

## Issue Brief – CPB Funding Increases

NUMBER CFAS-05-02

### SUMMARY

The Analyst recommends increasing the General Fund appropriation to the Capitol Preservation Board as follows:

- FY 2005 supplemental appropriation for paying the DFCM O&M rate: \$117,000
- FY 2006 ongoing appropriation for paying the DFCM O&M rate: \$117,000
- FY 2006 ongoing appropriation for hiring a secretary: \$35,100
- FY 2005 supplemental appropriation for purchasing multimedia and wireless Internet equipment for the West (House) Building: \$25,000
- FY 2006 ongoing appropriation for maintaining multimedia and wireless Internet equipment, plus software licenses: \$20,000

### DISCUSSION AND ANALYSIS

As a result of the previous economic recession, the CPB General Fund appropriation was reduced from \$2.6M to \$2.2M, a reduction of \$400,000 or 16 percent. In order to absorb the cut, the CPB:

- Reduced payment to DFCM for preventive maintenance on Capitol Hill, including the two new buildings. The DFCM O&M rate is legislatively approved. The estimated shortfall is \$117,000 in FY 2005 and FY 2006.
- Shifted a portion of its personnel costs to the Capitol restoration project, at \$141,000 per year. Over six years, this would add \$846,000 in unbudgeted costs to the project.
- Delayed hiring a secretary.
- Hired a Public Information Officer with project funds. This is a long-term position that will probably continue after the project is completed.

The Analyst recommends restoration of \$117,000 in FY 2005 and FY 2006 for operation and maintenance on Capitol Hill. While cutting maintenance may save money in the short term, it usually results in long-term cost increases. Moreover, the DFCM O&M rate was legislatively approved. Other state agencies are not given the option of reducing their O&M rate payments. The state has a valid interest in ensuring its buildings are properly maintained.

The Analyst recommends restoring \$35,100 in order to hire a secretary. This amount will include salary and benefits. Over the past five years the CPB workload has increased due to the new buildings and the Capitol beginning its restoration phase. Currently the executive director and the administrative secretary are both having to set aside project tasks to pay attention to less important but urgent (or seen by others as urgent) tasks. The secretary will focus on tasks such as travel reimbursements, purchase orders, minutes, mail, phones, scheduling of rooms, receptionist duties, copying and filing, word processing, and otherwise assisting as needed.

The Analyst recommends an FY 2005 supplemental appropriation of \$25,000 to purchase multimedia equipment for the West Building, Room W135. This is the largest committee room in the building, and arguably the room where overhead multimedia presentation equipment is most needed, and is not currently installed. Funds would also be used to install wireless Internet access for the public on Capitol Hill. Senate Bill 100 allows the Capitol Preservation Board to provide such access to the public without a fee. The Analyst also recommends an ongoing appropriation of \$20,000 in FY 2006 for paying the wireless Internet access fees, and periodically updating the hardware and software.