

Capital Outlay

The capital outlay amendments for the FY 2003-2004 biennium provide a net increase of \$548.4 million in project funding. Specific actions include \$225.8 million in state-supported debt through the Virginia College Building Authority and the Virginia Public Building Authority most of which is to address projects whose general funds were supplanted in the introduced budget.

The adopted budget provides \$161.7 million in 9(c) bond and 9(d) bond authority for auxiliary enterprise and other nongeneral fund revenue-supported projects at the colleges and universities. The budget also includes \$186.1 million in nongeneral fund projects. Finally, the adopted budget includes the \$24.9 million GF reduction to the maintenance reserve program proposed by the Governor in his October budget reductions .

Capital Outlay Amendments By Fund Source	
<u>Fund Type</u>	<u>\$ Millions</u>
General Funds	(\$25.2)
VPBA Bonds	154.0
VCBA Bonds	71.8
9 (c) Bonds	10.5
9(d) Bonds	151.2
Nongeneral Funds	<u>186.1</u>
Total	\$548.4

Tables in Appendix D detail the capital outlay amendments.

October Reduction Actions

In order to balance the budget, the Governor proposed the reversion of balances from previously authorized general and nongeneral fund capital projects totaling \$92.4 million. General funds of \$84.4 million were reverted from capital projects authorized in prior biennia and nongeneral fund balances totaling \$7.9 million (Transportation Trust Funds and special funds) were

reverted from projects authorized both in prior biennia and in the current biennium. In addition, \$5.7 million GF was transferred through actions in Part III of the budget.

As proposed in October, the budget as adopted provides \$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.

Other capital outlay projects included in the budget as adopted are described below:

Selected Capital Outlay Actions

- **Department of General Services**
 - ***Renovate Capitol Square.*** Provides \$118.6 million in VPBA bond authority and \$6.0 million from nongeneral funds to renovate and restore buildings in Capitol Square. The amendment includes \$73.9 million for the renovation of the State Capitol to include upgrading utilities. The amendment also provides language authorizing the Governor to approve the use of a public-private partnership in lieu of VPBA debt to renovate the Washington Building and Finance Building. The estimated cost of these projects is \$44.7 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.
- **Virginia Military Institute**
 - ***Patchin Field House.*** Provides \$0.9 million from nongeneral funds to renovate and expand the student locker room facilities at Patchin Field House to accommodate the expansion of women's athletics program. Language authorizes the Institute to accept a gift from the VMI Keydet Club, Inc. in the form of renovation and expansion of the facility.

- **Department of Corrections**
 - ***Maintenance Reserve.*** Provides \$4.1 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 of 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 transfer \$1.0 million to the general fund in FY 2003.
 - ***Dulles Toll Road Administration Building.*** Provides \$2.2 million from the transportation trust funds to renovate and expand the Dulles Toll Road Administration Building.

- **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.