

D55P
Department of Veterans Affairs – Capital

Capital Budget Summary

Summary of State-owned Projects Funded in Governor’s Request
(\$ in Millions)

<i>Project Title</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
Crownsville Veterans Cemetery Burial Expansion Phase III	\$0.700	\$5.983	\$0.000	\$6.683	\$5.983
Eastern Shore Veterans Cemetery Burial Expansion	0.000	0.414	2.550	2.964	0.414
Total	\$0.700	\$6.397	\$2.550	\$9.647	\$6.397

<i>Fund Source</i>	<i>Prior Approp.</i>	<i>FY 2014 Request</i>	<i>Future Estimated</i>	<i>Estimated Total</i>	<i>DLS FY 2014 Recommd.</i>
General Funds	\$0.700	\$0.414	\$0.000	\$1.114	\$0.414
Federal Funds	0.000	5.983	2.550	8.533	5.983
Total	\$0.700	\$6.397	\$2.550	\$9.647	\$6.397

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Summary of Recommended PAYGO Actions

1. Approve funding for the Crownsville Veterans Cemetery.
2. Approve funding for the Eastern Shore Veterans Cemetery.

Agency Performance Measures and Outputs/Population Data

Maryland operates five veterans' cemeteries throughout the State to provide interment to eligible veterans and their dependents. The cemeteries are located in Crownsville (Crownsville Veterans Cemetery), Cheltenham (Cheltenham Veterans Cemetery), Owings Mills (Garrison Forest Veterans Cemetery), Hurlock (Eastern Shore Veterans Cemetery), and Rocky Gap (Rocky Gap Veterans Cemetery). Through grants from the U.S. Department of Veterans Affairs (USDVA), the State has been able to expand and update its State veterans' cemeteries. The Maryland Department of Veterans Affairs (MDVA) has identified development needs for all five of its cemeteries over the next 5 to 20 years, mainly consisting of the development of new grave sites and columbaria installations.

The *Capital Improvement Program* includes funding for projects at both Crownsville and Eastern Shore Veterans Cemeteries. The Crownsville Cemetery opened in 1980 and was expanded in fiscal 2008. It currently holds 18,244 gravesites on 114 acres of land, and although there are 1,079 gravesites available, demand is expected to exceed burial capacity in fiscal 2015.

Similarly, the Eastern Shore Veterans Cemetery expects demand to exceed capacity in fiscal 2017. Located in Hurlock, this cemetery opened in 1976 and sits on 51 acres. The site has 5,800 developed gravesites, 5,093 of which have been used. The remaining 676 will not be able to accommodate the estimated 1,400 burials over the next 10 years. The fiscal 2010 budget included \$35,000 in general funds to design a federally funded expansion of the cemetery's columbaria. However, the project and funds were cancelled after USDVA decided to no longer fund columbaria projects separately from gravesite expansions, which are generally in greater demand at veterans cemeteries.

Capital Improvement Program

State-owned Capital Improvement Program (\$ in Millions)

<i>Projects</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
Crownsville Veterans Cemetery Burial Expansion	\$0.700	\$5.983	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Eastern Shore Veterans Cemetery Burial Expansion	0.000	0.414	2.550	0.000	0.000	0.000	0.000
Rocky Gap Veterans Cemetery Burial Expansion	0.000	0.000	0.400	2.350	0.000	0.000	0.000
Total	\$0.700	\$6.397	\$2.950	\$2.350	\$0.000	\$0.000	\$0.000

<i>Fund Source</i>	<i>Prior Auth.</i>	<i>2014 Request</i>	<i>2015 Est.</i>	<i>2016 Est.</i>	<i>2017 Est.</i>	<i>2018 Est.</i>	<i>Beyond CIP</i>
PAYGO GF	\$0.700	\$0.414	\$0.400	\$0.000	\$0.000	\$0.000	\$0.000
PAYGO FF	0.000	5.983	2.550	2.350	0.000	0.000	0.000
Total	\$0.700	\$6.397	\$2.950	\$2.350	\$0.000	\$0.000	\$0.000

Budget Overview

The fiscal 2014 allowance includes \$6.0 million in federal funds for construction at the Crownsville Veterans Cemetery and \$0.4 million in general funds for design at the Eastern Shore Veterans Cemetery. State outlays for veterans' cemeteries are reimbursed by the federal government when the grants are approved by USDVA.

States request grant funds from USDVA for expansion of veterans' cemeteries. All requested projects are then ranked on a number of factors, and the inclusion of State funds for design helps to increase the priority ranking and makes it more likely to be funded. MDVA has indicated that federal funds are available for both projects.

Design of the Crownsville Veterans Cemetery project is scheduled to begin February 2013, with construction to begin in May 2014. Construction is expected to last 18 months, with completion expected in November 2015. The timeline for the Eastern Shore Veterans Cemetery project has design starting in June 2013 and construction beginning in October 2015, lasting one year.

Operating Budget Impact Statement

Executive’s Operating Budget Impact Statement (\$ in Millions)

	<i>FY 2014</i>	<i>FY 2015</i>	<i>FY 2016</i>	<i>FY 2017</i>	<i>FY 2018</i>
Crownsville Veterans Cemetery Expansion Phase III					
Estimated Operating Cost	\$0.000	\$0.000	\$0.002	\$0.002	\$0.002
Eastern Shore Veterans Cemetery Burial Expansion					
Estimated Operating Cost	\$0.000	\$0.000	\$0.002	\$0.008	\$0.008
Total Operating Impact					
Estimated Operating Cost	\$0.000	\$0.000	\$0.004	\$0.010	\$0.010

The two projects are expected to have a minimal impact on the State’s operating budget. Modest personnel, grounds management, and maintenance costs are expected to add \$4,000 to MDVA’s budget in fiscal 2016 and \$10,000 in fiscal 2017 and 2018. No additional personnel are expected as a result of these projects.

Summary of Other Projects in the Capital Improvement Program

Like the Eastern Shore Veterans Cemetery, the fiscal 2010 capital budget included \$25,000 in general funds for columbarium projects at the Rocky Gap Veterans Cemetery. The project and appropriated funds were similarly cancelled after the USDVA’s policy change regarding columbarium-specific projects.

The 2013 CIP programs \$400,000 in general funds in the fiscal 2015 budget to expand the columbarium and burial capacity at the Rocky Gap Veterans Cemetery. Like those funded in fiscal 2014, construction will be fully funded by the federal government, and the State will be reimbursed for the initial \$400,000 outlay.

PAYGO Recommended Actions

1. Approve funding for the Crownsville Veterans Cemetery.
2. Approve funding for the Eastern Shore Veterans Cemetery.