

Multi-Year Approach to a Structurally Balanced Budget

	2019-2020	2020-2021		2021-2022		2022-2023	
		Recurring	Non-Recurring	Recurring	Non-Recurring	Recurring	Non-Recurring
I. Projected FY20 Deficit	\$ (500,000,000)	(1,000,000,000)	\$ -	(666,949,000)		(356,949,000)	
II. Revenue Estimate Adjustment - GF							
Prior Year Balance	-	-	500,700,000	-	\$ 322,302,000	-	\$ 25,353,000
Beginning Balance	\$ (500,000,000)	\$ (1,000,000,000)	\$ 500,700,000	\$ (666,949,000)	\$ 322,302,000	\$ (356,949,000)	\$ 25,353,000
III. Available Revenue and Reserves - Increase / (Decrease):							
New Revenue							
a. General Fund Tax Growth (2% / 3%)				240,000,000		370,000,000	
b. Non-Tax Sources	150,700,000	40,000,000	60,000,000	50,000,000	60,000,000	50,000,000	40,000,000
Dept of Commerce and Insurance	40,000,000						
Miscellaneous Revenue	2,900,000						
Tobacco Master Settlement Agreement	(10,600,000)						
Treasurer's Earnings - Increase in Interest Earnings	118,400,000						
Estimated Agency Year-end Underspending (Reversion)	250,000,000						
Reserve Transfers	600,000,000		150,000,000				
a. Reduction of Agency Carryforward Reserves							
b. Reduction in Statutory Reserves							
c. TennCare Operational Reserve							
d. Rainy Day Fund Transfer							
Revenue Legislation							
a. Market Facilitator - Decrease threshold to collect/remitt to \$100,000			27,650,000				
Total Available Revenue and Reserves - Surplus / (Deficit)	\$ 1,000,700,000	\$ 67,650,000	\$ 210,000,000	\$ 290,000,000	\$ 60,000,000	\$ 420,000,000	\$ 40,000,000
IV. Reductions							
Reduce/Eliminate FY21 Enacted Cost Increases		253,780,200	53,084,600				
a. Salary Pool - K-12		58,680,000					
b. Salary Pool - Higher Education		23,590,800					
c. Salary Pool - Pay for Performance - TEAM Act Agencies		22,956,000	(11,478,000)				
d. Salary Pool - Non-TEAM Act Agencies		5,359,200					
e. Market Rate Adjustment Pool		20,000,000					
f. Correction - Probation and Parole Salary Adjustment		9,995,100					
g. Safety - Commissioned Officers Salary Survey		1,137,300					
h. Commerce - Commissioned Officers Salary Survey		18,500					
i. Case Manager Salary Adjustment - Average of Southeastern States		3,639,200					
j. District Attorneys General - Statutory Step Increase - fund a portion with existing equity (\$3.1M Equity)		656,600					
k. DHS - DA - Statutory Step Increase		21,200					
l. District Public Defenders - Statutory Step Increase - fund a portion with existing equity (\$600,000 Equity)		359,200					
m. Post-Conviction Defender - Statutory Step Increase - fund a portion with existing equity (\$107,000 Equity)		12,500					
n. Safety - Commissioned Officers Step Increase - fund a portion with existing equity (\$4M Equity)		587,200					
o. TLETA - Commissioned Officers Step Increase - fund a portion with existing equity (\$90,900 Equity)		21,400					
p. TennCare for DCS - Case Manager Salary Adjustment		1,136,100					
q. Correction - State Prosecutions - reduce recurring CI, add NR \$		22,289,000	(8,000,000)				
r. ECD - FastTrack Program - \$40M CI to \$35M NR			5,000,000				
s. ECD - Broadband - reduce from \$25M to \$15M			10,000,000				
t. Education - Non-Public Education Choice Programs			12,858,600				
u. Higher Education - Outcomes-based funding formula		38,000,000					
v. Military - Armory Maintenance		1,000,000					
w. Safety - New Trooper Positions eliminate - 10FT		899,000	615,000				
x. TDEC - Cummins Falls - reduce CI from 5 to 2 positions		128,900					
y. TDEC - State Parks Maintenance - reduce \$18M CI to \$8M			8,000,000				
z. Non-Title V Program Funding - Air Pollution - reduce by half		1,500,000					
aa. TBI - New Field Agents eliminate - 25FT		3,387,400	2,177,700				
ab. TennCare - ECF Choices Waiting List Reduction		15,055,200	(10,018,400)				
ac. TennCare - ECF Choices Group 7&8 Population		6,379,000					
ad. TennCare - Postpartum Coverage for all Women Pilot Prgm - Yr 1 of 3			6,644,700				
ae. TennCare - Dental Pregnancy Coverage - additional coverage		2,023,500					
af. TennCare - Reduce funding for new therapists		682,400					
ag. TDOT - Transportation Equity Fund			30,000,000				
ah. TEMA - New Chattanooga Regional Office (19FT)		1,265,500	285,000				
ai. Higher Education - Capital Maintenance		6,500,000	3,500,000				
aj. DGS - Capital Maintenance		6,500,000	3,500,000				
Reductions to Base Budget							
a. ECD FastTrack - reduce base funding to \$10M		15,000,000					
b. Reserve for Future Tax Relief (PC405)		15,000,000					
c. Education - Non-Public Education Choice Programs			9,664,000				
d. All Agencies				240,000,000		160,000,000	
Total Budget Reductions - Surplus / (Deficit)	\$ -	\$ 283,780,200	\$ 62,748,600	\$ 240,000,000	\$ -	\$ 160,000,000	\$ -
V. Cost Increases - New - Savings / (Cost):							
a. Employee Buyout Initiative			(50,000,000)				
b. New (Typical) Cost Increases				(220,000,000)		(220,000,000)	
Sub-Total Cost Increases - New - Savings / (Cost)	\$ -	\$ -	\$ (50,000,000)	\$ (220,000,000)	\$ -	\$ (220,000,000)	\$ -
VI. Capital Outlay - Savings / (Cost):							
Eliminate FY21 Enacted Capital Projects							
a. Statewide Capital Maintenance							
1) Reduce Funding for New Projects to \$30,191,100			39,641,400				
b. Higher Education Capital Maintenance							
1) Reduce Funding for New Projects to \$40,000,000			59,075,900				
Debt Service							
a. Issue Bonds - Swap Bonds for Cash - 5 Existing Projects		(18,379,000)	167,085,000				
Sub-Total Capital Outlay - New - Savings / (Cost)	\$ -	\$ (18,379,000)	\$ 265,802,300	\$ -	\$ -	\$ -	\$ -
VII. Total Reductions, Cost Increases, and Capital Outlay - Savings / (Cost)	\$ -	\$ 265,401,200	\$ 278,550,900	\$ 20,000,000	\$ -	\$ (60,000,000)	\$ -
Rounding		(200)	100				
VIII. Ending Balance - Surplus / (Deficit)	\$ 500,700,000	\$ (666,949,000)	\$ 989,251,000	\$ (356,949,000)	\$ 382,302,000	\$ 3,051,000	\$ 65,353,000

**Revised Proposed Capital Maintenance Appropriations
from Bonds, Current Funds, and Other Revenues
Fiscal Year 2020-2021**

	COUNTY	TOTAL	STATE	BONDS	FEDERAL	OTHER
Agriculture						
Statewide Facilities Assessment and Maintenance Plan	Statewide	\$ 950,000	\$ 950,000	\$ 0	\$ 0	\$ 0
Knoxville District Office Warehouse Complex Renovations	Knox	500,000	500,000	0	0	0
Martha Sundquist State Forest Bridge Replacements	Cocke	570,000	0	0	0	570,000
Natchez Trace Survey	Henderson	1,300,000	0	0	0	1,300,000
Sub-Total Agriculture		\$ 1,870,000	\$ 0	\$ 0	\$ 0	\$ 1,870,000
Correction						
LDSNF Life Safety Systems Upgrades	Davidson	\$ 1,600,000	\$ 0	\$ 0	\$ 0	\$ 1,600,000
WTSP High Mast Lighting Replacement	Lauderdale	3,970,000	0	0	0	3,970,000
LDSNF Fire Alarm Systems Upgrades	Davidson	1,310,000	0	0	0	1,310,000
TCIX HVAC/BAS/Smoke Systems Replacement	Hickman	5,760,000	0	0	0	5,760,000
MLTC Fire Alarm Systems Upgrades	Shelby	1,150,000	0	0	0	1,150,000
TCIX Water Treatment Plants Renovations	Hickman	2,710,000	0	0	0	2,710,000
NWCX Security Electronics Refresh	Lake	4,700,000	0	0	0	4,700,000
LDSNF Security Electronics Refresh	Davidson	3,770,000	0	0	0	3,770,000
MCCX Security Electronics Refresh	Morgan	5,190,000	0	0	0	5,190,000
Statewide Building Security Prototypical Compliance	Statewide	1,000,000	0	0	0	1,000,000
Statewide Site Security Prototypical Compliance	Statewide	1,000,000	0	0	0	1,000,000
Statewide Electronic Security Prototypical Compliance	Statewide	1,000,000	0	0	0	1,000,000
Sub-Total Correction		\$ 33,160,000	\$ 0	\$ 0	\$ 0	\$ 33,160,000
Education						
TSD Akin Gym Floor and HVAC Repairs	Knox	\$ 1,350,000	\$ 0	\$ 0	\$ 0	\$ 1,350,000
Environment and Conservation						
Fall Creek Falls Campground C Renovations	Van Buren	\$ 3,510,000	\$ 0	\$ 0	\$ 0	\$ 3,510,000
Natchez Trace State Park Inn Refurbishing Phase 2	Henderson	2,800,000	0	0	0	2,800,000
Paris Landing State Park Courtesy Docks	Henry	205,300	0	0	153,900	51,400
Radnor Lake Natural Area Bridge and Trail Upgrade	Davidson	300,000	0	0	0	300,000
Norris Dam State Park Water Line Replacement	Campbell	6,380,000	6,181,400	0	0	198,600
Sub-Total Environment and Conservation		\$ 6,815,300	\$ 0	\$ 0	\$ 153,900	\$ 6,661,400
Facilities Revolving Fund						
Andrew Johnson Vital Records Fire System Upgrades	Davidson	\$ 620,000	\$ 0	\$ 0	\$ 0	\$ 620,000
RS Gass State Lab Chilled Water Pump Replacement	Davidson	350,000	0	0	0	350,000
State Capitol Ceiling Repairs	Davidson	570,000	0	0	0	570,000
Davy Crockett Covered Parking Ceiling	Davidson	620,000	0	0	0	620,000
TN Tower Fire Alarm and Fire Suppression Upgrades	Davidson	12,790,000	0	0	0	12,790,000
Jackson Supreme Court Cleaning, Repairs, Interior Renov.	Madison	3,320,000	3,320,000	0	0	0
Andrew Jackson Building Elevator Replacement	Davidson	8,500,000	8,500,000	0	0	0
Legislative Plaza Fountains	Davidson	1,390,000	0	0	0	1,390,000
TPS Complex Utility Pole Replacements and Removal	Davidson	1,670,000	1,670,000	0	0	0
State Capitol Complex Exterior Lighting Upgrades	Davidson	730,000	730,000	0	0	0
Sub-Total Facilities Revolving Fund		\$ 2,160,000	\$ 0	\$ 0	\$ 0	\$ 2,160,000
General Services						
ADA Compliance	Statewide	\$ 800,000	\$ 800,000	\$ 0	\$ 0	\$ 800,000
Environmental Consultants	Statewide	1,000,000	5,000,000	0	0	1,000,000
State-Owned Buildings OSHA Compliance	Statewide	800,000	800,000	0	0	800,000
TPAC Annual Maintenance Grant	Davidson	150,000	300,000	0	0	150,000
National Civil Rights Museum Maintenance Grant	Shelby	150,000	300,000	0	0	150,000
Tennessee Residence Security Upgrades	Davidson	970,000	970,000	0	0	970,000
Sub-Total General Services		\$ 3,870,000	\$ 8,170,000	\$ 0	\$ 0	\$ 3,870,000
Human Services						
TRC Smyrna Campus System Upgrades Phase 2	Rutherford	\$ 5,940,000	\$ 5,940,000	\$ 0	\$ 0	\$ 0
Intellectual and Developmental Disabilities						
MTRO Essential Maintenance	Davidson	\$ 3,210,000	\$ 3,210,000	\$ 0	\$ 0	\$ 0
MTRO One Cannon Building Elevator Upgrades	Davidson	\$ 480,000	\$ 0	\$ 0	\$ 0	\$ 480,000
Sub-Total Intellectual and Developmental Disabilities		\$ 480,000	\$ 0	\$ 0	\$ 0	\$ 480,000
Mental Health and Substance Abuse Services						
Middle TN MHI Mechanical Equipment Replacement	Davidson	\$ 4,350,000	\$ 0	\$ 0	\$ 0	\$ 4,350,000
Military						
Memphis RC Roof Repairs and Facility Update	Shelby	\$ 1,750,000	\$ 0	\$ 0	\$ 875,000	\$ 875,000
Smyrna VTS Grubbs-Kyle HVAC and Facility Update	Rutherford	470,000	0	0	235,000	235,000
Henderson RC Re-Roof and Facility Update	Chester	1,100,000	0	0	550,000	550,000
TNCA Building 1 HVAC Replacement	Davidson	2,270,000	0	0	1,702,500	567,500
Statewide Indoor Firing Range Alterations	Statewide	1,210,000	0	0	605,000	605,000
Statewide TEMA Lighting Upgrades	Statewide	220,000	220,000	0	0	0
Russellville RC Plumbing Repair	Hamblen	500,000	250,000	0	250,000	0
Sub-Total Military		\$ 6,800,000	\$ 0	\$ 0	\$ 3,967,500	\$ 2,832,500

**Revised Proposed Capital Maintenance Appropriations
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Fiscal Year 2020-2021**

	COUNTY	TOTAL	STATE	BONDS	FEDERAL	OTHER
Tennessee Historical Commission						
Ducktown Basin Museum Building and Site Restoration	Polk	\$ 5,200,000	\$ 0	\$ 0	\$ 0	\$ 5,200,000
Hotel Halbrook HVAC and Building Repairs	Dickson	550,000	0	0	0	550,000
Chester Inn HVAC and Building Repairs	Washington	710,000	0	0	0	710,000
Sub-Total Tennessee Historical Commission		\$ 6,460,000	\$ 0	\$ 0	\$ 0	\$ 6,460,000
Locally Governed Higher Education Institutions						
Austin Peay State University						
Dunn Center HVAC and Electrical Modernization	Montgomery	\$ 3,295,000	\$ 0	\$ 0	\$ 0	\$ 3,295,000
Campuswide Elevator Modernization	Montgomery	750,000	750,000	0	0	0
Sub-Total Austin Peay State University		\$ 3,295,000	\$ 0	\$ 0	\$ 0	\$ 3,295,000
East Tennessee State University						
Main Campus Primary Electrical Service Upgrade	Washington	\$ 3,300,000	\$ 0	\$ 0	\$ 0	\$ 3,300,000
HVAC Repairs Phase 1	Washington	3,470,000	3,470,000	0	0	0
Sub-Total East Tennessee State University		\$ 3,300,000	\$ 0	\$ 0	\$ 0	\$ 3,300,000
Middle Tennessee State University						
Murphy Center Window Replacement	Rutherford	\$ 4,600,000	\$ 0	\$ 0	\$ 0	\$ 4,600,000
Elevator Modernization Phase 3	Rutherford	2,000,000	2,000,000	0	0	0
Water and Sewer System Updates Phase 2	Rutherford	490,000	490,000	0	0	0
Sub-Total Middle Tennessee State University		\$ 4,600,000	\$ 0	\$ 0	\$ 0	\$ 4,600,000
Tennessee State University						
Strange Music Building Roof Replacement	Davidson	\$ 456,500	\$ 0	\$ 0	\$ 0	\$ 456,500
Electrical Upgrades Phase 2	Davidson	5,000,000	0	0	0	5,000,000
Power Plant Equipment and Lighting Upgrades Phase 2	Davidson	3,073,400	3,073,400	0	0	0
Campus HVAC Repairs Phase 2	Davidson	1,881,000	1,881,000	0	0	0
Sub-Total Tennessee State University		\$ 5,456,500	\$ 0	\$ 0	\$ 0	\$ 5,456,500
Tennessee Technological University						
Roof Replacements Phase 4	Putnam	\$ 2,100,000	\$ 0	\$ 0	\$ 0	\$ 2,100,000
Building Controls Upgrade Phase 1	Putnam	3,000,000	3,000,000	0	0	0
Sub-Total Tennessee Technological University		\$ 2,100,000	\$ 0	\$ 0	\$ 0	\$ 2,100,000
University of Memphis						
Building Code and Safety Repairs	Shelby	\$ 3,000,000	\$ 0	\$ 0	\$ 0	\$ 3,000,000
Central Chiller and CFA HVAC Replacements	Shelby	5,000,000	0	0	0	5,000,000
Multiple Buildings Interior Repairs Phase 2	Shelby	2,000,000	2,000,000	0	0	0
Campus Wide Boilers and Hot Water Pipes Repair Phase 2	Shelby	2,500,000	2,500,000	0	0	0
Sub-Total University of Memphis		\$ 3,000,000	\$ 0	\$ 0	\$ 0	\$ 3,000,000
Sub-Total Locally Governed Higher Education Institutions		\$ 21,751,500	\$ 0	\$ 0	\$ 0	\$ 21,751,500
Tennessee Board of Regents						
CHSCC Omni Building East Roof Replacement	Hamilton	\$ 590,000	\$ 0	\$ 0	\$ 0	\$ 590,000
WSSC Sevier County Campus Roof Replacements	Sevier	1,000,000	0	0	0	1,000,000
VSCC Warf Science and Wallace North Roof Replacements	Sumner	1,160,000	0	0	0	1,160,000
TCAT Paris Exterior Repairs	Henry	280,000	0	0	0	280,000
NASCC Lighting and Security Updates	Davidson	410,000	0	0	0	410,000
PSSC Alarm System Upgrades	Knox	700,000	0	0	0	700,000
NESCC Powers Building Foundation Stabilization	Sullivan	360,000	0	0	0	360,000
DSCC Administration Building Electrical Upgrades	Dyer	400,000	0	0	0	400,000
STCC Central Plant Updates	Shelby	1,500,000	0	0	0	1,500,000
RSCC Cumberland and Scott Campus HVAC Updates	Cumberland	1,100,000	0	0	0	1,100,000
COSCC Mechanical System Upgrades	Maury	950,000	950,000	0	0	950,000
MSCC McMinnville Campus HVAC Upgrades	Moore	920,000	920,000	0	0	920,000
JSCC McWherter Center HVAC Updates Phase 2	Madison	1,260,000	1,260,000	0	0	1,260,000
Statewide TCAT Mech., Electrical, and Plumbing Updates	Statewide	1,890,000	1,890,000	0	0	1,890,000
TCAT Jacksboro Door and Window Replacements	Campbell	140,000	140,000	0	0	140,000
TCAT Parking Improvements	Statewide	1,350,000	1,350,000	0	0	0
CLSCC Science Building Renovations	Bradley	1,880,000	1,880,000	0	0	0
TCAT Maintenance Repairs	Statewide	1,450,000	1,450,000	0	0	0
CHSCC Warehouse Roof Replacement	Hamilton	280,000	280,000	0	0	0
PSSC Strawberry Plains Roof Replacement	Knox	460,000	460,000	0	0	0
TCAT Mechanical, Electrical, and Plumbing Updates	Statewide	3,230,000	3,230,000	0	0	0
Sub-Total Tennessee Board of Regents		\$ 12,660,000	\$ 0	\$ 0	\$ 0	\$ 12,660,000

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Fiscal Year 2020-2021**

	COUNTY	TOTAL	STATE	BONDS	FEDERAL	OTHER
University of Tennessee						
UTK Window Replacements and Masonry Repairs (20-21)	Knox	\$ 4,500,000	\$ 0	\$ 0	\$ 0	\$ 4,500,000
UTM EPS Building Systems Upgrades	Weakley	9,870,000	0	0	0	9,870,000
UTC Multiple Buildings Roof Replacements	Hamilton	5,030,000	3,651,500	0	0	1,378,500
UTHSC Campus Police Building Upgrades	Shelby	8,000,000	8,000,000	0	0	0
UTIA CRC/MAST, BESS, and JARTU Improvements	Knox	7,120,000	7,120,000	0	0	0
UTK Building Systems Improvements (20-21)	Knox	4,000,000	4,000,000	0	0	0
UTC Multiple Buildings Elevator Upgrades	Hamilton	2,330,000	2,330,000	0	0	0
Statewide Facilities Space Analytics	Statewide	1,000,000	1,000,000	0	0	0
Sub-Total University of Tennessee		\$ 4,500,000	\$ 0	\$ 0	\$ 0	\$ 4,500,000
Grand Total Maintenance						
		\$ 106,226,800	\$ 0	\$ 0	\$ 4,121,400	\$ 102,105,400
Sub-Total Higher Education		38,911,500	0	0	0	38,911,500
Sub-Total Other Agencies		67,315,300	0	0	4,121,400	63,193,900

Immediately Bondable Projects

Cash Fund Projects - Not Yet Brought Forward to SBC

ECD	Amazon Operations Center Infrastructure Grant	\$	65,000,000
ECD	Volkswagen Plant Infrastructure Grant		50,000,000
MTSU	MTSU New Building for School of Concrete & Construction Mgmt		34,085,000
VHB	West TN Veterans Nursing Home		18,000,000
	TOTAL	\$	167,085,000

Debt Service - First Year \$ 18,379,000.0