
Idaho State Capitol Commission

Official Minutes, August 8, 2012

A meeting of the Idaho State Capitol Commission was held on this date in Room WW53, Idaho State Capitol Building, Boise, Idaho.

Members Present:

Andy Erstad, Chairman

Stephen Hartgen, Representative

Joe Stegner

Jim Marriott

Joy Richards, (via conference call)

Teresa Luna, Director, Department of Administration, and Ex-Officio Member

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

Jan Gallimore, Executive Director, Idaho State Historical Society, Ex-Officio Member

Others Present:

Michelle Lynch, Capitol Curator, Idaho State Historical Society

Jody Ochoa, Idaho State Historical Society

Rosemary McClenahan, Idaho State Historical Society

Tom Schultz, Director Department of Lands

Lisa Johnson, Department of Lands

Robyn Lockett, Legislative Service Office

Eric Milstead, Legislative Service Office

Larry Johnson, Endowment Fund

Jeff Tucker, Idaho Public Television

Margaret Odedo, Department of Administration

Call to Order

Chairman Erstad called the meeting to order at 10:02 a.m.

General Commission Business

Approval of the Agenda

Commissioner Youtz asked consent to move agenda item "Update on status of Capitol Permanent endowment funding" to fall under agenda item Budget and Funding.

MOTION: Commissioner Stegner moved to approve the item "Capitol Permanent endowment funding" on the agenda, seconded by Commissioner Gallimore. Motion passed.

Approval of Minutes

MOTION: Commissioner Stegner moved to approve the minutes from the March 5, 2012 Capitol Commission meeting as written, seconded by Commissioner Youtz. Motion passed.

Budget and Funding Issues

Revenue & Expenditures, Robin Lockett

Ms. Lockett presented a summary of the Capitol Commission income and expenditure history which includes retiring an outstanding FY2013 debt. The worksheet highlighted items as follows:

Capitol Income Fund Summary

	FY 2012 Actual	FY 2013 Estimate	FY 2014 Proposed
Total Available Cash Balance	\$1,256,700	\$977,000	\$546,700
Estimated Total Expenditures	<u>\$250,000</u>	<u>\$700,600</u>	<u>\$317,000</u>
Ending Cash Balance	\$1,006,700	\$276,400	\$229,700

Permanent Endowment Fund

	FY 2012 Actual	FY 2013 Estimate	FY 2014 Estimate
Beginning Market Value	\$ 22,212,900	\$22,484,700	\$24,165,629
Lands Revenue	41,800	100,000	280,000
Investment Earnings	<u>230,000</u>	<u>1,580,929</u>	<u>1,711,194</u>
Est. Ending Market Value	\$22,484,700	\$24,165,629	\$26,156,823

Commissioner Stegner, asked Robyn Lockett for more details on the debt (*see below nine year history of revenues and fees*):

Fiscal Year	Perm. Fund Balance	Perm. Fund Earnings	Lands Revenues	Cap. Comm. Distributions	EFIB Fees Paid	Dept. of Lands Fees Paid	Dept. of Lands Expenditures
2004	\$ 6,225,442	\$ 77,600				\$ (76,000)	\$ 292,300
2005	8,262,634	659,656	1,377,536	-	(24,500)	(80,500)	98,400
2006	13,586,071	1,280,468	4,042,939	-	(38,800)	(233,300)	88,900
2007	17,702,056	2,449,757	2,079,360	(413,132)	(60,800)	(88,900)	98,200
2008	17,624,773	(378,937)	768,763	(467,109)	(62,200)	(109,800)	116,700
2009	14,521,315	(3,139,314)	35,856	-	(60,100)	(134,800)	168,200
2010	16,992,307	2,370,820	400,910	(300,000)	(67,000)	(127,000)	120,500
2011	21,939,722	4,311,646	635,769	-	(86,500)	(123,500)	114,900
2012	22,212,921	231,361	41,838	-	(97,500)	(90,900)	436,400
	TOTALS	\$ 7,863,057	\$9,382,971	\$(1,180,241)	\$ (497,400)	\$ (1,064,700)	\$ 1,534,500
						<i>Amount underpaid</i>	\$ 469,800
						<i>Accounting accrual credit</i>	\$ 76,200
						Outstanding balance due	\$ 393,600

Robyn Lockett additionally explained revenues generated by the Department of Lands, the distribution history and the fees paid to actually manage the commission assets. The outstanding fees of \$393,600 for a gravel pit was billed to the Commission without payment to date; which is now due.

After further discussion around billing communication, Director Schultz presented the following information: The Department of Lands typically budget by programs, not by the different endowments. The gravel pit was developed with the expectation that gravel would be sold in the future. The other nine beneficiaries have reserve funds that have a pool of money to allocate ground work and overhead expenditures; however the Capitol Commission does not have this mechanism in place. After additional questioning around statutory authority from committee members it was concluded that the Lands Board held a meeting July, 2012 and had required approval of the expenditure.

MOTION: Commissioner Hartgen moved that the Commission delay action, gather additional information, hold a meeting later this year or during legislative session where the Commission could come up with options which may be a deficiency warrant or amortization. Motion failed for lack of a second.

MOTION: Commissioner Youtz moved that the Commission approve the outstanding amount due, \$393,600 out of the available one-time monies that the Capitol Commission has in its' current FY2013 budget. Seconded by Commissioner Luna. Motion passed. 5 Ayes (Erstad, Stegner, Gallimore, Luna, Richards) 2 Nay (Hartgen, Marriott).

Commissioner Youtz asked members to review budget request for fiscal year 2014 estimating total expenditures of \$317,000.

MOTION: Commissioner Youtz moved that the Commission approve a budget request of \$317,000 for fiscal year 2014 expenditures for the Idaho Capitol Commission. Seconded by Commissioner Luna. After further information shared by Larry Johnson, Manager Investor for the Endowment Funds Boards; motion passed for FY2014 budget.

Commissioner Youtz reviewed proposed legislation that would allow the Capitol Commission to create a trust fund in which the Endowment Investment Board would make an automatic transfer each year. After additional discussion Chairman Erstad directed Commission members to review the proposed draft, and provide feedback to Commissioner Youtz or staff, Margaret Odedo.

Capitol Restoration Updates, Jan Frew

Project Status & Budget

Jan Frew reviewed the following updates:

- Improvements to room WW17 project is a little behind schedule and after additional review it has been determined that an additional \$30,000 is needed to relocate screens, and provide additional wood trim modifications, bringing the total cost to \$77,200. Project completion date is anticipated for October 1st, 2012.
Desk Top replacement in both the House and Senate Chambers, at the front podium area, due to continual cracking. Warranty has expired, and requires specialty cabinet working; cost \$20,000.
- Drainage issue on the west side of the Jefferson Street garden level entry continues to be a problem and we will continue to work on a solution.

MOTION: Commissioner Youtz moved authorization of additional \$30,000 for WW17 and \$20,000 for additional wood work. Seconded by Commissioner Luna. Motion passed.

Chairman Erstad asked Ms. Frew if she could give a quick view of what we might see in the future. Ms. Frew expressed her concerns that she continually sees individuals displaying items incorrectly and that perhaps a manual could be put together for legislative session. After additional discussion Chairman Erstad recommended development of a Building User Manual that could be used during Legislative orientation.

Public Outreach, Art & Culture

Arts, History and Culture Committee Report, *Jan Gallimore*

- State Capitol Curation program - Commissioner Gallimore requested approval of the FY14 Capitol Commission Curation budget. She provided with a brief overview of the functions of the Curation program, formula change received from DFM, and information to install a wireless receptor so that the Historical Society can get downloads to the Capitol Storage building quicker.

MOTION: Commissioner Youtz moved to continue with the Capitol Curator program in the amount of \$113,500. Seconded by Commissioner Stegner. Motion passed.

- Veterans Exhibition - Next item is for request and approval for a portable exhibition in the amount not to exceed \$25,000. Commissioner Gallimore explained that the historic flags were previously placed in the Capitol. Under the direction from the Capitol Commission, the Historical Society was to look at other alternatives and bring back a recommendation. This new proposal has been brought forth after collaboration with the Historical Society staff, the Director of the Military History Museum, National Guard, and other experts.

MOTION: Commissioner Gallimore moved to approve the exhibition concept and funding not to exceed \$25,000. Seconded by Commissioner Marriott. Motion passed.

- Idaho Territorial Sesquicentennial Banners – Commissioner Gallimore explained this is a request to support the Idaho Territorial Sesquicentennial. As part of the plan, banners will be placed around the Capitol for the year of the sesquicentennial starting March 4th, 2013 to the following year.

MOTION: Commissioner Youtz moved to approve \$2,000 for the banners. Seconded by Commissioner Marriott. Motion passed.

- Capitol Curation Program, FY2013 annual Exhibition Schedule – Commissioner Gallimore provided a handout package featuring current and on-going exhibitions. Discussion item requested by Commissioner Hartgen regarding Shoshoni Falls painting located at the Gilcrease Museum in Tulsa Oklahoma was reviewed. Discussion with the Gilcrease Museum Director revolved around bringing it back to Idaho; however

they would not consider due to the value. Future private fund raising event could accommodate this. Other items could be available if we would like to purchase for resell in our Capitol gift shop. Chairman Erstad directed Commissioner Gallimore to follow up with some more specifics and timing.

Other/New Business

Update on the Status of the Wood Usage Guideline, *Jeff Youtz*

- Commissioner Youtz provided history of the Idaho Territorial Capitol Historical Trees followed by a proposed policy on future usage and preservation of wood.

MOTION: Commissioner Hartgen moved to make wording change of the policy to read; “The Capitol Commission shall review all requested and approve usage of Historical wood.” (*See attached*) Seconded by Commissioner Gallimore. Motion passed.

- Historical Tree Wood Usage Request - Commissioner Youtz asked for Historical Tree wood usage, with wood being used for the annual Christmas tree ornament for the Capitol. This request does not require any more usage of wood that has been stored, as this particular woodcrafter has on hand enough wood to produce about two hundred ornaments.

MOTION: Commissioner Stegner moved to approve the commission of the annual Capitol Christmas tree ornament using Historical Tree wood. Seconded by Commissioner Gallimore. Motion passed.

- Media AV Box Cabling - Commissioner Youtz reviewed the need for improvements of external boxes located outside of the Capitol building. Jeff Tucker from Idaho Public Television provided further insight that the current boxes are exposed to condensation; leading to corrosion.

MOTION: Commissioner Youtz moved to authorization up to \$9,600 for this project subject to the approval of public works and the review of the Chairman of the Capitol Commission. Seconded by Commissioner Gallimore. Motion passed.

Jan Frew expressed some concerns of finding suitable housing for the project and asked the Commission to consider an authorization of \$15,000 as opposed to the \$9,600.

MOTION: Commissioner Youtz moved to amend the authorization to \$15,000 for this project subject to the approval of public works and the review of the Chairman of the Capitol Commission. Seconded by Commissioner Gallimore. Motion passed.

Capitol Use Overview, *Teresa Luna*

- Commissioner Luna informed the Commission that rules are still being written by the Attorney General’s Office. As soon as we have them, we will forward them to the Commission. After further discussion it was decided by the Commission that follow up will be presented at the next meeting.

Monthly Meeting Schedule

Capitol Commission Meeting Schedule, *Chairman Erstad*

- The next meeting was tentatively scheduled for mid-November, 2012.

Adjournment

MOTION: Commissioner Marriott moved that the Commission adjourn. The second was by Commissioner Gallimore; the motion passed unanimously and the meeting was adjourned.

The meeting adjourned at 12:45 p.m.

Margaret Odedo, Department of Administration

Attachment

Historic Wood Policy

A quantity of boards, stumps and remnant pieces of wood from these historic trees still remain and are being stored at the Idaho Historical Society's Old Idaho Penitentiary site. There is currently a moratorium in place, passed by the Capitol Commission to limit any further use of the wood until an official policy is adopted by the Commission.

Toward that end, it is the desire and official policy of the Idaho Capitol Commission to use the remainder of this historic wood in an appropriate way that preserves, enriches, and interprets the history of the Idaho Capitol Building or its state government institutions. The Capitol Commission shall review all requests and approve uses of this historic wood, and such uses shall include podiums, gavels, historic displays, engraved State Seals, hand-crafted items for sale in the Capitol Gift Shop, and other specialty items or gifts the Commission may deem appropriate and consistent with this policy.

The Commission shall also be responsible for the appropriate preservation and storage of the historic wood, in cooperation with other agencies, until such time as the wood has been fully depleted.