

State Budget Committee
Meeting Minutes
December 18, 2017

Members:

Senator Ryan Mishler, Chairman
Representative Tim Brown
Senator Karen Tallian
Representative Greg Porter
Mr. Jason Dudich, State Budget Director

Alternate Members:

Senator Liz Brown
Representative Bob Cherry
Senator Greg Taylor

The Chairman, Senator Ryan Mishler, called the meeting to order at 1:00 PM.

Following introductions, Tom Jackson from IHS Markit was introduced and presented the state's economic forecast.

David Reynolds and Bill Weinmann presented the December 2017 Revenue Forecast Technical Committee update of the April 2017 forecast.

Allison Taylor, Indiana's Medicaid Director, and Christine Mytelka of the actuarial and consulting firm Milliman presented the Medicaid forecast.

Senator Mishler introduced the October meeting minutes. Representative Tim Brown moved to adopt the October minutes, Senator Karen Tallian seconded the motion, and the motion was adopted by consent of the committee.

Senator Mishler introduced the agenda. Senator Tallian motioned to have the Budget Committee meet in January to review the Department of Child Services' budget. Representative Greg Porter seconded the motion made by Senator Tallian. Committee members discussed the need for more information and debated timing issues related to a meeting during the legislative session.

Senator Tallian amended the motion to have a special meeting of the Budget Committee before the legislative session ends. Budget Director Jason Dudich discussed how the State Budget Agency has been working with the Department of Child Services to identify savings and to make sure that the department has the resources needed to operate efficiently. Representative Porter voiced concerns that having the meeting after the legislative session ended would not allow legislators to take immediate action. Senator Greg Taylor also expressed an interest in having a meeting about DCS before the legislative session ends. Senator Mishler called the roll for the amendment proposed by Senator Tallian. Representative Brown voted nay. Representative Greg Porter voted aye. Senator Tallian voted aye. Mr. Dudich voted nay. Senator Mishler voted nay and the motion failed to pass.

Senator Tallian moved to approve the December agenda and Representative Brown seconded. The motion passed by the consent of the committee.

The December Budget Committee Agenda is as follows:

I. Minutes

1. October 20, 2017

II. Discussion Items

1. Economic Forecast
2. Revenue Forecast
3. Medicaid Forecast

III. Agency Projects

1. Indiana State Museum and Historic Sites (303) \$ 2,200,000
T.C. Steele State Historic Site Visitor Center and Infrastructure Improvements

The Indiana State Museum and Historic Sites (ISMHS) requests funding to construct a visitor center and address infrastructure needs at the T.C. Steele State Historic Site. The 211 acre site has 10 structures totaling 7,862 square feet, a nature preserve, gardens, and a cemetery which were all deeded to ISMHS in 1945. The site lacks drinking water and modern restrooms for visitors. The request includes the construction of a new 4,600 square foot visitor center and will relocate offices and the gift shop from the historic buildings to the new center. The visitor center will include modern restrooms, a new visitor orientation space, and a workroom. The project also includes a utility run of 500 feet for the water line and 2,640 feet for the sanitation line to connect the new visitor center as well as two existing buildings.

Funding:	HEA 1001: 2017 General Fund (Conservation & Environment R&R 19710-2018)	\$ 200,000
	HEA 1001: 2017 General Fund (Bicentennial Match 19710-2018)	\$ 1,000,000
	Gift	\$ 1,000,000

III. University Projects

1. Ivy Tech Community College \$3,000,000
Fort Wayne Harshman Hall Renovation
Project No. F-0-17-2-04

The Trustees of Ivy Tech Community College request authorization to proceed with the renovation of Harshman Hall on the Fort Wayne Campus. The 66,687 GSF Harshman Hall was originally constructed in 1965 as part of the State of Indiana's Fort Wayne Hospital and Training Center campus. Ivy Tech acquired the building in 2007 as part of the State's closure of the Fort Wayne State Developmental Center Campus. The project includes repairs, revisions, and replacements to the mechanical, electrical, and plumbing systems that have been identified as critical based on physical condition and impact on operations. The project also includes repairs to exterior window panels, piping supports in the existing steam tunnel, and roofing. A portion of the funds will also be used to develop a masterplan for building-wide space restructuring which includes the relocation of support services from other campus locations. The estimated cost of the project is \$3 million and will be funded through an HEA 1001 – 2017 cash funded appropriation. This request is the first of multiple phases to renovate the building.

Funding: HEA 1001: 2017 Capital Cash Appropriation \$3,000,000
(Education 19715-2018)
CHE Review: October 12, 2017

2. Purdue University – West Lafayette \$ 35,000,000
Veterinary Medicine Teaching Hospital Phase I
Project No. B-1-18-1-04

The Trustees of Purdue University request to proceed with the financing and construction of the Veterinary Medicine Teaching Hospital Phase I project on the Purdue University West Lafayette Campus. The Veterinary Teaching Hospital was opened in 1959 and an addition was made to Lynn Hall in 1995. This project would expand the College of Veterinary Medicine to the east of the existing complex into space made available by the development of the Williams Street extension to Harrison Street and the demolition of Freehafer Hall. Phase I would include the construction of an approximately 76,600 GSF Large Animal/Equine Hospital, a separate entrance to the hospital off of South Grant Street, paddocks adjacent to the South Grant Street Entrance, and the necessary utility work. The Large Animal/Equine Hospital would include space for the following: large animal surgery, radiology, receiving for large animals, large animal exam and diagnostic equipment, large animal treatment, medicine ward, surgery ward, therio ward, and a large animal intensive care unit (ICU). An additional phase of construction to address small animals and food animals with an estimated cost of \$52,000,000 is currently being planned and will be requested at a later date.

Funding: Operating Funds - Reserves \$ 30,000,000
Gifts Funds \$ 5,000,000

CHE Review: September 14, 2017

3. Purdue University – West Lafayette \$ 2,395,000

Lynn Hall of Veterinary Medicine HVAC Renovation

Project No. B-1-18-2-03

The Trustees of Purdue University request to proceed with the financing and construction of the Lynn Hall of Veterinary Medicine HVAC renovation project on the West Lafayette Campus. This is the next step of the Lynn Hall air handling renovations that were recommended as part of the Lynn Hall Air Handling Unit Feasibility Study conducted in 2014. The scope of the study focused only on the original 1950s building and does not include the 1990s addition and the 2005 Radiation Therapy addition. The renovation will install a new HVAC unit to serve the basement and ground floor for small animal and basic science areas of Lynn Hall. An additional HVAC unit will be installed to serve the northeast portion of the second floor and the north portion of the first floor, both basic science areas.

Funding:	HEA 1001: 2017 R&R Appropriation	\$ 1,676,500
	Operating Funds	\$ 718,500

CHE Review: September 14, 2017

Cost Summary

December 18th 2017

2017 General Fund	\$1,200,000
HEA 1001: 2017 Capital Cash Appropriation	\$2,000,000
HEA 1001: 2017 R&R Appropriation	\$1,676,500
University Operating Funds	\$718,500
University Operating Funds – Reserve	\$30,000,000
Gifts	\$6,000,000
Total	\$ 42,595,000

IV. Review Items

1. Outreach and Educational Videos – Secretary of State
2. Alternative Education – Department of Education
3. Medicaid State Plan and Waiver Amendment – Family and Social Service Administration
4. Indiana Sports Corp

V. Reports Received

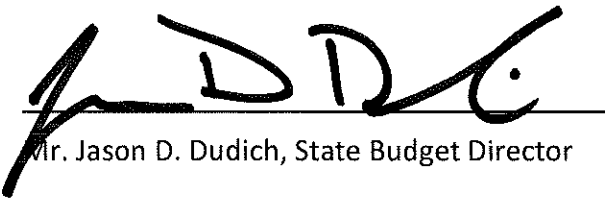
1. Report on School Financial Management – Department of Local Government Finance (10.31.17)

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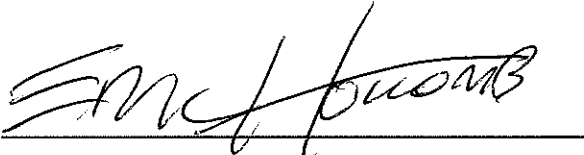
2. 21 Fund Third Quarter Report – Indiana Economic Development Corporation (10.31.17)
3. SEA 301-2016, Section 12 – Ivy Tech Community College (10.30.17)
4. DCS 12/17 Report – Department of Child Services (12.11.17)

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Senator Ryan Mishler, Chairman

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Mr. Jason D. Dudich, State Budget Director

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Mr. Eric Holcomb, Governor, State of Indiana