

## Fiscal Highlights

### FY 2017 Capital Improvement Allocations - Angela J. Oh

The State of Utah has a statutory requirement to fund capital improvements and it is one of the few states that uses ongoing appropriations to do so. The 2016 Legislature appropriated almost \$118 million to the Capital Budget line item for capital improvements. Current law, [UCA 63A-5-104\(7\)](#), requires capital improvement funding to be 1.1 percent of combined building values before the State can build any new buildings. During budget deficits, statute allows funding to fall below the 1.1 percent replacement value to 0.9 percent without additional statutory changes.

Prior to the 2016 General Session, capital improvements, formerly known as alterations, repairs, and improvements (AR and I), consisted of projects costing less than \$2.5 million to improve an existing facility or less than \$500,000 to construct a new facility. [S.B. 156, "State Facilities Amendments,"](#) amends the thresholds for capital improvement (and capital development funding) so capital improvements are now \$3.5 million or less to remodel, alter, replace, or repair a project; or \$3.5 million or less for a site or utility improvement. This change allows for projects that would have been considered capital development projects to now be considered capital improvements.

The Division of Facilities Construction and Management, under the direction of the State Building Board, uses capital improvement funds to make critical repairs to state facilities and replace worn equipment. Typical improvement projects include repairs to utility tunnels, HVAC systems, electrical systems, roofs, and parking lots.

The table below shows the FY 2017 allocation of capital improvements approved by the State Building Board.

FY 2017 Capital Improvement Allocations			
Dixie State University	\$ 2,646,000	Environmental Quality	-
Salt Lake Community Col.	\$ 4,906,400	Fairpark	\$ 1,355,700
Snow College	\$ 2,651,300	Health	\$ 943,500
Southern Utah University	\$ 3,547,400	Human Services	\$ 4,316,200
University of Utah	\$ 26,688,800	National Guard	\$ 2,610,000
Utah State University	\$ 12,365,000	Natural Resources	\$ 541,800
Utah Valley University	\$ 4,000,000	Parks and Recreation	\$ 2,811,400
Weber State University	\$ 4,875,500	Wildlife Resources	\$ 1,902,300
Utah Col. of Applied Tech.	\$ 5,922,500	Office of Education	\$ 1,621,000
<i>Subtotal Higher Education</i>	<i>\$ 67,602,900</i>	Public Safety	\$ 516,200
		Tax Commission	\$ 336,300
Agriculture	\$ 515,500	Transportation	\$ 2,054,600
Alcoholic Beverage Control	\$ 1,090,500	Veterans Affairs	\$ 557,500
Capitol Preservation Board	\$ 2,416,100	Workforce Services	\$ 1,085,900
Heritage and Arts	\$ 708,500	Statewide Programs	\$ 5,232,000
Corrections	\$ 3,625,800	Critical Needs	\$ 5,822,000
Courts	\$ 4,527,100	<i>Subtotal Agencies</i>	<i>\$ 50,222,200</i>
DFCM	\$ 5,632,300	<b>Grand Total</b>	<b>\$ 117,825,100</b>