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DATE July 16, 2014  
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**Road Fund Budget Reduction Order 14-01**

**COMMONWEALTH OF KENTUCKY  
OFFICE OF STATE BUDGET DIRECTOR**

**ALISON LUNDERGAN GRIMES  
SECRETARY OF STATE  
COMMONWEALTH OF KENTUCKY**  
BY R. Adler

**AN ORDER DIRECTING THE REDUCTION OF CERTAIN APPROPRIATIONS  
TO APPROPRIATION UNITS OF THE GOVERNMENT OF THE  
COMMONWEALTH OF KENTUCKY**

WHEREAS, funds were appropriated for the operation, maintenance, support, and functioning of the Government of the Commonwealth of Kentucky during fiscal year 2013-2014, by the 2012 Regular Session and 2012 Extraordinary Session of the General Assembly, based on a Road Fund revenue estimate of \$1,582,600,000 as specified in 2012 Kentucky Acts Chapter 144, Part VIII, as modified by related Acts and actions of the General Assembly in a regular session; and

WHEREAS, the actual Road Fund revenues for fiscal year 2013-2014 are \$1,560,441,246; and

WHEREAS, the actual Road Fund revenues result in a \$22,158,754 revenue shortfall; and

WHEREAS, the Revenue Sharing appropriation unit amount has been adjusted based on actual receipts; and

WHEREAS, \$37,178,100 was budgeted as an ending balance to carry forward for budgeted purposes into fiscal year 2014-2015; and

WHEREAS, \$12,164,580 in Road Fund appropriations are expected to lapse to the Road Fund in excess of the amount budgeted to lapse; and

WHEREAS, the Road Fund Budget Reduction Plan as set forth in Part VIII of House Bill 265, as enacted by the 2012 Regular Session of the General Assembly, provides that the Governor shall implement sufficient reductions as may be required to protect the highest level of service and balance fiscal year 2013-2014; and

NOW, THEREFORE, it is hereby found by the State Budget Director, with approval of the Governor of the Commonwealth, and pursuant to the authority vested in the Office of State Budget Director and the Secretary of the Finance and Administration Cabinet by 2012 Kentucky Acts Chapter 144, Part VIII, and Chapter 48 of the Kentucky Revised Statutes, that it will be necessary, to prevent a deficit in the finances of the Commonwealth, to reduce the appropriations for fiscal year 2013-2014 to the appropriation units of the Government of the Commonwealth from the amounts appropriated, to the amount hereinafter set forth, and, having so found, it is hereby ordered and directed that the appropriations to the appropriation units of the Government of the Commonwealth be reduced to, and allotments adjusted on the basis of the amounts hereinafter listed, to wit:

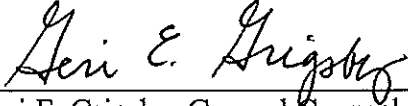
<u>Appropriation Unit</u>	<u>FY 2013-2014 Road Fund Current Appropriations</u>	<u>FY 2013-2014 Road Fund Revised Appropriations</u>	<u>FY 2013-2014 Road Fund Appropriation Reductions</u>
<b>General Government</b>			
Homeland Security	250,000	250,000	
Treasury	250,000	250,000	
<b>Total-General Government</b>	<u>500,000</u>	<u>500,000</u>	<u>0</u>
<b>Energy and Environment Cabinet</b>			
Environmental Protection	300,000	300,000	
<b>Finance and Administration Cabinet</b>			
General Administration	400,000	400,000	
Revenue	2,720,400	2,720,400	
<b>Total-Finance and Administration Cabinet</b>	<u>3,120,400</u>	<u>3,120,400</u>	<u>0</u>
<b>Justice and Public Safety Cabinet</b>			
State Police	91,898,200	91,898,200	
<b>Tourism, Arts, and Heritage Cabinet</b>			
Artisans Center	350,000	350,000	
<b>Transportation Cabinet</b>			
General Administration and Support	67,740,400	67,740,400	
Aviation	3,101,288	3,101,288	
Debt Service	168,161,600	168,161,600	
Highways	1,379,504,046	1,375,815,839	(3,688,207)
Revenue Sharing	521,371,417	521,371,417	
Vehicle Regulation	25,762,700	25,762,700	
Capital Projects	21,053,027	21,053,027	
<b>Total-Transportation Cabinet</b>	<u>2,186,694,478</u>	<u>2,183,006,271</u>	<u>(3,688,207)</u>
<b>GRAND TOTAL</b>	<u>2,282,863,078</u>	<u>2,279,174,871</u>	<u>(3,688,207)</u>

**FY 2013-2014 Road Fund Revenue Shortfall  
Summary**

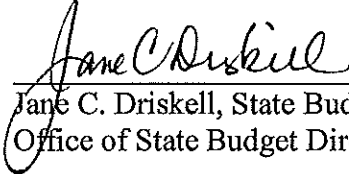
	<u>Amount</u>
Revenue Shortfall	22,158,754
<b>Solutions:</b>	
Dedicated Fuels Tax Revenue Adjustment in Excess of Budgeted	4,536,114
Fund Transfers in Excess of Budgeted	1,769,853
Road Fund Expenditure Lapses in Excess of Budgeted	12,164,580
Road Fund Appropriation Reductions-Executive Branch	<u>3,688,207</u>
<b>Total Solutions</b>	<b>22,158,754</b>

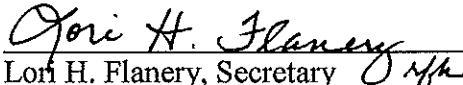
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APPROVED AS TO FORM AND LEGALITY:

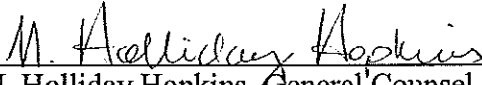
  
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Geri E. Grigsby, General Counsel  
Finance and Administration Cabinet

DONE AT FRANKFORT, KENTUCKY THIS 16th DAY OF JULY, 2014

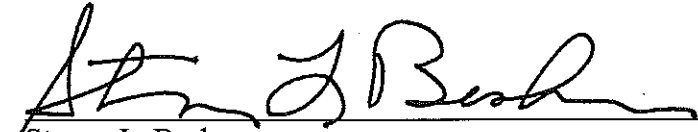
  
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Jane C. Driskell, State Budget Director  
Office of State Budget Director

  
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Lori H. Flanery, Secretary  
Finance and Administration Cabinet

EXAMINED:

  
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M. Holliday Hopkins, General Counsel  
Office of the Governor

APPROVED:

  
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Steven L. Beshear  
Governor