Update on Status of Capital Projects and Bonding

Interim Joint Committee on Appropriations & Revenue

September 22, 2005

Presentation by Office of State Budget Director
Beth Jurek
John Hicks
2004-2006 Executive Budget
Capital Projects

• About 560 Line-Item Capital Projects were Appropriated Funds
  – 95 Projects include Bond Funds
  – 50 Projects have General, Road, Investment Income, or Capital Construction Surplus Funds
  – The remainder have Restricted or Federal Funds (Postsecondary Education makes up about 90% of those)
Total Appropriations and Bonds Authorized

Total Capital Project Appropriations $3,574,437,600

Total Capital Project Bond Authorization 1,456,315,300
Total Highway Bonds 450,000,000

Grand Total – Bonds Authorized $1,906,315,300
Capital Projects Financed from Bond Funds

• 48 Construction/Renovation/Infrastructure Projects
• 16 Line-Item Pools (School Facilities, Local Infrastructure, Parks Renovation)
• 12 Information Technology Projects
• 14 Grant Projects
• 5 Design/Study Projects
Construction/Renovation/Infrastructure Projects

• 48 Construction/Renovation/Infrastructure Projects
  – 31 Managed by the Finance and Administration Cabinet
  – 17 Managed by UK, U of L, Murray State, and WKU
Finance and Administration Cabinet
Managed Projects

• Almost all of the Construction projects did not have prior Design funding

• Department for Facilities and Support Services has been procuring Architectural and Engineering Consultant services on a non-stop basis since the Budget was Enacted

• The Department has averaged about three Selection Committees per week.
Results to Date

• Very good progress

• 83% of bond funded Construction Projects are under contract for Design

• Most of the remainder are scheduled for Consultant selection in the next two months.
“Pool” Projects

• In various stages of progress

• Local Infrastructure for Economic Development
  – $126 million – Tobacco Counties (308 projects)
  – $80 million – Coal Counties (192 projects)

• Kentucky Infrastructure Authority working with local governments

• Reported the first group of 18 signed Grant Agreements this week.
“Pool” Projects continued

• Parks Renovation Pool - $35 million
  – 27 projects reported to Capital Projects Committee in August

• Economic Development Bond Pool - $15 million
  – First group of projects reported recently
Information Technology Projects

• 12 IT Projects – $111 million – All Funds

• 4 are in some phase of execution already

• Most are in the Planning/RFP development phase
Project Grants

• Tobacco Settlement – Phase II Payments - $124 million – payments made
  – $87 million Bond Funds
  – $27 million General Fund - Tobacco

• Awaiting for payments from Tobacco Companies based on NC Court judgment – timing is uncertain

• Appropriations Act “restores” funding upon payments
**Bonding Plan and Calendar**

<table>
<thead>
<tr>
<th>Month</th>
<th>Project Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>April 2005</td>
<td>Turnpike Authority</td>
<td>$225 m</td>
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<tr>
<td>May 2005</td>
<td>GARVEES</td>
<td>$150 m</td>
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<td>May 2005</td>
<td>ALCo Phase II – Tobacco</td>
<td>$87 m</td>
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<td>June 2005</td>
<td>ALCo Bluegrass Station</td>
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<td>August 2005</td>
<td>State Property and Buildings #85 and #86</td>
<td>$235 m</td>
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## Bonding Plan and Calendar continued

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<thead>
<tr>
<th>Date</th>
<th>Project Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Sept. 2005</td>
<td>ALCo Construction Notes – Agency Bonds</td>
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<tr>
<td>Oct. 2005</td>
<td>ALCo Construction Notes – General Fund Bonds</td>
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<td>Oct. 2005</td>
<td>UK Hospital</td>
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<td>2006</td>
<td>Conversion of Notes to Bonds – Timing Issues</td>
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<td>Spring 2006</td>
<td>Turnpike Authority</td>
<td>$225 m</td>
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