

**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

VOLUME I

Legislative Research Commission

JUNE 7, 2000

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM
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House Joint Resolution 83 of the 2000 Regular Session, as it appears in 2000 Kentucky Acts:

CHAPTER 525

(HJR 83)

A JOINT RESOLUTION relating to the budget process and declaring an emergency.

WHEREAS, the Constitution of the Commonwealth of Kentucky empowers the General Assembly to make appropriations; and

WHEREAS, the Kentucky Supreme Court recognizes that the budget, which appropriates the revenue of the Commonwealth and which determines how that revenue shall be spent, is fundamentally a legislative matter; and

WHEREAS, the General Assembly has enacted into law the statutory budget process that is primarily codified in KRS Chapter 48; and

WHEREAS, the statutes provide that prior to the passage of a budget bill, the appropriations committees of the General Assembly shall prepare a budget memorandum that shall enumerate the changes made by the appropriations committees in a branch budget recommendation, and that shall explain the changes in detail sufficiently to convey the intent of the appropriations committees; and

WHEREAS, the Kentucky Supreme Court has upheld the use of the budget memorandum as a valid part of the statutory process;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any mandates, directives, or initiatives contained in the 2000-2002 State/Executive Branch Budget Memorandum shall have the force and effect of law.

Section 2. The staff of the Legislative Research Commission shall have the authority, subject to the approval of the Legislative Research Commission, to make technical or format adjustments to the 2000-2002 State/Executive Branch Budget Memorandum that do not alter the sense, meaning, or effect of the 2000-2002 State/Executive Branch Budget Bill or the 2000-2002 State/Executive Branch Budget Memorandum.

Section 3. The provisions of the 2000-2002 State/Executive Branch Budget Memorandum shall not be construed to contain appropriations and, therefore, shall not supersede appropriations contained in the 2000-2002 State/Executive Branch Budget Bill or appropriations contained in any other enactment of the 2000 Regular Session of the General Assembly. If any mandate, directive, or initiative contained in the 2000-2002 State/Executive Branch Budget Bill conflicts with any mandate, directive, or initiative contained in the 2000-2002 State/Executive Branch Budget Memorandum, the mandate, directive, or initiative contained in the 2000-2002 State/Executive Branch Budget Bill shall prevail.

Section 4. Whereas the State/Executive Branch Budget Bill takes effect upon its passage and approval of the Governor or its otherwise becoming law, an emergency is declared to exist, and this Joint Resolution takes effect upon its passage and approval by the Governor or its otherwise becoming law.

Section 5. The 2000-2002 State/Executive Branch Budget Memorandum is as follows:

Became law April 27, 2000, without Governor's signature

[The 2000-2002 State/Executive Branch Budget Memorandum referenced in Section 5 of this Act is the Free Conference Report Analysis and is set out in full at 2000 Ky. Acts ch. 525.]

[The following document is the 2000-2002 State/Executive Branch Final Budget Memorandum authorized above in Section 2 of 2000 Ky. Acts ch. 525.]

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

COMMONWEALTH BUDGET SUMMARY

Legislative Research Commission

June 7, 2000

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**2000 GENERAL ASSEMBLY
FB 2000-2002 FINAL BUDGET MEMORANDUM
GENERAL FUND BUDGET SUMMARY**

BR60EN

	FY 1999-2000	FY 2000-2001	FY 2001-2002
	Revised	Enacted	Enacted
RESOURCES			
Beginning Balance	64,193,000		
Consensus Forecast	6,431,200,000	6,746,800,000	7,078,000,000
Jet Fuel (KRS 183.525)		(5,500,000)	(5,500,000)
Phase I-Tobacco Settlement	137,800,000	101,100,000	121,600,000
Tax Measures			
Revenue Measures/Compliance		64,400,000	107,500,000
Other Resources/Credits		1,899,900	(2,777,200)
Fund Transfers			
Regular	21,200,000	40,361,400	33,201,000
Current Year/Other	46,900,000		
Resources Subtotal	\$6,701,293,000	\$6,949,061,300	\$7,332,023,800
Continued Appropriations Reserve			
Budget Reserve Trust	230,533,000	239,283,400	239,283,400
Branch Regular	128,170,500	45,517,400	22,985,700
Tobacco Settlement		68,900,000	
Reserve Subtotal	\$358,703,500	\$353,700,800	\$262,269,100
TOTAL RESOURCES	\$7,059,996,500	\$7,302,762,100	\$7,594,292,900
APPROPRIATIONS			
Legislative Budget (HB 576)			
Regular	39,879,000	36,450,400	40,616,400
Continued	1,777,100	117,200	1,450,400
Total Legislative	\$41,656,100	\$36,567,600	\$42,066,800
Judicial Budget (HB 577)			
Regular	168,927,200	178,475,400	192,590,500
Continued	5,412,400	414,500	
Total Judicial	\$174,339,600	\$178,889,900	\$192,590,500
Executive Budget (HB 502)			
Regular Operating	6,272,831,800	6,796,064,700	7,113,686,400
Current Year Special	10,912,900		
Surplus Plan/Mandated Costs	62,579,400		
Regular Capital	385,000	21,756,400	
Special Capital	700,000		
Subtotal Executive	\$6,347,409,100	\$6,817,821,100	\$7,113,686,400
Continued	75,463,600	22,000,000	
Total Executive	\$6,422,872,700	\$6,839,821,100	\$7,113,686,400
Subtotal Appropriations	\$6,638,868,400	\$7,055,278,600	\$7,348,343,700
Budget Lapse	(45,600,000)	(15,000,000)	(15,000,000)
TOTAL APPROPRIATIONS	\$6,593,268,400	\$7,040,278,600	\$7,333,343,700
BALANCE	466,728,100	262,483,500	260,949,200
Continued Appropriations Reserve			
Budget Reserve Trust Fund	239,283,400	239,283,400	239,283,400
Branch Regular	45,517,400	22,985,700	21,535,300
Tobacco Settlement	68,900,000		
Subtotal Reserve	\$353,700,800	\$262,269,100	\$260,818,700
UNDESIGNATED FUND BALANCE	\$113,027,300	\$214,400	\$130,500

Note: Per Part III, Section 29, the statutory budget memorandum shall specify the designated General Fund Surplus amount at the close of FY 2000-2001 for budgetary use and this amount may be adjusted per KRS 48.120(3). In Part X of the State/Executive Branch Budget Bill, the Undesignated Fund Balance at the close of FY 1999-2000 and FY 2000-2001 is appropriated to the General Fund Surplus Plan unless otherwise designated in the Bill.

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2000 GENERAL ASSEMBLY
FB 2000-2002 FINAL BUDGET MEMORANDUM
ROAD FUND BUDGET SUMMARY

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Table 2

Governmental Branch: Executive
Cabinet/Function: Transportation

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch	General Assembly	Difference	Branch	General Assembly	Difference	Branch	General Assembly	Difference
RESOURCES									
Road Fund Surplus	41,002,900	41,002,900		18,823,900	18,823,900		1,616,400	1,616,400	
Revenue Receipts/Estimates	1,086,962,900	1,086,962,900		1,123,210,300	1,123,210,300		1,163,161,200	1,163,161,200	
Transfer - Tax Refund	(14,847,200)	(14,847,200)							
Non Revenue Receipts	125,000	125,000		125,000	125,000		125,000	125,000	
New Revenue Initiative				78,522,000		(78,522,000)	167,242,000		(167,242,000)
TOTAL RESOURCES	1,113,243,600	1,113,243,600		1,220,681,200	1,142,159,200	(78,522,000)	1,332,144,600	1,164,902,600	(167,242,000)
APPROPRIATIONS/EXPENDITURES									
TRANSPORTATION CABINET									
General Administration & Support	61,886,700	61,886,700		66,916,800	66,261,800	(655,000)	71,583,100	71,342,200	(240,900)
Revenue Sharing	206,475,300	206,475,300		217,866,000	217,866,000		222,637,800	222,637,800	
Highways	587,013,200	587,013,200		691,578,000	614,124,100	(77,453,900)	793,112,100	628,911,200	(164,200,900)
Vehicle Regulation	29,821,000	29,821,000		29,926,300	29,193,200	(733,100)	31,649,300	30,009,100	(1,640,200)
Judgments									
Debt Service	168,633,500	168,633,500		167,275,700	167,275,700		169,854,300	169,854,300	
Carry Forward Appropriation									
Capital Budget	8,843,000	8,843,000		10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
TOTAL-TRANSPORTATION	1,062,672,700	1,062,672,700		1,183,612,800	1,105,090,800	(78,522,000)	1,296,650,600	1,129,408,600	(167,242,000)
REVENUE CABINET	1,352,000	1,352,000		1,385,000	1,385,000		1,418,000	1,418,000	
FINANCE CABINET	395,000	395,000		402,000	402,000		408,000	408,000	
OFF BUDGET TRANSFERS				3,665,000	3,665,000		3,668,000	3,668,000	
JUSTICE CABINET	30,000,000	30,000,000		30,000,000	30,000,000		30,000,000	30,000,000	
TOTAL APPROP./EXP.	1,094,419,700	1,094,419,700		1,219,064,800	1,140,542,800	(78,522,000)	1,332,144,600	1,164,902,600	(167,242,000)
Effect of Net Chg. In Carry Forward									
UNDESIGNATED BALANCE	18,823,900	18,823,900		1,616,400	1,616,400				

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Commonwealth of Kentucky

Agency:

Cabinet/Function:

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)				170,000,000	170,000,000		121,600,000	121,600,000	
General Fund Special	10,912,900	10,912,900							
General Fund	6,516,558,300	6,517,253,100	694,800	6,874,877,700	6,840,990,500	(33,887,200)	7,256,730,500	7,225,293,300	(31,437,200)
Restricted Funds	3,197,987,100	3,195,482,400	(2,504,700)	3,111,722,000	3,098,513,700	(13,208,300)	3,199,254,100	3,187,410,400	(11,843,700)
Federal Funds	4,678,620,500	4,678,976,500	356,000	4,954,935,000	4,952,942,300	(1,992,700)	5,098,476,200	5,094,787,700	(3,688,500)
Road Fund	1,085,576,700	1,085,576,700		1,209,014,800	1,130,172,800	(78,842,000)	1,324,330,600	1,158,248,600	(166,082,000)
Regular Total Funds	15,489,655,500	15,488,201,600	(1,453,900)	16,320,549,500	16,192,619,300	(127,930,200)	17,000,391,400	16,787,340,000	(213,051,400)
General Fund Continuing	83,067,600	82,653,100	(414,500)	14,944,700	22,531,700	7,587,000	3,622,900	1,450,400	(2,172,500)
GRAND TOTAL FUNDS	15,572,723,100	15,570,854,700	(1,868,400)	16,335,494,200	16,215,151,000	(120,343,200)	17,004,014,300	16,788,790,400	(215,223,900)
II. EXPENDITURE CATEGORY									
Personnel Costs	3,673,389,700	3,673,765,300	375,600	3,821,937,100	3,795,062,200	(26,874,900)	4,013,798,800	3,988,586,300	(25,212,500)
Operating Expenses	1,726,218,554	1,723,799,554	(2,419,000)	1,804,579,500	1,785,667,400	(18,912,100)	1,811,174,400	1,792,546,000	(18,628,400)
Grants, Loans, Benefits	8,545,713,500	8,545,888,500	175,000	9,024,877,200	8,858,762,700	(166,114,500)	9,338,577,600	9,200,400,000	(138,177,600)
Debt Service	517,659,600	517,659,600		556,268,900	554,581,900	(1,687,000)	612,195,400	619,404,400	7,209,000
Capital Outlay	161,557,200	161,557,200		161,494,200	159,939,500	(1,554,700)	160,559,900	158,816,300	(1,743,600)
Construction	948,184,546	948,184,546		966,337,300	891,137,300	(75,200,000)	1,067,708,200	907,437,400	(160,270,800)
TOTAL EXPENDITURES	15,572,723,100	15,570,854,700	(1,868,400)	16,335,494,200	16,045,151,000	(290,343,200)	17,004,014,300	16,667,190,400	(336,823,900)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	6,516,558,300	6,517,253,100	694,800	6,652,819,400	6,605,157,600	(47,661,800)	6,822,009,200	6,783,913,900	(38,095,300)
Restricted Funds	3,175,403,900	3,170,899,200	(4,504,700)	3,055,270,400	3,053,218,000	(2,052,400)	3,117,941,600	3,116,013,100	(1,928,500)
Federal Funds	4,678,148,900	4,678,148,900		4,893,652,900	4,873,381,600	(20,271,300)	4,992,335,700	4,974,115,900	(18,219,800)
Road Fund	1,085,576,700	1,085,576,700		1,107,576,700	1,107,576,700		1,130,355,400	1,130,355,400	
Regular Total Funds	15,455,687,800	15,451,877,900	(3,809,900)	15,709,319,400	15,639,333,900	(69,985,500)	16,062,641,900	16,004,398,300	(58,243,600)
General Fund Continuing	83,067,600	82,653,100	(414,500)	14,944,700	22,531,700	7,587,000	3,622,900	1,450,400	(2,172,500)
TOTAL BASE LEVEL	15,538,755,400	15,534,531,000	(4,224,400)	15,724,264,100	15,661,865,600	(62,398,500)	16,066,264,800	16,005,848,700	(60,416,100)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				170,000,000	170,000,000		121,600,000	121,600,000	
General Fund Special	10,912,900	10,912,900							
General Fund				222,058,300	235,832,900	13,774,600	434,721,300	441,379,400	6,658,100
Restricted Funds	22,583,200	24,583,200	2,000,000	56,451,600	45,295,700	(11,155,900)	81,312,500	71,397,300	(9,915,200)
Federal Funds	471,600	827,600	356,000	61,282,100	79,560,700	18,278,600	106,140,500	120,671,800	14,531,300
Road Fund				101,438,100	22,596,100	(78,842,000)	193,975,200	27,893,200	(166,082,000)
TOTAL ADDITIONAL	33,967,700	36,323,700	2,356,000	611,230,100	553,285,400	(57,944,700)	937,749,500	782,941,700	(154,807,800)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - GENERAL FUND (TOBACCO) APPROPRIATIONS BY FUNCTION**

	FY 2000-2001			FY 2001-2002		
	FY 1999-2000 Budget	General Assembly	Difference	General Assembly	Difference	
EXECUTIVE BRANCH						
Government Operations	121,318,800	114,251,100	(7,067,700)	62,731,900	49,910,700	(12,821,200)
Families and Children	9,188,100	7,597,800	(1,590,300)	7,708,600	9,082,800	1,374,200
Finance and Administration		1,258,000	1,258,000		7,547,000	7,547,000
Health Services	14,745,600	16,245,600	1,500,000	21,690,000	19,790,000	(1,900,000)
Natural Resources and Environmental Protection		9,000,000	9,000,000		9,000,000	9,000,000
Postsecondary Education	7,055,000	6,455,000	(600,000)	8,189,500	7,489,500	(700,000)
Public Protection and Regulation	17,692,500	15,192,500	(2,500,000)	21,280,000	18,780,000	(2,500,000)
COMMONWEALTH TOTAL	170,000,000	170,000,000		121,600,000	121,600,000	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - GENERAL FUND APPROPRIATIONS BY FUNCTION

	FY 1999-2000		FY 2000-2001			FY 2001-2002		
	Supplemental	Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH								
Government Operations	670,000	196,727,300	246,977,500	229,623,100	(17,354,400)	221,581,600	222,490,000	908,400
Economic Development		16,093,000	14,481,000	13,183,400	(1,297,600)	13,364,000	13,535,800	171,800
Education	865,400	2,743,018,800	2,801,516,500	2,795,884,700	(5,631,800)	2,874,183,300	2,861,097,500	(13,085,800)
Education, Arts and Humanities		189,673,400	192,417,900	192,913,900	496,000	208,543,500	209,836,700	1,293,200
Families and Children		279,231,800	305,202,300	304,350,200	(852,100)	319,555,200	322,239,500	2,684,300
Finance and Administration	1,632,000	208,820,000	261,991,000	260,068,200	(1,922,800)	284,181,000	290,634,300	6,453,300
Health Services		927,507,800	1,009,515,100	1,003,945,600	(5,569,500)	1,078,207,600	1,072,618,000	(5,589,600)
Justice		427,572,200	459,600,400	453,122,200	(6,478,200)	514,185,400	505,487,800	(8,697,600)
Labor		21,367,300	22,470,400	21,570,400	(900,000)	22,539,400	21,639,400	(900,000)
Natural Resources and Environmental Protection		58,022,800	59,280,300	59,515,500	235,200	61,912,100	62,415,000	502,900
Personnel	7,000,000	10,297,100	3,438,300	3,430,600	(7,700)	3,517,300	3,920,200	402,900
Postsecondary Education		1,015,071,800	1,034,598,300	1,052,805,600	18,207,300	1,151,526,300	1,159,611,300	8,085,000
Public Protection and Regulation	745,500	45,070,000	49,525,400	49,398,900	(126,500)	52,448,700	52,503,500	54,800
Revenue		83,209,400	89,289,900	88,837,900	(452,000)	93,996,800	93,546,000	(450,800)
Tourism Development		39,318,500	39,064,900	38,105,800	(959,100)	41,877,700	40,124,000	(1,753,700)
Transportation		6,346,000	5,122,800	6,861,400	1,738,600	5,277,200	6,097,200	820,000
Workforce Development		52,012,600	53,049,200	52,447,300	(601,900)	55,042,100	54,290,200	(751,900)
OPERATING - SUBTOTAL	10,912,900	6,319,359,800	6,647,541,200	6,626,064,700	(21,476,500)	7,001,939,200	6,992,086,400	(9,852,800)
Capital		700,000	10,046,000	21,756,400	11,710,400			
EXECUTIVE TOTAL	10,912,900	6,320,059,800	6,657,587,200	6,647,821,100	(9,766,100)	7,001,939,200	6,992,086,400	(9,852,800)
JUDICIAL BRANCH								
Operating		168,927,200	190,886,100	178,475,400	(12,410,700)	214,174,900	192,590,500	(21,584,400)
LEGISLATIVE BRANCH								
Operating		39,879,000	36,450,400	36,450,400		40,616,400	40,616,400	
COMMONWEALTH TOTAL	10,912,900	6,528,866,000	6,884,923,700	6,862,746,900	(22,176,800)	7,256,730,500	7,225,293,300	(31,437,200)

Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - GENERAL FUND CONTINUING APPROPRIATIONS BY FUNCTION

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH							
Government Operations	50,406,400	19,000,000	22,000,000	3,000,000	(2,000,000)	2,000,000	
Economic Development	(184,900)						
Families and Children	16,809,100	(4,172,500)		4,172,500	4,172,500	(4,172,500)	
Health Services	297,000						
Justice	100						
Postsecondary Education	343,500						
Public Protection and Regulation	2,042,300						
Transportation	3,888,200						
Workforce Development	1,861,900						
OPERATING - SUBTOTAL	75,463,600	14,827,500	22,000,000	7,172,500	2,172,500	(2,172,500)	
EXECUTIVE TOTAL	75,463,600	14,827,500	22,000,000	7,172,500	2,172,500	(2,172,500)	
JUDICIAL BRANCH							
Operating	5,412,400		414,500	414,500			
LEGISLATIVE BRANCH							
Operating	1,777,100	117,200	117,200		1,450,400	1,450,400	
COMMONWEALTH TOTAL	82,653,100	14,944,700	22,531,700	7,587,000	3,622,900	(2,172,500)	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - RESTRICTED FUNDS APPROPRIATIONS BY FUNCTION

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH							
Government Operations	136,126,200	144,563,100	137,675,500	(6,887,600)	153,290,400	145,914,800	(7,375,600)
Economic Development	3,388,800	5,179,000	5,279,000	100,000	5,350,000	5,450,000	100,000
Education	6,704,700	7,121,900	7,121,900		6,986,200	6,986,200	
Education, Arts and Humanities	11,354,300	10,311,400	10,311,400		10,912,800	10,912,800	
Families and Children	88,117,000	98,030,300	97,537,500	(492,800)	102,625,300	102,794,500	169,200
Finance and Administration	101,881,300	105,696,900	105,696,900		109,770,400	109,770,400	
Health Services	405,586,400	416,290,500	415,758,700	(531,800)	412,301,800	413,128,800	827,000
Justice	84,926,000	73,470,600	73,380,900	(89,700)	77,448,500	77,131,100	(317,400)
Labor	321,440,000	287,369,100	288,162,700	793,600	287,129,900	287,984,800	854,900
Natural Resources and Environmental Protection	38,177,800	34,349,900	34,349,900		35,469,300	35,469,300	
Personnel	33,499,500	30,591,400	30,591,400		32,028,200	32,028,200	
Postsecondary Education	1,462,074,600	1,502,527,700	1,502,527,700		1,564,561,900	1,564,561,900	
Public Protection and Regulation	123,570,100	131,358,900	131,358,900		134,589,300	134,589,300	
Revenue	5,271,500	7,040,500	7,040,500		6,853,400	6,853,400	
Tourism Development	103,898,100	106,186,200	106,186,200		109,544,100	109,544,100	
Transportation	222,654,900	100,563,200	94,463,200	(6,100,000)	100,781,500	94,679,700	(6,101,800)
Workforce Development	38,915,500	42,884,500	42,884,500		41,304,300	41,304,300	
OPERATING - SUBTOTAL	3,187,586,700	3,103,535,100	3,090,326,800	(13,208,300)	3,190,947,300	3,179,103,600	(11,843,700)
EXECUTIVE TOTAL	3,187,586,700	3,103,535,100	3,090,326,800	(13,208,300)	3,190,947,300	3,179,103,600	(11,843,700)
JUDICIAL BRANCH							
Operating	7,771,000	8,031,200	8,031,200		8,207,300	8,207,300	
LEGISLATIVE BRANCH							
Operating	124,700	155,700	155,700		99,500	99,500	
COMMONWEALTH TOTAL	3,195,482,400	3,111,722,000	3,098,513,700	(13,208,300)	3,199,254,100	3,187,410,400	(11,843,700)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - FEDERAL FUNDS APPROPRIATIONS BY FUNCTION**

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH							
Government Operations	72,816,800	62,169,100	62,169,100		59,399,800	59,399,800	
Economic Development	328,000	160,000	160,000		160,000	160,000	
Education	426,071,500	465,026,400	465,026,400		475,988,800	475,988,800	
Education, Arts and Humanities	4,476,200	4,467,800	4,467,800		4,820,900	4,820,900	
Families and Children	539,545,300	504,647,600	505,585,600	938,000	521,613,900	521,229,800	(384,100)
Finance and Administration	58,132,000	58,148,000	58,148,000		58,197,000	58,197,000	
Health Services	2,336,106,000	2,499,323,300	2,487,540,000	(11,783,300)	2,600,882,300	2,588,625,200	(12,257,100)
Justice	49,676,600	45,424,800	45,424,800		42,109,000	42,109,000	
Labor	3,453,000	3,453,000	3,453,000		3,453,000	3,453,000	
Natural Resources and Environmental Protection	57,928,500	61,868,700	61,868,700		62,244,200	62,244,300	100
Postsecondary Education	297,277,700	307,224,400	307,999,400	775,000	321,184,500	322,059,500	875,000
Public Protection and Regulation	2,454,800	2,646,300	2,646,300		2,752,800	2,752,800	
Revenue	40,000						
Tourism Development	7,365,600	7,000,000	7,000,000		7,000,000	7,000,000	
Transportation	389,988,500	496,674,000	504,751,600	8,077,600	505,778,000	513,855,600	8,077,600
Workforce Development	430,927,100	434,618,300	434,618,300		431,157,300	431,157,300	
OPERATING - SUBTOTAL	4,676,587,600	4,952,851,700	4,950,859,000	(1,992,700)	5,096,741,500	5,093,053,000	(3,688,500)
EXECUTIVE TOTAL	4,676,587,600	4,952,851,700	4,950,859,000	(1,992,700)	5,096,741,500	5,093,053,000	(3,688,500)
JUDICIAL BRANCH							
Operating	2,388,900	2,083,300	2,083,300		1,734,700	1,734,700	
LEGISLATIVE BRANCH							
Operating							
COMMONWEALTH TOTAL	4,678,976,500	4,954,935,000	4,952,942,300	(1,992,700)	5,098,476,200	5,094,787,700	(3,688,500)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - ROAD FUND APPROPRIATIONS BY FUNCTION**

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH							
Government Operations	125,000	125,000	125,000		125,000	125,000	
Finance and Administration	270,000	3,942,000	3,942,000		3,951,000	3,951,000	
Justice	30,000,000	30,000,000	30,000,000		30,000,000	30,000,000	
Revenue	1,352,000	1,385,000	1,385,000		1,418,000	1,418,000	
Transportation	1,053,829,700	1,173,562,800	1,094,720,800	(78,842,000)	1,288,836,600	1,122,754,600	(166,082,000)
OPERATING - SUBTOTAL	1,085,576,700	1,209,014,800	1,130,172,800	(78,842,000)	1,324,330,600	1,158,248,600	(166,082,000)
Capital		10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
EXECUTIVE TOTAL	1,085,576,700	1,219,064,800	1,140,542,800	(78,522,000)	1,332,144,600	1,164,902,600	(167,242,000)
JUDICIAL BRANCH							
Operating							
LEGISLATIVE BRANCH							
Operating							
COMMONWEALTH TOTAL	1,085,576,700	1,219,064,800	1,140,542,800	(78,522,000)	1,332,144,600	1,164,902,600	(167,242,000)

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
BRANCH BUDGETS - TOTAL FUNDS APPROPRIATIONS BY FUNCTION

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
EXECUTIVE BRANCH							
Government Operations	456,201,700	594,153,500	565,843,800	(28,309,700)	495,128,700	477,840,300	(17,288,400)
Economic Development	19,624,900	19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800
Education	3,175,795,000	3,273,664,800	3,268,033,000	(5,631,800)	3,357,158,300	3,344,072,500	(13,085,800)
Education, Arts and Humanities	205,503,900	207,197,100	207,693,100	496,000	224,277,200	225,570,400	1,293,200
Families and Children	923,703,200	912,895,800	915,071,100	2,175,300	955,675,500	955,346,600	(328,900)
Finance and Administration	369,103,300	429,777,900	429,113,100	(664,800)	456,099,400	470,099,700	14,000,300
Health Services	3,669,497,200	3,939,874,500	3,923,489,900	(16,384,600)	4,113,081,700	4,094,162,000	(18,919,700)
Justice	592,174,900	608,495,800	601,927,900	(6,567,900)	663,742,900	654,727,900	(9,015,000)
Labor	346,260,300	313,292,500	313,186,100	(106,400)	313,122,300	313,077,200	(45,100)
Natural Resources and Environmental Protection	154,129,100	155,498,900	164,734,100	9,235,200	159,625,600	169,128,600	9,503,000
Personnel	43,796,600	34,029,700	34,022,000	(7,700)	35,545,500	35,948,400	402,900
Postsecondary Education	2,774,767,600	2,851,405,400	2,869,787,700	18,382,300	3,045,462,200	3,053,722,200	8,260,000
Public Protection and Regulation	173,137,200	201,223,100	198,596,600	(2,626,500)	211,070,800	208,625,600	(2,445,200)
Revenue	89,872,900	97,715,400	97,263,400	(452,000)	102,268,200	101,817,400	(450,800)
Tourism Development	150,582,200	152,251,100	151,292,000	(959,100)	158,421,800	156,668,100	(1,753,700)
Transportation	1,676,707,300	1,775,922,800	1,700,797,000	(75,125,800)	1,900,673,300	1,737,387,100	(163,286,200)
Workforce Development	523,717,100	530,552,000	529,950,100	(601,900)	527,503,700	526,751,800	(751,900)
OPERATING - SUBTOTAL	15,344,574,400	16,097,770,300	15,989,423,300	(108,347,000)	16,737,731,100	16,544,091,600	(193,639,500)
EXECUTIVE TOTAL	15,344,574,400	16,097,770,300	15,989,423,300	(108,347,000)	16,737,731,100	16,544,091,600	(193,639,500)
JUDICIAL BRANCH							
Operating	184,499,500	201,000,600	189,004,400	(11,996,200)	224,116,900	202,532,500	(21,584,400)
LEGISLATIVE BRANCH							
Operating	41,780,800	36,723,300	36,723,300		42,166,300	42,166,300	
COMMONWEALTH TOTAL	15,570,854,700	16,335,494,200	16,215,151,000	(120,343,200)	17,004,014,300	16,788,790,400	(215,223,900)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Commonwealth of Kentucky

Agency:

Cabinet/Function:

Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund	200,000	700,000	500,000	10,046,000	21,756,400	11,710,400			
Restricted Funds	210,000	2,160,000	1,950,000	753,535,300	787,830,600	34,295,300	62,433,600	62,433,600	
Federal Funds				17,934,600	23,579,400	5,644,800	2,250,500	2,250,500	
Road Fund				10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
Bond Funds				682,900,000	933,490,600	250,590,600		2,000,000	2,000,000
Agency Bonds				42,000,000	117,525,000	75,525,000			
Capital Const. Surplus				2,219,000	2,219,000		248,000	248,000	
Investment Income				25,306,000	16,806,000	(8,500,000)	18,040,000	16,540,000	(1,500,000)
Other Funds		27,843,000	27,843,000	172,142,000	144,299,000	(27,843,000)	7,216,000	7,216,000	
Deferred Maintenance				7,169,000	7,169,000				
Emer. Repair & Maint.	2,210,000	2,210,000		5,379,000	5,379,000				
TOTAL CAPITAL	2,620,000	32,913,000	30,293,000	1,728,680,900	2,070,424,000	341,743,100	98,002,100	97,342,100	(660,000)

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

STATE/EXECUTIVE BUDGET SUMMARY

Legislative Research Commission

June 7, 2000

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function:

Agency:
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)				170,000,000	170,000,000		121,600,000	121,600,000	
General Fund Special	10,912,900	10,912,900							
General Fund	6,307,752,100	6,308,446,900	694,800	6,647,541,200	6,626,064,700	(21,476,500)	7,001,939,200	6,992,086,400	(9,852,800)
Restricted Funds	3,190,091,400	3,187,586,700	(2,504,700)	3,103,535,100	3,090,326,800	(13,208,300)	3,190,947,300	3,179,103,600	(11,843,700)
Federal Funds	4,676,231,600	4,676,587,600	356,000	4,952,851,700	4,950,859,000	(1,992,700)	5,096,741,500	5,093,053,000	(3,688,500)
Road Fund	1,085,576,700	1,085,576,700		1,209,014,800	1,130,172,800	(78,842,000)	1,324,330,600	1,158,248,600	(166,082,000)
Regular Total Funds	15,270,564,700	15,269,110,800	(1,453,900)	16,082,942,800	15,967,423,300	(115,519,500)	16,735,558,600	16,544,091,600	(191,467,000)
General Fund Continuing	75,463,600	75,463,600		14,827,500	22,000,000	7,172,500	2,172,500		(2,172,500)
GRAND TOTAL FUNDS	15,346,028,300	15,344,574,400	(1,453,900)	16,097,770,300	15,989,423,300	(108,347,000)	16,737,731,100	16,544,091,600	(193,639,500)
II. EXPENDITURE CATEGORY									
Personnel Costs	3,523,280,800	3,523,656,400	375,600	3,664,636,600	3,642,553,400	(22,083,200)	3,843,270,400	3,824,383,200	(18,887,200)
Operating Expenses	1,651,377,054	1,649,372,554	(2,004,500)	1,726,811,100	1,714,249,500	(12,561,600)	1,717,307,400	1,713,143,100	(4,164,300)
Grants, Loans, Benefits	8,545,713,500	8,545,888,500	175,000	9,024,877,200	8,858,762,700	(166,114,500)	9,338,577,600	9,200,400,000	(138,177,600)
Debt Service	517,659,600	517,659,600		556,268,900	554,581,900	(1,687,000)	612,195,400	619,404,400	7,209,000
Capital Outlay	159,812,800	159,812,800		158,839,200	158,138,500	(700,700)	158,672,100	157,723,500	(948,600)
Construction	948,184,546	948,184,546		966,337,300	891,137,300	(75,200,000)	1,067,708,200	907,437,400	(160,270,800)
TOTAL EXPENDITURES	15,346,028,300	15,344,574,400	(1,453,900)	16,097,770,300	15,819,423,300	(278,347,000)	16,737,731,100	16,422,491,600	(315,239,500)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	6,307,752,100	6,308,446,900	694,800	6,438,430,500	6,392,760,200	(45,670,300)	6,590,475,100	6,554,124,700	(36,350,400)
Restricted Funds	3,167,508,200	3,163,003,500	(4,504,700)	3,047,083,500	3,045,031,100	(2,052,400)	3,109,634,800	3,107,706,300	(1,928,500)
Federal Funds	4,675,760,000	4,675,760,000		4,891,569,600	4,871,298,300	(20,271,300)	4,990,601,000	4,972,381,200	(18,219,800)
Road Fund	1,085,576,700	1,085,576,700		1,107,576,700	1,107,576,700		1,130,355,400	1,130,355,400	
Regular Total Funds	15,236,597,000	15,232,787,100	(3,809,900)	15,484,660,300	15,416,666,300	(67,994,000)	15,821,066,300	15,764,567,600	(56,498,700)
General Fund Continuing	75,463,600	75,463,600		14,827,500	22,000,000	7,172,500	2,172,500		(2,172,500)
TOTAL BASE LEVEL	15,312,060,600	15,308,250,700	(3,809,900)	15,499,487,800	15,438,666,300	(60,821,500)	15,823,238,800	15,764,567,600	(58,671,200)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				170,000,000	170,000,000		121,600,000	121,600,000	
General Fund Special	10,912,900	10,912,900							
General Fund				209,110,700	233,304,500	24,193,800	411,464,100	437,961,700	26,497,600
Restricted Funds	22,583,200	24,583,200	2,000,000	56,451,600	45,295,700	(11,155,900)	81,312,500	71,397,300	(9,915,200)
Federal Funds	471,600	827,600	356,000	61,282,100	79,560,700	18,278,600	106,140,500	120,671,800	14,531,300
Road Fund				101,438,100	22,596,100	(78,842,000)	193,975,200	27,893,200	(166,082,000)
TOTAL ADDITIONAL	33,967,700	36,323,700	2,356,000	598,282,500	550,757,000	(47,525,500)	914,492,300	779,524,000	(134,968,300)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function:

Agency:
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund	200,000	700,000	500,000	10,046,000	21,756,400	11,710,400			
Restricted Funds	210,000	2,160,000	1,950,000	753,535,300	787,830,600	34,295,300	62,433,600	62,433,600	
Federal Funds				17,934,600	23,579,400	5,644,800	2,250,500	2,250,500	
Road Fund				10,050,000	10,370,000	320,000	7,814,000	6,654,000	(1,160,000)
Bond Funds				682,900,000	933,490,600	250,590,600		2,000,000	2,000,000
Agency Bonds				42,000,000	117,525,000	75,525,000			
Capital Const. Surplus				2,219,000	2,219,000		248,000	248,000	
Investment Income				25,306,000	16,806,000	(8,500,000)	18,040,000	16,540,000	(1,500,000)
Other Funds		27,843,000	27,843,000	172,142,000	144,299,000	(27,843,000)	7,216,000	7,216,000	
Deferred Maintenance				7,169,000	7,169,000				
Emer. Repair & Maint.	2,210,000	2,210,000		5,379,000	5,379,000				
TOTAL CAPITAL	2,620,000	32,913,000	30,293,000	1,728,680,900	2,070,424,000	341,743,100	98,002,100	97,342,100	(660,000)

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

**STATE/EXECUTIVE BUDGET
GENERAL AND SPECIAL PARTS
AND SECTIONS**

Legislative Research Commission

June 7, 2000

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**2000 GENERAL ASSEMBLY
STATE/EXECUTIVE BRANCH BUDGET BILL
GENERAL AND SPECIAL PARTS AND SECTIONS**

BR 60/EN

PART II. CAPITAL PROJECTS BUDGET GENERAL PROVISIONS

1. Reauthorized Capital Projects Definition

Branch Defines the standards and criteria for expiration of existing, previously-authorized capital projects on June 30, 2000, and reauthorization of capital construction, major items of equipment and major maintenance pool projects; Unless reauthorized in the Budget Bill, construction contracts must be awarded by June 30, 2000, bond projects must obtain sufficient permanent financing or short-term line of credit covering total scope, grant and loan agreements must be finalized and signed by all parties, or purchase orders for major equipment item must be executed; and, Subjects disposition of current major maintenance pool appropriations to KRS 45.770(4)(c) and (d).

General

Assembly: General Assembly concurs with Branch Budget provision.

2. General Fund-Supported Bond Projects

Branch Specifies that first-time bond projects supported with General Fund debt service appropriations are authorized in FY 2000-2001 with partial year debt service so that preliminary work may proceed and that full year debt service is provided in FY 2001-2002, to advance preliminary project activity. Sale of permanent bond financing may occur after January 1, 2001.

General

Assembly: General Assembly concurs with Branch Budget provision.

3. Capital Bond Projects/Debt Service Lapse

Branch States that General Fund debt service appropriation lapses if a capital bond project is cancelled. (KRS 48.720).

General

Assembly: General Assembly concurs with Branch Budget provision.

4. Emergency Repair, Maintenance and Replacement Fund and Deferred Maintenance Fund Projects

Branch Suspends KRS 45.750 to 45.782 and appropriates Emergency Repair, Maintenance and Replacement Fund moneys and Deferred Maintenance Fund moneys to individual capital projects identified in the Budget Bill; and,

Suspends KRS 45.782 and states that certain Deferred Maintenance Fund supported projects exceed \$400,000 limit.

General

Assembly: General Assembly concurs with Branch Budget provision.

5. General Fund Debt Service Substitution and Uses

Branch

Authorizes excess bond proceeds from completed projects and unrestricted Investment Income earnings from bond proceeds be used for debt service, consistent with Internal Revenue Service laws and regulations; Suspends KRS 48.720, KRS 48.010 and Budget Bill provisions to substitute bond earnings and surplus proceeds for General Fund debt service appropriation; Appropriates excess debt service to the Statewide Deferred Maintenance Account; Lapses unneeded debt service due to other circumstances except for the following: credits surplus debt service in an amount up to \$5,000,000 in either FY 1999-2000 or FY 2000-2001 to the Emergency Repair, Maintenance and Replacement Fund if Fund balance falls below threshold or, if not needed for this Fund, then deposits first \$2,000,000 in unneeded debt service to the statutory Deferred Maintenance Pool Account in FY 1999-2000 or FY 2000-2001.

General

Assembly:

General Assembly amends Branch Budget provision to eliminate lapse provisions for surplus debt service in FY 1999-2000 to the Emergency Repair, Maintenance and Replacement Fund and the Deferred Maintenance Pool Account. Provides alternative General Fund resource substitute for Community Development Bond Funds supported projects if the Secretary of the Finance and Administration Cabinet determines that this source is more appropriate than debt finance; and, Requires approval by State Budget Director and reporting to Interim Joint Committee on Appropriations and Revenue and Capital Projects and Bond Oversight Committee.

6. Technology Trust Fund Investment Income

Branch

Credits Investment Income earned on moneys in the Technology Trust Fund Account to accrue to the Capital Construction and Equipment Purchase Contingency Account (KRS 45.770).

General

Assembly: General Assembly concurs with Branch Budget provision.

7. Postsecondary Institutions' Restricted Funds Bond Projects Pool

Branch

Authorizes postsecondary institutions to apply for an allocation from \$35,000,000 Agency Bond Projects Pool and eligible approved projects are funded from Restricted Funds - support bonds; and, Suspends KRS 45.750 to 45.816 to authorize interim projects which involve no state or federal funds upon approval by the Council on Postsecondary

Education and Secretary of the Finance and Administration Cabinet with notification to the Capital Projects and Bond Oversight Committee.

General

Assembly: General Assembly concurs with Branch Budget provision.

8. Economic Development Bond Program Projects Selection Process

Branch Requires approval by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under KRS 56.440 to 56.590 prior to issuance of economic development bonds; and, Provides additional terms and conditions to the provisions of KRS 154.12-100, including documented rationale for selection and anticipated economic development impact.

General

Assembly: General Assembly concurs with Branch Budget provision.

9. Capital Programs Project Authorizations

Branch Identifies capital programs projects in the Budget Bill in the areas of Repair of State-Owned Dams, Land Acquisition, Property Demolition, Guaranteed Energy Savings projects, Purchase of Agriculture Easements (PACE), Phase I Tobacco Settlement Agricultural Development Initiative, Economic Development projects, Infrastructure projects, Asbestos Abatement projects, Technology Trust Fund projects, and Postsecondary Institutions' Agency Bond Pool and Capital Renewal and Maintenance Pool; Specifies that individual capital projects costing over \$400,000 or equipment items costing over \$100,000 shall be reported to the Capital Projects and Bond Oversight Committee; and, Declares that capital construction appropriations, including income from investments, shall be transferred to the Finance and Administration Cabinet and treated as direct appropriations.

General

Assembly: General Assembly amends Branch Budget provision to include Employment Services Facilities projects authorized in Part IX of the Budget Bill and to include High-Tech Construction Pool and High-Tech Investment Pool authorizations within Economic Development projects.

10. Postsecondary Institutions' Capital Renewal and Maintenance and Equipment Replacement Bond Pools

Branch Has no provision in Budget Bill, as Introduced.

General

Assembly: General Assembly authorizes \$60,000,000 Capital Renewal and Maintenance Pool funded by \$30,000,000 in General Fund supported Bond Funds and matched with \$30,000,000 in Restricted Funds to support individual projects upon recommendation by the Council on Postsecondary Education to the Secretary of the Finance and

Administration Cabinet from a list previously identified by the Council for funding in the 2000-2002 Biennium; Permits project groupings such as "Life Safety Projects in E & G Buildings"; Requires groupings that do not constitute a single construction project to separately identify any subproject exceeding \$400,000. Also, authorizes \$20,000,000 Equipment Replacement Pool funded by General Fund-supported Bond Funds; Directs that allocations by the Council be based on proportional institutional expenditures for instruction and research; Requires dollar-for-dollar match funds for research, but not instructional equipment; and, Specifies pool funding recommendations by the Council to the Secretary.

11. Estill County Project Reauthorization

Branch: Has no provision in Budget Bill, as Introduced.

General

Assembly: General Assembly reauthorizes original \$75,000 appropriation for the Estill County Board of Education Swimming Pool Project in 1998-2000 State/Executive Budget Bill (HB 321) and reappropriates funds for other initiatives.

12. Business and Technology Building Project and Related Financing Scope Authorization

Branch: Has no provision.

General

Assembly: General Assembly authorizes the combination or consolidation of the Business and Technology Building Project under Eastern Kentucky University, the Southeast Kentucky Center for Business Technology and Innovation Project under the Economic Development Cabinet, along with project funding in addition to other available capital resources, within a total scope of \$15,000,000; Directs action by the Secretary of the Finance and Administration Cabinet and the approval of the State Budget Director; and, Requires reports, in writing, to the Interim Joint Committee on Appropriations and Revenue and the Capital Projects and Bond Oversight Committee.

13. South Campus Building Project and Related Financing Scope Authorization

Branch: Has no provision.

General

Assembly: General Assembly authorizes the combination or consolidation of the South Campus Building Project under Western Kentucky University (L10) and the South Central Kentucky Technology Center Project under the Economic Development Bond Pool Reauthorization Project, along with project funding in addition to other available resources, within a total scope of \$10,000,000; Directs action by Secretary of Finance and Administration, with

approval of the State Budget Director; and Requires reports, in writing, to the Interim Joint Committee on Appropriations and Revenue and Capital Projects Bond Oversight Committee.

14. Section R. Community Development Projects/Language Provisions

Branch Has no provisions in Budget Bill, as Introduced.

General

Assembly: General Assembly adopts and incorporates proposed Executive Branch amendment to appropriate General Fund moneys and Bond Funds with General Fund-supported debt service to enumerated local and statewide community development projects; Amends original provisions to add and delete projects, and alter selected titles, funding levels or financing source; Provides language provisions relating to selected project items; Authorizes Secretary of Finance and Administration to reassign projects by Administrative Order to appropriate administering agency with notice to Interim Joint Committee on Appropriations and Revenue and Capital Projects and Bond Oversight Committee; Declares that all appropriations are non-recurring and that recipient entities are financially responsible for operating costs; Authorizes the State Property and Building Commission to issue bonds for projects; and, Authorizes the Secretary of Finance and Administration to arrange for the application of \$3,000,000 previously issued and unused Economic Development Bond Proceeds for the Jefferson County Project (Vencor) as additional funds to the Muhammad Ali Center Project (#365).

15. Section S. Coal Severance Tax Projects/Language Provisions

Branch: Has no provisions in Budget Bill, as Introduced.

General

Assembly: General Assembly adopts and incorporates proposed Executive Branch amendment to suspend KRS 42.4588(2) and (4) to authorize and appropriate single-county fund accounts moneys from the Local Government Economic Development Fund for specific public purpose projects in respective coal producing counties; States that appropriated amounts are estimates and limits expenditures and encumbrances to actual available receipts and prior unobligated balances in single county fund accounts during FY 2000-2001 and FY 2001-2002; and, Establishes that expenditures shall not exceed appropriated amounts for each listed project and enumerated county.

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

PART II - CAPITAL PROJECTS BUDGET RECORD

R. COMMUNITY DEVELOPMENT PROJECTS

S. COAL SEVERANCE TAX RECEIPTS PROJECTS

JUNE 7, 2000

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly					
			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
1	Adair	Adair County EMS for the Building Fund		20,000				
2	Adair	Adair County Park for Renovation and Maintenance		25,000				
3	Adair	Adair County Public Library for Equipment		10,000				
4	Adair	Breeding Fire Department					30,000	
5	Adair	Columbia Fire Department					30,000	
6	Adair	Knifley Fire Department					30,000	
7	Adair	Tri-County Industrial Park for Water Tower					250,000	
8	Allen	Allen Co. Fiscal Court for Park Improvements					200,000	
9	Allen	Allen Co. Volunteer Fire Dept.					125,000	
10	Allen	Allen Co Fiscal Court-Water Line Extension for Agricultural, Business and Residential Use					125,000	
11	Allen	Allen Co. Water District					150,000	
12	Allen	Allen County Fiscal Court-Facilities Improvement & Equipment at each of six Rural Volunteer Fire Departments.					150,000	
13	Allen	Allen County Schools Vocational Center-New Computer Lab					75,000	
14	Anderson	Anderson Co. Park					500,000	
15	Anderson	Anderson Co. Water Projects					350,000	
16	Anderson	Lawrenceburg Library Project					200,000	
17	Ballard	Ballard Co. Volunteer Fire Dept.					50,000	
18	Ballard	Ballard County Ambulance					65,000	
19	Ballard	Bandana Park		5,000				
20	Ballard	Completion of Construction & Lighting of Ft. Jefferson State Park at Wickliffe		50,000				
21	Ballard	Infrastructure Improvement & Construction of Spec. Bldg at Wickliffe					450,000	
22	Barren	Barren Co. Courthouse					500,000	
23	Barren	Barren Co. Fiscal Court for Fire Depts.					200,000	
24	Barren	Barren County Park Improvements					200,000	
25	Barren	Barren State Park Boat Dock					300,000	
26	Barren	Cave City Convention Center & Farmers Market					3,000,000	
27	Barren	Glasgow City		200,000				
28	Barren	Glasgow Parks Dept.		50,000				
29	Barren	Highland Games		100,000				
30	Barren	Hiseville City		25,000				
31	Barren	Park City Park		25,000				
32	Bath	Bath Co. Water Project Extension		50,000				
33	Bath	Bath County Courthouse Renovation					100,000	

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R. COMMUNITY DEVELOPMENT PROJECTS

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34	Bath	Flat Creek/Sharpsburg Water Project		50,000				
35	Bath	Pendleton Branch Water Project		50,000				
36	Bath	Preston Sewer Project					150,000	
37	Bell	Parks - Pine Mountain State Park Golf Course					2,000,000	
38	Boone	Big Bone Lick State Park - This authorization will provide necessary funds for land acquisition and other park improvements					1,000,000	
39	Boone	Boone Co. Fiscal Court for Water & Sewer Projects					500,000	
40	Boone	City of Walton for Sidewalks					100,000	
41	Boone	Main Street Florence Improvements		50,000				
42	Boone	South Fork Park Improvements					100,000	
43	Bourbon	Ball Fields					75,000	
44	Bourbon	Bourbon Co. Fire Gates Numbers					74,000	
45	Bourbon	Centerville Septic System					98,000	
46	Bourbon	Centerville/Hutchinson Vol. Fire Dept.					80,000	
47	Bourbon	Farmer's Market Bldg.					178,000	
48	Bourbon	Hazardous Materials Cleanup		50,000				
49	Bourbon	Little Rock Water Lines					64,000	
50	Bourbon	Ruddles Mill Water Lines					68,000	
51	Bourbon	Volunteer Fire Depts.					313,000	
52	Boyd	Boyd County Fiscal Court-Boyd County Fair Operations & Improvements		50,000				
53	Boyd	Ashland National Little League Project		75,000				
54	Boyd	Ashland School System, Boyd School System and Fairview Independent School System-Athletic Facilities Improvements & Enhancements (100,000 each)					300,000	
55	Boyd	Ashland Water Front					200,000	
56	Boyd	Boyd Co. Parks and Recreation					90,000	
57	Boyd	Boyd Co. Volunteer Fire Departments					90,000	
58	Boyd	Catlettsburg Baseball Field		25,000				
59	Boyd	Highlands Museum					200,000	
60	Boyd	Paramount Center					3,000,000	
61	Boyd	Study and Correct Drainage Problems near I-64, Exit 181					250,000	
62	Boyd	Summer Motion		50,000				
63	Boyle	Architectural Review of Old Post Office		25,000				
64	Boyle	Hub Frankel Building					975,000	
65	Boyle	Millennium Park					475,000	

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66	Boyle	Perryville Battlefield State Park					475,000	
67	Boyle	Wilderness Trace Child Development Center.		100,000				
68	Bracken	Bracken Co. Courthouse Elevator					230,000	
69	Bracken	Bracken Co. Water Lines		30,000				
70	Bracken	City of Brooksville-City Swimming Pool/Local Match		40,000				
71	Bracken	Germantown Fire Dept.					100,000	
72	Breckinridge	Breckinridge Co. Fiscal Court for 10 Fire Depts. (\$20,000 Each)					200,000	
73	Breckinridge	Breckinridge Co. Fiscal Court for County Jail Project					500,000	
74	Breckinridge	Breckinridge Co. Fiscal Court for Water & Sewer Projects					500,000	
75	Bullitt	Brooks Sewer Plant					300,000	
76	Bullitt	Bullett Co. Fiscal Court for Community Development		250,000				
77	Bullitt	Bullitt Co. Water and Sewer Line Expansion					2,000,000	
78	Butler	Butler Co. Fiscal Court for Various Fire Depts.					200,000	
79	Butler	Butler Co. Water Project					250,000	
80	Caldwell	Caldwell Co. Airport Expansion					75,000	
81	Caldwell	Caldwell Co. Historical/Amoss House		9,000				
82	Caldwell	Caldwell Co. Senior Citizens Building					150,000	
83	Caldwell	Caldwell Co./Princeton Water District					240,000	
84	Caldwell	Caldwell EMS Ambulance					65,000	
85	Caldwell	Fredonia Fire Dept./Jaws of Life					11,000	
86	Calloway	East Calloway Co. Water Ext.					100,000	
87	Calloway	Emergency Co. Road Improvement		50,000				
88	Calloway	Hazel Fire Dept.					50,000	
89	Calloway	Murray/Calloway Co. Fire and Rescue					150,000	
90	Calloway	Murray/Calloway Co. Industrial Develop./Business Incubator Project					500,000	
91	Calloway	Murray/Calloway Co. Parks Improvement					150,000	
92	Campbell	Alexandria Sidewalks and Park Improvements		20,000				
93	Campbell	Bellevue Community Center					500,000	
94	Campbell	Bellevue Independent School Remodeling					350,000	
95	Campbell	City of Bellevue Fire Department					50,000	
96	Campbell	City of Dayton Fire Department					50,000	
97	Campbell	City of Newport Fire Department					75,000	
98	Campbell	City of Southgate Fire Department					50,000	
99	Campbell	City of Wilder Fire Department					50,000	
100	Campbell	City of Woodlawn Fire Department					25,000	
101	Campbell	Dayton Community Center					500,000	

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R. COMMUNITY DEVELOPMENT PROJECTS

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102	Campbell	Eastern Campbell Volunteer Fire Department					10,000	
103	Campbell	Fort Thomas Independent School Assistance with Middle School Construction		75,000				
104	Campbell	Fort Thomas Independent Schools - Highland High School Science Lab Equipment		25,000				
105	Campbell	Highland Heights Improvements - Streetscape		10,000				
106	Campbell	L & N Bridge - Newport					4,000,000	
107	Campbell	Northern KY Convention and Visitors Bureau to Help Market Northern Ky for Film Site.		40,000				
108	Campbell	Southern Campbell County Volunteer Fire Department					10,000	
109	Carlisle	Carlisle Co. Sewer Project					450,000	
110	Carlisle	Volunteer Fire Dept.					50,000	
111	Carroll	Carroll Co. Fiscal Court for Fire/EMS					30,000	
112	Carroll	Carroll Co. Fiscal Court for Sewer Lines					200,000	
113	Carter	Carter Co. Water Project					1,000,000	
114	Casey	Casey Co. Fiscal Court for 2 New Sheriff's Cars					65,000	
115	Casey	Casey Co. Fiscal Court for 7 Fire Depts. (\$15,000 Each)					105,000	
116	Casey	Casey Co. Jail					500,000	
117	Casey	Casey Co. Public Library for Equipment		10,000				
118	Casey	Casey County Police Equipment					62,000	
119	Casey	Casey County Recycling Center					65,000	
120	Casey	Casey County Senior Citizens Building					175,000	
121	Christian	Christian Co. Convention Center					6,750,000	
122	Christian	Christian Co. Fiscal Court for Feasibility Study for Ethanol Project in Southcentral and Western KY		150,000				
123	Clark	Clark County College Park Gym Renovation					1,000,000	
124	Clark	Clark County Heritage Commission-Lower Howard's Creek Project		25,000				
125	Clark	Clark County School Board Technology Improvements		30,000				
126	Clark	Clark County School, Extra Curricular Activities		10,000				
127	Clark	Clark County Tourism, Recreation and Convention Commission-Civil War Site		25,000				
128	Clark	Clark County YMCA-Program Expansion		25,000				
129	Clark	State Office Building					1,000,000	
130	Clay	911 Center					110,000	
131	Clay	Board of Education Little League Field		20,000				
132	Clay	Burning Springs Park Construction		20,000				

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R. COMMUNITY DEVELOPMENT PROJECTS

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133	Clay	Campbell-Reid Alternative School		250,000				
134	Clay	City of Manchester Police Car & Equipment					50,000	
135	Clay	City of Manchester/Young Women Club Park Revitalization		20,000				
136	Clay	Clay Co. Community Center/Land Acquisition.					300,000	
137	Clay	Clay Co. Historical Society		10,000				
138	Clay	Clay Co. Library		15,000				
139	Clay	Clay Co. Senior Citizens Center		25,000				
140	Clay	Clay County Burchell Softball Little League		20,000				
141	Clay	Clay County Fiscal Court for Volunteer Fire Dept.					90,000	
142	Clay	Clay County High School Youth Services Dropout Program		40,000				
143	Clay	Clay County Learning Outreach Program		40,000				
144	Clay	Downtown Manchester		175,000				
145	Clay	Manchester Civic/Education Center					325,000	
146	Clay	Manchester Park Revitalization		20,000				
147	Clay	Manchester Water and Waste					300,000	
148	Clinton	Clinton Co. Sheriff Dept.					40,000	
149	Clinton	Clinton County Little League Park Improvements					65,000	
150	Clinton	KCTCS Technical College					2,000,000	
151	Crittenden	Crittenden Co. Fire and Rescue Depts.					105,000	
152	Crittenden	Crittenden Co./Marion Park		43,000				
153	Crittenden	Crittenden County Ambulance					30,000	
154	Crittenden	Crittenden/Livingston Water					100,000	
155	Crittenden	Marion Sewer Project		40,000				
156	Crittenden	Telecommunications Training Center		32,000				
157	Cumberland	Cumberland Co Board of Education for Renovation					300,000	
158	Cumberland	Cumberland Co. Sheriff Dept.					40,000	
159	Cumberland	Cumberland County Day Care/Early Childhood Facility					270,000	
160	Cumberland	Dale Hollow State Park-Facility Improve.					2,150,000	
161	Daviess	Daviess County Parks Building					195,000	
162	Daviess	Whitesville Community Park Lighting Project					50,000	
163	Daviess	Advanced Technology Center					375,000	
164	Daviess	Area Museum					1,270,000	
165	Daviess	Ben Hawes State Park Project					1,004,800	
166	Daviess	Daviess County Waterfront Development					1,105,000	
167	Daviess	English Park Docking Facility					1,300,000	
168	Daviess	Museum of Fine Art					600,000	

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169	Daviess	Shelton Freedom Memorial Com.		50,000				
170	Edmonson	Brownsville Natural Gas Line					125,000	
171	Edmonson	City of Brownsville Water & Sewer - Extensions across bridge at Brownsville and Other Improvements					500,000	
172	Edmonson	Edmonson Co. Environmental Study		50,000				
173	Edmonson	Edmonson Fiscal Court for Fire Depts.					100,000	
174	Edmonson	Edmonson Parks Commission		100,000				
175	Edmonson	Edmonson Parks Commission - New Park at Chalybeate Springs					400,000	
176	Elliott	Elliot County Ambulance Service-Equipment & Operating		25,000				
177	Elliott	Elliott Co. Board of Education/Pool Project.					750,000	
178	Elliott	Elliott Co. Public Library		25,000				
179	Elliott	Elliott Co. School Bd./Playground & Rec.		50,000				
180	Elliott	Sandy Hook Beautification Project		50,000				
181	Elliott	Volunteer Fire Departments					100,000	
182	Estill	City of Ravenna-Budget Shortfall		20,000				
183	Estill	Marcum/Wallace Hospital		100,000				
184	Estill	Sewer System Upgrade					400,000	
185	Fayette	Bryan Station High School-Wellness/Fitness		100,000				
186	Fayette	Convention Center/Rupp Arena					15,000,000	
187	Fayette	Horse Park Infrastructure Development					1,550,000	
188	Fayette	Horse Park Water Line Extension					1,389,000	
189	Fayette	Johnson Community Center					1,700,000	
190	Fayette	Kentucky Aviation Museum					300,000	
191	Fayette	Lexington/Fayette County Parks					1,000,000	
192	Fayette	Northern Elementary-Creative Playground					125,000	
193	Fleming	Fleming Co. Fiscal Court for Environmental Program		100,000				
194	Fleming	Water Resources and Land Acquisition to Dept. of Parks for Elk Creek Lake. Dept. of Parks will grant reasonable water withdrawal for Western Fleming Water District.					1,000,000	
195	Floyd	Floyd County Fiscal Court for Martin Community Center-Construction					929,500	
196	Floyd	Floyd County Fiscal Court for Martin Community Center-Operations		496,500				
197	Floyd	Jenny Wiley Scenic Club-Wave Reduction Barrier at Dewey Lake		50,000				
198	Floyd	Samuel May House Enhancements		50,000				
199	Floyd	East Ky. Center. for Science, Math, and Tech.					1,000,000	
200	Floyd	Jenny Wiley-Construction and Dredging of new Boat Ramp					500,000	
201	Floyd	Motor Vehicle Commission-New Inspector for Car Lots for E. KY		100,000				

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R. COMMUNITY DEVELOPMENT PROJECTS

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202	Floyd	Mountain Arts Center-Pay-Off Bonds		2,000,000				
203	Floyd	Prestonsburg Development Project					3,000,000	
204	Franklin	Holmes Street Drainage Project					3,000,000	
205	Fulton	Fulton Co. Volunteer Fire Dept.					50,000	
206	Fulton	Hickman/Fulton Co. Riverport					450,000	
207	Gallatin	Gallatin Co. Fiscal Court for Fire/EMS					20,000	
208	Gallatin	Gallatin Co. Fiscal Court for Sewer Lines					300,000	
209	Gallatin	Water Line Extension					250,000	
210	Garrard	City of Lancaster-Garrard County Garden Club Beautification Project		30,000				
211	Garrard	City of Lancaster		200,000				
212	Garrard	Lancaster Ball Park		25,000				
213	Garrard	Lancaster Rural Water Intake					500,000	
214	Grant	Grant Co. Public Library					750,000	
215	Grant	Grant Co. Rural Water Extensions					250,000	
216	Graves	Graves County Board of Education-Recreational Enhancements		50,000				
217	Graves	Graves Co. Municipal Building		250,000				
218	Graves	Graves Co. Voluntary Fire Dept.					150,000	
219	Graves	Mayfield/Graves Co. Parks Association		125,000				
220	Graves	Mayfield/Graves County Airport					100,000	
221	Graves	Mayfield/Graves Youth Soccer					125,000	
222	Graves	North Graves Sanitary Sewer Project					400,000	
223	Graves	Women's Group Home					275,000	
224	Grayson	Big Clifty Community Center					60,000	
225	Grayson	Grayson Co. Fiscal Court for 7 Fire Departments (\$20,000 Each)					140,000	
226	Grayson	Grayson Co. Fiscal Court for County Jail Project					500,000	
227	Grayson	Grayson Co. Fiscal Court for Water & Sewer Project					500,000	
228	Green	Fire and Rescue Building - Greensburg					50,000	
229	Green	Green Co. Fiscal Court for Fire Depts.					100,000	
230	Green	Green Co. Water					450,000	
231	Greenup	City of Flatwoods-Athletic Complex & Walking Park					77,500	
232	Greenup	City of Russell Public Safety		20,000				
233	Greenup	City of Southshore - Stan Spence Baseball		5,000				
234	Greenup	City of Southshore for Water, Sewer, Roads, Public Safety and Parks Projects		25,000				
235	Greenup	City of Worthington - Worthington Park		5,000				

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236	Greenup	City of Wurtland for Water, Sewer, Roads, Public Safety and Parks Projects		22,500				
237	Greenup	Greenup Co. Fiscal Court - County Fairgrounds Ballpark		5,000				
238	Greenup	Greenup Co. Fiscal Court - Greenup Co. Junior Football		5,000				
239	Greenup	Greenup Co. Fiscal Court - Greenup Youth Soccer		8,000				
240	Greenup	Greenup Co. Fiscal Court - Raceland/Worthington Junior Football		5,000				
241	Greenup	Greenup Co. Fiscal Court - Russell/Flatwoods Junior Football		5,000				
242	Greenup	Greenup Co. Fiscal Court (\$50,000 for Winifred water/sewer; \$25,000 for Raceland water/sewer; \$75,000 Russell water/sewer; \$25,000 for Worthington water/sewer)					175,000	
243	Greenup	Greenup Co. Fiscal Court for Water Projects					500,000	
244	Greenup	Greenup Co. Schools - Argillite Elementary SB Council		7,500				
245	Greenup	Greenup Co. Schools - Greenup Co. High SB Council		7,500				
246	Greenup	Greenup Co. Schools - Greenup Co. High SB Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
247	Greenup	Greenup Co. Schools - Greysbranch Elementary SB Council		7,500				
248	Greenup	Greenup Co. Schools - Lynn Elementary SB Council		7,500				
249	Greenup	Greenup Co. Schools - McKell Elementary SB Council		7,500				
250	Greenup	Greenup Co. Schools - McKell Middle SB Council		7,500				
251	Greenup	Greenup Co. Schools - McKell Middle SB Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
252	Greenup	Greenup Co. Schools - Raceland High SB Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
253	Greenup	Greenup Co. Schools - Wurtland Elementary SB Council		7,500				
254	Greenup	Greenup Co. Schools - Wurtland Middle SB Council		7,500				
255	Greenup	Greenup Co. Schools - Wurtland Middle SB Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
256	Greenup	Greenup County Fiscal Court Junior Basketball		10,000				
257	Greenup	Greenup County Fiscal Court Juvenile Detention Costs		10,000				
258	Greenup	Greenup County Fiscal Court-Addington Ball Field Road		10,000				
259	Greenup	Greenup County Fiscal Court-Fairgrounds		10,000				
260	Greenup	Greenup County Volunteer Fire Departments					72,500	

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R. COMMUNITY DEVELOPMENT PROJECTS

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			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
261	Greenup	Raceland Schools - Campbell Elementary SB Council		7,500				
262	Greenup	Raceland Schools - Raceland High SB Council		7,500				
263	Greenup	Raceland Schools - Worthington Elementary SB Council		7,500				
264	Greenup	Raceland Schools - Worthington Elementary Walk-in Freezer		5,000				
265	Greenup	Russell Independent - McDowell Playground		15,000				
266	Greenup	Russell Independent - McDowell Site Based Council		7,500				
267	Greenup	Russell Independent - Russell High Site Based Council		7,500				
268	Greenup	Russell Independent - Russell High Site Based Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
269	Greenup	Russell Independent - Russell Middle Site Based Council		7,500				
270	Greenup	Russell Independent - Russell Middle Site Based Council - To be divided equally among the science instructors to purchase instructional materials, participate in science competitions, or purchase equipment		2,000				
271	Greenup	Russell Independent - Russell Primary Playground		35,000				
272	Greenup	Russell Independent - Russell Primary SB Council		7,500				
273	Hancock	Hancock County Fire and Rescue Building					40,000	
274	Hancock	Hancock County Rescue Squad Truck					20,000	
275	Hancock	Hancock County Water Project					115,000	
276	Hardin	City of West Point-Develop & Promote Tourism and Economic Development Commission		50,000				
277	Hardin	Adult Day Rehabilitation Program Facility					75,000	
278	Hardin	After-school and Recreational Prog.- Upton		75,000				
279	Hardin	Annual "Golden Armor Festival"		25,000				
280	Hardin	Challenger Learning Center					760,000	
281	Hardin	Chamber Meeting and Exhibition Room		25,000				
282	Hardin	City Hall Improvement		50,000				
283	Hardin	Community Center, Vine Grove					300,000	
284	Hardin	Duvall Softball/Baseball Park		5,000				
285	Hardin	Elizabethtown Community Adult Crisis Stabilization Program		300,000				
286	Hardin	Elizabethtown Community College		40,000				
287	Hardin	Elizabethtown State Theater Renovation					500,000	
288	Hardin	Fire Dept. Rescue Truck & Facility Renov.					50,000	
289	Hardin	Glendale Recreation Program		50,000				
290	Hardin	Hardin Co. Historical Society		10,000				
291	Hardin	Hardin Co. Water Dist #2 - Rineyville Project					1,200,000	

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292	Hardin	Hardin Co. Water District #2				421,500	
293	Hardin	Hardin County Public Library		300,000			
294	Hardin	Helping Hand Organization		25,000			
295	Hardin	Kentucky Food Bank		115,000			
296	Hardin	Kids Voting Program of Hardin Co.		50,000			
297	Hardin	Mobile Command Post for Fire & Police Dept.				50,000	
298	Hardin	New Hope Missionary Baptist Church		25,000			
299	Hardin	One Four Wheel-Drive Police Vehicle				25,000	
300	Hardin	Patton Museum Expansion Project				100,000	
301	Hardin	Playground Equipment - Woodland Elem.		25,000			
302	Hardin	Radcliff City Park		50,000			
303	Hardin	Radcliff Industrial Park				1,000,000	
304	Hardin	Rineyville Sport Field		50,000			
305	Hardin	Saunders Spring Walking Trail & Park		25,000			
306	Hardin	Sidewalks for Cecilia				100,000	
307	Hardin	Sister City Program		5,000			
308	Hardin	Upton Community Building		35,000			
309	Hardin	Veterans Programs		5,000			
310	Hardin	Volunteer Fire Departments				390,000	
311	Hardin	Westpoint City Hall Renovation				70,000	
312	Hardin	YMCA Feasibility Study		20,000			
313	Harlan	Appalachian Development Center (SECC)		500,000			
314	Harlan	Black Mountain Water District-Water Line Extension				500,000	
315	Harlan	Cawood Water District-Extend Water Lines from Ross Point to Letcher County				500,000	
316	Harlan	Green Hill Water District-Water Line Extension-Isaacs Creek, Big Low Road & Little Shephard Trail				500,000	
317	Harlan	Harlan County Garage				200,000	
318	Harlan	Harlan County & City of Cumberland jointly to extend water lines from Ross Point to Letcher County				500,000	
319	Harlan	Harlan County Jail Design and Construction				500,000	
320	Harlan	Tri-City Clinic (ARH) Cumberland				500,000	
321	Harrison	Industrial Park Road				1,000,000	
322	Harrison	KCTCS Education Building				200,000	
323	Hart	Civil War Battlefield Project		100,000			
324	Hart	Hart Co. Fire Departments				300,000	

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325	Hart	Hart Co. Waterlines					500,000	
326	Hart	Hart County Fiscal Court for Water & Sewer Project					500,000	
327	Hart	Hart County Historic Thomas House					100,000	
328	Henderson	Henderson County Technology					1,500,000	
329	Henry	Henry Co. Water Line Ext./Campbellsburg					350,000	
330	Henry	Henry County DES Office Building					150,000	
331	Hickman	Columbus/Belmont State Park Enhance.					450,000	
332	Hickman	Hickman Co. Volunteer Fire Dept.					50,000	
333	Hopkins	Dawson Springs Swimming Pool					650,000	
334	Hopkins	Madisonville Com. College Renovation					850,000	
335	Jackson	Jackson Co. Fiscal Court for 4 Fire Depts. (\$15,000 each)					60,000	
336	Jefferson	African-American Heritage Museum					3,000,000	
337	Jefferson	Beechmont Neighborhood Association		15,000				
338	Jefferson	Beechmont Yourth Sports		12,000				
339	Jefferson	Belle of Louisville-Operations, Maintenance, Equipment		400,000				
340	Jefferson	Cardinal Park					350,000	
341	Jefferson	City of Louisville Police Horse Patrol		40,000				
342	Jefferson	City of Shively Community Center					400,000	
343	Jefferson	City of Shively Fire Trucks					300,000	
344	Jefferson	ECHO		9,000				
345	Jefferson	Farnsley Kaufman House Renovation					115,000	
346	Jefferson	Harbor House Building Funds		100,000				
347	Jefferson	Home of the Innocents					7,000,000	
348	Jefferson	House of Ruth		50,000				
349	Jefferson	Iroquois Amphitheater					4,600,000	
350	Jefferson	Kentucky Autism Center U of L		500,000				
351	Jefferson	Kentucky One Church/One Child		100,000				
352	Jefferson	Kling Center Community Outreach		200,000				
353	Jefferson	Ky. State Fair & Exposition Center					4,000,000	
354	Jefferson	Lil Angels Child Care Center Expansion		100,000				
355	Jefferson	Louis. Waterfront Dev. Corp. Phase II					12,500,000	
356	Jefferson	Louisville Medical Center Dev.					5,000,000	
357	Jefferson	Louisville Oral School					1,000,000	
358	Jefferson	Muhammad Ali Center					7,000,000	
359	Jefferson	Neighborhood House					700,000	
360	Jefferson	Neighborhood Housing Services		58,000				

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361	Jefferson	Office of Technology and Information-2 Pilot Projects					250,000	
362	Jefferson	Presbyterian Community Center					300,000	
363	Jefferson	Project for Women			25,000			
364	Jefferson	Project Women GED			50,000			
365	Jefferson	Prospect City Library			100,000			
366	Jefferson	Rosenberger House Renovation					100,000	
367	Jefferson	South End Teen Court			25,000			
368	Jefferson	St. Anthony Outreach Center			100,000			
369	Jefferson	St. John Vianney Community Day Care-Interpreter Pool			40,000			
370	Jefferson	St. John Vianney Community Day Care-Maintenance Pool			40,000			
371	Jefferson	St. Stephen Family Life Center, inc.			40,000			
372	Jefferson	St. Williams Center					200,000	
373	Jefferson	Summerbridge			150,000			
374	Jefferson	Visually Impaired Preschool			100,000			
375	Jefferson	West Louisville Talent Education Center-Musical Equipment			10,000			
376	Jefferson	Wilder Park Neighborhood Assoc.-Roofing/Parking maint.			25,000			
377	Jessamine	All God's Children Home			50,000			
378	Jessamine	High Bridge Fire Department					10,000	
379	Jessamine	Jessamine Co. Park and Aquatic Center					775,000	
380	Jessamine	Jessamine County Humane Society Building					125,000	
381	Jessamine	Roy Peterson Study Center			50,000			
382	Jessamine	Wilmore Icthus Park Entrance					100,000	
383	Johnson	Johnson Co. Water Lines					500,000	
384	Kenton	City of Elsmere - 3 Laptop Computers for DARE Prog.			10,000			
385	Kenton	City of Elsmere for Leaf Collector			10,000			
386	Kenton	City of Erlanger Mobile Data Terminal					200,000	
387	Kenton	City of Visalia Water Project for Fire Dept.					300,000	
388	Kenton	Covington Youth Sports Complex					200,000	
389	Kenton	Crescent Springs Drain Sewers			10,000			
390	Kenton	Crescent Springs Periwinkle Street			28,000			
391	Kenton	Crescent Springs-Basketball Court			15,000			
392	Kenton	Crescent Springs-Crisler Avenue			40,000			
393	Kenton	Crestview Hills-Sidewalks Dixie Highway					100,000	
394	Kenton	Crestview Hills-Turn Lane Turkey Foot					100,000	
395	Kenton	Edgewood School Crossing Lights			5,000			
396	Kenton	Edgewood Sidewalk Turkey Foot Road			10,000			

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397	Kenton	Edgewood Veterans Memorial		15,000				
398	Kenton	Elsmere Senior Citizens Center Parking Lot		50,000				
399	Kenton	Ft. Mitchell Park at Crescent Park					150,000	
400	Kenton	Ft. Mitchell Sidewalks-Royal Drive		50,000				
401	Kenton	Ft. Wright Amsterdam Road Street Repair		100,000				
402	Kenton	Ft. Wright Sidewalks-Highland Avenue		35,000				
403	Kenton	Independence City Park					200,000	
404	Kenton	Kenton County Lakeside Park, Vetreans Memorial		25,000				
405	Kenton	Lakeside Park Sidewalk-Dixie Highway		20,000				
406	Kenton	Lakeside Park Street Repair		20,000				
407	Kenton	Park Hills-Covington Catholic to Arlington-Sidewalks		35,000				
408	Kenton	Park Hills-Notre Dame to St. Joseph-Sidewalks		35,000				
409	Kenton	Talking Library for Kenton Co. Library		35,000				
410	Kenton	Taylor Mill Pride Park					150,000	
411	Kenton	Villa Hills Sidewalks-Collins Road					100,000	
412	Knott	Hindman City Hall					100,000	
413	Knott	Hindman Water Tank					200,000	
414	Knott	Knott Co. KCTCS Parking					1,000,000	
415	Knott	Pedestrian Walkway					100,000	
416	Knott	Troublesome Creek Sewer					600,000	
417	Knox	Barbourville Independent School System Activity Center					3,000,000	
418	Knox	Fire Department-Divide Equally among 8 Fire Depts.					50,000	
419	Knox	Knox Co. Fiscal Court for 8 Fire Depts. (\$15,000 each)					120,000	
420	Knox	Knox Co. General Hospital		750,000				
421	Knox	Knox County Ambulance Service-Purchase Ambulance					50,000	
422	Knox	Knox County EOC Community Action		20,000				
423	Knox	Knox County EOC Community Action-Emergency Fund Service for purchase of computer		5,000				
424	Knox	Knox County Health Department		50,000				
425	Knox	Water Project-Barbourville Water & Elec.-Emanuel		10,000				
426	Knox	Water Project-Barbourville Water & Elec.-Hammons Fork		20,000				
427	Knox	Water Project-Barbourville Water & Elec.-Hunting Shirt		5,000				
428	Knox	Water Project-Barbourville Water & Elec.-Johnson Hollow		10,000				
429	Knox	Water Project-Barbourville Water & Elec.-N. HWY II-Main Line Extension		10,000				
430	Knox	Water Project-Barbourville Water & Elec.-Stephen Trace					75,000	

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431	Knox	Water Project-Barbourville Water & Elec.-Turkey Creek					60,000	
432	Knox	Water Project-Corbin City Water-Hart Road		40,000				
433	Knox	Water Project-E. Knox Water-Big Creek 718		10,000				
434	Knox	Water Project-E. Knox Water-Buckeye		10,000				
435	Knox	Water Project-E. Knox Water-Davis Branch		7,500				
436	Knox	Water Project-E. Knox Water-Goodin Branch		20,000				
437	Knox	Water Project-E. Knox Water-J. Goodin Branch		6,000				
438	Knox	Water Project-E. Knox Water-Laure Branch		5,000				
439	Knox	Water Project-E. Knox Water-Lick Branch		10,000				
440	Knox	Water Project-E. Knox Water-Macro Branch		7,500				
441	Knox	Water Project-E. Knox Water-Morse Creek		10,000				
442	Knox	Water Project-E. Knox Water-Rickett Branch		7,500				
443	Knox	Water Project-E. Knox Water-Stoney Fork		20,000				
444	Knox	Water Project-E. Knox Water-Trace Branch		6,500				
445	Larue	Buffalo Fire Dept.					65,000	
446	Larue	Hodgenville Fire Dept.					65,000	
447	Larue	Magnolia Fire Dept.					65,000	
448	Larue	Purchase Lincoln Boyhood Home					500,000	
449	Larue	Waterline Extension					250,000	
450	Laurel	Laurel Co. Fiscal Court for 11 Fire Depts. (\$15,000 each)					165,000	
451	Laurel	Laurel Co. Water					250,000	
452	Laurel	Laurel County Drop Out		50,000				
453	Laurel	Laurel County Fire Department					50,000	
454	Laurel	Laurel County Senior Citizens		25,000				
455	Laurel	Levi Jackson State Park					250,000	
456	Lawrence	Blaine Community Center & Park Enhance.					110,000	
457	Lawrence	Lawrence Co. Fiscal Court Community Development Building					300,000	
458	Lawrence	Lawrence Co. Fiscal Ct. Stella/Moore Rec.					75,000	
459	Lawrence	Lawrence Co. School System Recreational Improvements					160,000	
460	Lawrence	Lawrence Co. State Highway 32 Sewer Project					500,000	
461	Lawrence	Lawrence Co. Volunteer Fire Department					105,000	
462	Lawrence	Louisa Beautification and Sept. Festival		50,000				
463	Lee	Beattyville/Lee County Water Tank Construction					100,000	
464	Lee	City of Beattyville					150,000	
465	Lee	Lee Co. Fiscal Court for 4 Fire Depts (\$5,000 Each)					20,000	
466	Lee	Lee Co. Fiscal Court for Emergency Services Bldg.					100,000	

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467	Lee	Lee Co. Fiscal Court for Purchase & Development of Park		30,000				
468	Lee	Lee Co. Water and Sewer Expansion					200,000	
469	Leslie	City of Hyden		50,000				
470	Leslie	Leslie Co. Board of Education		110,000				
471	Leslie	Leslie County School Board Extra Curricular Activities		30,000				
472	Leslie	Leslie Senior Citizens		25,000				
473	Leslie	Leslie Voc. Tech Center		17,000				
474	Leslie	Leslie Volunteer Fire Dept.					50,000	
475	Letcher	Community Park at Ashcamp					100,000	
476	Letcher	Letcher Co. Water					250,000	
477	Letcher	Public Library in Jenkins					200,000	
478	Letcher	Volunteer Fire Departments					300,000	
479	Letcher	Water Line Extensions for Whitesburg					500,000	
480	Lewis	Concord Water Line Extension					350,000	
481	Lewis	Lewis Co. Fiscal Court to be divided equally among Volunteer Fire Departments					100,000	
482	Lewis	Lewis Co. State Park Study		50,000				
483	Lewis	Lewis Co. Water Project					100,000	
484	Lincoln	Broughtontown Remodel and Upgrade of School Buildg for Existing Community Center					150,000	
485	Lincoln	Lincoln County Technology Center					2,500,000	
486	Lincoln	Lincoln Fiscal Court to be Divided Equally Among Volunteer Fire Departments					60,000	
487	Livingston	Crittenden/Livingston Water District					100,000	
488	Livingston	Grand River Water District		50,000				
489	Livingston	Livingston Co. Fire Districts					60,000	
490	Livingston	Livingston Co. Rec. Comp. & Boat Ramps		40,000				
491	Livingston	Livingston Convalescence Center		35,000				
492	Livingston	Livingston EMS Ambulance					65,000	
493	Logan	Logan County Industrial Park					200,000	
494	Logan	Logan Todd Water Comm. Project					1,000,000	
495	Lyon	Lyon Co. Fire & Rescue					25,000	
496	Lyon	Lyon Co. Water Projects					200,000	
497	Madison	Berea Artisans Center					1,400,000	
498	Madison	Ducannon Lane Water Project					2,400,000	

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499	Madison	Madison Co. Fiscal Court to be Equally Distributed Among Volunteer Fire Departments					100,000	
500	Madison	Madison Co. Rural Sanitary Sewer					2,400,000	
501	Madison	Madison County Library - Property Acquisition					100,000	
502	Madison	Richmond Area Arts Center			200,000			
503	Madison	Richmond Salvation Army			250,000			
504	Magoffin	Magoffin Co. Administrative Office Bldg.					300,000	
505	Magoffin	Magoffin Co. Community Program			20,000			
506	Magoffin	Magoffin Co. Park Renovation			50,000			
507	Magoffin	Magoffin Volunteer Fire Dept.					80,000	
508	Magoffin	Senior Citizens			50,000			
509	Magoffin	Senior Citizens Vehicles			50,000			
510	Marion	Bradfordsville Community Center			80,000			
511	Marion	City of Lorretto Park Improvements					71,500	
512	Marion	Emergency Service Center					500,000	
513	Marion	Gravel Switch Community Center			80,000			
514	Marion	Kedron Bridge					500,000	
515	Marion	Police Building					150,000	
516	Marion	Raywick Community Center			25,000			
517	Marshall	City of Benton Sewer Restoration					500,000	
518	Marshall	Ky. Dam Village State Park Marina Repair					1,750,000	
519	Marshall	Sewer Extension Calvert City Annexed Area/ I-24 to KY Dam Village State Park					300,000	
520	Martin	Martin Co. Fiscal Court for Park Improvements					100,000	
521	Martin	Martin Co. Water Projects					500,000	
522	Martin	Martin County Community Center					500,000	
523	Mason	Maysville Convention Center					450,000	
524	Mason	Maysville Underground Railroad Building Renovation					150,000	
525	McCracken	Challenger Learning Center Equipment & Improvements					150,000	
526	McCracken	Four Rivers Center					8,000,000	
527	McCracken	Metropolitan Hotel Renovation (match of federal grant)					100,000	
528	McCracken	Paducah/McCracken Co. Convention Center					200,000	
529	McCracken	Priority I Sewer Projects, Paducah McCracken Joint Sewer Agency					395,000	
530	McCracken	Reidland Community Center			50,000			
531	McCreary	McCreary Co. Sheriff Dept.					40,000	
532	McCreary	McCreary Co./Somerset Community Center					2,500,000	

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533	McLean	Calhoun Fire Department Building		35,000				
534	McLean	Island Wooden Bridge Park		50,000				
535	McLean	Livermore River Park		40,000				
536	McLean	McLean County Senior Citizens Center		10,000				
537	McLean	McLean Courthouse Renovation					225,000	
538	McLean	Sacramento Battlefield		40,000				
539	Meade	City of Brandenburg-Completion of Water Treatment Plant					200,000	
540	Meade	Expansion Meade Co. Water System					500,000	
541	Meade	Meade Co. Fiscal Court for 7 Fire Depts (\$20,000 Each)					140,000	
542	Meade	Meade Co. Fiscal Court for Water & Sewer Project					500,000	
543	Meade	Meade County Ambulance Service Emergency Medical Technician Building					100,000	
544	Meade	Meade County Industrial Park Development of 24 Acre Site and Building					250,000	
545	Meade	Meade County Public Library-Installation & Upgrade of Technical Information Services		50,000				
546	Meade	Meade Olin Park Improvements, Concession Stands, Lockerrooms, Bathroom Facilities					100,000	
547	Meade	Tourism and Economic Development		250,000				
548	Menifee	Frenchburg & Menifee County Regional Water Project		50,000				
549	Menifee	Regional Water & Sewer Project					500,000	
550	Mercer	Boone Drama		75,000				
551	Mercer	Burgin Drinking Water Enhancement					100,000	
552	Mercer	Burgin Independent Schools		25,000				
553	Mercer	Mercer County Fair Board-Barn Replacement					75,000	
554	Mercer	Mercer County Park Improvements					800,000	
555	Mercer	Mercer Senior Citizens		75,000				
556	Metcalf	City of Edmonton					200,000	
557	Metcalf	Metcalf Co. Fiscal Court for Fire Depts.					100,000	
558	Metcalf	Metcalf Co. Fiscal Court for Water & Sewer					500,000	
559	Monroe	Monroe Co. Fiscal Court for Water Lines					500,000	
560	Monroe	Monroe Co. Industrial Park					250,000	
561	Monroe	Monroe Co. Sheriff Dept					40,000	
562	Monroe	Old Mulkey State Park					250,000	
563	Montgomery	Montgomery & Morgan Mid School Tech Project					140,000	
564	Montgomery	Community Center Funding-Multi-County Workforce Training Center					2,000,000	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly				
			General Fund			Bond Funds	
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
565	Morgan	Morgan Co. Water				800,000	
566	Morgan	Morgan County Bridge Project				200,000	
567	Morgan	Morgan County Community Center		440,000			
568	Morgan	Morgan County High Technology Center Construction				4,400,000	
569	Muhlenberg	City of Greenville Sewer Plant Expansion				500,000	
570	Muhlenberg	Lake Malone State Park-Campsites		20,000			
571	Muhlenberg	Muhlenberg Co. Water District				100,000	
572	Muhlenberg	Muhlenberg Community College Satellite Site				700,000	
573	Muhlenberg	Powderly Sewer Collection System				200,000	
574	Nelson	Bloomfield Sidewalks				175,000	
575	Nelson	Nelson Co. Waterlines				1,000,000	
576	Nelson	Old Bardstown Village				100,000	
577	Nelson	Rolling Fork Fire District Filling Stations				18,500	
578	Nelson	Wickland Mansion Project				500,000	
579	Nicholas	Dixie Highway Water Lines				60,000	
580	Nicholas	Johnson Road Water Lines				60,000	
581	Nicholas	Milltown Water Project				65,000	
582	Nicholas	Nicholas Co. Health Dept.				250,000	
583	Ohio	Ohio Co. Fiscal Court for 9 Fire Depts. (\$20,000 Each)				180,000	
584	Ohio	Ohio Co. Fiscal Court for Water System				200,000	
585	Ohio	Ohio Co. Water Funds				250,000	
586	Ohio	Ohio County Judge/Executive		82,400			
587	Oldham	Oldham Co. Business Park (Technology)				200,000	
588	Oldham	Oldham Co. Fair Grounds		30,000			
589	Oldham	Oldham Co. Fiscal Court for Fire/EMS				50,000	
590	Oldham	Oldham Co. Parks				500,000	
591	Oldham	Oldham County Fiscal Court for Water & Sewer Projects				150,000	
592	Owen	Road Barn & Ambulance Center				225,000	
593	Owen	Water and Sewer Line Extensions to Owen Co. High School				275,000	
594	Owsley	Board of Education - Education Center		90,000			
595	Owsley	Booneville Sewer Expansion				500,000	
596	Owsley	Booneville/Owsley Co. Firetruck				40,000	
597	Pendleton	City of Butler for Repair of Flood Damage		20,000			
598	Pendleton	Pendleton Co. Civic Center		250,000			
599	Pendleton	Pendleton Co. Fiscal Court for Water & Sanitation Lines				400,000	
600	Pendleton	Pendleton County Fiscal Court - Volunteer Fire Departments				30,000	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly					
			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
601	Pendleton	Sewer District Project					200,000	
602	Perry	Buckhorn's Children Foundation-Displace Workers Training Center		50,000				
603	Perry	Challenger Learning Center of Kentucky Board					200,000	
604	Perry	City of Vicco Water Projects					150,000	
605	Perry	Hazard City Schools Extra Curricular Activities		50,000				
606	Perry	Hazard City Schools-Renovation of Roy. G. Eversole Gym		50,000				
607	Perry	Perry Central High School - Resource Parking Lot		50,000				
608	Perry	Perry County Board Extra Curricular Activities		150,000				
609	Perry	Perry County Board for Appalachian Regional Theatre Society		15,000				
610	Perry	Southeast Kentucky Connie Mack program		20,000				
611	Perry	Viper Volunteer Fire Department Water Projects					100,000	
612	Perry	Center for Rural Health					4,000,000	
613	Pike	South Williamson Sewer Project					200,000	
614	Pike	Stone Cold Water					86,000	
615	Pike	Straight Hollow Water					110,000	
616	Pike	Hardy Park Renovation Maintenance		60,000				
617	Pike	Ballfork and Mayfork Water					127,000	
618	Pike	Blackberry Park Improvement		20,000				
619	Pike	Eastern KY Exposition Center					6,900,000	
620	Pike	Elkhorn City Heritage Council		5,000				
621	Pike	Feds Creek Park Improvement		20,000				
622	Pike	Grapevine Park Improvement		20,000				
623	Pike	Long Fork Park Improvement		20,000				
624	Pike	Phelps Park Improvement		20,000				
625	Pike	Pike Co. Fiscal Court for 33 Volunteer Fire Depts. (\$5,000 each)					165,000	
626	Powell	Powell Co. Ambulance Service					500,000	
627	Pulaski	Burnside State Park for a Lodge Feasibility Study		15,000				
628	Pulaski	County Health Department for Building Improvement Needs					150,000	
629	Pulaski	Pulaski Co. Fiscal Court for 15 Fire Depts. (\$15,000 Each)					225,000	
630	Pulaski	Pulaski County Public Library for Equipment		10,000				
631	Pulaski	Southeast Pulaski Water District for Water Lines					150,000	
632	Pulaski	Southeast Water Association					350,000	
633	Pulaski	Western Pulaski Water District for Water Lines					150,000	
634	Robertson	Mt. Olivet Police Department					10,000	
635	Robertson	Robertson Co. Life Squad					65,000	
636	Robertson	Robertson Co. Public Library					175,000	

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2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly					
			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
637	Rockcastle	Rockcastle County Technology Center		25,000				
638	Rockcastle	Country Music Museum				1,500,000		
639	Rockcastle	Livingston Community Center Renovation				100,000		
640	Rockcastle	Rockcastle Co. Fiscal Court for 5 Fire Depts. (\$15,000 each)				75,000		
641	Rowan	City of Lake View Heights				75,000		
642	Rowan	Morehead City Water Expansion				525,000		
643	Rowan	Morehead St. University Radiological Imaging Equipment				100,000		
644	Rowan	Morehead/Rowan Co. Rt. 32 North VFD Construction				30,000		
645	Rowan	Rowan Co./Morehead Child Advocacy Center Capital Construction		45,000				
646	Rowan	Rowan Regional Industrial Park Fire Dept.				400,000		
647	Russell	Jamestown Water Project				150,000		
648	Russell	Lake Cumberland State Park for Design & Renovation				192,000		
649	Russell	Russell Co. Fiscal Court for 4 Fire Depts. (\$15,000 Each)				60,000		
650	Russell	Russell County Public Library for Equipment		10,000				
651	Russell	Russell Springs Sewer and Water				175,000		
652	Russell	Star Theater for a Prop Storage Building		10,000				
653	Scott	Buffalo Spring Park				80,000		
654	Scott	Cultural Arts Center		55,000				
655	Scott	Depot Restoration		40,000				
656	Scott	Scott Co. Reservoir				825,000		
657	Shelby	Voc./Ed. School Remodeling				1,000,000		
658	Simpson	Franklin Park Improvements				150,000		
659	Simpson	Franklin/Simpson Ind. Park Development				750,000		
660	Simpson	Franklin/Simpson Technical Center				1,000,000		
661	Simpson	Goodnight Memorial. Library				250,000		
662	Spencer	City of Taylorsville Water Works				1,250,000		
663	Spencer	Spencer Co. Fiscal Court for Recreation Facility				250,000		
664	Statewide	Aquaculture Infrastructure Components				2,000,000	2,000,000	
665	Statewide	Area Technical Center Equipment				2,998,800		
666	Statewide	Blanton Forest Acquisition		600,000				
667	Statewide	Commission on Small Business Advocacy-HB 588		300,000				
668	Statewide	HB 947		90,000				
669	Statewide	KY Civil War Museum-Vicksburg, Miss		250,000				
670	Statewide	Rails to Trails Program		422,500				
671	Statewide	Telemedicine HB 177		1,100,000				
672	Statewide	Various State Parks-Technology Upgrades				588,000		

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2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly					
			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
673	Taylor	City of Campbellsville for Water & Sewer Improvements and Expansions					900,000	
674	Taylor	Technology Learning Center					350,000	
675	Todd	Logan Todd Regional Water Project					500,000	
676	Trigg	Ind. Park & Water Sewer Improvements					200,000	
677	Trigg	Trigg County Courthouse Annex					250,000	
678	Trigg	Trigg Rural Fire Dept.					50,000	
679	Trimble	Trimble County Fiscal Court for County Parks					200,000	
680	Trimble	Trimble County Fiscal Court for Fire/EMS					20,000	
681	Trimble	Trimble County Highway Barn					50,000	
682	Trimble	Trimble Court House Improvements					200,000	
683	Union	21st Century Training Classroom					500,000	
684	Union	Union Co. Fairgrounds Convention Center & Pavilion					500,000	
685	Union	Union County Agricultural Fair-Arnold Arena and Convention Center Completion					900,000	
686	Warren	Bowling Green Community Action		500,000				
687	Warren	Bowling Green Sidewalks		30,000				
688	Warren	Boyce Community Center		10,000				
689	Warren	Capitol Arts Center-Bowling Green					6,750,000	
690	Warren	Gott Community Center, Inc.		15,000				
691	Warren	L&N Depot Restoration and Bowling Green Public Library Joint Effort					800,000	
692	Warren	National Corvette Museum-Roof for Outdoor Stage		50,000				
693	Warren	Oakland Street Repairs and Paving		100,000				
694	Warren	Plum Springs Street Improvements		50,000				
695	Warren	Smiths Grove City Hall Expansion					75,000	
696	Warren	Warren County-Additional Community Projects		250,000				
697	Washington	Mackville Community Park					180,000	
698	Washington	Springfield Water & Sewer Commission for Water & Sewer Improvements & Expansion					1,500,000	
699	Washington	Willisburg Community Park					380,000	
700	Wayne	City of Montecello Downtown Stabilization Project					700,000	
701	Wayne	Wayne Co. Fire Protection District #1					190,000	
702	Wayne	Wayne Co. Sheriff's Dept.					40,000	
703	Webster	City of Clay-Equipment Replacement		40,000				
704	Webster	City of Providence Youth program		20,000				
705	Webster	City of Wheatcroft-Caboose Restoration		5,000				

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2000 GENERAL ASSEMBLY - CAPITAL BUDGET SUMMARY
R. COMMUNITY DEVELOPMENT PROJECTS

#	County	Project	General Assembly					
			General Fund			Bond Funds		
			<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	
706	Webster	Sebree Spring Park Swimming		35,000				
707	Webster	Slaughters Fire Department-New Truck				50,000		
708	Webster	Webster County Fire Departments				150,000		
709	Whitley	Design of Corbin Tech. Center		75,000				
710	Whitley	Whitley County 911 Tower Replacement				10,000		
711	Whitley	City of Williamsburg Park Development				1,000,000		
712	Whitley	Corbin Center for Technology & Community Activities				6,000,000		
713	Whitley	Whitley Co. Sheriff's Dept.				40,000		
714	Whitley	Whitley Co. Water				1,000,000		
715	Wolfe	Campton Library				175,000		
716	Wolfe	City of Campton Equipment Purchase		50,000				
717	Wolfe	Volunteer Fire Department				50,000		
718	Wolfe	Water Plant Renovation				175,000		
719	Wolfe	West Campton Water Pump Station		50,000				
720	Woodford	Bluegrass Railroad Museum-Bridge & Rail Work, Signs, Misc.				250,000		
721	Woodford	Community Center - Versailles				1,000,000		
722	Woodford	Versailles Water Project				1,000,000		
723	Woodford	Woodford County Hospital District Board	500,000					
TOTAL - Community Development Projects			500,000	20,839,400	0	270,069,600	2,000,000	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS

#	<u>Agency</u>	<u>County</u>	<u>Project</u>	<u>General Assembly</u>	
				<u>FY 2000-2001</u>	<u>FY 2001-2002</u>
1	FAC – Gen. Admin.	Knott	Red Fox Project – Continued Development	175,000	175,000
2	FAC – Gen. Admin.	Letcher	Red Fox – Continued Development	250,000	
3	FAC - Gen. Admin.	Perry	Red Fox Continued Development		197,300
4	FAC – Gen. Admin.	Pike	East Kentucky Exposition Center Project – Continued Development	1,734,000	1,766,000
5	Local Government	Bell	Bell County Industrial Found. Indust. Park Development	1,000,000	
6	Local Government	Bell	City of Middlesboro - Community Projects	450,000	
7	Local Government	Bell	City of Pineville - City Projects	250,000	
8	Local Government	Bell	Bell County Fiscal Court - County Projects	650,000	
9	Local Government	Bell	Bell County Waterline Construction/ Wastewater/Infrastructure	750,000	
10	Local Government	Boyd	Boyd County Water/Sewer Projects	150,000	185,000
11	Local Government	Breathitt	City of Jackson Water Plant Renovation and Water Line Extension	500,000	
12	Local Government	Breathitt	Breathitt County Schools - Video Learning	100,000	
13	Local Government	Breathitt	City of Jackson – Intergenerational Center	125,000	125,000
14	Local Government	Breathitt	City of Jackson – City Hall Project	100,000	100,000
15	Local Government	Breathitt	Regional Performing Arts/Instructional Center	200,000	100,000
16	Local Government	Breathitt	County Court Clerk Computer Upgrade	40,000	
17	Local Government	Breathitt	Mt. Carmel River Launching Facility	50,000	
18	Local Government	Breathitt	Middle Kentucky River Student Headstart Bus	40,000	
19	Local Government	Breathitt	Breathitt County High School Field House	250,000	
20	Local Government	Breathitt	Jackson Independent School Recreation Field	250,000	
21	Local Government	Butler	Fire Department Radios	110,000	
22	Local Government	Butler	Butler County Water Project	100,000	
23	Local Government	Caldwell	Debt Repayment/Existing Spec Building	139,500	
24	Local Government	Carter	Hanna Lane Water Project	230,000	
25	Local Government	Carter	Carter County Jail	213,000	
26	Local Government	Carter	Olive Hill Historical Society Museum	62,000	88,000
27	Local Government	Carter	Connector Road from US 60 in Olive Hill to Fire Station	100,000	
28	Local Government	Christian	Christian County Water Project	150,000	
29	Local Government	Clay	Shammrock Property	450,000	
30	Local Government	Clay	Clay County Civic Center	100,000	
31	Local Government	Clay	Little Goose Industrial Property	75,000	
32	Local Government	Daviess	Daviess County Park and Visitor Center	250,000	
33	Local Government	Edmonson	Edmonson County Boat Ramp - Alexander Creek Rd. to Green River	13,300	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
34	Local Government	Elliott	Elliott County Economic Development Projects		150,000
35	Local Government	Elliott	Elliott County Parks and Recreation	90,000	
36	Local Government	Elliott	County Garage Building Project	68,000	
37	Local Government	Floyd	Floyd County Water Projects	450,000	500,000
38	Local Government	Floyd	Industrial Site Expansions	200,000	
39	Local Government	Floyd	Parks and Recreation Improvements	150,000	
40	Local Government	Floyd	Floyd County Courthouse Renovations	100,000	
41	Local Government	Floyd	Betsy Lane High School Football Field Renovations	100,000	
42	Local Government	Floyd	Allen Central High School Football Field Renovations	100,000	
43	Local Government	Floyd	Wayland Community Center Equipment	25,000	
44	Local Government	Floyd	David School Equipment	25,000	
45	Local Government	Floyd	McDowell Flood Control Project	200,000	
46	Local Government	Floyd	Sugar Loaf Flood Control Project	40,000	
47	Local Government	Floyd	Martin Flood Control Project	60,000	
48	Local Government	Floyd	John M. Stumbo Community Park	25,000	
49	Local Government	Floyd	Garth Landfill	50,000	
50	Local Government	Greenup	Greenup Fiscal Court - Greenup County War Memorial	10,200	
51	Local Government	Greenup	Diederich Blvd. - Rt.693 - Flood Abatement	134,800	85,200
52	Local Government	Harlan	Bledsoe Volunteer Fire Department – Equipment	5,000	10,000
53	Local Government	Harlan	Cawood Water District Expansion	50,000	
54	Local Government	Harlan	City of Cumberland – Blair Water/Sewer	25,000	25,000
55	Local Government	Harlan	City of Cumberland – Sewer Plant Equipment	5,000	10,000
56	Local Government	Harlan	City of Evarts – Various Community Developments	10,000	15,000
57	Local Government	Harlan	City of Harlan Regional Sewer	300,000	400,000
58	Local Government	Harlan	City of Loyall – City Operations and Maintenance	10,000	15,000
59	Local Government	Harlan	City of Lynch – Various Community Developments	15,000	10,000
60	Local Government	Harlan	City of Wallins – Recreational Improvements	5,000	5,000
61	Local Government	Harlan	Cloverfork Multi-Purpose Center – Renovation	10,000	15,000
62	Local Government	Harlan	Cloverfork Museum Facility – Renovation	5,000	5,000
63	Local Government	Harlan	East Kentucky Social Club – Roof	15,000	10,000
64	Local Government	Harlan	Green Hill Community Park	20,000	20,000
65	Local Government	Harlan	Harlan County Rescue Squad – Equipment	10,000	10,000
66	Local Government	Harlan	Martin's Fork Volunteer Fire Department Equipment	5,000	5,000

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2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
67	Local Government	Harlan	New Covenant Kitchen	15,000	5,000
68	Local Government	Harlan	Sunshine School – Operating for Child Care Programs	50,000	50,000
69	Local Government	Harlan	Sunshine Volunteer Fire Department Equipment	5,000	5,000
70	Local Government	Harlan	Tri-City Downtown Revitalization	25,000	25,000
71	Local Government	Harlan	Tri-City Little League – Park Improvements	5,000	10,000
72	Local Government	Harlan	Tri-City Rescue Squad – Equipment	10,000	10,000
73	Local Government	Harlan	Yoakum Creek Volunteer Fire Department – Renovations/Equipment	15,000	10,000
74	Local Government	Harlan	Coldiron Fire Department - Purchase of Equipment	5,000	10,000
75	Local Government	Harlan	City of Benham - Various Community Development Projects	15,000	10,000
76	Local Government	Harlan	City Of Cumberland - Fire Department	5,000	10,000
77	Local Government	Harlan	Hands Across Mountain - Various Projects	3,000	2,000
78	Local Government	Harlan	Wallins VFD - Purchase of Equipment	5,000	10,000
79	Local Government	Harlan	Harlan County Senior Citizens	15,000	15,000
80	Local Government	Harlan	Cloverfork Rescue Squad - Purchase of Equipment	5,000	10,000
81	Local Government	Harlan	Lower Cloverfork Fire Dept. - Purchase of Equipment	5,000	10,000
82	Local Government	Harlan	Evarts Fire Dept. - Purchase of Equipment	5,000	10,000
83	Local Government	Harlan	Upper Cloverfork Fire Dept. - Purchase of Equipment - Homes Mill	5,000	10,000
84	Local Government	Harlan	Harlan County Sheriff Dept. - Purchase of Vehicle	15,000	10,000
85	Local Government	Harlan	Benham of VFD - Purchase of Equipment	5,000	10,000
86	Local Government	Harlan	Pathfork Community Park - Development of a Local Park	15,000	15,000
87	Local Government	Harlan	Totz Community Park - Development of a Park	15,000	15,000
88	Local Government	Harlan	Putney VFD - Purchase of Equipment	5,000	10,000
89	Local Government	Harlan	Harlan Shrine Club for Putney Park	5,000	10,000
90	Local Government	Harlan	Loyall Fire Dept. - For Building	15,000	10,000
91	Local Government	Harlan	Harlan County Jail - Repairs	100,000	
92	Local Government	Harlan	Harlan County Clerk - Office Equipment	10,000	15,000
93	Local Government	Henderson	Henderson County Road Bore Water Project	225,000	
94	Local Government	Henderson	Melton Road Waterlines	16,500	
95	Local Government	Henderson	Birk City Road Water Project	21,000	
96	Local Government	Henderson	Middle Delaware Road Water Project	22,700	
97	Local Government	Henderson	Water and Sewer Lines – Henderson Fairground	44,800	
98	Local Government	Henderson	Water and Sewer Department Merger Study	20,000	
99	Local Government	Hopkins	Madisonville Post Office – Acquisition/Renovation	800,000	

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2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
100	Local Government	Johnson	Reauthorization Mountain Home Place Project–Reallocate to City of Paintsville (\$300,000 RF)		
101	Local Government	Johnson	Paintsville City Hall Project – Renovation	150,000	
102	Local Government	Johnson	Paintsville Tourism Welcome Center – Development	150,000	
103	Local Government	Johnson	Highway Lighting (US 460 and 321)	30,000	
104	Local Government	Johnson	Johnson County Senior Citizens Center – Renovation/Equipment	50,000	
105	Local Government	Johnson	Johnson County Board of Education Academic Team	50,000	
106	Local Government	Johnson	Johnson County Public Library Renovation	250,000	
107	Local Government	Johnson	Johnson County Industrial Development Project	400,000	
108	Local Government	Johnson	Paintsville High School Recreation Field Improvements	50,000	
109	Local Government	Johnson	Paintsville Golf Course Project - Development	50,000	
110	Local Government	Johnson	Van Lear Historical Society	25,000	
111		Knott	Knott County Regional/Water Development & Caney Creek Water Sewer Board	450,000	200,000
112	Local Government	Knott	Mallie Water Project	150,000	150,000
113	Local Government	Knott	Bill Hall Mountain Water Project	200,000	200,000
114	Local Government	Knott	Owens Branch Water Project	75,000	75,000
115	Local Government	Knott	Short Branch Water Project		50,000
116	Local Government	Knott	Knott County Youth Center – Development		200,000
117	Local Government	Knott	Right Beaver/Caney Creek/Carr Creek Recreation Project		250,000
118	Local Government	Knott	Emma Lena/Carrie/Clear Creek Recreation Facility		50,000
119	Local Government	Knott	Lotts Creek Community Center Recreation Field and Lighting Development	100,000	
120	Local Government	Knott	Knott County Central Community Recreation Complex	100,000	
121	Local Government	Knott	Jones Fork Park	15,000	
122	Local Government	Knott	Ball Creek Park	15,000	
123	Local Government	Knott	Right Beaver-Kite Park	15,000	
124	Local Government	Knott	Hindman Park	15,000	
125	Local Government	Knott	Red Fox Community Park	15,000	
126	Local Government	Knott	Dry Creek Park	15,000	
127	Local Government	Knox	Knox County Fiscal Court Water Projects	858,000	198,000
128	Local Government	Laurel	Laurel County Fiscal Court Waterline Projects	260,000	
129	Local Government	Lawrence	Lawrence County Fiscal Court Water/Sewer Projects	300,000	
130	Local Government	Lawrence	Lawrence County Economic Development Projects – Various	365,300	184,700

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
131	Local Government	Lawrence	Lawrence County Parks and Recreation – Various	350,000	
132	Local Government	Lee	County Multi-Purpose Center Project	300,000	
133	Local Government	Leslie	Leslie County Fiscal Court Water Projects - Various	950,000	950,000
134	Local Government	Leslie	Leslie County Fiscal Court-Road Construction	450,000	450,000
135	Local Government	Leslie	Leslie County Education Center – Construction/Equipment/Services	425,000	25,000
136	Local Government	Leslie	Cutshin Senior Citizens Center	200,000	200,000
137	Local Government	Leslie	Nixon EOC 911 Project	750,000	
138	Local Government	Leslie	Leslie County Volunteer Fire Departments – Equipment/Vehicles	60,000	10,000
139	Local Government	Leslie	Leslie County - Courthouse Renovations and Equipment	125,000	125,000
140	Local Government	Leslie	Leslie County - Economic Development Incentive Grants/Spec. Bldg.	400,000	
141	Local Government	Letcher	Letcher County - Waterline/Sewer Replacement	600,000	
142	Local Government	Letcher	Childs Branch Industrial Park – Development	471,000	
143	Local Government	Letcher	Jenkins Fire Department – Equipment	50,000	
144	Local Government	Letcher	Blackey/Isom Water Project – Improvements	1,000,000	
145	Local Government	Letcher	City of Neon Downtown Beautification	50,000	
146	Local Government	Letcher	Colson Multi-Purpose Center – Construction	50,000	
147	Local Government	Letcher	Gordon Multi-Purpose Center – Acquisition/Construction	100,000	
148	Local Government	Letcher	SECC Walk Bridge	100,000	
149	Local Government	Letcher	Industrial/Infrastructure Development – Various	1,000,000	1,000,000
150	Local Government	Magoffin	Salyersville Wastewater Project – Improvements	200,000	
151	Local Government	Magoffin	Magoffin County Administrative Office Bldg.		200,000
152	Local Government	Magoffin	Magoffin County EOC Vehicle	36,000	
153	Local Government	Magoffin	Magoffin County - Waterline Construction	200,000	
154	Local Government	Martin	Martin County Community Center – Development	2,000,000	2,000,000
155	Local Government	Martin	Health Clinic Reauthorization (\$1,000,000 – Restricted Funds)		
156	Local Government	Martin	Sheldon Clark Athletic Field – Development/Expansion	100,000	
157	Local Government	Martin	Martin County Rescue Squad – Renovation/Equipment	60,000	
158	Local Government	Martin	Pigeon Roost Community Center – Development	30,000	
159	Local Government	Martin	City of Warfield Community Projects – Various	100,000	
160	Local Government	Martin	City of Inez Walking Trail – Development	100,000	
161	Local Government	Martin	Martin County Senior Citizens Center – Renovation/Equipment	100,000	
162	Local Government	Martin	Warfield County Park Project – Development	30,000	
163	Local Government	Martin	Grassy/Tomahawk Walking Trails Project – Development	75,000	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
164	Local Government	McCreary	McCreary County Federal Prison Project – Infrastructure	450,000	
165	Local Government	McLean	Purchase Acreage for Industrial Park #2 – City of Island	125,000	
166	Local Government	McLean	Debt Service and Installation of Natural Gas Pipeline to Perdue Farms, Industrial Park #1 & #2	220,000	
167	Local Government	McLean	Sewer Line Extension – Calhoun and Rumsey		60,000
168	Local Government	McLean	Water Plant Renovation – Livermore	50,000	
169	Local Government	McLean	Waterline Extensions Industrial Park #2-City of Island	70,000	
170	Local Government	McLean	One Stop/Adult Education/WIA Training Center	60,000	
171	Local Government	McLean	Fire Trucks – Acquisition	55,000	45,000
172	Local Government	Morgan	Morgan County Parks	40,000	
173	Local Government	Muhlenberg	Community College Satellite at Central City Road Construction	100,000	
174	Local Government	Muhlenberg	Muhlenberg County Courthouse Dome Repair	200,000	
175	Local Government	Muhlenberg	Construction of Interstate Ramp at Highway 175 and Western Kentucky Parkway at Graham	500,000	
176	Local Government	Muhlenberg	Courthouse Elevators	100,000	
177	Local Government	Muhlenberg	Senior Citizens and Retraining Center Facilities Driveway	50,000	
178	Local Government	Muhlenberg	Senior Citizens and Retraining Center Facilities Sewage Collector Lines	50,000	
179	Local Government	Muhlenberg	Muhlenberg County Airport Runway for Accommodation of Jets	100,000	
180	Local Government	Ohio	Fordsville Water and Sewer – Upgrade	300,000	
181	Local Government	Ohio	Centertown Water and Sewer/Ohio County Water Projects	800,000	
182	Local Government	Ohio	County Water District Projects – Upgrade		280,000
183	Local Government	Perry	ARH Project – Corporate Expansion	1,350,000	
184	Local Government	Perry	13 Volunteer Fire Departments to Split	260,000	
185	Local Government	Perry	City of Hazard	449,000	
186	Local Government	Perry	Perry County Ambulance	25,000	
187	Local Government	Perry	Typo, Krypton, Yerkes, Willard Water Project	400,000	
188	Local Government	Perry	Feds Fork Water Project	150,000	
189	Local Government	Perry	Lower Second Creek Water Project	75,000	
190	Local Government	Perry	City of Buckhorn Community Improvements		75,000
191	Local Government	Perry	City of Vicco Community Improvements	75,000	
192	Local Government	Perry	Arts Culture Community Center	50,000	
193	Local Government	Perry	Perry County Board of Education-Hazard/Perry Youth Soccer	10,000	
194	Local Government	Perry	Hazard/Perry County Senior Citizens	50,000	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
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S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

#	Agency	County	Project	General Assembly	
				FY 2000-2001	FY 2001-2002
195	Local Government	Perry	Hazard City Schools	50,000	50,000
196	Local Government	Perry	Perry County School Systems	350,000	
197	Local Government	Perry	Southeast Kentucky Connie Mack	15,000	
198	Local Government	Perry	City of Vicco Acup Water Project		107,000
199	Local Government	Perry	Hazard Christian Academy	5,000	
200	Local Government	Perry	Wabaco Christian Academy	5,000	
201	Local Government	Perry	Perry County Board of Education-Perry County Youth Football	15,000	
202	Local Government	Perry	Perry County Sheriff's Department	50,000	
203	Local Government	Perry	Disabled American Veterans, Chapter 64	25,000	
204	Local Government	Perry	Viper Volunteer Fire Department Water Project	100,000	
205	Local Government	Perry	County Clerk Office - Updating of Computer System	18,000	
206	Local Government	Perry	Hazard/Perry County Community Ministries	10,000	
207	Local Government	Perry	Perry County Board of Education-Appalachian Regional Theater Society	16,000	
208	Local Government	Perry	City of Vicco Georges Branch Water Project	50,000	
209	Local Government	Perry	City of Hazard - Planning on Golf Course	50,000	
210	Local Government	Perry	Hazard City Schools Technology Money	50,000	
211	Local Government	Perry	Perry County Schools Technology Money	50,000	
212	Local Government	Pike	Mountain Water District Projects – Various	579,000	579,000
213	Local Government	Pike	Dorton Little League Field – Development	100,000	
214	Local Government	Pike	Earl Sullivan Community Park – Development	100,000	
215	Local Government	Pike	Camp Creek Water District	22,500	22,500
216	Local Government	Pike	Hurricane Water District	69,500	69,500
217	Local Government	Pike	Majestic Water District	68,000	68,000
218	Local Government	Pike	Paul Taylor Fork Water District	46,000	46,000
219	Local Government	Pike	Rockhouse Water District	35,000	35,000
220	Local Government	Pike	Wolfpit Water District	80,000	80,000
221	Local Government	Pike	Little Robinson Creek Water District	60,000	
222	Local Government	Pulaski	Southeastern Water Project – Expansion	104,700	
223	Local Government	Rockcastle	Match for Appalachian Community Initiative Grant (CDI)	245,000	
224	Local Government	Union	New Building and Equipment for Technology Center at High School	500,000	
225	Local Government	Union	Old Officers Club on Camp Breckinridge – Renovation	300,000	
226	Local Government	Webster	Webster County Water/Sewer	300,000	
227	Local Government	Webster	Webster County Courthouse Renovations	1,000,000	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY- CAPITAL BUDGET SUMMARY
S. COAL SEVERANCE TAX RECEIPTS PROJECTS**

<u>#</u>	<u>Agency</u>	<u>County</u>	<u>Project</u>	<u>General Assembly</u>	
				<u>FY 2000-2001</u>	<u>FY 2001-2002</u>
228	Local Government	Webster	Webster County Ambulances	200,000	
229	Local Government	Whitley	Whitley County Water Projects – Various	540,000	540,000
230	Local Government	Wolfe	Wolfe County Industrial Property Acquisition	150,000	
231	Local Government	Wolfe	Wolfe County Road Equipment	65,000	35,000
232	Local Government	Wolfe	Courthouse Renovations	25,000	
233	Local Government	Wolfe	Wolfe County Volunteer Fire Departments – Equipment	30,000	
TOTAL - Coal Severance Tax Projects				\$ 39,160,800	\$ 12,943,200

This Memorandum Record reflects the Governor's line item vetoes of the following Part II, Capital Projects Budget, (S), Coal Severance Tax Projects after the sine die adjournment of the 2000 General Assembly on April 14, 2000:

Project Number 49, Black Mountain Utility District - Sewer/Waterline and Infrastructure

Project Number 74, Harlan County Fiscal Court - Purchase of Road Equipment

Project Number 83, Harlan County Fiscal Court - Purchase of Equipment

Project Number 92, Appalachian Heritage Art Guild

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PART III. GENERAL PROVISIONS

1. Restricted and Federal Funds Definitions, Receipts and Allotments

Branch Defines types and sources of Restricted Funds and Federal Funds and requires separate recording and reporting consistent with Branch Budget Bills; Authorizes receipt, credit and allotment of Restricted or Federal Funds to a corresponding account out of which an appropriation is specified for by budget unit in the Budget Bill; and, Restricts funds to purposes, uses and benefit of a budget unit as authorized by statute or Budget Bill provision.

General Assembly: General Assembly concurs with Branch Budget provision.

2. Authorization to Expend Unbudgeted Restricted Funds and Federal Funds

Branch Designates and permits receipt of unbudgeted Restricted Funds and Federal Funds and credit of prior year fund account balances, which exceed stated appropriations amounts in the Operating Budget, to be made available for expenditure only on compliance with KRS 48.400 to 48.800 and with the authorization of State Budget Director and approval by the Finance and Administration Secretary.

General Assembly: General Assembly concurs with Branch Budget provision.

3. Interim Documentation/Requisition of Revised Restricted Funds and Federal Funds Estimates

Branch Permits, at the beginning of and during a fiscal year, a budget unit to requisition Restricted Funds and Federal Funds receipts and prior year fund account balances; and Requires the budget unit to document revised estimates of receipts and expenditures by uses compared with the enacted budget and to submit specified information record to the Finance and Administration Cabinet, the Governor's Office for Policy and Management and the Legislative Research Commission, explaining the cause, source and use of variance.
Requires budget units, unless covered by KRS 48.630(9) and (10), to submit print and electronic reports comparing updated forecasts of Restricted and Federal Funds with appropriated amounts in the Enacted Budget in a manner consistent with records format contained in the FB 2000-2002 Branch Budget Request Manual and according to the following quarterly schedule: (1) on or before beginning of a fiscal year; (2) on or before October 1; (3) on or before January 1; and, (4) on or before April 1.

General Assembly: General Assembly concurs with Branch Budget provision.

4. Unauthorized Expenditures and Transfers Prohibition

Branch Restricts appropriated funds to purposes specifically authorized by the General Assembly in the State/Executive Branch Budget Bill and prohibits unauthorized transfers of appropriations between or among any cabinet, department, board, commission, institution, agency or budget unit without specific authorization; and Subjects procedures to KRS 48.400 to 48.800 and directs compliance review and determination by Interim Joint Committee on Appropriations and Revenue.

General

Assembly: General Assembly concurs with Branch Budget provision.

5. Authorized Obligations Restrictions

Branch Provides that no General Fund or Road Fund obligations may be incurred unless contemplated in the Enacted Budget and supported by documentation considered by the General Assembly, legislative and executive records and the statutory budget memorandum.

General

Assembly: General Assembly concurs with Branch Budget provision.

6. Federal Funds Replacement/Lapse of General or Road Fund Appropriations

Branch Requires that General Fund or Road Fund appropriations that are made due to anticipated lack, loss or reduction in Federal Funds must lapse to the extent Federal Funds become available.

General

Assembly: General Assembly concurs with Branch Budget provision.

7. Total Federal Funded Program Notification

Branch Pursuant to KRS 48.730, if a state agency declines to accept or receive wholly Federal Funds-supported program entitlement, requires agency to notify the State Budget Director and the Interim Joint Committee on Appropriations and Revenue.

General

Assembly: General Assembly concurs with Branch Budget provision.

8. Debt Service Lapse

Branch Pursuant to 48.720, if any bonded capital/equipment project is cancelled, does not meet conditions imposed by the State/Executive Branch Budget Bill or if appropriated debt service requirement is less due to favorable interest rates, refinancing or timing variances, directs that General Fund or Road Fund debt service appropriations remain unallotted and lapse to the respective surplus account.

General

Assembly: General Assembly concurs with Branch Budget provision.

9. Conforming Interim Appropriations Revision Authority and Process to KRS 48.630

Branch (a) Pursuant to KRS 48.630, directs no appropriations from any fund source shall exceed the amount specified in the State/Executive Budget Bill nor shall an unbudgeted appropriation be allotted without prior submission to, review and action of the Interim Joint Committee on Appropriations and Revenue; and, Requires agency requests to the State Budget Director and the Interim Joint Committee to document cause, need, use and source for excess and unbudgeted appropriations in accordance with KRS 48.630 (1) and (2);

Directs proposed revisions authorized by the State Budget Director to be transmitted according to quarterly schedule contained in Part III, Section 3, to the Committee which reviews proposed adjustments for conformity with the purposes of original appropriations, the enacted budget, the provisions of the State/Executive Budget Bill or statutes and the statutory budget memorandum in accordance with KRS 48.630(3); Requires the Committee to act by the final day of the month of receipt; If the Interim Joint Committee objects to the proposed revision, directs the State Budget Director either to modify the adjustment or to declare and explain in writing non-compliance with the Committee's objection; and, If the Committee fails to act by the final day, deems proposed revisions to be reviewed and favorably acted upon notwithstanding KRS 48.630(3), (4), and (5);

(b) Requires emergency revisions due to declared natural disaster, calamity or impending deficit in an account to be certified by the Governor, approved by the Finance and Administration Cabinet Secretary, with concurrent notification by the State Budget Director to the Interim Joint Committee of any action and justification in accordance with KRS 48.630(7);

(c) If an unlisted budget unit receives unanticipated Restricted Funds or Federal Funds, authorizes the agency head to request and expend funds upon recommendation of the Governor's Office for Policy and Management (GOPM), review by the Interim Committee and authorization by Finance and Administration Secretary. A separate fund account must be established for this purpose. Notice is to be provided to LRC; and

(d) Directs that Legislative Research Commission maintain records of the Committee's determinations and the actions of the State Budget Director and transmit these records to the 2002 General Assembly.

General

Assembly: General Assembly concurs with Branch Budget provision.

10. Interim Allotment Revision Process

Branch Pursuant to KRS 48.605 and conforming to KRS 48.610, permits the State Budget Director, upon request by the budget unit, to revise allotments within appropriations units for activities and purposes contained in the enacted budget and document that conform with enacted appropriations, the budget bill and the budget memorandum; and, Requires requests and determinations to be transmitted to the Appropriations and Revenue Committee prior to implementation.

General

Assembly: General Assembly concurs with Branch Budget provision.

11. Continuing Appropriations

Branch Repeals all statutory continuing appropriations except for provisions in KRS Chapters 42, 96A, 164, 183, 278 and 441; and, Suspends all conflicting statutes unless otherwise provided in the State/Executive Branch Budget Bill.

General

Assembly: General Assembly concurs with Branch Budget provision.

12. Powers of Secretary of Finance and Administration/Current Year Appropriations Status

Branch States that statutory powers and duties of Finance and Administration Secretary are not affected by provisions in the State/Executive Branch Budget Bill unless explicitly modified in the Budget Bill; also, Reaffirms previously authorized FY 1999-2000 appropriations unless explicitly modified in the Budget Bill.

General

Assembly: General Assembly concurs with Branch Budget provision.

13. Budget Bill/Statutory Budget Memorandum

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly states that budget units' appropriations in the Budget Bill are made for operations, services and activities detailed in the Budget Bill and explained in the statutory budget memorandum adopted under KRS 48.300 as a Joint Resolution; and, Acknowledges that the adopted budget memorandum is law with legal force and effect for the fiscal biennium.

14. Interim Interpretations of Appropriations Provisions

Branch Pursuant to KRS 48.500, affirms the authority of the Secretary of Finance and Administration to interpret the purposes and manner of expenditures for appropriations in the State/Executive Branch Budget Bill and requires decisions to conform to the budget memorandum and subject to review and approval by the Interim Joint Committee on Appropriations and Revenue; and further, States that Secretary's decisions are final and conclusive.

General

Assembly: General Assembly conforms Branch Budget provision to statute.

15. Final Budget Document and Enacted Budget Revision Process

Branch Provides for issuance of final Commonwealth Budget Document within sixty days upon adjournment by Governor's Office for Policy and Management based upon enacted biennial budget bills and any appropriations provisions for the Executive, Judicial and Legislative Branches, supporting documents considered by the General Assembly and the statutory budget memorandum; Specifies format of content for budget oversight by the Interim Joint Committee on Appropriations and Revenue and budget execution by the Governor's Office for Policy and Management; and, Conditions interim budget revision of the State/Executive Budget only on approval by the Governor's Office for Policy and Management under KRS 48.400 to 48.800 and action by Interim Joint Committee on Appropriations and Revenue.

General

Assembly: General Assembly concurs with Branch Budget provision.

16. Interim Quarterly Revenue Estimates Review and Analysis Report

Branch Pursuant to KRS 48.400, directs the Secretary of Finance and Administration to review and report to each branch head, within thirty (30) days of the close of each quarter, actual and projected receipts in comparison with enacted revenue estimates pursuant to KRS 48.120 and any potential impacts on the state's fiscal condition.

General

Assembly: General Assembly makes technical amendment to replace Finance and Administration Secretary with State Budget Director to conform with interim Reorganization Order and legislation.

17. Federal Cost Allocation

Branch Authorizes Finance Secretary to prorate, by formula or system, administrative costs of Finance and Administration Cabinet, Treasury and Office of the Attorney General relative to programs in which federal and state governments participate jointly; and Requires report of receipts and allotments to Interim Joint Committee on Appropriations and Revenue prior to funds transfer.

General

Assembly: General Assembly concurs with Branch Budget provision.

18. Resource Recovery Road Debt Service

Branch Directs Road Fund support for lease rental payment for Resource Recovery Road Projects under KRS 143.090. If Road Fund resources are insufficient, requires transfer of additional amounts necessary from coal severance tax receipts under KRS 143.090.

General

Assembly: General Assembly concurs with Branch Budget provision.

19. Reorganization Orders

Branch Provides that Budget Bill does not confirm or ratify any executive reorganization order not enacted by the 2000 General Assembly and directs Finance and Administration Secretary to restore related appropriations and funding for affected budget units for FY 1999-2000, and FB 2000-2002 and inform LRC.

General

Assembly: General Assembly concurs with Branch Budget provision.

20. Budget Reserve Trust Fund

Branch Suspends KRS 48.705(2), to prohibit further deposit to the Budget Reserve Trust Fund in FY 2000-2001 or FY 2001-2002 except as otherwise specified in the Budget Bill; Specifies uses and amount designated in Part VI, General Fund Budget Reduction Plan, if General Fund receipts are insufficient to meet General Fund appropriations level authorized in branch biennial budget bills or other appropriations provisions in FY 2000-2001 or FY 2001-2002; and also, Authorizes use as specified in the Budget Bill including alternate funding source for mandated expenses.

General

Assembly: General Assembly concurs with Branch Budget provision.

21. Kentucky Employees Retirement System Employer Contribution Rate

Branch Suspends KRS 61.565 and establishes maximum employer retirement contribution rates for KERS non-hazardous duty employees at 5.89%, for hazardous duty employees at 18.84% and for State Police System employees at 21.58%, for the period July 1, 2000, through June 30, 2002.

General

Assembly: General Assembly concurs with Branch Budget provision.

22. Budget Planning Report

Branch Pursuant to KRS 48.117, directs the Finance and Administration Cabinet, in conjunction with the Consensus Forecasting Group, to provide a budget planning report by August 15, 2001, to each branch of government.

General

Assembly: General Assembly concurs with Branch Budget provision.

23. Tax Expenditures Report

Branch Directs the Finance and Administration Cabinet to provide, by October 15, 2001, detailed estimates and related information for the General Fund and Road Fund of the revenue loss due to tax expenditure laws and regulations for FY 2001-2002 and FB 2002-2004.

General

Assembly: General Assembly concurs with Branch Budget provision.

24. Duplicate Appropriations Provisions

Branch Pursuant to KRS 48.312, states that duplicate appropriations in the Budget Bill and appropriations provisions in other Acts by the 2000 Regular Session of the General Assembly for the same purpose and amount are governed by KRS 48.312 and be construed as a single appropriation sum to the extent of duplicated amounts.

General

Assembly: General Assembly concurs with Branch Budget provision.

25. Technical Corrections in General Appropriations Acts

Branch Pursuant to KRS 48.313, declares that the statute controls when total and subtotal figures in general appropriations bills conflict with the sum of the appropriations of which they consist; and, Authorizes technical corrections by the Legislative Research Commission in the Acts and Journals of the General Assembly and the Kentucky Revised Statutes.

General

Assembly: General Assembly concurs with Branch Budget provision.

26. Severability Clause

Branch Pursuant to KRS 48.311, enacts each section, subsection and each appropriation sum by specified fund or fund accounts as a separate and specific appropriation, provision, and law; and, Specifies that invalid provisions shall not affect remaining provisions.

General

Assembly: General Assembly concurs with Branch Budget provision.

27. FB 2000-2002 Technology Trust Fund Program Savings/General Fund Appropriations Transfer Authority

Branch Authorizes, within defined limits, the Executive Branch to transfer FB 2000-2002 General Fund appropriation amounts related to identified Technology Trust Fund Program savings within the total aggregate General Fund appropriations among budget units solely within each of the Cabinets for Families and Children, Finance and Administration, Health Services, Justice, Natural Resources and Environmental Protection, and Workforce Development and the Department of Education; Permits Cabinet/Agency Head to submit and document the need for appropriation transfer requests to the State Budget Director with explanation; Limits intra-Cabinet/Education Department transfer to maximum of total value of FB 2000-2002 General Fund cost saving amounts identified in Executive Budget Recommendation and records for the affected Cabinet/Department; and, Requires reporting of transfers, in writing, to the Interim Joint Committee on Appropriations and Revenue pursuant to KRS 48.500.

General

Assembly: General Assembly concurs with Branch Budget provision.

28. Affordable Housing Trust Funding Support

Branch Directs the transfer of any amount in excess of \$6,000,000 in unclaimed prize money held in the Kentucky Lottery Corporate Operating Account to the Affordable Housing Trust Fund (KRS 198A.710) in each fiscal year; and, Specifies that the first \$6,000,000 of unclaimed prize money be used for prize award pool or special prize promotions.

General

Assembly: General Assembly concurs with Branch Budget provision.

29. Designated General Fund Balance

Branch: Suspends provisions in Parts I, II, IX, or X in the Budget Bill to state that the amount in the General Fund Surplus Account (KRS 48.700) at the close of FY 2000-2001 designated for budgeted purposes in FY 2001-2002 be specified in the statutory budget memorandum and adjusted pursuant to KRS 48.120(3).

General

Assembly: General Assembly concurs with Branch Budget provision.

30. Pharmacy Provider Rate Expiration

Branch: Suspends KRS 142.311(2) to specify the tax rate for dispensing or delivering outpatient prescription drugs at fifteen cents per prescription for payment received after June 30, 1999 through June 30, 2000; and, States that there shall be no tax on outpatient prescriptions after June 30, 2000.

General

Assembly: General Assembly concurs with Branch Budget provision.

31. Sovereign Immunity Waiver

Branch: Suspends the Kentucky Revised Statutes to waive sovereign immunity to the extent of motor vehicle liability insurance coverage when purchased by any government agency.

General

Assembly: General Assembly concurs with Branch Budget provision.

32. Technology Trust Fund Program

Branch: Identifies Technology Trust Fund as the same established in the FB 1996-1998 State/Executive Biennial Budget Act (1996 Ky. Acts ch 380, Part X) and includes additional appropriations in the FB 1998-2000 Budget Act (1998 Ky. Acts ch 615, Part X) to empower state government through technology and redesigned business systems; and, Applies provisions in the Biennial Budget Bill, Part III.

General

Assembly: General Assembly concurs with Branch Budget provision and reformats original Section 31 provision to incorporate provisions in Section #32, Technology Trust Fund Application, in Section #33, Financial Administration, and in Section #34, Related Appropriations; Suspends KRS 45.770 to 45.800 to limit maximum allocation from the Capital Construction and Equipment Purchase Contingency Account to \$2,500,000.

[32] Technology Trust Fund Application

Branch: Applies provisions in the Biennial Budget Bill, Part III, to all General Fund appropriations originally authorized and appropriated by 1996 Ky. Acts ch 380, Part X, and renewed and expanded by 1998 Ky Acts ch 615, Part X.

General

Assembly: General Assembly concurs with Branch Budget provision and incorporates content in Section #32, Technology Trust Fund Program.

[33] Technology Trust Fund Financial Administration

Branch: Directs associated Operating Budget and Capital Budget appropriations, in addition to project allotments of Technology Trust Fund appropriations for the same purpose to be transferred, credited to and expended from discrete individual project accounts.

General

Assembly: General Assembly concurs with Branch Budget provision and incorporates content in Section #32, Technology Trust Fund Program.

[34] Technology Trust Fund Related Appropriations

Branch: Appropriates Non-General Fund sources of financing in support of Technology Trust Fund projects, systems and initiatives; and, Prohibits use of funds from the Emergency Repair, Maintenance and Replacement Fund Account for Technology Trust Fund projects by suspension of KRS 45.760(14), 45.770, 45.780, and 45.800.

General

Assembly: General Assembly concurs with Branch Budget provision and incorporates content in Section #32, Technology Trust Fund Program.

33. Interim Multi-State Sales And Use Tax Administration Study

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly authorizes Revenue Cabinet to discuss with other states developing a multi-state, voluntary sales and use tax system that could determine transaction taxability and tax collection methods; Permits compensation for costs of tax collection and remittance; Authorizes issuance of Joint Request for Information; Authorizes Cabinet's participation in multi-state pilot project and joint agreements to test simplified tax imposition and administrative operations on condition that sales and use tax revenues would remain the same as under KRS Chapter 139 and that joint agreements terminate by December 31, 2001; Exempts joint agreements from KRS Chapter 45A due to procedure requirements; Requires confidential treatment of taxpayer return information by any party consistent with KRS 131.190; and Directs the Cabinet to report to the Governor and the Legislative Research Commission by March 1, 2001, on the status of multi-state discussions and any recommendation regarding participation in a multi-state sales and use tax system based upon joint agreement.

34. Rape Crisis and Spouse Abuse Centers' Professional Development Fund

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly creates Rape Crisis and Spouse Abuse Centers' Professional Development Fund administered by the Finance and Administration Cabinet to support staff professional development initiatives; Requires the deposit of settlement moneys to the Fund under Civil Action No. 00 CIV 1707, United States Southern District Court of New York and suspends KRS 41.300 to credit interest earnings to the Fund; Directs the Governor's Council on Domestic Violence and Sexual Assault to allocate funds to finance training opportunities and provide merit-based stipends for educational opportunities by centers' staff; and, upon Council notification, Directs the Cabinet to transfer funds to the appropriate state agency for the purpose of executing contractual agreements.

35. Strategic Planning and Performance Budgeting Pilot Project

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly directs managers of each Executive Branch cabinet-level budget unit to develop a four year strategic plan which meets goals outlined by the Governor and also directs submission of plan by electronic copy and summary brief with FB 2002-2004 agency budget request; Specifies each plan to include cabinet mission, four

year goals with specific objectives and defined performance measures; Directs the State Budget Director to arrange for training courses for designated persons; Directs the Governor's Office of Technology to establish a uniform electronic strategic plan submission form and process in compliance with KRS 48.950 to 48.960; and, Requires project budget units to submit both performance-based and regular FB 2002-2004 agency budget requests.

Directs the State Budget Director to design and conduct a state performance budgeting pilot program with three to six budget units; Establishes Pilot Project Fund to defray expenses and costs of budget units and specifies information regarding disbursements be reported quarterly, beginning October 15, 2000, to the State Auditor and LRC; and, directs the Legislative Program Review and Investigations Committee to give high priority to evaluation and improvements of agencies' effectiveness, efficiency and accountability.

Provides that State Auditor study and evaluate budgetary data flow and report to Governor and Legislative Research Commission by September 30, 2000, focusing on detailed baseline description of features and cost of the budgeting structure for budget units participating in the pilot project; Directs the State Auditor to monitor progress of pilot projects and report evaluation to the Governor and LRC by February 1, 2002.

36. Local School District Employees Flexible Spending Account

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly suspends any amendment to KRS 18A.225 contained in 2000 Senate Bill 288, as enacted by the 2000 Regular Session of the General Assembly; and, Directs that unspent flexible benefit spending accounts funds of local school district employees remain in the respective districts.

37. Race Track Tax Credit

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly suspends KRS 138.510, and provides a tax credit for tracks with an average daily handle of \$1,200,000 or more if an amount equal to at least 50% of the credit is used for specified kinds of capital improvements to the track structure and at least 50% of credit amount is used for horsemen's incentives that is allocated equally to track purses and to stabling and transportation costs; Directs the Kentucky Economic Development Authority to order repayment if a track fails to complete qualifying capital improvement or

expenditures for horsemen's incentives; and, Require quarterly report to the Interim Joint Committee on Appropriations and Revenue.

38. Small Race Track Tax Rate

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly suspends KRS 138.510 for a track licensed by the Kentucky Racing Commission with a total annual handle of \$250,000 or less on live racing and reduces the excise rate under KRS 138.510(2) to 2.5% in FY 2000-2001 and 2.0% in FY 2001-2002; and, Directs that the track use the amount of rate difference to promote and maintain its facilities and live meets.

39. Litter Programs Financial Support

Branch: Has no provision in Budget Bill.

General

Assembly: General Assembly authorizes the Transportation and Natural Resources and Environmental Protection Cabinets to receive and accept money and non-monetary grants and contributions from private sector entities for Adopt-a-Highway Litter Program or other statewide litter programs; Deems contributions to be for public purpose; and Classifies moneys as restricted funds under KRS Chapter 45 and directs reporting pursuant to KRS Chapter 48; and, Exempts contributions from KRS Chapter 11A restrictions.

40. Domestic Cervids Farming Tax Exemption

Branch: Has no provision in Budget Bill

General

Assembly: General Assembly suspends KRS Chapter 139 to exempt from sales and use taxes, domestic cervids (deer and elk) and by-products, equipment, materials, chemicals, feeds and supplies used in farming operations or facilities construction and repair.

PART IV. STATE SALARY/COMPENSATION AND EMPLOYMENT POLICY

- Branch:**
1. **Suspends KRS 18A.010(2) for FB 2000-2002 to limit total permanent filled positions to the number authorized in the Enacted State/Executive Budget.**
 2. **Requires Personnel Cabinet to establish on July 1, 2000, and maintain a record of budgeted permanent and equivalent positions based upon the enacted budget and interim adjustments; Prohibits total filled and vacant positions from exceeding authorized budget complement and makes provisions for temporary employment in excess; and, Requires records, certifications and actions to be provided monthly to the Interim Joint Committee on Appropriations and Revenue.**
 3. **Suspends KRS 18A.355 and KRS 16.050 to provide a 2.4% budgeted cost-of-living increment on salary/wage base for each state employee on July 1 of each year; Provides each employee on the person's anniversary increment date with an additional wage rate increase of one, two or three percent as determined by Personnel Cabinet to recognize and compensate for years of service in assigned job grade classification; Increases entry level wage for KRS Chapter 18A and Chapter 16 salary schedules on July 1, 2000 and July 1, 2001; States that each appropriation unit in Part I, Operating Budget, includes funds to implement Wage Equity Plan provisions; Directs the Personnel Cabinet to administer a systematic assignment of job classifications to their proper pay grades; On January 1, 2001, raises by one grade classification those below appropriate pay grade and raises by two grades those classifications that are five grades too low and then, on January 1, 2002, raises below grade classifications an additional one grade; Awards employees affected by job classification upgrades with additional pay raise to the new entry wage rate; and, States that grade raises will continue in FY 2002-2003 and in FY 2003-2004 to bring all job classes to their proper grade.**

General**Assembly:**

General Assembly amends Branch Budget provision to fund a 5% annual increment on the salary/wage base on employees' anniversary date in each fiscal year as provided in KRS 18A.355; Requires, effective July 1 in each fiscal year, that salary/wage of each employee who is not on probationary status be at least 105% of the entry level salary for the grade assigned to the employee's job classification; and Requires on July 1, 2000 that job classes that are five, four and three grades below their proper grade, as determined by the Personnel Cabinet, each be raised two grade levels respectively.

PART V. FUNDS TRANSFER

Branch: Suspends statutes and finds that the financial condition of state government requires that enumerated restricted and special funds be transferred to the General Fund in FY 1999-2000, FY 2000-2001 and FY 2001-2002 in the following amounts:

<u>Fund Source</u>	<u>Branch</u>			<u>General Assembly</u>		
	<u>FY 1999-2000</u>	<u>FY 2000-2001</u>	<u>FY 2001-2002</u>	<u>FY 1999-2000</u>	<u>FY 2000-2001</u>	<u>FY 2001-2002</u>
1. Crime Victims Compensation Board (KRS 346.185)			\$2,700,000			\$2,700,000
2. Department of Insurance (KRS 304.2-400)		\$461,400	898,600		\$461,400	898,600
3. Fire and Tornado Insurance Fund (KRS 56.095; 56.150; 56.180)		3,000,000	3,000,000		3,000,000	3,000,000
4. Department of Financial Institutions (KRS 287.485)		900,000	900,000		900,000	900,000
5. Charitable Gaming Regulatory Account (KRS 238.570)		700,000	740,000		700,000	740,000
6. Underground Petroleum Storage Tank Environ. Assurance Fund/Interest Income (KRS 224.60-130 to KRS 224.60-155)			400,000		8,000,000	8,400,000
7. Housing, Buildings & Construction (KRS 198B.060; 198B.615; 198B.676; 227.620; 236.130; 318.136)			300,000			300,000
8. Mines & Minerals (KRS 351.110(2) and KRS 353.590)			200,000			200,000
9. Secretary of State-Limited Liability Companies Program (KRS 14.140)	\$1,000,000	500,000	500,000	\$1,000,000	500,000	500,000
10. Technology Trust Fund (1998 Ky. Acts ch. 615. Part X, Sec. 5 II 4)		2,500,000	2,500,000		2,500,000	2,500,000
11. Fleet Management Fund (1998 Ky. Acts ch. 615, Part III, Sec 1)		1,500,000	1,500,000		1,500,000	1,500,000
12. Capital Construction Investment Income (KRS 42.500(12))	42,000,000		2,562,400	42,000,000	22,800,000	11,562,400
13. Teachers' Retirement System - Return of FY 1998-1999 Excess Appropriation (KRS 161.550)	3,900,000			3,900,000		
TOTAL	\$46,900,000	\$9,561,400	\$16,201,000	\$46,900,000	\$40,361,400	\$33,201,000

General

Assembly: General Assembly amends Branch Budget provisions to transfer \$22,800,000 from Capital Construction Investment Income in FY 2000-2001 and increase the transfer from this source by \$9,000,000 in FY 2001-2002, to transfer \$8,000,000 in each fiscal year from Interest Income from the Underground Petroleum Storage Tank Environmental Assurance Fund, and to make technical title corrections.

PART VI. GENERAL FUND BUDGET REDUCTION PLAN

Branch: Establishes, pursuant to KRS 48.130 and 48.600, a General Fund Budget Reduction Plan for state government; Exempts direct services, specified items in the Budget Bill and obligations essential to the minimum level of constitutional functions; and Prohibits any action by a Branch Head which would exceed the projected deficit under KRS 48.130.

In the event of a shortfall in the General Fund revenue receipts of \$6,569,000,000 in FY 1999-2000, \$6,908,699,900 in FY 2000-2001 and \$7,298,822,800 in FY 2001-2002, as modified by related Acts and actions by the General Assembly in an extraordinary or regular session, directs the heads of the executive, judicial and legislative branches to implement reductions for their respective branches in the following sequence: (1) Adjusts Local Government Economic Assistance and Development Funds to equal revised receipts, pursuant to KRS 42.4582 as modified by provisions in the Budget Bill; (2) At the close of FY 1999-2000, Lapses \$20,600,000 from the Support Education Excellence in Kentucky (SEEK) Program to the General Fund Surplus Account; (3) At the close of FY 1999-2000, Lapses at least \$25,000,000 of the General Fund amounts derived from reduced debt service. All other excess General Fund appropriations derived from reduced debt service requirements shall lapse pursuant to provisions in Budget Bill; (4) Applies transfers of excess or unbudgeted restricted operating funds, excluding fiduciary funds or dedicated statutory funds; (5) Applies accrued excess General Fund appropriations resulting from personnel savings, unnecessary operating, grant or capital outlay expenses and directs Branch Heads to transmit certification of budget reduction actions to Finance and Administration Secretary for execution and to provide notice to the Legislative Research Commission; (6) Applies Budget Reserve Trust Fund resources not to exceed 25% of fund balance in FY 2000-2001 or 50% of fund balance in FY 2001-2002; (7) Any necessary actions by the Governor conforming with plan criteria and subject to limits specified in KRS 48.130 and 48.600; and, Directs branch heads to protect, preserve and advance fundamental health, safety, legal and social welfare, and educational well-being of citizens.

General Assembly: General Assembly amends Branch Budget provision to direct the adjustment of Phase I Tobacco Settlement Fund receipts to equal any revised estimates; and, Revises and conforms the General Fund revenue figures with General Assembly resource actions.

PART VII. ROAD FUND BUDGET REDUCTION PLAN

Branch: Establishes, pursuant to KRS 48.130 and 48.600, a Road Fund Budget Reduction Plan for FY 2000-2001 and FY 2001-2002.

In the event of a shortfall in Road Fund receipts of \$1,123,210,300 in FY 2000-2001 and \$1,163,161,200 in FY 2001-2002 of five percent or less than the revenue estimates under KRS 48.120(3), directs the Governor to implement sufficient reductions required to protect highest possible service level and prohibits any budget revision action which would exceed the actual or projected deficit.

General

Assembly: General Assembly concurs with Branch Budget provision.

PART VIII. ROAD FUND SURPLUS EXPENDITURE PLAN

Branch: Suspends KRS 48.140 and establishes, pursuant to KRS 48.710, a Road Fund Surplus Expenditure Plan to deposit moneys in excess of \$18,823,900 in FY 1999-2000 and \$1,616,400 in FY 2000-2001 in the State Construction Account and use moneys to support projects in the 2000-2002 Biennial Highway Construction Program.

General

Assembly: General Assembly amends Branch Budget provision to delete budgeted fund balances.

PART IX. SPECIAL PROVISIONS

Branch: Enumerates fiscal policy provisions that specify conditions, directives and legislative intent for selected budget units which conform with the State/Executive Branch Budget Bill.

General

Assembly: General Assembly enumerates fiscal policy provisions that specify conditions, directives and legislative intent for selected budget units which conform with General Assembly actions on the State/Executive Branch Budget Bill.

PART X. GENERAL FUND SURPLUS EXPENDITURE PLAN

- Branch:** (1) **Suspends KRS 48.140 and establishes, pursuant to KRS 48.700, a combined General Fund Surplus Expenditure Plan for FY 2000-2001 and FY 2001-2002; Authorizes, directs and appropriates moneys in the General Fund Surplus Account to two component funds: the Endowment Fund of the Council on Postsecondary Education and the Budget Reserve Trust Fund (KRS 48.705).**
- (2) **Specifies that Plan appropriations from undesignated General Fund balance at the close of FY 1999-2000 and FY 2000-2001 respectively not exceed the combined total of surplus funds; Limits amount of Plan appropriations to total available undesignated balances for the two fiscal years; Appropriates and allocates percentage shares and maximum amounts for two component Surplus Plan funds as follow: 83.33% of the surplus balance to the Research Challenge Trust Fund Endowment Program and 16.67% to the Regional Universities Excellence Trust Fund Endowment Program not to exceed \$120,000,000 total.**
In the event that the total undesignated balance at the close of FY 1999-2000 is less than \$120,000,000, allocates proportional amounts to each Trust Fund; In the event that the total undesignated balance at the close of FY 1999-2000 exceeds \$120,000,000, credits total balance amount to the Budget Reserve Trust Fund.
- (3) **Requires the Finance and Administration Secretary to determine the actual undesignated General Fund Surplus Account fund balance for each fiscal year that may be expended under the Plan, within thirty days after the close of each fiscal year; Directs the Secretary to certify to the Legislative Research Commission (LRC) the actual amounts of Surplus Account funds available; and, Appropriates certified Surplus Account moneys for expenditures pursuant to the Plan.**
- (4) **To the extent General Fund money is insufficient for full appropriation to component funds and their projects in FY 2000-2001, apportions appropriations to component Plan funds from the actual undesignated General Fund Surplus Account at the close of FY 2000-2001 for remaining projects in the same priority order.**
- (5) **Enumerates individual budget unit projects with funding priority and specifies total General Fund Surplus Appropriations in FY 2000-2001 as follows:**

I. Endowment Fund

A. Council on Postsecondary Education

- | | |
|---|--------------------|
| 1. Research Challenge Trust Fund Endowment Program | 100,000,000 |
| 2. Regional Universities Excellence Trust Fund Endowment Program | 20,000,000 |

Total	\$120,000,000
--------------	----------------------

- (6) To the extent FY 1999-2000 available General Fund Surplus exceeds the total amounts allocated to FY 2000-2001, appropriates additional amount for FY 2001-2002 component priorities; and, Specifies that additional General Fund Surplus resources in excess of total combined Plan appropriations be allocated to the Budget Reserve Trust Fund in an amount to provide a fund balance up to 5% of actual FY 2000-2001 General Fund Revenue.

General

Assembly:

General Assembly concurs with Branch Budget provision regarding the Endowment Fund appropriations; Revises component fund structure to create the Capital Facilities Fund and appropriate up to \$10 million in FY 2000-2001 to the Fund for the Emergency Repair, Maintenance and Replacement Fund (\$4,500,000) and the Capital Construction and Equipment Purchase Contingency Fund (\$5,500,000) and to create the Court-Ordered Judgments Funding Account and appropriate up to \$6,000,000 in FY 2000-2001 to the Account; Credits surplus income in excess of \$136,000,000 to the Budget Reserve Trust Fund; and, Rounds to the lower hundredth dollar the amounts for all determinations, authorizations and appropriations under the Plan.

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2000 GENERAL ASSEMBLY
FB 2000-2000 FINAL BUDGET MEMORANDUM
HB 502 State/Executive Budget - Part X
General Fund Surplus Expenditure Plan

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Table 3

<u>Component Fund</u>	<u>Branch</u>	<u>General Assembly</u>			
		<u>Surplus Funds</u>			
<u>Priority/Project</u>	<u>FB 2000-2002</u>	<u>FY 2000-2001</u>	<u>Cum. Total</u>	<u>FY 2001-2002</u>	<u>Cum. Total</u>
I. ENDOWMENT FUND					
Council on Postsecondary Education					
1 Research Challenge Trust Fund - Endowment Program	\$100,000,000	\$100,000,000			
2 Regional Universities Excellence Trust Fund - Endowment Program	\$20,000,000	\$20,000,000			
Total Endowment Fund	\$120,000,000	\$120,000,000	\$120,000,000		
II. CAPITAL FACILITIES FUND					
A. Department of Facilities Management					
1 Emergency Repair, Maintenance and Replacement Fund		4,500,000			
2 Capital Construction and Equipment Contingency Fund		5,500,000			
Total Capital Facilities Fund		\$10,000,000	\$130,000,000		
III. COURT-ORDERED JUDGMENTS FUNDING ACCOUNT					
A. Finance and Administration Cabinet					
1 Judgments Funding Account		\$6,000,000	\$136,000,000		
IV. BUDGET RESERVE TRUST FUND					
(See Note Below)					
<u>Summary Component Fund</u>	<u>General Assembly Maximum</u>	<u>Branch Maximum</u>	<u>General Assembly FY 2000-2001</u>	<u>General Assembly FY 2001-2002</u>	
Endowment Fund	\$120,000,000	120,000,000	120,000,000		
Capital Facilities Fund	10,000,000		10,000,000		
Court-Ordered Judgments Funding Account	6,000,000		6,000,000		
Grand Total Surplus Expenditures	\$136,000,000	\$120,000,000	\$136,000,000		

Note: If the General Fund Surplus Resources exceeds specified Plan appropriations, then additional funds in excess of \$136,000,000 are allocated to Budget Reserve Trust Fund in an amount up to 5% of actual FY 2000-2001 General Fund revenue, estimated to be an additional \$105,605,500 under current forecast.

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PART XI. PHASE I TOBACCO SETTLEMENT FUNDING PROGRAM

Branch: Prescribes implementation policy for National Settlement Agreement between the tobacco industry and collective states as provided in Part III, FB 1998-2000 State/Executive Branch Budget Act; and, Recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between Participating Tobacco Manufacturers and 40 Settling States which reimburses states for past smoking related expenditures.

- (1) States that Kentucky's share of total MSA amount equals 1.7611586%, that MSA payments are received in January and April of each year, and that the first payment has been received and remains unexpended as directed in the FB 1998-2000 Budget Act.
- (2) States that each payment is subject to changes due to several variables including inflation adjustments, volume adjustments and previously settled states adjustments.
- (3) Declares policy that all Phase I Tobacco Settlement funds are deposited to the credit of the General Fund and maintain distinct identity and that unexpended MSA funding balances are continued each fiscal year without lapse to General Fund surplus.
- (4) Estimates that FY 1999-2000 MSA payments total \$137,800,000 and are subject to change; and, Directs adjustments of estimated appropriations based on actual receipts as certified by the Secretary of Finance and Administration Cabinet.
- (5) Directs the distribution of FY 1999-2000 estimated \$137,800,000 receipts as follows:
 - a. Credits 50%, or \$68,900,000, to FY 1999-2000 General Fund Surplus Account:
 - 1) Dedicates 83.33% of the amount to the Research Challenge Trust Fund Endowment Program of the Council on Postsecondary Education as specified in Part X, General Fund Surplus Plan.
 - 2) Dedicates 16.67% of the amount to the Regional Universities Excellence Trust Fund Endowment Program of the Council on Postsecondary Education as specified in Part X, General Fund Surplus Plan.
 - b. Reserves 50%, or \$68,900,000, and appropriates amount in FY 2000-2001 to the new Kentucky Agricultural Development Fund, attached to the Governor's Office for Agriculture Policy for agricultural development initiatives pursuant to enabling legislation by the 2000 General Assembly.
 - 1) Designates and reserves \$40,000,000 of the amount to ensure that compensation payments to recipients in CY 2000 and CY 2001 from the National Tobacco Grower Settlement Trust (Phase II Settlement) are not less than the level of CY 1999 compensation; Distributes funds to supplement Phase II settlement payments according to formulas established by Kentucky Tobacco Settlement Trust Corporation; and, Directs disbursement of funds unexpended on May 1, 2002 by action of the Agriculture Development Board.
 - 2) Designates \$28,900,000 of the amount for the Agricultural Development Board to develop regional non-tobacco commodities processing and marketing facilities in two most tobacco-dependent regions

and makes funds available for feasibility studies, capital construction, operations and reasonable administrative costs.

- (6) Estimates MSA Funds receipts totaling \$101,100,000 in FY 2000-2001 and \$121,600,000 in FY 2001-2002 are available for appropriation.
- a. Appropriates 25% of these MSA payments in each fiscal year, estimated at \$25,275,000 in FY 2000-2001 and \$30,400,000 in FY 2001-2002, to the Early Childhood Development Fund, Governor's Office for Early Childhood Development, for early childhood initiatives pursuant to enabling legislation by the 2000 General Assembly, including administration by a proposed board; States that appropriations are set out for recipient agencies in Budget Bill, Part I, Operating Budget and is subject to the approval of proposed board; and, Identifies recipient agencies as the Office of Inspector General, Department for Public Health and Commission for Children with Special Health Care Needs in the Health Services Cabinet, the Department for Community Based Services in the Families and Children Cabinet, the Kentucky Higher Education Assistance Authority and the Governor's Office for Early Childhood Development in the Office of the Governor.
 - b. Appropriates 25% MSA payments in each fiscal year, estimated at \$25,275,000 in FY 2000-2001 and \$30,400,000 in FY 2001-2002, to the Kentucky Health Care Improvement Fund for health care initiatives pursuant to enabling legislation by the 2000 General Assembly including administration by a proposed board.
 - 1) Dedicates 20% of the amount in each fiscal year, estimated at \$5,055,000 in FY 2000-2001 and \$6,080,000 in FY 2001-2002, to a lung cancer research program; and, States that appropriation amounts for this purpose are made to the Council on Postsecondary Education in Budget Bill, Part I, Operating Budget and is subject to approval of proposed board.
 - 2) Dedicates 10% of the amount in each fiscal year, estimated at \$2,527,500 in FY 2000-2001 and \$3,040,000 in FY 2001-2002, to a smoking prevention program administered by the Department of Public Health, Cabinet for Health Services; and, States that appropriation amounts for this purpose are made to the Department of Public Health in Budget Bill, Part I, Operating Budget, and is subject to approval of proposed board.
 - 3) Dedicates 70% of the amount in each fiscal year, estimated at \$17,692,500 in FY 2000-2001 and \$21,280,000 in FY 2001-2002, to a health insurance program for high cost individuals to be administered by the Department of Insurance, Public Protection and Regulation Cabinet; and, States that appropriation amounts for this purpose are made to the Department of Insurance in Budget Bill, Part I, Operating Budget and is subject to approval by proposed board.

- c. **Appropriates 50% of the MSA payments in each fiscal year, estimated at \$50,550,000 in FY 2000-2001 and \$60,800,000 in FY 2001-2002, to the Kentucky Agricultural Improvement Fund, Governor's Office for Agriculture Policy, for agricultural development initiatives pursuant to enabling legislation by the 2000 General Assembly, including administration by proposed board.**

General**Assembly:**

General Assembly restructures Branch Budget provisions to transfer all MSA appropriations for affected budget units and activities from Part I, Operating Budget, to this Part and itemizes appropriations for major agricultural, early childhood, and health care initiatives, specified programs, services and activities consistent largely with appropriation items in the Branch Budget, as Introduced, except to establish the \$25 million Rural Development Bond Fund and provide debt service in the Finance and Administration Cabinet; and, Appropriates funds directly for Environmental Stewardship Program, Substance Abuse Treatment Program for Medicaid-eligible Women with Dependent Children and the Kentucky Agency for Substance Abuse Policy for Smoking Cessation Program.

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2000 GENERAL ASSEMBLY
FB 2000-2002 FINAL BUDGET MEMORANDUM
HB 502 State/Executive Budget - Part XI
Phase I Tobacco Settlement Funding Program

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Table 4

Government Branch: Executive Branch
Cabinet/Function: Phase I Tobacco Settlement Funding Program

	General Assembly	
	FY 1999-2000	FY 2000-2001
I. APPROPRIATIONS SUMMARY BY FUND SOURCE		
General Fund (Tobacco)	170,000,000	121,600,000
Regular Total Funds		
General Fund Continuing		
GRAND TOTAL FUNDS	170,000,000	121,600,000
II. EXPENDITURE CATEGORY		
Non-Breakdown	170,000,000	121,600,000
TOTAL EXPENDITURES	170,000,000	121,600,000
III. ADDITIONAL BUDGET RECAP BY FUND SOURCE		
General Fund (Tobacco)	170,000,000	121,600,000
TOTAL ADDITIONAL	170,000,000	121,600,000
IV. ADDITIONAL FUNDING ITEMS		
1 New Agricultural Development Initiatives	119,450,000	60,800,000
Provide funds to support Agricultural Development Initiatives in the Office of the Governor; provide debt service funds in the Finance & Administration Cabinet to support Bond Funds totaling \$50,000,000 for the Kentucky Infrastructure Authority (KIA) - Water Resources Development Bond Program and \$25,000,000 in Bond Funds for the Rural Development Bond Fund; and provide funds to support the Division of Conservation - Environmental Stewardship Program in the Natural Resources & Environmental Protection Cabinet.		
2 New Early Childhood Initiatives	25,275,000	30,400,000
Provide funds to support Early Childhood Initiatives in the Office of the Governor; Cabinet for Families & Children, Department for Community Based Services; and programs within the Cabinet for Health Services, including, HANDS Program, Folic Acid Program, Universal Children's Immunization, and expand Healthy Start programs in the Department for Public Health, Substance Abuse Treatment Programs in the Department for Mental Health/Mental Retardation; Universal Newborn Hearing Screening in the Commission for Children with Special Needs; and Kentucky Higher Education Assistance Authority.		
3 New Health Care Initiatives	25,275,000	30,400,000
Provide funds to support Health Care Initiatives, including Smoking Cessation Programs in the Office of the Governor, KY Agency for Substance Abuse Policy (KSAP) and the Cabinet for Health Services, Department for Public Health; and to provide support for the Research Challenge Fund for Lung Cancer Research Program in the Council for Postsecondary Education; and the KY ACCESS Program in the Public Protection and Regulation Cabinet.		
TOTAL ADDITIONAL	170,000,000	121,600,000

2000 GENERAL ASSEMBLY
FB 2000-2002 FINAL BUDGET MEMORANDUM
HB 502 State/Executive Budget - Part XI
Phase I Tobacco Settlement Funding Program

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Table 4

Government Branch: Executive Branch
Cabinet/Function: Phase I Tobacco Settlement Funding Program

	General Assembly		
	FY 1999-2000	FY 2000-2001	FY 2001-2002
V. EXPENDITURES BY BUDGET UNIT			
GOVERNMENT OPERATIONS			
Office of the Governor			
Agricultural Development Initiatives		109,192,000	44,253,000
Phase II Supplemental Payments; Counties Accounts Projects; and State Projects			
Early Childhood Initiatives - Office Operations		2,559,100	3,157,700
Health Care Initiatives - KSAP Smoking Cessation Program		2,500,000	2,500,000
Total - Office of the Governor		114,251,100	49,910,700
CABINET FOR FAMILIES & CHILDREN			
Department for Community Based Services			
Early Childhood Initiatives - Development Programs		7,597,800	9,082,800
FINANCE & ADMINISTRATION CABINET			
Debt Service			
Agricultural Development Initiatives			
Kentucky Infrastructure Authority - Water Resources Development Bond Program Debt Service			5,031,000
Rural Development Bond Fund Debt Service		1,258,000	2,516,000
Total - Finance & Administration Cabinet		1,258,000	7,547,000
CABINET FOR HEALTH SERVICES			
Department for Public Health			
Early Childhood Initiatives			
Adult & Child Health - HANDS Program		5,586,700	9,522,300
Adult & Child Health - Folic Acid Program		2,030,600	1,522,400
Epidemiology & Health Planning - Universal Children's Immunization		2,000,000	2,000,000
Adult & Child Health - Healthy Start (Expansion)		2,000,000	2,100,000
Health Care Initiatives			
Adult & Child Health - Smoking Cessation Program		2,527,500	3,040,000
Total - Department for Public Health		14,144,800	18,184,700
Department for Mental Health and Mental Retardation			
Early Childhood Initiatives			
Substance Abuse Treatment Program for Medicaid-Eligible Women With Dependent Children		1,000,000	1,000,000

2000 GENERAL ASSEMBLY
FB 2000-2002 FINAL BUDGET MEMORANDUM
HB 502 State/Executive Budget - Part XI
Phase I Tobacco Settlement Funding Program

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Table 4

Government Branch: Executive Branch
Cabinet/Function: Phase I Tobacco Settlement Funding Program

	General Assembly	
	FY 1999-2000	FY 2000-2001
Commission For Children With Special Health Care Needs		
Early Childhood Initiatives		
Handicapped Children's Program - Universal Newborn Hearing Screening	1,100,800	605,300
TOTAL - CABINET FOR HEALTH SERVICES	16,245,600	19,790,000
NATURAL RESOURCES & ENVIRONMENTAL PROTECTION CABINET		
Department for Natural Resources		
Agricultural Development Initiatives		
Division of Conservation - Environmental Stewardship Program	9,000,000	9,000,000
POSTSECONDARY EDUCATION		
Council on Postsecondary Education		
Health Care Initiatives		
Research Challenge Trust Fund - Lung Cancer Research Program	5,055,000	6,080,000
Kentucky Higher Education Assistance Authority		
Early Childhood Initiatives		
Early Childhood Scholarship Program	1,400,000	1,409,500
TOTAL - POSTSECONDARY EDUCATION	6,455,000	7,489,500
PUBLIC PROTECTION & REGULATION CABINET		
Department of Insurance - General Operations		
Health Care Initiatives		
Kentucky ACCESS Program	15,192,500	18,780,000
TOTAL - EXPENDITURES BY BUDGET UNIT	170,000,000	121,600,000

This record is for display purposes only, to reflect the appropriations of the 2000 General Assembly for the Phase I Tobacco Settlement General Fund dollars. The Branch Budget provided appropriations for Phase I Tobacco Settlement General Fund dollars in Part I, Operating Budget in the respective budget units. The General Assembly transferred Phase I Tobacco Settlement General Fund appropriations for all affected budget units, from Part I, Operating Budget, and other relevant parts in the State/Executive Branch Budget Bill, and provides for these appropriations to specific budget units in Part XI, Phase I Tobacco Settlement Funding Program.

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**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

GOVERNMENT OPERATIONS

JUNE 7, 2000

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
GENERAL FUND (TOBACCO) BY BUDGET UNIT**

Cabinet/Function: Government Operations

	FY 2000-2001			FY 2001-2002			
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
Office of the Governor		121,318,800		(121,318,800)	62,731,900		(62,731,900)

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
GENERAL FUND BY BUDGET UNIT

Cabinet/Function: Government Operations

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
Office of the Governor	8,405,000	8,138,800	8,138,800		8,521,000	8,521,000	
Office of State Budget Director	3,258,000	3,646,000	4,383,900	737,900	3,864,000	3,868,300	4,300
State Planning Fund	500,000	500,000	500,000		500,000	500,000	
Governor's Office for Technology	300,000				1,130,000	1,267,000	137,000
Veterans' Affairs	6,744,400	7,141,300	7,484,300	343,000	14,042,800	14,139,800	97,000
Secretary of State	2,354,300	2,416,400	2,425,100	8,700	2,468,700	2,491,400	22,700
Board of Elections	4,278,200	3,535,300	3,542,500	7,200	3,932,300	3,945,600	13,300
Treasury	2,285,200	2,243,400	2,239,200	(4,200)	2,434,300	2,402,000	(32,300)
Attorney General	12,959,300	13,625,600	13,066,000	(559,600)	14,514,700	13,751,400	(763,300)
Commonwealth's Attorneys	20,092,400	21,076,900	22,052,000	975,100	22,109,700	23,503,400	1,393,700
County Attorneys	18,349,000	19,248,100	19,772,000	523,900	20,191,300	21,085,200	893,900
Auditor of Public Accounts	5,749,400	5,829,600	5,895,400	65,800	5,925,900	5,911,600	(14,300)
Agriculture	19,575,000	20,664,600	20,214,100	(450,500)	21,645,300	21,167,400	(477,900)
Military Affairs	15,679,300	10,937,400	10,899,500	(37,900)	11,274,100	11,170,300	(103,800)
Personnel Board	544,200	584,400	583,600	(800)	593,300	595,400	2,100
Local Government	10,182,900	17,457,200	11,452,900	(6,004,300)	11,566,700	12,189,300	622,600
Special Funds	55,290,800	63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
Commission on Human Rights	1,962,400	2,051,000	2,036,000	(15,000)	2,129,400	2,088,300	(41,100)
Commission on Women	253,600	261,000	262,500	1,500	265,900	269,900	4,000
Registry of Election Finance	2,409,000	3,487,000	482,900	(3,004,100)	3,556,700	1,557,200	(1,999,500)
Executive Branch Ethics Commission	281,400	295,000	295,000		310,000	310,000	
Miscellaneous Appropriations	5,273,500	40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
Operating Budget Subtotal	196,727,300	246,977,500	229,623,100	(17,354,400)	221,581,600	222,490,000	908,400
Continuing Appropriations							
Commonwealth's Attorneys	241,900						
Agriculture	3,580,400						
Registry of Election Finance	(1,000,000)	(2,000,000)	1,000,000	3,000,000	(2,000,000)		2,000,000
Miscellaneous Appropriations	47,584,100	21,000,000	21,000,000				
Operating Budget Total	247,133,700	265,977,500	251,623,100	(14,354,400)	219,581,600	222,490,000	2,908,400

Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
RESTRICTED FUNDS BY BUDGET UNIT**

Cabinet/Function: Government Operations

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
Office of the Governor	400,000	1,197,600	1,197,600		950,000	950,000	
Office of State Budget Director	789,000	924,000	924,000		963,000	963,000	
Governor's Office for Technology	59,952,900	66,840,000	61,690,600	(5,149,400)	68,738,000	63,420,700	(5,317,300)
Veterans' Affairs	11,304,500	12,456,700	12,456,700		16,357,600	16,357,600	
Secretary of State	145,500	154,000	154,000		165,000	165,000	
Board of Elections	40,000	40,000	40,000		60,000	60,000	
Treasury		791,900	791,900		731,900	731,900	
Attorney General	6,781,900	7,542,300	7,542,300		7,796,900	7,796,900	
Commonwealth's Attorneys	334,300	322,500	322,500		179,900	179,900	
County Attorneys	11,500	42,600	42,600		40,400	40,400	
Auditor of Public Accounts	3,149,900	4,709,000	4,709,000		4,405,000	4,405,000	
Agriculture	2,472,900	2,386,500	2,386,500		2,541,300	2,541,300	
Military Affairs	17,117,400	18,433,400	16,695,200	(1,738,200)	19,113,400	17,055,100	(2,058,300)
Personnel Board	5,000	5,000	5,000		6,100	6,100	
Local Government	1,229,000	665,400	665,400		671,400	671,400	
Commission on Human Rights	30,000	12,000	12,000		12,400	12,400	
Commission on Women					3,200	3,200	
Kentucky Retirement Systems	16,132,400	11,713,400	11,713,400		13,863,000	13,863,000	
Registry of Election Finance		200,000	200,000		20,000	20,000	
Boards and Commissions	13,802,500	14,642,800	14,642,800		15,149,900	15,149,900	
Governmental Services Center	1,382,000	1,478,000	1,478,000		1,512,000	1,512,000	
Executive Branch Ethics Commission	3,000	6,000	6,000		10,000	10,000	
Kentucky Kare Health Insurance Authority	1,042,500						
Operating Budget Total	136,126,200	144,563,100	137,675,500	(6,887,600)	153,290,400	145,914,800	(7,375,600)

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
FEDERAL FUNDS BY BUDGET UNIT**

Cabinet/Function: Government Operations

	FY 1999-2000 Budget	FY 2000-2001		FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly
Office of the Governor	105,500	373,400	373,400		261,700	261,700
Attorney General	2,475,400	2,494,300	2,494,300		2,584,000	2,584,000
Commonwealth's Attorneys	594,900	629,200	629,200		608,300	608,300
County Attorneys	234,500	251,900	251,900		264,100	264,100
Agriculture	1,988,000	2,035,000	2,035,000		2,034,800	2,034,800
Military Affairs	23,960,000	9,175,000	9,175,000		9,395,200	9,395,200
Local Government	43,088,000	47,080,800	47,080,800		44,080,800	44,080,800
Commission on Human Rights	370,500	129,400	129,400		170,800	170,800
Commission on Women		100	100		100	100
Operating Budget Total	72,816,800	62,169,100	62,169,100		59,399,800	59,399,800

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
ROAD FUND BY BUDGET UNIT**

Cabinet/Function: Government Operations

	FY 2000-2001			FY 2001-2002			
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
Governor's Office for Technology	125,000	125,000	125,000		125,000	125,000	

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
TOTAL FUNDS BY BUDGET UNIT

Cabinet/Function: Government Operations

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
Office of the Governor	8,910,500	131,028,600	9,709,800	(121,318,800)	72,464,600	9,732,700	(62,731,900)
Office of State Budget Director	4,047,000	4,570,000	5,307,900	737,900	4,827,000	4,831,300	4,300
State Planning Fund	500,000	500,000	500,000		500,000	500,000	
Governor's Office for Technology	60,377,900	66,965,000	61,815,600	(5,149,400)	69,993,000	64,812,700	(5,180,300)
Veterans' Affairs	18,048,900	19,598,000	19,941,000	343,000	30,400,400	30,497,400	97,000
Secretary of State	2,499,800	2,570,400	2,579,100	8,700	2,633,700	2,656,400	22,700
Board of Elections	4,318,200	3,575,300	3,582,500	7,200	3,992,300	4,005,600	13,300
Treasury	2,285,200	3,035,300	3,031,100	(4,200)	3,166,200	3,133,900	(32,300)
Attorney General	22,216,600	23,662,200	23,102,600	(559,600)	24,895,600	24,132,300	(763,300)
Commonwealth's Attorneys	21,021,600	22,028,600	23,003,700	975,100	22,897,900	24,291,600	1,393,700
County Attorneys	18,595,000	19,542,600	20,066,500	523,900	20,495,800	21,389,700	893,900
Auditor of Public Accounts	8,899,300	10,538,600	10,604,400	65,800	10,330,900	10,316,600	(14,300)
Agriculture	24,035,900	25,086,100	24,635,600	(450,500)	26,221,400	25,743,500	(477,900)
Military Affairs	56,756,700	38,545,800	36,769,700	(1,776,100)	39,782,700	37,620,600	(2,162,100)
Personnel Board	549,200	589,400	588,600	(800)	599,400	601,500	2,100
Local Government	54,499,900	65,203,400	59,199,100	(6,004,300)	56,318,900	56,941,500	622,600
Special Funds	55,290,800	63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
Commission on Human Rights	2,362,900	2,192,400	2,177,400	(15,000)	2,312,600	2,271,500	(41,100)
Commission on Women	253,600	261,100	262,600	1,500	269,200	273,200	4,000
Kentucky Retirement Systems	16,132,400	11,713,400	11,713,400		13,863,000	13,863,000	
Registry of Election Finance	2,409,000	3,687,000	682,900	(3,004,100)	3,576,700	1,577,200	(1,999,500)
Boards and Commissions	13,802,500	14,642,800	14,642,800		15,149,900	15,149,900	
Governmental Services Center	1,382,000	1,478,000	1,478,000		1,512,000	1,512,000	
Executive Branch Ethics Commission	284,400	301,000	301,000		320,000	320,000	
Miscellaneous Appropriations	5,273,500	40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
Kentucky Kare Health Insurance Authority	1,042,500						
Operating Budget Subtotal	405,795,300	575,153,500	429,592,700	(145,560,800)	497,128,700	427,929,600	(69,199,100)
Continuing Appropriations							
Commonwealth's Attorneys	241,900						
Agriculture	3,580,400						
Registry of Election Finance	(1,000,000)	(2,000,000)	1,000,000	3,000,000	(2,000,000)		2,000,000
Miscellaneous Appropriations	47,584,100	21,000,000	21,000,000				
Operating Budget Total	456,201,700	594,153,500	451,592,700	(142,560,800)	495,128,700	427,929,600	(67,199,100)

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Summary
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund Special	670,000	670,000							
General Fund	196,057,300	196,057,300		246,977,500	229,623,100	(17,354,400)	221,581,600	222,490,000	908,400
Restricted Funds	138,630,900	136,126,200	(2,504,700)	144,563,100	137,675,500	(6,887,600)	153,290,400	145,914,800	(7,375,600)
Federal Funds	72,460,800	72,816,800	356,000	62,169,100	62,169,100		59,399,800	59,399,800	
Road Fund	125,000	125,000		125,000	125,000		125,000	125,000	
Regular Total Funds	407,944,000	405,795,300	(2,148,700)	575,153,500	429,592,700	(145,560,800)	497,128,700	427,929,600	(69,199,100)
General Fund Continuing	50,406,400	50,406,400		19,000,000	22,000,000	3,000,000	(2,000,000)		2,000,000
GRAND TOTAL FUNDS	458,350,400	456,201,700	(2,148,700)	594,153,500	451,592,700	(142,560,800)	495,128,700	427,929,600	(67,199,100)
II. EXPENDITURE CATEGORY									
Personnel Costs	189,134,800	189,134,800		194,828,500	194,071,300	(757,200)	213,025,500	212,953,900	(71,600)
Operating Expenses	118,190,500	115,866,800	(2,323,700)	128,545,400	114,556,400	(13,989,000)	75,229,000	70,097,700	(5,131,300)
Grants, Loans, Benefits	143,044,900	143,219,900	175,000	262,926,700	135,112,100	(127,814,600)	198,321,700	135,493,500	(62,828,200)
Debt Service	733,000	733,000		119,400	119,400		1,253,000	2,085,000	832,000
Capital Outlay	1,869,800	1,869,800		2,318,500	2,318,500		1,781,500	1,781,500	
Construction	5,377,400	5,377,400		5,415,000	5,415,000		5,518,000	5,518,000	
TOTAL EXPENDITURES	458,350,400	456,201,700	(2,148,700)	594,153,500	451,592,700	(142,560,800)	495,128,700	427,929,600	(67,199,100)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	196,057,300	196,057,300		234,180,400	219,469,300	(14,711,100)	206,113,100	204,993,100	(1,120,000)
Restricted Funds	138,630,900	134,126,200	(4,504,700)	141,669,200	135,377,000	(6,292,200)	144,966,800	138,293,200	(6,673,600)
Federal Funds	72,460,800	72,460,800		62,019,100	62,019,100		59,249,800	59,249,800	
Road Fund	125,000	125,000		125,000	125,000		125,000	125,000	
Regular Total Funds	407,274,000	402,769,300	(4,504,700)	437,993,700	416,990,400	(21,003,300)	410,454,700	402,661,100	(7,793,600)
General Fund Continuing	50,406,400	50,406,400		19,000,000	22,000,000	3,000,000	(2,000,000)		2,000,000
TOTAL BASE LEVEL	457,680,400	453,175,700	(4,504,700)	456,993,700	438,990,400	(18,003,300)	408,454,700	402,661,100	(5,793,600)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund Special	670,000	670,000							
General Fund				12,797,100	10,153,800	(2,643,300)	15,468,500	17,496,900	2,028,400
Restricted Funds		2,000,000	2,000,000	2,893,900	2,298,500	(595,400)	8,323,600	7,621,600	(702,000)
Federal Funds		356,000	356,000	150,000	150,000		150,000	150,000	
TOTAL ADDITIONAL	670,000	3,026,000	2,356,000	137,159,800	12,602,300	(124,557,500)	86,674,000	25,268,500	(61,405,500)

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Summary
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				1,431,000	342,000	(1,089,000)			
Restricted Funds	210,000	210,000		12,149,000	12,399,000	250,000	700,000	700,000	
Federal Funds				6,832,600	6,832,600				
Bond Funds				7,085,000	14,516,000	7,431,000			
Capital Const. Surplus				489,000	489,000		248,000	248,000	
Investment Income				1,350,000	1,350,000		1,400,000	1,400,000	
Other Funds				100,000	100,000				
TOTAL CAPITAL	210,000	210,000		29,436,600	36,028,600	6,592,000	2,348,000	2,348,000	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund Special	200,000	200,000							
General Fund	11,963,000	11,963,000		12,284,800	13,022,700	737,900	12,885,000	12,889,300	4,300
Restricted Funds	1,189,000	1,189,000		2,121,600	2,121,600		1,913,000	1,913,000	
Federal Funds	105,500	105,500		373,400	373,400		261,700	261,700	
Regular Total Funds	13,457,500	13,457,500		136,098,600	15,517,700	(120,580,900)	77,791,600	15,064,000	(62,727,600)
General Fund Continuing									
GRAND TOTAL FUNDS	13,457,500	13,457,500		136,098,600	15,517,700	(120,580,900)	77,791,600	15,064,000	(62,727,600)
II. EXPENDITURE CATEGORY									
Personnel Costs	9,457,100	9,457,100		11,134,700	10,701,900	(432,800)	11,677,100	11,307,800	(369,300)
Operating Expenses	2,851,900	2,851,900		3,415,900	3,667,800	251,900	3,357,500	2,869,200	(488,300)
Grants, Loans, Benefits	1,128,500	1,128,500		121,548,000	1,148,000	(120,400,000)	62,757,000	887,000	(61,870,000)
Capital Outlay	20,000	20,000							
TOTAL EXPENDITURES	13,457,500	13,457,500		136,098,600	15,517,700	(120,580,900)	77,791,600	15,064,000	(62,727,600)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	11,963,000	11,963,000		11,664,100	11,664,100		12,092,000	12,092,000	
Restricted Funds	1,189,000	1,189,000		2,062,500	2,062,500		1,855,200	1,855,200	
Federal Funds	105,500	105,500		223,400	223,400		111,700	111,700	
Regular Total Funds	13,257,500	13,257,500		13,950,000	13,950,000		14,058,900	14,058,900	
General Fund Continuing									
TOTAL BASE LEVEL	13,257,500	13,257,500		13,950,000	13,950,000		14,058,900	14,058,900	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund Special	200,000	200,000							
General Fund				620,700	1,358,600	737,900	793,000	797,300	4,300
Restricted Funds				59,100	59,100		57,800	57,800	
Federal Funds				150,000	150,000		150,000	150,000	
TOTAL ADDITIONAL	200,000	200,000		122,148,600	1,567,700	(120,580,900)	63,732,700	1,005,100	(62,727,600)

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: Office of the Governor

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund	8,405,000	8,405,000		8,138,800	8,138,800		8,521,000	8,521,000	
Restricted Funds	400,000	400,000		1,197,600	1,197,600		950,000	950,000	
Federal Funds	105,500	105,500		373,400	373,400		261,700	261,700	
Regular Total Funds	8,910,500	8,910,500		131,028,600	9,709,800	(121,318,800)	72,464,600	9,732,700	(62,731,900)
General Fund Continuing									
GRAND TOTAL FUNDS	8,910,500	8,910,500		131,028,600	9,709,800	(121,318,800)	72,464,600	9,732,700	(62,731,900)
II. EXPENDITURE CATEGORY									
Personnel Costs	6,506,200	6,506,200		7,668,700	7,248,000	(420,700)	7,926,100	7,552,500	(373,600)
Operating Expenses	1,775,800	1,775,800		2,311,900	1,813,800	(498,100)	2,281,500	1,793,200	(488,300)
Grants, Loans, Benefits	628,500	628,500		121,048,000	648,000	(120,400,000)	62,257,000	387,000	(61,870,000)
TOTAL EXPENDITURES	8,910,500	8,910,500		131,028,600	9,709,800	(121,318,800)	72,464,600	9,732,700	(62,731,900)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	8,405,000	8,405,000		8,038,800	8,038,800		8,421,000	8,421,000	
Restricted Funds	400,000	400,000		1,138,500	1,138,500		892,200	892,200	
Federal Funds	105,500	105,500		223,400	223,400		111,700	111,700	
Regular Total Funds	8,910,500	8,910,500		9,400,700	9,400,700		9,424,900	9,424,900	
General Fund Continuing									
TOTAL BASE LEVEL	8,910,500	8,910,500		9,400,700	9,400,700		9,424,900	9,424,900	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund (Tobacco)				121,318,800		(121,318,800)	62,731,900		(62,731,900)
General Fund				100,000	100,000		100,000	100,000	
Restricted Funds				59,100	59,100		57,800	57,800	
Federal Funds				150,000	150,000		150,000	150,000	
TOTAL ADDITIONAL				121,627,900	309,100	(121,318,800)	63,039,700	307,800	(62,731,900)
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Office of Early Childhood Development-Personnel								
	(GOVABGX01) Provide funds to support one personnel position and associated operating costs for proposed Kentucky Partnership and Business Council.								
General Fund				60,000	60,000		60,000	60,000	
Total				60,000	60,000		60,000	60,000	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: Office of the Governor

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 EXPAN KY Appalachian Commission-Personnel									
(GOVABEX01) Provide funds to support one personnel position and associated operating costs.									
Restricted Funds				59,100	59,100		57,800	57,800	
Total				59,100	59,100		57,800	57,800	
3 NEW Office of Early Childhood Development-Phase I Tobacco Settlement Funds Initiatives									
(GOVABGX02) Provide funds to support initiatives to be implemented by the Office for Early Childhood Development. General Assembly: Appropriates General Fund Phase I Tobacco Settlement Funds in Part XI.									
General Fund (Tobacco)				1,868,800		(1,868,800)	1,931,900		(1,931,900)
Total				1,868,800		(1,868,800)	1,931,900		(1,931,900)
4 MTCE Office of Early Childhood Development-Headstart Collaborative Program Transfer									
(GOVABGX03) Provide funds to support the Headstart Collaborative Program that have been transferred from the Department for Education.									
General Fund				40,000	40,000		40,000	40,000	
Federal Funds				150,000	150,000		150,000	150,000	
Total				190,000	190,000		190,000	190,000	
5 NEW Phase I Tobacco Settlement Funds-Agricultural Development Initiatives									
(GOVABHX01) Provide funds to support agricultural development initiatives. Funds provided total 50% of Phase I Tobacco Settlement funds estimated to be received per year. General Assembly: Appropriates General Fund Phase I Tobacco Settlement Funds in Part XI.									
General Fund (Tobacco)				119,450,000		(119,450,000)	60,800,000		(60,800,000)
Total				119,450,000		(119,450,000)	60,800,000		(60,800,000)
TOTAL ADDITIONAL				121,627,900	309,100	(121,318,800)	63,039,700	307,800	(62,731,900)

FB 2000-2002 BUDGET MODIFICATION REPORT

Office of the Governor

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$60,000 in FY 2000-2001 and \$60,000 in FY 2001-2002 is provided for one PFT and associated operating costs for the Office of Early Childhood Development; additional Restricted Funds totaling \$59,100 in FY 2000-2001 and \$57,800 in FY 2001-2002 are provided for one PFT and associated operating costs for the Kentucky Appalachian Commission; and funds totaling \$40,000 from the General Fund and \$150,000 from Federal Funds in each fiscal year are provided for the Headstart Collaborative Program.

The Branch Budget recommends additional General Fund support for the Office for Early Childhood Development and agricultural development initiatives from Phase I Tobacco Settlement Funds. The Office for Early Childhood Development is provided \$1,868,800 in FY 2000-2001 and \$1,931,900 in FY 2001-2002 from the Early Childhood Development Fund for the following activities and initiatives: (1) Early Childhood Development Board operations - \$180,000 in FY 2000-2001 and \$188,400 in FY 2001-2002; (2) Local Early Childhood Partnerships Grants - \$1,000,000 in FY 2000-2001 and \$1,120,000 in FY 2001-2002; (3) Partnership staff and operations - \$227,800 in FY 2000-2001 and \$213,500 in FY 2001-2002; (4) Business Council operations and activities - \$50,000 in FY 2000-2001 and \$50,000 in FY 2001-2002; (5) Professional Development System Council operations and activities - \$157,000 in FY 2000-2001 and \$110,000 in FY 2001-2002; and (6) Program Quality Measurement System - \$250,000 in FY 2000-2001 and \$250,000 in FY 2001-2002.

The agricultural development initiatives are provided a total of \$119,450,000 in FY 2000-2001 and \$60,800,000 in FY 2001-2002. The FY 2000-2001 Agricultural Development total General Fund amount of \$119,450,000 is comprised of \$50,550,000 in FY 2000-2001 current Phase I Tobacco Settlement receipts and \$68,900,000 in FY 1999-2000 receipts that are reserved and credited to the Agricultural Development Fund. The Branch Budget recommends \$300,000 in each fiscal year of the biennium from the Agricultural Development Fund for operating the newly created Governor's Office of Agriculture Policy.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: Included in the above General Fund appropriation in each year of the biennium is \$18,000 for the Governor's expense allowance and \$10,000 for the Lieutenant Governor's expense allowance to meet additional expenses associated with the position of Governor of Kentucky and the position of Lieutenant Governor as specified in KRS 64.710.

The Branch Budget Bill, Part XI, Phase I Tobacco Settlement, includes language provisions relating to the Office of the Governor that direct:

Fifty percent (50%) of the Master Settlement Agreement (MSA) payments received in fiscal year 1999-2000, which is estimated to be \$68,900,000, is appropriated in fiscal year 2000-2001 to the Governor's Office to be reserved in a new Kentucky Agricultural Development Fund attached to the Governor's Office for Agriculture Policy to be used for agricultural development initiatives pursuant to enabling legislation to be considered by the 2000 General Assembly. (1) Of this amount, \$40,000,000 shall be designated and reserved to ensure that recipients of payments from the National Tobacco Grower Settlement Trust (Phase II Settlement) in calendar years 2000 and 2001 are compensated at a level not less than the compensation received from the Phase II Settlement in calendar year 1999. These funds shall be made available to supplement Phase II Settlement payments and shall be distributed according to formulas established by the Kentucky Tobacco Settlement Trust Corporation for distribution of Phase II settlement amounts. Any funds not expended for this purpose by May 1, 2002, shall be disbursed pursuant to action by the Kentucky Agriculture Development Board which is proposed to be established by enabling legislation. (2) Of this amount, \$28,900,000 shall be designated for use by the Kentucky Agricultural Development Board for the purpose of developing regional processing and marketing facilities for agricultural commodities other than tobacco in the state's two most tobacco-dependent regions, as determined by the Kentucky Agriculture Development Fund Board. Funds shall be made available for feasibility studies, capital construction, operations, and reasonable administrative costs associated with the development of these two facilities.

FB 2000-2002
BUDGET MODIFICATION REPORT

Office of the Governor

Twenty-five percent (25%) of the MSA payments received in fiscal year 2000-2001, estimated to be \$25,275,000, and in fiscal year 2001-2002, estimated to be \$30,400,000, is appropriated to the Early Childhood Development Fund which is proposed to be established by enabling legislation in the Governor's Office for Early Childhood Development to be used for early childhood development initiatives. The Fund will be administered by a board to be established by enabling legislation. Appropriations for early childhood initiatives are set out within the appropriation amounts of the recipient agencies in Part I of this Act and are subject to the approval of the board. The recipient agencies include the Office of the Inspector General, the Department for Public Health and the Commission for Children with Special Health Care Needs in the Cabinet for Health Services, the Department for Community Based Services in the Cabinet for Families and Children, the Kentucky Higher Education Assistance Authority, and the Governor's Office for Early Childhood Development within the Office of the Governor.

Fifty Percent (50%) of the MSA payments received in fiscal year 2000-2001, estimated to be \$50,550,000, and in fiscal year 2001-2002, estimated to be \$69,800,000, is appropriated to the Kentucky Agricultural Improvement Fund which is proposed to be established in enabling legislation in the Governor's Office for Agriculture Policy to be used for agricultural development initiatives. The Fund will be administered by a board to be legislatively established.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The General Assembly transfers Phase I Tobacco Settlement General Fund appropriations for all affected budget units and activities, from Part I, Operating Budget, and other relevant parts in the Budget Bill, and provides for these appropriations in Part XI, Tobacco Settlement.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: Office of State Budget Director

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund Special	200,000	200,000							
General Fund	3,058,000	3,058,000		3,646,000	4,383,900	737,900	3,864,000	3,868,300	4,300
Restricted Funds	789,000	789,000		924,000	924,000		963,000	963,000	
Regular Total Funds	4,047,000	4,047,000		4,570,000	5,307,900	737,900	4,827,000	4,831,300	4,300
General Fund Continuing									
GRAND TOTAL FUNDS	4,047,000	4,047,000		4,570,000	5,307,900	737,900	4,827,000	4,831,300	4,300
II. EXPENDITURE CATEGORY									
Personnel Costs	2,950,900	2,950,900		3,466,000	3,453,900	(12,100)	3,751,000	3,755,300	4,300
Operating Expenses	1,076,100	1,076,100		1,104,000	1,854,000	750,000	1,076,000	1,076,000	
Capital Outlay	20,000	20,000							
TOTAL EXPENDITURES	4,047,000	4,047,000		4,570,000	5,307,900	737,900	4,827,000	4,831,300	4,300
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	3,058,000	3,058,000		3,125,300	3,125,300		3,171,000	3,171,000	
Restricted Funds	789,000	789,000		924,000	924,000		963,000	963,000	
Regular Total Funds	3,847,000	3,847,000		4,049,300	4,049,300		4,134,000	4,134,000	
General Fund Continuing									
TOTAL BASE LEVEL	3,847,000	3,847,000		4,049,300	4,049,300		4,134,000	4,134,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund Special	200,000	200,000							
General Fund				520,700	1,258,600	737,900	693,000	697,300	4,300
TOTAL ADDITIONAL	200,000	200,000		520,700	1,258,600	737,900	693,000	697,300	4,300
V. ADDITIONAL BUDGET ITEMS									
1 MTCE	Maintenance of Current Services								
(765BAAX01)	Provide funds to support personnel positions and operating expenses to maintain current service levels, and to support the start-up and continuation of the Governor's Office for Policy Research.								
General Fund	200,000	200,000		495,700	495,700		678,000	678,000	
Total	200,000	200,000		495,700	495,700		678,000	678,000	
2 NEW	Wage Equity Plan								
(765BAAX02)	Provide funds to support salary improvement.								
General Fund				25,000	12,900	(12,100)	15,000	19,300	4,300
Total				25,000	12,900	(12,100)	15,000	19,300	4,300

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: Office of State Budget Director

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
3 NEW	Performance Budgeting Pilot Project								
(GOVBGA01)	Provide funds to support the performance budgeting pilot project.								
General Fund					750,000	750,000			
Total					750,000	750,000			
TOTAL ADDITIONAL	200,000	200,000		520,700	1,258,600	737,900	693,000	697,300	4,300

FB 2000-2002 BUDGET MODIFICATION REPORT

Office of the State Budget Director

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support is provided for the following purposes: \$200,000 in FY 1999-2000 for initial start-up costs for the Governor's Office for Policy Research; \$256,000 in FY 2000-2001 and \$268,000 in FY 2001-2002 for ongoing costs of the Governor's Office for Policy Research; and \$239,700 in FY 2001-2002 and \$410,000 in FY 2001-2002 for continuation of services for the Governor's Office for Policy and Management.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$25,000 in FY 2000-2001 and \$15,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$12,900 in FY 2000-2001 and \$19,300 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly provides additional support from the General Fund totaling \$750,000 in FY 2000-2001 for the Performance Budgeting Pilot Project. Notwithstanding KRS 45.229, any unexpended balance of funds provided for the Performance Budgeting Pilot Project in fiscal year 2000-2001 shall not lapse and shall be carried forward into fiscal year 2001-2002.

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Executive Office of the Governor
Appropriation Unit: State Planning Fund

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	500,000	500,000		500,000	500,000		500,000	500,000	
Regular Total Funds	500,000	500,000		500,000	500,000		500,000	500,000	
General Fund Continuing									
GRAND TOTAL FUNDS	500,000	500,000		500,000	500,000		500,000	500,000	
II. EXPENDITURE CATEGORY									
Grants, Loans, Benefits	500,000	500,000		500,000	500,000		500,000	500,000	
TOTAL EXPENDITURES	500,000	500,000		500,000	500,000		500,000	500,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	500,000	500,000		500,000	500,000		500,000	500,000	
Regular Total Funds	500,000	500,000		500,000	500,000		500,000	500,000	
General Fund Continuing									
TOTAL BASE LEVEL	500,000	500,000		500,000	500,000		500,000	500,000	

**FB 2000-2002
BUDGET MODIFICATION REPORT**

State Planning Fund

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 and includes a State Planning Fund Grant in the amount of \$25,000 in each fiscal year for the Bluegrass State Games to assist with planning and production of the games.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that authorizes the Governor to expend funds from the State Planning Fund for the improvement and advancement of governmental purposes and activities.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The General Assembly provides General Fund support totaling \$50,000 in each fiscal year to the Bluegrass State Games to assist with planning and production of the games.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Governor's Office for Technology

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	300,000	300,000					1,130,000	1,267,000	137,000
Restricted Funds	64,457,600	59,952,900	(4,504,700)	66,840,000	61,690,600	(5,149,400)	68,738,000	63,420,700	(5,317,300)
Road Fund	125,000	125,000		125,000	125,000		125,000	125,000	
Regular Total Funds	64,882,600	60,377,900	(4,504,700)	66,965,000	61,815,600	(5,149,400)	69,993,000	64,812,700	(5,180,300)
General Fund Continuing									
GRAND TOTAL FUNDS	64,882,600	60,377,900	(4,504,700)	66,965,000	61,815,600	(5,149,400)	69,993,000	64,812,700	(5,180,300)
II. EXPENDITURE CATEGORY									
Personnel Costs	30,284,600	30,284,600		32,043,000	32,043,000		33,585,000	33,585,000	
Operating Expenses	28,822,800	24,318,100	(4,504,700)	29,104,000	23,954,600	(5,149,400)	29,312,000	23,994,700	(5,317,300)
Grants, Loans, Benefits	125,000	125,000		125,000	125,000		125,000	125,000	
Debt Service							1,130,000	1,267,000	137,000
Capital Outlay	672,800	672,800		678,000	678,000		723,000	723,000	
Construction	4,977,400	4,977,400		5,015,000	5,015,000		5,118,000	5,118,000	
TOTAL EXPENDITURES	64,882,600	60,377,900	(4,504,700)	66,965,000	61,815,600	(5,149,400)	69,993,000	64,812,700	(5,180,300)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	300,000	300,000							
Restricted Funds	64,457,600	59,952,900	(4,504,700)	66,471,200	61,345,000	(5,126,200)	68,538,000	63,049,800	(5,488,200)
Road Fund	125,000	125,000		125,000	125,000		125,000	125,000	
Regular Total Funds	64,882,600	60,377,900	(4,504,700)	66,596,200	61,470,000	(5,126,200)	68,663,000	63,174,800	(5,488,200)
General Fund Continuing									
TOTAL BASE LEVEL	64,882,600	60,377,900	(4,504,700)	66,596,200	61,470,000	(5,126,200)	68,663,000	63,174,800	(5,488,200)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							1,130,000	1,267,000	137,000
Restricted Funds				368,800	345,600	(23,200)	200,000	370,900	170,900
TOTAL ADDITIONAL				368,800	345,600	(23,200)	1,330,000	1,637,900	307,900
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Office of Chief Information Officer-Statewide 911 Coordinator								
(OCIOX04)	Provide funds to support 3 PFT to establish a Statewide 911 Coordinator's Office to propose guidelines for evaluations of multi-line telephone system compliance and implementation strategies.								
Restricted Funds				200,000	200,000		200,000	200,000	
Total				200,000	200,000		200,000	200,000	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Governor's Office for Technology

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 NEW	Office of the Chief Information Officer-Unified Criminal Justice System-Debt Service								
(OCIOX06)	Provide debt service funds to support Bond Funds totaling \$4,585,000 in FY 2000-2001 for the Unified Criminal Justice Information System.								
General Fund Total							874,000	874,000	
							874,000	874,000	
3 NEW	Office of the Chief Information Officer-Microwave Network Maint.-Debt Service								
(OCIOX07)	Provide funds to support debt service for Bond Funds totaling \$2,500,000 in FY 2000-2001 for the Statewide Microwave Network Maintenance.								
General Fund Total							256,000	256,000	
							256,000	256,000	
4 NEW	Wage Equity Plan								
(795EAX01)	Provide funds to support salary improvement.								
Restricted Funds Total				168,800	145,600	(23,200)		170,900	170,900
				168,800	145,600	(23,200)		170,900	170,900
5 NEW	Office of Chief Information Officer-Spatial Data Infrastructure Debt Service								
(GOVEGA01)	Provide debt service funds to support Bond Funds totaling \$700,000 in FY 2000-2001 for Maintaining the Kentucky Spacial Data Infrastructure.								
General Fund Total								137,000	137,000
								137,000	137,000
TOTAL ADDITIONAL				368,800	345,600	(23,200)	1,330,000	1,637,900	307,900

FB 2000-2002 BUDGET MODIFICATION REPORT

Governor's Office for Technology

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support is provided totaling \$874,000 in FY 2001-2002 for debt service for Bond Funds totaling \$4,585,000 for the Unified Criminal Justice Information System, and \$256,000 in FY 2001-2002 for debt service for Bond Funds totaling \$2,500,000 for the Statewide Microwave Network; additional Restricted Funds are provided totaling \$200,000 in each fiscal year to support 3 PFT and the statewide 911 coordination effort. The Branch Budget Recommendation assumes existing rate charges continue in FB 2000-2002.

Restricted Funds are provided from the Base Level Budget totaling \$309,600 in FY 2000-2001 and \$313,400 in FY 2001-2002 to replace General Fund support for the Office of the Chief Information Officer.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$168,800 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: Restricted Funds totaling \$520,000 in FY 2000-2001 and \$536,000 in FY 2001-2002 are included to fund the operating costs of the Office for Geographic Information Systems. These receipts will be derived from any state agency or university that directly benefits from the implementation of the Geographic Information Systems basemap technology. The Office of Geographic Information Systems shall recommend, and the Chief Information Officer (CIO) shall approve, the cost allocation plan. Upon approval by the CIO, the agencies and universities shall pay their proportional share of the plan.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects and equipment purchases in FY 2000-2001: Total funding of \$1,449,600 from the General Fund (\$700,000), Federal Funds (\$649,600), and Other Funds (\$100,000) to maintain the Kentucky Spatial Data Infrastructure; Bond Funds totaling \$2,500,000 for Statewide Microwave Network Maintenance, and totaling \$4,585,000 for the Unified Criminal Justice System; and Restricted Funds totaling \$3,500,000 for the Kentucky Information Highway Upgrade/Expansion, \$4,740,000 for two Enterprise Server Complex Upgrades, \$1,774,000 for two Disk Storage Upgrades, \$1,290,000 for two Tape Storage Upgrades, and \$645,000 for Enterprise High-Speed Printer Replacement.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides additional General Fund support for debt service totaling \$137,000 in FY 2001-2002 for Bond Funds totaling \$700,000 for Maintaining the Kentucky Spatial Data Infrastructure. Restricted Funds are adjusted by \$4,504,700 in FY 1999-2000, \$5,149,400 in FY 2000-2001, and \$5,317,300 in FY 2001-2002 to reflect accurate receipt and expenditure levels.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, Restricted Funds are provided in the amount of \$145,600 in FY 2000-2001 and \$170,900 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all

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Governor's Office for Technology

pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds Part IX, Special Provisions, language as follows: Office of Statewide 911 Coordination: The Office of Statewide 911 Coordination is established within the Governor's Office of Technology. The Office of Statewide 911 Coordination shall have the responsibility for monitoring, enforcing, and coordinating 911 and enhanced 911 system compliance and implementation statewide. The office shall include a statewide 911 coordinator along with appropriate staff to accomplish the objectives as stated in this section. The office shall provide education, training, and technical assistance for public safety answering points and private telephone system owners and operators. The 911 coordinator shall collect data from public safety answering points and private telephone system owners and operators and shall make a report to the Legislative Research Commission in August of each year preceding the regular session. The report shall contain recommendations concerning necessary modifications to compliance requirements occasioned by technological and other advances or changes in telephone system equipment.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Governor's Office for Technology

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				700,000		(700,000)			
Restricted Funds				11,949,000	11,949,000				
Federal Funds				649,600	649,600				
Bond Funds				7,085,000	7,785,000	700,000			
Other Funds				100,000	100,000				
TOTAL CAPITAL				20,483,600	20,483,600				

II. CAPITAL PROJECTS**1 (7951420) Kentucky Information Highway Upgrade/Expansion**

Restricted Funds	3,500,000	3,500,000	
Total	3,500,000	3,500,000	

2 (7951421) Enterprise Server Complex Upgrade

Restricted Funds	2,985,000	2,985,000	
Total	2,985,000	2,985,000	

3 (7951422) Disk Storage Upgrade

Restricted Funds	887,000	887,000	
Total	887,000	887,000	

4 (7951423) Statewide Microwave Network Maintenance

Bond Funds	2,500,000	2,500,000	
Total	2,500,000	2,500,000	

5 (7501419) Maintaining the Kentucky Spatial Data Infrastructure

General Fund	700,000		(700,000)
Federal Funds	649,600	649,600	
Bond Funds		700,000	700,000
Other Funds	100,000	100,000	
Total	1,449,600	1,449,600	

6 (7951424) Enterprise Server Complex Upgrade

Restricted Funds	1,755,000	1,755,000	
Total	1,755,000	1,755,000	

7 (7951425) Tape Storage Upgrade

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Governor's Office for Technology

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
II. CAPITAL PROJECTS									
7 (7951425) Tape Storage Upgrade									
Restricted Funds				645,000	645,000				
Total				645,000	645,000				
8 (7951426) Disk Storage Upgrade									
Restricted Funds				887,000	887,000				
Total				887,000	887,000				
9 (7951427) Enterprise High-Speed Printer Replacement									
Restricted Funds				645,000	645,000				
Total				645,000	645,000				
10 (7951428) Tape Storage Upgrade									
Restricted Funds				645,000	645,000				
Total				645,000	645,000				
11 (GOVE1429) Franklin County-Lease (100 Fair Oaks)									
Total									
12 (7951430) Unified Criminal Justice System									
Bond Funds				4,585,000	4,585,000				
Total				4,585,000	4,585,000				
TOTAL				20,483,600	20,483,600				

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Veterans' Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	6,744,400	6,744,400		7,141,300	7,484,300	343,000	14,042,800	14,139,800	97,000
Restricted Funds	11,304,500	11,304,500		12,456,700	12,456,700		16,357,600	16,357,600	
Regular Total Funds	18,048,900	18,048,900		19,598,000	19,941,000	343,000	30,400,400	30,497,400	97,000
General Fund Continuing									
GRAND TOTAL FUNDS	18,048,900	18,048,900		19,598,000	19,941,000	343,000	30,400,400	30,497,400	97,000
II. EXPENDITURE CATEGORY									
Personnel Costs	14,719,400	14,719,400		16,082,100	16,082,100		24,254,900	24,285,900	31,000
Operating Expenses	3,065,200	3,065,200		3,291,600	3,322,600	31,000	5,761,200	5,761,200	
Grants, Loans, Benefits	69,300	69,300		69,300	381,300	312,000	69,300	69,300	
Debt Service								66,000	66,000
Capital Outlay	195,000	195,000		155,000	155,000		315,000	315,000	
TOTAL EXPENDITURES	18,048,900	18,048,900		19,598,000	19,941,000	343,000	30,400,400	30,497,400	97,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	6,744,400	6,744,400		6,384,500	6,384,500		6,513,600	6,513,600	
Restricted Funds	11,304,500	11,304,500		12,052,600	12,411,500	358,900	12,684,400	13,071,900	387,500
Regular Total Funds	18,048,900	18,048,900		18,437,100	18,796,000	358,900	19,198,000	19,585,500	387,500
General Fund Continuing									
TOTAL BASE LEVEL	18,048,900	18,048,900		18,437,100	18,796,000	358,900	19,198,000	19,585,500	387,500
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				756,800	1,099,800	343,000	7,529,200	7,626,200	97,000
Restricted Funds				404,100	45,200	(358,900)	3,673,200	3,285,700	(387,500)
TOTAL ADDITIONAL				1,160,900	1,145,000	(15,900)	11,202,400	10,911,900	(290,500)
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Commissioner's Office & Field Services-Additional Personnel								
(074AE0X01)	Provide funds to support 11 PFT to increase veterans benefit counseling and to support information and resource management, associated operating, and an automobile.								
General Fund				350,000	381,000	31,000	350,000	381,000	31,000
Total				350,000	381,000	31,000	350,000	381,000	31,000
2 NEW	Eastern Kentucky Veterans Center (EKVC)-Staffing and Operations								
(074DA0X01)	Provide funds to support personnel and operating expenses related to the opening of the EKVC. Total personnel positions provided are 30 PFT in FY 2000-2001 and 156 in FY 2001-2002.								
General Fund				203,400	203,400		3,527,300	3,527,300	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Veterans' Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 NEW	Eastern Kentucky Veterans Center (EKVC)-Staffing and Operations								
(074DA0X01)	Provide funds to support personnel and operating expenses related to the opening of the EKVC. Total personnel positions provided are 30 PFT in FY 2000-2001 and 156 in FY 2001-2002.								
Restricted Funds							1,565,000	1,565,000	
Total				203,400	203,400		5,092,300	5,092,300	
3 NEW	Western Kentucky Veterans Center (WKVC)-Staffing and Operations								
(074DA0X02)	Provide funds to support personnel and operating expenses related to the opening of the WKVC. Total personnel positions provided are 30 PFT in FY 2000-2001 and 156 in FY 2001-2002.								
General Fund				203,400	203,400		3,445,900	3,445,900	
Restricted Funds							1,650,000	1,650,000	
Total				203,400	203,400		5,095,900	5,095,900	
4 NEW	West KY State Veterans Cemetery-Staffing and Operations								
(074AE0X02)	Provide funds to support personnel costs for 8 PFT, operating expenses for the proposed West Kentucky State Veterans Cemetery.								
General Fund							206,000	206,000	
Total							206,000	206,000	
5 NEW	Wage Equity Plan								
(074DA0X03)	Provide funds to support salary improvement.								
Restricted Funds				404,100	45,200	(358,900)	458,200	70,700	(387,500)
Total				404,100	45,200	(358,900)	458,200	70,700	(387,500)
6 NEW	Eastern and Western Kentucky Veterans Centers-Debt Service								
(GOVDGA01)	Provide debt service funds to support Bond Funds totaling \$557,000 in FY 2000-2001 for additional construction costs at the Eastern and Western Kentucky Veterans Centers.								
General Fund								66,000	66,000
Total								66,000	66,000
7 NEW	W.W.II War Memorial in Washington, DC-Grant								
(GOVDGA02)	Provide grant funds to support the WW II War Memorial in Washington, DC.								
General Fund					312,000	312,000			
Total					312,000	312,000			
TOTAL ADDITIONAL				1,160,900	1,145,000	(15,900)	11,202,400	10,911,900	(290,500)

FB 2000-2002 BUDGET MODIFICATION REPORT

Veterans' Affairs

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional support totaling \$203,400 from the General Fund in FY 2000-2001, and \$3,527,300 from the General Fund and \$1,565,000 from Restricted Funds in FY 2001-2002 is provided for personnel (30 PFT in FY 2000-2001 and 156 PFT in FY 2001-2002) and operating expenses at the Eastern Kentucky Veterans' Center; additional support totaling \$203,400 from the General Fund in FY 2000-2001 and \$3,445,900 from the General Fund and \$1,650,000 from Restricted Funds in FY 2001-2002 is provided for personnel (30 PFT in FY 2000-2001 and 156 PFT in FY 2001-2002) and operating expenses at the Western Kentucky Veterans' Center; and additional support totaling \$206,000 in FY 2001-2002 is provided for personnel (8 PFT) and operating expenses at the West Kentucky Veterans Cemetery, which is recommended in the Part II, Capital Budget.

General Fund support totaling \$350,000 in FY 2000-2001 and in FY 2001-2002 is provided for additional staffing for the Commissioner's Office and Field Services. The funding support for these positions was made available as a result of replacing General Fund dollars for the Veterans' Center in Wilmore, KY (\$350,000 in each fiscal year) with Restricted Funds support.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$404,100 in FY 2000-2001 and \$458,200 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects in FY 2000-2001:

Additional funding for the Eastern Kentucky Veterans' Center totaling \$328,000 from the General Fund and \$1,056,000 from Federal Funds to complete the 120 bed Veterans' Nursing Home in Perry County; additional funding for the Western Kentucky Veterans' Center totaling \$229,000 from the General Fund and \$502,000 from Federal Funds to complete the 120 bed Veterans' Nursing Home in Hopkins County; and funds totaling \$100,000 from the Capital Construction Surplus and \$2,725,000 from Federal Funds for the construction of a West Kentucky State Veterans Cemetery.

The Branch Budget Bill, Part IX, Special Provisions, includes the following language provision: Weekend and Holiday Premium Pay Incentive: The Kentucky Veterans' Center at Wilmore is authorized to continue the weekend and holiday premium pay incentive component of the Personnel Pilot Program for the fiscal biennium 2000-2002.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides debt service funds totaling \$66,000 in FY 2001-2002 to support Bond Funds totaling \$557,000 for the additional construction costs at the Eastern and Western Kentucky Veterans' Centers. General Fund support is provided totaling \$312,000 in FY 2000-2001 for the W.W. II War Memorial in Washington, DC. General Fund support totaling \$381,000 in FY 2000-2001 and in FY 2001-2002 is provided for additional staffing and operating expenses for the Commissioner's Office and Field Services.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, Restricted Funds are provided in the amount of \$45,200 in FY 2000-2001 and \$70,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as

FB 2000-2002
BUDGET MODIFICATION REPORT

Veterans' Affairs

determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly modifies the Part IX, Special Provisions, language related to the Weekend and Holiday Premium Pay Incentive to authorize the pay incentive at the Eastern and Western Kentucky Veterans' Centers.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Governor's Office
Appropriation Unit: Veterans' Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				557,000		(557,000)			
Federal Funds				4,283,000	4,283,000				
Bond Funds					557,000	557,000			
Capital Const. Surplus				100,000	100,000				
TOTAL CAPITAL				4,940,000	4,940,000				
II. CAPITAL PROJECTS									
1 (0740232) Eastern Kentucky Veterans 'Center-Additional									
General Fund				328,000		(328,000)			
Federal Funds				1,056,000	1,056,000				
Bond Funds					328,000	328,000			
Total				1,384,000	1,384,000				
2 (0740233) Western Kentucky Veterans' Center-Additional									
General Fund				229,000		(229,000)			
Federal Funds				502,000	502,000				
Bond Funds					229,000	229,000			
Total				731,000	731,000				
3 (0740229) West Kentucky State Veterans Cemetery									
Federal Funds				2,725,000	2,725,000				
Capital Const. Surplus				100,000	100,000				
Total				2,825,000	2,825,000				
TOTAL				4,940,000	4,940,000				

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Secretary of State

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,354,300	2,354,300		2,416,400	2,425,100	8,700	2,468,700	2,491,400	22,700
Restricted Funds	145,500	145,500		154,000	154,000		165,000	165,000	
Regular Total Funds	2,499,800	2,499,800		2,570,400	2,579,100	8,700	2,633,700	2,656,400	22,700
General Fund Continuing									
GRAND TOTAL FUNDS	2,499,800	2,499,800		2,570,400	2,579,100	8,700	2,633,700	2,656,400	22,700
II. EXPENDITURE CATEGORY									
Personnel Costs	1,831,500	1,831,500		2,041,200	2,049,900	8,700	2,143,600	2,166,300	22,700
Operating Expenses	568,300	568,300		529,200	529,200		490,100	490,100	
Capital Outlay	100,000	100,000							
TOTAL EXPENDITURES	2,499,800	2,499,800		2,570,400	2,579,100	8,700	2,633,700	2,656,400	22,700
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,354,300	2,354,300		2,410,800	2,410,800		2,468,700	2,468,700	
Restricted Funds	145,500	145,500		154,000	154,000		165,000	165,000	
Regular Total Funds	2,499,800	2,499,800		2,564,800	2,564,800		2,633,700	2,633,700	
General Fund Continuing									
TOTAL BASE LEVEL	2,499,800	2,499,800		2,564,800	2,564,800		2,633,700	2,633,700	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				5,600	14,300	8,700		22,700	22,700
TOTAL ADDITIONAL				5,600	14,300	8,700		22,700	22,700
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(120EA0X01)	Provide funds to support salary improvements.								
General Fund				5,600	14,300	8,700		22,700	22,700
Total				5,600	14,300	8,700		22,700	22,700
TOTAL ADDITIONAL				5,600	14,300	8,700		22,700	22,700

FB 2000-2002 BUDGET MODIFICATION REPORT

Secretary of State

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget Bill includes Part I, Operating Budget, language provision that directs, in accordance with KRS 14.140, any Restricted Funds amount received in the Limited Liability Companies Program in excess of \$154,000 at the close of FY 1999-2000 and \$165,000 at the close of FY 2000-2001 shall be transferred to the General Fund.

The Branch Budget Bill Part V, Funds Transfer, includes language provision that directs that, notwithstanding KRS 14.140, Restricted Funds from the Limited Liability Companies Program in the amount of \$1,000,000 in FY 1999-2000, \$500,000 in FY 2000-2001, and \$500,000 in FY 2001-2002 are recommended to be transferred to the General Fund.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$5,600 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$14,300 in FY 2000-2001 and \$22,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Board of Elections

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	4,278,200	4,278,200		3,535,300	3,542,500	7,200	3,932,300	3,945,600	13,300
Restricted Funds	40,000	40,000		40,000	40,000		60,000	60,000	
Regular Total Funds	4,318,200	4,318,200		3,575,300	3,582,500	7,200	3,992,300	4,005,600	13,300
General Fund Continuing									
GRAND TOTAL FUNDS	4,318,200	4,318,200		3,575,300	3,582,500	7,200	3,992,300	4,005,600	13,300
II. EXPENDITURE CATEGORY									
Personnel Costs	890,500	890,500		911,900	919,100	7,200	952,000	965,300	13,300
Operating Expenses	486,600	486,600		532,600	532,600		579,300	579,300	
Grants, Loans, Benefits	2,941,100	2,941,100		2,130,800	2,130,800		2,461,000	2,461,000	
TOTAL EXPENDITURES	4,318,200	4,318,200		3,575,300	3,582,500	7,200	3,992,300	4,005,600	13,300
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	4,278,200	4,278,200		3,350,000	3,350,000		3,710,400	3,710,400	
Restricted Funds	40,000	40,000		40,000	40,000		60,000	60,000	
Regular Total Funds	4,318,200	4,318,200		3,390,000	3,390,000		3,770,400	3,770,400	
General Fund Continuing									
TOTAL BASE LEVEL	4,318,200	4,318,200		3,390,000	3,390,000		3,770,400	3,770,400	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				185,300	192,500	7,200	221,900	235,200	13,300
TOTAL ADDITIONAL				185,300	192,500	7,200	221,900	235,200	13,300
V. ADDITIONAL BUDGET ITEMS									
1 MTCE	Maintenance of Current Services								
(185FA0X01)	Provide funds to support the operating costs and state's obligation for elections.								
General Fund				183,400	183,400		221,900	221,900	
Total				183,400	183,400		221,900	221,900	
2 NEW	Wage Equity Plan								
(185FA0X02)	Provide funds to support salary improvements.								
General Fund				1,900	9,100	7,200		13,300	13,300
Total				1,900	9,100	7,200		13,300	13,300
TOTAL ADDITIONAL				185,300	192,500	7,200	221,900	235,200	13,300

FB 2000-2002 BUDGET MODIFICATION REPORT

Board of Elections

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$183,400 in FY 2000-2001 and \$221,900 in FY 2001-2002 is provided to support for current services related operating costs and the state's obligations for elections.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$1,900 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill Part I, Operating Budget, includes language provisions that direct the following:

- (1) General Fund moneys in the amounts of \$2,126,800 in FY 2000-2001 and \$2,461,000 in FY 2001-2002 are included to pay the state's share of county election expenses as required by KRS 117.345 and the state's share of voter registration expenses as required by KRS 116.145 and KRS 117.343.
- (2) Subject to enabling legislation, General Fund moneys are provided in the amounts of \$150,000 in FY 2000-2001 and \$152,700 in FY 2001-2002 to increase the maximum state payment to eligible precincts from \$255 to \$300 per precinct per election for elections expenses, to each precinct using voting machines. Any amount that the State is required to pay in excess of the amounts previously identified under the provisions of KRS 116.145 and KRS 117.343 are to be deemed necessary governmental expenses and shall be paid from the General Fund Surplus account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).
- (3) General Fund moneys in the amount of \$4,000 are provided in FY 2001-2002 to pay per diem and mileage costs to each elector of President and Vice President of the United States, for each day they are at the State Capitol as an elector, in accordance with KRS 118.455.
- (4) Special elections and additional precincts created by redistricting shall be deemed necessary governmental expenses and are paid from the General Fund Surplus Account (KRS 48.700).

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$9,100 in FY 2000-2001 and \$13,300 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Treasury

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,285,200	2,285,200		2,243,400	2,239,200	(4,200)	2,434,300	2,402,000	(32,300)
Restricted Funds				791,900	791,900		731,900	731,900	
Regular Total Funds	2,285,200	2,285,200		3,035,300	3,031,100	(4,200)	3,166,200	3,133,900	(32,300)
General Fund Continuing									
GRAND TOTAL FUNDS	2,285,200	2,285,200		3,035,300	3,031,100	(4,200)	3,166,200	3,133,900	(32,300)
II. EXPENDITURE CATEGORY									
Personnel Costs	1,894,800	1,894,800		2,112,900	2,108,700	(4,200)	2,232,600	2,200,300	(32,300)
Operating Expenses	390,400	390,400		922,400	922,400		933,600	933,600	
TOTAL EXPENDITURES	2,285,200	2,285,200		3,035,300	3,031,100	(4,200)	3,166,200	3,133,900	(32,300)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,285,200	2,285,200		2,229,100	2,229,100		2,385,300	2,385,300	
Restricted Funds				791,900	791,900		731,900	731,900	
Regular Total Funds	2,285,200	2,285,200		3,021,000	3,021,000		3,117,200	3,117,200	
General Fund Continuing									
TOTAL BASE LEVEL	2,285,200	2,285,200		3,021,000	3,021,000		3,117,200	3,117,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				14,300	10,100	(4,200)	49,000	16,700	(32,300)
TOTAL ADDITIONAL				14,300	10,100	(4,200)	49,000	16,700	(32,300)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(125DA0X03)	Provide funds to support salary improvements.								
General Fund				14,300	10,100	(4,200)	49,000	16,700	(32,300)
Total				14,300	10,100	(4,200)	49,000	16,700	(32,300)
TOTAL ADDITIONAL				14,300	10,100	(4,200)	49,000	16,700	(32,300)

FB 2000-2002 BUDGET MODIFICATION REPORT

Treasury

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$14,300 in FY 2000-2001 and \$49,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget includes a language provision that directs, Included in the Restricted Funds appropriation is a non revenue recurring transfer from the Unclaimed Property Fund. In each year of the 2000-2002 Biennium, \$731,900 is appropriated to provide funding for services performed by the Unclaimed Property Division of the Treasury Department. (This action reflects a policy change in the transfer of available off-budget Restricted Funds to an on-budget status for the purpose of supporting ongoing activities of the Unclaimed Property Program.)

The Branch Budget Bill, Part II, Capital Projects Budget, includes Capital Construction Surplus Funds totaling \$248,000 in each fiscal year for lease payments for laser check printers.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$10,100 in FY 2000-2001 and \$16,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Treasury

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Capital Const. Surplus				248,000	248,000		248,000	248,000	
TOTAL CAPITAL				248,000	248,000		248,000	248,000	
II. CAPITAL PROJECTS									
1 (1250001) Laser Check Printers-Lease									
Capital Const. Surplus				248,000	248,000		248,000	248,000	
Total				248,000	248,000		248,000	248,000	
TOTAL				248,000	248,000		248,000	248,000	

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Attorney General

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	12,959,300	12,959,300		13,625,600	13,066,000	(559,600)	14,514,700	13,751,400	(763,300)
Restricted Funds	6,781,900	6,781,900		7,542,300	7,542,300		7,796,900	7,796,900	
Federal Funds	2,475,400	2,475,400		2,494,300	2,494,300		2,584,000	2,584,000	
Regular Total Funds	22,216,600	22,216,600		23,662,200	23,102,600	(559,600)	24,895,600	24,132,300	(763,300)
General Fund Continuing									
GRAND TOTAL FUNDS	22,216,600	22,216,600		23,662,200	23,102,600	(559,600)	24,895,600	24,132,300	(763,300)
II. EXPENDITURE CATEGORY									
Personnel Costs	15,988,600	15,988,600		17,511,400	16,951,800	(559,600)	18,552,500	17,789,200	(763,300)
Operating Expenses	2,837,000	2,837,000		2,733,400	2,733,400		2,821,700	2,821,700	
Grants, Loans, Benefits	3,251,000	3,251,000		3,298,000	3,298,000		3,398,400	3,398,400	
Debt Service	80,000	80,000		119,400	119,400		123,000	123,000	
Capital Outlay	60,000	60,000							
TOTAL EXPENDITURES	22,216,600	22,216,600		23,662,200	23,102,600	(559,600)	24,895,600	24,132,300	(763,300)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	12,959,300	12,959,300		12,990,100	12,990,100		13,639,600	13,639,600	
Restricted Funds	6,781,900	6,781,900		7,168,300	7,168,300		7,413,000	7,413,000	
Federal Funds	2,475,400	2,475,400		2,494,300	2,494,300		2,584,000	2,584,000	
Regular Total Funds	22,216,600	22,216,600		22,652,700	22,652,700		23,636,600	23,636,600	
General Fund Continuing									
TOTAL BASE LEVEL	22,216,600	22,216,600		22,652,700	22,652,700		23,636,600	23,636,600	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				635,500	75,900	(559,600)	875,100	111,800	(763,300)
Restricted Funds				374,000	374,000		383,900	383,900	
TOTAL ADDITIONAL				1,009,500	449,900	(559,600)	1,259,000	495,700	(763,300)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Advocacy Services-Office of Senior Protection (Operations)								
(040MX0X03)	Provide funds to support personnel costs for 2 PFT and operating expenses to allow the Office to coordinate with other law enforcement agencies to provide instructional and education methods of crime prevention to senior citizens.								
Restricted Funds				155,000	155,000		157,500	157,500	
Total				155,000	155,000		157,500	157,500	

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Attorney General

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 NEWMAN Advocacy Services-Multidisciplinary Child Abuse Commission Director Position									
(040MX0X02) Provide funds to support personnel expenses for 1 PFT to replace contractual arrangement for position of Director. KRS 431.660 creates the position.									
Restricted Funds				60,000	60,000		62,100	62,100	
Total				60,000	60,000		62,100	62,100	
3 NEW Criminal Services-Financial Integrity Enforcement Division (Staff and Operations)									
(040MB0X02) Provide funds to support personnel costs for 2 PFT investigator positions and operating for the investigation of the fraudulent use of Social Security numbers and other personal information to obtain cash, goods or services illegally.									
Restricted Funds				125,000	125,000		129,400	129,400	
Total				125,000	125,000		129,400	129,400	
4 NEW Civil Services-Tobacco Master Settlement Agreement Compliance Advisory Board									
(040MZ0X02) Provide funds to support personnel and operating costs to allow the Board to resolve alleged violations of the Tobacco Master Settlement Agreement.									
Restricted Funds				30,000	30,000		31,000	31,000	
Total				30,000	30,000		31,000	31,000	
5 EXPAN Advocacy Services-Regional Consumer Resource Centers									
(040MX0X04) Provide funds to support personnel and operating expenses to establish regional consumer resource centers in Western KY, Northern KY, and Eastern KY to provide education activities for consumer groups.									
General Fund				342,900		(342,900)	360,100		(360,100)
Total				342,900		(342,900)	360,100		(360,100)
6 NEW Wage Equity Plan									
(040MA0X02) Provide funds to support salary improvement.									
General Fund				292,600	75,900	(216,700)	515,000	111,800	(403,200)
Restricted Funds				4,000	4,000		3,900	3,900	
Total				296,600	79,900	(216,700)	518,900	115,700	(403,200)
TOTAL ADDITIONAL				1,009,500	449,900	(559,600)	1,259,000	495,700	(763,300)

FB 2000-2002 BUDGET MODIFICATION REPORT

Attorney General

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions: Additional General Fund support is provided totaling \$342,900 in FY 2000-2001 and \$360,100 in FY 2001-2002 for personnel and operating expenses to expand consumer protection services; Additional non-recurring Restricted Funds are provided for the following: Financial Integrity Enforcement Division totaling \$125,000 in FY 2000-2001 and \$129,400 in FY 2001-2002, which includes two PFT positions and operating costs; \$155,000 in FY 2000-2001 and \$157,500 in FY 2001-2002 for the Office of Senior Protection, which funds 2 PFT positions and operating costs; \$60,000 in FY 2000-2001 and \$62,100 in FY 2001-2002 to establish a Director position for the Multidisciplinary Child Sexual Abuse Commission; and \$30,000 in FY 2000-2001 and \$31,000 in FY 2001-2002 for personnel and operating expenditures related to the Tobacco Master Settlement Agreement Compliance Advisory Board.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$292,600 in FY 2000-2001 and \$515,000 in FY 2001-2002 and Restricted Funds support totaling \$4,000 in FY 2000-2001 and \$3,900 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

*The Branch Budget recommendation includes an annual increase in General Fund support totaling 4.9% in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Franklin County with a cost that exceeds \$200,000 per year.

The Branch Budget Bill, Part IX, Special Provisions, includes language provisions relating to Legal Services Contracts, Deputy and Assistant Attorneys General Salaries, Health Care Rate Intervention, Asbestos Litigation Fund, Annual and Sick Leave Service Credit, Prosecutor's Advisory Council Administrative Functions, Victims Witness Protection Funds, and Court Ordered Settlements as follows:

- (1) Legal Services Contracts: The Attorney General shall present proposals to state agencies specifying legal work that is presently accomplished through Personal Service Contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies shall agree to make arrangements with the Attorney General to perform the legal work and compensate the Attorney General for the legal services. The Finance and Administration Cabinet shall execute the financial arrangements as provided under this section, notwithstanding any other provision of the Kentucky Revised Statutes. State agencies shall submit any proposals for legal services to the Office of the Attorney General pursuant to KRS 12.210. If the Attorney General determines that the provisions in this section require additional staff positions, the Personnel Cabinet and the Governor's Office of Policy and Management shall take timely action to enable the Attorney General to recruit and employ the personnel the Attorney General has determined as necessary. Actions taken under the terms of this section shall be reviewed by the Interim Joint Committee on Appropriations and Revenue as provided in this Act.
- (2) Deputy and Assistant Attorneys General Salaries: Notwithstanding KRS 15.100, the Attorney General may set the salary for the deputy attorney general and the salary for the two assistant deputy attorneys general at a rate less than that required in KRS 15.100.
- (3) Health Care Rate Intervention: In addition to such funds as may be appropriated, this Office may request from the Finance and Administration Cabinet, as a necessary government expense, such funds as may be necessary for expert witnesses pursuant to KRS 304.17A-095. The Finance and Administration Cabinet shall approve up to \$175,000 for

FB 2000-2002 BUDGET MODIFICATION REPORT

Attorney General

the 2000-2002 biennium for this purpose to the Office of the Attorney General. The Department of Insurance shall provide the Office of the Attorney General any available information to assist in the preparation of a rate hearing pursuant to KRS 304.17A-095.

(4) Asbestos Litigation Fund: Restricted Funds which were appropriated to the Office of the Attorney General by House Bill 321 (1998 Ky. Acts ch. 615) for asbestos litigation administrative costs shall not lapse and shall be transferred to the Unified Prosecutorial System effective July 1, 2000, for prosecutor training.

(5) Annual and Sick Leave Service Credit: Notwithstanding any statutory or regulatory restrictions to the contrary, any former employee of the Unified Prosecutorial System who has been appointed to a permanent full time position under KRS Chapter 18A shall be credited annual and sick leave based on service credited under the Kentucky Retirement System. This provision shall only apply to any new appointment or current employee as of July 1, 1998.

(6) Prosecutor's Advisory Council Administrative Functions: Notwithstanding the provisions of KRS 15.760(4) and KRS 15.770(5) to the contrary, the Prosecutor's Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriation in the Act.

(7) Victims Witness Protection Funds: The General Fund appropriation to the Office of the Attorney General for the operation of the Victim Witness Protection Program shall not lapse, notwithstanding KRS 45.229, and shall be carried forward into fiscal year 2000-2001 for the same purpose.

(8) Court Ordered Settlements: The Office of the Attorney General may distribute court ordered settlements received pursuant to KRS Chapter 367 or multi-state litigation for purposes consistent with the nature of the litigation if it is not administratively feasible to return the funds to individuals. The Office of the Attorney General shall notify the Governor's Office for Policy and Management and the Interim Joint Committee on Appropriations and Revenue at least thirty (30) days prior to the proposed distribution of these funds if the funds are not being returned to individuals. The notice shall include the nature of this litigation, the amount of funds to be distributed, the options available for use of the funds, and the recommendation of the Attorney General for fund use.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

Additional General Fund support totaling \$342,900 in FY 2000-2001 and \$360,100 in FY 2001-2002 for Regional Consumer Resource Centers is not provided.

The General Assembly concurs with the lease of real property in Franklin County for the Office of the Attorney General with a cost that exceeds \$200,000 per year. Authorization for this lease was included in HB 502, Part II, Capital Projects Budget. The text however, did not print in the enrolled version of HB 502 sent to the Governor for signature although the text, in fact, remained in the electronic document that was used for printing the document. KRS 48.300(3) provides that "in administering the provisions of a branch budget bill, a branch head shall interpret provisions of the branch budget bill in conformity with the budget memorandum."

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$79,900 in FY 2000-2001 and \$115,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by

FB 2000-2002 BUDGET MODIFICATION REPORT

Attorney General

the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly modifies Part IX, Special Provisions language relating to annual and sick leave service credit to clarify that the provision is solely for the purpose of computation of sick and annual leave.

The General Assembly restates the following Part IX, Special Provisions, language:

(a.) Legal Services Contracts: The Attorney General may present proposals to state agencies specifying legal work that is presently accomplished through Personal Service Contracts that indicate the Office of the Attorney General's capacity to perform the work at a lesser cost. State agencies may agree to make arrangements with the Attorney General to perform the legal work and compensate the Attorney General for the legal services.

(d.) Asbestos Litigation Fund: Restricted Funds which were appropriated to the Office of the Attorney General by House Bill 321 (1998 Ky. Acts ch. 615) for asbestos litigation administrative costs shall lapse and shall be transferred to the General Fund Surplus Account.

(f.) Prosecutor's Advisory Council Administrative Functions: The Prosecutor's Advisory Council shall approve compensation for employees of the Unified Prosecutorial System subject to the appropriation in the Act.

The General Assembly adds Part IX, Special Provisions, language relating to Child Sexual Abuse Exams and Public Funds as follows:

(h.) Child Sexual Abuse Exams: The Department for Medicaid Services shall develop a reimbursement schedule to compensate participating health care providers for the full cost of providing child sexual abuse examinations for eligible children to the extent funds are available, effective July 1, 2000. The provisions of this section shall not mandate any services or payments that are not otherwise provided in the Medicaid Benefits budget in Part I, Operating Budget. The reimbursement schedule shall not be reduced under any Managed Care Agreement. The Department may require participating health care providers to meet specific training and experience requirements. The Office of the Attorney General may utilize proceeds from the sale and renewal of child victims special license plates. Notwithstanding KRS 186.1867, the Transportation Cabinet shall review the costs related to the distribution of child victims license plates. Any revenue received from the sale or renewal of these plates in excess of costs shall be transferred to the Child Victims Trust Fund on an annual basis.

(i.) Public Funds: Notwithstanding any provision of common law or statutory law to the contrary, any funds or other assets of any kind or nature, including but not limited to public funds as defined in KRS 446.010, court-ordered settlement agreements under KRS Chapter 367, multi-state settlements, and private funds or assets recovered in a legal action on behalf of the general public, the Commonwealth, or its duly elected statewide public officials shall be deemed public funds, and shall be deposited in the General Fund Surplus Account. The Attorney General shall provide notice to the Governor's Office of Policy and Management and the Legislative Research Commission of the nature of any funds deposited in this account and no funds shall be disbursed without a specific legislative appropriation by the General Assembly while in a regular or special legislative session. This provision shall not apply to any funds or other assets recovered by judgment, settlement, or legal action by or on behalf of the Commonwealth, or other actions filed by a duly elected statewide public official, if the recovery sought and received is for specific individuals, identified as parties to the action, or persons for whom the recovery is received if identified specifically, identification includes but is not limited to identification either by individual Social Security numbers, or other identifying number, or by proper name.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Attorney General

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

I. CAPITAL PROJECT RECAP BY FUND SOURCE

TOTAL CAPITAL

II. CAPITAL PROJECTS

1 (0400001) Lease-Franklin County

Total

TOTAL

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	38,441,400	38,441,400		40,325,000	41,824,000	1,499,000	42,301,000	44,588,600	2,287,600
Restricted Funds	345,800	345,800		365,100	365,100		220,300	220,300	
Federal Funds	829,400	829,400		881,100	881,100		872,400	872,400	
Regular Total Funds	39,616,600	39,616,600		41,571,200	43,070,200	1,499,000	43,393,700	45,681,300	2,287,600
General Fund Continuing	241,900	241,900							
GRAND TOTAL FUNDS	39,858,500	39,858,500		41,571,200	43,070,200	1,499,000	43,393,700	45,681,300	2,287,600
II. EXPENDITURE CATEGORY									
Personnel Costs	36,513,900	36,513,900		39,667,100	40,069,500	402,400	42,006,800	43,197,800	1,191,000
Operating Expenses	3,199,600	3,199,600		1,759,100	2,418,800	659,700	1,245,300	1,905,000	659,700
Grants, Loans, Benefits	145,000	145,000		145,000	581,900	436,900	141,600	578,500	436,900
TOTAL EXPENDITURES	39,858,500	39,858,500		41,571,200	43,070,200	1,499,000	43,393,700	45,681,300	2,287,600
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	38,441,400	38,441,400		39,239,000	39,269,000	30,000	41,160,800	41,190,800	30,000
Restricted Funds	345,800	345,800		365,100	365,100		220,300	220,300	
Federal Funds	829,400	829,400		881,100	881,100		872,400	872,400	
Regular Total Funds	39,616,600	39,616,600		40,485,200	40,515,200	30,000	42,253,500	42,283,500	30,000
General Fund Continuing	241,900	241,900							
TOTAL BASE LEVEL	39,858,500	39,858,500		40,485,200	40,515,200	30,000	42,253,500	42,283,500	30,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,086,000	2,555,000	1,469,000	1,140,200	3,397,800	2,257,600
TOTAL ADDITIONAL				1,086,000	2,555,000	1,469,000	1,140,200	3,397,800	2,257,600

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: Commonwealth's Attorneys

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	20,092,400	20,092,400		21,076,900	22,052,000	975,100	22,109,700	23,503,400	1,393,700
Restricted Funds	334,300	334,300		322,500	322,500		179,900	179,900	
Federal Funds	594,900	594,900		629,200	629,200		608,300	608,300	
Regular Total Funds	21,021,600	21,021,600		22,028,600	23,003,700	975,100	22,897,900	24,291,600	1,393,700
General Fund Continuing	241,900	241,900							
GRAND TOTAL FUNDS	21,263,500	21,263,500		22,028,600	23,003,700	975,100	22,897,900	24,291,600	1,393,700
II. EXPENDITURE CATEGORY									
Personnel Costs	18,528,900	18,528,900		20,164,800	20,403,300	238,500	21,548,100	22,205,200	657,100
Operating Expenses	2,594,600	2,594,600		1,723,800	2,023,500	299,700	1,209,800	1,509,500	299,700
Grants, Loans, Benefits	140,000	140,000		140,000	576,900	436,900	140,000	576,900	436,900
TOTAL EXPENDITURES	21,263,500	21,263,500		22,028,600	23,003,700	975,100	22,897,900	24,291,600	1,393,700
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	20,092,400	20,092,400		20,512,200	20,542,200	30,000	21,516,800	21,546,800	30,000
Restricted Funds	334,300	334,300		322,500	322,500		179,900	179,900	
Federal Funds	594,900	594,900		629,200	629,200		608,300	608,300	
Regular Total Funds	21,021,600	21,021,600		21,463,900	21,493,900	30,000	22,305,000	22,335,000	30,000
General Fund Continuing	241,900	241,900							
TOTAL BASE LEVEL	21,263,500	21,263,500		21,463,900	21,493,900	30,000	22,305,000	22,335,000	30,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				564,700	1,509,800	945,100	592,900	1,956,600	1,363,700
TOTAL ADDITIONAL				564,700	1,509,800	945,100	592,900	1,956,600	1,363,700
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Salary Improvement								
(030AA0X04)	Provide funds to support salary increases and require report to Appropriations & Revenue Committee on salary plan prior to implementation.								
General Fund					208,500	208,500		627,100	627,100
Total					208,500	208,500		627,100	627,100
2 EXPAN	Full-Time Offices-Personnel and Operating Costs								
(030AA0X02)	Provide funds to support the transition of 6 part-time Commonwealth's Attorneys to become full-time, including operating expenses, furniture and equipment, and funding for 6 part-time secretaries to become full-time.								
General Fund				564,700	564,700		592,900	592,900	
Total				564,700	564,700		592,900	592,900	

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: Commonwealth's Attorneys

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
3 EXPAN	Rape Victims Assistance Program-Medical Examination Fees								
(030AGA01)	Provide funds to support physician/sexual assault nurse examiner, emergency room charges and lab fees for sexual assault victims' examinations.								
General Fund					436,900	436,900		436,900	436,900
Total					436,900	436,900		436,900	436,900
4 EXPAN	Office Expense Allowance-Increase								
(030AGA02)	Provide funds to support an increase of \$500 per month for the office expense allowance for each Commonwealth's Attorney.								
General Fund					299,700	299,700		299,700	299,700
Total					299,700	299,700		299,700	299,700
TOTAL ADDITIONAL				564,700	1,509,800	945,100	592,900	1,956,600	1,363,700

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Unified Prosecutorial System-Commonwealth's Attorneys

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception: Additional support from the General Fund totaling \$564,700 in FY 2000-2001 and \$592,900 in FY 2001-2002 is provided for the transition of six part-time Commonwealth's Attorneys' offices to become full-time.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: There is appropriated from the General Fund in FY 2000-2001 and FY 2001-2002 the necessary funds, subject to the conditions and procedures provided in this Act, which are required to provide additional staff to handle workload generated from new judgeships or courts contingent upon passage of enabling legislation. These funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

*The Branch Budget recommendation includes an annual increase in General Fund support totaling 4.9% in the Base Level Budget to support increased costs of existing operations.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes the lease of real property in Jefferson County with a cost that exceeds \$200,000 per year.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides additional General Fund support totaling \$436,900 in each fiscal year for the Rape Victims Assistance Program.

The General Assembly provides additional General Fund support totaling \$208,500 in FY 2000-2001 and \$627,100 in FY 2001-2002 for salary improvements. No funds shall be expended for salary improvements until the Prosecutors Advisory Council reviews the salary levels of the elected Commonwealth's Attorneys' employees, establishes a salary enhancement plan, and reports its findings to the Interim Joint Committee on Appropriations and Revenue.

The General Assembly provides additional General Fund support totaling \$299,700 in each fiscal year to provide each Commonwealth's Attorney the sum of \$1,000 each month, which is declared to be the equivalent of the minimum sum that each Commonwealth's Attorney will expend each month in the performance of the official duties directed to be performed for the Commonwealth, notwithstanding KRS 15.755(6).

The General Assembly provides additional General Fund support totaling \$30,000 in each fiscal year for the Base Level Budget.

The General Assembly includes a Part I, Operating Budget, language provision which states: Notwithstanding KRS 15.757(2), a circuit may revert to part-time status at the option of a newly elected Commonwealth's Attorney if the circuit has been authorized to become full-time effective on or after January 1, 2001, based upon a request from the part-time Commonwealth's Attorney who does not seek re-election for the term beginning January 1, 2001, and the newly elected Commonwealth's Attorney notifies the Prosecutors Advisory Council on or before November 15, 2000.

The General Assembly removes the Part I, Operating Budget, language provision relating to staffing for new judgeships or courts.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: Commonwealth's Attorneys

FY 1999-2000			FY 2000-2001			FY 2001-2002		
Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference

I. CAPITAL PROJECT RECAP BY FUND SOURCE

TOTAL CAPITAL

II. CAPITAL PROJECTS

1 (0300001) Commonwealth's Attorney Lease-Jefferson County

Total

TOTAL

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: County Attorneys

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	18,349,000	18,349,000		19,248,100	19,772,000	523,900	20,191,300	21,085,200	893,900
Restricted Funds	11,500	11,500		42,600	42,600		40,400	40,400	
Federal Funds	234,500	234,500		251,900	251,900		264,100	264,100	
Regular Total Funds	18,595,000	18,595,000		19,542,600	20,066,500	523,900	20,495,800	21,389,700	893,900
General Fund Continuing									
GRAND TOTAL FUNDS	18,595,000	18,595,000		19,542,600	20,066,500	523,900	20,495,800	21,389,700	893,900
II. EXPENDITURE CATEGORY									
Personnel Costs	17,985,000	17,985,000		19,502,300	19,666,200	163,900	20,458,700	20,992,600	533,900
Operating Expenses	605,000	605,000		35,300	395,300	360,000	35,500	395,500	360,000
Grants, Loans, Benefits	5,000	5,000		5,000	5,000		1,600	1,600	
TOTAL EXPENDITURES	18,595,000	18,595,000		19,542,600	20,066,500	523,900	20,495,800	21,389,700	893,900
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	18,349,000	18,349,000		18,726,800	18,726,800		19,644,000	19,644,000	
Restricted Funds	11,500	11,500		42,600	42,600		40,400	40,400	
Federal Funds	234,500	234,500		251,900	251,900		264,100	264,100	
Regular Total Funds	18,595,000	18,595,000		19,021,300	19,021,300		19,948,500	19,948,500	
General Fund Continuing									
TOTAL BASE LEVEL	18,595,000	18,595,000		19,021,300	19,021,300		19,948,500	19,948,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				521,300	1,045,200	523,900	547,300	1,441,200	893,900
TOTAL ADDITIONAL				521,300	1,045,200	523,900	547,300	1,441,200	893,900
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Expanded Staff Allocations								
(030AB0X02)	Provide funds to support 20 additional positions in counties where an increased workload or insufficient staffing has been determined.								
General Fund				521,300	521,300		547,300	547,300	
Total				521,300	521,300		547,300	547,300	
2 EXPAN	Assistant County Attorneys-Staff Salary Improvement								
(030AB0X03)	Provide funds to support salary increases and require report to Appropriations & Revenue Committee on salary plan prior to implementation.								
General Fund					163,900	163,900		533,900	533,900
Total					163,900	163,900		533,900	533,900

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Unified Prosecutorial System
Appropriation Unit: County Attorneys

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
3 EXPAN	Office Expense Allowance-Increase								
(030BGA01)	Provide funds to support an increase of \$250 per month for the office expense allowance for each County Attorney.								
General Fund					360,000	360,000		360,000	360,000
Total					360,000	360,000		360,000	360,000
TOTAL ADDITIONAL				521,300	1,045,200	523,900	547,300	1,441,200	893,900

FB 2000-2002 BUDGET MODIFICATION REPORT

Unified Prosecutorial System-County Attorneys

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception: Additional support from the General Fund totaling \$521,300 in FY 2000-2001 and \$547,300 in FY 2001-2002 is provided for additional staff positions in counties where an increased workload or insufficient staffing has been determined.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: There is appropriated from the General Fund in fiscal year 2000-2001 and fiscal year 2001-2002 the necessary funds, subject to the conditions and procedures provided in this Act, which are required to provide additional staff to handle workload generated from new judgeships or courts contingent upon passage of enabling legislation. These funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

*The Branch Budget recommendation includes an annual increase in General Fund support totaling 4.9% in the Base Level Budget to support increased costs of existing operations.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides additional General Fund support totaling \$163,900 in FY 2000-2001 and \$533,900 in FY 2001-2002 for salary improvements. No funds shall be expended for salary improvements until the Prosecutors Advisory Council reviews the salary levels of the elected County Attorneys' employees, establishes a salary enhancement plan, and reports its findings to the Interim Joint Committee on Appropriations and Revenue.

The General Assembly provides additional General Fund support totaling \$360,000 in each fiscal year to provide each County Attorney the sum of \$500 each month, which is declared to be the equivalent of the minimum sum that each County Attorney will expend each month in the performance of the official duties directed to be performed for the Commonwealth, notwithstanding KRS 15.765(2).

The General Assembly removes the Part I, Operating Budget, language provision relating to staffing for new judgeships or courts.

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Auditor of Public Accounts

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	5,749,400	5,749,400		5,829,600	5,895,400	65,800	5,925,900	5,911,600	(14,300)
Restricted Funds	3,149,900	3,149,900		4,709,000	4,709,000		4,405,000	4,405,000	
Regular Total Funds	8,899,300	8,899,300		10,538,600	10,604,400	65,800	10,330,900	10,316,600	(14,300)
General Fund Continuing									
GRAND TOTAL FUNDS	8,899,300	8,899,300		10,538,600	10,604,400	65,800	10,330,900	10,316,600	(14,300)
II. EXPENDITURE CATEGORY									
Personnel Costs	7,440,600	7,440,600		8,214,100	8,159,900	(54,200)	8,615,600	8,601,300	(14,300)
Operating Expenses	1,165,800	1,165,800		1,242,500	1,362,500	120,000	1,226,300	1,226,300	
Capital Outlay	292,900	292,900		1,082,000	1,082,000		489,000	489,000	
TOTAL EXPENDITURES	8,899,300	8,899,300		10,538,600	10,604,400	65,800	10,330,900	10,316,600	(14,300)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	5,749,400	5,749,400		5,738,300	5,738,300		5,850,000	5,850,000	
Restricted Funds	3,149,900	3,149,900		4,709,000	4,709,000		4,405,000	4,405,000	
Regular Total Funds	8,899,300	8,899,300		10,447,300	10,447,300		10,255,000	10,255,000	
General Fund Continuing									
TOTAL BASE LEVEL	8,899,300	8,899,300		10,447,300	10,447,300		10,255,000	10,255,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				91,300	157,100	65,800	75,900	61,600	(14,300)
TOTAL ADDITIONAL				91,300	157,100	65,800	75,900	61,600	(14,300)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(045CE0X01)	Provide funds to support salary improvements.								
General Fund				91,300	37,100	(54,200)	75,900	61,600	(14,300)
Total				91,300	37,100	(54,200)	75,900	61,600	(14,300)
2 NEW	Performance Budgeting Pilot Project								
(045GA01)	Provide funds to support the Performance Budget Pilot Project.								
General Fund					120,000	120,000			
Total					120,000	120,000			
TOTAL ADDITIONAL				91,300	157,100	65,800	75,900	61,600	(14,300)

FB 2000-2002 BUDGET MODIFICATION REPORT

Auditor of Public Accounts

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Restricted Funds are provided in the Base Level Budget in the amount of \$359,000 in FY 2000-2001 and \$377,800 in FY 2001-2002 to implement an aggressive, staff turnover prevention strategy.

Restricted Funds are also provided in the Base Level Budget in the amount of \$1,082,000 in FY 2000-2001 and \$489,000 in FY 2001-2002 to support upgrades in computer hardware and software, to allow the implementation of on-line auditing.

The Branch Budget Bill includes Part I, Operating Budget, language provision that directs, notwithstanding KRS 43.200, no funding is provided for Auditor's scholarships.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional, General Fund support totaling \$91,300 in FY 2000-2001 and \$75,900 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill Part IX, Special Provisions, includes language provisions relating to State Agencies Audit Services Contracts; Audit Records and Status Reports; and Charges for Federal, State, and Local Audits as follow:

- a. State Agencies Audit Services Contracts: No state agency shall enter into any contract with a nongovernmental entity for an audit unless the Auditor of Public Accounts has declined in writing to perform the audit or has failed to respond within thirty (30) days of receipt of a written request. The agency requesting the audit shall furnish the Auditor of Public Accounts a comprehensive statement of the scope and nature of the proposed audit.
- b. Audit Records and Status Reports: The Auditor of Public Accounts shall report in writing each sixty (60) days to the Interim Joint Committee on Appropriations and Revenue the progress of all state audits, together with copies of all completed audits. The auditor shall maintain a record of all time and expenses for each audit or investigation.
- c. Charges for Federal, State, and Local Audits: Any additional expense incurred by the Auditor of Public Accounts for auditing Federal Funds, when the audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency when the costs may be charged against Federal Funds. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operation of the office. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

FB 2000-2002 BUDGET MODIFICATION REPORT

Auditor of Public Accounts

Each quarter, the Auditor of Public Accounts shall notify the Finance and Administration Cabinet concerning the collection status of the fees charged for county audits. If a county government is delinquent in its payment to the Auditor of Public Accounts, the Finance and Administration Cabinet shall withhold any moneys due that county government for the term of one hundred twenty (120) days or until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operations of the office.

The "Single Audit Act of 1984" and the "Single Audit Act Amendments of 1996" (OMB Circular No. A-128) have changed the method by which federal moneys to state agencies are audited. As a result of this federal change, the Auditor of Public Accounts is budgeted to receive additional agency receipts which shall be allotted by the Governor's Office for Policy and Management for programs authorized in the enacted budget for the Auditor of Public Accounts by the 2000 General Assembly, subject to the conditions and procedures provided in this Act.

Any additional expenses incurred by the Auditor of Public Accounts for auditing a state agency upon its request, or when the audit is not required by those standards governing the audit of the Commonwealth's Comprehensive Financial Report, or the provisions contained in the "Single Audit Act of 1984" and the "Single Audit Act Amendment Act of 1996," shall be charged to the agency requesting the audit.

Any expense incurred by the Auditor of Public Accounts for auditing individual governmental entities shall be charged to the agency receiving audit services when expenses are mutually agreed upon.

Following is a breakdown of the Branch Budget Recommendation for the Auditor of Public Accounts' budget.

Expenditure Unit	<u>FY 2000</u>	<u>FY 2000-2001</u>		<u>FY 2001-2002</u>	
	<u>Revised</u>	<u>Requested</u>	<u>Recommended</u>	<u>Requested</u>	<u>Recommended</u>
Administration	1,891,300	2,244,000	2,223,000	2,184,500	2,161,500
Examination and Information Technology	1,077,200	1,280,600	1,265,600	1,239,800	1,223,800
Financial Audits	5,321,500	6,326,700	6,232,600	6,246,800	6,149,200
Performance Audits	609,300	726,100	726,100	720,500	720,500
Wage Equity			91,300		75,900
Total	8,899,300	10,577,400	10,538,600	10,391,600	10,330,900

FB 2000-2002 BUDGET MODIFICATION REPORT

Auditor of Public Accounts

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$37,100 in FY 2000-2001 and \$61,600 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly provides additional General Fund support totaling \$120,000 in FY 2000-2001 to support the Performance Budgeting Pilot Project, and adds Part I, Operating Budget, language provision that directs, Notwithstanding KRS 45.229, any unexpended funds for the Performance Budgeting Pilot Project shall be continued into FY 2001-2002.

The General Assembly adds, Part III, General Provisions, language provisions relating to the Performance Budgeting Pilot Project to read as follows:

The provisions relating to executive branch strategic planning and a performance budgeting pilot project shall be implemented as follows:

(a) The managers of each executive branch cabinet level budget unit shall develop a four-year strategic plan to meet the broad goals outlined by the Governor, and shall submit an electronic copy of the full plan and a brief summary of that plan with the FB 2002-2004 budget request.

(1) Each strategic plan shall state the cabinet's mission, identify goals for the next four years, specify objectives for meeting the goals, and define performance indicators to measure progress toward meeting objectives.

(2) The State Budget Director shall designate an entity to develop and conduct a training course in strategic planning and shall make the course available to the individuals responsible for completing a strategic plan under this section.

(3) The Governor's Office of Technology shall establish a uniform electronic strategic plan submission form and a procedure that allows all plans to be entered into a searchable electronic database. The database shall comply with KRS 48.950 to 48.960.

(b) The Auditor of Public Accounts shall study the flow of budget information from executive branch budget units to commissioners, cabinet secretaries, the Governor's Office of Policy and Management, the Governor, the Legislative Research Commission, and the General Assembly. By September 30, 2000, the Auditor shall submit an evaluation report on the results of the study to the Governor and the Legislative Research Commission, who shall distribute the report to the appropriate legislative committees for review. The report shall particularly focus on a detailed baseline description of the features and cost of the budgeting structure of the budget units selected for the pilot program.

FB 2000-2002 BUDGET MODIFICATION REPORT

Auditor of Public Accounts

(c) The State Budget Director shall design and implement a state performance budgeting pilot program, with no less than three nor more than six budget units in the executive branch. Detailed records of the cost of implementation shall be maintained. Draft budget forms for the pilot budget units shall meet the provisions of KRS 48.040.

(1) A performance budgeting pilot project fund shall be established in the office of the State Budget Director to defray extraordinary expenses related to the pilot project. The State Budget Director shall make disbursements from the fund to units that incur costs related to the pilot project. Information about each disbursement, including the reason for the disbursement, a description of how the expense is related to performance budgeting, and a discussion of why the expense cannot be covered within the normal cost of budget information reporting, shall be reported quarterly beginning October 15, 2000, to the Auditor and the Legislative Research Commission, who shall forward the information to the Interim Joint Committee on Appropriations and Revenue and the Program Review and Investigations Committee.

(2) Each budget unit selected for the pilot project shall submit a performance-based budget request for FB 2002-2004, in addition to its regular budget request.

(3) The Auditor of Public Accounts shall monitor the progress of the performance budgeting pilot project and shall, by February 1, 2002, present an evaluation report to the Governor and the Legislative Research Commission, who shall forward the report to the appropriate legislative committees for review.

(d) The Program Review and Investigations Committee shall give high priority to directing its ongoing attention and resources to efforts to evaluate and improve the effectiveness, efficiency, and accountability of agencies of the Commonwealth.

The General Assembly amends, Part IX, Special Provisions, language provision relating to changes for Federal, State, and Local Audits to read as follows:

Charges for Federal, State, and Local Audits: Any additional expense incurred by the Auditor of Public Accounts for auditing Federal Funds, when the audits are mandated by a cognizant federal audit agency, shall be charged to the audited agency when the costs may be charged against Federal Funds. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operation of the office. The Auditor shall maintain a record of all costs and expenditures associated with this provision.

Each quarter, the Auditor of Public Accounts shall notify the Finance and Administration Cabinet concerning the collection status of the fees charged for county audits. If a county government is delinquent in its payment to the Auditor of Public Accounts, the Finance and Administration Cabinet shall withhold any moneys due that county government for the term of one hundred twenty (120) days or until the Auditor of Public Accounts has received full payment from the county. The Auditor of Public Accounts is authorized to increase the audit fees for conducting county audits if additional revenues are needed to continue the operations of the office.

The "Single Audit Act of 1984" and the "Single Audit Act Amendments of 1996" (OMB Circular No. A-128) have changed the method by which federal moneys to state agencies are audited. As a result of this federal change, the Auditor of Public Accounts is budgeted to receive additional agency receipts which shall be

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Auditor of Public Accounts

allotted by the Governor's Office for Policy and Management for programs authorized in the enacted budget for the Auditor of Public Accounts by the 2000 General Assembly, subject to the conditions and procedures provided in this Act.

Any expenses incurred by the Auditor of Public Accounts for auditing a state or local government agency or other entity upon its request, or when the audit is required by statute, or when the audit is not required by those standards governing the audit of the Commonwealth's Comprehensive Financial Report, or the provisions contained in the "Single Audit Act of 1984" and the "Single Audit Act Amendment Act of 1996," shall be charged to the agency or entity audited.

Any expense incurred by the Auditor of Public Accounts for auditing individual governmental entities shall be charged to the agency receiving audit services when expenses are mutually agreed upon.

The General Assembly adds, Part IX, Special Provisions, language provisions relating to EMPOWER Kentucky Audit Expenses to read as follows: "EMPOWER Kentucky Audit Expenses: The Auditor of Public Accounts shall charge for any consultation, training, and technology upgrade expenses incurred because of EMPOWER Kentucky and shall be by the client agencies.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Agriculture

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	19,575,000	19,575,000		20,664,600	20,214,100	(450,500)	21,645,300	21,167,400	(477,900)
Restricted Funds	2,472,900	2,472,900		2,386,500	2,386,500		2,541,300	2,541,300	
Federal Funds	1,988,000	1,988,000		2,035,000	2,035,000		2,034,800	2,034,800	
Regular Total Funds	24,035,900	24,035,900		25,086,100	24,635,600	(450,500)	26,221,400	25,743,500	(477,900)
General Fund Continuing	3,580,400	3,580,400							
GRAND TOTAL FUNDS	27,616,300	27,616,300		25,086,100	24,635,600	(450,500)	26,221,400	25,743,500	(477,900)

II. EXPENDITURE CATEGORY									
Personnel Costs	15,422,400	15,422,400		16,048,200	15,984,100	(64,100)	16,776,600	16,770,900	(5,700)
Operating Expenses	4,865,700	4,865,700		5,140,300	5,140,300		5,190,500	5,190,500	
Grants, Loans, Benefits	6,773,200	6,773,200		3,309,600	2,923,200	(386,400)	3,704,300	3,232,100	(472,200)
Capital Outlay	155,000	155,000		188,000	188,000		150,000	150,000	
Construction	400,000	400,000		400,000	400,000		400,000	400,000	
TOTAL EXPENDITURES	27,616,300	27,616,300		25,086,100	24,635,600	(450,500)	26,221,400	25,743,500	(477,900)

III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	19,575,000	19,575,000		20,176,300	19,376,300	(800,000)	21,088,600	20,288,600	(800,000)
Restricted Funds	2,472,900	2,472,900		2,386,500	2,386,500		2,541,300	2,541,300	
Federal Funds	1,988,000	1,988,000		2,035,000	2,035,000		2,034,800	2,034,800	
Regular Total Funds	24,035,900	24,035,900		24,597,800	23,797,800	(800,000)	25,664,700	24,864,700	(800,000)
General Fund Continuing	3,580,400	3,580,400							
TOTAL BASE LEVEL	27,616,300	27,616,300		24,597,800	23,797,800	(800,000)	25,664,700	24,864,700	(800,000)

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				488,300	837,800	349,500	556,700	878,800	322,100
TOTAL ADDITIONAL				488,300	837,800	349,500	556,700	878,800	322,100

V. ADDITIONAL BUDGET ITEMS

1 EXPAN Marketing and Product Promotion-Additional Staff & Operating Costs

(035WS0X02) Provide funds to support 3 additional full-time positions and increased operating costs for the promotion of Kentucky's shelf stable food industry.

General Fund	221,500	221,500		229,600	229,600				
Total	221,500	221,500		229,600	229,600				

2 Shows and Fairs-Increase Support (4-H & FFA)

(035WS0X03) Provide funds to increase support for 4-H and FFA shows.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Agriculture

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2	Shows and Fairs-Increase Support (4-H & FFA)								
(035WS0X03)	Provide funds to increase support for 4-H and FFA shows.								
General Fund Total					50,000	50,000		50,000	50,000
					50,000	50,000		50,000	50,000
3 NEW	Wage Equity Plan								
(035WA0X01)	Provide funds to support salary improvements.								
General Fund Total				130,400	66,300	(64,100)	104,900	99,200	(5,700)
				130,400	66,300	(64,100)	104,900	99,200	(5,700)
4 EXPAN	Value Added Program								
(035WA0X03)	Provide funds to support assisting farmers in their diversification efforts.								
General Fund Total				136,400		(136,400)	222,200		(222,200)
				136,400		(136,400)	222,200		(222,200)
5 NEW	Animal Shelter Grants								
(035GA01)	Provide funds totaling \$500,000 in FY 2001 and \$500,000 in FY 2002 for grants to local governments or humane societies for construction/expansion of animal shelters.								
General Fund Total					500,000	500,000		500,000	500,000
					500,000	500,000		500,000	500,000
TOTAL ADDITIONAL				488,300	837,800	349,500	556,700	878,800	322,100

FB 2000-2002 BUDGET MODIFICATION REPORT

Agriculture

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

General Fund support totaling \$562,000 in FY 2000-2001 and \$562,000 in FY 2001-2002 is provided in the Base Level Budget for maintenance of current programs.

Additional General Fund support totaling \$221,500 in FY 2000-2001 and \$229,600 in FY 2001-2002 is provided to support additional staff and operating costs associated with the expansion of Agriculture's Marketing and Promotion Program. These moneys will support three additional full-time positions.

Additional General Fund support totaling \$136,400 in FY 2000-2001 and \$222,200 in FY 2001-2002 is provided to support the Value Added Program.

Regional Universities

General Fund support totaling \$800,000 in FY 2000-2001 and \$800,000 in FY 2001-2002 is provided in the Base Level Budget for regional university agriculture programs, to be equally distributed to [Eastern Kentucky University](#), [Western Kentucky University](#), [Morehead State University](#), and [Murray State University](#).

Mexico Office

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs, General Fund support totaling \$100,000 in FY 2000-2001 and \$100,000 in FY 2001-2002 is provided for the Agriculture/Economic Development joint trade office in Mexico and notwithstanding KRS 45.229, any unexpended funds for the Mexico Trade Office shall be continued into the succeeding fiscal year, and the Cabinet for Economic Development shall assist in seeking and obtaining matching funds for the joint office.

Youth Tobacco Enforcement Program

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs, General Fund support totaling \$500,000 in FY 2000-2001 and \$500,000 in FY 2001-2002 is provided for the Youth Tobacco Enforcement Program pursuant to KRS 438.330 and KRS 438.335. The Department of Alcoholic Beverage Control shall jointly participate in the program's enforcement.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$130,400 in FY 2000-2001 and \$104,900 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

FB 2000-2002 BUDGET MODIFICATION REPORT

Agriculture

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$66,300 in FY 2000-2001 and \$99,200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

General Fund appropriations totaling \$800,000 each fiscal year in the Base Level Budget are rebudgeted in the amount of \$200,000 each fiscal year in the following budget units: Morehead State University, Eastern Kentucky University, Western Kentucky University, and Murray State University.

Included in the Base Level Budget General Fund appropriation is \$467,300 in fiscal year 2000-2001 and \$478,500 in fiscal year 2001-2002 for the Breathitt Veterinary Center. The General Assembly provides Part I, Operating Budget, language provision that states, "Notwithstanding KRS 48.130 and 48.600, there shall be no reduction in funding.

Additional General Fund support totaling \$136,400 in FY 2000-2001 and \$222,200 in FY 2001-2002 for the Value Added Program is not provided.

Additional General Fund support totaling \$500,000 in fiscal year 2000-2001 and \$500,000 in fiscal year 2001-2002 is provided to fund grants to local governments or humane societies for construction/expansion of animal shelters.

Additional General Fund support is provided in the amount of \$50,000 in each fiscal year the Fairs and Shows Program.

The General Assembly provides Part II, Capital Projects Budget authorization to lease real property in Franklin County with a cost that exceeds \$200,000 per year.

The General Assembly provides Part IX, Special Provisions language relating to the PACE program directs, The PACE board may contract directly with land surveyors, real estate appraisers, and other licensed professionals as necessary.

The General Assembly provides Part XI, Phase I Tobacco Settlement Funding Program as follows:

This Part of the Act prescribes fiscal policy provisions which implement the national settlement agreement between the tobacco industry and the collective states as anticipated by the 1998 Regular Session of the General Assembly in House Bill 321, Part III, item 29. In furtherance of that agreement, the General Assembly recognizes that the Commonwealth of Kentucky is a party to the Phase I Master Settlement Agreement (MSA) between the Participating Tobacco Manufacturers and 46 Settling States which provides reimbursement to states for smoking related expenditures made over time.

FB 2000-2002 BUDGET MODIFICATION REPORT

Agriculture

1. The Commonwealth's share of the MSA is equal to 1.7611586% of the total settlement amount. Payments under the MSA are to be made to the states in January and April of each year. The Commonwealth has already received the first such payment from which no funds have been expended pursuant to the policy set forth by the 1998 General Assembly.
2. The total settlement amount to be distributed each payment date is subject to change pursuant to several variables provided in the MSA, including inflation adjustments, volume adjustments, and previously settled states adjustments.
3. The General Assembly has determined that it shall be the policy of the Commonwealth that all Phase I Tobacco Settlement funds shall be deposited to the credit of the General Fund and shall maintain a distinct identity as Phase I Tobacco Settlement funds that shall not lapse to the credit of the General Fund surplus, but shall continue forward from each fiscal year to the next fiscal year to the extent that any balance is unexpended.
4. Based on the current estimates as reviewed by the Consensus Revenue Forecasting Group, the amount of MSA payments expected to be received in fiscal year 1999-2000 is \$137,800,000. It is recognized that payments to be received by the Commonwealth are estimated and are subject to change. Any appropriations made from the estimated receipts are subject to adjustments based on actual receipts as received and certified by the Secretary of the Finance and Administration Cabinet.
5. The estimated \$137,800,000 receipts in fiscal year 1999-2000 are appropriated for the following major purposes:
 - a. General Fund Surplus Plan Endowment Program: Fifty percent (50%) of the MSA payments received in fiscal year 1999-2000, which is estimated to be \$68,900,000, is appropriated and credited in fiscal year 1999-2000 to the General Fund Surplus Account.
 - (1) Eighty-three and thirty-three hundredths percent (83.33%) of this amount is dedicated for appropriation to the Endowment Program of the Research Challenge Trust Fund of the Council on Postsecondary Education as specified in Part X of this Act.
 - (2) Sixteen and sixty-seven hundredths percent (16.67%) of this amount is dedicated for appropriation to the Endowment Program of the Regional University Excellence Trust Fund of the Council on Postsecondary Education as specified in Part X of this Act.
 - b. Agricultural Development Initiatives Reserve: Fifty percent (50%) of the MSA payments received in fiscal year 1999-2000, which is estimated to be \$68,900,000, is continued and appropriated in fiscal year 2000-2001 to the Agricultural Development Initiatives Reserve to ensure that recipients of payments from the National Tobacco Grower Settlement Trust (Phase II Settlement) in calendar years 2000 and 2001 are compensated at a level not less than the compensation received from the Phase II Settlement in calendar year 1999.
6. The estimated MSA Phase I Tobacco Settlement Funding Program receipts amounting to \$101,100,000 in fiscal year 2000-2001 and \$121,600,000 in fiscal year 2001-2002 are appropriated for the following major purposes:
 - a. Childhood Development Initiatives: Twenty-five percent (25%) of the MSA payments received in fiscal year 2000-2001, estimated to be \$25,275,000, and in fiscal year 2001-2002, estimated to be \$30,400,000, is appropriated for Childhood Development Initiatives as specified below.

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Agriculture

b. Health Care Initiatives: Twenty-five percent (25%) of the MSA payments received in fiscal year 2000-2001, estimated to be \$25,275,000, and in fiscal year 2001-2002, estimated to be \$30,400,000, is appropriated for Health Care Initiatives as specified below.

c. Agricultural Development Initiatives: Fifty Percent (50%) of the MSA payments received in fiscal year 2000-2001, estimated to be \$50,550,000, and in fiscal year 2001-2002, estimated to be \$60,800,000, is appropriated for Agricultural Development Initiatives as specified below.

A. AGRICULTURAL DEVELOPMENT INITIATIVES APPROPRIATIONS
GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS

1.	GOVERNMENT OPERATIONS		
Budget Unit:	Office of the Governor	2000-01	2001-02
a.	Phase I Tobacco Settlement Funds - Agricultural Development Initiatives	109,192,000	44,253,000
2.	FINANCE AND ADMINISTRATION		
Budget Unit:	Debt Service	2000-01	2001-02
a.	Kentucky Infrastructure Authority- Water Resources Development Bond Program Debt Service		5,031,000
b.	Rural Development Bond Fund Debt Service	1,258,000	2,516,000
3.	NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION		
Budget Unit:	Department for Natural Resources	2000-01	2001-02
a.	Division of Conservation - Environmental Stewardship Program	9,000,000	9,000,000
TOTAL AGRICULTURAL INITIATIVES		119,450,000	60,800,000

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Agriculture

**B. EARLY CHILDHOOD INITIATIVES APPROPRIATIONS
GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

1. GOVERNMENT OPERATIONS			
Budget Unit	Office of the Governor	2000-01	2001-02
	a. Office of Early Childhood Development	2,559,100	3,157,700
2. CABINET FOR FAMILIES AND CHILDREN			
Budget Unit	Community Based Services	2000-01	2001-02
	a. Early Childhood Development Program	7,597,800	9,082,800
3. CABINET FOR HEALTH SERVICES			
Budget Unit	Public Health	2000-01	2001-02
	a. Adult and Child Health - HANDS Program	5,586,700	9,522,300
	b. Adult and Child Health - Folic Acid Program	2,030,600	1,522,400
	c. Epidemiology and Health Planning - Universal Children's Immunization	2,000,000	2,000,000
	d. Adult and Child Health - Healthy Start Expansion	2,000,000	2,100,000
Budget Unit	Mental Health and Mental Retardation	2000-01	2001-02
	a. Substance Abuse Treatment Program for Medicaid-eligible Women with Dependent Children	1,000,000	1,000,000
Budget Unit	Commission for Children with Special Health Care Needs	2000-01	2001-02
	a. Handicapped Children's Program - Universal Newborn Hearing Screening	1,100,800	605,300
<p>Included in the above appropriation is \$50,000 in fiscal year 2000-2001 and \$100,000 in fiscal year 2001-2002 for parent and provider training activities.</p>			
4. POSTSECONDARY EDUCATION			
Budget Unit	Kentucky Higher Education Assistance Authority	2000-01	2001-02
	a. Early Childhood Scholarship Program	1,400,000	1,409,500
TOTAL EARLY CHILDHOOD INITIATIVES		25,275,000	30,400,000

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Agriculture

**C. HEALTH CARE INITIATIVES APPROPRIATIONS
GENERAL FUND - PHASE I TOBACCO SETTLEMENT FUNDS**

1. GOVERNMENT OPERATIONS			
Budget Unit	Office of the Governor	2000-01	2001-02
	a. Ky. Agency for Substance Abuse Policy- Smoking Cessation Program	2,500,000	2,500,000
2. CABINET FOR HEALTH SERVICES			
Budget Unit	Public Health	2000-01	2001-02
	a. Adult and Child Health - Smoking Cessation Program	2,527,500	3,040,000
3. POSTSECONDARY EDUCATION			
Budget Unit	Council on Postsecondary Education	2000-01	2001-02
	a. Research Challenge Trust Fund - Lung Cancer Research Program	5,055,000	6,080,000
4. PUBLIC PROTECTION AND REGULATION			
Budget Unit	General Operations	2000-01	2001-02
	a. Kentucky Access Program	15,192,500	18,780,000
TOTAL HEALTH CARE INITIATIVES		25,275,000	30,400,000
TOTAL PHASE I TOBACCO SETTLEMENT FUNDING PROGRAM		170,000,000	121,600,000

This Memorandum record reflects the Governor's line item veto of Part XI, Phase I Tobacco Settlement Funding Program, language provisions Sections 7 through 8, after the sine die adjournment of the 2000 General Assembly on April 14, 2000.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Agriculture

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds	210,000	210,000							
TOTAL CAPITAL	210,000	210,000							
II. CAPITAL PROJECTS									
1 (0351335) Large Truck Scale Unit									
Restricted Funds	210,000	210,000							
Total	210,000	210,000							
2 (035GA03) Agriculture Building Lease									
Total									
TOTAL	210,000	210,000							

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Military Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	15,679,300	15,679,300		10,937,400	10,899,500	(37,900)	11,274,100	11,170,300	(103,800)
Restricted Funds	15,117,400	17,117,400	2,000,000	18,433,400	16,695,200	(1,738,200)	19,113,400	17,055,100	(2,058,300)
Federal Funds	23,960,000	23,960,000		9,175,000	9,175,000		9,395,200	9,395,200	
Regular Total Funds	54,756,700	56,756,700	2,000,000	38,545,800	36,769,700	(1,776,100)	39,782,700	37,620,600	(2,162,100)
General Fund Continuing									
GRAND TOTAL FUNDS	54,756,700	56,756,700	2,000,000	38,545,800	36,769,700	(1,776,100)	39,782,700	37,620,600	(2,162,100)
II. EXPENDITURE CATEGORY									
Personnel Costs	17,890,100	17,890,100		17,041,600	17,003,700	(37,900)	17,873,400	17,746,600	(126,800)
Operating Expenses	12,316,600	14,316,600	2,000,000	13,146,800	13,244,600	97,800	13,163,800	13,178,400	14,600
Grants, Loans, Benefits	24,375,000	24,375,000		8,233,900	6,397,900	(1,836,000)	8,689,500	6,616,600	(2,072,900)
Debt Service	175,000	175,000						23,000	23,000
Capital Outlay				123,500	123,500		56,000	56,000	
TOTAL EXPENDITURES	54,756,700	56,756,700	2,000,000	38,545,800	36,769,700	(1,776,100)	39,782,700	37,620,600	(2,162,100)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	15,679,300	15,679,300		10,659,800	10,659,800		10,866,500	10,866,500	
Restricted Funds	15,117,400	15,117,400		17,143,800	15,618,900	(1,524,900)	17,653,200	16,080,300	(1,572,900)
Federal Funds	23,960,000	23,960,000		9,175,000	9,175,000		9,395,200	9,395,200	
Regular Total Funds	54,756,700	54,756,700		36,978,600	35,453,700	(1,524,900)	37,914,900	36,342,000	(1,572,900)
General Fund Continuing									
TOTAL BASE LEVEL	54,756,700	54,756,700		36,978,600	35,453,700	(1,524,900)	37,914,900	36,342,000	(1,572,900)
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				277,600	239,700	(37,900)	407,600	303,800	(103,800)
Restricted Funds		2,000,000	2,000,000	1,289,600	1,076,300	(213,300)	1,460,200	974,800	(485,400)
TOTAL ADDITIONAL		2,000,000	2,000,000	1,567,200	1,316,000	(251,200)	1,867,800	1,278,600	(589,200)
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	National Guard Tuition Assistance Program-Increase Participation Levels								
(095KZ0X01)	Provide funds from the Kentucky Higher Education Assistance Authority-KY Educational Excellence Scholarship (KEES) Program.								
Restricted Funds				300,000		(300,000)	500,000		(500,000)
Total				300,000		(300,000)	500,000		(500,000)
2 EXPAN	Youth Challenge Program-Increase Operating Funds								
(095KGYX01)	Provide increased funding support anticipated from the Department of Juvenile Justice.								

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Military Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 EXPAN	Youth Challenge Program-Increase Operating Funds								
(095KGYX01)	Provide increased funding support anticipated from the Department of Juvenile Justice.								
Restricted Funds				654,200	752,000	97,800	688,200	702,800	14,600
Total				654,200	752,000	97,800	688,200	702,800	14,600
3 EXPAN	Property Management-Louisville Air National Guard-Additional Personnel								
(095KB0X04)	Provide funds to support 3 PFT personnel at KY Air National Guard at Louisville International Airport to maintain new, larger facility. Federal Govt. reimburses 75% of the cost.								
General Fund				19,700	19,700		20,000	20,000	
Restricted Funds				58,900	58,900		63,000	63,000	
Total				78,600	78,600		83,000	83,000	
4 EXPAN	Property Management -Vehicle & Equipment Replacement								
(095KB0X02)	Provide funds to replace two trucks, a backhoe, and a tractor.								
Restricted Funds				176,500	176,500		109,000	109,000	
Total				176,500	176,500		109,000	109,000	
5 EXPAN	General Administration & Support-Coast Guard Grant Support								
(095KA0X02)	Provide grant funds to support the United States Coast Guard Auxiliary for training classes designed to reduce boating accidents / fatalities, and monitor and reduce water pollution.								
General Fund				20,000	20,000		20,000	20,000	
Total				20,000	20,000		20,000	20,000	
6 EXPAN	DEM-County Offices								
(095KDAX04)	Provide funds to support additional grants to local rescue squads and local Emergency Management Assistance Programs.								
General Fund				100,000	100,000		200,000	200,000	
Total				100,000	100,000		200,000	200,000	
7 NEW	Wage Equity Plan								
(095KA0X03)	Provide funds to support salary improvement.								
General Fund				137,900		(137,900)	167,600	40,800	(126,800)
Restricted Funds				100,000	88,900	(11,100)	100,000	100,000	
Total				237,900	88,900	(149,000)	267,600	140,800	(126,800)

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Military Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
8 NEW	Property Management-Environmental Pool Debt Service								
(095GA01)	Provide debt service funds to support Bond Funds totaling \$174,000 in FY 2000-2001 for the Environmental Pool.								
General Fund								23,000	23,000
Total								23,000	23,000
9 NEW	Commission-Military Burial Honors								
(095GA02)	Provide funds to support military burial honors.								
General Fund					100,000	100,000			
Total					100,000	100,000			
10 EXPAN	Bluegrass Station, Air Transport-Increased Operating								
(095GA03)	Provide funds to support increases in maintenance and repair, Guard Materials Management Center activities, Guard Material Clothing Center activities, and aircraft fuel usage.								
Restricted Funds		2,000,000	2,000,000						
Total		2,000,000	2,000,000						
TOTAL ADDITIONAL		2,000,000	2,000,000	1,567,200	1,316,000	(251,200)	1,867,800	1,278,600	(589,200)

FB 2000-2002 BUDGET MODIFICATION REPORT

Military Affairs

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional support from the General Fund totaling \$100,000 in FY 2000-2001 and \$200,000 in FY 2001-2002 is provided for Disaster and Emergency Management grants to county offices; additional support from the General Fund totaling \$20,000 in each year of the biennium is provided to support the United States Coast Guard Auxiliary; additional support from the General Fund totaling \$19,700 in FY 2000-2001 and \$20,000 in FY 2001-2002 and additional Restricted Funds totaling \$58,900 in FY 2000-2001 and \$63,000 in FY 2001-2002 are provided to support three PFT positions for the Air National Guard Facility Management Agreement; Restricted Funds totaling \$654,200 in FY 2000-2001 and \$688,200 in FY 2001-2002 are provided for the Youth Challenge Program; Restricted Funds totaling \$176,500 in FY 2000-2001 and \$109,000 in FY 2001-2002 are provided for vehicle and equipment replacement for the Property Management Division; and additional Restricted Funds to be received from the Kentucky Educational Excellence Scholarship (KEES) Program totaling \$300,000 in FY 2000-2001 and \$500,000 in FY 2001-2002 are provided for the National Guard Tuition Assistance Program.

The Tuition Assistance Program is funded in FB 1998-2000 in the Kentucky Higher Education Assistance Authority (KHEAA) with support from the General Fund totaling \$1 million and Restricted Funds support from KHEAA totaling \$500,000. The Branch Budget recommends Restricted Funds totaling \$1,836,000 in FY 2000-2001 and \$2,072,900 in FY 2001-2002 from the KEES to support the National Guard Tuition Assistance Program. These funds include the additional Restricted Funds identified above.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$137,900 in FY 2000-2001 and \$167,600 in FY 2001-2002 and Restricted Funds support totaling \$100,000 in each year of the biennium is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct: There is appropriated from the General Fund the necessary funds to be expended, subject to the conditions and procedures provided in this Act, which are required as a result of the Governor's call of the Kentucky National Guard to active duty when an emergency or exigent situation has been declared to exist by the Governor. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705); and there is appropriated from the General Fund the necessary funds, subject to the conditions and procedures in this Act, which are required to match federal aid to which the state would be eligible in the event of a presidentially-declared disaster or emergency. These necessary funds shall be made available from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

The Branch Budget Bill, Part II, Capital Projects Budget, provides funding for the following capital projects and equipment purchases: General Fund support totaling \$174,000 and Federal Funds totaling \$635,000 in FY 2000-2001 are provided for the Environmental Pool; funds from Investment Income are provided for the Division of Air Transport's Aircraft Maintenance Pool totaling \$400,000 in FY 2000-2001 and \$400,000 in FY 2001-2002, and the Major Maintenance Pool totaling \$950,000 in FY 2000-2001 and \$1,000,000 in FY 2001-2002; Restricted Funds are provided for the Bluegrass Station Maintenance Pool totaling \$200,000 in FY 2000-2001 and \$700,000 in FY 2001-2002; and Federal Funds support totaling \$1,265,000 and Capital Construction Surplus Funds totaling \$141,000 in FY 2000-2001 are provided for runway/parallel taxiway pavement/apron rehabilitation improvements at the Capital City Airport.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

FB 2000-2002 BUDGET MODIFICATION REPORT

Military Affairs

The General Assembly provides General Fund support totaling \$100,000 in FY 2000-2001 for the Military Burial Honors Program. Notwithstanding KRS 45.229, any unexpended balance of funds provided for the Military Burial Honors Program in fiscal year 2000-2001 shall not lapse and shall be carried forward into fiscal year 2001-2002.

The General Assembly provides additional Restricted Funds totaling \$2 million in FY 1999-2000 to support increased operating costs at the Bluegrass Station and the Division of Air Transport. Debt service funds totaling \$23,000 in FY 2001-2002 from the General Fund are provided to support Bond Funds totaling \$174,000 for the Environmental Pool. The Restricted Funds support for the Youth Challenge Program are increased by \$97,800 in FY 2000-2001 and \$14,600 in FY 2001-2002 to provide a total of \$2.8 million in Restricted Funds for the Program in each year of the Biennium. The Restricted Funds for the National Guard Tuition Assistance Program totaling \$1,836,000 in FY 2000-2001 and \$2,072,900 in FY 2001-2002 are removed and the funding is included in the Kentucky Higher Education Assistance Authority's General Assembly Report.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$88,900 in Restricted Funds in FY 2000-2001 and \$40,800 from the General Fund and \$100,000 in Restricted Funds in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Military Affairs

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund				174,000		(174,000)			
Restricted Funds				200,000	200,000		700,000	700,000	
Federal Funds				1,900,000	1,900,000				
Bond Funds					174,000	174,000			
Capital Const. Surplus				141,000	141,000				
Investment Income				1,350,000	1,350,000		1,400,000	1,400,000	
TOTAL CAPITAL				3,765,000	3,765,000		2,100,000	2,100,000	
II. CAPITAL PROJECTS									
1 (0950045) Aircraft Maintenance Pool									
Investment Income				400,000	400,000		400,000	400,000	
Total				400,000	400,000		400,000	400,000	
2 (0950046) Maintenance Pool									
Investment Income				950,000	950,000		1,000,000	1,000,000	
Total				950,000	950,000		1,000,000	1,000,000	
3 (0950044) Maintenance Pool-Bluegrass Station									
Restricted Funds				200,000	200,000		700,000	700,000	
Total				200,000	200,000		700,000	700,000	
4 (0950043) Environmental Pool									
General Fund				174,000		(174,000)			
Federal Funds				635,000	635,000				
Bond Funds					174,000	174,000			
Total				809,000	809,000				
5 (0950035) Runway/Parallel Taxiway Pavement/Apron Rehabilitation									
Federal Funds				1,265,000	1,265,000				
Capital Const. Surplus				141,000	141,000				
Total				1,406,000	1,406,000				
TOTAL				3,765,000	3,765,000		2,100,000	2,100,000	

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Personnel Board

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	544,200	544,200		584,400	583,600	(800)	593,300	595,400	2,100
Restricted Funds	5,000	5,000		5,000	5,000		6,100	6,100	
Regular Total Funds	549,200	549,200		589,400	588,600	(800)	599,400	601,500	2,100
General Fund Continuing									
GRAND TOTAL FUNDS	549,200	549,200		589,400	588,600	(800)	599,400	601,500	2,100
II. EXPENDITURE CATEGORY									
Personnel Costs	461,100	461,100		502,600	501,800	(800)	519,500	521,600	2,100
Operating Expenses	88,100	88,100		86,800	86,800		79,900	79,900	
TOTAL EXPENDITURES	549,200	549,200		589,400	588,600	(800)	599,400	601,500	2,100
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	544,200	544,200		582,000	582,000		593,300	593,300	
Restricted Funds	5,000	5,000		5,000	5,000		6,100	6,100	
Regular Total Funds	549,200	549,200		587,000	587,000		599,400	599,400	
General Fund Continuing									
TOTAL BASE LEVEL	549,200	549,200		587,000	587,000		599,400	599,400	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				2,400	1,600	(800)		2,100	2,100
TOTAL ADDITIONAL				2,400	1,600	(800)		2,100	2,100
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(268P00X02)	Provide funds to support salary improvements.								
General Fund				2,400	1,600	(800)		2,100	2,100
Total				2,400	1,600	(800)		2,100	2,100
TOTAL ADDITIONAL				2,400	1,600	(800)		2,100	2,100

FB 2000-2002 BUDGET MODIFICATION REPORT

Personnel Board

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$2,400 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Maintenance of Current Services

General Fund support totaling \$24,700 in FY 2000-2001 and \$22,700 in FY 2001-2002 is provided in the Base Level Budget to provide for current services.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$1,600 in FY 2000-2001 and \$2,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly includes Part IX Special Provision Language relating to Administrative Hearings Notice that directs: Notwithstanding KRS 13B.050(2), the Personnel Board shall send notices of administrative hearings by first-class mail.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Local Government

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	10,182,900	10,182,900		17,457,200	11,452,900	(6,004,300)	11,566,700	12,189,300	622,600
Restricted Funds	1,229,000	1,229,000		665,400	665,400		671,400	671,400	
Federal Funds	42,913,000	43,088,000	175,000	47,080,800	47,080,800		44,080,800	44,080,800	
Regular Total Funds	54,324,900	54,499,900	175,000	65,203,400	59,199,100	(6,004,300)	56,318,900	56,941,500	622,600
General Fund Continuing									
GRAND TOTAL FUNDS	54,324,900	54,499,900	175,000	65,203,400	59,199,100	(6,004,300)	56,318,900	56,941,500	622,600

II. EXPENDITURE CATEGORY

Personnel Costs	4,885,300	4,885,300		4,338,200	4,333,900	(4,300)	4,458,200	4,474,800	16,600
Operating Expenses	793,100	793,100		878,100	878,100		898,100	898,100	
Grants, Loans, Benefits	48,098,500	48,273,500	175,000	59,987,100	53,987,100	(6,000,000)	50,962,600	50,962,600	
Debt Service	478,000	478,000						606,000	606,000
Capital Outlay	70,000	70,000							
TOTAL EXPENDITURES	54,324,900	54,499,900	175,000	65,203,400	59,199,100	(6,004,300)	56,318,900	56,941,500	622,600

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund	10,182,900	10,182,900		9,917,500	9,917,500		10,042,600	10,042,600	
Restricted Funds	1,229,000	1,229,000		665,400	665,400		671,400	671,400	
Federal Funds	42,913,000	42,913,000		47,080,800	47,080,800		44,080,800	44,080,800	
Regular Total Funds	54,324,900	54,324,900		57,663,700	57,663,700		54,794,800	54,794,800	
General Fund Continuing									
TOTAL BASE LEVEL	54,324,900	54,324,900		57,663,700	57,663,700		54,794,800	54,794,800	

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

General Fund				7,539,700	1,535,400	(6,004,300)	1,524,100	2,146,700	622,600
Federal Funds		175,000	175,000						
TOTAL ADDITIONAL		175,000	175,000	7,539,700	1,535,400	(6,004,300)	1,524,100	2,146,700	622,600

V. ADDITIONAL BUDGET ITEMS**1 EXPAN Training & ADD Services-Elected Officials Training**

(112AUAX05) Provide funds to support 2 PFT positions to implement provisions of 1998 HB 810, which requires DLG to certify, provide training curriculum, and track local official's completion of mandated training requirements.

General Fund				136,500	136,500		121,200	121,200	
Total				136,500	136,500		121,200	121,200	

2 EXPAN Trover Clinic Grant

(112AS0X04) Provide funds from severance tax collections to support the Trover Clinic Grant.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Local Government

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 EXPAN	Trover Clinic Grant								
(112AS0X04)	Provide funds from severance tax collections to support the Trover Clinic Grant.								
General Fund Total				1,000,000	1,000,000		1,000,000	1,000,000	
				1,000,000	1,000,000		1,000,000	1,000,000	
3 EXPAN	Renaissance Kentucky-Grant Funds								
(112AS0X03)	Provide funds for grants for the Renaissance Kentucky initiative. General Assembly: Provide debt service funds to support Bond Funds totaling \$6 million in FY 2000-2001.								
General Fund Total				6,000,000		(6,000,000)		606,000	606,000
				6,000,000		(6,000,000)		606,000	606,000
4 EXPAN	Richmond Area Arts Center-Grant Funds								
(112AS0X02)	Provide grant funds to support the Richmond Arts Center.								
General Fund Total				100,000	100,000		100,000	100,000	
				100,000	100,000		100,000	100,000	
5 EXPAN	Knott County Arts and Crafts Grant								
(112AS0X01)	Provide operating funds for the Knott County Arts and Crafts Complex.								
General Fund Total				250,000	250,000		250,000	250,000	
				250,000	250,000		250,000	250,000	
6 NEW	Wage Equity Plan								
(112AA0X04)	Provide funds to support salary improvement.								
General Fund Total				53,200	48,900	(4,300)	52,900	69,500	16,600
				53,200	48,900	(4,300)	52,900	69,500	16,600
7 NEW	Commissioner's Office-Water Resource Data Collection								
(112AGA02)	Provide pass through funds for the Area Development Districts to provide for expansion of data already collected for the Water Resources GIS database.								
Federal Funds Total		175,000	175,000						
		175,000	175,000						
TOTAL ADDITIONAL		175,000	175,000	7,539,700	1,535,400	(6,004,300)	1,524,100	2,146,700	622,600

FB 2000-2002 BUDGET MODIFICATION REPORT

Local Government

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support is provided totaling \$100,000 in each fiscal year for the Richmond Area Arts Center, totaling \$250,000 in each fiscal year for operating funds for the Knott County Arts and Crafts Complex, totaling \$6 million in FY 2000-2001 for grants for the Renaissance Kentucky initiative, and totaling \$136,500 in FY 2000-2001 and \$121,200 in FY 2001-2002 for two PFT positions to support local officials training. Additional General Fund support from Coal Severance Tax receipts totaling \$1 million in each fiscal year is provided for the Trover Clinic Grant.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional funding support totaling \$53,200 in FY 2000-2001 and \$52,900 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to Flood Control Matching Fund Project Review as follows: The Department for Local Government shall transmit a copy of the application for a flood-related project to be funded from the flood control matching fund to the Natural Resources and Environmental Protection Cabinet with a request for a review of the project pursuant to KRS Chapter 151.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly provides additional Federal Grant Funds totaling \$175,000 in FY 1999-2000 to support expansion of water resources data collection by the Area Development Districts. Debt service funds are provided from the General Fund totaling \$606,000 in FY 2001-2002 to support Bond Funds totaling \$6 in FY 2000-2001 for the Renaissance Kentucky grant program.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$48,900 in FY 2000-2001 and \$69,500 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly provides General Fund support in Part II, Capital Projects Budget, in FY 2000-2001 for the Grant County Animal Shelter (\$50,000), the City of Pleasureville Fire Department (\$12,000), the New Liberty Fire Department (\$10,000), the Owen County Volunteer Fire Department (\$10,000), the City of Ravenna Fire Department Building (\$20,000), the City of Frankfort Log Cabin Restoration Project (\$50,000), the Graves County DAV #106 Building Renovation and Property Acquisition (\$25,000), the Corbin Regional Animal Shelter (\$100,000), and the City of Irvine Fire Department Aerial Truck (\$65,000).

The General Fund grant appropriations in Part II, Capital Projects Budget and the Knott County and Richmond Area Arts Center grants in Part I, Operating Budget, are non-recurring.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Local Government

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
General Fund					342,000	342,000			
Bond Funds					6,000,000	6,000,000			
TOTAL CAPITAL					6,342,000	6,342,000			
II. CAPITAL PROJECTS									
1 (112AGA01) Renaissance Kentucky									
Bond Funds					6,000,000	6,000,000			
Total					6,000,000	6,000,000			
2 (112AGA03) Grant County Animal Shelter									
General Fund					50,000	50,000			
Total					50,000	50,000			
3 (112AGA04) Henry County-City of Pleasureville Fire Department									
General Fund					12,000	12,000			
Total					12,000	12,000			
4 (112AGA05) Owen County-New Liberty Fire Department									
General Fund					10,000	10,000			
Total					10,000	10,000			
5 (112AGA06) Owen County Volunteer Fire Department									
General Fund					10,000	10,000			
Total					10,000	10,000			
6 (112AGA07) Estill County-City of Ravenna Fire Department Building									
General Fund					20,000	20,000			
Total					20,000	20,000			
7 (112AGA08) Franklin County-City of Frankfort-Log Cabin Restoration									
General Fund					50,000	50,000			
Total					50,000	50,000			
8 (112AGA09) Graves County-DAV #106 Building Renovation/Property Acquisition									
General Fund					25,000	25,000			
Total					25,000	25,000			

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Local Government

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
II. CAPITAL PROJECTS									
9 (112AGA10) Whitley/Knox-Corbin Regional Animal Shelter									
General Fund					100,000			100,000	
Total					100,000			100,000	
<hr/>									
10 (112AGA11) Estill County-City of Irvine Fire Department-Aerial Truck									
General Fund					65,000			65,000	
Total					65,000			65,000	
<hr/>									
TOTAL					6,342,000			6,342,000	

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Special Funds
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
Regular Total Funds	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
General Fund Continuing									
GRAND TOTAL FUNDS	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
II. EXPENDITURE CATEGORY									
Grants, Loans, Benefits	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
TOTAL EXPENDITURES	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	55,290,800	55,290,800		62,622,000	61,680,900	(941,100)	64,555,000	66,205,000	1,650,000
Regular Total Funds	55,290,800	55,290,800		62,622,000	61,680,900	(941,100)	64,555,000	66,205,000	1,650,000
General Fund Continuing									
TOTAL BASE LEVEL	55,290,800	55,290,800		62,622,000	61,680,900	(941,100)	64,555,000	66,205,000	1,650,000
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,000,000	2,000,000	1,000,000	1,000,000	500,000	(500,000)
TOTAL ADDITIONAL				1,000,000	2,000,000	1,000,000	1,000,000	500,000	(500,000)
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Area Development Fund Expansion								
(112HC0X01)	Provide increase funding support for the ADF program for grants to counties or communities. The current funding level is \$1 million.								
General Fund Total					2,000,000	2,000,000			
					2,000,000	2,000,000			
2 EXPAN	Local Government Economic Assistance Fund								
(112BGA01)	Provide additional funds to support grants to local governments.								
General Fund Total								500,000	500,000
								500,000	500,000
3 NEW	Community Improvement Fund								
(112E0X01)	Provide funds to support grants to local governments for community improvement projects.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Special Funds
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
3 NEW	Community Improvement Fund								
(112E0X01)	Provide funds to support grants to local governments for community improvement projects.								
General Fund				1,000,000		(1,000,000)	1,000,000		(1,000,000)
Total				1,000,000		(1,000,000)	1,000,000		(1,000,000)
TOTAL ADDITIONAL				1,000,000	2,000,000	1,000,000	1,000,000	500,000	(500,000)

VI. EXPENDITURES BY UNIT

Area Development Fund									
General Fund	1,000,000	1,000,000		1,000,000	3,000,000	2,000,000	1,000,000	1,000,000	
Community Improvement Fund									
General Fund				1,000,000		(1,000,000)	1,000,000		(1,000,000)
Local Government Economic Assistance Fund									
General Fund	25,849,500	25,849,500		28,316,700	27,375,600	(941,100)	27,971,400	28,996,400	1,025,000
Local Government Economic Development Fund									
General Fund	28,441,300	28,441,300		33,305,300	33,305,300		35,583,600	36,708,600	1,125,000
TOTAL	55,290,800	55,290,800		63,622,000	63,680,900	58,900	65,555,000	66,705,000	1,150,000

FB 2000-2002 BUDGET MODIFICATION REPORT

Special Funds

BRANCH BUDGET

The Branch Budget recommends funding of the Local Government Economic Development Fund (LGEDF) at 41% in FY 2000-2001 and 44% in FY 2001-2002 of the coal severance tax receipts after providing funds to the Osteopathic Medicine Scholarship Program, and the Trover Clinic Grant, notwithstanding KRS 42.4582 which sets the percentage rate at 50%.

New annual appropriations are provided totaling \$1,420,000 in FY 2000-2001 and \$1,379,500 in FY 2001-2002 to the Osteopathic Medicine Scholarship program, and \$1,000,000 in FY 2000-2001 and in FY 2001-2002 for grant funds to the Trover Clinic.

The Branch Budget recommended funding of the LGEDF includes a \$5 million adjustment in FY 2001-2002 to provide a coal industry related tax reduction pending the enactment of enabling legislation.

The Branch Budget recommends funding of the Local Government Economic Assistance Fund (LGEAF) at 14% of the coal severance tax receipts in each year, notwithstanding KRS 42.4585 which sets the percentage at 13%.

Notwithstanding KRS 48.185, the Area Development Fund is provided \$1 million from the General Fund in each year of the biennium.

The Branch Budget recommendation provides additional General Fund support totaling \$1 million in each year of the biennium for the Community Improvement Fund.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct: Notwithstanding KRS 42.4588(2) and (4), beginning in FY 1999-2000 and continuing in FY 2000-2001 and FY 2001-2002, twenty percent (20%) of the payments from LGEDF made to Bell, Boyd, Breathitt, Carter, Clay, Daviess, Floyd, Harlan, Henderson, Hopkins, Johnson, Knott, Knox, Lawrence, Lee, Leslie, Letcher, McLean, Magoffin, Martin, Muhlenberg, Ohio, Owsley, Perry, Pike, Union, Webster, Whitley, and Wolfe Counties will be set aside for job training grants within coal counties. Union County will not participate in the program in FY 1999-2000. The Coal County Development Office will administer the job training grant program.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct: Notwithstanding KRS 42.4592, annual appropriations are made totaling \$461,000 in FY 2000-2001 and \$472,000 in FY 2001-2002 to the East Kentucky Corporation; \$358,000 in FY 2000-2001 and \$367,000 in FY 2001-2002 to the West Kentucky Corporation; \$880,000 in FY 2000-2001 and \$811,000 in FY 2001-2002 to the Coal County Development Office; and \$537,600 in FY 2000-2001 and \$550,500 in FY 2001-2002 for the Kentucky Appalachian Regional Commission (ARC) and related ARC expenditures. KRS 42.4586 is suspended to provide the annual appropriation of \$938,300 in FY 2000-2001 and \$960,800 in FY 2001-2002 to the Secondary Wood Products Development Fund. The above appropriations are directed to be calculated and allocated quarterly.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The General Assembly recommends funding of the Local Government Economic Development Fund (LGEDF) at 40% in FY 2000-2001 and 44% in FY 2001-2002 of the coal severance tax receipts after providing funds to the Osteopathic Medicine Scholarship Program, and the Trover Clinic Grant, notwithstanding KRS 42.4582 which sets the percentage rate at 50%.

FB 2000-2002 BUDGET MODIFICATION REPORT

Special Funds

The General Assembly provides funding for the Local Government Economic Assistance Fund (LGEAF) at 13% of the coal severance tax receipts in FY 2000-2001 and 14% of the coal severance tax receipts in FY 2001-2002, notwithstanding KRS 42.4585 which sets the percentage at 13%.

The General Assembly adjusts the estimated coal severance tax receipts to add the \$5 million, initially set aside in FY 2001-2002 in the Branch Budget to provide for a coal industry related tax reduction pending enactment of enabling legislation. The legislation to provide the coal industry tax cut was not introduced. Notwithstanding KRS 42.4585, additional General Fund support totaling \$500,000 is provided in FY 2001-2002 for the LGEAF.

The General Assembly provides General Fund support totaling \$3 million in FY 2000-2001 and \$1 million in FY 2001-2002 for the Area Development Fund.

The General Assembly amends, Part I, Operating Budget, language provisions to include \$458,000 in fiscal year 2000-2001 and \$467,000 in FY 2001-2002 to the West Kentucky Corporation.

The General Assembly authorizes the Cabinet for Economic Development to expend up to \$4 million for the purpose of supporting the Appalachian Regional Hospital expansion project from the multi-county Local Government Economic Development Funds.

The General Assembly includes in Part II, Capital Projects Budget Section S, the distribution of coal severance tax receipts from the Local Government Economic Assistance Fund Single County Accounts.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Commission on Human Rights

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	1,962,400	1,962,400		2,051,000	2,036,000	(15,000)	2,129,400	2,088,300	(41,100)
Restricted Funds	30,000	30,000		12,000	12,000		12,400	12,400	
Federal Funds	189,500	370,500	181,000	129,400	129,400		170,800	170,800	
Regular Total Funds	2,181,900	2,362,900	181,000	2,192,400	2,177,400	(15,000)	2,312,600	2,271,500	(41,100)
General Fund Continuing									
GRAND TOTAL FUNDS	2,181,900	2,362,900	181,000	2,192,400	2,177,400	(15,000)	2,312,600	2,271,500	(41,100)
II. EXPENDITURE CATEGORY									
Personnel Costs	1,675,000	1,675,000		1,746,200	1,731,200	(15,000)	1,861,400	1,820,300	(41,100)
Operating Expenses	506,900	687,900	181,000	446,200	446,200		451,200	451,200	
TOTAL EXPENDITURES	2,181,900	2,362,900	181,000	2,192,400	2,177,400	(15,000)	2,312,600	2,271,500	(41,100)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	1,962,400	1,962,400		2,015,900	2,015,900		2,061,900	2,061,900	
Restricted Funds	30,000	30,000		12,000	12,000		12,400	12,400	
Federal Funds	189,500	189,500		129,400	129,400		170,800	170,800	
Regular Total Funds	2,181,900	2,181,900		2,157,300	2,157,300		2,245,100	2,245,100	
General Fund Continuing									
TOTAL BASE LEVEL	2,181,900	2,181,900		2,157,300	2,157,300		2,245,100	2,245,100	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				35,100	20,100	(15,000)	67,500	26,400	(41,100)
Federal Funds		181,000	181,000						
TOTAL ADDITIONAL		181,000	181,000	35,100	20,100	(15,000)	67,500	26,400	(41,100)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(370CA0X04)	Provide funds to support salary improvements.								
General Fund				35,100	20,100	(15,000)	67,500	26,400	(41,100)
Total				35,100	20,100	(15,000)	67,500	26,400	(41,100)

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Commission on Human Rights

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 MTCE	Fair Housing and Equal Opportunity Programs								
(370GA01)	Provide Federal Funds to support fair housing and equal employment opportunity programs.								
Federal Funds		181,000	181,000						
Total		181,000	181,000						
TOTAL ADDITIONAL		181,000	181,000	35,100	20,100	(15,000)	67,500	26,400	(41,100)

FB 2000-2002 BUDGET MODIFICATION REPORT

Commission on Human Rights

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with General Fund support totaling \$35,100 in FY 2000-2001 and \$67,500 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The General Assembly provides additional Federal Funds totaling \$181,000 in FY 1999-2000 to support fair housing and equal employment opportunity programs.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$20,100 in FY 2000-2001 and \$26,400 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Commission on Women

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	253,600	253,600		261,000	262,500	1,500	265,900	269,900	4,000
Restricted Funds							3,200	3,200	
Federal Funds				100	100		100	100	
Regular Total Funds	253,600	253,600		261,100	262,600	1,500	269,200	273,200	4,000
General Fund Continuing									
GRAND TOTAL FUNDS	253,600	253,600		261,100	262,600	1,500	269,200	273,200	4,000
II. EXPENDITURE CATEGORY									
Personnel Costs	172,800	172,800		179,900	181,400	1,500	187,100	191,100	4,000
Operating Expenses	80,800	80,800		81,200	81,200		82,100	82,100	
TOTAL EXPENDITURES	253,600	253,600		261,100	262,600	1,500	269,200	273,200	4,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	253,600	253,600		259,700	259,700		265,900	265,900	
Restricted Funds							3,200	3,200	
Federal Funds				100	100		100	100	
Regular Total Funds	253,600	253,600		259,800	259,800		269,200	269,200	
General Fund Continuing									
TOTAL BASE LEVEL	253,600	253,600		259,800	259,800		269,200	269,200	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,300	2,800	1,500		4,000	4,000
TOTAL ADDITIONAL				1,300	2,800	1,500		4,000	4,000
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(400VA0X01)	Provide funds to support salary improvements.								
General Fund				1,300	2,800	1,500		4,000	4,000
Total				1,300	2,800	1,500		4,000	4,000
TOTAL ADDITIONAL				1,300	2,800	1,500		4,000	4,000

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Commission on Women

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$1,300 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$2,800 in FY 2000-2001 and \$4,000 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Kentucky Retirement Systems

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	16,132,400	16,132,400		11,713,400	11,713,400		13,863,000	13,863,000	
Regular Total Funds	16,132,400	16,132,400		11,713,400	11,713,400		13,863,000	13,863,000	
General Fund Continuing									
GRAND TOTAL FUNDS	16,132,400	16,132,400		11,713,400	11,713,400		13,863,000	13,863,000	
II. EXPENDITURE CATEGORY									
Personnel Costs	14,085,200	14,085,200		9,501,000	9,501,000		11,050,400	11,050,400	
Operating Expenses	1,819,600	1,819,600		2,166,900	2,166,900		2,801,100	2,801,100	
Capital Outlay	227,600	227,600		45,500	45,500		11,500	11,500	
TOTAL EXPENDITURES	16,132,400	16,132,400		11,713,400	11,713,400		13,863,000	13,863,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	16,132,400	16,132,400		11,490,500	11,490,500		11,495,500	11,495,500	
Regular Total Funds	16,132,400	16,132,400		11,490,500	11,490,500		11,495,500	11,495,500	
General Fund Continuing									
TOTAL BASE LEVEL	16,132,400	16,132,400		11,490,500	11,490,500		11,495,500	11,495,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds				222,900	222,900		2,367,500	2,367,500	
TOTAL ADDITIONAL				222,900	222,900		2,367,500	2,367,500	
V. ADDITIONAL BUDGET ITEMS									
1 MTCE	Maintenance of Current Services								
(100HA0X02)	Provide funds to support 2 full-time positions in the Current Services budget.								
Restricted Funds				41,300	41,300		86,500	86,500	
Total				41,300	41,300		86,500	86,500	
2 EXPAN	Member Services - Additional Personnel								
(100HA0X01)	Provide funds to support 65 additional full-time positions in FY 2001-2002 due to increased member services demands.								
Restricted Funds							2,018,100	2,018,100	
Total							2,018,100	2,018,100	
3 NEW	Wage Equity Plan								
(100HA0X03)	Provide funds to support salary improvements.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Kentucky Retirement Systems

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
3 NEW Wage Equity Plan									
(100HA0X03) Provide funds to support salary improvements.									
Restricted Funds				181,600	181,600		262,900	262,900	
Total				181,600	181,600		262,900	262,900	
TOTAL ADDITIONAL				222,900	222,900		2,367,500	2,367,500	

FB 2000-2002 BUDGET MODIFICATION REPORT

Kentucky Retirement Systems

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$181,600 in FY 2000-2001 and \$262,900 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Additional Restricted Funds totaling \$41,300 in FY 2000-2001 and \$86,500 in FY 2001-2002 are provided to support 2 existing full-time staff positions.

Additional Restricted Funds are provided in the amount of \$2,018,100 in FY 2001-2002 to support 65 additional full-time positions in FY 2001-2002 due to increased member services demands.

The Branch Budget Bill, Part II, Capital Projects Budget, authorizes 2 leases of real property in Franklin County, with costs that exceed \$200,000 per year per lease.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$181,600 in FY 2000-2001 and \$262,900 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

Part II, Capital Budget, provides Restricted Funds totaling \$250,000 in FY 2000-2001 for an Information Technology System Upgrade.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Kentucky Retirement Systems

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds					250,000	250,000			
TOTAL CAPITAL					250,000	250,000			

II. CAPITAL PROJECTS

1 (1000001) Franklin County - Lease - (Perimeter Park West Number One)

Total

2 (1000002) Franklin County - Lease - (Perimeter Park West Number Two)

Total

3 (100GA01) Information Technology System Upgrade

Restricted Funds

Total

250,000 250,000

250,000 250,000

TOTAL

250,000 250,000

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Registry of Election Finance

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,409,000	2,409,000		3,487,000	482,900	(3,004,100)	3,556,700	1,557,200	(1,999,500)
Restricted Funds				200,000	200,000		20,000	20,000	
Regular Total Funds	2,409,000	2,409,000		3,687,000	682,900	(3,004,100)	3,576,700	1,577,200	(1,999,500)
General Fund Continuing	(1,000,000)	(1,000,000)		(2,000,000)	1,000,000	3,000,000	(2,000,000)		2,000,000
GRAND TOTAL FUNDS	1,409,000	1,409,000		1,687,000	1,682,900	(4,100)	1,576,700	1,577,200	500
II. EXPENDITURE CATEGORY									
Personnel Costs	984,500	984,500		1,070,100	1,066,000	(4,100)	1,152,200	1,152,700	500
Operating Expenses	424,500	424,500		616,900	616,900		424,500	424,500	
TOTAL EXPENDITURES	1,409,000	1,409,000		1,687,000	1,682,900	(4,100)	1,576,700	1,577,200	500
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,409,000	2,409,000		3,442,800	442,800	(3,000,000)	3,477,400	1,477,400	(2,000,000)
Restricted Funds				200,000	200,000		20,000	20,000	
Regular Total Funds	2,409,000	2,409,000		3,642,800	642,800	(3,000,000)	3,497,400	1,497,400	(2,000,000)
General Fund Continuing	(1,000,000)	(1,000,000)		(2,000,000)	1,000,000	3,000,000	(2,000,000)		2,000,000
TOTAL BASE LEVEL	1,409,000	1,409,000		1,642,800	1,642,800		1,497,400	1,497,400	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				44,200	40,100	(4,100)	79,300	79,800	500
TOTAL ADDITIONAL				44,200	40,100	(4,100)	79,300	79,800	500
V. ADDITIONAL BUDGET ITEMS									
1 MTCE	Maintenance of Current Services								
(066NA0X01)	Provide funds to support increase operating costs and two full-time positions.								
General Fund				35,200	35,200		73,000	73,000	
Total				35,200	35,200		73,000	73,000	
2 NEW	Wage Equity Plan								
(066NA0X02)	Provide funds to support salary improvements.								
General Fund				9,000	4,900	(4,100)	6,300	6,800	500
Total				9,000	4,900	(4,100)	6,300	6,800	500
TOTAL ADDITIONAL				44,200	40,100	(4,100)	79,300	79,800	500

FB 2000-2002 BUDGET MODIFICATION REPORT

Registry of Election Finance

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund moneys totaling \$35,200 in FY 2000-2001 and \$73,000 in FY 2001-2002 are budgeted to support increased operating costs of existing programs and services.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$9,000 in FY 2000-2001 and \$6,300 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget directs, Notwithstanding KRS 45.229, \$1,000,000 of the General Fund appropriation from fiscal year 1999-2000 shall not lapse and shall carry forward to fiscal year 2000-2001 and \$3,000,000 of the General Fund appropriation above from fiscal year 2000-2001 shall not lapse and shall carry forward into fiscal year 2001-2002 for the Election Campaign Fund.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$4,900 in FY 2000-2001 and \$6,800 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly amends, Part I, Operating Budget language provision to read as follows: Notwithstanding KRS 45.229 \$1,000,000 of the General Fund appropriation from fiscal year 1999-2000 shall not lapse and shall carry forward to fiscal year 2000-2001. It is the intent of the General Assembly that the Election Campaign Finance Fund be supported and continued.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Boards and Commissions
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	13,802,500	13,802,500		14,642,800	14,642,800		15,149,900	15,149,900	
Regular Total Funds	13,802,500	13,802,500		14,642,800	14,642,800		15,149,900	15,149,900	
General Fund Continuing									
GRAND TOTAL FUNDS	13,802,500	13,802,500		14,642,800	14,642,800		15,149,900	15,149,900	
II. EXPENDITURE CATEGORY									
Personnel Costs	9,500,700	9,500,700		10,261,300	10,261,300		10,794,600	10,794,600	
Operating Expenses	3,413,300	3,413,300		3,887,500	3,887,500		3,870,800	3,870,800	
Grants, Loans, Benefits	845,000	845,000		455,500	455,500		455,500	455,500	
Capital Outlay	43,500	43,500		38,500	38,500		29,000	29,000	
TOTAL EXPENDITURES	13,802,500	13,802,500		14,642,800	14,642,800		15,149,900	15,149,900	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	13,802,500	13,802,500		14,547,400	14,547,400		15,046,800	15,046,800	
Regular Total Funds	13,802,500	13,802,500		14,547,400	14,547,400		15,046,800	15,046,800	
General Fund Continuing									
TOTAL BASE LEVEL	13,802,500	13,802,500		14,547,400	14,547,400		15,046,800	15,046,800	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds				95,400	95,400		103,100	103,100	
TOTAL ADDITIONAL				95,400	95,400		103,100	103,100	
V. ADDITIONAL BUDGET ITEMS									
1 NEW Wage Equity Plan									
(245BN0X01) Provide funds to support salary improvements.									
Restricted Funds				95,400	95,400		103,100	103,100	
Total				95,400	95,400		103,100	103,100	
TOTAL ADDITIONAL				95,400	95,400		103,100	103,100	
VI. EXPENDITURES BY UNIT									
Accountancy									
Restricted Funds	561,500	561,500		782,300	782,300		723,900	723,900	
Alcohol and Drug Counselors									
Restricted Funds	77,500	77,500		78,300	78,300		89,700	89,700	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Boards and Commissions
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
VI. EXPENDITURES BY UNIT									
Architects									
Restricted Funds	202,500	202,500		204,700	204,700		218,800	218,800	
Art Therapists									
Restricted Funds	7,000	7,000		9,600	9,600		11,100	11,100	
Athletic Commission									
Restricted Funds	78,500	78,500		118,700	118,700		130,900	130,900	
Auctioneers									
Restricted Funds	268,500	268,500		340,600	340,600		351,000	351,000	
Barbering									
Restricted Funds	222,500	222,500		210,700	210,700		209,000	209,000	
Board of Interpreters for Deaf & Hard of Hearing									
Restricted Funds	60,000	60,000		71,400	71,400		79,500	79,500	
Certification of Fee-Based Pastoral Counselors									
Restricted Funds	20,000	20,000		17,200	17,200		20,600	20,600	
Chiropractic Examiners									
Restricted Funds	139,500	139,500		162,400	162,400		173,800	173,800	
Dentistry									
Restricted Funds	412,500	412,500		436,300	436,300		461,500	461,500	
Dietitians and Nutritionists									
Restricted Funds	43,000	43,000		58,800	58,800		68,000	68,000	
Embalmers and Funeral Home Directors									
Restricted Funds	170,500	170,500		202,400	202,400		209,900	209,900	
Engineers and Land Surveyors									
Restricted Funds	1,033,000	1,033,000		1,092,400	1,092,400		1,134,100	1,134,100	
Geologists									
Restricted Funds	137,000	137,000		142,600	142,600		155,800	155,800	
Hairdressers and Cosmetologists									
Restricted Funds	876,000	876,000		981,800	981,800		1,041,300	1,041,300	
Hearing Instrument Specialists									
Restricted Funds	32,000	32,000		53,000	53,000		61,100	61,100	
Landscape Architecture									
Restricted Funds	47,000	47,000		51,800	51,800		54,200	54,200	
Marriage and Family Therapists									

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Boards and Commissions
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
VI. EXPENDITURES BY UNIT									
Marriage and Family Therapists									
Restricted Funds	34,000	34,000		64,100	64,100		72,500	72,500	
Medical Licensure									
Restricted Funds	1,669,500	1,669,500		1,759,200	1,759,200		1,827,300	1,827,300	
Nursing									
Restricted Funds	3,284,000	3,284,000		3,277,700	3,277,700		3,354,100	3,354,100	
Nursing Home Administrators									
Restricted Funds	80,500	80,500		85,000	85,000		89,000	89,000	
Occupational Therapy									
Restricted Funds	51,500	51,500		66,800	66,800		76,600	76,600	
Ophthalmic Dispensers									
Restricted Funds	36,500	36,500		46,800	46,800		55,200	55,200	
Optometric Examiners									
Restricted Funds	135,500	135,500		146,700	146,700		143,800	143,800	
Pharmacy									
Restricted Funds	716,000	716,000		752,800	752,800		786,600	786,600	
Physical Therapy									
Restricted Funds	255,000	255,000		297,800	297,800		301,100	301,100	
Podiatry									
Restricted Funds	9,500	9,500		13,500	13,500		13,500	13,500	
Professional Counselors									
Restricted Funds	20,000	20,000		42,000	42,000		46,800	46,800	
Psychology									
Restricted Funds	190,500	190,500		195,600	195,600		207,900	207,900	
Real Estate Appraisers Board									
Restricted Funds	474,500	474,500		495,500	495,500		511,700	511,700	
Real Estate Commission									
Restricted Funds	2,093,000	2,093,000		1,888,800	1,888,800		1,911,400	1,911,400	
Respiratory Care									
Restricted Funds	80,500	80,500		100,600	100,600		111,300	111,300	
Social Workers									
Restricted Funds	94,000	94,000		123,000	123,000		140,000	140,000	
Speech Pathologists and Audiologists									

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Boards and Commissions
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
VI. EXPENDITURES BY UNIT									
Speech Pathologists and Audiologists									
Restricted Funds	62,000	62,000		96,900	96,900		109,000	109,000	
Veterinary Examiners									
Restricted Funds	127,500	127,500		175,000	175,000		197,900	197,900	
TOTAL	13,802,500	13,802,500		14,642,800	14,642,800		15,149,900	15,149,900	

FB 2000-2002 BUDGET MODIFICATION REPORT

Boards and Commissions

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 for the 36 Occupational and Professional Licensing and Regulatory Boards and Commissions with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$95,400 in FY 2000-2001 and \$103,100 in FY 2001-2002 are budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget Bill, Part I, Operating Budget includes language provisions that direct the following:

Real Estate Commission

Included in the Restricted Funds appropriation for the Real Estate Commission is \$797,500 in FY 2000-2001 and \$800,000 in FY 2001-2002 for Real Estate Education and Recovery.

Board of Nursing

Included in the Restricted Funds appropriation for the Board of Nursing is \$200,000 in each fiscal year for Nursing Incentive Scholarship Program.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$95,400 in FY 2000-2001 and \$103,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Governmental Services Center

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	1,382,000	1,382,000		1,478,000	1,478,000		1,512,000	1,512,000	
Regular Total Funds	1,382,000	1,382,000		1,478,000	1,478,000		1,512,000	1,512,000	
General Fund Continuing									
GRAND TOTAL FUNDS	1,382,000	1,382,000		1,478,000	1,478,000		1,512,000	1,512,000	
II. EXPENDITURE CATEGORY									
Personnel Costs	1,060,300	1,060,300		1,156,000	1,156,000		1,216,000	1,216,000	
Operating Expenses	313,700	313,700		314,000	314,000		288,000	288,000	
Capital Outlay	8,000	8,000		8,000	8,000		8,000	8,000	
TOTAL EXPENDITURES	1,382,000	1,382,000		1,478,000	1,478,000		1,512,000	1,512,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	1,382,000	1,382,000		1,400,400	1,400,400		1,434,100	1,434,100	
Regular Total Funds	1,382,000	1,382,000		1,400,400	1,400,400		1,434,100	1,434,100	
General Fund Continuing									
TOTAL BASE LEVEL	1,382,000	1,382,000		1,400,400	1,400,400		1,434,100	1,434,100	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
Restricted Funds				77,600	77,600		77,900	77,900	
TOTAL ADDITIONAL				77,600	77,600		77,900	77,900	
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Governmental Services Center-Virtual Training Program								
(780HAAX01)	Provide funds to support 1 PFT position and operating costs to develop partnership with Commonwealth Virtual University. Classes offered through the internet include the Certified Public Manager program courses.								
Restricted Funds				62,800	62,800		62,800	62,800	
Total				62,800	62,800		62,800	62,800	
2 NEW	Wage Equity Plan								
(780HAAX02)	Provide funds to support salary improvement.								
Restricted Funds				14,800	14,800		15,100	15,100	
Total				14,800	14,800		15,100	15,100	
TOTAL ADDITIONAL				77,600	77,600		77,900	77,900	

FB 2000-2002 BUDGET MODIFICATION REPORT

Governmental Services Center

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

Restricted Funds totaling \$62,800 in FY 2000-2001 and in FY 2001-2002 are provided for one PFT position and operating costs for the virtual training initiative; and includes a billing rate to affected agencies of \$33.64 per employee.

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, supplemented with additional Restricted Funds support totaling \$14,800 in FY 2000-2001 and \$15,100 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 of each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, Restricted Funds are provided in the amount of \$14,800 in FY 2000-2001 and \$15,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Executive Branch Ethics Commission

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	281,400	281,400		295,000	295,000		310,000	310,000	
Restricted Funds	3,000	3,000		6,000	6,000		10,000	10,000	
Regular Total Funds	284,400	284,400		301,000	301,000		320,000	320,000	
General Fund Continuing									
GRAND TOTAL FUNDS	284,400	284,400		301,000	301,000		320,000	320,000	
II. EXPENDITURE CATEGORY									
Personnel Costs	264,900	264,900		271,000	271,000		288,000	288,000	
Operating Expenses	19,500	19,500		30,000	30,000		32,000	32,000	
TOTAL EXPENDITURES	284,400	284,400		301,000	301,000		320,000	320,000	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	281,400	281,400		282,000	282,000		291,000	291,000	
Restricted Funds	3,000	3,000		3,600	3,600		10,000	10,000	
Regular Total Funds	284,400	284,400		285,600	285,600		301,000	301,000	
General Fund Continuing									
TOTAL BASE LEVEL	284,400	284,400		285,600	285,600		301,000	301,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				13,000	13,000		19,000	19,000	
Restricted Funds				2,400	2,400				
TOTAL ADDITIONAL				15,400	15,400		19,000	19,000	
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Legal Services								
(354AA0X01)	Provide funds to support the cost of legal services to the Commission.								
General Fund				13,000	13,000		19,000	19,000	
Total				13,000	13,000		19,000	19,000	
2 NEW	Wage Equity Plan								
(354AA0X03)	Provide funds to support salary improvements.								
Restricted Funds				2,400	2,400				
Total				2,400	2,400				
TOTAL ADDITIONAL				15,400	15,400		19,000	19,000	

FB 2000-2002 BUDGET MODIFICATION REPORT

Executive Branch Ethics Commission

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Wage Equity Plan funding, which includes the value of an annual 5% adjustment in personnel costs, is budgeted to provide a guaranteed COLA salary adjustment for each employee on July each fiscal year equal to 2.4%. Additional salary adjustments equal to 1% , 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increases in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Additional General Fund support totaling \$13,000 in FY 2000-2001 and \$19,000 in FY 2001-2002 is provided to support the costs of legal services to the Commission.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in FY 2000-2001 and in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2000, and on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 or each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Appropriations Not Otherwise Classified
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund Special	470,000	470,000							
General Fund	4,803,500	4,803,500		40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
Regular Total Funds	5,273,500	5,273,500		40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
General Fund Continuing	47,584,100	47,584,100		21,000,000	21,000,000				
GRAND TOTAL FUNDS	52,857,600	52,857,600		61,216,500	51,216,500	(10,000,000)	5,050,500	5,050,500	
II. EXPENDITURE CATEGORY									
Personnel Costs	2,796,000	2,796,000		2,994,000	2,994,000		2,828,000	2,828,000	
Operating Expenses	50,059,100	50,059,100		58,220,000	48,220,000	(10,000,000)	2,220,000	2,220,000	
Grants, Loans, Benefits	2,500	2,500		2,500	2,500		2,500	2,500	
TOTAL EXPENDITURES	52,857,600	52,857,600		61,216,500	51,216,500	(10,000,000)	5,050,500	5,050,500	
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	4,803,500	4,803,500		40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
Regular Total Funds	4,803,500	4,803,500		40,216,500	30,216,500	(10,000,000)	5,050,500	5,050,500	
General Fund Continuing	47,584,100	47,584,100		21,000,000	21,000,000				
TOTAL BASE LEVEL	52,387,600	52,387,600		61,216,500	51,216,500	(10,000,000)	5,050,500	5,050,500	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund Special	470,000	470,000							
TOTAL ADDITIONAL	470,000	470,000							
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN Attorney General Expense-Additional									
(760N01X01) Provide funds to support costs incurred by the Attorney General in defending state employees and former state employees.									
General Fund	470,000	470,000							
Total	470,000	470,000							
TOTAL ADDITIONAL	470,000	470,000							
VI. EXPENDITURES BY UNIT									
ANOC-Judgments									
General Fund	47,584,100	47,584,100		56,000,000	46,000,000	(10,000,000)			
Attorney General Expense									
General Fund	620,000	620,000		225,000	225,000		225,000	225,000	
Blanket Employee Bonds									

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Appropriations Not Otherwise Classified
Appropriation Unit: Summary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
VI. EXPENDITURES BY UNIT									
Blanket Employee Bonds									
General Fund				200,000	200,000				
Board of Claims Award									
General Fund	600,000	600,000		600,000	600,000		600,000	600,000	
Frankfort Cemetery									
General Fund	2,500	2,500		2,500	2,500		2,500	2,500	
Frankfort In Lieu of Taxes									
General Fund	195,000	195,000		195,000	195,000		195,000	195,000	
Guardian Ad Litem									
General Fund	2,000,000	2,000,000		2,000,000	2,000,000		2,000,000	2,000,000	
Insurance Reimbursements									
General Fund	60,000	60,000		50,000	50,000		50,000	50,000	
Involuntary Commitments-ICF/MR									
General Fund	60,000	60,000		50,000	50,000		50,000	50,000	
Master Commissioner Employers Retirement									
General Fund	280,000	280,000		240,000	240,000		264,000	264,000	
Master Commissioners Social Security									
General Fund	166,000	166,000		216,000	216,000		226,000	226,000	
Police and Firefighters Life Insurance									
General Fund	300,000	300,000		250,000	250,000		250,000	250,000	
Prior Year Claims									
General Fund	400,000	400,000		400,000	400,000		400,000	400,000	
Unredeemed Checks Refunded									
General Fund	300,000	300,000		500,000	500,000		500,000	500,000	
Workers Compensation									
General Fund	290,000	290,000		288,000	288,000		288,000	288,000	
TOTAL	52,857,600	52,857,600		61,216,500	51,216,500	(10,000,000)	5,050,500	5,050,500	

FB 2000-2002 BUDGET MODIFICATION REPORT

Miscellaneous Appropriations

BRANCH BUDGET

The Branch Budget recommends funding from the General Fund for payments of Miscellaneous Appropriations (Appropriations Not Otherwise Classified - ANOC) items in FB 2000-2002. Branch Budget recommends additional General Fund support of \$470,000 in FY 1999-2000 for Attorney General Expense unit.

The Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct: Any remaining appropriation in the Judgments account at the end of fiscal year 1999-2000 or fiscal year 2000-2001 shall not lapse but shall be carried forward into fiscal years 2000-2001 and 2001-2002, respectively, notwithstanding KRS 45.229; no money shall be refunded, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and with the approval of the Secretary of the Finance and Administration Cabinet, subject to the conditions and procedures provided in this Act; and funds required to pay the costs of items included within the Miscellaneous Appropriations category are appropriated, and any required expenditure over the above amounts is to be paid first from the General Fund Surplus Account (KRS 48.700) if available or from any available balance in either the Judgments budget unit appropriation or the Budget Reserve Trust Fund Account (KRS 48.705), subject to the conditions and procedures provided in this Act.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following change:

The General Assembly provides support from the General Fund for Judgments totaling \$46 million in FY 2000-2001 which includes \$25 million regular appropriation.

The General Assembly amends Part X, General Fund Surplus Expenditure Plan, language provision to provide for an appropriation of up to \$6 million to the Court Ordered Judgments Funding Account, in the event that the total General Fund surplus revenue balance exceeds \$130,000,000.

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Government Operations

Agency: Government Operations
Appropriation Unit: Kentucky Kare Health Insurance Authority

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
Restricted Funds	1,042,500	1,042,500							
Regular Total Funds	1,042,500	1,042,500							
General Fund Continuing									
GRAND TOTAL FUNDS	1,042,500	1,042,500							
II. EXPENDITURE CATEGORY									
Personnel Costs	915,500	915,500							
Operating Expenses	102,000	102,000							
Capital Outlay	25,000	25,000							
TOTAL EXPENDITURES	1,042,500	1,042,500							
III. BASE LEVEL BUDGET BY FUND SOURCE									
Restricted Funds	1,042,500	1,042,500							
Regular Total Funds	1,042,500	1,042,500							
General Fund Continuing									
TOTAL BASE LEVEL	1,042,500	1,042,500							

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Kentucky Kare Health Insurance Authority

BRANCH BUDGET

The Branch Budget recommends no funding for services and programs in FB 2000-2002. The Kentucky Kare Health Insurance Authority was dissolved during FY 1999-2000. The Commonwealth will continue to honor any claims for two successive fiscal years.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget.

**FB 2000-2002 COMMONWEALTH BUDGET
FINAL BUDGET MEMORANDUM**

ECONOMIC DEVELOPMENT

JUNE 7, 2000

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**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
GENERAL FUND BY BUDGET UNIT**

Cabinet/Function: Economic Development

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
Secretary	4,491,000	3,210,000	1,955,000	(1,255,000)	1,392,000	1,392,000	
Administration and Support	2,008,000	2,120,000	2,104,500	(15,500)	2,205,000	2,198,700	(6,300)
Business Development	2,413,000	2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
Financial Incentives	3,353,000	3,676,000	3,669,400	(6,600)	3,695,000	3,693,200	(1,800)
Community Development	3,162,000	2,961,000	2,951,100	(9,900)	3,071,000	3,068,100	(2,900)
Debt Service	666,000				406,000	612,000	206,000
Operating Budget Subtotal	16,093,000	14,481,000	13,183,400	(1,297,600)	13,364,000	13,535,800	171,800
Continuing Appropriations							
Financial Incentives	(184,900)						
Operating Budget Total	15,908,100	14,481,000	13,183,400	(1,297,600)	13,364,000	13,535,800	171,800

Note: FY 1999-2000 Budget includes any supplemental appropriations, as provided by the 2000 General Assembly.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
RESTRICTED FUNDS BY BUDGET UNIT**

Cabinet/Function: Economic Development

	FY 2000-2001			FY 2001-2002			
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
Secretary		3,063,000	3,163,000	100,000	2,900,000	3,000,000	100,000
Administration and Support	223,000	160,000	160,000		160,000	160,000	
Financial Incentives	2,999,200	1,768,000	1,768,000		1,834,000	1,834,000	
Community Development	166,600	188,000	188,000		456,000	456,000	
Operating Budget Total	3,388,800	5,179,000	5,279,000	100,000	5,350,000	5,450,000	100,000

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
FEDERAL FUNDS BY BUDGET UNIT**

Cabinet/Function: Economic Development

	FY 2000-2001			FY 2001-2002			
	FY 1999-2000 Budget	Branch	General Assembly	Difference	Branch	General Assembly	Difference
Business Development	168,000						
Community Development	160,000	160,000	160,000		160,000	160,000	
Operating Budget Total	328,000	160,000	160,000		160,000	160,000	

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY
TOTAL FUNDS BY BUDGET UNIT**

Cabinet/Function: Economic Development

	FY 1999-2000 Budget	FY 2000-2001			FY 2001-2002		
		Branch	General Assembly	Difference	Branch	General Assembly	Difference
Secretary	4,491,000	6,273,000	5,118,000	(1,155,000)	4,292,000	4,392,000	100,000
Administration and Support	2,231,000	2,280,000	2,264,500	(15,500)	2,365,000	2,358,700	(6,300)
Business Development	2,581,000	2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
Financial Incentives	6,352,200	5,444,000	5,437,400	(6,600)	5,529,000	5,527,200	(1,800)
Community Development	3,488,600	3,309,000	3,299,100	(9,900)	3,687,000	3,684,100	(2,900)
Debt Service	666,000				406,000	612,000	206,000
Operating Budget Subtotal	19,809,800	19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800
Continuing Appropriations							
Financial Incentives	(184,900)						
Operating Budget Total	19,624,900	19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Summary
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	16,093,000	16,093,000		14,481,000	13,183,400	(1,297,600)	13,364,000	13,535,800	171,800
Restricted Funds	3,388,800	3,388,800		5,179,000	5,279,000	100,000	5,350,000	5,450,000	100,000
Federal Funds	328,000	328,000		160,000	160,000		160,000	160,000	
Regular Total Funds	19,809,800	19,809,800		19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800
General Fund Continuing	(184,900)	(184,900)							
GRAND TOTAL FUNDS	19,624,900	19,624,900		19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800
II. EXPENDITURE CATEGORY									
Personnel Costs	9,456,300	9,456,300		10,389,000	10,441,400	52,400	11,115,000	11,180,800	65,800
Operating Expenses	2,263,800	2,263,800		2,696,000	2,696,000		2,463,000	2,463,000	
Grants, Loans, Benefits	7,220,800	7,220,800		6,720,000	5,470,000	(1,250,000)	4,890,000	4,890,000	
Debt Service	666,000	666,000					406,000	612,000	206,000
Capital Outlay	18,000	18,000		15,000	15,000				
TOTAL EXPENDITURES	19,624,900	19,624,900		19,820,000	18,622,400	(1,197,600)	18,874,000	19,145,800	271,800
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	16,093,000	16,093,000		12,483,000	12,483,000		12,819,000	12,819,000	
Restricted Funds	3,388,800	3,388,800		3,944,000	3,944,000		4,046,000	4,046,000	
Federal Funds	328,000	328,000		160,000	160,000		160,000	160,000	
Regular Total Funds	19,809,800	19,809,800		16,587,000	16,587,000		17,025,000	17,025,000	
General Fund Continuing	(184,900)	(184,900)							
TOTAL BASE LEVEL	19,624,900	19,624,900		16,587,000	16,587,000		17,025,000	17,025,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,998,000	700,400	(1,297,600)	545,000	716,800	171,800
Restricted Funds				1,235,000	1,335,000	100,000	1,304,000	1,404,000	100,000
TOTAL ADDITIONAL				3,233,000	2,035,400	(1,197,600)	1,849,000	2,120,800	271,800

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Summary
Appropriation Unit:

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				20,000,000	40,000,000	20,000,000			
Bond Funds				4,000,000	6,000,000	2,000,000			
TOTAL CAPITAL				24,000,000	46,000,000	22,000,000			

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Secretary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	4,491,000	4,491,000		3,210,000	1,955,000	(1,255,000)	1,392,000	1,392,000	
Restricted Funds				3,063,000	3,163,000	100,000	2,900,000	3,000,000	100,000
Regular Total Funds	4,491,000	4,491,000		6,273,000	5,118,000	(1,155,000)	4,292,000	4,392,000	100,000
General Fund Continuing									
GRAND TOTAL FUNDS	4,491,000	4,491,000		6,273,000	5,118,000	(1,155,000)	4,292,000	4,392,000	100,000
II. EXPENDITURE CATEGORY									
Personnel Costs	1,370,000	1,370,000		2,167,000	2,262,000	95,000	2,300,000	2,400,000	100,000
Operating Expenses	321,000	321,000		741,000	741,000		472,000	472,000	
Grants, Loans, Benefits	2,800,000	2,800,000		3,350,000	2,100,000	(1,250,000)	1,520,000	1,520,000	
Capital Outlay				15,000	15,000				
TOTAL EXPENDITURES	4,491,000	4,491,000		6,273,000	5,118,000	(1,155,000)	4,292,000	4,392,000	100,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	4,491,000	4,491,000		1,355,000	1,355,000		1,392,000	1,392,000	
Restricted Funds				1,828,000	1,828,000		1,856,000	1,856,000	
Regular Total Funds	4,491,000	4,491,000		3,183,000	3,183,000		3,248,000	3,248,000	
General Fund Continuing									
TOTAL BASE LEVEL	4,491,000	4,491,000		3,183,000	3,183,000		3,248,000	3,248,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				1,855,000	600,000	(1,255,000)			
Restricted Funds				1,235,000	1,335,000	100,000	1,044,000	1,144,000	100,000
TOTAL ADDITIONAL				3,090,000	1,935,000	(1,155,000)	1,044,000	1,144,000	100,000
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Coal County Development Office-Additional Personnel and Operating Expenses								
	(C36MAAX01) Provide funds to support personnel and operating expenses to expand the Coal County Development Office. (7 PFT positions).								
Restricted Funds				552,000	552,000		475,000	475,000	
Total				552,000	552,000		475,000	475,000	
2 NEW	Office of Secretary-Knowledge Based Economy Initiative								
	(C36MINX05) Provides funds to support the Strategic Technology Capacity Initiative Study, Manufacturing Modernization Project, and Office of Commissioner.								
General Fund				1,850,000	600,000	(1,250,000)			

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Secretary

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 NEW	Office of Secretary-Knowledge Based Economy Initiative								
(C36MINX05)	Provides funds to support the Strategic Technology Capacity Initiative Study, Manufacturing Modernization Project, and Office of Commissioner.								
Restricted Funds				683,000	683,000		569,000	569,000	
Total				2,533,000	1,283,000	(1,250,000)	569,000	569,000	
3 NEW	Wage Equity Plan								
(C36MINX04)	Provide funds to support salary improvement.								
General Fund				5,000		(5,000)			
Total				5,000		(5,000)			
4	West Kentucky Jobs Creation Corporation-Additional Operating Costs								
(C36AGA01)	Provide funds to increase support of the Corporation to \$458,000 in FY 2000-2001 and \$467,000 in FY 2001-2002.								
Restricted Funds					100,000	100,000		100,000	100,000
Total					100,000	100,000		100,000	100,000
TOTAL ADDITIONAL				3,090,000	1,935,000	(1,155,000)	1,044,000	1,144,000	100,000

FB 2000-2002 BUDGET MODIFICATION REPORT

Office of the Secretary

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends utilizing two budget units for the entire cabinet instead of the existing structure which utilizes six budget units.

Additional General Fund support totaling \$1,850,000 in FY 2000-2001 is provided to support the Branch's recommended Knowledge Based Economy Initiative as follows: \$350,000 to fund the Modernization component which is to assist small and medium-sized manufactures to become more competitive in the global marketplace; \$1,000,000 for the Rural Innovation Fund component which will be used to assist companies or individuals in translating high-tech innovations developed in non-urban areas of the state into products. Vouchers will be granted to small, rural Kentucky-based companies to undertake research, development and entrepreneurial work in partnership with Kentucky postsecondary institutions, the Small Business Development Center Network in Kentucky, and other entities engaged in research and development work. In addition, the sum of \$500,000 is provided to fund the Strategic Technology Capacity component which will be used to: a) conduct a study to develop a knowledge based economy strategy, b) focus on recruitment of research and development companies, c) attract high-tech research and development centers to Kentucky, d) support the growth and creation of high-tech, innovative companies from within the Commonwealth, and e) build and promote networks of technology-driven and research intensive industries with their related suppliers.

Additional Restricted Funds totaling \$683,000 in FY 2000-2001 and \$569,000 in FY 2001-2002 are provided to support four permanent full-time positions and operating expenses associated with the Governor's Knowledge Based Economy Initiative.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$5,000 in FY 2000-2001 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Included in the Branch Budget recommendation, under Government Operations, Special Funds budget unit, are General Fund dollars of \$33,305,300 in FY 2000-2001 and \$35,583,600 in FY 2001-2002 for the Local Government Economic Development Fund (LGEDF) for distribution to Kentucky coal producing counties in the form of economic development grants. The Branch Budget Bill, Part I, Operating Budget, includes a language provision which directs, Notwithstanding KRS 42.4586, the quarterly calculation of the allocation of money to coal producing counties through the LGEDF shall be made after a quarterly installment of the annual appropriation of \$938,300 in FY 2000-2001 and \$960,800 in FY 2001-2002 has been credited to the Secondary Wood Products Development Fund. These funds are recommended to support the Kentucky Woods Product Competitiveness Corporation.

Additional Restricted Funds support totaling \$552,000 in FY 2000-2001 and \$475,000 in FY 2001-2002 is provided to support the Coal County Development Office. The Branch Budget Bill, Part I, Operating Budget, provides a Restricted Funds appropriation totaling \$880,000 in FY 2000-2001 and \$811,000 in FY 2001-2002 for the Coal County Development Office. The Branch Budget Bill, Part I, includes a language provision that directs, notwithstanding KRS 42.4592, funding for the Coal County Development Office is provided from the Local Government Economic Development Fund prior to any other statutory distribution from the Local Government Economic Development Fund.

The Branch Budget Bill, Part I, Operating Budget, appropriates Restricted Funds totaling \$461,000 in FY 2000-2001 and \$472,000 in FY 2001-2002 to the East Kentucky Jobs Creation Corporation and \$358,000 in FY 2000-2001 and \$367,000 in FY 2001-2002 to the West Kentucky Jobs Creation Corporation. The Branch Budget Bill, Part I, includes a language provision that directs, notwithstanding KRS 42.4592, funding for the East Kentucky Corporation and the West Kentucky Corporation is provided from the Local Government Economic Development Fund prior to any other statutory distribution from the Local Government Economic Development Fund. Language provision in Part I also directs that both

FB 2000-2002 BUDGET MODIFICATION REPORT

Office of the Secretary

Corporations are required to submit a quarterly financial and status report to the Legislative Research Commission and to the Interim Joint Committee on Appropriations and Revenue.

The Branch Budget Bill, Part I, Operating Budget appropriates Restricted Funds support totaling \$381,000 each year of the biennium to support and maintain projects of the Louisville Waterfront Development Corporation and \$300,000 each year of the biennium to continue support of the Kentucky Technology Service Grant program.

The Branch Budget recommendation includes General Fund support totaling \$1,051,000 in FY 2000-2001 and \$1,097,000 in FY 2001-2002 for the Eastern, Western and Central Regional Offices.

The Branch Budget recommendation continues the General Fund support of \$500,000 each fiscal year of the biennium for the Cabinet's Advertising program

The Branch Budget Bill, Part IX, Special Provisions, includes language provisions relating to the East and West Kentucky Corporations' and Regional Offices' Strategic Plan, and the Kentucky Woods Product Competitiveness Corporation Reports as follows:

a. East and West Kentucky Corporations' and Regional Offices' Strategic Plan: The East and West Kentucky Corporations shall each submit an annual plan to the Interim Joint Committee on Appropriations and Revenue and to the Cabinet for Economic Development defining and outlining their respective roles and responsibilities as they relate to, but do not duplicate, the programs of the Cabinet for Economic Development. The Cabinet for Economic Development shall provide to the Interim Joint Committee for Appropriations and Revenue an annual plan for the Regional Offices defining and outlining their efforts toward maximizing return on investments and reducing duplicative efforts with other regional development groups.

b. Kentucky Woods Product Competitiveness Corporation Reports: Notwithstanding KRS 154.47-035, beginning on or before January 15, 2001, and every year thereafter, the Kentucky Woods Product Competitiveness Corporation shall submit a written status report on its projects and activities to the Legislative Research Commission for referral to the appropriate committees. The annual report shall also include the amount of expenditure by activity within each county and the number of employees and relative salaries within the Corporation.

GENERAL ASSEMBLY

LRC Note: The Branch Budget consolidates the current six budget units into the Economic Development and Debt Service Units.

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly reestablishes the current budget structure.

Additional General Fund support totaling \$600,000 in FY 2000-2001 is provided to support the Knowledge-Based Economy Initiative which includes the following: \$350,000 to support the Manufacturing Modernization Project, and \$250,000 to support the Strategic Technology Capacity Initiative Study.

The General Assembly provides Part I, Operating Budget, language provisions relating to the Strategic Technology Capacity Initiative Study as follows:

Included in the above General Fund appropriation is \$250,000 in fiscal year 2000-2001 for the Strategic Technology Capacity Initiative Study. Notwithstanding KRS 45.229, any funds remaining at the end of fiscal year 2000-2001 shall not lapse but shall be carried forward into fiscal year 2001-2002.

FB 2000-2002 BUDGET MODIFICATION REPORT

Office of the Secretary

The General Assembly provides Part I, Operating Budget, language provisions relating to the Manufacturing Modernization Project as follows:

Included in the above General Fund appropriation is \$350,000 in fiscal year 2000-2001 that will be used to support the Manufacturing Modernization Project that is part of the Knowledge-Based Economy Initiative embodied in House Bill 572 as considered by the 2000 Regular Session of the General Assembly. Notwithstanding KRS 45.229, any funds remaining at the end of fiscal year 2000-2001 shall not lapse but shall be carried forward into fiscal year 2001-2002.

Additional Restricted Funds totaling \$100,000 in each fiscal year of the biennium are provided to the West Kentucky Jobs Creation Corporation increasing the total support for the Corporation to \$458,000 in FY 2000-2001 and \$467,000 in FY 2001-2002.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. Funds are provided for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

The General Assembly adds the following language provisions in Part IX, Special Provisions, relating to Coal County Development Office Reports, Funding for New Commissioner, and Knowledge-Based Economy Initiatives as follows:

a. Coal County Development Office Reports: The Office of the Coal County Development shall provide a biannual progress report of the Local Government Economic Development Fund to the Legislative Research Commission for referral to the appropriate committees. The biannual report shall include, but not be limited to a progress report of the Regional Industrial Park Program and a summary report of the administration and distribution of grants within the single county accounts.

b. Funding for New Commissioner: Notwithstanding KRS 154.20-030 to KRS 154.20-570, interest income earned on balances in the High-Technology Construction Pool and the Kentucky Economic Development Finance Authority High-Technology Investment Fund shall be used to support the Office of Commissioner for the New Economy, which shall be attached to the Cabinet for Economic Development. Pursuant to KRS 12.050, the Governor shall appoint the Commissioner with the approval of the Economic Development Partnership Board.

c. Knowledge-Based Economy Initiatives: Funds provided for the Manufacturing Modernization project shall be used to assist small and medium-sized manufactures to become more competitive in the global marketplace. In addition, funds provided to support the Strategic Technology Capacity Initiative Study shall be used to: a) develop a knowledge-based economy strategy, b) recruit research and development companies, c) attract high-tech research and development centers, d) support growth and creation of high-tech, innovative companies, and e) build and promote networks of technology-driven and research-intensive industries.

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FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Administration and Support

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,008,000	2,008,000		2,120,000	2,104,500	(15,500)	2,205,000	2,198,700	(6,300)
Restricted Funds	223,000	223,000		160,000	160,000		160,000	160,000	
Regular Total Funds	2,231,000	2,231,000		2,280,000	2,264,500	(15,500)	2,365,000	2,358,700	(6,300)
General Fund Continuing									
GRAND TOTAL FUNDS	2,231,000	2,231,000		2,280,000	2,264,500	(15,500)	2,365,000	2,358,700	(6,300)
II. EXPENDITURE CATEGORY									
Personnel Costs	1,551,200	1,551,200		1,593,000	1,577,500	(15,500)	1,660,000	1,653,700	(6,300)
Operating Expenses	679,800	679,800		687,000	687,000		705,000	705,000	
TOTAL EXPENDITURES	2,231,000	2,231,000		2,280,000	2,264,500	(15,500)	2,365,000	2,358,700	(6,300)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,008,000	2,008,000		2,097,000	2,097,000		2,191,000	2,191,000	
Restricted Funds	223,000	223,000		160,000	160,000		160,000	160,000	
Regular Total Funds	2,231,000	2,231,000		2,257,000	2,257,000		2,351,000	2,351,000	
General Fund Continuing									
TOTAL BASE LEVEL	2,231,000	2,231,000		2,257,000	2,257,000		2,351,000	2,351,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				23,000	7,500	(15,500)	14,000	7,700	(6,300)
TOTAL ADDITIONAL				23,000	7,500	(15,500)	14,000	7,700	(6,300)
V. ADDITIONAL BUDGET ITEMS									
1 NEW Wage Equity Plan									
(C36HAAX01) Provide funds to support salary improvement.									
General Fund				23,000	7,500	(15,500)	14,000	7,700	(6,300)
Total				23,000	7,500	(15,500)	14,000	7,700	(6,300)
TOTAL ADDITIONAL				23,000	7,500	(15,500)	14,000	7,700	(6,300)

FB 2000-2002 BUDGET MODIFICATION REPORT

Administration and Support

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exception:

The Branch Budget recommends utilizing two budget units for the entire cabinet instead of the existing structure which utilizes six budget units.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$23,000 in FY 2000-2001 and \$14,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

GENERAL ASSEMBLY

LRC Note: The Branch Budget consolidates the current six budget units into the Economic Development and Debt Service Units.

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly reestablishes the current budget structure.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$7,500 in FY 2000-2001 and \$7,700 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Business Development

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	2,413,000	2,413,000		2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
Federal Funds	168,000	168,000							
Regular Total Funds	2,581,000	2,581,000		2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
General Fund Continuing									
GRAND TOTAL FUNDS	2,581,000	2,581,000		2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
II. EXPENDITURE CATEGORY									
Personnel Costs	2,044,400	2,044,400		1,967,000	1,956,400	(10,600)	2,043,000	2,019,800	(23,200)
Operating Expenses	523,600	523,600		547,000	547,000		552,000	552,000	
Capital Outlay	13,000	13,000							
TOTAL EXPENDITURES	2,581,000	2,581,000		2,514,000	2,503,400	(10,600)	2,595,000	2,571,800	(23,200)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	2,413,000	2,413,000		2,416,000	2,416,000		2,480,000	2,480,000	
Federal Funds	168,000	168,000							
Regular Total Funds	2,581,000	2,581,000		2,416,000	2,416,000		2,480,000	2,480,000	
General Fund Continuing									
TOTAL BASE LEVEL	2,581,000	2,581,000		2,416,000	2,416,000		2,480,000	2,480,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				98,000	87,400	(10,600)	115,000	91,800	(23,200)
TOTAL ADDITIONAL				98,000	87,400	(10,600)	115,000	91,800	(23,200)
V. ADDITIONAL BUDGET ITEMS									
1 EXPFFR	Business Development - Geographical Information System								
(C36FJIX01)	Provide funds to replace Federal Funds support for one PFT position within GIS.								
General Fund				81,000	81,000		85,000	85,000	
Total				81,000	81,000		85,000	85,000	
2 NEW	Wage Equity Plan								
(C36FJIX02)	Provide funds to support salary improvement.								
General Fund				17,000	6,400	(10,600)	30,000	6,800	(23,200)
Total				17,000	6,400	(10,600)	30,000	6,800	(23,200)
TOTAL ADDITIONAL				98,000	87,400	(10,600)	115,000	91,800	(23,200)

FB 2000-2002 BUDGET MODIFICATION REPORT

Business Development

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends utilizing two budget units for the entire cabinet instead of the existing structure which utilizes six budget units.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$17,000 in FY 2000-2001 and \$30,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

Additional General Fund support totaling \$81,000 in FY 2000-2001 and \$85,000 in FY 2001-2002 is provided to replace Federal Funds to support one PFT position within the Geographical Information System. The Branch Budget recommendation combined the Cabinet's layer of the Statewide Geographical Information System with the Site Evaluation Division and provides a total recommended appropriation for the Division of \$569,000 in FY 2000-2001 and \$566,000 in FY 2001-2002.

GENERAL ASSEMBLY

LRC Note: The Branch Budget consolidates the current six budget units into the Economic Development and Debt Service Units.

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly reestablishes the current budget structure.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$6,400 in FY 2000-2001 and \$6,800 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Financial Incentives

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	3,353,000	3,353,000		3,676,000	3,669,400	(6,600)	3,695,000	3,693,200	(1,800)
Restricted Funds	2,999,200	2,999,200		1,768,000	1,768,000		1,834,000	1,834,000	
Regular Total Funds	6,352,200	6,352,200		5,444,000	5,437,400	(6,600)	5,529,000	5,527,200	(1,800)
General Fund Continuing	(184,900)	(184,900)							
GRAND TOTAL FUNDS	6,167,300	6,167,300		5,444,000	5,437,400	(6,600)	5,529,000	5,527,200	(1,800)
II. EXPENDITURE CATEGORY									
Personnel Costs	1,994,800	1,994,800		2,069,000	2,062,400	(6,600)	2,145,000	2,143,200	(1,800)
Operating Expenses	286,000	286,000		275,000	275,000		284,000	284,000	
Grants, Loans, Benefits	3,881,500	3,881,500		3,100,000	3,100,000		3,100,000	3,100,000	
Capital Outlay	5,000	5,000							
TOTAL EXPENDITURES	6,167,300	6,167,300		5,444,000	5,437,400	(6,600)	5,529,000	5,527,200	(1,800)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	3,353,000	3,353,000		3,669,000	3,669,000		3,693,000	3,693,000	
Restricted Funds	2,999,200	2,999,200		1,768,000	1,768,000		1,834,000	1,834,000	
Regular Total Funds	6,352,200	6,352,200		5,437,000	5,437,000		5,527,000	5,527,000	
General Fund Continuing	(184,900)	(184,900)							
TOTAL BASE LEVEL	6,167,300	6,167,300		5,437,000	5,437,000		5,527,000	5,527,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				7,000	400	(6,600)	2,000	200	(1,800)
TOTAL ADDITIONAL				7,000	400	(6,600)	2,000	200	(1,800)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	Wage Equity Plan								
(C36GBSX02)	Provide funds to support salary improvement.								
General Fund				7,000	400	(6,600)	2,000	200	(1,800)
Total				7,000	400	(6,600)	2,000	200	(1,800)
TOTAL ADDITIONAL				7,000	400	(6,600)	2,000	200	(1,800)

FB 2000-2002 BUDGET MODIFICATION REPORT

Financial Incentives

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends utilizing two budget units for the entire cabinet instead of the existing structure which utilizes six budget units.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$7,000 in FY 2000-2001 and \$2,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget includes a total recommended appropriation for the Bluegrass State Skills Corporation of \$3,669,000 in FY 2000-2001 and \$3,693,000 in FY 2001-2002. The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: The Bluegrass State Skills Corporation shall submit a quarterly financial report to the Governor's Office for Policy and Management, the Legislative Research Commission, and the Interim Joint Committee on Appropriation and Revenue; the General Fund appropriation for FY 1999-2000 and for FY 2000-2001 for the Corporation shall be continued and not lapse to the General Fund Surplus Account, notwithstanding KRS 45.229; Notwithstanding KRS 154.12-207, the Secretary is directed to take such action as may be necessary to execute contractual agreements for designated skills training and education projects for which funds have been specifically appropriated; and, No commitment for employee training shall be made beyond the ability of the Cabinet to fund the project within the appropriation for the current biennium.

The Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs: Balances in the Special Revenue Fund accounts, after all appropriations authorized in this Bill are funded, shall lapse to the Deferred Maintenance Account at the end of each fiscal year.

The Branch Budget Bill, Part II, Capital Projects Budget, provides Restricted Funds totaling \$20,000,000 in FY 2000-2001 to be received from the Kentucky Economic Development Finance Authority program fund balance for a High Tech Economy Capital Project Pool. These funds are to support projects which have a special emphasis on the creation of high-tech jobs and are to be matched with private dollars.

The Branch Budget Bill, Part II, Capital Projects Budget, reauthorizes Bond Funds totaling \$32,203,000 for the Economic Development Bond Pool, and provides additional Bond Funds totaling \$4,000,000.

The Branch Budget Bill, Part II, Capital Projects Budget, provides language provision that directs: Notwithstanding KRS 154.12-100(6), the amounts above reflect project amounts.

The Branch Budget Bill, Part IX, Special Provisions, includes a language provision relating to the Bluegrass State Skills Corporation as follow: Bluegrass State Skills Corporation: The Bluegrass State Skills Corporation shall submit quarterly progress reports for the training investment credits program to the Legislative Research Commission for referral to the appropriate committees .

FB 2000-2002 BUDGET MODIFICATION REPORT

Financial Incentives

GENERAL ASSEMBLY

LRC Note: The Branch Budget consolidates the current six budget units into the Economy Development and Debt Service Units.

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly reestablishes the current budget structure.

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$400 in FY 2000-2001 and \$200 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

In Part II, Capital Projects Budget, the General Assembly provides Restricted Funds support from the Kentucky Economic Development Finance Authority funds in FY 2000-2001 totaling \$20,000,000 to support a High-Tech Construction Pool and \$20,000,000 to support a High-Tech Investment Pool. The General Assembly also provides in Part II, Capital Projects Budget, \$2,000,000 in Bond Funds in FY 2000-2001 to support Economic Opportunity Zones.

The General Assembly adds Part II, Capital Projects Budget, language provision that directs: Included in the above appropriation are the following projects: Grayson Lake-Golf Course Development, \$4,500,000; Southeast Kentucky Center for Business Technology and Innovation, Madison County, \$4,000,000; South Central Kentucky Technology Center, Warren County, \$4,000,000; Northeast Kentucky Regional Industrial Park Authority, for the East Park Industrial, Technology and Innovation Training Center, Boyd County \$2,000,000; Tourism Development Loan Program, \$1,500,000; City of Prestonsburg to construct sidewalks and other improvements for the mountain top project, \$1,000,000; Morgan County water line connections for regionalization of water resources, \$1,000,000; and Blue Licks State Resort Park for food service expansions at the Lodge and Daniel Boone Cabin Preservation, \$750,000.

The General Assembly adds Part II, Capital Projects Budget, language provisions as follows:

Section 8: Before any economic development bonds are issued, the proposed bond issue shall be approved by the Secretary of the Finance and Administration Cabinet and the State Property and Buildings Commission under the provisions of KRS 56.440 to 56.590. In addition to the terms and conditions of KRS 154.12-100, administration of the Economic Development Bond program by the Secretary of the Cabinet for Economic Development is subject to the following guideline: project selection shall be documented when presented to the Secretary of the Finance and Administration Cabinet. Included in the documentation shall be the rationale for selection and expected economic development impact.

Section 12: The Business and Technology Building Project under Eastern Kentucky University (L.3.) and the Southeast Kentucky Center for Business Technology and Innovation Project under the Economic Development Cabinet's Economic Development Bond Pool and the funding for these projects, in addition to other available capital facilities funding resources, may be combined and consolidated within a total project scope not to exceed \$15,000,000. The Secretary of the Finance and Administration Cabinet, with the approval of the State Budget Director, may perform actions necessary for implementation of this authorization. Action taken under this provision shall be reported in writing to the Interim Joint Committee on Appropriations and Revenue and the Capital Projects and Bonds Oversight Committee.

Section 13: The South Campus Building Project under Western Kentucky University (L.10.) and the South Central Kentucky Technology Center Project under the Economic Development Cabinet's Economic Development Bond Pool and the funding for these projects, in addition to other available capital facilities funding resources, may be combined and

FB 2000-2002 BUDGET MODIFICATION REPORT

Financial Incentives

consolidated within a total project scope not to exceed \$10,000,000. The Secretary of the Finance and Administration Cabinet, with the approval of the State Budget Director, may perform actions necessary for implementation of this authorization. Action taken under this provision shall be reported in writing to the Interim Joint Committee on Appropriations and Revenue and the Capital Projects and Bonds Oversight Committee.

Section 14 c: Item 1, Project 365, Muhammad Ali Center. The museum shall focus on Muhammad Ali's philanthropic and athletic achievements. The Secretary of the Finance and Administration Cabinet is directed to make necessary agreements and arrangements that will enable the Economic Development Bond proceeds totaling \$3,000,000 which were previously authorized and issued for the Jefferson County Project (Vencor) to be applied toward the Muhammad Ali Center project.

The General Assembly adds Part III, General Provisions, language provision as follows:

Section 37: Notwithstanding KRS 138.510, tracks with an average daily handle of one million two hundred thousand dollars (\$1,200,000) or more shall be allowed a tax credit equal to six thousand dollars (\$6,000) multiplied by the number of racing days at the track for the fiscal year beginning after June 30, 2000, and ending June 30, 2001, and twelve thousand dollars (\$12,000) multiplied by the number of racing days at the track for the fiscal year beginning after June 30, 2001, and ending June 30, 2002, if an amount equal to at least fifty percent (50%) of the credit is used for capital improvements and at least fifty percent (50%) is used for horsemen's incentives. Capital improvement means any addition, replacement, or remodeling of a structural unit of the track, including but not limited to the construction of barns used for the track, backstretch facilities for horsemen, paddock facilities, new pari-mutuel and totalizator or equipment, new access roads, new parking facilities, the reconstruction, reshaping, or leveling of the racetrack, the installation of permanent new heating or air conditioning, and installations of a permanent nature forming part of the track structure. Fifty percent (50%) of the amount of the tax credit for the horsemen's incentives shall be allocated to purses at the track and fifty percent (50%) allocated for stabling and transportation costs. The method of dispersal of the stabling and transportation costs shall be agreed upon by the track receiving the tax credit and the horsemen's group or groups contracting with the track. If a track fails to complete a qualifying capital improvement or make qualifying expenditures for horsemen's incentives, the Kentucky Economic Development Finance Authority as created under KRS 154.20-010 shall order the track to repay to the state all or any portion of the amount of the tax credit received by the track. The track receiving the credit shall report quarterly to the Interim Joint Committee on Appropriations and Revenue on the amounts of qualifying capital improvements and expenditures for horsemen's incentives made for which the credit is claimed.

The General Assembly adds the following Part IX language provisions relating to the High-Tech Construction Pool, High-Tech Investment Pool and Economic Development Reports to read as follows:

a. High-Tech Construction Pool: Notwithstanding KRS 154.20-030 to KRS 154.20-570, \$20,000,000 of the Kentucky Economic Development Finance Authority funds are authorized to support a High-Technology Construction Pool. This construction pool will be used for projects with a special emphasis on the creation of high-technology jobs. The Commissioner of the Office for the New Economy shall administer the Pool and recommend distribution of funds and projects to the Kentucky Economic Development Finance Authority for its approval. The Commissioner shall recommend any designated amount of Pool funds to be set aside for any match requirement. Any funds used for matching purposes may include public and private funds. Individual projects may be identified and authorized from this High-Technology Construction Pool consistent with the provisions and reporting requirements set forth in Part II, Capital Projects Budget Provisions, Section 9, of this Act.

b. High-Tech Investment Pool: Notwithstanding KRS 154.20-030 to KRS 154.20-570 or any other Kentucky statute to the contrary, \$20,000,000 of the Kentucky Economic Development Finance Authority funds are authorized to be used to build and promote networks of technology-driven and research-intensive industries as well as their related suppliers with the goal of creating clusters of innovation-driven industries in Kentucky as embodied in House Bill 572 as considered by the 2000 Regular Session of the General

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BUDGET MODIFICATION REPORT**

Financial Incentives

Assembly. These funds are authorized to be used to support loans and grants, or to secure an equity position in industrial networks of this character. The Commissioner of the Office for the New Economy shall administer the pool and shall recommend projects to the Kentucky Economic Development Finance Authority for its approval.

c. Economic Development Reports: The Economic Development Cabinet shall submit quarterly project status summary reports by project of each Grant, Tax Credit, Loan, and Economic Development Bond Pool Fund support, or any other public funds to be used as an economic development incentive, including job training, as approved by the Kentucky Economic Development Finance Authority, the Economic Development Cabinet, or any other authority or board within the Cabinet, to the Legislative Research Commission for referral to the appropriate committees. The quarterly project status summary report shall include but not be limited to: the name of the participating company; the value and type of development assistance provided; employee projections; the costs per job; the average hourly pay; the total project cost, and the potential tax credit assigned to the project.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- CAPITAL BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Financial Incentives

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. CAPITAL PROJECT RECAP BY FUND SOURCE									
Restricted Funds				20,000,000	40,000,000	20,000,000			
Bond Funds				4,000,000	6,000,000	2,000,000			
TOTAL CAPITAL				24,000,000	46,000,000	22,000,000			
II. CAPITAL PROJECTS									
1 (C360198) Economic Development Bond Pool-Reauthorization (\$32,203,000-Bond Funds)									
Bond Funds				4,000,000	4,000,000				
Total				4,000,000	4,000,000				
2 (C36GEXX03) High-Tech Construction Pool									
Restricted Funds				20,000,000	20,000,000				
Total				20,000,000	20,000,000				
3 (C36DGA01) High-Tech Investment Pool									
Restricted Funds					20,000,000	20,000,000			
Total					20,000,000	20,000,000			
4 (C36DGA02) Economic Opportunity Zones									
Bond Funds					2,000,000	2,000,000			
Total					2,000,000	2,000,000			
TOTAL				24,000,000	46,000,000	22,000,000			

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Community Development

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	3,162,000	3,162,000		2,961,000	2,951,100	(9,900)	3,071,000	3,068,100	(2,900)
Restricted Funds	166,600	166,600		188,000	188,000		456,000	456,000	
Federal Funds	160,000	160,000		160,000	160,000		160,000	160,000	
Regular Total Funds	3,488,600	3,488,600		3,309,000	3,299,100	(9,900)	3,687,000	3,684,100	(2,900)
General Fund Continuing									
GRAND TOTAL FUNDS	3,488,600	3,488,600		3,309,000	3,299,100	(9,900)	3,687,000	3,684,100	(2,900)
II. EXPENDITURE CATEGORY									
Personnel Costs	2,495,900	2,495,900		2,593,000	2,583,100	(9,900)	2,967,000	2,964,100	(2,900)
Operating Expenses	453,400	453,400		446,000	446,000		450,000	450,000	
Grants, Loans, Benefits	539,300	539,300		270,000	270,000		270,000	270,000	
TOTAL EXPENDITURES	3,488,600	3,488,600		3,309,000	3,299,100	(9,900)	3,687,000	3,684,100	(2,900)
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	3,162,000	3,162,000		2,946,000	2,946,000		3,063,000	3,063,000	
Restricted Funds	166,600	166,600		188,000	188,000		196,000	196,000	
Federal Funds	160,000	160,000		160,000	160,000		160,000	160,000	
Regular Total Funds	3,488,600	3,488,600		3,294,000	3,294,000		3,419,000	3,419,000	
General Fund Continuing									
TOTAL BASE LEVEL	3,488,600	3,488,600		3,294,000	3,294,000		3,419,000	3,419,000	
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund				15,000	5,100	(9,900)	8,000	5,100	(2,900)
Restricted Funds							260,000	260,000	
TOTAL ADDITIONAL				15,000	5,100	(9,900)	268,000	265,100	(2,900)
V. ADDITIONAL BUDGET ITEMS									
1 NEW	International Trade - New Trade Office								
(C36ECTX01)	Provide funds to support a new International Trade Representative (\$50,000) and to establish a Trade Office in South America (\$210,000).								
Restricted Funds							260,000	260,000	
Total							260,000	260,000	
2 NEW	Wage Equity Plan								
(C36ECBX02)	Provide funds to support salary improvement.								

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Community Development

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
V. ADDITIONAL BUDGET ITEMS									
2 NEW	Wage Equity Plan								
(C36ECBX02)	Provide funds to support salary improvement.								
General Fund				15,000	5,100	(9,900)	8,000	5,100	(2,900)
Total				15,000	5,100	(9,900)	8,000	5,100	(2,900)
TOTAL ADDITIONAL				15,000	5,100	(9,900)	268,000	265,100	(2,900)

FB 2000-2002 BUDGET MODIFICATION REPORT

Community Development

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

The Branch Budget recommends utilizing two budget units for the entire cabinet instead of the existing structure which utilizes six budget units.

Additional Restricted Funds support totaling \$260,000 in FY 2001-2002 is provided for the following purposes: \$210,000 to establish an International Trade office in South America and \$50,000 for a new trade representative within the International Trade Division.

The Branch Budget continues the General Fund appropriation of \$100,000 each year of the biennium to support the Mexico Trade Office, a joint effort between the Department of Agriculture and the Cabinet for Economic Development.

Wage Equity Plan funding, which includes the value of an 5% adjustment in personnel costs, supplemented with additional General Fund support totaling \$15,000 in FY 2000-2001 and \$8,000 in FY 2001-2002 is budgeted to provide a guaranteed COLA salary adjustment for each employee on July 1 each fiscal year equal to 2.4%. Additional salary adjustments equal to 1%, 2%, or 3% are provided for employees on anniversary increment dates based upon their length of service in his/her current job classification/grade. Individual employee salaries may also be increased due to proposed annual 2.4% COLA increase in state salary schedule or wage scale adjustments for selective job reclassifications to reduce non-competitive salary market.

The Branch Budget recommendation includes General Fund support totaling \$250,000 each fiscal year of the biennium for the Flexible Manufacturing Networks concepts and \$50,000 each fiscal year of the biennium for the Small Business Development Center at the University of Kentucky.

The Branch Budget Bill, Part IX, Special Provisions, includes language provisions relating to the Regional Industrial Park Program, the Regional Offices and the Flexible Manufacturing Network Program as follows:

- a) Regional Industrial Park Program Reports: The Cabinet shall provide a progress report of the Regional Industrial Park program to the Legislative Research Commission for referral to the appropriate committees by December first of each fiscal year.
- b) Regional Offices: The Regional Offices shall submit quarterly program and status reports to the Legislative Research Commission for referral to the appropriate committees.
- c) Flexible Manufacturing Network Program Reports: The Cabinet shall continue to provide quarterly program and financial status reports of the Flexible Manufacturing Network program to the Legislative Research Commission for referral to the appropriate committees.

GENERAL ASSEMBLY

LRC Note: The Branch Budget consolidates the current six budget units into the Economic Development and Debt Service Units.

The General Assembly concurs with the Branch Report with the following changes: The General Assembly reestablishes the current budget structure.

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Community Development

The modified Wage Equity Plan in Part IV, as proposed for the revised Executive Budget, includes funding for the regular 5% annual increment for each employee. In addition, funds are provided in the amount of \$5,100 in FY 2000-2001 and \$5,100 in FY 2001-2002 for employees' salaries affected by raising the entry level wage of all pay grades by an additional 7.4% on July 1, 2001, raising the job grade classifications that are three, four, or five pay grades below their proper pay grade as determined by the Personnel Cabinet and by providing that on July 1 of each year employees who are not in probationary status be paid no less than 105 percent of the entry level wage for their job classification.

No provision is provided for the Regional Industrial Park Program Reports.

**FB 2000-2002 FINAL BUDGET MEMORANDUM
2000 GENERAL ASSEMBLY -- OPERATING BUDGET SUMMARY**

Governmental Branch: Executive Branch
Cabinet/Function: Economic Development

Agency: Economic Development
Appropriation Unit: Debt Service

	FY 1999-2000			FY 2000-2001			FY 2001-2002		
	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference	Branch Budget	General Assembly	Difference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE									
General Fund	666,000	666,000					406,000	612,000	206,000
Regular Total Funds	666,000	666,000					406,000	612,000	206,000
General Fund Continuing									
GRAND TOTAL FUNDS	666,000	666,000					406,000	612,000	206,000
II. EXPENDITURE CATEGORY									
Debt Service	666,000	666,000					406,000	612,000	206,000
TOTAL EXPENDITURES	666,000	666,000					406,000	612,000	206,000
III. BASE LEVEL BUDGET BY FUND SOURCE									
General Fund	666,000	666,000							
Regular Total Funds	666,000	666,000							
General Fund Continuing									
TOTAL BASE LEVEL	666,000	666,000							
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE									
General Fund							406,000	612,000	206,000
TOTAL ADDITIONAL							406,000	612,000	206,000
V. ADDITIONAL BUDGET ITEMS									
1 EXPAN	Economic Development Bond Pool - Debt Service Requirements.								
(C36GEXX01)	Provide debt service funds to support \$4,000,000 in additional Bond Funds for the Economic Development Bond Pool Program.								
General Fund Total							406,000	406,000	
							406,000	406,000	
2 NEW	Economic Opportunity Zones - Debt Service Requirements								
(C36EGA01)	Provide debt service funds to support Bond Funds totaling \$2,000,000 for the Economic Opportunity Zones.								
General Fund Total								206,000	206,000
								206,000	206,000
TOTAL ADDITIONAL							406,000	612,000	206,000

**FB 2000-2002
BUDGET MODIFICATION REPORT**

Debt Service

BRANCH BUDGET

The Branch Budget recommends funding for existing services and programs in FB 2000-2002 with the following exceptions:

Additional General Fund support totaling \$406,000 in FY 2001-2002 is provided for debt service funds to support additional economic development Bond Funds totaling \$4,000,000. In addition, Economic Development Bonds Funds totaling \$32,203,000 are reauthorized.

The Capital Projects Budget, Part II, includes a language provision that directs, Notwithstanding KRS 154.12-100(6), the amounts identified reflect project amounts.

GENERAL ASSEMBLY

The General Assembly concurs with the Branch Budget with the following changes: The General Assembly provides additional General Fund support totaling \$206,000 in FY 2001-2002 for debt service funds to support \$2,000,000 Bond Funds to support Economic Opportunity Zones.

The General Assembly provides Part II, Capital Projects, language provision that itemizes the following projects from the previously authorized but unissued balance of the Economic Development Bond Pool: Grayson Lake-Golf Course Development, \$4,500,000; Southeast Kentucky Center for Business Technology and Innovation, Madison County, \$4,000,000; South Central Kentucky Technology Center, Warren County, \$4,000,000; Northeast Kentucky Regional Industrial Park Authority, for the East Park Industrial, Technology and Innovation Training Center, Boyd County \$2,000,000; Tourism Development Loan Program, \$1,500,000; City of Prestonsburg to construct sidewalks and other improvements for the mountain top project, \$1,000,000; Morgan County water line connections for regionalization of water resources, \$1,000,000; and Blue Licks State Resort Park for food service expansions at the Lodge and Daniel Boone Cabin Preservation, \$750,000.

In Part II, Capital Projects Budget, the General Assembly adds the following language provision relating to Section R, Community Development Projects to read: Item 1, Project 365, Muhammad Ali Center. The museum shall focus on Muhammad Ali's philanthropic and athletic achievements. The Secretary of the Finance and Administration Cabinet is directed to make necessary agreements and arrangements that will enable the Economic Development Bond proceeds totaling \$3,000,000 which were previously authorized and issued for the Jefferson County Project (Vencor) to be applied toward the Muhammad Ali Center project.