

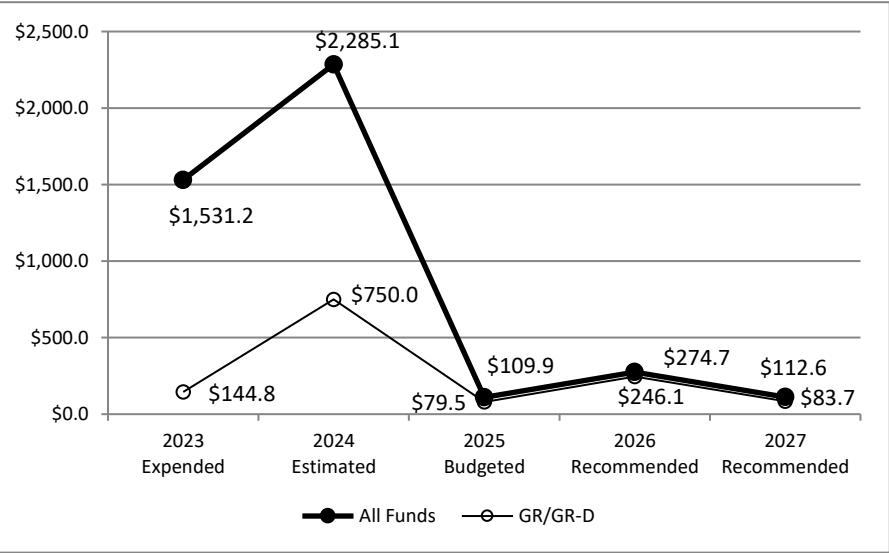
**Facilities Commission
Summary of Budget Recommendations - House**

Page I-46
Mike Novak, Executive Director
George Purcell Jr, LBB Analyst

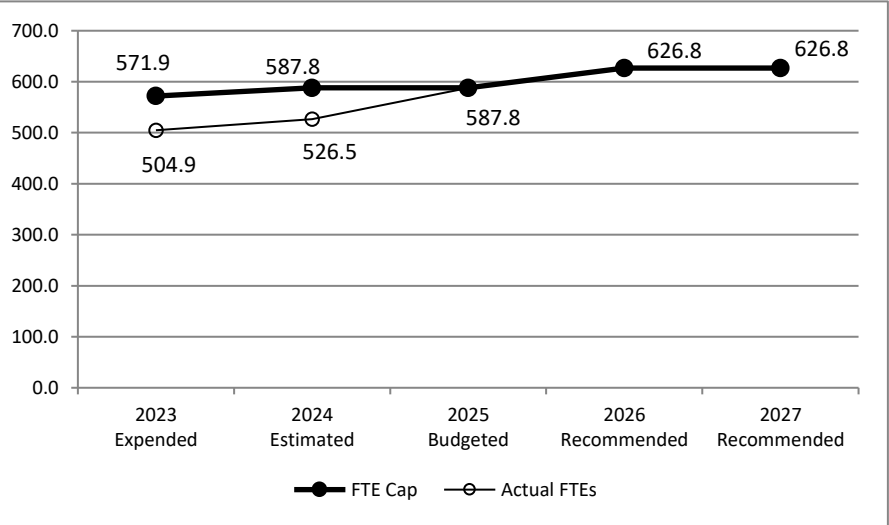
Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$704,004,879	\$210,529,797	(\$493,475,082)	(70.1%)
GR Dedicated Funds	\$125,537,866	\$119,262,538	(\$6,275,328)	(5.0%)
<i>Total GR-Related Funds</i>	<i>\$829,542,745</i>	<i>\$329,792,335</i>	<i>(\$499,750,410)</i>	<i>(60.2%)</i>
Federal Funds	\$40,000,000	\$0	(\$40,000,000)	(100.0%)
Other	\$1,525,500,852	\$57,446,632	(\$1,468,054,220)	(96.2%)
All Funds	\$2,395,043,597	\$387,238,967	(\$2,007,804,630)	(83.8%)

	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	587.8	626.8	39.0	6.6%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2026-27 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2026-27 biennium.

Facilities Commission
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):

A)	Removal of funding related to the 2024-25 Governor's Emergency Grant for Border Wall construction.	\$0.0	\$0.0	\$0.0	(\$631.1)	(\$631.1)	A.2.1
B)	Decrease in Revenue Bonds and General Revenue for Capitol Complex, Phase 1 and Phase 2 construction.	(\$243.8)	\$0.0	\$0.0	(\$421.2)	(\$665.0)	A.2.1
C)	Funding increase for agency exceptional item request for 10 percent increases in utility costs due to the Capitol Complex and North Austin construction projects and inflation across multiple methods of finance.	\$2.8	\$0.2	\$0.0	\$0.8	\$3.7	B.2.3
D)	Increase in General Revenue for the refurbishment of the James E. Rudder Building.	\$43.0	\$0.0	\$0.0	\$0.0	\$43.0	A.2.1
E)	Increase in General Revenue for 37.0 additional FTEs to support facilities operations (\$6,264,831) and for a security contract (\$1,351,026).	\$7.6	\$0.0	\$0.0	\$0.0	\$7.6	B.2.1

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

F)	Anticipated reductions in Interagency Contracts offset by an increase in Appropriated Receipts from other agencies for construction projects.	\$0.0	\$0.0	\$0.0	(\$371.2)	(\$371.2)	A.2.1, B.1.1, B.2.1
G)	Decrease in General Revenue for construction of Texas State Library and Archives Commission records storage and archive facility.	(\$210.0)	\$0.0	\$0.0	\$0.0	(\$210.0)	A.2.1
H)	Decrease in General Revenue, Federal Funds and Appropriated Receipts for construction of Permian Basin Health Center.	(\$83.9)	\$0.0	(\$40.0)	(\$45.7)	(\$169.6)	A.2.1
I)	Decrease in General Revenue for construction of Guadalupe County Medical Facility.	(\$10.0)	\$0.0	\$0.0	\$0.0	(\$10.0)	A.2.1
J)	Net increase in General Revenue for operating expenses, including biennialization of 2024-25 statewide salary adjustments.	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1	Multiple Strategies

Facilities Commission
Summary of Funding Changes and Recommendations - House

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
K)	Decrease of \$6.5 million in GR-Dedicated Federal Surplus Property Service Charge Fund 570 due to a reduction from unexpended balances carried forward to the 2024-25 biennium for the completion of capital projects for the Federal Surplus Property facilities (\$6.4 million) and a decrease in revenues (\$0.1 million).	\$0.0	(\$6.5)	\$0.0	\$0.0	(\$6.5)	C.1.2
L)	Increase in Appropriated Receipts from the State Surplus Property Program.	\$0.0	\$0.0	\$0.0	\$0.4	\$0.4	C.1.1
M)	Decrease in General Revenue and Economic Stabilization Fund from unexpended balances for deferred maintenance carried forward from the 2022-23 biennium.	(\$0.2)	\$0.0	\$0.0	\$0.0	(\$0.2)	B.2.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$493.5)	(\$6.3)	(\$40.0)	(\$1,468.1)	(\$2,007.8)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$54.5	\$0.2	\$0.0	\$1.2	\$55.8	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$547.9)	(\$6.5)	(\$40.0)	(\$1,469.3)	(\$2,063.6)	As Listed

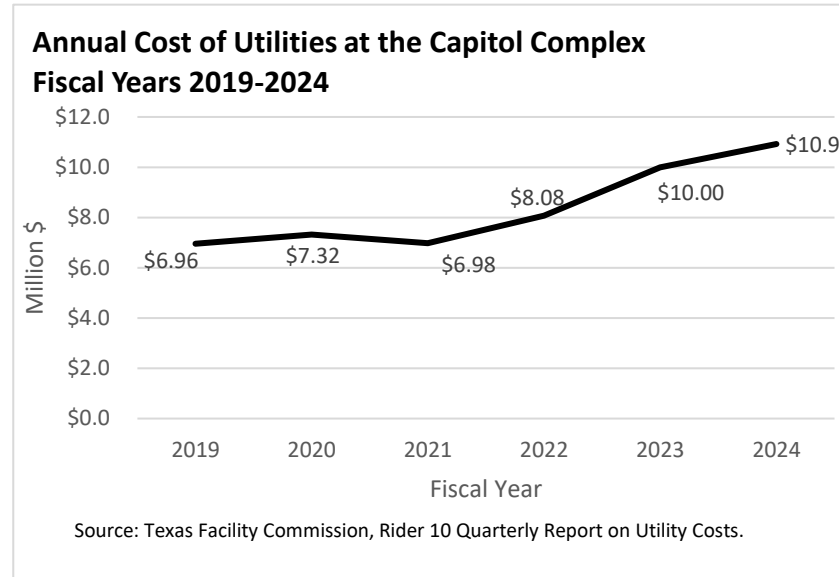
NOTE: Totals may not sum due to rounding.

**Facilities Commission
Selected Fiscal and Policy Issues - House**

1. Increased Funding for Utility Costs.

In its Legislative Appropriations Request the agency requested additional funding for utilities at the Capitol Complex as the agency base request of \$37,245,016 in All Funds for the biennium was consistent with previous biennia and did not reflect additional square footage added to the complex following the completion of the George H.W. Bush and Barbara Jordan buildings. The agency also indicates that it expects contracted rates with Austin Energy to increase in the 2026-27 biennium. Recommendations include funding the agency request of an additional \$1,862,251 in All Funds per fiscal year (\$3,724,502 for the biennium) for additional utility costs, a 10 percent increase.

The chart to the right shows annual data from the Rider 10, Capitol Complex - Utilities, report for fiscal years 2019 through the end of fiscal year 2024. The primary utility expense is electricity, which represented \$8.0 million (73.4 percent) of the \$10.9 million annual cost in fiscal year 2024. The share of cost represented by electricity has changed little over time; in fiscal year 2019 it represented 74.6 percent of the total \$6.96 million.



2. Texas Border Infrastructure Maintenance.

The Texas Facility Commission executed an Interagency Contract (IAC) with the Office of the Governor on August 31, 2021 for the construction of border security infrastructure along the Texas Mexico border. Since that time, the agency has received \$1.18 billion in eleven IACs for this purpose, including donated funds. As of November 2024, agency has constructed 45 miles of border wall and anticipates constructing a total of 101-110 miles by September 2026. TFC estimates the current plans for the border wall will cost an estimated \$3.1 billion in total.

In the 2024-25 biennium, the agency was provided \$1.0 million for the maintenance of the Border Wall and Rider 22, Border Wall Maintenance, governing the use of this appropriation was included in the agency bill pattern. The agency indicates that it intends to contract with the Department of Transportation for this function and requested an amendment to Rider 22 highlighting this relationship. These recommendations include \$1.0 million in General Revenue funds for the 2026-27 biennium and the agency’s requested Rider 22 amendment.

3. Refurbishment of the James E. Rudder Building.

Recommendations includes \$43.0 million in General Revenue for the refurbishment of the historic James E. Rudder Building, occupied by the Secretary of State. Refurbishment will include mechanical, electrical and plumbing upgrades as well as modernization of existing spaces to accommodate 291.0 FTEs. Costs include professional design, construction, other technical services and project management fees.

4. **Update on Deferred Maintenance/Maintenance & Renewal Program.**

Since the inception of the Deferred Maintenance/Maintenance & Renewal program in fiscal year 2014, the Legislature has funded the program from a variety of sources:

2014-15 biennium: \$24.5 million in General Revenue and \$32.2 million in General Obligation Bonds;

2016-17 biennium: \$217.2 million from General Revenue—Dedicated Account No. 5166, \$23.4 million in General Revenue, and \$2.8 million in General Obligation Bonds;

2018-19 biennium: \$90.0 million in Economic Stabilization Funds;

2020-21 biennium: \$120.2 million in General Revenue;

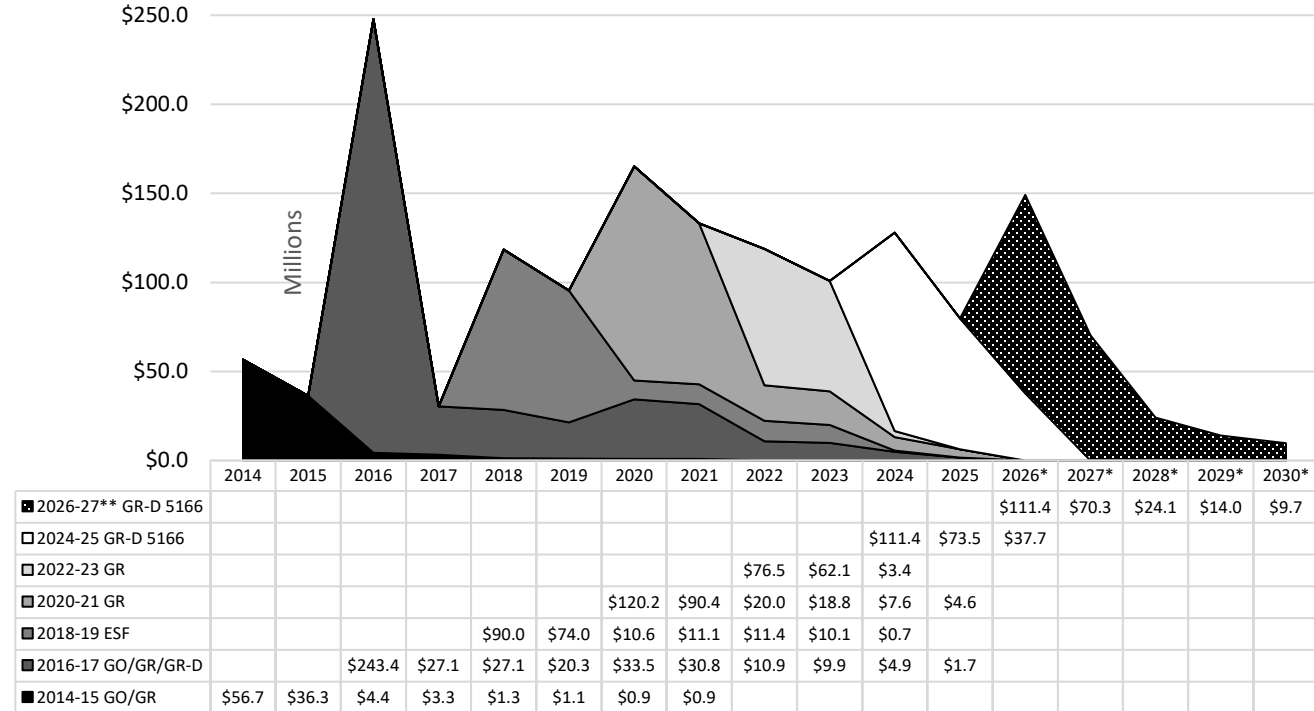
2022-23 biennium: \$76.5 million in General Revenue; and

2024-25 biennium: \$111.4 in General Revenue-Dedicated Account No. 5166.

When the agency receives an appropriation for deferred maintenance, those funds are set aside for specific projects. Due to construction timelines, completion of these deferred maintenance projects can require several fiscal years and span multiple biennia.

The chart above shows remaining appropriated funds that have been obligated but have not yet been either expended or encumbered over the previous six biennia as well as recommended base funding for the 2026-27 biennia. Since fiscal year 2018, obligated but unexpended and unencumbered dollars have remained at roughly \$100 million in each fiscal year. These recommendations provide \$111,375,696 in the agency’s base request for deferred maintenance, which would continue funding the program at historical levels. The recommendations do not include an additional agency request in Exceptional Item 3, Maintenance & Renewal Program, for \$10,023,813 in General Revenue-Dedicated Account No. 5166, Deferred Maintenance, that would provide funding for expected cost escalation in the program due to inflation.

**Deferred Maintenance/Maintenance & Renewal Appropriations
Balance of Unexpended and Unencumbered but Obligated Dollars
Fiscal years 2014-27**



Source: Texas Facilities Commission. Supplemental appropriations are shown in the subsequent biennium, rather than the biennium in which they were made.

* TFC estimates for future fiscal years.

**2026-27 assumes recommended base funding and does not include exceptional item request.

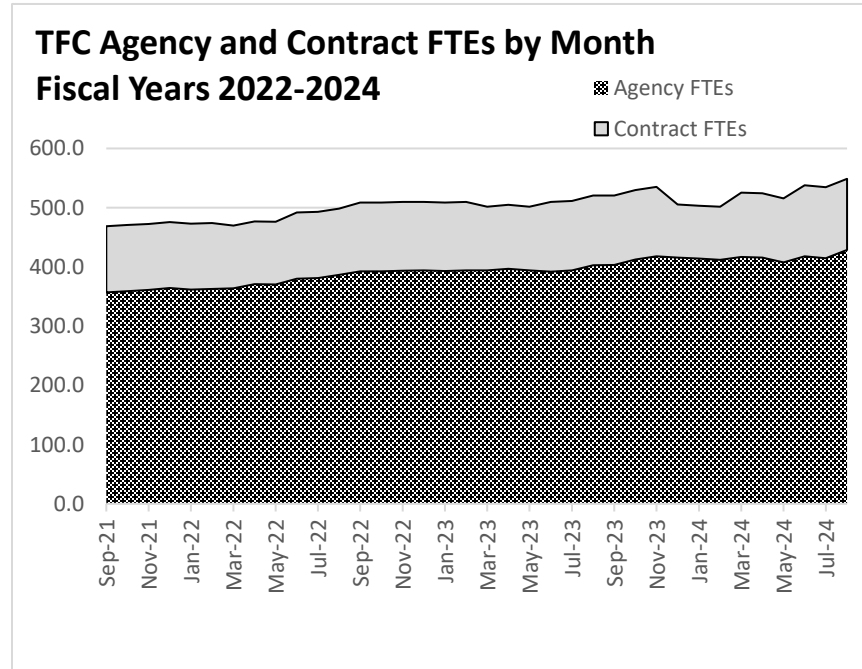
5. Omnibus FTE Request and Contracted Security Services.

In its Legislative Appropriations Request, TFC requested 74.0 additional FTEs and associated General Revenue funding of \$12,529,661 for the 2026-27 biennium.

In light of this request, and because estimated FTEs for fiscal year 2024 were substantially under the agency’s existing FTE cap, LBB staff requested that the agency provide the LBB with monthly data broken down by agency and contract FTEs to determine progress being made by the agency towards meeting its existing 2024-25 FTE cap of 587.8. A chart showing these data is presented on the right.

As of the end of fiscal year 2024, the agency had 548.8 FTEs (428.8 agency and 120.0 contract), up from 520.5 FTEs at the end of fiscal year 2023. Over the last three fiscal years the agency has hired at a net increase of approximately 2.3 FTEs per month. If this rate were to continue through fiscal year 2025, the agency would have an estimated FTE count of 576.4 FTEs, which is 11.4 FTEs below their fiscal year cap (2.0 percent).

Recommendations provide an additional 37.0 FTEs and \$6,264,831 to support facilities operations. Recommendations also provide an agency request for \$1,351,026 for contracted security services for monitoring an agency storage location in a garage previously servicing the former Hobby state office building.



6. Update on Capitol Complex Construction

During the 2016-17 biennium, the Texas Facilities Commission (TFC) was appropriated \$767.7 million in Revenue Bond proceeds for new construction projects designated to construct new state office buildings to reduce the reliance of the state on leased facilities. The majority of these funds (\$581.3 million) were appropriated for Phase I of the redevelopment of the Capitol Complex. This redevelopment includes the 416,000 square-foot, 12-story Barbara Jordan Building, the 603,000 square-foot, 14-story George H. W. Bush building, the new three-acre Texas Mall to be constructed over a five-level underground parking garage, and utility infrastructure including the new North Central Utility Plant to support Phase I through Phase III of the planned redevelopment. In addition to Capitol Complex funding, \$186.4 million was appropriated for a new building and parking garage in Phase I at the North Austin Complex. These buildings were completed in fiscal year 2023.

TFC was also appropriated \$483.3 million in Revenue Bond proceeds in the 2020-21 biennium to construct two additional Phase II buildings in the Capitol Complex with an associated underground parking structure and Texas Mall extension, as well as two new Phase II buildings and an associated parking structure at the North Austin Complex. In the 2024-25 biennium, following indication of a significant cost overrun for both projects, the second phase of the North Austin Complex was terminated, and \$43.4 million in Revenue Bond proceeds were directed to the second phase of the Capitol Complex. An additional \$243.8 million in General Revenue was appropriated for this project.

The agency does not seek any additional funding for Capitol Complex Phase II during this session and indicates the current level of appropriation is sufficient for completion as well as anticipated moving costs beginning in Summer 2028. The agency has indicated that at least two tenants have requested modifications to plans that are outside the scope of the existing appropriation: Department of Public Safety (DPS) and the Office of the Attorney General (OAG).

Recommendations for DPS do not include funding or authority for this purpose. Recommendations for OAG include \$3,000,000 in Appropriated Receipts for buildout of their tenant space at the Lavaca Building.

**Facilities Commission
Rider Highlights - House**

Modification of Existing Riders

2. **Informational Listing of Appropriated Funds.** Updated to reflect estimated Revenue Bonds for Lease Payments amounts for the 2026-27 biennium.
3. **Capital Budget.** Recommended changes are as follows:
- Subsection a “Construction of Buildings and Facilities”:
- Capital Complex - Phase 2: Provides UB only;
 - Guadalupe County Medical Facility: Provides UB only;
 - Capitol Complex – Phase 1 (MLK Blvd): Removed, project completed;
 - G.J. Sutton Building Development: Removed, property sold to the General Land Office; and
 - James Earl Rudder Building: Added, provides \$43.0 million in fiscal year 2026 and UB in fiscal year 2027.
- Subsection b “Repair or Rehabilitation of Buildings and Facilities”:
- Maintenance and Renewal Program – Renewal Construction: Adds UB into fiscal year 2026 for previously appropriated amount;
 - Federal Surplus Property Facilities Renovation and Support: Reduced from \$1,000,000 in the 2024-25 biennium to \$440,000 in the 2026-27 biennium.
- Subsection c “Acquisition of Capital Equipment and Items”:
- Secure Workplace Environment: Reduced from \$3,790,975 in the 2024-25 biennium to \$2,409,909 in the 2026-27 biennium;
 - Facilities Operations Capital Equipment and Other Items: Reduced from \$5,777,500 in the 2024-25 biennium to \$3,985,141 in the 2026-27 biennium.
- Subsection d “Data Center/Shared Technology Services”:
- Data Center Consolidation: Increased from \$907,362 in the 2024-25 biennium to \$1,549,051 in the 2026-27 biennium.
- Subsection e “Cybersecurity”:
- Cybersecurity Services: Increased from \$457,427 in the 2024-25 biennium to \$1,449,288 in the 2026-27 biennium.
16. **Unexpended Balances of General Revenue - Dedicated Deferred Maintenance Account No. 5166.** Specific between biennia UB authority for projects from the Eighty-fourth Legislature replaced with general UB authority for the Fund for deferred maintenance/maintenance & renewal.
21. **Border Wall Maintenance.** Language added to specify that the Department of Transportation will perform this maintenance by contract with the Texas Facilities Commission.

The following riders include recommendations to remove obsolete language and make conforming changes such as updating fiscal years and amounts to reflect funding recommendations: Rider 4, Transfer Authority - Utilities; Rider 6, Cost Recovery, Reimbursement of Monies from the General Revenue Fund; Rider 7, Texas Facilities Commission’s Revolving Account; Rider 9, Capitol Complex - Utilities; Rider 11, Federal Surplus Property Program; Rider 12, State Surplus Property Program; Rider 13, Public-Private Partnerships Limitation; Rider 15, Construction of New Facilities – Unexpended Balances of Revenue Bond Proceeds; Rider 16, Unexpended Balances of General Revenue – Deferred Maintenance Account No. 5166; Rider 17, Construction Encumbrances; Rider 19, Capitol Complex Master

Plan, and Rider 21, Border Wall Maintenance.

New Riders

23. **Completion of TSLAC Records and Archives Facility.** Rider requires TFC to complete the Texas State Library and Archives Commission records and archives facility project, including furnishings and moving expenses, using existing funds appropriated for this project. TFC has informed the LBB and TSLAC that there are sufficient funds for this purpose.
24. **Capitol Complex Tenant Communications.** Rider requires TFC to notify all agencies in the Complex of planned disruptions two weeks before the disruption and requires TFC to adjust their plans upon the objection of an agency's Executive Director. Rider authorizes agencies to seek compensation from TFC if its provisions are violated.
25. **Workspace Optimization.** Details the intent of the Legislature to TFC regarding the agency's statutory authorization to adjust tenant spaces and specifies that TFC may deem a workspace underutilized if under fifty percent of that space is used during the majority of the workweek. Restates Government Code, Section 2165.106 that underutilized space is subject to consolidation by TFC.

Deleted Riders

4. **Unexpended Balances of Bond Proceeds for Deferred Maintenance.** Delete rider. Remaining balances of General Obligation Bond Proceeds from the Eighty-First to Eighty-Third Legislative sessions have been expended.
15. **Guadalupe County Medical Facility.** Delete rider. Authority to carry forward unexpended balances is provided in Rider 3, Capital Budget.

**Facilities Commission
Items Not Included in Recommendations - House**

	2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	Retire, Sell, Build State Buildings. Agency requests General Revenue for the construction of four new office buildings: the State Insurance Building and the E. O.Thompson Building in Austin, the Elias Ramirez Building in Houston, and the Waco State Office Building. These buildings would replace four facilities identified by the agency as meeting its criteria for disposition. Request includes a proposed rider that would direct proceeds from the revenue of sales of the existing structures to be replaced by the new facilities.	\$599,894,251	\$599,894,251	15.0	No	Yes	\$0
2)	SB 640 - Space Planning Requirements. Agency requests additional General Revenue to address costs related to moving functions of Department of Information Resources, State Preservation Board, and the Texas Ethics Commission currently housed in the Sam Houston Office Building to a different state office building. Amount includes \$6.0 million for estimated moving expenses and \$26.4 million for relocation of a telecom center currently housed in the Sam Houston Building.	\$32,393,501	\$32,393,501	0.0	Yes	No	\$0
3)	Maintenance & Renewal Program. Agency requests additional General Revenue as an inflation adjustment to the Maintenance and Renewal Program (deferred maintenance) to continue current levels of activity.	\$10,023,813	\$10,023,813	0.0	No	Yes	\$10,023,813
4)	Pflugerville Flex Space Office Building Finish Out. Agency requests additional General Revenue to complete the finish-out of the top two floors of the Flex Space Office Building initially funded by the 88th Legislature. Funding currently provided is sufficient to finish two of four floors.	\$24,000,000	\$24,000,000	0.0	No	Yes	\$0
5)	Workspace Optimization Rider. Agency requests additional General Revenue and 5.0 FTEs to implement the requirements of Rider 25, Workspace Optimization. These additional FTEs would manage reviews of tenant alternative work arrangement policies, monitor their implementation, and reprogram space allocations for agencies not using existing space at least 50 percent of the time.	\$9,892,494	\$9,892,494	5.0	No	No	\$9,892,494

**Facilities Commission
Items Not Included in Recommendations - House**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
6)	Building Control Network Bandwidth Needs - Phase I. Agency requests General Revenue and 2.0 FTEs to upgrade connectivity at the agency's main data center at the William B. Travis Building, Sam Houston Building and the John H. Winters Building, location of the agency's disaster recovery site. The request also includes funding enhanced bandwidth in common areas at the Barbara Jordan Building.	\$6,490,856	\$6,490,856	2.0	Yes	Yes	\$5,587,356

Agency Rider Requests Not Included							
1)	Rider 12, Federal Surplus Program. Agency requests to increase FTEs authorized for the Federal Surplus Program by 4.0 FTEs from 15.7 to 19.7 reallocated from other strategies.	\$0	\$0	0.0	No	No	\$0
2)	Rider 13, State Surplus Program. Agency requests to increase FTEs authorized for the State Surplus Program by 4.0 FTEs from 18.3 to 22.3 reallocated from other strategies.	\$0	\$0	0.0	No	No	\$0
3)	New Rider, Appropriation - Interlocal Cooperative Contracts. Agency requests new rider for the operation of the Center for Alternative Finance and Procurement as established under Government Code Section 2152.110.	\$0	\$0	0.0	No	Yes	\$0
4)	New Rider, Building Information Modeling. Agency requests new rider to include in amounts appropriated \$1,346,064 for building information systems and provide provide unexpended balances authority across biennia for funds previously appropriated for this purpose.	\$0	\$0	0.0	Yes	No	\$0
5)	New Rider, Appropriation of Fees - Rental Space in Capital Complex. Agency requests authority to charge rental fees for conference space in the Capitol Complex and for appropriation of those fees. Rider would require that priority be given to units of local government and institutions of higher education.	\$0	\$0	0.0	No	No	\$0
6)	New Rider, Construction Donations. New rider would provide appropriation and capital budget authority for gifts, grants, and donations to support the costs of an ongoing construction project.	\$0	\$0	0.0	No	No	\$0

Facilities Commission
Items Not Included in Recommendations - House

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
7)	New Rider, Retire, Sell, Build State Buildings. New rider would appropriate proceeds from sales of buildings the agency is requesting to replace to fund the cost of constructing new replacement buildings.	\$0	\$0	0.0	No	No	\$0
8)	Exempt Position. Agency requests addition to Art. IX, Sec. 3.04(c)(6), Scheduled Exempt Positions, which provides authority to increase the salary of the Executive Director position to the maximum salary allowable in its Group.	\$0	\$0	0.0	No	No	\$0
TOTAL Items Not Included in Recommendations		\$682,694,915	\$682,694,915	22.0			\$25,503,663

**Facilities Commission
Appendices - House**

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* Appendix is not included - no significant information to report

**Facilities Commission
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
LEASING A.1.1	\$1,482,442	\$1,637,132	\$154,690	10.4%	Recommendations include an increase in General Revenue for salaries, including the biennialized statewide salary increase, and increases in operating expenses.
FACILITIES PLANNING A.1.2	\$1,018,344	\$1,338,642	\$320,298	31.5%	Recommendations include an increase in General Revenue for salaries, including the biennialized statewide salary increase, and other operating expenses.
FACILITIES DESIGN AND CONSTRUCTION A.2.1	\$2,075,883,228	\$62,437,490	(\$2,013,445,738)	(97.0%)	<p>Recommendations remove the following MOFs:</p> <ul style="list-style-type: none"> 1) \$631,087,102 in Governor's Emergency Grant (Other Funds) for Border Wall construction; 2) \$421,229,990 in Revenue Bonds for Capitol Complex construction; 3) \$45,708,588 in anticipated reductions in Appropriated Receipts for Permian Basin Health Center; 4) \$40,000,000 in Federal Funds for Permian Basin Health Center; and 5) \$41,862 in Economic Stabilization Fund for Deferred Maintenance. <p>Recommendations remove \$369,600,484 in IACs for agency anticipated reductions in contracted activity.</p> <p>Recommendations reduce General Revenue by removing the following one time items:</p> <ul style="list-style-type: none"> 1) \$243,839,454 from Capitol Complex Phase II; 2) \$210,000,000 from TSLAC Archive; 3) \$83,937,195 from Permian Basin Health Center; and 4) \$10,000,000 from Guadalupe County Medical Facility. <p>Recommendations include \$43,000,000 in General Revenue for refurbishment of the James E. Rudder Building.</p> <p>Remaining net decrease in General Revenue of \$1,001,063 is reallocated across strategies.</p>

**Facilities Commission
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
Total, Goal A, FACILITIES CONSTRUCTION AND LEASING	\$2,078,384,014	\$65,413,264	(\$2,012,970,750)	(96.9%)	
CUSTODIAL B.1.1	\$22,949,650	\$21,739,240	(\$1,210,410)	(5.3%)	<p>Recommendations include:</p> <p>1) A decrease of \$1,314,120 in General Revenue and</p> <p>2) An increase of \$103,710 in Appropriated Receipts.</p> <p>Net reductions in this strategy were generated through increased use of contract services, offset by increases in salaries (including the biennialized statewide salary increase) and other operating expenses.</p>
FACILITIES OPERATION B.2.1	\$222,008,559	\$225,757,077	\$3,748,518	1.7%	<p>Recommendations include:</p> <p>1) A decrease in General Revenue by \$2,198,529, including \$197,691 in unexpended balances for deferred maintenance;</p> <p>2) A decrease in Interagency Contracts by \$1,739,466 due to an anticipated reduction in contracted services such as janitorial;</p> <p>3) An increase in Appropriated Receipts by \$70,656;</p> <p>4) An increase of \$6,264,831 in General Revenue and 37.0 FTEs to support facilities operations; and</p> <p>5) An increase of \$1,351,026 in General Revenue for security contracts.</p> <p>Net reductions in this strategy were generated through a removal of one-time funding provided for workplace security and anticipated operating costs offset by increases in salaries (including the biennialized statewide salary increase) and other operating expenses.</p>

**Facilities Commission
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
UTILITIES B.2.3	\$37,245,016	\$40,969,518	\$3,724,502	10.0%	Recommendations include agency exceptional item request for funding for increases in utility costs. Biennial MOFs for this increase: 1) General Revenue, \$2,757,222; 2) General Revenue-Dedicated Fund 36, Department of Insurance Operating Account, \$206,016; 3) Appropriated Receipts, \$5,232; and 4) Interagency Contracts, \$756,032. These represent across the board 10 percent increases from the 2024-25 base and include funding for the agency's exceptional item request.
Total, Goal B, PROPERTY & FACILITIES MGMT & OPS	\$282,203,225	\$288,465,835	\$6,262,610	2.2%	
STATE SURPLUS PROPERTY MANAGEMENT C.1.1	\$2,431,509	\$2,695,624	\$264,115	10.9%	Recommendations reduce General Revenue (\$153,527) and increase Appropriated Receipts (\$417,642) for anticipated increases in sales from the state surplus program.
FEDERAL SURPLUS PROPERTY MANAGEMENT C.1.2	\$11,786,218	\$5,304,874	(\$6,481,344)	(55.0%)	Recommendations include: 1) Removing \$6,370,000 from Fund 570, Surplus Property Trust Accounts, in unexpended balances carried forward to the 2024-25 biennium for the repair of Federal Surplus facilities; and 2) Expected revenue decrease of \$111,344.
Total, Goal C, SURPLUS PROPERTY	\$14,217,727	\$8,000,498	(\$6,217,229)	(43.7%)	
CENTRAL ADMINISTRATION D.1.1	\$15,367,927	\$16,928,737	\$1,560,810	10.2%	Recommendations include an increase in General Revenue for salaries (\$1,344,024) including the biennialized statewide salary increase and other operating expenses (\$216,786)
INFORMATION RESOURCES D.1.2	\$4,870,704	\$8,430,633	\$3,559,929	73.1%	Recommendations include an increase in General Revenue salaries, including the biennialized statewide salary increase (\$972,293) and other operating expenses (\$2,587,636).
Total, Goal D, INDIRECT ADMINISTRATION	\$20,238,631	\$25,359,370	\$5,120,739	25.3%	
Grand Total, All Strategies	\$2,395,043,597	\$387,238,967	(\$2,007,804,630)	(83.8%)	

**Facilities Commission
FTE Highlights - House**

Full-Time-Equivalent Positions	Expended 2023	Actual 2024	Budgeted 2025	Recommended 2026	Recommended 2027
Cap	571.9	587.8	587.8	626.8	626.8
Actual/Budgeted	504.9	526.5	587.8	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 7	\$190,248	\$199,204	\$208,161	\$208,161	\$208,161

Notes:

a) The State Auditor's Office is the source for the fiscal year 2023 and fiscal year 2024 annual average (actual) FTE levels.

b) The State Auditor's Office Report *Executive Compensation at State Agencies* (Report 25-702, October 2024) indicates a market average salary of \$213,574 for the Executive Director position at the Facilities Commission. The agency is requesting inclusion of its Executive Director position within Article IX, Section 3.04 (c)(6), which would authorize the agency to request authority from the Legislative Budget Board and Governor to increase the compensation of the position to any amount within the range of the specified Group of the position.