

# Budget Brief – Department of Community and Culture

NUMBER 1-06

## SUMMARY

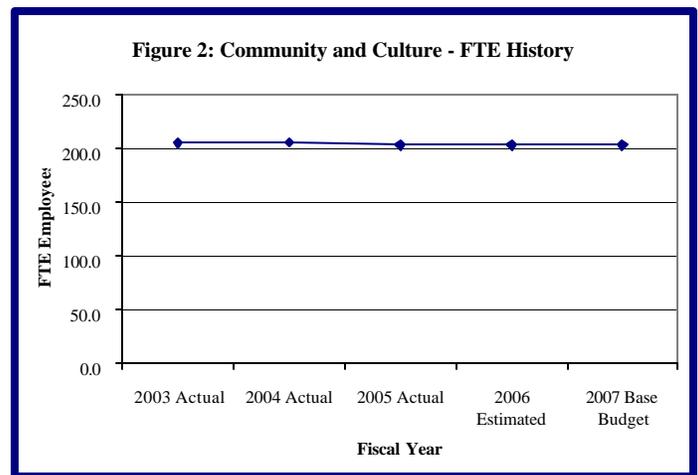
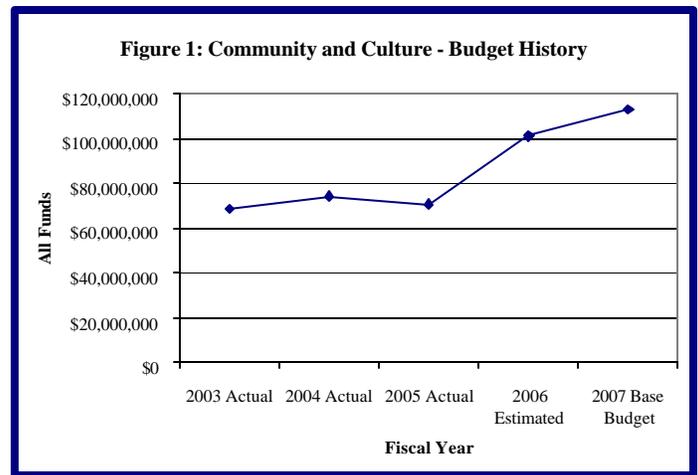
House Bill 318 passed in the 2005 General Session divided the former Department of Community and Economic Development into two new agencies: The Department of Community and Culture (DCC) and the Governor’s Office of Economic Development (GOED). The Department of Community and Culture provides a variety of services including housing assistance, homeless services, library services, history, and art programs. The Department also provides support to ethnic communities throughout the state. Divisions which have statutory authority include: Division of Community and Housing Development, Division of Fine Arts, Division of State History, Division of State Library, Administration, and Division of Indian Affairs.

## ISSUES AND RECOMMENDATIONS

The lease for DCC and GOED has been discounted since 1998 because there was no parking garage on site. The completion of the garage will occur in FY 2006 necessitating an increase in the lease of \$90,000 in FY 2006 and \$180,000 in FY 2007.

The level of federal funds and restricted revenue in the Department make an internal auditor position a good idea. Funding for the previous internal auditor was reallocated in the previous session. The committee may want to consider prioritizing funding for the position as part of the budget process.

In the 2004 General Session funding was appropriated for easements. Approximately \$600,000 of this funding remains after all contracts have been signed. The committee will want to consider utilizing this funding when prioritizing one-time requests.



**BUDGET DETAIL**

Funding for the Department of Community and Culture comes from a variety of sources including General Fund, federal funds, and restricted revenues. The two largest categories of expenditure for the Department are personal services and pass through.

**BUDGET DETAIL TABLE**

Community and Culture						
	FY 2005	FY 2006		FY 2006		FY 2007*
Sources of Finance	Actual	Appropriated	Changes	Revised	Changes	Base Budget
General Fund	18,624,400	16,537,900	0	16,537,900	(353,200)	16,184,700
General Fund, One-time	0	2,790,000	0	2,790,000	(2,790,000)	0
Federal Funds	35,047,000	48,910,100	(8,781,800)	40,128,300	(819,300)	39,309,000
Dedicated Credits Revenue	2,653,400	3,981,500	24,200	4,005,700	346,800	4,352,500
Federal Mineral Lease	4,184,500	2,500,000	0	2,500,000	0	2,500,000
GFR - Homeless Trust	650,000	850,000	0	850,000	(500,000)	350,000
Permanent Community Impact	10,286,300	50,144,100	(18,300,000)	31,844,100	0	31,844,100
Transfers	72,400	0	72,900	72,900	75,100	148,000
Pass-through	377,500	0	0	0	0	0
Repayments	0	0	0	0	18,300,000	18,300,000
Beginning Nonlapsing	1,207,800	0	2,200,400	2,200,400	(2,200,400)	0
Closing Nonlapsing	(2,200,400)	0	0	0	0	0
Lapsing Balance	(239,000)	0	0	0	0	0
<b>Total</b>	<b>\$70,663,900</b>	<b>\$125,713,600</b>	<b>(\$24,784,300)</b>	<b>\$100,929,300</b>	<b>\$12,059,000</b>	<b>\$112,988,300</b>
<b>Line Items</b>						
Administration	3,383,000	2,261,800	1,017,000	3,278,800	(1,370,200)	1,908,600
Historical Society	179,200	272,600	186,200	458,800	(161,500)	297,300
State History	2,410,900	2,889,100	15,700	2,904,800	(17,500)	2,887,300
Fine Arts	3,643,300	3,546,700	955,100	4,501,800	(1,005,100)	3,496,700
State Library	7,282,000	8,315,900	(38,400)	8,277,500	(169,200)	8,108,300
Indian Affairs	220,700	254,300	0	254,300	0	254,300
Housing and Community Development	38,489,000	54,974,500	(8,619,900)	46,354,600	(3,517,500)	42,837,100
Community Development Capital Budget	13,584,500	51,800,000	(18,300,000)	33,500,000	18,300,000	51,800,000
Zoos	1,471,300	1,398,700	0	1,398,700	0	1,398,700
<b>Total</b>	<b>\$70,663,900</b>	<b>\$125,713,600</b>	<b>(\$24,784,300)</b>	<b>\$100,929,300</b>	<b>\$12,059,000</b>	<b>\$112,988,300</b>
<b>Categories of Expenditure</b>						
Personal Services	11,756,100	12,959,400	(76,600)	12,882,800	(190,600)	12,692,200
In-State Travel	187,600	198,100	(28,000)	170,100	3,800	173,900
Out of State Travel	141,600	183,400	(27,800)	155,600	(5,600)	150,000
Current Expense	5,292,200	5,988,100	817,600	6,805,700	(803,500)	6,002,200
DP Current Expense	529,800	666,100	(64,600)	601,500	(7,100)	594,400
DP Capital Outlay	23,400	10,000	200	10,200	(6,800)	3,400
Capital Outlay	148,700	0	128,500	128,500	(110,000)	18,500
Other Charges/Pass Thru	52,488,500	105,612,100	(25,534,200)	80,077,900	13,177,800	93,255,700
Operating Transfers	96,000	96,400	600	97,000	1,000	98,000
<b>Total</b>	<b>\$70,663,900</b>	<b>\$125,713,600</b>	<b>(\$24,784,300)</b>	<b>\$100,929,300</b>	<b>\$12,059,000</b>	<b>\$112,988,300</b>
<b>Other Data</b>						
Budgeted FTE	203.0	208.1	(5.1)	203.0	0.0	203.0
Vehicles	36	36	0	36	(1)	35

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

**LEGISLATIVE ACTION**

This section is a summary of which actions might be taken if the Legislature wishes to adopt the recommendations of this brief.

1. Adopt a base budget for the Department of \$112,988,300.
2. Prioritize funding for the lease increase.
3. Prioritize funding for an internal auditor.
4. Reprioritize \$600,000 one-time for building blocks.