

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	<u>450,000,000</u>
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

April 2005	Turnpike Authority	\$225 m
May 2005	GARVEES	\$150 m
May 2005	ALCo Phase II – Tobacco	\$87 m
June 2005	ALCo Bluegrass Station	\$15 m
August 2005	State Property and Buildings #85 and #86	\$235 m

Bonding Plan and Calendar continued

Sept. 2005	ALCo Construction Notes – Agency Bonds	
Oct. 2005	ALCo Construction Notes – General Fund Bonds	
Oct. 2005	UK Hospital	\$100 m
2006	Conversion of Notes to Bonds – Timing Issues	
Spring 2006	Turnpike Authority	\$225 m