



Legislative Council Staff

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Memorandum

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December 11, 2018

TO: Capital Development Committee

FROM: Kori Donaldson, Principal Research Analyst, 303-866-4976

SUBJECT: FY 2019-20 Capital Budget Requests and Projected Available Revenue

Summary

This memorandum summarizes the capital construction requests for FY 2019-20. It also discusses projected revenue available for FY 2019-20 capital construction and controlled maintenance projects.

Requests

State-funded capital construction and controlled maintenance requests. For FY 2019-20, 50 state-funded capital construction projects have been submitted for funding consideration, including 16 new or continuation requests recommended for funding by the Governor's Office of State Planning and Budgeting (OSPB), and 34 new or previously requested projects that are not recommended for funding by OSPB. Included in the total of recommended projects are three requests associated with the issuance of certificates of participation (COPs) to finance construction on the National Western Center campus, including a request to make a lease payment for the first issuance of COPs and two requests for project review in advance of a second COP issuance.

The FY 2019-20 prioritized controlled maintenance submission includes 110 total projects, including 56 Level I and II projects recommended for funding by OSPB and 54 Level II and III projects not recommended for funding. Table 1, on the next page, lists the number of state-funded projects by category and the associated total request amounts.

Table 1
FY 2019-20 State Funded Capital Construction and Controlled Maintenance Requests

Category	Number of Projects	Cost (in millions)
<i>Recommended for funding</i>		
Continuation projects	7	\$92,620,388
New requests	6	\$48,893,742
Lease-purchase payments and projects*	3	\$125,092,702
Controlled maintenance	56	\$54,561,688
<i>Subtotal, Recommended for funding*</i>	72	<i>\$196,075,818</i>
<i>Not recommended for funding</i>		
New requests	19	\$140,166,095
Previously requested	15	\$169,979,660
Controlled maintenance	54	\$41,187,145
<i>Subtotal, Not recommended for funding</i>	88	<i>\$351,332,900</i>
GRAND TOTAL, ALL STATE-FUNDED PROJECTS	160	\$547,408,718

Cash match for state-funded requests. Many of the state-funded projects requested by higher education institutions for funding in FY 2019-20 include a cash match. The total cash match for all state-funded projects submitted for FY 2019-20 funding consideration is \$85.1 million, including \$26.9 million in cash funds spending authority requested on behalf of projects recommended for funding by OSPB and \$58.2 million requested on behalf of projects not recommended for funding by OSPB.

Cash-funded capital construction requests. In addition to the projects requesting state funding for FY 2019-20, three state agencies requested cash funds spending authority for a combined total of five projects. The cost of the five cash-funded capital construction requests is \$15.7 million.

Revenue

There is currently projected to be about \$62.2 million available for FY 2019-20 capital construction and controlled maintenance projects from the Capital Construction Fund, as shown in Table 2. Table 2 also shows the projected interest earnings for FY 2018-19 and the General Fund transfer to the CCF recommended by OSPB to fund its prioritized recommendation.

Table 2
Projected FY 2019-20 Capital Construction Fund Revenue

Reversions to fund	\$1,805,318
Unobligated interest earnings in FY 2017-18	\$400,983
June 30, 2019, statutory transfer pursuant to Senate Bill 17-262	\$60,000,000
Beginning fund balance	\$62,206,301
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Projected interest earnings in FY 2018-19	\$2,181,195
FY 2019-20 General Fund transfers recommended by OSPB*	\$197,303,793
Projected fund balance available for FY 2019-20 projects	\$201,691,289

*CDC staff assumes that the OSPB transfer amount includes the \$60 million transfer made on June 30, 2019, pursuant to SB 17-262.