

**MINUTES OF THE JOINT CAPITAL FACILITIES & ADM. SERVICES
APPROPRIATIONS SUBCOMMITTEE
Wednesday, January 28, 1998 at 2:00 p.m.
ROOM 405, STATE CAPITOL BUILDING**

Members Present: Sen. David L. Buhler, Committee Co-Chair
Rep. Gerry A. Adair, Committee Co-Chair
Sen. Leonard Blackham
Sen. Mike Dmitrich
Rep. Ralph Becker
Rep. DeMar (Bud) Bowman
Rep. Brent H. Goodfellow
Rep. Joseph G. Murray
Rep. Loraine T. Pace
Rep. Raymond W. Short
Rep. Richard L. Walsh

Staff Present: John Massey, Fiscal Analyst
Susy Carter, Committee Secretary

List of others present is on file.

Co-Chairman Buhler called the meeting to order at 2:05 p.m.

Department of Administrative Services, Executive Director's Office, Tab 7 in Budget Analysis FY 1999, was presented by Mr. Massey, noting the organization chart and the analyst's summary. He explained that today's reviews would be of the appropriated agencies of Administrative Services. These are agency services that can not be billed back to state agencies as in the Internal Services Funds reviewed in the last meeting. The recommendations for the budget is \$28,315,700; FTEs and capital outlay are not approved in these services.

Shauna Hatfield, analyst from the Governor's Office of Planning and Budget, distributed the governor's recommendation comparisons. Members discussed the recommendations.

Executive Director, Tab 8, was discussed by Mr. Massey. The recommendation is \$779,100 for FY 1999. Noted of concern was the increase of 2 FTEs in Internal Service Funds, outside of General Fund. Raylene Ireland explained the increase of the 2 FTEs, an internal auditor and a personnel position. Scott Mecham, Finance Director, was present. Information Technology positions, such as the chief information officer of the state, were transferred to the Governor's Office in the analyst's recommendation.

Fuel Mitigation, Tab 9, is considered hopefully for the final time this year in order to fund federal mandates. It has been funded for the past 5 years, and additional funding of \$500,000 with a carry-over of \$1 million is recommended by the analyst to complete the projects. Supplemental funding could be considered in the next session if necessary. David Fletcher, Deputy Director,

DAS, responded to the Fuel Mitigation funding presentation. Members discussed the reductions of fuel tanks and liability in the program. Ms. Ireland commented on receiving funding before the deadline of December 1998 instead of waiting for supplemental funding available in March.

Administrative Rules, Tab 10, recommendation was explained by Mr. Massey with a budget of \$251,800. Of concern was the implementation of administrative rules without fiscal impact clarified. Non-lapsing authority is granted because it is difficult to estimate the amount of rules to be printed. Ken Hansen, Director, Division of Administrative Rules (DAS), responded to members' concerns and questions.

MOTION: Rep. Bowman moved to approve the minutes of Wednesday, January 21, and Friday, January 23, 1998.

The motion passed unanimously with Sen. Dmitrich and Reps. Becker and Short absent for the vote.

Voting on the Internal Service Funds, Tab 20, followed. Alan Edwards, Director, Division of Risk Management, responded to questions by the members.

MOTION: Rep. Goodfellow moved to approve the analyst's recommendation for Internal Service Funds, Tab 20, page 2: \$132,251,600 in revenues, 484.75 FTEs, and \$58,636,600 in capital outlay and the recommended intent language on pages 4, 7, 17, 33, and 37.

The motion passed unanimously with Sen. Dmitrich and Reps. Becker and Short absent for the vote.

Voting on the Internal Service Funds Rates, Tab 27, was presented for approval of the members to appear in the Appropriation Act. Mr. Fletcher responded to questions of the committee on motor vehicle rates.

MOTION: Rep. Adair moved to accept the analyst's recommendations for Rates, Tab 27, pages 91-114, subject to review of motor vehicle rates.

The motion passed unanimously with Sen. Dmitrich and Reps. Becker and Short absent for the vote.

Division of Archives, Tab 11, was discussed by Mr. Massey, with the recommendation of the analyst of \$1,766,000 and the intent language on page 21, 2.1. Jeff Johnson, Director, Division of Archives (DAS), responded to discussion by the members. He noted that it was thought that

storage of paper records would decrease with the use of electronic records; however, practice has shown that paper storage has increased instead, expanding the storage problems.

Division of Purchasing and General Services, Tab 12, recommendations were presented by Mr. Massey, with a budget of \$1,254,300. It was noted that one-time funding was converted to on-going and the intent language on Electronic Commerce on page 35 was recommended. Douglas Richens, Director, Division of Purchasing and General Services (DAS), responded to members' comments. Ms. Ireland commented favorably.

Division of Finance - Administration, Tab 13, recommendations were presented by Mr. Massey, with a budget of \$10,401,800 and the intent language on page 43. Kim Thorne, Director, Division of Finance (DAS), responded to members' questions. Randy Montgomery, Director, Utah Sports Authority, commented on the 120 month budget for the Olympics with 5 years of operation and noted that April 1999 is the transfer to the Olympic Committee and reported that all the tickets for the Olympic rides are sold out. The Navajo Trust Fund was reviewed; the Payroll was discussed; and the Finance Finder and Finance Travel Volume charts on page 53 were noted.

Office of Debt Collection, Tab 15, recommendations were made by Mr. Massey, with a budget of \$169,500 and the extensive recommended intent language from last year and for this year on pages 72 and 73, noting that a bill carried by Sen. McAllister is being considered in the legislature this year to make this extensive intent language unnecessary. Gwen Anderson, Director, Office of Debt Collection (DAS), commented favorably on the recommended intent language. The cream-colored tabs are the annual accounts recoverable reports and Ms. Anderson explained that when over 100% receivables are shown as paid, it means that overdue debts were also paid.

Division of Facilities Construction and Management - Administration, Tab 16, with a budget of \$3,231,200 was presented by Mr. Massey, commenting on the one-time funding of \$79,000 for 800 MGZ radios, and he noted the intent language on page 80, indicating that DFCM was in the process of reorganization. The proposed reorganization chart on page 79 was discussed. Richard Byfield, Director, DCFM (DAS), explained the reorganization concepts and responded to the members' comments. Sen. Buhler complimented DFCM on their reorganization. Mr. Massey distributed intent language that should have been included in the budget relating to the Revenue Transfers of \$500,000 in the budget recommendations on page 78.

MOTION: Rep. Adair moved to approve the new intent language for DCFM distributed in the meeting.

The motion passed unanimously with Rep. Short absent for the vote.

DFCM - Facilities Management, Tab 17, was presented by Mr. Massey, with a budget of

\$2,463,600. He commented on the recommendations for Capitol Hill and the Governor's Mansion.

Returning to Division of Finance - Mandated, Tab 14, the analyst's recommendation was noted as \$120,000 for Post Conviction Indigent Defense Fund with \$4,953,600 for Year 2000. Intent language on page 65 was reviewed.

Information Technology Services, Tab 18, Mr. Massey presented the recommendations of the analyst: budget at \$1,442, 800 and continuation of \$50,000 of one-time funds for Automated Geographic Reference Center (AGRC) and the Public Safety Microwave funded from dedicated credits. The analyst questioned the need for continued state subsidies, noting that local governments are eventually going to have to pay their own costs when the 800 MGZ system is in place. Sen. Buhler commented that we are subsidizing the cost either way. Leon Miller, Director, Information Technology Services (DAS), and Ms. Ireland expressed concern about billing state agencies for local government costs. Dennis Goreham, Program Manager, AGRC, explained his duties for the members and responded to their concerns. Rep. Becker disclosed a conflict of interest.

The next meeting will be a tour of specific sites. It was requested that members meet promptly at 2:00 p.m. in the parking garage downstairs for the tours. Monday's agenda was discussed to prepare the members.

MOTION: Rep. Walsh moved to adjourn.

The motion passed unanimously with Rep. Short absent for the vote.

The meeting was adjourned at 4:15 p.m.

The minutes were reported by Susy Carter.

Sen. David L. Buhler
Committee Co-Chair

Rep. Gerry A. Adair
Committee Co-Chair