



LETTER OF TRANSMITTAL

October 14, 2016

Executive Director
Leon M. Biegalski

Child Support
Ann Coffin
Director

General Tax Administration
Maria Johnson
Director

Property Tax Oversight
Dr. Maurice Gogarty
Director

Information Services
Damu Kuttikrishnan
Director

Ms. Cynthia Kelly,
Director, Office of Policy and Budget
Executive Office of the Governor
The Capitol, Room 1702
Tallahassee, Florida 32399-0001

Dear Ms. Kelly:

The Agency Capital Improvements Program for Fiscal Year 2017-18 through Fiscal Year 2021-22 for the Department of Revenue is submitted and has been posted to the Florida Fiscal Portal, following the instructions dated July 2016. Revenue did not request any Fixed Capital Outlay funding for the five-year period. Our plan includes leased facilities only, in both state-owned and privately owned buildings, within Florida and in six other states.

Revenue continues to use its standard leasing process to reduce leasing costs while ensuring that leased facilities meet the needs of our customers and the Department. In FY 2015-16, the Department entered into 10 new, modification, or renewal lease agreements and closed one office to move into state space. Square footage was reduced on two of these leases, increased on three, and stayed the same on six. For these 11 leases, the total square footage leased decreased from 96,584 to 90,533, an overall reduction of approximately 6.2 percent.

The total lease cost for these 11 leases has been reduced approximately 9.2 percent, from a total of \$1,940,529 annually to \$1,761,561. Most private sector leases include an annual rate increase. Obtaining lower rates on expiring leases and consolidating offices whenever possible enables us to efficiently manage the Department's total annual leasing costs.

The Department remains committed to its facilities vision—that all Revenue offices be accessible, safe, efficient, affordable, uniform, and appropriate for service needs and customer volume.

If you have any questions or comments, please contact Joe Young, Director of Financial Management, at 850-717-7018, or me at 850-617-8950.

Sincerely,



Leon M. Biegalski