

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Executive

AGENDA NO.: 1

AGENCY: Military Department

ANALYST: Evan Brasseaux

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$392,730	0
Interagency Transfers:	\$0	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$392,730			
Total	<u>\$392,730</u>	Total	<u>\$392,730</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to budget federal funding associated with the operations and maintenance of the Baton Rouge Armed Forces Reserve Center (AFRC) and Joint Maintenance Shop (JMS). This facility was federally funded and built as a result of the 2005 Base Realignment and Closure Commission's decision that Baton Rouge have one reserve center rather than three which previously housed the different military components in the city. The facility will house the U.S. Army Reserve, the U.S. Marine Corp Reserve and the Louisiana National Guard and will provide over 157,000 square feet of space to train, support and provide administrative space for over 700 soldiers. These entities were previously housed in rented space near the Baton Rouge airport.

These funds will allow the Memorandum of Agreement between the three parties to be fully executed and will allow the state to receive federal funding which has been made available for the sustainment, restoration and maintenance of the AFRC. The state match required for these funds for FY 12 is approximately \$21,000 (for nine months of operation) and will be absorbed within the SMD budget in the current fiscal year. The Military Department has requested state general fund in the amount of \$28,000 (annualized cost) for this additional cost in FY 13 and beyond. The funds associated with this BA-7 will provide reimbursement of anticipated operational costs for the U.S. Marine Corp Reserve (\$117,146) and the U.S. Army Reserve (\$275,584) for FY 12.

II. IMPACT ON FUTURE FISCAL YEARS

The anticipated shared operational costs by the U.S. Marine Corp Reserve and the U.S. Army Reserve are projected to be approximately \$410,000 in FY 13 with slight increases in subsequent fiscal years. Additional budget authority will be necessary to budget these federal funds in future years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
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DEPARTMENT: Environmental Quality

AGENDA NO.: 2

AGENCY: Office of Secretary

ANALYST: Matthew LaBruyere

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$0</u>	Total	<u>\$0</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to provide for a means of financing (MOF) swap between the Clean Water State Revolving Loan Program and the Environmental Trust Fund in the amount of \$410,000. The expenditure level anticipated from the Clean Water State Revolving Loan Program must be reduced due to a decline in the staff level of effort toward Clean Water ARRA projects. As ARRA projects were completed, staff time has been shifted to other projects which are funded by the Environmental Trust Fund.

This MOF swap includes a decrease in salaries of \$307,500 and related benefits in the amount of \$102,500 for a total reduction of Clean Water State Revolving Loan Program funding in the amount of \$410,000 and a like increase in funding from the Environmental Trust Fund.

II. IMPACT ON FUTURE FISCAL YEARS

It is anticipated that the same level of funding will be required from the Environmental Trust Fund in subsequent fiscal years. This BA-7 returns funding to historical levels (pre-ARRA).

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE
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DEPARTMENT: Higher Education

AGENDA NO.: 3

AGENCY: SU System

ANALYST: Charley Rome

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Board of Supervisors	\$0	0
Interagency Transfers:	\$0	SU - Agricultural & Mechanical College	\$31,449	0
Self-Generated Revenue:	\$1,057,268	SU - Law Center	\$421,962	0
Statutory Dedications:	\$0	SU - New Orleans	\$454,723	0
Federal Funds:	\$0	SU - Shreveport	\$149,134	0
		SU - Agricultural Research & Extension Ctr	\$0	0
Total	<u>\$1,057,268</u>	Total	<u>\$1,057,268</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority by \$1,057,268 due to funds carried-forward from fiscal years 2008, 2009, and 2010 by authority granted under L.R.S. 17:3386. L.R.S. 17:3386 was originally enacted by Act 971 of the 1985 Regular Session and was amended by Act 418 of the 2011 Regular Session (Grad Act 2). Act 971 of 1985 gave authority to higher education institutions to retain funds from one year to the next with certain limitations and approvals required. Act 418 (Grad Act 2) removed the following requirements on the carry-forward of funds by higher education institutions under prior law (Act 971 of 1985):

1. 50% of retained funds be maintained in a reserve fund for preventive maintenance only.
2. 2% limit on carry-forward of state general fund appropriations.

This request includes carryforward of the following amounts from the following fiscal years: 2008 (\$538,948), 2009 (\$157,624), and 2010 (\$360,696).

Institutions of the Southern University System will use the \$1,057,268 requested in this BA-7 to fund the following items:

1. Southern University A&M in Baton Rouge (\$31,449) - Repair and replacement of doors and windows in several buildings on campus.
2. Southern University Law Center (\$421,962) - Roofing repairs, foyer/atrium repairs, air conditioning/heating/ventilation duct maintenance.
3. Southern University New Orleans (\$454,723) - Preventive maintenance, fire alarm upgrades, supplement funding shortage for air conditioning/heating/ventilation replacement from a Department of Natural Resources grant.
4. Southern University Shreveport (\$149,134) - Dead tree removals, sprinkler system installations, life safety issues, and office space renovations.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.