

Approved: 3/20/95
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Robin Jennison at 1:30 p. m. on March 14, 1995 in Room 514-S of the Capitol.

All members were present except: Representative Bradley, excused

Committee staff present: Alan Conroy, Legislative Research Department
Julian Efid, Legislative Research Department
Leah Robinson, Legislative Research Department
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Lenore Olson, Committee Secretary
Tara Eubanks, Administrative Assistant

Conferees appearing before the committee:

Others attending: See attached list

Representative Mollenkamp presented the subcommittee reports for FY 95 and FY 96 for the department of transportation covered under **SB 49** (Attachment 1).

SB 49 - Appropriations for FY 96, department of transportation.

Staff distributed a flow chart showing actual and projected revenues and expenditures for the department of transportation (Attachment 2). The Chair announced that the flow chart would be included in the subcommittee report for the department of transportation.

The Committee discussed Senate subcommittee recommendation item 2 pertaining to the 800 MHz statewide radio network. Staff distributed copies of a communications plan and the projected cost for the 800 MHz implementation (Attachment 3).

A motion was made by Representative Mollenkamp, seconded by Representative Nichols, to adopt the FY 95 and FY 96 subcommittee reports for the department of transportation. The motion carried.

A motion was made by Representative Haulmark, seconded by Representative Mollenkamp, to pass SB 49. The motion carried.

The Chair directed the Committee to turn to **SB 169**.

SB 169 - Medical student scholarships and loans, satisfaction of service obligation.

A motion was made by Representative Cornfield, seconded by Representative Gross, to amend SB 169 to say that no more than 25 percent of the medical school faculty can at any one time be paying off their medical scholarships. After Committee discussion, the Chair announced no action would be taken on SB 169 until specific language has been drafted for the motion made by Representative Cornfield.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 1:30 p.m. on March 14, 1995.

The Chair announced that Speaker Shallenburger had requested introduction of a bill.

A motion was made by Representative Helgerson, seconded by Representative Minor, to introduce a bill concerning animals; prohibiting the importation or possession of feral swine and relating to the definition of garbage that is fed to animals. The motion carried.

A motion was made by Representative Farmer, seconded by Representative Carmody, to approve the minutes of March 8 and March 9, 1995. The motion carried.

The meeting adjourned at 2:30 p.m.

The next meeting is scheduled for March 15, 1995.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 3/14/95

NAME	REPRESENTING
Mike Lackey	KDOT
Dean Carlson	KDOT
Nancy Bogina	KDOT
Bill Watts	KDOT
Robert Haley	KDOT
James Crawford	Intern
Elaine Frisbie	Div. of Budget
D.B. Dallan	Div of Budget
James Face	D of A
Bob Totten	Kc Contractors Association
Patricia Spratz	VENTURE CORPORATION
Roger Franzke	FFC
BOB ALDERSON	MID STATES POST AUTHORITY
Merle Heer	KACC
Wanda Moses	KAPA
Alvin Buller	KORA
MARY E. TURKINGTON	Kc Motor Carriers Assn-

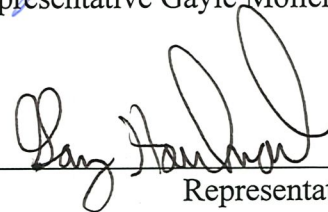
SUBCOMMITTEE REPORTS

S.B. 236 & S.B. 49

Department of Transportation



Representative Gayle Mollenkamp, Chairperson



Representative Gary Haulmark



Representative Rocky Nichols

3/14/95
Appropriations Cmte
Attachment 1

SUBCOMMITTEE REPORT

Agency: Kansas Department of Transportation **Bill No.** 236

Bill Sec. New

Analyst: Efird

Analysis Pg. No. 131

Budget Page No. 507

<u>Expenditure Summary</u>	<u>Agency Estimate FY 95</u>	<u>Governor's Recommendation FY 95</u>	<u>Senate Subcommittee Adjustments</u>
EXPENDITURES:			
Agency Operations	\$ 177,424,932	\$ 174,967,688	\$ 0
Other Operations	708,325,513	708,325,513	0
TOTAL -- Reportable Funds	\$ 885,750,445	\$ 883,293,201	\$ 0
Add Nonreportable Bonds	345,389,693	345,389,693	0
TOTAL -- All Funds	<u>\$ 1,231,140,138</u>	<u>\$ 1,228,682,894</u>	<u>\$ 0</u>
FINANCES:			
State General Fund (SGF)	\$ 91,486,834	\$ 91,486,834	\$ 0
State Highway Fund (SHF)	632,465,001	632,465,001	0
All Other Funds	161,798,610	159,341,366	0
TOTAL -- Reportable Funds	\$ 885,750,445	\$ 883,293,201	\$ 0
Add Nonreportable Bonds	345,389,693	345,389,693	0
TOTAL -- All Funds	<u>\$ 1,231,140,138</u>	<u>\$ 1,228,682,894</u>	<u>\$ 0</u>
FTE Positions	3,304.0	3,304.0	0.0
Special Projects Positions	10.0	10.0	0.0

Agency Estimate/Governor's Recommendation

A net adjustment in expenditures is requested by KDOT amounting to an increase of \$71,741,496 in the approved FY 1995 budget (including non-reportable bond expenditures). The estimate for agency operations has been maintained, with the approved expenditure limitation allowing for a shift of \$595,366 from salaries and wages to other operating expenses. The other operations component of expenditures, primarily capital improvements, is increased by almost \$50.4 million from the approved estimate for the current fiscal year. In addition, expenditures from non-reportable bond financing are increased by almost \$21.4 million. KDOT, in its narrative explanation of revisions to the current fiscal year budget for the state projects construction program, attributes the net increase for expenditures to a revised projection based on actual FY 1994 bid awards, changes in planned program activities, and updated project cost estimates. It is anticipated by KDOT that almost all of the \$890 million in proceeds from the sale of bonds authorized for the Comprehensive Highway Program will be expended by the end of FY 1995.

The Governor recommends a net adjustment in expenditures amounting to an increase of \$69,284,252 in the approved FY 1995 budget (including non-reportable bond expenditures). The estimate for agency operations has been reduced by \$2,457,244 from the approved expenditure limitation. No change in the FTE staffing level is recommended by the Governor. The estimate for other operations component of expenditures, primarily capital improvements, is increased by almost \$50.4 million from the approved estimate for the current fiscal year. Expenditures from non-reportable bond financing would be increased

by almost \$21.4 million. No FY 1995 adjustments are included in the supplemental appropriations bill submitted by the Governor.

Differences Between Approved and Revised FY 1995 Budget

	<u>Approved</u>	<u>Agency Rev.</u>	<u>Agency's Change</u>	<u>Gov. Rec.</u>	<u>Governor's Change</u>
Agency Operations					
Salaries and Wages	\$ 116,955,966	\$ 116,360,600	\$ (595,366)	\$ 114,337,387	\$ (2,618,579)
Other Operating	<u>60,468,966</u>	<u>61,064,332</u>	<u>595,366</u>	<u>60,630,301</u>	<u>161,335</u>
Subtotal--Agency Operations	<u>\$ 177,424,932</u>	<u>\$ 177,424,932</u>	<u>\$ 0</u>	<u>\$ 174,967,688</u>	<u>\$ (2,457,244)</u>
Other Operations					
Maintenance	\$ 24,481,000	\$ 34,821,000	\$ 10,340,000	\$ 34,821,000	\$ 10,340,000
Construction	506,446,787	541,960,671	35,513,884	541,960,671	35,513,884
Local Support	126,845,923	131,343,842	4,497,919	131,343,842	4,497,919
Management	<u>200,000</u>	<u>200,000</u>	<u>0</u>	<u>200,000</u>	<u>0</u>
Subtotal--Other Operations	<u>\$ 657,973,710</u>	<u>\$ 708,325,513</u>	<u>\$ 50,351,803</u>	<u>\$ 708,325,513</u>	<u>\$ 50,351,803</u>
TOTAL--Reportable Funds	\$ 835,398,642	\$ 885,750,445	\$ 50,351,803	\$ 883,293,201	\$ 47,894,559
Add Nonreportable Bonds	324,000,000	345,389,693	21,389,693	345,389,693	21,389,693
TOTAL--All Funds	<u>\$ 1,159,398,642</u>	<u>\$ 1,231,140,138</u>	<u>\$ 71,741,496</u>	<u>\$ 1,228,682,894</u>	<u>\$ 69,284,252</u>

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's FY 1995 recommendations.

Senate Committee Recommendation

The Senate Committee concurs with the recommendations of the Subcommittee.

House Subcommittee Recommendation

The Subcommittee concurs with the Senate and Governor's FY 1995 recommendations, and makes the following adjustment:

1. Add to the Supplemental Appropriations bill the reduction in expenditure authority of \$2,457,244 from the Agency Operations account of the State Highway Fund in order to legally enforce the savings recommended by the Governor in FY 1995 and which was endorsed by the Senate in its approval of the Governor's recommendations for the current fiscal year.

SUBCOMMITTEE REPORT

Agency: Kansas Department of Transportation **Bill No. 49**

Bill Sec. 2

Analyst: Efird

Analysis Pg. No. 131

Budget Page No. 507

Summary	Agency Request FY 96	Governor's Recommendation FY 96	Senate Subcommittee Adjustments
EXPENDITURES:			
Agency Operations	\$ 187,672,475	\$ 185,207,063	\$ (3,844,230)
Other Operations	966,832,263	960,983,577	0
TOTAL--Reportable Funds	\$ 1,154,504,738	\$ 1,146,190,640	\$ (3,844,230)
Add Nonreportable Bonds	15,083,000	15,083,000	0
TOTAL--All Funds	\$ 1,169,587,738	\$ 1,161,273,640	\$ (3,844,230)
FINANCES:			
State General Fund (SGF)	\$ 100,733,538	\$ 94,871,846	\$ 0
State Highway Fund (SHF)	882,292,471	887,310,477	(3,844,230)
All Other Funds	171,478,729	164,008,317	0
TOTAL--Reportable Funds	\$ 1,154,504,738	\$ 1,146,190,640	\$ (3,844,230)
Add Nonreportable Bonds	15,083,000	15,083,000	0
TOTAL--All Funds	\$ 1,169,587,738	\$ 1,161,273,640	\$ (3,844,230)
FTE Positions	3,304.0	3,304.0	0.0
Special Projects Positions	9.0	9.0	0.0

Agency Request/Governor's Recommendation

The Department of Transportation (KDOT) is divided into four functional programs: Maintenance, Construction, Local Support, and Management. The agency has responsibility for building and maintaining transportation systems. The primary focus has been on the roads and bridges which are part of the State Highway System, a 10,000 mile network of highways. KDOT has a degree of responsibility for the development of all modes of transportation, including roads, aviation, railroads, and public transit. However, the agency's level of involvement varies significantly, and consequently the programmatic structure of the agency tends to reflect the dominance of road construction and reconstruction. KDOT currently is involved in the sixth year of the \$3.3 billion Comprehensive Highway Program, passed by the 1989 Legislature as a projected eight-year undertaking for substantial maintenance, major modifications, priority bridges, and system enhancement projects.

For purposes of expenditures, KDOT expenses may be categorized according to agency operations (those activities undertaken in-house or with limited contractor help) and other operations (either those activities performed by contractors rather than by the agency or financial aid distributed to local units of government).

The KDOT budget request in FY 1996 reflect a net decrease in expenditures totaling almost \$61.6 million (including bonds). Reportable expenditures would increase \$268.8 million, while non-reportable (estimated bond expenditures) would decrease \$330.3 million next fiscal year, hence resulting

in the net decrease for FY 1996 expenditures. Increased financing of \$9.247 million is requested from the State General Fund. Most of the increase (\$249.8 million) in reportable expenditures would be financed from the State Highway Fund in FY 1996.

The Governor recommends a net decrease in FY 1996 expenditures totaling \$67.4 million (including nonreportable bonds). Reportable expenditures would increase \$262.9 million, while non-reportable (estimated bond expenditures) would decrease \$330.3 million next fiscal year, thereby resulting in the net decrease for FY 1996. Increased financing of \$3.385 million, or a 3.7 percent increase over the current fiscal year, is recommended from the State General Fund. The State Highway Fund would provide increased financing of \$254.8 million for reportable expenditures in FY 1996.

Staffing of Agency. The Governor concurs with the agency's requests for staffing for FY 1996, in effect bypassing the current statutory provision on retirements and reestablishing the FTE limitation at 3,304.0 on July 1, 1995, regardless of positions lost due to retirements during FY 1995.

Legislation, sometimes referred to as retrenchment policy, was passed in 1993 as H.B. 2211 (Section 52 of Chapter 227, 1993 *Session Laws of Kansas*), was incorporated into statute as 1993 Supp. K.S.A. 75-6801, and was amended by 1994 H.B. 2597 (Section 29 of Chapter 293, 1994 *Session Laws of Kansas*). The retrenchment policy provides that most state agencies (some are excluded by statute) will lose one-fourth of all positions when those positions become vacant due to retirements. For FY 1994, there was a net reduction of 232.2 FTE positions statewide, with KDOT losing 38.0 FTE positions (16.4 percent of the statewide total) due to retirements. Of a total of 154.0 FTE KDOT retirements, 116.0 FTE were restored by the statutory process, while the remaining 38.0 FTE positions were not restored pursuant to the statutory appeals process.

However, the KDOT authorized FY 1995 FTE limitation which was established by 1994 Senate Sub. for H.B. 2538 (Section 32(b) of Chapter 360, 1994 *Session Laws of Kansas*) provided for a total of 3,304.0 FTE positions on July 1, 1994, in effect ratcheting up the KDOT staff and replacing those positions lost due to retirements in FY 1994. The retrenchment policy as applied to KDOT subsequently began to ratchet down authorized staff as retirements became effective after July 1, 1994.

The following table reflects the FY 1995 and FY 1996 programmatic allocation of FTE positions, based on the agency requests, as recommended by the Governor, compared with actual FY 1994 allocations.

Agency Staffing Requested and Recommended by Governor

<u>FTE Positions by Program</u>	<u>Actual FY 1994</u>	<u>Revised FY 1995</u>	<u>Change FY 1994-95</u>	<u>Estimated FY 1996</u>	<u>Change FY 1995-96</u>
Maintenance	1,572.0	1,569.0	(3.0)	1,569.0	--
Construction	1,107.0	1,117.0	10.0	1,117.0	--
Local Assistance	53.0	53.0	--	53.0	--
Administration	567.0	565.0	(2.0)	565.0	--
Total -- FTE Positions	<u>3,299.0</u>	<u>3,304.0</u>	<u>5.0</u>	<u>3,304.0</u>	<u>--</u>

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In addition to the regular positions included in the Governor's recommendations, there are also Special Projects positions identified and recommended in FY 1995 and FY 1996. Ten Special Projects staff are recommended in FY 1995 and nine in FY 1996, which would be in addition to the other 3,304.0 FTE positions.

Transfers. S.B. 49 includes amendments to current law which will limit SGF demand transfers to a 3.7 percent increase in FY 1996 for KDOT receipts.

Senate Subcommittee Recommendations

The Subcommittee concurs with the Governor's recommendations with the following exceptions:

1. Reduce funding for longevity pay (\$1,481,208), 3.5 percent unclassified merit (\$33,251), 1.0 percent classified base increase (\$991,730), and classified step movement (\$1,338,041) as an adjustment to the Governor's FY 1996 recommended expenditures. Total reduction is \$3,844,230 in FY 1996.
2. Note, but make no adjustments relative to three developments pertaining to the 800 MHz statewide radio network. (a) The Joint Committee on Computers and Telecommunications (JCCT) recommends an acceleration of the schedule for completing the multiyear program of building towers and replacing radio equipment. The Subcommittee requests that KDOT develop an alternative schedule based on completing the work in 10 years rather than the eight years recommended by the JCCT. The Subcommittee does not reject the concept of acceleration, but wishes to review the additional information before making any further recommendations since FY 1997 appears to be the earliest that any speedup might be budgeted. (b) KDOT indicates that an additional radio tower site will be needed in Douglas County, with costs of \$180,000 estimated. The agency plans to absorb the unbudgeted expense within its operating budget rather than requesting supplemental expenditure authority. (c) KDOT reports that funding of \$244,500 for Kansas Highway Patrol 800 MHz radios was reduced in the Governor's budget recommendations, but that financing will be reallocated from other parts of its operating budget in order to purchase this equipment.
3. Note that legal counsel for the Mid-States Port Authority wrote the Subcommittee regarding a proviso in the FY 1996 appropriations bill. The proviso, which originally was included in last year's appropriation passed by the 1994 Legislature, provides for the Secretary of Transportation to guarantee the Port Authority's debt through a line item appropriation. Revenue refunding bonds issued by the Port Authority and dated May 1, 1994, have a face amount of \$4,975,000, with an average interest rate of 7.88 percent. In actuality, only one bond was issued in the principal amount of \$4,975,000 and it was purchased by the Pooled Money Investment Board on behalf of KDOT. The line item appropriation and proviso are requested annually in an appropriations bill in order to continue the state's guarantee and to provide for the repayment mechanism in case of default by the Port Authority.

4. Comment on the retrenchment policy concerning retirements and its impact on KDOT. The Subcommittee observes that the Governor's recommendation in FY 1996 to ratchet up the KDOT FTE limitation to 3,304.0, effective July 1, 1995, replicates the Subcommittee's recommendation for FY 1994. In practical terms, the agency loses FTE positions during the period of each fiscal year. At the beginning of the fiscal year, the KDOT positions lost due to retirements are restored by appropriations act on the first day of each subsequent fiscal year. This practice bypasses the retrenchment policy to cut one-fourth of the positions lost due to retirements. The Subcommittee understands that KDOT has special needs during the multiyear Comprehensive Highway Program and that the loss of staff could endanger its ability to complete the program successfully. Although some agencies have been granted exemption from the retrenchment policy (such as the Medical Center and the Mental Health and Retardation Institutions), the Subcommittee believes that this restoration method for KDOT that restores annually any lost positions allows for the tracking of retirements and for the agency to plan future reductions proportionate to its retirements which normally would have been lost in the year which they occurred. It is further noted that the Secretary is preparing an attrition plan in order to phase out a substantial number of the 108.0 FTE positions added for the Comprehensive Highway Program in 1989, and that this attrition plan will incorporate the "retired" positions as well.

The Subcommittee points out that the KDOT vacancy rate for the first six months of FY 1995 averaged 6.7 percent. Prior to the enactment of the retirement legislation, the KDOT average vacancy rate during FY 1992 was 2.7 percent.

5. Inform those interested in the bond letting associated with the Comprehensive Highway Program about the status of the bonds and the repayment schedule for amortizing principal and interest over the life of the bonds.

Comparison of Debt Service Requirements
Including Incremental Investment Earnings
 between the
 1992, 1992A, 1993, 1993A, 1994, 1994A and 1994B Highway Bond Issues
 and the
 Projections Made During the 1989 Legislative Session

	<u>Assumed Bond Issue During the 1989 Legislature</u>	<u>Actual Bond Issues \$890 Million</u>
Issue Date(s)	July 1, 1994 July 1, 1995 July 1, 1996	March 17, 1992 September 23, 1992 May 5, 1993 May 20, 1993 January 12, 1994 September 21, 1994 October 19, 1994
Amount(s)	\$ 150,000,000 275,000,000 465,000,000	\$ 250,000,000 125,000,000 250,000,000 147,405,000 To refund a portion of the 1992 bonds 125,000,000 50,000,000 90,000,000 Variable rate bonds, initial rate 3.05%
Interest Rate	8.25%	6.46% 5.94% 5.42% 5.71% 4.85% 5.88% Variable

	<u>H.B. 2014 Debt Service and Costs</u>	<u>Actual Debt Service</u>	<u>Incremental Investment Earnings*</u>	<u>Difference (Loss) Savings</u>
FY 1993		\$ 20,570,529	\$ 25,009,766	\$ 4,439,237
FY 1994			32,801,298	6,393,494
FY 1995	\$ 7,781,578	45,083,213	36,075,625	(1,226,010)
FY 1996	29,829,382	58,310,538	15,673,813	(12,807,343)
FY 1997	68,218,501	62,794,750		5,423,751
FY 1998	92,341,393	58,588,568		33,752,825
FY 1999	92,341,393	74,376,918		17,964,475
FY 2000	92,341,393	85,656,668		6,684,725
FY 2001	92,341,393	85,684,441		6,656,962
FY 2002	92,341,393	85,707,228		6,634,165
FY 2003	92,341,393	85,747,455		6,593,938
FY 2004	92,341,393	85,773,303		6,568,090
FY 2005	92,341,393	85,821,724		6,519,669
FY 2006	92,341,393	85,836,772		6,504,621
FY 2007	92,341,393	85,849,118		6,492,275
FY 2008	92,341,393	85,901,129		6,440,284
FY 2009	92,341,393	85,945,548		6,395,845
FY 2010	92,341,393	85,936,209		6,405,184
FY 2011	92,341,393	85,984,866		6,356,527
FY 2012	92,341,393	86,097,550		6,243,843
FY 2013	92,341,393	61,423,056		30,918,336
FY 2014	92,341,393	25,192,500		67,148,893
FY 2015	84,559,815	13,476,750		71,083,065
FY 2016	62,512,010			62,512,010
FY 2017	24,122,892			24,122,892
TOTAL	<u>\$ 1,846,827,859</u>	<u>\$ 1,568,560,131</u>	<u>\$ 115,953,996</u>	<u>\$ 394,221,753</u>

* Incremental Investment Earnings are estimated. Actual incremental investment earnings are a function of future interest of future interest and actual construction payments.

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6. Present a brief review of the KDOT performance objectives which pertain to the Comprehensive Highway Program in order to inform legislators about the progress in completing this \$3.3 billion program.

PROJECTS LET

	Average FY 1990-94		Percent Let	
	Anticipated H.B. 2014	Actual FY 1990-94	Anticipated H.B. 2014	Actual FY 1990-94
Major Modification Program				
Interstate miles	23.0	15.3	68.82%	62.70%
Associated bridges	26.2	20.2	77.51	65.58
Noninterstate miles	160.2	211.6	48.22	68.02
Associated bridges	31.2	40.0	50.32	64.48
Other set-aside miles	0.0*	8.7	0.0*	59.54
Number of projects	0.0*	56.4	0.0*	65.28
Priority Bridge				
Number of bridges/projects	19.4	29.8	57.06%	82.78%
System Enhancement Program				
Interchange/separation miles	0.0*	0.5	0.0*	67.65%
Corridor miles	0.0*	2.2	0.0*	24.29
Bypass miles	0.0*	2.7	0.0*	31.89
Number of projects	0.0*	2.6	0.0*	39.39
Substantial Maintenance				
Miles to resurface	1,000.0	1,303.7	62.50%	67.23%
Bridges to repair	0.0*	42.2	0.0*	62.61
Bridges to repaint	0.0*	20.8	0.0*	56.22
Number of projects	0.0*	262.6	0.0*	66.85

* No H.B. 2014 estimate was made for this category.

PROJECTS COMPLETE

	<u>Average FY 90-94</u>	<u>Percent Completed FY 90-94</u>	<u>Estimate FY 95</u>	<u>Estimate FY 96</u>	<u>Average FY 95-2000</u>
Substantial Maintenance					
Miles Resurfaced	1,092.1	53%	1,140.8	1,026.9	NA
Bridges Repaired	30.8	46%	46.0	0.0	NA
Bridges Repainted	20.2	55%	21.0	0.0	NA
Number Projects	191.2	49%	229.0	26.0	NA
Major Modification					
Miles	157.2	45%	219.1	220.0	162.8
Bridges	26.0	24%	102.0	96.0	69.7
Set Aside Miles	6.3	43%	9.5	11.2	7.0
Number Projects	45.0	52%	72.0	47.0	34.5
Priority Bridges					
Number Projects	19.4	54%	16.0	8.0	13.8
System enhancement					
Interchange/Separation	0.4	56%	0.0	0.0	0.3
Corridor Miles	1.0	11%	21.4	13.2	8.8
Bypass Miles	0.9	11%	21.4	1.4	5.8
Number Projects	1.4	21%	16.0	2.0	4.3

The Subcommittee would like to commend KDOT for its work on performance measures and for the accomplishments associated with the Comprehensive Highway Program, especially the bond letting activities.

Senate Committee Recommendation

The Committee concurs with its Subcommittee and adds the following information:

1. In terms on contracts let and awarded by KDOT for the Comprehensive Highway Program, in-state contractors have been given 86 percent of the total number of contracts which constitute 88 percent of the total amount of funding for the period 1990 to 1995 (January 31, 1995).

House Subcommittee Recommendation

The Subcommittee concurs with the Senate and Governor's FY 1996 recommendations, and makes the following adjustments as requested by KDOT:

1. Add the appropriate line items for the 1994 highway bond debt service accounts needed in conjunction with the sale of the last two bond issues.
2. Make technical corrections in the bill by changing "state operations" to "agency operations" where appropriate.

CASH FLOW PROJECTION AS OF December 1994
REVISED Revenue per Consensus estimates of 11/94 & "Highway Consensus" of 11/94.
ASSUMES CONTINUED MATCHING OF FEDERAL AID FY 1998 & SUBSEQUENT YEARS.
Projections will change with changes in the Program & Budget Decisions
Includes proposed sales tax transfer cap for FY 96

(000)	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2002	2002	2003	2004	2005	Total FY 90-2005	Total FY 90-2000	Total FY 90-97
BEGINNING BALANCE	48,500	124,561	168,144	344,505	817,958	956,487	1,043,873	722,094	397,702	250,544	177,267	129,852	69,243	(7,333)	(95,880)	(201,592)	48,500	48,500	48,500
REVENUES:																			
Motor Fuel	113,792	120,467	129,278	157,998	167,158	168,000	169,600	169,600	171,100	171,100	171,100	171,100	171,100	171,100	171,100	171,100	2,564,693	1,709,193	1,195,893
Registration Fees	91,859	101,234	104,081	107,777	104,981	108,000	108,000	108,000	108,000	108,000	108,000	108,000	108,000	108,000	108,000	108,000	1,697,931	1,157,931	833,931
SGF (Sales Tax) Transfer	63,489	74,371	78,025	75,501	79,079	81,451	84,465	85,068	98,870	102,825	108,938	111,216	115,864	120,291	124,802	129,462	1,541,539	940,083	631,449
Sales & Compensating Tax	46,545	53,986	56,348	60,817	66,449	70,269	73,065	76,027	79,110	82,318	85,657	89,131	92,746	96,508	100,127	103,882	1,232,984	750,591	503,506
Federal & Local Aid Reimb	107,317	116,796	101,354	133,847	214,237	228,595	298,193	250,395	209,998	190,070	195,657	207,428	208,969	211,408	212,202	212,789	3,095,254	2,044,459	1,448,736
Miscellaneous Revenue	28,632	34,180	35,391	65,987	32,810	48,115	52,928	48,739	31,444	22,724	19,740	11,374	11,380	11,388	11,392	11,398	477,600	420,670	346,762
Total before Bonding	451,635	501,014	504,477	601,928	664,713	702,430	766,251	747,829	698,521	677,038	687,092	698,249	705,859	718,693	727,622	738,650	10,610,000	7,022,927	4,960,276
Bond Sales inc. interest on proceeds			261,622	375,518	133,285	145,048	364												
TOTAL REVENUES	451,635	501,014	766,100	977,443	797,978	847,478	766,615	747,829	698,521	677,038	697,092	698,249	705,859	718,693	727,622	738,650	11,515,815	7,928,742	5,866,091
EXPENDITURES:																			
Routine Maintenance	(79,185)	(83,459)	(84,484)	(88,217)	(86,254)	(91,075)	(95,788)	(97,060)	(99,314)	(103,197)	(102,656)	(107,771)	(113,269)	(118,032)	(125,105)	(131,494)	(1,607,276)	(1,010,615)	(705,550)
Substantial Maintenance	(51,347)	(70,804)	(68,480)	(73,578)	(81,128)	(88,107)	(100,811)	(131,963)	(144,819)	(164,673)	(172,437)	(181,403)	(190,838)	(200,760)	(211,199)	(222,182)	(2,155,425)	(1,149,045)	(667,115)
Construction	(179,664)	(234,785)	(282,250)	(248,696)	(378,716)	(453,060)	(789,475)	(887,466)	(448,663)	(309,370)	(276,105)	(261,210)	(284,562)	(288,078)	(291,777)	(295,668)	(5,684,472)	(4,243,170)	(3,212,132)
Local Support	(7,173)	(7,844)	(7,863)	(8,951)	(12,023)	(11,488)	(9,983)	(10,383)	(10,816)	(11,289)	(11,744)	(12,324)	(12,935)	(13,576)	(14,252)	(14,962)	(177,284)	(109,235)	(75,406)
Management	(30,621)	(33,532)	(29,451)	(30,272)	(33,090)	(35,116)	(37,448)	(43,550)	(44,797)	(43,557)	(39,945)	(42,022)	(44,207)	(48,506)	(48,924)	(51,468)	(634,503)	(401,377)	(273,079)
Transfers to other Agencies	(27,584)	(27,208)	(128,500)	(37,735)	(33,409)	(36,145)	(38,484)	(38,983)	(41,782)	(43,872)	(46,065)	(48,460)	(50,980)	(53,831)	(58,420)	(59,354)	(784,813)	(495,766)	(364,047)
Total before Debt Service	(376,574)	(457,431)	(579,739)	(485,447)	(624,620)	(715,009)	(1,050,084)	(1,009,426)	(787,090)	(675,938)	(648,851)	(673,200)	(698,779)	(721,583)	(747,677)	(775,128)	(11,023,574)	(7,409,208)	(5,297,329)
Debt Service				(16,544)	(34,828)	(45,083)	(58,311)	(82,795)	(58,589)	(74,377)	(85,657)	(85,657)	(85,657)	(85,657)	(85,657)	(85,657)	(866,466)	(438,182)	(219,560)
TOTAL EXPENDITURES	(376,574)	(457,431)	(579,739)	(503,990)	(659,448)	(760,092)	(1,108,394)	(1,072,221)	(845,679)	(750,315)	(734,507)	(758,857)	(782,435)	(807,239)	(833,334)	(860,784)	(11,890,040)	(7,847,390)	(5,516,889)
ANNUAL SURPLUS (DEFICIT)	78,061	43,583	176,381	473,453	138,530	87,386	(321,779)	(324,392)	(147,158)	(73,277)	(47,416)	(60,608)	(76,577)	(88,547)	(105,711)	(124,134)	(374,226)	81,352	349,202
ENDING FUND BALANCE:	124,561	168,144	344,505	817,958	956,487	1,043,873	722,094	397,702	250,544	177,267	129,852	69,243	(7,333)	(95,880)	(201,592)	(325,726)	(325,726)	129,852	397,702

NOTES:

- Routine Maintenance is work, including snow removal and mowing, performed primarily by KDOT staff.
- Substantial Maintenance is primarily work which is contracted to third parties.
- Construction includes contracts for major road repair and construction including bridges. Also included are buildings and federal funds which are administered by KDOT for local units of government
- Local Support represents specific activities and funds administered by KDOT to assist local units of government
- Management represents the administrative activities of the agency
- Transfers to other agencies are for services provided to KDOT

The projections assume the continued matching of available federal aid, an adequate substantial maintenance program and the continuation of agency operations.
As revenue shortfalls begin to occur, actions will be required which will provide for a matching of revenues to expenditures.

3/14/95
Appropriations Committee
Attachment 2

Communications Plan 800 MHz Implementation Cost

3/14/95
Appropriations
Unit
Attachment 3

14 Year Plan

10 Year Plan

FY	KDOT District	Capital Outlay For KDOT	Troop	Capital Outlay For KHP	KDOT District	Capital Outlay For KDOT	Troop	Capital Outlay For KHP
1993	1	271,000	A,B	212,000	1	271,000	A,B	212,000
1994	1,4	783,000	A,B	227,000	1,4	783,000	A,B	227,000
1995	1,4	864,000	A,B,J,GHQ	402,000	1,4	864,000	A,B,J,GHQ	402,000
1996	2,4	861,500	H	437,000	2,4	861,500	H	437,000
1997	2	885,000	C	366,000	2,5	1,460,917	C	494,000
1998	2,5	1,106,500	C	380,400	5	1,460,917	C,F	494,000
1999	5	992,000	F	312,000	3,5	1,460,917	F,D	494,000
2000	5	841,500	F	312,000	3	1,460,917	D	494,000
2001	5,3	808,000	F,D	312,000	6	1,460,917	E	494,000
2002	3	1,000,000	D	312,000	6	1,460,917	E	494,000
2003	3	747,000	D,E	312,000				
2004	3,6	890,000	D,E	228,000				
2005	6	931,500	E	212,400				
2006	6	564,000	E	217,200				
2007	3	600,000			3	600,000		
KDOT HQ TOTAL		86,000				86,000		
TOTAL		12,231,000		4,242,000		12,231,002		4,242,000