



COMMONWEALTH of VIRGINIA

Department of Planning and Budget

DANIEL S. TIMBERLAKE
Director

1111 E. Broad Street
Room 5040
Richmond, VA 23219-1922

January 11, 2018

The Honorable Thomas K. Norment, Jr.
Co-Chairman, Finance Committee
Senate of Virginia
Pocahontas Building
900 East Main Street
Richmond, Virginia 23219

The Honorable S. Chris Jones
Chairman, Appropriations Committee
Virginia House of Delegates
Pocahontas Building
900 East Main Street
Richmond, Virginia 23219

The Honorable Emmett W. Hanger, Jr.
Co-Chairman, Finance Committee
Senate of Virginia
Pocahontas Building
900 East Main Street
Richmond, Virginia 23219

Dear Senators Norment and Hanger and Delegate Jones:

Item 4-9.04 d., Chapter 836, 2017 Acts of Assembly, requires the Department of Planning and Budget (DPB) to annually report on the allocation recommendations for the Commonwealth of Virginia's maintenance reserve funding to account for higher maintenance needs resulting from poor facility condition, aging of facilities, and differences in facility use.

In the Introduced 2018-2020 Biennial Budget, DPB is recommending that maintenance reserve funding of \$100 million per year be allocated among state agencies and institutions of higher education based on the same percentage as approved by the 2017 General Assembly for fiscal year 2018, after removal of one-time funding. An additional \$25 million per year also is provided to higher education institutions based on each institution's respective percentage of total Educational and General Programs space.

The Department of General Services soon will be implementing a new database that is intended to collect a variety of information on the state's facilities and infrastructure. This information is anticipated to provide a more complete assessment of the maintenance reserve needs of the state's facility and infrastructure assets. Once this

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information becomes available, possibly as soon as the 2019 General Assembly Session, it will be considered for use in developing new allocation recommendations for maintenance reserve.

Please feel free to contact me should you have questions concerning this matter.

Sincerely,



(By Joe Howe)

Daniel S. Timberlake

c: The Honorable Richard D. Brown
Ms. April Kees
Mr. Jason Powell
Mr. Robert Vaughn