Reliable Controls Products, one year on other parts unless manufactures warranty is greater. One year labor warranty on workmanship. Price includes all low voltage control wiring associated with the control system. All existing devices will be checked for operation, but all repair and replacement of failed devices will billed separately from this quoted price.

Scope:

The best return for the price I can provide is to remove the existing controllers and replace with current product. This will bring all of the controllers back under warranty for 4 years. The Field devices, i.e. temperature sensors, relays, valves, and damper actuators will be reused and no warranty for these items will be provided. Included in quote is the verification of the field devices and includes adjustment to their mechanical operation if needed. Quoted prices will be given if any of these devices are found to be non functional.

Demo existing controllers, provide and install new controllers for each unit (AHU-1 AHU-2 AHU-3 and Boilers). Define trend log and point alarming via email using owner's internet connection.

Control System – Reliable Controls, Native BACnet. Install using a Mach ProWeb for user access. This device is accessible via a standard Ethernet cable plugged into the provided laptop PC. User would use a standard PC web browser to access the system by either connecting a standard Ethernet cable to the control panel or via an in-house network if you so choose. No special software required.

Training will be provided to Maddie and one other person. Starting with a four hour onsite session. If more training is needed, together we will determine whether this can be done with a phone call, remote access, or onsite visit. Onsite training will be limited to a total of 8 hours. Phone calls and remote access during the first year will be done at no charge. Thereafter, charges may apply.

Price for project $6,360.00

Respectfully,

Mark Perry
LEED Accredited Professional
Member U.S. Green Building Council

Advanced Building Control Systems Inc.
Phone 231-941-2285 Fax 707-982-0130
Traverse City, Mi 49685

Mr. Rooter PLUMBING

P.O. Box 511
Cadillac, MI 49601

877-365-4516
~~616-345-8159~~
~~Fax: 866-365-4516~~

CONTRACT / RETAIL INSTALLMENT

START DATE: / / END DATE: / /

JOB ADDRESS

Customer Name: History Center
Address: 322 6th St
City: Mc | St.: MI | Zip | Job Phone
Would you like to receive E-mail offers? ☐ Yes ☐ No | E-mail Address:

BILLING ADDRESS IF DIFFERENT

Customer Name
Address
City | St. | Zip | Other Phone
Technician(s) | Contact Person

SERVICE ORDER

TYPE

☐ Service ☐ Prev Maint ☐ Opportunity Call
☐ Advantage Plan Member ☑ Estimate
☐ Owner ☐ Tenant
☐ Residential ☑ Commercial

PAYMENT

☐ Cash ☐ Check ☐ Billed DISCOVER MasterCard VISA American Express Check # or Credit card referral #: Auth Code:

DIAGNOSIS

SERVICE AUTHORIZATION

I agree that initial price quoted prior to start of work does not include any additional or unforeseen tasks. Nor materials which may be found to be necessary complete repairs or replacements. I also agree to hold Mr. Rooter® or its assigns harmless for parts deemed corroded, unusable or unreliable for completic of stated work to be done. I hereby authorize *Mr. Rooter* to perform proposed work and agree to all agreement conditions as displayed on the face and revers sides of this document and further acknowledge that this invoice is due upon receipt. Independently owned and operated franchise.

Authorized Signature X

$ Quote

TASK #	WARRANTY	DESCRIPTION OF PRODUCTS AND SERVICES	APPROVAL INITIAL	STANDARD RATE	MEMBER RATE	YOU SAVE
	5 year ~~[illegible]~~ On tree-roots.	Remove cleanout and replace cap and jet main line with hydroscrubber (water) to remove roots and sludge from line. Apply a bacteria treatment (EPA Cert) to line to ensure line stays maintained. Run camera through line to ensure roots / towels / sludge are removed entirely from line.		Quote		
				695.00		

RECOMMENDATIONS

SAVE MONEY WITH OUR ADVANTAGE PLAN™!

☐ Approved ☐ Declined
☐ Approved ☐ Declined
☐ Approved ☐ Declined

	$	$	$
Advantage Plan	$	
SUB TOTAL	$	
TAX	$	
TOTAL	$	

Never an overtime charge!
24 Hours a Day • 7 Days a Week
www.MrRooter.com
Independently owned & operated.

Acceptance of work performed: I find the service and materials performed & installed have been completed in accordance with this agreement. I agree to pay reasonable attorney fees, collection fees and court costs in the event of legal action pursuant to collection of amount due.

Customer Signature X

I do hereby state that the above work has been done in a workmanlike manner and to applicable codes.

Technician Signature X Truck #

CUSTOMER COPY

Elevator Charges at History Center
2006-2013

S/O #	DATE	REASON	COST	
2006				
2878	8/22/06	Full elevator exam & maintenance	$1,933.34	
		2006 TOTAL		$1,933.34
2007				
3192	7/3/07	Full elevator exam & maintenance	$1,933.34	
		2007 TOTAL		$1,933.34
2008				
3501	7/1/08	Full elevator exam & maintenance	$1,933.34	
		2008 TOTAL		$1,933.34
2009				
3991	10/1/09	Full elevator exam & maintenance (for 7/1-9/30, 2009)	$483.34	
3992	10/1/09	Full elevator exam & maintenance	$1,440.00	
		2009 TOTAL		$1,923.34
2010				
4358	10/20/10	Full elevator exam & maintenance	$1,468.00	
		2010 TOTAL		$1,468.00
2011				
4762	10/11/11	Full elevator exam & maintenance	$1,498.00	
		2011 TOTAL		$1,498.00
2012				
5180	10/15/12	Full maintenance on Otis Elevator for 9 months	$1,145.97	
		2012 TOTAL		$1,145.97
2013				
5301	2/28/13	Replace damaged rear accordion gate on elevator	$1,425.00	
5302	2/28/13	Furnish/install 1 ADA compliant phone in elevator	$648.00	
		2013 TOTAL		$2,073.00
TOTAL FOR 2006-2013				**$13,908.33**

Heating/Air Conditioning Charges at History Center
2006-2013

S/O #	DATE	REASON	COST	
2006				
2889	9/7/06	Repair **chiller**	$122.00	
2902	9/19/06	Install replacement compressor for 3rd Stage cooling on **chiller**	$1,270.00	
2944	10/18/06	HVAC service, **exam**, & mtce	$5,229.00	
		2006 TOTAL		$6,621.00
2007				
3028	1/31/07	Replace boiler relief safety valve water probe & gasket	$592.00	
3048	3/5/07	Emergency boiler repair	$97.50	
3078	4/5/07	Repair boiler	$123.00	
3311	10/23/07	HVAC service, **exam** & mtce	$4,420.00	
3339	11/21/07	Boiler repairs	$1,919.00	
		2007 TOTAL		$7,151.50
2008				
3395	2/13/08	HVAC heat	$82.00	
3495	5/23/08	Purchase 3 **chiller** compressors	$11,990.00	
3589	8/13/08	**Chiller** not running - immediate repair needed	$692.50	
3642	10/10/08	Booster pump	$1,365.75	
3647	10/14/08	HVAC service, **exam** & mtce	$4,500.00	
3651	10/17/08	Installation of additional **chiller** sensor and phase monitor	$1,232.00	
3690	12/19/08	Humidifier cleaning & troubleshooting	$745.00	
3691	12/19/08	Chilled water glycol charge **(A/C)**	$2,180.00	
		2008 TOTAL		$22,787.25
2009				
4002	10/12/09	HVAC service, **exam** & mtce	$4,580.00	
4021	10/28/09	Repair heating system	$279.95	
		2009 TOTAL		$4,859.95
2010				
4125	4/23/10	Replace electrical element on water heater	$350.00	
4288	8/9/10	Repair **A/C**	$392.25	
4403	12/9/10	HVAC service, **exam** & mtce	$2,700.00	
		2010 TOTAL		$3,442.25
2011				
4537	5/24/11	Convert heat to **A/C** - switch not working	$84.50	
4567	6/9/11	Replace water temp sensor on **chiller**	$390.00	
4626	7/18/11	Repair glycol leak on chilled water control valve **(A/C)**	$450.00	
		2011 TOTAL		$924.50

SEE NEXT PAGE ALSO

S/O #	DATE	REASON	COST	
2012				
4869	2/21/12	Boiler repair	$1,308.25	
4912	4-12-12	HVAC service, **exam** & mtce (spring)	$1,350.00	
4954	5/24/12	Emergency service on **chiller** breakdown	$750.00	
4974	6/15/12	Backflow testing on boiler, **chiller** & lawn irrigation	$200.00	
4975	6/18/12	Defective breaker which has been causing **chiller** to break down	$1,055.75	
5116	8/13/12	Boxes of various filters	$1,011.25	
		2012 TOTAL		$5,675.25
2013				
5303	2/28/13	Replace boiler digital control and both actuators	$4,445.00	
5304	2/28/13	AHU #2 belt replacement	$126.00	
5305	2/28/13	Replace **chiller** refrigerator leaks	$1,945.00	
		2013 TOTAL		$6,516.00
TOTAL FOR 2006-2013				**$57,977.70**

Miscellaneous Charges at History Center
2006-2013

S/O #	DATE	REASON	COST	
2006				
2905	9/19/06	Roof drains services performed in July 2006	$919.00	
		2006 TOTAL		$919.00
2007		None		
		2007 TOTAL		$0
2008				
3391	2/7/08	Replace/Rewire Alarm system	$289.00	
3663	11/6/08	Mechanical System review/reproduce 6 Mechanical drawings	$280.00	
		2008 TOTAL		$569.00
2009		None		
		2009 TOTAL		$0
2010		None		
		2010 TOTAL		$0
2011		None		
		2011 TOTAL		$0
2012		None		
		2012 TOTAL		$0
2013		None		
		2013 TOTAL		$0
TOTAL FOR 2007-2013				**$1,488.00**

History Center of Traverse City

Statement of Profit and Loss
Year-to-Date
August 31, 2014

Income	
Refunds & Reimbursements	$ 989.91
Museum Wholesale	407.40
Museum Retail	3,410.60
Archives Retail	
Photographs	1,595.70
Membership Dues	5,995.00
Services	
Archival	7,116.60
Curatorial	531.00
Publishing	
"Perry Hannah's Gifts"	17,697.95
Publishing - Other	144.00
Museum Admissions	
Group Sales	222.00
History Tour	4,501.60
Lego Exhibit	13,241.00
Festival of Trains	3,912.00
General Admissions	3,163.50
Rental Income	
AAUW	1,485.00
GT Rock & Mineral Club	2,600.00
Railroad Historical Society	1,950.00
Womens History Project	1,170.00
Short Term Tenancy	4,815.00
Grants, Stipends & Donations	
City of Traverse City	0.00
Grants	
Regional Community Foundation	1,111.00
MCACA	16,700.00
Contributed Funds	
Donation - Unrestricted	13,145.35
Donation - Restricted	
Hannah Statue Project	11,037.30
Donation - Restricted - Other	1,120.00
Archives	8.00
Miscellaneous Income	96.00
Total Income	$ 118,165.91

History Center of Traverse City

Statement of Profit and Loss
Year-to-Date
August 31, 2014

Expense	
Museum Retail Expense	
Postage & Delivery	$ 29.57
Sales Tax	2,603.66
Supplies & Equipment	3.00
Inventory	252.84
Archives	
Software & Support	770.00
Publication	
Other	172.20
Website	300.00
Exhibits & Collections	
Contracted Services	1,462.50
Supplies & Equipment	578.23
Storage & Transportation	1,360.40
Magical History Tour	1,867.00
Software & Technical Support	195.00
Compensation & Related Items	
Archival	13,054.50
Administrative & Curatorial	29,374.28
Support Staff	1,406.00
Contract Services	8,898.00
Insurance - Workers Comp	624.75
Health Savings Accounts	750.00
FICA HI	635.60
FICA OASDI	2,717.76
Building & Occupancy	
Security	1,892.92
Maintenance & Repair	3,911.87
Utilities	
Gas	4,741.28
Water & Sewer	727.00
Electricity	17,656.55
Special Events Expenses	
Festival of Trains	3,000.00
Lego Exhibit	4,898.68
Other Special Events	240.98
Hannah Statue Project	48,260.70
Administrative Expenses	

History Center of Traverse City

Statement of Profit and Loss
Year-to-Date
August 31, 2014

Software & Support	421.89
Refunds & Reimbursements	100.00
Insurance	1,412.25
Advertising & Promotion	173.76
Maintenance and Repair	270.00
Credit Card Interest	166.64
Bank Charges	2.50
Merchant Credit Card Charges	637.59
Postage & Delivery	478.38
Professional Fees	325.00
Office Supplies	1,139.76
Telephone & Internet	3,112.87
Total Expense	$ 160,625.91
Ordinary Income	$ (42,460.00)
2013 carryover Hannah Statue Project	$ 33,756.44
Net Ordinary Income	$ (8,703.56)

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at *www.irs.gov/form990.*

OMB No. 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning and ending

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Terminated [ ] Amended return [ ] Application pending

C Name of organization: HISTORY CENTER OF TRAVERSE CITY

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address): 322 SIXTH STREET | Room/suite

City or town, state or province, country, and ZIP or foreign postal code: TRAVERSE CITY, MI 49684

D Employer identification number: 38-2547978

E Telephone number: (231) 995-0313

G Gross receipts $ 343,560.

F Name and address of principal officer: STEPHEN MORRIS
322 SIXTH STREET, TRAVERSE CITY, MI 49684

H(a) Is this a group return for subordinates? [ ] Yes [X] No

H(b) Are all subordinates included? [ ] Yes [ ] No
If "No," attach a list. (see instructions)

I Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW.TRAVERSEHISTORY.ORG

H(c) Group exemption number ▶

K Form of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation: 1984 **M** State of legal domicile: MI

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: OPERATE A MUNICIPAL MUSEUM FOR THE CITY OF TRAVERSE CITY

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	11
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	6
6	Total number of volunteers (estimate if necessary)	6	34
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	42,072.	151,643.
	9	Program service revenue (Part VIII, line 2g)	95,270.	94,023.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	60.	16.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	104,287.	52,883.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	241,689.	298,565.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	145,003.	168,077.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	113,761.	[illegible]
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	258,764.	334,648.
	19	Revenue less expenses. Subtract line 18 from line 12	-17,075.	-36,083.
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	73,731.	42,632.
	21	Total liabilities (Part X, line 26)	0.	4,984.
	22	Net assets or fund balances. Subtract line 21 from line 20	73,731.	37,648.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer | Date

▶ STEPHEN MORRIS, TREASURER
Type or print name and title

COPY

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check [ ] if self-employed	PTIN
THOMAS R TROOST CPA	Thomas R Troost	5-5-14		P00080280

Firm's name ▶ THOMAS R TROOST CPA PC | Firm's EIN ▶ 38-3626710

Firm's address ▶ PO BOX 983
TRAVERSE CITY, MI 49685 | Phone no. (231) 922-2980

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b	9,005.				
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	142,638.				
	g Noncash contributions included in lines 1a-1f: $						
	h **Total.** Add lines 1a-1f ▶			151,643.			
Program Service Revenue		Business Code					
	2 a MUSEUM OPERATIONS	611430		94,023.	94,023.		
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g **Total.** Add lines 2a-2f ▶			94,023.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			16.	16.		
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties ▶						
		(i) Real	(ii) Personal				
	6 a Gross rents						
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss) ▶						
		(i) Securities	(ii) Other				
	7 a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss) ▶						
	8 a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c). See Part IV, line 18	a	97,878.				
	b Less: direct expenses	b	44,995.				
	c Net income or (loss) from fundraising events ▶			52,883.			52,883.
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities ▶						
	10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory ▶						
	Miscellaneous Revenue	Business Code					
	11 a						
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d ▶						
	12 **Total revenue.** See instructions. ▶			298,565.	94,039.	0.	52,883.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	139,395.	125,456.	13,939.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	18,019.	16,217.	1,802.	
10 Payroll taxes	10,663.	9,597.	1,066.	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	325.		325.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	14,330.	14,330.		
12 Advertising and promotion	7,072.	7,072.		
13 Office expenses	5,020.	4,518.	502.	
14 Information technology				
15 Royalties				
16 Occupancy	46,724.	42,052.	4,672.	
17 Travel	2,021.	1,818.	203.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	329.	329.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance	2,107.	2,107.		
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a PUBLICATION COSTS	31,760.	31,760.		
b MUSEUM OPERATING EXPENS	28,355.	28,355.		
c GRANT EXPENSES	14,771.	14,771.		
d TELEPHONE & INTERNET	6,152.	3,076.	3,076.	
e All other expenses	7,605.	7,605.		
25 **Total functional expenses.** Add lines 1 through 24e	334,648.	309,063.	25,585.	0.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		73,731.	1	42,632.
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net			4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges			9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 456,922.			
	b	Less: accumulated depreciation	10b 456,922.	0.	10c	0.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities. See Part IV, line 11			12	
	13	Investments - program-related. See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11			15	
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		73,731.	16	42,632.
Liabilities	17	Accounts payable and accrued expenses			17	2,017.
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		0.	25	2,967.
	26	**Total liabilities.** Add lines 17 through 25		0.	26	4,984.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		73,731.	27	37,648.
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		73,731.	33	37,648.
	34	Total liabilities and net assets/fund balances		73,731.	34	42,632.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	298,565.
2	Total expenses (must equal Part IX, column (A), line 25)	2	334,648.
3	Revenue less expenses. Subtract line 2 from line 1	3	-36,083.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	73,731.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	37,648.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII ☐

			Yes	No
1	Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a		X
b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2b		X
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	2c		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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