

Capital Outlay

The Governor’s proposed capital outlay amendments include a net increase of \$354.0 million in project funding. Specific actions include \$153.8 million in state-supported debt, through the Virginia College Building Authority and the Virginia Public Building Authority, most of which is to supplant projects authorized in prior biennia. The budget also includes \$10.5 million in 9(c) bond authority and \$99.8 million in 9(d) bond authority for auxiliary enterprise and other nongeneral fund revenue-supported projects at the colleges and universities, and \$115.1 million in nongeneral fund projects. The budget as introduced also includes a reduction of \$24.9 million GF in the Maintenance Reserve program.

Capital Outlay Proposed Amendments By Fund Source	
<u>Fund Type</u>	<u>\$ Millions</u>
Budget Bill:	
General Funds	(\$25.2)
VPBA Bonds	89.9
VCBA Bonds	63.9
9 (c) Bonds	10.5
9(d) Bonds	99.8
Nongeneral Funds	<u>115.1</u>
Total	\$354.0

Balances from previously authorized general and nongeneral fund capital projects totaling \$92.4 million are reverted to the general fund. General funds of \$84.4 million are reverted from capital projects authorized in prior biennia and nongeneral fund balances totaling \$7.9 million (Transportation Trust Funds and special funds) are reverted from projects authorized both in prior biennia and in the current biennium. In addition, \$5.7 million GF is transferred through actions in Part III of the budget.

The budget proposes to replace \$84.9 million in reverted general fund projects with proceeds from bonds issued by the Virginia College Building

Authority (VCBA) and the Virginia Public Building Authority (VPBA). In addition, \$4.4 million of debt is used to fund projects previously supported by inmate revenues in the Department of Corrections. Bonds issued by these two authorities are considered tax-supported debt.

Tables at the end of this narrative detail the proposed projects.

Selected Capital Outlay Actions

- **Department of General Services**
 - ***Renovate State Capitol.*** Provides \$54.5 million in VPBA bond authority to renovate the State Capitol including replacing obsolete mechanical, electrical, and plumbing systems and repair of structural deficiencies.
 - ***Renovate Washington Building.*** Provides language authorizing the Governor to approve the use of a public-private partnership to renovate the Washington Building including installation of fire suppression systems, asbestos abatement and replacement of heating and ventilation systems. The estimated cost of the project is \$13.1 million.
- **Virginia School for the Deaf and Blind at Staunton**
 - ***Install Boilers.*** Provides \$1.2 million in VPBA bonds to provide heat and hot water to the campus. This project was necessitated by the closure of Staunton Correctional Center.
- **Department of Corrections**
 - ***Maintenance Reserve.*** Provides \$2.8 million in excess earnings on VPBA bond proceeds to supplant general funds that were reverted under a separate item. Language requires certification prior to use the funds.
- **Department of Transportation**
 - ***Land Acquisition.*** Transfers property previously used by the Department of Corrections Fairfax Correctional Field Unit to the Department of Transportation (VDOT). VDOT may use the property to develop a joint facility with Fairfax County in which case Fairfax County will pay \$1.0 million to the Commonwealth. If Fairfax County does not locate any of its facilities on the site, VDOT must transfers \$1.0 million to the general fund in FY 2003.

- **Central Appropriations**
 - ***Maintenance Reserve.*** Reduces from \$49.8 million to \$24.9 million the amount available for maintenance reserve projects at state agencies. The funding is used for such projects as the installation of new roofing, needed electrical repairs, and the repair of heating and cooling systems. These actions were recommended by the Governor as part of his October budget reductions.
 - ***Statewide Energy Efficiency Projects.*** Reduces general fund projects with energy saving components by \$251,143 and replaces them with funds from the Oil Overcharge Expendable Trust Fund.