



**PUBLIC SERVICES  
CONTINUATION PLAN**

**First Quarter  
Fiscal Year 2004-2005**

**Ernie Fletcher  
Governor**

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State Budget Director**

June 28, 2004



To the people of Kentucky:

The absence of a legislatively adopted budget creates within our Commonwealth a genuine sense of emergency. It raises legitimate fears as to whether important legal obligations will be satisfied and how major public objectives will be achieved.

I remain hopeful that, in the days ahead, the leaders of the House and Senate will be able to reach an agreement for the adoption of a budget.

I have communicated to each of them my willingness to call the General Assembly into special session for the purpose of adopting a budget if, but only if, they assure me that they have reached agreement.

Special sessions of the General Assembly are very expensive to the people of Kentucky, and I will not call that body into special session merely to resume the partisan bickering, which characterized its last session.

I believe that such an agreement between the two houses is possible, and I am optimistic that one can be reached.

I have had no choice, however, but to be prepared for the possibility that the House and Senate will *not* reach any such agreement, that there will be no special session of the General Assembly and that our Commonwealth will enter the next fiscal year on July 1 without a legislatively adopted budget.

In laying this Plan before the people of Kentucky, I would like to make clear the fundamental conclusion, which I

have drawn from the study, consultation and review, which I have done with respect to my powers as Governor.

I do not believe that one branch of state government may, by failure to act, effectively shut down another branch of government. Indeed, no other answer would appear to be consistent with the lessons we learned in our civics class:

- that our government is comprised of three equal branches;
- that each branch fulfills a unique function independently of the others;
- that this separation serves to preserve our liberty by dividing the powers of government.

I do not believe that the best interests of the people of Kentucky would be advanced by a shutdown of this government.

I also do not believe that the money which you, the taxpayers of this state, will continue to send to Frankfort should, for lack of a budget, merely accumulate in a bank account, while government services addressing public safety, public education and public improvements are held in suspension.

I believe, instead, that you are entitled to continue receiving the necessary services of this government on which we all rely for our safety and quality of our daily lives.

Last December 9, I took a solemn oath that, as the state's chief executive officer and chief magistrate, I would uphold the laws of the Commonwealth of Kentucky. I believe that under these circumstances, the Governor of the Commonwealth has not only the authority but the duty to spend the revenue paid to the state by the taxpayers in a way which will fulfill these legal obligations and uphold the laws of the Commonwealth.

The members of my cabinet and I have therefore prepared a Public Services Continuation Plan. We have done so with the genuine hope and belief that in this manner I will advance the best interests of the people of Kentucky. This document describes my plan for the continuation of governmental services for the period commencing July 1, 2004.

In preparing this plan, our objectives are to protect the public safety and maintain order, to advance our common objectives in education and job development, to administer efficiently the safety net programs on which many of our citizens rely, and to ensure the continuity of important government service.

There are, however, certain limitations in our ability to advance these objectives.

- Until the General Assembly adopts a budget, our state's borrowing capacity will be crippled, and we will not be able to make needed investments in our state's educational system and infrastructure.
- In addition, we will need to maintain in effect certain spending laws which the Legislature and I would almost certainly prefer to suspend or repeal – laws which my predecessors and previous General Assemblies have regularly suspended for good reasons.

These conditions will prevent us from achieving the level of efficiency in government services that I have enthusiastically advocated. But most importantly, our progress as a people is being restrained.

These consequences are part of the price we pay for the failure of the General Assembly and particularly House Leadership, to work in a bipartisan manner to provide a responsible budget and a reliable revenue base.

In the days ahead, the third branch of our government, the courts, will be asked to review my legal authority to

continue the operations of our government under these circumstances.

In those proceedings, it will be my position that the safety and welfare of the people make it essential that I be permitted to fulfill my duty to execute the laws of the Commonwealth.

I will argue that the revenue provided by the citizens of the Commonwealth should continue to be used to fund the services on which our people rely. I will demonstrate, to anyone who does not already realize it, that a complete shutdown of our government would have disastrous immediate and long-term consequences to our state.

The outcome of all of this is quite uncertain. Through it all, I hope you will understand that I take no pride or pleasure from these circumstances.

I was elected on a mandate to clean up the mess here in Frankfort, to restore hope, and to create job and educational opportunities for Kentuckians. These circumstances are not what I wanted or encouraged, and they make those objectives even more challenging than before.

We must carry forward as best we can. I ask that you encourage your legislators to reconsider their responsibilities carefully and to take such action, as they deem appropriate to ensure that the leaders of the House and Senate reach the agreement needed to break this impasse.

Very truly yours,

A handwritten signature in black ink that reads "Ernie Fletcher". The signature is written in a cursive, flowing style with a large initial "E".

Governor Ernie Fletcher

## *Highlights of the Public Services Continuation Plan*

### *Overview and Approach*

- Provides for the continued operation of state government in the absence of legislatively enacted budget, thereby avoiding a shutdown.
- Uses Governor Fletcher's Executive Budget recommendation as a starting point.
- Relies on recently revised revenue estimates of the Consensus Forecasting Group.
- Authorizes expenditures only for the first quarter of FY05 (July 1 through September 30).
- Provides annual FY05 planning estimates for state agencies.
- Does not authorize issuance of new debt for capital projects.
- Fulfills all obligations for the payment of debt service on previously issued bonds of the Commonwealth and its agencies.
- Advances important objective of structural balance, using one-time money for one-time expenses and limiting recurring expenditures to recurring revenues.
- Increases the Budget Reserve Trust Fund.

- Provides cash funding for selected capital projects.

*Additional Funding Items\**

**General Government**

- Provides 2% raises for state employees.
- Adds \$66.6 million to the Budget Reserve Trust Fund to bring the Fund to a total of \$117.4 million, 1.6% of the General Fund.
- Adds \$170,000 to Veterans' Affairs to cover increased costs.
- Increases coal severance funds to be returned to the counties by \$16.6 million due to increased mineral and coal severance tax receipts estimates.
- Adds \$350,000 for Homeland Security efforts in the Governor's Office.
- Provides an additional \$10 million for Necessary Government Expenses for a total of \$20 million.
- Provides \$4.4 million in General Fund to the Department of Military Affairs to cash fund an aircraft hangar at Bluegrass Station that was planned for agency bond funding in an enacted budget.

**Education**

- Adds \$23 million to SEEK to help fund 2% raises for school personnel and increase per pupil funding to \$3,222.
- Adds \$10 million to KERA Strand and local school district grant programs.

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\* The Annual Spending Estimates outlined in this publication are estimates only, and reflect the Governor's recommendations to the General Assembly should a budget be enacted.

- Adds \$282,700 to the Governor's Scholars program to ensure full funding for 1,000 students.
- Adds \$250,000 for the Libraries Direct Local Aid Program in compliance with the statutory funding level.
- Adds \$221,300 to fully fund optometry and veterinary contract spaces through CPE for Kentucky students who attend out-of-state universities.
- Adds \$20 million for Postsecondary institutions:
  - o \$10 million is distributed among the institutions for research, regional stewardship, workforce development and capital renewal and maintenance.
  - o \$10 million is provided to CPE for the institutions to be distributed at a later date pursuant to discussions between the Governor and CPE.
- Adds \$8.8 million for KEES scholarships due to increased Lottery receipts estimates.
- Provides \$1.2 million to cash fund the roof project for the Carl Perkins Rehabilitation Center planned for bond funding in an enacted budget.
- Provides \$5.5 million to cash fund the Warren County Technology Center of KCTCS to honor the economic development commitment made to Magna International, Inc. that had been planned for bond funding in an enacted budget.
- Accommodates the transfer of Lexington Community College from UK to KCTCS.

### **Commerce**

- Adds \$100,000 to transfer Wickliffe Mounds from Murray State University to the Department of Parks.
- Adds \$25,800 for the Governor's School for the Arts.

### **Economic Development**

- Adds \$70,000 for International Trade efforts.
- Provides \$2.5 million cash to fund economic development bond projects planned for bond funding in an enacted budget.

### **Finance and Administration**

- Adds \$1.7 million for operating budgets of PVA's.
- Provides \$1 million cash to begin the Streamlined Sales Tax IT project planned for bond funding in an enacted budget.
- Provides \$5 million cash for the Capital Construction Contingency Fund to accommodate increased costs of authorized projects and to begin planning and design work on projects planned for bond funding in an enacted budget.
- Provides \$2.5 million cash for the Capital Emergency, Repair, Maintenance and Replacement Fund to accommodate capital emergencies.

### **Health and Family Services**

- Adds \$5 million one-time General Funds to the Medicaid program to provide bridge funding, allowing the new cost containment and management programs implementation time to realize savings. This supports \$16 million in total expenditures with federal match dollars.
- Provides \$1 million General Fund cash, for a total of \$2 million with federal match dollars, to begin the upgrade of the KAMES IT project that includes the eligibility system for the Medicaid program.

## Transportation

- Redirects \$5 million back to the Road Fund that previously was to be transferred to the General Fund to supplement funding for the State Police.

## *A Plan for the Continuation of Public Services, Not a Budget*

The 2004 General Assembly adjourned its Regular Session having enacted budgets for the Legislative and Judicial Branches for fiscal 2004-06, but without enacting a budget for the Executive Branch of state government.

This Public Services Continuation Plan for the first quarter of FY05 (the "Plan") reflects the Governor's understanding of his legal obligations during the emergency situation created by the absence of a legislatively enacted budget for the Executive Branch and confirms his intention to fulfill them.

It represents the considered judgment of the Governor, in consultation with his budgetary and legal advisors, for fulfilling his constitutional responsibilities and advancing the best interests of the people of Kentucky.

The best interests of Kentucky's people are the foundation on which our Commonwealth has created a large body of statutory law. While we often think of our laws as regulatory or prescriptive, our statutes also include laws, which create, organize, empower and direct the agencies of government to provide various programs and services, such as public schools, transportation facilities and job safety programs.

These statutes accommodate, regulate and encourage the security, complexity, civility and volume of activity in our state. Indeed, these laws are the threads, which bind together the fabric of our society.

The execution of these laws by the Executive Branch involves the delivery of a vast array of services, which are critical to the health, safety, and economic prosperity of the people of Kentucky.

Section 81 of the Kentucky Constitution imposes on the Governor the duty to ensure that the laws of the Commonwealth are faithfully executed. To fulfill this duty, the Governor is designated by Section 69 of the Constitution as the supreme executive authority within the Commonwealth.

Pursuant to his obligation under Section 81 to faithfully execute the laws and in the exercise of the supreme executive power conferred upon him by Section 69, Governor Fletcher has, by executive order, promulgated the Plan.

By this Plan--and the orderly continuation of necessary government services which this Plan will ensure--the Governor seeks to fulfill his obligations under the Kentucky Constitution and to advance the best interests of the people of Kentucky.

There is no provision of the Kentucky Constitution or the Kentucky Revised Statutes, which states that in the absence of a legislatively adopted budget, the government should or must shut down. Additionally, there are numerous federal mandates that require the state to provide certain services.

To the contrary, settled court precedent provides that the Governor may make expenditures in emergency situations where necessary legislative appropriations are lacking.

While Section 230 of our Constitution provides that no money shall be drawn from the state treasury except pursuant to legislative appropriations, this provision contemplates the existence of a legislatively enacted budget. This section of the Constitution does not contemplate the present situation in which the General Assembly has failed to fulfill its responsibility to adopt a budget.

Most importantly, the best interests of the people of Kentucky would not be advanced by the shutdown of the

Executive Branch and all of its programs and services. In the preparation of this Plan, the Governor has taken great care to ensure that he is fulfilling his legal and moral responsibilities, that he is acting within his constitutional powers and that he is exercising those powers to the fullest extent required to advance the best interests of the people.

### *Organizational Highlights of the Plan*

In discharging his constitutional duty to faithfully execute the laws of the Commonwealth when the General Assembly has failed to adopt a budget for the Executive Branch, no law obligates the Governor to provide, in advance, a detailed description of the manner in which legal mandates will be satisfied or all public funds will be expended.

Governor Fletcher has elected, however, to outline his intentions in the Executive Order and in these explanatory materials. The Plan, together with this publication, are intended to exercise control over Executive Branch spending during the period lacking an enacted budget, give due notice to the people of Kentucky as to Governor Fletcher's plans and objectives, and provide guidance to the agencies of government in the management and administration of their programs.

The Plan is set forth in the Executive Order. The executive order incorporates by reference the spending authorizations set forth under the heading "First Quarter Spending Authorizations. *The explanatory materials set forth in this publication do not form a portion of the Plan.*

By the Executive Order, the Governor has directed the Secretary of Finance and Administration to deliver warrants for the payment of expenses within an identified plan to the Treasurer of the State, Jonathan Miller, who, in the 2002 lawsuit concerning Governor Patton's "spending plan," stated that the Governor of Kentucky is authorized by the Kentucky Constitution to disburse public funds in accordance with such warrants under these circumstances.

The Plan provides authorization for spending in the first quarter. As the name implies, it is, however, merely a plan, not a budget.

Unlike a budget, the Plan may be revised in response to changed or unforeseen revenue or programmatic conditions, priorities or urgencies. The Governor may make such revisions consistent with his constitutional obligations and powers in the event he determines that a revision would be appropriate in the pursuit of sound public policy and the best interests of the people of Kentucky.

The Plan provides for the continuation of government services commencing on July 1, 2004, in the event that no legislatively adopted budget shall by then have been adopted with respect to fiscal year 2005 (FY05).

The Plan will expire on September 30, 2004, or on the date on which a legislatively adopted budget becomes effective. It is not possible, of course, to know when that will occur. In light of the indefinite duration of the period in which the Commonwealth will lack a legislatively adopted budget, Governor Fletcher has developed a management approach designed to function appropriately both in the short term and, if necessary, in the long term.

In particular, Governor Fletcher determined that under the prevailing circumstances the financial affairs of the Commonwealth should move forward in *quarterly* increments. The Plan is therefore currently limited to the First Quarter – the period of three months comprised of July, August and September 2004.

The Annual Spending Estimates outlined in this publication are estimates only, and reflect the Governor's recommendations to the General Assembly should a budget be enacted.

Governor Fletcher's decision to use a quarterly system of fiscal management is intended to enhance the prudent, orderly and effective management and oversight of the

agencies and programs. This arrangement will permit the Governor and the public to better monitor the expenditures of the government and exercise controls, adjustments and refinements for the purpose of ensuring one of Governor Fletcher's highest objectives: bringing greater *value* to the taxpayers of the state.

The quarterly system for spending authorization is particularly appropriate in the context of the current circumstances:

- The funds available to satisfy the Governor's obligation to faithfully execute the laws of the Commonwealth are quite limited, even with the additional revenues now predicted by the Consensus Forecasting Group for FY05.
- The stream of tax revenue is unacceptably and unnecessarily volatile, resulting from our obsolete tax structure and the imperfect methods of forecasting the revenue generated by it.
- The Governor wants to ensure that the patterns and levels of spending established during the period in which the Commonwealth is without a legislative budget are sustainable over the longer term, and do not set precedents or raise expectations which cannot be continued or satisfied.
- By moving forward in quarterly increments, the Governor believes that he can better respond to the needs of the Commonwealth and to the available revenue while avoiding numerous corrective or remedial executive orders.

Budgeting is a marriage of revenues and appropriations. In budgeting on a quarterly basis while providing non-binding "expectancy" figures for the fiscal year as a whole, the Governor has sought not only to ensure that revenues and expenditures will be in balance, but also to ensure an appropriate balance between short-term program management and mid-term financial planning.

If no legislatively adopted budget has been enacted within the First Quarter of FY05, Governor Fletcher anticipates that he will issue a Plan for the Second Quarter and outline in that document the spending we anticipate for the months of October, November and December, 2004.

If and when the General Assembly adopts a budget for FY05, however, it will be within the authority of the General Assembly to increase, reduce or accept the level of spending set forth in both the First Quarter Authorizations as well as the Annual Spending Estimates.

This publication provides a listing of all of the appropriation units, which comprise our state government, together with a funding level for the First Quarter and an anticipated funding level for FY05. You will notice that the funding level for the First Quarter is not always, and in fact is rarely, equal to one-fourth of the anticipated funding for the year as a whole.

This reflects the fact that government expenditures rarely proceed in equal monthly increments during the twelve months, which comprise a fiscal year. Some months and some quarters are characterized by abnormally large expenditures, while spending in other periods may be quite limited. The quarterly method of spending authorization will thus provide a more accurate portrait of government financial planning than an annualized expenditure plan.

This Plan is significantly different than the one adopted by Governor Patton in June 26, 2002, partly by necessity and partly by policy and preference.

Governor Patton's "spending plan" adopted by reference House Bill 1 of the 2002 General Assembly, the budget bill which had been adopted in virtually identical versions in the House and the Senate in the First Extraordinary Session of 2002. Governor Patton's spending plan therefore included the great majority of the suspensions of statutes contemplated by House Bill 1. Governor Patton's spending plan contemplated a full year plan, thereby making no specific

reference to the possibility that its duration would be less than one year. In all of these respects, Governor Patton's plan was very much like an appropriations bill.

Governor Fletcher, on the other hand, has endeavored in good faith and with considerable care to harmonize his obligation to uphold the laws of the Commonwealth with his constitutional responsibilities for balancing the spending with revenue, a responsibility discussed in greater detail within this publication.

There has been a tendency in the public dialogue to regard the Plan as the Governor's version of a legislatively adopted budget. That is not the case.

This Plan cannot, and does not attempt to, succeed to the role of the General Assembly in adopting a budget. Rather, the Plan is in the nature of a gap filler, made necessary by the failure of the General Assembly to adopt a budget for the Executive Branch.

### *Constitutional Considerations*

In the development of the Plan, Governor Fletcher, his advisors and cabinet secretaries have attempted to determine, with respect to the First Quarter, a level of spending which:

- Responds to the needs and best interests of the citizens of the Commonwealth as a whole.
- Is consistent with Governor Fletcher's commitment to good stewardship and responsible management and is sustainable over the long term.
- Provides a fiscally responsible approach to government spending consistent with the financial times and the absence of a legislatively adopted budget.

In formulating a plan, which would advance these policy priorities and objectives, the Governor and his Office of State Budget Director are also guided by certain legal principles.

First among them is the constitutional requirement of section 171 of the Kentucky Constitution that our state government not spend more than it takes in.

Second, there are certain express constitutional limitations on the Governor's authority: the Governor cannot levy new taxes or fees; and he cannot contract new debt obligations.

It is therefore essential that the Governor refrain from spending which might otherwise be required by statute so that

spending does not exceed revenues available under existing tax laws. The Governor's power to *refrain* from making expenditures in excess of revenues has been expressly conferred upon him by the General Assembly in KRS Chapter 48.

The starting point for the Plan was Governor Fletcher's Executive Branch budget recommendations to the 2004 General Assembly. As with the budget recommendations of each of the governors in the last several biennia, Governor Fletcher's proposal recommended that the General Assembly suspend for the 2004-06 biennium several statutes, statutes that might otherwise arguably direct spending in a manner inconsistent with the Governor's budget recommendations. But those were recommendations for legislative action, and the Governor does not have the same constitutional power as the General Assembly to suspend statutes.

Accordingly, all the statutes, which the General Assembly would have suspended, will continue in force, requiring the Plan to differ from his recommended budget as to almost all those line items. The Governor, and his budgetary and legal advisors, have also reviewed every statutory suspension he recommended to determine those instances in which the Governor may effect the same expenditure as in his recommended appropriations by exercising authority provided by another statute, without the necessity of suspending the statutes that would have been suspended by the General Assembly to effect that expenditure. These expenditures may be grouped into four general categories:

- (1) *Expenditures made from the General Fund in order to avoid suspension of statutes.*

Certain statutes provide for a program or agency a minimum amount of funding, but do not impose a maximum limitation on funding – they provide, in other words, a floor but not a ceiling.

For example, KRS 95A.262(3) provides that \$200,000 be allocated each fiscal year to the firefighters training center fund

from the firefighters foundation program fund. Governor Fletcher's Plan authorizes funding of excess of \$200,000 by allocating monies from the General Fund. To provide the additional funding for this center, it therefore was not necessary that KRS 95A.262(3) be "suspended" and Governor Fletcher has not done so.

**(2) *Debt service on bonds previously authorized by the General Assembly.***

As a result of prior enactments by the General Assembly, including previous suspensions of laws by the General Assembly, several state agencies have lawfully incurred obligations.

For example, under a prior suspension of KRS 42.4592, the General Assembly authorized allocation of coal severance monies in the Local Government Economic Development Fund to provide debt service on construction bonds entered into by Kentucky school districts.

Some of these obligations are not general obligation debts of the Commonwealth because the Commonwealth retains the option of terminating the obligations on an annual basis. The failure to provide debt service on these obligations, however, could impair the debt rating of both the Commonwealth and the school districts in the future.

Construing the prior legislative suspension of statutes – enacted in order to incur these obligations – as a continuing resolution permitting the debt to be serviced, the Plan allocates coal severance monies from the fund to service this debt consistently with the reasonable expectations of the parties, until the General Assembly can ratify the expenditures when it enacts a budget.

**(3) *Expenditures, which might require statutory suspension in a legislatively enacted budget but not in the Public Services Continuation Plan.***

There are several statutes, which apply to a legislatively enacted “budget” or to the Governor’s “recommendation” for a legislatively enacted budget. They are routinely suspended by the General Assembly but by their literal language are inapplicable to the Plan.

For example, KRS 48.185 mandates only that the Governor “include in the budget recommendation for the executive branch and in the draft branch budget bill for the executive branch . . . recommendations for appropriations” of 4.4% of severance tax estimates to the Area Development Fund. By its plain language, the statute applies only to the recommendation for a legislatively adopted budget, and does not apply to an executive order such as the Plan.

**(4) *Harmonization of seemingly inconsistent statutes.***

There are several items in the Plan, which provide for spending funds or transferring funds in a manner arguably inconsistent with the literal language of a statute when read out of the context of the current factual situation of the failure of the General Assembly to have enacted a budget.

In each of these instances, however, there are other constitutional or statutory provisions, which confer on the Governor the authority to make the expenditure, or require the Governor to refrain from making the expenditure.

In each of these instances, the Governor has read the statutes together, harmonizing the seeming inconsistencies in the statutes, in order to determine the expenditures, which he must make or refrain from making.

Most of these instances involve the situation discussed above, in which the constitutional requirement of a balanced budget requires the Governor to refrain from making certain expenditures that might otherwise be required by the statutes.

Two statutory provisions, which arguably require or prohibit certain spending, have garnered particular public interest:

- the “cap” on permanent, full-time employees set forth in KRS 18A.010(2) and
- the annual salary increment set forth in KRS 18A.355.

The expenditures encompassed by this Plan may result in agencies of the Executive Branch continuing to employ more than 33,000 permanent, full-time personnel (depending on the definition of which agencies’ employees are encompassed by KRS 18A.010(2) and whether that statute encompasses employees whose salaries are paid with federal funds or other nontax sources).

The General Assembly has regularly suspended KRS 18A.010(2) for the last 20 years, while enacting programs that require more than 33,000 employees to implement, and while appropriating money to pay the salaries of those employees.

Additionally, it is the Governor’s constitutional duty under section 81 of the Constitution to faithfully execute the laws creating those programs. A statute, which purports to limit the number of employees that the Governor may employ to faithfully execute those laws, may encroach upon the constitutional prerogatives of the Governor. *See Brown v. Barkley, Ky.*, 628 S.W.2<sup>d</sup> 616, 623 (1982).

Moreover, the employees hired to implement these programs while KRS 18A.010(2) was suspended by the General Assembly now have statutory rights pursuant to KRS 18A.095, 18A.100, 18A.113, 18A.1131 and 18A.1132, which would be triggered by any reduction in force.

KRS 18A.010(2) must be read together with these personnel statutes – and the programmatic statutes these employees implement – which were enacted subsequent to the 1982 enactment of KRS 18A.010(2), and which would therefore impliedly repeal KRS 18A.010(2) if the courts are unable to harmonize the statutes.

Accordingly, the Governor has decided not to initiate a reduction in force, which would trigger all the statutory

procedures of KRS 18A.095 through 18A.1132, only to have the reduction in force withdrawn shortly thereafter when the General Assembly inevitably suspends KRS 18A.010(2) when it enacts a budget for the Executive Branch.

KRS 18A.355(1) seems to provide that employees shall receive annual increments of 5% on their anniversary dates. But KRS 18A.355(2) seems to narrow this statute to require only that the “budget branch recommendation submitted to the General Assembly . . . shall include a request for the amount . . . needed to fund the annual increment.” Read narrowly, KRS 18A.355 is inapplicable to the Plan.

In any event, the requirement of a balanced budget, as mandated by section 171 of the Constitution, precludes the Governor from making expenditures in excess of available revenues.

Recognizing this, KRS 18A.355(3) clearly contemplates that the 5% increment may be reduced if necessary to address financial constraints. Although subsection (3) states that a reduction in the increment may occur only after other cost-saving measures have been taken, including laying off employees pursuant to KRS 18A.1132, that requirement applies only to the “budget reduction plan” in a legislatively enacted budget.

Furthermore, the General Assembly has previously suspended this statute by reducing the increment below 5% before requiring layoffs, thereby insuring that enough personnel are available so that the programmatic statutes the General Assembly has adopted can be effectively carried out. It is the Governor’s constitutional duty under section 81 of the Constitution to faithfully execute the laws that create those programs.

If KRS 18A.355 (1) – (3) required a reduction in force in order to pay a 5% increment to employees not laid off, then the statute would purport to limit the number of employees that the Governor may employ to faithfully execute the laws enacted by the General Assembly.

As noted above, any provision that encroaches upon the Governor's ability to faithfully execute the programmatic statutes enacted by the General Assembly may encroach upon the constitutional prerogatives of the Governor. *See Brown v. Barkley, Ky.*, 628 S.W.2d 616, 623 (1982).

Also, while the statute requires the salary increase to be "granted" on the employee's "anniversary date," the statute does not prescribe when the increment must be funded. Since the Plan will not last for the entire fiscal year 2004-05, the General Assembly may decide whether to retroactively fund the increment for the time period the Plan was in force, or retroactively suspend KRS 18A.355(1), when it enacts a budget for the Executive Branch for fiscal year 2004-05.

### *Overview of First Quarter Authorizations*

The Plan reflects Governor Fletcher's magisterial, policy, managerial and legal objectives.

In pursuit of the Governor's *magisterial* responsibilities, the Plan's first and most urgent objective is to maintain the operation of state government absent a legislatively enacted budget.

In doing so, the Plan will address the emergency which has arisen as a result of the absence of a legislatively enacted budget, a condition which imperils the health, safety and welfare of the people of Kentucky.

By continuing the operation of the state government, the Plan will avoid disrupting operations of a myriad of facilities including but not limited to prisons, schools, mental hospitals and veterans' nursing home facilities; obstructing the revenue collection processes of state and local governments; putting at risk billions of federal fund dollars, the receipt of which is conditioned upon the availability of state matching funds and the provision of services; and endangering the continuity and availability of services to all citizens of the Commonwealth.

From a *policy* perspective, the Plan is built upon Governor Fletcher's objective of making Kentucky competitive, the same foundation which under gird the Executive Budget he submitted to the 2004 General Assembly. As before, Governor Fletcher is targeting educational and job development opportunities. To achieve these goals, the Governor has carefully selected funding priorities above the baseline.

From a *managerial* perspective, Governor Fletcher has also woven into the Plan insistence on good fiscal stewardship and efficient management practices.

All of state government will be challenged to accomplish statutory goals and missions with limited funding. Consistent with his Executive Budget, Governor Fletcher is committed to the efficient operation of state government to grow the economy and move the Commonwealth forward.

Governor Fletcher has issued an Executive Order, which, by its terms, expressly addresses the period from the period July 1, 2004 through September 30, 2004. Annual figures are included in the Plan for appropriation units of government only on an advisory basis to express the intent of the Governor for annual funding amounts for agency planning purposes.

In recognition of the slightly improved revenue outlook, the Plan improves upon the Executive Budget submitted by Governor Fletcher, and provides salary increases of 2.0% for state employees.

An increase of 4.5% is expected in employer health insurance costs in FY05, which has been significantly mitigated by the redesign of the state employee health insurance program. Employer contributions for the Kentucky Retirement System will remain at the rates as enacted in the FY04 Budget of the Commonwealth.

All of these increased costs will be absorbed within the base budgets of state agencies through a variety of aggressive and comprehensive management strategies by the Executive Cabinet.

With respect to the *legal* constraints on the Governor's authority, and particularly in recognition of the inability to suspend statutory requirements without action of the General Assembly, several appropriations that would have been made from restricted funds in a legislatively enacted budget are funded with General Funds in the Plan.

It should be noted, however, that this approach is based solely on the legal analysis of what is feasible, and not on the policy analysis of what should be done. The expressed intention of the Governor is to recommend to the General Assembly that it enact a biennial budget that appropriates restricted funds for many programs pursuant to past practice, in lieu of utilizing General Funds as provided in the Plan. Given that the Plan is for an interim period, program operations should not be impacted as a result of these limited fund source substitutions.

### *Funding Priorities Above the Baseline*

The Governor has carefully selected funding priorities above the baseline, amounts in excess of FY04 levels as reduced by the Budget Reduction Order and the Stability Initiative. As previously noted, the Plan authorizes spending for the first quarter of FY05, but provides annual estimates for planning purposes. As the Governor's responsibility is to balance revenues and expenditures over the fiscal year, references to funding priorities are provided on an annual basis.

#### *Elementary and Secondary Education*

The Plan places its highest priority on elementary and secondary education. Governor Fletcher is committed to increasing teacher pay and recommends that all certified and classified school personnel receive a 2.0% raise.

In these tight economic times, the Governor is calling upon local school districts to find the resources, including fund balances and reserves if necessary, to cover a significant portion of the cost of the raises. The Plan provides that:

- o Local school districts are responsible for 1.5% raises for classified personnel and classroom certified personnel. State General Funds are available for districts unable to meet this obligation from balances or reserves.
- o The General Fund will pay for the full 2.0% raises for non-classroom certified personnel (guidance counselors, librarians, etc.), and will pay for the additional .5% for all classified and certified school personnel.

- o As proposed in the Executive Budget, the Governor is committed to providing the recurring cost of all raises for FY05 in FY06 when a budget is enacted.

Basic per pupil funding in the SEEK formula is increased in FY05 to \$3,222, an increase of \$23 million over the amount in the Governor's Executive Budget. Governor Fletcher asked the State Board of Education to recommend how an additional \$10 million could best be deployed to help the Commonwealth maintain progress in education in the lean fiscal environment. These funds are provided in the KERA Strand and local school district grant programs.

The Governor is committed to seeing that state funds are used directly in the classroom and less emphasis is placed on administrative costs. To that end the Plan includes funding for the analysis of local school expenditures.

The Plan recommends funding for Governor Fletcher's Read to Achieve Initiative. The Governor strongly believes that reading proficiency is the gateway skill necessary for students to achieve the academic goals established by KERA and to be successful in life.

Debt service for previously issued bonds and notes for the benefit of local school districts in the Commonwealth is appropriated to the School Facilities Construction Commission in enacted budgets. In the absence of an enacted budget it is critical that the Commonwealth send a clear message to the credit markets that it will honor all obligations on a timely basis. The Plan provides full spending authority for the total debt service payments due for the entirety of FY05 in the first quarter. While it is recognized that this full amount is not necessary from a cash flow perspective, it is recognized that the authority to expend the dollars necessary to meet the debt service obligations in full.

### *Postsecondary Education*

Governor Fletcher is convinced that postsecondary education is a core driver of economic growth and opportunity

for the Commonwealth. The vast majority of the Governor's recommended capital investment program in the Executive Budget was the investment in research, technology, healthcare, and teaching facilities at the universities and community and technical colleges. As the Plan cannot authorize the issuance of debt, the delay in the funding of these economic development related postsecondary education facilities will be one of the largest impacts suffered as a result of the General Assembly not enacting a budget.

In recognition of the efforts of the universities to help the Commonwealth address the predicted budget shortfall in FY04 and the Stability Initiative, the Plan includes an additional \$20 million for postsecondary institutions beyond the funding levels recommended in the Executive Budget. Ten million dollars of this amount is distributed to the institutions for research, regional stewardship, workforce development and capital renewal and replacement. The other \$10 million is provided to the Council on Postsecondary Education to be distributed to the institutions at a later date pursuant to further discussions between the Governor and the Council.

The Plan provides \$5.5 million in cash to fund the Warren County Technology Center of the Kentucky Community and Technical College System ("KCTCS") to honor the economic development commitment made to Magna International, Inc. that had been planned for bond funding in an enacted budget.

The Plan also recognizes and accommodates the transfer of Lexington Community College from the University of Kentucky to KCTCS.

The Plan includes increased funds for student financial aid, both need and merit based. Beyond the increases included in the Executive Budget, additional funds in the amount of \$8.8 million in FY05 are provided for the Kentucky Educational Excellence Scholarship program resulting from increased projected Lottery revenues.

The Plan includes the additional funding of \$1.2 million contained in the Executive Budget to fund increases for the National Guard Tuition Assistance Program, a significant recruitment and retention tool for the National Guard, and an incentive to individuals serving the Commonwealth to continue their education.

### *Education Cabinet*

The Plan provides \$282,700 additional funds in addition to the amount recommended in the Executive Budget to ensure that 1,000 students will be funded for the Governor's Scholars program for FY05. In the Commerce Cabinet's spending authorization, the Governor's School for the Arts is provided with an additional \$25,800 to restore funding to its FY03 levels.

The Plan provides \$250,000 additional funds for the Direct Local Aid program of the Department of Libraries in compliance with statutory funding levels and provides \$1.2 million to cash fund the roof project for the Carl Perkins Rehabilitation Center that was planned for bond funding in an enacted budget.

### *Economic Development and Commerce*

Prosperity for our state depends upon the growth and development of the Kentucky economy. Governor Fletcher believes that every dollar spent by the Commonwealth should be measured by the ultimate impact it may have on Kentuckians' well-being and future economic prosperity.

The Plan not only provides for new investments that will yield economic benefits to the Commonwealth, it also sends a strong message that just like families and businesses in the Commonwealth, Kentucky state government is going to live within its means.

The Plan provides \$2.5 million to fund additional economic development bond projects to serve as incentives for the attraction and retention of industries to Kentucky. These

efforts would have been funded with by the issuance of bonds in an enacted budget.

Planning funds are provided to attract a federal research lab to Kentucky, and funding is provided to support the continued development of the New Economy. In addition, \$70,000 is added to increase the Commonwealth's efforts in international trade activities.

In the Commerce Cabinet, continuous improvement efforts are underway to erase the operating deficit in the Kentucky State Parks. The Plan provides an additional \$100,000 to bring the Wickliffe Mounds Research Center into the state parks system. The development is currently operated by Murray State University.

### *Efficient Operation of Government*

Governor Fletcher is committed to bringing better business practices to the operation of state government so that the taxpayers' dollars are stretched as far as possible to best meet the needs of the citizens, businesses and communities.

The safety net that government provides for those individuals who need additional care and support beyond their means must be provided in the most efficient manner possible. The Plan recommends new investment in human service and public safety programs, as well as new approaches to the delivery of some of these programs to maximize their productivity.

- *Environmental and Public Protection*

The reorganization of three prior Cabinets into one administrative organization is creating the opportunity for significant efficiencies. Centralizing the regulatory functions of state government is resulting in better service for businesses and communities.

The Plan maintains funding for programs in this Cabinet. It should be noted that all versions of the budget

considered during the 2004 General Assembly relied upon fund transfers from this Cabinet to bolster appropriations from the General Fund. Most of the contemplated fund transfers were applicable to FY06.

- *Finance and Administration*

Many of the core administrative functions of state government are provided by the Finance and Administration Cabinet. The ability of state government to keep administrative costs under control depends on this cabinet having the tools and infrastructure necessary to maximize efficiencies.

Debt service for previously issued bonds and notes for the benefit of agencies of the Commonwealth is appropriated to the Finance and Administration Cabinet in enacted budgets. In the absence of an enacted budget it is critical that the Commonwealth send a clear message to the credit markets that it will honor all obligations on a timely basis. The Plan provides full spending authority for the total debt service payments due for the entirety of FY05 in the first quarter. While it is recognized that this full amount is not necessary from a cash flow perspective, it is recognized that the authority to expend the dollars necessary to meet the debt service obligations in full.

The Plan includes funding for the Revenue Department to aggressively collect debts owed to the Commonwealth, including those owed to the General Fund and to other agencies. Both staff resources as well as technology resources are bolstered, which will result in the collection of an additional \$10 million in FY05. One million dollars is provided to initiate the upgrade of the information systems needed to implement changes to the sales tax systems required for the Commonwealth to benefit from the Streamlined Sales Tax Project. This technology upgrade is a project which had been planned to be funded with bond proceeds and will be recommended for bond funding in the biennial budget.

Additional operating funds are provided to Property Valuation Administrators in the amount of \$1.7 million to address staffing concerns.

The Plan provides \$5 million General Fund cash for the Capital Construction Contingency Fund to accommodate increased costs of authorized projects and to begin planning and design work on projects planned for bond funding in an enacted budget. In addition, \$2.5 million is added to the Capital Emergency, Repair, Maintenance and Replacement Fund to accommodate capital emergencies. Both of these actions are necessitated by the lack of an enacted budget to maintain the best interests of the Commonwealth. (Refer to *Capital Projects – Cash and Bonds*)

- ***General Government***

The Plan provides for 2.0% raises for all state employees. In addition, \$66.6 million is added to the Budget Reserve Trust Fund to bring the Fund to an estimated balance of \$117.4 million by the end of FY05. The Plan specifically sets aside \$20 million to pay for the necessary, but typically unbudgeted expenses that the Commonwealth is obligated to pay, deemed Necessary Government Expenses. The Executive Budget had recommended \$10 million, however recent experience has resulted in that figure being inadequate.

Increased costs of \$170,000 are accommodated for the operation of Veterans' Affairs activities in the state in the Plan and \$350,000 is added to the Governor's Office allocation to provide enhanced Homeland Security coordination and federal funding maximization for the Commonwealth.

As a result of increased projections for coal and mineral severance tax receipts, the Plan provides for additional increases beyond the Executive Budget in the amount of \$16.6 million that would be provided for the benefits of the counties pursuant to statute. Note, however, that a portion of this amount represents funding that in an enacted budget is expected to be appropriated for other purposes.

The Plan advances \$4.4 million of General Fund cash to finance the construction of an aircraft modification hangar at Bluegrass Station in the Department of Military Affairs. This capital project was recommended in the Executive Budget for bonds to be supported with agency receipts. It is expected that this project will be recommended for agency bond funding in the biennial budget.

- *Health and Family Services*

The Medicaid budget is being approached with a strong management objective to redesign the program from top to bottom. Efficiencies will be identified in both administrative and care delivery components of the program to make the program affordable and sustainable, and to improve the health and lives of Kentuckians who depend on the services provided by the system.

The Plan includes a one-time additional infusion of \$5 million in General Funds to serve as a bridge to allow implementation of new approaches to begin to realize program savings. This investment will result in \$16 million of total expenditures when federal matching dollars are considered. Continued efforts and focus on maximizing efficiencies through cost containment measures and proactive initiatives to improve care delivery and health of beneficiaries will be vigorously pursued throughout the biennium to close the structural budget gap in the Medicaid program. Efforts will be focused in three key areas: Care Management, Benefit Management, and Cash Management.

The Plan includes \$1 million to help begin the process of replacing the antiquated KAMES (Kentucky Automated Management & Eligibility System) technology, which is used for determining eligibility for Medicaid, Temporary Assistance to Needy Families, Food Stamps, and State Supplementation. Federal matching funds are available for the project, which was planned for full funding in the Executive Budget in FY06.

- *Justice and Public Safety*

Poor economic times result in increased costs to public safety areas of government services and responsibilities. Increased populations in both adult and juvenile detention facilities result in increased costs that must be provided. The Fletcher Administration is committed to providing these public safety services in the most programmatic and cost effective manner possible.

Additional funding is included in the Annual Spending Estimates to open the Elliott County prison, however at reduced costs than previously estimated due to the timing of the opening of the facility. The Department of Corrections will work vigorously to open the facility in the most efficient manner possible. Additional funds are also provided to open and operate three new previously authorized juvenile detention centers in Boyd, Fayette, and Hardin Counties.

- *Transportation*

The Transportation Cabinet will increase efficiency of operations, which will result in a decrease in base funding for administrative costs by approximately \$4.5 million in FY05, and redirect those funds to be spent on state construction projects.

To maximize the funding for state construction projects, Federal project funding will be matched with Toll Credits instead of Road Fund cash. This approach will support approximately \$108 million in additional state construction over the next two fiscal years.

The Plan continues the cash management program to fund projects with available cash flow such that existing commitments can be honored. The Plan also contemplates continuance of allocating Road Fund dollars to the General Fund for support of highway related expenses of the State Police. However, the Plan redirects \$5 million back to the Road Fund and provides an additional \$5 million in General Funds to the State Police.

### *Capital Projects – Cash and Bonds*

The Plan includes no new bonded indebtedness for any purpose because bonded indebtedness for any public purpose requires prior, explicit legislative authorization.

Authorizations for new long-term bonded indebtedness are, as a matter of law, delineated as discrete line-items in a budget bill. There are none present in the Plan.

The only capital projects included in the Plan are those funded with cash – either from the General Fund (in a very limited amount) or from agency/restricted funds, federal funds, or Road Funds.

This dependence solely on cash will sharply truncate the Commonwealth's normal biennial capital investment program in such important areas as school construction and renovation, clean drinking water and wastewater investments, information technology, and basic government infrastructure, including normal renovations and repairs to facilities throughout all regions of the Commonwealth.

A small number of projects may be initiated with cash provided in the Plan. It is anticipated that at such time as the General Assembly enacts a budget, including revenue bonds for these projects, then the funds advanced prior to the authorization and issuance of bonds will be reimbursed to the General Fund as appropriate.

Attachment A includes a Capital section which provides, by appropriation unit, the first quarter authorization as well as the annual planning amount for capital projects in the Plan. Note, however, that due to requirements for the awarding of contracts for capital construction projects, in many cases the full annual amount is authorized in the first quarter.

### *Budget Stability Initiative and Revised Revenue Forecasts*

In FY04, the Commonwealth faced a budget shortfall of \$302.6 million, which represents 4.1% of enacted appropriations. On January 5, 2004 Governor Fletcher executed a Budget Reduction Order to reduce authorized spending to match available resources. This marked the fourth straight year in which revenues upon which authorized spending was based fell short of predictions. Moreover, revenue projections for FY05 predicted insufficient growth in revenues to support current levels of spending in FY04, even after the budget reductions mandated in the Order.

In response to the austere budget outlook for FY05, Governor Fletcher established a target for all state agencies to reduce spending and identify funds to result in additional savings of \$100 million in FY04. This effort was labeled his Stability Initiative, the goal of which was to save \$100 million in FY04, which would then be available for expenditure in FY05. This would allow state government to have approximately the same amount of funding available in each of the two years, creating a level amount of spending as opposed to a significant decrease in FY05.

The Stability Initiative resulted in an estimated ending balance of \$110.4 million for FY04, which was recommended, for spending in FY05 in the Executive Budget. The Budget Reduction Order as well as the Stability Initiative established the Governor's funding priorities early in his administration. The Support Educational Excellence in Kentucky formula for funding elementary and secondary education was not reduced in either of the Plan balancing actions. In addition, funds for Medicaid benefits were not reduced.

While the General Assembly did not agree on a budget for the Executive Branch, all versions of the budget considered and voted upon by both houses contained the components of the Governor's Stability Initiative. The Plan includes the Stability Initiative as part of its foundation. While the revenue outlook has improved somewhat, significant uncertainty exists with respect to the variability of revenues, and all state agencies had saved the funds in FY04 to comply with its provisions.

In recent years, the Consensus Forecasting Group (CFG) has faced the daunting task of attempting to estimate state revenues at a time when states across the U.S. were facing the most serious series of revenue shortfalls in the last 60 years. While recent General Fund receipts give reason to be optimistic, that optimism must be viewed in the context of events over the last year.

Following the close of the legislative session in March 2003, the state economy continued to languish and FY03 closed with actual General Fund receipts approximately \$75 million less than the \$6.86 billion figure relied upon by the General Assembly when HB 269 (the budget bill) was enacted only a few months previously. Primarily as a result of the enactment by the United States Congress of the Jobs and Growth Tax Relief Reconciliation Act of 2003 (federal fiscal relief) and the use of \$68.7 million available to the state as a result of that act, Kentucky was able to move into FY04 with a General Fund beginning balance of \$138.7 million as was budgeted by the 2003 General Assembly.

The first few months of FY04 proved disappointing with respect to both the General Fund and the Road Fund. Preliminary CFG revenue estimates in October 2003 predicted a FY04 General Fund revenue shortfall of \$224.4 million from the enacted revenue figure of \$7,058.5 million upon which FY04 appropriations were predicated.

In addition to the revenue shortfall, there were unspecified General Fund lapses and savings presumed within

HB 269 (the budget bill) and unbudgeted “necessary government expenses” estimated at \$15 million, bringing the total estimated budget shortfall for FY04 to just over \$300 million. Governor Fletcher assumed office on December 9, 2003. After a thorough review of the situation, Governor Fletcher directed all state agencies to develop General Fund budget reduction plans in December. The Governor formally executed a General Fund Budget Reduction Order on January 5, 2004, bringing expenditures in line with projected revenues.

In January, the CFG estimated General Fund revenues for FY05 at \$7,153.8 million, an amount less than the enacted FY04 General Fund appropriations. These estimates were utilized in the development of the Governor’s recommended budget to the General Assembly, and were the figures considered by the General Assembly in its unsuccessful attempt to reach consensus on an executive branch budget.

During the latter third of FY 2004, after 4 consecutive years of budget reductions and after the General Assembly had adjourned without enacting an executive branch budget, the state began to experience a long-awaited rebound in General Fund revenues. The last four months have been marked by robust growth and it is now expected that the Commonwealth will end this fiscal year with General Fund revenue receipts that are \$139 million higher than the CFG forecast in January 2004.

At the request of the State Budget Director, the CFG met in early June and, responding to the stronger receipts of recent months, revised the FY05 and FY06 receipts upward. For FY05, this revision results in a General Fund revenue estimate of \$7,249 million – or \$95 million more than the January 2004 estimate. While this is good news, it is still rather modest growth (2.7%) when compared to the FY04 General Fund revenue estimate relied upon by the 2003 General Assembly. It is \$175 million less than the amount of the General Fund appropriations enacted for FY04 by the 2003 General Assembly – appropriations which relied heavily on transfers to the General Fund of \$95 million from restricted accounts. This

modest revenue growth and use of fund transfers from sources that are arguably non-recurring over the long term serves to underscore the structural budget issues with respect to the Commonwealth's normal recurring expenditure base.

Accordingly, the Governor has taken a responsible and prudent approach to balancing revenues and expenditures in the development of the Plan.

### *Structural Balance and the Budget Reserve Trust Fund*

Governor Fletcher has woven into the Plan his insistence on good fiscal stewardship and efficient management practices.

Since the Plan is of interim nature, bridging the gap between the last enacted budget and the next, and since the General Assembly has not yet adopted comprehensive reform of our tax code, Governor Fletcher concluded that the Plan should be characterized by responsible and prudent financial planning and practices.

As did the Executive Budget, the Plan reduces the Commonwealth's reliance on non-recurring revenue sources.

In recent years, characterized by poorly performing revenues, the Commonwealth has operated with a budgetary structural imbalance. Expenditures from the General Fund of a recurring nature have exceeded General Fund revenues. This has been accomplished by reliance on nonrecurring transfers of non-General Fund revenues, including primarily funds from agency-generated sources or "restricted funds."

In the long run, of course, this is not a sustainable fiscal strategy. This is not a tenable fiscal position for the Commonwealth, and Governor Fletcher believes that this approach must be curtailed. The Plan relies significantly less on non-recurring sources of revenue, thereby significantly reducing the structural imbalance in the General Fund.

In particular, the Plan has been drawn to minimize the amount of new and recurring spending so as not to exacerbate

the financial structural imbalance. The Governor's Executive Budget Recommendation acknowledged the use of \$89 million in one-time funds to balance the budget in FY06.

To achieve this objective, most Executive Branch Cabinets and Agencies will have the same General Fund base allocations as they had in FY04, after the Budget Reduction Order and the Stability Initiative. Fiscal discipline and increased efficiency of operations will be required as most all state agencies will need to manage within the same funding base and absorb increased personnel and operating costs.

The Plan does not directly address FY06, but based upon the increased revenue estimates of the Consensus Forecasting Group and the annual estimates of the FY05 allocations in the Plan and the Executive Budget recommendation for FY06, the estimated structural imbalance for FY06 is approximately \$80 million. FY06 is projected to have an additional \$70.5 million in revenues, and estimated projections would serve to obligate about \$70 million of those funds.

In addition, the Commonwealth's fiscal condition is improved in that the Plan estimates an additional \$66.6 million for the Budget Reserve Trust Fund (the "Fund") to serve as a buffer against unanticipated events both with respect to revenue receipts and expenditure items. This estimated funding is in addition to \$50.8 million previously appropriated and available to the Fund, and would bring the Fund to an estimated balance of \$117.4 million, or approximately 1.6% of annual General Fund revenues. At its historical high, the Fund reached 3.7% of General Fund revenues in FY01.

The enabling statute for the Budget Reserve Trust Fund provides a statutory/policy goal of up to five percent of annual General Fund revenues. This was established in recognition of the intrinsic vagaries of the national economy, the business cycle, and their effect on the Commonwealth's revenue base.

The dramatic fluctuation in actual state government revenues compared to forecasted amounts in recent years

makes abundantly clear the need for at least a minimally adequate Budget Reserve Trust Fund.

These funds may only be withdrawn to offset a revenue shortfall or to support certain Necessary Governmental Expenses defined by law or supported by Constitutional imperatives.



## **PUBLIC SERVICES**

### **CONTINUATION PLAN**

- GENERAL FUND SUMMARY
- ROAD FUND SUMMARY

## Public Services Continuation Plan General Fund Summary

	<b>Fiscal Year 2004-2005</b>
<b><u>Resources</u></b>	
Beginning Balance	222,920,500
Consensus Revenue Forecast	7,249,000,000
Tobacco Settlement - Phase I	108,800,000
Other Resources	4,989,800
Fund Transfers	67,571,100
<b>Total Revenue</b>	<b>7,653,281,400</b>
 <b><u>Continuing Appropriations Reserve</u></b>	
Budget Reserve Trust Fund	50,764,800
Tobacco Settlement - Phase I	21,945,100
Executive Branch	1,500,000
Legislative Branch	10,878,500
<b>Reserve Subtotal</b>	<b>85,088,400</b>
<b>Total Resources</b>	<b>7,738,369,800</b>
 <b><u>Appropriations *</u></b>	
<b>Executive Branch</b>	
Regular Operating	7,194,318,600
Tobacco Settlement - Phase I	108,800,000
Debt Service Lapse	(3,514,500)
Capital Projects	28,164,700
<b>Executive Branch Subtotal</b>	<b>7,327,768,800</b>
<b>Judicial Branch</b>	<b>218,255,600</b>
<b>Legislative Branch</b>	<b>40,616,400</b>
<b>Total Appropriations</b>	<b>7,586,640,800</b>
<b>Balance</b>	<b>151,729,000</b>
 <b><u>Continuing Appropriations Reserve</u></b>	
Budget Reserve Trust Fund	117,405,400
Tobacco Settlement - Phase I	21,945,100
Executive Branch	1,500,000
Legislative Branch	10,878,500
<b>Reserve Subtotal</b>	<b>151,729,000</b>
<b>Ending Balance</b>	<b>0</b>

\* The Annual Spending Estimates outlined in this publication are estimates only, and reflect the Governor's recommendations to the General Assembly should a budget be enacted.

## Public Services Continuation Plan Road Fund Summary

	Fiscal Year 2004-2005
<b><u>Resources</u></b>	
Beginning Balance	0
Consensus Revenue Forecast	1,149,330,100
<b>Total Resources</b>	<b>1,149,330,100</b>
<b><u>Appropriations *</u></b>	
Transportation Cabinet	
Revenue Sharing	233,503,900
Highways	652,552,100
Vehicle Regulation	15,834,000
Debt Service	116,113,500
General Administration and Support	66,305,900
Capital Projects	12,199,000
<b>Transportation Cabinet Subtotal</b>	<b>1,096,508,400</b>
Kentucky State Police	47,465,700
Finance and Administration Cabinet	4,756,000
Homeland Security	350,000
State Treasurer	250,000
<b>Total Appropriations</b>	<b>1,149,330,100</b>
<b>Ending Balance</b>	<b>0</b>

\* The Annual Spending Estimates outlined in this publication are estimates only, and reflect the Governor's recommendations to the General Assembly should a budget be enacted.



## **PUBLIC SERVICES**

## **CONTINUATION PLAN**

- EXECUTIVE ORDER 2004-650

**EXECUTIVE ORDER**

**2004-650**

**June 28, 2004**

**RELATING TO TEMPORARY EMERGENCY EXPENDITURES PROVIDING  
FINANCING FOR THE OPERATIONS, MAINTENANCE, SUPPORT, AND  
FUNCTIONING OF THE EXECUTIVE BRANCH OF THE GOVERNMENT OF THE  
COMMONWEALTH OF KENTUCKY AND ITS VARIOUS OFFICERS, CABINETS,  
DEPARTMENTS, BOARDS, COMMISSIONS, INSTITUTIONS, SUBDIVISIONS,  
AGENCIES, AND OTHER STATE-SUPPORTED ACTIVITIES FOR THE PERIOD  
BEGINNING JULY 1, 2004, AND ENDING SEPTEMBER 30, 2004.**

**WHEREAS**, under KRS 48.300, KRS 48.950, and Section 171 of the Kentucky Constitution, the General Assembly is empowered to raise and appropriate revenue and approve and adopt a balanced budget for the operation, maintenance, support, and functioning of the Government of the Commonwealth of Kentucky; and

**WHEREAS**, the Regular Session of the General Assembly convened on January 6, 2004, and thereafter enacted a budget for the Legislative and Judicial Branches but adjourned sine die on April 13, 2004, without enacting a budget for the Executive Branch for the fiscal year beginning July 1, 2004; and

**WHEREAS**, there is no express comprehensive statutory plan directing how the Commonwealth is to proceed in the event that the General Assembly fails or refuses to enact an Executive Branch budget; and

**WHEREAS**, the absence of an Executive Branch budget imperils the health, safety, and welfare of the Commonwealth by, *inter alia*:

- (1) putting at risk billions of federal fund dollars, the receipt of which is conditioned upon the availability of state matching funds;

- (2) curtailing the economic prosperity and growth potential of the Commonwealth, and potential employment opportunities for Kentuckians;
- (3) endangering the land, water, and air resources of the Commonwealth;
- (4) imperiling state emergency and disaster response systems, including local 911 operators;
- (5) disrupting operations of a myriad of facilities including but not limited to prisons, schools, mental hospitals, children's homes, and veterans' nursing home facilities;
- (6) obstructing the revenue collection processes of state and local governments;
- (7) jeopardizing the bond rating of the Commonwealth;
- (8) impeding timely payments from the State Treasury for goods received and services performed that are necessary for the day-to-day operations and maintenance of the programs and facilities of the Commonwealth; and
- (9) endangering the continuity and availability of services to all citizens of the Commonwealth; and

**WHEREAS**, pursuant to Sections 69 and 81 of the Kentucky Constitution, the supreme executive power of the Commonwealth is vested in the Governor and the Governor is explicitly empowered and mandated to "take care that the laws be faithfully executed"; and

**WHEREAS**, the expenditure of public funds is necessary in order for the Governor to fulfill his constitutionally mandated duty to faithfully execute the laws of the Commonwealth as its Chief Magistrate; and

**WHEREAS**, because the General Assembly failed to carry out its duty to enact a Executive Branch budget during the 2004 Regular Session, the Commonwealth is now confronted with an emergency requiring action by the Executive Branch to continue the operation of the government of the Commonwealth of Kentucky, including providing financing from available revenue for the continued operation of government; and

**WHEREAS**, the state budgeting and accounting system is predicated upon a system of quarterly allotments of funds to be expended in the manner authorized in this Executive Order; and

**WHEREAS**, this temporary plan shall remain in effect only until such time as the General Assembly enacts a biennial budget and appropriations bill which could occur as early as the first quarter of fiscal year 2005 which ends September 30, 2004;

**NOW, THEREFORE**, I, ERNIE FLETCHER, Governor of the Commonwealth of Kentucky, by virtue of authority vested in me by the Kentucky Constitution and in particular Sections 69 and 81, and as further vested in me by the laws of the Commonwealth, do hereby FIND, DECLARE, ORDER, AND DIRECT the following:

1. That a state of emergency exists in the Commonwealth due to the failure of the General Assembly to enact a budget for the Executive Branch for the fiscal period beginning July 1, 2004, and ending June 30, 2005.
2. The declared emergency poses a direct and serious imminent risk of harm to the preservation of order, the administration of justice, and the protection of the public health and property, all of which are fundamental purposes of government.
3. The sound and orderly management of the people's business mandates that any disruption of services due to the failure of the General Assembly to enact an Executive Branch budget should be minimized, and that state services must therefore be provided on a predictable, regular, and established schedule.
4. These services should and must be provided to the extent possible within the reasonable boundaries of anticipated revenues which, for the fiscal year beginning July 1, 2004, and ending June 30, 2005, have been forecasted pursuant to statutorily recognized estimating procedures.

5. Through its adoption of House Bill 396, the General Assembly has made appropriations for the use of the Judicial Branch totaling \$234,648,400, and in House Bill 397 for the Legislative Branch totaling \$40,731,400, leaving \$20,739,752,600 in previously estimated revenues identified for use by the Executive Branch, as modified by the Consensus Forecasting Group estimates of June 8, 2004, for the operation and function of the Executive Branch of government.
6. The authority of the Governor, pursuant to Sections 69 and 81 of the Kentucky Constitution, to cause the expenditure from the State Treasury of such available funds as may be necessary for the operation of government and the execution of the laws of the Commonwealth by the Executive Branch is hereby recognized. Accordingly, the Secretary of the Finance and Administration Cabinet is hereby authorized to issue warrants for the payment of all claims as may be made by the Executive Branch of government in accordance with the Public Services Continuation Plan outlined in Attachment A and incorporated herein by reference, taking into consideration the available financial resources and the competing financial obligations of the Commonwealth.
7. Executive Branch agencies are hereby directed to operate beginning July 1, 2004, within the monetary parameters set forth in Attachment A and incorporated herein by reference.
8. Pursuant to this Order and in accordance with KRS 48.400 *et seq.*, the Secretary of the Finance and Administration Cabinet shall also have the authority, after consultation with the State Budget Director, to make adjustments to the First Quarter Spending Authorizations as provided in Attachment A, including the authority to move funds from one account to another, as may be necessary to protect the financial interests of the state.

9. In addition to the monthly reports as to the financial condition of the state and its budget units required by KRS 48.400, the Secretary of the Finance and Administration Cabinet shall make monthly reports to the Governor, the Chief Justice, and the Legislative Research Commission on all expenditures authorized pursuant to this Order.
10. Unless otherwise directed by the issuance of a subsequent Executive Order, all state personnel normally scheduled for duty shall continue to report for service at their usual duty station at their regularly scheduled hours pursuant to state law.
11. All state agencies and department heads are hereby authorized to perform such lawful acts as may be undertaken to implement the provisions of this Order.
12. The provisions of this Order shall remain in full force and effect until September 30, 2004, unless sooner rescinded or superseded by subsequent Executive Order or by legislative enactment of a budget.
13. This Order shall become effective immediately upon filing with the Secretary of State.

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Ernie Fletcher, Governor  
Commonwealth of Kentucky

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Trey Grayson, Secretary of State



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## ATTACHMENT A

- OPERATING
- CAPITAL CONSTRUCTION



# Public Services Continuation Plan Fiscal Year 2004 - 2005 Operating

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>		
Office of the Governor		
General Fund	1,604,500	6,300,800
Road Fund	87,500	350,000
Restricted Funds	341,300	1,311,100
Federal Funds	173,000	692,000
<u>Total</u>	<u>2,206,300</u>	<u>8,653,900</u>
Office of State Budget Director		
General Fund	572,000	2,285,500
Restricted Funds	462,000	1,842,000
<u>Total</u>	<u>1,034,000</u>	<u>4,127,500</u>
State Planning Fund		
General Fund	125,000	500,000
<u>Total</u>	<u>125,000</u>	<u>500,000</u>
<b>Personnel</b>		
General Operations		
General Fund	800,900	7,474,100
Restricted Funds	3,593,400	14,373,600
<u>Total</u>	<u>4,394,300</u>	<u>21,847,700</u>
Public Employees Deferred Compensation Authority		
Restricted Funds	1,283,300	5,133,200
<u>Total</u>	<u>1,283,300</u>	<u>5,133,200</u>
Workers' Compensation Benefits and Reserve		
Restricted Funds	6,166,700	24,666,800
<u>Total</u>	<u>6,166,700</u>	<u>24,666,800</u>
<b>Total Personnel</b>		
General Fund	800,900	7,474,100
Restricted Funds	11,043,400	44,173,600
<u>Total</u>	<u>11,844,300</u>	<u>51,647,700</u>
Governor's Office of Agricultural Policy		
Tobacco Settlement - I	5,000,000	39,283,400
Restricted Funds	295,600	520,600
<u>Total</u>	<u>5,295,600</u>	<u>39,804,000</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
Kentucky Infrastructure Authority			
	Restricted Funds	1,706,500	3,726,500
	Federal Funds	50,322,000	50,322,000
	<u>Total</u>	<u>52,028,500</u>	<u>54,048,500</u>
Veterans' Affairs			
	General Fund	4,293,700	15,358,800
	Restricted Funds	6,063,900	21,657,000
	<u>Total</u>	<u>10,357,600</u>	<u>37,015,800</u>
Secretary of State			
	General Fund	895,700	2,224,000
	Restricted Funds		802,900
	<u>Total</u>	<u>895,700</u>	<u>3,026,900</u>
Board of Elections			
	General Fund	4,103,500	6,091,000
	Restricted Funds	57,100	57,100
	Federal Funds	9,000,000	9,000,000
	<u>Total</u>	<u>13,160,600</u>	<u>15,148,100</u>
Treasury			
	General Fund	576,700	1,922,000
	Road Fund	75,000	250,000
	Restricted Funds	233,600	778,600
	<u>Total</u>	<u>885,300</u>	<u>2,950,600</u>
Attorney General			
	General Fund	4,025,000	13,026,200
	Restricted Funds	2,353,400	7,417,400
	Federal Funds	713,000	2,382,900
	<u>Total</u>	<u>7,091,400</u>	<u>22,826,500</u>
<b>Unified Prosecutorial System</b>			
Commonwealth's Attorneys			
	General Fund	7,090,381	27,842,100
	Restricted Funds	203,900	203,900
	Federal Funds	605,200	605,200
	<u>Total</u>	<u>7,899,481</u>	<u>28,651,200</u>
County Attorneys			
	General Fund	5,745,100	22,979,900
	Restricted Funds	4,800	4,800
	Federal Funds	391,700	391,700
	<u>Total</u>	<u>6,141,600</u>	<u>23,376,400</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
<b>Total Unified Prosecutorial System</b>			
	General Fund	12,835,481	50,822,000
	Restricted Funds	208,700	208,700
	Federal Funds	996,900	996,900
	<u>Total</u>	<u>14,041,081</u>	<u>52,027,600</u>
Auditor of Public Accounts			
	General Fund	2,006,800	5,780,800
	Restricted Funds	450,000	3,096,500
	<u>Total</u>	<u>2,456,800</u>	<u>8,877,300</u>
Agriculture			
	General Fund	5,879,600	18,876,500
	Restricted Funds	1,470,200	4,855,200
	Federal Funds	1,400,000	4,162,000
	<u>Total</u>	<u>8,749,800</u>	<u>27,893,700</u>
Military Affairs			
	General Fund	3,004,600	10,572,700
	Restricted Funds	14,073,000	55,536,600
	Federal Funds	15,127,700	59,327,000
	<u>Total</u>	<u>32,205,300</u>	<u>125,436,300</u>
Personnel Board			
	General Fund	135,875	543,500
	<u>Total</u>	<u>135,875</u>	<u>543,500</u>
Local Government			
	General Fund	2,222,200	8,887,000
	Restricted Funds	278,525	1,072,000
	Federal Funds	16,366,200	52,430,800
	<u>Total</u>	<u>18,866,925</u>	<u>62,389,800</u>
<b>Local Government - Special Funds</b>			
Local Government Economic Assistance Fund			
	General Fund	9,948,800	39,794,500
	<u>Total</u>	<u>9,948,800</u>	<u>39,794,500</u>
Local Government Economic Development Fund			
	General Fund	11,375,000	45,499,800
	<u>Total</u>	<u>11,375,000</u>	<u>45,499,800</u>
Area Development Fund			
	General Fund	202,500	809,700
	<u>Total</u>	<u>202,500</u>	<u>809,700</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
<b>Total Local Government - Special Funds</b>			
	General Fund	21,526,300	86,104,000
	<u>Total</u>	<u>21,526,300</u>	<u>86,104,000</u>
Commission on Human Rights			
	General Fund	551,900	1,904,300
	Restricted Funds	5,500	5,500
	Federal Funds	268,400	342,700
	<u>Total</u>	<u>825,800</u>	<u>2,252,500</u>
Commission on Women			
	General Fund	65,800	263,200
	Restricted Funds		22,800
	<u>Total</u>	<u>65,800</u>	<u>286,000</u>
Kentucky Retirement Systems			
	Restricted Funds	4,446,100	17,784,300
	<u>Total</u>	<u>4,446,100</u>	<u>17,784,300</u>
Registry of Election Finance			
	General Fund	361,000	1,409,500
	Restricted Funds	89,200	89,200
	<u>Total</u>	<u>450,200</u>	<u>1,498,700</u>
<b>Boards and Commissions</b>			
Accountancy			
	Restricted Funds	142,800	571,200
	<u>Total</u>	<u>142,800</u>	<u>571,200</u>
Alcohol and Drug Counselors			
	Restricted Funds	18,000	65,200
	<u>Total</u>	<u>18,000</u>	<u>65,200</u>
Architects			
	Restricted Funds	101,600	262,500
	<u>Total</u>	<u>101,600</u>	<u>262,500</u>
Art Therapists			
	Restricted Funds	3,000	11,400
	<u>Total</u>	<u>3,000</u>	<u>11,400</u>
Auctioneers			
	Restricted Funds	221,200	398,800
	<u>Total</u>	<u>221,200</u>	<u>398,800</u>
Barbering			
	Restricted Funds	100,000	230,300
	<u>Total</u>	<u>100,000</u>	<u>230,300</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
Chiropractic Examiners			
	Restricted Funds	52,000	194,400
	<u>Total</u>	<u>52,000</u>	<u>194,400</u>
Dentistry			
	Restricted Funds	153,500	613,800
	<u>Total</u>	<u>153,500</u>	<u>613,800</u>
Dietitians and Nutritionists			
	Restricted Funds	22,000	74,500
	<u>Total</u>	<u>22,000</u>	<u>74,500</u>
Embalmers and Funeral Home Directors			
	Restricted Funds	66,100	249,100
	<u>Total</u>	<u>66,100</u>	<u>249,100</u>
Engineers and Land Surveyors			
	Restricted Funds	340,900	1,363,600
	<u>Total</u>	<u>340,900</u>	<u>1,363,600</u>
Fee-Based Pastoral Counselors			
	Restricted Funds	3,000	7,500
	<u>Total</u>	<u>3,000</u>	<u>7,500</u>
Geologists			
	Restricted Funds	40,000	135,000
	<u>Total</u>	<u>40,000</u>	<u>135,000</u>
Hairdressers and Cosmetologists			
	Restricted Funds	197,000	673,800
	<u>Total</u>	<u>197,000</u>	<u>673,800</u>
Hearing Instrument Specialists			
	Restricted Funds	14,500	51,500
	<u>Total</u>	<u>14,500</u>	<u>51,500</u>
Interpreters for Deaf & Hard of Hearing			
	Restricted Funds	12,300	31,000
	<u>Total</u>	<u>12,300</u>	<u>31,000</u>
Landscape Architects			
	Restricted Funds	14,700	58,500
	<u>Total</u>	<u>14,700</u>	<u>58,500</u>
Marriage and Family Therapists			
	Restricted Funds	20,800	83,200
	<u>Total</u>	<u>20,800</u>	<u>83,200</u>
Massage Therapist			
	Restricted Funds	30,000	58,800
	<u>Total</u>	<u>30,000</u>	<u>58,800</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
Medical Licensure			
	Restricted Funds	610,900	2,110,900
	<u>Total</u>	<u>610,900</u>	<u>2,110,900</u>
Nursing			
	Restricted Funds	3,000,600	5,105,300
	<u>Total</u>	<u>3,000,600</u>	<u>5,105,300</u>
Nursing Home Administrators			
	Restricted Funds	22,200	76,200
	<u>Total</u>	<u>22,200</u>	<u>76,200</u>
Occupational Therapy			
	Restricted Funds	21,500	86,000
	<u>Total</u>	<u>21,500</u>	<u>86,000</u>
Ophthalmic Dispensers			
	Restricted Funds	20,900	62,900
	<u>Total</u>	<u>20,900</u>	<u>62,900</u>
Optometric Examiners			
	Restricted Funds	58,000	159,700
	<u>Total</u>	<u>58,000</u>	<u>159,700</u>
Pharmacy			
	Restricted Funds	243,200	883,200
	<u>Total</u>	<u>243,200</u>	<u>883,200</u>
Physical Therapy			
	Restricted Funds	70,000	263,100
	<u>Total</u>	<u>70,000</u>	<u>263,100</u>
Podiatry			
	Restricted Funds	5,300	21,100
	<u>Total</u>	<u>5,300</u>	<u>21,100</u>
Private Investigators			
	Restricted Funds	15,500	63,500
	<u>Total</u>	<u>15,500</u>	<u>63,500</u>
Professional Counselors			
	Restricted Funds	18,200	53,700
	<u>Total</u>	<u>18,200</u>	<u>53,700</u>
Proprietary Education			
	Restricted Funds	37,800	144,300
	<u>Total</u>	<u>37,800</u>	<u>144,300</u>
Psychologists			
	Restricted Funds	48,100	176,100
	<u>Total</u>	<u>48,100</u>	<u>176,100</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
Real Estate Appraisers Board			
	Restricted Funds	170,000	578,400
	<u>Total</u>	<u>170,000</u>	<u>578,400</u>
Real Estate Commission			
	Restricted Funds	676,000	2,251,100
	<u>Total</u>	<u>676,000</u>	<u>2,251,100</u>
Respiratory Care			
	Restricted Funds	33,200	132,700
	<u>Total</u>	<u>33,200</u>	<u>132,700</u>
Social Workers			
	Restricted Funds	38,300	145,300
	<u>Total</u>	<u>38,300</u>	<u>145,300</u>
Speech Pathologists and Audiologists			
	Restricted Funds	34,000	89,000
	<u>Total</u>	<u>34,000</u>	<u>89,000</u>
Veterinary Examiners			
	Restricted Funds	63,500	237,800
	<u>Total</u>	<u>63,500</u>	<u>237,800</u>
<b>Total Boards and Commissions</b>			
	Restricted Funds	6,740,600	17,774,400
	<u>Total</u>	<u>6,740,600</u>	<u>17,774,400</u>
Board of Emergency Medical Services			
	General Fund	290,500	2,391,600
	Restricted Funds	42,900	171,700
	Federal Funds	1,070,400	1,156,500
	<u>Total</u>	<u>1,403,800</u>	<u>3,719,800</u>
Governmental Services Center			
	Restricted Funds	425,500	1,467,200
	<u>Total</u>	<u>425,500</u>	<u>1,467,200</u>
Executive Branch Ethics Commission			
	General Fund	97,500	351,500
	Restricted Funds	2,400	2,400
	<u>Total</u>	<u>99,900</u>	<u>353,900</u>
Appropriations Not Otherwise Class - Judgments			
	General Fund	8,000,000	31,200,000
	<u>Total</u>	<u>8,000,000</u>	<u>31,200,000</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>			
<b>Miscellaneous Appropriations</b>			
Attorney General Expense			
	General Fund	56,500	225,000
	<u>Total</u>	<u>56,500</u>	<u>225,000</u>
Board of Claims Award			
	General Fund	250,000	1,000,000
	<u>Total</u>	<u>250,000</u>	<u>1,000,000</u>
Guardian Ad Litem			
	General Fund	1,425,000	5,700,000
	<u>Total</u>	<u>1,425,000</u>	<u>5,700,000</u>
Prior Year Claims			
	General Fund	400,000	400,000
	<u>Total</u>	<u>400,000</u>	<u>400,000</u>
Unredeemed Checks Refunded			
	General Fund	575,000	2,300,000
	<u>Total</u>	<u>575,000</u>	<u>2,300,000</u>
Involuntary Commitments-ICF/MR			
	General Fund	15,000	60,000
	<u>Total</u>	<u>15,000</u>	<u>60,000</u>
Frankfort In Lieu of Taxes			
	General Fund		195,000
	<u>Total</u>		<u>195,000</u>
Frankfort Cemetery			
	General Fund	2,500	2,500
	<u>Total</u>	<u>2,500</u>	<u>2,500</u>
Police and Firefighters Life Insurance			
	General Fund	75,000	250,000
	<u>Total</u>	<u>75,000</u>	<u>250,000</u>
Medical Malpractice Liability Ins Reimbursements			
	General Fund	100,000	185,000
	<u>Total</u>	<u>100,000</u>	<u>185,000</u>
Blanket Employee Bonds			
	General Fund		100,000
	<u>Total</u>		<u>100,000</u>
<b>Total Miscellaneous Appropriations</b>			
	General Fund	2,899,000	10,417,500
	<u>Total</u>	<u>2,899,000</u>	<u>10,417,500</u>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>General Government</b>		
Kentucky River Authority		
General Fund	80,800	369,500
Restricted Funds	2,372,800	5,372,800
<u>Total</u>	<u>2,453,600</u>	<u>5,742,300</u>
<b>Total General Government</b>		
General Fund	76,954,356	285,076,000
Tobacco Settlement - I	5,000,000	39,283,400
Road Fund	162,500	600,000
Restricted Funds	53,162,225	189,746,100
Federal Funds	95,437,600	180,812,800
<u>Total</u>	<u>230,716,681</u>	<u>695,518,300</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Commerce</b>			
Secretary			
	General Fund	466,900	1,867,200
	Restricted Funds	100,000	400,000
	<u>Total</u>	<u>566,900</u>	<u>2,267,200</u>
Breaks Interstate Park			
	General Fund	50,000	191,100
	<u>Total</u>	<u>50,000</u>	<u>191,100</u>
Artisans Center			
	General Fund	70,000	273,800
	Restricted Funds	361,500	1,297,600
	<u>Total</u>	<u>431,500</u>	<u>1,571,400</u>
Travel			
	General Fund	1,737,500	6,829,400
	<u>Total</u>	<u>1,737,500</u>	<u>6,829,400</u>
Parks			
	General Fund	10,255,800	28,613,100
	Restricted Funds	18,472,600	55,428,300
	<u>Total</u>	<u>28,728,400</u>	<u>84,041,400</u>
Kentucky Horse Park Commission			
	General Fund	655,300	1,871,200
	Restricted Funds	1,546,400	5,522,800
	<u>Total</u>	<u>2,201,700</u>	<u>7,394,000</u>
State Fair Board			
	General Fund	30,000	396,800
	Restricted Funds	10,800,000	35,003,200
	<u>Total</u>	<u>10,830,000</u>	<u>35,400,000</u>
Fish and Wildlife Resources			
	Restricted Funds	8,767,900	27,941,700
	Federal Funds	3,400,000	10,830,000
	<u>Total</u>	<u>12,167,900</u>	<u>38,771,700</u>
Kentucky Historical Society			
	General Fund	1,493,500	5,871,800
	Restricted Funds	146,000	633,800
	Federal Funds	80,000	342,000
	<u>Total</u>	<u>1,719,500</u>	<u>6,847,600</u>
Kentucky Arts Council			
	General Fund	1,468,000	4,210,900
	Restricted Funds	188,900	755,500
	Federal Funds	172,800	691,000
	<u>Total</u>	<u>1,829,700</u>	<u>5,657,400</u>

Budget Units		<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Commerce</b>			
	Kentucky Heritage Council		
	General Fund	209,600	888,800
	Restricted Funds	94,100	366,500
	Federal Funds	200,600	587,800
	<u>Total</u>	<u>504,300</u>	<u>1,843,100</u>
	Kentucky Center for the Arts		
	<u>General Fund</u>	<u>173,500</u>	<u>588,600</u>
	<u>Total</u>	<u>173,500</u>	<u>588,600</u>
	<b>Total Commerce</b>		
	General Fund	16,610,100	51,602,700
	Restricted Funds	40,477,400	127,349,400
	Federal Funds	3,853,400	12,450,800
	<u>Total</u>	<u>60,940,900</u>	<u>191,402,900</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Economic Development</b>			
Secretary			
	General Fund	3,459,600	5,373,500
	Restricted Funds	995,300	2,432,600
	<u>Total</u>	<u>4,454,900</u>	<u>7,806,100</u>
Administration and Support			
	General Fund	486,200	1,944,700
	<u>Total</u>	<u>486,200</u>	<u>1,944,700</u>
Business Development			
	General Fund	523,500	2,093,600
	Restricted Funds	91,700	366,800
	<u>Total</u>	<u>615,200</u>	<u>2,460,400</u>
Financial Incentives			
	General Fund	2,457,000	9,827,600
	Restricted Funds	595,400	2,240,300
	<u>Total</u>	<u>3,052,400</u>	<u>12,067,900</u>
Community Development			
	General Fund	718,600	2,722,300
	Restricted Funds	328,100	438,600
	Federal Funds	55,400	155,400
	<u>Total</u>	<u>1,102,100</u>	<u>3,316,300</u>
<b>Total Economic Development</b>			
	General Fund	7,644,900	21,961,700
	Restricted Funds	2,010,500	5,478,300
	Federal Funds	55,400	155,400
	<u>Total</u>	<u>9,710,800</u>	<u>27,595,400</u>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Department of Education</b>		
Support Education Excellence in Kentucky (SEEK)		
General Fund	677,885,800	2,411,128,000
Total	677,885,800	2,411,128,000
Executive Policy and Management		
General Fund	171,400	687,900
Total	171,400	687,900
Operations and Support Services		
General Fund	2,995,800	10,888,600
Restricted Funds	721,900	2,886,400
Federal Funds	27,800	27,800
Total	3,745,500	13,802,800
Learning and Results Services		
General Fund	189,794,400	583,497,500
Tobacco Settlement - I	1,322,000	1,888,400
Restricted Funds	556,800	1,896,400
Federal Funds	164,671,800	525,064,200
Total	356,345,000	1,112,346,500
<b>Total Department of Education</b>		
General Fund	870,847,400	3,006,202,000
Tobacco Settlement - I	1,322,000	1,888,400
Restricted Funds	1,278,700	4,782,800
Federal Funds	164,699,600	525,092,000
Total	1,038,147,700	3,537,965,200

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Education Cabinet</b>			
General Administration and Program Support			
	General Fund	1,722,100	4,272,600
	Restricted Funds	1,909,100	5,727,200
	Federal Funds	46,300	185,000
	<u>Total</u>	<u>3,677,500</u>	<u>10,184,800</u>
Kentucky Educational Television			
	General Fund	3,712,000	14,145,200
	Restricted Funds	232,100	1,039,600
	Federal Funds	300,000	700,000
	<u>Total</u>	<u>4,244,100</u>	<u>15,884,800</u>
School Facilities Construction Commission			
	<u>General Fund</u>	<u>94,861,100</u>	<u>95,042,400</u>
	<u>Total</u>	<u>94,861,100</u>	<u>95,042,400</u>
Deaf and Hard of Hearing			
	General Fund	248,000	821,100
	Restricted Funds	72,000	252,000
	<u>Total</u>	<u>320,000</u>	<u>1,073,100</u>
Environmental Education Council			
	<u>Restricted Funds</u>	<u>50,500</u>	<u>187,200</u>
	<u>Total</u>	<u>50,500</u>	<u>187,200</u>
<b>Libraries and Archives</b>			
General Operations			
	General Fund	1,768,400	6,722,000
	Restricted Funds	659,900	1,827,600
	Federal Funds	730,800	1,950,100
	<u>Total</u>	<u>3,159,100</u>	<u>10,499,700</u>
Direct Local Aid			
	General Fund	1,259,300	6,497,500
	Restricted Funds		9,000
	Federal Funds	110,500	424,000
	<u>Total</u>	<u>1,369,800</u>	<u>6,930,500</u>
<b>Total Libraries and Archives</b>			
	General Fund	3,027,700	13,219,500
	Restricted Funds	659,900	1,836,600
	Federal Funds	841,300	2,374,100
	<u>Total</u>	<u>4,528,900</u>	<u>17,430,200</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Education Cabinet</b>			
Teachers' Retirement System			
	General Fund	25,698,500	102,794,600
	Restricted Funds	2,037,200	8,147,900
	<u>Total</u>	<u>27,735,700</u>	<u>110,942,500</u>
Education Professional Standards Board			
	General Fund	2,812,500	9,870,800
	Restricted Funds	320,000	829,600
	Federal Funds	1,095,000	4,379,200
	<u>Total</u>	<u>4,227,500</u>	<u>15,079,600</u>
Technical Education			
	General Fund	7,630,800	25,298,700
	Restricted Funds	5,058,200	20,232,800
	Federal Funds	4,536,000	15,179,700
	<u>Total</u>	<u>17,225,000</u>	<u>60,711,200</u>
Vocational Rehabilitation			
	General Fund	2,545,100	12,294,300
	Restricted Funds	1,091,800	2,952,900
	Federal Funds	14,442,800	45,513,000
	<u>Total</u>	<u>18,079,700</u>	<u>60,760,200</u>
Department for the Blind			
	General Fund	472,400	1,290,300
	Restricted Funds	676,700	1,847,200
	Federal Funds	2,955,900	8,210,400
	<u>Total</u>	<u>4,105,000</u>	<u>11,347,900</u>
Training and Reemployment			
	Restricted Funds		700
	Federal Funds	20,000,000	64,231,800
	<u>Total</u>	<u>20,000,000</u>	<u>64,232,500</u>
Employment Services			
	Restricted Funds	2,060,790	4,869,300
	Federal Funds	219,991,740	733,305,800
	<u>Total</u>	<u>222,052,530</u>	<u>738,175,100</u>
<b>Total Education Cabinet</b>			
	General Fund	142,730,200	279,049,500
	Restricted Funds	14,168,290	47,923,000
	Federal Funds	264,209,040	874,079,000
	<u>Total</u>	<u>421,107,530</u>	<u>1,201,051,500</u>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Environmental and Public Protection</b>		
General Administration and Program Support		
General Fund	2,582,100	10,328,400
Restricted Funds	1,799,100	7,178,700
Federal Funds	470,900	1,560,500
Total	4,852,100	19,067,600
Natural Resources		
General Fund	4,313,800	13,247,800
Tobacco Settlement - I	2,250,000	9,000,000
Restricted Funds	1,027,400	6,269,200
Federal Funds	4,705,100	9,743,900
Total	12,296,300	38,260,900
Environmental Protection		
General Fund	5,933,800	23,593,500
Restricted Funds	13,173,500	47,676,900
Federal Funds	7,985,300	16,065,200
Total	27,092,600	87,335,600
Surface Mining Reclamation and Enforcement		
General Fund	3,129,000	10,509,400
Restricted Funds	1,702,200	6,622,500
Federal Funds	4,208,300	16,832,700
Total	9,039,500	33,964,600
Abandoned Mine Lands Reclamation Projects		
Federal Funds	5,500,000	22,000,000
Total	5,500,000	22,000,000
Environmental Quality Commission		
General Fund	37,500	150,000
Total	37,500	150,000
Kentucky Nature Preserves Commission		
General Fund	280,900	1,049,300
Restricted Funds	69,500	304,600
Federal Funds	20,500	70,500
Total	370,900	1,424,400
Claims/Crime Victims' Compensation		
General Fund	203,300	813,000
Restricted Funds	708,700	2,834,300
Federal Funds	135,100	540,100
Total	1,047,100	4,187,400

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Environmental and Public Protection</b>			
Alcoholic Beverage Control			
	General Fund	345,200	1,380,800
	Restricted Funds	1,229,600	4,468,100
	<u>Total</u>	<u>1,574,800</u>	<u>5,848,900</u>
Financial Institutions			
	Restricted Funds	2,248,400	8,992,700
	<u>Total</u>	<u>2,248,400</u>	<u>8,992,700</u>
Insurance			
	General Fund		2,226,800
	Tobacco Settlement - I		16,813,300
	Restricted Funds	8,935,500	24,535,400
	<u>Total</u>	<u>8,935,500</u>	<u>43,575,500</u>
Kentucky Horse Racing Authority			
	General Fund	127,500	509,700
	Restricted Funds	4,478,600	13,521,600
	<u>Total</u>	<u>4,606,100</u>	<u>14,031,300</u>
Housing, Buildings and Construction			
	General Fund	589,600	2,296,700
	Restricted Funds	3,016,300	11,859,000
	<u>Total</u>	<u>3,605,900</u>	<u>14,155,700</u>
Mines and Minerals			
	General Fund	2,471,400	9,885,200
	Restricted Funds	186,800	747,000
	Federal Funds	304,100	608,100
	<u>Total</u>	<u>2,962,300</u>	<u>11,240,300</u>
Public Advocacy			
	General Fund	7,606,300	25,264,400
	Restricted Funds	1,465,700	5,793,000
	Federal Funds	424,750	1,474,000
	<u>Total</u>	<u>9,496,750</u>	<u>32,531,400</u>
Public Service Commission			
	General Fund	3,401,800	11,154,100
	Restricted Funds	1,006,000	1,024,000
	Federal Funds	69,400	249,600
	<u>Total</u>	<u>4,477,200</u>	<u>12,427,700</u>
Tax Appeals			
	General Fund	121,600	486,100
	<u>Total</u>	<u>121,600</u>	<u>486,100</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Environmental and Public Protection</b>			
Charitable Gaming			
	Restricted Funds	901,800	3,607,200
	<u>Total</u>	<u>901,800</u>	<u>3,607,200</u>
Petroleum Storage Tank Environmental Assur. Fund			
	Restricted Funds	10,000,000	28,413,000
	<u>Total</u>	<u>10,000,000</u>	<u>28,413,000</u>
Athletic Commission			
	Restricted Funds	32,500	129,700
	<u>Total</u>	<u>32,500</u>	<u>129,700</u>
Workplace Standards			
	General Fund	585,600	1,953,800
	Restricted Funds	30,720,000	110,187,700
	Federal Funds	1,546,000	3,379,700
	<u>Total</u>	<u>32,851,600</u>	<u>115,521,200</u>
Workers Claims			
	Restricted Funds	4,500,000	14,591,600
	<u>Total</u>	<u>4,500,000</u>	<u>14,591,600</u>
Ky Occupational Safety and Health Review Comm.			
	Restricted Funds	162,300	479,300
	<u>Total</u>	<u>162,300</u>	<u>479,300</u>
Workers' Compensation Funding Commission			
	General Fund	4,750,000	19,000,000
	Restricted Funds	38,583,700	135,755,800
	<u>Total</u>	<u>43,333,700</u>	<u>154,755,800</u>
<b>Total Environmental and Public Protection</b>			
	General Fund	36,479,400	133,849,000
	Tobacco Settlement - I	2,250,000	25,813,300
	Restricted Funds	125,947,600	434,991,300
	Federal Funds	25,369,450	72,524,300
	<u>Total</u>	<u>190,046,450</u>	<u>667,177,900</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Finance and Administration</b>			
General Administration			
	General Fund	2,092,800	8,304,600
	Restricted Funds	662,500	2,649,600
	<u>Total</u>	<u>2,755,300</u>	<u>10,954,200</u>
Office of the Controller			
	General Fund	1,442,200	5,768,600
	Restricted Funds	60,800	243,200
	Federal Funds	812,500	3,250,000
	<u>Total</u>	<u>2,315,500</u>	<u>9,261,800</u>
Debt Service			
	General Fund	250,699,400	250,699,400
	Tobacco Settlement - I	6,116,600	6,116,600
	Road Fund	2,930,000	2,930,000
	<u>Total</u>	<u>259,746,000</u>	<u>259,746,000</u>
Administration			
	General Fund	849,500	3,397,500
	Road Fund	70,800	283,000
	Restricted Funds	1,945,200	7,780,300
	<u>Total</u>	<u>2,865,500</u>	<u>11,460,800</u>
Facilities Management			
	General Fund	1,869,000	7,475,600
	Restricted Funds	7,146,800	28,587,000
	<u>Total</u>	<u>9,015,800</u>	<u>36,062,600</u>
County Costs			
	General Fund	4,894,900	20,211,100
	Restricted Funds	481,300	1,925,000
	<u>Total</u>	<u>5,376,200</u>	<u>22,136,100</u>
Governor's Office for Technology			
	General Fund	292,500	292,500
	Road Fund	125,000	125,000
	Restricted Funds	19,758,900	56,453,700
	Federal Funds	771,800	771,800
	<u>Total</u>	<u>20,948,200</u>	<u>57,643,000</u>
Revenue			
	General Fund	17,582,300	68,066,700
	Road Fund	354,500	1,418,000
	Restricted Funds	808,700	3,234,800
	<u>Total</u>	<u>18,745,500</u>	<u>72,719,500</u>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Finance and Administration</b>		
Property Valuation Administrators		
General Fund	8,894,200	29,719,600
Restricted Funds	715,000	3,578,100
Total	9,609,200	33,297,700
<b>Total Finance and Administration</b>		
General Fund	288,616,800	393,935,600
Tobacco Settlement - I	6,116,600	6,116,600
Road Fund	3,480,300	4,756,000
Restricted Funds	31,579,200	104,451,700
Federal Funds	1,584,300	4,021,800
Total	331,377,200	513,281,700

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Health and Family Services</b>		
General Administration and Program Support		
General Fund	10,171,700	36,238,500
Restricted Funds	3,073,000	10,470,800
Federal Funds	12,877,500	44,976,400
<u>Total</u>	<u>26,122,200</u>	<u>91,685,700</u>
Children with Special Health Care Needs		
General Fund	5,891,100	16,200,100
Tobacco Settlement - I	363,800	1,455,000
Restricted Funds	5,618,100	23,469,300
Federal Funds	10,300,000	10,300,000
<u>Total</u>	<u>22,173,000</u>	<u>51,424,400</u>
<b>Medicaid Services</b>		
Medicaid Administration		
General Fund	5,408,400	18,028,200
Restricted Funds	5,491,800	18,306,000
Federal Funds	21,023,500	42,047,100
<u>Total</u>	<u>31,923,700</u>	<u>78,381,300</u>
Medicaid Benefits		
General Fund	282,708,300	766,865,500
Restricted Funds	98,613,900	394,865,900
Federal Funds	2,020,682,500	2,706,009,200
<u>Total</u>	<u>2,402,004,700</u>	<u>3,867,740,600</u>
<b>Total Medicaid Services</b>		
General Fund	288,116,700	784,893,700
Restricted Funds	104,105,700	413,171,900
Federal Funds	2,041,706,000	2,748,056,300
<u>Total</u>	<u>2,433,928,400</u>	<u>3,946,121,900</u>
Mental Health/Mental Retardation		
General Fund	64,976,400	167,683,800
Tobacco Settlement - I	235,800	900,000
Restricted Funds	36,205,000	182,341,300
Federal Funds	15,819,700	41,045,500
<u>Total</u>	<u>117,236,900</u>	<u>391,970,600</u>
Public Health		
General Fund	17,556,300	54,751,300
Tobacco Settlement - I	5,091,500	16,432,400
Restricted Funds	16,657,300	51,997,300
Federal Funds	48,688,900	148,315,300
<u>Total</u>	<u>87,994,000</u>	<u>271,496,300</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Health and Family Services</b>			
Certificate of Need			
	General Fund	43,800	117,700
	Restricted Funds	65,000	162,900
	<u>Total</u>	<u>108,800</u>	<u>280,600</u>
Aging Services			
	General Fund	9,837,300	26,122,100
	Restricted Funds	15,000	59,400
	Federal Funds	21,214,900	21,214,900
	<u>Total</u>	<u>31,067,200</u>	<u>47,396,400</u>
Disability Determinations			
	Restricted Funds	17,800	65,800
	Federal Funds	11,755,800	43,643,800
	<u>Total</u>	<u>11,773,600</u>	<u>43,709,600</u>
Community Based Services			
	General Fund	66,901,700	274,693,100
	Tobacco Settlement - I	2,075,100	8,344,100
	Restricted Funds	38,790,500	135,166,400
	Federal Funds	149,554,900	470,437,700
	<u>Total</u>	<u>257,322,200</u>	<u>888,641,300</u>
<b>Total Health and Family Services</b>			
	General Fund	463,495,000	1,360,700,300
	Tobacco Settlement - I	7,766,200	27,131,500
	Restricted Funds	204,547,400	816,905,100
	Federal Funds	2,311,917,700	3,527,989,900
	<u>Total</u>	<u>2,987,726,300</u>	<u>5,732,726,800</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Justice and Public Safety</b>			
Justice Administration			
	General Fund	2,108,800	7,153,500
	Restricted Funds	313,500	991,500
	Federal Funds	3,315,500	11,472,900
	<b>Total</b>	<b>5,737,800</b>	<b>19,617,900</b>
State Police			
	General Fund	25,004,200	75,719,500
	Road Fund	10,500,000	35,000,000
	Restricted Funds	3,072,900	8,852,700
	Federal Funds	4,144,400	13,814,700
	<b>Total</b>	<b>42,721,500</b>	<b>133,386,900</b>
Juvenile Justice			
	General Fund	20,618,600	82,474,100
	Restricted Funds	3,050,000	12,200,000
	Federal Funds	8,494,400	16,989,000
	<b>Total</b>	<b>32,163,000</b>	<b>111,663,100</b>
Criminal Justice Training			
	General Fund		725,000
	Restricted Funds	10,439,500	37,216,400
	Federal Funds	2,700,000	2,700,000
	<b>Total</b>	<b>13,139,500</b>	<b>40,641,400</b>
<b>Corrections</b>			
Corrections Management			
	General Fund	3,906,200	15,624,800
	Restricted Funds	3,323,800	13,294,800
	Federal Funds	230,400	921,600
	<b>Total</b>	<b>7,460,400</b>	<b>29,841,200</b>
Adult Correctional Institutions			
	General Fund	48,898,700	199,094,500
	Restricted Funds	1,402,700	5,609,000
	Federal Funds	78,800	315,200
	<b>Total</b>	<b>50,380,200</b>	<b>205,018,700</b>
Community Services and Local Facilities			
	General Fund	21,195,400	86,581,400
	Restricted Funds	92,900	371,000
	<b>Total</b>	<b>21,288,300</b>	<b>86,952,400</b>
Local Jail Support			
	General Fund	3,819,200	15,276,100
	<b>Total</b>	<b>3,819,200</b>	<b>15,276,100</b>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Justice and Public Safety</b>		
<b>Total Corrections</b>		
General Fund	77,819,500	316,576,800
Restricted Funds	4,819,400	19,274,800
Federal Funds	309,200	1,236,800
<u>Total</u>	<u>82,948,100</u>	<u>337,088,400</u>
Kentucky Agency for Substance Abuse Policy		
Tobacco Settlement - I	555,700	2,226,800
Federal Funds	28,000	111,700
<u>Total</u>	<u>583,700</u>	<u>2,338,500</u>
Vehicle Enforcement		
Road Fund	3,116,500	12,465,700
Restricted Funds	82,300	329,200
Federal Funds	903,700	3,614,800
<u>Total</u>	<u>4,102,500</u>	<u>16,409,700</u>
<b>Total Justice and Public Safety</b>		
General Fund	125,551,100	482,648,900
Tobacco Settlement - I	555,700	2,226,800
Road Fund	13,616,500	47,465,700
Restricted Funds	21,777,600	78,864,600
Federal Funds	19,895,200	49,939,900
<u>Total</u>	<u>181,396,100</u>	<u>661,145,900</u>

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Postsecondary Education</b>		
Council on Postsecondary Education		
General Fund	56,110,000	134,012,900
Tobacco Settlement - I		5,440,000
Restricted Funds	470,000	1,857,800
Federal Funds	5,636,500	19,099,400
Total	62,216,500	160,410,100
Kentucky Higher Education Assistance Authority		
General Fund	23,451,200	76,585,000
Tobacco Settlement - I	351,000	900,000
Restricted Funds	44,046,900	101,896,700
Federal Funds	857,500	1,714,900
Total	68,706,600	181,096,600
<b>Postsecondary Education Institutions</b>		
Eastern Kentucky University		
General Fund	21,491,200	71,636,200
Restricted Funds	63,359,000	99,016,500
Federal Funds	11,870,400	45,655,400
Total	96,720,600	216,308,100
Kentucky State University		
General Fund	7,066,900	23,557,900
Restricted Funds	6,616,400	14,176,500
Federal Funds	2,108,200	13,259,000
Total	15,791,500	50,993,400
Morehead State University		
General Fund	12,574,300	41,916,300
Restricted Funds	34,087,500	58,397,300
Federal Funds	8,159,100	36,752,900
Total	54,820,900	137,066,500
Murray State University		
General Fund	15,179,000	50,601,000
Restricted Funds	37,570,000	60,392,600
Federal Funds	3,750,100	13,393,300
Total	56,499,100	124,386,900
Northern Kentucky University		
General Fund	13,662,500	45,544,500
Restricted Funds	46,102,500	92,525,000
Federal Funds	2,615,700	11,130,700
Total	62,380,700	149,200,200

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Postsecondary Education</b>		
University of Kentucky		
General Fund	83,784,800	279,662,900
Restricted Funds	583,505,100	939,204,600
Federal Funds	46,280,100	161,818,700
<u>Total</u>	<u>713,570,000</u>	<u>1,380,686,200</u>
University of Louisville		
General Fund	50,730,800	169,100,800
Restricted Funds	10,341,700	357,507,500
Federal Funds	1,046,500	80,500,500
<u>Total</u>	<u>62,119,000</u>	<u>607,108,800</u>
Western Kentucky University		
General Fund	20,836,400	69,459,400
Restricted Funds	84,321,600	126,586,000
Federal Funds	10,395,200	35,600,000
<u>Total</u>	<u>115,553,200</u>	<u>231,645,400</u>
Kentucky Community and Technical College System		
General Fund	57,339,700	191,462,600
Restricted Funds	27,776,200	212,750,900
Federal Funds	4,916,000	122,901,000
<u>Total</u>	<u>90,031,900</u>	<u>527,114,500</u>
<b>Total Postsecondary Education Institutions</b>		
General Fund	282,665,600	942,941,600
Restricted Funds	893,680,000	1,960,556,900
Federal Funds	91,141,300	521,011,500
<u>Total</u>	<u>1,267,486,900</u>	<u>3,424,510,000</u>
<b>Total Postsecondary Education</b>		
General Fund	362,226,800	1,153,539,500
Tobacco Settlement - I	351,000	6,340,000
Restricted Funds	938,196,900	2,064,311,400
Federal Funds	97,635,300	541,825,800
<u>Total</u>	<u>1,398,410,000</u>	<u>3,766,016,700</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Transportation</b>			
General Administration and Support			
	Road Fund	15,199,400	66,305,900
	Restricted Funds	6,097,500	24,307,200
	<u>Total</u>	<u>21,296,900</u>	<u>90,613,100</u>
Air Transportation			
	General Fund		1,000,000
	Restricted Funds	1,497,800	4,500,000
	Federal Funds	3,800	15,000
	<u>Total</u>	<u>1,501,600</u>	<u>5,515,000</u>
Public Transportation			
	General Fund	1,197,900	4,753,400
	Restricted Funds	177,700	500,000
	Federal Funds	6,808,500	27,227,600
	<u>Total</u>	<u>8,184,100</u>	<u>32,481,000</u>
Revenue Sharing			
	Road Fund	169,942,100	233,503,900
	<u>Total</u>	<u>169,942,100</u>	<u>233,503,900</u>
Highways			
	Road Fund	247,165,100	652,552,100
	Restricted Funds	24,481,000	63,858,800
	Federal Funds	272,888,900	542,692,700
	<u>Total</u>	<u>544,535,000</u>	<u>1,259,103,600</u>
Vehicle Regulation			
	Road Fund	4,546,100	15,834,000
	Restricted Funds	1,804,500	3,868,000
	Federal Funds	210,800	842,700
	<u>Total</u>	<u>6,561,400</u>	<u>20,544,700</u>
Debt Service			
	Road Fund		116,113,500
	<u>Total</u>		<u>116,113,500</u>
<b>Total Transportation</b>			
	General Fund	1,197,900	5,753,400
	Road Fund	436,852,700	1,084,309,400
	Restricted Funds	34,058,500	97,034,000
	Federal Funds	279,912,000	570,778,000
	<u>Total</u>	<u>752,021,100</u>	<u>1,757,874,800</u>

Budget Units		First Quarter Authorization	Annual Spending Estimate
<b>Statewide</b>			
	Budget Reserve Trust Fund		
	General Fund		66,640,600
	Total		66,640,600
	Necessary Government Expense		
	General Fund		20,000,000
	Total		20,000,000
	<b>Total Statewide</b>		
	General Fund		86,640,600
	Total		86,640,600

Budget Units	First Quarter Authorization	Annual Spending Estimate
<b>Total Executive Branch - Operating</b>		
General Fund	2,392,353,956	7,260,959,200
Tobacco Settlement - I	23,361,500	108,800,000
Road Fund	454,112,000	1,137,131,100
Restricted Funds	1,467,204,315	3,971,837,700
Federal Funds	3,264,568,990	6,359,669,700
<u>Total</u>	<u>7,601,600,761</u>	<u>18,838,397,700</u>

# Public Services Continuation Plan

## Fiscal Year 2004 - 2005

### Capital

General Government	First Quarter Authorization	Annual Spending Estimate
<b>Veterans' Affairs</b>		
New State Veterans Cemetery - Central Kentucky Reauthorization		
New State Veterans Cemetery - Northern Kentucky Reauthorization		
Maintenance Pool		
Investment Income	25,000	100,000
<b>Veterans' Affairs Summary</b>	<b>25,000</b>	<b>100,000</b>
<b>Investment Income</b>	<b>25,000</b>	<b>100,000</b>
<b>Treasury</b>		
Continue Lease-Purchase of Checksealer Equipment Reauthorization with Additional Funding Capital Construction Surplus	63,000	63,000
Printers -Lease Purchase General Fund	140,700	140,700
<b>Treasury Summary</b>	<b>203,700</b>	<b>203,700</b>
<b>General Fund</b>	<b>140,700</b>	<b>140,700</b>
<b>Capital Construction Surplus</b>	<b>63,000</b>	<b>63,000</b>
<b>Attorney General</b>		
Capital Complex East - Franklin County - Lease		
<b>Attorney General Summary</b>		
<b>Commonwealth's Attorneys</b>		
Jefferson County Commonwealth Atty. - Lease		

<b>General Government</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Commonwealth's Attorneys Summary</b>		
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<b>Agriculture</b>		
Franklin County Lease		
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<b>Agriculture Summary</b>		
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<b>Department of Personnel</b>		
On-line Health Insurance Application		
Restricted Funds	1,250,000	1,250,000
<hr/>		
Lease - Franklin County		
<hr/>		
<b>Department of Personnel Summary</b>	<b><u>1,250,000</u></b>	<b><u>1,250,000</u></b>
<b>Restricted Funds</b>	<b><u>1,250,000</u></b>	<b><u>1,250,000</u></b>
<hr/>		
<b>Military Affairs</b>		
Extend Runway and Taxiway Capital City Airport		
Capital Construction Surplus	2,093,000	2,093,000
Federal Fund	192,000	192,000
Federal Fund	1,901,000	1,901,000
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Construct CCA Perimeter Security Fencing		
Capital Construction Surplus	447,000	447,000
Federal Fund	45,000	45,000
Federal Fund	402,000	402,000
<hr/>		
Construct 30 New T-Hangars Capital City Airport		
Investment Income	1,350,000	1,350,000
<hr/>		
Construct Aircraft Modification Building at BGS		
Restricted Funds	2,000,000	2,000,000
Federal Fund	500,000	500,000
Federal Fund	1,500,000	1,500,000
<hr/>		
Runway Parallel Taxiway Pavement Overlay		
Reauthorization with Additional Funding		
Federal Fund	1,780,000	1,780,000
<hr/>		
Maintenance Pool		
Investment Income	215,000	860,000
<hr/>		
Maintenance Pool - Bluegrass Station		
Restricted Funds	2,500,000	2,500,000
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Hangar/Warehouse/Office Bldgs, Bluegrass Station		
General Fund	4,400,000	4,400,000
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Maintenance Pool - Air Transportation		
Investment Income	450,000	450,000
<hr/>		

<b>General Government</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Military Affairs Summary</b>	<b><u>15,235,000</u></b>	<b><u>15,880,000</u></b>
General Fund	4,400,000	4,400,000
Restricted Funds	3,000,000	3,000,000
Federal Fund	5,583,000	5,583,000
Capital Construction Surplus	237,000	237,000
Investment Income	2,015,000	2,660,000
<hr/>		
<b>Board of Nursing</b>		
Jefferson County - Lease		
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<b>Board of Nursing Summary</b>		
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<b>Kentucky Retirement Systems</b>		
Franklin County - Lease		
<hr/>		
<b>Kentucky Retirement Systems Summary</b>		
<hr/>		
<b>Kentucky River Authority</b>		
Ky. River Dam Maintenance Pool		
Restricted Funds	500,000	500,000
<hr/>		
KRWSE-Dam 10 Real Estate, Dam 9 Final Design Reauthorization with Additional Funding		
Restricted Funds	727,000	727,000
<hr/>		
<b>Kentucky River Authority Summary</b>	<b><u>1,227,000</u></b>	<b><u>1,227,000</u></b>
Restricted Funds	1,227,000	1,227,000
<hr/>		
<b>General Government Summary</b>	<b><u>17,940,700</u></b>	<b><u>18,660,700</u></b>
General Fund	4,540,700	4,540,700
Restricted Funds	5,477,000	5,477,000
Federal Fund	5,583,000	5,583,000
Capital Construction Surplus	300,000	300,000
Investment Income	2,040,000	2,760,000

<b>Commerce</b>		<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>State Fair Board</b>			
Repave Parking Lots E, J and Ashton/Adair			
	Restricted Funds	1,281,000	1,281,000
Replace Paving from Gate 1 to Gate 2			
	Restricted Funds	900,000	900,000
Renovate Existing Restrooms			
	Restricted Funds	44,000	44,000
Renovate KICC Pedway System			
	Restricted Funds	50,000	50,000
Maintenance Pool			
	Restricted Funds	1,000,000	1,000,000
<b>State Fair Board Summary</b>		<b><u>3,275,000</u></b>	<b><u>3,275,000</u></b>
	<b>Restricted Funds</b>	<b><u>3,275,000</u></b>	<b><u>3,275,000</u></b>
<b>Kentucky Horse Park Commission</b>			
Maintenance Pool			
	Investment Income	144,000	575,000
<b>Kentucky Horse Park Commission Summary</b>		<b><u>144,000</u></b>	<b><u>575,000</u></b>
	<b>Investment Income</b>	<b><u>144,000</u></b>	<b><u>575,000</u></b>
<b>Kentucky Center for the Arts</b>			
Maintenance Pool			
	Investment Income	63,000	252,000
<b>Kentucky Center for the Arts Summary</b>		<b><u>63,000</u></b>	<b><u>252,000</u></b>
	<b>Investment Income</b>	<b><u>63,000</u></b>	<b><u>252,000</u></b>
<b>Kentucky Historical Society</b>			
KY History Center - Purchase Casework			
	Capital Construction Surplus	250,000	250,000

<b>Commerce</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Kentucky Historical Society Summary</b>	<u>250,000</u>	<u>250,000</u>
<b>Capital Construction Surplus</b>	<u>250,000</u>	<u>250,000</u>
<b>Fish and Wildlife Resources</b>		
Fees-in-Lieu-of Stream Mitigation Projects Pool		
Restricted Funds	5,000,000	5,000,000
Maintenance Pool		
Restricted Funds	400,000	400,000
Land Acquisition Pool		
Restricted Funds	700,000	700,000
Edmonson Co Environmental Study - Reallocation Reauthorization		
Automated License Sales System Upgrade		
Restricted Funds	650,000	650,000
<b>Fish and Wildlife Resources Summary</b>	<u>6,750,000</u>	<u>6,750,000</u>
<b>Restricted Funds</b>	<u>6,750,000</u>	<u>6,750,000</u>
<b>Parks</b>		
Maintenance Pool		
Investment Income	998,000	3,990,000
<b>Parks Summary</b>	<u>998,000</u>	<u>3,990,000</u>
<b>Investment Income</b>	<u>998,000</u>	<u>3,990,000</u>
<b>Commerce Summary</b>	<u>11,480,000</u>	<u>15,092,000</u>
<b>Restricted Funds</b>	<u>10,025,000</u>	<u>10,025,000</u>
<b>Capital Construction Surplus</b>	<u>250,000</u>	<u>250,000</u>
<b>Investment Income</b>	<u>1,205,000</u>	<u>4,817,000</u>

<b>Economic Development</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Secretary</b>		
New Economy High-Tech Investment/Construct. Pool		
Restricted Funds	7,950,000	7,950,000
<b>Secretary Summary</b>	<b><u>7,950,000</u></b>	<b><u>7,950,000</u></b>
<b>Restricted Funds</b>	<b><u>7,950,000</u></b>	<b><u>7,950,000</u></b>
<b>Financial Incentives</b>		
Economic Development Program		
General Fund	2,500,000	2,500,000
Purchase Regional Industrial Park		
Restricted Funds	2,250,000	2,250,000
<b>Financial Incentives Summary</b>	<b><u>4,750,000</u></b>	<b><u>4,750,000</u></b>
<b>General Fund</b>	<b><u>2,500,000</u></b>	<b><u>2,500,000</u></b>
<b>Restricted Funds</b>	<b><u>2,250,000</u></b>	<b><u>2,250,000</u></b>
<b>Economic Development Summary</b>	<b><u>12,700,000</u></b>	<b><u>12,700,000</u></b>
<b>General Fund</b>	<b><u>2,500,000</u></b>	<b><u>2,500,000</u></b>
<b>Restricted Funds</b>	<b><u>10,200,000</u></b>	<b><u>10,200,000</u></b>

<b>Department of Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Operations and Support Services</b>		
Energy Performance Contract Project		
Maintenance Pool		
Investment Income	169,000	675,000
<b>Operations and Support Services Summary</b>	<b><u>169,000</u></b>	<b><u>675,000</u></b>
<b>Investment Income</b>	<b><u>169,000</u></b>	<b><u>675,000</u></b>
<b>Department of Education Summary</b>	<b><u>169,000</u></b>	<b><u>675,000</u></b>
<b>Investment Income</b>	<b><u>169,000</u></b>	<b><u>675,000</u></b>

<b>Education Cabinet</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Kentucky Educational Television</b>		
Replace Roof at Network Center		
Investment Income	1,000,000	1,000,000
Maintenance Pool		
Investment Income	25,000	100,000
<b>Kentucky Educational Television Summary</b>	<b><u>1,025,000</u></b>	<b><u>1,100,000</u></b>
<b>Investment Income</b>	<b><u>1,025,000</u></b>	<b><u>1,100,000</u></b>
<b>General Administration and Program Support</b>		
Guaranteed Energy Savings Project		
Maintenance Pool		
Investment Income	99,000	395,000
<b>General Administration and Program Support Summary</b>	<b><u>99,000</u></b>	<b><u>395,000</u></b>
<b>Investment Income</b>	<b><u>99,000</u></b>	<b><u>395,000</u></b>
<b>Vocational Rehabilitation</b>		
Replace Roof - Perkins Rehabilitation Center		
General Fund	1,200,000	1,200,000
Franklin County - Lease		
Fayette County - Lease		
<b>Vocational Rehabilitation Summary</b>	<b><u>1,200,000</u></b>	<b><u>1,200,000</u></b>
<b>General Fund</b>	<b><u>1,200,000</u></b>	<b><u>1,200,000</u></b>
<b>Education Cabinet Summary</b>	<b><u>2,324,000</u></b>	<b><u>2,695,000</u></b>
<b>General Fund</b>	<b><u>1,200,000</u></b>	<b><u>1,200,000</u></b>
<b>Investment Income</b>	<b><u>1,124,000</u></b>	<b><u>1,495,000</u></b>

<b>Environmental and Public Protection</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
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**Workplace Standards**

Franklin County - Lease

**Workplace Standards Summary**

**Kentucky Nature Preserves Commission**

Kentucky Nature Preserves Acquisition Fund

Reauthorization with Additional Funding

Other Funds

300,000

300,000

**Kentucky Nature Preserves Commission Summary**

**300,000**

**300,000**

**Other Funds**

**300,000**

**300,000**

**Environmental Protection**

State-Funded Leaking Underground Storage Tanks

Restricted Funds

500,000

500,000

State-Owned Dam Repair

Investment Income

375,000

1,500,000

Hazardous Waste Management Fund

Restricted Funds

2,100,000

2,100,000

National Environmental Exchange Network Grant

Federal Fund

150,000

150,000

Franklin County - Lease (DoW Comm., Ash Bldg.)

Franklin County - Lease (Air Qual., Schenkel Ln)

**Environmental Protection Summary**

**3,125,000**

**4,250,000**

**Restricted Funds**

**2,600,000**

**2,600,000**

**Federal Fund**

**150,000**

**150,000**

**Investment Income**

**375,000**

**1,500,000**

**Surface Mining Reclamation and Enforcement**

Franklin County - Lease (SMRE, Hudson Hollow)

<b>Environmental and Public Protection</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Surface Mining Reclamation and Enforcement Summary</b>		
<b>General Operations</b>		
Franklin County - Lease		
<b>General Operations Summary</b>		
<b>Public Advocacy</b>		
Franklin County - Lease		
<b>Public Advocacy Summary</b>		
<b>Housing, Buildings and Construction</b>		
Franklin County Lease		
<b>Housing, Buildings and Construction Summary</b>		
<b>General Administration and Program Support</b>		
Maintenance Pool		
Investment Income	125,000	500,000
Kentucky Heritage Land Conservation Fund	4,000,000	4,000,000
Reauthorization with Additional Funding		
Restricted Funds	3,000,000	3,000,000
Federal Fund	1,000,000	1,000,000
Network Upgrade		
Investment Income	500,000	500,000
<b>General Administration and Program Support Summary</b>	<b><u>4,625,000</u></b>	<b><u>5,000,000</u></b>
<b>Restricted Funds</b>	<b>3,000,000</b>	<b>3,000,000</b>
<b>Federal Fund</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Investment Income</b>	<b>625,000</b>	<b>1,000,000</b>
<b>Environmental and Public Protection Summary</b>	<b><u>8,050,000</u></b>	<b><u>9,550,000</u></b>
<b>Restricted Funds</b>	<b>5,600,000</b>	<b>5,600,000</b>
<b>Federal Fund</b>	<b>1,150,000</b>	<b>1,150,000</b>
<b>Investment Income</b>	<b>1,000,000</b>	<b>2,500,000</b>
<b>Other Funds</b>	<b>300,000</b>	<b>300,000</b>

<b>Finance and Administration</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Governor's Office for Technology</b>		
UCJIS-Court Improvements (E-Warrants)		
Federal Fund	2,000,000	2,000,000
Enterprise Infrastructure Security		
Restricted Funds	1,000,000	1,000,000
Enterprise Storage Solution		
Restricted Funds	1,000,000	1,000,000
Enterprise Tape Equipment/Media Solution		
Restricted Funds	1,200,000	1,200,000
Enterprise Messaging Reauthorization		
Disaster Recovery Project		
Federal Fund	5,146,000	5,146,000
Ky Information Highway Upgrade Expansion Reauthorization with Additional Funding		
Restricted Funds	3,500,000	3,500,000
Enterprise UNIX Server(s) Consolidation		
Restricted Funds	2,000,000	2,000,000
Statewide Digital Orthoimagery Basemap Updating	500,000	500,000
Restricted Funds	200,000	200,000
Federal Fund	300,000	300,000
Disk Storage Upgrade		
Restricted Funds	800,000	800,000
Enterprise Server (z/OS) Upgrade/Replacement		
Restricted Funds	800,000	800,000
Franklin County - Lease		
<b>Governor's Office for Technology Summary</b>	<b><u>17,946,000</u></b>	<b><u>17,946,000</u></b>
<b>Restricted Funds</b>	<b>10,500,000</b>	<b>10,500,000</b>
<b>Federal Fund</b>	<b>7,446,000</b>	<b>7,446,000</b>
<b>Administration</b>		
Two Inserting Machines - Postal Services		
Restricted Funds	300,000	300,000
Finance Genesco Building Lease		

<b>Finance and Administration</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Administration Summary</b>	<u><b>300,000</b></u>	<u><b>300,000</b></u>
<b>Restricted Funds</b>	<b>300,000</b>	<b>300,000</b>

**Facilities Management**

Acquire Land/Demolish Bldgs.-Statewide		
Reauthorization with Additional Funding		
Investment Income	975,000	975,000
Guaranteed Energy Performance Projects Pool		
Deferred Maintenance Fund		
Investment Income	500,000	500,000
Capital Const. & Equip Purchase Contingency Fund	6,400,000	6,400,000
General Fund	5,000,000	5,000,000
Investment Income	1,400,000	1,400,000
Emergency Repair, Maintenance & Replacement Fund	5,000,000	5,000,000
General Fund	2,500,000	2,500,000
Investment Income	2,500,000	2,500,000
Maintenance Pool	938,000	3,874,000
Investment Income	938,000	3,750,000
Restricted Funds		124,000
<b>Facilities Management Summary</b>	<u><b>13,813,000</b></u>	<u><b>16,749,000</b></u>
<b>General Fund</b>	<b>7,500,000</b>	<b>7,500,000</b>
<b>Restricted Funds</b>		<b>124,000</b>
<b>Investment Income</b>	<b>6,313,000</b>	<b>9,125,000</b>

**Revenue**

Streamlined Sales Tax Simplification System		
General Fund	1,000,000	1,000,000
Collection System Interface Phase I		
Investment Income	1,500,000	1,500,000
Franklin County Lease - Perimeter Park		
Reauthorization		
Franklin County Lease - 200 Fair Oaks		
Reauthorization		
Franklin County Lease - 100 Fair Oaks		
Reauthorization		

<b>Finance and Administration</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Revenue Summary</b>	<b><u>2,500,000</u></b>	<b><u>2,500,000</u></b>
<b>General Fund</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Investment Income</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>Ky Lottery Corporation</b>		
Contingency on Property Next to New Headquarters Reauthorization with Additional Funding Other Funds	3,750,000	3,750,000
Sales and Quota System Other Funds	500,000	500,000
Potential Buyout of On-line Gaming System Other Funds	12,250,000	12,250,000
Network Storage and Associated Infrastructure Other Funds	500,000	500,000
iSeries System Upgrades Other Funds	1,500,000	1,500,000
Data Processing, Telecomm, and related equipment Other Funds	3,000,000	3,000,000
<b>Ky Lottery Corporation Summary</b>	<b><u>21,500,000</u></b>	<b><u>21,500,000</u></b>
<b>Other Funds</b>	<b>21,500,000</b>	<b>21,500,000</b>
<b>Office of the Controller</b>		
Management Administrative Reporting Sys. Upgrade Investment Income Restricted Funds	7,000,000 3,500,000 3,500,000	7,000,000 3,500,000 3,500,000
<b>Office of the Controller Summary</b>	<b><u>7,000,000</u></b>	<b><u>7,000,000</u></b>
<b>Restricted Funds</b>	<b>3,500,000</b>	<b>3,500,000</b>
<b>Investment Income</b>	<b>3,500,000</b>	<b>3,500,000</b>
<b>Finance and Administration Summary</b>	<b><u>63,059,000</u></b>	<b><u>65,995,000</u></b>
<b>General Fund</b>	<b>8,500,000</b>	<b>8,500,000</b>
<b>Restricted Funds</b>	<b>14,300,000</b>	<b>14,424,000</b>
<b>Federal Fund</b>	<b>7,446,000</b>	<b>7,446,000</b>
<b>Investment Income</b>	<b>11,313,000</b>	<b>14,125,000</b>
<b>Other Funds</b>	<b>21,500,000</b>	<b>21,500,000</b>

<b>Health and Family Services</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Public Health</b>		
Purchase Laboratory Equipment-Tandem Mass Sp-DPH Capital Construction Surplus	330,000	330,000
Replace Laboratory Equipment-DPH Investment Income	350,000	350,000
<b>Public Health Summary</b>	<b><u>680,000</u></b>	<b><u>680,000</u></b>
<b>Capital Construction Surplus</b>	<b>330,000</b>	<b>330,000</b>
<b>Investment Income</b>	<b>350,000</b>	<b>350,000</b>
<b>Mental Health/Mental Retardation</b>		
Maintenance Pool Investment Income	325,000	1,300,000
Chiller Pool Investment Income	450,000	450,000
Miscellaneous Roof Pool-Statewide Investment Income	700,000	700,000
Franklin County - Lease (Fair Oaks)		
MH/MR VA Hospital Lease		
<b>Mental Health/Mental Retardation Summary</b>	<b><u>1,475,000</u></b>	<b><u>2,450,000</u></b>
<b>Investment Income</b>	<b>1,475,000</b>	<b>2,450,000</b>
<b>General Administration and Program Support</b>		
Safeguarding Children At Risk (TWIST Re-Write) Federal Fund	264,000	264,000
Server Refresh Phase I	498,400	498,400
Investment Income	249,200	249,200
Federal Fund	249,200	249,200
Network Infrastructure Upgrade	1,563,000	1,563,000
Investment Income	781,500	781,500
Federal Fund	781,500	781,500
Child Support Enforcement (KASES II) Federal Fund	3,960,000	3,960,000
Support for Health and Welfare Services (KAMES)	2,000,000	2,000,000
General Fund	1,000,000	1,000,000
Federal Fund	1,000,000	1,000,000

<b>Health and Family Services</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>General Administration and Program Support</b>		
Lease - Boone County		
Lease - Boyd County		
Lease - Campbell County		
Lease - Fayette County		
Lease - Fayette County		
Lease - Franklin County		
Lease - Franklin County		
Lease - Hardin County		
Lease - Harlan County		
Lease - Henderson County		
Lease - Jefferson County		
Lease - Johnson County		
Lease - Kenton County		
Lease - Kenton County		
Lease - Franklin County		
Lease - Perry County		
Lease - Shelby County		
Lease - Warren County		
<b>General Administration and Program Support Summary</b>	<b><u>8,285,400</u></b>	<b><u>8,285,400</u></b>
<b>General Fund</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Federal Fund</b>	<b>6,254,700</b>	<b>6,254,700</b>
<b>Investment Income</b>	<b>1,030,700</b>	<b>1,030,700</b>
<b>Health and Family Services Summary</b>	<b><u>10,440,400</u></b>	<b><u>11,415,400</u></b>
<b>General Fund</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Federal Fund</b>	<b>6,254,700</b>	<b>6,254,700</b>
<b>Capital Construction Surplus</b>	<b>330,000</b>	<b>330,000</b>
<b>Investment Income</b>	<b>2,855,700</b>	<b>3,830,700</b>

<b>Justice and Public Safety</b>		<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>State Police</b>			
Maintenance Pool			
	Investment Income	75,000	300,000
<b>State Police Summary</b>		<b><u>75,000</u></b>	<b><u>300,000</u></b>
	<b>Investment Income</b>	<b>75,000</b>	<b>300,000</b>
<b>Juvenile Justice</b>			
Maintenance Pool			
	Investment Income	113,000	450,000
<b>Juvenile Justice Summary</b>		<b><u>113,000</u></b>	<b><u>450,000</u></b>
	<b>Investment Income</b>	<b>113,000</b>	<b>450,000</b>
<b>Corrections Management</b>			
Perform Energy Perf. Contracting-Various II			
Maintenance Pool			
	Investment Income	668,000	2,672,000
<b>Corrections Management Summary</b>		<b><u>668,000</u></b>	<b><u>2,672,000</u></b>
	<b>Investment Income</b>	<b>668,000</b>	<b>2,672,000</b>
<b>Justice and Public Safety Summary</b>		<b><u>856,000</u></b>	<b><u>3,422,000</u></b>
	<b>Investment Income</b>	<b>856,000</b>	<b>3,422,000</b>

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Ky Higher Education Student Loan Corporation</b>		
Upgrade IBM Iseries-Based Equipment		
Restricted Funds	700,000	700,000
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<b>Ky Higher Education Student Loan Corporation Summary</b>	<b><u>700,000</u></b>	<b><u>700,000</u></b>
<b>Restricted Funds</b>	<b><u>700,000</u></b>	<b><u>700,000</u></b>
<hr/>		
<b>Kentucky Higher Education Assistance Authority</b>		
Purchase Inserter		
Restricted Funds	140,000	140,000
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Franklin County - Lease		
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<b>Kentucky Higher Education Assistance Authority Summary</b>	<b><u>140,000</u></b>	<b><u>140,000</u></b>
<b>Restricted Funds</b>	<b><u>140,000</u></b>	<b><u>140,000</u></b>
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<b>Council on Postsecondary Education</b>		
Franklin County Lease		
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<b>Council on Postsecondary Education Summary</b>		
<hr/>		
<b>Eastern Kentucky University</b>		
Renovate Watts Property (Elmwood)		
Reauthorization		
<hr/>		
Renovate Residence Hall		
Restricted Funds	7,500,000	7,500,000
<hr/>		
Expand and Renovate Presnell Building		
Reauthorization		
<hr/>		
Construct E & G Life Safety Begley Elevator		
Reauthorization		
<hr/>		
Purchase of Property		
Restricted Funds	3,000,000	3,000,000
<hr/>		
Construct New Intramural Fields		
Restricted Funds	2,300,000	2,300,000
<hr/>		
Renovate Student Health Center		
Restricted Funds	2,072,000	2,072,000
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Expand Indoor Tennis Facility		
Restricted Funds	1,000,000	1,000,000
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<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Eastern Kentucky University</b>		
Guaranteed Energy Savings Project Reauthorization		
Purchase Fourier Trans. Nuc. Mag. Res. Spectrom. Restricted Funds	135,000	135,000
Upgrade Academic Computing Restricted Funds	2,300,000	2,300,000
Upgrade Administrative Computing System Restricted Funds	1,650,000	1,650,000
Expand, Upgrade Campus Data Network Restricted Funds	7,212,000	7,212,000
Purchase Networked Education System Component Restricted Funds	3,450,000	3,450,000
<b>Eastern Kentucky University Summary</b> <b>Restricted Funds</b>	<b><u>30,619,000</u></b> <b><u>30,619,000</u></b>	<b><u>30,619,000</u></b> <b><u>30,619,000</u></b>
<b>Kentucky State University</b>		
Bradford Hall Structural Repair Restricted Funds	900,000	900,000
Hill Student Center 3rd Floor Build-out Reauthorization with Additional Funding Restricted Funds	600,000	600,000
Add New Chiller Reauthorization with Additional Funding Restricted Funds	2,392,000	2,392,000
Softball Field Restricted Funds	500,000	500,000
Alumni Stadium Structural Repair Restricted Funds	400,000	400,000
Roof Repairs & Replacement Exum/Combs/ Bell Gym Restricted Funds	450,000	450,000
Extend Fiber Network to South Campus Reauthorization with Additional Funding Restricted Funds	839,000	839,000
Expand Business Wing & Renovate Bradford Hall Restricted Funds	8,400,000	8,400,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Kentucky State University</b>		
Construct New Residence Hall		
Restricted Funds	20,000,000	20,000,000
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Guaranteed Energy Savings Project		
<hr/>		
Telecommunication Equipment (PBX)		
Restricted Funds	1,352,000	1,352,000
<hr/>		
Implement Smart Card Technology		
Reauthorization with Additional Funding		
Restricted Funds	1,165,000	1,165,000
<hr/>		
<b>Kentucky State University Summary</b>	<b><u>36,998,000</u></b>	<b><u>36,998,000</u></b>
<b>Restricted Funds</b>	<b><u>36,998,000</u></b>	<b><u>36,998,000</u></b>
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<b>Morehead State University</b>		
Expand Student Wellness Center		
Reauthorization with Additional Funding		
Restricted Funds	300,000	300,000
<hr/>		
Acquire Land Related to Master Plan		
Restricted Funds	2,000,000	2,000,000
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Construct Parking Structure		
Reauthorization with Additional Funding		
Restricted Funds	500,000	500,000
<hr/>		
Construct MSU-NASA Space Science Center		
Federal Fund	5,000,000	5,000,000
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Comply with ADA - E&G		
Reauthorization with Additional Funding		
Restricted Funds	500,000	500,000
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Comply with ADA - Auxiliary		
Reauthorization		
<hr/>		
Reconstruct Central Campus		
Reauthorization		
<hr/>		
Construct Family Housing Complexes Phase II		
Reauthorization with Additional Funding		
Restricted Funds	700,000	700,000
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Replace Steam Line		
Restricted Funds	500,000	500,000
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<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Morehead State University</b>		
Replace Boiler Tubes		
Restricted Funds	800,000	800,000
Replace Bag House		
Restricted Funds	2,000,000	2,000,000
Ky Geodetic Infrastructure Phase I		
Federal Fund	5,000,000	5,000,000
Major Item of Equipment Pool		
Restricted Funds	4,023,000	4,023,000
Upgrade Instruct. PCs/LANS/Peripherals Reauthorization		
Expand Compressed Video Resources Reauthorization with Additional Funding		
Restricted Funds	309,000	309,000
Enhance Distance Learning Systems Reauthorization		
Enhance Network/Infrastructure Resources Reauthorization		
Enhance Library Automation Resources Reauthorization		
Upgrade Administrative Office Systems Reauthorization		
<b>Morehead State University Summary</b>	<b><u>21,632,000</u></b>	<b><u>21,632,000</u></b>
<b>Restricted Funds</b>	<b>11,632,000</b>	<b>11,632,000</b>
<b>Federal Fund</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>Murray State University</b>		
Construct New Dormitories Reauthorization		
Remove Elizabeth Hall Asbestos Ceiling Reauthorization		
Upgrade College Courts Electrical System Reauthorization		
Renovate College Courts Interiors (12 Buildings) Reauthorization		

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Murray State University</b>		
Upgrade Campus Electrical Distribution System Reauthorization		
Repair Winslow Cafeteria Exterior Reauthorization with Additional Funding Restricted Funds	500,000	500,000
Replace Clark Hall Reauthorization		
Replace Franklin Hall Reauthorization		
Replace Campus Communications Infrastructure Reauthorization Restricted Funds	2,500,000	2,500,000
Acquire Land Restricted Funds	499,800	499,800
Construct Public Safety Building Restricted Funds	1,500,000	1,500,000
Replace Richmond Hall Water Piping/Fixtures/Etc Reauthorization with Additional Funding Restricted Funds	400,000	400,000
Replace Regents Hall Domestic Water Piping Reauthorization		
Replace Springer Hall Water Piping, Fixtures,Etc Reauthorization with Additional Funding Restricted Funds	450,000	450,000
Install 350 Ton Chiller - Reg Special Events Ctr Reauthorization with Additional Funding Restricted Funds	180,000	180,000
Renovate College Courts Reauthorization		
Guaranteed Energy Savings Project Reauthorization		
Repair Stewart Stadium - Structural Restricted Funds	2,000,000	2,000,000
Replace Clark Hall Water Piping, Fixtures, Etc Reauthorization with Additional Funding Restricted Funds	400,000	400,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Murray State University</b>		
Replace Franklin Hall Water Piping, Fixtures, Etc Reauthorization with Additional Funding Restricted Funds	400,000	400,000
Remove Hester Hall Asbestos Ceilings Reauthorization		
Install Baseball Field & Stadium Sidewalk Lights Reauthorization		
Replace Richmond Hall Reauthorization		
Replace Breathitt Veterinary Center Incinerator Restricted Funds	1,500,000	1,500,000
Purchase BVC Electron Microscope-Scanning Type Restricted Funds	300,000	300,000
Establish Centralized Technology Refresh Program Restricted Funds	2,600,000	2,600,000
Replace Student Writing and Design Lab Computers Restricted Funds	414,000	414,000
Upgrade Campus Network to Gigabit Ethernet Syst Reauthorization with Additional Funding Restricted Funds	469,000	469,000
Replace Telephone Switching System Reauthorization with Additional Funding Restricted Funds	525,000	525,000
Install Online Centralized Data Access Warehouse Restricted Funds	520,000	520,000
<b>Murray State University Summary</b> <b>Restricted Funds</b>	<b><u>15,157,800</u></b> <b>15,157,800</b>	<b><u>15,157,800</u></b> <b>15,157,800</b>
<b>Northern Kentucky University</b>		
Land Acquisition Restricted Funds	3,000,000	3,000,000
Construct New Parking Deck Phase II Restricted Funds	9,700,000	9,700,000
Construct Alumni Center Restricted Funds	5,100,000	5,100,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Northern Kentucky University</b>		
Reconstruct Central Plaza		
Restricted Funds	3,500,000	3,500,000
Renovate/Expand Landrum Hall - Design		
Restricted Funds	700,000	700,000
Replace Power Distribution Infrastructure		
Restricted Funds	3,000,000	3,000,000
Initiate Phase II Master Plan		
Restricted Funds	2,200,000	2,200,000
Upgrade AS&T Instructional Space		
Restricted Funds	3,100,000	3,100,000
Repair Structure of Landrum Hall/Phase II		
Restricted Funds	900,000	900,000
Construct New Student Union		
Restricted Funds	32,800,000	32,800,000
Replace Air Handlers		
Restricted Funds	875,000	875,000
Replace Elevators Landrum Hall/Lucas Admin Ctr		
Restricted Funds	900,000	900,000
Construct Sports Complex		
Restricted Funds	12,000,000	12,000,000
Expand Regents Hall		
Restricted Funds	1,300,000	1,300,000
Improve Lake Area		
Reauthorization with Additional Funding		
Restricted Funds	500,000	500,000
Purchase Direct Image Platesetter		
Restricted Funds	150,000	150,000
Purchase Coach Bus		
Restricted Funds	400,000	400,000
Enhance Information Technology Infrastructure		
Reauthorization		
Enhance Instructional Information Technology		
Restricted Funds	3,600,000	3,600,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Northern Kentucky University</b>		
Replace Administrative Application System Restricted Funds	6,160,000	6,160,000
Lease Office Space		
Lease-Metropolitan Educ/Training Service Ctr		
<b>Northern Kentucky University Summary</b>	<b>89,885,000</b>	<b>89,885,000</b>
<b>Restricted Funds</b>	<b>89,885,000</b>	<b>89,885,000</b>
<b>University of Kentucky</b>		
Renovate 3rd Floor Little Library Restricted Funds	2,200,000	2,200,000
Install Chilled Water Pipe to South Campus Restricted Funds	5,000,000	5,000,000
Renovate Imaging Center, I Restricted Funds	530,000	530,000
Renovate Research Labs in Med Center, III Restricted Funds	1,000,000	1,000,000
Renovate Imaging Center, II Restricted Funds	530,000	530,000
Renovate Research Labs in Medical Center, IV Restricted Funds	1,250,000	1,250,000
Renovate Teaching Space in Med Plaza Restricted Funds	500,000	500,000
Renovate Foundation Offices in MRISC Bldg Restricted Funds	500,000	500,000
Expand Grehan Journalism Building Restricted Funds	12,740,000	12,740,000
Renovate Breast Clinic in MRISC Bldg Restricted Funds	520,000	520,000
Renovate King Library South - 1930 section Restricted Funds	17,901,000	17,901,000
Expand Ophthalmology Clinic in Med Plaza Restricted Funds	582,000	582,000
Renovate Faculty Office Space in Med Center Restricted Funds	500,000	500,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Fit-Up 4th Floor in BBSRB	11,000,000	11,000,000
General Fund	1,079,000	1,079,000
Restricted Funds	2,186,000	2,186,000
Federal Fund	7,735,000	7,735,000
Add Centralized Emergency Generator		
Restricted Funds	5,034,000	5,034,000
Expand Plant, Soil & Envir. Sci. Facil. - Design		
Restricted Funds	1,500,000	1,500,000
Renovate School of Public Health Building		
Restricted Funds	3,751,000	3,751,000
Construct Multi-Care Clinic Building		
Restricted Funds	20,500,000	20,500,000
Renovate Photography Space in Nursing Buiding		
Restricted Funds	650,000	650,000
Replace Steam Line Lime Tunnel - POT Tunnel		
Restricted Funds	730,000	730,000
Construct Horticultural Research and Education F		
Restricted Funds	1,600,000	1,600,000
Renovate Vivarium in Combs Building	600,000	600,000
Restricted Funds	300,000	300,000
Federal Fund	300,000	300,000
Install Chilled Water Additions General Campus		
Restricted Funds	1,000,000	1,000,000
Expand Chemistry-Physics Building - Design		
Restricted Funds	5,500,000	5,500,000
Lease Purchase Apartment Complex		
Restricted Funds	11,000,000	11,000,000
Construct New Housing		
Restricted Funds	49,991,000	49,991,000
Upgrade the Vivarium in Sanders Brown Building	4,000,000	4,000,000
Restricted Funds	2,000,000	2,000,000
Federal Fund	2,000,000	2,000,000
Construct UK Paducah Engineering Research Center		
Restricted Funds	1,000,000	1,000,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Construct Regional BL3/BL4 Facility Federal Fund	50,000,000	50,000,000
Contract Energy Performance General Campus Reauthorization		
Renovate Imaging Center in Ky Clinic Restricted Funds	2,000,000	2,000,000
Expand West Kentucky Research and Education Ctr Restricted Funds	4,000,000	4,000,000
Expand CAER Laboratories Restricted Funds	3,833,000	3,833,000
Upgrade HVAC - CAER Ph. III - Life Safety Restricted Funds	475,000	475,000
Upgrade Pilot-scale Mineral Process Facility Restricted Funds	500,000	500,000
Construct University Conference Center Restricted Funds	19,605,000	19,605,000
Install Emergency Generator in Computing Facilit Restricted Funds	425,000	425,000
Upgrade Fume Hoods Research #3 - Life Safety Restricted Funds	4,825,000	4,825,000
Upgrade Elevator Controls in Nursing Building Restricted Funds	600,000	600,000
Repair Blacktop Phase I General Campus Restricted Funds	750,000	750,000
Repair Concrete Phase I General Campus Restricted Funds	750,000	750,000
Renovate Sections of Funkhouser Restricted Funds	4,923,000	4,923,000
Addition to Lafferty Hall Restricted Funds	5,195,000	5,195,000
Replace Fine Arts HVAC Restricted Funds	3,000,000	3,000,000
Replace Holmes Elevator Restricted Funds	641,000	641,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Replace Law Building Marble Facade Restricted Funds	838,000	838,000
Improve Accessibility Project Pool Restricted Funds	437,000	437,000
Replace McVey Hall HVAC Restricted Funds	3,000,000	3,000,000
Construct Parking Structure - Central Campus Restricted Funds	17,000,000	17,000,000
Replace Steam Line Kastle - Chem/Phys Pit 28 Restricted Funds	740,000	740,000
Renovate Central Computing Facility Restricted Funds	2,360,000	2,360,000
Replace Steam Line Main Gate Pit-Anderson Pit Restricted Funds	1,530,000	1,530,000
Replace Steam Line MC Htg - Hosp Drive Pit 2 Restricted Funds	1,180,000	1,180,000
Upgrade Electrical Substation Restricted Funds	4,000,000	4,000,000
Replace Steam Line Lime Tunnel - Main Gate Pit Restricted Funds	1,690,000	1,690,000
Lab Security Systems Project Pool Restricted Funds	500,000	500,000
Renovate DLAR General Offices in Med Center Restricted Funds	400,000	400,000
Replace Mathews Building HVAC Restricted Funds	1,000,000	1,000,000
Expand & Upgrade Livestock Disease Diag. Center Restricted Funds	8,500,000	8,500,000
Construct Law School Building - Design Restricted Funds	4,000,000	4,000,000
Renovate Erikson Hall Restricted Funds	6,001,000	6,001,000
Renovate Slone Building Restricted Funds	7,993,000	7,993,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Install Commons Elevator		
Restricted Funds	400,000	400,000
Renovate Bradley Hall		
Restricted Funds	5,216,000	5,216,000
Renovate Taylor Education Building		
Restricted Funds	17,864,000	17,864,000
Upgrade Electric & Lighting in Guignol Theatre		
Restricted Funds	890,000	890,000
Construct Medical Center Education Building		
Restricted Funds	27,000,000	27,000,000
Expand Animal Science Research Center - Phase II		
Restricted Funds	23,184,000	23,184,000
Purchase/Renovate Facility for College of Design		
Restricted Funds	16,528,000	16,528,000
Construct Gluck Equine Res Ctr-Phase II		
Restricted Funds	29,835,000	29,835,000
Renovate Running Track		
Restricted Funds	2,500,000	2,500,000
Replace Cooling Plant Chillers		
Restricted Funds	6,000,000	6,000,000
Renovate Barker Hall		
Restricted Funds	5,060,000	5,060,000
Improve Storm Sewer Funkhouser		
Restricted Funds	1,103,000	1,103,000
Renovate Facade - Agriculture Building North		
Restricted Funds	4,000,000	4,000,000
Replace Central Fire Alarm System		
Restricted Funds	2,500,000	2,500,000
Replace Central Facilities Management System		
Restricted Funds	3,000,000	3,000,000
Expand Erikson Hall		
Restricted Funds	18,741,000	18,741,000
Renovate COHR Space in the Dental Building		
Restricted Funds	1,875,000	1,875,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Renovate Bowman Hall		
Restricted Funds	8,221,000	8,221,000
Construct Student Health Facility		
Restricted Funds	21,801,000	21,801,000
Upgrade Pharm. Fume Hood I-Life Safety		
Restricted Funds	4,300,000	4,300,000
Renovate Research Labs in Med Center, I		
Restricted Funds	750,000	750,000
Renovate Research Labs in Med Center, II		
Restricted Funds	900,000	900,000
Renovate Education Space in Med Science		
Restricted Funds	2,300,000	2,300,000
Renovate Labs in the Pharmacy Building	4,000,000	4,000,000
Restricted Funds	2,000,000	2,000,000
Federal Fund	2,000,000	2,000,000
Construct Gatton Building Complex - Design		
Restricted Funds	4,500,000	4,500,000
Upgrade Communication Infrastructure, II		
Restricted Funds	450,000	450,000
Construct Early Childhood Development Family Ctr		
Restricted Funds	9,956,000	9,956,000
Expand Patient Parking in Structure #3		
Restricted Funds	7,000,000	7,000,000
Fit-up Education Space in Health Science Bldg		
Restricted Funds	1,000,000	1,000,000
Renovate Research Space Med Center, I		
Reauthorization		
Restricted Funds	1,500,000	1,500,000
Install HVAC in Keeneland Hall		
Restricted Funds	5,109,000	5,109,000
Renovate Kastle Hall		
Restricted Funds	8,269,000	8,269,000
Upgrade Sound and Lighting for Singletary Center		
Restricted Funds	680,000	680,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Construct Digital Technologies Building - Design Restricted Funds	3,000,000	3,000,000
Replace Master Clock and Bell System Restricted Funds	1,500,000	1,500,000
Renovate Med Center Library Restricted Funds	5,500,000	5,500,000
Replace Steam and Condensate Pipe Restricted Funds	5,000,000	5,000,000
Abate Asbestos LC II - Life Safety Restricted Funds	500,000	500,000
Improve IAQ - Phase I - Life Safety Restricted Funds	500,000	500,000
Construct Environmental Institute Restricted Funds	14,287,000	14,287,000
Expand KGS Well Sample & Core Repository Restricted Funds	3,759,000	3,759,000
Acquire Land Restricted Funds	15,000,000	15,000,000
Construct Parking Structure - North Campus Restricted Funds	25,248,000	25,248,000
Expand/Renovate Art Museum in Singletary Center Restricted Funds	10,075,000	10,075,000
Install Pollution Controls Restricted Funds	1,740,000	1,740,000
Renovate Reynolds Building Restricted Funds	12,310,000	12,310,000
Renovate Commonwealth Stadium Concrete Restricted Funds	2,500,000	2,500,000
Renovate Koinonia House Restricted Funds	1,950,000	1,950,000
Renovate Practice Instruction Space in Pharmacy Restricted Funds	3,200,000	3,200,000
Construct KY Transportation Center Building Restricted Funds	23,199,000 20,699,000	23,199,000 20,699,000
Federal Fund	2,500,000	2,500,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Renovate Outpatient Clinic in Kentucky Clinic Restricted Funds	2,237,000	2,237,000
Renov. Graduate Edu. & Research Space in Nursing Restricted Funds	1,600,000	1,600,000
Construct New Alumni Center Restricted Funds	15,250,000	15,250,000
Replace Air Handling Units in Research #1 General Fund	950,000	950,000
Replace High Voltage Wiring Restricted Funds	775,000	775,000
Install Chilled Water Pipe-Clg 2 to Pit Restricted Funds	1,500,000	1,500,000
Install Cooling Secondary Pumping Restricted Funds	2,500,000	2,500,000
Install Medical Center Chilled Water Loop Restricted Funds	700,000	700,000
Replace Chemistry Physics Ductwork Restricted Funds	2,000,000	2,000,000
Install Steam Line BBSRB - Old Main Gate Pit Restricted Funds	4,130,000	4,130,000
Renovate Vivarium in Central DLAR Facility Restricted Funds	2,000,000	2,000,000
	1,000,000	1,000,000
	1,000,000	1,000,000
Improve Life Safety Project Pool Restricted Funds	5,290,000	5,290,000
Replace Nutter Football Field Restricted Funds	2,000,000	2,000,000
Improve Central Heating Plant Restricted Funds	4,000,000	4,000,000
Replace HVAC Kastle Hall Restricted Funds	3,000,000	3,000,000
Replace HVAC Slone Building Restricted Funds	2,320,000	2,320,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Lease Purchase Fire Suppression Upgrade Restricted Funds	850,000	850,000
Lease Purchase UPS System Restricted Funds	800,000	800,000
Lease Purchase UPS Upgrade for Communications Restricted Funds	800,000	800,000
Replace Air Handling Units Central Computing Fac Restricted Funds	510,000	510,000
Renovate Animal Facility in Tobacco & Health Bld Restricted Funds	1,500,000	1,500,000
Renovate Safety & Security Building Restricted Funds	1,645,000	1,645,000
Expand Plant Capacity Infrastructure Restricted Funds	23,000,000	23,000,000
Renovate Substation #2 Restricted Funds	2,780,000	2,780,000
Replace Three Elevators MI King South Restricted Funds	975,000	975,000
Upgrade Fume Hoods TH Morgan - Life Safety Restricted Funds	2,738,000	2,738,000
Expand Surgical Services - Hospital Restricted Funds	3,531,000	3,531,000
Construct Physicians Svcs Facilities - Hospital Restricted Funds	2,000,000	2,000,000
Construct Cancer Urgent Treatment Fac - Hospital Restricted Funds	10,562,000	10,562,000
Upgrade Surgical Suite - Hospital Restricted Funds	2,600,000	2,600,000
Construct Radiation Medicine Facility - Hospital Restricted Funds	6,047,000	6,047,000
Expand Operating Room Suites - Hospital Restricted Funds	3,547,000	3,547,000
Construct Radiation Med Facility II - Hospital Restricted Funds	2,548,000	2,548,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Upgrade Operating Room Suites II - Hospital Restricted Funds	12,162,000	12,162,000
Construct Cancer Hospice Fac - Hospital Restricted Funds	4,000,000	4,000,000
Construct Cancer Education Fac - Hospital Restricted Funds	2,000,000	2,000,000
Construct Remote Cancer Clinic - Hospital Restricted Funds	12,500,000	12,500,000
Replace AHU I - Roach Restricted Funds	1,000,000	1,000,000
Upgrade Information Systems Svcs - Hospital Restricted Funds	3,467,000	3,467,000
Renovate Dietetics - Hospital Restricted Funds	6,000,000	6,000,000
Expand Data Systems III - Hospital Restricted Funds	700,000	700,000
Renovate Medical Records Suite I - Hospital Restricted Funds	566,000	566,000
Energy Performance Contracting		
Construct Cancer Infusion Suites - Hospital Restricted Funds	5,590,000	5,590,000
Construct Primary Care Ctr II - Hospital Restricted Funds	13,017,000	13,017,000
Modify Nursing Unit XI - Hospital Restricted Funds	1,160,000	1,160,000
Modify Nursing Unit XII - Hospital Restricted Funds	3,936,000	3,936,000
Upgrade Diagnostic Services XI-Hospital Restricted Funds	1,500,000	1,500,000
Construct Outpatient Svs III - Hospital Restricted Funds	8,004,000	8,004,000
Upgrade Diagnostic Services XII-Hospital Restricted Funds	1,000,000	1,000,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Implement Land Use Plan IV - Hospital Restricted Funds	2,500,000	2,500,000
Upgrade Transport Systems V - Hospital Restricted Funds	800,000	800,000
Upgrade Support Services II - Hospital Restricted Funds	1,000,000	1,000,000
Upgrade Cancer Ctr Radiologic Fac - Hospital Restricted Funds	6,000,000	6,000,000
Upgrade Utility Systems VI - Hospital Restricted Funds	1,500,000	1,500,000
Replace AHU II - Roach Restricted Funds	1,000,000	1,000,000
Construct Bldg Connectors III - Hospital Restricted Funds	3,047,000	3,047,000
Construct Outpt Diag/Treat Fac II - Hospital Restricted Funds	17,545,000	17,545,000
Construct Outpt Care Fac II - Hospital Restricted Funds	8,148,000	8,148,000
Upgrade HVAC II - Hospital Restricted Funds	3,500,000	3,500,000
Upgrade Communication Svs - Hospital Restricted Funds	1,000,000	1,000,000
Construct Business Facility II - Hospital Restricted Funds	10,840,000	10,840,000
Create Universal Nursing Unit - Hospital Restricted Funds	964,000	964,000
Construct Patient Bed Tower - Hospital Restricted Funds	25,000,000	25,000,000
Upgrade Diagnostic Radiology - Hospital Restricted Funds	3,000,000	3,000,000
Upgrade Nutrition Services II - Hospital Restricted Funds	1,000,000	1,000,000
Expand Parking Structure #4 - Hospital Restricted Funds	3,620,000	3,620,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Upgrade Building/Site IV - Hospital Restricted Funds	800,000	800,000
Upgrade Outpatient Surgical Suite - Hospital Restricted Funds	2,500,000	2,500,000
Upgrade Emergency Services II - Hospital Restricted Funds	12,000,000	12,000,000
Construct Imaging Facility - Hospital Restricted Funds	10,035,000	10,035,000
Replace AHU I - Hospital Restricted Funds	15,553,000	15,553,000
Construct Patient Care Fac II - Hospital Restricted Funds	11,477,000	11,477,000
Construct Bio-Medical Research Building - Design Restricted Funds	6,000,000	6,000,000
Memorial Coliseum Expansion Restricted Funds	27,500,000	27,500,000
Renovate Student Center Food Court Restricted Funds	1,643,000	1,643,000
Renovate Central Facility Cafeteria Restricted Funds	1,585,000	1,585,000
Renovate/Expand Boone Faculty Center Restricted Funds	2,500,000	2,500,000
Renovate Gillis Building Restricted Funds	950,000	950,000
Renovate IRIS Project Facility Restricted Funds	1,035,000	1,035,000
Renovate Football Practice Field Restricted Funds	2,250,000	2,250,000
Construct Baseball Clubhouse Restricted Funds	2,500,000	2,500,000
Renovate Blazer Hall Cafeteria Restricted Funds	1,170,000	1,170,000
College of Public Health Minor Renovations General Fund	1,050,000	1,050,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Renovate First Floor Phase I-Hospital Restricted Funds	8,000,000	8,000,000
Major Item of Equipment Pool Restricted Funds	75,000,000	75,000,000
Purchase Upgraded Integrated Library System Restricted Funds	700,000	700,000
Purchase Patient Classification Equip. Restricted Funds	260,000	260,000
Purchase Server/Workstation for Software Restricted Funds	400,000	400,000
Purchase Network Infrastructure Restructuring Restricted Funds	160,000	160,000
Purchase GIS Remote Sensing Teaching Lab Restricted Funds	160,000	160,000
Purchase Redundant Disk Server System Restricted Funds	170,000	170,000
Upgrade Network for Software Restricted Funds	250,000	250,000
Purchase Instructional Video Studio Restricted Funds	250,000	250,000
Purchase Compressed Video-Hazard Restricted Funds	141,000	141,000
Purchase Telemedicine Rural Health Restricted Funds	416,000	416,000
Lease Purchase Video Switch Expansion Restricted Funds	250,000	250,000
Lease Purchase Large Scale Computing Restricted Funds	3,500,000	3,500,000
Lease Purchase Unix Cluster Restricted Funds	600,000	600,000
Lease Purchase Campus Infrastructure Upgrade Restricted Funds	3,500,000	3,500,000
Lease Purchase Data Warehouse Restricted Funds	600,000	600,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Lease Purchase Tape Library		
Restricted Funds	500,000	500,000
Lease Purchase Telephone Switch Convergence		
Restricted Funds	12,000,000	12,000,000
Lease Purchase High Performance Research Comp.		
Restricted Funds	6,500,000	6,500,000
Lease Purchase Enterprise Storage System		
Restricted Funds	1,200,000	1,200,000
Purchase Police Communications Equipment		
Restricted Funds	571,000	571,000
Purchase Digital Media Distribution System		
Restricted Funds	186,000	186,000
Lease Purchase UK/UL/Frankfort Research Network		
Restricted Funds	6,000,000	6,000,000
Lease Purchase ERP System		
Reauthorization with Additional Funding		
Restricted Funds	10,000,000	10,000,000
Purchase Integrated Imaging System		
Restricted Funds	130,000	130,000
Purchase Digital Education Equipment		
Restricted Funds	1,900,000	1,900,000
Purchase Shared Desktop Environment		
Restricted Funds	250,000	250,000
Lease Purchase Network Security Hardware		
Restricted Funds	1,500,000	1,500,000
Upgrade Comm Infrastructure in Young Library		
Restricted Funds	2,601,000	2,601,000
Purchase Telecommunications Equipment II		
Restricted Funds	200,000	200,000
Purchase Knowledge-based Transcription		
Restricted Funds	450,000	450,000
Purchase IS Security Equipment II		
Restricted Funds	150,000	150,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Purchase Data Storage Equip & Software II Restricted Funds	250,000	250,000
Purchase Data Center Printers II Restricted Funds	300,000	300,000
Purchase Data Storage Equip & Software III Restricted Funds	150,000	150,000
Purchase Mainframe Computer Restricted Funds	400,000	400,000
Purchase Consumer Web Interaction System Restricted Funds	400,000	400,000
Purchase Knowledge-based Charting System Restricted Funds	400,000	400,000
Purchase Clinical System Enterprise Restricted Funds	5,800,000	5,800,000
Purchase IS Security Equipment I Restricted Funds	150,000	150,000
Purchase Managed Care Enterprise Restricted Funds	1,160,000	1,160,000
Purchase Upgrade - HIS Computing Facil. Restricted Funds	2,900,000	2,900,000
Purchase Upgrade for Servers Restricted Funds	800,000	800,000
Purchase Computing Infrastructure Update Restricted Funds	2,500,000	2,500,000
Purchase Data Storage Facility Upgrade Restricted Funds	750,000	750,000
Purchase Telecommunications Equipment I Restricted Funds	250,000	250,000
Purchase Data Center Printers I Restricted Funds	350,000	350,000
Purchase PACS Data Storage Equip & Software Restricted Funds	500,000	500,000
Purchase Patient System Enterprise Restricted Funds	4,640,000	4,640,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Kentucky</b>		
Purchase Data Storage Equip & Software I Restricted Funds	500,000	500,000
Purchase Dig. Medical Record Expansion Restricted Funds	4,640,000	4,640,000
Purchase Telecommunications Equipment III Restricted Funds	150,000	150,000
Improve Plant - Capital Renewal Pool Restricted Funds	15,000,000	15,000,000
Purchase Dentistry Patient Mgt Software Restricted Funds	1,650,000	1,650,000
College of Medicine Off-Campus Clinic - Lease		
College of Pharmacy - Contracted Program - Lease		
Medical Center - Grant Projects - Lease		
Med Center Off-Campus Patient Facility - Lease		
Med Center Contract Sponsored Programs - Lease		
Clinic Blazer Parkway - Lease		
Kentucky Utilities Building - Lease		
<b>University of Kentucky Summary</b>	<b><u>1,266,434,000</u></b>	<b><u>1,266,434,000</u></b>
<b>General Fund</b>	<b>3,079,000</b>	<b>3,079,000</b>
<b>Restricted Funds</b>	<b>1,197,820,000</b>	<b>1,197,820,000</b>
<b>Federal Fund</b>	<b>65,535,000</b>	<b>65,535,000</b>
<b>University of Louisville</b>		
Expand - Ambulatory Care Bldg. Academic Addition Restricted Funds	39,872,000	39,872,000
Purchase - Support Service Land (NE Quad) Restricted Funds	4,632,000	4,632,000
Renovate - Natural Science Building Restricted Funds	11,890,000	11,890,000
Renovate - Student Serv. Bldg - Houchens, Ph II Restricted Funds	6,302,000	6,302,000
Construct - Boathouse for Women's Rowing Program Reauthorization		

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Louisville</b>		
Renovate - Dental Clinics - First Floor Restricted Funds	8,614,000	8,614,000
Renovate - Medical School Tower-55A, Phase I Restricted Funds	3,841,000	3,841,000
Renovate - Shelby Campus Infrastructure Restricted Funds	8,740,000	8,740,000
Renovate - Chemistry Fume Hood Redesign, Ph II Restricted Funds	4,198,000	4,198,000
Purchase - Artificial Turf - Practice Field Faci Restricted Funds	750,000	750,000
Renovate - Medical Dental Res Building, Phase IV Restricted Funds	17,986,000	17,986,000
Expand - Oppenheimer Hall for Social Work Reauthorization		
Renovate/Purchase-Home of the Innocents Property Restricted Funds	7,301,000	7,301,000
Guaranteed Energy Savings Project		
Purchase - Third Street & Central Ave. Property Restricted Funds	3,100,000	3,100,000
Construct - U of L Baseball Stadium Reauthorization		
Construct-Basketball Practice Fac.& Office Renov Restricted Funds	8,500,000	8,500,000
Purchase - Real Estate Near HSC & Ren. Offices Restricted Funds	20,500,000	20,500,000
Renovate - Housing - Capital Renewal Pool Restricted Funds	2,476,000	2,476,000
Renovate - Housing - Code Improvements Pool Restricted Funds	709,000	709,000
Construct - Multipurp Field House and Prac. Fac. Restricted Funds	12,404,000	12,404,000
Cardiovascular Innovation Unit-Additional General Fund	1,845,000	1,845,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>University of Louisville</b>		
Major Item of Equipment Pool		
Restricted Funds	12,154,000	12,154,000
Purchase - Endeavor EnCompass Enhance Existing V		
Restricted Funds	250,000	250,000
Purchase - PCs, Printers, Laptops, and Three (3)		
Restricted Funds	149,000	149,000
Purchase - Electronic Research Information Sys		
Restricted Funds	1,080,000	1,080,000
Purchase - CPU System		
Restricted Funds	460,000	460,000
Purchase - Networking System		
Restricted Funds	1,500,000	1,500,000
Purchase - Enterprise Application System		
Restricted Funds	1,000,000	1,000,000
Purchase - Computer Processing System		
Restricted Funds	1,800,000	1,800,000
Lease - Digital Output System		
Restricted Funds	500,000	500,000
Lease - Visualization System		
Restricted Funds	500,000	500,000
Purchase - Storage System		
Restricted Funds	600,000	600,000
Purchase - Digital Communications System		
Restricted Funds	1,000,000	1,000,000
Lease-Jefferson County		
<b>University of Louisville Summary</b>	<b><u>184,653,000</u></b>	<b><u>184,653,000</u></b>
<b>General Fund</b>	<b>1,845,000</b>	<b>1,845,000</b>
<b>Restricted Funds</b>	<b>182,808,000</b>	<b>182,808,000</b>

### **Western Kentucky University**

Renovate Central Heat Plant - Phase I  
Reauthorization

Purchase Property for Campus Expansion		
Restricted Funds	3,000,000	3,000,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Western Kentucky University</b>		
Central Ky Regional Postsec Ed Ctr. Ph II,Design Restricted Funds	1,625,000	1,625,000
Renovate Electrical Distribution-Phase V Restricted Funds	3,747,000	3,747,000
Construct Academic-Athletic Performance Center Restricted Funds	9,000,000	9,000,000
Renovate South Campus Restricted Funds	11,500,000	11,500,000
Repair Mold/Moisture Damage Restricted Funds	1,612,000	1,612,000
Construct Student Health Services Building Restricted Funds	4,000,000	4,000,000
Renovate Grise Hall - Design Restricted Funds	1,398,000	1,398,000
Renovate Garrett Conference Center - Design Reauthorization		
Energy Savings Performance Project		
Renovate Downing University Center-Phase III Restricted Funds	7,000,000	7,000,000
Life Safety, Ctr for Research and Development Restricted Funds	500,000	500,000
Renovate Academic Athletic #2, Design Restricted Funds	2,000,000	2,000,000
Van Meter Overlook Project Restricted Funds	800,000	800,000
Renovate and Expand Preston Center Restricted Funds	5,000,000	5,000,000
Design/Construct Student Publications Facility Restricted Funds	1,000,000	1,000,000
Renovate Van Meter Hall Restricted Funds	15,000,000	15,000,000
Purchase Buses/Construct Bus Transportation Ctr Restricted Funds	4,000,000	4,000,000

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Western Kentucky University</b>		
Acquire Video Server		
Restricted Funds	800,000	800,000
Expand Campus Network - Phase II		
Restricted Funds	785,000	785,000
Construct Radio & Television Transmission Tower		
Restricted Funds	615,000	615,000
Purchase Digital Television Transmission System Reauthorization		
Secure Network Log-On System		
Restricted Funds	800,000	800,000
Replace Server Reauthorization		
Implement Wireless Communication System		
Restricted Funds	2,000,000	2,000,000
Prepare IT Infrastructure		
Restricted Funds	3,000,000	3,000,000
<b>Western Kentucky University Summary</b>	<b><u>79,182,000</u></b>	<b><u>79,182,000</u></b>
<b>Restricted Funds</b>	<b><u>79,182,000</u></b>	<b><u>79,182,000</u></b>
<b>Kentucky Community and Technical College System</b>		
Install Sprinkler Systems, W. Ky. C&TC		
Restricted Funds	600,000	600,000
Const. Area 9 Training Bldg, State Fire & Rescue		
Restricted Funds	537,000	537,000
Renov. HVAC Syst, SE Campus, Owensboro C&TC		
Restricted Funds	625,000	625,000
KCTCS Property Acquisition Pool		
Restricted Funds	1,100,000	1,100,000
Repairs to Allied Health Bldg, West KY C&TC		
Restricted Funds	750,000	750,000
Renov. HVAC System - Strunk Bldg, Somerset CC		
Restricted Funds	894,000	894,000
Guaranteed Energy Savings Project		

<b>Postsecondary Education</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Kentucky Community and Technical College System</b>		
Renov. HVAC System - Meece Bldg, Somerset CC		
Restricted Funds	859,000	859,000
Warren County Technology Center		
General Fund	5,500,000	5,500,000
Purchase Diagonostic Medical Sonography Unit		
Restricted Funds	110,000	110,000
Purchase Multi-Engine Aircraft, Somerset CC		
Restricted Funds	575,000	575,000
KCTCS Information Tech Infrastructure Upgrade		
Restricted Funds	12,000,000	12,000,000
Henderson CC Lease for Applied Technology Prgm		
Jefferson CC - Jefferson Education Center Lease		
System Office Lease Purchase		
Lease-Lexington CC		
<b>Kentucky Community and Technical College System Summary</b>	<b><u>23,550,000</u></b>	<b><u>23,550,000</u></b>
<b>General Fund</b>	<b>5,500,000</b>	<b>5,500,000</b>
<b>Restricted Funds</b>	<b>18,050,000</b>	<b>18,050,000</b>
<b>Postsecondary Education Summary</b>	<b><u>1,748,950,800</u></b>	<b><u>1,748,950,800</u></b>
<b>General Fund</b>	<b>10,424,000</b>	<b>10,424,000</b>
<b>Restricted Funds</b>	<b>1,662,991,800</b>	<b>1,662,991,800</b>
<b>Federal Fund</b>	<b>75,535,000</b>	<b>75,535,000</b>

<b>Transportation</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>General Administration and Support</b>		
Overhead Doors and Emergency Repair Road Fund	200,000	200,000
Construct or Repair Salt Structure Road Fund	250,000	250,000
Remove Hazardous Materials Road Fund	50,000	50,000
Building Renovation & Emergency Repairs Road Fund	420,000	420,000
Construct Louisville District Office Road Fund	5,950,000	5,950,000
Address Water and Wastewater Road Fund	100,000	100,000
Painting & Roof Repair or Replacement Road Fund	219,000	219,000
Road Maintenance Parks Road Fund	1,500,000	1,500,000
Conduct Paving and Landscaping Road Fund	50,000	50,000
Repair Loadometer & Rest Areas Road Fund	460,000	460,000
Various Environmental Compliance Road Fund	1,000,000	1,000,000
Prog. Management (PRECON/6 YR Plan) Road Fund	2,000,000	2,000,000
<b>General Administration and Support Summary</b> Road Fund	<b><u>12,199,000</u></b>	<b><u>12,199,000</u></b>
<b>Transportation Summary</b> Road Fund	<b><u>12,199,000</u></b>	<b><u>12,199,000</u></b>

	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Total Executive Branch - Capital</b>		
General Fund	28,164,700	28,164,700
Restricted Funds	1,708,593,800	1,708,717,800
Federal Fund	95,968,700	95,968,700
Road Fund	12,199,000	12,199,000
Capital Construction Surplus	880,000	880,000
Investment Income	20,562,700	33,624,700
Other Funds	21,800,000	21,800,000
Bonds	0	0
<b>Total</b>	<b><u>1,888,168,900</u></b>	<b><u>1,901,354,900</u></b>

<b>Executive Branch Grand Total</b>	<b>First Quarter Authorization</b>	<b>Annual Spending Estimate</b>
<b>Operating</b>		
General Fund	2,392,353,956	7,260,959,200
Tobacco Settlement - I	23,361,500	108,800,000
Road Fund	454,112,000	1,137,131,100
Restricted Funds	1,467,204,315	3,971,837,700
Federal Funds	<u>3,264,568,990</u>	<u>6,359,669,700</u>
Total Operating	7,601,600,761	18,838,397,700
<b>Capital</b>		
General Fund	28,164,700	28,164,700
Restricted Funds	1,708,593,800	1,708,717,800
Federal Funds	95,968,700	95,968,700
Road Fund	12,199,000	12,199,000
Capital Construction Surplus	880,000	880,000
Investment Income	20,562,700	33,624,700
Other Funds	21,800,000	21,800,000
Bonds	<u>0</u>	<u>0</u>
Total Capital	1,888,168,900	1,901,354,900
<b>Grand Total</b>		
General Fund	2,420,518,656	7,289,123,900
Tobacco Settlement - I	23,361,500	108,800,000
Restricted Funds	3,175,798,115	5,680,555,500
Federal Funds	3,360,537,690	6,455,638,400
Road Fund	466,311,000	1,149,330,100
Capital Construction Surplus	880,000	880,000
Investment Income	20,562,700	33,624,700
Other Funds	21,800,000	21,800,000
Bonds	<u>0</u>	<u>0</u>
Grand Total	<b>9,489,769,661</b>	<b>20,739,752,600</b>