

Executive Branch Budget FY 2014 - 2016

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Governor's Budget Goal: Improve Kentucky's Competitiveness

- Grow jobs
- Enhance education funding
- Continue progress in early childhood education
- Provide healthcare for most vulnerable
- Protect the public's safety
- Make fiscally responsible and critical investments for the future
- Run a lean and efficient government

Budget Challenges

- ❑ Increasing, but modest revenues
- ❑ Increasing costs to maintain same services
- ❑ Cumulative impact of seven consecutive years of budget cuts

Budget Balanced With Existing Resources

- No Expanded Gaming Revenues
- No Tax Reform
- No Use of Budget Reserve Trust Fund

FY14 General Fund Budget Update

□	Uses:	(millions \$)
■	Unspecified Spending Cuts within Enacted Budget	\$ 40.0
■	Unrealizable Fund Transfers	6.8
■	Current Year Appropriations	40.8
■	Necessary Government Expenses	<u>9.4</u>
	Subtotal	\$ 97.0
□	Sources:	
■	Dedicated Appropriation Reductions	\$ 77.0
■	Lapse Estimates	60.5
■	Revenues in Excess of Budget	24.2
■	Asset Sale	3.5
■	Revenue Collection	<u>1.3</u>
	Subtotal	\$166.5
□	Ending Balance:	\$ 69.5

Current Year Appropriations

□ Agencies in Fiscal Difficulty	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>
	(millions \$)		
■ Fair Board	\$10.5	\$2.2	--
■ Parks	\$ 8.2	\$1.6	\$0.6
■ State Police	\$ 7.2	\$5.0	\$5.0
■ Public Advocacy	\$ 4.4	\$2.7	\$2.7
■ Natural Resources	\$ 0.7	\$0.8	\$0.8
□ Tobacco Reduction Assistance			
■ Early Childhood	\$ 5.3		
■ Health Care Improvement	\$ 2.7		
□ KEES	<u>\$ 1.8</u>		
TOTAL	\$ 40.8		

Modest General Fund Revenue Growth Predicted

(millions and percent change from prior fiscal year)



Consensus Forecasting Group (CFG)

- ❑ Adopted the control forecast for the General Fund, Road Fund, and Tobacco MSA Fund
- ❑ Kentucky economic and revenue forecasts directly linked to national forecast provided by Global Insight
- ❑ Noted areas of risk
 - Highly dependent on improvement in new home construction
 - Downside risk to coal severance revenues; changes may continue as more electric generating capacity moves away from coal
 - Recognition of the range of outcomes regarding future MSA payments to Kentucky

Why Modest Growth?

- ❑ Sales and Use Tax base (accounts for one-third of GF revenues), with a focus on the goods-based economy, will no longer sustain economy
 - ❑ Sales tax base reflects an even smaller portion of average household budget
- ❑ Property taxes have been slow to recover from the recession
- ❑ Corporate profitability has started to weaken as companies must re-invest in production

General Fund Revenue Estimate

General Fund	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate
Individual Income	\$3,812.3	\$3,977.3	\$4,135.8
Sales and Use	\$3,099.3	\$3,149.6	\$3,216.8
Property	\$568.9	\$581.2	\$597.5
Corporation Income	\$460.5	\$463.4	\$434.4
LLET	\$231.7	\$233.7	\$253.1
Lottery	\$224.0	\$237.0	\$249.5
Cigarette	\$231.2	\$223.5	\$219.2
Coal Severance	\$200.6	\$204.6	\$201.6
Other	\$719.6	\$724.0	\$738.7
Total General Fund	\$9,548.1	\$9,794.3	\$10,046.6

General Fund Revenue Percentage Growth

General Fund	FY 2014	FY 2015	FY 2016
Percent Change	Estimate	Estimate	Estimate
Individual Income	2.4%	4.3%	4.0%
Sales and Use	2.6%	1.6%	2.1%
Property	1.9%	2.2%	2.8%
Corporation Income	14.9%	0.6%	-6.3%
LLET	-5.9%	0.9%	8.3%
Lottery	4.0%	5.8%	5.3%
Cigarette	-3.1%	-3.3%	-1.9%
Coal Severance	-13.0%	2.0%	-1.5%
Other	0.8%	0.6%	2.0%
Total General Fund	2.1%	2.6%	2.6%

Road Fund Revenue Estimate

	FY 2014	FY 2015	FY 2016
Road Fund	Estimate	Estimate	Estimate
Revenues			
Motor Fuels	\$900.7	\$883.2	\$870.5
Motor Vehicle Usage	\$448.4	\$425.5	\$445.5
Motor Vehicle License	\$101.3	\$101.9	\$103.1
Weight Distance	\$76.1	\$79.9	\$81.4
Other	\$37.2	\$36.4	\$36.7
Motor Vehicle Operators	\$16.1	\$16.7	\$17.5
Investment	\$2.8	\$3.1	\$3.7
Total Road Fund	\$1,582.6	\$1,546.7	\$1,558.4

Road Fund Revenue Percentage Growth

	FY 2014	FY 2015	FY 2016
Road Fund	Estimate	Estimate	Estimate
Percent Change			
Motor Fuels	7.4%	-1.9%	-1.4%
Motor Vehicle Usage	5.1%	-5.1%	4.7%
Motor Vehicle License	-1.0%	0.6%	1.2%
Weight Distance	1.6%	5.0%	1.9%
Other	10.7%	-2.2%	0.8%
Motor Vehicle Operators	0.6%	3.7%	4.8%
Investment	-800.0%	10.7%	19.4%
Total Road Fund	6.1%	-2.3%	0.8%

Balanced Budget 2014-16 Biennium

Biennial Total

Measures to Fund Spending/Balance Budget:

General Fund Revenue Official Estimate	\$19,840,900,000
General Fund Cuts	98,599,400
Fund Transfers	370,769,500
Other Resources and Lapses	49,546,200
Affordable Care Act Savings	166,763,600
Beginning Balance	69,458,400

Fund Transfers

- 2014-16 Biennium \$370.8 million
 - FY 2015 \$253.4
 - FY 2016 \$117.4

- Average of Last 6 Biennia \$374.0 million

- Average of Last 8 Biennia \$340.4 million

Affordable Care Act Savings

Savings to the General Fund

	<u>FY15</u>	<u>FY16</u>
	(millions of \$)	
Behavioral Health-Community Mental Health Centers	\$21.0	\$30.0
Public Health - Local Health Departments	6.0	11.7
Community Based Services-Foster Care	1.1	1.1
Medicaid Benefits	21.4	21.8
Medicaid - Tobacco fund replacement	15.7	4.6
UofL-Indigent Care	9.0	12.0
Corrections - certain hospitalization costs	5.6	5.8
Total	\$79.8	\$87.0
Biennial Total	\$166.8	

Making Critical Investments to Protect Priorities

- ❑ Many agencies reduced 5% in FY 15 and straight-lined in FY 16
- ❑ Lesser reductions in some areas (2.5%)
- ❑ Priority areas straight-lined or increased

Making Critical Investments: Competitiveness through Education

- ❑ **Increases SEEK funding: \$71 million in FY15 and \$118 million in FY16**
 - Includes 2% raise in FY15 and 1% raise in FY16 for all local school district personnel
 - Highest-ever base per-pupil guarantee: \$3,911 in FY 15 and \$3,981 in FY 16
- ❑ **Restoration of Flexible Focus Grants: \$47.7 million each year**
 - Funds textbooks, professional development, extended school services and safe schools
- ❑ **Expands Pre-school: \$18 million each year**
 - Expands eligibility for 4-year-olds to 160% of Federal Poverty Level
 - 5,125 more children will be served (22% increase)
- ❑ **Funds \$100 million School Facilities Bonds for school construction**
 - Authorizes additional \$100 million Offers of Assistance
- ❑ **Replace aging school technology: \$50 million in bonds**

Making Critical Investments: Competitiveness through Education

- **Expand AdvanceKY:**
 - \$2 million to expand access to college-level work in high school
 - Improves access to participation in AP courses, especially for underserved populations
 - Expands program to 10 additional high schools
- **Gatton Academy of Mathematics and Science at WKU:** \$2 million in FY16 for 80 additional students
- **Expand Governor's School for the Arts, Governor's Scholars programs:**
 - Funds 100 new students in each program for a total \$1.28 million over two years
 - \$380,000 each year for Governor's School for the Arts
 - \$263,000 each year for Governor's Scholars Program
- **Provides increase in health insurance funding** to support 2% increase each plan year
 - \$21.7 million in FY15 and \$35.1 million in FY16

Making Critical Investments: Competitiveness through Education

- **Funds employer contributions for Kentucky Teachers' Retirement System medical insurance**
 - \$11.5 million in FY15 and \$22.6 million in FY16
- **Library Construction:** \$2 million for local library debt service grant program
- **KEES:** Fully funds projected need for merit-based scholarships
 - Increase in General Fund of \$9.5 million in FY15 and \$12.9 million in FY16
- **Bucks for Brains:** \$60 million in bonds
 - First investment since the FY2008-10 biennium
 - \$50 million to the research institutions
 - \$10 million to the comprehensive universities
- **Commonwealth College:**
 - Online adult learner degree attainment
 - \$1.9 million for operating in each year; \$1.2 million in bonds for development of the central web portal

Making Critical Investments: Competitiveness through Economic Development

- ❑ **Reinvests in programs to retain and create jobs**
 - \$10 million KY Economic Development Finance Authority loan pool - -- bond funds
 - \$10 million High-Tech grants and loans – bond funds
 - \$10 million Economic Development Bond program – bond funds
- ❑ **Build Bluegrass Advanced Manufacturing Facility (Georgetown): \$24 million**
- ❑ **Business one stop portal phase II: \$7.2 million**
- ❑ **Statewide High-Speed Broadband: \$100 million**
 - Next Generation Kentucky Information Highway to provide modern infrastructure to enable businesses to compete globally
 - \$60 million-bond funds and \$40 million federal and private funds

Making Critical Investments: Competitiveness through Strengthening Eastern Kentucky (SOAR)

- ❑ **Mountain Parkway:** Provides for the 4-laning between Campton and Prestonsburg.
- ❑ **Next Generation Kentucky Information Highway**
- ❑ **Regional Strategic Development Fund:** \$4 million from single county coal severance funds from eastern Kentucky counties
- ❑ **SOAR Administration Funds:** \$400,000 from multi-county coal severance funds to be matched with other funds
- ❑ **Coal County College Completion Scholarships:** \$2 million a year (will fund over 500 students annually) from multi-county coal severance funds
- ❑ **LGEAF Fund share of Coal Severance Taxes increased by 2.5% to provide flexibility in coal severance operating funds for counties**

Making Critical Investments: Competitiveness through Strengthening Families and Children

- **Child Care Assistance Program:**
 - Restores \$52.7 million in FY15 and \$58.1 million in FY16
 - Impacts 18,000 children and over 10,000 families
 - Opens intake and restores eligibility to 150% FPL

- **Child Fatality Review Commission:** Funds staffing and support at \$420,000 each year

- **Domestic Violence Shelters and Sexual Abuse Centers:**
 - Additional support of \$500,000 each over the biennium for operating
 - Full funding of retirement increases

Making Critical Investments: Competitiveness through Strengthening Families and Children

- ❑ **Meals on Wheels:** Additional 3,500 people receiving meals

- ❑ **Health Access Nurturing Development Services (HANDS)**
 - \$11.6 million FY 16
 - Replace loss of federal funds and expand services statewide
 - ❑ Continue to provide services to non-first time parents in high risk communities
 - ❑ Expand services to non-first time parents statewide

- ❑ **Full ARC (Actuarially Required Contribution)**
 - MHMR Boards: fully funds the increased retirement costs - \$19.6 million General Fund each year
 - Local Health Departments: fully funds the increased retirement costs - \$14.6 million General Fund each year

Making Critical Investments: Competitiveness through Health

❑ **Cancer Screening**

- Additional \$500,000 per year to increase colon cancer screening for uninsured Kentuckians to be matched by the Kentucky Cancer Foundation
- \$1 million in FY 16 to increase breast and cervical cancer screenings for uninsured women

❑ **Oral Health**

- Additional preventive services such as fluoride treatments and cleanings
- 5 additional dental hygiene sites in local health departments each year
- \$1.2 million FY 15 \$2.1 million FY 16

❑ **Majority of Public Health exempt from cuts**

Making Critical Investments: Competitiveness through Health-Medicaid

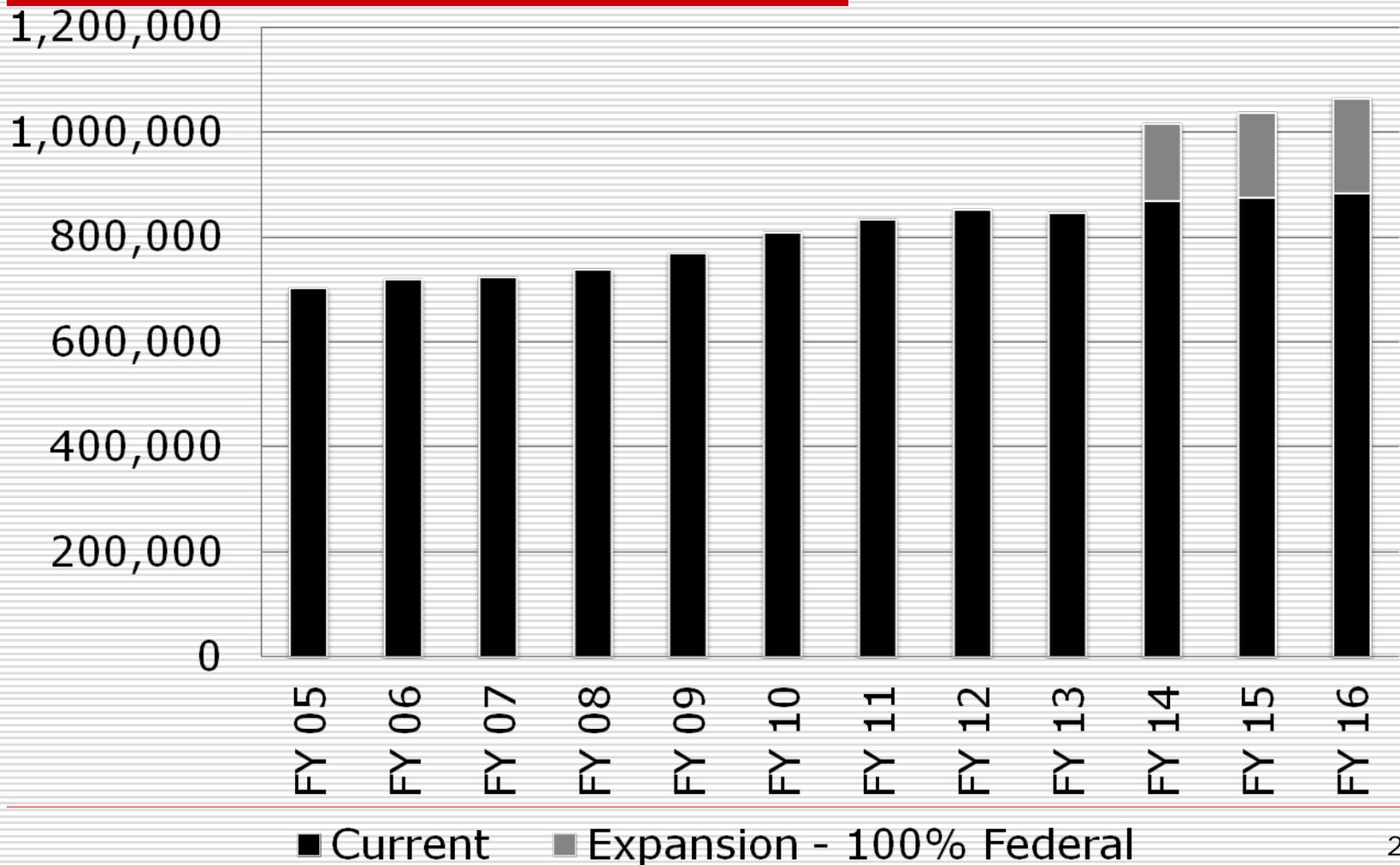
- **Recommended General Fund increase**
 - FY 15: \$65.7 million (+4%) FY 16: \$124.2 million (+4%)

- **Increased General Fund need for pre-expansion population:**
 - Increasing enrollment
 - Increasing healthcare costs

- **Continue to implement cost containment measures**

- **Medicaid Expansion fully funded with federal dollars**

Medicaid Population – FY 2005 to 2016



Medicaid Investments

- **Supports for Community Living Waiver**
 - Additional 400 community placements for individuals with intellectual or developmental disabilities over biennium
 - \$4.7 million FY 15 \$9.4 million FY 16

- **Acquired Brain Injury Waiver**
 - Additional 303 community placements over biennium
 - \$4.1 million FY 15 \$8.2 million FY 16

- **Michelle P Waiver**
 - Additional 500 in-home placements for individuals with intellectual or developmental disabilities over biennium
 - \$1.8 million FY 15 \$3.6 million FY 16

Corrections-Felon Population

	<u>Actuals/ Estimate</u>	<u>2012-14 Budgeted</u>	<u>Difference</u>
FY 2011-Actual	20,785		
FY 2012-Actual	21,471	20,966	505
FY 2013-Actual	21,790	19,864	1,926
FY 2014-Estimate	20,623	19,141	1,482
FY 2015-Estimate	20,867		
FY 2016-Estimate	21,112		

PVA Financing Proposal Supported in the Governor's Budget

- ❑ PVAs approached the Administration with a proposal
- ❑ PVAs seek a more stable source of funding after 7 General Fund budget cuts
- ❑ Recover costs from Special Taxing Districts for use of the assessments provided by the PVA (Counties and Cities currently pay, Special Taxing Districts do not)
- ❑ Includes Library, Fire, Health, Cooperative Extension, Hospital, Ambulance, Soil Conservation
- ❑ **Excludes School Districts**
- ❑ Reduce burden on the General Fund by \$15 million each year
- ❑ Replaces about \$8 million in other local funds that PVAs have used to ensure minimal level of staffing across all Counties
- ❑ Place a cap on the amount of costs recovered from Special Districts

Debt Appropriated 2004-2016 By Fund

Biennium	General Fund	Agency	Road Fund	Total
2004-06	\$1,204,589,300	\$251,726,000	\$450,000,000	\$1,906,315,300
2006-08	\$1,492,991,000	\$267,537,000	\$350,000,000	\$2,110,528,000
2008-10	\$657,281,000	\$823,213,000	\$535,000,000	\$2,015,494,000
2010-12	\$507,395,800	\$519,304,000	\$522,500,000	\$1,549,199,800
2012-14	\$335,260,000	\$424,998,000	\$12,500,000	\$772,758,000
2014-16-Proposed	\$984,399,200	\$974,211,000	\$5,000,000	\$1,963,610,200

70% of General Fund Bonds for Education

	(millions \$)
Postsecondary	\$ 582
K-12 Education	\$ 151
Finance	\$ 142
Tourism	\$ 76
Energy and Environment	\$ 61
Economic Development	\$ 30
Transportation	\$ 17
CHFS	\$ 14
Justice/KIA/Veteran's Affairs	\$ 16
Sub Total	<u>\$1,089</u>
Deauthorize Prior Debt	<u>(105)</u>
Total	\$ 984

Infrastructure Improvements: University General Fund Bonds

Institution	Project	Bond Funds
Eastern Ky University	Construct Science Building, Phase II & III	\$66,340,000
Ky State University	Replace Boilers and Repair Aging Distribution Lines	\$10,400,000
Morehead State University	Renovate/Expand Student Services Facility	\$49,679,000
Murray State University	Construct New Breathitt Veterinary Center	\$32,468,000
Murray State University	Construct/Complete New Science Complex, Final Phase	\$31,890,000
Northern Ky University	Renovate Old Science and Construct Health Innovation	\$97,000,000
University of Kentucky	Expand/Renovate/Upgrade Law Building	\$35,000,000
University of Kentucky	Renovate/Upgrade Academic Learning Center	\$45,000,000
University of Louisville	Construct Belknap Classroom/Academic Building	\$80,560,000
Western Ky University	Renovate Science Campus, Phase IV	\$48,000,000
KCTCS	Construct Advanced Manufacturing Facility - Georgetown	\$24,000,000
	Total	\$520,337,000

Infrastructure Improvements: University Agency Bonds

21 University agency bond projects supported by funding streams identified by the universities, **not** by taxpayer support

	millions
■ Eastern Kentucky University	\$ 27
■ Kentucky State University	\$ 6
■ Morehead State University	\$ 49
■ Murray State University	\$ 29
■ Northern Kentucky University	\$ 15
■ University of Kentucky	\$385
■ University of Louisville	\$162
■ Western Kentucky University	<u>\$ 31</u>
Total	\$704

Infrastructure Improvements: KCTCS Agency Bond Program

- ❑ Single largest investment in KCTCS system since its formation
- ❑ Last three biennial budgets included no new KCTCS capital improvement projects
- ❑ KCTCS initiated proposal to establish agency bond program
- ❑ Funding for projects 75% agency bonds and 25% local funding

KCTCS Agency Bond Projects

College	Project	Agency Bonds
Ashland CTC	Renovate Main Building College Drive Campus	\$7,500,000
Big Sandy CTC	Planning & Design-Expansion of Pikeville Campus	\$1,500,000
Bluegrass CTC	Newtown Campus Expansion-Lexington	\$18,000,000
Elizabethtown CTC	Renovate Owen Classroom Building	\$750,000
Gateway CTC	Urban Campus-Covington	\$11,250,000
Hazard CTC	Planning & Design-Construct Community Intergenerational Center, Lees College Campus, Jackson	\$1,500,000
Henderson CC	Renovate Campus Wide Facilities	\$3,750,000
Hopkinsville CC	Agriculture Health and Career Technology Center, Phase I	\$11,250,000
Jefferson CTC	Carrollton Campus, Phase I	\$12,000,000
Madisonville CC	Postsecondary Education Center	\$15,000,000
Maysville CTC	MCTC/MSU Postsecondary Center of Excellence, Phase I-Rowan County	\$21,000,000
Owensboro CTC	Advanced Technology Center, Phase II	\$9,000,000
Somerset CC	Planning & Design-Construct Arts & Humanities Building	\$1,500,000
Southcentral KY CTC	Instructional Classroom Complex-Bowling Green	\$16,500,000
Southeast KY CTC	Renovate Educational Alliance Center-Middlesboro	\$7,500,000
West KY CTC	2D Art School, Phase I-Paducah	\$7,500,000
Total KCTCS Agency Bonds		\$145,500,000

Infrastructure Improvements: Public-Private Partnerships

- Kentucky International Convention Center
 - Total Project \$180 million
 - General Fund Bonds \$ 56 million
- Rupp Arena/Lexington Convention Center
 - Total Project \$310 million
 - General Fund Bonds \$ 65 million
- University of Kentucky Law School
 - Total Project \$ 65 million
 - General Fund Bonds \$ 35 million
 - Agency Bonds \$ 30 million
 - (private donation-backed)

Making Critical Investments: Pension Solvency and State Workforce

- Provides first salary increase for state employees in 4 years

- Tiered increase in FY15 based on salary

Annual Increment	Annual Base Salary
+5%	Up to \$27,000
+3%	\$27,001 to \$36,000
+2%	\$36,001 to \$50,000
+1%	\$50,001 and above

- All employees receive 1% across the board in FY16
- Additional funding of \$11 million in FY15 and \$28.4 million in FY16
- Sufficient funding included to support 2% increase in employer health insurance premiums each year
 - Additional funding of \$2.8 million in FY15 and \$5.8 million in FY16
- Fully funds actuarially required contribution (ARC)
 - Additional funding of \$101.3 million in FY15 and \$106.3 million in FY16

Judicial Branch

□ Judicial Branch

- Net increase of 6.6% over biennium
 - Funds increases in health insurance and full ARC retirement contributions
 - Assumes 2.5% reduction
 - Over \$7 million each year to begin to address salary adjustments
 - Approximately 800 non-elected employees below the federal poverty level
 - Total request \$12.5 million each year

Many State Agencies Cut 5%

- Governor's Office
- Attorney General
- Auditor's Office
- Treasurer
- Dept. Agriculture
- Sec. of State
- Dept. Local Government
- Military Affairs
- Energy & Environment
- All Cabinets' Administrative Agencies
- Finance Cabinet
- CHFS other than Medicaid, DCBS, Aging, Behavioral Health, Public Health
- Labor Cabinet
- CPE
- Public Protection Cabinet
- Tourism Arts & Heritage (except Parks, Fair Board, Horse Park)
- Public Transportation
- Juvenile Justice
- Legislative Branch

Select Agencies Cut 2.5%

- Kentucky State Police

- Universities and KCTCS

- Comprehensive universities and KCTCS- 50% of increased KERS retirement funded from General Fund - \$8.4 million each year

Critical Areas Exempt from Cuts

- K-12 (including SEEK)
- Department of Education
- Medicaid
- Corrections-
Institutional/Community Beds,
Probation and Parole
- Debt Service
- Health Insurance & Retirement
- Teachers' Retirement
- Student Financial Aid
- Coal Severance Funds
- Revenue
- Prosecutors
- Public Advocacy
- Education and Workforce-KET,
Office for the Blind, Deaf and
Hard of Hearing, Local Aid to
Libraries, EPSB, Vocational
Rehabilitation
- Community Based Services
- Behavioral Health
- Public Health*
- Aging
- Tourism – Fair Board, Horse
Park, Parks
- Veterans' Affairs
- Economic Development
- School Facilities Construction
Commission

*majority exempt

Impact of Cumulative Cuts

- \$1.6 billion cut over last six years and the current year

- With new recommended 5% cuts, many agencies to be cut a cumulative 41% since FY2008

- Impact of the additional cuts will be real:
 - service delays
 - more employee attrition
 - possible layoffs
 - loss of federal funds
 - possible facility closures

Cumulative Impact of Cuts

Finance Agencies	33% - 41%	Cabinet Administrative	
Labor	41%	Agencies	41%
Area Development Districts	41%	Natural Resources	15%
Public Protection	33% - 41%	State Police	13%
Constitutional Officers	35% - 41%	Universities	17%
Military Affairs	37%	Juvenile Justice	17%
Environmental Protection	35%		

Tobacco Settlement – Phase I

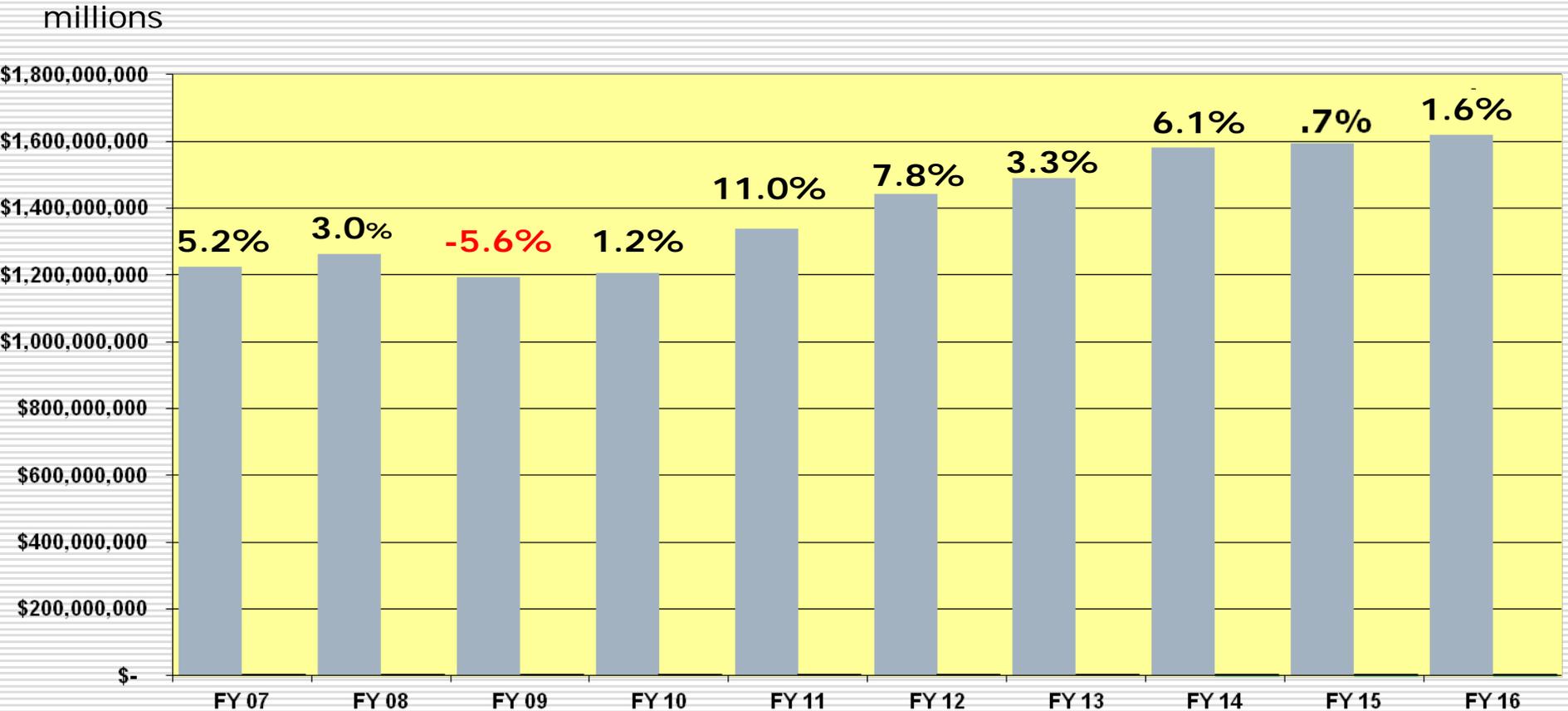
	FY 2015	FY 2016
		(millions \$)
Official Revenue Estimate	\$99.70	\$72.40
less State Enforcement (Revenue Dept)	<u>0.25</u>	<u>0.25</u>
	\$99.45	\$72.15
Agricultural Development - 50%	<u>\$49.7</u>	<u>\$36.1</u>
Debt Service	\$28.4	\$28.5
County Accounts	13.5	6.0
Conservation/Cost Share Program	3.0	1.0
Statewide Grants/Board	4.8	0.6

Tobacco Settlement – Phase I

	FY 2015	FY 2016
		(millions \$)
Early Childhood Development	<u>\$24.9</u>	<u>\$24.9</u>
HANDS	\$9.0	\$9.0
Child Care Assistance	8.7	8.7
Grants to Local Councils	2.6	2.6
Scholarships	1.1	1.1
Others	3.5	3.5
Health Care Improvement	<u>\$24.9</u>	<u>\$11.2</u>
Lung Cancer Research	\$5.0	\$3.6
Smoking Cessation	2.5	1.8
Ky Agency for Substance Abuse Policy	1.7	1.2
Medicaid	15.7	4.6

Road Fund Revenues

(includes freezing the AWP floor)



Restores the Floor of the Average Wholesale Price of Gasoline – Freezing the AWP Floor

2014-2016 Motor Fuels Tax
 Proposal-Freeze AWP at \$2.878
 Tax Rates (in cents)

Fiscal Quarter	CFG Estimate Total Rate*	Proposal Total Rate*	Difference	Loss to Road Fund (millions \$)
FY 14 Q1	32.3	32.3	0.0	
FY 14 Q2	32.3	32.3	0.0	
FY 14 Q3	30.8	30.8	0.0	
FY 14 Q4	29.9	32.3	2.4	(\$11.3)
FY 15 Q1	30.9	32.3	1.4	(\$10.5)
FY 15 Q2	32.3	32.3	0.0	\$0.0
FY 15 Q3	31.0	32.3	1.3	(\$13.5)
FY 15 Q4	29.3	32.3	3.0	(\$22.5) (\$46.5)
FY 16 Q1	30.4	32.3	1.9	(\$16.5)
FY 16 Q2	31.6	32.3	0.7	(\$5.2)
FY 16 Q3	30.7	32.3	1.6	(\$14.3)
FY 16 Q4	29.0	32.3	3.3	(\$24.8) (\$60.8)

* Fixed rate portion is 6.4 cents

(\$107.3)

Making Critical Investments: Competitiveness through Transportation Infrastructure

- 2014 Six Year Highway Plan Projects selected will:
 - Solve a maintenance problem
 - Address a known safety concern
 - Deal with significant traffic congestion
 - Improve highways for Kentucky's employers and citizens
- Annual design and construction contract lettings of \$1 billion

2014 Six Year Highway Plan

Highlighted Projects

- ❑ Provides for the 4-laning of the Mountain Parkway between Campton and Prestonsburg
- ❑ Continues funding the Brent Spence Bridge Project in Northern Kentucky
- ❑ Kentucky share of the Louisville-Southern Indiana Ohio River Bridges Project
- ❑ Completes the 6-laning of Interstate 65 between Bowling Green and Elizabethtown
- ❑ Constructs new bridges on US68/KY80 at Lake Barkley and Kentucky Lake and completes the 4-laning of US68/KY80 from Aurora to I24 at Cadiz

2014 Six Year Highway Plan

Highlighted Projects

- ❑ Continues spending for Interstate 69 in Western Kentucky enabling the ultimate conversion of many more miles of parkway to full I-69 status
- ❑ Widens KY15 to 4-lanes from north of KY80 near Bonnyman to south of KY80 at the KY15 Bypass of Hazard
- ❑ Continues the relocation of US460 (Appalachian Corridor Q) between US23 and the Virginia state line
- ❑ Continues work on the “Valley Floor” section of US 119 (Appalachian Corridor F) in Letcher County between Partridge and Oven Fork
- ❑ Spends over \$500 million to repair or replace more than 250 substandard bridges across the Commonwealth

Statewide Distribution of Highway Plan Projects

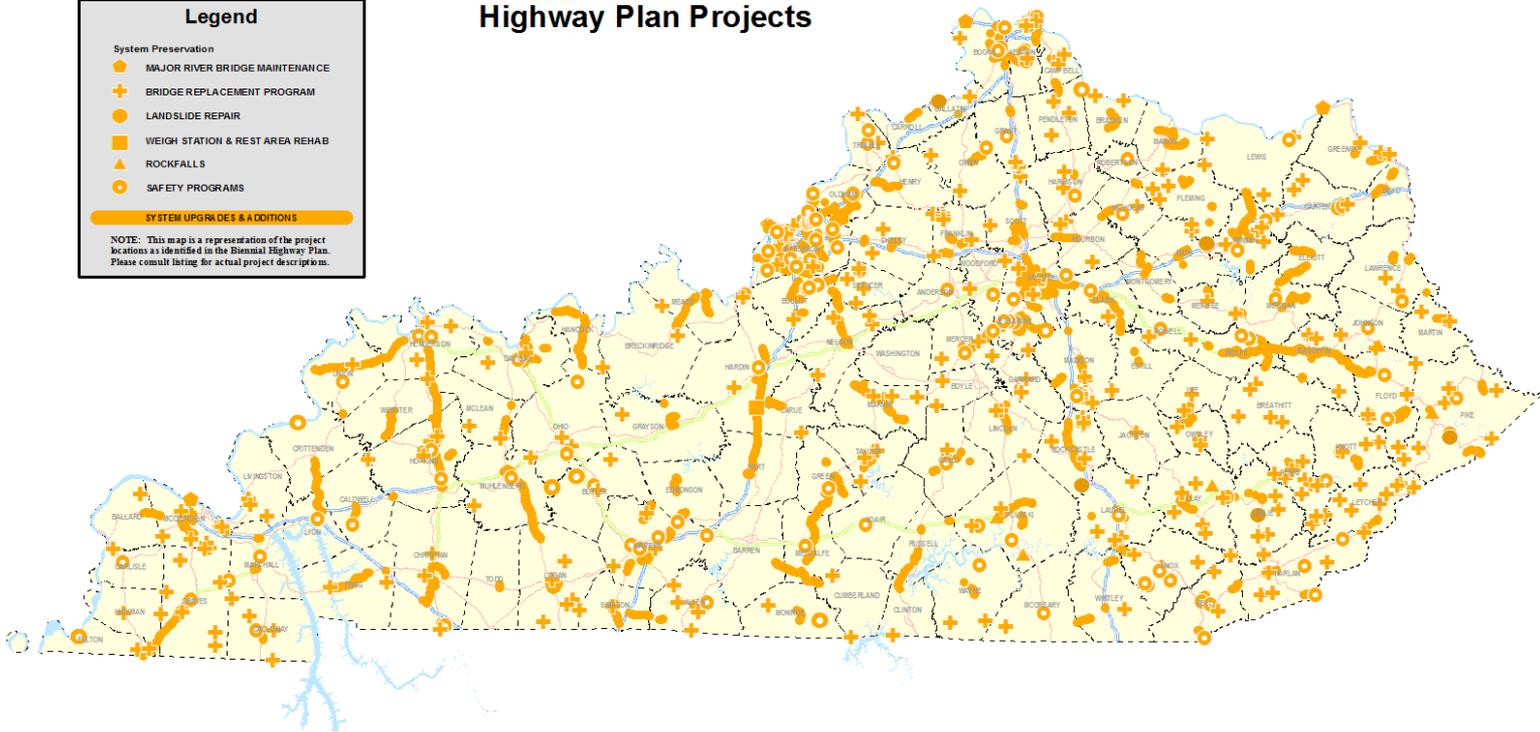
Legend

System Preservation

- MAJOR RIVER BRIDGE MAINTENANCE
- + BRIDGE REPLACEMENT PROGRAM
- LANDSLIDE REPAIR
- WEIGH STATION & REST AREA REHAB
- ▲ ROCKFALLS
- SAFETY PROGRAMS

SYSTEM UPGRADES & ADDITIONS

NOTE: This map is a representation of the project locations as identified in the Biennial Highway Plan. Please consult listing for actual project descriptions.



2021
RDM

Executive Branch Budget FY 2014 - 2016

Jane C. Driskell, State Budget Director

John Hicks, Deputy State Budget Director

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