

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4625-01
Bill No.: SB 1010
Subject: Easements and Conveyances; Administration, Office of; Governor & Lt. Governor
Type: Original
Date: February 6, 2008

Bill Summary: Authorizes the Governor to convey state property in Jasper County to Missouri Southern State University.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Total Estimated Net Effect on General Revenue Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration (COA) - Administrative Hearing Commission** and **Office of the Governor** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **COA - Division of Facilities Management, Design and Construction (DFMDC)** state the proposal will require a request for new rent in HB 13 along with utilities and janitorial services. The DFMDC estimates the total increase needed in HB 13 to be \$229,050.

The Department of Mental Health hasn't finalized the square footage numbers, but it looks like it will be approximately 15,000 sq. ft. at \$12.50 per sq. ft., or \$187,500 in annual rent, plus \$1.62 per sq. ft. X 15,000 sq. ft., or \$24,300, for utilities, and \$1.15 per sq. ft. X 15,000 sq. ft., or \$17,250, for janitorial services.

Currently there is a small amount of institutional operating funds in HB 5 for the Joplin Regional Center, but once they move to leased space, rent will need to be in HB 13.

Cost savings in HB 5 from the Joplin Regional Center could be redirected to other mental health facilities as cost avoidance for the DFMDC versus asking for new money in the future for increases unforeseen at this time.

Officials from the **Department of Mental Health (DMH)** state using the FY 09 basic expense and equipment lists, the DMH estimates the total one-time cost of this proposal to be \$338,964. The basic layout of the new leased space should be 5 offices and 49 modular workstations. The current space for Joplin is all offices and no modular furniture. The new leased space will have a layout for cubicles, therefore, an estimated cost for the modular furniture is \$243,089. In addition to the modular furniture, there will be a cost for the telecommunications of \$30,300 and moving costs of \$14,850 (\$275 per employee). The remaining expenses will be for chairs and file cabinets (\$50,725).

In addition to the expenses, there will also be a savings of personal service (PS) and fringe benefit costs. There is currently one maintenance and one custodial staff at Joplin that will no longer be needed due to moving into a leased office space. The PS cost savings for these two positions will be \$63,339. The FTE will be redirected as needed within the department.

ASSUMPTION (continued)

Oversight assumes the selling price of the property will exceed DMH's cost to relocate and the affect will be an unknown positive amount. **Oversight** also assumes because of the uncertainty of when the transaction between the State and Missouri Southern State University will occur, there is uncertainty as to when the potential savings will occur. As a result, **Oversight** is presenting the conveyance of property to the Missouri Southern State University by the State as \$0 or Unknown Savings for the period of time covered by this fiscal note.

Officials from **Missouri Southern State University, Jasper County,** and the **City of Joplin** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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GENERAL REVENUE FUND

<u>Savings - Sale of Property</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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**ESTIMATED NET EFFECT ON
 GENERAL REVENUE FUND**

<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

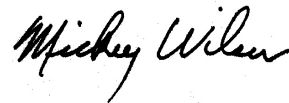
This proposal authorizes the Governor to convey state property in Jasper County to Missouri Southern State University. The property shall not be conveyed until the Joplin Regional Center has been relocated to different property.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Attorney General
Office of Administration -
 Administrative Hearing Commission
 Division of Facilities Management, Design and Construction
Department of Mental Health
Office of the Governor

NOT RESPONDING: Missouri Southern State University, Jasper County, and City of Joplin



Mickey Wilson, CPA
Director
February 6, 2008