

# Budget Brief – Capitol Preservation Board

NUMBER CFAS-06-02

## SUMMARY

The Capitol Preservation Board (CPB) exercises complete jurisdiction over the Capitol Hill facilities and grounds. This includes maintenance and operations, furnishings, occupancy, public usage, and long-range master planning. The primary duty of the CPB is to manage the day-to-day operations of Capitol Hill, including the State Office Building, the DUP Museum, the Travel Council Building, the Greenhouse, and the White Chapel. Grounds and facility maintenance are provided through a contract with the Division of Facilities Construction and Management.

The second duty of the board is to manage the restoration of the State Capitol. The Executive Director is also the Architect of the Capitol. The first two phases of the restoration were completed when the east parking structure opened along with the east and west buildings. Construction on the third phase—a new heat plant and total restoration of the Capitol—officially began in September 2004.

## ISSUES AND RECOMMENDATIONS

### *Move Administration Costs From Project*

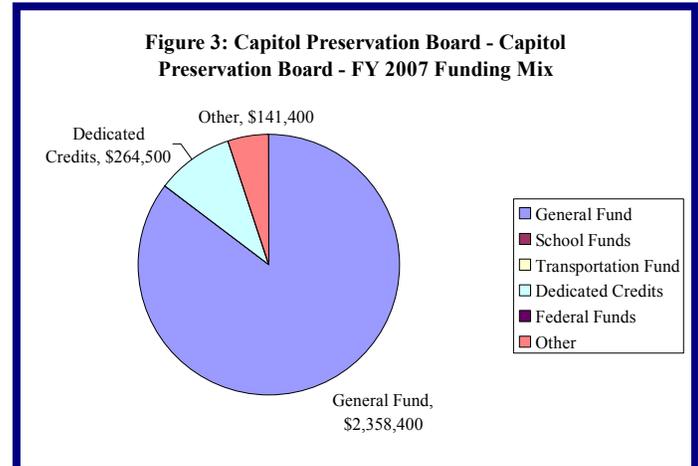
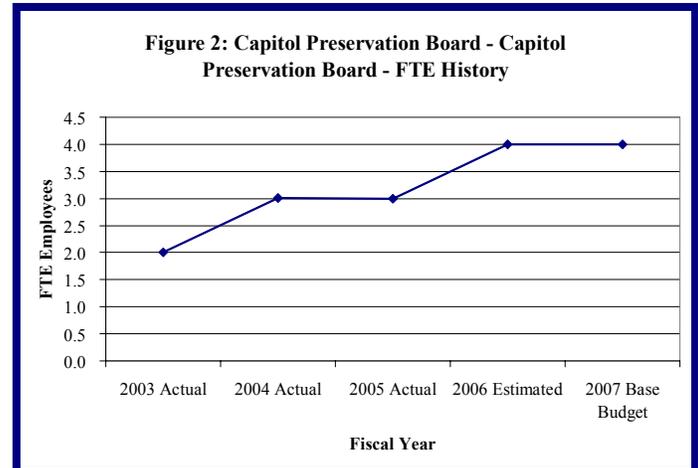
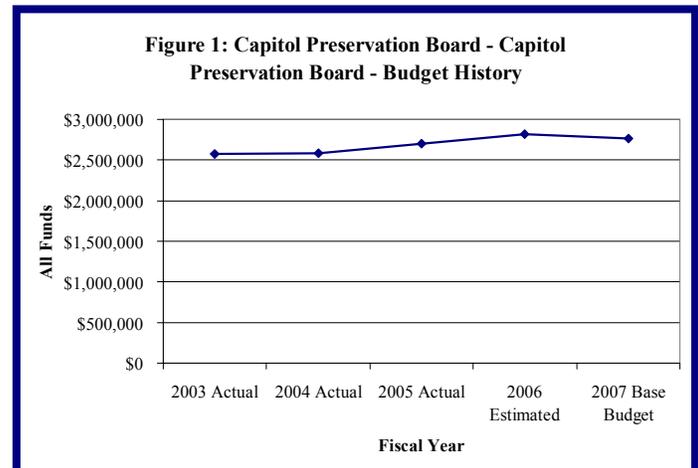
Beginning in FY 2006 the analyst recommends \$173,500 of ongoing funds be appropriated to the CPB Office staff for salaries and benefits. This would include salaries / benefits for; a) half of the Executive Director’s compensation, b) Secretary, and c) CPB Public Information Officer. These salaries have heretofore been partially and/or wholly funded from the Capitol Construction project

### *New Copier*

The analyst recommends one-time funding of \$13,000 for a new copier requested for the CPB Office.

### *Capitol Opening Ceremonies Preparations*

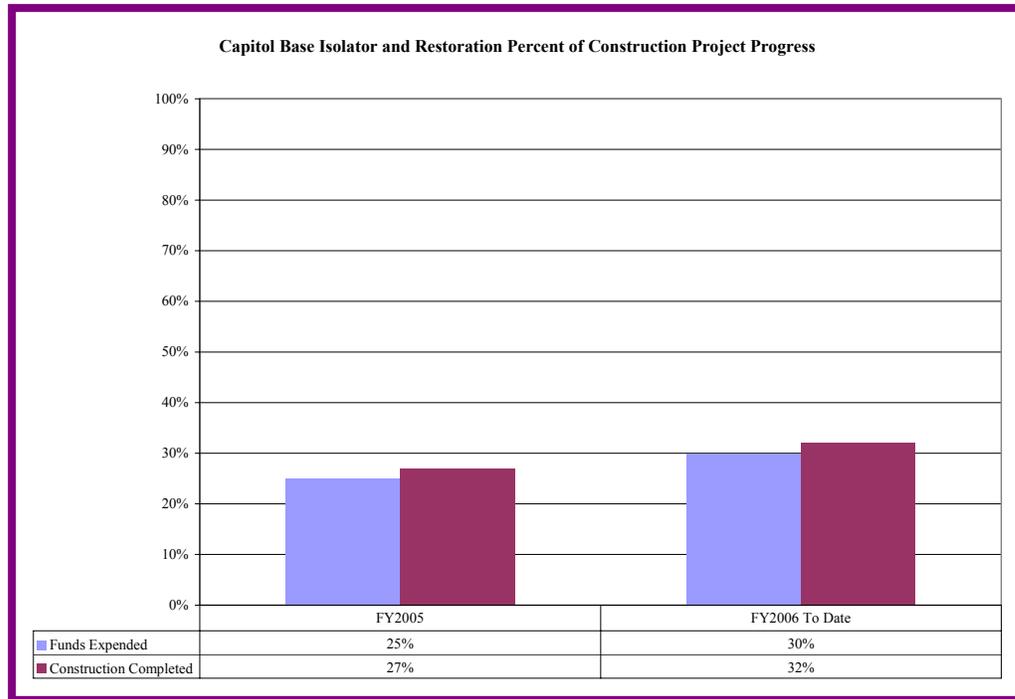
A) Printed materials, including Capitol Building tour pamphlets, and other leaflets for tours of the Capitol grounds could be useful when the building re-opens. B) A satellite “traveling” exhibit to share the Capitol re-opening with patrons throughout the state has also been suggested. C) The publication of a ‘keepsake type’ commemorative book is typical of what other states have done after a Capitol renovation. These three objectives could be funded or may be realized with donated funds.



**ACCOUNTABILITY DETAIL**

***Construction Project Progress***

Every aspect of the construction is on-time according to the original schedule set-up at the inception of the project. The new base-isolators units are approximately 60% installed and in place, and more than half of those units are finished and in service. The base isolators and new seismic foundation will be one of the first phases to be completed in 2006. Anchorage of existing marble around the main rotunda stairway and other historical components of the building are also receiving seismic retrofit treatment and anchors. The new earthquake resistant foundation and isolator system have been the primary focus this year, before interior walls, new fixtures and finishes begin. New and restored terra cotta pieces have been place around the exterior of the dome, and portions of the scaffolding will also begin to come down next year. Restoration of the interior dome will begin in January 2006. New interior walls, wood windows, mechanical HVAC and electrical systems, elevators, and the latest wireless computer technology will also begin in the coming months.



***Appropriation Summary***

The following table shows project funds appropriated to date and expected for the future.

<b>Capitol Preservation Board Project Appropriations Summary</b>			
<u>Session</u>	<u>Purpose</u>	<u>Amount</u>	<u>Funding Source</u>
1995	Remodel/Seismic Study	\$75,000	General Fund
2000	Strategic Planning	\$2,086,500	General Fund
2002	6th Extension Buildings	\$40,991,600	GO Bonds
2002	Parking Structure	\$8,000,000	GO Bonds
	Subtotal Non-Capitol Bldg	<u>\$51,153,100</u>	
2002	Restoration Design/Mgt Fees	\$17,970,000	GO Bonds
2003	Capitol Restoration	\$10,000,000	\$5.8M GO Bonds + \$4.2M Trust Lands
2004	Capitol Restoration	\$50,000,000	GO Bonds
2005	Capitol Restoration	\$50,000,000	General Fund
	Subtotal Capitol Building	<u>\$127,970,000</u>	
Not Yet Appropriated			
2006-?	Capitol Restoration	\$85,000,000	
	Total Capitol Building	<u>\$212,970,000</u>	
	Grand Total	<u>\$264,123,100</u>	

**BUDGET DETAIL**

As part of statewide budget reductions, the Legislature reduced the General Fund appropriation to this line item after FY 2002. During the 2005 General Session the Legislature restored \$117,000 in ongoing General Funds for Capitol Hill maintenance. Prior to this partial restoration, the Executive Director was forced to negotiate reduced services with DFCM. Also during the 2005 General Session the Legislature appropriated \$35,100 for a secretary and \$20,000 for public wireless internet hot spots in the east and west buildings.

Not all funds cut in FY 2002 have been restored. The board continues to charge a portion of its staff time to the construction budget (see recommendations on page 1).

***Budget Recommendation***

The Analyst recommends a total FY 2007 appropriation of \$2,764,300, with \$2,358,400 from the General Fund, for the Capitol Preservation Board. The Analyst further recommends an additional appropriation of \$173,500 to move staff costs away from the construction budget, and \$13,000 for a new copier. These additional appropriation recommendations are not built into the tables and charts in this budget brief.

**Intent Language**

The Analyst recommends the Legislature continue using the following intent language which was approved in House Bill 1, 2005 General Session:

*It is the intent of the Legislature that funds for the Capitol Preservation Board shall not lapse and that those funds shall be used for the design and construction costs associated with Capitol restoration.*

**LEGISLATIVE ACTION**

This section is a summary of what actions might be taken if the Legislature wishes to adopt the recommendations of this brief. The Analyst recommends the Legislature consider adopting:

1. A total appropriation of \$2,764,300 for the Capitol Preservation Board, plus additional appropriations for staff costs currently charged to the construction budget, and a new copier.
2. Intent language making this appropriation nonlapsing.

**BUDGET DETAIL TABLE**

<b>Capitol Preservation Board - Capitol Preservation Board</b>						
<b>Sources of Finance</b>	<b>FY 2005 Actual</b>	<b>FY 2006 Appropriated</b>	<b>Changes</b>	<b>FY 2006 Revised</b>	<b>Changes</b>	<b>FY 2007* Base Budget</b>
General Fund	2,175,800	2,358,400	0	2,358,400	0	2,358,400
General Fund, One-time	118,500	0	0	0	0	0
Dedicated Credits Revenue	313,700	288,900	(24,700)	264,200	300	264,500
Restricted Revenue	5,400	0	0	0	0	0
Transfers	141,400	141,400	0	141,400	0	141,400
Beginning Nonlapsing	0	0	50,900	50,900	(50,900)	0
Closing Nonlapsing	(50,900)	0	0	0	0	0
<b>Total</b>	<b>\$2,703,900</b>	<b>\$2,788,700</b>	<b>\$26,200</b>	<b>\$2,814,900</b>	<b>(\$50,600)</b>	<b>\$2,764,300</b>
<b>Programs</b>						
Capitol Preservation Board	2,703,900	2,788,700	26,200	2,814,900	(50,600)	2,764,300
<b>Total</b>	<b>\$2,703,900</b>	<b>\$2,788,700</b>	<b>\$26,200</b>	<b>\$2,814,900</b>	<b>(\$50,600)</b>	<b>\$2,764,300</b>
<b>Categories of Expenditure</b>						
Personal Services	177,400	216,500	(8,200)	208,300	(400)	207,900
In-State Travel	0	500	0	500	0	500
Current Expense	2,516,300	2,540,300	34,100	2,574,400	(65,800)	2,508,600
DP Current Expense	10,200	31,400	300	31,700	2,600	34,300
DP Capital Outlay	0	0	0	0	13,000	13,000
<b>Total</b>	<b>\$2,703,900</b>	<b>\$2,788,700</b>	<b>\$26,200</b>	<b>\$2,814,900</b>	<b>(\$50,600)</b>	<b>\$2,764,300</b>
<b>Other Data</b>						
Budgeted FTE	3.0	4.0	0.0	4.0	0.0	4.0
Actual FTE	3	0	0	0	0	0

\*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.