



**Colorado  
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Council  
Staff**

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February 11, 2013

**TO:** Capital Development Committee

**FROM:** Kori Donaldson, Research Associate II, 303-866-4976

**SUBJECT:** FY 2013-14 Capital Construction Requests and Projected Available Revenue -- Revised from December 10, 2012

**M E M O R A N D U M**

**Summary**

*This memorandum, which was originally published December 10, 2012, has been updated to reflect revised revenue projections and costs for various projects. It provides an overview of projected revenue available in FY 2013-14 for capital construction and controlled maintenance projects. It also summarizes the state-funded capital construction requests for FY 2013-14. Table 2 provides an overview of projected revenue versus requests for capital projects in FY 2013-14. Table 2 shows a \$384.6 million revenue shortfall to fund all capital requests.*

**Revenue**

As of January 22, 2013, there is projected to be about \$1.4 million available for FY 2013-14 capital construction projects from the Capital Construction Fund (CCF). Of this amount, \$0.7 million comes from the uncommitted fund balance from prior fiscal years. Additional funds come from projected CCF interest earnings in FY 2012-13. The Governor's Office of State Planning and Budgeting (OSPB) recommended a General Fund transfer of \$108.9 million to fund capital projects for FY 2013-14 in a January 31, 2013 letter to the Capital Development Committee.

**Requests**

**State-funded requests.** As of January 25, 2013, there are 30 state-funded capital construction requests for FY 2013-14, including 10 from state departments and 20 from higher education institutions. Table 1, beginning on the next page, lists the number of projects, by type, and the associated total request amounts.

**Table 1  
FY 2013-14 State-Funded Capital Construction Requests**

<b>Project Type</b>	<b>Number of Projects</b>	<b>Amount (in millions)</b>
State department projects	9	\$28.5
COP payments	3	\$40.5
Higher education projects	17	\$233.2
Higher education capital renewal projects	1	\$12.5
<b>Subtotal: Capital Construction</b>	<b>30</b>	<b>\$314.7</b>
Controlled maintenance, level 1	29	\$22.0
Controlled maintenance, level 2	39	\$23.0
Controlled maintenance, level 3	37	\$26.3
<b>Subtotal: Controlled Maintenance</b>	<b>105</b>	<b>\$71.3</b>
<b>Grand Total: Capital Construction and Controlled Maintenance</b>	<b>135</b>	<b>\$386.0</b>

In a letter dated January 31, 2013, OSPB recommends funding 12 state-funded projects for FY 2013-14, including three certificates of participation (COP) payments, the Level 1 and Level 2 Controlled Maintenance requests (\$45.0 million), and seven new state department projects. A General Fund transfer of \$108.8 million will be required in order to fully fund the OSPB recommendation.

**Cash-funded requests.** In addition to the 30 state-funded projects requested for FY 2013-14, there are 17 cash-funded requests, including 1 Judicial Branch and 16 state department requests. Higher education cash-funded requests are submitted separately, and are not calculated in the FY 2013-14 total cash-funded request amounts, with the exception of the cash-funded component of the two higher education certificates of annual participation (COPs) payments. The total cash funds requested for all projects is \$115.4 million, including off-the-top moneys from the Highway Users Tax Fund (HUTF) and reappropriated funds for the Colorado Financial Reporting System (COFRS) Modernization project. An additional \$1.5 million is requested in federal funds spending authority. The total cash and federal funds request amount, excluding the cash and federal fund components of the various state-funded requests, is \$82.7 million.

More specific information about any of the state- or cash-funded requests is available upon request to Legislative Council Staff.

**Table 2**  
**FY 2013-14 Capital Construction Fund (CCF) Revenue**  
**and State-Funded Capital Requests**

<b>REVENUE</b>	
<i>CCF Balance – July 1, 2012</i>	<b>\$754,000</b>
Projected FY 2012-13 CCF interest	650,000
<b>Projected CCF Balance – July 1, 2013</b>	<b>\$1,404,000</b>
<b>REQUESTS</b>	
<b>State Departments</b>	
<i>Centennial Correctional Facility COP Payment</i>	\$18,431,100
<i>Department of Higher Education COP Payment*</i>	14,947,338
<i>New Requests</i>	28,565,690
<b>Subtotal - State Department Projects</b>	<b>\$61,944,128</b>
<b>Higher Education</b>	
<i>Anschutz COP Payment</i>	\$7,137,966
<i>Higher Education Requests</i>	233,167,561
<i>Higher Education Capital Renewal Requests</i>	12,491,802
<b>Subtotal - Higher Education Projects</b>	<b>\$252,797,329</b>
<b>Controlled Maintenance (state departments and higher education institutions)</b>	
<i>Level 1 (29 projects)</i>	\$21,977,822
<i>Level 2 (39 projects)</i>	22,949,867
<i>Level 3 (37 projects)</i>	26,353,908
<b>Subtotal - Controlled Maintenance Projects</b>	<b>\$71,281,597</b>
<b>TOTAL - Requests</b>	<b>\$386,023,054</b>
<b>SURPLUS / (SHORTFALL)</b>	<b>(\$384,619,054)</b>

\*The source of revenue identified for this COP payment is moneys earned from federal mineral leasing. Projections included in the December 20, 2012, Legislative Council Staff economic forecast indicate that there will not be sufficient moneys available from this source to make the full FY 2013-14 payment; therefore, the project is being partially requested from state funds.