

Tourism, Arts and Heritage

Tourism, Arts and Heritage

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	57,967,800	57,728,500	57,947,500	68,068,600	70,367,600
Current Year Appropriation	14,680,000		8,831,600		
Budget Reduction-General Fund		-169,700	-936,900		
Total General Fund	72,647,800	57,558,800	65,842,200	68,068,600	70,367,600
Restricted Funds					
Balance Forward	105,127,541	105,000,036	109,676,200	109,640,900	103,693,100
Current Receipts	162,864,820	164,181,366	165,685,800	170,986,400	171,288,600
Non-Revenue Receipts	-11,997,585	864,225	-7,769,500	-7,703,500	-7,699,900
Fund Transfers	-3,000,000	-130,600			
Total Restricted Funds	252,994,776	269,915,027	267,592,500	272,923,800	267,281,800
Federal Fund					
Balance Forward	8,198,698	9,800,873	11,725,200	11,725,200	10,075,700
Current Receipts	30,485,326	21,797,612	18,960,200	18,983,000	18,976,400
Non-Revenue Receipts	-12,082,047	-1,523,652			
Total Federal Fund	26,601,978	30,074,832	30,685,400	30,708,200	29,052,100
Road Fund					
Regular Appropriation	410,500	439,800	445,200	544,000	553,000
Total Road Fund	410,500	439,800	445,200	544,000	553,000
TOTAL SOURCE OF FUNDS	352,655,054	357,988,459	364,565,300	372,244,600	367,254,500
EXPENDITURES BY CLASS					
Personnel Costs	141,032,023	144,350,034	150,767,200	165,051,500	166,709,400
Operating Expenses	79,681,030	77,783,398	79,615,800	79,238,400	79,464,800
Grants Loans Benefits	7,381,645	7,888,167	8,012,200	7,759,300	7,759,300
Debt Service	4,731,949	1,451,563	2,555,800	3,122,800	4,446,300
Capital Outlay	4,159,647	5,070,345	2,248,200	3,303,800	3,267,200
Construction	10,911	38,395			
TOTAL EXPENDITURES	236,997,206	236,581,900	243,199,200	258,475,800	261,647,000
EXPENDITURES BY FUND SOURCE					
General Fund	71,790,861	57,553,493	65,842,200	68,068,600	70,367,600
Restricted Funds	147,994,740	160,239,041	157,951,600	169,230,700	169,953,200
Federal Fund	16,801,106	18,349,567	18,960,200	20,632,500	20,773,200
Road Fund	410,500	439,800	445,200	544,000	553,000
TOTAL EXPENDITURES	236,997,206	236,581,900	243,199,200	258,475,800	261,647,000
EXPENDITURES BY UNIT					
Secretary	12,612,329	14,654,762	16,685,200	17,861,900	17,916,900
Artisans Center	2,410,999	2,408,619	2,423,300	2,627,800	2,641,200
Kentucky Department of Tourism	3,055,638	2,919,171	2,867,500	3,147,100	3,187,000
Parks	90,810,889	91,057,652	91,565,400	98,390,300	99,952,100
Horse Park Commission	15,610,652	14,398,287	14,353,600	12,553,700	12,792,500
State Fair Board	48,756,017	44,596,445	47,462,600	51,426,100	51,938,000
Fish and Wildlife Resources	50,606,197	53,828,549	55,454,200	60,951,900	61,630,300
Historical Society	6,534,463	6,403,783	6,168,600	6,531,500	6,580,200
Arts Council	3,420,252	3,368,810	3,488,200	2,568,800	2,589,000
Heritage Council	2,099,161	2,036,754	1,847,000	1,858,400	1,861,500
Kentucky Center for the Arts	1,080,610	909,068	883,600	558,300	558,300
TOTAL EXPENDITURES	236,997,206	236,581,900	243,199,200	258,475,800	261,647,000

The Tourism, Arts and Heritage Cabinet's mission (KRS 148.522) is to capitalize on the natural assets of the Commonwealth and draw from resources in business development, tourism, outdoor attractions, arts, and cultural heritage. Through unified efforts of its agencies, the Cabinet will continually strive to improve the quality of life of the people of Kentucky by creating new wealth and generating jobs.

The Tourism, Arts and Heritage Cabinet is comprised of the following agencies:

- Kentucky State Fair Board
- Kentucky Heritage Council
- Kentucky Arts Council
- Kentucky Historical Society
- Kentucky Center for the Arts
- Governor's School for the Arts
- Department of Fish and Wildlife Resources
- Kentucky Horse Park
- Kentucky Department of Parks
- Kentucky Artisan Center at Berea
- Department of Travel and Tourism
- Office of the Secretary
- The Kentucky Humanities Council

Tourism, Arts and Heritage

Secretary

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,598,300	2,531,500	2,561,000	3,158,700	3,213,700
Budget Reduction-General Fund		-18,720	-341,000		
Reorganization Adjustment		87,200	162,000		
Total General Fund	2,598,300	2,599,980	2,382,000	3,158,700	3,213,700
Restricted Funds					
Balance Forward	1,635,355	1,901,157	3,690,100	3,011,200	1,764,500
Current Receipts	1,099,015	830,543	354,300	160,000	160,000
Non-Revenue Receipts	12,297,715	13,088,185	13,270,000	13,296,500	13,300,100
Fund Transfers	-3,000,000	-75,000			
Total Restricted Funds	12,032,086	15,744,885	17,314,400	16,467,700	15,224,600
TOTAL SOURCE OF FUNDS	14,630,386	18,344,865	19,696,400	19,626,400	18,438,300
EXPENDITURES BY CLASS					
Personnel Costs	3,902,785	4,226,193	4,378,000	4,469,300	4,524,300
Operating Expenses	6,041,344	7,838,851	9,807,200	10,892,600	10,892,600
Grants Loans Benefits	2,668,200	2,589,718	2,500,000	2,500,000	2,500,000
TOTAL EXPENDITURES	12,612,329	14,654,762	16,685,200	17,861,900	17,916,900
EXPENDITURES BY FUND SOURCE					
General Fund	2,481,400	2,599,980	2,382,000	3,158,700	3,213,700
Restricted Funds	10,130,929	12,054,782	14,303,200	14,703,200	14,703,200
TOTAL EXPENDITURES	12,612,329	14,654,762	16,685,200	17,861,900	17,916,900
EXPENDITURES BY UNIT					
Executive Policy and Management	1,981,400	2,282,980	2,280,200	3,438,500	3,493,500
Capital Plaza Operations	728,302	636,936	473,000		
Creative Services	709,759	687,956	524,400		
Sports Authority	78,828		700		
Tourism Meeting & Convention Marketing	9,114,040	11,046,890	13,406,900	14,423,400	14,423,400
TOTAL EXPENDITURES	12,612,329	14,654,762	16,685,200	17,861,900	17,916,900

The Office of the Secretary's appropriation unit comprises of:

Executive Policy and Management - The Executive Policy and Management unit directs planning and management of the agencies within the Cabinet. This program develops plans to assure orderly growth and improved management, recommends executive actions and legislative measures, and evaluates agency budget requests.

Sports Authority - The Kentucky Sports Authority, established pursuant to KRS 148.590, has a fourteen member board with the primary responsibility to recruit, promote, assist, place, and develop sporting events, facilities, and programs throughout the Commonwealth, with the final goal of developing the economy, commerce, job opportunities, and revenue streams.

Tourism, Meeting, and Convention Marketing Fund – This fund is established by KRS 142.406 with revenues from a one percent transient room tax dedicated for the sole purpose of marketing and promoting tourism in the Commonwealth, including expenditures to market and promote events and venues related to meetings, conventions, trade shows, cultural activities, historical sites, recreation, entertainment, natural phenomena, areas of scenic beauty, craft marketing, and any other economic activity that brings tourists and visitors to the Commonwealth.

**Tourism, Arts and Heritage
Artisans Center**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	406,300	399,000	404,400	477,900	486,900
Budget Reduction-General Fund		-4,000	-11,700		
Total General Fund	406,300	395,000	392,700	477,900	486,900
Restricted Funds					
Balance Forward	112,853	151,249	312,800	312,800	292,300
Current Receipts	1,650,895	1,735,341	1,585,400	1,585,400	1,585,400
Total Restricted Funds	1,763,748	1,886,590	1,898,200	1,898,200	1,877,700
Road Fund					
Regular Appropriation	410,500	439,800	445,200	544,000	553,000
Total Road Fund	410,500	439,800	445,200	544,000	553,000
TOTAL SOURCE OF FUNDS	2,580,548	2,721,390	2,736,100	2,920,100	2,917,600
EXPENDITURES BY CLASS					
Personnel Costs	1,280,522	1,242,172	1,340,900	1,552,800	1,570,800
Operating Expenses	1,130,476	1,166,448	1,082,400	1,075,000	1,070,400
TOTAL EXPENDITURES	2,410,999	2,408,619	2,423,300	2,627,800	2,641,200
EXPENDITURES BY FUND SOURCE					
General Fund	388,000	395,000	392,700	477,900	486,900
Restricted Funds	1,612,499	1,573,819	1,585,400	1,605,900	1,601,300
Road Fund	410,500	439,800	445,200	544,000	553,000
TOTAL EXPENDITURES	2,410,999	2,408,619	2,423,300	2,627,800	2,641,200
EXPENDITURES BY UNIT					
Berea Artisans Center	2,410,999	2,408,619	2,423,300	2,627,800	2,641,200
TOTAL EXPENDITURES	2,410,999	2,408,619	2,423,300	2,627,800	2,641,200

The Kentucky Artisan Center at Berea is established to promote Kentucky arts and craft products and serve as a unique gateway for travelers, offering quality Kentucky arts, crafts, music, and other artisan products, along with authentic heritage experiences. The Artisan Center purchases for resale over 4,000 different artisan products from over 800 vendors in 100 counties statewide. Hospitality, café food service, KY travel information assistance, and rest stop services are also provided by the Center for over 250,000 visitors annually. The Center currently serves as the only mid-state rest area on I-75.

The Appalachian/Kentucky Artisans Gateway Center Authority (KRS 148.560-569) has an appointed, thirteen member board to direct operations of the Center and is attached to the Tourism Arts and Heritage Cabinet for administrative purposes.

Tourism, Arts and Heritage
Kentucky Department of Tourism

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,152,400	3,010,700	3,036,600	3,118,000	3,157,900
Budget Reduction-General Fund		-31,946	-36,200		
Reorganization Adjustment		-87,200	-162,000		
Total General Fund	3,152,400	2,891,554	2,838,400	3,118,000	3,157,900
Restricted Funds					
Balance Forward	97,025	64,476	49,300	33,000	16,500
Current Receipts	12,589	12,593	12,800	12,600	12,600
Total Restricted Funds	109,614	77,069	62,100	45,600	29,100
TOTAL SOURCE OF FUNDS	3,262,014	2,968,623	2,900,500	3,163,600	3,187,000
EXPENDITURES BY CLASS					
Personnel Costs	2,664,997	2,545,592	2,557,000	2,847,100	2,887,100
Operating Expenses	379,987	363,035	310,500	300,000	299,900
Capital Outlay	10,654	10,545			
TOTAL EXPENDITURES	3,055,638	2,919,171	2,867,500	3,147,100	3,187,000
EXPENDITURES BY FUND SOURCE					
General Fund	3,010,500	2,891,382	2,838,400	3,118,000	3,157,900
Restricted Funds	45,138	27,790	29,100	29,100	29,100
TOTAL EXPENDITURES	3,055,638	2,919,171	2,867,500	3,147,100	3,187,000
EXPENDITURES BY UNIT					
Executive Policy and Management	1,073,352	997,964	813,300	824,200	833,300
Tourism Services	623,817	688,846	715,000	886,100	897,300
Marketing and Advertising	1,014,469	1,028,965	1,158,300	1,245,700	1,262,500
Communications and Promotions	344,000	203,396	180,900	191,100	193,900
TOTAL EXPENDITURES	3,055,638	2,919,171	2,867,500	3,147,100	3,187,000

The Department of Tourism was created to promote, develop, and provide support services for the tourism industry within the Commonwealth.

Executive Policy and Management - The Executive Policy and Management program establishes the policies and goals; coordinates the overall planning, management, and direction for the agency; and provides for the efficient administration of the Department and its programs.

Tourism Services - The Division of Tourism Services provides technical and design support to the overall marketing and promotions activities of the department. These activities provide graphic design support for development of both print and website promotions as well as technical support for website maintenance. Additionally, the division disseminates tourism information to tourists and potential visitors via a telephone system and fulfills visitor information through direct mail. Tourism Services provides assistance to travel planners calling the toll-free phone line requesting information as well as fulfilling requests for the Official Visitors Guide.

Marketing and Administration - The Division of Marketing and Administration is responsible for motivating travel to and within Kentucky. The Division maintains a database of all of the tourism related attractions, destinations and events throughout the state. These tourism assets are promoted through advertising via broadcast, print, and online media. Additionally, the Division participates in trade shows, events and conferences to showcase the state. The Division also collaborates with industry partners within the state and throughout the region to leverage marketing efforts.

The Tourism Marketing Incentive Program is a collaborative effort to utilize the one percent transient room tax funds, dedicated for the sole purpose of marketing and promoting tourism in the Commonwealth, efficiently and effectively.

The Division of Marketing and Administration staffs eight Welcome Centers throughout the state. The travel hosts at the Centers, located in Florence, Franklin, Grayson, Hopkinsville, Paducah, Simpsonville, Shepherdsville and Williamsburg offer helpful travel information and a positive image of Kentucky to tourists seeking assistance when they visit the state.

Communications and Promotions - The Division of Communications and Promotions works to complement the activities of the Department's advertising programs by engaging media and employing other strategies that publicize Kentucky's attractions and events as tourism destinations. These efforts primarily focus on generating earned broadcast and print media to support the marketing efforts of the department. This Division serves as the liaison with media sources, maintaining constant contact through e-newsletters, and a web-based media resource site. Assistance is provided to individual media representatives and travel writers in a variety of ways including, but not limited to, creating story ideas, making travel arrangements, providing photographs, video and fact verification. Regular press releases are prepared for the Department of Travel and Tourism and the Department of Parks to keep the public abreast of attractions and events in Kentucky. The goal of the division is to provide comprehensive support for projects and promotions developed through the department on behalf of the tourism industry in Kentucky.

Tourism, Arts and Heritage

Parks

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	34,429,000	35,202,000	35,129,300	46,549,700	48,111,500
Current Year Appropriation	12,380,000		8,831,600		
Total General Fund	46,809,000	35,202,000	43,960,900	46,549,700	48,111,500
Restricted Funds					
Balance Forward	110,796	501,222	612,800	192,200	142,200
Current Receipts	50,770,594	53,381,385	49,520,600	51,790,600	51,790,600
Non-Revenue Receipts	-6,378,229	2,585,806	-2,336,700		
Total Restricted Funds	44,503,160	56,468,414	47,796,700	51,982,800	51,932,800
TOTAL SOURCE OF FUNDS	91,312,160	91,670,414	91,757,600	98,532,500	100,044,300
EXPENDITURES BY CLASS					
Personnel Costs	55,422,729	57,687,550	58,992,900	64,716,900	65,368,900
Operating Expenses	33,140,837	31,863,881	29,860,500	30,536,900	30,597,700
Debt Service	1,953,449	1,420,563	2,555,800	2,980,300	3,829,300
Capital Outlay	293,874	85,658	156,200	156,200	156,200
TOTAL EXPENDITURES	90,810,889	91,057,652	91,565,400	98,390,300	99,952,100
EXPENDITURES BY FUND SOURCE					
General Fund	46,808,951	35,202,000	43,960,900	46,549,700	48,111,500
Restricted Funds	44,001,938	55,855,652	47,604,500	51,840,600	51,840,600
TOTAL EXPENDITURES	90,810,889	91,057,652	91,565,400	98,390,300	99,952,100
EXPENDITURES BY UNIT					
General Administration and Support	15,035,790	14,172,899	14,671,900	15,374,800	16,434,500
Resort Parks	56,575,697	58,071,496	57,846,000	64,452,300	64,833,800
Recreation Parks and Historic Sites	16,880,235	16,672,266	17,103,100	18,456,000	18,576,600
Cafeterias	2,319,167	2,140,991	1,944,400	107,200	107,200
TOTAL EXPENDITURES	90,810,889	91,057,652	91,565,400	98,390,300	99,952,100

The Department of Parks operates the Kentucky State Park System under the authority of KRS Chapter 148. The Department strives to provide quality recreational facilities and to preserve and protect historically significant sites and natural phenomena in the Commonwealth of Kentucky.

The Vision for Kentucky State Parks is to provide quality recreation and hospitality experiences for people of all ages that enhance their appreciation for adventure, fun, education, and beauty through responsible stewardship of our Commonwealth's natural, historic and cultural resources, and with a professional staff committed to excellent service for our guests.

The Mission of Kentucky State Parks is to provide a sustainable system of parks that delivers quality programs, amenities, and services, which create memorable experiences, and a sense of place, contributes to the economic growth of the Commonwealth, and preserves the historic and natural integrity and traditions of our parks for existing and future generations.

The activities of the Department include the operation and maintenance of 17 resort parks, 22 recreational parks, 10 historic sites, three cafeterias in Frankfort, and other miscellaneous facilities, including one interstate park. The Park System provides overnight lodging to 431,000 guests, food service for 1,192,000 meals for dining patrons, camping for 560,000 guests, golf for 170,000 players, along with other park amenities and activities.

Resort Parks

The Resort Parks program encourages tourism and economic development in Kentucky by providing excellent overnight accommodations, quality food service, and recreational activities for visitors at the 17 resort parks. The resort parks and their locations are:

Barren River Resort Park - Barren County
Blue Licks Battlefield State Park - Robertson County
Buckhorn Lake Resort Park - Perry County
Carter Caves Resort Park - Carter County
Cumberland Falls Resort Park - Whitley County
Dale Hollow Resort Park - Cumberland and Clinton Counties
General Butler Resort Park - Carroll County
Greenbo Lake Resort Park - Greenup County
Jenny Wiley Resort Park - Floyd County

Kenlake Resort Park - Marshall County
Kentucky Dam Village Resort Park - Marshall County
Lake Barkley Resort Park - Trigg County
Lake Cumberland Resort Park - Russell County
Natural Bridge Resort Park - Powell County
Pennyrile Forest Resort Park - Christian County
Pine Mountain Resort Park - Bell County
Rough River Resort Park - Grayson County

The Recreation Parks and Historic Sites program encourages tourism and economic development in Kentucky by providing modern recreational and camping facilities and preserving significant scenic and historic landmarks, as well as operating museums and shrines.

Recreation Park Facilities

Big Bone Lick State Park - Boone County
Carr Creek State Park - Knott County
Columbus-Belmont Battlefield State Park - Hickman County
E. P. "Tom" Sawyer State Park - Jefferson County
Fort Boonesborough State Park - Madison County
General Burnside State Park - Pulaski County
Grayson Lake State Park - Elliott and Carter Counties
Green River Lake State Park - Taylor County
John James Audubon State Park - Henderson County
Kincaid Lake State Park - Pendleton County
Kingdom Come State Park - Harlan County
Dawkins Line Rail Trail Park – Johnson/Magoffin Counties

Lake Malone State Park - Muhlenberg County
Levi Jackson Wilderness Road State Park - Laurel County
Lincoln Homestead State Park - Washington County
Mineral Mound State Park - Lyon County
My Old Kentucky Home State Park - Nelson County
Nolin Lake State Park - Edmonson County
Old Fort Harrod State Park - Mercer County
Paintsville Lake State Park - Johnson County
Pine Mountain Trail State Park - Harlan & Bell Counties
Taylorsville Lake State Park - Spencer County
Yatesville Lake State Park - Lawrence County

Historic Sites

Boone Station - Fayette County
Dr. Thomas Walker State Shrine - Knox County
Isaac Shelby State Shrine - Lincoln County
Jefferson Davis Monument State Shrine - Todd County
Old Mulkey Meeting House State Shrine - Monroe County

Perryville Battlefield State Shrine - Boyle County
Waveland State Shrine - Fayette County
White Hall State Shrine - Madison County
Wickliffe Mounds State Historic Site - Ballard County
William Whitley House State Shrine - Lincoln County

Cafeterias

The Cafeteria program provides food service in the Capitol Annex, Transportation Building, and the Health and Family Services Building for members of the General Assembly, state employees, and visitors to the state offices in Frankfort. The cafeterias also provide catering service for special local events.

General Administration and Support

The General Administration and Support program provides an organizational and administrative system to maintain and operate the park system entities. Central administrative functions, such as accounting, purchasing, budgeting, and personnel, along with program operations support and central maintenance and minor construction support, are included in this program.

Policy

The Budget of the Commonwealth provides General Fund of \$424,500 in fiscal year 2018-2019 and \$1,237,500 in fiscal year 2019-2020 for debt service on new bonds included in the capital budget.

The Budget of the Commonwealth includes Restricted Funds in each fiscal year for a \$4,000 training incentive stipend for Park Rangers. The stipend payments are provided from the Kentucky Law Enforcement Foundation Program Fund.

The Budget of the Commonwealth provides General Fund in the amount of \$8,831,600 in fiscal year 2017-2018, and \$6,266,000 in fiscal years 2018-2019 and 2019-2020 to cover a cumulative shortfall that has accrued since fiscal year 2017 resulting from rising fixed costs.

**Tourism, Arts and Heritage
Horse Park Commission**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,510,800	2,395,800	2,417,600	1,673,700	1,708,100
Budget Reduction-General Fund		-24,000	-126,000		
Total General Fund	2,510,800	2,371,800	2,291,600	1,673,700	1,708,100
Restricted Funds					
Balance Forward	752,719	194,376	332,900		166,400
Current Receipts	12,850,022	12,205,635	11,729,100	11,046,400	11,317,400
Non-Revenue Receipts	-195,513	-40,623			
Total Restricted Funds	13,407,228	12,359,387	12,062,000	11,046,400	11,483,800
TOTAL SOURCE OF FUNDS	15,918,028	14,731,187	14,353,600	12,720,100	13,191,900
EXPENDITURES BY CLASS					
Personnel Costs	8,980,011	8,483,391	8,159,300	7,965,000	8,097,800
Operating Expenses	6,524,742	5,750,502	6,049,500	4,442,000	4,544,700
Grants Loans Benefits		3,586			
Capital Outlay	105,899	158,686	144,800	146,700	150,000
Construction		2,122			
TOTAL EXPENDITURES	15,610,652	14,398,287	14,353,600	12,553,700	12,792,500
EXPENDITURES BY FUND SOURCE					
General Fund	2,397,800	2,371,800	2,291,600	1,673,700	1,708,100
Restricted Funds	13,212,852	12,026,487	12,062,000	10,880,000	11,084,400
TOTAL EXPENDITURES	15,610,652	14,398,287	14,353,600	12,553,700	12,792,500
EXPENDITURES BY UNIT					
Kentucky Horse Park	15,610,652	14,398,287	14,353,600	12,553,700	12,792,500
TOTAL EXPENDITURES	15,610,652	14,398,287	14,353,600	12,553,700	12,792,500

The Kentucky Horse Park (KRS 148.260) is comprised of 1,224 acres on which are situated over 110 structures, 34 miles of fencing and 260 campsites. Horse Park programs consist primarily of four main functions:

Equine Theme Park-The central area of the park contains tourist activities that include the Visitor Information Center, International Museum of the Horse, gift shop, restaurant, Parade of Breeds and Hall of Champions shows, horseback riding, horse drawn tours, and other activities.

Events-The Horse Park is the host venue for both equine and non-equine special events. Horse shows are central to the mission of the park and comprise the majority of special event activities. More than Eighty annual equine events utilize 24 pole barns (1,500 stalls), a climate controlled 5,800 seat Alltech Arena, the 7,200 seat Rolex Stadium, a 1,200 seat covered arena, show office complex, six hunter-jumper rings, five dressage rings, a 7,800-yard cross country course, steeplechase course, and other ancillary structures. The park also hosts non-equine events that include weddings, high school wrestling, cheerleading high school cross-country, dog shows, "Old Kentucky Nights" evening programs, "Southern Lights" holiday lights show, and many other events.

Campground-The popular campground consists of 260 campsites with water/electric hookups, grocery store, two bathhouses, pool, tennis courts, playground, primitive camping, and covered pavilion. Each year more than 102,000 people camp at the Horse Park, generating more than \$1.9 million in direct annual income.

National Horse Center-Another area of remarkable growth has been the National Horse Center (NHC), a collection of the nation's and the state's leading equestrian organizations. The NHC now includes 33 distinct organizations contained in 11 office buildings. The NHC has solidified the key role of the Horse Park in making Kentucky the "Horse Capital of the World."

Policy

The Budget of the Commonwealth includes Restricted Funds in each fiscal year for a \$4,000 training incentive stipend for Mounted Patrol Officers. The stipend payments are provided from the Kentucky Law Enforcement Foundation Program Fund.

Tourism, Arts and Heritage

State Fair Board

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,196,400	4,382,200	4,529,200	4,214,000	4,730,900
Current Year Appropriation	2,300,000				
Budget Reduction-General Fund		-44,000	-299,200		
Total General Fund	6,496,400	4,338,200	4,230,000	4,214,000	4,730,900
Restricted Funds					
Balance Forward	5,897,761	1,047,725	44,800	44,800	70,100
Current Receipts	44,369,086	43,763,318	43,232,600	47,237,400	47,268,600
Non-Revenue Receipts	-6,959,505	-4,507,980			
Total Restricted Funds	43,307,342	40,303,063	43,277,400	47,282,200	47,338,700
TOTAL SOURCE OF FUNDS	49,803,742	44,641,263	47,507,400	51,496,200	52,069,600
EXPENDITURES BY CLASS					
Personnel Costs	26,233,807	24,433,708	27,246,800	29,562,400	29,545,600
Operating Expenses	17,257,893	16,386,134	17,176,300	17,610,000	17,704,100
Grants Loans Benefits	1,611,396	1,508,572	2,518,300	2,518,300	2,518,300
Debt Service	2,459,500	31,000		142,500	617,000
Capital Outlay	1,185,510	2,200,758	521,200	1,592,900	1,553,000
Construction	7,911	36,273			
TOTAL EXPENDITURES	48,756,017	44,596,445	47,462,600	51,426,100	51,938,000
EXPENDITURES BY FUND SOURCE					
General Fund	6,496,400	4,338,200	4,230,000	4,214,000	4,730,900
Restricted Funds	42,259,617	40,258,245	43,232,600	47,212,100	47,207,100
TOTAL EXPENDITURES	48,756,017	44,596,445	47,462,600	51,426,100	51,938,000
EXPENDITURES BY UNIT					
Kentucky Fair and Exposition Center	40,344,600	41,365,566	44,660,900	44,502,400	44,544,800
Kentucky International Convention Center	5,951,916	3,199,880	2,801,700	6,781,200	6,776,200
Debt Service	2,459,500	31,000		142,500	617,000
TOTAL EXPENDITURES	48,756,017	44,596,445	47,462,600	51,426,100	51,938,000

The Kentucky State Fair Board is composed of 18 members: the Governor, the Commissioner of Agriculture, the secretary of the Finance and Administration Cabinet, the Dean of the College of Agriculture at the University of Kentucky, the State president of the Kentucky FFA, the State President of the Kentucky 4-H Organization, and 12 members appointed by the Governor. The Board manages and administers the funds, buildings, grounds, and equipment of both the Kentucky Exposition Center and the Kentucky International Convention Center in Louisville. A president is appointed by the Board to manage these centers and Fair Board properties.

Kentucky Exposition Center - The Kentucky Exposition Center provides facilities and services for conventions, trade shows, agricultural activities, athletic events, concerts, and cultural and commercial productions year-round. At this site, the State Fair Board produces its three major expositions during the year: the Kentucky State Fair, the National Farm Machinery Show, and the North American International Livestock Exposition.

The Kentucky Exposition Center is a completely air conditioned complex that includes 1.2 million square feet of exhibit and meeting space at ground level. It includes the 19,000-seat Freedom Hall Coliseum, identical East and West Exhibit Halls, East and West Exposition Wings, the South and North Wing Exposition facilities and Conference Centers, a smaller exposition pavilion, a 600-seat amphitheater, a 5,000 seat Livestock and Horse Show Arena, and a 37,000-seat stadium. Also serving the Kentucky Exposition Center are the adjacent Crowne Plaza, Hilton Gardens Inn, Cracker Barrel restaurant, Thorton's gas station and Executive Bowl, all of which are long term lessees of the State Fair Board.

Kentucky International Convention Center - The Kentucky International Convention Center provides facilities and services for intermediate-sized conventions, trade shows, association events, concerts, and cultural and commercial productions year-round. This facility is an integral and interdependent part of the overall redevelopment of downtown Louisville by both government and private enterprises. The Center has been undergoing a major renovation and will reopen in August 2018.

The Hyatt and Cowger Parking Garages, which provide 1,300 enclosed parking spaces, serve the Center. The Cowger Garage also includes commercial space, which is leased on a long term basis.

Policy

The Budget of the Commonwealth provides General Fund of \$142,500 in fiscal year 2018-2019 and \$617,000 in fiscal year 2019-2020 for debt service on new bonds included in the capital budget.

**Tourism, Arts and Heritage
Fish and Wildlife Resources**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	96,172,743	100,875,609	104,155,300	105,452,500	100,647,500
Current Receipts	51,073,515	50,801,882	58,246,700	58,266,700	58,266,700
Non-Revenue Receipts	-10,762,052	-10,261,163	-18,702,800	-21,000,000	-21,000,000
Total Restricted Funds	136,484,205	141,416,328	143,699,200	142,719,200	137,914,200
Federal Fund					
Balance Forward	8,192,261	9,794,436	11,725,200	11,725,200	10,052,500
Current Receipts	29,206,958	19,897,559	17,207,500	17,207,500	17,207,500
Non-Revenue Receipts	-12,607,182	-1,399,249			
Total Federal Fund	24,792,037	28,292,746	28,932,700	28,932,700	27,260,000
TOTAL SOURCE OF FUNDS	161,276,242	169,709,074	172,631,900	171,651,900	165,174,200
EXPENDITURES BY CLASS					
Personnel Costs	35,647,309	38,472,374	40,949,400	46,806,700	47,484,400
Operating Expenses	11,540,908	11,211,694	12,393,600	12,052,000	12,052,700
Grants Loans Benefits	854,270	1,529,784	685,200	685,200	685,200
Capital Outlay	2,563,710	2,614,697	1,426,000	1,408,000	1,408,000
TOTAL EXPENDITURES	50,606,197	53,828,549	55,454,200	60,951,900	61,630,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	35,608,596	37,261,069	38,246,700	42,071,700	42,599,400
Federal Fund	14,997,601	16,567,480	17,207,500	18,880,200	19,030,900
TOTAL EXPENDITURES	50,606,197	53,828,549	55,454,200	60,951,900	61,630,300
EXPENDITURES BY UNIT					
Administration and Support	7,298,500	5,978,647	4,590,500	5,687,700	5,735,100
Wildlife Management	14,779,653	15,608,386	16,284,300	17,888,600	18,056,900
Fisheries Management	9,039,151	10,271,419	9,429,700	10,271,000	10,434,500
Information and Education	6,723,472	7,276,523	7,497,900	8,134,200	8,337,200
Law Enforcement	12,765,423	12,964,747	13,783,200	14,679,600	14,755,000
Marketing		508,534	1,038,100	1,096,800	1,081,300
Engineering, Infrastructure & Technology		1,220,292	2,830,500	3,194,000	3,230,300
TOTAL EXPENDITURES	50,606,197	53,828,549	55,454,200	60,951,900	61,630,300

The Department of Fish and Wildlife Resources, established by KRS Chapter 150, is responsible for the conservation and management of fish and wildlife resources in Kentucky. A Departmental Commissioner is appointed by the Fish and Wildlife Commission. The Commission, which is responsible for Department policy, is a nine member bipartisan body appointed by the Governor from a list of candidates provided by sportsmen and women in each of nine districts.

Financial support of the Department is derived from the sale of hunting and fishing licenses, federal grants, interest income, fines and penalties assessed by the courts for violation of game and fish laws, and numerous other miscellaneous receipts.

The Department owns approximately 130,000 acres of land in Kentucky, which are used to further its program activities. The acreage includes the State Game Farm, approximately 80 major wildlife management areas, two warm water hatcheries, and three summer camps. An additional 700,000 plus acres of land and water is under lease or license by the Department for wildlife management activities. The Daniel Boone National Forest provides an additional 600,000 acres of land for public use.

The Department consists of seven program areas: Administration and Support, Wildlife Management, Fisheries Management, Information and Education, Law Enforcement, Marketing and Engineering, Infrastructure and Technology

Wildlife Management - The Wildlife Management program manages, develops, and maintains statewide game and non-game populations consistent with habitat availability on state owned lands, licensed wildlife management areas, and privately owned lands. Additionally, Wildlife Management conducts statewide surveys to determine the relative

abundance of game and non-game wildlife, formulates hunting regulations based upon biological data and recreational demands, restores viable native wildlife species by restocking in suitable habitat, and evaluates the impact of land, water resource, and other construction projects on wildlife resources. Technical guidance is provided to private landowners for improvement of wildlife habitat. A fish and wildlife electronic information system is being maintained for use by state agencies that includes geographic information such as land types, vegetation conditions, and wildlife populations.

Fisheries Management - The Fisheries Management program manages Kentucky fishery resources to provide optimum fishing opportunities for anglers through research, surveys, fish stocking, regulation, and technical biological guidance. Fishery biologists manage and develop fish populations and their associated habitats in major impoundments, streams, rivers, and 100,000 acres of small lakes and ponds. In addition, technical guidance is provided to private pond owners. Research biologists provide support to management through evaluation of stocking and regulatory practices. The Environmental Section of the Fisheries Division manages the Kentucky Wetland Stream Mitigation Fund (referred to as the fees in-lieu of program) authorized by KRS 150.255 and by agreement with the U.S. Army Corps of Engineers. Corps 404 permits require mitigation when projects fill stream or wetland habitat. Funds are derived when 404 permit applicants can elect to pay a fee to satisfy mitigation requirements. These fees are used for identifying and restoring degraded streams with eroding banks and impacted habitat to stable conditions or restoring wetlands that have been drained.

Information and Education - The Information and Education program is responsible for educating and informing the public about our wildlife resources and the importance of conservation, and the recreational opportunities the fish and wildlife resources provide. The information and education program is essential to provide the general and sporting public timely and accurate information directly and through the media. Additionally, the dissemination of regulatory information is necessary for the sporting public to comply with applicable laws and regulations. The program also provides classroom instruction on wildlife conservation, hunter education, aquatic education; operates the Salato Wildlife Education Center; and, administers three summer camps for children.

Law Enforcement - The Law Enforcement program enforces fish, wildlife, and boating laws. Officers assist other federal, state, and local agencies in enforcement of all criminal laws in the Commonwealth. Officers also assist the public during times of natural disasters such as floods, forest fires, and severe winter weather.

Administration and Support - The Administration and Support program area manages the day-to-day operations of the Department including maintaining accounting records, ensuring proper purchasing and inventory procedures, and administering hunting and fishing license sales and revenue collections. The Public Affairs Division facilitates public involvement in departmental policy and regulations.

Marketing – The Marketing program is responsible for marketing, public involvement, social survey research, trend analysis, economic analysis of the benefits of wildlife associated recreations and boating.

Engineering, Infrastructure and Technology - The Engineering program provides the labor and technical engineering services required for small construction projects, such as building small bridges, buildings, boat ramps, and roads. In addition, Engineering is responsible for surveying all property owned or being purchased by the Department

Policy

The Budget of the Commonwealth includes Restricted Funds in each fiscal year for a \$4,000 training incentive stipend for Conservation Officers. These funds are provided from the Fish and Game Fund.

Tourism, Arts and Heritage

Historical Society

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,007,400	5,557,200	5,596,500	5,893,700	5,952,400
Budget Reduction-General Fund			-66,100		
Total General Fund	6,007,400	5,557,200	5,530,400	5,893,700	5,952,400
Restricted Funds					
Balance Forward	150,401	58,478	45,100	141,700	238,300
Current Receipts	575,784	657,484	554,400	554,400	554,400
Fund Transfers		-55,600			
Total Restricted Funds	726,185	660,362	599,500	696,100	792,700
Federal Fund					
Balance Forward					23,200
Current Receipts	50,840	303,320	180,400	203,200	196,600
Non-Revenue Receipts	72,815	-72,036			
Total Federal Fund	123,655	231,284	180,400	203,200	219,800
TOTAL SOURCE OF FUNDS	6,857,240	6,448,846	6,310,300	6,793,000	6,964,900
EXPENDITURES BY CLASS					
Personnel Costs	3,605,843	3,954,963	3,985,800	4,580,600	4,639,300
Operating Expenses	2,734,920	2,358,478	2,128,800	1,896,900	1,886,900
Grants Loans Benefits	59,700	90,341	54,000	54,000	54,000
Debt Service	134,000				
TOTAL EXPENDITURES	6,534,463	6,403,783	6,168,600	6,531,500	6,580,200
EXPENDITURES BY FUND SOURCE					
General Fund	5,743,100	5,557,200	5,530,400	5,893,700	5,952,400
Restricted Funds	667,707	615,299	457,800	457,800	457,800
Federal Fund	123,655	231,284	180,400	180,000	170,000
TOTAL EXPENDITURES	6,534,463	6,403,783	6,168,600	6,531,500	6,580,200
EXPENDITURES BY UNIT					
Oral History and Educational Outreach	63,000	756,300	670,800	634,400	634,400
Research and Publications	98,050	720,560	770,500	728,400	728,400
Museums	96,000	833,300	787,100	744,000	744,000
Administration	6,277,413	4,093,623	3,940,200	4,424,700	4,473,400
TOTAL EXPENDITURES	6,534,463	6,403,783	6,168,600	6,531,500	6,580,200

The Kentucky Historical Society (KHS) engages people in the exploration of the Commonwealth's diverse heritage. Through comprehensive and innovative services, interpretive programs, and stewardship, it provides connections to the past, perspective on the present, and inspiration for the future.

The Kentucky Historical Society's statutory mandate, pursuant to KRS 171.311, is to collect and preserve for future generations materials and information regarding Kentucky's past; to disseminate knowledge and understanding of the state's history; and to produce for people of all backgrounds an increased awareness of, and appreciation for, the Commonwealth and its heritage. The agency operates four divisions: Administration, Research and Publications, Museums, and Oral History and Educational Outreach.

The Administration Division provides overall agency direction, planning, and management. It is comprised of the following functional teams: development, director's office, finance and human resources, and communications (which includes visitor services.)

The Research and Publications Division includes the following functional teams: research and interpretation, museum collections and exhibitions, and the design studio. The research and interpretation team publishes the Society's two journals—*The Register of the Kentucky Historical Society* and *Kentucky Ancestors*—and assists with the publication of the quarterly newsletter, *The Chronicle*. The team also administers the historical marker program and the research fellows

program. The museum collections and exhibitions team is responsible for the operation of the Historical Society's three museum facilities—the galleries located in the Thomas D. Clark Center for Kentucky History, the Kentucky Military History Museum, and the Old State Capitol. Since 1999, these facilities have hosted more than 1,000,000 visitors. The team is also responsible for the 200,000+ artifact collection. The design studio is responsible for museum exhibition design and production, along with the design and production of other KHS interpretive and promotional tools.

The Museum Division is responsible for special collections and reference services. The Museum division operates the Martin F. Schmidt Research Library housed in the History Center, which effectively serves genealogists and other researchers. It also cares for an array of manuscripts, maps, 200,000-plus photographs, 8,000 oral history recordings, and rare books.

The Oral History and Educational Outreach Division includes the following units: interpretive education, teacher/student outreach, and community services. Community Services consists of the local history program and the Cemetery Preservation program. Interpretive Education includes school tours, museum theatre, and other educational activities for adults and children. Since 1999, the KHS "history campus" has hosted more than 1,000,000 visitors. The primary outreach programs for students include the Kentucky Junior Historical Society and National History Day. Much of the KHS professional development for teachers is presented through Teaching American History grants awarded by the U.S. Department of Education.

Tourism, Arts and Heritage

Arts Council

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	2,796,200	2,625,700	2,640,700	1,708,700	1,728,900
Budget Reduction-General Fund		-25,439	-12,600		
Total General Fund	2,796,200	2,600,261	2,628,100	1,708,700	1,728,900
Restricted Funds					
Balance Forward	4,104	149,331	231,900	238,200	244,500
Current Receipts	183,907	157,898	157,900	157,900	157,900
Total Restricted Funds	188,011	307,229	389,800	396,100	402,400
Federal Fund					
Balance Forward	6,437	6,437			
Current Receipts	711,172	679,505	708,500	708,500	708,500
Non-Revenue Receipts		8,334			
Total Federal Fund	717,609	694,276	708,500	708,500	708,500
TOTAL SOURCE OF FUNDS	3,701,820	3,601,766	3,726,400	2,813,300	2,839,800
EXPENDITURES BY CLASS					
Personnel Costs	1,449,028	1,518,295	1,576,500	910,400	930,600
Operating Expenses	487,014	349,825	312,700	301,300	301,300
Grants Loans Benefits	1,484,210	1,500,689	1,599,000	1,357,100	1,357,100
TOTAL EXPENDITURES	3,420,252	3,368,810	3,488,200	2,568,800	2,589,000
EXPENDITURES BY FUND SOURCE					
General Fund	2,670,400	2,599,174	2,628,100	1,708,700	1,728,900
Restricted Funds	38,680	75,360	151,600	151,600	151,600
Federal Fund	711,172	694,276	708,500	708,500	708,500
TOTAL EXPENDITURES	3,420,252	3,368,810	3,488,200	2,568,800	2,589,000
EXPENDITURES BY UNIT					
Arts Council	1,590,347	1,657,478	1,659,500	1,020,500	1,040,700
Support Grants	1,707,304	1,607,103	1,640,200	1,389,800	1,389,800
Arts Marketing	122,601	104,229	188,500	158,500	158,500
TOTAL EXPENDITURES	3,420,252	3,368,810	3,488,200	2,568,800	2,589,000

The Kentucky Arts Council’s legislated purpose is to develop and promote a broadly conceived state policy of support for the arts in Kentucky, pursuant to KRS 153.210 to 153.235. As the official state arts agency, the Kentucky Arts Council (KAC) is the sole Kentucky state agency designated to receive partnership funding from the National Endowment for the Arts for any programs related to the arts. All of the KAC’s programs, services, initiatives, events and activities support its mission to “create opportunities for the people of Kentucky to value, participate in, and benefit from the arts”.

The Kentucky Arts Council manages a multitude of programs, activities and services for the Commonwealth by working in partnership with arts organizations, educational facilities, communities, local government, and individual artists. The work of the KAC encourages the growth and stability of the arts across the state, the promotion of cultural tourism and economic development, the enhancement of quality of life in Kentucky, and the provision of strong arts education programs.

Major program areas include community arts development, arts infrastructure capacity building, individual artists, folk arts, arts education, and arts marketing. The KAC offers an extensive array of technical assistance and training programs, public events, information services and resources, business development services, sales and performance venues, and grant programs to help ensure that the arts community in Kentucky is strong and viable. The grant funds invested by the KAC across the Commonwealth serves as an important catalyst in community building, and leverages significant funding from other sources.

**Tourism, Arts and Heritage
Heritage Council**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	747,300	711,300	717,100	715,900	719,000
Budget Reduction-General Fund		-21,595	-12,600		
Total General Fund	747,300	689,705	704,500	715,900	719,000
Restricted Funds					
Balance Forward	193,784	56,413	201,200	214,500	110,800
Current Receipts	279,414	635,287	292,000	175,000	175,000
Total Restricted Funds	473,197	691,700	493,200	389,500	285,800
Federal Fund					
Current Receipts	516,357	917,228	863,800	863,800	863,800
Non-Revenue Receipts	452,320	-60,701			
Total Federal Fund	968,677	856,526	863,800	863,800	863,800
TOTAL SOURCE OF FUNDS	2,189,174	2,237,931	2,061,500	1,969,200	1,868,600
EXPENDITURES BY CLASS					
Personnel Costs	1,744,725	1,656,448	1,451,500	1,640,300	1,660,600
Operating Expenses	265,166	304,629	298,100	131,700	114,500
Grants Loans Benefits	86,270	75,677	97,400	86,400	86,400
Construction	3,000				
TOTAL EXPENDITURES	2,099,161	2,036,754	1,847,000	1,858,400	1,861,500
EXPENDITURES BY FUND SOURCE					
General Fund	713,700	689,689	704,500	715,900	719,000
Restricted Funds	416,784	490,538	278,700	278,700	278,700
Federal Fund	968,677	856,526	863,800	863,800	863,800
TOTAL EXPENDITURES	2,099,161	2,036,754	1,847,000	1,858,400	1,861,500
EXPENDITURES BY UNIT					
Kentucky Heritage Council	2,099,161	2,036,754	1,847,000	1,858,400	1,861,500
TOTAL EXPENDITURES	2,099,161	2,036,754	1,847,000	1,858,400	1,861,500

The Kentucky Heritage Council (the State Historic Preservation Office) administers a comprehensive state historic preservation program with structure in three areas: the Site Protection Program, the Site Identification and Evaluation Program and the Site Development Program.

The Council administers national historic preservation activities in Kentucky, monitors projects and distributes grants involving federal funds, offers programs and services involving all aspects of historic preservation, and provides technical assistance to local governments, the public, and other agencies.

Major program activities include surveying historic sites, nominating sites to the National Register of Historic Places, administering the Kentucky Main Street program in partnership with Renaissance on Main, overseeing federal and state historic preservation tax credit programs and restoration grants programs, conducting archaeological investigations, and reviewing all federally funded, licensed, and permitted projects.

Attached to the Heritage Council for administration and programmatic services are the African American Heritage Commission, Native American Heritage Commission, Military Heritage Commission, and the Kentucky Historic Preservation Review Board. The Kentucky Heritage Council is administered in accordance with KRS 171.3801.

Tourism, Arts and Heritage
Kentucky Center for the Arts

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,123,700	913,100	915,100	558,300	558,300
Budget Reduction-General Fund			-31,500		
Total General Fund	1,123,700	913,100	883,600	558,300	558,300
TOTAL SOURCE OF FUNDS	1,123,700	913,100	883,600	558,300	558,300
EXPENDITURES BY CLASS					
Personnel Costs	100,267	129,348	129,100		
Operating Expenses	177,743	189,920	196,200		
Grants Loans Benefits	617,600	589,800	558,300	558,300	558,300
Debt Service	185,000				
TOTAL EXPENDITURES	1,080,610	909,068	883,600	558,300	558,300
EXPENDITURES BY FUND SOURCE					
General Fund	1,080,610	909,068	883,600	558,300	558,300
TOTAL EXPENDITURES	1,080,610	909,068	883,600	558,300	558,300
EXPENDITURES BY UNIT					
Kentucky Center for the Arts	463,010	319,268	325,300		
Governor's School for the Arts	617,600	589,800	558,300	558,300	558,300
TOTAL EXPENDITURES	1,080,610	909,068	883,600	558,300	558,300

Kentucky Center for the Arts (“The Kentucky Center”) is the Commonwealth’s premier performing arts center. The Kentucky Center serves over 400,000 people each year. It is the performance home of the state’s largest orchestra, opera, ballet, Broadway and children’s theatre productions. In addition, The Kentucky Center presents a variety of national and international artists.

The Kentucky Center houses three theaters: the 2,406-seat Robert S. Whitney Hall, the 619-seat Moritz von Bomhard Theater, and the 139-seat Boyd Martin Experimental Theater. The facility features a multi-tiered lobby, rehearsal halls, and spaces for social and business events.

The Kentucky Center provides a wide range of nationally recognized educational programs, including professional development for teachers, partnerships with schools and community centers, and opportunities for artists to work in classrooms. The Center is also a leader in providing award-winning access services that make the theater experience possible for patrons with disabilities. The Kentucky Center, in partnership with the Kentucky Arts Council, provides access and technical consulting services for arts and cultural organizations across Kentucky. The Kentucky Center’s management also provides theatrical consulting services throughout the state.

The Governor’s School for the Arts (GSA) is a model program, recognized nationally by the President’s Committee on the Arts and Humanities and the National Endowment of the Arts. GSA was established in 1987 to address the needs of an underserved Kentucky population: Kentucky’s artistically gifted and talented young people. Whereas opportunities for advanced academic work has been widely available to Kentucky’s academically gifted students, opportunities to pursue advanced work in the arts have been considerably more limited, particularly for geographically and/or economically marginalized students. GSA not only plays a vital role in preparing students for their pursuit of careers in the arts, but also prepares them for all facets of professional life requiring leadership, critical thinking, exceptional communication skills and understanding of the multi-cultural world. GSA is a model program, recognized nationally by the President’s Committee on the Arts & Humanities and the National Endowment for the Arts. The school currently serves 256 students.

Policy

The Budget of the Commonwealth provides no funding for the operating budget of the Kentucky Center for the Arts.

Transportation

Transportation

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,228,200	6,228,200	6,228,200	6,089,000	6,089,000
Special Appropriation		10,000,000	10,000,000		
Continuing Approp-General Fund	197,066	125,188	3,552,300		
Budget Reduction-General Fund		-62,300	-319,000		
Total General Fund	6,425,266	16,291,088	19,461,500	6,089,000	6,089,000
Restricted Funds					
Balance Forward	410,525,959	209,321,401	122,215,500	9,607,200	2,595,400
Current Receipts	101,247,802	103,661,669	141,354,000	146,941,300	147,432,200
Non-Revenue Receipts	201,937,375	46,233,616	76,900,800	-5,030,400	-1,884,800
Fund Transfers	-7,568,000	-5,483,900	-4,588,200	-7,370,900	-6,424,000
Total Restricted Funds	706,143,136	353,732,786	335,882,100	144,147,200	141,718,800
Federal Fund					
Balance Forward					
Current Receipts	785,274,476	810,042,902	773,941,400	765,300,100	766,066,000
Non-Revenue Receipts	-3,222,343	7,310,994			
Total Federal Fund	782,052,133	817,353,897	773,941,400	765,300,100	766,066,000
Road Fund					
Regular Appropriation	1,461,383,300	1,371,065,500	1,380,512,200	1,416,927,000	1,395,472,100
Surplus Expenditure Plan	6,338,079	37,964,749	57,237,100		
Continuing Approp-Road Fund	448,706,725	275,673,542			
Budget Reduction-Road Fund	-31,989,700				
Other	-57,034,983	7,240,187	4,927,000		
Total Road Fund	1,827,403,421	1,691,943,978	1,442,676,300	1,416,927,000	1,395,472,100
TOTAL SOURCE OF FUNDS	3,322,023,956	2,879,321,750	2,571,961,300	2,332,463,300	2,309,345,900
EXPENDITURES BY CLASS					
Personnel Costs	537,793,161	530,538,841	443,950,200	494,111,900	497,039,100
Operating Expenses	306,941,723	240,678,672	255,175,600	258,357,800	253,993,500
Grants Loans Benefits	243,081,040	243,519,355	277,860,300	233,856,900	234,305,200
Debt Service	227,515,517	240,988,057	266,049,800	265,524,500	252,367,100
Capital Outlay	21,721,976	8,966,097	2,005,500	1,882,700	1,882,700
Construction	1,471,948,479	1,136,021,554	1,306,317,500	1,072,766,400	1,066,137,800
TOTAL EXPENDITURES	2,809,001,896	2,400,712,576	2,551,358,900	2,326,500,200	2,305,725,400
EXPENDITURES BY FUND SOURCE					
General Fund	6,300,078	12,738,702	19,461,500	6,089,000	6,089,000
Restricted Funds	496,821,735	231,517,412	326,274,900	141,551,800	141,466,000
Federal Fund	782,052,133	817,353,897	773,941,400	765,300,100	766,066,000
Road Fund	1,523,827,951	1,339,102,565	1,431,681,100	1,413,559,300	1,392,104,400
TOTAL EXPENDITURES	2,809,001,896	2,400,712,576	2,551,358,900	2,326,500,200	2,305,725,400
EXPENDITURES BY UNIT					
General Administration and Support	70,855,388	71,210,385	77,293,000	83,651,200	84,047,000
Aviation	12,937,727	23,610,795	38,069,700	12,756,700	12,617,800
Debt Service	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700
Highways	2,156,177,172	1,750,077,952	1,844,340,600	1,654,608,900	1,645,397,200
Public Transportation	30,500,675	26,987,301	50,096,200	32,146,000	32,219,200
Revenue Sharing	328,982,082	329,966,242	336,957,200	336,345,200	337,318,200
Vehicle Regulation	39,815,303	37,802,831	49,771,800	50,345,500	47,396,300
Transfer to Capital Projects	19,688,000	7,769,843			
TOTAL EXPENDITURES	2,809,001,896	2,400,712,576	2,551,358,900	2,326,500,200	2,305,725,400

The Transportation Cabinet is responsible for maintaining and improving transportation services in the Commonwealth. All modes of transportation are addressed by the Cabinet, including air transportation, railroads, waterways, public transit, and highways. The Secretary of Transportation, who is appointed by the Governor, heads the organization. The duties and responsibilities of the Cabinet are found in Titles XV and XVI of the Kentucky Revised Statutes.

The Cabinet receives funding from the state Road Fund, proceeds from highway bonds issued by the Kentucky Turnpike Authority, and federal aid apportionments for highways. Other revenue sources include agency receipts, non highway federal aid, the state General Fund, and a federal fund leveraging mechanism titled Grant Anticipation Revenue Vehicle (GARVEE) bonds. The revenue components of the Road Fund are the motor fuels tax, motor vehicle usage tax, license and privilege taxes, interest income, and miscellaneous departmental fees, permits, and sales.

Seven major budget units comprise the Transportation Cabinet: General Administration and Support, Aviation, Public Transportation, Revenue Sharing, Highways, Vehicle Regulation, and Debt Service.

Organizationally, the agency is divided into four departments: Aviation, Vehicle Regulation, Rural and Municipal Aid, and Highways. Each department is headed by a commissioner directly responsible to the Secretary. Other organizational units include the Office of Support Services, the Office of Transportation Delivery, the Office of Audits, the Office of Human Resource Management, the Office of Information Technology, the Office of Legal Services, the Office of Public Affairs, the Office of Budget and Fiscal Management, the Office for Civil Rights and Small Business Development, and the Office of Inspector General. These units report to the Office of the Secretary. The following offices report to the State Highway Engineer in the Department of Highways: the Office of Project Development, the Office of Project Delivery and Preservation, the Office of Highway Safety, and Highway District Offices One through Twelve. The Office of Local Programs and the Office of Rural and Secondary Roads report to the Commissioner of Rural and Municipal Aid.

The Transportation Cabinet has its origin as an agency of the Commonwealth of Kentucky in 1912 when the General Assembly established the Department of Highways. Legislation in 1974 created the Department of Transportation by consolidating the Departments of Highways, Motor Transportation, and Aeronautics, plus certain transportation-related functions of the Department of Public Safety and the Department of Revenue. The 1982 General Assembly established the Transportation Cabinet as the successor to the Department of Transportation, and it assumed all of the duties formerly associated with the Department.

Transportation
General Administration and Support

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	500,000	500,000	500,000	500,000	500,000
Total General Fund	500,000	500,000	500,000	500,000	500,000
Restricted Funds					
Balance Forward	168,861	183,906	198,800	134,100	69,400
Current Receipts	1,370,443	1,457,864	2,077,100	2,271,600	2,295,500
Non-Revenue Receipts	336,068	75,866			
Total Restricted Funds	1,875,372	1,717,635	2,275,900	2,405,700	2,364,900
Road Fund					
Regular Appropriation	72,006,800	74,340,100	74,651,200	80,814,900	81,193,100
Budget Reduction-Road Fund	-968,600				
Total Road Fund	71,038,200	74,340,100	74,651,200	80,814,900	81,193,100
TOTAL SOURCE OF FUNDS	73,413,572	76,557,735	77,427,100	83,720,600	84,058,000
EXPENDITURES BY CLASS					
Personnel Costs	30,683,602	31,835,018	35,360,600	40,523,200	40,980,100
Operating Expenses	32,677,519	31,720,545	33,127,100	34,441,000	34,375,500
Grants Loans Benefits	500,885	500,000	502,800	502,800	502,800
Debt Service	6,752,789	7,110,529	7,107,400	7,107,800	7,112,200
Capital Outlay	229,350	16,891	1,170,100	1,051,400	1,051,400
Construction	11,243	27,402	25,000	25,000	25,000
TOTAL EXPENDITURES	70,855,388	71,210,385	77,293,000	83,651,200	84,047,000
EXPENDITURES BY FUND SOURCE					
General Fund	500,000	500,000	500,000	500,000	500,000
Restricted Funds	1,691,467	1,518,842	2,141,800	2,336,300	2,353,900
Road Fund	68,663,921	69,191,542	74,651,200	80,814,900	81,193,100
TOTAL EXPENDITURES	70,855,388	71,210,385	77,293,000	83,651,200	84,047,000
EXPENDITURES BY UNIT					
Office of the Secretary	6,589,481	5,733,474	7,890,600	9,054,200	9,163,200
Legal Services	5,148,132	4,422,598	5,311,600	5,963,800	6,019,600
Office of Human Resource Management	4,391,620	4,327,087	4,973,000	5,635,700	5,697,600
Office of Support Services	20,879,130	20,511,025	22,213,200	23,196,200	23,248,800
Technology	29,225,279	31,733,540	31,926,300	34,044,200	34,055,500
Office of Audits	4,621,744	4,482,660	4,978,300	5,757,100	5,862,300
TOTAL EXPENDITURES	70,855,388	71,210,385	77,293,000	83,651,200	84,047,000

The General Administration and Support appropriation unit provides management and administrative services and ensures efficient day to day operations. This unit includes the Office of Secretary and nine other offices.

The Office of Budget and Fiscal Management, the Office for Civil Rights and Small Business Development, the Office of Legal Services, the Office of Public Affairs, the Office of Inspector General, the Office of Human Resource Management, the Office of Support Services, the Office of Audits, and the Office of Information Technology provide leadership, management, and staff support to the Transportation Cabinet and provide the Secretary with the managerial tools necessary to operate the Cabinet.

The Office of the Secretary is the central point of contact with the general public and external organizations and serves as the main policymaking arm of the Cabinet. The Office of Budget and Fiscal Management and the Office of Audits manage the planning and use of the Cabinet's financial resources. The Office for Civil Rights and Small Business Development conducts programs to provide women and minorities an equal opportunity for employment and to compete for highway construction contracts. The Office of Legal Services provides the agency with the required legal representation before administrative boards and all levels of the court system. The Office of Public Affairs is responsible for the Cabinet's communications with employees, the news media, and the general public. The Office of Inspector

General exists to provide the Cabinet a mechanism for both employees and Kentuckians to report incidences of wrongdoing regarding the Cabinet's service. The Office of Human Resource Management is responsible for the Cabinet's human resources policies and personnel utilization and development programs. The Office of Support Services provides oversight and management of the Cabinet's statewide facilities, including all ongoing capital projects not associated with highway construction. Beginning in April 2013, the Office of Support Services began providing production print services for the Executive Branch through its Division of Graphic Design and Printing, a function previously performed by the Commonwealth Office of Technology. The Office of Information Technology is responsible for the technological application development and system support functions for the Cabinet.

Policy

The General Fund appropriation provides funding for the improvement of public river ports in the Commonwealth. The Secretary of Transportation, in conjunction with the Kentucky Water Transportation Advisory Board, shall determine how to distribute the funds.

**Transportation
Aviation**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Special Appropriation		10,000,000	10,000,000		
Continuing Approp-General Fund			3,381,700		
Total General Fund		10,000,000	13,381,700		
Restricted Funds					
Balance Forward	14,976,943	15,983,715	12,241,100	242,100	83,400
Current Receipts	12,160,785	11,901,966	11,814,400	11,861,400	11,872,100
Non-Revenue Receipts	-909,906	-1,832,200	-1,830,700	-1,830,600	-1,829,800
Fund Transfers	-468,000	-383,900	-388,200	-426,100	-424,000
Total Restricted Funds	25,759,823	25,669,581	21,836,600	9,846,800	9,701,700
Federal Fund					
Current Receipts	313,736	1,059,953	417,400	213,700	213,700
Non-Revenue Receipts	187,474	-46,101			
Total Federal Fund	501,210	1,013,852	417,400	213,700	213,700
Road Fund					
Regular Appropriation	2,884,500	2,670,900	2,676,100	2,779,600	2,789,000
Continuing Approp-Road Fund	157,210	10			
Budget Reduction-Road Fund	-257,200				
Total Road Fund	2,784,510	2,670,910	2,676,100	2,779,600	2,789,000
TOTAL SOURCE OF FUNDS	29,045,543	39,354,342	38,311,800	12,840,100	12,704,400
EXPENDITURES BY CLASS					
Personnel Costs	2,589,980	4,667,567	3,726,100	3,867,000	3,941,100
Operating Expenses	938,858	750,190	810,400	716,200	642,700
Grants Loans Benefits	7,401,560	15,805,265	31,572,700	6,245,800	6,204,200
Debt Service	1,817,886	1,832,169	1,830,700	1,830,600	1,829,800
Capital Outlay	15,610	252,500			
Construction	173,833	303,105	129,800	97,100	
TOTAL EXPENDITURES	12,937,727	23,610,795	38,069,700	12,756,700	12,617,800
EXPENDITURES BY FUND SOURCE					
General Fund		6,618,251	13,381,700		
Restricted Funds	9,776,108	13,428,520	21,594,500	9,763,400	9,615,100
Federal Fund	501,210	1,013,852	417,400	213,700	213,700
Road Fund	2,660,409	2,550,173	2,676,100	2,779,600	2,789,000
TOTAL EXPENDITURES	12,937,727	23,610,795	38,069,700	12,756,700	12,617,800
EXPENDITURES BY UNIT					
Commonwealth Aviation	8,903,582	19,717,401	33,890,600	8,372,400	8,383,600
Capital City Airport	2,216,259	2,061,226	2,348,400	2,553,700	2,404,400
Aviation Administration	1,817,886	1,832,169	1,830,700	1,830,600	1,829,800
TOTAL EXPENDITURES	12,937,727	23,610,795	38,069,700	12,756,700	12,617,800

In accordance with KRS Chapter 183, the Transportation Cabinet supports the Commonwealth's Aviation program. There are two divisions within the Department of Aviation: Commonwealth Aviation and Capital City Airport. The Commonwealth Aviation division is charged with the Air Regulatory program and the Airport Development program. The Air Regulatory program is responsible for inspecting and determining the safety and efficiency of all of the Commonwealth's public use airport and heliport facilities. Pursuant to KRS 183.861, the Kentucky Airport Zoning Commission protects the navigable airspace within the state by evaluating applications for construction, issuing permits, and maintaining updated airport zoning maps. The Commission is attached to the Air Regulatory program for administrative purposes. The Airport Development program provides for administration, planning and management of airport construction, and maintenance of local airports. Airport Development also provides technical and financial assistance to the state's 59 public use airports, including updating and distributing the state aeronautical charts and airport directories.

The Capital City Airport is a public use airport located in Frankfort, Kentucky. Capital City Airport is home to 81 aircraft, including the fleet owned and operated by state government and the National Guard located in Frankfort.

Policy

The Budget of the Commonwealth suspends the provisions of KRS 183.525 and transfers \$426,100 in fiscal year 2018-2019 and \$424,000 in fiscal year 2019- 2020 from the Kentucky Aviation Economic Development Fund to the General Fund to support General Fund supported aviation bonds authorized by the 2005 General Assembly.

The Budget of the Commonwealth suspends the provisions of KRS 183.525 and transfers \$993,000 in fiscal year 2018-2019 and \$994,500 in fiscal year 2019-2020 from the Kentucky Aviation Economic Development Fund to the Road Fund to support Road Fund supported aviation bonds authorized by the 2008 General Assembly.

The Budget of the Commonwealth suspends the provisions of KSS 183.525 and transfers \$837,600 in fiscal year 2018-2019 and \$835,300 in fiscal year 2019-2020 from the Kentucky Aviation Economic Development Fund to the Road Fund to support Road Fund supported aviation bonds authorized by the 2010 General Assembly.

**Transportation
Debt Service**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Road Fund					
Regular Appropriation	170,387,700	160,382,900	165,825,600	160,014,400	150,097,400
Total Road Fund	170,387,700	160,382,900	165,825,600	160,014,400	150,097,400
TOTAL SOURCE OF FUNDS	170,387,700	160,382,900	165,825,600	160,014,400	150,097,400
EXPENDITURES BY CLASS					
Personnel Costs		100,000		50,000	50,000
Debt Service	150,045,550	153,187,226	154,830,400	156,596,700	146,679,700
TOTAL EXPENDITURES	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700
EXPENDITURES BY FUND SOURCE					
Road Fund	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700
TOTAL EXPENDITURES	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700
EXPENDITURES BY UNIT					
Economic Development Lease Rental	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700
TOTAL EXPENDITURES	150,045,550	153,287,226	154,830,400	156,646,700	146,729,700

The Debt Service program is the budget entity through which lease rental payments are made on the revenue bonds the Commonwealth has issued to finance major highway construction projects.

KRS Chapter 175 authorizes the Turnpike Authority of Kentucky to issue revenue bonds to construct, maintain, repair, and operate designated roads of the Toll Road System, the Resource Recovery Road System, and the Economic Development Road System.

The first of these systems, the Toll Road System, was constructed during the mid-1960s and early 1970s. All of the Toll Road bonds that were issued to construct the state's parkways are now retired.

The Resource Recovery Road System began in the late 1970s, and most of the system's roads were built during the 1980s. The most significant project was KY 80. The final lease rental payment for the Resource Recovery Road bonds was made in fiscal year 2008-2009.

The Economic Development Road System was established and funded through a series of bond issues. The first was a \$300 million issue sold in 1984. The second was a relatively small sale of \$36.6 million in 1987. The third and largest was a \$600 million program which was implemented in bond sales during 1990, 1993, and 1995. The projects constructed with the \$600 million series were designated as "Revitalization Projects" and are now complete. The fourth issue was authorized by the 1998 General Assembly in the amount of \$200 million. The bonds were sold in 1999 and projects funded with those proceeds are now complete. The 2005 General Assembly authorized the fifth series of Economic Development Road bonds in the amount of \$450 million. The bond projects associated with the 2005 series were split to support three initiatives: \$300 million for projects in the adopted Six-Year Highway Plan; \$100 million to fund County Road Aid projects; and \$50 million to support Municipal Road Aid projects. The 2006 General Assembly authorized an additional \$350 million in Economic Development Road Bonds. The entire 2006 series was authorized to support projects in the adopted Six-Year Highway Plan. The seventh issue was authorized by the 2008 General Assembly in the amount of \$50 million for projects associated with Base Re-alignment and Closure (BRAC) activities in and around Fort Knox. The 2009 General Assembly authorized bonds in the amount of \$400 million to support projects in the adopted Six-Year Highway Plan. The 2010 Special Session of the General Assembly authorized \$112 million in BRAC bonds to complete the projects in Fort Knox and \$400 million in bonds for projects included in the Biennial Highway Construction Plan. All but \$125 million of the \$400 million in bonds authorized by the 2010 Special Session of the General Assembly have been issued.

Through lease agreements with the Turnpike Authority of Kentucky and the Asset and Liability Commission, the Transportation Cabinet provides funds to pay the Toll Road, Resource Recovery Road, and the Economic Development Road revenue bonds. In the Debt Service program, funds are reserved exclusively for semi-annual lease rental payments to meet the principal and interest requirements of these outstanding bonds, along with any administrative costs of the Turnpike Authority.

Policy

The American Recovery and Reinvestment Act of 2009 created a new debt instrument for tax-exempt municipal bond issuers, called Build America Bonds. Municipal bond issuers could issue Build America Bonds for eligible tax-exempt purposes on a permanent basis only. The Commonwealth was eligible for a subsidy for bonds issued as Build America Bonds prior to December 31, 2010. Subsidies from the Build America Bonds shall lapse to the Road Fund. The amount of the Road Fund lapse is \$3,367,700 in fiscal year 2018-2019 and \$3,367,700 in fiscal year 2019-2020.

**Transportation
Highways**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	390,221,786	187,902,279	101,354,800	3,309,800	1,312,000
Current Receipts	68,693,129	70,812,350	107,736,800	111,332,100	111,887,900
Non-Revenue Receipts	202,511,213	47,989,951	78,788,500		
Total Restricted Funds	661,426,128	306,704,580	287,880,100	114,641,900	113,199,900
Federal Fund					
Balance Forward					
Current Receipts	757,643,036	786,080,021	725,106,300	734,670,300	735,446,300
Non-Revenue Receipts	-2,805,881	7,510,922			
Total Federal Fund	754,837,155	793,590,943	725,106,300	734,670,300	735,446,300
Road Fund					
Regular Appropriation	779,181,500	767,032,800	777,426,900	806,608,700	796,751,000
Surplus Expenditure Plan	6,338,079	37,964,749	57,237,100		
Continuing Approp-Road Fund	330,665,547	156,526,855			
Budget Reduction-Road Fund	-28,781,900				
Total Road Fund	1,087,403,226	961,524,404	834,664,000	806,608,700	796,751,000
TOTAL SOURCE OF FUNDS	2,503,666,509	2,061,819,927	1,847,650,400	1,655,920,900	1,645,397,200
EXPENDITURES BY CLASS					
Personnel Costs	479,213,466	468,951,814	376,170,100	417,502,000	419,542,800
Operating Expenses	252,557,918	184,961,899	199,190,300	203,189,500	199,011,700
Grants Loans Benefits	17,920,284	18,161,057	12,399,500	12,398,300	12,398,300
Debt Service	65,754,541	75,715,133	97,500,000	95,240,600	95,141,400
Capital Outlay	1,569,005	926,863	835,400	831,300	831,300
Construction	1,339,161,958	1,001,361,186	1,158,245,300	925,447,200	918,471,700
TOTAL EXPENDITURES	2,156,177,172	1,750,077,952	1,844,340,600	1,654,608,900	1,645,397,200
EXPENDITURES BY FUND SOURCE					
Restricted Funds	473,523,849	205,349,699	284,570,300	113,329,900	113,199,900
Federal Fund	754,837,155	793,590,943	725,106,300	734,670,300	735,446,300
Road Fund	927,816,169	751,137,311	834,664,000	806,608,700	796,751,000
TOTAL EXPENDITURES	2,156,177,172	1,750,077,952	1,844,340,600	1,654,608,900	1,645,397,200
EXPENDITURES BY UNIT					
Research	4,506,070	3,927,455	4,817,400	4,527,400	4,527,400
Construction	1,648,978,016	1,301,404,757	1,329,647,300	1,098,022,600	1,091,969,700
Maintenance	375,000,769	314,895,300	352,760,500	380,873,000	375,179,000
Engineering Administration	13,930,055	14,056,507	15,262,200	24,210,900	26,118,700
Planning	13,067,359	14,381,537	16,115,900	15,388,700	15,231,200
Highway Operations	30,309,751	32,955,879	45,980,000	51,980,000	52,980,000
Equipment Services	60,793,647	59,504,508	69,083,500	68,932,500	68,717,400
Highway Safety	9,591,504	8,952,009	10,673,800	10,673,800	10,673,800
TOTAL EXPENDITURES	2,156,177,172	1,750,077,952	1,844,340,600	1,654,608,900	1,645,397,200

The Highways appropriation unit is the largest program in the Transportation Cabinet. There are eight programs in the Department of Highways: Research, Construction, Maintenance, Engineering Administration, Highway Planning, Highway Operations, Highway Safety and Equipment Services. The Construction program is divided into five subprograms: Bond Funded Construction, State Funded Construction, Federal Funded Construction, Toll Bond Funded Construction, and the TIFIA Loan program.

The Department of Highways is responsible for the construction, reconstruction, and maintenance of the State Primary Road System through authority granted by KRS 177.020. The Department is headed by a commissioner who is appointed by the Governor on recommendation of the Secretary of Transportation. This agency administers all of the programs within the Highways appropriation unit.

Combined travel by all motor vehicles over Kentucky's 78,000 miles of roads and streets equals over 47.6 billion vehicle-miles. The State Primary Road System carries about 85 percent of all traffic. This network consists of approximately 27,500 miles of interstate highways, resource recovery roads, parkways, economic development roads, primary, secondary, rural, unclassified roads, and approximately 9,000 state maintained bridges. Kentucky's interstate system, consisting of approximately 800 miles, carries 27 percent of all travel.

**Transportation
Highways
Research**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Federal Fund					
Current Receipts	3,955,696	3,285,626	3,383,400	3,383,400	3,383,400
Total Federal Fund	3,955,696	3,285,626	3,383,400	3,383,400	3,383,400
Road Fund					
Regular Appropriation	1,434,000	1,434,000	1,434,000	1,144,000	1,144,000
Continuing Approp-Road Fund	1,144,000	2,027,625			
Total Road Fund	2,578,000	3,461,625	1,434,000	1,144,000	1,144,000
TOTAL SOURCE OF FUNDS	6,533,696	6,747,251	4,817,400	4,527,400	4,527,400
EXPENDITURES BY CLASS					
Personnel Costs	4,208,050	3,637,455	4,527,400	4,527,400	4,527,400
Operating Expenses	298,020	290,000	290,000		
TOTAL EXPENDITURES	4,506,070	3,927,455	4,817,400	4,527,400	4,527,400
EXPENDITURES BY FUND SOURCE					
Federal Fund	3,955,696	3,285,626	3,383,400	3,383,400	3,383,400
Road Fund	550,374	641,829	1,434,000	1,144,000	1,144,000
TOTAL EXPENDITURES	4,506,070	3,927,455	4,817,400	4,527,400	4,527,400

The Research program is primarily a problem-solving service available to the Department of Highways. The program provides studies of traffic safety and operations, pavement mechanics and performance, materials characteristics and behavior, and transportation policies. The Research function is mandated by the Commonwealth's use of federal highway funds in accordance with Title 23 of the Federal Code, which requires the use of 25 percent of funds for highway research and development. The Transportation Cabinet partners with the University of Kentucky Transportation Center to carry out research functions. The partnership conducts workshops on highway maintenance and management; traffic engineering, computerized signalization, signal technician certification, incident management/traffic mitigation, and provides on-demand technical assistance. The program maintains a lending library, including both written and audio-visual materials. The program also publishes a quarterly newsletter.

**Transportation
Highways
Construction**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	375,580,254	179,518,356	92,038,000		
Current Receipts	9,839,632	6,981,235	26,246,700	27,195,300	27,280,400
Non-Revenue Receipts	203,190,044	46,574,268	80,000,000		
Total Restricted Funds	588,609,929	233,073,858	198,284,700	27,195,300	27,280,400
Federal Fund					
Balance Forward					
Current Receipts	736,076,621	765,622,480	702,750,400	713,041,600	713,975,100
Non-Revenue Receipts	-2,087,090	7,783,077			
Total Federal Fund	733,989,531	773,405,557	702,750,400	713,041,600	713,975,100
Road Fund					
Regular Appropriation	385,941,100	362,985,000	371,375,100	357,785,700	350,714,200
Surplus Expenditure Plan	6,338,079	37,964,749	57,237,100		
Continuing Approp-Road Fund	329,521,297	154,499,163			
Budget Reduction-Road Fund	-28,781,900				
Other	-32,622,500				
Total Road Fund	660,396,076	555,448,912	428,612,200	357,785,700	350,714,200
TOTAL SOURCE OF FUNDS	1,982,995,536	1,561,928,327	1,329,647,300	1,098,022,600	1,091,969,700
EXPENDITURES BY CLASS					
Personnel Costs	235,876,755	217,536,886	99,309,700	102,895,800	103,917,600
Operating Expenses	25,035,132	20,590,834	153,300		
Grants Loans Benefits	15,106,251	15,694,461	9,052,000	9,052,000	9,052,000
Debt Service	65,754,541	75,715,133	97,500,000	95,240,600	95,141,400
Capital Outlay	135,531	739,503			
Construction	1,307,069,806	971,127,941	1,123,632,300	890,834,200	883,858,700
TOTAL EXPENDITURES	1,648,978,016	1,301,404,757	1,329,647,300	1,098,022,600	1,091,969,700
EXPENDITURES BY FUND SOURCE					
Restricted Funds	409,091,573	141,035,846	198,284,700	27,195,300	27,280,400
Federal Fund	733,989,531	773,405,557	702,750,400	713,041,600	713,975,100
Road Fund	505,896,913	386,963,354	428,612,200	357,785,700	350,714,200
TOTAL EXPENDITURES	1,648,978,016	1,301,404,757	1,329,647,300	1,098,022,600	1,091,969,700

The Construction program is the largest single funding component within the Highways appropriation unit. It encompasses all construction and major reconstruction of roadways in the State Primary Road System. The Construction Program is divided into five sub-programs: Bond Funded Construction, State Funded Construction, Federal Funded Construction, Toll Bond Funded Construction, and the TIFIA Loan program. KRS 45.750(3) exempts road projects, including associated equipment and land acquisition purchases, from the capital construction statutes outlined in KRS Chapter 45.760 - 45.810.

Several different road systems constructed in the Commonwealth over the last 40 years have used Bond Funded Construction. General obligation bonds were sold to finance the original construction of the Interstate System. The Turnpike Authority of Kentucky sold revenue bonds to fund construction of the toll road system that crisscrosses the state. Tolls on these parkways were removed once the bonds were paid. Resource recovery bonds were sold in the late 1970s for construction of the Resource Recovery Road System, a network of highways over which coal resources could be efficiently hauled. The Turnpike Authority received authorization to sell bonds in 1984, 1987, 1990, 1993, 1995, 1999, 2005, 2006, 2008, 2009, and 2010 for projects identified as part of the Economic Development Road System. The Authority received authorization in 2008 and 2010 to issue bonds to support road projects specifically related to the Base Re-alignment and Closure (BRAC) activities in and around Fort Knox. All of the roads constructed using proceeds from Turnpike Authority bonds are built by the Cabinet on behalf of the Authority, and then are leased to the Cabinet until the bonds are retired. At that time they are transferred to the Cabinet and become a part of the state highway system.

The State Funded Construction program provides for many highway improvement needs, emergency needs, industrial access roads, parkway and primary road pavement rehabilitation, and other projects for which federal funding is not available. The state resurfacing program is a part of this sub-program area and provides for resurfacing of roads in the

state maintained highway system. The Highway Construction Contingency account, authorized in KRS 45.247, is also included in the State-Funded Construction program.

The Federal Construction program addresses the major construction, reconstruction, and rehabilitation needs for nearly 12,000 miles of interstate, primary, secondary, urban systems, and Appalachian routes across the state. This funding is provided under Titles 23 and 40 of the US Code. From fiscal year 2005 to fiscal year 2008, \$440 million in Grant Anticipation Revenue Vehicle (GARVEE) bonds were appropriated to support interstate projects along I-64, I-75, and I-65. In addition, GARVEE bonds totaling \$336 million were authorized in 2008 and 2010 for the Louisville Bridges project. The 2010 Special Session of the General Assembly authorized \$330 million in GARVEE bonds for the US-68/KY-80 Lake Barkley and Kentucky Lake Bridges Project. For display purposes, the GARVEE bonds are located in the Bond Funded Construction program. However, the debt service to support the GARVEE bonds is located in the Federal Fund Construction program.

House Bill 4 from the 2009 Special Session of the General Assembly created the Kentucky Public Transportation Infrastructure Authority (KPTIA) to facilitate the construction, financing, operation, and oversight of mega-projects. According to the Federal Highway Administration, mega-projects are projects that have a total cost of \$500 million or more. The Authority has the power to finance mega-projects through the use of tolls, funds from any GARVEE, funds appropriated by the state or federal government, and any other funds pledged for their purpose.

Policy

The Budget of the Commonwealth authorizes the Secretary of Transportation to continue the Cash Management program, formerly known as the Pre-financing Road Projects program, authorized by the Appropriations Act since the 2000-2002 biennium. The Cash Management program allows the Cabinet to expedite projects in the Biennial Highway Construction Plan by managing Road Fund cash, while ensuring that expenditures remain within enacted appropriations.

**Transportation
Highways
Maintenance**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Current Receipts	3,854,817	3,378,893	3,687,900	3,687,900	3,687,900
Non-Revenue Receipts	-227,931	204,217			
Total Restricted Funds	3,626,887	3,583,110	3,687,900	3,687,900	3,687,900
Road Fund					
Regular Appropriation	338,751,200	347,457,900	349,072,600	377,185,100	371,491,100
Continuing Approp-Road Fund	250	67			
Other	32,622,500				
Total Road Fund	371,373,950	347,457,967	349,072,600	377,185,100	371,491,100
TOTAL SOURCE OF FUNDS	375,000,837	351,041,077	352,760,500	380,873,000	375,179,000
EXPENDITURES BY CLASS					
Personnel Costs	165,448,763	170,487,085	184,125,600	204,438,600	202,452,700
Operating Expenses	204,248,808	142,900,197	165,575,200	173,374,700	169,666,600
Grants Loans Benefits	1,178				
Capital Outlay	1,143,728	15,353			
Construction	4,158,292	1,492,666	3,059,700	3,059,700	3,059,700
TOTAL EXPENDITURES	375,000,769	314,895,300	352,760,500	380,873,000	375,179,000
EXPENDITURES BY FUND SOURCE					
Restricted Funds	3,626,887	3,583,110	3,687,900	3,687,900	3,687,900
Road Fund	371,373,883	311,312,190	349,072,600	377,185,100	371,491,100
TOTAL EXPENDITURES	375,000,769	314,895,300	352,760,500	380,873,000	375,179,000

Kentucky has invested approximately \$19 billion in its highway infrastructure which is comprised of right-of-way, roadways, and bridges. KRS 176.050 assigns the responsibility for operating and maintaining this highway infrastructure to the Department of Highways. The Maintenance program's role is to operate and maintain the roadways, bridges, rest areas, and traffic control devices on all state-maintained highways. Two organizational units under the Office of Project Delivery and Preservation administer the Maintenance program: the Division of Maintenance and the Division of Traffic Operations. The duties of this unit are explained in Kentucky Revised Statutes 175.580, 175.610, 176.050, 176.051, 177.020, 177.410, 177.530, 177.550, 177.830-890, 177.905-990, and 180.290.

The Division of Maintenance responsibilities are broken down into two areas. The Roadway Preservation program maintains approximately 15,000 miles of state primary highways and 13,000 miles of rural secondary highways. The Pavement and Operations Management personnel inspect and evaluate pavement conditions on over 27,000 miles of state-maintained roads, determine strategies for improvement, estimate funding needs, and recommend annual priorities. The Bridge Preservation program is responsible for all state-maintained bridges, except those on the Rural Secondary system.

Revolving Maintenance serves as a materials revolving mechanism for refurbishing damaged guardrail. Damaged guardrail is shipped to Frankfort, straightened and re-galvanized, and is placed back into service as needs arise.

Capital Improvements is a subset of the Division of Maintenance for coordinating with the Kentucky State Police vehicle accident data in order to establish priorities for installing new guardrail in locations it does not currently exist.

The Rest Area Operations/Maintenance program provides sanitary and accessible restroom facilities and other convenient services for motorists traveling through the state. There are 26 rest area and welcome center locations and two truck rest haven locations.

The Division of Traffic Operations is responsible for the installation and maintenance of traffic control devices on over 27,000 miles of highways. This division uses a multitude of Intelligent Transportation Systems to communicate, control, detect and process data to effectively move traffic through the state in the safest manner possible.

**Transportation
Highways
Engineering Administration**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Road Fund					
Regular Appropriation	14,497,600	15,142,400	15,262,200	24,210,900	26,118,700
Total Road Fund	14,497,600	15,142,400	15,262,200	24,210,900	26,118,700
TOTAL SOURCE OF FUNDS	14,497,600	15,142,400	15,262,200	24,210,900	26,118,700
EXPENDITURES BY CLASS					
Personnel Costs	12,474,725	12,711,572	13,616,300	22,571,800	24,479,600
Operating Expenses	1,153,207	1,274,280	1,310,500	1,307,800	1,307,800
Grants Loans Benefits	547				
Capital Outlay	289,746	64,862	335,400	331,300	331,300
Construction	11,829	5,793			
TOTAL EXPENDITURES	13,930,055	14,056,507	15,262,200	24,210,900	26,118,700
EXPENDITURES BY FUND SOURCE					
Road Fund	13,930,055	14,056,507	15,262,200	24,210,900	26,118,700
TOTAL EXPENDITURES	13,930,055	14,056,507	15,262,200	24,210,900	26,118,700

There are nine divisions organized under the State Highway Engineer's Office.

The Division of Construction supervises highway construction projects, providing administrative support for central office and district construction projects. It also assists the Division of Materials staff in sampling and testing materials used in construction projects.

The Division of Materials establishes standards and controls relating to the quality of materials for the construction, maintenance, and operation of highways and bridges. The Division also develops, coordinates, and controls testing procedures that are conducted in the field.

The Division of Structural Design develops and prepares contract plans for all highway structures, as well as any special structures that the Transportation Cabinet builds as part of Kentucky's system of roads. The Division also designs and prepares plans for structural repair and rehabilitation of existing bridges, as well as the design of all overhead sign structures.

The Division of Highway Design, in conjunction with the district design offices, is responsible for the required design activities of the Cabinet's Six-Year Road Plan projects, including the preparation, assembly, and reproduction of construction plans for a project's award.

The Division of Environmental Analysis provides all environmental studies and documents required by federal agencies for federal-aid transportation projects and for state funded projects that require federal permits. The division ensures compliance with all federal laws and regulations.

The Division of Right-of-Way and Utilities acquires property required for the construction and reconstruction of highways. This function involves obtaining title reports, performing appraisals and appraisal reviews, conducting negotiations, providing relocation assistance, facilitating property management, and initiating condemnation procedures on properties affected by proposed projects.

The Division of Program Management is responsible for developing Kentucky's Biennial Six-Year Road Plan.

The Division of Planning provides the day-to-day administration and support for personnel involved in the Highway Planning program activities, including management, clerical support, training, and other overhead expenditures.

The Division of Professional Services is responsible for procuring the Cabinet's professional services relating to road contracts. This division advertises for engineering services, administers the pre-qualification process for consulting services, provides assistance to selection committees for contract awards, negotiates fees for consulting work sought by the Cabinet, and routinely confers with the Finance and Administration Cabinet and the Legislative Research Commission with respect to contract awards.

**Transportation
Highways
Planning**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Federal Fund					
Balance Forward					
Current Receipts	11,947,543	12,426,856	13,383,600	12,656,400	12,498,900
Total Federal Fund	11,947,543	12,426,856	13,383,600	12,656,400	12,498,900
Road Fund					
Regular Appropriation	2,732,300	2,732,300	2,732,300	2,732,300	2,732,300
Total Road Fund	2,732,300	2,732,300	2,732,300	2,732,300	2,732,300
TOTAL SOURCE OF FUNDS	14,679,843	15,159,156	16,115,900	15,388,700	15,231,200
EXPENDITURES BY CLASS					
Personnel Costs	12,545,390	13,632,404	15,278,300	14,553,500	14,396,000
Operating Expenses	521,969	749,133	837,600	835,200	835,200
TOTAL EXPENDITURES	13,067,359	14,381,537	16,115,900	15,388,700	15,231,200
EXPENDITURES BY FUND SOURCE					
Federal Fund	11,947,543	12,426,856	13,383,600	12,656,400	12,498,900
Road Fund	1,119,816	1,954,681	2,732,300	2,732,300	2,732,300
TOTAL EXPENDITURES	13,067,359	14,381,537	16,115,900	15,388,700	15,231,200

The Planning program is responsible for administrative and technical support and implements transportation planning activities statewide. The program is charged with a variety of statewide planning initiatives including: rail planning, carpooling, alternative fuel, bikeway, pedway, and ferry operations. In addition, it coordinates the Kentucky Scenic Highway and Byway System, manages the traffic data collection and processing equipment, maintains the Highway Information System, and coordinates air quality conformity with several state and federal agencies.

Highway Planning evaluates state-maintained streets and highways to ensure that available federal and state funds are utilized to maximum efficiency. The Planning unit maintains an inventory of all roadway classifications and prepares city, county, and state road maps for sale and distribution. The program also furnishes statistics required by the Federal Highway Administration and state and local government decision-makers.

Metropolitan Planning maintains and distributes federal funding to nine metropolitan planning organizations (MPOs) to implement the continuing, comprehensive, and cooperative planning process, which is mandated by federal law. The MPOs study the impact of transportation operations in urbanized areas concerning congestion management, air quality, environmental issues, public involvement, land use and development, and public transportation.

Area Development Districts (ADDs) Assistance administers a regional planning and public participation process in the state's 15 ADDs as part of the Cabinet's overall statewide transportation planning process, as required by 23 USC and 23 CFR 450. The Cabinet contracts with each ADD for activities in support of the regional and statewide planning process, including public involvement, data collection, analysis, identification of needs, project recommendations, regional prioritization of projects, and technical assistance and review.

**Transportation
Highways
Highway Operations**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Current Receipts			14,718,700	13,507,200	13,507,200
Non-Revenue Receipts			-1,211,500		
Total Restricted Funds			13,507,200	13,507,200	13,507,200
Road Fund					
Regular Appropriation	30,774,400	32,207,600	32,472,800	38,472,800	39,472,800
Total Road Fund	30,774,400	32,207,600	32,472,800	38,472,800	39,472,800
TOTAL SOURCE OF FUNDS	30,774,400	32,207,600	45,980,000	51,980,000	52,980,000
EXPENDITURES BY CLASS					
Personnel Costs	30,263,615	31,496,409	37,458,700	43,501,600	44,501,600
Operating Expenses	41,650	246,528	8,021,300	7,978,400	7,978,400
Grants Loans Benefits	450	413			
Capital Outlay			500,000	500,000	500,000
Construction	4,036	1,063			
TOTAL EXPENDITURES	30,309,751	31,744,413	45,980,000	51,980,000	52,980,000
EXPENDITURES BY FUND SOURCE					
Restricted Funds			13,507,200	13,507,200	13,507,200
Road Fund	30,309,751	31,744,413	32,472,800	38,472,800	39,472,800
TOTAL EXPENDITURES	30,309,751	31,744,413	45,980,000	51,980,000	52,980,000

In accordance with KRS Chapter 176, the Highway Operations program provides leadership, management, and central administrative support and funding for central office and district operations for the Transportation Cabinet's Department of Highways. The Commissioner of Highways oversees the Department, which includes the State Highway Engineer's Office, three offices which include 14 divisions, and 12 district offices across the state. In the 12 district offices, the Chief District Engineer manages the road project functions and reports to the State Highway Engineer.

The State Highway Engineer's Office manages and coordinates the engineering functions of the Cabinet, reviews management, engineering, and personnel reports and recommendations from the engineering and professional divisions, staff and Deputy State Highway Engineers. In addition, the Office administers the Cabinet's Engineering Scholarship program and the Engineering Graduate Training program, coordinates the Research program, and manages special projects, such as the Louisville Bridges project.

Contract procurement activities are also a part of the Highway Operations program and include prequalifying road contractors, advertising bids for road construction projects, awarding contracts, and issuing work orders and monitoring required contract provisions.

In fiscal year 2016-2017, the Transportation Cabinet began collecting a portion of the toll revenue from the Louisville-Southern Indiana Ohio River Bridges project to fund toll system operations and maintenance and administrative costs of the Kentucky Public Transportation Infrastructure Authority (KPTIA). The toll revenue is collected in an enterprise fund within the Transportation Cabinet, and the costs that it supports are included in the above restricted funds.

**Transportation
Highways
Equipment Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	14,618,150	8,372,284	9,305,000	3,305,000	1,305,000
Current Receipts	54,998,680	60,437,322	63,083,500	66,932,500	67,412,400
Non-Revenue Receipts	-450,900				
Total Restricted Funds	69,165,930	68,809,606	72,388,500	70,237,500	68,717,400
TOTAL SOURCE OF FUNDS	69,165,930	68,809,606	72,388,500	70,237,500	68,717,400
EXPENDITURES BY CLASS					
Personnel Costs	13,141,347	14,010,455	16,229,900	19,082,300	19,336,900
Operating Expenses	19,734,314	16,733,551	21,300,300	18,296,900	17,827,200
Grants Loans Benefits	-10	850			
Capital Outlay		25,928			
Construction	27,917,996	28,733,724	31,553,300	31,553,300	31,553,300
TOTAL EXPENDITURES	60,793,647	59,504,508	69,083,500	68,932,500	68,717,400
EXPENDITURES BY FUND SOURCE					
Restricted Funds	60,793,647	59,504,508	69,083,500	68,932,500	68,717,400
TOTAL EXPENDITURES	60,793,647	59,504,508	69,083,500	68,932,500	68,717,400

The mission of the Equipment Services program is to provide highway construction and maintenance equipment for use by the Department of Highways. The unit purchases and maintains all the Cabinet's trucks, heavy equipment, and various pieces of support machinery. This program provides its services through the central office garage in Frankfort and a network of 12 repair garages located throughout the state.

**Transportation
Highways
Highway Safety**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	23,382	11,640	11,800	4,800	7,000
Current Receipts		14,899		9,200	
Total Restricted Funds	23,382	26,539	11,800	14,000	7,000
Federal Fund					
Current Receipts	5,663,176	4,745,060	5,588,900	5,588,900	5,588,900
Non-Revenue Receipts	-718,791	-272,156			
Total Federal Fund	4,944,385	4,472,904	5,588,900	5,588,900	5,588,900
Road Fund					
Regular Appropriation	5,050,900	5,073,600	5,077,900	5,077,900	5,077,900
Total Road Fund	5,050,900	5,073,600	5,077,900	5,077,900	5,077,900
TOTAL SOURCE OF FUNDS	10,018,667	9,573,043	10,678,600	10,680,800	10,673,800
EXPENDITURES BY CLASS					
Personnel Costs	5,254,819	4,850,218	5,624,200	5,931,000	5,931,000
Operating Expenses	1,524,817	1,636,457	1,702,100	1,396,500	1,396,500
Grants Loans Benefits	2,811,868	2,465,334	3,347,500	3,346,300	3,346,300
TOTAL EXPENDITURES	9,591,504	8,952,009	10,673,800	10,673,800	10,673,800
EXPENDITURES BY FUND SOURCE					
Restricted Funds	11,742	14,767	7,000	7,000	7,000
Federal Fund	4,944,385	4,472,904	5,588,900	5,588,900	5,588,900
Road Fund	4,635,377	4,464,337	5,077,900	5,077,900	5,077,900
TOTAL EXPENDITURES	9,591,504	8,952,009	10,673,800	10,673,800	10,673,800

The Office of Transportation Safety is headed by an Executive Director who reports directly to the State Highway Engineer. The Office includes the Division of Incident Management and the Division of Highway Safety Programs. The Motorcycle Advisory Commission for Highway Safety is attached for administrative purposes.

The Division of Incident Management manages the Transportation Operations Center and coordinates highway incident management including providing information to travelers and providing assistance to stranded motorists and law enforcement agencies at the scene of highway incidents.

The Division of Highway Safety Programs is charged with coordinating efforts to reduce fatalities, injuries, and crashes on Kentucky's highway systems.

Transportation
Public Transportation

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,728,200	5,728,200	5,728,200	5,589,000	5,589,000
Continuing Approp-General Fund	197,066	125,188	170,600		
Budget Reduction-General Fund		-62,300	-319,000		
Total General Fund	5,925,266	5,791,088	5,579,800	5,589,000	5,589,000
Restricted Funds					
Balance Forward	100,091	1,970	101,000		
Current Receipts	560,000	660,000	597,700	775,400	861,900
Total Restricted Funds	660,091	661,970	698,700	775,400	861,900
Federal Fund					
Balance Forward					
Current Receipts	24,042,475	20,805,815	43,817,700	25,781,600	25,768,300
Total Federal Fund	24,042,475	20,805,815	43,817,700	25,781,600	25,768,300
TOTAL SOURCE OF FUNDS	30,627,833	27,258,873	50,096,200	32,146,000	32,219,200
EXPENDITURES BY CLASS					
Personnel Costs	1,714,345	1,821,507	2,069,700	2,369,700	2,473,000
Operating Expenses	95,398	103,880	117,800	121,800	121,800
Grants Loans Benefits	28,690,932	25,061,914	47,908,700	29,654,500	29,624,400
TOTAL EXPENDITURES	30,500,675	26,987,301	50,096,200	32,146,000	32,219,200
EXPENDITURES BY FUND SOURCE					
General Fund	5,800,078	5,620,451	5,579,800	5,589,000	5,589,000
Restricted Funds	658,122	561,035	698,700	775,400	861,900
Federal Fund	24,042,475	20,805,815	43,817,700	25,781,600	25,768,300
TOTAL EXPENDITURES	30,500,675	26,987,301	50,096,200	32,146,000	32,219,200
EXPENDITURES BY UNIT					
Public Transportation	29,515,894	26,002,501	49,111,400	31,072,400	31,059,100
Multi-Modal Transportation	424,781	424,800	424,800	398,200	398,200
Human Services Delivery	560,000	560,000	560,000	675,400	761,900
TOTAL EXPENDITURES	30,500,675	26,987,301	50,096,200	32,146,000	32,219,200

The Public Transportation appropriation unit is comprised of three programs: Public Transportation, Multi-Modal, and Human Services Transportation Delivery. The Public Transportation program offers technical and financial assistance to public transportation providers and the metropolitan planning organizations throughout the state through the following federal programs: Sections 5303, 5307, 5309, 5310, 5311, 5316, and 5317. Federal Funds, combined with General Fund and local matching funds, allow public transit authorities to acquire buses and vans.

Also included in the Public Transportation program is funding for Non-public School Transportation, a program that provides grants to non-public schools so that they may offer bus service to their students.

The Multi-Modal program partners with the 15 area development districts with respect to regional and statewide transportation planning processes. This partnership generates public involvement with respect to identifying and prioritizing needs and assists in the project recommendation process, including the coordination of the Statewide Transportation Plan, the State Transportation Improvement program, and the Six-Year Highway Plan.

The Human Service Transportation Delivery program is a partnership between the Transportation Cabinet, the Medicaid program, the Office for Vocational Rehabilitation, and the Office for the Blind. This partnership provides non-emergency medical transportation, jobs access transportation, and transportation to day care facilities. The program also partners with the Veterans' Program Trust Fund to provide transportation services for veterans.

Policy

The [Budget of the Commonwealth](#) provides for the use of Toll Credits to be used by the Office of Transportation Delivery and public transit authorities as the match for federal funds.

**Transportation
Revenue Sharing**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Road Fund					
Regular Appropriation	390,753,800	330,812,900	332,030,200	336,345,200	337,318,200
Continuing Approp-Road Fund	114,900,968	119,146,677			
Budget Reduction-Road Fund	-169,300				
Other	-57,034,983	7,240,187	4,927,000		
Total Road Fund	448,450,485	457,199,764	336,957,200	336,345,200	337,318,200
TOTAL SOURCE OF FUNDS	448,450,485	457,199,764	336,957,200	336,345,200	337,318,200
EXPENDITURES BY CLASS					
Personnel Costs	3,202,683	4,022,750	4,563,900	5,073,600	5,082,600
Operating Expenses	8,820,311	11,884,872	3,216,800	3,236,500	3,236,500
Grants Loans Benefits	184,357,643	179,728,760	181,259,100	180,838,000	181,358,000
Construction	132,601,446	134,329,861	147,917,400	147,197,100	147,641,100
TOTAL EXPENDITURES	328,982,082	329,966,242	336,957,200	336,345,200	337,318,200
EXPENDITURES BY FUND SOURCE					
Road Fund	328,982,082	329,966,242	336,957,200	336,345,200	337,318,200
TOTAL EXPENDITURES	328,982,082	329,966,242	336,957,200	336,345,200	337,318,200
EXPENDITURES BY UNIT					
County Road Aid	130,553,352	126,279,306	127,467,300	127,056,900	127,422,900
Rural Secondary	143,742,648	149,275,653	154,632,500	154,134,600	154,578,600
Municipal Aid	53,632,291	53,323,606	53,663,800	53,461,100	53,615,100
Energy Recovery	568,014	508,937	320,000	320,000	320,000
Rural and Municipal Aid	485,776	578,741	873,600	1,372,600	1,381,600
TOTAL EXPENDITURES	328,982,082	329,966,242	336,957,200	336,345,200	337,318,200

There are five components of the Revenue Sharing program: the County Road Aid program, authorized by KRS 179.410 - 179.440; the Rural Secondary Aid program, authorized by KRS 177.320; the Municipal Road Aid program, authorized by KRS 177.365 – 177.366; the Energy Recovery Road program, authorized by KRS 177.977-177.978; and other Special Programs.

The County Road Aid, Rural Secondary Aid, and Municipal Aid programs receive a portion of the state's motor fuels tax collections. The County Road Aid program receives 18.3 percent of motor fuels tax collections which is distributed to counties for the construction, reconstruction and maintenance of county roads and bridges. The Rural Secondary Aid program receives 22.2 percent of motor fuels tax collections, and funds are used to repair and maintain rural and secondary roads. Funds for both programs are allocated through a formula known as the "formula of fifths," as stated in KRS 177.360. Each county receives a portion of the statewide total as follows: one fifth is divided evenly among all counties, one fifth is divided proportionately based on the amount of rural population in each county, one fifth is distributed on the basis of rural road mileage in each county, and two fifths is apportioned according to each county's share of the total land area in the state.

The Municipal Road Aid program is funded by 7.7 percent of motor fuels tax collections. Distribution is made through a formula based upon the population contained in each city or unincorporated urban area.

Pursuant to KRS 183.220(3), two and one-tenth cents (\$0.021) of the tax collected under the motor fuel tax are excluded from the calculations of revenue sharing distributions as prescribed in KRS 177.320(1) (the Rural Secondary program), KRS 177.320(2) (the County Road Aid program), and KRS 177.365 (the Municipal Road Aid program).

Forty percent of the revenues collected from extended vehicle weight fees support the Energy Recovery Road System. Funds are distributed to the counties for the county-maintained portion of that system. The fund distribution is based on (1) the ratio of miles of roads in each county within this system to the total system miles, and (2) the ratio of the total tons of coal transported over the roads in each county to the total tons reported for the entire state. The Transportation Cabinet has the authority to expend the remaining 60 percent on the roads in the system.

The Special Programs budget unit includes the Commissioner's Office, the Office of Local Programs, the Kentucky Bicycle and Bikeway Commission, and the Bicycle and Pedestrian Program.

Policy

The Motor Fuels revenue estimate for the fiscal biennium 2018-2020, upon which the Road Fund appropriations in the Revenue Sharing program are based, is \$758,250,000 in fiscal year 2018-2019 and \$760,250,000 for fiscal year 2019-2020.

**Transportation
Vehicle Regulation**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	5,058,278	5,249,531	8,319,800	5,921,200	1,130,600
Current Receipts	18,463,444	18,829,490	19,128,000	20,700,800	20,514,800
Non-Revenue Receipts			-57,000	-3,199,800	-55,000
Fund Transfers	-7,100,000	-5,100,000	-4,200,000	-6,944,800	-6,000,000
Total Restricted Funds	16,421,722	18,979,021	23,190,800	16,477,400	15,590,400
Federal Fund					
Current Receipts	3,275,229	2,097,114	4,600,000	4,634,500	4,637,700
Non-Revenue Receipts	-603,936	-153,826			
Total Federal Fund	2,671,293	1,943,287	4,600,000	4,634,500	4,637,700
Road Fund					
Regular Appropriation	28,464,000	26,126,900	27,902,200	30,364,200	27,323,400
Budget Reduction-Road Fund	-812,700				
Total Road Fund	27,651,300	26,126,900	27,902,200	30,364,200	27,323,400
TOTAL SOURCE OF FUNDS	46,744,314	47,049,209	55,693,000	51,476,100	47,551,500
EXPENDITURES BY CLASS					
Personnel Costs	20,389,086	19,140,185	22,059,800	24,726,400	24,969,500
Operating Expenses	11,851,720	11,257,286	18,713,200	16,652,800	16,605,300
Grants Loans Benefits	4,209,736	4,262,360	4,217,500	4,217,500	4,217,500
Debt Service	3,144,750	3,143,000	4,781,300	4,748,800	1,604,000
Capital Outlay	220,011				
TOTAL EXPENDITURES	39,815,303	37,802,831	49,771,800	50,345,500	47,396,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	11,172,190	10,659,316	17,269,600	15,346,800	15,435,200
Federal Fund	2,671,293	1,943,287	4,600,000	4,634,500	4,637,700
Road Fund	25,971,820	25,200,227	27,902,200	30,364,200	27,323,400
TOTAL EXPENDITURES	39,815,303	37,802,831	49,771,800	50,345,500	47,396,300
EXPENDITURES BY UNIT					
Commissioner	1,138,426	1,299,616	1,471,700	1,697,300	1,716,200
Drivers Licensing	11,560,260	10,276,900	13,269,500	14,528,400	14,515,900
Motor Carriers	6,349,993	6,298,421	9,577,000	10,200,700	10,265,900
Motor Vehicle Licensing	18,660,413	17,745,100	23,250,600	21,471,500	18,427,900
Customer Service	1,147,851	1,131,993	1,100,900	1,222,400	1,233,500
Motor Vehicle Commission	958,360	1,050,801	1,102,100	1,225,200	1,236,900
TOTAL EXPENDITURES	39,815,303	37,802,831	49,771,800	50,345,500	47,396,300

The Department of Vehicle Regulation includes the Commissioner's Office and the following divisions: Driver Licensing, Motor Carriers, Motor Vehicle Licensing, and Customer Service. The Motor Vehicle Commission is also attached to the Department for administrative purposes.

Under KRS Chapters 186, 187, 189A, 218A, 281A, and KRS 159.051, the Division of Driver Licensing maintains driver history records for approximately three million drivers. The Division issues licenses to commercial drivers who meet statutory requirements. The Division also enforces driver's license suspensions, revocations, and driver limitation programs. It operates State Traffic School programs, including the Graduated Licensing program.

The Division of Motor Carriers is responsible for the regulation of the trucking and lease/rental industries. The division also collects various taxes from the motor carrier industry, including the weight-distance tax.

The Division of Motor Vehicle Licensing provides for the titling and registration of motor vehicles and boats in accordance with KRS Chapters 186, 186A, 235, and 376. It maintains the Automated Vehicle Information System (AVIS) and controls title distribution functions. Registration and title applications are initiated through local county clerks' offices.

Newly created in 2012, the Division of Customer Service provides a single point of contact for all telephone calls to the Department of Vehicle Regulation in support of over 3 million public customers, Circuit Clerks, County Clerks, and commercial businesses.

Pursuant to KRS Chapter 190, the Kentucky Motor Vehicle Commission licenses and regulates motor vehicle manufacturers, dealers, and salespersons. It is funded through license fees that are deposited into a Restricted Fund account.

Policy

The 2015 General Assembly created the Ignition Interlock License program for drunk driving offenders as outlined in Senate Bill 133. The Transportation Cabinet administers the application process for the program for a fee that is deposited into the Road Fund. The above appropriation includes \$184,200 in each fiscal year for administration of the program. Restricted Funds collected under the provisions of KRS 45.345 and KRS 138.710(2) may be used to administer the Ignition Interlock License program.

Statewide

**Statewide
Budget Reserve Trust Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation				33,455,100	195,064,500
Surplus Expenditure Plan	82,514,310	26,354,485			
Special Appropriation	63,500,000				
Continuing Approp-General Fund	77,093,936	209,447,046	150,491,500	8,054,200	41,509,300
Mandated Allotments		-85,310,048	-85,725,800		
Other	-13,661,200		-56,711,500		
Total General Fund	209,447,046	150,491,483	8,054,200	41,509,300	236,573,800
TOTAL SOURCE OF FUNDS	209,447,046	150,491,483	8,054,200	41,509,300	236,573,800
EXPENDITURES BY CLASS					
TOTAL EXPENDITURES					
EXPENDITURES BY FUND SOURCE					
TOTAL EXPENDITURES					
EXPENDITURES BY UNIT					
TOTAL EXPENDITURES					

The Budget Reserve Trust Fund is the Commonwealth's "Rainy Day Fund." KRS 48.705 provides for deposits to the Budget Reserve Trust Fund from direct appropriations, excess receipts, and unexpended appropriations, up to five percent of actual General Fund revenue receipts. These funds are appropriated and available in the event that actual General Fund revenue receipts during the biennium are not sufficient to meet the General Fund appropriation levels authorized in the budget. These funds are also available as a resource for Necessary Governmental Expenses when there is no General Fund surplus.

Policy

The 2016-2018 enacted budget withdrew \$56,711,500 in fiscal year 2018 from the Budget Reserve Trust Fund. It is estimated that \$85 million will be needed to fund Necessary Governmental Expenses in fiscal year 2018.

The net effect is a balance in fiscal year 2019 of approximately \$8 million, representing 0.07 percent of budgeted revenues.

The Budget of the Commonwealth includes \$33,455,100 in fiscal year 2019 and \$195,064,500 in fiscal year 2020 to the Budget Reserve Trust Fund, which would bring the balance up to \$236,573,800, which is 2.1 percent of the fiscal year 2020 General Fund revenue estimate.

KRS 48.705(3) targets a Budget Reserve Trust Fund balance of five percent of actual General Fund receipts collected during the fiscal year just ended (approximately \$550 million). The Budget of the Commonwealth moves toward that objective with a Budget Reserve Trust Fund balance of over \$230 million on June 30, 2020.

Statewide					
Kentucky Permanent Pension Fund					
	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Surplus Expenditure Plan		26,354,485			
Total General Fund		26,354,485			
TOTAL SOURCE OF FUNDS		26,354,485			
EXPENDITURES BY CLASS					
Personnel Costs		26,354,485			
TOTAL EXPENDITURES		26,354,485			
EXPENDITURES BY FUND SOURCE					
General Fund		26,354,485			
TOTAL EXPENDITURES		26,354,485			
EXPENDITURES BY UNIT					
Kentucky Permanent Pension Fund		26,354,485			
TOTAL EXPENDITURES		26,354,485			

The Kentucky Permanent Pension Fund was created by the 2016 General Assembly and is now codified in KRS 42.205. The purpose of the fund is to address the Commonwealth's unfunded pension liabilities, and the statute stipulates that the fund shall be used only for contributions to the Commonwealth's public employee pension funds. The Kentucky Permanent Pension Fund is characterized as an Other Expendable Trust Fund for financial reporting purposes; therefore, activity in the off-budget account is not displayed above.

Policy

A deposit of \$26,354,485 was made from the fiscal year 2016-2017 General Fund surplus to the Kentucky Permanent Pension Fund as stipulated in Part VII of the 2016-2018 biennial appropriations act. That act also transferred \$125,000,000 from the Public Employee Health Insurance Fund to the Permanent Pension Fund in fiscal year 2018.

The 2016-2018 biennial appropriations act authorized up to \$3,000,000 from the Permanent Pension Fund to be used for a performance audit of state-administered retirement systems.

The Budget of the Commonwealth suspends the provisions of KRS 42.205 and transfers \$75,000,000 in each year of the biennium from the Kentucky Permanent Pension Fund to the General Fund.

Legislative Branch

Legislative Branch

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	60,139,500	59,311,100	63,206,600	68,607,700	70,162,500
Continuing Approp-General Fund	13,890,367	13,198,343	10,836,000	10,836,000	10,836,000
Budget Reduction-General Fund		-406,500	-463,900		
Total General Fund	74,029,867	72,102,943	73,578,700	79,443,700	80,998,500
Restricted Funds					
Balance Forward	1,032,151	975,725	1,006,400	1,006,400	1,006,400
Current Receipts	193,823	30,811	175,000	75,000	175,000
Total Restricted Funds	1,225,974	1,006,535	1,181,400	1,081,400	1,181,400
TOTAL SOURCE OF FUNDS	75,255,841	73,109,478	74,760,100	80,525,100	82,179,900
EXPENDITURES BY CLASS					
Personnel Costs	47,354,290	47,170,215	47,745,500	57,338,200	58,678,900
Operating Expenses	11,165,971	10,492,273	11,651,100	9,035,500	9,349,600
Capital Outlay	588,710	120,312	37,000	40,000	40,000
TOTAL EXPENDITURES	59,108,971	57,782,800	59,433,600	66,413,700	68,068,500
EXPENDITURES BY FUND SOURCE					
General Fund	58,858,721	57,782,800	59,258,600	66,338,700	67,893,500
Restricted Funds	250,250		175,000	75,000	175,000
TOTAL EXPENDITURES	59,108,971	57,782,800	59,433,600	66,413,700	68,068,500
EXPENDITURES BY UNIT					
Legislative Branch	59,108,971	57,782,800	59,433,600	66,413,700	68,068,500
TOTAL EXPENDITURES	59,108,971	57,782,800	59,433,600	66,413,700	68,068,500

Judicial Branch

Judicial Branch

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	337,449,600	363,245,100	365,212,700	384,897,100	388,377,700
Continuing Approp-General Fund	1,803,519		2,281,259		
Budget Reduction-General Fund		-3,494,100	-1,886,500		
Total General Fund	339,253,119	359,751,000	365,607,459	384,897,100	388,377,700
Restricted Funds					
Balance Forward	12,681,110	846,365	10,676,273	8,982,400	8,614,100
Current Receipts	24,037,959	23,463,440	22,970,338	23,025,300	23,027,800
Non-Revenue Receipts	13,356,645	13,308,464	11,750,089	11,750,000	11,750,000
Total Restricted Funds	50,075,714	37,618,269	45,396,700	43,757,700	43,391,900
Federal Fund					
Current Receipts	3,712,532	3,821,252	2,758,700	1,982,700	1,369,200
Total Federal Fund	3,712,532	3,821,252	2,758,700	1,982,700	1,369,200
TOTAL SOURCE OF FUNDS	393,041,365	401,190,521	413,762,859	430,637,500	433,138,800
EXPENDITURES BY CLASS					
Personnel Costs	222,625,287	227,810,969	233,914,100	254,172,100	257,779,200
Operating Expenses	169,468,813	160,305,520	170,766,359	160,051,300	159,572,400
Capital Outlay	100,000	115,700	100,000	100,000	100,000
TOTAL EXPENDITURES	392,194,100	388,232,189	404,780,459	414,323,400	417,451,600
EXPENDITURES BY FUND SOURCE					
General Fund	339,252,219	357,468,941	365,607,459	377,197,100	380,877,700
Restricted Funds	49,229,349	26,941,996	36,414,300	35,143,600	35,204,700
Federal Fund	3,712,532	3,821,252	2,758,700	1,982,700	1,369,200
TOTAL EXPENDITURES	392,194,100	388,232,189	404,780,459	414,323,400	417,451,600
EXPENDITURES BY UNIT					
Judicial Branch	392,194,100	388,232,189	404,780,459	414,323,400	417,451,600
TOTAL EXPENDITURES	392,194,100	388,232,189	404,780,459	414,323,400	417,451,600