

Budget Brief – Capitol Preservation Board

NUMBER CFGO-07-02

SUMMARY

The Capitol Preservation Board (CPB) manages all functions associated with Capitol Hill facilities and grounds. This includes maintenance and operations, furnishings, occupancy, public usage, and long-range master planning.

The first duty of the CPB is to manage the day-to-day operations of Capitol Hill, including the State Office Building, the Daughters of Utah Pioneers 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

Public Information Officer

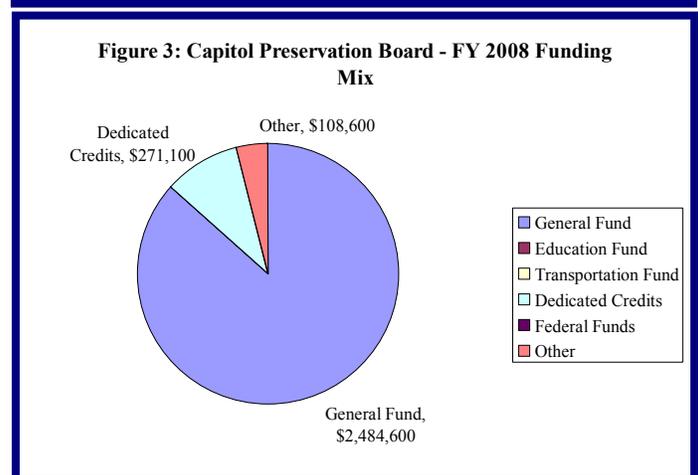
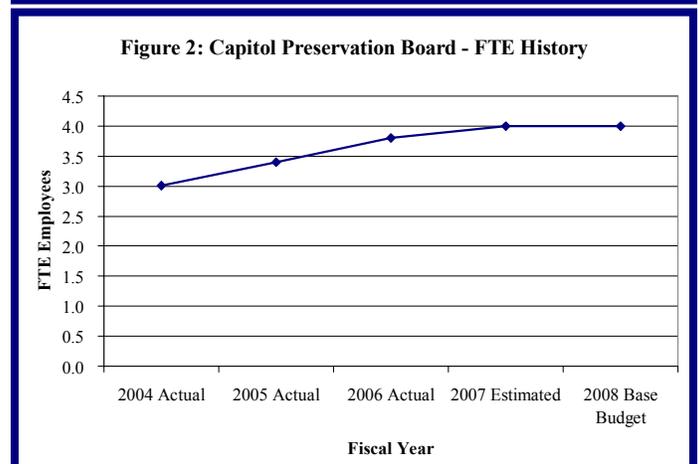
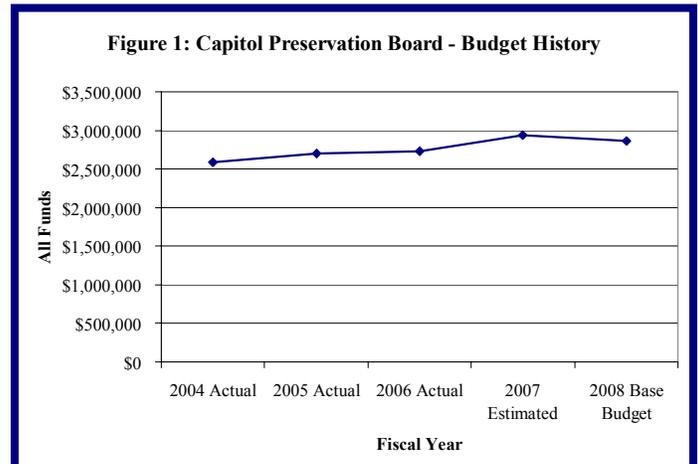
The Analyst recommends the Legislature appropriate \$99,500 in ongoing funds in FY 2008 for the Public Information Officer. Currently the PIO is paid from the restoration project funds. Once the project is complete, the PIO’s current duties will be expanded to also include oversight of the new visitor services program, including the Capitol gift store, volunteer docents, develop curriculum for the architecture and exhibits, and host new quarterly events on Capitol Hill.

Visitor Services Development

The Analyst recommends a one-time General Fund appropriation of \$240,000 to set up the Capitol gift store which will be approximately four times larger than the previous gift shop.

The Analyst also recommends an appropriation of \$100,000 from dedicated credits to allow gift shop profits to be used for administrative costs. Nine new employees are being requested, equating to 5.5 FTE, with two receiving benefits (total of \$211,400).

The CPB has hired a consultant to guide the process of making the gift store and visitor's center more appealing and professionally run than before. The consultant states the program should be self-sustaining within five years. History has shown that Capitol gift stores typically do brisk business in the first year after restoration.



Capitol Reopening Special Events

As part of the Capitol reopening, several gala events have been planned for the general public. A public open house will run for two weeks and will provide a behind-the-scenes view of the all the unique and historic rooms. The dedication will be on January 4, 2008 (Statehood Day). The Analyst recommends a one-time appropriation of \$250,000 to cover these event costs.

Wireless Communications

The 2006 Legislature appropriated \$590,000 of the \$1,340,000 cost for a distributed antenna system for the Capitol. The DAS system will also provide the signal needed for cell phones, free public Wi-Fi on the 802.11 b/g frequency, also a 800 megahertz system for public safety. The Analyst recommends appropriation of \$750,000 in one-time General Funds for the DAS.

Capitol Building O&M

Please refer to Issue Brief CFAS-07-01 for a discussion of O&M costs as the Capitol Building comes on line. The O&M, including all janitorial, utilities, grounds care, and maintenance will be handled by agreement with the DFCM internal service fund. As such, funds would be appropriated to the Capitol Preservation Board through the ISF rate impacts.

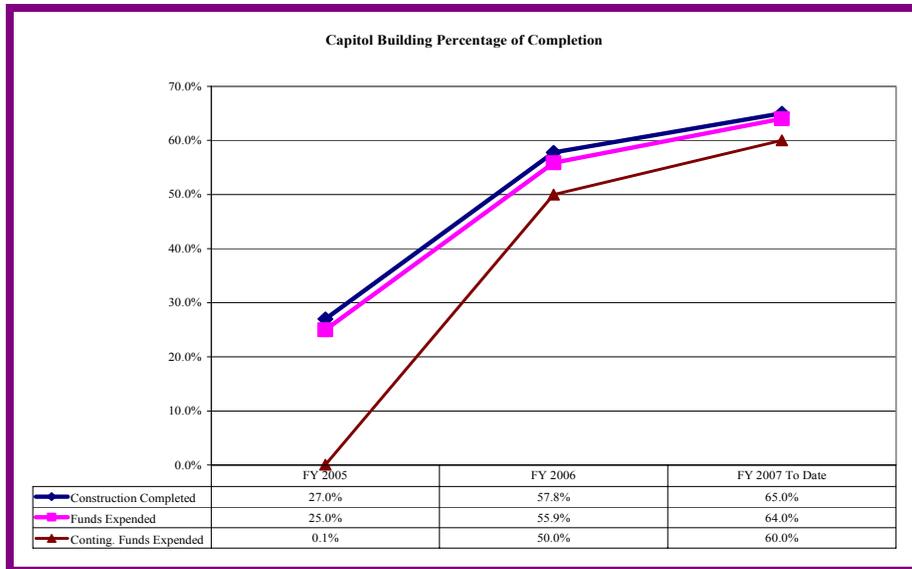
Prior Budget Increase Report

During the 2006 General Session the Legislature approved budget increases of \$13,000 for a new copier, \$75,000 for publications for thee Capitol reopening events, and \$100,000 to move board administrative costs off of the construction project budget. This year, the CPB Office purchased a new copier (\$13,000). Printed materials in several languages and school curriculum will be ready for distribution when the Capitol re-opens. (\$50,000)

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 earthquake resistant base-isolators units are 98% complete and will be unlocked and placed in service in March 2007.



Contingency funds spent to date equate to 1.68 percent of the construction budget, a good number for a large restoration and base isolation project with many variables.

Capitol Restoration Project Appropriations Summary

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

**Capitol Preservation Board
Project Appropriations Summary**

<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
2006	Capitol Restoration	\$50,000,000	General Fund
2006	Wireless Communications	\$590,000	General Fund
	Subtotal Capitol Building	<u>\$178,560,000</u>	
Not Yet Appropriated			
<u>Session</u>	<u>Purpose</u>	<u>Amount</u>	<u>Funding Source</u>
2007	Capitol Restoration	\$35,000,000	TBD
2007	Parking: East Capitol & NE Lot	\$15,000,000	TBD
2007	Wireless Communications	\$750,000	TBD
	Total Capitol Building	<u>\$229,310,000</u>	
	Grand Total	<u>\$280,463,100</u>	

BUDGET DETAIL

During the 2006 General Session the Legislature restored \$100,000 in ongoing General Funds to this budget in order to shift administrative costs away from the Capitol restoration project budget. Funds cut during FY 2002 have now been fully restored. One of the FTEs shown in the Budget Detail Table below is funded separately with construction funds and fundraising. This FTE will be shifted to the General Fund if the Analyst’s recommendation is approved.

Budget Recommendation for FY 2008:

The Analyst recommends a total FY 2008 base appropriation of \$2,864,300, with \$2,484,600 from the General Fund, for the Capitol Preservation Board. The Analyst further recommends items 2-6 under “Legislative Action.”

Intent Language

The Analyst recommends the Legislature adopt the following supplemental intent language for Fiscal Year 2007:

Under terms of UCA 63-38-8.1(3), the Legislature intends not to lapse Item 32, Chapter 1, or Item 34, Chapter 366, Laws of Utah 2006. Expenditure of these funds is limited to: Design, construction or one-time administration costs associated with the Capitol restoration - \$75,000.

LEGISLATIVE ACTION

The Analyst recommends the Legislature adopt:

1. A total FY 2008 base appropriation of \$2,864,300, with \$2,484,600 from the General Fund
2. An ongoing appropriation of \$99,500 for the Public Information Officer
3. A one-time appropriation of \$240,000 for visitor services development, plus \$100,000 appropriated from dedicated credits (gift shop profits) for administrative costs
4. A one-time appropriation of \$250,000 for Capitol reopening public events
5. A one-time appropriation of \$750,000 to complete the wireless communications system
6. Intent language making the FY 2007 appropriation nonlapsing but limited to uses specified in the language

BUDGET DETAIL TABLE

Capitol Preservation Board						
Sources of Finance	FY 2006 Actual	FY 2007 Appropriated	Changes	FY 2007 Revised	Changes	FY 2008* Base Budget
General Fund	2,358,400	2,484,600	0	2,484,600	0	2,484,600
General Fund, One-time	0	87,300	0	87,300	(87,300)	0
Dedicated Credits Revenue	289,400	271,100	0	271,100	0	271,100
Restricted Revenue	15,700	0	0	0	0	0
Transfers	141,400	41,400	0	41,400	0	41,400
Beginning Nonlapsing	51,100	0	124,900	124,900	(57,700)	67,200
Closing Nonlapsing	(124,900)	0	(67,200)	(67,200)	67,200	0
Total	\$2,731,100	\$2,884,400	\$57,700	\$2,942,100	(\$77,800)	\$2,864,300
Programs						
Capitol Preservation Board	2,731,100	2,884,400	57,700	2,942,100	(77,800)	2,864,300
Total	\$2,731,100	\$2,884,400	\$57,700	\$2,942,100	(\$77,800)	\$2,864,300
Categories of Expenditure						
Personal Services	216,800	230,200	23,500	253,700	1,000	254,700
In-State Travel	0	500	0	500	0	500
Current Expense	2,501,600	2,518,400	105,000	2,623,400	(66,100)	2,557,300
DP Current Expense	12,700	109,300	(47,100)	62,200	(12,900)	49,300
DP Capital Outlay	0	26,000	(26,000)	0	0	0
Capital Outlay	0	0	2,300	2,300	200	2,500
Total	\$2,731,100	\$2,884,400	\$57,700	\$2,942,100	(\$77,800)	\$2,864,300
Other Data						
Budgeted FTE	4.0	4.0	0.0	4.0	0.0	4.0
Actual FTE	3.8	0.0	0.0	0.0	0.0	0.0

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