

# STATEWIDE REAL ESTATE

## FINANCIAL SUMMARY

	FY 2006 EXPENDITURE	FY 2007 APPROPRIATION	FY 2008 REQUEST	GOVERNOR RECOMMENDS FY 2008
Department of Elementary & Secondary Education	\$ 2,677,917	\$ 4,335,231	\$ 6,728,191	\$ 6,771,542
Department of Higher Education	239,644	303,679	363,589	363,754
Department of Revenue	1,382,060	1,663,946	2,063,509	2,074,198
Office of Administration	542,899	1,856,810	2,592,404	2,540,667
Department of Agriculture	297,468	798,429	1,172,343	1,180,859
Department of Natural Resources	1,806,150	3,002,040	3,390,179	3,417,688
Department of Economic Development	2,519,499	4,900,641	4,944,253	4,978,591
Department of Insurance	6,900	417,381	968,997	985,439
Department of Labor and Industrial Relations	615,550	1,947,853	1,745,286	1,768,305
Department of Public Safety	1,778,624	3,261,324	11,107,662	11,128,638
Department of Corrections	5,603,440	7,506,296	53,834,703	54,086,823
Department of Mental Health	1,635,842	2,743,228	15,617,908	15,707,675
Department of Health and Senior Services	3,555,120	5,742,632	6,067,003	6,100,286
Department of Social Services	16,019,844	23,644,026	26,097,718	26,264,494
Elected Officials	964,488	5,465,571	5,596,681	5,680,537
Judiciary	1,018,934	2,711,035	2,611,577	2,617,063
Lease/Purchase St. Louis	12,192,045	0	0	0
<b>TOTAL</b>	<b>\$ 52,856,424</b>	<b>\$ 70,300,122</b>	<b>\$ 144,902,003</b>	<b>\$ 145,666,559</b>
General Revenue Fund	35,506,075	41,228,202	107,952,053	108,517,430
Federal Funds	12,716,059	20,006,708	23,388,092	23,496,176
Other Funds	4,634,290	9,065,212	13,561,858	13,652,953

## DEPARTMENT SUMMARY

In Fiscal Year 2008, the Division of Facilities Management, Design and Construction (DFMDC) will consolidate the cost of maintenance operations for most institutional facilities from agency budgets into one appropriation bill (HB 13). In Fiscal Year 2007, the cost of operations for state-owned facilities was also consolidated within HB 13. Combining all appropriations into one house bill allows DFMDC to track the total cost of maintenance operations and improve efficiencies in state-owned, leased, and institutional facilities.

### Space Consolidation Efforts

During Fiscal Year 2007, DFMDC continues to terminate leases and consolidate state agencies within state-owned space. In Fiscal Year 2006, DFMDC leased approx 3.4 million sq. ft. of office space at an annual cost of \$36 million. By comparison, during Fiscal Year 2007, DFMDC currently leases approximately 2.9 million sq. ft. of office space at an annual cost of \$30.4 million. Additional consolidation efforts are planned for Fiscal Year 2008. The consolidation of space also has allowed the redirection of existing funds to offset other costs, thus reducing the need for additional funds.

### Benchmarking

DFMDC conducts benchmark comparisons with the Federal General Services Administration (GSA) and other state governments to ensure that the State of Missouri rates are competitive. The State of Missouri rental rates for state-owned and leased facilities are comparable or below GSA and other state rates.

### Rental Rates

The Fiscal Year 2008 budgeted rental rates for leased facilities are as follows:

<u>MARKET AREA</u>	<u>BUDGETED RENTAL RATE</u>
Metro	\$15.00
St. Louis County	\$17.85
Large City	\$11.50
Outstate	\$10.30

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

The Fiscal Year 2008 budgeted rental rate for state-owned facilities are as follows:

<u>FACILITY</u>	<u>RATE</u>	<u>FACILITY</u>	<u>RATE</u>	<u>FACILITY</u>	<u>RATE</u>
Capitol	\$ 6.40	Mental Health	\$ 5.92	Feed & Seed Lab	\$ 9.80
Broadway	\$ 6.04	Mo. Boulevard	\$ 6.11	DOLIR	\$ 6.10
Supreme Court	\$ 4.86	Petro Lab	\$14.87	Fletcher Daniel	\$ 6.13
Jefferson Building	\$ 6.07	DEQ Lab	\$ 8.13	Penney	\$ 6.85
Gov. Mansion	\$ 8.51	Howerton	\$ 5.57	Landers	\$ 6.93
Kirkpatrick	\$ 5.99	Prof. Regist.	\$ 5.49	St. Joseph	\$ 6.46
Truman Building	\$ 7.70	Lewis & Clark	\$ 6.86	Mill Creek	\$ 5.43
Wainwright	\$ 8.95	DED Hannibal	\$ 4.46	DED St. Louis	\$ 4.14
OA Garage	\$ 6.26	DED Joplin	\$ 3.74	DOLIR-Adams	\$ 5.00
Simpson	\$ 6.26	Surplus Property	\$ 1.33	DOLIR-Springfield	\$ 5.00
Prince Hall	\$ 8.55	DED Sedalia	\$10.53	DOLIR-Gateway	\$ 5.00
DED St. Joseph	\$ 5.29	DED Sikeston	\$ 4.33	DOLIR-Dunklin	\$ 5.00
Chouteau	\$ 7.01	Health Lab	\$ 7.74	DOLIR-Adams	\$ 5.00
North Serv. Center	\$16.95	South Serv. Center	\$16.94	Jennings	\$16.91
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DFMDC provides asset management for all state-owned and leased properties, totaling in excess of 7 million sq. ft. of space. The following departments are located within those facilities.

### DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION

DFMDC manages approximately 37 lease contracts, totaling over 198,000 sq. ft., and approximately 191,000 sq. ft. of space in state-owned facilities on behalf of the Department of Elementary and Secondary Education.

### Fiscal Year 2008 Governor's Recommendations

- \$28,113 for janitorial, utilities, and market rate increases.
- \$43,351 for pay plan and associated fringes related to real estate administrative charges and the statewide consolidation of facility related services, including \$21,175 general revenue.
- \$2,394,082 transferred from the Department of Elementary and Secondary Education for the statewide consolidation of facility related services.
- \$180,531 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- (\$209,766) federal and other funds reallocated to various departmental real estate budgets.

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

#### DEPARTMENT OF HIGHER EDUCATION

DFMDC manages two lease contracts, approximately 25,000 sq. ft. of leased space, on behalf of the Coordinating Board of Higher Education.

#### Fiscal Year 2008 Governor's Recommendations

- \$23,551 for janitorial, utilities, and market rate increases.
- \$165 for pay plan and associated fringes related to real estate administrative charges, including \$48 general revenue.
- \$36,359 reallocated from various departmental and real estate budgets, including \$4,077 general revenue.

#### DEPARTMENT OF REVENUE

DFMDC manages 16 lease contracts, totaling over 58,000 sq. ft., and approximately 302,000 sq. ft. of space in state-owned facilities on behalf of the Department of Revenue and the State Tax Commission.

#### Fiscal Year 2008 Governor's Recommendations

- \$330,512 for state-owned rent space reallocations.
- \$10,689 for pay plan and associated fringes related to real estate administrative charges, including \$10,421 general revenue.
- \$123,254 Lottery Enterprise Fund transferred from the Department of Revenue for the statewide consolidation of facility related services.
- \$70,730 other funds reallocated from various departmental real estate budgets.
- (\$124,933) reallocated to various departmental real estate budgets.

#### OFFICE OF ADMINISTRATION

DFMDC manages 16 lease contracts, totaling over 74,000 sq. ft., and approximately 343,000 sq. ft. of space in state-owned facilities on behalf of the Office of Administration.

#### Fiscal Year 2008 Governor's Recommendations

- \$310,409 for state-owned rent space reallocations.
- \$110,725 for janitorial, utilities, and market rate increases.
- \$39,588 for pay plan and associated fringes related to real estate administrative charges, including \$38,748 general revenue.
- \$368,756 reallocated to various departmental real estate budgets, including \$366,482 general revenue.
- \$30,000 Federal Surplus Property Fund transferred from the Office of Administration for state-owned rent.
- (\$175,621) reallocated to various departmental real estate budgets, including (\$116,117) general revenue.

#### DEPARTMENT OF AGRICULTURE

DFMDC manages eight lease contracts, totaling over 27,000 sq. ft., and approximately 55,000 sq. ft. of space in state-owned facilities on behalf of the Department of Agriculture.

#### Fiscal Year 2008 Governor's Recommendations

- \$13,092 for janitorial, utilities, and market rate increases.
- \$8,516 for pay plan and associated fringes related to real estate administrative charges, including \$5,882 general revenue.
- \$335,807 State Fair Fees Fund transferred from the Department of Agriculture for institutional consolidation.
- \$25,015 reallocated from various departmental real estate budgets, including \$5,116 general revenue.

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

#### DEPARTMENT OF NATURAL RESOURCES

DFMDC manages approximately 38 lease contracts, totaling over 153,000 sq. ft., and approximately 179,000 sq. ft. of space in state-owned facilities on behalf of the Department of Natural Resources.

#### Fiscal Year 2008 Governor's Recommendations

- \$133,378 for janitorial, utilities, and market rate increases.
- \$27,509 for pay plan and associated fringes related to real estate administrative charges, including \$6,100 general revenue.
- \$254,761 federal and other funds reallocated from various departmental real estate budgets.

#### DEPARTMENT OF ECONOMIC DEVELOPMENT

DFMDC manages approximately 38 lease contracts, totaling over 232,000 sq. ft., and approximately 185,000 sq. ft. of space in state-owned facilities on behalf of the Department of Economic Development.

#### Fiscal Year 2008 Governor's Recommendations

- \$11,033 for janitorial, utilities, and market rate increases.
- \$34,338 for pay plan and associated fringes related to real estate administrative charges, including \$4,196 general revenue.
- \$47,524 Job Development and Training Fund transferred from the Department of Economic Development for state-owned rent.
- (\$14,945) federal and other funds reallocated to various departmental real estate budgets.

#### DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION.

DFMDC manages seven lease contracts, totaling over 8,000 sq. ft., and approximately 119,000 sq. ft. of space in state-owned facilities on behalf of the Department of Insurance, Financial Institutions and Professional Registration.

#### Fiscal Year 2008 Governor's Recommendations

- \$16,422 other funds for pay plan and associated fringes related to real estate administrative charges.
- \$551,616 other funds reallocated from various departmental real estate budgets.

#### DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

DFMDC manages seven lease contracts, totaling over 8,000 sq. ft., and approximately 119,000 sq. ft. of space in state-owned facilities on behalf of the Department of Labor and Industrial Relations.

#### Fiscal Year 2008 Governor's Recommendations

- \$737 for janitorial, utilities, and market rate increases.
- \$23,019 for pay plan and associated fringes related to real estate administrative charges, including \$1,138 general revenue.
- (\$203,304) federal and other funds reallocated to various departmental real estate budgets.

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

#### DEPARTMENT OF PUBLIC SAFETY

DFMDC manages 27 lease contracts, totaling over 40,000 sq. ft., and approximately 53,000 sq. ft. of space in state-owned facilities on behalf of the Department of Public Safety.

#### Fiscal Year 2008 Governor's Recommendations

- \$37,194 for janitorial, utilities, and market rate increases.
- \$12,929 State Highways and Transportation Department Fund for pay plan and associated fringes related to the statewide consolidation of facility related services.
- \$11,902 for pay plan and associated fringes related to real estate administrative charges, including \$5,556 general revenue.
- \$7,475,192 transferred from the Department of Public Safety for consolidation of facility related services, including \$3,073,361 general revenue.
- \$186,763 State Highways and Transportation Department Fund transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- \$92,400 transferred from the Department of Public Safety for new leased space in Cape Girardeau, including \$36,960 general revenue.
- \$45,781 federal and other funds reallocated from various departmental real estate budgets.
- \$5,153 transferred from the Department of Public Safety for new leased space in Branson.

#### DEPARTMENT OF CORRECTIONS

DFMDC manages approximately 90 lease contracts, totaling over 547,000 sq. ft., and approximately 95,000 sq. ft. of space in state-owned facilities on behalf of the Department of Corrections.

#### Fiscal Year 2008 Governor's Recommendations

- \$621,374 for janitorial, utilities, and market rate increases.
- \$97,520 for additional space for Probation and Parole which was previously co-located in county-provided space.
- \$87,985 for a facility lease at the Missouri State Penitentiary site.
- \$252,120 for pay plan and associated fringes related to the statewide consolidation of facility related services and real estate administrative charges, including \$249,512 general revenue.
- \$42,162,481 transferred from the Department of Corrections for consolidation of facility related services, including \$40,606,516 general revenue.
- \$3,279,011 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services, including \$3,243,062 general revenue.
- \$80,036 Working Capital Revolving Fund reallocated from various departmental real estate budgets.

#### DEPARTMENT OF MENTAL HEALTH

DFMDC manages 44 lease contracts, totaling over 134,000 sq. ft., and approximately 99,000 sq. ft. of space in state-owned facilities on behalf of the Department of Mental Health.

#### Fiscal Year 2008 Governor's Recommendations

- \$195,006 for janitorial, utilities, and market rate increases.
- \$10,200 to consolidate two leased locations in St. Louis County.
- \$89,767 for pay plan and associated fringes related to the statewide consolidation of facility related services and real estate administrative charges, including \$85,835 general revenue.
- \$11,575,539 transferred from the Department of Mental Health for consolidation of facility related services.
- \$1,098,836 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services.
- (\$4,901) federal and other funds reallocated to various departmental real estate budgets.

## STATEWIDE REAL ESTATE

### DEPARTMENT SUMMARY (Continued)

#### DEPARTMENT OF HEALTH AND SENIOR SERVICES

DFMDC manages approximately 90 lease contracts, totaling over 356,000 sq. ft., and approximately 202,000 sq. ft. of space in state-owned facilities on behalf of the Department of Health and Senior Services.

#### Fiscal Year 2008 Governor's Recommendations

- \$150,082 for janitorial, utilities, and market rate increases.
- \$33,283 for pay plan and associated fringes related to real estate administrative charges, including \$11,882 general revenue.
- \$174,289 federal and other funds reallocated from various departmental real estate budgets.

#### DEPARTMENT OF SOCIAL SERVICES

DFMDC manages approximately 167 lease contracts, totaling over 1.2 million sq. ft., and approximately 822,000 sq. ft. of space in state-owned facilities on behalf of the Department of Social Services.

#### Fiscal Year 2008 Governor's Recommendations

- \$458,629 for janitorial, utilities, and market rate increases.
- \$15,722 for additional space in Bloomfield and Galena due to client load increases.
- \$166,776 for pay plan and associated fringes related to real estate administrative charges and the statewide consolidation of facility related services, including \$140,746 general revenue.
- \$1,910,297 transferred from the Department of Social Services for consolidation of facility related services, including \$1,111,982 general revenue.
- \$298,664 transferred from employee benefits for fringe costs associated with the statewide consolidation of facility related services, including \$250,661 general revenue.
- \$53,298 transferred from the Department of Social Services for additional space, including \$33,578 general revenue.
- (\$282,918) federal and other funds reallocated to various departmental real estate budgets.

#### ELECTED OFFICIALS

The Legislature, Attorney General, State Auditor, and Secretary of State have 22 lease contracts statewide totaling over 103,000 square feet of leased space, and the Governor, Legislature and Elected Officials occupy approximately 680,000 square feet of space in state-owned facilities.

#### Fiscal Year 2008 Governor's Recommendations

- \$383,148 for janitorial, utilities, and market rate increases.
- \$83,856 for pay plan and associated fringes related to real estate administrative charges, including \$73,909 general revenue.
- (\$252,038) reallocated to various departmental real estate budgets, including (\$28,227) general revenue.

#### JUDICIARY

DFMDC manages six lease contracts, totaling over 145,000 sq. ft., and approximately 47,000 sq. ft. of space in state-owned facilities on behalf of the Court of Appeals and the State Court Administrator.

#### Fiscal Year 2008 Governor's Recommendations

- \$5,486 for pay plan and associated fringes related to real estate administrative charges, including \$5,409 general revenue.
- (\$99,458) reallocated to various departmental real estate budgets, including (\$106,398) general revenue.