

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0439-04
Bill No.: SCS for SB 15
Subject: Easements and Conveyances; Administration, Office of; Governor & Lt. Governor
Type: Original
Date: February 19, 2009

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 2010	FY 2011	FY 2012
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 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Dept. of Mental Health	(2 FTE)	(2 FTE)	(2 FTE)
Total Estimated Net Effect on FTE	(2 FTE)	(2 FTE)	(2 FTE)

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 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office Administration** assume one-time moving costs of \$338,964. Additionally, there are on-going dollars that has been appropriated for rent, janitorial and utilities of \$229,050 annually.

Oversight has for the purposes of determining the fiscal impact of this proposal, shown the cost of the moving expenses and rent on the new building in this fiscal note. Oversight notes that the rent has been requested in the Governor's recommended Office of Administration's FY 2010 budget request which is pending.

Officials at the **Missouri Southern State University** assume the fiscal impact to the University shall be a direct result of the terms and conditions of the conveyance as established by the Commissioner of Administration. In addition to the terms for conveyance there would be additional remodeling expenses incurred in order to make the facility usable for University purposes as well as ongoing operational expenses, the magnitude of which is unknown at this time.

Oversight assumes the remodeling of the building would not fiscally impact state revenue as the cost to the University would be absorbed with existing resources or offset by the tuition paid by the students.

Officials at the **Department of Mental Health** assume using the FY 2010 basic expense & equipment list, the department estimates the total one-time cost of this proposal to be \$351,447. The basic layout of the new leased space should be 5 offices and 49 modular workstations. The current space for Joplin is all offices with 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 \$40,950 and moving costs of \$14,850 (\$275 per employee). The remaining expenses will be for chairs and file cabinets totaling \$52,558. In addition there will also be a savings of PS and fringe. There is currently one maintenance (\$28,153) (A16-G) and one custodial (\$23,209) (A07-M) staff at Joplin that will no longer be needed due to moving into a leased office space. The PS savings for these two positions will be \$65,525. FTE will be redirected as needed within the department.

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

ASSUMPTION (continued)

Officials at the **Office of the Governor** assume that there is no fiscal impact from this proposal.

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.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
GENERAL REVENUE FUND			
<u>Revenue - Office of Administration</u>			
Sale of Property	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Savings - Dept. of Mental Health</u>			
Personal Service	\$44,086	\$54,490	\$56,125
Fringe Benefits	\$21,439	\$26,498	\$27,294
Equipment and Expenses	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Savings - Dept. of Mental Health</u>	\$65,525	\$80,988	\$83,419
FTE Change - Dept. of Mental Health	(2 FTE)	(2 FTE)	(2 FTE)
<u>Cost - Office of Administration</u>			
relocating & furniture costs	(\$338,964)	\$0	\$0
<u>Cost - Office of Administration</u>			
rent and utilities on new building	<u>(\$190,875)</u>	<u>(\$229,050)</u>	<u>(\$229,050)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE			
	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
Estimated Net FTE Change on General Revenue	(2 FTE)	(2 FTE)	(2 FTE)

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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.

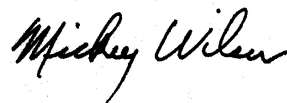
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration -
Division of Facilities Management, Design and Construction
Department of Mental Health
Missouri Southern State University
Office of the Governor
Office of the Attorney General

NOT RESPONDING

Jasper County



L.R. No. 0439-04
Bill No. SCS for SB 15
Page 6 of 6
February 19, 2009

Mickey Wilson, CPA
Director
February 19, 2009

JH:LR:OD (12/02)