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# Idaho State Capitol Commission

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## Official Minutes, September 22, 2010

A meeting of the Idaho State Capitol Commission was held on this date at the Senate Majority Caucus Room, Idaho State Capitol Building, Boise, Idaho. Chairman Andy Erstad called the meeting to order at 9:30 a.m.

### **Members Present:**

Andy Erstad

Dolores Crow

Stephen Hartgen (via phone)

Teresa Luna, Interim Director, Department of Administration, Secretary/Ex-Officio Member

Jeff Youtz, Director, Legislative Services Office, and Ex-Officio Member

### **Others Present:**

Tim Mason, Administrator, Division of Public Works

Connie Smith, Fiscal Officer, Department of Administration

Michelle Lynch, Idaho State Historical Society

Kelly Berard, Relocation Project Manager, Division of Public Works

Joe Rutledge, Division of Public Works

Ric Johnston, Facilities Services Manager, Division of Public Works

Vivian Otero-Epley, Idaho State Building Authority

Jennifer Pike, Department of Administration

## **General Commission Business**

**At the request of the Chairman, the Roll Call was taken.**

### **Approval of Agenda**

**MOTION: Commissioner Youtz moved to approve the agenda as published for the September 22, 2010 Capitol Commission meeting. The motion was seconded by Commissioner Crow; the motion passed unanimously.**

### **Approval of Minutes**

**MOTION: Commissioner Youtz moved to approve the minutes from the June 16, 2010 Capitol Commission meeting as written. The second was by Commissioner Crow; the motion passed unanimously.**

## **Budget and Funding Issues**

### **Revenue & Expenditures; *Connie Smith***

Ms. Smith presented the FY2010 Budget Worksheet and June FY2010 Sources and Uses of Funds reports for Period Ending June 30, 2010. She then presented the FY2011 Budget

Worksheet and August FY2011 Sources and Uses of Funds reports for Period Ending June 30, 2011 with a correction to the title of the Sources and Uses page.

Ms. Smith reported expenditures for August against budget for the Capitol Income Fund (CIF) and the Permanent Building Fund (PBF), as follows:

	<u>Expenditures</u>	<u>Total YTD Expenditures</u>	<u>FY 2010 Balance</u>
June Personnel Costs-PBF	\$ 11,866	\$ 131,501	\$ 27,618
June Dept. of Lands Fees	\$ 34,497	\$ 66,896	\$ 4
June Garden Level Historic Exhibits	\$38,488	\$147,518	\$2,482
<b>Total Expenditures June-CIF &amp; PBF</b>	<b>\$ 86,108</b>	<b>\$ 1,061,778</b>	<b>\$ 520,053</b>

Addressing the FY 2010 Sources and Uses of Funds spreadsheet as of June 2010, Ms. Smith reported total available funds are:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>
\$ 2,072,111	\$ 302,578	\$ 249,979*

\*The balance of the Capitol Furnishing Fund shown on the Sources and Uses of Funds spreadsheet includes accumulated earnings and the transfer of \$5 Million to the general fund.

The total cash balances after liabilities are:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>
\$ 1,107,711	\$ 31,260	\$ 0

The estimated market positions, as of June 30, 2010 are:

<u>Income Fund</u>	<u>Permanent Building Fund</u>	<u>Capitol Furnishings Fund</u>	<u>Endowment Fund</u>
\$ 1,065,853	\$ 0	\$ 0	\$ 17,193,276

Ms. Smith then presented the FY2011 Budget Worksheet for period ending June 30, 2011. The carried over expenses total \$492,092 with an approved operating budget of \$819,295. Please note there is no balance in the Permanent Building Fund or the Furnishing Fund. Therefore, expenses from July and August 2010 were minimal.

	<u>Expenditures</u>	<u>Total YTD Expenditures</u>	<u>FY 2011 Balance</u>
August Operating Expenditures	\$ 4,243	\$ 4,243	\$ 487,582
FY2011 Operating Appropriation	\$ 0	\$ 0	\$ 327,200
<b>Total Expenditures August</b>	<b>\$ 4,243</b>	<b>\$ 4,243</b>	<b>\$ 815,051</b>

Ms. Smith then presented the FY2011 Sources and Uses Fund Worksheet. This handout looks different than before to reflect on the Income Fund and Endowment Fund balances. Ms. Smith reported total available funds are:

<u>Income Fund</u>	<u>Endowment Fund</u>
\$ 1,415,987	\$ 0

The total cash balances after liabilities are:

<u>Income Fund</u>	<u>Endowment Fund</u>
\$ 596,693	\$ 0

Ms. Smith asked the Commissioners if they would prefer the Liabilities section of the Sources and Uses Fund to reflect the cash balance including the full appropriation. Commissioner Youtz suggested that the financial reports show the whole appropriation to more accurately reflect the cash balance

The estimated market positions, as of July 31, 2010 are:

<u>Income Fund</u>	<u>Endowment Fund</u>
\$ 647,031	\$ 17,899,343

Commissioner Youtz summarized that the Commission has approximately \$1.5 million in cash; if the Commission spent the full appropriated amount and the balance carried over from the previous fiscal year, the Commission would have to spend approximately \$815,000.

Ms. Smith concurred and noted that moving forward the majority of expenditures will be the fees to Lands and the Endowment Investment Board. Other miscellaneous expenses may include travel expenses or special projects.

Commissioner Youtz asked about the Capitol Curator position. Previously the Commission had hoped to move that position to the General Fund. Ms. Smith responded that in the way the Historical Society appropriation was structured, the Historical Society was directly appropriated money for this position. The State Controller's Office has transferred these funds from the Capitol Commission budget based on the appropriation bill. The Commission would need to reauthorize this position for FY2012. The Historical Society has included this amount in their FY2012 budget request. If approved, the money would be transferred from the Commission's available cash to the Historical Society. This transfer would not affect the spending authority of the Commission.

Commission Youtz asked about the percentage fee assessed by the Land Board and the Endowment Investment Board. Chairman Erstad responded that there had been previous discussions with the Land Board supporting their fee calculation. Ms. Smith also responded that the Endowment Investment Board percentage charged to the Capitol Commission is only 0.51% of the total cost.

### **FY2012 Draft Budget**

Ms. Smith then presented the first draft of the FY2012 Maintenance Budget for the Commission. The Department of Administration typically submits the Capitol Commission budget along with their budget. Before submitting the budget to the Division of Financial Management, Ms. Smith asked the Commission if there were any additional line item requests to include with the Commission's FY2012 budget request.

Commissioner Youtz asked if the \$492,100 appropriation on item 4.11 of this budget should be removed. Ms. Smith confirmed that it should have been removed.

**MOTION: Commissioner Youtz moved to that the Commission authorize a maintenance level budget of \$327,200. The motion was seconded by Commissioner Crow; the motion passed unanimously.**

Chairman Erstad noted that he was contacted by a member of the Department of Lands Task Force asking how the Commission planned to handle the IDL asset value. The IDL does not intend to sell they lands, they are simply trying to determine higher values and better uses for the resources on those grounds. Chairman Erstad will notify the Commission if he hears any further information.

## **Capitol Restoration Updates, *Tim Mason***

### **Project Status & Budget**

Mr. Mason summarized:

- Mr. Mason referred to the Status Report hand out prepared by Jan Frew. The project is in a clean-up mode now.
- The Capitol Services Committee continues to work on several continuing items.
- Based on the information available right now, it appears that the entire project (Capitol Restoration and Garden Wing Expansion) will come approximately \$1 million under budget.

Commissioner Youtz inquired about the ADA access from the underground tunnel to the Garden Level Rotunda. There is currently a handicap button on the heavier set of doors on the tunnel side, but not on the double doors actually leading in to the rotunda. Mr. Mason responded that there are some ADA issues still being addressed, but he was unsure if that particular item was on the list. Mr. Mason said he would follow up on that item.

Commissioner Hartgen noted that this is an underappreciated project as the actual costs came in below the estimates for both furniture and construction. He suggested a press release may be appropriate to give credit to the Commission's accomplishments. The Chairman asked Commissioner Teresa Luna to follow up on a press release.

### **State Street Update**

- Mr. Mason informed the Commission that the State Street project would be complete by September 30, 2010. This too might be a good item for a press release.

Commissioner Crow noted that this might be a chance for a second press release regarding the substantial completion of the State Street project and installation of historic lights around the block. Chairman Erstad tasked Commissioner Luna to follow up on this press release as well.

### **Building Plaque Discussion**

- The suggestions from the previous Commission meeting have been incorporated in to the handout provided to the Commission for the text of the building plaque.

- Chairman Erstad confirmed that the Commission is prepared to move forward with ordering and installing the plaque.

**\*The Commission skipped ahead in the agenda in anticipation of Commissioner Gallimore arriving late.**

## **Other/New Business**

### **Buy Idaho – Use of the Capitol, *Jeff Youtz***

- In 2009, the Commission approved use of the Capitol for Buy Idaho on a trial basis. This event went very well. Commissioner Youtz asked for support of the motion to allow Buy Idaho use of the Capitol for an event during the 2011 legislative session.

**MOTION: Commissioner Youtz moved to that the Commission authorize Buy Idaho use of the Capitol Building as stipulated in statute. The motion was seconded by Commissioner Crow; the motion passed unanimously.**

Chairman Erstad asked the Commission if this would be a motion before the Commission every year, or is there a way to allow the Buy Idaho event annually. Commissioner Youtz responded that this is the only multi-floor, activity of its kind in the Capitol building, and does require a request every year. Commission Crow also noted that requiring an annual request reinforces the rules and regulations to utilize the Capitol. Commission Youtz will be responsible for communicating the approval of the motion to the Buy Idaho people.

### **Future status of the Capitol Commission, *Jeff Youtz***

- Commissioner Youtz provided a draft of legislation to redefine the roles of the Commission.
- The Commission would meet bi-annually instead of quarterly.
- Under Section 1, Commission Youtz noted that the reference to “in consultation with the director of the department of administration” had been deleted whereas they staff and support the Commission. That reference should probably be added back in. Commissioner Hartgen also supported adding the Department of Administration cooperation back in to the language of the legislation. Chairman Erstad noted that the Department of Administration reference should appropriately be added back in to Section 67-1608, paragraph (1), to read: “In consultation with the director of the department of administration, to review periodically, and, as appropriate, to amend and modify the master plan.”
- The original Section 2 had been completely eliminated since a plan has already been developed.
- Under Section a), again add in the phrase “in consultation with the director of the department administration”.
- Section 3, continues the Commissions involvement in reviewing and approving exhibits.
- At the request of Commissioner Gallimore, Commissioner Youtz added information to Section 4 concerning the Capitol Curation Program.
- Commissioner Youtz suggested that Commissioner Hartgen carry this piece of legislation and Commissioner Hartgen accepted.
- 67-1608(1), In consultation with the Director of the Department of Administration to

provide...to review periodically and

Kelly Berard was recognized by the Chair to suggest that somewhere in the legislation language be added that states that is the responsibility of the agency or executive office to retain the furniture in the Capitol and to maintain the quality of the furniture.

Commissioner Youtz will update the draft legislation ahead of the next meeting of the Capitol Commission.

**\*The Commission moved back to Public Outreach, Art & Culture in the agenda, and the Chair asked Commissioner Youtz to cover these items.**

## **Public Outreach, Art & Culture**

### **Arts, History and Culture Committee Report, *Jeff Youtz for Jan Gallimore***

Commissioner Youtz recognized Michelle Lynch to give an update from the Idaho State Historical Society before the Commission moved forward with the action items. Ms. Lynch informed the Commission:

- Currently on display is the archives exhibit. Scheduled to come down in October.
- The next proposed exhibit will be a 1 year anniversary exhibit of photographs of the Capitol Restoration Project by Paul Hosefros. This exhibit will run November 1, 2010 – mid February 2011.
- The following proposed display will be the Kevin Swan, Old Idaho exhibit. The photographs are of old buildings all over Idaho. This exhibit will run from March 1, 2011 – mid May 2011.
- This schedule would support further community engagement, showcase Idaho talent, and fairly represent the entire State.

The first action item would be to approve funding for the Paul Hosefros Capitol Project 1 year anniversary temporary exhibit in the amount of \$3,600 for the print and framing of 58 color photographs documenting the Capitol Project. The photos will be donated to the State of Idaho following the end of the exhibit.

**MOTION: Commissioner Crow moved that the Commission approve funding for the Paul Hosefros photography exhibit. The motion was seconded by Commissioner Youtz; the motion passed unanimously.**

Commissioner Youtz explained the second action item to ask the Commission for continued allocation of functions and resources to Idaho State Historical Society for Capitol Curation/operations in the amount of \$107,800.

- This expenditure would come out of Capitol Commission funds for at least one more year. In the future, this expenditure may be transferred to the General Fund.

Commissioner Hartgen inquired about the \$27,000 expense for state records retention/storage. If the Commission was able to identify existing State space, could the rental cost be reduced or eliminated. Commissioner Youtz responded that it would be the responsibility of the Historical

Society to find ongoing funds for this. The previous motion only speaks to the next year of funding. The Commission will have to revisit this issue again for FY2013.

Chairman Erstad asked the Idaho State Historical Society to create a small summary of activities and things of that nature, so there is a record of things completed for those funds expended. The Chairman will further discuss this item with Commissioner Gallimore.

**MOTION: Commissioner Youtz moved to approve continued allocation of funds to the Capitol Curator Program in the amount \$107,800 for FY2012. The second was by Commissioner Crow. The motion passed unanimously.**

Commissioner Youtz displayed the new 2010 Idaho Landscapes – Temple of Light Capitol edition to the Commission; about 3000 of these books have been distributed and received great feedback. The book is available for purchase in the Capitol gift shop.

## **Monthly Meeting Schedule**

### **Capitol Commission Meeting Schedule, *Chairman Erstad***

Chairman Erstad noted that there would most likely be a meeting during the legislative session as well as a presentation to the Joint Finance and Appropriation Committee (JFAC).

Chairman Erstad asked the Commission if there were logic timeframes to schedule future Capitol Commission meetings if the requirement is reduced to two meetings per year. Commissioner Crow responded that the legislative schedule and requirements change from year to year and defining when meetings should be held may also need to change from year to year. Commissioner Youtz noted that the September meeting is fairly well timed.

After further discussion, the next meeting was set for:

- December 15, Flex Room WW 17, State Capitol, 9:30 a.m.

## **Adjournment**

**MOTION: Commissioner Youtz moved to adjourn the meeting. The second was by Commissioner Crow; the motion passed unanimously. The meeting adjourned at 10:30 a.m.**

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Jennifer Pike, Department of Administration