

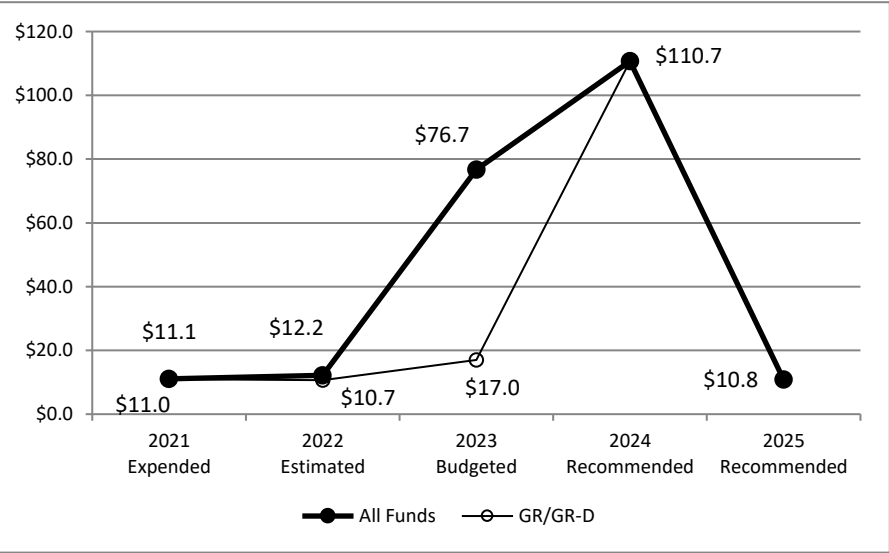
Preservation Board
Summary of Budget Recommendations - Senate

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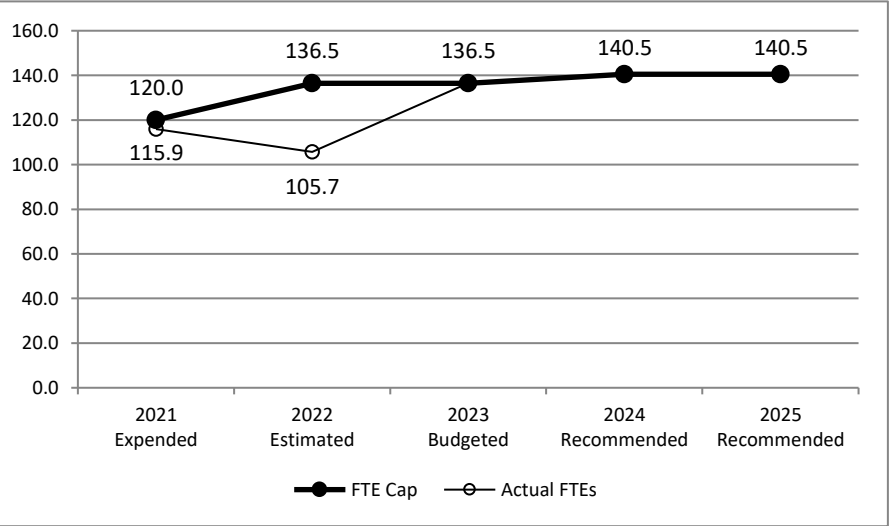
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$27,703,472	\$121,483,932	\$93,780,460	338.5%
GR Dedicated Funds	\$0	\$0	\$0	0.0%
Total GR-Related Funds	\$27,703,472	\$121,483,932	\$93,780,460	338.5%
Federal Funds	\$25,000,000	\$0	(\$25,000,000)	(100.0%)
Other	\$36,175,227	\$38,000	(\$36,137,227)	(99.9%)
All Funds	\$88,878,699	\$121,521,932	\$32,643,233	36.7%

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	136.5	140.5	4.0	2.9%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 71.5% of the agency's estimated total available funds for the 2024-25 biennium.

Preservation Board
Summary of Funding Changes and Recommendations - Senate

Section 2

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Decrease in General Revenue, federal Coronavirus State Fiscal Recovery Funds, and Economic Stabilization Funds due to removal of one-time funding appropriations provided by the 87th Legislature for various capital projects and unexpended balances carried forward from fiscal year 2021 to the 2022-23 biennium.	(\$8.1)	\$0.0	(\$25.0)	(\$36.1)	(\$69.2)	A.1.2; A.1.3; A.2.2
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
B)	Overall increase of \$295,546 in General Revenue for the Texas History Education program. Recommendations reflect the expenditure in the 2022-23 biennium of the remaning \$154,454 funding originally appropriated in the 2014-15 biennium offset by an increase of \$450,000 for the program.	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3	A.2.2
C)	Decrease in Appropriated Receipts from unexpended balances of donations.	\$0.0	\$0.0	\$0.0	(\$0.1)	(\$0.1)	A.1.2
D)	Increase of \$1,623,973 in General Revenue due to exempt and non-exempt salary adjustments.	\$1.6	\$0.0	\$0.0	\$0.0	\$1.6	C.1.1
E)	Increase of \$100,000,000 in General Revenue for the renovations to the Sam Houston and John H. Reagan State Office Buildings.	\$100.0	\$0.0	\$0.0	\$0.0	\$100.0	A.1.4; A.1.5
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$93.8	\$0.0	(\$25.0)	(\$36.1)	\$32.7	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$101.9	\$0.0	\$0.0	\$0.0	\$101.9	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$8.1)	\$0.0	(\$25.0)	(\$36.1)	(\$69.3)	As Listed

NOTE: Totals may not sum due to rounding.

**Preservation Board
Selected Fiscal and Policy Issues - Senate**

1. **One-time Projects.** Recommendations reflect a decrease of \$8,139,059 in General Revenue, \$25,000,000 in Coronavirus State Fiscal Recovery Federal Funds, and \$36,070,000 in Economic Stabilization Funds for various capital projects. These include the following items.
 - **Deferred Maintenance.** Recommendations include a decrease of \$1,704,813 in General Revenue funds carried forward from fiscal year 2021 to the 2022-23 biennium. Recommendations provide continued authority for the agency to carry forward balances to the 2024-25 biennium in Rider 4, Unexpended Balances: Deferred Maintenance Projects.
 - **Capitol, Capitol Visitors Center, Texas State History Museum Repair and Preservation Projects.** Recommendations include a decrease of \$944,014 in General Revenue funds carried forward from fiscal year 2021 to the 2022-23 biennium.
 - **Governor's Mansion Security Updates.** Recommendations include a decrease of \$79,242 in General Revenue funds carried forward from fiscal year 2021 to the 2022-23 biennium. Continued authority is provided for the agency to carry forward remaining balances to the 2024-25 biennium in Rider 6, Unexpended Balances: Governor's Mansion Security Upgrades.
 - **State Cemetery Master Plan.** Recommendations include a decrease of \$3,893,681 in General Revenue funds carried forward from fiscal year 2021 to the 2022-23 biennium. Authority to carry forward balances into the 2024-25 biennium is provided through Rider 5, Unexpended Balances: Texas State Cemetery Master Plan Phase 1. In addition, recommendations include a decrease of \$1,400,000 in separate appropriations provided in House Bill 2, 87th Legislature, Regular Session, for this purpose.
 - **Maintenance of Historic Property at the Texas State Cemetery.** Recommendations include a decrease of \$117,309 in General Revenue funds carried forward from fiscal year 2021 to the 2022-23 biennium.
 - **Maintenance and Capital Improvement Projects.** Recommendations include a decrease of \$25,000,000 in Coronavirus State Fiscal Recovery Federal Funds appropriated in Senate Bill 8, Eighty-seventh Legislature, Third Called Session, for maintenance and capital improvement projects.
 - **Capitol, Capitol Extension, Capitol Visitors Center, Capitol Grounds, and Governor's Mansion.** Recommendations include a decrease of \$33,605,000 in Economic Stabilization Funds provided in House Bill 2, Eighty-seventh Legislature, Regular Session. The appropriation was provided for renovations to the Texas Capitol and Capitol Extension, including the replacement of the Capitol's roof, phase one of an exterior waterproofing project for the Capitol and Capitol Extension, and other repairs and renovations to the Capitol, Capitol Extension, Capitol Visitors Center, Capitol ground, and Governor's Mansion.
 - **Texas State History Museum.** Recommendations include a decrease of \$2,465,000 in Economic Stabilization Funds provided in House Bill 2, Eighty-seventh Legislature, Regular Session. The appropriation was provided for the purpose of performing repairs and renovations to the Texas State History Museum.

2. **Informational Item: Funds Outside the Treasury.** The agency maintains five funds outside the treasury. These additional resources are available to the agency.

Figure 1, Funds Outside the Treasury

	FY 2022 Beginning Balance	FY 2022-23 Net Gain (Loss)	FY 2024 Beginning Balance	FY 2024-25 Estimated Net Gain (Loss)	FY 2025 Estimated Ending Balance
Capitol Fund	\$15,124,149	\$1,186,417	\$16,310,566	\$902,621	\$17,213,187
Capital Renewal Fund	\$2,632,004	(\$64,333)	\$2,567,671	\$106,600	\$2,674,271
Museum Fund	\$2,589,911	(\$576,203)	\$2,013,708	(\$2,449,500)	(\$435,792)
Mansion Renewal Fund	\$786,116	(\$36,850)	\$749,266	(\$198,283)	\$550,983
Cemetery Preservation Trust Fund	\$10,441,768	\$229,746	\$10,671,514	\$372,000	\$11,043,514

Source: State Preservation Board (October 2022)

Capitol Fund: The Capitol Fund is used to pay for educational programming, historic preservation, groundskeeping, housekeeping, facilities maintenance and other operating expenses of the Capitol and Capitol Visitors Center. The fund receives revenue primarily from two gift shops, the visitor's parking garage and parking meters, commissions from the cafeteria operations, leasing of space to news media and cellular carrier space, donations, and depository interest. The fund also provides for transfers to the Capital Renewal Fund for major facilities projects.

Capital Renewal Fund: The Capital Renewal Fund is used to fund major repairs and replacement of fixtures and equipment and restoration of historic artifacts and fixtures at the Capitol and Capitol Visitors Center. The Renewal Fund has no revenue source other than depository interest earned on the account balance. However, the fund may receive transfers from the Capitol Fund to fund projects.

Texas State History Museum Fund: The Museum Fund is used to pay for the operations of the Texas State History Museum. The fund receives revenue from admissions, concessions, gift shop sales, facility rentals, parking, membership, commission from the cafeteria and catering events, donations, and depository interest.

Separate from the Museum Fund, Senate Bill 8, 87th Legislature (3rd Called Session), appropriated \$100 million in Coronavirus State Fiscal Recovery Funds (CSFRF) to the Comptroller for deposit to an account or fund managed by the Safekeeping Trust Company as trustee for the benefit of the Preservation Board to maintain the Museum. The provision provided an alternative appropriation of General Revenue if the appropriation is found to be ineligible for expenditure out of the federal funds. In coordination with staff from the Governor's office, it was determined that the appropriation was not an eligible use of the CSFRF dollars. In accordance with the provision, General Revenue was provided for this appropriation in July 2022.

Governor's Mansion Renewal Trust Fund: The Mansion Renewal Trust Fund was created for the purpose of funding major repair projects and preservation of the Governor's mansion. The fund has no revenue source other than gifts and donations, depository interest earned, and money transferred to the fund at the direction of the legislature.

Cemetery Preservation Trust Fund: The Cemetery Preservation Trust Fund was established for the purpose of funding maintenance, major repair projects and preservation of the State Cemetery, and also the acquisition of land in close proximity to the Cemetery for its expansion. The fund may receive money transferred or appropriated to the fund, gifts and donations received by the State Cemetery Committee, and interest received from investment of money in the fund.

**Preservation Board
Rider Highlights - Senate**

Modification of Existing Riders

2. **Capital Budget.** Rider revised as follows:
- Removal of Capitol, Capitol Visitor Center, and State History Museum Repair and Preservation Projects (84th Legislature) due to the exhaustion of the 2016-17 biennium appropriation.
 - Continuation of authority to carry forward balances for Deferred Maintenance (85th Legislature).
 - Continuation of authority to carry forward balances for the Texas State Cemetery Master Plan (86th Legislature).
 - Continuation of authority to carry forward balances for the Governor's Mansion Security Upgrades (86th Legislature).

Deleted Riders

3. **Unexpended Balances: Texas History Education Program.** Recommendations include the deletion of Rider 3 as original funding for the Texas History Education Program (appropriated in the 2014-15 GAA) will be fully expended in 2023.
5. **Unexpended Balances: Capitol, Capitol Visitor Center and State History Museum Repair and Preservation Projects.** Recommendations include the deletion of Rider 5 as the funding from this capital project appropriation will be fully expended in 2023.
6. **Unexpended Balances: Maintenance of Historic Property at the Texas State Cemetery.** Recommendations include the deletion of Rider 6 as funding for this program will be fully expended in 2023.

Preservation Board
Items Not Included in Recommendations - Senate

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
Agency Exceptional Items Not Included (in agency priority order)							
1)	Texas State History Museum Roof Replacement. Agency requests funding to replace the roof of the Texas State History Museum.	\$2,000,000	\$2,000,000	0.0	No	Yes	\$0
2)	Texas State History Museum Replacement of Boiler System. Agency requests funding for the replacement of the museum's two boiler system.	\$975,000	\$975,000	0.0	No	Yes	\$0
3)	Texas State History Museum Renovations to Austin Room. Agency requests additional funding to complete the renovation of the museum's Austin Room venue space.	\$1,700,000	\$1,700,000	0.0	No	Yes	\$0
4)	Texas State History Museum Building and Grounds Renovations. Agency requests funding for building and ground projects including \$150,000 for landscaping and pedestrian walkway fencing along MLK Blvd; \$800,000 for Museum Gift Shop renovation; \$110,000 for Spirit theater sound and lighting system improvements; and \$150,000 to replace the point of sale parking garage system.	\$1,210,000	\$1,210,000	0.0	Yes	Yes	\$0
5)	Texas State History Museum Underwriting of Free Field Trips. Agency requests funds to offset revenue lost from providing continued free admission for school field trips to the museum.	\$540,000	\$540,000	0.0	No	No	\$540,000
6)	Texas Mall Outdoor Areas Maintenance - Additional FTEs. Agency requests additional 8.0 FTEs (5.0 FTEs in FY 2024 and 8.0 FTEs in FY 2025) to support increased traffic and events associated with the Texas Mall.	\$556,520	\$556,520	8.0	No	No	\$685,084
7)	Information Technology Services. Agency requests funding for Information Technology Services provided by the Texas Legislative Council via interagency contract.	\$553,480	\$553,480	0.0	Yes	Yes	\$553,480

Preservation Board
Items Not Included in Recommendations - Senate

	2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
	GR & GR-D	All Funds	FTEs			

Agency Rider Requests Not Included

A)	Agency requests the addition of a rider with authority to carry forward funding for the Capitol, Capitol Extension, Capitol Visitor Center Repair and Preservation Projects. The appropriation for these capital projects was provided in Economic Stabilization Funds in House Bill 2, Eighty-seventh Legislature, Regular Session. Continued or extended authority for this request would need to be addressed in subsequent supplemental bills.	\$0	\$0	0.0	No	No	\$0
B)	Agency requests the addition of a rider with authority to carry forward funding for the State History Museum Repair and Rehabilitation Projects. The appropriation for this capital project was provided in Economic Stabilization Funds in House Bill 2, Eighty-seventh Legislature, Regular Session. Continued or extended authority for this request would need to be addressed in subsequent supplemental bills.	\$0	\$0	0.0	No	No	\$0
C)	Agency requests the addition of a rider with authority to carry forward funding for the Texas State Cemetery Master Plan Phase I. The appropriation for this capital project was provided in General Revenue in House Bill 2, Eighty-seventh Legislature, Regular Session. Continued or extended authority for this request would need to be addressed in subsequent supplemental bills.	\$0	\$0	0.0	No	No	\$0
D)	Agency requests the deletion of Rider 8, Texas Mall Outdoor Common Areas. Recommendations include maintaining this rider to designate the funds for the maintenance of the Texas Mall in the 2024-25 biennium.	\$0	\$0	0.0	No	No	\$0

TOTAL Items Not Included in Recommendations		\$7,535,000	\$7,535,000	8.0	\$1,778,564		
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**Preservation Board
Appendices - Senate**

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* Appendix is not included - no significant information to report

Preservation Board
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
PRESERVE BUILDINGS AND CONTENTS 1.1.1	\$723,250	\$723,250	\$0	0.0%	
BUILDING MAINTENANCE 1.1.2	\$71,450,303	\$9,651,055	(\$61,799,248)	(86.5%)	Recommendations include: 1) Decrease of \$2,728,069 in General Revenue for balances carried forward from fiscal year 2021 to the 2022-23 biennium for one-time projects including Governor's Mansion Security Upgrade; Deferred Maintenance; Capitol, Capitol Visitor Center, Texas State History Museum repair and preservation projects. 2) Decrease of \$25,000,000 in Coronavirus State Fiscal Recovery Federal Funds appropriated in SB 8, 87th Legislature, Third Called Session, for maintenance and capital improvement projects. 3) Decrease of \$33,605,000 in Economic Stabilization Funds appropriated in HB 2, 87th Legislature, Regular Session, for repairs and renovations to the Capitol, Capitol Extension, Capitol Visitor Center, Capitol grounds, and Governor's Mansion. 4) Decrease of \$67,227 in Appropriated Receipts from donated funds from the Governor's Mansion restoration. 5) Decrease of \$398,952 in General Revenue for salaries associated with 4.0 FTEs transferred to Strategy B.1.1, Indirect Administration.
STATE CEMETERY 1.1.3	\$6,609,722	\$1,052,356	(\$5,557,366)	(84.1%)	Recommendations include: 1) Decrease of \$5,410,990 in General Revenue for capital projects at the State Cemetery which includes \$4,010,990 in balances carried forward from 2021 to the 2022-23 biennium and \$1,400,000 appropriated in HB 2, 87th Legislature, Regular Session. 2) Decrease of \$146,376 in General Revenue for salaries associated with 1.0 FTE transferred to Strategy B.1.1, Indirect Administration.
SAM HOUSTON STATE OFFICE BLDG 1.1.4	\$0	\$50,000,000	\$50,000,000	100.0%	Recommendations include an increase of \$50,000,000 in General Revenue for the operation and maintenance of the Sam Houston State Office Building.
JOHN H REAGAN STATE OFFICE BLDG 1.1.5	\$0	\$50,000,000	\$50,000,000	100.0%	Recommendations include an increase of \$50,000,000 in General Revenue for the operation and maintenance of the John H. Reagan State Office Building.
MANAGE EDUCATIONAL PROGRAM 1.2.1	\$1,618,272	\$1,618,272	\$0	0.0%	

Preservation Board
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS

Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
MANAGE STATE HISTORY MUSEUM 1.2.2	\$5,219,727	\$3,050,273	(\$2,169,454)	(41.6%)	Recommendations include: 1) Decrease in capital projects of \$2,465,000 in Economic Stabilization Funds appropriated in HB 2, 87th Legislature, Regular Session, for repairs and renovations to the Texas State History Museum. 2) Overall increase in General Revenue comprised of a decrease of \$154,454 due to funding for the Texas History Education Program fully expended in 2023 offset by an increase of \$450,000 for the program for the 2024-25 biennium.
MANAGE ENTERPRISES 1.3.1	\$143,546	\$143,546	\$0	0.0%	
Total, Goal 1, MANAGE CAPITOL AND OTHER BUILDINGS	\$85,764,820	\$116,238,752	\$30,473,932	35.5%	
INDIRECT ADMINISTRATION 2.1.1	\$3,113,879	\$3,677,984	\$564,105	18.1%	Recommendations include: 1) Increase of \$545,328 in General Revenue for salaries associated with 4.0 FTEs transferred from Strategy A.1.2, Building Maintenance, and 1.0 FTE transferred from Strategy A.1.3, State Cemetery. 2) Increase of \$18,777 in General Revenue for the Executive Director exempt position to meet the State Auditor's Office Report market average salary of \$198,987.
Total, Goal 2, INDIRECT ADMINISTRATION	\$3,113,879	\$3,677,984	\$564,105	18.1%	
SALARY ADJUSTMENTS 3.1.1	\$0	\$1,605,196	\$1,605,196	100.0%	Recommendations include an increase of \$1,605,196 in General Revenue for the statewide salary adjustments.
Total, Goal 3, SALARY ADJUSTMENTS	\$0	\$1,605,196	\$1,605,196	100.0%	
Grand Total, All Strategies	\$88,878,699	\$121,521,932	\$32,643,233	36.7%	

Preservation Board
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2021	Actual 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	120.0	136.5	136.5	140.5	140.5
Actual/Budgeted	115.9	105.7	136.5	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 6	\$186,469	\$186,469	\$186,469	\$192,728	\$198,987

Notes:

a) The State Auditor's Office Report, Executive Compensation at State Agencies (Report 22-706, August 2022) indicates a market average salary of \$198,987 for the Executive Director position at the State Preservation Board.

b) The State Auditor's Office is the source for the FY 2021 and FY 2022 annual average (actual) FTE levels.