

ARKANSAS BUILDING AUTHORITY

Enabling Laws

Acts 277 & 135 of 2010
A.C.A. §22-2-101 et seq.

History and Organization

MISSION STATEMENT

Arkansas Building Authority's (ABA) mission is to act as the State's agent in all state agency lease negotiations, provide direction and assistance to agencies in all aspects of capital improvement projects and property transfers needs, and actively maintain and operate ABA owned or managed buildings in an efficient and economical manner pursuant to laws and regulations.

HISTORY and MAJOR OBJECTIVES

ABA (formerly known as State Building Services) was created July 1, 1975, by Arkansas Code Annotated §22-2-101 through 121. ABA is governed by an eleven (11) member council which sets policies, guidelines, standards and procedures to be implemented by ABA. ABA has a primary client base comprised of other state agencies in regards to the leasing, sale and purchase of properties; management and operations of ABA owned or leased facilities; review and approval of building plans from the initial design review; bidding, awarding and processing of final payment for capital improvement projects. Public School Districts are an additional client base for which ABA provides Americans with Disabilities Act (ADA) accessibility reviews of construction projects. ABA and its Council, through bonds issued by Arkansas Development Finance Authority, are authorized to acquire, construct, repair, remodel, renovate lands, buildings, improvements and facilities for the benefit of state agencies. ABA is comprised of the following four (4) sections:

(1) Real Estate Services Section develops and enforces minimum leasing, sale and purchase of property standards and criteria for consideration and adoption by the Council; designs standard lease forms to be approved by the Council for use by state agencies; assists state agencies in determining and evaluating rental space needs and the allocation of space for state agencies; conducts surveys to determine available rental space; assists state agencies to ensure that rental space acquired and utilized by state agencies is essential to the efficient performance of its duties and responsibilities; administers duties and responsibilities involving the purchase or sale of property by state agencies which are under the jurisdiction of ABA to ensure that the property is sold or purchased in a manner consistent with Arkansas laws and regulations.

(2) Construction Section supervises the bidding and awarding of construction contracts for capital improvements for or by state agencies; establishes and maintains complete construction files on all jobs, including observation reports, plans and specifications for all capital improvements; approves all proposed contracts, change orders, and final payments requests; ensures that on-site observation of all construction projects, alterations, and repairs is accomplished on a regular basis and maintain records of those observations; meets with the design professional to determine the responsibility and performance required by the contract documents; approves final payment; ensures contractors are licensed; ensures that the construction of all projects complies with the contract documents; and manages the bidders list.

(3) Design Review Section establishes and enforces minimum design standards and criteria for all capital improvement (public works) contracts undertaken by any state agency including but not limited to flood plain management, accessibility (ADA), and building codes. This Section reviews agency capital budget requests prior to submittal to the Legislature; reviews and approves agency requests to advertise for architectural and engineering related consultants; assist agency in drafting advertisements; reviews architectural and engineering consultant qualifications; reviews and approves construction plans and specifications for bidding; reviews, approves and issues Floodplain Development Permit Applications; reviews new property purchase requests for Floodplain Management Issues; provides technical services to agencies upon request for new capital projects or renovations, space planning, ADA accessibility surveys, roof maintenance inspections and reports, mechanical and electrical system investigations, and facility condition assessment reviews. The Section also reviews and approves public school district capital improvements for compliance with the accessibility guidelines (ADA).

(4) Building Operations Section provides for the management, maintenance, and operation of Arkansas Building Authority property as well as other public buildings. The Building Operations Section is responsible for maintenance and operation of buildings and grounds which are owned, leased, or managed by Arkansas Building Authority. Additionally, this Section is responsible for enforcement of regulations designed to standardize the level of maintenance on all Arkansas Building Authority facilities. The primary function of the Operations staff is to ensure the safety and comfort of state tenants through maintenance of life-safety devices, environmental comfort systems and other building related maintenance, and provide tenantable working conditions through internal maintenance staff and outside contractors.

In addition, the core of ABA is supported by internal services that fulfill additional programmatic functions: The Director's staff, which includes Legal, Information Technology, Human Resources and other administrative supportive services; and the Financial Management office which is responsible for the administration of the Agency's purchasing and accounting functions. In the prior fiscal year, an additional responsibility was added to the agency with the administration of the Sustainable Building Revolving Loan Fund. ABA's Energy Manager acts as the administrator of his program which officially kicked off the loan program in July, 2010.



Agency Commentary

This commentary relates to six (6) primary appropriations (fund centers) for Arkansas Building Authority:

(1) Miscellaneous Agencies Fund (HUA2600/253) - for the administration of ABA's functions and activities pertaining to real estate services, capital improvement oversight, design review services, administrative support services, personnel and financial management. The revenues to support this fund are dispersed from State General Revenues.

(2) ABA Maintenance Fund (MWJ0100/254) - for the property management and operation function of ABA-owned and operated buildings. The revenues for this fund are generated through rent revenues collected from ABA tenant leases (self-funded).

(3) ABA Critical Maintenance Fund (MWJ0300/IVF) - for the purpose of funding urgent and critical maintenance projects for the ABA-owned and operated buildings. The revenues for this fund are transferred from the ABA Maintenance Fund (noted directly above) creating a "reserve account" from operations savings (self-funded).

(4) Justice Building Operations Fund (MWJ0200/809) - for the maintenance and operation of the Justice Building. The revenue to support this fund is dispersed from the State Central Services Fund.

(5) Justice Building Maintenance Fund (MJB0100/915) - for critical and major maintenance projects for the Justice Building. The revenue to support this fund is generated through fees collected by the Administrative Office of the Courts.

(6) ARRA Revolving Loan Fund (MBD0000/59R) - the Sustainable Building Revolving Loan Fund being administered by ABA for energy related capital improvement projects that exceed \$250,000 for state-owned properties. The funds for this program are \$12 million in ARRA funding and \$3 million in Governor issued GIF.

Operating Expenses:

Arkansas Building Authority operates and performs its duties through these six (6) distinct appropriations. The Agency is a dual-faceted agency providing two distinct client bases for which it serves: (1) building operation services, and (2) statewide client services. ABA does not collect fees for the client services it provides; the majority of the funds used to operate the Agency are generated through rent revenues billed and collected through tenant leases for ABA's building portfolio of more than 1.2 million square feet. These funds not only support the maintenance and operation of the buildings, it also funds more than half of the agency's administrative and client-based services that do not contribute to the operational fund.

ABA has been very successful in the management of its building portfolio which has achieved a 99.9% occupancy rate. Unfortunately, this success also creates a detriment to the Agency with its dependency on the rent revenues to support its operations. With a nearly 100% occupancy rate, rent revenues have peaked, limiting ABA's opportunity to generate more rents without a rental rate increase. However, in ABA's efforts to support other state agencies in base level budgeting, ABA has elected not to propose rental increases for its properties. Rather, ABA has spent the past biennial period seeking opportunities to further reduce operating costs to maximize the income collected from its building portfolio. A number of energy-efficient upgrades and replacement have been accomplished which are now being reflected in our bottom-line for operations. ABA has been able to reduce operating expenses, in spite of rising utility rates, through reduced consumption of electric and gas utilities. ABA also installed its first 'power factor corrector' during the prior fiscal year and intends to extend this application into more of its buildings during the biennial period.

With the continued suspense for the pending congressional legislation proposing mandates for carbon footprint reductions, it is imperative that ABA continue to fund its Critical Maintenance Fund (MWJ0300 / IVF) at the highest possible level. In order for ABA to improve its facilities to comply with the "greening" initiatives imposed, it is of utmost importance that ABA maintain its strict discipline to reduce operational expenses in order to generate savings to fund its Critical Maintenance Fund. These funds will continue to be used to replace or

upgrade critical buildings systems which are largely responsible for carbon emissions. It is known that the commercial real estate industry will bare the brunt of this legislation, creating potentially devastating costs for carbon footprints that are not substantially decreased. The Critical Maintenance Fund referenced above is 100% dependent on operational savings.

ABA continues to explore opportunities to expand its building management portfolio in its efforts to generate additional rent revenues and management fees. During the prior biennium, two such opportunities came to fruition:

(1) ABA assumed management of the Arkansas Services Center in Jonesboro, AR owned by DHS, AR Rehabilitation Services and Arkansas State University. The facility is operated through a cash fund account previously authorized by the Legislature. The operations for this facility are reflected in the request for a new fund center to allow ABA to reimburse itself for personnel salaries directly related to the staffing and operations of the center, and the quarterly payment of a management fee payable to the ABA's Maintenance Fund. Likewise, Special Language is being proposed to allow for the transfer of such funds within the ABA Maintenance Fund should the request for a new fund center not be successful.

(2) The addition of the new 124,000 square foot "LEED Building" located at 900 West Capitol Avenue. The building was purchased through the State Facilities Acquisition Act via ADFA in March, 2010 and is now operated by Arkansas Building Authority within its ownership portfolio and the ABA Maintenance Fund (MWJ0100 / 254) also resulting in an increase in the Operating Expense appropriation and the need to re-appropriate the fully authorized Debt Service appropriation.

Another significant accomplishment that has contributed to the improved bottom line is the elimination of the master lease for the DDSSA facility located at 701 South Pulaski, Little Rock. Due to the continued growth of DDSSA's service base, the facility was expanded by its current owner and the U. S. Department Labor agreed to assume 100% responsibility for the lease costs which allowed ABA to terminate its long-running master lease for the facility which it had been contributing a rent subsidy in excess of \$100,000 annually.

Capital Outlay:

ABA is not requesting a change in its appropriation for Capital Outlay, but is asking that the appropriation be re-authorized so that such replacements can be accomplished when required for equipment necessary for its operational services.

During the prior fiscal year, the Sustainable Building Revolving Loan Fund (MBD0000/59R) began operating with funding provided by two sources: \$3 million from the Governor's GIF and \$12 million from ARRA funding through the Department of Energy. The appropriation reflects an addition of \$12 million which is the ARRA funding available until March 31, 2012. These funds will be loaned first for qualifying projects proposed by participating agencies.

Debt Service:

With the addition of a new bond issue for the purchase of the 900 West Capitol (LEED Building) noted above, an increased appropriation for debt service is included. Debt service payments for the facility are made monthly from rent revenues collected from the building tenants.

ABA has requested base level for the appropriation to ensure adequate appropriation is available for the new debt service obligation and other similar opportunities that may arise during the period.

Contingency:

ABA has requested that the contingency appropriation for new property management agreements secured during the period be restored so that ABA has a mechanism to receive management fees associated with new management contracts. This is also requested at base level.

Lastly, a contingent rent appropriation (Rent of Space) has been included in past years in the amount of \$121,000 for ABA in the event that a situation arose that would necessitate ABA to pay rent for its offices to house the ABA staff. ABA occupies office space in an ABA building and does not charge itself rent, but in the event that the need arises that requires ABA to seek substitute facilities, a rent appropriation may be required.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS BUILDING AUTHORITY
 FOR THE YEAR ENDED JUNE 30, 2007

| Findings | Recommendations |
|----------|-----------------|
| None | None |

Employment Summary

| | Male | Female | Total | % |
|-------------------------|------|--------|-------|-------|
| White Employees | 56 | 14 | 70 | 88 % |
| Black Employees | 2 | 3 | 5 | 6 % |
| Other Racial Minorities | 3 | 2 | 5 | 6 % |
| Total Minorities | | | 10 | 12 % |
| Total Employees | | | 80 | 100 % |

Cash Fund Balance Description as of June 30, 2010

| | | | |
|--------------|-------------|----------|----------|
| Fund Account | Balance | Type | Location |
| 1320200 | \$1,301,204 | Checking | Regions |

Statutory/Other Restrictions on use:

Financing of additions, extensions, improvements, and renovations of, and equipping of such additions, extensions, and improvements of the State Justice Building. Also the repayments of obligations issued by the Arkansas Development Finance Authority pursuant to the State Agencies Facilities Acquisition Act of 1991, as amended.

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Monthly

Fund Balance Utilization:

Pay the Semi-Annual Interest, Principal and Fees for the Justice Bond Payments

Publications

A.C.A. 25-1-204

| Name | Statutory Authorization | Required for | | # of Copies | Reason(s) for Continued Publication and Distribution |
|------|-------------------------|--------------|------------------|-------------|--|
| | | Governor | General Assembly | | |
| N/A | N/A | N | N | 0 | N/A |

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

| Appropriation | 2009-2010 | | 2010-2011 | | 2010-2011 | | 2011-2012 | | | | | | 2012-2013 | | | | | |
|---------------------------------------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|-------------------|-----------|
| | Actual | Pos | Budget | Pos | Authorized | Pos | Base Level | Pos | Agency | Pos | Executive | Pos | Base Level | Pos | Agency | Pos | Executive | Pos |
| 1VF Critical Maintenance | 3,425,194 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 | 3,260,000 | 0 |
| 253 ABA - State Operations | 2,182,189 | 34 | 2,495,148 | 38 | 2,496,995 | 38 | 2,478,164 | 38 | 2,478,164 | 38 | 2,478,164 | 38 | 2,478,164 | 38 | 2,478,164 | 38 | 2,478,164 | 38 |
| 254 Building Maintenance | 8,538,392 | 45 | 10,952,427 | 47 | 13,022,274 | 51 | 10,863,029 | 47 | 12,932,558 | 51 | 12,932,558 | 51 | 10,863,029 | 47 | 12,932,558 | 51 | 12,932,558 | 51 |
| 488 Acquisition and Maintenance | 0 | 0 | 0 | 0 | 1,500,000 | 0 | 0 | 0 | 1,500,000 | 0 | 1,500,000 | 0 | 0 | 0 | 1,500,000 | 0 | 1,500,000 | 0 |
| 59R BLDG DSGN-Loans | 0 | 0 | 3,000,000 | 0 | 15,000,000 | 0 | 3,000,000 | 0 | 15,000,000 | 0 | 15,000,000 | 0 | 3,000,000 | 0 | 15,000,000 | 0 | 15,000,000 | 0 |
| 59S BLDG DSGN-Operations | 42,618 | 1 | 64,422 | 1 | 64,422 | 1 | 58,485 | 1 | 63,485 | 1 | 63,485 | 1 | 58,485 | 1 | 63,485 | 1 | 63,485 | 1 |
| 809 Justice Building Operations | 699,111 | 3 | 724,127 | 3 | 724,127 | 3 | 723,228 | 3 | 724,127 | 3 | 724,127 | 3 | 723,228 | 3 | 724,127 | 3 | 724,127 | 3 |
| 84T ASC Maint & Operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,250,000 | 0 | 2,250,000 | 0 | 0 | 0 | 2,250,000 | 0 | 2,250,000 | 0 |
| 915 Justice Building Maintenance | 5,993 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 | 504,659 | 0 |
| D17 Justice Bldg Const-Cash | 935,118 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 | 1,290,000 | 0 |
| NOT REQUESTED FOR THE BIENNIUM | | | | | | | | | | | | | | | | | | |
| 81S AR Service Cntr-Oper | 679,002 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 82W ARRA LEEDS Bldg | 722,574 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 17,230,191 | 83 | 22,290,783 | 89 | 37,862,477 | 93 | 22,177,565 | 89 | 40,002,993 | 93 | 40,002,993 | 93 | 22,177,565 | 89 | 40,002,993 | 93 | 40,002,993 | 93 |

| Funding Sources | | % | | % | | % | | % | | % | | % | | % | | % | | % |
|---------------------------------|---------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|-------------------|--------------|---|
| Fund Balance | 4000005 | 8,094,575 | 32.7 | 6,550,343 | 26.1 | 2,850,408 | 13.4 | 3,850,408 | 10.3 | 3,850,408 | 10.3 | 802,326 | 4.9 | 1,712,037 | 5.2 | 1,712,037 | 5.2 | |
| General Revenue | 4000010 | 2,182,189 | 8.8 | 2,495,148 | 9.9 | 2,478,164 | 11.7 | 2,478,164 | 6.6 | 2,478,164 | 6.6 | 2,478,164 | 15.1 | 2,478,164 | 7.6 | 2,478,164 | 7.6 | |
| Cash Fund | 4000045 | 943,768 | 3.8 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| DFA Motor Vehicle Acquisition | 4000184 | 33,657 | 0.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Federal Funds-ARRA | 4000244 | 722,574 | 2.9 | 0 | 0.0 | 0 | 0.0 | 12,000,000 | 32.0 | 12,000,000 | 32.0 | 0 | 0.0 | 12,000,000 | 36.8 | 12,000,000 | 36.8 | |
| General Improvement Fund | 4000265 | 0 | 0.0 | 3,000,000 | 11.9 | 3,000,000 | 14.1 | 3,000,000 | 8.0 | 3,000,000 | 8.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Interest | 4000300 | 599 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| M & R Sales | 4000340 | 765 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Other | 4000370 | 269,798 | 1.1 | 180,769 | 0.7 | 56,000 | 0.3 | 56,000 | 0.1 | 56,000 | 0.1 | 56,000 | 0.3 | 56,000 | 0.2 | 56,000 | 0.2 | |
| Rental Income | 4000430 | 9,958,563 | 40.2 | 11,117,276 | 44.2 | 10,882,265 | 51.3 | 12,656,698 | 33.8 | 12,656,698 | 33.8 | 10,905,989 | 66.3 | 12,671,422 | 38.8 | 12,671,422 | 38.8 | |
| State Administration of Justice | 4000470 | 1,064,590 | 4.3 | 1,073,528 | 4.3 | 1,073,528 | 5.1 | 1,073,528 | 2.9 | 1,073,528 | 2.9 | 1,073,528 | 6.5 | 1,073,528 | 3.3 | 1,073,528 | 3.3 | |
| Transfer from St Central Svcs | 4000575 | 700,230 | 2.8 | 724,127 | 2.9 | 723,228 | 3.4 | 724,127 | 1.9 | 724,127 | 1.9 | 723,228 | 4.4 | 724,127 | 2.2 | 724,127 | 2.2 | |
| Transfers / Adjustments | 4000683 | 793,713 | 3.2 | 0 | 0.0 | (5,000) | 0.0 | 0 | 0.0 | 0 | 0.0 | (5,000) | 0.0 | 0 | 0.0 | 0 | 0.0 | |
| Unfunded Appropriation | 4000715 | 0 | 0.0 | 0 | 0.0 | 146,109 | 0.7 | 1,646,109 | 4.4 | 1,646,109 | 4.4 | 421,131 | 2.6 | 1,921,131 | 5.9 | 1,921,131 | 5.9 | |
| Total Funds | | 24,765,021 | 100.0 | 25,141,191 | 100.0 | 21,204,702 | 100.0 | 37,485,034 | 100.0 | 37,485,034 | 100.0 | 16,455,366 | 100.0 | 32,636,409 | 100.0 | 32,636,409 | 100.0 | |
| Excess Appropriation/(Funding) | | (7,534,830) | | (2,850,408) | | 972,863 | | 2,517,959 | | 2,517,959 | | 5,722,199 | | 7,366,584 | | 7,366,584 | | |
| Grand Total | | 17,230,191 | | 22,290,783 | | 22,177,565 | | 40,002,993 | | 40,002,993 | | 22,177,565 | | 40,002,993 | | 40,002,993 | | |

FY12 ending fund balances do not equal FY13 beginning fund balances due to unfunded Appropriation balances.
Special language provides carry forward of funding (Act 277 of 2010 sec 13).

Agency Position Usage Report

| FY2008 - 2009 | | | | | | FY2009 - 2010 | | | | | | FY2010 - 2011 | | | | | |
|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|
| Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused | Authorized in Act | Budgeted | | | Unbudgeted | % of Authorized Unused |
| | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | | | Filled | Unfilled | Total | Total | |
| 88 | 72 | 16 | 88 | 0 | 18.18 % | 93 | 81 | 8 | 89 | 4 | 12.90 % | 93 | 80 | 9 | 89 | 4 | 13.98 % |

Analysis of Budget Request

Appropriation: 1VF - Critical Maintenance

Funding Sources: MWJ - Critical Maintenance

This appropriation is used for Critical Maintenance of ABA owned or operated buildings. Funding is derived from rental income paid by state agencies housed in ABA operated buildings.

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 1VF - Critical Maintenance

Funding Sources: MWJ - Critical Maintenance

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|-----------|-----------|---|-----------|-----------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Special Maintenance | 5120032 | 3,425,194 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 |
| Total | | 3,425,194 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 5,570,063 | 3,863,565 | | 1,484,761 | 1,484,761 | 1,484,761 | 0 | 0 | 0 |
| Other | 4000370 | 182,154 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers / Adjustments | 4000683 | 1,536,542 | 881,196 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Funding | | 7,288,759 | 4,744,761 | | 1,484,761 | 1,484,761 | 1,484,761 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | | (3,863,565) | (1,484,761) | | 1,775,239 | 1,775,239 | 1,775,239 | 3,260,000 | 3,260,000 | 3,260,000 |
| Grand Total | | 3,425,194 | 3,260,000 | | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 | 3,260,000 |

FY12 ending fund balances do not equal FY13 beginning fund balances due to unfunded Appropriation balances.

Special language provides carry forward of funding (Act 277 of 2010 sec 13). Actual carry forward from FY10 to FY11 was \$3,863,565.

Transfers/Adjustments includes a transfer from the Building Maintenance appropriation (254).

**CARRY FORWARD OF ANY REMAINING FUND BALANCES
FROM FISCAL YEAR 2010 TO FISCAL YEAR 2011**

Agency: Arkansas Building Authority

Program: Critical Maintenance

Act #: 277 Section(s) #: 9 & 13

Estimated Carry Forward Amount \$ 3,418,300.00 Funding Source: Other

Accounting Information:

Business Area: 0350 Funds Center: 1VF Fund: MWJ Functional Area: ADMN

Current law requires a written statement be submitted to the DFA Office of Budget stating the reason(s) to carry forward funding for a program or a specific line item within a program remaining on June 30th of a fiscal year.

Justification for carry forward of fund balance:

The ABA Critical Maintenance Fund is a self-funded reserve which allows ABA to perform deferred maintenance, emergency repairs/replacements and capital projects throughout the year which otherwise may not be possible if relying strictly on the annual operations plan. The reserve account is funded by rent revenues generated from the ABA portfolio of owned and operated buildings. The fund receives up to ten (10) equal transfers annually from the ABA Building Maintenance Fund (MWJ0100 - 254). It is crucial that this fund be permitted to carry forward unexpended funding so that critical projects can be made in a timely manner and ABA can conduct long term planning for its deferred maintenance program.

Actual Funding Carry Forward Amount \$ 3,863,564.57

Current status of carry forward funding:

While it is important to remember that the purpose of this fund is to maintain a "reserve" for unexpected expenditures, there are a number of projects that are identified and funded during the fiscal year to reduce the financial burden on the Annual Operations Plan. Projects or expenditures specifically identified at this time for funding are: Professional Service Contracts - \$65,000 with Request for Quote's(RFQ's) being conducted for Architects and Engineers - \$100,000 ; One Capitol Mall - Cooling Tower & Chiller Replacement Contract Remainder - \$153,356; One Capitol Mall - HVAC Replacement Contract Remainder - \$280,337; One Capitol Mall - Upgrade Variable Frequency Drives - \$250,000; Remodel Parks & Tourism Space - \$72,000; ABA Emergency Program Installations - \$12,000; Miscellaneous Building Critical Repairs - \$100,000; : Total Expenditures (planned) - \$1,032,693.

Note from DFA – Office of Budget: Funds remaining at the end of any fiscal year from this fund must, by law, remain in the fund regardless of the future status of any project, contract or purpose. The Special Language that requires this report is no longer necessary.

Anne Laidlaw

Director

08-26-2010

Date

Analysis of Budget Request

Appropriation: 253 - ABA - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

This appropriation provides for the operations of Arkansas Building Authority (ABA). Functions include administration, leasing, architectural, construction, finance, engineering, and building maintenance. This appropriation is funded entirely from general revenue.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level salary of unclassified positions reflects the FY11 line item maximum.

The Agency Request is for Base Level each year of the biennium in funding and appropriation.

The Agency Change Level request is to reclassify one grade C124 Licensed Architect to a grade C124 Engineer, P.E.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 253 - ABA - State Operations

Funding Sources: HUA - Miscellaneous Agencies Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|------------------|------------------|---|------------------|------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 1,643,137 | 1,894,605 | 1,894,605 | 1,869,016 | 1,869,016 | 1,869,016 | 1,869,016 | 1,869,016 | 1,869,016 |
| #Positions | | 34 | 38 | 38 | 38 | 38 | 38 | 38 | 38 | 38 |
| Personal Services Matching | 5010003 | 484,567 | 545,749 | 547,596 | 554,354 | 554,354 | 554,354 | 554,354 | 554,354 | 554,354 |
| Operating Expenses | 5020002 | 48,469 | 48,594 | 48,594 | 48,594 | 48,594 | 48,594 | 48,594 | 48,594 | 48,594 |
| Conference & Travel Expenses | 5050009 | 6,016 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 |
| Professional Fees | 5060010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 2,182,189 | 2,495,148 | 2,496,995 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 |
| Funding Sources | | | | | | | | | | |
| General Revenue | 4000010 | 2,182,189 | 2,495,148 | | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 |
| Total Funding | | 2,182,189 | 2,495,148 | | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 2,182,189 | 2,495,148 | | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 | 2,478,164 |

Change Level by Appropriation

Appropriation: 253 - ABA - State Operations
Funding Sources: HUA - Miscellaneous Agencies Fund

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 2,478,164 | 38 | 2,478,164 | 100.0 | 2,478,164 | 38 | 2,478,164 | 100.0 |
| C10 | Reclass | 0 | 0 | 2,478,164 | 100.0 | 0 | 0 | 2,478,164 | 100.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|-----------|------------------|--------------|------------------|-----------|------------------|--------------|
| BL | Base Level | 2,478,164 | 38 | 2,478,164 | 100.0 | 2,478,164 | 38 | 2,478,164 | 100.0 |
| C10 | Reclass | 0 | 0 | 2,478,164 | 100.0 | 0 | 0 | 2,478,164 | 100.0 |

Justification

| | |
|-----|--|
| C10 | One position # 22094913 currently authorized at B021C/ Gr. C124 Licensed Architect to be reclassified at a B023C/ Gr. C124 Engineer, PE. ABA, through its Design Review Section has duties and responsibilities mandated by laws and rules which are vital and critical in meeting the needs of the various state agencies in reviews of plans and specifications for state capital improvement projects. The Design Review Section has three (3) Licensed Architects who perform design review services. There are currently two (2) Professional Engineers, along with the State Engineer who is the section administrator. This position has been utilized as an Engineer, PE, since May 2009. ABA is mandated to perform design review of capital improvement projects and it is vital for the Section to perform its duties expeditiously and effectively so that these projects can meet the critical needs to the State. This position has a vital and critical role in the day-to-day functions in the duties required of this Section. Therefore, maintaining this position in the class code of an Engineer, PE will endeavor ABA to provide the mandated services in an effective and expeditious manner. |
|-----|--|

Analysis of Budget Request

Appropriation: 254 - Building Maintenance

Funding Sources: MWJ - ABA Maintenance

The Building Maintenance appropriation is funded from rental income and reimbursements from ABA operated buildings. It supports the property management function of state-owned and ABA-operated office buildings.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Base Level request is \$10,863,029 each year of the biennium.

The Agency's Change Level request is \$2,069,529 each year of the biennium and consists of the following:

- \$110,301 increase each year in Regular Salaries and \$41,010 in Personal Services Matching each year of the biennium to support the restoration of one C112 Fiscal Support Specialist, one C113 Maintenance Technician, one C115 Skilled Tradesman and one C115 ABA Building Maintenance Specialist
- \$30,000 increase each year of the biennium in unfunded appropriation for Overtime to bring appropriation to previously authorized levels and \$6,062 each year for associated Personal Services Matching
- Total increase of \$1,289,411 in Operating Expenses each year of the biennium of which \$1,015,000 is requested as unfunded appropriation and \$274,411 is requested as funded appropriation for maintenance of facilities
- \$79,100 increase each year in Capital Outlay to support maintenance needs and necessary repairs
- \$267,645 increase in Debt Services for any possible debt service increases of the biennium of which \$248,034 in FY2012 and \$257,034 in FY2013 is requested as unfunded appropriation
- \$125,000 increase in Contingency each year in unfunded appropriation to match previously authorized levels
- \$121,000 increase in Rent of Space each year in unfunded appropriation to match previously authorized levels

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 254 - Building Maintenance

Funding Sources: MWJ - ABA Maintenance

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|------------------------------|---------|---------------------|---------------------|-------------------------|---|-------------------|-------------------|---|-------------------|-------------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 1,568,182 | 1,732,069 | 1,855,455 | 1,718,659 | 1,828,960 | 1,828,960 | 1,718,659 | 1,828,960 | 1,828,960 |
| #Positions | | 45 | 47 | 51 | 47 | 51 | 51 | 47 | 51 | 51 |
| Extra Help | 5010001 | 1,915 | 15,000 | 75,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| #Extra Help | | 3 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Personal Services Matching | 5010003 | 509,725 | 567,313 | 620,718 | 570,425 | 617,497 | 617,497 | 570,425 | 617,497 | 617,497 |
| Overtime | 5010006 | 171 | 10,000 | 40,000 | 10,000 | 40,000 | 40,000 | 10,000 | 40,000 | 40,000 |
| Operating Expenses | 5020002 | 5,597,268 | 6,454,407 | 7,743,818 | 6,454,407 | 7,743,818 | 7,743,818 | 6,454,407 | 7,743,818 | 7,743,818 |
| Conference & Travel Expenses | 5050009 | 4,254 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| Professional Fees | 5060010 | 3,438 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 35,810 | 79,100 | 79,100 | 0 | 79,100 | 79,100 | 0 | 79,100 | 79,100 |
| Debt Service | 5120019 | 817,629 | 2,039,538 | 2,307,183 | 2,039,538 | 2,307,183 | 2,307,183 | 2,039,538 | 2,307,183 | 2,307,183 |
| Contingency | 5130018 | 0 | 0 | 125,000 | 0 | 125,000 | 125,000 | 0 | 125,000 | 125,000 |
| Rent of Space | 5900022 | 0 | 0 | 121,000 | 0 | 121,000 | 121,000 | 0 | 121,000 | 121,000 |
| Total | | 8,538,392 | 10,952,427 | 13,022,274 | 10,863,029 | 12,932,558 | 12,932,558 | 10,863,029 | 12,932,558 | 12,932,558 |

| Funding Sources | | | | | | | | | | |
|--------------------------------|---------|------------------|-------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Fund Balance | 4000005 | 641,469 | 678,538 | | 78,538 | 78,538 | 78,538 | 90,289 | 0 | 0 |
| DFA Motor Vehicle Acquisition | 4000184 | 33,657 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| M & R Sales | 4000340 | 765 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 4000370 | 87,644 | 180,769 | | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 | 56,000 |
| Rental Income | 4000430 | 9,958,563 | 11,117,276 | | 10,882,265 | 11,406,698 | 11,406,698 | 10,905,989 | 11,421,422 | 11,421,422 |
| Transfers / Adjustments | 4000683 | (1,505,168) | (945,618) | | (63,485) | (63,485) | (63,485) | (63,485) | (63,485) | (63,485) |
| Total Funding | | 9,216,930 | 11,030,965 | | 10,953,318 | 11,477,751 | 11,477,751 | 10,988,793 | 11,413,937 | 11,413,937 |
| Excess Appropriation/(Funding) | | (678,538) | (78,538) | | (90,289) | 1,454,807 | 1,454,807 | (125,764) | 1,518,621 | 1,518,621 |
| Grand Total | | 8,538,392 | 10,952,427 | | 10,863,029 | 12,932,558 | 12,932,558 | 10,863,029 | 12,932,558 | 12,932,558 |

Transfers/Adjustments actual funding includes a transfer to Critical Maintenance (1VF) \$1,462,550 and Sustainable Building Design Program (59S) \$42,618.
 FY12 ending fund balances do not equal FY13 beginning fund balances due to unfunded Appropriation balances.

Change Level by Appropriation

Appropriation: 254 - Building Maintenance
Funding Sources: MWJ - ABA Maintenance

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|-------------------|-----------|-------------------|--------------|-------------------|-----------|-------------------|--------------|
| BL | Base Level | 10,863,029 | 47 | 10,863,029 | 100.0 | 10,863,029 | 47 | 10,863,029 | 100.0 |
| C01 | Existing Program | 716,705 | 4 | 11,579,734 | 106.6 | 722,835 | 4 | 11,585,864 | 106.7 |
| C03 | Discontinue Program | (192,272) | 0 | 11,387,462 | 104.8 | (207,402) | 0 | 11,378,462 | 104.7 |
| C05 | Unfunded Appropriation | 1,545,096 | 0 | 12,932,558 | 119.1 | 1,554,096 | 0 | 12,932,558 | 119.1 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|-------------------|-----------|-------------------|--------------|-------------------|-----------|-------------------|--------------|
| BL | Base Level | 10,863,029 | 47 | 10,863,029 | 100.0 | 10,863,029 | 47 | 10,863,029 | 100.0 |
| C01 | Existing Program | 716,705 | 4 | 11,579,734 | 106.6 | 722,835 | 4 | 11,585,864 | 106.7 |
| C03 | Discontinue Program | (192,272) | 0 | 11,387,462 | 104.8 | (207,402) | 0 | 11,378,462 | 104.7 |
| C05 | Unfunded Appropriation | 1,545,096 | 0 | 12,932,558 | 119.1 | 1,554,096 | 0 | 12,932,558 | 119.1 |

Justification

| | |
|-----|---|
| C01 | This change level is reflective of the scheduled rental income for the ABA portfolio and the planned expenditures in the ABA buildings to maintain the facilities in tenable condition through contract services, maintenance and necessary repairs. This adjustment simply brings the fund to base level to be consistent with the projected rent revenues. |
| C03 | Adjustments were made in contracts and scheduled spending within the portfolio, seeking opportunities to generate savings wherever possible. While electric utility rates have decreased slightly and energy efficiency upgrades are netting reductions, we have been cautious not to reduce projected utility costs in fear that another rate adjustment will create a deficit in our planned spending. |
| C05 | With the addition of the new 900 West Capitol Building (LEED Building) in FY10, debt service appropriation was added to allow for the two bi-annual bond payments. ABA also maintains a contingency appropriation of \$125,000 on the Contingency Commitment Item and \$121,000 on the Rent of Space Commitment item pending the opportunity to add new building management service accounts during the period. |

Analysis of Budget Request

Appropriation: 488 - Acquisition and Maintenance

Funding Sources: MRE - ABA Real Estate Fund

The purpose of this appropriation is the acquisition and operation of additional buildings for state occupancy. Funding payable from the Real Estate Fund allows the Arkansas Building Authority to acquire buildings for general government use as opportunities arise as well as provide construction and renovations as needed. Expenditures would be offset by income from the operation of properties acquired.

The Agency's Change Level request is for \$300,000 per year in Operating Expenses and \$1,200,000 per year in the Construction/Renovations line item. This would restore the appropriation back to the previously authorized level of \$1,500,000 in the event that additional buildings are needed.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 488 - Acquisition and Maintenance

Funding Sources: MRE - ABA Real Estate Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------------|---------------------|---------------------|-------------------------|---|------------------|------------------|---|------------------|------------------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses 5020002 | 0 | 0 | 300,000 | 0 | 300,000 | 300,000 | 0 | 300,000 | 300,000 |
| Conference & Travel Expenses 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees 5060010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Construction/Renovations 5090005 | 0 | 0 | 1,200,000 | 0 | 1,200,000 | 1,200,000 | 0 | 1,200,000 | 1,200,000 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 1,500,000 | 0 | 1,500,000 | 1,500,000 | 0 | 1,500,000 | 1,500,000 |
| Funding Sources | | | | | | | | | |
| Unfunded Appropriation 4000715 | 0 | 0 | | 0 | 1,500,000 | 1,500,000 | 0 | 1,500,000 | 1,500,000 |
| Total Funding | 0 | 0 | | 0 | 1,500,000 | 1,500,000 | 0 | 1,500,000 | 1,500,000 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | | 0 | 1,500,000 | 1,500,000 | 0 | 1,500,000 | 1,500,000 |

Change Level by Appropriation

Appropriation: 488 - Acquisition and Maintenance
Funding Sources: MRE - ABA Real Estate Fund

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| C05 | Unfunded Appropriation | 1,500,000 | 0 | 1,500,000 | 100.0 | 1,500,000 | 0 | 1,500,000 | 100.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| C05 | Unfunded Appropriation | 1,500,000 | 0 | 1,500,000 | 100.0 | 1,500,000 | 0 | 1,500,000 | 100.0 |

Justification

| | |
|-----|---|
| C05 | ABA will continue to consider opportunities to acquire properties that are in the best interests of the State for use by the ABA or that of other state agencies, boards and commissions. ABA is requesting the reappropriation of the Acquisition and Maintenance appropriation at its current authorized level of \$1.5 million so that such property transactions may be completed if funding is made available. |
|-----|---|

Analysis of Budget Request

Appropriation: 59R - BLDG DSGN-Loans

Funding Sources: MBD - Sustainable Building Design Revolving

The purpose of this appropriation is to provide loans to State Agencies for the Sustainable Building Design Program A.C.A. 22-3-1901 et. seq. A loan made from this program must be for a renovation of a state-owned property for an amount that exceeds two hundred fifty thousand dollars (\$250,000) with the term for repayment not to exceed ten (10) years.

Funding for this appropriation consists of funds transferred from the General Improvement Fund and federal grants.

The Agency's Base Level request is for \$3,000,000 each year of the biennium.

The Agency's Change Level request is for \$12,000,000 each year of the biennium in Loan Repayment Grants to use for loans. This request is funded with ARRA federal dollars.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 59R - BLDG DSGN-Loans
Funding Sources: MBD - Sustainable Building Design Revolving

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 | 2010-2011 | 2010-2011 | 2011-2012 | | | 2012-2013 | | |
|----------------------------------|-----------|------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Loans 5120029 | 0 | 3,000,000 | 15,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| Loan Repayment Grants 5900052 | 0 | 0 | 0 | 0 | 12,000,000 | 12,000,000 | 0 | 12,000,000 | 12,000,000 |
| Total | 0 | 3,000,000 | 15,000,000 | 3,000,000 | 15,000,000 | 15,000,000 | 3,000,000 | 15,000,000 | 15,000,000 |
| Funding Sources | | | | | | | | | |
| Federal Funds-ARRA 4000244 | 0 | 0 | | 0 | 12,000,000 | 12,000,000 | 0 | 12,000,000 | 12,000,000 |
| General Improvement Fund 4000265 | 0 | 3,000,000 | | 3,000,000 | 3,000,000 | 3,000,000 | 0 | 0 | 0 |
| Total Funding | 0 | 3,000,000 | | 3,000,000 | 15,000,000 | 15,000,000 | 0 | 12,000,000 | 12,000,000 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 3,000,000 | 3,000,000 | 3,000,000 |
| Grand Total | 0 | 3,000,000 | | 3,000,000 | 15,000,000 | 15,000,000 | 3,000,000 | 15,000,000 | 15,000,000 |

Change Level by Appropriation

Appropriation: 59R - BLDG DSGN-Loans
Funding Sources: MBD - Sustainable Building Design Revolving

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 3,000,000 | 0 | 3,000,000 | 100.0 | 3,000,000 | 0 | 3,000,000 | 100.0 |
| C16 | ARRA | 12,000,000 | 0 | 15,000,000 | 500.0 | 12,000,000 | 0 | 15,000,000 | 500.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|------------------|----------|------------------|--------------|------------------|----------|------------------|--------------|
| BL | Base Level | 3,000,000 | 0 | 3,000,000 | 100.0 | 3,000,000 | 0 | 3,000,000 | 100.0 |
| C16 | ARRA | 12,000,000 | 0 | 15,000,000 | 500.0 | 12,000,000 | 0 | 15,000,000 | 500.0 |

Justification

| | |
|-----|--|
| C16 | Appropriation for anticipated ARRA funds are committed to the Revolving Loan Fund through a Grant from the Arkansas Energy Office. |
|-----|--|

Analysis of Budget Request

Appropriation: 59S - BLDG DSGN-Operations

Funding Sources: MWJ - ABA Maintenance

The purpose of this appropriation is to provide operating expenses to the Sustainable Building Design Program A.C.A. 22-3-1901 et. seq.

The appropriation is funded from rental income and reimbursements from ABA operated buildings.

The Agency's Base Level request is \$58,485 each year of the biennium.

The Agency's Change Level request is for a \$5,000 increase in Capital Outlay each year of the biennium for the replacement of maintenance equipment.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 59S - BLDG DSGN-Operations

Funding Sources: MWJ - ABA Maintenance

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|---------------|---------------|---|---------------|---------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 31,561 | 40,037 | 38,611 | 39,237 | 39,237 | 39,237 | 39,237 | 39,237 | 39,237 |
| #Positions | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Personal Services Matching | 5010003 | 10,690 | 12,746 | 10,811 | 12,609 | 12,609 | 12,609 | 12,609 | 12,609 | 12,609 |
| Operating Expenses | 5020002 | 367 | 6,639 | 10,000 | 6,639 | 6,639 | 6,639 | 6,639 | 6,639 | 6,639 |
| Conference & Travel Expenses | 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | 5060010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 0 | 5,000 | 5,000 | 0 | 5,000 | 5,000 | 0 | 5,000 | 5,000 |
| Total | | 42,618 | 64,422 | 64,422 | 58,485 | 63,485 | 63,485 | 58,485 | 63,485 | 63,485 |
| Funding Sources | | | | | | | | | | |
| Transfers / Adjustments | 4000683 | 42,618 | 64,422 | | 58,485 | 63,485 | 63,485 | 58,485 | 63,485 | 63,485 |
| Total Funding | | 42,618 | 64,422 | | 58,485 | 63,485 | 63,485 | 58,485 | 63,485 | 63,485 |
| Excess Appropriation/(Funding) | | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 42,618 | 64,422 | | 58,485 | 63,485 | 63,485 | 58,485 | 63,485 | 63,485 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 59S - BLDG DSGN-Operations
Funding Sources: MWJ - ABA Maintenance

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|---------------|----------|---------------|--------------|---------------|----------|---------------|--------------|
| BL | Base Level | 58,485 | 1 | 58,485 | 100.0 | 58,485 | 1 | 58,485 | 100.0 |
| C01 | Existing Program | 5,000 | 0 | 63,485 | 108.5 | 5,000 | 0 | 63,485 | 108.5 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|---------------|----------|---------------|--------------|---------------|----------|---------------|--------------|
| BL | Base Level | 58,485 | 1 | 58,485 | 100.0 | 58,485 | 1 | 58,485 | 100.0 |
| C01 | Existing Program | 5,000 | 0 | 63,485 | 108.5 | 5,000 | 0 | 63,485 | 108.5 |

Justification

| | |
|-----|---|
| C01 | ABA is requesting re-appropriation for capital purchases as necessary for the replacement of maintenance equipment. |
|-----|---|

Analysis of Budget Request

Appropriation: 809 - Justice Building Operations

Funding Sources: MWJ - ABA Maintenance

This appropriation provides for the operations of the Justice Building. Funding is provided under special language provisions for a transfer from the State Central Services Fund to the Arkansas Building Authority Maintenance Fund for actual expenditures up to the authorized appropriation level.

Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments.

The Agency's Base Level request is \$723,228 each year of the biennium.

The Agency's total Change Level request is for \$899 each year of the biennium from combined increases and decreases in the Operating Expenses commitment item reflecting adjustments in service contracts.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 809 - Justice Building Operations

Funding Sources: MWJ - ABA Maintenance

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|---|----------------|----------------|---|----------------|----------------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries | 5010000 | 105,130 | 105,315 | 104,342 | 104,515 | 104,515 | 104,515 | 104,515 | 104,515 | 104,515 |
| #Positions | | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Personal Services Matching | 5010003 | 34,116 | 35,258 | 34,832 | 35,159 | 35,159 | 35,159 | 35,159 | 35,159 | 35,159 |
| Operating Expenses | 5020002 | 559,865 | 583,554 | 584,953 | 583,554 | 584,453 | 584,453 | 583,554 | 584,453 | 584,453 |
| Conference & Travel Expenses | 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | 5060010 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Data Processing | 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay | 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 699,111 | 724,127 | 724,127 | 723,228 | 724,127 | 724,127 | 723,228 | 724,127 | 724,127 |
| Funding Sources | | | | | | | | | | |
| Fund Balance | 4000005 | 9,764 | 10,883 | | 10,883 | 10,883 | 10,883 | 10,833 | 10,833 | 10,833 |
| Transfer from St Central Svcs | 4000575 | 700,230 | 724,127 | | 723,228 | 724,127 | 724,127 | 723,228 | 724,127 | 724,127 |
| Total Funding | | 709,994 | 735,010 | | 734,111 | 735,010 | 735,010 | 734,061 | 734,960 | 734,960 |
| Excess Appropriation/(Funding) | | (10,883) | (10,883) | | (10,883) | (10,883) | (10,883) | (10,833) | (10,833) | (10,833) |
| Grand Total | | 699,111 | 724,127 | | 723,228 | 724,127 | 724,127 | 723,228 | 724,127 | 724,127 |

The FY11 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2009-2011 biennium.

Change Level by Appropriation

Appropriation: 809 - Justice Building Operations
Funding Sources: MWJ - ABA Maintenance

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 723,228 | 3 | 723,228 | 100.0 | 723,228 | 3 | 723,228 | 100.0 |
| C01 | Existing Program | 3,223 | 0 | 726,451 | 100.4 | 3,223 | 0 | 726,451 | 100.4 |
| C03 | Discontinue Program | (2,324) | 0 | 724,127 | 100.1 | (2,324) | 0 | 724,127 | 100.1 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|---------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 723,228 | 3 | 723,228 | 100.0 | 723,228 | 3 | 723,228 | 100.0 |
| C01 | Existing Program | 3,223 | 0 | 726,451 | 100.4 | 3,223 | 0 | 726,451 | 100.4 |
| C03 | Discontinue Program | (2,324) | 0 | 724,127 | 100.1 | (2,324) | 0 | 724,127 | 100.1 |

Justification

| | |
|-----|---|
| C01 | The base level change is reflective of adjustments in service contracts and planned expenditures for the period. |
| C03 | As noted above, change is the result of adjustments in service contracts and planned expenditures for the period. |

Analysis of Budget Request

Appropriation: 84T - ASC Maint & Operations

Funding Sources: MWJ - ABA Maintenance

The Arkansas Services Center Maintenance and Operations appropriation is requested by the Arkansas Building Authority due to the addition of the Arkansas Services Center in Jonesboro to the management portfolio in FY2010. The appropriation covers all scheduled maintenance, operations and capital repairs for the facility.

Funding for the center is through owner assessments billed quarterly and rent revenues collected for leases space.

The Agency's request is for \$2,250,000 in appropriation each year of the biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 84T - ASC Maint & Operations

Funding Sources: MWJ - ABA Maintenance

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|------------|-----------|-----------|------------|-----------|-----------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| AR Services Center 5900046 | 0 | 0 | 0 | 0 | 2,250,000 | 2,250,000 | 0 | 2,250,000 | 2,250,000 |
| Total | 0 | 0 | 0 | 0 | 2,250,000 | 2,250,000 | 0 | 2,250,000 | 2,250,000 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 0 | 0 | | 0 | 1,000,000 | 1,000,000 | 0 | 1,000,000 | 1,000,000 |
| Rental Income 4000430 | 0 | 0 | | 0 | 1,250,000 | 1,250,000 | 0 | 1,250,000 | 1,250,000 |
| Total Funding | 0 | 0 | | 0 | 2,250,000 | 2,250,000 | 0 | 2,250,000 | 2,250,000 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 0 | 0 | | 0 | 2,250,000 | 2,250,000 | 0 | 2,250,000 | 2,250,000 |

Fund Balances are estimated pending the approval of New Special Language allowing for the transfer of Cash Funds currently held for this program to the requested new Appropriation.

Change Level by Appropriation

Appropriation: 84T - ASC Maint & Operations
Funding Sources: MWJ - ABA Maintenance

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| C01 | Existing Program | 2,250,000 | 0 | 2,250,000 | 100.0 | 2,250,000 | 0 | 2,250,000 | 100.0 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| C01 | Existing Program | 2,250,000 | 0 | 2,250,000 | 100.0 | 2,250,000 | 0 | 2,250,000 | 100.0 |

Justification

| | | | | | | | | | |
|-----|---|--|--|--|--|--|--|--|--|
| C01 | This change level reflects the addition of the Arkansas Services Center in Jonesboro, added to ABA's management portfolio in FY10. The appropriation covers all scheduled maintenance, operations and capital repairs for the facility. Funding for the Center is through owner assessments billed quarterly and rent revenues collected for lease space. | | | | | | | | |
|-----|---|--|--|--|--|--|--|--|--|

Analysis of Budget Request

Appropriation: 915 - Justice Building Maintenance

Funding Sources: MJB - Justice Building Fund

The Justice Building Maintenance appropriation provides for maintenance of the Justice Building. Funding is provided by court cost receipts transferred from the State Administration of Justice Fund to be used exclusively for maintenance of the Justice Building (A.C.A. §19-5-1052).

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request.

Appropriation Summary

Appropriation: 915 - Justice Building Maintenance

Funding Sources: MJB - Justice Building Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|---|---------------------|---------------------|-------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Special Maintenance 5120032 | 5,993 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 |
| Total | 5,993 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 628,328 | 696,153 | | 275,022 | 275,022 | 275,022 | 0 | 0 | 0 |
| State Administration of Justice 4000470 | 73,818 | 83,528 | | 83,528 | 83,528 | 83,528 | 83,528 | 83,528 | 83,528 |
| Unfunded Appropriation 4000715 | 0 | 0 | | 146,109 | 146,109 | 146,109 | 421,131 | 421,131 | 421,131 |
| Total Funding | 702,146 | 779,681 | | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 |
| Excess Appropriation/(Funding) | (696,153) | (275,022) | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 5,993 | 504,659 | | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 | 504,659 |

Analysis of Budget Request

Appropriation: D17 - Justice Bldg Const-Cash

Funding Sources: 132 - Justice Building Construction Fund

The Justice Building Construction cash appropriation provides for debt service obligations associated with construction and renovation of the Justice Building. Funding is provided by court cost receipts transferred from the State Administration of Justice Fund to the Justice Building Construction Fund. This funding is to be used exclusively for the financing of additions, extensions, and improvements to the Justice Building. This includes the repayment of debt service obligations which were incurred in order to make improvements to the Justice Building (A.C.A. §19-5-1087).

The Agency Request is for Base Level.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: D17 - Justice Bldg Const-Cash
Funding Sources: 132 - Justice Building Construction Fund

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | Agency Request and Executive Recommendation | | |
|---|---------------------|---------------------|-------------------------|---|------------------|------------------|---|------------------|------------------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses 5020002 | 0 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Conference & Travel Expenses 5050009 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees 5060010 | 27,175 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 | 35,000 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital Outlay 5120011 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt Service 5120019 | 907,943 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| Total | 935,118 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 1,244,951 | 1,301,204 | | 1,001,204 | 1,001,204 | 1,001,204 | 701,204 | 701,204 | 701,204 |
| Interest 4000300 | 599 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| State Administration of Justice 4000470 | 990,772 | 990,000 | | 990,000 | 990,000 | 990,000 | 990,000 | 990,000 | 990,000 |
| Total Funding | 2,236,322 | 2,291,204 | | 1,991,204 | 1,991,204 | 1,991,204 | 1,691,204 | 1,691,204 | 1,691,204 |
| Excess Appropriation/(Funding) | (1,301,204) | (1,001,204) | | (701,204) | (701,204) | (701,204) | (401,204) | (401,204) | (401,204) |
| Grand Total | 935,118 | 1,290,000 | | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 | 1,290,000 |

Appropriation Summary

Appropriation: 81S - AR Service Cntr-Oper

Funding Sources: NBA - AR Service Cntr Cash

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | | Historical Data | | | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------|---------------------|---------------------|-------------------------|------------|----------|-----------|------------|----------|-----------|
| | | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Operating Expenses | 5020002 | 673,709 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Conference & Travel Expenses | 5050009 | 112 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Professional Fees | 5060010 | 5,181 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 679,002 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Funding Sources | | | | | | | | | | |
| Cash Fund | 4000045 | 943,768 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers / Adjustments | 4000683 | 719,721 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Funding | | 1,663,489 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | | (984,487) | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | | 679,002 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |

Appropriation was established through the authority of Cash Fund Holding.
NOT REQUESTED FOR THE 2011-2013 BIENNIUM.

Appropriation Summary

Appropriation: 82W - ARRA LEEDS Bldg

Funding Sources: FBA - ARRA LEEDS Bldg Federal

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|------------|--------|-----------|------------|--------|-----------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| ARRA of 2009 5900052 | 722,574 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 722,574 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Funding Sources | | | | | | | | | |
| Federal Funds-ARRA 4000244 | 722,574 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Funding | 722,574 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Excess Appropriation/(Funding) | 0 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 722,574 | 0 | | 0 | 0 | 0 | 0 | 0 | 0 |

Appropriation was established through the authority of the Miscellaneous Federal Grant Act.
NOT REQUESTED FOR THE 2011-2013 BIENNIUM.