

State Capital Projects and Leases

Presentation to the
State Budget Committee

December 8, 2010

Capital Budget Development

- Capital budget instructions
 - Distributed in July 2010
 - Budget requests due by September 24, 2010
- Budget Committee hearings
 - Agency capital budget requests included in agency budget presentations
 - 504cp report details capital budget requests

Categories of Capital Requests

- 4 categories of capital budget requests:
 1. Leases – lease payments made to the Indiana Finance Authority to cover debt service for bonded facilities
 2. Preventive Maintenance (PM)
 3. Repair & Rehabilitation (R&R)
 4. Projects (or Line Items) – examples include new construction, land acquisition, contingency funds, etc.

Capital Budget Process

- Agencies and facilities develop 10-year master plans that guide investments
- Lease payments are made to ensure the State's legal obligations are met
- State Budget Agency has released all PM funds this biennium to ensure agencies are maintaining existing state facilities
- Repair & Rehabilitation (R&R) projects reviewed by Capital Spending Committee
 - Committee consists of State Budget Agency, IDOA Department of Public Works, and key agency stakeholders
 - Majority of appropriations have not been released to date

Capital Budgets Overview

- Leases – figures provided by the Indiana Finance Authority
- PM – figures similar, if not identical, to FY09-11 appropriations
- R&R / Projects – figures and projects similar to (and in most cases, lower than) FY09-11 appropriations
 - University R&R requests

Various Funding Sources

- General Fund
- Post War Construction Fund
- State Highway Fund
- Regional Health Care Construction Fund
 - Tobacco Master Settlement Fund
- Veterans' Home Fund
- State Police Building Fund
- Cigarette Tax Fund
- Build Indiana Fund
- Law Enforcement Training Fund

Handouts

- Requests by agency with category of request (or “project type”) and cost
- Requests by agency with project type, funding source, and cost
- Post War Construction Fund Requests
 - Also includes revenue projection for Post War Construction Fund

Questions?