

MINUTES OF BUDGET AND CONTROL BOARD MEETING

MAY 24 1972

- o -

The Budget and Control Board met in the Governor's Office at 11:00 a. m. on Wednesday, May 24, 1972, with all Board members in attendance. The meeting was also attended by Messrs. P. C. Smith and W. T. Putnam.

The following business was transacted.

RETIREMENT DIVISION - Mr. Tatum Gressette, Director of the Retirement Division, appeared before the Board to discuss his pending retirement. He advised that, whereas original plans called for his retirement on August 31, it now appeared to his benefit to leave as of June 30, 1972.

The Board discussed the fact that a computer system for the Retirement System is presently being designed and that other major changes within the system are pending. Therefore, it was agreed that, because of his extensive knowledge of the details, it would be advisable to retain Mr. Gressette in some consulting capacity. The Board also discussed various alternatives concerning the filling of the position of Director of the Retirement Division, which will be vacated.

No formal action was taken with respect to Mr. Gressette or his successor, and it was agreed that the matter would be resolved at a subsequent meeting.

DIVISION OF TECHNOLOGY UTILIZATION - Upon the recommendation of Governor West, the Board agreed to remove Mr. J. V. Bennett from Director of the Division of Technology Utilization and to install Colonel Charles Burr as head of that Organization. It was agreed that an effort should be made to find some position in State Government for which Mr. Bennett would be qualified and to which he might possibly be transferred.

GENERAL SERVICES DIVISION - OFFICE SPACE - Messrs. Furman E.

McEachern and Rudy Counts appeared before the Board to discuss various problems concerning space allocation. Mr. McEachern stated that original plans called for locating all agencies of a particular functional group in the same geographic location. However, the extensive growth of several State agencies requires at least a temporary abandonment of this plan.

He further reported that the addition to the Sims Building would be completed in about one year and that current plans call for Vocational Rehabilitation to occupy the first floor and the Board of Health to occupy the second, third and fourth floors.

Mr. McEachern said that he expects space in the Edgar A. Brown Building to be allocated as follows:

First Floor - Parks, Recreation and Tourism and
Housing Authority

Second Floor - Parks, Recreation and Tourism, Labor
Department and Recreation Commission

Third Floor - Personnel Division, Arts Commission and
Governor's Office (Division of Administration)

Fourth Floor - Governor's Office (Division of Administration)

Fifth Floor - Tax Commission

The assignment of space in the aforementioned buildings is based upon the need for approximately 150 square feet per person.

Mr. McEachern advised the Board that Mr. Earl Ellis did not necessarily approve of the Personnel Division being located in the Central Office Complex and asked that Mr. Ellis be given an opportunity to state his reasons.

Mr. Ellis assured the Board that he had no personal objections to being located in the Edgar A. Brown Building but that he felt that the parking situation was of such a critical nature that the many applicants visiting his office might be severely inconvenienced.

Mr. McEachern reported that even after all new buildings have been completed and all new space occupied, the State will still be renting 149,348

square feet of space in the Columbia area at an annual cost of \$406,290.45. He further indicated that these figures were based upon current needs and did not take into consideration any expansion of the fourteen agencies involved. (A schedule of these agencies has been retained in these files and is designated as Exhibit I)

In order to provide adequate State-owned facilities, Mr. McEachern recommended the construction of a new building or buildings to provide approximately the same number of square feet of office space as the Edgar A. Brown Building. He further recommended that the building or buildings be constructed on property located directly across Bull Street from the Headquarters Building of the Mental Health Commission.

In order to begin planning for this construction, Mr. McEachern asked the Board for its approval of a recommendation to the General Assembly for the authorization of the construction of another office building or buildings to be financed by loans from the State Sinking Fund which would be repaid through rental income.

The Board approved this recommendation.

HEALTH INSURANCE - Mr. Earl Ellis reported that preliminary bids on the State health insurance plan were received on Wednesday, May 17, 1972, and were presently being analyzed. He further stated that by Friday, May 26, 1972, he would be ready to make a recommendation to the Budget and Control Board.

The Board agreed to meet at 10:00 a. m. on Wednesday, May 31, 1972, for the purpose of considering the recommendations of Mr. Ellis pertaining to the health insurance plans.

Mr. Ellis agreed to furnish the members with appropriate data for study prior to the meeting.

CONSULTANTS' EXPENSES - COUNCIL OF STATE GOVERNMENTS - The Budget and Control Board approved the payment of expenses for two consultants pro-

vided by the Council of State Governments to study the recommendations of the Governor's Management Review Commission which pertained to the funding of the Retirement System.

There being no further business, the meeting was adjourned at 12:30 p. m.

Commercial Rentals Not Moving

EXHIBIT I
MAY 24, 1972

| <u>Agency</u> | <u>Square Feet</u> | <u>Annual Rent</u> |
|--|----------------------|----------------------------|
| ABC Commission | 6,430 | \$ 27,327.50 |
| Alcoholism Commission | 3,213 | 15,261.75 |
| Board of Bank Control, Small Loan Division | 1,055 | 4,431.25 |
| Blind Commission | 3,624 | 11,052.00 |
| Insurance Department | 15,530 | 52,025.50 |
| Pollution Control Authority | 12,141 | 45,528.75 |
| Probation, Parole & Pardon Board | 4,020 | 16,683.00 |
| Public Service Commission | 16,045 | 38,804.85 |
| Social Services (Public Welfare) | 29,651 | 118,652.85 |
| Election Commission | 2,700 | 13,400.00 |
| Education Department | 4,300 | 15,050.00 |
| * | <hr/> 98,709 | \$ <hr/> 358,217.45 |
| Mental Retardation Commission | 4,452 | 17,897.00 |
| Council on Aging | 2,187 | 8,792.00 |
| * | <hr/> 105,348 | \$ <hr/> 384,906.45 |
| Education Television | 44,000 | 75,384.00 |
| ** | <hr/> <u>149,348</u> | \$ <hr/> <u>460,290.45</u> |

E N D