

Approved February 14, 1990
Date

MINUTES OF THE House COMMITTEE ON Transportation

The meeting was called to order by Rex Crowell at
Chairperson

1:40 ~~a.m.~~ p.m. on February 13, 1990 in room 519-S of the Capitol.

All members were present ~~except~~

Committee staff present:

Bruce Kinzie, Revisor of Statutes
Hank Avila, Legislative Research
Donna Mulligan, Committee Secretary

Conferees appearing before the committee:

Secretary Horace B. Edwards, Kansas Department of Transportation

The meeting was called to order by Chairman Crowell, and the first order of business was a presentation by Secretary Horace B. Edwards concerning financing by the Kansas Department of Transportation.

Secretary Horace B. Edwards, Kansas Department of Transportation spoke to the Committee and conducted a slide presentation, concerning financing by KDOT. (See Attachment 1)

Secretary Edwards also discussed the status of transportation aid for the elderly and handicapped. (See Attachment 2)

Discussion and questioning by Committee members followed.

The next business taken up was a bill request.

Representative Delbert Gross requested that legislation be introduced redefining for the purposes of the Elderly and Handicapped Coordinated Public Assistance Act, the term "transportation system".

A motion was made by Representative Gross that this be introduced as a Committee bill. The motion was seconded by Representative Dillon. Motion carried.

Attention was turned to HB-2585, extending the expiration date for the agricultural ethyl alcohol incentive program.

A motion was made by Representative Guldner that HB-2585 be amended to sunset July 1, 1993. The motion was seconded by Representative Dillon.

A motion was made by Representative Guldner that HB-2585 be recommended as amended favorable for passage. The motion was seconded by Representative Dillon. Motion carried.

Representative Wilbert requested that he be recorded as voting "no".

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Transportation,
room 519-S, Statehouse, at 1:40 ~~am~~/p.m. on February 13, 19 90

The next bill taken up was HB-2680 concerning confidentiality of certain information regarding motor vehicle fuel taxes.

A motion was made by Representative Gross that HB-2680 be recommended favorable for passage. The motion was seconded by Representative Fry. Motion carried.

The next bill taken up was HB-2709 concerning license plates for retired members of the National Guard.

A motion was made by Representative Dean that HB-2709 be recommended favorable for passage. The motion was seconded by Representative Smith. Motion carried.

The next bill taken up was HB-2731 concerning bonds required for special fuel users.

A motion was made by Representative Smith that HB-2731 be recommended favorable for passage and placed on the Consent Calendar. The motion was seconded by Representative Shore. Motion carried.

The next bill taken up was HB-2656 concerning proportional registration fees.

A motion was made by Representative Smith that HB-2656 be amended by adding "notice and demand for payment" in Line 31. The motion was seconded by Representative Dean. Motion carried.

A motion was made by Representative Wilbert that HB-2656 be recommended as amended favorable for passage. The motion was seconded by Representative Gross.

A substitute motion was made by Representative Roenbaugh that HB-2656 be amended to to read 5% of amount due instead of 10%. The motion was seconded by Representative Empson. The substitute motion carried.

A motion was made by Representative Shore that HB-2656 be recommended as amended favorable for passage. The motion was seconded by Representative Roenbaugh. Motion carried on a division with 11 voting in favor.

The minutes of the House Transportation committee meeting held on February 12, 1990, were approved as written.

The meeting was adjourned at 3:20 p.m.


Rex Crowell, Chairman

GUEST LIST

COMMITTEE: Transportation

DATE: 2-13-90

PLEASE PRINT

NAME	ADDRESS	COMPANY/ORGANIZATION
Ira M. Snider	Fort Scott KS	
Gertrude Moore	Fort Scott Ks.	
Faye Stone	Fort Scott Ks	
Shirley Harris	Fort Scott Ks	
Kathryn Schmitt	Fort Scott Ks.	
Lou Erie	Fort Scott Ks	
Goldie Pickle	Fort Scott Ks 66701	
Muriel Kern	Mapleton, Ks. 66754	
Alice E Bean	P.O. Box 35 Olathe, Mo	
Marellina Schoreberg	Box 36 Mapleton Ks 66754	Senior Citizens
Ed De Soignie	TOPEKA	KANSAS CONTRACTORS ASSOC.
Leroy Jones	"	BLE
Don [unclear]	OSAWATOMIE	UTU
Pat Hubble	TOPEKA	Ks. Railroads
Martha Gubkhan	1430 SW Topeka Topeka	Commissioner Disability Concern
John Kelly	Topeka	DD Council
Bob Miller	Topeka	KDOT
Tom P. Chaker	Topeka	Ks Motor Council Assn.
Chet Vanatta	Lawrence	Dillon Road & Co.
Janet Wheat	Topeka	PCUL
Ann Somerville	TOPEKA	KDOT
John A. Gottenber	Topeka	Ks Ethanol Assn.
Bela Gates	Coffeyville	Coffeyville Transp.
Lola Rowe	Rt 3 Elk City	Kansas Transp. Assn.
Vadis Kimrey	Rt 2 Box 90 A Elk City	KSEK-CAP Mont. County
Iris Brown	813 E. Bridge Coffeeville Ks.	SEK-PRP Mg. Co.

FINANCIAL PRESENTATION

HOUSE TRANSPORTATION COMMITTEE

February 13, 1990

Att. 1

ARTHUR ANDERSEN & CO.

P. O. Box 13406
1500 COMMERCE TOWER
KANSAS CITY, MISSOURI 64199
(816) 221-4200

August 24, 1989

Mr. Horace B. Edwards
Secretary of Transportation
Kansas Department of Transportation
Docking State Office Building
Topeka, Kansas 66612-1568

Dear Secretary Edwards:

We have made a study and evaluation of the system of internal accounting control of the Kansas Department of Transportation in effect during the period August 1, 1988 to December 31, 1988. Our study and evaluation was conducted in accordance with standards established by the American Institute of Certified Public Accountants.

The management of the Kansas Department of Transportation is responsible for establishing and maintaining a system of internal accounting control. In

In our opinion, the system of internal accounting control of the Kansas Department of Transportation in effect during the period August 1, 1988 to December 31, 1988, taken as a whole, was sufficient to meet the objectives stated above insofar as those objectives pertain to the prevention or detection of errors or irregularities in amounts that would be material in relation to the Department's financial statements.

Very truly yours,

Arthur Andersen & Co.

Deloitte & Touche



1010 Grand Avenue
Suite 400
Kansas City, MO 64106-2211

Telephone: (816) 474-6180

Independent Auditors' Report

Horace B. Edwards
Secretary of Transportation

We have audited the accompanying department unit financial statements of the State of Kansas, Department of Transportation (the department) as of June 30, 1989 and for the year then ended, listed in the foregoing table of contents. These department unit financial statements and the supplemental statements and schedules discussed below are the responsibility of the department. Our responsibility is to express an opinion on these department unit financial statements based on our audit.

In our opinion, such department unit financial statements present fairly, in all material respects, the financial position of the State of Kansas, Department of Transportation at June 30, 1989 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

Our audit also encompassed the combining and individual fund and account group financial statements and schedules listed in the foregoing table of contents. In our opinion, such supplemental information, when considered in relation to the department unit financial statements, presents fairly in all material respects the information shown therein.

Deloitte & Touche

December 22, 1989

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

**ACCOUNTING AND REPORTING
STANDARDS ISSUED BY THE
GOVERNMENTAL ACCOUNTING
STANDARDS BOARD**



U.S. Department
of Transportation

Federal Highway
Administration

Region 7
Iowa, Kansas
Missouri, Nebraska

444 S.E. Quincy Room 240
Topeka Kansas 66683

September 15, 1989

KDOT Office of Inspector General

Mr. Horace B. Edwards
Secretary of Transportation
Kansas Department of Transportation
Topeka, KS 66612

Dear Mr. Edwards:

During the month of August the Federal Highway Administration was provided copies of two Audit Reports prepared by your Office of Inspector General. These reports were of exceptional quality and represented extremely well written documentation clearly depicting the fact that comprehensive penetrating reviews were conducted. The reports indicate that the reviewers were knowledgeable of the subject matter, realistic in their analysis and constructive in their findings. These are the best down to earth easily read and understood reports that I have seen from any state or federal Office of Inspector General.

Inspector General Eugene Robben, Mr. Roger Shirk, Manager, Internal Audit and the KDOT auditors are to be commended for their fine work.

Sincerely,

Robert J. Deatrck
Division Administrator

cc; Eugene Robben

Certificate of Achievement for Excellence in Financial Reporting

Presented to
Kansas Department of
Transportation

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1988

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFR's) achieve the highest standards in government accounting and financial reporting.



President

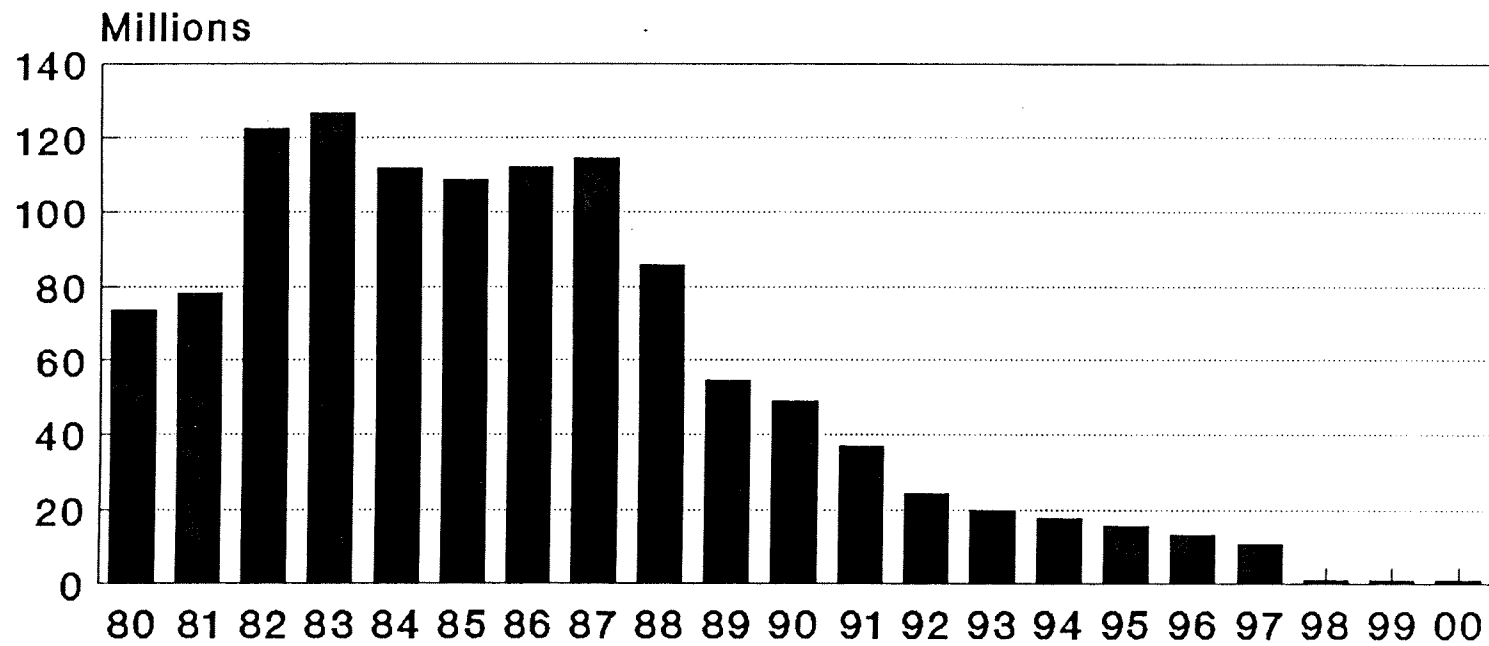
Executive Director

MAJOR KDOT FUNDS

- STATE HIGHWAY FUND
- STATE FREEWAY FUND
- SPECIAL CITY AND COUNTY
HIGHWAY FUND
- COUNTY EQUALIZATION
AND ADJUSTMENT FUND
- RESTRICTED FUND

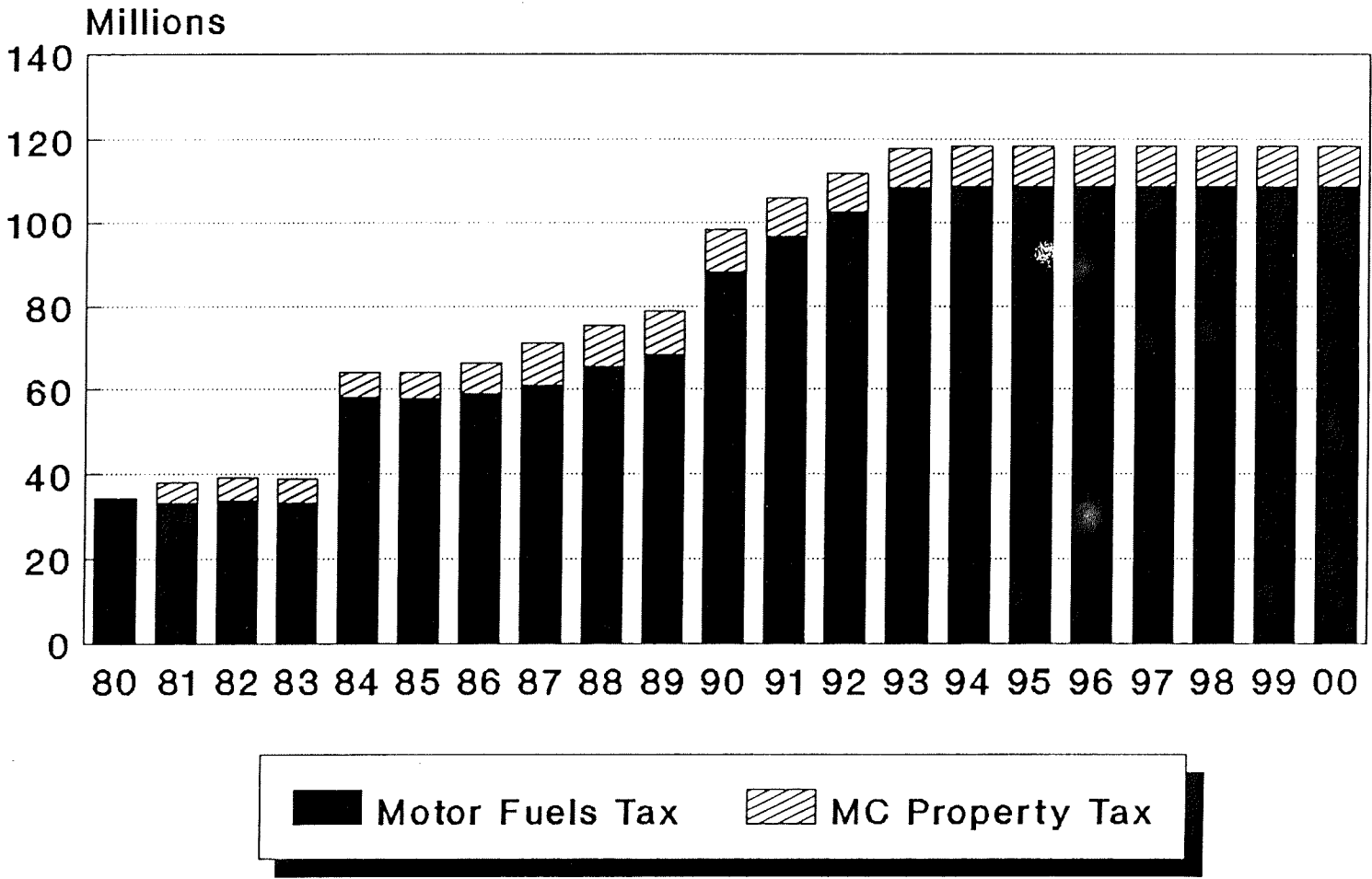
1-7

STATE FREEWAY FUND ENDING FUND BALANCE



FISCAL YEAR
■ ACTUAL AND PROJECTED

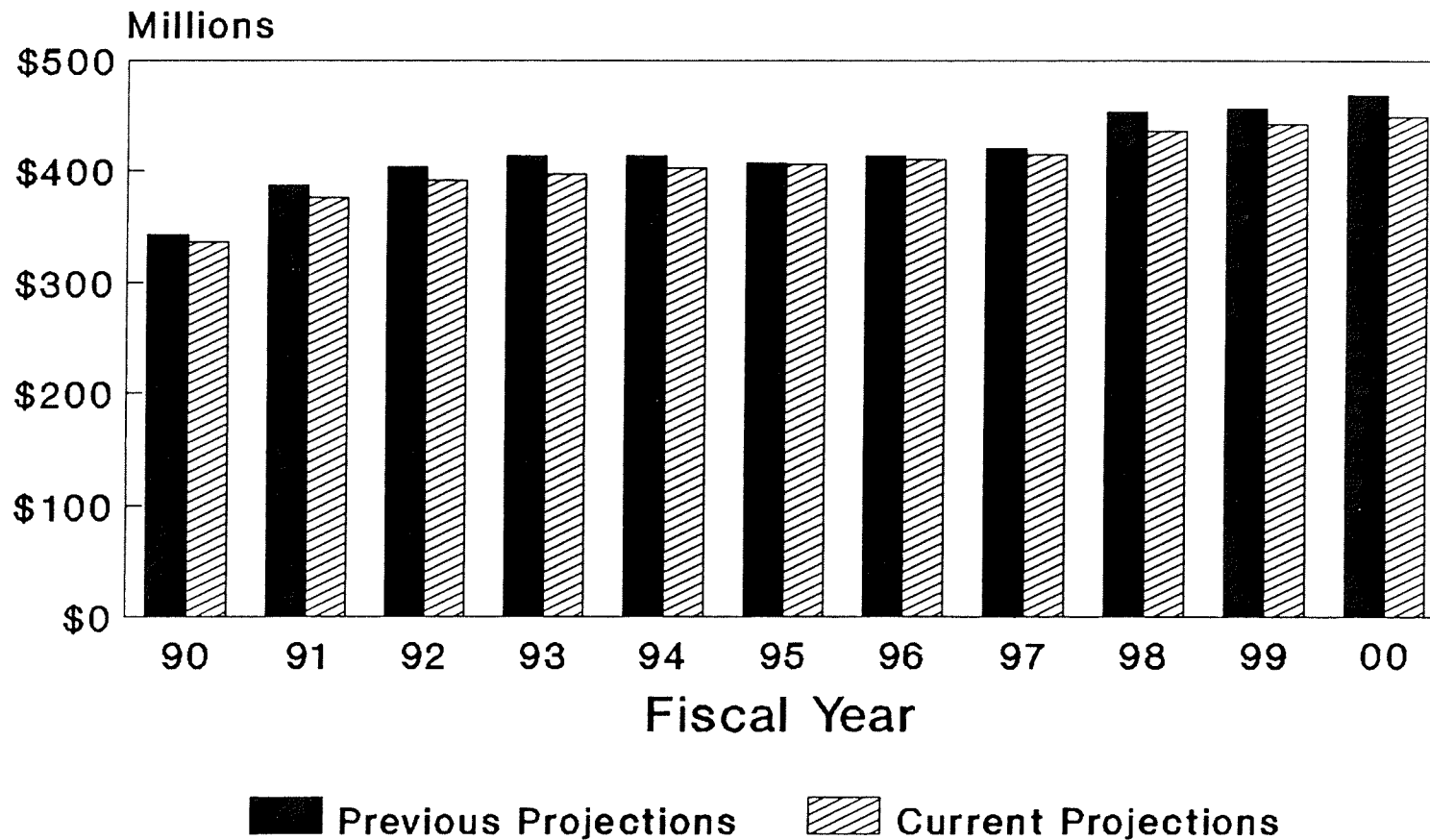
SPECIAL CITY AND COUNTY HIGHWAY FUND REVENUES BY SOURCE



OTHER KDOT FUNDS

- OIL OVERCHARGE FUND
- ELDERLY & HANDICAPPED COORDINATED PUBLIC TRANSPORTATION ASSISTANCE
- RAILROAD REHABILITATION LOAN GUARANTEE FUND
- INTERAGENCY MOTOR VEHICLE FUEL SALES FUND

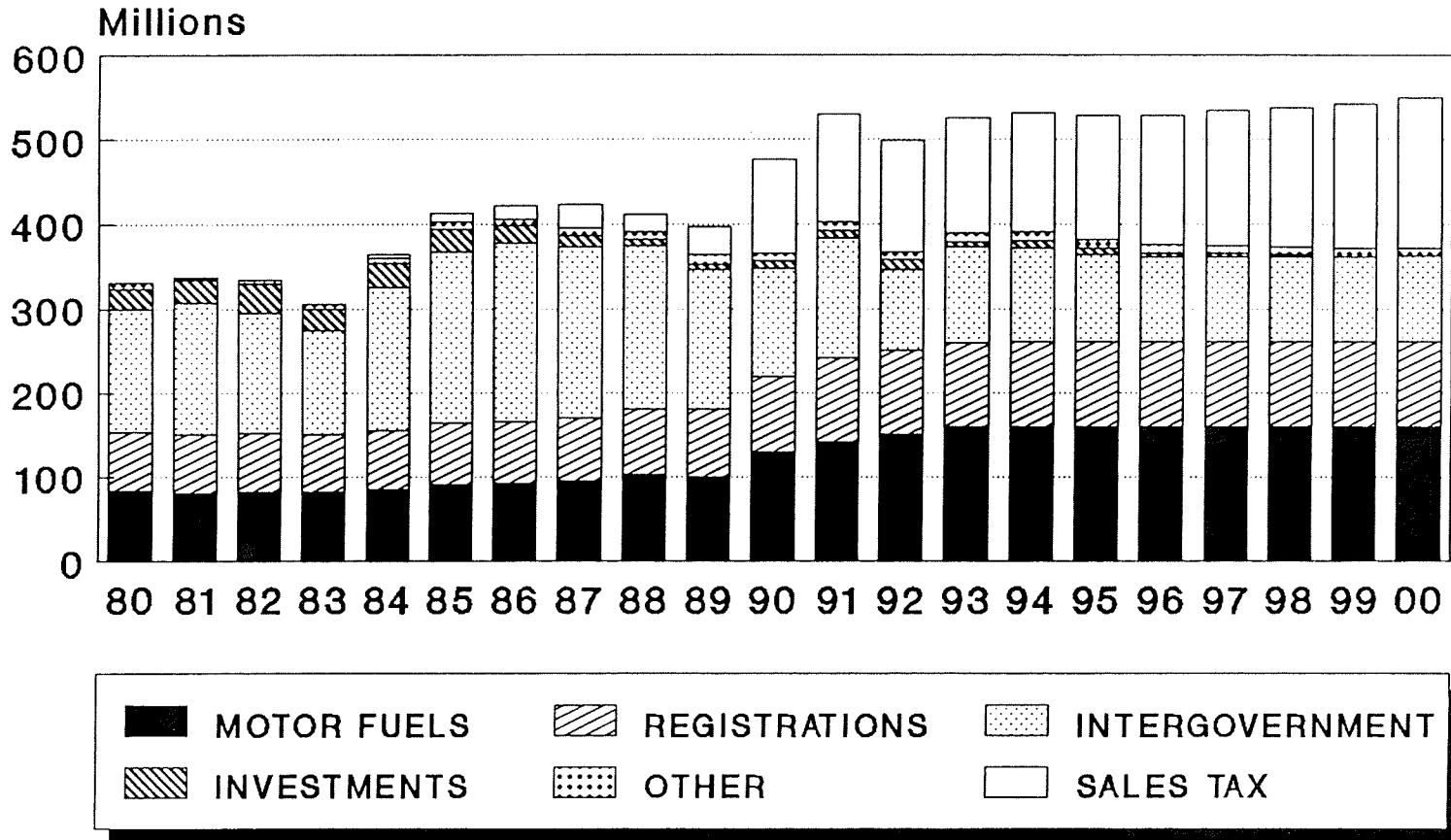
State Highway Fund Revenues



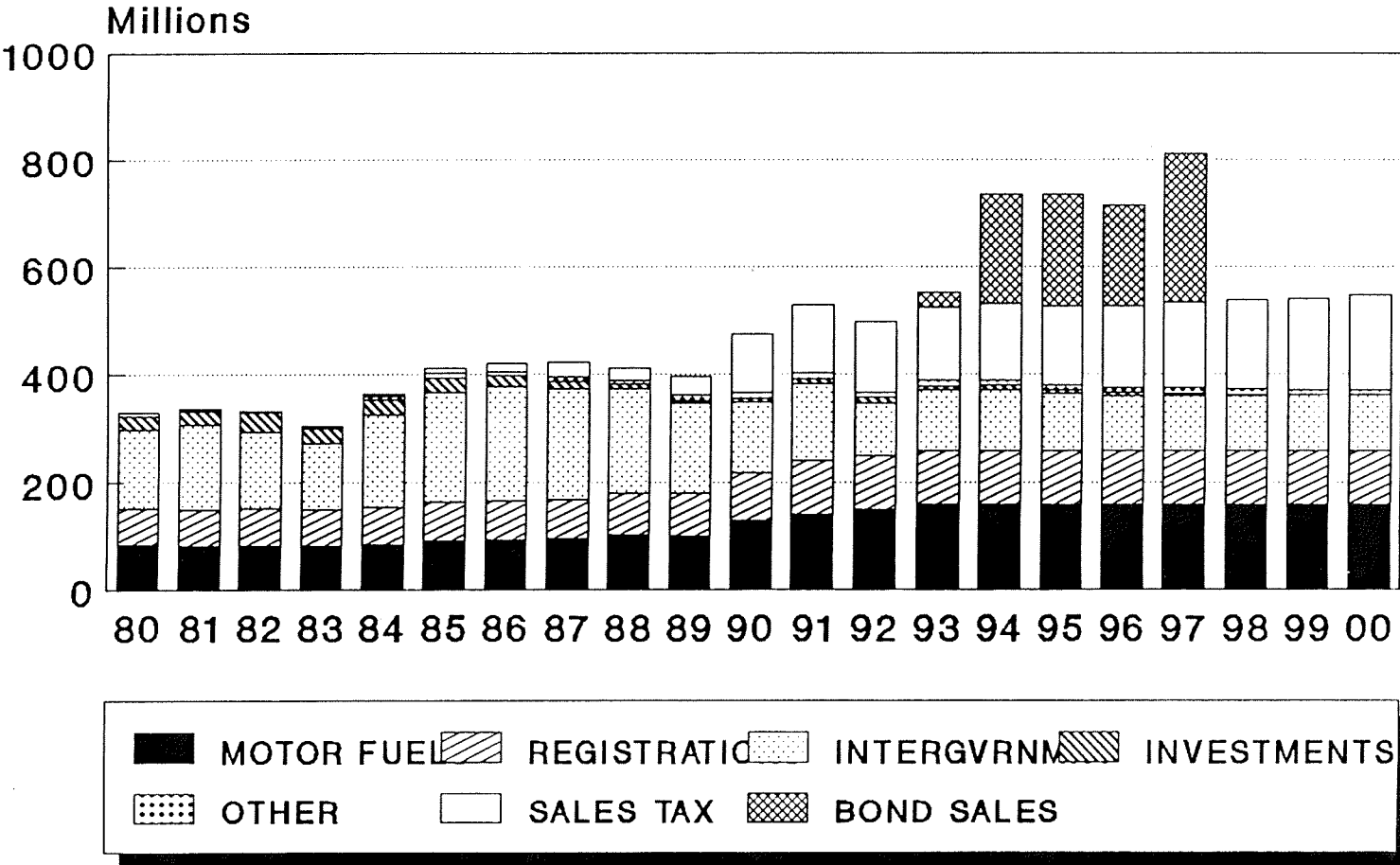
Excludes Federal Aid & Bonding

KANSAS DEPARTMENT OF TRANSPORTATION REVENUES BY SOURCE (WITHOUT BONDS)

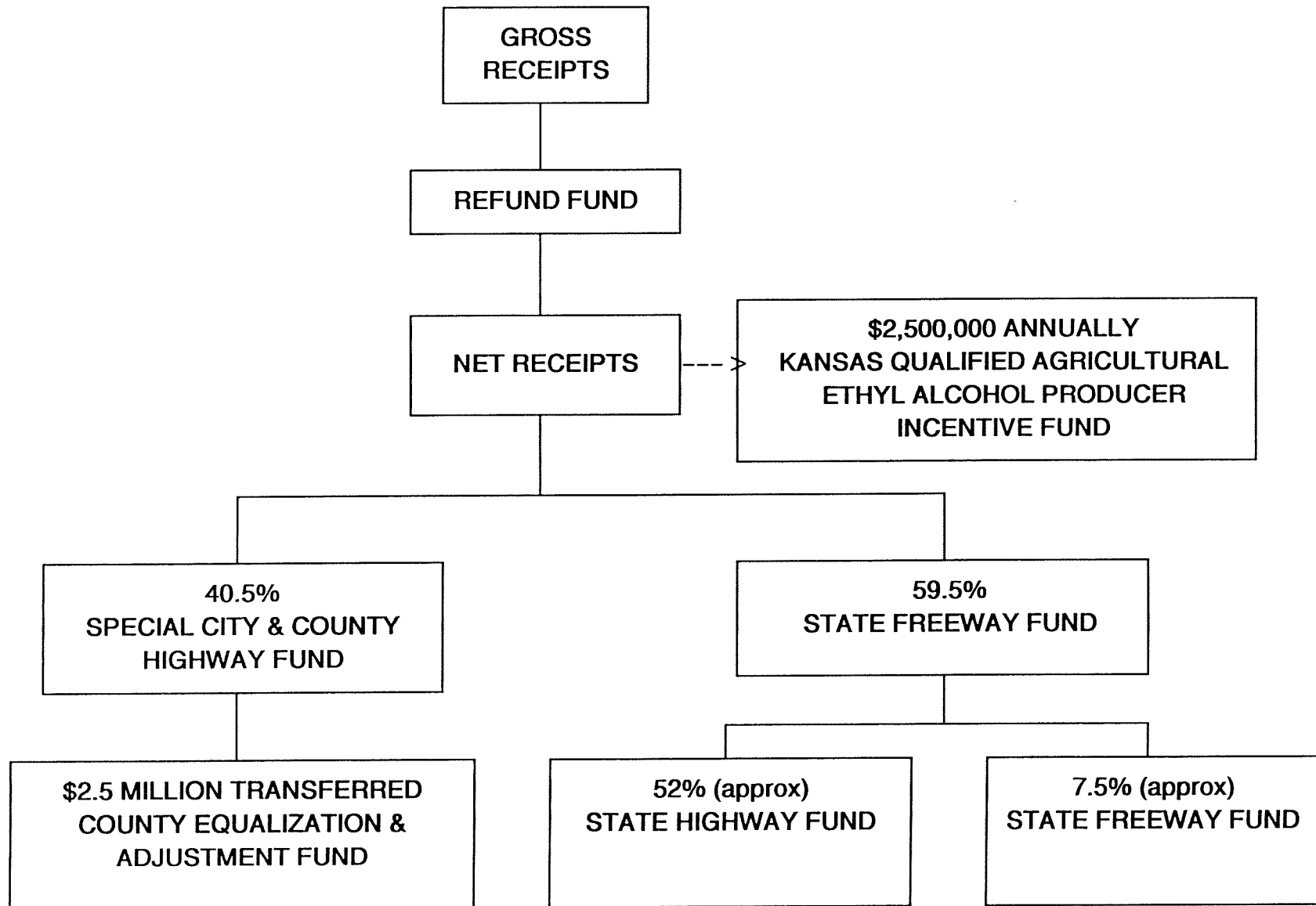
1-12



KANSAS DEPARTMENT OF TRANSPORTATION REVENUES BY SOURCE (WITH BONDS)



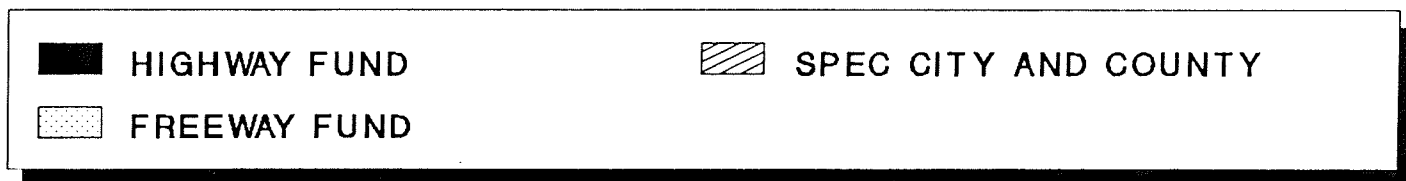
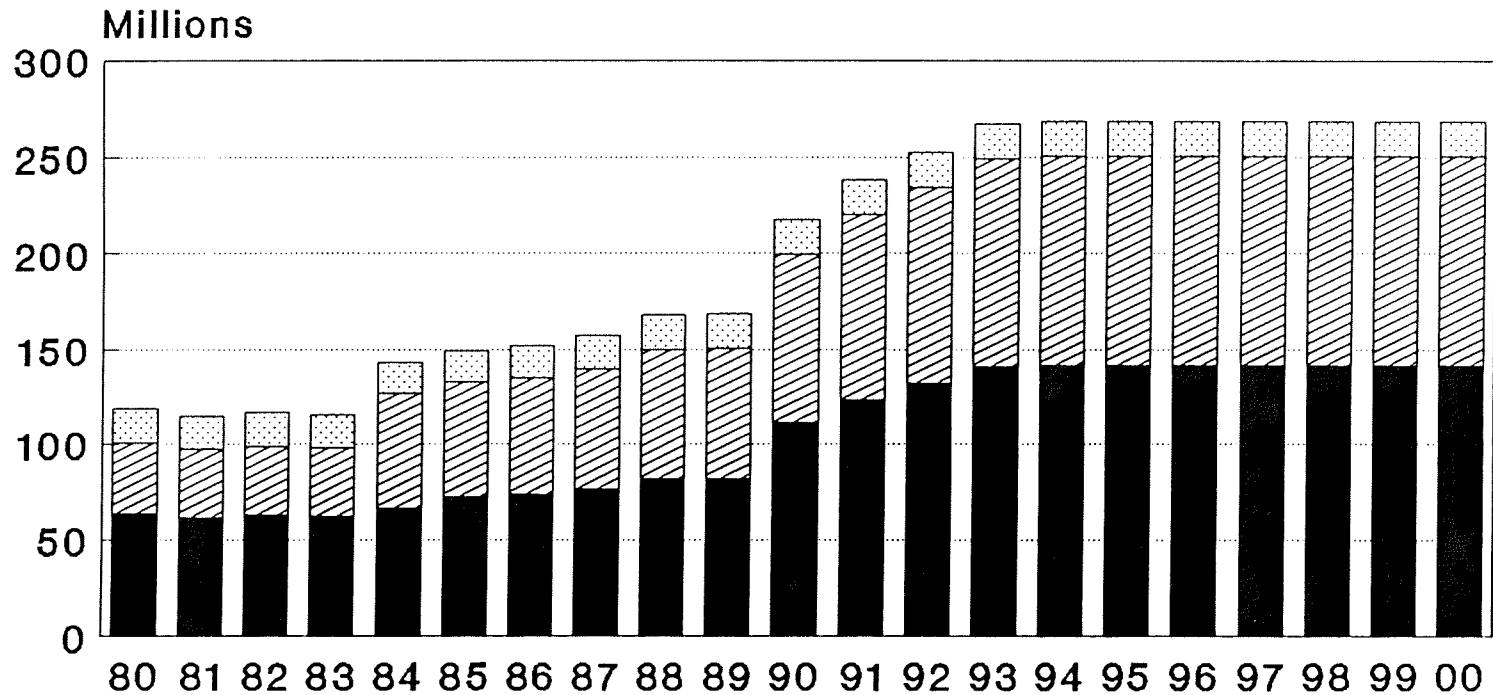
DISTRIBUTION OF MOTOR FUEL TAX RECEIPTS



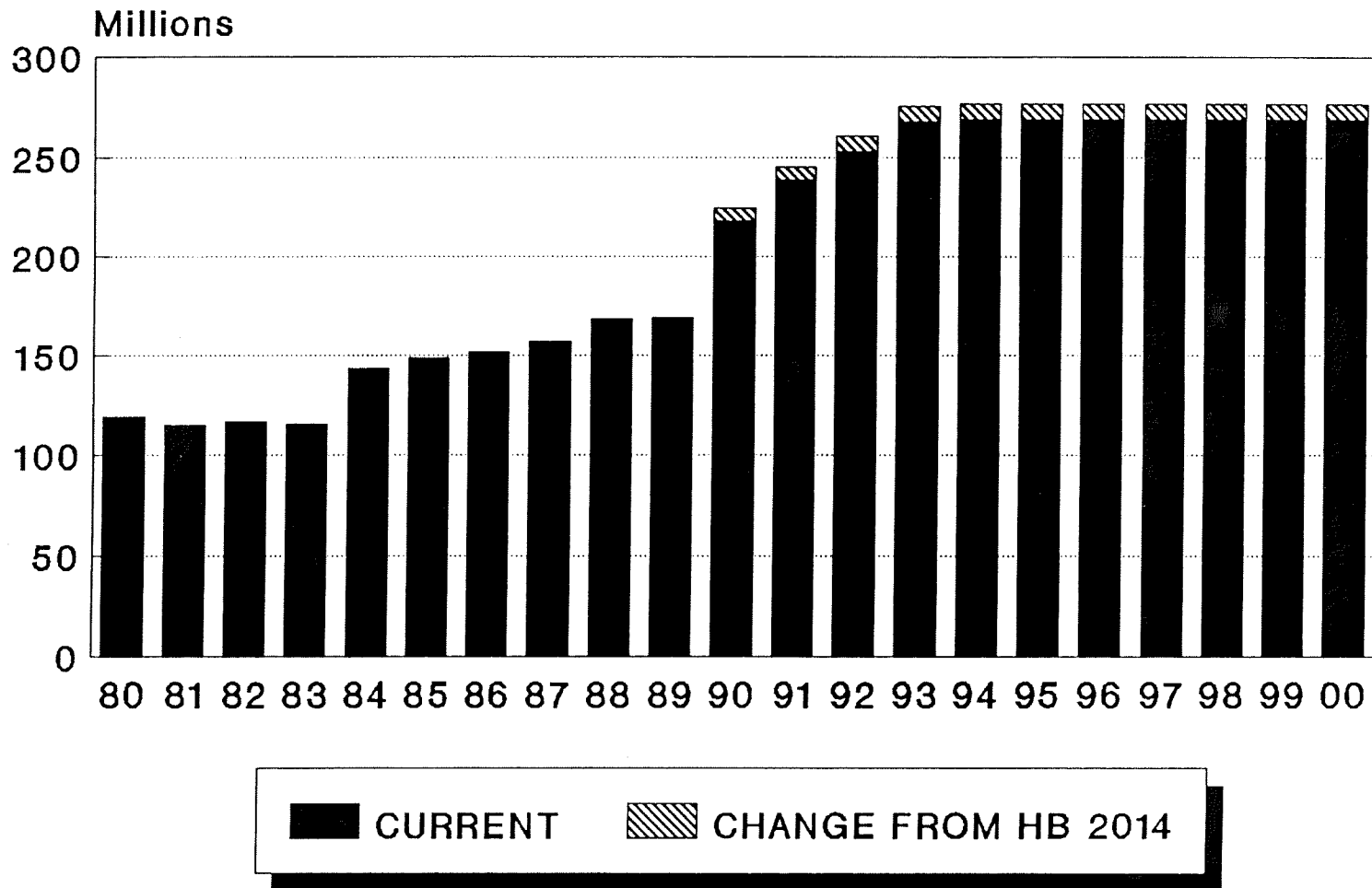
NOTE: Ethyl Alcohol incentive sunsets July 1, 1990

KANSAS DEPARTMENT OF TRANSPORTATION DISTRIBUTION OF MOTOR FUEL TAX RECEIPTS

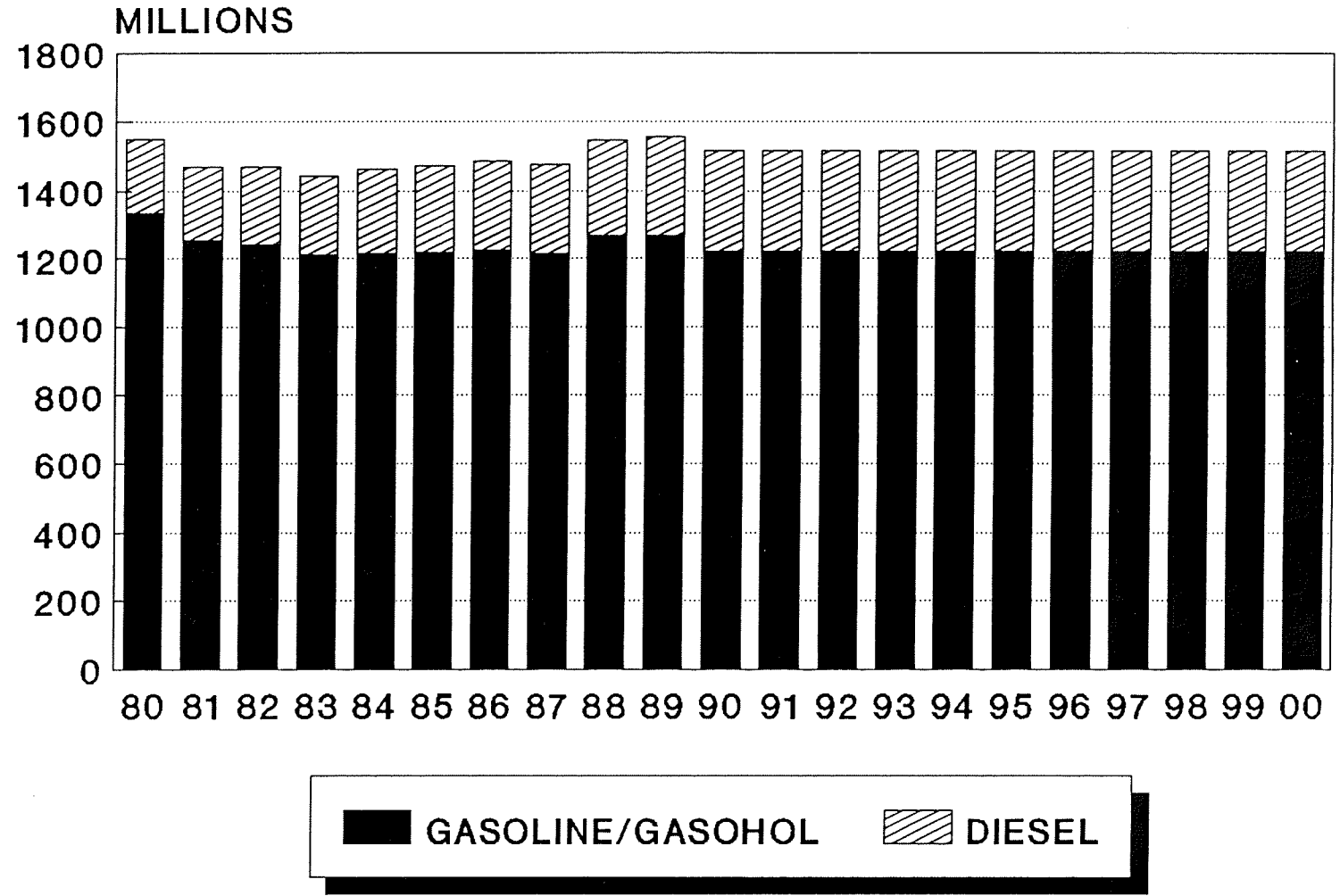
1-15



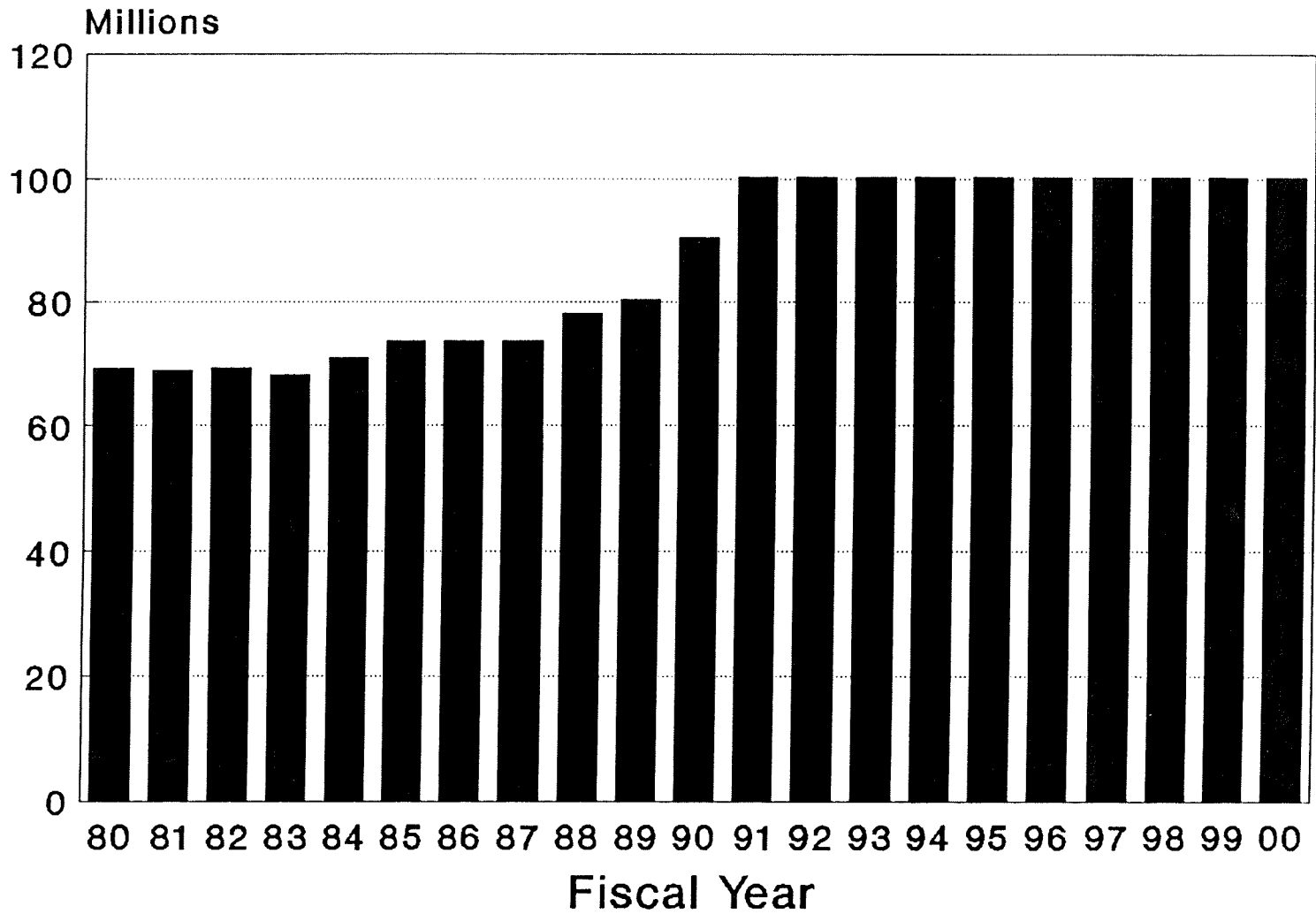
KANSAS DEPARTMENT OF TRANSPORTATION REDUCTION IN MOTOR FUEL TAX ESTIMATES



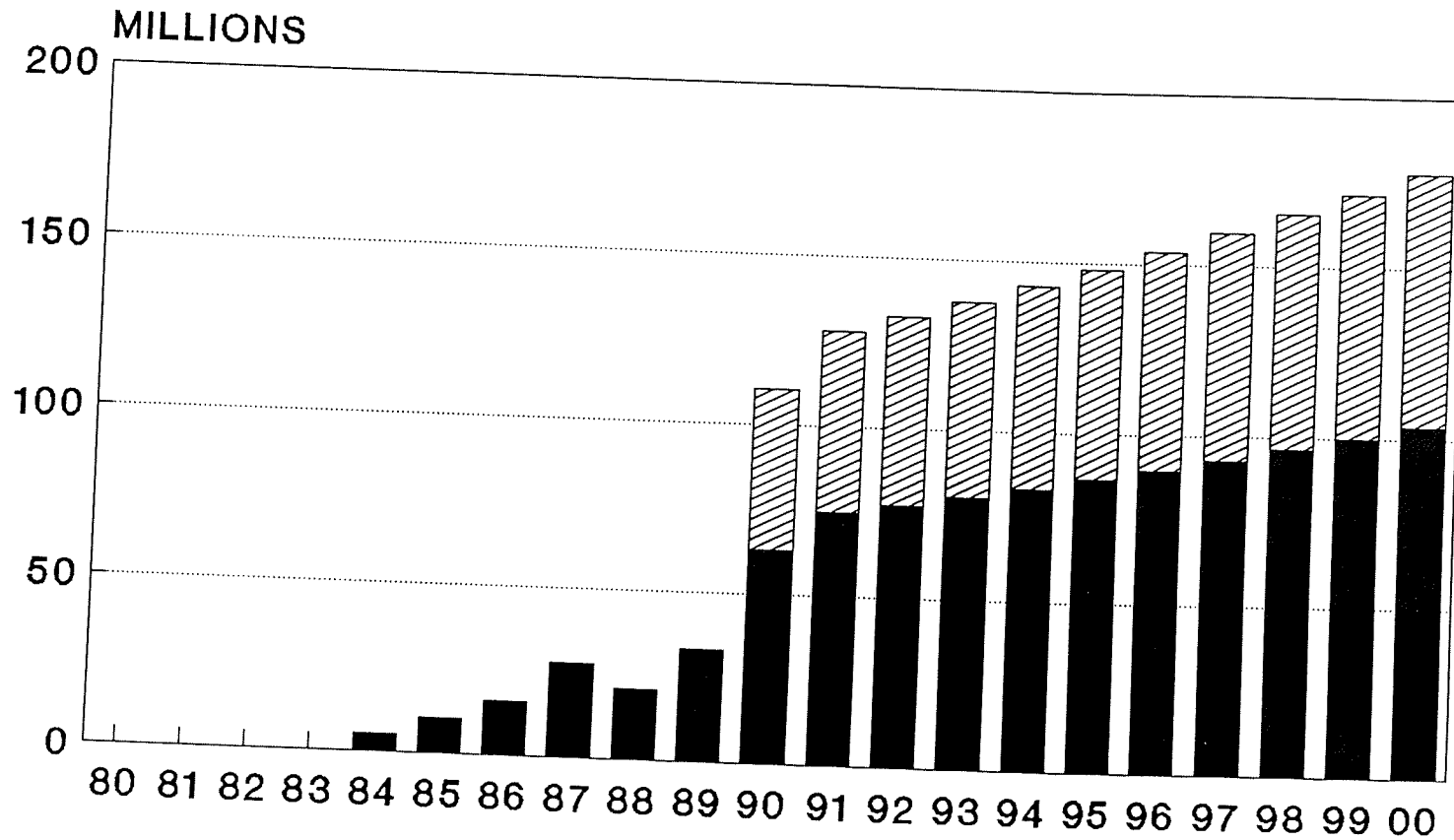
GALLONAGE



VEHICLE REGISTRATION RECEIPTS



SALES TAX TO KDOT

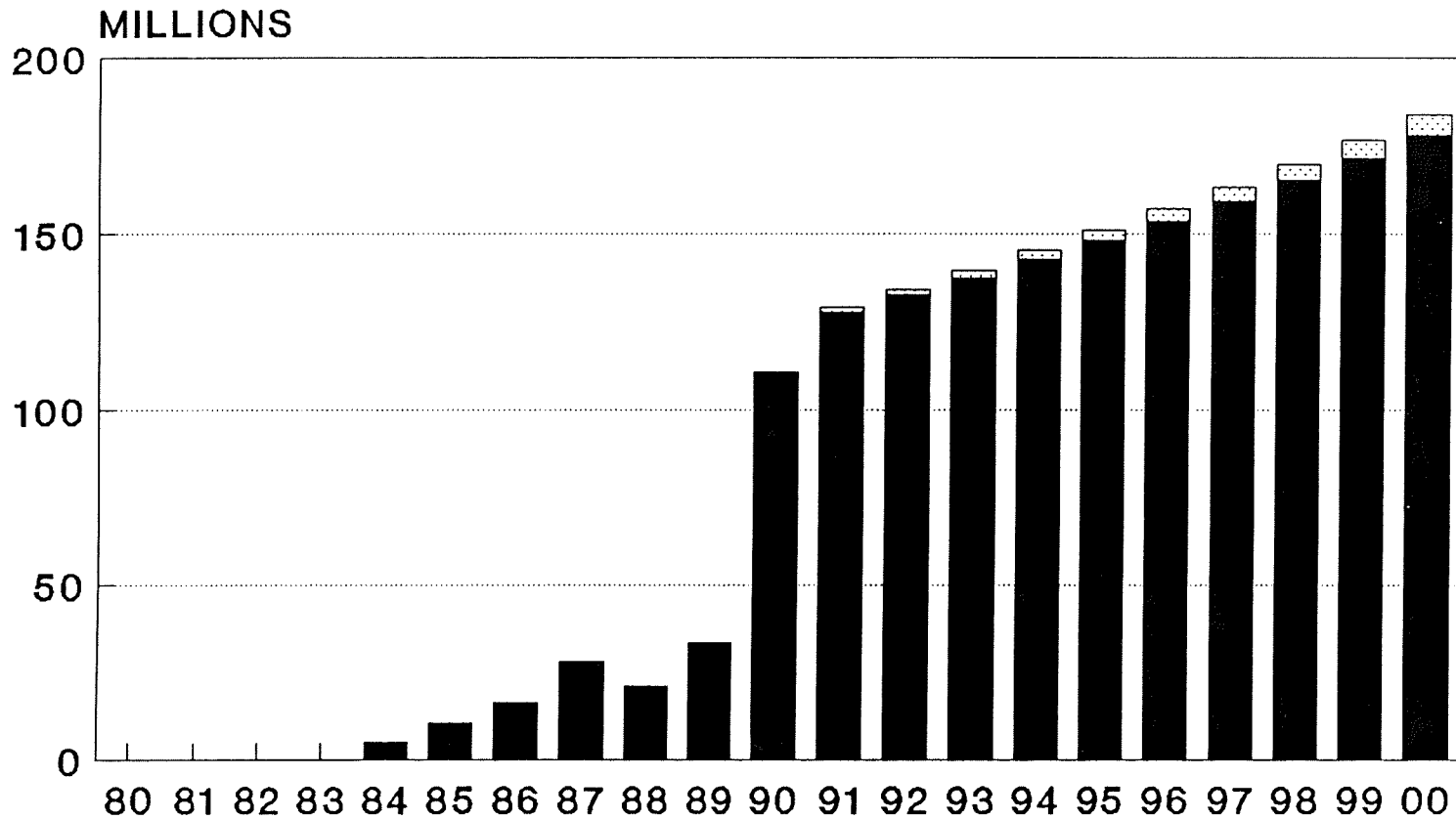


■ SGF TRANSFER ▨ SALES & COMP TAX

6-19

REDUCTION IN SALES TAX ESTIMATES

1-20



CURRENT



CHANGE FROM HB 2014

BONDING AUTHORITY

\$890 MILLION AUTHORIZED

PROJECTED FUTURE RATES

Interest Rate

7.5%

Reinvestment Rate

7.5%

PRESENT MARKET RATES

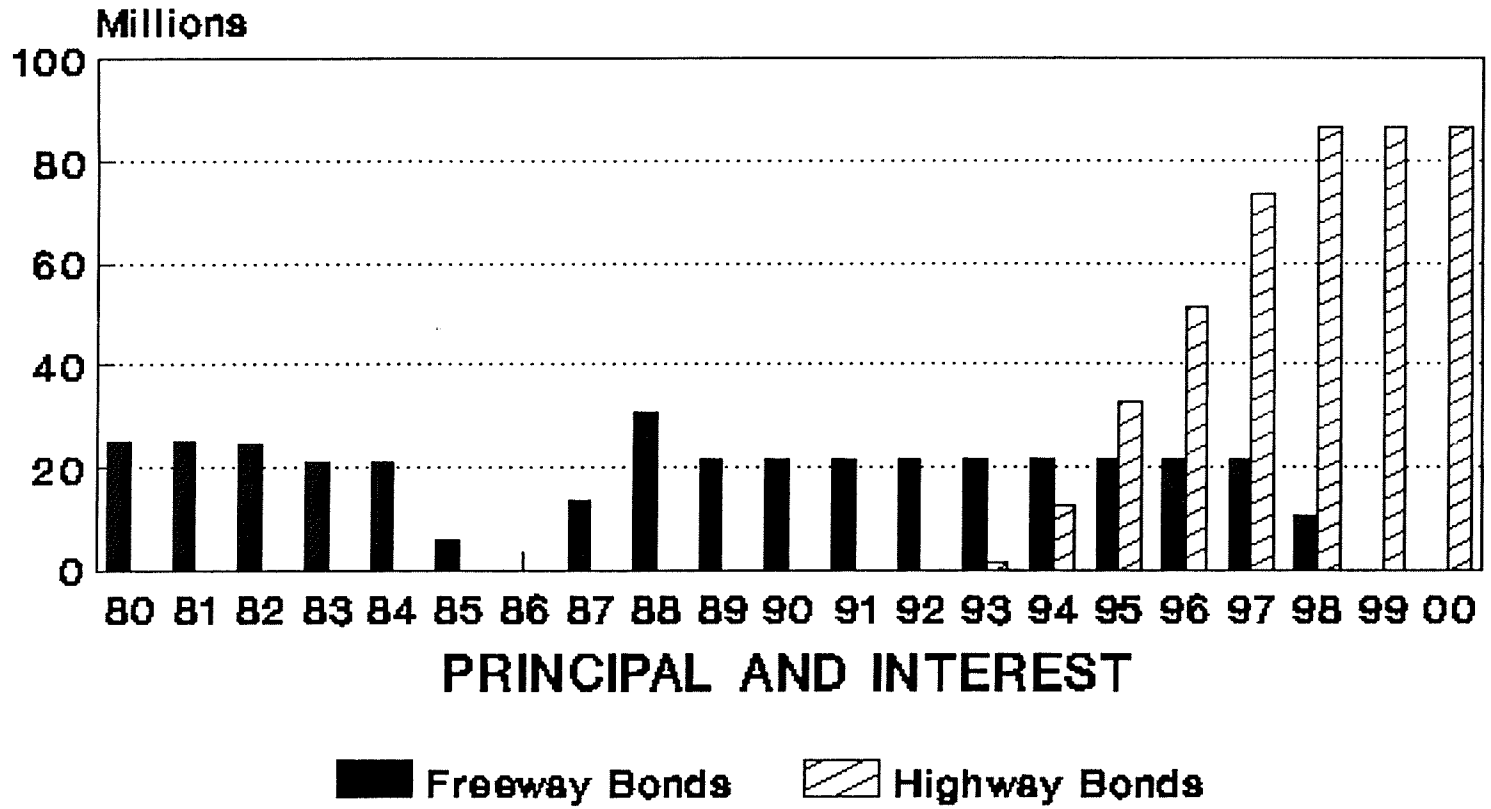
Interest Rate

7.2%

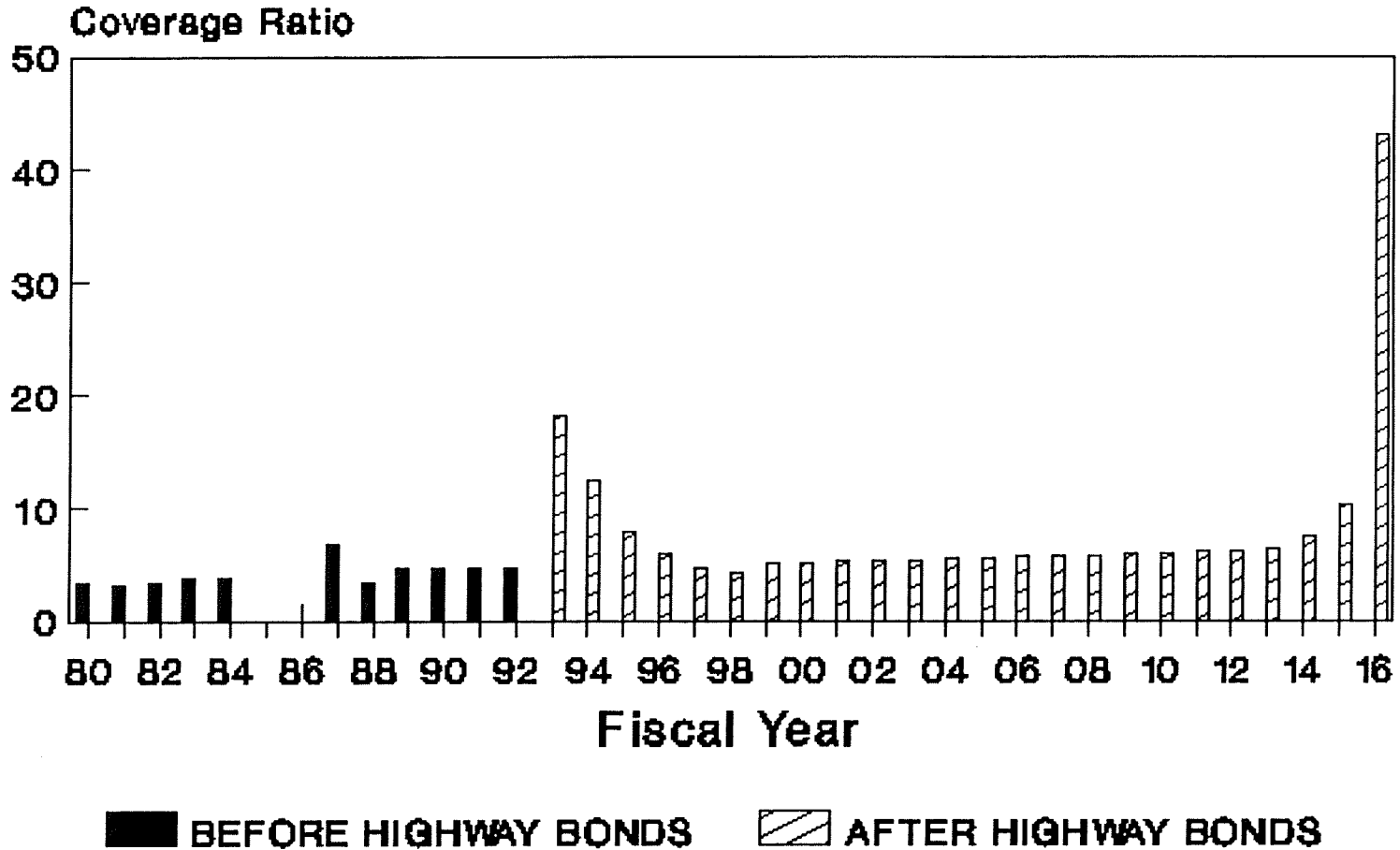
Reinvestment Rate

8.10%

KANSAS DEPARTMENT OF TRANSPORTATION FREEWAY AND HIGHWAY BONDS DEBT SERVICE

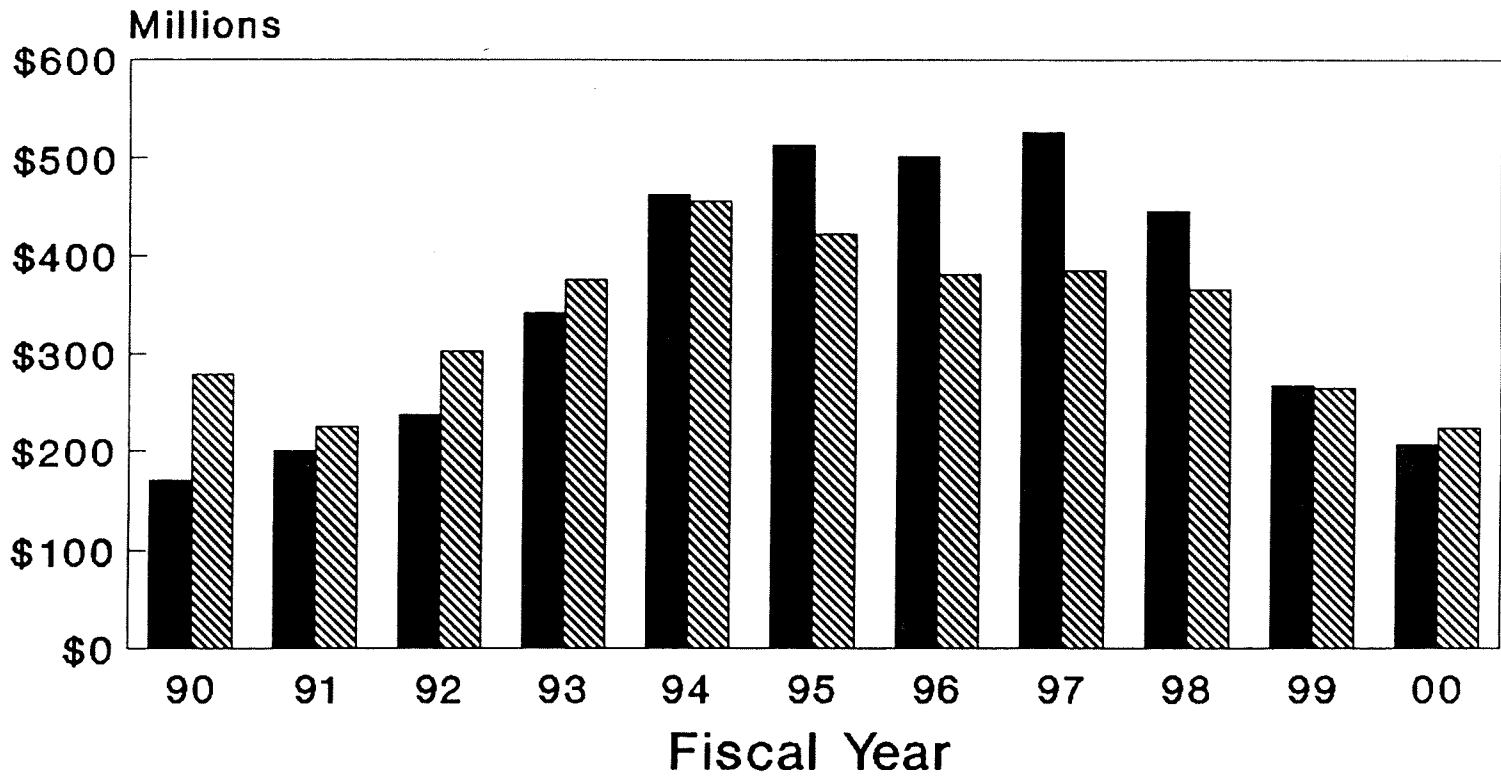


KANSAS DEPARTMENT OF TRANSPORTATION DEBT SERVICE COVERAGE



52-1

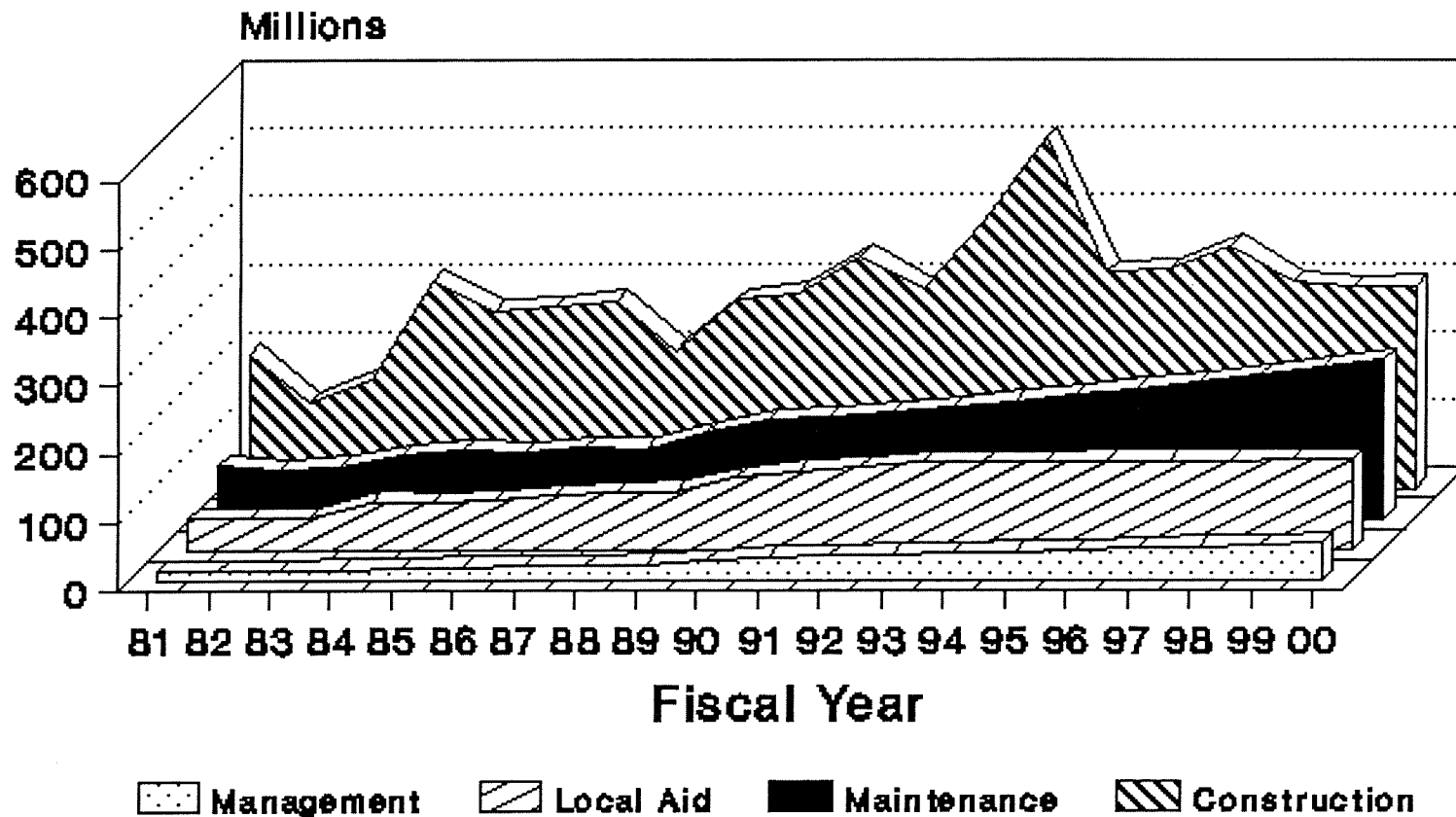
State Highway Fund Highway Contract Expenditures



■ Previous Projections ▨ Current Projections

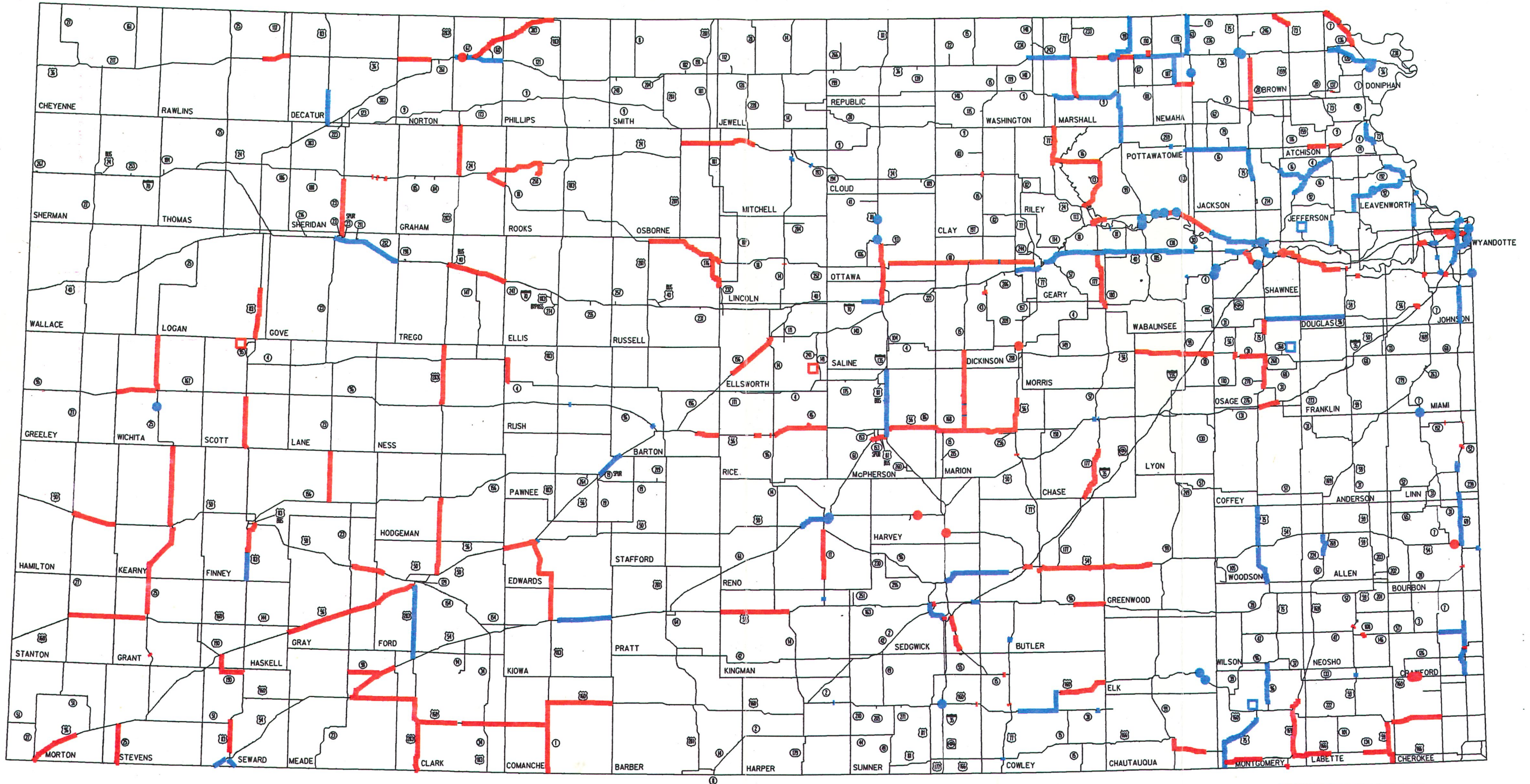
Includes Contract Design and Inspection

Kansas Department of Transportation Program Expenditures



1981 to 1991 are budgeted numbers
1992 to 2000 are projected budget

ANNUAL REPORT

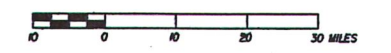


**PROJECTS UNDER CONSTRUCTION
THROUGH OCTOBER 31, 1989**

COMPLETED PROJECTS - FY 1989



ROADWAY
PRIORITY BRIDGES
STATE PARKS

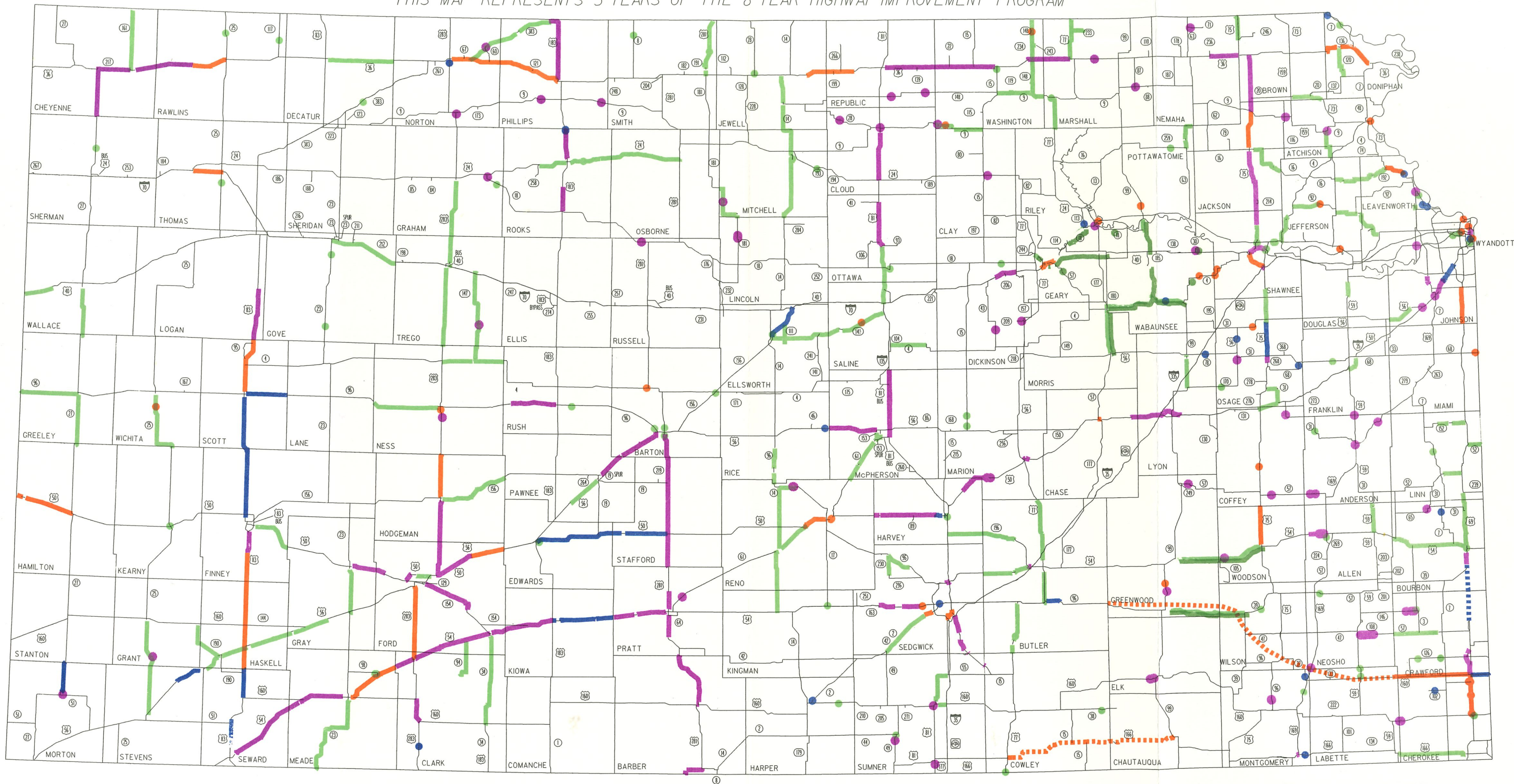


PREPARED BY THE
KANSAS DEPARTMENT OF TRANSPORTATION
BUREAU OF TRANSPORTATION PLANNING
BRCCAM9.DGN DEC. 1, 1989
USING CANSYS DATABASE 7/1/89

KANSAS HIGHWAY IMPROVEMENT PROGRAM

FISCAL YEARS 1990-94

THIS MAP REPRESENTS 5 YEARS OF THE 8 YEAR HIGHWAY IMPROVEMENT PROGRAM



1990 SUBSTANTIAL MAINTENANCE PROJECTS

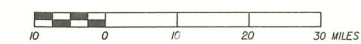
- ROADWAY
- BRIDGE

MAJOR MODIFICATION AND PRIORITY BRIDGE PROJECTS

- 1990 ROADWAY
- - - - P.E. ONLY
- 1990 PRIORITY BRIDGES

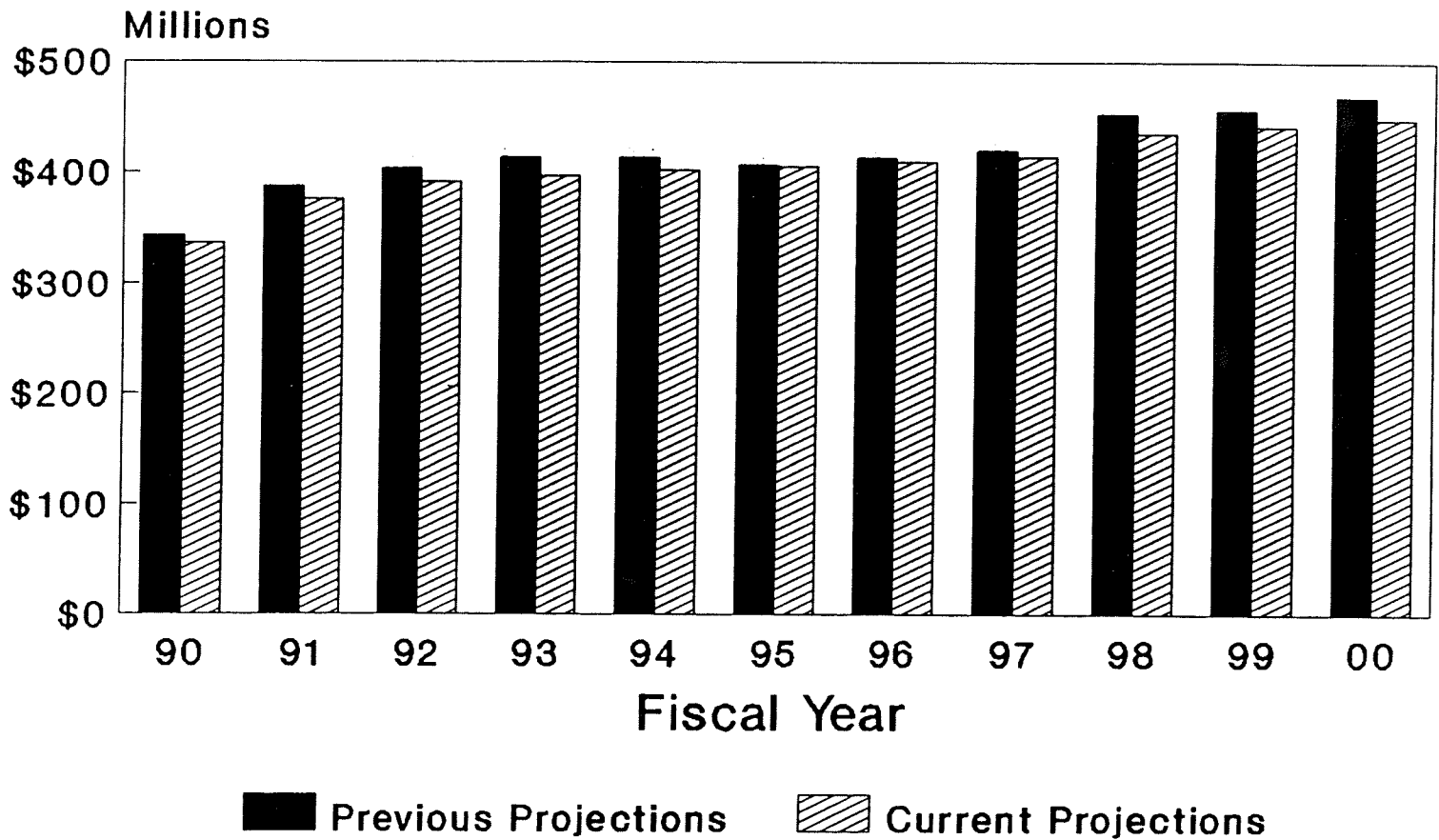
- 1991 ROADWAY
- - - - P.E. ONLY
- 1991 PRIORITY BRIDGES

- 1992-94 ROADWAY
- 1992-94 PRIORITY BRIDGES



PREPARED BY THE
 KANSAS DEPARTMENT OF TRANSPORTATION
 BUREAU OF TRANSPORTATION PLANNING
 KHIP.DGN DEC. 7, 1989
 USING CANSYS DATABASE 7/1/89

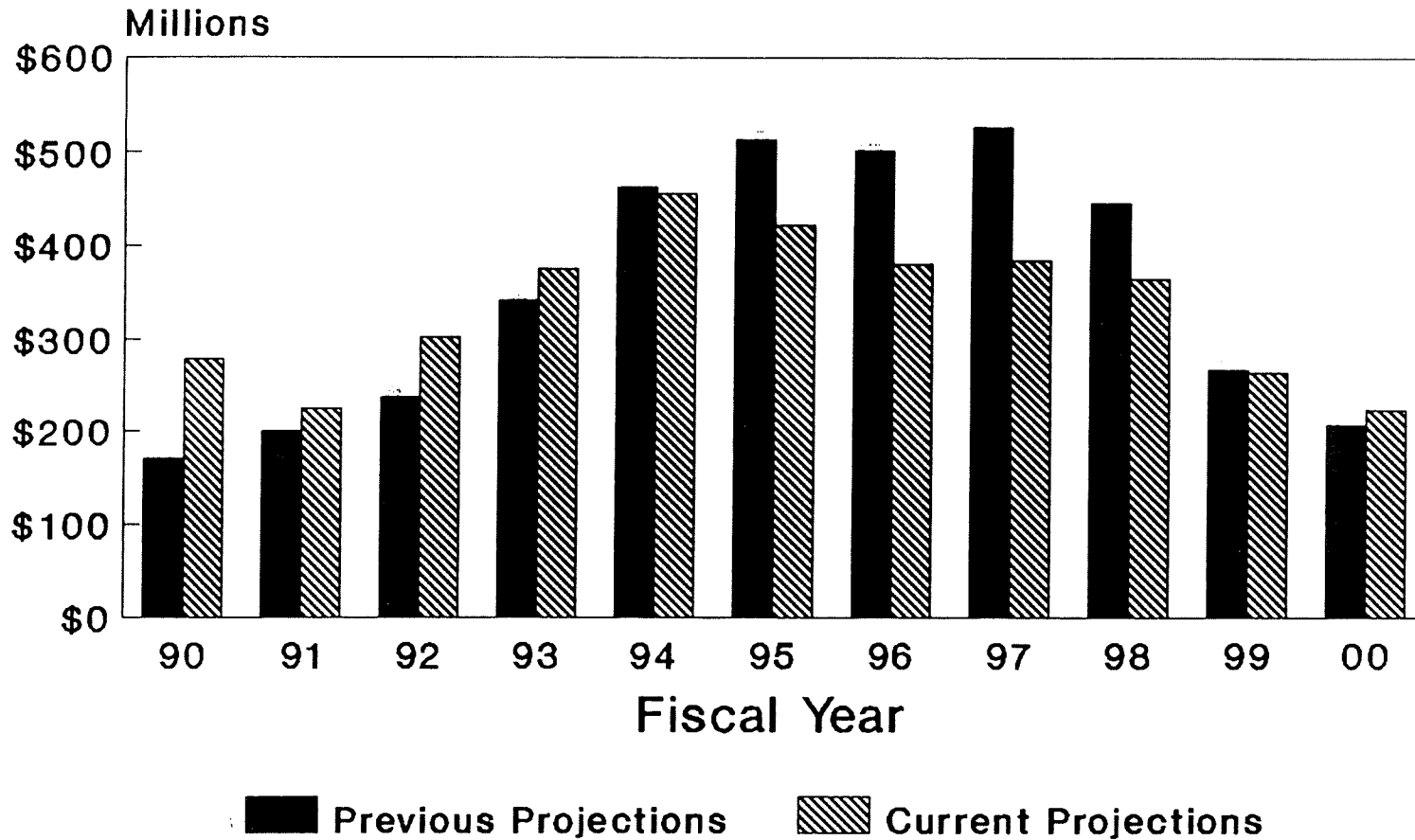
State Highway Fund Revenues



Excludes Federal Aid & Bonding

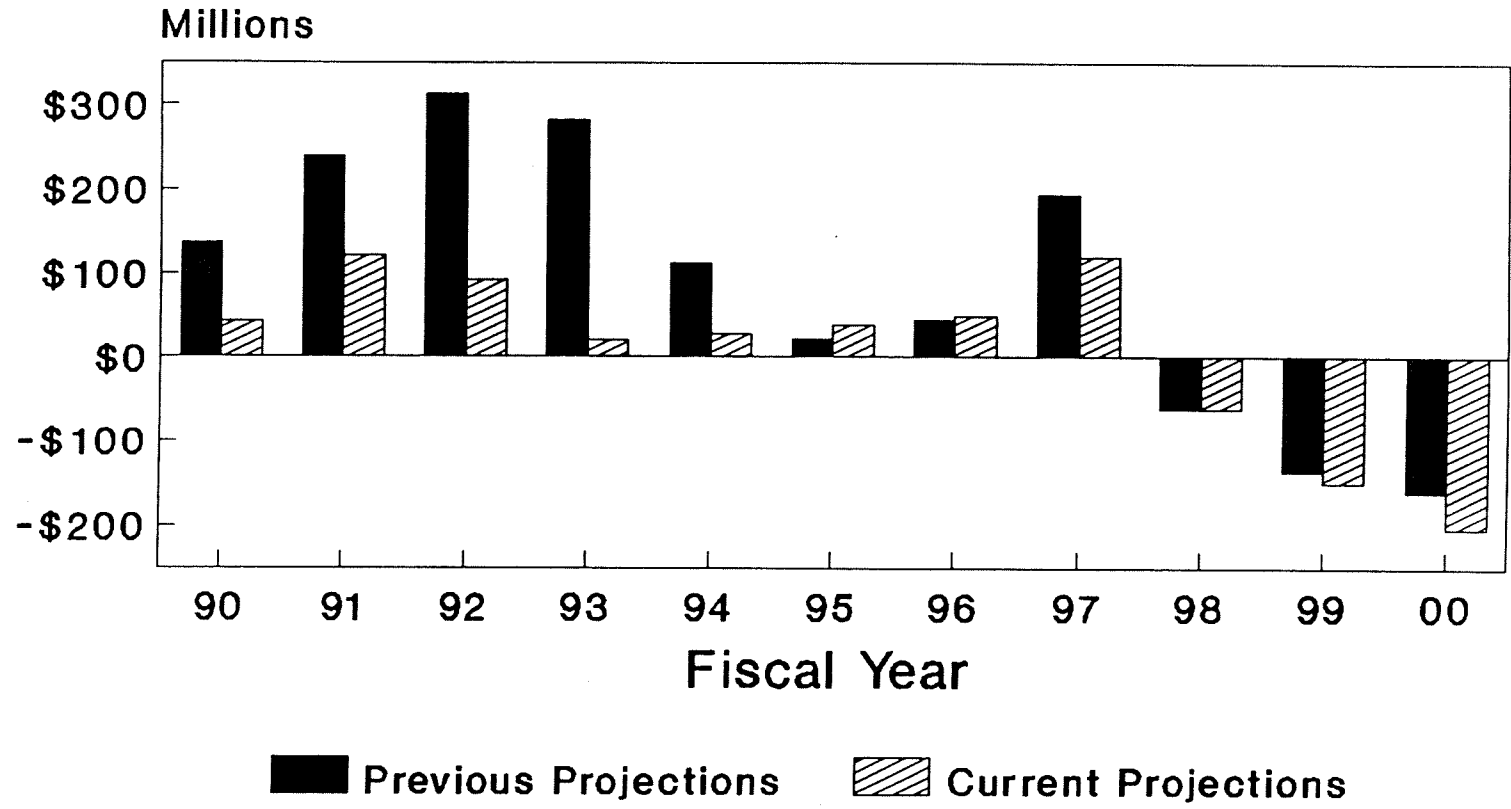
State Highway Fund Highway Contract Expenditures

68-1



Includes Contract Design and Inspection

State Highway Fund Ending Fund Balances



Assumes continued Agency Operations,
Substantial Maintenance effort, and
continue matching of Federal Aid

Transportation Aid for the Elderly and Handicapped

February 13, 1990

Transportation Aid for the Elderly & Handicapped

- **\$390,000 ANNUALLY**
1989 House Bill 2014
- **ADMINISTRATIVE DIRECTION**
for the
DISTRIBUTION OF THE FUNDS
1989 House Bill 2099

1989 House Bill 1099 PROVIDED

- Financial Assistance Providers who receive support through Section 9, 16(b)(2) & 18
- Services to be coordinated
- Secretary of Transportation shall develop a plan establishing distribution

PLAN FUNDS

2-4

<u>PROGRAM</u>	<u>DISTRIBUTION</u>
Section 9	\$ 35,000
Operation Expenses	195,000
Vehicle Replacement	150,000
Discretionary Grants	<u>10,000</u>
Total	\$390,000

PLAN DEVELOPMENT

- **PROPOSED PLAN DISTRIBUTED**
August 11, 1989
Over 500 interested parties
- **PUBLIC MEETINGS**
Five meetings held State-wide
To solicit input on the Plan

Transportation Aid for the Elderly & Handicapped

- GOVERNOR ANNOUNCED
GRANT RECIPIENTS
FEBRUARY 13, 1990