

RECEIVED AND FILED
DATE January 4, 2016
8:58 am

Road Fund Budget Reduction Order 16-01
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 2015-2016, by the 2014 Regular Session of the General Assembly, based on a Road Fund revenue estimate of \$1,558,400,000 as specified in 2014 Kentucky Acts Chapter 127, Part IV; and

WHEREAS, in accordance with KRS 48.120(3), the Consensus Forecasting Group on December 16, 2015, revised the official Road Fund revenue estimate for fiscal year 2015-2016 to \$1,445,900,000, or \$112,500,000 less than the official revenue estimate as specified in 2014 Kentucky Acts Chapter 127, Part IV; and

WHEREAS, this forecast reduction in Road Fund revenues, if realized as anticipated by the revised official Road Fund revenue estimate, will result in the incurrence of a deficit in the Road Fund finances of the Government of the Commonwealth if funds are allotted to the appropriation units of the Government and expended in accordance with the levels authorized by Chapter 47 of the Kentucky Revised Statutes; and

WHEREAS, the revised Road Fund revenue estimate results in an estimated \$61,952,200 decrease in the statutorily required appropriation amounts for the Revenue Sharing appropriation unit; and

WHEREAS, pursuant to KRS 48.720, an estimated \$18,558,100 in Road Fund debt service appropriations are expected to lapse to the Road Fund surplus account in excess of the amount budgeted to lapse; and

WHEREAS, the Road Fund Budget Reduction Plan as set forth in 2014 Kentucky Acts Chapter 127, Part IV, provides that the Governor shall implement sufficient reductions as may be required to protect the highest level of service and balance fiscal year 2015-2016; and

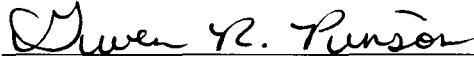
NOW, THEREFORE, it is hereby found by the State Budget Director, with approval of the Governor of the Commonwealth, and pursuant to the authority vested in the Office of State Budget Director and the Secretary of the Finance and Administration Cabinet by 2014 Kentucky Acts Chapter 127, Part IV, and Chapter 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 2015-2016 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:

| Appropriation Unit | FY 2015-2016 Road Fund Current Appropriations | FY 2015-2016 Road Fund Statutory Reductions | FY 2015-2016 Road Fund Appropriation Reductions | FY 2015-2016 Road Fund Revised Appropriations |
|---|--|--|--|--|
| General Government | | | | |
| Homeland Security | 262,500 | | | 262,500 |
| Treasury | 250,000 | | | 250,000 |
| Total-General Government | 512,500 | | | 512,500 |
| Energy and Environment Cabinet | | | | |
| Environmental Protection | 320,900 | | | 320,900 |
| Finance and Administration Cabinet | | | | |
| General Administration | 429,000 | | | 429,000 |
| Revenue | 2,970,600 | | | 2,970,600 |
| Total-Finance and Administration Cabinet | 3,399,600 | | | 3,399,600 |
| Justice and Public Safety Cabinet | | | | |
| State Police | 96,845,800 | | | 96,845,800 |
| Tourism, Arts and Heritage Cabinet | | | | |
| Artisans Center | 410,500 | | | 410,500 |
| Transportation Cabinet | | | | |
| General Administration and Support | 72,006,800 | (349,000) | (968,600) | 70,689,200 |
| Aviation | 3,041,710 | (68,300) | (257,200) | 2,716,210 |
| Debt Service | 170,387,700 | (16,481,800) | | 153,905,900 |
| Highways | 1,116,185,126 | | (28,781,900) | 1,087,403,226 |
| Revenue Sharing | 505,654,768 | (61,952,200) | (169,300) | 443,533,268 |
| Vehicle Regulation | 28,464,000 | (1,659,000) | (812,700) | 25,992,300 |
| Total-Transportation Cabinet | 1,895,740,104 | (80,510,300) | (30,989,700) | 1,784,240,104 |
| Capital Projects | | | | |
| Maintenance Pool - 2014-2016 | 3,000,000 | | (500,000) | 2,500,000 |
| Road Maintenance Parks - 2014-2016 | 1,500,000 | | (500,000) | 1,000,000 |
| Upgrade AASHTOWare | 2,600,000 | | | 2,600,000 |
| Construct Jackson (D-10) District Office | 6,125,000 | | | 6,125,000 |
| Construct Manchester (D-11) District Office | 5,725,000 | | | 5,725,000 |
| Repair Loadometer and Rest Areas - 2014-2016 | 750,000 | | | 750,000 |
| Various Environmental Compliance - 2014-2016 | 988,000 | | | 988,000 |
| Total-Capital Projects | 20,688,000 | | (1,000,000) | 19,688,000 |
| GRAND TOTAL-APPROPRIATIONS | 2,017,917,404 | (80,510,300) | (31,989,700) | 1,905,417,404 |
| TOTAL REDUCTIONS | | (112,500,000) | | |

Road Fund Budget Order 16-01

APPROVED AS TO FORM AND LEGALITY:

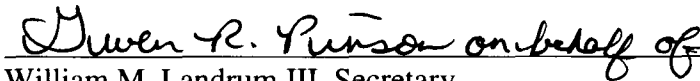


Gwen Pinson, General Counsel
Finance and Administration Cabinet

DONE AT FRANKFORT, KENTUCKY THIS 30th DAY OF DECEMBER, 2015

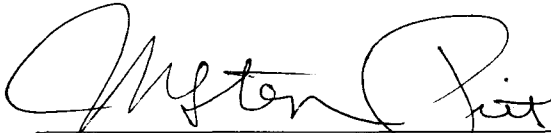


John E. Chilton, State Budget Director
Office of State Budget Director



William M. Landrum III, Secretary
Finance and Administration Cabinet

EXAMINED:



M. Stephen Pitt, General Counsel
Office of the Governor

APPROVED:



Matthew G. Bevin
Governor