



Colorado Legislative Council Staff

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TO: Capital Development Committee
FROM: Kori Donaldson, Research Associate II, 303-866-4976
SUBJECT: FY 2013-14 Capital Construction Requests and Projected Available Revenue

MEMORANDUM

Summary

This memorandum 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 \$378.4 million revenue shortfall to fund all capital requests.

Revenue

As of December 10, 2012, there is projected to be about \$1.6 million available for FY 2013-14 capital construction projects from the Capital Construction Fund (CCF). Of this amount, \$1.0 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 \$102.8 million to fund capital projects for FY 2013-14 in the November 1, 2012 budget submission to the Joint Budget Committee.

Requests

State-funded requests. As of December 10, 2012, there are 27 state-funded capital construction requests for FY 2013-14, including 7 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

Project Type	Number of Projects	Amount (in millions)
State department projects	6	\$22.3
COP payments	3	\$40.8
Higher education projects	17	\$233.2
Higher education capital renewal projects	1	\$12.5
Subtotal: Capital Construction	27	\$308.8
Controlled maintenance, level 1	29	\$22.0
Controlled maintenance, level 2	39	\$22.9
Controlled maintenance, level 3	37	\$26.3
Subtotal: Controlled Maintenance	105	\$71.2
Grand Total: Capital Construction and Controlled Maintenance	132	\$380.0

In a letter dated November 1, 2012, OSPB recommends funding nine 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 four new state department projects. A General Fund transfer of \$102.6 million will be required in order to fully fund the OSPB recommendation.

Cash-funded requests. In addition to the 27 state-funded projects requested for FY 2013-14, there are 16 cash-funded requests, including 1 Judicial Branch and 15 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 \$112.3 million, including off-the-top moneys from the Highway Users Tax Fund (HUTF). 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 \$80.0 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

REVENUE	
<i>CCF Balance – July 1, 2012</i>	\$1,015,000
Projected FY 2012-13 CCF interest	600,000
<i>Projected CCF Balance – July 1, 2013</i>	\$1,615,000
REQUESTS	
State Departments	
<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>	22,272,500
Subtotal - State Department Projects	\$55,650,938
Higher Education	
<i>Anschutz COP Payment</i>	\$7,472,263
<i>Higher Education Requests</i>	233,167,561
<i>Higher Education Capital Renewal Requests</i>	12,491,802
Subtotal - Higher Education Projects	\$253,131,626
Controlled Maintenance (state departments and higher education institutions)	
<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
Subtotal - Controlled Maintenance Projects	\$71,281,597
TOTAL - Requests	\$380,064,161
SURPLUS / (SHORTFALL)	(\$378,449,161)

*The source of revenue identified for this COP payment is moneys earned from federal mineral leasing. Projections included in the September 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.