

**D55P**  
**Department of Veterans Affairs – Capital**

***Capital Budget Summary***

---

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

<b>Projects</b>	<b>Prior Auth.</b>	<b>2018 Request</b>	<b>2019 Est.</b>	<b>2020 Est.</b>	<b>2021 Est.</b>	<b>2022 Est.</b>	<b>Beyond CIP</b>
Cheltenham Veterans Cemetery Burial Expansion and Improvements	\$1.360	\$0.000	\$6.688	\$6.808	\$0.000	\$0.000	\$0.000
Garrison Forest Veterans Cemetery Expansion	0.820	7.720	0.000	0.000	0.000	0.000	0.000
State Veterans Home in Baltimore County	0.000	0.000	0.000	4.317	28.411	31.073	0.000
<b>Total</b>	<b>\$2.180</b>	<b>\$7.720</b>	<b>\$6.688</b>	<b>\$11.125</b>	<b>\$28.411</b>	<b>\$31.073</b>	<b>\$0.000</b>

<b>Fund Source</b>	<b>Prior Auth.</b>	<b>2018 Request</b>	<b>2019 Est.</b>	<b>2020 Est.</b>	<b>2021 Est.</b>	<b>2022 Est.</b>	<b>Beyond CIP</b>
GO Bonds	\$0.000	\$0.000	\$0.000	\$1.511	\$9.944	\$10.876	\$0.000
PAYGO GF	2.180	0.000	0.000	0.000	0.000	0.000	0.000
PAYGO FF	0.000	7.720	6.688	9.614	18.467	20.197	0.000
<b>Total</b>	<b>\$2.180</b>	<b>\$7.720</b>	<b>\$6.688</b>	<b>\$11.125</b>	<b>\$28.411</b>	<b>\$31.073</b>	<b>\$0.000</b>

CIP: *Capital Improvement Program*  
 FF: federal funds  
 GF: general funds  
 GO: general obligation  
 PAYGO: pay-as-you-go

For further information contact: Jared S. Sussman

Phone (410) 946-5530

## ***Summary of Recommended PAYGO Actions***

---

1. Garrison Forest Veterans Cemetery Burial Expansion

Approve Funding for Garrison Forest Veterans Cemetery.

## ***Budget Overview***

---

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 Flintstone (Rocky Gap Veterans Cemetery). Through grants from the U.S. Department of Veterans Affairs (VA), the State has been able to expand and update State veterans cemeteries.

States request grant funds from VA 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.

The *Capital Improvement Program* (CIP) includes funding for three projects:

- ***Cheltenham Veterans Cemetery:*** totals \$14.9 million, \$1.4 million in general funds for design and \$13.5 million in federal funds for construction and equipment;
- ***Garrison Forest Veterans Cemetery:*** totals \$8.5 million, \$0.8 million in general funds for design and \$7.7 million in federal funds for construction; and
- ***New State Veterans Home in Baltimore County:*** totals \$64 million, 35% in general obligation (GO) bonds and 65% in federal funds.

The fiscal 2018 allowance includes \$7.7 million in general funds for construction for the Garrison Forest Veterans Cemetery project. State outlays for veterans cemeteries are reimbursed by the federal government when the grants are approved by VA. The CIP does not include funding for the veterans home project until fiscal 2020.

## **Garrison Forest Veterans Cemetery**

The original development of the Garrison Forest Veterans Cemetery in 1983 and subsequent expansions provided capacity to last no more than 30 to 35 years. This project provides approximately 4,800 additional gravesites, which will meet anticipated demand for the next 10 years. Approximately

*D55P – Department of Veterans Affairs – Capital*

4,500 of the 4,800 gravesites will be double-depth pre-placed crypts, and the remaining 300 will be traditional single-depth interments where excavation below five feet is not possible. The project also provides for columbarium structures for future expansion. The project includes secondary roads, service roads, irrigation installations, and design landscaping for the expanded area.

The fiscal 2018 allowance includes \$7.7 million in federal funds for construction+. Fiscal 2018 is the second year for the project. The project is expected to reach completion in fiscal 2018.

During the 2016 legislative session, the Maryland Department of Veteran Affairs (MDVA) indicated that current available burial plots would reach capacity by fiscal 2018. There are currently 200 to 250 remaining gravesites. The Garrison Forest Cemetery identified additional spots for casketed burials that were originally intended for in-ground cremains to alleviate demand and ensure that the project reaches completion before reaching burial capacity.

## ***Operating Budget Impact Statement***

---

### **Executive’s Operating Budget Impact Statement – State-owned Projects (\$ in Millions)**

	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Garrison Forest Veterans Cemetery Expansion</b>					
Estimated Operating Cost	\$0.000	\$0.000	\$0.009	\$0.010	\$0.010
Estimated Staffing	0	0	0	0	0
<b>Total Operating Impact</b>					
Estimated Operating Cost	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.009</b>	<b>\$0.010</b>	<b>\$0.010</b>
Estimated Staffing	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

The CIP does not include operating budget impacts for the Cheltenham Veterans Cemetery Expansion. Completion of the project is expected in fiscal 2020. There is likely an operating budget impact in fiscal 2021 and 2022.

## **Summary of Other Projects in the Capital Improvement Program**

### **New Veterans Home in Baltimore County**

In a report submitted November 2015, MDVA confirmed that it submitted a capital budget request to design and construct a 120-bed skilled nursing facility in Baltimore County. The new home would be in close proximity to the Baltimore VA Medical Center and closer to Maryland's veteran population than the current veterans home in St. Mary's County. The estimated cost of the project is \$64 million, which includes the State contribution of \$22 million per a 65/35 split of federal and State funds, respectively. VA selected the project for a State Home Construction Grant. The State portion of the costs would be funded through GO bonds.

MDVA has indicated that it is awaiting actions from the Department of General Services and the Department of Planning before choosing a location. However, the Rosewood property remains the most likely location for the new home.

### **Projects Deferred in Fiscal 2018**

#### **Cheltenham Veterans Cemetery**

Cheltenham Veterans Cemetery opened in 1978 and is expected to provide over 50,000 burial sites on the cemetery's 102 acres. Currently, there are a total of 22,016 gravesites of which only 200 to 250 remain available for interment. On average, 665 casketed burials and 160 cremains burials occur annually at Cheltenham Veterans Cemetery. During the 2016 legislative session, MDVA projected that current demand for gravesites will exceed the existing supply by the end fiscal 2016. The cemetery identified additional spots for casketed burials that were originally intended for in-ground cremains. As a result, the cemetery has not yet hit capacity. **The department should explain, based on current projections, if the cemetery will reach capacity before the expansion is expected to be complete. The explanation should include the number of additional sites that were originally intended for in-ground cremains and all calculations used to estimate when capacity will be reached.**

Although the 2016 session CIP programmed federal funds for construction in fiscal 2018, the project was deferred for one year, as shown in **Exhibit 1**. Construction is expected to begin in August 2018. Construction and equipment costs are included in the CIP for fiscal 2019 and 2020.

**Exhibit 1  
Projects Deferred  
Fiscal 2018**

<b><u>Project</u></b>	<b><u>Description</u></b>	<b><u>Reason for Deferral</u></b>
Cheltenham Veterans Cemetery Expansion	Expansion of casketed gravesites, burial sites for cremains, replacement of administrative building, and addition of new maintenance complex	Construction delayed to fiscal 2019

Source: Department of Budget and Management, 2017 *Capital Improvement Program*

---

## ***PAYGO Recommended Actions***

---

1. Garrison Forest Veterans Cemetery Burial Expansion  
Approve Funding for Garrison Forest Veterans Cemetery.