

Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2015



Kentucky 
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Commonwealth of Kentucky Comprehensive Annual Financial
Report for the Fiscal Year Ended June 30, 2015

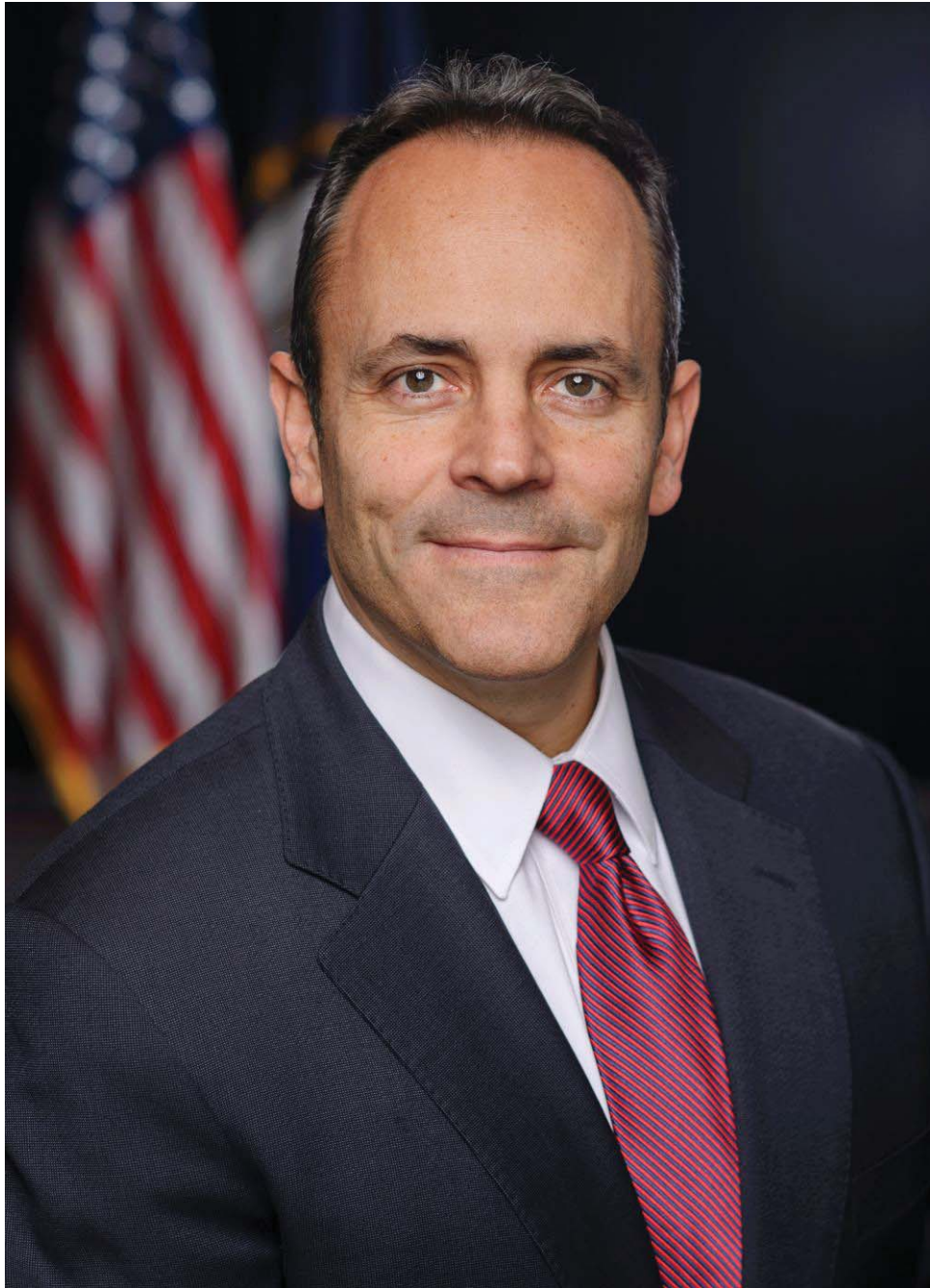
Matthew G. Bevin, Governor



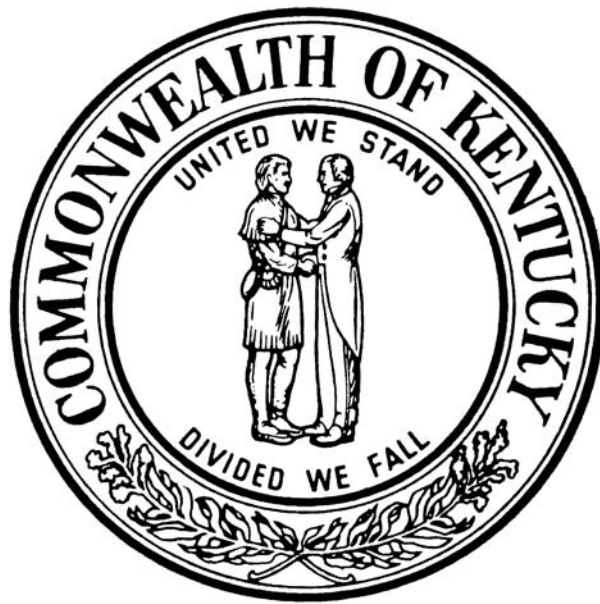
Prepared by:
Finance and Administration Cabinet
William M. Landrum III, Secretary

Office of the Controller
Edgar C. Ross, Controller

Statewide Accounting Services
Donald Sweasy, Executive Director



Matthew G. Bevin
Governor



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INTRODUCTORY SECTION



Commonwealth of Kentucky
Finance and Administration Cabinet
OFFICE OF THE SECRETARY

Matthew G. Bevin
Governor

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William M. Landrum III
Secretary

December 11, 2015

The Honorable Matthew G. Bevin, Governor
Members of the Kentucky General Assembly
Citizens of Kentucky

INTRODUCTION

Section 48.800 (3) of the Kentucky Revised Statutes (K.R.S.) requires the Finance and Administration Cabinet to submit a complete report of the financial transactions of the preceding year and of the financial condition of the Commonwealth as of the end of that fiscal year. In accordance with this statute, it is my pleasure to transmit to you the Comprehensive Annual Financial Report of the Commonwealth of Kentucky for the Fiscal Year Ended June 30, 2015. This report is prepared by the Finance and Administration Cabinet, Office of the Controller, Office of Statewide Accounting Services, which assumes responsibility for the accurate, complete, and fair presentation of the data contained herein. The information presented fully describes the Commonwealth's financial condition and results of operations of the primary government and component units for which it is financially accountable. All appropriate disclosures necessary for the reader to gain the maximum understanding of Kentucky's financial affairs are included.

The accompanying financial statements have been audited by the Office of the Auditor of Public Accounts of the Commonwealth of Kentucky. Their examination was conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The independent auditor concluded that the Commonwealth of Kentucky's financial statements for the year ended June 30, 2015, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The report of the independent auditor appears elsewhere in this report.

PROFILE OF THE COMMONWEALTH OF KENTUCKY

The Reporting Entity and Its Services

This report includes all funds and component units for which the Commonwealth is financially accountable, based on criteria established by the Governmental Accounting Standards Board's (GASB) Statement 14 as amended by GASB 39 and GASB 61. The component units which are blended into the Commonwealth's primary government and function as actual parts of the Commonwealth are: the State Property and Buildings Commission, Kentucky Asset/Liability Commission, Turnpike Authority of Kentucky, Board of Agriculture, Kentucky Retirement System, Judicial Form Retirement System, Kentucky Public Employees' Deferred Compensation Authority, Kentucky Tobacco Settlement Trust Corporation, Kentucky Teachers' Retirement System, Kentucky School Facilities Construction Commission, and Kentucky Gas Pipeline Authority.

The Commonwealth's discretely presented component units are: the Bluegrass State Skills Corporation, Kentucky Lottery Corporation, Kentucky River Authority, Kentucky State Fair Board, Kentucky Center for the Arts Corporation, Kentucky Educational Television Authority, Kentucky Economic Development Finance Authority, Kentucky Higher Education Assistance Authority, Kentucky Higher Education Student Loan Corporation, Kentucky Housing Corporation, Kentucky Public Transportation Infrastructure Authority, Kentucky Infrastructure Authority, Kentucky Artisan Center, Kentucky Agricultural Finance Corporation, Kentucky Grain Insurance Corporation, Kentucky Local Correctional Facilities Construction Authority, Kentucky Horse Park Foundation, Kentucky Council on Postsecondary Education, Kentucky Community Technical College System, and the eight state-supported universities.

Additional detailed information pertaining to Commonwealth's component units is located within the Financial Section (particularly Note 1) of this report.

The Commonwealth and Its Services

Located in south central United States along the west side of the Appalachian Mountains, Kentucky was once a part of Virginia. After its split with Virginia, Kentucky retained its "commonwealth" (meaning government based on the consent of the people) status and adopted its Constitution in 1792. The Commonwealth provides the full range of services contemplated by statute, including economic development, educational and human services, energy and natural resources management, law enforcement, correctional and public protection services, transportation, public improvements, and general legislative, administrative, and judicial services. The Commonwealth's chief executive is the Governor who is popularly elected every four years and may serve for two terms. Policies are directed through the various Cabinets. The General Assembly, or state Legislature, has two components: the Senate and the House of Representatives. The Senate has 38 members who are elected to four-year terms and the House has 100 members who are elected to two-year terms. The Legislature meets annually and has the power to enact all laws, subject to limits imposed by the state constitution. Revenue-raising issues must be initiated in the House. All other bills may be introduced by either the House or the Senate.

Budgetary Controls

The Commonwealth uses a biennial budget to assist with planning and control duties. Budgetary control is maintained at the budget unit level and is described in the notes to the Required Supplementary Information. Encumbrance accounting is utilized to insure the availability of funding before contracts are finalized. Contracts which result in overruns of available balances are not released until budget revisions are approved. Outstanding encumbrances for long-term construction projects in the Transportation Fund and the Capital Projects Fund are included in assigned fund balance. Encumbrances in all other funds lapse at the end of the fiscal year.

ECONOMIC CONDITION AND OUTLOOK

National Economy

As the conclusion of the second quarter of fiscal year 2016 approaches, the economy appears to be moving along at a moderate and steady pace. As of October, unemployment has fallen to 5.0 percent nationwide, half of what it was at its recession peak of 10.0 percent exactly six years prior. Despite the low unemployment, inflationary pressures are all but non-existent as oil prices have fallen under \$45 a barrel. Real GDP growth was a tepid 2.1 percent in the first quarter of FY16, affected by greater imports and slowing manufacturing attributed in large part to the relatively strong US Dollar. The real GDP estimates for the final quarters of FY15 were revised upward, with the third quarter of that fiscal year revised upward from contraction to expansion.

Real average hourly earnings increased 2.4 percent in October 2015 from the previous year, which is decent growth but not outstanding. Real personal consumption expenditures grew at a 1.2 percent annualized rate in the same month. Consumers are taking advantage of low gasoline prices, helping increase overall consumer spending and travel. Hotels are reporting all-time records in occupancy rates and revenue, and automobile sales are at an annualized rate of 18.2 million, a 12-year high.

As a result of the low unemployment and consistent economic growth, the Federal Reserve appears ready to raise its federal funds rate target for the first time since the financial crisis. The bond market is anticipating this change of policy at the Federal Open Market Committee's (FOMC) December meeting, and the dollar has appreciated against most other currencies as well. Despite the FOMC's apparent confidence, it remains far from clear that this is the correct policy decision. The price index for personal consumption expenditures excluding food and energy grew by less than 0.1 percent from September to October, indicating a rate of inflation well below the FOMC's supposed 2 percent target. The labor force participation rate fell in October to a rate not seen since the late 1970s. This is in large part due to the demographics of an aging workforce but also may indicate other underlying economic problems as people give up looking for work or hold out for higher wages. Faster wage growth and better job prospects could help increase participation rates. As such, there appears to be slack remaining in the US economy that makes a shift to more contractionary monetary policy far from being obviously necessary.

Overall, the outlook for the remainder of the fiscal year is positive. Real GDP is forecast to grow over the final two quarters, and growth for FY16 is projected at 2.4 percent over FY15, which is lower than the 2.7 percent growth seen in the prior fiscal year. Growth is projected to be 3.0 percent over FY17, which would be the fastest rate of US economic growth in over a decade. The price of Brent crude oil is projected to move over \$50/barrel in coming months as growth picks up. Personal incomes are projected to grow 4.2 percent in this fiscal year, and grow at faster rates in the future.

Kentucky Economy

Low energy prices are both a blessing and a burden for Kentucky in this fiscal year. Plentiful natural gas at low prices has put coal at a significant disadvantage and mining output and employment have fallen as a result. But low gasoline prices have meant a real increase in consumers' disposable incomes, increasing miles driven on Kentucky interstates, boosting tourism and hotel revenue, and driving greater demand for automobiles which are manufactured in Kentucky.

While the US has seen tepid manufacturing employment growth in recent years, Kentucky's has been more robust as the automobile manufacturers in the state have expanded to meet domestic demand for vehicles. In November, one local automobile plant announced an additional 2,000 jobs as it was awarded production of a new line of light truck. Manufacturing employment growth in FY16 in Kentucky is projected to be eight times the rate of the US as a whole, a trend that is expected to continue into the next two fiscal years.

Economic growth overall in Kentucky is projected to continue through FY16 roughly in line with the national economy. The unemployment rate in October measured at 4.9 percent, just below the US average. Kentuckians' personal incomes are forecast to grow 4.9 percent over this fiscal year, a faster rate than has been seen since 2008. Robust wage and salary growth is forecast to maintain for the coming fiscal years as well. Kentucky's index of leading economic indicators, as reported by the Philadelphia Federal Reserve, has remained high relative to the US average. This suggests that growth will be positive in several areas over the next several months.

The housing market in Kentucky seems to be turning the corner as the rate of growth of new housing permits has increased and construction employment has likewise increased. Single-family building permits increased 13 percent in the first quarter over the previous fiscal year. Home sales in several Kentucky metropolitan statistical areas are also seeing double digit annualized growth.

Besides an unusually harsh winter in the short-term, perhaps the greatest threat to the Kentucky economy in the medium term is a slowdown in manufacturing or an increase in interest rates deterring borrowing and investment. As such, there are concerns locally about the FOMC's probable increase of the federal funds rate target in December. An increase in gasoline prices would also curb the growth in automobile manufacturing, tourism, and hospitality. While there are always risks, the current outlook for Kentucky remains strong.

Long-Term Financial Planning

Debt financing of the Commonwealth is classified as either appropriation supported debt or non-appropriation supported debt. Appropriation supported debt carries the name of the Commonwealth and is either a general obligation of the state or a lease revenue obligation of an issuing agency created by the Kentucky General Assembly to finance various projects subject to state appropriation for all or a portion of the debt service on the bonds. Non-appropriation or moral obligation debt carries the name of the Commonwealth for the benefit and convenience of other entities within the state. This type of indebtedness is a special obligation of the issuer, secured and payable solely from the sources pledged for the payment thereof and does not constitute a debt, liability, obligation, or pledge of the faith and credit of the Commonwealth.

Debt Administration

The amount of debt service for general bonded debt, the ratio of this amount to total expenditures for general governmental functions, and the amount of debt per capita are useful indicators to citizens, investors, and management regarding the Commonwealth's debt position. The data for 2015 are:

	<u>Debt Service (thousands)</u>	<u>Ratio to Total General Governmental Expenditures</u>	<u>Debt Per Capita</u>
General Bonded Debt	\$1,028,023	4.2 %	\$1,395

No general obligation bonds were authorized or outstanding at June 30, 2015.

A detailed analysis of the Commonwealth's debt issuance during the fiscal year ended 2015 is presented in Note 15.

Major Initiatives

Fiscal year 2015 was the first fiscal year of the Commonwealth's 2014-16 biennial budget period. The Commonwealth of Kentucky is one of the few states that enact a biennial budget in an even-numbered year; meaning that the fiscal year 2015 budget was enacted in the 2014 Regular Session of the Kentucky General Assembly. General Fund revenue growth was 5.3 percent, resulting in a \$139 million General Fund surplus. Road Fund revenues decreased by 2.2 percent which resulted in a \$6.3 million budget shortfall. In fiscal year 2015, General Fund spending increased by 3.5 percent, and Road Fund spending increased by 6.2 percent. The Road Fund revenue shortfall was resolved primarily through unexpended Road Fund budgets.

The General Fund 3.5 percent spending growth was focused in the three areas: elementary and secondary education (36 percent of the spending growth), public pensions (30 percent of the spending growth), criminal justice (12 percent of the growth), and the Medicaid program (11 percent of the spending growth). Outside those areas, most other areas of spending declined for the seventh consecutive fiscal year. Some areas of the government have incurred up to 41.5 percent in General Fund budget reductions since fiscal year 2008. Despite Road Fund revenue growth of just 2.2 percent, spending from the Road Fund increased by 6 percent primarily due to the schedule of major road project expenditures, which occur over a multi-year period.

Fiscal year 2015 marked the first year of a 30-year financing plan for the unfunded liability of the Kentucky Employees' Retirement System. An additional \$200 million was added to the employer contribution toward that system, about half of which was from the General Fund. This additional spending fully funded the actuarially required contribution. The Commonwealth continued to implement past reforms to address the unfunded liability of its pension systems through the restructuring future employee benefits to a hybrid-cash balance plan was put in place for all new employees which will mitigate the cost of future pension liabilities. Fiscal year 2015 was the fifth year of a six-year plan to sufficiently pre-fund the Teachers' Retirement System medical costs, involving additional financial participation from active school district employees, the 173 Kentucky school districts, existing retirees under age 65, and the Commonwealth.

Fiscal year 2015 was the fourth year of implementation for two major policy initiatives: the statewide implementation of managed care in the Medicaid program, and the implementation of several of the reforms enacted in 2011 affecting Corrections and the revision in the controlled substances portion of the penal code. The movement of Medicaid's non-waiver populations into managed care resulted in General Fund cost avoidance of over \$160 million in fiscal year 2015. Due to the implementation of reforms in the Corrections area, the inmate population growth since fiscal year 2011-12 has been flat over the four years since reform efforts were enacted.

The Commonwealth's capital program for the 2014-16 biennial period included \$1.5 billion in bond funded projects. That amount is about the average for the previous seven biennial budgets. Almost 80 percent of the new funding was focused on the Commonwealth's nine public postsecondary education institutions. Water and sewer infrastructure projects and local school construction reflected about 16 percent of the new funding. The Kentucky Community and Technical College system, the Commonwealth's two-year degree granting system, received authority to finance \$145.5 million in bond projects for 16 capital projects that will be supplemented by matching funds from the system of another \$48.5 million. This \$194 million capital investment represents the first significant capital investment in the system since the 2006-08 biennial budget, and the first use of fee-supported bonds to finance capital projects for the system.

Fiscal year 2015 was the third year that the Commonwealth implemented the elements of the federal Affordable Care Act that permitted the expansion of eligibility for the Medicaid program to individuals whose income is up to 138 percent of the poverty level, and its own Health Benefit Exchange. By the end of fiscal year 2015, over 400,000 Kentuckians were enrolled in the "expanded" Medicaid program.

FINANCIAL INFORMATION

The Accounting System

The Commonwealth's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Additional discussions of the various funds and how they are reported are located in the Management Discussion and Analysis (MD&A) section of this report.

In developing and operating the Commonwealth's accounting system, management of the Commonwealth placed emphasis on the adequacy of internal accounting controls. The comprehensive internal control framework is designed to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that financial records are reliable for preparing GAAP financial statements that are free from material misstatement and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of internal controls should not exceed the benefits likely to be derived from their use, and that such cost-benefit evaluation requires estimates and judgments by management. All internal control evaluations occur within this framework.

OTHER INFORMATION

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Commonwealth of Kentucky for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This is the 28th consecutive year the Commonwealth has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report could not have been accomplished without the cooperation of all branches and agencies of the Commonwealth. The professionalism demonstrated by the staffs of the Finance and Administration Cabinet's Office of Statewide Accounting Services, the Kentucky Transportation Cabinet's Division of Graphic Design and Printing, as well as the Office of the Auditor of Public Accounts, is especially noteworthy. Their combined dedication made the publication of this report possible.

Respectfully submitted,

A handwritten signature in black ink that reads "William M. Landrum" followed by a horizontal line.

William M. Landrum III, Secretary
Finance and Administration Cabinet



MATTHEW G. BEVIN
Governor

Commonwealth of Kentucky
FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE CONTROLLER
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WILLIAM M. LANDRUM III
Secretary

EDGAR C. ROSS
Controller

December 11, 2015

The Honorable William M. Landrum, III
Secretary, Finance and Administration Cabinet
383 New Capitol Annex
Frankfort, Kentucky 40601

Dear Secretary Landrum:

Pursuant to Section 48.800 (3) of the Kentucky Revised Statutes, the Comprehensive Annual Financial Report (CAFR) of the Commonwealth of Kentucky for the fiscal year ended June 30, 2015, is submitted herewith. It contains all funds of the primary government and component units for which it is financially accountable, based on the criteria developed by the Governmental Accounting Standards Board (GASB).

The basis of accounting upon which the report has been prepared complies with accounting principles generally accepted in the United States of America for state governments as prescribed by both GASB and the American Institute of Certified Public Accountants' (AICPA) publication Audits of State and Local Governments.

The information presents fairly and fully discloses the financial position and results of financial operations of the Commonwealth for the reporting period as measured by the financial activity of the various funds. All appropriate disclosures necessary to assist readers in their understanding and evaluation of Kentucky's financial condition have been included in this report.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Edgar C. Ross".

Edgar C. Ross, Controller



Government Finance Officers Association

**Certificate of
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in Financial
Reporting**

Presented to

Commonwealth of Kentucky

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

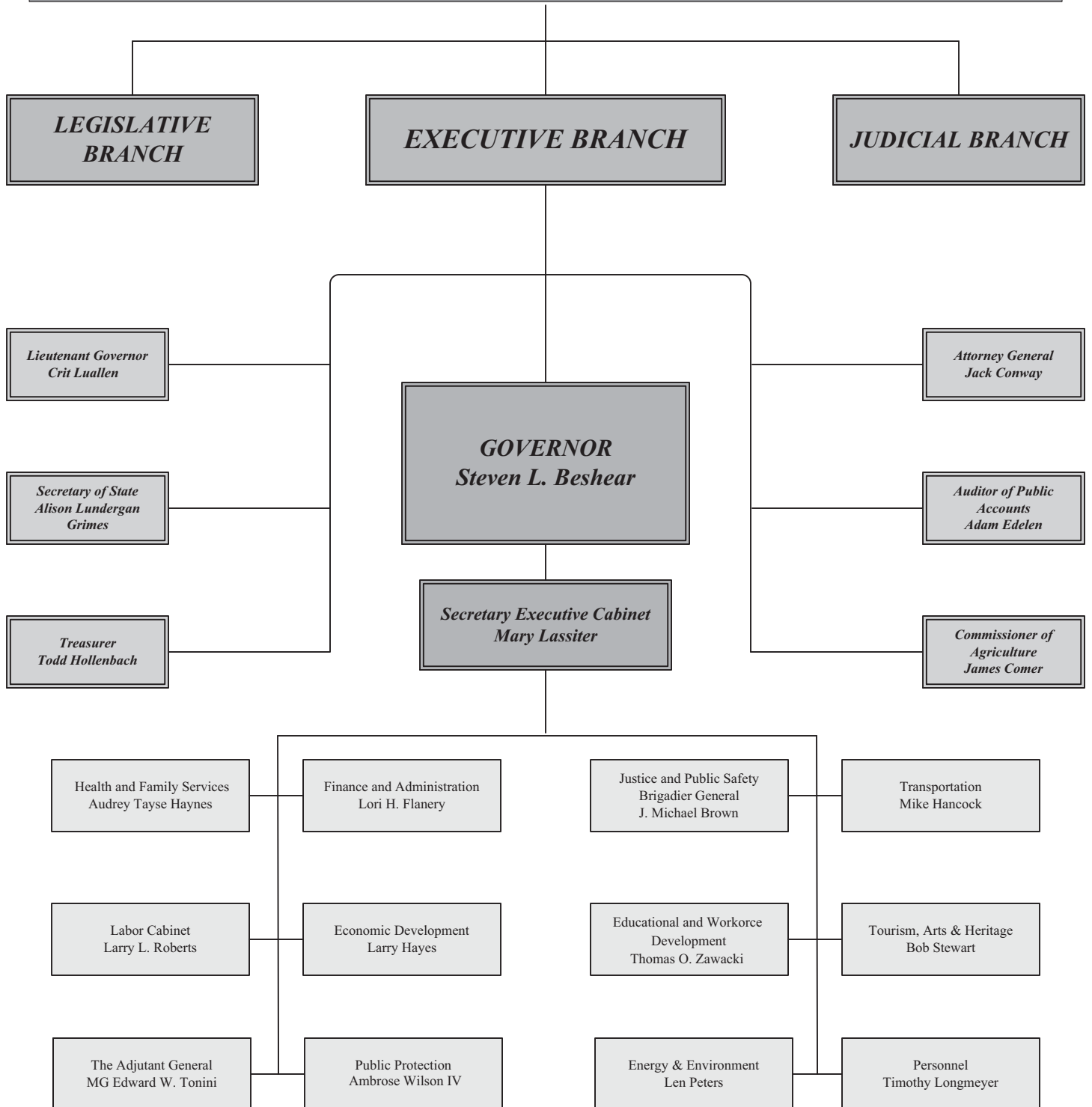
A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Executive Director/CEO

COMMONWEALTH OF KENTUCKY

ELECTORATE OF KENTUCKY

"UNITED WE STAND, DIVIDED WE FALL"



*Principal Officials at June 30, 2015

FINANCIAL SECTION



ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

To the People of Kentucky
The Honorable Matthew G. Bevin, Governor
William M. Landrum III, Secretary
Finance and Administration Cabinet

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Commonwealth's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of some component units and funds that comprise the Commonwealth of Kentucky. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for those component units and funds is based solely on the reports of the other auditors. Those component units and funds were:

Certain portions of the Governmental Funds including:

- Debt Service Fund - Turnpike Authority of Kentucky
- Special Revenue Fund - Turnpike Authority of Kentucky

Certain portions of the Proprietary Funds including:

- Within the Insurance Administration Fund:
 - Kentucky Coal Workers' Pneumoconiosis Fund
 - Kentucky Workers' Compensation Fund
 - Petroleum Storage Tank Environmental Assurance Program

Certain portions of the Internal Service Funds within the Risk Management Fund including:

- State Workers' Compensation Program
- Transportation Cabinet's Self-Insured Workers' Compensation Trust Program

Certain Fiduciary Funds including:

- Kentucky Retirement System
- Kentucky Teachers' Retirement System
- Judicial Form Retirement System
- Kentucky Public Employees' Deferred Compensation Authority

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AN EQUAL OPPORTUNITY EMPLOYER M/F/D



To the People of Kentucky
The Honorable Matthew G. Bevin, Governor
William M. Landrum III, Secretary
Finance and Administration Cabinet
Page 2

Component Units:

- Bluegrass State Skills Corporation
- Kentucky Center for the Arts Corporation
- Kentucky Economic Development Finance Authority
- Kentucky Educational Television Authority
- Kentucky Higher Education Assistance Authority
- Kentucky Higher Education Student Loan Corporation
- Kentucky State Fair Board
- Kentucky Horse Park Foundation, Incorporated
- Kentucky Housing Corporation
- Kentucky Infrastructure Authority
- Kentucky Local Correctional Facilities Construction Authority
- Kentucky Lottery Corporation

Component Units - Colleges and Universities and related entities:

- University of Kentucky
- Eastern Kentucky University
- Morehead State University
- Northern Kentucky University
- Kentucky Community and Technical College System
- University of Louisville
- Kentucky State University
- Murray State University
- Western Kentucky University
- Kentucky Council on Postsecondary Education

Those financial statements reflect total assets and revenues of the government-wide financial statements and total assets and revenues or additions of the fund financial statements as follows:

Government-Wide Financial Statements:	Percent of Assets	Percent of Revenues
Primary Government - Governmental Activities	1.09 %	.04 %
Primary Government - Business-Type Activities	36.97 %	4.51 %
Component Units	92.32 %	98.58 %
Fund Financial Statements:		
Governmental Funds - Non-Major Funds	33.28 %	.91 %
Proprietary Funds - Business-Type Activities - Enterprise Funds	36.75 %	4.50 %
Proprietary Funds - Governmental Activities - Internal Service Funds	3.80 %	11.38 %
Fiduciary Funds - Pension and Insurance Trust Funds	100 %	100 %
Component Units	92.32 %	98.58 %

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the People of Kentucky
The Honorable Matthew G. Bevin, Governor
William M. Landrum III, Secretary
Finance and Administration Cabinet
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Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Kentucky, as of June 30, 2015, and the respective changes in financial position and, where applicable cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Change in Accounting Principle

As discussed in Note 2, the Commonwealth implemented Governmental Accounting Standards Board Statement (GASB) No. 68, *Accounting and Financial Reporting for Pensions*, and GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, during fiscal year 2015. The implementation of these standards resulted in a prior period adjustment to the Commonwealth's Net Position at July 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 17 through 24, budgetary comparison schedules and corresponding notes on pages 140 through 155, and information about infrastructure assets reported using the modified approach on pages 156 through 159, claims development information for entity risk pools on pages 160 and 161, Schedule of Contributions on page 162 through 170, and the Proportionate Share of the Net Pension Liability on page 172 and 173, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures did not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commonwealth of Kentucky's basic financial statements. The combining financial statements, presented in this report on pages 178 through 231 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the People of Kentucky
The Honorable Matthew G. Bevin, Governor
William M. Landrum III, Secretary
Finance and Administration Cabinet
Page 4

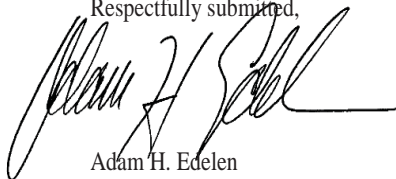
Other Information

The Introductory and Statistical sections presented in this report on pages 2 through 10 and 234 through 255 have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report on our consideration of the Commonwealth of Kentucky's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commonwealth's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam H. Edelen', is written over the typed name.

Adam H. Edelen
Auditor of Public Accounts

December 11, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis of the Commonwealth of Kentucky's Comprehensive Annual Financial Report (CAFR) presents a discussion and analysis of the State's financial performance during the fiscal year ended June 30, 2015. It is supplementary information required by the Governmental Accounting Standards Board (GASB) and is intended to provide an easily readable explanation of the information in the basic financial statements. It should be read in conjunction with the additional information that is furnished in the letter of transmittal, which can be found preceding this narrative, and with the Commonwealth's financial statements which follow.

FINANCIAL HIGHLIGHTS - PRIMARY GOVERNMENT

Government-Wide Highlights:

The liabilities of the Commonwealth's governmental activities exceeded its assets at fiscal year ending June 30, 2015, by \$14.1 billion, a decrease in net position of \$5.1 million related to current year activity. Assets of the Commonwealth's business-type activities exceeded liabilities by \$112.2 million, an increase in net position of \$545.6 million related to current year activity. Total net position increased by \$540.4 million to (\$14) billion.

The assets of component units exceeded liabilities at fiscal year ending June 30, 2015, by \$8.2 billion, an increase of \$356.6 million related to current year activity.

This significant decrease in the net position of the governmental activities when the Commonwealth adopted Governmental Accounting Standards Board (GASB) Statement No. 68 and No. 71 (GASB 68 and 71), *Accounting and Financial Reporting for Pensions* the provisions of which require the Commonwealth, as a participating employer in the Kentucky Employees Retirement System, the State Police Retirement System, the Teachers Retirement System, the Judicial Retirement Plan and the Legislators' Retirement Plan (the Plans), to reflect in the Statement of Net Position its proportionate share of the net pension liability of the Plans. The adoption of this pronouncement resulted in a decrease of \$24.6 billion in the Commonwealth's beginning net position.

There was a fluctuation in Governmental Activities concerning Federal Funds expenditures. There was a 14.2% (\$1.3 billion) increase in federal expenditures as compared to FY 14. The Commonwealth had a slight increase in federal expenditures in all agencies except for the Cabinet for Health and Family Services (CHFS). CHFS had a \$1.20 billion dollar increase in federal expenditures, an increase of 17.1% as compared to FY 14. This increase was caused primarily by the Medicaid Expansion under the Affordable Care Act. FY 15 was the first full year of Medicaid Expansion which from its implementation date of January 1, 2014 has added over four hundred thousand (400,000) Medicaid Expansion recipients to the Commonwealth's Medicaid Program. Capitation rates were paid for these new members for FY 15 and were funded one hundred per cent (100%) by federal funds.

Fund Highlights:

As of the close of FY 15, the Commonwealth's governmental funds reported combined ending fund balances of \$2.0 billion, a net decrease of \$184.1 million in comparison with the prior year. Approximately 84.5 percent or \$1.7 billion of the ending fund balance is restricted. There is unrestricted (committed, assigned, or unassigned) fund balance of \$214 million available for spending either at the government's discretion or upon legislative approval.

Enterprise funds reported net position of \$112.2 million, of which \$516.2 million was restricted or invested in capital assets and the balance of (\$404) million was unrestricted.

Long-Term Debt:

The Commonwealth's total long-term debt obligations (bonds and notes payable) decreased by \$537.5 million to \$7.6 billion during the current fiscal year. The decrease is attributable to the issuance of bonds mainly to refund older debt outstanding in addition to funding new projects. The reduction to liabilities includes advanced retirement of old debt and payment of principle of \$1.1 billion while new issues for refunding and new projects were \$596.6 million during FY 15. Additional details of these activities can be found in Note 15 beginning on Page 121.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Commonwealth's basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also includes other required supplementary information (*General and Special Revenue Fund budgetary schedules; condition and maintenance data regarding infrastructure; and claims development information*) and other supplementary information (combining financial statements). Each of these components is described below.

Government-Wide Financial Statements

The Government-Wide Financial Statements provide a broad view of the Commonwealth's operations in a manner similar to a private-sector business. These statements report financial information about the entire government except fiduciary activities. The statements provide both short-term and long-term information about the Commonwealth's financial position, which assists in assessing the Commonwealth's economic condition at the end of the fiscal year. These are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. They take into account all revenues and expenses of the fiscal year even if no cash has been received or paid. The government-wide financial statements include two statements: The *Statement of Net Position* shows the financial position of the Commonwealth at the end of the fiscal year. The *Statement of Activities* presents information showing how the government's financial position has changed since the beginning of the fiscal year.

Both of the above financial statements have separate sections for three different types of state programs or activities.

These three types of activities are:

Governmental Activities – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this category. Internal Service Fund balances are reported as a part of governmental activities.

Business-Type Activities – These functions normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services provided by the State. The business-type activities of the Commonwealth include the operations of various Enterprise Funds as listed later in the text.

Discretely Presented Component Units – These are operations for which the Commonwealth has financial accountability but which possess certain independent qualities as well. More information on the Commonwealth's discretely presented component units can be found in Note 1 beginning on Page 53.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by state law or bond covenants and additional funds are established for management and fiscal control of resources.

The fund financial statements focus on activities of state government. All of the funds of the Commonwealth can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

Table 1, below, summarizes the major features of the basic financial statements and how they relate to one another.

Table 1. Major Features of the Commonwealth of Kentucky's Government-Wide and Fund Financial Statements				
	Government-Wide Financial Statements	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Entire government (except fiduciary funds) and the Commonwealth's component units	The activities of the Commonwealth that are not proprietary or fiduciary	Activities of the Commonwealth that are similar to private businesses	Instances where the Commonwealth is the trustee for someone else's resources
Required Financial Statements	Statement of Net Position	Balance Sheet	Statement of Fund Net Position	Statements of Fiduciary Net Position
	Statement of Activities	Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Revenues, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources measurement focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources measurement focus	Accrual accounting and economic resources measurement focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial, and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of Inflow – Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year and expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Notes to the Financial Statements - Notes to the financial statements provide information necessary to fully understand the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and focus on the primary government and its activities.

Required Supplementary Information - In addition to this Management's Discussion and Analysis, which is required supplementary information, the basic financial statements are followed by a section of required supplementary information that further explains and supports the information contained in the financial statements.

Other Supplementary Information - Supplementary information includes the introductory section, combining financial statements for non-major governmental funds, non-major discretely presented component units, the individual internal service funds and fiduciary funds, and the statistical section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

Net position may serve as a useful indicator of a government's financial position. The Commonwealth's combined net position (governmental and business-type activities) totaled (\$14) billion at the end of FY 15, as compared to \$10.1 billion at the end of the previous year.

The largest portion of the Commonwealth's net position, \$21.6 billion, is net investment in capital assets (e.g. land, infrastructures, buildings and improvements and machinery and equipment), minus any related debt, which is still outstanding and used to acquire those assets. The Commonwealth uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending.

The second largest portion of the Commonwealth's net position, totaling \$1.2 billion, is restricted and represents resources that are subject to either external restrictions or legislative restrictions on how they may be used. The remaining balance is unrestricted net position. The unrestricted net position, if they have a positive value, could be used at the Commonwealth's discretion. However, the unrestricted balance is (\$36.8) billion; therefore funds are not available for discretionary purposes. A contributing factor to the negative balance is that liabilities are recognized on the government-wide statement of net position when the obligation is incurred. Accordingly, the Commonwealth recognizes long-term liabilities (such as general bonded debt, compensated absences, unfunded employer pension cost, and contingent liabilities-shown in Note 15 to the financial statements) on the statement of net position.

Table 2 below presents the Commonwealth's condensed statement of net position as of June 30, 2015 and June 30, 2014, derived from the government-wide Statement of Net Position.

Table 2: Condensed Statement of Net Position (Expressed in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current Assets	\$ 5,424,568	\$ 6,213,863	\$ 1,487,121	\$ 1,404,931	\$ 6,911,689	\$ 7,618,794
Capital Assets	23,537,288	23,058,318	315,834	328,198	23,853,122	23,386,516
Other Assets	333	290			333	290
Total Assets	28,962,189	29,272,471	1,802,955	1,733,129	30,765,144	31,005,600
Deferred outflows of resources	954,689	723,294	13,621	4,915	968,310	728,209
Non Current Liabilities	39,567,582	40,883,499	1,363,999	1,744,732	40,931,581	42,628,231
Other Liabilities	2,757,808	3,235,745	337,023	426,625	3,094,831	3,662,370
Total Liabilities	42,325,390	44,119,244	1,701,022	2,171,357	44,026,412	46,290,601
Deferred inflows of resources	1,732,999	12,952	3,311		1,736,310	12,952
Net investment in capital assets	21,288,572	20,908,588	303,571	315,131	21,592,143	21,223,719
Restricted	984,229	1,099,649	212,629	63,847	1,196,858	1,163,496
Unrestricted	(36,414,312)	(36,144,668)	(403,957)	(812,291)	(36,818,269)	(36,956,959)
Total Net Position	<u>\$ (14,141,511)</u>	<u>\$ (14,136,431)</u>	<u>\$ 112,243</u>	<u>\$ (433,313)</u>	<u>\$ (14,029,268)</u>	<u>\$ (14,569,744)</u>

Changes in Net Position

The revenues and expenses information, as shown in Table 3, was derived from the government-wide Statement of Activities and reflects how the Commonwealth's net position changed during FY 15. The Commonwealth received program revenues of \$14.1 billion and general revenues (including transfers) of \$11.8 billion for total revenues of \$25.9 billion during FY 15. Expenses for the Commonwealth during FY 15 were \$25.4 billion, which resulted in a total increase of the Commonwealth's net position in the amount of \$540.4 million, net of contributions, transfers and special items.

Table 3: Condensed Statement of Activities (Expressed in Thousands)

	2015 Governmental Activities	2014 Governmental Activities	2015 Business-Type Activities	2014 Business-Type Activities	2015 Total	2014 Total
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,366,738	\$ 1,464,874	\$ 2,639,949	\$ 2,427,436	\$ 4,006,687	\$ 3,892,310
Operating Grants and Contributions	9,270,753	8,211,316	-	174,235	9,270,753	8,385,551
Capital Grants and Contributions	865,320	801,353	149	378	865,469	801,731
General Revenues:						
Income Taxes	4,604,837	4,209,469			4,604,837	4,209,469
Sales Taxes	5,714,300	5,575,312			5,714,300	5,575,312
Property Taxes	570,998	553,339			570,998	553,339
Other Taxes	492,126	508,519			492,126	508,519
Investment Earnings	4,264	(37)	14,971	13,546	19,235	13,509
Other	430,747	520,136	5,693	648,466	436,440	1,168,602
Total Revenues	23,320,083	21,844,281	2,660,762	3,264,061	25,980,845	25,108,342
Expenses:						
Governmental Activities:						
General Government	2,557,827	7,335,594			2,557,827	7,335,594
Legislative and Judicial	433,354	2,959,423			433,354	2,959,423
Commerce	110,041	585,366			110,041	585,366
Education and Humanities	5,822,980	7,288,981			5,822,980	7,288,981
Human Resources	11,098,078	14,917,179			11,098,078	14,917,179
Justice	952,071	6,195,306			952,071	6,195,306
Natural Resources and Environmental Protection	190,532	1,227,825			190,532	1,227,825
Public Protection and Regulation	107,258	713,587			107,258	713,587
Transportation	1,819,570	5,444,954			1,819,570	5,444,954
Interest Expense	341,922	355,842			341,922	355,842
Business-type Activities:						
State Parks			110,220	211,982	110,220	211,982
Kentucky Horse Park			19,278	35,973	19,278	35,973
Kentucky Public Employees Health Plan			1,420,292	1,642,048	1,420,292	1,642,048
Insurance Administration			116,723	172,372	116,723	172,372
Unemployment Compensation			340,223	1,092,231	340,223	1,092,231
Total Expenses	23,433,633	47,024,057	2,006,736	3,154,606	25,440,369	50,178,663
Increase (Decrease) in Net Position Before Transfers	(113,550)	(25,179,776)	654,026	109,455	540,476	(25,070,321)
Transfers	108,470	(4,214)	(108,470)	4,214		
Change in Net Position	(5,080)	(25,183,990)	545,556	113,669	540,476	(25,070,321)
Net Position, July 1, as restated	(14,136,431)	11,047,559	(433,313)	(546,982)	(14,569,744)	10,500,577
Net Position, June 30	<u>\$ (14,141,511)</u>	<u>\$ (14,136,431)</u>	<u>\$ 112,243</u>	<u>\$ (433,313)</u>	<u>\$ (14,029,268)</u>	<u>\$ (14,569,744)</u>

Governmental Activities:

During the fiscal year, the change in net position resulted in a decrease from the previous year. The decrease in net position of governmental activities was (\$5.1) million or 1 percent. Approximately 48.8 percent of the governmental activities' total revenue came from taxes, while 49.3 percent resulted from grants and contributions (including federal aid). Table 4 below presents program expenses and revenues for governmental activities. Overall, program revenues were insufficient to cover program expenses for governmental activities. Therefore, the net program expenses of these governmental activities were supported by general revenues, mainly taxes.

Table 4 (Expressed in Thousands)

State Programs	Program Expenses	Program Revenues	Net Program (Expenses) Revenue
General Government	\$ 2,557,827	\$ 823,158	\$ (1,734,669)
Legislative and Judicial	433,354	29,527	(403,827)
Commerce	110,041	72,557	(37,484)
Education and Humanities	5,822,980	988,530	(4,834,450)
Human Resources	11,098,078	8,275,533	(2,822,545)
Justice	952,071	62,728	(889,343)
Natural Resources and Environmental Protection	190,532	94,318	(96,214)
Public Protection and Regulation	107,258	92,266	(14,992)
Transportation	1,819,570	1,064,194	(755,376)
Totals	\$ 23,091,711	\$ 11,502,811	\$ (11,588,900)

Business-Type Activities:

Table 5 below presents program expenses and revenues for business-type activities. The business-type activities increased the Commonwealth's net position by \$545.6 million. Program revenues generated by the operations of the State Parks and the Kentucky Horse Park were not sufficient to cover program expenses. General revenues were needed to support expenses of these programs. Program revenues generated by the operations of the Kentucky Public Employees Health Plan, Insurance Administration and Unemployment Compensation were sufficient to cover program expenses.

Table 5 (Expressed in Thousands)

State Programs	Program Expenses	Program Revenues	Net Program (Expenses) Revenue
State Parks	\$ 110,220	\$ 48,080	\$ (62,140)
Kentucky Horse Park	19,278	12,407	(6,871)
Kentucky Public Employees Health Plan	1,420,292	1,712,136	291,844
Insurance Administration	116,723	124,106	7,383
Unemployment Compensation	340,223	743,369	403,146
Totals	\$ 2,006,736	\$ 2,640,098	\$ 633,362

Overall Analysis

Financial highlights for the State as a whole during fiscal year ended June 30, 2014, include the following:

- The liabilities of the State's governmental activities now exceed assets (net position) at the close of the fiscal year. Liabilities exceeded assets by (\$14.1) billion and the State's business-type activities now have assets that exceed liabilities (net position) by \$112.2 million.
- The State's total net position decreased during the year by \$540.4 million. Net position of governmental activities decreased by (\$5.1) million, while net position of business-type activities increased by \$54.6 million
- The primary cause of the increase in business-type activities net position is a decrease in loans payable to the Federal government of (\$350.8) million for unemployment insurance.

FINANCIAL ANALYSIS OF THE COMMONWEALTH'S INDIVIDUAL FUNDS

At June 30, 2015, the Commonwealth's governmental funds reported combined ending fund balances of \$2.0 billion, a net decrease of \$184.1 million in comparison with the prior year. \$99.3 million is nonspendable and is comprised of inventories, notes receivables, cash with fiscal agents, and restricted cash that must remain intact. The \$1.7 billion is restricted for certain purposes and is not available to fund current operations. The \$214 million is considered unrestricted (committed, assigned, or unassigned). When the unrestricted balance is positive it is available for spending either at the government's discretion or upon legislative approval.

General Fund

The General Fund is the primary operating fund of the Commonwealth. The fund balance at June 30, 2015, was \$104.4 million. The balance reported reflects an increase of \$235.1 million from the previously reported amount, which represents an increase of 179.8%. The major factor for the increase in fund balance is an increase in revenues of \$580.1 million or 6.2%.

The fund balance is segregated into nonspendable and spendable amounts with the spendable amounts further segregated as restricted, committed, assigned, and unassigned. Inventory of \$6.2 million represents the nonspendable amount. The unrestricted had a balance of \$98.1 million, therefore is available for spending at the government's discretion or upon legislative approval.

The following governmental funds experienced significant changes during the year:

Major Special Revenue Funds

The major special revenue funds experienced normal cyclical changes in revenues and expenditures, except for the Federal Fund, which experienced an increase in intergovernmental revenues of \$1.3 billion. Expenditures decreased across a majority of all functions, except for CHFS which experienced an increase in expenditures of \$1.2 billion a 13.6% increase in expenditures for total federal expenditures. This increase was caused primarily by the Medicaid Expansion under the Affordable Care Act. FY 2015 was the first full year of Medicaid Expansion which from its implementation date of January 1, 2014 has added over four hundred thousand (400,000) Medicaid Expansion recipients to the Commonwealth's Medicaid Program. Capitation rates were paid for these new members for FY 15 and were funded one hundred per cent (100%) by federal funds. The Transportation Fund experienced a slight decrease in revenues due to decrease tax receipts and an increase in expenditures, resulting in an decrease in fund balance of \$204.3 million.

Proprietary Funds - The Commonwealth's proprietary funds reported net position of \$11.3 million, which included \$112.2 million in the enterprise funds and (\$100.9) million in the internal service funds. This is a total increase in net position of \$152 million from the previous year. This increase was caused primarily by a change in the Commonwealth's economy that resulted in a decrease in unemployment insurance receipts in the Unemployment Compensation Fund of \$637.9 million and a decrease in benefit payments of \$752.2 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, as the national and state economy began to improve, the official revenue forecast for the General Fund was increased. The General Fund revenues, for the year, were more than the final budgetary estimates by approximately \$165.4 million. Actual expenditures for the year were approximately \$157.4 million less than the final budgeted amount.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The Commonwealth's investment in capital assets for its governmental and business-type activities as of June 30, 2015, amounts to \$25.2 billion, with accumulated depreciation of \$1.3 billion, leaving a net book value of \$23.4 billion. This investment in capital assets includes land, improvements, buildings, equipment, and construction in progress, infrastructure and intangibles. Infrastructure assets are normally immovable and of value only to the

Commonwealth, such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items. The total increase in the Commonwealth's investment in capital assets for the current fiscal year was about 1.7 percent in terms of net book value. However, actual expenditures to purchase or construct capital assets were \$647.8 million for the year. Most of this amount was used to construct or reconstruct roads and bridges. Depreciation charges for the year totaled \$111.5 million. Additional information on the Commonwealth's capital assets can be found in Note 6 of the "Notes to the Financial Statements" of this report.

Infrastructure Assets – The Commonwealth has elected to utilize the "Modified Approach" as it relates to guidelines set forth in the GASB (Government Accounting Standards Board) Statement Number 34. Under this alternative method the Commonwealth expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for under the modified approach include nearly 64,187 lane miles of roads and approximately 9,011 bridges that the Commonwealth has responsibility for maintaining.

- There have been no significant changes in the condition level of infrastructure assets.
- The asset condition level established by the Commonwealth has approximately been met and exceeded for the past eight years.
- Actual expenditures necessary to maintain and preserve infrastructure assets at target condition levels were approximately 33.3 million more than the reported estimate of \$1,160.2 million for fiscal year 2015.

A more in-depth discussion of the Commonwealth's infrastructure assets is located in the "Required Supplemental Information" section of this report.

Debt Administration - The Office of Financial Management as established in KRS 42.4201, is responsible for the oversight of the Commonwealth's debt. The Office develops a long-term debt plan including criteria for the issuance of debt and an evaluation of the total state debt to be incurred. Debt is issued through the State Property and Buildings Commission and the Kentucky Asset/Liability Commission.

The Commonwealth of Kentucky's bonded debt decreased by \$136.7 million to \$6.2 billion, a 2.2% decrease during the current fiscal year. The major factor in this decrease is a result of the refunding of old issues by the FY 15 new issues. Therefore, the remaining liability on the retired bonds plus the FY 15 principle payments on the remaining outstanding bonds were greater than the FY 15 issues for new projects. No general obligation bonds were authorized or outstanding at June 30, 2015. Additional information on the Commonwealth's long-term debt obligations can be found in Note 15 of the notes to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The unemployment rate for the Commonwealth of Kentucky is currently 4.9 percent. The October rate is down 0.7 percentage points compared to the October 2014 rate of 5.6 percent. The national unemployment rate has also fallen 0.8 percentage points from 5.8 percent in October 2014 to 5.0 percent in October 2015. Kentucky saw net job growth in eight of ten major sectors over the previous year, a trend that is forecast to continue through the 2017 fiscal year.

Personal incomes in both Kentucky and the nation are improving. Personal income was up 4.8 percent in the first quarter of fiscal year 2016 compared to the same quarter in 2015. This was higher than the 4.3 percent growth the US as a whole saw over the same period. Kentuckians' wages and salaries were up 4.9 percent year-over-year and forecast to grow 4.5 percent over the entire fiscal year.

U.S. real gross domestic product is projected to grow at a rate of 2.4 percent in fiscal year 2016, and three percent in 2017. The housing sector shows modest signs of improvement, and household debt is slowly growing again. The price of crude oil has dropped to its lowest point since 2007, keeping downward pressure on wages and other prices. Slow economic growth in Europe and Asia, the prospect of another unusually harsh winter, and remaining monetary policy uncertainty in Washington could put some downward pressure on U.S. economic growth prospects

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Commonwealth of Kentucky's finances for all of Kentucky's citizens, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the Commonwealth's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Commonwealth of Kentucky, Finance and

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

COMMONWEALTH OF KENTUCKY
STATEMENT OF NET POSITION
JUNE 30, 2015

(Expressed in Thousands)

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Cash and cash equivalents (Note 5)	\$ 710,702	\$ 310,615	\$ 1,021,317	\$ 1,632,816
Cash with fiscal agents (Note 5)	78,028		78,028	
Restricted cash (Note 5)	4,238		4,238	
Restricted investments (Note 5)				83,823
Investments, net of amortization (Note 5)	1,494,290		1,494,290	2,182,824
Invested security collateral (Note 5)	557,507	271,457	828,964	
Receivables, net (Note 4)	2,391,352	304,747	2,696,099	3,755,223
Notes receivable	5,568	113	5,681	
Capital lease receivable (Note 4)	149,310		149,310	
Internal balances (Note 7)	(57,788)	57,788		
Inventories	76,096	1,767	77,863	62,270
Prepaid expenses	9,788	277	10,065	26,962
Unamortized cost of issuance	5,477		5,477	
Restricted assets:				
Temporarily restricted:				
Cash and cash equivalents (Note 5)				703,478
Investments (Note 5)		540,357	540,357	1,907,868
Capital assets (Note 6):				
Land	219,501	21,823	241,324	298,641
Improvements other than buildings	25,945	144,933	170,878	508,902
Buildings	1,399,687	339,962	1,739,649	7,225,850
Machinery and equipment	643,321	21,799	665,120	2,085,229
Other capital assets				149,551
Easements and other intangibles	179,613	2,322	181,935	
Less: Accumulated depreciation and amortization	(1,073,440)	(240,881)	(1,314,321)	(4,649,867)
Construction in progress	1,911,871	25,876	1,937,747	1,307,924
Infrastructure	20,230,790		20,230,790	23,421
Total Capital Assets	23,537,288	315,834	23,853,122	6,949,651
Other assets	333		333	230,788
Total Assets	28,962,189	1,802,955	30,765,144	17,535,703
Deferred outflows of resources (Note 15)	954,689	13,621	968,310	131,354
Liabilities				
Accounts payable (Note 4)	1,842,377	62,704	1,905,081	588,543
Tax refunds payable	353,612		353,612	
Unearned revenue	4,312	1,632	5,944	213,007
Other liabilities		1,230	1,230	141,361
Liabilities from restricted assets				6,366
Obligations under securities lending	557,507	271,457	828,964	
Noncurrent liabilities:				
Due within one year (Note 15)	895,381	198,196	1,093,577	329,895
Due in more than one year (Note 15)	38,672,201	1,165,803	39,838,004	7,865,540
Total Liabilities	42,325,390	1,701,022	44,026,412	9,144,712
Deferred inflows of resources (Note 15)	1,732,999	3,311	1,736,310	370,510
Net Position				
Net investment in capital assets	21,288,572	303,571	21,592,143	4,414,076
Restricted for:				
Debt service	138,192		138,192	302,006
Capital projects	302,504		302,504	242,457
Highways	543,533		543,533	
Unemployment benefits		150,855	150,855	
Other purposes (Note 1)		61,774	61,774	3,466,917
Unrestricted	(36,414,312)	(403,957)	(36,818,269)	(273,621)
Total Net Position	\$ (14,141,511)	\$ 112,243	\$ (14,029,268)	\$ 8,151,835

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

COMMONWEALTH OF KENTUCKY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
General government	\$ 2,557,827	\$ 626,337	\$ 168,823	\$ 27,998
Legislative and judicial	433,354	25,866	3,661	
Commerce	110,041	58,617	13,940	
Education and humanities	5,822,980	64,776	922,023	1,731
Human resources	11,098,078	164,793	8,039,897	70,843
Justice	952,071	22,755	39,973	
Natural resources and environmental protection	190,532	17,014	77,304	
Public protection and regulation	107,258	87,134	5,132	
Transportation	1,819,570	299,446		764,748
Interest expense	341,922			
Total Governmental Activities	23,433,633	1,366,738	9,270,753	865,320
Business-Type Activities:				
State Parks	110,220	47,931		149
Kentucky Horse Park	19,278	12,407		
Kentucky Public Employees Health Plan	1,420,292	1,712,136		
Insurance Administration	116,723	124,106		
Unemployment Compensation	340,223	743,369		
Total Business-Type Activities	2,006,736	2,639,949		149
Total Primary Government	\$ 25,440,369	\$ 4,006,687	\$ 9,270,753	\$ 865,469
Component Units:				
Authorities:				
Kentucky Housing Corporation	\$ 294,262	\$ 93,745	\$ 208,579	\$
Kentucky Higher Education Student Loan Corporation	33,507	33,532		
Kentucky Lottery Corporation	893,567	886,930		
Kentucky Public Transportation Infrastructure Authority	39,241			91,947
Universities, Colleges, & Related Entities:				
University of Kentucky	2,609,253	2,084,282	407,085	45,872
University of Louisville	1,107,874	681,277	165,833	
Kentucky Community and Technical College System	639,110	104,978	89,343	
Other component units	1,773,060	764,728	368,682	12,107
Total Component Units	\$ 7,389,874	\$ 4,649,472	\$ 1,239,522	\$ 149,926
General Revenues (Note 1):				
Taxes:				
Sales and gross receipt tax				
Individual income tax				
Corporate income tax				
Property tax				
License and privilege tax				
Severance tax				
Inheritance and estate tax				
Miscellaneous taxes				
Unrestricted grants and contributions				
Unrestricted investment earnings				
Gain on sale of capital assets				
Miscellaneous general				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position at July 1, As Restated (Note 2)				
Net Position at June 30				

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Units
Governmental Activities	Business-Type Activities	Totals	
\$ (1,734,669)	\$	\$ (1,734,669)	
(403,827)		(403,827)	
(37,484)		(37,484)	
(4,834,450)		(4,834,450)	
(2,822,545)		(2,822,545)	
(889,343)		(889,343)	
(96,214)		(96,214)	
(14,992)		(14,992)	
(755,376)		(755,376)	
(341,922)		(341,922)	
(11,930,822)		(11,930,822)	
	(62,140)	(62,140)	
	(6,871)	(6,871)	
	291,844	291,844	
	7,383	7,383	
	403,146	403,146	
	633,362	633,362	
(11,930,822)	633,362	(11,297,460)	
			\$ 8,062
			25
			(6,637)
			52,706
			(72,014)
			(260,764)
			(444,789)
			(627,543)
			(1,350,954)
5,714,300		5,714,300	
4,064,705		4,064,705	
540,132		540,132	
570,998		570,998	
13,742		13,742	
235,068		235,068	
52,616		52,616	
190,700		190,700	
10,348		10,348	669,968
4,264	14,971	19,235	1,544
7,259		7,259	51
413,140	5,693	418,833	1,036,037
108,470	(108,470)		
11,925,742	(87,806)	11,837,936	1,707,600
(5,080)	545,556	540,476	356,646
(14,136,431)	(433,313)	(14,569,744)	7,795,189
\$ (14,141,511)	\$ 112,243	\$ (14,029,268)	\$ 8,151,835

GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

Major Funds

General Fund

The General Fund is the Commonwealth's operating fund and accounts for and reports all financial resources appropriated by the General Assembly that are not required to be accounted for in other funds.

Transportation Fund

The Transportation Fund accounts for and reports specific revenue sources which are restricted or committed for the construction, preservation, and maintenance of roads.

Federal Fund

The Federal Fund accounts for and reports monies received from the federal government that are restricted or committed to specific programs and operations.

Agency Revenue Fund

The Agency Revenue Fund accounts for and reports specific taxes, fees, and charges that are restricted or committed to expenditures for a particular function or activity. The General Assembly usually appropriates this fund.

Capital Projects Fund

The Capital Projects Fund accounts for and reports financial resources that are restricted, committed, or assigned for capital outlay as appropriated by the General Assembly for the acquisition, construction, or renovation of major capital facilities, and for the acquisition of major equipment other than that financed by proprietary funds, certain trust funds, and university and college funds.

Debt Service Fund

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for repayment of principal, interest, and administrative fees due on general long-term issues of the Commonwealth and for the accumulation of financial resources used to make such payments.

Non-Major Funds

Non-Major governmental funds are presented by fund type beginning on page178

COMMONWEALTH OF KENTUCKY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	General	Transportation	Federal	Agency Revenue	Capital Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
Assets								
Cash and cash equivalents (Note 5)	\$ 299,060	\$ 17,609	\$ 6	\$ 59,863	\$ 12,313	\$ 48	\$ 265,864	\$ 654,763
Cash with fiscal agents (Note 5)					6,958	18,954		25,912
Restricted cash (Note 5)			2,847	1,391				4,238
Investments, net of amortization (Note 5)	4,136	436,464		463,768	299,866	1,069	271,301	1,476,604
Invested security collateral	110,869	131,101		149,414	90,234		75,889	557,507
Receivables, net (Note 4)	925,176	150,103	1,050,397	60,633	13,176		190,749	2,390,234
Notes receivable			269	2,964			2,097	5,330
Capital lease receivable (Note 4)						149,310		149,310
Interfund receivables (Note 7)	22,793	834	27,721	89,705	1,317	15	124,914	267,299
Interfund loans receivable (Note 7)	92,854	459					13,566	106,879
Inventories	6,230	64,190	277	2,880			37	73,614
Total Assets	<u>\$ 1,461,118</u>	<u>\$ 800,760</u>	<u>\$ 1,081,517</u>	<u>\$ 830,618</u>	<u>\$ 423,864</u>	<u>\$ 169,396</u>	<u>\$ 944,417</u>	<u>\$ 5,711,690</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable (Note 4)	\$ 566,285	\$ 118,582	\$ 975,057	\$ 67,359	\$ 29,835	\$	\$ 14,993	\$ 1,772,111
Tax refunds payable	353,612							353,612
Interfund payables (Note 7)	125,495	1,620	39,064	20,000	455		145,793	332,427
Interfund loans payable (Note 7)	4,873		35,174	6,608			52,744	99,399
Obligations under securities lending	110,869	131,101		149,414	90,234		75,889	557,507
Unearned revenue			343	2,241			1,705	4,289
Total Liabilities	<u>1,161,134</u>	<u>251,303</u>	<u>1,049,638</u>	<u>245,622</u>	<u>120,524</u>		<u>291,124</u>	<u>3,119,345</u>
Deferred inflows of resources								
Unavailable	195,625	5,924	91,283	28,219	836	149,310	101,079	572,276
Fund Balances:								
Nonspendable (Note 1)	6,230	64,190	546	7,235		18,954	2,134	99,289
Restricted for (Note 1)		479,343		504,659	302,504	1,132	419,126	1,706,764
Committed to (Note 1)				32,893			127,911	160,804
Assigned to (Note 1)	27,069			11,990			3,043	42,102
Unassigned (Note 1)	71,060		(59,950)					11,110
Total Fund Balances	<u>104,359</u>	<u>543,533</u>	<u>(59,404)</u>	<u>556,777</u>	<u>302,504</u>	<u>20,086</u>	<u>552,214</u>	<u>2,020,069</u>
Total Liabilities and Fund Balances	<u>\$ 1,461,118</u>	<u>\$ 800,760</u>	<u>\$ 1,081,517</u>	<u>\$ 830,618</u>	<u>\$ 423,864</u>	<u>\$ 169,396</u>	<u>\$ 944,417</u>	<u>\$ 5,711,690</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**RECONCILIATION OF THE BALANCE SHEET- GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015
(Expressed in Thousands)**

Total Fund Balances - Governmental Funds		\$ 2,020,069
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Land and other non-depreciable assets	336,734	
Buildings, equipment, and other depreciable assets	1,700,578	
Infrastructure	20,230,790	
Accumulated depreciation	(793,274)	
Construction in progress	<u>1,814,985</u>	23,289,813
Certain revenues are earned but not available, and therefore, are deferred in the funds.		572,276
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		15,592
Internal service funds are used by management to charge the costs of Fleet Management, Computer Services, Central Printing, Prison Industries, Property Management and Risk Management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		(100,948)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Capital lease obligations	(38,906)	
Compensated absences	(228,263)	
Pollution remediation obligations	(8,241)	
Judgements and contingencies	(17,469)	
Lexington-Fayette Urban County Government Public Facilities Corporation (LFUCGPFC) - Memorandum of Understanding (MOU) obligations	(130,080)	
Net pension obligations and related deferred outflows/inflows	<u>(31,321,087)</u>	(31,744,046)
Long-term bonded debt is not due and payable in the current period and, therefore, is not reported in the funds. Unamortized premiums, loss on refundings, and interest payable are not reported in the funds; however, these amounts are included in the Statement of Net Position. This is the net effect of these balances on the statement:		
Bonds payable	(6,223,517)	
Notes payable	(1,467,573)	
Unamortized premiums and discounts	(358,915)	
Less deferred amounts on refundings	(32,332)	
Accrued interest payable	<u>(111,930)</u>	(8,194,267)
Net Position of Governmental Activities		<u>\$ (14,141,511)</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	General	Transportation	Federal	Agency Revenue	Capital Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
Revenues								
Taxes	\$ 9,626,220	\$ 1,361,857	\$	\$ 413,661	\$	\$	\$ 91,181	\$ 11,492,919
Licenses, fees, and permits	47,898	145,649	26	188,620			4,564	386,757
Intergovernmental	10,321	7	9,978,699	46,479	100,087		118	10,135,711
Charges for services	248,409	8,649	1,373	635,838	3	35,617	243,285	1,173,174
Fines and forfeits	36,463	25		7,432			20,835	64,755
Interest and other investment income	4,326	5,506	140	6,794	8,577	645	4,602	30,590
Increase (decrease) in fair value of investments	(581)	(3,317)		(2,897)	(4,850)	(2)	(1,897)	(13,544)
Securities lending income	530	627		714	431		362	2,664
Other revenues	36,958	6,739	94,453	277,791	77	491	103,492	520,001
Total Revenues	10,010,544	1,525,742	10,074,691	1,574,432	104,325	36,751	466,542	23,793,027
Expenditures								
Current:								
General government	1,531,764		130,807	166,868			278,044	2,107,483
Legislative and judicial	390,942		3,671	42,496				437,109
Commerce	30,797		17,937	49,621			471	98,826
Education and humanities	4,246,743		970,638	55,884			73,922	5,347,187
Human resources	2,258,739		8,187,458	964,304			27,372	11,437,873
Justice	703,576		39,633	94,567			1,679	839,455
Natural resources and environmental protection	66,248		67,511	44,927			7,955	186,641
Public protection and regulation	15,531		6,040	79,289			2,588	103,448
Transportation	13,995	1,565,161	691,597	185,457			205,014	2,661,224
Debt service:								
Principal retirement	2,033			8,841		416,435	143,972	571,281
Interest and fiscal charges						253,756	98,802	352,558
Other expenditures						4,032	16,399	20,431
Securities lending	237	280		319	192		162	1,190
Capital outlay:								
Buildings					231,483			231,483
Total Expenditures	9,260,605	1,565,441	10,115,292	1,692,573	231,675	674,223	856,380	24,396,189
Excess (Deficiency) of Revenues over (under) Expenditures	749,939	(39,699)	(40,601)	(118,141)	(127,350)	(637,472)	(389,838)	(603,162)
Other Financing Sources (Uses)								
Transfers in	200,833	1,386	51	436,672	39,541	634,046	745,724	2,058,253
Transfers out	(725,567)	(167,718)	(82,908)	(394,640)	(68,848)	(491)	(568,946)	(2,009,118)
Capitalized leases	10,219	1,707	2,440	2,082	622			17,070
Issuance of bonds:								
New issues					129,620		93,302	222,922
Refunding issues						254,380	119,332	373,712
Premiums					20,380	52,046	4,351	76,777
Discounts							(972)	(972)
Certificates of participation					62,955	5,620		68,575
Premiums						1,621		1,621
Payments to refunded bond escrow agent						(304,418)	(104,987)	(409,405)
Total Other Financing Sources (Uses)	(514,515)	(164,625)	(80,417)	44,114	184,270	642,804	287,804	399,435
Net Change in Fund Balances	235,424	(204,324)	(121,018)	(74,027)	56,920	5,332	(102,034)	(203,727)
Fund Balances at July 1	(130,790)	728,333	61,526	630,535	245,584	14,754	654,248	2,204,190
Increase (decrease) in inventories	(275)	19,524	88	269				19,606
Fund Balances at June 30	\$ 104,359	\$ 543,533	\$ (59,404)	\$ 556,777	\$ 302,504	\$ 20,086	\$ 552,214	\$ 2,020,069

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

(Expressed in Thousands)

Net Change in Fund Balances-Total Governmental Funds	\$	(203,727)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Assets disposed of, net book value	(127,415)	
Donated assets, fair market value	600	
Buildings, equipment, and other depreciable assets	64,351	
Infrastructure	585,936	
Accumulated depreciation	(68,747)	454,725

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		96,107
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Certain expenditures are reported in the funds; however, they increase assets reported on the Statement of Net Position and have been eliminated from the Statement of Activities:

Prepaid Expenses	9,783	
Inventories	19,606	29,389

Internal service funds are used by management to charge the costs of Fleet Management, Computer Services, Central Printing, Prison Industries, Property Management and Risk Management to individual funds. The net revenues (expense) of certain activities of the internal service funds are reported with governmental activities.		27,944
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Certain expenditures are reported in the funds; however, they either increase or decrease long-term liabilities reported on the Statement of Net Position and have been eliminated from the Statement of Activities.

Capital lease payments	6,037	
Compensated absence payments	(10,655)	
Pollution remediation payments	10,178	
Litigation payments	18,894	
Lexington-Fayette Urban County Government Public Facilities Corporation (LFUCGPFC) - Memorandum of Understanding (MOU) obligations	4,380	
Excess contributions to pension funds	(572,376)	(543,542)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond and note proceeds and premiums received	(742,635)	
Repayment of bond principal	571,281	
Payment to refunded bond escrow agent	409,405	
Accrued interest	(75,140)	
Loss on refunding	(2,044)	
Unamortized issue costs	(26,843)	134,024

Change in Net Position of Governmental Activities	\$	(5,080)
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THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

PROPRIETARY FUNDS FINANCIAL STATEMENTS

Enterprise Funds (All Major)

State Parks Fund

The State Parks Fund accounts for revenues earned and expenses incurred in the commercial operations of the Department of Parks.

Kentucky Horse Park Fund

The Kentucky Horse Park Fund accounts for revenues earned and expenses incurred in the commercial operations of the Kentucky Horse Park.

Insurance Administration Fund

The Insurance Administration Fund accounts for insurance risk pools operated by the state. These include:

Workers' Compensation Fund provides benefits for workers with illnesses, which are not attributable to one employer.

Coal Workers' Pneumoconiosis provides benefits for workers with pneumoconiosis resulting from exposure to coal dust created in the severance or processing of coal.

Petroleum Storage Tank Environmental Assurance Program provides for the cleanup of leaking underground storage tanks in amounts that exceed the insurance required of the owners and operators.

Mine Subsidence Insurance Program provides coverage against losses arising out of or due to mine subsidence within the Commonwealth.

Kentucky Reclamation Guaranty Fund provides coverage to reclaim surface mined land when the permit holder has forfeited bonds posted for such purpose.

Kentucky Public Employees Health Insurance Fund

The Kentucky Public Employees Health Insurance Fund accounts for the revenues and expenses incurred in the commercial operation of the health insurance program for state employees, local boards of education, and quasi-governmental agencies.

Unemployment Compensation Fund

The Unemployment Compensation Fund accounts for assessed employer contributions and related unemployment compensation payments.

Internal Service Funds

Individual fund statements for the Internal Service Funds, whose combined totals are presented on this statement, begin on page188

COMMONWEALTH OF KENTUCKY
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Business-Type Activities-		
	State Parks	Kentucky Horse Park	Insurance Administration
Assets			
Current assets:			
Cash and cash equivalents (Note 5)	\$ 136	\$ 1,176	\$ 59,990
Cash with fiscal agents (Note 5)			
Invested security collateral (Note 5)			271,457
Receivables, net (Note 4)	1,363	464	19,911
Interfunds receivable (Note 7)	41		232
Inventories	1,375	392	
Prepaid expenses	47		
Total Current Assets	2,962	2,032	351,590
Noncurrent assets:			
Investments, net of amortization (Note 5)	2,491	424	377,490
Receivables, net		113	
Capital assets (Note 6):			
Land	17,370	4,453	
Improvements other than buildings	114,135	30,798	
Buildings	239,779	100,183	
Machinery and equipment	14,629	5,412	1,758
Easements and other intangibles	2,322		
Less: Accumulated depreciation and amortization	(202,610)	(37,292)	(979)
Construction in progress	21,836	3,399	641
Total Capital Assets	207,461	106,953	1,420
Total Noncurrent Assets	209,952	107,490	378,910
Total Assets	212,914	109,522	730,500
Deferred outflows of resources (Note 15)	7,651	1,005	4,201
Liabilities			
Current liabilities:			
Accounts payable (Note 4)	7,717	1,470	1,662
Interfunds payable (Note 7)	669	105	1,378
Interfund loans payable (Note 7)	4,936		
Claims liability (Note 15)			77,859
Claims adjustment liability (Note 15)			5,375
Capital lease obligations (Note 10) (Note 15)	726	347	
Compensated absences (Note 15)	3,291	433	990
Unearned revenue	1,576	56	
Loans payable to the federal government (Note 15)			
Obligations under securities lending			271,457
Total Current Liabilities	18,915	2,411	358,721
Noncurrent liabilities:			
Claims liability (Note 15)			861,180
Claims adjustment liability (Note 15)			58,340
Capital lease obligations (Note 10) (Note 15)	9,082	2,107	
Compensated absences (Note 15)	1,947	141	553
Net pension liability (Note 8) (Note 15)	129,773	16,822	73,698
Other liabilities (Note 15)			
Total Noncurrent Liabilities	140,802	19,070	993,771
Total Liabilities	159,717	21,481	1,352,492
Deferred inflows of resources (Note 15)	1,928	280	947
Net Position			
Net investment in capital assets	197,653	104,499	1,419
Restricted for:			
Unemployment benefits			
Other purposes (Note 1)			61,774
Unrestricted	(138,733)	(15,733)	(681,931)
Total Net Position	\$ 58,920	\$ 88,766	\$ (618,738)

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Enterprise Funds			Governmental
Kentucky Public Employees Health Plan	Unemployment Compensation	Totals June 30, 2015	Activities- Internal Service Funds
\$ 240,444	\$ 8,869	\$ 310,615	\$ 55,939
			52,116
		271,457	
66,809	216,200	304,747	1,117
68,500	94	68,867	4,475
		1,767	2,481
		277	5
230			
375,983	225,163	957,730	116,133
159,952		540,357	17,686
		113	238
		21,823	17,804
		144,933	3,133
		339,962	275,588
		21,799	132,554
		2,322	1,675
		(240,881)	(280,166)
		25,876	96,886
		315,834	247,474
159,952		856,304	265,398
535,935	225,163	1,814,034	381,531
764		13,621	12,603
19,693	32,162	62,704	14,718
	3,991	6,143	2,071
		4,936	2,544
70,697		148,556	26,326
		5,375	800
		1,073	10,394
323		5,037	3,314
		1,632	26
	38,155	38,155	
		271,457	
90,713	74,308	545,068	60,193
		861,180	183,747
		58,340	4,588
		11,189	22,192
49		2,690	4,669
12,111		232,404	216,906
1,230		1,230	
13,390		1,167,033	432,102
104,103	74,308	1,712,101	492,295
156		3,311	2,787
		303,571	214,887
	150,855	150,855	
		61,774	
432,440		(403,957)	(315,835)
\$ 432,440	\$ 150,855	\$ 112,243	\$ (100,948)

COMMONWEALTH OF KENTUCKY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Business-Type Activities-		
	State Parks	Kentucky Horse Park	Insurance Administration
Operating Revenues:			
Charges for sales and services:			
State parks sales and services	\$ 47,931	\$	\$
Horse park admissions and sales		12,407	
Insurance receipts			124,106
Unemployment insurance receipts			
Internal service fund receipts			
Other services	1,857	532	3,453
Total Operating Revenues	<u>49,788</u>	<u>12,939</u>	<u>127,559</u>
Operating Expenses:			
Personal services	57,771	8,464	25,159
Utilities, rental, and other services	18,884	3,570	2,580
Commodities and supplies	20,152	3,061	2,090
Grants and subsidies			
Depreciation and amortization	11,835	4,081	204
Travel	220	8	418
Reinsurance expense			
Claims expense			64,612
Claims adjustment expense			10,870
Other expenses	668		188
Total Operating Expenses	<u>109,530</u>	<u>19,184</u>	<u>106,121</u>
Operating Income (Loss)	<u>(59,742)</u>	<u>(6,245)</u>	<u>21,438</u>
Nonoperating Revenues (Expenses):			
Gain (loss) on sale of capital assets	(51)		(9)
Interest and other investment income	1		14,871
Securities lending income			387
Increase (decrease) in fair value of investments			(588)
Interest expense	(639)	(94)	
Other revenues (expenses)			(10,593)
Total Nonoperating Revenues (Expenses)	<u>(689)</u>	<u>(94)</u>	<u>4,068</u>
Income (Loss) before Capital Contributions and Transfers	(60,431)	(6,339)	25,506
Capital contributions			
Transfers in	34,591	3,047	121
Transfers out	(406)		(18,762)
Change in Net Position	<u>(26,246)</u>	<u>(3,292)</u>	<u>6,865</u>
Net Position at July 1, As Restated (Note 2)	85,166	92,058	(625,603)
Net Position at June 30	<u>\$ 58,920</u>	<u>\$ 88,766</u>	<u>\$ (618,738)</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Enterprise Funds			Governmental
Kentucky Public Employees Health Plan	Unemployment Compensation	Totals June 30, 2015	Activities- Internal Service Funds
\$	\$	\$	\$
1,712,136	743,369	47,931	
		12,407	
		1,836,242	
		743,369	
		5,842	222,789
1,712,136	743,369	2,645,791	13,927
			236,716
7,614	7	99,015	106,582
1,496	38	26,568	41,139
12,666		37,969	42,544
	340,178	340,178	569
		16,120	26,662
11		657	175
			12,987
1,394,712		1,459,324	37,947
77,493		88,363	404
(73,700)		(72,844)	
1,420,292	340,223	1,995,350	269,009
291,844	403,146	650,441	(32,293)
		(60)	(122)
300		15,172	(1)
		387	
		(588)	
		(733)	(798)
		(10,593)	70
300		3,585	(851)
292,144	403,146	654,026	(33,144)
			71
	94	37,853	63,876
(93,000)	(34,155)	(146,323)	(2,859)
199,144	369,085	545,556	27,944
233,296	(218,230)	(433,313)	(128,892)
\$ 432,440	\$ 150,855	\$ 112,243	\$ (100,948)

COMMONWEALTH OF KENTUCKY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Business-Type Activities -		
	State Parks	Kentucky Horse Park	Insurance Administration
Cash Flows from Operating Activities			
Cash received from customers - public	\$ 47,296	\$ 12,352	\$ 123,585
Cash received from customers - state	768	86	1,367
Cash payments to suppliers for goods and services	(30,468)	(6,324)	(6,217)
Cash payments for employee salaries and benefits	(55,725)	(8,209)	(23,498)
Cash payments for claims expense			(85,917)
Cash payments from other sources	1,857	532	3,354
Cash payments to other sources	(668)		(12,466)
Net Cash Provided (Used) by Operating Activities	(36,940)	(1,563)	208
Cash Flows from Noncapital Financing Activities			
Transfers from other funds	34,591	3,047	121
Transfers to other funds	(406)		(18,762)
Net Cash Provided (Used) by Noncapital Financing Activities	34,185	3,047	(18,641)
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets	(2,772)	(478)	(1,148)
Principal paid on revenue bond maturities and equipment contracts	(695)	(367)	
Interest paid on revenue bonds and equipment contracts	(270)	(94)	
Proceeds from the sale of capital assets			
Net Cash Provided (Used) for Capital and Related Financing Activities	(3,737)	(939)	(1,148)
Cash Flows from Investing Activities			
Purchase of investment securities			(103,177)
Proceeds from the sale of investment securities	5,513	236	55,377
Interest and dividends on investments	1		15,036
Net Cash Provided (Used) in Investing Activities	5,514	236	(32,764)
Net Increase (Decrease) in Cash and Cash Equivalents	(978)	781	(52,345)
Cash and Cash Equivalents at July 1	1,114	395	112,335
Cash and Cash Equivalents at June 30	\$ 136	\$ 1,176	\$ 59,990
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (59,742)	\$ (6,245)	\$ 21,438
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and amortization	11,835	4,081	204
Interest and other investment income			(10,263)
Miscellaneous nonoperating income (expense)			
Change in assets and liabilities:			
(Increase) decrease in assets:			
Receivables, net	(73)	414	(809)
Interfund receivables	20	7	89
Inventories	153	246	
Prepaid expenses	(13)		
(Increase) decrease in deferred outflows	(3,330)	(442)	(1,366)
Increase (decrease) in liabilities:			
Accounts payable	3,635	24	(940)
Interfund payables	4,825	37	(709)
Claims liability			(14,627)
Claims adjustment liability			4,631
Compensated absences	122		156
Unearned revenue	186	(390)	
Pension liability	3,546	425	1,677
Other liabilities	(32)		
Increase (decrease) in deferred inflows	1,928	280	727
Net Cash Provided (Used) by Operating Activities	\$ (36,940)	\$ (1,563)	\$ 208
Noncash Investing, Capital, and Financing Activities			
Change in fair value of investments	\$	\$	\$ (588)
Contributions of capital assets	216		
Capital assets acquired through leases		44	
Total Noncash Investing, Capital, and Financing Activities	\$ 216	\$ 44	\$ (588)

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

Enterprise Funds			Governmental
Kentucky Public Employees Health Plan	Unemployment Compensation	Totals June 30, 2015	Activities - Internal Service Funds
\$ 189,206	\$ 732,792	\$ 1,105,231	\$ 29,497
1,459,621		1,461,842	214,652
(17,955)		(60,964)	(82,690)
(4,044)	(7)	(91,483)	(102,412)
(1,501,007)		(1,586,924)	(43,668)
49,317		55,060	416
(500)	(693,100)	(706,734)	(2,212)
174,638	39,685	176,028	13,583
	94	37,853	63,876
(93,000)	(34,155)	(146,323)	(2,859)
(93,000)	(34,061)	(108,470)	61,017
		(4,398)	(30,572)
		(1,062)	(8,479)
		(364)	(798)
			662
		(5,824)	(39,187)
(50,043)		(153,220)	
300		61,126	6,575
(49,743)		15,337	
		(76,757)	6,575
31,895	5,624	(15,023)	41,988
208,549	3,245	325,638	58,386
\$ 240,444	\$ 8,869	\$ 310,615	\$ 100,374
\$ 291,844	\$ 403,146	\$ 650,441	\$ (32,293)
		16,120	26,662
(500)		(10,263)	(395)
(2,923)	(13,173)	(16,564)	5,051
(900)	(66)	(850)	2,426
		399	(222)
(200)		(213)	399
(364)		(5,502)	(5,426)
(10,495)	(3,326)	(11,102)	4,426
	3,963	8,116	(3,174)
(23,102)		(37,729)	7,120
(5,556)		(925)	(785)
19		297	673
	(2)	(206)	(94)
359		6,007	6,428
(73,700)	(350,857)	(424,589)	
156		3,091	2,787
\$ 174,638	\$ 39,685	\$ 176,028	\$ 13,583
\$	\$	\$ (588)	\$
		216	71
		44	6,989
\$	\$	\$ (328)	\$ 7,060

FIDUCIARY FUNDS FINANCIAL STATEMENTS

Pension (and Other Post Employment Benefit) Trust Funds account for monies received for and expenses incurred by the various public employee retirement systems administered by the Commonwealth. Kentucky uses the following pension (and other post employment benefit) trust funds:

Kentucky Employees Retirement System
County Employees Retirement System
Judicial Retirement Plan
State Police Retirement System
Kentucky Teachers' Retirement System
Legislators' Retirement Plan
Kentucky Public Employees' Deferred Compensation Authority

Agency funds account for monies held by the Commonwealth for custodial purposes only. Kentucky uses the following agency funds:

Commonwealth Choice Program
County Fees Trust Fund
Special Deposit Trust Fund

COMMONWEALTH OF KENTUCKY
STATEMENT OF FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Pension (and Other Post Employment Benefit) Trust Funds	Agency Funds
Assets		
Cash and cash equivalents (Note 5)	\$ 1,343,832	\$ 246,010
Investments, net of amortization (Note 5)		33,099
Pension trust fund investments (Note 5):		
Corporate and government bonds	8,136,501	
Common stocks	22,258,669	
Mortgages	234,416	
Alternatives	856,386	
Derivatives	1,284,445	
Real estate	1,682,717	
Other	1,531,965	
Invested security collateral	1,476,630	552,146
Receivables, net	975,907	40,842
Prepaid expenses	130	
Capital assets, net	24,830	
Total Assets	<u>39,806,428</u>	<u>872,097</u>
Liabilities		
Investments - accounts payable	592,911	
Accounts payable	20,516	185,037
Amounts held in custody for others		134,914
Obligations under securities lending	1,476,630	552,146
Unearned revenue	4,914	
Total Liabilities	<u>2,094,971</u>	<u>872,097</u>
Net Position		
Restricted for:		
Pension and other post employment benefits	37,711,457	
Total Net Position	<u>\$ 37,711,457</u>	<u>\$</u>

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

COMMONWEALTH OF KENTUCKY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Pension (and Other Post Employment Benefit) Trust Funds
Additions	
Contributions:	
Employer	\$ 1,534,834
Member	891,607
Non-Employer	548,536
Total Contributions	2,974,977
Other Contributions:	
Recovery income	22,998
Participant fees	7,437
Other receipts	23,531
Total Other Contributions	53,966
Investment income:	
Net increase (decrease) in fair value of investments	576,066
Interest	665,336
Dividends	211,397
Real estate operating income, net	28,785
Securities lending income, net	7,046
Total Investment Income	1,488,630
Less: Investment expense	160,449
Less: Securities lending expense	1,238
Net Investment Income	1,326,943
Total Additions	4,355,886
Deductions	
Benefit payments	3,772,226
Refunds	55,929
Administrative expenses	52,058
Self funding insurance costs	246,496
Healthcare premiums subsidies	331,583
Other deductions, net	9
Total Deductions	4,458,301
Change in Net Position	(102,415)
Net Position at July 1	37,813,872
Net Position at June 30	\$ 37,711,457

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

COMPONENT UNITS FINANCIAL STATEMENTS

Major Component Units

Kentucky Housing Corporation

The Kentucky Housing Corporation was authorized under KRS Chapter 198A in 1972 to increase the supply of housing for persons of lower income by making and participating in insured construction loans. The Corporation also makes and participates in insured mortgage loans when financing is not available from private lenders under reasonable equivalent terms and conditions.

Kentucky Higher Education Student Loan Corporation

The Kentucky Higher Education Student Loan Corporation was empowered by KRS Chapter 164A to finance state and federally insured loans to students attending eligible post secondary institutions through direct loans to students and the purchase of student loans from lenders.

Kentucky Lottery Corporation

The Kentucky Lottery Corporation, empowered by KRS 154A, administers the Kentucky State Lottery and operates pursuant to amended section 226 of the Constitution of Kentucky as ratified by voters of the Commonwealth.

Kentucky Public Transportation Infrastructure Authority (KPTIA)

The Kentucky Public Transportation Infrastructure Authority is an independent de jure municipal corporation and political subdivision of the Commonwealth established in 2009 pursuant to KRS Chapter 175B as amended. The authority reviews, approves and monitors certain significant transportation projects. The projects are within the Commonwealth and between the Commonwealth and other states.

Universities, Colleges, and Related Entities

The Universities, Colleges, and Related Entities account for all transactions relating to the eight State-supported universities and the system of community colleges and technical schools. These institutions maintain their own financial records and are not part of the central accounting system operated by the Finance and Administration Cabinet. The major component units-universities, colleges, and related entities are:

University of Kentucky

University of Louisville

Kentucky Community and Technical College System

Non-Major Component Units

The non-major component units are presented beginning on page214

COMMONWEALTH OF KENTUCKY
STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2015
(Expressed in Thousands)

	UNIVERSITIES, COLLEGES, AND RELATED ENTITIES			
	University of Kentucky	University of Louisville	Kentucky Community and Technical College System	Kentucky Housing Corporation
Assets				
Current assets:				
Cash and cash equivalents (Note 5)	\$ 621,961	\$ 151,868	\$ 190,254	\$ 90,268
Restricted cash (Note 5)				
Restricted investments (Note 5)				
Investments, net of amortization (Note 5)	21,702	18,586		84,561
Accounts receivable, net	290,891	117,714	27,221	10,503
Interest receivable	1,885		58	
Inventories	36,196	947		16,827
Prepaid expenses	8,513	2,015		
Other current assets	2,105	10,507	4,694	39,737
Total Current Assets	983,253	301,637	222,227	241,896
Noncurrent assets:				
Restricted cash (Note 5)	315,522	17,028	26,690	
Long-term investments (Note 5)	57,343	803,325	68,303	496,036
Restricted long-term investments (Note 5)	1,449,215	5,899		
Long-term receivables, net	338,953	61,002	6,209	682,917
Capital assets (Note 6):				
Land	73,347	90,524	32,488	1,089
Improvements other than buildings	220,461	28,673	15,405	
Buildings	2,532,165	1,253,445	751,141	5,161
Machinery and equipment	932,926	478,483	201,351	5,038
Infrastructure				
Other capital assets				
Less: Accumulated depreciation and amortization	(1,689,150)	(832,205)	(451,820)	(7,554)
Construction in progress	266,891	33,604	56,016	
Total Capital Assets	2,336,640	1,052,524	604,581	3,734
Other assets	283	10,402		2,485
Total Noncurrent Assets, Net	4,497,956	1,950,180	705,783	1,185,172
Total Assets	5,481,209	2,251,817	928,010	1,427,068
Deferred outflows of resources (Note 15)	13,755	851	18,390	6,591
Liabilities				
Current liabilities:				
Accounts payable and accruals	293,223	98,961	10,631	39,737
Current portion of long-term debt:				
Notes payable (Note 15)	600	7,883		42,831
Bonds payable (Note 15)	19,067	21,024		32,875
Capital lease obligations (Note 10)(Note 15)	35,953	4,814	3,034	
Compensated absences (Note 16)	721		1,214	
Claims liability				
Prize liability				
Unearned revenues	97,861	67,334	9,631	
Payable from restricted assets				
Other current liabilities	25,062	21,841	16,231	56,792
Total Current Liabilities	472,487	221,857	40,741	172,235
Noncurrent liabilities:				
Notes payable (Note 15)	18,929	53,802		
Bonds payable (Note 15)	784,172	278,858		914,520
Capital lease obligations (Note 10)	132,351	21,365	24,252	
Prize liability				
Compensated absences (Note 16)	6,579		10,928	
Net pension liability (Note 8) (Note 15)			383,994	70,519
Other long-term liabilities	382,064	127,432	846	16,514
Total Noncurrent Liabilities	1,324,095	481,457	420,020	1,001,553
Total Liabilities	1,796,582	703,314	460,761	1,173,788
Deferred inflows of resources (Note 15)	241,124	3,671	17,686	906
Net Position				
Net investment in capital assets	1,422,560	670,437	577,295	3,734
Restricted for:				
Debt service	724	16,435		219,745
Capital projects	128,734	30,603	25,871	
Other purposes (Note 1)	907,606	768,143	81,739	25,660
Unrestricted	997,634	60,065	(216,952)	9,826
Total Net Position	\$ 3,457,258	\$ 1,545,683	\$ 467,953	\$ 258,965

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

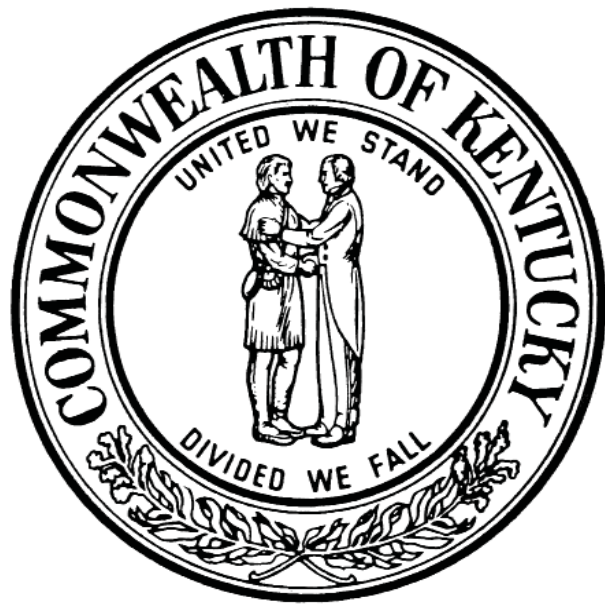
AUTHORITIES				
Kentucky Higher Education Student Loan Corporation	Kentucky Lottery Corporation	Kentucky Public Transportation Infrastructure Authority	Non-Major Component Units	All Component Units Totals June 30, 2015
\$ 13,851	\$ 3,775 2,376	\$ 124,653	\$ 436,186 70,076	\$ 1,632,816 72,452
	6,538	83,823		83,823
217	35,177		386,899	518,286
12,610		212	199,192	680,915
			2,128	16,893
656	67		8,300	62,270
135,304	711		15,711	26,962
162,638	48,644	208,688	5,743	198,801
			1,124,235	3,293,218
62,804			208,982	631,026
8,360	20,194		210,977	1,664,538
1,031,374		148,125	304,629	1,907,868
			936,960	3,057,415
	442		100,751	298,641
	350		244,013	508,902
	7,647		2,676,291	7,225,850
12,367	22,374		432,690	2,085,229
		23,421		23,421
		7,088	142,463	149,551
(12,053)	(24,124)		(1,632,961)	(4,649,867)
		830,584	120,829	1,307,924
314	6,689	861,093	2,084,076	6,949,651
	247		18,570	31,987
1,102,852	27,130	1,009,218	3,764,194	14,242,485
1,265,490	75,774	1,217,906	4,888,429	17,535,703
4,149			87,618	131,354
13,193	10,240	36,377	86,181	588,543
16,445			15,386	83,145
850			57,367	131,183
			11,900	55,701
2,344	139		25,629	30,047
			1,999	1,999
	27,820			27,820
			38,181	213,007
			6,366	6,366
			21,435	141,361
32,832	38,199	36,377	264,444	1,279,172
1,064,673		760,715	21,763	94,494
			845,808	4,648,746
	15,697		134,638	312,606
	1,020			15,697
71,434			932	19,459
			1,662,515	2,188,462
1,136,107	16,717	760,715	59,220	586,076
1,168,939	54,916	797,092	2,724,876	7,865,540
20,931			2,989,320	9,144,712
			86,192	370,510
314	6,689	429,760	1,303,287	4,414,076
62,599			2,503	302,006
			57,249	242,457
10,571			1,673,198	3,466,917
6,285	14,169	(8,946)	(1,135,702)	(273,621)
\$ 79,769	\$ 20,858	\$ 420,814	\$ 1,900,535	\$ 8,151,835

COMMONWEALTH OF KENTUCKY
STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	UNIVERSITIES, COLLEGES, AND RELATED ENTITIES			
	University of Kentucky	University of Louisville	Kentucky Community and Technical College System	Kentucky Housing Corporation
Expenses:				
Operating and other expenses	\$ 2,609,253	\$ 1,107,874	\$ 639,110	\$ 294,262
Total Expenses	2,609,253	1,107,874	639,110	294,262
Program Revenues:				
Charges for services	2,084,282	681,277	104,978	93,745
Operating grants and contributions	407,085	165,833	89,343	208,579
Capital grants and contributions	45,872			
Total Program Revenues	2,537,239	847,110	194,321	302,324
Net Program (Expense) Revenue	(72,014)	(260,764)	(444,789)	8,062
General Revenues:				
Unrestricted grants and contributions	113,264	111,063	225,963	
Unrestricted investment earnings	15,435	(28,978)	1,775	
Gain on sale of capital assets				
Miscellaneous general	256,721	150,360	202,777	
Total General Revenues	385,420	232,445	430,515	
Change in Net Position	313,406	(28,319)	(14,274)	8,062
Net Position at July 1, As Restated (Note 2)	3,143,852	1,574,002	482,227	250,903
Net Position at June 30	\$ 3,457,258	\$ 1,545,683	\$ 467,953	\$ 258,965

THE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

AUTHORITIES				
Kentucky Higher Education Student Loan Corporation	Kentucky Lottery Corporation	Kentucky Public Transportation Infrastructure Authority	Non-Major Component Units	All Component Units Totals June 30, 2015
\$ 33,507	\$ 893,567	\$ 39,241	\$ 1,773,060	\$ 7,389,874
33,507	893,567	39,241	1,773,060	7,389,874
33,532	886,930		764,728	4,649,472
			368,682	1,239,522
		91,947	12,107	149,926
33,532	886,930	91,947	1,145,517	6,038,920
25	(6,637)	52,706	(627,543)	(1,350,954)
			219,678	669,968
	716		12,596	1,544
			51	51
		348	425,831	1,036,037
	716	348	658,156	1,707,600
25	(5,921)	53,054	30,613	356,646
79,744	26,779	367,760	1,869,922	7,795,189
\$ 79,769	\$ 20,858	\$ 420,814	\$ 1,900,535	\$ 8,151,835



NOTES TO FINANCIAL STATEMENTS

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Note 1

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America for state governments as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The financial statements for the Universities, Colleges, and Related Entities Funds have been prepared according to standards established by GASB Statement 35.

B. Financial Reporting Entity

For financial reporting purposes, the Commonwealth of Kentucky includes all fund types, departments, and agencies of the Commonwealth, as well as boards, commissions, authorities, corporations, colleges, and universities. These organizational units comprise the reporting entity of the Commonwealth and are reported in accordance with GASB 14, as amended by GASB 39 and GASB 61. Consequently, the reporting entity includes organizations that are not legally separate from the primary government and also those that are legally separate. Organizations not legally separate are reported as part of the primary government. Legally separate organizations are reported as component units if either the Commonwealth is financially accountable for the organization or when exclusion of the organization would cause the Commonwealth's financial statements to be misleading or incomplete.

Component units may be blended or discretely presented. Blended component units are those that either provide services exclusively or almost entirely to the primary government, or their governing bodies are substantively the same as that of the primary government. Amounts related to blended component units are included as if the component units were part of the primary government. All other component units are discretely presented, or shown separately from the primary government.

Audited financial statements are available for the following blended component units: Kentucky Retirement System, Kentucky Teachers' Retirement System, Judicial Form Retirement System, Kentucky Public Employees' Deferred Compensation Authority, and the Turnpike Authority of Kentucky. Audited financial statements are available for all discretely presented component units except the Kentucky Agricultural Finance Authority, and the Kentucky Grain Insurance Corporation. (See pages 136 and 137 for a complete list of component units' addresses.)

Blended Component Units

The following legally separate organizations provide services entirely or almost entirely to the State or otherwise exclusively, or almost exclusively, that benefit the State, and therefore, these organizations' balances and transactions are reported as though they were part of the State's primary government by using the blending method.

Kentucky Retirement System (KRS 61.645)

The Kentucky Retirement System administers the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System. The board consists of the Commissioner of the Department of Personnel, five members elected by the retirement systems, and three members appointed by the Governor.

Kentucky Teachers' Retirement System (KRS 161.220)

The Kentucky Teachers' Retirement System is an independent agency and instrumentality of the Commonwealth. It provides pension benefit plan coverage to employees of local school districts and educational agencies of the State. The board includes two ex officio members and seven elected members.

Judicial Form Retirement System (KRS 21.530)

The Judicial Form Retirement System accounts for monies and securities, including contributions and earnings, which will be used to pay benefits to the members of the Legislators' Retirement Plan and the Judicial Retirement Plan. The board consists of eight members; three are appointed by the Supreme Court, two by the Governor, one by the President of the Senate, one by the Speaker of the House of Representatives, and one by the President and Speaker jointly.

Turnpike Authority of Kentucky (KRS 175.430)

The Turnpike Authority is a body corporate and politic. It was created solely to perform essential governmental functions and to serve the public purposes of constructing, acquiring, financing, and operating turnpike and other road projects for the use, safety, convenience and general welfare of the traveling public, by leasing such projects to the Transportation Cabinet. The Governor and six other ex officio members comprise the authority.

Kentucky Public Employees' Deferred Compensation Authority (KRS 18A.230 to 18A.275)

The Kentucky Employees' Deferred Compensation Authority administers two deferred compensation plans as authorized by sections 457 and 401(k) of the United States Internal Revenue Code. The plans are defined contribution plans with 762 participating employers. Under provisions of the Plans, employees of the Com-

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monwealth and agencies thereof, including persons in the public school systems, universities, or local governments, are eligible to contribute on a pre-tax basis through payroll deductions. In no event shall the 457, 401(k) or Deemed IRA trust Funds be used for, or diverted to, purposes other than the exclusive benefit of the participants and beneficiaries or in the payment of the expenses of the Plans and Trust.

Kentucky School Facilities Construction Commission (KRS 157.617)

This commission is an independent corporate agency and instrumentality of the Commonwealth. The purpose of the commission is to assist local school districts in meeting the school construction needs of the Commonwealth in a manner that will ensure an equitable distribution of funds based upon unmet needs. One ex officio member and eight members appointed by the Governor comprise the commission.

Administrative Entities

The State Property and Buildings Commission, Kentucky Asset/Liabilities Commission, Kentucky Tobacco Settlement Trust Corporation, Kentucky Gas Pipeline Authority, and the Board of Agriculture are legally separate entities of an administrative nature. They are comprised of elected and appointed officials from various state agencies, and have no cost associated with them. Therefore, there is no separate presentation for these entities.

State Property and Buildings Commission (KRS 56.450)

This commission is a public body corporate that issues all revenue bonds for state agencies, unless those agencies are specifically authorized by other provisions of the Kentucky Revised Statutes to issue bonds. The commission is composed of six ex officio members.

Kentucky Asset/Liability Commission (KRS 56.861)

This commission is a public body corporate that takes a comprehensive view of the Commonwealth's finances and develops policies and strategies to minimize the impact of fluctuating revenue receipts and interest rates on the Commonwealth's interest-sensitive assets and liabilities. The commission consists of five ex officio members.

Kentucky Tobacco Settlement Trust Corporation (KRS 248.480)

The Kentucky Tobacco Settlement Trust Corporation is a public body corporate that performs essential governmental and public functions by assisting in the implementation of the national tobacco grower settlement trust agreement. The board of directors is comprised of five ex officio members and nine members appointed by the Governor with the advice and consent of the Senate and House of Representatives.

Kentucky Gas Pipeline Authority (KRS 353.752)

This authority is a body corporate and politic to provide a financing mechanism for projects that will increase severance tax revenue for Kentucky, create jobs for Kentuckians, and create a competitive advantage in environmentally responsible development. The authority consists of nine members, the Secretary of the Finance and Administration Cabinet, the Secretary of the Commerce Cabinet, the Secretary of the Environmental and Public Protection Cabinet, a member designated by the Kentucky Oil and Gas Association, a member designated by the Kentucky Society of Professional Engineers, a member designated by the Kentucky Gas Association, a citizen member appointed by the governor, and two legislative members.

Board of Agriculture (KRS 246.120)

This board is a body corporate that acts as an advisory board to the Commissioner of Agriculture, aids in the collection of information concerning crops, promulgates industrial information, and acts as an immigration committee. The board consists of five ex officio members and nine citizens of the Commonwealth appointed by the Governor.

Discretely Presented Component Units

The component units' column in the combined financial statements includes the data of the discretely presented component units described below. The component units are legally separate entities. However, there is a financial interdependence or the primary government controls the selections of the board and operations. They are reported together in a separate column to reflect that they are legally separate, but their interdependence requires that they be included as part of the reporting entity.

Bluegrass State Skills Corporation (KRS 154.12-205)

This corporation attempts to improve and promote employment opportunities of the Commonwealth's citizens by assisting the Kentucky Cabinet for Economic Development in creating and expanding programs offering skills, training and education. The board of directors consists of six ex officio members and twelve members appointed by the Governor. The Commonwealth has the ability to impose its will and there also exists a financial benefit/burden relationship.

Kentucky Public Transportation Infrastructure Authority (KRS 175B.15)

This authority is an independent de jure municipal corporation and political subdivision of the Commonwealth. The authority reviews, approves and monitors certain significant transportation projects within the Commonwealth and between the Common-

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wealth and other states. If necessary the authority can assist with the operation, financing and management of those projects. The authority consists of eleven voting members. The authority Chairman, is the Secretary of the Transportation Cabinet. Vice Chair, the Secretary of the Finance and Administration Cabinet, one representative from the Kentucky Association of Counties, one representative from the Kentucky County Judges/Executive Association, one representative from the Kentucky League of Cities and six citizens at large. A financial benefit/burden exists between the Commonwealth and the Authority.

Kentucky River Authority (KRS 151.710)

The Kentucky River Authority possesses the corporate powers that distinguish it as being legally separate from the Commonwealth. The authority is charged with developing comprehensive plans for the management of the Kentucky River Basin. The Governor appoints the twelve members of this authority. A financial benefit/burden exists between the Commonwealth and the Authority.

Kentucky Housing Corporation (KRS 198A.030)

The Housing Corporation is a body corporate and politic that performs essential governmental and public functions in improving and promoting the health and welfare of the citizens of the Commonwealth by the production of residential housing in Kentucky. The board of directors consists of six ex officio members and eight members appointed by the Governor. The Commonwealth has the ability to impose its will since it may appoint, hire, reassign or dismiss management responsible for operations.

Kentucky Higher Education Student Loan Corporation (KHESLC) (KRS 164A.050)

KHESLC is a body corporate and politic created to perform essential governmental and public functions and purposes in improving and promoting the educational opportunities of the citizens of the Commonwealth. The Corporation is governed by board of directors appointed by the Governor, as prescribed in KRS 164A.050. The Commonwealth provides operating support to the Corporation, creating a financial benefit/burden relationship.

Kentucky State Fair Board (KRS 247.090)

This board is a body corporate that accounts for revenues earned and expenses incurred in the commercial operations of the State Fair Board. Three ex officio members and twelve members appointed by the Governor make up the fifteen-member board. The Commonwealth has the ability to impose its will and there also exists a financial benefit/burden relationship.

Kentucky Center for the Arts Corporation (KRS 153.410)

The Center for the Arts is a body corporate created by the General Assembly to promote the growth and development of the arts, convention trade, tourism and hotel industries within Jefferson County and the Commonwealth. The board consists of fifteen members appointed by the Governor. The Commonwealth provides significant operating support to the corporation, creating a financial benefit/burden relationship.

Kentucky Educational Television Authority (KET) (KRS 168.030)

KET is a public body corporate and politic that prescribes and enforces regulations governing the use of educational television and television facilities and related functions. KET also produces and transmits educational television programs. The authority consists of nine members. The Governor appoints five of these members. The board elects a liaison between the authority and the department on matters of curriculum. The Council on Postsecondary Education elects a representative of the University of Kentucky and a representative of the other state universities. The authority's members elect a chairman. A component unit of KET is the Kentucky Educational Television Foundation. The foundation is a non-profit Kentucky corporation that receives, holds and administers gifts and grants in the name of and with the approval of the authority. The Commonwealth provides significant operating support to the Authority, creating a financial benefit/burden relationship.

Kentucky Economic Development Finance Authority (KEDFA) (KRS 154.20-010)

KEDFA possesses the corporate powers necessary to distinguish it as legally separate from the Commonwealth. It was established to assist business enterprises in obtaining financial resources in order to promote the Commonwealth's long-term economic growth. The Kentucky Economic Development Partnership board appoints the five members of this authority. Additionally, other component units of the authority include The Kentucky Industrial Development Authority, the Kentucky Industrial Revitalization Authority, the Kentucky JOBS Development Authority, and the Kentucky Mortgage Insurance and Guarantee Corporation. The financial statements of the component units are combined with those of the authority. Commonwealth funds may be used for operating support to the Authority, creating a financial benefit/burden relationship.

Kentucky Higher Education Assistance Authority (KHEAA) (KRS 164.742)

This authority is a body corporate and politic that operates to improve the higher education opportunities of persons who are attending or planning to attend eligible institutions by insuring eligible student loans. The authority is governed by a board of directors

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also oversees the Kentucky Educational Savings Plan Trust and the Commonwealth Postsecondary Education Prepaid Trust Fund, also known as Kentucky's Affordable Prepaid Tuition (KAPT), both of which are component units of KHEAA. Commonwealth funds are appropriated for program and operating support to the Authority, creating a financial benefit/burden relationship.

Kentucky Council on Postsecondary Education (KRS 164.011)

This council was established in 1997 under the direction of the Kentucky Postsecondary Education Improvement Act. The board consists of 16 members--13 citizens appointed by the Governor, one faculty member, one student, and the Commissioner of Education. This council coordinates change and improvement in Kentucky's postsecondary education system. This council strives to increase literacy, improve work-related skills, and to raise the number of students attending college and completing college degrees. The Commonwealth provides significant operating support to the Council, creating a financial benefit/burden relationship.

Kentucky Infrastructure Authority (KRS 224A.030)

This authority is a body corporate and politic created to perform essential governmental functions and to serve the local public agencies of the Commonwealth with respect to the construction and acquisition of infrastructure projects. The board consists of five ex officio members and five members appointed by the Governor. The Commonwealth provides significant operating support to the Authority, creating a financial benefit/burden relationship.

Kentucky Agricultural Finance Corporation (KAFC) (KRS 247.944)

KAFC is a corporation that seeks to improve and promote the health and general welfare of the Commonwealth's people through the advancement of agriculture. The board of directors consists of three ex officio members and nine members appointed by the Governor. The Commonwealth provides significant operating support to the Corporation, creating a financial benefit/burden relationship.

Kentucky Grain Insurance Corporation (KGIC) (KRS 251.620)

KGIC is a body politic created to promote the Commonwealth's welfare by improving the economic stability of agriculture and protecting grain producers in the event of a financial failure of a grain dealer or warehouseman. The board of directors consists of four ex officio members and six members appointed by the Commissioner of the Department of Agriculture. The Commonwealth is responsible for any insufficiency of funds to pay claims creating a financial benefit/burden relationship.

Kentucky Local Correctional Facilities Construction Authority (KRS 441.615)

This authority is a body corporate and politic created to provide an additional and alternative method of constructing, reconstructing, improving or repairing, and financing jails and appurtenant facilities for any local government in the Commonwealth. The membership consists of six ex officio members and four members appointed by the Governor. The Commonwealth provides funds, staff assistants, facilities and materials required by the Authority in the conduct of its duties and activities, creating a financial benefit/burden relationship.

Appalachian/Kentucky Artisans Gateway Center Authority (KRS 148.561) (The Kentucky Artisan Center)

This authority is an independent, de jure municipal corporation and is a body corporate and politic. It is governed by a board of directors consisting of thirteen members. The authority operates and manages the Kentucky Artisan Center at Berea. The Commonwealth provides significant operating support to the Authority, creating a financial benefit/burden relationship.

Kentucky Lottery Corporation (KRS 154A.020)

The Kentucky Lottery Corporation is empowered by the Legislature to administer the Kentucky state lottery games. The board of directors is comprised of one ex officio member and seven members appointed by the Governor with the advice and consent of the Senate. The Kentucky Lottery Corporation provides significant revenues to the Commonwealth creating a financial benefit/burden relationship.

Kentucky Horse Park Foundation, Incorporated

This foundation is a legally separate tax-exempt Kentucky corporation that receives, holds, and administers gifts and grants in the name of the Kentucky Horse Park (the Park). Although the Park does not control the timing or amount to receipts from the Foundation, the majority of resources or income thereon that the Foundation holds and invests is restricted by the donors to the activities of the Park. The Foundation's fiscal year ended May 31, 2015 and amounts included are for the year then ended. The Commonwealth provides significant operating support to the Foundation, creating a financial benefit/burden relationship.

Universities, Colleges, and Related Entities (KRS 164.350)

Each board of regents or board of trustees is appointed by the Governor, and constitutes a body corporate with the power to receive and administer revenue and property. Commonwealth funds are appropriated for program and operating support to these entities, creating a financial benefit/burden relationship.

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C. Government-Wide Financial Statements

Government-Wide Financial Statements - The Statement of Net Position and Statement of Activities report information on all governmental and business-type activities of the primary government and its non-fiduciary component units. Governmental activities are generally characterized by their use of taxes, intergovernmental revenues, and other non-exchange revenues as funding sources. Business-type revenues come mostly from fees charged to external parties for goods or services. Fiduciary funds and fiduciary component units are not included in government-wide financial statements due to the unavailability of fiduciary funds to aid in the support of government programs.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and pension and other employee benefit trust fund financial statements. Revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing of cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues once provider-imposed eligibility requirements have been met.

The **Statement of Net Position** presents the reporting entity's non-fiduciary assets and liabilities with the difference between the two shown as net position. Net position is reported in three categories:

- (1) **Net investment in capital assets**, consist of capital assets, net of accumulated depreciation and further reduced by debt net of cash balances, for debt related to the acquisition, construction, or improvement of those assets.
- (2) **Restricted net position** result from constraints placed on net position by creditors, grantors, contributors, and other external parties, including those constraints imposed by law through constitutional provisions or enabling legislation.
- (3) **Unrestricted net position** are those net position that do not meet the definition of restricted net position or invested in capital assets.

When restricted assets and unrestricted assets are both available for a particular purpose, the Commonwealth's objective is to use any restricted funds first, since unrestricted funds are available for any purpose and provide for greater financial flexibility. If the rules governing restricted assets are met, restricted assets may be the only funds used. However, there may be instances in which restricted funds may only be spent in proportion to unrestricted funds spent. Assets shown as restricted for "other purposes" for the Primary Government and Component Units are as follows:

Restricted Net Position
(Expressed in Thousands)

Restricted for Other Purposes:	Primary Government	Major
	Business Type Activities	Component Units
Loans	\$	\$ 47,981
Education		11,039
Instruction		3,701
Scholarships and Fellowships		1,055,206
Research		666,487
Claims	61,774	
Public Service		9,305
Totals	\$ 61,774	\$ 1,793,719

A significant feature of the government-wide Statement of Activities is the presentation of each program's net cost. GAAP require the reporting of a program's net cost to indicate how self-sustaining the program is and to reveal the extent of reliance on other governmental units. Net cost is obtained by subtracting program expenses from program revenues. Program expenses are those costs attributable to a particular function including certain indirect costs. GAAP permit both direct and indirect program expenses to be presented together in an "Expenses" column. Therefore, indirect expenses are not specifically identified with individual functions and activities.

Program revenues are resources that derive directly from the program itself or from parties outside the government that reduce the total expense of the benefiting functional activity to arrive at the net expense of the activity. The Statement of Activities categorizes program revenues into three groups: charges for goods, services, and other benefits; operating grants and contributions; and capital grants and contributions. Revenues not considered program revenues are classified as general revenues. General revenues include all taxes regardless of type. The sales and gross receipts taxes reflected on the statement of activities for the governmental activities include various taxes that are computed using sales price or gross receipts of the reporting entity. For fiscal year 2015, the total amount of sales and gross receipts tax reported in the government wide statements was \$5,714,299,000 and comprised of:

Sales and Gross Receipts Tax
(Expressed in Thousands)

Sales and Use Tax	\$	3,292,068
Motor Fuels Tax		844,819
Motor Vehicles Usage Tax		433,061
Healthcare Provider Tax		300,322
Tobacco Products Tax		248,834
Insurance Premiums Tax		152,122
Limited Liability Entity Tax		230,632
Alcoholic Beverage Tax		132,671
Telecommunications Tax		65,137
Transient Room Tax		12,393
Parimutuel and Race Track Admission Tax		2,241
Total Sales and Gross Receipts Tax	\$	5,714,300

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D. Fund Financial Statements

Primary Government - The accompanying financial statements are structured into three fund categories including governmental funds, proprietary funds, and fiduciary funds. Funds are characterized as either major or non-major. Major funds are those funds whose assets, liabilities, revenues, or expenditures/expenses are at least ten percent of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (governmental or enterprise funds), and whose total assets, liabilities, revenues, or expenditures/expenses are at least five percent of the corresponding total for all governmental and enterprise funds combined. The Commonwealth's major funds are identified herein.

Governmental Funds

All governmental fund statements are accounted for on the modified accrual basis of accounting and focus on the flow of current financial resources. In accordance with the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the fiscal period. Revenues are considered to be available when they are either collected within the current period or their collection is expected shortly after the end of the current period in time to meet current liabilities. The State generally includes those revenues to be received up to 30 days following the end of the accounting period. Revenues expected to be collected after 30 days beyond the end of the fiscal year are considered unavailable and are reported as deferred inflows. Unearned revenue are reported as amounts received but unearned as of June 30.

Principal revenue sources accounted for on the modified accrual basis include federal grants, sales and use tax, coal severance tax, property tax, departmental fees, income taxes, and interest income. Motor vehicle registration fees and fines and forfeitures are accounted for on the cash basis. Generally and except as otherwise provided by law, property taxes are assessed as of January 1, levied (mailed) September 15, due at discount November 1, due at face value December 31, delinquent January 1 following the assessment, and subject to lien and sale February 1 following the delinquency date.

In governmental funds, where the focus is on the flow of current resources, expenditures are usually recorded at the time liabilities are incurred. Exceptions are: inventories, prepayments, and acquisition of capital assets which are recorded at the time of acquisition; and principal and interest on long-term debt, as well as compensated absences which are recorded as expenditures in the period payment is made.

A description of major governmental funds follows:

General Fund - a major fund that accounts for and reports all financial resources appropriated by the General Assembly which are not required to be accounted for in another fund.

Special Revenue Funds - a category of governmental funds that accounts for the proceeds of specific revenue sources, other than for major capital projects, which are restricted or committed to expenditures for a specific purposes.

Included in this category are such funds as the transportation fund, federal fund, and agency revenue fund.

Transportation Fund - a major fund that accounts for and reports the proceeds of taxes, fees, and charges that are restricted or committed to activities related to the preservation and maintenance of roads.

Federal Fund - a major fund that accounts for and reports monies received from the federal government that are restricted or committed to specific programs and operations.

Agency Revenue Fund - a major fund that accounts for and reports restricted taxes, fees, and charges that are restricted or committed to expenditure for a particular function or activity.

Capital Projects Fund - a major fund that is used to account for and report financial resources that are restricted, committed or assigned for capital outlay as appropriated by the General Assembly for the acquisition, construction, or renovation of major capital facilities, and for the acquisition of major equipment, other than those financed by proprietary funds and certain trust funds.

Debt Service Fund - a major fund used to account for and report financial resources which are restricted, committed, or assigned to expenditures for the repayment of general long-term obligations principle, interest, and related administrative costs.

Proprietary Funds

Proprietary funds use the full accrual basis of accounting, recognizing revenues and expenses when they occur, regardless of the timing of the cash flows. On the statement of revenues, expenses, and changes in net position, the term "expenses" (not "expenditures" as in governmental funds on a modified accrual basis) describes decreases in economic benefits and emphasizes the accrual basis of accounting.

Proprietary funds' revenues and expenses are divided into operating and nonoperating revenues and expenses. Although not specifically defined by GAAP, operating revenues and expenses are considered to be those resources gained and consumed to produce and deliver goods and services that are central to that fund's particular purpose. Other revenues and expenses are classified as nonoperating. Operating and nonoperating expenses are further characterized by object (personal services, depreciation expense, travel expense, etc.).

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Enterprise Funds - a category of proprietary funds used to account for those public corporations empowered by the Kentucky Revised Statutes (KRS) to provide certain services to the citizens of the Commonwealth and the operations of State agencies that provide goods or services to the general public on a user charge basis. Also included are the operations of the State's risk management pools.

State Parks Fund - a major fund that accounts for revenues earned and expenses incurred in the commercial operations of the Department of Parks.

Kentucky Horse Park Fund - a major fund that accounts for revenues earned and expenses incurred in the commercial operations of the Kentucky Horse Park.

Insurance Administration Fund - a major fund that accounts for insurance risk pools operated by the State, including the Workers' Compensation Special Fund, Coal Workers' Pneumoconiosis Fund, Petroleum Storage Tank Environmental Assurance Program, Mine Subsidence Insurance Program, and Kentucky Reclamation Guaranty Fund.

Kentucky Public Employees Health Plan - a major fund that accounts for the revenues and expenses incurred in the commercial operation of the health insurance program for state employees, boards of education, and quasi-governmental agencies.

Unemployment Compensation Fund - a major fund that accounts for assessed employer contributions collected and related unemployment compensation payments to recipients.

Internal Service Funds - a category of proprietary funds that accounts for financing goods and services provided by one agency of the Commonwealth primarily to other agencies or governments on a cost reimbursement basis. All of the proprietary funds (where the measurement focus is on the flow of economic resources) are accounted for on the accrual basis of accounting. Accordingly, revenues are recognized when they are both earned and measurable. Expenses are recognized at the time liabilities are incurred.

Since internal service funds usually exist to support governmental activities, they are normally included as part of the governmental activities reported in the government-wide statements, rather than being presented separately.

Specific activities reported under Internal Service Funds are:

1. Management/maintenance of State motor vehicle fleet
2. Industrial prison operations
3. Rental and maintenance operations for buildings
4. Computer and related data processing services

5. Printing services
6. Fire and tornado insurance programs
7. State workers' compensation program
8. Transportation Cabinet self-insured workers' compensation trust program

Fiduciary Funds

Fiduciary funds are defined as funds used to report assets held in a trustee or agency capacity for others and which, therefore, cannot be used to support the government's own programs. This category of funds includes pension (and other employee benefit) trust funds, investment trust funds, and agency funds. The Commonwealth's fiduciary fund types are described below.

Pension and (Other Post Employment Benefit) Trust Funds - account for monies received for, expenses incurred by, and assets available for plan benefits of the various public employee retirement systems. This fund type also accounts for monies held in deferred compensation plans. Pension Trust Funds are accounted for on the accrual basis of accounting and reported in the same manner as proprietary fund types.

Agency Funds - account for monies held by the Commonwealth for custodial purposes only. Unlike other funds, the agency fund reports assets and liabilities only; therefore, it has no measurement focus. However, the agency fund uses the accrual basis of accounting when recognizing payables and receivables.

Specific activities listed under the Commonwealth's Agency Funds are:

1. Commonwealth Choice benefit spending accounts
2. Special Deposit Trusts holding monies for specific purposes
3. County Fees Fund holding monies for Kentucky Counties with a population of 70,000 or more

As discussed previously, because the fiduciary fund resources are not available to support government programs, fiduciary funds (and component units that are fiduciary in nature) are excluded from the government-wide financial statements. Inclusion of these funds would create a misleading view of the government's net position.

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E. Presentation of Component Units

Presentation of the underlying fund types of the individual component units (described previously) reported in the discrete column is available from each respective component unit's separately issued financial statements.

The Major Discretely Presented Component Units, including Colleges and Universities are:

- Kentucky Community and Technical College System
- Kentucky Housing Corporation
- Kentucky Higher Education Student Loan Corporation
- Kentucky Lottery Corporation
- Kentucky Public Transportation Infrastructure Authority
- University of Kentucky
- University of Louisville

The Non-Major Discretely Presented Component Units, including Universities, Colleges, and Related Entities are:

- Bluegrass State Skills Corporation
- Kentucky Agricultural Finance Corporation
- Kentucky Artisan Center at Berea
- Kentucky Center for the Arts Corporation
- Kentucky Economic Development Finance Authority
- Kentucky Educational Television Authority
- Kentucky Grain Insurance Corporation
- Kentucky Horse Park Foundation
- Kentucky Higher Education Assistance Authority
- Kentucky Infrastructure Authority
- Kentucky Local Correctional Facilities Construction Authority
- Kentucky River Authority
- Kentucky State Fair Board
- Kentucky Council on Postsecondary Education
- Eastern Kentucky University
- Kentucky State University
- Morehead State University
- Murray State University
- Northern Kentucky University
- Western Kentucky University

The Commonwealth has significant transactions with its component units, primarily in providing operating funds to the universities from the State's general fund. During fiscal year 2015, the primary government provided \$279,611,300 to the University of Kentucky, \$190,162,300 to the Kentucky Community and Technical College System, \$139,714,688 to the University of Louisville, and \$198,977,887 to the Kentucky Higher Education Assistance Authority. The Commonwealth contributed capital in the amount of \$91,947,020 to the Kentucky Public Transportation Infrastructure Authority. In addition, the State received \$233,067,958 in proceeds from the Kentucky Lottery Corporation.

F. Cash and Cash Equivalents

In addition to amounts held in bank accounts, cash on hand, and imprest cash, this classification includes short-term investments with an original maturity of 90 days or less (from date of purchase). Cash equivalents are generally stated at cost, which approximates market. Deferred Compensation amounts are reported at fair value. Short-term investments classified as cash equivalents at June 30, 2015 are \$1,363,601,000.

G. Investments

This classification includes long-term investments that are stated at fair value. Investments of the Deferred Compensation Plan are reported at fair value. See Note 5 for investment details.

H. Securities Lending

Cash and securities received as collateral on securities lending transactions are reported as assets in the accompanying financial statements. Liabilities resulting from the securities lending transactions are also reported. Certain component units of the state have deposits in the Commonwealth's Investment Pool, which participates in securities lending activities. The component units' position in the pool and related securities lending assets and liabilities are reported in an agency fund.

I. Receivables

Receivables in the Commonwealth's governmental and fiduciary funds primarily consist of Federal revenues, taxes, and interest on investments. Some governmental fund revenues are not susceptible to accrual prior to receipt, including licenses, fees, permits, and similar revenues that are recognized on the cash basis. Receivables in all other funds have arisen in the ordinary course of business. Receivables in the governmental funds are reported net of allowances for uncollectibles. Disaggregation of current accounts receivable and current taxes receivable are shown in Note 4.

J. Interfund Transactions

The Commonwealth has the following types of interfund transactions:

Interfund services provided and used - Charges for services rendered by one fund to another are treated as revenues of the recipient fund and expenditures or expenses of the disbursing fund.

Reimbursements - Reimbursement of expenditures made by one fund for another are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers presented in the fund financial statements represent the flow of assets (such as goods or cash) without equivalent flow of

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assets in return or requirement of repayment. In addition, transfers are recorded when a fund receiving revenue provides it to the fund that expends the resources.

The composition of the interfund transactions is presented in Note 7. Note that at the entity-wide level, the majority of interfund activity has been eliminated. This is to avoid the “doubling up” of such transactions so that revenues and expenses will not be reported more than once.

Transfers and receivables and payables between governmental activities and business-type activities have not been eliminated. Also, remaining are the results of activities between different functional categories. For example, services provided and used are not eliminated because doing so would misstate the expenses of purchasing function and the program revenues of the selling function.

K. Inventories and Prepaid Expenses

Inventories in the governmental funds and similar trust funds consist of expendable supplies held for consumption, the costs of which are recorded as an expenditure at the time of purchase.

Prepaid expenses, including the prepayment of services to vendors (e.g., prepaid insurance), are recorded similarly in the governmental fund statements.

Reserves of fund balance have been established for the inventory balances for governmental funds. Inventories in the proprietary funds and similar trust funds consist of both expendable supplies held for consumption and the cost of goods held for resale, the costs of which are recorded as an expense as they are used.

Inventories are valued at cost (first-in, first-out, or average cost). In the Governmental Activities column of the government-wide Statement of Net Position, inventory and prepaid expenses are reported as an asset at cost when purchased, then expensed as used.

L. Capital Assets and Depreciation

Included in capital assets are real property, equipment, intangible assets and infrastructure (e.g. roads, bridges, sidewalks and similar items). These are reported in the government-wide statement of net position, as governmental or business type activities. Capital assets are expensed at the time of acquisition in the fund financial statements for governmental and similar trust funds.

The policy of the primary government is to capitalize assets when the useful life is greater than one year and the acquisition cost meets the capitalization threshold. The primary government capitalizes all land and infrastructure. Buildings, improvements to land, and equipment are capitalized when the acquisition cost is \$5,000 or greater. Intangible capital assets are capitalized when the cost is

\$100,000 or more except software which has a threshold of \$500,000. Component units establish their own capitalization policy and that policy may vary from that of the primary government.

The Kentucky Historical Society, Kentucky Horse Park and Kentucky Department of Parks hold and care for the State’s historical treasures. Among these are historical clothing; china; furniture and other furnishings; a variety of art and decorative art; political memorabilia; pioneer tools and equipment; guns and similar military artifacts; books, manuscripts, and photographs; musical instruments from Kentucky’s musical legends; Native American artifacts; fossilized bones and prehistory artifacts. These assets are not capitalized or depreciated as the assets could not be valued and have inexhaustible useful lives.

The primary government values capital assets at historical cost, estimated historical cost or fair market value at the time of donation. The estimate of historical cost for the primary government was based on appraised value as of June 30, 1986, indexed to the date of acquisition.

Assets are depreciated on the straight-line basis over their estimated useful lives. The table below shows the useful life by asset type for the primary government. Infrastructure assets are not being depreciated, as the Commonwealth has elected to use the modified approach, as defined by GASB statement 34. As a result, certain maintenance and preservation costs are expensed when incurred. Additions and improvements to infrastructure assets are capitalized when capacity and efficiency has increased.

Asset	Useful Life (Expressed in Years)
Land improvements	10-60
Buildings	10-75
Machinery and equipment	3-25
Infrastructure	20-40
Intangibles	2-40

The Kentucky Center for the Arts Corporation’s discretely presented component unit financial statements for Fiscal Year 2015, do not contain the Center’s capital assets. The Finance and Administration Cabinet, Division of Statewide Accounting, Financial Reporting Branch adjusted the Commonwealth of Kentucky’s Comprehensive Annual Financial Report to include the capital assets and depreciation of the Center in order to satisfy GAAP requirements.

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M. Governmental Fund Equity

The Commonwealth uses two classifications for governmental fund equity; spendable and nonspendable. The nonspendable classification is further categorized as (a) not in spendable form and (b) legally or contractually required to be maintained intact. The spendable classification is categorized as restricted, committed, assigned and unassigned.

Nonspendable - represents the portion of fund balance that is not in spendable form and therefore cannot be appropriated for future expenditures. Nonspendable includes inventories, prepaid expenses, long term notes and loans receivable and any funds which are legally or contractually required to remain intact.

Spendable categories - The restricted fund category represents resources that can be spent only for the specific purposes as established by agreements external to state government; contractual agreements, agreements with creditors and grantors, and laws established by other governments. Laws enacted by the Commonwealth also restrict fund balance when both the revenue source and expenditure restrictions are enacted concurrently or in close proximity. The revenue source must be external to state government and the restriction must be legally enforceable; meaning third parties can compel the Commonwealth to comply with the restriction.

The committed fund category represents resources which have been designated to be spent only for specific purposes through legislation passed by the General Assembly and approved by the Governor. Commitment of resources is not enforceable by external parties and the commitment can be removed in much the same way as it was originally committed. Committed funds include current legally enforceable restrictions of previously levied revenue sources.

The assigned fund category represents resources that do not meet the criteria for restricted or committed because the legislation which created the revenue source did not restrict the use of funds to the degree necessary. However, in accordance with KRS 42.0201(4) the state controller; the executive director of the Office of Financial Management and the state budget director placed these resources in the special revenue funds with the intent of appropriating at a later date.

Unassigned fund balance is the classification for residual spendable fund balance for the general fund. In all other funds unassigned classification is used to report a deficit balance resulting from overspending for specific purposes for which amounts have been restricted.

The Commonwealth generally segregates restricted, committed, and assigned resources by account (sub-fund) within the governmental funds, other than the general fund. When resources meeting more than one of these spendable classifications are commingled in an account in the state's accounting system the assumed order of spending is restricted first, committed second, and finally assigned.

The classifications of governmental fund balances are shown in the table on page 64.

The functional categories are responsible for various activities and a brief description of each follows:

General Government - is comprised of one Cabinet and several Departments and Offices that support the various agencies throughout state government including providing central fiscal management, serving the administrative needs of state agencies, operating state tax process, providing technology support and providing a state wide audit function. It also includes numerous Boards and Commissions that certifies, licenses and regulates various professional groups (for example the State Board of Accountancy).

Legislative and Judicial - is comprised of both the Legislative and Judicial Branches of government. The Judicial Branch through its different levels handles all legal disputes affecting the people of the Commonwealth from capital offenses and felonies to land dispute cases to termination of parental rights. The Legislative Branch consists of thirty-eight (38) Senators and one-hundred (100) Representatives. The purpose of the Legislative Branch is to make laws, to determine the duties and services of government, to provide for their execution, and to levy taxes and appropriate funds for the support of government operations.

Commerce - includes the Tourism, Arts and Heritage Cabinet and the Cabinet for Economic Development. The focus is on tourism development and supporting our arts and heritage; in addition to, encouraging job development and retention, and new investment in the state.

Education and Humanities - provides life-long educational services through seamless, efficient and accessible learning opportunities for all Kentucky's citizens, from pre-school to senior citizens. And assists employers in finding qualified applicants for their job openings, assists job seekers to find employment, provides benefits to ease the financial burden on individuals who are unemployed through no fault of their own, provides assessment, guidance, counseling and job placement services to assist eligible Kentuckians with disabilities achieve their career goals, offers educational assistance, job training, job placement and assistive technology to Kentuckians with visual disabilities and complies and disseminates a wide range of workforce statistics, including employment, unemployment and wage information.

Human Resources - is responsible for most of Kentucky's human services and health care programs, including Medicaid, the Department of Community Based Services and the Department of Public Health. The Cabinet's services include all Medicaid services, protection for vulnerable children and adults, child abuse investigations, foster care applications, child support collections, cash assistance, food stamps, disability determinations, mental health services, health insurance for children, physical health services and non-emergency transportation.

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Justice - is responsible for criminal justice services. These encompass law enforcement activities and training; prevention, education and treatment of substance abuse; juvenile treatment and detention; adult incarceration; autopsies; death certifications and toxicology analyses; special investigations; paroling of eligible convicted felons; and long range planning and recommendations on statewide criminal justice reform issues.

Natural Resources and Environmental Protection - Resources is responsible for ensuring that natural resources development activities such as agriculture, oil, and gas drilling, and mining are done in an environmental responsible manner, supporting state wide efforts in developing alternate energy resources and carbon sequestration opportunities, ensuring that the natural resources of Kentucky are protected, managed and enhanced to provide maximum benefits to the people and economy of the Commonwealth and coal mining, logging, firefighting and agriculture activities are performed in a safe manner.

Public Protection and Regulation - Protection is responsible for protecting and enhancing Kentucky's environment. Their functions are to ensure that Kentucky has clean air and safe water, protect human health by enhancing Kentucky's land resources, ensure environmental compliance by all entities, assist entities in achieving environmental compliance and facilitating environmental stewardship.

Transportation - is responsible for overseeing the development and maintenance of a safe, efficient multi-modal transportation system throughout the Commonwealth. The Cabinet manages more than 27,000 miles of highways, including roughly 20,500 miles of secondary roads, 3,600 miles of primary roads, and more than 1,400 interstate and parkway miles. The Cabinet also provides direction for 230 licensed airports and heliports and oversees all motor vehicle and driver's licensure for more than three million drivers in the Commonwealth.

KRS 45.305 established a budget reserve trust fund account within the general fund. Within thirty days of year end deposits are required to be made at the lesser of: Fifty percent (50%) of the general fund surplus or the amount necessary to make the balance equal to five percent (5%) of the actual general fund receipts collected during the fiscal year just ended. Payments to the account are suspended for the current fiscal year when the account balance is equal to or greater than five percent (5%) of the actual general fund receipts collected during the fiscal year just ended. Money in this account may be appropriated by the General Assembly.

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Constraints on Fund Balance

(Expressed in Thousands)

	General Fund	Major Special Revenue Funds		
		Transportation Fund	Federal Fund	Agency Revenue Fund
Fund Balances:				
Nonspendable:				
Inventories	\$ 6,230	\$ 64,190	\$ 546	\$ 7,235
Cash with fiscal agents				
Restricted for:				
Government administration				98,768
Legislative and Judicial				12,450
Commerce				102,592
Education				47,147
Health and human services				52,245
Environmental and natural resources				21,502
Justice				17,687
Public Protection				63,996
Transportation		479,343		88,272
Debt service				
Committed to:				
Government administration				8,502
Commerce				43
Education				149
Health and human services				7
Environmental and natural resources				1,126
Justice				15
Public Protection				7,479
Transportation				15,572
Assigned to:				
Government administration	8,828			5,997
Legislative and Judicial	15,694			1,628
Commerce	25			353
Education	1,651			1,798
Health and human services				1,771
Environmental and natural resources				168
Justice				250
Public Protection	674			
Transportation	197			25
Unassigned	71,060		(59,950)	
Total Fund Balances	\$ 104,359	\$ 543,533	\$ (59,404)	\$ 556,777

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Capital Projects Fund	Debt Service Fund	Total
\$	\$	\$
	18,954	78,201
		18,954
151,878		250,646
7,291		19,741
68,541		171,133
4,343		51,490
15,978		68,223
15,548		37,050
5,893		23,580
1,529		65,525
31,503		599,118
	1,132	1,132
		8,502
		43
		149
		7
		1,126
		15
		7,479
		15,572
		14,825
		17,322
		378
		3,449
		1,771
		168
		250
		674
		222
		11,110
\$ 302,504	\$ 20,086	\$ 1,467,855

N. Deferred Outflows/Inflows

Deferred Outflows/Inflows - GASB 63, 68, and 71 provides financial reporting guidance relative to deferred outflows of resources, a consumption of net assets by the entity that is applicable to a future reporting period, and a deferred inflow of resources, an acquisition of net assets by the entity that is applicable to a future reporting period.

O. Long-Term Obligations

Long-term liabilities that will be financed from governmental funds are presented in the Governmental Activities column of the government-wide Statement of Net Position. This total reported amount of long-term liabilities includes the following:

1. Payments of principal on revenue bonds which are recorded as expenditures in the Debt Service Fund.
2. Compensated absences including accumulated unpaid vacation and compensatory time accruals. The amount accruing to proprietary funds and pension trust funds has been included in the respective funds when material. The policy of the Commonwealth is to record the cost of annual and compensatory leave. Annual leave is accumulated at amounts ranging from 7.5 to 15.0 hours per month, determined by length of service, with maximum accumulations ranging from 30 to 60 days. The calendar year is the period used for determining accumulated leave. Compensatory leave is granted to authorized employees on an hour-for-hour basis. June 30 estimated liabilities for both annual leave and compensatory leave are summarized in Note 16.

Sick leave for the Primary Government is earned one day per month with unlimited accumulation. All of the qualifying retiring employees' sick leave balances, expressed in months, shall be added to their service credit for the purpose of determining their annual retirement.

There is no liability in the accompanying financial statements for unpaid accumulated sick leave, since it is the Commonwealth's policy to record the cost of sick leave only when paid. See Note 16 for disclosure of the amount of this contingency. The component units have varying policies for compensated absences. Information regarding these policies is available in the audited financial statement of each component unit.

3. Outstanding capital lease obligations for governmental funds.
4. Judgments and contingent liabilities of governmental funds that will be paid with noncurrent resources.
5. Long-term liabilities of internal service funds.

Long-term obligations generally exclude those amounts reported as expenditures for compensated absences, judgments, contingencies, and employer pension contributions in the governmental funds since these amounts would normally be liquidated with expendable available financial resources.

Long-term liabilities of all proprietary and pension trust funds are reported in their individual fund statements. Long-term liabilities of enterprise and internal service funds are also presented in the government-wide Statement of Net Position as a single total in the Business-type Activities and Governmental Activities columns respectively. Fiduciary funds' long-term liabilities are not displayed on the government-wide Statement of Activities.

P. Conduit Debt

This debt may take the form of certain types of limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued to benefit a third party that is not a part of the reporting entity. Although conduit debt obligations bear the Commonwealth's name as issuer, the Commonwealth has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf it is issued. GAAP allows the State to refrain from reporting the conduit debt and the related asset. Since the State is not legally, morally, or in any other way responsible for the repayment of conduit debt, these items are not included in the financial statements. The State has \$2,271,570,552 of conduit debt, the proceeds of which are used to promote the purposes set forth in KRS 103.200 and 103.210.

Q. Future Changes in Accounting Standards

As of June 30, 2015, the Governmental Accounting Standards Board (GASB) has issued the following statements not yet implemented by the Commonwealth.

GASB Statement No. 72 – Fair Value Measurement and Application. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015.

The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position.

GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.

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The requirements of this Statement will enhance accounting and financial reporting for Postemployment Benefits Other Than Pensions that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit Postemployment Benefits Other Than Pensions, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit Postemployment Benefits Other Than Pensions will also be addressed.

GASB Statement No. 77 – Tax Abatement Disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015.

The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition.

Note 2

CHANGES IN ACCOUNTING PRINCIPLES, REPORTING PRACTICES, AND PRIOR-PERIOD ADJUSTMENTS

The following Accounting Pronouncements were adopted and implemented during the fiscal year, some of which resulted in a restatement of beginning fund balance/net position:

GASB Statement No. 68 – Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27.

GASB Statement No. 71 – Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68.

These standards require the recognition of the entire net pension liability, a more comprehensive measure of pension expense and enhanced disclosures relating to the pension.

All applicable provisions of these new statements have been incorporated into the financial statements and notes.

The fund balances/net positions as previously reported have been restated or reclassified to conform to generally accepted accounting principles and to correct balances for erroneously recorded transactions.

Governmental Activities: Governmental Activities restated net position due to the implementation of GASB 68 and 71 and includes a reduction of capital assets of \$77,454,000 for items capitalized in error. The effect on net position is a decrease of \$24,409,540,000

Business Type Activities: Business Type Activities restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$218,166,000.

Enterprise Service Funds:

Kentucky State Parks – Kentucky State Parks restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$121,906,000.

Kentucky Horse Park – Kentucky Horse Park restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$15,834,000.

Insurance Administration – Insurance Administration restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$69,075,000.

Kentucky Public Employees Health Plan – Kentucky Public Employees Health Plan restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$11,351,000.

Internal Service Funds:

Fleet Management – Fleet Management restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$4,552,000.

Computer Services - Computer Services restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$137,703,000.

Prison Industries – Prison Industries restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$12,645,000.

Central Printing – Central Printing restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$3,056,000.

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Property Management – Property Management restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$40,095,000.

Risk Management – Risk Management restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$5,252,000.

Component Units – Authorities:

Kentucky River Authority – Kentucky River Authority restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$2,263,000.

Kentucky Higher Education Assistance Authority – Kentucky Higher Education Assistance Authority restated net position due to a reclassification of an account receivable and the implementation of GASB 68 and 71. The effect on net position is a decrease of \$24,640,000.

Bluegrass State Skills Corporation – Bluegrass State Skills Corporation restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$406,000.

Kentucky State Fair Board – Kentucky State Fair Board restated net position due to a reclassification of an accounts receivable and the implementation of GASB 68 and 71. The effect on net position is a decrease of \$46,328,000.

Kentucky Authority for Educational Television – Kentucky Authority for Educational Television restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$36,100,000.

Kentucky Economic Development Finance Authority – Kentucky Economic Development Finance Authority restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$4,495,000.

Kentucky Artisan Center – Kentucky Artisan Center restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$3,005,000.

Kentucky Infrastructure Authority – Kentucky Infrastructure Authority restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$3,949,000.

Kentucky Agricultural Finance Corporation – Kentucky Agricultural Finance Corporation restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$540,000.

Kentucky Housing Corporation – Kentucky Housing Corporation restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$66,095,000.

Kentucky Higher Education Student Loan Corporation – Kentucky Higher Education Student Loan Corporation restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$66,953,000.

Kentucky Public Transportation Infrastructure Authority – Kentucky Public Transportation Infrastructure Authority restated net position due to a reclassification of Construction in Progress and Contributed Capital. The effect on net position is a decrease of \$75,710,000.

Component Units – Universities, Colleges, and Related Entities:

Kentucky Community and Technical College System – Kentucky Community and Technical College System restated net position due to a change in accounting policy and the implementation of GASB 68 and 71. The effect on net position is a decrease of \$360,581,000.

Eastern Kentucky University – Eastern Kentucky University restated net position due to a reclassification of pledges receivable and the implementation of GASB 68 and 71. The effect on net position is a decrease of \$378,102,000.

Western Kentucky University – Western Kentucky University restated net position due to an investment and the implementation of GASB 68 and 71. The effect on net position is a decrease of \$400,842,000.

Morehead State University – Morehead State University restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$194,218,000.

Murray State University – Murray State University restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$230,675,000.

Northern Kentucky University – Northern Kentucky University restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$210,436,000.

Kentucky State University – Kentucky State University restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$93,363,000.

Kentucky Council on Postsecondary Education – Kentucky Council on Postsecondary Education restated net position due to the implementation of GASB 68 and 71. The effect on net position is a decrease of \$17,684,000.

Restatement of all Component Units – results in an overall decrease in net position of \$2,216,385,000.

Note 3

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Governmental Activities – The governmental activities has a net position deficit of \$14,141,511,000. The deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71.

B. Federal Fund – The Federal Fund has a net position deficit of \$59,404,000. The deficit is a result of expenditure accruals, which will be funded in future periods.

C. Enterprise Funds – The Insurance Administration Fund has a net position deficit of \$618,738,000. The deficit is a result of accumulated claims liability estimated by actuarial methods for the risk pools, which will be funded in future periods.

D. Internal Service Funds – The Risk Management Fund has a net position deficit of \$207,439,000. The deficit is the result of accumulated claims liabilities of the Commonwealth's self-insured workers' compensation programs, and is to be funded in future periods. The Central Printing Fund has a net position deficit of \$3,740,000. The deficit is the result of competitive pressure from other state agencies and outside printing sources. Central Printing is unable to develop billing rates that would cover their costs resulting in a negative fund balance. The Computer Services Fund has a net position deficit of \$120,595,000. This deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71. The Prison Industries Fund has a net position deficit of \$3,796,000. This deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71.

E. Component Units – Authorities – The Bluegrass State Skills Corporation has a net position deficit of \$409,000. This deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71. The Kentucky Authority for Educational Television has a net position deficit of \$11,690,000. This deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71. The Kentucky Council on Postsecondary Education has a net position deficit of \$8,754,000. This deficit is a result of the recognition of the Net Pension Liability net pension liability, in accordance with GASB 68 and 71. Eastern Kentucky University has a net deficit of \$4,977,000. This deficit is a result of the recognition of the net pension liability, in accordance with GASB 68 and 71.

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Note 4

**DISAGGREGATION OF ACCOUNTS PAYABLE
AND ACCOUNTS RECEIVABLE**

Accounts payable for the Commonwealth of Kentucky are amounts owed by the State as of June 30, 2015. Those liabilities that must be paid within one year are considered current. Amounts due after one year are deemed noncurrent accounts payable. Accounts receivable are amounts owed to the State. Similar to accounts payable, any amounts to be received within one year are classified as current. All other receivables are noncurrent. For Governmental Activities and Business-Type Activities, the line indicating "Accounts Payable" and "Net Receivables" are described below.

Amounts reported as "Taxes Receivable" are significant to the State. Taxes receivable report those tax amounts owed to the Commonwealth of Kentucky that remain uncollected as of June 30, 2015. All receivables are reported net of an Allowance for Uncollectibles to reflect the true value of receivables. Fines, forfeitures, and license fees are recognized as revenue when received and, therefore, do not require the recognition of accounts receivable. The "Current Taxes Receivable" for Governmental Activities and Business-Type Activities are described below.

Disaggregation of Payables and Receivables
(Expressed in Thousands)

	Governmental Activities			Total	Business-	
	Major	Non-major	Internal	Governmental	Type	Total Primary
	Funds	Funds	Service Funds	Activities	Major	Government
					Funds	
Current Payables						
Personal services	\$ 164,377	\$ 786	\$ 5,529	\$ 170,692	\$ 5,311	\$ 176,003
Utilities, rental and other services	14,087	332	2,217	16,636	1,737	18,373
Commodities and supplies	9,321	162	1,969	11,452	1,631	13,083
Claims	(2,472)		3,046	574	21,654	22,228
Grants and subsidies	1,316,371	13,673	32	1,330,076	32,154	1,362,230
Capital outlay	73,647	2	215	73,864	285	74,149
Travel	1,997	13	9	2,019	34	2,053
Judgements	1,629			1,629	3	1,632
Interest Payable	112,891	7	41	112,939	45	112,984
Other	120,818	18	1,660	122,496	(150)	122,346
Total Current Payables	<u>\$ 1,812,666</u>	<u>\$ 14,993</u>	<u>\$ 14,718</u>	<u>\$ 1,842,377</u>	<u>\$ 62,704</u>	<u>\$ 1,905,081</u>
Current Receivables						
Charges for services	\$ 73,180	\$ 139,647	\$ 766	\$ 213,593	\$ 18,990	\$ 232,583
Taxes receivable	1,882,733	99,067		1,981,800	226	1,982,026
Investment receivable	1,827	830		2,657	36	2,693
Intergovernmental revenue	1,082,341	24		1,082,365	5,309	1,087,674
Other	70,137	61,614	351	132,102	295,753	427,855
Allowances for uncollectables	(910,732)	(110,433)		(1,021,165)	(15,567)	(1,036,732)
Total Current Receivables	<u>\$ 2,199,486</u>	<u>\$ 190,749</u>	<u>\$ 1,117</u>	<u>\$ 2,391,352</u>	<u>\$ 304,747</u>	<u>\$ 2,696,099</u>

Under the modified accrual basis of accounting, as used in the fund statements, amounts outstanding but owed at the end of the year may be recorded in one of two ways. If the receivable is measurable and expected to be collected within 30 days, revenue is recognized. However, if the receivable is not expected to be collected within 30 days, it is not considered to be available to liquidate the liabilities of the current period and will be reported as deferred inflows of resources.

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Taxes Receivable
(Expressed in Thousands)

Current Taxes Receivable

	Governmental Activities		Total Primary Government
	Major Funds	Non-Major Funds	
Sales and gross receipts	\$ 890,760	\$ 7,134	\$ 897,894
Individual income	717,984		717,984
Corporate	95,220	11	95,231
Property	119,870		119,870
License and privilege	1,165	6,244	7,409
Coal severance	36,234	4,430	40,664
Inheritance and estate	8,913	3,085	11,998
Miscellaneous	12,587	78,163	90,750
Total Current Taxes Receivable	<u>\$ 1,882,733</u>	<u>\$ 99,067</u>	<u>\$ 1,981,800</u>

The State Property and Buildings Commission has issued revenue bonds and the Kentucky Asset Liability Commission has issued notes and entered into lease agreements to finance capital projects for the University of Kentucky, Kentucky State Fair Board, Kentucky Higher Education Assistance Authority, Kentucky River Authority, and Eastern Kentucky University. The bond issues are shown as liabilities of the State Property and Buildings Commission in the

entity wide financial statements. A capital lease liability is reflected in the financial statements of the various discretely presented component units, for which the debt was issued and a corresponding capital lease receivable has been recorded in the financial statements of the Commonwealth to accurately reflect the transaction. Amounts due under these lease agreements are reflected in the following table.

Future debt service payments for leases receivable as of June 30, 2015, are as follows (Expressed in Thousands):

	Principal	Interest	Total
2016	\$ 25,140	\$ 6,380	\$ 31,520
2017	20,390	5,372	25,762
2018	21,335	4,421	25,756
2019	16,000	3,564	19,564
2020	13,395	2,919	16,314
2021-2025	38,330	6,995	45,325
2026-2030	8,095	2,810	10,905
2031-2035	6,625	639	7,264
Total leases receivable	<u>\$ 149,310</u>	<u>\$ 33,100</u>	<u>\$ 182,410</u>

Note 5

EQUITY IN POOLED CASH AND INVESTMENTS, CASH, AND INVESTMENTS

The Commonwealth maintains an internal cash and investment pool that is available for use by all funds under the auspices of the State Investment Commission as authorized under KRS 42.500 et al. In addition, investments are separately held by several of the State's funds and component units. Legally authorized investments vary by fund but generally include: obligations of or guaranteed by the United States; obligations of any corporation of the United States Government; asset backed securities; U.S. dollar denominated corporate securities; collateralized certificates of deposit; bankers' acceptances; commercial paper; and repurchase agreements. In addition to these, pension plans and certain Component Units are permitted to purchase common stocks, corporate bonds and real property and mineral rights. The Commonwealth is also eligible to invest in reverse repurchase agreements.

PRIMARY GOVERNMENT

Custodial Credit Risk-Deposits – The custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. At year end, the carrying amount of the Commonwealth's deposits for the Primary Government, excluding pension and (OPEB) trust funds, was \$1,141,333,000 and the bank balance was \$1,141,333,000. The bank balance of the Primary Government administered by the State Treasurer was covered by Federal depository insurance or by collateral held by the Commonwealth or the Commonwealth's agent in the Commonwealth's name.

Custodial Credit Risk-Investments - Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Commonwealth will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The Commonwealth holds investments both for its own benefit and as an agent for other related parties. The major investment programs conducted for the direct benefit of the Commonwealth are administered by the Office of Financial Management. The investments held in the Commonwealth's investment pool are insured or registered, or held by the Commonwealth of Kentucky or its agent in the Commonwealth's name.

The credit risk mix of the retirement systems, and other component units, is disclosed in the financial statement footnotes of those individual entities.

Statutes require that securities underlying repurchase agreements must have a fair value of at least 102 percent of the cost of the repurchase agreement. The fair value of securities underlying repurchase agreements fell below this required level on a few occasions during the year; however, no losses were sustained due to the fall in collateralization

levels. The collateralization is monitored on a weekly basis (as specified within 200 KAR 14.081) and at any point where the collateralization falls below 102 percent of the cost of the repurchase agreement, the seller/borrower is contacted and the situation is normally rectified within two business days.

Securities Lending Program – State statutes authorize the Commonwealth to enter into securities lending agreements. The Commonwealth has entered into an agent agreement. The agent lends the Commonwealth's US Treasuries, agencies and corporate bonds in exchange for cash. The cash is invested in short-term securities. After rebate and expenses the Commonwealth receives 85 percent of the profit earned. The securities transferred are a part of the total investments reported above. Cash received as collateral on securities lending transactions and investments made with that cash are reported as assets. The Commonwealth retains the interest income on the securities being transferred. During the year, the Commonwealth earned \$3,322,912 in securities lending income. On June 30, 2015, the fair value of the securities transferred was \$1,378,283,303 and the fair value of the securities purchased by the Commonwealth was \$1,381,109,208. The collateralization requirements and monitoring procedures in the securities lending program are similar to those requirements in regard to repurchase agreements. The Commonwealth requires 100% collateralization on all repurchase agreements. The agent also indemnifies the Commonwealth from any losses from borrowers. The Commonwealth lends its securities generally on an overnight basis.

Options - The Commonwealth's investment strategy includes the use of derivatives as a tool in managing market risk and providing an opportunity for enhanced return. The Commonwealth selectively utilizes put and call options on United States Treasury securities. These options are on a covered basis, where the Commonwealth holds either cash or securities sufficient to meet the obligation, should the option be exercised. On June 30, 2015, the portfolio had no obligations under option. The Commonwealth also purchases securities that have built in covered calls (callable agency securities). The risk in holding these securities is the risk that the security can be called (bought back) by the issuing agency at par either on or after a specific date.

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Commonwealth has regulatory limits on investment maturities as a means of managing its exposure to fair value losses arising from rising interest rates. It also has limits on portfolio durations for the same purpose.

The primary government's investments (excluding the pension and (OPEB) trust funds) at June 30, 2015, are presented below. All investments are presented by investment type.

Cash And Investments By Type

Primary Government

(Expressed in Thousands)

I. Cash:

	Carrying Amount	Bank Balance
Cash	\$ 1,059,067	\$ 1,059,067
Cash with Fiscal Agents	82,266	82,266
Total Cash	<u>\$ 1,141,333</u>	<u>\$ 1,141,333</u>

II. Investments:

Investments Managed Based Upon Duration

Debt Securities

	Fair Value	Effective
Cash Equivalents	\$ 872,595	0.078
Fixed Income Mutual Funds	243,614	0.003
U.S. Government & Agency Obligations	705,818	0.880
Mortgage-Backed Securities	215,654	1.486
Corporate Obligations	129,796	1.826
Asset Backed Securities	77,110	0.924
Municipal Obligations	18,439	1.181
Total Debt Securities	<u>2,263,026</u>	
Portfolio Effective Weighted Duration		<u>0.592</u>

Other Investments

Fixed Income Mutual Funds	11,282
Common Stock	1,698
Securities Lending Invest	1,381,110
Total Other Investments	<u>1,394,090</u>
Total Investments	<u>\$ 3,657,116</u>

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Commonwealth is statutorily limited as to credit ratings, at the time of purchase. Commercial paper must be rated in the highest category by a nationally recognized rating agency. United States denominated corporate, Yankee, and Eurodollar securities must be rated in one of the three highest categories by a nationally recognized rating agency. Asset-backed securities must be rated in the highest category by a nationally recognized rating agency. Certificates of Deposit and Bankers acceptances must be rated in one of the three highest categories by a nationally recognized rating agency. By regulation all mortgage pass-through securities and collateralized mortgage obligations must be issued by U.S. government agencies or by government sponsored entities.

The primary government's, excluding the pension and (OPEB) trust funds, rated debt investments as of June 30, 2015, and the ratings are presented in the following table.

Investments and Credit Ratings

Primary Government

(Expressed in Thousands)

	<u>Standard & Poor's/Moody's Credit Ratings</u>					<u>Total Fair Value of Investments</u>
	<u>AAA/Aaa</u>	<u>AA/Aa</u>	<u>A</u>	<u>Unrated</u>	<u>NA</u>	
Cash Equivalents	\$ 18,674	\$ 378,776	\$ 89,676	\$ 385,469	\$	\$ 872,595
Fixed Income Mutual Funds	243,614				11,282	254,896
U.S. Government &						
Agency Obligations	26,694	679,124				705,818
Mortgage-Backed Securities	215,654					215,654
Corporate Obligations	10,665	36,449	82,682			129,796
Common Stock					1,698	1,698
Asset Backed Securities	77,110					77,110
Municipal Obligations	4,548	11,889	2,002			18,439
Securities Lending					1,381,110	1,381,110
Total Investments	<u>\$ 596,959</u>	<u>\$ 1,106,238</u>	<u>\$ 174,360</u>	<u>\$ 385,469</u>	<u>\$ 1,394,090</u>	<u>\$ 3,657,116</u>

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Regulation limits the amount owned of any given issuer of corporate and commercial paper to \$25,000,000. At June 30, 2015, the primary government had no investments which would constitute a concentration of credit risk.

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Commonwealth's policy historically has been to invest only in securities in U.S. denominations.

PENSION AND (OPEB) TRUST FUNDS

Custodial Credit Risk-Deposits and Investments.

The custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. At year end, the carrying amount of the deposits for the Pension and (OPEB) trust funds was \$283,768,000 and the bank balance was \$283,768,000.

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the Commonwealth will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Of the Pension and (OPEB) Trust Funds, only Kentucky Retirement Systems has investments subject to custodial credit risk. The investments are listed as foreign currency in the amount of \$10,387,000 which are uninsured and not registered in the name of the Commonwealth but are held by the counterparty.

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. Kentucky Revised Statutes (KRS 61.650) grants the responsibility for the investment of plan net position to the Board of Trustees of the Retirement Systems. Each System has very specific policies regarding their investment activity. A detailed discussion of those policies can be found in the notes to the audited financial statements of the various Pension and (OPEB) Trust Funds.

The Pension and (OPEB) Trust Funds investments at June 30, 2015, are presented below. All investments are presented by investment type.

Cash and Investments by Type
Pension and (OPEB) Trust Funds

(Expressed in Thousands)

I. Cash

	Carrying Amount	Bank Balance
Cash	\$ 273,138	\$ 273,138
Money Market	10,630	10,630
Total Cash	<u>\$ 283,768</u>	<u>\$ 283,768</u>

II. Investments:

Investments Managed Based On Maturities

Debt Securities

	Fair Value	< 1 year	1-5 Years	6-15 Years
U.S. Government & Agency Obligations	\$ 29,223	\$ 3,669	\$ 20,369	\$ 5,185
Corporate Obligations	72,561	4,983	39,900	27,678
Municipal Obligations	4,065	510	2,834	721
Total Debt Securities	<u>105,849</u>	<u>\$ 9,162</u>	<u>\$ 63,103</u>	<u>\$ 33,584</u>

Investments Managed Based Upon Duration

Debt Securities

	Fair Value	Effective	Modified	Macaulay
Cash Equivalents	650,188	0.010		
Cash Equivalents	456,916		5.374	
Fixed Income Mutual Funds	444,963		0.049	
U.S. Government & Agency Obligations	853,330	7.161		
U.S. Government & Agency Obligations	1,483,227		4.318	
Mortgage-Backed Securities	234,416	17.315		
Mortgage-Backed Securities	74,990		2.467	
Corporate Obligations	2,361,010	7.015		
Corporate Obligations	944,167		6.273	
Asset Backed Securities	82,127	11.014		
Asset Backed Securities	126,693		5.757	
Municipal Obligations	486,444	12.841		
Municipal Obligations	36,304		7.328	
Guaranteed Investment Contract\Annuities	679,266			3.260
Other	471,658		0.078	
Other	528,262			8.109
Total Debt Securities	<u>9,913,961</u>			
Portfolio Weighted Effective Duration		<u>7.260</u>		
Portfolio Weighted Modified Duration			<u>3.967</u>	
Portfolio Weighted Macaulay Duration				<u>5.381</u>

Other Investments

Common Stock	20,095,920
Pooled Investments	11,359
Limited Partnerships	3,380,139
Real Estate	1,682,717
Securities Lending	1,476,630
Other Investments	1,939,865
Total Other Investments	<u>28,586,630</u>
Total Investments	<u>\$ 38,606,440</u>

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Each Pension and (OPEB) Trust Fund has an investment policy that defines the types of investments and ratings available to them. Specific policies can be found in the notes to the audited financial statements of the individual component unit.

The Pension and (OPEB) Trust Funds, rated debt investments as of June 30, 2015, and the ratings are presented in the following table.

Investments and Credit Ratings
Pension and (OPEB) Trust Funds

(Expressed in Thousands)

Quality Rating	Amount
AAA	\$ 411,845
AA+	260,703
AA	1,564,801
AA-	60,808
A+	45,793
A	756,712
A-	92,338
BBB+	98,181
BBB	703,012
BBB-	159,827
BB+	181,985
BB	432,503
BB-	127,119
B+	178,210
B	517,854
B-	107,350
CCC+	55,944
CCC	30,009
CCC-	3,373
CC	3,132
D	4,636
Not Rated	2,747,613
Total Credit Risk Debt Securities	8,543,748
Cash Equivalents	650,188
U.S. Government & Agencies	829,261
Common Stock	20,095,920
Pooled Investments	11,359
Limited Partnerships	3,380,139
Real Estate	1,682,717
Securities Lending	1,476,630
Other	1,936,478
Total Investments	\$ 38,606,440

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. With the exception of the Kentucky Public Employees' Deferred Compensation Authority's (KPEDCA) there is a policy limiting the amount of investment in a single issuer to 5% or less of the investment portfolios fair value. The following KPEDCA Fund investment contracts represent 5% or more of investments held in trust for Plan benefits at June 30, 2015.

<u>Asset Description</u>	<u>Amount</u>
Fixed Contract Fund	\$679,266,000
T Rowe Price Mid Cap Growth	327,596,000
Fidelity Contrafund	256,496,000
Vanguard Wellington	257,486,000
Fidelity Growth Co	213,080,000
Vanguard Institutional Index Fund	144,361,000

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit.

With the exception of the KPEDCA fixed contract fund the Pension and (OPEB) Trust Funds do not have a formal policy that addresses investments in foreign currency. Additional disclosures regarding

the Pension and (OPEB) Trust Funds exposure to foreign currency risk can be found in the notes to the audited financial statements of the individual pension and (OPEB) trust funds.

The Pension and (OPEB) Trust Funds, investments in foreign currency as of June 30, 2015, are presented in the following table.

Foreign Currency Risk

Pension and (OPEB) Trust Funds (Expressed in Thousands)

Foreign Currency	Short Term	Equity	Debt	None Designated	Total
Australian Dollar	\$ 100	\$ 146,629	\$ 49,552	\$	\$ 196,281
Bermudian Dollar		102,755	3,445		106,200
Brazilian Real		63,052	2,020		65,072
British Pound Sterling	1,031	888,162	50,493		939,686
Canadian Dollar	236	293,734	136,815		430,785
Cayman Islands Dollar		74,601	8,990		83,591
Chilean Peso		7,482			7,482
Chinese Yuan		184,342			184,342
Columbian Peso		721			721
Czech Crown		303			303
Danish Krone		103,980	834		104,814
Dominican Peso			155		155
Egyptian Pound		2,140			2,140
Euro	264	1,740,174	135,475		1,875,913
German Mark		209			209
Hong Kong Dollar	52	201,937			201,989
Hungarian Forint		3,013			3,013
Indian Rupee		99,893	611		100,504
Indonesian Rupiah		33,727	584		34,311
Israeli New Shekel		45,558	10		45,568
Japanese Yen	136	740,320	11,430		751,886
Jersey Pound		89,974	5,465		95,439
Jordanian Dinar			6,039		6,039
Liberian Dollar		1,876	1,424		3,300
Malaysian Ringgit		4,532	380		4,912
Mexican Peso	136	60,335	11,570		72,041
Moroccan Dirham			2,961		2,961
Netherlands Antillean Guilder		52,125			52,125
New Taiwan dollar		2,324			2,324
New Zealand Dollar	7	12,162	299		12,468
Norwegian Krone	10	46,447	8,709		55,166
Panamanian Balboa		14,765			14,765
Peruvian Nuevo Sol		5,961			5,961
Philippine Peso		17,207			17,207
Polish Zloty		3,615	647		4,262
Riyal		1,218			1,218
Russian Ruble		27,898	(12)		27,886
Singapore Dollar	1	64,274			64,275
South African Rand	19	39,292	229		39,540
South Korean Won		75,451	7,901		83,352
Swedish Krona	32	154,213	23,119		177,364
Swiss Franc		287,808	12,764		300,572
Taiwan Dollar		77,612			77,612
Thai Bhat		25,767			25,767
Turkish Lira		19,447	2,183		21,630
UAE Dirham		10,250			10,250
Various		12,177	656		12,833
American Funds Euro Pacific Growth Fund		83,007			83,007
Dodge & Cox International Stock Fund		27,677			27,677
DFA International Small Cap		19,275			19,275
Vanguard Total International Stock Fund		3,512			3,512
Total Securities Subject To Foreign Currency Risk	2,024	5,972,933	484,748		6,459,705
USD (Securities Held By Intl Investment Mgrs)				14,194,998	14,194,998
Total International Investment Securities	\$ 2,024	\$ 5,972,933	\$ 484,748	\$ 14,194,998	\$ 20,654,703

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Securities Lending Program

Kentucky Revised Statutes permit the retirement systems to lend their securities to broker-dealers and other entities. The borrowers of the securities agree to transfer to the retirement system's custodial bank(s) either cash collateral or other securities with a fair value of 102 percent of the value of the borrowed securities. The borrowers of the securities simultaneously agree to return the borrowed securities in exchange for the collateral at a later date. At June 30, 2015, the retirement systems have no credit risk exposure to borrowers because the amounts the retirement systems owe the borrowers exceed the amounts the borrowers owe the retirement systems. The retirement systems cannot pledge or sell collateral securities unless the borrower defaults. More detail of individual policies may be found in the audited financial statements of each retirement system.

Derivatives

Derivative instruments are financial contracts whose values depend on the values of one or more underlying assets, reference rates, or financial indices. The Kentucky Retirement Systems was the only Pension and (OPEB) Trust Fund to have investment derivatives at June 30, 2015. More detail on those individual investment derivatives may be found in the audited financial statements of Kentucky Retirement Systems.

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

MAJOR DISCRETELY PRESENTED COMPONENT UNITS

Custodial Credit Risk-Deposits and Investments

The custodial credit risk for deposits is the risk that in the event of a bank failure, the State's deposits may not be recovered. At year end, the carrying amount of the major discretely presented component units' deposits was \$1,621,050,000 and bank balance was \$1,574,579,000.

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the component unit will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Each component unit has informal policies to control custodial credit risk and those policies can be found in the notes to the audited financial statements of the individual component unit.

The following table summarizes the custodial credit risk maintained for investments held by the major discretely presented component units for the fiscal year ended June 30, 2015.

Custodial Risk

Discretely Presented Major Component Units

(Expressed in Thousands)

I. Deposits

Cash And Equivalents (original maturity 90 days or less):

Deposits are uninsured and

a) uncollateralized;	\$	4,963
b) collateralized with securities held by the pledging financial institution; or		26,680
Total Deposits Subject To Custodial Credit Risk	\$	<u>31,643</u>

II. Non-Current Cash And Investments:

Non-current cash and investments which are uninsured, are not registered in the name of the Commonwealth, and are held by either

(a) the counterparty or	\$	1,519,269
(b) the counterparty's trust department or agent but not in the Commonwealth's name.		184,322
Total Non-Current Cash And Investments Subject To Custodial Credit Risk	\$	<u>1,703,591</u>

Investment Types:

	Type A (counterparty)	Type B (trust or agent)
Debt Securities		
Cash Equivalents	\$	\$
Fixed Income Mutual Funds	735,968	61,485
U.S. Government & Agency Obligations	10,108	21,059
Corporate Obligations	2,859	2,589
Municipal Obligations	12,487	
Total Debt Securities	<u>761,422</u>	<u>85,133</u>
Other Investments		
Cash Equivalents	499	386
Fixed Income Mutual Funds	80,615	
Common Stock	38,837	44,057
Alternatives	472,893	
Real Estate	1,178	287
Funds Held In Trust By Others		51,945
Other Various	163,825	2,514
Total Other Investments	<u>757,847</u>	<u>99,189</u>
Total Type A	<u>1,519,269</u>	Total Type B
Total Non-Current Cash And Investments Subject To Custodial Credit Risk		<u>\$ 1,703,591</u>

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The component units have numerous policies that limit the amounts and types of investments as a means of managing the exposure to fair value losses arising from increasing interest rates. Specific policies can be found in the notes to the audited financial statements of the individual component unit.

The following table summarizes the investments held by the major discretely presented component units for the fiscal year ended June 30, 2015.

Cash And Investments By Type
Discretely Presented Major Component Units

(Expressed in Thousands)

I. Cash

	Carrying Amount	Bank Balance
Cash	\$ 595,750	\$ 549,279
Money Market	267,291	267,291
Other	758,009	758,009
Total Cash	<u>\$ 1,621,050</u>	<u>\$ 1,574,579</u>

II. Investments:

Investments Managed Based On Maturities

Debt Securities	Fair Value	< 1 year	1-5 Years	6-10 Years	> 10 Years
Cash Equivalents	\$ 68,861	\$ 62,041	\$ 1,127	\$ 978	\$ 4,715
U.S. Government & Agency Obligations	229,509	53,389	162,282	13,331	507
Corporate Obligations	52,767	2,410	38,527	7,009	4,821
Guaranteed Investment Contract/Annuities	3,786		56	159	3,571
Total Debt Securities	<u>354,923</u>	<u>\$ 117,840</u>	<u>\$ 201,992</u>	<u>\$ 21,477</u>	<u>\$ 13,614</u>

Investments Managed Based Upon Duration

Debt Securities	Fair Value	Effective	Modified
Cash Equivalents	70,467		
Fixed Income Mutual Funds	21,059	4.800	
Fixed Income Mutual Funds	216,841		0.340
U.S. Government & Agency Obligations	151,064	4.425	
U.S. Government & Agency Obligations	11,503		2.577
Mortgage Backed Securities	363,215	2.420	
Corporate Debt	4,211	2.480	
Corporate Debt	8,050		0.660
Total Debt Securities	<u>846,410</u>		
Portfolio Effective Weighted Duration		<u>2.720</u>	
Portfolio Modified Weighted Duration			<u>0.460</u>

Other Investments

Fixed Income Mutual Funds	77,691
Common Stock	624,155
Corporate Bonds	2,859
Mortgage Loans	287
Alternatives	1,096,815
Real Estate	106,886
Funds Held In Trust By Others	51,945
Other	110,039
Total Other Investments	<u>2,070,677</u>
Total Investments	<u>\$ 3,272,010</u>

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Credit Risk of Debt Securities

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Each component unit has an investment policy that defines the types of investments and ratings available to them. Specific policies can be found in the notes to the audited financial statements of the individual component unit.

The major discretely presented component units, investments as of June 30, 2015, and the ratings are presented in the following table.

Investments and Credit Ratings

Discretely Presented Major Component Units

(Expressed in Thousands)

	<u>Standard & Poor's/Moody's Credit Ratings</u>						<u>Total Fair Value</u>	
	<u>AAA/Aaa</u>	<u>AA/Aa</u>	<u>A</u>	<u>BBB/Baa</u>	<u>BB/Ba or Lower</u>	<u>Unrated</u>	<u>NA</u>	<u>of Investments</u>
Cash Equivalents	\$	\$	\$	\$	\$	\$ 138,841	\$ 487	\$ 139,328
Fixed Income Mutual Funds			21,059			80,615	215,666	317,340
U.S. Government &								
Agency Obligations	255,757	187,005		195	863	25,184	9,046	478,050
Mortgage Backed Securities	363,215							363,215
Corporate Obligations	9,611	5,243	19,569	23,335	8,054	3,250		69,062
Common Stock						82,894	541,262	624,156
Municipal Obligations	1,834	11,133						12,967
Guaranteed Investment								
Contracts/Annuities		159					3,627	3,786
Alternatives						611,542	485,274	1,096,816
Real Estate						1,178	105,708	106,886
Funds Held In Trust								
By Others						51,945		51,945
Other						8,313	146	8,459
Total Investments	<u>\$ 630,417</u>	<u>\$ 203,540</u>	<u>\$ 40,628</u>	<u>\$ 23,530</u>	<u>\$ 8,917</u>	<u>\$ 1,003,762</u>	<u>\$ 1,361,216</u>	<u>\$ 3,272,010</u>

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the government's investment in a single issuer. All of the major discretely presented component units except the Kentucky Housing Corporation (KHC) has policies in place that limit the amount that can be invested in a single issuer to 5% of the total portfolio market value. KHC places no limit on the amount they may invest in any one issuer. More than five percent of the KHC's investments are in Fannie Mae, GNMA, U.S. Treasury and Dreyfus. These investments are 16%, 46%, 23% and 12%, respectively, of the KHC's total investments.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. Policies for controlling foreign currency risk will vary with each component unit, individual policies can be found in the notes to the financial statements of the respective component unit.

Of the major discretely presented component units only the University of Kentucky has foreign currency risk as of June 30, 2015. The university has \$6,971,000 in a pooled private equity fund, \$5,174,000 in a pooled real estate fund, \$38,289,000 in common stock and \$720,000 in cash equivalents.

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Note 6

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015
(Expressed in Thousands):

	Primary Government		
	Beginning Balance Restated	Additions	Decreases
Primary Government:			
Governmental Activities			Ending Balance
<i>Capital assets, not being depreciated:</i>			
Land	\$ 216,387	\$ 3,938	\$ (824)
Construction in progress	1,770,030	619,545	(477,704)
Infrastructure	19,880,500	463,903	(113,613)
Easements and Other Intangibles	132,999	2,038	
Total capital assets not being depreciated	21,999,916	1,089,424	(592,141)
<i>Capital assets, being depreciated/amortized:</i>			
Improvements other than buildings	21,395	4,550	
Buildings	1,387,996	24,635	(12,944)
Machinery and Equipment	644,285	62,133	(63,097)
Easements and Other Intangibles	44,576		
Total capital assets, being depreciated/amortized	2,098,252	91,318	(76,041)
<i>Less accumulated depreciation/amortization:</i>			
Improvements other than buildings	(9,789)	(814)	
Buildings	(589,854)	(32,875)	10,196
Machinery and Equipment	(423,200)	(57,694)	51,631
Easements and Other Intangibles	(17,009)	(4,032)	
Total accumulated depreciation	(1,039,852)	(95,415)	61,827
Total capital assets, being depreciated/amortized, net	1,058,400	(4,097)	(14,214)
Governmental activities capital assets, net	\$ 23,058,316	\$ 1,085,327	\$ (606,355)
Business-type activities			
<i>Capital assets, not being depreciated:</i>			
Land	\$ 21,583	\$ 240	\$ (89)
Construction in progress	23,720	2,245	(89)
Total capital assets, not being depreciated	45,303	2,485	(89)
<i>Capital assets, being depreciated/amortized:</i>			
Improvements other than buildings	144,933		
Buildings	339,873	89	
Machinery and Equipment	21,094	1,352	(647)
Easements and Other Intangibles	2,322		
Total capital assets, being depreciated/amortized	508,222	1,441	(647)
<i>Less accumulated depreciation for:</i>			
Improvements other than buildings	(71,145)	(4,082)	
Buildings	(139,686)	(10,964)	
Machinery and Equipment	(13,041)	(957)	565
Easements and Other Intangibles	(1,455)	(116)	
Total accumulated depreciation	(225,327)	(16,119)	565
Total capital assets, being depreciated/amortized, net	282,895	(14,678)	(82)
Business-type activities capital assets, net	\$ 328,198	\$ (12,193)	\$ (171)

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Depreciation expense, charged to functions/programs of the primary government as follows:

(Expressed in Thousands)

	Governmental Activities	Business-type Activities
General Government	\$ 12,111	\$
Legislative and Judicial	1,253	
Commerce	2,179	
Education and Humanities	2,159	
Human Resources	3,780	
Justice	20,395	
Natural Resources and Environmental Protection	1,758	
Public Protection and Regulation	257	
Transportation	24,855	
Capital assets held by government's internal service funds are charged to the various functions based on usage of the assets	26,668	
State Parks		11,835
Horse Park		4,081
Insurance Administration		203
Total depreciation expense by activities	<u>\$ 95,415</u>	<u>\$ 16,119</u>

Discretely presented major component units

Capital asset activity for the year ended June 30, 2015

(Expressed in Thousands):

	Component Units			
	Beginning Balance Restated	Additions	Retirements	Ending Balance
<i>Capital assets, not being depreciated:</i>				
Land	\$ 199,019	\$ 2,806	\$ (3,935)	\$ 197,890
Construction in progress	758,134	558,750	(129,789)	1,187,095
Totals, capital assets not being depreciated	<u>957,153</u>	<u>561,556</u>	<u>(133,724)</u>	<u>1,384,985</u>
<i>Capital assets, being depreciated/amortized:</i>				
Improvements other than buildings	242,161	23,041	(313)	264,889
Buildings	4,219,484	357,742	(27,667)	4,549,559
Machinery and Equipment	1,618,065	109,074	(67,512)	1,659,627
Total capital assets, being depreciated/amortized	<u>6,079,710</u>	<u>489,857</u>	<u>(95,492)</u>	<u>6,474,075</u>
<i>Less accumulated depreciation for:</i>				
Improvements other than buildings	(97,031)	(7,528)	28	(104,531)
Buildings	(1,609,440)	(122,412)	17,161	(1,714,691)
Machinery and Equipment	(1,146,154)	(100,864)	49,334	(1,197,684)
Total accumulated depreciation	<u>(2,852,625)</u>	<u>(230,804)</u>	<u>66,523</u>	<u>(3,016,906)</u>
Total capital assets, being depreciated/amortized, net	<u>3,227,085</u>	<u>259,053</u>	<u>(28,969)</u>	<u>3,457,169</u>
Component units capital assets, net	<u>\$ 4,184,238</u>	<u>\$ 820,609</u>	<u>\$ (162,693)</u>	<u>\$ 4,842,154</u>

Depreciation expense, charged to functions/programs of discretely presented major component units as follows:

(Expressed in Thousands)

Kentucky Housing Corporation	\$ 445
Kentucky Higher Education Student Loan Corporation	105
University of Kentucky	134,374
University of Louisville	62,567
Kentucky Community and Technical College System	31,987
Kentucky Lottery Corporation	1,326
Total depreciation expense by functions/programs	<u>\$ 230,804</u>

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

Note 7

INTERFUND TRANSACTIONS

Interfund Transfers In and Out

The table below shows the interfund operating transfers for fiscal year 2015
(Expressed in Thousands):

Transfers In	Transfers Out				
	General Fund	Transportation Fund	Federal Fund	Agency Revenue Fund	Capital Projects Fund
General Fund	\$	\$	\$ 1,340	\$ 74,010	\$
Transportation Fund				993	220
Federal Fund					51
Agency Revenue Fund	36,431		9,138		4,603
Capital Projects Fund	4,566	6,752	666	22,496	
Debt Service	527,547	11,370	64,214	1,741	155
Non-Major Governmental Funds	119,507	149,596	7,250	295,383	
State Parks Fund	34,047		270		274
Kentucky Horse Park Fund	2,472				575
Insurance Administration Fund	91		30		
Unemployment Compensation Fund					
Internal Service Funds	906				62,970
Fiduciary Funds				17	
Total	<u>\$ 725,567</u>	<u>\$ 167,718</u>	<u>\$ 82,908</u>	<u>\$ 394,640</u>	<u>\$ 68,848</u>

Reasons for transfers:

- 1) to move resources from the General Fund, for budgetary purposes, to the fund that will expend them;
- 2) to move resources from funds recording the revenue to the Debt Service Fund, for debt service payments;
- 3) to move resources from the funds recording the revenue to the Capital Projects Fund to finance acquisition of capital assets.

Interfund Receivables and Payables

The table below shows the interfund receivables and payables for fiscal year 2015
(Expressed in Thousands):

Interfund Receivables	Interfund Payables				
	General Fund	Transportation Fund	Federal Fund	Agency Revenue Fund	Capital Projects Fund
General Fund	\$	\$	\$ 38,005	\$ 11,796	\$ 4
Transportation Fund			155	379	272
Federal Fund	22,222			5,246	
Agency Revenue Fund	32,260	110	34,326		10
Capital Projects Fund	5		12	400	
Debt Service					
Non-Major Governmental Funds	8,386	11	294	6,838	60
State Parks Fund	40				
Kentucky Public Employees Health Plan	63,181	1,489	1,446	1,704	1
Insurance Administration Fund	93			30	108
Unemployment Insurance Fund					
Internal Service Funds	4,181	10		215	
Total	<u>\$ 130,368</u>	<u>\$ 1,620</u>	<u>\$ 74,238</u>	<u>\$ 26,608</u>	<u>\$ 455</u>

Reasons for interfund payables and receivables:

- 1) to record sales by proprietary funds to other funds;
- 2) to record reimbursements of expenditures made in one fund for another fund;
- 3) to distribute program cost among funds; and
- 4) to record short-term loans from one fund to another.

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Transfers Out								
Debt Service Fund	Non-Major Governmental Funds	State Parks Fund	Kentucky Public Employees Health Plan	Insurance Administration Fund	Unemployment Compensation Fund	Internal Service Funds	Fiduciary Funds	Total
\$	\$ 16,948	\$ 30	\$ 93,000	\$ 11,011	\$	\$ 2,000	\$ 2,524 143	\$ 200,833 1,386 51
491	347,453			3,799	34,155	570	32	436,672
	2,109			2,952				39,541
	28,354	376				289		634,046
	173,988							745,724
								34,591
								3,047
								121
	94							94
								63,876
				1,000				1,017
<u>\$ 491</u>	<u>\$ 568,946</u>	<u>\$ 406</u>	<u>\$ 93,000</u>	<u>\$ 18,762</u>	<u>\$ 34,155</u>	<u>\$ 2,859</u>	<u>\$ 2,699</u>	<u>\$ 2,160,999</u>

Interfund Payables							
Non-Major Governmental Funds	State Parks Fund	Kentucky Horse Park Fund	Insurance Administration Fund	Unemployment Compensation Fund	Internal Service Funds	Total	
\$ 58,338	\$ 5,212	\$ 36	\$ 534	\$	\$ 1,722 487	\$ 115,647	
253						1,293	
18,950		45	12	3,991	1	27,721	
900						89,705	
15						1,317	
119,978	68		707		2,138	15	
			1			138,480	
9	256	23	124		267	41	
		1				68,500	
94						232	
	69					94	
<u>\$ 198,537</u>	<u>\$ 5,605</u>	<u>\$ 105</u>	<u>\$ 1,378</u>	<u>\$ 3,991</u>	<u>\$ 4,615</u>	<u>\$ 4,475</u>	
						447,520	

Note 8

**PENSION PLANS AND OTHER POST
EMPLOYMENT BENEFITS**

Kentucky Retirement Systems

Under the provisions of Kentucky Revised Statutes (KRS) 61.645, the Board of Trustees of the Kentucky Retirement Systems administers the Kentucky Employees Retirement System (KERS), County Employees Retirement System (CERS), and State Police Retirement System (SPRS).

The Commonwealth contributes to the KERS, a multiple-employer cost sharing defined benefit pension plan that covers substantially all regular full-time members employed in non-hazardous and hazardous duty positions of any state department, board, or any agency directed by Executive Order to participate in the System. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of the plan members under certain circumstances.

CERS, a multiple employer cost sharing defined benefit pension plan, provides for retirement, disability, and death benefits to plan members.

SPRS is a single-employer defined benefit plan that covers all full-time State Troopers employed in a hazardous duty position by the Kentucky State Police. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may be extended to beneficiaries of the plan members under certain circumstances.

The financial statements are prepared using the accrual basis of accounting which is the same method used by all retirement plans of the Commonwealth. Plan member contributions are recognized in the period in which contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with terms of the plan.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate is based on appraisals. Investments that do not have an established market are reported at estimated fair value.

The Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the above mentioned retirement systems. That report may be obtained by writing the Kentucky Retirement System, 1260 Louisville Road, Frankfort, Kentucky 40601-6124, or by telephone at (502) 564-4646 or online at www.kyret.ky.gov.

Kentucky Judicial Form Retirement System

The Judicial Retirement Plan is governed by KRS Chapter 21 Section 345 through Section 580. A single employer defined benefit plan, which provides retirement, disability and death benefits to plan members and their beneficiaries

The Legislators' Retirement Plan is a single employer defined benefit plan providing retirement, disability, and death benefits to plan members and their beneficiaries.

The financial statements are prepared using the accrual basis of accounting. Plan member contributions to the plan are recognized when due and the employer has made formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with terms of the Plans.

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

The Judicial Form Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the above mentioned retirement systems. That report may be obtained by writing to the Judicial Form Retirement System, P.O. Box 791, Frankfort, Kentucky 40602-0791, or by telephone at (502) 564-5310 or online at www.finance.ky.gov.

Kentucky Teachers' Retirement System

The Kentucky Teachers' Retirement System (KTRS) was established by the 1938 General Assembly and is governed by Chapter 161 Section 220 through Section 990 of the Kentucky Revised Statutes. KTRS is a multiple-employer cost sharing defined benefit plan established to provide pension plan coverage for local school districts and other educational agencies in the state.

The financial statements are prepared on the accrual basis of accounting. Member contributions and employer matching are recognized in the fiscal year due. Plan investments are reported at fair value. Short-term securities are carried at cost, which approximates fair value. Fixed income and common and preferred stocks are generally valued based on published market prices and quotations from national security exchanges and security pricing services. Real estate is primarily valued based on appraisals performed by independent appraisers.

The Kentucky Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the Kentucky Teachers' Retirement System, 479 Versailles Road, Frankfort, Kentucky 40601, or by telephone at (502) 848-8500 or online at www.ktrs.ky.gov.

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Kentucky Employees' Retirement System Governance KRS 61.510 through KRS 61.705 Cost Sharing Multiple Employer Defined Benefit Non-Hazardous

	Tier 1 Participation Prior to 9/1/2008	Tier 2 Participation 9/1/2008 through 12/31/2013	Tier 3 Participation on or after 1/1/2014
Covered Employees:	Substantially all regular full-time members employed in non-hazardous and hazardous duty positions of any state department, board, or any agency directed by Executive Order to participate in the system.		
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service		Cash Balance Plan
Final Compensation:	Average of the highest 5 fiscal years (must contain at least 48 months). Includes lump-sum compensation payments (before and at retirement).	5 complete fiscal years immediately preceding retirement; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	1.97%, or 2.0% for those retiring with service for all months between 1/1998 and 1/1999.	10 years or less = 1.10%. Greater than 10 years, but no more than 20 years = 1.30%. Greater than 20 years, but no more than 26 years = 1.50%. Greater than 26 years, but no more than 30 years = 1.75%. Additional years above 30 = 2.00% (2.00% benefit factor only applies to service earned in excess of 30 years).	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 27 years of service. Age 65 with 48 months of service. Money Purchase for age 65 with less than 48 months based on contributions and interest.	Rule of 87: Member must be at least age 57 and age plus earned service must equal 87 years at retirement to retire under this provision. Age 65 with 5 years of earned service. No Money Purchase calculations.	
Reduced Retirement Benefit:	Any age with 25 years of service. Age 55 with 5 years of service.	Age 60 with 10 years of service. Excludes purchased service (exception: refunds, omitted, free military).	No reduced retirement benefit

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

**Kentucky Employees' Retirement System
Governance KRS 61.510 through KRS 61.705
Cost Sharing Multiple Employer Defined Benefit
Hazardous**

	Tier 1 Participation Prior to 9/1/2008	Tier 2 Participation 9/1/2008 through 12/31/2013	Tier 3 Participation on or after 1/1/2014
Covered Employees:	Substantially all regular full-time members employed in non-hazardous and hazardous duty positions of any state department, board, or any agency directed by Executive Order to participate in the system.		
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service		Cash Balance Plan
Final Compensation:	Average of the highest 3 fiscal years (must contain at least 24 months). Includes lump-sum compensation payments (before and at retirement).	Average of the highest 3 fiscal years; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	2.49%	10 years or less = 1.30%. Greater than 10 years, but no more than 20 years = 1.50%. Greater than 20 years, but no more than 25 years = 2.25%. 25 years and greater = 2.50%.	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 20 years of service. Age 55 with 60 months of service. Money Purchase for age 55 with less than 60 months based on contributions and interest.	Any age with 25 years of service. Age 60 with 5 years of service. No Money Purchase calculations.	
Reduced Retirement Benefit:	Age 50 with 15 years of service.	Age 50 with 15 years of service. Excludes purchased service (exception: refunds, omitted, free military).	No reduced retirement benefit

COMMONWEALTH OF KENTUCKY
Notes to the Financial Statements
June 30, 2015

State Police Retirement System
Governance KRS 16.505 through KRS 16.652
Single Employer Defined Benefit

	Tier 1 Participation before 9/1/2008	Tier 2 Participation on or between 9/1/2008 and 12/31/2013	Tier 3 Participation on or after 1/1/2014
Covered Employees:	All full-time state trooper employed in a hazardous duty position by the Kentucky State Police.		
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service	Final Average Compensation X Years of Service	No benefit formula. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Final Compensation:	Average of the highest 3 fiscal years (must contain at least 24 months). Includes lump-sum compensation payments (before and at retirement).	Average of the highest 3 fiscal years; each year must contain 12 months. Lump sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	2.50%	10 years or less = 1.30%. Greater then 10 years, but no more than 20 years = 1.50%. Greater than 20 years, but no more than 25 years = 2.25%. 25 years and greater = 2.50%.	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 20 years of service. Age 55 with 60 months of service. Money purchase for age 55 with less than 60 months based on contributions and interest.	Any age with 25 years of service. Age 60 with 5 years of service. No Money Purchase calculations.	
Reduced Retirement Benefit:	6.50% for each year fewer than 20 years or age 55.	6.50% for each year fewer than 25 years or age 60.	No reduced retirement benefit

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

**Judicial Retirement Plan
Governance KRS 21.345 through KRS 21.580
Single Employer Defined Benefit**

	Tier 1	Tier 2	Tier 3	Tier 4
	Participation prior to	Participation between	Participation between	Participation on or after
	7/1/1978	7/1/1978 and 6/30/1980	7/1/1980 and 1/1/2014	1/1/2014
Covered Employees:	District, Circuit, Court of Appeals, and Supreme Court Judges may, within 30 days after taking office, elect to make monthly contributions, and thereby become eligible for membership in the plan.			
Benefit Formula:	Final Average Compensation X Years of Service			Cash Balance Plan
Final Compensation:	Average of 36 months of service immediately preceding retirement before 1/1/2009. Average of 60 months of service immediately preceding			No Final Compensation
Benefit Factor:	5.0% if service continued without interruption; not to exceed 100% of final average compensation.	4.15%, not to exceed 100% of final average compensation.	2.75%, not to exceed 100% of final average compensation.	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on the member's accumulated account balance.
Cost of Living Adjustment (COLA):	1.5% yearly on July 1 if the funding level is 100% and subsequent legislation authorizes the use of any surplus actuarial assets to provide for increase and the Kentucky General Assembly appropriates sufficient funds to fully prefund the increase.			Any cost of living adjustment will be granted providing the following requirements are met: the funding level of Judicial Hybrid Cash Balance Plan is 100% and subsequent legislation authorizes the use of any surplus actuarial assets to provide for the increase and the Kentucky General Assembly appropriates sufficient funds to fully prefund the increase.
Unreduced Retirement Benefit:	8 years of service and age 65. The age 65 requirement shall be reduced by 1 year for each 5 years of service and 1 year for each year beyond the years of service needed to accrue a benefit of 100%. The age requirement			None
Reduced Retirement Benefit:	5% per year for each year under normal retirement age.			None

Legislators' Retirement Plan
Governance KRS 6.500 through KRS 6.577
Single Employer Defined Benefit

	Tier 1 Participation prior to 7/1/1978	Tier 2 Participation between 7/1/1978 and 6/30/1980	Tier 3 Participation between 7/1/1980 and 12/31/2013	Tier 4 Participation on or after 1/1/2014
Covered Employees:	Members of the General Assembly may elect to make monthly contributions within 30 (thirty) days of taking office, and thereby become eligible for membership in the plan. Individuals commencing participation on or after January 1, 2014, will participate in the hybrid plan .			
Benefit Formula:	Final Average Compensation X Years of Service			Cash Balance Plan
Final Compensation:	The average compensation for the highest 36 months of state salary.			No Final Compensation
Benefit Factor:	5.0% for all service that continues without interruption thereafter, not to exceed 100% of final average compensation; 2.75% for all other service .	4.15% for all service that continues without interruption thereafter not to exceed 100% of final average compensation; 2.75% for all other service.	3.5% for all service that continues without interruption thereafter, not to exceed 100% of final average compensation; 2.75% for all other service.	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on the member's accumulated account balance.
Cost of Living Adjustment(COLA):	1.5% yearly on July 1 if the funding level is 100% and subsequent legislation authorizes the use of any surplus actuarial assets to provide for increase and the Kentucky General Assembly appropriates sufficient funds to fully prefund the increase.			Any cost of living adjustment will be granted providing the following requirements are met: the funding level of Legislative Hybrid Cash Balance Plan is 100% and subsequent legislation authorizes the use of any surplus actuarial assets to provide for the increase and The Kentucky General Assembly appropriates sufficient funds to fully prefund the increase.
Unreduced Retirement Benefit:	Members who have attained age 65 and completed at least 5 years of legislative service or have service under other state authorized system when added to Legislative service will equal at least 8 years of service. The age 65 requirement shall be reduced by 1 year for each 5 years of service and 1 year for each year beyond the years of service needed to accrue a benefit of 100%.			None
Reduced Retirement Benefit:	5% per year for each year under normal retirement age.			None

Kentucky Teachers' Retirement System
Governance KRS 161.220 through KRS 161.990
Cost Sharing Multiple Employer Defined Benefit with Special Funding

	Tier 1 Participation prior to 7/1/2008	Tier 2 Participation on or after 7/1/2008
Covered Employees:	Provides pension plan coverage for local school districts and other educational agencies in the state.	
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service	
Final Compensation:	Average of the highest 5 annual salaries reduced 5% per year from the earlier of age 60 or the date 27 years of service would have been completed. Average of the highest 3 annual salaries if age 55 with 27 or more years of service. The minimum annual service allowance for all members is \$440 multiplied by credited service.	Average of the highest 5 annual salaries reduced 6% per year from the earlier of age 60 or the date 27 years of service would have been completed. Average of the highest 3 annual salaries if age 55 with 27 or more years of service. The minimum annual service allowance for all members is \$440 multiplied by credited service.
Benefit Factor:	Non-University members: 2.00% for service prior to 7/1/1983; 2.50% for service after 7/1/1983; 2.00% if participation after 7/1/2002 and less than 10 years; 2.50% if participation after 7/1/2002 and more than 10 years; 3.00% if retire after 7/1/2004 with more than 30 years. University members: 2.0% for each year of service.	Non-University members: 1.70% if less than 10 years; 2.00% if greater than 10 years, but no more than 20 years; 2.30% if greater than 20 years, but no more than 26 years; 2.50% if greater than 26 years, but no more than 30 years; 3.00% for service greater than 30 years. University members: 1.50% if less than 10 years; 1.70% if greater than 10 years, but less than 20 years; 1.85% if greater than 20 years, but less than 27 years; 2.00% if greater than 27 years.
Cost of Living Adjustment (COLA):	1.5% annually additional ad hoc increases must be authorized by the General Assembly.	
Unreduced Retirement Benefit:	Any age with 27 years of Kentucky service. Age 55 with 5 years of Kentucky service.	Any age with 27 years of Kentucky service. Age 60 with 5 years of Kentucky service. Age 55 with 10 years of Kentucky service.
Reduced Retirement Benefit:	Must be retired for service or disability to be eligible. Retired members are given a supplement based upon a contribution supplement table approved by the KTRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement.	



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Notes to the Financial Statements

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	Kentucky Employees' Retirement System		State Police Retirement System
	Non-Hazardous	Hazardous	
Employer Contribution	17.29%	14.89%	39.5%
State Contribution as a percentage of nonemployer special funding situation			
Member Contribution	5.00%	8.00%	8.00%
Contributions made in thousands	\$202,891	\$11,670	\$20,279
Actuarial Valuation Date	June 30, 2014	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry age	Entry age	Entry age
Amortization Method	Level percent closed	Level percent closed	Level percentage of payroll closed
Remaining amortization period	29 years	29 years	29 Years
Asset valuation method	Five-year smoothed Market	Five-year smoothed Market	Five-year smoothed Market
Actuarial assumptions:			
Investment rate of return	7.75%	7.75%	7.75%
Inflation Rate	3.50%	3.50%	3.50%
Projected salary increases	4.5% , average , including inflation	4.5% , average , including inflation	4.5% , average , including inflation
Mortality Tables	1983 Group Annuity Table for all retired members and beneficiaries as of June 30, 2006, and the 1994 Group Annuity Mortality Table for all other members.		1983 Group Annuity Mortality Table for retired members and beneficiaries as of June 30, 2006. 1994 Group Mortality Table for all other members. The Group Annuity Mortality Table set forward 5 years is used for the period after disability retirement.
Date of Experience Study	The period July1, 2005 - June 30, 2008	The period July1, 2005 - June 30, 2008	The period July1, 2005 - June 30, 2008
Update procedures applied	No update procedures were required.	No update procedures were required.	No update procedures were required.
Membership Information			
Retirees and beneficiaries receiving benefits	38,022	2,467	1,413
Inactive members	41,213	3,318	408
Active plan members	40,500	4,094	855
Total	119,735	9,879	2,676
Number of participating employers	354	354	1

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Judicial Retirement Plan	Legislators' Retirement Plan	Kentucky Teachers' Retirement System
33%	37%	10.875% - 13.355%
		11.56% - 13%
Members entering the plan prior to September 1, 2008, must contribute 5%. Members entering the plan on or after September 1, 2008, contribute 6% of official salary. Members joining July 1, 2014, or later contribute 5% to a hybrid cash account.		7.625% - 9.105%
\$10,805	\$1,825	\$563,326
July 1, 2013	July 1, 2013	June 30, 2013
Entry age normal funding method	Entry age normal funding method	Entry age
Interest + 1% Unfunded past liability	Interest + 1% Unfunded past liability	Level percent closed
25 Years	25 Years	30 Years
Market Value	Market Value	Five-year smoothed Market
6.15%	6.50%	7.50%
3.00%	3.00%	3.50%
1% for the next five years, thereafter 3.5%	1% for the next five years, thereafter 3.5%	4.00-8.2%, including inflation

IRS Mortality Tables without collar adjustment with Pre- and Post-Commencement Rates with projected mortality improvements after year 2000 under Project Scale AA (males and female scales.)

RP-2000 Combined Mortality Table projected to 2020 using scale AA (set back one year for females) is used for death after service retirement and beneficiaries. The RP-2000 Disability Mortality Table (set back seven years for males and set forward five years for females) is used for death after disability retirement. Mortality improvement is anticipated under these assumptions as recent mortality experience shows actual deaths are approximately 4% greater for the healthy lives and 5% greater for disabled lives than expected under the selected tables.

Information not available

Information not available

July 1, 2005- June 30, 2010

The actuarial valuation was last performed as of July 1, 2013, and is roll-forward for July 1, 2014. The roll forward method employs generally accepted actuarial techniques. The results in this report have been developed with full reliance on the July 1, 2013, Actuarial Valuation Report and does not include any hybrid plan liabilities. At the measurement date, the hybrid plan had one member.

The actuarial valuation was last performed as of June 30, 2013, and is roll-forward for June 30, 2014, using roll forward techniques. The roll forward calculation adds the annual normal cost (also called the service cost), subtracts the actual benefit payment and refunds for the plan year and then applies the assumed index rate increase from 4.27% to 4.35%, resulting in a change in the SEIR from 5.16% to 5.23%. The impact of this change in the discount rate is a change in assumptions that is added to the expected TPL Total Pension Liability) to determine the final TPL as of June 30, 2014.

308	186	48,576
18	42	35,451
276	119	73,407
602	347	157,434
1	1	208

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Kentucky Judicial Retirement System

The long-term expected rate of return on Judicial and Legislators' Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Judicial and Legislators' Plan's target asset allocation as of June 30, 2014 are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic Equity	5.05%
International Equity	5.45%
Fixed Income	0.55%
Cash	(1.85%)

The discount used to measure the total pension liability was 6.15%, a decrease from the 7.00% discount rate used as of July 1, 2013. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contribution will be made at the current statutory contribution rate. Based on those assumptions, the Judicial Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2046. The long-term expected rate of return on the Judicial Pension Plan's investments was applied to periods of projected benefit payments through this date, and the municipal bond rate, determined by using the 20-year municipal AA bond yield at July 1, 2014, for the periods thereafter to determine the total pension liability. The discount used to measure the total pension liability on the second bases was 7.00% for 32 years, and 3.80% thereafter. This is equivalent to an average assumed rate of return of approximately 6.15%.

The following presents the net pension liability of the Judicial Plan, calculated using the discount rate of 6.15%, as well as what the Judicial Plan's pension liability would be if it was calculated using a discount rate that is 1% point lower (5.15%) or 1% point higher (7.15%) than the current rate:

Kentucky Judicial Retirement System			
(Expressed in Thousands)			
	1% Decrease (5.15%)	Current Discount Rate (6.15%)	1% Increase (7.15%)
Net Pension Liability	\$ 161,338	\$ 122,422	\$ 89,738

Kentucky Legislators' Retirement System

The discount used to measure the total pension liability was 6.50%, a decrease from the 7.00% discount rate used as of July 1, 2013. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contribution will be made at the current statutory contribution rate. Based on those assumptions, the Legislative Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members through June 30, 2053. The long-term expected rate of return on the Legislative Pension Plan's investments was applied to periods of projected benefit payments through this date, and the municipal bond rate, determined by using the 20-year municipal AA bond yield at July 1, 2014, for the periods thereafter to determine the total pension liability. The discount used to measure the total pension liability on the second bases was 7.00% for 39 years, and 3.80% thereafter. This is equivalent to an average assumed rate of return of approximately 6.50%.

The following presents the net pension liability of the Legislators Plan, calculated using the discount rate of 6.50%, as well as what the Legislative Plan's pension liability would be if it was calculated using a discount rate that is 1% point lower (5.50%) or 1% point higher (7.50%) than the current rate:

Kentucky Legislators' Retirement System			
(Expressed in Thousands)			
	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net Pension Liability	\$ 32,371	\$ 24,103	\$ 17,197

Kentucky State Police Retirement System and Kentucky Employee Non-Hazardous and Hazardous Retirement System

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for the Systems. The most recent analysis, performed for the period covering fiscal years 2005 through 2008, is outlined in a report dated August 25, 2009. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log – normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended

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for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the following table:

Kentucky Retirement Systems		
Asset Class	Target Allocation	Long-Term Nominal Rate of Return
Domestic Equity	30%	8.45%
International Equity	22%	8.85%
Emerging Market Equity	5%	10.5%
Private Equity	7%	11.25%
Real Estate	5%	7%
Core U.S. Fixed Income	10%	5.25%
High Yield U.S. Fixed Income	5%	7.25%
Non U.S. Fixed Income	5%	5.5%
Commodities	5%	7.75%
TIPS	5%	5%
Cash	1%	3.25%
Total	100%	

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flow used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year of amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase of anticipated gains on actuarial value of assets over the first four years of the projection period. The discount rate determination does not use a municipal bond rate. Projected future benefit payments for all current plan members were projected through 2116. The following presents the net pension liability of SPRS, and KERS calculated using the discount rate of 7.75%, as well as what the net position liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current rate for non-hazardous and (6.75%) or one percentage point higher (8.75%) than the current rate for hazardous:

State Police Retirement System - Hazardous

(Expressed in Thousands)			
	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 489,185	\$ 420,144	\$ 361,457

Kentucky Employees' Retirement System Non-Hazardous

(Expressed in Thousands)			
	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 6,898,708	\$ 6,132,337	\$ 5,441,387

Kentucky Employees' Retirement System - Hazardous

(Expressed in Thousands)			
	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 335,585	\$ 250,075	\$ 106,321

Kentucky Teachers' Retirement System

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class, as provided by KTRS's investment consultant, are summarized in the following table:

Kentucky Teachers' Retirement System		
Asset Class	Target Allocation	Long-Term Nominal Rate of Return
U.S. Equity	45%	6.4%
Non U.S. Equity	17%	6.5%
Fixed Income	24%	1.6%
High Yield Bonds	4%	3.1%
Real Estate	4%	5.8%
Alternatives	4%	6.8%
Cash	2%	1.5%
Total	100%	

COMMONWEALTH OF KENTUCKY**Notes to the Financial Statements****June 30, 2015**

The discount rate used to measure the total pension liability was 5.23%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Employer contributions will be made at statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members until the 2036 plan year. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments through 2035 and a municipal bond index rate of 4.35% was applied to all periods of projected benefit payments after 2035. The Single Equivalent Interest Rate (SEIR) that discounts the entire projected benefit stream to the same amount as the sum of the present values of the two separate benefit payments streams was used to determine the total pension liability.

The following table presents the net pension liability of the System, calculated using the discount rate of 5.23%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.23%) or 1-percentage-point higher (6.23%) than the current rate:

Kentucky Teachers' Retirement System			
(Expressed in Thousands)			
	1%	Current	1%
	Decrease	Discount	Increase
	(4.23%)	Rate (5.23%)	(6.23%)
State as employer	\$ 461,724	\$ 367,576	\$ 289,877
State as a nonemployer special funding situation	25,299,258	20,140,619	17,027,992
Total Net Pension Liability	<u>\$ 25,760,982</u>	<u>\$ 20,508,195</u>	<u>\$ 17,317,869</u>



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For the Year Ended June 30, 2015, the Commonwealth of Kentucky recognized pension expenses of \$497,779,000 as an employer and \$986,931,000 as a Governmental Nonemployer Contributing Entity to Kentucky Teachers Retirement System. Deferred outflows and deferred inflows related to pensions are from the following sources:

	Primary Government (Expressed in Thousands) Governmental Activities			
	Employer		Nonemployer Special Funding Situation	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$	\$	\$	\$
Changes in assumptions	23,495	4,106		275,029
Net difference between projected and actual earnings on investments		167,662		1,223,913
Change in proportionate share				
Contributions subsequent to the measurement date	429,744		471,493	
Total	<u>\$ 453,239</u>	<u>\$ 171,768</u>	<u>\$ 471,493</u>	<u>\$ 1,498,942</u>

For the Year Ended June 30, 2015, The Commonwealth of Kentucky recognized pension expenses of \$17,794,000 and deferred outflows and deferred inflows related to pensions from the following sources:

	Business-Type Activities (Expressed in Thousands)	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$	\$
Changes in assumptions		3,311
Net difference between projected and actual earnings on investments		
Change in proportionate share		
Contributions subsequent to the measurement date	13,621	
Total	<u>\$ 13,621</u>	<u>\$ 3,311</u>

Major Component Units recognized pension expenses of \$34,192,000 and deferred outflows and deferred inflows related to pensions from the following sources:

	Major Component Units (Expressed in Thousands) as Employer	
	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$	\$ 14,856
Changes in assumptions		
Net difference between projected and actual earnings on investments		4,654
Change in proportionate share		
Contributions subsequent to the measurement date	26,242	
Total	<u>\$ 26,242</u>	<u>\$ 19,510</u>

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Primary Government reports \$902,253,000 and Major Component Units report 26,242,000 as deferred outflows resulting from contributions made subsequent to the measurement date. Outflows from deferred contributions will reduce the net pension liability for the year end June 30, 2016, as reflected below. Other amounts reported as deferred outflows will be recognized in pension expense as follows:

	Primary Government			
	Governmental Activities	Nonemployer Special Funding Situation	Business-Type Activities	Component Units Majors
Year ended June 30: (Expressed in Thousands)				
2016	\$ (32,292)	\$ (266,025)	\$ (707)	\$ (4,646)
2017	(32,308)	(266,025)	(706)	(4,646)
2018	(36,806)	(266,025)	(706)	(4,648)
2019	(41,634)	(266,025)	(706)	(4,648)
2020	(4,667)	(266,025)	(487)	(922)
Thereafter	(566)	(168,817)		

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Schedule of Retiree Health Insurance Benefit and Eligibility

Judicial Retirement System		
Tier 1	Tier 2	Tier 3
Participation before 7/1/2003	Participation on or after 7/1/2003	Participation on or after 1/1/2014
Based on years of service and type of service, JRS pays a percentage of the monthly contribution rate as follows: 20 or more years of service, 100% paid; 15 to 19 years 11 months of service, 75% paid; 10 to 14 years 11 months of service, 50% paid; 4 to 9 years 11 months of service, 25% paid; Less than 4 years of service, 0% paid.	10 years for eligibility. Benefit of \$10 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually.	15 years for eligibility. Benefit of \$10 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually.
Kentucky Retirement Systems		
Tier 1	Tier 2	Tier 3
Non-Hazardous		
Participation before 7/1/2003	Participation on or after 7/1/2003	Participation on or after 1/1/2014
Based on years of service and type of service, KRS pays a percentage of the monthly contribution rate as follows: 20 or more years of service, 100% paid; 15 to 19 years of service, 75% paid; 10 to 14 years of service, 50% paid; 4 to 9 years of service, 25% paid; Less than 4 years of service, 0% paid.	10 years for eligibility. Benefit of \$10 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually.	15 years for eligibility. Benefit of \$10 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually.
Hazardous (includes State Police)		
Based on years of service and type of service, KRS pays a percentage of the monthly contribution rate as follows: 20 or more years of service, 100% paid; 15 to 19 years of service, 75% paid; 10 to 14 years of service, 50% paid; 4 to 9 years of service, 25% paid; less than 4 years of service, 0% paid.	10 years for eligibility. Benefit of \$15 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually. \$10 per month for each year of hazardous service for surviving spouse of deceased member.	15 years for eligibility. Benefit of \$15 per month for each year of earned service without regard to maximum dollar amount; adjusted by 1.5% annually. \$10 per month for each year of hazardous service for surviving spouse of deceased member.

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Legislators' Retirement System

Tier 1	Tier 2	Tier 3
Participation before 7/1/2003	Participation on or after 7/1/2003	Participation on or after 1/1/2014
Based on years of service, LRS pays a percentage of the monthly contribution rate as follows: 20 or more years of service, 100% paid; 19 to 19 years 11 months, 95% paid; 18 years to 18 years 11 months, 90% paid; 17 years to 17 years 11 months, 85% paid; 16 years to 16 years 11 months, 80% paid; 15 years to 15 years 11 months, 75% paid; 14 years to 14 years 11 months, 70% paid; 13 years to 13 years 11 months, 65% paid; 12 years to 12 years 11 months, 60% paid; 11 years to 11 years 11 months, 55% paid; 10 years to 10 years 11 months, 50% paid; 4 to 9 years 11 months of service, 25% paid; less than 4 years of service, 0% paid.	10 years of earned service at retirement to be eligible for insurance benefits. Benefit of \$10 per month for each year of earned service without regard to a maximum dollar amount; adjusted annually.	15 years of earned service at retirement to be eligible for insurance benefits. Benefit of \$15 per month for each year of earned service without regard to a maximum dollar amount; adjusted annually.

Kentucky Teachers' Retirement System

To be eligible for medical benefits, the member must have retired either for service or disability. The KTRS medical plan offers coverage to members under the age of 65 through the Kentucky Employees Health Plan administered by the Kentucky Department of Employee Insurance. KTRS retired members are given a supplement to be used for payment of their health insurance premium. The amount of the member's supplement is based on a contribution supplement table approved by the KTRS Board of Trustees. The retired member pays premiums in excess of the monthly supplement. The Commonwealth of Kentucky bears risk for excess claims expenses that exceed the premium equivalents charged for the Kentucky Employees Health Plan. Once retired members and eligible spouses attain age 65 and are Medicare eligible, coverage is obtained through the KTRS Medicare Eligible Health Plan.

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Notes to the Financial Statements
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Schedule of Insurance Actuarial Information
(Expressed in Thousands)

	Kentucky Judicial Retirement Plan	Kentucky Legislators' Retirement Plan
Contribution rates:		
State	2.00%	
Plan members	1.00%	
Annual required contribution (ARC)	\$1,274	
Contributions made	\$1,274	
Actuarial valuation date	July 1, 2015	July 1, 2015
Actuarial cost method	Entry age normal funding method Interest + 1% Unfunded Past Liability open	Entry age normal funding method Interest + 1% Unfunded Past Liability open
Amortization method		
Remaining amortization period	25 years	25 years
Asset valuation method	Market value	Market value
Actuarial assumptions:		
Investment rate of return	6.41%	6.85%
Inflation Rate	3%	3%
Projected salary increases	1%	1%
Increases in Health Insurance Cost	11%	11%
Actuarial Required Contribution (ARC)	\$ 1,274	\$
Interest on NOPEBO	72	(20)
Adjustment to ARC	(90)	(23)
Annual pension cost	1,256	(43)
Contributions made	1,274	
Increase (Decrease) in NOPEBO	(18)	(43)
NOPEBO beginning of year	1,118	(290)
NOPEBO as of 6/30/15	\$ 1,100	\$ (333)
Percentage APC contributed	101.4%	
June 30, 2014		
Annual Pension Cost	\$ 884	\$ 5
Percentage APC Contributed	72%	
NOPEBO as of 6/30/14	\$ 1,118	\$ (290)
June 30, 2013		
Annual Pension Cost	\$ 886	\$ 3
Percentage APC Contributed	68.9%	
NOPEBO as of 6/30/13	\$ 868	\$ (295)

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State Police Retirement System	Kentucky Employees' Retirement System		Kentucky Teachers' Retirement System
	Non-Hazardous	Hazardous	
21.86%	7.93%	9.97%	0.78%
1.00%	1.00%	1.00%	3.00%
\$9,890	\$130,455	\$13,152	\$107,656
\$10,382	\$135,940	\$14,882	\$169,103
June 30, 2015	June 30, 2015	June 30, 2015	June 30, 2015
Entry age	Entry age	Entry age	Entry age
Level percent closed	Level percent closed	Level percent closed	Level percent open
28 years	28 years	28 years	30 years
Five-year smoothed Market	Five-year smoothed Market	Five-year smoothed Market	Market value of assets
7.50%	7.50%	7.50%	7.5%-8.00%
3.25%	3.25%	3.25%	3.50%
4.00%	4.00%	4.00%	
5.00% - 7.50%	5.0% - 7.50%	5.0% - 7.50%	5.00% - 7.50%
\$ 9,890	\$ 130,455	\$ 13,152	\$ 107,656
12,812	137,534	7,226	119,701
(13,765)	(147,767)	(5,293)	(81,770)
8,937	120,222	15,085	145,587
10,382	135,940	14,882	169,105
(1,445)	(15,718)	203	(23,518)
170,827	1,833,788	96,351	1,495,738
\$ 169,382	\$ 1,818,070	\$ 96,554	\$ 1,472,220
116.2%	113.1%	98.7%	116.2%
\$ 27,057	\$ 276,191	\$ 17,935	\$ 197,693
54%	60%	133%	83%
\$ 170,827	\$ 1,833,788	\$ 96,351	\$ 1,495,738
\$ 32,789	\$ 346,385	\$ 28,497	\$ 224,115
51.3%	47.7%	90.1%	74.9%
\$ 158,263	\$ 1,724,207	\$ 102,290	\$ 1,461,619

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Notes to the Financial Statements
June 30, 2015

Schedule of Funding Progress - Insurance Funds

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
<u>Judicial Retirement Plan</u>						
June 30, 2013	\$ 46,552,166	\$ 53,732,181	\$ 7,180,015	86.6	\$ 32,930,076	21.8
June 30, 2014	53,374,356	56,161,700	2,787,344	95.0	32,930,076	8.5
June 30, 2015	61,046,752	61,195,047	148,295	99.8	30,009,326	.5
<u>Legislators' Retirement Plan</u>						
June 30, 2013	\$ 25,907,629	\$ 23,363,734	\$ (2,543,895)	110.9	\$ 4,987,823	(51.0)
June 30, 2014	29,405,073	24,525,907	(4,879,166)	119.9	4,987,823	(97.8)
June 30, 2015	33,194,900	26,955,434	(6,239,466)	123.1	4,467,419	(139.7)
<u>State Police Retirement System</u>						
June 30, 2013	\$ 136,321,060	\$ 222,326,743	\$ 86,005,683	61.3	\$ 45,256,202	190.0
June 30, 2014	155,594,760	234,271,127	78,676,367	66.4	44,616,885	176.3
June 30, 2015*	167,774,940	254,838,710	87,063,770	65.8	45,764,515	190.2
<u>Kentucky Employees' Retirement System</u>						
<u>Non-Hazardous</u>						
June 30, 2013	\$ 497,584,327	\$ 2,128,754,134	\$ 1,631,169,807	23.4	\$ 1,644,408,698	99.2
June 30, 2014	621,236,646	2,226,759,925	1,605,523,279	27.9	1,577,496,447	101.8
June 30, 2015*	695,018,262	2,413,705,252	1,718,686,990	28.8	1,544,234,409	111.3
<u>Hazardous</u>						
June 30, 2013	\$ 370,774,403	\$ 385,517,675	\$ 14,743,272	96.2	\$ 132,015,368	11.2
June 30, 2014	419,395,867	396,986,820	(22,409,047)	105.6	129,076,038	(17.4)
June 30, 2015*	451,514,191	374,904,234	(76,609,957)	120.4	128,680,130	(59.5)
<u>Kentucky Teachers' Retirement System</u>						
June 30, 2013	\$ 507,048,000	\$ 3,615,398,000	\$ 3,108,350,000	14.0	\$ 3,480,066,000	89.3
June 30, 2014	605,043,000	3,292,043,000	2,687,000,000	18.4	3,486,327,000	77.1
June 30, 2015	735,025,000	3,624,323,000	2,889,298,000	20.3	3,515,113,000	82.2

* Discount rate changed from 7.75% to 7.50%

COMMONWEALTH OF KENTUCKY
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Three year trend for contributions - Insurance Funds

(Expressed in thousands):

	Insurance	
	Annual	Percentage
	Required	Percentage
	Contribution	Contributed
<u>Judicial Retirement Plan</u>		
2013	\$ 893	68.3%
2014	893	71.0%
2015	1,274	100.0%
<u>Legislators' Retirement Plan</u>		
2013		
2014		
2015		
<u>State Police Retirement System</u>		
2013	\$ 27,234	61.8%
2014	20,879	69.4%
2015	9,890	105.0%
<u>Kentucky Employees' Retirement System</u>		
<u>Non-Hazardous</u>		
2013	\$ 286,143	57.8%
2014	208,881	79.8%
2015	130,455	104.2%
<u>Hazardous</u>		
2013	\$ 26,253	97.8%
2014	15,627	152.8%
2015	13,152	113.2%
<u>Kentucky Teachers' Retirement System</u>		
2013	\$ 188,466	92.9%
2014	160,628	101.9%
2015	107,656	157.7%

Note 9

EMPLOYEE BENEFIT PLAN

Kentucky Public Employees' Deferred Compensation Plan

Employees of the Commonwealth, its cities, counties, and local school districts are eligible to participate in two deferred compensation plans as authorized by the United States Internal Revenue Code. These plans, labeled 457 and 401(k), after sections of the Code, are administered by the Personnel Cabinet and an independent Plan administrator. The Commonwealth, through a board of trustees as defined in KRS 18A.245, selects the administrator to oversee the daily operations and technical compliance of the Plans with applicable sections of the Internal Revenue Code. The Commonwealth's responsibilities consist of withholding payroll deductions for its employees, collecting employee withholdings of the cities, counties, and local school districts, and remitting those withholdings to the plan administrators holding fixed and variable annuity contracts (carriers). Both Plans permit employees to defer collecting a portion of their salary until future years. This deferment is not available to employees until termination, retirement, death, or unforeseeable emergency. Assets of the 457 Plan and the 401(k) Plan are reported in a Pension Trust Fund within the fiduciary fund type, in compliance with Internal Revenue Code and GASB 32 requirements.

Of the \$933,261,820 in the 457 Plan at June 30, 2015, \$437,353,061 was applicable to the Commonwealth, while the remaining \$495,908,759 represents assets of the other jurisdictions participating in the Plan. The 401(k) Plan had total plan assets of \$1,688,038,086 at June 30, 2015, of which \$612,287,658 was applicable to the Commonwealth, while the remaining \$1,075,750,428 represents other participating jurisdictions.

Note 10

LEASE OBLIGATIONS

The Commonwealth has entered into various leases for buildings and equipment. Generally, leases contain termination clauses providing for cancellation after a 30, 60, or 90 days written notice. In addition, certain leases contain appropriation clauses indicating that continuation of the lease is subject to funding by the General Assembly. It is expected that in the normal course of business most of these leases will be replaced by similar leases.

A portion of the capital lease liability for the major component units is applicable to leases with the Commonwealth.

Changes in leases payable for the year ended June 30, 2015, are summarized in Note 15, Long-Term Obligations.

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At June 30, 2015, capitalized leases included Buildings and Equipment as follows (Expressed in Thousands):

Buildings and Equipment acquired through capital leases are recorded at the lesser of fair market value or present value of future minimum lease payments.

	Primary Government		
	Governmental Activities	Business-Type Activities	Component Units-Major
Buildings	\$ 52,029	\$ 14,611	\$ 485,683
Equipment	61,166	679	125,794
Other			75,513
Total	113,195	15,290	686,990
Less: Accumulated depreciation	(32,499)	(8,554)	(280,013)
Total Net of Depreciation	<u>\$ 80,696</u>	<u>\$ 6,736</u>	<u>\$ 406,977</u>

Future minimum rental commitments for capitalizable leases as of June 30, 2015, are as follows (Expressed in Thousands):

	Primary Government				Component Units - Major	
	Governmental		Business-Type			
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 16,510	\$ 2,139	\$ 1,073	\$ 323	\$ 43,801	\$ 6,880
2017	13,707	1,675	1,080	294	35,390	6,270
2018	11,205	1,236	1,110	264	31,948	4,875
2019	8,245	868	1,138	235	19,778	3,927
2020	3,981	452	1,145	204	16,129	3,437
2021-2025	13,534	2,268	4,895	577	57,778	13,288
2026-2030	4,310	196	1,821	56	15,745	1,350
2031-2035					1,200	1,263
Present value of future minimum lease payments	<u>\$ 71,492</u>	<u>\$ 8,834</u>	<u>\$ 12,262</u>	<u>\$ 1,953</u>	<u>\$ 221,769</u>	<u>\$ 41,290</u>

Note 11

bility has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Program's claims liability amount in Fiscal Years 2015 and 2014 were:

RISK MANAGEMENT

The Commonwealth is exposed to various risks of loss related to torts: theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commonwealth utilizes the Risk Management Fund to account for these activities.

Fire and Tornado Insurance:

The Fire and Tornado Insurance Program is established to account for and finance its uninsured risk of loss arising from damages to State buildings and personal property. Under this program, coverage is provided for up to a maximum of \$500,000 per occurrence of loss for each insured subject of risk. The Fire and Tornado Insurance Program purchases reinsurance for claims in excess of coverage provided by the Program. Settled claims have not exceeded commercial coverage in any of the past three fiscal years.

The claims liability of \$9,572,000 reported in the Program at June 30, 2015, is based on the requirements of GASB 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a lia-

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$ 4,720,620	\$ 10,465,735
Incurred claims	16,396,225	17,718,658
Changes in estimates		
Claims payments	(11,544,845)	(23,463,773)
Balance at Fiscal Year End	<u>\$ 9,572,000</u>	<u>\$ 4,720,620</u>

Self-Insured Workers' Compensation:

The Workers' Compensation Program is self-insurance for the benefit of the Commonwealth's employees, and others as described in KRS 18A.370. Losses payable by the Program include medical claims and loss of wages as a result of an employment related injury. Premiums are established based upon estimated claims and administrative cost for the coming fiscal year. The Program carries reinsurance coverage for large individual or incident claims between \$5,000,000 and \$20,000,000.

COMMONWEALTH OF KENTUCKY
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The actuarially determined aggregate claims liability of \$176,883,414 reported in the Program at June 30, 2015, includes both reported and unreported insured events, including estimates of future payments of losses and related claims' adjustments. Changes in the Program's claims liability amount in Fiscal Years 2015 and 2014 were:

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>
Beginning of fiscal year liability	\$ 175,694,730	\$ 173,408,609
Claims and claims adjustments incurred:		
Current year	24,846,571	25,619,119
Increase (Decrease) in Prior year	(2,421,815)	(1,458,433)
Total Claims and Claims Adjustments Incurred	22,424,756	24,160,686
Claims and claims adjustment payments:		
Current year	(6,220,653)	(7,313,960)
Increase (Decrease) in Prior year	(15,015,419)	(14,560,605)
Total Claims and Claims Adjustment Payments	(21,236,072)	(21,874,565)
Balance at Fiscal Year End	<u>\$ 176,883,414</u>	<u>\$ 175,694,730</u>

Transportation Cabinet Workers' Compensation:

The Transportation Cabinet's Self-Insured Workers' Compensation Trust Program (the "Program") was organized on July 1, 1963, as a self-insurance fund administered by the Transportation Cabinet of the Commonwealth of Kentucky (the "Cabinet"). The purpose of the Program is to provide workers' compensation insurance to the employees of the Cabinet. The losses incurred by the Program are serviced by a designated third-party administrator who processes and reports all claims to the program.

The claims liability of \$29,005,422 reported in the Program at June 30, 2015, includes both reported and unreported insured events, including estimates of both future payments of losses and related claims adjustments expenses. Changes in the Program's claims liability amount in Fiscal Years 2015 and 2014 were:

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>
Beginning of fiscal year liability	\$ 28,711,821	\$ 28,088,590
Claims and claims adjustments incurred	3,648,294	4,336,572
Changes in estimates		(390,765)
Claims and claims adjustment payments	(3,354,693)	(3,322,576)
Balance at Fiscal Year End	<u>\$ 29,005,422</u>	<u>\$ 28,711,821</u>

Note 12

RISK POOLS

The Commonwealth's risk pools are the Insurance Administration Fund (enterprise fund) and the Grain Insurance Corporation (component unit). The Insurance Administration Fund includes the operations of five risk pools as follows: Workers' Compensation Insurance, Coal Workers Pneumoconiosis, Petroleum Storage Tank Assurance, Bond Pool, and Mine Subsidence Insurance. The Insurance Administration Corporation is reported as part of the primary government. The Grain Insurance Corporation is a risk pool reported as a discrete component unit.

Risk Pools - Enterprise Funds

Workers' Compensation Insurance:

The Kentucky Workers' Compensation Insurance Program, a risk sharing pool, covers preexisting conditions to protect employers from having to pay for injuries not sustained while under their employment, or more than once for disabilities resulting from the same accident. This Program encourages reemployment of injured workers at adequate wages by relieving the employer of the requirement of paying disability compensation in addition to full wages. The Program also covers claims against uninsured employers.

The Program establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The claims liability of \$739,431,744, as reported in the financial statements, is the present value of the aggregate actuarially determined claims liability of \$977,431,000, discounted at 2.7 percent, and net of the estimated realizable value of reimbursements. The claims adjusted liability of \$26,349,203, as reported in the financial statements is the present value of the aggregate actuarially determined liability of \$30,910,000, discounted at 2.7 percent and net of the estimated realizable value of reimbursements.

The actuarially determined liabilities described above arise from projections included in a biennial actuarial report that was performed as of June 30, 2015. Changes in the Program's aggregate liabilities for claims and claims adjustment for the past two years were:

	<u>Fiscal Year 2015</u>	<u>Fiscal Year 2014</u>
Beginning of fiscal year liability	\$ 1,092,540,000	\$ 1,159,021,000
Claims and claims adjustments incurred	6,204,000	7,293,000
Changes in estimates	(29,008,000)	(9,827,000)
Claims and claims adjustment payments	(61,395,000)	(63,947,000)
Balance at Fiscal Year End	<u>\$ 1,008,341,000</u>	<u>\$ 1,092,540,000</u>

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

Coal Workers' Pneumoconiosis Fund:

The Coal Workers' Pneumoconiosis Fund (CWPF) was created within the Labor Cabinet through the enactment of House Bill No. 1 by the December 1996 Special Session of the General Assembly. The CWPF is liable for one-half of the income benefits and retraining incentive benefits for occupational pneumoconiosis resulting from exposure to coal dust created in the severance or processing of coal. The employer is liable for the remaining half.

In accordance with House Bill No. 1 from the December 1996 Special Session, the Kentucky Workers' Compensation Funding Commission shall impose a pneumoconiosis assessment to pre-fund the liabilities of the CWPF and to finance its administration. The assessment is 3.0 percent of workers' compensation premiums received on or after January 1, 1997, from employers engaged in the severance or processing of coal and an additional assessment of \$0.025 per ton imposed upon coal severed on or after January 1, 1997. All pneumoconiosis assessments collected by the Funding Commission are to be credited to a separate account within the Benefit Reserve Fund and to be transferred as necessary to pay administrative expenses and current claims of the CWPF.

The Coal Workers' Pneumoconiosis Fund establishes claims liability based on estimates of the ultimate cost of claims (including future claims adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The claims liability of \$42,271,362, as reported in the financial statements, is the present value of the aggregate actuarially determined liability of \$48,360,000, discounted at 3.5 percent. The claims adjustment liability of \$1,167,000, as reported in the financial statements, is the present value of the aggregate actuarially determined liability of \$1,335,000, discounted at 3.5 percent. Changes in the aggregate liability for claims and claims adjustments for the past two years were as follows:

As stated above, the Coal Workers' Pneumoconiosis Fund was created by the December 1996 Special Session of the General Assembly. Therefore, there are no provisions for claims prior to 1997.

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$ 34,703,000	\$ 22,533,000
Claims and claims adjustments incurred	6,688,000	3,643,000
Changes in estimates	15,377,000	11,852,000
Claims and claims adjustment payments	(7,073,000)	(3,325,000)
Balance at Fiscal Year End	\$ 49,695,000	\$ 34,703,000

Petroleum Storage Tank Environmental Assurance Program:

The Office of the Petroleum Storage Tank Environmental Assurance Program, a risk sharing pool, was created in the 1990 regular session of the Kentucky General Assembly. The purpose of the Program is to assist petroleum storage tank owners or operators in complying with federal financial responsibility requirements relating to petroleum storage tanks and in cleaning up contamination caused by leaking tanks. A fee paid (at a rate of one and four-tenths cents per gallon) by dealers on each gallon of gasoline funds the Program and special fuels received in the Commonwealth funds the Program.

The Program insures petroleum storage tank owners or operators for cost incurred for cleanup and other corrective action required in cleaning up contamination caused by leaking petroleum storage tanks. The Program also provides coverage for third party claims against the owners or operators for damages sustained as a result of leaking storage tanks. Claims paid by the Program are subject to deductibles that are applied separately, by occurrence, for cleanup claims and third party damage claims. The deductible is set at \$1,000 per occurrence for owners or operators of five or less tanks, and at \$5,000 for owners or operators of six to ten tanks, and at \$25,000 for owners of more than ten tanks.

The Program establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The claims liability of \$193,345,123 that was reported in the financial statements is the aggregate actuarially determined claims liability and is not discounted. Changes in the Program's aggregate liabilities for claims and claims adjustment for the past two years were:

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$ 181,143,394	\$ 194,025,718
Claims and claims adjustments incurred	5,953,264	6,054,551
Changes in estimates	23,795,409	
Claims and claims adjustment payments	(17,546,944)	(18,936,875)
Balance at Fiscal Year End	\$ 193,345,123	\$ 181,143,394

Kentucky Reclamation Guaranty Fund:

The Kentucky Reclamation Guaranty Fund was established in 2013 to provide additional monies for the reclamation of forfeited coal mining operations where the permit specific performance bonds are insufficient for the Commonwealth to complete reclamation to program standards. Participation in the fund is mandatory for all companies mining coal in the Commonwealth, with certain exclusions.

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On the date of the establishment of the fund, each entity (member) holding a permit will be assessed a start-up assessment of \$1,500 and an assessment of \$10 per active acre. Entities entering after the date of establishment of the fund shall pay a onetime assessment \$10,000 to the fund. Additionally, members pay tonnage fees of \$.0757 per ton of surface mined coal and \$.0357 per ton for underground mined coal. All permits previously subject to the voluntary bond pool at the time of its repeal shall be excluded from the start-up assessments but will be subject to the tonnage fees. Member entities shall be given the option to provide full-cost bonds based on a reclamation cost estimate that reflects reclamation costs to the cabinet and certified by a professional engineer in lieu of participation in the fund.

Permits which are used exclusively for coal preparation, processing operations, loading activities, disposal of refuse operations, coal haulage, access roads, mine maintenance areas, support facilities, and other permits are exempt to the provisions of the previous paragraph as determined by the Commission. Exempt members shall pay an annual fee of \$10 per acre.

As determined by the Commission any permits, or expired permits, not subject to the above paragraphs shall pay an annual fee of \$6 per surface acre to the fund. This fee shall not apply to those permits specified in KRS 350.518(2)(f).

The coal companies participating in the Program are required to post a permit specific bond based on the number of acres permitted and their rating in the Program. The Kentucky Reclamation Guaranty Fund in turn provides coverage for reclamation costs that exceed the permit specific bond. The Fund will pay claims for costs incurred in excess of the required bond amount.

The Program establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The claims liability of \$189,552

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$ 189,552	\$ 189,552
Claims and claims adjustments incurred		
Changes in estimates		
Claims and claims adjustment payments		
Balance at Fiscal Year End	<u>\$ 189,552</u>	<u>\$ 189,552</u>

Mine Subsidence Insurance:

The Mine Subsidence Insurance Program is administered by the Department of Insurance. The provisions of the Program require that all insurance policies issued or renewed that insure a structure located in any county in the Commonwealth, except those specifically exempted by KRS 304.44-60, shall include a separately stated premium for mine subsidence damage coverage. This premium is assessed at the amount determined by the Program, and the insurer is required to code this coverage to the Program. The insurer may refuse to provide coverage where preexisting damage is determined to exist. The Program provides coverage subject to a deductible of 2 percent of the policy's total insured value or not less than \$250 and not more than \$500. The Mine Subsidence Program also limits its coverage to \$50,000 per structure.

GASB 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The Mine Subsidence Program had claims liability of \$5,131 at June 30, 2015. Changes in the Program's aggregate liabilities for the claims and claims adjustments for the past two years were:

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$	\$
Claims and claims adjustments incurred	5,131	
Changes in estimates		
Claims and claims adjustment payments		
Balance at Fiscal Year End	<u>\$ 5,131</u>	<u>\$</u>

Kentucky Employees Health Plan:

Kentucky Employees Health Plan was established pursuant to KRS 18A.225, 18A.226, and 18A.227 to administrate and facilitate an employee health insurance program as part of a flexible benefits plan. The Department for Employee Insurance (the Department) is responsible for overseeing the Kentucky Employees Health Plan (KEHP).

The health benefits for governmental participants are funded by monthly premiums paid by individuals and state and local governmental units. A participant may extend coverage to dependents for an additional monthly premium based of the coverage requested. Premiums are collected by the Department and held in a trust fund until needed for the payment of benefits.

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The Plan develops premium equivalent rates each year by utilizing historical trend information, current claims experience and national trends. An outside actuarial consultant advises the Plan Administrator regarding premium rates. If premium rates are changed, they become effective the beginning of a calendar year.

Plan participants are not subject to supplemental assessment in the event of a premium deficiency. At the time of premium payment, the risk of loss due to incurred benefit costs is transferred from the participant to the Plan. If assets of the Plan were to be exhausted, participants would not be responsible for the Plan's liabilities.

All state agencies and local boards of education in the Commonwealth are required to offer to their active employees the coverage selections offered by the Plan. Local government entities may elect to participate in the Plan.

The Plan establishes liabilities for incurred but unpaid claims based on its estimate of the ultimate cost of settling claims that have been reported but not yet settled, and of claims that have been incurred but not yet reported. The claims liability \$70,696,529 that was reported in the financial statements is the aggregate actuarially determined claims liability. Changes in the aggregate liabilities for claims and claims adjustment expenses for the past two years are as follows:

	Fiscal Year 2015	Fiscal Year 2014
Beginning of fiscal year liability	\$ 99,354,848	\$ 102,811,050
Claims and claims adjustments incurred	1,460,101,994	1,585,494,571
Changes in estimates	12,103,085	7,893,093
Claims and claims adjustment payments	(1,500,863,398)	(1,596,843,866)
Balance at Fiscal Year End	<u>\$ 70,696,529</u>	<u>\$ 99,354,848</u>

Grain Insurance:

The Grain Insurance Program was established to promote economic stability in agriculture by providing coverage to grain producers for losses incurred in the event of a financial failure of a grain dealer or grain warehousemen. The Program is funded by a half-cent per bushel assessment on all marketed grain produced in Kentucky. The Program also has provisions that the assessment can be suspended when the balance of the Program reaches \$3 million and if suspended will be reapplied when the balance of the Program drops to \$2 million.

GASB 10 requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. There were no cash payments for claims expenses during 2015 or 2014; and, there was not a claims liability for FY 2015 or FY 2014.

Note 13

DEFEASANCE OF LONG-TERM DEBT

The School Facilities Construction Commission issues revenue bonds on behalf of local school districts to finance construction of new facilities or the major renovation of existing facilities. The Commission participates in the payment of debt service for qualifying districts. By statute, the Commission's portion of the savings from refunding issues goes to the school district. Therefore, the Commission's participation remains unchanged and the Commission does not experience an economic gain or loss on these transactions. Proceeds from the issues are placed in escrow accounts to pay the future debt service of the issue(s) being refunded. During the fiscal year ended June 30, 2015 the Commission issued the following refunding revenue bonds:

Revenue refunding bonds dated March 24, 2015, were issued for the Allen County School District Finance Corporation to refund a 2004 and 2005 issue. The Commission's portion of the refunding issue was \$798,768 maturing December 1, 2015, through December 1, 2023, and carrying an interest rate of 2.00%.

Revenue refunding bonds dated February 18, 2015, were issued for the Anderson County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$622,669 maturing June 1, 2015, through December 1, 2026, and carrying interest rates of 2.000% to 2.250%.

Revenue refunding bonds dated August 6, 2014, were issued for the Ashland Independent District Finance Corporation to refund a 2009 issue. The Commission's portion of the refunding issue was \$518,180 maturing February 1, 2015, through August 1, 2029, and carrying interest rates from 1.00% to 3.125%.

Revenue refunding bonds dated February 26, 2015, were issued for the Ashland Independent District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$482,980 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 2.000% to 2.150%.

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Revenue refunding bonds dated March 20, 2015, were issued for the Ballard County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$59,695 maturing March 1, 2016, through March 1, 2030, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated April 6, 2015, were issued for the Bardstown Independent District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$71,205 maturing August 1, 2015, through August 1, 2030, and carrying an interest rate of 2.550%.

Revenue refunding bonds dated February 25, 2015, were issued for the Barren County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,027,773 maturing August 1, 2017, through August 1, 2026, and carrying an interest rate of 5.000%.

Revenue refunding bonds dated August 4, 2014, were issued for the Beechwood Independent School District Finance Corporation to refund a 2009 issue. The Commission's portion of the refunding issue was \$868,943 maturing February 1, 2015, through August 1, 2029, and carrying interest rates from 1.650% to 3.125%.

Revenue refunding bonds dated March 18, 2015, were issued for the Boone County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$663,069 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated June 25, 2015, were issued for the Bourbon County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$596,749 maturing March 1, 2016, through March 1, 2020, and carrying interest rates of 1.000% to 1.550%.

Revenue refunding bonds dated November 12, 2014, were issued for the Bowling Green Independent School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$731,949 maturing June 1, 2015, through December 1, 2019, and carrying interest rates from 2.00% to 4.00%.

Revenue refunding bonds dated August 4, 2014, were issued for the Boyd County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$3,793,055 maturing February 1, 2015, through February 1, 2031, and carrying interest rates from 2.00% to 3.50%.

Revenue refunding bonds dated April 1, 2015, were issued for the Boyle School District Finance Corporation to refund a 2007 issue. The Commission's portion of the refunding issue was \$538,122 maturing October 1, 2015, through April 1, 2027, and carrying an interest rate of 2.350%.

Revenue refunding bonds dated July 30, 2014, were issued for the Bullitt County School District Finance Corporation to refund a 2009 issue. The Commission's portion of the refunding issue was \$213,785 maturing September 1, 2014, through September 1, 2029, and carrying interest rates from 3.000% to 5.000%.

Revenue refunding bonds dated November 26, 2014, were issued for the Calloway County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$48,133 maturing May 1, 2015, through May 1, 2021, and carrying interest rates from 0.900% to 2.000%.

Revenue refunding bonds dated December 11, 2014, were issued for the Campbell County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$706,684 maturing February 1, 2015, through August 1, 2026, and carrying interest rates from 2.00% to 3.00%.

Revenue refunding bonds dated December 4, 2014, were issued for the Carroll County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$959,488 maturing February 1, 2015, through February 1, 2030, and carrying interest rates from 2.50% to 3.00%.

Revenue refunding bonds dated February 20, 2015, were issued for the Carter County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,722,784 maturing February 1, 2016, through February 1, 2026, and carrying interest rates from 2.000% to 2.250%.

Revenue refunding bonds dated March 18, 2015, were issued for the Casey County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$6,060,252 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 2.000% to 2.350%.

Revenue refunding bonds dated November 10, 2014, were issued for the Covington Independent School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$1,725,109 maturing February 1, 2015, through February 1, 2031, and carrying interest rates from 2.000% to 3.125%.

Revenue refunding bonds dated April 10, 2015, were issued for the Covington Independent School District Finance Corporation to refund a 2005 and a 2010 issue. The Commission's portion of the refunding issue was \$772,494 maturing April 1, 2016, through April 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated December 4, 2014, were issued for the Danville Independent School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$700,000 maturing April 1, 2015, through April 1, 2026, and carrying interest rates from 1.00% to 3.00%.

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Revenue refunding bonds dated May 20, 2015, were issued for the Dawson Springs Independent School District Finance Corporation to partially refund a 2006 issue. The Commission's portion of the refunding issue was \$1,440,000 maturing August 1, 2015, through August 1, 2026, and carrying an interest rate of 2.00%.

Revenue refunding bonds dated February 25, 2015, were issued for the Estill County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$1,275,151 maturing September 1, 2015, through September 1, 2030, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated October 22, 2014, were issued for the Fairview Independent School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$395,510 maturing February 1, 2015, through August 1, 2025, and carrying interest rates from 1.000% to 2.150%.

Revenue refunding bonds dated December 29, 2014, were issued for the Floyd County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$4,664,282 maturing March 1, 2015, through March 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated August 21, 2014, were issued for the Fort Thomas Independent School District Finance Corporation to refund a 2009 issue. The Commission's portion of the refunding issue was \$6,309,446 maturing February 1, 2015, through August 1, 2029, and carrying interest rates from 2.000% to 3.375%.

Revenue refunding bonds dated April 2, 2015, were issued for the Fort Thomas Independent School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,242,616 maturing April 1, 2016, through April 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated September 11, 2014, were issued for the Frankfort Independent School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$447,357 maturing February 1, 2015, through August 1, 2026, and carrying interest rates from 1.000% to 3.000%.

Revenue refunding bonds dated March 30, 2015, were issued for the Gallatin County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$6,211,420 maturing May 1, 2015, through May 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated April 15, 2015, were issued for the Garrard County School District Finance Corporation to refund a 2004 issue and a 2007 issue. The Commission's portion of the refunding issue was \$266,975 maturing June 1, 2015, through December 1, 2027, and carrying interest rates from 2.000% to 2.500%.

Revenue refunding bonds dated April 17, 2015, were issued for the Grant County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$1,963,567 maturing August 1, 2015, through August 1, 2030, and carrying interest rates from 2.000% to 3.125%.

Revenue refunding bonds dated March 3, 2015, were issued for the Graves County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$479,074 maturing March 1, 2016, through March 1, 2026, and carrying an interest rate of 2.000%.

Revenue refunding bonds dated March 12, 2015, were issued for the Green County School District Finance Corporation to refund a 2007 issue. The Commission's portion of the refunding issue was \$4,270,717 maturing August 1, 2015, through August 1, 2027, and carrying interest rates from 2.000% to 2.375%.

Revenue refunding bonds dated November 12, 2014, were issued for the Hardin County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$907,616 maturing May 1, 2015, through May 1, 2026, and carrying interest rates from 2.000% to 5.000%.

Revenue refunding bonds dated March 31, 2015, were issued for the Hardin County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$691,559 maturing February 1, 2016, through February 1, 2020, and carrying interest rates from 3.000% to 4.000%.

Revenue refunding bonds dated March 19, 2015, were issued for the Hardin County School District Finance Corporation to refund a 2005 issue and a 2007 issue. The Commission's portion of the refunding issue was \$918,772 maturing June 1, 2015, through June 1, 2027, and carrying interest rates from 2.000% to 4.000%.

Revenue refunding bonds dated February 24, 2015, were issued for the Harlan County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$12,709,970 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated December 1, 2014, were issued for the Henderson County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$1,697,734 maturing June 1, 2015, through December 1, 2030, and carrying interest rates from 0.900% to 3.000%.

Revenue refunding bonds dated July 15, 2014, were issued for the Henry County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$706,420 maturing April 1, 2015, through April 1, 2030, and carrying interest rates from 1.100% to 4.000%.

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Revenue refunding bonds dated November 5, 2014, were issued for the Jackson County School District Finance Corporation to refund a 2009 issue. The Commission's portion of the refunding issue was \$5,656,472 maturing May 1, 2015, through November 1, 2029, and carrying interest rates from 1.250% to 3.000%.

Revenue refunding bonds dated September 2, 2014, were issued for the Jefferson County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$8,291,139 maturing October 1, 2015, through October 1, 2020, and carrying interest rates from 2.000% to 5.000%.

Revenue refunding bonds dated December 9, 2014, were issued for the Jessamine County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$43,352 maturing February 1, 2015, through February 1, 2016, and carrying interest rates from 1.00% to 3.00%.

Revenue refunding bonds dated April 1, 2015, were issued for the Kenton County School District Finance Corporation to refund 2006 issues. The Commission's portion of the refunding issue was \$2,217,630 maturing October 1, 2015, through October 1, 2026, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated September 25, 2014, were issued for the Knott County School District Finance Corporation to refund a 2003 issue. The Commission's portion of the refunding issue was \$280,700 maturing March 1, 2015, through September 1, 2023, and carrying an interest rate of 2.000%.

Revenue refunding bonds dated March 19, 2015, were issued for the Laurel County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,058,144 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 3.000% to 4.000%.

Revenue refunding bonds dated March 4, 2015, were issued for the Letcher County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$520,365 maturing June 1, 2015, through June 1, 2025, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated March 13, 2015, were issued for the Letcher County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$3,597,375 maturing August 1, 2015, through August 1, 2030, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated February 19, 2015, were issued for the Lewis County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$631,264 maturing August 1, 2015, through August 1, 2025, and carrying interest rates of 2.000% to 2.500%.

Revenue refunding bonds dated February 2, 2015, were issued for the Magoffin County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$4,848,225 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 2.000% to 2.500%.

Revenue refunding bonds dated March 26, 2015, were issued for the McLean County School District Finance Corporation to refund a 2005 and a 2006 issue. The Commission's portion of the refunding issue was \$834,275 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 2.000% to 2.500%.

Revenue refunding bonds dated August 7, 2014, were issued for the Mercer County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$139,138 maturing February 1, 2015, through August 1, 2030, and carrying interest rates from 1.750% to 3.500%.

Revenue refunding bonds dated March 20, 2015, were issued for the Metcalfe County School District Finance Corporation to refund a 2003 and a 2010 issue. The Commission's portion of the refunding issue was \$2,735,443 maturing June 1, 2015, through December 1, 2030, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated April 21, 2015, were issued for the Middlesboro Independent School District Finance Corporation to refund a 2004 and a 2006 issue. The Commission's portion of the refunding issue was \$581,032 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 1.000% to 2.300%.

Revenue refunding bonds dated February 26, 2015, were issued for the Nelson County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$1,621,137 maturing June 1, 2015, through December 1, 2030, and carrying interest rates from 2.000% to 3.000%.

Revenue refunding bonds dated March 2, 2015, were issued for the Nelson County School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$1,613,921 maturing September 1, 2015, through September 1, 2025, and carrying interest rates from 2.000% to 2.250%.

Revenue refunding bonds dated February 2, 2015, were issued for the Pendleton County School District Finance Corporation to refund a 2007 issue. The Commission's portion of the refunding issue was \$667,381 maturing February 1, 2016, through February 1, 2027, and carrying interest rates from 2.000% to 2.500%.

Revenue refunding bonds dated August 5, 2014, were issued for the Perry County School District Finance Corporation to refund a 2001 issue. The Commission's portion of the refunding issue was \$13,039 maturing March 1, 2015, and carrying an interest rate of 1.00%.

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Revenue refunding bonds dated December 17, 2014, were issued for the Pineville Independent School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$398,304 maturing March 1, 2015, through March 1, 2030, and carrying interest rates from 2.000% to 3.250%.

Revenue refunding bonds dated March 16, 2015, were issued for the Powell County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,169,466 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 2.000% to 2.400%.

Revenue refunding bonds dated February 25, 2015, were issued for the Raceland-Worthington Independent School District Finance Corporation to refund a 2005 issue. The Commission's portion of the refunding issue was \$393,669 maturing June 1, 2015, through June 1, 2025, and carrying interest rates from 1.000% to 2.250%.

Revenue refunding bonds dated February 4, 2015, were issued for the Rockcastle County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$449,863 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 1.00% to 2.250%.

Revenue refunding bonds dated March 5, 2015, were issued for the Simpson County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$2,741,693 maturing August 1, 2015, through August 1, 2026, and carrying interest rates of 2.000% to 2.250%.

Revenue refunding bonds dated December 17, 2014, were issued for the Todd County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$365,116 maturing February 1, 2015, through August 1, 2030, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated March 11, 2015, were issued for the Walton Verona Independent School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$876,398 maturing August 1, 2015, through August 1, 2026, and carrying interest rates from 2.000% to 2.500%.

Revenue refunding bonds dated April 22, 2015, were issued for the Warren County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$282,702 maturing February 1, 2016, through February 1, 2026, and carrying interest rates of 2.000% to 3.000%.

Revenue refunding bonds dated May 8, 2015, were issued for the Warren County School District Finance Corporation to refund a 2010 issue. The Commission's portion of the refunding issue was \$2,118,916 maturing August 1, 2015, through August 1, 2030, and carrying interest rates of 2.000% to 3.125%.

Revenue refunding bonds dated January 6, 2015, were issued for the Wayne County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$1,525,810 maturing April 1, 2015, through April 1, 2026, and carrying interest rates of 2.000% to 2.500%.

Revenue refunding bonds dated January 6, 2015, were issued for the Whitley County School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$3,181,817 maturing June 1, 2015, through June 1, 2026, and carrying interest rates of 2.000% to 2.500%.

Revenue refunding bonds dated March 17, 2015, were issued for the Williamstown Independent School District Finance Corporation to refund a 2006 issue. The Commission's portion of the refunding issue was \$198,297 maturing March 1, 2016, through March 1, 2026, and carrying interest rates from 1.000% to 2.500%.

State Property and Buildings Commission

The State Property and Buildings Commission issued the following Revenue Refunding Bonds:

\$254,380,000 of Revenue Refunding Bonds, Project 108 Series B dated February 11, 2015, were issued. The refunding bonds mature August 1, 2015 through August 1, 2026 carrying interest rates of 2.00% to 5.00%. The net proceeds of the issue in the amount of \$304,417,528 were deposited in Bond Repayment Fund to partially refund State Property and Buildings Commission issues of bonds. The bonds partially refunded consisted of State Property and Building Commission project number 85 in the amount of \$13,245,000 maturing August 1, 2016 through August 1, 2025 carrying interest rates from 3.80% to 5.00% ; project number 87 in the amount of \$139,305,000 maturing March 1, 2018 through March 1, 2027 carrying interest rates from 4.00% to 5.00%; project number 88 in the amount of \$74,965,000 maturing November 1, 2019 through November 1, 2024 carrying an interest rate of 5.00% and Kentucky Asset/Liability Commission Project Notes titled 2005 General Fund First Series in the amount of \$50,060,000 maturing May 1, 2016 through May 1, 2025 carrying interest rates of 4.125% to 5.000%. The refunding will result in increase cash flows in future periods of \$32,901,116 and a present value savings of \$32,904,388 at 2.12%.

Component Units

Morehead State University issued \$27,460,000 of General Receipts Refunding Bonds as follows:

\$22,620,000 of Series A serial bonds dated July 24, 2014 maturing on October 1, 2014 through October 1, 2028 carrying interest rates of 2.00% to 5.00% and \$4,840,000 Series B serial bonds maturing on October 1, 2014 through October 1, 2029 carrying interest rates

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of 1.00% to 5.00%. These 2014 Series A and B Bonds maturing on or after October 1, 2024 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after April 1, 2024. The net proceeds of the issue in the amount of \$30,028,417 was deposited to various Debt Service Funds will be used to refund the University's outstanding debt as follows: Morehead State University Consolidated Educational Buildings Refunding and Improvement Bonds, Series M, term bonds in the amount of \$495,000 maturing May 1, 2019 and May 1, 2024 carrying interest rates of 4.125% and 4.500% respectively, Morehead State University General Receipts, Taxable Build America Bonds 2009 Series A in the amount of \$24,125,000 maturing November 1, 2014 through November 1, 2028 carrying interest rates of 4.00% to 6.00% and Morehead State University General Receipts Taxable Build America Bonds 2010 Series A, consisting of serial bonds in the amount of \$1,600,000 maturing November 1, 2014 through November 1, 2019 carrying interest rates of 2.760% to 4.200% and term bonds in the amount of \$3,430,000 maturing November 1, 2021, November 1, 2023, November 1, 2025, November 1, 2027, November 1, 2029 and carrying interest rates of 4.600%, 4.800%, 5.200%, 5.600% and 5.750% respectively. The refunding associated with Series 2014A will result in increase cash flows in future periods of \$1,874,847 and a present value savings of \$1,812,686 at 2.62%. The refunding associated with Series 2014B will result in increase cash flows in future periods of \$184,898 and a present value savings of \$188,326 at 2.79%.

The University of Kentucky issued \$205,280,000 of General Receipts Revenue Refunding Bonds as follows:

\$88,145,000 of General Receipts Revenue Refunding Bonds Series 2014 D dated July 28, 2014. These bonds mature October 1, 2014 Through October 1, 2025 and carry interest rates of 3.00% to 5.25%. These 2014 Series D Bonds maturing on or after October 1, 2024 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after October 1, 2023. The net proceeds of the issue in the amount of \$107,547,919 was deposited to various Debt Service and Escrow Funds and will completely refund Con Ed, Series P, Q, R (2nd) in the amount of \$24,970,000 maturing May 1, 2015 through May 1, 2021 carrying interest rates of 4.00% to 4.50%; partially refund General Receipts Series 2005 A bonds in the amount of \$4,270,000 maturing October 1, 2016 through October 1, 2025 carrying interest rates of 4.000% to 4.375% and Series 2005A ALCO notes in the amount of \$72,865,000 maturing October 1, 2016 through October 1, 2025 carrying interest rates of 4.125% to 5.000%. The refunding associated with the refunding of Con Ed, Series P, Q, R (2nd) will result in increase cash flows in future periods of \$6,622,115 and a net present value savings of \$1,266,763 at 1.97%. The refunding associated with Series 2014 D will result in increase cash flows in future periods of \$15,014,059 and a present value savings of \$9,658,706 at 1.97%.

\$117,135,000 of General Receipts Revenue Refunding Bonds dated April 15, 2015. These bonds consist of: \$97,440,000 Series B serial bonds maturing October 1, 2018 through October 1, 2027 carrying an interest rate of 5.00% and \$19,695,000 Series C serial bonds maturing October 1, 2015 through October 1, 2026 carrying interest rates of 2.00% to 4.00%. These 2015 Series B and C Bonds maturing on or after October 1, 2025 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after April 1, 2025. The net proceeds of the 2015 Series B and C Bond Issues in the amount of \$140,240,673 was deposited to various Debt Service and Escrow Funds and will partially refund ALCO 2007 Series A – UK General Receipts Series in the amount of \$51,655,000 maturing October 1, 2018 through October 1, 2027 carrying an interest rate of 5.00% with a call date of October 1, 2017, partially refund ALCO 2007 Series B – UK General Receipts Series in the amount of \$55,780,000 maturing October 1, 2019 through October 1, 2027 carrying interest rates of 4.125% to 5.000% with a call date of October 1, 2017, completely refund Con Ed Series U in the amount of \$6,900,000 maturing May 1, 2016 through May 1, 2025 carrying an interest rate of 4.00% and partially refund 2006 Series A – UK General Receipts Series in the amount of \$14,765,000 maturing October 1, 2017 through October 1, 2026 carrying interest rates of 4.375% to 4.500%. The refunding associated with Series 2015B will result in increase cash flows in future periods of \$12,036,201 and a present value savings of \$12,037,957 at 2.10%. The refunding associated with Series 2015C will result in increase cash flows in future periods of \$2,863,519 and a present value savings of \$2,012,106 at 1.87%.

The Kentucky Infrastructure Authority issued Wastewater and Drinking Water Revolving Fund Revenue Refunding Bonds, Series 2015A dated May 21, 2015 in the amount of \$64,465,000. The bonds mature February 1, 2016 through February 1, 2026 carrying interest rates of 2.000% to 5.000%. The net proceeds of the issue were \$78,158,000 with a cost of issuance of \$497,000. The net proceeds were deposited with the trustee and used for the partially refunding of Series 2010A bonds maturing February 1, 2016 through February 1, 2020 with an interest rate of 5.00%. The economic gain from this refunding transaction is calculated as the difference between the present value of the debt service requirements of the refunded Series 2010A and the present value of the Series 2015A debt service requirements, discounted at the effective rate of the Series 2015A Bonds. The economic gain on the advance refunding is \$2,763,000.

Note 14

RELATED ORGANIZATIONS

The Commonwealth has several related organizations. The financial activities of these organizations are not included in the Commonwealth's financial statements. They are the East Kentucky Corporation, Eastern Kentucky Exposition Center Corporation, Northern Kentucky Convention Center Corporation, Kentucky Employer's Mutual Insurance Authority, Kentucky Wood Products Competitiveness Corporation, Commonwealth Seed Capital, LLC and the Interstate Air Pollution Control Commission. The Commonwealth holds no economic interest in, nor has any financial responsibility for these organizations.

Note 15

LONG-TERM OBLIGATIONS

Long-Term Obligations

General Obligation Bonds are issued through the State Property and Buildings Commission, subject to general referendum approval required by the Kentucky Constitution. General obligation bonds pledge the full faith, credit, and taxing power of the Commonwealth and denote application of specific or general tax revenues to provide payment of principal and interest requirements on the debt. No new issues of this type have been issued since 1965, and none are outstanding or authorized but unissued at June 30, 2015.

Revenue Bonds - General authorization for the use of revenue bonds is contained in Chapter 58 of the Kentucky Revised Statutes. Specific authority is contained in the legislation and related KRS chapters creating and empowering the various debt issuing entities. Reference to such legislation and laws is made throughout the following entity descriptions. Effective July 15, 1980, KRS 56.870 requires prior approval of debt financing projects by the Kentucky General Assembly sitting in regular or special sessions. Succeeding statutes establish the methods for this approval and the exemptions from it. The majority of new debt issues are approved through the appropriation act. Per KRS 56.873, effective July 15, 1980, revenue bonds having passed the above mechanisms, and not requiring Commonwealth appropriations, must receive an "A" rating by Moody's Investors Service or the equivalent rating by another qualified rating agency prior to their sale.

Project revenue debt pledges only the revenues produced by the project so funded as security for repayment and does not directly obligate the Commonwealth. Kentucky's project revenue debt may be further classified by the purpose of the debt. Revenue

debt issued by the Kentucky Housing Corporation, Kentucky Infrastructure Authority, Kentucky Higher Education Student Loan Corporation, Kentucky Economic Development Finance Authority, Kentucky Local Correctional Facilities Construction Authority, Kentucky Agricultural Finance Corporation, and Kentucky School Facilities Construction Commission is used as a financing mechanism for activities and facilities not used directly for State purposes. The tax-exempt status of such municipal debt, whether issued by State or local governments, is used to provide financing for entities unable to bear the costs of private financing when the General Assembly deems such entities worthy of public assistance. The other category of revenue debt finances facilities used directly by State Government in activities such as roads, parks, office buildings, and educational facilities. The primary distinction between these categories is that the first type, with the exceptions of the Kentucky School Facilities Construction Commission, which succeeds the Kentucky School Building Authority, and the Kentucky Infrastructure Authority, which succeeds the Kentucky Pollution Abatement and Water Resources Finance Authority, requires no State funds of any type to provide debt service, principal and interest payments on the debt. The School Facilities Construction Commission supplements funds provided by local governments and school boards in varying percentages for debt service. The Kentucky Infrastructure Authority may accept appropriations made by the General Assembly, in addition to State and Federal grants, related to the purposes for which it was created. This distinction is important in analyzing the true level of State debt and the burden of that debt on State resources.

During the fiscal year ended June 30, 2015 the debt issuing entities described below sold revenue and revenue refunding bonds as follows:

The Kentucky State Property and Buildings Commission is an independent agency of the Commonwealth created by KRS 56.450 and empowered upon application of any State agency to issue bonds in its own name to pay the costs of acquiring land and equipment, and the construction and equipping of buildings for the occupancy and/or use of said agencies.

The Commission issued \$384,000,000 in revenue and revenue refunding bonds as follows:

\$384,000,000 Project No. 108, Revenue and Revenue Refunding Bonds, dated February 11, 2015, were issued. These bonds consist of: \$129,620,000 Series A serial bonds maturing August 1, 2015 through August 1, 2034 and carrying interest rates of 2.000% to 5.000%; \$254,380,000 Series B Bonds maturing August 1, 2015 through August 1, 2026 and carrying interest rates of 2.00% to 5.00%. The proceeds of the Series A Bonds are to partially fund various projects throughout the Commonwealth and pay the costs of issuing the Bonds. The proceeds of the Series B Bonds are to be used to partially refund State Property and Building Commission

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projects number 85, 87 and 88 and to partially refund Kentucky Asset/Liability Commission Project Notes titled 2005 General Fund First Series and pay the costs of issuing the Bonds.

The Turnpike Authority of Kentucky was created in the 1960 regular session of the General Assembly under present KRS sections 175.410 through 175.990 as a body corporate and politic constituting a municipal corporation, political subdivision, and instrumentality of the Commonwealth. The Authority is composed of the Governor, Lieutenant Governor, Attorney General, and Secretary of Transportation, Commissioner of Highways, State Highway Engineer, and Secretary of Economic Development. The Director of the Office of Financial Management currently serves as the Authority's Treasurer.

The Authority issued no bonds during fiscal year 2015.

Kentucky Gas Pipeline Authority is a body corporate and politic to provide a financing mechanism for projects that will increase severance tax revenue for Kentucky, create jobs for Kentuckians, and create a competitive advantage in environmentally responsible development.

The authority issued no bonds during fiscal year 2015.

State Universities - The Board of Trustees of the University of Kentucky and the Boards of Regents of the University of Louisville, Eastern Kentucky University, Western Kentucky University, Murray State University, Morehead State University, Kentucky State University, and Northern Kentucky University are authorized under KRS 56.495 to issue debt for the purpose of constructing educational buildings and housing and dining facilities. In addition, the University of Louisville is specifically authorized to issue debt for educational buildings under KRS 64.860 but is limited to \$16 million of refunding debt.

State supported universities issued \$414,925,000 in General Receipts Bonds to refund various prior bond issues.

Eastern Kentucky University issued \$14,280,000 in General Receipts Bonds dated April 7, 2015. These bonds consist of: \$12,765,000 Series A serial bonds maturing on April 1, 2016 through April 1, 2035 carrying interest rates of 3.125% to 5.000% and \$1,515,000 term bonds maturing on April 1, 2028 carrying an interest rate of 3.000%. These 2014 Series A maturing on or after April 1, 2026 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after April 1, 2025. The proceeds of the bonds will be used to pay the costs of various types of improvements to several athletic programs. Construction of a multi-purpose educational and athletic facility is included in the project, as well as renovations and improvements to existing men's and women's athletic facility and pay certain costs of issuing the bonds.

Morehead State University issued \$27,460,000 in General Receipts Refunding Bonds dated July 24, 2014. These bonds consist of: \$22,620,000 Series A serial bonds maturing on October 1, 2014 through October 1, 2028 carrying interest rates of 2.00% to 5.00%. and \$4,840,000 Series B serial bonds maturing on October 1, 2014 through October 1, 2029 carrying interest rates of 1.00% to 5.00%. These 2014 Series A and B Bonds maturing on or after October 1, 2024 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after April 1, 2024. The net proceeds of the bonds will be used to refund the University's outstanding debt as follows: Morehead State University Consolidated Educational Buildings Refunding and Improvement Bonds, Series M, dated January 1, 2004, Morehead State University General Receipts, Taxable Build America Bonds 2009 Series A, dated July 29, 2009 and Morehead State University General Receipts Taxable Build America Bonds 2010 Series A, dated June 29, 2010 and pay certain costs of issuing the bonds.

Murray State University issued \$26,000,000 General Receipts Bonds, 2015 Series A, dated March 31, 2015. These bonds mature March 1, 2017 through March 1, 2035 carrying interest rates of 3.00% to 5.00%. This bond issue is subject to redemption prior to maturity at the option of the University, in whole or in part at any time on or after March 21, 2025. The proceeds of these bonds will be used to finance the construction of a new residence hall to replace Franklin Hall and pay certain costs of issuing the bonds.

The University of Kentucky issued \$347,185,000 of General Receipts Revenue and Revenue Refunding Bonds as follows:

\$88,145,000 of General Receipts Revenue Refunding Bonds Series 2014 D dated July 28, 2014. These bonds mature October 1, 2014 through October 1, 2025 and carry interest rates of 3.00% to 5.25%. These 2014 Series D Bonds maturing on or after October 1, 2024 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after October 1, 2023. The net proceeds will refund CERB, Series P, Q, R (2nd), partially refund General Receipts Series 2005 A bonds and 2005 A notes and pay certain costs of issuing the bonds.

\$259,040,000 of General Receipts and General Receipts Refunding Bonds dated April 15, 2015. These bonds consist of: \$141,905,000 2015 Series A serial bonds maturing April 1, 2016 through April 1, 2045 carrying interest rates of 2.500% to 5.000%, \$97,440,000 2015 Series B serial bonds maturing October 1, 2018 through October 1, 2027 carrying an interest rate of 5.000% and \$19,695,000 2015 Series C serial bonds maturing October 1, 2015 through October 1, 2026 carrying interest rates of 2.000% to 4.000%. The 2015 Series A Bonds maturing on or after April 1, 2026 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or

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after April 1, 2025. The 2015 Series B and C Bonds maturing on or after October 1, 2025 shall be subject to optional redemption, in whole or in part, prior to their maturity at the option of the University on any date on or after April 1, 2025. The 2015 Series A Bonds were issued to renovate and upgrade HealthCare Facilities and pay certain costs of issuing the 2015 Series A bonds. The proceeds of the 2015 Series B and C Bond Issues will be applied as follows; partially refund 2007 Series A - UK General Receipts Series, partially refund 2007 Series B - UK General Receipts Series, partially refund 2006 Series A - UK General Receipts Series, completely refund Consolidated Educ. Buildings Series U and pay certain costs if issuing the 2015B and 2015C bonds.

The Kentucky Housing Corporation was established in 1972 under KRS Chapter 198A, as a municipal corporation. The Corporation is authorized to increase the supply of housing for persons of lower income by making or participating in insured construction loans, and making or participating in insured mortgage loans when financing is not available from private lenders under reasonably equivalent terms and conditions. The Corporation is limited to a \$5.0 billion total maximum principal value of debt outstanding.

The Corporation issued \$91,445,000 in Housing Revenue Bonds which consisted of the following:

\$61,445,000 of Housing Revenue Bond dated July 2, 2014. These bonds consist of: \$46,720,000 Series A serial bonds (taxable) maturing semi annually January 1, 2015 and July 1, 2015 through July 1, 2024 carrying interest rates of 0.250% to 3.418%, \$6,975,000 term bond maturing on July 1, 2029 and carrying an interest rate of 3.948% and \$7,750,000 term bond maturing on January 1, 2034 and carrying an interest rate of 4.296%. This bond issue is subject to redemption prior to maturity at the option of the Corporation, in whole or in part at any time on or after January 1, 2024. These bonds are also subject to special optional redemption at the option of the Corporation, in whole or in part, at any time from recoveries of principal or excess revenues. The net proceeds of this issue together with the proceeds from the sale of related assets will be used to complete the economic refunding or redemption in their entirety the Series 2004 D, F, G, and H and Series 2005 C, D, and E bonds and pay certain costs of issuing the bonds.

\$30,000,000 of Housing Revenue Bond dated December 18, 2014. These bonds consist of: \$11,885,000 Series A serial bonds (taxable) maturing semi annually July 1, 2015 and January 1, 2016 through July 1, 2025 carrying interest rates of 0.180% to 3.378%, \$5,685,000 term bond maturing on July 1, 2029 and carrying an interest rate of 3.828%, \$4,335,000 term bond maturing on July 1, 2032 and carrying an interest rate of 4.097% and 8,095,000 term bond maturing on July 1, 2036 and carrying an interest rate of 4.000%. This bond issue is subject to redemption prior to maturity at the option of the Corporation, in whole or in part at any time

on or after January 1, 2024. These bonds are also subject to special optional redemption at the option of the Corporation, in whole or in part, at any time from recoveries of principal or excess revenues. The net proceeds of this issue together with the proceeds from the sale of related assets will be used to complete the economic refunding or redemption in their entirety the Series 2005 G and Series 2005 H bonds and pay certain costs of issuing the bonds.

The Kentucky Infrastructure Authority was created by House Bill 217, passed into law during the 1988 regular session of the Kentucky General Assembly, to assist governmental agencies of the State with respect to the construction and acquisition of infrastructure projects as defined in the legislation. Pursuant to this Act, which amends KRS Chapter 224A, all powers, duties, and obligations of the Kentucky Pollution Abatement and Water Resources Finance Authority, including administration of debt service on revenue bonds previously issued by the Authority, are transferred to the Kentucky Infrastructure Authority, which is established as a body corporate and politic, constituting a public corporation and a governmental agency and instrumentality of the State.

The authority issued the following bonds:

\$64,465,000 Wastewater and Drinking Water Revolving Fund Revenue Refunding Bonds, Series 2015A dated May 21, 2015. The bonds mature February 1, 2016 through February 1, 2026 carrying interest rates of 2.000% to 5.000%. This bond issue is subject to early redemption as described in the official document. The proceeds will be used to partially refund the Authority's 2010 Series A Bonds and pay certain costs of issuance of the 2015 Series A Bonds.

\$4,770,000 Governmental Agencies Program Revenue Improvement Bonds, Series 2015 dated May 21, 2015. The bonds mature August 1, 2016 through August 1, 2021 carrying interest rates of 2.000% to 4.000%. This bond issue is not subject to early redemption as described in the official document. The proceeds will be used to provide loans to certain Governmental Agencies to finance infrastructure projects of those Governmental Agencies and pay the costs of issuance of the Series 2015 Bonds.

The Kentucky Higher Education Assistance Authority is the Commonwealth of Kentucky's agency for improving higher education opportunities by insuring eligible student loans and providing other financial aid and related services to eligible students. The Authority is an issuer of student loans pursuant to the Federal Higher Education Act of 1965, as amended in Kentucky and Alabama. As such, the Authority is responsible for issuing loan insurance, providing collection assistance to lenders for delinquent loans, paying lender claims for loans, and collecting defaulted loans on which claims have been paid.

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The authority issued no bonds during fiscal year 2015.

The Kentucky Higher Education Student Loan Corporation is empowered by KRS Chapter 164A to make and reinsure student loans with the United States of America, pursuant to the Federal Higher Education Act of 1965, and as a body corporate and politic acts as a financing authority to assure a secondary market for insured student loans. The Corporation is governed by board of directors appointed by the Governor, as prescribed in KRS 164A.050. The Corporation is limited to a maximum principal outstanding of \$5 billion.

The Corporation issued \$134,605,000 in Student Loan Asset-backed Bonds Series 2015-1 dated February 26, 2015 with a final maturity date of December 1, 2031 which carry variable interest rates that change based on specified indices. These bonds will bear interest, except for the initial accrual period, at an annual rate equal to 100% of one-month LIBOR as of the second business day prior to the applicable interest accrual period plus .75%. The proceeds from the sale of the bonds will be used to make an initial deposit to the Acquisition Fund, the Capitalized Interest Fund and the Reserve Fund. Amounts deposited to the Acquisition Fund along with certain other moneys available to the Corporation are expected to be used to defease all outstanding bonds issued by the Corporation under the 1997 General Bond Resolution and to repay certain other Issuer debt obligations that are secured by student loans.

The Kentucky Public Transportation Infrastructure Authority is an independent de jure municipal corporation and political subdivision of the Commonwealth established in 2009 pursuant to KRS Chapter 175B, as amended. The authority reviews, approves and monitors certain significant transportation projects within the Commonwealth and between the Commonwealth and other states.

The authority issued no bonds during fiscal year 2015.

The Kentucky Local Correctional Facilities Construction Authority is a body corporate and politic as well as an agency and instrumentality of the Commonwealth created in 1982 pursuant to KRS 441.605 through 441.695, as amended, to provide additional and alternative methods for acquiring, constructing, improving or repairing, and financing both regional and local jail facilities.

The authority issued no bonds during fiscal year 2015.

The School Facilities Construction Commission was created by act of the 1985 Extraordinary Session of the Kentucky General Assembly as the successor agency to the Kentucky School Building Authority (KSBA) and empowered pursuant to KRS 157.640 with all rights of successorship necessary to assure all legal and contractual functions and liabilities associated with the outstanding bonds issued in the name of the Authority, including refunding of then existing Authority debt. The Commission is an indepen-

dent corporate agency and instrumentality of the Commonwealth pursuant to KRS 157.611 through 157.640 and empowered therein to: (1) act on behalf of local school districts to issue bonds in the name of the Commission and to enter into lease agreements with local boards of education to finance construction of new facilities or major renovation of existing facilities; (2) enter into agreements which may provide for a percentage discount, on a biennially renewable basis, of annual lease agreements due the Commission for those districts which participate; and (3) enter into lease agreements with the Department of Education to build State-owned facilities operated by the Department of Education.

During the fiscal year ended June 30, 2015, the Commission sold school building revenue and revenue refunding bond issues having aggregate state participation of \$212,634,272 maturing through June 30, 2035, at interest rates of 0.850% to 5.00%. Due to the length of the listing, the reader is referred to the detail Schedule of Bonds Outstanding at June 30, 2015, which is contained in the publication titled SUPPLEMENTARY INFORMATION to the Kentucky Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2015. Copies of this report are available from the Division of Statewide Accounting, Financial Reporting Branch, 484 Capitol Annex, Frankfort, Kentucky 40601.

The Kentucky Agricultural Finance Corporation is a public corporation and governmental agency of the Commonwealth established by Act of the 1984 General Assembly for the purpose of "improving and promoting the health, welfare, and prosperity of the people of the Commonwealth through the stimulation of existing agricultural ventures." The Authority's bond program is designed to help lender banks and other financial institutions assist eligible farmers in obtaining low interest loans through the issuance of tax-exempt agricultural revenue bonds. The Authority's debt does not constitute a legal or moral obligation of the Commonwealth, and this debt is not included in these general-purpose financial statements.

The Corporation issued no bonds during the fiscal year ended June 30, 2015.

The Kentucky Economic Development Finance Authority established in 1958 under KRS Chapter 154, is an independent agency of the Commonwealth that operates in close cooperation with the Secretary of the Economic Development Cabinet to promote the industrial development of Kentucky.

The Authority issued no bonds during the fiscal year ended June 30, 2015.

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The agencies and authorities that issue debt and their respective amounts of principal outstanding, net of discounts and defeased bonds, at June 30, 2015, are as follows (Expressed in Thousands):

Long-Term Obligations	Principal Outstanding	Interest Rate	Annual Maturity To
Agency:			
State Property and Buildings Commission	\$ 3,756,315	1.00%-8.25%	2034
Kentucky School Facilities Construction Commission	944,111	.085%-5.90%	2035
Turnpike Authority of Kentucky	1,454,515	1.00%-5.72%	2034
Total	<u>\$ 6,154,941</u>		

Future revenue bond debt service requirements, to be paid with State Funds, at June 30, 2015, are as follows (Expressed in Thousands):

Year Ending June 30	Principal	Interest	Totals
2016	\$ 430,868	\$ 261,471	\$ 692,339
2017	428,680	244,317	672,997
2018	446,771	225,804	672,575
2019	489,056	205,074	694,130
2020	487,920	182,789	670,709
2021-2025	2,073,115	610,156	2,683,271
2026-2030	1,452,695	226,832	1,679,527
2031-2035	345,608	27,314	372,922
2036-2040	228		228
Total	<u>\$ 6,154,941</u>	<u>\$ 1,983,757</u>	<u>\$ 8,138,698</u>

Component Unit Revenue Bonds Payable (Expressed in Thousands):	Principal Outstanding	Interest Rate	Annual Maturity To
Kentucky Housing Corporation *	\$ 944,290	.07-6.06%	2044
Kentucky Infrastructure Authority*	277,775	2.00-5.29%	2032
Kentucky Higher Education Student Loan Corporation	1,067,324	.14-5.00%	2038
Kentucky Public Transportation Infrastructure Authority	816,725	3.00-6.875%	2053
University of Kentucky*	751,735	1.46-4.50%	2044
University of Louisville*	295,559	1.30-6.46%	2044
Eastern Kentucky University	69,900	3.00-5.00%	2032
Western Kentucky University*	217,185	2.00-5.00%	2033
Murray State University *	79,650	2.00-4.50%	2034
Morehead State University	83,976	1.00-6.00%	2033
Kentucky State University	3,198	3.625-3.875%	2027
Northern Kentucky University*	125,935	2.00-5.00%	2034
Total Component Unit Revenue Bonds Payable	<u>\$ 4,733,252</u>		

* Amounts reflect original issue

Future revenue bond debt service requirements for bonds issued by the Commonwealth's Component Units at June 30, 2015, are as follows (Expressed in Thousands):

Year Ending June 30	Principal	Interest	Totals
2016	\$ 120,904	\$ 152,878	\$ 273,782
2017	136,965	149,016	285,981
2018	597,735	133,184	730,919
2019	148,740	116,821	265,561
2020	155,632	111,124	266,756
2021-2025	802,373	475,939	1,278,312
2026-2030	1,363,207	334,447	1,697,654
2031-2035	641,926	209,542	851,468
2036-2040	329,730	134,483	464,213
2041-2045	244,080	83,934	328,014
2046-2050	94,070	43,702	137,772
Thereafter	97,890	12,174	110,064
Total	<u>\$ 4,733,252</u>	<u>\$ 1,957,244</u>	<u>\$ 6,690,496</u>

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NOTES PAYABLE At June 30, 2015, the following entities had notes payable as follows:

The Kentucky Asset/Liability Commission, created by House Bill 5 enacted by the 1997 Extraordinary Session of the Kentucky General Assembly, develops policies and strategies to minimize the impact of fluctuating interest rates on the Commonwealth's interest-sensitive assets and liabilities. It is authorized to issue tax and revenue anticipation notes, project notes and funding notes. Tax and revenue notes are to be used for the purpose of providing monies to discharge expenditure demands in anticipation of revenues and taxes to be collected during the fiscal year. Project notes are to be used for authorized projects upon request of the Finance and Administration Cabinet, to be repaid through financing agreements or alternative agreements. Funding notes are to be used for the purpose of funding judgments against the Commonwealth or any state agency.

The Commission issued no notes during fiscal year 2015.

The Component Units of the Commonwealth reported notes payable of \$177,639,000 in their individual audited financial statements, details concerning their notes payable are presented in the notes to those financial statements. A copy of their individual financial statements may be obtained from the component unit, at the address shown on pages 136 and 137.

Other Long-term Liabilities - The General Fund, special revenue, and internal service funds in which leases are recorded will liquidate the capital lease obligations. The compensated absences will be liquidated by applicable governmental and internal service funds that account for the salaries and wages of the related employees. The net pension obligations will be liquidated by the State's governmental and internal service funds that contribute toward the pension funds, based on the statutorily required contribution rates. The General Fund and transportation-related Special Revenue fund will generally liquidate other claims and judgments attributable to the governmental activities.

Memorandum of Understanding (MOU) - The Commonwealth of Kentucky has entered into an understanding with The Lexington-Fayette Urban County Government Public Facilities Corporation (LFUCGPFC). The Corporation has issued Lease Revenue Bond, Series 2011A (Eastern State Hospital) in the amount of \$138,635,000. These bonds are special and limited obligation of the corporation and do not constitute a debt, liability, or obligation or a pledge of the full faith and credit or taxing power of the Corporation or the Commonwealth of Kentucky. The bonds were issued in order to construct, furnish and equip a new State Mental Health Hospital with the understanding that the Commonwealth will fund the debt service of the Corporation by making Biennial Appropriations for this purpose. The net proceeds from the bond issue have been deposited in the Commonwealth of Kentucky's account and construction costs are being recorded as Construction in Progress. The debt service requirement for the memorandum of understanding is shown in the chart below.

***Future debt service requirements, under Memorandum of Understanding
to be paid with State Funds, at
June 30, 2015, are as follows (Expressed in Thousands)***

Year Ending June 30	Principal	Interest	Totals
2016	\$ 4,600	\$ 6,658	\$ 11,258
2017	4,830	6,428	11,258
2018	5,075	6,186	11,261
2019	5,325	5,932	11,257
2020	5,590	5,666	11,256
2021-2025	32,450	23,847	56,297
2026-2030	41,620	14,675	56,295
2031-2035	30,590	3,186	33,776
Total	<u>\$ 130,080</u>	<u>\$ 72,578</u>	<u>\$ 202,658</u>

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Commonwealth of Kentucky State Office Building Project

The Finance and Administration Cabinet, a statutory administrative organization of the Commonwealth entered into a Lease Agreement with semi-annual payments to pay the principal and interest due on the Certificates of Participation (Certificates) dated April 29, 2015 to fund this project.

The Cabinet issued \$68,575,000 in Certificates which consisted of \$19,380,000 2015 serial Certificates maturing June 15, 2017 through June 15, 2030 and carrying interest rates of 2.00% to 5.00%; \$3,370,000 4.00% Series 2015 Term Certificates due June 15, 2032; \$3,580,000 5.00% Series 2015 Term Certificates due June 15, 2034; \$8,035,000 5.00% Series 2015 Term Certificates due June 15, 2038; \$4,475,000 4.00% Series 2015 Term Certificates due June 15, 2040; \$12,360,000 4.00% Series 2015 Term Certificates due June 15, 2045; \$5,460,000 4.00% Series 2015 Term Certificates due June 15, 2047 and \$11,915,000 4.125% Series 2015 Term Certificates due June 15, 2051. The proceeds of the

bonds will be deposited to various trustee bank accounts and will be used to construct, install and equip an office building consisting of approximately 371,160 square feet in Frankfort, Kentucky and pay certain costs of issuing the certificates. The Cabinet also has an annual trustee fee of \$3,000 through June 15, 2015 and has entered into a Facilities Lease agreement (renewable in two year increments at the option of the Cabinet) with the facilities lessor to provide certain management and maintenance services pertaining to the office building. The office building is designed to accommodate 1,400 workers which will be displaced due to the termination of a lease on privately owned space used by Commonwealth agencies. The Commonwealth maintains an option to purchase. The debt service requirement, the trustee fee and management and maintenance fee under the lease agreement is shown in the chart below.

Future debt service requirements for Certificates of Participation June 30, 2015, are as follows (Expressed in Thousands)

Year Ending June 30	Principal	Interest	Operations & Maintenance	Totals
2016	\$	\$	\$	\$
2017	1,150	2,829	429	4,408
2018	1,160	2,806	442	4,408
2019	1,205	2,748	455	4,408
2020	1,250	2,687	468	4,405
2021-2025	6,820	12,659	2,561	22,040
2026-2030	7,795	11,282	2,966	22,043
2031-2035	8,845	9,757	3,436	22,038
2036-2040	10,615	7,450	3,981	22,046
2041-2045	12,360	5,061	4,613	22,034
2046-2050	14,265	2,430	5,345	22,040
2051-2055	3,110	128	1,167	4,405
Total	<u>\$ 68,575</u>	<u>\$ 62,666</u>	<u>\$ 25,866</u>	<u>\$ 157,107</u>

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Pollution Remediation Liabilities - GASB Statement 49 establishes the guidance reporting entities are to use in estimating and reporting potential cost which may be incurred for pollution remediation. GASB 49 requires the Commonwealth to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- Pollution poses an imminent danger to the public and the Commonwealth is compelled to take action;
- The Commonwealth is in violation of a pollution related permit or license;
- The Commonwealth is named or has evidence that it will be named as a responsible party by a regulator;
- The Commonwealth is named or has evidence that it will be named in a lawsuit to enforce a cleanup; or
- The Commonwealth commences or legally obligates itself to conduct remediation activities.

The Commonwealth has remediation activities underway and these are in stages from site investigation, planning and design, clean up, and site monitoring. Several agencies, within state government, have as a part of their mission the responsibility to investigate possible pollution sites, and oversee the remediation of those sites. These agencies have the expertise to estimate the remediation obligations presented herein based on prior experience in identifying and funding similar remediation activities. The remediation liabilities reported have been calculated based upon cost estimates. Situations posing potential liabilities, for which a reasonable estimate could not be made, have not been included.

The remediation obligation estimates presented in this report are subject to change over time. Cost may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to statutes or regulations and other factors that could result in revisions to the estimates. Prospective recoveries from responsible parties may reduce the Commonwealth's obligation. The amounts recorded as obligations are shown in the Changes in long-term liabilities chart on page 129.

Unemployment Insurance Liability to the Federal Government - The downturn in the economy created an increased demand for unemployment insurance payments. The increased demand depleted the funds the Commonwealth had on deposit with Federal government to pay claims. As a result, the Commonwealth has borrowed money from the Federal government to pay unemployment insurance claims. At June 30, 2015 the amount borrowed was \$38.1 million. The loan is being repaid by amounts resulting from the Federal Unemployment Tax Credit Reduction Act and changes in the Commonwealth's Unemployment Insurance Program.

Deferred Outflows and Inflows - GASB 65 provides financial reporting guidance relative to deferred outflows of resources, a consumption of assets by the entity that is applicable to a future reporting period, and a deferred inflow of resources, an acquisition of assets by the entity that is applicable to a future reporting period. The following table provides information about amounts reported as deferred inflows of resources and deferred outflows of resources on the Government-Wide Statement of Net Position. GASB 68 and GASB 71 establish financial reporting of deferred inflows of resources and deferred outflows of resources related to pensions. Additional information can be found in Note 8.

Deferred Outflows/Inflows in the Governmentwide Statement of Net Position are as follows (Expressed in Thousands):

	Governmental Activities	Business-Type Activities	Major Component Units
Deferred Outflow of Resources:			
Deferred Loss on Refunding	\$ 3,720	\$	\$ 14,511
Interest Rate Swap-Derivative	26,237		2,983
Pension Related Outflows	924,732	13,621	26,242
Total	\$ 954,689	\$ 13,621	\$ 43,736
Deferred Inflow of Resources:			
Deferred Gain on Refunding	\$ 36,052	\$	\$ 20,013
Interest Rate Swap-Derivative	26,237		271
Service Concession Arrangement			244,524
Pension Related Inflows	1,670,710	3,311	19,510
Total	\$ 1,732,999	\$ 3,311	\$ 284,318

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Future debt service requirements for aggregated Notes Payable for the Primary Government at June 30, 2015, are as follows (Expressed in Thousands)

Year Ending June 30	Principal	Interest	Totals
2016	\$ 175,283	\$ 59,796	\$ 235,079
2017	163,335	53,781	217,116
2018	195,599	47,073	242,672
2019	168,681	39,857	208,538
2020	140,815	32,912	173,727
2021-2025	481,945	84,662	566,607
2026-2030	141,915	6,746	148,661
Total	<u>\$ 1,467,573</u>	<u>\$ 324,827</u>	<u>\$ 1,792,400</u>

Future debt service requirements for aggregated Notes Payable for the Component Units at June 30, 2015, are as follows (Expressed in Thousands)

Year Ending June 30	Principal	Interest	Totals
2016	\$ 83,145	\$ 2,344	\$ 85,489
2017	44,169	2,248	46,417
2018	16,550	935	17,485
2019	2,303	474	2,777
2020	1,801	430	2,231
2021-2025	9,403	1,624	11,027
2026-2030	6,785	1,022	7,807
2031-2035	6,036	471	6,507
2036-2040	7,447	232	7,679
Total	<u>\$ 177,639</u>	<u>\$ 9,780</u>	<u>\$ 187,419</u>

Changes in long-term liabilities for the fiscal year ended June 30, 2015, are summarized as follows (Expressed in Thousands):

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due In One Year	Due Thereafter
Governmental Activities						
Compensated absences	\$ 224,918	\$ 11,728	\$ (400)	\$ 236,246	\$ 157,698	\$ 78,548
Capital leases	55,444	30,577	(14,528)	71,493	16,510	54,983
Claims liability	209,127	42,469	(36,136)	215,460	27,125	188,335
Notes payable	1,868,377		(400,804)	1,467,573	175,283	1,292,290
Certificate of Participation		68,575		68,575		68,575
Bonds payable	6,291,646	596,634	(733,338)	6,154,942	430,868	5,724,074
Unamortized premiums	355,817	78,399	(64,426)	369,790	27,752	342,038
Unamortized discounts	(11,577)	(973)	1,675	(10,875)	(842)	(10,033)
Judgments and contingent liabilities	63,356	18,042	(13,801)	67,597	50,128	17,469
LFUCGPFC MOU obligations	134,460		(4,380)	130,080	4,600	125,480
Pollution remediation liabilities	23,246	6,507	(15,253)	14,500	6,259	8,241
Unfunded employer OPEB contributions	3,597,822		(40,496)	3,557,326		3,557,326
Net pension liability	28,070,935	182,584	(1,028,644)	27,224,875		27,224,875
Total Governmental Activities	<u>40,883,571</u>	<u>1,034,542</u>	<u>(2,350,531)</u>	<u>39,567,582</u>	<u>895,381</u>	<u>38,672,201</u>
Business-Type Activities						
Compensated absences	7,430	1,555	(1,258)	7,727	5,037	2,690
Capital leases	13,065	259	(1,062)	12,262	1,073	11,189
Claims and claims adjustment liability	1,112,110	1,530,672	(1,569,331)	1,073,451	153,931	919,520
Judgments and contingent liabilities	32	125	(157)			
Net pension liability	224,047	8,357		232,404		232,404
Loans payable to the Federal government	389,014	343,193	(694,052)	38,155	38,155	
Total Business-Type Activities	<u>1,745,698</u>	<u>1,884,161</u>	<u>(2,265,860)</u>	<u>1,363,999</u>	<u>198,196</u>	<u>1,165,803</u>
Total Primary Government	<u>\$ 42,629,269</u>	<u>\$ 2,918,703</u>	<u>\$ (4,616,391)</u>	<u>\$ 40,931,581</u>	<u>\$ 1,093,577</u>	<u>\$ 39,838,004</u>
Major Component Units						
Compensated absences	\$ 26,914	\$ 9,986	\$ (13,955)	\$ 22,945	\$ 4,418	\$ 18,527
Capital leases	397,576	59,119	(234,926)	221,769	43,801	177,968
Prize liability	58,017	2,474	(16,974)	43,517	27,820	15,697
Notes payable	134,605	175,326	(169,441)	140,490	67,759	72,731
Bonds payable	3,916,091	622,913	(662,250)	3,876,754	73,816	3,802,938
Net pension liability	495,829	30,118		525,947		525,947
Total Major Component Units	<u>\$ 5,029,032</u>	<u>\$ 899,936</u>	<u>\$ (1,097,546)</u>	<u>\$ 4,831,422</u>	<u>\$ 217,614</u>	<u>\$ 4,613,808</u>

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Interest Rate Swap Agreements - The Commonwealth currently has four outstanding interest rate swaps. Each of these swaps were entered into to synthetically fix the interest rate on floating rate bonds. The notes were issued concurrent with the execution of the swap. Each of the interest rate swaps amortizes to match the sinking fund schedule of the hedged notes.

Credit Risk - There are certain collateral and termination requirements triggered by credit rating and minimal capital thresholds for the counterparty, and termination requirements triggered by credit ratings thresholds for the Commonwealth Asset Liability Commission. Those thresholds are being met as of June 30, 2015. There is no collateral pledged by either.

Interest Rate Risk - The Commonwealth's interest rate swaps were designed to synthetically fix the rate on four floating rate debt issuances. In order to achieve this goal, the amortization schedules, floating rate formula and index, pricing dates and other variables of both the floating rate side of the swap and the debt are exactly matched. Using the Synthetic Instrument Method for determining hedge effectiveness showed 100% for each derivative. Because the pricing dates, formulas and indices are identical, there is no basis risk.

Termination Risk - Mandatory termination of each of these swaps would be triggered if the credit ratings of the Commonwealth State Property and Building Commission were to fall below BBB by Standard and Poor's or Baa2 by Moody's or if the credit ratings of the counterparty were to fall below A3 by Moody's or A- by Standard and Poor's or if the credit ratings of the insurer falls below A3 by Moody's and A- by Standard and Poor's. Additional mandatory termination events include default, merger without assumption and failure to perform under the ISDA or indenture by any of the parties. The Commonwealth has the right to exercise optional early termination on each of these swaps with the consent of the insurer. The counterparty does not have the right of optional early termination. Any early termination shall occur at then current market levels.

The following table provides descriptive information for each interest rate swap.

Governmental Activities
Terms of each Hedging Derivative
Cashflow Interest Rate Swaps
at June 30, 2015 (Expressed in Thousands)

Project Notes	Effective Date	Notional Amounts		Maturity Date	Pay-Fixed		Fair Value 6/30/2014	Fair Value 6/30/2015	Change in Fair Value
		Original	Outstanding		Rate	Variable Rate			
2007 ALCo	5/31/2007	\$ 25,210	\$ 7,940	11/1/2017	3.839%	67% 3M LIBOR +.4%	\$ (618)	\$ (312)	\$ 306
2007 ALCo	5/31/2007	71,310	66,310	11/1/2021	4.042%	67% 3M LIBOR +.52%	(8,143)	(6,659)	1,484
2007 ALCo	5/31/2007	70,935	70,935	11/1/2025	4.125%	67% 3M LIBOR +.55%	(12,160)	(12,041)	119
2007 ALCo	5/31/2007	75,625	56,985	11/1/2025	4.066%	67% 3M LIBOR +.53%	(7,851)	(7,224)	627
Total		<u>\$ 243,080</u>	<u>\$ 202,170</u>				<u>\$ (28,772)</u>	<u>\$ (26,236)</u>	<u>\$ 2,536</u>

* The Change in Fair Value is classified as Deferred Outflow of Resources on the Statement Of Net Position

** The Total Outstanding Notional Amount equals the outstanding note liability which is classified as a liability on the Statement of Net Position

Governmental Activities
Future debt service requirements for aggregated ALCo Notes Associated with Interest Rate Swaps at
June 30, 2015
(Expressed in Thousands)

Year Ending June 30	Principal	Interest	Net Swap Payments	Totals
2016	\$ 6,545	\$ 1,176	\$ 6,766	\$ 14,487
2017	6,810	1,362	6,315	14,487
2018	18,005	1,275	5,904	25,184
2019	15,410	1,154	5,352	21,916
2020	16,705	1,039	4,817	22,561
2021-2025	104,690	3,089	14,482	122,261
2026-2030	30,160	221	1,026	31,407
Total	<u>\$ 198,325</u>	<u>\$ 9,316</u>	<u>\$ 44,662</u>	<u>\$ 252,303</u>

Note 16

COMMITMENTS AND CONTINGENCIES

Litigation - The Commonwealth, its units and employees are parties to numerous legal proceedings, many of which normally occur in governmental operations. The legal proceedings are not, in the opinion of the Attorney General, likely to have a material adverse impact on the Commonwealth's financial position.

In addition, the Commonwealth and its component units are involved in certain other legal proceedings which, if decided adversely to the Commonwealth, may require the Commonwealth to make material future expenditures for expanded services or capital facilities, may impair future revenue sources, or may require the refund of prior collections. It is neither possible to determine the outcome of these proceedings nor to estimate the possible effects adverse decisions may have on the future expenditures or revenue sources of the Commonwealth.

Judgments and Contingencies – A claim is a suit that has been filed but there has been no decision rendered by the court systems. Amounts reported include claims made against the Commonwealth during the period preceding June 30 of the current fiscal year. Claims are classified according to their chance of occurrence as either remote, possible, or probable. Claims are further classified as payable within one year, within future periods, or a combination of the two periods.

A judgment is any amount that is to be repaid as the result of a court decision or an award for the condemnation of private property. Reasons for such amounts also arise from employment, contracts, and government involvement of personnel or property. The General Fund, the Agency Revenue Fund, the Transportation Fund, and the State Parks Fund generally pay claims and judgments. These amounts are classified as either payable within one year, in future periods, or a combination of the two periods if they remain unpaid after June 30 of the current fiscal year.

Federal Grants - The Commonwealth receives significant financial assistance from the U.S. Government in the form of grants and Federal revenue sharing entitlements. Entitlement to these resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowance as a result of these audits becomes a liability of the Commonwealth.

Leases - The Commonwealth has entered into various operating leases for land and buildings. All leases contain termination clauses providing for the cancellation after 30, 60, or 90 days written notice to the lessors. In addition, all leases contain appropriation clauses

indicating that continuation of the lease is subject to funding by the legislature. It is expected that in the normal course of business, similar leases will replace most of these leases. Primary Government expenditures for rent under leases for the years ended June 30, 2015 and 2014 amounted to \$151.4 and \$152.3 million, respectively. The operating leases of the Commonwealth do not contain escalation clauses for rental or expense that would require adjustment to be in compliance with GASB Statement 13.

Compensated Absences – Compensated absences include accumulated, unpaid vacation and compensatory time accruals. The amount accruing to proprietary funds has been included in the respective funds when material. The policy of the Commonwealth is to record the cost of annual and compensatory leave. Annual leave is accumulated at amounts ranging from 7.5-8.0 to 15.00-16.00 hours per month, as determined by the length of service, with the maximum accumulations ranging from 30 to 60 days. The calendar year is the period used for determining accumulated leave. Compensatory leave is granted to authorized employees on an hour-for-hour basis or a time and one-half basis. Compensated absences are generally paid from the General Fund, the Transportation Fund, the Federal Fund, the Agency Revenue Fund, and the Other Special Revenue Fund. At June 30, 2015, the estimated liability for annual and compensatory leave was \$236,244,148 for the governmental activities, and \$7,728,168 in the business-type activities.

Compensated absence liabilities for the major component units totaled \$22,945,000 at June 30, 2015.

Sick Leave - The policy of the Commonwealth is to record the cost of sick leave when paid. Generally, since sick leave (earned one day per month with unlimited accumulation) is paid only when an employee is absent due to illness, injury, or related family death, there was no liability recorded for sick leave at June 30, 2015. The estimated accumulated amount of unused sick leave at that date for the governmental and business-type activities was \$411,464,225 and \$13,433,834, respectively.

Construction Projects - The Transportation Cabinet, at June 30, 2015, had contractual commitments of approximately \$1,477,082,142 for the construction, maintenance and operation of the highway system. It is anticipated that these projects will be funded with approximately 32 percent State funds, 48 percent Federal funds, and the remaining 20 percent with proceeds from the sale of revenue bonds.

The Commonwealth of Kentucky and the State of Indiana have entered into a legal agreement known as the "Bi-State Development Agreement" which governs "The Louisville-Southern Indiana Ohio River Bridges Project (LSIORBP)." The project consists of the construction of the East End Bridge and highway connections that will complete an outer loop around the greater Louisville area; a Downtown Crossing including a new I-65 bridge for northbound traffic; a revamped John F. Kennedy Memorial Bridge for south-

COMMONWEALTH OF KENTUCKY

Notes to the Financial Statements

June 30, 2015

bound traffic, and rebuilding of the downtown interchanges on both sides of the Ohio River. Kentucky is responsible for the financing, reconstruction and operational improvements of the Downtown Crossing Bridges; and, Indiana is responsible for financing and constructing the East End Crossing.

The LSIORBP structures will be ultimately owned 50% by Indiana and 50% by Kentucky and is expected to cost \$2.6 billion. Kentucky's portion of the total project cost is estimated to be \$1.3 billion and Indiana's portion is estimated to be \$1.3 billion. Kentucky plans to finance its portion of the LSIORBP partially through the Authority. The project is being funded in part with a combination of governmental purpose tax-exempt debt in the form of a TIFIA loan, Grant Anticipation Revenue Vehicle (GARVEE) bonds backed by future federal funds, and governmental purpose tax-exempt and taxable debt in the form of toll revenue bonds. The toll revenue bonds principal and interest and the TIFIA loan principal and interest will be issued by the Authority and paid solely by Kentucky's share of project revenues issued by the Authority and paid solely by Kentucky's share of project revenues (primarily tolls). These financing instruments do not constitute debt of the Commonwealth or any of its political subdivisions. Neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of the above described debt.

Under the six year highway plan adopted by the Commonwealth, the Commonwealth parties will provide up to \$536 million in future federal funds to be used for the Downtown Crossing. This includes \$300 million in traditional federal funds (\$50 million per State Fiscal Year for six years beginning with State Fiscal Year 2013) and the proceeds of approximately \$236 million of previously issued GARVEE bonds for construction, for a total of \$536 million. In addition, Kentucky will utilize approximately \$763 million in tax exempt and taxable bonds and notes, a portion of which will be retired in 2017 with a \$452 million low interest, long-term TIFIA loan from the U.S. Department of Transportation.

The Commonwealth parties have spent approximately \$1 billion to date and the State of Indiana has spent approximately \$350 million to date. The Commonwealth's expenditures are included in construction in progress and reflected in the statement of revenues, expenses, and changes in net position within contributed capital and beginning net position.

The Authority has entered into various contracts for services in connection with the operation of the Tolls consisting of toll oversight, marketing and communication services, and toll transponders. Additional contracts are in the process of being procured, but have not yet been executed. These contracts relate to services for the toll custodian, and E-ZPass. Costs under the toll contracts described above will be paid as services are rendered and will be split between the Commonwealth (through the Authority) and the State of Indiana.

Deferred Inflows of Resources – Deferred inflows of resources in the governmental funds represents unavailable revenues. "Unavailable" means that the assets are not available to finance expenditures of the current fiscal period.

Unearned Revenue – Unearned revenue may result from the recognition of assets before the earnings process is complete and is reported as a contingent liability.



Note 17

SUBSEQUENT EVENTS

The debt-issuing entities of the Commonwealth issued or agreed to administer State participation in debt service payments for revenue bonds sold after June 30, 2015, and prior to December 11, 2015, and reported other subsequent events for the same period, as described below.

The State Property and Buildings Commission issued the following bonds:

\$20,075,000 Project No. 109, Judicial Branch Agency Revenue Bonds dated October 8, 2015. These bonds consist of Serial bonds maturing on October 1, 2016 through October 1, 2023 carrying interest rates of 2.10% to 5.00%. The net proceeds of this issue will be used to finance the acquisition, construction, equipping, and financing of the Phase 1 E-Case and Docket Management System, to refund certain interim financing and pay certain costs of issuing the bonds.

\$115,660,000 Project No. 110, Revenue and Revenue Refunding Bonds dated December 3, 2015. These bonds consist of Serial bonds maturing on February 1, 2016 through August 1, 2035 carrying interest rates of 2.00% to 5.00%. The net proceeds of this issue will be used to finance a portion of various public projects, including economic development projects and community developments, to refund certain outstanding bonds of the Kentucky Infrastructure Authority and pay certain costs of issuing the bonds.

\$4,960,000 Project No. 111, Road Fund Revenue Bonds dated December 3, 2015. These bonds consist of Serial bonds maturing on November 1, 2016 through November 1, 2035 carrying interest rates of 0.600% to 4.000%. The net proceeds of this issue will be used for the replacement of the existing C-1 maintenance in Franklin County with a new 36,000 square foot facility to be located on approximately fourteen (14) acres of land currently owned by the Transportation Cabinet on Wilkinson Boulevard in Frankfort, Kentucky and pay certain costs of issuing the bonds.

The Kentucky Asset/Liability Commission issued \$106,850,000 of Project Notes, 2015 First Series Federal Highway Trust Fund First Series A dated October 15, 2015. These project notes mature September 1, 2016 through September 1, 2027 carrying interest rates of 2.00% to 5.00%. The net proceeds of this issue will be used to construct a new bridge over Kentucky Lake, to construct a new bridge over Lake Barkley, to widen certain portions of US 68/KY80 and pay certain costs of issuing the 2015 Notes.

The Turnpike Authority of Kentucky issued \$68,880,000 of Economic Development Revenue Bonds, 2015 Series A dated July 22, 2015. These bonds mature on July 1, 2017 through July 1, 2033 carrying interest rates of 2.00% to 5.00%. The net proceeds

will be used to pay the costs of certain additions and improvements to the Kentucky Economic Development Road System, Revitalization Project and pay certain costs of issuance of the 2015 Series B Bonds.

\$122,005,000 of 2015 Series B Economic Development Revenue Refunding Bonds dated July 22, 2015. These bonds mature on July 1, 2017 through July 1, 2026 carrying interest rates of 3.00% to 5.00%. The net proceeds will be used to advance refund certain maturities of the outstanding Economic Development Road Revenue Bonds (Revitalization Projects), 2006 Series A and the outstanding Economic Development Road Revenue Bonds (Revitalization Projects), 2006 Series B Bonds and pay certain costs of issuance of the 2015 Series B Bonds.

Western Kentucky University issued \$5,960,000 of General Receipts Refunding Bonds, 2015 Series A dated October 13, 2015. These bonds mature March 1, 2016 through September 1, 2026 and carry interest rates of 2.00% to 3.00%. The net proceeds will be used to refund the University's outstanding General Receipts Bonds, 2006 Series A maturing on and after September 1, 2017 and pay certain costs of issuing the bonds.

School Facilities Construction Commission administers the Commonwealth's participation in the debt service payments of local public school district revenue bonds issued subsequent to June 30, 2015, and maturing as to principal through 2035 as displayed in the table on page 135.

KentuckyWired Infrastructure Company, Incorporated

The Commonwealth under a "Design/Build/Finance/Operate/Maintain" structure, determined to develop the Next Generation—Kentucky Infrastructure Highway System entered into a project agreement with KentuckyWired Infrastructure Company, Inc. a non-profit component unit of the Commonwealth. The non-profit was created for the sole benefit of Kentucky. The Commonwealth granted the non-profit an exclusive right to design, construct, finance, operate and maintain the system in return for payments by the Commonwealth in the form of milestone payment, a designated equipment payment and availability payments. All payments made by the Commonwealth to the non-profit are subject to appropriation by the General Assembly.

In addition Kentucky Economic Development Finance Authority issued Senior Revenue bonds, series 2015A in the amount of \$231,950,000 dated September 3, 2015 for the KentuckyWired Infrastructure Company, Inc.. The bonds consist of \$231,950,000 Series A serial bond maturing on July 1, 2019 through January 1, 2045 carrying interest rates of 2.5% to 5.0%. The net proceeds of the bond will be used for the Next Generation Kentucky Information Highway project, a fiber optic backbone infrastructure which will extend into every county in the Commonwealth.

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KENTUCKY SCHOOL FACILITIES CONSTRUCTION COMMISSION

School District	Delivery Date	Principal at Issue	State Share	Interest Rates (%)
Augusta Independent	08/04/15	\$ 1,055,000	\$ 353,637	3.250%
Bullitt County	11/10/15	20,370,000	2,416,921	2.000% - 3.375%
Butler County	09/30/15	2,635,000	453,033	1.750% - 3.250%
Corbin Independent	07/30/15	1,626,000	1,626,000	1.000% - 4.000%
Estill County	08/11/15	1,095,000	995,904	1.000% - 3.625%
Estill County	10/22/15	2,155,000	489,990	1.750% - 3.000%
Fayette County	07/14/15	101,665,000	6,769,051	3.000% - 5.000%
Fayette County	07/28/15	21,425,000	476,175	4.000%
Fayette County	09/23/15	35,615,000	3,043,882	3.000% - 4.000%
Floyd County	08/04/15	52,595,000	5,572,702	2.000% - 4.000%
Fort Thomas Independent	11/17/15	23,810,000	22,998,200	2.000% - 3.375%
Fulton County	10/13/15	1,236,000	1,236,000	2.000% - 3.250%
Grayson County	07/07/15	1,180,000	576,550	1.300% - 3.500%
Hart County	10/29/15	3,335,000	3,011,588	2.00% - 3.125%
Johnson County	12/09/15	2,650,000	632,569	2.000% - 3.250%
Laurel County	08/25/15	14,260,000	869,408	2.000% - 3.500%
Lincoln County	11/17/15	6,745,000	2,422,372	2.000% - 3.000%
Logan County	12/10/15	372,000	372,000	2.000% - 4.000%
Marion County	07/06/15	1,745,000	376,053	0.400% - 1.500%
McCreary County	08/12/15	955,000	955,000	2.250% - 3.500%
Metcalfe County	08/18/15	5,790,000	649,097	2.000% - 3.625%
Menifee County	11/12/15	1,160,000	1,160,000	2.000% - 3.250%
Middlesboro Independent	07/09/15	5,690,000	1,206,496	2.000% - 3.500%
Owensboro Independent	10/15/15	6,190,000	754,317	2.000% - 3.500%
Rockcastle County	08/26/15	655,000	655,000	3.250%
Rowan County	07/07/15	4,285,000	1,546,081	1.000% - 3.750%
Rowan County	09/22/15	1,525,000	1,192,950	2.000% - 2.750%
Russell County	10/01/15	2,060,000	301,818	2.000% - 2.500%
Russell Independent	10/06/15	2,910,000	1,238,670	2.000% - 3.000%
Russellville Independent	07/14/15	450,000	450,000	2.200% - 3.500%
Simpson County	11/05/15	670,000	389,967	2.900%
Trimble County	07/09/15	1,425,000	1,425,000	1.000% - 3.500%
Williamstown Independent	09/01/15	2,040,000	1,258,116	1.000% - 3.750%
		<u>\$ 331,374,000</u>	<u>\$ 67,874,547</u>	

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Notes to the Financial Statements

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Audited financial statements may be requested at the following addresses:

Bluegrass State Skills Corporation
Capital Plaza Tower
500 Mero Street
Frankfort, Kentucky 40601

Turnpike Authority of Kentucky
Room 78, Capitol Annex Building
Frankfort, Kentucky 40601

Kentucky Transportation Cabinet
200 Mero Street
Frankfort, Kentucky 40622

Kentucky Center for the Arts
5 Riverfront Plaza
Louisville, Kentucky 40202-2989

Kentucky Economic Development Finance Authority
Capital Plaza Tower
500 Mero Street
Frankfort, Kentucky 40601

Kentucky Housing Corporation
1231 Louisville Road
Frankfort, Kentucky 40601

Kentucky Retirement Systems
Perimeter Park West
1260 Louisville Road
Frankfort, Kentucky 40601

Kentucky Teachers' Retirement System
479 Versailles Road
Frankfort, Kentucky 40601

University of Louisville
2301 South 3rd Street
108 Grawemeyer Hall
Louisville, Kentucky 40292

Western Kentucky University
Vice President for Finance and Administration
1 Big Red Way
Bowling Green, Kentucky 42101-3576

Murray State University
322 Sparks Hall
Murray, Kentucky 42071

Kentucky State University
Office of Administrative Affairs
400 East Main Street
Frankfort, Kentucky 40601

Kentucky Lottery Corporation
1011 West Main Street
Louisville, Kentucky 40202-2623

Kentucky State Fair Board
Kentucky Fair and Exposition Center
P.O. Box 37130
Louisville, Kentucky 40233-7130

Kentucky Educational Television
600 Cooper Drive
Lexington, Kentucky 40502

Kentucky Higher Education Assistance Authority
100 Airport Rd.
Frankfort, Kentucky 40601

Kentucky Higher Education Student Loan Corporation
Financial Services Department
10180 Linn Station Road, Suite C200
Louisville, KY 40223

Kentucky Infrastructure Authority
1024 Capital Center Dr., Suite 340
Frankfort, Kentucky 40601

Kentucky Local Correctional Facilities Construction Authority
Suite 261 Capitol Annex
Frankfort, Kentucky 40601

Kentucky Judicial Form Retirement System
P.O. Box 791
Frankfort, Kentucky 40602

University of Kentucky
301 Peterson Service Building
Lexington, Kentucky 40506-0005

Eastern Kentucky University
Vice President for Business Affairs
521 Lancaster Avenue
Richmond, Kentucky 40475-3101

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Notes to the Financial Statements

June 30, 2015

Morehead State University
Office of Accounting and Budgetary Control
207 Howell-McDowell Administration Building
Morehead, Kentucky 40351-1689

Northern Kentucky University
Office of Business Affairs
Lucas Administration Center
726 Nunn Drive
Highland Heights, Kentucky 41099-8101

Office of Public Employees Health Insurance
State Office Building, 2nd Floor
501 High Street
Frankfort, KY 40601

Kentucky Community and Technical College System
300 North Main Street
Versailles, KY 40383

Kentucky River Authority
70 Wilkinson Boulevard
Frankfort, Kentucky 40601

Council on Postsecondary Education
1024 Capital Center Drive, Suite 320
Frankfort, Kentucky 40601

Office of the Petroleum Storage Tank
Environmental Assurance Fund
81 C. Michael Davenport Boulevard
Frankfort, KY 40601

Kentucky Artisan Center at Berea
P.O. Box 280
Berea, KY 40403

Kentucky Public Employees'
Deferred Compensation Authority
101 Sea Hero Road, Suite 110
Frankfort, KY 40601-5404

Workers' Compensation Program
State Office Building, 3rd Floor
501 High Street
Frankfort, KY 40601

Kentucky Department of Labor – Special Fund
1047 US Highway 127 S, Suite 4
Frankfort, KY 40601

Kentucky Horse Park Foundation
4089 Iron Works Parkway
Lexington, Kentucky 40511

Kentucky Public Transportation Infrastructure Authority
200 Mero Street, 6th Floor East
Frankfort, Kentucky 40622



**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Budgeted:				
Taxes	\$ 9,416,435	\$ 9,416,435	\$ 9,614,380	\$ 197,945
Licenses, fees, and permits	34,082	34,082	37,224	3,142
Intergovernmental	36,517	36,517	9,540	(26,977)
Charges for services	6,493	6,493	7,596	1,103
Fines and forfeits	35,013	35,013	36,462	1,449
Interest and other investment income	800	800	213	(587)
Lottery proceeds	238,000	238,000	221,500	(16,500)
Other revenues	33,888	33,888	39,716	5,828
Tobacco Settlement	99,700	61,884	61,884	
Subtotal of Budgeted Revenues	<u>9,900,928</u>	<u>9,863,112</u>	<u>10,028,515</u>	<u>165,403</u>
Other Budgeted Financial Resources:				
Transfers in (intrafund)				
Transfers in (interfund)	224,546	227,546	222,554	(4,992)
Total Budgeted Revenues	<u>10,125,474</u>	<u>10,090,658</u>	<u>10,251,069</u>	<u>160,411</u>
Expenditures				
General Government:				
Executive Office of the Governor	5,528	5,528	5,528	
Office of Homeland Security	233	233	233	
Kentucky Infrastructure Authority	1,337	1,337	1,337	
Department of Veterans Affairs	17,799	17,799	17,799	
Office of State Budget Director	3,133	3,133	3,133	
State Planning Fund	151	151	151	
Unified Prosecutorial System:				
Commonwealth Attorneys	44,536	44,536	44,536	
County Attorneys	38,653	38,653	38,653	
Department of Agriculture	16,645	16,645	16,345	300
Office of the Attorney General	10,438	10,570	10,570	
Auditor of Public Accounts	4,681	4,681	4,681	
Registry of Election Finance	1,201	1,200	1,200	
Military Affairs	9,347	16,850	15,328	1,522
Governor's Office for Local Development	8,468	8,468	8,468	
Local Government:				
Economic Assistance Fund	50,208	50,267	50,267	
Economic Development Fund	28,945	23,364	23,364	
Area Development Fund	474	474	474	
Secretary of State	1,635	1,635	1,635	
Department of Treasury	1,778	1,778	1,778	
Board of Elections	4,027	4,049	4,049	
School Facilities Construction Commission	99,634	99,634	99,634	
Executive Branch Ethics Commission	455	455	455	
Commission on Human Rights	1,703	1,703	1,703	
Commission on Women	226	226	226	
Council on Postsecondary Education	46,653	46,653	45,457	1,196
Budget Reserve Trust Fund	77,093	77,093		77,093
Personnel:				
State Group Health Insurance	960	960	960	

	Original	Final	Actual	Variance
Universities:				
Eastern Kentucky University	\$ 68,034	\$ 68,034	\$ 68,034	\$
Kentucky State University	23,430	23,430	23,430	
Morehead State University	41,040	41,040	41,040	
Murray State University	48,025	48,025	48,025	
Northern Kentucky University	48,538	48,538	48,538	
University of Kentucky	279,611	279,611	279,611	
University of Louisville	139,077	139,715	139,715	
Western Kentucky University	72,649	72,649	72,649	
Kentucky Community and Technical College System	190,162	190,162	190,162	
Finance and Administration:				
General Administration and Support	9,794	9,794	8,294	1,500
Special Accounts - Capital Construction	5,776	5,776	5,776	
Debt Service	425,440	425,440	395,182	30,258
Office of the Controller	5,914	5,914	5,914	
Department for Facilities and Support Services	5,619	5,619	5,619	
Kentucky Higher Education Assistance Authority	207,506	207,506	198,978	8,528
Special Accounts - Tobacco Settlement	101,880	61,884	61,884	
Finance - County Costs	15,897	21,615	21,477	138
Department of Revenue:				
General Operations	86,332	86,332	86,332	
Office of Property Valuation Administrators	42,343	42,343	42,343	
Appropriations Not Otherwise Classified:				
Judgements		1,550	1,484	66
Board of Claims Awards	235	658	658	
Guardian Ad Litem	2,389	12,704	12,704	
Prior Year Claims	104	50	50	
Unredeemed Checks Refunded	970	2,318	2,318	
Involuntary Commitments	60	64	64	
Blanket Employee Bonds	60	45	45	
Frankfort In Lieu of Taxes	195	195	195	
Frankfort Cemetery	3			
Police and Firemen Life Insurance	320	409	409	
Attorney General Expense	535	446	446	
Medical Malpractice Liability Insurance Reimbursements	155	118	118	
Total General Government	2,298,034	2,280,059	2,159,458	120,601
Legislative and Judicial:				
General Assembly	27,236	27,236	18,328	8,908
Legislative Research Commission	43,683	43,683	36,770	6,913
Judicial Retirement System	16,917	16,917	16,917	
Court of Justice - Court Facility Use	120	120		120
Court of Justice - Operation and Administration	205,633	205,633	205,633	
Court of Justice - Local Facility Support	113,167	113,167	111,482	1,685
Total Legislative and Judicial	406,756	406,756	389,130	17,626

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Original	Final	Actual	Variance
Commerce:				
Economic Development:				
Economic Development	\$ 19,611	\$ 20,361	\$ 20,318	\$ 43
Commerce Cabinet:				
Office of the Secretary	2,544	2,544	2,544	
Breaks Interstate Park		400	400	
Kentucky State Fair Board	3,897	3,497	3,497	
Kentucky Horse Park	2,472	2,472	2,472	
Department of Parks	33,573	33,573	33,573	
Department of Travel	3,094	3,094	3,094	
Berea Artisans Center	389	389	389	
Total Commerce	65,580	66,330	66,287	43
Education:				
General Administration and Program Support	4,434	4,434	4,434	
Commission on the Deaf and Hard of Hearing	861	861	861	
Kentucky Heritage Council	737	737	737	
Kentucky Arts Council	3,017	3,017	3,017	
Department of Education:				
Support Education Excellence In KY (SEEK)	2,972,271	2,980,903	2,980,843	60
Bureau of Support Services	48,761	35,053	35,053	
Learning Results Services	985,304	931,334	925,100	6,234
Kentucky Educational Television	13,038	13,038	13,038	
Kentucky Historical Society	5,785	5,785	5,785	
Kentucky Center for the Arts	1,031	1,031	1,031	
Education Professional Standards Board	7,307	7,307	7,307	
Libraries and Archives -				
Direct Local Aid	6,326	2,996	2,996	
Public Library Facilities Construction Debt Assistance		3,330	3,330	
General Operations	6,118	6,118	6,118	
Teachers' Retirement System	326,773	326,773	326,773	
Workforce Investment:				
Office of the Blind	1,385	1,385	1,385	
Technical Education		15,529	15,529	
Vocational Rehabilitation	11,585	11,585	11,585	
Total Education and Humanities	4,394,733	4,351,216	4,344,922	6,294
Human Resources:				
Health and Family Services:				
Administrative Services	28,451	24,751	24,751	
Department for Community Based Services	391,635	391,635	391,635	
Department for Family Resource Centers and Volunteer Services	1,466			
Office of the Inspector General		3,700	3,700	
Office of Health Policy	448	448	448	
Department for Aging and Independent Living	44,703	44,703	44,703	
Department for Income Support	8,226	8,226	8,226	
Department for Public Health	68,820	68,820	68,089	731
Department for Behavioral Health, Developmental and Intellectual Disal	202,605	202,605	198,605	4,000
Department for Human Support Services		53,615	53,615	
Medicaid Administration	33,315	33,315	33,315	
Medicaid Services Benefits	1,525,524	1,525,524	1,525,518	6
Commission for Children With Special Health Care Needs	5,402	5,402	5,402	
Total Human Resources	2,310,595	2,362,744	2,358,007	4,737

	Original	Final	Actual	Variance
Justice:				
Justice Administration	\$ 11,096	\$ 11,096	\$ 11,096	\$
Department of State Police	74,316	74,316	74,316	
Department of Juvenile Justice	81,508	81,508	81,508	
Department for Public Advocacy	46,314	46,314	46,314	
Department of Corrections:				
Management	9,459	9,459	9,459	
Adult Institutions	244,856	258,706	258,706	
Local Jail Allotment	18,163	18,163	18,163	
Community Services and Local Facilities	193,853	191,803	191,803	
Total Justice	<u>679,565</u>	<u>691,365</u>	<u>691,365</u>	
Natural Resources and Environmental Protection:				
General Administration and Support	3,291	3,291	3,291	
Department for Energy Development and Independence	1,344	1,344	1,344	
Kentucky River Authority	251	251	251	
Kentucky Nature Preserves Commission	1,062	1,062	1,062	
Department for Environmental Protection	21,418	21,418	21,418	
Department for Natural Resources	32,883	17,456	17,456	
Mine Safety and Licensing		9,703	9,703	
Surface Mining Reclamation and Enforcement		8,175	8,175	
Total Natural Resources and Environmental Protection	<u>60,249</u>	<u>62,700</u>	<u>62,700</u>	
Public Protection and Regulation:				
General Administration and Support	278	278	278	
Board of Claims and Crime Victims Compensation	696	696	696	
Board of Tax Appeals	464	464	464	
Horse Racing Commission	699	699	699	
Public Service Commission	17,508	17,508	9,620	7,888
Mine Safety Review Commission		176	176	
Department of Alcoholic Beverage Control	608	608	608	
Department of Housing, Buildings, and Construction	2,455	2,455	2,455	
Labor:				
Workplace Standards	1,789	1,789	1,789	
General Administration & Support	3,312	3,312	3,312	
Total Public Protection and Regulation	<u>27,809</u>	<u>27,985</u>	<u>20,097</u>	<u>7,888</u>
Transportation:				
General Administration and Support	500	500	500	
Public Transportation	5,835	5,835	5,638	197
Revenue Sharing		7,800	7,799	
Total Transportation	<u>6,335</u>	<u>14,135</u>	<u>13,937</u>	<u>197</u>
Total Expenditures	<u>10,249,656</u>	<u>10,263,290</u>	<u>10,105,903</u>	<u>157,386</u>
Excess of Revenues Over (Under) Expenditures	(124,182)	(172,632)	145,166	317,798
Fund Balance at July 1	182,267	182,267	182,267	
Non-Budgeted Items			(2,447)	
Fund Balance at June 30	<u>\$ 58,085</u>	<u>\$ 9,635</u>	<u>\$ 324,986</u>	<u>\$</u>

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Transportation			
	Original	Final	Actual	Variance
Revenues				
Budgeted:				
Taxes	\$ 1,308,625	\$ 1,308,625	\$ 1,363,835	\$ 55,210
Licenses, fees, and permits	212,114	212,114	145,628	(66,486)
Intergovernmental			7	7
Charges for services	19,570	19,570	7,623	(11,947)
Fines and forfeits			25	25
Interest and other investment income	3,100	3,100	2,917	(183)
Other revenues	3,291	3,291	6,739	3,448
Total Budgeted Revenues	1,546,700	1,546,700	1,526,774	(19,926)
Non-Budgeted:				
Taxes				
Licenses, fees, and permits				
Intergovernmental				
Charges for services				
Fines and forfeits				
Interest and other investment income				
Employer contributions				
Other revenues				
Transfers in (interfund)	993	993	1,385	392
Transfers in (intrafund)				
Total Non-Budgeted Revenue	993	993	1,385	392
Total Revenues	1,547,693	1,547,693	1,528,159	(19,534)
Expenditures				
General Government:				
Executive Office of the Governor				
Office of Homeland Security	260	260	260	
Kentucky Infrastructure Authority				
Office of State Budget Director				
Executive Branch Ethics Commission				
Department of Veterans Affairs				
Unified Prosecutorial System:				
Commonwealth Attorneys				
County Attorneys				
Department of Agriculture				
Office of the Attorney General				
Auditor of Public Accounts				
Military Affairs				
Governor's Office of Agricultural Policy:				
Agricultural Development - Statewide Phase				
Governor's Office for Local Development				
Secretary of State				
Department of Treasury	250	250	250	
Board of:				
Accountancy				
Alcohol and Drug Counselors				
Auctioneers				
Barbering				
Chiropractic Examiners				
Home Inspectors				
Licensed Diabetes Educators				
Medical Imaging and Radiation Therapy				
Applied Behavior Analysis Licensing				
Professional Counselors				
Fee-Based Pastoral Counselors				
Interpreters for Deaf & Hard of Hearing				
Prosthetics, Orthotics and Pedorthics				
Dentistry				
Dietitians and Nutritionists				
Elections				
Embalmers and Funeral Home Directors				
Architects				
Landscape Architects				
Examiners of Psychologists				

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Transportation			
	Original	Final	Actual	Variance
Board of: (Continued)				
Examiners of Social Workers	\$	\$	\$	\$
Hairdressers and Cosmetologists				
Hearing Instrument Specialists				
Nursing Home Administrators Licensing				
Medical Licensure				
Nursing				
Ophthalmic Dispensers				
Optometric Examiners				
Art Therapists				
Occupational Therapy				
Respiratory Care Practitioners				
Marriage and Family Therapists				
Emergency Medical Services				
Geologists				
Personnel				
Pharmacy				
Physical Therapists				
Podiatry				
Engineers and Land Surveyors				
Speech Pathology and Audiology				
Veterinary Examiners				
Investigators				
Massage Therapy				
Real Estate Commission				
Board of Real Estate Appraisers				
Commission on Human Rights				
Council on Postsecondary Education				
Personnel:				
General Operations				
Public Employee Deferred Compensation Authority				
Universities:				
Eastern Kentucky University				
Kentucky State University				
Morehead State University				
Murray State University				
Northern Kentucky University				
University of Kentucky				
University of Louisville				
Western Kentucky University				
Kentucky Community and Technical College System				
Finance and Administration:				
General Administration and Support	423	423	423	
Office of the Controller				
Commonwealth Office of Technology				
Kentucky Higher Education Assistance Authority				
Turnpike Authority of Kentucky				
Finance - County Costs				
Kentucky Retirement Systems				
Department of Revenue:				
General Operations	2,475	2,475	2,475	
Office of Property Valuation Administrators	437	437	437	
Department for Facilities and Support Services				
Total General Government	<u>3,845</u>	<u>3,845</u>	<u>3,845</u>	

Federal				Agency Revenue			
Original	Final	Actual	Variance	Original	Final	Actual	Variance
\$	\$	\$	\$	\$	\$	\$	\$
				276	293	279	14
				1,375	1,375	1,298	77
				81	81	56	25
				61	61	59	2
				2,940	2,940	2,860	80
				6,201	6,201	5,542	659
				55	55	48	7
				207	207	197	10
				11	11	11	
				147	167	149	18
				207	207	198	9
				116	126	113	13
				107	107	92	15
				846	846	770	76
				1,639	1,746	1,746	
				469	523	523	
				39	39	39	
				1,312	1,312	1,237	75
				170	170	157	13
				278	278	210	68
				102	102	68	34
				169	186	183	3
				2,106	2,106	1,986	120
				757	757	717	40
245	563	461	102				
18,074	18,652	13,539	5,113	6,022	6,022	4,715	1,307
				52,631	26,945	26,943	2
				9,112	9,112	7,758	1,354
				275,768	275,768	274,116	1,652
				53,321	53,321	32,878	20,443
				203,976	203,976	87,288	116,688
				132,121	132,121	119,052	13,069
				209,505	209,505	167,882	41,623
				2,526,560	2,526,560	2,056,606	469,954
				1,088,209	1,088,209	195,667	892,542
				326,996	326,996	235,200	91,796
				762,915	762,915	244,094	518,821
3,177	3,177	239	2,938	4,946	4,946	3,760	1,186
				7,104	7,104	6,310	794
1,991	1,991	1,399	592	1,050	2,000	1,993	7
59	59	6	53	28,395	28,700	28,676	24
				102	102	78	24
				1,703	1,703	1,495	208
				40,931	40,931	31,074	9,857
				14,065	15,080	12,952	2,128
					5,089	4,796	293
				1,321	1,321	1,111	210
158,535	200,613	176,637	23,976	5,931,727	5,919,204	3,672,536	2,246,668

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Transportation			
	Original	Final	Actual	Variance
Legislative and Judicial:				
General Assembly	\$	\$	\$	\$
Legislative Research Commission				
Judicial Retirement System				
Court of Justice - Operation and Administration				
Total Legislative and Judicial				
Commerce:				
Economic Development:				
Office of the Secretary				
Financial Incentives				
Business Development				
Commerce: Office of the Secretary				
Department of Parks				
Department of Travel				
Berea Artisans Center	393	393	393	
Department of Fish and Wildlife Resources				
Total Commerce	393	393	393	
Education:				
Commission on the Deaf and Hard of Hearing				
Environmental Education Council				
Kentucky Heritage Council				
Kentucky Arts Council				
General Administration and Program Support				
Department of Education:				
Learning Results Services				
Bureau of Support Services				
Kentucky Educational Television				
Kentucky Historical Society				
Commission on Proprietary Education				
Education Professional Standards Board				
Libraries and Archives:				
Direct Local Aid				
General Operations				
Kentucky Teachers' Retirement System				
Workforce Investment:				
Office of the Blind				
Employment and Training				
Vocational Rehabilitation				
Total Education and Humanities				

Federal				Agency Revenue			
Original	Final	Actual	Variance	Original	Final	Actual	Variance
\$	\$	\$	\$	\$	\$	\$	\$
1	1		1	714	764		764
				1,836	1,786		1,786
					300	192	108
1,398	5,698	3,567	2,131	64,034	64,034	42,387	21,647
1,399	5,699	3,567	2,132	66,584	66,884	42,579	24,305
	530	213	317	50	4,061	3,530	531
				2,049			
				613			
				12,910	12,910	12,705	205
				50	50	37	13
				45	45	17	28
				1,583	1,633	1,618	15
17,895	17,895	14,233	3,662	34,724	35,284	34,917	367
17,895	18,425	14,446	3,979	52,024	53,983	52,824	1,159
				1,109	1,559	1,404	155
				240	350	348	2
815	815	804	11	262	262	234	28
760	760	711	49	152	152	123	29
660	660	550	110	5,131	5,361	4,870	491
559,363	559,363	477,383	81,980	24,578	24,578	20,580	3,998
328,485	328,485	324,183	4,302	8,200	8,200	2,230	5,970
				1,451	1,451	1,264	187
537	537	163	374	458	668	656	12
				272	272	114	158
201	1,040	351	689	1,723	1,723	1,718	5
557	557	186	371	896	896	592	304
2,148	2,148	1,348	800	3,483	3,483	2,548	935
				12,184	12,184	10,742	1,442
7,243	7,243	7,058	185	1,176	1,176	1,099	77
136,309	136,309	95,915	40,394	30,158	30,158	24,744	5,414
44,567	47,731	47,707	24	3,140	5,785	4,977	808
1,081,645	1,085,648	956,359	129,289	94,613	98,258	78,243	20,015

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Transportation			
	Original	Final	Actual	Variance
Human Resources:				
Health and Family Services:				
Administrative Support	\$	\$	\$	\$
Office of Health Benefit Exchange				
Department for Disability Determination Services				
Department for Community Based Services				
Department for Family Resources and Volunteer Services				
Office of Inspector General				
Office of Health Policy				
Department for Aging and Independent Living				
Department of Income Support				
Department for Public Health				
Department for Behavioral Health, Developmental and Intellectual Disabilities				
Medicaid Administration				
Medicaid Services Benefits				
Commission for Children with Special Health Care Needs				
Department for Human Support Services				
Total Human Resources				
Justice:				
Office of the Secretary				
Department of State Police	95,746	95,746	95,746	
Department for Public Advocacy				
Department of Juvenile Justice				
Department of Criminal Justice Training				
Department of Corrections:				
Management				
Adult Correctional Institutions				
Community Service and Local Facilities				
Total Justice	95,746	95,746	95,746	
Natural Resources and Environmental Protection:				
General Administration and Support				
Department for Energy Development and Independence				
Kentucky River Authority				
Environmental Quality Commission				
Kentucky Nature Preserves Commission				
Department for Environmental Protection	316	316	316	
Department for Natural Resources				
Mining Safety and Licensing				
Surface Mining Reclamation and Enforcement				
Abandoned Mine Lands Reclamation Projects				
Total Natural Resources and Environmental Protection	316	316	316	
Public Protection and Regulation:				
Office of the Commissioner				
Board of Claims and Crime Victims Compensation				
Horse Racing Commission				
Kentucky Athletic Commission				
Public Service Commission				
Occupations and Professions				
Department of Alcoholic Beverage Control				
Department of Charitable Gaming				
Department of Financial Institutions				
Department of Housing, Buildings, and Construction				
Department of Insurance				
Labor: Workplace Standards				
General Administration & Support				
Total Public Protection and Regulation				

Federal				Agency Revenue			
Original	Final	Actual	Variance	Original	Final	Actual	Variance
\$ 37,526	\$ 33,726	\$ 26,188	\$ 7,538	\$ 13,866	\$ 13,186	\$ 12,418	\$ 768
19,916	58,341	55,776	2,565	14,021	14,121	4,748	9,373
46,327	46,327	43,793	2,534	121	126	125	1
492,199	492,199	451,832	40,367	150,258	151,964	139,013	12,951
				41	41	41	
13,047	15,047	13,653	1,394		4,880	4,675	205
	250	250		810	810	397	413
24,829	26,529	21,127	5,402	2,869	4,719	2,848	1,871
32,091	32,091	31,013	1,078	15,860	16,355	16,352	3
199,917	199,917	181,008	18,909	97,016	97,016	66,632	30,384
38,661	38,661	36,594	2,067	227,449	236,949	200,576	36,373
77,311	78,051	78,043	8	16,770	16,770	15,897	873
5,914,098	7,714,098	7,609,302	104,796	500,155	513,055	505,819	7,236
4,566	4,566	4,474	92	6,971	6,971	6,475	496
3,069	5,069	4,990	79				
6,903,557	8,744,872	8,558,043	186,829	1,046,207	1,076,963	976,016	100,947
11,136	11,136	9,590	1,546	3,894	3,894	3,574	320
11,562	13,367	13,159	208	22,704	22,704	21,610	1,094
1,320	1,816	1,600	216	3,178	3,238	3,238	
11,705	12,400	12,400		10,490	13,805	13,805	
188	188	105	83	52,052	52,052	51,562	490
305	305	142	163	300	300	262	38
1,805	1,805	767	1,038	17,253	5,586	3,698	1,888
963	1,668	1,352	316	5,830	5,830	2,820	3,010
38,984	42,685	39,115	3,570	115,701	107,409	100,569	6,840
1,075	1,148	968	180		1,816	1,541	275
622	842	641	201	2,550	3,400	3,388	12
				5,460	5,460	3,298	2,162
				1,194	202	197	5
55	297	264	33	370	370	321	49
23,703	23,703	21,543	2,160	37,136	39,497	35,074	4,423
					4,329	2,593	1,736
4,804	4,804	2,819	1,985		866	572	294
10,446	10,456	9,488	968	4,674	2,264	1,629	635
40,841	40,831	32,863	7,968	10,925	8,080	1,980	6,100
81,546	82,081	68,586	13,495	62,309	66,284	50,593	15,691
				1,382	4,449	4,101	348
450	450	450		1,027	1,027	960	67
				28,357	28,357	24,533	3,824
				167	167	129	38
228	528	445	83	223	223	43	180
				4,449	1,382	1,153	229
				5,820	5,820	4,926	894
				3,474	3,474	2,919	555
				10,612	10,612	9,532	1,080
	13		13	18,124	18,124	16,782	1,342
1,066	1,066	486	580	17,414	17,414	14,529	2,885
3,873	3,873	3,715	158				
232	263	49	214	3,080	3,080	2,456	624
5,849	6,193	5,145	1,048	94,129	94,129	82,063	12,066

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS) - BUDGETED SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Transportation			
	Original	Final	Actual	Variance
Transportation:				
Administration and Support	\$ 70,871	\$ 70,872	\$ 68,610	\$ 2,262
Revenue Sharing	519,383	505,669	390,411	115,258
Air Transportation	3,020	3,019	2,582	437
Highways				
Public Transportation	1,315,321	1,315,321	981,504	333,817
Vehicle Regulation	31,770	31,770	25,280	6,490
Debt Service	154,035	154,035	149,596	4,439
Transfers to Capital Projects	9,733	9,733	6,750	2,983
BRAC Economic Development Road Bonds				
GARVEE Louisville Bridges Project Bonds				
GARVEE Western KY Bridges Project				
2005 GARVEE Bond Series				
2005 Ed Bond Series				
LSIORB TIFIA Loan				
LSIORB Toll Revenue Bonds				
Total Transportation	<u>2,104,133</u>	<u>2,090,419</u>	<u>1,624,733</u>	<u>465,686</u>
Total Expenditures	<u>2,204,433</u>	<u>2,190,719</u>	<u>1,725,033</u>	<u>465,686</u>
Excess of Revenues over (under)				
Expenditures	<u>(656,740)</u>	<u>(643,026)</u>	<u>(196,874)</u>	<u>446,152</u>
Other Financing Sources (Uses)				
Proceeds from Trustees				
Total Other Financing Sources (Uses)				
Excess of Revenues and Other Financing				
Sources over (under) Expenditures and				
Other Financing Uses	(656,740)	(643,026)	(196,874)	446,152
Fund Balances at July 1	653,749	653,749	653,749	
Non-Budgeted Items			(1,311)	
Fund Balances at June 30	<u>\$ (2,991)</u>	<u>\$ 10,723</u>	<u>\$ 455,564</u>	<u>\$</u>

Federal				Agency Revenue			
Original	Final	Actual	Variance	Original	Final	Actual	Variance
\$ 25,341	\$	\$	\$	\$ 1,989	\$ 20	\$	\$ 20
989	989	287	702	484			
715,656	1,347,146	735,540	611,606	18,507	18,507	8,022	10,485
649,206	43,057	23,883	19,174	518,646	98,295	68,404	29,891
2,869	4,600	3,927	673		617	617	
				11,556	14,497	11,493	3,004
				967	31,103	1,887	29,216
				347	24,145	14,738	9,407
				495,123	327,221	86,349	240,872
				69,111	5,403	1,311	4,092
				28,917	359,041	100,795	258,246
				250,000	399,000	170,940	228,060
					118,902	88,004	30,898
1,394,061	1,395,792	763,637	632,155	1,395,647	1,396,751	552,560	844,191
9,683,471	11,582,008	10,585,535	996,473	8,858,941	8,879,865	5,607,983	3,271,882
		(885,127)				3,264,165	
						1,127	
						1,127	
		(885,127)				3,265,292	
		1,104,635				2,086,923	
		(9,579)				(3,554,599)	
\$	\$	\$ 209,929	\$	\$	\$	\$ 1,797,616	\$

Budgetary Reporting

The Commonwealth of Kentucky requires that each branch of government prepare and submit a recommended budget to the General Assembly for each of the two fiscal years to be included in a biennial budget. These budgets are prepared principally on the cash basis. The Legislature reviews these budget requests, makes any necessary revisions, and legally adopts a biennial budget for each of the three branches of government. The Governor has the power to approve or veto each bill, subject to legislative override.

The financial plan for each fiscal year, as presented in a branch budget recommendation, shall be adopted with such modifications as made by the General Assembly (and explained in a budget memorandum) by the passage of the budget bill and such revenue and other acts necessary for the purpose.

Budgetary control is maintained at the budget unit level as designated by the budget bills enacted by the General Assembly (i.e., function, major program area, program, or unit of organization).

Appropriations for the General Fund and Road Fund shall be based upon revenue estimates prepared by the Consensus Forecasting Group and modifications made by the appropriations committee of the General Assembly. Official revenue estimates are not made for the other budgetary funds.

The Major Governmental funds, which have legally adopted annual budgets as part of the primary government, include the following: General, Transportation, Federal, and Agency Revenue.

The funds allotted for each purpose of expenditure shall be used for no other purpose, except when the head of any budget unit, with the approval of the Secretary of the Finance and Administration Cabinet, may transfer allotted funds from one purpose of expenditure to another within the budget unit. No revisions of the allotment schedule may provide for an allotment or allotments in excess of the amount appropriated to that budget unit in a budget bill or for expenditure for any other purpose not contemplated in a budget bill. However, appropriations for budgetary funds other than the General Fund and the Transportation Fund may be amended upon approval by the State Budget Director and the Secretary of the Finance and Administration Cabinet.

Encumbrance accounting is utilized for budgetary control purposes. Encumbrances outstanding at year end for long-term construction contracts reported in the Capital Projects Fund and Transportation Fund are reported as restricted budgetary fund balance. All other encumbered and unencumbered appropriations lapse at the end of each fiscal year. Encumbrances are carried forward as revisions to appropriations.

The annual budget is prepared principally on the cash basis, which differs from generally accepted accounting principles (GAAP). A reconciliation between the budgetary basis and the GAAP basis is presented in the notes to the Required Supplemental Information section as follows.

COMMONWEALTH OF KENTUCKY
Notes To Required Supplementary Information
June 30, 2015

Budgetary Basis vs. GAAP

Accounting principles applied for purposes of developing data on budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles. A schedule reconciling the fund balance on a cash basis at June 30, 2015, to the fund balance on a modified accrual basis follows :

(Expressed in Thousands)

Financial statement funds (same as budgetary funds)	General Fund	Transportation Fund	Federal Fund	Agency Revenue Fund
Fund balance				
June 30, 2015:				
Budgetary basis	\$ 324,986	\$ 455,565	\$ 209,929	\$ 1,797,616
Adjustments:				
Accrued revenues	374,334	142,217	808,967	61,533
Accrued expenditures	(494,399)	(117,586)	(922,307)	(51,887)
Accrued transfers (net)			(10,838)	10,838
Total Accruals (1)	<u>(120,065)</u>	<u>24,631</u>	<u>(124,178)</u>	<u>20,484</u>
Reclassifications and other adjustments:				
Inventory balances (1)	6,230	64,191	277	2,880
To reclassify financial and other resources into financial statement fund types (2)	21	(854)	(145,432)	(1,264,203)
To record financial resources available as non-budgeted funds (3)	<u>(106,813)</u>			
Fund Balance				
Fund balance June 30, 2015:				
GAAP Basis	<u>\$ 104,359</u>	<u>\$ 543,533</u>	<u>\$ (59,404)</u>	<u>\$ 556,777</u>
(1) Basis differences				
(2) Perspective differences				
(3) Entity differences				

COMMONWEALTH OF KENTUCKY
Notes To Required Supplementary Information
June 30, 2015

Infrastructure Assets Reported Using the Modified Approach

As allowed by GASB Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, the Commonwealth has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the Commonwealth expenses certain maintenance and preservation costs and does not report depreciation expense. Assets accounted for, under the modified approach, include approximately 64,187 lane miles of roads and approximately 9,011 bridges that the Commonwealth is responsible to maintain.

In order to utilize the modified approach, the Commonwealth is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate, each year, the annual amount to maintain and preserve the assets at the condition level established and disclosed by the Commonwealth.
- Document that the assets are being preserved approximately at, or above, the established condition level.

Pavements

Measurement Scale

The Kentucky Transportation Cabinet (KYTC) uses numerous methods to determine the condition of roadway pavements; including, the Pavement Condition Index (PCI) to measure and monitor pavement conditions. In use since the mid-1980s, the PCI for any particular pavement section is the mathematical difference between the current pavement smoothness and the acceptable pavement smoothness threshold based on traffic volumes. The corresponding pavement condition is based on the following PCI ranges:

<u>Condition</u>	<u>PCI</u>
Good	Greater than +0.4
Fair	Between 0.0 and 0.4
Poor	Less than 0.0

Established Minimum Condition Level

No more than 30% of the pavements shall be rated as “poor.”

Assessed Conditions

The Commonwealth assesses pavement condition on a calendar year basis. The following table reports the percentage of pavements meeting ratings of “Good”, “Fair”, and “Poor” for the past five years.

<u>Condition</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Good	56.4%	53.7%	56.6%	59.3%	62.4%
Fair	26.2%	27.0%	24.7%	21.6%	22.6%
Poor	17.4%	19.3%	18.7%	19.1%	15.0%

Bridges

Measurement Scale

KYTC maintains information on its 9,011 bridges in compliance with the National Bridge Inspection guidelines established by the Federal Highway Administration. KYTC inspects all bridges at least once every two years and the condition assessment results are coded on a 0-9 scale with 9 being the most desirable. The condition ratings are based on the following scale:

<u>Rating</u>	<u>Description</u>
9	Excellent.
8	Very good.
7	Good. Some minor problems.
6	Satisfactory. Structural elements show some minor deterioration.
5	Fair. All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor. Advanced section loss, deterioration, spalling or scour.
3	Serious. Loss of section, deterioration, spalling, or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical. Advanced deterioration of primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed substructure support. Unless closely monitored, it may be necessary to lose the bridge until corrective action is taken.
1	Imminent failure. Major deterioration or section loss present in critical structural components or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic, but corrective action may put it back in light service.
0	Failure. Out of service; beyond corrective action.

Established Minimum Condition Level

No more than 10% of the bridges shall be rated as “structurally deficient.” In addition, the total deck area of structurally deficient, state maintained bridges will not exceed 12% of the total deck area of all state maintained bridges.

COMMONWEALTH OF KENTUCKY
Notes To Required Supplementary Information
June 30, 2015

Assessed Conditions

A bridge coded 4 or less for its deck, superstructure, or substructure, or coded 2 or less for its structural evaluation or waterway adequacy is classified as “structurally deficient.” A structurally deficient bridge is inadequate to carry legal loads, whether caused by structural deterioration, obsolete design standards, or an insufficient waterway opening. A bridge coded 3 or less for its structural evaluation, deck geometry, vertical or horizontal under clearance, water adequacy, or approach roadway alignment is classified as “functionally obsolete.” A functionally obsolete bridge cannot properly accommodate the current traffic. The following table reports the percentage of bridges whose condition was assessed as “structurally deficient” in the corresponding year:

Calendar Year	Structurally Deficient	Deck Area
		Structurally Deficient
2014	6.3%	4.7%
2013	6.9%	4.9%
2012	6.5%	6.4%
2011	6.6%	6.9%
2010	7.0%	6.5%

Estimated and Actual Costs to Maintain

The following table presents the Commonwealth’s estimate of spending necessary to preserve and maintain the pavements, bridges, and maintenance condition at, or above, the “Established Condition Levels” cited above and the actual amount spent during the past six fiscal years (in millions):

	Roadways	Bridges	Total
<u>Fiscal Year 2016:</u>			
Estimated	\$ 1,064.9	\$ 55.2	\$ 1,120.1
<u>Fiscal Year 2015:</u>			
Estimated	\$ 1,103.0	\$ 57.2	\$ 1,160.2
Actual	1,136.3	53.2	1,189.5
<u>Fiscal Year 2014:</u>			
Estimated	\$ 1,030.6	\$ 84.9	\$ 1,115.5
Actual	\$ 1,060.7	\$ 55.0	\$ 1,115.7
<u>Fiscal Year 2013:</u>			
Estimated	\$ 951.1	\$ 112.7	\$ 1,063.8
Actual *	\$ 1,009.4	\$ 73.5	\$ 1,082.9
<u>Fiscal Year 2012:</u>			
Estimated	\$ 839.2	\$ 103.1	\$ 942.3
Actual *	\$ 1,009.5	\$ 81.1	\$ 1,090.6
<u>Fiscal Year 2011:</u>			
Estimated	\$ 872.3	\$ 108.9	\$ 981.2
Actual *	\$ 855.2	\$ 79.2	\$ 934.4
<u>Fiscal Year 2010:</u>			
Estimated	\$ 809.4	\$ 103.1	\$ 912.5
Actual *	\$ 838.4	\$ 94.9	\$ 933.3

* Prior year actual expenditures have been restated.

Kentucky Public Transportation Infrastructure Authority

As allowed by GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments, the Authority has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the Authority expenses certain maintenance and preservation costs and does not report depreciation expense.

In order to utilize the modified approach, the Authority is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate, each year, the annual amount to maintain and preserve the assets at the condition level established and disclosed by the Authority.
- Document that the assets are being preserved approximately at, or above, the established condition level.

The Authority’s assets accounted for, under the modified approach, include approximately 15.9 lane miles of roads and 24 bridge structures. As the developer for the LSIORBP, as designated in House Bill 2 enacted by the Kentucky General Assembly in 2012, the Authority is responsible for maintaining the assets. The Authority’s pavement condition assessments will be relaxed during construction; however, bridge inspections will continue until access to structures is restricted by the construction activities. Once the LSIORBP is complete, it is planned the Authority and the Cabinet will enter into a memorandum of agreement through which the Cabinet will resume responsibility for condition inspections, maintenance and preservation activities on behalf of the Authority.

Pavements

Measurement Scale

The Authority uses numerous methods to determine the condition of roadway pavements; including the Pavement Condition Index (PCI) to measure and monitor pavement conditions. In use since the mid-1980s, the PCI for any particular pavement section is the mathematical difference between the current pavement smoothness and the acceptable pavement smoothness threshold based on traffic volumes. The corresponding pavement condition is based on the following PCI ranges:

<u>Condition</u>	<u>PCI</u>
Good	Greater than +0.4
Fair	Between 0.0 and 0.4
Poor	Less than 0.0

Established Minimum Condition Level

No more than 30% of the pavements shall be rated as “poor.”

Assessed Conditions

The Authority received the title to the 15.9 lane miles of roadways during the year ended June 30, 2015. As the roadways were received during the fiscal year, previous condition assessments have been reported by the Cabinet. The condition assessment at the time of conveyance met or exceeded the Cabinet’s established minimum condition level. The pavement condition goal above represents the Cabinet’s goal for the Commonwealth’s state maintained highway system. The actual conditions of the pavements for which the Authority is responsible may or may not meet this stated goal for the reporting period due to delayed preservation activities. The LSIORBP has required a lengthy planning and development period and in anticipation of the reconstruction of the assets much of the preservation work has been postponed; thus, pavement conditions may temporarily be below the statewide condition goal. Routine pavement inspections have continued and required maintenance has been performed prior to construction to insure that payments are safe and reliable. Once construction is complete, the Authority will work with the Cabinet to adopt payment condition goals for the LSIORBP assets.

Bridges

Measurement Scale

The Authority maintains information on its bridges in compliance with the National Bridge Inspection guidelines established by the Federal Highway Administration. The Authority inspects all bridges at least once every two years and the condition assessment results are coded on a 0-9 scale with 9 being the most desirable. The condition ratings are based on the following scale:

<u>Rating</u>	<u>Description</u>
9	Excellent
8	Very Good.
7	Good. Some minor problems.
6	Satisfactory. Structural elements show some minor deterioration.
5	Fair. All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor. Advanced section loss, deterioration, spalling or scour.
3	Serious. Loss of section, deterioration, spalling, or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical. Advanced deterioration of primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed sub-structure support. Unless closely monitored, it may be necessary to close the bridge until corrective action is taken.

COMMONWEALTH OF KENTUCKY
Notes To Required Supplementary Information
June 30, 2015

- 1 Imminent failure. Major deterioration or section loss present in critical structural components or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic, but corrective action may put it back in light service.
- 0 Failure. Out of service, beyond corrective action.

Established Minimum Condition Level

No more than 10% of the bridges shall be rated as “structurally deficient.” In addition, the total deck area of structurally deficient, state maintained bridges will not exceed 12% of the total deck area of all state maintained bridges.

Assessed Conditions

A bridge coded 4 or less for its deck, superstructure, or substructure, or coded 2 or less for its structural evaluation or waterway adequacy is classified as “structurally deficient.” A structurally deficient bridge is inadequate to carry legal loads, whether caused by structural deterioration, obsolete design standards, or an insufficient waterway opening. A bridge coded 3 or less for its structural evaluation, deck geometry, vertical or horizontal underclearance, water adequacy, or approach roadway alignment is classified as “functionally obsolete.” A functionally obsolete bridge cannot properly accommodate the current traffic. The following table reports the percentage of bridges whose condition was assessed as “structurally deficient” in the corresponding year:

<u>Calendar Year</u>	<u>Structurally Deficient</u>	<u>Deck Area</u> <u>Structurally Deficient</u>
2015	43%	42%

The bridge condition goals above represent the Cabinet’s goal for all structures located on the Commonwealth’s state maintained highway system. The actual conditions of the bridges for which the Authority is responsible do not meet this stated goal for the reporting period. The LSIORBP has required a lengthy planning and development period and in anticipation of the construction activities much of the needed preservation work has been postponed. Construction activities are well underway and will either fully preserve or replace all existing bridge structures, restoring the asset’s conditions to above goal levels. During construction routine inspections and conditions assessments have continued and required maintenance has been performed to insure all bridges are safe for traffic. Once construction is completed, the Authority will work with the Cabinet to adopt bridge condition goals for the LSIORBP assets. The Authority received the title to the bridges during the year ended June 30, 2015 and as such historical condition assessments are not reported by the Authority.

Estimated and Actual Costs to Maintain

The following table presents the Authority’s estimate of spending necessary to preserve and maintain the pavements, bridges, and maintenance condition at, or above, the “Established Condition Levels” cited above and the actual amount spent during the past fiscal years (thousands):

	<u>Roadways</u>	<u>Bridges</u>	<u>Total</u>
<u>Fiscal Year 2015:</u>			
Estimated	\$ 4,913	\$ 0	\$ 4,913

Note: A total of approximately \$65,527,000 was spent on preservation costs for roadways related to the LSIORBP assets by all Commonwealth parties. Estimated costs for roadways was not developed for the year ended 2015 by the Authority as the date of transfer of assets was uncertain. There were no preservation costs incurred for bridges during the year ended June 30, 2015.

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
ENTITY RISK POOLS
CLAIMS DEVELOPMENT INFORMATION
FOR THE LAST TEN YEARS
(Expressed in Thousands)

State Workers' Compensation Program

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Earned Premiums	\$ 24,812	\$ 23,395	\$ 24,293	\$ 21,764	\$ 23,666	\$ 22,094	\$ 22,993	\$ 24,500	\$ 24,497	\$ 23,017
Administrative Expense	1,149	1,127	1,070	1,094	936	1,031	1,013	955	1,038	1,007
Incurred Claims as Originally Estimated	19,493	18,161	16,765	21,006	19,084	20,372	21,269	23,043	25,619	24,847
Claims Paid (Cumulative) as of:										
End of Fiscal Year	4,131	4,898	4,078	4,907	4,613	5,497	5,245	5,076	7,314	6,221
One Year Later	7,862	8,716	7,585	8,252	8,675	9,233	9,568	7,927	10,235	
Two Years Later	9,632	10,947	9,316	9,328	10,433	11,153	11,806	9,695		
Three Years Later	10,873	12,259	10,364	10,065	11,489	12,309	13,296			
Four Years Later	11,609	12,981	11,115	10,319	12,067	13,390				
Five Years Later	12,126	13,899	11,592	10,514	12,506					
Six Years Later	12,663	14,407	12,052	10,716						
Seven Years Later	13,110	14,966	12,473							
Eight Years Later	13,549	15,460								
Nine Years Later	13,892									
Re-estimation of Incurred Claims:										
End of Fiscal Year	19,493	18,161	16,765	21,006	19,084	20,372	21,269	23,043	25,619	24,847
One Year Later	17,769	19,152	17,770	19,270	20,373	21,613	22,466	20,463	23,517	
Two Years Later	17,758	20,192	17,851	18,313	20,170	21,966	23,455	19,660		
Three Years Later	18,338	20,618	18,483	18,183	21,106	22,550	23,631			
Four Years Later	18,755	21,460	19,849	17,847	21,236	23,060				
Five Years Later	19,417	22,379	20,188	17,579	21,148					
Six Years Later	19,931	22,906	19,975	17,289						
Seven Years Later	20,288	23,144	19,751							
Eight Years Later	20,055	22,997								
Nine Years Later	19,706									
Increase (Decrease) in Estimated Incurred Claims From the Original Estimate Using Re-estimation at the End of the Most Recent Fiscal Year	213	4,836	2,986	(3,717)	2,064	2,688	2,363	(3,383)	(2,102)	

SOURCE: Compilation Report

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
ENTITY RISK POOLS
CLAIMS DEVELOPMENT INFORMATION
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

Kentucky Public Employees Health Plan

	2006**	2007	2008	2009	2010	2011 as restated	2012	2013	2014	2015
Earned Premiums	\$ 578,263	\$ 1,091,702	\$ 1,191,248	\$ 1,310,553	\$ 1,466,303	\$ 1,571,312	\$ 1,600,787	\$ 1,597,599	\$ 1,606,992	\$ 1,612,540
Administrative Expense	28,998	57,782	68,883	72,836	77,104	81,048	82,088	81,459	87,108	83,049
Incurred Claims as Originally Estimated	467,315	1,042,931	1,164,712	1,292,059	1,391,340	1,475,301	1,531,838	1,530,199	1,460,930	1,347,112
Claims Paid (Cumulative) as of:										
End of Fiscal Year	398,456	970,764	1,089,989	1,264,866	1,318,824	1,391,375	1,445,035	1,539,862	1,367,500	1,275,354
One Year Later	473,766	1,035,700	1,173,449	1,290,727	1,399,923	1,477,129	1,533,569	1,537,204	1,477,144	
Two Years Later	473,046	1,043,837	1,173,366	1,289,633	1,396,976	1,466,785	1,532,732	1,537,204		
Three Years Later	475,709	1,043,442	1,169,819	1,289,628	1,396,631	1,466,629	1,532,537			
Four Years Later	475,656	1,043,442	1,169,814	1,289,628	1,396,631	1,466,785				
Five Years Later	475,656	1,043,442	1,169,814	1,289,628	1,396,631					
Six Years Later	475,656	1,043,442	1,169,814	1,289,628						
Seven Years Later	475,656	1,043,442	1,169,814							
Eight Years Later	475,656	1,043,442								
Nine Years Later	475,656									
Re-estimation of Incurred Claims:										
End of Fiscal Year	467,315	1,042,931	1,164,712	1,292,059	1,391,340	1,475,301	1,531,838	1,530,199	1,460,930	1,347,112
One Year Later	473,872	1,035,976	1,173,890	1,289,389	1,398,877	1,474,723	1,532,352	1,537,907	1,474,433	
Two Years Later	473,046	1,043,923	1,173,323	1,289,628	1,396,631	1,466,629	1,532,537	1,536,507		
Three Years Later	475,715	1,043,442	1,169,814	1,289,628	1,396,631	1,466,629	1,532,537			
Four Years Later	475,656	1,043,442	1,169,814	1,289,628	1,396,631	1,466,629				
Five Years Later	475,656	1,043,442	1,169,814	1,289,628	1,396,631					
Six Years Later	475,656	1,043,442	1,169,814	1,289,628						
Seven Years Later	475,656	1,043,442	1,169,814							
Eight Years Later	475,656	1,043,442								
Nine Years Later	475,656									
Increase (Decrease) in Estimated Incurred Claims From the Original Estimate Using Re-estimation at the End of the Most Recent Fiscal Year	8,341	511	5,101	(2,431)	5,291	(8,673)	699	6,308	13,503	

** January 1, 2006 was the Plan's inception date. This information is for the period ended 2006 and represents six months of data.

SOURCE: Audited Financial Statements

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

Kentucky Judicial Retirement Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 15,220	\$ 15,220	\$ 15,220	\$ 10,302
Contributions in relation to the actuarially determined contribution	10,805	10,805	10,399	4,946
Contribution deficiency (excess)	<u>\$ 4,415</u>	<u>\$ 4,415</u>	<u>\$ 4,821</u>	<u>\$ 5,356</u>
Covered-employee payroll	32,930	32,930	32,930	33,175
Contributions as a percentage of covered-employee payroll	32.81%	32.81%	31.58%	14.91%

Notes to Schedule

Valuation date	July 1, 2014	July 1, 2014	July 1, 2013	July 1, 2012
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Methods and assumptions used to determine contributions :

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Projected Unit Credit cost
Amortization Method	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value
Investment Return	6.15%	6.15%	7.00%	7.00%
Inflation	3.00%	3.00%		
Projected Salary Increase	1% for next 5 years 3.5% thereafter	1% for next 5 years 3.5% thereafter	1% for next year 1% the following year 3.5% thereafter	1% for next year 1% the following year 3.5% thereafter
Mortality	Mortality rates were based on IRS2008 Mortality Tables without collar adjustment with Pre and Post Commencement Rates with projected mortality improvements after 2000 under Projection Scale AA (male and female scales). Prior to July 1, 2011, RP-2000 Mortality Tables projected 2009 without collar adjustment for male and female lives was used.			

Note: Effective for the year ended June 30, 2008, medical insurance employer contributions have been segregated from defined benefit contributions.

2011	2010	2009	2008	2007	2006
\$ 10,302	\$ 4,512	\$ 4,512	\$ 2,375	\$ 2,835	\$ 1,912
4,534	4,470	4,470	2,375	2,788	1,855
<u>\$ 5,768</u>	<u>\$ 42</u>	<u>\$ 42</u>	<u>\$</u>	<u>\$ 47</u>	<u>\$ 57</u>
33,175	29,887	29,887	31,224	31,941	26,977
13.67%	14.96%	14.96%	7.61%	8.73%	6.88%
July 1, 2011	June 30, 2009	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006
Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost
Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability
Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
7.00%	7.00%	7.00%	7.50%	7.50%	7.50%
1% for next year 2% the following year 4% thereafter	1% for next year 2% the following year 4% thereafter	1% for next year 2% the following year 4% thereafter	4%	4%	4%

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

Kentucky Legislators' Retirement Plan

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 3,215	\$ 3,215	\$ 3,215	\$ 2,140
Contributions in relation to the actuarially determined contribution	1,825	1,825	1,696	1,027
Contribution deficiency (excess)	<u>\$ 1,390</u>	<u>\$ 1,390</u>	<u>\$ 1,519</u>	<u>\$ 1,113</u>
Covered-employee payroll	4,988	4,988	4,988	5,193
Contributions as a percentage of covered-employee payroll	36.59%	36.59%	34.00%	19.78%

Notes to Schedule

Valuation date	July 1, 2014	July 1, 2014	July 1, 2013	July 1, 2012
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Methods and assumptions used to determine contributions :

Actuarial Cost Method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Projected Unit Credit cost
Amortization Method	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability Open	Interest + 1% Unfunded Past Liability Open
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value
Investment Return	6.50%	6.50%	7.00%	7.00%
Inflation	0.03	0.03		
Projected Salary Increase	1% for next 5 years 3.5% thereafter	1% for next 5 years 3.5% thereafter	1% for next year 1% the following year 3.5% thereafter	1% for next year 1% the following year 3.5% thereafter
Mortality	Mortality rates were based on IRS 2008 Mortality Tables without collar adjustment with Pre and Post Commencement Rates with projected mortality improvements after year 2000 under Projection Scale AA (male and female scales). Prior to July 1 2011, RP-2000 Mortality Tables projected 2009 without collar adjustment for male and female lives was used.			

Note: Effective for the year ended June 30,2008, medical insurance employer contributions have been segregated from defined benefit contributions

2011	2010	2009	2008	2007	2006
\$ 2,140	\$ 320	\$ 320	\$ 429	\$ 714 (34)	\$
942	320	320	429	748	
<u>\$ 1,198</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>		
5,193	4,917	4,917	4,755	4,764	4,426
18.14%	6.51%	6.51%	9.02%	15.70%	0.00%
July 1, 2011	June 30, 2009	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006
Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost	Projected Unit Credit cost
Interest + 1% Unfunded Past Liability Open	Interest + 1% Unfunded Past Liability Open	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability	Interest + 1% Unfunded Past Liability
Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
7.00%	7.00%	7.50%	7.50%	7.50%	7.50%
1% for next year 2% the following year 4% thereafter	1% for next year 2% the following year 4% thereafter	1% for next year 2% the following year 4% thereafter	4.00%	4.00%	4.00%

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE LAST TEN FISCALS YEARS
(Expressed in Thousands)

State Police Retirement System

	2015	2014	2013	2012
Actuarially determined contribution	\$ 25,808	\$ 25,808	\$ 23,117	\$ 20,498
Contributions in relation to the actuarially determined contribution	20,279	20,279	18,501	15,362
Contribution deficiency (excess)	<u>\$ 5,529</u>	<u>\$ 5,529</u>	<u>\$ 4,616</u>	<u>\$ 5,136</u>
Covered-employee payroll	\$ 44,616	\$ 44,616	\$ 45,256	\$ 48,373
Contributions as a percentage of covered-employee payroll	45.45%	45.45%	40.88%	31.76%

Notes to Schedule

Valuation date	June 30, 2014	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and assumptions used to determine contributions :

Actuarial Cost Method	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed
Asset Valuation Method	Five-year smoothed market	Five-year smoothed market	Five-year smoothed market	Five-year smoothed market
Investment Return	7.75%	7.75%	7.75%	7.75%
Inflation	3.50%	3.50%	3.50%	3.50%
Projected Salary Increase	4.50%	4.50%	4.5%-21%	4.%-21%

Mortality

The rates of mortality for the period after service retirement are according to the 1983 Group Annuity Mortality Table for all retired members and beneficiaries as June 30, 2006, and the 1994 Group Annuity Mortality Table for all other members. The Group Annuity Mortality Table set forward 5 years is used for the period after disability retirement.

2011	2010	2009	2008	2007	2006
\$ 18,463	\$ 18,765	\$ 15,952	\$ 13,823	\$ 9,024	\$ 6,353
12,657	9,489	8,186	7,443	6,142	4,244
\$ 5,806	\$ 9,276	\$ 7,766	\$ 6,380	\$ 2,882	\$ 2,109
\$ 48,693	\$ 51,507	\$ 51,660	\$ 20,498	\$ 49,248	\$ 47,744
25.99%	18.42%	15.85%	13.97%	12.47%	8.89%
June 30, 2011	June 30, 2010	June 30, 2009	June 30, 2008	June 30, 2007	June 30, 2006
Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed	Level percentage of payroll closed
Five-year smoothed market	Five-year smoothed market	Five-year smoothed market	Five-year smoothed market	Five-year smoothed market	Five-year smoothed market
7.75%	7.75%	7.75%	7.75%	7.75%	7.75%
3.50%	3.50%	4.50%	3.50%	3.50%	3.50%
4.5%-21%	5%-21%	4.5%-21%	4%-14.5%	4%-14.5%	4%-14.5%

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE CURRENT FISCAL YEAR
(Expressed in Thousands)

Kentucky Employees Retirement Plan		2015
Non-Hazardous		
Actuarially determined contribution		\$ 355,949
Contributions in relation to the actuarially determined contribution		202,891
Contribution deficiency (excess)		<u>\$ (153,058)</u>
Covered-employee payroll		1,078,236
Contributions as a percentage of covered-employee payroll		18.82%
Notes to Schedule		
Valuation date		June 30, 2014
Methods and assumptions used to determine contributions :		
Actuarial Cost Method		Entry Age
Amortization Method		Level percentage of payroll closed
Asset Valuation Method		Five-year smoothed market
Investment Return		3.50%
Inflation		7.75%
Projected Salary Increase		4.5% per annum
Mortality	1983 Group Annuity Table for all retired members and beneficiaries as of June 30, 2006, and the 1994 Group Annuity Mortality Table for all other members.	
This is a 10 year schedule. Years will be added to this schedule in future fiscal years until 10 years of information is available.		

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE CURRENT FISCAL YEAR
(Expressed in Thousands)

Kentucky Employees Retirement Plan		
Hazardous		2015
Actuarially determined contribution		\$ 13,289
Contributions in relation to the actuarially determined contribution		11,428
Contribution deficiency (excess)		\$ (1,861)
Covered-employee payroll		126,402
Contributions as a percentage of covered-employee payroll		9.04%
Notes to Schedule		
Valuation date		June 30, 2014
Methods and assumptions used to determine contributions :		
Actuarial Cost Method		Entry Age Normal
Amortization Method		Level percentage of payroll closed
Asset Valuation Method		Five-year smoothed market
Investment Return		7.75%
Inflation		3.50%
Projected Salary Increase		1% per annum
Mortality	1983 Group Annuity Table for all retired members and beneficiaries as of June 30, 2006, and the 1994 Group Annuity Mortality Table for all other members.	
This is a 10 year schedule. Years will be added to this schedule in future fiscal years until 10 years of information is available.		

**COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - PENSION
FOR THE CURRENT FISCAL YEAR
(Expressed in Thousands)**

Kentucky Teachers Retirement System

	2015
Actuarially determined contribution	\$
Employer	16,469
Nonemployer special funding	806,977
Contributions in relation to the actuarially determined contribution	
Employer	11,266
Nonemployer special funding	552,060
Contribution deficiency (excess)	\$ 260,120
Covered-employee payroll	3,443,138
Contributions as a percentage of covered-employee payroll	23.91%

Notes to Schedule

Valuation date	June 30, 2014
----------------	---------------

Methods and assumptions used to determine contributions :

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of payroll closed
Asset Valuation Method	Five-year smoothed market
Investment Return	7.50%
Inflation	3.50%
Projected Salary Increase	4.0-8.20%

Mortality	Mortality rates were based on IRS2000 Combined Mortality Table projected to 2020 using scale AA (set back one year for females) is used for death after service retirement and beneficiaries. The RP-2000 Disabled Mortality table (set back seven years for males and set forward five years for females) is used for death after disability retirement.
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This is a 10 year schedule. Years will be added to this schedule in future fiscal years until 10 years of information is available.



COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE CURRENT FISCAL YEAR

Schedule of Changes in Net Pension Liability and Related Ratios
(Expressed in Thousands)

	Kentucky Legislators' Retirement Plan	Kentucky Judicial Retirement Plan	State Police Retirement System
Total Pension Liability			
Service Costs	\$ 1,000	\$ 5,000	\$ 7,142
Interest	4,900	21,900	50,391
Changes in benefit terms			
Differences between expected and actual experience			
Changes in assumptions	3,700	29,100	
Benefit payments/refunds	(3,500)	(21,800)	(53,239)
Net change in total pension liability	6,100	34,200	4,294
Total pension liability at July 1	72,600	332,100	676,825
Total pension liability at June 30	<u>\$ 78,700</u>	<u>\$ 366,300</u>	<u>\$ 681,119</u>
Pension Plan Fiduciary Net Position			
Contributions - employer	\$ 1,800	\$ 12,400	\$ 20,279
Contributions - member	200	2,800	5,076
Contributions - Commonwealth of Kentucky			
Contributions - other employers			
Net investment income	7,900	32,900	40,374
Benefit payments/refunds	(3,500)	(21,800)	(53,239)
Administrative expenses	(100)	(200)	(214)
Other	100	400	
Net change in plan fiduciary net position	6,400	26,500	12,276
Pension plan fiduciary net position at July 1	48,200	217,400	248,698
Pension plan fiduciary net position at June 30	<u>\$ 54,600</u>	<u>\$ 243,900</u>	<u>\$ 260,974</u>
Net pension liability at June 30	<u>\$ 24,100</u>	<u>\$ 122,400</u>	<u>\$ 420,145</u>
Pension plan fiduciary net position as a % of the total pension liability	69.38%	66.58%	38.32%
Covered-employee payroll	4,988	32,930	44,616
Net Pension liability as a % of covered employee payroll	483.16%	371.70%	941.69%

This is a 10 year schedule. Years will be added to this schedule in future fiscal years until 10 years of information is available.

COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COMMONWEALTH'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FOR THE CURRENT FISCAL YEAR

Schedule of Commonwealth's Proportionate Share of the Net Pension Liability
(Expressed in Thousands)

	Kentucky Employees' Retirement System		Kentucky Teachers' Retirement System
	Non-Hazardous	Hazardous	
Fiscal Year Ended 2015			
Commonwealth's proportionate share of the net pension liability (asset)	68.351%	97.928%	94.980%
Commonwealth's proportionate share of the collective net pension liability (asset)	\$ 6,132,338	\$ 250,075	\$ 20,508,196
Other employers' proportionate share of the collective net pension liability (asset)	2,839,482	5,291	1,084,009
Total collective net pension liability	<u>\$ 8,971,820</u>	<u>\$ 255,366</u>	<u>\$ 21,592,205</u>
Commonwealth's covered-employee payroll	\$ 1,078,236	\$ 126,402	\$ 3,443,138
Commonwealth's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	568.74%	197.84%	595.63%
Pension plan fiduciary net position as a percentage of the total pension liability	22.32%	68.74%	45.59%

This is a 10 year schedule. Years will be added to this schedule in future fiscal years until 10 years of information is available.



OTHER SUPPLEMENTARY INFORMATION

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND
SCHEDULES - NON-MAJOR FUNDS**

NON-MAJOR GOVERNMENTAL FUNDS

Debt Service Funds

Turnpike Authority of Kentucky - accounts for and reports financial resources that are restricted, committed, or assigned for the payment of principal, interest, and administrative fees due on debt issued to acquire infrastructure, which is then leased to the Transportation Cabinet of the Commonwealth.

The Kentucky School Facilities Construction Commission - accounts for and reports financial resources which are restricted, committed, or assigned for the payment of the Commonwealth's portion of principal, interest, and administrative fees due on debt issued by local school districts for school construction.

Special Revenue Funds

The Other Special Revenue Fund - accounts for and reports specific taxes, fees, and charges that are restricted or committed to expenditures for a particular function or activity, but not usually appropriated by the General Assembly.

The Turnpike Authority of Kentucky – accounts for and reports specific resources that are restricted, committed, or assigned. The Authority was created to issue debt, which is used to acquire infrastructure, which is then leased to the Transportation Cabinet of the Commonwealth.

The Kentucky School Facilities Construction Commission - accounts for and reports specific resources which are restricted, committed, or assigned. This fund was established to assist local school districts in meeting the school construction needs of the Commonwealth in a manner that ensures an equitable distribution of funds based upon unmet needs.

The Special Benefits Fund - accounts for other fiduciary monies that will be expended for designated operations.

COMMONWEALTH OF KENTUCKY
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Debt Service Funds		
	Turnpike Authority of Kentucky	Kentucky School Facilities Construction Commission	Other Special Revenue
Assets			
Cash and cash equivalents	\$ 3,572	\$	\$
Investments, net of amortization			95,318
Invested security collateral			12,227
Receivables, net			134,010
Notes receivable			2,097
Interfund receivables	116,205		1,766
Interfund loan receivable			13,566
Inventories			37
Total Assets	<u>\$ 119,777</u>	<u>\$</u>	<u>\$ 259,021</u>
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	\$	\$	\$ 775
Interfund payables			21,930
Interfund loan payable			52,744
Obligations under securities lending			12,227
Unearned revenue	1,671		34
Total Liabilities	<u>1,671</u>		<u>87,710</u>
Deferred inflows of resources			
Unavailable			51,105
Fund Balances:			
Nonspendable			
Inventories			37
Long-term receivables			2,097
Restricted for:			
General government			3,419
Legislative and judicial			
Commerce			2,096
Education and humanities			15,985
Human resources			49,505
Natural resources and environmental protection			15,107
Public protection and regulation			
Transportation			1,629
Debt service	118,106		
Committed to:			
General government			26,654
Education and humanities			114
Human resources			520
Justice			
Natural resources and environmental protection			
Assigned to:			
General government			3,043
Total Fund Balances	<u>118,106</u>		<u>120,206</u>
Total Liabilities and Fund Balances	<u>\$ 119,777</u>	<u>\$</u>	<u>\$ 259,021</u>

Special Revenue Funds			
Turnpike Authority of Kentucky	Kentucky School Facilities Construction Commission	Special Benefits	Total Non-Major Governmental Funds
\$ 119,549	\$ 11,438	\$ 131,305	\$ 265,864
74,971	10,582	90,430	271,301
		63,662	75,889
		56,739	190,749
			2,097
	2,324	4,619	124,914
			13,566
			37
<u>\$ 194,520</u>	<u>\$ 24,344</u>	<u>\$ 346,755</u>	<u>\$ 944,417</u>
\$ 10	\$ 26	\$ 14,182	\$ 14,993
116,205	3,673	3,985	145,793
			52,744
		63,662	75,889
			1,705
<u>116,215</u>	<u>3,699</u>	<u>81,829</u>	<u>291,124</u>
		49,974	101,079
			37
			2,097
		34,284	37,703
		1	1
			2,096
	20,645	2,332	38,962
		27,026	76,531
		49,830	64,937
		856	856
78,305			79,934
			118,106
		54,818	81,472
		9,375	9,489
		5,064	5,584
		473	473
		30,893	30,893
			3,043
<u>78,305</u>	<u>20,645</u>	<u>214,952</u>	<u>552,214</u>
<u>\$ 194,520</u>	<u>\$ 24,344</u>	<u>\$ 346,755</u>	<u>\$ 944,417</u>

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Debt Service Funds		Other Special Revenue
	Turnpike Authority of Kentucky	Kentucky School Facilities Construction Commission	
Revenues			
Taxes	\$	\$	\$ 69,832
Licenses, fees, and permits			460
Intergovernmental			
Charges for services			77,709
Fines and forfeits			18,689
Interest and other investment income			470
Increase (decrease) in fair value of investments			(199)
Securities lending income			58
Other revenues	3,344		13,025
Total Revenues	<u>3,344</u>	<u></u>	<u>180,044</u>
Expenditures			
Current:			
General government		94,627	116,014
Commerce			435
Education and humanities			47,201
Human resources			4,967
Justice			
Natural resources and environmental protection			74
Public protection and regulation			
Transportation			
Debt service:			
Principal retirement	73,570	70,402	
Interest and fiscal charges	72,242	26,560	
Other expenditures		16,399	
Securities lending expense			26
Total Expenditures	<u>145,812</u>	<u>207,988</u>	<u>168,717</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(142,468)</u>	<u>(207,988)</u>	<u>11,327</u>
Other Financing Sources (Uses)			
Transfers in	149,596	96,962	309,930
Transfers out			(327,905)
Issuance of bonds:			
New issues		93,302	
Refunding issues		119,332	
Premiums		4,351	
Discounts		(972)	
Payments to refunded bond escrow agent		(104,987)	
Total Other Financing Sources (Uses)	<u>149,596</u>	<u>207,988</u>	<u>(17,975)</u>
Net Change in Fund Balances	7,128		(6,648)
Fund Balances at July 1	110,978		126,854
Fund Balances at June 30	<u>\$ 118,106</u>	<u>\$</u>	<u>\$ 120,206</u>

Special Revenue Funds			
Turnpike Authority of Kentucky	Kentucky School Facilities Construction Commission	Special Benefits	Total Non-Major Governmental Funds
\$	\$	\$	\$
		21,349	91,181
		4,104	4,564
		118	118
		165,576	243,285
		2,146	20,835
875	16	3,241	4,602
		(1,698)	(1,897)
		304	362
16	6,497	80,610	103,492
891	6,513	275,750	466,542
		67,403	278,044
		36	471
	12,717	14,004	73,922
		22,405	27,372
		1,679	1,679
		7,881	7,955
		2,588	2,588
102,762		102,252	205,014
			143,972
			98,802
			16,399
		136	162
102,762	12,717	218,384	856,380
(101,871)	(6,204)	57,366	(389,838)
149,596	19,071	20,569	745,724
(149,596)	(12,236)	(79,209)	(568,946)
			93,302
			119,332
			4,351
			(972)
			(104,987)
	6,835	(58,640)	287,804
(101,871)	631	(1,274)	(102,034)
180,176	20,014	216,226	654,248
\$ 78,305	\$ 20,645	\$ 214,952	\$ 552,214

SCHEDULE OF FUND ACTIVITIES

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES BY SOURCE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed In Thousands)

Revenues by Source	June 30, 2015
Taxes:	
Sales and gross receipts	\$ 4,109,920
Income:	
Individual	4,048,848
Corporations	536,961
Property	675,961
Coal severance	200,801
Licenses and privileges	827
Inheritance and estate	50,261
Miscellaneous	2,641
Total Taxes	<u>9,626,220</u>
Licenses, fees, and permits	47,898
Intergovernmental	10,321
Charges for services	248,409
Fines and forfeits	36,463
Interest and other investment income	4,326
Increase (decrease) in fair value of investments	(581)
Securities lending income	530
Other revenues	36,958
Total Revenues by Source	<u>\$ 10,010,544</u>

COMMONWEALTH OF KENTUCKY
SCHEDULE OF EXPENDITURES BY FUNCTION, CABINET, AND OBJECT
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed In Thousands)

	June 30, 2015
General Government:	
Personal services	\$ 284,118
Utilities, rentals, and other services	43,237
Commodities and supplies	27,298
Grants and subsidies	1,160,146
Capital outlay	707
Travel	1,423
Judgments and contingent liabilities	12,344
Other	2,491
Total General Government	1,531,764
Legislative and Judicial:	
Personal services	220,221
Utilities, rentals, and other services	123,681
Commodities and supplies	19,882
Grants and subsidies	20,465
Capital outlay	2,385
Claims	24
Travel	4,140
Judgments and contingent liabilities	32
Principal retirement	2,033
Other	112
Total Legislative and Judicial	392,975
Commerce:	
Personal services	11,580
Utilities, rentals, and other services	1,864
Commodities and supplies	756
Grants and subsidies	16,242
Capital Outlay	120
Travel	235
Total Commerce	30,797
Education and Humanities:	
Personal services	99,674
Utilities, rentals, and other services	24,379
Commodities and supplies	6,094
Grants and subsidies	4,114,761
Capital outlay	224
Claims	(147)
Travel	2,049
Judgments and contingent liabilities	(291)
Total Education and Humanities	4,246,743
Human Resources:	
Personal services	219,733
Utilities, rentals, and other services	36,876
Commodities and supplies	4,406
Grants and subsidies	1,925,696
Capital Outlay	3,569
Claims	62,647
Travel	5,770
Judgments and contingent liabilities	42
Total Human Resources	2,258,739
Justice:	
Personal services	393,413
Utilities, rentals, and other services	52,281
Commodities and supplies	21,759
Grants and subsidies	224,532
Capital outlay	4,291
Claims	39
Travel	3,661
Judgments and contingent liabilities	3,600
Total Justice	703,576

	June 30, 2015
Natural Resources and Environmental Protection:	
Personal services	\$ 56,344
Utilities, rentals, and other services	5,973
Commodities and supplies	2,295
Grants and subsidies	1,409
Capital outlay	9
Travel	218
Total Natural Resources and Environmental Protection	66,248
Public Protection and Regulation:	
Personal services	13,371
Utilities, rentals, and other services	1,483
Commodities and supplies	193
Grants and subsidies	252
Capital outlay	131
Travel	101
Total Public Protection and Regulation	15,531
Transportation:	
Personal services	415
Utilities, rentals, and other services	4
Commodities and supplies	40
Grants and subsidies	13,533
Travel	3
Total Transportation	13,995
Securities lending	237
Total Expenditures	\$ 9,260,605

COMMONWEALTH OF KENTUCKY
SCHEDULE OF REVENUES AND EXPENDITURES BY TYPE
TRANSPORTATION FUND
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed In Thousands)

	June 30, 2015
Revenues:	
Taxes	\$ 1,361,857
Licenses, fees and permits	145,649
Intergovernmental	7
Charges for services	8,649
Fines and forfeits	25
Interest and other investment income	5,506
Increase (decrease) in fair value of investments	(3,317)
Securities lending income	627
Other revenues	6,739
Total Revenues	<u>1,525,742</u>
Expenditures:	
Transportation:	
General administration and support	68,190
Motor vehicle regulation	22,286
Justice - state police	95,892
Highways	1,377,632
Aviation	761
Securities lending	280
Other	400
Total Expenditures	<u>\$ 1,565,441</u>

INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services provided on a cost reimbursement basis by one agency of the Commonwealth to other state agencies. Kentucky uses the following Internal Service Funds:

Fleet Management Fund - accounts for expenses incurred and reimbursements received for the management and maintenance of the Commonwealth's motor vehicle fleet.

Computer Services Fund - accounts for expenses incurred and reimbursements received for computer and related data processing services.

Prison Industries Fund - accounts for expenses incurred and reimbursements received for industrial operations within the correctional system.

Central Printing Fund - accounts for expenses incurred and reimbursements received by the Division of Printing.

Property Management Fund - accounts for expenses incurred and reimbursements received for space rental and maintenance operations.

Risk Management Fund - accounts for the self-insurance operations administered by the State which include the following programs:

Fire and Tornado Insurance Program - accounts for monies received by the Department of Insurance from State agencies and expended for insuring State property against loss from fires, tornadoes, etc.

State Workers' Compensation Program - accounts for monies received by the Personnel Cabinet from State agencies and expended for claims of job related injuries to State employees.

Transportation Cabinet's Self-Insured Workers' Compensation Trust Program - provides workers' compensation insurance for the employees of the Transportation Cabinet.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Fleet Management	Computer Services	Prison Industries
Assets			
Current assets:			
Cash and cash equivalents	\$ 6,876	\$ 15,544	\$ 1,466
Cash with fiscal agents	7,681		
Receivables, net	3	111	467
Interfund receivables		4,278	187
Inventories	17	467	1,954
Prepaid expenses			
Total Current Assets	14,577	20,400	4,074
Noncurrent assets:			
Investments, net		4,995	
Receivables, net			
Land			657
Improvements other than buildings			
Buildings		9,522	5,816
Machinery and equipment	76,271	47,433	5,803
Easements and other intangibles		1,675	
Less: Accumulated depreciation	(56,565)	(45,138)	(6,103)
Construction in progress			
Total Capital Assets	19,706	13,492	6,173
Total Noncurrent Assets, Net	19,706	18,487	6,173
Total Assets	34,283	38,887	10,247
Deferred outflows of resources	282	8,531	783
Liabilities			
Current liabilities:			
Accounts payable	1,150	6,232	636
Interfund payables	8	1,903	34
Interfund loans payable			
Claims liability			
Claims adjustment liability			
Capital lease obligations	7,703	1,899	
Compensated absences	67	2,902	197
Unearned revenue		26	
Total Current Liabilities	8,928	12,962	867
Noncurrent liabilities:			
Claims liability			
Claims adjustment liability			
Capital lease obligations	10,531	3,802	
Compensated absences	62	2,445	296
Net pension liability	4,857	146,916	13,490
Total Noncurrent Liabilities	15,450	153,163	13,786
Total Liabilities	24,378	166,125	14,653
Deferred inflows of resources	62	1,888	173
Net Position			
Net investment in capital assets	1,472	7,790	6,173
Unrestricted	8,653	(128,385)	(9,969)
Total Net Position	\$ 10,125	\$ (120,595)	\$ (3,796)

Central Printing	Property Management	Risk Management	Totals June 30, 2015
\$	\$	\$	\$
	15,621	16,432	55,939
	44,435		52,116
5	180	351	1,117
	10		4,475
43			2,481
		5	5
48	60,246	16,788	116,133
	12,356	335	17,686
		238	238
	17,147		17,804
	3,133		3,133
	260,250		275,588
943	2,104		132,554
			1,675
(837)	(171,523)		(280,166)
	96,886		96,886
106	207,997		247,474
106	220,353	573	265,398
154	280,599	17,361	381,531
189	2,484	334	12,603
121	2,737	3,842	14,718
5	113	8	2,071
459	2,085		2,544
		26,326	26,326
		800	800
43	749		10,394
81	13	54	3,314
			26
709	5,697	31,030	60,193
		183,747	183,747
		4,588	4,588
11	7,848		22,192
61	1,712	93	4,669
3,260	42,779	5,604	216,906
3,332	52,339	194,032	432,102
4,041	58,036	225,062	492,295
42	550	72	2,787
52	199,400		214,887
(3,792)	25,097	(207,439)	(315,835)
\$ (3,740)	\$ 224,497	\$ (207,439)	\$ (100,948)

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Fleet Management	Computer Services	Prison Industries
Operating Revenues:			
Charges for services	\$ 26,715	\$ 114,912	\$ 11,110
Other revenues	233		13
Total Operating Revenues	<u>26,948</u>	<u>114,912</u>	<u>11,123</u>
Operating Expenses:			
Personal services	1,889	77,906	3,690
Utilities, rentals, and other services	2,902	20,840	1,246
Commodities and supplies	12,919	13,913	5,320
Grants and subsidies			569
Depreciation and amortization	6,771	14,082	429
Travel		114	29
Reinsurance expense			
Claims expense			
Claims adjustment expense			
Total Operating Expenses	<u>24,481</u>	<u>126,855</u>	<u>11,283</u>
Operating Income (Loss)	<u>2,467</u>	<u>(11,943)</u>	<u>(160)</u>
Nonoperating Revenues (Expenses):			
Gain (loss) on sale of capital assets	645	(653)	18
Interest and other investment income			
Interest expense	(209)	(256)	
Other revenues (expenses)			
Total Nonoperating Revenues and Expenses	<u>436</u>	<u>(909)</u>	<u>18</u>
Income (Loss) before Transfers	2,903	(12,852)	(142)
Capital contributions	71		
Transfers in			
Transfers out		(500)	
Change in Net Position	2,974	(13,352)	(142)
Net Position at July 1, As Restated	7,151	(107,243)	(3,654)
Net Position at June 30	<u>\$ 10,125</u>	<u>\$ (120,595)</u>	<u>\$ (3,796)</u>

Central Printing	Property Management	Risk Management	Totals June 30, 2015
\$ 1,638	\$ 35,886	\$ 32,528	\$ 222,789
	35	13,646	13,927
1,638	35,921	46,174	236,716
1,140	18,744	3,213	106,582
360	13,359	2,432	41,139
239	10,012	141	42,544
			569
57	5,323		26,662
	29	3	175
		12,987	12,987
		37,947	37,947
		404	404
1,796	47,467	57,127	269,009
(158)	(11,546)	(10,953)	(32,293)
	(132)		(122)
		(1)	(1)
(1)	(332)		(798)
		70	70
(1)	(464)	69	(851)
(159)	(12,010)	(10,884)	(33,144)
			71
	63,876		63,876
	(289)	(2,070)	(2,859)
(159)	51,577	(12,954)	27,944
(3,581)	172,920	(194,485)	(128,892)
\$ (3,740)	\$ 224,497	\$ (207,439)	\$ (100,948)

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Fleet Management	Computer Services	Prison Industries
Cash Flows from Operating Activities			
Cash received from customers - public	\$	\$ 6,153	\$ 4,263
Cash received from customers - state	26,770	116,140	6,832
Cash payments to suppliers for goods and services	(17,534)	(32,537)	(6,566)
Cash payments for employee salaries and benefits	(1,804)	(74,860)	(3,422)
Cash payments for claims expense			
Cash payments from other sources	368		13
Cash payments to other sources			(568)
Net Cash Provided (Used) by Operating Activities	<u>7,800</u>	<u>14,896</u>	<u>552</u>
Cash Flows from Noncapital Financing Activities			
Transfers from other funds			
Transfers to other funds		(500)	
Net Cash Provided (Used) by Noncapital Financing Activities		<u>(500)</u>	
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction of capital assets		(11,865)	(511)
Principal paid on revenue bond maturities and equipment contracts	(6,146)	(1,569)	
Interest paid on revenue bonds and equipment contracts	(209)	(256)	
Proceeds from the sale of capital assets	645		17
Net Cash Provided (Used) for Capital and Related Financing Activities	<u>(5,710)</u>	<u>(13,690)</u>	<u>(494)</u>
Cash Flows from Investing Activities			
Proceeds from the sale of investment securities		1,444	
Net Cash Provided (Used) in Investing Activities		<u>1,444</u>	
Net Increase (Decrease) in Cash and Cash Equivalents	2,090	2,150	58
Cash and Cash Equivalents at July 1	4,786	13,394	1,408
Cash and Cash Equivalents at June 30	<u>\$ 6,876</u>	<u>\$ 15,544</u>	<u>\$ 1,466</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ 2,467	\$ (11,943)	\$ (160)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	6,771	14,082	429
Miscellaneous nonoperating income (expense)	135		
Change in assets and liabilities:			
(Increase) Decrease in assets:			
Receivables, net	1	5,499	(53)
Interfund receivables	53	1,977	39
Inventories	(6)	(9)	(199)
Prepaid expenses	1	400	
(Increase) decrease in deferred outflows	(121)	(3,670)	(336)
Increase (decrease) in liabilities:			
Accounts payable	(357)	940	185
Interfund payables	(1,350)	886	14
Claims liability			
Claims adjustment liability			
Compensated absences		586	60
Unearned revenue		(94)	
Pension liability	144	4,354	400
Increase (decrease) in deferred inflows	62	1,888	173
Net Cash Provided by Operating Activities	<u>\$ 7,800</u>	<u>\$ 14,896</u>	<u>\$ 552</u>
Noncash Investing, Capital, and Financing Activities			
Contributions of capital assets	\$ 71	\$	\$
Capital assets acquired through leases	1,577	5,412	
Total Noncash Investing, Capital, and Financing Activities	<u>\$ 1,648</u>	<u>\$ 5,412</u>	<u>\$</u>

Central Printing	Property Management	Risk Management	Totals June 30, 2015
\$	\$	\$	\$
1,633	191	18,890	29,497
(542)	35,637	27,640	214,652
(1,048)	(25,511)		(82,690)
	(18,036)	(3,242)	(102,412)
		(43,668)	(43,668)
	35		416
		(1,644)	(2,212)
43	(7,684)	(2,024)	13,583
	63,876		63,876
	(289)	(2,070)	(2,859)
	63,587	(2,070)	61,017
	(18,196)		(30,572)
(42)	(722)		(8,479)
(1)	(332)		(798)
			662
(43)	(19,250)		(39,187)
	4,690	441	6,575
	4,690	441	6,575
	41,343	(3,653)	41,988
	18,713	20,085	58,386
\$	\$	\$	\$
	60,056	16,432	100,374
\$	\$	\$	\$
(158)	(11,546)	(10,953)	(32,293)
57	5,323		26,662
		(530)	(395)
(5)	(141)	(250)	5,051
	83	274	2,426
(8)			(222)
	2	(4)	399
(81)	(1,069)	(149)	(5,426)
27	765	2,866	4,426
38	(2,906)	144	(3,174)
		7,120	7,120
		(785)	(785)
		5	673
	(13)		(94)
96	1,268	166	6,428
42	550	72	2,787
\$	\$	\$	\$
43	(7,684)	(2,024)	13,583
\$	\$	\$	\$
			71
			6,989
\$	\$	\$	\$
			7,060

CAPITAL ASSETS

COMMONWEALTH OF KENTUCKY
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS BY SOURCE
JUNE 30, 2015
(Expressed In Thousands)

	June 30, 2015
Governmental Funds Capital Assets	
Land	\$ 201,697
Improvements other than buildings	22,812
Buildings	1,124,099
Machinery and equipment	510,766
Software/other intangibles	41,832
Easements	136,106
Construction in progress	1,814,985
Infrastructure	20,230,790
Total Governmental Funds Capital Assets	\$ 24,083,087
 Investments in Governmental Funds Capital Assets by Source	
General Fund	\$ 115,881
Special Revenue Funds	682,029
Donations	147,387
Other	1,601,849
Capital Projects Fund:	
State appropriations	51,056
Revenue bonds	532,641
Federal grants	326,837
Other	205,107
Infrastructure (A)	20,230,790
Capital assets acquired prior to July 1, 1984 (A)	144,721
Capital assets acquired after July 1, 1984 (A)	44,789
Total Governmental Funds Capital Assets by Source	\$ 24,083,087

(1) Internal Service Funds are not included in this schedule. Internal Service Fund assets are included as governmental activities in the Statement of Net Position.

(A) Capital assets with an undetermined funding source.

COMMONWEALTH OF KENTUCKY
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION
JUNE 30, 2015
(Expressed in Thousands)

	Land	Improvements Other Than Buildings	Buildings
General Government	\$ 33,383	\$ 12,402	\$ 279,837
Legislative & Judicial	2,032		10,453
Commerce	103,061	3,115	18,194
Education & Humanities	1,266	664	45,088
Human Resources	1,766	1,257	69,448
Justice	4,541	5,273	494,752
Natural Resources and Environmental Protection	37,865	101	1,355
Public Protection and Regulation			
Transportation	17,783		204,972
Total Governmental Funds Capital Assets by Function	<u>\$ 201,697</u>	<u>\$ 22,812</u>	<u>\$ 1,124,099</u>

(1) Internal Service Funds are not included in this schedule. Internal Service Fund assets are included as governmental activities in the Statement of Net Position.

Machinery and Equipment	Software / Other Intangibles	Easements	Construction in Progress	Infrastructure	Totals June 30, 2015
27,743	\$ 36,605	\$ 58,390	\$ 90,811	\$	\$ 539,171
11,300			2,347		26,132
28,667			5,525		158,562
30,075		12,474	471		90,038
18,609			229,654		320,734
86,771	5,227		29,170		625,734
37,773		15,935	86		93,115
4,858					4,858
264,970		49,307	1,456,921	20,230,790	22,224,743
<u>510,766</u>	<u>\$ 41,832</u>	<u>\$ 136,106</u>	<u>\$ 1,814,985</u>	<u>\$ 20,230,790</u>	<u>\$ 24,083,087</u>

COMMONWEALTH OF KENTUCKY
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Balance as Restated June 30, 2014	Additions	Deductions	Balance June 30, 2015
General Government	\$ 512,082	\$ 38,542	\$ 11,453	\$ 539,171
Legislative & Judicial	17,767	10,920	2,555	26,132
Commerce	155,368	5,291	2,097	158,562
Education & Humanities	96,822	3,242	10,026	90,038
Human Resources	332,826	13,917	26,009	320,734
Justice	620,985	13,217	8,468	625,734
Natural Resources and Environmental Protection	90,471	4,305	1,661	93,115
Public Protection and Regulation	4,872	828	842	4,858
Transportation	21,764,771	1,055,398	595,426	22,224,743
Total Governmental Funds Capital Assets by Function	<u>\$ 23,595,964</u>	<u>\$ 1,145,660</u>	<u>\$ 658,537</u>	<u>\$ 24,083,087</u>

(1) Internal Service Funds are not included in this schedule. Internal Service Fund assets are included as governmental activities in the Statement of Net Position.

PENSION (AND OTHER POST EMPLOYMENT BENEFIT) TRUST FUNDS

Pension (and other post employment benefit) trust funds account for monies received for and expenses incurred by the various public employee retirement systems administered by the Commonwealth. Kentucky uses the following pension trust funds:

Kentucky Employees Retirement System (KERS) - accounts for pension and other post employment benefits administered by the System, which covers substantially all regular full-time employees of any State department, board or agency directed by Executive Order to participate in the System.

County Employees Retirement System (CERS) - accounts for pension and other post employment benefits administered by the System, which covers substantially all regular full-time employees of each county, local school board, and additional local agencies electing to participate in the System.

State Police Retirement System (SPRS) - accounts for pension and other post employment benefits administered by the System, which covers substantially all regular full-time officers of the Kentucky State Police.

Kentucky Teachers' Retirement System (KTRS) - accounts for pension and other post employment benefits administered by the System, which covers substantially all persons occupying positions in the public elementary and secondary schools for which a certificate is required, faculty members of five regional universities, the Commissioner of Education and the professional staff members of the Department of Education.

Judicial Retirement Plan - accounts for pension and other post employment benefits administered by the Plan, which covers all District Judges, Judges of the Court of Appeals, and Judges of the Supreme Court.

Legislators' Retirement Plan - accounts for pension and other post employment benefits administered by the Plan, which covers all members of the General Assembly.

Kentucky Public Employees Deferred Compensation Authority - accounts for the monies withheld from participating employees' payroll to be placed in an Internal Revenue Code Section 401 or 457 deferred compensation plan. The amounts are deposited with third party administrators which oversee the investment activities of such monies.

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Pension Funds	Insurance Funds	Totals June 30, 2015
Assets			
Cash and Short-Term Investments:			
Cash	\$ 159,274	\$ 29,219	\$ 188,493
Short-term investments	1,018,200	137,139	1,155,339
Total Cash and Short-Term Investments	1,177,474	166,358	1,343,832
Receivables:			
Investments - accounts receivable	480,785	113,984	594,769
Interest receivable	41,714	2,629	44,343
Accounts receivable	274,729	62,066	336,795
Total Receivables	797,228	178,679	975,907
Investments at Fair Value:			
Corporate and government bonds	6,165,901	1,970,600	8,136,501
Common stocks	19,768,652	2,490,017	22,258,669
Mortgages	227,767	6,649	234,416
Alternatives	844,688	11,698	856,386
Derivatives	1,282,166	2,279	1,284,445
Real estate	1,444,512	238,205	1,682,717
Other	1,397,334	134,631	1,531,965
Total Investments at Fair Value	31,131,020	4,854,079	35,985,099
Invested security collateral	1,242,121	234,509	1,476,630
Capital assets, net	24,830		24,830
Prepaid expenses	110	20	130
Total Assets	34,372,783	5,433,645	39,806,428
Liabilities			
Investments - accounts payable	474,659	118,252	592,911
Accounts payable	13,977	6,539	20,516
Obligations under securities lending	1,242,121	234,509	1,476,630
Unearned revenue		4,914	4,914
Total Liabilities	1,730,757	364,214	2,094,971
Net Position Restricted for Pensions and Other Post Employment Benefits	\$ 32,642,026	\$ 5,069,431	\$ 37,711,457

COMMONWEALTH OF KENTUCKY
COMBINED STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Pension Funds	Insurance Funds	Totals June 30, 2015
Additions			
Contributions:			
Employer	\$ 1,103,292	\$ 431,542	\$ 1,534,834
Member	733,087	158,520	891,607
Non-Employer	480,073	68,463	548,536
Total Contributions	<u>2,316,452</u>	<u>658,525</u>	<u>2,974,977</u>
Other Contributions:			
Recovery Income		22,998	22,998
Participant fees	7,437		7,437
Other receipts	23,531		23,531
Total Other Contributions	<u>30,968</u>	<u>22,998</u>	<u>53,966</u>
Investment Income:			
Net increase (decrease) in fair value of investments	564,676	11,390	576,066
Interest	554,330	111,006	665,336
Dividends	209,787	1,610	211,397
Real estate operating income, net	28,785		28,785
Securities lending income, net	5,717	1,329	7,046
Total Investment Income	<u>1,363,295</u>	<u>125,335</u>	<u>1,488,630</u>
Less: Investment expense	131,073	29,376	160,449
Less: Securities lending expense	1,083	155	1,238
Net Investment Income	<u>1,231,139</u>	<u>95,804</u>	<u>1,326,943</u>
Total Additions	<u>3,578,559</u>	<u>777,327</u>	<u>4,355,886</u>
Deductions			
Benefit payments	3,768,165	4,061	3,772,226
Refunds	55,925	4	55,929
Administrative expenses	48,180	3,878	52,058
Self funding insurance cost		246,496	246,496
Healthcare premium subsidies		331,583	331,583
Other deductions, net		9	9
Total Deductions	<u>3,872,270</u>	<u>586,031</u>	<u>4,458,301</u>
Change in Net Position	(293,711)	191,296	(102,415)
Net Position at July 1	32,935,737	4,878,135	37,813,872
Net Position at June 30	<u>\$ 32,642,026</u>	<u>\$ 5,069,431</u>	<u>\$ 37,711,457</u>

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS - PENSION FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Employees' Retirement System		County Employees' Retirement System	
	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous
Assets				
Cash and Short-Term Investments:				
Cash	\$ 1,739	\$ 162	\$ 1,556	\$ 583
Short-term investments	97,852	21,560	196,485	71,675
Total Cash and Short-Term Investments	99,591	21,722	198,041	72,258
Receivables:				
Investments - accounts receivable	61,259	14,378	171,855	54,591
Interest receivable				
Contributions/Accounts receivable	67,542	5,256	53,477	14,804
Total Receivables	128,801	19,634	225,332	69,395
Investments at Fair Value:				
Corporate and government bonds	549,814	124,535	1,482,180	478,772
Common stocks	1,225,044	310,560	3,639,706	1,174,073
Mortgages				
Alternatives				
Derivatives	266,392	59,463	705,647	223,749
Real estate	113,324	31,745	348,220	112,134
Other				
Total Investments at Fair Value	2,154,574	526,303	6,175,753	1,988,728
Invested security collateral	145,667	35,156	413,476	133,570
Capital assets, net	3,363	292	5,744	475
Prepaid expenses				
Total Assets	2,531,996	603,107	7,018,346	2,264,426
Deferred outflows of resources				
Liabilities				
Investments - accounts payable	55,701	13,354	158,667	51,308
Accounts payable	2,846	2,129	5,403	1,346
Obligations under securities lending	145,667	35,156	413,476	133,570
Total Liabilities	204,214	50,639	577,546	186,224
Net Position Restricted for Pensions and Other Post Employment Benefits	\$ 2,327,782	\$ 552,468	\$ 6,440,800	\$ 2,078,202

State Police Retirement System	Kentucky Teachers' Retirement System	Judicial Retirement Plan	Legislators' Retirement Plan	Kentucky Public Employees' Deferred Compensation Authority	Totals June 30, 2015
\$ 215	\$ 153,470	\$ 20	\$ 37	\$ 1,492	\$ 159,274
7,796	612,202			10,630	1,018,200
8,011	765,672	20	37	12,122	1,177,474
6,219	172,483				480,785
	40,685	823	206		41,714
9,815	82,282	114	11	41,428	274,729
16,034	295,450	937	217	41,428	797,228
51,278	2,717,752	67,057	15,247	679,266	6,165,901
137,281	11,163,791	196,530	44,521	1,877,146	19,768,652
	227,767				227,767
	844,688				844,688
26,915					1,282,166
13,754	825,335				1,444,512
	1,385,897	13	86	11,338	1,397,334
229,228	17,165,230	263,600	59,854	2,567,750	31,131,020
15,392	498,860				1,242,121
50	14,906				24,830
	110				110
268,715	18,740,228	264,557	60,108	2,621,300	34,372,783
5,779	189,589			261	474,659
315	1,666			272	13,977
15,392	498,860				1,242,121
21,486	690,115			533	1,730,757
\$ 247,229	\$ 18,050,113	\$ 264,557	\$ 60,108	\$ 2,620,767	\$ 32,642,026

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS - PENSION FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Employees' Retirement System		County Employees' Retirement System	
	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous
Additions				
Contributions:				
Employer	\$ 525,873	\$ 29,073	\$ 305,238	\$ 109,156
Member	100,424	12,670	133,637	46,609
Non-Employer				
Total Contributions	626,297	41,743	438,875	155,765
Other Contributions:				
Participant fees				
Other receipts	8,442	767	10,280	2,865
Total Other Contributions	8,442	767	10,280	2,865
Investment Income:				
Net increase (decrease) in fair value of investments	(4,791)	(1,263)	(7,218)	(256)
Interest	65,596	13,898	160,824	51,237
Dividends				
Real estate operating income, net				
Securities lending income, net	592	140	1,713	550
Total Investment Income	61,397	12,775	155,319	51,531
Less: Investment expense	16,711	4,063	44,636	14,387
Less: Securities lending expense	117	11	114	40
Net Investment Income	44,569	8,701	110,569	37,104
Total Additions	679,308	51,211	559,724	195,734
Deductions				
Benefit payments	905,790	56,774	615,335	200,134
Refunds	13,552	2,609	13,524	3,111
Administrative expenses	10,473	845	18,211	1,291
Total Deductions	929,815	60,228	647,070	204,536
Change in Net Position	(250,507)	(9,017)	(87,346)	(8,802)
Net Position at July 1	2,578,289	561,485	6,528,146	2,087,004
Net Position at June 30	\$ 2,327,782	\$ 552,468	\$ 6,440,800	\$ 2,078,202

State Police Retirement System	Kentucky Teachers' Retirement System	Judicial Retirement Plan	Legislators' Retirement Plan	Kentucky Public Employees' Deferred Compensation Authority	Totals June 30, 2015
\$ 32,084	\$ 79,586	\$ 15,405	\$ 3,375	\$ 3,502	\$ 1,103,292
5,150	308,160	1,911	228	124,298	733,087
	480,073				480,073
<u>37,234</u>	<u>867,819</u>	<u>17,316</u>	<u>3,603</u>	<u>127,800</u>	<u>2,316,452</u>
				7,437	7,437
646		419	112		23,531
<u>646</u>		<u>419</u>	<u>112</u>	<u>7,437</u>	<u>30,968</u>
(1,303)	429,106	19,957	4,299	126,145	564,676
6,380	242,316	1,652	334	12,093	554,330
	204,865	4,002	920		209,787
	28,785				28,785
61	2,661				5,717
<u>5,138</u>	<u>907,733</u>	<u>25,611</u>	<u>5,553</u>	<u>138,238</u>	<u>1,363,295</u>
1,708	44,727	204		4,637	131,073
3	798				1,083
<u>3,427</u>	<u>862,208</u>	<u>25,407</u>	<u>5,553</u>	<u>133,601</u>	<u>1,231,139</u>
<u>41,307</u>	<u>1,730,027</u>	<u>43,142</u>	<u>9,268</u>	<u>268,838</u>	<u>3,578,559</u>
54,766	1,741,553	22,236	3,681	167,896	3,768,165
85	23,033	6	5		55,925
201	8,869	213	118	7,959	48,180
<u>55,052</u>	<u>1,773,455</u>	<u>22,455</u>	<u>3,804</u>	<u>175,855</u>	<u>3,872,270</u>
(13,745)	(43,428)	20,687	5,464	92,983	(293,711)
260,974	18,093,541	243,870	54,644	2,527,784	32,935,737
<u>\$ 247,229</u>	<u>\$ 18,050,113</u>	<u>\$ 264,557</u>	<u>\$ 60,108</u>	<u>\$ 2,620,767</u>	<u>\$ 32,642,026</u>

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS - INSURANCE FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Employees' Retirement System		County Employees' Retirement System	
	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous
Assets				
Cash and Short-Term Investments:				
Cash	\$ 286	\$ 30	\$ 541	\$ 25
Short-term investments	20,560	9,936	39,657	24,256
Total Cash and Short-Term Investments	20,846	9,966	40,198	24,281
Receivables:				
Investments - accounts receivable	17,621	11,808	51,257	28,223
Interest receivable				
Contributions/Accounts receivable	12,342	1,367	14,399	5,784
Total Receivables	29,963	13,175	65,656	34,007
Investments at Fair Value:				
Corporate and government bonds	280,399	188,983	824,725	457,526
Common stocks	317,389	213,551	935,274	510,439
Mortgages				
Alternatives				
Derivatives	352	239	1,033	566
Real estate	36,346	25,554	106,604	58,404
Other				
Total Investments at Fair Value	634,486	428,327	1,867,636	1,026,935
Invested security collateral	36,359	24,376	106,186	58,472
Prepaid expenses				
Total Assets	721,654	475,844	2,079,676	1,143,695
Deferred outflows of resources				
Liabilities				
Investments - accounts payable	18,756	12,254	51,743	28,401
Accounts payable	900	101	801	342
Obligations under securities lending	36,359	24,376	106,186	58,472
Unearned revenue				
Total Liabilities	56,015	36,731	158,730	87,215
Net Position Restricted for Pensions and Other Post Employment Benefits	\$ 665,639	\$ 439,113	\$ 1,920,946	\$ 1,056,480

State Police Retirement System	Kentucky Teachers' Retirement System	Judicial Retirement Plan	Legislators' Retirement Plan	Totals June 30, 2015
\$ 12	\$ 28,297	\$ 5	\$ 23	\$ 29,219
4,743	37,987			137,139
4,755	66,284	5	23	166,358
4,401	674			113,984
	2,289	213	127	2,629
916	27,221	30	7	62,066
5,317	30,184	243	134	178,679
70,348	121,686	17,369	9,564	1,970,600
79,244	355,703	50,879	27,538	2,490,017
	6,649			6,649
	11,698			11,698
89				2,279
9,535	1,762			238,205
	134,575	3	53	134,631
159,216	632,073	68,251	37,155	4,854,079
9,116				234,509
	20			20
178,404	728,561	68,499	37,312	5,433,645
4,510	2,588			118,252
64	4,331			6,539
9,116				234,509
	4,914			4,914
13,690	11,833			364,214
\$ 164,714	\$ 716,728	\$ 68,499	\$ 37,312	\$ 5,069,431

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION AND OTHER POST EMPLOYMENT BENEFIT TRUST FUNDS - INSURANCE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Employees' Retirement System		County Employees' Retirement System	
	Non-Hazardous	Hazardous	Non-Hazardous	Hazardous
Additions				
Contributions:				
Employer	\$ 135,940	\$ 14,882	\$ 119,444	\$ 71,778
Member	272	14	582	10
Non-Employer				
Total Contributions	136,212	14,896	120,026	71,788
Other Contributions:				
Recovery Income				
Total Other Contributions				
Investment Income:				
Net increase (decrease) in fair value of investments	(3,723)	(24)	4,701	2,828
Interest	15,914	10,473	44,627	24,364
Dividends				
Securities lending income, net	205	138	604	332
Total Investment Income	12,396	10,587	49,932	27,524
Less: Investment expense	3,682	2,778	13,131	7,202
Less: Securities lending expense	24	16	70	39
Net Investment Income	8,690	7,793	36,731	20,283
Total Additions	144,902	22,689	156,757	92,071
Deductions				
Benefit payments				
Refunds				
Administrative expenses	893	100	782	339
Self funding insurance cost	2,145	100	3,702	152
Healthcare Premiums Subsidies	123,127	16,900	110,032	65,403
Other deductions, net	3		6	
Total Deductions	126,168	17,100	114,522	65,894
Change in Net Position	18,734	5,589	42,235	26,177
Net Position at July 1	646,905	433,524	1,878,711	1,030,303
Net Position at June 30	\$ 665,639	\$ 439,113	\$ 1,920,946	\$ 1,056,480

State Police Retirement System	Kentucky Teachers' Retirement System	Judicial Retirement Plan	Legislators' Retirement Plan	Totals June 30, 2015
\$ 10,382 1	\$ 77,821 157,468 68,463	\$ 1,295 168	\$ 5	\$ 431,542 158,520 68,463
10,383	303,752	1,463	5	658,525
	22,820	109	69	22,998
	22,820	109	69	22,998
108 3,960	(349) 11,032	5,187 429 1,040	2,662 207 570	11,390 111,006 1,610
50 4,118				1,329
	10,683	6,656	3,439	125,335
1,191 6	1,339	53		29,376 155
2,921 13,304	9,344 335,916	6,603 8,175	3,439 3,513	95,804 777,327
	4,061			4,061
65 22 13,461	1,570 240,375	1 56 1,970	3 73 690	4 3,878 246,496 331,583
13,548	246,006	2,027	766	9 586,031
(244)	89,910	6,148	2,747	191,296
164,958 \$ 164,714	626,818 \$ 716,728	62,351 \$ 68,499	34,565 \$ 37,312	4,878,135 \$ 5,069,431

AGENCY FUNDS

Agency Funds account for monies held by the Commonwealth for custodial purposes only. Kentucky uses the following Agency Funds:

Commonwealth Choice Program - accounts for flexible benefits spending accounts.

County Fees Trust Fund - accounts for monies held by the Commonwealth for those counties with a population greater than 70,000.

Special Deposit Trust Fund - accounts for monies held by the Commonwealth that are marked for specific purposes such as employee withholdings.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
JUNE 30, 2015
(Expressed in Thousands)

	Commonwealth Choice Program	County Fees Trust Fund	Special Deposit Trust Fund	Totals June 30, 2015
Assets				
Cash and cash equivalents	\$ 845	\$ 415	\$ 244,750	\$ 246,010
Investments, net of amortization			33,099	33,099
Invested security collateral			552,146	552,146
Receivables, net	2,526	26,443	11,873	40,842
Total Assets	<u>\$ 3,371</u>	<u>\$ 26,858</u>	<u>\$ 841,868</u>	<u>\$ 872,097</u>
Liabilities				
Accounts payable	\$ 3,371	\$	\$ 181,666	\$ 185,037
Amounts held in custody for others		26,858	108,056	134,914
Obligations under securities lending			552,146	552,146
Total Liabilities	<u>\$ 3,371</u>	<u>\$ 26,858</u>	<u>\$ 841,868</u>	<u>\$ 872,097</u>

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	<u>Balances</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balances</u> <u>June 30, 2015</u>
<u>COMMONWEALTH CHOICE PROGRAM</u>				
<u>Assets</u>				
Cash & cash equivalents-restricted	\$ 520	\$ 325	\$	\$ 845
Accounts receivable	2,531		5	2,526
Total Assets	<u>\$ 3,051</u>	<u>\$ 325</u>	<u>\$ 5</u>	<u>\$ 3,371</u>
<u>Liabilities</u>				
Accounts payable	\$ 3,051	\$ 500	\$ 180	\$ 3,371
Total Liabilities	<u>\$ 3,051</u>	<u>\$ 500</u>	<u>\$ 180</u>	<u>\$ 3,371</u>
<u>COUNTY FEES TRUST FUND</u>				
<u>Assets</u>				
Cash & cash equivalents	\$ 219	\$ 196	\$	\$ 415
Accounts receivable	12,598	133,647	119,802	26,443
Total Assets	<u>\$ 12,817</u>	<u>\$ 133,843</u>	<u>\$ 119,802</u>	<u>\$ 26,858</u>
<u>Liabilities</u>				
Amounts held in custody for others	\$ 12,817	\$ 133,843	\$ 119,802	\$ 26,858
Total Liabilities	<u>\$ 12,817</u>	<u>\$ 133,843</u>	<u>\$ 119,802</u>	<u>\$ 26,858</u>
<u>SPECIAL DEPOSIT TRUST FUND</u>				
<u>Assets</u>				
Cash & cash equivalents	\$ 241,229	\$ 906,531	\$ 903,010	\$ 244,750
Investments	17,086	33,203	17,190	33,099
Invested security collateral	673,249		121,103	552,146
Accounts receivable	4,479	12,723	5,329	11,873
Total Assets	<u>\$ 936,043</u>	<u>\$ 952,457</u>	<u>\$ 1,046,632</u>	<u>\$ 841,868</u>
<u>Liabilities</u>				
Accounts payable	\$ 176,690	\$ 892,338	\$ 887,362	\$ 181,666
Amounts held in custody for others	86,104	108,056	86,104	108,056
Obligations under securities lending	673,249		121,103	552,146
Total Liabilities	<u>\$ 936,043</u>	<u>\$ 1,000,394</u>	<u>\$ 1,094,569</u>	<u>\$ 841,868</u>
<u>ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash & cash equivalents	\$ 241,968	\$ 907,052	\$ 903,010	\$ 246,010
Investments	17,086	33,203	17,190	33,099
Invested security collateral	673,249		121,103	552,146
Accounts receivable	19,608	146,370	125,136	40,842
Total Assets	<u>\$ 951,911</u>	<u>\$ 1,086,625</u>	<u>\$ 1,166,439</u>	<u>\$ 872,097</u>
<u>Liabilities</u>				
Accounts payable	\$ 179,741	\$ 892,838	\$ 887,542	\$ 185,037
Amounts held in custody for others	98,921	241,899	205,906	134,914
Obligations under securities lending	673,249		121,103	552,146
Total Liabilities	<u>\$ 951,911</u>	<u>\$ 1,134,737</u>	<u>\$ 1,214,551</u>	<u>\$ 872,097</u>

NON-MAJOR COMPONENT UNITS - COMBINING

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Non-Major Component Units - Authorities	Non-Major Component Units - Universities	Totals June 30, 2015
Assets			
Current assets:			
Cash and cash equivalents	\$ 104,946	\$ 331,240	\$ 436,186
Restricted cash	11,041	59,035	70,076
Investments, net of amortization	386,899		386,899
Accounts receivable, net	111,148	88,044	199,192
Interest receivable	2,056	72	2,128
Inventories	1,505	6,795	8,300
Prepaid expenses	1,312	14,399	15,711
Other current assets	1,950	3,793	5,743
Total Current Assets	620,857	503,378	1,124,235
Noncurrent assets:			
Restricted cash	62,751	146,231	208,982
Long-term investments	33,613	177,364	210,977
Restricted long-term investments	15,308	289,321	304,629
Long-term receivables, net	916,410	20,550	936,960
Land	29,753	70,998	100,751
Improvements other than buildings	65,199	178,814	244,013
Buildings	458,245	2,218,046	2,676,291
Machinery and equipment	98,982	333,708	432,690
Other capital assets	10,764	131,699	142,463
Less: Accumulated depreciation and amortization	(310,388)	(1,322,573)	(1,632,961)
Construction in progress	14,832	105,997	120,829
Total Capital Assets	367,387	1,716,689	2,084,076
Other assets	4,460	14,110	18,570
Total Noncurrent Assets	1,399,929	2,364,265	3,764,194
Total Assets	2,020,786	2,867,643	4,888,429
Deferred outflows of resources	12,345	75,273	87,618
Liabilities			
Current liabilities:			
Accounts payable and accruals	21,929	64,252	86,181
Current portion of long-term debt:			
Notes payable	410	14,976	15,386
Bonds payable	26,527	30,840	57,367
Capital lease obligations	6,946	4,954	11,900
Compensated absences	1,961	23,668	25,629
Claims liability		1,999	1,999
Unearned revenues	7,197	30,984	38,181
Payable from restricted assets		6,366	6,366
Other current liabilities	3,417	18,018	21,435
Total Current Liabilities	68,387	196,057	264,444
Noncurrent liabilities:			
Notes payable	3,579	18,184	21,763
Bonds payable	287,128	558,680	845,808
Capital lease obligations	68,164	66,474	134,638
Compensated absences	708	224	932
Net pension liability	114,584	1,547,931	1,662,515
Other long-term liabilities	87	59,133	59,220
Total Noncurrent Liabilities	474,250	2,250,626	2,724,876
Total Liabilities	542,637	2,446,683	2,989,320
Deferred inflows of resources	8,552	77,640	86,192
Net Position			
Net investment in capital assets	283,810	1,019,477	1,303,287
Restricted for:			
Debt service		2,503	2,503
Capital projects	13,045	44,204	57,249
Other purposes	1,154,469	518,729	1,673,198
Unrestricted	30,618	(1,166,320)	(1,135,702)
Total Net Position	\$ 1,481,942	\$ 418,593	\$ 1,900,535

**COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)**

	Non-Major Component Units - Authorities	Non-Major Component Units - Universities	Totals June 30, 2015
Expenses:			
Operating and other expenses	\$ 396,444	\$ 1,376,616	\$ 1,773,060
Total expenses	<u>396,444</u>	<u>1,376,616</u>	<u>1,773,060</u>
Program Revenues:			
Charges for services	98,887	665,841	764,728
Operating grants and contributions	240,605	128,077	368,682
Capital grants and contributions	9,450	2,657	12,107
Total Program Revenues	<u>348,942</u>	<u>796,575</u>	<u>1,145,517</u>
Net Program (Expense) Revenue	<u>(47,502)</u>	<u>(580,041)</u>	<u>(627,543)</u>
General Revenues:			
Unrestricted grants and contributions	33,810	185,868	219,678
Unrestricted investment earnings	1,898	10,698	12,596
Gain on sale of capital assets	3	48	51
Miscellaneous general	47,564	378,267	425,831
Total General Revenues	<u>83,275</u>	<u>574,881</u>	<u>658,156</u>
Change in Net Position	<u>35,773</u>	<u>(5,160)</u>	<u>30,613</u>
Net Position at July 1, As Restated	1,446,169	423,753	1,869,922
Net Position at June 30	<u>\$ 1,481,942</u>	<u>\$ 418,593</u>	<u>\$ 1,900,535</u>



NON-MAJOR COMPONENT UNITS - AUTHORITIES

Kentucky River Authority – is responsible for the maintenance of the Commonwealth’s locks and dams on the Kentucky River.

Kentucky Higher Education Assistance Authority - was established by KRS 164.742 to improve higher education opportunities by insuring eligible student loans and providing grants and scholarship awards to eligible students.

Bluegrass State Skills Corporation - established to improve and promote the employment opportunities of the citizens of the Commonwealth by assisting the Economic Development Cabinet in creating and expanding programs of skill, training and education.

Kentucky State Fair Board - accounts for the revenues earned and expenses incurred in the commercial operations of the State Fair Board.

Kentucky Center for the Arts Corporation - established by the General Assembly to promote the growth and development of the arts, convention trade, tourism and hotel industries within Jefferson County and the Commonwealth. The Center has the responsibility of maintaining, operating and insuring the Kentucky Center for the Arts building.

Kentucky Authority for Educational Television - established by KRS 168.030 to produce and transmit educational television programming to the citizens of the Commonwealth.

Kentucky Economic Development Finance Authority - established in 1958 under KRS Chapter 154 to promote industrial development, and authorized to issue industrial revenue bonds that do not constitute a legal or moral obligation of the Commonwealth.

Kentucky Artisan Center - established to celebrate Kentucky's artisan heritage and encourage Kentuckians and those traveling in Kentucky to enjoy artisan products and activities.

Kentucky Infrastructure Authority - established in 1988 by KRS 224A.030, and amended, to assume all powers, duties and obligations of the Kentucky Pollution Abatement and Water Resources Finance Authority in assisting governmental agencies within the Commonwealth in constructing and acquiring infrastructure projects.

Kentucky Agricultural Finance Corporation - created by the 1984 General Assembly to “improve and promote the health, welfare and prosperity of the people of the Commonwealth through stimulation of existing agricultural ventures.” This corporation helps banks and other financial institutions assist eligible farmers in receiving low interest loans through the issuance of tax-exempt agricultural revenue bonds.

Kentucky Grain Insurance Corporation - provides protection to grain producers in the event of the failure of a grain dealer or grain warehouseman.

Kentucky Local Correctional Facilities Construction Authority - created in 1982 pursuant to Sections 441.605 through 441.695 of the KRS to provide an additional and alternative method for constructing, improving, repairing, and financing regional and local jail facilities.

Kentucky Horse Park Foundation – is a legally separate tax-exempt Kentucky corporation that receives, holds, and administers gifts and grants in the name of the Kentucky Horse Park.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS - AUTHORITIES
JUNE 30, 2015
(Expressed in Thousands)

	Kentucky River Authority	Kentucky Higher Education Assistance Authority	Bluegrass State Skills Corporation	Kentucky State Fair Board
Assets				
Current assets:				
Cash and cash equivalents	\$ 1,083	\$ 20,575	\$	\$ 13,797
Restricted cash	11,041			
Investments, net of amortization		9,673		
Accounts receivable, net	1,084	8,785	1,534	3,024
Interest receivable		248		
Inventories				
Prepaid expenses				779
Other current assets		450		
Total Current Assets	13,208	39,731	1,534	17,600
Noncurrent assets:				
Restricted cash		62,221		
Long-term investments				
Restricted long-term investments				
Long-term receivables, net		10,964		
Land	546			27,835
Improvements other than buildings	52,644			12,555
Buildings		12,075		390,738
Machinery and equipment		3,359		25,077
Other capital assets				9,450
Less: Accumulated depreciation and amortization	(10,906)	(7,223)		(194,629)
Construction in progress	12,011			2,793
Total Capital Assets	54,295	8,211		273,819
Other assets				
Total Noncurrent Assets, Net	54,295	81,396		273,819
Total Assets	67,503	121,127	1,534	291,419
Deferred outflows of resources	119	475	24	2,897
Liabilities				
Current liabilities:				
Accounts payable and accruals	479	1,181	1,529	15,235
Current portion of long-term debt:				
Notes payable				
Bonds payable				
Capital lease obligations	1,110	580		5,208
Compensated absences	72	657	5	
Unearned revenues				4,153
Other current liabilities				
Total Current Liabilities	1,661	2,418	1,534	24,596
Noncurrent liabilities:				
Notes payable				
Bonds payable				
Capital lease obligations	25,139	2,630		40,278
Compensated absences	40		9	
Net pension liability	2,415	9,093	418	49,277
Other long-term liabilities				
Total Noncurrent Liabilities	27,594	11,723	427	89,555
Total Liabilities	29,255	14,141	1,961	114,151
Deferred inflows of resources	31	117	6	4,549
Net Position				
Net investment in capital assets	27,685	5,001		224,425
Restricted for:				
Capital projects	11,041			
Other purposes		102,343		
Unrestricted	(390)		(409)	(48,809)
Total Net Position	\$ 38,336	\$ 107,344	\$ (409)	\$ 175,616

Kentucky Center for the Arts Corporation	Kentucky Authority for Educational Television	Kentucky Economic Development Finance Authority	Kentucky Artisan Center	Kentucky Infrastructure Authority	Kentucky Agricultural Finance Corporation
\$ 1,531	\$ 5,649	\$ 21,980	\$ 15	\$ 29,189	\$ 7,458
242	10,999		123	363,939	
303	1,996	1,137	17	56,078	37,096
14	25	33		1,736	
80	1,088		337		
323	210				
	110	1,380		10	
2,493	20,077	24,530	492	450,952	44,554
	530				
16,530		278		11,029	4,995
	7,804			2,481	
150	55	18,639		886,602	
129	76		1,167		
31,571	16,733		6,706		
33,907	34,343		963		
	1,314				
(49,480)	(45,169)		(1,687)		
	28				
16,127	7,325		7,149		
4,428	32				
37,235	15,746	18,917	7,149	900,112	4,995
39,728	35,823	43,447	7,641	1,351,064	49,549
	2,980	307	178	5,331	34
911	1,219	153	101	1,075	15
96	117				
				26,527	
48					
221	828	89	67		22
668	2,373				
55		16		3,346	
1,999	4,537	258	168	30,948	37
2,320	1,259				
				287,128	
117					
	488	127	37		7
	40,752	4,632	3,206	4,214	577
2,437	42,499	4,759	3,243	291,342	584
4,436	47,036	5,017	3,411	322,290	621
	3,457	60	41	284	7
13,140	5,949		7,149		
	2,004				
3,089	7,285	5,560		1,033,821	
19,063	(26,928)	33,117	(2,782)		48,955
\$ 35,292	\$ (11,690)	\$ 38,677	\$ 4,367	\$ 1,033,821	\$ 48,955

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS - AUTHORITIES
JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Grain Insurance Corporation	Kentucky Local Correctional Facilities Construction Authority	The Kentucky Horse Park Foundation, Inc.	Totals June 30, 2015
Assets				
Current assets:				
Cash and cash equivalents	\$ 2,871	\$	\$ 798	\$ 104,946
Restricted cash				11,041
Investments, net of amortization	1,923			386,899
Accounts receivable, net			94	111,148
Interest receivable				2,056
Inventories				1,505
Prepaid expenses				1,312
Other current assets				1,950
Total Current Assets	4,794		892	620,857
Noncurrent assets:				
Restricted cash				62,751
Long-term investments			781	33,613
Restricted long-term investments			5,023	15,308
Long-term receivables, net				916,410
Land				29,753
Improvements other than buildings				65,199
Buildings			422	458,245
Machinery and equipment			1,333	98,982
Other capital assets				10,764
Less: Accumulated depreciation and amortization			(1,294)	(310,388)
Construction in progress				14,832
Total Capital Assets			461	367,387
Other assets				4,460
Total Noncurrent Assets, Net			6,265	1,399,929
Total Assets	4,794		7,157	2,020,786
Deferred outflows of resources				12,345
Liabilities				
Current liabilities:				
Accounts payable and accruals			31	21,929
Current portion of long-term debt:				
Notes payable			197	410
Bonds payable				26,527
Capital lease obligations				6,946
Compensated absences				1,961
Unearned revenues			3	7,197
Other current liabilities				3,417
Total Current Liabilities			231	68,387
Noncurrent liabilities:				
Notes payable				3,579
Bonds payable				287,128
Capital lease obligations				68,164
Compensated absences				708
Net pension liability				114,584
Other long-term liabilities			87	87
Total Noncurrent Liabilities			87	474,250
Total Liabilities			318	542,637
Deferred inflows of resources				8,552
Net Position				
Net investment in capital assets			461	283,810
Restricted for:				
Capital projects				13,045
Other purposes			2,371	1,154,469
Unrestricted	4,794		4,007	30,618
Total Net Position	\$ 4,794	\$	\$ 6,839	\$ 1,481,942



COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Kentucky River Authority	Kentucky Higher Education Assistance Authority	Bluegrass State Skills Corporation	Kentucky State Fair Board
Expenses:				
Operating and other expenses	\$ 4,100	\$ 233,616	\$ 3,011	\$ 61,743
Total expenses	4,100	233,616	3,011	61,743
Program Revenues:				
Charges for services	4,235	24,447		43,662
Operating grants and contributions		214,726		
Capital grants and contributions				9,450
Total Program Revenues	4,235	239,173		53,112
Net Program (Expense) Revenue	135	5,557	(3,011)	(8,631)
General Revenues:				
Unrestricted grants and contributions				
Unrestricted investment earnings	13			24
Gain on sale of capital assets				
Miscellaneous general	263		3,010	9,497
Total General Revenues	276		3,010	9,521
Change in Net Position	411	5,557	(1)	890
Net Position at July 1, As Restated	37,925	101,787	(408)	174,726
Net Position at June 30	\$ 38,336	\$ 107,344	\$ (409)	\$ 175,616

Kentucky Center for the Arts Corporation	Kentucky Authority for Educational Television	Kentucky Economic Development Finance Authority	Kentucky Artisan Center	Kentucky Infrastructure Authority	Kentucky Agricultural Finance Corporation
\$ 15,045	\$ 28,747	\$ 4,609	\$ 2,601	\$ 34,817	\$ 271
15,045	28,747	4,609	2,601	34,817	271
7,083	2,365	999	1,646	13,143	
1,978	11,440		782		10,687
9,061	13,805	999	2,428	13,143	10,687
(5,984)	(14,942)	(3,610)	(173)	(21,674)	10,416
456				33,257	
526	502	2		459	
3					
4,112	15,338			15,169	
5,097	15,840	2		48,885	
(887)	898	(3,608)	(173)	27,211	10,416
36,179	(12,588)	42,285	4,540	1,006,610	38,539
\$ 35,292	\$ (11,690)	\$ 38,677	\$ 4,367	\$ 1,033,821	\$ 48,955

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - AUTHORITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Grain Insurance Corporation	Kentucky Local Correctional Facilities Construction Authority	The Kentucky Horse Park Foundation, Inc.	Totals June 30, 2015
Expenses:				
Operating and other expenses	\$ 5	\$ 6,511	\$ 1,368	\$ 396,444
Total expenses	5	6,511	1,368	396,444
Program Revenues:				
Charges for services		709	598	98,887
Operating grants and contributions			992	240,605
Capital grants and contributions				9,450
Total Program Revenues		709	1,590	348,942
Net Program (Expense) Revenue	(5)	(5,802)	222	(47,502)
General Revenues:				
Unrestricted grants and contributions			97	33,810
Unrestricted investment earnings	6	26	340	1,898
Gain on sale of capital assets				3
Miscellaneous general			175	47,564
Total General Revenues	6	26	612	83,275
Change in Net Position	1	(5,776)	834	35,773
Net Position at July 1, As Restated	4,793	5,776	6,005	1,446,169
Net Position at June 30	\$ 4,794	\$ 5,776	\$ 6,839	\$ 1,481,942

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR COMPONENT UNITS-AUTHORITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Kentucky Agricultural Finance Corporation	Kentucky Grain Insurance Corporation	Totals June 30, 2015
Cash Flows from Operating Activities			
Cash payments to suppliers for goods and services	\$ (75)	\$ (5)	\$ (80)
Cash payments for employee salaries and benefits	(183)		(183)
Cash payments from other sources	6,687		6,687
Net Cash Provided (Used) by Operating Activities	6,429	(5)	6,424
Cash Flows from Investing Activities			
Purchase of investment securities	(2,924)	(275)	(3,199)
Interest and dividends on investments		6	6
Net Cash Provided (Used) in Investing Activities	(2,924)	(269)	(3,193)
Net Increase (Decrease) in Cash and Cash Equivalents	3,505	(275)	3,231
Cash and Cash Equivalents at July 1	3,953	3,146	7,099
Cash and Cash Equivalents at June 30	\$ 7,458	\$ 2,871	\$ 10,330
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 10,416	\$ (5)	\$ 10,411
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) Decrease in assets:			
Receivables, net	(4,000)		(4,000)
(Increase) Decrease in deferred outflow	(14)		(14)
Increase (decrease) in liabilities:			
Accounts payable	2		2
Compensated absences	1		1
Pension liabilities	17		17
Increase (decrease) in deferred inflow	7		7
Net Cash Provided (Used) by Operating Activities	\$ 6,429	\$ (5)	\$ 6,424



NON-MAJOR COMPONENT UNITS - UNIVERSITIES, COLLEGES, AND RELATED ENTITIES

Universities, Colleges, and Related Entities

The Universities, Colleges, and Related Entities Funds account for all transactions relating to the State supported universities and the community colleges and technical schools. These institutions maintain their own financial records and are not part of the central accounting system operated by the Finance and Administration Cabinet. The non-major component units-universities are:

Eastern Kentucky University
Western Kentucky University
Morehead State University
Murray State University
Northern Kentucky University
Kentucky State University

Kentucky Council on Postsecondary Education – established in 1997 by the Postsecondary Education Improvement Act to coordinate changes and improvements within Kentucky's postsecondary education system.

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF NET POSITION
NON-MAJOR COMPONENT UNITS - UNIVERSITIES, COLLEGES, AND RELATED ENTITIES
JUNE 30, 2015
(Expressed in Thousands)

	Eastern Kentucky University	Western Kentucky University	Morehead State University
Assets			
Current assets:			
Cash and cash equivalents	\$ 62,651	\$ 72,744	\$ 20,528
Restricted cash			42,674
Accounts receivable, net	18,220	19,425	10,871
Interest receivable		53	2
Inventories	374	2,257	1,635
Prepaid expenses	2,232	5,614	
Other current assets	222	395	1,020
Total Current Assets	83,699	100,488	76,730
Noncurrent assets:			
Restricted cash	26,979	9,690	
Long-term investments	60,739	48,875	44,193
Restricted long-term investments		87,736	
Long-term receivables, net	4,824	10,064	3,731
Land	8,088	15,628	22,935
Improvements other than buildings	56,593	66,626	
Buildings	429,637	668,584	279,147
Machinery and equipment	25,197	141,926	25,282
Other capital assets	44,172		34,066
Less: Accumulated depreciation and amortization	(239,184)	(344,712)	(167,399)
Construction in progress	16,557	25,744	6,411
Total Capital Assets	341,060	573,796	200,442
Other assets		6,782	3,846
Total Noncurrent Assets, Net	433,602	736,943	252,212
Total Assets	517,301	837,431	328,942
Deferred outflows of resources	16,755	18,931	8,370
Liabilities			
Current liabilities:			
Accounts payable and accruals	14,462	11,927	4,347
Current portion of long-term debt:			
Notes payable	266	13,425	
Bonds payable	5,949	11,322	3,562
Capital lease obligations	1,695	504	1,057
Compensated absences	5,933	3,139	3,089
Claims liability		1,215	
Unearned revenues	7,665	9,049	3,921
Payable from restricted assets			360
Other current liabilities	939	6,382	1,219
Total Current Liabilities	36,909	56,963	17,555
Noncurrent liabilities:			
Notes payable	849	7,762	
Bonds payable	66,945	206,696	80,414
Capital lease obligations	33,525	16,737	12,188
Compensated absences			
Net pension liability	381,105	402,061	194,699
Other long-term liabilities	349	38,121	4,648
Total Noncurrent Liabilities	482,773	671,377	291,949
Total Liabilities	519,682	728,340	309,504
Deferred inflows of resources	19,351	21,895	13,231
Net Position			
Net investment in capital assets	229,072	285,279	100,113
Restricted for:			
Debt service			
Capital projects	26,051	16,315	
Other purposes	66,620	133,310	91,148
Unrestricted	(326,720)	(328,777)	(176,684)
Total Net Position	\$ (4,977)	\$ 106,127	\$ 14,577

Murray State University	Northern Kentucky University	Kentucky State University	Kentucky Council on Postsecondary Education	Totals June 30, 2015
\$ 60,298	\$ 89,751	\$ 24,979	\$ 289	\$ 331,240
	13,700		2,661	59,035
9,642	12,148	13,054	4,684	88,044
	17			72
2,170	359			6,795
1,995	2,291	144	2,123	14,399
2,156				3,793
<u>76,261</u>	<u>118,266</u>	<u>38,177</u>	<u>9,757</u>	<u>503,378</u>
86,407	23,155			146,231
	4,244	15,583	3,730	177,364
103,165	97,090		1,330	289,321
	1,421	510		20,550
12,274	9,785	2,288		70,998
15,373	36,235	3,987		178,814
280,378	405,492	154,808		2,218,046
31,184	87,697	21,852	570	333,708
33,131	4,622	15,708		131,699
(202,089)	(246,169)	(122,663)	(357)	(1,322,573)
17,845	38,296	1,144		105,997
<u>188,096</u>	<u>335,958</u>	<u>77,124</u>	<u>213</u>	<u>1,716,689</u>
<u>3,325</u>	<u>121</u>	<u>36</u>		<u>14,110</u>
<u>380,993</u>	<u>461,989</u>	<u>93,253</u>	<u>5,273</u>	<u>2,364,265</u>
<u>457,254</u>	<u>580,255</u>	<u>131,430</u>	<u>15,030</u>	<u>2,867,643</u>
<u>12,386</u>	<u>13,446</u>	<u>4,390</u>	<u>995</u>	<u>75,273</u>
10,263	13,943	4,399	4,911	64,252
1,214	21	50		14,976
3,324	6,468	215		30,840
56	1,128	514		4,954
6,425	3,143	1,311	628	23,668
617		167		1,999
3,433	6,024	874	18	30,984
	6,006			6,366
9,007	194	277		18,018
<u>34,339</u>	<u>36,927</u>	<u>7,807</u>	<u>5,557</u>	<u>196,057</u>
9,378	45	150		18,184
78,225	123,467	2,933		558,680
152	1,089	2,783		66,474
			224	224
233,581	224,378	93,542	18,565	1,547,931
	15,480	535		59,133
<u>321,336</u>	<u>364,459</u>	<u>99,943</u>	<u>18,789</u>	<u>2,250,626</u>
<u>355,675</u>	<u>401,386</u>	<u>107,750</u>	<u>24,346</u>	<u>2,446,683</u>
<u>12,051</u>	<u>5,515</u>	<u>5,164</u>	<u>433</u>	<u>77,640</u>
123,222	211,344	70,447		1,019,477
2,299	204			2,503
	1,625		213	44,204
95,220	103,702	23,141	5,588	518,729
(118,827)	(130,075)	(70,682)	(14,555)	(1,166,320)
<u>\$ 101,914</u>	<u>\$ 186,800</u>	<u>\$ 22,906</u>	<u>\$ (8,754)</u>	<u>\$ 418,593</u>

COMMONWEALTH OF KENTUCKY
COMBINING STATEMENT OF ACTIVITIES
NON-MAJOR COMPONENT UNITS - UNIVERSITIES, COLLEGES, AND RELATED ENTITIES
FOR THE YEAR ENDED JUNE 30, 2015
(Expressed in Thousands)

	Eastern Kentucky University	Western Kentucky University	Morehead State University
Expenses:			
Operating and other expenses	\$ 296,867	\$ 361,257	\$ 163,714
Total Expenses	296,867	361,257	163,714
Program Revenues:			
Charges for services	130,502	200,930	63,989
Operating grants and contributions	50,647	9,392	16,700
Capital grants and contributions			
Total Program Revenues	181,149	210,322	80,689
Net Program (Expense) Revenue	(115,718)	(150,935)	(83,025)
General Revenues:			
Unrestricted grants and contributions	42,640	60,949	26,384
Unrestricted investment earnings	(612)	6,112	66
Gain on sale of capital assets		48	
Miscellaneous general	75,225	83,356	48,885
Total General Revenues	117,253	150,465	75,335
Change in Net Position	1,535	(470)	(7,690)
Net Position at July 1, As Restated	(6,512)	106,597	22,267
Net Position at June 30	\$ (4,977)	\$ 106,127	\$ 14,577

Murray State University	Northern Kentucky University	Kentucky State University	Kentucky Council on Postsecondary Education	Totals June 30, 2015
\$ 188,843	\$ 235,189	\$ 69,653	\$ 61,093	\$ 1,376,616
188,843	235,189	69,653	61,093	1,376,616
118,170	133,380	18,085	785	665,841
6,304	12,778	16,767	15,489	128,077
	2,019		638	2,657
124,474	148,177	34,852	16,912	796,575
(64,369)	(87,012)	(34,801)	(44,181)	(580,041)
22,346	28,496	5,053		185,868
4,164	238	730		10,698
				48
53,622	50,872	24,142	42,165	378,267
80,132	79,606	29,925	42,165	574,881
15,763	(7,406)	(4,876)	(2,016)	(5,160)
86,151	194,206	27,782	(6,738)	423,753
\$ 101,914	\$ 186,800	\$ 22,906	\$ (8,754)	\$ 418,593



STATISTICAL SECTION

This part of the Commonwealth of Kentucky's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Commonwealth's overall financial health.

Financial Trends

The schedules presented in this section contain trend information to help the reader understand how the Commonwealth's financial performance and fiscal health has changed over time. Fund perspective statements are presented for the last ten fiscal years, except where noted.

Revenue Capacity

The schedules presented in this section contain information to help the reader assess the Commonwealth's most significant revenue source, which is personal income tax.

Debt Capacity

The schedules presented in this section contain information to help the reader assess the affordability of the Commonwealth's current levels of outstanding debt, and the Commonwealth's ability to issue additional debt in the future.

Demographic Information

The schedules presented in this section offer demographic and economic indicators to help the reader understand the environment within the Commonwealth and the financial impact of those activities.

Operating Information

The schedules presented in this section offer operating data to help the reader understand how the information in the Commonwealth's financial report relates to the services it provided and the activities performed by the governmental agencies.

COMMONWEALTH OF KENTUCKY
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

	2015	2014	2013	2012
General Fund				
Nonspendable:				
Inventories	\$ 6,230	\$ 6,505	\$ 7,299	\$ 5,515
Assigned	27,069		34,700	35,563
Unassigned	71,060	(137,295)	159,198	54,035
Total General Fund	<u>104,359</u>	<u>(130,790)</u>	<u>201,197</u>	<u>95,113</u>
All Other Governmental Funds				
Nonspendable:				
Inventories	74,105	54,006	81,264	86,240
Cash with Fiscal Agents	18,954	13,503	17,918	29,045
Restricted	1,706,764	2,068,293	2,373,349	2,452,952
Committed	160,804	188,706	175,676	183,414
Assigned	15,033	13,054	7,019	13,157
Unassigned	(59,950)	(2,582)	(596,756)	(420,183)
Total All Other Governmental Funds	<u>1,915,710</u>	<u>2,334,980</u>	<u>2,058,470</u>	<u>2,344,625</u>
 Total Fund Balances - Governmental Funds	 <u>\$ 2,020,069</u>	 <u>\$ 2,204,190</u>	 <u>\$ 2,259,667</u>	 <u>\$ 2,439,738</u>

Note: In FY 2010, the fund balance categories were reclassified as a result of implementing GASB 54.

General Fund:

Reserved
Unreserved
Total General Fund

All Other Governmental Funds:

Reserved
Unreserved, reported in:
 Debt Service Fund
 Special Revenue Funds
 Capital Projects Funds
Total All Other Governmental Funds

Note: Information is presented on the modified accrual basis of accounting.

2011	2010
\$ 6,099	\$ 5,079
57,456	71,975
249,482	9,150
<u>313,037</u>	<u>86,204</u>
49,078	54,290
67,469	80,576
2,165,308	1,833,356
148,636	161,548
27,034	15,641
(120,235)	(65,628)
<u>2,337,290</u>	<u>2,079,783</u>
<u>\$ 2,650,327</u>	<u>\$ 2,165,987</u>

2009	2008	2007	2006
\$ 80,135	\$ 290,108	\$ 295,917	\$ 183,555
(49,698)	(1,937)	517,277	713,339
<u>\$ 30,437</u>	<u>\$ 288,171</u>	<u>\$ 813,194</u>	<u>\$ 896,894</u>
\$ 882,654	\$ 919,085	\$ 704,496	\$ 597,827
309,234	369,603	381,313	377,202
719,767	786,125	1,031,387	1,394,633
45,585	72,094	(66,785)	(129,103)
<u>\$ 1,957,240</u>	<u>\$ 2,146,907</u>	<u>\$ 2,050,411</u>	<u>\$ 2,240,559</u>

COMMONWEALTH OF KENTUCKY
CHANGES IN FUND BALANCE, GOVERNMENTAL FUNDS
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

	2015	2014	2013	2012
Revenues				
Taxes	\$ 11,492,919	\$ 10,954,839	\$ 10,813,909	\$ 10,403,782
Licenses, fees, and permits	386,757	350,454	337,431	339,642
Intergovernmental	10,135,711	9,008,083	7,143,403	7,098,675
Charges for services	1,173,174	1,276,821	1,175,388	1,117,177
Fines and forfeits	64,755	69,531	80,227	80,132
Interest and other investment income	31,747	26,785	13,403	30,822
Increase (decrease) in fair value of investments	(13,544)	(9,410)	(7,661)	(18,705)
Securities lending income	2,664	2,696	4,198	3,121
Other revenues	518,844	627,647	678,358	562,394
Total Revenues	23,793,027	22,307,446	20,238,656	19,617,040
Expenditures				
Current:				
General government	2,107,483	2,067,170	2,282,198	2,390,204
Legislative and judicial	437,109	419,461	406,800	409,685
Commerce	98,826	97,811	92,312	112,139
Education and humanities	5,347,187	5,317,501	5,384,681	5,322,439
Human resources	11,437,873	10,399,966	7,963,372	7,984,895
Justice	839,455	804,747	825,194	802,108
Natural resources and environmental protection	186,641	185,547	201,048	213,283
Public protection and regulation	103,448	92,600	158,617	157,846
Transportation	2,661,224	2,566,382	2,263,175	2,109,125
Debt Service:				
Principal retirement	571,281	547,610	534,078	306,504
Interest and fiscal charges	352,558	355,438	354,688	367,966
Other expenditures	20,431	9,858	12,763	55,983
Securities lending expense	1,190	1,058	2,362	1,593
Capital outlay:				
Buildings	231,483	203,514	330,795	253,894
Total Expenditures	24,396,189	23,068,663	20,812,083	20,487,664
Excess (Deficiency) of Revenues over (under) Expenditures	(603,162)	(761,217)	(573,427)	(870,624)
Other Financing Sources (Uses)				
Transfers in	2,058,253	2,021,428	1,810,448	1,539,696
Transfers out	(2,009,118)	(2,013,769)	(1,833,096)	(1,530,423)
Capitalized leases	17,070	27	10,007	9,546
Issuance of bonds:				
New issues	222,922	256,887	221,310	419,700
Refunding issues	373,712	141,631	127,644	527,118
Premiums	76,777	80,769	27,295	74,049
Discounts	(972)	(689)	(408)	(927)
Certificates of participation	68,575			
Premiums	1,621			
Issuance of notes:				
New issues		383,000	163,290	82,717
Refunding issues		39,765		
Payments to refunded bond escrow agent	(409,405)	(189,883)	(127,035)	(455,473)
Total Other Financing Sources (Uses)	399,435	719,166	399,455	666,003
Net Change in Fund Balances	\$ (203,727)	\$ (42,051)	\$ (173,972)	\$ (204,621)
Debt service as a percentage of noncapital expenditures	3.78%	3.91%	4.29%	3.31%

Note: Information is presented on the modified accrual basis of accounting.

2011	2010	2009	2008	2007	2006
\$ 10,113,502	\$ 9,366,175	\$ 9,560,283	\$ 9,871,590	\$ 9,668,573	\$ 9,465,785
330,263	330,387	323,012	309,413	303,849	294,575
8,016,458	8,381,546	7,055,624	6,169,116	5,810,270	5,662,112
911,202	803,961	774,553	758,805	752,532	781,105
82,856	86,980	90,812	97,898	80,741	90,118
29,092	45,214	67,076	149,833	163,833	111,894
795	(150)	(4)	6,529	11,241	(5,799)
1,966	1,711	11,060	31,576	36,673	39,918
822,936	492,508	461,824	474,555	517,266	597,088
20,309,070	19,508,332	18,344,240	17,869,315	17,344,978	17,036,796
2,302,228	2,592,283	2,472,452	2,702,730	2,591,176	2,444,023
392,791	378,475	359,666	338,839	303,799	302,303
86,506	92,437	94,989	100,535	96,572	81,037
6,125,603	5,104,048	4,860,442	4,800,460	4,554,565	4,395,948
8,088,667	8,124,836	7,919,632	7,301,114	6,764,174	6,602,797
789,602	782,443	737,997	767,270	727,178	710,142
200,899	193,111	188,039	192,957	195,980	171,407
163,438	115,857	120,406	97,482	98,517	67,329
1,959,030	2,014,490	1,977,924	2,090,584	1,825,318	1,661,585
308,484	386,212	299,940	341,733	285,809	246,404
351,539	306,139	252,466	210,331	200,297	174,972
8,002	27,335	25,036	21,025	15,960	26,649
1,163	933	6,080	26,774	35,318	38,144
466,335	609,309	442,315	582,550	583,302	446,855
21,244,287	20,727,908	19,757,384	19,574,384	18,277,965	17,369,595
(935,217)	(1,219,576)	(1,413,144)	(1,705,069)	(932,987)	(332,799)
1,852,945	1,955,274	2,157,662	2,357,766	2,216,889	2,124,893
(1,675,200)	(1,776,171)	(1,880,360)	(2,258,283)	(2,041,824)	(1,969,206)
6,864	10,182	4,456	3,280	7,364	6,079
472,123	873,326	655,350	372,135	159,140	445,350
240,590	347,835	508,520	100,000	105,085	
34,035	37,442	35,905	46,322	16,610	21,416
(2,022)	(2,619)	(4,193)			
737,370	89,710		750,085	520,354	(58)
(233,642)	(186,602)	(508,320)	(100,000)	(330,193)	
1,433,063	1,358,253	969,020	1,271,305	653,425	628,474
\$ 497,846	\$ 138,677	\$ (444,124)	\$ (433,764)	\$ (279,562)	\$ 295,675
3.11%	3.34%	2.89%	2.94%	2.57%	2.49%

COMMONWEALTH OF KENTUCKY
NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

	2015	2014	2013	2012
Governmental Activities:				
Invested in capital assets, net of related debt	\$ 21,288,572	\$ 20,986,040	\$ 20,195,976	\$ 19,616,044
Restricted	984,229	1,099,649	1,167,435	1,480,299
Unrestricted	(36,414,312)	(11,812,580)	(10,315,863)	(9,731,379)
Total Governmental Activities Net Position	(14,141,511)	10,273,109	11,047,548	11,364,964
Business-type Activities:				
Invested in Capital Assets, net of related debt	303,571	315,131	328,382	334,611
Restricted	212,629	63,847	913	729
Unrestricted	(403,957)	(594,125)	(876,277)	(1,014,186)
Total Business-Type Activities Net Position	112,243	(215,147)	(546,982)	(678,846)
Primary Government:				
Invested in capital assets, net of related debt	21,592,143	21,301,171	20,524,358	19,950,655
Restricted	1,196,858	1,163,496	1,168,348	1,481,028
Unrestricted	(36,818,269)	(12,406,705)	(11,192,140)	(10,745,565)
Total Primary Government Net Position	\$ (14,029,268)	\$ 10,057,962	\$ 10,500,566	\$ 10,686,118

NOTE: This schedule is presented on the accrual basis of accounting.

2011	2010	2009	2008	2007	2006
\$ 19,153,511	\$ 18,418,874	\$ 19,547,435	\$ 19,911,942	\$ 17,947,656	\$ 17,633,886
1,286,431	1,206,293	1,094,433	1,139,727	1,237,151	1,376,301
(8,071,118)	(6,803,987)	(5,861,735)	(4,816,142)	(1,807,615)	(1,191,204)
12,368,824	12,821,180	14,780,133	16,235,527	17,377,192	17,818,983
350,505	341,172	330,078	290,365	267,144	254,623
326	9,646	5,615	310,216	359,605	392,318
(1,199,294)	(1,151,091)	(859,772)	(553,995)	(634,297)	(612,782)
(848,463)	(800,273)	(524,079)	46,586	(7,548)	34,159
19,504,016	18,760,046	19,877,513	20,202,307	18,214,800	17,888,509
1,286,757	1,215,939	1,100,048	1,449,943	1,596,756	1,768,619
(9,270,412)	(7,955,078)	(6,721,507)	(5,370,137)	(2,441,912)	(1,803,986)
\$ 11,520,361	\$ 12,020,907	\$ 14,256,054	\$ 16,282,113	\$ 17,369,644	\$ 17,853,142

COMMONWEALTH OF KENTUCKY
GOVERNMENT-WIDE EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

	2015	2014	2013	2012
Function/Program Revenues				
Primary Government:				
Governmental Activities:				
Charges for Services:				
General government	\$ 626,337	\$ 699,518	\$ 681,819	\$ 668,709
Legislative and judicial	25,866	25,584	25,676	21,750
Commerce	58,617	44,538	41,337	53,375
Education and humanities	64,776	43,192	67,290	66,246
Human Resources	164,793	230,057		16,593
Justice	22,755	23,434	27,369	21,500
Natural resources and environmental protection	17,014	45,334	308,890	12,451
Public protection and regulation	87,134	83,516	93,172	92,806
Transportation	299,446	269,701	238,296	249,231
Operating Grants and Contributions	9,270,753	8,211,316	6,294,292	6,381,991
Capital Grants and Contributions	865,320	801,353	806,675	836,370
Total Governmental Activities	11,502,811	10,477,543	8,584,816	8,421,022
Business-Type Activities:				
Charges for Services:				
State Parks	47,931	49,016	48,774	50,064
Kentucky Lottery Corporation				
Kentucky Horse Park	12,407	10,679	9,981	9,161
Insurance Administration	124,106	113,248	112,177	122,962
Kentucky Public Employees' Health Plan	1,712,136	1,692,801	1,680,011	1,681,642
Unemployment Compensation	743,369	561,692	532,298	521,893
Operating Grants and Contributions		174,235	408,125	705,465
Capital Grants and Contributions	149	378	155	1,032
Total Business-Type Activities	2,640,098	2,602,049	2,791,521	3,092,219
Total Primary Government	\$ 14,142,909	\$ 13,079,592	\$ 11,376,337	\$ 11,513,241
Expenses				
Primary Government:				
Governmental Activities:				
General government	\$ 2,557,827	\$ 2,840,370	\$ 3,333,535	\$ 3,002,882
Legislative and judicial	433,354	420,929	406,949	411,579
Commerce	110,041	112,067	112,296	132,078
Education and humanities	5,822,980	5,539,119	5,214,551	5,818,383
Human Resources	11,098,078	10,000,356	7,618,717	7,623,348
Justice	952,071	933,126	936,118	923,628
Natural resources and environmental protection	190,532	192,059	229,245	221,822
Public protection and regulation	107,258	92,798	160,071	156,755
Transportation	1,819,570	2,127,851	1,720,513	1,496,753
Interest expense	341,922	355,842	369,773	403,534
Total Governmental Activities	23,433,633	22,614,517	20,101,768	20,190,762
Business-Type Activities:				
State Parks	110,220	96,587	92,724	93,925
Kentucky Lottery Corporation				
Kentucky Horse Park	19,278	19,511	15,856	13,970
Insurance Administration	116,723	86,063	93,876	38,081
Kentucky Public Employees' Health Plan	1,420,292	1,642,048	1,677,143	1,687,322
Unemployment Compensation	340,223	1,092,231	1,287,408	1,193,572
Total Business-Type Activities	2,006,736	2,936,440	3,167,007	3,026,870
Total Primary Government	\$ 25,440,369	\$ 25,550,957	\$ 23,268,775	\$ 23,217,632
Net (Expense)/Revenue				
Governmental Activities	\$ (11,930,822)	\$ (12,136,974)	\$ (11,516,952)	\$ (11,769,740)
Business-Type Activities	633,362	(334,391)	(375,486)	65,349
Total Primary Government Net Expense	\$ (11,297,460)	\$ (12,471,365)	\$ (11,892,438)	\$ (11,704,391)

2011	2010	2009	2008	2007	2006
\$ 438,993	\$ 384,050	\$ 366,634	\$ 494,587	\$ 375,662	\$ 374,655
21,177	20,226	28,561	15,225	14,558	13,667
36,774	40,657	47,770	41,821	42,267	34,390
78,996	55,926	50,988	68,609	85,538	102,783
484,958	103,025	121,752	200,913	197,556	106,238
22,121	21,641	20,611	24,096	22,189	33,185
43,338	41,123	35,959	42,511	39,412	33,205
83,816	73,066	71,078	66,495	64,260	63,341
218,846	230,918	238,110	16,849	215,869	202,569
7,071,327	7,621,275	6,575,144	5,554,089	5,261,989	5,139,428
697,927	773,661	550,416	750,184	658,132	597,282
9,198,273	9,365,568	8,107,023	7,275,379	6,977,432	6,700,743
49,437	50,802	52,439	57,605	56,208	52,751
772,349	772,497	810,544	778,211	744,222	742,312
7,798	6,880	6,423	6,763	6,632	6,010
110,829	121,445	93,438	129,870	130,994	178,305
1,752,908	1,548,458	1,392,971	1,270,899	1,158,078	595,435
471,876	1,556,290	412,430	381,410	357,396	377,265
953,112	3,849	363,028	53,838	46,798	45,573
2,326		4,633	1,735	476	112
4,120,635	4,060,221	3,135,906	2,680,331	2,500,804	1,997,763
\$ 13,318,908	\$ 13,425,789	\$ 11,242,929	\$ 9,955,710	\$ 9,478,236	\$ 8,698,506
\$ 3,212,093	\$ 4,377,373	\$ 3,837,639	\$ 4,370,883	\$ 3,708,700	\$ 2,714,165
400,786	376,743	360,872	335,635	313,010	305,466
113,156	124,263	112,825	107,774	96,486	103,996
6,036,864	5,148,482	4,887,919	4,852,742	4,608,914	4,421,812
7,652,130	7,725,161	7,611,725	6,904,568	6,468,225	6,259,383
887,611	876,065	822,301	845,153	803,120	794,698
198,067	192,518	197,086	197,265	191,052	207,369
164,052	113,558	121,952	97,360	116,770	68,108
1,340,012	1,175,210	1,331,764	1,170,102	1,123,493	1,263,891
377,725	332,639	265,984	254,488	266,388	250,622
20,382,496	20,442,012	19,550,067	19,135,970	17,696,158	16,389,510
92,777	101,861	98,795	104,672	111,973	90,283
566,117	568,183	619,902	599,490	563,549	558,435
14,804	13,521	11,411	12,799	10,624	9,690
232,100	107,286	(18,953)	117,817	176,338	70,683
1,624,444	1,497,656	1,434,951	1,288,981	1,152,794	507,282
1,521,994	1,958,414	1,317,067	493,397	450,629	396,052
4,052,236	4,246,921	3,463,173	2,617,156	2,465,907	1,632,425
\$ 24,434,732	\$ 24,688,933	\$ 23,013,240	\$ 21,753,126	\$ 20,162,065	\$ 18,021,935
\$ (11,184,223)	\$ (11,076,444)	\$ (11,443,044)	\$ (11,860,591)	\$ (10,718,726)	\$ (9,688,767)
68,399	(186,700)	(327,267)	63,175	34,897	365,338
\$ (11,115,824)	\$ (11,263,144)	\$ (11,770,311)	\$ (11,797,416)	\$ (10,683,829)	\$ (9,323,429)

COMMONWEALTH OF KENTUCKY
GOVERNMENT-WIDE EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands)

	2015	2014	2013	2012
General Revenues and				
Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Sales and gross receipt	\$ 5,714,300	\$ 5,575,312	\$ 5,292,465	\$ 5,505,336
Individual income	4,064,705	3,752,868	3,748,008	3,474,027
Corporate income	540,132	456,601	423,093	370,485
Property	570,998	553,339	556,986	534,189
License and privilege	13,742	21,170	21,091	26,792
Severance	235,068	251,231	461,866	170,980
Inheritance and estate	52,616	51,513	20,503	68,119
Miscellaneous taxes	190,700	184,605	203,467	148,305
Unrestricted grants and contributions	10,348	12,663	16,332	14,640
Unrestricted investment earnings	4,264	(37)	2,179	(21,439)
Gain on sale of capital assets	7,259	10,969	8,885	10,363
Miscellaneous general	413,140	496,504	544,186	493,133
Transfers	108,470	(4,214)	(22,093)	(12,293)
Total General Revenues and Transfers	11,925,742	11,362,524	11,276,968	10,782,637
Change in Net Position	(5,080)	(774,450)	(239,984)	(987,103)
Net Position at July 1, as Restated	(14,136,431)	11,047,559	11,287,532	12,352,067
Net Position at June 30	\$ (14,141,511)	\$ 10,273,109	\$ 11,047,548	\$ 11,364,964
 Business-Type Activities:				
Unrestricted grants and contributions	\$	\$	\$	\$
Unrestricted investment earnings	14,971	13,546	(16,154)	
Gain on sale of capital assets		32		55,123
Miscellaneous general	5,693	648,434	501,411	
Transfers	(108,470)	4,214	22,093	
Total General Revenues and Transfers	(87,806)	666,226	507,350	55,123
Change in Net Position	545,556	331,835	131,864	192,756
Net Position at July 1, as Restated	(433,313)	(546,982)	(678,846)	(871,602)
Net Position at June 30	\$ 112,243	\$ (215,147)	\$ (546,982)	\$ (678,846)
 Change in Net Position				
Governmental Activities	\$ (5,080)	\$ (774,450)	\$ (239,984)	\$ (987,103)
Business-Type Activities	545,556	331,835	131,864	192,756
Total Primary Government Changes in Net Position	\$ 540,476	\$ (442,615)	\$ (108,120)	\$ (794,347)

2011	2010	2009	2008	2007	2006
\$ 5,152,345	\$ 4,880,831	\$ 4,777,321	\$ 4,828,223	\$ 4,623,126	\$ 4,433,893
3,451,268	3,125,824	3,359,471	3,512,908	2,975,875	2,863,269
317,578	235,654	278,103	397,842	961,204	1,013,768
509,961	504,189	534,441	497,326	503,853	492,532
29,690	29,198	37,442	33,049	42,738	73,679
366,633	325,077	362,965	310,294	279,924	290,203
45,144	38,058	43,237	51,423	49,574	40,498
168,847	152,016	146,977	163,842	164,715	161,663
14,071	9,365	10,263	11,923	731	723
7,146	9,531	(9,977)	31,335	57,070	58,428
9,727	22,682	12,730	10,123	3,288	4,637
444,309	388,144	319,408	596,079	421,772	499,657
206,078	172,007	264,032	126,716	169,150	187,101
10,722,797	9,892,576	10,136,413	10,571,083	10,253,020	10,120,051
(461,426)	(1,183,868)	(1,306,631)	(1,289,508)	(465,706)	431,284
12,830,250	14,005,048	16,086,764	17,525,035	17,842,898	17,387,699
<u>\$ 12,368,824</u>	<u>\$ 12,821,180</u>	<u>\$ 14,780,133</u>	<u>\$ 16,235,527</u>	<u>\$ 17,377,192</u>	<u>\$ 17,818,983</u>
\$ 208	\$	\$	\$	\$	\$
56,203	47,657	(28,261)	16,531	83,846	26,793
597	1,844	38	59	72	30
21,902	35,792	48,894	18,746	8,628	25,900
(206,078)	(172,007)	(264,032)	(126,716)	(169,150)	(187,101)
(127,168)	(86,714)	(243,361)	(91,380)	(76,604)	(134,378)
(58,769)	(273,414)	(570,628)	(28,205)	(41,707)	230,960
(789,694)	(526,859)	46,549	74,791	34,159	(196,801)
<u>\$ (848,463)</u>	<u>\$ (800,273)</u>	<u>\$ (524,079)</u>	<u>\$ 46,586</u>	<u>\$ (7,548)</u>	<u>\$ 34,159</u>
\$ (461,426)	\$ (1,183,868)	\$ (1,306,631)	\$ (1,289,508)	\$ (465,706)	\$ 431,284
(58,769)	(273,414)	(570,628)	(28,205)	(41,707)	230,960
<u>\$ (520,195)</u>	<u>\$ (1,457,282)</u>	<u>\$ (1,877,259)</u>	<u>\$ (1,317,713)</u>	<u>\$ (507,413)</u>	<u>\$ 662,244</u>

COMMONWEALTH OF KENTUCKY
PERSONAL INCOME TAX INFORMATION
CALENDAR YEARS 2004 and 2013

Personal Income Tax Filers and Liability by Income Level (C)

Ky Federal AGI (from Ky form 740) Income Level	Calendar Year 2013			
	Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
Resident Taxpayer				
less than \$25,001	734,130	42.07%	\$ 225,514,228	6.53%
\$25,001-\$50,000	419,941	24.07%	539,579,669	15.65%
\$50,001-\$100,000	390,859	22.40%	1,010,739,398	29.31%
\$100,001-\$200,000	160,383	9.19%	851,611,670	24.69%
\$200,001-\$500,000	32,655	1.87%	445,733,015	12.93%
Greater than \$500,000	6,784	0.39%	375,418,996	10.89%
Total Resident	1,744,752	100.00%	3,448,596,976	100.00%
Non-Resident Taxpayer				
less than \$25,001	60,119	37.51%	6,479,848	3.28%
\$25,001-\$50,000	28,423	17.73%	14,868,656	7.52%
\$50,001-\$100,000	29,685	18.52%	27,353,892	13.84%
\$100,001-\$200,000	19,424	12.12%	30,027,584	15.19%
\$200,001-\$500,000	11,605	7.24%	27,832,584	14.08%
Greater than \$500,000	11,017	6.87%	91,140,116	46.10%
Total Non-Resident	160,273	100.00%	197,702,680	100.00%
Totals	1,905,025		\$ 3,646,299,656	

Personal Income Tax Rates

Tax Years 2004 - 2013

Tax Rate	2%	3%	4%	5%
Income Bracket	\$0-3,000	\$3,001-4,000	\$4,001-5,000	\$5,001-8,000

	2013		2004
Personal Income Tax Revenue	\$ 3,646,299,656	(A)	\$ 2,876,262,504
Personal Income	111,991,000,000	(B)	85,484,500,000
Average Effective Rate	3.3%		3.4%

Source of Tax Information:

(A) Kentucky Department of Revenue

(B) See Schedule of Personal Income

(C) This information is presented on a cash basis.

Calendar Year 2004

Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
775,013	47.40%	\$ 201,638,526	7.33%
408,347	24.98%	541,863,564	19.69%
341,805	20.90%	939,466,043	34.14%
86,695	5.30%	495,324,582	18.00%
18,614	1.14%	275,563,177	10.01%
4,598	0.28%	297,947,095	10.83%
1,635,072	100.00%	2,751,802,987	100.00%

Number of Filers	Percentage of Total	Personal Income Tax Liability	Percentage of Total
47,402	40.54%	4,684,388	3.76%
22,101	18.90%	11,547,473	9.28%
20,406	17.45%	19,465,682	15.64%
11,454	9.80%	19,002,252	15.27%
7,270	6.22%	17,271,153	13.88%
8,294	7.09%	52,488,569	42.17%
116,927	100.00%	124,459,517	100.00%
1,751,999		\$ 2,876,262,504	

5.8%	6.0%
\$8,001 -75,000	\$75,001 and UP



COMMONWEALTH OF KENTUCKY
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
FOR CALENDAR YEARS 2005-2014
(Expressed in Thousands, Except Ratio Data)

For the Year Ended December 31	Real Property		Personal Property		Totals		Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2005	\$ 183,052,164	\$ 194,736,345	\$ 198,811,311	\$ 198,811,311	\$ 381,863,475	\$ 393,547,656	97.0%
2006	195,349,504	207,818,621	146,437,150	146,437,150	341,786,654	354,255,771	96.5%
2007	209,408,191	222,774,671	155,998,799	155,998,799	365,406,990	378,773,470	96.5%
2008	219,881,174	233,916,143	160,465,814	160,465,814	380,346,988	394,381,957	96.4%
2009	226,213,765	240,652,941	160,898,648	160,898,648	387,112,413	401,551,589	96.4%
2010	226,833,829	241,312,584	169,307,231	169,307,231	396,141,060	410,619,815	96.5%
2011	229,344,568	243,983,583	169,933,206	169,933,206	399,277,774	413,916,789	96.5%
2012	232,286,735	247,113,548	176,724,331	176,724,331	409,011,066	423,837,879	96.5%
2013	233,534,113	248,440,546	173,138,368	173,138,368	406,672,481	421,578,914	96.5%
2014	237,120,455	252,255,803	174,481,430	174,481,430	411,601,885	426,737,233	96.5%

SOURCE: Kentucky Department of Revenue

NOTE: Assessed values are established through the utilization of an annual ad valorem tax based on the fair value of property.

COMMONWEALTH OF KENTUCKY
PROPERTY TAX LEVIES AND COLLECTIONS
FOR CALENDAR YEARS 2005-2014
(Expressed in Thousands, Except Percentages)

For the Year Ended June 30	Total Levied	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Weighted Average State Rate **
2005	\$ 505,847	\$ 451,949	89.3%	\$ 23,632	\$ 475,581	94.0%	71.12
2006	483,608	467,209	96.6%	16,299 *	483,508	100.0%	65.05
2007	513,301	483,127	94.1%	17,520	500,647	97.5%	66.45
2008	527,149	490,176	93.0%	22,946	513,122	97.3%	65.26
2009	530,822	491,218	92.5%	24,952	516,170	97.2%	64.26
2010	536,828	486,675	90.7%	28,141	514,816	95.9%	65.35
2011	545,501	512,879	94.0%	16,688	529,567	97.1%	66.27
2012	561,041	531,406	94.7%	26,972	558,378	99.5%	66.01
2013	566,500	541,152	95.5%	21,277	562,429	99.3%	64.98
2014	575,958	547,198	95.0%	16,237	563,435	97.8%	64.37

SOURCE: Kentucky Department of Revenue

NOTE: Property taxes are assessed as of January 1 of each year in one of two ways: 1) by the 120 Property Valuation Administrators within the State, or 2) by the Revenue Cabinet. The tax rates are set by the various taxing jurisdictions and applied to the particular assessment. Tax bills are delivered by September 15 of each year. Also, the "Total Tax Levy" in this table has been re-specified for the years shown to adjust for the fact that the receipts for motor vehicles involve two different assessment years.

* Delinquent tax collections in excess of the current year levy have been allocated to prior years.

** The weighted average state rate includes state and local rates and are expressed in cents per \$100 of assessed value.

COMMONWEALTH OF KENTUCKY
RATIOS OF OUTSTANDING DEBT BY TYPE
FOR THE LAST TEN FISCAL YEARS
(Expressed in Thousands, Except Ratio Data)

	2015	2014	2013	2012
Governmental Activities Debt				
Revenue Bonds (2)	\$ 6,154,942	\$ 6,291,646	\$ 6,427,591	\$ 6,555,730
Notes (2)	1,467,573	1,868,377	1,648,642	1,669,372
Capital Leases (2)	71,493	55,444	211,963	46,069
Total Government Activities Debt	<u>7,694,008</u>	<u>8,215,467</u>	<u>8,288,196</u>	<u>8,271,171</u>
Business-Type Activities Debt				
Capital Leases (2)	12,262	13,065	1,153,410	14,119
Total Business-Type Activities Debt	<u>12,262</u>	<u>13,065</u>	<u>1,153,410</u>	<u>15,291</u>
Total Primary Government Debt	<u>\$ 7,706,270</u>	<u>\$ 8,228,532</u>	<u>\$ 9,441,606</u>	<u>\$ 8,286,462</u>
Total Debt Ratios				
Ratio of Total Debt to Personal Income	<u>6.67%</u>	<u>7.35%</u>	<u>8.74%</u>	<u>7.97%</u>
Total Debt Per Capita (1)	<u>\$ 1,753.30</u>	<u>\$ 1,872.12</u>	<u>\$ 2,160.87</u>	<u>\$ 1,896.50</u>
Net Bonded Debt				
Gross Bonded Debt	\$ 6,154,942	\$ 6,291,646	\$ 6,427,591	\$ 6,555,730
Less: Debt Service Funds	138,192	125,732	124,951	120,304
Net Bonded Debt	<u>\$ 6,016,750</u>	<u>\$ 6,165,914</u>	<u>\$ 6,302,640</u>	<u>\$ 6,435,426</u>
Net Bonded Debt Ratios				
Ratio of Net Bonded Debt to Governmental Funds Revenues	<u>26.97%</u>	<u>27.64%</u>	<u>31.14%</u>	<u>32.81%</u>
Net Bonded Debt Per Capita (1)	<u>\$ 1,373.56</u>	<u>\$ 1,407.61</u>	<u>\$ 1,438.82</u>	<u>\$ 1,472.85</u>

(1) Per Capita calculations are based on the population figures for the prior year. (See Demographics Schedule on page 250)

(2) See Note 15 for Debt Amounts

2011	2010	2009	2008	2007	2006
\$ 6,241,628	\$ 5,959,846	\$ 4,429,520	\$ 3,617,080	\$ 3,442,634	\$ 3,546,468
1,715,915	1,089,740	1,059,520	1,516,350	910,310	554,790
30,877	32,341	26,638	30,968	39,079	28,450
7,988,420	7,081,927	5,515,678	5,164,398	4,392,023	4,129,708
3,542	127	211	212	197	307
3,542	127	211	212	197	307
\$ 7,991,962	\$ 7,082,054	\$ 5,515,889	\$ 5,164,610	\$ 4,392,220	\$ 4,130,015
7.81%	7.09%	5.45%	5.21%	4.64%	4.54%
\$ 1,838.81	\$ 1,641.60	\$ 1,292.01	\$ 1,217.65	\$ 1,044.26	\$ 989.60
\$ 6,241,628	\$ 5,959,846	\$ 4,429,520	\$ 3,617,080	\$ 3,442,634	\$ 3,546,468
137,921	197,802	353,391	405,028	415,386	403,002
\$ 6,103,707	\$ 5,762,044	\$ 4,076,129	\$ 3,212,052	\$ 3,027,248	\$ 3,143,466
31.11%	29.54%	22.22%	17.97%	17.77%	18.45%
\$ 1,404.36	\$ 1,335.63	\$ 954.77	\$ 757.30	\$ 719.73	\$ 753.21

**COMMONWEALTH OF KENTUCKY
UNIVERSITY AND COLLEGE REVENUE BOND COVERAGE
FOR THE LAST TEN FISCAL YEARS**
(Expressed in Thousands, Except Ratio Data)

Fiscal Year Ending June 30	Revenue Stream Available For Debt Service	Debt Service Requirement	Coverage Ratio
2006	\$ 499,346 *	\$ 57,141	8.74
2007	613,592 *	43,071	14.25
2008	235,398 *	47,782	4.93
2009	231,058 *	55,549	4.16
2010	308,774 *	61,448	5.02
2011	418,370 *	56,920	7.35
2012	3,930,749 **	1,531,031	2.57
2013	4,031,429 **	1,485,309	2.71
2014	4,235,184 **	1,777,303	2.38
2015	4,598,823 **	1,958,552	2.35

SOURCE: Commonwealth of Kentucky Comprehensive Annual
Financial Reports; State universities' audited financial statements
* Calculated using net operating revenue and short-term bond liability
** Calculated using Gross revenue stream, state appropriation, current and long term bond liability

**TOP 10 MANUFACTURERS/SUPPORTIVE SERVICE FIRMS
(Ranked by Number of Employees)
CURRENT YEAR AND NINE YEARS AGO**

Company	2015			2006		
	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
United Parcel Service, Inc.	12,961	1	0.69%	10,788	1	0.56%
Humana Inc.	11,464	2	0.61%	7,304	4	0.38%
Toyota Motor Corp	11,078	3	0.59%	8,731	3	0.46%
Ford Motor Co.	8,491	4	0.45%	9,500	2	0.50%
Amazon.com	7,232	5	0.39%			
General Electric Co	6,843	6	0.36%	6,968	5	0.36%
FMR LLC	3,900	7	0.21%			
Xerox Coporation	3,837	8	0.20%			
Citigroup	3,099	9	0.17%	3,700	9	0.19%
Berkshire Hathaway Inc.	2,620	10	0.14%			
Delta Air Lines, Inc				4,900	6	0.26%
Dana Corp.				4,676	7	0.24%
Johnson Controls, Inc.				4,198	8	0.22%
Lexmark International, Inc				3,450	10	0.18%
	71,525		3.81%	64,215		3.36%

SOURCE: <http://www.thinkkentucky.com>
<http://www.workforcekentucky.ky.gov>

**DEMOGRAPHIC STATISTICS
FOR CALENDAR YEARS 2005-2014**

For the Year Ended December 31	Estimated Population	Per Capita Income	Unemployment Rate
2005	4,173,405	\$ 28,513	5.9%
2006	4,206,074	29,352	5.7%
2007	4,241,474	31,111	5.4%
2008	4,269,245	31,826	6.4%
2009	4,314,113	32,306	10.3%
2010	4,346,266	32,376	10.2%
2011	4,369,356	33,667	9.4%
2012	4,380,415	35,041	8.2%
2013	4,395,295	36,214	8.0%
2014	4,413,457	37,654	6.5%

SOURCE: <http://www.bea.gov>
<https://kylmi.ky.gov>

COMMONWEALTH OF KENTUCKY
SOURCES OF PERSONAL INCOME
FOR CALENDAR YEARS 2005-2014
(Expressed in Thousands, Except Percent Data)

Source	2005**		2006**		2007**		2008**		2009**	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Farm	\$ 1,520,500	1.7%	\$ 532,750	0.6%	\$ 1,040,750	1.0%	\$ 932,500	0.9%	\$ 1,364,000	1.4%
Agriculture services, forestry, fisheries and others	369,750	0.4%	422,500	0.4%	407,250	0.4%	421,500	0.4%	319,250	0.3%
Mining	1,879,750	2.1%	2,128,750	2.3%	2,227,000	2.2%	2,475,000	2.4%	2,121,000	2.1%
Manufacturing	16,364,000	18.0%	17,033,000	18.0%	17,069,000	17.2%	16,305,750	16.1%	13,446,500	13.5%
Construction	5,133,750	5.6%	5,225,750	5.5%	5,292,750	5.3%	5,356,750	5.3%	5,045,000	5.1%
Wholesale and retail trade	10,857,250	11.9%	11,430,750	12.1%	11,726,500	11.8%	11,870,500	11.8%	11,548,500	11.6%
Finance, insurance and real estate	5,487,250	6.0%	5,922,750	6.3%	6,345,250	6.4%	6,390,750	6.3%	5,979,500	6.0%
Transportation and public utilities	5,452,500	6.0%	5,653,750	6.0%	6,237,000	6.3%	6,008,000	5.9%	6,062,250	6.1%
Services	26,222,250	28.9%	27,810,500	29.3%	29,033,250	29.4%	30,718,250	30.4%	31,714,500	31.6%
Government and government enterprises	17,594,750	19.4%	18,420,500	19.5%	19,826,000	20.0%	20,809,250	20.5%	22,249,500	22.3%
Earnings by Place of Work	<u>\$ 90,881,750</u>	<u>100.0%</u>	<u>\$ 94,581,000</u>	<u>100.0%</u>	<u>\$ 99,204,750</u>	<u>100.0%</u>	<u>\$ 101,288,250</u>	<u>100.0%</u>	<u>\$ 99,850,000</u>	<u>100.0%</u>

Source	2010**		2011**		2012**		2013**		2014**	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Farm	\$ 1,208,000	1.2%	\$ 811,000	0.8%	\$ 1,062,000	1.0%	\$ 1,954,000	1.7%	\$ 1,790,189	1.5%
Agriculture services, forestry, fisheries and others	316,000	0.3%	280,000	0.3%	330,000	0.3%	346,000	0.3%	399,410	0.3%
Mining	2,353,000	2.3%	2,256,000	1.3%	2,224,000	1.3%	1,853,000	1.7%	1,808,635	1.6%
Manufacturing	14,293,000	14.0%	12,563,000	12.2%	15,736,000	15.4%	15,937,000	14.2%	16,681,907	14.4%
Construction	4,726,000	4.6%	5,101,000	5.0%	5,568,000	5.4%	5,938,000	5.3%	6,662,114	5.8%
Wholesale and retail trade	11,456,000	11.2%	12,021,000	11.7%	12,306,000	12.0%	12,328,000	11.0%	12,726,539	11.0%
Finance, insurance and real estate	5,956,000	5.8%	6,507,000	6.3%	6,931,000	6.8%	7,269,000	6.5%	7,567,461	6.6%
Transportation and public utilities	6,130,000	6.0%	6,199,000	6.1%	6,529,000	6.4%	6,402,000	5.7%	6,745,081	5.8%
Services	32,939,000	32.1%	34,521,000	33.1%	34,471,000	33.1%	36,784,000	32.9%	38,137,251	33.0%
Government and government enterprises	23,014,000	22.5%	23,727,000	23.2%	22,879,000	22.3%	23,180,000	20.7%	22,994,107	19.9%
Earnings by Place of Work	<u>\$ 102,391,000</u>	<u>100.0%</u>	<u>\$ 103,986,000</u>	<u>100.0%</u>	<u>\$ 108,036,000</u>	<u>100.0%</u>	<u>\$ 111,991,000</u>	<u>100.0%</u>	<u>\$ 115,512,694</u>	<u>100.0%</u>

SOURCE: U.S. Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov>)

NOTE: Percentages may not add to 100% due to rounding.

* 2002 annual estimates computed with BEA table SQ5 by adding 4 quarters of 2002 and dividing by 4.

** Annual estimates computed with BEA table SQ5N by adding 4 quarters of each year and dividing by 4.

Quarterly charts show each quarter as an annualized amount based on amounts to date.

Amounts are based on the North American Industry Classification System (NAICS) instead of the Standard Industrial Classification (SIC) system used in previous years. This affects comparability of amounts. NAICS will be used in the future fiscal years.

COMMONWEALTH OF KENTUCKY
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Personnel										
Number of Full Time Employees- Executive Branch	32,547	31,819	31,961	32,270	32,365	32,309	31,334	33,851	33,204	34,947
Health Insurance Expenditures - Percentage Increase/(decrease)	2.5%	2.0%	7.4%	(3.5%)	4.5%	18.7%	(1.3%)	6.1%	(1.8%)	29%
Education										
K-12 Enrollment	680,519	678,884	677,394	647,827	644,963	636,188	671,147	671,542	668,337	664,606
K-12 Attendance Rate	94.50%	94.60%	94.52%	94.05%	94.05%	94.18%	94.17%	94.18%	94.60%	94.31%
K-12 Graduation Rate	87.90%	87.40%	86.10%	76.68%	80.5%***	83.91%	84.52%	83.72%	83.26%	82.84%
Statewide Academic Index	*	*	*	*	*	*	*	82.20%	81.80%	78.30%
Average ACT Score	20	19.9	19.6	19.8	19.6	19.4	19.4**	20.9	20.7	20.6
GED Graduates	1,663	7,083	8,890	9,469	10,294	9,357	9,382	10,307	9,757	9,054
College Going Rate for 9th Graders	NA	47%	39%	42%	42%	42%	44%	38%	38%	37%
Postsecondary Education Enrollment	215,509	220,963	225,415	235,833	232,318	223,893	211,179	212,994	206,419	202,197
Bachelor's and Higher Degrees Awarded	32,706	32,374	32,237	30,034	29,911	28,798	27,983	27,246	27,042	26,544
Justice and Public Safety										
Incarcerated Population-Daily Average	21,576	20,814	21,785	21,471	20,785	20,798	21,470	22,219	20,772	19,943
Probation and Parole Population - Daily Average	46,008	45,755	43,196	41,790	41,534	39,364	38,933	39,206	33,642	33,643
Health and Family Services										
Medicaid Enrollment-Average	1,243,432	997,556	829,826	825,648	815,460	788,236	748,296	722,559	710,000	699,595
Food Stamp Recipients-Monthly Average	788,485	843,164	869,035	843,939	814,176	761,654	680,087	623,997	595,366	598,486
Temporary Assistance for Needy Families (TANF)-Monthly Average	42,995	47,996	49,148	48,817	50,583	48,894	48,368	48,743	68,260	69,696
Children with substantiated incidences	19,858	15,193	17,884	15,699	15,721	15,092	14,475	15,196	15,500	15,526
Environmental and Public Protection										
Air Pollution Source Inspections	3,448	3,939	3,919	3,355	3,390	5,910	3,085	4,310	4,000	4,600
Waste Management Inspections	6,866	6,484	6,239	6,062	6,155	7,060	6,731	6,443	7,500	7,200
Acres of Land Reforested	5,472	3,573	8,309	10,396	4,827	4,520	5,580	5,105	2,000	1,600
Mine Permits Issued	446	515	606	719	691	608	688	848	954	1,025
Mine Reclamation and Enforcement Inspections	20,011	21,450	23,003	26,942	25,392	25,686	24,890	26,062	22,898	22,001
Mine Safety-Completed Inspections	2,651	3,023	3,546	3,203	3,102	4,611	2,888	2,718	2,364	2,500
Transportation										
Percentage of Total Road System Needing Improvement	17%	19%	19%	19%	15%	18%	14%	15%	15%	14%
Statewide Road Maintainance Rating (Target Score = 80)	83.7	82.5	80.5	80.1	81.5	79.7	80.9	81.7	80.1	79.1
Daily Miles Traveled-Percentage Changed (as compared to 2005 Data)	(0.31%)	(2.09%)	(1.98%)	0.17%	0.20%	(0.1%)	0.0%	(0.5%)	0.1%	(0.3%)
State-Maintained Lane Miles- Annual Percent Change	0.13%	0.33%	0.03%	0.10%	0.30%	0.10%	1.6%	0.6%	0.2%	0.2%
Kentucky Road Construction Cost Index-Percent Increase (1987 Base Year)	45.4%	43.6%	34.9%	10.7%	35.2%	13.9%	22.7%	28.0%	32.0%	19.5%

* The Statewide Academic Index is no longer generated.

** First graduating class in which all students were required to take the ACT. A reduction was expected.

***First year using Average Freshman Graduation Rate

NA Information is not available

**COMMONWEALTH OF KENTUCKY
CAPITAL ASSET STATISTICS BY FUNCTION
FOR THE LAST TEN FISCAL YEARS**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<u>General Government</u>										
Number of Buildings	312	312	313	310	292	326	309	558	566	297
Number of Vehicles	299	303	305	377	394	365	356	411	487	258
Land (Acres)	15,264	15,263	15,251	15,041	14,968	14,614	14,293	13,352	14,108	13,294
<u>Commerce</u>										
Number of Resort Parks	17	17	17	17	17	17	17	17	17	17
Number of Recreation Parks	23	21	21	21	23	23	24	24	24	24
Number of Historic Sites	11	11	11	9	10	10	11	11	11	10
Area of State Parks (Acres)	45,409	45,180	45,180	45,180	42,397	42,035	42,597	42,428	42,428	45,137
<u>Education and Humanities</u>										
Number of Buildings	65	65	65	65	66	73	72	70	69	70
Number of Vehicles	64	68	83	89	105	101	113	123	134	209
Land (Acres)	385	387	387	387	388	388	388	372	388	388
<u>Human Resources</u>										
Number of Buildings	160	182	182	182	182	200	196	196	193	190
Number of Vehicles	19	18	24	23	45	46	40	150	165	215
Land (Acres)	1,206	1,206	1,206	1,206	1,206	1,206	1,206	1,007	1,206	1,206
<u>Justice</u>										
Number of Buildings	447	449	452	459	465	508	479	482	449	440
Number of Vehicles	1,720	1,715	1,753	2,043	2,102	1,863	1,861	1,696	1,668	3,911
Land (Acres)	8,735	8,735	8,735	8,685	8,865	8,867	8,903	6,166	5,314	9,044
<u>Natural Resources and Environmental Protection</u>										
Number of Buildings	22	20	20	20	21	26	26	26	27	25
Number of Vehicles	807	797	793	847	827	916	815	847	1319	2622
Land (Acres)	66,187	65,609	64,585	62,661	60,003	59,149	58,325	51,175	50,983	64,134
<u>Public Protection and Regulation</u>										
Number of Vehicles	146	140	149	132	118	121	90	76	86	44
<u>Transportation</u>										
Number of Lane Miles -State										
Maintained Highways	64,187	63,407	63,196	63,175	63,135	62,913	62,823	62,419	62,071	62,193
Number of State maintained Bridges	9,011	9,000	8,976	8,972	8,957	8,933	8,870	8,842	8,974	8,974
Land (Acres)	1,656	1,700	1,653	1,653	1,653	1,981	1,981	1,977	1,977	1,961

**COMMONWEALTH OF KENTUCKY
OPERATING INFORMATION
STATE GOVERNMENT EMPLOYEES BY FUNCTION
FOR THE LAST TEN FISCAL YEARS**

	2015	2014	2013	2012
<u>FULL-TIME EMPLOYEES</u>				
FUNCTION				
General government	4,671	4,775	5,089	4,669
Legislative and judicial	3,578	3,540	4,159	3,503
Commerce	1,633	1,699	1,520	1,914
Education and humanities	2,613	2,671	2,671	2,701
Human resources	7,466	7,523	7,470	7,481
Justice	7,832	7,896	8,054	8,070
Natural resources and environmental protection	1,387	1,445	1,608	1,614
Public protection and regulation	1,124	1,120	1,034	1,097
Transportation	4,629	4,650	4,690	4,682
Total full-time employees	34,933	35,319	36,295	35,731
<u>PART-TIME and TEMPORARY EMPLOYEES</u>				
FUNCTION				
General government	650	662	649	663
Legislative and judicial	421	445	426	484
Commerce	479	494	488	498
Education and humanities	200	212	211	227
Human resources	123	137	126	119
Justice	16	19	21	24
Natural resources and environmental protection	13	13	18	26
Public protection and regulation	17	14	18	20
Transportation	77	68	88	40
Total part-time and temporary employees	1,996	2,064	2,045	2,101
Total Employees	36,929	37,383	38,340	37,832

2011	2010	2009	2008	2007	2006
4,738	4,841	4,706	4,855	4,984	5,004
3,502	3,597	3,759	3,730	3,626	3,445
1,972	2,023	2,038	2,141	2,155	2,212
2,696	2,712	2,760	2,967	2,984	2,906
7,517	7,482	7,182	7,387	7,751	8,411
8,016	7,938	7,955	8,090	7,967	7,932
1,648	1,675	1,649	1,601	1,673	1,659
1,113	1,127	1,102	1,208	1,194	1,199
4,670	4,713	4,467	4,549	4,711	4,715
35,872	36,108	35,618	36,528	37,045	37,483
657	662	659	649	757	781
476	483	539	574	554	583
384	1,376	1,496	1,506	1,548	1,516
198	306	219	228	281	306
108	124	91	71	165	114
26	39	27	58	33	50
31	56	31	27	67	54
30	31	14	15	54	34
138	133	129	156	202	165
2,048	3,210	3,205	3,284	3,661	3,603
37,920	39,318	38,823	39,812	40,706	41,086

ACKNOWLEDGMENTS

The Commonwealth of Kentucky's Comprehensive Annual Financial Report was prepared by the Finance and Administration Cabinet, Office of the Controller, Office of Statewide Accounting Services, Financial Reporting Branch and the Fixed Assets Branch:

John Bailey
Jackie Green
Dee Dee McCrosky
Joe McDaniel
Jason Mach
Kimberly Moore
Anthony Murray
Phil Nally
Tommy Richie
Donald Sweasy

Special acknowledgment goes to:

All fiscal and accounting personnel throughout Kentucky State Government, along with the Auditor of Public Accounts' staff, whose dedicated efforts and cooperation contributed to the compilation of financial information that appears in the report.

The Kentucky Transportation Cabinet's Division of Graphic Design and Printing staff provided printing services.

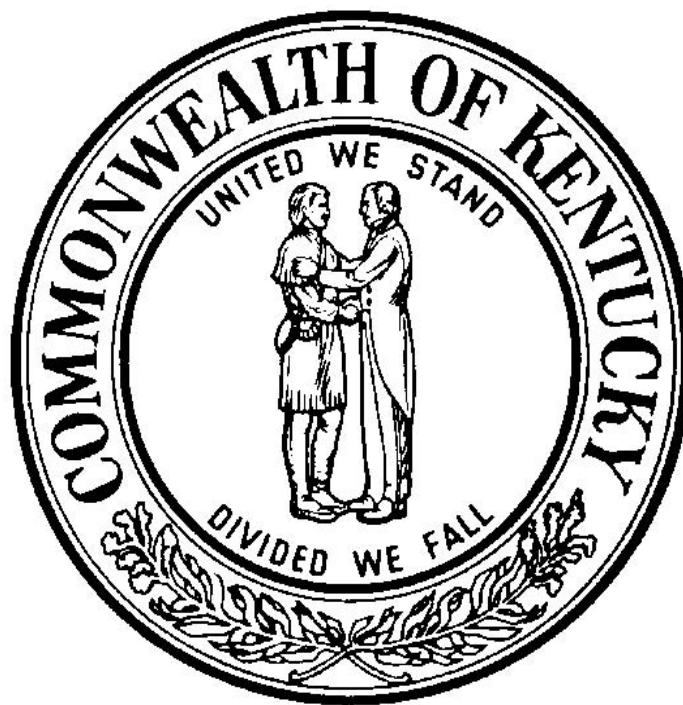
SUPPLEMENTARY INFORMATION
to the Kentucky Comprehensive Annual Financial Report
for the Fiscal Year Ended June 30, 2015



Kentucky 
UNBRIDLED SPIRIT™

Supplementary Information

*to the Kentucky Comprehensive Annual Financial Report for the
Fiscal Year Ended June 30, 2015*



*The financial report was prepared by the Finance and Administration Cabinet, Office of the Controller,
Statewide Accounting Services*

*The cost of printing was paid from state funds pursuant to KRS 57.375
Printed on recycled paper*



STEVEN L. BESHEAR
Governor

Commonwealth of Kentucky
FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE CONTROLLER
Room 484, Capitol Annex
702 Capital Avenue
Frankfort, Kentucky 40601
(502) 564-2210
(502) 564-6597 Facsimile

LORI H. FLANERY
Secretary

EDGAR C. ROSS
Controller

October 15, 2015

Lori H. Flanery
Secretary
Finance and Administration Cabinet
Capitol Annex
702 Capital Avenue
Frankfort, Kentucky 40601

Dear Secretary Flanery:

Pursuant to Section 48.800 of the Kentucky Revised Statutes, we present herewith supplementary financial data relative to the fiscal year ended June 30, 2015. This report contains detailed information regarding allotments, revenues, expenditures and schedules which supplement the Commonwealth of Kentucky's Comprehensive Annual Financial Report. We hope the information presented will assist legislators, government officials and concerned citizens in their evaluation of the effectiveness of the various services provided by the Commonwealth.

The preparation of this report could not have been accomplished without the efforts of many dedicated employees in the Finance and Administration Cabinet. I want to express my sincere appreciation to all those employees who contributed to the preparation of the report.

Please let me know if this office can provide any additional information or answer questions regarding items contained in this report.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Edgar Ross".

Edgar Ross
Controller



COMMONWEALTH OF KENTUCKY

OFFICE OF THE STATE TREASURER

TODD HOLLENBACH

1050 US 127 South • Suite 100 • Frankfort, Kentucky 40601 • (502) 564-4722 • FAX (502) 564-6545
Visit our web site at www.kytreasury.com

September 30, 2015

The Honorable Steve Beshear
Governor
Commonwealth of Kentucky
The Capitol
Frankfort, Kentucky 40601

Dear Governor Beshear:

This letter is to verify that the financial records maintained by the Treasury Department for FY '15 are in agreement with the financial records provided herein by the Finance and Administration Cabinet. Therefore, to avoid duplication of effort and expense, this report shall serve as the Annual Report of the Treasury Department, as required by KRS 41.340.

The general ledger accounting information used by the Treasury Department to reconcile the state's bank accounts is obtained through the Commonwealth's centralized Enhanced Management Accounting and Reporting System (eMARS), which is administered by the Finance and Administration Cabinet. That information and the Treasurer's reconciliation are reviewed by the Auditor of Public Accounts, under the provisions of KRS 43.060.

Sincerely,

A handwritten signature in black ink that reads "Todd Hollenbach".

Todd Hollenbach
State Treasurer



**COMMONWEALTH OF KENTUCKY
SUPPLEMENTARY INFORMATION
TO THE KENTUCKY COMPREHENSIVE
ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
Legislative Cabinet			
General Assembly	14,779,267.85		
Legislative Research Commission	36,770,614.42		
Judicial Cabinet			
Judicial Department	317,116,414.56		
Judicial Form Retirement System	526,302.91		
Cabinet of the General Government			
Agricultural Development Board			
Attorney General	10,570,500.00		
Auditor Of Public Accounts	4,681,800.00		
Bd Of Examiners/Registration Of Landscape Architec			
Bd Of Licensure And Cert For Dietitians And Nutrit			
Bd of Licensure for Professional Engineers & Land			
Board For Respiratory Care Practitioners			
Board Of Accountancy			
Board Of Alcohol And Drug Abuse Counselors			
Board Of Auctioneers			
Board Of Barbering			
Board Of Certification For Marriage And Family The			
Board Of Certification Of Fee-Based Pastoral Couns			
Board Of Chiropractic Examiners			
Board Of Dentistry			
Board Of Elections	4,049,120.10		
Board Of Embalmers And Funeral Home Directors			
Board Of Examiners Of Psychologists			
Board Of Examiners Of Social Work			
Board Of Hairdressers And Cosmetologists			
Board Of Interpreters For The Deaf And Hard Of Hea			
Board of Licensed Diabetes Educators			
Board Of Licensing Hearing Aid Dealers & Fitters			
Board Of Licensure For Nursing Home Administrators			
Board of Medical Imaging and Radiation Therapy			
Board Of Medical Licensure			
Board Of Nursing			
Board Of Occupational Therapy			
Board Of Ophthalmic Dispensers			
Board Of Optometric Examiners			
Board Of Pharmacy			

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
				14,779,267.85
		1,803.40		36,772,417.82
3,566,740.16	42,386,656.17			363,069,810.89
	191,706.47			718,009.38
	473,221.90	22,374,777.63	68,678.68	22,916,678.21
2,986,064.15	7,395,938.43		5,789,809.48	26,742,312.06
	7,876,074.85			12,557,874.85
	64,986.67			64,986.67
	66,004.68			66,004.68
	1,237,220.59			1,237,220.59
	197,685.53			197,685.53
	468,754.92			468,754.92
	79,070.88			79,070.88
	337,582.76			337,582.76
	313,599.43			313,599.43
	113,402.41			113,402.41
	2,464.06			2,464.06
	327,892.35			327,892.35
	733,085.03			733,085.03
793,898.38	21,706.60			4,864,725.08
	417,528.14			417,528.14
	229,881.00			229,881.00
	279,446.74			279,446.74
	1,297,905.04			1,297,905.04
	32,687.81			32,687.81
	7,472.13			7,472.13
	56,143.50			56,143.50
	59,167.31			59,167.31
	236,351.44			236,351.44
	2,860,461.63			2,860,461.63
	5,542,421.71			5,542,421.71
	149,329.71			149,329.71
	47,976.02			47,976.02
	197,411.18			197,411.18
	1,745,510.93			1,745,510.93

**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
Board Of Physical Therapist			
Board Of Podiatry			
Board Of Professional Art Therapists			
Board Of Professional Counselors			
Board of Prosthetics, Orthotics and Pedorthics			
Board Of Registration For Professional Geologists			
Board Of Speech Pathology And Audiology			
Board Of Veterinary Examiners			
Commission On Women	226,398.76		
Department for Local Government	57,734,918.05		
Department Of Agriculture	16,345,494.36		
Department Of Military Affairs	15,285,154.56		
Department Of Veterans Affairs	17,514,000.00		
Early Childhood Development			
Executive Branch Ethics Commission	455,000.00		
Governor's Office	4,128,074.71		
Governor's Office Of Minority Empowerment	131,526.25		
Human Rights Commission	1,703,200.00		
Kentucky Board of Architects			
Kentucky Retirement Systems			
Ky Applied Behavior Analysis Licensing Board			
Ky Board of Home Inspectors			
Ky Board Of Licensure For Private Investigators			
Ky Brd Of Licensure For Massage Therapy			
Ky Infrastructure Authority	1,337,300.00		
Ky River Authority	251,195.00		
Ky Teachers Retirement System			
Lieutenant Governor's Office	603,606.44		
Military Affairs Commission	200,869.28		
Office For Faith Based And Community Nonprofit Soc	78,469.54		
Office Of Homeland Security	233,000.00		260,100.00
Office Of State Budget Director	3,133,400.00		
Personnel Board			
Real Estate Appraisers Board			
Real Estate Commission			
Registry Of Election Finance	1,200,741.36		
School Facilities Construction Commission	347,198.32	96,962,250.43	
Secretary Of State	1,634,500.00		

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
	523,304.79			523,304.79
	38,462.42			38,462.42
	10,833.79			10,833.79
	197,115.14			197,115.14
	56,976.29			56,976.29
	91,707.29			91,707.29
	157,398.72			157,398.72
	209,818.48			209,818.48
				226,398.76
36,859,406.68	1,009,900.00	20,859,686.64		116,463,911.37
5,727,837.10	6,404,409.79	600,000.00	3,386.30	29,081,127.55
77,276,191.71	26,651,625.72	548,104.05		119,761,076.04
	45,582,756.96	736,898.47		63,833,655.43
979,510.11	4,858.85	1,892,366.08		2,876,735.04
	107,257.04			562,257.04
	212,725.67			4,340,800.38
				131,526.25
461,457.41				2,164,657.41
	400,584.98			400,584.98
	31,073,633.75			31,073,633.75
	13,580.96			13,580.96
	82,214.78			82,214.78
	67,946.72			67,946.72
	182,505.22			182,505.22
28,846,676.87	1,226,932.25	6,837,518.52		38,248,427.64
	902,243.00			1,153,438.00
	10,705,407.41			10,705,407.41
				603,606.44
				200,869.28
				78,469.54
4,255,142.72	1,205,532.36	21,888,483.27		27,842,258.35
	272,094.98			3,405,494.98
	769,529.15			769,529.15
	717,007.26			717,007.26
	1,986,242.03			1,986,242.03
				1,200,741.36
		12,367,965.00		109,677,413.75
61,094.37	1,194,833.27	7,000.00		2,897,427.64

**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
Secretary Of The Cabinet	385,053.78		
State Treasurer	3,234,072.85		250,000.00
Unified Prosecutorial System	83,190,198.71		
Transportation Cabinet			
Department Of Aviation			755,800.11
Department Of Highways			1,094,461,030.95
Department Of Intergovernmental Programs	7,799,188.74		277,840,995.12
Department Of Vehicle Regulation			22,136,656.91
Office of Audits			4,216,451.60
Office of Information Technology			31,296,710.81
Office Of Legal Services			5,057,770.77
Office Of Personnel Management			3,990,029.30
Office of Support Services			12,187,422.34
Public Transportation	5,638,145.17		
Transportation - Office Of The Secretary	500,000.00		5,071,070.91
Cabinet for Economic Development			
Department Of Financial Incentives			
Econ Dev - Office Of The Secretary	20,317,999.17		
Finance & Administration Cabinet			
Commonwealth Office Of Technology			
County Costs	21,477,350.89		
Department Of Revenue	86,331,995.22		2,912,800.00
Facilities & Support Services	5,344,135.96		
Finance - Office Of The Secretary	7,022,600.00	642,415,769.55	422,900.00
Kentucky Turnpike Authority		149,595,679.43	
Ky Housing Corporation			
Ky Local Jail Authority			
Office of PVA Accounting	42,342,900.00		
Office Of The Controller	24,395,505.74		1,310,946.16
Cabinet for Universities			
Council On Postsecondary Education	38,440,899.27		
Eastern Kentucky University	68,033,800.00	60,988.29	
Kentucky Higher Education Assistance Authority	198,532,886.90		
Kentucky State University	23,429,600.00		
Ky Community Technical College System	190,162,300.00		
Morehead State University	41,039,500.00	172,761.62	
Murray State University	48,025,100.00	82,186.72	
Northern Kentucky University	48,537,600.00		

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
				385,053.78
	1,034,511.11			4,518,583.96
546,178.75	1,592,538.09	20,961.52		85,349,877.07
287,139.41	8,021,644.97			9,064,584.49
671,326,615.65	532,428,708.89			2,298,216,355.49
	(30.82)			285,640,153.04
3,926,805.83	11,493,314.14			37,556,776.88
				4,216,451.60
				31,296,710.81
				5,057,770.77
				3,990,029.30
			1,679,965.74	13,867,388.08
23,882,618.00	616,629.60	102,251,655.54		132,389,048.31
				5,571,070.91
		36,367.00		36,367.00
213,137.21	3,529,842.40	123,090.25		24,184,069.03
1,399,355.76	1,993,039.55	624,417.08	115,059,799.80	119,076,612.19
	1,494,815.19	13,133,375.85		36,105,541.93
	11,312,233.04	250,000.00		100,807,028.26
	1,111,413.73	150.50	31,445,032.70	37,900,732.89
239,030.94	3,760,105.82	13,944,350.87	23,815,652.36	691,620,409.54
	79,782.18			149,675,461.61
		89,515.72		89,515.72
		989,190.91		989,190.91
	4,795,541.92			47,138,441.92
170,190.48	6,416,950.04	7,738,075.77	23,462,936.40	63,494,604.59
13,538,947.79	4,715,131.07	12,445,998.79		69,140,976.92
	274,115,667.49			342,210,455.78
5,543.00	28,675,965.67	1,918,503.81		229,132,899.38
	32,877,884.91			56,307,484.91
	243,112,998.82	430,542.62		433,705,841.44
	87,287,996.32			128,500,257.94
	119,051,615.89			167,158,902.61
	167,882,470.23			216,420,070.23

**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
University of Kentucky	279,611,300.00	689,890.37	
University of Louisville	139,714,688.07		
Western Kentucky University	72,649,400.00		
Tourism, Arts and Heritage Cabinet			
Department Of Travel	3,094,370.89		
Kentucky Artisans Center At Berea	389,200.00		393,400.00
Kentucky Arts Council	3,017,300.00		
Kentucky Center For The Arts	938,035.44		
Kentucky Department Of Parks	33,197,300.00		
Kentucky Fish And Wildlife Resources			
Kentucky Heritage Council	736,900.00		
Kentucky Historical Society	5,784,800.00		
Kentucky Horse Park	2,471,800.00		
Kentucky State Fair Board	3,708,100.00		
Tourism - Office Of The Secretary	2,544,100.00		
Education & Workforce Development Cabinet			
Commission On Deaf And Hard Of Hearing	861,300.00		
Department For Libraries & Archives	12,444,200.00		
Department For Workforce Investment	12,970,300.00		
Department Of Education	3,921,340,988.65		
Education - Office Of The Secretary	4,434,100.00		
Education Professional Standards Board	7,307,056.00		
Kentucky Commission on Proprietary Education			
Kentucky Educational Television	13,037,900.00		
Kentucky Environmental Education Council			
Health & Family Services Cabinet			
Behavioral Health, Developmental & Intellectual Di	183,311,858.00		
CHFS - Department for Aging and Independent Living	44,702,900.00		
CHFS - Office Of The Secretary	24,645,600.00		
Commission For Children With Special Health Care N	5,401,500.00		
Department For Community Based Services	391,117,000.00		
Department for Family Resource Centers & Volunteer	53,084,200.00		
Department for Income Support	8,225,700.00		
Department For Medicaid Services	22,195,324.23		
Department For Public Health	67,876,700.00		
Medicaid Services Benefits	1,525,524,400.00		
Office Of Health Policy	448,000.00		
Office Of Inspector General	3,700,000.00		

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
	2,056,606,287.72			2,336,907,478.09
	195,666,550.08			335,381,238.15
	235,200,052.49			307,849,452.49
	17,382.48			3,111,753.37
	1,617,844.87			2,400,444.87
710,500.00	123,349.49			3,851,149.49
				938,035.44
	37,105.31		54,554,011.73	87,788,417.04
14,238,192.02	34,911,038.41			49,149,230.43
804,265.89	233,612.15			1,774,778.04
163,296.43	656,005.31			6,604,101.74
			11,682,536.78	14,154,336.78
			40,204,188.30	43,912,288.30
	12,705,099.49	311,826.36		15,561,025.85
	1,404,341.05			2,265,641.05
1,534,511.43	3,142,275.83			17,120,987.26
144,505,153.55	30,765,304.14	144,235.29	912,174,026.61	1,100,559,019.59
800,675,036.29	22,668,003.57	59,425,148.47		4,804,109,176.98
550,302.64	4,869,740.59			9,854,143.23
350,753.11	447,751.46	191,791.42		8,297,351.99
	110,129.45			110,129.45
	1,263,764.90			14,301,664.90
	348,102.62			348,102.62
36,593,796.03	198,836,105.65	675,267.74		419,417,027.42
21,126,862.59	2,847,294.89	1,536,636.24		70,213,693.72
26,188,162.97	12,417,698.09	56,491.75		63,307,952.81
4,473,764.91	6,474,724.89			16,349,989.80
451,832,181.26	139,012,939.57	10,920,956.23		992,883,077.06
4,990,151.68	41,266.04			58,115,617.72
74,805,401.42	16,477,548.45			99,508,649.87
78,043,097.96	2,668,432.68	146,371.03		103,053,225.90
181,008,120.75	66,047,041.04	9,746,965.23		324,678,827.02
7,609,302,190.87	505,812,665.72			9,640,639,256.59
249,340.77	397,034.36			1,094,375.13
13,653,194.60	4,674,627.29	115,705.56		22,143,527.45

**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
Office of the Kentucky Health Benefit Exchange			
Justice & Public Safety Cabinet			
Department For Public Advocacy	46,314,300.00		
Department Of Corrections	478,015,296.92		
Department Of Criminal Justice Training			
Department Of Juvenile Justice	81,507,800.00		
Justice - Office Of The Secretary	11,095,700.00		
Kentucky State Police	74,057,600.00		95,745,500.00
Personnel Cabinet			
Department For Employee Insurance			
Department For Personnel Administration			
Personnel - Office Of The Secretary	959,600.00		
Labor Cabinet			
Department of Workers' Claims			
Department of Workplace Standards	1,698,381.42		
Ky Occupational Safety and Health Standards Board			
Labor - Office of the Secretary			
Office of General Admin and Program Support Shared	2,816,100.00		
Office of Inspector General Shared Services	496,100.00		
OSH Review Commission			
Workers' Compensation Funding Commission			
Energy and Environment Cabinet			
Department for Energy Development and Independence	1,344,000.00		
Department for Environmental Protection	21,417,700.00		316,400.00
Department for Natural Resources	34,599,985.00		
EEC - Office of the Secretary	3,290,600.00		
Environmental Quality Commission			
KY Public Service Commission	8,652,114.87		
KY State Nature Preserves Commission	1,061,700.00		
Mine Safety Review Commission	176,000.00		
Public Protection Cabinet			
Board of Claims and Crime Victims' Compensation	696,400.00		
Board of Tax Appeals	345,635.72		
Department of Alcoholic Beverage Control	607,800.00		
Department of Charitable Gaming			
Department of Financial Institutions			
Department of Housing, Buildings and Construction	2,455,300.00		
Department of Insurance			

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
55,775,742.95	4,748,137.54	3,167,901.38		63,691,781.87
1,599,763.02	3,237,600.00			51,151,663.02
2,261,797.45	6,780,126.77		11,080,938.57	498,138,159.71
104,947.46	44,946,007.15			45,050,954.61
12,400,000.00	13,545,516.98	26,290.35		107,479,607.33
9,589,941.15	3,573,605.08	1,652,537.37		25,911,783.60
13,158,519.99	21,588,238.85			204,549,858.84
	9,560,918.41		1,453,322,330.59	1,462,883,249.00
	12,802,076.21			12,802,076.21
	12,337,731.88		24,079,455.07	37,376,786.95
			16,416,148.38	16,416,148.38
3,544,281.43			69,878,551.48	75,121,214.33
779.09			3,600.78	4,379.87
170,264.55			3,860,370.48	4,030,635.03
49,292.45	2,363,032.02			5,228,424.47
	92,654.12			588,754.12
			688,041.14	688,041.14
			1,764,289.47	1,764,289.47
640,587.03	3,388,464.05			5,373,051.08
21,542,592.24	32,063,274.94		24,688,811.69	100,028,778.87
45,168,914.59	6,770,763.15	2,495,232.91	279,406.01	89,314,301.66
967,733.67	1,541,074.58	5,380,003.07		11,179,411.32
	196,817.55			196,817.55
445,045.87	43,375.20	2,605,829.87		11,746,365.81
263,780.15	320,746.52			1,646,226.67
				176,000.00
450,000.00	960,148.95			2,106,548.95
				345,635.72
	4,926,098.51			5,533,898.51
	2,579,111.64			2,579,111.64
	9,531,790.29			9,531,790.29
	16,782,386.76			19,237,686.76
485,615.71	14,528,772.36		262,496.56	15,276,884.63

**COMMONWEALTH OF KENTUCKY
NET EXPENDITURES BY DEPARTMENT FOR OPERATING FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CABINET AND DEPARTMENT	GENERAL FUND	DEBT SERVICE FUND	TRANSPORTATION FUND
Horse Racing Commission	698,700.00		
KY Boxing and Wrestling Authority			
Occupations and Professions			
Pub Protection - Office of the Secretary	277,900.00		
Budget Fiscal Year/Fiscal Year Adjustment			
Budget Fiscal Year/Fiscal Year Adjustment	(344.31)		(13.48)
Budget Fiscal Year/Fiscal Year Adjustment	(7,230.48)		
TOTAL EXPENDITURES	\$9,098,282,359.29	\$889,979,526.41	\$1,558,625,971.50

FEDERAL FUND	AGENCY REVENUE FUND	OTHER SPECIAL REVENUE FUND	PROPRIETARY	EXPENDITURES
	24,532,754.89			25,231,454.89
	129,304.75			129,304.75
	1,153,464.85			1,153,464.85
	4,100,890.86			4,378,790.86
(5,936.32)	3,227.43		(47.74)	(3,114.42)
	7,230.48		17.31	17.31
\$10,511,761,522.13	\$5,572,543,420.19	\$340,709,989.56	\$2,826,264,434.67	\$30,798,167,223.75

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
<u>REVENUES</u>				
Legislative Cabinet				
Legislative Research Commission				
Gen Sales To Oth St Agencies		630.00	630.00	
Proceeds From Asset Dispositn		1,057.99	1,057.99	
DEPARTMENT TOTAL		\$1,687.99	\$1,687.99	
CABINET TOTAL		\$1,687.99	\$1,687.99	
Judicial Cabinet				
Judicial Department				
General Fees From Public	120,200.00	110,606.32		(9,593.68)
Other Receipts	5,650.00	760.50		(4,889.50)
Refund Of Prior Year Expend		9,493.00	9,493.00	
DEPARTMENT TOTAL	\$125,850.00	\$120,859.82		(\$4,990.18)
CABINET TOTAL	\$125,850.00	\$120,859.82		(\$4,990.18)
Cabinet of the General Government				
Department Of Agriculture				
Fines		1,000.00	1,000.00	
DEPARTMENT TOTAL		\$1,000.00	\$1,000.00	
Attorney General				
Legal Servs From Other St Agy		(2,475.00)		(2,475.00)
Fines		7,525.00	7,525.00	
Other Receipts		53,763.70	53,763.70	
Refund Of Prior Year Expend		1,710.00	1,710.00	
DEPARTMENT TOTAL		\$60,523.70	\$60,523.70	
Registry Of Election Finance				
Fines		18,580.00	18,580.00	
Other Receipts		1,109.74	1,109.74	
DEPARTMENT TOTAL		\$19,689.74	\$19,689.74	
Department Of Veterans Affairs				
Other Receipts		1,762.85	1,762.85	
DEPARTMENT TOTAL		\$1,762.85	\$1,762.85	
Ky Infrastructure Authority				
Refund Of Prior Year Expend		12,647.37	12,647.37	
DEPARTMENT TOTAL		\$12,647.37	\$12,647.37	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Department Of Military Affairs				
Rev From US Dept Of Defense		(662.00)		(662.00)
US DHS - FEMA		(4,806.25)		(4,806.25)
Other		14,433.80	14,433.80	
DEPARTMENT TOTAL		\$8,965.55	\$8,965.55	
Secretary Of State				
Corporation License Tax	103,850.00	186,634.56	82,784.56	
Other Fees Related To Licenses		2,969,816.40	2,969,816.40	
General Fees From Public		226,990.00	226,990.00	
Fees For Legal Serv Fr/Public		159,900.00	159,900.00	
UCC Filing Fees		648,655.50	648,655.50	
Other Receipts		2,120.76	2,120.76	
DEPARTMENT TOTAL	\$103,850.00	\$4,194,117.22	\$4,090,267.22	
State Treasurer				
Forefeitures		11,032.34	11,032.34	
Interest Income	400,000.00	(25,206.01)		(425,206.01)
Abandoned Property	30,400,000.00	26,086,539.99		(4,313,460.01)
Securities Sales - Aban Prop		1,429,238.26	1,429,238.26	
Redeposit-Unredmed Treas Chks		426.94	426.94	
DEPARTMENT TOTAL	\$30,800,000.00	\$27,502,031.52		(\$3,297,968.48)
Board Of Elections				
General Sales To Public		500.00	500.00	
DEPARTMENT TOTAL		\$500.00	\$500.00	
Executive Branch Ethics Commission				
Fines		35,416.28	35,416.28	
DEPARTMENT TOTAL		\$35,416.28	\$35,416.28	
Office Of State Budget Director				
Tobacco Settlement Proceeds	61,884,469.00	61,884,468.81		(0.19)
DEPARTMENT TOTAL	\$61,884,469.00	\$61,884,468.81		(\$0.19)
CABINET TOTAL	\$92,788,319.00	\$93,721,123.04	\$932,804.04	
Cabinet for Economic Development				
Econ Dev - Office Of The Secretary				
Refund Of Prior Year Expend		887.29	887.29	
DEPARTMENT TOTAL		\$887.29	\$887.29	
CABINET TOTAL		\$887.29	\$887.29	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Finance & Administration Cabinet				
Office of PVA Accounting				
Other		1,857.90	1,857.90	
DEPARTMENT TOTAL		\$1,857.90	\$1,857.90	
Department Of Revenue				
Sales & Use Tax-Regular	3,387,740,000.00	3,253,421,639.30		(134,318,360.70)
Sales & Use Tax Misc		10,615,228.59	10,615,228.59	
Cigarette Excise Tax	8,493,000.00	8,390,833.98		(102,166.02)
Distilled Spirit Case Sales	127,400.00	132,801.55	5,401.55	
Insur Prem Tax Foreign Life	41,550,000.00	39,323,621.05		(2,226,378.95)
Insur Prem Tx Oth Than Life	104,500,000.00	100,731,564.03		(3,768,435.97)
Insur Prem Tx Fire Prev Fnd	5,415,000.00	5,821,361.29	406,361.29	
Parimutuel Tax	5,350,000.00	2,844,201.86		(2,505,798.14)
Race Track Admissions Tax	203,566.00	155,425.84		(48,140.16)
Beer Consumption Tax	6,446,363.00	6,071,388.91		(374,974.09)
Distilled Spirits Consumpt	13,015,000.00	12,468,749.35		(546,250.65)
Wine Consumption	3,162,279.00	2,912,784.22		(249,494.78)
Beer Wholesale	57,235,632.00	57,570,011.17	334,379.17	
Distilled Spirits Wholesale	34,502,817.00	36,471,356.92	1,968,539.92	
Wine Wholesale	16,203,675.00	16,323,658.10	119,983.10	
Limited Liability Entity Tax	201,421,440.00	223,791,283.32	22,369,843.32	
Teen Tobacco Education Fund		178,528.42	178,528.42	
Teen Tobacco Enforcement Fund		178,528.42	178,528.42	
Telecom Excise Tax	71,650,125.00	63,575,235.18		(8,074,889.82)
Consumer Use Tax - County Clerks		3,294,157.35	3,294,157.35	
Coal Severance Tax	204,600,000.00	180,283,352.25		(24,316,647.75)
Mineral Severance Tax	14,868,305.00	15,128,384.72	260,079.72	
Natural Gas Severance Tax	12,810,890.00	15,361,597.29	2,550,707.29	
Oil Production Tax	12,246,364.00	9,840,015.22		(2,406,348.78)
Corporation License Tax	400,000.00	188,599.59		(211,400.41)
Cigarette License Tax	79,778.00	68,946.24		(10,831.76)
Race Track License Tax	253,751.00	247,765.54		(5,985.46)
Captive Insurer		606,145.26	606,145.26	
Captive Insuranc Co Regulation		(2,028.57)		(2,028.57)
Cigarette Surtax	215,007,000.00	212,154,638.51		(2,852,361.49)
Cigarette Floor Stock Tax		11,502.35	11,502.35	
Other Tobacco Products Tax	22,025,000.00	9,662,084.21		(12,362,915.79)
Snuff Tax		10,082,279.56	10,082,279.56	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Chewing Tobacco Tax		1,584,480.96	1,584,480.96	
Telecom Property Tax		13,154,288.51	13,154,288.51	
Commercial Watercraft Tax		2,111,774.65	2,111,774.65	
Annual Corporate Inc Tax	260,978,560.00	289,976,781.85	28,998,221.85	
Corporat Income Declarations		238,141,954.91	238,141,954.91	
Individual Income Tax	3,977,300,000.00	(241,401,173.78)		(4,218,701,173.78)
Employers Withholding		3,678,021,221.27	3,678,021,221.27	
Individual Income Declarations		505,977,297.69	505,977,297.69	
Fiduciary Individual Inc Tx		11,250,445.00	11,250,445.00	
Miscellaneous Withholding		33,243,352.00	33,243,352.00	
Estimates/Coproration Withholding		1,888,693.18	1,888,693.18	
Estimates/Individual Withholding		59,871,919.04	59,871,919.04	
Extensions Withholding		20,648,816.00	20,648,816.00	
General Property Tax-Real	270,200,000.00	259,228,298.11		(10,971,701.89)
General Prop Tax-Tang	227,500,000.00	84,313,998.78		(143,186,001.22)
Gen Prop Tax-Tang Motor Veh		123,025,258.87	123,025,258.87	
Bank Deposits Tax	500,000.00	588,914.32	88,914.32	
Distilled Spirit Tx-Ad Valorem	800,000.00	891,761.31	91,761.31	
Marginal Accounts Tax				
Omitted Intangible Property Tx	16,000,000.00	1,233.74		(15,998,766.26)
Delinquent Property Tax	8,100,000.00	6,247,418.78		(1,852,581.22)
Public Service Companies Tax	55,800,000.00	58,864,759.72	3,064,759.72	
Domestic Life Insur Tax	4,000.00	5,373.95	1,373.95	
Bldg & Loan Assoc Tax	2,300,000.00	1,482,050.67		(817,949.33)
Omitted Tangible Property Tax		9,544,771.97	9,544,771.97	
Apportioned Vehicle Propty Tax		3,531,797.02	3,531,797.02	
Delinquent Tax Fund-Omt		443,771.45	443,771.45	
Inheritance & Estate Tax	44,875,000.00	50,975,858.28	6,100,858.28	
Marijuana & Cont Substance Tax	94,907.00	133,350.74	38,443.74	
Legal Process-County Court Clk	3,161,076.00	2,428,429.41		(732,646.59)
Bank Franchise Tax	106,900,000.00	99,990,669.00		(6,909,331.00)
Advanced Deposit Wagering		120,682.42	120,682.42	
Tva Pymt In Lieu Of Tax	15,988,178.00	9,452,432.19		(6,535,745.81)
Fha Pymt In Lieu Of Tax	77,750.00	36,563.36		(41,186.64)
Recc&Rtcc Pmt In Lieu Of Tax	350.00	300.00		(50.00)
Other Receipts		(1,188.87)		(1,188.87)
Cold Check Clearing Account		4,030,805.89	4,030,805.89	
Public Service Comm Assessment	14,009,722.00	20,829,264.25	6,819,542.25	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Insurance Retaliatory Tax&Fees	4,678,317.00	1,988,401.76		(2,689,915.24)
Penalty Chged To Co Officials	(28,621.00)	(24,652.16)	3,968.84	
Unhonored Check Penalty		178,810.69	178,810.69	
Enterprise Collections - Interest		957,379.05	957,379.05	
DEPARTMENT TOTAL	\$9,448,546,624.00	\$9,651,642,007.00	\$203,095,383.00	
Finance - Office Of The Secretary				
Lottery Receipts	238,000,000.00	221,500,000.00		(16,500,000.00)
Sale Of Nox Credits	40,000.00	27,593.75		(12,406.25)
DEPARTMENT TOTAL	\$238,040,000.00	\$221,527,593.75		(\$16,512,406.25)
Office Of The Controller				
General Commisssons From Public		4,465.68	4,465.68	
Revenues From Other States		20,618.84	20,618.84	
Misc. Donations		1,045.55	1,045.55	
Other Receipts		1,085,799.32	1,085,799.32	
Restitution Proceeds		800.00	800.00	
Refund Of Prior Year Expend	3,258,650.00			(3,258,650.00)
Redeposit-Unredmed Treas Chks		5,443,938.87	5,443,938.87	
DEPARTMENT TOTAL	\$3,258,650.00	\$6,556,668.26	\$3,298,018.26	
County Costs				
Motor Veh Operator'S License	650,000.00	659,775.55	9,775.55	
Registration/Filing Fee	9,985,005.00	7,367,999.85		(2,617,005.15)
Fish&Game-40% Gen/60% Law Enf	60,500.00	63,700.57	3,200.57	
Bond Filing Fee	2,962,479.00	2,537,824.74		(424,654.26)
10% Bond Fees	414,919.00	356,998.69		(57,920.31)
General Fees From Public		1,113,440.42	1,113,440.42	
General Services To Public	6,373,279.00	5,207,850.80		(1,165,428.20)
Fines	32,673,087.00	18,232,427.23		(14,440,659.77)
Court Cost	20,450,325.00	13,488,924.81		(6,961,400.19)
Forefeitures	1,800,000.00	1,278,934.09		(521,065.91)
Interest Income	400,000.00	238,472.64		(161,527.36)
Refund Of Prior Year Expend		22,885.98	22,885.98	
DEPARTMENT TOTAL	\$75,769,594.00	\$50,569,235.37		(\$25,200,358.63)
Facilities & Support Services				
General Sales To Public		14.15	14.15	
General Fees From Other St Agy		(360.00)		(360.00)
Proceeds From Asset Dispositn	252,167.00	217,100.00		(35,067.00)
DEPARTMENT TOTAL	\$252,167.00	\$216,754.15		(\$35,412.85)

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
CABINET TOTAL	\$9,765,867,035.00	\$9,930,514,116.43	\$164,647,081.43	
Tourism, Arts and Heritage Cabinet				
Kentucky Arts Council				
Other Receipts		1,450.00	1,450.00	
DEPARTMENT TOTAL		\$1,450.00	\$1,450.00	
Kentucky Department Of Parks				
General Sales To Public		750.63	750.63	
DEPARTMENT TOTAL		\$750.63	\$750.63	
CABINET TOTAL		\$2,200.63	\$2,200.63	
Education & Workforce Development Cabinet				
Department For Workforce Investment				
Genl Servs To Other St Agy		6,766.39	6,766.39	
Rent Of Bldgs To Other St Agy		15,557.59	15,557.59	
DEPARTMENT TOTAL		\$22,323.98	\$22,323.98	
Department Of Education				
Registration/Filing Fee		333.48	333.48	
Rev From US Dept Of Education		37,399.36	37,399.36	
Other Receipts		1,321.17	1,321.17	
Loss Claim Proceeds		2,447.00	2,447.00	
Refund Of Prior Year Expend		151,598.83	151,598.83	
DEPARTMENT TOTAL		\$193,099.84	\$193,099.84	
Department For Libraries & Archives				
General Sales To Public		4,469.57	4,469.57	
Gen Sales To Oth St Agencies		95,313.24	95,313.24	
DEPARTMENT TOTAL		\$99,782.81	\$99,782.81	
CABINET TOTAL		\$315,206.63	\$315,206.63	
Justice & Public Safety Cabinet				
Justice - Office Of The Secretary				
Rev From US Dept Of Justice		(922.59)		(922.59)
DEPARTMENT TOTAL		(\$922.59)		(\$922.59)
Department Of Juvenile Justice				
General Fees From Public		101.99	101.99	
DEPARTMENT TOTAL		\$101.99	\$101.99	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Department Of Corrections General Services To Public		318.85	318.85	
DEPARTMENT TOTAL		\$318.85	\$318.85	
CABINET TOTAL		(\$501.75)		(\$501.75)
Labor Cabinet				
Department of Workplace Standards Fines		2,458,373.48	2,458,373.48	
DEPARTMENT TOTAL		\$2,458,373.48	\$2,458,373.48	
CABINET TOTAL		\$2,458,373.48	\$2,458,373.48	
Energy and Environment Cabinet				
KY Public Service Commission Truck Licenses State Share		131.87	131.87	
Other Receipts		10.00	10.00	
DEPARTMENT TOTAL		\$141.87	\$141.87	
Department for Natural Resources General Permits	900,520.00			(900,520.00)
Sand & Gravel License				
General Fees From Public		102.10	102.10	
Fines	500,245.00	266,094.28		(234,150.72)
DEPARTMENT TOTAL	\$1,400,765.00	\$266,196.38		(\$1,134,568.62)
CABINET TOTAL	\$1,400,765.00	\$266,338.25		(\$1,134,426.75)
Public Protection Cabinet				
Department of Insurance Fines		543,832.17	543,832.17	
DEPARTMENT TOTAL		\$543,832.17	\$543,832.17	
Department of Alcoholic Beverage Control Alcoholic Beverage Lic Susp	421,000.00	450,542.00	29,542.00	
DEPARTMENT TOTAL	\$421,000.00	\$450,542.00	\$29,542.00	
Department of Financial Institutions Fines		120,700.30	120,700.30	
DEPARTMENT TOTAL		\$120,700.30	\$120,700.30	
CABINET TOTAL	\$421,000.00	\$1,115,074.47	\$694,074.47	
TOTAL REVENUES	\$9,860,602,969.00	\$10,028,515,366.28	\$167,912,397.28	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>NAME OF ACCOUNT</u>	<u>Estimated Receipts</u>	<u>Actual Receipts</u>	<u>Over Estimate</u>	<u>Under Estimate</u>
<u>NON-REVENUES</u>				
Cabinet of the General Government				
State Treasurer				
Op Tr From Special Dep Trst Fd		8,914.97	8,914.97	
DEPARTMENT TOTAL		\$8,914.97	\$8,914.97	
CABINET TOTAL		\$8,914.97	\$8,914.97	
Finance & Administration Cabinet				
Office Of The Controller				
Op Tr From Federal Fund		1,340,160.57	1,340,160.57	
Op Tr From Agency Rev Fund		89,451,629.65	89,451,629.65	
Op Tr From Ot Spec Rev Fund		19,537,829.67	19,537,829.67	
Op Tr From Ins Admin Fund		10,477,000.00	10,477,000.00	
Op Tr From Health Self-Insurance Fund		93,000,000.00	93,000,000.00	
Op Tr From Risk Management Fd		2,000,000.00	2,000,000.00	
Op Tr From Other Exp Trust Fd		6,045,835.62	6,045,835.62	
Op Tr From Special Dep Trst Fd		158,668.56	158,668.56	
DEPARTMENT TOTAL		\$222,011,124.07	\$222,011,124.07	
CABINET TOTAL		\$222,011,124.07	\$222,011,124.07	
Energy and Environment Cabinet				
Department for Natural Resources				
Op Tr From Other Exp Trust Fd		533,905.72	533,905.72	
DEPARTMENT TOTAL		\$533,905.72	\$533,905.72	
CABINET TOTAL		\$533,905.72	\$533,905.72	
TOTAL NON-REVENUES		\$222,553,944.76	\$222,553,944.76	
FUND TOTAL	\$9,860,602,969.00	\$10,251,069,311.04	\$390,466,342.04	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
Legislative Cabinet		
General Assembly	27,235,708.00	
Legislative Research Commission	43,683,175.00	
CABINET TOTAL	\$70,918,883.00	
Judicial Cabinet		
Court Facility Use Allowance Contingency Fund	119,800.00	
Court Operations and Administration	205,633,000.00	
Judicial Form Retirement System	16,916,600.00	
Local Facility Support	113,167,134.00	
CABINET TOTAL	\$335,836,534.00	
Cabinet of the General Government		
Agriculture	16,644,692.00	
Area Development Fund	473,600.00	
Attorney General	10,438,600.00	131,900.00
Auditor of Public Accounts	4,681,800.00	
Board of Elections	4,027,100.00	22,089.00
Budget Reserve Trust Fund	77,093,936.42	
Capital Construction	5,776,000.00	
Commission on Human Rights	1,703,200.00	
Commission on Women	226,400.00	
Commonwealth Attorneys	44,536,800.00	
County Attorneys	38,653,400.00	
Department for Local Government	8,467,800.00	
Department of Veterans' Affairs	17,798,500.00	
Executive Branch Ethics Commission	455,000.00	
Homeland Security	233,000.00	
Kentucky Infrastructure Authority	1,337,300.00	
Kentucky River Authority	251,200.00	
Local Government Economic Assistance Fund	50,207,700.00	59,418.05
Local Government Economic Development Fund	28,945,400.00	(5,581,334.00)
Military Affairs	9,347,000.00	7,502,500.00
Office of State Budget Director	3,133,400.00	
Office of the Governor	5,527,600.00	
Registry of Election Finance	1,200,900.00	
School Facilities Construction Commission	99,634,000.00	
Secretary of State	1,634,500.00	

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	27,235,708.00	27,235,708.00	
	43,683,175.00	43,683,175.00	
	\$70,918,883.00	\$70,918,883.00	
	119,800.00	119,800.00	
	205,633,000.00	205,633,000.00	
	16,916,600.00	16,916,600.00	
	113,167,134.00	113,167,134.00	
	\$335,836,534.00	\$335,836,534.00	
	16,644,692.00	16,644,692.00	
	473,600.00	473,600.00	
	10,570,500.00	10,570,500.00	
	4,681,800.00	4,681,800.00	
	4,049,189.00	4,049,189.00	
	77,093,936.42		77,093,936.42
	5,776,000.00	5,776,000.00	
	1,703,200.00	1,703,200.00	
	226,400.00	226,400.00	
	44,536,800.00	44,536,800.00	
	38,653,400.00	38,653,400.00	
	8,467,800.00	8,467,800.00	
	17,798,500.00	17,798,500.00	
	455,000.00	455,000.00	
	233,000.00	233,000.00	
	1,337,300.00	1,337,300.00	
	251,200.00	251,200.00	
	50,267,118.05	50,267,118.05	
	23,364,066.00	23,364,066.00	
	16,849,500.00	16,849,500.00	
	3,133,400.00	3,133,400.00	
	5,527,600.00	5,527,600.00	
	1,200,900.00	1,200,900.00	
	99,634,000.00	99,634,000.00	
	1,634,500.00	1,634,500.00	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
State Planning Fund	150,800.00	
Teachers' Retirement System	326,772,500.00	
Tobacco Settlement - Phase I	101,879,500.00	(39,995,031.19)
Treasury	1,778,300.00	
CABINET TOTAL	\$863,009,928.42	(\$37,860,458.14)
Transportation Cabinet		
General Administration and Support	500,000.00	
Public Transportation	5,835,212.00	
Revenue Sharing		7,800,000.00
CABINET TOTAL	\$6,335,212.00	\$7,800,000.00
Cabinet for Economic Development		
Economic Development	19,610,843.00	750,000.00
CABINET TOTAL	\$19,610,843.00	\$750,000.00
Finance & Administration Cabinet		
Appropriations Not Otherwise Classified	5,026,400.00	11,980,600.00
Controller	5,914,100.00	
County Costs	15,897,000.00	5,718,000.00
Debt Service	425,439,600.00	
Facilities and Support Services	5,618,900.00	
General Administration	9,794,100.00	
Judgments		1,550,000.00
Property Valuation Administrators	42,342,900.00	
Revenue	86,332,200.00	
CABINET TOTAL	\$596,365,200.00	\$19,248,600.00
Cabinet for Universities		
Council on Postsecondary Education	46,653,217.00	
Eastern Kentucky University	68,033,800.00	
Kentucky Higher Education Assistance Authority	207,506,400.00	
Kentucky State University	23,429,600.00	
Ky Community and Technical College System	190,162,300.00	
Morehead State University	41,039,500.00	
Murray State University	48,025,100.00	
Northern Kentucky University	48,537,600.00	
University of Kentucky	279,611,300.00	
University of Louisville	139,076,900.00	637,788.07

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	150,800.00	150,800.00	
	326,772,500.00	326,772,500.00	
	61,884,468.81	61,884,468.81	
	1,778,300.00	1,778,300.00	
	\$825,149,470.28	\$748,055,533.86	\$77,093,936.42
	500,000.00	500,000.00	
	5,835,212.00	5,835,212.00	
	7,800,000.00	7,800,000.00	
	\$14,135,212.00	\$14,135,212.00	
	20,360,843.00	20,360,843.00	
	\$20,360,843.00	\$20,360,843.00	
	17,007,000.00	17,007,000.00	
	5,914,100.00	5,914,100.00	
	21,615,000.00	21,615,000.00	
	425,439,600.00	425,439,600.00	
	5,618,900.00	5,618,900.00	
	9,794,100.00	9,794,100.00	
	1,550,000.00	1,550,000.00	
	42,342,900.00	42,342,900.00	
	86,332,200.00	86,332,200.00	
	\$615,613,800.00	\$615,613,800.00	
	46,653,217.00	46,653,217.00	
	68,033,800.00	68,033,800.00	
	207,506,400.00	207,506,400.00	
	23,429,600.00	23,429,600.00	
	190,162,300.00	190,162,300.00	
	41,039,500.00	41,039,500.00	
	48,025,100.00	48,025,100.00	
	48,537,600.00	48,537,600.00	
	279,611,300.00	279,611,300.00	
	139,714,688.07	139,714,688.07	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
Western Kentucky University	72,649,400.00	
CABINET TOTAL	\$1,164,725,117.00	\$637,788.07
Tourism, Arts and Heritage Cabinet		
Arts Council	3,017,300.00	
Berea Artisans Center	389,200.00	
Heritage Council	736,900.00	
Historical Society	5,784,800.00	
Horse Park Commission	2,471,800.00	
Kentucky Center for the Arts	1,031,200.00	
Parks	33,572,800.00	
Secretary	2,544,100.00	
State Fair Board	3,897,100.00	
Travel	3,094,400.00	
CABINET TOTAL	\$56,539,600.00	
Education & Workforce Development Cabinet		
Deaf and Hard of Hearing	861,300.00	
Education Professional Standards Board	7,307,100.00	
General Administration and Program Support	4,434,100.00	
Kentucky Educational Television	13,037,900.00	
Learning and Results Services	985,303,995.00	(52,148,300.00)
Libraries and Archives - Direct Local Aid	6,325,900.00	
Libraries and Archives - General Operations	6,118,300.00	
Office for the Blind	1,385,100.00	
Operations and Support Services	48,761,000.00	
Support Education Excellence in Kentucky (SEEK)	2,972,270,700.00	8,631,900.00
Vocational Rehabilitation	11,585,200.00	
CABINET TOTAL	\$4,057,390,595.00	(\$43,516,400.00)
Health & Family Services Cabinet		
Aging and Independent Living	44,702,900.00	
Behavioral Health, Dev & Intellectual Disabilities	202,604,500.00	
Commission for Children with Special Health Care N	5,401,500.00	
Community Based Services	391,634,800.00	
Family Resource Centers and Volunteer Services	1,466,400.00	52,148,300.00
General Administration and Program Support	28,450,600.00	
Health Policy	448,000.00	
Income Support	8,225,700.00	

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	72,649,400.00	72,649,400.00	
	\$1,165,362,905.07	\$1,165,362,905.07	
	3,017,300.00	3,017,300.00	
	389,200.00	389,200.00	
	736,900.00	736,900.00	
	5,784,800.00	5,784,800.00	
	2,471,800.00	2,471,800.00	
	1,031,200.00	1,031,200.00	
	33,572,800.00	33,572,800.00	
	2,544,100.00	2,544,100.00	
	3,897,100.00	3,897,100.00	
	3,094,400.00	3,094,400.00	
	\$56,539,600.00	\$56,539,600.00	
	861,300.00	861,300.00	
	7,307,100.00	7,307,100.00	
	4,434,100.00	4,434,100.00	
	13,037,900.00	13,037,900.00	
(1,821,300.00)	931,334,395.00	931,334,395.00	
	6,325,900.00	6,325,900.00	
	6,118,300.00	6,118,300.00	
	1,385,100.00	1,385,100.00	
1,821,300.00	50,582,300.00	50,582,300.00	
	2,980,902,600.00	2,980,902,600.00	
	11,585,200.00	11,585,200.00	
	\$4,013,874,195.00	\$4,013,874,195.00	
	44,702,900.00	44,702,900.00	
	202,604,500.00	202,604,500.00	
	5,401,500.00	5,401,500.00	
	391,634,800.00	391,634,800.00	
	53,614,700.00	53,614,700.00	
	28,450,600.00	28,450,600.00	
	448,000.00	448,000.00	
	8,225,700.00	8,225,700.00	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
Medicaid Administration	33,314,500.00	
Medicaid Benefits	1,525,524,400.00	
Public Health	68,820,000.00	
CABINET TOTAL	\$2,310,593,300.00	\$52,148,300.00
Justice & Public Safety Cabinet		
Adult Correctional Institutions	244,855,800.00	13,850,000.00
Community Services and Local Facilities	193,852,700.00	(2,050,000.00)
Corrections Management	9,459,200.00	
Justice Administration	11,095,700.00	
Juvenile Justice	81,507,800.00	
Local Jail Support	18,163,100.00	
Public Advocacy	46,314,300.00	
State Police	74,315,600.00	
CABINET TOTAL	\$679,564,200.00	\$11,800,000.00
Personnel Cabinet		
State Group Health Insurance Fund	959,600.00	
CABINET TOTAL	\$959,600.00	
Labor Cabinet		
General Administrations and Program Support	3,312,200.00	
Workplace Standards	1,789,300.00	
CABINET TOTAL	\$5,101,500.00	
Energy and Environment Cabinet		
Energy Development and Independence	1,344,000.00	
Environmental Protection	21,417,700.00	
Kentucky Nature Preserves Commission	1,061,700.00	
Natural Resources	32,882,900.00	2,627,385.00
Public Service Commission	17,507,686.00	
Secretary	3,290,600.00	
CABINET TOTAL	\$77,504,586.00	\$2,627,385.00
Public Protection Cabinet		
Alcoholic Beverage Control	607,800.00	
Board of Claims/Crime Victims' Compensation Board	696,400.00	
Board of Tax Appeals	464,300.00	
Horse Racing Commission	698,700.00	
Housing, Buildings and Construction	2,455,300.00	

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	33,314,500.00	33,314,500.00	
	1,525,524,400.00	1,525,524,400.00	
	68,820,000.00	68,820,000.00	
	\$2,362,741,600.00	\$2,362,741,600.00	
	258,705,800.00	258,705,800.00	
	191,802,700.00	191,802,700.00	
	9,459,200.00	9,459,200.00	
	11,095,700.00	11,095,700.00	
	81,507,800.00	81,507,800.00	
	18,163,100.00	18,163,100.00	
	46,314,300.00	46,314,300.00	
	74,315,600.00	74,315,600.00	
	\$691,364,200.00	\$691,364,200.00	
	959,600.00	959,600.00	
	\$959,600.00	\$959,600.00	
	3,312,200.00	3,312,200.00	
	1,789,300.00	1,789,300.00	
	\$5,101,500.00	\$5,101,500.00	
	1,344,000.00	1,344,000.00	
	21,417,700.00	21,417,700.00	
	1,061,700.00	1,061,700.00	
	35,510,285.00	35,510,285.00	
	17,507,686.00	17,507,686.00	
	3,290,600.00	3,290,600.00	
	\$80,131,971.00	\$80,131,971.00	
	607,800.00	607,800.00	
	696,400.00	696,400.00	
	464,300.00	464,300.00	
	698,700.00	698,700.00	
	2,455,300.00	2,455,300.00	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
Secretary	277,900.00	
CABINET TOTAL	\$5,200,400.00	
FUND TOTAL	\$10,249,655,498.42	\$13,635,214.93

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	277,900.00	277,900.00	
	\$5,200,400.00	\$5,200,400.00	
	\$10,263,290,713.35	\$10,186,196,776.93	\$77,093,936.42

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Legislative Cabinet				
General Assembly				
G.A.-Ky Legislative Ethics Commission	213,769.00	388,500.00		
G.A.-Ky Long Term Policy Research	355,626.00			
General Assembly Regular Sessions	6,962,313.00	19,315,500.00		
APPROPRIATION TOTAL	\$7,531,708.00	\$19,704,000.00		
Legislative Research Commission				
LRC-Administration	6,949,975.00	36,733,200.00		
APPROPRIATION TOTAL	\$6,949,975.00	\$36,733,200.00		
CABINET TOTAL	\$14,481,683.00	\$56,437,200.00		
Judicial Cabinet				
Court Facility Use Allowance Contingency Fund				
Court Facility Allowance Cont	119,800.00			
APPROPRIATION TOTAL	\$119,800.00	\$0.00		
Court Operations and Administration				
Court Operations and Administration		205,633,000.00		
APPROPRIATION TOTAL		\$205,633,000.00		
Judicial Form Retirement System				
Judicial Retirement Fund		16,916,600.00		
APPROPRIATION TOTAL		\$16,916,600.00		
Local Facility Support				
Local Facility Support	1,667,134.00	111,500,000.00		
APPROPRIATION TOTAL	\$1,667,134.00	\$111,500,000.00		
CABINET TOTAL	\$1,786,934.00	\$334,049,600.00		
Cabinet of the General Government				
Agriculture				
Ag Marketing and Product Promotion		5,157,000.00		
Animal Control Administrative	7,229.00			
Consumer and Environmental Protection		3,657,100.00		
KY Small Wineries Support Fund	254,863.00	400,000.00		
State Vet - Animal Health		3,359,200.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	602,269.00	558,891.30			43,377.70
	355,626.00				355,626.00
	26,277,813.00	14,220,376.55	3,549,033.00	1,638,400.15	6,870,003.30
	\$27,235,708.00	\$14,779,267.85	\$3,549,033.00	\$1,638,400.15	\$7,269,007.00
	43,683,175.00	36,770,614.42		291,200.58	6,621,360.00
	\$43,683,175.00	\$36,770,614.42		\$291,200.58	\$6,621,360.00
	\$70,918,883.00	\$51,549,882.27	\$3,549,033.00	\$1,929,600.73	\$13,890,367.00
	119,800.00				119,800.00
	\$119,800.00				\$119,800.00
	205,633,000.00	205,633,000.00			
	\$205,633,000.00	\$205,633,000.00			
	16,916,600.00	526,302.91	16,389,900.00	397.09	
	\$16,916,600.00	\$526,302.91	\$16,389,900.00	\$397.09	
	113,167,134.00	111,483,414.56		0.44	1,683,719.00
	\$113,167,134.00	\$111,483,414.56		\$0.44	\$1,683,719.00
	\$335,836,534.00	\$317,642,717.47	\$16,389,900.00	\$397.53	\$1,803,519.00
(16,692.78)	5,140,307.22	5,140,307.22			
	7,229.00	5,536.29		0.71	1,692.00
337,234.58	3,994,334.58	3,994,334.58			
	654,863.00	357,358.07		0.93	297,504.00
(240,638.80)	3,118,561.20	3,118,561.20			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Strategic Planning and Administration		3,809,300.00		
APPROPRIATION TOTAL	\$262,092.00	\$16,382,600.00		
Area Development Fund				
Area Development Fund		473,600.00		
APPROPRIATION TOTAL		\$473,600.00		
Attorney General				
Administrative Services		3,310,600.00		
Advocacy Services		1,418,100.00		
Civil Services				
Criminal Services		5,709,900.00		
APPROPRIATION TOTAL		\$10,438,600.00		
Auditor of Public Accounts				
Financial Audit		1,277,200.00		
Office of the Auditor		1,429,000.00		
Technology and Specialized Audits		1,975,600.00		
APPROPRIATION TOTAL		\$4,681,800.00		
Board of Elections				
General Administration and Support		1,248,100.00		
State Share of County Election		1,490,700.00		
State Share Voters Registration		1,288,300.00		
APPROPRIATION TOTAL		\$4,027,100.00		
Capital Construction				
Capital Construction		5,776,000.00		
APPROPRIATION TOTAL		\$5,776,000.00		
Commission on Human Rights				
Enforcement Branch		366,200.00		
General Administration and Support		692,200.00		
Legal Affairs		286,800.00		
Research and Information		358,000.00		
APPROPRIATION TOTAL		\$1,703,200.00		
Commission on Women				
Commission on Women		226,400.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
(79,903.00)	3,729,397.00	3,729,397.00			
	\$16,644,692.00	\$16,345,494.36		\$1.64	\$299,196.00
	473,600.00		473,600.00		
	\$473,600.00		\$473,600.00		
(50,000.00)	3,260,600.00	3,260,600.00			
131,900.00	1,550,000.00	1,550,000.00			
100,000.00	100,000.00	100,000.00			
(50,000.00)	5,659,900.00	5,659,900.00			
\$131,900.00	\$10,570,500.00	\$10,570,500.00			
	1,277,200.00	1,277,200.00			
	1,429,000.00	1,429,000.00			
	1,975,600.00	1,975,600.00			
	\$4,681,800.00	\$4,681,800.00			
48,900.00	1,297,000.00	1,297,000.00			
7,189.00	1,497,889.00	1,497,873.00		16.00	
(34,000.00)	1,254,300.00	1,254,247.10		52.90	
\$22,089.00	\$4,049,189.00	\$4,049,120.10		\$68.90	
	5,776,000.00		5,776,000.00		
	\$5,776,000.00		\$5,776,000.00		
	366,200.00	366,200.00			
	692,200.00	692,200.00			
	286,800.00	286,800.00			
	358,000.00	358,000.00			
	\$1,703,200.00	\$1,703,200.00			
	226,400.00	226,398.76		1.24	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL		\$226,400.00		
Commonwealth Attorneys				
Commonwealth Attorneys		44,536,800.00		
APPROPRIATION TOTAL		\$44,536,800.00		
County Attorneys				
County Attorneys		38,653,400.00		
APPROPRIATION TOTAL		\$38,653,400.00		
Department for Local Government				
Administration		5,337,600.00		
Joint Funding Administration		2,130,200.00		
Trover Clinic		1,000,000.00		
APPROPRIATION TOTAL		\$8,467,800.00		
Department of Veterans' Affairs				
Department of Veterans' Affairs		4,815,100.00		
Office of Kentucky Veterans Centers		12,983,400.00		
APPROPRIATION TOTAL		\$17,798,500.00		
Executive Branch Ethics Commission				
Executive Branch Ethics Commission		455,000.00		
APPROPRIATION TOTAL		\$455,000.00		
Homeland Security				
Homeland Security		233,000.00		
APPROPRIATION TOTAL		\$233,000.00		
Kentucky Infrastructure Authority				
Kentucky Infrastructure Authority		1,337,300.00		
APPROPRIATION TOTAL		\$1,337,300.00		
Kentucky River Authority				
Locks and Dams Program		251,200.00		
APPROPRIATION TOTAL		\$251,200.00		
Local Government Economic Assistance Fund				
Economic Assistance Cities Coal Severance		3,200,000.00		
Economic Assistance Cities Mineral Severance		2,400,000.00		
Economic Assistance Counties Coal Severance		28,000,000.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	\$226,400.00	\$226,398.76		\$1.24	
	44,536,800.00	44,536,798.71		1.29	
	\$44,536,800.00	\$44,536,798.71		\$1.29	
	38,653,400.00	38,653,400.00			
	\$38,653,400.00	\$38,653,400.00			
	5,337,600.00	5,337,600.00			
	2,130,200.00	2,130,200.00			
	1,000,000.00		1,000,000.00		
	\$8,467,800.00	\$7,467,800.00	\$1,000,000.00		
	4,815,100.00	4,615,100.00	200,000.00		
	12,983,400.00	12,898,900.00	84,500.00		
	\$17,798,500.00	\$17,514,000.00	\$284,500.00		
	455,000.00	455,000.00			
	\$455,000.00	\$455,000.00			
	233,000.00	233,000.00			
	\$233,000.00	\$233,000.00			
	1,337,300.00	1,337,300.00			
	\$1,337,300.00	\$1,337,300.00			
	251,200.00	251,195.00		5.00	
	\$251,200.00	\$251,195.00		\$5.00	
(450,801.48)	2,749,198.52	2,749,198.52			
(170,592.12)	2,229,407.88	2,229,407.88			
(3,082,392.73)	24,917,607.27	24,917,607.27			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Economic Assistance Counties Mineral Severance		16,607,700.00		
APPROPRIATION TOTAL		\$50,207,700.00		
Local Government Economic Development Fund				
Economic Development Fund		28,945,400.00		
APPROPRIATION TOTAL		\$28,945,400.00		
Military Affairs				
Emergency Operations				
Federal Grant Operations		2,736,900.00		
FEMA Disaster Grants				
National Guard Operations		750,000.00		
NG Public Safety Operations				
Statutory State Operations		5,860,100.00		
APPROPRIATION TOTAL		\$9,347,000.00		
Office of State Budget Director				
Office of State Budget Director		3,133,400.00		
APPROPRIATION TOTAL		\$3,133,400.00		
Office of the Governor				
Governor's Office Expense Allowance		26,400.00		
Ky Commission on Military Affairs		204,700.00		
Lt. Governor's Expense Allowance		14,700.00		
Office of the Governor		5,281,800.00		
APPROPRIATION TOTAL		\$5,527,600.00		
Registry of Election Finance				
Registry of Election Finance		1,200,900.00		
APPROPRIATION TOTAL		\$1,200,900.00		
School Facilities Construction Commission				
School Facilities Construction Commission		99,634,000.00		
APPROPRIATION TOTAL		\$99,634,000.00		
Secretary of State				
General Administration Program		1,634,500.00		
APPROPRIATION TOTAL		\$1,634,500.00		
State Planning Fund				

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
3,763,204.38	20,370,904.38	20,370,904.38			
\$59,418.05	\$50,267,118.05	\$50,267,118.05			
(5,581,334.00)	23,364,066.00		23,364,066.00		
(\$5,581,334.00)	\$23,364,066.00		\$23,364,066.00		
1,921,900.00	1,921,900.00	1,138,393.34		783,506.66	
30,000.00	2,766,900.00	2,766,820.00		80.00	
3,436,800.00	3,436,800.00	3,301,620.82		135,179.18	
(223,500.00)	526,500.00	483,000.00	43,500.00		
2,143,800.00	2,143,800.00	1,541,720.40		602,079.60	
193,500.00	6,053,600.00	6,053,600.00			
\$7,502,500.00	\$16,849,500.00	\$15,285,154.56	\$43,500.00	\$1,520,845.44	
	3,133,400.00	3,133,400.00			
	\$3,133,400.00	\$3,133,400.00			
(540.16)	25,859.84	25,859.84			
(3,830.72)	200,869.28	200,869.28			
(179.55)	14,520.45	14,520.45			
4,550.43	5,286,350.43	5,286,350.43			
	\$5,527,600.00	\$5,527,600.00			
	1,200,900.00	1,200,741.36		158.64	
	\$1,200,900.00	\$1,200,741.36		\$158.64	
	99,634,000.00	347,198.32	99,286,801.68		
	\$99,634,000.00	\$347,198.32	\$99,286,801.68		
	1,634,500.00	1,634,500.00			
	\$1,634,500.00	\$1,634,500.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
State Planning Fund		150,800.00		
APPROPRIATION TOTAL		\$150,800.00		
Teachers' Retirement System				
Teachers' Retirement System		326,772,500.00		
APPROPRIATION TOTAL		\$326,772,500.00		
Tobacco Settlement - Phase I				
Tobacco Settlement - Phase I				
APPROPRIATION TOTAL		\$0.00		
Treasury				
Disbursements and Accounting		837,600.00		
General Administration and Support		940,700.00		
APPROPRIATION TOTAL		\$1,778,300.00		
CABINET TOTAL	\$262,092.00	\$683,774,400.00		
Transportation Cabinet				
General Administration and Support				
Office of the Secretary		500,000.00		
APPROPRIATION TOTAL		\$500,000.00		
Public Transportation				
Transportation Delivery	107,012.00	5,728,200.00		
APPROPRIATION TOTAL	\$107,012.00	\$5,728,200.00		
Revenue Sharing				
County Road Aid			5,490,000.00	
Municipal Aid			2,310,000.00	
APPROPRIATION TOTAL		\$0.00	\$7,800,000.00	
CABINET TOTAL	\$107,012.00	\$6,228,200.00	\$7,800,000.00	
Cabinet for Economic Development				
Economic Development				
Bluegrass State Skills	459,043.00	2,710,200.00		
Business Development		13,421,600.00		
Compliance and Incentives		84,200.00		
Executive Policy & Management		2,935,800.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	150,800.00		150,800.00		
	\$150,800.00		\$150,800.00		
	326,772,500.00		326,772,451.06	48.94	
	\$326,772,500.00		\$326,772,451.06	\$48.94	
61,884,468.81	61,884,468.81		61,884,468.81		
\$61,884,468.81	\$61,884,468.81		\$61,884,468.81		
	837,600.00	837,422.41		177.59	
	940,700.00	940,570.24		129.76	
	\$1,778,300.00	\$1,777,992.65		\$307.35	
\$64,019,041.86	\$748,055,533.86	\$227,198,711.87	\$519,036,187.55	\$1,521,438.44	\$299,196.00
	500,000.00	500,000.00			
	\$500,000.00	\$500,000.00			
	5,835,212.00	5,638,145.17		0.83	197,066.00
	\$5,835,212.00	\$5,638,145.17		\$0.83	\$197,066.00
	5,490,000.00	5,490,000.00			
	2,310,000.00	2,309,188.74		811.26	
	\$7,800,000.00	\$7,799,188.74		\$811.26	
	\$14,135,212.00	\$13,937,333.91		\$812.09	\$197,066.00
747,400.00	3,916,643.00	3,890,880.69		832.31	24,930.00
(552,400.00)	12,869,200.00	12,858,631.05		10,568.95	
	84,200.00	84,200.00			
555,000.00	3,490,800.00	3,484,287.43		6,512.57	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL	\$459,043.00	\$19,151,800.00		
CABINET TOTAL	\$459,043.00	\$19,151,800.00		
Finance & Administration Cabinet				
Appropriations Not Otherwise Classified				
ANOC - Attorney General Expense		535,400.00		
ANOC - Blanket Employee Bonds		60,000.00		
ANOC - Board of Claims Award		235,000.00		
ANOC - Frankfort Cemetery		3,100.00		
ANOC - Frankfort in Lieu of Taxes		195,000.00		
ANOC - Guardian Ad Litem		2,389,400.00		
ANOC - Involuntary Commitments-ICF/MR		60,000.00		
ANOC - Medical Malpractice Liability		155,000.00		
ANOC - Prior Year Claims		103,500.00		
ANOC - Unredeemed Checks Refunded		970,000.00		
ANOC-Survivor Benefits		320,000.00		
APPROPRIATION TOTAL		\$5,026,400.00		
Controller				
Customer Resource Center		379,300.00		
Division of Local Government Services		702,000.00		
Material and Procurement Services		1,632,900.00		
Office of Financial Management Administration		1,254,100.00		
Office of the Controller		1,945,800.00		
APPROPRIATION TOTAL		\$5,914,100.00		
County Costs				
County Costs - Board Assessment Appeals		50,000.00		
County Costs - County Clerks		275,000.00		
County Costs - Fugitive From Justice		1,075,000.00		
County Costs - Jury Fund		2,454,000.00		
County Costs - Premium on Sheriffs Bond		11,000.00		
County Costs - Sheriffs Expense Allowance		466,600.00		
County Costs Public Defender Program		4,000,000.00		
County Costs Sheriffs Fees		7,482,900.00		
County Costs Witnesses		82,500.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
\$750,000.00	\$20,360,843.00	\$20,317,999.17		\$17,913.83	\$24,930.00
\$750,000.00	\$20,360,843.00	\$20,317,999.17		\$17,913.83	\$24,930.00
(89,148.71)	446,251.29	446,251.29			
(15,385.13)	44,614.87	44,614.87			
423,207.83	658,207.83	658,207.83			
(3,100.00)					
	195,000.00	195,000.00			
10,314,673.15	12,704,073.15	12,703,623.18		449.97	
3,825.00	63,825.00	63,825.00			
(36,939.59)	118,060.41	118,060.41			
(53,593.33)	49,906.67	49,906.67			
1,348,160.78	2,318,160.78	2,318,160.78			
88,900.00	408,900.00	400,000.00	8,877.24	22.76	
\$11,980,600.00	\$17,007,000.00	\$16,997,650.03	\$8,877.24	\$472.73	
85,000.00	464,300.00	464,300.00			
(2,226.30)	699,773.70	699,773.70			
(87,477.56)	1,545,422.44	1,545,422.44			
	1,254,100.00	1,254,100.00			
4,703.86	1,950,503.86	1,950,503.86			
	\$5,914,100.00	\$5,914,100.00			
(16,650.00)	33,350.00	33,350.00			
(25,578.09)	249,421.91	249,421.91			
45,000.00	1,120,000.00	1,101,850.41		18,149.59	
133,349.53	2,587,349.53	2,587,349.53			
(6,081.10)	4,918.90	4,918.90			
35,000.00	501,600.00	463,493.95		38,106.05	
(743,154.00)	3,256,846.00	3,180,073.86		76,772.14	
6,277,793.57	13,760,693.57	13,756,072.24		4,621.33	
18,320.09	100,820.09	100,820.09			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL		\$15,897,000.00		
Debt Service				
Debt Service		425,439,600.00		
APPROPRIATION TOTAL		\$425,439,600.00		
Facilities and Support Services				
Physical Plant		5,618,900.00		
APPROPRIATION TOTAL		\$5,618,900.00		
General Administration				
Administrative Services		2,325,900.00		
General Administration		4,494,900.00		
Legal and Legislative Services		2,110,200.00		
Policy and Audit		863,100.00		
APPROPRIATION TOTAL		\$9,794,100.00		
Judgments				
Judgments				
APPROPRIATION TOTAL		\$0.00		
Property Valuation Administrators				
Property Valuation Administrators		42,342,900.00		
APPROPRIATION TOTAL		\$42,342,900.00		
Revenue				
Commissioner's Office		33,141,700.00		
Field Operations		12,797,400.00		
Income Taxation		8,872,000.00		
Processing & Enforcement		25,325,600.00		
Property Valuation		4,912,700.00		
Sales & Excise Taxes		1,282,800.00		
APPROPRIATION TOTAL		\$86,332,200.00		
CABINET TOTAL		\$596,365,200.00		
Cabinet for Universities				
Council on Postsecondary Education				
Adult Education and Literacy Funding Program	1,163,317.00	18,575,500.00		
Agency Operations		6,909,000.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
\$5,718,000.00	\$21,615,000.00	\$21,477,350.89		\$137,649.11	
	425,439,600.00		395,182,035.54	30,257,564.46	
	\$425,439,600.00		\$395,182,035.54	\$30,257,564.46	
	5,618,900.00	5,344,135.96	274,000.00	764.04	
	\$5,618,900.00	\$5,344,135.96	\$274,000.00	\$764.04	
	2,325,900.00	2,325,900.00			
	4,494,900.00	1,723,400.00	1,271,500.00	1,500,000.00	
	2,110,200.00	2,110,200.00			
	863,100.00	863,100.00			
	\$9,794,100.00	\$7,022,600.00	\$1,271,500.00	\$1,500,000.00	
1,550,000.00	1,550,000.00	1,483,755.71		66,244.29	
\$1,550,000.00	\$1,550,000.00	\$1,483,755.71		\$66,244.29	
	42,342,900.00	42,342,900.00			
	\$42,342,900.00	\$42,342,900.00			
1,378,000.00	34,519,700.00	34,519,700.00			
341,300.00	13,138,700.00	13,138,700.00			
(432,100.00)	8,439,900.00	8,439,774.42		125.58	
(1,287,200.00)	24,038,400.00	24,038,320.80		79.20	
	4,912,700.00	4,912,700.00			
	1,282,800.00	1,282,800.00			
	\$86,332,200.00	\$86,331,995.22		\$204.78	
\$19,248,600.00	\$615,613,800.00	\$186,914,487.81	\$396,736,412.78	\$31,962,899.41	
	19,738,817.00	18,687,301.16		0.84	1,051,515.00
12,000.00	6,921,000.00	6,921,000.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Contract Spaces		5,419,000.00		
CPE - General		48,000.00		
Minority Student College Preparation Program		176,000.00		
Physical Facilities Trust Fund		2,940,500.00		
Professional Education Preparation Program		251,900.00		
Science and Technology Funding Program		5,433,300.00		
Special Initiatives Funding Program		1,467,700.00		
SREB Doctoral Scholars Program		67,900.00		
State Autism Training Center		125,800.00		
Technical Initiative Trust Fund		4,075,300.00		
APPROPRIATION TOTAL	\$1,163,317.00	\$45,489,900.00		
Eastern Kentucky University				
Eastern Kentucky University		68,033,800.00		
APPROPRIATION TOTAL		\$68,033,800.00		
Kentucky Higher Education Assistance Authority				
College Access Program	2,488,728.00	59,514,400.00		
Go Higher Grant Program	85,483.00	171,500.00		
Kentucky Education Excellence Scholarships		101,032,800.00		
Kentucky National Guard Tuition	281,255.00	4,898,100.00		
KHEAA - Teacher Scholarships		1,732,800.00		
KHEAA - Tuition Grant Program	2,578,446.00	32,419,100.00		
KHEAA - Work Study Program	205,788.00	400,000.00		
Ky Coal Co Completion Scholarship				
Osteopathic Medicine Scholar		872,500.00		
Pharmacy Scholarship Program	25,500.00	800,000.00		
APPROPRIATION TOTAL	\$5,665,200.00	\$201,841,200.00		
Kentucky State University				
Kentucky State University		23,429,600.00		
APPROPRIATION TOTAL		\$23,429,600.00		
Ky Community and Technical College System				
Ky Community and Technical College System		190,162,300.00		
APPROPRIATION TOTAL		\$190,162,300.00		
Morehead State University				

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	5,419,000.00	5,418,998.11		1.89	
(12,000.00)	36,000.00	36,000.00			
	176,000.00	176,000.00			
	2,940,500.00		2,940,500.00		
	251,900.00	251,900.00			
	5,433,300.00	5,288,300.00			145,000.00
	1,467,700.00	1,467,700.00			
	67,900.00	67,900.00			
	125,800.00	125,800.00			
	4,075,300.00		4,075,300.00		
	\$46,653,217.00	\$38,440,899.27	\$7,015,800.00	\$2.73	\$1,196,515.00
	68,033,800.00	68,033,800.00			
	\$68,033,800.00	\$68,033,800.00			
2,000,000.00	64,003,128.00	60,797,546.00			3,205,582.00
	256,983.00	161,960.00			95,023.00
	101,032,800.00	101,032,800.00			
406,000.00	5,585,355.00	5,522,395.60			62,959.40
	1,732,800.00	1,731,366.00			1,434.00
(2,200,000.00)	32,797,546.00	28,446,245.00			4,351,301.00
(206,000.00)	399,788.00	356,824.30		0.10	42,963.60
25,500.00	898,000.00		445,000.00		453,000.00
(25,500.00)	800,000.00	483,750.00			316,250.00
	\$207,506,400.00	\$198,532,886.90	\$445,000.00	\$0.10	\$8,528,513.00
	23,429,600.00	23,429,600.00			
	\$23,429,600.00	\$23,429,600.00			
	190,162,300.00	190,162,300.00			
	\$190,162,300.00	\$190,162,300.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Morehead State University		41,039,500.00		
APPROPRIATION TOTAL		\$41,039,500.00		
Murray State University				
Murray State University		48,025,100.00		
APPROPRIATION TOTAL		\$48,025,100.00		
Northern Kentucky University				
Northern Kentucky University		48,537,600.00		
APPROPRIATION TOTAL		\$48,537,600.00		
University of Kentucky				
University of Kentucky		279,611,300.00		
APPROPRIATION TOTAL		\$279,611,300.00		
University of Louisville				
University of Louisville		139,076,900.00		
APPROPRIATION TOTAL		\$139,076,900.00		
Western Kentucky University				
Western Kentucky University		72,649,400.00		
APPROPRIATION TOTAL		\$72,649,400.00		
CABINET TOTAL	\$6,828,517.00	\$1,157,896,600.00		
Tourism, Arts and Heritage Cabinet				
Arts Council				
Administration and Personnel		1,655,000.00		
Arts Marketing		112,300.00		
Support Grants		1,250,000.00		
APPROPRIATION TOTAL		\$3,017,300.00		
Berea Artisans Center				
Berea Artisans Center		389,200.00		
APPROPRIATION TOTAL		\$389,200.00		
Heritage Council				
Heritage Enrichment Program		75,000.00		
Historic Preservation		583,100.00		
Main Street Program		78,800.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	41,039,500.00	41,039,500.00			
	\$41,039,500.00	\$41,039,500.00			
	48,025,100.00	48,025,100.00			
	\$48,025,100.00	\$48,025,100.00			
	48,537,600.00	48,537,600.00			
	\$48,537,600.00	\$48,537,600.00			
	279,611,300.00	279,611,300.00			
	\$279,611,300.00	\$279,611,300.00			
637,788.07	139,714,688.07	139,714,688.07			
\$637,788.07	\$139,714,688.07	\$139,714,688.07			
	72,649,400.00	72,649,400.00			
	\$72,649,400.00	\$72,649,400.00			
\$637,788.07	\$1,165,362,905.07	\$1,148,177,074.24	\$7,460,800.00	\$2.83	\$9,725,028.00
219,900.00	1,874,900.00	1,874,900.00			
(8,900.00)	103,400.00	103,400.00			
(211,000.00)	1,039,000.00	1,039,000.00			
	\$3,017,300.00	\$3,017,300.00			
	389,200.00	389,200.00			
	\$389,200.00	\$389,200.00			
	75,000.00	75,000.00			
	583,100.00	583,100.00			
	78,800.00	78,800.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL		\$736,900.00		
Historical Society				
Administration		5,712,800.00		
Museums		56,000.00		
Oral History & Education Outreach		6,000.00		
Research and Publications		10,000.00		
APPROPRIATION TOTAL		\$5,784,800.00		
Horse Park Commission				
Horse Park Commission		2,471,800.00		
APPROPRIATION TOTAL		\$2,471,800.00		
Kentucky Center for the Arts				
Kentucky Center for the Arts		413,600.00		
School for the Arts		617,600.00		
APPROPRIATION TOTAL		\$1,031,200.00		
Parks				
Cafeterias		299,100.00		
General Administration and Support		12,037,300.00		
Recreation Parks and Historic Sites		7,878,800.00		
Resort Parks		13,357,600.00		
APPROPRIATION TOTAL		\$33,572,800.00		
Secretary				
Creative Services		400,000.00		
Executive Policy and Management		2,144,100.00		
APPROPRIATION TOTAL		\$2,544,100.00		
State Fair Board				
Debt Service		189,000.00		
Kentucky Fair and Exposition Center		3,308,100.00		
Kentucky International Convention Center		400,000.00		
APPROPRIATION TOTAL		\$3,897,100.00		
Travel				
Communications and Promotions		415,000.00		
Division of Marketing and Advertising		990,000.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	\$736,900.00	\$736,900.00			
	5,712,800.00	5,712,800.00			
	56,000.00	56,000.00			
	6,000.00	6,000.00			
	10,000.00	10,000.00			
	\$5,784,800.00	\$5,784,800.00			
	2,471,800.00	2,471,800.00			
	\$2,471,800.00	\$2,471,800.00			
	413,600.00	320,435.44	92,500.00	664.56	
	617,600.00	617,600.00			
	\$1,031,200.00	\$938,035.44	\$92,500.00	\$664.56	
172,700.00	471,800.00	471,800.00			
919,300.00	12,956,600.00	12,581,100.00	375,500.00		
(372,000.00)	7,506,800.00	7,506,800.00			
(720,000.00)	12,637,600.00	12,637,600.00			
	\$33,572,800.00	\$33,197,300.00	\$375,500.00		
100,000.00	500,000.00	500,000.00			
(100,000.00)	2,044,100.00	2,044,100.00			
	\$2,544,100.00	\$2,544,100.00			
	189,000.00		189,000.00		
	3,308,100.00	3,308,100.00			
	400,000.00	400,000.00			
	\$3,897,100.00	\$3,708,100.00	\$189,000.00		
(13,500.00)	401,500.00	401,500.00			
(64,000.00)	926,000.00	926,000.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Division of Tourism Services		544,400.00		
Executive Policy and Management		1,145,000.00		
APPROPRIATION TOTAL		\$3,094,400.00		
CABINET TOTAL		\$56,539,600.00		
Education & Workforce Development Cabinet				
Deaf and Hard of Hearing				
Commission on Deaf and Hard of Hearing		861,300.00		
APPROPRIATION TOTAL		\$861,300.00		
Education Professional Standards Board				
EPSB		4,036,800.00		
Kentucky Teacher Internship Program		3,270,300.00		
APPROPRIATION TOTAL		\$7,307,100.00		
General Administration and Program Support				
Education and Workforce Statistics		566,600.00		
Governor's Scholars		1,936,100.00		
Office of the Secretary		1,931,400.00		
APPROPRIATION TOTAL		\$4,434,100.00		
Kentucky Educational Television				
Broadcasting and Education		9,088,600.00		
Engineering		1,606,300.00		
General Administration and Support		2,343,000.00		
APPROPRIATION TOTAL		\$13,037,900.00		
Learning and Results Services				
Assessments		14,620,300.00		
Career & Technical Education		38,876,100.00		
Community Ed & Services		1,956,400.00		
Gifted and Talented		6,622,300.00		
LARS-DSS-Associate Commissioner-Local Districts		672,662,900.00		
LARS-DSS-Associate Commissioner-Local Districts		1,483,700.00		
LARS-DSS-Associate Commissioner-State Agency		10,096,500.00		
LARS-DSS-Associate Commissioner-Textbooks		16,700,000.00		
LARS-LSI-L&IS-FRYSC		52,148,300.00		
LARS-Next Generation Learners		5,727,400.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
28,000.00	572,400.00	572,400.00			
49,500.00	1,194,500.00	1,194,470.89		29.11	
	\$3,094,400.00	\$3,094,370.89		\$29.11	
	\$56,539,600.00	\$55,881,906.33	\$657,000.00	\$693.67	
	861,300.00	861,300.00			
	\$861,300.00	\$861,300.00			
(110,000.00)	3,926,800.00	3,926,756.00		44.00	
110,000.00	3,380,300.00	3,380,300.00			
	\$7,307,100.00	\$7,307,056.00		\$44.00	
	566,600.00	566,600.00			
(2,000.00)	1,934,100.00	1,934,100.00			
2,000.00	1,933,400.00	1,933,400.00			
	\$4,434,100.00	\$4,434,100.00			
	9,088,600.00	9,088,600.00			
	1,606,300.00	1,606,300.00			
	2,343,000.00	2,343,000.00			
	\$13,037,900.00	\$13,037,900.00			
	14,620,300.00	14,620,300.00			
	38,876,100.00	38,876,100.00			
	1,956,400.00	1,956,400.00			
	6,622,300.00	6,622,300.00			
	672,662,900.00	667,007,853.37		5,655,046.63	
	1,483,700.00	1,358,621.92		125,078.08	
	10,096,500.00	10,096,500.00			
	16,700,000.00	16,700,000.00			
(52,148,300.00)	5,727,400.00	5,727,400.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
LARS-Next Generations Schools & Districts		3,760,100.00		452,100.00
LARS-NGL-Learning Services		498,200.00		
LARS-NGL-LS-ESS		19,105,900.00		
LARS-NGL-LS-State Schools Branch		16,183,300.00		
LARS-NGL-Program Standards		3,566,200.00		(2,273,400.00)
LARS-NGL-PS-Preschool		71,548,300.00		
LARS-NS-NGP-Other Federal Programs		2,446,500.00		
LARS-TL-Dropout Prevention		576,100.00		
LARS-TL-Math Achievement	80,000.00	5,353,600.00		
LARS-TL-Professional Growth Fund	10,195.00	720,300.00		
LARS-TL-Read to Achieve	150,000.00	16,999,000.00		
Next Generation Learners Programs		23,412,400.00		
APPROPRIATION TOTAL	\$240,195.00	\$985,063,800.00		(\$1,821,300.00)
Libraries and Archives - Direct Local Aid				
Direct Local Aid		2,996,300.00		
Public Library Facilities Construction Debt Assist		3,329,600.00		
APPROPRIATION TOTAL		\$6,325,900.00		
Libraries and Archives - General Operations				
Libraries and Archives		6,118,300.00		
APPROPRIATION TOTAL		\$6,118,300.00		
Office for the Blind				
Basic Support		1,332,300.00		
Independent Living		52,800.00		
APPROPRIATION TOTAL		\$1,385,100.00		
Operations and Support Services				
BOSS-Administration Support		3,583,300.00		375,100.00
BOSS-AS-District Support		3,956,700.00		387,000.00
BOSS-AS-School & Community Nutrition		3,937,400.00		
BOSS-GSS-Innovation & Partner Engagement		452,100.00		(452,100.00)
BOSS-Guiding Support Services/General Counsel		875,900.00		198,000.00
Executive Policy and Management		1,150,700.00		370,700.00
Kentucky Educational Network		15,529,400.00		
KETS		18,149,500.00		
Knowledge, Information & Data Services		1,126,000.00		942,600.00

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	4,212,200.00	4,212,200.00			
	498,200.00	498,200.00			
	19,105,900.00	19,105,900.00			
	16,183,300.00	16,183,300.00			
	1,292,800.00	1,292,800.00			
	71,548,300.00	71,548,300.00			
	2,446,500.00	2,446,500.00			
	576,100.00	576,100.00			
	5,433,600.00	5,433,600.00			
	730,495.00	276,442.64		0.36	454,052.00
	17,149,000.00	17,149,000.00			
	23,412,400.00	23,412,400.00			
(\$52,148,300.00)	\$931,334,395.00	\$925,100,217.93		\$5,780,125.07	\$454,052.00
	2,996,300.00	2,996,300.00			
	3,329,600.00	3,329,600.00			
	\$6,325,900.00	\$6,325,900.00			
	6,118,300.00	6,118,300.00			
	\$6,118,300.00	\$6,118,300.00			
	1,332,300.00	1,332,300.00			
	52,800.00	52,800.00			
	\$1,385,100.00	\$1,385,100.00			
	3,958,400.00	3,897,400.00	61,000.00		
	4,343,700.00	4,343,700.00			
	3,937,400.00	3,937,400.00			
	1,073,900.00	1,073,900.00			
	1,521,400.00	1,521,400.00			
	15,529,400.00	15,529,400.00			
	18,149,500.00	1,750,000.00	16,399,500.00		
	2,068,600.00	2,068,600.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL		\$48,761,000.00		\$1,821,300.00
Support Education Excellence in Kentucky (SEEK)				
BRAC Equalized Facilities		1,719,100.00		
SEEK - Base Funding		2,069,514,800.00		
SEEK - National Board Certified Salary Supplement		2,750,000.00		
SEEK - Pupil Transportation		214,752,800.00		
SEEK - Tier I Equalization		170,476,000.00		
SEEK - Vocational Education Transportation		2,416,900.00		
SEEK-Equalized Facilities-Category 5 Nickel		5,331,800.00		
SEEK-Equalized Facilities-Districts Use GF for Deb		6,271,500.00		
SEEK-Equalized Facilities-FSPK Nickel		76,315,900.00		
SEEK-Equalized Facilities-Growth Nickel (Equaliza		16,823,600.00		
SEEK-Equalized Fac-Recallable Nickel/Retroactive		10,753,300.00		
SEEK-Local Districts Teachers' Retirement Match		372,278,100.00		
SEEK-State Run Vocational Schools Reimbursemen		22,866,900.00		
APPROPRIATION TOTAL		\$2,972,270,700.00		
Vocational Rehabilitation				
Carl D Perkins Rehabilitation Center		1,227,700.00		
Program Services		10,357,500.00		
APPROPRIATION TOTAL		\$11,585,200.00		
CABINET TOTAL	\$240,195.00	\$4,057,150,400.00		
Health & Family Services Cabinet				
Aging and Independent Living				
Aging and Independent Living		38,000,000.00		
Guardianship		6,702,900.00		
APPROPRIATION TOTAL		\$44,702,900.00		
Behavioral Health, Dev & Intellectual Disabilities				
Community Behavioral Health		55,217,600.00		
Community Developmental & Intellectual Retardatio		20,080,200.00		
General Beh Hlt, Dev & Intellectual Disabilities S		27,760,200.00		
Residential Behavioral Health, Dev & Intellectual		99,546,500.00		
APPROPRIATION TOTAL		\$202,604,500.00		
Commission for Children with Special Health Care N				

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	\$50,582,300.00	\$34,121,800.00	\$16,460,500.00		
51,300.00	1,770,400.00	1,770,328.00		72.00	
5,421,300.00	2,074,936,100.00	2,074,877,183.72		58,916.28	
	2,750,000.00	2,750,000.00			
	214,752,800.00	214,752,800.00			
1,642,900.00	172,118,900.00	172,118,823.00		77.00	
	2,416,900.00	2,416,900.00			
178,600.00	5,510,400.00	5,510,369.00		31.00	
209,600.00	6,481,100.00	6,481,077.00		23.00	
964,300.00	77,280,200.00	77,280,161.00		39.00	
(253,500.00)	16,570,100.00	16,570,013.00		87.00	
417,400.00	11,170,700.00	11,170,682.00		18.00	
	372,278,100.00	372,278,100.00			
	22,866,900.00	4,142,534.00	18,724,366.00		
\$8,631,900.00	\$2,980,902,600.00	\$2,962,118,970.72	\$18,724,366.00	\$59,263.28	
	1,227,700.00	1,227,700.00			
	10,357,500.00	10,357,500.00			
	\$11,585,200.00	\$11,585,200.00			
(\$43,516,400.00)	\$4,013,874,195.00	\$3,972,395,844.65	\$35,184,866.00	\$5,839,432.35	\$454,052.00
	38,000,000.00	38,000,000.00			
	6,702,900.00	6,702,900.00			
	\$44,702,900.00	\$44,702,900.00			
(1,653,400.00)	53,564,200.00	53,564,200.00			
(977,100.00)	19,103,100.00	18,667,183.00	435,917.00		
2,440,600.00	30,200,800.00	26,200,800.00		4,000,000.00	
189,900.00	99,736,400.00	84,879,675.00	14,856,725.00		
	\$202,604,500.00	\$183,311,858.00	\$15,292,642.00	\$4,000,000.00	

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Children's Health Services		5,401,500.00		
APPROPRIATION TOTAL		\$5,401,500.00		
Community Based Services				
Child Care		48,128,600.00		
Family and Community Based Services		211,120,300.00		
Family Support		132,385,900.00		
APPROPRIATION TOTAL		\$391,634,800.00		
Family Resource Centers and Volunteer Services				
Ky Comm on Community Volunteerism & Services		260,400.00		
Youth Service Centers		1,206,000.00		
APPROPRIATION TOTAL		\$1,466,400.00		
General Administration and Program Support				
Administrative Support		25,450,600.00		
Office of Inspector General		3,000,000.00		
APPROPRIATION TOTAL		\$28,450,600.00		
Health Policy				
Office of Health Policy		448,000.00		
APPROPRIATION TOTAL		\$448,000.00		
Income Support				
Child Support		8,225,700.00		
APPROPRIATION TOTAL		\$8,225,700.00		
Medicaid Administration				
KCHIP Administration		670,000.00		
Medical Assistance Administration		32,644,500.00		
APPROPRIATION TOTAL		\$33,314,500.00		
Medicaid Benefits				
KCHIP Benefits		42,900,000.00		
Medical Assistance Benefits		1,482,624,400.00		
APPROPRIATION TOTAL		\$1,525,524,400.00		
Public Health				
Adult and Child Health		21,000,200.00		
Epidemiology and Health Planning		4,037,000.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	5,401,500.00	5,401,500.00			
	\$5,401,500.00	\$5,401,500.00			
(13,900,000.00)	34,228,600.00	34,228,600.00			
13,900,000.00	225,020,300.00	224,786,500.00	233,800.00		
	132,385,900.00	132,101,900.00	284,000.00		
	\$391,634,800.00	\$391,117,000.00	\$517,800.00		
	260,400.00	203,100.00	57,300.00		
52,148,300.00	53,354,300.00	52,881,100.00	473,200.00		
\$52,148,300.00	\$53,614,700.00	\$53,084,200.00	\$530,500.00		
(700,000.00)	24,750,600.00	24,645,600.00	105,000.00		
700,000.00	3,700,000.00	3,700,000.00			
	\$28,450,600.00	\$28,345,600.00	\$105,000.00		
	448,000.00	448,000.00			
	\$448,000.00	\$448,000.00			
	8,225,700.00	8,225,700.00			
	\$8,225,700.00	\$8,225,700.00			
	670,000.00	364,688.07	305,311.93		
	32,644,500.00	21,830,636.16	10,813,863.84		
	\$33,314,500.00	\$22,195,324.23	\$11,119,175.77		
(18,098,600.00)	24,801,400.00	24,801,400.00			
18,098,600.00	1,500,723,000.00	1,500,723,000.00			
	\$1,525,524,400.00	\$1,525,524,400.00			
(822,572.01)	20,177,627.99	20,177,627.99			
(300,000.00)	3,737,000.00	3,737,000.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
General Health Support		27,052,300.00		
Laboratory Services		4,157,300.00		
Prevention and Quality Improvement		6,981,400.00		
Public Health Protection and Safety		3,984,900.00		
Women's Health		1,606,900.00		
APPROPRIATION TOTAL		\$68,820,000.00		
CABINET TOTAL		\$2,310,593,300.00		
Justice & Public Safety Cabinet				
Adult Correctional Institutions				
Adult Institutions		181,057,100.00		
Adult Institutions Management Operations		56,006,900.00		
Mental Health		7,791,800.00		
APPROPRIATION TOTAL		\$244,855,800.00		
Community Services and Local Facilities				
Community Correction Commission		1,058,800.00		
County Jail Programs		104,296,200.00		
Electronic Monitoring		1,729,100.00		
Halfway House Programs		27,000,000.00		
Local Facilities Operations		1,301,700.00		
Probation and Parole		48,646,400.00		
Substance Abuse Programs		9,820,500.00		
APPROPRIATION TOTAL		\$193,852,700.00		
Corrections Management				
Corrections Management		9,459,200.00		
APPROPRIATION TOTAL		\$9,459,200.00		
Justice Administration				
Access to Justice		750,000.00		
Drug Control Policy		241,000.00		
Grant Funds		234,100.00		
Medical Examiner Program		4,619,800.00		
Office of the Secretary		4,288,100.00		
Parole Board		962,700.00		
APPROPRIATION TOTAL		\$11,095,700.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
(1,547,427.99)	25,504,872.01	24,774,072.01		730,800.00	
1,750,000.00	5,907,300.00	5,907,300.00			
89,637.15	7,071,037.15	7,071,037.15			
830,362.85	4,815,262.85	4,602,762.85	212,500.00		
	1,606,900.00	1,606,900.00			
	\$68,820,000.00	\$67,876,700.00	\$212,500.00	\$730,800.00	
\$52,148,300.00	\$2,362,741,600.00	\$2,330,233,182.23	\$27,777,617.77	\$4,730,800.00	
3,032,400.00	184,089,500.00	183,974,000.00	115,500.00		
10,850,000.00	66,856,900.00	66,856,900.00			
(32,400.00)	7,759,400.00	7,759,400.00			
\$13,850,000.00	\$258,705,800.00	\$258,590,300.00	\$115,500.00		
(84,678.64)	974,121.36	974,121.36			
2,813,299.04	107,109,499.04	107,109,499.04			
(613,178.26)	1,115,921.74	1,115,921.74			
(527,804.81)	26,472,195.19	26,472,195.19			
(241,986.92)	1,059,713.08	1,059,713.08			
(905,842.06)	47,740,557.94	47,740,557.94			
(2,489,808.35)	7,330,691.65	7,330,691.65			
(\$2,050,000.00)	\$191,802,700.00	\$191,802,700.00			
	9,459,200.00	9,459,200.00			
	\$9,459,200.00	\$9,459,200.00			
	750,000.00	750,000.00			
(10,535.27)	230,464.73	230,464.73			
40,947.61	275,047.61	275,047.61			
(352,355.15)	4,267,444.85	4,267,444.85			
298,609.65	4,586,709.65	4,586,709.65			
23,333.16	986,033.16	986,033.16			
	\$11,095,700.00	\$11,095,700.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Juvenile Justice				
Program Management		1,400,800.00		
Program Operations		71,942,900.00		
Support Services		8,164,100.00		
APPROPRIATION TOTAL		\$81,507,800.00		
Local Jail Support				
Local Corrections Assistance Fund		4,715,600.00		
Local Jail Allotment		11,074,700.00		
Local Jail Catastrophic Medical		960,000.00		
Local Jail Jailers Allowance		481,700.00		
Local Jail Restricted Medical		931,100.00		
APPROPRIATION TOTAL		\$18,163,100.00		
Public Advocacy				
Defense Services		42,973,600.00		
Law Operations Division		1,506,300.00		
Office of Public Advocate and Education		1,331,200.00		
Protection and Advocacy Operations		503,200.00		
APPROPRIATION TOTAL		\$46,314,300.00		
State Police				
Executive Services		24,175,300.00		
Police Services		22,001,700.00		
Technical Services		28,138,600.00		
APPROPRIATION TOTAL		\$74,315,600.00		
CABINET TOTAL		\$679,564,200.00		
Personnel Cabinet				
State Group Health Insurance Fund				
State Group Health Insurance Fund		959,600.00		
APPROPRIATION TOTAL		\$959,600.00		
CABINET TOTAL		\$959,600.00		
Labor Cabinet				
General Administrations and Program Support				
General Administration & Program Support - Shared		2,816,100.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
188,700.00	1,589,500.00	1,589,500.00			
(188,700.00)	71,754,200.00	71,754,200.00			
	8,164,100.00	8,164,100.00			
	\$81,507,800.00	\$81,507,800.00			
	4,715,600.00	4,715,600.00			
	11,074,700.00	11,074,700.00			
	960,000.00	959,996.92		3.08	
	481,700.00	481,700.00			
	931,100.00	931,100.00			
	\$18,163,100.00	\$18,163,096.92		\$3.08	
110,000.00	43,083,600.00	43,083,600.00			
(90,000.00)	1,416,300.00	1,416,300.00			
(20,000.00)	1,311,200.00	1,311,200.00			
	503,200.00	503,200.00			
	\$46,314,300.00	\$46,314,300.00			
	24,175,300.00	23,917,300.00	258,000.00		
	22,001,700.00	22,001,700.00			
	28,138,600.00	28,138,600.00			
	\$74,315,600.00	\$74,057,600.00	\$258,000.00		
\$11,800,000.00	\$691,364,200.00	\$690,990,696.92	\$373,500.00	\$3.08	
	959,600.00	959,600.00			
	\$959,600.00	\$959,600.00			
	\$959,600.00	\$959,600.00			
	2,816,100.00	2,816,100.00			

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Inspector General Shared Services		496,100.00		
APPROPRIATION TOTAL		\$3,312,200.00		
Workplace Standards				
Workplace Standards		1,789,300.00		
APPROPRIATION TOTAL		\$1,789,300.00		
CABINET TOTAL		\$5,101,500.00		
Energy and Environment Cabinet				
Energy Development and Independence				
Energy Development and Independence		1,344,000.00		
APPROPRIATION TOTAL		\$1,344,000.00		
Environmental Protection				
Air Quality		956,000.00		(956,000.00)
Compliance Assistance		304,100.00		
DEP - Commissioner		544,600.00		
Enforcement		878,600.00		
Environmental Program Support		3,600,100.00		1,728,700.00
Waste Management		5,324,600.00		(772,700.00)
Water		9,809,700.00		
APPROPRIATION TOTAL		\$21,417,700.00		
Kentucky Nature Preserves Commission				
Kentucky Nature Preserves Commission		1,061,700.00		
APPROPRIATION TOTAL		\$1,061,700.00		
Natural Resources				
Conservation		2,132,700.00		
DNR Commissioner's Office		388,000.00		
Forestry		10,784,600.00		
Mine Permits		1,643,900.00		
Mine Reclamation and Enforcement		6,531,400.00		
Mine Safety		9,703,400.00		
Mine Safety Review Commission		176,000.00		
Oil and Gas		1,522,900.00		
APPROPRIATION TOTAL		\$32,882,900.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	496,100.00	496,100.00			
	\$3,312,200.00	\$3,312,200.00			
	1,789,300.00	1,698,381.42	90,918.58		
	\$1,789,300.00	\$1,698,381.42	\$90,918.58		
	\$5,101,500.00	\$5,010,581.42	\$90,918.58		
	1,344,000.00	1,344,000.00			
	\$1,344,000.00	\$1,344,000.00			
(48,600.00)	255,500.00	255,500.00			
23,700.00	568,300.00	568,300.00			
	878,600.00	878,600.00			
84,800.00	5,413,600.00	5,413,600.00			
(59,900.00)	4,492,000.00	4,492,000.00			
	9,809,700.00	9,809,700.00			
	\$21,417,700.00	\$21,417,700.00			
	1,061,700.00	1,061,700.00			
	\$1,061,700.00	\$1,061,700.00			
(125,000.00)	2,007,700.00	2,007,700.00			
	388,000.00	388,000.00			
2,627,385.00	13,411,985.00	13,411,985.00			
	1,643,900.00	1,623,100.00	20,800.00		
	6,531,400.00	6,034,700.00	496,700.00		
	9,703,400.00	9,486,600.00	216,800.00		
	176,000.00	176,000.00			
125,000.00	1,647,900.00	1,647,900.00			
\$2,627,385.00	\$35,510,285.00	\$34,775,985.00	\$734,300.00		

**COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Public Service Commission				
Commission Operations	287,383.00	11,689,100.00		
Consumer Services	1,330.00	408,700.00		
Engineering	55,237.00	1,310,400.00		
Filings	106,005.00	1,599,900.00		
Financial Analysis	37.00	1,692,500.00		
Regulation of Gas Pipeline Safety	57,694.00	299,400.00		
APPROPRIATION TOTAL	\$507,686.00	\$17,000,000.00		
Secretary				
Administrative Hearings		491,500.00		
EEC- Ofc of Sec - Leg & Interg Aff - Gen Coun		2,799,100.00		
APPROPRIATION TOTAL		\$3,290,600.00		
CABINET TOTAL	\$507,686.00	\$76,996,900.00		
Public Protection Cabinet				
Alcoholic Beverage Control				
Administration, Enforcement and Licensure		322,000.00		
Tobacco Enforcement		285,800.00		
APPROPRIATION TOTAL		\$607,800.00		
Board of Claims/Crime Victims' Compensation Board				
Board of Claims Administration		443,800.00		
Crime Victims' Board Reparations		252,600.00		
APPROPRIATION TOTAL		\$696,400.00		
Board of Tax Appeals				
Board of Tax Appeals		464,300.00		
APPROPRIATION TOTAL		\$464,300.00		
Horse Racing Commission				
Administration and Regulation of Racing		698,700.00		
APPROPRIATION TOTAL		\$698,700.00		
Housing, Buildings and Construction				
Fire Prevention		250,400.00		
General Inspections		1,742,100.00		
Hazardous Materials Inspections		462,800.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
40,000.00	12,016,483.00	3,712,034.32	967,500.00	6,891,343.99	445,604.69
5,000.00	415,030.00	407,368.82		6,761.18	900.00
(143,000.00)	1,222,637.00	1,108,708.10		111,528.90	2,400.00
80,000.00	1,785,905.00	1,669,293.80		76,211.20	40,400.00
	1,692,537.00	1,564,782.14		127,754.86	
18,000.00	375,094.00	189,927.69			185,166.31
	\$17,507,686.00	\$8,652,114.87	\$967,500.00	\$7,213,600.13	\$674,471.00
(17,128.44)	474,371.56	474,371.56			
17,128.44	2,816,228.44	2,816,228.44			
	\$3,290,600.00	\$3,290,600.00			
\$2,627,385.00	\$80,131,971.00	\$70,542,099.87	\$1,701,800.00	\$7,213,600.13	\$674,471.00
	322,000.00	322,000.00			
	285,800.00	285,800.00			
	\$607,800.00	\$607,800.00			
	443,800.00	443,800.00			
	252,600.00	252,600.00			
	\$696,400.00	\$696,400.00			
	464,300.00	345,635.72	118,664.28		
	\$464,300.00	\$345,635.72	\$118,664.28		
	698,700.00	698,700.00			
	\$698,700.00	\$698,700.00			
	250,400.00	250,400.00			
	1,742,100.00	1,742,100.00			
	462,800.00	462,800.00			

COMMONWEALTH OF KENTUCKY
GENERAL FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
APPROPRIATION TOTAL		\$2,455,300.00		
Secretary				
PPC-Ofc of the Sec - Comm - Legal		277,900.00		
APPROPRIATION TOTAL		\$277,900.00		
CABINET TOTAL		\$5,200,400.00		
Budget Fiscal Year/Fiscal Year Adjustment				
General Fund				
BFY/FY Adjustment				
BFY/FY Adjustment				
APPROPRIATION TOTAL		\$0.00		
Total Budget Fiscal Year/Fiscal Year Adj		\$0.00		
FUND TOTAL	\$24,673,162.00	10,046,008,900.00	\$7,800,000.00	

**COMMONWEALTH OF KENTUCKY
DEBT SERVICE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
<u>REVENUES</u>			
Finance & Administration Cabinet		Murray State University	
Finance - Office Of The Secretary		Proc Frm Sale Of Bonds-New Iss	991,477.00
Interest Income	1,238.60		
Other Deposits	490,779.52		
DEPARTMENT TOTAL	<u>\$492,018.12</u>	DEPARTMENT TOTAL	<u>\$991,477.00</u>
CABINET TOTAL	<u>\$492,018.12</u>	University of Kentucky	
TOTAL REVENUES	<u>\$492,018.12</u>	Proc Frm Sale Of Bonds-Ref Iss	242,331,427.45
		Proc Frm Sale Of Bonds-New Iss	233,702.57
		DEPARTMENT TOTAL	<u>\$242,565,130.02</u>
		CABINET TOTAL	<u>\$273,753,992.45</u>
		TOTAL NON-REVENUES	<u>\$1,467,466,261.97</u>
<u>NON-REVENUES</u>		FUND TOTAL	<u>\$1,467,958,280.09</u>
Cabinet of the General Government			
School Facilities Construction Commissio			
Op Tr From General Fund	96,962,250.43		
DEPARTMENT TOTAL	<u>\$96,962,250.43</u>		
CABINET TOTAL	<u>\$96,962,250.43</u>		
Finance & Administration Cabinet			
Kentucky Turnpike Authority			
Op Tr From Road Fd	149,595,679.43		
DEPARTMENT TOTAL	<u>\$149,595,679.43</u>		
Finance - Office Of The Secretary			
Op Tr From General Fund	533,744,011.60		
Op Tr From Debt Serv Fund	228,678.61		
Op Tr From Capital Project Fd	228,678.61		
Op Tr From Road Fd	11,370,057.65		
Op Tr From Federal Fund	64,213,750.30		
Op Tr From Agency Rev Fund	4,136,931.33		
Op Tr From Ot Spec Rev Fund	44,728.42		
Op Tr From Other Exp Trust Fd	363.21		
Op Tr From Tobacco Fund	28,309,064.15		
Proc Frm Sale Of Bonds-Ref Iss	304,721,163.82		
Proc Frm Sale Of Bonds-New Iss	156,911.96		
DEPARTMENT TOTAL	<u>\$947,154,339.66</u>		
CABINET TOTAL	<u>\$1,096,750,019.09</u>		
Cabinet for Universities			
Eastern Kentucky University			
Proc Frm Sale Of Bonds-New Iss	60,988.29		
DEPARTMENT TOTAL	<u>\$60,988.29</u>		
Morehead State University			
Proc Frm Sale Of Bonds-Ref Iss	30,053,897.81		
Proc Frm Sale Of Bonds-New Iss	82,499.33		
DEPARTMENT TOTAL	<u>\$30,136,397.14</u>		

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**COMMONWEALTH OF KENTUCKY
DEBT SERVICE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
School Facilities Construction Commission		
SFCC Debt Service Fund		
DEPARTMENT TOTAL		
CABINET TOTAL		
Finance & Administration Cabinet		
Kentucky Turnpike Authority		
Turnpike Auth-Econ Dev Road Bds Fund		
DEPARTMENT TOTAL		
Finance - Office Of The Secretary		
ALCo 2013 General Fund First Series		
ALCO-2005 Ag Fd BG Station Debt Service	469.81	288.37
ALCO-2005 Fed Hwy Trust Fund (GARVEE) Debt Service		
ALCO-2005 Gen Fund PhII Tob Debt Service Fund		
ALCO-2007 Fed Hwy Trust Fund (GARVEE) Debt Service		490,779.52
ALCO-2007 Series A-B Gen Fund FRN Debt Service		
ALCO-2010 Fed Hwy Trust Fund (GARVEE) Debt Service		
ALCO-2010 Gen Fund 1st Series Debt Service		
ALCO-2011 Gen Fund 1st Series Debt Service		
ALCO-2013 Fed Hwy Trust Fund (GARVEE) Debt Service		
ALCO-2014 Fed Hwy Trust Fund (GARVEE) Debt Service		
KIA-Drink Water Revolving Loan Fund F		
KIA-Solid Waste Loan & Gr Fund E		
KIA-WW Revolving Loan Fund A		
OFM-LFUCG 2011 Debt Service Fund		
OFM-SPBC Proj 100 Debt Service Fund		
OFM-SPBC Proj 101 Debt Service Fund		
OFM-SPBC Proj 103 Debt Service Fund	25.16	
OFM-SPBC Proj 104 Debt Service Fund	142.64	675.33
OFM-SPBC Proj 105 Debt Service Fund		
OFM-SPBC Proj 106 Debt Service Fund	828.54	
OFM-SPBC Proj 107 Debt Service Fund		
OFM-SPBC Proj 108 Debt Service Fund		
OFM-SPBC Proj 71 Debt Service Fund		
OFM-SPBC Proj 73 Debt Service Fund	5.01	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
96,962,250.43	96,962,250.43			
\$96,962,250.43	\$96,962,250.43			
\$96,962,250.43	\$96,962,250.43			
149,595,679.43	149,595,679.43			
\$149,595,679.43	\$149,595,679.43			
17,362,982.80	17,362,982.80			
934,060.86	934,581.00			238.04
12,954,731.25	12,954,731.25			
5,231,821.88	5,231,821.88			
28,714,010.00	28,714,010.00	490,779.52		
14,492,095.76	14,492,095.76			
4,381,290.00	4,381,290.00			
69,027,710.50	69,027,710.50			
34,302,557.76	34,302,557.76			
10,341,074.67	10,341,074.67			
7,822,644.38	7,822,644.38			
395,356.26	395,356.26			
236,250.00	236,250.00			
1,693,831.26	1,693,831.26			
11,256,725.00	11,256,725.00			
45,993,123.11	45,993,123.11			
6,235,350.00	6,235,350.00			
				25.16
2,956,238.21	2,955,875.00			1,181.18
1,091,256.26	1,091,256.26			
11,375,965.05	11,376,793.59			
833,594.11	833,594.11			
304,878,075.78	460,547.81	304,417,527.97		
8,945,660.00	8,945,660.00			
6,400,988.54	6,365,769.39			35,224.16

**COMMONWEALTH OF KENTUCKY
DEBT SERVICE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
OFM-SPBC Proj 76 Debt Service Fund		
OFM-SPBC Proj 78 Debt Service Fund		
OFM-SPBC Proj 82 Debt Service Fund		
OFM-SPBC Proj 83 Debt Service Fund		
OFM-SPBC Proj 84 Debt Service Fund		
OFM-SPBC Proj 85 Debt Service Fund		
OFM-SPBC Proj 87 Debt Service Fund		
OFM-SPBC Proj 88 Debt Service Fund		
OFM-SPBC Proj 89 Debt Service Fund		
OFM-SPBC Proj 90 Debt Service Fund		
OFM-SPBC Proj 91 Debt Service Fund	1.30	19.15
OFM-SPBC Proj 92 Debt Service Fund	112.84	157.94
OFM-SPBC Proj 93 Debt Service Fund		
OFM-SPBC Proj 94 Debt Service Fund		
OFM-SPBC Proj 95 Debt Service Fund		
OFM-SPBC Proj 96 Debt Service Fund		
OFM-SPBC Proj 97 Debt Service Fund	88.74	97.81
OFM-SPBC Proj 98 Debt Service Fund		
OFM-SPBC Proj 99 Debt Service Fund		
OFM-Surplus Bond Proceeds Fund		
DEPARTMENT TOTAL	\$1,674.04	\$492,018.12
CABINET TOTAL	\$1,674.04	\$492,018.12
Cabinet for Universities		
Eastern Kentucky University		
EKU General Receipts Bonds-Debt Service		
DEPARTMENT TOTAL		
Morehead State University		
Morehead State General Receipts Bonds-Debt Service		
Morehead St-Bond Sinking Fund	8,335.41	
DEPARTMENT TOTAL	\$8,335.41	
Murray State University		
MUSU General Receipts Bonds-Debt Service		
DEPARTMENT TOTAL		
University of Kentucky		
UK-General Receipts Bonds-Debt Service		

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
3,795,670.00	3,795,670.00			
16,278,466.50	16,278,466.50			
74,147,475.00	74,147,475.00			
13,381,850.00	13,381,850.00			
9,062,672.50	9,062,672.50			
10,987,590.77	10,972,681.25			14,909.52
18,494,287.50	18,494,287.50			
15,525,775.00	15,525,775.00			
19,654,155.02	19,654,155.02			
29,870,336.25	29,870,336.25			
1,304,497.73	1,304,515.02			3.16
531,633.33	488,292.50			43,611.61
26,767,988.76	26,767,988.76			
4,135,475.00	4,135,475.00			
31,487,177.07	31,487,177.07			
30,105,057.74	30,105,057.74			
318,976.79	319,080.00			83.34
9,125,867.50	9,125,867.50			
24,093,315.15	24,093,315.15			
228,678.61		228,678.61		
\$947,154,339.66	\$642,415,769.55	\$305,136,986.10		\$95,276.17
\$1,096,750,019.09	\$792,011,448.98	\$305,136,986.10		\$95,276.17
60,988.29	60,988.29			
\$60,988.29	\$60,988.29			
30,136,397.14	172,761.62	29,963,635.52		8,335.41
\$30,136,397.14	\$172,761.62	\$29,963,635.52		\$8,335.41
991,477.00	82,186.72	909,290.28		
\$991,477.00	\$82,186.72	\$909,290.28		
242,565,130.02	689,890.37	241,875,239.65		

**COMMONWEALTH OF KENTUCKY
DEBT SERVICE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	<hr/>	<hr/>
CABINET TOTAL	<hr/> \$8,335.41 <hr/>	<hr/>
FUND TOTAL	<hr/> \$10,009.45 <hr/> <hr/>	<hr/> \$492,018.12 <hr/> <hr/>

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
\$242,565,130.02	\$689,890.37	\$241,875,239.65		
\$273,753,992.45	\$1,005,827.00	\$272,748,165.45		\$8,335.41
\$1,467,466,261.97	\$889,979,526.41	\$577,885,151.55		\$103,611.58

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
<u>REVENUES</u>				
Transportation Cabinet				
Transportation - Office Of The Secretary				
Interest Income	3,100,000.00	2,891,240.40		(208,759.60)
Refund Of Prior Year Expend		52.10	52.10	
DEPARTMENT TOTAL	\$3,100,000.00	\$2,891,292.50		(\$208,707.50)
Office of Support Services				
Rental Of Buildings To Public		1,125.00	1,125.00	
DEPARTMENT TOTAL		\$1,125.00	\$1,125.00	
Office Of Personnel Management				
General Sales To Public		11,025.00	11,025.00	
DEPARTMENT TOTAL		\$11,025.00	\$11,025.00	
Department Of Highways				
Junkyard License	3,200.00	1,927.04		(1,272.96)
General Sales To Public		2,638.50	2,638.50	
Rental Of Buildings To Public	300,000.00	259,556.07		(40,443.93)
Logo Receipts	820,000.00	700,527.17		(119,472.83)
Interest Income		22,543.94	22,543.94	
Proceeds From Recyclable Sales		1,182,473.21	1,182,473.21	
Proceeds From Asset Dispositin	2,060,000.00	2,327,915.93	267,915.93	
Other Receipts	350,000.00	467,925.45	117,925.45	
Property Damage	1,000,000.00	1,212,682.67	212,682.67	
Refund Of Prior Year Expend	2,290,692.00	211,226.80		(2,079,465.20)
DEPARTMENT TOTAL	\$6,823,892.00	\$6,389,416.78		(\$434,475.22)
Department Of Vehicle Regulation				
Motor Fuel Use-St Shr 51.8%	33,923,261.00	40,283,359.21	6,360,098.21	
Motor Fuel Use-Rural 22.2%	14,538,540.00	17,264,296.79	2,725,756.79	
Motor Fuel Use-Co Shr 18.3%	11,984,472.00	14,231,379.79	2,246,907.79	
Motor Fuel Use-Mun Shr 7.7%	5,042,647.00	5,988,066.90	945,419.90	
Motor Veh Rent-U-Drv-It Use	32,000,000.00	37,109,282.73	5,109,282.73	
Temporary Fuel Trip Tax Per	500,000.00	916,733.40	416,733.40	
Non-Reciprocal Permits	225,000.00	248,430.00	23,430.00	
Motor Veh-U-Drv-It Pen&Int	6,000.00	49,558.40	43,558.40	
Mt Veh Co Ct Clk Pen Tx Rec		2,704.00	2,704.00	
Wgt Dst&Use Tx Int&Pen Tx Rec	1,300,000.00	1,346,374.73	46,374.73	
Motor Fuels-Use Tax Dedicated		(1,752,018.65)		(1,752,018.65)
Weight Distance Surtax	79,900,000.00	79,147,532.59		(752,467.41)

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Motor Veh Operator'S License	14,700,000.00	14,035,061.45		(664,938.55)
Drivers Licenses Driver Educ	600,000.00	596,822.98		(3,177.02)
Drivers Licenses Photo Program	1,400,000.00	1,326,607.00		(73,393.00)
Passenger Car License Plate	42,091,908.00	45,280,690.58	3,188,782.58	
Drive Away Utility Trailer Per	14,000.00	12,855.00		(1,145.00)
Medical Alert Stickers	100.00	52.00		(48.00)
Truck Licenses State Share	14,800,000.00	14,738,169.29		(61,830.71)
Transfer Motor Vehicle License	1,050,000.00	862,490.48		(187,509.52)
Truck Permits	25,000.00	44,330.00	19,330.00	
Overweight Coal Truck Decals	780,000.00	404,905.52		(375,094.48)
Bus License-Other Than City	40,000.00	36,168.67		(3,831.33)
Bus Certificates & Permits	2,100.00	2,025.00		(75.00)
Taxi License	25,000.00	34,130.33	9,130.33	
Contract Taxicab Permits	22,000.00	14,075.00		(7,925.00)
Highway Special Permits	7,500,000.00	7,031,899.20		(468,100.80)
U-Drive-It Permits	8,000.00	6,187.36		(1,812.64)
U-Drive-It License	1,400,000.00	1,553,879.87	153,879.87	
Truck Proportion Registration	42,400,000.00	44,974,658.03	2,574,658.03	
Motor Vehicle Title Fees	4,700,000.00	5,140,413.72	440,413.72	
Operators License Reinst Fees	1,200,000.00	1,256,009.51	56,009.51	
Industrial Hauling Permit	3,000.00			(3,000.00)
Motor Carrier Identification	5,100,000.00	28,810.00		(5,071,190.00)
Uniform Carrier Registration		8,245,357.66	8,245,357.66	
Vehicle Emission Test Rein Fee		20.00	20.00	
General Sales To Public	700,000.00	435,103.82		(264,896.18)
General Fees From Public	7,200,000.00	5,702,904.50		(1,497,095.50)
Traffic Offenders School Fees	900,000.00	465,303.92		(434,696.08)
Coal Road Recovery Fines	34,000.00	25,094.15		(8,905.85)
DEPARTMENT TOTAL	\$326,115,028.00	\$347,089,724.93	\$20,974,696.93	
CABINET TOTAL	\$336,038,920.00	\$356,382,584.21	\$20,343,664.21	
Finance & Administration Cabinet				
Department Of Revenue				
Motor Fuel Tax-St Sh 51.8%	423,263,539.00	370,090,612.59		(53,172,926.41)
Motor Fuel Tax-Rur Sh 22.2%	181,398,660.00	158,610,262.54		(22,788,397.46)
Motor Fuel Tax-Co Sh 18.3%	149,531,328.00	130,746,297.50		(18,785,030.50)
Motor Fuel Tax-Mun Shr 7.7%	62,917,553.00	55,013,469.44		(7,904,083.56)
Motor Veh Sales & Use Tax	25,000.00	(149,997.18)		(174,997.18)
Motor Veh Usage-Reg	393,500,000.00	381,531,196.21		(11,968,803.79)

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Motor Veh Rent-U-Drv-It Use		599,910.91	599,910.91	
Sales & Use Tax-Motor Veh Sold to Nonres		13,679,539.79	13,679,539.79	
Motor Fuel Tran-St Sh 51.8%		1,476.30	1,476.30	
Motor Fuel Tran-Rur Sh 22.2%		632.70	632.70	
Motor Fuel Tran-Co Sh 18.3%		521.55	521.55	
Motor Fuel Tran-Mun Sh 7.7%		219.45	219.45	
Mt Veh Co Ct Clk Pen Tx Rec	25,000.00	(5,530.98)		(30,530.98)
Motor Fuels-Gasoline Dedicated		43,729,812.84	43,729,812.84	
Motor Fuels-Spec Fuels Dedicat		15,138,017.68	15,138,017.68	
Motor Fuels-Liq Petrol Dedicat		13,106.14	13,106.14	
DEPARTMENT TOTAL	\$1,210,661,080.00	\$1,168,999,547.48		(\$41,661,532.52)
Office Of The Controller				
Redeposit-Unredmed Treas Chks		1,329,614.07	1,329,614.07	
DEPARTMENT TOTAL		\$1,329,614.07	\$1,329,614.07	
CABINET TOTAL	\$1,210,661,080.00	\$1,170,329,161.55		(\$40,331,918.45)
Justice & Public Safety Cabinet				
Kentucky State Police				
Genl Servs To Other St Agy		19,657.98	19,657.98	
Rev From US Dept Of Justice		7,254.70	7,254.70	
DEPARTMENT TOTAL		\$26,912.68	\$26,912.68	
CABINET TOTAL		\$26,912.68	\$26,912.68	
TOTAL REVENUES	\$1,546,700,000.00	\$1,526,738,658.44		(\$19,961,341.56)

NON-REVENUES

Transportation Cabinet

Transportation - Office Of The Secretary

Op Tr From Capital Project Fd

70,810.87

70,810.87

Op Tr From Special Dep Trst Fd

142,873.26

142,873.26

DEPARTMENT TOTAL

\$213,684.13

\$213,684.13

Department Of Aviation

Op Tr From Capital Project Fd

0.81

0.81

Op Tr From Agency Rev Fund

992,500.00

992,500.00

DEPARTMENT TOTAL

\$992,500.81

\$992,500.81

Office of Information Technology

Op Tr From Capital Project Fd

14,907.15

14,907.15

DEPARTMENT TOTAL

\$14,907.15

\$14,907.15

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	Estimated Receipts	Actual Receipts	Over Estimate	Under Estimate
Department Of Highways				
Op Tr From Capital Project Fd		164,390.04	164,390.04	
DEPARTMENT TOTAL		\$164,390.04	\$164,390.04	
CABINET TOTAL		\$1,385,482.13	\$1,385,482.13	
TOTAL NON-REVENUES		\$1,385,482.13	\$1,385,482.13	
FUND TOTAL	\$1,546,700,000.00	\$1,528,124,140.57		\$18,575,859.43

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF APPROPRIATIONS AND ALLOTMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ORIGINAL APPROPRIATIONS	REVISIONS
Cabinet of the General Government		
Homeland Security	260,100.00	
Treasury	250,000.00	
CABINET TOTAL	\$510,100.00	
Transportation Cabinet		
Aviation	3,019,257.00	
Capital Projects	9,733,000.00	
Debt Service	154,035,300.00	
General Administration and Support	70,871,200.00	
Highways	1,315,321,096.00	
Revenue Sharing	519,383,031.00	(13,714,628.00)
Vehicle Regulation	31,769,200.00	
CABINET TOTAL	\$2,104,132,084.00	(\$13,714,628.00)
Finance & Administration Cabinet		
General Administration	422,900.00	
Revenue	2,912,800.00	
CABINET TOTAL	\$3,335,700.00	
Tourism, Arts and Heritage Cabinet		
Berea Artisans Center	393,400.00	
CABINET TOTAL	\$393,400.00	
Justice & Public Safety Cabinet		
State Police	95,745,500.00	
CABINET TOTAL	\$95,745,500.00	
Energy and Environment Cabinet		
Environmental Protection	316,400.00	
CABINET TOTAL	\$316,400.00	
FUND TOTAL	\$2,204,433,184.00	(\$13,714,628.00)

REORGANIZATION TRANSFERS	TOTAL APPROPRIATIONS	ALLOTMENTS	UNALLOTTED APPROPRIATIONS
	260,100.00	260,100.00	
	250,000.00	250,000.00	
	\$510,100.00	\$510,100.00	
	3,019,257.00	3,019,257.00	
	9,733,000.00	9,733,000.00	
	154,035,300.00	154,035,300.00	
	70,871,200.00	70,871,200.00	
	1,315,321,096.00	1,315,321,096.00	
	505,668,403.00	505,668,403.00	
	31,769,200.00	31,769,200.00	
	\$2,090,417,456.00	\$2,090,417,456.00	
	422,900.00	422,900.00	
	2,912,800.00	2,912,800.00	
	\$3,335,700.00	\$3,335,700.00	
	393,400.00	393,400.00	
	\$393,400.00	\$393,400.00	
	95,745,500.00	95,745,500.00	
	\$95,745,500.00	\$95,745,500.00	
	316,400.00	316,400.00	
	\$316,400.00	\$316,400.00	
	\$2,190,718,556.00	\$2,190,718,556.00	

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
Cabinet of the General Government				
Homeland Security		260,100.00		
General Administration and Support		250,000.00		
CABINET TOTAL		\$510,100.00		
Transportation Cabinet				
Air Development Construction	157,257.00			
Capital City Airport		967,500.00		
Aviation Administration		1,894,500.00		
Transfers to Capital Construction		9,733,000.00		
Debt Service		154,035,300.00		
Office of the Secretary		70,871,200.00		
Research		1,434,000.00		
Construction	443,931,681.00	433,646,800.00		
Maintenance	49,475,815.00	334,723,000.00		
Engineering Administration		14,216,600.00		
Highway Planning		2,722,100.00		
District Operations		30,206,100.00		
Highway Safety		4,965,000.00		
County Road Aid	17,090,147.00	149,967,100.00		
Rural Secondary	94,345,161.00	181,927,400.00		
Municipal Aid	7,787,520.00	63,100,900.00		
Energy Recovery	3,299,203.00	903,000.00		
Rural and Municipal Aid		962,600.00		
Vehicle Regulation		31,769,200.00		
CABINET TOTAL	\$616,086,784.00	\$1,488,045,300.00		
Finance & Administration Cabinet				
Postal Services		422,900.00		
Sales & Excise Taxes		2,475,400.00		
Property Valuation		437,400.00		
CABINET TOTAL		\$3,335,700.00		
Tourism, Arts and Heritage Cabinet				
Berea Artisans Center		393,400.00		

REVISIONS	TOTAL ALLOTMENTS	EXPENDITURES	TRANSFERS	LAPSES	FORWARDED
	260,100.00	260,100.00			
	250,000.00	250,000.00			
	\$510,100.00	\$510,100.00			
	157,257.00	47.00			157,210.00
	967,500.00	755,753.11	519.00	211,227.89	
	1,894,500.00		1,826,069.11	68,430.89	
	9,733,000.00		6,750,000.00		2,983,000.00
	154,035,300.00		149,595,679.43	4,439,620.57	
	70,871,200.00	62,209,119.32	6,400,988.54	2,261,092.14	
	1,434,000.00	290,000.00			1,144,000.00
(6,731,000.00)	870,847,481.00	541,326,183.01		0.99	329,521,297.00
6,731,000.00	390,929,815.00	390,927,584.54	1,980.00	0.46	250.00
	14,216,600.00	13,636,354.01		580,245.99	
	2,722,100.00	1,133,570.59		1,588,529.41	
	30,206,100.00	29,570,585.20		635,514.80	
	4,965,000.00	4,617,008.32		347,991.68	
(5,027,423.00)	162,029,824.00	140,937,675.92		0.08	21,092,148.00
(6,098,841.00)	270,173,720.00	185,042,951.91		0.09	85,130,768.00
(2,115,364.00)	68,773,056.00	61,195,427.84		0.16	7,577,628.00
(473,000.00)	3,729,203.00	2,628,778.78		0.22	1,100,424.00
	962,600.00	606,242.36		356,357.64	
	31,769,200.00	22,136,656.91	3,143,000.00	6,489,543.09	
(\$13,714,628.00)	\$2,090,417,456.00	\$1,457,013,938.82	\$167,718,236.08	\$16,978,556.10	\$448,706,725.00
	422,900.00	422,900.00			
	2,475,400.00	2,475,400.00			
	437,400.00	437,400.00			
	\$3,335,700.00	\$3,335,700.00			
	393,400.00	393,400.00			

**COMMONWEALTH OF KENTUCKY
TRANSPORTATION FUND
DETAILED STATEMENT OF ALLOTMENTS AND EXPENDITURES
INCLUDING FINAL LIQUIDATION OF ENCUMBRANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	CONTINUED FROM 2013-14	REGULAR BUDGET	SPECIAL LEGISLATIVE ACTS	REORGANIZATION TRANSFERS
CABINET TOTAL		\$393,400.00		
Justice & Public Safety Cabinet				
Police Services		83,197,500.00		
Commercial Vehicle Enforcement		12,548,000.00		
CABINET TOTAL		\$95,745,500.00		
Energy and Environment Cabinet				
Water		316,400.00		
CABINET TOTAL		\$316,400.00		
Off Budget				
ANOC - Unredeemed Checks Refunded				
Total Off Budget		\$0.00		
Budget Fiscal Year/Fiscal Year Adjustment				
BFY/FY Adjustment				
Total Budget Fiscal Year/Fiscal Year Adj		\$0.00		
FUND TOTAL	\$616,086,784.00	\$1,588,346,400.00		

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
REVENUES			
Judicial Cabinet		Other Receipts	135,006.92
Judicial Department		Other Receipts	(30,392.03)
Rev From US Health & Hum Svs	2,740,750.07	Refund Of Prior Year Expend	(663.19)
Rev From US Health & Hum Svs	2,617,816.71	Refund Of Prior Year Expend	(663.19)
Rev From US Dept Of Justice	882,953.88	DEPARTMENT TOTAL	\$5,836,059.33
Rev From US Dept Of Justice	1,056,620.32		
DEPARTMENT TOTAL	\$7,298,140.98	Military Affairs Commission	
		Rev From US Dept Of Defense	124,648.00
CABINET TOTAL	\$7,298,140.98	DEPARTMENT TOTAL	\$124,648.00
Cabinet of the General Government			
Unified Prosecutorial System		Ky Infrastructure Authority	
Rev From US Dept Of Justice	481,162.81	Rev From US Dept Of Env Prot	28,852,436.85
Rev From US Dept Of Justice	786,605.64	Rev From US Dept Of Env Prot	29,039,027.67
DEPARTMENT TOTAL	\$1,267,768.45	DEPARTMENT TOTAL	\$57,891,464.52
Department Of Agriculture		Office Of Homeland Security	
General Permits	25,800.00	US DHS - Domestic Preparedness	4,291,222.47
Rev From US Dept Of Agricult	5,360,880.10	US DHS - Domestic Preparedness	5,187,295.93
Rev From US Dept Of Agricult	4,229,528.51	DEPARTMENT TOTAL	\$9,478,518.40
Rev From US Dept Of Defense	341,000.00		
Rev From US Dept Of Defense	502,266.00	Department Of Military Affairs	
Rev From US Dept Of Env Prot	392,998.00	Registration/Filing Fee	(1,021.74)
Rev From US Dept Of Env Prot	941,150.00	General Rentals To Public	1,290.00
Fines	(8,194.37)	Rev From US Dept Of Defense	21,259,596.54
Refund Of Prior Year Expend	36,253.88	Rev From US Dept Of Defense	22,155,788.70
DEPARTMENT TOTAL	\$11,821,682.12	Rev From US Health & Hum Svs	99,142.31
Attorney General		Rev From US Health & Hum Svs	121,755.63
Registration/Filing Fee	11.25	US DHS - Domestic Preparedness	4,654,962.89
Rev From US Health & Hum Svs	2,323,840.74	US DHS - Domestic Preparedness	4,867,841.31
Rev From US Health & Hum Svs	2,727,375.41	US DHS - FEMA	69,245,329.09
Rev From US Dept Of Justice	178,161.91	US DHS - FEMA	52,375,114.43
Rev From US Dept Of Justice	75,116.44	Rev From Other Federal Agys	233,833.09
Rev From Other Federal Agys	185,332.24	Rev From Other Federal Agys	296,370.64
Rev From Other Federal Agys	242,932.83	Other Receipts	17,337.81
		Restitution Proceeds	5,398.96
		Restitution Proceeds	2,681.04
		BFY/FY Adjustment	(5,551.34)

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$175,329,869.36
Department for Local Government	
Rev From US Housing&Urban Dev	33,644,599.66
Rev From US Housing&Urban Dev	34,288,743.70
Rev From US Dept Of Energy	80,460.08
Rev From US Dept Of Energy	166,636.82
Federal Road Aid	939,191.05
Federal Road Aid	865,107.29
Rev From Other Federal Agys	263,341.85
Rev From Other Federal Agys	367,421.91
Other Receipts	13,007.54
Other Receipts	7,750.00
Other Program Income	579,612.13
Other Program Income	245,257.91
DEPARTMENT TOTAL	\$71,461,129.94
Secretary Of State	
Rev From US Dept Of Defense	6,475.76
Rev From US Dept Of Defense	46,915.50
DEPARTMENT TOTAL	\$53,391.26
Early Childhood Development	
Rev From US Health & Hum Svs	189,939.67
Rev From US Health & Hum Svs	176,127.43
Rev From US Dept Of Education	466,333.37
Rev From US Dept Of Education	829,773.46
DEPARTMENT TOTAL	\$1,662,173.93
Board Of Elections	
US GSA - Help America Vote Act	8,110.78
US GSA - Help America Vote Act	71,548.28
Interest Income	77,128.03
Interest Income	93,478.46
DEPARTMENT TOTAL	\$250,265.55

NAME OF ACCOUNT	ACTUAL RECEIPTS
Human Rights Commission	
Rev From US Housing&Urban Dev	206,712.00
Rev From US Dept Of Labor	325,825.00
Rev From US Dept Of Labor	214,000.00
DEPARTMENT TOTAL	\$746,537.00
CABINET TOTAL	\$335,923,507.86
Transportation Cabinet	
Department Of Aviation	
Federal Aid-Aeronautics	4,834.83
Federal Aid-Aeronautics	80,037.62
Federal Aid-Airport Inspectns	10,400.00
Federal Aid-Airport Inspectns	12,350.00
DEPARTMENT TOTAL	\$107,622.45
Public Transportation	
Federal Aid-Mass Transit	26,689,344.00
Federal Aid-Mass Transit	23,882,618.00
DEPARTMENT TOTAL	\$50,571,962.00
Department Of Highways	
Federal Road Aid	723,033,630.45
Federal Road Aid	679,723,342.54
Federal Aid-Highway Safety	5,913,837.42
Federal Aid-Highway Safety	8,706,784.20
US DHS - Domestic Preparedness	79,999.00
Rev From Other Federal Agys	10,200.00
DEPARTMENT TOTAL	\$1,417,467,793.61
Department Of Vehicle Regulation	
Federal Aid-Highway Safety	4,078,385.04
Federal Aid-Highway Safety	3,645,026.80
Rev From Other Federal Agys	(135,128.00)
DEPARTMENT TOTAL	\$7,588,283.84

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$1,475,735,661.90
Cabinet for Economic Development	
Econ Dev - Office Of The Secretary	
Rev From US Dept Of Commerce	95,240.50
Rev From US Dept Of Commerce	308,589.14
Rev From US Dept Of Treasury	5,111,040.00
Other Receipts	27,509.34
Other Receipts	16,194.38
DEPARTMENT TOTAL	\$5,558,573.36
CABINET TOTAL	\$5,558,573.36
Finance & Administration Cabinet	
Commonwealth Office Of Technology	
Rev From US Dept Of Agricult	390,925.98
Rev From US Dept Of Commerce	932,281.35
Rev From US Dept Of Commerce	1,064,138.26
Rev From US Dept Of Interior	72,074.02
DEPARTMENT TOTAL	\$2,459,419.61
Finance - Office Of The Secretary	
Rev From US Dept Of Energy	239,030.94
Rev From US Dept Of Energy	634,120.05
DEPARTMENT TOTAL	\$873,150.99
Office Of The Controller	
Redeposit-Unredmed Treas Chks	607,999.52
Redeposit-Unredmed Treas Chks	1,177,506.33
DEPARTMENT TOTAL	\$1,785,505.85
CABINET TOTAL	\$5,118,076.45
Cabinet for Universities	
Kentucky Higher Education Assistance A	
Rev From US Dept Of Education	653,782.68
Rev From US Dept Of Justice	5,543.00
Rev From US Dept Of Justice	59,795.00

NAME OF ACCOUNT	ACTUAL RECEIPTS
Refund Of Prior Year Expend	2,730.05
DEPARTMENT TOTAL	\$721,850.73
Council On Postsecondary Education	
Rev From US Dept Of Education	16,915,571.33
Rev From US Dept Of Education	13,479,603.82
Refund Of Prior Year Expend	28,489.94
Refund Of Prior Year Expend	(28,489.94)
DEPARTMENT TOTAL	\$30,395,175.15
CABINET TOTAL	\$31,117,025.88
Tourism, Arts and Heritage Cabinet	
Kentucky Heritage Council	
Rev From US Dept Of Interior	1,066,036.43
Rev From US Dept Of Interior	376,471.96
BFY/FY Adjustment	(48,180.27)
DEPARTMENT TOTAL	\$1,394,328.12
Kentucky Arts Council	
Other Receipts	711,775.97
Other Receipts	692,624.03
DEPARTMENT TOTAL	\$1,404,400.00
Kentucky Historical Society	
General Sales To Public	232,791.33
General Fees From Public	1,200.00
Rev From Other Federal Agys	211,615.00
Rev From Other Federal Agys	468,596.79
DEPARTMENT TOTAL	\$914,203.12
Kentucky Fish And Wildlife Resources	
Rev From US Dept Of Agricult	378,512.13
Rev From US Dept Of Agricult	339,688.83
Rev From US Dept Of Interior	12,255,028.94
Rev From US Dept Of Interior	13,232,820.50
Rev From US Dept Of Justice	247,297.52

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Rev From Other Federal Agys	2,221,012.00
Rev From Other Federal Agys	665,442.20
Interest Income	5,978.04
Other Receipts	126.00
Other Program Income	1,470,132.37
Program Income-Non-Deductive	18,980.51
Program Income-Non-Deductive	18,265.11
DEPARTMENT TOTAL	\$30,853,284.15
CABINET TOTAL	\$34,566,215.39

Education & Workforce Development Ca

Education Professional Standards Board

Rev From US Dept Of Defense	56,202.61
Rev From US Dept Of Defense	115,400.00
Rev From US Dept Of Education	70,053.22
Rev From US Dept Of Education	220,228.19
DEPARTMENT TOTAL	\$461,884.02

Education - Office Of The Secretary

Rev From US Dept Of Education	(231,027.43)
Rev From US Dept Of Education	483,764.63
DEPARTMENT TOTAL	\$252,737.20

Department For Workforce Investment

Genl Servs To Other St Agy	17,768.00
Genl Servs To Other St Agy	(27,874.00)
Rev From US Health & Hum Svs	113,862.74
Rev From US Health & Hum Svs	348,994.60
Rev From US Dept Of Education	50,060,772.37
Rev From US Dept Of Education	53,964,000.95
Rev From US Dept Of Labor	99,260,366.74
Rev From US Dept Of Labor	96,031,889.58
Revenues From Other States	24,880.94
Interest Income	3.61
Interest Income	173.62
Proceeds From Asset Dispositn	1,890.00

NAME OF ACCOUNT	ACTUAL RECEIPTS
Proceeds From Asset Dispositn	(1,890.00)
Refund Of Prior Year Expend	1,812.92
Refund Of Prior Year Expend	(1,812.92)
BFY/FY Adjustment	(7,662.19)
DEPARTMENT TOTAL	\$299,787,176.96

Department Of Education

General Rentals To Oth St Agy	1,116.42
Rev From US Dept Of Agricult	303,298,597.59
Rev From US Dept Of Agricult	324,080,050.56
Rev From US Health & Hum Svs	296,249.91
Rev From US Health & Hum Svs	144,048.61
Rev From US Dept Of Education	472,889,311.46
Rev From US Dept Of Education	496,605,861.03
Rev From US Dept Of Energy	14,373.77
Misc Private Grants & Gifts	87,241.00
Misc Private Grants & Gifts	5,699.00
Refund Of Prior Year Expend	762.85
Other	247,895.90
DEPARTMENT TOTAL	\$1,597,671,208.10

Department For Libraries & Archives

General Sales To Public	(100.06)
Gen Sales To Oth St Agencies	3,000.00
Rev From Other Federal Agys	1,717,275.62
Rev From Other Federal Agys	1,577,074.39
DEPARTMENT TOTAL	\$3,297,249.95

CABINET TOTAL	\$1,901,470,256.23
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Health & Family Services Cabinet

Office of the Kentucky Health Benefit Exc

Rev From US Health & Hum Svs	37,573,582.38
Rev From US Health & Hum Svs	56,902,161.16
DEPARTMENT TOTAL	\$94,475,743.54

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
CHFS - Office Of The Secretary		Rev From Other Federal Agys	305,382.26
Rev From US Dept Of Agricult	4,753,928.82	Temporary Deposit	2,368.00
Rev From US Dept Of Agricult	5,710,562.64	Refund Of Prior Year Expend	2,241.00
Rev From US Health & Hum Svs	22,735,735.79		
Rev From US Health & Hum Svs	23,470,049.22	DEPARTMENT TOTAL	\$40,091,724.44
Rev From US Housing&Urban Dev	919.81		
Rev From US Dept Of Education	5,239.21	Department for Income Support	
Rev From US Dept Of Energy	22,021.02	General Fees From Public	933,349.46
Rev From US Dept Of Energy	18,821.18	General Fees From Public	938,166.11
Rev From US Dept Of Justice	166,123.14	Rev From US Health & Hum Svs	41,940,675.12
Rev From US Dept Of Justice	118,870.15	Rev From US Health & Hum Svs	47,366,618.09
Rev From US Dept Of Labor	6,738.92	Interest Income	3,558.06
Rev From US Dept Of Labor	3,406.72	Interest Income	2,000.85
Rev From US Dept Of Env Prot	15,806.93	Other Receipts	184,352.53
Rev From US Dept Of Env Prot	15,678.84	Other Receipts	(648,945.65)
Rev From Other Federal Agys	758.46	Other Deposits	46,202.94
		Other Deposits	9,540.72
DEPARTMENT TOTAL	\$57,044,660.85	AFDC Collections-DCSE	24,526,135.76
		AFDC Collections-DCSE	24,308,408.53
Office Of Inspector General		Restitution Proceeds	2,915.95
Renewal License Fee	1,306.00	Restitution Proceeds	1,590.17
Rev From US Dept Of Agricult	330,105.61	Refund Of Prior Year Expend	246.02
Rev From US Dept Of Agricult	464,071.27	Refund Of Prior Year Expend	367.18
Rev From US Health & Hum Svs	11,359,571.36		
Rev From US Health & Hum Svs	12,830,377.84	DEPARTMENT TOTAL	\$139,615,181.84
Rev From US Dept Of Justice	24,475.34		
Rev From US Dept Of Justice	122,328.77	Department For Public Health	
		Rev From US Dept Of Agricult	87,143,143.95
DEPARTMENT TOTAL	\$25,132,236.19	Rev From US Dept Of Agricult	94,303,461.46
		Rev From US Health & Hum Svs	57,555,747.43
Office Of Health Policy		Rev From US Health & Hum Svs	62,433,153.09
Rev From US Health & Hum Svs	265,321.51	Rev From US Housing&Urban Dev	179,386.22
		Rev From US Housing&Urban Dev	491,448.69
DEPARTMENT TOTAL	\$265,321.51	Rev From US Dept Of Education	5,573,994.43
		Rev From US Dept Of Education	5,832,275.60
CHFS - Department for Aging and Indepe		Rev From US Dept Of Energy	398,314.47
Rev From US Health & Hum Svs	19,034,319.34	Rev From US Dept Of Energy	432,111.42
Rev From US Health & Hum Svs	17,839,065.75	Rev From US Dept Of Env Prot	446,338.95
Rev From US Dept Of Labor	1,442,362.17	Rev From US Dept Of Env Prot	468,669.14
Rev From US Dept Of Labor	1,465,985.92		

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
US DHS - Domestic Preparedness	143,840.00	Other Deposits	317.79
Other Receipts	17,493.06	Other Deposits	(116.47)
Other Receipts	49,630.78		
Wic Rebate	27,469,055.83	DEPARTMENT TOTAL	\$151,552,521.46
Wic Rebate	31,152,584.03		
Refund Of Prior Year Expend	10,730.03	Medicaid Services Benefits	
Refund Of Prior Year Expend	(10,730.03)	Rev From US Health & Hum Svs	5,934,919,767.10
		Rev From US Health & Hum Svs	6,677,947,516.80
DEPARTMENT TOTAL	\$374,090,648.55	Other Receipts	6,950,427.36
		Other Receipts	124,057.17
Behavioral Health, Developmental & Intel		Other Deposits	23,201.98
General Fees From Public	(13,750.47)	Other Deposits	152,462.14
Rev From US Health & Hum Svs	34,764,849.15	Other Program Income	36,839,932.21
Rev From US Health & Hum Svs	36,606,865.93	Other Program Income	25,506,475.73
Rev From US Dept Of Justice	41,961.53	Univ Serv Fund Lifeline Fees	120.84
DEPARTMENT TOTAL	\$71,399,926.14	DEPARTMENT TOTAL	\$12,682,463,961.33
Department for Family Resource Centers		Commission For Children With Special H	
Rev From US Health & Hum Svs	4,150,637.23	Rev From US Health & Hum Svs	4,407,524.04
Rev From US Health & Hum Svs	4,678,165.31	Rev From US Health & Hum Svs	3,991,629.30
Rev From US Dept Of Education	64,905.88		
		DEPARTMENT TOTAL	\$8,399,153.34
DEPARTMENT TOTAL	\$8,893,708.42		
		CABINET TOTAL	\$14,606,937,143.96
Department For Community Based Servic		Justice & Public Safety Cabinet	
Rev From US Dept Of Agricult	44,209,354.77	Justice - Office Of The Secretary	
Rev From US Dept Of Agricult	39,543,561.02	Rev From US Dept Of Justice	11,507,439.45
Rev From US Health & Hum Svs	417,973,854.19	Rev From US Dept Of Justice	9,659,536.66
Rev From US Health & Hum Svs	448,826,201.55		
Rev From US Dept Of Education	568,338.16	DEPARTMENT TOTAL	\$21,166,976.11
Other Deposits	1,127,730.28		
Other Deposits	1,173,058.94	Department For Public Advocacy	
Other Program Income	89,541.07	Rev From US Health & Hum Svs	1,230,353.84
Other Program Income	716.37	Rev From US Health & Hum Svs	1,394,367.41
		Rev From US Dept Of Education	270,218.58
DEPARTMENT TOTAL	\$953,512,356.35	Rev From US Dept Of Education	251,856.00
		Rev From US Dept Of Justice	147,003.92
Department For Medicaid Services		Rev From US Dept Of Justice	94,495.80
Rev From US Health & Hum Svs	83,445,898.51	BFY/FY Adjustment	(1,265.61)
Rev From US Health & Hum Svs	68,106,421.63		

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$3,387,029.94	Department Of Criminal Justice Training	
		Rev From US Dept Of Justice	11,549.50
Kentucky State Police		Rev From US Dept Of Justice	49,348.49
General Services To Public	868.16	Rev From Other Federal Agys	89,009.24
General Fees From Other St Agy	1,465,542.22	Rev From Other Federal Agys	98,313.02
General Fees From Other St Agy	291,230.38	DEPARTMENT TOTAL	\$248,220.25
Rev From US Dept Of Commerce	1,988.20		
Rev From US Dept Of Commerce	21,992.98	Department Of Corrections	
Rev From US Dept Of Defense	6,756.25	Rev From US Health & Hum Svs	53,781.73
Rev From US Dept Of Justice	7,129,584.97	Rev From US Health & Hum Svs	490,535.20
Rev From US Dept Of Justice	6,397,058.25	Rev From US Dept Of Education	94,148.71
Federal Aid-Highway Safety	14,872.41	Rev From US Dept Of Education	11,686.21
US DHS - Domestic Preparedness	19,714.61	Rev From US Dept Of Justice	1,336,739.91
US DHS - Domestic Preparedness	179.22	Rev From US Dept Of Justice	3,031,109.67
Rev From Other Federal Agys	6,253,714.42	Rev From US Dept Of Treasury	656,310.98
Rev From Other Federal Agys	6,731,102.04	DEPARTMENT TOTAL	\$5,674,312.41
Local Grants & Revenues	7,449.19		
Local Grants & Revenues	961.39	CABINET TOTAL	\$87,103,948.47
Other Receipts	13,181.17		
BFY/FY Adjustment	(5,368.36)	Labor Cabinet	
BFY/FY Adjustment	(1,200.00)	Labor - Office of the Secretary	
DEPARTMENT TOTAL	\$28,349,627.50	Rev From US Dept Of Labor	170,264.55
		Rev From US Dept Of Labor	108,285.45
Department Of Juvenile Justice		DEPARTMENT TOTAL	\$278,550.00
General Fees From Other St Agy	244,599.12		
General Fees From Other St Agy	46,820.92	Department of Workplace Standards	
Rev From US Dept Of Agricult	110,939.00	Rev From US Dept Of Labor	3,561,793.33
Rev From US Health & Hum Svs	13,913,091.89	Rev From US Dept Of Labor	3,174,774.76
Rev From US Health & Hum Svs	10,824,531.53	BFY/FY Adjustment	(77,769.35)
Rev From US Dept Of Education	925,838.91	DEPARTMENT TOTAL	\$6,658,798.74
Rev From US Dept Of Education	803,315.29		
Rev From US Dept Of Justice	966,472.79	Office of General Admin and Program Su	
Rev From US Dept Of Justice	441,218.46	Rev From US Dept Of Interior	50,573.03
Interest Income	313.76	Rev From US Dept Of Interior	64,910.92
Interest Income	640.59	DEPARTMENT TOTAL	\$115,483.95
DEPARTMENT TOTAL	\$28,277,782.26		

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Ky Occupational Safety and Health Stand	
Rev From US Dept Of Labor	972.81
Rev From US Dept Of Labor	1,143.61
BFY/FY Adjustment	(84.28)
DEPARTMENT TOTAL	\$2,032.14

CABINET TOTAL **\$7,054,864.83**

Energy and Environment Cabinet

KY Public Service Commission	
Rev From Other Federal Agys	297,903.00
Rev From Other Federal Agys	326,372.00
DEPARTMENT TOTAL	\$624,275.00

KY State Nature Preserves Commission

Rev From US Dept Of Interior	54,544.24
Rev From US Dept Of Interior	263,012.44
DEPARTMENT TOTAL	\$317,556.68

EEC - Office of the Secretary

Rev From US Dept Of Interior	1,099,567.76
Rev From US Dept Of Interior	1,002,059.15
DEPARTMENT TOTAL	\$2,101,626.91

Department for Energy Development and

Rev From US Dept Of Agricult	1,738.83
Rev From US Dept Of Energy	889,045.12
Rev From US Dept Of Energy	879,880.25
DEPARTMENT TOTAL	\$1,770,664.20

Department for Natural Resources

Rev From US Dept Of Agricult	7,787,229.15
Rev From US Dept Of Agricult	3,103,676.17
Rev From US Dept Of Interior	42,609,133.90
Rev From US Dept Of Interior	49,630,024.11
Rev From US Dept Of Labor	634,622.00
Rev From US Dept Of Labor	222,406.00

NAME OF ACCOUNT	ACTUAL RECEIPTS
Rev From US Dept Of Env Prot	423,588.66
Rev From US Dept Of Env Prot	433,520.09
Program Income-Non-Deductive	408.66
Refund Of Prior Year Expend	27.62
DEPARTMENT TOTAL	\$104,844,636.36

Department for Environmental Protection

Rev From US Dept Of Defense	778,911.06
Rev From US Dept Of Defense	758,423.38
Rev From US Health & Hum Svs	17,950.68
Rev From US Dept Of Energy	607,950.70
Rev From US Dept Of Energy	757,572.74
Rev From US Dept Of Env Prot	22,499,762.66
Rev From US Dept Of Env Prot	17,068,156.94
US DHS - FEMA	3,978,272.02
US DHS - FEMA	3,022,201.18
DEPARTMENT TOTAL	\$49,489,201.36

CABINET TOTAL **\$159,147,960.51**

Public Protection Cabinet

Board of Claims and Crime Victims' Com

Rev From US Dept Of Justice	450,000.00
Rev From US Dept Of Justice	510,198.33
DEPARTMENT TOTAL	\$960,198.33

Department of Insurance

Rev From US Health & Hum Svs	486,900.99
Rev From US Health & Hum Svs	506,620.94
DEPARTMENT TOTAL	\$993,521.93

Department of Housing, Buildings and Co

US DHS - Domestic Preparedness	4,793.20
DEPARTMENT TOTAL	\$4,793.20
CABINET TOTAL	\$1,958,513.46

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
TOTAL REVENUES	\$18,658,989,889.28

NON-REVENUES

Tourism, Arts and Heritage Cabinet

Kentucky Fish And Wildlife Resources

Op Tr From Capital Project Fd	47,482.80
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DEPARTMENT TOTAL	\$47,482.80
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CABINET TOTAL	\$47,482.80
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Education & Workforce Development Ca

Department For Workforce Investment

Op Tr From Capital Project Fd	46,900.00
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Op Tr From Capital Project Fd	3,735.69
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Op Tr From Unemploy Comp Fund	13,886.59
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DEPARTMENT TOTAL	\$64,522.28
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CABINET TOTAL	\$64,522.28
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Health & Family Services Cabinet

Medicaid Services Benefits

Op Tr From Federal Fund	1,640,000.00
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DEPARTMENT TOTAL	\$1,640,000.00
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CABINET TOTAL	\$1,640,000.00
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TOTAL NON-REVENUES	\$1,752,005.08
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FUND TOTAL	\$18,660,741,894.36
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**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Judicial Cabinet		
Judicial Department		
Federal Fund		3,426,667.80
DEPARTMENT TOTAL		\$3,426,667.80
CABINET TOTAL		\$3,426,667.80
Cabinet of the General Government		
Unified Prosecutorial System		
Federal Fund		481,162.81
DEPARTMENT TOTAL		\$481,162.81
Department Of Agriculture		
Federal Fund		6,830,096.10
DEPARTMENT TOTAL		\$6,830,096.10
Attorney General		
American Recovery and Reinvestment Act of 2009	42.32	(42.32)
Federal Fund		3,014,411.78
DEPARTMENT TOTAL	\$42.32	\$3,014,369.46
Ky Infrastructure Authority		
American Recovery and Reinvestment Act of 2009	0.01	
Federal Fund		28,852,436.85
DEPARTMENT TOTAL	\$0.01	\$28,852,436.85
Office Of Homeland Security		
Federal Fund	109,785.95	4,259,520.32
DEPARTMENT TOTAL	\$109,785.95	\$4,259,520.32
Department Of Military Affairs		
Federal Fund		80,465,062.68
DEPARTMENT TOTAL		\$80,465,062.68
Department for Local Government		
American Recovery and Reinvestment Act of 2009	754,960.92	7,750.00
Federal Fund		35,933,167.63
DEPARTMENT TOTAL	\$754,960.92	\$35,940,917.63
Secretary Of State		
Federal Fund		46,915.50
DEPARTMENT TOTAL		\$46,915.50
Early Childhood Development		
Federal Fund		1,005,900.89

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	3,566,740.16		140,072.36	
	\$3,566,740.16		\$140,072.36	
	\$3,566,740.16		\$140,072.36	
	546,178.75		65,015.94	
	\$546,178.75		\$65,015.94	
	5,727,837.10		(1,102,259.00)	
	\$5,727,837.10		(\$1,102,259.00)	
	2,986,064.15		(28,347.63)	
	\$2,986,064.15		(\$28,347.63)	
	28,846,676.87		(5,758.76)	0.01
	\$28,846,676.87		(\$5,758.76)	1.22
				\$1.23
	4,255,142.72			114,163.55
	\$4,255,142.72			\$114,163.55
	77,276,191.71	2,660,940.96	(527,930.01)	
	\$77,276,191.71	\$2,660,940.96	(\$527,930.01)	
	100,000.00			662,710.92
	36,759,406.68		826,239.05	
	\$36,859,406.68		\$826,239.05	\$662,710.92
	61,094.37		14,178.87	
	\$61,094.37		\$14,178.87	
	979,510.11		(7,563.14)	18,827.64

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL		\$1,005,900.89
Board Of Elections		
Election Fund - Longterm Investments	7,006,592.72	46,366.17
Election Fund - Requirements Payment	4,202,039.38	28,090.04
Election Fund - Sect 101-102	3,676,269.18	74,199.25
Election Fund - Title 3 Requirements	27,664.88	20.85
DEPARTMENT TOTAL	\$14,912,566.16	\$148,676.31
Human Rights Commission		
Federal Fund		420,712.00
DEPARTMENT TOTAL		\$420,712.00
CABINET TOTAL	\$15,777,355.36	\$161,465,770.55
Transportation Cabinet		
Department Of Aviation		
Federal Air Transportation Fund	26,933.61	92,387.62
DEPARTMENT TOTAL	\$26,933.61	\$92,387.62
Public Transportation		
Federal Public Transportation Fund	3,030.95	23,882,618.00
DEPARTMENT TOTAL	\$3,030.95	\$23,882,618.00
Department Of Highways		
American Recovery and Reinvestment Act of 2009		448,364.78
Federal Highway Safety Fund		4,588,626.24
Federal Highways Fund		725,332,009.93
DEPARTMENT TOTAL		\$730,369,000.95
Department Of Intergovernmental Programs		
Federal Public Transportation Fund	(3,030.62)	
DEPARTMENT TOTAL	(\$3,030.62)	
Department Of Vehicle Regulation		
Federal Vehicle Regulation Fund		3,943,257.04
DEPARTMENT TOTAL		\$3,943,257.04
CABINET TOTAL	\$26,933.94	\$758,287,263.61
Cabinet for Economic Development		
Econ Dev - Office Of The Secretary		
Federal Fund	12,091.62	111,434.88
DEPARTMENT TOTAL	\$12,091.62	\$111,434.88
CABINET TOTAL	\$12,091.62	\$111,434.88

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$979,510.11		(\$7,563.14)	\$18,827.64
	313,006.00			6,739,952.89
	480,643.00			4,230,129.42
	249.38			3,269,825.43
	\$793,898.38			27,436.35
				\$14,267,344.09
	461,457.41		40,745.41	
	\$461,457.41		\$40,745.41	
	\$158,793,458.25	\$2,660,940.96	(\$725,679.27)	\$15,063,047.43
	287,139.41		167,818.18	
	\$287,139.41		\$167,818.18	
	23,882,618.00			3,030.95
	\$23,882,618.00			\$3,030.95
	220,336.15		(228,028.63)	
	4,746,395.95		157,769.71	
	666,359,883.55	64,213,750.30	5,241,623.92	
	\$671,326,615.65	\$64,213,750.30	\$5,171,365.00	
				(3,030.62)
				(\$3,030.62)
	3,926,805.83		(16,451.21)	
	\$3,926,805.83		(\$16,451.21)	
	\$699,423,178.89	\$64,213,750.30	\$5,322,731.97	\$0.33
	213,137.21		89,610.71	
	\$213,137.21		\$89,610.71	
	\$213,137.21		\$89,610.71	

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Commonwealth Office Of Technology		
American Recovery and Reinvestment Act of 2009		557,720.63
Federal Fund		837,560.72
DEPARTMENT TOTAL		\$1,395,281.35
Finance - Office Of The Secretary		
Federal Fund	0.92	239,030.94
DEPARTMENT TOTAL	\$0.92	\$239,030.94
Office Of The Controller		
Unredeemed Check Fund 1200	5,193,060.61	607,999.52
DEPARTMENT TOTAL	\$5,193,060.61	\$607,999.52
CABINET TOTAL	\$5,193,061.53	\$2,242,311.81
Cabinet for Universities		
Kentucky Higher Education Assistance Authority		
Federal Fund	118,815.45	59,296.00
DEPARTMENT TOTAL	\$118,815.45	\$59,296.00
Council On Postsecondary Education		
Federal Fund	114,948.29	13,451,113.88
DEPARTMENT TOTAL	\$114,948.29	\$13,451,113.88
CABINET TOTAL	\$233,763.74	\$13,510,409.88
Tourism, Arts and Heritage Cabinet		
Kentucky Heritage Council		
Federal Fund		1,066,036.43
DEPARTMENT TOTAL		\$1,066,036.43
Kentucky Arts Council		
Federal Fund	5,161.05	711,775.97
DEPARTMENT TOTAL	\$5,161.05	\$711,775.97
Kentucky Historical Society		
Federal Fund		212,815.00
DEPARTMENT TOTAL		\$212,815.00
Kentucky Fish And Wildlife Resources		
F&W Federal Fund	6,807,704.40	15,699,579.48
DEPARTMENT TOTAL	\$6,807,704.40	\$15,699,579.48
CABINET TOTAL	\$6,812,865.45	\$17,690,206.88

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	557,720.63			
	841,635.13		4,074.41	
	\$1,399,355.76		\$4,074.41	
	239,030.94			0.92
	\$239,030.94			\$0.92
	170,190.48			5,630,869.65
	\$170,190.48			\$5,630,869.65
	\$1,808,577.18		\$4,074.41	\$5,630,870.57
	5,543.00			172,568.45
	\$5,543.00			\$172,568.45
	13,538,947.79			27,114.38
	\$13,538,947.79			\$27,114.38
	\$13,544,490.79			\$199,682.83
	804,265.89		(261,770.54)	
	\$804,265.89		(\$261,770.54)	
	710,500.00			6,437.02
	\$710,500.00			\$6,437.02
	163,296.43		(49,518.57)	
	\$163,296.43		(\$49,518.57)	
47,482.80	14,238,192.02	124,313.26		8,192,261.40
\$47,482.80	\$14,238,192.02	\$124,313.26		\$8,192,261.40
\$47,482.80	\$15,916,254.34	\$124,313.26	(\$311,289.11)	\$8,198,698.42

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Education & Workforce Development Cabinet		
Education Professional Standards Board		
Federal Fund	89,668.05	276,430.80
DEPARTMENT TOTAL	\$89,668.05	\$276,430.80
Education - Office Of The Secretary		
Federal Fund		483,764.63
DEPARTMENT TOTAL		\$483,764.63
Department For Workforce Investment		
DWI-OET Federal Building Eq Fund	3,339.08	3.61
Federal Fund		
OFB Federal Fund	196,576.34	7,059,994.70
Office of Employment & Training Federal Fund		96,031,889.58
OVR Federal Funds	55,265.55	47,308,626.84
WDC/OCTE Federal Fund		26,373.54
DEPARTMENT TOTAL	\$255,180.97	\$150,426,888.27
Department Of Education		
American Recovery and Reinvestment Act of 2009		1,224,084.67
ARRA 2009 - BOSS	152,619.50	
BOSS Federal Fund Appropriation	843,282.87	324,077,745.33
Federal Fund	467,337.70	(54.64)
LARS Federal Fund Appropriation	4,111,949.81	455,210,080.06
WDC/OCTE Federal Fund	1,583,456.83	17,007,763.37
DEPARTMENT TOTAL	\$7,158,646.71	\$797,519,618.79
Department For Libraries & Archives		
DLA Appropriation Federal Fund		366,922.27
L & A Appropriation Federal Fund		1,350,353.35
DEPARTMENT TOTAL		\$1,717,275.62
CABINET TOTAL	\$7,503,495.73	\$950,423,978.11
Health & Family Services Cabinet		
Office of the Kentucky Health Benefit Exchange		
American Recovery and Reinvestment Act of 2009		6,206,829.25
Federal Fund		50,695,331.91
DEPARTMENT TOTAL		\$56,902,161.16
CHFS - Office Of The Secretary		
American Recovery and Reinvestment Act of 2009	1,219.42	40,473.76
Federal Fund	1,943,318.86	27,665,552.36
DEPARTMENT TOTAL	\$1,944,538.28	\$27,706,026.12

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	350,753.11			15,345.74
	\$350,753.11			\$15,345.74
	550,302.64		66,538.01	
	\$550,302.64		\$66,538.01	
				3,342.69
		(16,948.11)	(369.08)	16,579.03
200.00	6,657,814.73	399,721.41		199,234.90
	92,502,850.26	3,412,240.04	(116,799.28)	
3,535.69	45,344,488.56	2,016,195.17		6,744.35
				26,373.54
\$3,735.69	\$144,505,153.55	\$5,811,208.51	(\$117,168.36)	\$252,274.51
	1,219,351.82		(4,732.85)	
				152,619.50
	324,020,115.32	163,152.24		737,760.64
				467,283.06
	458,431,678.46	727,692.21		162,659.20
	17,003,890.69			1,587,329.51
	\$800,675,036.29	\$890,844.45	(\$4,732.85)	\$3,107,651.91
	186,297.08		(180,625.19)	
	1,348,214.35		(2,139.00)	
	\$1,534,511.43		(\$182,764.19)	
\$3,735.69	\$947,615,757.02	\$6,702,052.96	(\$238,127.39)	\$3,375,272.16
	6,371,754.91		164,925.66	
	49,403,988.04		(1,291,343.87)	
	\$55,775,742.95		(\$1,126,418.21)	
	40,787.47			905.71
	26,147,375.50			3,461,495.72
	\$26,188,162.97			\$3,462,401.43

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Office Of Inspector General		
American Recovery and Reinvestment Act of 2009		(5,388.31)
Federal Fund	1,030,843.73	13,325,581.84
DEPARTMENT TOTAL	\$1,030,843.73	\$13,320,193.53
Office Of Health Policy		
Federal Fund		265,321.51
DEPARTMENT TOTAL		\$265,321.51
CHFS - Department for Aging and Independent Living		
American Recovery and Reinvestment Act of 2009		
Federal Fund		20,503,781.91
DEPARTMENT TOTAL		\$20,503,781.91
Department for Income Support		
Federal Fund	4,217,606.87	71,975,691.18
DEPARTMENT TOTAL	\$4,217,606.87	\$71,975,691.18
Department For Public Health		
Federal Fund	3,894,799.66	179,170,107.23
DEPARTMENT TOTAL	\$3,894,799.66	\$179,170,107.23
Behavioral Health, Developmental & Intellectual Disabilities		
Federal Fund		36,593,115.46
DEPARTMENT TOTAL		\$36,593,115.46
Department for Family Resource Centers & Volunteer Services		
Federal Fund	462,803.93	4,743,071.19
DEPARTMENT TOTAL	\$462,803.93	\$4,743,071.19
Department For Community Based Services		
American Recovery and Reinvestment Act of 2009		(3,885.00)
Federal Fund	10,845,934.94	464,018,032.13
DEPARTMENT TOTAL	\$10,845,934.94	\$464,014,147.13
Department For Medicaid Services		
American Recovery and Reinvestment Act of 2009		3,213,947.62
Federal Fund	14,836,665.51	80,231,834.42
DEPARTMENT TOTAL	\$14,836,665.51	\$83,445,782.04
Medicaid Services Benefits		
American Recovery and Reinvestment Act of 2009	0.95	24,397,494.14
Federal Fund	911,270,934.72	6,686,159,387.89
DEPARTMENT TOTAL	\$911,270,935.67	\$6,710,556,882.03

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	(5,391.57)		(3.26)	
	13,658,586.17			697,839.40
	\$13,653,194.60		(\$3.26)	\$697,839.40
	249,340.77		(5,946.12)	10,034.62
	\$249,340.77		(\$5,946.12)	\$10,034.62
	(105.26)		(105.26)	
	21,126,967.85		623,185.94	
	\$21,126,862.59		\$623,080.68	
	74,805,401.42		(10.00)	1,387,886.63
	\$74,805,401.42		(\$10.00)	\$1,387,886.63
	181,008,120.75			2,056,786.14
	\$181,008,120.75			\$2,056,786.14
	36,593,796.03		680.57	
	\$36,593,796.03		\$680.57	
	4,990,151.68			215,723.44
	\$4,990,151.68			\$215,723.44
	(3,885.00)			
	451,836,066.26		(124.81)	23,027,776.00
	\$451,832,181.26		(\$124.81)	\$23,027,776.00
	2,664,687.60		(549,260.02)	
	75,378,410.36			19,690,089.57
	\$78,043,097.96		(\$549,260.02)	\$19,690,089.57
	24,397,494.14			0.95
	7,584,904,696.73			12,525,625.88
	\$7,609,302,190.87			\$12,525,626.83

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Commission For Children With Special Health Care Needs		
Federal Fund	220,988.04	3,991,629.30
DEPARTMENT TOTAL	\$220,988.04	\$3,991,629.30
CABINET TOTAL	\$948,725,116.63	\$7,673,187,909.79
Justice & Public Safety Cabinet		
Justice - Office Of The Secretary		
American Recovery and Reinvestment Act of 2009	89,472.70	
Federal Fund		11,507,439.45
DEPARTMENT TOTAL	\$89,472.70	\$11,507,439.45
Department For Public Advocacy		
Federal Fund		1,576,705.64
DEPARTMENT TOTAL		\$1,576,705.64
Kentucky State Police		
American Recovery and Reinvestment Act of 2009		
Federal Fund		12,972,479.42
DEPARTMENT TOTAL		\$12,972,479.42
Department Of Juvenile Justice		
2011-JB-FX-0026	102,064.23	30.23
2012-JB-FX-0061	226,117.61	135.17
2013-JB-FX-0061	233,198.28	(11,603.64)
Federal Fund		12,382,449.11
DEPARTMENT TOTAL	\$561,380.12	\$12,371,010.87
Department Of Criminal Justice Training		
Federal Fund		138,357.73
DEPARTMENT TOTAL		\$138,357.73
Department Of Corrections		
Adult Institutions Federal Fund		435,938.53
Community Services & Local Facilities Federal Fund		1,403,381.69
Corrections Management Federal Fund	153,504.46	82,103.60
DEPARTMENT TOTAL	\$153,504.46	\$1,921,423.82
CABINET TOTAL	\$804,357.28	\$40,487,416.93
Labor Cabinet		
Labor - Office of the Secretary		
Federal Fund		170,264.55
DEPARTMENT TOTAL		\$170,264.55

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	4,473,764.91		261,147.57	
	\$4,473,764.91		\$261,147.57	
	\$8,558,042,008.76		(\$796,853.60)	\$63,074,164.06
				89,472.70
	9,589,941.15		(1,465,582.98)	451,915.32
	\$9,589,941.15		(\$1,465,582.98)	\$541,388.02
	1,599,763.02		23,057.38	
	\$1,599,763.02		\$23,057.38	
	(12,374.93)		(12,374.93)	
	13,170,894.92		198,415.50	
	\$13,158,519.99		\$186,040.57	
	102,086.35			8.11
	101,389.49			124,863.29
	65,048.54			156,546.10
	12,131,475.62		(250,973.49)	
	\$12,400,000.00		(\$250,973.49)	\$281,417.50
	104,947.46		(31,239.80)	2,170.47
	\$104,947.46		(\$31,239.80)	\$2,170.47
	766,903.38		330,964.85	
	1,352,432.92		(50,948.77)	
	142,461.15			93,146.91
	\$2,261,797.45		\$280,016.08	\$93,146.91
	\$39,114,969.07		(\$1,258,682.24)	\$918,122.90
	170,264.55			
	\$170,264.55			

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department of Workplace Standards		
Federal Fund		3,561,793.33
DEPARTMENT TOTAL		\$3,561,793.33
Office of General Admin and Program Support Shared Services		
Federal Fund		50,573.03
DEPARTMENT TOTAL		\$50,573.03
Ky Occupational Safety and Health Standards Board		
Federal Fund		972.81
DEPARTMENT TOTAL		\$972.81
CABINET TOTAL		\$3,783,603.72
Energy and Environment Cabinet		
KY Public Service Commission		
Federal Fund	18,918.99	326,372.00
DEPARTMENT TOTAL	\$18,918.99	\$326,372.00
KY State Nature Preserves Commission		
Federal Fund	2,116.13	263,012.44
DEPARTMENT TOTAL	\$2,116.13	\$263,012.44
EEC - Office of the Secretary		
Federal Fund		1,002,059.15
DEPARTMENT TOTAL		\$1,002,059.15
Department for Energy Development and Independence		
Federal Fund		890,783.95
DEPARTMENT TOTAL		\$890,783.95
Department for Natural Resources		
Federal Fund		53,802,278.65
DEPARTMENT TOTAL		\$53,802,278.65
Department for Environmental Protection		
Federal Fund	369,064.98	21,456,732.20
DEPARTMENT TOTAL	\$369,064.98	\$21,456,732.20
CABINET TOTAL	\$390,100.10	\$77,741,238.39
Public Protection Cabinet		
Board of Claims and Crime Victims' Compensation		
Federal Fund		450,000.00
DEPARTMENT TOTAL		\$450,000.00

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	3,544,281.43	16,307.30	(1,204.60)	
	\$3,544,281.43	\$16,307.30	(\$1,204.60)	
	49,292.45	1,280.58		
	\$49,292.45	\$1,280.58		
	779.09		(193.72)	
	\$779.09		(\$193.72)	
	\$3,764,617.52	\$17,587.88	(\$1,398.32)	
	445,045.87		99,754.88	
	\$445,045.87		\$99,754.88	
	263,780.15	1,561.73	213.31	
	\$263,780.15	\$1,561.73	\$213.31	
	967,733.67	34,325.48		
	\$967,733.67	\$34,325.48		
	640,587.03	252,717.05	2,520.13	
	\$640,587.03	\$252,717.05	\$2,520.13	
	45,168,914.59	8,261,827.28	(371,536.78)	
	\$45,168,914.59	\$8,261,827.28	(\$371,536.78)	
	21,542,592.24	1,081,719.72	798,514.78	
	\$21,542,592.24	\$1,081,719.72	\$798,514.78	
	\$69,028,653.55	\$9,632,151.26	\$529,466.32	
	450,000.00			
	\$450,000.00			

**COMMONWEALTH OF KENTUCKY
FEDERAL FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department of Insurance		
Federal Fund		486,900.99
DEPARTMENT TOTAL		\$486,900.99
Department of Housing, Buildings and Construction		
Federal Fund		4,793.20
DEPARTMENT TOTAL		\$4,793.20
CABINET TOTAL		\$941,694.19
Budget Fiscal Year/Fiscal Year Adjustment		
Federal Fund		
Budget Fiscal Year/Fiscal Year Adjustment	(5,936.32)	
Budget Fiscal Year/Fiscal Year Adjustment -IP	(3,855.05)	
DEPARTMENT TOTAL	(\$9,791.37)	
CABINET TOTAL	(\$9,791.37)	
FUND TOTAL	\$985,469,350.01	\$9,703,299,906.54

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	485,615.71			1,285.28
	\$485,615.71			\$1,285.28
			(4,793.20)	
			(\$4,793.20)	
	\$935,615.71		(\$4,793.20)	\$1,285.28
	(5,936.32)			
			3,730.16	(124.89)
	(\$5,936.32)		\$3,730.16	(\$124.89)
	(\$5,936.32)		\$3,730.16	(\$124.89)
\$51,218.49	\$10,511,761,522.13	\$83,350,796.62	\$2,752,862.80	\$96,461,019.09

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
REVENUES			
Legislative Cabinet			
General Assembly			
General Sales To Public	30,352.00	Interest Income	1,515.87
Interest Income	320.62	Misc. Donations	30,488.00
DEPARTMENT TOTAL	\$30,672.62	Proceeds From Recyclable Sales	740.00
CABINET TOTAL	\$30,672.62	Proceeds From Asset Disposittn	17,345.30
		Other Receipts	2,137.13
		Other Deposits	1,000.00
		Non State Insurance Recovery	24,308.46
		Refund Of Prior Year Expend	1,408.00
		Other	14,551.29
Judicial Cabinet		DEPARTMENT TOTAL	\$6,677,948.74
Judicial Department		Attorney General	
Operators License Reinst Fees	292,160.89	Registration/Filing Fee	150,217.10
General Permits	1,349,800.00	Legal Servs From Other St Agy	1,364,035.62
Registration/Filing Fee	5,000,000.00	Forefeitures	50.00
Other Fees Related To Licenses	5,018,086.14	Interest Income	(66.38)
General Fees From Public	12,069,741.08	Misc Private Grants & Gifts	7,000.00
General Services To Public	675,774.54	Misc. Donations	566.00
Court Cost	1,248,974.54	Other Receipts	3,039,070.01
Other Receipts	12,014,818.75	Other Deposits	483,185.78
DEPARTMENT TOTAL	\$37,669,355.94	Refund Of Prior Year Expend	9,680.48
CABINET TOTAL	\$37,669,355.94	DEPARTMENT TOTAL	\$5,053,738.61
Cabinet of the General Government		Auditor Of Public Accounts	
Unified Prosecutorial System		General Fees From Public	209,836.89
General Fees From Public	54,621.61	Fees For Acct&Aud Srv Frm/Publ	61,019.34
Local Grants & Revenues	1,202,423.98	General Services To Public	(139,235.83)
Forefeitures	646,439.16	Genl Servs To Other St Agy	2,275.00
DEPARTMENT TOTAL	\$1,903,484.75	Act/Aud Fees From Other St Agy	2,756,402.93
Department Of Agriculture		Auditing Fiscal Courts	1,237,643.31
Teen Tobacco Education Fund	3,325.00	Auditing Sheriffs Tax Setlmnts	1,459,580.36
General Permits	4,628,760.01	Auditing Fee Officials	2,404,487.54
Specialized License Plates	76,775.00	Other Receipts	5,937.02
General Sales To Public	720.00	DEPARTMENT TOTAL	\$7,997,946.56
General Fees From Public	173,632.96	Governor's Office	
General Rentals To Oth St Agy	1,108,258.13	General Fees From Other St Agy	200,000.00
General Fees From Other St Agy	507,840.63	Other Receipts	5.00
Fines	85,142.96		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$200,005.00	DEPARTMENT TOTAL	\$1,145,149.66
Department Of Veterans Affairs		Department Of Military Affairs	
General Sales To Public	19,562.61	Rental Of Buildings To Public	8,917,405.37
General Fees From Public	70,630.75	Tuition From Other State Agy	702,102.72
General Services To Public	174,949.00	Rent Of Bldgs To Other St Agy	1,534,056.86
Cafeteria Resales	38,209.00	Rev From US Dept Of Defense	95,226.56
General Fees From Other St Agy	12,482,938.80	US DHS - FEMA	(0.03)
Rev From US Health & Hum Svs	2,721,151.15	Other Receipts	19,984,157.50
Rev From Other Federal Agys	25,748,856.26	Undistributed Receipts	45.19
Interest Income	113.51	Other	(0.31)
Restricted Funds	10,944,999.14		
Other Deposits	938.59	DEPARTMENT TOTAL	\$31,232,993.86
Other Program Income	806,532.59	Kentucky Retirement Systems	
DEPARTMENT TOTAL	\$53,008,881.40	Contributions-Employee Volntry	(15.00)
Ky Infrastructure Authority		Undistributed Receipts	43,655.64
Interest Income	3,931.84	Refund Of Prior Year Expend	19,509.75
Other Program Income	14,513.00	DEPARTMENT TOTAL	\$63,150.39
DEPARTMENT TOTAL	\$18,444.84	Department for Local Government	
Ky River Authority		Interest Income	20.70
General Sales To Public	3,363.85	Other Receipts	779,570.97
General Fees From Public	325.00	DEPARTMENT TOTAL	\$779,591.67
Rental Of Buildings To Public	8,300.00	Secretary Of State	
Water Use Fees - Tier I	919,031.84	Corporation License Tax	45.00
Water Use Fees - Tier II	3,317,120.53	Other Fees Related To Licenses	3,592,899.70
Interest Income	2,998.26	Cand Notifict Dec & Petit Fees	16,560.00
Refund Of Prior Year Expend	3,009.44	DEPARTMENT TOTAL	\$3,609,504.70
DEPARTMENT TOTAL	\$4,254,148.92	State Treasurer	
Agricultural Development Board		Check Cancellation Fee Treasury	36,885.00
Interest Income	5,250.00	DEPARTMENT TOTAL	\$36,885.00
Amortization	121,371.40	Ky Board of Home Inspectors	
DEPARTMENT TOTAL	\$126,621.40	License Application Fee	12,030.00
Office Of Homeland Security		Initial License Fee	(360.00)
General Sales To Public	481,874.49	Renewal License Fee	87,505.00
General Fees From Public	663,275.17	Reinstatement License Fee	1,250.00
		Other Fees Related To Licenses	7,288.40

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$107,713.40	Initial License Fee	19,160.00
Board of Licensed Diabetes Educators		Renewal License Fee	236,100.00
License Application Fee	12,900.00	Reinstatement License Fee	22,355.00
Renewal License Fee	15,140.00	Other Fees Related To Licenses	15,154.34
Reinstatement License Fee	120.00	Initial License Fees	500.00
Other Fees Related To Licenses	130.00	License Examination Fees	2,800.00
DEPARTMENT TOTAL	\$28,290.00	Renewal License Fees	625.00
Early Childhood Development		DEPARTMENT TOTAL	\$333,394.34
General Fees From Public	5,000.00	Board Of Chiropractic Examiners	
DEPARTMENT TOTAL	\$5,000.00	License Application Fee	12,250.00
Board of Medical Imaging and Radiation		Renewal License Fee	226,038.00
General Permits	(60.00)	Other Fees Related To Licenses	13,060.00
License Application Fee	57,214.00	Fines	27,850.00
License Examination Fee	10,640.00	DEPARTMENT TOTAL	\$279,198.00
Renewal License Fee	117,005.00	Ky Applied Behavior Analysis Licensing	
DEPARTMENT TOTAL	\$184,799.00	License Application Fee	9,900.00
Board Of Accountancy		Initial License Fee	6,600.00
License Examination Fee	23,340.00	Renewal License Fee	5,000.00
Initial License Fee	9,000.00	Other Fees Related To Licenses	45.00
Renewal License Fee	525,000.00	DEPARTMENT TOTAL	\$21,545.00
Fines	3,600.00	Board Of Professional Counselors	
DEPARTMENT TOTAL	\$560,940.00	License Application Fee	42,400.00
Board Of Auctioneers		Renewal License Fee	210,861.00
License Examination Fee	8,075.00	Reinstatement License Fee	4,575.00
Initial License Fee	17,800.00	Other Fees Related To Licenses	6,217.20
Renewal License Fee	234,000.00	DEPARTMENT TOTAL	\$264,053.20
Reinstatement License Fee	8,095.00	Board Of Certification Of Fee-Based Past	
Other Fees Related To Licenses	72,200.00	License Examination Fee	300.00
Fines	1,150.00	Renewal License Fee	2,600.00
Interest Income	3,250.54	Other Fees Related To Licenses	60.00
Other Deposits	181.90	DEPARTMENT TOTAL	\$2,960.00
DEPARTMENT TOTAL	\$344,752.44	Board Of Alcohol And Drug Abuse Coun	
Board Of Barbering		License Application Fee	7,470.00
License Examination Fee	36,700.00	License Examination Fee	10,950.00
		Initial License Fee	13,350.00

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Renewal License Fee	67,404.00	Other Fees Related To Licenses	1,250.00
Reinstatement License Fee	4,450.00		
Other Fees Related To Licenses	4,945.00	DEPARTMENT TOTAL	\$71,969.00
DEPARTMENT TOTAL	\$108,569.00	Board Of Elections	
Board Of Interpreters For The Deaf And		General Sales To Public	43,371.17
License Application Fee	6,775.00	Interest Income	3,981.38
Initial License Fee	2,725.00	DEPARTMENT TOTAL	\$47,352.55
Renewal License Fee	30,750.00	Board Of Embalmers And Funeral Home	
Reinstatement License Fee	1,875.00	Registration/Filing Fee	420.00
Other Fees Related To Licenses	310.00	License Examination Fee	4,375.00
DEPARTMENT TOTAL	\$42,435.00	Renewal License Fee	322,635.00
Ky Brd Of Licensure For Massage Thera		Other Fees Related To Licenses	5,100.00
License Application Fee	40,000.00	General Sales To Public	7,535.00
Renewal License Fee	105,747.50	Fines	5,750.00
Other Fees Related To Licenses	2,777.00	DEPARTMENT TOTAL	\$345,815.00
DEPARTMENT TOTAL	\$148,524.50	Kentucky Board of Architects	
Board of Prosthetics, Orthotics and Pedo		License Application Fee	46,800.00
License Application Fee	1,450.00	License Examination Fee	3,300.00
Initial License Fee	1,350.00	Initial License Fee	2,800.00
Renewal License Fee	32,850.00	Renewal License Fee	347,730.00
Reinstatement License Fee	100.00	Reinstatement License Fee	20,450.00
Other Fees Related To Licenses	50.00	Other Fees Related To Licenses	23,875.00
DEPARTMENT TOTAL	\$35,800.00	DEPARTMENT TOTAL	\$444,955.00
Board Of Dentistry		Bd Of Examiners/Registration Of Landsc	
License Application Fee	153,730.00	Renewal License Fee	57,345.00
Renewal License Fee	292,635.00	Reinstatement License Fee	9,670.00
Reinstatement License Fee	5,535.00	Other Fees Related To Licenses	4,865.00
Other Fees Related To Licenses	81,306.25	DEPARTMENT TOTAL	\$71,880.00
Fines	14,000.00	Board Of Examiners Of Psychologists	
Unhonored Check Penalty	25.00	License Application Fee	19,100.00
DEPARTMENT TOTAL	\$547,231.25	License Examination Fee	950.00
Bd Of Licensure And Cert For Dietitians		Initial License Fee	16,200.00
License Application Fee	5,950.00	Renewal License Fee	170,195.00
Renewal License Fee	61,229.00	Other Fees Related To Licenses	(5,408.54)
Reinstatement License Fee	3,540.00	Other	14,536.17

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$215,572.63	DEPARTMENT TOTAL	\$3,350,081.24
Board Of Examiners Of Social Work		Board Of Nursing	
License Application Fee	19,579.00	License Application Fee	5,364,038.73
Initial License Fee	75,550.00	General Fees From Other St Agy	263,817.75
Renewal License Fee	197,889.00	Interest Income	22,415.59
Reinstatement License Fee	13,225.00	Refund Of Prior Year Expend	14,420.25
Other Fees Related To Licenses	24,472.76	Other	15,913.31
DEPARTMENT TOTAL	\$330,715.76	DEPARTMENT TOTAL	\$5,680,605.63
Board Of Hairdressers And Cosmetologis		Board Of Ophthalmic Dispensers	
License Application Fee	38,855.00	License Application Fee	5,050.00
License Examination Fee	200,671.50	License Examination Fee	1,200.00
Initial License Fee	467,804.95	Renewal License Fee	34,601.00
Renewal License Fee	690,104.00	Reinstatement License Fee	630.00
DEPARTMENT TOTAL	\$1,397,435.45	Other Fees Related To Licenses	355.00
Board Of Licensing Hearing Aid Dealers		DEPARTMENT TOTAL	\$41,836.00
License Application Fee	5,650.00	Board Of Optometric Examiners	
License Examination Fee	3,185.00	License Application Fee	20,650.00
Initial License Fee	1,300.00	Initial License Fee	5,602.00
Renewal License Fee	60,650.00	Renewal License Fee	160,248.00
Reinstatement License Fee	100.00	Reinstatement License Fee	800.00
Other Fees Related To Licenses	570.92	Other Fees Related To Licenses	6,570.00
DEPARTMENT TOTAL	\$71,455.92	Local Grants & Revenues	500.00
Board Of Licensure For Nursing Home A		Other Deposits	475.00
License Application Fee	32,250.00	DEPARTMENT TOTAL	\$194,845.00
Initial License Fee	850.00	Board Of Professional Art Therapists	
Renewal License Fee	45,423.00	License Application Fee	2,550.00
Reinstatement License Fee	650.00	Renewal License Fee	4,446.00
Other Fees Related To Licenses	1,960.00	Reinstatement License Fee	500.00
DEPARTMENT TOTAL	\$81,133.00	Other Fees Related To Licenses	220.80
Board Of Medical Licensure		DEPARTMENT TOTAL	\$7,716.80
License Application Fee	66,690.00	Board Of Occupational Therapy	
Renewal License Fee	3,142,587.95	License Application Fee	16,940.00
General Sales To Public	8,478.94	License Examination Fee	(15.00)
Fines	132,312.88	Renewal License Fee	134,153.00
Interest Income	11.47	Reinstatement License Fee	4,835.00

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Other Fees Related To Licenses	3,995.00	Other Fees Related To Licenses	111,350.34
DEPARTMENT TOTAL	\$159,908.00	Genl Servs To Other St Agy	9,088.00
Board For Respiratory Care Practitioner		Fines	16,613.36
License Application Fee	20,893.50	Interest Income	(35.32)
Initial License Fee	12,268.50	DEPARTMENT TOTAL	\$856,448.04
Renewal License Fee	157,485.00	Board Of Podiatry	
Other Fees Related To Licenses	9,696.00	Renewal License Fee	27,500.00
DEPARTMENT TOTAL	\$200,343.00	Other Fees Related To Licenses	25.00
Board Of Certification For Marriage An		Other	900.00
General Permits	(50.00)	DEPARTMENT TOTAL	\$28,425.00
License Application Fee	7,000.00	Real Estate Appraisers Board	
Initial License Fee	4,750.00	License Examination Fee	6,748.00
Renewal License Fee	88,575.00	Initial License Fee	601,900.00
Reinstatement License Fee	1,250.00	Other Fees Related To Licenses	91,392.00
Other Fees Related To Licenses	8,305.00	General Fees From Public	103,491.01
DEPARTMENT TOTAL	\$109,830.00	Fines	17,600.00
Personnel Board		DEPARTMENT TOTAL	\$821,131.01
Environmental License Plate	303,882.56	Bd of Licensure for Professional Enginee	
General Fees From Public	326.00	License Examination Fee	(650.00)
Gen Sales To Oth St Agencies	731.20	Renewal License Fee	1,298,333.00
General Fees From Other St Agy	546,717.44	Reinstatement License Fee	32,000.00
DEPARTMENT TOTAL	\$851,657.20	Other Fees Related To Licenses	8,770.84
Board Of Pharmacy		Engineering Firm Registration	50,985.00
Fees-Impaired Pharmacists Com	83,406.25	Comity License Fee	226,200.00
License Application Fee	65,125.00	Borpe Penalties	16,000.00
License Examination Fee	59,775.00	DEPARTMENT TOTAL	\$1,631,638.84
Initial License Fee	132,150.00	Board Of Speech Pathology And Audiolo	
Renewal License Fee	1,443,653.75	License Application Fee	16,900.00
Other Fees Related To Licenses	199,827.00	Initial License Fee	11,925.00
DEPARTMENT TOTAL	\$1,983,937.00	Renewal License Fee	128,801.42
Board Of Physical Therapist		Reinstatement License Fee	3,150.00
License Application Fee	37,600.00	Other Fees Related To Licenses	3,212.00
License Examination Fee	31,850.00	DEPARTMENT TOTAL	\$163,988.42
Renewal License Fee	640,981.66	Board Of Veterinary Examiners	
Reinstatement License Fee	9,000.00	License Application Fee	17,185.00

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
License Examination Fee	14,600.00	Ky Teachers Retirement System	
Initial License Fee	300.00	Specialized License Plates	338.20
Renewal License Fee	470,945.00	Contributions-Employee Req	(163,693.35)
Reinstatement License Fee	12,435.00	Other	(77,534.19)
Other Fees Related To Licenses	8,380.00		
DEPARTMENT TOTAL	\$523,845.00	DEPARTMENT TOTAL	(\$240,889.34)
Ky Board Of Licensure For Private Inves		CABINET TOTAL	\$140,712,318.41
License Application Fee	9,220.00	Transportation Cabinet	
Initial License Fee	22,200.00	Transportation - Office Of The Secretary	
Renewal License Fee	44,000.00	General Fees From Public	44,367.38
Reinstatement License Fee	3,600.00	Misc. Donations	1,000.00
Other Fees Related To Licenses	1,875.00		
DEPARTMENT TOTAL	\$80,895.00	DEPARTMENT TOTAL	\$45,367.38
Executive Branch Ethics Commission		Department Of Aviation	
General Sales To Public	26.50	Consumer Use Tax - County Clerks	14,228,411.72
General Fees From Public	74,104.11	General Sales To Public	618,584.00
DEPARTMENT TOTAL	\$74,130.61	General Rentals To Public	2,404.55
Board Of Registration For Professional G		Rental Of Buildings To Public	132,498.30
License Application Fee	4,675.00	General Services To Public	550.00
License Examination Fee	13,350.00	Gen Sales To Oth St Agencies	147,519.51
Renewal License Fee	50.00	General Rentals To Oth St Agy	3,377.00
Reinstatement License Fee	600.00	General Fees From Other St Agy	466,408.69
Other Fees Related To Licenses	75.00	Genl Servs To Other St Agy	72,064.60
DEPARTMENT TOTAL	\$18,750.00	Rent Of Bldgs To Other St Agy	73,960.00
Real Estate Commission		Maint Rec Chrged To Oth St Agy	21,936.32
License Examination Fee	190,500.00	Fines	1,000.00
Initial License Fee	62,640.00	Interest Income	91,360.53
Renewal License Fee	1,267,800.00	DEPARTMENT TOTAL	\$15,860,075.22
Other Fees Related To Licenses	50,624.00	Public Transportation	
General Fees From Public	266,688.11	General Fees From Other St Agy	660,000.00
Fines	120,850.00	DEPARTMENT TOTAL	\$660,000.00
Interest Income	11,134.35	Department Of Highways	
Refund Of Prior Year Expend	974.56	General Fees From Public	1,417,584.21
DEPARTMENT TOTAL	\$1,971,211.02	General Services To Public	1,823,401.19
		Genl Servs To Other St Agy	88,688.94
		Equipment Rental Income	57,201,190.77

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Rev From Other Federal Agys	82,282.62	Office of PVA Accounting	
Revenues From Other States	7,487,865.04	Payment From PVA	3,224,768.05
Interest Income	2,557,313.90	Restricted Funds	1,742,077.99
Proceeds From Recyclable Sales	6,615.45	Other	(11,564.20)
Proceeds From Asset Disposittn	3,576,076.25		
DEPARTMENT TOTAL	\$74,241,018.37	DEPARTMENT TOTAL	\$4,955,281.84
Department Of Vehicle Regulation		Department Of Revenue	
Motor Veh Operator'S License	976,738.06	Health Care Provider Tax	294,624,466.83
Passenger Car License Plate	12,634,245.00	Telecom Excise Tax	885,359.74
Waste Transport Permit & Lic	44,746.54	Telecom Property Tax	142,226.48
Motor Vehicle Title Fees	124,095.00	Fees-Delinquent Property Taxes	59,378.89
Operators License Reinst Fees	250,779.12	Omitted Tangible Property Tax	2,602,440.20
Motor Boat Titling	280,642.15	Sales Tax Permit Fee Revenue	0.50
Other Fees Related To Licenses	2,021,136.50	Registration/Filing Fee	(2,745.67)
General Commisssions From Public	1,027,678.95	Lien Fees	89,581.97
Revenues From Other States	1,019,386.61	Cigarette Enforcement & Adm	1,144,478.78
Fines	(79,399.22)	General Services To Public	105,555.00
Interest Income	19,848.67	Gen Sales To Oth St Agencies	321,180.90
DEPARTMENT TOTAL	\$18,319,897.38	Gross Receipts Tax Admin Fee	1,152,602.80
CABINET TOTAL	\$109,126,358.35	Payment From PVA	61,620.77
Cabinet for Economic Development		Other Receipts	61.96
Econ Dev - Office Of The Secretary		Vendor Offset Receipts	43,325.20
Registration/Filing Fee	704,608.88	Enterprise Collections - Cost of Colle	3,766,349.71
Interest Income	22,557.38	Refund Of Prior Year Expend	501,311.58
Proceeds From Asset Disposittn	19,767.18	DEPARTMENT TOTAL	\$305,497,195.64
Other Receipts	2,093,225.71	Finance - Office Of The Secretary	
DEPARTMENT TOTAL	\$2,840,159.15	General Fees From Public	1,579,964.27
CABINET TOTAL	\$2,840,159.15	General Fees From Other St Agy	1,097,817.12
Finance & Administration Cabinet		Genl Servs To Other St Agy	2,240.00
Commonwealth Office Of Technology		Telecom Rebate	1,431,338.41
General Fees From Other St Agy	1,232,647.00	Other Receipts	966.92
Other Receipts	37,107.70	DEPARTMENT TOTAL	\$4,112,326.72
Other Deposits	364,194.32	Office Of The Controller	
DEPARTMENT TOTAL	\$1,633,949.02	General Fees From Other St Agy	76,292.88
		Genl Servs To Other St Agy	3,516,375.00
		Interest Income	2,641,123.81
		Other Receipts	270,455.50

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Redeposit-Unredmed Treas Chks	301,942.92		
DEPARTMENT TOTAL	\$6,806,190.11	DEPARTMENT TOTAL	\$1,042,838.95
County Costs		Eastern Kentucky University	
General Fees From Public	741,215.17	General Sales To Public	270,895,157.28
Other Receipts	496,641.00	Interest Income	340,922.90
DEPARTMENT TOTAL	\$1,237,856.17	DEPARTMENT TOTAL	\$271,236,080.18
Facilities & Support Services		Kentucky State University	
Sales & Use Tax-Regular	2.70	General Sales To Public	35,648,856.97
General Sales To Public	402,044.04	Interest Income	127,172.44
General Rentals To Public	760.00	DEPARTMENT TOTAL	\$35,776,029.41
General Commisssons From Public	204,073.43	Morehead State University	
Rental Of Buildings To Public	23,705.00	General Sales To Public	89,500,000.00
Gen Sales To Oth St Agencies	318,302.55	Interest Income	45,043.95
General Rentals To Oth St Agy	375.00	DEPARTMENT TOTAL	\$89,545,043.95
General Comms From Oth St Agy	178,871.30	Murray State University	
General Fees From Other St Agy	5,493.06	General Fees From Public	(14,549,139.51)
Veh Regist Chg To Oth St Agy	(3,211.07)	Tuition From Public	111,247,084.44
Proceeds From Asset Dispositm	11,755.00	Room & Board From Public	31,784,881.24
Restitution Proceeds	2,000.00	Interest Income	722,768.37
DEPARTMENT TOTAL	\$1,144,171.01	DEPARTMENT TOTAL	\$129,205,594.54
CABINET TOTAL	\$325,386,970.51	Northern Kentucky University	
Cabinet for Universities		General Sales To Public	172,732,841.09
Kentucky Higher Education Assistance A		Interest Income	157,342.57
Forefeitures	30,803.05	DEPARTMENT TOTAL	\$172,890,183.66
Interest Income	12,336.78	University of Kentucky	
Other Receipts	20,660,126.34	General Sales To Public	2,190,708,341.10
Other Deposits	32,084.52	Interest Income	690,132.33
Refund Of Prior Year Expend	692,032.03	DEPARTMENT TOTAL	\$2,191,398,473.43
DEPARTMENT TOTAL	\$21,427,382.72	University of Louisville	
Council On Postsecondary Education		General Sales To Public	216,240,378.46
General Fees From Public	152,740.00	Interest Income	261,934.18
Initial License Fees	332,100.00	DEPARTMENT TOTAL	\$216,502,312.64
Renewal License Fees	156,000.00	Western Kentucky University	
Rev From US Dept Of Education	400,442.22	General Sales To Public	20,645,668.64
Interest Income	1,556.73		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Tuition From Public	125,931,486.18	Motor Boat Registration-Co Clk	3,459,434.82
Rev From Other Federal Agys	41,118.54	Motor Boat Mfrt & Dealer Lic	17,784.00
Local Grants & Revenues	698,161.16	Fish&Game-40% Gen/60% Law Enf	95,550.84
Interest Income	89,232.06	General Sales To Public	635,534.00
Other Receipts	89,539,409.60	General Rentals To Public	8,800.00
DEPARTMENT TOTAL	\$236,945,076.18	General Fees From Public	564,096.67
Ky Community Technical College System		Genl Servs To Other St Agy	12,795,806.56
General Sales To Public	224,791,155.13	Fines	33,844.45
Interest Income	915,596.30	Interest Income	1,213,762.23
DEPARTMENT TOTAL	\$225,706,751.43	Misc Private Grants & Gifts	7,148,063.62
CABINET TOTAL	\$3,591,675,767.09	Misc. Donations	1,487,758.16
Tourism, Arts and Heritage Cabinet		Nongame Fish & Wildlife Gift	25,838.00
Kentucky Heritage Council		Fish and Wildlife Educational Progra	8,037.00
General Fees From Public	77,985.00	Fish and Wildlife Hunter for the Hun	328.15
General Fees From Other St Agy	110,112.62	Proceeds From Asset Dispositin	273,392.42
Genl Servs To Other St Agy	100.00	Other Receipts	661,051.37
Revenues From Other States	15,000.00	Other Program Income	490,194.00
Other Receipts	2,628.44	Program Income-Non-Deductive	35,266.82
DEPARTMENT TOTAL	\$205,826.06	Loss Claim Proceeds	141,166.43
Kentucky Arts Council		DEPARTMENT TOTAL	\$57,967,792.02
Other Receipts	163,345.08	Tourism - Office Of The Secretary	
Other Program Income	14,681.50	General Sales To Public	15,482.45
DEPARTMENT TOTAL	\$178,026.58	General Rentals To Public	3,746.31
Kentucky Historical Society		General Fees From Public	119.98
General Sales To Public	452,835.20	Rental Of Buildings To Public	198,202.70
General Fees From Public	214.52	Soft Drink Vending Commissions	1,769.79
Rental Of Buildings To Public	(1,015.00)	General Rentals To Oth St Agy	3,375.00
Gen Sales To Oth St Agencies	900.00	General Fees From Other St Agy	153,216.78
General Rentals To Oth St Agy	26,292.00	Rent Of Bldgs To Other St Agy	343,922.90
General Fees From Other St Agy	1,400.00	Utility Charges To Oth St Agy	185,196.15
Rent Of Bldgs To Other St Agy	5,740.00	Interest Income	56,718.22
DEPARTMENT TOTAL	\$486,366.72	Other Receipts	120,672.26
Kentucky Fish And Wildlife Resources		Other Program Income	63,500.00
Hunting/Fishing License	28,872,082.48	Refund Of Prior Year Expend	954.02
		DEPARTMENT TOTAL	\$1,146,876.56

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Kentucky Artisans Center At Berea		Rev From US Dept Of Education	617,028.08
General Sales To Public	1,642,936.07	Interest Income	8,672.17
Gen Sales To Oth St Agencies	2,242.49	Misc. Donations	23,023.00
DEPARTMENT TOTAL	\$1,645,178.56	Proceeds From Asset Disposittn	2,838.83
Department Of Travel		Other Receipts	42,500.00
General Sales To Public	13,824.80	Other Deposits	45,397.03
DEPARTMENT TOTAL	\$13,824.80	Loss Claim Proceeds	54,905.04
CABINET TOTAL	\$61,643,891.30	Non State Insurance Recovery	9,600.00
Education & Workforce Development C		Refund Of Prior Year Expend	33,497.09
Education Professional Standards Board		Other	888.39
License Application Fee	747,686.69	DEPARTMENT TOTAL	\$7,601,449.17
Misc Private Grants & Gifts	120,000.00	Kentucky Commission on Proprietary Ed	
DEPARTMENT TOTAL	\$867,686.69	License Application Fee	53,722.40
Commission On Deaf And Hard Of Heari		Initial License Fee	4,050.00
General Fees From Public	1,358,200.00	Renewal License Fee	123,014.20
DEPARTMENT TOTAL	\$1,358,200.00	Other Fees Related To Licenses	10,097.66
Kentucky Environmental Education Cou		Other Receipts	305.00
Specialized License Plates	178.00	DEPARTMENT TOTAL	\$191,189.26
General Fees From Public	3,325.00	Department Of Education	
Misc Private Grants & Gifts	9,784.00	Workers Comp-Audits	774.53
DEPARTMENT TOTAL	\$13,287.00	General Sales To Public	171,428.43
Education - Office Of The Secretary		General Rentals To Public	2,194.74
Other Receipts	2,474.71	General Fees From Public	182,117.11
DEPARTMENT TOTAL	\$2,474.71	Tuition From Public	390,884.41
Department For Workforce Investment		Rental Of Buildings To Public	850.00
General Sales To Public	754,551.11	Instructional Material Resales	4,543.80
General Commisssions From Public	389,726.85	Cafeteria Resales	81,569.35
General Fees From Public	103,805.40	General Fees From Other St Agy	113,516.17
General Rentals To Oth St Agy	220,864.60	Tuition From Other State Agy	203,300.00
Genl Servs To Other St Agy	156,748.53	Utility Charges To Oth St Agy	1,950.60
Rent Of Bldgs To Other St Agy	1,039,079.64	Rev From US Dept Of Agricult	12,745.68
Utility Charges To Oth St Agy	579.00	Rev From US Health & Hum Svs	(69,234.50)
Rev From US Health & Hum Svs	4,097,744.41	Rev From US Dept Of Education	(17,015.00)
		Contributions-Employer	1,230.82
		Interest Income	13,064.67
		Misc Private Grants & Gifts	3,667,802.61

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Misc. Donations	1,700.00	Rev From US Dept Of Agricult	298.38
Proceeds From Asset Dispositrn	2,531.70	Other Receipts	640,000.00
Other Receipts	13,568.32	Other Deposits	3,496,601.81
Other Deposits	146,769.71	Other Program Income	653,800.00
Loss Claim Proceeds	226,735.30	Restitution Proceeds	3,762.00
Refund Of Prior Year Expend	3,519.73		
Other	(247,895.90)	DEPARTMENT TOTAL	\$4,837,726.11
DEPARTMENT TOTAL	\$4,908,652.28	Office Of Inspector General	
Kentucky Educational Television		General Assessments	78,085.00
General Sales To Public	877,955.81	Initial License Fee	246,127.98
Gen Sales To Oth St Agencies	261,016.15	Renewal License Fee	1,977,372.69
Rev From US Dept Of Commerce	103,614.42	Other Fees Related To Licenses	73,651.47
Rev From US Dept Of Justice	76,715.19	General Fees From Public	55,585.19
Rev From US Dept Of Treasury	9,866.64	General Fees From Other St Agy	35,000.00
Proceeds From Asset Dispositrn	12,579.46	Rev From US Dept Of Agricult	669.80
Refund Of Prior Year Expend	16,673.71	Rev From US Dept Of Justice	12,375.00
DEPARTMENT TOTAL	\$1,358,421.38	Fines	125,879.00
Department For Libraries & Archives		Interest Income	750.33
Legal Process-County Court Clk	944,324.00	Other Receipts	(636,840.79)
General Sales To Public	202,903.50	Restricted Funds	(495.00)
Gen Sales To Oth St Agencies	1,404,877.46	DEPARTMENT TOTAL	\$1,968,160.67
Genl Servs To Other St Agy	296,194.13	Office Of Health Policy	
Misc. Donations	1,507,863.58	General Fees From Public	671,658.53
Proceeds From Asset Dispositrn	5,400.00	DEPARTMENT TOTAL	\$671,658.53
DEPARTMENT TOTAL	\$4,361,562.67	CHFS - Department for Aging and Indep	
CABINET TOTAL	\$20,662,923.16	Initial License Fee	149,407.41
Health & Family Services Cabinet		General Fees From Public	1,293,144.40
Office of the Kentucky Health Benefit Ex		Fines	3,571.20
General Fees From Public	38,707.00	DEPARTMENT TOTAL	\$1,446,123.01
General Fees From Other St Agy	3,591.37	Department for Income Support	
DEPARTMENT TOTAL	\$42,298.37	General Sales To Public	52.75
CHFS - Office Of The Secretary		Other Deposits	16,350,661.17
General Fees From Public	42,963.61	Restitution Proceeds	1,502.15
Rental Of Buildings To Public	12.00	Refund Of Prior Year Expend	126.74
General Fees From Other St Agy	288.31	DEPARTMENT TOTAL	\$16,352,342.81

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Department For Public Health		Other Deposits	148,202.56
Breast Cancer Research	283,618.67	DEPARTMENT TOTAL	\$94,235,238.12
General Commisssons From Public	647,171.50	Commission For Children With Special H	
General Fees From Public	11,776,188.46	General Fees From Public	14,551,713.67
General Fees From Other St Agy	36,330,775.48	General Rentals To Oth St Agy	12,000.00
Genl Servs To Other St Agy	430.00	General Fees From Other St Agy	469,885.47
Interest Income	34.23	Interest Income-Long Term Inv	75,253.71
Misc. Donations	5,460.00	Other Receipts	1,110.00
Proceeds From Asset Dispositrn	18,128.67	Refund Of Prior Year Expend	909.38
Other Receipts	17,164,386.56	DEPARTMENT TOTAL	\$15,110,872.23
Other Program Income	7,631,257.27	CABINET TOTAL	\$597,143,329.88
DEPARTMENT TOTAL	\$73,857,450.84		
Behavioral Health, Developmental & Inte		Justice & Public Safety Cabinet	
General Sales To Public	52,806.30	Justice - Office Of The Secretary	
General Commisssons From Public	2,819.18	Motorcycle License	762,615.53
General Fees From Public	33,443,977.60	General Fees From Public	371,525.55
General Fees From Other St Agy	174,110,251.31	General Services To Public	31,250.00
Proceeds From Asset Dispositrn	2,619.00	Other Receipts	5,515.00
Other Receipts	800,382.55	DEPARTMENT TOTAL	\$1,170,906.08
DEPARTMENT TOTAL	\$208,412,855.94	Department For Public Advocacy	
Department For Community Based Servi		General Fees From Public	2,300,729.49
General Fees From Public	1,904,789.33	Court Cost	874,282.15
General Fees From Other St Agy	165,770,669.14	DEPARTMENT TOTAL	\$3,175,011.64
Rev From US Dept Of Agricult	7,407.60	Kentucky State Police	
Other Deposits	11,203,866.15	Motor Veh Operator'S License	959,940.02
Other Program Income	1,228,035.59	General Permits	1,403,675.00
DEPARTMENT TOTAL	\$180,114,767.81	License Application Fee	14,645.00
Department For Medicaid Services		Other Fees Related To Licenses	1,660.00
General Fees From Public	28,726.88	General Commisssons From Public	477.60
General Fees From Other St Agy	1,306.85	General Fees From Public	655,459.25
Other Receipts	54,012.50	General Services To Public	197,917.01
Other Deposits	9,789.21	General Fees From Other St Agy	1,671,385.15
DEPARTMENT TOTAL	\$93,835.44	Genl Servs To Other St Agy	649,843.46
Medicaid Services Benefits		Rev From US Dept Of Justice	2,995,914.50
Other Receipts	94,087,035.56	Rev From Other Federal Agys	(17,758.23)
		Local 911 Surcharge Fees	1,937,674.29

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Court Cost	174,856.44	Other Receipts	2,800,196.00
Forefeitures	1,768,397.65	Other Deposits	16.09
Interest Income	10,525.78	Loss Claim Proceeds	415,283.71
Proceeds From Asset Dispositr	347,824.44	Restitution Proceeds	20,723.44
Other Receipts	2,560,542.06		
Loan Application Fees-KAFC	9.50	DEPARTMENT TOTAL	\$9,884,957.52
DEPARTMENT TOTAL	\$15,332,988.92	CABINET TOTAL	\$31,348,729.67
Department Of Juvenile Justice		Personnel Cabinet	
General Commisssons From Public	578.61	Personnel - Office Of The Secretary	
General Fees From Public	13,173.95	General Commisssons From Public	1,788.14
General Fees From Other St Agy	814,842.12	General Fees From Public	8,792,856.46
Misc Private Grants & Gifts	50,000.00	Tuition From Public	500.00
Proceeds From Asset Dispositr	819.90	General Fees From Other St Agy	3,721,785.02
Loss Claim Proceeds	2,210.65	Interest Income	68,052.78
DEPARTMENT TOTAL	\$881,625.23	Other Receipts	1,091.97
Department Of Criminal Justice Training		Employee Benefits Assessment	2,973,500.00
Tuition From Public	23,370.00	DEPARTMENT TOTAL	\$15,559,574.37
Room & Board From Public	5,250.00	Department For Personnel Administratio	
St Emp Labor Chg To Oth St Agy	7,700.00	General Fees From Public	508.26
Concl'd Weapon App Ren/Late Fee	856,225.00	Other Receipts	123,277.60
Interest Income	5,125.96	Employee Benefits Assessment	13,096,317.21
Proceeds From Asset Dispositr	5,569.32	Refund Of Prior Year Expend	660.94
DEPARTMENT TOTAL	\$903,240.28	DEPARTMENT TOTAL	\$13,220,764.01
Department Of Corrections		CABINET TOTAL	\$28,780,338.38
General Sales To Public	40,694.24	Labor Cabinet	
General Commisssons From Public	2,832,874.96	Office of General Admin and Program Su	
General Fees From Public	184,454.06	General Sales To Public	77.15
Fees For Legal Serv Fr/Public	940,941.51	DEPARTMENT TOTAL	\$77.15
General Services To Public	928,222.51	Office of Inspector General Shared Servi	
General Fees From Other St Agy	43,709.49	General Sales To Public	46.00
Inmate Labor Chg To Oth St Agy	817,952.10	Proceeds From Asset Dispositr	1,282.50
St Emp Labor Chg To Oth St Agy	284,255.57	DEPARTMENT TOTAL	\$1,328.50
Rev From US Dept Of Education	178,456.47	CABINET TOTAL	\$1,405.65
Local Grants & Revenues	385,999.92		
Proceeds From Recyclable Sales	944.40		
Proceeds From Asset Dispositr	10,233.05		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Energy and Environment Cabinet		General Sales To Public	405,500.87
KY Public Service Commission		General Fees From Public	774,514.28
General Sales To Public	(17.41)	Soft Drink Vending Commissions	176.05
Fines	18,500.00	General Services To Public	11,298.48
Other Receipts	16,337.04	Gen Sales To Oth St Agencies	11,536.15
DEPARTMENT TOTAL	\$34,819.63	General Fees From Other St Agy	3,000.00
KY State Nature Preserves Commission		Genl Servs To Other St Agy	14,055.12
General Sales To Public	184.48	Fines	54,219.46
General Services To Public	59,890.79	Forefeitures	533,857.50
Genl Servs To Other St Agy	222,554.43	Interest Income	26,334.01
Rev From Other Federal Agys	1,193.75	Misc. Donations	15,788.71
Interest Income	465.46	Proceeds From Asset Dispositm	75,687.53
Misc Private Grants & Gifts	525.00	Other Receipts	69,664.24
Ky Nature Preserves Gift	28,338.00	Other Deposits	1,166,440.60
Other Receipts	636.34	Loss Claim Proceeds	444,609.42
DEPARTMENT TOTAL	\$313,788.25	Refund Of Prior Year Expend	346.73
EEC - Office of the Secretary		DEPARTMENT TOTAL	\$5,391,135.86
Registration/Filing Fee	24,072.80	Department for Environmental Protectio	
General Sales To Public	550.01	Truck Permits	23,940.00
Genl Servs To Other St Agy	670.00	General Permits	1,457,707.37
Other	12,348.00	Hazardous Waste Mgt Assessment	1,413,123.93
DEPARTMENT TOTAL	\$37,640.81	General Assessments	536,705.15
Department for Energy Development and		Registration/Filing Fee	66,501.50
General Sales To Public	2.70	License Application Fee	138,635.00
Other Receipts	41,993.93	License Examination Fee	120,895.00
DEPARTMENT TOTAL	\$41,996.63	Initial License Fee	67,988.50
Department for Natural Resources		Renewal License Fee	124,410.00
General Permits	1,267,590.00	Air Emission Fees	11,782,391.50
Sand & Gravel License	8,150.00	Facilit Const Sewer Line Plans	54,750.00
General Assessments	225,836.00	General Sales To Public	95.00
License Application Fee	134,725.00	General Commisssons From Public	64.50
License Examination Fee	29,448.25	General Fees From Public	733,031.61
Initial License Fee	103,600.00	Undrgrnd Strg Tank Fee - Fra	320,990.00
Renewal License Fee	13,380.00	Water Test Fees	451,425.00
Other Fees Related To Licenses	1,377.46	Genl Servs To Other St Agy	94,612.68
		Revenues From Other States	8,500.00
		Forefeitures	20,000.00

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Interest Income	12,716.47	Special Fund Special Assessmnt	30,938.60
Proceeds From Asset Dispositr	48,152.37	Registration/Filing Fee	52,400.00
Other Receipts	151,665.24	License Application Fee	201,305.00
Refund Of Prior Year Expend	527,964.77	Renewal License Fee	15,810,759.80
DEPARTMENT TOTAL	\$18,156,265.59	Other Fees Related To Licenses	26,491.99
CABINET TOTAL	\$23,975,646.77	General Sales To Public	5,046.40
Public Protection Cabinet		General Fees From Public	52,352.00
Board of Claims and Crime Victims' Com		Fees For Acct&Aud Srv Frm/Publ	2,688,066.64
General Sales To Public	391.65	Genl Srvs To Other St Agy	419,535.26
General Fees From Public	75,804.01	Fines	12,449.38
Court Cost	849,302.67	Other Receipts	938,995.28
Misc. Donations	73,275.80	Other Deposits	268.96
DEPARTMENT TOTAL	\$998,774.13	DEPARTMENT TOTAL	\$40,052,049.87
Horse Racing Commission		Occupations and Professions	
General Assessments	508,772.62	License Application Fee	15,750.00
Registration/Filing Fee	602,502.00	Renewal License Fee	49,323.00
License Application Fee	1,376,785.02	Other Fees Related To Licenses	375.00
General Sales To Public	587.73	Genl Srvs To Other St Agy	1,243,000.00
Fines	16,174.00	DEPARTMENT TOTAL	\$1,308,448.00
Interest Income	14,733.45	KY Boxing and Wrestling Authority	
Misc Private Grants & Gifts	2,774.00	License Application Fee	10,539.00
Misc. Donations	195,000.00	Renewal License Fee	28,841.40
Proceeds From Asset Dispositr	1,441.59	Other Fees Related To Licenses	62,911.55
Other Receipts	855,287.66	Fines	700.00
Abandoned Property	85,609.60	DEPARTMENT TOTAL	\$102,991.95
Other	103,248.50	Department of Alcoholic Beverage Contr	
DEPARTMENT TOTAL	\$3,762,916.17	Teen Tobacco Education Fund	99,815.84
Pub Protection - Office of the Secretary		Abc Education Training Acct	226,325.89
General Sales To Public	50.00	Abc Forfeited Property	15,084.52
Genl Srvs To Other St Agy	122.19	Alcoholic Beverage Lic Susp	11,792.00
Refund Of Prior Year Expend	780.96	Lien Fees	22,607.40
DEPARTMENT TOTAL	\$953.15	License Application Fee	920,146.80
Department of Insurance		Renewal License Fee	5,294,212.05
Insur Prem Tx Oth Than Life	5,641,415.56	Other Fees Related To Licenses	36,642.70
Insurance Agents' License	14,172,025.00	Genl Srvs To Other St Agy	25,000.00

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$6,651,627.20	Fines	38,625.00
Department of Charitable Gaming		Interest Income	267.96
Registration/Filing Fee	3,197,465.92	Proceeds From Recyclable Sales	1,607.20
License Application Fee	34,397.76	Proceeds From Asset Disposittn	27,501.47
Initial License Fee	2,300.00	Unhonored Check Penalty	350.00
Renewal License Fee	170,525.60	DEPARTMENT TOTAL	\$18,034,507.79
Fines	97,965.00	CABINET TOTAL	\$91,680,972.28
Other Receipts	134.10	TOTAL REVENUES	\$5,062,678,839.16
Restitution Proceeds	20,125.00	NON-REVENUES	
DEPARTMENT TOTAL	\$3,522,913.38	Judicial Cabinet	
Department of Financial Institutions		Judicial Form Retirement System	
General Permits	132,750.00	Op Tr From General Fund	182,100.00
General Assessments	1,868,702.99	DEPARTMENT TOTAL	\$182,100.00
Registration/Filing Fee	3,632,502.60	CABINET TOTAL	\$182,100.00
Initial License Fee	2,768,027.50	Cabinet of the General Government	
Renewal License Fee	6,204,840.00	Department Of Agriculture	
General Sales To Public	410.25	Op Tr From Agency Rev Fund	400,000.00
Fees For Acct&Aud Srv Frm/Publ	1,072,564.23	Op Tr From Tobacco Fund	2,065,500.00
Fines	553,881.25	DEPARTMENT TOTAL	\$2,465,500.00
Interest Income	1,384.70	Attorney General	
Other Receipts	1,004,526.90	Op Tr From Ot Spec Rev Fund	200,200.33
Other Deposits	5,085.22	Op Tr From Other Exp Trust Fd	252,923.34
Other	1,115.00	DEPARTMENT TOTAL	\$453,123.67
DEPARTMENT TOTAL	\$17,245,790.64	Department Of Veterans Affairs	
Department of Housing, Buildings and C		Op Tr From Capital Project Fd	135,535.46
General Permits	6,438,842.72	Op Tr From Other Exp Trust Fd	400.00
Inspection	3,505,680.25	DEPARTMENT TOTAL	\$135,935.46
License Application Fee	102,984.83	Ky Infrastructure Authority	
License Examination Fee	119,631.84	Receipts From Trustees	1,127,436.03
Initial License Fee	8,360.04	DEPARTMENT TOTAL	\$1,127,436.03
Renewal License Fee	4,533,841.11	Ky River Authority	
Other Fees Related To Licenses	23,893.37	Op Tr From Capital Project Fd	59,089.01
General Sales To Public	18,763.30		
General Fees From Public	3,182,883.70		
Tuition From Public	20,275.00		
Cigarette Enforcement & Adm	11,000.00		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$59,089.01	Board Of Nursing	
Agricultural Development Board		Op Tr From Agency Rev Fund	349,330.00
Op Tr From General Fund	20,000.00	DEPARTMENT TOTAL	\$349,330.00
DEPARTMENT TOTAL	\$20,000.00	Ky Teachers Retirement System	
Office Of Homeland Security		Op Tr From Teachers' Ret Fd	12,187,262.25
Op Tr From Other Exp Trust Fd	1,668.91	Op Tr From KTRS Excess Benefit Fu	33,337.89
DEPARTMENT TOTAL	\$1,668.91	Op Tr From Teachers Retirement Hea	1,145,785.41
Department Of Military Affairs		Op Tr From Teachers Retirement Life	29,606.34
Op Tr From Capital Project Fd	2,049,773.32	DEPARTMENT TOTAL	\$13,395,991.89
Op Tr From Federal Fund	69.01	CABINET TOTAL	\$64,619,625.96
Op Tr From Agency Rev Fund	4,976,605.97	Transportation Cabinet	
Op Tr From Other Exp Trust Fd	453,449.44	Department Of Aviation	
DEPARTMENT TOTAL	\$7,479,897.74	Op Tr From Capital Project Fd	50,000.00
Kentucky Retirement Systems		DEPARTMENT TOTAL	\$50,000.00
Op Tr From Ky Employees Ret Fd	12,861,749.41	Department Of Highways	
Op Tr From State Police Ret Fd	299,700.27	Op Tr From Debt Serv Fund	490,779.52
Op Tr From Cnty Retirement Fd	21,409,222.22	Op Tr From Federal Fund	473,997.48
Op Tr From Ky Emp Haz Fund	1,056,197.22	DEPARTMENT TOTAL	\$964,777.00
Op Tr From County Haz Fund	1,835,664.13	CABINET TOTAL	\$1,014,777.00
DEPARTMENT TOTAL	\$37,462,533.25	Finance & Administration Cabinet	
Department for Local Government		Department Of Revenue	
Op Tr From Other Exp Trust Fd	400,000.00	Op Tr From Ot Spec Rev Fund	1,538,597.24
DEPARTMENT TOTAL	\$400,000.00	Op Tr From Ins Admin Fund	18,375.68
State Treasurer		Op Tr From Special Dep Trst Fd	1,478,946.96
Op Tr From General Fund	990,700.00	DEPARTMENT TOTAL	\$3,035,919.88
DEPARTMENT TOTAL	\$990,700.00	Finance - Office Of The Secretary	
Board of Medical Imaging and Radiation		Op Tr From Computer Serv Fund	500,000.00
Op Tr From Agency Rev Fund	415.00	DEPARTMENT TOTAL	\$500,000.00
DEPARTMENT TOTAL	\$415.00	Office Of The Controller	
Board Of Auctioneers		Op Tr From Agency Rev Fund	600,000.00
Op Tr From Agency Rev Fund	278,005.00	Op Tr From Ot Spec Rev Fund	6,110.65
DEPARTMENT TOTAL	\$278,005.00	DEPARTMENT TOTAL	\$606,110.65

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Facilities & Support Services		University of Kentucky	
Op Tr From Ot Spec Rev Fund	5,606.17	Op Tr From Agency Rev Fund	1,639,012,279.36
DEPARTMENT TOTAL	\$5,606.17	Op Tr From Ot Spec Rev Fund	12,703,754.93
CABINET TOTAL	\$4,147,636.70	DEPARTMENT TOTAL	\$1,651,716,034.29
Cabinet for Universities		University of Louisville	
Kentucky Higher Education Assistance A		Op Tr From Capital Project Fd	30,663.77
Op Tr From Agency Rev Fund	470,916.55	Op Tr From Agency Rev Fund	195,585,864.85
Op Tr From Ot Spec Rev Fund	6,827,776.35	Op Tr From Ot Spec Rev Fund	1,096,831.32
Op Tr From Other Exp Trust Fd	1,832,761.00	DEPARTMENT TOTAL	\$196,713,359.94
Op Tr From Special Dep Trst Fd	70,312.28	Western Kentucky University	
DEPARTMENT TOTAL	\$9,201,766.18	Op Tr From Agency Rev Fund	122,000,000.00
Council On Postsecondary Education		DEPARTMENT TOTAL	\$122,000,000.00
Op Tr From Ot Spec Rev Fund	3,793,430.50	Ky Community Technical College System	
DEPARTMENT TOTAL	\$3,793,430.50	Op Tr From General Fund	8,877.24
Eastern Kentucky University		Op Tr From Capital Project Fd	1,785,045.85
Op Tr From Capital Project Fd	2,635,498.56	Op Tr From Agency Rev Fund	249,250,000.00
Op Tr From Agency Rev Fund	274,115,667.48	Op Tr From Ot Spec Rev Fund	42,274,286.10
DEPARTMENT TOTAL	\$276,751,166.04	DEPARTMENT TOTAL	\$293,318,209.19
Kentucky State University		CABINET TOTAL	\$3,026,484,996.57
Op Tr From Agency Rev Fund	32,045,134.84	Tourism, Arts and Heritage Cabinet	
DEPARTMENT TOTAL	\$32,045,134.84	Kentucky Arts Council	
Morehead State University		Op Tr From Agency Rev Fund	100,000.00
Op Tr From Capital Project Fd	9,357,594.08	DEPARTMENT TOTAL	\$100,000.00
Op Tr From Agency Rev Fund	91,300,000.00	Kentucky Fish And Wildlife Resources	
DEPARTMENT TOTAL	\$100,657,594.08	Op Tr From Capital Project Fd	1,722,120.23
Murray State University		Op Tr From Agency Rev Fund	1,035,002.00
Op Tr From Agency Rev Fund	170,870,201.51	DEPARTMENT TOTAL	\$2,757,122.23
DEPARTMENT TOTAL	\$170,870,201.51	Tourism - Office Of The Secretary	
Northern Kentucky University		Op Tr From Agency Rev Fund	130,000.00
Op Tr From Agency Rev Fund	169,418,100.00	Op Tr From Ot Spec Rev Fund	11,305,688.33
DEPARTMENT TOTAL	\$169,418,100.00	DEPARTMENT TOTAL	\$11,435,688.33
		CABINET TOTAL	\$14,292,810.56

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Education & Workforce Development C		DEPARTMENT TOTAL	\$7,884,297.55
Kentucky Environmental Education Cou		CHFS - Department for Aging and Indep	
Op Tr From Ot Spec Rev Fund	150,000.00	Op Tr From Agency Rev Fund	411,600.00
DEPARTMENT TOTAL	\$150,000.00	Op Tr From Ot Spec Rev Fund	1,227,383.80
Education - Office Of The Secretary		DEPARTMENT TOTAL	\$1,638,983.80
Op Tr From Federal Fund	5,269,719.02	Department for Income Support	
Op Tr From Agency Rev Fund	3,755.00	Op Tr From General Fund	110,302.79
DEPARTMENT TOTAL	\$5,273,474.02	Op Tr From Agency Rev Fund	14,902.85
Department For Workforce Investment		DEPARTMENT TOTAL	\$125,205.64
Op Tr From Capital Project Fd	94.68	Department For Public Health	
Op Tr From Agency Rev Fund	10,086,720.78	Op Tr From General Fund	511,154.69
Op Tr From Unemploy Comp Fund	34,154,906.59	Op Tr From Federal Fund	584,596.63
DEPARTMENT TOTAL	\$44,241,722.05	Op Tr From Agency Rev Fund	3,121,139.46
Department Of Education		DEPARTMENT TOTAL	\$4,216,890.78
Op Tr From General Fund	18,724,366.00	Behavioral Health, Developmental & Inte	
Op Tr From Federal Fund	890,844.45	Op Tr From General Fund	307,390.27
Op Tr From Agency Rev Fund	211,751.83	Op Tr From Agency Rev Fund	3,548,359.47
Op Tr From Special Dep Trst Fd	206,961.92	Op Tr From Ot Spec Rev Fund	1,428,064.77
DEPARTMENT TOTAL	\$20,033,924.20	DEPARTMENT TOTAL	\$5,283,814.51
Kentucky Educational Television		Department for Family Resource Centers	
Op Tr From Capital Project Fd	8,843.52	Op Tr From Ot Spec Rev Fund	39,627.66
DEPARTMENT TOTAL	\$8,843.52	DEPARTMENT TOTAL	\$39,627.66
CABINET TOTAL	\$69,707,963.79	Department For Community Based Servi	
Health & Family Services Cabinet		Op Tr From General Fund	9,810,769.98
Office of the Kentucky Health Benefit Ex		Op Tr From Agency Rev Fund	9,599,883.22
Op Tr From General Fund	8,204.30	Op Tr From Ot Spec Rev Fund	332,580.40
Op Tr From Agency Rev Fund	777,617.53	Op Tr From Other Exp Trust Fd	2,798,077.15
Op Tr From Other Exp Trust Fd	5,001,000.00	DEPARTMENT TOTAL	\$22,541,310.75
DEPARTMENT TOTAL	\$5,786,821.83	Department For Medicaid Services	
CHFS - Office Of The Secretary		Op Tr From General Fund	360,917.00
Op Tr From General Fund	1,419,653.74	Op Tr From Agency Rev Fund	11,695.97
Op Tr From Agency Rev Fund	5,589,643.81	Op Tr From Ot Spec Rev Fund	15,750,000.00
Op Tr From Ot Spec Rev Fund	875,000.00	DEPARTMENT TOTAL	\$16,122,612.97

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Medicaid Services Benefits		Op Tr From Ins Admin Fund	70,000.00
Op Tr From General Fund	3,600,000.00	Op Tr From Risk Management Fd	70,000.00
Op Tr From Agency Rev Fund	77,373,716.31	DEPARTMENT TOTAL	\$280,000.00
Op Tr From Ot Spec Rev Fund	319,149,213.31	Department For Personnel Administratio	
Op Tr From Tobacco Fund	5,372,766.84	Op Tr From Agency Rev Fund	185,000.00
DEPARTMENT TOTAL	\$405,495,696.46	DEPARTMENT TOTAL	\$185,000.00
CABINET TOTAL	\$469,135,261.95	Department For Employee Insurance	
Justice & Public Safety Cabinet		Op Tr From Health Self-Insurance Fu	9,443,800.00
Justice - Office Of The Secretary		DEPARTMENT TOTAL	\$9,443,800.00
Op Tr From Agency Rev Fund	306,600.00	CABINET TOTAL	\$9,908,800.00
Op Tr From Other Exp Trust Fd	2,000,000.00	Labor Cabinet	
DEPARTMENT TOTAL	\$2,306,600.00	Office of General Admin and Program Su	
Kentucky State Police		Op Tr From General Fund	378,500.00
Op Tr From Capital Project Fd	22,239.50	Op Tr From Federal Fund	1,280.58
Op Tr From Federal Fund	(8,317.92)	Op Tr From Agency Rev Fund	536,500.00
Op Tr From Agency Rev Fund	5,364,734.26	Op Tr From Ins Admin Fund	1,304,300.00
Op Tr From Other Exp Trust Fd	1,307,088.22	DEPARTMENT TOTAL	\$2,220,580.58
DEPARTMENT TOTAL	\$6,685,744.06	Office of Inspector General Shared Servi	
Department Of Juvenile Justice		Op Tr From Ins Admin Fund	165,000.00
Op Tr From Capital Project Fd	174,930.57	DEPARTMENT TOTAL	\$165,000.00
Op Tr From Agency Rev Fund	12,265,931.15	CABINET TOTAL	\$2,385,580.58
DEPARTMENT TOTAL	\$12,440,861.72	Energy and Environment Cabinet	
Department Of Criminal Justice Training		Environmental Quality Commission	
Op Tr From Agency Rev Fund	530,011.56	Op Tr From Ins Admin Fund	466,400.00
Op Tr From Ot Spec Rev Fund	64,762,011.17	DEPARTMENT TOTAL	\$466,400.00
DEPARTMENT TOTAL	\$65,292,022.73	KY State Nature Preserves Commission	
Department Of Corrections		Op Tr From Federal Fund	1,561.73
Op Tr From Capital Project Fd	143,982.63	Op Tr From Ot Spec Rev Fund	17,000.00
DEPARTMENT TOTAL	\$143,982.63	DEPARTMENT TOTAL	\$18,561.73
CABINET TOTAL	\$86,869,211.14	EEC - Office of the Secretary	
Personnel Cabinet		Op Tr From Federal Fund	34,325.48
Personnel - Office Of The Secretary		Op Tr From Agency Rev Fund	542,064.01
Op Tr From Agency Rev Fund	140,000.00		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Op Tr From Ins Admin Fund	731,200.00	Op Tr From Agency Rev Fund	3,652,600.00
DEPARTMENT TOTAL	\$1,307,589.49	DEPARTMENT TOTAL	\$3,771,264.28
Department for Energy Development and		Department of Insurance	
Op Tr From Federal Fund	252,717.05	Op Tr From Agency Rev Fund	7,994,469.29
Op Tr From Ot Spec Rev Fund	400,000.00	Op Tr From Other Exp Trust Fd	10,446.05
Op Tr From Other Exp Trust Fd	1,546,638.71	DEPARTMENT TOTAL	\$8,004,915.34
DEPARTMENT TOTAL	\$2,199,355.76	Department of Financial Institutions	
Department for Natural Resources		Op Tr From Agency Rev Fund	3,346,500.00
Op Tr From General Fund	734,300.00	DEPARTMENT TOTAL	\$3,346,500.00
Op Tr From Federal Fund	996,563.31	Department of Housing, Buildings and C	
Op Tr From Agency Rev Fund	1,117,890.76	Op Tr From Agency Rev Fund	1,331,795.65
Op Tr From Ot Spec Rev Fund	212,900.00	DEPARTMENT TOTAL	\$1,331,795.65
Op Tr From Other Exp Trust Fd	650,000.00	CABINET TOTAL	\$37,324,607.38
Op Tr From Special Dep Trst Fd	31,518.51	TOTAL NON-REVENUES	\$3,810,596,936.96
DEPARTMENT TOTAL	\$3,743,172.58	FUND TOTAL	\$8,873,275,776.12
Department for Environmental Protectio			
Op Tr From Capital Project Fd	303,833.88		
Op Tr From Federal Fund	1,081,719.72		
Op Tr From Agency Rev Fund	1,328,770.13		
Op Tr From Ins Admin Fund	1,114,011.29		
Op Tr From Other Exp Trust Fd	12,960,150.75		
DEPARTMENT TOTAL	\$16,788,485.77		
CABINET TOTAL	\$24,523,565.33		
Public Protection Cabinet			
Board of Claims and Crime Victims' Com			
Op Tr From Agency Rev Fund	89,500.00		
DEPARTMENT TOTAL	\$89,500.00		
Horse Racing Commission			
Op Tr From Agency Rev Fund	315,597.89		
Op Tr From Ot Spec Rev Fund	20,465,034.22		
DEPARTMENT TOTAL	\$20,780,632.11		
Pub Protection - Office of the Secretary			
Op Tr From General Fund	118,664.28		

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Legislative Cabinet		
General Assembly		
GA Legislative Ethics Commission Fund	848,705.03	30,352.00
GA Long Term Policy Research Center Fund	47,051.16	320.62
GA Trans Fund	480,000.00	
DEPARTMENT TOTAL	\$1,375,756.19	\$30,672.62
Legislative Research Commission		
Legislative Research Commission Elect Fund	105,695.66	
Legislative Research Commission Gen Fund	46,897.94	
DEPARTMENT TOTAL	\$152,593.60	
CABINET TOTAL	\$1,528,349.79	\$30,672.62
Judicial Cabinet		
Judicial Form Retirement System		
JFRS Admin Fund	116,619.49	
DEPARTMENT TOTAL	\$116,619.49	
Judicial Department		
Circuit Clerks Fund	1,443,413.28	7,738,212.47
Civil Filing Fees		5,000,000.00
Court Services	8,274,749.04	11,349,795.05
Court Technology Fund	1,706,082.77	1,695,841.50
CourtNet	490,270.65	942,185.51
Drug Court Fund	3,321,669.01	133,412.04
Master Commissioner Fund	1,124,110.38	10,284,344.15
Pretrial Fund	51,170.16	295,862.84
Various Programs Fund	986,945.67	229,702.38
DEPARTMENT TOTAL	\$17,398,410.96	\$37,669,355.94
CABINET TOTAL	\$17,515,030.45	\$37,669,355.94
Cabinet of the General Government		
Unified Prosecutorial System		
Comm Atty Corrections Grant	13,319.00	
Commonwealth's Attorneys Other Local Grants	161,347.41	845,699.40
County Attorneys Local Funds Account	154,795.18	357,474.58
UPS Co Atty Asset Forfeiture Fund	90,220.42	53,005.54
UPS Comm Atty Asset Forfeiture Fund	1,242,969.68	592,683.62

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				879,057.03
		46,870.92		500.86
		480,000.00		
		\$526,870.92		\$879,557.89
				105,695.66
				46,897.94
				\$152,593.60
		\$526,870.92		\$1,032,151.49
182,100.00	191,706.47			107,013.02
\$182,100.00	\$191,706.47			\$107,013.02
	7,642,975.77			1,538,649.98
	5,000,000.00			
	13,593,833.85			6,030,710.24
	3,278,163.10			123,761.17
				1,432,456.16
	1,925,586.53			1,529,494.52
	10,566,275.85			842,178.68
	278,719.71			68,313.29
	101,101.36			1,115,546.69
	\$42,386,656.17			\$12,681,110.73
\$182,100.00	\$42,578,362.64			\$12,788,123.75
				13,319.00
	838,852.11			168,194.70
	324,128.27			188,141.49
	16,105.51			127,120.45
	374,263.71			1,461,389.59

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
UPS County Attorney DUI Training/Expt Fund	155,371.75	54,621.61
UPS Victim Witness Protection Fund	19,213.55	
DEPARTMENT TOTAL	\$1,837,236.99	\$1,903,484.75
Department Of Agriculture		
Agriculture Education Fund	269,772.81	17,650.00
Animal Control Administrative Fund	116,693.04	78,183.00
Beekeeping Fund	100.47	125.54
Consumer & Environmental Protection Fund	5,347,919.07	3,931,522.53
Dairy Industry Fund	14,848.67	
Division of Food Distribution	77,495.20	16,358.22
Division of Regulation & Inspection	2,172,965.43	569,482.48
Farm License Plate Fees	467,153.05	507,840.63
Farms to Food Banks Trust Fund	41,259.04	30,439.93
Industrial Hemp Program	60,034.84	382.13
Kentucky Proud Program	1,083,572.52	
Marketing & Product Promotion Fund	135,125.98	48,772.25
Motor Fuel Insp & Testing Fund	686,225.54	148,082.96
Organic Certification	64,602.55	41,550.00
PACE-Agricultural Enhancement Fund	159,736.47	1,056.27
State Vet - Animal Health Fund	309,996.05	68,880.00
Strategic Planning & Admin Fund	61,898.55	49.00
USDA Pesticide Recordkeeping Grant Fund	32,871.64	
Vehicle Operations	389,618.00	1,150,242.09
Wild Ginseng Program	120,598.88	67,331.71
DEPARTMENT TOTAL	\$11,612,487.80	\$6,677,948.74
Attorney General		
Asset Forfeiture Expenses	197,545.62	0.19
Attorney General - Administrative Hearings Fund	333,134.01	294,019.70
Attorney General - Administrative Services Fund	5,138.97	2,137.62
Attorney General - Child Victims Exploitation Board	97,076.66	
Attorney General - Civil Services Fund	1,348,040.93	1,102,867.77
Attorney General - Medicaid Fraud and Abuse Fund	5,003,088.40	113,842.31
Attorney General - Mortgage Settlement Fund	4,013,260.97	
Attorney General-Consumer Protection Fund	2,507,805.89	3,313,630.12
Cemeteries and Funeral Homes	398,368.76	65,495.00
Department of Criminal Investigations	12,969.70	81,385.60

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	38,758.24			171,235.12
	430.25			18,783.30
	\$1,592,538.09			\$2,148,183.65
400,000.00	321,039.54			366,383.27
	115,656.00			79,220.04
				226.01
	2,814,538.24	1,000,000.00		5,464,903.36
				14,848.67
	75,132.58			18,720.84
	248,537.82			2,493,910.09
	395,060.42			579,933.26
	41,443.04			30,255.93
	9,963.14			50,453.83
2,065,500.00	1,059,531.33			2,089,541.19
	25,889.90			158,008.33
	211,142.50			623,166.00
	9,032.68			97,119.87
	3,437.36			157,355.38
	47,243.88			331,632.17
	593.23			61,354.32
				32,871.64
	1,014,026.09		102.00	525,936.00
	12,142.04			175,788.55
\$2,465,500.00	\$6,404,409.79	\$1,000,000.00	\$102.00	\$13,351,628.75
200.33	97,220.74			100,525.40
	544,877.35			82,276.36
	1,458.78			5,817.81
252,923.34	292,333.43			57,666.57
	1,904,462.78			546,445.92
	417,281.63			4,699,649.08
	2,743,867.97			1,269,393.00
	668,136.61			5,153,299.40
	123,767.65			340,096.11
	21,106.56			73,248.74

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
KEEP KY KIDS SAFE Scholarship	2,500.00	(199.00)
Medicaid Global Settlement Funds	2,317,785.32	75,044.30
NADDI - Drug Diversion Investigators	16,185.60	
Project SAFE	16,712.19	
Tobacco Control	41,467.27	
Victims Advocacy	16,682.63	5,515.00
DEPARTMENT TOTAL	\$16,327,762.92	\$5,053,738.61
Auditor Of Public Accounts		
Financial Audit Fund	30.93	7,997,946.56
DEPARTMENT TOTAL	\$30.93	\$7,997,946.56
Governor's Office		
Office of the Governor Fund	243,928.98	200,005.00
DEPARTMENT TOTAL	\$243,928.98	\$200,005.00
Department Of Veterans Affairs		
Veterans Cemeteries - Private Funds	48,526.34	805,694.75
Veterans Center Fund		52,203,186.65
DEPARTMENT TOTAL	\$48,526.34	\$53,008,881.40
Ky Infrastructure Authority		
KIA Administration Fund	263,587.85	14,662.74
KIA Gas System - Principal Fund	615,200.00	3,782.10
DEPARTMENT TOTAL	\$878,787.85	\$18,444.84
Ky River Authority		
KRA Dam Maintenance Fund	2,176,740.77	3,319,345.48
KRA Equipment Replacement Fund	40,306.81	3,688.85
KRA General Operations Fund	950,402.34	931,114.59
DEPARTMENT TOTAL	\$3,167,449.92	\$4,254,148.92
Agricultural Development Board		
Agriculture Development Fund	653,180.46	126,621.40
DEPARTMENT TOTAL	\$653,180.46	\$126,621.40
Office Of Homeland Security		
911 Coordinator Fund	1,326,977.74	663,275.17
Body Armor Fund	552,634.64	481,874.49
DEPARTMENT TOTAL	\$1,879,612.38	\$1,145,149.66

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				2,301.00
	403,312.43			1,989,517.19
	7,046.40			9,139.20
	3,516.00			13,196.19
200,000.00	149,685.66			91,781.61
	17,864.44			4,333.19
\$453,123.67	\$7,395,938.43			\$14,438,686.77
	7,876,074.85			121,902.64
	\$7,876,074.85			\$121,902.64
	212,725.67			231,208.31
	\$212,725.67			\$231,208.31
127,237.80	686,462.62	6,431.00		288,565.27
8,697.66	44,896,294.34	462,987.23		6,852,602.74
\$135,935.46	\$45,582,756.96	\$469,418.23		\$7,141,168.01
1,127,436.03	1,226,932.25			178,754.37
		618,982.10		
\$1,127,436.03	\$1,226,932.25	\$618,982.10		\$178,754.37
59,089.01	20,000.00	2,571,683.99		2,963,491.27
	6,845.82			37,149.84
	875,397.18	10,000.00		996,119.75
\$59,089.01	\$902,243.00	\$2,581,683.99		\$3,996,760.86
20,000.00	473,221.90			326,579.96
\$20,000.00	\$473,221.90			\$326,579.96
1,668.91	528,136.28			1,463,785.54
	677,396.08			357,113.05
\$1,668.91	\$1,205,532.36			\$1,820,898.59

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department Of Military Affairs		
Admin Svcs Opg Fund	140,874.42	138,451.76
BGS Bond Payments Fund	1,142,790.46	
BGS SOFSA Bldg 197 Lease Pmts-Built to Suit		200,114.64
BGS SOFSA Bldgs 341 & 344 Lease Pmts - Built to		1,154,903.50
Bluegrass Station Opg Fund	4,698,934.28	11,067,847.78
CCDF Opg Fund	8,605,423.26	18,118,484.74
ComSPUCEN Bldg 415 Lease Pmts - Built to Suit	59,166.67	723,016.64
Crisis Counseling Opg Fund	95,654.92	8,349.65
Emergency Mgt Opg Fund	93,690.90	134.77
Facilities Grant Matching	69,292.71	
HIDTA Opns Fund	666,463.17	45.19
KERC Grants Fund	139,912.67	
NON-REIMBURSABLE UTILITIES	278,558.21	
Property Mgt Opg Fund	62,343.01	29,390.77
SARA TITLE III Fund	42,486.56	
YC Private Gifts and Grants	56,014.33	
Youth Challenge - Ft. Knox	951,254.54	368,551.08
Youth Challenge - Harlan	604,264.11	333,490.96
DEPARTMENT TOTAL	\$17,707,124.22	\$32,142,781.48
Kentucky Retirement Systems		
Ky Retirement Systems Fund		63,150.39
DEPARTMENT TOTAL		\$63,150.39
Department for Local Government		
County Cemetery Fund	2,981.69	20.70
Economic Development Administration Grants	68,360.81	
Endow Kentucky Commission Fund	7,123.02	1,000.00
GOLD Administration Fund	320,688.71	190,617.18
SOAR Administrative Expenses		
Special Purpose Government Entities	332,816.71	233,075.00
TVA Settlement Money		354,878.79
DEPARTMENT TOTAL	\$731,970.94	\$779,591.67
Secretary Of State		
SOS - Candidate Filing Fees Fund	132,117.37	16,560.00
SOS - Limited Liability Company Fund	3,189,867.29	3,592,944.70

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
200,000.00	135,461.24			343,864.94
1,830,360.00	59,565.43	1,741,177.34		1,172,407.69
66,704.88	200,114.64	44,469.92		22,234.96
322,563.92	1,205,074.00	137,167.92		135,225.50
1,097,022.20	6,607,333.03	2,782,421.38		7,474,049.85
1,089,919.04	15,077,905.20	4,602,856.00		8,133,065.84
1,574.25	716,297.00	(4,722.75)		72,183.31
	9,048.83			94,955.74
69.01	(0.01)			93,894.69
360,000.00	40,536.93			388,755.78
200,000.00				866,508.36
196,724.72	214,162.51			122,474.88
1,538,235.00	947,268.49			869,524.72
80,000.00	1,472.87			170,260.91
196,724.72	195,116.53			44,094.75
	30,615.69			25,398.64
150,000.00	597,290.85			872,514.77
150,000.00	614,362.49			473,392.58
\$7,479,897.74	\$26,651,625.72	\$9,303,369.81		\$21,374,807.91
37,462,533.25	31,073,633.75	6,452,049.89		
\$37,462,533.25	\$31,073,633.75	\$6,452,049.89		
				3,002.39
	53,866.07			14,494.74
	669.00			7,454.02
	110,506.37			400,799.52
400,000.00	400,000.00			
	189,493.63			376,398.08
	255,364.93		(99,513.86)	
\$400,000.00	\$1,009,900.00		(\$99,513.86)	\$802,148.75
	43,731.69			104,945.68
	1,151,101.58	1,300,000.00		4,331,710.41

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$3,321,984.66	\$3,609,504.70
State Treasurer		
Treasury Disbursements & Accounting Fund	34,055.00	36,885.00
Treasury Unclaimed Property Fund	227,594.24	
DEPARTMENT TOTAL	\$261,649.24	\$36,885.00
Ky Board of Home Inspectors		
BCE Home Inspector Fund	79,255.09	107,713.40
DEPARTMENT TOTAL	\$79,255.09	\$107,713.40
Board of Licensed Diabetes Educators		
Board of Licensed Diabetes Educators	19,337.12	28,290.00
DEPARTMENT TOTAL	\$19,337.12	\$28,290.00
Early Childhood Development		
Early Childhood	23,783.28	5,000.00
DEPARTMENT TOTAL	\$23,783.28	\$5,000.00
Board of Medical Imaging and Radiation Therapy		
Medical Imaging & Radiation Therapy	103,920.46	184,799.00
DEPARTMENT TOTAL	\$103,920.46	\$184,799.00
Board Of Accountancy		
Board of Accountancy Fund	1,030,243.90	560,940.00
DEPARTMENT TOTAL	\$1,030,243.90	\$560,940.00
Board Of Auctioneers		
Board of Auctioneers Fund	504,605.17	26,985.00
Board of Auctioneers Operating Fund	133,181.86	317,767.44
DEPARTMENT TOTAL	\$637,787.03	\$344,752.44
Board Of Barbering		
Board of Barbering Fund	113,278.19	333,394.34
DEPARTMENT TOTAL	\$113,278.19	\$333,394.34
Board Of Chiropractic Examiners		
Board of Chiropractic Examiners Fund	334,287.92	279,198.00
DEPARTMENT TOTAL	\$334,287.92	\$279,198.00
Ky Applied Behavior Analysis Licensing Board		
KY Applied Behavior Analysis Licensing Board	22,143.14	21,545.00

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$1,194,833.27	\$1,300,000.00		\$4,436,656.09
				70,940.00
990,700.00	1,034,511.11			183,783.13
\$990,700.00	\$1,034,511.11			\$254,723.13
	82,214.78			104,753.71
	\$82,214.78			\$104,753.71
	7,472.13			40,154.99
	\$7,472.13			\$40,154.99
	4,858.85			23,924.43
	\$4,858.85			\$23,924.43
415.00	236,351.44			52,783.02
\$415.00	\$236,351.44			\$52,783.02
	468,754.92	150,000.00		972,428.98
	\$468,754.92	\$150,000.00		\$972,428.98
	3,581.88	278,005.00		250,003.29
278,005.00	334,000.88			394,953.42
\$278,005.00	\$337,582.76	\$278,005.00		\$644,956.71
	313,599.43			133,073.10
	\$313,599.43			\$133,073.10
	327,892.35	50,000.00		235,593.57
	\$327,892.35	\$50,000.00		\$235,593.57
	13,580.96			30,107.18

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$22,143.14	\$21,545.00
Board Of Professional Counselors		
Board of Cert for Professional Counselors Fund	247,676.30	264,053.20
DEPARTMENT TOTAL	\$247,676.30	\$264,053.20
Board Of Certification Of Fee-Based Pastoral Couns		
Board of Cert for Fee-Based Pastoral Counselors Fun	5,485.05	2,960.00
DEPARTMENT TOTAL	\$5,485.05	\$2,960.00
Board Of Alcohol And Drug Abuse Counselors		
Board of Alcohol & Drug Counselors Fund	100,021.18	108,569.00
DEPARTMENT TOTAL	\$100,021.18	\$108,569.00
Board Of Interpreters For The Deaf And Hard Of He		
Board of Interpreters for Deaf & Hard of Hearing Fu	14,447.26	42,435.00
DEPARTMENT TOTAL	\$14,447.26	\$42,435.00
Ky Brd Of Licensure For Massage Therapy		
Board of Massage Therapy Fund	186,018.56	148,524.50
DEPARTMENT TOTAL	\$186,018.56	\$148,524.50
Board of Prosthetics, Orthotics and Pedorthics		
Board of Prosthetics, Orthotics & Pedorthics	107,007.16	35,800.00
DEPARTMENT TOTAL	\$107,007.16	\$35,800.00
Board Of Dentistry		
Board of Dentistry Fund	353,354.38	547,231.25
DEPARTMENT TOTAL	\$353,354.38	\$547,231.25
Bd Of Licensure And Cert For Dietitians And Nutriti		
Board of Lic Dietitians/Nutritionist Fund	120,994.05	71,969.00
DEPARTMENT TOTAL	\$120,994.05	\$71,969.00
Board Of Elections		
Board of Elections - General Admin Fund	131,629.42	43,371.17
Election Fund - Requirements Payment	221,691.32	1,482.00
Election Fund - Title 3 Requirements	377,666.65	2,499.38
DEPARTMENT TOTAL	\$730,987.39	\$47,352.55
Board Of Embalmers And Funeral Home Directors		
Board of Embalmers & Funeral Home Directors Fun	234,858.89	345,815.00

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$13,580.96			\$30,107.18
	197,115.14			314,614.36
	\$197,115.14			\$314,614.36
	2,464.06			5,980.99
	\$2,464.06			\$5,980.99
	79,070.88			129,519.30
	\$79,070.88			\$129,519.30
	32,687.81			24,194.45
	\$32,687.81			\$24,194.45
	182,505.22			152,037.84
	\$182,505.22			\$152,037.84
	56,976.29			85,830.87
	\$56,976.29			\$85,830.87
	733,085.03			167,500.60
	\$733,085.03			\$167,500.60
	66,004.68			126,958.37
	\$66,004.68			\$126,958.37
	5,219.48			169,781.11
				223,173.32
	16,487.12			363,678.91
	\$21,706.60			\$756,633.34
	417,528.14			163,145.75

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$234,858.89	\$345,815.00
Kentucky Board of Architects		
Board of Exam & Registry of Architects Fund	352,375.70	444,955.00
DEPARTMENT TOTAL	\$352,375.70	\$444,955.00
Bd Of Examiners/Registration Of Landscape Archite		
Board of Landscape Architects Fund	39,025.23	71,880.00
DEPARTMENT TOTAL	\$39,025.23	\$71,880.00
Board Of Examiners Of Psychologists		
Board of Exam of Psychologists Fund	369,269.05	215,572.63
DEPARTMENT TOTAL	\$369,269.05	\$215,572.63
Board Of Examiners Of Social Work		
Board of Exam of Social Workers Fund	424,283.90	330,715.76
DEPARTMENT TOTAL	\$424,283.90	\$330,715.76
Board Of Hairdressers And Cosmetologists		
Board of Hairdressers & Cosmetologists Fund	1,047,827.86	1,397,435.45
DEPARTMENT TOTAL	\$1,047,827.86	\$1,397,435.45
Board Of Licensing Hearing Aid Dealers & Fitters		
Board of Hearing Instrument Specialists Fund	113,560.95	71,455.92
DEPARTMENT TOTAL	\$113,560.95	\$71,455.92
Board Of Licensure For Nursing Home Administrato		
Board of Lic for Nursing Home Administrators Fund	93,176.80	81,133.00
DEPARTMENT TOTAL	\$93,176.80	\$81,133.00
Board Of Medical Licensure		
Board of Medical Licensure Fund	2,790,773.97	3,350,081.24
DEPARTMENT TOTAL	\$2,790,773.97	\$3,350,081.24
Board Of Nursing		
Board of Nursing - Scholarship Fund	444,859.78	67,596.59
Board of Nursing Fund	2,561,059.31	5,613,009.04
DEPARTMENT TOTAL	\$3,005,919.09	\$5,680,605.63
Board Of Ophthalmic Dispensers		
Board of Ophthalmic Dispensers Fund	24,378.67	41,836.00
DEPARTMENT TOTAL	\$24,378.67	\$41,836.00

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$417,528.14			\$163,145.75
	400,584.98			396,745.72
	\$400,584.98			\$396,745.72
	64,986.67			45,918.56
	\$64,986.67			\$45,918.56
	229,881.00			354,960.68
	\$229,881.00			\$354,960.68
	279,446.74	50,000.00		425,552.92
	\$279,446.74	\$50,000.00		\$425,552.92
	1,297,905.04	100,000.00		1,047,358.27
	\$1,297,905.04	\$100,000.00		\$1,047,358.27
	56,143.50			128,873.37
	\$56,143.50			\$128,873.37
	59,167.31			115,142.49
	\$59,167.31			\$115,142.49
	2,860,461.63	250,000.00		3,030,393.58
	\$2,860,461.63	\$250,000.00		\$3,030,393.58
349,330.00	439,851.56			421,934.81
	5,102,570.15	349,330.00	36.86	2,722,205.06
\$349,330.00	\$5,542,421.71	\$349,330.00	\$36.86	\$3,144,139.87
	47,976.02			18,238.65
	\$47,976.02			\$18,238.65

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Board Of Optometric Examiners		
Board of Optometric Examiners Fund	132,655.02	194,845.00
DEPARTMENT TOTAL	\$132,655.02	\$194,845.00
Board Of Professional Art Therapists		
Board of Professional Art Therapists Fund	14,250.27	7,716.80
DEPARTMENT TOTAL	\$14,250.27	\$7,716.80
Board Of Occupational Therapy		
Board of Occupational Therapy Fund	234,029.51	159,908.00
DEPARTMENT TOTAL	\$234,029.51	\$159,908.00
Board For Respiratory Care Practitioners		
Board of Respiratory Care Practitioners Fund	126,025.79	200,343.00
DEPARTMENT TOTAL	\$126,025.79	\$200,343.00
Board Of Certification For Marriage And Family The		
Board for Marriage & Family Therapists Fund	181,777.39	109,830.00
DEPARTMENT TOTAL	\$181,777.39	\$109,830.00
Personnel Board		
Personnel Board Fund	98,358.09	851,657.20
DEPARTMENT TOTAL	\$98,358.09	\$851,657.20
Board Of Pharmacy		
Board of Pharmacy Fund	1,283,959.07	1,983,937.00
US Marshal Drug Interdict Fund Account	240,284.49	
DEPARTMENT TOTAL	\$1,524,243.56	\$1,983,937.00
Board Of Physical Therapist		
Board of Physcial Therapy Fund	444,638.90	856,448.04
DEPARTMENT TOTAL	\$444,638.90	\$856,448.04
Board Of Podiatry		
Board of Podiatry Fund	91,766.30	28,425.00
DEPARTMENT TOTAL	\$91,766.30	\$28,425.00
Real Estate Appraisers Board		
Appraisal Management Company Registration Fund	38,400.00	35,400.00
Real Estate Appraisers Board Fund	792,183.19	785,731.01
DEPARTMENT TOTAL	\$830,583.19	\$821,131.01

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	197,411.18			130,088.84
	\$197,411.18			\$130,088.84
	10,833.79			11,133.28
	\$10,833.79			\$11,133.28
	149,329.71	50,000.00		194,607.80
	\$149,329.71	\$50,000.00		\$194,607.80
	197,685.53			128,683.26
	\$197,685.53			\$128,683.26
	113,402.41			178,204.98
	\$113,402.41			\$178,204.98
	769,529.15			180,486.14
	\$769,529.15			\$180,486.14
	1,694,277.84	100,000.00		1,473,618.23
	51,233.09			189,051.40
	\$1,745,510.93	\$100,000.00		\$1,662,669.63
	523,304.79	50,000.00		727,782.15
	\$523,304.79	\$50,000.00		\$727,782.15
	38,462.42			81,728.88
	\$38,462.42			\$81,728.88
	608.86			73,191.14
	716,398.40	50,000.00		811,515.80
	\$717,007.26	\$50,000.00		\$884,706.94

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Bd of Licensure for Professional Engineers & Land S		
Board of Registry for Prof Engineers/Land Surveyors	914,975.78	1,631,638.84
DEPARTMENT TOTAL	\$914,975.78	\$1,631,638.84
Board Of Speech Pathology And Audiology		
Board of Speech Pathology & Audiology Fund	289,481.60	163,988.42
DEPARTMENT TOTAL	\$289,481.60	\$163,988.42
Board Of Veterinary Examiners		
Board of Veterinary Examiners Fund	379,859.08	523,845.00
DEPARTMENT TOTAL	\$379,859.08	\$523,845.00
Ky Board Of Licensure For Private Investigators		
Board of Private Investigators Fund	258,312.66	80,895.00
DEPARTMENT TOTAL	\$258,312.66	\$80,895.00
Executive Branch Ethics Commission		
Executive Branch Ethics Commission Fund	33,309.08	74,130.61
DEPARTMENT TOTAL	\$33,309.08	\$74,130.61
Board Of Registration For Professional Geologists		
Board of Geologists Fund	113,293.00	18,750.00
DEPARTMENT TOTAL	\$113,293.00	\$18,750.00
Real Estate Commission		
Real Estate Comm - Ed Research Training Fund	1,345,900.62	681,378.41
Real Estate Comm - Operations Fund	826,430.36	1,289,832.61
DEPARTMENT TOTAL	\$2,172,330.98	\$1,971,211.02
Commission On Women		
Commission on Women Fund	43.56	
DEPARTMENT TOTAL	\$43.56	
Ky Teachers Retirement System		
Teachers Retirement System Fund	3,812,362.10	(240,889.34)
DEPARTMENT TOTAL	\$3,812,362.10	(\$240,889.34)
Office Of State Budget Director		
Office of State Budget Director Fund	515,397.74	
DEPARTMENT TOTAL	\$515,397.74	
CABINET TOTAL	\$83,564,904.80	\$141,622,106.03

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	1,237,220.59	50,000.00		1,259,394.03
	\$1,237,220.59	\$50,000.00		\$1,259,394.03
	157,398.72			296,071.30
	\$157,398.72			\$296,071.30
	209,818.48			693,885.60
	\$209,818.48			\$693,885.60
	67,946.72			271,260.94
	\$67,946.72			\$271,260.94
	107,257.04			182.65
	\$107,257.04			\$182.65
	91,707.29			40,335.71
	\$91,707.29			\$40,335.71
	710,255.64	100,000.00		1,217,023.39
	1,275,986.39			840,276.58
	\$1,986,242.03	\$100,000.00		\$2,057,299.97
				43.56
				\$43.56
13,395,991.89	10,705,407.41	3,850,361.84		2,411,695.40
\$13,395,991.89	\$10,705,407.41	\$3,850,361.84		\$2,411,695.40
	272,094.98			243,302.76
	\$272,094.98			\$243,302.76
\$64,619,625.96	\$167,554,873.65	\$27,203,200.86	(\$99,375.00)	\$94,949,187.28

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Transportation Cabinet		
Transportation - Office Of The Secretary		
TC Office of Public Relations Fund		1,000.00
TC Other Agency Participation Fund	113,493.66	44,367.38
Tran - Payroll Clearing Fund	(1,085,711,407.03)	
DEPARTMENT TOTAL	(\$1,085,597,913.37)	\$45,367.38
Office Of Legal Services		
Tran - Payroll Clearing Fund	10,546,216.37	
DEPARTMENT TOTAL	\$10,546,216.37	
Office of Support Services		
Tran - Payroll Clearing Fund	17,805,948.89	
DEPARTMENT TOTAL	\$17,805,948.89	
Department Of Administrative Services		
Tran - Payroll Clearing Fund	13,741.36	
DEPARTMENT TOTAL	\$13,741.36	
Department Of Aviation		
TC Airport Operations Fund	454,441.41	1,539,302.97
TC Aviation Fund	8,094,571.60	14,320,772.25
Tran - Payroll Clearing Fund	10,944,949.03	
DEPARTMENT TOTAL	\$19,493,962.04	\$15,860,075.22
Office Of Personnel Management		
Tran - Payroll Clearing Fund	11,802,856.83	
DEPARTMENT TOTAL	\$11,802,856.83	
Office of Information Technology		
Tran - Payroll Clearing Fund	14,950,241.18	
DEPARTMENT TOTAL	\$14,950,241.18	
Office of Audits		
Tran - Payroll Clearing Fund	7,887,572.13	
DEPARTMENT TOTAL	\$7,887,572.13	
Public Transportation		
TC Human Service Fund		560,000.00
TC-Veteran Transportation Fund	56,720.80	100,000.00
Tran - Payroll Clearing Fund	2,760,798.15	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				1,000.00
				157,861.04
				(1,085,711,407.03)
				(\$1,085,552,545.99)
				10,546,216.37
				\$10,546,216.37
				17,805,948.89
				\$17,805,948.89
				13,741.36
				\$13,741.36
	1,601,123.70			392,620.68
50,000.00	6,420,521.27	1,460,500.00		14,584,322.58
				10,944,949.03
\$50,000.00	\$8,021,644.97	\$1,460,500.00		\$25,921,892.29
				11,802,856.83
				\$11,802,856.83
				14,950,241.18
				\$14,950,241.18
				7,887,572.13
				\$7,887,572.13
	560,000.00			
	56,629.60			100,091.20
				2,760,798.15

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$2,817,518.95	\$660,000.00
Department of Transportation Safety		
TC Driver Safety Fund	250.00	
Tran - Payroll Clearing Fund	6,025,946.22	
DEPARTMENT TOTAL	\$6,026,196.22	
Department Of Highways		
TC 2005 GA Auth ED Bond Fund	148,110,591.71	
TC BRAC Bonds	31,789,676.63	204,069.60
TC Contingency Proj Fund		
TC CRA Bond Fund	(9,450,940.91)	
TC Driver Safety Fund	22,892.03	
TC Equipment Fund	16,288,472.53	60,872,571.41
TC Fed State Match Fund		2,407,672.95
TC FHWA Special Projects Fund		82,282.62
TC Garvee Bond for Louisville Bridges Project	26,931,593.99	27,133.12
TC Interstate Rehabilitation Fund	2,396,701.28	8,040.04
TC Louisville Bridge Fund		
TC LSIORB TIFIA Loan	391,103,661.68	636,327.53
TC LSIORB Toll Revenue Bonds	87,985,176.89	18,749.42
TC Maintenance Fund		1,195,763.30
TC Municipal Aid Bond Fund	(172,967.88)	
TC Non Federal Aid Fund		3,548,506.40
TC Reiverport Financial Assistance Trust Fund	10,000.00	
TC Traffic Fund		2,224,099.99
TC Western KY Bridge Project	147,221,030.52	992,451.96
TC/TAK ED Highway Bond Fund		670,542.23
Tran - Payroll Clearing Fund	942,978,172.72	
DEPARTMENT TOTAL	\$1,785,214,061.19	\$72,888,210.57
Department Of Intergovernmental Programs		
TC CRA Bond Fund	9,450,940.91	
TC Municipal Aid Bond Fund	172,967.88	
TC Office of Public Relations Fund	0.06	
Tran - Payroll Clearing Fund	8,128,097.06	
DEPARTMENT TOTAL	\$17,752,005.91	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$616,629.60			\$2,860,889.35
				250.00
				6,025,946.22
				\$6,026,196.22
			(148,110,591.71)	
	1,887,301.76			30,106,444.47
	(657,301.43)		(657,301.43)	(9,450,940.91)
	7,314.67			15,577.36
	62,542,665.46		(302.32)	14,618,076.16
	1,759,256.73		(648,416.22)	
473,997.48	80,692.07		(475,588.03)	
	14,737,627.94			12,221,099.17
490,779.52	1,310,960.53			1,584,560.31
	994,716.01		994,716.01	
	170,940,487.69			220,799,501.52
	88,003,926.31			
	913,748.48		(282,014.82)	(172,967.88)
	635,429.75		(1,895,007.90)	1,018,068.75
				10,000.00
	2,127,920.00		(96,179.99)	
	86,348,865.50			61,864,616.98
	100,795,097.42		148,110,591.71	47,986,036.52
				942,978,172.72
\$964,777.00	\$532,428,708.89		(\$3,060,094.70)	\$1,323,578,245.17
				9,450,940.91
				172,967.88
				0.06
	(30.82)			8,128,127.88
	(\$30.82)			\$17,752,036.73

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department Of Vehicle Regulation		
IFTA Processing Fund	94,450.07	1,019,386.61
TC Alcoholic Driver Education Fund	214,551.77	250,779.12
TC Avis Replacement Account	189,996.23	4,211,415.00
TC Commercial Drivers License Fund	275,067.69	976,738.06
TC County Clerk IT Improvement Account		4,211,415.00
TC County Clerk Revenue Supplement Account	2,334,301.00	4,211,415.00
TC Driver Safety Fund	7,554.44	
TC Hwy Work Zone Enforcement Fund	83,234.86	(79,399.22)
TC Internet Renewal Conv Fee Fund	272,677.12	124,095.00
TC Motor Boat Titling Fund	161,141.07	280,642.15
TC Motor Vehicle Commission Fund		1,027,678.95
TC Reflectorized License Plate Fund	2,328,138.39	2,040,985.17
TC Solid Waste Transport Fund	35,356.09	44,746.54
Tran - Payroll Clearing Fund	51,866,867.09	
DEPARTMENT TOTAL	\$57,863,335.82	\$18,319,897.38
CABINET TOTAL	\$866,575,743.52	\$107,773,550.55
Cabinet for Economic Development		
Econ Dev - Office Of The Secretary		
Business Dev - GIS Fund	309,837.61	
Financial Incentives Fund	343,141.95	1,505,101.42
Off Secy - EP&M Fund	229,756.67	
Off Secy - Innovation & Commercialization Fund	2,358,816.49	1,335,057.73
DEPARTMENT TOTAL	\$3,241,552.72	\$2,840,159.15
CABINET TOTAL	\$3,241,552.72	\$2,840,159.15
Finance & Administration Cabinet		
Commonwealth Office Of Technology		
COT Restricted Fund	788,068.24	364,194.32
GIS LIDAR	42,021.60	1,269,754.70
DEPARTMENT TOTAL	\$830,089.84	\$1,633,949.02
Office of PVA Accounting		
PVA Fund	81,308.46	4,955,281.84
DEPARTMENT TOTAL	\$81,308.46	\$4,955,281.84

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	1,087,712.33			26,124.35
	272,667.55			192,663.34
		4,100,000.00		301,411.23
	969,018.00			282,787.75
	3,474,434.68		(407,250.69)	329,729.63
	4,209,077.00			2,336,639.00
				7,554.44
				3,835.64
	73,545.72	250,000.00		73,226.40
	359,457.35			82,325.87
	997,718.98			29,959.97
		3,000,000.00		1,369,123.56
	49,651.71			30,450.92
	30.82			51,866,836.27
	\$11,493,314.14	\$7,350,000.00	(\$407,250.69)	\$56,932,668.37
\$1,014,777.00	\$552,560,266.78	\$8,810,500.00	(\$3,467,345.39)	\$410,525,958.90
	75,000.00			234,837.61
	1,696,433.71			151,809.66
				229,756.67
	1,758,408.69			1,935,465.53
	\$3,529,842.40			\$2,551,869.47
	\$3,529,842.40			\$2,551,869.47
	720,786.23			431,476.33
	1,272,253.32			39,522.98
	\$1,993,039.55			\$470,999.31
	4,795,541.92			241,048.38
	\$4,795,541.92			\$241,048.38

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department Of Revenue		
Field Operations Fund	2,018,798.44	957,923.94
Processing & Enforcement Fund	5,001,766.37	4,839,655.05
Property Valuation Fund	3,149,096.29	1,892,646.04
Revenue - Restricted Agency Fund	210,634.27	294,624,528.79
Sales & Excise Tax Fund	2,611,194.75	3,182,441.82
DEPARTMENT TOTAL	\$12,991,490.12	\$305,497,195.64
Kentucky Turnpike Authority		
TAK Administration	275,096.63	
DEPARTMENT TOTAL	\$275,096.63	
Finance - Office Of The Secretary		
Finance Agency Receipts Fund	1,372,705.30	
Finance Ofc of Policy and Audit	21,350.64	
Finance Office of the Secretary	1,512,946.85	1,432,305.33
Finance Postal Receipts Fund	2,900,801.65	2,680,021.39
DEPARTMENT TOTAL	\$5,807,804.44	\$4,112,326.72
Office Of The Controller		
Finance eMARS Customer Resource Center	678,822.18	3,516,375.00
Finance OFM Income Fund	2,347,476.21	2,987,872.19
Finance Social Security Interest Fund	23,888.75	
Office of the Controller		
Payroll Clearing Fund		
Unredeemed Check Fund 1300	1,987,330.02	301,942.92
DEPARTMENT TOTAL	\$5,037,517.16	\$6,806,190.11
County Costs		
Finance DUI Service Fee Fund	122.77	741,215.17
Finance Public Defender Fund	257,013.46	496,641.00
DEPARTMENT TOTAL	\$257,136.23	\$1,237,856.17
Facilities & Support Services		
Finance Facilities Services Fund	1,583,150.25	29,495.38
Finance Federal Surplus Fund	460,066.91	498,700.05
Finance State Surplus Fund	493,929.73	615,975.58
DEPARTMENT TOTAL	\$2,537,146.89	\$1,144,171.01
CABINET TOTAL	\$27,817,589.77	\$325,386,970.51

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	1,013,511.08			1,963,211.30
1,478,946.96	5,447,660.76	4,389,600.00		1,483,107.62
	1,163,610.81	3,250,000.00		628,131.52
1,556,972.92		296,065,432.03		326,703.95
	3,687,450.39			2,106,186.18
\$3,035,919.88	\$11,312,233.04	\$303,705,032.03		\$6,507,340.57
	79,782.18			195,314.45
	\$79,782.18			\$195,314.45
500,000.00	683,925.61			1,188,779.69
	9,359.74			11,990.90
	501,779.16	500,000.00		1,943,473.02
	2,565,041.31			3,015,781.73
\$500,000.00	\$3,760,105.82	\$500,000.00		\$6,160,025.34
500,000.00	3,959,942.18			735,255.00
	2,225,892.70	100,000.00		3,009,455.70
6,110.65	29,960.40			39.00
100,000.00	94,118.25			5,881.75
	(5,375.99)		(5,375.99)	
	112,412.50			2,176,860.44
\$606,110.65	\$6,416,950.04	\$100,000.00	(\$5,375.99)	\$5,927,491.89
	741,215.19			122.75
	753,600.00			54.46
	\$1,494,815.19			\$177.21
28.59	29,914.89	27,111.36	4,000.00	1,559,647.97
	525,080.59			433,686.37
5,577.58	556,418.25	34,381.68	7,400.00	532,082.96
\$5,606.17	\$1,111,413.73	\$61,493.04	\$11,400.00	\$2,525,417.30
\$4,147,636.70	\$30,963,881.47	\$304,366,525.07	\$6,024.01	\$22,027,814.45

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet for Universities		
Kentucky Higher Education Assistance Authority		
College Access Program Fund	488,795.15	237,348.00
Early Childhood Development Scholarship Fund	177,763.72	211,791.15
General Admin & Support Fund	2,333,104.33	20,119,160.45
Go Higher Grant	6,976.00	1,428.00
KAPT Administration Fund		500,000.00
KEES Fund	8,814.52	219,524.00
KY Coal Co Completion Scholarship		1,964.00
Ky National Guard Scholarship Fund	1,383.00	28,219.70
Ky Tuition Grant Fund	270,959.00	62,544.00
Mary Jo Young Scholarship Fund	12,277.45	2,100.20
Pharmacy School Repayments	3,467.76	43,139.83
Teacher Scholarships Fund	350,820.73	
Workstudy Program Fund	1,255.89	163.39
DEPARTMENT TOTAL	\$3,655,617.55	\$21,427,382.72
Council On Postsecondary Education		
Adult Education Agency Fund	91,317.16	152,740.00
Cancer Research Institutions Matching Fund	111,750.29	1,556.73
Licensure	1,001,842.60	488,100.00
Operations Fund	555,849.92	400,442.22
DEPARTMENT TOTAL	\$1,760,759.97	\$1,042,838.95
Eastern Kentucky University		
EKU Cons Educ Bldgs Fund	32,190,178.09	271,169,340.60
EKU General Operations Fund	783,224.88	
EKU Housing & Dining Fund	9,983,678.12	66,739.58
DEPARTMENT TOTAL	\$42,957,081.09	\$271,236,080.18
Kentucky State University		
KSU Cons Educ Bldgs Fund	13,616,974.67	35,776,023.21
KSU General Operations Fund	2,297,698.63	
KSU Housing & Dining Fund	822.47	6.20
DEPARTMENT TOTAL	\$15,915,495.77	\$35,776,029.41
Morehead State University		
Morehead St Cons Educ Bldg Fund	9,596,018.44	71,533,687.52
Morehead St Fund for Excellence	45,971.13	307.93

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	97,100.00			629,043.15
				389,554.87
71,027.28	18,912,450.18	470,916.55		3,139,925.33
				8,404.00
	469,904.39			30,095.61
6,500,000.00	6,682,884.00			45,454.52
1,832,761.00	1,834,725.00			
	10,000.00			19,602.70
	83,000.00			250,503.00
470,916.55	482,915.10			2,379.10
				46,607.59
327,061.35	102,987.00			574,895.08
				1,419.28
\$9,201,766.18	\$28,675,965.67	\$470,916.55		\$5,137,884.23
	162,620.48			81,436.68
3,793,430.50	3,906,437.52	300.00		
	302,412.88			1,187,529.72
	343,660.19	500,000.00		112,631.95
\$3,793,430.50	\$4,715,131.07	\$500,300.00		\$1,381,598.35
2,635,498.56		282,584,420.48		23,410,596.77
274,115,667.48	274,115,667.49			783,224.87
				10,050,417.70
\$276,751,166.04	\$274,115,667.49	\$282,584,420.48		\$34,244,239.34
		32,054,201.34		17,338,796.54
32,045,134.84	32,877,884.91			1,464,948.56
				828.67
\$32,045,134.84	\$32,877,884.91	\$32,054,201.34		\$18,804,573.77
		74,600,000.00		6,529,705.96
				46,279.06

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Morehead St General Operations Fund	552,984.01	
Morehead St Housing & Dining Fund	2,517,128.92	18,011,048.50
DEPARTMENT TOTAL	\$12,712,102.50	\$89,545,043.95
Murray State University		
Murray St Cons Ed Renewal & Replace Fund	1,122,742.38	7,941.24
Murray St Cons Educ Bldg Fund	67,343,575.47	111,745,383.78
Murray St General Operations Fund	1,202,920.69	(14,549,139.51)
Murray St Housing & Dining Fund	11,530,570.09	31,889,099.26
Murray St Intermediate Investment Fund	16,800,611.27	112,309.77
DEPARTMENT TOTAL	\$98,000,419.90	\$129,205,594.54
Northern Kentucky University		
NKU General Operations Fund	253,909.05	6,941,342.05
NKU General Receipts Fund	30,431,676.23	28,867,907.65
NKU General Receipts Investment Fund	65,765,366.16	135,666,112.68
NKU Housing & Dining Fund	195,375.45	112,248.36
NKU Housing & Dining State Investment Fund	289,851.97	1,302,572.92
DEPARTMENT TOTAL	\$96,936,178.86	\$172,890,183.66
University of Kentucky		
UK Cons Educ Bldg Fund	113,476,310.19	326,105,077.27
UK General Operations Fund	39,407,248.74	438,753,627.09
UK Housing & Dining Fund	14,094,853.67	88,692,248.11
UK Intermediate Investment Fund	60,000,000.00	
UK Short Term Investment Fund	25,189,028.60	419,308.52
UK Tobacco Research Trust Fund	1,172,204.75	105,160.97
UK University Hospital Depreciation Fund	27,967.03	67,416.87
UK University Hospital Fund	87,998,940.50	1,337,255,634.60
DEPARTMENT TOTAL	\$341,366,553.48	\$2,191,398,473.43
University of Louisville		
UL Cons Educ Bldg Fund	23,633,485.95	216,498,635.90
UL Equine Industry Program Trust Fund	187,709.86	3,655.80
UL General Operations Fund	0.52	20.94
DEPARTMENT TOTAL	\$23,821,196.33	\$216,502,312.64
Western Kentucky University		
WKU Cons Educ Bldg Fund	3,548,642.69	123,183,853.78

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
100,657,594.08	87,287,996.32	11,964,318.00		1,958,263.77
		17,500,000.00		3,028,177.42
\$100,657,594.08	\$87,287,996.32	\$104,064,318.00		\$11,562,426.21
139,645.87		300,184.90		970,144.59
36,220,972.76		134,210,000.00		81,099,932.01
134,509,582.88	119,051,615.89	139,645.87		1,972,102.30
		36,220,972.76		7,198,696.59
				16,912,921.04
\$170,870,201.51	\$119,051,615.89	\$170,870,803.53		\$108,153,796.53
169,418,100.00	167,882,470.23	4,286,902.94		4,443,977.93
		45,924,000.00		13,375,583.88
		122,273,500.00		79,157,978.84
		213,000.00		94,623.81
		1,007,600.00		584,824.89
\$169,418,100.00	\$167,882,470.23	\$173,705,002.94		\$97,656,989.35
		285,100,000.00		154,481,387.46
1,579,577,440.47	2,054,958,086.65			2,780,229.65
		87,475,046.43		15,312,055.35
				60,000,000.00
		553,539.47		25,054,797.65
1,756,063.29	1,648,201.07	136.64		1,385,091.30
70,382,530.53		19,983,326.45		50,494,587.98
		1,245,900,367.01		179,354,208.09
\$1,651,716,034.29	\$2,056,606,287.72	\$1,639,012,416.00		\$488,862,357.48
		195,500,000.00		44,632,121.85
1,046,831.32		85,864.85		1,152,332.13
195,666,528.62	195,666,550.08			
\$196,713,359.94	\$195,666,550.08	\$195,585,864.85		\$45,784,453.98
		122,000,000.00		4,732,496.47

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
WKU General Operations	183,295.79	113,760,350.35
WKU Housing & Dining Fund	130,471.35	872.05
DEPARTMENT TOTAL	\$3,862,409.83	\$236,945,076.18
Ky Community Technical College System		
Fire Comm General Operations Fund	16,946,646.88	129,530.31
KCTCS General Operations Fund	1,235,051.70	
UK Community College Br-CEBRB Fund	127,936,660.00	225,577,221.12
DEPARTMENT TOTAL	\$146,118,358.58	\$225,706,751.43
CABINET TOTAL	\$787,106,173.86	\$3,591,675,767.09
Tourism, Arts and Heritage Cabinet		
Kentucky Heritage Council		
KHC Heritage Enrichment Fund	7,207.03	
KHC Historic Preservation Fund	211,548.64	205,826.06
KHC Main Street Fund	2,814.21	
DEPARTMENT TOTAL	\$221,569.88	\$205,826.06
Kentucky Arts Council		
Craft Marketing Fund	441,931.38	164,209.08
Ky Arts Council Fund	7,495.27	13,817.50
DEPARTMENT TOTAL	\$449,426.65	\$178,026.58
Kentucky Historical Society		
Hist Soc Admin Fund	172,386.60	295,330.85
Hist Soc Museums Fund	12,143.83	67,679.93
Oral Hist-Outreach Fund	48,102.49	51,742.72
Research & Pubs Fund	97,407.14	71,613.22
DEPARTMENT TOTAL	\$330,040.06	\$486,366.72
Kentucky Fish And Wildlife Resources		
Fees in Lieu of Stream Mitigation Fund	56,946,277.65	20,238,939.27
KHLCF-Management Funds	278,935.33	
Program Income Fund	4,903,970.65	33,922.50
Program Income-FISH	57,473.42	29,144.97
Restricted Fish & Game Fund	19,435,181.67	37,665,785.28
DEPARTMENT TOTAL	\$81,621,838.72	\$57,967,792.02
Kentucky Department Of Parks		
Parks-KHLCF Management	136,479.71	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
122,000,000.00	235,200,052.49			743,593.65
				131,343.40
\$122,000,000.00	\$235,200,052.49	\$122,000,000.00		\$5,607,433.52
42,274,286.10	31,801,225.49	10,730,537.07		16,818,700.73
251,043,923.09	211,311,773.33	39,573,753.86		1,393,447.60
		249,250,000.00		104,263,881.12
\$293,318,209.19	\$243,112,998.82	\$299,554,290.93		\$122,476,029.45
\$3,026,484,996.57	\$3,445,192,620.69	\$3,020,402,534.62		\$939,671,782.21
				7,207.03
	233,612.15			183,762.55
				2,814.21
	\$233,612.15			\$193,783.79
100,000.00	102,405.48	600,000.00		3,734.98
	20,944.01			368.76
\$100,000.00	\$123,349.49	\$600,000.00		\$4,103.74
	462,771.37			4,946.08
	74,736.70			5,087.06
	28,497.24	10,000.00		61,347.97
	90,000.00			79,020.36
	\$656,005.31	\$10,000.00		\$150,401.47
1,473,357.59		8,550,170.00		70,108,404.51
				278,935.33
				4,937,893.15
		35,002.00		51,616.39
1,283,764.64	34,911,038.41	2,677,800.00		20,795,893.18
\$2,757,122.23	\$34,911,038.41	\$11,262,972.00		\$96,172,742.56
	37,105.31			99,374.40

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$136,479.71	
Tourism - Office Of The Secretary		
Capital Plaza Operations Fund	362,985.74	853,855.09
Creative Services Fund	24,506.32	168,699.23
FCC-Event Sponsorship Fund	10,950.00	3,150.00
Matching Fund	7,574,293.45	57,672.24
Office of the Sports Authority - TEAM Ky	39,167.79	63,500.00
DEPARTMENT TOTAL	\$8,011,903.30	\$1,146,876.56
Kentucky Artisans Center At Berea		
Artisan Center Fund	85,519.54	1,645,178.56
DEPARTMENT TOTAL	\$85,519.54	\$1,645,178.56
Department Of Travel		
Marketing & Advertising Fund	100,582.52	13,824.80
DEPARTMENT TOTAL	\$100,582.52	\$13,824.80
CABINET TOTAL	\$90,957,360.38	\$61,643,891.30
Education & Workforce Development Cabinet		
Education Professional Standards Board		
EPSB Restricted Fund	2,517,145.12	867,686.69
DEPARTMENT TOTAL	\$2,517,145.12	\$867,686.69
Commission On Deaf And Hard Of Hearing		
Deaf Festival Fund	38.45	
TDD Distribution Fund	13,131.56	1,358,200.00
DEPARTMENT TOTAL	\$13,170.01	\$1,358,200.00
Kentucky Environmental Education Council		
KEEC License Plate fund		178.00
Ky Environmental Education Council Fund	250,788.69	13,109.00
DEPARTMENT TOTAL	\$250,788.69	\$13,287.00
Education - Office Of The Secretary		
Education - Office of the Secretary Restricted Fund	617,800.57	2,474.71
DEPARTMENT TOTAL	\$617,800.57	\$2,474.71
Department For Workforce Investment		
OET Facilities Fund	835,340.87	1,274,565.17
OET Restricted Fund	1,146,877.52	138,681.53

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$37,105.31			\$99,374.40
	665,974.19	10,000.00		540,866.64
130,000.00	280,892.09			42,313.46
				14,100.00
11,305,688.33	11,672,633.21	6,244,013.30		1,021,007.51
	85,600.00			17,067.79
\$11,435,688.33	\$12,705,099.49	\$6,254,013.30		\$1,635,355.40
	1,617,844.87			112,853.23
	\$1,617,844.87			\$112,853.23
	17,382.48			97,024.84
	\$17,382.48			\$97,024.84
\$14,292,810.56	\$50,301,437.51	\$18,126,985.30		\$98,465,639.43
	447,751.46	1,870,000.00		1,067,080.35
	\$447,751.46	\$1,870,000.00		\$1,067,080.35
				38.45
	1,404,341.05		33,009.49	
	\$1,404,341.05		\$33,009.49	\$38.45
				178.00
150,000.00	348,102.62			65,795.07
\$150,000.00	\$348,102.62			\$65,973.07
5,273,474.02	4,869,740.59	30,000.00		994,008.71
\$5,273,474.02	\$4,869,740.59	\$30,000.00		\$994,008.71
	1,189,834.15	54,000.00		866,071.89
94.68	290,635.69			995,018.04

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
OFB Basic Support Fund	95,448.84	105,939.92
OFB Business Enterprise Fund	222,483.49	369,374.16
OFB Business Enterprise Vendor Setaside Fund	19,201.15	108,441.53
OFB Independent Living Fund	1,646.89	1,353.00
OFB SSDI Fund	505,182.36	662,425.11
OVR Carl D Perkins Rehab Center Fund	104,199.73	287,085.79
OVR Management Fund		447,927.72
OVR Program Services Fund	148,893.00	4,195,553.07
Unemployment Compensation Administration - Loan	3,859.03	157.91
Unemployment Compensation Administration Accou	17,834,313.26	9,944.26
Unemployment Compensation Admin-Loan Capitaliz	27,991.33	
Unemployment Compensation Admin-Loan Cost of I	4,057.20	
DEPARTMENT TOTAL	\$20,949,494.67	\$7,601,449.17
Kentucky Commission on Proprietary Education		
Board of Proprietary Education Fund	283,340.70	191,189.26
DEPARTMENT TOTAL	\$283,340.70	\$191,189.26
Department Of Education		
BOSS IAS Administrative Services Fund	501,352.13	3,674.26
BOSS IAS Administrative Services-IC Earnings Fun	392.69	
BOSS IAS Associate Commissioner Fund	1,100,497.74	199,807.37
BOSS IAS Financial & Materials Management Fund	548,992.72	326,593.61
BOSS IAS Gates Grant Fund	96.93	0.55
BOSS IAS Human Resources Fund	10,298.41	261.93
Communications-Publications Center	67,320.81	8,293.70
Communications-Video & Multimedia	1,093.65	
District Operations - Bus Driver Training	93.29	
Ed Tech-KETS-Coal Fund Technology	772.00	
Gates College & Career Ready	911,398.16	203,139.15
Gates Common Assignment Study	543.48	3.80
Gates Instructional Transformation		3,131,811.53
Gates Standards Scale-Up Grant		(0.36)
LARS Deputy Commissioner CCSSO-SAELP Fund	187,587.19	
LARS LSI SA Educator Quality & Diversity Fund	293,043.28	
LARS OTL Secondary & Virtual Learning Fund	175,612.75	
LARS SIS Career & Technical Education Fund	1,332,681.83	337,522.30
LARS SIS Exceptional Children Services Fund	721,530.75	330,431.79

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	75,329.38			126,059.38
	545,840.74			46,016.91
	93,966.39			33,676.29
	1,883.99			1,115.90
	381,746.33			785,861.14
	355,733.75			35,551.77
	445,000.00			2,927.72
	4,176,078.93			168,367.14
				4,016.94
34,154,906.59	13,095,534.01	10,086,720.78		28,816,909.32
10,086,720.78	10,113,720.78			991.33
				4,057.20
\$44,241,722.05	\$30,765,304.14	\$10,140,720.78		\$31,886,640.97
	110,129.45	3,755.00		360,645.51
	\$110,129.45	\$3,755.00		\$360,645.51
160,671.36	11,128.86			654,568.89
				392.69
730,173.09	11,743.40	103,751.83		1,914,982.97
	97,595.15			777,991.18
				97.48
				10,560.34
	178.13			75,436.38
				1,093.65
100,000.00	92,830.97			7,262.32
				772.00
	1,032,306.62			82,230.69
				547.28
	1,062,466.03			2,069,345.50
	(1,940.43)		(1,940.07)	
				187,587.19
206,961.92				500,005.20
	309.24			175,303.51
	221,957.99			1,448,246.14
	331,684.92	25,000.00		695,277.62

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
LARS SIS Federal Programs & Instructional Equity	6,280.83	
LARS SIS KSB Fund	971.45	65,941.24
LARS-SIS-Career&Tech Ed Pre-Eng Grant	492,002.27	202,800.00
OCTE KTS Agency Fund	1,227,887.91	346,267.31
OCTE KTS SEEK Fund	174,009.96	
SEEK-Re-Engineering Project	318,313.10	(247,895.90)
Verizon ThinkFinity Grant	15,057.39	
DEPARTMENT TOTAL	\$8,087,830.72	\$4,908,652.28
Kentucky Educational Television		
KET Broadcasting & Education Fund		816,056.87
KET Engineering Fund		542,364.51
DEPARTMENT TOTAL		\$1,358,421.38
Department For Libraries & Archives		
DLA Field Services Fund	55,104.83	5,400.00
DLA Library Serv	311.73	
DLA PR Local Records Grant Program	359,600.98	944,324.00
FS/Ky Talking Book Library Fund	199,751.85	(133,132.48)
FS/Program Dev Fund	9,744.19	32,245.28
FS/Public Library Dev Fund	588.48	(100.00)
GO Administrative Services Fund	27.08	5,364.72
GO Public Records Fund	1,422,194.97	1,671,604.20
GO State Library Services Fund	10,122.95	1,380.55
Private Funds-Talking Book Gift from the Gott Smit		1,701,056.18
DEPARTMENT TOTAL	\$2,057,447.06	\$4,228,142.45
CABINET TOTAL	\$34,777,017.54	\$20,529,502.94
Health & Family Services Cabinet		
Office of the Kentucky Health Benefit Exchange		
Health Benefit Exchange Fund		2,034.20
INS Ky Access Fund		
KHIE Agency fund		40,264.17
DEPARTMENT TOTAL		\$42,298.37
CHFS - Office Of The Secretary		
Administrative Support Fund	191,825.89	4,837,726.11
DEPARTMENT TOTAL	\$191,825.89	\$4,837,726.11

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				6,280.83
25,000.00	90,883.47			1,029.22
				694,802.27
	1,116,700.20			457,455.02
18,724,366.00	18,792,989.99			105,385.97
86,751.83	(192,830.97)	350,000.00		15,057.39
\$20,033,924.20	\$22,668,003.57	\$478,751.83	(\$1,940.07)	\$9,881,711.73
8,843.52	821,400.39	3,500.00		
	442,364.51	100,000.00		
\$8,843.52	\$1,263,764.90	\$103,500.00		
				60,504.83
				311.73
	592,219.00	300,000.00		411,705.98
	3,163.45			63,455.92
	27,896.46			14,093.01
	34.79			453.69
	5,041.33			350.47
	2,513,246.34			580,552.83
	674.46			10,829.04
				1,701,056.18
	\$3,142,275.83	\$300,000.00		\$2,843,313.68
\$69,707,963.79	\$65,019,413.61	\$12,926,727.61	\$31,069.42	\$47,099,412.47
2,285,821.83	1,565,904.81	8,204.30		713,746.92
775,000.00	768,413.19			6,586.81
2,726,000.00	2,413,819.54			352,444.63
\$5,786,821.83	\$4,748,137.54	\$8,204.30		\$1,072,778.36
7,884,297.55	12,417,698.09	100.00	(10.00)	496,041.46
\$7,884,297.55	\$12,417,698.09	\$100.00	(\$10.00)	\$496,041.46

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Office Of Inspector General		
KARES	560.00	23,140.00
OIG Agency Fund	6,058,244.06	1,887,770.34
Personal Service Centers	117,612.74	57,250.33
DEPARTMENT TOTAL	\$6,176,416.80	\$1,968,160.67
Office Of Health Policy		
Health Policy Fund	638,561.86	671,658.53
DEPARTMENT TOTAL	\$638,561.86	\$671,658.53
CHFS - Department for Aging and Independent Living		
Agency Brain Injury Fund	199,716.79	473,094.39
Aging and Independent Living	258,192.30	116,857.05
Guardianship Agency Fund	710,713.40	856,171.57
DEPARTMENT TOTAL	\$1,168,622.49	\$1,446,123.01
Department for Income Support		
Child Support Fund		16,352,342.81
Disability Determinations Fund		
DEPARTMENT TOTAL		\$16,352,342.81
Department For Public Health		
Epidemiology Fund	428,134.87	4,269,080.84
General Health Support Fund		15,508,187.92
HANDS - Medicaid	3,985,205.53	18,765,380.00
Kentucky ADAP Funds	9,870,479.72	7,631,257.27
Lab Services Fund	3,122.95	3,364,324.13
Maternal & Child Health Fund	1,695,298.80	18,577,196.44
PHPS - Registered Sanitarians	51,038.81	(7,170.75)
Prevention and Quality Improvement	394,011.87	
Public Health Protect & Safety Fund	182,865.06	5,459,966.32
Women's Physical and Mental Health	5,098.93	289,228.67
DEPARTMENT TOTAL	\$16,615,256.54	\$73,857,450.84
Behavioral Health, Developmental & Intellectual Dis		
Community Mental Health Services Fund	5,998,454.22	14,356,710.83
Local Mental Retardation Services Fund	130,637.50	
Residential Fund	16,507,866.41	194,056,145.11
DEPARTMENT TOTAL	\$22,636,958.13	\$208,412,855.94

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	19,280.00			4,420.00
	4,619,892.13	25,000.00		3,301,122.27
	35,455.16			139,407.91
	\$4,674,627.29	\$25,000.00		\$3,444,950.18
	397,034.36	25,000.00		888,186.03
	\$397,034.36	\$25,000.00		\$888,186.03
	562,716.12			110,095.06
1,352,383.80	1,237,855.06			489,578.09
286,600.00	1,046,723.71			806,761.26
\$1,638,983.80	\$2,847,294.89			\$1,406,434.41
	16,352,342.81			
125,205.64	125,205.64			
\$125,205.64	\$16,477,548.45			
168,115.85	4,044,354.88	325,000.00		495,976.68
2,784,596.63	11,702,007.72	6,431,589.36		159,187.47
	22,135,415.57	600,000.00		15,169.96
	7,878,564.18			9,623,172.81
	1,784,050.59	1,253,767.46	(6,074.62)	323,554.41
1,101,178.30	13,013,818.42	6,520,778.20		1,839,076.92
	5,973.87			37,894.19
163,000.00	42,074.91			514,936.96
	5,154,486.93	415.00		487,929.45
	286,293.97			8,033.63
\$4,216,890.78	\$66,047,041.04	\$15,131,550.02	(\$6,074.62)	\$13,504,932.48
1,738,701.51	17,054,901.77	842,030.27		4,196,934.52
2,703,113.00	2,722,496.67			111,253.83
842,000.00	179,058,707.21	16,256,447.00	(2,935.00)	16,087,922.31
\$5,283,814.51	\$198,836,105.65	\$17,098,477.27	(\$2,935.00)	\$20,396,110.66

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department for Family Resource Centers & Volunteer KCCVS Fund	1,638.38	
DEPARTMENT TOTAL	\$1,638.38	
Department For Community Based Services Child Care Fund	41,955.60	42,301.44
Energy - Weatherization Fund	1,705,800.00	
Family & Community Services Fund	1,377,043.22	178,280,000.45
Family Support Fund	1,689,942.88	1,792,465.92
DEPARTMENT TOTAL	\$4,814,741.70	\$180,114,767.81
Department For Medicaid Services Medicaid Admin Fund	928,157.44	93,835.44
DEPARTMENT TOTAL	\$928,157.44	\$93,835.44
Medicaid Services Benefits KCHIP Benefits Fund	1,002,842.27	19,791.00
Medicaid Benefits Fund	6,049,173.00	94,215,447.12
DEPARTMENT TOTAL	\$7,052,015.27	\$94,235,238.12
Commission For Children With Special Health Care CCSHCN Fund	1,771,171.70	15,110,872.23
DEPARTMENT TOTAL	\$1,771,171.70	\$15,110,872.23
CABINET TOTAL	\$61,995,366.20	\$597,143,329.88
Justice & Public Safety Cabinet		
Justice - Office Of The Secretary Criminal Justice Council Fund	2,077.36	
Local Grant Program Restricted Fund	123,870.23	351,763.13
Medical Examiner Restricted Fund	123,723.92	48,632.00
Motorcycle Training Program	1,441,157.47	762,615.53
Office of Drug Control Policy Restricted Fund		
Office of Secretary Restricted Fund	480.97	7,895.42
DEPARTMENT TOTAL	\$1,691,309.95	\$1,170,906.08
Department For Public Advocacy DPA Court Cost Fees Fund	238.53	874,282.15
DPA Defense Services Fund	4,877.00	
DPA DUI Fees	7,632.64	1,092,432.09
DPA Miscellaneous Agency Fund	34,379.31	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
39,627.66	41,266.04			
\$39,627.66	\$41,266.04			
	4,805.00			79,452.04
	1,705,800.00			
334,241.82	113,025,856.72	64,957,448.15		2,007,980.62
22,207,068.93	24,276,477.85	3,461.40		1,409,538.48
\$22,541,310.75	\$139,012,939.57	\$64,960,909.55		\$3,496,971.14
16,122,612.97	2,668,432.68	13,228,898.88		1,247,274.29
\$16,122,612.97	\$2,668,432.68	\$13,228,898.88		\$1,247,274.29
406,109.05	1,299,989.25	72.46		128,680.61
405,089,587.41	504,512,676.47			841,531.06
\$405,495,696.46	\$505,812,665.72	\$72.46		\$970,211.67
	6,474,724.89	5,009,962.38		5,397,356.66
	\$6,474,724.89	\$5,009,962.38		\$5,397,356.66
\$469,135,261.95	\$960,455,516.21	\$115,488,174.86	(\$9,019.62)	\$52,321,247.34
306,600.00	217,162.32			91,515.04
	320,557.78			155,075.58
	97,004.34			75,351.58
	933,365.64			1,270,407.36
2,000,000.00	2,000,000.00			
	5,515.00			2,861.39
\$2,306,600.00	\$3,573,605.08			\$1,595,210.95
	844,893.21			29,627.47
	220.00			4,657.00
	1,099,299.06			765.67
	(8,359.47)			42,738.78

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DPA Partial Fees Fund	108,031.66	1,208,297.40
DPA Post Trial Defense Fund	2,052.84	
P&A PADD Grant Program Fund	1,330.93	
P&A PAIMI Grant Program Fund	516.33	
P&A PAIR Grant Program Fund	62.34	
DEPARTMENT TOTAL	\$159,121.58	\$3,175,011.64
Kentucky State Police		
Carfax Fund	2,535.18	
CDL Hazmat Background Checks Fund	57,958.30	421,500.02
Commercial License-Contract Employees	27,449.70	267,950.00
Commercial Mobile Radio System Fund	553,503.87	(50,000.00)
Compliance Review Enforcement - Civil Penalties	0.04	
CRASH Reports	14,999.75	
Criminal Record Checks Fund	541,304.68	1,964,966.87
Facilities Security Fund	30,043.52	3,221,591.12
Forensic Lab-DNA Analysis Fund	50,152.56	174,856.44
HB 472-Weapons Fund	48,418.74	131,640.51
KSP-Training Incentive Fund	27,405.30	
Officer Training Stipend Fund	23,263.63	
Photo Lab Fees	9,724.12	31,503.85
Post 12 E911 Dispatchers	25,158.50	89,500.00
Post 3 911 Dispatchers		333,000.00
Special Operations Training	3,992.83	
State Police Services		326,463.20
State Police-Administration Fund		28,650.00
State Police-CCW Fund	293,026.41	1,403,675.00
State Police-Dry Ridge 911 Fund		196,574.70
State Police-DUI Service Fees Fund	194,418.25	662,817.77
State Police-Forfeitures KRS 218A Fund	120,632.41	392,053.95
State Police-Forfeitures Miscellaneous Fund	75,264.82	1,146.45
State Police-Forfeitures U.S. Justice Fund	1,625,936.88	608,310.43
State Police-Forfeitures U.S. Treasury Fund	4,240.64	786,099.76
State Police-Harlan 911 Fund		115,517.90
State Police-Hazard 911 Fund	3,035.60	218,478.60
State Police-LaGrange 911 Fund	45,256.93	225,000.00
State Police-Mayfield 911 Fund		404,312.61

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	1,301,547.20			14,781.86
				2,052.84
				1,330.93
				516.33
				62.34
	\$3,237,600.00			\$96,533.22
	2,535.18			
	318,429.96			161,028.36
	227,700.00			67,699.70
1,329,327.72	1,563,269.71	123,189.50		146,372.38
				0.04
	841.36			14,158.39
	2,097,589.78			408,681.77
	3,251,672.07		37.43	
	200,830.43			24,178.57
	147,958.49			32,100.76
4,866,512.58	4,792,523.45			101,394.43
498,221.68	506,983.99			14,501.32
	32,934.37			8,293.60
	114,657.51			0.99
	303,222.06		(29,777.94)	
	3,992.00			0.83
	227,395.94			99,067.26
	18,283.82		(165.22)	10,200.96
	1,489,937.77			206,763.64
	7,807.68		(188,767.02)	
	701,879.35			155,356.67
	151,507.73			361,178.63
	24,622.26			51,789.01
	1,001,032.09	225,000.00		1,008,215.22
				790,340.40
	143,110.58		27,592.68	
	221,514.20			
	224,675.14			45,581.79
	348,551.49		(32,657.54)	23,103.58

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
State Police-Operations Fund	37,632.01	907,378.97
State Police-Pikeville 911 Fund		355,290.48
Vehicle Enforcement Fund	1,115.57	
Work Zone	58,422.49	2,114,710.29
DEPARTMENT TOTAL	\$3,874,892.73	\$15,332,988.92
Department Of Juvenile Justice		
Annie E Casey Fund	25,152.53	50,000.00
Program Operations Fund	5,402,750.72	831,625.23
DEPARTMENT TOTAL	\$5,427,903.25	\$881,625.23
Department Of Criminal Justice Training		
CCDW Fund	3,321,937.05	863,925.00
KLEFPF Fund	1,174,254.92	10,695.28
Police Officer Professional Standard	174,388.44	
Special Training Fund		28,620.00
DEPARTMENT TOTAL	\$4,670,580.41	\$903,240.28
Department Of Corrections		
Adult Correctional Institutions Fund	136,837.16	4,423,609.51
Adult Institutions Medical Grants	146,995.66	1,111,578.24
Corrections Management Fund	205,644.01	56,996.36
Local Facilities		2,800,000.00
Mental Health Fund	59,777.76	186,690.21
Northpoint Training Center Riot	691.00	967.58
Probation & Parole Fund	1,495,181.03	1,305,115.62
DEPARTMENT TOTAL	\$2,045,126.62	\$9,884,957.52
CABINET TOTAL	\$17,868,934.54	\$31,348,729.67
Personnel Cabinet		
Personnel - Office Of The Secretary		
Deferred Compensation Fund	9,602,955.14	8,862,424.35
Employee & Organizational Development Fund	27,392.05	1,250,500.02
Employee Relations Fund	106,982.64	761,500.00
KHRIS Fund		2,460,080.00
Personnel General Administration Fund	346,934.07	2,225,070.00
DEPARTMENT TOTAL	\$10,084,263.90	\$15,559,574.37

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
(8,317.92)	956,482.47		19,789.41	
	352,155.19		(3,135.29)	1,115.57
	2,154,142.78			18,990.00
\$6,685,744.06	\$21,588,238.85	\$348,189.50	(\$207,083.49)	\$3,750,113.87
	21,147.16			54,005.37
12,440,861.72	13,524,369.82	3,287,798.47		1,863,069.38
\$12,440,861.72	\$13,545,516.98	\$3,287,798.47		\$1,917,074.75
	449,785.44	3,000,000.00		736,076.61
64,762,011.17	43,799,217.96	17,457,680.82	258.41	4,690,321.00
530,011.56	668,383.75			36,016.25
	28,620.00			
\$65,292,022.73	\$44,946,007.15	\$20,457,680.82	\$258.41	\$5,462,413.86
142,873.30	3,644,503.47	415,783.80		643,032.70
1,109.33	19,987.60	66,379.58		1,173,316.05
	261,899.82			740.55
	2,800,000.00			
	33,735.88			212,732.09
	20,000.00			1,658.58
				2,780,296.65
\$143,982.63	\$6,780,126.77	\$482,163.38		\$4,811,776.62
\$86,869,211.14	\$93,671,094.83	\$24,575,832.17	(\$206,825.08)	\$17,633,123.27
	7,757,843.79	70,000.00		10,637,535.70
	998,500.26	255,000.00		24,391.81
	821,213.71			47,268.93
		2,460,080.00		
280,000.00	2,760,174.12			91,829.95
\$280,000.00	\$12,337,731.88	\$2,785,080.00		\$10,801,026.39

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department For Personnel Administration		
Personnel Administration Fund		13,220,764.01
DEPARTMENT TOTAL		\$13,220,764.01
Department For Employee Insurance		
Employee Insurance Fund	897,395.49	
DEPARTMENT TOTAL	\$897,395.49	
CABINET TOTAL	\$10,981,659.39	\$28,780,338.38
Labor Cabinet		
Office of General Admin and Program Support Share		
GAPS - Ofc of Admin & Prog Support Shared Servic	1,050,663.64	77.15
DEPARTMENT TOTAL	\$1,050,663.64	\$77.15
Office of Inspector General Shared Services		
Ofc of Inspector General Shared Services	281,747.46	1,328.50
DEPARTMENT TOTAL	\$281,747.46	\$1,328.50
CABINET TOTAL	\$1,332,411.10	\$1,405.65
Energy and Environment Cabinet		
Environmental Quality Commission		
Environmental Quality Commission Fund	19,813.26	
DEPARTMENT TOTAL	\$19,813.26	
KY Public Service Commission		
PSC Fund	81,243.77	34,819.63
DEPARTMENT TOTAL	\$81,243.77	\$34,819.63
KY State Nature Preserves Commission		
KNPC Income Tax Checkoff Fund	26,050.88	25,925.52
KNPC KHLCF Management Fund	133,622.64	
KNPC Private Grants Fund	45,618.64	3,314.68
Ky Nature Preserves Commission Fund	78,309.61	284,548.05
DEPARTMENT TOTAL	\$283,601.77	\$313,788.25
EEC - Office of the Secretary		
EEc - Gov Conference on the Environment	16,576.29	24,072.80
EEC - Ofc of Sec-Leg & Interg Aff-Gen Coun	577,118.93	12,348.00
Office of Admin Hearings Fund	40,639.09	1,220.01

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
185,000.00	12,802,076.21		(541,809.32)	61,878.48
\$185,000.00	\$12,802,076.21		(\$541,809.32)	\$61,878.48
9,443,800.00	9,560,918.41			780,277.08
\$9,443,800.00	\$9,560,918.41			\$780,277.08
\$9,908,800.00	\$34,700,726.50	\$2,785,080.00	(541,809.32)	\$11,643,181.95
2,220,580.58	2,363,032.02			908,289.35
\$2,220,580.58	\$2,363,032.02			\$908,289.35
165,000.00	92,654.12			355,421.84
\$165,000.00	\$92,654.12			\$355,421.84
\$2,385,580.58	\$2,455,686.14			\$1,263,711.19
466,400.00	196,817.55	288,100.00		1,295.71
\$466,400.00	\$196,817.55	\$288,100.00		\$1,295.71
	43,375.20			72,688.20
	\$43,375.20			\$72,688.20
	16,602.01			35,374.39
17,000.00	52,304.38			98,318.26
				48,933.32
1,561.73	251,840.13			112,579.26
\$18,561.73	\$320,746.52			\$295,205.23
	31,153.38			9,495.71
1,298,274.78	1,509,921.20			377,820.51
9,314.71				51,173.81

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$634,334.31	\$37,640.81
Department for Energy Development and Independen		
Energy Research Fund	2,431,106.86	
Fossil Fuels Fund	240,654.71	5,483.49
Renewable Energy Fund	1,376,080.68	36,513.14
DEPARTMENT TOTAL	\$4,047,842.25	\$41,996.63
Department for Natural Resources		
Acid Mine Drainage Expenditure Account	344,519.17	106.61
AML Division of Abandoned Land Fund	224,523.56	12,685.28
AML Guar Bond Forfeit Fund	349,784.43	1,433,857.50
AML Suppl Recl Fund	56,003.45	5,448.06
CON Aid to the Conservation Districts	115,406.29	45,282.40
CON Division of Conservation Fund	130,391.66	105.15
CON Equipment Loan Interest Fund		5,549.97
CON Soil Er & Water Quality Fund	2,879,166.59	
Conservation - Equipment Loans Fund	2,364,603.76	15,229.37
DNR Commissioner's Office	134,886.27	
DNR KHLCF Management Fund	19,552.68	
DOG Division of Oil & Gas Fund	102,004.95	494,975.77
DSATC Drug Testing Fund		237,351.25
DSATC Safety Analysis Fund	7,062.00	
DSATC Safety Training Fund	71,452.36	
DSIL Safety Inspection & Licensing Fund	201,770.76	
DTAS Div of Tech & Admin Support	15,282.38	
FOR - Forest Pest Control	9,112.29	15,788.71
FOR Division of Forestry Fund	58,519.68	1,388,642.03
FOR KHLCF Management Fund	148,213.19	
FOR Stewardship Incentives Fund	119,318.66	11,269.46
FOR-State Forest/Wildlife Mgmt. Properties	102,587.51	40,929.81
Mine Safety		203,884.00
MRE Division of Mine Rec & Enf Fund	191,251.86	11,570.13
MRS Explosives and Blasting Program	58,552.63	63,443.26
PER 401 Water Quality Certifications	0.20	27,500.00
PER Division of Mine Permits Fund	118,522.81	1,377,517.10
DEPARTMENT TOTAL	\$7,822,489.14	\$5,391,135.86

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
\$1,307,589.49	\$1,541,074.58			\$438,490.03
1,546,638.71	2,783,855.57	280,000.00		913,890.00
400,000.00	416,282.24			229,855.96
252,717.05	188,326.24	44,000.00		1,432,984.63
\$2,199,355.76	\$3,388,464.05	\$324,000.00		\$2,576,730.59
525,000.00	638,495.00	9,965.67		221,165.11
439,071.01	337,718.35	32,500.00		306,061.50
	885,675.76			897,966.17
100,000.00	118,538.35			42,913.16
	95,850.28			64,838.41
64,787.29	27,428.50			167,855.60
		5,549.97		
600,000.00	364,306.11	52,090.00		3,062,770.48
5,549.97		1,125,000.00	326,805.62	1,587,188.72
450,000.00	528,291.19		18.00	56,613.08
212,900.00	205,328.28	10,000.00		17,124.40
25,000.00	494,866.87			127,113.85
	216,270.00		(886.27)	20,194.98
		7,062.00		
		71,452.36		
		201,770.76		
444,300.00	452,841.24		(90.00)	6,651.14
	812.25			24,088.75
66,391.21	316,823.99	(1,859.32)		1,198,588.25
	37,641.96			110,571.23
				130,588.12
	65,591.82			77,925.50
287,248.12	355,533.36			135,598.76
356,678.62	283,499.79	104,100.00		171,900.82
5,396.06	47,279.70			80,112.25
	27,500.20			
160,850.30	1,270,470.15	23,400.00	(27.93)	362,992.13
\$3,743,172.58	\$6,770,763.15	\$1,641,031.44	\$325,819.42	\$8,870,822.41

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department for Environmental Protection		
DAQ Air Emissions Fees Fund	659,826.87	11,781,603.75
DAQ Division for Air Quality Fund	977,331.95	172,427.08
DCA Division of Compliance Assist Fund	132,110.53	1,142.00
DCA Operator Certification	29,766.25	188,299.50
DCA Water Treatment Plant Operator Fund	288,728.62	104,140.00
DEP Environmental Trust Fund		(0.77)
DEP Office of the Commissioner Fund	1,499.14	
DEPS Div of Environmental Program Support Fund	328,820.80	114,122.48
DOW 401 Water Quality Certifications	307,068.09	76,188.50
DOW Division of Water Fund	2,096,968.55	1,510,897.78
DOW KHLCF Management Fund	320,045.15	
DOW Water Well Drillers Cert Fund	34,907.38	15,695.00
DOW Wild Rivers System Fund	3,949.00	3,949.00
DWM Division of Waste Management Fund	1,278,599.09	1,018,155.50
DWM Hazardous Waste Management Fund	884,579.09	2,061,012.61
DWM Ky Pride Fund	121,107.08	454,149.02
DWM Solid Waste Disp Site Rst Fund	152,216.12	20,000.00
DWM UST Administration Fund	324,105.93	324,075.08
DWM Waste Tire Trust Fund	1,340,781.19	81,441.03
DWM Wastepaper Recycling Fund	41,407.18	228,968.03
DWM-Maxey Flats Final Closure Period	161,389.53	
ENF Division of Enforcement Fund	119,454.24	
DEPARTMENT TOTAL	\$9,604,661.78	\$18,156,265.59
CABINET TOTAL	\$22,493,986.28	\$23,975,646.77
Public Protection Cabinet		
Board of Claims and Crime Victims' Compensation		
CVCB Administration Fund	46,725.76	220.75
CVCB Reparations Fund	279,255.11	998,553.38
DEPARTMENT TOTAL	\$325,980.87	\$998,774.13
Horse Racing Commission		
KY Quarter Horse Appaloosa & Arabian Dev Fund	75,501.71	2,031.74
RA Administration Fund	2,774,313.84	2,162,713.32
RA Backside Improvement Comm Fund	811,142.08	598,026.03
RA County Fair Purse Fund	48,057.46	85,609.60

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	10,146,092.44	1,800,599.92		494,738.26
105,254.55	1,056,882.49	(718,093.86)		916,224.95
200,231.97	138,464.69			195,019.81
	121,928.06			96,137.69
	184,358.79	35,000.00		173,509.83
0.77				
30,000.00	1,087.26	0.77		30,411.11
1,232,839.78	1,225,649.20			450,133.86
	1,795.22			381,461.37
547,685.67	2,248,754.76	250,976.00	112.95	1,655,934.19
	13,500.00			306,545.15
	6,398.86			44,203.52
				7,898.00
363,162.36	1,480,857.80			1,179,059.15
886,299.52	1,279,349.86	1,842,943.30		709,598.06
10,188,359.94	10,381,024.51	85,708.01		296,883.52
	10,315.00			161,901.12
	273,391.80			374,789.21
2,771,790.81	2,702,022.26	602,424.88		889,565.89
	270,375.21			
	79,743.63			81,645.90
462,860.40	441,283.10			141,031.54
\$16,788,485.77	\$32,063,274.94	\$3,899,559.02	\$112.95	\$8,586,692.13
\$24,523,565.33	\$44,324,515.99	\$6,152,690.46	\$325,932.37	\$20,841,924.30
89,500.00	114,929.75			21,516.76
	845,219.20	89,500.00		343,089.29
\$89,500.00	\$960,148.95	\$89,500.00		\$364,606.05
71,389.36				148,922.81
	3,166,820.80	241,500.00		1,528,706.36
	584,798.38			824,369.73
	133,667.06			

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
RA Equine Drug Research Fund	2,452,603.56	
RA Ky Horse Breeders Incentive Fund	1,894,662.58	14,891.06
RA Ky Sbred Breeders Incentive Fund	1,036,569.45	26,013.00
RA Ky Sbred Development Fund	479,800.03	(200.00)
RA Ky Sbred Horsemens Fund	1,006,133.08	104,964.19
RA Ky Thoroughbred Breeders Incenctive Fund	13,079,216.93	768,867.23
RA Ky Thoroughbred Development Fund	4,963,318.54	
RA Thoroughbred Owners & Breeders Fund	2,209.94	
DEPARTMENT TOTAL	\$28,623,529.20	\$3,762,916.17
Pub Protection - Office of the Secretary		
PPC - Ofc of the Sec - Comm - Legal	1,404,500.25	953.15
DEPARTMENT TOTAL	\$1,404,500.25	\$953.15
Department of Insurance		
ICARE-Small Business Insurance Subsidy	25,769.29	
INS Agent Licensing Fund	12,965,257.81	29,675,512.61
INS Consumer Protection Fund	409,452.10	1,288,178.96
INS Financial Standards & Exams Fund	434,271.87	2,074,530.74
INS Health Insurance Fund	17,504.46	238,970.78
INS Insurance Administration Fund	217,260.29	65,036.16
INS Insurance Fraud Investigation Fund	90,907.55	12,442.26
INS Property & Casualty Fund	5,784,936.99	6,277,843.10
INS-Medicaid Prompt Payment Compliance		419,535.26
DEPARTMENT TOTAL	\$19,945,360.36	\$40,052,049.87
Occupations and Professions		
Athletic Agent Fee Fund	112,912.53	26,480.00
KY Registry of Secondary Metal Recyclers	20,514.39	11,570.00
O&P Board Fee Fund	404,050.70	1,270,398.00
DEPARTMENT TOTAL	\$537,477.62	\$1,308,448.00
KY Boxing and Wrestling Authority		
KBWA Ky Boxing & Wrestling Auth Fund	266,095.30	102,991.95
DEPARTMENT TOTAL	\$266,095.30	\$102,991.95
Department of Alcoholic Beverage Control		
ABC Admin, Enforce & License Fund	2,943,749.58	6,551,836.36
ABC Tobacco Enforcement Fund	145,391.79	99,790.84

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
656,907.09	401,694.58	1,000,000.00		1,707,816.07
913,281.02	818,596.84	315,597.89		1,688,639.93
1,696,093.35	1,145,292.14			1,613,383.66
89,543.02	214,152.27			354,990.78
	300,000.00			811,097.27
10,753,094.66	10,603,726.12			13,997,452.70
6,600,323.61	7,164,006.70			4,399,635.45
				2,209.94
\$20,780,632.11	\$24,532,754.89	\$1,557,097.89		\$27,077,224.70
3,771,264.28	4,100,890.86			1,075,826.82
\$3,771,264.28	\$4,100,890.86			\$1,075,826.82
		25,769.29		
36,215.34	1,375,736.79	29,149,450.00		12,151,798.97
929,100.00	2,395,429.92			231,301.14
716,100.00	2,693,406.65			531,495.96
2,505,800.00	2,711,790.46			50,484.78
2,664,000.00	2,898,305.85			47,990.60
1,153,700.00	1,213,119.97			43,929.84
	793,133.13	3,984,350.00		7,285,296.96
	447,849.59		28,314.33	
\$8,004,915.34	\$14,528,772.36	\$33,159,569.29	\$28,314.33	\$20,342,298.25
	6,279.76			133,112.77
	6,261.84			25,822.55
	1,140,923.25			533,525.45
	\$1,153,464.85			\$692,460.77
	129,304.75			239,782.50
	\$129,304.75			\$239,782.50
	4,808,005.25	1,341,700.00	79.50	3,345,960.19
	118,093.26			127,089.37

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$3,089,141.37	\$6,651,627.20
Department of Charitable Gaming		
CG Charitable Gaming Fund	787,651.17	3,522,913.38
DEPARTMENT TOTAL	\$787,651.17	\$3,522,913.38
Department of Financial Institutions		
FI Administrative Services Fund	68,399.33	61.30
FI Depository Institutions	625,617.43	2,302,693.42
FI Non-Depository Institutions	4,643,434.21	3,390,868.62
FI Securities Fund	1,374,634.68	11,550,782.60
Mortgage Lending Fraud Prosecution Account	218,139.46	
Securities Fraud Prosecution & Prevention Fund	210,441.68	1,384.70
DEPARTMENT TOTAL	\$7,140,666.79	\$17,245,790.64
Department of Housing, Buildings and Construction		
HBC Administration Fund	13,356.66	18,263.72
HBC Bldg Insp Inc Train Fund	125,000.00	
HBC Boiler Inspections Fund	526,514.89	971,172.19
HBC Building Codes Enforcement Fund	472,254.89	2,974,408.15
HBC Division of Electrical	2,092,472.95	3,195,703.89
HBC Elevator Inspections Fund	522,917.92	1,105,358.60
HBC Fire Prevention Admin Fund	740,262.55	1,026,480.00
HBC Fire Sprinkler Contractor/Inspector Certificatio		152,441.83
HBC Haz Mat Inspections Fund	581,265.83	425,672.30
HBC HVAC Fund	637,796.32	2,224,160.66
HBC Man Housing Inspections Fund	220,697.00	601,103.49
HBC Plumbing Fund	1,037,122.77	5,328,475.00
Reduced Cigarette Ignition Propensity & FPAEF	42,028.73	11,267.96
DEPARTMENT TOTAL	\$7,011,690.51	\$18,034,507.79
CABINET TOTAL	\$69,132,093.44	\$91,680,972.28
Budget Fiscal Year/Fiscal Year Adjustment		
Agency Revenue Fund		
Budget Fiscal Year/Fiscal Year Adjustment	3,227.43	
Budget Fiscal Year/Fiscal Year Adjustment -IP	(9,439.87)	
DEPARTMENT TOTAL	(\$6,212.44)	
CABINET TOTAL	(\$6,212.44)	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$4,926,098.51	\$1,341,700.00	\$79.50	\$3,473,049.56
	2,579,111.64	339,600.00		1,391,852.91
	\$2,579,111.64	\$339,600.00		\$1,391,852.91
1,446,700.00	1,500,065.88			15,094.75
1,899,800.00	4,024,228.52			803,882.33
	2,412,346.57	1,757,100.00		3,864,856.26
	1,584,400.68	9,096,600.00		2,244,416.60
	3,672.54			214,466.92
	7,076.10			204,750.28
\$3,346,500.00	\$9,531,790.29	\$10,853,700.00		\$7,347,467.14
1,200,000.00	1,166,903.16			64,717.22
57,911.77	57,911.77			125,000.00
	821,147.04			676,540.04
	2,419,314.41	57,911.77		969,436.86
	1,437,355.28	1,200,000.00		2,650,821.56
	1,160,556.05			467,720.47
73,783.88	916,184.27			924,342.16
	88,657.95	63,783.88		
100.00	357,008.51			650,029.62
	2,217,937.55			644,019.43
	614,128.03			207,672.46
	5,521,298.35			844,299.42
	3,984.39	10,000.00		39,312.30
\$1,331,795.65	\$16,782,386.76	\$1,331,695.65		\$8,263,911.54
\$37,324,607.38	\$79,224,723.86	\$48,672,862.83	\$28,393.83	\$70,268,480.24
	10,457.91			(7,230.48)
			8,815.15	(624.72)
	\$10,457.91		\$8,815.15	(\$7,855.20)
	\$10,457.91		\$8,815.15	(\$7,855.20)

**COMMONWEALTH OF KENTUCKY
AGENCY REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
<hr/>	<hr/>	<hr/>
FUND TOTAL	\$2,096,881,961.34	\$5,062,102,398.76
	<hr/> <hr/>	<hr/> <hr/>

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
\$3,810,596,936.96	\$5,572,543,420.19	\$3,590,037,984.70	(\$3,924,139.63)	\$1,803,075,752.54

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Other Special Revenue Fund		DEPARTMENT TOTAL	(\$832,926.07)
REVENUES		CABINET TOTAL	\$649,842.09
Legislative Cabinet		Transportation Cabinet	
Legislative Research Commission		Department Of Aviation	
General Sales To Public	54,698.63	Interest Income	80.00
Gen Sales To Oth St Agencies	1,752.16	DEPARTMENT TOTAL	\$80.00
DEPARTMENT TOTAL	\$56,450.79	CABINET TOTAL	\$80.00
CABINET TOTAL	\$56,450.79	Cabinet for Economic Development	
Cabinet of the General Government		Econ Dev - Office Of The Secretary	
Unified Prosecutorial System		Other Receipts	264,131.02
Other	5,565.00	DEPARTMENT TOTAL	\$264,131.02
DEPARTMENT TOTAL	\$5,565.00	CABINET TOTAL	\$264,131.02
Attorney General		Finance & Administration Cabinet	
Interest Income	2,116.59	Commonwealth Office Of Technology	
Other Receipts	522,319.03	Refund Of Prior Year Expend	12,589.50
DEPARTMENT TOTAL	\$524,435.62	DEPARTMENT TOTAL	\$12,589.50
Ky Infrastructure Authority		Ky Housing Corporation	
Interest Income	3,685.66	Other Deposits	100,000.00
DEPARTMENT TOTAL	\$3,685.66	DEPARTMENT TOTAL	\$100,000.00
Department Of Military Affairs		Office of PVA Accounting	
Interest Income	1,533.40	Payment From PVA	(20,549.55)
Other Receipts	18,817.85	Other Receipts	25.00
DEPARTMENT TOTAL	\$20,351.25	DEPARTMENT TOTAL	(\$20,524.55)
Department for Local Government		Department Of Revenue	
Interest Income	13,674.38	Rev Cab-Tax Rev Clearing Acct	17,434,293.55
Other Program Income	915,056.25	Vendor Offset Distributions	(5,670,690.95)
DEPARTMENT TOTAL	\$928,730.63	Higher Education Equine Fd	638,360.12
Secretary Of State		Malt Bevrage Educational Fd	642,842.53
Rev Cab-Tax Rev Clearing Acct	3,430,585.89	Tobacco Research	1,753,778.81
Other Receipts	(4,263,511.96)		

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Ky Standardbred Devel Fd	89,543.02	Office Of The Controller	
Ky Thoroughbred Devel Fd	6,600,033.51	Lottery Receipts	11,567,958.10
Equine Drug Research	657,017.11	Fines	179,090.25
Ky Equine Industry Program	1,046,831.32	Interest Income	288,319.03
Spouse Abuse	331,750.40	Other Receipts	969,395.27
Thorbred Breeders Incentive Fd	10,437,496.77	Redeposit-Unredmed Treas Chks	18,734.76
Stanbred Breeders Incentive Fd	1,696,093.35		
Horse Breeders Incentive Fd	913,281.02	DEPARTMENT TOTAL	\$13,023,497.41
Transient Room Tax	11,263,652.88	County Costs	
Cancer Research Cigarette Srtx	3,792,511.65	General Fees From Public	397.77
Housing Trust-Clerk Fees	5,742.00	Fines	4,221,095.38
Quarter Horse Development Fund	21,229.65	Court Cost	10,141,673.10
Volunteer Fire Dept Aid Fund	17,089,058.94	Other Receipts	4,343.03
Law Enforcement Fund	64,762,011.17		
Firefighters Fund	25,185,227.16	DEPARTMENT TOTAL	\$14,367,509.28
Sales Tax Permit Fee Commerce	4.60	Facilities & Support Services	
Pen & Int From Sales Tx Permit	30.00	Sales & Use Tax-Regular	(32,876.28)
Advanced Deposit Wagering	84,042.05	General Sales To Public	523.16
Cold Check Clearing Account	649,184.42	General Fees From Public	16,868.40
Vendor Offset Receipts	5,727,044.12	General Fees From Other St Agy	10,164.40
Enterprise Collections - Principal	158,907.46		
		DEPARTMENT TOTAL	(\$5,320.32)
DEPARTMENT TOTAL	\$165,309,276.66	CABINET TOTAL	\$213,279,577.73
Finance - Office Of The Secretary		Cabinet for Universities	
General Fees From Other St Agy	13,969,958.51	Kentucky Higher Education Assistance A	
Genl Servs To Other St Agy	162,480.76	Forefeitures	442,944.14
		Interest Income	269,641.87
DEPARTMENT TOTAL	\$14,132,439.27	Performance Bonds	0.08
Ky Local Jail Authority		Other Deposits	461,584.82
Court Cost	6,360,110.48		
		DEPARTMENT TOTAL	\$1,174,170.91
DEPARTMENT TOTAL	\$6,360,110.48	Murray State University	
		Interest Income	5,042.31
		DEPARTMENT TOTAL	\$5,042.31

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
University of Kentucky		Misc. Donations	23,820.00
General Sales To Public	10,731,921.00	Other Receipts	38,491.86
Interest Income	968.58	Restricted Funds	8,452.30
DEPARTMENT TOTAL	\$10,732,889.58	Other Deposits	126,749.81
Ky Community Technical College System		DEPARTMENT TOTAL	\$50,326,650.27
General Sales To Public	9,500.00	Department For Libraries & Archives	
Interest Income	91,747.98	Interest Income	0.01
DEPARTMENT TOTAL	\$101,247.98	DEPARTMENT TOTAL	\$0.01
CABINET TOTAL	\$12,013,350.78	CABINET TOTAL	\$50,327,104.10
Tourism, Arts and Heritage Cabinet		Health & Family Services Cabinet	
Kentucky Department Of Parks		Office of the Kentucky Health Benefit Exc	
Forefeitures	1,365.10	KHBE SHOP Premium Payments	3,131,863.80
Other Receipts	14,050.00	DEPARTMENT TOTAL	\$3,131,863.80
DEPARTMENT TOTAL	\$15,415.10	CHFS - Office Of The Secretary	
Tourism - Office Of The Secretary		Interest Income	1,517.05
Interest Income	14,107.78	DEPARTMENT TOTAL	\$1,517.05
Other Receipts	11,812.26	Office Of Inspector General	
Escrow	243,000.00	Other Receipts	5,529,248.85
DEPARTMENT TOTAL	\$268,920.04	DEPARTMENT TOTAL	\$5,529,248.85
CABINET TOTAL	\$284,335.14	CHFS - Department for Aging and Indepe	
Education & Workforce Development Ca		Initial License Fee	12,168.31
Department For Workforce Investment		General Fees From Public	437,432.85
Interest Income	453.82	Court Cost	1,373,871.97
DEPARTMENT TOTAL	\$453.82	Interest Income	24,849.68
Department Of Education		DEPARTMENT TOTAL	\$1,848,322.81
General Sales To Public	93.86	Department For Public Health	
General Fees From Public	50,028,924.34	Breast Cancer Research	(47,057.23)
Tuition From Public	26,320.28	Other Receipts	2,833.38
Interest Income	1,642.65	DEPARTMENT TOTAL	(\$44,223.85)
Misc Private Grants & Gifts	72,155.17		

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Department For Community Based Service		Cabinet of the General Government	
Other Deposits	759,168.70	Department Of Veterans Affairs	
DEPARTMENT TOTAL	\$759,168.70	Op Tr From General Fund	200,000.00
Department For Medicaid Services		DEPARTMENT TOTAL	\$200,000.00
Comity License Fee	45,583.00	Ky Infrastructure Authority	
Other Deposits	13,193,717.22	Op Tr From Ot Spec Rev Fund	375,000.00
Other Program Income	(484.72)	Op Tr From Other Exp Trust Fd	2,459,836.00
DEPARTMENT TOTAL	\$13,238,815.50	DEPARTMENT TOTAL	\$2,834,836.00
Medicaid Services Benefits		Department for Local Government	
Interest Income	15,645.45	Op Tr From General Fund	3,473,600.00
DEPARTMENT TOTAL	\$15,645.45	Op Tr From Other Exp Trust Fd	11,068,323.00
CABINET TOTAL	\$24,480,358.31	DEPARTMENT TOTAL	\$14,541,923.00
Labor Cabinet		CABINET TOTAL	\$17,576,759.00
Office of General Admin and Program Su		Finance & Administration Cabinet	
Sales & Use Tax-Regular	499.10	Department Of Revenue	
DEPARTMENT TOTAL	\$499.10	Op Tr From Agency Rev Fund	14,449.94
CABINET TOTAL	\$499.10	DEPARTMENT TOTAL	\$14,449.94
Energy and Environment Cabinet		Office Of The Controller	
EEC - Office of the Secretary		Op Tr From General Fund	130,800.00
Environmental License Plate	402,118.00	DEPARTMENT TOTAL	\$130,800.00
Fines	2,773,395.70	Facilities & Support Services	
Interest Income	85,541.34	Op Tr From Agency Rev Fund	34,381.68
Misc. Donations	945.00	DEPARTMENT TOTAL	\$34,381.68
Refund Of Prior Year Expend	127.30	CABINET TOTAL	\$179,631.62
DEPARTMENT TOTAL	\$3,262,127.34	Cabinet for Universities	
CABINET TOTAL	\$3,262,127.34	Council On Postsecondary Education	
TOTAL REVENUES	\$304,617,856.40	Op Tr From Ot Spec Rev Fund	638,360.12
NON-REVENUES		DEPARTMENT TOTAL	\$638,360.12
		Ky Community Technical College System	
		Op Tr From Agency Rev Fund	730,537.07

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$730,537.07
CABINET TOTAL	\$1,368,897.19
Education & Workforce Development Ca	
Department For Workforce Investment	
Op Tr From General Fund	75,000.00
DEPARTMENT TOTAL	\$75,000.00
Department Of Education	
Op Tr From Other Exp Trust Fd	4,819.00
DEPARTMENT TOTAL	\$4,819.00
CABINET TOTAL	\$79,819.00
Health & Family Services Cabinet	
CHFS - Office Of The Secretary	
Op Tr From Agency Rev Fund	72.46
Op Tr From Ot Spec Rev Fund	643,206.78
DEPARTMENT TOTAL	\$643,279.24
Medicaid Services Benefits	
Op Tr From Agency Rev Fund	296,065,432.03
DEPARTMENT TOTAL	\$296,065,432.03
CABINET TOTAL	\$296,708,711.27
Energy and Environment Cabinet	
EEC - Office of the Secretary	
Op Tr From Other Exp Trust Fd	2,287,058.13
DEPARTMENT TOTAL	\$2,287,058.13
CABINET TOTAL	\$2,287,058.13
TOTAL NON-REVENUES	\$318,200,876.21
FUND TOTAL	\$622,818,732.61

Other Expendable Trust Fund

REVENUES

NAME OF ACCOUNT	ACTUAL RECEIPTS
Legislative Cabinet	
General Assembly	
Interest Income	762.31
DEPARTMENT TOTAL	\$762.31
CABINET TOTAL	\$762.31
Cabinet of the General Government	
Department Of Agriculture	
Interest Income	1.29
DEPARTMENT TOTAL	\$1.29
Attorney General	
Child Victim Fund	55,306.00
Child Victims License Plates	41,740.00
Interest Income	1,226.13
Misc. Donations	402.00
DEPARTMENT TOTAL	\$98,674.13
Department Of Veterans Affairs	
General Fees From Public	424,204.41
General Services To Public	100.00
Interest Income	368.41
Misc Private Grants & Gifts	76,119.27
Misc. Donations	10,653.61
Veterans Program Trust Fund	40,156.00
Property Damage	1,641.00
DEPARTMENT TOTAL	\$553,242.70
Office Of Homeland Security	
General Fees From Public	25,857,995.42
Interest Income	20,426.80
DEPARTMENT TOTAL	\$25,878,422.22
Department Of Military Affairs	
Registration/Filing Fee	409,498.90

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
General Rentals To Public	117,914.50	Finance & Administration Cabinet	
General Fees From Public	85.00	Department Of Revenue	
Rev From US Dept Of Defense	98,430.45	Unmined Coal Prop Tax-Hb368-94	2,236,608.32
Interest Income	427.00	Waste Tire Trust Fund	2,766,822.44
Other Receipts	26,040.00	Undrgrnd Strg Tank Fee - Fra	11,766,352.31
Program Income-Non-Deductive	297,630.82	Undrgrnd Strg Tank Fee - Pst	29,374,742.04
DEPARTMENT TOTAL	\$950,026.67	Environmental Remediation Fee	12,233,130.14
Department for Local Government		DEPARTMENT TOTAL	\$58,377,655.25
Interest Income	215,418.93	Finance - Office Of The Secretary	
DEPARTMENT TOTAL	\$215,418.93	Interest Income	1,114,807.85
Secretary Of State		Univ Serv Fund Lifeline Fees	6,496,876.72
Other Receipts	8,250.00	DEPARTMENT TOTAL	\$7,611,684.57
DEPARTMENT TOTAL	\$8,250.00	Office Of The Controller	
CABINET TOTAL	\$27,704,035.94	Interest Income	1,878.79
Transportation Cabinet		Univ Serv Fund Lifeline Fees	4,737,913.81
Public Transportation		Redeposit-Unredmed Treas Chks	50,874.54
General Fees From Other St Agy	101,926,895.54	DEPARTMENT TOTAL	\$4,790,667.14
DEPARTMENT TOTAL	\$101,926,895.54	CABINET TOTAL	\$70,780,006.96
CABINET TOTAL	\$101,926,895.54	Cabinet for Universities	
Cabinet for Economic Development		Kentucky Higher Education Assistance A	
Econ Dev - Office Of The Secretary		Interest Income	322.41
Other Receipts	27,317.00	DEPARTMENT TOTAL	\$322.41
DEPARTMENT TOTAL	\$27,317.00	Council On Postsecondary Education	
Department Of Financial Incentives		General Fees From Public	68,429.78
Interest Income	0.13	General Fees From Other St Agy	75,250.00
DEPARTMENT TOTAL	\$0.13	Interest Income	3,090.63
CABINET TOTAL	\$27,317.13	Misc Private Grants & Gifts	20,000.00
		Misc. Donations	1,839,371.44
		Other Receipts	494,210.23
		Refund Of Prior Year Expend	3,100.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$2,503,452.08	DEPARTMENT TOTAL	\$1,623,666.87
Ky Community Technical College System		Department For Community Based Servic	
Interest Income	0.69	Comity License Fee	220.02
DEPARTMENT TOTAL	\$0.69	Interest Income	1,675.96
CABINET TOTAL	\$2,503,775.18	Other Deposits	606,600.25
Education & Workforce Development Ca		Other Program Income	2,711,259.00
Education Professional Standards Board		DEPARTMENT TOTAL	\$3,319,755.23
Interest Income	77.17	CABINET TOTAL	\$32,525,890.80
DEPARTMENT TOTAL	\$77.17	Justice & Public Safety Cabinet	
Kentucky Commission on Proprietary Ed		Department Of Juvenile Justice	
License Application Fee	1,200.00	Rev From US Dept Of Treasury	19,729.19
Renewal License Fee	47,510.00	Interest Income	11.87
Other Fees Related To Licenses	8,400.00	DEPARTMENT TOTAL	\$19,741.06
DEPARTMENT TOTAL	\$57,110.00	CABINET TOTAL	\$19,741.06
Department Of Education		Energy and Environment Cabinet	
General Fees From Public	500.00	KY Public Service Commission	
Interest Income	12,409.49	General Fees From Public	38,000.44
Dividend Income	12,406.46	Public Service Comm Telec Access Prog	1,142,443.11
Misc. Donations	94,192.25	Public Service Comm Telec Relay Servic	1,080,955.82
DEPARTMENT TOTAL	\$119,508.20	DEPARTMENT TOTAL	\$2,261,399.37
CABINET TOTAL	\$176,695.37	EEC - Office of the Secretary	
Health & Family Services Cabinet		Interest Income	1,428.11
Office of the Kentucky Health Benefit Exc		Other Receipts	4,480,000.00
Special Fund Special Assessmnt	27,340,960.46	Other Deposits	360,000.00
General Fees From Public	222,268.13	Other	5,000,000.00
Interest Income	5,594.60	DEPARTMENT TOTAL	\$9,841,428.11
Other Receipts	13,645.51	Department for Natural Resources	
DEPARTMENT TOTAL	\$27,582,468.70	Registration/Filing Fee	116,500.00
Department For Public Health		Coal Tonnage	3,685,397.45
Court Cost	1,623,666.87	General Fees From Public	10,780.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Fines	1,617,147.59	Op Tr From Other Exp Trust Fd	12,367,965.00
Forefeitures	1,940,412.50	DEPARTMENT TOTAL	\$14,692,516.25
Interest Income	101,544.95	CABINET TOTAL	\$39,207,823.97
DEPARTMENT TOTAL	\$7,471,782.49	Cabinet for Economic Development	
Department for Environmental Protection		Econ Dev - Office Of The Secretary	
Interest Income	943.05	Op Tr From Other Exp Trust Fd	0.14
DEPARTMENT TOTAL	\$943.05	DEPARTMENT TOTAL	\$0.14
CABINET TOTAL	\$19,575,553.02	Department Of Financial Incentives	
Public Protection Cabinet		Op Tr From Other Exp Trust Fd	27,315.97
Department of Insurance		DEPARTMENT TOTAL	\$27,315.97
Interest Income	8.73	CABINET TOTAL	\$27,316.11
DEPARTMENT TOTAL	\$8.73	Finance & Administration Cabinet	
CABINET TOTAL	\$8.73	Department Of Revenue	
TOTAL REVENUES	\$255,240,682.04	Op Tr From Agency Rev Fund	2,424.88
NON-REVENUES		Op Tr From Ins Admin Fund	2,525,648.91
Cabinet of the General Government		Op Tr From Other Exp Trust Fd	73,504.32
Department Of Veterans Affairs		DEPARTMENT TOTAL	\$2,601,578.11
Op Tr From Other Exp Trust Fd	40,000.00	Finance - Office Of The Secretary	
DEPARTMENT TOTAL	\$40,000.00	Op Tr From General Fund	16,399,500.00
Office Of Homeland Security		Op Tr From Other Exp Trust Fd	1,700,471.18
Op Tr From Other Exp Trust Fd	23,065.39	DEPARTMENT TOTAL	\$18,099,971.18
DEPARTMENT TOTAL	\$23,065.39	CABINET TOTAL	\$20,701,549.29
Department for Local Government		Cabinet for Universities	
Op Tr From General Fund	21,364,066.00	Kentucky Higher Education Assistance A	
Op Tr From Ot Spec Rev Fund	1,094,274.15	Op Tr From General Fund	445,000.00
Op Tr From Other Exp Trust Fd	1,993,902.18	DEPARTMENT TOTAL	\$445,000.00
DEPARTMENT TOTAL	\$24,452,242.33	Council On Postsecondary Education	
School Facilities Construction Commissio		Op Tr From General Fund	4,075,300.00
Op Tr From General Fund	2,324,551.25	Op Tr From Tobacco Fund	4,972,500.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$9,047,800.00
CABINET TOTAL	\$9,492,800.00
Education & Workforce Development Ca	
Department Of Education	
Op Tr From Other Exp Trust Fd	12,231,312.47
DEPARTMENT TOTAL	\$12,231,312.47
CABINET TOTAL	\$12,231,312.47
Health & Family Services Cabinet	
Office of the Kentucky Health Benefit Exc	
Op Tr From Other Exp Trust Fd	119,729.11
DEPARTMENT TOTAL	\$119,729.11
CABINET TOTAL	\$119,729.11
Energy and Environment Cabinet	
EEC - Office of the Secretary	
Op Tr From Other Exp Trust Fd	12,306,634.46
DEPARTMENT TOTAL	\$12,306,634.46
Department for Natural Resources	
Op Tr From Federal Fund	7,250,000.00
Op Tr From Other Exp Trust Fd	1,700,000.00
DEPARTMENT TOTAL	\$8,950,000.00
CABINET TOTAL	\$21,256,634.46
TOTAL NON-REVENUES	\$103,037,165.41
FUND TOTAL	\$358,277,847.45

Child Dedicated SSI Fund

REVENUES

Health & Family Services Cabinet

Department For Community Based Servic

Other Deposits 153,171.70

DEPARTMENT TOTAL \$153,171.70

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$153,171.70
TOTAL REVENUES	\$153,171.70
FUND TOTAL	\$153,171.70

Tobacco Settlement Trust Fund

REVENUES

Cabinet of the General Government

Agricultural Development Board

Interest Income 13,911.66

DEPARTMENT TOTAL \$13,911.66

CABINET TOTAL \$13,911.66

Finance & Administration Cabinet

Office Of The Controller

Interest Income 79,650.77

Redeposit-Unredmed Treas Chks 28,976.82

DEPARTMENT TOTAL \$108,627.59

CABINET TOTAL \$108,627.59

Cabinet for Universities

Kentucky Higher Education Assistance A

Other Receipts 1,800.00

Refund Of Prior Year Expend (1,800.00)

DEPARTMENT TOTAL \$0.00

CABINET TOTAL \$0.00

TOTAL REVENUES \$122,539.25

NON-REVENUES

Cabinet of the General Government

Department Of Agriculture

Op Tr From General Fund 600,000.00

DEPARTMENT TOTAL \$600,000.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Agricultural Development Board		DEPARTMENT TOTAL	\$646,438.04
Op Tr From General Fund	14,967,122.20	Department For Community Based Service	
Op Tr From Tobacco Fund	19,350,000.00	Op Tr From General Fund	6,320,066.76
DEPARTMENT TOTAL	\$34,317,122.20	DEPARTMENT TOTAL	\$6,320,066.76
CABINET TOTAL	\$34,917,122.20	CABINET TOTAL	\$16,818,786.29
Finance & Administration Cabinet		Justice & Public Safety Cabinet	
Department Of Revenue		Justice - Office Of The Secretary	
Op Tr From General Fund	250,000.00	Op Tr From General Fund	1,700,200.00
DEPARTMENT TOTAL	\$250,000.00	Op Tr From Tobacco Fund	459,100.00
Finance - Office Of The Secretary		DEPARTMENT TOTAL	\$2,159,300.00
Op Tr From General Fund	28,198,905.23	CABINET TOTAL	\$2,159,300.00
Op Tr From Tobacco Fund	55,079.46	Energy and Environment Cabinet	
DEPARTMENT TOTAL	\$28,253,984.69	Department for Natural Resources	
CABINET TOTAL	\$28,503,984.69	Op Tr From General Fund	5,484,673.88
Cabinet for Universities		Op Tr From Tobacco Fund	3,353,231.91
Kentucky Higher Education Assistance A		DEPARTMENT TOTAL	\$8,837,905.79
Op Tr From Tobacco Fund	797,713.53	CABINET TOTAL	\$8,837,905.79
DEPARTMENT TOTAL	\$797,713.53	TOTAL NON-REVENUES	\$94,943,779.66
Council On Postsecondary Education		FUND TOTAL	\$95,066,318.91
Op Tr From General Fund	2,908,967.16		
DEPARTMENT TOTAL	\$2,908,967.16		
CABINET TOTAL	\$3,706,680.69		
Health & Family Services Cabinet			
Department For Public Health			
Op Tr From General Fund	1,454,533.58		
Op Tr From Tobacco Fund	8,397,747.91		
DEPARTMENT TOTAL	\$9,852,281.49		
Behavioral Health, Developmental & Intel			
Op Tr From Tobacco Fund	646,438.04		

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Legislative Cabinet		
General Assembly		
Gen Assembly-Ky Long Term Policy Fund	26,329.08	
DEPARTMENT TOTAL	\$26,329.08	
Legislative Research Commission		
Legislative Research Comm Fund	1,649,660.01	54,698.63
LRC-Video Conference Reimb Fund	210,269.52	1,752.16
DEPARTMENT TOTAL	\$1,859,929.53	\$56,450.79
CABINET TOTAL	\$1,886,258.61	\$56,450.79
Cabinet of the General Government		
Unified Prosecutorial System		
Comm Atty Deposit Fund	95,927.58	5,565.00
County Atty Deposit Fund	88,531.77	
DEPARTMENT TOTAL	\$184,459.35	\$5,565.00
Attorney General		
Anti Trust Law Fund	236,650.03	
Cemetery Consumer Security Fund	298,552.90	27,532.25
Cp Restitution Holding Fund	38,610.44	535.28
Federal Assests & Forfeitures Fund	200.39	496,368.09
Mortgage Settlement Fiduciary Fund	189,781.00	
Transient Merchant Cash Bonds Fund	11,100.00	
DEPARTMENT TOTAL	\$774,894.76	\$524,435.62
Department Of Veterans Affairs		
Military Funeral Honors Fund	8,078.07	
DEPARTMENT TOTAL	\$8,078.07	
Ky Infrastructure Authority		
City of Buckhorn- Waterline Repair	104,842.65	
Elkhorn City Wat Lines-Repair,Replace & Restore Eq,Op&Imp	3,547.49	
Harlan Co FC Black Mtn UD Greenhill Water Line Rehab		
Harlan Co. FC Black Mtn UD Greenhill Water-Woodward Water	325,000.00	
Henderson Co FC-Robards Rockhouse Rd Water Line Ext East	45,000.00	
KIA 2020 Water Service Series 2000A	706.51	89.86
KIA Coal Co Water & Sewer Dev Fund	496,722.58	6,145.12
KIA Fds A&F Rev Loan Prog Fund	4,598.96	29.96
KIA Tobacco Co Wat & Sew Dev Fund	3,597,696.60	(2,366.73)
Ky Infrastructure Authority Fund	569,265.64	(212.55)

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
		26,329.08		
		\$26,329.08		
	1,803.40	435,300.00		1,267,255.24
				212,021.68
	\$1,803.40	\$435,300.00		\$1,479,276.92
	\$1,803.40	\$461,629.08		\$1,479,276.92
	19,373.63			82,118.95
	1,587.89			86,943.88
	\$20,961.52			\$169,062.83
		200,000.00		36,650.03
				326,085.15
				39,145.72
		200.33		496,368.15
				189,781.00
				11,100.00
		\$200,200.33		\$1,099,130.05
200,000.00	148,845.00			59,233.07
\$200,000.00	\$148,845.00			\$59,233.07
	15,000.00			89,842.65
				3,547.49
325,000.00				325,000.00
		325,000.00		45,000.00
				796.37
				502,867.70
				4,628.92
				3,595,329.87
	569,265.64		212.55	

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Letcher County FC-Fields Cliff Water Line Ext	0.33	
Letcher County FC-Fleming/Neon Water Line Upgrades	1.21	
Letcher County FC-Highway 160 Premium Water Proj	66,187.31	
Letcher County FC-Millstone Water Project	99,094.05	
Letcher County FC-Pert Creek/Pine Creek/Cram Creek Water Pro	191,085.98	
Mountain Water Dist - Sycamore/Lower John's Creek Water Proj	0.01	
Mountain Water District-Belfry-Pond Area Sewer	2,564,792.90	
Perry Co FC - South Perry Water Project	32,437.46	
Single County Coal Severance Projects	11,702,747.84	
DEPARTMENT TOTAL	\$19,803,727.52	\$3,685.66
Department Of Military Affairs		
Asset Forfeiture Fund	225,570.00	20,351.25
DEPARTMENT TOTAL	\$225,570.00	\$20,351.25
Department for Local Government		
(Jessamine)Nicholasville Spec Bldg Recaptured Funds	10,104.98	
(MULTI-CO.)Henderson CFC for Comm Coll Fine Arts Parking Lot	1,773.37	
Childs Regional Business Park Fund	0.01	
City of Allensville LGEA checks		
City of Blaine LGEA checks		
City of Blandville LGEA checks		
City of Poplar Hills LGEA checks		
City of South Park View LGEA checks		
Community Fund Cut List	110,742.66	
Elk Hill Engineering Fund	41,695.32	
FY10-11 Support for 12 Reg Industrial Parks	36,589.71	
LGEDF-Perry, Harlan & Leslie Fund	154,927.38	
Loc Gov-LGEDF-Multi Co Green R Fund	123,561.24	
Loc Gov-LGEDF-Multi Co Honey B Fund	50,713.22	
NSP Program Income Revolving Loan Fund		902,348.00
NSP3 Program Income Revolving Loan Fund		17,126.60
Pine Mt Ind Park Eng Fund	63,514.97	
Proj Clearing Big Sandy ADD Fund	197,687.28	1,499.00
Proj Clearing Bluegrass ADD Fund	247,967.10	2,866.78
Proj Clearing Brn River ADD Fund	51,525.01	313.67
Proj Clearing Buffalo Trc ADD Fund	20,012.25	168.83
Proj Clearing Cumberland ADD Fund	65,257.57	557.33

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				0.33
				1.21
				66,187.31
	96,094.05			3,000.00
	118,090.53			72,995.45
				0.01
	240,135.00			2,324,657.90
	32,437.46			
2,509,836.00	5,766,495.84	60,575.19		8,385,512.81
\$2,834,836.00	\$6,837,518.52	\$385,575.19	\$212.55	\$15,419,368.02
	35,577.33			210,343.92
	\$35,577.33			\$210,343.92
	(34,788.74)	44,728.42		165.30
		1,773.37		
				0.01
	(204.16)			204.16
	(3,077.41)			3,077.41
	(6.01)			6.01
	(17.66)			17.66
	(0.29)			0.29
		110,742.66		
				41,695.32
200,000.00	64,536.26	36,589.71		135,463.74
				154,927.38
				123,561.24
				50,713.22
				902,348.00
				17,126.60
	7,465.00			56,049.97
46,770.00	15,695.96			230,260.32
53,462.00	(24,949.14)			329,245.02
25,974.00	44,919.00			32,893.68
19,994.00	30,241.20			9,933.88
27,708.00				93,522.90

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Proj Clearing FIVCO ADD Fund	39,305.60	365.33
Proj Clearing Gateway ADD Fund	44,580.32	322.62
Proj Clearing Grn River ADD Fund	74.21	94.59
Proj Clearing KIPDA Fund	78,329.04	59.87
Proj Clearing Ky River ADD Fund	89,323.86	659.86
Proj Clearing Lake Cumberland ADD Fund	55,280.23	471.80
Proj Clearing Lincoln T1 ADD Fund	105,045.54	750.53
Proj Clearing North Ky ADD Fund	59,850.34	468.67
Proj Clearing Pennyrile ADD Fund	25,136.15	265.50
Proj Clearing Purchase ADD Fund	44,976.77	391.65
Regional Strategic Development Fund		
Single County Coal Severance Projects	24,881,327.22	
Trover Clinic Off the Top allocation per state budget	500,000.00	
DEPARTMENT TOTAL	\$27,099,301.35	\$928,730.63
Secretary Of State		
General Fund Prepaid Accounts Fund	331,848.96	(163,660.86)
SOS-General Receipts Fund	778,985.25	(669,265.21)
DEPARTMENT TOTAL	\$1,110,834.21	(\$832,926.07)
State Treasurer		
ReIssue General Checks	225.00	
DEPARTMENT TOTAL	\$225.00	
CABINET TOTAL	\$49,207,090.26	\$649,842.09
Transportation Cabinet		
Department Of Aviation		
TC-Airport Devel Loan Fund	895,161.30	80.00
DEPARTMENT TOTAL	\$895,161.30	\$80.00
CABINET TOTAL	\$895,161.30	\$80.00
Cabinet for Economic Development		
Econ Dev - Office Of The Secretary		
Econ Dev- Cap Pl Hotel Fund		31,015.77
Econ Dev-Edb/ Vine Ctr Proj Fund		195,000.00
Economic Development Flow Thru Fund	135,000.00	38,115.25
DEPARTMENT TOTAL	\$135,000.00	\$264,131.02
CABINET TOTAL	\$135,000.00	\$264,131.02

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
23,440.00				63,110.93
18,382.00	10,579.14			52,705.80
22,108.00	22,108.00			168.80
67,142.00	93,865.95			51,664.96
41,222.00	39,966.56			91,239.16
22,998.00	42,810.60			35,939.43
25,130.00	26,130.82			104,795.25
35,334.00	40,022.00			55,631.01
23,130.00	1,600.00			46,931.65
20,806.00				66,174.42
2,000,000.00				2,000,000.00
10,868,323.00	19,756,381.77	1,045,335.88		14,947,932.57
1,000,000.00	1,000,000.00			500,000.00
\$14,541,923.00	\$21,133,278.85	\$1,239,170.04		\$20,197,506.09
				168,188.10
				109,720.04
				\$277,908.14
				225.00
				\$225.00
\$17,576,759.00	\$28,176,181.22	\$1,824,945.56	\$212.55	\$37,432,777.12
			4,000.00	899,241.30
			\$4,000.00	\$899,241.30
			\$4,000.00	\$899,241.30
		31,015.77		
	5,975.00	189,025.00		
	117,115.25			56,000.00
	\$123,090.25	\$220,040.77		\$56,000.00
	\$123,090.25	\$220,040.77		\$56,000.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Commonwealth Office Of Technology		
COT - Pass Through		12,589.50
USAC Account	36,121.81	
DEPARTMENT TOTAL	\$36,121.81	\$12,589.50
Ky Housing Corporation		
Ky Housing Corporation Fund	53,325.28	100,000.00
DEPARTMENT TOTAL	\$53,325.28	\$100,000.00
Office of PVA Accounting		
Revenue-PVA Conference Fund	20,524.55	(20,524.55)
DEPARTMENT TOTAL	\$20,524.55	(\$20,524.55)
Department Of Revenue		
Enterprise Collections Clearing Account	1,670,337.65	158,907.46
Receipt Holding Fund		165,150,369.20
Rev-Undetermined Receipts Fund	93,096.49	
DEPARTMENT TOTAL	\$1,763,434.14	\$165,309,276.66
Finance - Office Of The Secretary		
Blue Ribbon Commission on Tax Reform	33,126.62	
Fin-Postal Clearing Fund	738,229.98	14,132,439.27
Smart Government Initiative	331,900.00	
Statewide Economy & Efficiency Initiative	52,300.00	
Statewide Event Planning Fund	82,800.00	
DEPARTMENT TOTAL	\$1,238,356.60	\$14,132,439.27
Ky Local Jail Authority		
Fin-Ky Local Jail Auth-Oper Fund	50.03	6,360,110.48
DEPARTMENT TOTAL	\$50.03	\$6,360,110.48
Office Of The Controller		
Blue Ribbon Commission on Retirement	64,155.19	
Cingular - Electronic Billing Fund	31.33	
Eastern Ky Exposition Center Fund		5,000,000.00
Enterprise Business Intelligence		
Green Bank Revolving Loan Program	2,259,110.97	1,250,060.50
KEES Program Reserve Fund	43,071.57	6,567,958.10
OC-Campaign Filing Fees Fund	24,799.67	
OC-CMIA Interest Fund		3,568.77
OC-PA-DUI-Fee Fund	653.97	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	624,417.08		611,827.58	36,121.81
	\$624,417.08		\$611,827.58	\$36,121.81
	89,515.72			63,809.56
	\$89,515.72			\$63,809.56
				1,829,245.11
14,449.94		147,059,696.78	(18,105,122.36)	93,096.49
\$14,449.94		\$147,059,696.78	(\$18,105,122.36)	\$1,922,341.60
				33,126.62
	13,944,350.87			926,318.38
				331,900.00
				52,300.00
				82,800.00
	\$13,944,350.87			\$1,426,445.00
	989,190.91			5,370,969.60
	\$989,190.91			\$5,370,969.60
130,800.00				194,955.19
				31.33
		5,000,000.00		
	545,207.50		545,207.50	
		3,000,000.00		509,171.47
		6,500,000.00		111,029.67
				24,799.67
			(3,568.77)	653.97

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
OC-Public Intoxication Fund		179,090.25
OC-SS Int Earned Clr-St/Co/Mn Fund	6,110.65	4,085.03
Payroll Clearing Fund for Third Party Payments	24.38	
Unredeemed Check Clearing	14,644.20	
Unredeemed Check Fund 1400	290,180.27	18,734.76
Westlaw Fund		
DEPARTMENT TOTAL	\$2,702,782.20	\$13,023,497.41
County Costs		
County Court Cost Clearing Acc Fund	11,832.20	
County Jail Fiscal Fund		1,373,871.97
Court Facility Fees Fund	24.98	4,221,095.38
Fin-Co Cost-Court Cst Allocation Fund		6,244,872.59
Fin-Co Cost-Handicapped Park Fund	379.30	396.80
Fin-Co Costs DUI Ser Fees Fund	0.04	0.97
Fin-Co Cst-Cir Ct Clk Rect Clr Fund	61,341.93	4,343.03
Large County Insurance		
Sheriff's Court Security Fund		2,522,928.54
DEPARTMENT TOTAL	\$73,578.45	\$14,367,509.28
Facilities & Support Services		
Fin-Fm Hist Properties Fund	182,408.16	27,516.90
Sales Tax Fund	7,824.07	(32,837.22)
DEPARTMENT TOTAL	\$190,232.23	(\$5,320.32)
CABINET TOTAL	\$6,078,405.29	\$213,279,577.73
Cabinet for Universities		
Kentucky Higher Education Assistance Authority		
GEAR Up Scholarship Set-aside	715.00	
KHEAA-Conversion Loan Collections from DOR		23,928.17
KHEAA-Dflt Pmts-Inc Tax Refund Fund	826.76	437,367.01
KHEAA-Health Ins Prem Fnd Rtre Fund	97,785.61	654.66
KHEAA-Math Sci Scholarships Fund	404.00	
KHEAA-Sab Paul Dgls Teach Sch Fund	2,596.80	1,780.00
KHEAA-Teacher Scholarships Fund	327,061.35	253,158.36
Osteo Med School Repayments Fund	443,053.72	457,282.71
DEPARTMENT TOTAL	\$872,443.24	\$1,174,170.91
Council On Postsecondary Education		
CPE Univ Equine Prog Trust Fund	506,356.77	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
		179,090.25		
		6,110.65		4,085.03
				24.38
				14,644.20
	5,178.43			303,736.60
	(112,865.54)		(22,730.94)	90,134.60
\$130,800.00	\$437,520.39	\$14,685,200.90	\$518,907.79	\$1,253,266.11
				11,832.20
	1,373,871.97			
	4,221,120.36			
	4,995,898.07	1,248,974.52		
	573.50			202.60
				1.01
				65,684.96
	18,983.41		18,983.41	
	2,522,928.54			
	\$13,133,375.85	\$1,248,974.52	\$18,983.41	\$77,720.77
	150.50			209,774.56
34,381.68		5,606.17		3,762.36
\$34,381.68	\$150.50	\$5,606.17		\$213,536.92
\$179,631.62	\$29,218,521.32	\$162,999,478.37	(\$16,955,403.58)	\$10,364,211.37
		715.00		
	360.00			23,568.17
	435,717.01			2,476.76
				98,440.27
				404.00
	2,596.80			1,780.00
		327,061.35		253,158.36
		6,210.38		894,126.05
	\$438,673.81	\$333,986.73		\$1,273,953.61
638,360.12	600,000.00			544,716.89

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
KYVU Revolving Loan Fund	1,401,447.00	
DEPARTMENT TOTAL	\$1,907,803.77	
Murray State University		
Murray St-Wellness Ctr Debt Svc Res Fund	754,283.89	5,042.31
DEPARTMENT TOTAL	\$754,283.89	\$5,042.31
University of Kentucky		
UK-Basic Coverage Compe Fund	696,296.88	10,732,889.58
DEPARTMENT TOTAL	\$696,296.88	\$10,732,889.58
University of Louisville		
UL-Basic Coverage Compe Fund	145,352.51	
DEPARTMENT TOTAL	\$145,352.51	
Ky Community Technical College System		
Fire Commission Loan Fund	13,202,225.72	101,247.98
DEPARTMENT TOTAL	\$13,202,225.72	\$101,247.98
CABINET TOTAL	\$17,578,406.01	\$12,013,350.78
Tourism, Arts and Heritage Cabinet		
Kentucky Department Of Parks		
Department of Parks Housing Deposit Escrow		14,050.00
Go-Ampith Collins Memorial Fund	7.88	
Parks-Capital Maint/Renovat Fund	211.92	
Parks-M Od Ky Home Endow Fund Fund	966.93	
Parks-Rangers-Forf/Seiz. Awar. Fund	1,314.35	1,365.10
DEPARTMENT TOTAL	\$2,501.08	\$15,415.10
Tourism - Office Of The Secretary		
Tourism Dev Loan Program Fund	1,499,398.13	14,107.78
Tourism Develop - Film Office	1,340.18	
Tourism Development - Admin Fee Acct	97,752.00	254,812.26
DEPARTMENT TOTAL	\$1,598,490.31	\$268,920.04
CABINET TOTAL	\$1,600,991.39	\$284,335.14
Education & Workforce Development Cabinet		
Department For Workforce Investment		
DWI-OET-Facility Replace/Renov Fund	0.04	
DWI-OET-Service Capacity Upgr Fund	14,959.30	100.11
DWI-OVR-KATLC Fund	947.85	353.71
ReIssue Unemployment Benefit Checks	194.00	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				1,401,447.00
\$638,360.12	\$600,000.00			\$1,946,163.89
				759,326.20
				\$759,326.20
		10,947,691.64		481,494.82
		\$10,947,691.64		\$481,494.82
		50,000.00		95,352.51
		\$50,000.00		\$95,352.51
730,537.07	430,542.62	8,000,000.00		5,603,468.15
\$730,537.07	\$430,542.62	\$8,000,000.00		\$5,603,468.15
\$1,368,897.19	\$1,469,216.43	\$19,331,678.37		\$10,159,759.18
				14,050.00
				7.88
				211.92
				966.93
				2,679.45
				\$17,916.18
			(393,484.89)	1,120,021.02
	1,236.40			103.78
	310,589.96			41,974.30
	\$311,826.36		(\$393,484.89)	\$1,162,099.10
	\$311,826.36		(\$393,484.89)	\$1,180,015.28
				0.04
				15,059.41
75,000.00	56,570.94			19,730.62
				194.00

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$16,101.19	\$453.82
Kentucky Commission on Proprietary Education		
Proprietary Education Cash Collateral Deposits	40,000.00	
DEPARTMENT TOTAL	\$40,000.00	
Department Of Education		
BOSS-IAS-Adm Serv-Stockroom Fund	203,615.75	
BOSS-IAS-Medicaid Adm Claim Fund	7,471,726.88	
KEN-eRATE Rebate	17,591.32	8,452.30
LARS-DSS-Local District Health Fund	112,929.16	50,028,924.34
LARS-SIS-KSB-Donations Fund	471,841.13	200,104.05
LARS-SIS-KSB-Investments Fund	245,799.28	1,642.65
LARS-SIS-KSD Fund	396,100.76	87,526.93
DEPARTMENT TOTAL	\$8,919,604.28	\$50,326,650.27
Department For Libraries & Archives		
Gates Foundation Grant Fund	6.23	(6.23)
Gates Foundation Public Access Fund	34,108.00	6.24
DEPARTMENT TOTAL	\$34,114.23	\$0.01
CABINET TOTAL	\$9,009,819.70	\$50,327,104.10
Health & Family Services Cabinet		
Office of the Kentucky Health Benefit Exchange		
HBE Premium Payment-SHOP	113,961.53	3,131,863.80
DEPARTMENT TOTAL	\$113,961.53	\$3,131,863.80
CHFS - Office Of The Secretary		
CHFS-Cabinet Cafeteria Fund	98,713.80	
KCHIP Fund	241,699.03	1,517.05
Malt Beverage Educational Fund		
DEPARTMENT TOTAL	\$340,412.83	\$1,517.05
Office Of Inspector General		
Civil Monetary Penalties OIG Fund	19,063,927.45	5,529,248.85
DEPARTMENT TOTAL	\$19,063,927.45	\$5,529,248.85
CHFS - Department for Aging and Independent Living		
Audit Claims & Recovery Aging Fund	1,304,703.59	
Brain Injury Trust Fund	3,719,140.53	1,848,322.81
DEPARTMENT TOTAL	\$5,023,844.12	\$1,848,322.81

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
\$75,000.00	\$56,570.94			\$34,984.07
				40,000.00
				\$40,000.00
	9,585.03	150,000.00		44,030.72
	1,962,612.13			5,509,114.75
	13,013.80			13,029.82
	44,910,827.49			5,231,026.01
1,940.00	252,912.42			420,972.76
				247,441.93
2,879.00	495.72	179,690.00		306,320.97
\$4,819.00	\$47,149,446.59	\$329,690.00		\$11,771,936.96
				34,114.24
				\$34,114.24
\$79,819.00	\$47,206,017.53	\$329,690.00		\$11,881,035.27
	3,065,150.45			180,674.88
	\$3,065,150.45			\$180,674.88
	2,491.75			96,222.05
72.46		243,288.54		
643,206.78	54,000.00	589,206.78		
\$643,279.24	\$56,491.75	\$832,495.32		\$96,222.05
	115,705.56	377,383.80		24,100,086.94
	\$115,705.56	\$377,383.80		\$24,100,086.94
	(86,792.22)	325,000.00		1,066,495.81
	1,623,428.46	550,000.00		3,394,034.88
	\$1,536,636.24	\$875,000.00		\$4,460,530.69

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL REVENUE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Department For Public Health		
Breast Cancer Research & Educ Fund	374,968.56	(44,223.85)
Diabetes Research Trust Fund	51,891.26	
DEPARTMENT TOTAL	\$426,859.82	(\$44,223.85)
Department for Family Resource Centers & Volunteer Service		
Volunteer Activities Fund	39,627.66	
DEPARTMENT TOTAL	\$39,627.66	
Department For Community Based Services		
Public Assist Claims& Recovery Fund	3,864,383.17	759,168.70
DEPARTMENT TOTAL	\$3,864,383.17	\$759,168.70
Department For Medicaid Services		
Pub Assistance Claim Recovery Fund	23,065,304.68	13,238,815.50
DEPARTMENT TOTAL	\$23,065,304.68	\$13,238,815.50
Medicaid Services Benefits		
Med Assessment Revolving Trust Fund	7,967,056.05	15,645.45
DEPARTMENT TOTAL	\$7,967,056.05	\$15,645.45
CABINET TOTAL	\$59,905,377.31	\$24,480,358.31
Labor Cabinet		
Office of General Admin and Program Support Shared Service		
Off Of Adm & Info Services Fund	297.63	499.10
DEPARTMENT TOTAL	\$297.63	\$499.10
CABINET TOTAL	\$297.63	\$499.10
Energy and Environment Cabinet		
EEC - Office of the Secretary		
KHLCF Ky Herit Lnd Conserv Fnd Fund	11,430,781.46	3,262,127.34
DEPARTMENT TOTAL	\$11,430,781.46	\$3,262,127.34
CABINET TOTAL	\$11,430,781.46	\$3,262,127.34
FUND TOTAL	\$157,727,588.96	\$304,617,856.40

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				330,744.71
				51,891.26
				\$382,635.97
		39,627.66		
		\$39,627.66		
		93,671.81		4,529,880.06
		\$93,671.81		\$4,529,880.06
	146,371.03	33,600,000.00		2,557,749.15
	\$146,371.03	\$33,600,000.00		\$2,557,749.15
296,065,432.03		303,402,317.46		645,816.07
\$296,065,432.03		\$303,402,317.46		\$645,816.07
\$296,708,711.27	\$4,920,355.03	\$339,220,496.05		\$36,953,595.81
				796.73
				\$796.73
				\$796.73
2,287,058.13	67,188.41	5,782,475.00		11,130,303.52
\$2,287,058.13	\$67,188.41	\$5,782,475.00		\$11,130,303.52
\$2,287,058.13	\$67,188.41	\$5,782,475.00		\$11,130,303.52
\$318,200,876.21	\$111,494,199.95	\$530,170,433.20	(\$17,344,675.92)	\$121,537,012.50

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Legislative Cabinet		
General Assembly		
Gen Assembly-Ky Long Term Fund	1,011,781.52	762.31
DEPARTMENT TOTAL	\$1,011,781.52	\$762.31
CABINET TOTAL	\$1,011,781.52	\$762.31
Cabinet of the General Government		
Department Of Agriculture		
Animal Control Administrative Fund		1.29
DEPARTMENT TOTAL		\$1.29
Attorney General		
Child Victims Trust Fund	1,694,548.18	98,674.13
DEPARTMENT TOTAL	\$1,694,548.18	\$98,674.13
Department Of Veterans Affairs		
Gov Off-Dept Of Veterans Affairs Fund	376,072.59	511,683.06
Homeless Veterans Trust Fund	70,548.83	11,097.89
Veterans Program Trust Fund Cemeteries	47,646.56	30,461.75
DEPARTMENT TOTAL	\$494,267.98	\$553,242.70
Office Of Homeland Security		
CMRS Grant Fund	8,477,790.07	2,652,402.15
CMRS Office-Pro Rated Receipts Fund	2,229,575.69	9,282,237.82
CMRs Office-Volume Receipts Fund	2,262,575.79	9,282,237.82
CMRS Office-Wireless Providers Fund	1,881,482.98	4,641,117.63
Office Of 911 Coordinator Fund	3,230.01	20,426.80
DEPARTMENT TOTAL	\$14,854,654.54	\$25,878,422.22
Department Of Military Affairs		
Brandenburg Armory Installation Management Fund	108.00	
DMA Escrow Mardis, Cody payout 2/2/2020	22,801.22	17.66
DMA ESCROW Sherrill, Alexandria payout 8/19/23	49,371.22	37.45
DMA Escrow Wallace, Abigail payout 12/9/2021	22,801.22	17.66
IMF - Morehead Armory	988.48	2,450.00
IMF-AASF Fund	1.00	
IMF-Ashland Fund	2,317.56	4,444.00
IMF-Barbourville Fund	25.43	
IMF-Bardstown Fund	21.15	
IMF-Benton Fund	497.53	244.62
IMF-Bowling Green Fund	5,920.84	3,066.16

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
		1,011,500.00		1,043.83
		\$1,011,500.00		\$1,043.83
		\$1,011,500.00		\$1,043.83
				1.29
				\$1.29
		252,923.34		1,540,298.97
		\$252,923.34		\$1,540,298.97
	475,269.81	40,000.00		372,485.84
40,000.00	87,083.22			34,563.50
	25,700.44	400.00		52,007.87
\$40,000.00	\$588,053.47	\$40,400.00		\$459,057.21
2,365.66	2,982,348.66	392,740.70		7,757,468.52
8,279.90	8,541,823.32	667,787.63		2,310,482.46
8,279.90	8,939,436.89	247,637.39		2,366,019.23
4,139.93	1,424,874.40			5,101,866.14
		23,656.80		0.01
\$23,065.39	\$21,888,483.27	\$1,331,822.52		\$17,535,836.36
				108.00
				22,818.88
				49,408.67
				22,818.88
				3,438.48
				1.00
	2,780.34			3,981.22
				25.43
				21.15
	50.00			692.15
	1,678.15			7,308.85

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
IMF-Buechel Fund	4,295.49	2,400.00
IMF-Burlington Armory	1,267.11	
IMF-Campbellsville Fund	40.38	765.26
IMF-Carlisle Fund	5,690.94	892.78
IMF-Carrollton Fund	300.38	517.03
IMF-Central City Fund	64.27	79.88
IMF-CSMS Fund	1.00	
IMF-Cynthiana Fund	32.18	231.00
IMF-Danville Fund	615.76	85.00
IMF-Elizabethtown Fund	5,960.16	585.54
IMF-Facilities Bldg Fund	92,348.00	143,723.50
IMF-Fort Knox Billeting	98,199.45	(98,199.45)
IMF-Frankfort 1 Armory Fund	41,149.85	9,702.23
IMF-Glasgow Fund	2,206.82	
IMF-Harlan Fund	378.33	88.45
IMF-Harrodsburg Fund	613.10	1,704.00
IMF-Hazard Fund	20,823.74	2,852.55
IMF-Henderson Fund	1.00	
IMF-Hopkinsville Fund	1,137.39	
IMF-Jackson Fund	2,339.40	502.17
IMF-Ky Loc Fund	79,866.10	
IMF-Lexington Fund	88.79	258.31
IMF-London Fund	5,210.74	
IMF-Louisville Fairgrounds Fund	4,963.22	1,017.32
IMF-Madisonville Fund	6,256.76	47.00
IMF-Marion Fund	996.73	155.02
IMF-Middlesboro Fund	1,209.43	300.00
IMF-Monticello Fund	348.36	
IMF-Murray Fund	4,140.36	2,060.00
IMF-Olive Hill Fund	1,756.32	
IMF-Owensboro Fund	1,352.46	3,225.07
IMF-Paducah Fund	519.90	338.41
IMF-Prestonsburg Fund	88.48	
IMF-Ravenna Fund	369.69	59.91
IMF-Richmond Fund	1,623.68	3,041.94
IMF-Russellville Fund	912.23	
IMF-Shelbyville Armory	529.13	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	510.00			6,185.49
	926.07			341.04
				805.64
	276.85			6,306.87
				817.41
				144.15
				1.00
	262.50			0.68
				700.76
	2,325.17			4,220.53
		60,000.00		176,071.50
	5,110.68			45,741.40
				2,206.82
				466.78
	1,336.00			981.10
	216.00			23,460.29
				1.00
				1,137.39
				2,841.57
	13,950.30			65,915.80
	150.00			197.10
	1,483.20			3,727.54
	155.98			5,824.56
				6,303.76
	180.00			971.75
				1,509.43
				348.36
	276.85			5,923.51
	175.00			1,581.32
	2,417.50			2,160.03
	395.00			463.31
				88.48
	105.00			324.60
	523.11			4,142.51
				912.23
				529.13

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
IMF-Somerset Fund	12.70	
IMF-Springfield Fund	639.70	12,000.00
IMF-Tago Fund	4,435.84	
IMF-Tompkinsville Fund	1,973.49	1,500.00
IMF-Vets Bldg Fund	1.00	
IMF-Walton Fund	1,881.20	
IMF-WHFRTC Billeting Fund	41,459.91	430,480.93
IMF-WHFRTC F&W Fund	5,401.70	6,807.02
IMF-WHFRTC IMF Fund	529.99	1,840.20
IMF-WHFRTC MWR Fund	33,819.00	
IMF-Williamsburg Fund	452.80	
Ky Emerg Response Comm Fee Fund	422,356.56	409,498.90
Mil Burial Honor Guard Trust Fund	77,046.30	47.98
Military Family Assistance Trust Fund	416,803.83	306.25
Richmond AFRC Armory Installation Management Fund	4,682.00	834.92
DEPARTMENT TOTAL	\$1,504,046.80	\$950,026.67
Department for Local Government		
Econ Dev Fund-Bell Co	13,000.53	
Econ Dev Fund-Boyd Co	1,710.08	
Econ Dev Fund-Breathitt Co	3,065.22	
Econ Dev Fund-Butler Co	6,786.96	
Econ Dev Fund-Carter Co	9,701.94	
Econ Dev Fund-Christian Co	6.59	
Econ Dev Fund-Clay Co	0.09	
Econ Dev Fund-Daviess Co	38,941.49	
Econ Dev Fund-Elliott Co	2,847.62	
Econ Dev Fund-Floyd Co	25,064.34	
Econ Dev Fund-Greenup Co	20,009.51	
Econ Dev Fund-Hancock Co	0.73	
Econ Dev Fund-Harlan Co	777,862.39	
Econ Dev Fund-Henderson Co	240,000.51	
Econ Dev Fund-Hopkins Co	4,458.20	
Econ Dev Fund-Invest Pool		215,418.93
Econ Dev Fund-Jackson Co	0.28	
Econ Dev Fund-Johnson Co	5,837.11	
Econ Dev Fund-Knott Co	308,580.73	
Econ Dev Fund-Knox Co	105,879.42	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				12.70
	2,417.23			10,222.47
	3,821.81			614.03
	1,360.35			2,113.14
				1.00
	199.00			1,682.20
	396,817.62			75,123.22
	29.76			12,178.96
	234.83			2,135.36
				33,819.00
				452.80
	1,650.00	827,695.44		2,510.02
	45,409.18			31,685.10
	24,293.24			392,816.84
	1,010.00			4,506.92
	\$512,526.72	\$887,695.44		\$1,053,851.31
477,183.39		415,183.00		75,000.92
54,976.20		25,579.00		31,107.28
319,787.15		322,852.00		0.37
				6,786.96
37,750.00				47,451.94
				6.59
189,428.48		100,000.00		89,428.57
60,236.28				99,177.77
109,852.43		10,000.00		102,700.05
556,872.28		270,186.00		311,750.62
		14,000.00		6,009.51
27,400.75		5,000.00		22,401.48
1,200,147.51	(200,527.89)	1,987,713.00		190,824.79
238,505.89		220,000.00		258,506.40
997,298.03		589,386.00		412,370.23
				215,418.93
93,743.18		93,743.00		0.46
172,745.03		48,000.00		130,582.14
1,032,867.14		1,200,000.00		141,447.87
159,093.51		212,500.00		52,472.93

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Econ Dev Fund-Laurel Co	0.73	
Econ Dev Fund-Lawrence Co	15,452.20	
Econ Dev Fund-Lee Co	0.99	
Econ Dev Fund-Leslie Co	428.83	
Econ Dev Fund-Letcher Co	236.38	
Econ Dev Fund-Magoffin Co	149,759.66	
Econ Dev Fund-Martin Co	548,618.49	
Econ Dev Fund-McCreary Co	1.62	
Econ Dev Fund-McLean Co	0.31	
Econ Dev Fund-Menifee Co	64,737.37	
Econ Dev Fund-Morgan Co	24,524.32	
Econ Dev Fund-Muhlenberg Co	110,027.45	
Econ Dev Fund-Multi-County	541,408.92	
Econ Dev Fund-Ohio Co	5,837.60	
Econ Dev Fund-Owsley Co	15,461.91	
Econ Dev Fund-Perry Co	0.31	
Econ Dev Fund-Pike Co	3,436.69	
Econ Dev Fund-Pulaski Co	217.94	
Econ Dev Fund-Rockcastle Co	145,172.98	
Econ Dev Fund-Union Co	500,000.23	
Econ Dev Fund-Wayne Co	218.45	
Econ Dev Fund-Webster Co	0.10	
Econ Dev Fund-Whitley Co	0.76	
Econ Dev Fund-Wolfe Co	34,132.17	
Renaissance Kentucky- KHC Fund	80,498.04	
DEPARTMENT TOTAL	\$3,803,928.19	\$215,418.93
Secretary Of State		
SOS-Slogan & Essay Contest Fund	1,351.68	8,250.00
DEPARTMENT TOTAL	\$1,351.68	\$8,250.00
School Facilities Construction Commission		
SFCC Emergency and Targeted Investment Fund		
SFCC-Educ Technology/LSD State Fund		
DEPARTMENT TOTAL		
CABINET TOTAL	\$22,352,797.37	\$27,704,035.94

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
56,630.42		56,628.00		3.15
135,632.50		120,925.00		30,159.70
71,884.24		71,885.00		0.23
869,394.71		869,823.00		0.54
1,431,864.31		1,300,000.00		132,100.69
362,051.48				511,811.14
923,458.85	(63,747.61)	1,030,000.00		505,824.95
				1.62
33,416.09		26,494.00		6,922.40
78,269.31	(868.83)	117,500.00		26,375.51
178,055.67		157,579.00		45,000.99
520,902.22		563,156.00		67,773.67
8,142,385.09	(8,447.88)	8,692,241.89		
504,385.44		400,000.00		110,223.04
183,500.89		54,930.00		144,032.80
1,028,846.19		432,198.00		596,648.50
1,669,853.37				1,673,290.06
36,807.45		30,000.00		7,025.39
119,869.16		232,500.00		32,542.14
1,363,414.41		913,400.00		950,014.64
				218.45
765,369.03		629,000.00		136,369.13
105,937.30		28,000.00		77,938.06
142,426.95		86,059.00		90,500.12
				80,498.04
\$24,452,242.33	(\$273,592.21)	\$21,326,460.89		\$7,418,720.77
	7,000.00			2,601.68
	\$7,000.00			\$2,601.68
2,324,551.25				2,324,551.25
12,367,965.00	12,367,965.00			
\$14,692,516.25	\$12,367,965.00			\$2,324,551.25
\$39,207,823.97	\$35,090,436.25	\$23,839,302.19		\$30,334,918.84

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Transportation Cabinet		
Public Transportation		
Human Svcs Trans Delivery Fund		101,926,895.54
DEPARTMENT TOTAL		\$101,926,895.54
CABINET TOTAL		\$101,926,895.54
Cabinet for Economic Development		
Econ Dev - Office Of The Secretary		
KY Alternative Fuel & Renewable Energy Fund	3.05	27,317.00
Ky Rural Econ Dev Fund	0.14	
DEPARTMENT TOTAL	\$3.19	\$27,317.00
Department Of Financial Incentives		
KY Alternative Fuel & Renewable Energy Fund	0.90	0.13
DEPARTMENT TOTAL	\$0.90	\$0.13
CABINET TOTAL	\$4.09	\$27,317.13
Finance & Administration Cabinet		
Ky Housing Corporation		
KHC-Affordable Housing Trust Fund	756.00	
DEPARTMENT TOTAL	\$756.00	
Department Of Revenue		
Exp Trust Holding Account Fund	22,667.60	58,377,655.25
DEPARTMENT TOTAL	\$22,667.60	\$58,377,655.25
Finance - Office Of The Secretary		
Fin-Ed Tech Escrow-Finance Fund	1,364,717.66	1,375.65
Fin-Education Tech Trust Fund	18,674,175.41	6,511,510.48
SP81 Bond Investment Income Fund	127.03	269.01
SP94 Bond Investment Income Fund	1,293,374.09	87,136.22
SPBC/ALCo Earnings Fund	16,227,238.44	1,011,393.21
DEPARTMENT TOTAL	\$37,559,632.63	\$7,611,684.57
Office Of The Controller		
OC-Universal Service Fund Int	654,960.37	1,878.79
Universal Service Fund	3,139,545.57	4,737,913.81
Unredeemed Check Fund 6300	44,369.77	50,874.54
DEPARTMENT TOTAL	\$3,838,875.71	\$4,790,667.14
CABINET TOTAL	\$41,421,931.94	\$70,780,006.96

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	102,251,655.54		324,760.00	
	\$102,251,655.54		\$324,760.00	
	\$102,251,655.54		\$324,760.00	
0.14		27,315.97		4.22
		0.14		
\$0.14		\$27,316.11		\$4.22
27,315.97	36,367.00		9,050.00	
\$27,315.97	\$36,367.00		\$9,050.00	
\$27,316.11	\$36,367.00	\$27,316.11	\$9,050.00	\$4.22
				756.00
				\$756.00
2,601,578.11		61,074,967.37	73,066.41	
\$2,601,578.11		\$61,074,967.37	\$73,066.41	
1,544,725.00		588,247.18		2,322,571.13
16,555,246.18		25,716,320.47		16,024,611.60
		363.21		32.83
		2,000,000.00		1,380,510.31
				15,238,631.65
\$18,099,971.18		\$28,304,930.86		\$34,966,357.52
				656,839.16
	7,259,013.04			618,446.34
	21,928.34			73,315.97
	\$7,280,941.38			\$1,348,601.47
\$20,701,549.29	\$7,280,941.38	\$89,379,898.23	\$73,066.41	\$36,315,714.99

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet for Universities		
Kentucky Higher Education Assistance Authority		
Osteopathic Med School Trust Fund	381,096.46	322.41
DEPARTMENT TOTAL	\$381,096.46	\$322.41
Council On Postsecondary Education		
Lung Cancer Research Program Fund	1,274,224.16	1,224.93
Postsecondary Wkfr Dev Trust Fund		0.18
Regional Univ Excellence Trust Fund		0.18
Res Chall Trust Fund-3rd Round		1.29
Technology Initiation Trust Fund	2,327,943.55	2,502,225.50
DEPARTMENT TOTAL	\$3,602,167.71	\$2,503,452.08
Ky Community Technical College System		
Technical College Branch-Work Fund	903.06	0.69
DEPARTMENT TOTAL	\$903.06	\$0.69
CABINET TOTAL	\$3,984,167.23	\$2,503,775.18
Tourism, Arts and Heritage Cabinet		
Kentucky Department Of Parks		
Parks-Hist Site Trust Fund	2,480.71	
DEPARTMENT TOTAL	\$2,480.71	
CABINET TOTAL	\$2,480.71	
Education & Workforce Development Cab		
Education Professional Standards Board		
Incentive Trust Fund	191,714.25	77.17
DEPARTMENT TOTAL	\$191,714.25	\$77.17
Department For Workforce Investment		
DWI-OET-CETA Workers Comp Fund	1,107,351.62	
DEPARTMENT TOTAL	\$1,107,351.62	
Kentucky Commission on Proprietary Education		
Proprietary Education Student Protection Fund	512,244.37	57,110.00
DEPARTMENT TOTAL	\$512,244.37	\$57,110.00
Department Of Education		
BOSS-Ed Tech-KETS	736.22	
DWI-OC TE-Misc Donations Fund	154,300.11	94,692.25
EP&M Ky Board Of Ed Fund	681,956.85	24,812.92
LSS KDS W Haynes Grow Trust Fund	122,955.93	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
445,000.00	632,616.00	193,789.62		13.25
\$445,000.00	\$632,616.00	\$193,789.62		\$13.25
4,972,500.00	5,596,446.41			651,502.68
				0.18
				0.18
				1.29
4,075,300.00	6,249,552.38			2,655,916.67
\$9,047,800.00	\$11,845,998.79			\$3,307,421.00
				903.75
				\$903.75
\$9,492,800.00	\$12,478,614.79	\$193,789.62		\$3,308,338.00
				2,480.71
				\$2,480.71
				\$2,480.71
	191,791.42			
	\$191,791.42			
	87,664.35			1,019,687.27
	\$87,664.35			\$1,019,687.27
				569,354.37
				\$569,354.37
12,231,312.47	12,195,175.19			36,873.50
	80,526.69			168,465.67
				706,769.77
				122,955.93

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
LSS-School Rewards-KERA Fund	4,904.55	3.03
DEPARTMENT TOTAL	\$964,853.66	\$119,508.20
CABINET TOTAL	\$2,776,163.90	\$176,695.37
Health & Family Services Cabinet		
Office of the Kentucky Health Benefit Exchange		
Ins-Ky Access Assessments Fund	2,101,111.08	27,347,157.50
Ins-Ky Access Premium Account Fund	4,121.79	235,238.22
Ins-Ky Access Tobacco Fund		72.98
DEPARTMENT TOTAL	\$2,105,232.87	\$27,582,468.70
Department For Public Health		
Spinal Cord Trust Fund	1,812,696.69	1,623,666.87
DEPARTMENT TOTAL	\$1,812,696.69	\$1,623,666.87
Department For Community Based Services		
Children's Trust Fund	2,426,689.12	608,496.23
Food Stamp Enhanced Funding Fund	2,798,077.15	2,711,259.00
DEPARTMENT TOTAL	\$5,224,766.27	\$3,319,755.23
CABINET TOTAL	\$9,142,695.83	\$32,525,890.80
Justice & Public Safety Cabinet		
Justice - Office Of The Secretary		
Insurance Ben - D C Briscoe Fund	6.00	
DEPARTMENT TOTAL	\$6.00	
Department For Public Advocacy		
DPA Diversion Treatment Fund	4,248.00	
DEPARTMENT TOTAL	\$4,248.00	
Department Of Juvenile Justice		
FFY 99 JAIBG Grant Fund	20.15	
Juveniles Trust Fund	22,573.29	19,741.06
DEPARTMENT TOTAL	\$22,593.44	\$19,741.06
CABINET TOTAL	\$26,847.44	\$19,741.06
Energy and Environment Cabinet		
KY Public Service Commission		
PSC - Siting Board	189.47	38,000.44
PSC - Telecommunication Access Program	1,172,921.07	1,142,443.11
PSC - Telecommunication Relay Service	2,534,673.12	1,080,955.82

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				4,907.58
\$12,231,312.47	\$12,275,701.88			\$1,039,972.45
\$12,231,312.47	\$12,555,157.65			\$2,629,014.09
119,729.11	13,047.05	4,971,000.00		24,583,950.64
	89,630.90	149,729.11		
	72.98			
\$119,729.11	\$102,750.93	\$5,120,729.11		\$24,583,950.64
	1,801,686.00			1,634,677.56
	\$1,801,686.00			\$1,634,677.56
	2,054,281.83			980,903.52
		2,798,077.15		2,711,259.00
	\$2,054,281.83	\$2,798,077.15		\$3,692,162.52
\$119,729.11	\$3,958,718.76	\$7,918,806.26		\$29,910,790.72
				6.00
				\$6.00
				4,248.00
				\$4,248.00
				20.15
	26,290.35			16,024.00
	\$26,290.35			\$16,044.15
	\$26,290.35			\$20,298.15
				38,189.91
	1,508,200.00			807,164.18
	1,097,629.87	2,400,000.00		117,999.07

**COMMONWEALTH OF KENTUCKY
OTHER SPECIAL BENEFITS
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
DEPARTMENT TOTAL	\$3,707,783.66	\$2,261,399.37
EEC - Office of the Secretary		
EEC - TN Valley Authority Consent Decree	3,213,254.05	4,480,000.00
Jefferson Co Pride Judgement Fund	100,000.00	
Kentucky Pride Trust Fund	1,394,691.86	5,361,387.24
NR Martin Co Damage Trust Fund	57,289.48	40.87
DEPARTMENT TOTAL	\$4,765,235.39	\$9,841,428.11
Department for Natural Resources		
Acid Mine Drainage Revenue Account	12,100,833.96	13,388.29
AML Guar Bond Forfeit Fund	12,177,631.19	29,500.00
AML Suppl Recl Fund	453,532.14	502,363.79
Kentucky Reclamation Guaranty Fund	28,215,327.37	6,926,066.39
KY Reclamation Guaranty Fund- Limited Term Pool		464.02
DEPARTMENT TOTAL	\$52,947,324.66	\$7,471,782.49
Department for Environmental Protection		
AL Taylor Site - HWMF Fund	1,234,359.40	943.05
DEPARTMENT TOTAL	\$1,234,359.40	\$943.05
CABINET TOTAL	\$62,654,703.11	\$19,575,553.02
Public Protection Cabinet		
Department of Insurance		
Small Business Insurance Subsidy	10,437.32	8.73
DEPARTMENT TOTAL	\$10,437.32	\$8.73
CABINET TOTAL	\$10,437.32	\$8.73
FUND TOTAL	\$143,384,010.46	\$255,240,682.04

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	\$2,605,829.87	\$2,400,000.00		\$963,353.16
	4,926,167.06			2,767,086.99
		100,000.00		
12,306,634.46	360,000.00	14,095,564.26		4,607,149.30
	26,647.60			30,682.75
\$12,306,634.46	\$5,312,814.66	\$14,195,564.26		\$7,404,919.04
7,250,000.00		525,000.00		18,839,222.25
				12,207,131.19
		100,000.00		855,895.93
		2,463,605.72		32,677,788.04
1,700,000.00				1,700,464.02
\$8,950,000.00		\$3,088,605.72		\$66,280,501.43
				1,235,302.45
				\$1,235,302.45
\$21,256,634.46	\$7,918,644.53	\$19,684,169.98		\$75,884,076.08
		10,446.05		
		\$10,446.05		
		\$10,446.05		
\$103,037,165.41	\$181,596,826.25	\$142,065,228.44	\$406,876.41	\$178,406,679.63

**COMMONWEALTH OF KENTUCKY
CHILD DEDICATED SSI
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Health & Family Services Cabinet		
Department For Community Based Services		
Children's Trust Fund Designated SSI	504,267.69	153,171.70
DEPARTMENT TOTAL	\$504,267.69	\$153,171.70
CABINET TOTAL	\$504,267.69	\$153,171.70
FUND TOTAL	\$504,267.69	\$153,171.70

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	151,674.40			505,764.99
	\$151,674.40			\$505,764.99
	\$151,674.40			\$505,764.99
	\$151,674.40			\$505,764.99

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Department Of Agriculture		
Agriculture - Tobacco Settlement Fund		
DEPARTMENT TOTAL		
Agricultural Development Board		
Adair County Tobacco Fund	180,868.57	97.38
ADB - County Tobacco Fund	11,999,864.95	
ADB - Statewide Tobacco Fund	2,341,001.98	
Allen County Tobacco Fund	127,206.51	68.79
Anderson County Tobacco Fund	107,292.19	66.46
Ballard County Tobacco Fund	291,425.26	199.83
Barren County Tobacco Fund	323,581.06	221.50
Bath County Tobacco Fund	275,921.88	237.35
Bell County Tobacco Fund	411.01	0.25
Boone County Tobacco Fund	227,181.40	172.81
Bourbon County Tobacco Fund	317,056.81	269.67
Boyd County Tobacco Fund	20,974.42	27.24
Boyle County Tobacco Fund	138,775.22	131.32
Bracken County Tobacco Fund	258,509.33	182.88
Breathitt County Tobacco Fund	83,084.44	100.42
Breckinridge County Tobacco Fund	347,101.34	391.27
Bullitt County Tobacco Fund	85,532.59	126.99
Butler County Tobacco Fund	86,263.85	95.21
Caldwell County Tobacco Fund	51,251.38	44.38
Calloway County Tobacco Fund	69,781.47	97.77
Campbell County Tobacco Fund	26,206.94	40.63
Carlisle County Tobacco Fund	106,004.23	131.74
Carroll County Tobacco Fund	124,454.89	89.18
Carter County Tobacco Fund	117,313.62	73.99
Casey County Tobacco Fund	255,364.39	308.21
Christian County Tobacco Fund	166,878.73	269.47
Clark County Tobacco Fund	202,810.24	180.62
Clay County Tobacco Fund	206,870.57	161.17
Clinton County Tobacco Fund	114,189.07	181.57
Crittenden County Tobacco Fund	11,003.62	14.62
Cumberland County Tobacco Fund	152,595.12	61.77
Daviess County Tobacco Fund	205,868.84	122.47

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
600,000.00	600,000.00			
\$600,000.00	\$600,000.00			
249,329.00	163,050.97			267,243.98
13,350,135.05		19,350,000.00		6,000,000.00
1,616,987.15	5,778,845.60	9,777,900.00	13,274,926.17	1,676,169.70
173,882.00	106,250.60			194,906.70
147,534.00	77,622.60			177,270.05
150,318.00	286,000.00			155,943.09
443,956.00	323,677.79			444,080.77
310,874.00	256,882.62			330,150.61
280.00				691.26
125,508.00	227,198.00			125,664.21
417,269.00	271,405.13			463,190.35
2,579.00				23,580.66
175,661.00	138,388.48			176,179.06
351,922.00	249,702.05			360,912.16
78,249.00	75,000.00			86,433.86
319,645.00	295,131.24			372,006.37
57,451.00	(8,570.50)			151,681.08
57,749.00	74,297.00			69,811.06
69,854.00	50,659.78			70,489.98
37,287.00				107,166.24
35,966.00	24,863.00			37,350.57
40,905.00	35,959.00			111,081.97
167,943.00	124,452.00			168,035.07
161,621.00	116,826.29			162,182.32
318,590.00	238,908.37			335,354.23
229,118.00				396,266.20
258,457.00	196,250.00			265,197.86
139,230.00	206,925.00			139,336.74
151,455.00	1,493.00			264,332.64
3,034.00				14,052.24
175,197.00	152,500.00			175,353.89
248,985.00	198,240.00			256,736.31

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Edmonson County Tobacco Fund	77,520.88	47.24
Elliott County Tobacco Fund	158,619.91	97.14
Estill County Tobacco Fund	65,219.11	97.76
Fayette County Tobacco Fund	352,588.19	219.97
Fleming County Tobacco Fund	285,848.97	272.22
Floyd County Tobacco Fund	3,669.78	4.83
Franklin County Tobacco Fund	166,683.14	186.59
Fulton County Tobacco Fund	609.90	0.45
Gallatin County Tobacco Fund	89,447.23	55.53
Garrard County Tobacco Fund	313,659.62	89.12
Grant County Tobacco Fund	183,966.50	95.23
Graves County Tobacco Fund	86,084.09	56.93
Grayson County Tobacco Fund	186,510.18	78.35
Green County Tobacco Fund	276,366.09	151.79
Greenup County Tobacco Fund	140,988.22	45.48
Hancock County Tobacco Fund	94,656.70	52.20
Hardin County Tobacco Fund	184,108.16	191.74
Harlan County Tobacco Fund	541.80	1.42
Harrison County Tobacco Fund	280,529.02	160.49
Hart County Tobacco Fund	340,609.45	199.82
Henderson County Tobacco Fund	31,467.06	27.13
Henry County Tobacco Fund	274,288.42	143.72
Hickman County Tobacco Fund	13,176.99	18.11
Hopkins County Tobacco Fund	16,788.32	26.13
Jackson County Tobacco Fund	140,382.55	250.61
Jefferson County Tobacco Fund	36,202.82	26.99
Jessamine County Tobacco Fund	241,676.53	166.38
Johnson County Tobacco Fund	31,838.82	38.14
Kenton County Tobacco Fund	47,481.49	76.32
Knox County Tobacco Fund	82,631.41	63.27
Larue County Tobacco Fund	113,547.29	98.66
Laurel County Tobacco Fund	200,163.39	238.75
Lawrence County Tobacco Fund	90,750.23	126.77
Lee County Tobacco Fund	37,604.81	60.86
Leslie County Tobacco Fund	85,504.77	109.57
Letcher County Tobacco Fund	1,170.38	1.01
Lewis County Tobacco Fund	186,043.06	180.20

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
102,836.00	81,514.23			98,889.89
174,843.00	131,222.86			202,337.19
90,522.00	65,258.00			90,580.87
314,740.00	316,001.81			351,546.35
362,340.00	280,060.38			368,400.81
447.00				4,121.61
182,428.00	166,033.00			183,264.73
192.00				802.35
121,393.00	90,980.17			119,915.59
313,528.00	520,340.46			106,936.28
245,915.00	188,328.23			241,648.50
58,320.00	86,084.00			58,377.02
200,711.00	177,787.09			209,512.44
310,915.00	261,594.75			325,838.13
90,216.00	140,000.00			91,249.70
128,148.00	90,072.00			132,784.90
182,267.00	137,500.00			229,066.90
367.00	(745.00)			1,655.22
378,732.00	260,695.00			398,726.51
384,485.00	328,028.39			397,265.88
42,449.00	25,000.00			48,943.19
377,452.00	583,985.00			67,899.14
5,363.00				18,558.10
23,034.00	1,337.00			38,511.45
194,370.00	313,211.74			21,791.42
22,759.00	20,100.00			38,888.81
245,911.00	307,825.00			179,928.91
43,370.00	31,423.77			43,823.19
63,911.00				111,468.81
56,494.00	82,637.00			56,551.68
155,185.00	113,480.00			155,350.95
207,012.00	132,081.84			275,332.30
47,216.00				138,093.00
52,140.00				89,805.67
5,803.00				91,417.34
110.00				1,281.39
254,341.00	176,749.75			263,814.51

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Lincoln County Tobacco Fund	255,952.16	294.89
Livingston County Tobacco Fund	13,209.20	11.50
Logan County Tobacco Fund	135,309.92	128.93
Lyon County Tobacco Fund	48,083.07	22.12
Madison County Tobacco Fund	320,513.77	332.16
Magoffin County Tobacco Fund	81,100.36	33.89
Marion County Tobacco Fund	174,126.48	69.25
Marshall County Tobacco Fund	30,631.84	24.69
Martin County Tobacco Fund	1,139.82	0.91
Mason County Tobacco Fund	244,107.63	177.15
McCracken County Tobacco Fund	83,115.06	119.51
McCreary County Tobacco Fund	10,840.60	12.61
McLean County Tobacco Fund	67,980.47	47.45
Meade County Tobacco Fund	63,680.41	23.68
Menifee County Tobacco Fund	160,488.81	67.25
Mercer County Tobacco Fund	242,391.84	150.24
Metcalfe County Tobacco Fund	240,071.59	156.18
Monroe County Tobacco Fund	159,169.76	226.29
Montgomery County Tobacco Fund	208,872.27	314.04
Morgan County Tobacco Fund	174,857.14	224.26
Muhlenberg County Tobacco Fund	55,250.18	13.60
Nelson County Tobacco Fund	150,455.59	77.68
Nicholas County Tobacco Fund	224,499.83	155.42
Ohio County Tobacco Fund	115,005.20	121.69
Oldham County Tobacco Fund	41,129.01	49.34
Owen County Tobacco Fund	324,234.52	244.29
Owsley County Tobacco Fund	115,785.98	61.22
Pendleton County Tobacco Fund	194,605.84	91.67
Perry County Tobacco Fund	2,761.86	7.85
Powell County Tobacco Fund	41,364.40	22.89
Pulaski County Tobacco Fund	402,485.44	371.15
Robertson County Tobacco Fund	238,699.69	156.48
Rockcastle County Tobacco Fund	128,304.14	85.98
Rowan County Tobacco Fund	77,932.36	84.79
Russell County Tobacco Fund	183,443.01	95.97
Scott County Tobacco Fund	275,943.37	144.76
Shelby County Tobacco Fund	334,238.46	219.79

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
301,713.00	207,699.00			350,261.05
1,269.00	13,216.00			1,273.70
168,913.00	129,177.39			175,174.46
33,025.00	48,000.00			33,130.19
352,007.00	266,728.21			406,124.72
112,042.00	191,137.00			2,039.25
239,499.00	373,623.00			40,071.73
34,755.00	30,036.74			35,374.79
66.00				1,206.73
328,189.00	216,071.18			356,402.60
56,647.00	500.00			139,381.57
6,180.00	6,300.00			10,733.21
91,006.00	65,697.00			93,336.92
87,661.00	151,040.58			324.51
120,832.00	150,480.00			130,908.06
272,668.00	220,000.00			295,210.08
326,184.00	234,317.00			332,094.77
218,835.00	37,402.17			340,828.88
243,040.00	191,936.53			260,289.78
226,321.00	154,940.82			246,461.58
54,991.00	110,246.00			8.78
187,029.00	147,186.03			190,376.24
303,648.00	194,814.38			333,488.87
137,451.00	94,783.00			157,794.89
54,321.00	41,153.00			54,346.35
400,641.00	290,015.81			435,104.00
160,723.00	115,780.00			160,790.20
242,377.00	194,602.00			242,472.51
3,802.00	(2,921.44)			9,493.15
56,846.00	40,000.00			58,233.29
306,017.00	234,724.00			474,149.59
316,290.00	251,238.00			303,908.17
171,580.00	299,893.00			77.12
86,873.00	77,947.44			86,942.71
192,810.00	246,000.00			130,348.98
334,861.00	271,315.56			339,633.57
382,530.00	293,113.78			423,874.47

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Simpson County Tobacco Fund	130,498.12	150.78
Spencer County Tobacco Fund	120,167.82	145.78
Taylor County Tobacco Fund	179,265.02	109.34
Todd County Tobacco Fund	220,808.04	165.86
Trigg County Tobacco Fund	69,687.57	40.78
Trimble County Tobacco Fund	160,889.24	61.10
Union County Tobacco Fund	7,622.53	9.85
Warren County Tobacco Fund	187,954.53	214.70
Washington County Tobacco Fund	241,370.85	199.28
Wayne County Tobacco Fund	120,734.70	114.53
Webster County Tobacco Fund	17,568.85	12.66
Whitley County Tobacco Fund	36,124.04	16.70
Wolfe County Tobacco Fund	101,388.43	110.78
Woodford County Tobacco Fund	276,238.24	194.07
DEPARTMENT TOTAL	\$31,433,690.26	\$13,911.66
Early Childhood Development		
DOE - Learning and Results Services Tobacco Fund	14,153,222.86	
DEPARTMENT TOTAL	\$14,153,222.86	
CABINET TOTAL	\$45,586,913.12	\$13,911.66
Finance & Administration Cabinet		
Department Of Revenue		
Revenue - Tobacco Settlement Fund		
DEPARTMENT TOTAL		
Finance - Office Of The Secretary		
Finance - Tobacco Debt Service Fund	55,079.46	
DEPARTMENT TOTAL	\$55,079.46	
Office Of The Controller		
Early Childhood Development Fund	5,955.11	18,611.49
Health Care Improvement Fund	18,638.14	21,812.79
Rural Development Fund	106,701.71	39,226.49
Unredeemed Check Fund 6350	16,756.72	28,976.82
DEPARTMENT TOTAL	\$148,051.68	\$108,627.59
CABINET TOTAL	\$203,131.14	\$108,627.59

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
98,219.00	69,266.43			159,601.47
162,681.00	114,719.63			168,274.97
214,093.00	179,265.00			214,202.36
143,518.00	216,000.00			148,491.90
83,346.00	69,687.00			83,387.35
219,837.00	380,749.00			38.34
1,059.00				8,691.38
245,648.00	147,898.97			285,918.26
329,382.00	325,051.13			245,901.00
165,142.00	110,290.64			175,700.59
23,757.00	17,557.85			23,780.66
37,132.00	34,513.58			38,759.16
139,143.00	101,415.68			139,226.53
333,288.00	249,625.05			360,095.26
\$34,317,122.20	\$22,374,777.63	\$29,127,900.00	\$13,274,926.17	\$27,536,972.66
	1,892,366.08	1,709,445.89		10,551,410.89
	\$1,892,366.08	\$1,709,445.89		\$10,551,410.89
\$34,917,122.20	\$24,867,143.71	\$30,837,345.89	\$13,274,926.17	\$38,088,383.55
250,000.00	250,000.00			
\$250,000.00	\$250,000.00			
28,253,984.69		28,309,064.15		
\$28,253,984.69		\$28,309,064.15		
				24,566.60
				40,450.93
				145,928.20
	19,614.00			26,119.54
	\$19,614.00			\$237,065.27
\$28,503,984.69	\$269,614.00	\$28,309,064.15		\$237,065.27

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet for Universities		
Kentucky Higher Education Assistance Authority		
KHEAA - Early Childhood Development Fund	586,458.47	
DEPARTMENT TOTAL	\$586,458.47	
Council On Postsecondary Education		
CPE - Lung Cancer Research Fund	3,428,532.84	
DEPARTMENT TOTAL	\$3,428,532.84	
CABINET TOTAL	\$4,014,991.31	
Health & Family Services Cabinet		
Office of the Kentucky Health Benefit Exchange		
INS - Ky Access Tobacco Fund	11,999,864.96	
DEPARTMENT TOTAL	\$11,999,864.96	
Department For Public Health		
Public Health - HCI - Tobacco Settlement Fund	2,731,053.45	
Public Health - Tobacco Settlement Fund	6,218,104.14	
DEPARTMENT TOTAL	\$8,949,157.59	
Behavioral Health, Developmental & Intellectual Disabilities		
MHMR - Substance Abuse Fund	244,962.40	
DEPARTMENT TOTAL	\$244,962.40	
Department For Community Based Services		
CBS - Tobacco Settlement Fund	2,394,933.24	
DEPARTMENT TOTAL	\$2,394,933.24	
CABINET TOTAL	\$23,588,918.19	
Justice & Public Safety Cabinet		
Justice - Office Of The Secretary		
Justice - Drug Control Policy Fund	25,460.59	
DEPARTMENT TOTAL	\$25,460.59	
CABINET TOTAL	\$25,460.59	
Energy and Environment Cabinet		
Department for Natural Resources		
DNR - Tobacco Settlement Fund	10,129,595.52	
DEPARTMENT TOTAL	\$10,129,595.52	
CABINET TOTAL	\$10,129,595.52	

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
797,713.53	847,214.00			536,958.00
\$797,713.53	\$847,214.00			\$536,958.00
2,908,967.16		4,972,500.00		1,365,000.00
\$2,908,967.16		\$4,972,500.00		\$1,365,000.00
\$3,706,680.69	\$847,214.00	\$4,972,500.00		\$1,901,958.00
		11,999,864.96		
		\$11,999,864.96		
1,454,533.58	1,837,514.60			2,348,072.43
8,397,747.91	6,107,764.63	5,372,766.84		3,135,320.58
\$9,852,281.49	\$7,945,279.23	\$5,372,766.84		\$5,483,393.01
646,438.04	675,267.74			216,132.70
\$646,438.04	\$675,267.74			\$216,132.70
6,320,066.76	8,715,000.00		2,520.00	2,520.00
\$6,320,066.76	\$8,715,000.00		\$2,520.00	\$2,520.00
\$16,818,786.29	\$17,335,546.97	\$17,372,631.80	\$2,520.00	\$5,702,045.71
2,159,300.00	1,652,537.37			532,223.22
\$2,159,300.00	\$1,652,537.37			\$532,223.22
\$2,159,300.00	\$1,652,537.37			\$532,223.22
8,837,905.79	2,495,232.91			16,472,268.40
\$8,837,905.79	\$2,495,232.91			\$16,472,268.40
\$8,837,905.79	\$2,495,232.91			\$16,472,268.40

**COMMONWEALTH OF KENTUCKY
TOBACCO SETTLEMENT
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Budget Fiscal Year/Fiscal Year Adjustment		
Tobacco Settlement Trust Fund		
Budget Fiscal Year/Fiscal Year Adjustment -IP		
DEPARTMENT TOTAL		
CABINET TOTAL		
FUND TOTAL	\$83,549,009.87	\$122,539.25

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
			(2,520.00)	(2,520.00)
			(\$2,520.00)	(\$2,520.00)
			(\$2,520.00)	(\$2,520.00)
\$94,943,779.66	\$47,467,288.96	\$81,491,541.84	\$13,274,926.17	\$62,931,424.15

**COMMONWEALTH OF KENTUCKY
ENTERPRISE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
State Parks Fund		State Fair Board Fund	
REVENUES		REVENUES	
Finance & Administration Cabinet		Finance & Administration Cabinet	
Office Of The Controller		Office Of The Controller	
Redeposit-Unredmed Treas Chks	8,516.37	Redeposit-Unredmed Treas Chks	21,083.52
DEPARTMENT TOTAL	\$8,516.37	DEPARTMENT TOTAL	\$21,083.52
CABINET TOTAL	\$8,516.37	CABINET TOTAL	\$21,083.52
Tourism, Arts and Heritage Cabinet		Tourism, Arts and Heritage Cabinet	
Kentucky Department Of Parks		Kentucky State Fair Board	
General Sales To Public	47,757,824.94	General Sales To Public	38,504,746.55
General Rentals To Public	16,594.99	Gen Sales To Oth St Agencies	5,438,918.08
General Fees From Public	472.10	Proceeds From Asset Dispositrn	7,717.23
Gen Sales To Oth St Agencies	37,878.43	Other Receipts	7,891.86
General Fees From Other St Agy	47.99	Performance Bonds	10,000.00
Fines	4,177.01	Refund Of Prior Year Expend	143.34
Proceeds From Asset Dispositrn	21,076.02	Redeposit-Unredmed Treas Chks	497.83
Other Receipts	657,943.20	DEPARTMENT TOTAL	\$43,969,914.89
Loss Claim Proceeds	428,070.80	CABINET TOTAL	\$43,969,914.89
Refund Of Prior Year Expend	15,924.59	TOTAL REVENUES	\$43,990,998.41
DEPARTMENT TOTAL	\$48,940,010.07	NON-REVENUES	
CABINET TOTAL	\$48,940,010.07	Tourism, Arts and Heritage Cabinet	
TOTAL REVENUES	\$48,948,526.44	Kentucky State Fair Board	
NON-REVENUES		Op Tr From Capital Project Fd	211,320.95
Tourism, Arts and Heritage Cabinet		DEPARTMENT TOTAL	\$211,320.95
Kentucky Department Of Parks		CABINET TOTAL	\$211,320.95
Op Tr From Federal Fund	25,977.49	TOTAL NON-REVENUES	\$211,320.95
Op Tr From State Parks Fund	25,977.49	FUND TOTAL	\$44,202,319.36
DEPARTMENT TOTAL	\$51,954.98		
CABINET TOTAL	\$51,954.98		
TOTAL NON-REVENUES	\$51,954.98		
FUND TOTAL	\$49,000,481.42		

**COMMONWEALTH OF KENTUCKY
ENTERPRISE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Insurance Administration Fund		OSH Review Commission	
REVENUES		General Sales To Public	22.20
Cabinet of the General Government		DEPARTMENT TOTAL	\$22.20
Department Of Agriculture		Workers' Compensation Funding Commis	
Interest Income	3,659.68	Special Fund Assessments	68,238,639.20
DEPARTMENT TOTAL	\$3,659.68	Coal Assessments	2,255,975.73
Attorney General		Coal Tonnage	2,476,132.07
Other Receipts	102,174.31	Fees For Acct&Aud Srv Frm/Publ	251,103.52
DEPARTMENT TOTAL	\$102,174.31	Fines	1,591,839.58
CABINET TOTAL	\$105,833.99	Interest Income	21,919.21
Finance & Administration Cabinet		Other Deposits	12,500,021.34
Office Of The Controller		DEPARTMENT TOTAL	\$87,335,630.65
Redeposit-Unredmed Treas Chks	144,194.75	CABINET TOTAL	\$88,342,208.22
DEPARTMENT TOTAL	\$144,194.75	Energy and Environment Cabinet	
CABINET TOTAL	\$144,194.75	Department for Natural Resources	
Labor Cabinet		Interest Income	47.30
Labor - Office of the Secretary		DEPARTMENT TOTAL	\$47.30
General Sales To Public	1,732.20	Department for Environmental Protection	
Refund Of Prior Year Expend	635.00	Fines	87,884.25
DEPARTMENT TOTAL	\$2,367.20	Interest Income	8,279.28
Department of Workplace Standards		DEPARTMENT TOTAL	\$96,163.53
Other Receipts	169,320.00	CABINET TOTAL	\$96,210.83
Special Fund Insurance Fees	628,993.98	Public Protection Cabinet	
DEPARTMENT TOTAL	\$798,313.98	Department of Insurance	
Department of Workers' Claims		Insur Prem Tx Oth Than Life	1,594,171.72
General Sales To Public	205,080.62	Interest Income	20,316.99
Proceeds From Asset Disposittn	791.82	DEPARTMENT TOTAL	\$1,614,488.71
Refund Of Prior Year Expend	1.75	CABINET TOTAL	\$1,614,488.71
DEPARTMENT TOTAL	\$205,874.19	TOTAL REVENUES	\$90,302,936.50
		NON-REVENUES	

**COMMONWEALTH OF KENTUCKY
ENTERPRISE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Cabinet of the General Government		DEPARTMENT TOTAL	\$5,300.00
Attorney General		CABINET TOTAL	\$96,579,211.08
Op Tr From Ins Admin Fund	4,514,143.04		
DEPARTMENT TOTAL	\$4,514,143.04	Energy and Environment Cabinet	
CABINET TOTAL	\$4,514,143.04	Department for Natural Resources	
Personnel Cabinet		Op Tr From Federal Fund	13,404.65
Personnel - Office Of The Secretary		Op Tr From Other Exp Trust Fd	229,700.00
Op Tr From Special Dep Trst Fd	877,206.73	DEPARTMENT TOTAL	\$243,104.65
DEPARTMENT TOTAL	\$877,206.73	Department for Environmental Protection	
CABINET TOTAL	\$877,206.73	Op Tr From Other Exp Trust Fd	43,709,483.97
Labor Cabinet		DEPARTMENT TOTAL	\$43,709,483.97
Labor - Office of the Secretary		CABINET TOTAL	\$43,952,588.62
Op Tr From General Fund	90,918.58	Public Protection Cabinet	
Op Tr From Ins Admin Fund	3,802,000.00	Department of Insurance	
DEPARTMENT TOTAL	\$3,892,918.58	Op Tr From Ins Admin Fund	135,200.00
Department of Workplace Standards		DEPARTMENT TOTAL	\$135,200.00
Op Tr From Federal Fund	16,307.30	CABINET TOTAL	\$135,200.00
Op Tr From Ins Admin Fund	71,573,685.20	TOTAL NON-REVENUES	\$146,058,349.47
DEPARTMENT TOTAL	\$71,589,992.50	FUND TOTAL	\$236,361,285.97
Department of Workers' Claims			
Op Tr From Ins Admin Fund	18,926,000.00	Health Self-Insurance Fund	
DEPARTMENT TOTAL	\$18,926,000.00	REVENUES	
OSH Review Commission		Finance & Administration Cabinet	
Op Tr From Ins Admin Fund	687,900.00	Office Of The Controller	
DEPARTMENT TOTAL	\$687,900.00	Redeposit-Unredmed Treas Chks	3,967.64
Workers' Compensation Funding Commis		DEPARTMENT TOTAL	\$3,967.64
Op Tr From Ins Admin Fund	1,477,100.00	CABINET TOTAL	\$3,967.64
DEPARTMENT TOTAL	\$1,477,100.00	Personnel Cabinet	
Ky Occupational Safety and Health Stand		Department For Employee Insurance	
Op Tr From Ins Admin Fund	5,300.00	Fines	97,750.00
		Interest Income	313,221.90

**COMMONWEALTH OF KENTUCKY
ENTERPRISE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Other Receipts	1,643,113,951.49
DEPARTMENT TOTAL	\$1,643,524,923.39
CABINET TOTAL	\$1,643,524,923.39
TOTAL REVENUES	\$1,643,528,891.03

NON-REVENUES

Personnel Cabinet

Department For Employee Insurance

Op Tr From Health Self-Insurance Fu	6,927.54
Op Tr From Special Dep Trst Fd	3,750,000.00

DEPARTMENT TOTAL 3,756,927.54

CABINET TOTAL 3,756,927.54

TOTAL NON-REVENUES 3,756,927.54

FUND TOTAL **\$1,647,285,818.57**

Agricultural Finance Corp Fund

REVENUES

Cabinet of the General Government

Agricultural Development Board

Interest Income	748,485.26
Amortization	37,379.43
Other Receipts	2,000,000.00

DEPARTMENT TOTAL 2,785,864.69

CABINET TOTAL 2,785,864.69

TOTAL REVENUES 2,785,864.69

NON-REVENUES

Cabinet of the General Government

Agricultural Development Board

Op Tr From Tobacco Fund	7,712,400.00
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DEPARTMENT TOTAL 7,712,400.00

CABINET TOTAL 7,712,400.00

NAME OF ACCOUNT	ACTUAL RECEIPTS
TOTAL NON-REVENUES	\$7,712,400.00
FUND TOTAL	\$10,498,264.69

Ky Horse Park Commission Fund

REVENUES

Finance & Administration Cabinet

Office Of The Controller

Redeposit-Unredmed Treas Chks	3,850.87
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DEPARTMENT TOTAL 3,850.87

CABINET TOTAL 3,850.87

Tourism, Arts and Heritage Cabinet

Kentucky Horse Park

General Sales To Public	12,105,857.95
Rent Of Bldgs To Other St Agy	90,518.79
Utility Charges To Oth St Agy	4,878.92
Loss Claim Proceeds	100,000.00

DEPARTMENT TOTAL 12,301,255.66

CABINET TOTAL 12,301,255.66

TOTAL REVENUES 12,305,106.53

FUND TOTAL **\$12,305,106.53**

Unemployment Benefits Fund

REVENUES

Finance & Administration Cabinet

Office Of The Controller

Redeposit-Unredmed Treas Chks	273,116.67
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DEPARTMENT TOTAL 273,116.67

CABINET TOTAL 273,116.67

Education & Workforce Development Ca

Department For Workforce Investment

Individual Income Tax	1.60
Rev From US Dept Of Labor	5,941,192.97

**COMMONWEALTH OF KENTUCKY
ENTERPRISE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS	NAME OF ACCOUNT	ACTUAL RECEIPTS
Other Receipts	560,570,105.86		
Other Deposits	4,962.95	CABINET TOTAL	\$590,905,298.54
FUTA Tax Credit Reduction Act	140,241,927.33	TOTAL REVENUES	\$590,925,372.51
Refund Of Prior Year Expend	770,173.72		
DEPARTMENT TOTAL	\$707,528,364.43	NON-REVENUES	
CABINET TOTAL	\$707,528,364.43	Education & Workforce Development Ca	
TOTAL REVENUES	\$707,801,481.10	Department For Workforce Investment	
		Op Tr From Ot Spec Rev Fund	10,638.86
NON-REVENUES		DEPARTMENT TOTAL	\$10,638.86
Education & Workforce Development Ca		CABINET TOTAL	\$10,638.86
Department For Workforce Investment		TOTAL NON-REVENUES	\$10,638.86
Op Tr From Ot Spec Rev Fund	83,032.95	FUND TOTAL	\$590,936,011.37
DEPARTMENT TOTAL	\$83,032.95		
CABINET TOTAL	\$83,032.95		
TOTAL NON-REVENUES	\$83,032.95		
FUND TOTAL	\$707,884,514.05		
Unemployment Collection Fund			
REVENUES			
Finance & Administration Cabinet			
Office Of The Controller			
Redeposit-Unredmed Treas Chks	20,073.97		
DEPARTMENT TOTAL	\$20,073.97		
CABINET TOTAL	\$20,073.97		
Education & Workforce Development Ca			
Department For Workforce Investment			
Sand & Gravel License	(779.64)		
Rev From US Dept Of Labor	11,077,423.45		
Contributions-Employer	579,828,727.76		
Interest Income	87.61		
Cold Check Clearing Account	(160.64)		
DEPARTMENT TOTAL	\$590,905,298.54		

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**COMMONWEALTH OF KENTUCKY
STATE PARKS FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 2100	37,235.66	8,516.37
DEPARTMENT TOTAL	\$37,235.66	\$8,516.37
CABINET TOTAL	\$37,235.66	\$8,516.37
Tourism, Arts and Heritage Cabinet		
Kentucky Department Of Parks		
Restricted Fund - Central Office	64,158.10	97,816.08
Restricted Fund - Frankfort Cafeterias	37,534.30	1,614,057.66
Restricted Fund - Rec/Hist Parks	66,814.08	7,454,999.94
Restricted Fund - Resort Parks	6,220.06	39,773,136.39
DEPARTMENT TOTAL	\$174,726.54	\$48,940,010.07
CABINET TOTAL	\$174,726.54	\$48,940,010.07
FUND TOTAL	\$211,962.20	\$48,948,526.44

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	200.00			45,552.03
	\$200.00			\$45,552.03
	\$200.00			\$45,552.03
25,977.49	161,710.61	25,977.49	6,276.90	6,540.47
	1,643,712.15		(2,999.06)	4,880.75
25,977.49	8,377,114.38		829,322.87	
	44,371,474.59		4,592,118.14	
\$51,954.98	\$54,554,011.73	\$25,977.49	\$5,424,718.85	\$11,421.22
\$51,954.98	\$54,554,011.73	\$25,977.49	\$5,424,718.85	\$11,421.22
\$51,954.98	\$54,554,211.73	\$25,977.49	\$5,424,718.85	\$56,973.25

**COMMONWEALTH OF KENTUCKY
STATE FAIR BOARD FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 2200	126,889.57	21,083.52
DEPARTMENT TOTAL	\$126,889.57	\$21,083.52
CABINET TOTAL	\$126,889.57	\$21,083.52
Tourism, Arts and Heritage Cabinet		
Kentucky State Fair Board		
Fair Board - International Convention Center Fund	40,695.22	5,084,045.55
Fair Board - KFEC Fund	2,625,528.43	38,885,869.34
DEPARTMENT TOTAL	\$2,666,223.65	\$43,969,914.89
CABINET TOTAL	\$2,666,223.65	\$43,969,914.89
Budget Fiscal Year/Fiscal Year Adjustment		
State Fair Board Fund		
Budget Fiscal Year/Fiscal Year Adjustment	(47.74)	
DEPARTMENT TOTAL	(\$47.74)	
CABINET TOTAL	(\$47.74)	
FUND TOTAL	\$2,793,065.48	\$43,990,998.41

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	77.85			147,895.24
	\$77.85			\$147,895.24
	\$77.85			\$147,895.24
	4,952,031.46	28,650.00		144,059.31
211,320.95	35,252,156.84	716,860.12		5,753,701.76
\$211,320.95	\$40,204,188.30	\$745,510.12		\$5,897,761.07
\$211,320.95	\$40,204,188.30	\$745,510.12		\$5,897,761.07
	(47.74)			
	(\$47.74)			
	(\$47.74)			
\$211,320.95	\$40,204,218.41	\$745,510.12		\$6,045,656.31

**COMMONWEALTH OF KENTUCKY
INSURANCE ADMINISTRATION FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Department Of Agriculture		
Agriculture - Grain Insurance Fund	4,793,636.53	3,659.68
DEPARTMENT TOTAL	\$4,793,636.53	\$3,659.68
Attorney General		
Attorney General - Uninsured Employers Fund	1,177,956.96	102,174.31
DEPARTMENT TOTAL	\$1,177,956.96	\$102,174.31
CABINET TOTAL	\$5,971,593.49	\$105,833.99
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 2400	290,556.46	144,194.75
DEPARTMENT TOTAL	\$290,556.46	\$144,194.75
CABINET TOTAL	\$290,556.46	\$144,194.75
Personnel Cabinet		
Personnel - Office Of The Secretary		
Personnel - Life Insurance Fund	88,060.20	
DEPARTMENT TOTAL	\$88,060.20	
CABINET TOTAL	\$88,060.20	
Labor Cabinet		
Labor - Office of the Secretary		
Labor - Office of the Secretary	249,023.35	2,367.20
DEPARTMENT TOTAL	\$249,023.35	\$2,367.20
Department of Workplace Standards		
Coal Workers Pneumoconiosis	621,541.74	123,020.00
LAB - Workplace Standards Fund	196,664.30	
Labor - Workers Compensation Fund	1,780,484.77	675,293.98
DEPARTMENT TOTAL	\$2,598,690.81	\$798,313.98
Department of Workers' Claims		
Labor - Workers Claims Fund	642,159.16	205,874.19
DEPARTMENT TOTAL	\$642,159.16	\$205,874.19
OSH Review Commission		
Occupational Safety & Health Review Fund	77,264.08	22.20
DEPARTMENT TOTAL	\$77,264.08	\$22.20

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	3,386.30			4,793,909.91
	\$3,386.30			\$4,793,909.91
4,514,143.04	5,789,809.48		54.34	4,519.17
\$4,514,143.04	\$5,789,809.48		\$54.34	\$4,519.17
\$4,514,143.04	\$5,793,195.78		\$54.34	\$4,798,429.08
	5,041.73			429,709.48
	\$5,041.73			\$429,709.48
	\$5,041.73			\$429,709.48
877,206.73	819,265.75	70,000.00		76,001.18
\$877,206.73	\$819,265.75	\$70,000.00		\$76,001.18
\$877,206.73	\$819,265.75	\$70,000.00		\$76,001.18
3,892,918.58	3,860,370.48			283,938.65
\$3,892,918.58	\$3,860,370.48			\$283,938.65
6,608,685.20	6,818,361.97			534,884.97
5,392,307.30	5,465,397.33			123,574.27
59,589,000.00	57,594,792.18	1,218,400.00		3,231,586.57
\$71,589,992.50	\$69,878,551.48	\$1,218,400.00		\$3,890,045.81
18,926,000.00	16,416,148.38	2,040,000.00		1,317,884.97
\$18,926,000.00	\$16,416,148.38	\$2,040,000.00		\$1,317,884.97
687,900.00	688,041.14			77,145.14
\$687,900.00	\$688,041.14			\$77,145.14

**COMMONWEALTH OF KENTUCKY
INSURANCE ADMINISTRATION FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Workers' Compensation Funding Commission		
Labor - KwCFC Fund	200,667.89	251,882.07
Workers Compensation Funding Comm Coal Workers Pneumoconiosi	332,927.16	7,232,181.59
Workers Compensation Funding Comm Self-Insurance Fund	5,749,015.07	1,605,282.34
Workers Compensation Funding Commission Benefit Reserve	18,113,477.18	78,246,284.65
DEPARTMENT TOTAL	\$24,396,087.30	\$87,335,630.65
Ky Occupational Safety and Health Standards Board		
LAB - Workplace Standards Fund	2,112.81	
DEPARTMENT TOTAL	\$2,112.81	
CABINET TOTAL	\$27,965,337.51	\$88,342,208.22
Energy and Environment Cabinet		
Department for Natural Resources		
DNR - AML Bond Pool Rec Fund	1,097,268.65	
Office Reclamation Guaranty Fund	132,147.43	47.30
DEPARTMENT TOTAL	\$1,229,416.08	\$47.30
Department for Environmental Protection		
OPSTEAFund	3,603,924.05	96,163.53
DEPARTMENT TOTAL	\$3,603,924.05	\$96,163.53
CABINET TOTAL	\$4,833,340.13	\$96,210.83
Public Protection Cabinet		
Department of Insurance		
INS - Mine Subsidence Fund	21,488.43	
INS - Mine Subsidence Premiums Fund	25,895,985.24	1,614,488.71
DEPARTMENT TOTAL	\$25,917,473.67	\$1,614,488.71
CABINET TOTAL	\$25,917,473.67	\$1,614,488.71
Budget Fiscal Year/Fiscal Year Adjustment		
Insurance Administration Fund		
Budget Fiscal Year/Fiscal Year Adjustment -IP	(208.64)	
DEPARTMENT TOTAL	(\$208.64)	
CABINET TOTAL	(\$208.64)	
FUND TOTAL	\$65,066,152.82	\$90,302,936.50

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
1,477,100.00	1,764,289.47			165,360.49
		6,608,685.20		956,423.55
		1,000,000.00		6,354,297.41
		94,377,443.04	479.78	1,982,798.57
\$1,477,100.00	\$1,764,289.47	\$101,986,128.24	\$479.78	\$9,458,880.02
5,300.00	3,600.78			3,812.03
\$5,300.00	\$3,600.78			\$3,812.03
\$96,579,211.08	\$92,611,001.73	\$105,244,528.24	\$479.78	\$15,031,706.62
				1,097,268.65
243,104.65	279,406.01			95,893.37
\$243,104.65	\$279,406.01			\$1,193,162.02
43,709,483.97	24,688,811.69	18,535,935.88	(208.64)	4,184,615.34
\$43,709,483.97	\$24,688,811.69	\$18,535,935.88	(\$208.64)	\$4,184,615.34
\$43,952,588.62	\$24,968,217.70	\$18,535,935.88	(\$208.64)	\$5,377,777.36
135,200.00	145,861.64			10,826.79
	116,634.92	135,200.00		27,258,639.03
\$135,200.00	\$262,496.56	\$135,200.00		\$27,269,465.82
\$135,200.00	\$262,496.56	\$135,200.00		\$27,269,465.82
			(325.48)	(534.12)
			(\$325.48)	(\$534.12)
			(\$325.48)	(\$534.12)
\$146,058,349.47	\$124,459,219.25	\$123,985,664.12		\$52,982,555.42

**COMMONWEALTH OF KENTUCKY
HEALTH INSURANCE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 2500	92,653.63	3,967.64
DEPARTMENT TOTAL	\$92,653.63	\$3,967.64
CABINET TOTAL	\$92,653.63	\$3,967.64
Personnel Cabinet		
Department For Employee Insurance		
Personnel - Federal Health Insurance Fund	425.54	
Personnel - Health Self-Insurance Fund	308,687,869.70	1,643,524,923.39
DEPARTMENT TOTAL	\$308,688,295.24	\$1,643,524,923.39
CABINET TOTAL	\$308,688,295.24	\$1,643,524,923.39
FUND TOTAL	\$308,780,948.87	\$1,643,528,891.03

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				96,621.27
				\$96,621.27
				\$96,621.27
3,251.00		3,676.54		
3,753,676.54	1,453,322,330.59	106,697,051.00		395,947,088.04
\$3,756,927.54	\$1,453,322,330.59	\$106,700,727.54		\$395,947,088.04
\$3,756,927.54	\$1,453,322,330.59	\$106,700,727.54		\$395,947,088.04
\$3,756,927.54	\$1,453,322,330.59	\$106,700,727.54		\$396,043,709.31

**COMMONWEALTH OF KENTUCKY
AGRICULTURAL FINANCE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Agricultural Development Board		
Agriculture - Finance Interest Fund	2,528,811.50	748,485.26
Agriculture - Finance Loan Fund	3,496,416.72	2,037,379.43
DEPARTMENT TOTAL	\$6,025,228.22	\$2,785,864.69
CABINET TOTAL	\$6,025,228.22	\$2,785,864.69
FUND TOTAL	\$6,025,228.22	\$2,785,864.69

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
			5,812.36	3,283,109.12
7,712,400.00	68,678.68		(4,007,071.93)	9,170,445.54
\$7,712,400.00	\$68,678.68		(\$4,001,259.57)	\$12,453,554.66
\$7,712,400.00	\$68,678.68		(\$4,001,259.57)	\$12,453,554.66
\$7,712,400.00	\$68,678.68		(\$4,001,259.57)	\$12,453,554.66

**COMMONWEALTH OF KENTUCKY
HORSE PARK FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 2900	5,746.75	3,850.87
DEPARTMENT TOTAL	\$5,746.75	\$3,850.87
CABINET TOTAL	\$5,746.75	\$3,850.87
Tourism, Arts and Heritage Cabinet		
Kentucky Horse Park		
Ky Horse Park Commission Fund	199,715.80	12,301,255.66
DEPARTMENT TOTAL	\$199,715.80	\$12,301,255.66
CABINET TOTAL	\$199,715.80	\$12,301,255.66
Budget Fiscal Year/Fiscal Year Adjustment		
Ky Horse Park Commission Fund		
Budget Fiscal Year/Fiscal Year Adjustment		
Budget Fiscal Year/Fiscal Year Adjustment -IP	(6,013.44)	
DEPARTMENT TOTAL	(\$6,013.44)	
CABINET TOTAL	(\$6,013.44)	
FUND TOTAL	\$199,449.11	\$12,305,106.53

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				9,597.62
				\$9,597.62
				\$9,597.62
	11,682,536.78		(65,715.29)	752,719.39
	\$11,682,536.78		(\$65,715.29)	\$752,719.39
	\$11,682,536.78		(\$65,715.29)	\$752,719.39
	17.31			(17.31)
			5,715.29	(298.15)
	\$17.31		\$5,715.29	(\$315.46)
	\$17.31		\$5,715.29	(\$315.46)
	\$11,682,554.09		(\$60,000.00)	\$762,001.55

**COMMONWEALTH OF KENTUCKY
UNEMPLOYMENT COMPENSATION FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 6200	2,595,540.92	273,116.67
Unredeemed Check Fund 6210	215,058.15	20,073.97
DEPARTMENT TOTAL	\$2,810,599.07	\$293,190.64
CABINET TOTAL	\$2,810,599.07	\$293,190.64
Education & Workforce Development Cabinet		
Department For Workforce Investment		
Unemployment Benefits Fund	165,092.66	707,528,364.43
Unemployment Collection Fund	247,187.85	590,905,298.54
DEPARTMENT TOTAL	\$412,280.51	\$1,298,433,662.97
CABINET TOTAL	\$412,280.51	\$1,298,433,662.97
FUND TOTAL	\$3,222,879.58	\$1,298,726,853.61

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	37,253.61			2,831,403.98
	1,165.83			233,966.29
	\$38,419.44			\$3,065,370.27
	\$38,419.44			\$3,065,370.27
83,032.95	354,741,507.41		(352,046,241.53)	988,741.10
10,638.86	557,432,519.20	34,154,906.59	1,369,381.78	945,081.24
\$93,671.81	\$912,174,026.61	\$34,154,906.59	(\$350,676,859.75)	\$1,933,822.34
\$93,671.81	\$912,174,026.61	\$34,154,906.59	(\$350,676,859.75)	\$1,933,822.34
\$93,671.81	\$912,212,446.05	\$34,154,906.59	(\$350,676,859.75)	\$4,999,192.61

**COMMONWEALTH OF KENTUCKY
INTERNAL SERVICE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Fleet Management Fund	
<u>REVENUES</u>	
Finance & Administration Cabinet	
Finance - Office Of The Secretary	
Motor Pool Rental Income	26,766,706.40
Proceeds From Asset Dispositr	647,985.70
Property Damage	147,929.52
Refund Of Prior Year Expend	78,070.24
DEPARTMENT TOTAL	\$27,640,691.86
Office Of The Controller	
Redeposit-Unredmed Treas Chks	3,482.25
DEPARTMENT TOTAL	\$3,482.25
CABINET TOTAL	\$27,644,174.11
TOTAL REVENUES	\$27,644,174.11
FUND TOTAL	\$27,644,174.11
Computer Services Fund	
<u>REVENUES</u>	
Finance & Administration Cabinet	
Commonwealth Office Of Technology	
General Fees From Public	539,089.12
Gen Sales To Oth St Agencies	25,000.00
General Fees From Other St Agy	115,851,980.47
Genl Servs To Other St Agy	30,179.00
Proceeds From Asset Dispositr	654.30
DEPARTMENT TOTAL	\$116,446,902.89
Office Of The Controller	
Redeposit-Unredmed Treas Chks	47.02
DEPARTMENT TOTAL	\$47.02
CABINET TOTAL	\$116,446,949.91
TOTAL REVENUES	\$116,446,949.91
<u>NON-REVENUES</u>	

NAME OF ACCOUNT	ACTUAL RECEIPTS
Finance & Administration Cabinet	
Commonwealth Office Of Technology	
Op Tr From Capital Project Fd	0.06
DEPARTMENT TOTAL	\$0.06
CABINET TOTAL	\$0.06
TOTAL NON-REVENUES	\$0.06
FUND TOTAL	\$116,446,949.97
Prison Industries Fund	
<u>REVENUES</u>	
Finance & Administration Cabinet	
Office Of The Controller	
Redeposit-Unredmed Treas Chks	357.00
DEPARTMENT TOTAL	\$357.00
CABINET TOTAL	\$357.00
Justice & Public Safety Cabinet	
Department Of Corrections	
General Sales To Public	4,240,423.91
General Commisssions From Public	22,915.42
Gen Sales To Oth St Agencies	6,841,581.07
Environmental Remediation Fee	414.09
Proceeds From Asset Dispositr	23,974.20
Loss Claim Proceeds	11,912.90
DEPARTMENT TOTAL	\$11,141,221.59
CABINET TOTAL	\$11,141,221.59
TOTAL REVENUES	\$11,141,578.59
FUND TOTAL	\$11,141,578.59
Central Printing Fund	
<u>REVENUES</u>	
Transportation Cabinet	
Office of Support Services	
Gen Sales To Oth St Agencies	1,633,428.37
DEPARTMENT TOTAL	\$1,633,428.37

**COMMONWEALTH OF KENTUCKY
INTERNAL SERVICE FUNDS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$1,633,428.37
TOTAL REVENUES	\$1,633,428.37
FUND TOTAL	\$1,633,428.37
Property Management Fund	
REVENUES	
Finance & Administration Cabinet	
Office Of The Controller	
Redeposit-Unredmed Treas Chks	14,404.46
DEPARTMENT TOTAL	\$14,404.46
Facilities & Support Services	
General Rentals To Public	125.00
Soft Drink Vending Commissions	614.37
Gen Sales To Oth St Agencies	32.00
General Rentals To Oth St Agy	345.00
Genl Servs To Other St Agy	402,683.01
Rent Of Bldgs To Other St Agy	34,967,304.73
Utility Charges To Oth St Agy	44,128.20
Proceeds From Recyclable Sales	323.40
Proceeds From Asset Dispositn	3,470.93
DEPARTMENT TOTAL	\$35,419,026.64
CABINET TOTAL	\$35,433,431.10
TOTAL REVENUES	\$35,433,431.10
NON-REVENUES	
Finance & Administration Cabinet	
Facilities & Support Services	
Op Tr From Capital Project Fd	2,780,659.33
Op Tr From Agency Rev Fund	27,111.36
Op Tr From Property Mgmt Fd	29,269,458.70
DEPARTMENT TOTAL	\$32,077,229.39
CABINET TOTAL	\$32,077,229.39
TOTAL NON-REVENUES	\$32,077,229.39
FUND TOTAL	\$67,510,660.49

NAME OF ACCOUNT	ACTUAL RECEIPTS
Risk Management Fund	
REVENUES	
Finance & Administration Cabinet	
Office Of The Controller	
Gen Sales To Oth St Agencies	2,216.75
Genl Servs To Other St Agy	4,821,127.46
Interest Income	(683.16)
Other Receipts	13,630,828.74
Property Damage	779,276.27
Refund Of Prior Year Expend	2,396.50
DEPARTMENT TOTAL	\$19,235,162.56
CABINET TOTAL	\$19,235,162.56
Personnel Cabinet	
Personnel - Office Of The Secretary	
General Fees From Other St Agy	23,050,050.00
Genl Servs To Other St Agy	27,596.52
Restitution Proceeds	300.00
DEPARTMENT TOTAL	\$23,077,946.52
CABINET TOTAL	\$23,077,946.52
TOTAL REVENUES	\$42,313,109.08
NON-REVENUES	
Finance & Administration Cabinet	
Office Of The Controller	
Op Tr From Risk Management Fd	1,610,500.00
DEPARTMENT TOTAL	\$1,610,500.00
CABINET TOTAL	\$1,610,500.00
TOTAL NON-REVENUES	\$1,610,500.00
FUND TOTAL	\$43,923,609.08

**COMMONWEALTH OF KENTUCKY
FLEET MANAGEMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Finance - Office Of The Secretary		
Fleet Management Fund	2,048,642.20	27,640,691.86
DEPARTMENT TOTAL	\$2,048,642.20	\$27,640,691.86
Office Of The Controller		
Unredeemed Check Fund 3100	3,134.44	3,482.25
DEPARTMENT TOTAL	\$3,134.44	\$3,482.25
CABINET TOTAL	\$2,051,776.64	\$27,644,174.11
Budget Fiscal Year/Fiscal Year Adjustment		
Fleet Management Fund		
Budget Fiscal Year/Fiscal Year Adjustment -IP	(1,663.67)	
DEPARTMENT TOTAL	(\$1,663.67)	
CABINET TOTAL	(\$1,663.67)	
FUND TOTAL	\$2,050,112.97	\$27,644,174.11

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	23,815,652.36		(1,663.67)	5,872,018.03
	\$23,815,652.36		(\$1,663.67)	\$5,872,018.03
	2,708.00			3,908.69
	\$2,708.00			\$3,908.69
	\$23,818,360.36		(\$1,663.67)	\$5,875,926.72
			1,663.67	
			\$1,663.67	
			\$1,663.67	
	\$23,818,360.36			\$5,875,926.72

**COMMONWEALTH OF KENTUCKY
COMPUTER SERVICES FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Commonwealth Office Of Technology		
Computer Services Fund	16,713,307.02	116,446,902.89
DEPARTMENT TOTAL	\$16,713,307.02	\$116,446,902.89
Office Of The Controller		
Unredeemed Check Fund 3200	17,931.68	47.02
DEPARTMENT TOTAL	\$17,931.68	\$47.02
CABINET TOTAL	\$16,731,238.70	\$116,446,949.91
FUND TOTAL	\$16,731,238.70	\$116,446,949.91

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
0.06	115,059,799.80	4,476,858.19		13,623,551.98
\$0.06	\$115,059,799.80	\$4,476,858.19		\$13,623,551.98
				17,978.70
				\$17,978.70
\$0.06	\$115,059,799.80	\$4,476,858.19		\$13,641,530.68
\$0.06	\$115,059,799.80	\$4,476,858.19		\$13,641,530.68

**COMMONWEALTH OF KENTUCKY
PRISON INDUSTRIES FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 3500	15,513.06	357.00
DEPARTMENT TOTAL	\$15,513.06	\$357.00
CABINET TOTAL	\$15,513.06	\$357.00
Justice & Public Safety Cabinet		
Department Of Corrections		
Correctional Industries Fund	1,360,853.08	11,141,221.59
DEPARTMENT TOTAL	\$1,360,853.08	\$11,141,221.59
CABINET TOTAL	\$1,360,853.08	\$11,141,221.59
FUND TOTAL	\$1,376,366.14	\$11,141,578.59

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
				15,870.06
				\$15,870.06
				\$15,870.06
	11,080,938.57			1,421,136.10
	\$11,080,938.57			\$1,421,136.10
	\$11,080,938.57			\$1,421,136.10
	\$11,080,938.57			\$1,437,006.16

**COMMONWEALTH OF KENTUCKY
CENTRAL PRINTING FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Transportation Cabinet		
Office of Support Services		
Central Printing Fund		1,633,428.37
DEPARTMENT TOTAL		\$1,633,428.37
CABINET TOTAL		\$1,633,428.37
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 3600	26.54	
DEPARTMENT TOTAL	\$26.54	
CABINET TOTAL	\$26.54	
FUND TOTAL	\$26.54	\$1,633,428.37

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	1,679,965.74		46,537.37	
	\$1,679,965.74		\$46,537.37	
	\$1,679,965.74		\$46,537.37	
				26.54
				\$26.54
				\$26.54
	\$1,679,965.74		\$46,537.37	\$26.54

**COMMONWEALTH OF KENTUCKY
PROPERTY MANAGEMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 3700	12,541.28	14,404.46
DEPARTMENT TOTAL	\$12,541.28	\$14,404.46
Facilities & Support Services		
Property Management Fund	14,752,209.91	35,419,026.64
DEPARTMENT TOTAL	\$14,752,209.91	\$35,419,026.64
CABINET TOTAL	\$14,764,751.19	\$35,433,431.10
Budget Fiscal Year/Fiscal Year Adjustment		
Property Management Fund		
Budget Fiscal Year/Fiscal Year Adjustment -IP	(2,010.65)	
DEPARTMENT TOTAL	(\$2,010.65)	
CABINET TOTAL	(\$2,010.65)	
FUND TOTAL	\$14,762,740.54	\$35,433,431.10

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	12,654.56			14,291.18
	\$12,654.56			\$14,291.18
32,077,229.39	31,445,032.70	36,804,558.70	(1,770.90)	13,997,103.64
\$32,077,229.39	\$31,445,032.70	\$36,804,558.70	(\$1,770.90)	\$13,997,103.64
\$32,077,229.39	\$31,457,687.26	\$36,804,558.70	(\$1,770.90)	\$14,011,394.82
			1,770.90	(239.75)
			\$1,770.90	(\$239.75)
			\$1,770.90	(\$239.75)
\$32,077,229.39	\$31,457,687.26	\$36,804,558.70		\$14,011,155.07

**COMMONWEALTH OF KENTUCKY
RISK MANAGEMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Finance & Administration Cabinet		
Office Of The Controller		
Auto Self Insurance Fund	330,896.62	4,480,201.08
Auto Self-Insurance Administration		1,004.87
Fire & Tornado Fund	1,926,204.57	14,753,956.61
Risk & Insurance Fund	7,480.46	
Unredeemed Check Fund 3800	8,892.73	
DEPARTMENT TOTAL	\$2,273,474.38	\$19,235,162.56
CABINET TOTAL	\$2,273,474.38	\$19,235,162.56
Personnel Cabinet		
Personnel - Office Of The Secretary		
Pers-Workers Compensation Fund	9,115,207.47	23,077,946.52
Pers-Workers Compensation Reserve Fund	6,655,840.74	
DEPARTMENT TOTAL	\$15,771,048.21	\$23,077,946.52
CABINET TOTAL	\$15,771,048.21	\$23,077,946.52
FUND TOTAL	\$18,044,522.59	\$42,313,109.08

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	3,426,863.99	560,000.00		824,233.71
560,000.00	551,237.14		(4,694.65)	5,073.08
	18,378,630.69	1,050,500.00	2,748,969.51	
1,050,500.00	1,047,103.00			10,877.46
				8,892.73
\$1,610,500.00	\$23,403,834.82	\$1,610,500.00	\$2,744,274.86	\$849,076.98
\$1,610,500.00	\$23,403,834.82	\$1,610,500.00	\$2,744,274.86	\$849,076.98
	23,260,189.32	2,070,000.00	(250,000.00)	6,612,964.67
				6,655,840.74
	\$23,260,189.32	\$2,070,000.00	(\$250,000.00)	\$13,268,805.41
	\$23,260,189.32	\$2,070,000.00	(\$250,000.00)	\$13,268,805.41
\$1,610,500.00	\$46,664,024.14	\$3,680,500.00	\$2,494,274.86	\$14,117,882.39

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
KERS Clearing Fund	
<i>REVENUES</i>	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	(582,931.38)
Contributions-Employee Volntry	15.00
Other Receipts	23,000,000.00
Undistributed Receipts	1,599,543,161.50
DEPARTMENT TOTAL	\$1,621,960,245.12
CABINET TOTAL	\$1,621,960,245.12
TOTAL REVENUES	\$1,621,960,245.12
FUND TOTAL	\$1,621,960,245.12

KERS Excess Benefit Plan

REVENUES

Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	377,065.26
DEPARTMENT TOTAL	\$377,065.26
CABINET TOTAL	\$377,065.26
TOTAL REVENUES	\$377,065.26
FUND TOTAL	\$377,065.26

Employees Retirement Fund

REVENUES

Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	330,587,805.49
Contributions-Employee Volntry	12,240,287.56
DEPARTMENT TOTAL	\$342,828,093.05
CABINET TOTAL	\$342,828,093.05

NAME OF ACCOUNT	ACTUAL RECEIPTS
Finance & Administration Cabinet	
Office Of The Controller	
Redeposit-Unredmed Treas Chks	47,118.68
DEPARTMENT TOTAL	\$47,118.68
CABINET TOTAL	\$47,118.68
TOTAL REVENUES	\$342,875,211.73
<i>NON-REVENUES</i>	
Cabinet of the General Government	
Kentucky Retirement Systems	
Op Tr From Agency Rev Fund	2,219,505.16
DEPARTMENT TOTAL	\$2,219,505.16
CABINET TOTAL	\$2,219,505.16
TOTAL NON-REVENUES	\$2,219,505.16
FUND TOTAL	\$345,094,716.89

State Police Retirement Fund

REVENUES

Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	18,485,715.77
Contributions-Employee Volntry	1,392,976.51
DEPARTMENT TOTAL	\$19,878,692.28
CABINET TOTAL	\$19,878,692.28

Finance & Administration Cabinet

Office Of The Controller	
Redeposit-Unredmed Treas Chks	0.53
DEPARTMENT TOTAL	\$0.53
CABINET TOTAL	\$0.53
TOTAL REVENUES	\$19,878,692.81

NON-REVENUES

Cabinet of the General Government	
Kentucky Retirement Systems	
Op Tr From Agency Rev Fund	51,616.40

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
DEPARTMENT TOTAL	\$51,616.40
CABINET TOTAL	\$51,616.40
TOTAL NON-REVENUES	\$51,616.40
FUND TOTAL	\$19,930,309.21

Teachers Retirement Fund

REVENUES

Cabinet of the General Government

Ky Teachers Retirement System

Contributions-Employer	1,013,873.59
Contributions-Employee Req	6,553,376.07
Interest Income	246,461,919.50
Dividend Income	204,993,378.17
Gain On Disposition Of Invest	934,641,212.51
Other	(719.60)

DEPARTMENT TOTAL \$1,393,663,040.24

CABINET TOTAL \$1,393,663,040.24

Finance & Administration Cabinet

Office Of The Controller

Redeposit-Unredmed Treas Chks	79,792.46
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DEPARTMENT TOTAL \$79,792.46

CABINET TOTAL \$79,792.46

TOTAL REVENUES \$1,393,742,832.70

NON-REVENUES

Cabinet of the General Government

Ky Teachers Retirement System

Op Tr From General Fund	153,627,676.00
Op Tr From Agency Rev Fund	3,850,361.84
Op Tr From Teachers' Ret Fd	2,777,065,461.68
Op Tr From KTRS Contributions Control A	762,523,801.73
Op Tr From Teachers Retirement Health	270,842.52
Op Tr From Teachers Retirement Life Insur	119,322.70

DEPARTMENT TOTAL \$3,697,457,466.47

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$3,697,457,466.47
TOTAL NON-REVENUES	\$3,697,457,466.47
FUND TOTAL	\$5,091,200,299.17

KTRS Excess Benefit Account

NON-REVENUES

Cabinet of the General Government

Ky Teachers Retirement System

Op Tr From KTRS Contributions Control A	80,000.00
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DEPARTMENT TOTAL \$80,000.00

CABINET TOTAL \$80,000.00

TOTAL NON-REVENUES \$80,000.00

FUND TOTAL **\$80,000.00**

KTRS Insurance Account

REVENUES

Cabinet of the General Government

Ky Teachers Retirement System

Contributions-Employer	(111.47)
Interest Income	3,073,230.64
Gain On Disposition Of Invest	(18,825.90)
Other	(14,099.78)

DEPARTMENT TOTAL \$3,040,193.49

CABINET TOTAL \$3,040,193.49

Finance & Administration Cabinet

Office Of The Controller

Redeposit-Unredmed Treas Chks	8,428.95
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DEPARTMENT TOTAL \$8,428.95

CABINET TOTAL \$8,428.95

TOTAL REVENUES \$3,048,622.44

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
<u>NON-REVENUES</u>	
Cabinet of the General Government	
Ky Teachers Retirement System	
Op Tr From General Fund	85,188.00
Op Tr From Teachers' Ret Fd	54.08
Op Tr From KTRS Contributions Control A	892,712.45
DEPARTMENT TOTAL	\$977,954.53
CABINET TOTAL	\$977,954.53
TOTAL NON-REVENUES	\$977,954.53
FUND TOTAL	\$4,026,576.97

Medical Insurance Trust Fund

REVENUES

Cabinet of the General Government	
Ky Teachers Retirement System	
Contributions-Employee Req	92,811.55
Contributions-Employee Volntry	580.00
Interest Income	7,028,113.43
Gain On Disposition Of Invest	259,803.95
Other	10,571,476.66
DEPARTMENT TOTAL	\$17,952,785.59
CABINET TOTAL	\$17,952,785.59
Finance & Administration Cabinet	
Office Of The Controller	
Redeposit-Unredmed Treas Chks	1,235.23
DEPARTMENT TOTAL	\$1,235.23
CABINET TOTAL	\$1,235.23
TOTAL REVENUES	\$17,954,020.82

NON-REVENUES

Cabinet of the General Government	
Ky Teachers Retirement System	
Op Tr From General Fund	52,366,336.00
Op Tr From Teachers' Ret Fd	140,424,764.56
Op Tr From KTRS Contributions Control A	82,602,533.50

NAME OF ACCOUNT	ACTUAL RECEIPTS
Op Tr From Teachers Retirement Life Insur	778.48
DEPARTMENT TOTAL	\$275,394,412.54
CABINET TOTAL	\$275,394,412.54
TOTAL NON-REVENUES	\$275,394,412.54
FUND TOTAL	\$293,348,433.36

KTRS Contributions Control

REVENUES

Cabinet of the General Government	
Ky Teachers Retirement System	
Contributions-Employer	388,719,235.16
Contributions-Employee Req	534,278,278.85
DEPARTMENT TOTAL	\$922,997,514.01
CABINET TOTAL	\$922,997,514.01
TOTAL REVENUES	\$922,997,514.01

NON-REVENUES

Cabinet of the General Government	
Ky Teachers Retirement System	
Op Tr From Teachers' Ret Fd	16,490,059.48
Op Tr From Teachers Retirement Health	13,835.00
Op Tr From Teachers Retirement Life Insur	1,099.58
DEPARTMENT TOTAL	\$16,504,994.06
CABINET TOTAL	\$16,504,994.06
TOTAL NON-REVENUES	\$16,504,994.06
FUND TOTAL	\$939,502,508.07

Judicial Retirement Fund

REVENUES

Judicial Cabinet	
Judicial Form Retirement System	
Contributions-Employer	53,779.77
Contributions-Employee Req	2,362,106.64
Interest Income	1,935,362.76

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Dividend Income	5,038,242.92
Gain On Disposition Of Invest	16,535,623.89
Other	155,378.68
DEPARTMENT TOTAL	\$26,080,494.66
CABINET TOTAL	\$26,080,494.66
TOTAL REVENUES	\$26,080,494.66

NON-REVENUES

Judicial Cabinet

Judicial Form Retirement System

Op Tr From General Fund 16,389,900.00

DEPARTMENT TOTAL \$16,389,900.00

CABINET TOTAL \$16,389,900.00

TOTAL NON-REVENUES \$16,389,900.00

FUND TOTAL **\$42,470,394.66**

Legislators Retirement Fund

REVENUES

Judicial Cabinet

Judicial Form Retirement System

Contributions-Employer 221,533.86

Contributions-Employee Req (3,733.25)

Interest Income 488,784.39

Dividend Income 1,539,775.02

Gain On Disposition Of Invest 9,722,171.58

Other 91,820.54

DEPARTMENT TOTAL \$12,060,352.14

CABINET TOTAL \$12,060,352.14

TOTAL REVENUES \$12,060,352.14

NON-REVENUES

Judicial Cabinet

Judicial Form Retirement System

Op Tr From General Fund 3,366,933.00

DEPARTMENT TOTAL \$3,366,933.00

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$3,366,933.00
TOTAL NON-REVENUES	\$3,366,933.00
FUND TOTAL	\$15,427,285.14

County Retirement Fund

REVENUES

Cabinet of the General Government

Kentucky Retirement Systems

Contributions-Employer 289,118,516.55

Contributions-Employee Volntry 10,039,554.49

DEPARTMENT TOTAL \$299,158,071.04

CABINET TOTAL \$299,158,071.04

Finance & Administration Cabinet

Office Of The Controller

Redeposit-Unredmed Treas Chks 60,269.36

DEPARTMENT TOTAL \$60,269.36

CABINET TOTAL \$60,269.36

TOTAL REVENUES \$299,218,340.40

NON-REVENUES

Cabinet of the General Government

Kentucky Retirement Systems

Op Tr From Agency Rev Fund 3,684,120.49

DEPARTMENT TOTAL \$3,684,120.49

CABINET TOTAL \$3,684,120.49

TOTAL NON-REVENUES \$3,684,120.49

FUND TOTAL **\$302,902,460.89**

Employees Insurance Fund

REVENUES

Cabinet of the General Government

Kentucky Retirement Systems

Contributions-Employer 11,634.40

DEPARTMENT TOTAL \$11,634.40

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
CABINET TOTAL	\$11,634.40
Finance & Administration Cabinet	
Office Of The Controller	
Redeposit-Unredmed Treas Chks	62.20
DEPARTMENT TOTAL	\$62.20
CABINET TOTAL	\$62.20
TOTAL REVENUES	\$11,696.60
FUND TOTAL	\$11,696.60
County Insurance Fund	
REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	16,722.93
DEPARTMENT TOTAL	\$16,722.93
CABINET TOTAL	\$16,722.93
TOTAL REVENUES	\$16,722.93
FUND TOTAL	\$16,722.93
Employees Haz Insurance Fund	
REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	1,076.39
DEPARTMENT TOTAL	\$1,076.39
CABINET TOTAL	\$1,076.39
TOTAL REVENUES	\$1,076.39
FUND TOTAL	\$1,076.39

NAME OF ACCOUNT	ACTUAL RECEIPTS
County Haz Insurance Fund	
REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	(465.99)
DEPARTMENT TOTAL	(\$465.99)
CABINET TOTAL	(\$465.99)
TOTAL REVENUES	(\$465.99)
FUND TOTAL	(\$465.99)
Employees Haz Fund	
REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	749,122.86
Contributions-Employee Volntry	496,057.70
DEPARTMENT TOTAL	\$1,245,180.56
CABINET TOTAL	\$1,245,180.56
TOTAL REVENUES	\$1,245,180.56
NON-REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Op Tr From Agency Rev Fund	180,657.40
DEPARTMENT TOTAL	\$180,657.40
CABINET TOTAL	\$180,657.40
TOTAL NON-REVENUES	\$180,657.40
FUND TOTAL	\$1,425,837.96
County Haz Fund	
REVENUES	
Cabinet of the General Government	
Kentucky Retirement Systems	
Contributions-Employer	1,212,403.01

**COMMONWEALTH OF KENTUCKY
PENSION TRUST FUND RECEIPTS
DETAILED STATEMENT OF RECEIPTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ACTUAL RECEIPTS
Contributions-Employee Volntry	3,768,994.36
Redeposit-Unredmed Treas Chks	31,091.75
DEPARTMENT TOTAL	\$5,012,489.12
CABINET TOTAL	\$5,012,489.12
TOTAL REVENUES	\$5,012,489.12
<i>NON-REVENUES</i>	
Cabinet of the General Government	
Kentucky Retirement Systems	
Op Tr From Agency Rev Fund	316,150.44
DEPARTMENT TOTAL	\$316,150.44
CABINET TOTAL	\$316,150.44
TOTAL NON-REVENUES	\$316,150.44
FUND TOTAL	\$5,328,639.56

**COMMONWEALTH OF KENTUCKY
KENTUCKY EMPLOYEES RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Kentucky Retirement Systems		
Employees Hazardous Fund	122,978.15	1,245,180.56
Employees Retirement Fund	3,095,111.89	342,828,093.05
KERS Clearing Fund	772,708.26	1,621,960,245.12
KERS Excess Benefit Fund		377,065.26
DEPARTMENT TOTAL	\$3,990,798.30	\$1,966,410,583.99
CABINET TOTAL	\$3,990,798.30	\$1,966,410,583.99
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5100	949,528.44	47,118.68
Unredeemed Check Fund 5800	87,988.77	
DEPARTMENT TOTAL	\$1,037,517.21	\$47,118.68
CABINET TOTAL	\$1,037,517.21	\$47,118.68
FUND TOTAL	\$5,028,315.51	\$1,966,457,702.67

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
180,657.40	(254,510.15)	1,085,500.23	(385,000.00)	332,826.03
2,219,505.16	319,526,170.33	13,221,757.94	(10,997,000.00)	4,397,781.83
	1,617,791,945.97			4,941,007.41
	377,065.26			
\$2,400,162.56	\$1,937,440,671.41	\$14,307,258.17	(\$11,382,000.00)	\$9,671,615.27
\$2,400,162.56	\$1,937,440,671.41	\$14,307,258.17	(\$11,382,000.00)	\$9,671,615.27
	7,550.81			989,096.31
				87,988.77
	\$7,550.81			\$1,077,085.08
	\$7,550.81			\$1,077,085.08
\$2,400,162.56	\$1,937,448,222.22	\$14,307,258.17	(\$11,382,000.00)	\$10,748,700.35

**COMMONWEALTH OF KENTUCKY
STATE POLICE RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Kentucky Retirement Systems		
State Police Retirement Fund	105,639.56	19,878,692.28
DEPARTMENT TOTAL	\$105,639.56	\$19,878,692.28
CABINET TOTAL	\$105,639.56	\$19,878,692.28
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5200	15,793.82	0.53
DEPARTMENT TOTAL	\$15,793.82	\$0.53
CABINET TOTAL	\$15,793.82	\$0.53
FUND TOTAL	\$121,433.38	\$19,878,692.81

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
51,616.40	18,370,328.49	308,072.55	(1,079,000.00)	278,547.20
\$51,616.40	\$18,370,328.49	\$308,072.55	(\$1,079,000.00)	\$278,547.20
\$51,616.40	\$18,370,328.49	\$308,072.55	(\$1,079,000.00)	\$278,547.20
				15,794.35
				\$15,794.35
				\$15,794.35
\$51,616.40	\$18,370,328.49	\$308,072.55	(\$1,079,000.00)	\$294,341.55

**COMMONWEALTH OF KENTUCKY
TEACHERS RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Ky Teachers Retirement System		
KTRS Contributions Control Account	58,678,323.37	922,997,514.01
KTRS Excess Benefit Fund	52,939.56	
Teachers Retirement Fund	86,219,991.58	1,393,663,040.24
Teachers Retirement Life Insurance Fund	422,702.04	3,040,193.49
DEPARTMENT TOTAL	\$145,373,956.55	\$2,319,700,747.74
CABINET TOTAL	\$145,373,956.55	\$2,319,700,747.74
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5300	154,932.99	79,792.46
Unredeemed Check Fund 5320	74,582.47	8,428.95
DEPARTMENT TOTAL	\$229,515.46	\$88,221.41
CABINET TOTAL	\$229,515.46	\$88,221.41
FUND TOTAL	\$145,603,472.01	\$2,319,788,969.15

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
16,504,994.06		846,099,047.68		152,081,783.76
80,000.00	32,903.52	33,337.89		66,698.15
3,697,457,466.47	1,778,240,963.26	2,951,167,602.05	(433,313,414.91)	14,618,518.07
977,954.53	3,749,134.01	150,807.10	170,595.26	711,504.21
\$3,715,020,415.06	\$1,782,023,000.79	\$3,797,450,794.72	(\$433,142,819.65)	\$167,478,504.19
\$3,715,020,415.06	\$1,782,023,000.79	\$3,797,450,794.72	(\$433,142,819.65)	\$167,478,504.19
	11,769.69			222,955.76
				83,011.42
	\$11,769.69			\$305,967.18
	\$11,769.69			\$305,967.18
\$3,715,020,415.06	\$1,782,034,770.48	\$3,797,450,794.72	(\$433,142,819.65)	\$167,784,471.37

**COMMONWEALTH OF KENTUCKY
JUDICIAL RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Judicial Cabinet		
Judicial Form Retirement System		
Judicial Retirement Excess Benefits	878.16	
Judicial Retirement Fund	138,387.62	25,974,211.60
Judicial Retirement Hybrid Cash Balance		84,601.51
Legislators Retirement Hybrid Cash Balance		21,681.55
DEPARTMENT TOTAL	\$139,265.78	\$26,080,494.66
CABINET TOTAL	\$139,265.78	\$26,080,494.66
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5400	10,413.64	
DEPARTMENT TOTAL	\$10,413.64	
CABINET TOTAL	\$10,413.64	
FUND TOTAL	\$149,679.42	\$26,080,494.66

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
102,000.00	102,019.08			859.08
16,287,900.00	24,179,702.71		(18,179,769.45)	41,027.06
	84,601.37			0.14
	21,681.51			0.04
\$16,389,900.00	\$24,388,004.67		(\$18,179,769.45)	\$41,886.32
\$16,389,900.00	\$24,388,004.67		(\$18,179,769.45)	\$41,886.32
				10,413.64
				\$10,413.64
				\$10,413.64
\$16,389,900.00	\$24,388,004.67		(\$18,179,769.45)	\$52,299.96

**COMMONWEALTH OF KENTUCKY
LEGISLATORS RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Judicial Cabinet		
Judicial Form Retirement System		
Legislators Retirement Fund	20,603.16	12,060,352.14
DEPARTMENT TOTAL	\$20,603.16	\$12,060,352.14
CABINET TOTAL	\$20,603.16	\$12,060,352.14
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5500	2,135.93	
DEPARTMENT TOTAL	\$2,135.93	
CABINET TOTAL	\$2,135.93	
FUND TOTAL	\$22,739.09	\$12,060,352.14

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
3,366,933.00	4,450,330.23		(10,905,905.73)	91,652.34
\$3,366,933.00	\$4,450,330.23		(\$10,905,905.73)	\$91,652.34
\$3,366,933.00	\$4,450,330.23		(\$10,905,905.73)	\$91,652.34
				2,135.93
				\$2,135.93
				\$2,135.93
\$3,366,933.00	\$4,450,330.23		(\$10,905,905.73)	\$93,788.27

**COMMONWEALTH OF KENTUCKY
COUNTY RETIREMENT FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Kentucky Retirement Systems		
County Hazardous Fund	292,051.71	5,012,489.12
County Retirement Fund	2,353,393.17	299,158,071.04
DEPARTMENT TOTAL	\$2,645,444.88	\$304,170,560.16
CABINET TOTAL	\$2,645,444.88	\$304,170,560.16
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5600	734,626.73	60,269.36
Unredeemed Check Fund 5900	86,110.30	
DEPARTMENT TOTAL	\$820,737.03	\$60,269.36
CABINET TOTAL	\$820,737.03	\$60,269.36
FUND TOTAL	\$3,466,181.91	\$304,230,829.52

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
316,150.44	(275,741.60)	1,886,944.42	(3,059,740.00)	949,748.45
3,684,120.49	266,685,582.84	22,006,794.52	(10,092,000.00)	6,411,207.34
\$4,000,270.93	\$266,409,841.24	\$23,893,738.94	(\$13,151,740.00)	\$7,360,955.79
\$4,000,270.93	\$266,409,841.24	\$23,893,738.94	(\$13,151,740.00)	\$7,360,955.79
	10,845.17			784,050.92
				86,110.30
	\$10,845.17			\$870,161.22
	\$10,845.17			\$870,161.22
\$4,000,270.93	\$266,420,686.41	\$23,893,738.94	(\$13,151,740.00)	\$8,231,117.01

**COMMONWEALTH OF KENTUCKY
KENTUCKY EMPLOYEES RETIREMENT INSURANCE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Kentucky Retirement Systems		
County Hazardous Insurance Fund	1,874.68	(465.99)
County Insurance Fund	100,889.94	16,722.93
Employees Hazardous Insurance Fund	50,369.52	1,076.39
Employees Insurance Fund	100,596.08	11,634.40
State Police Insurance Fund	100,057.83	
DEPARTMENT TOTAL	\$353,788.05	\$28,967.73
CABINET TOTAL	\$353,788.05	\$28,967.73
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5700	7,110.21	62.20
DEPARTMENT TOTAL	\$7,110.21	\$62.20
CABINET TOTAL	\$7,110.21	\$62.20
FUND TOTAL	\$360,898.26	\$29,029.93

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
	(23,357.66)			24,766.35
	(1,623,921.12)		(1,200,000.00)	541,533.99
	21,738.95			29,706.96
	(636,647.27)		(470,000.00)	278,877.75
	37,677.66		(50,000.00)	12,380.17
	(\$2,224,509.44)		(\$1,720,000.00)	\$887,265.22
	(\$2,224,509.44)		(\$1,720,000.00)	\$887,265.22
				7,172.41
				\$7,172.41
				\$7,172.41
	(\$2,224,509.44)		(\$1,720,000.00)	\$894,437.63

**COMMONWEALTH OF KENTUCKY
TEACHERS RETIREMENT MEDICAL INSURANCE FUND
DETAILED STATEMENT OF CASH TRANSACTIONS
FOR THE FISCAL YEAR ENDING JUNE 30, 2015**

NAME OF ACCOUNT	BEGINNING BALANCE	COLLECTED REVENUE
Cabinet of the General Government		
Ky Teachers Retirement System		
Medical Insurance Trust Fund	13,709,961.52	17,952,785.59
DEPARTMENT TOTAL	\$13,709,961.52	\$17,952,785.59
CABINET TOTAL	\$13,709,961.52	\$17,952,785.59
Finance & Administration Cabinet		
Office Of The Controller		
Unredeemed Check Fund 5330	3,192.19	4,427.42
Unredeemed Check Fund 5330-Do Not Use		(3,192.19)
DEPARTMENT TOTAL	\$3,192.19	\$1,235.23
CABINET TOTAL	\$3,192.19	\$1,235.23
FUND TOTAL	\$13,713,153.71	\$17,954,020.82

OTHER FIN SOURCES TRANS IN	EXPENDITURES	OTHER FIN USES TRANSFERS OUT	OTHER CASH	CASH BALANCE
275,394,412.54	211,743,376.35	1,430,462.93	(73,333,875.64)	20,549,444.73
\$275,394,412.54	\$211,743,376.35	\$1,430,462.93	(\$73,333,875.64)	\$20,549,444.73
\$275,394,412.54	\$211,743,376.35	\$1,430,462.93	(\$73,333,875.64)	\$20,549,444.73
			(3,192.19)	4,427.42
			3,192.19	
				\$4,427.42
				\$4,427.42
\$275,394,412.54	\$211,743,376.35	\$1,430,462.93	(\$73,333,875.64)	\$20,553,872.15

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Legislative Cabinet					
General Assembly					
1st Floor Cap Annex Renovation	2,934,250.00	2,759,405.38			174,844.62
2nd Floor Cap Annex Renovation	1,442,000.00	1,316,929.05		413.41	124,657.54
3rd Floor Cap Annex Renovation	10,000.00				10,000.00
4th Floor Cap Annex Renovation	10,000.00				10,000.00
DEPARTMENT TOTAL	\$4,396,250.00	\$4,076,334.43		\$413.41	\$319,502.16
CABINET TOTAL	\$4,396,250.00	\$4,076,334.43		\$413.41	\$319,502.16
Cabinet of the General Government					
Department Of Agriculture					
Animal Shelters	3,000,000.00	2,866,603.96	87,932.69		45,463.35
Fuels/Pesticides Testing Lab	1,650,000.00	1,650,000.00			
PACE Bond Fund	10,000,000.00	9,999,207.72			792.28
DEPARTMENT TOTAL	\$14,650,000.00	\$14,515,811.68	\$87,932.69		\$46,255.63
Department Of Veterans Affairs					
Construct Bowling Green Vetera	5,000.00				5,000.00
Construct Fourth State Veteran	35,458,000.00	7,076,875.61	16,761,115.61	10,822,472.85	797,535.93
Construct Veterans Cemetery- S	5,000.00		3,650.00		1,350.00
EKVC Floor Replacement Project	198,800.00		4,200.00	12,800.00	181,800.00
EKVC HVAC and Humidity Project	701,681.27	701,222.06	459.21		
EKVC Room & Common Area Painti	64,900.00	64,900.00			
ESPC Green Bank - KDVA Nursing	2,248,599.00	2,248,599.00			
Fourth Veterans Home Land Conv	39,700.00	37,045.86			2,654.14
Industrial Access Road Veteran	500,000.00	104,933.70	151,627.90		243,438.40
KVCC Burial Section Expansion	5,000.00				5,000.00
KVCC Mini-Excavator Purchase	36,743.00		36,743.00		
KVCC Patch and Seal Asphalt	13,250.00		13,250.00		
KVCN Landslide Repair FY2014	622,700.00	22,051.66	504,842.87	21,548.68	74,256.79
KVCN Mini-Excavator Purchase	36,463.00		36,463.00		
KVCN Patch and Seal Asphalt	13,137.20		13,137.20		
KVCW Columbarium Wall Expansio	5,000.00				5,000.00
Lincoln Wing Renovation at THV	3,727.50	3,727.50			
THVC Floor Replacement Project	212,000.00			7,200.00	204,800.00
THVC Sidewalk	95,002.34	92,702.34	2,300.00		
Water Penetration Investigatio	715.00	715.00			
WKVC Grant Unit Flooring	174,950.00	2,927.50			172,022.50

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
WKVC Sprinkler Upgrade	135,000.00		67,072.25	3,612.50	64,315.25
DEPARTMENT TOTAL	\$40,575,368.31	\$10,355,700.23	\$17,594,861.04	\$10,867,634.03	\$1,757,173.01
Ky Infrastructure Authority					
ALBANY SX21053003 Albany-Wa	1,000,000.00	1,000,000.00			
Allen County Fiscal Court - Va	72,000.00	72,000.00			
Allen County Rural Water Line	25,000.00	24,545.90			454.10
Ashland Big Sand WD Water Line	400,000.00	376,865.10	23,134.90		
Barbourville Heidrick Wastewat	300,000.00	300,000.00			
Barbourville Sewer and Water L	200,000.00	176,108.69			23,891.31
Barbourville Wastewater Plant	600,000.00	571,397.96	27,365.03		1,237.01
Bardstown Water Storage Tank	550,000.00	550,000.00			
Barkley Lake WD-Water System I	500,000.00	500,000.00			
Barkley Lake WD-Water System I	500,000.00	500,000.00			
Barren County Fiscal Court-Var	540,000.00	540,000.00			
Bath County Water District-Int	206,250.00	206,250.00			
Beech Grove WB-Beech Grove Loo	298,708.24	298,708.24			
Bell Co Fiscal Court Water Reh	643,551.00	643,551.00			
Bell County - IP Sewer and Wat	356,448.50	356,448.50			
Bell County Assorted Water Pro	250,000.00	250,000.00			
Bell County Bingham Town Pump	250,000.00	248,725.53			1,274.47
BEREA Berea-Berea Sew Proj	50,000.00		50,000.00		
Berea - Raw Water Intake	500,000.00	2,594.06			497,405.94
Big Sandy WD-Route 3 & Other L	1,000,000.00	1,000,000.00			
Big Sandy-Fire Hydrant-Purch-R	200,000.00	200,000.00			
Black Mountain UD-Baxter/Ross	250,000.00	250,000.00			
Black Mountain UD-Wallins Wate	250,000.00	250,000.00			
Bloomfield Pump Station and Fo	2,300,000.00	2,110,602.02	29,115.02		160,282.96
Boone Co - Big Bone Church Roa	605,000.00	605,000.00			
Boone County Fiscal Court-Pete	1,200,000.00	1,200,000.00			
Boone County Fiscal Court-Will	350,000.00	350,000.00			
Boone County KY 18 and Zig Zag	407,000.00	407,000.00			
Boone County North Bend Road W	415,000.00	415,000.00			
Boone County River Road Water	500,000.00	500,000.00			
Boone County-Williams Road to	150,000.00	150,000.00			
Booneville Sewer and Water Lin	600,000.00	600,000.00			
BOONEVILLE SX21189001 Boone	600,000.00	592,265.52			7,734.48
Bourbon County Centerville Sew	600,000.00				600,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Bourbon County Fire Hydrant Pr	76,500.00	75,425.51			1,074.49
Bourbon County-City of Millers	25,000.00	25,000.00			
Bourbon County-City of Paris-C	425,000.00	20,770.14	10,681.95		393,547.91
Bowling Green Municipal-Altern	150,000.00		75,750.00		74,250.00
Bowling Green Municipal-Pascoe	450,000.00	450,000.00			
Bowling Green Water Treatment	1,600,000.00	1,600,000.00			
BOYD Co WX21019022 Boyd Co F	350,000.00	320,000.00			30,000.00
Boyd County Sanitation Dist II	150,000.00	150,000.00			
Boyd County Various Sewer Line	400,000.00	395,000.00			5,000.00
Boyd Sanitation District II-Se	350,000.00	350,000.00			
Boyd-Sewer Infr-Imp Marsh Hill	750,000.00	750,000.00			
Boyle Co. Water Improv. Middle	250,000.00	244,984.01			5,015.99
Bracken County Regional Sewer	100,000.00	36,762.50	63,237.50		
Bracken Water Dist-Phase I Cou	1,000,000.00	1,000,000.00			
Bracken Water Dist-Phase II Co	250,000.00	250,000.00			
Brandenburg Water Storage Tank	250,000.00	183,987.00			66,013.00
Breathitt County Fiscal Court	750,000.00	750,000.00			
Breathitt County WD-Hwy 15 Sou	1,600,000.00	1,600,000.00			
Bronston Water Association-Fraz	100,000.00	100,000.00			
Bronston Water Association-500	700,000.00	700,000.00			
Bullitt Co FC-Fox Chase W & S	50,000.00	50,000.00			
Bullitt County Fiscal Court -	150,000.00	150,000.00			
BURKESVILLE WX21057002 Bur	1,300,000.00	1,300,000.00			
Butler County Highway 19 Water	300,000.00	300,000.00			
Butler County Water Plant Impr	196,000.00	196,000.00			
Cadiz Industrial Park Sewer Sy	100,000.00	100,000.00			
Calvert City Shar-Cal Road Wat	125,000.00	125,000.00			
Campbellsville Elkhorn Transmi	375,000.00	375,000.00			
Campbellsville Replace Existin	1,000,000.00	1,000,000.00			
Campbellsville-Wastewater TP I	267,100.00		132,451.62		134,648.38
Campton Various Water and Sewe	360,000.00	360,000.00			
Campton Water Treatment Plant	1,000,000.00	1,000,000.00			
Caneyville Wastewater Plant Up	550,000.00	550,000.00			
Carlisle Co Sanitation Dist #1	180,332.00	180,322.00			10.00
Carlisle Sanitation Dist #1-Wa	600,000.00	600,000.00			
Carroll County Water Dist-2007	350,000.00	350,000.00			
Carroll County Water Dist-Capa	200,000.00	200,000.00			

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Carrollton Utilities-Eagle Cre	400,000.00	400,000.00			
Carter County-Rattlesnake Ridg	300,000.00	300,000.00			
Cave Run Water District - Vari	1,037,390.00	1,037,390.00			
Caveland Env. Auth. Phase II S	1,300,000.00	1,282,575.75			17,424.25
Caveland Environmental Authori	460,000.00	452,654.95			7,345.05
Caveland Environmental Authori	256,000.00	256,000.00			
Center Ridge WD #4-Line Rehabi	190,000.00	189,705.33			294.67
Christian County Water Distric	800,000.00	774,869.83			25,130.17
Christian County-HWEA Butler R	300,000.00	222,637.13			77,362.87
Christian County-HWEA Russellv	200,000.00	200,000.00			
Christian County-HWEA Russellv	350,000.00	344,093.96			5,906.04
City Crab Orchard-Upgrade Wate	158,400.00	155,005.00			3,395.00
City of Adairville - Water Tan	150,000.00	150,000.00			
City of Albany - Waterline Ext	600,000.00	600,000.00			
City of Arlington-AC Main Repl	350,000.00	350,000.00			
City of Barbourville - Water P	400,000.00	400,000.00			
City of Barbourville - Water P	385,000.00	354,367.45			30,632.55
City of Bardstown - Town Creek	245,000.00	245,000.00			
City of Bardwell-Hillcrest Sub	85,000.00	85,000.00			
City of Bardwell-Water Tank &	300,000.00	300,000.00			
City of Beattyville - Sewer Pr	500,000.00	500,000.00			
City of Bellevue - Storm Water	200,000.00	200,000.00			
City of Berea - Water and Sewe	100,000.00	100,000.00			
City of Berea - Water and Sewe	150,000.00	85,000.00	65,000.00		
City of Berea - Water Intercon	500,000.00				500,000.00
City of Berea Water & Sewer Li	85,000.00		85,000.00		
City of Booneville - Water and	250,000.00	250,000.00			
City of Brandenburg - Sewer Li	303,000.00	299,795.72	3,204.28		
City of Brodhead - Replacing &	225,000.00	225,000.00			
City of Burkesville - Water Tr	1,150,000.00	1,150,000.00			
City of Campbellsville - Raw W	300,000.00	300,000.00			
City of Campbellsville Water S	750,000.00	750,000.00			
City of Campbellsville-Sewer L	232,899.40	232,899.40			
City of Campton - Various Wate	500,000.00	500,000.00			
City of Campton-Water Plant-Va	675,000.00	675,000.00			
City of Clay City - Various Wa	200,000.00	99,236.79	100,763.21		
City of Clay-Waterline Repair-	250,000.00	250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
City of Clinton - Sewer Rehabi	730,000.00	730,000.00			
City of Cloverport-Water & Sew	100,000.00	83,345.22			16,654.78
City of Covington-Flood Protec	300,000.00				300,000.00
City of Covington-Point Benton	300,000.00	44,170.49			255,829.51
City of Crab Orchard-Sewer Lif	90,000.00	90,000.00			
City of Cynthiana-Ph II Water	835,000.00	835,000.00			
City of Danville - Spear's Cre	550,000.00		550,000.00		
City of Danville - Various Wat	500,000.00	500,000.00			
City of Danville-Spear's Creek	450,000.00	258,709.50	191,290.50		
City of Edmonton-Waterline Exp	800,000.00	800,000.00			
City of Eminence - Wastewater	350,000.00	156,101.15	193,898.85		
City of Eubank Water Line Exte	68,041.00	68,041.00			
City of Flatwoods - 500,000 Ga	300,000.00	300,000.00			
City of Flatwoods - Replace Pu	100,000.00	100,000.00			
City of Flatwoods Various Wate	9,762.00	9,762.00			
City of Flemingsburg - Water U	450,000.00	450,000.00			
City of Flemingsburg-Fox Sprin	200,000.00	200,000.00			
City of Flemingsburg-industria	150,000.00	146,988.17	3,011.83		
City of Florence Gun Powder Ro	56,000.00	48,067.88			7,932.12
City of Frankfort-Peaks Mill U	550,000.00	550,000.00			
City of Gamaliel - Sewer Syste	25,000.00	25,000.00			
City of Georgetown Scott Co So	1,075,000.00				1,075,000.00
City of Grayson US 60 East Dam	200,000.00	200,000.00			
City of Grayson-US 60 E to Dam	550,000.00	513,297.28	36,702.72		
City of Greenup- Interconnects	50,000.00	50,000.00			
City of Greenup Sanitary or St	13,000.00		13,000.00		
City of Greenup Water Improvem	40,000.00	40,000.00			
City of Hanson-Sewer System Im	400,000.00	400,000.00			
City of Hardinsburg-McQuady Ph	450,000.00	450,000.00			
City of Hawesville Water & Sew	625,000.00	625,000.00			
City of Hazel - Hazel Overflow	60,000.00	60,000.00			
City of Henderson-Imp of Drain	1,350,000.00	472,179.18	27,914.12		849,906.70
City of Hickman-Davis Park Pro	250,000.00	250,000.00			
City of Hickman-Water Treatmen	5,000.00	5,000.00			
City of Hodgenville-Water & Se	300,000.00	295,000.00			5,000.00
City of Hyden-Wastewater Proje	250,000.00	250,000.00			
City of Jamestown - Waterline	300,000.00	73,829.75	226,170.25		

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
City of Jeffersonville - Vario	175,000.00	174,981.17			18.83
City of Kevil - Sewer Repair t	450,000.00	444,192.83	5,807.17		
City of Kevil Water Extension	95,000.00	94,792.00			208.00
City of Kuttawa I24 Pump Stati	230,000.00	230,000.00			
City of Lancaster Construct ne	1,132,455.00	442,237.00	239,465.61		450,752.39
City of Lawrenceburg Sewer Exp	1,000,000.00	994,915.84			5,084.16
City of Lebanon - Bradfordsvil	80,000.00	80,000.00			
City of Lebanon Industrial Dev	350,000.00	350,000.00			
City of Leitchfield - Raw Wate	200,000.00	200,000.00			
City of Lewisburg - Sewer	200,000.00	200,000.00			
City of Lewisport Water & Sewe	625,000.00	624,517.25			482.75
City of Manchester - Muddy Gap	125,000.00	125,000.00			
City of Manchester - Penningto	800,000.00	800,000.00			
City of Manchester - Sewer or	500,000.00	500,000.00			
City of Marion - Water Distrib	450,000.00	450,000.00			
City of Marion Wastewater Exte	400,000.00	400,000.00			
City of Marion-Wastewater Exte	600,000.00	600,000.00			
City of Marion-Water and Sewer	500,000.00	500,000.00			
City of McKee - Sewer Plant	500,000.00		115,329.91		384,670.09
City of McKee SX21109090	1,000,000.00	1,000,000.00			
City of Middlesboro - Noetown	450,000.00	449,999.27			0.73
City of Monticello-Downtown Wa	300,000.00	300,000.00			
City of Morehead-Ph II Sewer R	789,600.00	789,600.00			
City of Morganfield - Various	300,000.00	300,000.00			
City of Morgantown-Water Tank	200,000.00	200,000.00			
City of Mount Sterling WD - Va	346,250.00	346,250.00			
City of Mount Vernon - Sewer L	913,700.00	913,700.00			
City of Mount Washington - Sew	1,000,000.00	1,000,000.00			
City of Mt Vernon Lake Linvill	1,100,000.00	1,100,000.00			
City of Muldraugh - Waterline	122,000.00	122,000.00			
City of Muldraugh - Wilson Str	186,000.00	186,000.00			
City of Munfordville - Foodlan	100,000.00	91,245.00			8,755.00
City of Munfordville - Water I	150,000.00	150,000.00			
City of Murray - Phase V Sewer	158,177.00	158,177.00			
City of Murray - Poor Farm Roa	100,000.00	100,000.00			
City of Murray-Murray Southwes	1,011,000.00	1,011,000.00			
City of Murray-US 641-Hwy 80 I	250,000.00	250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
City of Murray-US 641-Hwy 80 S	100,000.00	100,000.00			
City of Murray-Waterline Ext t	280,000.00	280,000.00			
City of New Castle - Wastewater	425,000.00	425,000.00			
City of New Haven-Sewer System	500,000.00	500,000.00			
City of Newport-Miscellaneous	600,000.00	600,000.00			
City of Nicholasville-Brookvie	400,000.00	128,364.87	265,354.99		6,280.14
City of Nicholasville-Crenshaw	150,000.00	135,977.29			14,022.71
City of Olive Hill - Blueberry	450,000.00	432,725.02	12,800.00		4,474.98
City of Olive Hill - Line Ext	415,000.00	415,000.00			
City of Olive Hill Biggs Hill/	250,000.00	250,000.00			
City of Owenton Owen Co Unserv	400,000.00				400,000.00
City of Paris Bourbon County I	245,000.00	245,000.00			
City of Paris-US 68 Bypass Wat	220,000.00	220,000.00			
City of Pikeville - Telemetry	100,000.00	100,000.00			
City of Providence Debt Serv f	396,797.00	396,797.00			
City of Providence Sewer Line	553,202.20	553,202.20			
City of Providence-Sewer Line	350,000.00	350,000.00			
City of Raceland - Water & Sew	142,000.00	142,000.00			
City of Raceland SX21089030	18,000.00	17,810.00			190.00
City of Raceland Water and Sew	8,000.00	8,000.00			
City of Richmond- Utilities Ro	750,000.00	750,000.00			
City of Richmond-Water System	454,275.69	454,275.69			
City of Salem-Lift Station Upg	50,000.00	50,000.00			
City of Salem-Water Meters Upg	50,000.00	50,000.00			
City of Scottsville - Bluegras	145,000.00	144,980.00			20.00
City of Scottsville - Sewer Pl	250,000.00	250,000.00			
City of Scottsville Sewer Syst	20,000.00	20,000.00			
City of Scottsville-Allen Co L	7,500.00	7,500.00			
City of Scottsville-Spring Val	250,000.00	250,000.00			
City of Scottsville-Spring Val	358,000.00	358,000.00			
City of Scottsville-Wastewater	500,000.00	213,094.77	286,905.23		
City of Seebree-Sewer Rehab Equ	30,000.00	30,000.00			
City of Seebree-Water Tank-Repa	360,000.00	360,000.00			
City of Shepherdsville - Insta	1,000,000.00	1,000,000.00			
City of Slaughters-Waterline R	130,000.00	130,000.00			
City of Smithland-Wastewater T	100,000.00	100,000.00			
City of Somerset-Ferguson/Jack	250,000.00	250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
City of South Shore - Sewer Up	200,000.00	200,000.00			
City of South Shore Sewer Work	25,000.00	25,000.00			
City of Southgate - Sewer & St	100,000.00	100,000.00			
City of Springfield - Phase IV	950,000.00	950,000.00			
City of Springfield - Wastewat	400,000.00	400,000.00			
City of Springfield - Water Sy	100,000.00	100,000.00			
City of Stanford Water Comm-Wa	1,551,600.00	1,551,600.00			
City of Stanton - Various Wate	200,000.00	86,135.11	44,326.86		69,538.03
City of Sturgis - Various Wate	300,000.00	300,000.00			
City of Taylorsville-Sewer Sys	300,000.00	300,000.00			
City of Trenton - Sewer Lines	150,000.00	150,000.00			
City of Uniontown - Various Wa	300,000.00	290,513.25	9,486.75		
City of Versailles Versailles	1,000,000.00	92,427.97			907,572.03
City of Versailles-Wastewater	300,000.00	300,000.00			
City of Warsaw-Sewer Line Exte	500,000.00	479,977.00			20,023.00
City of Waverly - Various Wate	100,000.00	95,212.80	4,787.20		
City of West Liberty-Water and	250,000.00	250,000.00			
City of West Point-Water & Sew	300,000.00	299,116.15			883.85
City of Whitesburg-Wastewater	250,000.00	249,999.50			0.50
City of Whitesville - Sewer Sy	225,000.00	225,000.00			
City of Wilmore - System Impro	80,000.00	80,000.00			
City of Wilmore - Wastewater S	100,000.00	100,000.00			
City of Wilmore-Asbury College	200,000.00	200,000.00			
City of Wingo - Complete Water	200,000.00	200,000.00			
City of Wingo Water Sys Meteri	91,780.00	91,780.00			
City of Worthington - Storm/Sa	400,000.00	400,000.00			
City of Wurtland-Phase II-Mods	300,000.00	300,000.00			
City of Wurtland-Refurbish Uhl	47,000.00	47,000.00			
City of Wurtland-Sewer Upgrade	200,000.00	200,000.00			
CITY/SPRINGFIELD WX21229003	1,250,000.00	1,250,000.00			
Clark Co. Colby Hills Sanitary	500,000.00	500,000.00			
Clark Co. Forest Park Sanitary	750,000.00	750,000.00			
Clark Co. Lynnway Drive/Stoney	350,000.00	350,000.00			
Clark County Fiscal Court - Wa	925,000.00	925,000.00			
Clay City Various Water and Se	225,000.00	89,914.76	129,641.79		5,443.45
Clay County Sewer Extension to	250,000.00	249,999.75			0.25
Clay County Water Line Extensi	1,000,000.00	1,000,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Clay County-Countywide Waterli	250,000.00	250,000.00			
Clay County-Gilbert's Creek/El	100,000.00	100,000.00			
Clay Water/Sewer Line Improvem	250,000.00	250,000.00			
Clinton Co. Water Line Improve	200,000.00	200,000.00			
Clinton Sewer System Rehabilit	300,000.00	300,000.00			
Cloverport Water Tank Replacem	221,250.00	221,248.79			1.21
Corbin - Sanitary Sewer Line E	300,000.00	300,000.00			
Corbin Water Line Extension fo	90,000.00	84,590.27			5,409.73
Crab Orchard Various Water and	250,000.00	250,000.00			
Crittenden/Livingston Water Di	800,000.00	799,867.24			132.76
Crittenden-Livingston Water Di	300,000.00	300,000.00			
Cumberland Falls Hwy Water Dis	40,000.00	40,000.00			
Cynthia Chapel Sewer Ln Ext-Ot	600,000.00	600,000.00			
Cynthiana Wastewater Treatment	250,000.00	249,600.00			400.00
Danville Water Utility Water P	250,000.00	250,000.00			
Dexter-Almo Heights WD-Brinn R	144,000.00	144,000.00			
Dexter-Almo Hgths WD Hopkins L	95,776.00	95,776.00			
East Daviess County Water Asso	225,000.00	225,000.00			
East Laurel WD-Wastewater Line	600,000.00	600,000.00			
Edmonson Co. Improvements & Co	667,535.00	667,535.00			
Edmonson Co. Water Storage Tan	543,000.00	543,000.00			
Edmonson County Water\Sewer Di	750,000.00	479,787.14	234,576.09		35,636.77
Edmonson County WD-Water Servi	700,000.00	700,000.00			
Edmonton Water Project	150,000.00	150,000.00			
Edmonton Wisdom and Hwy 640 Wa	75,000.00	75,000.00			
Eubank Water System Study	50,000.00	49,750.00			250.00
Expansion of 24" Pipeline from	500,000.00	221,365.78			278,634.22
Fac Plan Update & Feasibility	85,000.00	22,925.00	62,075.00		
Farmdale Sanitation-.75 Millio	550,000.00	244,655.63	4,731.50		300,612.87
Farmdale Water District - Wate	992,000.00	992,000.00			
Farmdale Water Line Upgrade Pr	700,000.00	700,000.00			
Fleming County Water Associati	200,000.00	200,000.00			
Fleming County Water Assoc-Loo	300,000.00	300,000.00			
Flemingsburg Industrial Park #	100,000.00	100,000.00			
Floyd County - Harold KY Area	1,000,000.00	1,000,000.00			
Floyd County - Wheelwright Wat	310,000.00	82,967.25			227,032.75
Floyd County - Wheelwright Wat	290,000.00	223,015.89	66,984.11		

**COMMONWEALTH OF KENTUCKY
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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Floyd County Fiscal Court - FI	30,000.00	30,000.00			
Floyd County Pike/Floyd County	600,000.00	595,000.00			5,000.00
Floyd County Waterline Replace	30,000.00	30,000.00			
Frankfort Plant Bd-Bain Moore	100,000.00	81,521.65	18,478.35		
Frankfort Plant Bd-Peaks Mill	225,000.00	225,000.00			
Frankfort Shelby Street Sewers	230,000.00	230,000.00			
Frankfort Two Creeks #2 Pump S	200,000.00	38,500.00			161,500.00
Frenchburg Meter Replacement P	300,000.00	300,000.00			
Frenchburg System Improvements	80,000.00	80,000.00			
Frenchburg-Indian Creek & Wate	75,000.00	75,000.00			
Frenchburg-Indian Creek & Wate	75,000.00	75,000.00			
Fulton Industrial Park Water S	350,000.00	348,542.75			1,457.25
Fulton Water System Rehabilita	150,000.00	138,472.83			11,527.17
Fulton-Municipal Water System-	245,000.00	226,794.20			18,205.80
Garrard County Water Associati	129,000.00	129,000.00			
Garrard County Water Associati	85,000.00	85,000.00			
Gateway Area Dev Dist-Regional	18,750.00	18,750.00			
Gateway Area Dev-Feasibility S	40,000.00	40,000.00			
Gateway Area Dev-Regional Wate	33,750.00	33,750.00			
Gateway Area Dev-Regional Wate	38,750.00	38,750.00			
Glasgow Water Company-Beaver C	240,000.00	240,000.00			
Glasgow Water Sewer WWTP Surge	455,660.00		455,660.00		
Glasgow Water-Wastewater Impr-	350,000.00	350,000.00			
Glasgow Water-Wastewater Treat	600,000.00	600,000.00			
Grand Rivers - Sewer System Im	500,000.00	500,000.00			
Grand Rivers Sewer System Impr	300,000.00	300,000.00			
Grant Co. Dry Ridge Lagoon Rep	250,000.00	249,782.82			217.18
Grant County-Sanitary Sewer Di	400,000.00	400,000.00			
Grant County-Sanitary Sewer Di	250,000.00	250,000.00			
Graves County - Bende field Wat	55,000.00	55,000.00			
Graves County-Holifield Hghts-	75,000.00	75,000.00			
Graves County-Mayfield Interco	400,000.00	400,000.00			
Grayson County Water Project	337,300.00	337,300.00			
Grayson County WD-Project 17 L	740,000.00	740,000.00			
Grayson Water District Water L	500,000.00	499,910.39			89.61
Green Co/Summersville Sewer Sy	400,000.00	314,582.21	85,417.79		
Green County - Green-Taylor Wa	175,000.00	175,000.00			

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Green County - Summersville Se	240,000.00	1,200.00	114,699.07		124,100.93
Green River Valley WD-Jones Sc	40,000.00	40,000.00			
Green River Valley WD-Water Im	500,000.00	500,000.00			
Green River WD - Improvements	210,000.00	210,000.00			
Greensburg Water System Improv	250,000.00	249,972.50			27.50
GREENUP Co WX21089014 Green	113,554.00	113,554.00			
Greenup Co. FC - Water and Sew	20,000.00				20,000.00
Greenup Co. FC - Water Lines	25,000.00				25,000.00
Greenup Wastewater Treatment P	200,000.00				200,000.00
Hancock Co Fiscal Court Variou	100,000.00	100,000.00			
Hancock Co Fiscal Court-Boling	75,000.00	75,000.00			
Hancock County Hawesville Wate	1,000,000.00	999,413.06			586.94
Hancock County Lewisport Water	1,000,000.00	999,572.90			427.10
Hancock Cty FC-Dukes Water Tow	284,355.00	284,355.00			
Hancock Cty FC-Hwy 69 Pump Sta	10,650.00	10,635.48			14.52
Hardin Co. Cecilia Water Stora	500,000.00	344,889.70	155,110.30		
Hardin Co. Constantine Road Wa	1,000,000.00	111,925.00			888,075.00
Hardin Co. Phase IV Water Syst	500,000.00	500,000.00			
Hardin Co. Pirtle Spring Water	2,000,000.00	2,000,000.00			
Hardin Co. Wastewater Collecti	600,000.00	254,843.62	79,793.60		265,362.78
Hardin County - 144 Transmissi	300,000.00	300,000.00			
Hardin County - 1882 Transmiss	450,000.00	450,000.00			
Hardin County - Renovation of	1,000,000.00	1,000,000.00			
Harlan Co FC Black Mtn UD Gree	200,000.00	200,000.00			
Harlan County - IP Water and S	1,000,000.00				1,000,000.00
Harlan County-Black Mountain W	1,150,000.00	1,077,760.11			72,239.89
Harrison County Water Associat	820,000.00	820,000.00			
Henderson County-Water & Sewer	1,000,000.00				1,000,000.00
Hendron Water District Hendron	175,000.00	175,000.00			
Henry County WD#2-Systemwide B	50,000.00	50,000.00			
Henry County WD#2-Systemwide B	300,000.00	300,000.00			
Hickory WD-Extend Line to Star	350,000.00	350,000.00			
Hodgenville - Hamilton Acres S	200,000.00	200,000.00			
HOPKINS Co WX21107010 Madis	370,000.00	340,657.44			29,342.56
Hopkins County Fiscal Court-Va	600,000.00	600,000.00			
Hopkinsville Water Company Sew	200,000.00	173,828.87			26,171.13
Hopkinsville Water Env Auth-Mo	1,000,000.00	1,000,000.00			

**COMMONWEALTH OF KENTUCKY
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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Hopkinsville Water Env Auth-US	350,000.00	92,450.00			257,550.00
Hustonville Various Water and	150,000.00	150,000.00			
Hyden Leslie WD Hell for Certa	500,000.00	500,000.00			
Hyden/Leslie Co WD-Hell for Ce	750,000.00	750,000.00			
Hyden/Leslie County WD-Grassy	500,000.00	500,000.00			
Hyden/Leslie WD-Water System I	750,000.00	750,000.00			
Installation of Waterlines-Pet	226,360.00	226,360.00			
Irvington Various Water and Se	221,250.00	221,250.00			
JACKSON Co WX21109716 Jackso	435,000.00	434,490.04			509.96
Jackson County Fiscal Court -	500,000.00	500,000.00			
Jackson County Indian Creek Ro	514,862.00	514,862.00			
Jackson County McKee City Sewe	539,300.00	505,455.41	33,844.59		
Jackson County Terrill Creek W	55,910.00	55,910.00			
Jackson County Water Lines San	36,000.00	36,000.00			
JENKINS WX21133004 Letcher Co	223,466.00	222,613.16			852.84
JENKINS WX21133020 Letcher Co	450,000.00	449,117.73			882.27
Jessamine Co. Water Storage Ta	1,900,000.00	204,398.19	79,386.73		1,616,215.08
Jessamine S Elkhorn WD-Catnp H	1,000,000.00	105,000.00			895,000.00
Jessamine S Elkhorn WD-SE Rura	217,421.61	217,421.61			
Jessamine-S Elkhorn WD-Catnip	440,000.00				440,000.00
KIA Albany WX21053013	120,000.00	120,000.00			
KIA Barkley Lake WD WX2122100	100,000.00	100,000.00			
KIA Bracken Co WD WX21023029	100,000.00	100,000.00			
KIA Coal Producing Counties Wa	18,474,058.00	18,801,056.00			(326,998.00)
KIA Crab Orchard WX21137044	15,000.00	15,000.00			
KIA Cumberland WX21095662	689,391.80	689,391.80			
KIA Fund A - Federally Assiste	4,000,000.00	4,000,000.00			
KIA Fund A - Federally Assiste	2,200,000.00	2,200,000.00			
KIA Fund A-Federally Assisted	120,000,000.00	112,990,731.26	3,569,000.00		3,440,268.74
KIA Fund F - Drinking Water Re	1,472,600.00		1,472,515.75		84.25
KIA Fund F - Drinking Water Re	2,600,000.00	2,600,000.00			
KIA Fund F - Drinking Water Re	4,000,000.00	4,000,000.00			
KIA Infrastructure Economic De	5,540,276.00	5,540,276.00			
KIA Infrastructure Economic De	6,958,873.00	6,958,873.00			
KIA Lancaster Water WX21079003	52,500.00	50,512.50			1,987.50
KIA Mayfield Electric & Water	90,000.00	85,971.48	4,028.52		
KIA McClean Co FC WX21149033	107,250.00	107,250.00			

**COMMONWEALTH OF KENTUCKY
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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
KIA Mt. Sterling Water & Sewer	60,000.00	60,000.00			
KIA Perry Co FC WX21193011	30,000.00	7,500.00	22,500.00		
KIA Sebree WX21233108	77,761.00	77,761.00			
KIA Tobacco Counties Water & S	17,385,657.00	21,692,000.00			(4,306,343.00)
KIA-Fund F Drinking Water Revo	37,000,000.00	34,793,608.44	2,206,391.56		
Kirksville Water Association -	139,000.00	139,000.00			
Knott Co Water & Sewer Dist-Va	1,000,000.00	999,999.77			0.23
Knott County Jamestown Village	1,200,000.00	1,194,124.58	5,875.42		
Knox Co Fiscal Court Water Pip	96,138.00		3,686.37		92,451.63
Knox Co Water Line Ext Stinkin	750,000.00	694,576.99	55,423.01		
KNOX Co WX21121533 Knox Co F	150,000.00	150,000.00			
KNOX Co WX21121534 Knox Co F	1,178,400.00	975,958.34			202,441.66
Knox County Fiscal Court - Wat	100,000.00	89,725.34	10,274.66		
Knox County Utilities Commissi	375,000.00	375,000.00			
Knox County Utilities Commissi	575,000.00	547,556.71	27,443.29		
KY 1232 Barbourville Road Sani	700,000.00	543,848.00	156,152.00		
Lake Village WA Adams US 127 W	350,000.00	350,000.00			
Larue County WD - Nelson Count	150,000.00	150,000.00			
Larue County WD #1-Howardstown	250,000.00	250,000.00			
Larue County WD #1-Water Stora	300,000.00	300,000.00			
Larue County WD #1-Waterline U	450,000.00	450,000.00			
Laurel Co Water Dist #2 Fiscal	125,000.00				125,000.00
Laurel Co WD#2-Water Impr Proj	128,000.00	128,000.00			
Laurel County WD #2-Water Stor	100,000.00	67,624.05			32,375.95
Laurel District #2 Knox County	225,000.00	140,958.41			84,041.59
Laurel District #2 Oak Ridge R	5,000.00	5,000.00			
Laurel Water District #2-Water	200,000.00	200,000.00			
Lawrence County-Sewer System-L	250,000.00	250,000.00			
Lebanon Junction Water and Sew	100,000.00	100,000.00			
Lebanon Junction-Water & Sewer	100,000.00	100,000.00			
Lebanon/Marion Ind Foundation-	420,000.00	420,000.00			
Ledbetter Water & Sanitation D	100,000.00	100,000.00			
Leitchfield Bypass Water Trans	200,000.00	200,000.00			
Leitchfield Fountain View Subd	650,000.00	650,000.00			
Leitchfield-Grayson County HS	750,000.00	750,000.00			
Leslie County Fiscal Court-Wat	100,000.00		97,500.00		2,500.00
Letcher Co FC Water Lines for	500,000.00	399,051.76	100,948.24		

**COMMONWEALTH OF KENTUCKY
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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Letcher Co Fiscal Court-Sewer	100,000.00	100,000.00			
Letcher County Fiscal Court -	850,000.00	850,000.00			
Letcher County Fiscal Court -	400,000.00	200,907.53	126,853.66		72,238.81
Letcher County W&S Dist-Red St	750,000.00	750,000.00			
Letcher County Whitesburg/Blac	500,000.00	500,000.00			
Levee Water District-Various W	175,000.00	106,593.35			68,406.65
LEWIS CO FISCAL SX21135001 G	700,000.00	700,000.00			
Lewis Co. Area Wastewater Syst	304,000.00	304,000.00			
Lewis County Sanitation Dist #	200,000.00	200,000.00			
Lewis County Sanitation Dist #	200,000.00	200,000.00			
Lex.-Fayette Urban Co. Gov. Co	1,400,000.00	1,300,365.74			99,634.26
Lex.-Fayette Urban Co. Gov. Va	2,600,000.00	1,750,530.79	660,466.40		189,002.81
Lexington-Fayette-Exp Area 2a	3,100,000.00	2,895,055.81	204,944.19		
Lexington-Fayette-Leesway Neig	600,000.00	316,815.08			283,184.92
Livingston - Replacing, Upgrad	225,000.00	224,982.74			17.26
Livingston Co. Ledbetter Sewer	35,000.00	35,000.00			
Logan Co. Mud River Water Shed	73,000.00	73,000.00			
Logan/Todd Water Commission-Te	600,000.00	600,000.00			
Logan-Todd Water Commission -	650,000.00	650,000.00			
Logan-Todd Water Commission-Te	600,000.00	593,900.00	6,100.00		
London UC-Collection Sewer Ext	302,900.00	302,900.00			
London Utility Comm-Upgrade 19	100,000.00	100,000.00			
London Water District #2 Water	750,000.00	750,000.00			
London/Laurel Co Ind Dev Auth-	50,000.00	50,000.00			
Louisville Water Co. Water Sto	550,000.00	550,000.00			
Lyon Co. Wastewater System Imp	1,175,000.00	1,030,393.25	16,024.10		128,582.65
Lyon County Water Consortium-R	300,000.00	300,000.00			
Lyon County Water District-Sew	400,000.00	272,115.59			127,884.41
Madison Co. Executive Park San	150,000.00	150,000.00			
Madison Co. Water System Impro	500,000.00	500,000.00			
Madison County Utilities - Dis	250,000.00	250,000.00			
Madisonville-S Main Sewer Inte	1,350,000.00	1,350,000.00			
Magoffin County Tacket bottom	200,000.00	199,999.80			0.20
Manchester Water District Wate	250,000.00	250,000.00			
Marion Co. Hwy 527 Water Syste	200,000.00	200,000.00			
Marion County WD - Waterline U	300,000.00	300,000.00			
Marshall Co. North Marshall Wa	575,000.00	574,999.75			0.25

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Marshall County Fiscal Court-P	108,000.00	108,000.00			
Marshall County Sanitation Dis	88,000.00	88,000.00			
Marshall County Water Vision 2	1,800,000.00	1,799,041.04			958.96
Martin County Fiscal Court - M	1,350,000.00	1,349,999.54			0.46
Martin County Fiscal Court - W	1,000,000.00	45,395.24	878,341.56		76,263.20
Martin County Replace Old and	780,000.00	780,000.00			
Martin County Warfield Sewer P	500,000.00	69,473.23	417,073.33		13,453.44
Martin County Water Treatment	3,122,831.00	3,122,831.00			
Mayfield Electric and Water Sy	96,000.00	96,000.00			
Mayfield Electric Bel-Aire CIP	260,000.00	260,000.00			
Mayfield/Graves County Regiona	1,050,000.00	1,050,000.00			
Maysville Utility Commission-S	25,000.00	25,000.00			
McClean County - Beech Grove 5	200,000.00	200,000.00			
McClean County - Calhoun - Liv	250,000.00	250,000.00			
McClean County Fiscal Court -	250,000.00	25,729.00			224,271.00
McClean County Fiscal Court -	5,553.80	5,553.80			
McClean County Fiscal Court -	199,683.50	199,683.50			
McCreary County WD-Main Booste	100,000.00	100,000.00			
McCreary Wtr Line #1 Trans Mai	700,000.00	700,000.00			
McKinney WD Stanford Interconn	150,000.00	118,426.77	31,573.23		
McLean Co FC Fox Hollow Road W	6,593.00	6,593.00			
McLean Co Fiscal Court Rumsey	48,882.00	48,882.00			
McLean County Buttonsberry (Is	45,670.36	45,670.36			
McLean County Fox Hollow (Isla	75,000.00	75,000.00			
McLean County Interconnect KY	200,000.00	200,000.00			
McLean County KY 81 Sewer Exte	35,789.41	35,789.41			
McLean County Livermore Sewer	100,000.00	100,000.00			
McLean County Sacramento Sewer	100,000.00	100,000.00			
McLean County Walnut Street Wa	78,929.40	78,929.40			
McLean County Water and Sewer	250,000.00	250,000.00			
MEADE Co WX21163003 Meade C	250,000.00	250,000.00			
Meade Co. Phase VII Water Syst	500,000.00	500,000.00			
Meade Co. Various Water and Se	1,000,000.00	993,801.00			6,199.00
Meade County WD - Phase VII Wa	1,449,000.00	1,449,000.00			
Menifee Gateway Area Dev Dist-	11,250.00	11,250.00			
Mercer Co Sanitation Dst Burgi	740,000.00	331,818.44	62,405.09		345,776.47
Mercer Co Sanitation Dst Sanit	260,000.00	62,597.98	197,402.02		

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Mercer Co. Brightleaf Wastewat	1,000,000.00	1,000,000.00			
Metcalf County Fiscal Court -	200,000.00	194,219.39	5,780.61		
Milton Downtown Water System I	200,000.00	200,000.00			
Milton Riverdale Force Main	9,000.00	9,000.00			
Milton Wastewater Treatment Pl	75,000.00	75,000.00			
Monroe Co. WD Imp - Tooley Rid	270,000.00				270,000.00
Monroe Co. WD-Monroe Co-Edmont	99,000.00				99,000.00
Monroe Co.WD-Treatment Plant U	320,096.00				320,096.00
Monroe Co.WD-Treatment Plant U	78,265.84				78,265.84
Monroe County Water Treatment	150,000.00	150,000.00			
Monroe-Tompkinsville Regional	802,734.16	802,734.16			
Montgomery Co. Sludge Press	350,000.00	350,000.00			
Montgomery Co. Water Lines	500,000.00	500,000.00			
Montgomery County Water Distri	175,000.00	175,000.00			
Montgomery County-Sanitation D	250,000.00	250,000.00			
Morgan Co Gateway Area Dev-Reg	22,500.00	22,500.00			
Mount Olivet US 62 Water Syste	100,000.00	100,000.00			
Mountain Water District - Shor	1,300,000.00	1,299,999.64			0.36
Mountain Water District - Tele	200,000.00	200,000.00			
Mountain Water District - Wate	150,000.00	150,000.00			
Mountain Water District Variou	1,282,000.00	1,281,989.00			11.00
Mt Sterling Water & Sewer Sys	150,000.00	150,000.00			
Mt Water District-Long Fork Rd	1,400,000.00	913,920.96			486,079.04
Mt. Wash E Sanders, Hoagland H	850,000.00	850,000.00			
Muhlenberg County-Various Wate	700,000.00	625,686.75	74,313.25		
Murray Sherwood Forrest Extens	84,000.00	83,520.00			480.00
Murray Southwest Sewer Interce	375,788.00	375,788.00			
Murray Water Dist. #3 Water Co	50,000.00	50,000.00			
Murray Water District #2 Water	135,000.00	134,996.29			3.71
Murray Water Treatment Plant I	250,000.00	250,000.00			
Murray WD #2-Hicks Cemetery &	220,000.00	181,127.75			38,872.25
N Madison Sewer District-Boone	600,000.00	600,000.00			
N Madison Sewer District-White	800,000.00	800,000.00			
Nelson County-Water Storage Ta	1,000,000.00	1,000,000.00			
New Haven Pump Station and For	600,000.00	600,000.00			
Nicholas Co. Lake Carnico & N	400,000.00	400,000.00			
Nicholas County Sanitation #2-	1,100,500.00	1,100,500.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Nicholas County-Carlisle Regio	125,000.00	125,000.00			
Nicholasville Armory Place Wat	104,572.00	104,572.00			
Nicholasville Old Railroad Rd.	500,000.00	500,000.00			
Nicholasville Union Mill Rd Ex	330,000.00	324,211.40			5,788.60
Nicholasville-Lone Oak Sewer E	150,000.00	116,903.83	33,096.17		
North Mercer Water District -	400,000.00	400,000.00			
North Mercer Water System Exte	200,000.00	200,000.00			
North Middletown Sewer System	105,000.00	105,000.00			
North Nelson WD - Louisville R	500,000.00	500,000.00			
NORTH SHELBY WTR WX212110	50,466.00	50,466.00			
Northeast Woodford Phase II Co	300,000.00	300,000.00			
Northeast Woodford WD-Distribu	67,135.00	67,135.00			
NORTHEAST WOODFORD WX21	150,000.00	150,000.00			
Northeast Woodford/Old Frankfo	60,000.00	60,000.00			
Northern Kentucky Water Distri	300,000.00	300,000.00			
Northern Kentucky Water Distri	300,000.00	300,000.00			
Northern Kentucky WD - Unserve	500,000.00	500,000.00			
Northern Ky WD-2006 Campbell C	1,000,000.00	1,000,000.00			
Northern KY WD-Campbell Co Sys	1,200,000.00	1,200,000.00			
Northern Ky WD-Campbell Co Un-	750,000.00	750,000.00			
Northern Ky. Covington Water S	2,500,000.00	2,500,000.00			
Oak Grove-Construct Interconne	300,000.00	153,481.29	78,275.83		68,242.88
Ohio Co Fiscal Court Sewer Reh	100,000.00	100,000.00			
Ohio Co Regional WD-Treatment	550,000.00	550,000.00			
OHIO Co WX21183001 Ohio Co W	241,500.00	213,539.91			27,960.09
Ohio County - City of Hartford	625,000.00	625,000.00			
Ohio County Centertown Water P	1,080,000.00	1,080,000.00			
Ohio County Fiscal Court - Cit	500,000.00	500,000.00			
Ohio County Fiscal Court - Nar	125,000.00	125,000.00			
Ohio County Water District - L	250,000.00	250,000.00			
Oldham Clounty - Hwy 146 Buckn	50,000.00	50,000.00			
Oldham Co Water District - Sys	2,000,000.00	2,000,000.00			
Oldham Co. Water System Improv	2,000,000.00	2,000,000.00			
Oldham County Sewer District -	950,000.00	950,000.00			
Oldham Cty FC-Green Valley Was	250,000.00	250,000.00			
Olive Hill Water District Wate	500,000.00	500,000.00			
Owensboro Municipal-Replace Un	225,000.00	225,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Owenton Construct Main from Ne	867,143.00				867,143.00
Owingsville US 60 East/Wyoming	600,000.00	599,999.99			0.01
Owingsville-US 60 E/Wyoming Rd	450,000.00	450,000.00			
Owsley County Water and Sewer	1,200,000.00	1,200,000.00			
Owsley County Water District -	579,000.00	578,999.94			0.06
Owsley County WD-Waterlines-Fa	821,000.00	821,000.00			
Paducah Lone Oak Water System	900,000.00	900,000.00			
Paducah McCracken Joint Sewer-	1,300,000.00	1,300,000.00			
Paducah McCracken Joint Sewer-	400,000.00	400,000.00			
Paducah McCracken Joint Sewer-	400,000.00	400,000.00			
Paducah McCracken Joint Sewer-	1,300,000.00	1,300,000.00			
Paducah Water Line to Airport	140,000.00	132,750.15			7,249.85
Paintsville Utility Commission	750,000.00	750,000.00			
Paintsville Utility Commission	113,528.00	113,528.00			
Paintsville Utility Comm-Misce	191,383.00	191,383.00			
Paintsville Utility-Burchett H	77,842.00	77,842.00			
Paintsville-Sewer Line Connect	250,000.00	250,000.00			
Paris & Bourbon County Ind Par	485,000.00	485,000.00			
PARIS WX21017002 Paris Wat Ln	650,000.00	642,450.00			7,550.00
Paris-Bourbon Hills Sanitary S	147,900.00				147,900.00
Paris-Bourbon Hills Sanitary S	252,900.00	186,884.14			66,015.86
Peaks Mill Water District-Harm	550,000.00	545,000.27			4,999.73
PEAKS MILL WX21073003 Peaks	650,000.00	650,000.00			
Pendleton County-Northern Pend	1,025,000.00	313,689.81	711,310.19		
Perry Co Fiscal Court - North	150,000.00	150,000.00			
Perry Co Fiscal Court - South	1,000,000.00	1,000,000.00			
Perry Co Fiscal Court - South	1,350,000.00	1,350,000.00			
Perry County Fiscal Court - No	350,000.00	337,023.43	11,685.60		1,290.97
Perry County South Perry Water	400,000.00	400,000.00			
Ph IV Sewer Inf-Imp Marsh Hill	250,000.00	250,000.00			
Pineville Utility Comm-Rehab-R	900,000.00	812,236.98			87,763.02
Powell County-Beechfork Water	250,000.00	250,000.00			
Powell County-Cow Creek Water	200,000.00	181,452.66	4,429.95		14,117.39
Powell County-Joint Clay/Stant	500,000.00	500,000.00			
Princeton W & W-Inflow & Infil	350,000.00	350,000.00			
PU-Gr Rock-Greasy Br-O Ratliff	189,247.00	189,247.00			
Pulaski Co. Science Hill Water	250,000.00	250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
PU-Oil Spr-Harigs-J Bayes-Pige	828,000.00	828,000.00			
Rattlesnake Ridge WD-Phase VII	500,000.00	500,000.00			
Rattlesnake Ridge WD-Phase VII	500,000.00	500,000.00			
Regional Water Resource Agency	151,000.00	151,000.00			
Reid Village Water District -	175,000.00	175,000.00			
S Anderson Water District-Phas	1,800,000.00	1,800,000.00			
S Madison Water District-Scaff	250,000.00	250,000.00			
Salem Lift Station Upgrade	50,000.00	50,000.00			
Salyersville Water Security-Co	400,000.00	400,000.00			
Salyersville WX21153515 Magoff	200,000.00	200,000.00			
Sandy Hook SD-Sewer Sys Upgrad	250,000.00	131,693.59	79,611.49		38,694.92
Sandy Hook Sewer-Var Ln Extens	479,444.00	479,444.00			
Sandy Hook Various Sewer Line	250,000.00	250,000.00			
Sanitation Dist #1 N Ky - Lato	950,000.00	950,000.00			
Sanitation Dist #1 N Ky - Mont	500,000.00	500,000.00			
Scottsville - Spring Valley Se	102,500.00		102,500.00		
Scottsville-W & S to Industria	500,000.00	497,500.00			2,500.00
Sedalia Water Dist. Elevated S	125,000.00	125,000.00			
Sharpsburg Tater Town Line Ext	400,000.00	400,000.00			
Sharpsburg Water District-Wate	720,000.00	720,000.00			
Sharpsburg WD-Water Sales Mach	5,000.00	5,000.00			
Shelby County Fiscal Court - T	675,000.00	675,000.00			
Shelby County-Hwy 55 Upgrade/L	100,000.00	100,000.00			
Shelbyville Municipal W & S -	140,000.00	137,778.00	2,222.00		
Shelbyville Municipal Water &	100,000.00		30,479.63		69,520.37
Simpson County WD-Blackjack Ar	294,000.00	294,000.00			
Simpson County WD-Fire Protect	697,000.00	697,000.00			
South Shore Repairs & Rehab of	680,000.00	680,000.00			
Southeastern Water Association	40,000.00	40,000.00			
Southeastern Water Association	297,859.23	297,859.23			
Spencer Co FC- Taylorsville Se	100,000.00	100,000.00			
Spencer County Phase IV Water	200,000.00	199,999.50			0.50
Spencer County-Sewer Improveme	50,000.00	38,250.00			11,750.00
Springfield W & S Commission P	1,000,000.00	1,000,000.00			
Stanton Various Water and Sewe	325,000.00	325,000.00			
Stanton Water Storage Tank and	350,000.00	350,000.00			
Sturgis and Morganfield Variou	1,250,000.00	1,250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
SX21003002 Allen Co Fis Ct-W &	500,000.00	500,000.00			
SX21003002 Scottsville-980 Pro	497,297.37	497,297.37			
SX21007002 Wickliffe-Move Sew	235,000.00	235,000.00			
SX21007004 Kevil-Repair Old Se	50,000.00	50,000.00			
SX21011006 Sharpsburg-Wat & Se	300,000.00	300,000.00			
SX21013145 Bell Co FC-Ferndale	250,000.00	250,000.00			
SX21017006 Bourbon Co FC-Bourb	260,000.00	217,260.97			42,739.03
SX21017009 Bourbon Co FC-Cente	500,000.00	323,887.10			176,112.90
SX21029009 Bullitt Co FC-Sheph	75,000.00	75,000.00			
SX21043020 Olive Hill-W & S I	162,500.00	162,500.00			
SX21045004 Liberty-Wat & Sew	300,000.00	299,982.00			18.00
SX21049004 East Clark Co WD-Co	500,000.00	500,000.00			
SX21049016 Clark Co FC-Winches	325,000.00	325,000.00			
SX21049018 Clark Co FC-Var W &	250,000.00	250,000.00			
SX21059014 Daviess Co FC-Var W	219,500.00	219,500.00			
SX21061005 Edmonson Co FC-Sout	960,000.00	960,000.00			
SX21067003 Lex-Fay UCG-LFUCG	1,700,000.00	1,700,000.00			
SX21067007 Lex-Fay UCG-Prov En	600,000.00	574,967.75	16,954.30		8,077.95
SX21069002 Flemingsburg-Pump	100,000.00	100,000.00			
SX21069007 Fleming Co FC-Hills	200,000.00	177,562.00			22,438.00
SX21075006 Fulton Co FC-Var W	125,000.00	55,192.00	28,080.00		41,728.00
SX21083013 Fancy Farm WSDist-K	320,000.00	320,000.00			
SX21085002 Leitchfield Sew Ut-	1,100,000.00	1,100,000.00			
SX21089012 Greenup Co FC-Russe	60,000.00	60,000.00			
SX21089021 Wurtl&-Lloyd Sew E	500,000.00	410,512.90	89,487.10		
SX21089021 Greenup Co FC-W & S	309,891.41	209,891.41	100,000.00		
SX21089044 Bellefonte-Storm S	50,000.00	50,000.00			
SX21099001 Hart Co FC-Bonnievi	600,000.00	592,000.00			8,000.00
SX21107004 St. Charles-Sew Pr	300,000.00	230,263.49	34,504.31		35,232.20
SX21123180 Laurel Co FC-Sew Li	750,000.00	750,000.00			
SX21127012 Lawrence Var Ext/Re	188,888.00	188,888.00			
SX21127012 Lawrence Var Ext/Re	100,000.00	100,000.00			
SX21131100 Leslie Co FC-Var W	500,000.00	500,000.00			
SX21131101 Hyden-Waste Wat Pr	88,888.00	88,888.00			
SX21133001 Neon-Sew Ext-Neon	388,888.00	388,888.00			
SX21133100 Letcher Co FC-Var W	456,000.00	455,748.84			251.16
SX21135004 Lewis Co SD #1-Ind	130,000.00	130,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
SX21137005 Lincoln Co FC-Crab	50,000.00	50,000.00			
SX21137006 Lincoln Co FC-Crab	450,000.00	450,000.00			
SX21139004 Livingston FC-Var P	134,000.00	134,000.00			
SX21139006 Livingston Co FC-Wa	100,000.00	100,000.00			
SX21145028 Paducah McCracken J	1,000,000.00	1,000,000.00			
SX21155002 Loretto-Sew Treatm	750,000.00	736,266.01			13,733.99
SX21159501 BSADD/TUG Valley S	1,000,000.00	486,951.58	481,157.22		31,891.20
SX21165012 Menifee Co FC-Var W	440,000.00	440,000.00			
SX21167006 Mercer Co FC-Waste	50,000.00	49,750.00			250.00
SX21169009 Edmonton-Sew Line	200,000.00	200,000.00			
SX21179010 New Haven-Waste Wa	30,000.00	29,625.00			375.00
SX21191100 Falmouth-Regional	645,000.00	644,999.55			0.45
SX21197007 Stanton-WasteWat T	156,441.00	137,678.66	18,762.34		
SX21205018 Rowan Co FC-Var W	15,822.00	15,821.08			0.92
Symsonia WD-Graves County-Stor	595,000.00	327,528.78	267,471.22		
Taylorsville Sewer System Expa	705,000.00	705,000.00			
Todd Co. Expansion Service Sou	400,000.00	400,000.00			
Tompkinsville and Monroe Co. J	879,903.70	879,903.70			
Tompkinsville-Beldon Water Tan	100,000.00				100,000.00
Trimble County WD #1-Water Sys	950,000.00	950,000.00			
Troublesome Creek Env Auth-Sew	1,425,000.00	1,425,000.00			
U.S. 60 WD U.S. 60 WD-Wat Ln E	80,000.00				80,000.00
U.S. 60 WD-Bardstown Trail Buz	44,000.00	44,000.00			
Union Co Fiscal Court - Water	1,000,000.00	1,000,000.00			
UNION Co WX21225001 Union Co	50,000.00	50,000.00			
Union County Fiscal Court - Va	350,000.00	350,000.00			
UNIONTOWN SX21225004 Union	150,000.00	125,500.00			24,500.00
US 60 Water District - KY 395	37,500.00	37,500.00			
US 60 WTR DISTR. WX21211022	100,000.00	100,000.00			
Versailles Clifton Rd/McCracke	1,800,000.00	1,800,000.00			
Vicco Sewer Maintenance	200,000.00	200,000.00			
Vine Grove Sewer System Improv	500,000.00	484,299.99			15,700.01
Warren County WD-Three Springs	1,450,000.00	1,450,000.00			
Warren Var W&S Projs to Incl \$	3,800,000.00	3,800,000.00			
Washington County-Springfield	300,000.00	300,000.00			
Water Serv. Corp Clinton Water	70,000.00	69,999.65			0.35
Waterline 89 N toward McKee fr	850,000.00	850,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Webster County - Water & Sewer	1,000,000.00	1,000,000.00			
Webster County-Dixon Sewer Upg	230,000.00	230,000.00			
West Point Water System Improv	125,000.00	118,186.10			6,813.90
West Shelby Water District - H	100,000.00	100,000.00			
West Shelby Water District - M	250,000.00	250,000.00			
Western Fleming Pump Station	50,000.00	50,000.00			
Western Fleming WD-Raw Water P	150,000.00	150,000.00			
Western Mason WD-Line Extensio	20,000.00	20,000.00			
Western Pulaski WD - New US 27	280,000.00	280,000.00			
Western Rockcastle Water Assoc	200,000.00	200,000.00			
Wheelwright UC - Water Treatme	860,000.00				860,000.00
Wheelwright Water Extension at	50,000.00	50,000.00			
White Plains/Mortons Gap Inter	120,000.00	120,000.00			
WHITLEY Co WX21125541 Whitle	395,000.00	395,000.00			
Whitley County Fiscal Court -	1,065,000.00	1,065,000.00			
Whitley County-Meadow Creek-Ta	1,148,000.00	992,986.76	145,826.23		9,187.01
Whitley County-Mud Creek Road	152,000.00	152,000.00			
Wilder Three Mile Rd/Gibson Ln	200,000.00	200,000.00			
Williamstown Wastewater Treatm	900,000.00	900,000.00			
Wilmore Sewer Collection Syste	200,000.00	200,000.00			
Wilmore-Asbury College/Fletche	20,000.00	20,000.00			
Wingo Water & Sewer-Trojan UV	40,000.00	40,000.00			
Wolfe County Fiscal Court-Vari	675,000.00	675,000.00			
Wood Creek WD-Watershed Protec	250,000.00	250,000.00			
Woodford Co. Clifton Rd/McCrac	950,000.00	950,000.00			
Wurtland - Sewer Project (SX21	470,000.00		467,472.86		2,527.14
Wurtland Isolation Values Exis	30,000.00	7,592.00	19,370.59		3,037.41
WX21003004 Allen Co Fis Ct-W &	125,000.00	125,000.00			
WX21015201 Boone Co FC-Conner	50,000.00	34,310.76			15,689.24
WX21015202 Boone Co FC-Frogto	150,000.00	88,302.83			61,697.17
WX21019012 Greenup Co FC-Wat L	220,888.00	220,888.00			
WX21019020 Cannonsburg WL Ext	270,000.00	270,000.00			
WX21029024 Bullitt Co FC-Wat L	280,000.00	280,000.00			
WX21029049 Louisville Wat Comp	300,000.00	300,000.00			
WX21035014 Dexter-Almo WD-Wat	92,000.00	91,552.00			448.00
WX21043003 Grayson Ut Com-New	900,000.00	900,000.00			
WX21047006 Christian Co FC-Wat	650,000.00	650,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
WX21049001 Winchester Municipa	500,000.00	500,000.00			
WX21051201 North Manchester WD	1,000,000.00	770,000.00			230,000.00
WX21051542 Clay Co FC-Wat Plan	1,500,000.00	1,500,000.00			
WX21053005 Albany-Wat Ln Ext	430,000.00	430,000.00			
WX21053005 Clinton Co FC-Var W	636,888.00	636,888.00			
WX21055003 Crittenden / Living	488,888.00	488,888.00			
WX21059001 Bullitt Co FC-Pione	50,000.00	47,773.00			2,227.00
WX21059012 SE Daviess Co WD-B	215,000.00	214,259.11			740.89
WX21071709 Southern W & S Dist	674,090.00	669,090.00			5,000.00
WX21073001 Franklin Co FC-Nort	48,037.00	48,037.00			
WX21073002 Franklin Co FC-Nort	53,852.00	53,852.00			
WX21075009 Fulton Co FC-Var W	125,000.00	97,093.30			27,906.70
WX21079007 Garrard Co Wat Asso	33,000.00	30,062.16			2,937.84
WX21083018 Hardemon WD-Wat T	50,000.00	49,965.73			34.27
WX21083032 Mayfield E&WSys-R	100,000.00	97,300.00	2,700.00		
WX21085004 Grayson Co FC-Leite	500,000.00	500,000.00			
WX21089001 Greenup Co FC-Racel	400,000.00	399,578.23			421.77
WX21089002 Worthington-Well H	155,000.00	154,975.26			24.74
WX21089012 Greenup Co FC-Russe	125,000.00	125,000.00			
WX21089036 Greenup-Phase VIII	275,000.00	275,000.00			
WX21089037 Greenup-Fire Hydra	130,000.00	130,000.00			
WX21091011 Hancock Co FC-Lewis	91,219.00				91,219.00
WX21093016 West Point-Wat Ln	200,000.00	191,112.80			8,887.20
WX21093021 Hardin Co WD #2-Gle	750,000.00	750,000.00			
WX21095002 Harlan Co FC- Benha	100,000.00	100,000.00			
WX21097003 Harrison Co Wat Ass	100,000.00	100,000.00			
WX21097008 Harrison Co FC-Wat	152,000.00	152,000.00			
WX21097009 Cynthiana-Industri	150,000.00	150,000.00			
WX21099012 Hart Co FC-Ind Park	500,000.00	499,939.00			61.00
WX21101015 Henderson Co WD-Va	48,000.00	47,999.08			0.92
WX21101088 Henderson Co WD-Ca	325,000.00	325,000.00			
WX21109715 Congleton H-Birch L	183,000.00	174,262.96			8,737.04
WX2112100 Barbourville Ut Com-	425,000.00	425,000.00			
WX21121510 Barbourville-Hwy 11	393,861.98	393,861.98			
WX21123003 Larue Co FC-Var W	300,000.00	300,000.00			
WX21131003 Hyden-Leslie WD-Wa	250,000.00	250,000.00			
WX21131010 Leslie Co WD-Simms	250,000.00	250,000.00			

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
WX21131100 Leslie Co WD-Wat Ln	500,000.00	500,000.00			
WX21131101 Leslie Co FC-State	650,000.00	650,000.00			
WX21133003 Letcher Co FC- Flem	180,000.00	153,000.00			27,000.00
WX21133014 Letcher Co W & S Di	2,000,000.00	1,985,226.55			14,773.45
WX21133022 Letcher FC-Whitesbu	400,000.00	340,000.00			60,000.00
WX21137002 Stanford Wat Com-B	1,000,000.00	1,000,000.00			
WX21137013 Lincoln Co FC-Old F	38,988.00	37,971.48			1,016.52
WX21137022 Lincoln Co FC-Wat L	110,000.00	110,000.00			
WX21139003 Livingston Co FC-Le	125,000.00	109,247.75			15,752.25
WX21141023 Auburn Wat System-I	150,000.00	149,992.43			7.57
WX21149001 McLean Co FC-Wat li	205,000.00	205,000.00			
WX21149018 McLean Co FC-Wat L	190.00	190.00			
WX21155009 Lebanon-Loretto Wa	150,000.00	149,423.09			576.91
WX21155010 Marion Co WD-Line	45,000.00	44,775.00			225.00
WX21163005 Meade Co FC-Brande	100,000.00				100,000.00
WX21163015 Meade Co WD-Wolf	150,000.00	150,000.00			
WX21165002 Frenchburg W Infra	1,388,888.00	1,388,888.00			
WX21169004 Edmonton-Wat Ln Ex	90,000.00	90,000.00			
WX21169008 Metcalfe Co FC-Wat	275,000.00	275,000.00			
WX21171007 Monroe Co WD-Var	100,000.00	100,000.00			
WX21173014 Levee WD-New Wat	461,300.00	460,485.25			814.75
WX21175006 West Liberty-Wat T	400,000.00	400,000.00			
WX21177004 Muhlenberg Grant Ma	1,000,000.00	996,336.55			3,663.45
WX21179008 Nelson WL Ext to Co	500,000.00	499,999.80			0.20
WX21181002 Nicholas Co FC-Wat	300,000.00	299,999.90			0.10
WX21187204 Peaks Mill WD-Wat L	893,000.00	892,405.58			594.42
WX21193200 Perry Co FC-Var W &	143,794.00	143,794.00			
WX21195611 Pikeville Wat Depar	174,000.00	170,527.54			3,472.46
WX21195700 Mountain WD-Var W	572,888.00	569,119.20			3,768.80
WX21197001 Powells Valley WD-I	600,000.00	599,087.53			912.47
WX21199008 SE Wat-E Science Hi	413,000.00	413,000.00			
WX21199041 Eubank WD-Wat Ln E	50,000.00	38,106.37			11,893.63
WX21203001 Brodhead-Wat Tank	500,000.00	500,000.00			
WX21211017 Shelbyville W & S-Z	175,000.00	167,857.50			7,142.50
WX21213024 Franklin-Var Wat S	35,000.00	33,330.00			1,670.00
WX21217005 Taylor Co FC-Indust	500,000.00	495,311.55			4,688.45
WX21221005 Barkley Lake WD-Wa	300,000.00	299,255.77			744.23

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
WX21225016 Morganfield-Wat Ln	100,000.00	99,735.01			264.99
WX21229003 Springfield WS Comm	650,000.00	650,000.00			
WX21235127 Corbin-Line Ext Uns	100,000.00	100,000.00			
WX21235802 Williamsburg-Wat P	2,400,000.00	2,400,000.00			
WX21237003 Wolfe Co FC-Var W	550,000.00	550,000.00			
DEPARTMENT TOTAL	\$573,485,200.60	\$534,665,282.13	\$17,550,767.71		\$21,269,150.76
Ky River Authority					
Design Dam 10	175,930.00				175,930.00
Ky River Auth Bluegrass Water	900,000.00	586,975.32	74,740.61		238,284.07
Ky River Lock & Dam 8 Renovati	14,756,055.00	4,965,693.95	2,768,493.79	7,015,310.12	6,557.14
KY River Lock 1 & 2 Renovation	4,486,501.00	623,858.91	3,284,051.30	103,144.20	475,446.59
Lock 4 Lock House Renovation	10,000.00		7,743.50	2,256.50	
DEPARTMENT TOTAL	\$20,328,486.00	\$6,176,528.18	\$6,135,029.20	\$7,120,710.82	\$896,217.80
Agricultural Development Board					
KY Agricultural Finance Corpor	17,000,000.00	15,000,000.00	2,000,000.00		
DEPARTMENT TOTAL	\$17,000,000.00	\$15,000,000.00	\$2,000,000.00		
Department Of Military Affairs					
Bluegrass Station Aviatoin Apr	279,652.00	229,449.21		34,276.25	15,926.54
Bluegrass Station Lime Install	34,825.40	34,825.40			
Construct Armory Readiness Cen	18,776,454.84	18,776,454.84			
Construct Joint Forces Readine	295,000.00	52,556.00		1.00	242,443.00
Construct Replacement Human Re	1,100,000.00	86,902.84			1,013,097.16
Construct Water Line Extension	865,791.72	865,791.72			
DMA BGS Centralized Systems M	65,000.00	35,269.50			29,730.50
DMA AASF Building Solar Projec	110,558.00	110,558.00			
DMA Air Guard Building No.810	26,200.00		5,425.00	20,025.00	750.00
DMA Antenna Farm Project	75,652.30	65,844.04	1,389.20		8,419.06
DMA Armory 1 Interior Alterati	115,614.00	5,824.00	106,983.37	702.50	2,104.13
DMA Armory Generator Upgrades	1,140,000.00	71,222.50	507,555.90	162,222.80	398,998.80
DMA Artemus Retaining Wall Res	30,000.00		10,608.00	1,551.00	17,841.00
DMA Ashland NGA Drainage Proje	485,473.32	484,135.82	1,337.50		
DMA Ashland NGA Roof Project	490,049.72	17,860.00	472,187.25		2.47
DMA Ashland NGA Tuckpoint and	323,000.00		296,908.67		26,091.33
DMA BGS Building 220 Roof Repa	776,000.00	640,901.95	40,055.90		95,042.15
DMA BGS Building 6 Bay C Renov	48,000.00			46,000.00	2,000.00
DMA BGS CoMSUPCEN Facility G	215,650.00	164,449.11			51,200.89
DMA BGS Consequence Mgmt Bldg	599,900.00	589,253.41	6,000.00		4,646.59

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
DMA BGS Consolidate Parking Lo	263,600.00	9,789.40	217,044.55		36,766.05
DMA BGS Construct Bldg 221 Wea	656,744.00	39,791.60	583,165.30	117.05	33,670.05
DMA BGS Construct Homeland Res	249,000.00		8,393.00	7,000.00	233,607.00
DMA BGS Construct Road Landfil	249,000.00	178,740.97		26,206.32	44,052.71
DMA BGS Construct Truck Wash F	698,730.00	35,727.75	624,395.45	16,430.51	22,176.29
DMA BGS Expanded Renovation of	147,727.00				147,727.00
DMA BGS Extend Utilities to BI	200,000.00	154,348.80			45,651.20
DMA BGS HEMMT Vehicles Secur	11,700.00	8,199.10			3,500.90
DMA BGS Improve & Connect Bur	249,000.00	136,571.47		5,286.10	107,142.43
DMA BGS Install Emergency Gene	461,000.00	13,704.10	7,369.76	2,391.49	437,534.65
DMA BGS Renovate Building 28	555,660.96	555,660.96			
DMA BGS Renovation of Bay A Bu	85,000.00		25,882.50	21,762.50	37,355.00
DMA BGS Reroof Bldg 135 Center	430,000.00	401,378.19	(78.96)	596.25	28,104.52
DMA BGS SOFSA Site Surveys & C	65,800.00	36,344.75	9,380.00	15,000.00	5,075.25
DMA BGS Upgrade Sprinkler Syst	180,508.20				180,508.20
DMA Bluegrass Station Construc	512,765.86	512,765.86			
DMA Bluegrass Station Demoliti	162,265.00	93,446.76	66,713.61		2,104.63
DMA Bluegrass Station Design&S	176,801.50	176,801.50			
DMA Bluegrass Station Re-Roof	55,000.00	48,148.19			6,851.81
DMA Bluegrass Station Re-Roof	599,999.00		17,075.00		582,924.00
DMA Bluegrass Station Roadway	315,089.11	279,748.77	11,098.92	23,202.04	1,039.38
DMA Bluegrass Station Water &	424,100.00	374,906.17	425.00	865.31	47,903.52
DMA BNGC Construct CERF-P Faci	846,180.39	849,727.58	(3,547.19)		
DMA BNGC Construct MEDCOM F	1,320,633.48	1,320,633.48			
DMA BNGC Construct Rear Access	760,000.00		619,016.17	128,605.06	12,378.77
DMA BNGC Fitness Center Projec	20,000.00			15,200.00	4,800.00
DMA BNGC Front Assess Control	776,675.31	292,467.27	484,208.04		
DMA BNGC G-1 Building Expand P	368,166.89	358,166.89	10,000.00		
DMA BNGC G-1 Building HVAC Pr	30,000.00			5,000.00	25,000.00
DMA BNGC Retro Commissioning	400,000.00	223,197.74	87,794.01	39,008.25	50,000.00
DMA Boone Center Construct Acc	26,671.17	26,671.17			
DMA Boone Center Sign Wall and	8,000.00			4,250.00	3,750.00
DMA Bowling Green NGA Exterior	75,762.22	75,762.22			
DMA Buechel NGA Asphalt Repair	84,037.00	75,284.98		8,751.55	0.47
DMA Buechel NGA Construct Addi	310,162.11		310,162.11		
DMA Build Parking Area Additio	429,132.54	419,132.54	10,000.00		
DMA Burlington Armory Solar Pa	383,178.00		383,178.00		

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
DMA Butler Building Interior &	150,000.00	30,258.21	2,805.00		116,936.79
DMA Campbellsville NGA Restroo	472,080.18	454,121.80	17,958.38		
DMA Campbellsville Readiness C	367,000.00	254,708.97	39,640.99	10,000.00	62,650.04
DMA Carrollton Armory Roof Rep	159,438.79		159,438.79		
DMA Carrollton NGA Window Repl	31,950.00		19,725.00	275.00	11,950.00
DMA Construct Army Aviation Su	29,544,180.00	13,722,789.27	11,777,959.14	3,492,420.64	551,010.95
DMA Construct Owensboro Readin	13,728,124.06	13,728,124.06			
DMA Construct Rappel Tower at	662,600.00		528,696.78	97,354.44	36,548.78
DMA Construct Training Vehicle	150,000.00	148,632.99			1,367.01
DMA Cynthiana NGA Solar Projec	275,000.00		125,671.16		149,328.84
DMA Cynthiana NGA Window Proje	106,000.00		84,680.52	5,467.00	15,852.48
DMA Design Records Holding Fac	120,000.00		54,233.45		65,766.55
DMA Electrical Upgrades at FMS	145,000.00		54,269.79	69,420.00	21,310.21
DMA Elizabethtown NGA Roof Rep	257,420.00		124,456.22	114,000.50	18,963.28
DMA EOC Building Install backu	504,100.00	479,250.37	14,638.07		10,211.56
DMA Field Maintenance Shop 6 E	162,917.15	161,357.15	1,560.00		
DMA FMS 5 Interior & Electrica	497,149.82	427,387.70	69,762.12		
DMA FMS 9 Interior Repairs	775,000.00	8,490.00	450,457.29	281,036.36	35,016.35
DMA Harrodsburg NGA Roofing Pr	30,000.00			2,000.00	28,000.00
DMA Hazard Youth Challenge Bld	291,680.00		290,539.68		1,140.32
DMA HLDTS Construct Multipurpo	470,190.00		210,854.75	250,270.25	9,065.00
DMA Install New Antennas BNGC	596,191.00	2,450.00	515,050.95	54,753.94	23,936.11
DMA Install Solar Panels at FM	151,500.00	151,500.00			
DMA Lexington NGA HVAC Projec	30,000.00			5,000.00	25,000.00
DMA London FMS No.2 Asphalt Re	38,322.32		38,322.32		
DMA Master Planning for BNGC	50,000.00		937.50	49,062.50	
DMA Master Planning for WHFRTC	50,000.00		12,887.50	37,112.50	
DMA MEDCOM Building Expansio	75,000.00			64,985.00	10,015.00
DMA Olive Hill NGA Interior Up	431,439.22	27,405.00	404,034.22		
DMA Paving of Roads at Hidden	369,007.11	128,929.93	240,077.18		
DMA Paving of Roads at HLDTS A	529,755.77	527,943.33	1,812.44		
DMA Retro Commissioning Wester	400,000.00	246,588.38	56,703.49	46,708.13	50,000.00
DMA Sale of Facilities Proceed	66,400.00	4,364.00	45,779.42		16,256.58
DMA Sewer Line Repairs Boone C	26,000.00		26,000.00		
DMA Somerset NGA Roofing Proje	30,000.00				30,000.00
DMA Structural Evaluation for	152,700.00	750.00	14,964.32	124,920.00	12,065.68
DMA Tompkinsville NGA HVAC Pr	487,382.04	482,068.35	5,313.69		

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
DMA USPFO Building Solar Power	99,057.00		99,057.00		
DMA Walton NGA Exterior Lighti	59,660.45	59,660.45			
DMA WHFRTC Building 300 Altera	760,000.00		162,979.65	580,990.95	16,029.40
DMA WHFRTC Building 324 Interi	220,000.00		139,634.40	8,993.50	71,372.10
DMA WHFRTC CHP Solar Panel Pr	625,597.47	585,927.86	39,669.61		
DMA WHFRTC Construct Fire Stat	15,000.00			5,000.00	10,000.00
DMA WHFRTC Construct Security	760,000.00	296,794.17	404,329.78	5,000.00	53,876.05
DMA WHFRTC Expand Water Servi	750,000.00		64,000.00	686,000.00	
DMA WHFRTC Fitness Center Addi	410,000.00		108,435.50	296,514.50	5,050.00
DMA WHFRTC Forward Operating	429,859.00	227,037.27	137,325.90	20,160.21	45,335.62
DMA WHFRTC Install Cool Roofin	696,200.00		599,541.69	24,800.00	71,858.31
DMA WHFRTC ITAM Storage Buil	80,000.00			6,000.00	74,000.00
DMA WHFRTC M16 Range General	215,450.12	215,450.12			
DMA WHFRTC Qualification Train	514,680.00	73,926.00	247,328.25	76,449.75	116,976.00
DMA WHFRTC Roof Replacements	200,000.00	151,259.90	296.85		48,443.25
DMA WHFRTC RTI Bridge Repair	113,041.85	113,041.85			
DMA WHFRTC Shoot House Weath	90,000.00			9,000.00	81,000.00
DMA WHFRTC Solar Panel Install	325,283.00		325,283.00		
DMA WHFRTC Solar Panel Install	291,962.00		291,962.00		
DMA WHFRTC Upgrade Billeting L	366,700.00	286,574.26	(156.53)	28,747.64	51,534.63
DMA WHFRTC Utes Facility Exhau	773,049.78	772,612.28	437.50		
DMA Williamsburg NGA Roofing P	25,000.00		1,650.00	20,350.00	3,000.00
Expand State Emergency Operati	9,825,900.00	9,762,235.59	63,589.00		75.41
Install Backup Generators - Bl	1,150,000.00		1,038,757.01		111,242.99
Install Power Generators	198,045.64	198,045.64			
Parking Improvements - Bluegra	1,489,613.00	1,152,303.21	320,493.16		16,816.63
Renovate Bluegrass Station Inf	4,356,506.36	4,345,729.21	10,777.15		
Renovate Butler Reserve Center	3,999,000.00	223,393.54	2,650,066.51	787,632.44	337,907.51
DEPARTMENT TOTAL	\$119,664,044.17	\$78,379,527.41	\$27,014,813.65	\$7,844,876.23	\$6,424,826.88
Kentucky Retirement Systems					
Enhanced Imaging Processor	343,198.00	343,198.00			
KRS Line of Business Project	22,000,000.00	20,184,541.91	1,046,536.41		768,921.68
DEPARTMENT TOTAL	\$22,343,198.00	\$20,527,739.91	\$1,046,536.41		\$768,921.68
Department for Local Government					
Allen County Industrial Park S	294,170.00	294,170.00			
Allen County Park Improvements	94,323.96	94,323.96			
Beattyville Water Line Extensi	505,000.00	504,000.00			1,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Boyd County-Durbin Com Outreac	1,800.00	1,800.00			
Campbellsville Univ Tech Cente	317,880.49	317,880.49			
City of Baldwin Senior Citize	199,993.78	199,993.78			
City of Bellevue Downtown Revi	250,000.00	199,818.20			50,181.80
City of Brownsville Building I	184,369.11	184,369.11			
City of Campbellsville Renaiss	199,943.81	199,943.81			
City of Covington Times Star C	250,000.00	223,109.18	9,633.75		17,257.07
City of Covington Times Star C	750,000.00	400,877.87	98,081.00		251,041.13
City of Fulton Tourism Commiss	100,000.00	98,558.73			1,441.27
City of Greenup Downtown Renov	150,000.00	150,000.00			
City of Monticello Downtown Re	750,000.00	750,000.00			
City of Owensboro River Park C	500,000.00	500,000.00			
City of Russellville Theatre P	100,000.00	100,000.00			
City of Sandy Hook Downtown Be	100,000.00	100,000.00			
City of Vanceburg Carter House	199,988.00	199,988.00			
Clay County Recreation, Econ D	1,500,000.00	1,500,000.00			
Clinton County Wellness Center	2,000,000.00	2,000,000.00			
Community College Satellite	100,000.00	99,680.00			320.00
Community Development Growth P	9,995,404.04	9,995,404.04			
Danville/Boyle County Animal S	20,000.00	19,998.48			1.52
EP Tom Sawyer Park	399,428.41	399,428.41			
Flood Control Matching Funds 0	3,800,000.00	1,717,090.44	918,290.63		1,164,618.93
Flood Control Matching Program	20,768,882.56	20,768,622.84	259.72		
Fulton Co. Industrial Park Uti	360,000.00	360,000.00			
Fulton Yates Mt Zion Road Wate	125,000.00	125,000.00			
Garrard County Fiscal Court Re	1,500,000.00	1,500,000.00			
Garrard County Lancaster Grand	100,000.00	100,000.00			
Graves County Fancy Farm Sidew	150,000.00	150,000.00			
Grayson Commission Water Treat	107,018.00	107,018.00			
Greenup County - Raceland	5,000.00	5,000.00			
Greenup County Fire Department	24,777.00	24,777.00			
Harlan County Water Line - Clo	300,000.00	300,000.00			
Harlan County Water Line Exten	250,000.00	250,000.00			
Harlan County Water Line Exten	400,000.00	399,995.00			5.00
Henderson County Water Distric	230,000.00	230,000.00			
Henderson County Water Line Ex	83,655.00	83,655.00			
Henderson County Water Tank Re	350,000.00	350,000.00			

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Henderson Posey Ball Road Wate	121,381.00				121,381.00
Henry County Lake Jericho Comm	249,901.00	249,901.00			
HL Neblett Center Capital Proj	50,000.00	50,000.00			
Hopkins County Water Projects	630,000.00	630,000.00			
Jackson County Buncomb Road Wa	108,100.00	108,100.00			
Jackson Water Treatment Expans	397,500.00	397,499.97			0.03
Knott County Hazard Water Line	661,746.00	661,745.12			0.88
Knott County Youth Development	1,600,987.00	1,600,987.00			
Knox Co. Infrastructure for We	1,000,000.00	1,000,000.00			
Knox County Wellness Center	1,000,000.00	1,000,000.00			
Knox Partners Community Educat	2,000,000.00	2,000,000.00			
LC-Bobs Fork Sizerock Water Ex	1,378,890.00	1,378,890.00			
Lee County Happytop Recreation	500,000.00	500,000.00			
Letcher County - Crafts Colly	800,000.00	800,000.00			
Letcher County - Sandlick Wate	800,000.00	799,999.60			0.40
Lexington-Fayette Frederick Do	300,000.00	297,428.86			2,571.14
Lexington-Fayette Survivors II	69,978.45	69,978.45			
Lexington-Fayette Third Street	650,000.00	650,000.00			
Lincoln County First Southern	499,999.85	499,999.85			
Louisville Metro Farnsley-More	130,000.00	130,000.00			
Lyon County Emergency Dredging	250,000.00	250,000.00			
Madison County Domestic Violen	799,954.34	799,954.34			
Manchester City Prks Amphithe	725,000.00	725,000.00			
Mason County Elijah Green Memo	50,000.00	50,000.00			
McClean County Pone River Wate	50,000.00	50,000.00			
McClean County Sacramento Wate	50,000.00				50,000.00
McClean County Water Improveme	120,000.00	120,000.00			
McCreary County Drug Court Pro	200,000.00	158,561.45	41,438.55		
McLean Co Planning & Design of	100,000.00	100,000.00			
McLean Co Planning & Design of	250,000.00	250,000.00			
Meniffee County Water Line/Wat	150,000.00	150,000.00			
Monroe County Wellness Center	3,000,000.00	3,000,000.00			
Morgan County Industrial Site	600,000.00	600,000.00			
Morganfield Ped Destination	240,000.00	240,000.00			
Morganfield Sewer Water and St	2,000,000.00	2,000,000.00			
Mountain Home Place Project	300,000.00	283,171.15			16,828.85
Muhlenberg Thermal Imaging Dev	80,000.00	74,620.00			5,380.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Oldham Co Fairgrounds Facility	100,000.00	100,000.00			
Owensboro Community and Techni	247,325.00	247,325.00			
Providence Sewer Line Upgrade	100,000.00	100,000.00			
Rails To Trails Program	422,346.38	422,346.38			
Renaissance Kentucky	11,999,722.92	11,999,722.92			
S Perry Water Line Extension -	900,000.00	900,000.00			
Shelby County Community Theatr	130,000.00	130,000.00			
Todd County Clifty Community P	40,000.00	40,000.00			
Union County - Fire/Rescue Ser	200,000.00	150,000.00			50,000.00
Union County - Moffit Lake Rec	150,000.00	100,000.00			50,000.00
Union County - P Herron Techni	100,000.00	50,000.00			50,000.00
Union County Fairgrounds/Conve	360,000.00	240,000.00			120,000.00
Vicco-Water System Test/Repair	150,000.00	150,000.00			
Warren County Research & Dev C	149,999.21	149,999.21			
Wayne County Courthouse Renova	500,000.00	500,000.00			
Wayne County Foothills Academy	350,000.00	350,000.00			
Webster County - Spec Building	1,000,000.00	999,999.60			0.40
Wood Creek Water Tank Pump Sta	123,821.00	123,821.00			
DEPARTMENT TOTAL	\$86,453,286.31	\$83,433,553.24	\$1,067,703.65		\$1,952,029.42
Secretary Of State					
Business One-Stop Portal - Pha	5,000,000.00	2,196,313.81	2,472,320.10		331,366.09
Land Grant Fire Suppression Pr	200,000.00	92,791.39	27,215.93		79,992.68
Online Ballot Delivery Sys. fo	1,500,000.00		241,881.30		1,258,118.70
DEPARTMENT TOTAL	\$6,700,000.00	\$2,289,105.20	\$2,741,417.33		\$1,669,477.47
State Treasurer					
Lease-Purchase Check Printers	325,000.00	324,737.28			262.72
Lease-Purchase Check Printers	163,000.00		162,368.64		631.36
DEPARTMENT TOTAL	\$488,000.00	\$324,737.28	\$162,368.64		\$894.08
Ky Teachers Retirement System					
KTRS Pension Management System	13,750,000.00	8,685,327.51	4,232,079.60		832,592.89
KTRS Pension Management System	2,000,000.00	1,489,866.47	122,564.00	4,201.60	383,367.93
DEPARTMENT TOTAL	\$15,750,000.00	\$10,175,193.98	\$4,354,643.60	\$4,201.60	\$1,215,960.82
Office Of State Budget Director					
Capital Construction Surplus A		(42.93)			42.93
DEPARTMENT TOTAL		(42.93)			\$42.93
CABINET TOTAL	\$917,437,583.39	\$775,843,136.31	\$79,756,073.92	\$25,837,422.68	\$36,000,950.48

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Transportation Cabinet					
Office of Support Services					
Aviation Development Projects	10,100,000.00	8,736,381.34	682,759.00	69,038.00	611,821.66
Building/Site Renovations & Em	1,892,018.25	1,788,898.37	103,119.88		
Cloud Concrete Oil-Water Separ	50,000.00		25,767.25		24,232.75
Const Crittenden Co Maint Faci	1,340,000.00	7,420.97		34,779.03	1,297,800.00
Construct Ballard County Maint	1,440,000.00	737.00			1,439,263.00
Construct C-1 Garage	325,000.00		106,560.00	150,210.00	68,230.00
Construct Harrison County Main	1,440,000.00	415.26	12,033.00	65,917.00	1,361,634.74
Construct Henderson County Mai	1,440,000.00	204,717.06			1,235,282.94
Construct Jackson (D-10) Distr	475,000.00		6,840.00	11,083.00	457,077.00
Construct Knott County Mainten	1,440,000.00	1,102.02			1,438,897.98
Construct Manchester (D-11) Di	875,000.00			444,944.00	430,056.00
Construct Menifee County Maint	1,440,000.00	187.44	6,537.00	68,603.00	1,364,672.56
Construct Muhlenberg Co Mainte	1,440,000.00	139,680.34		1.00	1,300,318.66
Construct Nicholas County Main	1,440,000.00	379.00			1,439,621.00
District 12 Generators	136,308.44	136,308.44			
District 5 Generators	156,773.52	156,773.52			
Estill Co Maintenance Lot-Sept	155,172.43	123,986.79			31,185.64
Flemingsburg District Office B	145,000.00				145,000.00
Franklin Co Equipment Warehous	20,650.95				20,650.95
Gallatin Co. Maint Lot to City	117,500.00		12,187.00	2,815.00	102,498.00
Grayson Co Equipment Shed Cons	31,896.00		31,896.00		
Hardin Co Equipment Shed Const	32,642.00		32,642.00		
Hardin Co Salt Structure Const	237,140.40		6,701.03		230,439.37
Hardin Co. District Office-Boi	30,000.00		19,975.00		10,025.00
HVAC - Paducah Office	397,500.00	370,817.60			26,682.40
HVAC Elizabethtown District Of	200,000.00		8,094.55	79,937.30	111,968.15
Larue County Maintenance Facil	1,340,000.00	1,320,109.60		733.75	19,156.65
Maintenance Pool - 2014-2016	2,325,000.00		1,372,747.43	224,133.97	728,118.60
McCracken Co District Office-R	106,608.82	106,608.82			
Ohio Co Maint. Lot Fencing Rep	39,500.00		39,500.00		
Ohio Co. Maint Lot to City Sew	117,500.00	67.45	72,393.19		45,039.36
Pikeville Equipment & Repair G	50,000.00		12,379.13	1,347.50	36,273.37
Purchase PONTIS Upgrade	600,000.00	581,200.00			18,800.00
Purchase TRNS*PORT Upgrade	3,000,000.00	297,000.00	441,345.00		2,261,655.00
Replace Overhead Doors and Eme	360,000.00		358,342.38		1,657.62

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Replace Overhead Doors and Eme	714,284.05	714,284.05			
Russell Co Salt Structure Cons	198,772.96				198,772.96
Salt Str. Fac. & Ancillary Bld	977,795.04	680,738.93	33,935.42	39,500.00	223,620.69
Section Offices - Calloway Cou	232,334.50	232,334.50		12,174.93	(12,174.93)
Section Offices - Laurel Count	241,591.31	241,591.31		3,696.22	(3,696.22)
Section Offices - Round 2 Phas	645,400.00	466,461.86	9,910.00	21,762.88	147,265.26
Section Offices-Allen County	123,765.64		636.60		123,129.04
Section Offices-Boone County	331,980.00	182,275.47	149,464.78		239.75
Section Offices-Christian Coun	123,765.65		689.65	5,200.00	117,876.00
Section Offices-Franklin Count	223,463.06	223,463.06			
Section Offices-Henry County	237,344.92	237,344.92		15,335.97	(15,335.97)
Section Offices-Lincoln County	311,043.34	714.65	310,328.69		
Section Offices-Owen County	500,000.00	102,000.00	20,000.00		378,000.00
Section Offices-Powell County	305,691.58	288,998.40	16,693.18		
Section Offices-Round 3 Phase	550,000.00	158,642.99	80,380.80	173,283.95	137,692.26
Spencer County Maintenance Fac	1,155,000.00	1,135,833.14			19,166.86
Taylor Co Equipment Shed Const	31,998.00		31,998.00		
TCOB Fire Suppression	120,292.85	120,292.85			
Transportation Enterprise Data	1,500,000.00	1,259,829.06		240,170.94	
Washington Co Equipment Shed C	31,896.00		31,896.00		
Water and Wastewater - 2012-20	18,099.45	18,099.45			
Whitley Co Welcome Ctr Metal R	36,396.00		36,396.00		
Whitley County Rest Area Pump	120,000.00		64,267.40	215.00	55,517.60
DEPARTMENT TOTAL	\$43,467,125.16	\$20,035,695.66	\$4,138,415.36	\$1,664,882.44	\$17,628,131.70
Department Of Aviation					
Aircraft Major Maintenance Poo	600,000.00		583,497.68		16,502.32
Aviation Building 401 Various	41,566.72	35,856.72	5,710.00		
Avionics Upgrade for N51608	22,180.07		22,180.07		
CCA Partial Concrete Apron Reh	1,323,600.00	944,706.70	335,875.62		43,017.68
CCA Runway Safety Area Improve	2,933,000.00	1,813,555.45	183,057.68	9,364.52	927,022.35
Ky Dam Village SRP Airport Lig	388,332.00	369,766.86			18,565.14
Lake Barkley SRP Airport Light	278,714.00	262,931.19			15,782.81
Lake Barkley State Resort Park	1,000,000.00	837,130.80	133,021.48		29,847.72
DEPARTMENT TOTAL	\$6,587,392.79	\$4,263,947.72	\$1,263,342.53	\$9,364.52	\$1,050,738.02
Department Of Highways					
Baer Fabric Property Demolitio	475,000.00	291,503.12			183,496.88
Boone County Rest Area Buildin	55,000.00		11,568.75	32,531.25	10,900.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Bourbon Co. Maint. Garage Envi	5,901.27		5,901.27		
Breathitt Co. Maint. Garage En	15,989.61		11,182.24		4,807.37
Jenny Wiley Park Road	125,000.00				125,000.00
Lake Cumberland State Park Roa	1,998,611.99		1,733,804.46	9,778.02	255,029.51
Letcher Co. Maint. Garage Envi	17,129.44		8,564.71		8,564.73
Oldham County Rest Area Facili	384,100.00		375,130.98	8,611.80	357.22
Repair Loadometer & Rest Areas	318,900.00		246,026.07	71,610.00	1,263.93
Repair Loadometer and Rest Are	988,714.94	988,714.94			
Road Maintenance Parks - 2012-	878,244.08	878,244.08			
Road Maintenance Parks - 2014-	365,000.00		45,864.71		319,135.29
Rough River Park Road Maintena	716,000.00		95,282.50	554,525.58	66,191.92
Shelby County Weigh Station	337,500.00	299,489.41	21,790.00		16,220.59
Simpson County Rest Area	7,000.00		3,999.00	3,001.00	
TRIMARC Building Extension Pro	50,000.00			40,285.00	9,715.00
Various Environmental Complian	1,099,926.25	1,099,720.10	206.15		
Various Environmental Complian	150,000.00		75,179.77	43,844.04	30,976.19
Waveland Mansion Driveway Rest	10,000.00				10,000.00
Weigh Station Preventative Mai	85,133.50		85,081.06		52.44
Whitley County Rest Area	20,000.00				20,000.00
Wilkinson Blvd Maint. Garage E	156,053.43		89,194.80	58,019.05	8,839.58
DEPARTMENT TOTAL	\$8,259,204.51	\$3,557,671.65	\$2,808,776.47	\$822,205.74	\$1,070,550.65
Department Of Vehicle Regulation					
Overweight/Over-dimensional Pe	1,100,000.00	811,920.00			288,080.00
Replace Automated Vehicle Info	25,000,000.00	12,519,351.42	1,925,540.88	358,730.00	10,196,377.70
Replace Kentucky Driver Licens	950,000.00	459,018.35	65,904.51		425,077.14
DEPARTMENT TOTAL	\$27,050,000.00	\$13,790,289.77	\$1,991,445.39	\$358,730.00	\$10,909,534.84
CABINET TOTAL	\$85,363,722.46	\$41,647,604.80	\$10,201,979.75	\$2,855,182.70	\$30,658,955.21
Cabinet for Economic Development					
Econ Dev - Office Of The Secretary					
AAF-McQuay Inc d/b/a AAF Inter	550,000.00				550,000.00
Boyle County Fiscal Court	500,000.00				500,000.00
CED - Old Capitol Annex	209,000.00	193,291.65			15,708.35
CED-Old Capitol Annex - Furnis	391,000.00	383,933.31			7,066.69
City of Brandenburg/Elevated W	1,000,000.00	10,121.43	16,386.43		973,492.14
City of Brandenburg/Upgrading	1,000,000.00	32,949.87	753,771.66		213,278.47
City of Elizabethtown/City Spr	998,168.67	998,168.67			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
City of Harrodsburg/Hitachi Au	500,000.00		500,000.00		
City of Mount Sterling	75,000.00	75,000.00			
City of Shepherdsville/S Bulli	3,000,000.00	3,000,000.00			
City of Vine Grove trunk line	1,800,000.00	739,736.85	527,040.16		533,222.99
City of Vine Grove-replace dis	1,200,000.00	690,014.38	486,952.01		23,033.61
Clopay Plastic Products Compan	500,000.00	500,000.00			
Corning Incorporated	500,000.00				500,000.00
Covington City Center Garage	13,835.52	13,835.52			
Economic Development Bond Pool	1,500,000.00	138,552.89			1,361,447.11
energy Projects Economic Devel	5,000,000.00	4,343,226.72	27,317.00		629,456.28
FC Hardin Co WD2 Construct was	1,000,000.00	452,624.89	99,976.48		447,398.63
FC Hardin Co WD2 Construction	1,000,000.00	179,731.20	86,005.00		734,263.80
FC/Hardin Water District 1 Tra	1,000,000.00	167,955.16	134,682.21		697,362.63
Hardin Co FC/Phase II Radcliff	2,500,000.00	1,204,182.37	10,278.10		1,285,539.53
Hardin Co FC/Radcliff Wastewat	2,250,000.00	1,132,122.61	461,734.13		656,143.26
Hardin Co FC/Sewer Collection	9,601,420.00	364,203.01	45,800.00		9,191,416.99
Inter-Modal Transportation Aut	1,000,000.00		161,738.49		838,261.51
Invensys Rail Corporation	250,000.00				250,000.00
Kentucky Economic Development	2,950,000.00	450,000.00			2,500,000.00
Lexington World Trade Center G	2,355,031.64	2,351,831.64	3,200.00		
McCracken County Fiscal Court	300,000.00		300,000.00		
New Economy High Tech Investme	11,717,000.00	11,716,996.90			3.10
New Economy High-Tech Construc	16,705,000.00	16,560,380.00	60,000.00		84,620.00
DEPARTMENT TOTAL	\$71,365,455.83	\$45,698,859.07	\$3,674,881.67		\$21,991,715.09
CABINET TOTAL	\$71,365,455.83	\$45,698,859.07	\$3,674,881.67		\$21,991,715.09

Finance & Administration Cabinet

Commonwealth Office Of Technology

Commonwealth IT Infrastructure	25,000.00	21,809.44		1.00	3,189.56
Enterprise Application Infrast	350,000.00	137,700.00	34,425.00		177,875.00
Enterprise Application Integra	125,000.00	25,000.00			100,000.00
Enterprise Applications Upgrad	1,000,000.00	756,005.70	169,982.50	40,000.00	34,011.80
Enterprise Data Center Upgrade	850,000.00	810,490.67			39,509.33
Enterprise Data Integration 20	250,000.00	250,000.00			
Enterprise Infrastructure 2008	4,800,000.00	3,920,091.65	877,983.38		1,924.97
Enterprise Infrastructure Secu	1,000,000.00	978,510.73		21,042.00	447.27
Enterprise Security & Identity	250,000.00	32,441.20			217,558.80
Enterprise Unix Server(s) Cons	3,300,000.00	2,697,103.85		23,091.18	579,804.97

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Infrastructure Upgrades - 2014	3,000,000.00				3,000,000.00
KIH Information Highway Upgrad	3,500,000.00	3,448,877.60	9,150.00		41,972.40
KIH Upgrade Expansion	5,711,968.00	5,711,968.00			
Ky Information Highway Expansi	3,022,600.00	2,099,757.24	412,244.23		510,598.53
Public Safety Commission Infra	44,768,000.00	44,227,141.18	115,231.78	9.00	425,618.04
Security Software	467,119.19		467,119.19		
Service Desk System	509,739.00		509,739.00		
Statewide Digital Orthoimagery	150,000.00	150,000.00			
Statewide Digital Orthoimagery	500,000.00	500,000.00			
Statewide Microwave Network Ma	3,999,973.81	3,999,973.81			
DEPARTMENT TOTAL	\$77,579,400.00	\$69,766,871.07	\$2,595,875.08	\$84,143.18	\$5,132,510.67
Department Of Revenue					
Business Refund Off-Set System	68,509.03	68,509.03			
Comprehensive Tax System	36,812,000.00	30,567,678.47	5,780,354.15		463,967.38
Modernized Front End Scanner R	389,600.00		389,600.00		
Property Tax Systems Upgrade	1,250,000.00		809,106.42		440,893.58
DEPARTMENT TOTAL	\$38,520,109.03	\$30,636,187.50	\$6,979,060.57		\$904,860.96
Finance - Office Of The Secretary					
Business One Stop Portal - Pha	2,600,000.00		1,963,120.31		636,879.69
Moving Expenses-Reorganization	200,000.00	148,047.42			51,952.58
DEPARTMENT TOTAL	\$2,800,000.00	\$148,047.42	\$1,963,120.31		\$688,832.27
Office Of The Controller					
Investment Management System U	449,000.00	434,200.00			14,800.00
DEPARTMENT TOTAL	\$449,000.00	\$434,200.00			\$14,800.00
Facilities & Support Services					
09-10 Paving Pool	500,000.00	435,385.33	64,614.67		
09-10 Roof Pool	450,000.00	108,813.49	13,550.00		327,636.51
Barrett Avenue Back Building	100,000.00		12,500.00		87,500.00
Berry Hill Mansion - Maintenanc	93,500.00		87,080.40	8.00	6,411.60
Berry Hill Windows 2011	548,000.00	10,087.33	497,484.19		40,428.48
Capital Campus Parking Garage	40,000.00				40,000.00
Capital Plaza Complex - Renova	3,663,816.30	3,643,816.30	20,000.00		
Capital Plaza Stair Repairs	269,026.71	127,777.20	141,249.51		
Capitol Annex Garage Repairs	13,960.00		13,960.00		
Capitol Annex Terrace Repairs	80,000.00		19,980.50	48,019.50	12,000.00
Capitol Annex VAV Boxes and Co	188,010.00	178,609.50	9,400.50		
Capitol Campus Upgrades	200,000.00				200,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Capitol Dome - Renovation/Rest	2,345,231.99	2,345,231.99			
Capitol Garage Conduit Replace	150,000.00				150,000.00
Capitol Great Hall Painting	30,000.00				30,000.00
Capitol Interior Painting	60,000.00				60,000.00
Capitol Library	30,000.00				30,000.00
Capitol Restoration-Design	21,986,627.20	21,986,627.20			
Capitol Security	599,000.00		22,828.84	28,291.16	547,880.00
Capitol Stone Balustrade Repai	19,900.00		2,835.75	17,064.25	
Capitol Windows	60,000.00		19,489.00		40,511.00
Carpet Various	200,000.00		36,679.47		163,320.53
CEMCS Finance Phase III	626,000.00	79,450.00	385,604.04	147,456.53	13,489.43
CEMCS IMPLEMENTATION - CH	200,000.00				200,000.00
CEMCS Implementation - Dept of	125,000.00		29,500.00	88,850.00	6,650.00
CEMCS IMPLEMENTATION - Dep	250,000.00				250,000.00
CEMCS Implementation - Fair Gr	900,000.00		227,982.84	33,443.91	638,573.25
CEMCS IMPLEMENTATION - Hor	725,000.00				725,000.00
CEMCS Remediation - Frankfort	2,400,000.00		128,032.62	154,977.00	2,116,990.38
CEMCS Remediation - Various Lo	900,000.00				900,000.00
CEMS IMPLEMENTATION - Dept	300,000.00				300,000.00
Central Lab - Phase IV	400,755.00	26,472.23	367,615.01		6,667.76
Central Lab Commissioning	461,615.00	404,464.00	36,162.20	808.80	20,180.00
Central Lab Hoods	450,000.00				450,000.00
Central Lab VAV Boxes	72,657.00	72,657.00			
Central Lab VAV Replacement	1,280,735.71	803,179.68	464,984.03		12,572.00
Central Laboratory - Site Dra	90,400.00		15,752.85	865.00	73,782.15
Central Plant Upgrade - Centra	825,742.06		57,506.84	679,798.00	88,437.22
Central State Hospital Renovat	50,000.00		47,470.25		2,529.75
CHD - Data Center Addition	200,000.00				200,000.00
CHD - Feed from CUP to CHD	100,000.00				100,000.00
Chiller Replacement-Transporta	689,727.45	689,727.45			
CHR CUP Electrical Infrastruct	143,648.95	143,648.95			
CHR Fire Alarms 2011	74,349.00	74,349.00			
CHR/HSB Restroom Compliance	10,000.00				10,000.00
CLAB Wall Renovation	431,416.68	431,416.68			
CLAB Wall Renovation - Phase V	510,900.00		30,798.70	435,055.00	45,046.30
CLAB Wall Renovation PH III	474,563.53	451,657.03	22,906.50		
Cold Harbor Drive Infrastructu	227,264.40	227,264.40			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Cold Harbor Roof & Masonry Rep	10,000.00				10,000.00
Cooling Tower Replacement - Lo	20,000.00		20,000.00		
Council of State Governments B	5,500,000.00	1,059,253.53	3,893,449.49	306,771.75	240,525.23
CPT - Bolt Lock Switch	220,000.00	135,625.00			84,375.00
CPT - Exterior Repairs	16,825.00	16,825.00			
CPT Cooling Tower	1,092,396.82	1,092,396.82			
CPT Plumbing Repairs	100,000.00	70,595.50			29,404.50
DA Tank Replacement CLAB	150,000.00	114,979.50			35,020.50
Duke Grant Education Center	50,000.00	44,553.44			5,446.56
ECM Controls - Various Bldgs	589,000.00	505,684.38	38,925.08	0.07	44,390.47
Education Center Kitchen 2012	88,704.65	88,704.65			
Electrical Distribution Upgrad	125,769.91	93,575.37	31,831.26		363.28
Electrical Distribution Upgrad	1,439,185.00	57,400.00	1,108,308.07	245,602.64	27,874.29
Elevator Upgrade - Bush Buildi	382,874.19	382,874.19			
Energy Management Software	3,650,000.00	3,644,885.00		5,115.00	
Flat Files DECA 2011	97,776.36	97,776.36			
Gas Service Line Relocation-Ca	21,228.15	21,228.15			
General Equipment Replacement	134,757.94	134,757.94			
Govenor's Mansion - Maintenanc	60,000.00				60,000.00
Governor's Mansion - Exterior	5,000.00		4,320.00		680.00
Governor's Mansion - Maintenanc	76,575.00		38,694.50	31,132.50	6,748.00
Governor's Mansion-Replace Cur	16,000.00			15,000.00	1,000.00
Green Bank (E-SELF) 701 Fleet	171,474.88	38,875.00			132,599.88
Green Bank (E-SELF) Old Capito	114,211.00				114,211.00
Halon System Replacement	50,000.00				50,000.00
High-Voltage Safety Assessment	50,000.00				50,000.00
High-Voltage System Upgrade -	50,000.00			10,000.00	40,000.00
History Center Roof	390,759.74	390,862.70	(102.96)		
HVAC & Electrical Upgrades - C	50,000.00				50,000.00
HVAC Replacement Surplus Prope	50,000.00		4,920.00	80.00	45,000.00
HVAC Upgrade for the Postal Bu	21,759.25	21,348.00	411.25		
Infrastructure Study - Capital	30,000.00		2,172.50	19,327.50	8,500.00
Jones Building Drainage	40,846.00		40,846.00		
Jones Building Water Remediat	19,924.00	19,924.00			
KIZAN/IDS - CEMCS PROJECT	160,000.00				160,000.00
KY History Center - Exterior C	553,500.00	1,420.00	25,180.00	9,698.00	517,202.00
L&N Boiler Relocation	639,806.62	639,806.62			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
L&N Floor Replacement 1	1,830,267.00	34,200.00	100,390.95	1,452,774.30	242,901.75
L&N Structural Repair	334,500.00	51,316.20	126,435.80	134,500.00	22,248.00
Madisonville Tuckpoint	333,250.00		212,138.58	3,700.00	117,411.42
New Capitol - House and Senate	1,309,716.00		264,046.61	885,975.10	159,694.29
Old Capitol Lighting	75,000.00			6,420.00	68,580.00
Old Capitol Restoration Work	434,928.20	434,928.20			
Old State Capital Annex Window	344,524.00		2,500.00	5,110.00	336,914.00
Old State Capital Roof Replace	584,000.00	475,081.04	25,010.74	3,720.00	80,188.22
Old State Capitol Annex Plaza	462,500.00		25,730.20	6,420.00	430,349.80
OMB Roof	129,931.08	129,931.08			
Parking Garage Switchgear & Em	400,000.00				400,000.00
Paving Pool	200,000.00		44,883.24		155,116.76
Power Distribution Reliability	50,000.00				50,000.00
Property Acquisition/Demolitio	7,485,700.00	7,243,342.56	114,158.50	33,604.00	94,594.94
Rebuild Chillers Various	400,000.00		4,855.00	161,673.08	233,471.92
Replace Process Chiller at the	119,610.50		17,301.45	8,880.00	93,429.05
Richmond SOB 2 Pipe System	9,937.82	9,937.82			
Sower Blvd: State Parking Lot	50,000.00			28,000.00	22,000.00
Sower Building Site Informatio	52,509.50	17,270.50	35,239.00		
Spindletop Renovation for Adva	987,566.41	987,566.41			
Spindletop Utilities	8,525.00	8,525.00			
State Capital East/West Mechan	250,000.00	2,490.30	126,576.70		120,933.00
State Capitol - Promenade Ston	19,445.00		19,445.00		
Statewide Microwave Network (K	1,351,800.00			1,228,853.34	122,946.66
Sub Metering Finance Facilitie	597,300.00	556,106.69			41,193.31
TCOB Hi Temp Pipe Repair	100,000.00				100,000.00
Tree Trimming - State Faciliti	300,000.00				300,000.00
Upgrade HVAC - Capitol	121,811.88	121,811.88			
Upgrade State Data Center Read	350,000.00		105,260.71	74,622.00	170,117.29
Wash Windows Various	75,000.00				75,000.00
Window Repair/Replacement - PS	350,202.14	44,097.60	306,104.54		
DEPARTMENT TOTAL	\$79,903,246.02	\$51,030,591.19	\$9,515,000.92	\$6,311,616.43	\$13,046,037.48
CABINET TOTAL	\$199,251,755.05	\$152,015,897.18	\$21,053,056.88	\$6,395,759.61	\$19,787,041.38
Cabinet for Universities					
Council On Postsecondary Education					
CVU Technology Pool	5,319,432.00	4,654,048.14			665,383.86
Regional University Excellence	5,865,737.00	5,000,737.00			865,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Research Challenge Trust Fund	28,073,430.00	28,073,430.00			
DEPARTMENT TOTAL	\$39,258,599.00	\$37,728,215.14			\$1,530,383.86
Eastern Kentucky University					
Commonwealth Hall Partial Repu	2,556,608.00		394,185.64	2,160,579.64	1,842.72
Construct Addition to Ashland	192,803.50	107,780.00	85,023.50		
Construct Addition to Ashland	3,757,000.00		930,436.12	2,573,588.62	252,975.26
Construct Business Technology	32,669,001.18	32,669,001.18			
Construct New Intramural Field	2,294,635.58	2,294,635.58			
Construct New Student Housing	21,000,000.00	20,875,654.67	110,357.48		13,987.85
Construct Science Building - P	62,849,189.00		7,980,196.36	43,362,971.55	11,506,021.09
Crabbe Library Noel Studio for	1,500,000.00	1,500,000.00			
EKU-UK Dairy Research & Ed Ctr	24,975.00	24,975.00			
High Voltage Electrical Distri	7,814,959.31	7,814,959.31			
Hood Softball Field Lighting	6,855.00	4,900.00	1,955.00		
Renovate HVAC Systems	2,340,500.00		436,637.49	1,688,996.56	214,865.95
Renovate HVAC Systems	2,632,069.69	1,684,455.85	795,882.00	110,213.04	41,518.80
Renovate/Improve Athletics Fac	150,000.00		91,281.32	53,818.68	4,900.00
Science Complex	61,793,166.94	61,687,453.94	105,713.00		
Student Service/Classroom Buil	20,007,557.91	20,007,557.91			
Turkey Hughes Baseball Field L	6,850.00	5,395.00	1,455.00		
DEPARTMENT TOTAL	\$221,596,171.11	\$148,676,768.44	\$10,933,122.91	\$49,950,168.09	\$12,036,111.67
Kentucky State University					
Alumni Stadium Office Building	288,000.00	242,511.29	32,344.50		13,144.21
Aquaculture Classroom Building	1,417,310.05	1,417,310.05			
Aquaculture Microcosm Ponds	399,999.00	397,074.61			2,924.39
Atwood Hall Roof Replacement	364,430.00	351,352.92			13,077.08
Atwood Research Facility Roof	100,380.00	99,587.82			792.18
Bradford Hall Roof Replacement	370,000.00	311,167.93			58,832.07
CEBRB Series F Clearing Accoun	40,399.00	40,064.14			334.86
Construct Center for Families	4,211,044.00	3,638,857.59			572,186.41
Construct Dam For Water Retent	172,665.00	151,261.03			21,403.97
Construct Guard House at Entra	588,000.00	581,976.04	4,613.41		1,410.55
Construct Paved Paths at Env E	125,000.00	112,522.34			12,477.66
Cooperative Extension Building	15,963.00		11,830.55	2,369.45	1,763.00
CVU Projects Pool (1998-2000)	189,559.93	189,559.93			
Design Old Federal Building Re	1,156,888.71	1,044,659.22			112,229.49
Dr. Cheaney Legacy Plaza	511,979.00	388,506.42	105,383.20	9,812.50	8,276.88

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Jordan Building and Warehouse	178,200.00	122,830.04			55,369.96
Land Grant Farm Project	4,750,805.40	4,750,805.40			
One-Stop Shop	228,070.00	228,005.36			64.64
Programming of Mixed Use Facil	25,000.00	13,250.00			11,750.00
Renovate Atwood Ag Research Bu	400,000.00	25,519.00	5,060.00	1.00	369,420.00
Renovate Jackson Hall	586,538.94	586,538.94			
Repair Boilers and Aging Distr	800,000.00			75,000.00	725,000.00
Replace Roof Russell Court Apa	164,000.00	133,373.70			30,626.30
Reservoir Improvements	150,000.00	147,913.65			2,086.35
Restoration of KNII Spring Hou	268,177.00	193,064.02	9,066.50		66,046.48
Roof Repair & Replacement Pool	722,615.00	674,029.91			48,585.09
Shauntee Hall Renovation	120,000.00	98,024.17	14,297.50		7,678.33
Tornado Shelters	159,940.00	90,790.71			69,149.29
Upgrade KSU Online Security	444,844.00	444,844.00			
Way-finding Development Projec	19,575.00	19,575.00			
Young Hall Renovation	11,257,868.00	11,209,857.10			48,010.90
DEPARTMENT TOTAL	\$30,227,251.03	\$27,704,832.33	\$182,595.66	\$87,182.95	\$2,252,640.09
Morehead State University					
Button Auditorium Renovation	678,378.48	678,378.48			
Campus Boulevard - Phase A Des	195,608.00		46,479.50	149,128.50	
Central Campus Storm Water Dra	70,148.00	70,148.00			
Classroom to Community-KyCtr T	3,197,650.00	3,197,650.00			
Clay Community Center-8 Additi	1,500,000.00	1,500,000.00			
Construct Campus Recreation Ce	24,000,000.00	23,928,020.56	14,610.25	4,104.51	53,264.68
Construct Center for Health, E	26,000,000.00	25,999,735.40	264.60		
Construct Food Service, Retail	1,101,875.00		5,505.39		1,096,369.61
Construct Food Service/Retail	800,000.00		506,046.00	278,208.00	15,746.00
Construct Plant Facilities	128,150.00	128,150.00			
Construct Student Residential	30,353,371.00		1,172,422.41	27,581,081.69	1,599,866.90
Design East Parking Structure	464,000.00	5,549.00	405,259.00	75.00	53,117.00
Design Residence Hall Renovati	5,000,000.00	4,998,784.67			1,215.33
Design Student Recreation Cent	100,000.00	97,449.00		1.00	2,550.00
Engineering assessment of Cart	279,500.00	279,500.00			
Expand Life Safety - Claypool	1,000,000.00	603,811.00			396,189.00
Expand Student Wellness Center	658,641.00	652,948.85			5,692.15
KCTM Phase A Design Project	177,210.00		140,212.00	35,800.00	1,198.00
Morehead-Construct Intramural	521,013.29	521,013.29			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Nasa Space Science Center	15,600,000.00	15,292,782.37	307,216.75	0.88	
Phase A Design- New Residence	381,629.00	316,147.00	65,482.00		
Plan and Design Music Academic	115,000.00	104,499.00		1.00	10,500.00
Relocate Athletic Facilities A	583,599.22	583,599.22			
Renovate Alumni Tower Residenc	4,631,000.00	4,530,582.78	23,250.00		77,167.22
Renovate East Mignon Residence	5,378,000.00	5,364,425.77	1,925.00	2,150.00	9,499.23
Renovate McClure pool	261,525.00	130,500.00	61,924.55	45,275.00	23,825.45
Renovate McClure Pool	1,138,175.00		153,157.00	430,843.00	554,175.00
Renovate Mignon Residence Hall	9,268,000.00	6,761,088.53	2,057,183.78	4,982.25	444,745.44
Renovate Mignon Tower Residenc	5,417,400.00	5,247,304.11	170,095.89		
Renovate West Mignon Residence	5,624,600.00	5,623,916.20	683.80		
Renovate/Expand Student Servic	3,950,200.00		1,109,352.60	2,530,405.40	310,442.00
Replace Electrical Switchgear	1,047,900.00		838,548.66	152,916.21	56,435.13
Replace Power Plant Pollution	231,750.00	231,750.00			
Replace Power Plant Pollution	5,700,000.00	5,700,000.00			
Soccer Practice Field	370,762.98	370,762.98			
Student Center Renovation/Expa	10,000,000.00	10,000,000.00			
Student Wellness Center Expans	1,057.43	1,057.43			
Sunny Brook Recreational Proje	25,000.00	24,999.00			1.00
Temporary Boiler Installation	561,776.59	561,775.59			1.00
Water Treatment Plant Sediment	2,177.50	2,177.50			
Welcome/Alumni Center - Phase	67,000.00		61,588.50	2,911.50	2,500.00
DEPARTMENT TOTAL	\$166,582,097.49	\$123,508,505.73	\$7,141,207.68	\$31,217,883.94	\$4,714,500.14
Murray State University					
1998-2000 Projects	39,353,330.00	30,593,318.36			8,760,011.64
2000-02 Projects	31,979,098.00	21,468,442.96			10,510,655.04
2002-2004 Projects	21,683,417.00	17,032,747.90			4,650,669.10
2004-2006 Projects Pool	40,000,000.00	28,487,354.97			11,512,645.03
2006-2008 Projects Pool	35,000,000.00	29,726,907.00			5,273,093.00
2008-2010 Projects Pool	14,229,100.00	7,466,320.51			6,762,779.49
2010-2012 Projects Pool	50,000,000.00	7,549,886.09			42,450,113.91
E & G Life Safety Smoke Deteco	215,939.00	215,937.76			1.24
Murray Projects Pool 2012-2014	50,000,000.00	9,525,479.39	6,773,755.34		33,700,765.27
Murray Projects Pool 2014-2016	50,000,000.00		6,527,309.08		43,472,690.92
DEPARTMENT TOTAL	\$332,460,884.00	\$152,066,394.94	\$13,301,064.42		\$167,093,424.64
Northern Kentucky University					
2006-2008 Projects Pool	100,000,000.00	79,192,078.50			20,807,921.50

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
2008-2010 Projects Pool	32,800,000.00	15,720,847.08			17,079,152.92
2010-2012 Projects Pool	50,000,000.00	32,575,093.55	1,431,734.56		15,993,171.89
Construct Sports Complex	514,944.94	514,944.94			
Digital Telecommunications Sys	2,131,000.00	2,067,538.32			63,461.68
Land Acquisition 2000-02	423,269.58	423,268.93			0.65
New Residence Hall	14,500,000.00	996.25			14,499,003.75
Northern Projects Pool 2012-20	60,000,000.00	12,312,742.77	33,446,348.41		14,240,908.82
Northern Projects Pool 2014-20	100,000,000.00		1,958,140.24		98,041,859.76
Replace Admin App. System	9,749,999.84	9,749,999.79			0.05
DEPARTMENT TOTAL	\$370,119,214.36	\$152,557,510.13	\$36,836,223.21		\$180,725,481.02
University of Kentucky					
1996-98 Projects	113,239,784.00	103,486,716.88			9,753,067.12
2000-02 Projects	300,000,000.00	185,523,609.29			114,476,390.71
2004-2006 Projects Pool	1,200,000,000.00	718,020,942.13	17,292,167.38		464,686,890.49
2006-2008 Projects Pool	70,000,000.00	40,829,743.98	453,996.57		28,716,259.45
2008-2010 Projects Pool	89,000,000.00	83,393,572.64	873,909.16		4,732,518.20
2010-2012 Projects Pool	200,000,000.00	113,865,523.44	3,587,094.88		82,547,381.68
Capital Projects Pool 1988	540,879,082.00	540,879,024.28			57.72
UK Projects Pool 2012-2014	500,000,000.00	57,181,367.60	171,925,391.49		270,893,240.91
UK Projects Pool 2014-2016	100,000,000.00		26,272,149.58		73,727,850.42
DEPARTMENT TOTAL	\$3,113,118,866.00	\$1,843,180,500.24	\$220,404,709.06		\$1,049,533,656.70
University of Louisville					
1982-98 Projects Pool	124,751,425.00	109,199,816.76			15,551,608.24
1994-96 Projects	5,747,958.00	3,763,555.87			1,984,402.13
1996-98 Projects	20,427,502.00	15,427,501.54			5,000,000.46
1998-2000 Projects	54,304,687.00	45,039,646.48			9,265,040.52
2000-02 Projects	68,192,466.00	34,878,287.58			33,314,178.42
2002-2004 Projects	50,000,000.00	40,923,489.91	64,606.13		9,011,903.96
2004-2006 Projects Pool	124,000,000.00	120,591,372.68	4,550.00		3,404,077.32
2006-2008 Projects Pool	50,000,000.00	28,401,477.07	7,050.00		21,591,472.93
2008-2010 Projects Pool	100,000,000.00	98,959,381.41			1,040,618.59
2010-2012 Projects Pool	200,000,000.00	61,094,136.30	1,741,335.46		137,164,528.24
DEPARTMENT TOTAL	\$797,424,038.00	\$558,278,665.60	\$1,817,541.59		\$237,327,830.81
Western Kentucky University					
2004-2006 Capital Project Pool	104,569,561.00	87,913,325.91			16,656,235.09
2006-2008 Projects Pool	50,000,000.00	34,985,639.67			15,014,360.33
2008-2010 Projects Pool	50,000,000.00	47,831,295.21			2,168,704.79

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
2010-2012 Projects Pool	50,000,000.00	44,598,301.45	5,401,698.55		
ADA Projects Pool 1994 LS	1,000,000.00	1,000,000.00			
Downing University Center Reno	10,549,556.00	10,468,141.05			81,414.95
High Voltage Underground Distr	663,608.82	663,608.82			
Life Safety Fire Alarm Improve	260,990.04	260,990.04			
Life Safety Improvements E & G	503,766.20	503,766.20			
Materials Characterization Cen	3,000,000.00	3,000,000.00			
Postsecondary Edu Improvement	19,840,910.00	19,720,588.24			120,321.76
South Campus Building	4,000,000.00	4,000,000.00			
Student Parking Structure	10,633,817.00	10,633,817.00			
Western Projects Pool 2012-201	100,000,000.00	2,838,829.47	10,224,627.25		86,936,543.28
Western Projects Pool 2014-201	100,000,000.00		1,336,481.72		98,663,518.28
WKU-Diddle Arena Renovation	30,624,770.00	30,579,156.97			45,613.03
DEPARTMENT TOTAL	\$535,646,979.06	\$298,997,460.03	\$16,962,807.52		\$219,686,711.51
Ky Community Technical College System					
Academic Bldg. Renov-Madisonvi	10,000.00	5,125.00	1,812.50		3,062.50
Acquire Land - Carroll County	600,000.00	600,000.00			
Acquire Land - Elizabethtown C	651,359.30		651,349.30		10.00
Acquisition of Park Hills Prop	1,452,868.00	1,452,868.00			
ADA Evaluation & Remediation -	200,000.00	197,544.41	1,135.00		1,320.59
ADA Restroom Renovation Heavy	192,200.00	164,017.87			28,182.13
Administration Bldg Interior R	110,000.00	93,914.52			16,085.48
Agriculture Program Upgrades -	481,500.00	442,140.01	1,480.20	2,051.20	35,828.59
Air Handler PRC Phase II - Eli	62,000.00	22,558.00	38,252.00		1,190.00
Allied Health Building Modific	377,100.00	369,063.92			8,036.08
Allied Health Renovation-Hopki	70,000.00	1,955.00		3,095.00	64,950.00
Art Studio - West Ky CTC	10,000.00	5,300.00			4,700.00
Auditorium Meece Hall-Somerset	374,000.00	7,665.00			366,335.00
Auditorium Roof Addition-Hopki	1,687.50	1,687.50			
Auditorium Seating - Hopkinsvi	227,100.00	208,658.11			18,441.89
Automotive Shop Modifications-	139,565.00	132,362.38			7,202.62
Barbering Prog Bldg. E Feasibi	2,500.00			2,500.00	
Biology Classroom/Lab - Maysvi	60,000.00	48,208.00			11,792.00
Bldg G HVAC Program Move - Bow	169,900.00	166,164.81			3,735.19
Boiler Install Central Plant-S	126,000.00	117,297.09			8,702.91
Boundary Survey - Madisonville	3,000.00	2,925.00			75.00
Braodway Building Roof Replace	107,000.00	79,312.50			27,687.50

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Brick Replacement Denham Build	410,000.00	203,892.59	196,051.72		10,055.69
Building Modifications Various	15,000.00	5,994.00			9,006.00
Bullitt County Campus Site Pla	20,700.00	19,898.75			801.25
Campus Caulking Expansion Join	9,349.00	9,349.00			
Campus Electrical Evaluation &	35,000.00	28,446.00			6,554.00
Campus Pavement Repairs - Jeff	75,000.00	26,440.00			48,560.00
CEMCS Upgrades - Ashland CTC	50,000.00			50,000.00	
CEMCS Upgrades Various Facilit	1,452,000.00	129,860.41	460,955.38	397,274.87	463,909.34
CEMCS Upgrades-Madisonville CC	50,000.00			5,000.00	45,000.00
CEMCS Upgrades-Owensboro CTC	50,000.00			5,000.00	45,000.00
CEMCS Upgrades-West KY CTC	50,000.00			5,000.00	45,000.00
Chiller Replacement - Bluegras	250,000.00	211,766.40			38,233.60
Classroom Renovation-Bowling G	69,365.43	66,857.43		1.00	2,507.00
Classroom/Lab Building - Blueg	35,741,000.00	35,143,835.04	527,912.46	27,087.91	42,164.59
Clock Tower - Big Sandy CTC, P	6,000.00		4,230.00	750.00	1,020.00
CNG Lab - Owensboro CTC, South	209,850.00		204,546.15	2,142.50	3,161.35
Coal Museum Roof-Southeast KY	133,000.00	116,157.60			16,842.40
Combs House Renovation-Hazard	60,000.00				60,000.00
Compressor Replacement A/T Bld	20,000.00	15,584.70			4,415.30
Const Advanced Technology Ctr.	300,000.00		146,618.75	8,310.25	145,071.00
Construct 2D Arts School Phase	10,000,000.00		3,346,559.78	4,534,663.61	2,118,776.61
Construct 2D Arts School Phase	98,283.68	179,273.68	(80,990.00)		
Construct Advanced Manufacturi	24,000,000.00		387,976.13	16,505,550.25	7,106,473.62
Construct Advanced Manufacturi	28,000,000.00	27,974,086.64		848.00	25,065.36
Construct Ag Health & Career T	250,000.00		32,825.00	127,175.00	90,000.00
Construct Allied Health/Tech E	13,834,077.65	13,828,444.15	5,632.50	1.00	
Construct Area 9 Training Buil	973,000.00	930,000.00			43,000.00
Construct Art School - West KY	3,881,945.55	3,659,977.39	221,968.16		
Construct Arts and Humanities	200,000.00			170,000.00	30,000.00
Construct Carrollton Campus Ph	4,000,000.00		13,036.75	36,285.05	3,950,678.20
Construct Comm Intergeneration	100,000.00		89,775.00		10,225.00
Construct Community Intergener	517,512.00	517,509.95		1.00	1.05
Construct Educational Alliance	260,000.00		99,999.00	33,333.00	126,668.00
Construct Instructional Comple	300,000.00			232,610.00	67,390.00
Construct MCTC/MSU Postseconda	874,000.00		522,531.00	330,317.00	21,152.00
Construct Postsecondary Ed Cen	1,000,000.00		223,400.00	735,600.00	41,000.00
Construct Urban Campus - Gatew	3,004,680.72		2,704,680.72		300,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Construct Welding Lab - Main C	1,220,000.00		393,744.07	728,158.76	98,097.17
Controls Modifications-Bluegra	46,200.00				46,200.00
Controls Upgrade-Elizabethtown	485,864.63	456,286.93	29,577.70		
Controls Upgrades Various Bldg	264,500.00	262,951.36			1,548.64
Cooling Tower Addition - Somer	135,500.00	131,481.70			4,018.30
Cooling Tower HVAC Improvement	353,000.00	351,273.07			1,726.93
Cooling Tower Replacement MLRC	171,000.00	9,696.85	135,444.42	5,960.00	19,898.73
Cooper Bldg Cooling Tower Rplc	275,000.00	253,566.03			21,433.97
Cosmetology Program Expansion-	110,000.00		6,209.00	37,916.00	65,875.00
Courtyard - Southeast CTC, Cum	107,000.00	100,653.38	14.00		6,332.62
CPAT Training Center-Systemwid	15,000.00				15,000.00
Crounse Hall HVAC Upgrades - W	135,000.00	114,513.13	(96.45)		20,583.32
Day Care Parking Area - Ashlan	519,000.00	453,900.72	62,462.15	1,003.00	1,634.13
Day Care Renovation - Henderso	30,000.00	28,045.00			1,955.00
Demolition Bldg. B & Site Impr	80,000.00	75,321.58			4,678.42
Demolition of Campus Facilitie	278,140.00	277,832.57			307.43
Design & Construct Carrollton	150,000.00	99,999.00		1.00	50,000.00
Design and Const Newtown Campu	2,333,000.00	1,609,136.10	634,139.72	16,760.90	72,963.28
Door & Window Replacement-Eliz	209,100.00		191,819.88	17,178.94	101.18
East Park Mechanical Repairs -	117,000.00	106,072.00			10,928.00
Electrical Evaluation/Remediat	129,330.00	114,185.08		191.28	14,953.64
Electrical Study - Systemwide	68,000.00				68,000.00
Electrical Upgrade and Infrast	150,000.00	71,590.16			78,409.84
Electrical Upgrades - Jefferso	599,000.00	592,808.59			6,191.41
Electrical Upgrades - Jefferso	345,000.00	298,519.32			46,480.68
Electrical Upgrades-Somersset C	215,000.00	175,141.27			39,858.73
Elevator Installation Gray Bui	241,518.00	215,306.49			26,211.51
Elevator Upgrade Anderson Buil	80,000.00	73,563.60			6,436.40
Elevator Upgrade Pike Building	217,500.00		7,921.50	10,250.00	199,328.50
Elevator/Life Safety Renovatio	273,000.00	249,511.36			23,488.64
Emergency Chiller Repairs Joe	70,000.00	61,858.51			8,141.49
Emergency Chiller Replacement	394,000.00	361,236.00			32,764.00
Emergency Power Distribution -	178,000.00		114,754.36		63,245.64
Emergency Roof Eval/Remediatio	10,000.00	1,062.50			8,937.50
Emergency Roof Repl Arts & Sci	100,000.00	91,735.47			8,264.53
Emergency Sewer Pump Repair -	50,000.00	47,107.00			2,893.00
Emergency Student Center Chill	40,000.00	25,795.84			14,204.16

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Emergency Water Damage Repair	15,000.00	9,280.00			5,720.00
Emergency/Cooling Tower Replac	51,000.00	31,727.50			19,272.50
Entrance Wall - Hopkinsville C	579,000.00	574,628.64		400.00	3,971.36
Environmental Assessment-Jeffe	52,135.00	35,687.50			16,447.50
Environmental Removal & Demoli	6,000.00	4,639.23			1,360.77
EO Robinson ADA Bridge Repair-	104,000.00	18,424.24	70,704.81	6,100.00	8,770.95
Exhaust Hood Gray Bldg-Madison	20,000.00	1,590.00			18,410.00
Expansion of Pikeville Campus	725,000.00			668,425.00	56,575.00
Exterior ADA Access Upgrades -	34,000.00	28,948.75	(89.70)		5,140.95
Exterior Concrete & Paving - H	153,114.61	153,114.61			
Exterior Improvements-Henderso	9,000.00	675.00		6,000.00	2,325.00
Exterior Upgrades & Repairs Ma	539,000.00	127,782.45	404,248.83	5,575.50	1,393.22
Facility Program Modifications	287,000.00	273,709.20	675.00	9,256.34	3,359.46
Fire Alarm Upgrades-Ashland CT	255,000.00	252,210.39			2,789.61
Fire Commission Jamestown Area	250,000.00				250,000.00
Fire Protection Upgrades-Bowli	30,000.00	29,866.80			133.20
Fire Suppresion Sys Student Ct	5,000.00				5,000.00
Fire Training Center -Bowling	930,000.00	923,524.87		3,375.22	3,099.91
Generator Relocation - Hopkins	178,500.00	35,537.27	139,077.80	692.50	3,192.43
Glema Mahr Roof Repairs - Madi	42,000.00	40,696.00			1,304.00
Godbey Roof Replacement-Southe	425,000.00		281,806.03	7,040.00	136,153.97
Green Dwelling Training Lab-Ha	372,000.00	9,375.00	314,857.53	1.00	47,766.47
Hatley Building Roof Repairs-M	314,000.00	301,522.76	60.00		12,417.24
Hazardous Materials Inspection	564,430.00	531,982.59	4,536.50	6,000.25	21,910.66
Hotel Louisville Building Eval	29,000.00	18,054.00			10,946.00
HVAC & Controls Upgrades - May	280,000.00	267,665.25			12,334.75
HVAC & Electrical Upgrades - J	152,000.00	118,120.17			33,879.83
HVAC Controls and Mechanical U	171,300.00	167,642.69			3,657.31
HVAC Controls Upgrade - Hopkin	150,000.00	124,104.10			25,895.90
HVAC Eval/Remed On Various Bld	181,000.00	171,535.89			9,464.11
HVAC Evaluation/Remediation A/	500,000.00	471,400.66	11,330.04		17,269.30
HVAC Installation Jolly Bldg-H	77,000.00	62,165.30	2,790.00		12,044.70
HVAC Modification-Elizabethtow	20,000.00				20,000.00
HVAC Piping & Re-insulating Me	37,721.00	37,697.25			23.75
HVAC Program Upgrade - West Ky	4,932.50	4,932.50			
HVAC Skilled Craft Training Ct	155,396.17	155,396.17			
HVAC System Upgrades, All Camp	599,000.00	597,638.02			1,361.98

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
HVAC Upgrade Ph 1 Devert Owens	276,000.00		12,604.84	236,580.00	26,815.16
HVAC Upgrades Academic & Techn	325,000.00	226,242.82	33,607.15		65,150.03
HVAC Upgrades Building C - Blu	523,000.00	502,711.19	19,313.00		975.81
HVAC Upgrades-Big Sandy CTC	265,000.00	9,635.00	230,233.57	4,530.00	20,601.43
HVAC Upgrade-Southcentral KY C	30,000.00		4,099.00	1.00	25,900.00
HVAC Upgrades-Owensboro CTC, S	197,000.00	20,258.17	169,219.80		7,522.03
HVAC Upgrades-West KY CTC	150,000.00	134,507.79	6,824.12		8,668.09
IMC Space Analysis-Gateway CTC	25,000.00		7,440.00	360.00	17,200.00
Industrial Maintenance Buildi	427,000.00	390,482.02			36,517.98
Industry Modifications OTB Win	40,000.00	38,810.86			1,189.14
Jefferson CTC Downtown Campus	2,740,000.00	878,108.81	448,934.04	1,190,812.25	222,144.90
Jolly Building Auditorium Reno	526,415.93	526,415.93			
KCTCS Equipment Pool	661,089.00	661,089.00			
KCTCS Equipment Pool - 2014-20	1,048,800.00		2,200.00		1,046,600.00
KCTCS Property Acquisition Poo	2,153,701.97	2,152,997.60		324.50	379.87
KCTCS Property Acquisition Poo	1,710,829.15	1,710,829.15			
KCTCS Property Acquisition Poo	316,807.42				316,807.42
Knott County KCTCS Parking - H	940,740.61	940,740.61			
KY School Of Craft Renovations	300,000.00	138,811.90	92,376.37	41,230.00	27,581.73
Lab Renovations - Owensboro CT	384,000.00	367,046.71			16,953.29
Landscape & Campus Entry Upgra	599,000.00	585,669.63		7,999.85	5,330.52
Library Restroom Modifications	16,500.00	12,414.06		2,147.50	1,938.44
LRC HVAC Upgrades-Jefferson CT	275,200.00	16,564.49	256,653.53	0.62	1,981.36
Main Bldg Interior Modificatio	425,000.00	424,673.29			326.71
Maintenance Building - Owensbo	597,561.00	595,887.86		1.00	1,672.14
Marine Technology Program Mari	436,000.00		412,156.42	2,170.15	21,673.43
Masonry Repairs-Jefferson CTC,	22,000.00	4,300.00			17,700.00
Master Plan - Bowling Green TC	30,000.00	29,999.00			1.00
Master Plan - Jefferson CTC, A	64,900.00	58,945.00			5,955.00
Master Plan - Somerset CC	50,000.00	44,988.75			5,011.25
Master Plan - West KY CTC	25,000.00	8,715.00			16,285.00
Master Plan Update - Ashland C	30,000.00	29,152.50			847.50
Master Plan Update - Henderso	30,000.00	1,822.50			28,177.50
Master Plan Update-Maysville C	35,525.85		35,330.25	195.60	
Master Plan Update-Southeast K	28,700.00		22,000.00	6,700.00	
Master Plan, Owensboro CTC	40,000.00	15,453.80			24,546.20
Master Planning-Wendell Ford T	50,000.00			9,000.00	41,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Mayo Building F Renovation-Big	20,000.00		9,905.00	95.00	10,000.00
Mayo Shop Evaluation & Renovat	258,824.86	258,824.86			
Mechanical Equipment Purchases	53,000.00				53,000.00
Mechanical Equipment Purchases	144,000.00	144,000.00			
Mechanical Equipment Purchases	129,000.00	106,216.00			22,784.00
Mechanical Equipment Purchases	48,000.00	33,580.00			14,420.00
Mechanical Equipment Purchases	135,000.00			5,897.00	129,103.00
Mechanical Equipment Purchases	146,179.00	146,179.00			
Mechanical Equipment Purchases	287,000.00			280,531.00	6,469.00
Mechanical Equipment Purchases	100,000.00	96,559.00			3,441.00
Mechanical Equipment Purchases	171,000.00	170,936.00			64.00
Mechanical Equipment Purchases	82,350.00	61,114.00			21,236.00
Mechanical Equipment Purchases	51,750.00	39,473.25			12,276.75
Mechanical Repairs - Jefferson	20,000.00	17,767.72			2,232.28
Modular Classroom - Bowling Gr	1,000,000.00	848,394.51	6,416.00	564.00	144,625.49
Modular Classrooms-Bowling Gre	305,500.00	298,408.00			7,092.00
Modular Office Building - Fire	250,000.00		23,468.28	188,985.00	37,546.72
Mortuary Science Lab Renovatio	291,000.00	280,583.31	5,190.00		5,226.69
Mt. Sterling Property Acquisit	7,739,640.34				7,739,640.34
Newtown Campus Expansion - Blu	1,790,000.00		330,492.59	1,403,832.41	55,675.00
Nursing Building Upgrades PH 1	200,000.00	21,047.75	122,673.03		56,279.22
Occupational Tech Bld 100 Roof	237,000.00		114,548.27	99,016.48	23,435.25
Paint Booth Design and Oversig	150,000.00	130,016.56			19,983.44
Paint Spray Booth Replacement,	206,881.00	204,145.95			2,735.05
Paint Station - Owensboro CTC	10,000.00		1,500.00	2,000.00	6,500.00
Parkig Lot Expansion & Repairs	200,000.00	190,037.55			9,962.45
Parking & Entry Way - Bowling	599,000.00	591,010.75		1.00	7,988.25
Parking Improvements & Upgrade	384,000.00	364,698.66			19,301.34
Parking Lot Drainage Evaluatio	129,559.09	129,559.09			
Parking Lot Paving - Madisonvi	35,405.00	24,306.80			11,098.20
Parking Lot Repairs - Owensbor	60,000.00		55,321.70		4,678.30
Parking Lot Replacement & Impr	585,000.00	581,724.82		2,793.94	481.24
Parking Study - Jefferson CTC	20,000.00				20,000.00
Paving & Sidewalk Phase II - S	136,817.00	121,763.29			15,053.71
Pedestrian & Vehicular Access	590,000.00	586,105.04			3,894.96
Pedestrian Improvements- Jeffe	99,000.00				99,000.00
Pike Building Roof Repairs-Big	386,500.00	354,654.83			31,845.17

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Plaza Improvements-Jefferson C	211,051.00	210,079.87		970.65	0.48
Program Relocations - Gateway	67,500.00		67,028.98	10.00	461.02
Program Space Evaluation - Bow	50,000.00	14,475.00			35,525.00
Property Acquisition Pool - Sy	2,500,000.00	494,903.78			2,005,096.22
Property Improvements - Bowlin	193,304.00	190,550.63			2,753.37
Purchase & Improve Real Proper	6,683,140.96	4,888,177.09	1,101,588.50	625,925.41	67,449.96
Purchase Land Adjacent to Tech	1,710,000.00	1,710,000.00			
Purchase Leitchfield Property	2,831,046.60		2,831,046.60		
Purchase new electric boiler,	150,000.00	146,421.80			3,578.20
Renov Buildings, New Parking &	1,375,000.00	1,043,093.65	226,297.57	11,260.63	94,348.15
Renovate Campus Wide Facilitie	798,000.00		604,342.14	110,208.70	83,449.16
Renovate Classroom Facility Ph	5,994,351.00	1,826,318.54	2,728,474.70	1,340,188.21	99,369.55
Renovate Downtown Campus - Owe	559,783.82	558,117.62	1,666.20		
Renovate HVAC System - Meece B	50,000.00				50,000.00
Renovate Main Bldg - College D	1,421,689.00		595,634.27	472,551.52	353,503.21
Renovate Owen Classroom Buildi	45,000.00		33,145.00	6,755.00	5,100.00
Renovate Telford Hall, Lees Ca	905,000.00	892,786.75	7,595.00		4,618.25
Renovation of M & O Space - Ow	350,000.00	261,266.35			88,733.65
Replace HVAC Handlers - Owensb	599,000.00	559,660.73			39,339.27
Replace Roof Cooper Building-S	200,000.00	188,486.18			11,513.82
Reroof and Enclose Concourses	3,500,226.98	3,497,244.09	2,982.89		
Reroof Building B-Southcentral	24,000.00		3,963.10	1,426.25	18,610.65
Restroom Upgrades Various Bldg	5,000.00	1,445.00			3,555.00
Resurface Existing Parking Lot	324,000.00	264,768.71	58,934.75		296.54
Roberts Drive Building Demolit	33,000.00		21,086.58	6,538.42	5,375.00
Roof Coatings - Owensboro CTC,	239,000.00	211,126.45			27,873.55
Roof Design Building A - Big S	6,050.00	6,050.00			
Roof Evaluation/Remediation-SE	500,000.00	479,144.50			20,855.50
Roof Repairs - Jefferson CTC,	297,000.00	296,629.23			370.77
Roof Repairs - Madisonville CC	76,000.00	60,844.20			15,155.80
Roof Repairs-Bluegrass CTC, Da	25,500.00	16,551.00			8,949.00
Roof Replacement Admin Bldg-Je	257,960.00	254,720.94			3,239.06
Roof Replacement Building B -	170,000.00		150,816.50	875.00	18,308.50
Roof Replacement Rosenthal Hal	322,891.46	322,891.46			
Roof Replacement Russell Cente	256,000.00		168,459.44		87,540.56
Roof Replacement Science Bldg-	227,000.00	221,619.68			5,380.32
Roof Replacement Science&Tech	427,500.00	427,499.59			0.41

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Roof Replacement Smith Hall -	217,000.00	159,065.71			57,934.29
Roof Replacement-Bowling Green	272,000.00	257,191.76			14,808.24
Roof/Structural Repairs - Sout	250,000.00	184,326.53			65,673.47
Rooftop Units-Bluegrass CTC, L	504,100.00	457,199.57	34,729.11		12,171.32
Round Table Park Improvements	34,225.00	31,206.50		617.50	2,401.00
Science Bldg - HVAC Upgrades -	437,500.00	371,870.14	984.00		64,645.86
Science Building Mechanical Re	267,000.00	149,675.04	103,520.37		13,804.59
Security Modifications - Jeffe	400,000.00	5,962.09	143,902.93	234,896.51	15,238.47
Site and Infrastructure Improv	750,000.00		4,799.72	40,000.28	705,200.00
Site Development Study - Madis	15,000.00	9,987.50			5,012.50
Site Drainage Phase II - Bowli	507,720.00	493,656.31			14,063.69
Site Drainage Phase III-Bowlin	539,900.00	499,240.80			40,659.20
Site Drainage Corrections - B	490,007.00	399,012.77		1.00	90,993.23
Soffit Replacement - Owensboro	28,000.00	18,750.50			9,249.50
Soil Stabilization Industrial	260,000.00	76,592.31	162,323.55	3,914.11	17,170.03
Solar Applications Study - Hop	211,000.00	181,091.69	1,365.00		28,543.31
Springfield Community and Tech	14,499,667.12	14,484,248.37	15,418.75		
Storage Building-Ashland CTC	10,000.00	1,800.00			8,200.00
Structural Evaluation & Remedi	10,000.00	4,095.00			5,905.00
Structural Repairs Gray Buildi	100,000.00	94,548.07			5,451.93
Student Shelter Roof - Maysvil	3,000.00	2,500.00			500.00
Switch Gear Replacment Bldg 1-	100,000.00	89,999.10			10,000.90
Technology Center - Henderson	13,066,000.00	13,019,166.51	43,109.14	2,450.00	1,274.35
Technology Drive Phase 1 Facad	263,000.00	253,301.46		1,290.00	8,408.54
Technology Drive Phase 2 Court	30,000.00	8,718.31			21,281.69
Transportation Bldg. Reroof -	163,000.00		13,270.95	4,387.50	145,341.55
Upgrade Welding Shop Exhaust S	400,000.00	361,813.97	3,070.00		35,116.03
Urban Campus Master Plan - Gat	329,000.00	328,999.00		1.00	
Various Exterior Upgrades - Bo	599,000.00	490,955.76	4,633.75		103,410.49
Ventilation Study/Remediation-	20,000.00	17,728.71			2,271.29
Ventilation System Replacement	380,000.00	375,365.66			4,634.34
Vet Tech Animal Facility - Owe	10,000.00				10,000.00
Water Treatment Improvements -	39,000.00	27,686.00			11,314.00
Welding Booths-Big Sandy CTC	7,500.00	5,000.00			2,500.00
Welding Lab Relocation-Henders	70,000.00	4,401.50	43,337.05	18,322.50	3,938.95
Welding Lab-Maysville Communit	8,500.00	8,315.00			185.00
Welding Shop Upgrade-Big Sandy	40,000.00		24,550.00	6,200.00	9,250.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Whitesburg Center Roof Replace	188,000.00	184,774.65			3,225.35
Wind Turbine Electrical Instal	26,000.00	20,462.75	475.25		5,062.00
DEPARTMENT TOTAL	\$255,997,016.90	\$167,929,528.32	\$24,232,783.44	\$31,119,440.82	\$32,715,264.32
CABINET TOTAL	\$5,862,431,116.95	\$3,510,628,380.90	\$331,812,055.49	\$112,374,675.80	\$1,907,616,004.76

Tourism, Arts and Heritage Cabinet

Kentucky State Fair Board

Administrative Office Remediat	286,660.12		283,566.07	15.00	3,079.05
Asbestos Survey of Kentucky Ex	28,600.00			28,600.00	
Asphalt Repairs-KEC	150,000.00		100,846.30		49,153.70
Cardinal Stadium Bleacher Remo	100,000.00	15,552.50			84,447.50
Cardinal Stadium Plumbing Proj	9,853.81	9,853.81			
Cardinal Stadium Repair	118,125.60	113,308.10			4,817.50
Cardinal Stadium Structural Sa	15,000.00	7,596.25			7,403.75
Concrete Repairs	93,450.72	93,450.72			
Concrete Repairs	24,214.86	24,214.86			
Conference Carpeting	115,907.58	115,907.58			
Cowger Parking Garage Repair	397,402.88	397,402.88			
D Wing Emergency Mechanical Tu	49,500.00	3,554.61		1,549.92	44,395.47
Design and Construction of the	35,000.00			34,220.00	780.00
East Hall Lighting Project	186,585.63	186,585.63			
East Hall Meeting Rooms Enhanc	94,920.49	94,920.49			
Emergency KICC Sewer Lift Stat	142,119.45	142,119.45			
emergency Tendon Repair-Common	109,104.93	109,104.93			
Engineering Study of Heli Expo	48,000.00		42,670.00	5,330.00	
FH HVAC Pan Coil Phase II	381,067.88	381,067.88			
Flood Damage KEC	33,556.30	33,556.30			
Freedom Hall & Assocaited Area	3,100,000.00	398,804.65	1,666,077.49	825,591.38	209,526.48
Freedom Hall Sewer Line Replac	3,224,000.00		275,682.62	15,958.00	2,932,359.38
H Lot Modification	117,306.80	117,306.80			
HVAC Repairs-Hail Damage Facil	2,360,000.00	1,912,384.18	304,384.49	3.75	143,227.58
Hyatt Garage Concrete Repair	374,878.63	374,878.63			
KFEC Roof Hail Damage	499,500.00	304,169.01	8,163.72	15,210.00	171,957.27
KICC Review of Brick Issues at	28,650.00		22,612.50	1,012.50	5,025.00
KSFB Consultant Fees	12,312.50	9,602.50	2,710.00		
Ky International Convention Ce	16,435,607.00		2,667,397.80	12,495,458.70	1,272,750.50
Life Safety Evaluation-Freedom	42,975.00	42,975.00			
Master Plan-KEC	250,000.00		83,251.11	139,000.00	27,748.89

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Mechanical Electrical Minor Pr	46,237.19	46,237.19		762.81	(762.81)
North Wing & Associated Areas-	248,000.00	156,188.95	45,574.05	43,600.00	2,637.00
Parking Garage Maintenance	2,247,000.00	943,480.04	971,842.88	328,846.08	2,831.00
Pavillion Wall Repair at KEC	19,800.00	19,800.00			
Phase II Emergency repair at H	399,710.89	399,710.89			
Realign Architectural Facade	13,731.25	13,731.25			
Renovate East Wing/East Hall	58,405,500.00	58,403,986.43			1,513.57
Repair KEC Water lines	27,147.04	27,147.04			
Repair Wall at West End of Exh	1,625.00	1,625.00			
Rigging/Lighting Evaluation fo	18,820.00	18,820.00			
Roof Repairs Horse Barns	875,600.00	796,132.12		2,850.00	76,617.88
Security Camera @ KEC & KICC	397,821.46	397,821.46			
Sewer Line and Sinkhole Repair	25,000.00	5,075.16	5,500.00		14,424.84
South Wing & Associated Areas-	421,000.00	226,785.00		84,575.00	109,640.00
South Wing C Construction	48,573,500.00	48,533,078.84		40,400.00	21.16
Temporary Storage Building (Ca	17,088.50	17,088.50			
Traffic Flow Master Plan Study	113,449.16	113,449.16			
Upgrade HVAC Systems	2,000,000.00	1,861,713.33		24,986.30	113,300.37
West side ceiling cleaning - F	118,600.00		52,520.00		66,080.00
West Wing & Associated Areas-H	530,000.00	243,585.17		65,075.00	221,339.83
Windstorm 7/19/12	157,094.12	157,094.12			
Windstorm Damage Repairs	348,870.09	348,870.09			
DEPARTMENT TOTAL	\$143,869,894.88	\$117,619,736.50	\$6,532,799.03	\$14,153,044.44	\$5,564,314.91
Kentucky Historical Society					
History Center Casework Purcha	250,000.00	249,617.85			382.15
HVAC Evaluation at Center for	10,000.00				10,000.00
Ky History Center Security Upg	238,000.00	237,969.88			30.12
DEPARTMENT TOTAL	\$498,000.00	\$487,587.73			\$10,412.27
Kentucky Center For The Arts					
Admin Restrooms Renovations	24,500.00		24,215.00		285.00
Barnes Resource Center	10,700.00		10,700.00		
Brick Wall Removal & Leak Repa	39,000.00			37,000.00	2,000.00
East Room Restrooms	56,800.00	5,850.00	50,933.00		17.00
East Room/Bar Expansion	114,905.00	15,310.20	97,913.48	1,632.46	48.86
Emergency Switchgear Replaceme	96,000.00				96,000.00
Fan Exhaust Replacement	10,000.00		9,550.00		450.00
Humidification Boilers	63,500.00				63,500.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Lobby Bars	30,000.00	7,215.60	13,619.86		9,164.54
Lobby Renovation	1,561,030.00	1,559,957.73			1,072.27
Mary Anderson Finishes	40,000.00	39,990.00			10.00
Paint Shop Exhaust	7,600.00	7,340.90			259.10
Replace Bomhard Loading Dock S	7,000.00				7,000.00
Roof Repairs	25,000.00	9,880.80		14,950.00	169.20
Roof Replacement	118,000.00		64,900.00	53,100.00	
Safety Stair Edging	55,200.00		53,999.50	0.50	1,200.00
Security System Upgrade	69,000.00	16,837.16	51,408.33		754.51
Whitney Hall Pit Safety Net	14,000.00	13,900.00			100.00
DEPARTMENT TOTAL	\$2,342,235.00	\$1,676,282.39	\$377,239.17	\$106,682.96	\$182,030.48
Kentucky Fish And Wildlife Resources					
Advanced Land Acquisition	300,000.00	7,900.00	(7,900.00)		300,000.00
Airport Ramp	25,000.00	19,491.60			5,508.40
Archery Ranges	100,000.00	49,962.19	50,000.00		37.81
Ballard Humphrey Creek Levee R	39,502.79	19,079.46	20,423.33		
Ballard Office	454,000.00		24,674.55	403,194.50	26,130.95
Beaver Lake Property	300.00	300.00			
Boone Property	3,217,117.20	3,209,614.20	7,503.00		
Camp Currie Dining Hall	60,000.00				60,000.00
Camp Wallace Sewage Treatment	200,252.67	200,226.42	26.25		
Camp Webb Fishing Dock	70,000.00				70,000.00
Cedar Creek Reservoir Boundary	4,134,000.00	4,134,000.00			
Clark Estate Levee Project	160,000.00	43,375.33	60,939.52	30,248.70	25,436.45
Clean Vessel Act V-18	89,600.00		30,272.52	48,685.65	10,641.83
Conservation Camp Maintenance	5,000.00		3,697.82		1,302.18
Cove Spring #1	1,495,000.00	1,374,608.60	72,357.94		48,033.46
Dabney Property	34,415.00	34,415.00			
Duck Island Levee Protection	120,000.00			96,200.00	23,800.00
East Fork Little Sandy #4	817,700.00	788,381.64	5,406.00	5,813.24	18,099.12
Eddy Creek Transient Dock	78,400.00				78,400.00
F&W Headquarters Maintenance P	35,500.00	9,399.74	21,245.00	3,252.00	1,603.26
Fees-in-Lieu-of Stream Mitigat	1,185,800.00				1,185,800.00
FEMA Dock Repairs	101,426.14	98,151.30	3,274.84		
FILO - Archaeological Surveys	50,000.00				50,000.00
FILO - Bolts Fork	1,212,900.00	1,125,428.75	22,000.00	50,500.24	14,971.01
FILO - Brushy Creek Emergency	118,786.92	118,786.92			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
FILO - Buck Creek - Timberwood	1,667,412.50	1,567,412.50			100,000.00
FILO - Buck Creek SARP	80,000.00	79,973.86			26.14
FILO - Eagle Creek Tributary	1,437,400.00	208,866.20	19,100.35	220,569.75	988,863.70
FILO - Elm Fork	1,468,000.00	1,035,879.48	288,616.79	62,969.67	80,534.06
FILO - Hatchery Creek	1,807,000.00	368,514.83	573,043.01	792,095.24	73,346.92
FILO - Laurel Creek Gorge	1,353,625.48	1,317,093.43			36,532.05
FILO - Louisville Rd	10,000.00				10,000.00
FILO - Preliminary Title and S	50,000.00	22,085.50	4,970.00		22,944.50
FILO - Puncheon Creek	786,700.00	489,098.89		236,683.11	60,918.00
FILO - Rogers Gap	13,100,000.00	8,534,623.00	2,027,870.11	1,080,556.80	1,456,950.09
FILO - Salt Lick	1,647,800.00	1,172,291.02		190,864.04	284,644.94
FILO Big Sandy Service Area	540,000.00	450,560.05	52,738.66		36,701.29
FILO Laurel Gorge Greene Johns	532,000.00	470,286.02	245.00		61,468.98
Filo Pond Creek Project	100,000.00		7,550.52	89,354.48	3,095.00
FILO Ross Creek	1,650,000.00	1,330,534.86	70,506.40	158,057.48	90,901.26
FILO Sinking Valley	1,700,000.00	1,617,543.67	25,665.18		56,791.15
FILO-Big Farm	937,100.00		884,700.25	40,658.75	11,741.00
FILO-Big Sandy RSA 2015-2016	50,000.00				50,000.00
FILO-Blue Spring Creek Project	842,500.00	157,144.00	187,243.50	498,062.50	50.00
FILO-Boyd's Creek Barren Count	10,000.00		2,100.00		7,900.00
FILO-Brushy Creek II - Greenup	154,635.00	141,571.50	13,063.50		
FILO-Brushy Repair #3	550,000.00	20,000.00			530,000.00
FILO-Buck Creek Pumphrey's 1	236,750.00	215,493.39	14,241.42		7,015.19
FILO-Bullskin Creek-S Fork KY	208,699.72	208,699.72			
FILO-Burnett Branch, Wayne & M	871,200.00		83,960.00	341,818.91	445,421.09
FILO-Claysville Land Acquisiti	281,500.00	275,282.00		6,218.00	
FILO-Crane's Nest Creek	527,853.00	464,929.47	4,956.70	26,079.35	31,887.48
FILO-E.F. Little Sandy Johnson	1,616,400.00	1,566,276.21	21,449.83		28,673.96
FILO-East Fork Indian River	1,192,910.00	189,040.25	340,837.19	343,831.09	319,201.47
FILO-East Fork Little Sandy #5	775,000.00	100,598.80		75,401.20	599,000.00
FILO-East Fork Little Sandy Su	2,152,600.00	1,830,568.15	28,139.70	291,093.45	2,798.70
FILO-East Fork Sandy River	336,238.21	336,238.21			
FILO-Elisha Creek-Leslie Co	788,700.00	697,290.54	14,946.00	45,911.00	30,552.46
FILO-Farmer's Creek	90,000.00				90,000.00
FILO-Goose Creek	588,100.00	175,560.06	137,165.00	266,524.94	8,850.00
FILO-Green River Enhancement	45,200.00	45,200.00			
FILO-JP,LC,Green RSA 2015-2016	50,000.00				50,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
FILO-Kinniconick-Bs River	1,819,987.00	1,803,194.98		5,672.57	11,119.45
FILO-Laurel Fork-Guy Cove	1,806,300.00	1,672,035.18		38,256.24	96,008.58
FILO-Laurel Gorge-Howard Tract	10,000.00		1,750.00		8,250.00
FILO-Laurel Gorge-Smith Tract	114,000.00		19,255.36	4,059.64	90,685.00
FILO-Laurel Gorge-York	25,000.00		1,750.00	13,460.00	9,790.00
FILO-Laurel Tribs-Rowe Flats	1,750.00		1,750.00		
FILO-Left Fork Trace Creek-You	266,371.67	266,371.67			
FILO-LK,LL,Salt RSA 2015-2016	50,000.00				50,000.00
FILO-Lock and Dam 6	100,000.00			99,000.00	1,000.00
FILO-Locust Creek-Lawrence Cou	698,402.00	621,913.64	8,204.67	2.00	68,281.69
FILO-Long Term Maintenance 201	50,000.00	1,684.37	5,448.61		42,867.02
FILO-Long Term Maintenance 201	155,000.00		109,468.65	10,689.61	34,841.74
FILO-Mart Whitt Fork, Elliott	410,000.00	10,825.00	389,773.50		9,401.50
FILO-Middle Creek-Bs River	876,664.53	876,664.53			
FILO-Mill Creek	187,050.00	165,861.81	2,562.61		18,625.58
FILO-Myer's Station, Nicholas	422,600.00	101,320.25	90,918.50	230,318.06	43.19
FILO-Obion Creek II	781,000.00	545,557.49	89,661.85		145,780.66
FILO-Obion Creek/Mississippi R	64,852.99	64,852.99			
FILO-Old Trace Creek, Lewis Co	2,360,000.00	307,011.50	183,839.53	1,587,536.97	281,612.00
FILO-Red Lick-KY River	101,499.51	101,499.51			
FILO-Rich WMA-Red Oak Creek	100,000.00		49,007.50	11,212.50	39,780.00
FILO-Ross Creek II	200,410.00	22,981.93	162,498.57		14,929.50
FILO-Slabcamp/Stonecoal Branch	1,905,000.00	1,773,765.66	67,753.10		63,481.24
FILO-South Fork Curry Creek Ol	978,900.00	829,969.12	27,487.09		121,443.79
FILO-Southeast Commnty College	59,376.77	59,376.77			
FILO-Stream Restoration Otter	470,000.00	55,455.92	61,370.09	333,399.99	19,774.00
FILO-Trammel Creek-Allen Count	862,500.00	676,851.01	8,899.01		176,749.98
FILO-UKY,UL,UC RSA 2015-2016	50,000.00				50,000.00
FILO-Upper Cane Creek Of Red R	1,029,200.00	314,355.79		75,436.60	639,407.61
FILO-Whites Creek	50,000.00		11,647.60	24,616.00	13,736.40
FILO-Wolf Run Jefferson Cty Me	450,000.00				450,000.00
Fishing Pier - Logan Hubble	15,000.00	15,000.00			
Forks Dam Repairs	8,039.35	476.00	7,563.35		
Forks Mussel Research Facility	452,622.48	452,622.48			
Forks Roof-Gutter Maintenance	6,000.00		5,700.70		299.30
Gratz Boat Ramp	68,044.63	68,044.63			
GRN Lower Cumberland and JP Se	50,000.00	7,100.00	8,300.00		34,600.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Guist Creek Lake Fishing Pier	45,000.00	44,248.83			751.17
Harper Property	294,221.00	10,050.00	284,171.00		
Harrison Fork Project	207,600.00	160,594.44	869.68		46,135.88
Hatchery Feasibility Study	137,531.39	137,531.39			
Hazardous Material Mitigation	39,000.00		32,734.90		6,265.10
Jonathan Creek Courtesy Dock	31,500.00	21,876.00	5,464.83		4,159.17
Kincaid Lake Renovation	25,000.00	23,585.62			1,414.38
Kingfisher Lake Renovation	100,400.00	48,145.64	43,702.13	1,995.00	6,557.23
Kleber Storage Shed	52,418.00	52,418.00			
Lake Beshear	56,000.00		47,289.00		8,711.00
Lewisport Boat Ramp	50,000.00		26,642.67		23,357.33
Lloyd WMA Maintenance	40,000.00		14,300.00		25,700.00
Lower Licking, Ky and Self Ser	50,000.00	30,353.00	2,974.90		16,672.10
Marion County	107,000.00	21,030.80	76,154.00	4.20	9,811.00
Minor CLark HVAC Boiler Replac	20,000.00			5,000.00	15,000.00
Minor's Creek-Owen County	1,181,300.00	521,364.00	149,840.69	458,933.31	51,162.00
Otter Creek Park	282,643.16	282,643.16			
Otter Creek Renovation	200,000.00	190,502.01			9,497.99
Otter Creek Rifle Range	47,139.21	36,571.00	10,568.21		
Patterson Island Rock	136,816.83	136,816.83			
Peter Creek Restoration	75,000.00	61,457.15		8,000.00	5,542.85
Pfeiffer Hatchery Renovation	5,800,000.00	4,881,647.42	114,321.44	1.00	804,030.14
Pinckneyville Ramp Design	115,000.00	19,430.00	11,368.52		84,201.48
Pistol Ranges	4,000.00		3,917.00		83.00
Preliminary Land Title and Sur	114,989.55	111,233.75	3,755.80		
Preliminary Title and Survey-L	207,000.00		85,215.48		121,784.52
Red Oak Creek	1,072,600.00		1,055,920.50		16,679.50
Shooting Range Upgrades	50,000.00	869.45	1,051.25		48,079.30
Shultz Creek	73,672.36	73,672.36			
Somerset Office Maintenance	40,000.00			4,000.00	36,000.00
Stream Mitigation-Balls Fork	84,999.85	84,999.85			
Terry's Branch-Balls Fork	738,500.00	659,176.48	10,376.61	1,451.00	67,495.91
Upper Laurel Fork-Blaine Creek	699,479.88	698,405.17	1,074.71		
Upper Service Areas	60,000.00	20,157.00	3,708.00	3,702.69	32,432.31
Williamsburg Office	6,074.00	5,600.00	474.00		
DEPARTMENT TOTAL	\$83,640,480.79	\$55,470,948.34	\$8,417,535.49	\$8,321,391.47	\$11,430,605.49

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Kentucky Horse Park					
Administration Bldg Renovation	15,000.00	15,000.00			
Barn Repair	120,000.00	120,000.00			
Barn Repair & Renovation FY200	190,000.00	190,000.00			
Barn Repair FY2007	50,000.00	50,000.00			
Big Barn Project FY09-10	1,193,667.00	1,076,468.30			117,198.70
Big Barn Structural Repair	54,931.46	54,931.46			
Building Repairs	50,000.00	50,000.00			
CA Lounge Repair 2004-06	12,000.00	11,977.41			22.59
Campground Electrical Upgrade	6,693.67	6,693.67			
Campground Entrance Renovation	5,000.00	5,000.00			
Campground Pool Deck Replaceme	20,000.00	19,954.65			45.35
Campground Renovation FY2010	20,000.00	19,970.00			30.00
Campground Site Furnishings	20,000.00	20,000.00			
Construct Covered Arena Diner	50,000.00	49,985.25		13.75	1.00
Covered Arena Mep Upgrade	10,000.00	10,000.00			
Covered Arena Upgrade	49,000.00	49,000.00			
Cross Country Course Renovatio	21,500.00	21,290.00	210.00		
Deferred Maintenance Fence Rep	322,000.00	321,723.61			276.39
Dressage Complex Water Fill St	5,000.00	5,000.00			
Eclipse Road Bridge Repairs KH	39,800.00	39,800.00			
Emergency&PA Announcement Syst	5,000.00				5,000.00
Employee Housing Repairs FY11-	16,000.00	16,000.00			
Energy From Waste Facility - A	1,950,000.00	1,591,029.00			358,971.00
Equine & Show Office Upgrades	7,000.00	7,000.00			
Equine Ring Maintenance FY 200	200,000.00	199,908.31		91.69	
Equine Ring Maintenance FY11-F	80,000.00	80,000.00			
Equine Ring Maintenance FY13-F	90,306.33	90,306.33			
Equine Ring Renovation FY14	140,000.00	139,971.68	28.32		
Facilities Painting FY13-FY14	100,000.00	100,000.00			
Facilities Roofing Repairs FY1	50,000.00	50,000.00			
Facilities Upgrade & Repair FY	408,500.00	405,976.34	2,022.00		501.66
Facility Paint FY15-FY16	50,000.00		7,319.96		42,680.04
Facility Painting FY11-12	125,000.00	125,000.00			
Facility Painting FY2009-2010	148,400.00	148,400.00			
Facility Upgrade & Repair FY1	195,700.00	195,700.00			
Facility Upgrade and Repair FY	120,000.00		31,278.80		88,721.20

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Fence & Facility Paint FY2007	150,000.00	150,000.00			
Fence Repair	135,000.00	135,000.00			
Fence Repair FY13-FY14	25,000.00	25,000.00			
Fence Repair FY15-FY16	25,000.00		16,975.95		8,024.05
Fencing Repair & Replacement F	75,000.00	75,000.00			
Food Service Repair & Upgrade	15,000.00	13,293.90	1,102.92		603.18
General Consulting Services	19,500.00	17,083.10		2,000.00	416.90
General Repair and Renovation	286,700.00	286,674.00			26.00
Grooms Village Preparation & M	10,000.00	10,000.00			
KHP - Emergency Repairs Covere	200,000.00		139,101.11	56,195.17	4,703.72
KHP Paving Project FY13-FY14	60,000.00	60,000.00			
KHP Sign Project FY13-FY14	18,000.00	9,760.25	1,240.00		6,999.75
KHP Signage Project	89,500.00	87,583.81			1,916.19
KHP Tenant Repairs FY11-12	50,000.00	50,000.00			
KHP Tenant Repairs FY13-FY14	40,000.00	40,000.00			
KHP-Farrier Shed Replacement	45,000.00			4,000.00	41,000.00
KY Horse Park Indoor Arena	47,760,000.00	47,684,946.91		6,602.50	68,450.59
Landscaping FY 2007	196,000.00	196,000.00			
Landscaping Renovation FY11-12	160,000.00	160,000.00			
Landscaping Renovation FY13-FY	90,000.00	90,000.00			
Landscaping Renovation FY15-FY	50,000.00		46,742.47		3,257.53
Landscaping Renovation FY2009-	219,000.00	218,841.26			158.74
MEP Repair and Upgrade FY15-FY	110,000.00		67,368.43	1,397.28	41,234.29
MEP Repairs & Upgrades FY11-12	339,000.00	339,000.00			
MEP Repairs & Upgrades FY13-FY	260,000.00	259,787.48	104.26		108.26
MEP Repairs & Upgrades FY2009-	284,998.59	284,069.44			929.15
MEP System Upgrade/Repair	91,349.30	91,349.30			
Motel Site Preparation	10,000.00	9,493.66			506.34
Museum Flooring Replacement	20,000.00	20,000.00			
Museum Lobby Renovation	10,000.00	10,000.00			
National Horse Center Repairs	25,000.00	25,000.00			
Parking Booths Construction	40,000.00	40,000.00			
Phone Line Relocation	7,000.00	6,907.54			92.46
Playground Relocation & Site U	20,000.00	20,000.00			
Roofing Repair FY15-FY16	50,000.00		11,421.40		38,578.60
Roofing Repairs FY13-FY14	15,000.00	15,000.00			
Surveillance/Ticketing Enhance	200,000.00	200,000.00			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
WEG Outdoor Stadium	24,742,000.00	24,728,188.72			13,811.28
Wireless Network Infrastructur	127,691.98	127,691.98			
DEPARTMENT TOTAL	\$82,011,238.33	\$80,771,757.36	\$324,915.62	\$70,300.39	\$844,264.96
Kentucky Department Of Parks					
Audubon Museum Roof Replacemen	165,000.00	2,474.00	11,000.00		151,526.00
BB-Bison Pasture Relocation	40,000.00	39,705.29			294.71
BB-Development - HUD Grant	594,000.00	583,914.94			10,085.06
BB-Grocery Store Roof	5,000.00	3,422.25			1,577.75
BB-KHLCF-Piner Addition to Big	204,350.00		200,000.00		4,350.00
BBL-Museum Siding Repair	16,900.00		2,914.11		13,985.89
BB-Park Repairs	36,983.83	36,022.76			961.07
BB-Replace Pool Deck	23,598.50	23,166.65			431.85
Big Bone Park Improvement	102,200.00	102,175.68			24.32
BK - Marina Parking Lot and Ba	13,790.00		13,790.00		
BK - Park Upgrades	10,000.00	7,684.47			2,315.53
BK-Accomodations Upgrade	48,000.00	47,563.40			436.60
BK-Fire Damage Maintenance-Ins	191,616.96	184,297.12	5,110.00		2,209.84
BK-Lodge Roof Study	137,000.00	136,998.78			1.22
BK-Lodge Rooms Bathroom Floors	9,000.00	6,517.27			2,482.73
BK-Maintenance Area Study	20,000.00	14,444.70			5,555.30
BK-Marina Repairs	49,950.00	49,943.00			7.00
BK-Mechanical Upgrades	47,000.00	46,846.84			153.16
BK-Office Upgrades	50,000.00	45,437.16	150.00		4,412.84
BK-Paint & Repair Lodge	75,000.00	64,737.58	4,976.37		5,286.05
BL - Sewer Plant Area	20,000.00	19,764.77			235.23
BL - Telephone - Utility Upgra	46,000.00	44,773.63			1,226.37
BL-HVAC Replace Arlington	20,000.00	19,657.19			342.81
BL-Interpretive Trail Grant	36,000.00	35,141.81			858.19
BL-KHLCF- Bergey Land Swap	7,354.00	7,354.00			
BL-Lodge Painting and Repair	79,597.95	79,597.95			
BL-Musuem Repair-Mold Removal	208,700.00	51,542.87	156,086.45	45.00	1,025.68
BL-Old Washington Building Upg	40,759.57		27,446.94	149.00	13,163.63
BL-Replace Roof Lodge	135,000.00	131,671.24			3,328.76
BR - HVAC Repair Upgrade	14,000.00	13,999.89			0.11
BR - Repair Employee Residence	40,000.00	38,561.23	(253.07)		1,691.84
BR - Utility Repair/Upgrade	15,000.00	14,490.60			509.40
BR-Emergency Marina Ada Access	133,000.00	120,555.00			12,445.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
BR-Paint/Repair Bldgs	114,000.00	113,832.98			167.02
BR-Park Repairs	20,500.00	18,388.23	1,798.45		313.32
BR-Reroof 10 Beach Cottages	90,000.00	88,485.08			1,514.92
BR-Reroof And Paint Lodge	105,999.73	103,516.63	2,454.72		28.38
BR-Reroof Highland Shelter	8,700.00				8,700.00
BR-Structural Renovations Stud	58,150.00	41,159.00	3,988.50		13,002.50
Building Upgrades	40,000.00	39,994.30			5.70
Cabin Creek Covered Bridge	1,243,929.01	1,146,499.00	17,110.00		80,320.01
CB-Campground upgrades	190,000.00	189,989.27	9.97		0.76
CB-Paint Museum	11,060.00	10,956.28	96.66		7.06
CB-Various Repair Shelter Buil	27,999.99	27,966.13			33.86
CC - Employee Housing Repair	5,000.00		4,835.10		164.90
CC-Campground Shower House Rep	79,500.00	10,855.76	56,439.94		12,204.30
CC-Dining Room Upgrades	27,000.00	18,740.51	4,463.52		3,795.97
CC-Electrical Mechanical Repai	6,000.00	4,586.00			1,414.00
CC-HVAC Mechanical Upgrade	78,000.00	75,624.18	280.00		2,095.82
CC-Paint And Repair Cottages	75,000.00	68,847.66	4,019.40		2,132.94
CC-Park Repairs	24,000.00	17,992.03	3,463.25		2,544.72
CC-Repair Naturalist Area	25,000.00	24,995.76			4.24
CC-Replace Roof Employee Housi	31,800.00	29,249.65	1,014.84		1,535.51
CC-Roof Meeting Rooms	18,783.08	18,783.08			
CC-Sewer Plant Repairs	92,838.81	90,766.75			2,072.06
CC-Smokey Lake Dam Evaluation	5,000.00		4,070.00	930.00	
CF - Cottage Renovations	116,000.00		111,469.58		4,530.42
CF - Terrace - Dining Room Roo	798,500.00	283,599.15	494,306.62	11,330.01	9,264.22
CF - Woodland Duplex Cottage R	44,100.00		19,455.34		24,644.66
CF- Water Damage Repairs	71,500.00		32,107.86		39,392.14
CF-Campground upgrades	175,000.00	138,648.75	21,575.69	1,565.00	13,210.56
CF-Cooler Replacement	25,000.00	24,500.00			500.00
CF-Fire Tower	185,855.57	185,466.00			389.57
CF-HVAC Air Handler & Controle	223,956.00	27,905.95	180,271.78	13,090.86	2,687.41
CF-HVAC Air Handler & Controle	17,000.00				17,000.00
CF-Lodge Repairs	53,686.41	52,438.38			1,248.03
CF-Park Upgrades	60,000.00	55,457.94	4,307.02		235.04
CF-Renovate Cottages 506-510	155,300.00	141,521.36	4,679.41	946.45	8,152.78
CF-Sewer System Upgrades	122,500.00	117,881.16			4,618.84
CF-Structural Convention Ctr	25,000.00	7,157.38		1,500.00	16,342.62

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
CF-Structural Repairs-Insuranc	115,391.83	115,377.36			14.47
CK-Corp Compliance Repairs	34,400.00	30,324.81			4,075.19
CK-Roof Water Plant	5,000.00	4,940.48			59.52
CO - Equipment Purchase	213,441.13	211,813.98	1,624.06		3.09
CO - Equipment Purchase and Re	141,729.04	102,169.07	39,217.34		342.63
CO - Parks Small Project Repai	25,000.00		3,470.07		21,529.93
CO - Swimming Pool Upgrades	148,471.57	74,505.55	58,466.02		15,500.00
CO - Various Facilities Upgrad	53,000.00	51,667.22	1,258.09		74.69
CO - Various Park Interior-Fur	60,000.00	57,277.65	2,354.20		368.15
CO - Various Parks Maintenance	146,259.22	144,759.90	1,488.88		10.44
CO - Various Sewer System Upgr	170,217.13	138,026.48	27,190.65	5,000.00	
CO- Electrical Repairs and Pol	125,000.00		27,342.59	42,378.53	55,278.88
CO_Fireplace Repair Upgrade	25,000.00	14,735.99			10,264.01
CO0Mechanical Systems Repair	217,901.00	217,790.42	15.04		95.54
CO-14 Winter Water Damage Repa	400,000.00	26,415.00			373,585.00
CO-15 Winter Storm and Floor D	325,000.00		168,790.54	4,500.00	151,709.46
CO-2015 Winter Water Damage Re	100,000.00		40,614.44		59,385.56
CO-3 C's Structure Repair/WPA	100,000.00	1,423.70	24,458.50		74,117.80
CO-ADA Compliance	180,000.00		15,842.80	2,400.00	161,757.20
CO-Asbestos Various Parks	97,500.00	82,428.15	4,426.00		10,645.85
CO-Beech Fork Bridge Upgrade	1,939,300.00	10,647.80	800.00		1,927,852.20
CO-Boat Ramp Upgrades Various	30,000.00		17,694.07		12,305.93
CO-Boundary Surveys	30,000.00	24,619.07	4,717.87		663.06
CO-Campground Furnishings/Equi	700,000.00	699,807.34			192.66
CO-Camping Upgrade-Renovate	2,100,000.00	2,100,000.00			
CO-Chlorine Systems Upgrade	26,132.34	26,132.34			
CO-Dawkins Line signage	30,000.00	2,997.10			27,002.90
CO-Dining Room Area Repairs an	40,000.00		15,721.84		24,278.16
CO-Dining Room Chairs Replacem	92,279.20	20,988.00	71,291.20		
CO-Fire Protections Systems	50,000.00	48,816.86	1,183.14		
CO-Fire Safety Repairs and Fir	89,091.42		41,622.87	30,752.00	16,716.55
CO-Fire Safety Upgrades	1,200,000.00	1,140,814.72	41,201.14	11,988.57	5,995.57
CO-Golf Irrigation Satellite	9,000.00		8,850.00		150.00
CO-Golf Maintenance Equipment	156,000.00			145,348.90	10,651.10
CO-Hazardous Material Abatemen	27,500.00		14,671.00		12,829.00
CO-Hazardous Waste-Var Parks	100,000.00	83,088.27	425.00		16,486.73
CO-Infrastructure Repairs	271,070.38	270,978.24			92.14

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
CO-Lead Paint Mitigation EPA	8,000.00	3,392.34			4,607.66
CO-Lounge Consultant and Desig	10,000.00		5,020.00	2,805.00	2,175.00
CO-Maintenance Equipment	100,000.00	99,989.33			10.67
CO-Mattress Recycle Replace	20,000.00	16,591.35		3,408.65	
CO-Mechanical Equipment Repair	150,000.00		92,324.55	3,600.00	54,075.45
CO-Mechanical/Equipment Repair	185,092.00	134,231.17	50,860.83		
CO-Misc. Campground Equipment	25,000.00	19,529.82	5,309.00		161.18
Construct Convention Center -	2,000,000.00	2,000,000.00			
CO-Park Security Upgrades	40,000.00	39,641.38	313.00		45.62
CO-Parks Renovation Pool	315,902.74	315,902.74			
CO-Playground Mulch Repair and	75,000.00		13,150.40	40,085.00	21,764.60
CO-Pos System Upgrade	307,292.29	306,223.09			1,069.20
CO-PTAC Replacement	143,000.00	127,321.23	12,104.81		3,573.96
CO-PTAC Replacement	100,340.00	100,314.26			25.74
CO-Repair Mechanical Systems	200,000.00	199,983.77	16.23		
CO-Repair Park Signs	113,000.00	107,386.06	5,613.94		
CO-Replace Roof & Repairs Swit	75,000.00	4,240.00	47,652.65		23,107.35
CO-roof repair Mary Todd Linco	45,000.00	4,200.00	3,030.00		37,770.00
CO-Sewer and Water Line Repair	109,000.00		80,926.55	4,266.58	23,806.87
CO-Sign Repair and Replace	20,000.00	(2,147.43)	4,681.52		17,465.91
CO-Sign Repair and Replace	20,000.00				20,000.00
CO-Storm Damage Cleanup Trail	22,321.00	19,900.00			2,421.00
CO-Study Swimming Pools	59,000.00	58,659.34			340.66
CO-Transformer Removal	119,902.37	98,573.00	21,248.37		81.00
CO-Tree Maintenance	215,000.00		177,202.23		37,797.77
CO-Tree Maintenance & Removal	220,000.00	135,309.10	79,865.38	4,800.00	25.52
CO-Tree Trimming and Removal	230,000.00	224,954.01	4,996.00		49.99
CO-Tree Vegetation Maintenance	240,300.00	239,635.49			664.51
CO-Various Marina Upgrades	361,442.61	349,458.61	11,984.00		
CO-Various Mechanical Campgrou	50,000.00	29,777.93	15,318.00		4,904.07
CO-Various Special Maintenance	200,000.00	199,977.82			22.18
CO-Wireless Upgrades	65,000.00	61,352.79			3,647.21
Dawkins Line Scenic Trail	2,740,000.00	2,599,772.70	102,245.57	17,094.43	20,887.30
DH-Campground Sewer upgrade	20,000.00	17,614.52	100.71		2,284.77
DH-Golf Area Upgrades	50,000.00	44,207.55			5,792.45
DH-HVAC Mechanical Repairs	6,000.00	5,987.00			13.00
DH-Park Repairs	35,000.00	11,399.71	2,793.46		20,806.83

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
DT-Park Upgrades	32,900.00	10,480.57	8,525.50		13,893.93
EP - Electrical Repair and Upg	45,671.00		45,671.00		
EP - Pool Study/Repair	65,000.00	47,112.90			17,887.10
EP-Install Signage	25,000.00	11,944.92	373.17		12,681.91
EP-Planned Developments-Hort	223,008.78	204,089.67			18,919.11
EP-Site Improvements	37,000.00	35,893.16			1,106.84
EP-Site Improvements	100,000.00	43,844.15			56,155.85
EP-Various Drainage Work	20,000.00	19,789.41			210.59
Equipment Repair/Replacement F	581,545.52	95,764.98	480,814.76		4,965.78
FB - Fort Repairs - Upgrades	42,000.00	32,737.63	3,705.99		5,556.38
FB - Lift Station - Sewage	17,750.00	17,650.00			100.00
FB-Campground Lift Station	21,500.00	21,500.00			
FB-Correct Drainage Campground	33,999.97	33,469.12			530.85
FB-Mechanical-HVAC Upgrade	18,000.00	12,834.71	2,697.98		2,467.31
FB-Pool Upgrades	47,138.80	17,643.86	27,949.20		1,545.74
FB-Repair-Replace Camping Site	33,695.00				33,695.00
FB-Replace Fort Gates	31,700.00	30,688.27	279.96		731.77
FB-Roof & Repair Various Build	30,000.00	29,651.18			348.82
FB-Sewer Plant Study	10,700.00	10,631.70			68.30
FH-Museum Repairs	40,000.00	38,971.44			1,028.56
FH-Park Repairs	74,300.00	3,413.87	15,702.41		55,183.72
FH-Stone Wall Repairs	75,000.00	75,000.00			
GB - Dam Study	218,000.00	200,066.84	11,137.44		6,795.72
GB - Lodge Room Renovations	129,000.00		95,146.59		33,853.41
GB - Mechanical/Plumbing Repai	50,000.00		41,138.24		8,861.76
GB - Renovate Cottages	187,600.91	187,600.91			
GB - Turpin House Upgrade	40,999.50	23,560.25	20.00	15,175.00	2,244.25
GB-14 Winter Water Damage Repa	400,000.00	10,037.39			389,962.61
GB-Butler RTP Lake Trail Grant	19,140.88	19,140.88			
GB-Campground Sewer upgrade	30,000.00				30,000.00
GB-cottage Renovation	187,492.86	187,492.86			
GB-Cottage Upgrade-Repair	208,264.84	208,264.84			
GB-Emergency Dam Spillway Repl	70,000.00		9,979.67	32,072.33	27,948.00
GB-Lodge Complex Upgrade	230,000.00	208,778.21	(0.01)	13,407.09	7,814.71
GB-Lodge Roof Repairs	48,000.00	40,265.57	5,225.00		2,509.43
GB-Lounge Renovations	108,149.97	46,811.63	28,437.97	1,436.00	31,464.37
GB-New Park Signage	35,500.00	26,358.58			9,141.42

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
GB-Picnic Shelter Repairs	37,000.00	34,235.98			2,764.02
GB-Refinish Exterior Walkways	35,000.00	29,796.44	1,099.85		4,103.71
GB-Renovate 14 Lodge Rooms	168,700.00	105,718.84	21,483.80	260.00	41,237.36
GB-Replace Doors	19,500.00	19,248.10			251.90
GB-Roof Condition Assessment	11,500.00	3,253.20	7,425.00		821.80
GE-Golf Course Repairs	10,000.00				10,000.00
General Burnside - Sewer Conne	500,000.00	500,000.00			
GL-Various Repairs	69,000.00	30,550.99	38,317.20		131.81
GO - Building Repairs	22,000.00	15,587.30			6,412.70
GO-Culvert Repair	15,000.00	1,050.00			13,950.00
GO-Employee Residence Repairs	35,550.00		13,086.27		22,463.73
GO-Lodge Kitchen Reroof	45,000.00		25,275.00	15,625.00	4,100.00
GO-Lodge Transformer Replaceme	50,000.00			43,699.00	6,301.00
GO-Minor Repair Employee Housi	18,600.00	14,007.39	3,950.00		642.61
GO-Replace Lodge Cooling Tower	75,000.00	74,959.99	31.90		8.11
GO-Roof Repairs	11,700.00	11,700.00			
GR - Cultural Clearance Campgr	10,000.00	5,036.00			4,964.00
Green River - Sewer Connectio	500,000.00	355,866.82			144,133.18
GR-Renovate Bath Houses	45,000.00		36,990.69		8,009.31
JA-14 Winter Water Damage Repa	400,000.00	7,207.20	4,150.00	525.00	388,117.80
JA-Boat Dock Demolition	7,200.00	5,518.28			1,681.72
JA-Correct Drainage	5,000.00	4,481.18	500.00		18.82
JA-Dehumidification/Mechanical	32,000.00	16,850.00	3,570.00		11,580.00
JA-Exterior Repairs Various Bu	38,000.00	37,502.58			497.42
JA-Irrigation Pump Repair	15,200.00	14,712.66			487.34
JA-Life Station Repairs	8,262.70	8,262.70			
JA-Mechanical Equipment Replac	175,000.00	127,124.11	44,231.00		3,644.89
JA-Museum Exterior	35,000.00	4,347.19	10,277.08		20,375.73
JA-Renovate ADA Cottage	59,000.00	51,783.24	4,688.43	138.50	2,389.83
JA-Residence Upgrade	15,135.38	6,477.38	3,282.00	5,376.00	
JA-Storm Cleanup - repair	23,500.00	7,261.09	16,207.50		31.41
JD-Monument Reseat Upgrade	10,000.00	8,140.00			1,860.00
Jefferson Davis Monument Re-se	50,000.00			19,500.00	30,500.00
JW - Cottage Roof Replacement	53,500.00		47,837.06		5,662.94
JW - Lodge Room renovations	79,900.00		57,696.24		22,203.76
JW-14 Winter Water Damage Repa	400,000.00	41,890.96	2,348.80		355,760.24
JW-Campground Sewer Line Hooku	11,000.00			8,000.00	3,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
JW-Dining-Lounge Upgrade	101,000.00	92,479.98	657.92		7,862.10
JW-Exterior Concrete Repair	34,500.00		20,276.10		14,223.90
JW-Gas Line Repair	15,000.00		15,000.00		
JW-Kitchen Water Heater Replac	30,000.00	2,500.00	1,425.00		26,075.00
JW-Lodge Study	34,000.00	23,321.00			10,679.00
JW-Paint Lodge	132,000.00	129,218.65	134.60		2,646.75
JW-Park Improvements	103,078.67	50,648.66	52,430.01		
JW-Renovate Duplex Cottages	155,400.00	134,503.94	7,528.32		13,367.74
JW-Repair Landslide Failure	45,000.00				45,000.00
JW-Replace Roof Stumbo Confere	38,500.00			11,511.91	26,988.09
JW-Storm Damage-repairs	6,135.46	6,135.46			
JW-Water Damage Repair-Cottage	18,400.00		14,213.13		4,186.87
KC-Misc Water Plant Repairs	15,000.00	14,672.67	225.00		102.33
KD - Cottage Renovations	175,180.00		134,794.42		40,385.58
KD - Renovate Cottages	150,585.31	145,590.60	4,994.71		
KD - Roof Review-Repair-INS	134,000.00	125,770.56			8,229.44
KD - Window Repair and Replace	27,859.39		27,357.34		502.05
KD-Boat Ramp and Dock Repair	140,000.00			61,847.00	78,153.00
KD-Cooling Tower Repair	9,869.00		9,869.00		
KD-Cottage Improvements	200,000.00	199,787.77			212.23
KD-Cottage Renovation	211,207.45	204,665.75	6,404.27		137.43
KD-Debris cleanup	152,109.57	152,109.57			
KD-FEMA Storm Cleanup trees	413,775.00	413,710.34			64.66
KD-Golf Pro House-Cottage 124	6,874.59	6,874.59			
KD-Golf Signage Package	19,000.00	19,000.00			
KD-HVAC Upgrade Replace	56,911.00	38,311.60	17,466.40		1,133.00
KD-Ice Storm Cleanup	68,594.29	68,594.29			
KD-Lodge Roof Study & Repair	10,000.00	8,427.50		1,322.50	250.00
KD-Marina Electrical / Breakwa	138,000.00	62,550.24	821.89	54,900.00	19,727.87
KD-Paint Cottages	129,000.00	116,562.38	26,547.33		(14,109.71)
KD-Remodel and Paint Exterior	50,750.00		48,132.77		2,617.23
KD-Renovate & Repair Executive	184,000.00	174,876.35	7,250.51	1,470.75	402.39
KD-Renovate Cottages	190,000.00	190,000.00			
KD-Repair and Paint Exterior-9	50,000.00				50,000.00
KD-Replace Roof Golf Cart Bldg	10,700.00	11,617.41			(917.41)
KD-Replace Walk-in Freezer Ref	9,000.00		8,753.00		247.00
KD-Residence Repair 110-111 IN	28,550.08			20,525.00	8,025.08

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
KD-Village Green Roof & Repair	30,500.00	29,345.00			1,155.00
KDV-Repair Golf Course Shelter	4,075.00		963.52		3,111.48
KD-Washer Extractor	25,000.00				25,000.00
Kentucky Dam Village Roof Repl	1,040,000.00		103,008.54	51,415.00	885,576.46
KL - Campground Electric Upgra	32,000.00		19,569.80		12,430.20
KL - Water Softener System	25,000.00				25,000.00
KL-Cherokee Park Renovation	1,184,786.37	1,180,633.69			4,152.68
KL-Cherokee Shelter Drainage a	12,077.94		12,077.94		
KL-Chiller Replacement	168,000.00		105,284.82	33,205.00	29,510.18
KL-CMRF-Replace 4 Lift Station	100,000.00	98,934.28			1,065.72
KL-Encroach Earth Daddies Camp	3,000.00	3,000.00			
KL-Exterior Repairs - Drainage	25,091.41	23,767.53	850.11		473.77
KL-Lodge Boiler	8,000.00	4,493.50			3,506.50
KL-Storm Hail Damage Repair	60,000.00	58,608.72	6.70		1,384.58
KL-Storm Wind Damage Repair	35,000.00	34,134.75	0.24		865.01
KL-Structural - Park Repairs	34,649.89	36,275.86			(1,625.97)
KL-Upgrade Meeting Room Restro	40,000.00	31,924.41	3,081.51	3,510.00	1,484.08
KL-Utility Upgrade Repair	15,000.00	13,517.93			1,482.07
KL-Waste Collection Study	15,000.00	8,818.25			6,181.75
KN-Land Acquisition	500,000.00	17,471.25			482,528.75
KN-Managers Residence Bathroom	1,975.00	1,800.92			174.08
Lake Barkley Cottage Damage	40,000.00	20,605.81			19,394.19
Lake Cumberland Park Repairs	29,000.00		19,875.12		9,124.88
LB - Cottage Renovations and R	143,000.00		102,077.98		40,922.02
LB - Cottage Roof Replacement	46,035.00		25,827.89		20,207.11
LB - HVAC Repair Upgrade	9,500.00	9,500.00			
LB-Deck Repairs	58,000.00		51,088.86		6,911.14
LB-Indoor Pool Deck Repair	9,186.33		9,186.33		
LB-Lodge Swimming Pool Upgrade	93,000.00			5,445.00	87,555.00
LB-Mechanical Upgrade Repair	32,000.00	28,524.00			3,476.00
LB-Public Fishing Pier	45,000.00	36,052.80			8,947.20
LB-Repair and Paint Exterior-9	65,000.00				65,000.00
LB-Replace Flooring Public Are	50,000.00	43,350.34			6,649.66
LB-Replacement of Kitchen Boil	80,000.00	69,219.77			10,780.23
LB-Roof Various Buildings	25,000.00	23,776.62			1,223.38
LB-Roof Various Buildings	126,000.00	67,775.92	33,061.93	1,515.00	23,647.15
LB-Sprinkler System Repair	10,000.00				10,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
LB-Wastewater Collection Syste	45,828.72	44,341.59	1,487.13		
LC - Plumbing and Mechanical R	20,000.00		18,263.92		1,736.08
LC-14 Winter Damage Repair	452,000.00	254,944.23	155,133.99	19,870.00	22,051.78
LC-AAA Lodge Room Upgrades	186,861.93	159,022.61	27,784.32	55.00	
LC-Activity Center Minor Upgra	32,000.00	26,396.60	1,509.16		4,094.24
LC-Cottage Repair 502,503,504,	132,000.00	109,171.75	4,998.31		17,829.94
LC-Cottage Upgrades	175,000.00	173,402.39		1,596.53	1.08
LC-Kitchen-Mechanical Upgrades	14,000.00	10,428.88	3,128.08		443.04
LC-Minor Campground Upgrade	35,000.00	33,366.44			1,633.56
LC-Office Floor Covering	4,100.00	3,836.32			263.68
LC-Paint Wildwood Cottages	50,000.00		45,299.01		4,700.99
LC-Park Improvements	615,000.00	520,140.28	43,259.03	39,341.10	12,259.59
LC-Renovated Lodge Rooms	122,000.00		82,108.79	250.88	39,640.33
LC-Reroof Wildwoods	121,100.00	118,918.95	31.20	0.40	2,149.45
LC-Roof Study-Repair	5,000.00	1,000.00			4,000.00
LC-Roof Various Buildings	10,000.00	9,122.31			877.69
LC-Standard Cottage Renovation	160,000.00	160,000.00			
LH-Park Repair	32,144.79	2,529.84	29,615.00		(0.05)
LJ-Bath House and Clubhouse Re	16,200.00		5,976.29		10,223.71
LJ-Park Upgrade	1,066,000.00	1,065,952.90			47.10
LJ-Repair 3 C's Rest Room Bldg	14,900.00	13,759.23			1,140.77
LJ-Storm Damage Insurance	30,000.00	29,997.26			2.74
Miscellaneous IT Upgrades	145,400.00	145,000.00			400.00
Miscellaneous Parks Maintenanc	500,000.00	500,000.00			
Miscellaneous Parks Maintenanc	204,372.46	166,847.96	27,695.79	9,031.78	796.93
MK-Amphitheater Repairs	20,000.00		15,658.45		4,341.55
MK-Ampitheater Repairs	40,000.00	27,292.90	9,902.53		2,804.57
MK-Federal Hill Cemetery	15,000.00	2,200.00			12,800.00
MK-Golf Car Replacement	265,000.00	263,876.00			1,124.00
MK-Minor Camp Upgrades	60,000.00	33,003.11	1,228.72		25,768.17
MK-Misc Repairs Upgrade	21,000.00	11,645.83	2,762.01		6,592.16
MM-Repair Deck Steps	12,806.00				12,806.00
My Old Kentucky Home Visitor C	443,600.00		160,912.33	235,944.83	46,742.84
Natural Bridge Roof & Repair V	60,000.00	58,620.15	(0.04)		1,379.89
NB-Activity Center Deck and St	26,196.93		33,980.22		(7,783.29)
NB-ADA Restroom Activity Cente	500.00				500.00
NB-Asbestos Survey	3,000.00	3,000.00			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
NB-Cave Gate Grant	9,055.00	9,032.52			22.48
NB-Concrete Walkways	49,500.00	48,920.40	233.81		345.79
NB-Cottage Renovations	73,500.00		66,048.99		7,451.01
NB-Mechanical Repair Upgrades	91,500.00	72,375.82	17,623.95		1,500.23
NB-Renovate Cottages 207, 208,	148,980.00	125,820.35	5,579.96		17,579.69
NB-Trail Upgrades	16,000.00	15,849.85			150.15
NL - Building - Grounds Repair	189,000.00	139,702.28	(0.01)		49,297.73
NL - Electrical Repair-Insuran	107,127.54	105,094.89			2,032.65
OM-Parks Repairs	20,500.00		5,130.94		15,369.06
Parks - KHLCF Advance Land Cos	500,000.00	16,725.00	2,195.00	664.00	480,416.00
Parks 2014 Winter Water Damage	400,000.00	195,036.55	7,000.00		197,963.45
Parks-Landscape Maintenance	179,606.19	179,569.25			36.94
PB-HVAC Mechanical Upgrade	5,320.00	4,780.00			540.00
Perryville land acquisition sl	431,000.00	431,000.00			
PF - Golf Course Mitigation	142,000.00	117,546.49	8,075.00	16,150.00	228.51
PF - Telephone System Upgrades	7,500.00				7,500.00
PF-Beach Area	260,000.00	248,320.53	11,599.18		80.29
PF-Chiller and Chilled Water P	95,500.00		81,011.09	11,880.00	2,608.91
PF-FEMA Storm Cleanup	181,008.09	181,008.09			
PF-Golf Course Bunker Repairs	14,400.00	14,369.21		30.79	
PF-Ice Storm Cleanup	108,000.00	104,953.49	3,045.00		1.51
PF-Mold Remediation	18,600.00		14,179.82		4,420.18
PF-Park Upgrdes	55,000.00	29,083.51			25,916.49
PF-Residence Maintenance	15,000.00		13,711.60		1,288.40
PF-Roof Study Repair	177,000.00	157,727.96		7,864.44	11,407.60
PF-Sewer System Improvements	225,000.00	193,727.53	11,463.44		19,809.03
PF-Structural - Park Repairs	66,222.00	66,222.00			
PF-Trail Upgrades	5,000.00	4,302.77			697.23
PF-Upgrade Building Exterior	170,000.00	169,177.36			822.64
PF-Upgrade Exterior Lodge	52,060.67	52,060.67			
Pine Mountain Trail Developmen	2,331,307.00	2,026,744.88	4,160.00	11,510.49	288,891.63
PL-Repair Sidewalks & Various	18,000.00	18,395.62	41.09		(436.71)
PM - Paint and Repair rear of	21,800.00				21,800.00
PM-14 Winter Water Damage Repa	404,833.36	291,643.50	111,958.41		1,231.45
PM-Cottage Repair INS	24,469.21	14,431.25	9,895.79		142.17
PM-KHLCF Greene Property	58,794.03	58,745.88			48.15
PM-Lodge Roof Replacement & Re	18,000.00				18,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
PM-Lodge Roof Study Repair	2,000.00				2,000.00
PM-Mechanical Upgrade & Repair	14,948.32	14,948.32			
PM-Moisture Mitigation	5,000.00				5,000.00
PM-Reroof 3 Cabins and Ranger'	43,345.97		43,346.07		(0.10)
Rough River Dam Boat Dock	100,000.00		16,330.00	47,542.00	36,128.00
RR - Dock Relocation	23,500.00	9,464.00		14,005.00	31.00
RR - Exterior Repairs	80,000.00	29,319.43	8,485.98		42,194.59
RR - Install DDC Controls	19,000.00	18,547.50	452.50		
RR - Renovate Lodge Rooms	105,000.00	84,880.20	11,827.25	97.25	8,195.30
RR-Basketball Court	38,200.00	30,623.54			7,576.46
RR-Cottage Renovation	163,000.00	162,481.62	213.96		304.42
RR-Cottage Upgrade-Repair	90,000.00	71,499.97	1,977.76		16,522.27
RR-Lodge Electrical Study	9,050.00	5,346.80			3,703.20
RR-Mechanical Repair Upgrades	21,000.00	19,920.22	1,054.78		25.00
RR-Replace Cottage #212	1,000.00			838.50	161.50
RR-Settlement Study	75,000.00	9,510.04	8,675.00	8,864.96	47,950.00
RR-Storm cleanup repair	40,000.00	20,880.59	2,359.55	14,900.00	1,859.86
RR-Water Hookup/Grayson Co	80,000.00	71,381.31	6,925.74		1,692.95
TL-Horse Trail Upgrade	15,000.00		7,471.67	1,052.30	6,476.03
Upgrade Guest Accommodations	5,000,000.00		2,056,053.73	606,869.69	2,337,076.58
Upgrade Wastewater System-Ft B	93,200.00	12,062.60	49,358.30	20,364.10	11,415.00
Various Parks Maintenance	204,390.13	204,382.02			8.11
WH-HVAC Review/Repair	138,800.00	133,730.07	1,495.50		3,574.43
WH-Mansion HVAC-Mech Upgrade	21,600.00	21,592.21			7.79
WH-Minor Mansion Repairs	3,800.00	3,799.45			0.55
WM-Lift Station Electricity	15,000.00	2,644.11	734.09		11,621.80
WM-Repair Lifeway Building	4,000.00				4,000.00
WM-Restabliment Inerpretation	30,000.00	24,855.18			5,144.82
WV-Renovate Slave Quarters	100,000.00	99,278.33			721.67
WV-Window Repairs	30,000.00	13,282.14			16,717.86
WW-Plaster & Roof Repair	3,500.00	3,121.14	4.53		374.33
YL-Convert Fairways to Bermuda	91,000.00		91,000.00		
YL-HVAC Replacement	7,590.00	7,590.00			
DEPARTMENT TOTAL	\$58,048,417.88	\$36,267,036.35	\$8,125,882.41	\$1,818,589.10	\$11,836,910.02
Tourism - Office Of The Secretary					
Comprehensive Adventure Touris	400,186.36	357,462.66	42,500.00		223.70
FCC-Sound System Replacement	10,000.00			5,000.00	5,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Travel - Tech upgrade/Website	525,000.00	525,000.00			
DEPARTMENT TOTAL	\$935,186.36	\$882,462.66	\$42,500.00	\$5,000.00	\$5,223.70
Kentucky Artisans Center At Berea					
Artisan Center Facility Repair	60,000.00	49,659.48	1,550.00	7,780.00	1,010.52
HVAC Upgrades Artisan Center	140,000.00	136,795.80			3,204.20
DEPARTMENT TOTAL	\$200,000.00	\$186,455.28	\$1,550.00	\$7,780.00	\$4,214.72
CABINET TOTAL	\$371,545,453.24	\$293,362,266.61	\$23,822,421.72	\$24,482,788.36	\$29,877,976.55
Education & Workforce Development Cabinet					
Education Professional Standards Board					
Educator Preparation System	1,270,000.00		78,213.00		1,191,787.00
DEPARTMENT TOTAL	\$1,270,000.00		\$78,213.00		\$1,191,787.00
Education - Office Of The Secretary					
Hazardous Materials Pool	131,579.06	131,579.06			
KSLDS Data Quality Upgrade	636,000.00		32,596.76		603,403.24
KY Statewide Longitudinal Data	2,810,000.00	1,699,969.72	907,854.84		202,175.44
DEPARTMENT TOTAL	\$3,577,579.06	\$1,831,548.78	\$940,451.60		\$805,578.68
Department For Workforce Investment					
ATC Networking/Vesis	2,100,000.00	2,100,000.00			
Bowling Green Boiler Replaceme	21,000.00	21,000.00			
Bowling Green OET HVAC Renovat	382,601.00	381,440.11			1,160.89
C D Perkins Replace Refrigerat	123,299.95	123,299.95			
C D Perkins Upgrade Elevators	403,051.89	403,051.89			
Carl D. Perkins Kitchen Upgrad	209,910.00		189,113.83	12,733.75	8,062.42
Carl D. Perkins Rest Rooms Tow	412,578.49	405,731.64	6,846.85		
CD Perkins - Kitchen Renovatio	5,000.00				5,000.00
Construct Auditors Offices at	59,905.32	59,905.32			
Covington SOB Renovation Desig	30,000.00		9,777.50	5,352.50	14,870.00
Dormitory Restroom Upgrades-Ca	468,505.76	467,105.76	1,400.00		
Glasgow OET Roof Replacement	50,424.49	50,424.49			
Harlan OET Roof/Exterior Repai	116,711.58	116,711.58			
Harlan One-Stop Renovations	30,100.00	30,100.00			
Hazard OET HVAC Replacement	534,542.78	534,542.78			
Hazardous Material Projects	30,000.00		1,500.00		28,500.00
Hopkinsville HVAC Upgrade	30,000.00				30,000.00
LOET 1st Floor HVAC Renovation	470,000.00	464,982.91	5,017.09		
LOET 2nd Fl Mechanical & Elect	592,342.76	592,342.76			

**COMMONWEALTH OF KENTUCKY
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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
LOET Ground Floor HVAC Renovat	443,429.00	439,742.63	3,686.37		
Louisville Career Center Boile	229,700.00		7,627.63	198,031.57	24,040.80
Louisville Career Center Inter	4,000.00		1,900.00	1,850.00	250.00
Louisville OET Interior Reno 0	471,535.00	471,387.80		82.52	64.68
McDowell Center Electronic Acc	12,500.00	12,500.00			
McDowell Center ESPC/Green Ban	599,785.00	599,785.00			
McDowell center Miscellaneous	58,500.00	57,329.51	1,170.49		
McDowell Center Security Upgra	26,017.79			24,755.99	1,261.80
Paducah HVAC Renovation	543,200.00	20,887.75	485,512.80	9,339.28	27,460.17
Paducah OET-Parking Lot Upgrad	40,000.00	28,900.00			11,100.00
Signage Upgrade for DWI Facili	19,550.00	18,265.00			1,285.00
UI System Improvement	750,000.00			750,000.00	
UI System Integrity Enhancemen	666,200.00	666,000.00			200.00
UI/REA Data Integration Projec	661,600.00	408,990.69	252,608.52		0.79
Unemployment Ins. State Identi	975,600.00		465,191.17		510,408.83
Unemployment Ins. State Identi	14,480.00	14,024.00	456.00		
Unemployment Insurance System	1,550,000.00	1,545,786.85			4,213.15
Unemployment Insurance System	8,519,300.00	8,518,392.38			907.62
Winchester OET Interior Renova	229,146.70	229,146.70			
Women's Dormitory Restroom Upg	447,557.90		407,030.97	38,664.35	1,862.58
DEPARTMENT TOTAL	\$22,332,075.41	\$18,781,777.50	\$1,838,839.22	\$1,040,809.96	\$670,648.73
Department Of Education					
Education Technology Pool	49,945,216.10	49,945,216.10			
FFA Admin Bldg Roof Replacemen	80,000.00	64,684.72			15,315.28
FFA Campus Maintenance	50,000.00		21,100.00		28,900.00
FFA Leadership Training Center	2,000,000.00	2,000,000.00			
FFA Maintenance FY12	25,000.00	22,845.00			2,155.00
Kentucky Education Network	8,900,000.00	7,174,247.45		60.53	1,725,692.02
KSB Building Security	50,000.00	1,102.50	38,374.92	9,615.88	906.70
KSB Campus Construction	150,000.00		2,896.32	97,670.62	49,433.06
KSB Campus Electrical Improvem	197,900.00	197,900.00			
KSB Chimney Lining & Tuckpoint	67,500.00	67,485.32			14.68
KSB Classroom Complex Steam Li	189,000.00	187,991.01	1,008.39		0.60
KSB Cmapus Maintenance	500,000.00	373,691.94	77,612.04	20,512.87	28,183.15
KSB Evan Hall Renovation	225,512.68	5,075.00	159,573.73		60,863.95
KSB Food Service Upgrade	100,000.00	1,391.95	96,260.07		2,347.98
KSB Maintenance FY12	400,000.00	282,656.81	104,173.80	12,306.37	863.02

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NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
KSB Replace Steam Line (MH#1-M	248,000.00	232,760.24	14,264.17		975.59
KSB Reroof/Weatherproof Variou	202,124.99	200,148.32	1,976.67		
KSD Argo-McClure Phase 2	250,000.00	75,728.46	133,264.35	12,797.50	28,209.69
KSD Brady Hall IT	50,000.00				50,000.00
KSD Campus Construction	100,000.00		7,335.00	2,665.00	90,000.00
KSD Campus Maintenance	150,000.00	45,406.06	99,489.90		5,104.04
KSD Campus Security Upgrade	138,883.00	137,687.50	(67.91)		1,263.41
KSD Fosdick Hall Phase I	200,000.00		28,478.28	169,006.35	2,515.37
KSD Fosdick Hall Phase II	150,000.00			52,688.65	97,311.35
KSD Grow Hall HVAC Upgrade	170,800.00	168,441.40			2,358.60
KSD Maintenance FY12	459,643.75	425,004.43	32,360.75	1,637.75	640.82
KSD Pool Renovation	72,150.00	70,853.95			1,296.05
KSD Pool Repair	184,690.00		10,563.05	19,329.45	154,797.50
KSD Raze Old Lee Hall	197,000.00	184,382.83	10,836.43	0.74	1,780.00
KSD Tuck-Point Maintenance Bui	35,000.00	26,590.47	7,558.53	851.00	
KSD-Various Major Maintenance	3,274,000.00	2,958,800.70	205,571.96	8,433.27	101,194.07
Ky Statewide Longitudinal Data	3,184,400.00	2,358,891.10			825,508.90
Student Information System	13,998,895.66	13,998,895.66			
DEPARTMENT TOTAL	\$85,945,716.18	\$81,207,878.92	\$1,052,630.45	\$407,575.98	\$3,277,630.83
Kentucky Educational Television					
Building Slab Repair	180,500.00	127,363.49	22,607.16	16,980.84	13,548.51
Digital Conversion/Phase 3	2,000,000.00		322,105.93	9,896.49	1,667,997.58
Dtv-Sdtv/Hdtv Broadcast Transm	12,700,000.00	12,700,000.00			
KET Ashland Tower Ladder Repla	32,528.00	32,528.00			
KET Avid Editing System Upgrad	471,400.00		403,751.28	64,878.61	2,770.11
KET BROADCAST SERVER REPL	144,600.00				144,600.00
KET Digital Broadcast Equipmen	280,000.00		184,564.65		95,435.35
KET Green Bank ESPC Project	1,813,351.00	1,811,148.00			2,203.00
KET Misc Building Repair/Upgra	20,000.00	14,519.40	3,180.12		2,300.48
KET Network Center Mechanical	191,400.00	189,058.13	500.00		1,841.87
KET Security System Upgrade	64,578.58		64,578.58		
KET Transmissions Lines Upgrad	1,223,730.00	1,223,730.00			
KET-USDA DTV ANTENNA UPG	690,200.00		371,560.39	19,474.35	299,165.26
Madisonville Tower Reinforcing	80,000.00	80,000.00			
Replace Master Control & Produ	15,707,000.00	15,707,000.00			
Tower Painting	339,534.00	262,195.00	49,450.00		27,889.00
DEPARTMENT TOTAL	\$35,938,821.58	\$32,147,542.02	\$1,422,298.11	\$111,230.29	\$2,257,751.16

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
CABINET TOTAL	\$149,064,192.23	\$133,968,747.22	\$5,332,432.38	\$1,559,616.23	\$8,203,396.40
Health & Family Services Cabinet					
Office of the Kentucky Health Benefit Exchange					
KY Health Benefit Exchange Inf	196,700,000.00	91,255,468.51	42,822,356.43	1,918,558.35	60,703,616.71
DEPARTMENT TOTAL	\$196,700,000.00	\$91,255,468.51	\$42,822,356.43	\$1,918,558.35	\$60,703,616.71
CHFS - Office Of The Secretary					
CHFS Construct OATS & OIG	63,364.65		63,364.65		
CHFS Energy Management Analyti	20,000.00		9,026.58		10,973.42
KAMES	20,946,500.00	19,886,530.95	116,815.48	47,497.17	895,656.40
KASES II	24,599,421.33	21,254,183.87	904,823.41	192,858.28	2,247,555.77
Twist Rewrite	10,677,600.00	5,443,174.04	635,535.66	107,795.25	4,491,095.05
DEPARTMENT TOTAL	\$56,306,885.98	\$46,583,888.86	\$1,729,565.78	\$348,150.70	\$7,645,280.64
Office Of Inspector General					
KASPER	5,250,000.00	5,250,000.00			
DEPARTMENT TOTAL	\$5,250,000.00	\$5,250,000.00			
CHFS - Department for Aging and Independent Living					
Oak & Acorn General Repairs	8,112.50	4,262.50	3,850.00		
DEPARTMENT TOTAL	\$8,112.50	\$4,262.50	\$3,850.00		
Department For Public Health					
CHR Secure Parking Enclosure	103,000.00	100,675.03	1,980.00		344.97
DPH DOC Upgrades	320,000.00	124,967.36	178,878.49		16,154.15
Laboratory Newborn Screening E	573,480.00				573,480.00
Radiation Monitoring Equipment	2,486,000.00			216,768.50	2,269,231.50
DEPARTMENT TOTAL	\$3,482,480.00	\$225,642.39	\$180,858.49	\$216,768.50	\$2,859,210.62
Behavioral Health, Developmental & Intellectual Di					
Bingham Gardens - Abatement of	11,711.00				11,711.00
Bingham Gardens Fencing & Land	24,627.90	16,750.00	7,877.90		
Caney Creek Repair & Replace S	8,100.00		4,300.00		3,800.00
CHFS Generator Assessment, Upg	182,869.97	182,869.97			
Construct Replacement for East	129,005,000.00	127,527,109.39	658,672.91	1,954.43	817,263.27
CSH Demolish Cottages	136,000.00		14,504.50	26,217.50	95,278.00
CSH Fiber Optics & CCTV Upgrad	222,346.17	198,181.09	24,165.08		
CSH Nurse Call System	111,482.71	44,660.16	66,464.36		358.19
CSH Repair Chiller Bldg 201	33,827.44		33,827.44		
CSH Replace Bingham Roof	200,000.00			15,900.00	184,100.00
CSH Replace Power Cable	17,197.00				17,197.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
CSH Walk In Cooler-Freezer	94,256.39	94,256.39			
DBHDID Group Home Restroom Re	339,834.52	330,437.02	9,397.50		
Electrical System Upgrade at W	411,850.00	332,040.81	41,622.70	13,262.50	24,923.99
ESH Equipment Relocation to ot	525,378.22	447,085.25	44,161.32	24,845.15	9,286.50
ESH-Wendell Emergency Sprinkle	47,784.64	43,751.64	4,033.00		
GSNF Abatement of Hazardous Ma	40,607.89	3,692.89	36,915.00		
GSNF-Bathing Room Repair	40,000.00				40,000.00
Hazelwood Intermediate Care Fa	10,400,000.00	10,393,046.73			6,953.27
Hazelwood-Bathing Suite Upgrad	100,000.00				100,000.00
Hazelwood-Replacing Fire Escap	80,000.00				80,000.00
Hazelwood-Upgrade Fiber Optics	350,000.00			20,000.00	330,000.00
HZL Doorway Access Controls	79,126.19	79,126.19			
HZL Replace Windsong PCH Roof	19,895.00		19,895.00		
HZL Structure & Drainage Asses	307,000.00	42,967.87	216,321.48	46,290.68	1,419.97
HZLD Purchase Mechanical Equip	75,000.00				75,000.00
Install Sprinkler System-WSH	2,132,055.04	2,129,485.29	2,569.75		
KCPC Install & Replace Fence S	43,032.90	43,032.90			
KCPC Intercom Replacement	320,500.00	117,377.50	9,559.25	7,110.75	186,452.50
KCPC Security & Surveillance E	364,357.88	308,159.13		56,198.75	
Oakwood Cottage 104 Renovation	532,639.06	385,220.03	147,331.03		88.00
Oakwood Cottages HVAC Upgrade	590,275.98	543,912.93	46,361.60		1.45
Oakwood Parking Lot Maintenanc	30,000.00	14,049.45			15,950.55
Oakwood Repair Sprinklers	400,000.00	4,999.00	154,921.35	205,749.05	34,330.60
Oakwood Replace Roofs	291,000.00			16,500.00	274,500.00
Oakwood Specialty Clinic	2,490,000.00	146,132.43	486,763.03	1,583,956.44	273,148.10
Outwood Upgrade Exterior Doors	47,850.00		4,480.00	43,370.00	
Plan,Design&Construct Glasgow	20,000,000.00	19,563,312.36	276,773.29	54,198.73	105,715.62
Refinish Restroom Floor-KCPC	15,640.00	15,640.00			
Relocate GSNF Generator to WSH	325,000.00	272,538.28	47,556.47		4,905.25
Renovation of Patient Units KC	220,000.00			12,000.00	208,000.00
Renovations-GSNF Campus	250,000.00	20,440.27	25,483.34	29,450.23	174,626.16
Repair & Upgrade Plumbing HZLD	40,000.00		20,068.10	10.00	19,921.90
Repair and or Replace Security	100,000.00			8,000.00	92,000.00
Repair Asphalt HZLD Del Maria	18,865.00		18,865.00		
Replace Chiller CSH	300,000.00		2,313.35	200,810.00	96,876.65
Replace Fire Alarm Panel-Outwo	125,000.00		16,375.00	1,825.00	106,800.00
Replace Heat Exchanger WSH Bld	150,000.00			5,000.00	145,000.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Replace Meyers Roof HZLD	150,000.00		8,026.75	2,625.00	139,348.25
Replace Roof - Outwood	25,000.00		2,984.00	3,535.00	18,481.00
Replace Sprinklers-CSH	86,000.00			5,000.00	81,000.00
Site Water Line Repair- Bingha	7,164.00		7,164.00		
Upgrade Anti-Ligature Hardware	59,021.00			44,365.00	14,656.00
Upgrade Drainage Ditch - Inez	8,695.88		8,695.88		
Upgrade Renovate Nurse Station	169,915.00	18,070.51	149,058.66		2,785.83
Upgrades ESH	230,000.00		218,241.58	1,481.45	10,276.97
Upgrades to the Fiber Optic Ne	575,000.00			465,000.00	110,000.00
Upgrades to the Fiber Optic Ne	125,000.00		234.60	99,000.00	25,765.40
WSH Bldg #63 Elevator Replacem	350,000.00	21,921.25	1,900.00	31,878.75	294,300.00
WSH Installation of Tile	86,000.00	75,952.89		5,702.98	4,344.13
WSH Masonry Repairs & Tuck Poi	577,486.15	215,348.80	359,211.73	2,925.62	
WSH Replace Pump Racks	171,217.60	2,977.50	166,984.51	261.20	994.39
WSH Replace Roof Building 30 &	102,936.15	4,908.95	98,027.20		
WSH Security Upgrades	174,728.01	21,729.71	152,998.30		
WSH-Bathing Suite Upgrade	25,000.00				25,000.00
WSNF-Bathing Suite Upgrade	25,000.00				25,000.00
DEPARTMENT TOTAL	\$174,598,274.69	\$163,661,184.58	\$3,615,105.96	\$3,034,424.21	\$4,287,559.94
Department For Community Based Services					
Eligibility System Integration	80,000,000.00	1,824,206.50	23,436,138.91	28,600.13	54,711,054.46
DEPARTMENT TOTAL	\$80,000,000.00	\$1,824,206.50	\$23,436,138.91	\$28,600.13	\$54,711,054.46
Department For Medicaid Services					
Medicaid Eligibility System	50,000,000.00	16,280,640.58	5,156,649.73	631,548.73	27,931,160.96
DEPARTMENT TOTAL	\$50,000,000.00	\$16,280,640.58	\$5,156,649.73	\$631,548.73	\$27,931,160.96
CABINET TOTAL	\$566,345,753.17	\$325,085,293.92	\$76,944,525.30	\$6,178,050.62	\$158,137,883.33
Justice & Public Safety Cabinet					
Justice - Office Of The Secretary					
Medical Examiner Office - Reno	293,140.00		53,804.14	193,545.86	45,790.00
DEPARTMENT TOTAL	\$293,140.00		\$53,804.14	\$193,545.86	\$45,790.00
Department For Public Advocacy					
Case Management System	1,571,000.00	1,293,192.14	157,514.86		120,293.00
DEPARTMENT TOTAL	\$1,571,000.00	\$1,293,192.14	\$157,514.86		\$120,293.00
Kentucky State Police					
Academy Feasibility Study	42,000.00	36,817.00			5,183.00
Asbestos Abatement	7,500.00	7,500.00			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Building Improvement - -Accred	47,484.75	47,484.75			
Carpet Replacement Post 15 Col	2,107.38	2,107.38			
Demolition and Construction of	4,725,000.00	1,129,979.69	3,486,859.51	105,757.59	2,403.21
Emergency Environmental Testin	8,400.00	8,237.00			163.00
Emergency Maintenance to King	260,000.00	260,000.00			
Go Green Initiative	549,395.00	528,391.00			21,004.00
Headquarters - Repair Stairs	9,946.00	9,945.89			0.11
Headquarters Abatement Project	6,600.00	6,250.00			350.00
HQ Improvements	222,386.00		67,440.86		154,945.14
IT Building Sidewalks and Ramp	7,255.43	5,215.23	2,040.00		0.20
Kentucky State Police - CRASH	3,000,000.00	2,855,743.54			144,256.46
KSP Headquarters Roof Repair/R	139,750.00	137,661.56	2,081.08		7.36
KSP HQ Classroom Renovation	8,000.00	7,999.53			0.47
Lab Information Management Sys	600,000.00	576,877.52			23,122.48
Laboratory Information Managem	591,100.00	591,035.06			64.94
Louisville Road Campus Improve	97,280.91				97,280.91
Maintenance & Life Safety Upgr	349,795.01	58,527.23	178,931.37	7,568.25	104,768.16
Multiple Facilities HVAC Repai	355,000.00	317,509.05	18,760.10	1,200.00	17,530.85
Multiple Facilities Roof Repai	424,000.00	180,687.22	103,754.49	16,935.00	122,623.29
Old Church Demolition	40,000.00	33,221.06	6,704.00		74.94
Old Info Services Building Ren	8,393.75	8,393.03			0.72
Paint Booth Replacement	165,000.00	3,466.00	142,953.66	9,579.98	9,000.36
Parking Lot Paving HQ/IT Build	18,000.00	2,380.00	3,275.00		12,345.00
Post 1 Replacement Generator P	100,950.00		3,750.00	47,535.00	49,665.00
Post 13 Outdoor Lighting	2,860.00	2,860.00			
Post 14 Impound Lot	5,600.00	5,560.00			40.00
Post 15 Columbia Renovation	119,800.00	119,628.25			171.75
Post 3 Kitchen Remodel	2,324.92		1,155.72		1,169.20
Post 8 Lawn Tractor Replacemen	13,008.17		13,008.17		
Post 8 Parking Lot Repair	1,540.00	1,540.00			
Purchase Gas Chromatography/Ma	1,000,000.00		743,139.84		256,860.16
Radio Tech Building - Post 2	46,000.00	45,086.55	903.40		10.05
Raid Storage Expansion	670,000.00	670,000.00			
Repave Parking Lot - Post 4	20,000.00	19,729.80			270.20
Replace Cracked Walks - Post 1	4,772.00	4,771.35			0.65
Replace KSP Information Servic	207,700.00	161,716.84	27,476.87		18,506.29
Replace Records & Secure Evide	6,061,195.94	6,061,195.94			

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Replace/Upgrade Mobile Data Co	2,000,000.00		1,862,961.50		137,038.50
Replacement of Link	3,149,250.00	3,149,250.00			
Roof-Supply Building	396,309.50	334,128.70	4,400.00	900.00	56,880.80
Security Upgrades 1999	504,000.00	390,464.91	80,341.50	25,718.60	7,474.99
DEPARTMENT TOTAL	\$25,989,704.76	\$17,781,361.08	\$6,749,937.07	\$215,194.42	\$1,243,212.19
Department Of Juvenile Justice					
Adair YDC Chiller Maintenance	212,000.00	202,579.35		1,225.00	8,195.65
Adair YDC-Emergency Roof Repai	517,937.17	367,729.00	120,313.91	27,290.00	2,604.26
Ashland GH Repairs	23,641.51		15,000.00		8,641.51
Ashland Group Home Hillside St	191,995.99	166,288.49	25,707.50		
Boyd Co. Facility Site Improve	54,075.00		46,800.00	5,812.50	1,462.50
Boyd RJDC Roof Repairs	8,500.00		8,500.00		
Breathitt RJDC Fire Alarm Repl	140,000.00	119,561.85			20,438.15
Burnside Group Home Repairs	45,000.00	29,771.44	13,087.03		2,141.53
Carpet/Tile Replacement	75,000.00	50,000.00	24,642.36		357.64
CLEP Repairs and Upgrades	100,000.00		7,467.50	18,532.50	74,000.00
CLEP/Breathitt RJDC - Campus S	12,000.00		3,562.50	6,437.50	2,000.00
DJJ Abatement & Finish Repairs	27,915.45				27,915.45
DJJ Boiler Repair/Replacement	408,548.28	408,548.28			
DJJ Control Panel Replacements	83,455.50			7,920.00	75,535.50
DJJ HVAC Repairs/Upgrades	67,368.71			9,832.23	57,536.48
Envelop Stabilization-Various	232,000.00	143,698.36	47,105.75		41,195.89
Facility Furniture Repairs - V	160,000.00	138,178.62	21,821.38		
Fayette Roof Replacement	43,157.65	12,302.50	30,855.15		
Frankfort GH Repairs	17,350.00		17,350.00		
Grading to Correct Drainage-Va	20,524.60	20,524.60			
Green River Shower Upgrade	115,002.62		106,168.65	20.00	8,813.97
Green River YDC Roof Repair/Re	153,211.86		7,000.10	137,415.00	8,796.76
HVAC Repairs & Replacement	386,649.77	336,003.51	46,272.49	4,373.77	
JB Bldg Emergency Repairs	24,999.68	22,109.68	2,890.00		
Kitchen Upgrades and Repairs -	280,355.98	280,355.98			
Lake Cumberland Generator	184,000.00	22,838.05	155,285.20	991.00	4,885.75
Lake Cumberland Remodel	217,092.28	214,788.53	2,303.75		
Lincoln Village Repairs	6,665.00	6,665.00			
Lincoln village retrofit	330,446.79	321,475.49	8,971.30		
London RJDC Miscellaneous Repa	100,000.00	7,350.50	16,610.55		76,038.95
London RJDC Stabilization	594,922.00	564,235.76	3,500.00		27,186.24

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
LV Training Ctr Renovations an	34,214.64		14,209.50	8,705.00	11,300.14
McCracken RJDC - HVAC Repairs/	20,433.49			11,123.00	9,310.49
Owensboro TC Assessment	4,500.00	4,500.00			
Owensboro Treatment Center Rep	37,000.00	37,000.00			
Paving at Various Facilities	398,623.77	132,672.32	110,599.09	107,338.75	48,013.61
Phase II of the Djj Generator	66,815.01		18,909.86	10,050.00	37,855.15
Plumbing System Upgrade & Repa	119,846.54	38,064.09	13,333.79	4,500.00	63,948.66
Rice Bldg Structural Repairs	7,500.00		4,150.00		3,350.00
Rice Office Building Concrete	28,000.00	17,031.85	5,651.05		5,317.10
Statewide Abatement & Finish R	273,969.39	150,145.15	123,824.24		
Upgrade Fire Safety/Repair Mor	1,496,369.48	1,496,369.48			
Vocational Classroom HVAC Impr	218,067.99	157,970.41	60,097.58		
Warren RJDC Control Board Upgr	67,000.00	5,004.25	51,080.59		10,915.16
Woodsbend Tornado Damage Repai	2,960,814.31	2,832,872.82	70,761.94	19,575.16	37,604.39
DEPARTMENT TOTAL	\$10,566,970.46	\$8,306,635.36	\$1,203,832.76	\$381,141.41	\$675,360.93
Department Of Criminal Justice Training					
Bizzack Complex HVAC Repair	10,000.00		4,999.00	1.00	5,000.00
Funderburk Bldg. HVAC Replacem	201,000.00		86,265.00	105,335.00	9,400.00
Funderburk Building HVAC Upgra	110,335.00				110,335.00
McKinney Skills Indoor Range -	5,000.00				5,000.00
DEPARTMENT TOTAL	\$326,335.00		\$91,264.00	\$105,336.00	\$129,735.00
Department Of Corrections					
BCC Building Repairs	41,550.00	6,822.00	28,978.20	3,340.50	2,409.30
BCC HVAC Repairs	33,442.40	33,442.40			
BCC Lighting Upgrades	34,300.00			34,300.00	
BCC Medical Building Expansion	109,103.79	106,457.15	2,646.64		
BCC Plumbing Repairs	285,400.00	38,523.15	105,083.39	9,301.00	132,492.46
BCC Tractor Shed Rebuild	99,285.00	53,251.07	27,217.66	1,721.05	17,095.22
BCC-Emergency Generator	363,113.80	363,113.80			
BCC-Improve Lighting	90,758.95	90,758.95			
BCFC Building Repairs	34,251.91	34,251.91			
BCFC Building Roofs	635,300.00	18,282.50	18,925.00	583,631.00	14,461.50
BCFC Greenhouse	39,000.00	4,250.00	28,361.92	2,255.00	4,133.08
BCFC Horticulture Storage	18,000.00				18,000.00
BCFC HVAC Repairs/Improvements	33,300.00	32,800.25			499.75
BCFC Plumbing & Mechanical Sys	34,825.00		33,276.00		1,549.00
BCFC Water Plnat Improvements/	2,650.00	2,642.95			7.05

**COMMONWEALTH OF KENTUCKY
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STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
BCFC-Emergency Generators for	138,298.96	138,298.96			
BCFC-Sewage Plant Repairs	38,000.00	37,995.39			4.61
CRCC Dorm Improvements	133,612.00	133,322.04			289.96
Debris removal project for Nor	687,000.00	672,303.48			14,696.52
EKCC Drainage & Soil Erosion C	178,000.00		166,145.09	9,856.25	1,998.66
EKCC Electrical Improvements	20,000.00				20,000.00
EKCC Elevator Repairs	150,000.00				150,000.00
EKCC Fire Suppression System	446,799.79	442,205.79	4,594.00		
EKCC HVAC Improvement	43,615.00	43,615.00			
EKCC Minimum Security Unit Roo	447,000.00	25,400.60	370,996.96	1,050.00	49,552.44
EKCC Perimeter Detection Syste	210,550.00		183,584.21	26,182.05	783.74
EKCC Security Control System f	1,046,946.57	1,046,946.57			
EKCC Water Tank Repairs	1,000.00	999.00			1.00
Elliott County New Medium Secu	87,067,588.00	86,757,450.82		1.00	310,136.18
Emergency Generator Studies fo	24,500.00	24,433.10			66.90
Envir. Assessment and Remediat	3,000.00				3,000.00
Expand the Kentucky Offender M	1,200,000.00	1,193,816.00			6,184.00
Fire/Safety/Sanitation Warehou	23,076.00		23,076.00		
GRCC Generators for Various Bu	200,000.00		18,401.00	131,112.50	50,486.50
KCIW - HVAC Upgrade & Repairs	110,902.26	110,902.26			
KCIW Heating Systems Repairs/R	90,000.00	29,935.00	54,284.48	60.00	5,720.52
KCIW Lonnie Watson Bldg. Roof	84,164.00	9,243.70	74,224.00	687.40	8.90
KCIW Main Building Roof	989,777.57	988,377.57	1,400.00		
KCIW Pine Bluff Electrical Sys	69,150.00				69,150.00
KCIW Security Improvements	292,143.00	69,940.00	212,265.77	8,620.01	1,317.22
KCIW-Emergency Power Units	173,379.59	173,379.59			
KCIW-Main Building Chiller	83,000.00	78,099.50			4,900.50
KCIW-Sewage Plant Study & Repa	18,000.00			11,940.00	6,060.00
KCIW-Various Buildings Roof Re	585,000.00	29,860.64	397,266.39	22,188.92	135,684.05
KSP - Emergency Generators	245,337.62	244,337.62	1,000.00		
KSP Cell Houses Plumbing Impro	308,100.00	308,078.35			21.65
KSP Cellhouse Renovations	40,000.00		21,729.37		18,270.63
KSP High Mast Yard Lighting	215,000.00	23,053.21	75,330.00		116,616.79
KSP Sewage Plant Generator	98,640.06	98,402.23	237.83		
KSP Sewage Plant Repairs	40,000.00	39,998.36			1.64
KSP Steam, Sewer, and Water Li	10,000.00			7,500.00	2,500.00
KSP-Cellhouse 5 HVAC Upgrades	116,700.00	108,425.83	8,192.12		82.05

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
KSP-Electrical Improvements	236,979.16	236,979.16			
KSP-Security Improvements	14,000.00	13,972.44			27.56
KSP-Utility Improvements	138,190.00	74,976.62	63,213.38		
KSP-Water Plant Renovation/Rep	187,997.61	187,247.61	750.00		
KSR Administrative Tower Repai	15,000.00	13,950.00			1,050.00
KSR Boiler & Steam Line Distri	9,985.74	9,075.48	910.26		
KSR Buildings Electrical Syste	170,000.00		58,628.89	78,231.13	33,139.98
KSR Dorms 4 & 6 Roof Repairs/R	504,537.66	495,625.08			8,912.58
KSR HVAC Improvements	521,827.36	484,666.15	37,161.21		
KSR Kitchen and Dorms 8 & 9 Ro	1,416,900.00	1,282,587.21	66,275.64	66,376.94	1,660.21
KSR Kitchen Improvements	20,000.00		5,187.15		14,812.85
KSR Nursing Care Chiller Repla	210,000.00		61,529.00	142,695.00	5,776.00
KSR Plumbing Improvements	50,000.00	50,000.00			
KSR Security Fence Improvement	400,000.00		74,523.16	293,868.60	31,608.24
KSR Stun Fence	551,705.59	551,705.59			
KSR-Dorms Renovation/Repairs	27,500.00	8,443.75	2,865.00	7,542.50	8,648.75
KSR-Electrical Distribution Up	95,789.16	92,589.16	3,200.00		
KSR-Emergency Repairs	73,032.24	69,549.82			3,482.42
KSR-Replace/Repair Roofs	283,906.11	282,432.66	1,473.45		
KSR-Utility Improvements	360,400.00	229,760.87	109,901.92	1.00	20,736.21
Ky. St. Reformatory Renovate,	4,093,510.32	3,956,309.04	106,001.28	1,000.00	30,200.00
LLCC Chiller Replacement	87,625.15	87,625.15			
LLCC Cooling Tower Repair Repl	179,872.00		118,632.00	15,947.50	45,292.50
LLCC Dorm Chillers	375,452.85	375,452.85			
LLCC Dorms and Various Buildin	458,000.00		16,718.33	436,400.00	4,881.67
LLCC Guard Tower Repairs/Renov	93,123.31	54,898.85	38,224.46		
LLCC Heating System Repairs/Re	10,000.00	9,894.14			105.86
LLCC Plumbing/Utility Repairs	42,000.00		41,996.64		3.36
LLCC Roofs	5,000.00	5,000.00			
LLCC Security Improvements	264,500.00	228,340.07	27,735.22		8,424.71
LLCC Storm Damaged Roofs Repai	322,315.00	18,000.00	25,217.88	275,630.00	3,467.12
LLCC-HVAC Improvements	248,584.82	248,584.82			
LLCC-Replace/Repair Roofs	350,000.00	343,873.90			6,126.10
LSCC - Shower Renovation	50,000.00	49,948.79			51.21
LSCC Electrical System Repairs	3,000.00	2,861.50			138.50
LSCC Greenhouse	25,000.00	19,443.23	4,959.00		597.77
LSCC Retaining Wall Study and	2,650.00		2,580.00		70.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
LSCC Security Improvements	30,000.00		19,995.00		10,005.00
LSCC-Security Fence	39,536.17	36,211.17	3,325.00		
LSCC-Warehouse Electrical Syst	23,900.00	21,306.74	1,132.50		1,460.76
Northpoint Training Center - R	18,800,000.00	18,731,960.87	29,040.07		38,999.06
NTC - Hospital Envelope Stabil	6,005,462.65	6,005,462.65			
NTC Boiler Decentralization	200,000.00			73,500.00	126,500.00
NTC Building Repairs	9,675.00	9,670.00			5.00
NTC Electrical Repairs/Improve	19,998.60	19,998.60			
NTC Green Bank ESPC - New Boil	3,266,000.00			3,265,918.85	81.15
NTC Misc Repairs and Supplies	12,100.00		11,587.26		512.74
NTC Northpoint Regional Traini	89,000.00		17,615.03	17,728.00	53,656.97
NTC PCB Sampling and Remediat	200,000.00			6,296.04	193,703.96
NTC Security Improvements	144,000.00		34,636.69	15,955.00	93,408.31
NTC Surveillance Cameras	350,000.00	202,427.03	147,347.94		225.03
NTC-Boiler Repairs	62,800.00	41,976.81	20,811.61		11.58
NTC-Dining Room Improvements	479,933.17	479,933.17			
NTC-Dorm Shower Repairs	229,950.00	193,129.04	15,130.26		21,690.70
NTC-Emergency Power Units	134,100.00	133,936.26	163.74		
NTC-Replace Roof Admin Buildin	38,162.66	38,162.66			
NTC-Security Control System	39,950.00	39,950.00			
NTC-Sewer Plant Equipment Upgr	218,189.25	218,189.25			
NTC-Steam/Condensate Line Stud	5,000.00	5,000.00			
RCC Dorms Roof Repair/Replacem	449,000.00	422,285.35			26,714.65
RCC HVAC Improvements	145,394.29	17,167.26	118,849.26	1,398.78	7,978.99
RCC Range Road Repairs	30,000.00		27,354.14		2,645.86
RCC Security Improvements	107,207.00	107,119.00			88.00
RCC Unit 5 Perimeter Fencing	988,000.00	140,476.74	688,513.95	72,110.70	86,898.61
RCC-Medical Expansion	38,013.67	38,013.67			
RCC-Plumbing Repairs	39,995.42	39,759.56	235.86		
Upgrade KY Offender Management	1,000,000.00		125,961.00		874,039.00
Various Institutions - Dish Ma	197,562.29	197,562.29			
Various Institutions - Institu	442,322.17	442,322.17			
Various Institutions - OSHA &	121,000.00	94,139.90		1.00	26,859.10
Various Institutions - Securit	375,800.00	266,117.78	26,473.68		83,208.54
Various Institutions Computer	20,000.00		16,578.27	1,014.00	2,407.73
Various Institutions Energy-Gr	4,400,000.00	4,399,999.99		0.01	
Various Institutions Locks & S	320,000.00	288,360.63	29,650.00	990.03	999.34

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
Various Institutions Misc. Equ	9,000.00	8,604.67			395.33
Various Institutions-ARC Flash	449,000.00	181,235.85	250,255.60	10,299.05	7,209.50
Various Institutions-Asbestos	267,428.03	267,428.03			
Various Institutions-DOC Bldgs	82,264.14		26,282.89	10,570.00	45,411.25
Various Institutions-Environme	397,562.28	312,919.57	25,652.30	58,865.41	125.00
Various Institutions-Kitchen E	465,000.00	320,733.32	15,571.94	86,500.00	42,194.74
Various Institutions-Paving Po	331,060.83	331,060.83			
Various Institutions-Roof Repa	590,948.81	590,948.81			
Various Institutions-Water Tow	17,500.00	7,450.00			10,050.00
West Ky Corr Complex Renovate	331,068.53	331,068.53			
WKCC Building & Lighting Impro	75,000.00	19,763.03			55,236.97
WKCC Dorm Renovations	89,000.00	49,872.24	4,806.52		34,321.24
WKCC Electrical Improvements	3,500.00	3,488.51			11.49
WKCC Equipment Repairs and Rel	50,000.00				50,000.00
WKCC Plumbing Improvements	23,600.00	23,554.13			45.87
WKCC Security Improvements	203,684.87	143,254.33	18,258.23		42,172.31
DEPARTMENT TOTAL	\$151,838,615.18	\$138,319,231.12	\$4,400,128.64	\$5,792,586.22	\$3,326,669.20
CABINET TOTAL	\$190,585,765.40	\$165,700,419.70	\$12,656,481.47	\$6,687,803.91	\$5,541,060.32
Personnel Cabinet					
Personnel - Office Of The Secretary					
Replace Personnel Payroll Syst	50,548,056.00	50,548,056.00			
DEPARTMENT TOTAL	\$50,548,056.00	\$50,548,056.00			
CABINET TOTAL	\$50,548,056.00	\$50,548,056.00			
Labor Cabinet					
Labor - Office of the Secretary					
Online Filing System	2,040,000.00		1,471,634.86		568,365.14
DEPARTMENT TOTAL	\$2,040,000.00		\$1,471,634.86		\$568,365.14
CABINET TOTAL	\$2,040,000.00		\$1,471,634.86		\$568,365.14
Energy and Environment Cabinet					
KY State Nature Preserves Commission					
KHLCF - Mount Victory Seeps	240,000.00	114,580.59			125,419.41
KHLCF - Smith Addition to Bad	6,500.00		6,500.00		
KHLCF - Wagner Addition to Bad	3,650.00	3,650.00			
KHLCF Brown Addition to Boutel	2,575.00				2,575.00
KHLCF-Adv. Land Acquisition Co	500,000.00	66,160.00	23,172.74	30,245.04	380,422.22

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
KHLCF-Blanton Forest-Gaines Tr	268,575.59		264,975.59		3,600.00
KHLCF-Carmical Addition to Hi	180,000.00	5,400.00			174,600.00
KHLCF-Lone Oak Glade	69,971.23		69,971.23		
KHLCF-Swallowfield Baxley Ease	70,023.00	51,480.00			18,543.00
MP - Beargrass Creek Kiosk & S	3,500.00	2,806.57			693.43
MP - Blackacre Improvements of	22,000.00	327.35			21,672.65
MP - Blackacre Roof - Replacem	7,000.00	2,001.00	353.50		4,645.50
MP - Pine Mountain Trail Parki	12,000.00	8,648.07	1,778.31		1,573.62
MP -Jesse Stuart Kiosk & Signs	5,000.00	573.95			4,426.05
MP-Bad Branch Gates/Fencing	10,000.00	4,379.00	3,894.94		1,726.06
MP-Blackacre Fdn Stabilization	8,000.00	8,000.00			
MP-Crooked Creek Barrens-Impro	22,000.00		18,770.75		3,229.25
MP-Hi Lewis Pine Barrens Gate/	5,000.00	5,000.00			
MP-Jesse Stuart SNP	5,000.00		2,199.00		2,801.00
MP-KSNPC Maintenance Equipment	70,344.20	38,069.30	21,146.00		11,128.90
MP-Martin's Fork Wildlife-ATV	8,000.00	8,000.00			
MP-Metropolis Lake SNP parking	15,000.00	9,534.78			5,465.22
MP-Natural Bridge SNP Kiosk &	3,500.00				3,500.00
MP-Quiet Trails SNP Trail Culv	1,500.00	1,500.00			
MP-Stone Mtn Gates & Metal Bar	6,000.00	2,725.80	17.61		3,256.59
MP-Three Ponds-Stabilization o	20,000.00		6,848.86		13,151.14
DEPARTMENT TOTAL	\$1,565,139.02	\$332,836.41	\$419,628.53	\$30,245.04	\$782,429.04
EEC - Office of the Secretary					
Kentucky Heritage Land Conserv	4,335,509.04	1,994,550.79	579,192.80		1,761,765.45
KHLCF	17,000,000.00	15,554,412.70			1,445,587.30
DEPARTMENT TOTAL	\$21,335,509.04	\$17,548,963.49	\$579,192.80		\$3,207,352.75
Department for Natural Resources					
Forestry-Rebuilding Morgan Cou	2,131,528.00	1,762,425.09	315,378.75	1,417.90	52,306.26
KHLCF-Adv Costs for Land Acqui	500,000.00	2,000.00			498,000.00
Mine Safety, Licensing and Map	972,000.00	599,118.99	269,814.44	48,594.75	54,471.82
MP - JPRN Electrical Upgrades	40,000.00	14,372.00	9,981.37		15,646.63
MP-JPRN Soil Replacement	50,000.00		19,168.71		30,831.29
MP-JPRN Various Projects	52,990.00	52,990.00			
MP-KY Ridge & Kentenia State F	60,000.00	36,787.00	7,090.00		16,123.00
MP-KY Ridge SF Office	130,000.00		20,511.40	6,083.60	103,405.00
MP-MCN Deer Security Fence	81,750.00		78,159.43		3,590.57
MP-NE Driveway and Parking Lot	3,400.00		2,850.00		550.00

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
MP-North Eastern District	74,750.09	67,492.05	7,258.04		
DEPARTMENT TOTAL	\$4,096,418.09	\$2,535,185.13	\$730,212.14	\$56,096.25	\$774,924.57
Department for Environmental Protection					
A.L. Taylor Site	300,000.00	134,328.62	5,585.00	1,997.50	158,088.88
HWMF - Black Leaf Project	1,603,077.52	1,544,893.37	37,867.87		20,316.28
HWMF - Jackson's Pronto Cleaners	20,000.00	8,300.00	2,999.99		8,700.01
HWMF - Lees Lane Project	250,000.00	49,068.94	13,334.43		187,596.63
HWMF - Quality Cleaners	99,600.00	62,918.91	6,050.82		30,630.27
HWMF - Schendley Distillers	20,961.24				20,961.24
HWMF- Jefferson Forest Drum Si	195,000.00	88,251.12		379.88	106,369.00
HWMF-Distler Brickyard	264,900.00	176,721.93	2,070.00		86,108.07
HWMF-Distler Farm	185,100.00	145,982.99	2,700.00		36,417.01
HWMF-Familee Laundry Phase 2	247,100.00	3,509.91			243,590.09
HWMF-Former Bill's Quality Cle	65,000.00		1,247.60		63,752.40
HWMF-Kerschner Property	2,123,500.00	1,855,923.56	8,373.00	4,218.00	254,985.44
HWMF-Kim's Dry Cleaners	40,000.00				40,000.00
HWMF-Kroger L-315 Euclid Avenu	25,000.00				25,000.00
HWMF-KY Tie & Timber	325,674.25	214,951.50	1,800.00	1.00	108,921.75
HWMF-Louisville Environmental	591,000.00	172,079.20		88,730.90	330,189.90
HWMF-LWD	1,849,296.00	14,403.82	(4,400.82)		1,839,293.00
HWMF-Middleboro Tannery	1,790,402.90	1,790,402.90			
HWMF-Miracle Dry Cleaners	250,600.00				250,600.00
HWMF-O2 Logistics Transportati	244,759.18	244,759.18			
HWMF-Parrish Avenue	115,000.00				115,000.00
HWMF-Various Projects	6,102,520.24	5,015,457.54	261,018.16	53,958.96	772,085.58
HWMF-Walgreens Hogan Project	167,600.00	93,637.00	8,310.00	28,753.00	36,900.00
KHLCF- Little South Fork-Ball	112,441.20				112,441.20
KHLCF-Adv Costs For Land Acqui	500,000.00	160,839.36	55,787.61	21,753.08	261,619.95
KHLCF-Little South Fork-Garris	115,600.25		85,392.75		30,207.50
KHLCF-Little South Fork-Self T	1,157,758.55	1,035,590.00	1,000.00		121,168.55
KHLCF-Red River Smith Tract Ex	254,666.00	242,208.00			12,458.00
LUST - Bugtussle Grocery Store	300,000.00				300,000.00
LUST - Charlie Council Grocery	500,000.00				500,000.00
LUST - Clinton Oil & Tire Emer	2,788,400.00	2,064,067.49	611,189.74	56,096.67	57,046.10
LUST - Dulin Oil	800,000.00	743,993.57	28,530.82		27,475.61
LUST - Holmes Street Propertie	1,000,000.00				1,000,000.00
LUST - Logsdon Property	250,000.00				250,000.00

**COMMONWEALTH OF KENTUCKY
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FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
LUST-Apple Market Harrodsburg	500,000.00	88,025.30		37,616.30	374,358.40
LUST-Mt. Vernon Petroleum Vapo	554,540.30	554,540.30			
Maxey Flats Cap	26,045,000.00	2,960,619.73	4,736,647.03	15,764,898.83	2,582,834.41
MP - Maxey Office Space	10,000.00		5,158.08		4,841.92
MP - Tank/Access Bldg. Convers	11,650.00		10,710.54		939.46
MP-Maxey Flats Surveillance Sy	20,519.10		20,519.10		
MP-Maxey Security Fencing in B	5,983.40	5,983.40			
MP-Maxey Well Abatement	7,765.00	7,765.00			
MP-Radiological Check sources	3,430.00		3,430.00		
Paper Shredder	334,000.00	329,410.09	1,512.00		3,077.91
Petroleum Storage Tank Environ	50,000,000.00	50,000,000.00			
PRIDE - Billy Glover Landfill	6,223,500.00	4,974,949.14	909,383.46		339,167.40
PRIDE - Butler Co. Landfill	2,829,400.00		350,606.98	2,279,313.79	199,479.23
PRIDE - Historic Landfills - J	513,400.00	480,588.46	9,398.07		23,413.47
PRIDE - Historic Landfills - S	575,978.00	499,833.00	58,143.00	17,771.00	231.00
PRIDE - Historic Landfills - W	483,200.00	432,374.65	50,767.68		57.67
PRIDE - Jacks Creek Pike Landf	1,700,000.00	1,323,897.33		60,106.63	315,996.04
PRIDE - Johnson County Landfil	2,375,850.00			358,774.00	2,017,076.00
PRIDE-Floyd County Landfill	28,300.00	28,196.25			103.75
PRIDE-McCracken County Histori	200,000.00				200,000.00
PRIDE-Mercer County Landfill	75,000.00			28,895.00	46,105.00
PRIDE-Mt. Sterling Landfill	30,000.00	18,478.23	1,895.65		9,626.12
PRIDE-Well Abandonment at Clos	145,000.00		13,050.00		131,950.00
SODR Bullock Pen Lake Dam	3,611,000.00	741,370.40	638,550.00	50,721.00	2,180,358.60
SODR-Beech Creek Dam	3,874,697.00	433,844.85	657,150.03	32,380.00	2,751,322.12
SODR-McNeely Lake Dam	319,000.00	225,980.08	89,662.92		3,357.00
SODR-Scenic Lake Dam	690,000.00	204,196.38		458,820.00	26,983.62
SODR-Spurlington Dam Repair	500,000.00	138,119.23	9,076.21	8,476.06	344,328.50
SODR-Willisburg Lake Dam-Washi	1,574,927.00	397,408.00	122,195.40	464,175.00	591,148.60
Solid Waste - Jones Landfill	345,777.10	5,925.00			339,852.10
TEMPO System Upgrade	735,000.00		510,104.20		224,895.80
WTTF-Formerly JW & S Tire (OTR	600,000.00				600,000.00
DEPARTMENT TOTAL	\$129,577,874.23	\$79,713,793.73	\$9,326,817.32	\$19,817,836.60	\$20,719,426.58
CABINET TOTAL	\$156,574,940.38	\$100,130,778.76	\$11,055,850.79	\$19,904,177.89	\$25,484,132.94
Public Protection Cabinet					
Horse Racing Commission					
KHRC Integrated Database & Inf	1,023,000.00	52,219.18	35,172.16	43,242.76	892,365.90

**COMMONWEALTH OF KENTUCKY
CAPITAL PROJECTS FUND
STATEMENT OF PROJECT COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NAME OF ACCOUNT	ALLOTMENTS	PRIOR YEARS EXPENDITURES	CURRENT YEAR EXPENDITURES	ENCUMBRANCES	BALANCE
DEPARTMENT TOTAL	\$1,023,000.00	\$52,219.18	\$35,172.16	\$43,242.76	\$892,365.90
CABINET TOTAL	\$1,023,000.00	\$52,219.18	\$35,172.16	\$43,242.76	\$892,365.90
FUND TOTAL	\$8,627,973,044.10	\$5,598,757,994.08	\$577,816,566.39	\$206,319,133.97	\$2,245,079,349.66

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Commonwealth of Kentucky
Statement of Investments
June 30, 2015

Description		
<u>GENERAL FUND</u>		
For the Cabinet of the General Government		
State Treasurer		
General Fund Share of State Investment		
Pool Account		
Short Term	19,289,130	
Long Term	-	
Total General Fund		19,289,130
<u>CAPITAL PROJECTS FUND</u>		
For the Cabinet of the General Government		
Governor's Office of Policy and Management		
Capital Projects Fund Share of State Investment		
Pool Account		
Short Term	168,487,236	
Long Term	622,435,511	
Total Capital Projects Fund		790,922,747
<u>DEBT SERVICE FUND</u>		
For the Finance and Administration Cabinet		
Office of the Secretary		
Debt Service Fund Share of State Investment		
Pool Account		
Short Term	52,006	
Long Term	32,224	
Total Debt Service Fund		84,230
<u>TRANSPORTATION FUND</u>		
For the Transportation Cabinet		
Department of Highways		
Transportation Fund Share of State Investment		
Pool Account		
Short Term	-	
Long Term	436,464,250	
Total Transportation Fund		436,464,250
<u>AGENCY REVENUE FUND</u>		
For the Finance and Administration Cabinet		
Office of the Secretary		
Agency Revenue Fund Share of State Investment		
Pool Account		
Short Term	452,800,077	
Long Term	1,284,427,059	
Total Agency Revenue Fund		1,737,227,136

OTHER SPECIAL REVENUE FUND

For the Finance and Administration Cabinet

Office of the Secretary

Other Special Revenue Fund Share of State Investment

Pool Account

Short Term

-

Long Term

127,353,218

Total Other Special Revenue Fund

127,353,218

STATE PARKS FUND

For the Tourism Development Cabinet

Department of Parks

State Parks Fund Share of State Investment

Pool Account

Short Term

(291,888)

Long Term

-

Total State Parks Fund

(291,888)

KENTUCKY STATE FAIR BOARD FUND

For the Tourism Development Cabinet

Kentucky State Fair Board

State Fair Board Fund Share of State Investment

Pool Account

Short Term

310,006

Long Term

-

Total State Fair Board Fund

310,006

INSURANCE ADMINISTRATION FUND

For the Finance and Administration Cabinet

Office of the Secretary

Insurance Administration Fund Share of State Investment

Pool Account

Short Term

29,857,493

Long Term

18,424,712

Total Insurance Administration Fund

48,282,205

KENTUCKY PUBLIC EMPLOYEE HEALTH INSURANCE

For the Cabinet of the General Government

KENTUCKY PUBLIC EMPLOYEE HEALTH INSURANCE

KPEHI Fund Share of State Investment

Pool Account

Short Term

254,637,987

Long Term

159,072,358

Total Agricultural Finance Corporation Fund

413,710,345

KENTUCKY AGRICULTURAL FINANCE CORP FUND

For the Cabinet of the General Government

Agricultural Finance Corporation

Agricultural Finance Corporation Fund Share of State Investment

Pool Account		
Short Term	7,995,723	
Long Term	4,995,024	
Total Agricultural Finance Corporation Fund		12,990,747
<u>KENTUCKY HORSE PARK FUND</u>		
For the Tourism Development Cabinet		
Kentucky Horse Park		
Kentucky Horse Park Fund Share of State Investment		
Pool Account		
Short Term	9,749	
Long Term	-	
Total Kentucky Horse Park Fund		9,749
<u>TRANSPORTATION FLEET MANAGEMENT FUND</u>		
For the Finance and Administration Cabinet		
Transportation Cabinet Fleet Management		
Fund Share of State Investment		
Pool Account		
Short Term	347,914	
Long Term	-	
Total Transportation Fleet Management Fund		347,914
<u>COMPUTER SERVICES FUND</u>		
For the Finance and Administration Cabinet		
Department of Information Services		
Computer Services Fund Share of State Investment		
Pool Account		
Short Term	775,560	
Long Term	-	
Total Computer Services Fund		775,560
<u>PRISON INDUSTRIES FUND</u>		
For the Justice Cabinet		
Department of Corrections		
Prison Industries Fund Share of State Investment		
Pool Account		
Short Term	72,710	
Long Term	-	
Total Prison Industries Fund		72,710
<u>CENTRAL PRINTING FUND</u>		
For the Finance and Administration Cabinet		
Department for Administration		
Central Printing Fund Share of State Investment		
Pool Account		
Short Term	(23,236)	
Long Term	-	
Total Central Printing Fund		(23,236)

PROPERTY MANAGEMENT FUND

For the Finance and Administration Cabinet

Department for Facilities Management

Property Management Fund Share of State Investment

Pool Account

Short Term 765,168

Long Term -

Total Property Management Fund 765,168

RISK MANAGEMENT FUND

For the Public Protection and Regulation Cabinet

Office of the Secretary

Risk Management Fund Share of State Investment

Pool Account

Short Term (540,116)

Long Term (767,764)

Total Risk Management Fund (1,307,881)

PENSION TRUST FUNDS

For the Kentucky Retirement System

Kentucky Employees Retirement System Fund

Total Investments 3,541,111,681

County Employees Retirement System Fund

Total Investments 3,791,307,875

State Police Retirement System Fund

Total Investments 80,252,780

For the Teachers Retirement System Fund

Total Investments 14,898,790,691

For the Legislators Retirement System Fund

Total Investments 243,886,012

For the Judicial Retirement System Fund

Total Investments 219,199,214

For the Kentucky Retirement System Insurance Fund

Total Investments 1,611,119,772

OTHER EXPENDABLE TRUST FUND

For the Finance and Administration Cabinet

Office of the Secretary

Other Expendable Trust Fund Share of State Investment

Pool Account

Short Term 136,585,064

Long Term	132,801,773	
Total Other Expendable Trust Fund		269,386,836
<u>SPECIAL DEPOSIT TRUST FUND</u>		
For the Finance and Administration Cabinet		
Office of the Secretary		
Special Deposit Trust Fund Share of State Investment		
Pool Account		
Short Term	26,932,036	
Long Term	12,886,312	
Total Special Deposit Trust Fund		39,818,348
Total Investments		<u>28,281,855,322</u>

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COMMONWEALTH DEBT MANAGEMENT

Management

The Office of Financial Management (“OFM”), Finance and Administration Cabinet, has central responsibility for the issuance, management, review and approval of all debt issued by the Commonwealth and its agencies. Table I lists active issuing entities. OFM is also responsible for the coordination and monitoring of cash needs relative to debt issuance, debt service payments and the development of a comprehensive long-term debt plan. OFM serves as primary staff to the State Property and Buildings Commission, the Kentucky Asset/Liability Commission, the Turnpike Authority of Kentucky, and the Kentucky Local Correctional Facilities Construction Authority.

Structure

The Commonwealth's indebtedness is classified as either appropriation supported debt or non-appropriation supported debt as displayed in Table II.

Appropriation supported debt carries the name of the Commonwealth and is either (i) a general obligation of the State, or (ii) a lease revenue obligation of one of its debt issuing agencies created by the Kentucky General Assembly to finance various projects which is subject to state appropriation for all or a portion of the debt service on the bonds.

General obligation bonds pledge the full faith, credit and taxing power of the Commonwealth for the repayment of the debt. The Kentucky Constitution requires voter approval by general referendum prior to the issuance of general obligation bonds in amounts exceeding \$500,000. Kentucky has not issued general obligation bonds since 1966. The Commonwealth has no general obligation bonds outstanding.

Project revenue notes and bonds are issued by various debt issuing authorities of the Commonwealth. The revenues produced by the projects funded by the debt are pledged as security for repayment of the debt. Project revenue debt is not a direct obligation of the Commonwealth. Project revenues are, in some cases, derived partially or solely from biennial appropriations of the General Assembly. In other cases the direct revenues generated from the project or agency constitute the entire source of payment.

The payment of debt service by the state universities is enhanced by a state intercept provision that provides that in the event of a default, the Secretary of the Finance Cabinet is required to intercept any funds appropriated to the University but not yet disbursed and to remit those funds to the Trustee to remedy the default.

Non-appropriation or moral obligation debt carries the name of the Commonwealth for the benefit and convenience of other entities within the state. This type of indebtedness is a special obligation of the issuer, secured and payable solely from the sources pledged for the payment thereof and does not constitute a debt, liability, obligation or a pledge of the faith and credit of the Commonwealth. The General Assembly does not intend to appropriate any general funds to fulfill the financial obligations represented by these types of indebtedness. Some issuers covenant that in the event of a shortfall they will request from the Secretary of the Finance Cabinet or the Governor and the General Assembly in the next regular session amounts sufficient to pay debt service or to replenish the debt service reserve funds, as applicable. Certain Kentucky Higher Education Student Loan

Corporation bonds, Kentucky Housing Corporation bonds and the Kentucky Infrastructure Authority's Governmental Agencies Program and Leveraged Wastewater and Drinking Water Revolving Fund bonds are not moral obligation debt.

Default Record

The Commonwealth has never defaulted in the payment of principal or interest on its general obligation indebtedness or its project revenue obligations.

TABLE I
ACTIVE DEBT ISSUING ENTITIES

<u>ENTITY</u>	<u>STATUTORY AUTHORITY/PURPOSE</u>	<u>DEBT LIMITATIONS</u>	<u>RATINGS*</u>
State Property and Buildings Commission	KRS 56.450 Provide financing for capital construction projects and financing programs approved by the General Assembly.	Cannot incur debt without prior approval of projects and appropriation of debt service by General Assembly.	Aa3/A/A+
Kentucky Asset/Liability Commission	KRS 56.860 Provide financing of capital projects and cash flow borrowings to meet working capital needs of the state.	Cannot incur debt without prior approval of projects and appropriation of debt service by General Assembly, exclusive of cash flow borrowings within a fiscal year.	Varies
Turnpike Authority of Kentucky	KRS 175.410-175.990 Construct, maintain, repair, and operate Turnpike projects, resource recovery roads and economic development roads.	Cannot incur debt without prior approval of projects and appropriation of debt service by General Assembly	Aa2/AA/A+
The State Universities (consisting of nine)	KRS 56.495 Construct educational buildings and housing and dining facilities.	Cannot incur debt without prior approval of projects and appropriation of debt service by General Assembly.	Varies
Kentucky Housing Corporation	KRS 198A Make low interest mortgage loans and construction loans to increase the supply of housing for low to moderate income residents of the State.	Limited to \$ 5.0 billion of debt outstanding.	Aaa/AAA/NR
Kentucky Infrastructure Authority	KRS 224A Provide financial assistance to local governments for the construction or refinancing of infrastructure facilities and to provide loans to industries for construction of pollution control facilities.	Revolving Fund programs cannot incur debt without appropriation of debt service by the General Assembly. Without legislative approval, other programs are limited to debt outstanding of \$500 million.	Aa3/A/A+ (Appropriation) Aaa/AAA/AAA (Leverage Loan)
Kentucky Higher Education Student Loan Corporation	KRS 164A Finances, makes, and administers loans to fund and refinance costs to attend educational institutions as permitted by the state.	Limited to \$5.0 billion of debt outstanding.	Varies
School Facilities Construction Commission	KRS 157.611-157.665 Assist local school districts with the financing and construction of school buildings. Finance the construction of vocational education facilities.	Cannot incur debt without appropriation of debt service by General Assembly.	Aa3
Kentucky Economic Development Finance Authority	KRS 154 Issue industrial revenue bonds on behalf of industries, hospitals, and commercial enterprises in the state. Provide low interest loans to developing businesses. Provide financing and tax credits to manufacturing entities expanding or locating facilities in the state.	None.	Varies
Kentucky Public Transportation Infrastructure Authority	KRS 175B.005-175B.115 Facilitate construction, financing, operation, and oversight of significant transportation projects within the Commonwealth by entering into bi-state agreements and by creating bi-state authorities and project authorities.	Cannot incur debt without prior approval of projects by General Assembly.	Baa3//BBB-

* Ratings, where applicable, include Moody's, Standard & Poor's, and Fitch. Certain State Property and Buildings Commission Agency and Road Fund Revenue Bonds may have ratings different from those identified above.

- The Kentucky Infrastructure Authority's Governmental Agencies Program Revenue Bonds are rated "AA" by Standard & Poor's and are backed by the loans of the borrowers. The Kentucky Infrastructure Authority's Wastewater and Drinking Water Revolving Fund Revenue Bonds Series 2010A and Series 2012A are rated "Aaa/AAA/AAA" by Moody's, Standard & Poor's and Fitch, respectively.
- On February 18, 2014, Moody's downgraded certain stand-alone GARVEEs, issued by the Kentucky Asset/Liability Commission, backed by appropriations from the Federal Highway Trust Fund from "Aa3" to "A1" with a negative outlook. On June 16, 2014, Moody's downgraded certain GARVEEs, issued by the Kentucky Asset/Liability Commission, backed by appropriations from the Federal Highway Trust Fund from "A1" to "A2" and changed the outlook from negative to stable.
- On June 15, 2015, Standard & Poor's downgraded the Turnpike Authority of Kentucky's Road Fund appropriation-supported obligations from "AA+" to "AA" and changed the outlook from Stable to Negative.
- On September 3, 2015, Standard & Poor's downgraded the Commonwealth's issuer credit rating to "A+" from "AA-" and its rating on the Commonwealth's appropriation debt to "A" from "A+". At the same time, Standard & Poor's has lowered its rating on debt backed by the commonwealth state intercept programs for schools and university to "A" from "A+" and on lease debt issued by various Kentucky county public property corporations backed by the appropriations from Administrative Office of the Courts to "A-" from "A". The outlook for all is stable.

TABLE II
DEBT OF THE STATE AND ITS AGENCIES
as of 6/30/2015

AGENCY	AMOUNT ISSUED	PRINCIPAL	FISCAL YEAR ENDING		FISCAL YEAR ENDING	
		OUTSTANDING 6/30/2015	6/30/2016 PRINCIPAL INTEREST		6/30/2017 PRINCIPAL INTEREST	
APPROPRIATION SUPPORTED DEBT						
Asset/Liability Commission	2,229,115,000	1,395,500,000	156,380,000	58,597,829	146,600,000	52,947,667
State Property Buildings Commission	5,296,390,000	3,754,305,000	273,310,000	170,469,881	268,265,000	158,970,047
Turnpike Authority	1,553,430,000	1,371,580,000	85,290,000	62,489,722	88,980,000	58,972,222
School Facilities Construction Commission	1,322,764,440	944,111,577	74,623,352	26,282,943	75,125,476	24,418,270
Kentucky Infrastructure Authority	11,300,000	6,240,000	570,000	312,875	595,000	287,225
Subtotal	10,412,999,440	7,471,736,577	590,173,352	318,153,250	579,565,476	295,595,431
Universities (Agency Fund Supported Debt)						
Eastern Kentucky University	88,490,000	69,900,000	5,380,000	2,782,453	5,535,000	2,630,188
Kentucky State University	5,850,000	3,195,000	215,000	122,089	225,000	114,241
Morehead State University	91,715,000	81,140,000	3,420,000	3,207,978	3,560,000	3,076,001
Murray State University	91,785,000	79,650,000	3,230,000	2,751,012	3,650,000	2,813,479
Northern Kentucky University	153,603,000	125,935,000	6,255,000	5,113,790	6,435,000	4,917,990
University of Kentucky	802,295,000	751,735,000	14,845,000	26,710,711	20,525,000	26,282,554
University of Louisville	204,815,000	166,009,000	8,222,000	7,747,755	8,561,000	7,407,189
Western Kentucky University	186,100,000	148,435,000	8,375,000	5,332,010	8,620,000	5,087,806
Subtotal	1,624,653,000	1,425,999,000	49,942,000	53,767,796	57,111,000	52,329,449
Universities (General Fund Supported Debt)						
University of Louisville	88,765,000	1,955,000	1,955,000	29,325	0	0
Subtotal	88,765,000	1,955,000	1,955,000	29,325	0	0
Subtotal	12,126,417,440	8,899,690,577	642,070,352	371,950,371	636,676,476	347,924,880
NON-APPROPRIATION SUPPORTED DEBT						
Moral Obligation Debt						
Kentucky Housing Corporation	1,862,570,000	944,290,000	32,875,000	34,357,856	44,145,000	32,024,290
Subtotal	1,862,570,000	944,290,000	32,875,000	34,357,856	44,145,000	32,024,290
Other Revenue Debt						
KY Higher Educ Student Loan Corp	1,502,640,000	1,067,324,000	850,000	8,859,753	900,000	8,834,253
Kentucky Infrastructure Authority	414,650,000	271,535,000	20,530,000	11,458,140	20,190,000	11,593,464
KY Public Transportation Infrastructure Auth	727,870,370	727,870,369	0	32,349,904	0	32,349,904
Subtotal	2,645,160,370	2,066,729,369	21,380,000	52,667,796	21,090,000	52,777,621
Subtotal	4,507,730,370	3,011,019,369	54,255,000	87,025,652	65,235,000	84,801,911
Total Debt	16,634,147,810	11,910,709,946	696,325,352	458,976,023	701,911,476	432,726,791

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
172,920,000	46,687,939	154,925,000	39,789,672	140,815,000	32,911,866	623,860,000	91,408,537
282,850,000	146,128,634	319,115,000	131,440,719	321,330,000	115,512,998	2,289,435,000	498,373,276
92,920,000	54,996,991	97,040,000	50,900,893	89,560,000	46,335,181	917,790,000	242,958,457
74,941,372	22,491,726	75,011,128	20,584,752	69,549,969	18,657,626	574,860,281	100,012,443
620,000	260,450	650,000	227,900	685,000	193,775	3,120,000	401,313
624,251,372	270,565,740	646,741,128	242,943,937	621,939,969	213,611,445	4,409,065,281	933,154,025
5,765,000	2,401,233	6,005,000	2,158,348	6,045,000	1,901,143	41,170,000	9,496,850
230,000	105,916	240,000	97,291	250,000	88,291	2,035,000	326,791
3,685,000	2,948,669	3,835,000	2,805,295	4,080,000	2,653,063	62,560,000	17,032,889
3,765,000	2,706,521	3,925,000	2,586,534	4,120,000	2,455,956	60,960,000	17,404,333
6,690,000	4,701,171	7,430,000	4,443,753	7,510,000	4,154,662	91,615,000	24,183,368
24,380,000	25,360,054	29,170,000	43,538,008	33,470,000	27,743,350	629,345,000	268,063,888
8,916,000	7,051,346	9,287,000	6,679,915	9,678,000	6,291,888	121,345,000	29,647,274
8,880,000	4,827,675	9,155,000	4,547,564	9,460,000	4,253,718	103,945,000	23,985,293
62,311,000	50,102,585	69,047,000	66,856,708	74,613,000	49,542,071	1,112,975,000	390,140,687
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
686,562,372	320,668,325	715,788,128	309,800,644	696,552,969	263,153,516	5,522,040,281	1,323,294,712
46,755,000	30,771,912	48,605,000	29,343,624	49,600,000	27,766,660	722,310,000	244,849,586
46,755,000	30,771,912	48,605,000	29,343,624	49,600,000	27,766,660	722,310,000	244,849,586
1,200,000	8,798,253	1,200,000	8,738,253	1,200,000	8,702,253	1,061,974,000	77,781,927
20,060,000	10,759,683	19,715,000	9,879,264	19,095,000	8,965,626	171,945,000	44,391,614
452,200,000	21,324,683	0	10,299,463	451,914	10,402,548	275,218,455	496,985,049
473,460,000	40,882,619	20,915,000	28,916,980	20,746,914	28,070,428	1,509,137,455	619,158,590
520,215,000	71,654,531	69,520,000	58,260,604	70,346,914	55,837,088	2,231,447,455	864,008,176
1,206,777,372	392,322,856	785,308,128	368,061,248	766,899,883	318,990,604	7,753,487,736	2,187,302,888

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**TABLE III
DEBT SERVICE ON APPROPRIATION SUPPORTED
DEBT AND STATE REVENUE: 1987-2017
(000)**

<u>Fiscal Year</u>	<u>Total Revenue(\$)</u>	<u>Actual Debt Service Net of Any Credits (\$)</u>	<u>Percent Debt Service to Total Revenue (%)</u>
1987	5,340,693	247,420	4.63
1988	5,649,272	277,690	4.92
1989	6,019,893	291,891	4.85
1990	6,435,020	304,431	4.73
1991	7,442,083	314,664	4.23
1992	8,022,587	394,436	4.92
1993	8,489,899	394,763	4.65
1994	8,747,561	395,953	4.53
1995	9,920,700	424,646	4.28
1996	10,313,867	435,719	4.22
1997	10,936,974	459,559	4.20
1998	11,599,677	457,442	3.94
1999	11,767,969	460,078	3.91
2000	12,995,761	556,468	4.28
2001	13,271,902	553,149	4.17
2002	13,774,569	526,970	3.83
2003	14,400,148	598,156	4.15
2004	14,737,964	586,469	3.98
2005	15,922,213	552,421	3.49
2006	17,036,803	622,675	3.65
2007	17,344,978	558,385	3.22
2008	17,869,315	695,963	3.89
2009 ¹	18,198,568	637,337	3.50
2010 ¹	19,389,284	402,339	2.08
2011 ¹	20,002,100	661,710	3.31
2012 ¹	19,005,353	712,867	3.75
2013	19,961,115	937,726	4.70
2014	21,932,225	986,899	4.50
2015	23,513,129	1,007,481	4.28
2016 ²	23,938,754	1,014,021	4.24
2017 ²	24,165,204	984,601	4.07

¹Debt service was restructured to provide budgetary relief in the net amounts of \$42,754,000 for Fiscal Year 2009, \$240,619,000 for Fiscal Year 2010, \$114,528,000 for Fiscal Year 2011, and \$104,931,000 for Fiscal Year 2012.

²Estimated Revenues for 2016 and 2017 are calculated from the Quarterly Economic and Revenue Report (1Q FY16) as prepared by the Office of the State Budget Director.

Debt service shown is net of any capitalized interest, federal subsidy payments, and credits. Debt of the Kentucky Housing Corporation, the Kentucky Higher Education Student Loan Corporation, the Kentucky Economic Development Finance Authority (Industrial Revenue Bonds), Administrative Office of the Courts, and the Kentucky Local Correctional Facilities Construction Authority is excluded. Only that portion of the School Facilities Construction Commission and the Kentucky Infrastructure Authority debt paid from state appropriations is included. Revenue is reported on a GAAP basis as opposed to a cash basis as is reported in certain budget reports.

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY					FISCAL YEAR ENDING		FISCAL YEAR ENDING	
SERIES	AMOUNT	DATE OF	MATURITY	PRINCIPAL	6/30/2016		6/30/2017	
TITLE	ISSUED	ISSUE	DATE	OUTSTANDING	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
Asset/Liability Commission								
General Fund Project Notes								
2007 A, B Series	243,080,000	05/2007	11/2027	198,325,000	6,545,000	7,941,914	6,810,000	7,676,491
SERIES TOTAL	243,080,000			198,325,000	6,545,000	7,941,914	6,810,000	7,676,491
General Fund Funding Notes								
2010 1st Series	467,555,000	08/2010	04/2020	186,905,000	58,530,000	6,246,650	51,305,000	4,394,175
2011 1st Series	269,815,000	03/2011	04/2022	184,185,000	25,330,000	8,971,143	25,800,000	7,976,181
2013 1st Series	153,290,000	02/2013	04/2023	124,615,000	14,665,000	2,693,769	14,820,000	2,543,012
SERIES TOTAL	890,660,000			495,705,000	98,525,000	17,911,562	91,925,000	14,913,369
Agency Fund Project Notes								
2005 1st Series	11,275,000	06/2005	06/2025	7,160,000	565,000	369,147	595,000	340,558
2005 Series A-UK Gen Recpts	107,540,000	11/2005	10/2015	5,635,000	5,635,000	134,150	0	0
2006 Series A-UK Gen Recpts	66,305,000	10/2006	10/2022	40,480,000	4,495,000	1,661,200	4,700,000	1,456,063
2007 Series A-UK Gen Recpts	77,905,000	11/2007	10/2017	11,095,000	3,515,000	466,875	3,695,000	286,625
2007 Series B-UK Gen Recpts	80,245,000	11/2007	10/2018	11,985,000	2,795,000	456,350	2,935,000	320,138
SERIES TOTAL	343,270,000			76,355,000	17,005,000	3,087,722	11,925,000	2,403,383
Federal Fund Project Notes								
2007 1st Series	277,910,000	09/2007	09/2019	150,920,000	21,670,000	6,994,479	22,705,000	5,921,023
2010 1st Series	89,710,000	03/2010	09/2022	89,710,000	0	4,381,290	0	4,381,290
2013 1st Series	212,545,000	08/2013	09/2025	212,545,000	0	10,345,375	0	10,345,375
2014 1st Series A	132,175,000	03/2014	09/2026	132,175,000	0	6,306,113	0	6,306,113
2014 1st Series B	39,765,000	03/2014	09/2017	39,765,000	12,635,000	1,629,375	13,235,000	1,000,625
SERIES TOTAL	752,105,000			625,115,000	34,305,000	29,656,631	35,940,000	27,954,425
AGENCY TOTAL	2,229,115,000			1,395,500,000	156,380,000	58,597,829	146,600,000	52,947,667
State Property Buildings Commission								
General Fund Project								
100A	354,635,000	07/2011	08/2031	295,400,000	21,735,000	13,783,661	20,105,000	12,861,761
101	73,905,000	11/2011	10/2020	30,795,000	4,960,000	1,197,800	5,155,000	1,010,950
106A	138,630,000	06/2013	10/2033	134,355,000	4,450,000	6,606,500	4,680,000	6,378,250
106B	8,490,000	06/2013	10/2021	8,490,000	0	333,500	4,325,000	247,000
108A	129,620,000	02/2015	08/2034	129,620,000	4,350,000	5,640,233	4,335,000	5,655,250
108B	254,380,000	02/2015	08/2026	254,380,000	1,000,000	12,326,528	1,000,000	12,644,000
71	152,860,000	08/2001	08/2015	8,705,000	8,705,000	234,393	0	0
76	66,815,000	02/2002	08/2021	64,070,000	280,000	3,508,008	9,260,000	3,247,801
78	151,225,000	10/2003	10/2016	16,375,000	15,850,000	431,160	525,000	13,493
82	389,835,000	02/2004	10/2019	240,350,000	72,575,000	10,687,131	65,420,000	7,071,963
83	195,910,000	04/2004	10/2020	178,315,000	6,200,000	8,801,073	18,375,000	8,187,560
84	182,845,000	03/2005	08/2023	182,845,000	0	9,062,673	0	9,062,673
85	218,275,000	09/2005	08/2015	10,090,000	10,090,000	245,250	0	0
87	264,225,000	02/2007	03/2027	38,860,000	13,250,000	1,792,538	13,140,000	1,180,588
88	267,055,000	11/2007	11/2027	87,440,000	9,710,000	3,937,900	10,195,000	3,440,275
89	205,080,000	05/2008	11/2027	188,915,000	10,675,000	8,981,405	11,215,000	8,441,470
90	375,000,000	10/2008	11/2028	323,575,000	14,645,000	16,919,905	4,230,000	16,458,605
93	385,455,000	02/2009	02/2029	344,000,000	9,355,000	17,415,239	28,310,000	17,022,639
95	392,465,000	07/2009	08/2029	289,020,000	14,480,000	12,001,042	15,125,000	11,351,235
96	401,345,000	11/2009	11/2029	339,195,000	17,480,000	12,186,514	17,990,000	11,680,237
98	153,965,000	07/2010	08/2021	146,325,000	2,110,000	7,012,893	2,205,000	6,921,093
99	323,380,000	11/2010	11/2030	287,185,000	12,920,000	10,908,340	13,520,000	10,306,540
SERIES TOTAL	5,085,395,000			3,598,305,000	254,820,000	164,013,683	249,110,000	153,183,381
Agency Fund Project								
102A	3,630,000	12/2012	05/2024	3,065,000	285,000	138,600	295,000	130,050

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
18,005,000	7,179,636	15,410,000	6,506,256	16,705,000	5,856,323	134,850,000	18,818,450
18,005,000	7,179,636	15,410,000	6,506,256	16,705,000	5,856,323	134,850,000	18,818,450
42,720,000	2,770,372	25,790,000	1,418,284	8,560,000	359,862	0	0
27,450,000	6,848,205	28,745,000	5,552,016	30,195,000	4,103,555	46,665,000	3,284,820
15,025,000	2,334,347	15,280,000	2,080,725	15,600,000	1,759,998	49,225,000	2,866,490
85,195,000	11,952,924	69,815,000	9,051,025	54,355,000	6,223,415	95,890,000	6,151,310
625,000	310,451	655,000	278,826	690,000	245,683	4,030,000	653,750
0	0	0	0	0	0	0	0
4,915,000	1,241,516	5,135,000	1,021,822	5,355,000	798,638	15,880,000	1,006,925
3,885,000	97,125	0	0	0	0	0	0
3,065,000	188,900	3,190,000	63,800	0	0	0	0
12,490,000	1,837,992	8,980,000	1,364,448	6,045,000	1,044,321	19,910,000	1,660,675
23,820,000	4,786,335	40,330,000	3,173,141	42,395,000	1,069,905	0	0
0	4,381,290	0	4,381,290	0	4,381,290	89,710,000	6,728,220
19,515,000	9,908,275	20,390,000	9,007,400	21,315,000	8,030,500	151,325,000	24,079,625
0	6,306,113	0	6,306,113	0	6,306,113	132,175,000	33,970,256
13,895,000	335,375	0	0	0	0	0	0
57,230,000	25,717,388	60,720,000	22,867,944	63,710,000	19,787,808	373,210,000	64,778,101
172,920,000	46,687,939	154,925,000	39,789,672	140,815,000	32,911,866	623,860,000	91,408,537
21,020,000	11,936,711	31,425,000	10,693,486	33,070,000	9,127,636	168,045,000	42,153,729
5,140,000	799,050	5,395,000	554,500	4,965,000	320,125	5,180,000	104,500
4,920,000	6,138,250	5,170,000	5,886,000	5,435,000	5,620,875	109,700,000	41,868,000
1,245,000	135,600	2,310,000	64,500	440,000	11,700	170,000	4,650
4,525,000	5,467,125	4,715,000	5,278,500	4,925,000	5,068,188	106,770,000	43,106,425
9,375,000	12,384,625	17,005,000	11,725,125	28,945,000	10,576,375	197,055,000	30,191,875
0	0	0	0	0	0	0	0
9,770,000	2,725,395	10,300,000	2,174,033	10,870,000	1,592,420	23,590,000	1,310,443
0	0	0	0	0	0	0	0
52,410,000	3,984,063	20,925,000	2,065,925	29,020,000	761,775	0	0
38,655,000	6,761,810	48,670,000	4,578,685	40,980,000	2,340,435	25,435,000	659,468
520,000	9,052,793	14,005,000	8,700,963	17,865,000	7,920,913	150,455,000	10,496,294
0	0	0	0	0	0	0	0
7,110,000	598,588	1,010,000	244,338	360,000	202,338	3,990,000	910,438
10,705,000	2,917,775	10,495,000	2,387,775	0	2,125,400	46,335,000	13,916,625
11,775,000	7,881,473	12,365,000	7,289,376	12,965,000	6,688,366	129,920,000	27,309,529
9,020,000	16,147,490	40,000,000	14,931,550	40,000,000	12,781,550	215,680,000	47,688,813
26,410,000	15,931,464	24,530,000	14,550,876	11,100,000	13,278,676	244,295,000	76,166,500
15,265,000	10,679,460	15,980,000	9,963,685	16,725,000	9,218,294	211,445,000	45,804,029
18,555,000	11,129,948	18,960,000	10,530,502	19,935,000	9,884,956	246,275,000	50,974,082
2,295,000	6,831,093	2,385,000	6,737,493	11,940,000	6,416,338	125,390,000	6,654,204
14,210,000	9,619,065	14,935,000	8,892,940	15,590,000	8,184,146	216,010,000	46,366,226
262,925,000	141,121,775	300,580,000	127,250,250	305,130,000	112,120,505	2,225,740,000	485,685,829
310,000	118,250	320,000	105,075	335,000	89,075	1,520,000	188,250

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
102B	1,440,000	12/2012	05/2018	1,095,000	330,000	20,531	140,000	14,344
103A	3,730,000	12/2012	05/2021	2,585,000	400,000	95,300	410,000	83,300
103B	1,080,000	12/2012	05/2019	850,000	225,000	20,188	100,000	14,844
104	31,860,000	12/2012	11/2024	30,030,000	3,110,000	1,310,600	3,230,000	1,199,350
105	17,210,000	05/2013	04/2033	16,735,000	480,000	617,481	495,000	607,881
80A	39,985,000	10/2003	05/2020	14,460,000	3,250,000	755,218	3,745,000	585,718
91	15,720,000	10/2008	04/2029	12,500,000	620,000	703,463	645,000	674,013
92	4,975,000	10/2008	06/2028	3,980,000	185,000	322,350	200,000	308,938
97	3,430,000	07/2010	06/2025	2,485,000	205,000	116,780	210,000	109,503
SERIES TOTAL	123,060,000			87,785,000	9,090,000	4,100,510	9,470,000	3,727,939
Road Fund Project								
107A	6,085,000	05/2014	05/2030	6,085,000	0	201,256	0	201,256
107B	4,400,000	05/2014	05/2022	3,835,000	555,000	77,488	565,000	71,938
73-4	43,700,000	11/2011	11/2021	42,030,000	5,500,000	1,280,469	5,615,000	1,153,558
94	33,750,000	02/2009	05/2021	16,265,000	3,345,000	796,475	3,505,000	631,975
SERIES TOTAL	87,935,000			68,215,000	9,400,000	2,355,687	9,685,000	2,058,727
AGENCY TOTAL	5,296,390,000			3,754,305,000	273,310,000	170,469,881	268,265,000	158,970,047
Turnpike Authority								
Economic Development								
2006A	74,605,000	03/2006	06/2026	18,045,000	3,855,000	753,180	3,400,000	598,980
2006B	146,630,000	06/2006	06/2026	126,860,000	6,625,000	5,889,365	7,570,000	5,558,115
2008A	195,665,000	08/2008	06/2028	169,130,000	9,660,000	8,266,203	10,105,000	7,823,603
2009A	153,305,000	04/2009	06/2029	124,050,000	6,550,000	5,898,176	6,755,000	5,694,676
2010A	153,260,000	06/2010	06/2020	109,915,000	20,085,000	5,064,756	20,955,000	4,189,356
2010B	187,640,000	06/2010	06/2030	187,640,000	0	6,696,111	0	6,696,111
2011A	115,175,000	04/2011	06/2031	115,175,000	13,170,000	5,480,556	13,780,000	4,871,156
2012A	218,200,000	03/2012	06/2032	218,200,000	8,775,000	10,356,950	9,080,000	10,051,800
2013A	187,625,000	10/2013	06/2033	181,240,000	6,615,000	8,626,938	7,015,000	8,395,288
2014A	121,325,000	06/2014	06/2025	121,325,000	9,955,000	5,457,488	10,320,000	5,093,138
SERIES TOTAL	1,553,430,000			1,371,580,000	85,290,000	62,489,722	88,980,000	58,972,222
AGENCY TOTAL	1,553,430,000			1,371,580,000	85,290,000	62,489,722	88,980,000	58,972,222
School Facilities Construction Commission								
School Commission Participation								
ADAIR CO SCH DIST	7,469,662	07/2005	08/2016	731,991	359,124	21,199	372,867	7,457
ADAIR CO SCH DIST	1,218,329	02/2009	09/2020	731,677	118,770	20,717	122,387	17,100
ADAIR CO SCH DIST	4,369,450	07/2012	08/2032	4,015,936	182,130	104,912	185,810	101,233
ADAIR CO SCH DIST	4,643,083	02/2013	08/2025	4,491,685	76,353	85,302	77,315	84,341
ALLEN CO SCH DIST	226,847	06/2005	04/2017	49,921	24,516	1,841	25,405	953
ALLEN CO SCH DIST	565,000	08/2006	08/2026	390,000	25,000	15,478	25,000	14,453
ALLEN CO SCH DIST	636,100	05/2007	05/2027	437,510	32,046	17,220	31,938	16,018
ALLEN CO SCH DIST	349,104	05/2012	04/2023	305,417	35,308	7,707	36,014	7,001
ALLEN CO SCH DIST	2,096,522	10/2013	10/2033	2,014,952	83,218	62,722	84,899	61,041
ALLEN CO SCH DIST	798,768	03/2015	12/2023	798,768	77,675	18,172	84,606	13,576
ANDERSON CO SCH DIST	392,178	12/2000	12/2017	55,741	23,953	2,188	25,114	962
ANDERSON CO SCH DIST	1,528,561	12/2005	12/2018	313,549	73,692	11,335	76,699	8,327
ANDERSON CO SCH DIST	1,288,021	12/2006	12/2019	326,550	60,631	10,813	62,885	8,558
ANDERSON CO SCH DIST	112,809	12/2007	12/2020	105,975	1,121	3,940	1,162	3,899
ANDERSON CO SCH DIST	595,266	02/2009	02/2029	451,005	25,804	16,446	26,478	15,775
ANDERSON CO SCH DIST	905,000	10/2010	10/2018	455,000	115,000	9,341	120,000	6,580
ANDERSON CO SCH DIST	313,485	06/2012	06/2024	295,415	30,285	5,908	30,890	5,303
ANDERSON CO SCH DIST	793,811	01/2013	12/2025	761,054	12,260	16,318	12,445	16,133

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
625,000	11,719	0	0	0	0	0	0
420,000	71,000	435,000	54,200	450,000	36,800	470,000	18,800
420,000	12,469	105,000	2,494	0	0	0	0
3,375,000	1,050,375	3,535,000	895,300	3,695,000	732,225	13,085,000	1,048,425
505,000	597,981	515,000	587,881	525,000	577,581	14,215,000	5,377,875
3,135,000	389,525	2,050,000	226,888	2,280,000	119,700	0	0
680,000	641,763	715,000	606,913	755,000	565,800	9,085,000	2,804,850
215,000	294,438	230,000	278,850	250,000	259,875	2,900,000	1,174,800
220,000	101,313	230,000	92,293	240,000	82,173	1,380,000	224,533
9,905,000	3,288,831	8,135,000	2,849,893	8,530,000	2,463,229	42,655,000	10,837,533
0	201,256	0	201,256	0	201,256	6,085,000	1,261,431
570,000	64,875	580,000	56,325	590,000	44,000	975,000	40,350
5,770,000	995,171	5,955,000	810,270	6,165,000	604,532	13,025,000	507,546
3,680,000	456,725	3,865,000	272,725	915,000	79,475	955,000	40,588
10,020,000	1,718,028	10,400,000	1,340,576	7,670,000	929,263	21,040,000	1,849,915
282,850,000	146,128,634	319,115,000	131,440,719	321,330,000	115,512,998	2,289,435,000	498,373,276
1,300,000	462,980	1,325,000	410,980	0	356,655	8,165,000	1,908,150
10,180,000	5,179,615	10,635,000	4,752,055	12,475,000	4,294,750	79,375,000	13,299,885
10,600,000	7,327,221	11,095,000	6,834,784	11,635,000	6,293,640	116,035,000	27,388,783
7,020,000	5,428,764	7,335,000	5,113,764	7,700,000	4,749,744	88,690,000	23,347,281
21,945,000	3,198,919	22,900,000	2,241,569	24,030,000	1,113,856	0	0
0	6,696,111	0	6,696,111	0	6,696,111	187,640,000	36,229,281
14,420,000	4,233,056	15,115,000	3,534,356	3,785,000	2,809,400	54,905,000	17,370,600
9,440,000	9,689,350	9,810,000	9,321,950	10,300,000	8,831,450	170,795,000	58,787,340
7,260,000	8,122,288	7,595,000	7,809,288	7,930,000	7,479,538	144,825,000	54,910,688
10,755,000	4,658,688	11,230,000	4,186,038	11,705,000	3,710,038	67,360,000	9,716,450
92,920,000	54,996,991	97,040,000	50,900,893	89,560,000	46,335,181	917,790,000	242,958,457
92,920,000	54,996,991	97,040,000	50,900,893	89,560,000	46,335,181	917,790,000	242,958,457
0	0	0	0	0	0	0	0
126,115	13,372	130,022	9,465	134,134	5,354	100,249	1,629
189,564	97,479	193,638	93,405	198,295	88,748	3,066,499	612,269
461,680	80,298	468,658	73,321	476,942	65,036	2,930,737	180,837
0	0	0	0	0	0	0	0
30,000	13,325	30,000	12,095	30,000	10,865	250,000	35,875
32,181	14,773	32,642	13,518	33,332	12,245	275,371	45,979
36,734	6,281	37,469	5,546	38,219	4,797	121,673	7,372
86,614	59,326	88,363	57,576	90,148	55,791	1,581,710	435,371
83,416	11,896	87,147	10,190	90,738	8,411	375,186	15,313
6,674	167	0	0	0	0	0	0
79,881	5,145	83,277	1,749	0	0	0	0
65,223	6,220	67,648	3,796	70,163	1,280	0	0
20,982	3,490	29,423	2,550	31,546	1,407	21,741	408
27,164	15,086	28,006	14,244	28,875	13,376	314,678	65,578
125,000	3,701	95,000	1,116	0	0	0	0
31,508	4,685	32,138	4,055	32,781	3,412	137,813	6,959
12,633	15,945	12,856	15,722	99,001	14,603	611,859	42,232

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
ANDERSON CO SCH DIST	622,669	02/2015	12/2026	616,305	7,482	12,537	7,633	12,385
ASHLAND IND SCH DIST	784,596	07/2006	08/2017	114,434	36,679	3,729	38,119	2,289
ASHLAND IND SCH DIST	939,019	02/2009	05/2019	401,911	95,649	13,423	98,759	10,314
ASHLAND IND SCH DIST	720,000	06/2011	06/2031	615,000	30,000	23,063	30,000	21,938
ASHLAND IND SCH DIST	1,296,941	06/2012	02/2024	1,126,700	117,878	19,641	119,056	18,462
ASHLAND IND SCH DIST	1,554,587	08/2013	08/2033	1,500,691	56,679	54,818	59,547	53,074
ASHLAND IND SCH DIST	518,180	07/2014	08/2029	512,157	30,935	10,640	31,246	10,329
ASHLAND IND SCH DIST	482,980	02/2015	08/2026	482,980	8,221	9,117	7,694	9,645
AUGUSTA IND SCH DIST	107,052	04/1996	12/2015	8,374	8,374	220	0	0
AUGUSTA IND SCH DIST	169,573	06/2004	06/2024	95,509	8,773	4,441	9,182	4,033
AUGUSTA IND SCH DIST	324,619	12/2006	12/2026	222,781	15,145	8,501	15,754	7,890
AUGUSTA IND SCH DIST	3,062,820	01/2008	02/2028	2,218,229	136,842	82,396	141,358	77,881
AUGUSTA IND SCH DIST	270,873	05/2011	05/2031	223,608	11,867	9,210	12,108	8,914
BALLARD CO SCH DIST	9,085,101	03/2012	06/2024	7,837,264	798,430	213,908	815,234	197,940
BALLARD CO SCH DIST	59,695	03/2015	03/2030	59,695	4,253	1,311	4,231	1,299
BARBOURVILLE IND SCH DIS	52,122	03/2008	11/2017	15,876	5,636	392	5,808	220
BARBOURVILLE IND SCH DIS	852,272	01/2010	02/2030	685,890	35,527	25,677	36,504	24,700
BARDSTOWN IND SCH DIST	266,852	12/2007	04/2020	139,759	25,948	5,274	26,908	4,314
BARDSTOWN IND SCH DIST	113,783	04/2012	09/2023	99,761	10,320	1,909	10,440	1,790
BARDSTOWN IND SCH DIST	396,980	06/2014	06/2034	380,330	15,752	11,631	16,068	11,316
BARDSTOWN IND SCH DIST	71,205	03/2015	08/2030	71,205	4,027	1,437	3,798	1,665
BARREN CO SCH DIST	567,906	01/2005	08/2016	94,511	55,393	2,472	39,118	724
BARREN CO SCH DIST	2,088,851	08/2006	08/2016	197,085	96,571	5,952	100,514	2,010
BARREN CO SCH DIST	587,899	09/2008	09/2028	454,575	24,856	19,751	25,838	18,769
BARREN CO SCH DIST	1,351,820	02/2009	10/2018	556,566	143,233	14,262	147,305	10,190
BARREN CO SCH DIST	894,528	11/2010	12/2030	754,326	36,660	27,594	37,533	26,721
BARREN CO SCH DIST	223,593	02/2012	08/2024	212,272	19,681	4,983	20,104	4,560
BARREN CO SCH DIST	1,615,000	07/2014	08/2034	1,615,000	65,000	46,600	65,000	45,950
BARREN CO SCH DIST	1,027,773	02/2015	08/2026	1,027,773	0	47,963	0	51,389
BATH CO SCH DIST	185,000	09/1996	09/2016	30,000	15,000	1,283	15,000	428
BATH CO SCH DIST	670,151	08/2005	08/2015	29,525	29,525	561	0	0
BATH CO SCH DIST	705,000	01/2008	02/2028	515,000	30,000	21,385	30,000	20,275
BATH CO SCH DIST	6,534,429	05/2008	05/2028	4,707,050	290,763	175,298	300,359	165,702
BATH CO SCH DIST	772,036	05/2012	02/2024	613,396	81,658	11,102	79,699	10,203
BATH CO SCH DIST	449,507	04/2013	08/2025	432,600	7,708	7,879	40,806	7,637
BATH CO SCH DIST	1,260,411	11/2013	11/2033	1,210,909	50,105	37,677	50,762	37,022
BEECHWOOD IND SCH DIST	6,019,389	12/2011	12/2030	5,068,959	316,810	29,696	316,810	29,696
BEECHWOOD IND SCH DIST	868,943	07/2014	08/2029	859,556	50,772	19,618	51,616	18,774
BEECHWOOD IND SCH DIST	1,148,901	04/2015	03/2035	1,148,901	49,641	25,251	47,027	27,866
BELL CO SCH DIST	4,706,065	01/2008	02/2028	3,414,863	211,269	121,228	218,769	113,728
BELL CO SCH DIST	12,864	10/2008	10/2028	10,013	542	442	565	419
BELL CO SCH DIST	1,777,429	06/2009	11/2020	1,056,354	170,528	29,608	175,286	24,850
BELL CO SCH DIST	523,919	11/2010	11/2030	442,897	21,754	15,445	22,389	14,811
BELL CO SCH DIST	217,280	02/2012	04/2023	158,838	18,751	2,870	18,985	2,636
BELL CO SCH DIST	378,926	06/2014	06/2034	362,679	15,289	10,734	15,442	10,582
BELLEVUE IND SCH DIST	246,318	12/2007	08/2020	145,064	23,261	4,875	24,090	4,046
BELLEVUE IND SCH DIST	739,337	03/2008	03/2028	530,823	32,825	19,561	33,876	18,511
BELLEVUE IND SCH DIST	133,958	06/2009	05/2018	47,835	15,445	1,564	15,940	1,069
BELLEVUE IND SCH DIST	95,352	05/2011	05/2031	80,920	3,819	3,216	3,933	3,101
BEREA IND SCH DIST	36,672	11/2004	07/2016	6,095	3,612	157	2,483	46
BEREA IND SCH DIST	775,252	12/2007	12/2027	563,189	35,119	20,835	36,226	19,542
BEREA IND SCH DIST	601,566	03/2008	11/2020	277,572	49,943	8,764	51,779	7,124

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
7,787	12,231	7,944	12,074	8,105	11,913	577,354	41,855
39,636	773	0	0	0	0	0	0
102,017	7,055	105,486	3,587	0	0	0	0
30,000	20,813	30,000	19,688	35,000	18,563	460,000	110,250
120,842	16,676	122,654	14,863	124,495	13,024	521,775	28,296
62,503	51,244	65,549	49,323	63,611	47,385	1,192,802	371,835
31,560	10,015	31,876	9,698	32,196	9,377	354,344	50,693
7,849	9,489	48,825	8,923	49,811	7,936	360,580	26,018
0	0	0	0	0	0	0	0
9,608	3,606	10,056	3,159	10,646	2,692	47,244	5,617
16,390	7,256	17,049	6,595	17,736	5,908	140,707	19,751
146,306	72,933	151,426	67,812	156,878	62,361	1,485,419	268,492
12,370	8,611	12,723	8,190	11,109	7,758	163,431	49,288
831,415	181,635	850,047	162,928	875,561	137,427	3,666,577	280,560
4,291	1,214	4,338	1,129	3,354	1,042	39,228	6,387
4,432	66	0	0	0	0	0	0
37,690	23,513	38,915	22,288	40,180	21,024	497,074	114,962
27,903	3,318	28,950	2,272	30,050	1,172	0	0
10,591	1,637	10,793	1,436	11,010	1,218	46,607	2,308
16,390	10,995	16,717	10,667	17,051	10,333	298,352	85,024
3,897	1,567	3,997	1,466	4,102	1,363	51,384	7,377
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
26,894	17,714	27,991	16,616	29,134	15,474	319,862	71,392
151,792	5,704	114,236	1,714	0	0	0	0
38,559	25,693	39,751	24,502	41,115	23,137	560,708	132,128
20,587	4,076	21,109	3,555	21,644	3,020	109,147	6,685
65,000	45,300	65,000	44,325	70,000	42,975	1,285,000	364,788
85,110	49,261	89,730	44,890	94,588	40,282	758,345	135,889
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
35,000	19,165	35,000	17,870	35,000	16,400	350,000	70,495
310,572	155,490	321,442	144,620	333,013	133,048	3,150,901	577,592
81,437	9,327	80,602	8,064	55,000	6,815	235,000	13,865
40,281	7,231	37,931	6,651	43,951	5,832	261,923	16,086
51,425	36,357	52,099	35,685	55,086	34,602	951,432	270,691
316,810	29,696	316,810	29,696	316,810	29,696	3,484,909	311,813
52,475	17,915	53,348	17,042	54,236	16,154	597,109	88,372
47,967	26,925	48,926	25,966	49,905	24,988	905,435	217,952
226,536	105,961	234,577	97,919	242,904	89,592	2,280,808	379,169
588	395	614	370	641	343	7,063	1,558
180,536	19,600	186,035	14,102	191,896	8,241	152,073	2,585
23,042	14,158	23,713	13,486	24,406	12,794	327,593	73,005
19,270	2,351	19,607	2,014	19,950	1,671	62,275	2,587
15,675	10,350	15,910	10,115	16,227	9,797	284,136	80,201
24,948	3,188	26,952	2,246	26,907	1,230	18,906	359
34,960	17,427	36,078	16,308	37,449	14,937	355,635	63,456
16,450	559	0	0	0	0	0	0
4,051	2,983	4,173	2,862	4,299	2,737	60,645	16,740
0	0	0	0	0	0	0	0
37,578	18,190	38,996	16,773	40,477	15,293	374,793	59,837
56,057	5,357	43,041	3,636	44,663	2,014	32,089	594

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
BEREA IND SCH DIST	373,943	08/2008	08/2028	289,510	15,912	11,972	16,561	11,322
BEREA IND SCH DIST	196,665	02/2012	05/2023	155,908	18,165	3,118	18,528	2,755
BEREA IND SCH DIST	1,316,455	03/2013	03/2033	1,202,867	56,921	27,379	57,349	26,952
BOONE CO SCH DIST	1,004,736	07/2006	08/2016	95,221	46,658	2,876	48,563	971
BOONE CO SCH DIST	1,660,381	12/2006	08/2019	1,003,251	195,626	35,086	203,357	27,355
BOONE CO SCH DIST	928,286	05/2008	06/2017	229,172	112,754	7,506	116,418	3,842
BOONE CO SCH DIST	872,277	02/2009	02/2029	666,873	36,800	28,384	37,906	27,280
BOONE CO SCH DIST	2,461,640	04/2011	04/2031	2,087,447	97,408	88,957	100,329	86,035
BOONE CO SCH DIST	1,414,197	09/2012	02/2024	1,253,194	128,229	27,471	130,794	24,907
BOONE CO SCH DIST	1,062,842	03/2013	02/2033	976,962	42,105	29,225	42,948	28,383
BOONE CO SCH DIST	663,069	03/2015	08/2026	663,069	11,435	14,862	9,395	16,903
BOURBON CO SCH DIST	1,568,363	07/2006	07/2016	148,606	72,817	4,488	75,789	1,516
BOURBON CO SCH DIST	179,129	01/2009	02/2029	138,050	7,676	5,438	7,926	5,189
BOURBON CO SCH DIST	163,059	10/2010	06/2018	64,173	21,012	1,444	21,340	971
BOURBON CO SCH DIST	387,701	10/2011	10/2031	338,853	16,639	9,203	16,848	8,994
BOURBON CO SCH DIST	1,129,952	02/2013	07/2026	1,084,946	21,863	16,828	22,116	16,575
BOURBON CO SCH DIST	243,817	09/2013	08/2033	234,783	9,285	8,165	9,544	7,906
BOURBON CO SCH DIST	596,749	05/2015	03/2020	596,749	118,283	5,028	117,281	6,175
BOWLING GREEN IND SCH DI	796,364	05/2004	05/2016	40,476	40,476	1,700	0	0
BOWLING GREEN IND SCH DI	1,121,096	07/2008	08/2028	863,627	48,590	33,462	50,446	31,605
BOWLING GREEN IND SCH DI	497,271	07/2010	08/2030	423,078	20,304	15,072	21,059	14,317
BOWLING GREEN IND SCH DI	466,072	03/2012	05/2024	432,163	8,914	8,188	51,187	8,086
BOWLING GREEN IND SCH DI	1,212,142	06/2013	05/2033	1,113,845	49,074	32,190	50,122	31,147
BOWLING GREEN IND SCH DI	688,944	08/2014	08/2034	688,944	27,741	19,482	27,978	19,245
BOWLING GREEN IND SCH DI	731,949	11/2014	12/2019	729,730	139,004	18,502	141,992	15,514
BOYD CO SCH DIST	425,000	09/1996	09/2016	55,000	30,000	2,280	25,000	713
BOYD CO SCH DIST	519,191	03/2008	10/2017	69,212	26,629	1,905	24,628	1,047
BOYD CO SCH DIST	1,490,000	02/2009	09/2019	690,000	140,000	18,600	140,000	14,400
BOYD CO SCH DIST	810,000	12/2009	12/2029	655,000	35,000	24,523	35,000	23,578
BOYD CO SCH DIST	3,793,055	07/2014	02/2031	3,634,255	190,171	104,047	199,118	100,243
BOYLE CO SCH DIST	555,000	06/2004	06/2024	305,000	30,000	14,800	30,000	13,413
BOYLE CO SCH DIST	829,220	07/2005	07/2016	78,307	37,745	2,180	40,562	750
BOYLE CO SCH DIST	1,084,177	05/2007	04/2020	267,830	49,576	10,509	51,460	8,625
BOYLE CO SCH DIST	287,398	04/2008	08/2017	118,750	43,331	3,045	44,883	1,694
BOYLE CO SCH DIST	784,734	03/2010	03/2030	629,682	32,893	23,118	33,748	22,263
BOYLE CO SCH DIST	1,000,460	09/2010	03/2021	736,282	115,637	19,444	117,949	17,132
BOYLE CO SCH DIST	1,595,973	06/2011	06/2031	1,335,092	66,708	45,343	68,042	44,009
BOYLE CO SCH DIST	1,402,360	12/2012	12/2032	1,262,124	70,118	0	70,118	0
BOYLE CO SCH DIST	523,643	01/2013	07/2025	506,223	8,815	9,115	8,904	9,026
BOYLE CO SCH DIST	819,042	04/2015	03/2035	819,042	34,417	19,877	33,299	20,996
BOYLE CO SCH DIST	538,122	04/2015	04/2027	538,122	6,337	12,646	6,486	12,497
BRACKEN CO SCH DIST	187,000	12/1996	12/2016	24,000	14,000	935	10,000	275
BRACKEN CO SCH DIST	198,716	02/1999	02/2019	54,937	12,841	2,472	13,419	1,894
BRACKEN CO SCH DIST	343,088	01/2010	02/2030	276,649	14,506	10,269	15,515	9,834
BREATHITT CO SCH DIST	1,528,849	01/2008	02/2028	1,109,358	67,930	42,593	70,239	40,284
BREATHITT CO SCH DIST	418,503	05/2012	03/2024	367,876	37,394	8,346	38,188	7,552
BREATHITT CO SCH DIST	1,807,481	05/2015	05/2035	1,807,481	72,999	46,476	73,937	45,538
BRECKINRIDGE CO SCH DIS	358,717	02/2004	02/2024	175,000	15,000	7,380	15,000	6,780
BRECKINRIDGE CO SCH DIS	1,210,498	04/2008	04/2028	873,791	53,804	32,481	55,687	30,597
BRECKINRIDGE CO SCH DIS	486,371	02/2009	05/2019	227,342	54,341	6,820	55,971	5,190
BRECKINRIDGE CO SCH DIS	1,605,960	06/2012	06/2032	1,365,066	80,298	0	80,298	0
BULLITT CO SCH DIST	182,435	11/2004	05/2016	18,342	18,342	665	0	0

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
17,237	10,647	17,941	9,943	18,697	9,187	203,162	41,310
18,899	2,384	19,276	2,006	19,662	1,621	61,378	2,471
57,779	26,522	58,213	26,089	59,521	24,779	913,084	182,833
0	0	0	0	0	0	0	0
211,394	19,320	219,747	10,966	173,127	3,354	0	0
0	0	0	0	0	0	0	0
39,137	26,048	40,507	24,678	42,025	23,159	470,498	116,167
103,340	83,025	106,439	79,925	110,165	76,199	1,569,766	480,236
133,408	22,291	136,076	19,623	138,798	16,901	585,889	36,908
44,236	27,095	45,563	25,768	46,930	24,401	755,180	172,123
59,619	16,213	60,824	15,009	62,053	13,780	459,743	47,514
0	0	0	0	0	0	0	0
8,203	4,911	8,490	4,624	8,788	4,327	96,967	21,062
21,821	491	0	0	0	0	0	0
17,112	8,731	17,432	8,411	17,757	8,085	253,065	52,482
100,123	15,872	101,282	14,714	102,453	13,543	737,109	49,727
9,810	7,640	10,083	7,367	10,365	7,086	185,696	55,299
118,452	5,002	121,163	3,581	121,570	1,884	0	0
0	0	0	0	0	0	0	0
52,389	29,664	54,431	27,621	56,611	25,441	601,160	112,877
21,841	13,534	22,654	12,722	23,496	11,880	313,724	65,429
51,812	7,497	52,562	6,655	52,688	5,801	215,000	12,535
51,152	30,082	52,330	28,995	54,170	27,883	856,997	206,378
28,216	19,006	28,594	18,629	29,113	18,110	547,302	151,836
145,222	12,283	149,094	8,413	154,418	3,088	0	0
0	0	0	0	0	0	0	0
17,955	314	0	0	0	0	0	0
150,000	10,050	150,000	5,550	110,000	1,650	0	0
35,000	22,528	40,000	21,290	40,000	19,970	470,000	102,215
198,500	96,261	203,208	92,291	209,430	88,227	2,633,828	548,318
30,000	12,025	30,000	10,638	35,000	9,250	150,000	19,250
0	0	0	0	0	0	0	0
53,467	6,618	55,552	4,533	57,775	2,311	0	0
30,536	496	0	0	0	0	0	0
34,793	21,217	35,872	20,138	36,984	19,026	455,392	104,711
120,603	14,478	123,619	11,463	127,327	7,754	131,147	3,934
69,404	42,648	71,226	40,826	73,095	38,957	986,617	245,956
70,118	0	70,118	0	70,118	0	911,534	0
52,040	8,591	54,224	7,794	51,403	7,002	330,837	19,604
33,964	20,330	34,643	19,651	35,336	18,958	647,383	167,023
6,638	12,345	6,794	12,189	6,954	12,029	504,913	48,564
0	0	0	0	0	0	0	0
14,023	1,290	14,654	659	0	0	0	0
14,980	9,368	15,706	8,900	16,494	8,370	199,448	45,983
72,767	37,755	75,388	35,135	78,215	32,308	744,819	139,364
39,000	6,740	39,877	5,863	40,774	4,966	172,643	10,317
75,416	44,059	76,924	42,551	78,462	41,012	1,429,743	362,375
20,000	6,180	20,000	5,380	20,000	4,540	85,000	9,640
57,636	28,648	59,653	26,631	61,831	24,454	585,180	105,095
57,650	3,511	59,380	1,781	0	0	0	0
80,298	0	80,298	0	80,298	0	963,576	0
0	0	0	0	0	0	0	0

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
BULLITT CO SCH DIST	614,277	12/2006	09/2016	121,289	70,542	3,118	50,747	920
BULLITT CO SCH DIST	6,259,961	10/2013	10/2033	6,023,039	241,708	200,444	246,591	195,561
BULLITT CO SCH DIST	213,785	07/2014	09/2029	200,930	9,710	8,079	10,208	7,581
BURGIN IND SCH DIST	2,706	06/2011	06/2031	2,272	111	83	114	80
BURGIN IND SCH DIST	265,045	03/2012	02/2024	232,126	23,782	4,814	24,258	4,339
BUTLER CO SCH DIST	482,971	03/2004	08/2016	102,473	60,045	2,687	42,428	796
BUTLER CO SCH DIST	545,280	10/2006	07/2020	321,741	51,726	11,377	53,718	9,400
BUTLER CO SCH DIST	205,340	02/2008	02/2028	147,791	9,175	5,404	9,460	5,120
BUTLER CO SCH DIST	4,785,863	12/2011	06/2024	4,134,314	423,144	93,792	429,915	87,021
CALDWELL CO SCH DIST	144,294	08/2005	06/2020	73,421	5,299	2,921	5,501	2,719
CALDWELL CO SCH DIST	776,348	04/2011	04/2031	650,988	32,358	22,628	33,038	21,949
CALLOWAY CO SCH DIST	476,721	11/2004	03/2016	7,048	7,048	261	0	0
CALLOWAY CO SCH DIST	1,800,970	10/2008	10/2028	1,396,696	75,792	61,994	78,885	58,901
CALLOWAY CO SCH DIST	1,151,452	10/2010	06/2022	891,287	105,944	24,062	107,948	21,678
CALLOWAY CO SCH DIST	815,930	12/2013	02/2034	785,875	32,766	25,030	33,322	24,473
CALLOWAY CO SCH DIST	48,133	11/2014	05/2021	41,796	6,663	547	6,593	487
CAMPBELL CO SCH DIST	641,839	10/2004	08/2016	105,422	66,890	2,657	38,532	722
CAMPBELL CO SCH DIST	1,062,500	07/2006	08/2016	100,403	49,184	3,084	51,219	1,050
CAMPBELL CO SCH DIST	595,000	10/2010	10/2018	300,000	75,000	6,825	80,000	4,995
CAMPBELL CO SCH DIST	6,284,177	08/2011	08/2031	5,544,605	257,841	199,919	261,801	194,395
CAMPBELL CO SCH DIST	1,250,000	07/2012	08/2032	1,150,000	50,000	32,913	55,000	31,863
CAMPBELL CO SCH DIST	1,830,762	08/2012	02/2024	1,627,588	165,743	36,281	166,709	32,967
CAMPBELL CO SCH DIST	706,684	12/2014	08/2026	695,386	8,237	19,999	8,404	19,833
CAMPBELLSVILLE IND SCH D	211,120	12/1997	12/2017	42,844	14,901	1,770	15,665	1,006
CAMPBELLSVILLE IND SCH D	280,000	09/2005	09/2025	178,000	13,000	6,860	14,000	6,320
CAMPBELLSVILLE IND SCH D	5,395,000	06/2008	06/2028	3,915,000	240,000	154,558	245,000	146,158
CAMPBELLSVILLE KISTA SC	197,350	07/2012	06/2024	172,600	17,600	4,305	17,000	3,953
CARLISLE CO SCH DIST	565,000	08/2007	08/2027	410,000	25,000	16,284	25,000	15,309
CARLISLE CO SCH DIST	910,830	05/2008	05/2028	660,209	40,484	25,083	42,835	23,707
CARLISLE CO SCH DIST	541,071	06/2009	06/2029	420,613	22,759	17,455	23,704	16,511
CARLISLE CO SCH DIST	291,479	06/2009	12/2016	30,821	17,845	657	12,976	195
CARLISLE CO SCH DIST	1,304,736	10/2011	10/2029	1,087,278	72,485	0	72,485	0
CARLISLE CO SCH DIST	1,081,575	07/2014	08/2034	1,081,575	43,402	32,297	44,279	31,420
CARROLL CO SCH DIST	395,000	06/2004	06/2024	220,000	20,000	10,453	20,000	9,573
CARROLL CO SCH DIST	2,060,000	06/2005	06/2025	1,205,000	100,000	48,410	105,000	44,710
CARROLL CO SCH DIST	725,000	07/2006	08/2026	500,000	35,000	20,506	35,000	19,019
CARROLL CO SCH DIST	556,324	10/2007	10/2019	265,342	52,445	8,843	54,395	6,893
CARROLL CO SCH DIST	328,534	03/2008	08/2017	107,425	39,688	2,783	39,018	1,543
CARROLL CO SCH DIST	1,689,742	03/2014	03/2034	1,615,367	70,588	42,175	71,293	41,469
CARROLL CO SCH DIST	959,488	11/2014	02/2030	904,378	50,142	24,609	52,462	23,355
CARTER CO SCH DIST	2,610,038	01/2006	02/2016	124,939	124,939	4,560	0	0
CARTER CO SCH DIST	71,951	03/2008	01/2016	8,255	8,255	264	0	0
CARTER CO SCH DIST	1,900,200	03/2009	02/2019	895,279	212,552	31,498	220,223	24,484
CARTER CO SCH DIST	3,621,702	01/2011	02/2031	3,064,228	144,426	127,473	148,037	123,862
CARTER CO SCH DIST	655,000	02/2014	02/2034	630,000	25,000	25,200	25,000	24,200
CARTER CO SCH DIST	1,722,784	02/2015	02/2026	1,722,784	26,698	33,291	154,876	34,612
CARTER CO SCH DIST	651,000	03/2015	03/2035	651,000	25,199	15,619	25,231	16,587
CASEY CO SCH DIST	475,324	12/2004	08/2016	80,071	47,107	2,124	32,964	626
CASEY CO SCH DIST	9,007,107	07/2006	08/2016	858,706	420,444	26,912	438,262	9,094
CASEY CO SCH DIST	935,000	05/2009	12/2018	380,000	100,000	9,930	100,000	7,080
CASEY CO SCH DIST	726,975	09/2010	05/2021	414,773	61,867	9,445	67,655	8,208
CASEY CO SCH DIST	3,421,794	02/2012	06/2024	2,950,369	303,513	60,307	309,581	54,236

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	0	0	0	0	0	0	0
252,850	189,303	260,551	181,602	268,486	173,666	4,752,853	1,346,746
10,731	7,057	11,281	6,507	11,859	5,928	147,141	26,254
116	78	119	75	123	71	1,689	445
24,743	3,854	25,238	3,359	25,743	2,854	108,362	6,027
0	0	0	0	0	0	0	0
55,771	7,334	57,945	5,158	60,236	2,868	42,345	847
9,767	4,812	10,084	4,495	10,453	4,127	98,852	17,785
438,512	78,423	447,283	69,653	456,676	60,260	1,938,784	128,956
5,716	2,505	28,325	2,276	28,580	1,143	0	0
33,796	21,189	34,641	20,344	35,578	19,409	481,577	123,267
0	0	0	0	0	0	0	0
82,210	55,576	85,779	52,006	89,504	48,281	984,526	221,716
152,732	19,088	131,646	14,888	130,214	11,267	262,803	11,441
33,889	23,907	34,465	23,330	35,052	22,745	616,381	192,765
6,555	428	6,451	369	6,484	311	9,050	181
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
80,000	2,835	65,000	878	0	0	0	0
266,412	188,453	272,606	181,026	278,390	172,072	4,207,555	1,109,692
55,000	30,763	55,000	29,663	55,000	28,508	880,000	205,571
173,953	29,632	176,883	26,153	179,488	22,616	764,812	48,345
61,369	19,135	62,927	17,577	64,844	15,661	489,605	51,174
12,278	307	0	0	0	0	0	0
15,000	5,740	15,000	5,140	16,000	4,520	105,000	12,620
255,000	137,338	260,000	127,903	275,000	118,023	2,640,000	508,850
17,000	3,613	21,000	3,273	20,000	2,800	80,000	5,950
25,000	14,309	30,000	13,181	30,000	11,951	275,000	46,712
45,378	22,165	43,139	20,531	45,965	18,935	442,408	81,908
24,686	15,527	25,712	14,503	26,779	13,436	296,973	64,955
0	0	0	0	0	0	0	0
72,486	0	72,485	0	72,485	0	724,852	0
45,000	30,527	45,000	29,627	45,000	28,727	858,894	248,759
20,000	8,673	25,000	7,753	25,000	6,578	110,000	13,946
110,000	40,720	115,000	36,430	115,000	31,830	660,000	85,150
35,000	17,531	40,000	15,938	40,000	14,238	315,000	47,494
56,446	4,842	58,574	2,714	43,482	815	0	0
28,719	460	0	0	0	0	0	0
72,006	40,756	72,726	40,036	73,454	39,309	1,255,300	323,384
55,151	22,044	48,334	20,665	57,018	19,456	641,271	106,246
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
227,275	16,776	235,229	8,821	0	0	0	0
152,478	119,421	157,053	114,846	162,157	109,742	2,300,077	699,146
25,000	23,200	25,000	22,200	25,000	21,200	505,000	163,200
157,973	31,514	161,132	28,355	164,367	25,132	1,057,738	79,188
26,735	16,082	28,270	15,547	29,836	14,982	515,729	132,687
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
105,000	3,953	75,000	1,163	0	0	0	0
68,774	6,855	70,581	5,308	71,144	3,614	74,752	1,906
315,774	48,045	322,089	41,729	328,530	35,287	1,370,882	73,680

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
CASEY CO SCH DIST	2,010,000	08/2012	08/2032	1,840,000	85,000	39,470	90,000	38,595
CASEY CO SCH DIST	370,000	08/2014	08/2034	370,000	15,000	12,506	15,000	11,989
CASEY CO SCH DIST	6,060,252	03/2015	08/2026	6,060,252	104,879	107,859	74,992	122,414
CAVERNA IND SCH DIST	283,316	04/2012	06/2024	242,937	25,010	5,246	25,385	4,870
CAVERNA IND SCH DIST	666,888	01/2014	02/2033	634,878	32,367	6,349	32,691	6,025
CHRISTIAN CO SCH DIST	610,391	07/2003	07/2015	55,982	55,982	945	0	0
CHRISTIAN CO SCH DIST	5,770,894	08/2005	08/2018	1,186,812	279,143	41,890	290,536	30,496
CHRISTIAN CO SCH DIST	608,190	04/2008	07/2017	201,020	71,863	5,340	74,166	3,038
CHRISTIAN CO SCH DIST	6,253,042	05/2010	05/2022	2,574,782	367,826	0	367,826	0
CHRISTIAN CO SCH DIST	3,237,976	09/2010	07/2021	2,423,699	334,918	52,093	342,114	44,895
CHRISTIAN CO SCH DIST	6,749,893	12/2012	08/2025	2,896,801	52,195	49,329	52,562	48,963
CHRISTIAN CO SCH DIST	6,188,403	05/2014	05/2034	5,943,576	239,677	185,453	244,472	180,660
CHRISTIAN CO SCH DIST	500,000	05/2015	05/2035	500,000	20,000	14,939	20,000	15,790
CLARK CO SCH DIST	255,000	09/1996	09/2016	40,000	20,000	1,665	20,000	555
CLARK CO SCH DIST	3,085,275	11/2010	11/2030	2,612,769	123,049	110,676	125,932	107,792
CLARK CO SCH DIST	323,783	12/2011	12/2030	272,660	17,040	0	17,041	0
CLARK CO SCH DIST	12,166,604	12/2011	12/2030	10,245,561	640,348	56,393	640,348	56,393
CLARK CO SCH DIST	3,082,285	04/2015	04/2035	3,082,285	121,378	88,974	117,515	92,836
CLAY CO SCH DIST	118,030	07/1996	07/2016	15,495	8,950	606	6,545	180
CLAY CO SCH DIST	4,460,000	01/2008	01/2028	3,235,000	200,000	114,843	205,000	107,743
CLAY CO SCH DIST	815,000	02/2014	02/2034	785,000	35,000	24,983	35,000	24,773
CLINTON CO SCH DIST	184,892	06/2005	02/2016	19,442	19,442	700	0	0
CLINTON CO SCH DIST	480,046	10/2005	10/2015	23,167	23,167	429	0	0
CLINTON CO SCH DIST	122,706	11/2006	08/2017	36,413	12,351	1,131	14,013	640
CLINTON CO SCH DIST	434,538	07/2007	07/2027	319,355	19,398	13,006	20,229	12,173
CLINTON CO SCH DIST	566,089	02/2013	10/2025	453,895	39,488	5,923	63,600	5,408
CLINTON CO SCH DIST	854,809	05/2014	08/2030	804,554	44,140	19,442	44,629	18,954
CLOVERPORT IND SCH DIST	508,541	03/2004	09/2023	212,468	22,468	8,574	20,000	7,740
CLOVERPORT IND SCH DIST	4,498,177	01/2008	02/2028	3,259,303	201,455	119,684	208,894	113,036
CLOVERPORT IND SCH DIST	525,285	06/2010	08/2030	443,679	21,444	16,361	22,053	15,752
CLOVERPORT IND SCH DIST	126,768	06/2015	06/2035	126,768	5,166	3,355	5,108	3,413
CORBIN IND SCH DIST	148,708	06/2005	07/2016	31,487	18,129	807	13,358	240
CORBIN IND SCH DIST	992,488	02/2007	02/2027	680,620	45,297	27,225	47,109	25,413
CORBIN IND SCH DIST	2,488,444	09/2011	09/2025	1,955,206	177,746	0	177,746	0
CORBIN IND SCH DIST	389,289	11/2011	03/2021	235,728	41,213	4,125	42,000	3,404
CORBIN IND SCH DIST	1,629,841	08/2012	08/2032	1,489,142	71,092	33,014	71,699	32,406
CORBIN IND SCH DIST	949,926	03/2014	12/2029	885,745	50,899	23,516	51,928	22,487
COVINGTON IND SCH DIST	1,195,000	10/2005	10/2015	55,000	55,000	1,073	0	0
COVINGTON IND SCH DIST	588,353	04/2007	06/2019	209,948	49,250	7,903	51,072	6,081
COVINGTON IND SCH DIST	337,086	04/2008	05/2018	110,105	34,271	3,546	37,508	2,484
COVINGTON IND SCH DIST	1,030,000	04/2008	04/2028	740,000	45,000	28,085	45,000	26,555
COVINGTON IND SCH DIST	1,017,841	06/2009	06/2029	781,832	46,094	31,942	46,341	30,467
COVINGTON IND SCH DIST	1,090,000	10/2012	10/2032	1,000,000	45,000	18,891	50,000	18,369
COVINGTON IND SCH DIST	1,725,109	10/2014	02/2031	1,643,365	86,744	41,526	88,478	39,791
COVINGTON IND SCH DIST	772,494	03/2015	04/2026	772,494	12,400	16,500	71,055	16,675
CRITTENDEN CO SCH DIST	209,338	03/2009	04/2018	75,953	24,492	2,597	25,288	1,801
CRITTENDEN CO SCH DIST	1,135,000	08/2009	08/2029	915,000	50,000	35,440	50,000	33,878
CRITTENDEN CO SCH DIST	990,000	07/2010	08/2030	840,000	40,000	29,218	40,000	28,338
CRITTENDEN CO SCH DIST	900,589	09/2010	10/2021	620,952	86,331	12,839	87,901	11,269
CRITTENDEN CO SCH DIST	807,504	06/2013	06/2033	737,953	32,501	20,177	35,350	19,771
CUMBERLAND CO SCH DIST	1,854,324	04/2007	04/2027	1,269,313	85,355	48,825	88,556	45,624
CUMBERLAND CO SCH DIST	39,980	02/2013	04/2017	19,372	11,550	242	7,822	98

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
90,000	37,583	90,000	36,458	95,000	35,183	1,390,000	256,148
15,000	11,471	15,000	10,954	15,000	10,436	295,000	82,714
554,493	116,119	565,697	104,917	577,124	93,489	4,183,067	311,103
25,766	4,490	26,281	3,974	26,833	3,422	113,662	7,362
33,018	5,698	33,349	5,368	33,682	5,035	469,771	33,538
0	0	0	0	0	0	0	0
302,395	18,637	314,738	6,295	0	0	0	0
54,991	907	0	0	0	0	0	0
367,826	0	367,826	0	367,826	0	735,652	0
349,900	37,110	358,088	28,921	366,695	20,314	671,984	15,021
52,931	48,593	53,303	48,222	376,688	45,869	2,309,122	135,461
249,360	175,770	256,841	168,290	264,547	160,584	4,688,679	1,263,154
20,000	15,430	20,000	15,070	20,000	14,710	400,000	134,425
0	0	0	0	0	0	0	0
129,659	104,065	134,080	99,644	139,069	94,655	1,960,980	558,455
17,041	0	17,041	0	17,041	0	187,454	0
640,348	56,393	640,348	56,393	640,348	56,393	7,043,823	592,121
121,040	89,311	124,672	85,680	128,412	81,940	2,469,268	686,003
0	0	0	0	0	0	0	0
215,000	100,465	220,000	92,833	230,000	85,023	2,165,000	360,148
35,000	24,458	35,000	24,038	35,000	23,513	610,000	194,394
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
10,049	188	0	0	0	0	0	0
21,098	11,306	22,003	10,400	22,946	9,456	213,681	36,618
64,239	4,768	64,885	4,123	31,270	3,595	190,413	10,729
45,121	18,460	45,621	17,961	46,127	17,456	578,916	99,754
20,000	6,880	20,000	6,020	25,000	5,053	105,000	9,353
216,960	105,829	225,304	98,344	229,159	90,459	2,177,531	389,567
22,680	15,126	23,419	14,387	24,277	13,529	329,806	75,837
5,215	3,305	5,325	3,196	5,437	3,084	100,517	27,281
0	0	0	0	0	0	0	0
48,993	23,529	50,953	21,569	52,991	19,531	435,277	72,372
177,746	0	177,746	0	177,746	0	1,066,476	0
42,671	2,669	43,418	1,922	44,000	1,162	22,426	392
72,493	31,613	73,479	30,627	74,589	29,516	1,125,790	211,031
52,977	21,438	54,047	20,368	55,139	19,276	620,755	103,488
0	0	0	0	0	0	0	0
52,986	4,166	56,640	2,152	0	0	0	0
38,326	1,265	0	0	0	0	0	0
50,000	25,025	50,000	23,325	50,000	21,450	500,000	93,138
46,725	28,984	47,606	27,302	48,895	25,588	546,171	127,331
50,000	17,819	50,000	17,269	50,000	16,719	755,000	125,522
90,000	38,022	92,048	36,222	93,888	34,381	1,192,207	218,758
70,106	15,254	74,008	13,852	77,788	12,372	467,137	39,701
26,173	916	0	0	0	0	0	0
50,000	32,253	50,000	30,540	55,000	28,650	660,000	146,435
45,000	27,239	45,000	25,945	45,000	24,595	625,000	141,980
89,721	9,448	91,695	7,474	93,852	5,316	171,452	3,978
33,516	19,329	36,941	18,910	36,013	18,079	563,632	138,143
91,877	42,304	95,368	38,812	99,040	35,141	809,117	130,147
0	0	0	0	0	0	0	0

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
DANVILLE IND SCH DIST	1,170,000	04/2006	04/2017	105,000	50,000	4,200	55,000	2,200
DANVILLE IND SCH DIST	74,963	02/2009	06/2019	35,525	8,144	1,049	9,511	821
DANVILLE IND SCH DIST	1,130,000	09/2010	07/2018	560,000	145,000	9,750	145,000	6,850
DANVILLE IND SCH DIST	108,990	10/2011	10/2031	93,990	5,000	3,349	5,000	3,255
DANVILLE IND SCH DIST	1,310,126	02/2014	02/2034	1,255,153	52,866	39,446	53,659	38,653
DANVILLE IND SCH DIST	700,000	12/2014	04/2026	695,000	10,000	15,500	10,000	15,400
DAVIESS CO SCH DIST	128,917	03/2004	08/2015	11,872	11,872	215	0	0
DAVIESS CO SCH DIST	339,258	06/2005	04/2017	77,611	36,600	2,874	41,011	1,538
DAVIESS CO SCH DIST	1,205,691	05/2015	05/2035	1,205,691	47,095	36,360	46,011	37,444
DAWSON SPRINGS IND SCH	2,235,000	07/2006	08/2016	215,000	105,000	61,970	110,000	29,935
DAWSON SPRINGS IND SCH	307,362	04/2014	08/2029	288,842	15,714	6,522	15,745	6,341
DAWSON SPRINGS IND SCH	1,440,000	05/2015	08/2026	1,440,000	30,000	15,313	20,000	28,000
DAYTON IND SCH DIST	599,709	02/2009	06/2019	257,106	61,188	8,654	63,177	6,666
DAYTON IND SCH DIST	597,197	06/2009	02/2029	450,427	25,011	18,130	25,787	17,355
DAYTON IND SCH DIST	288,582	05/2013	05/2033	263,258	12,720	5,528	12,878	5,369
EAST BERNSTADT IND SCH	200,000	12/2009	12/2029	165,000	10,000	6,750	10,000	6,400
EAST BERNSTADT IND SCH	4,346,965	12/2011	12/2030	3,662,530	227,149	14,658	227,499	14,658
EAST BERNSTADT IND SCH	42,571	12/2014	12/2034	42,571	1,700	1,164	1,734	1,129
EDMONSON CO SCH DIST	847,167	04/2008	08/2019	459,352	91,131	13,382	93,964	10,547
EDMONSON CO SCH DIST	695,391	05/2011	05/2031	586,338	28,111	22,900	28,743	22,267
EDMONSON CO SCH DIST	1,055,000	03/2012	05/2024	905,000	95,000	17,155	95,000	16,110
ELIZABETHTOWN IND SCH DI	498,632	07/1998	07/2018	131,407	33,087	5,284	34,673	3,725
ELIZABETHTOWN IND SCH DI	219,299	06/2005	07/2016	45,489	26,154	1,167	19,335	348
ELIZABETHTOWN IND SCH DI	59,411	06/2005	02/2016	8,582	8,582	300	0	0
ELIZABETHTOWN IND SCH DI	1,004,080	12/2010	12/2026	753,060	62,755	0	62,755	0
ELIZABETHTOWN IND SCH DI	396,049	11/2011	09/2023	342,129	36,154	6,903	36,700	6,356
ELLIOT CO SCH DIST	395,000	01/2015	02/2035	395,000	15,000	12,381	15,000	11,780
ELLIOTT CO SCH DIST	290,000	12/2005	02/2026	190,000	15,000	7,838	15,000	7,219
ELLIOTT CO SCH DIST	3,401,598	11/2007	11/2027	2,465,689	151,771	93,006	157,967	87,430
ELLIOTT CO SCH DIST	801,527	03/2009	12/2018	330,838	83,993	9,496	86,713	6,764
ELLIOTT CO SCH DIST	403,114	01/2012	09/2023	323,987	34,324	6,271	35,016	5,577
ELLIOTT CO SCH DIST	1,998,493	07/2012	08/2032	1,833,315	85,101	44,368	86,819	42,649
EMINENCE IND SCH DIST	23,434	02/2005	05/2016	2,311	2,311	86	0	0
EMINENCE IND SCH DIST	360,214	12/2007	07/2020	218,965	35,102	7,536	36,418	6,240
EMINENCE IND SCH DIST	300,000	01/2010	01/2030	250,000	15,000	9,656	15,000	9,169
EMINENCE IND SCH DIST	420,000	10/2010	10/2030	360,000	20,000	12,375	20,000	11,925
EMINENCE IND SCH DIST	820,000	11/2012	11/2032	740,000	35,000	14,450	35,000	13,750
EMINENCE IND SCH DIST	816,521	02/2015	02/2035	816,521	28,260	21,395	29,788	21,504
ERLANGER-ELSMERE IND SC	1,424,263	05/2007	05/2027	977,774	65,073	39,111	67,676	36,508
ERLANGER-ELSMERE IND SC	196,979	03/2008	05/2018	65,621	21,150	2,254	21,858	1,546
ERLANGER-ELSMERE IND SC	937,506	09/2008	09/2028	718,302	40,478	27,889	41,920	26,447
ERLANGER-ELSMERE IND SC	1,347,880	11/2009	02/2019	586,079	139,912	18,786	144,110	14,589
ERLANGER-ELSMERE IND SC	1,605,312	07/2012	03/2024	1,395,460	145,375	25,644	147,554	23,464
ERLANGER-ELSMERE IND SC	3,230,000	09/2012	09/2032	2,950,000	140,000	62,720	140,000	61,460
ESTILL CO SCH DIST	489,029	01/2004	08/2016	107,130	63,092	2,689	44,038	793
ESTILL CO SCH DIST	6,275,000	01/2007	01/2027	4,285,000	290,000	164,984	300,000	154,109
ESTILL CO SCH DIST	440,000	07/2007	07/2027	325,000	20,000	13,135	20,000	12,315
ESTILL CO SCH DIST	915,465	09/2010	09/2026	658,128	52,854	0	53,730	0
ESTILL CO SCH DIST	1,214,793	02/2012	06/2024	1,132,573	115,090	23,340	117,392	21,039
ESTILL CO SCH DIST	1,275,151	02/2015	09/2030	1,275,151	67,657	30,318	69,537	28,438
FAIRVIEW IND SCH DIST	104,999	09/1996	09/2016	14,058	7,967	579	6,091	175
FAIRVIEW IND SCH DIST	587,988	08/2005	08/2015	28,367	28,367	525	0	0

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	0	0	0	0	0	0	0
8,603	536	9,267	278	0	0	0	0
150,000	3,900	120,000	1,200	0	0	0	0
5,000	3,143	5,000	3,012	5,000	2,862	68,990	19,262
54,464	37,849	55,000	37,032	55,000	36,207	984,164	301,961
70,000	15,300	70,000	14,600	70,000	13,900	465,000	47,950
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
46,931	36,523	48,339	35,115	49,789	33,665	967,526	284,290
0	0	0	0	0	0	0	0
20,975	6,130	20,361	5,892	20,535	5,657	195,512	28,723
130,000	26,500	130,000	23,900	135,000	21,250	995,000	68,850
65,261	4,581	67,480	2,362	0	0	0	0
26,689	16,452	27,623	15,518	28,646	14,496	316,671	71,608
13,040	5,208	13,203	5,045	13,368	4,879	198,049	39,162
10,000	6,050	10,000	5,700	10,000	5,350	115,000	28,238
227,849	14,658	228,199	14,658	228,549	14,658	2,523,285	153,905
1,769	1,094	1,805	1,058	1,841	1,022	33,722	8,746
97,037	7,502	100,281	4,271	76,939	1,308	0	0
29,605	21,405	30,493	20,517	31,409	19,602	437,977	123,131
95,000	15,065	100,000	13,403	100,000	11,653	420,000	24,223
36,277	2,093	27,370	630	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
62,755	0	62,755	0	62,755	0	439,285	0
37,255	5,802	37,913	5,143	38,703	4,353	155,404	7,813
15,000	11,314	15,000	10,850	15,000	10,385	320,000	84,320
15,000	6,600	15,000	5,981	15,000	5,363	115,000	17,119
164,471	81,544	171,346	75,289	178,569	68,683	1,641,565	268,990
89,576	3,877	70,556	1,199	0	0	0	0
35,724	4,870	36,446	4,148	37,183	3,412	145,294	5,878
88,574	40,895	90,362	39,106	92,189	37,280	1,390,270	266,802
0	0	0	0	0	0	0	0
37,761	4,877	39,195	3,443	40,703	1,935	29,786	581
15,000	8,681	15,000	8,194	15,000	7,706	175,000	42,281
20,000	11,410	20,000	10,830	20,000	10,250	260,000	60,360
35,000	13,050	35,000	12,350	40,000	11,600	560,000	74,700
32,086	20,908	34,495	20,267	32,004	19,577	659,888	169,754
70,383	33,801	73,198	30,986	76,126	28,058	625,318	103,970
22,613	791	0	0	0	0	0	0
43,414	24,954	44,983	23,384	46,655	21,711	500,852	99,418
148,577	10,121	153,480	5,218	0	0	0	0
149,768	21,251	152,014	19,004	154,295	16,724	646,454	37,619
145,000	60,178	145,000	58,075	150,000	55,125	2,230,000	385,158
0	0	0	0	0	0	0	0
310,000	142,709	320,000	130,929	335,000	118,769	2,730,000	439,425
20,000	11,495	20,000	10,675	25,000	9,753	220,000	38,640
55,128	0	56,908	0	54,068	0	385,440	0
119,741	18,691	122,135	16,296	124,578	13,853	533,637	29,501
70,942	27,033	72,375	25,600	73,837	24,138	920,803	142,037
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
FAIRVIEW IND SCH DIST	213,579	07/2006	08/2026	147,909	9,912	6,147	10,349	5,711
FAIRVIEW IND SCH DIST	732,355	02/2008	11/2019	358,348	71,947	10,654	74,213	8,387
FAIRVIEW IND SCH DIST	1,341,233	10/2012	12/2032	1,222,973	59,888	23,010	60,399	22,499
FAIRVIEW IND SCH DIST	395,510	10/2014	08/2025	390,241	7,643	6,548	36,756	6,326
FAIRVIEW IND SCH DIST	283,097	01/2015	02/2035	283,097	11,139	7,859	11,293	7,704
FAYETTE CO SCH DIST	984,511	09/2005	09/2019	467,396	91,086	16,874	94,802	13,156
FAYETTE CO SCH DIST	4,798,380	05/2007	05/2027	3,335,224	217,234	146,351	226,739	136,847
FAYETTE CO SCH DIST	533,339	07/2009	08/2018	241,841	61,334	6,531	63,202	4,663
FAYETTE CO SCH DIST	8,511,610	06/2011	06/2031	7,279,939	333,275	300,740	346,606	287,409
FAYETTE CO SCH DIST	6,487,357	06/2012	04/2025	6,395,804	532,712	255,832	554,021	234,524
FAYETTE CO SCH DIST	2,462,082	07/2013	10/2033	2,382,691	81,406	115,442	84,314	112,535
FAYETTE CO SCH DIST	2,249,442	03/2014	06/2029	2,108,142	108,676	93,975	114,110	88,541
FLEMING CO SCH DIST	1,545,000	07/2006	08/2026	1,060,000	70,000	42,941	75,000	40,041
FLEMING CO SCH DIST	747,201	02/2008	12/2019	372,018	74,721	10,659	76,540	8,352
FLEMING CO SCH DIST	1,270,018	07/2008	08/2028	981,409	56,854	38,596	57,061	36,289
FLEMING CO SCH DIST	2,255,574	10/2011	10/2030	1,893,813	120,381	0	120,326	0
FLEMING CO SCH DIST	595,280	02/2012	10/2023	508,787	52,344	9,467	53,137	8,674
FLEMING CO SCH DIST	896,247	03/2013	03/2033	817,561	39,113	18,052	39,426	17,739
FLOYD CO SCH DIST	871,018	02/2005	05/2016	111,217	111,217	4,449	0	0
FLOYD CO SCH DIST	1,057,972	10/2005	04/2017	209,507	102,699	8,380	106,808	4,272
FLOYD CO SCH DIST	7,054,707	03/2006	03/2016	335,627	335,627	13,257	0	0
FLOYD CO SCH DIST	1,366,463	04/2008	04/2028	982,389	61,030	35,389	62,983	33,436
FLOYD CO SCH DIST	3,212,115	10/2010	04/2022	1,875,018	289,126	51,068	295,632	44,563
FLOYD CO SCH DIST	1,211,795	04/2012	12/2023	1,058,460	108,692	19,697	111,438	18,211
FLOYD CO SCH DIST	4,664,282	12/2014	03/2026	4,598,195	63,567	105,352	412,462	104,080
FRANKFORT IND SCH DIST	878,650	07/2006	08/2019	221,762	40,798	8,332	42,463	6,666
FRANKFORT IND SCH DIST	1,613,939	05/2014	05/2034	1,545,939	67,280	41,722	68,087	40,915
FRANKFORT IND SCH DIST	447,357	09/2014	08/2026	442,826	7,002	9,553	7,073	9,482
FRANKLIN CO SCH DIST	747,371	07/2005	05/2017	154,866	77,254	5,672	77,612	2,872
FRANKLIN CO SCH DIST	553,885	05/2007	05/2027	381,206	25,165	15,937	26,172	14,930
FRANKLIN CO SCH DIST	35,458	02/2008	07/2020	20,930	3,408	602	3,511	500
FRANKLIN CO SCH DIST	1,810,000	06/2009	01/2019	765,000	180,000	23,640	190,000	18,240
FRANKLIN CO SCH DIST	1,848,251	06/2012	06/2032	1,626,246	81,879	54,839	81,455	52,382
FRANKLIN CO SCH DIST	738,152	08/2012	05/2023	589,916	68,610	12,093	70,016	10,687
FRANKLIN CO SCH DIST	233,508	10/2012	04/2024	207,772	18,944	4,827	23,760	4,448
FRANKLIN CO SCH DIST	6,481,001	02/2013	04/2024	4,999,184	511,908	113,334	519,947	103,095
FT THOMAS IND SCH DIST	2,030,000	08/2010	08/2030	1,690,000	90,000	47,637	90,000	46,160
FT. THOMAS IND SCH DIST	100,000	09/1996	09/2016	10,000	5,000	428	5,000	143
FT. THOMAS IND SCH DIST	1,881,280	04/2006	04/2016	88,767	88,767	3,773	0	0
FT. THOMAS IND SCH DIST	1,113,748	07/2006	06/2026	713,179	52,704	29,451	54,760	27,396
FT. THOMAS IND SCH DIST	1,380,000	08/2007	08/2027	1,015,000	60,000	40,155	65,000	37,718
FT. THOMAS IND SCH DIST	1,220,000	01/2008	02/2028	887,215	53,989	35,257	55,878	33,368
FT. THOMAS IND SCH DIST	1,561,879	05/2009	04/2020	761,424	146,140	23,874	148,817	19,490
FT. THOMAS IND SCH DIST	190,236	07/2012	08/2032	172,248	5,847	3,963	7,424	3,864
FT. THOMAS IND SCH DIST	1,388,432	05/2013	05/2033	1,274,130	57,819	33,449	58,974	32,293
FT. THOMAS IND SCH DIST	6,309,446	08/2014	08/2029	6,247,366	359,555	162,328	366,819	155,064
FT. THOMAS IND SCH DIST	1,242,616	03/2015	04/2026	1,242,616	17,869	31,253	110,679	30,983
FT. THOMAS IND SCH DIST	937,958	03/2015	03/2035	937,958	39,556	23,335	37,754	25,137
FULTON CO SCH DIST	2,039,722	02/2008	02/2028	1,487,491	91,246	55,781	94,569	52,359
FULTON IND SCH DIST	23,736	05/2009	05/2029	18,275	1,014	729	1,049	693
GALLATIN CO SCH DIST	361,450	04/2008	12/2017	106,998	37,423	2,866	38,773	1,647
GALLATIN CO SCH DIST	1,068,071	09/2008	08/2019	507,300	100,692	15,897	103,941	12,647

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
10,804	5,257	11,278	4,782	11,774	4,286	93,792	14,266
74,734	5,967	77,433	3,417	60,021	1,050	0	0
60,914	21,983	61,605	21,293	62,473	20,425	917,694	145,418
37,126	5,956	37,498	5,583	37,875	5,206	233,343	14,818
11,519	7,478	11,749	7,248	11,985	7,013	225,412	59,541
98,673	9,287	102,701	5,259	80,134	1,603	0	0
236,658	126,927	247,012	116,573	257,819	105,767	2,149,762	395,337
65,160	2,705	52,145	847	0	0	0	0
360,470	273,545	374,889	259,126	389,885	244,130	5,474,813	1,499,352
576,182	212,363	599,229	189,316	623,198	165,346	3,510,462	432,263
88,205	108,643	92,728	104,120	97,484	99,365	1,938,554	731,591
119,816	82,835	125,806	76,845	132,097	70,554	1,507,637	316,222
80,000	36,941	80,000	33,691	85,000	30,288	670,000	101,278
78,680	5,907	81,211	3,328	60,866	1,004	0	0
57,480	33,970	63,172	31,526	64,154	28,948	682,688	127,056
117,639	0	117,640	0	117,639	0	1,300,188	0
54,210	7,600	55,306	6,505	56,423	5,388	237,367	9,882
39,741	17,423	40,059	17,105	40,620	16,545	618,602	124,538
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
65,062	31,358	67,273	29,146	69,627	26,791	656,414	114,937
303,023	37,172	311,355	28,839	319,918	20,276	355,964	11,472
113,909	16,690	116,569	14,756	114,378	12,446	493,474	24,264
419,762	95,831	427,434	87,436	440,482	78,887	2,834,488	267,118
44,242	4,888	46,140	2,990	48,119	1,011	0	0
68,904	40,098	69,731	39,271	70,568	38,434	1,201,369	324,669
7,144	9,411	7,216	9,340	7,288	9,267	407,103	34,130
0	0	0	0	0	0	0	0
27,219	13,884	28,309	12,795	29,441	11,662	244,900	44,547
3,621	390	3,738	273	3,860	151	2,792	45
195,000	12,445	200,000	6,400	0	0	0	0
85,953	49,939	85,377	47,360	79,908	44,799	1,211,674	314,923
71,451	9,251	72,916	7,787	74,411	6,292	232,512	9,597
23,411	3,973	23,008	3,504	22,561	3,044	96,088	7,442
532,546	92,696	544,596	82,046	555,603	71,154	2,334,584	162,589
90,000	44,405	95,000	42,601	95,000	40,363	1,230,000	231,562
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
56,950	25,205	59,228	22,927	61,657	20,499	427,880	65,053
65,000	35,150	70,000	32,450	75,000	29,550	680,000	115,294
57,834	31,412	60,003	29,243	62,253	26,993	597,258	116,709
150,480	15,025	155,312	10,511	160,675	5,463	0	0
9,304	3,738	6,224	3,622	8,573	3,511	134,876	25,817
60,155	31,114	61,357	29,910	62,585	28,683	973,240	213,246
374,231	147,654	381,791	140,094	389,501	132,381	4,375,469	692,140
112,893	28,769	115,150	26,511	117,454	24,208	768,571	81,399
38,508	24,382	39,279	23,612	40,064	22,826	742,797	200,565
98,078	48,813	101,773	45,135	105,668	41,318	996,157	175,286
1,086	657	1,124	619	1,163	579	12,839	2,842
30,802	508	0	0	0	0	0	0
107,485	9,104	111,371	5,217	83,811	1,592	0	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
GALLATIN CO SCH DIST	439,171	12/2012	12/2032	401,213	19,380	7,841	19,654	7,568
GALLATIN CO SCH DIST	375,718	11/2013	06/2024	310,376	32,519	7,139	30,000	6,391
GALLATIN CO SCH DIST	470,108	04/2014	05/2030	444,307	26,104	10,132	26,392	9,845
GALLATIN CO SCH DIST	6,211,420	03/2015	05/2026	5,735,634	466,803	142,623	476,138	133,287
GARRARD CO SCH DIST	663,021	11/2005	11/2025	422,074	31,929	16,407	33,183	15,152
GARRARD CO SCH DIST	475,583	01/2008	12/2019	115,085	21,404	3,786	22,166	3,023
GARRARD CO SCH DIST	275,900	02/2009	02/2029	209,506	11,902	7,757	12,260	7,400
GARRARD CO SCH DIST	728,261	08/2010	04/2021	479,751	75,175	12,667	77,146	11,163
GARRARD CO SCH DIST	266,975	04/2015	12/2027	263,156	3,493	5,607	3,564	5,537
GLASGOW IND SCH DIST	1,986,002	04/2011	04/2031	1,689,020	77,826	71,599	79,772	69,653
GLASGOW IND SCH DIST	3,835,000	02/2012	06/2024	3,615,000	385,000	61,438	385,000	57,203
GRANT CO SCH DIST	447,175	04/2005	03/2017	107,180	52,539	4,287	54,641	2,186
GRANT CO SCH DIST	182,146	04/2005	07/2016	38,496	22,164	1,048	16,332	316
GRANT CO SCH DIST	857,171	10/2006	06/2020	442,542	83,743	17,019	82,833	13,879
GRANT CO SCH DIST	219,258	10/2010	08/2018	101,186	22,225	2,287	26,827	1,735
GRANT CO SCH DIST	1,963,567	04/2015	08/2030	1,963,567	114,947	37,797	106,740	46,002
GRAVES CO SCH DIST	718,862	03/2006	03/2016	34,116	34,116	1,296	0	0
GRAVES CO SCH DIST	1,525,000	03/2009	02/2020	875,000	165,000	31,880	170,000	26,270
GRAVES CO SCH DIST	827,286	09/2011	06/2023	703,095	81,256	17,859	82,881	16,234
GRAVES CO SCH DIST	5,341,758	07/2013	06/2029	4,731,435	300,855	115,898	306,396	112,288
GRAVES CO SCH DIST	3,369,203	12/2014	02/2035	3,369,203	126,367	103,571	137,754	92,184
GRAVES CO SCH DIST	479,074	02/2015	03/2026	479,074	7,553	9,528	43,062	9,430
GRAYSON CO SCH DIST	1,619,287	04/2009	05/2029	1,249,370	68,092	51,877	70,816	49,153
GRAYSON CO SCH DIST	500,000	06/2011	10/2018	255,000	60,000	4,500	65,000	3,250
GRAYSON CO SCH DIST	1,671,522	10/2013	10/2033	1,602,747	68,839	49,930	68,851	48,553
GREEN CO SCH DIST	845,000	03/2004	03/2024	455,000	45,000	17,063	45,000	15,375
GREEN CO SCH DIST	7,017,919	09/2007	08/2019	1,654,949	301,253	65,814	316,452	52,302
GREEN CO SCH DIST	204,824	08/2009	08/2029	165,586	8,629	6,251	8,910	5,971
GREEN CO SCH DIST	905,261	08/2010	04/2021	599,227	91,502	16,783	95,469	14,495
GREEN CO SCH DIST	4,270,717	03/2015	08/2027	4,270,717	81,370	78,265	72,747	86,887
GREENUP CO SCH DIST	1,151,023	03/2007	03/2027	786,705	53,112	29,501	55,104	27,510
GREENUP CO SCH DIST	376,452	03/2008	01/2018	124,010	40,002	4,199	41,301	2,899
GREENUP CO SCH DIST	1,040,514	06/2010	08/2030	876,496	42,890	31,329	44,020	30,199
GREENUP CO SCH DIST	476,966	08/2010	03/2021	316,048	34,705	7,337	35,403	6,642
GREENUP CO SCH DIST	479,062	11/2011	09/2023	413,874	43,495	8,775	44,241	8,028
GREENUP CO SCH DIST	445,576	08/2013	08/2033	428,492	17,402	14,524	17,727	14,199
HANCOCK CO SCH DIST	1,417,560	10/2007	10/2027	1,030,764	63,567	39,206	65,949	36,825
HANCOCK CO SCH DIST	362,389	02/2010	02/2030	295,697	14,157	14,590	14,687	14,059
HANCOCK CO SCH DIST	675,000	06/2011	06/2031	575,000	30,000	21,563	30,000	20,438
HANCOCK CO SCH DIST	4,908,025	01/2012	06/2024	3,964,360	406,171	82,818	414,294	74,695
HANCOCK CO SCH DIST	480,000	02/2014	02/2034	460,000	20,000	16,300	20,000	15,700
HANCOCK CO SCH DIST	1,235,000	06/2015	06/2035	1,235,000	50,000	32,714	50,000	33,285
HARDIN CO SCH DIST	1,232,114	02/2005	07/2016	258,283	147,287	6,758	110,996	2,053
HARDIN CO SCH DIST	1,667,321	05/2006	05/2018	246,487	78,929	10,133	82,086	6,976
HARDIN CO SCH DIST	1,526,717	06/2007	06/2018	217,269	69,602	8,691	72,386	5,907
HARDIN CO SCH DIST	2,000,751	07/2008	08/2028	1,548,732	85,317	65,961	88,799	62,479
HARDIN CO SCH DIST	2,064,673	02/2011	02/2031	1,741,771	83,096	70,899	84,925	69,071
HARDIN CO SCH DIST	2,151,509	07/2012	06/2024	2,041,336	208,509	46,531	212,678	42,361
HARDIN CO SCH DIST	907,616	11/2014	05/2026	901,993	9,771	25,865	9,966	25,670
HARDIN CO SCH DIST	918,772	03/2015	06/2027	906,176	8,390	28,172	8,558	28,004
HARDIN CO SCH DIST	691,559	03/2015	02/2020	691,559	132,098	22,024	131,759	22,378
HARLAN CO SCH DIST	775,000	12/2000	12/2020	305,000	45,000	14,618	50,000	12,195

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
19,931	7,291	20,211	7,010	20,496	6,725	301,541	48,514
34,033	5,701	34,816	4,918	35,000	4,117	144,008	8,419
26,682	9,555	26,977	9,261	27,272	8,965	310,880	51,494
485,660	123,764	495,374	114,051	505,283	104,143	3,306,376	350,174
34,538	13,798	35,947	12,388	37,416	10,921	249,061	30,824
22,968	2,222	23,822	1,368	24,725	464	0	0
12,627	7,032	13,007	6,653	13,396	6,263	146,314	30,625
79,105	9,427	80,493	7,450	82,687	5,035	85,145	2,554
3,636	5,465	3,709	5,391	3,784	5,316	244,970	22,083
82,963	66,463	86,281	63,144	89,733	59,693	1,272,445	371,235
390,000	52,583	395,000	47,513	400,000	41,588	1,660,000	89,525
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
87,131	10,773	91,625	7,462	97,210	3,888	0	0
26,302	1,072	25,832	355	0	0	0	0
108,897	43,846	111,098	41,646	113,341	39,402	1,408,544	233,630
0	0	0	0	0	0	0	0
175,000	19,980	180,000	13,505	185,000	6,845	0	0
84,539	14,576	86,229	12,886	88,169	10,945	280,021	17,327
307,123	108,611	312,764	104,926	321,335	97,888	3,182,962	510,468
139,130	90,806	140,522	89,415	141,927	88,010	2,683,503	765,551
43,923	8,569	44,802	7,691	45,699	6,795	294,035	20,922
73,649	46,321	76,595	43,375	79,659	40,311	880,559	199,166
65,000	1,950	65,000	650	0	0	0	0
68,949	47,089	69,827	45,528	71,416	43,939	1,254,865	347,225
45,000	13,688	50,000	12,000	50,000	10,125	220,000	21,188
332,331	38,110	343,809	23,319	361,104	7,899	0	0
9,200	5,681	9,500	5,382	9,808	5,073	119,539	25,981
99,775	11,870	99,339	9,126	104,030	6,394	109,112	3,273
74,217	85,417	75,716	83,918	77,246	82,389	3,889,421	345,113
57,170	25,443	59,314	23,300	61,538	21,075	500,467	77,831
42,707	1,495	0	0	0	0	0	0
45,271	28,947	46,650	27,569	48,217	26,001	649,448	147,577
57,427	5,934	62,340	4,714	62,858	3,233	63,315	1,662
45,135	7,134	46,047	6,222	47,013	5,256	187,943	9,387
18,058	13,868	18,396	13,531	18,849	13,078	338,060	103,043
68,469	34,305	71,104	31,670	73,858	28,916	687,817	112,940
15,312	13,435	15,963	12,784	16,682	12,066	218,896	68,574
30,000	19,313	30,000	18,188	30,000	17,063	425,000	101,625
422,578	66,409	431,030	57,957	439,651	49,337	1,850,636	105,317
20,000	15,100	20,000	14,500	20,000	13,900	360,000	113,250
50,000	32,235	50,000	31,185	55,000	30,135	980,000	267,000
0	0	0	0	0	0	0	0
85,472	3,590	0	0	0	0	0	0
75,281	3,011	0	0	0	0	0	0
92,483	58,796	96,378	54,900	100,437	50,841	1,085,318	229,051
87,089	66,905	89,571	64,423	92,439	61,557	1,304,651	389,292
216,931	38,107	221,270	33,768	225,696	29,343	956,252	63,904
10,166	25,471	99,431	25,267	102,414	22,284	670,245	77,944
8,729	27,833	87,196	27,658	88,940	25,914	704,363	99,615
137,014	17,108	142,495	11,628	148,193	5,928	0	0
50,000	9,620	55,000	6,890	60,000	3,900	45,000	1,170

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
HARLAN CO SCH DIST	2,050,000	10/2007	10/2027	1,505,000	90,000	57,321	95,000	53,885
HARLAN CO SCH DIST	494,447	02/2009	02/2029	376,614	21,330	13,969	21,970	13,329
HARLAN CO SCH DIST	819,031	08/2010	08/2030	683,467	35,194	31,861	33,960	30,802
HARLAN CO SCH DIST	1,145,000	08/2012	08/2032	1,045,000	50,000	24,906	50,000	24,156
HARLAN CO SCH DIST	2,990,000	09/2012	06/2024	2,620,000	275,000	46,295	280,000	43,820
HARLAN CO SCH DIST	12,709,970	02/2015	08/2026	12,709,970	983,478	260,264	984,727	259,016
HARLAN CO(KISTA) SCH DIS	229,900	07/2012	06/2022	177,300	23,300	4,274	17,000	3,808
HARLAN IND SCH DIST	1,633,375	07/2006	08/2026	1,124,416	75,702	46,701	78,950	43,453
HARLAN IND SCH DIST	661,116	02/2009	09/2019	314,319	62,881	8,415	64,651	6,659
HARRISON CO SCH DIST	1,086,755	05/2008	05/2028	785,082	48,202	29,385	49,863	27,722
HARRISON CO SCH DIST	268,082	06/2008	06/2018	67,489	33,090	2,279	16,912	1,187
HARRISON CO SCH DIST	1,602,208	04/2012	08/2023	1,393,851	145,487	26,277	147,693	24,073
HARRISON CO SCH DIST	995,000	06/2012	06/2032	870,000	40,000	22,940	40,000	22,480
HART CO SCH DIST	8,100,659	02/2006	02/2017	783,668	384,151	31,347	399,517	15,981
HART CO SCH DIST	344,600	07/2006	08/2016	32,413	15,864	1,036	16,549	352
HART CO SCH DIST	938,858	06/2008	06/2019	532,045	129,523	17,541	130,673	13,493
HART CO SCH DIST	227,489	11/2011	05/2023	216,746	25,383	4,575	25,701	4,257
HART CO SCH DIST	5,473,724	03/2013	02/2027	5,279,280	91,646	100,187	92,425	99,408
HAZARD IND SCH DIST	1,908,617	08/2012	08/2032	1,741,270	84,776	36,573	85,650	35,720
HAZARD IND SCH DIST	572,832	09/2014	09/2034	572,832	23,116	15,809	23,348	15,576
HENDERSON CO SCH DIST	536,311	03/2009	06/2018	191,667	61,745	6,713	63,844	4,613
HENDERSON CO SCH DIST	1,651,730	03/2011	02/2021	1,024,206	161,022	26,437	164,242	23,217
HENDERSON CO SCH DIST	1,405,299	12/2012	02/2024	1,077,296	113,654	17,030	115,850	16,235
HENDERSON CO SCH DIST	1,697,734	11/2014	12/2030	1,681,270	94,342	35,877	93,790	35,031
HENRY CO SCH DIST	377,052	07/2005	05/2017	75,440	38,281	2,810	37,159	1,393
HENRY CO SCH DIST	1,264,279	11/2006	06/2020	529,687	97,915	20,093	101,538	16,470
HENRY CO SCH DIST	1,350,555	10/2007	10/2027	989,832	60,281	40,802	62,742	38,341
HENRY CO SCH DIST	1,457,529	06/2011	07/2031	1,285,694	59,608	43,150	60,966	41,792
HENRY CO SCH DIST	744,144	02/2012	05/2024	562,139	58,597	10,236	59,329	9,503
HENRY CO SCH DIST	706,420	07/2014	04/2030	663,288	38,993	15,501	39,423	15,072
HICKMAN CO KISTA SCH DIS	147,173	10/2011	10/2031	129,951	5,915	4,697	6,028	4,585
HICKMAN CO SCH DIST	170,000	09/1996	09/2016	30,000	15,000	1,294	15,000	431
HICKMAN CO SCH DIST	181,211	04/2008	10/2017	47,491	16,878	1,217	15,971	716
HICKMAN CO SCH DIST	201,499	10/2008	10/2028	156,862	8,448	7,039	8,811	6,676
HICKMAN CO SCH DIST	2,158,627	02/2012	06/2024	1,818,064	197,315	36,885	201,261	32,939
HICKMAN CO(KISTA) SCH DIS	137,564	08/2012	08/2032	126,649	5,440	3,583	5,550	3,473
HOPKINS CO SCH DIST	465,000	02/1996	02/2016	35,000	35,000	1,750	0	0
HOPKINS CO SCH DIST	1,800,000	08/2005	08/2015	85,000	85,000	1,615	0	0
HOPKINS CO SCH DIST	1,545,000	11/2006	11/2026	1,050,000	70,000	39,760	75,000	37,113
HOPKINS CO SCH DIST	1,113,498	03/2008	06/2017	247,690	121,955	7,867	125,735	4,086
HOPKINS CO SCH DIST	2,705,000	05/2009	02/2020	1,230,000	270,000	37,150	275,000	30,063
HOPKINS CO SCH DIST	3,270,316	04/2011	04/2031	2,729,006	149,353	104,454	149,713	100,721
HOPKINS CO SCH DIST	1,215,000	02/2013	08/2025	1,175,000	20,000	17,665	110,000	16,983
HOPKINS CO SCH DIST	4,155,000	07/2014	08/2034	4,155,000	175,000	116,913	175,000	115,163
JACKSON CO (KISTA) SCH DI	445,000	06/2013	06/2033	410,000	20,000	12,100	20,000	11,700
JACKSON CO SCH DIST	1,133,354	12/2005	12/2015	54,713	54,713	1,012	0	0
JACKSON CO SCH DIST	1,671,117	06/2011	06/2027	921,110	76,759	0	76,758	0
JACKSON CO SCH DIST	776,367	01/2013	12/2025	742,520	12,861	13,271	68,996	12,861
JACKSON CO SCH DIST	310,000	08/2014	08/2034	310,000	10,000	9,388	10,000	9,188
JACKSON CO SCH DIST	5,656,472	10/2014	11/2029	5,611,972	337,566	110,825	341,812	106,579
JACKSON IND SCH DIST	79,567	10/2004	07/2015	8,421	8,421	158	0	0
JACKSON IND SCH DIST	109,898	03/2007	08/2020	52,623	8,379	1,860	8,705	1,536

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
95,000	50,275	100,000	46,570	105,000	42,623	1,020,000	171,373
22,629	12,670	23,387	11,912	24,170	11,128	263,128	54,559
35,205	29,454	36,625	28,053	34,617	26,664	507,866	159,276
50,000	23,156	50,000	22,156	50,000	21,156	795,000	147,934
280,000	41,300	290,000	35,700	295,000	29,900	1,200,000	61,800
1,005,268	239,116	1,022,014	218,843	1,045,064	198,172	7,669,419	718,962
20,000	3,468	19,000	3,068	20,000	2,640	78,000	2,730
82,337	40,066	85,891	36,512	89,621	32,783	711,915	109,749
66,543	4,691	68,711	2,645	51,533	799	0	0
51,609	25,977	53,467	24,119	55,419	22,167	526,522	95,163
17,487	612	0	0	0	0	0	0
150,674	21,089	153,719	18,045	156,824	14,940	639,454	27,130
40,000	22,020	45,000	21,120	45,000	20,108	660,000	138,880
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
132,332	9,246	139,517	4,813	0	0	0	0
26,150	3,808	26,608	3,350	27,240	2,718	85,664	4,211
525,609	98,622	530,076	94,154	540,677	83,553	3,498,847	265,143
86,701	34,750	87,905	33,659	87,462	32,454	1,308,776	237,225
23,583	15,342	23,820	15,105	24,059	14,865	454,906	121,929
66,078	2,379	0	0	0	0	0	0
167,938	19,521	172,136	15,323	176,869	10,589	181,999	5,460
117,861	15,424	114,586	14,599	117,778	12,307	497,567	25,122
93,432	34,188	98,395	33,325	98,381	32,440	1,202,930	195,153
0	0	0	0	0	0	0	0
107,234	12,662	109,421	8,588	113,579	4,430	0	0
65,302	35,780	67,968	33,115	70,788	30,296	662,751	120,048
62,510	40,248	64,174	38,584	65,964	36,795	972,472	236,906
60,145	8,687	60,973	7,860	62,115	6,717	260,980	14,350
39,856	14,638	40,294	14,200	40,737	13,757	463,985	80,947
6,165	4,448	6,329	4,283	6,521	4,091	98,993	26,394
0	0	0	0	0	0	0	0
14,642	234	0	0	0	0	0	0
9,189	6,298	9,582	5,904	10,014	5,473	110,818	24,855
205,000	28,913	193,021	24,813	196,882	20,953	824,585	43,379
5,951	3,358	5,783	3,240	5,907	3,116	98,018	20,950
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
75,000	34,338	80,000	31,390	85,000	28,173	665,000	95,058
0	0	0	0	0	0	0	0
285,000	21,813	295,000	13,263	105,000	3,675	0	0
155,831	96,978	157,573	92,303	144,937	87,576	1,971,599	561,182
110,000	15,828	110,000	14,673	115,000	13,491	710,000	42,824
175,000	113,413	175,000	111,531	175,000	109,213	3,280,000	957,000
20,000	11,300	20,000	10,900	20,000	10,500	310,000	79,825
0	0	0	0	0	0	0	0
76,759	0	76,760	0	76,760	0	537,314	0
69,689	12,168	70,745	11,112	72,174	9,683	448,055	26,592
15,000	8,938	15,000	8,563	15,000	8,113	245,000	64,144
346,112	102,280	350,464	97,926	354,874	93,518	3,881,144	498,049
0	0	0	0	0	0	0	0
9,042	1,199	9,395	845	9,766	473	7,336	142

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
JACKSON IND SCH DIST	375,000	01/2010	01/2030	300,000	15,000	11,550	15,000	10,973
JEFFERSON CO SCH DIST	400,134	06/2005	06/2016	19,618	19,618	785	0	0
JEFFERSON CO SCH DIST	13,739,314	07/2006	07/2016	1,291,643	632,378	40,732	659,265	13,845
JEFFERSON CO SCH DIST	9,905,000	09/2008	09/2028	7,565,000	430,000	281,920	445,000	268,024
JEFFERSON CO SCH DIST	457,351	02/2009	02/2018	163,471	52,888	4,904	54,475	3,318
JEFFERSON CO SCH DIST	9,549,211	08/2009	02/2019	4,169,131	991,531	151,744	1,021,277	121,998
JEFFERSON CO SCH DIST	13,850,000	03/2012	03/2032	12,150,000	585,000	338,263	595,000	326,563
JEFFERSON CO SCH DIST	17,008,673	03/2012	01/2024	14,923,796	1,524,610	332,533	1,555,102	302,041
JEFFERSON CO SCH DIST	253,401	01/2013	06/2025	242,899	3,988	5,105	24,470	5,026
JEFFERSON CO SCH DIST	9,660,715	01/2013	07/2026	9,336,920	157,643	215,266	160,828	212,081
JEFFERSON CO SCH DIST	9,164,650	05/2014	05/2034	8,825,032	324,583	356,946	333,293	348,832
JEFFERSON CO SCH DIST	8,291,139	09/2014	10/2020	8,291,139	1,388,181	333,022	1,452,251	268,952
JEFFERSON CO SCH DIST	16,465,000	04/2015	04/2035	16,465,000	520,000	758,176	535,000	744,688
JENKINS IND SCH DIST	302,584	11/2007	11/2027	219,666	13,589	8,313	14,094	7,808
JESSAMINE CO SCH DIST	1,278,097	07/2009	08/2019	656,617	131,465	18,901	135,598	14,961
JESSAMINE CO SCH DIST	818,556	02/2012	03/2032	722,702	33,906	21,654	34,584	20,976
JESSAMINE CO SCH DIST	1,188,829	02/2014	08/2029	1,126,333	63,177	32,542	64,842	31,262
JESSAMINE CO SCH DIST	1,160,776	09/2014	09/2034	1,160,776	45,322	33,744	46,238	32,829
JESSAMINE CO SCH DIST	43,352	12/2014	02/2016	21,417	21,417	643	0	0
JOHNSON CO SCH DIST	457,206	11/2005	11/2015	22,080	22,080	414	0	0
JOHNSON CO SCH DIST	248,661	04/2007	04/2027	170,437	11,373	6,783	11,810	6,345
JOHNSON CO SCH DIST	1,380,219	04/2009	02/2019	560,756	144,770	19,025	149,245	14,320
JOHNSON CO SCH DIST	1,633,993	12/2010	12/2030	1,374,627	67,879	48,376	69,426	46,830
JOHNSON CO SCH DIST	420,192	03/2012	06/2024	300,582	31,257	5,866	31,585	5,537
JOHNSON CO SCH DIST	322,656	05/2013	11/2025	308,996	6,810	3,981	29,432	3,854
JOHNSON CO SCH DIST	864,967	12/2013	12/2033	829,522	35,623	24,294	35,874	24,043
KENTON CO SCH DIST	1,948,521	04/2006	04/2016	91,938	91,938	3,678	0	0
KENTON CO SCH DIST	1,565,085	10/2006	10/2017	226,599	72,532	7,613	75,493	4,653
KENTON CO SCH DIST	3,635,000	02/2009	12/2019	1,835,000	370,000	52,663	380,000	41,413
KENTON CO SCH DIST	1,870,455	02/2009	02/2029	1,388,507	85,614	60,244	90,300	57,461
KENTON CO SCH DIST	19,632	08/2010	04/2022	13,420	1,794	313	1,830	277
KENTON CO SCH DIST	8,115,842	02/2012	06/2024	5,900,889	592,784	147,522	607,604	132,703
KENTON CO SCH DIST	3,903,959	05/2013	05/2033	3,582,707	163,396	91,716	166,664	88,448
KENTON CO SCH DIST	2,217,630	03/2015	10/2026	2,217,630	28,248	56,957	125,399	55,421
KENTON CO SCH DIST	967,524	05/2015	05/2035	967,524	37,949	28,912	36,743	30,118
KISTA COMPOSITE REFUNDI	8,437,063	12/2009	12/2019	3,622,577	925,846	95,774	957,931	68,906
KNOTT CO SCH DIST	280,700	09/2014	09/2023	278,004	29,430	5,266	30,024	4,671
KNOX CO SCH DIST	967,747	06/2005	10/2017	322,377	112,669	9,747	117,390	5,604
KNOX CO SCH DIST	7,404,663	09/2007	09/2027	5,412,861	330,090	216,660	343,563	203,187
KNOX CO SCH DIST	3,480,750	01/2008	02/2028	2,537,297	155,507	93,880	161,261	88,126
KNOX CO SCH DIST	210,009	03/2009	02/2017	50,827	29,062	1,801	21,765	784
KNOX CO SCH DIST	5,256,910	02/2012	12/2023	3,988,110	417,356	82,825	425,786	74,394
KNOX CO SCH DIST	3,195,000	06/2013	06/2033	2,930,000	130,000	86,825	135,000	84,225
LARUE CO SCH DIST	8,918,710	07/2006	07/2019	2,212,570	405,594	86,247	423,206	68,635
LARUE CO SCH DIST	500,000	10/2007	10/2027	370,000	20,000	14,400	25,000	13,500
LARUE CO SCH DIST	376,584	12/2007	08/2017	156,501	54,832	4,664	57,000	2,679
LARUE CO SCH DIST	219,290	12/2008	12/2028	171,031	9,155	7,804	9,548	7,411
LARUE CO SCH DIST	1,678,853	07/2010	08/2021	1,172,276	161,597	28,755	165,275	25,077
LARUE CO SCH DIST	4,825,978	02/2013	08/2026	4,672,667	75,180	103,653	76,698	102,134
LAUREL CO SCH DIST	569,354	10/2005	04/2017	107,144	52,599	3,992	54,545	2,045
LAUREL CO SCH DIST	1,208,769	05/2009	04/2019	516,527	123,433	15,829	127,136	12,126
LAUREL CO SCH DIST	2,543,286	09/2010	09/2030	2,145,365	103,384	85,403	105,634	83,154

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
15,000	10,395	15,000	9,818	20,000	9,240	220,000	48,895
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
460,000	253,030	475,000	236,836	490,000	219,340	5,265,000	989,933
56,108	1,683	0	0	0	0	0	0
1,057,021	86,253	1,099,302	43,972	0	0	0	0
610,000	314,663	620,000	302,463	635,000	290,063	9,105,000	1,978,256
1,586,205	270,939	1,617,929	239,214	1,650,287	206,856	6,989,663	438,911
24,960	4,536	25,459	4,037	25,969	3,528	138,053	9,428
843,986	202,033	861,036	184,983	878,431	167,588	6,434,996	620,456
340,185	338,833	355,485	326,926	369,600	312,707	7,101,886	2,431,958
1,526,725	194,478	1,607,424	116,124	1,329,655	62,642	986,903	24,673
555,000	723,288	580,000	695,538	610,000	666,538	13,665,000	5,502,350
14,629	7,273	15,192	6,710	15,781	6,122	146,381	23,954
139,675	10,692	144,290	6,076	105,589	1,848	0	0
35,276	20,284	36,158	19,402	37,242	18,317	545,536	121,178
65,958	29,954	67,630	28,280	69,690	26,220	795,036	132,070
47,172	31,895	48,125	30,942	49,159	29,907	924,760	245,089
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
12,264	5,890	12,756	5,400	13,266	4,889	108,968	18,118
154,454	9,283	112,287	4,070	0	0	0	0
71,184	45,072	73,172	43,085	75,399	40,856	1,017,567	238,522
31,917	5,206	32,555	4,567	33,207	3,916	140,061	8,427
29,639	3,647	29,846	3,439	30,162	3,124	183,107	9,277
36,217	23,701	36,690	23,226	37,312	22,606	647,806	179,852
0	0	0	0	0	0	0	0
78,574	1,571	0	0	0	0	0	0
390,000	29,619	400,000	16,925	295,000	5,163	0	0
94,851	54,301	99,637	50,744	101,288	46,509	916,817	225,474
1,868	238	1,911	196	1,956	150	4,061	153
622,794	117,513	638,365	101,943	654,324	85,984	2,785,018	176,212
169,997	85,115	173,397	81,715	176,865	78,247	2,732,388	584,058
127,933	52,888	211,472	49,494	215,744	45,221	1,508,834	147,724
37,846	29,016	38,981	27,881	40,150	26,711	775,855	227,072
824,114	42,175	741,983	17,756	172,703	2,850	0	0
30,631	4,065	31,250	3,446	31,880	2,815	124,789	4,779
92,318	1,731	0	0	0	0	0	0
357,585	189,164	372,181	174,569	387,372	159,378	3,622,070	628,608
167,227	82,160	173,415	75,972	179,831	69,556	1,700,056	295,040
0	0	0	0	0	0	0	0
434,409	65,792	443,165	57,016	452,117	48,063	1,815,277	87,858
135,000	81,525	140,000	78,825	145,000	76,025	2,245,000	587,810
441,582	50,259	460,875	30,966	481,313	10,529	0	0
25,000	12,500	25,000	11,500	25,000	10,500	250,000	42,200
44,669	826	0	0	0	0	0	0
9,957	7,001	10,384	6,574	10,863	6,095	121,124	27,455
169,078	21,274	173,276	17,077	177,975	12,377	325,075	9,399
78,247	100,584	79,829	99,004	81,441	97,391	4,281,272	359,804
0	0	0	0	0	0	0	0
130,949	8,312	135,009	4,253	0	0	0	0
108,391	80,396	111,641	77,147	115,359	73,428	1,600,956	439,179

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
LAUREL CO SCH DIST	486,830	11/2011	06/2024	352,936	35,968	8,264	36,687	7,544
LAUREL CO SCH DIST	1,653,364	11/2012	11/2032	1,515,984	70,605	34,026	72,030	32,599
LAUREL CO SCH DIST	1,058,144	03/2015	08/2026	1,058,144	80,133	30,429	77,633	32,929
LAWRENCE CO SCH DIST	1,007,946	03/2008	08/2020	604,067	98,201	18,591	100,802	15,258
LAWRENCE CO SCH DIST	619,824	01/2012	04/2023	487,592	57,361	9,108	58,222	8,247
LAWRENCE CO SCH DIST	1,635,000	01/2012	02/2032	1,430,000	70,000	36,744	70,000	35,869
LAWRENCE CO SCH DIST	3,740,667	12/2012	12/2035	3,415,391	162,638	0	162,638	0
LAWRENCE CO SCH DIST	793,434	09/2013	09/2033	759,495	35,069	23,882	36,289	23,454
LEE CO SCH DIST	269,056	04/2008	04/2028	193,629	11,979	7,047	12,368	6,658
LEE CO SCH DIST	547,961	08/2010	08/2030	462,094	22,453	16,600	23,137	15,917
LEE CO SCH DIST	591,813	01/2015	02/2035	591,813	22,504	17,690	24,016	16,178
LESLIE CO SCH DIST	240,000	09/1996	09/2016	35,000	20,000	1,344	15,000	403
LESLIE CO SCH DIST	1,520,000	09/2006	09/2026	1,040,000	70,000	39,615	75,000	36,896
LESLIE CO SCH DIST	6,415,140	07/2007	08/2027	4,685,353	288,352	183,144	297,819	171,714
LESLIE CO SCH DIST	241,378	08/2009	08/2029	194,125	10,132	7,296	10,420	7,008
LESLIE CO SCH DIST	767,470	12/2011	12/2030	641,279	42,216	0	42,170	0
LESLIE CO SCH DIST	252,872	12/2012	12/2032	231,061	11,077	4,902	11,203	4,777
LETCHER CO SCH DIST	2,130,000	10/2011	08/2023	1,855,000	195,000	46,000	195,000	42,588
LETCHER CO SCH DIST	924,626	02/2012	06/2024	704,441	57,440	21,133	61,756	19,410
LETCHER CO SCH DIST	1,218,765	08/2012	08/2032	1,117,520	51,685	32,586	53,560	31,533
LETCHER CO SCH DIST	3,597,375	02/2015	08/2030	3,597,375	204,993	70,986	199,392	76,588
LETCHER CO SCH DIST	520,365	02/2015	06/2025	513,947	46,789	11,940	47,723	11,004
LEWIS CO SCH DIST	962,274	08/2005	08/2015	46,310	46,310	857	0	0
LEWIS CO SCH DIST	791,195	10/2006	10/2026	541,980	36,710	21,159	38,151	19,718
LEWIS CO SCH DIST	122,107	02/2008	12/2019	62,020	12,512	1,812	12,867	1,400
LEWIS CO SCH DIST	515,504	05/2008	12/2016	90,098	58,877	2,002	31,221	515
LEWIS CO SCH DIST	552,381	09/2008	09/2028	427,801	23,458	18,291	24,354	17,395
LEWIS CO SCH DIST	402,271	03/2012	08/2023	350,057	37,545	5,905	37,961	5,490
LEWIS CO SCH DIST	1,110,000	06/2012	06/2032	975,000	45,000	24,825	45,000	24,319
LEWIS CO SCH DIST	631,264	02/2015	08/2025	631,264	10,842	12,303	58,043	12,267
LINCOLN CO SCH DIST	200,327	03/2004	12/2015	18,746	18,746	328	0	0
LINCOLN CO SCH DIST	1,595,378	08/2005	08/2016	156,472	76,691	4,687	79,781	1,596
LINCOLN CO SCH DIST	1,854,190	03/2009	12/2019	922,173	184,844	24,143	189,918	19,081
LINCOLN CO SCH DIST	2,632,067	09/2010	09/2030	2,219,314	107,219	86,655	109,661	84,212
LINCOLN CO SCH DIST	1,001,143	08/2012	08/2025	963,443	15,100	20,421	15,405	20,116
LIVINGSTON CO SCH DIST	3,998,309	02/2012	06/2024	3,732,907	382,117	80,144	389,759	72,502
LIVINGSTON CO SCH DIST	1,939,818	12/2012	12/2032	1,745,840	96,989	0	96,989	0
LIVINGSTON CO SCH DIST	630,328	09/2014	09/2034	630,328	28,755	6,160	29,044	5,871
LOGAN CO SCH DIST	268,984	01/2006	01/2016	12,805	12,805	474	0	0
LOGAN CO SCH DIST	339,636	03/2008	10/2017	112,744	40,703	2,894	42,039	1,612
LOGAN CO SCH DIST	595,458	10/2009	12/2020	310,107	50,330	8,601	51,735	7,196
LOGAN CO SCH DIST	371,473	01/2012	05/2024	343,465	35,559	6,521	36,091	5,988
LOGAN CO SCH DIST	182,105	02/2013	01/2026	176,438	2,655	3,712	15,959	3,685
LUDLOW IND SCH DIST	356,466	05/2006	05/2026	228,951	16,873	9,581	17,548	8,906
LUDLOW IND SCH DIST	425,000	07/2007	08/2027	315,000	20,000	12,743	20,000	11,918
LUDLOW IND SCH DIST	915,000	12/2007	12/2027	670,000	40,000	25,445	45,000	23,915
LUDLOW IND SCH DIST	977,202	02/2014	02/2034	938,272	39,151	29,968	39,541	29,576
LYON CO SCH DIST	275,000	01/2010	02/2030	225,000	10,000	8,538	10,000	8,238
LYON CO SCH DIST	629,421	02/2012	02/2032	547,293	28,515	13,719	29,385	13,148
LYON CO SCH DIST	152,909	06/2013	06/2033	140,111	6,371	4,164	6,479	4,056
MADISON CO SCH DIST	572,461	10/2004	08/2016	105,457	62,742	2,718	42,715	790
MADISON CO SCH DIST	1,797,462	05/2006	05/2026	1,155,595	85,566	47,271	88,988	43,848

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
37,421	6,811	38,169	6,062	38,970	5,261	165,721	11,203
73,486	31,144	74,971	29,660	76,485	28,145	1,148,407	197,573
79,998	30,564	82,434	28,128	84,945	25,617	653,001	90,018
104,025	11,827	107,864	8,278	111,315	4,607	81,860	1,371
59,095	7,374	60,129	6,340	61,332	5,137	191,453	7,953
75,000	34,469	75,000	32,969	75,000	31,469	1,065,000	221,331
162,638	0	162,638	0	162,638	0	2,602,203	0
29,069	23,061	30,929	22,701	33,044	22,086	595,095	179,152
12,801	6,225	13,249	5,777	13,713	5,313	129,519	22,686
23,842	15,212	24,568	14,486	25,317	13,738	342,777	78,211
24,496	15,697	24,986	15,207	25,486	14,708	470,325	132,578
0	0	0	0	0	0	0	0
75,000	34,065	80,000	31,120	85,000	27,900	655,000	93,100
313,199	159,643	323,906	146,900	334,438	133,734	3,127,639	522,573
10,737	6,691	11,086	6,341	11,470	5,958	140,280	30,490
42,129	0	42,066	0	41,978	0	430,720	0
11,336	4,643	11,479	4,500	11,638	4,341	174,328	31,189
200,000	38,388	205,000	33,703	210,000	28,644	850,000	51,172
61,621	17,557	66,906	15,709	87,473	13,702	369,245	27,872
56,126	30,156	54,024	28,503	56,872	26,840	845,253	178,148
203,419	72,560	207,530	68,451	211,721	64,258	2,570,320	377,507
48,677	10,050	49,651	9,076	50,644	8,083	270,463	23,173
0	0	0	0	0	0	0	0
39,680	18,190	41,299	16,570	42,984	14,884	343,156	50,120
12,436	989	13,407	569	10,798	175	0	0
0	0	0	0	0	0	0	0
25,317	16,432	26,350	15,399	27,427	14,323	300,895	66,057
38,380	5,070	38,981	4,469	39,769	3,682	157,421	6,507
50,000	23,531	50,000	22,656	50,000	21,781	735,000	151,519
59,215	11,094	60,412	9,898	61,632	8,678	381,120	24,786
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
195,509	13,490	201,464	7,535	150,438	2,257	0	0
112,652	81,222	116,085	77,789	119,999	73,875	1,653,698	436,422
97,916	18,983	99,894	17,005	101,905	14,987	633,223	42,534
397,555	64,707	405,506	56,755	413,616	48,645	1,744,354	103,678
96,989	0	96,989	0	96,989	0	1,260,895	0
29,336	5,579	29,631	5,284	29,929	4,986	483,633	36,961
0	0	0	0	0	0	0	0
30,002	480	0	0	0	0	0	0
53,313	5,620	54,927	3,997	56,642	2,288	43,160	701
36,633	5,447	37,274	4,806	38,020	4,060	159,888	8,432
16,199	3,446	16,442	3,203	16,771	2,874	108,412	9,458
18,267	8,186	19,016	7,437	19,796	6,658	137,451	21,271
20,000	11,093	20,000	10,268	20,000	9,443	215,000	37,695
45,000	22,228	45,000	20,473	50,000	18,620	445,000	72,863
39,999	28,924	40,854	28,264	41,529	27,590	737,198	230,454
10,000	7,938	15,000	7,625	15,000	7,119	165,000	38,819
30,273	12,561	26,190	11,955	27,220	11,431	405,710	79,969
6,590	3,946	6,703	3,834	6,815	3,720	107,153	29,813
0	0	0	0	0	0	0	0
92,549	40,289	96,250	36,587	100,100	32,737	692,142	104,882

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
MADISON CO SCH DIST	1,523,990	10/2006	10/2026	1,043,125	71,278	39,040	74,096	36,223
MADISON CO SCH DIST	154,125	11/2008	11/2021	91,844	11,618	3,561	12,048	3,132
MADISON CO SCH DIST	120,549	01/2009	11/2028	120,549	0	5,403	0	5,403
MADISON CO SCH DIST	113,572	05/2009	12/2015	11,714	11,714	152	0	0
MADISON CO SCH DIST	915,920	09/2010	02/2019	429,709	112,679	9,083	114,932	6,830
MADISON CO SCH DIST	5,110,099	08/2014	08/2034	5,110,099	200,013	147,761	204,053	143,721
MAGOFFIN CO SCH DIST	13,060,244	08/2006	08/2021	4,807,264	606,896	182,046	631,666	157,275
MAGOFFIN CO SCH DIST	1,827,722	02/2007	06/2020	905,763	178,632	34,964	180,896	28,176
MAGOFFIN CO SCH DIST	5,136,368	04/2009	04/2029	3,898,306	220,880	144,603	226,041	138,529
MAGOFFIN CO SCH DIST	6,387,359	08/2014	08/2034	6,387,359	170,647	264,838	257,295	178,191
MAGOFFIN CO SCH DIST	4,848,225	02/2015	08/2026	4,848,225	66,343	111,180	67,368	110,154
MARION CO SCH DIST	1,385,569	07/2005	08/2017	208,147	66,739	6,750	69,325	4,163
MARION CO SCH DIST	935,420	07/2005	10/2019	433,038	84,676	15,087	87,957	11,807
MARION CO SCH DIST	304,464	04/2009	05/2018	111,067	35,850	3,657	37,008	2,492
MARION CO SCH DIST	500,819	01/2012	06/2023	396,145	46,671	7,278	47,376	6,578
MARION CO SCH DIST	1,030,000	06/2012	06/2032	895,000	45,000	23,388	45,000	22,623
MARION CO SCH DIST	784,953	08/2012	08/2025	756,038	11,574	16,124	11,807	15,890
MARION CO SCH DIST	1,542,041	04/2014	09/2029	1,454,518	84,684	35,694	85,967	34,411
MARION CO SCH DIST	815,000	06/2015	06/2035	815,000	35,000	21,447	35,000	22,055
MARSHALL CO SCH DIST	675,094	06/2004	06/2018	106,364	33,976	4,657	35,419	3,213
MARSHALL CO SCH DIST	1,869,077	05/2007	05/2027	1,283,854	85,433	51,677	88,850	48,260
MARSHALL CO SCH DIST	166,245	04/2008	03/2018	54,968	17,731	1,814	18,316	1,229
MARSHALL CO SCH DIST	509,000	11/2010	11/2030	434,000	21,000	15,352	21,000	14,591
MARSHALL CO SCH DIST	328,885	11/2011	06/2024	302,960	5,803	7,335	5,919	7,219
MARSHALL CO SCH DIST	2,879,487	04/2015	04/2035	2,879,487	110,091	86,046	110,414	86,485
MARTIN CO SCH DIST	1,942,136	05/2009	09/2020	1,012,472	164,927	29,115	169,741	24,301
MARTIN CO SCH DIST	2,400,000	01/2010	02/2030	1,935,000	100,000	72,030	105,000	69,030
MARTIN CO SCH DIST	3,300,000	10/2010	10/2030	2,740,000	145,000	106,936	145,000	103,746
MASON CO SCH DIST	6,477,217	03/2004	03/2016	325,791	325,791	11,810	0	0
MASON CO SCH DIST	298,116	02/2009	04/2017	78,809	38,898	2,089	39,911	1,078
MASON CO SCH DIST	3,567,718	04/2012	03/2024	3,406,639	51,659	75,769	390,164	74,865
MASON CO SCH DIST	2,315,000	08/2013	08/2033	2,220,000	95,000	65,401	95,000	63,549
MASON CO SCH DIST	1,376,980	11/2014	11/2034	1,376,980	53,963	36,896	56,924	35,787
MAYFIELD IND SCH DIST	243,646	03/2004	03/2016	12,242	12,242	428	0	0
MAYFIELD IND SCH DIST	51,859	02/2008	02/2017	13,819	6,804	430	7,015	219
MAYFIELD IND SCH DIST	135,346	03/2012	03/2024	128,593	2,251	2,348	14,944	2,325
MAYFIELD IND SCH DIST	582,000	03/2014	02/2034	557,000	23,000	18,522	23,000	18,177
MCCRACKEN CO SCH DIST	706,570	10/2004	03/2016	107,504	107,504	4,085	0	0
MCCRACKEN CO SCH DIST	869,186	09/2010	07/2022	665,071	80,172	13,526	81,547	12,151
MCCRACKEN CO SCH DIST	4,141,031	03/2014	12/2030	3,896,093	191,905	130,337	199,738	122,505
MCCREARY CO SCH DIST	238,859	06/2003	08/2015	15,601	15,601	254	0	0
MCCREARY CO SCH DIST	7,241,938	05/2008	05/2028	5,287,484	315,865	224,787	328,499	212,153
MCCREARY CO SCH DIST	2,601,352	02/2012	05/2023	2,063,279	242,154	44,669	244,602	39,825
MCLEAN CO SCH DIST	1,230,000	07/2006	08/2016	115,000	55,000	3,500	60,000	1,200
MCLEAN CO SCH DIST	140,915	03/2008	02/2018	46,476	14,992	1,550	15,486	1,055
MCLEAN CO SCH DIST	1,085,249	04/2008	04/2028	784,944	50,190	28,703	49,220	26,971
MCLEAN CO SCH DIST	661,671	03/2009	02/2019	288,628	66,859	9,797	69,033	7,624
MCLEAN CO SCH DIST	1,410,000	06/2012	06/2032	1,230,000	60,000	32,215	60,000	31,585
MCLEAN CO SCH DIST	1,691,401	07/2014	08/2034	1,691,401	67,528	49,500	69,668	47,990
MCLEAN CO SCH DIST	834,275	03/2015	08/2026	834,275	16,606	15,166	14,148	17,623
MEADE CO SCH DIST	416,083	01/2005	07/2016	70,199	41,337	1,862	28,862	548
MEADE CO SCH DIST	733,810	09/2006	09/2026	504,890	33,791	19,985	35,171	18,606

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
77,023	33,296	80,067	30,252	83,231	27,088	657,430	90,360
12,524	2,656	13,034	2,145	13,583	1,595	29,037	1,321
0	5,403	0	5,403	0	5,403	120,549	30,348
0	0	0	0	0	0	0	0
117,230	4,531	84,868	1,952	0	0	0	0
208,175	139,598	212,382	135,393	216,673	131,102	4,068,803	1,083,330
657,449	131,493	684,284	104,658	712,215	76,728	1,514,754	63,128
174,548	21,167	182,312	14,403	189,375	7,338	0	0
236,221	131,748	241,425	124,071	251,632	116,225	2,722,107	577,609
262,493	172,993	267,796	167,690	273,207	162,280	5,155,921	1,376,364
68,729	108,793	70,118	107,405	71,534	105,988	4,504,133	468,997
72,083	1,406	0	0	0	0	0	0
91,363	8,400	97,191	4,769	71,851	1,437	0	0
38,209	1,290	0	0	0	0	0	0
48,089	5,868	48,810	5,146	49,786	4,170	155,413	6,456
45,000	21,858	45,000	21,093	45,000	20,328	670,000	142,688
12,046	15,652	86,520	14,666	88,268	12,918	545,823	36,497
87,704	32,674	89,476	30,902	91,284	29,095	1,015,403	155,952
35,000	21,600	35,000	21,145	35,000	20,445	640,000	180,140
36,969	1,664	0	0	0	0	0	0
92,404	44,706	96,100	41,009	99,944	37,165	821,123	138,644
18,921	624	0	0	0	0	0	0
22,000	13,811	23,000	12,996	24,000	12,144	323,000	67,117
6,037	7,101	44,806	6,965	45,814	5,957	194,581	12,503
113,507	83,172	116,726	79,767	120,081	76,265	2,308,668	637,324
174,910	19,131	180,330	13,712	186,198	7,845	136,366	2,386
105,000	65,880	110,000	62,599	115,000	58,886	1,400,000	323,308
150,000	99,758	150,000	95,108	155,000	89,841	1,995,000	516,234
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
396,991	68,037	404,933	60,097	413,538	51,492	1,749,354	110,748
100,000	61,648	100,000	59,698	100,000	57,748	1,730,000	471,984
54,942	34,668	58,024	33,539	61,165	32,347	1,091,962	261,754
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
15,108	2,161	15,304	1,964	15,549	1,720	65,437	3,640
24,000	17,832	24,000	17,472	24,000	17,112	439,000	139,307
0	0	0	0	0	0	0	0
83,112	10,586	84,792	8,907	86,613	7,084	248,835	8,794
207,890	114,352	214,190	108,052	218,517	103,725	2,863,853	603,941
0	0	0	0	0	0	0	0
341,640	199,013	355,305	185,347	369,517	171,135	3,576,658	748,580
249,492	34,933	254,483	29,944	259,573	24,854	812,975	40,305
0	0	0	0	0	0	0	0
15,998	544	0	0	0	0	0	0
53,394	25,273	52,892	23,431	52,585	21,606	526,663	93,054
71,310	5,346	81,426	2,850	0	0	0	0
60,000	30,955	60,000	29,635	65,000	28,315	925,000	196,400
71,855	46,434	74,787	44,821	72,730	43,198	1,334,833	376,732
73,752	16,744	77,609	15,231	81,331	13,641	570,829	46,341
0	0	0	0	0	0	0	0
36,605	17,170	38,099	15,676	39,655	14,121	321,569	47,636

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
MEADE CO SCH DIST	590,000	10/2011	05/2022	387,000	52,000	7,353	53,000	6,365
MEADE CO SCH DIST	362,306	06/2012	06/2032	316,099	15,915	8,949	16,254	8,631
MEADE CO SCH DIST	547,417	11/2013	08/2029	507,455	30,205	12,539	30,509	12,235
MENIFEE CO SCH DIST	285,708	04/2008	02/2018	71,966	30,923	2,295	25,609	1,329
MENIFEE CO SCH DIST	408,381	03/2009	02/2019	177,690	43,133	6,575	41,847	4,979
MENIFEE CO SCH DIST	2,784,244	05/2011	05/2031	2,331,798	116,199	84,243	118,468	81,919
MENIFEE CO SCH DIST	252,389	03/2012	05/2023	199,428	23,231	4,061	23,696	3,597
MERCER CO SCH DIST	867,727	05/2007	05/2027	598,365	39,686	24,623	41,273	23,036
MERCER CO SCH DIST	244,640	03/2008	06/2018	69,924	24,905	2,238	25,709	1,460
MERCER CO SCH DIST	158,476	02/2012	09/2023	93,614	23,433	1,294	21,848	984
MERCER CO SCH DIST	865,250	11/2013	11/2033	830,922	35,021	24,620	35,729	23,913
MERCER CO SCH DIST	139,138	07/2014	08/2030	137,828	7,418	3,593	7,549	3,462
METCALFE CO SCH DIST	218,521	12/1996	12/2016	28,059	17,014	723	11,045	284
METCALFE CO SCH DIST	3,121,415	12/2011	12/2030	2,628,560	164,285	13,141	164,285	13,141
METCALFE CO SCH DIST	2,735,443	03/2015	12/2030	2,696,117	152,646	68,107	154,833	65,032
MIDDLESBORO IND SCH DIS	241,391	02/2005	08/2016	39,234	23,271	982	15,963	287
MIDDLESBORO IND SCH DIS	382,625	07/2006	08/2016	36,324	17,200	1,128	19,124	392
MIDDLESBORO IND SCH DIS	581,032	04/2015	08/2026	581,032	40,752	6,819	37,952	8,431
MONROE CO SCH DIST	223,974	10/2008	10/2028	174,696	9,412	7,632	9,819	7,223
MONROE CO SCH DIST	528,005	08/2010	06/2021	297,494	45,127	7,132	46,634	6,229
MONROE CO SCH DIST	1,308,646	01/2012	10/2023	914,013	146,926	17,290	151,402	14,306
MONROE CO SCH DIST	252,864	09/2012	02/2024	221,836	23,334	3,575	23,567	3,342
MONTGOMERY CO SCH DIST	404,152	11/1995	11/2015	21,703	21,703	597	0	0
MONTGOMERY CO SCH DIST	224,459	03/2007	03/2027	153,201	10,330	5,847	10,707	5,470
MONTGOMERY CO SCH DIST	265,129	03/2008	07/2017	82,926	29,125	2,319	30,069	1,338
MONTGOMERY CO SCH DIST	513,912	10/2011	04/2023	346,083	69,973	7,616	69,063	6,426
MONTGOMERY CO SCH DIST	422,902	09/2014	09/2034	422,902	15,820	13,114	16,301	12,632
MONTICELLO IND SCH DIST	2,458,495	04/2006	04/2017	237,206	116,477	9,081	120,729	4,829
MONTICELLO IND SCH DIST	311,781	07/2006	06/2026	201,135	14,818	8,297	15,429	7,686
MONTICELLO IND SCH DIST	373,158	06/2011	06/2031	314,996	15,058	12,593	15,359	12,292
MORGAN CO SCH DIST	8,176,450	10/2005	10/2015	395,341	395,341	7,413	0	0
MORGAN CO SCH DIST	2,913,540	05/2012	05/2032	2,556,133	121,691	74,718	124,124	72,284
MORGAN CO SCH DIST	5,729,318	02/2013	10/2025	5,446,093	102,843	86,218	506,205	83,173
MORGAN CO SCH DIST	840,000	02/2013	02/2033	770,000	35,000	19,373	35,000	19,093
MORGAN CO SCH DIST	411,913	02/2013	09/2023	179,000	19,000	3,443	20,000	3,150
MUHLENBERG CO SCH DIST	1,032,004	01/2007	03/2020	574,904	106,724	21,808	110,422	17,859
MUHLENBERG CO SCH DIST	967,472	05/2007	05/2027	662,013	44,493	25,822	46,163	24,154
MUHLENBERG CO SCH DIST	2,452,112	11/2010	11/2030	2,061,644	101,134	89,288	103,519	86,804
MUHLENBERG CO SCH DIST	800,082	10/2011	09/2023	746,271	79,551	13,212	80,752	12,009
MUHLENBERG CO SCH DIST	7,166,987	01/2012	04/2024	6,186,671	634,229	123,733	646,913	111,049
MUHLENBERG CO SCH DIST	1,130,960	02/2013	02/2033	1,033,903	48,646	23,343	49,134	22,857
MUHLENBERG CO SCH DIST	1,100,000	07/2014	08/2034	1,100,000	45,000	30,858	45,000	30,408
MURRAY IND SCH DIST	661,272	02/2012	03/2024	579,289	60,067	10,668	60,968	9,767
NELSON CO SCH DIST	653,705	08/2004	08/2016	109,575	65,963	2,878	43,612	829
NELSON CO SCH DIST	2,511,093	09/2005	09/2015	121,401	121,401	2,155	0	0
NELSON CO SCH DIST	2,007,933	12/2006	12/2026	1,364,509	93,809	50,829	97,249	47,390
NELSON CO SCH DIST	1,114,551	05/2009	05/2029	846,216	47,803	31,840	49,236	30,406
NELSON CO SCH DIST	2,102,623	10/2011	04/2023	1,967,424	232,172	37,911	234,372	34,893
NELSON CO SCH DIST	1,621,137	02/2015	12/2030	1,599,155	86,174	37,943	87,909	36,202
NELSON CO SCH DIST	1,613,921	02/2015	09/2025	1,613,921	23,098	32,532	148,276	30,909
NEWPORT IND SCH DIST	2,365,000	01/2012	01/2032	2,065,000	100,000	49,781	105,000	48,281
NEWPORT IND SCH DIST	1,245,273	03/2014	02/2034	1,188,948	54,669	34,302	51,443	34,029

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
54,000	5,358	55,000	4,332	56,000	3,287	117,000	3,344
16,615	8,306	16,978	7,974	17,363	7,634	232,974	51,167
30,839	11,906	31,228	11,517	31,708	11,037	352,966	60,252
15,434	509	0	0	0	0	0	0
44,653	3,430	48,057	1,778	0	0	0	0
120,790	79,550	121,738	77,134	125,390	73,482	1,729,213	464,986
24,170	3,123	24,654	2,639	25,146	2,146	78,531	3,348
42,923	21,385	44,641	19,668	46,425	17,882	383,417	66,804
19,310	637	0	0	0	0	0	0
20,669	665	16,013	369	2,393	208	9,258	363
36,451	23,191	37,187	22,454	37,939	21,703	648,595	174,494
7,682	3,329	7,818	3,193	7,956	3,055	99,405	17,832
0	0	0	0	0	0	0	0
164,285	13,141	164,285	13,141	164,285	13,141	1,807,135	137,983
157,831	61,906	161,222	58,715	163,424	55,469	1,906,161	313,963
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
57,949	7,952	58,605	7,296	59,371	6,529	326,403	18,723
10,248	6,797	10,707	6,338	11,198	5,845	123,312	26,344
51,453	5,238	50,219	4,055	49,720	2,800	54,341	1,494
150,768	11,285	135,296	8,424	65,803	6,413	263,818	11,626
23,861	3,047	24,159	2,749	24,521	2,386	102,394	5,238
0	0	0	0	0	0	0	0
11,109	5,068	11,525	4,652	11,958	4,219	97,572	15,670
23,732	415	0	0	0	0	0	0
73,031	5,252	57,717	3,572	18,319	2,130	57,980	3,366
16,798	12,136	17,309	11,624	17,836	11,097	338,838	89,108
0	0	0	0	0	0	0	0
16,065	7,049	16,727	6,386	17,418	5,696	120,678	18,009
15,744	11,908	16,177	11,475	16,662	10,989	235,996	68,163
0	0	0	0	0	0	0	0
126,607	69,802	129,139	67,269	131,722	64,687	1,922,850	434,051
513,774	78,073	516,688	72,533	525,223	66,280	3,281,360	202,815
35,000	18,655	35,000	18,218	40,000	17,780	590,000	127,920
20,000	2,850	20,000	2,550	20,000	2,160	80,000	3,840
114,874	13,719	119,193	9,353	123,691	4,824	0	0
47,894	22,423	49,689	20,627	51,577	18,739	422,197	70,015
101,388	84,064	104,415	81,039	108,072	77,381	1,543,116	468,329
82,025	10,737	83,422	9,341	85,002	7,761	335,519	13,527
659,852	98,111	673,049	84,914	686,511	71,453	2,886,117	145,735
49,624	22,366	50,616	21,373	51,629	20,361	784,254	151,617
45,000	29,958	45,000	29,508	45,000	29,058	875,000	255,416
61,882	8,853	62,965	7,770	64,067	6,668	269,340	13,600
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
100,864	43,773	104,668	39,971	108,669	35,970	859,250	121,451
50,714	28,929	52,285	27,357	54,010	25,631	592,168	124,614
238,106	31,378	242,386	27,330	247,456	22,482	772,932	35,953
89,680	34,426	91,482	32,615	93,319	30,767	1,150,591	183,493
151,272	27,914	154,327	24,858	157,445	21,740	979,503	61,185
105,000	46,706	110,000	45,131	110,000	43,206	1,535,000	306,413
53,378	33,669	50,487	33,135	53,068	32,479	925,903	272,832

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
NEWPORT IND SCH DIST	692,229	11/2014	11/2034	692,229	27,459	19,473	28,014	18,919
NICHOLAS CO SCH DIST	100,000	09/1996	09/2016	10,000	5,000	428	5,000	143
NICHOLAS CO SCH DIST	781,130	04/2009	02/2019	332,155	82,059	11,095	82,195	8,530
NICHOLAS CO SCH DIST	1,187,358	04/2009	04/2029	899,747	51,116	33,332	52,650	31,799
NICHOLAS CO SCH DIST	48,197	04/2011	04/2031	40,559	1,970	1,498	2,024	1,443
OHIO CO SCH DIST	1,977,117	05/2008	05/2028	1,445,298	86,188	62,221	89,420	58,989
OHIO CO SCH DIST	180,311	05/2009	05/2029	139,563	7,695	5,408	7,994	5,110
OHIO CO SCH DIST	879,086	04/2010	01/2019	412,013	96,902	11,792	100,035	9,466
OHIO CO SCH DIST	549,476	09/2010	09/2030	465,861	22,314	18,692	22,994	18,012
OHIO CO SCH DIST	53,229	06/2013	06/2016	10,968	10,968	110	0	0
OLDHAM CO SCH DIST	437,355	10/2004	07/2015	44,661	44,661	837	0	0
OLDHAM CO SCH DIST	432,693	04/2007	07/2017	114,104	46,284	3,280	48,042	1,582
OLDHAM CO SCH DIST	238,095	09/2007	09/2027	174,673	10,598	7,064	11,031	6,632
OLDHAM CO SCH DIST	476,897	01/2008	08/2019	212,605	42,530	6,206	43,890	4,850
OLDHAM CO SCH DIST	506,765	07/2012	05/2024	438,988	45,003	8,780	45,903	7,880
OLDHAM CO SCH DIST	1,418,405	08/2012	10/2023	1,232,472	129,120	25,608	131,727	22,999
OLDHAM CO SCH DIST	2,349,766	08/2013	08/2033	2,268,893	84,070	86,291	87,392	82,969
OLDHAM CO SCH DIST	561,123	03/2015	03/2035	561,123	23,277	14,514	22,659	15,131
OWEN CO SCH DIST	1,514,948	05/2009	05/2029	1,151,963	64,855	43,720	66,801	41,774
OWEN CO SCH DIST	1,618,622	08/2010	04/2021	913,699	144,393	22,384	147,282	19,496
OWEN CO SCH DIST	334,524	01/2012	02/2032	289,534	15,306	7,158	15,481	6,982
OWENSBORO IND SCH DIST	777,887	09/2008	09/2028	601,783	30,819	24,422	36,396	23,246
OWENSBORO IND SCH DIST	2,271,424	03/2009	06/2019	922,890	233,938	32,254	241,658	24,534
OWENSBORO IND SCH DIST	1,365,000	03/2012	04/2024	1,205,000	125,000	26,906	125,000	24,406
OWSLEY CO SCH DIST	670,369	06/2007	06/2027	462,531	30,460	19,613	31,679	18,394
OWSLEY CO SCH DIST	165,801	09/2010	02/2021	95,253	15,005	2,269	15,305	1,969
OWSLEY CO SCH DIST	531,579	12/2010	12/2027	406,591	31,246	4,950	31,246	4,950
PADUCAH IND SCH DIST	1,063,999	04/2009	04/2029	814,056	45,469	32,095	46,833	30,731
PADUCAH IND SCH DIST	11,485,918	12/2011	12/2030	9,672,352	604,522	45,314	604,522	45,314
PAINTSVILLE IND SCH DIST	79,991	06/2008	08/2016	17,017	10,030	408	6,987	119
PAINTSVILLE IND SCH DIST	936,597	01/2010	02/2030	751,912	39,168	27,820	40,244	26,743
PAINTSVILLE IND SCH DIST	800,238	12/2012	12/2032	730,294	35,606	13,639	36,036	13,209
PARIS IND SCH DIST	705,000	06/2004	06/2024	390,000	35,000	18,880	40,000	17,270
PARIS IND SCH DIST	148,392	10/2004	02/2016	2,094	2,094	80	0	0
PARIS IND SCH DIST	680,000	03/2006	03/2026	435,000	30,000	17,400	35,000	16,200
PARIS IND SCH DIST	880,000	10/2007	10/2027	645,000	40,000	24,580	40,000	23,140
PARIS IND SCH DIST	625,000	09/2010	09/2030	525,000	25,000	16,768	25,000	16,143
PARIS IND SCH DIST	1,360,649	05/2012	04/2032	1,149,944	76,339	0	70,198	0
PENDLETON CO SCH DIST	343,400	09/2005	12/2015	34,104	34,104	588	0	0
PENDLETON CO SCH DIST	1,330,456	02/2007	02/2020	331,024	61,116	13,241	63,561	10,796
PENDLETON CO SCH DIST	1,178,158	02/2008	06/2019	437,223	104,299	13,947	107,481	10,766
PENDLETON CO SCH DIST	667,381	01/2015	02/2027	667,381	8,163	15,800	8,282	15,681
PERRY CO SCH DIST	2,067,024	07/2006	08/2026	1,400,986	93,445	57,120	97,259	53,306
PERRY CO SCH DIST	1,784,162	02/2010	12/2018	785,000	200,000	18,920	205,000	13,953
PERRY CO SCH DIST	5,743,192	12/2011	12/2031	5,029,765	247,481	128,555	252,481	123,555
PERRY CO SCH DIST	3,378,789	12/2011	12/2030	2,836,980	184,863	0	184,186	0
PERRY CO SCH DIST	831,236	06/2012	06/2024	808,501	84,110	15,128	85,034	14,202
PIKE CO SCH DIST	2,683,899	02/2005	08/2015	201,866	201,866	3,634	0	0
PIKE CO SCH DIST	2,250,856	11/2006	12/2019	952,863	187,766	32,181	194,772	25,175
PIKE CO SCH DIST	2,210,000	02/2007	02/2027	1,535,000	100,000	64,149	105,000	60,149
PIKE CO SCH DIST	8,761,506	10/2007	10/2027	6,421,736	390,017	262,079	406,797	246,143
PIKE CO SCH DIST	2,635,443	05/2008	12/2017	642,684	250,612	16,223	222,479	8,988

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
28,580	18,353	29,157	17,775	29,746	17,186	549,273	146,155
0	0	0	0	0	0	0	0
82,427	5,859	85,474	3,077	0	0	0	0
54,229	30,219	55,911	28,538	57,756	26,693	628,085	131,951
2,082	1,386	2,139	1,328	2,200	1,268	30,144	7,995
92,997	55,412	96,716	51,692	100,585	47,823	979,392	207,877
8,303	4,800	8,625	4,478	8,959	4,144	97,987	19,945
102,126	6,565	112,950	3,501	0	0	0	0
23,694	17,312	24,416	16,590	25,159	15,846	347,284	94,144
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
19,778	358	0	0	0	0	0	0
11,481	6,181	11,949	5,713	12,437	5,225	117,177	21,047
45,323	3,422	46,835	1,913	34,027	570	0	0
46,821	6,962	47,758	6,025	48,713	5,070	204,790	10,341
134,388	20,338	137,191	17,536	140,215	14,501	559,831	25,351
90,845	79,515	94,435	75,926	98,167	72,194	1,813,984	525,527
23,112	14,678	23,575	14,216	24,046	13,744	444,454	122,404
68,805	39,770	70,869	37,706	73,348	35,225	807,285	169,883
150,411	16,366	153,796	12,982	157,642	9,137	160,175	4,605
15,674	6,789	15,894	6,569	16,149	6,315	211,030	43,512
37,464	21,906	38,891	20,426	40,640	18,835	417,573	85,091
250,116	16,076	197,178	7,197	0	0	0	0
130,000	21,906	130,000	19,306	130,000	16,706	565,000	35,231
32,946	17,127	34,348	15,727	35,806	14,267	297,292	53,220
15,657	1,617	16,017	1,257	16,425	848	16,844	430
31,247	4,950	31,246	4,950	31,247	4,950	250,359	37,125
48,332	29,233	50,023	27,541	51,874	25,690	571,525	126,554
604,522	45,314	604,522	45,314	604,522	45,314	6,649,742	475,793
0	0	0	0	0	0	0	0
41,452	25,535	42,696	24,292	44,146	22,840	544,206	125,664
36,471	12,774	36,911	12,334	37,357	11,888	547,913	85,703
40,000	15,430	40,000	13,590	45,000	11,750	190,000	24,250
0	0	0	0	0	0	0	0
35,000	14,800	35,000	13,400	40,000	12,000	260,000	37,800
45,000	21,610	45,000	19,900	45,000	18,100	430,000	70,400
30,000	15,455	30,000	14,705	30,000	13,955	385,000	81,700
66,659	0	71,599	0	61,391	0	803,758	0
0	0	0	0	0	0	0	0
66,103	8,254	68,747	5,610	71,497	2,860	0	0
110,920	7,327	114,523	3,722	0	0	0	0
8,447	15,515	8,616	15,346	8,789	15,174	625,084	63,152
101,280	49,284	105,520	45,045	109,993	40,572	893,489	138,478
215,000	8,068	165,000	2,475	0	0	0	0
257,582	118,455	262,785	113,251	268,094	107,942	3,741,342	709,748
180,070	0	182,407	0	174,405	0	1,931,050	0
85,969	13,267	87,689	11,548	89,442	9,794	376,257	20,689
0	0	0	0	0	0	0	0
202,166	17,781	209,946	10,001	158,213	3,006	0	0
110,000	55,949	115,000	51,549	120,000	46,891	985,000	176,361
420,435	229,598	440,861	212,372	457,978	194,396	4,305,648	769,755
169,593	2,756	0	0	0	0	0	0

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
PIKE CO SCH DIST	8,064,643	06/2009	09/2020	4,753,245	775,703	130,766	797,348	109,120
PIKE CO SCH DIST	1,735,000	10/2009	10/2029	1,400,000	75,000	51,386	75,000	49,268
PIKE CO SCH DIST	7,407,095	11/2011	11/2030	6,233,654	387,892	0	390,010	0
PIKE CO SCH DIST	3,880,000	05/2013	12/2023	3,200,000	345,000	48,225	350,000	44,750
PIKE CO SCH DIST	3,065,474	06/2014	06/2034	2,929,410	141,149	89,492	140,605	86,669
PIKEVILLE IND SCH DIST	445,429	04/2008	09/2019	243,115	48,139	7,022	49,617	5,544
PIKEVILLE IND SCH DIST	230,499	06/2009	06/2029	175,692	9,768	7,153	10,066	6,855
PIKEVILLE IND SCH DIST	156,675	03/2012	06/2024	133,808	13,898	2,677	14,059	2,517
PINEVILLE IND SCH DIST	42,245	04/2012	09/2023	37,038	3,916	806	3,986	737
PINEVILLE IND SCH DIST	398,304	12/2014	03/2030	377,265	21,412	9,745	21,840	9,317
POWELL CO SCH DIST	186,187	11/2002	08/2015	9,442	9,442	182	0	0
POWELL CO SCH DIST	1,743,287	08/2006	08/2016	165,368	81,071	4,868	84,297	1,644
POWELL CO SCH DIST	570,121	09/2010	09/2021	370,815	50,893	8,207	52,307	7,175
POWELL CO SCH DIST	3,411,914	05/2013	05/2033	3,115,928	148,251	69,590	149,719	68,108
POWELL CO SCH DIST	1,169,466	03/2015	08/2026	1,169,466	21,199	21,447	18,502	24,145
PROVIDENCE IND SCH DIST	300,000	05/2004	05/2024	165,000	15,000	7,631	15,000	6,938
PULASKI CO SCH DIST	89,254	10/2004	09/2015	6,487	6,487	122	0	0
PULASKI CO SCH DIST	361,529	11/2006	07/2016	69,636	40,748	1,823	28,888	534
PULASKI CO SCH DIST	2,914,315	06/2007	06/2027	2,008,555	132,760	83,916	138,070	78,605
PULASKI CO SCH DIST	1,036,001	04/2009	04/2029	798,010	44,114	31,999	45,659	30,455
PULASKI CO SCH DIST	1,137,295	08/2009	07/2018	510,725	130,816	12,529	134,271	9,131
PULASKI CO SCH DIST	314,683	03/2011	03/2031	263,506	13,087	9,189	13,349	8,927
PULASKI CO SCH DIST	396,742	08/2012	08/2023	347,459	37,591	5,231	37,969	4,853
PULASKI CO SCH DIST	499,221	05/2014	05/2034	478,241	20,531	13,372	20,757	13,146
RACELAND IND SCH DIST	674,039	02/2010	02/2030	534,920	31,070	19,168	33,326	18,391
RACELAND IND SCH DIST	442,068	10/2010	10/2030	372,104	18,295	12,716	18,852	12,159
RACELAND IND SCH DIST	1,152,896	06/2012	09/2023	1,002,558	107,829	16,592	109,288	15,452
RACELAND IND SCH DIST	393,669	02/2015	06/2025	388,561	36,093	7,151	36,454	6,791
ROBERTSON CO (KISTA) SC	72,617	06/2013	06/2033	66,740	2,973	1,977	3,033	1,918
ROBERTSON CO SCH DIST	13,973,642	09/2011	09/2027	11,353,585	873,352	48,008	873,353	48,008
ROCKCASTLE CO SCH DIST	666,101	07/2006	07/2016	63,111	30,932	1,890	32,179	644
ROCKCASTLE CO SCH DIST	1,362,915	01/2008	09/2020	628,015	115,129	19,395	123,048	15,346
ROCKCASTLE CO SCH DIST	449,863	02/2015	08/2026	449,863	7,543	8,944	7,543	8,944
ROWAN CO SCH DIST	99,453	06/2005	06/2016	5,364	5,364	198	0	0
ROWAN CO SCH DIST	1,812,645	07/2006	08/2026	1,243,663	84,794	49,503	88,256	46,042
ROWAN CO SCH DIST	454,053	03/2008	04/2018	149,846	48,917	5,246	50,579	3,583
ROWAN CO SCH DIST	281,279	11/2008	11/2028	281,279	0	12,646	0	12,646
ROWAN CO SCH DIST	359,698	01/2009	11/2021	215,925	27,268	8,135	28,381	7,022
ROWAN CO SCH DIST	2,187,755	11/2011	09/2023	2,054,960	216,042	44,136	219,587	40,590
RUSSELL CO SCH DIST	694,275	03/2006	03/2020	337,591	61,576	13,082	65,372	10,773
RUSSELL CO SCH DIST	462,194	09/2006	09/2026	315,910	21,567	11,976	22,392	11,152
RUSSELL CO SCH DIST	247,396	04/2011	09/2023	232,406	24,116	6,126	24,604	5,638
RUSSELL CO SCH DIST	33,661	02/2013	06/2025	32,144	2,996	573	3,026	543
RUSSELL IND SCH DIST	1,905,846	09/2006	09/2026	1,297,379	88,000	49,093	90,817	45,740
RUSSELL IND SCH DIST	925,000	04/2009	05/2019	405,000	95,000	14,190	100,000	10,960
RUSSELL IND SCH DIST	1,496,959	04/2011	04/2031	1,250,410	64,437	46,582	64,813	44,971
RUSSELL IND SCH DIST	1,025,000	06/2015	06/2035	1,025,000	40,000	27,103	40,000	27,319
RUSSELLVILLE IND SCH DIST	2,010,809	04/2008	04/2028	1,443,891	89,409	52,461	92,360	49,511
SCIENCE HILL IND SCH DIST	16,782	03/2007	03/2027	11,496	774	439	803	410
SCOTT CO SCH DIST	1,782,720	02/2007	02/2027	1,230,197	81,308	51,267	84,560	48,014
SCOTT CO SCH DIST	499,816	05/2008	04/2018	164,485	53,145	5,239	54,793	3,591
SCOTT CO SCH DIST	1,843,918	03/2009	03/2029	1,425,820	77,546	59,769	80,648	56,667

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
821,230	85,240	846,240	60,228	872,467	34,011	640,257	10,244
75,000	47,018	80,000	44,573	85,000	41,850	1,010,000	213,734
392,260	0	389,705	0	387,428	0	4,286,359	0
355,000	41,225	355,000	37,675	360,000	32,300	1,435,000	55,650
144,048	83,857	146,679	80,976	150,505	78,042	2,206,424	602,004
51,193	3,968	52,885	2,276	41,281	702	0	0
10,398	6,523	10,762	6,159	11,159	5,760	123,539	28,743
14,220	2,355	14,504	2,071	14,795	1,781	62,332	3,969
4,066	656	4,154	569	4,247	474	16,669	824
22,276	8,880	22,721	8,434	23,177	7,980	265,839	45,726
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
53,782	6,114	54,438	4,895	56,242	3,512	103,153	2,785
151,205	66,611	152,701	65,098	155,728	62,044	2,358,324	468,613
105,684	22,903	107,819	20,768	109,998	18,589	806,264	63,007
15,000	6,244	20,000	5,550	20,000	4,625	80,000	9,250
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
143,592	73,082	149,480	67,195	155,608	61,066	1,289,045	227,680
47,257	28,857	48,911	27,203	50,868	25,247	561,201	123,827
138,058	5,298	107,580	1,614	0	0	0	0
13,648	8,627	13,991	8,286	14,367	7,908	195,064	49,971
38,351	4,471	38,833	3,988	39,420	3,402	155,295	5,992
20,985	12,917	21,216	12,687	21,449	12,453	373,303	101,331
32,179	17,475	33,091	16,509	30,501	15,434	374,753	85,659
19,426	11,585	20,018	10,993	20,628	10,384	274,885	60,737
110,819	14,296	111,989	12,594	114,840	10,326	447,793	17,891
36,818	6,426	37,555	5,690	38,306	4,939	203,335	12,890
3,093	1,857	3,155	1,795	3,218	1,732	51,268	13,089
873,353	48,008	873,353	48,008	873,353	48,008	6,986,821	360,059
0	0	0	0	0	0	0	0
100,433	11,547	103,903	8,073	107,503	4,480	77,999	1,326
40,812	8,498	41,637	7,674	42,477	6,832	309,851	22,702
0	0	0	0	0	0	0	0
91,859	42,440	95,608	38,691	99,560	34,738	783,586	115,414
50,350	1,813	0	0	0	0	0	0
0	12,646	0	12,646	0	12,646	281,279	70,994
29,538	5,864	30,745	4,658	32,000	3,403	67,993	2,812
224,024	36,154	231,970	31,594	235,387	26,479	927,950	46,788
67,615	8,288	69,642	5,651	73,386	2,935	0	0
23,254	10,290	24,154	9,389	25,104	8,441	199,439	28,371
25,126	5,116	25,789	4,453	26,575	3,667	106,196	6,381
3,056	512	3,102	466	3,164	404	16,800	1,042
94,057	42,250	97,687	38,607	106,699	34,724	820,119	116,598
105,000	7,560	105,000	3,780	0	0	0	0
65,084	43,351	70,667	41,561	66,341	39,441	919,068	251,743
45,000	26,879	45,000	26,249	45,000	25,506	810,000	226,715
95,500	46,370	98,843	43,028	102,302	39,568	965,477	169,487
833	380	865	348	898	316	7,323	1,170
88,049	44,526	91,681	40,894	95,462	37,112	789,137	138,889
56,547	1,838	0	0	0	0	0	0
83,873	53,442	87,229	50,087	90,717	46,597	1,005,807	230,028

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
SCOTT CO SCH DIST	1,272,919	04/2010	02/2019	594,866	142,494	18,271	146,234	14,531
SCOTT CO SCH DIST	2,940,755	01/2012	02/2032	2,585,978	122,484	73,939	124,934	71,489
SCOTT CO SCH DIST	2,295,940	12/2012	03/2024	2,025,671	207,662	40,818	211,817	36,664
SCOTT CO SCH DIST	5,226,610	03/2013	03/2033	4,798,696	216,618	126,170	220,950	121,837
SHELBY CO SCH DIST	285,000	02/1996	02/2016	20,000	20,000	1,020	0	0
SHELBY CO SCH DIST	3,052,496	02/2009	05/2019	1,215,224	290,088	37,247	301,357	28,545
SHELBY CO SCH DIST	2,678,685	02/2009	02/2029	2,068,874	111,402	93,168	115,859	88,712
SHELBY CO SCH DIST	1,617,068	11/2011	05/2024	1,401,042	142,763	32,801	145,618	29,946
SHELBY CO SCH DIST	3,988,963	02/2013	02/2033	3,665,890	164,459	99,923	167,748	96,634
SILVER GROVE IND SCH DIS	580,000	06/2011	06/2031	495,000	25,000	19,594	25,000	19,094
SILVER GROVE IND SCH DIS	210,553	03/2012	05/2024	179,765	18,674	3,413	18,973	3,114
SILVER GROVE KISTA SCH D	550,000	10/2012	10/2032	504,025	21,500	13,562	22,380	13,288
SIMPSON CO SCH DIST	4,074,709	08/2006	08/2016	387,756	189,903	12,005	197,853	4,056
SIMPSON CO SCH DIST	775,239	01/2007	06/2020	439,441	81,562	16,531	84,580	13,513
SIMPSON CO SCH DIST	400,000	12/2007	12/2027	295,000	20,000	11,115	20,000	10,385
SIMPSON CO SCH DIST	478,402	07/2013	08/2033	459,643	19,061	14,529	19,368	14,221
SIMPSON CO SCH DIST	1,044,010	03/2014	08/2030	987,188	53,479	24,208	54,289	23,398
SIMPSON CO SCH DIST	2,741,693	02/2015	08/2026	2,741,693	48,156	50,987	43,707	55,436
SOMERSET IND SCH DIST	577,000	01/2007	01/2027	397,000	26,000	15,880	27,000	14,840
SOMERSET IND SCH DIST	282,823	05/2010	05/2030	233,779	11,599	11,733	12,064	11,269
SOMERSET IND SCH DIST	211,308	02/2012	06/2023	181,256	21,323	3,386	21,643	3,066
SOMERSET IND SCH DIST	1,499,577	12/2012	12/2035	1,369,179	65,199	0	65,199	0
SOUTHGATE IND SCH DIST	483,363	05/2011	05/2031	407,760	19,809	15,446	20,304	14,951
SPENCER CO SCH DIST	1,836,118	08/2007	08/2027	1,352,919	81,188	57,792	84,714	54,267
SPENCER CO SCH DIST	1,355,713	12/2009	01/2019	625,266	149,539	18,216	154,957	14,477
SPENCER CO SCH DIST	778,757	12/2011	08/2024	599,890	56,695	13,266	57,840	12,121
TAYLOR CO SCH DIST	137,951	08/2005	08/2016	24,650	14,656	671	9,994	200
TAYLOR CO SCH DIST	408,947	02/2007	06/2019	208,750	49,296	8,014	51,169	6,140
TAYLOR CO SCH DIST	20,359,031	01/2015	02/2035	20,359,031	773,312	601,609	793,751	581,170
TODD CO SCH DIST	1,136,275	07/2005	08/2015	54,843	54,843	960	0	0
TODD CO SCH DIST	463,066	05/2009	10/2018	182,587	46,754	4,292	47,921	3,125
TODD CO SCH DIST	70,233	05/2012	05/2023	52,111	6,159	965	6,226	897
TODD CO SCH DIST	775,088	04/2013	08/2025	744,595	14,170	12,467	70,289	12,151
TODD CO SCH DIST	365,116	12/2014	08/2030	358,796	19,117	9,094	19,502	8,708
TRIGG CO SCH DIST	855,000	07/2006	06/2026	550,000	40,000	22,653	40,000	21,053
TRIGG CO SCH DIST	620,884	02/2012	05/2024	525,650	57,555	11,292	57,087	10,141
TRIGG CO SCH DIST	1,830,000	12/2013	12/2033	1,760,000	75,000	54,255	75,000	52,755
TRIMBLE CO SCH DIST	2,988,838	09/2007	09/2027	2,178,879	134,576	81,296	139,859	76,013
TRIMBLE CO SCH DIST	786,366	10/2010	04/2022	553,570	73,246	15,100	74,894	13,452
TRIMBLE CO SCH DIST	1,250,000	07/2012	08/2032	1,145,000	55,000	26,806	55,000	26,174
UNION CO SCH DIST	795,112	04/2006	04/2016	37,646	37,646	1,468	0	0
UNION CO SCH DIST	842,165	02/2009	06/2019	357,059	85,070	11,407	87,765	8,854
UNION CO SCH DIST	555,373	04/2013	04/2026	536,144	9,337	10,230	48,544	10,137
UNION CO SCH DIST	355,000	01/2014	02/2034	345,000	15,000	12,765	15,000	12,210
WALTON VERONA IND SCH D	151,429	03/2012	06/2024	128,986	13,773	2,302	13,981	2,095
WALTON-VERONA IND SCH D	1,299,555	08/2006	08/2016	117,348	54,501	3,604	62,847	1,257
WALTON-VERONA IND SCH D	512,722	05/2008	12/2018	189,348	52,223	5,142	54,697	3,458
WALTON-VERONA IND SCH D	177,481	11/2009	11/2029	144,643	13,348	5,181	5,664	4,913
WALTON-VERONA IND SCH D	650,348	03/2011	03/2031	545,680	27,048	19,105	27,623	18,531
WALTON-VERONA IND SCH D	248,104	04/2014	04/2034	237,307	10,286	6,364	10,400	6,251
WALTON-VERONA IND SCH D	876,398	03/2015	08/2026	876,398	15,581	16,367	13,809	18,138
WARREN CO SCH DIST	665,543	08/2005	12/2019	237,545	60,159	8,223	41,722	6,261

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
150,621	10,144	155,517	5,249	0	0	0	0
128,058	68,366	131,259	65,165	134,541	61,883	1,944,702	412,386
216,052	32,428	220,373	28,107	224,782	23,699	944,985	48,934
225,369	117,418	229,877	112,911	234,474	108,313	3,671,408	784,829
0	0	0	0	0	0	0	0
307,535	19,504	316,244	10,278	0	0	0	0
120,494	84,078	125,312	79,258	130,326	74,246	1,465,481	375,658
148,530	27,034	151,501	24,063	154,683	20,881	657,947	44,310
171,103	93,279	174,525	89,857	178,015	86,366	2,810,040	626,919
25,000	18,294	25,000	17,494	25,000	16,694	370,000	103,831
19,276	2,811	19,585	2,502	19,898	2,189	83,359	4,989
23,480	13,002	24,780	12,545	26,230	11,907	385,655	82,238
0	0	0	0	0	0	0	0
87,752	10,341	91,044	7,051	94,503	3,591	0	0
20,000	9,655	20,000	8,900	20,000	8,120	195,000	31,590
19,682	13,909	19,998	13,591	20,456	13,135	361,078	101,359
55,385	22,301	56,504	21,182	57,644	20,040	709,887	117,699
248,537	52,514	253,557	47,493	258,680	42,370	1,889,056	141,744
29,000	13,760	30,000	12,600	31,000	11,400	254,000	42,320
12,586	10,786	12,170	10,283	12,816	9,796	172,544	55,888
21,968	2,741	22,352	2,357	22,799	1,910	71,171	2,956
65,199	0	65,199	0	65,199	0	1,043,184	0
20,812	14,444	21,332	13,923	21,865	13,390	303,638	84,174
88,394	50,588	92,236	46,750	96,231	42,745	910,156	168,145
156,491	9,828	164,279	5,134	0	0	0	0
59,007	10,953	60,200	9,761	61,498	8,467	304,650	18,849
0	0	0	0	0	0	0	0
53,114	4,196	55,171	2,138	0	0	0	0
809,626	565,295	825,818	549,103	850,690	524,328	16,305,834	4,317,976
0	0	0	0	0	0	0	0
49,210	1,838	38,702	581	0	0	0	0
6,295	829	6,421	703	6,549	575	20,461	911
70,816	11,621	71,352	11,088	72,343	10,097	445,625	28,407
19,898	8,314	20,300	7,912	20,709	7,502	259,270	43,286
45,000	19,413	45,000	17,568	45,000	15,723	335,000	50,398
56,610	8,999	61,124	7,867	60,496	6,644	232,778	13,438
75,000	51,255	75,000	49,755	80,000	48,025	1,380,000	383,719
145,348	70,523	151,055	64,817	156,985	58,888	1,451,056	228,613
76,692	11,655	78,723	9,623	80,967	7,379	169,048	7,645
55,000	25,541	55,000	24,778	55,000	23,884	870,000	170,656
0	0	0	0	0	0	0	0
90,555	6,221	93,669	3,278	0	0	0	0
49,029	9,651	50,010	8,671	51,011	7,671	328,213	23,871
15,000	11,655	15,000	11,100	15,000	10,545	270,000	82,140
14,189	1,886	14,403	1,673	14,620	1,457	58,020	3,282
0	0	0	0	0	0	0	0
48,061	1,840	34,367	541	0	0	0	0
8,124	4,701	8,293	4,434	8,499	4,137	100,715	21,029
28,245	17,909	28,952	17,203	29,747	16,407	404,065	103,627
10,514	6,137	10,629	6,021	10,747	5,904	184,731	48,367
78,842	17,212	80,433	15,619	82,057	13,994	605,676	48,076
43,425	4,558	45,197	2,786	47,042	941	0	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
WARREN CO SCH DIST	429,529	02/2006	02/2016	20,417	20,417	817	0	0
WARREN CO SCH DIST	277,362	07/2010	02/2019	128,420	30,944	3,504	31,640	2,808
WARREN CO SCH DIST	330,758	11/2011	04/2022	221,058	29,418	4,999	29,930	4,410
WARREN CO SCH DIST	1,293,923	03/2014	06/2029	1,158,983	68,474	37,220	69,843	35,851
WARREN CO SCH DIST	282,702	04/2015	02/2026	282,702	5,371	5,160	25,213	6,551
WARREN CO SCH DIST	2,118,916	04/2015	08/2030	2,118,916	126,800	38,108	114,692	50,216
WARREN CO. SCH DIST	779,478	04/2008	04/2028	567,067	34,003	23,780	35,236	22,548
WASHINGTON CO SCH DIST	145,315	03/2008	08/2018	70,570	17,715	2,100	18,315	1,506
WASHINGTON CO SCH DIST	383,097	03/2008	08/2016	90,361	46,435	2,125	43,926	703
WASHINGTON CO SCH DIST	2,012,742	06/2012	08/2032	1,852,701	82,452	53,908	84,119	52,242
WASHINGTON CO SCH DIST	493,395	01/2013	12/2023	402,120	43,414	4,945	43,983	4,377
WAYNE CO SCH DIST	7,578,167	07/2005	07/2015	361,002	361,002	7,220	0	0
WAYNE CO SCH DIST	889,937	05/2007	05/2027	608,346	40,818	23,845	42,348	22,314
WAYNE CO SCH DIST	1,134,507	06/2009	05/2019	444,483	123,026	13,604	126,862	10,036
WAYNE CO SCH DIST	2,377,000	09/2011	09/2031	2,080,000	102,000	57,150	104,000	55,605
WAYNE CO SCH DIST	5,304,089	11/2012	07/2025	5,049,030	89,790	90,372	460,765	87,619
WAYNE CO SCH DIST	1,525,810	01/2015	04/2026	1,505,912	22,908	32,356	23,367	31,898
WAYNE CO SCH DIST	2,010,816	04/2015	05/2035	2,010,816	82,157	50,656	81,598	50,760
WEBSTER CO KISTA SCH DI	178,900	07/2012	06/2023	144,500	16,500	3,528	16,400	3,198
WEBSTER CO SCH DIST	6,499,388	12/2008	12/2028	5,011,805	276,853	209,994	287,081	199,766
WEBSTER CO SCH DIST	771,340	09/2010	05/2021	466,743	73,765	10,658	75,240	9,183
WEBSTER CO SCH DIST	537,779	08/2013	08/2033	515,477	21,730	16,309	21,855	15,982
WEST POINT IND SCH DIST	1,953,382	01/2008	02/2028	1,415,320	87,251	52,705	90,130	49,825
WHITLEY CO SCH DIST	4,767,233	06/2006	06/2016	227,558	227,558	9,102	0	0
WHITLEY CO SCH DIST	1,432,571	06/2009	07/2018	579,965	148,609	14,417	152,565	10,462
WHITLEY CO SCH DIST	437,703	11/2010	11/2029	345,555	23,037	0	23,037	0
WHITLEY CO SCH DIST	1,286,231	03/2014	03/2034	1,232,407	53,157	35,625	53,688	35,094
WHITLEY CO SCH DIST	3,181,817	01/2015	06/2026	3,152,676	45,052	70,458	282,615	69,557
WILLIAMSBURG IND SCH DIS	155,000	06/2005	06/2025	93,000	8,000	3,872	8,000	3,552
WILLIAMSBURG IND SCH DIS	835,051	11/2010	11/2030	699,920	34,488	29,102	35,515	28,314
WILLIAMSTOWN IND SCH DIS	299,930	03/2006	03/2016	14,232	14,232	555	0	0
WILLIAMSTOWN IND SCH DIS	385,642	04/2007	04/2027	263,629	17,700	10,192	18,373	9,519
WILLIAMSTOWN IND SCH DIS	3,692,520	12/2007	12/2027	2,675,714	166,680	99,704	172,662	93,722
WILLIAMSTOWN IND SCH DIS	57,805	12/2009	12/2029	46,432	2,427	1,733	2,493	1,666
WILLIAMSTOWN IND SCH DIS	237,364	04/2012	05/2023	176,817	20,842	3,220	21,180	2,882
WILLIAMSTOWN IND SCH DIS	198,297	03/2015	03/2026	198,297	3,165	4,010	17,797	4,164
WOLFE CO SCH DIST	446,010	05/2009	05/2029	341,205	18,820	14,143	19,441	13,522
WOLFE CO SCH DIST	4,097,695	02/2012	05/2024	3,518,916	364,824	66,377	370,297	60,905
WOODFORD CO SCH DIST	154,222	09/1996	09/2016	18,936	10,962	760	7,974	225
WOODFORD CO SCH DIST	982,770	11/2004	10/2016	170,117	95,458	4,542	74,659	1,400
SERIES TOTAL	1,322,764,440			944,111,577	74,623,352	26,282,943	75,125,476	24,418,270
AGENCY TOTAL	1,322,764,440			944,111,577	74,623,352	26,282,943	75,125,476	24,418,270
Kentucky Infrastructure Authority								
Wastewater Revolving								
I	6,255,000	06/2004	06/2024	3,455,000	315,000	173,238	330,000	159,063
SERIES TOTAL	6,255,000			3,455,000	315,000	173,238	330,000	159,063
Drinking Water Revolving								
C	5,045,000	06/2004	06/2024	2,785,000	255,000	139,638	265,000	128,163
SERIES TOTAL	5,045,000			2,785,000	255,000	139,638	265,000	128,163
AGENCY TOTAL	11,300,000			6,240,000	570,000	312,875	595,000	287,225
Eastern Kentucky University								

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	0	0	0	0	0	0	0
32,431	2,017	33,405	1,044	0	0	0	0
30,529	3,812	31,138	3,201	33,932	2,500	66,111	2,573
71,239	34,454	72,664	33,029	74,843	30,849	801,920	149,320
25,719	6,047	26,233	5,532	26,758	5,008	173,408	17,179
117,010	47,899	119,374	45,535	121,785	43,124	1,519,255	252,570
36,644	21,138	38,110	19,673	39,634	18,148	383,440	78,827
19,976	854	14,564	255	0	0	0	0
0	0	0	0	0	0	0	0
85,818	50,543	87,559	48,809	89,773	46,587	1,422,980	317,376
44,558	3,802	45,141	3,219	45,732	2,628	179,292	4,512
0	0	0	0	0	0	0	0
43,937	20,726	45,606	19,056	47,385	17,278	388,252	64,386
95,812	6,230	98,783	3,260	0	0	0	0
105,000	54,038	107,000	52,180	109,000	50,020	1,553,000	327,828
465,398	82,989	472,449	75,937	488,090	66,332	3,072,538	186,388
149,391	31,431	152,380	28,443	155,427	25,396	1,002,439	82,496
83,797	49,128	85,331	47,452	87,197	45,745	1,590,736	403,719
16,600	2,870	15,000	2,538	20,000	2,200	60,000	3,550
298,432	188,415	310,614	176,234	323,292	163,556	3,515,533	761,054
76,745	7,678	78,433	5,989	80,276	4,146	82,284	2,139
21,680	15,656	24,432	15,310	23,458	14,775	402,322	114,400
93,285	46,671	96,550	43,406	100,074	39,882	948,030	171,609
0	0	0	0	0	0	0	0
157,018	6,008	121,773	1,827	0	0	0	0
23,037	0	23,037	0	23,037	0	230,370	0
54,225	34,557	54,762	34,014	55,315	33,467	961,260	281,687
288,267	63,905	294,031	58,139	299,914	52,259	1,942,797	170,228
8,000	3,232	9,000	2,912	9,000	2,552	51,000	6,765
36,658	27,397	36,937	26,325	36,932	25,083	519,390	151,779
0	0	0	0	0	0	0	0
19,071	8,821	19,805	8,087	20,567	7,325	168,113	27,134
178,993	87,391	185,695	80,689	192,744	73,640	1,778,940	289,555
2,569	1,590	2,655	1,504	2,744	1,415	33,544	7,240
21,524	2,537	21,874	2,188	22,230	1,832	69,167	3,020
18,153	3,809	18,516	3,445	18,886	3,075	121,780	9,990
20,083	12,880	20,746	12,218	21,430	11,533	240,685	55,983
375,851	55,351	382,429	48,773	389,120	42,081	1,636,395	88,411
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
74,941,372	22,491,726	75,011,128	20,584,752	69,549,969	18,657,626	574,860,281	100,012,443
74,941,372	22,491,726	75,011,128	20,584,752	69,549,969	18,657,626	574,860,281	100,012,443
345,000	144,213	360,000	126,100	380,000	107,200	1,725,000	222,000
345,000	144,213	360,000	126,100	380,000	107,200	1,725,000	222,000
275,000	116,238	290,000	101,800	305,000	86,575	1,395,000	179,313
275,000	116,238	290,000	101,800	305,000	86,575	1,395,000	179,313
620,000	260,450	650,000	227,900	685,000	193,775	3,120,000	401,313

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY					FISCAL YEAR ENDING		FISCAL YEAR ENDING	
SERIES	AMOUNT	DATE OF	MATURITY	PRINCIPAL	6/30/2016		6/30/2017	
TITLE	ISSUED	ISSUE	DATE	OUTSTANDING	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
General Receipts								
2007A	12,920,000	08/2007	05/2027	7,785,000	815,000	333,425	840,000	300,825
2009A	12,095,000	04/2009	05/2028	8,480,000	660,000	326,064	685,000	304,944
2011A	21,480,000	12/2011	10/2031	18,965,000	870,000	629,625	890,000	612,025
2012A	27,715,000	07/2012	04/2024	20,390,000	2,510,000	994,400	2,615,000	894,000
2015A	14,280,000	04/2015	04/2035	14,280,000	525,000	498,939	505,000	518,394
SERIES TOTAL	88,490,000			69,900,000	5,380,000	2,782,453	5,535,000	2,630,188
AGENCY TOTAL	88,490,000			69,900,000	5,380,000	2,782,453	5,535,000	2,630,188
Kentucky State University								
General Receipts								
2007A	5,850,000	04/2007	04/2027	3,195,000	215,000	122,089	225,000	114,241
SERIES TOTAL	5,850,000			3,195,000	215,000	122,089	225,000	114,241
AGENCY TOTAL	5,850,000			3,195,000	215,000	122,089	225,000	114,241
Morehead State University								
General Receipts								
2007A	6,445,000	08/2007	11/2027	4,105,000	245,000	159,300	255,000	149,300
2008A	10,000,000	06/2008	11/2022	5,245,000	765,000	173,266	780,000	147,575
2011A	5,090,000	07/2011	11/2030	4,445,000	225,000	153,806	230,000	149,113
2012A	5,060,000	06/2012	11/2031	4,635,000	220,000	134,581	225,000	130,131
2013A	9,475,000	09/2013	04/2033	8,755,000	375,000	290,329	390,000	286,579
2014A	22,620,000	07/2014	10/2028	21,205,000	1,140,000	906,000	1,175,000	865,400
2014B	4,840,000	07/2014	10/2029	4,565,000	225,000	168,166	235,000	156,666
2015A	28,185,000	03/2015	04/2035	28,185,000	225,000	1,222,529	270,000	1,191,238
SERIES TOTAL	91,715,000			81,140,000	3,420,000	3,207,978	3,560,000	3,076,001
AGENCY TOTAL	91,715,000			81,140,000	3,420,000	3,207,978	3,560,000	3,076,001
Murray State University								
General Receipts								
2007A	14,550,000	07/2007	09/2027	10,785,000	630,000	462,781	660,000	435,763
2009A	7,665,000	04/2009	09/2028	6,105,000	340,000	228,294	355,000	217,514
2011A	7,645,000	07/2011	09/2031	6,775,000	300,000	249,539	310,000	243,439
2011B	4,670,000	07/2011	09/2021	2,700,000	505,000	67,870	515,000	57,026
2011C	15,620,000	07/2011	09/2027	12,265,000	825,000	412,450	845,000	395,750
2013A	15,635,000	06/2013	09/2033	15,020,000	630,000	420,788	645,000	408,038
2015A	26,000,000	04/2015	03/2035	26,000,000	0	909,290	320,000	1,055,950
SERIES TOTAL	91,785,000			79,650,000	3,230,000	2,751,012	3,650,000	2,813,479
AGENCY TOTAL	91,785,000			79,650,000	3,230,000	2,751,012	3,650,000	2,813,479
Northern Kentucky University								
General Receipts								
2007A	48,660,000	06/2007	09/2027	35,775,000	2,125,000	1,454,034	2,210,000	1,367,334
2008A	19,465,000	06/2008	09/2028	18,000,000	455,000	738,650	470,000	723,031
2010A	6,785,000	06/2010	09/2020	2,195,000	410,000	56,338	415,000	47,050
2010B	12,265,000	10/2010	09/2027	10,385,000	665,000	326,031	675,000	311,788
2011A	9,290,000	08/2011	09/2030	8,480,000	420,000	285,788	425,000	277,338
2013A	4,995,000	02/2013	09/2022	4,075,000	475,000	76,750	485,000	67,150
2014A	47,375,000	01/2014	09/2033	45,885,000	1,530,000	2,144,625	1,575,000	2,098,050
SERIES TOTAL	148,835,000			124,795,000	6,080,000	5,082,215	6,255,000	4,891,740
Housing & Dining System								
B	4,768,000	11/1980	11/2020	1,140,000	175,000	31,575	180,000	26,250
SERIES TOTAL	4,768,000			1,140,000	175,000	31,575	180,000	26,250

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
880,000	266,385	920,000	229,425	955,000	190,325	3,375,000	549,906
705,000	281,654	730,000	256,979	540,000	230,699	5,160,000	1,007,594
910,000	591,750	930,000	568,750	960,000	542,725	14,405,000	3,582,838
2,745,000	763,250	2,880,000	626,000	3,020,000	482,000	6,620,000	620,500
525,000	498,194	545,000	477,194	570,000	455,394	11,610,000	3,736,013
5,765,000	2,401,233	6,005,000	2,158,348	6,045,000	1,901,143	41,170,000	9,496,850
5,765,000	2,401,233	6,005,000	2,158,348	6,045,000	1,901,143	41,170,000	9,496,850
230,000	105,916	240,000	97,291	250,000	88,291	2,035,000	326,791
230,000	105,916	240,000	97,291	250,000	88,291	2,035,000	326,791
230,000	105,916	240,000	97,291	250,000	88,291	2,035,000	326,791
265,000	138,900	275,000	128,100	290,000	116,800	2,775,000	467,100
805,000	120,228	835,000	91,110	870,000	60,203	1,190,000	39,073
225,000	144,138	240,000	138,006	240,000	130,806	3,285,000	774,147
230,000	125,581	235,000	120,931	240,000	116,181	3,485,000	765,378
410,000	281,119	405,000	272,919	420,000	264,819	6,755,000	2,010,744
1,220,000	811,400	1,285,000	748,775	1,345,000	683,025	15,040,000	2,899,100
245,000	149,566	255,000	141,966	260,000	132,991	3,345,000	619,559
285,000	1,177,738	305,000	1,163,488	415,000	1,148,238	26,685,000	9,457,788
3,685,000	2,948,669	3,835,000	2,805,295	4,080,000	2,653,063	62,560,000	17,032,889
3,685,000	2,948,669	3,835,000	2,805,295	4,080,000	2,653,063	62,560,000	17,032,889
685,000	407,181	715,000	376,984	750,000	344,938	7,345,000	1,397,822
365,000	205,629	380,000	192,774	390,000	179,299	4,275,000	841,639
315,000	236,401	325,000	228,076	335,000	218,664	5,190,000	1,425,666
495,000	44,798	480,000	31,163	495,000	15,919	210,000	8,063
865,000	374,325	890,000	348,000	920,000	319,700	7,920,000	1,262,650
655,000	395,038	670,000	381,788	680,000	368,288	11,740,000	2,945,544
385,000	1,043,150	465,000	1,027,750	550,000	1,009,150	24,280,000	9,522,950
3,765,000	2,706,521	3,925,000	2,586,534	4,120,000	2,455,956	60,960,000	17,404,333
3,765,000	2,706,521	3,925,000	2,586,534	4,120,000	2,455,956	60,960,000	17,404,333
2,300,000	1,277,134	2,395,000	1,183,234	2,495,000	1,083,874	24,250,000	4,384,768
485,000	705,106	995,000	675,506	1,040,000	634,806	14,555,000	3,178,072
435,000	35,881	445,000	23,225	240,000	12,650	250,000	4,375
695,000	295,506	715,000	276,988	735,000	256,131	6,900,000	1,035,628
435,000	268,194	450,000	257,675	460,000	245,150	6,290,000	1,461,775
495,000	57,350	500,000	47,400	515,000	37,250	1,605,000	48,550
1,660,000	2,041,225	1,735,000	1,964,650	1,825,000	1,875,650	37,560,000	14,067,125
6,505,000	4,680,396	7,235,000	4,428,678	7,310,000	4,145,512	91,410,000	24,180,293
185,000	20,775	195,000	15,075	200,000	9,150	205,000	3,075
185,000	20,775	195,000	15,075	200,000	9,150	205,000	3,075

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
AGENCY TOTAL	153,603,000			125,935,000	6,255,000	5,113,790	6,435,000	4,917,990
University of Kentucky								
General Receipts								
2005A	7,160,000	12/2005	10/2015	340,000	340,000	6,800	0	0
2006A	24,325,000	08/2006	10/2016	2,250,000	1,100,000	74,375	1,150,000	25,156
2009A	33,350,000	03/2009	11/2024	23,065,000	1,935,000	912,963	1,995,000	854,013
2009B	100,605,000	11/2009	11/2039	100,605,000	0	3,513,599	0	3,513,599
2010A	12,370,000	11/2010	10/2024	9,480,000	865,000	214,117	875,000	201,385
2010B	12,955,000	11/2010	10/2024	12,955,000	0	1,091,907	0	1,091,907
2012A	25,370,000	06/2012	05/2024	19,855,000	1,900,000	992,750	1,995,000	897,750
2014A	190,255,000	03/2014	04/2044	190,255,000	2,180,000	8,109,000	2,265,000	8,021,800
2014B	38,665,000	03/2014	04/2034	38,665,000	1,370,000	1,470,856	1,435,000	1,402,356
2014C	10,055,000	03/2014	04/2020	10,055,000	2,165,000	119,658	2,175,000	109,483
2014D	88,145,000	07/2014	10/2025	85,170,000	2,425,000	4,131,950	8,085,000	3,859,094
2015A	141,905,000	04/2015	04/2045	141,905,000	50,000	5,412,894	50,000	5,629,413
2015B	97,440,000	04/2015	10/2027	97,440,000	0	0	0	0
2015C	19,695,000	04/2015	10/2026	19,695,000	515,000	659,843	500,000	676,600
SERIES TOTAL	802,295,000			751,735,000	14,845,000	26,710,711	20,525,000	26,282,554
AGENCY TOTAL	802,295,000			751,735,000	14,845,000	26,710,711	20,525,000	26,282,554
University of Louisville								
Consolidated Educ. Buildings-Gen Fd								
M	88,765,000	02/2003	05/2016	1,955,000	1,955,000	29,325	0	0
SERIES TOTAL	88,765,000			1,955,000	1,955,000	29,325	0	0
Consolidated Educ. Buildings-Agcy Fd								
P	4,280,000	06/2005	05/2025	2,605,000	215,000	102,753	225,000	94,798
SERIES TOTAL	4,280,000			2,605,000	215,000	102,753	225,000	94,798
General Receipts								
2007A	41,040,000	04/2007	09/2027	30,205,000	1,810,000	1,172,000	1,880,000	1,098,200
2008A	86,145,000	07/2008	09/2028	67,330,000	3,600,000	2,860,225	3,745,000	2,713,325
2010A	4,058,000	12/2010	09/2027	3,412,000	222,000	101,857	226,000	97,597
2010B	20,942,000	12/2010	09/2027	20,942,000	0	1,525,020	0	1,525,020
2011A	33,790,000	08/2011	09/2031	30,410,000	1,210,000	1,430,650	1,260,000	1,381,250
2012A	14,560,000	06/2012	03/2023	11,105,000	1,165,000	555,250	1,225,000	497,000
SERIES TOTAL	200,535,000			163,404,000	8,007,000	7,645,002	8,336,000	7,312,392
AGENCY TOTAL	293,580,000			167,964,000	10,177,000	7,777,080	8,561,000	7,407,189
Western Kentucky University								
General Receipts								
2006A	10,000,000	12/2006	09/2026	6,850,000	460,000	251,339	480,000	234,241
2007A	43,180,000	05/2007	09/2026	28,920,000	1,915,000	1,130,180	1,995,000	1,051,980
2009A	47,610,000	02/2009	09/2028	36,805,000	1,995,000	1,533,350	2,065,000	1,464,794
2011A	6,905,000	11/2011	05/2023	4,860,000	555,000	134,600	565,000	123,500
2012A	35,860,000	06/2012	05/2032	31,450,000	1,495,000	993,473	1,525,000	963,573
2012B	6,450,000	06/2012	05/2023	4,820,000	560,000	115,425	570,000	104,225
2013A	36,095,000	10/2013	09/2033	34,730,000	1,395,000	1,173,644	1,420,000	1,145,494
SERIES TOTAL	186,100,000			148,435,000	8,375,000	5,332,010	8,620,000	5,087,806
AGENCY TOTAL	186,100,000			148,435,000	8,375,000	5,332,010	8,620,000	5,087,806
Kentucky Housing Corporation								
Housing Revenue								
2005A	18,670,000	04/2005	07/2017	1,215,000	430,000	48,162	520,000	28,647
2005B	16,330,000	04/2005	07/2032	4,275,000	35,000	126,400	35,000	108,166

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
6,690,000	4,701,171	7,430,000	4,443,753	7,510,000	4,154,662	91,615,000	24,183,368
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
2,060,000	790,613	2,130,000	722,525	2,220,000	629,638	12,725,000	1,522,731
2,965,000	3,475,536	3,045,000	3,393,435	3,135,000	3,303,038	91,460,000	37,333,918
890,000	185,887	910,000	167,887	930,000	147,696	5,010,000	362,976
0	1,091,907	0	1,091,907	0	1,091,907	12,955,000	2,216,012
2,100,000	798,000	2,195,000	693,000	2,310,000	583,250	9,355,000	1,119,250
2,380,000	7,908,550	2,500,000	7,789,550	3,580,000	7,664,550	177,350,000	99,534,050
1,510,000	1,330,606	1,585,000	1,255,106	1,665,000	1,175,856	31,100,000	8,625,781
2,195,000	91,430	2,220,000	63,334	1,300,000	26,260	0	0
8,520,000	3,423,213	8,975,000	2,963,969	9,465,000	2,479,919	47,700,000	6,388,731
50,000	5,626,913	100,000	5,624,413	300,000	5,619,413	141,355,000	88,008,663
0	0	3,730,000	19,205,283	6,720,000	4,517,500	86,990,000	21,180,000
1,710,000	637,400	1,780,000	567,600	1,845,000	504,325	13,345,000	1,771,775
24,380,000	25,360,054	29,170,000	43,538,008	33,470,000	27,743,350	629,345,000	268,063,888
24,380,000	25,360,054	29,170,000	43,538,008	33,470,000	27,743,350	629,345,000	268,063,888
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
235,000	86,248	245,000	77,200	255,000	67,400	1,430,000	176,000
235,000	86,248	245,000	77,200	255,000	67,400	1,430,000	176,000
1,960,000	1,021,400	2,040,000	941,400	2,120,000	858,200	20,395,000	3,433,300
3,900,000	2,560,425	4,055,000	2,401,325	4,225,000	2,235,725	47,805,000	10,324,688
231,000	92,654	237,000	86,870	243,000	80,393	2,253,000	335,832
0	1,525,020	0	1,525,020	0	1,525,020	20,942,000	7,043,080
1,310,000	1,329,850	1,365,000	1,276,350	1,420,000	1,220,650	23,845,000	7,859,375
1,280,000	435,750	1,345,000	371,750	1,415,000	304,500	4,675,000	475,000
8,681,000	6,965,099	9,042,000	6,602,715	9,423,000	6,224,488	119,915,000	29,471,274
8,916,000	7,051,346	9,287,000	6,679,915	9,678,000	6,291,888	121,345,000	29,647,274
495,000	216,448	515,000	197,886	535,000	178,328	4,365,000	617,111
2,075,000	970,580	2,160,000	885,880	2,245,000	797,780	18,530,000	2,783,600
2,145,000	1,385,756	2,230,000	1,298,256	2,325,000	1,207,156	26,045,000	5,716,528
575,000	112,200	595,000	94,950	615,000	77,100	1,955,000	118,350
1,555,000	933,073	1,585,000	901,973	1,620,000	870,273	23,670,000	6,183,445
585,000	92,825	590,000	81,125	605,000	69,325	1,910,000	112,550
1,450,000	1,116,794	1,480,000	1,087,494	1,515,000	1,053,756	27,470,000	8,453,709
8,880,000	4,827,675	9,155,000	4,547,564	9,460,000	4,253,718	103,945,000	23,985,293
8,880,000	4,827,675	9,155,000	4,547,564	9,460,000	4,253,718	103,945,000	23,985,293
265,000	5,764	0	0	0	0	0	0
0	94,585	0	84,543	20,000	77,439	4,185,000	582,163

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2005F	20,000,000	10/2005	07/2015	330,000	330,000	7,887	0	0
2005G	37,390,000	10/2005	07/2015	0	0	4,006	0	0
2005H	21,925,000	10/2005	07/2015	0	0	120	0	0
2005I	22,940,000	12/2005	07/2016	2,340,000	2,265,000	89,586	75,000	1,890
2005L	20,000,000	12/2005	07/2036	16,800,000	0	659,322	790,000	550,039
2006C	15,425,000	01/2006	07/2036	13,270,000	0	553,370	0	477,980
2006D	20,000,000	01/2006	07/2015	75,000	75,000	1,965	0	0
2006E	27,140,000	04/2006	01/2036	6,030,000	0	329,673	0	286,426
2006F	20,540,000	04/2006	07/2029	20,540,000	0	707,782	1,080,000	699,890
2006H	41,495,000	06/2006	07/2029	17,650,000	0	889,960	1,045,000	855,759
2006I	23,750,000	06/2006	01/2032	23,750,000	0	890,693	0	893,914
2006K	9,585,000	08/2006	01/2023	355,000	0	21,968	0	15,402
2006M	21,000,000	08/2006	01/2033	21,000,000	0	795,670	525,000	796,907
2006O	29,035,000	08/2006	01/2036	15,520,000	0	148,286	215,000	62,899
2006P	8,210,000	09/2006	07/2034	7,890,000	475,000	352,498	1,020,000	320,282
2006Q	41,790,000	09/2006	07/2031	14,935,000	0	748,862	0	708,446
2006R	21,700,000	09/2006	07/2015	0	0	170	0	0
2006S	15,000,000	09/2006	07/2015	0	0	26,495	0	0
2006T	23,300,000	09/2006	07/2037	8,455,000	0	48,350	100,000	10,174
2006U	45,000,000	11/2006	07/2037	18,915,000	435,000	937,214	915,000	876,220
2006W	38,380,000	11/2006	07/2037	12,090,000	0	115,804	160,000	15,760
2007A	39,545,000	01/2007	07/2037	27,760,000	365,000	1,278,195	780,000	1,239,003
2007B	38,000,000	01/2007	07/2037	2,025,000	0	126,710	0	112,996
2007C	50,000,000	02/2007	07/2037	36,180,000	515,000	1,710,328	950,000	1,671,947
2007D	30,000,000	02/2007	07/2037	3,085,000	0	178,083	0	177,234
2007E	45,000,000	05/2007	07/2037	34,120,000	825,000	1,621,415	875,000	1,578,104
2007G	6,285,000	06/2007	07/2034	6,100,000	0	292,106	20,000	287,587
2007H	34,965,000	06/2007	07/2027	10,835,000	390,000	531,362	790,000	493,575
2007I	16,620,000	06/2007	07/2037	1,045,000	0	60,633	0	60,296
2007J	17,130,000	06/2007	07/2037	12,740,000	0	16,883	0	16,607
2007K	7,405,000	08/2007	07/2027	1,260,000	0	138,169	85,000	58,812
2007L	25,485,000	08/2007	01/2031	1,065,000	60,000	57,303	80,000	49,826
2007M	27,000,000	08/2007	07/2036	2,425,000	0	147,658	0	146,956
2007N	40,000,000	11/2007	07/2027	5,265,000	360,000	482,580	755,000	226,561
2007O	10,000,000	11/2007	01/2038	6,220,000	140,000	8,197	150,000	7,876
2008A	39,270,000	03/2008	07/2032	6,755,000	350,000	353,054	725,000	304,189
2008C	14,230,000	07/2008	07/2033	4,345,000	120,000	244,399	275,000	201,175
2008E	60,000,000	10/2008	07/2023	11,720,000	725,000	560,930	1,505,000	490,905
2009B	60,000,000	10/2009	01/2035	27,225,000	1,230,000	1,222,817	1,320,000	1,171,732
2009C3	30,000,000	12/2009	07/2041	22,150,000	0	811,437	0	786,326
2009C4	30,000,000	12/2009	07/2041	26,440,000	0	684,457	0	666,288
2010A	40,000,000	04/2010	01/2027	16,485,000	1,980,000	609,702	2,125,000	538,839
2010B	40,000,000	08/2010	07/2027	18,995,000	2,030,000	698,233	2,165,000	629,932
2010C	10,000,000	08/2010	07/2033	6,035,000	0	283,535	0	276,006
2010D	46,000,000	08/2010	07/2020	20,585,000	2,835,000	797,947	3,215,000	697,488
2010E	20,000,000	08/2010	07/2035	19,155,000	0	889,245	0	878,128
2011A	20,000,000	05/2011	01/2028	11,120,000	520,000	445,356	1,065,000	407,893
2011B	20,000,000	12/2011	07/2027	14,265,000	595,000	448,625	1,205,000	415,534
2012A	187,755,000	06/2012	07/2033	139,445,000	8,355,000	4,764,367	9,615,000	4,576,767
2013A	52,940,000	04/2013	01/2042	40,810,000	0	1,245,125	0	1,224,300
2013B	54,920,000	04/2013	01/2042	44,130,000	0	1,341,388	0	1,323,900
2013C	36,470,000	07/2013	07/2023	30,085,000	2,225,000	749,379	3,545,000	712,245

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
335,000	530,861	680,000	514,204	715,000	491,408	14,280,000	4,206,865
0	478,093	0	478,093	0	478,093	13,270,000	4,712,592
0	0	0	0	0	0	0	0
0	286,426	0	286,426	0	286,426	6,030,000	3,955,457
1,135,000	662,256	1,205,000	622,463	1,270,000	580,340	15,850,000	2,894,267
1,550,000	806,067	1,485,000	719,546	980,000	659,712	12,590,000	3,389,638
0	894,149	595,000	894,149	1,240,000	860,275	21,915,000	5,698,345
300,000	8,952	0	2,502	0	2,502	55,000	7,051
800,000	772,648	1,170,000	735,928	1,240,000	690,853	17,265,000	4,263,503
445,000	18,233	465,000	17,693	490,000	17,126	13,905,000	158,257
535,000	279,008	0	268,308	0	268,308	5,860,000	3,094,572
555,000	708,446	1,155,000	670,645	1,230,000	615,664	11,995,000	2,616,792
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
215,000	9,963	240,000	9,696	230,000	9,410	7,670,000	95,954
975,000	833,184	1,035,000	786,655	1,095,000	737,306	14,460,000	4,205,407
320,000	15,408	350,000	14,978	360,000	14,523	10,900,000	148,374
825,000	1,205,524	875,000	1,169,613	935,000	1,130,331	23,980,000	10,358,216
0	112,996	35,000	112,996	70,000	110,066	1,920,000	1,086,992
1,025,000	1,629,436	1,085,000	1,581,904	1,160,000	1,530,914	31,445,000	14,754,197
45,000	177,234	90,000	173,355	95,000	168,185	2,855,000	1,787,270
955,000	1,538,942	1,015,000	1,494,058	1,075,000	1,445,647	29,375,000	13,721,587
115,000	284,810	0	282,438	0	282,438	5,965,000	3,130,750
765,000	459,470	935,000	419,870	995,000	374,270	6,960,000	1,256,776
15,000	60,296	30,000	58,998	40,000	57,123	960,000	542,240
160,000	16,562	345,000	16,243	370,000	15,787	11,865,000	164,126
135,000	53,309	0	50,440	0	50,440	1,040,000	264,692
160,000	46,976	360,000	30,826	0	22,276	405,000	190,034
0	146,956	45,000	146,956	90,000	142,865	2,290,000	1,317,450
805,000	192,658	545,000	155,429	240,000	136,885	2,560,000	529,775
145,000	7,660	150,000	7,471	165,000	7,273	5,470,000	78,622
795,000	273,375	655,000	238,103	460,000	211,875	3,770,000	1,125,130
155,000	189,751	0	186,690	0	186,690	3,795,000	1,570,373
1,565,000	429,144	1,560,000	363,664	1,415,000	291,403	4,950,000	493,595
1,365,000	1,126,830	1,410,000	1,077,227	1,475,000	1,022,795	20,425,000	6,211,878
0	786,326	0	786,326	0	786,326	22,150,000	12,074,804
0	666,288	0	666,288	0	666,288	26,440,000	10,003,266
2,190,000	475,686	2,270,000	404,947	2,355,000	327,066	5,565,000	1,253,768
2,225,000	568,324	2,300,000	497,944	2,380,000	419,329	7,895,000	1,488,958
0	276,006	0	276,006	0	276,006	6,035,000	3,050,430
3,555,000	575,977	3,795,000	432,292	3,965,000	271,436	3,220,000	70,840
0	878,128	0	878,128	0	878,128	19,155,000	9,447,503
1,100,000	377,977	1,130,000	342,526	1,170,000	303,186	6,135,000	1,082,584
1,235,000	391,580	1,260,000	364,761	1,295,000	332,991	8,675,000	1,211,226
9,970,000	4,393,284	10,325,000	4,161,780	10,710,000	3,881,076	90,470,000	22,871,339
0	1,224,300	0	1,224,300	0	1,224,300	40,810,000	26,730,550
0	1,323,900	0	1,323,900	0	1,323,900	44,130,000	28,905,150
3,610,000	654,437	3,680,000	584,132	3,775,000	498,713	13,250,000	846,747

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2013D	49,410,000	07/2013	01/2033	32,375,000	0	1,238,145	0	1,165,846
2013E	7,590,000	07/2013	07/2023	7,590,000	80,000	177,142	935,000	173,901
2013F	2,200,000	07/2013	01/2016	515,000	515,000	5,801	0	0
2013G	4,300,000	07/2013	07/2033	470,000	0	42,170	0	18,800
2014A	61,445,000	07/2014	01/2034	58,700,000	3,585,000	1,581,802	4,450,000	1,564,274
2014B	30,000,000	12/2014	07/2036	29,335,000	1,030,000	1,008,935	1,035,000	963,641
SERIES TOTAL	1,862,570,000			944,290,000	32,875,000	34,357,856	44,145,000	32,024,290
AGENCY TOTAL	1,862,570,000			944,290,000	32,875,000	34,357,856	44,145,000	32,024,290
KY Higher Educ Student Loan Corp								
Student Loan-Other Revenue Debt								
2008A1	179,525,000	06/2008	06/2037	71,420,000	0	42,138	0	42,138
2008A2	83,400,000	06/2008	06/2038	51,325,000	0	30,282	0	30,282
2010A2	135,660,000	06/2010	06/2034	120,375,000	0	1,785,161	0	1,785,161
2013A1	563,800,000	02/2013	06/2026	374,425,000	0	2,572,300	0	2,572,300
2013A2	384,000,000	11/2013	06/2028	298,574,000	0	2,349,777	0	2,349,777
2014A1	21,650,000	05/2014	06/2031	20,305,000	850,000	853,563	900,000	828,063
2015A1	134,605,000	02/2015	06/2031	130,900,000	0	1,226,533	0	1,226,533
SERIES TOTAL	1,502,640,000			1,067,324,000	850,000	8,859,753	900,000	8,834,253
AGENCY TOTAL	1,502,640,000			1,067,324,000	850,000	8,859,753	900,000	8,834,253
Kentucky Infrastructure Authority								
Governmental Agencies Program								
2004A	25,640,000	07/2004	08/2022	6,775,000	1,545,000	268,438	980,000	217,325
2015	4,770,000	05/2015	08/2021	4,770,000	0	99,080	880,000	129,475
SERIES TOTAL	30,410,000			11,545,000	1,545,000	367,517	1,860,000	346,800
Leveraged Wastewater, Drinking Water								
2010A-Fd A Wastewater	181,480,000	04/2010	02/2029	84,750,000	10,385,000	3,975,401	10,505,000	3,476,251
2010A-Fd F Drinking Water	26,950,000	04/2010	02/2029	12,050,000	1,325,000	588,100	1,390,000	521,850
2012A-Fd A-Wasterwater	89,130,000	04/2012	02/2032	78,975,000	5,185,000	3,449,825	5,255,000	3,258,175
2012A-Fd F-Drinking Water	22,215,000	04/2012	02/2032	19,750,000	1,135,000	863,338	1,180,000	821,388
2015A-Fd A Wastewater	54,320,000	05/2015	02/2026	54,320,000	805,000	1,865,521	0	2,670,250
2015A-Fd F Drinking Water	10,145,000	05/2015	02/2026	10,145,000	150,000	348,438	0	498,750
SERIES TOTAL	384,240,000			259,990,000	18,985,000	11,090,622	18,330,000	11,246,664
AGENCY TOTAL	414,650,000			271,535,000	20,530,000	11,458,140	20,190,000	11,593,464
KY Public Transportation Infrastructure Auth								
First Tier Toll Revenue Bonds								
Series 2013A	174,865,000	12/2013	07/2053	174,865,000	0	10,299,463	0	10,299,463
Series 2013B	27,476,180	12/2013	07/2032	27,476,180	0	0	0	0
Series 2013C	73,329,190	12/2013	07/2046	73,329,189	0	0	0	0
SERIES TOTAL	275,670,370			275,670,369	0	10,299,463	0	10,299,463
Subordinate Tier Toll Revenue BANS								
Series 2013A	426,045,000	12/2013	07/2017	426,045,000	0	21,208,250	0	21,208,250
Series 2013B	26,155,000	12/2013	07/2017	26,155,000	0	842,191	0	842,191
SERIES TOTAL	452,200,000			452,200,000	0	22,050,441	0	22,050,441
AGENCY TOTAL	727,870,370			727,870,369	0	32,349,904	0	32,349,904
State Property Buildings Commission								
Taxable University Refund								
A	41,380,000	06/1987	12/2018	2,010,000	0	197,784	0	197,784
SERIES TOTAL	41,380,000			2,010,000	0	197,784	0	197,784
AGENCY TOTAL	41,380,000			2,010,000	0	197,784	0	197,784

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	1,165,846	0	1,165,846	0	1,165,846	32,375,000	10,419,318
950,000	161,791	965,000	145,832	990,000	125,641	3,670,000	229,324
0	0	0	0	0	0	0	0
0	18,800	0	18,800	0	18,800	470,000	133,900
4,405,000	1,524,307	4,295,000	1,461,692	4,410,000	1,377,779	37,555,000	7,745,964
1,055,000	952,983	1,070,000	936,014	1,095,000	913,201	24,050,000	8,670,975
46,755,000	30,771,912	48,605,000	29,343,624	49,600,000	27,766,660	722,310,000	244,849,586
46,755,000	30,771,912	48,605,000	29,343,624	49,600,000	27,766,660	722,310,000	244,849,586
0	42,138	0	42,138	0	42,138	71,420,000	716,343
0	30,282	0	30,282	0	30,282	51,325,000	545,072
0	1,785,161	0	1,785,161	0	1,785,161	120,375,000	24,992,258
0	2,572,300	0	2,572,300	0	2,572,300	374,425,000	15,433,799
0	2,349,777	0	2,349,777	0	2,349,777	298,574,000	18,798,219
1,200,000	792,063	1,200,000	732,063	1,200,000	696,063	14,955,000	3,804,375
0	1,226,533	0	1,226,533	0	1,226,533	130,900,000	13,491,863
1,200,000	8,798,253	1,200,000	8,738,253	1,200,000	8,702,253	1,061,974,000	77,781,927
1,200,000	8,798,253	1,200,000	8,738,253	1,200,000	8,702,253	1,061,974,000	77,781,927
1,235,000	164,694	1,390,000	102,738	380,000	64,888	1,245,000	87,663
800,000	108,275	410,000	95,663	1,045,000	75,375	1,635,000	46,950
2,035,000	272,969	1,800,000	198,400	1,425,000	140,263	2,880,000	134,613
10,360,000	2,979,251	10,025,000	2,474,601	9,810,000	1,980,001	33,665,000	11,248,851
1,460,000	452,350	1,535,000	379,350	1,610,000	302,600	4,730,000	1,753,400
4,965,000	3,100,225	5,060,000	2,917,625	4,880,000	2,691,375	53,630,000	16,314,675
1,240,000	785,888	1,295,000	740,288	1,370,000	682,388	13,530,000	3,687,825
0	2,670,250	0	2,670,250	0	2,670,250	53,515,000	9,523,800
0	498,750	0	498,750	0	498,750	9,995,000	1,728,450
18,025,000	10,486,714	17,915,000	9,680,864	17,670,000	8,825,364	169,065,000	44,257,001
20,060,000	10,759,683	19,715,000	9,879,264	19,095,000	8,965,626	171,945,000	44,391,614
0	10,299,463	0	10,299,463	0	10,299,463	174,865,000	312,706,394
0	0	0	0	451,914	103,086	27,024,266	24,605,734
0	0	0	0	0	0	73,329,189	159,672,921
0	10,299,463	0	10,299,463	451,914	10,402,548	275,218,455	496,985,049
426,045,000	10,604,125	0	0	0	0	0	0
26,155,000	421,096	0	0	0	0	0	0
452,200,000	11,025,221	0	0	0	0	0	0
452,200,000	21,324,683	0	10,299,463	451,914	10,402,548	275,218,455	496,985,049
0	197,784	2,010,000	98,892	0	0	0	0
0	197,784	2,010,000	98,892	0	0	0	0
0	197,784	2,010,000	98,892	0	0	0	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY					FISCAL YEAR ENDING		FISCAL YEAR ENDING	
SERIES	AMOUNT	DATE OF	MATURITY	PRINCIPAL	6/30/2016		6/30/2017	
TITLE	ISSUED	ISSUE	DATE	OUTSTANDING	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
School Facilities Construction Commission								
Local School District Participation								
ADAIR CO SCH DIST	3,770,338	07/2005	08/2016	373,009	180,876	10,851	192,133	3,843
ADAIR CO SCH DIST	1,311,671	02/2009	09/2020	893,323	136,230	25,500	142,613	21,318
ADAIR CO SCH DIST	8,515,550	07/2012	08/2032	8,454,064	32,870	241,957	34,190	241,286
ADAIR CO SCH DIST	4,366,917	02/2013	08/2025	2,598,315	13,647	50,141	7,685	50,015
ALLEN CO SCH DIST	5,423,153	06/2005	04/2017	1,205,079	590,484	44,452	614,595	23,047
ALLEN CO SCH DIST	53,900	05/2007	05/2027	32,490	2,954	1,277	3,062	1,167
ALLEN CO SCH DIST	4,620,896	05/2012	04/2023	4,079,583	459,692	103,193	473,986	93,999
ALLEN CO SCH DIST	7,408,478	10/2013	10/2033	7,405,048	1,782	244,188	5,101	244,119
ALLEN CO SCH DIST	3,021,232	03/2015	12/2025	3,021,232	12,325	68,842	145,394	60,249
ANDERSON CO SCH DIST	7,792,822	12/2000	12/2017	2,249,259	866,047	90,812	1,094,886	41,788
ANDERSON CO SCH DIST	13,841,439	12/2005	12/2018	2,791,451	656,308	100,903	683,301	74,111
ANDERSON CO SCH DIST	13,321,979	12/2006	12/2019	53,450	9,369	1,780	12,115	1,388
ANDERSON CO SCH DIST	4,967,191	12/2007	12/2020	4,774,025	33,879	177,870	33,838	176,651
ANDERSON CO SCH DIST	7,839,734	02/2009	02/2029	7,323,995	84,196	287,570	93,522	285,380
ANDERSON CO SCH DIST	431,515	06/2012	06/2024	409,585	39,715	8,192	44,110	7,397
ANDERSON CO SCH DIST	6,731,189	01/2013	12/2025	6,553,946	72,740	142,288	72,555	141,198
ANDERSON CO SCH DIST	8,957,331	02/2015	12/2026	8,903,695	77,518	184,695	77,367	183,146
ASHLAND IND SCH DIST	8,295,404	07/2006	08/2017	1,075,566	343,321	35,081	356,881	21,598
ASHLAND IND SCH DIST	950,981	02/2009	05/2019	543,089	129,351	18,135	136,241	13,931
ASHLAND IND SCH DIST	2,358,059	06/2012	02/2024	2,108,300	187,122	37,574	190,944	35,703
ASHLAND IND SCH DIST	9,745,413	08/2013	08/2033	9,534,309	208,321	375,120	205,453	368,913
ASHLAND IND SCH DIST	3,211,820	07/2014	08/2029	3,207,843	84,065	82,790	83,754	81,951
ASHLAND IND SCH DIST	5,347,020	02/2015	08/2026	5,347,020	66,779	98,310	57,306	107,865
AUGUSTA IND SCH DIST	702,948	04/1996	12/2015	21,626	21,626	568	0	0
AUGUSTA IND SCH DIST	220,427	06/2004	06/2024	164,491	11,227	7,649	20,818	7,127
AUGUSTA IND SCH DIST	70,381	12/2006	12/2026	52,219	4,855	1,967	4,246	1,787
AUGUSTA IND SCH DIST	332,180	01/2008	02/2028	301,771	13,158	11,264	18,642	10,829
AUGUSTA IND SCH DIST	269,127	05/2011	05/2031	256,392	3,133	10,710	12,892	10,631
BALLARD CO SCH DIST	4,699,899	03/2012	06/2024	4,192,736	416,570	114,679	429,766	106,348
BALLARD CO SCH DIST	2,430,305	03/2015	03/2030	2,430,305	95,747	55,219	90,769	58,157
BARBOURVILLE IND SCH DIS	767,878	03/2008	11/2017	284,124	94,364	7,108	94,192	4,280
BARBOURVILLE IND SCH DIS	962,728	01/2010	02/2030	899,110	9,473	34,931	8,496	34,670
BARDSTOWN IND SCH DIST	673,148	12/2007	04/2020	450,241	34,052	17,116	33,092	15,856
BARDSTOWN IND SCH DIST	2,761,151	05/2009	05/2017	790,000	390,000	22,225	400,000	11,500
BARDSTOWN IND SCH DIST	4,536,217	04/2012	09/2024	4,045,239	349,680	78,876	424,560	74,424
BARDSTOWN IND SCH DIST	528,020	06/2014	06/2034	524,670	4,248	18,606	3,932	18,521
BARDSTOWN IND SCH DIST	2,003,795	03/2015	08/2030	2,003,795	55,973	40,814	51,202	49,017
BARREN CO SCH DIST	2,242,094	01/2005	08/2016	455,489	214,607	12,883	240,882	4,456
BARREN CO SCH DIST	9,951,149	08/2006	08/2016	357,915	173,429	10,848	184,486	3,690
BARREN CO SCH DIST	9,622,101	09/2008	09/2028	8,210,425	260,144	373,086	269,162	362,825
BARREN CO SCH DIST	5,083,180	02/2009	10/2018	2,278,434	546,767	59,058	537,695	43,885
BARREN CO SCH DIST	1,025,472	11/2010	12/2030	970,674	13,340	38,576	17,467	38,207
BARREN CO SCH DIST	11,396,407	02/2012	08/2024	10,902,728	575,319	264,592	589,896	252,203
BARREN CO SCH DIST	7,497,227	02/2015	08/2026	7,497,227	0	345,220	0	374,861
BATH CO SCH DIST	4,994,849	08/2005	08/2015	280,475	280,475	5,329	0	0
BATH CO SCH DIST	2,440,571	05/2008	05/2028	2,032,950	89,237	76,366	94,641	73,421
BATH CO SCH DIST	327,964	05/2012	02/2019	196,604	43,342	2,648	45,301	2,172
BATH CO SCH DIST	3,900,493	04/2013	08/2025	3,767,400	62,292	69,068	344,194	67,036
BATH CO SCH DIST	234,589	11/2013	11/2033	229,091	4,895	8,180	4,238	8,121
BEECHWOOD IND SCH DIST	4,446,057	07/2014	08/2029	4,445,444	159,228	106,464	168,384	103,761

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
0	0	0	0	0	0	0	0
148,885	16,945	149,978	12,387	155,866	7,627	159,751	2,596
30,436	240,640	136,362	238,801	146,705	235,433	8,073,501	1,924,191
263,320	47,983	271,342	43,973	273,058	39,207	1,769,263	112,409
0	0	0	0	0	0	0	0
2,819	1,047	2,358	937	1,668	845	19,629	3,506
488,266	84,519	497,531	74,754	516,781	64,803	1,643,327	99,578
338,386	240,684	341,637	233,884	344,852	227,019	6,373,290	1,840,574
266,584	56,129	272,853	50,735	274,262	45,264	2,049,814	142,025
288,326	7,208	0	0	0	0	0	0
710,119	45,799	741,723	15,576	0	0	0	0
9,777	988	12,352	584	9,837	180	0	0
889,018	159,595	1,220,577	120,263	1,273,454	73,499	1,323,259	24,811
92,836	282,949	101,994	280,071	106,125	276,909	6,845,322	2,211,447
43,492	6,515	42,862	5,645	47,219	4,788	192,187	9,741
72,367	140,111	77,144	138,797	835,999	129,666	5,423,141	390,465
77,213	181,600	77,056	180,057	81,895	178,468	8,512,646	783,229
375,364	7,320	0	0	0	0	0	0
137,983	9,435	139,514	4,743	0	0	0	0
189,158	32,839	197,346	30,002	260,505	27,041	1,083,225	58,189
217,497	362,569	219,451	356,015	231,389	349,252	8,452,198	3,382,371
78,440	81,140	83,124	80,332	77,804	79,528	2,800,656	551,649
57,151	106,721	441,175	101,737	545,189	91,874	4,179,420	316,927
0	0	0	0	0	0	0	0
20,392	6,159	19,944	5,211	19,354	4,283	72,756	8,333
3,610	1,632	2,951	1,502	2,264	1,399	34,293	5,431
18,694	10,177	18,574	9,523	18,122	8,854	214,581	39,648
12,630	10,309	12,277	9,880	18,891	9,462	196,569	52,702
438,585	97,753	449,953	87,884	464,439	74,386	1,993,423	154,190
90,709	56,342	90,662	54,528	96,646	52,714	1,965,772	352,569
95,568	1,434	0	0	0	0	0	0
17,310	34,394	31,085	33,832	34,820	32,821	797,926	198,043
122,097	14,632	126,050	10,053	134,950	5,263	0	0
0	0	0	0	0	0	0	0
424,409	68,269	439,207	60,164	443,990	51,332	1,963,393	102,667
3,610	18,443	3,283	18,371	2,949	18,305	506,648	196,801
26,103	48,031	21,003	47,430	25,898	46,832	1,823,616	355,169
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
283,106	351,780	292,009	340,278	305,866	328,320	6,800,138	1,933,705
588,208	26,996	605,764	9,086	0	0	0	0
16,441	37,749	15,249	37,270	3,885	36,947	904,292	293,379
604,413	238,011	623,891	222,658	988,356	202,505	7,520,853	517,615
84,890	372,739	85,270	368,485	235,412	360,468	7,091,655	1,600,611
0	0	0	0	0	0	0	0
94,428	70,204	98,558	66,899	151,987	63,350	1,504,099	282,337
48,563	1,673	59,398	921	0	0	0	0
349,719	63,566	342,069	58,397	361,049	51,366	2,308,077	148,965
3,575	8,070	2,901	8,028	4,914	7,943	208,568	72,891
167,525	100,990	171,652	98,192	170,764	95,367	3,607,891	519,555

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
BEECHWOOD IND SCH DIST	1,148,901	04/2015	03/2035	3,326,099	65,359	78,956	52,973	88,928
BELL CO SCH DIST	3,103,935	01/2008	02/2028	2,595,137	153,731	92,127	151,231	86,670
BELL CO SCH DIST	932,136	10/2008	10/2028	824,987	34,458	36,967	34,435	35,537
BELL CO SCH DIST	5,002,571	06/2009	11/2020	3,248,646	499,472	91,907	519,714	77,878
BELL CO SCH DIST	146,081	11/2010	11/2030	127,103	8,246	4,411	7,611	4,183
BELL CO SCH DIST	1,582,720	02/2012	04/2023	1,176,162	131,249	21,323	141,015	19,683
BELL CO SCH DIST	7,301,074	06/2014	06/2034	7,292,321	9,711	245,191	9,558	245,093
BELLEVUE IND SCH DIST	1,133,682	12/2007	08/2020	819,936	111,739	28,088	115,910	24,104
BELLEVUE IND SCH DIST	220,663	03/2008	03/2028	174,177	7,175	6,449	11,124	6,219
BELLEVUE IND SCH DIST	656,042	06/2009	05/2018	232,165	74,555	7,596	74,060	5,211
BELLEVUE IND SCH DIST	544,648	05/2011	05/2031	529,080	6,181	21,454	21,067	21,269
BEREA IND SCH DIST	1,358,328	11/2004	07/2016	313,905	151,388	8,738	162,517	3,007
BEREA IND SCH DIST	5,929,748	12/2007	12/2027	5,106,811	139,881	193,981	138,774	188,930
BEREA IND SCH DIST	1,333,434	03/2008	11/2020	537,428	120,057	15,656	118,221	11,814
BEREA IND SCH DIST	1,401,057	08/2008	08/2028	1,215,490	29,088	52,022	38,439	50,671
BEREA IND SCH DIST	923,335	02/2012	05/2023	889,092	11,835	17,782	11,472	17,545
BEREA IND SCH DIST	83,545	03/2013	03/2033	77,133	3,079	1,946	2,651	1,923
BOONE CO SCH DIST	16,060,264	07/2006	08/2016	1,119,779	548,342	33,824	571,437	11,429
BOONE CO SCH DIST	21,649,619	12/2006	08/2020	16,426,749	2,304,374	591,889	2,271,643	503,229
BOONE CO SCH DIST	4,671,714	05/2008	06/2017	1,160,828	567,246	38,024	593,582	19,588
BOONE CO SCH DIST	13,397,723	02/2009	02/2029	10,893,127	468,200	477,348	482,094	463,302
BOONE CO SCH DIST	14,128,360	04/2011	04/2031	12,562,553	407,592	562,099	409,671	549,872
BOONE CO SCH DIST	9,570,610	12/2011	02/2018	5,210,000	1,630,000	104,200	1,775,000	71,600
BOONE CO SCH DIST	10,755,803	09/2012	02/2024	9,946,806	666,771	227,254	684,206	213,918
BOONE CO SCH DIST	4,912,158	03/2013	02/2033	4,763,038	77,895	144,587	77,052	143,029
BOONE CO SCH DIST	77,711,931	03/2015	08/2026	11,711,931	138,565	274,926	95,605	317,097
BOURBON CO SCH DIST	1,151,637	07/2006	07/2016	36,394	17,183	1,112	19,211	384
BOURBON CO SCH DIST	5,760,871	01/2009	02/2029	5,451,950	82,324	222,301	77,074	219,625
BOURBON CO SCH DIST	65,941	10/2010	06/2018	25,827	9,988	581	8,660	356
BOURBON CO SCH DIST	3,552,299	10/2011	10/2031	3,451,147	33,361	116,074	38,152	115,627
BOURBON CO SCH DIST	1,125,048	02/2013	07/2026	1,095,054	13,137	20,403	12,884	20,254
BOURBON CO SCH DIST	224,183	09/2013	08/2033	223,217	715	8,972	456	8,956
BOURBON CO SCH DIST	1,673,241	05/2015	03/2020	1,673,251	326,717	13,167	322,719	17,420
BOWLING GREEN IND SCH DI	3,608,636	05/2004	05/2016	254,524	254,524	10,690	0	0
BOWLING GREEN IND SCH DI	8,848,904	07/2008	08/2028	7,936,373	171,410	316,283	174,554	309,796
BOWLING GREEN IND SCH DI	12,729	07/2010	08/2030	8,922	696	313	941	283
BOWLING GREEN IND SCH DI	1,263,928	03/2012	05/2020	1,187,837	21,086	17,830	288,813	17,588
BOWLING GREEN IND SCH DI	10,627,858	06/2013	05/2033	10,576,155	5,926	340,004	4,878	339,878
BOWLING GREEN IND SCH DI	1,501,056	08/2014	08/2034	1,501,056	2,259	53,868	2,022	53,850
BOWLING GREEN IND SCH DI	731,949	11/2014	12/2019	4,420,270	840,996	112,111	858,008	94,048
BOYD CO SCH DIST	5,430,809	03/2008	10/2017	1,550,788	493,371	44,630	520,372	27,643
BOYD CO SCH DIST	26,916,945	07/2014	02/2031	26,040,745	934,829	759,022	945,882	740,325
BOYLE CO SCH DIST	3,930,780	07/2005	07/2016	136,693	67,255	3,780	69,438	1,285
BOYLE CO SCH DIST	405,823	05/2007	04/2020	47,170	10,424	1,851	8,540	1,455
BOYLE CO SCH DIST	807,602	04/2008	08/2017	351,250	116,669	9,230	115,117	5,681
BOYLE CO SCH DIST	1,980,266	03/2010	03/2030	1,945,318	7,107	76,662	6,252	76,477
BOYLE CO SCH DIST	4,394,540	09/2010	03/2021	3,398,718	469,363	91,206	482,051	81,818
BOYLE CO SCH DIST	499,027	06/2011	06/2031	454,908	3,292	17,025	1,958	16,960
BOYLE CO SCH DIST	774,940	12/2012	12/2035	725,846	24,547	0	24,547	0
BOYLE CO SCH DIST	3,791,357	01/2013	07/2025	3,718,777	41,185	71,585	41,096	71,174
BOYLE CO SCH DIST	1,075,958	04/2015	03/2035	1,075,958	583	30,198	6,701	32,932
BOYLE CO SCH DIST	316,878	04/2015	04/2027	316,878	3,663	5,631	3,514	7,361

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
52,033	87,868	56,074	86,828	55,095	85,706	3,044,565	880,117
158,464	81,301	165,423	75,676	172,096	69,803	1,794,192	303,496
34,412	34,109	34,386	32,681	34,359	31,195	652,937	150,197
534,464	62,325	548,965	46,073	563,104	28,829	582,927	9,910
6,958	3,974	6,287	3,783	5,594	3,612	92,407	19,845
140,730	17,567	145,393	15,105	150,050	12,560	467,725	19,607
14,325	244,950	14,090	244,735	13,773	244,453	7,230,864	2,153,836
120,052	19,974	143,048	15,191	163,093	9,410	166,094	3,156
10,040	5,863	13,922	5,542	12,551	5,013	119,365	21,664
83,550	2,841	0	0	0	0	0	0
15,949	20,637	25,827	20,158	30,701	19,383	429,355	117,420
0	0	0	0	0	0	0	0
137,422	183,873	306,004	175,669	314,523	164,111	4,070,207	725,027
293,943	5,043	1,959	156	337	114	2,911	54
42,763	49,047	32,059	47,551	36,303	46,138	1,036,838	328,962
11,101	17,316	160,724	17,094	170,338	13,879	523,622	21,029
2,221	1,903	1,787	1,886	479	1,846	66,916	17,192
0	0	0	0	0	0	0	0
2,808,606	404,799	3,270,253	287,021	3,406,873	157,652	2,365,000	45,822
0	0	0	0	0	0	0	0
460,863	447,634	479,493	431,503	497,975	413,522	8,504,502	2,383,415
421,660	537,581	378,561	524,932	394,835	511,682	10,550,234	3,819,564
1,805,000	36,100	0	0	0	0	0	0
681,592	200,234	788,924	186,602	806,202	170,824	6,319,111	435,917
80,764	140,718	79,437	138,295	83,070	135,912	4,364,820	1,168,290
690,381	309,237	699,176	295,341	707,947	281,270	9,380,257	1,126,811
0	0	0	0	0	0	0	0
81,797	216,928	91,510	214,065	91,212	210,862	5,028,033	1,286,139
7,179	162	0	0	0	0	0	0
37,888	115,038	37,568	114,340	37,243	113,648	3,266,935	1,162,537
34,877	19,979	28,718	19,613	32,547	19,261	972,891	85,392
190	8,947	917	8,932	635	8,911	220,304	114,713
331,548	14,193	343,837	10,214	348,430	5,401	0	0
0	0	0	0	0	0	0	0
182,611	303,054	185,569	296,012	198,389	288,472	7,023,840	1,417,104
159	263	346	254	504	238	6,276	1,001
288,188	14,267	292,438	9,583	297,312	4,831	0	0
3,848	339,774	2,670	339,692	830	339,635	10,558,003	3,045,285
1,784	53,834	1,406	53,814	887	53,793	1,492,698	680,507
879,778	74,498	905,906	51,012	935,582	18,712	0	0
537,045	9,398	0	0	0	0	0	0
971,500	721,408	1,531,792	701,978	1,560,570	671,342	20,096,172	4,121,263
0	0	0	0	0	0	0	0
6,533	1,122	9,448	867	12,225	489	0	0
119,464	1,941	0	0	0	0	0	0
10,207	76,283	4,128	75,967	3,016	75,839	1,914,608	568,954
489,397	70,972	631,381	58,737	652,673	39,796	673,853	20,216
596	16,920	3,774	16,905	1,905	16,806	443,383	117,356
24,547	0	24,547	0	24,547	0	603,110	0
117,960	70,084	115,776	68,331	118,597	66,573	3,284,163	225,646
6,036	32,798	357	32,677	4,664	32,670	1,057,617	374,652
3,362	7,278	3,206	7,199	3,046	7,124	300,087	31,219

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
BRACKEN CO SCH DIST	36,284	02/1999	02/2019	5,063	2,159	228	1,581	131
BRACKEN CO SCH DIST	1,626,912	01/2010	02/2030	1,548,351	15,494	55,386	144,485	54,921
BREATHITT CO SCH DIST	1,321,151	01/2008	02/2028	1,305,642	2,070	51,893	4,761	51,823
BREATHITT CO SCH DIST	346,497	05/2012	03/2024	332,124	2,606	7,854	1,812	7,798
BREATHITT CO SCH DIST	6,182,519	05/2015	05/2035	6,182,519	82,001	170,437	91,063	170,712
BRECKINRIDGE CO SCH DIS	1,794,502	04/2008	04/2028	1,696,209	11,196	64,567	14,313	64,175
BRECKINRIDGE CO SCH DIS	763,629	02/2009	05/2019	362,658	85,659	10,880	89,029	8,310
BRECKINRIDGE CO SCH DIS	1,041,040	06/2012	06/2032	492,362	2,702	15,088	2,702	15,088
BRECKINRIDGE CO SCH DIS	2,802,595	01/2013	02/2019	1,890,000	465,000	18,900	475,000	14,250
BULLITT CO SCH DIST	5,412,565	11/2004	05/2016	1,006,658	1,006,658	36,491	0	0
BULLITT CO SCH DIST	890,723	12/2006	09/2016	498,711	54,458	17,091	444,253	8,052
BULLITT CO SCH DIST	20,555,039	10/2013	10/2033	20,341,961	223,292	798,024	223,409	793,557
BULLITT CO SCH DIST	48,381,215	07/2014	09/2029	47,359,070	370,290	1,601,169	404,792	1,581,792
BURGIN IND SCH DIST	2,342,294	06/2011	06/2031	2,117,728	59,889	81,679	59,886	80,481
BURGIN IND SCH DIST	1,104,955	03/2012	02/2025	1,017,874	61,218	21,967	60,742	20,743
BUTLER CO SCH DIST	3,667,029	03/2004	08/2016	1,092,527	534,955	30,672	557,572	10,454
BUTLER CO SCH DIST	1,894,720	10/2006	07/2020	1,758,259	18,274	68,013	21,282	67,271
BUTLER CO SCH DIST	3,484,660	02/2008	02/2028	3,412,209	10,825	129,078	10,540	128,743
BUTLER CO SCH DIST	854,137	12/2011	06/2024	835,686	6,856	19,181	10,085	19,071
CALDWELL CO SCH DIST	1,245,706	08/2005	06/2020	1,101,579	204,701	43,444	209,499	35,666
CALDWELL CO SCH DIST	6,723,652	04/2011	04/2031	6,709,012	187,642	243,240	196,962	239,300
CALLOWAY CO SCH DIST	1,478,279	11/2004	03/2016	152,952	152,952	5,659	0	0
CALLOWAY CO SCH DIST	1,709,030	10/2008	10/2028	1,648,304	14,208	77,813	11,115	77,307
CALLOWAY CO SCH DIST	5,113,548	10/2010	06/2022	4,008,713	444,056	108,238	557,052	98,247
CALLOWAY CO SCH DIST	5,179,070	12/2013	02/2034	5,144,125	37,234	185,676	56,678	185,043
CALLOWAY CO SCH DIST	2,716,867	11/2014	05/2030	2,578,204	148,337	55,877	148,407	54,542
CAMPBELL CO SCH DIST	6,408,161	10/2004	08/2016	1,269,578	713,110	33,793	556,468	10,434
CAMPBELL CO SCH DIST	16,952,500	07/2006	08/2016	234,597	115,816	7,186	118,781	2,435
CAMPBELL CO SCH DIST	10,915,823	08/2011	08/2031	10,800,395	37,159	447,462	38,199	446,661
CAMPBELL CO SCH DIST	10,144,238	08/2012	02/2024	9,432,412	569,257	212,552	763,291	201,167
CAMPBELL CO SCH DIST	5,458,710	02/2013	02/2019	3,400,000	845,000	30,600	845,000	22,995
CAMPBELL CO SCH DIST	17,563,316	12/2014	08/2026	17,379,614	136,763	511,151	146,596	508,317
CAMPBELLSVILLE IND SCH D	113,880	12/1997	12/2017	72,156	99	3,605	34,335	2,744
CARLISLE CO SCH DIST	1,649,170	05/2008	05/2028	1,499,791	19,516	58,297	22,165	57,633
CARLISLE CO SCH DIST	193,929	06/2009	06/2029	164,387	7,241	6,822	6,296	6,522
CARLISLE CO SCH DIST	33,521	06/2009	12/2016	14,179	7,155	318	7,024	105
CARLISLE CO SCH DIST	2,378,455	10/2011	10/2029	1,585,034	105,669	184,460	105,669	184,460
CARLISLE CO SCH DIST	8,425	07/2014	08/2034	8,425	1,598	216	721	192
CARROLL CO SCH DIST	433,676	10/2007	10/2019	384,658	2,555	14,277	5,605	14,127
CARROLL CO SCH DIST	2,806,466	03/2008	08/2017	1,137,575	365,312	30,375	380,982	18,617
CARROLL CO SCH DIST	1,935,258	03/2014	03/2034	1,934,633	4,412	57,598	3,707	57,553
CARROLL CO SCH DIST	4,685,512	11/2014	02/2030	4,555,622	109,858	125,216	102,538	122,470
CARTER CO SCH DIST	4,019,962	01/2006	02/2016	70,061	70,061	2,557	0	0
CARTER CO SCH DIST	1,303,049	03/2008	01/2016	176,745	176,745	5,656	0	0
CARTER CO SCH DIST	4,214,800	03/2009	02/2019	2,799,721	532,448	98,887	729,777	81,316
CARTER CO SCH DIST	8,968,298	01/2011	02/2031	7,870,772	300,574	333,380	306,963	325,866
CARTER CO SCH DIST	1,722,784	02/2015	02/2026	3,577,216	28,302	65,195	100,124	72,819
CARTER CO SCH DIST	2,479,000	03/2015	03/2035	2,479,000	29,801	67,654	29,769	73,432
CASEY CO SCH DIST	1,064,676	12/2004	08/2016	229,929	107,893	6,633	122,036	2,319
CASEY CO SCH DIST	722,893	07/2006	08/2016	61,294	34,556	1,827	26,738	555
CASEY CO SCH DIST	394,915	09/2010	05/2021	300,227	8,133	7,170	2,345	7,007
CASEY CO SCH DIST	3,843,206	02/2012	06/2024	3,464,631	506,487	70,856	525,419	60,726

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
977	60	346	16	0	0	0	0
150,020	50,587	154,294	45,899	158,506	40,691	925,552	112,824
2,233	51,651	4,612	51,571	1,785	51,398	1,290,181	299,618
6,000	7,760	5,123	7,625	4,226	7,509	312,357	22,164
104,584	168,891	148,076	166,799	166,538	163,838	5,590,257	1,628,731
12,364	63,674	15,347	63,241	18,169	62,681	1,624,820	335,585
92,350	5,639	95,620	2,869	0	0	0	0
2,702	15,088	2,702	15,088	17,702	15,088	463,852	181,055
475,000	9,500	475,000	4,750	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
247,150	787,616	244,449	780,242	251,514	772,803	19,152,147	9,010,864
419,269	1,561,190	438,719	1,539,741	458,141	1,517,319	45,267,859	11,004,972
59,884	79,283	59,881	77,562	64,877	75,840	1,813,311	560,410
110,257	19,528	109,762	17,323	114,257	15,127	561,638	39,423
0	0	0	0	0	0	0	0
404,229	59,191	422,055	43,387	434,764	26,784	457,655	9,153
170,233	128,400	9,916	122,867	9,547	122,506	3,201,148	657,239
36,488	18,870	197,717	18,140	213,324	13,988	371,216	14,457
219,284	27,495	231,675	18,724	236,420	9,457	0	0
201,204	234,770	200,359	229,740	214,422	224,330	5,708,423	1,470,287
0	0	0	0	0	0	0	0
12,790	76,813	14,221	76,239	15,496	75,607	1,580,474	404,424
577,268	84,877	588,354	69,002	594,786	52,823	1,247,197	54,824
91,111	184,080	105,535	182,531	119,948	180,737	4,733,619	1,772,344
148,445	53,206	148,549	51,870	153,516	50,533	1,830,950	290,257
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
43,588	445,741	42,394	444,562	51,610	443,034	10,587,445	3,880,443
1,021,047	185,901	1,043,117	165,480	1,140,512	144,618	4,895,188	310,492
850,000	15,390	860,000	7,740	0	0	0	0
603,631	500,815	642,073	485,148	1,525,156	452,639	14,325,395	1,691,001
37,722	943	0	0	0	0	0	0
34,622	56,835	31,861	55,589	34,035	54,410	1,357,592	271,062
5,314	6,260	4,288	6,040	8,221	5,862	133,027	30,287
0	0	0	0	0	0	0	0
105,668	184,460	105,669	184,460	105,669	184,460	1,056,689	1,752,370
0	185	0	185	0	185	6,106	1,497
3,554	13,958	186,426	10,443	186,518	3,497	0	0
391,281	6,261	0	0	0	0	0	0
2,994	57,516	22,274	57,486	26,546	57,264	1,874,700	493,144
104,849	119,906	306,666	117,285	317,982	109,619	3,613,729	599,379
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
752,725	55,774	784,771	29,429	0	0	0	0
317,522	316,657	322,947	307,131	422,843	296,635	6,199,923	1,936,885
102,027	70,817	98,868	68,776	440,633	66,799	2,807,262	210,768
23,265	72,837	31,730	72,371	25,164	71,737	2,339,271	788,238
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
71,226	6,960	69,419	5,357	73,856	3,691	75,248	1,919
289,226	50,218	297,911	44,433	301,470	38,475	1,544,118	86,320

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
CASEY CO SCH DIST	144,748	03/2015	08/2026	144,748	121	0	8	1,895
CAVERNA IND SCH DIST	901,684	04/2012	06/2024	782,063	79,990	16,901	79,615	15,701
CAVERNA IND SCH DIST	1,483,112	01/2014	02/2033	1,475,122	12,633	14,751	12,309	14,625
CHRISTIAN CO SCH DIST	3,369,609	07/2003	07/2015	399,018	399,018	6,733	0	0
CHRISTIAN CO SCH DIST	8,099,106	08/2005	08/2018	1,363,188	50,857	53,510	404,464	44,404
CHRISTIAN CO SCH DIST	2,366,810	04/2008	07/2017	838,980	268,137	22,860	280,834	14,204
CHRISTIAN CO SCH DIST	21,191,958	05/2010	05/2027	8,868,748	1,270,735	1,475,169	1,312,734	1,475,169
CHRISTIAN CO SCH DIST	2,402,024	09/2010	07/2021	2,186,301	125,082	49,857	142,886	46,999
CHRISTIAN CO SCH DIST	3,045,107	12/2012	08/2025	6,543,199	62,805	118,943	62,438	118,505
CHRISTIAN CO SCH DIST	6,341,597	05/2014	05/2034	6,336,424	10,323	215,587	5,528	215,380
CLARK CO SCH DIST	2,084,725	11/2010	11/2030	397,231	36,951	15,031	34,068	14,214
CLARK CO SCH DIST	1,944,151	12/2011	12/2030	1,637,179	102,325	0	102,324	0
CLARK CO SCH DIST	4,295,391	04/2015	04/2035	4,295,391	47,539	127,419	52,020	136,739
CLAY CO SCH DIST	1,611,970	07/1996	07/2016	4,505	1,050	219	3,455	95
CLINTON CO SCH DIST	1,675,108	06/2005	02/2016	310,558	310,558	11,180	0	0
CLINTON CO SCH DIST	1,004,954	10/2005	10/2015	26,833	26,833	496	0	0
CLINTON CO SCH DIST	812,294	11/2006	08/2017	723,587	7,649	26,989	350,987	20,267
CLINTON CO SCH DIST	4,005,462	07/2007	07/2027	3,980,645	5,602	167,069	4,771	166,852
CLINTON CO SCH DIST	938,911	02/2013	10/2025	891,105	15,512	13,602	26,400	13,392
CLINTON CO SCH DIST	1,215,191	05/2014	08/2030	1,200,446	860	37,996	371	37,989
CLOVERPORT IND SCH DIST	681,459	03/2004	09/2015	67,532	67,532	1,216	0	0
CLOVERPORT IND SCH DIST	501,823	01/2008	02/2028	450,697	8,545	16,701	21,106	16,419
CLOVERPORT IND SCH DIST	40,472	12/2009	12/2018	17,678	1,762	514	6,176	398
CLOVERPORT IND SCH DIST	359,715	06/2010	08/2030	341,321	3,556	12,849	17,947	12,548
CLOVERPORT IND SCH DIST	0	06/2015	06/2035	1,583,232	9,834	44,579	49,892	46,582
CORBIN IND SCH DIST	381,292	06/2005	07/2016	100,513	50,871	2,703	49,642	894
CORBIN IND SCH DIST	14,012,512	02/2007	02/2027	11,359,380	709,703	454,375	742,891	425,987
CORBIN IND SCH DIST	1,340,942	09/2011	09/2029	1,040,846	100,032	217,500	100,032	217,500
CORBIN IND SCH DIST	6,711	11/2011	03/2021	4,272	787	75	0	61
CORBIN IND SCH DIST	970,159	08/2012	08/2032	930,858	18,908	24,983	18,301	24,825
CORBIN IND SCH DIST	8,655,074	03/2014	12/2029	8,344,255	254,101	255,247	263,072	250,075
COVINGTON IND SCH DIST	3,666,647	04/2007	06/2019	2,570,052	445,750	96,982	468,928	80,489
COVINGTON IND SCH DIST	3,422,914	04/2008	05/2018	1,784,895	580,729	57,444	592,492	39,441
COVINGTON IND SCH DIST	237,159	06/2009	06/2029	178,168	8,906	7,348	8,659	7,063
COVINGTON IND SCH DIST	1,204,891	10/2014	02/2031	1,191,635	3,256	30,418	1,522	30,352
COVINGTON IND SCH DIST	1,757,506	03/2015	04/2030	1,757,506	102,600	39,501	103,945	40,975
CRITTENDEN CO SCH DIST	950,662	03/2009	04/2018	339,047	110,508	11,590	114,712	7,999
CRITTENDEN CO SCH DIST	2,964,411	09/2010	10/2023	2,399,048	188,669	54,034	187,099	50,654
CRITTENDEN CO SCH DIST	1,357,496	06/2013	06/2033	1,352,047	2,499	43,188	4,650	43,157
CUMBERLAND CO SCH DIST	1,895,676	04/2007	04/2027	1,510,687	94,645	58,124	101,444	54,574
CUMBERLAND CO SCH DIST	1,665,020	02/2013	04/2017	15,628	8,450	195	7,178	90
DANVILLE IND SCH DIST	1,150,037	02/2009	06/2019	589,475	141,856	17,401	145,489	13,429
DANVILLE IND SCH DIST	14,874	02/2014	02/2034	14,847	2,134	429	1,341	397
DAVIESS CO SCH DIST	981,083	03/2004	08/2015	128,128	128,128	2,322	0	0
DAVIESS CO SCH DIST	2,575,742	06/2005	04/2017	567,389	283,400	20,994	283,989	10,650
DAVIESS CO SCH DIST	8,719,309	05/2015	05/2035	8,719,309	32,905	275,768	163,989	290,475
DAWSON SPRINGS IND SCH	2,442,638	04/2014	08/2029	2,291,158	139,286	53,259	139,255	51,658
DAYTON IND SCH DIST	690,291	02/2009	06/2019	347,894	83,812	11,703	86,823	8,979
DAYTON IND SCH DIST	1,392,803	06/2009	02/2029	1,249,573	59,989	50,490	64,213	48,630
DAYTON IND SCH DIST	1,446,418	05/2013	05/2033	1,426,742	12,280	34,473	12,122	34,319
EAST BERNSTADT IND SCH	2,190,991	12/2011	12/2030	1,843,118	116,954	14,061	116,604	14,061
EAST BERNSTADT IND SCH	1,142,429	12/2014	12/2034	1,142,429	38,300	32,380	38,266	31,615

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
15,507	2,881	9,303	2,633	12,876	2,411	106,933	9,422
84,234	14,507	83,719	12,822	88,167	11,064	366,338	23,733
11,982	14,502	11,651	14,382	11,318	14,265	1,415,229	125,262
0	0	0	0	0	0	0	0
432,605	27,663	475,262	9,505	0	0	0	0
290,009	4,785	0	0	0	0	0	0
1,312,509	1,475,169	1,291,712	1,475,169	1,296,395	1,475,169	2,384,663	10,326,181
135,100	43,872	436,912	37,163	443,305	26,711	903,016	21,376
67,069	118,052	66,697	117,583	553,312	114,168	5,730,878	390,684
640	215,270	3,159	215,251	453	215,156	6,316,321	2,304,156
35,341	13,201	30,920	12,095	30,931	10,966	229,020	47,505
102,324	0	102,324	0	102,324	0	1,125,561	0
51,665	135,178	46,135	133,628	45,425	132,244	4,052,607	1,387,166
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
364,951	6,843	0	0	0	0	0	0
3,902	166,669	247,997	161,380	327,054	149,304	3,391,319	627,087
25,761	13,132	160,115	12,202	93,730	10,792	569,587	33,134
4,879	37,960	4,379	37,909	3,873	37,864	1,186,084	354,646
0	0	0	0	0	0	0	0
23,040	15,691	24,696	14,896	35,841	14,031	337,469	60,430
4,618	236	5,122	83	0	0	0	0
22,320	11,984	21,581	11,283	15,723	10,611	260,194	64,673
44,785	45,535	49,675	44,594	49,563	43,551	1,379,483	444,484
0	0	0	0	0	0	0	0
821,007	396,271	854,047	363,431	892,009	329,269	7,339,723	1,221,428
100,032	217,500	100,032	217,500	100,032	217,500	540,686	2,066,250
1,329	61	582	38	0	28	1,574	28
17,507	24,628	21,521	24,362	20,411	24,047	834,210	247,295
267,023	244,774	270,953	239,394	274,861	233,936	7,014,245	1,702,743
487,014	62,904	1,168,360	44,398	0	0	0	0
611,674	20,185	0	0	0	0	0	0
13,275	6,786	2,394	6,308	11,105	6,222	133,829	30,330
0	30,322	2,952	30,322	126,112	30,263	1,057,793	160,792
109,894	38,896	85,992	36,698	112,212	34,978	1,242,863	201,836
113,827	3,984	0	0	0	0	0	0
195,279	46,732	293,305	41,382	296,148	34,529	1,238,548	63,299
6,484	43,099	8,059	43,017	13,987	42,836	1,316,368	386,628
108,123	50,770	114,632	46,661	120,960	42,248	970,883	155,966
0	0	0	0	0	0	0	0
146,397	9,064	155,733	4,672	0	0	0	0
536	376	0	368	0	368	10,836	2,589
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
173,069	287,195	171,661	282,003	180,211	276,853	7,997,474	2,647,279
134,025	50,086	139,639	48,513	139,465	46,908	1,599,488	256,202
89,739	6,114	87,520	3,063	0	0	0	0
63,311	46,383	72,377	44,167	86,354	41,489	903,329	200,348
11,960	34,167	6,797	34,018	66,632	33,933	1,316,951	300,951
116,254	14,061	115,904	14,061	115,554	14,061	1,261,848	147,642
38,231	30,850	43,195	30,035	38,159	29,222	946,278	283,851

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
EDMONSON CO SCH DIST	1,977,833	04/2008	08/2019	1,130,648	208,869	33,337	211,036	26,906
EDMONSON CO SCH DIST	79,609	05/2011	05/2031	68,662	1,889	2,594	6,257	2,552
ELIZABETHTOWN IND SCH DI	351,368	07/1998	07/2018	108,593	21,913	4,491	25,327	3,405
ELIZABETHTOWN IND SCH DI	362,701	06/2005	07/2016	86,511	42,846	2,343	43,665	786
ELIZABETHTOWN IND SCH DI	1,810,589	06/2005	02/2016	391,418	391,418	13,700	0	0
ELIZABETHTOWN IND SCH DI	3,680,394	12/2010	12/2028	3,217,857	99,802	350,163	168,002	350,163
ELIZABETHTOWN IND SCH DI	3,821,506	11/2011	09/2023	4,022,871	63,846	87,506	398,300	84,040
ELLIOTT CO SCH DIST	68,402	11/2007	11/2027	54,311	3,229	2,057	2,033	1,962
ELLIOTT CO SCH DIST	1,243,473	03/2009	12/2018	574,162	131,007	16,790	133,287	12,561
ELLIOTT CO SCH DIST	1,616,886	01/2012	09/2023	1,356,013	140,676	26,242	139,984	23,435
ELLIOTT CO SCH DIST	2,501,507	07/2012	08/2032	2,496,685	4,899	65,570	8,181	65,439
EMINENCE IND SCH DIST	886,566	02/2005	05/2024	197,689	117,689	7,875	10,000	3,520
EMINENCE IND SCH DIST	454,786	12/2007	07/2020	411,035	9,898	15,269	73,582	13,748
EMINENCE IND SCH DIST	7,003,479	02/2015	02/2035	7,003,479	51,740	187,254	235,212	192,121
ERLANGER-ELSMERE IND SC	3,350,737	05/2007	05/2027	3,187,226	24,927	127,489	27,324	126,492
ERLANGER-ELSMERE IND SC	4,313,021	03/2008	05/2018	1,474,379	473,850	50,646	493,142	34,772
ERLANGER-ELSMERE IND SC	3,012,494	09/2008	09/2028	2,831,698	34,522	115,519	38,080	114,248
ERLANGER-ELSMERE IND SC	117,120	11/2009	02/2019	3,921	88	129	890	126
ERLANGER-ELSMERE IND SC	138,126	12/2009	12/2018	66,037	16,088	1,758	16,392	1,295
ERLANGER-ELSMERE IND SC	984,688	07/2012	03/2024	969,540	9,625	19,301	2,446	19,156
ESTILL CO SCH DIST	6,270,971	01/2004	08/2016	1,642,870	806,908	44,216	835,962	15,047
ESTILL CO SCH DIST	6,434,535	09/2010	09/2027	5,151,473	20,000	367,500	20,000	367,500
ESTILL CO SCH DIST	475,207	02/2012	06/2024	462,427	4,910	9,597	7,608	9,499
ESTILL CO SCH DIST	4,019,849	02/2015	09/2030	4,019,849	17,343	112,236	20,463	110,425
FAIRVIEW IND SCH DIST	15,001	09/1996	09/2016	5,942	2,033	283	3,909	112
FAIRVIEW IND SCH DIST	1,467,012	08/2005	08/2015	26,633	26,633	493	0	0
FAIRVIEW IND SCH DIST	56,421	07/2006	08/2026	42,091	88	1,808	4,651	1,706
FAIRVIEW IND SCH DIST	1,392,645	02/2008	11/2019	716,652	138,053	21,471	135,787	17,228
FAIRVIEW IND SCH DIST	1,303,767	10/2012	12/2032	1,287,027	5,112	29,409	4,601	29,367
FAIRVIEW IND SCH DIST	1,269,490	10/2014	08/2025	1,259,759	12,357	24,745	43,244	24,467
FAIRVIEW IND SCH DIST	8,796,903	01/2015	02/2035	8,796,903	168,861	248,734	338,707	245,671
FAYETTE CO SCH DIST	24,750,489	09/2005	09/2019	17,092,604	1,388,914	655,926	1,440,198	599,344
FAYETTE CO SCH DIST	31,651,620	05/2007	05/2027	31,454,776	27,766	1,390,387	28,261	1,389,172
FAYETTE CO SCH DIST	8,421,661	07/2009	08/2018	3,978,159	948,666	108,739	976,798	79,857
FAYETTE CO SCH DIST	43,663,390	06/2011	06/2031	37,325,061	1,711,725	1,541,916	1,778,394	1,473,447
FAYETTE CO SCH DIST	35,822,643	06/2012	04/2025	35,564,196	1,212,288	1,422,568	1,060,979	1,374,076
FAYETTE CO SCH DIST	46,807,918	07/2013	10/2033	46,657,309	53,594	2,330,733	25,686	2,329,415
FAYETTE CO SCH DIST	28,010,558	03/2014	06/2029	26,486,858	1,391,324	1,183,913	1,460,890	1,114,346
FLEMING CO SCH DIST	1,572,799	02/2008	12/2019	827,982	155,279	23,956	163,460	19,093
FLEMING CO SCH DIST	1,059,982	07/2008	08/2028	1,018,591	3,146	41,189	2,939	41,066
FLEMING CO SCH DIST	9,029,291	10/2011	10/2030	5,942,709	369,402	554,187	369,457	554,187
FLEMING CO SCH DIST	2,224,720	02/2012	10/2024	2,116,213	122,656	41,670	121,863	39,839
FLEMING CO SCH DIST	3,623,753	03/2013	03/2033	3,557,439	35,887	92,368	35,574	92,081
FLOYD CO SCH DIST	2,838,982	02/2005	05/2016	298,783	298,783	11,951	0	0
FLOYD CO SCH DIST	2,017,028	10/2005	04/2017	455,493	222,301	18,220	233,192	9,328
FLOYD CO SCH DIST	3,485,293	03/2006	03/2016	174,373	174,373	6,888	0	0
FLOYD CO SCH DIST	748,537	04/2008	04/2028	682,611	38,970	24,618	42,017	23,371
FLOYD CO SCH DIST	2,107,885	10/2010	04/2022	1,504,982	205,874	41,482	209,368	36,850
FLOYD CO SCH DIST	1,658,205	04/2012	12/2024	1,601,540	16,308	33,729	143,562	32,650
FLOYD CO SCH DIST	2,020,718	12/2014	03/2026	2,016,805	6,433	46,248	187,538	46,120
FRANKFORT IND SCH DIST	2,186,350	07/2006	08/2019	213,238	39,202	8,018	37,537	6,484
FRANKFORT IND SCH DIST	296,061	05/2014	05/2034	294,061	2,720	9,965	1,913	9,932

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
217,963	20,067	229,719	12,734	263,061	4,472	0	0
5,395	2,364	4,507	2,202	3,591	2,067	47,023	10,294
23,723	2,277	37,630	865	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
157,167	350,163	153,038	350,163	145,869	350,163	2,493,979	2,976,381
462,745	77,582	457,087	69,541	506,297	59,590	2,134,596	112,134
5,529	1,823	3,654	1,653	1,431	1,557	38,435	6,020
140,424	8,078	169,444	2,881	0	0	0	0
144,276	20,593	123,554	17,914	187,817	14,801	619,706	21,228
1,426	65,343	4,638	65,282	117,811	64,058	2,359,730	487,429
10,000	3,080	10,000	2,640	10,000	2,200	40,000	4,400
82,239	10,883	80,805	7,847	84,297	4,730	80,214	1,564
227,914	187,417	235,505	182,858	242,996	178,148	6,010,112	1,572,109
29,617	125,399	291,802	124,214	303,874	112,542	2,509,682	418,230
507,387	17,759	0	0	0	0	0	0
36,586	112,941	165,017	109,331	178,345	103,061	2,379,148	521,840
1,423	99	1,520	52	0	0	0	0
16,651	799	16,906	275	0	0	0	0
5,232	19,119	142,986	19,041	155,705	16,896	653,546	37,911
0	0	0	0	0	0	0	0
225,907	367,500	567,561	367,500	565,842	367,500	3,752,163	2,756,250
5,259	9,347	77,865	9,242	75,422	7,684	291,363	15,386
34,058	109,879	32,625	109,213	41,163	108,475	3,874,197	914,620
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
4,196	1,516	3,722	1,346	3,226	1,196	26,208	5,084
145,266	12,658	152,567	7,668	144,979	2,537	0	0
4,086	29,330	3,395	29,289	2,527	29,248	1,267,306	251,942
42,874	24,036	42,502	23,609	57,125	23,111	1,061,657	70,053
348,481	238,897	353,251	231,927	358,015	224,862	7,229,588	1,956,709
4,826,327	474,013	4,752,299	282,441	4,684,866	93,697	0	0
23,342	1,387,935	22,988	1,386,914	22,181	1,385,908	31,330,238	8,076,325
1,004,840	49,630	1,047,855	17,028	0	0	0	0
1,854,530	1,402,312	1,925,111	1,328,131	2,005,115	1,251,126	28,050,187	7,675,835
1,148,818	1,331,637	1,145,771	1,285,684	1,066,802	1,239,854	29,929,538	3,685,137
151,795	2,325,107	152,272	2,317,505	152,516	2,309,885	46,121,446	17,579,409
1,530,184	1,041,302	1,604,194	964,793	1,682,903	884,583	18,817,363	3,925,578
161,320	13,978	168,789	8,654	179,134	2,956	0	0
7,520	40,854	11,828	40,462	10,846	40,003	982,312	206,968
372,144	554,187	372,143	554,187	372,144	554,187	4,087,421	5,818,964
125,790	37,362	124,694	34,857	118,577	32,424	1,502,633	82,237
40,259	91,797	39,941	91,475	39,380	90,915	3,366,398	816,642
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
44,938	21,985	47,727	20,457	45,373	18,786	463,586	81,611
216,977	31,616	213,645	25,649	215,082	19,774	444,036	20,028
151,091	30,661	148,431	28,157	155,622	25,116	986,526	66,767
185,238	42,369	187,566	38,664	194,518	34,913	1,255,512	118,157
40,758	4,877	48,860	2,995	46,881	985	0	0
1,096	9,909	269	9,896	4,432	9,893	283,631	108,094

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
FRANKFORT IND SCH DIST	1,827,643	09/2014	08/2026	1,817,174	17,998	40,367	17,927	40,188
FRANKLIN CO SCH DIST	2,527,629	07/2005	05/2017	665,134	327,746	24,364	337,388	12,483
FRANKLIN CO SCH DIST	10,666,115	05/2007	05/2027	9,623,794	149,835	424,075	163,828	418,082
FRANKLIN CO SCH DIST	1,654,542	02/2008	07/2020	1,034,070	146,592	30,183	151,489	25,786
FRANKLIN CO SCH DIST	8,201,749	06/2012	06/2032	8,178,754	3,121	326,811	3,545	326,718
FRANKLIN CO SCH DIST	5,011,848	08/2012	05/2023	4,255,084	356,390	87,229	359,984	79,923
FRANKLIN CO SCH DIST	10,316,492	10/2012	04/2024	9,232,228	951,056	213,580	961,240	194,559
FRANKLIN CO SCH DIST	3,753,999	02/2013	04/2025	3,735,816	3,092	111,866	5,053	111,805
FT. THOMAS IND SCH DIST	9,338,720	04/2006	04/2016	196,233	196,233	8,340	0	0
FT. THOMAS IND SCH DIST	46,252	07/2006	06/2026	21,821	2,296	899	240	809
FT. THOMAS IND SCH DIST	355,000	01/2008	02/2028	292,785	11,011	11,755	14,122	11,370
FT. THOMAS IND SCH DIST	8,658,121	05/2009	04/2020	4,213,576	793,860	132,159	816,183	108,343
FT. THOMAS IND SCH DIST	2,754,764	07/2012	08/2032	2,697,752	39,153	74,897	32,576	74,359
FT. THOMAS IND SCH DIST	1,921,568	05/2013	05/2033	1,890,870	7,181	56,769	11,026	56,626
FT. THOMAS IND SCH DIST	3,230,554	08/2014	08/2029	3,227,634	160,445	86,509	168,181	83,223
FT. THOMAS IND SCH DIST	7,837,384	03/2015	04/2026	7,837,384	62,131	211,054	259,321	211,667
FT. THOMAS IND SCH DIST	3,637,042	03/2015	03/2035	3,637,042	110,444	93,592	117,246	101,782
FULTON CO SCH DIST	1,370,002	09/2002	06/2018	380,000	125,000	14,250	125,000	9,563
FULTON CO SCH DIST	365,278	02/2008	02/2028	312,509	3,754	11,719	431	11,578
FULTON CO SCH DIST	16,239	12/2009	12/2016	433	424	6	9	0
FULTON IND SCH DIST	831,264	05/2009	05/2029	731,725	23,986	29,771	23,951	28,932
GALLATIN CO SCH DIST	2,570,896	07/2003	12/2015	315,000	315,000	5,709	0	0
GALLATIN CO SCH DIST	878,550	04/2008	12/2017	753,002	12,577	24,449	366,227	18,300
GALLATIN CO SCH DIST	686,929	09/2008	08/2019	657,700	4,308	24,376	6,059	24,210
GALLATIN CO SCH DIST	3,600,829	12/2012	12/2032	3,508,787	45,620	78,811	45,346	78,174
GALLATIN CO SCH DIST	9,282	11/2013	06/2024	4,624	2,481	106	0	49
GALLATIN CO SCH DIST	6,024,892	04/2014	05/2030	5,810,693	208,896	150,380	213,608	148,082
GALLATIN CO SCH DIST	6,858,580	03/2015	05/2026	6,854,366	333,197	185,077	318,862	178,414
GARRARD CO SCH DIST	3,100,827	06/2003	06/2016	465,000	465,000	15,345	0	0
GARRARD CO SCH DIST	216,979	11/2005	11/2025	137,926	8,071	5,413	11,817	5,028
GARRARD CO SCH DIST	9,499,417	01/2008	12/2019	1,154,915	123,596	39,722	242,834	33,309
GARRARD CO SCH DIST	4,024,100	02/2009	02/2029	3,615,494	73,098	142,588	77,740	140,395
GARRARD CO SCH DIST	3,101,739	08/2010	04/2021	2,890,249	154,825	78,621	517,854	75,524
GARRARD CO SCH DIST	266,975	04/2015	12/2027	8,976,844	141,507	192,780	146,436	189,901
GLASGOW IND SCH DIST	13,423,998	04/2011	04/2031	12,660,980	407,174	547,150	425,228	536,970
GRANT CO SCH DIST	8,042,825	04/2005	03/2017	2,137,820	1,047,461	85,513	1,090,359	43,614
GRANT CO SCH DIST	20,854	04/2005	07/2016	5,504	2,836	157	2,668	52
GRANT CO SCH DIST	1,072,829	10/2006	06/2020	997,458	11,257	38,891	12,167	38,469
GRANT CO SCH DIST	1,995,742	10/2010	08/2022	1,818,814	57,775	53,553	58,173	52,248
GRANT CO SCH DIST	5,976,433	04/2015	08/2030	5,976,433	150,053	130,960	128,260	165,016
GRAVES CO SCH DIST	1,856,138	03/2006	03/2016	85,884	85,884	3,264	0	0
GRAVES CO SCH DIST	10,137,714	09/2011	06/2023	8,841,905	1,033,744	224,266	1,052,119	203,591
GRAVES CO SCH DIST	3,053,242	07/2013	06/2029	3,043,565	189,145	75,197	183,604	72,927
GRAVES CO SCH DIST	5,765,797	12/2014	02/2035	5,765,797	58,633	193,227	107,246	173,754
GRAVES CO SCH DIST	1,140,926	02/2015	03/2026	1,140,926	12,447	22,692	106,938	22,570
GRAYSON CO SCH DIST	7,475,713	04/2009	05/2029	7,420,630	21,908	316,291	19,184	315,414
GRAYSON CO SCH DIST	4,198,478	10/2013	10/2033	4,192,253	1,161	158,507	1,149	158,484
GREEN CO SCH DIST	3,162,081	09/2007	08/2019	35,051	3,747	1,452	8,548	1,183
GREEN CO SCH DIST	1,355,176	08/2009	08/2029	1,344,414	1,371	56,266	1,090	56,227
GREEN CO SCH DIST	3,499,739	08/2010	04/2021	2,350,773	368,498	65,780	374,531	56,567
GREEN CO SCH DIST	3,089,283	03/2015	08/2027	3,089,283	23,630	55,477	22,253	64,400
GREENUP CO SCH DIST	4,158,977	03/2007	03/2027	4,043,295	16,888	151,624	14,896	150,990

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
22,856	39,984	22,784	39,755	22,712	39,528	1,712,897	152,415
0	0	0	0	0	0	0	0
147,781	411,529	151,691	405,618	160,559	399,550	8,850,100	2,351,522
176,379	20,730	181,262	15,007	186,140	9,129	192,208	3,075
4,047	326,611	4,623	326,490	5,092	326,351	8,158,326	3,318,302
368,549	72,544	377,084	64,988	380,589	57,258	2,412,488	124,063
981,589	175,334	1,006,992	155,702	1,022,439	135,562	4,308,912	323,952
2,454	111,704	404	111,654	4,397	111,646	3,720,416	520,811
0	0	0	0	0	0	0	0
3,050	800	772	678	3,343	646	12,120	1,938
12,166	10,876	14,997	10,419	12,747	9,857	227,742	44,748
839,520	83,858	869,688	58,672	894,325	30,407	0	0
25,696	73,922	38,776	73,438	31,427	72,912	2,530,124	680,757
14,845	56,405	8,643	56,108	12,415	55,935	1,836,760	541,323
170,769	79,834	173,209	76,394	180,499	72,857	2,374,531	423,216
272,107	206,481	269,850	201,039	277,546	195,642	6,696,429	692,901
121,492	99,437	125,721	97,007	124,936	94,493	3,037,203	909,754
130,000	4,875	0	0	0	0	0	0
21,922	11,562	23,227	10,740	24,332	9,869	238,843	42,402
0	0	0	0	0	0	0	0
23,914	28,093	23,876	27,256	23,837	26,421	612,161	142,633
0	0	0	0	0	0	0	0
374,198	6,174	0	0	0	0	0	0
2,515	24,069	318,629	18,210	326,189	6,198	0	0
45,069	77,542	34,789	76,983	34,504	76,497	3,303,459	754,969
967	49	184	27	0	23	992	91
218,318	145,733	223,023	143,331	227,728	140,878	4,719,120	1,010,691
339,340	172,036	339,626	165,249	359,717	158,457	5,163,624	631,026
0	0	0	0	0	0	0	0
10,462	4,582	14,053	4,092	12,584	3,559	80,939	10,151
252,032	24,523	261,178	15,155	275,275	5,161	0	0
77,373	138,063	76,993	135,742	81,604	133,432	3,228,686	998,520
530,895	63,873	549,507	50,600	557,313	34,115	579,855	17,396
146,364	186,973	146,291	184,046	151,216	181,071	8,245,030	818,236
442,037	519,961	453,719	502,280	475,267	484,131	10,457,555	3,281,986
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
312,869	38,012	323,375	26,123	337,790	13,512	0	0
88,698	50,374	94,168	47,860	90,000	45,215	1,430,000	67,038
131,103	162,423	138,902	159,723	146,659	156,867	5,281,456	1,256,179
0	0	0	0	0	0	0	0
1,075,461	182,549	1,078,771	161,039	1,111,831	136,767	3,489,979	215,660
182,877	70,724	202,236	68,529	193,665	63,979	2,092,038	336,257
120,870	172,681	149,478	171,473	163,073	169,978	5,166,497	1,611,686
101,077	20,431	105,198	18,409	109,301	16,305	705,965	49,878
21,351	314,647	18,405	313,793	20,341	313,057	7,319,441	1,935,977
1,051	158,461	173	158,447	3,584	158,405	4,185,135	1,548,450
7,669	828	11,191	415	3,896	85	0	0
800	56,196	500	56,176	192	56,165	1,340,461	441,875
385,225	46,268	400,661	35,674	405,970	24,656	415,888	12,477
20,783	63,970	19,284	63,569	17,754	63,199	2,985,579	293,943
17,830	150,432	40,686	149,763	43,462	148,237	3,909,533	672,544

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
GREENUP CO SCH DIST	1,978,548	03/2008	01/2018	1,155,990	369,998	39,151	383,699	27,126
GREENUP CO SCH DIST	589,486	06/2010	08/2030	508,504	22,110	18,886	20,980	18,326
GREENUP CO SCH DIST	4,273,034	08/2010	03/2021	3,033,952	270,295	72,120	274,597	66,714
GREENUP CO SCH DIST	1,845,938	11/2011	09/2023	1,666,126	86,505	39,097	85,759	37,633
GREENUP CO SCH DIST	339,424	08/2013	08/2033	306,508	27,598	8,732	32,273	8,178
HANCOCK CO SCH DIST	2,167,440	10/2007	10/2027	2,029,236	21,433	80,491	24,051	79,655
HANCOCK CO SCH DIST	444,763	12/2009	12/2018	212,750	50,662	5,688	51,310	4,234
HANCOCK CO SCH DIST	1,487,611	02/2010	02/2030	1,274,303	45,843	64,810	45,313	63,091
HANCOCK CO SCH DIST	3,101,975	01/2012	06/2024	2,710,640	188,829	57,195	195,706	53,418
HARDIN CO SCH DIST	1,677,886	02/2005	07/2016	401,717	197,713	11,107	204,004	3,774
HARDIN CO SCH DIST	12,477,679	05/2006	05/2018	1,848,513	591,071	75,992	617,914	52,349
HARDIN CO SCH DIST	15,903,283	06/2007	06/2018	2,262,731	725,398	90,509	752,614	61,493
HARDIN CO SCH DIST	28,364,249	07/2008	08/2028	26,251,268	399,683	1,183,574	416,201	1,167,256
HARDIN CO SCH DIST	1,685,327	02/2011	02/2031	1,428,229	66,904	58,316	70,075	56,844
HARDIN CO SCH DIST	12,433,491	07/2012	06/2024	12,023,664	441,491	286,150	452,322	277,321
HARDIN CO SCH DIST	6,392,384	11/2014	05/2026	6,388,007	40,229	183,935	45,034	183,130
HARDIN CO SCH DIST	8,702,419	03/2015	06/2027	8,988,824	56,610	280,229	56,442	279,096
HARDIN CO SCH DIST	9,013,441	03/2015	02/2020	9,013,441	1,587,902	283,594	1,583,241	297,022
HARLAN CO SCH DIST	835,553	02/2009	02/2029	638,386	33,670	23,690	38,030	22,680
HARLAN CO SCH DIST	2,345,969	08/2010	08/2030	2,226,533	24,806	117,727	36,040	116,745
HARLAN CO SCH DIST	13,925,030	02/2015	08/2026	13,925,030	616,522	299,391	610,273	310,684
HARLAN IND SCH DIST	9,625	07/2006	08/2026	5,584	298	235	50	228
HARLAN IND SCH DIST	1,043,884	02/2009	09/2019	660,681	127,119	17,802	125,349	14,333
HARRISON CO SCH DIST	4,508,245	05/2008	05/2028	3,979,918	161,798	149,354	235,137	143,772
HARRISON CO SCH DIST	2,841,918	06/2008	06/2019	1,047,511	376,910	35,631	278,088	23,193
HARRISON CO SCH DIST	607,792	04/2012	08/2023	556,149	59,513	10,460	62,307	9,540
HART CO SCH DIST	1,904,341	02/2006	02/2017	11,332	5,849	453	5,483	219
HART CO SCH DIST	1,215,400	07/2006	08/2016	32,587	14,136	1,081	18,451	392
HART CO SCH DIST	1,746,142	06/2008	06/2019	1,007,955	240,477	33,242	249,327	25,727
HART CO SCH DIST	2,532,511	11/2011	05/2023	2,463,254	64,617	57,888	64,299	57,080
HART CO SCH DIST	3,116,276	03/2013	02/2027	3,070,720	23,354	65,231	22,575	65,032
HAZARD IND SCH DIST	2,391,383	08/2012	08/2032	2,388,730	5,224	62,034	4,350	61,986
HAZARD IND SCH DIST	1,172,168	09/2014	09/2034	1,172,168	1,884	34,804	1,652	34,786
HENDERSON CO SCH DIST	3,968,689	03/2009	06/2019	1,648,333	438,255	58,302	451,156	43,402
HENDERSON CO SCH DIST	2,023,270	03/2011	02/2021	1,345,794	198,978	34,948	205,758	30,968
HENDERSON CO SCH DIST	854,701	12/2012	02/2024	732,704	76,346	11,695	74,150	11,160
HENDERSON CO SCH DIST	6,167,266	11/2014	12/2030	6,163,730	55,658	149,498	61,210	148,972
HENRY CO SCH DIST	722,948	07/2005	05/2017	524,560	256,719	19,543	267,841	10,044
HENRY CO SCH DIST	745,721	11/2006	06/2020	685,313	2,085	26,260	3,462	26,182
HENRY CO SCH DIST	13,939,445	10/2007	10/2027	12,075,168	529,719	505,598	552,258	483,959
HENRY CO SCH DIST	2,042,471	06/2011	07/2031	2,029,306	392	82,132	4,034	82,077
HENRY CO SCH DIST	160,856	02/2012	05/2024	152,861	6,403	3,108	671	3,028
HENRY CO SCH DIST	3,608,580	07/2014	04/2030	3,526,712	51,007	115,946	50,577	115,384
HICKMAN CO SCH DIST	1,633,789	04/2008	10/2017	582,509	188,122	15,248	194,029	9,419
HICKMAN CO SCH DIST	1,098,501	10/2008	10/2028	1,038,138	16,552	47,966	21,189	47,174
HICKMAN CO SCH DIST	249,292	10/2011	10/2031	248,514	85	9,759	972	9,747
HICKMAN CO SCH DIST	26,373	02/2012	06/2023	21,936	2,685	440	8,739	386
HICKMAN CO(KISTA) SCH DIS	319,436	08/2012	08/2032	305,351	9,560	9,064	450	8,964
HOPKINS CO SCH DIST	666,502	03/2008	06/2017	147,310	73,045	4,678	74,265	2,414
HOPKINS CO SCH DIST	5,759,684	04/2011	04/2031	5,610,994	85,647	219,289	100,287	217,148
JACKSON CO SCH DIST	2,021,646	12/2005	12/2015	80,287	80,287	1,485	0	0
JACKSON CO SCH DIST	10,228,883	06/2011	06/2027	5,637,738	469,812	0	469,813	0

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
402,293	14,080	0	0	0	0	0	0
19,729	17,758	8,350	17,336	6,783	17,089	430,552	116,733
282,573	61,222	712,660	55,217	737,142	38,292	756,685	19,863
89,865	35,877	103,953	33,939	97,987	31,846	1,202,057	73,156
26,942	7,631	26,604	7,135	31,151	6,422	161,940	43,932
26,531	78,706	23,896	77,755	16,142	76,994	1,917,183	453,760
54,367	2,649	56,411	917	0	0	0	0
44,688	61,165	44,037	59,266	43,318	57,284	1,051,104	390,617
192,422	49,504	198,970	45,655	370,349	41,676	1,564,364	88,971
0	0	0	0	0	0	0	0
639,528	26,860	0	0	0	0	0	0
784,719	31,389	0	0	0	0	0	0
412,517	1,150,424	428,622	1,133,075	449,563	1,114,963	24,144,682	7,475,458
67,911	55,057	70,429	53,122	72,561	50,868	1,080,349	323,741
458,069	268,274	463,730	259,113	1,999,304	249,838	8,208,748	466,265
44,834	182,229	715,569	181,333	732,586	159,866	4,809,755	559,256
61,271	277,967	877,804	276,742	891,060	259,186	7,045,637	996,285
1,872,986	233,692	1,947,505	158,772	2,021,807	80,872	0	0
37,371	21,539	41,613	20,287	40,830	18,893	446,872	92,829
29,795	115,461	28,375	114,327	10,383	113,571	2,097,134	1,002,378
624,732	298,334	642,986	285,657	1,264,936	266,578	10,165,581	1,032,763
663	213	109	196	379	186	4,085	724
133,457	10,451	136,289	6,371	138,467	2,146	0	0
248,391	135,542	276,533	126,600	289,581	116,506	2,768,478	502,792
277,513	13,738	115,000	4,025	0	0	0	0
59,326	8,324	61,281	7,117	63,176	5,873	250,546	10,626
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
252,668	17,624	265,483	9,159	0	0	0	0
63,850	55,955	68,392	54,838	67,760	53,213	2,134,336	105,040
39,391	64,840	39,924	64,506	44,323	63,707	2,901,153	327,487
3,299	61,943	2,095	61,910	2,538	61,878	2,371,224	541,366
56,417	34,496	56,180	33,933	45,941	33,422	1,010,094	322,652
468,922	27,611	290,000	10,730	0	0	0	0
217,062	26,339	227,864	20,912	238,131	14,646	258,001	7,740
77,139	10,641	80,414	10,101	77,222	8,493	347,433	17,478
51,568	148,464	221,605	147,235	431,619	144,295	5,342,070	882,022
0	0	0	0	0	0	0	0
232,766	26,053	225,579	17,207	221,421	8,635	0	0
624,698	460,420	662,032	434,685	699,212	407,023	9,007,249	1,699,896
2,490	81,996	826	81,953	4,036	81,886	2,017,528	894,802
4,855	3,019	9,027	2,952	7,885	2,783	124,020	6,763
50,144	114,828	54,706	114,277	49,263	113,675	3,271,015	1,030,372
200,358	3,206	0	0	0	0	0	0
30,811	46,082	70,418	43,956	69,986	40,867	829,182	191,055
835	9,727	10,671	9,557	13,479	9,195	222,472	59,642
0	212	1,979	212	3,118	172	5,415	158
49	8,959	14,217	8,816	14,093	8,515	266,982	60,253
0	0	0	0	0	0	0	0
94,169	214,641	107,427	211,816	385,063	208,593	4,838,401	974,606
0	0	0	0	0	0	0	0
469,812	0	469,811	0	469,811	0	3,288,681	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
JACKSON CO SCH DIST	2,878,633	01/2013	12/2025	2,787,480	127,139	49,529	211,004	47,839
JACKSON CO SCH DIST	1,768,528	10/2014	11/2029	1,768,028	32,434	41,822	28,188	41,443
JACKSON IND SCH DIST	845,433	10/2004	07/2015	91,579	91,579	1,717	0	0
JACKSON IND SCH DIST	675,102	03/2007	08/2025	607,377	11,621	23,473	51,295	22,278
JEFFERSON CO SCH DIST	20,754,866	06/2005	06/2016	50,382	50,382	2,015	0	0
JEFFERSON CO SCH DIST	27,260,686	07/2006	07/2016	2,428,357	1,197,622	76,392	1,230,735	25,845
JEFFERSON CO SCH DIST	7,942,649	02/2009	02/2018	2,846,529	922,112	85,396	945,525	57,733
JEFFERSON CO SCH DIST	30,030,789	08/2009	02/2019	12,650,869	3,053,469	459,906	3,118,723	368,302
JEFFERSON CO SCH DIST	3,501,327	03/2012	01/2024	3,171,204	330,390	70,585	334,898	63,977
JEFFERSON CO SCH DIST	22,606,599	01/2013	06/2025	21,962,101	261,012	470,307	365,530	465,087
JEFFERSON CO SCH DIST	25,889,285	01/2013	07/2026	25,263,080	297,357	637,534	304,172	631,519
JEFFERSON CO SCH DIST	33,725,350	05/2014	05/2034	33,719,968	10,417	1,399,454	1,707	1,399,193
JEFFERSON CO SCH DIST	13,338,861	09/2014	10/2020	13,338,861	1,631,819	555,128	1,717,749	479,548
JENKINS IND SCH DIST	1,572,416	11/2007	11/2027	1,330,334	81,411	50,382	85,906	47,327
JESSAMINE CO SCH DIST	4,116,903	07/2009	08/2020	2,318,383	368,535	70,629	369,402	59,744
JESSAMINE CO SCH DIST	14,488,444	02/2012	03/2032	14,287,298	61,094	469,040	65,416	467,818
JESSAMINE CO SCH DIST	6,186,171	02/2014	08/2029	6,138,667	46,823	196,246	45,158	195,326
JESSAMINE CO SCH DIST	7,309,224	09/2014	09/2034	7,309,224	29,678	243,193	33,762	242,559
JESSAMINE CO SCH DIST	14,601,648	12/2014	02/2025	13,108,583	1,358,583	542,407	1,405,000	501,650
JOHNSON CO SCH DIST	1,272,794	11/2005	11/2015	12,920	12,920	242	0	0
JOHNSON CO SCH DIST	741,339	04/2007	04/2027	604,569	18,627	24,120	23,190	23,403
JOHNSON CO SCH DIST	3,124,781	04/2009	02/2019	1,519,244	360,230	51,131	390,755	39,424
JOHNSON CO SCH DIST	321,007	12/2010	12/2030	305,373	7,121	11,517	574	11,439
JOHNSON CO SCH DIST	1,334,808	03/2012	06/2024	1,209,418	23,743	25,977	28,415	25,728
JOHNSON CO SCH DIST	1,282,344	05/2013	11/2025	1,241,004	18,190	17,957	30,568	17,786
JOHNSON CO SCH DIST	1,925,033	12/2013	12/2033	1,920,478	4,377	67,926	4,126	67,897
KENTON CO SCH DIST	6,676,479	04/2006	04/2016	258,062	258,062	10,322	0	0
KENTON CO SCH DIST	6,654,915	10/2006	10/2017	453,401	147,468	15,187	149,507	9,247
KENTON CO SCH DIST	27,529,545	02/2009	02/2029	24,606,493	539,386	1,134,644	559,700	1,117,114
KENTON CO SCH DIST	19,835,368	08/2010	04/2022	13,651,580	1,843,206	317,882	1,868,170	281,018
KENTON CO SCH DIST	35,414,158	02/2012	06/2024	28,984,111	1,982,216	724,603	2,032,396	675,047
KENTON CO SCH DIST	8,101,041	05/2013	05/2033	7,682,293	176,604	207,500	173,336	203,968
KENTON CO SCH DIST	12,227,370	03/2015	10/2026	12,227,370	76,752	337,421	504,601	331,729
KENTON CO SCH DIST	16,352,476	05/2015	05/2035	16,352,476	577,051	490,526	573,257	512,987
KNOTT CO SCH DIST	354,300	09/2014	09/2023	351,996	40,570	6,634	39,976	5,829
KNOX CO SCH DIST	5,397,253	06/2005	10/2017	1,882,623	602,331	58,070	632,610	35,833
KNOX CO SCH DIST	3,635,337	09/2007	09/2027	2,977,139	109,910	122,548	106,437	118,221
KNOX CO SCH DIST	979,250	01/2008	02/2028	917,703	9,493	33,955	13,739	33,604
KNOX CO SCH DIST	1,299,991	03/2009	02/2019	469,173	80,938	17,109	43,235	14,276
KNOX CO SCH DIST	11,083,090	02/2012	12/2025	10,181,890	332,644	235,056	379,214	227,937
LARUE CO SCH DIST	1,806,290	07/2006	07/2019	242,430	44,406	9,451	46,794	7,513
LARUE CO SCH DIST	568,416	12/2007	08/2017	368,499	120,168	11,168	123,000	6,851
LARUE CO SCH DIST	1,060,710	12/2008	12/2028	958,969	15,845	45,889	15,452	45,232
LARUE CO SCH DIST	2,054,191	06/2009	10/2017	1,025,000	335,000	24,715	340,000	15,430
LARUE CO SCH DIST	5,716,147	07/2010	08/2026	5,397,724	93,403	167,225	109,725	164,940
LARUE CO SCH DIST	1,104,022	02/2013	08/2026	1,092,333	4,820	25,210	8,302	25,079
LAUREL CO SCH DIST	7,610,646	10/2005	04/2020	4,017,856	1,307,401	153,378	1,365,455	105,005
LAUREL CO SCH DIST	2,841,231	05/2009	04/2019	2,513,473	36,567	78,848	32,864	77,751
LAUREL CO SCH DIST	6,176,714	09/2010	09/2030	5,604,635	146,616	248,439	149,366	245,254
LAUREL CO SCH DIST	8,938,170	11/2011	06/2024	8,102,064	214,032	206,545	218,313	202,264
LAUREL CO SCH DIST	7,246,636	11/2012	11/2032	6,874,016	189,395	168,330	192,970	164,507
LAUREL CO SCH DIST	11,811,856	03/2015	08/2026	11,811,856	169,867	391,346	102,367	451,721

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
220,311	45,682	219,255	42,388	227,826	37,917	1,781,945	101,708
23,888	41,118	29,536	40,784	35,126	40,380	1,618,856	264,359
0	0	0	0	0	0	0	0
50,958	20,335	55,605	18,290	55,234	16,142	382,664	48,023
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
978,892	29,367	0	0	0	0	0	0
3,197,979	259,147	3,280,698	131,228	0	0	0	0
338,795	57,279	347,071	50,503	354,713	43,562	1,465,337	92,034
375,040	457,776	374,541	450,276	3,254,031	442,785	17,331,947	1,183,897
1,581,014	612,667	1,538,964	581,467	1,696,569	549,112	19,845,004	2,423,407
4,815	1,399,142	4,515	1,398,974	235,400	1,398,793	33,463,114	14,950,292
2,728,275	368,397	3,067,576	223,501	2,095,345	125,858	2,098,097	52,452
85,371	44,137	89,808	40,830	94,219	37,333	893,619	148,408
380,325	48,118	390,710	35,586	404,411	22,062	405,000	7,493
59,724	466,510	78,842	465,017	42,758	462,652	13,979,464	4,535,160
49,042	194,384	47,370	193,183	55,310	191,643	5,894,964	1,222,949
27,828	241,943	31,875	241,346	25,841	240,736	7,160,240	2,664,311
1,435,000	473,550	1,485,000	430,500	2,220,000	356,250	5,205,000	558,850
0	0	0	0	0	0	0	0
47,736	22,510	52,244	20,600	51,734	18,511	411,038	66,882
645,546	26,236	122,713	4,448	0	0	0	0
3,816	11,384	21,828	11,009	9,601	10,538	262,433	69,030
103,083	25,429	167,445	23,368	171,793	20,019	714,939	42,583
55,361	17,485	75,154	17,028	139,838	15,787	921,893	48,753
3,783	67,859	13,310	67,739	12,688	67,522	1,882,194	590,480
0	0	0	0	0	0	0	0
156,426	3,129	0	0	0	0	0	0
580,149	1,097,524	605,363	1,075,769	628,712	1,050,041	21,693,183	6,768,645
1,908,132	241,787	1,948,089	198,854	1,983,044	152,100	4,100,939	154,472
3,392,206	624,237	3,456,635	539,432	3,530,676	453,016	14,589,982	922,913
190,003	200,502	186,603	196,702	213,135	192,969	6,742,612	1,587,188
437,067	322,312	598,528	311,956	609,256	299,879	10,001,166	1,214,851
592,154	495,789	616,019	478,025	634,850	459,544	13,359,145	3,991,156
44,369	4,985	43,750	4,104	38,120	3,285	145,211	5,521
647,682	12,144	0	0	0	0	0	0
112,415	113,844	87,819	109,839	87,628	106,330	2,472,930	581,699
12,773	33,095	6,585	32,623	10,169	32,379	864,944	229,990
45,000	12,720	300,000	11,100	0	0	0	0
390,591	220,239	836,835	207,965	1,177,883	187,818	7,064,723	532,064
48,418	5,490	49,125	3,405	53,687	1,174	0	0
125,331	2,319	0	0	0	0	0	0
15,043	44,591	14,616	43,968	14,137	43,322	883,876	316,506
350,000	5,250	0	0	0	0	0	0
65,922	162,948	576,724	154,692	597,025	138,986	3,954,925	468,841
6,753	24,928	5,171	24,809	3,559	24,722	1,063,728	107,028
45,000	53,800	40,000	52,000	1,260,000	50,400	0	0
444,051	76,765	1,999,991	63,000	0	0	0	0
151,609	241,377	153,359	236,877	159,641	231,747	4,844,044	1,826,561
222,579	197,898	226,831	193,446	826,030	188,683	6,394,279	472,948
196,514	160,612	200,029	156,647	198,515	152,661	5,896,593	1,359,599
70,002	449,136	72,566	446,997	75,055	444,783	11,321,999	2,156,732

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
LAWRENCE CO SCH DIST	3,277,054	03/2008	08/2020	2,505,933	386,799	77,470	399,198	64,304
LAWRENCE CO SCH DIST	1,400,176	01/2012	04/2023	1,332,408	157,639	24,899	156,778	22,534
LAWRENCE CO SCH DIST	1,526,566	09/2013	09/2033	1,520,505	4,931	55,327	8,711	55,245
LEE CO SCH DIST	1,580,944	04/2008	04/2028	1,321,371	63,021	48,316	72,632	46,267
LEE CO SCH DIST	652,039	08/2010	08/2030	637,906	7,547	24,887	6,863	24,671
LEE CO SCH DIST	1,758,187	01/2015	02/2035	1,758,187	2,496	62,055	5,984	58,279
LESLIE CO SCH DIST	2,084,860	07/2007	08/2027	1,699,647	101,648	66,522	107,181	62,450
LESLIE CO SCH DIST	958,622	08/2009	08/2029	810,875	39,868	30,754	39,580	29,642
LESLIE CO SCH DIST	2,464,031	12/2011	12/2030	2,079,985	127,863	201,800	127,909	201,800
LESLIE CO SCH DIST	1,577,128	12/2012	12/2032	1,478,939	53,923	34,101	53,797	33,495
LETCHER CO SCH DIST	13,805,374	02/2012	06/2029	12,345,559	757,560	377,792	788,244	355,065
LETCHER CO SCH DIST	1,241,235	08/2012	08/2032	1,232,480	3,315	38,327	1,440	38,279
LETCHER CO SCH DIST	302,625	02/2015	08/2030	302,625	15,007	3,249	10,608	6,788
LETCHER CO SCH DIST	609,635	02/2015	06/2025	606,053	43,211	14,410	47,277	13,546
LEWIS CO SCH DIST	957,726	08/2005	08/2015	8,690	8,690	161	0	0
LEWIS CO SCH DIST	658,805	10/2006	10/2026	583,020	13,290	23,474	11,849	22,990
LEWIS CO SCH DIST	2,127,893	02/2008	12/2019	1,112,980	207,488	32,800	212,133	25,981
LEWIS CO SCH DIST	629,496	05/2008	12/2016	89,902	86,123	1,546	3,779	62
LEWIS CO SCH DIST	2,137,619	09/2008	09/2028	1,882,199	46,542	83,494	45,646	81,765
LEWIS CO SCH DIST	1,667,729	03/2012	08/2023	1,479,943	137,455	25,141	167,039	23,466
LEWIS CO SCH DIST	848,736	02/2015	08/2025	848,736	4,158	16,242	76,957	16,871
LINCOLN CO SCH DIST	3,449,673	03/2004	12/2015	616,254	616,254	10,784	0	0
LINCOLN CO SCH DIST	5,464,622	08/2005	08/2016	133,528	18,309	4,966	115,219	2,304
LINCOLN CO SCH DIST	1,275,810	03/2009	12/2020	892,827	70,156	25,212	190,082	21,639
LINCOLN CO SCH DIST	4,782,933	09/2010	09/2030	4,600,686	42,781	211,418	45,339	210,423
LINCOLN CO SCH DIST	5,818,857	08/2012	08/2025	5,696,557	59,900	126,573	59,595	125,378
LIVINGSTON CO SCH DIST	975,419	03/2009	06/2019	495,000	115,000	14,850	125,000	11,400
LIVINGSTON CO SCH DIST	2,371,691	02/2012	06/2023	2,322,093	227,883	48,943	230,241	44,386
LIVINGSTON CO SCH DIST	596,714	12/2012	12/2032	536,470	30,122	0	30,122	0
LIVINGSTON CO SCH DIST	969,672	09/2014	09/2034	969,672	1,245	9,691	956	9,680
LOGAN CO SCH DIST	2,526,016	01/2006	01/2016	17,195	17,195	636	0	0
LOGAN CO SCH DIST	2,075,364	03/2008	10/2017	742,256	239,297	19,556	247,961	12,003
LOGAN CO SCH DIST	2,184,542	10/2009	12/2020	1,874,893	154,670	55,318	158,265	51,010
LOGAN CO SCH DIST	1,598,527	01/2012	05/2024	1,516,535	159,441	28,729	163,909	26,337
LOGAN CO SCH DIST	2,677,895	02/2013	01/2026	2,623,562	22,345	62,213	44,041	61,990
LUDLOW IND SCH DIST	728,534	05/2006	05/2026	551,049	38,127	23,074	37,452	21,549
LUDLOW IND SCH DIST	2,117,798	02/2014	02/2034	2,116,728	849	74,480	459	74,471
LYON CO SCH DIST	4,450,579	02/2012	02/2032	4,322,707	211,485	108,444	215,615	104,214
LYON CO SCH DIST	532,091	06/2013	06/2033	489,889	18,629	14,946	23,521	14,629
MADISON CO SCH DIST	2,662,539	10/2004	08/2016	769,543	342,258	22,013	427,285	7,905
MADISON CO SCH DIST	4,082,538	05/2006	05/2026	2,634,405	194,434	107,792	201,012	100,014
MADISON CO SCH DIST	826,010	10/2006	10/2026	746,875	18,722	28,579	20,904	27,811
MADISON CO SCH DIST	7,430,875	11/2008	11/2022	5,028,156	443,382	203,001	452,952	186,749
MADISON CO SCH DIST	9,874,451	01/2009	11/2028	9,874,451	0	444,322	0	444,322
MADISON CO SCH DIST	2,361,428	05/2009	12/2018	843,286	313,286	19,973	175,000	13,275
MADISON CO SCH DIST	9,379,080	09/2010	02/2021	5,905,291	892,321	132,017	960,068	114,170
MADISON CO SCH DIST	5,384,901	08/2014	08/2034	5,384,901	119,987	167,295	120,947	164,886
MAGOFFIN CO SCH DIST	5,739,756	08/2006	08/2021	1,642,736	83,104	65,560	83,334	62,231
MAGOFFIN CO SCH DIST	3,737,278	02/2007	06/2020	2,059,237	376,368	79,513	394,104	65,211
MAGOFFIN CO SCH DIST	2,403,632	04/2009	04/2029	2,141,694	44,120	87,099	48,959	85,886
MAGOFFIN CO SCH DIST	9,612,641	08/2014	08/2034	9,612,641	4,353	421,719	302,705	288,315
MAGOFFIN CO SCH DIST	3,336,775	02/2015	08/2026	3,336,775	3,657	76,478	2,632	78,408

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
410,975	50,734	422,136	36,779	438,685	22,361	448,140	7,506
160,905	20,182	164,871	17,367	163,668	14,069	528,547	21,966
15,931	55,097	9,071	54,947	11,956	54,737	1,469,905	476,539
72,199	43,725	76,751	41,198	81,287	38,512	955,481	176,244
6,158	24,476	432	24,377	4,683	24,300	612,223	190,220
10,504	58,159	10,014	57,949	9,514	57,749	1,719,675	675,354
111,801	58,124	116,094	53,566	120,562	48,833	1,142,361	195,332
39,263	28,459	43,914	27,124	43,530	25,637	604,720	140,190
127,950	201,800	128,013	201,800	128,101	201,800	1,440,149	2,118,900
53,664	32,857	58,521	32,156	58,362	31,352	1,200,672	276,433
803,379	331,418	828,094	307,316	837,527	282,473	8,330,755	1,341,378
8,874	38,132	5,976	37,909	8,128	37,698	1,204,747	338,427
11,581	6,566	12,470	6,326	13,279	6,068	239,680	39,164
51,323	12,600	50,349	11,574	59,356	10,567	354,537	32,477
0	0	0	0	0	0	0	0
15,320	22,455	18,701	21,775	12,016	21,161	511,844	76,617
222,564	18,918	231,593	11,537	239,202	3,887	0	0
0	0	0	0	0	0	0	0
44,683	80,016	48,650	78,149	47,573	76,225	1,649,105	352,395
171,620	21,603	181,019	18,849	180,231	15,237	642,579	26,765
75,785	15,343	69,588	13,889	83,368	12,360	538,880	37,433
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
174,491	16,360	183,536	10,990	184,562	5,468	90,000	1,350
42,348	209,248	43,915	207,953	40,001	206,566	4,386,302	1,783,815
187,084	122,911	180,106	119,239	188,095	115,557	5,021,777	433,656
125,000	7,650	130,000	3,900	0	0	0	0
237,445	39,781	239,494	35,032	386,384	30,242	1,000,646	40,547
30,122	0	30,122	0	30,122	0	385,859	0
664	9,671	369	9,666	71	9,664	966,367	90,240
0	0	0	0	0	0	0	0
254,998	4,080	0	0	0	0	0	0
166,687	46,136	450,073	36,885	468,358	22,815	476,840	7,749
163,367	23,878	172,726	21,019	171,980	17,565	685,112	35,405
38,801	61,329	38,558	60,747	38,229	59,976	2,441,588	257,117
41,733	20,014	45,984	18,303	50,204	16,417	337,549	52,675
1	74,464	4,146	74,464	118,471	74,395	1,992,802	609,489
219,727	99,902	228,810	95,507	227,780	90,931	3,219,290	633,875
23,410	14,229	18,297	13,831	23,185	13,520	382,847	117,222
0	0	0	0	0	0	0	0
207,451	91,974	218,750	83,676	224,900	74,926	1,587,858	241,756
37,977	26,670	34,933	25,257	36,769	23,868	597,570	89,924
622,476	165,807	626,966	140,818	756,417	112,205	2,125,963	125,497
0	444,322	0	444,322	0	444,322	9,874,451	2,690,622
175,000	8,025	180,000	2,700	0	0	0	0
1,067,770	94,969	1,100,132	71,478	950,000	46,175	935,000	23,375
121,825	162,458	122,618	160,014	123,327	157,554	4,776,197	1,537,829
87,551	58,814	90,716	55,248	87,785	51,678	1,210,246	50,413
410,452	49,940	427,688	34,035	450,625	17,462	0	0
48,779	84,417	48,575	82,832	48,368	81,253	1,902,893	638,914
307,507	282,213	317,204	275,966	321,793	269,576	8,359,079	2,581,258
6,271	78,319	4,882	78,208	3,466	78,124	3,315,867	362,822

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
MARION CO SCH DIST	4,534,431	07/2005	08/2017	281,853	88,261	9,183	95,675	5,684
MARION CO SCH DIST	1,519,580	07/2005	10/2019	1,366,962	35,324	53,178	37,043	51,803
MARION CO SCH DIST	2,740,536	04/2009	05/2018	1,463,933	474,150	48,205	487,992	32,795
MARION CO SCH DIST	2,709,181	01/2012	06/2023	2,513,855	78,329	50,065	72,624	48,891
MARION CO SCH DIST	3,965,047	08/2012	08/2025	3,878,962	38,426	86,545	43,193	85,729
MARION CO SCH DIST	4,102,959	04/2014	09/2029	4,050,482	45,316	127,327	44,033	126,660
MARSHALL CO SCH DIST	11,494,906	06/2004	06/2018	1,923,636	616,024	84,224	639,581	58,043
MARSHALL CO SCH DIST	2,010,923	05/2007	05/2027	1,911,146	14,567	77,961	16,150	77,378
MARSHALL CO SCH DIST	3,838,754	04/2008	03/2018	1,270,032	407,269	41,911	426,684	28,471
MARSHALL CO SCH DIST	9,261,115	11/2011	06/2024	8,672,040	124,197	210,402	129,081	207,918
MARSHALL CO SCH DIST	21,325,513	04/2015	04/2035	21,325,513	184,909	652,053	154,586	674,855
MARTIN CO SCH DIST	2,422,864	05/2009	09/2020	2,022,528	300,073	59,204	310,259	50,424
MASON CO SCH DIST	7,947,783	03/2004	03/2016	424,209	424,209	15,378	0	0
MASON CO SCH DIST	1,151,884	02/2009	04/2017	241,191	151,102	6,361	90,089	2,432
MASON CO SCH DIST	5,667,282	04/2012	03/2024	5,488,361	53,341	122,669	549,836	121,735
MASON CO SCH DIST	1,376,980	11/2014	11/2034	3,163,020	1,037	95,392	3,076	95,351
MAYFIELD IND SCH DIST	8,731,354	03/2004	03/2016	432,758	432,758	15,147	0	0
MAYFIELD IND SCH DIST	663,141	02/2008	02/2017	176,181	83,196	5,485	92,985	2,906
MAYFIELD IND SCH DIST	5,474,654	03/2012	03/2024	5,141,477	67,819	94,768	515,056	94,090
MCCRACKEN CO SCH DIST	2,638,430	10/2004	03/2016	397,496	397,496	15,105	0	0
MCCRACKEN CO SCH DIST	11,910,814	09/2010	07/2022	10,314,929	604,828	226,319	873,453	213,619
MCCRACKEN CO SCH DIST	48,118,969	03/2014	12/2030	46,373,907	1,433,095	1,624,700	1,470,262	1,566,633
MCCREARY CO SCH DIST	4,416,141	06/2003	08/2016	1,269,399	624,399	32,076	645,000	10,965
MCCREARY CO SCH DIST	3,853,062	05/2008	05/2028	3,692,516	29,135	158,938	26,501	157,772
MCCREARY CO SCH DIST	4,178,648	02/2012	05/2023	3,886,721	122,846	85,594	125,398	83,137
MCLEAN CO SCH DIST	1,484,085	03/2008	02/2018	763,524	245,008	25,460	254,514	17,375
MCLEAN CO SCH DIST	859,751	04/2008	04/2028	800,056	4,810	29,902	10,780	29,736
MCLEAN CO SCH DIST	363,329	03/2009	02/2019	261,372	73,141	8,833	65,967	6,456
MCLEAN CO SCH DIST	328,599	07/2014	08/2034	328,599	2,472	11,190	332	11,160
MCLEAN CO SCH DIST	350,725	03/2015	08/2025	350,725	3,394	5,969	10,852	7,683
MEADE CO SCH DIST	3,923,917	01/2005	07/2016	1,374,801	673,663	39,106	701,138	13,322
MEADE CO SCH DIST	17,326,190	09/2006	09/2026	13,765,110	726,209	549,703	739,829	520,382
MEADE CO SCH DIST	11,057,694	06/2012	06/2032	10,168,901	309,085	302,019	318,746	295,838
MEADE CO SCH DIST	8,467,583	11/2013	08/2029	7,752,545	639,795	160,804	644,491	154,382
MENIFEE CO SCH DIST	684,292	04/2008	02/2018	288,034	94,077	9,241	99,391	6,301
MENIFEE CO SCH DIST	226,619	03/2009	02/2019	142,310	31,867	5,265	33,153	4,086
MENIFEE CO SCH DIST	2,665,756	05/2011	05/2031	2,618,202	13,801	103,898	6,532	103,622
MENIFEE CO SCH DIST	2,092,611	03/2012	05/2023	1,495,572	151,769	30,485	161,304	27,450
MERCER CO SCH DIST	24,437,273	05/2007	05/2027	18,986,635	1,000,314	783,290	1,028,727	743,277
MERCER CO SCH DIST	1,150,360	03/2008	06/2018	820,076	260,095	26,338	269,291	18,210
MERCER CO SCH DIST	1,726,524	02/2012	09/2023	1,491,386	161,567	25,344	163,152	23,110
MERCER CO SCH DIST	1,534,750	11/2013	11/2033	1,504,078	29,979	51,560	34,271	50,917
MERCER CO SCH DIST	3,975,862	07/2014	08/2030	3,972,172	52,582	128,792	57,451	127,829
METCALFE CO SCH DIST	66,479	12/1996	12/2016	16,941	7,986	951	8,955	231
METCALFE CO SCH DIST	5,871,160	12/2011	12/2030	4,944,135	309,008	24,718	309,008	24,718
METCALFE CO SCH DIST	9,609,557	03/2015	12/2030	9,553,883	492,354	244,293	505,167	234,318
MIDDLESBORO IND SCH DIS	523,609	02/2005	08/2016	220,766	106,729	5,973	114,037	2,053
MIDDLESBORO IND SCH DIS	1,582,375	07/2006	08/2016	183,676	92,800	5,582	90,876	1,863
MIDDLESBORO IND SCH DIS	1,243,968	04/2015	08/2026	1,243,968	19,248	14,466	17,048	21,296
MONROE CO SCH DIST	1,926,026	10/2008	10/2028	1,825,304	15,588	83,343	15,181	82,690
MONROE CO SCH DIST	2,626,995	08/2010	06/2021	1,637,506	254,873	39,216	263,366	34,118
MONROE CO SCH DIST	1,308,646	01/2012	10/2023	970,987	93,074	19,398	93,598	17,531

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
97,917	1,909	0	0	0	0	0	0
43,637	50,270	597,809	37,783	653,149	13,063	0	0
501,791	16,935	0	0	0	0	0	0
71,911	47,801	76,190	46,723	45,214	45,199	2,169,587	89,451
42,954	84,867	143,480	83,003	146,732	80,101	3,464,177	325,231
47,296	125,747	15,524	125,119	23,716	124,726	3,874,597	1,001,427
668,031	30,061	0	0	0	0	0	0
12,596	76,732	13,900	76,228	15,056	75,672	1,838,877	444,718
436,079	14,391	0	0	0	0	0	0
128,963	205,337	1,305,194	202,435	1,334,186	173,068	5,650,419	362,785
171,493	670,218	153,274	665,073	154,919	660,475	20,506,332	6,906,875
320,090	40,969	334,670	30,980	358,802	19,872	398,634	6,976
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
653,009	112,113	665,067	99,053	681,462	84,920	2,885,646	182,589
5,058	95,269	6,976	95,149	3,835	95,041	3,143,038	927,427
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
619,892	88,424	624,696	80,366	639,451	70,370	2,674,563	148,980
0	0	0	0	0	0	0	0
901,888	196,739	900,208	178,718	1,628,387	151,397	5,406,165	207,550
1,532,110	1,506,585	1,580,810	1,460,135	1,581,483	1,428,512	38,776,147	9,339,528
0	0	0	0	0	0	0	0
233,360	156,712	239,695	147,378	250,483	137,790	2,913,342	641,295
580,508	80,629	585,517	69,019	595,427	57,309	1,877,025	93,133
264,002	8,976	0	0	0	0	0	0
11,606	29,364	2,108	28,964	7,415	28,891	763,337	171,496
68,690	4,279	53,574	1,875	0	0	0	0
3,145	11,121	213	11,084	7,270	11,002	315,167	112,708
6,248	7,512	12,391	7,326	28,669	6,915	289,171	25,649
0	0	0	0	0	0	0	0
1,033,395	484,917	1,071,901	442,811	1,120,345	398,966	9,073,431	1,384,833
423,385	289,463	428,022	280,995	427,637	272,435	8,262,026	2,172,203
649,161	147,427	648,772	139,315	653,292	129,383	4,517,034	560,022
94,566	3,121	0	0	0	0	0	0
35,347	2,860	41,943	1,552	0	0	0	0
9,210	103,491	83,262	103,307	124,610	100,809	2,380,787	679,027
165,830	24,223	195,346	20,907	199,854	17,000	621,469	26,397
1,067,077	702,128	1,420,359	659,445	1,413,575	602,630	13,056,583	2,378,439
290,690	9,593	0	0	0	0	0	0
169,331	20,617	168,987	17,868	157,607	15,010	670,742	28,003
33,549	50,239	32,813	49,576	32,061	48,927	1,341,405	491,314
47,318	126,912	47,182	126,085	47,044	125,261	3,720,595	1,087,299
0	0	0	0	0	0	0	0
309,008	24,718	309,008	24,718	309,008	24,718	3,399,093	259,535
527,169	223,994	538,778	213,335	551,576	202,431	6,938,839	1,185,262
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
107,051	20,676	116,395	19,413	110,629	17,939	873,597	66,032
19,752	81,947	19,293	81,093	18,802	80,236	1,736,688	580,672
268,547	28,522	279,781	22,345	280,280	15,350	290,659	7,993
99,232	15,603	99,704	13,613	104,197	11,574	481,182	21,905

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
MONROE CO SCH DIST	4,632,136	09/2012	02/2025	4,258,164	296,666	75,875	301,433	72,908
MONTGOMERY CO SCH DIST	105,848	11/1995	11/2015	8,297	8,297	228	0	0
MONTGOMERY CO SCH DIST	2,325,541	03/2007	03/2027	1,976,799	74,670	75,711	69,293	72,985
MONTGOMERY CO SCH DIST	3,169,871	03/2008	07/2017	1,047,074	335,875	29,913	349,931	18,549
MONTGOMERY CO SCH DIST	7,746,088	10/2011	04/2023	7,433,917	820,027	182,319	845,937	168,379
MONTGOMERY CO SCH DIST	15,077,098	09/2014	09/2034	15,077,098	164,180	484,005	163,699	479,087
MONTICELLO IND SCH DIST	1,671,505	04/2006	04/2017	57,794	28,523	2,212	29,271	1,171
MONTICELLO IND SCH DIST	53,219	07/2006	06/2026	28,865	182	1,191	4,571	1,183
MONTICELLO IND SCH DIST	66,842	06/2011	06/2031	65,004	4,942	2,507	4,641	2,409
MORGAN CO SCH DIST	588,550	10/2005	10/2015	39,659	39,659	744	0	0
MORGAN CO SCH DIST	8,576,460	05/2012	05/2032	8,468,867	383,309	249,298	390,876	241,632
MORGAN CO SCH DIST	320,682	02/2013	10/2025	308,907	2,157	4,937	28,795	4,782
MUHLENBERG CO SCH DIST	2,982,996	01/2007	03/2020	1,770,096	333,276	67,137	339,578	54,806
MUHLENBERG CO SCH DIST	1,032,528	05/2007	05/2027	712,993	45,507	27,798	53,837	26,091
MUHLENBERG CO SCH DIST	10,217,888	11/2010	11/2030	9,648,356	298,866	435,155	306,481	427,808
MUHLENBERG CO SCH DIST	5,759,918	10/2011	09/2023	5,493,729	565,449	97,888	574,248	89,341
MUHLENBERG CO SCH DIST	1,608,013	01/2012	04/2024	1,418,329	170,771	28,367	173,087	24,951
MUHLENBERG CO SCH DIST	4,869,040	02/2013	02/2033	4,851,097	11,354	123,507	5,866	123,393
MURRAY IND SCH DIST	5,123,728	02/2012	03/2024	4,370,711	374,933	81,719	379,032	76,095
NELSON CO SCH DIST	3,231,295	08/2004	08/2016	1,935,425	949,037	55,040	986,388	18,741
NELSON CO SCH DIST	4,733,907	09/2005	09/2015	148,599	148,599	2,638	0	0
NELSON CO SCH DIST	882,067	12/2006	12/2026	700,491	26,191	26,651	27,751	25,680
NELSON CO SCH DIST	7,135,449	05/2009	05/2029	6,508,784	127,197	254,935	130,764	251,119
NELSON CO SCH DIST	6,567,377	10/2011	04/2023	6,367,576	497,828	126,455	505,628	119,983
NELSON CO SCH DIST	6,863,863	02/2015	12/2030	6,835,845	3,826	198,607	2,091	198,548
NELSON CO SCH DIST	1,871,079	03/2015	09/2025	1,871,079	6,902	34,332	156,724	36,435
NEWPORT IND SCH DIST	879,727	03/2014	02/2034	841,052	35,331	24,254	38,557	24,078
NEWPORT IND SCH DIST	692,229	11/2014	11/2034	9,022,771	352,541	255,014	356,986	247,919
NICHOLAS CO SCH DIST	1,848,870	04/2009	02/2019	922,845	217,941	30,855	227,805	24,045
NICHOLAS CO SCH DIST	7,097,642	04/2009	04/2029	5,790,253	273,884	216,410	277,350	208,194
NICHOLAS CO SCH DIST	2,096,803	04/2011	04/2031	1,974,441	33,030	75,982	32,976	75,057
OHIO CO SCH DIST	9,127,883	05/2008	05/2028	8,884,702	33,812	397,167	5,580	395,899
OHIO CO SCH DIST	384,689	05/2009	05/2029	330,437	12,305	12,804	12,006	12,328
OHIO CO SCH DIST	50,914	04/2010	01/2019	22,987	3,098	673	4,965	599
OHIO CO SCH DIST	340,524	09/2010	09/2030	269,139	17,686	10,873	17,006	10,353
OHIO CO SCH DIST	1,906,771	06/2013	06/2016	724,032	724,032	7,240	0	0
OLDHAM CO SCH DIST	5,997,645	10/2004	07/2015	645,339	645,339	12,100	0	0
OLDHAM CO SCH DIST	7,337,307	04/2007	07/2017	3,365,896	623,716	110,294	1,346,958	74,822
OLDHAM CO SCH DIST	49,016,905	09/2007	09/2027	38,695,327	1,734,402	1,610,111	1,803,969	1,539,343
OLDHAM CO SCH DIST	6,858,103	01/2008	08/2020	4,277,395	442,470	133,710	446,110	119,770
OLDHAM CO SCH DIST	17,313,235	07/2012	05/2024	15,201,012	1,559,997	304,020	1,589,097	272,820
OLDHAM CO SCH DIST	11,616,595	08/2012	10/2023	11,037,528	305,880	251,597	308,273	245,456
OLDHAM CO SCH DIST	8,010,234	08/2013	08/2033	7,636,107	385,930	288,422	407,608	273,047
OLDHAM CO SCH DIST	17,904,000	03/2015	03/2035	17,903,877	1,723	562,455	2,341	604,395
OWEN CO SCH DIST	14,205,052	05/2009	05/2029	12,063,037	385,145	468,530	398,199	456,976
OWEN CO SCH DIST	4,841,378	08/2010	04/2021	2,786,301	440,607	68,254	447,718	59,441
OWEN CO SCH DIST	1,210,476	01/2012	02/2025	900,466	104,694	15,964	104,519	14,761
OWENSBORO IND SCH DIST	21,902,113	09/2008	09/2028	19,298,217	964,181	787,766	998,604	753,417
OWENSBORO IND SCH DIST	988,576	03/2009	06/2019	367,110	101,062	12,811	103,342	9,476
OWSLEY CO SCH DIST	84,631	06/2007	06/2027	52,469	4,540	2,222	3,321	2,041
OWSLEY CO SCH DIST	529,199	09/2010	02/2021	299,747	44,995	7,186	39,695	6,286
OWSLEY CO SCH DIST	201,723	12/2010	12/2027	154,169	11,889	0	11,889	0

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
306,139	69,140	305,841	65,314	310,479	60,726	2,737,606	181,687
0	0	0	0	0	0	0	0
73,891	70,387	158,475	67,616	163,042	61,673	1,437,428	235,240
361,268	6,322	0	0	0	0	0	0
866,969	153,998	932,283	134,058	956,681	110,750	3,012,020	174,354
163,202	474,183	167,691	469,220	172,164	464,122	14,246,162	4,364,389
0	0	0	0	0	0	0	0
3,935	995	3,273	832	2,582	697	14,322	2,410
4,256	2,292	3,823	2,175	3,338	2,061	44,004	11,962
0	0	0	0	0	0	0	0
398,393	233,815	405,861	225,847	418,278	217,730	6,472,150	1,499,629
31,226	4,482	28,312	4,163	29,777	3,814	188,640	11,758
355,126	42,072	365,807	28,577	376,309	14,676	0	0
52,106	24,072	55,311	22,118	58,423	20,016	447,809	73,845
313,612	419,512	315,585	410,269	316,928	399,395	8,096,884	2,394,002
587,975	80,257	591,578	70,303	609,998	59,027	2,564,481	108,780
175,148	21,489	181,951	17,986	178,489	14,347	538,883	25,866
5,376	123,335	9,384	123,227	18,371	123,039	4,800,746	1,073,221
383,118	70,410	387,035	63,705	395,933	56,932	2,450,660	139,300
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
49,136	24,272	55,332	22,339	56,331	20,245	485,750	70,529
139,286	247,196	142,715	242,879	145,990	238,169	5,822,832	1,409,786
831,894	112,399	852,614	98,256	867,544	81,204	2,812,068	131,926
320	198,524	3,518	198,485	6,681	198,383	6,819,409	1,716,332
173,728	33,130	175,673	29,636	182,555	26,054	1,175,497	74,799
36,622	23,808	39,513	23,441	36,932	22,928	654,097	192,089
366,420	240,685	370,843	233,312	380,254	225,801	7,195,727	1,955,813
237,573	16,641	239,526	8,623	0	0	0	0
285,771	199,873	299,089	191,015	392,244	181,145	4,261,915	895,797
32,918	74,134	32,861	73,212	122,800	72,292	1,719,856	458,033
7,003	395,676	8,284	395,395	4,415	395,064	8,825,608	1,970,136
11,697	11,862	11,375	11,409	16,041	10,968	267,013	65,305
7,874	455	7,050	219	0	0	0	0
11,306	9,928	15,584	9,525	9,841	9,144	197,716	56,978
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
1,395,222	25,288	0	0	0	0	0	0
1,893,519	1,465,394	1,973,051	1,388,062	2,052,563	1,307,550	29,237,823	6,801,878
464,677	105,193	973,165	81,585	1,270,973	44,239	680,000	11,475
1,618,179	241,038	1,652,242	208,675	1,686,287	175,630	7,095,210	358,459
310,612	239,267	322,809	232,731	319,785	225,704	9,470,169	639,834
414,155	257,125	430,565	240,759	426,833	224,147	5,571,016	1,995,838
1,888	604,348	1,425	604,310	15,954	604,282	17,880,546	7,481,816
406,195	445,030	419,131	432,844	436,652	418,175	10,017,715	2,200,717
459,589	49,927	471,204	39,587	477,358	27,807	489,825	14,082
109,326	13,454	109,106	11,923	113,851	10,178	358,970	22,141
1,062,536	716,019	1,101,109	674,074	1,249,360	627,065	13,922,427	2,943,196
79,884	5,859	82,822	3,023	0	0	0	0
2,054	1,908	5,652	1,821	4,194	1,580	32,708	5,410
44,343	5,373	53,983	4,353	58,575	2,977	58,156	1,483
11,888	0	11,889	0	11,888	0	94,724	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
OWSLEY CO SCH DIST	1,331,239	03/2012	10/2024	845,000	175,000	15,825	185,000	12,225
PADUCAH IND SCH DIST	5,656,001	04/2009	04/2029	5,330,944	159,531	213,757	163,167	208,971
PADUCAH IND SCH DIST	3,331,361	12/2011	12/2030	2,915,527	56,945	20,610	56,945	20,610
PAINTSVILLE IND SCH DIST	345,009	06/2008	08/2016	87,983	39,970	2,312	48,013	816
PAINTSVILLE IND SCH DIST	1,648,403	01/2010	02/2030	1,428,088	45,832	54,378	44,756	53,117
PAINTSVILLE IND SCH DIST	3,354,762	12/2012	12/2032	3,284,706	69,394	69,102	73,964	68,242
PARIS IND SCH DIST	791,608	10/2004	02/2016	132,906	132,906	5,050	0	0
PARIS IND SCH DIST	1,485,318	05/2012	04/2032	974,582	48,633	149,960	54,774	149,960
PENDLETON CO SCH DIST	4,706,600	09/2005	12/2015	720,896	720,896	12,435	0	0
PENDLETON CO SCH DIST	12,269,544	02/2007	02/2020	3,083,976	133,884	123,359	626,439	118,004
PENDLETON CO SCH DIST	971,842	02/2008	06/2019	822,777	10,701	26,588	262,519	26,261
PENDLETON CO SCH DIST	8,807,619	01/2015	02/2027	8,807,619	76,837	204,945	76,718	208,219
PERRY CO SCH DIST	947,976	07/2006	08/2026	829,014	51,555	34,100	47,741	32,114
PERRY CO SCH DIST	1,001,808	12/2011	12/2031	915,235	27,519	25,274	27,519	24,723
PERRY CO SCH DIST	7,132,124	12/2011	12/2030	6,014,316	368,343	665,000	369,020	665,000
PERRY CO SCH DIST	2,428,764	06/2012	06/2024	2,141,499	225,890	40,030	224,966	37,545
PERRY CO SCH DIST	1,406,961	07/2014	03/2020	1,170,000	230,000	17,038	230,000	14,738
PIKE CO SCH DIST	1,626,101	02/2005	08/2015	223,134	223,134	4,016	0	0
PIKE CO SCH DIST	3,209,144	11/2006	12/2019	1,462,137	262,234	49,943	265,228	40,283
PIKE CO SCH DIST	4,953,494	10/2007	10/2027	4,563,264	64,983	196,396	38,203	194,332
PIKE CO SCH DIST	869,557	05/2008	12/2017	292,316	134,388	7,089	47,521	4,331
PIKE CO SCH DIST	2,630,357	06/2009	09/2020	1,796,755	139,297	52,799	237,652	47,542
PIKE CO SCH DIST	1,236,027	11/2011	11/2030	1,044,764	67,009	508,200	64,891	508,200
PIKE CO SCH DIST	5,284,526	06/2014	06/2034	5,280,590	3,851	188,658	4,395	188,581
PIKEVILLE IND SCH DIST	444,571	04/2008	09/2019	256,885	46,861	7,518	50,383	6,046
PIKEVILLE IND SCH DIST	989,501	06/2009	06/2029	894,308	40,232	37,022	39,934	35,795
PIKEVILLE IND SCH DIST	1,683,325	03/2012	06/2024	1,436,192	166,102	27,394	165,941	25,484
PINEVILLE IND SCH DIST	922,755	04/2012	09/2023	812,962	81,084	17,850	86,014	16,382
PINEVILLE IND SCH DIST	3,701,696	12/2014	03/2030	3,517,735	178,588	93,343	173,160	89,771
POWELL CO SCH DIST	2,278,813	11/2002	08/2016	605,558	295,558	17,779	310,000	6,045
POWELL CO SCH DIST	1,546,713	08/2006	08/2016	14,632	8,929	397	5,703	111
POWELL CO SCH DIST	3,479,879	09/2010	09/2021	2,304,185	304,107	51,643	312,693	45,475
POWELL CO SCH DIST	2,133,086	05/2013	05/2033	2,129,072	1,749	50,685	281	50,667
POWELL CO SCH DIST	1,515,534	03/2015	08/2026	1,515,534	18,801	27,824	11,498	31,973
PULASKI CO SCH DIST	1,275,746	10/2004	09/2015	163,513	163,513	3,066	0	0
PULASKI CO SCH DIST	578,471	11/2006	07/2016	135,364	69,252	3,727	66,112	1,223
PULASKI CO SCH DIST	210,685	06/2007	06/2027	121,445	12,240	5,047	11,930	4,557
PULASKI CO SCH DIST	23,398,999	04/2009	04/2029	22,736,990	470,886	937,919	489,341	921,438
PULASKI CO SCH DIST	3,522,705	08/2009	07/2018	2,219,275	349,184	58,440	540,729	46,978
PULASKI CO SCH DIST	8,980,317	03/2011	03/2031	8,146,494	241,913	312,525	246,651	307,686
PULASKI CO SCH DIST	1,543,258	08/2012	08/2023	1,407,541	117,409	22,794	117,031	21,622
PULASKI CO SCH DIST	5,450,779	05/2014	05/2034	5,416,759	34,469	194,978	29,243	194,599
RACELAND IND SCH DIST	1,820,961	02/2010	02/2030	1,570,080	68,930	57,832	61,674	56,109
RACELAND IND SCH DIST	1,132,932	10/2010	10/2030	1,102,896	6,705	42,074	11,148	41,806
RACELAND IND SCH DIST	1,127,104	06/2012	09/2023	997,442	107,171	16,665	105,712	15,547
RACELAND IND SCH DIST	981,331	02/2015	06/2025	971,439	83,907	17,911	93,546	17,072
ROBERTSON CO (KISTA) SC	132,383	06/2013	06/2033	128,260	2,027	3,891	1,967	3,851
ROBERTSON CO SCH DIST	211,477	12/2009	12/2019	131,711	25,670	3,675	26,186	2,935
ROBERTSON CO SCH DIST	1,417,058	09/2011	09/2027	638,484	49,115	34,520	49,114	34,520
ROCKCASTLE CO SCH DIST	933,899	07/2006	07/2016	86,889	39,068	2,675	47,821	956
ROCKCASTLE CO SCH DIST	3,542,085	01/2008	09/2020	2,716,985	129,871	90,170	131,952	85,719
ROCKCASTLE CO SCH DIST	3,406,514	04/2011	04/2018	1,505,000	490,000	32,645	500,000	22,845

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
185,000	8,525	40,000	6,275	40,000	5,475	220,000	13,225
176,668	203,750	369,977	197,566	373,126	183,877	4,088,475	907,391
56,945	20,610	56,945	20,610	56,945	20,610	2,630,803	216,401
0	0	0	0	0	0	0	0
48,548	51,775	47,304	50,318	45,854	48,710	1,195,794	296,843
68,529	67,387	68,089	66,567	72,643	65,723	2,932,087	524,631
0	0	0	0	0	0	0	0
58,313	149,960	53,373	149,960	63,581	149,960	695,908	1,799,520
0	0	0	0	0	0	0	0
648,897	92,946	671,253	66,990	1,003,503	40,140	0	0
269,080	17,861	280,477	9,116	0	0	0	0
81,553	206,685	81,384	205,054	81,211	203,426	8,409,916	848,698
48,720	30,161	54,480	28,045	50,007	25,878	576,511	107,315
27,418	24,174	27,215	23,628	31,906	23,036	773,658	178,628
373,136	665,000	370,799	665,000	378,801	665,000	4,154,216	6,982,500
234,031	35,070	237,311	30,390	240,558	25,644	978,743	53,899
235,000	12,438	235,000	8,913	240,000	4,800	0	0
0	0	0	0	0	0	0	0
282,834	30,073	295,054	19,164	356,787	6,779	0	0
39,565	192,777	39,139	191,203	42,022	189,580	4,339,352	1,041,958
110,407	1,794	0	0	0	0	0	0
198,770	41,115	328,760	33,202	282,533	23,891	609,743	9,756
62,641	508,200	65,196	508,200	67,473	508,200	717,554	5,336,100
952	188,493	3,321	188,474	4,495	188,408	5,263,576	1,882,784
48,807	4,497	52,115	2,856	58,719	998	0	0
44,602	34,478	44,238	32,916	43,841	31,280	681,461	169,168
170,780	23,576	165,496	20,160	170,205	16,850	597,668	34,856
85,934	14,663	85,846	12,837	90,753	10,851	383,331	20,323
177,724	86,308	187,279	82,753	186,823	79,008	2,614,161	482,737
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
321,218	39,136	325,562	31,855	338,758	23,551	701,847	20,277
108,795	50,665	112,299	49,577	109,272	47,331	1,796,676	363,549
114,316	30,715	112,181	28,450	120,002	26,128	1,138,736	96,764
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
11,408	4,080	10,520	3,612	9,392	3,181	65,955	10,407
502,743	904,312	526,089	886,716	554,132	865,672	20,193,799	5,332,979
636,942	30,327	692,420	10,386	0	0	0	0
251,352	302,137	256,009	295,853	215,633	288,941	6,934,936	2,576,963
121,649	20,429	121,167	18,912	120,580	17,098	809,705	38,658
24,015	194,278	28,784	194,013	33,551	193,697	5,266,697	2,498,919
67,821	54,413	71,909	52,378	74,499	50,041	1,225,247	306,898
5,574	41,555	4,982	41,397	4,372	41,256	1,070,115	318,736
104,181	14,445	108,011	12,818	110,160	10,636	462,207	19,603
93,182	16,136	92,445	14,273	96,694	12,424	511,665	32,123
6,907	3,812	6,845	3,673	6,782	3,537	103,732	27,755
26,598	2,143	25,960	1,323	27,297	450	0	0
49,114	34,520	49,114	34,520	49,114	34,520	392,914	258,902
0	0	0	0	0	0	0	0
139,567	81,103	746,097	66,047	772,497	40,230	797,001	13,549
515,000	11,845	0	0	0	0	0	0

COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
ROCKCASTLE CO SCH DIST	565,137	02/2015	08/2026	565,137	7,457	7,970	7,457	11,394
ROWAN CO SCH DIST	1,155,547	06/2005	06/2016	129,636	129,636	4,797	0	0
ROWAN CO SCH DIST	492,355	07/2006	08/2026	436,337	15,206	17,694	31,744	16,755
ROWAN CO SCH DIST	1,575,947	03/2008	04/2018	530,154	166,083	18,574	179,421	12,927
ROWAN CO SCH DIST	9,603,721	11/2008	11/2028	9,603,721	0	433,704	0	433,704
ROWAN CO SCH DIST	9,585,302	01/2009	11/2022	7,089,075	617,732	275,134	691,619	248,947
ROWAN CO SCH DIST	3,727,245	11/2011	09/2023	3,580,040	303,958	78,645	380,413	72,941
RUSSELL CO SCH DIST	4,085,725	03/2006	03/2020	2,367,409	433,424	91,736	454,628	75,482
RUSSELL CO SCH DIST	3,127,806	09/2006	09/2026	1,994,090	148,433	75,284	152,608	69,639
RUSSELL CO SCH DIST	5,692,604	04/2011	09/2025	5,457,594	150,884	167,871	155,396	164,808
RUSSELL CO SCH DIST	4,806,339	02/2013	06/2025	4,647,856	427,004	82,987	426,974	78,717
RUSSELL IND SCH DIST	1,844,154	09/2006	09/2026	1,812,621	7,000	71,006	134,183	68,359
RUSSELL IND SCH DIST	3,823,041	04/2011	04/2031	3,804,590	563	144,381	195,187	144,366
RUSSELLVILLE IND SCH DIST	6,894,191	04/2008	04/2028	6,436,109	90,591	234,944	432,640	231,954
SCIENCE HILL IND SCH DIST	2,613,218	03/2007	03/2027	2,038,504	79,226	77,994	89,197	75,022
SCIENCE HILL IND SCH DIST	481,443	10/2011	12/2016	195,000	100,000	2,315	95,000	808
SCOTT CO SCH DIST	6,417,280	02/2007	02/2027	6,389,803	3,692	271,533	5,440	271,386
SCOTT CO SCH DIST	1,335,184	05/2008	04/2018	340,515	116,855	10,831	120,207	7,209
SCOTT CO SCH DIST	13,156,082	03/2009	03/2029	11,594,180	282,454	498,136	289,352	486,838
SCOTT CO SCH DIST	2,447,081	04/2010	02/2019	1,070,134	267,506	32,716	278,766	25,694
SCOTT CO SCH DIST	11,632,769	04/2011	05/2020	6,945,000	1,310,000	192,820	1,340,000	165,310
SCOTT CO SCH DIST	17,309,245	01/2012	02/2032	16,799,022	207,516	544,198	205,066	540,048
SCOTT CO SCH DIST	6,609,060	12/2012	03/2024	6,289,329	242,338	128,707	243,183	123,861
SCOTT CO SCH DIST	2,773,390	03/2013	03/2033	2,766,304	3,382	82,770	4,050	82,703
SHELBY CO SCH DIST	10,657,504	02/2009	05/2019	5,569,776	1,329,912	170,728	1,373,643	130,830
SHELBY CO SCH DIST	33,021,315	02/2009	02/2029	30,196,126	608,598	1,424,325	624,141	1,399,981
SHELBY CO SCH DIST	8,002,932	11/2011	05/2024	7,368,958	342,237	184,440	349,382	177,595
SHELBY CO SCH DIST	14,601,037	02/2013	02/2033	14,524,110	25,541	439,271	17,252	438,760
SILVER GROVE IND SCH DIS	764,447	03/2012	05/2024	660,235	66,326	12,577	71,027	11,516
SIMPSON CO SCH DIST	1,805,291	08/2006	08/2016	82,244	40,097	2,550	42,147	864
SIMPSON CO SCH DIST	1,374,761	01/2007	06/2020	805,559	148,438	30,306	150,420	24,814
SIMPSON CO SCH DIST	1,256,598	07/2013	08/2033	1,250,357	5,939	46,031	5,632	45,939
SIMPSON CO SCH DIST	3,635,990	03/2014	08/2030	3,572,812	46,521	104,490	40,711	103,850
SIMPSON CO SCH DIST	1,358,307	02/2015	08/2026	1,358,307	6,844	23,321	1,293	28,851
SOMERSET IND SCH DIST	427,177	05/2010	05/2030	376,221	8,401	19,927	7,936	19,591
SOMERSET IND SCH DIST	1,323,692	02/2012	06/2024	1,243,744	28,677	23,958	28,357	23,528
SOMERSET IND SCH DIST	1,942,845	12/2012	12/2035	1,773,902	84,472	0	84,472	0
SOUTHGATE IND SCH DIST	871,637	05/2011	05/2031	867,240	50,191	32,379	49,696	31,124
SPENCER CO SCH DIST	12,956,932	05/2004	07/2016	1,035,000	505,000	34,960	530,000	11,925
SPENCER CO SCH DIST	9,543,882	08/2007	08/2027	8,402,081	193,812	370,745	200,286	362,371
SPENCER CO SCH DIST	4,584,287	12/2009	01/2021	2,679,734	425,461	81,097	505,043	70,460
SPENCER CO SCH DIST	8,961,243	12/2011	08/2024	8,600,110	83,305	208,950	82,160	207,295
TAYLOR CO SCH DIST	1,942,049	08/2005	08/2016	800,350	585,344	19,429	215,006	4,300
TAYLOR CO SCH DIST	1,371,053	02/2007	06/2019	1,291,250	10,704	49,834	258,831	49,427
TAYLOR CO SCH DIST	25,225,969	01/2015	02/2035	25,225,969	171,688	763,448	536,249	753,705
TODD CO SCH DIST	1,698,725	07/2005	08/2015	50,157	50,157	878	0	0
TODD CO SCH DIST	3,946,934	05/2009	10/2018	2,477,413	598,246	59,183	607,079	44,338
TODD CO SCH DIST	2,079,767	05/2012	05/2023	1,982,889	33,841	43,190	33,774	42,818
TODD CO SCH DIST	1,944,912	04/2013	08/2025	1,335,405	15,830	25,685	69,711	25,364
TODD CO SCH DIST	7,804,884	12/2014	08/2030	7,721,204	135,883	220,981	145,498	218,167
TRIGG CO SCH DIST	1,849,116	02/2012	05/2023	1,669,350	77,445	36,427	77,913	34,878
TRIMBLE CO SCH DIST	3,366,162	09/2007	09/2027	3,126,121	35,424	119,674	35,141	118,315

FISCAL YEAR ENDING 6/30/2018		FISCAL YEAR ENDING 6/30/2019		FISCAL YEAR ENDING 6/30/2020		REMAINING DEBT SERVICE TO MATURITY	
PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
44,188	10,914	13,363	10,339	12,523	10,080	480,149	38,329
0	0	0	0	0	0	0	0
28,141	15,558	34,392	14,307	35,440	12,893	291,414	45,395
184,650	6,647	0	0	0	0	0	0
0	433,704	0	433,704	0	433,704	9,603,721	2,692,726
720,462	220,705	944,255	187,411	983,000	148,866	3,132,007	196,728
385,976	65,277	393,030	57,487	404,613	48,752	1,712,050	92,127
472,385	58,207	495,358	39,784	511,614	20,465	0	0
151,746	63,895	160,846	57,956	164,896	51,684	1,215,561	177,039
159,874	161,495	154,211	157,423	163,425	152,659	4,673,804	478,747
436,944	74,448	446,898	67,894	451,836	58,956	2,458,200	152,910
140,943	63,165	142,313	57,783	148,301	52,261	1,239,881	182,672
204,916	139,487	209,333	133,852	218,659	127,572	2,975,932	805,432
449,500	217,245	461,157	201,512	477,698	185,372	4,524,523	795,113
149,167	71,678	154,135	66,010	164,102	60,152	1,402,677	230,512
0	0	0	0	0	0	0	0
1,951	271,161	3,319	271,081	4,538	270,944	6,370,863	1,761,566
103,453	3,362	0	0	0	0	0	0
296,127	475,264	302,771	463,418	314,283	451,308	10,109,193	3,410,676
279,379	17,331	244,483	8,251	0	0	0	0
1,390,000	131,810	1,425,000	90,110	1,480,000	47,360	0	0
221,942	534,921	223,741	529,373	200,459	523,779	15,740,298	5,655,604
248,948	118,997	254,627	114,018	240,218	108,926	5,060,015	350,966
4,631	82,622	123	82,529	526	82,527	2,753,592	981,251
1,412,465	89,621	1,453,756	47,247	0	0	0	0
644,506	1,375,016	664,688	1,349,236	684,674	1,322,648	26,969,519	8,198,092
356,470	170,608	358,499	163,478	400,317	155,950	5,562,053	423,628
13,897	438,415	15,475	438,137	11,985	437,828	14,439,960	5,021,450
70,724	10,379	70,415	9,248	70,102	8,121	311,641	18,581
0	0	0	0	0	0	0	0
162,248	19,174	168,956	13,089	175,497	6,669	0	0
10,318	45,811	5,002	45,689	9,544	45,510	1,213,922	428,896
44,615	102,997	48,496	102,066	47,356	101,107	3,345,113	798,247
36,463	28,474	46,443	27,645	46,320	26,717	1,220,944	113,913
7,414	19,274	7,830	18,977	7,184	18,664	337,456	126,757
323,032	23,103	332,648	17,450	157,201	10,797	373,829	15,687
84,472	0	84,472	0	84,472	0	1,351,544	0
49,188	29,881	48,668	28,652	48,135	27,435	621,362	169,288
0	0	0	0	0	0	0	0
206,606	353,724	212,764	344,812	223,769	335,536	7,364,844	1,914,546
523,509	55,309	535,721	39,604	340,000	22,863	350,000	11,813
625,993	200,214	649,800	187,456	878,502	171,075	6,280,350	434,565
0	0	0	0	0	0	0	0
501,886	39,591	519,829	20,143	0	0	0	0
630,374	742,980	634,182	730,372	654,310	711,347	22,599,166	6,105,693
0	0	0	0	0	0	0	0
625,790	27,994	646,298	9,694	0	0	0	0
33,705	42,446	38,579	41,772	88,451	41,000	1,754,539	95,352
69,184	24,844	68,648	24,327	67,657	23,393	1,044,375	90,708
140,102	215,311	134,700	212,563	109,291	210,123	7,055,730	1,428,427
78,390	33,320	78,876	31,752	329,504	30,175	1,027,222	48,956
34,652	116,972	38,945	115,555	43,015	113,977	2,938,944	564,872

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT ISSUED	DATE OF ISSUE	MATURITY DATE	PRINCIPAL OUTSTANDING	FISCAL YEAR ENDING 6/30/2016		FISCAL YEAR ENDING 6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
TRIMBLE CO SCH DIST	3,658,634	10/2010	04/2022	2,746,430	361,754	74,932	370,106	66,793
UNION CO SCH DIST	2,244,888	04/2006	04/2016	132,354	132,354	5,162	0	0
UNION CO SCH DIST	1,117,835	02/2009	06/2019	482,941	114,930	15,419	122,235	11,971
UNION CO SCH DIST	1,884,627	04/2013	04/2026	1,833,856	20,663	35,217	156,456	35,011
WALTON VERONA IND SCH D	833,571	03/2012	06/2024	721,014	76,227	12,956	76,019	11,812
WALTON-VERONA IND SCH D	9,525,445	08/2006	08/2016	827,652	405,499	24,996	422,153	8,443
WALTON-VERONA IND SCH D	377,278	05/2008	12/2018	195,652	62,777	5,174	70,303	3,078
WALTON-VERONA IND SCH D	2,522,519	11/2009	11/2029	1,960,357	116,652	71,089	124,336	67,620
WALTON-VERONA IND SCH D	959,652	03/2011	03/2031	829,320	37,952	29,845	37,377	29,038
WALTON-VERONA IND SCH D	2,236,896	04/2014	04/2034	2,182,693	59,714	65,346	54,600	64,689
WALTON-VERONA IND SCH D	6,758,602	03/2015	08/2026	6,758,602	79,419	126,913	71,191	142,949
WARREN CO SCH DIST	14,454,457	08/2005	12/2019	5,932,455	1,449,841	206,489	758,278	164,139
WARREN CO SCH DIST	17,750,471	02/2006	02/2016	1,309,583	1,309,583	52,383	0	0
WARREN CO SCH DIST	56,510,522	04/2008	04/2028	41,852,933	2,560,997	1,754,120	2,669,764	1,661,283
WARREN CO SCH DIST	4,022,638	07/2010	02/2019	2,066,580	479,056	56,521	513,360	45,742
WARREN CO SCH DIST	5,539,242	11/2011	04/2022	3,698,942	585,582	83,214	605,070	71,502
WARREN CO SCH DIST	25,786,077	03/2014	06/2029	24,361,017	636,526	801,424	1,310,157	788,693
WARREN CO SCH DIST	5,952,298	04/2015	02/2026	5,952,298	99,629	104,683	539,787	138,443
WARREN CO SCH DIST	10,116,084	04/2015	08/2030	10,116,084	108,200	189,008	550,308	253,634
WASHINGTON CO SCH DIST	3,764,685	03/2008	08/2023	2,704,430	212,285	92,635	216,685	85,556
WASHINGTON CO SCH DIST	411,903	03/2008	08/2016	99,639	43,565	2,470	56,074	897
WASHINGTON CO SCH DIST	13,172,258	06/2012	08/2032	12,512,299	342,548	381,431	350,881	374,496
WASHINGTON CO SCH DIST	896,605	01/2013	12/2023	727,880	81,586	8,932	81,017	7,875
WAYNE CO SCH DIST	2,951,833	07/2005	07/2015	298,998	298,998	5,980	0	0
WAYNE CO SCH DIST	1,850,063	05/2007	05/2027	1,501,654	469,182	56,705	487,652	39,111
WAYNE CO SCH DIST	130,493	06/2009	05/2019	60,517	16,974	1,861	13,138	1,369
WAYNE CO SCH DIST	1,525,911	11/2012	07/2025	1,500,970	10,210	23,478	319,235	21,831
WAYNE CO SCH DIST	1,454,190	01/2015	04/2026	1,454,088	12,092	31,991	11,633	31,749
WAYNE CO SCH DIST	1,199,184	04/2015	05/2035	1,199,184	12,843	26,242	13,402	26,890
WEBSTER CO SCH DIST	2,776,148	11/2004	05/2016	325,000	325,000	11,781	0	0
WEBSTER CO SCH DIST	3,495,612	12/2008	12/2028	3,483,195	43,147	149,736	192,919	145,364
WEBSTER CO SCH DIST	161,138	12/2009	12/2017	64,532	21,209	1,586	19,876	1,002
WEBSTER CO SCH DIST	248,660	09/2010	05/2021	153,257	21,235	3,520	24,760	3,095
WEBSTER CO SCH DIST	4,112,221	08/2013	08/2033	4,109,523	3,270	153,916	33,145	153,643
WEST POINT IND SCH DIST	306,618	01/2008	02/2028	234,680	22,749	8,680	19,870	7,930
WHITLEY CO SCH DIST	1,657,767	06/2006	06/2016	27,442	27,442	1,098	0	0
WHITLEY CO SCH DIST	2,222,429	06/2009	07/2018	995,035	236,391	25,096	247,435	18,739
WHITLEY CO SCH DIST	959,425	11/2010	11/2029	785,981	51,042	97,125	51,042	97,125
WHITLEY CO SCH DIST	7,283,769	03/2014	03/2034	7,247,593	26,843	280,560	26,312	280,291
WHITLEY CO SCH DIST	1,443,183	01/2015	06/2026	1,442,324	4,948	35,117	32,385	35,018
WILLIAMSBURG IND SCH DIS	4,149,949	11/2010	11/2030	3,535,080	190,512	144,739	194,485	140,405
WILLIAMSTOWN IND SCH DIS	1,920,070	03/2006	03/2016	65,768	65,768	2,565	0	0
WILLIAMSTOWN IND SCH DIS	2,684,358	04/2007	04/2027	2,091,371	87,300	81,021	86,627	77,703
WILLIAMSTOWN IND SCH DIS	1,302,480	12/2007	12/2027	1,004,286	48,320	38,019	52,338	36,244
WILLIAMSTOWN IND SCH DIS	1,297,195	12/2009	12/2029	1,143,568	32,573	44,963	32,507	44,085
WILLIAMSTOWN IND SCH DIS	810,996	12/2009	12/2018	347,364	100,046	8,951	105,682	6,015
WILLIAMSTOWN IND SCH DIS	997,636	04/2012	05/2024	833,183	89,158	15,473	88,820	14,025
WILLIAMSTOWN IND SCH DIS	1,621,703	03/2015	03/2026	1,621,703	26,835	28,906	82,203	34,223
WOLFE CO SCH DIST	118,990	05/2009	05/2029	98,795	6,180	4,117	5,559	3,913
WOLFE CO SCH DIST	2,542,305	02/2012	05/2024	2,251,084	230,176	42,441	239,703	38,989
WOODFORD CO SCH DIST	60,778	09/1996	09/2016	26,064	14,038	1,076	12,026	340
WOODFORD CO SCH DIST	6,847,230	11/2004	10/2016	1,844,883	904,542	51,771	940,341	17,631

<i>FISCAL YEAR ENDING</i> <i>6/30/2018</i>		<i>FISCAL YEAR ENDING</i> <i>6/30/2019</i>		<i>FISCAL YEAR ENDING</i> <i>6/30/2020</i>		<i>REMAINING DEBT SERVICE</i> <i>TO MATURITY</i>	
<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>
383,308	57,910	391,277	47,752	399,033	36,601	840,952	38,105
0	0	0	0	0	0	0	0
119,445	8,304	126,331	4,422	0	0	0	0
165,971	33,446	169,990	30,127	178,989	26,727	1,141,787	83,414
75,811	10,672	80,597	9,535	80,380	8,326	331,980	19,058
0	0	0	0	0	0	0	0
61,939	995	633	10	0	0	0	0
121,876	63,850	126,707	59,808	131,501	55,237	1,339,285	270,788
36,755	28,197	41,048	27,278	40,253	26,150	635,935	189,329
59,486	64,088	54,371	63,434	54,253	62,836	1,900,269	620,142
511,158	137,126	544,567	126,568	557,943	115,543	4,994,324	432,218
796,575	133,042	1,434,803	88,414	1,492,958	29,859	0	0
0	0	0	0	0	0	0	0
2,763,356	1,554,493	2,861,890	1,443,959	2,925,366	1,329,483	28,071,560	5,758,517
527,569	32,908	546,595	17,081	0	0	0	0
614,471	59,401	43,862	47,111	631,068	46,125	1,218,889	45,090
1,343,761	762,490	1,372,336	735,615	1,455,157	694,445	18,243,080	3,375,493
539,281	127,647	538,767	116,861	558,242	106,086	3,676,592	365,434
572,990	242,401	590,626	230,765	608,215	218,776	7,685,745	1,307,380
290,024	76,923	300,436	66,663	310,000	55,980	1,375,000	103,718
0	0	0	0	0	0	0	0
344,182	367,546	352,441	360,580	365,227	351,577	10,757,020	2,747,951
80,442	6,826	79,859	5,784	79,268	4,749	325,708	8,520
0	0	0	0	0	0	0	0
466,063	20,824	9,394	3,114	7,615	2,747	61,748	9,634
14,188	975	16,217	535	0	0	0	0
319,602	18,636	327,551	13,763	261,910	7,868	262,462	8,662
40,609	31,517	42,620	30,704	39,573	29,852	1,307,561	107,369
31,203	26,622	54,669	25,998	12,803	24,905	1,074,264	123,569
0	0	0	0	0	0	0	0
206,568	137,615	219,386	129,096	236,708	119,974	2,584,467	547,743
23,447	352	0	0	0	0	0	0
23,255	2,600	26,567	2,088	29,724	1,464	27,716	721
33,320	153,144	40,568	152,590	41,542	151,663	3,957,678	1,550,555
16,715	7,234	13,450	6,649	14,926	6,158	146,970	25,721
0	0	0	0	0	0	0	0
252,982	11,542	258,227	3,873	0	0	0	0
51,042	97,125	51,042	97,125	34,591	97,125	547,222	922,688
25,775	280,028	25,238	279,771	29,685	279,518	7,113,740	3,392,183
31,733	34,370	35,969	33,736	35,086	33,016	1,302,203	142,347
198,342	135,418	198,063	129,646	203,068	122,896	2,550,610	724,030
0	0	0	0	0	0	0	0
90,929	74,411	95,195	70,911	144,433	67,246	1,586,887	283,203
56,007	34,293	54,305	32,266	57,256	30,188	736,060	142,325
32,431	43,111	37,345	41,960	37,256	40,729	971,456	275,760
69,444	3,388	72,192	1,173	0	0	0	0
93,476	12,581	98,126	11,062	92,770	9,468	370,833	18,968
126,847	32,579	126,484	30,042	176,114	27,512	1,083,220	88,872
4,917	3,730	4,254	3,567	3,570	3,427	74,315	17,937
244,149	35,393	242,571	31,121	250,880	26,876	1,043,605	55,971
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0

**COMMONWEALTH OF KENTUCKY
FISCAL MANAGEMENT
SCHEDULE OF BONDS OUTSTANDING
as of 6/30/15**

AGENCY SERIES TITLE	AMOUNT	DATE OF ISSUE	MATURITY DATE	PRINCIPAL	FISCAL YEAR ENDING		FISCAL YEAR ENDING	
	ISSUED			OUTSTANDING	6/30/2016		6/30/2017	
					PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
SERIES TOTAL	3,519,832,964			2,659,783,553	151,619,810	90,751,344	154,369,043	86,823,041
AGENCY TOTAL	3,519,832,964			2,659,783,553	151,619,810	90,751,344	154,369,043	86,823,041

<i>FISCAL YEAR ENDING</i> <i>6/30/2018</i>		<i>FISCAL YEAR ENDING</i> <i>6/30/2019</i>		<i>FISCAL YEAR ENDING</i> <i>6/30/2020</i>		<i>REMAINING DEBT SERVICE</i> <i>TO MATURITY</i>	
<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>	<i>PRINCIPAL</i>	<i>INTEREST</i>
157,489,539	82,369,396	158,249,428	77,790,054	156,781,997	73,166,080	1,881,273,736	464,388,338
157,489,539	82,369,396	158,249,428	77,790,054	156,781,997	73,166,080	1,881,273,736	464,388,338

NOTES TO THE DEBT REPORT

1. KENTUCKY TURNPIKE AUTHORITY - Scheduled debt service reflects July 1 debt service as being paid on June 30 and therefore shows outstanding principal being reduced one fiscal year in advance.
2. KENTUCKY TURNPIKE AUTHORITY - The Economic Development 2010B bonds debt service is shown net of 35% federal interest subsidy for Build America Bonds (BABS) (see Note 14).
3. KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY - The Authority acts as a conduit for the issuance of various private activity hospital and industrial revenue bonds. Principal amounts due and interest rates on most issues are subject to periodic change. The state has no liability for debt service on these types of bonds. Principal and interest payments are the responsibility of the obligated parties.

Bonds are also issued on behalf of approved companies and economic development projects in an effort to create jobs in high unemployment counties within the Commonwealth. The companies have entered into lease financing agreements with the Commonwealth in amounts sufficient to provide debt service on the bonds, and may be eligible for state corporate income tax credits due to their participation in the program. Neither the Commonwealth nor any of its departments or agencies will have or incur any liability, directly or indirectly, for payment of the principal or the interest on these types of bonds.

Issues closed in Fiscal Year 2015:

<u>Project Name</u>	<u>Amount</u>	<u>Initial Rate</u>	<u>Type</u>	<u>Maturity</u>
Masonic Homes Independent Living III, Inc (Jefferson Co)	\$13,000,000	1.7%	Variable	5/2046
Carmel Manor (Fort Thomas, Campbell Co)	\$18,630,000	1.2%+65%	Variable	4/2015

4. KENTUCKY HOUSING CORPORATION – In addition to issuances under the General Bond Resolution (Non-Moral Obligation debt), the Corporation acts as a conduit for the issuance of private activity multi-family mortgage bonds. The Corporation and the Commonwealth have no liability for debt service on these bonds, the proceeds of which are used to finance the construction or rehabilitation of multifamily housing for residents of lower income. Principal and interest payments are the responsibility of the obligors who are developers of the project. There were two conduit bonds issued in Fiscal Year 2015 for a total issuance amount of \$40,755,000.00.
5. KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION – The Series 2008 Bonds are rated “AA-” (Senior Series) by Standard & Poor’s. The Series 2010 Bonds are rated “AA+(sf)” (Senior Series) by Standard & Poor’s,

and they are rated “AAAsf” by Fitch Ratings. The Series 2013-1 bonds are rated “AA+(sf)” by Standard & Poor’s and “AAAsf” by Fitch. The Series 2013-2 bonds are rated “AA+(sf)” by Standard & Poor’s and “AAAsf” by Fitch. The Series 2014A bonds are rated “A(sf)” by Standard & Poor’s and “Asf” by Fitch. The Series 2015-1 bonds are rated “AA+(sf)” by Standard & Poor’s and “AAAsf” by Fitch.

6. STATE PROPERTY AND BUILDINGS COMMISSION - All issues listed as Agency Fund projects are issued on behalf of various agencies, e.g. State Universities, State Fair Board, Department of Military Affairs, Kentucky River Authority, etc. While these bond issues are shown as liabilities of the State Property and Buildings Commission, the debt service is a liability of the various state agencies for which the bonds were issued and is reflected as debt outstanding on the financial statements of the respective agencies as well.
7. STATE PROPERTY AND BUILDINGS COMMISSION - The State Property and Buildings Commission issued \$41,380,000 taxable refunding bonds on June 29, 1987, to refinance \$67,026,000 outstanding academic facility and housing and dining system revenue bonds composed of 55 individual bond issues of Eastern Kentucky University, Morehead State University, Murray State University, Northern Kentucky University, the University of Kentucky, the University of Louisville and Western Kentucky University. The pre-existing debt of the refunded bonds is recognized in the financial statements of the respective universities, since these amounts are still considered an outstanding obligation of the respective universities. While this issue is shown as a liability of the State Property and Buildings Commission also, it continues to be a liability of the various state universities and is reflected in their debt outstanding as well. The remaining outstanding bond issue and amount is:

<u>Series</u>	<u>Outstanding</u>		<u>Final Maturity</u>
	<u>6/1/1987</u>	<u>6/30/2015</u>	
Northern Kentucky University Housing System	B	4,425,000	11/2020

8. STATE PROPERTY AND BUILDINGS COMMISSION - The debt service shown for State Property and Buildings Commission Project No. 95, State Property and Buildings Commission Project No. 96, and State Property and Buildings Commission Project No. 99 is shown net of the Build America Bonds 35% federal interest subsidy (see Note 14).
9. UNIVERSITIES - The debt service for the following university bond issues is shown net of the Build America Bonds 35% federal interest subsidy (see Note 14): Morehead State University General Receipts Bonds Series 2009A and Series 2010A; University of Kentucky General Receipts Bonds Series 2009B and Series 2010A; and University of Louisville General Receipts Bonds Series 2010A.
10. UNIVERSITIES - The debt service for the following university bond issues is shown net of the 70% federal interest subsidy for Qualified Energy Conservation Bonds (see Note 14): University of Kentucky General Receipts Bonds Series 2010B and University of Louisville General Receipts Bonds Series 2010B.

11. SCHOOL FACILITIES CONSTRUCTION COMMISSION – Debt service interest shown for bonds issued with the Build America Bonds federal interest subsidy does not reflect the subsidy. The subsidy is allocated in its entirety to the local school district's debt service if there is local school district debt service on the bonds.
12. GAS PIPELINE AUTHORITY – The Gas Pipeline Authority has the authority to issue bonds but has issued none.
13. KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY – The Kentucky Public Transportation Infrastructure Authority has been designated as the developing and issuing authority under KRS 175B for the purpose of constructing and financing the Downtown Crossing of the Louisville Southern Indiana Ohio River Bridges Project. The Kentucky Public Transportation Infrastructure Authority has the authority to issue notes or bonds. The Kentucky Public Transportation Infrastructure Authority issued \$275,670,369.25 of First Tier Toll Revenue Bonds, Series 2013 A (Current Interest Bonds), Series 2013 B (Capital Appreciation Bonds), and Series C (Convertible Capital Appreciation Bonds) and \$452,200,000 of Subordinate Toll Revenue Bond Anticipation Notes, Tax-Exempt Series 2013 A and Taxable Series 2013 B which closed December 20, 2013.
14. FEDERAL SEQUESTRATION - Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, refund payments to certain state and local government filers claiming refundable credits under section 6431 of the Internal Revenue Code applicable to certain qualified bonds are subject to sequestration. These reductions apply to Build America Bonds, Qualified School Construction Bonds, Qualified Zone Academy Bonds, New Clean Renewable Energy Bonds, and Qualified Energy Conservation Bonds for which the issuer elected to receive a direct credit subsidy pursuant to section 6431.
- October 1, 2014 through September 30, 2015, refund payments will be reduced by the federal fiscal year sequestration rate of 7.3 percent.
 - October 1, 2015 through September 30, 2016, refund payments will be reduced by the federal fiscal year sequestration rate of 6.8 percent
15. COMMONWEALTH P3 PROJECT – The Finance and Administration Cabinet, a statutory administrative organization of the Commonwealth, entered into a Lease Agreement with semi-annual payments to pay the principal and interest due on Certificates of Participation dated April 29, 2015 issued to fund the State Office Building Project. Occupants of the building (state agencies) will make payments to Finance Facilities that will be used to make the rent and additional rent payments under the lease.

**Administrative Office of the Courts Participation in Bond Obligations
for Disclosure Purposes Beginning January 1, 1996
As of June 30, 2015**

<u>County</u>	<u>Bldg.</u>	<u>Par Amount of Bonds</u>	<u>Date of Issue</u>	<u>Bond Term</u>	<u>6 Digit CUSIP</u>
Adair	Justice Center	\$ 12,470,000	12/27/07	20	005365
Allen	Judicial Center	\$ 14,480,000	7/27/10	19	017553
Ballard	Courthouse	\$ 1,675,000	2/8/07	10	058538
Barren	Courthouse	\$ 4,325,000	11/27/07	20	N/A
Bell	Judicial Center	\$ 4,470,000	6/17/14	14	078000
Boone	Judicial Center	\$ 9,840,000	10/1/11	11	098797
Bourbon	Judicial Center	\$ 4,260,000	12/21/06	15	101844
Boyd	Judicial Center	\$ 18,855,000	7/18/07	20	103272
Bracken	Judicial Center	\$ 15,960,000	8/2/11	19	10376C
Breathitt	Judicial Center	\$ 4,975,000	8/7/12	12	106377
Breckinridge	Judicial Center	\$ 13,155,000	2/1/10	20	106617
Calloway	Judicial Center	\$ 2,590,000	7/15/08	10	131245
Campbell (City of Newport)	Judicial Center	\$ 27,750,000	10/1/09	20	65189P
Campbell (City of Newport)	Judicial Center	\$ 3,315,000	1/1/10	4	65189P
Carlisle	Judicial Center	\$ 10,770,000	9/1/09	19	142326
Carter	Judicial Center	\$ 5,300,000	11/1/10	13	146113
Casey	Judicial Center	\$ 4,280,000	11/2/11	11	147492
Christian	Justice Center	\$ 16,545,000	4/5/07	16	170698
Clay	Judicial Center	\$ 5,415,000	12/1/12	10	183382
Cumberland	Judicial Center	\$ 3,630,000	10/27/11	12	23041N
Cumberland	Judicial Center	\$ 405,000	2/1/04	20	23041N
Daviess	Judicial Center	\$ 4,270,000	7/1/94	20	N/A
Elliott	Courthouse Addition	\$ 1,770,000	12/7/06	16	288645
Fleming	Justice Center	\$ 13,510,000	11/1/09	20	339152
Floyd	Justice Center	\$ 6,200,000	9/23/13	13	34365T
Franklin (A)	Judicial Center	\$ 5,125,000	5/3/11	20	352832
Franklin (B)	Judicial Center	\$ 23,890,000	5/3/11	18	352832
Garrard	Judicial Center	\$ 11,830,000	9/17/09	20	366361
Grant	Judicial Center	\$ 16,615,000	12/5/07	20	387725
Grayson	Judicial Center	\$ 12,115,000	9/11/07	20	389687
Grayson (refunding)	Judicial Center	\$ 8,140,000	3/17/15	13	389687
Green	Judicial Center	\$ 11,545,000	2/13/08	20	392799
Hancock	Judicial Center	\$ 11,625,000	7/29/09	19	40987P
Hardin (E-town)	Judicial Center	\$ 11,640,000	2/7/07	16	287037
Harlan	Judicial Center	\$ 6,865,000	11/23/10	15	412584
Harrison	Judicial Center	\$ 4,520,000	7/1/10	12	415014
Hart	Judicial Center	\$ 11,315,000	5/1/07	20	416073
Hart (refunding)	Judicial Center	\$ 7,290,000	2/19/15	12	416073
Hickman	Annex	\$ 1,275,000	8/13/08	15	42868V
Hopkins	Judicial Center	\$ 19,410,000	6/8/10	17	439756
Jackson	Judicial Center	\$ 12,235,000	12/27/07	20	467086
Jefferson	Judicial Center	\$ 58,855,000	3/22/07	20	473020
Johnson	Judicial Center	\$ 5,880,000	8/2/12	12	478782
Knott	Judicial Center	\$ 4,085,000	11/9/11	11	499202
Knox	Annex	\$ 1,635,000	2/17/10	12	499448
Laurel	Judicial Center	\$ 23,725,000	4/3/08	20	51864L
Lawrence	Judicial Center	\$ 18,135,000	6/9/11	19	519726
Lewis	Judicial Center	\$ 5,420,000	11/1/05	21	527750
Lewis (refunding)	Judicial Center	\$ 3,680,000	9/2/14	12	527750
Lincoln	Judicial Center	\$ 1,340,000	8/7/12	13	533199
Livingston	Judicial Center	\$ 8,925,000	7/19/07	20	53861L
Logan	Judicial Center	\$ 14,775,000	3/4/08	20	540783
Lyon	Judicial Center	\$ 900,000	2/12/08	16	551849
Lyon	Judicial Center	\$ 3,375,000	9/1/09	10	551849
Magoffin	Judicial Center	\$ 5,070,000	3/28/12	11	559746
Marion	Judicial Center	\$ 11,335,000	2/24/09	20	56906P
Marshall	Judicial Center	\$ 4,815,000	4/24/12	11	572150
McCracken	Judicial Complex	\$ 1,495,936	12/17/13	13	579822
McCreary	Courthouse Addition	\$ 3,515,000	9/2/09	12	57983P
McLean	Courthouse Addition	\$ 2,570,000	11/30/10	17	582055
Menifee	Courthouse Addition	\$ 2,720,000	12/13/06	25	586812
Menifee (refunding)	Courthouse Addition	\$ 2,130,000	12/30/14	13	586812
Mercer	Judicial Center	\$ 12,385,000	7/28/09	19	58782P
Metcalfe	Judicial Center	\$ 4,180,000	9/16/10	12	591444
Monroe	Judicial Center	\$ 10,005,000	12/1/09	19	610617
Morgan (2010 series)	Judicial Center	\$ 15,230,000	6/1/10	19	617235
Morgan (2013 series)	Judicial Center	\$ 1,635,000	4/18/13	17	617235
Muhlenberg	Judicial Center	\$ 4,570,000	4/5/12	12	62479R
Nelson	Judicial Center	\$ 7,905,000	5/10/11	12	640335
Nelson	Judicial Center	\$ 375,000	10/1/03	20	640335
Owen	Judicial Center	\$ 12,555,000	4/27/10	19	69068V
Pendleton	Judicial Center	\$ 11,775,000	1/30/08	20	706752

**Administrative Office of the Courts Participation in Bond Obligations
for Disclosure Purposes Beginning January 1, 1996
As of June 30, 2015**

<u>County</u>	<u>Bldg.</u>	<u>Par Amount of Bonds</u>	<u>Date of Issue</u>	<u>Bond Term</u>	<u>6 Digit CUSIP</u>
Perry	Judicial Center	\$ 3,875,000	7/1/12	11	714547
Pike	Judicial Center	\$ 30,925,000	8/5/10	19	721165
Pulaski (2008)	Judicial Center	\$ 14,205,000	12/30/08	20	745464
Pulaski (2009)	Judicial Center	\$ 9,500,000	1/15/09	20	745464
Robertson	Judicial Center	\$ 3,305,000	4/2/08	25	770559
Rowan	Judicial Center	\$ 12,080,000	7/1/09	20	779435
Russell	Judicial Center	\$ 11,625,000	11/1/09	19	782440
Shelby (2008)	Judicial Center	\$ 9,750,000	11/25/08	20	82161P
Shelby (2009)	Judicial Center	\$ 12,285,000	3/5/09	20	82161P
Simpson	Judicial Center	\$ 6,000,000	10/28/10	13	829010
Taylor	Judicial Center	\$ 14,970,000	9/25/07	20	877024
Todd	Judicial Center	\$ 11,110,000	6/16/10	19	88900C
Trigg	Judicial Center	\$ 12,280,000	9/26/07	20	896184
Trigg (refunding)	Judicial Center	\$ 7,175,000	4/23/15	13	896184
Union	Annex	\$ 1,630,000	2/1/03	12	N/A
Warren	Judicial Center	\$ 25,960,000	12/1/05	24	934870
Washington	Judicial Center	\$ 11,960,000	4/12/07	19	93771R
Wayne	Judicial Center	\$ 5,465,000	3/6/12	11	944468
Webster	Judicial Center	\$ 2,195,000	5/5/11	15	94781L
Whitley	Judicial Center	\$ 17,105,000	9/1/09	19	966420
Wolfe	Judicial Center	\$ 10,930,000	4/8/10	19	977764

EASTERN KENTUCKY UNIVERSITY
Richmond, Kentucky

FINANCIAL STATEMENTS
June 30, 2015

EASTERN KENTUCKY UNIVERSITY

FINANCIAL STATEMENTS

June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of Regents
Eastern Kentucky University
Richmond, Kentucky
and
Secretary of Finance and
Administration Cabinet of the
Commonwealth of Kentucky

Report on the Financial Statement

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of the Eastern Kentucky University (the "University"), a component of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Eastern Kentucky University Foundation, Inc., which represents the entire discretely presented component unit of the University. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Eastern Kentucky University Foundation, Inc., is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the University, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 1 to the financial statements, during the year ended June 30, 2015, the University adopted new accounting guidance, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

As discussed in Note 14, J. to the financial statements, the July 1, 2014 net assets balances of the Eastern Kentucky Foundation, Inc. have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 17, the Schedule of the University's Proportionate Share of the Net Pension Liability on page 66, and the Schedule of the University's Contributions on page 67, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Crowe Horwath LLP
Crowe Horwath LLP

Louisville, Kentucky
October 30, 2015

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Introduction

Eastern Kentucky University is a public institution of higher learning located in central Kentucky and serving primarily the Eastern region of the Commonwealth. Many Eastern students are the first among their families to attend college.

In addition to the main campus located in Richmond, Kentucky, the University has six regional campuses throughout the state that offer a diverse range of degree programs from associate to doctoral level degrees. The University's prominent programs include Aviation, Criminal Justice, Education, Environmental Health Science, Forensic Science, Homeland Security, Nursing, Occupational Therapy, and PGA Golf Management. The nationally prominent Honors Program and Mock Trial Team are consistently recognized among the nation's best. Additionally, the College of Justice & Safety is internationally known, with frequent visitors coming from other countries to learn the most up-to-date methods for dealing with national and local security issues.

In the fall 2014 semester, the University served over 16,300 students. A growing number of students are attributable to the University's online program which is now available for over 34 degree programs. The University was ranked nationally by *U.S. News & World Report* as having one of the best and most affordable online programs.

The University has consistently ranked in the top tier of Regional Universities in the South as published by *U.S. News & World Report* in the "*Best Colleges*" edition for six consecutive years. The University is home to more than 1,300 veterans and their dependents and has been ranked No. 1 or No. 2 nationally four of the last five years among the "*Best for Vets: Business Schools*" by Military Times *EDGE* magazine. In addition, *Forbes Magazine* has rated Eastern among "*America's Best Colleges*" for seven consecutive years. The University is also ranked among a prestigious group of only 92 colleges and universities with the distinction of "*Great Colleges to Work For*" according to the seventh annual report on the academic workplace by the *Chronicle of Higher Education*.

Eastern received private support in fiscal year 2015 of more than \$4.2 million. This is the highest level since fiscal year 2001. Eastern Kentucky University is one of only 361 U.S. colleges and universities selected for the 2015 Community Engagement Classification from the Carnegie Foundation for the Advancement of Teaching. The University has been recognized for five consecutive years for Contributions to Public Good from *Washington Monthly* magazine and is one of the top 125 STEM (Science/Technology/Engineering/Mathematics) colleges and universities in the U.S. (Gold Status/highest possible rank and the only Kentucky institution to make the list) by *Victory Media*.

The audited financial statements for the fiscal year 2015 for Eastern Kentucky University (the "University"), and the statements for the Eastern Kentucky University Foundation, Inc. (the "Foundation"), an affiliated organization and component unit of the University, are included in this report. This section, Management's Discussion and Analysis ("MD&A"), is intended to provide an overview of the University's financial position at June 30, 2015, with selected comparative information for the year ended June 30, 2014. The MD&A should be read in conjunction with the accompanying financial statements and notes.

During fiscal year 2015 the University adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transitions for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. GASB Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term pension benefit obligation as a liability. GASB Statement No. 68 replaces GASB Statement No. 27, *Accounting*

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

for Pensions by State and Local Governmental Employers. The objective of GASB Statement No. 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The principal effect of the adoption of these GASB statements was the requirement to record the Net Pension Liability. The University has reflected this accounting in change retroactively as required by the GASB guidance.

Please see *Adoption of New Accounting Pronouncements* in Note 1 of the financial statements for further details.

Financial Highlights

At June 30, 2015, Eastern Kentucky University's financial position increased as reflected in the Statement of Net Position.

- Total assets increased by \$42.2 million to \$465.6 million at June 30, 2015, compared to \$423.4 million at June 30, 2014. The major factors affecting this increase include \$13.3 million related to the increase in cash restricted for incomplete capital projects, as well as an increase in current assets of \$3.3 million and an increase in net capital assets of \$26.7 million.
- With the adoption of GASB 68, the contributions to the KTRS and KERS pensions are reflected as a deferred outflow. This increased deferred outflows by \$4.1 million.
- Overall liabilities increased by \$24.8 million to \$518.1 million at June 30, 2015, compared to \$493.3 million at June 30, 2014. This increase is primarily the result of a \$33.8 million increase in bonds and leases payable, and a decrease of \$8.5 million in Net Pension Liability.
- Total net position at June 30, 2015 increased \$2.1 million to \$(55.1) million over the June 30, 2014 restated amount of \$(57.2) million. The greatest factors affecting this increase include an increase in investments in capital assets of \$7.8 million, and a decrease in funds restricted for capital projects of \$1.0 million.

Using the Annual Report

This annual report consists of a series of financial statements that have been prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis – for Public Colleges and Universities*. The financial statements consist of Statements of Net Position as of June 30, 2015, the Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows for the fiscal year then ended. These statements reflect both the financial position of the University as of the end of the 2015 fiscal year, as well as the results of operating and nonoperating activities and cash flows. Also included are the financial statements for the Foundation, which are presented in this report in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an amendment of GASB Statement No. 14*. The 2014 financial information has been retroactively restated where applicable as required by the implementation of GASB 68. All amounts shown on the charts and tables in management's discussion and analysis are shown in thousands.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Reporting Entity

The University is a component unit of the Commonwealth of Kentucky (the "Commonwealth").

Statement of Net Position

The Statement of Net Position provides a snapshot of the financial position of the University at the end of the fiscal year. In this statement, assets and liabilities are segregated into their current and noncurrent components with net position reported as capital, restricted, or unrestricted. Unrestricted net position is further designated for specific purposes as noted in this discussion and in the notes to the financial statements.

Assets – Total assets at June 30, 2015, were \$465.6 million compared to \$423.4 million at June 30, 2014, an increase of \$42.2 million.

Cash and Cash Equivalents – Total cash and cash equivalents at June 30, 2015, totaled \$85.5 million; \$17.4 million more than the June 30, 2014, level of \$68.1 million. This increase is attributable to both an increase in restricted cash and cash equivalents of funds designated primarily for capital project purposes of \$13.3 million, as well as an increase of cash and cash equivalents from operations totaling \$4.1 million.

Investments – The Foundation holds and manages investments owned by the University. At June 30, 2015, the market value of investments held by the Foundation on behalf of the University was \$17.7 million compared to \$18.6 million at June 30, 2014, a decrease of \$.9 million.

Capital Assets – The historical cost, less accumulated depreciation, of the University's capitalized assets was \$336.4 million as of June 30, 2015, a net increase after depreciation of \$26.7 million from the \$309.7 million balance at June 30, 2014. The largest contributions to this increase include a \$14.1 million net increase in capital assets in service primarily attributable to the lease with Grand Campus Properties and an increase of \$12.6 million in capital assets in progress primarily attributable to construction of Phase II of the Science Building. Depreciation expense for the fiscal year totaled \$17.5 million.

Other Asset Categories – The balances in the various other asset categories were essentially unchanged at June 30, 2015, compared to June 30, 2014, with the exception of accounts receivable (net of allowance) which decreased in total by \$1.0 million; loans to students, which decreased in total by \$326 thousand; and prepaid interest, which increased in total by \$335 thousand.

Deferred Outflows – With the adoption of GASB Statement No. 65 and No. 68, deferred outflows are now being recognized as what was previously reported as a component of bonds payable. The deferred outflows for the year ended June 30, 2015, totaled \$16.7 million and represent the unamortized deferred refunding balance of bonds, as well as the contributions to the KTRS and KERS pension. The balance was \$12.6 million at June 30, 2014.

Liabilities – Total liabilities at June 30, 2015, were \$518.2 million compared to \$493.3 million at June 30, 2014. This increase of \$24.9 million is primarily attributable to an increase in bonds payable and capital leases of \$33.8 million primarily stemming from the leasing of Grand Campus, offset by a decrease of \$8.5 million in Net Pension Liability from fiscal year 2014.

Bonds Payable and Capital Lease Obligations – In total, bonds payable and capital lease obligations increased by \$33.8 million as of June 30, 2015, compared to June 30, 2014. At June 30, 2015, the total bonds payable and capital lease obligations was \$108.1 million versus \$74.3 million at June 30, 2014. This increase is attributable primarily to the leasing of Grand Campus Properties.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Other Liability Categories – At June 30, 2015, the balances in various other liability categories decreased by \$388 thousand to \$28.9 million compared to \$29.4 million at June 30, 2014. The majority of the balances in this category are comprised of accounts payable, interest payable, payroll/benefits liabilities, external contracts and grants, and deferred revenues associated with tuition and fees billed in June 2015, for summer school classes.

Deferred Inflows – With the adoption of GASB Statement No. 65 and No. 68, deferred inflows are now being recognized as what was previously reported as a component of liabilities. The deferred inflows for the year ended June 30, 2015, totaled \$19.3 million and represent the KTRS and KERS pension. This is the first year we have recognized deferred inflows.

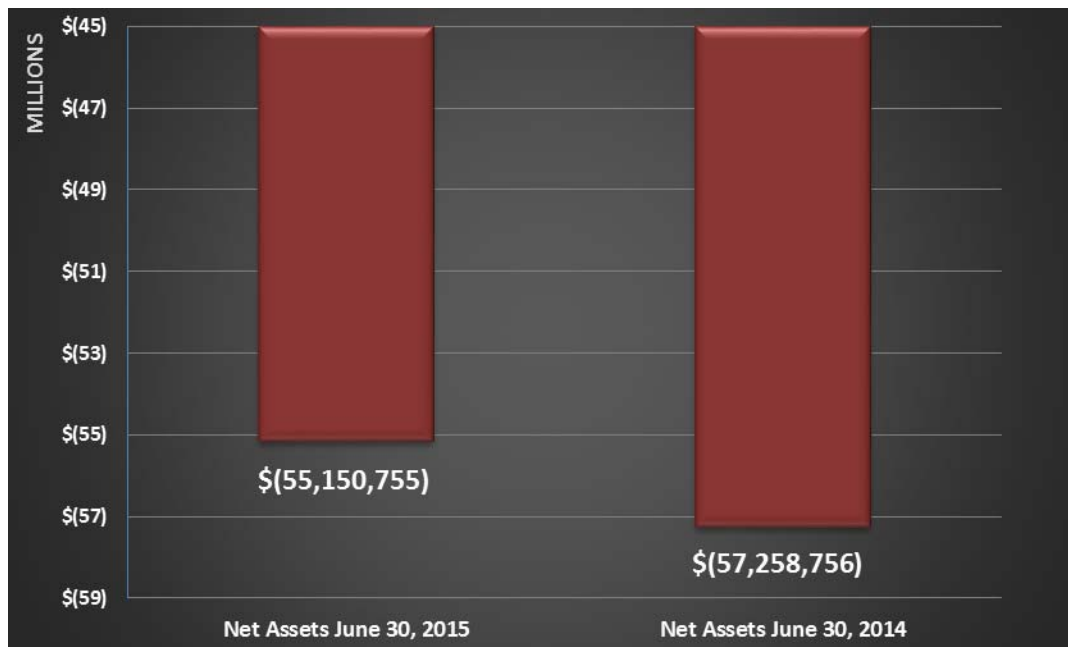
Net Position – Total Net Position at June 30, 2015, was \$(55.1) million; an increase of \$2.1 million over the \$(57.2) million at June 30, 2014.

Net Investment in Capital Assets – Net position invested in capital assets increased by \$7.8 million as of June 30, 2015, to \$244.1 million over the June 30, 2014, level of \$236.4 million. The primary contributing factor to this increase was acquiring capital assets through a capital lease offset by the depreciation of assets.

Restricted Net Position – In total, restricted net position decreased by \$1.9 million to \$33.4 million at June 30, 2015, compared to \$35.3 million at June 30, 2014. The net decrease is primarily attributable to the decrease in restricted cash for scholarships of \$2.6 million.

Unrestricted Net Position – Unrestricted net position decreased by \$3.8 million to \$(332.7) million at June 30, 2015, compared to the June 30, 2014, unrestricted net position of \$(328.9) million. This decrease is attributable to the increase of the KTRS and KERS Pension expense.

The chart below illustrates the net position for the years ended June 30, 2015 and 2014:



EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Unrestricted Net Position

A portion of net position is considered unrestricted. The unrestricted net position may be designated for certain uses, but does not have formal governmental, donor, or other restrictions. The balances for unrestricted net position at June 30 are shown below with the respective designations indicated.

	<u>2015</u>	<u>2014</u>
Inventories	\$ 374	\$ 388
Outstanding encumbrances	6,908	4,034
Departmental commitments	14,564	19,578
Designated projects and contingency reserves	6,290	12,986
Health care self-insurance reserve	3,000	2,600
Auxiliary working capital	11,271	9,432
University capital projects	9,345	-
KTRS Pension	(247,320)	(242,940)
KERS Pension	<u>(137,125)</u>	<u>(135,013)</u>
Total unrestricted	<u>\$ (332,693)</u>	<u>\$ (328,935)</u>

The following are the major components reflected in the Statements of Net Position:

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets	\$ 79,756	\$ 76,496
Capital assets – net	336,441	309,732
Other noncurrent assets	<u>49,432</u>	<u>37,186</u>
Total assets	<u>\$ 465,629</u>	<u>\$ 423,414</u>
DEFERRED OUTFLOWS		
Unamortized deferred refunding balance	\$ 745	\$ 944
Contributions to KTRS/KERS Pensions	<u>16,010</u>	<u>11,679</u>
Total deferred outflows	<u>\$ 16,755</u>	<u>\$ 12,623</u>
LIABILITIES		
Current liabilities	\$ 36,609	\$ 36,232
Noncurrent liabilities	<u>481,574</u>	<u>457,065</u>
Total liabilities	<u>\$ 518,183</u>	<u>\$ 493,297</u>
DEFERRED INFLOWS		
KTRS/KERS Pensions	\$ 19,351	\$ -
NET POSITION		
Net investment in capital assets	\$ 244,131	\$ 236,365
Restricted – expendable	21,944	23,843
Restricted – nonexpendable	11,468	11,468
Unrestricted	<u>(332,693)</u>	<u>(328,935)</u>
Total net position	<u>\$ (55,150)</u>	<u>\$ (57,259)</u>

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Statements of Revenues, Expenses, and Changes in Net Position

The Statements of Revenues, Expenses, and Changes in Net Position reflect the operating, nonoperating, and capital revenues and expenses of the University. The increase in total net position is a result of these activities.

Operating Results – As indicated in the Statement of Revenues, Expenses, and Changes in Net Position, there was a net loss of \$115.1 million from operations for the fiscal year ended June 30, 2015, prior to consideration of state appropriations and other net nonoperating revenues. This is compared to a loss of \$104.3 million from operations for the fiscal year ended June 30, 2014.

Operating Revenues

Below is a summary of operating revenues for fiscal year 2015 as compared to fiscal year 2014:

	<u>Year ended June 30,</u> <u>2015</u>	<u>2014</u>
Tuition and fees	\$ 145,872	\$ 137,801
Scholarships and discounts	<u>(54,891)</u>	<u>(51,223)</u>
Net tuition and fees	90,981	86,578
 Grants and contracts	 50,647	 48,070
Other revenues	<u>19,278</u>	<u>17,211</u>
Total education and general fund	160,906	151,859
 Auxiliaries	 26,872	 22,169
Scholarships and discounts	<u>(11,432)</u>	<u>(8,455)</u>
Net auxiliaries	<u>15,440</u>	<u>13,714</u>
 Total operating revenues	 <u>\$ 176,346</u>	 <u>\$ 165,573</u>

Tuition and Fees – Income from student tuition and fee assessments, shown net of the tuition discount, was \$90.9 million for the fiscal year ended June 30, 2015, compared to \$86.5 million for the fiscal year ended June 30, 2014. The increase of \$4.4 million in net tuition and fees reflects principally an increase in enrollment for the University during the year ended June 30, 2015.

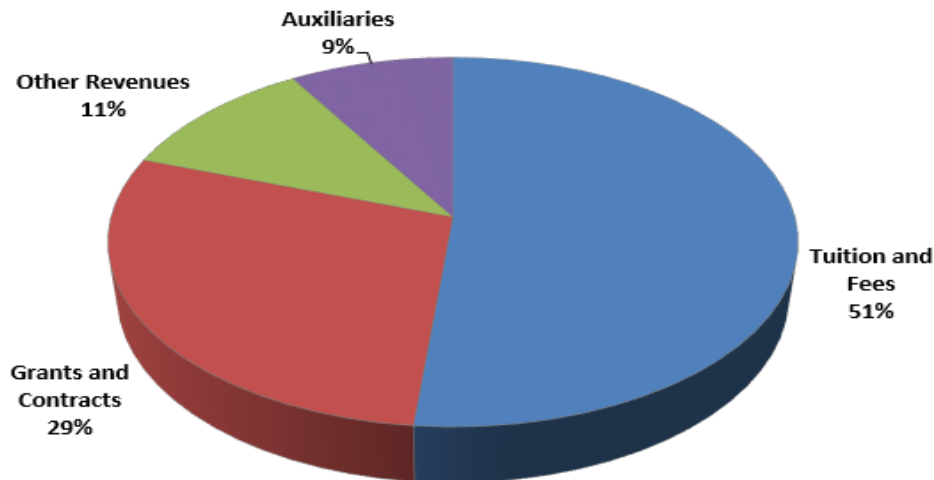
Grants and Contracts – For the fiscal year ended June 30, 2015, there was \$50.6 million recognized revenue from all grants and contracts compared to \$48.1 million for the year ended June 30, 2014; a slight increase of \$2.5 million. Revenues recognized from external grants and contracts can vary significantly from one fiscal year to the next given variations in new awards, awards ending their grant cycle, and amounts recognized for activities occurring in a given year.

Auxiliaries – Auxiliary enterprises consist of University functions provided for the academic and physical well-being of students. While these functions are not directly related to providing educational services, they are important for student convenience and support. Like tuition and fees, housing revenues are reported net of scholarships and financial aid that directly offset these costs to students. In the Statements of Revenues, Expenses, and Changes in Net Position, \$15.4 million is reported for net auxiliary revenues for the year ended June 30, 2015, compared to \$13.7 million for the year ended June 30, 2014. The majority of auxiliary revenues for both fiscal years is attributable to student residence hall fees.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Other Operating Revenues – Revenues in the various categories that make up other operating revenues can vary widely from year to year when unexpected revenues come into the University. For the fiscal year ended June 30, 2015, total other operating revenues were \$19.3 million compared to \$17.2 million for June 30, 2014, an increase of \$2.1 million.

Source of Operating Revenues – Fiscal Year 2015



Operating Expenses

Educational and General – Educational and general expenses are those expenditures associated with both academic instruction and support of the educational mission of the University. These include expenditures related to both operational activities and those activities where funding is restricted for specific purposes, such as external contracts and grants. Educational and general expenditures include instructional costs, expenditures related to public service, academic support services such as libraries, student services including health services and student activities, administrative costs for the University, the maintenance and operation of the University's physical facilities, financial and scholarship expenses not directly related to tuition or housing, and debt service expenditures. For the fiscal year ended June 30, 2015, educational and general expenditures totaled \$262.3 million compared to \$250.3 million for the fiscal year ended June 30, 2014; an increase of \$12.0 million. This increase in expense for the year ending June 30, 2015, was largely attributable to the increase of institutional support provided to the University.

Auxiliaries – As indicated above, auxiliary enterprises are essential student service activities that do not directly impact educational and general operations. The total auxiliary expenditures for the year ended June 30, 2015, were \$22.7 million, compared to \$19.6 million for the year ended June 30, 2014.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Below is a summary of operating expenditures for fiscal year 2015, compared to fiscal year 2014:

	Year ended June 30, <u>2015</u>	<u>2014</u>
Instruction, academic support and libraries	\$ 117,826	\$ 115,550
Research and public service	44,077	42,594
Student services	19,252	18,166
Institutional support and operations and maintenance of plant	55,610	48,382
Student financial aid	11,800	12,202
Depreciation	13,426	13,156
Other operation expenses	<u>291</u>	<u>243</u>
Total educational and general expenses	262,282	250,293
 Auxiliaries	 22,715	 19,611
Pension expense	<u>6,493</u>	<u>-</u>
 Total operating expenses	 <u>\$ 291,490</u>	 <u>\$ 269,904</u>

Instruction, Academic Support, and Libraries – The total expenditures of these three areas, which directly relate to teaching, academic, and faculty support, increased \$2.3 million to \$117.8 million for the year ended June 30, 2015, compared to \$115.5 million for the year ended June 30, 2014.

Research and Public Service – Expenditures in these categories are primarily related to external contracts and grants activity. These activities can vary significantly from year to year due to both timing of awards and project completions. For the fiscal year ended June 30, 2015, total expenditures related to research and public service was \$44.1 million, compared to \$42.6 million for the fiscal year ended June 30, 2014; an increase of \$1.5 million.

Student Services – Expenditures for student services for fiscal year 2015 by \$1.1 million to \$19.2 million compared to \$18.1 million in fiscal year 2014. The student services function includes expenditures for many activities contributing to student development outside the instructional setting.

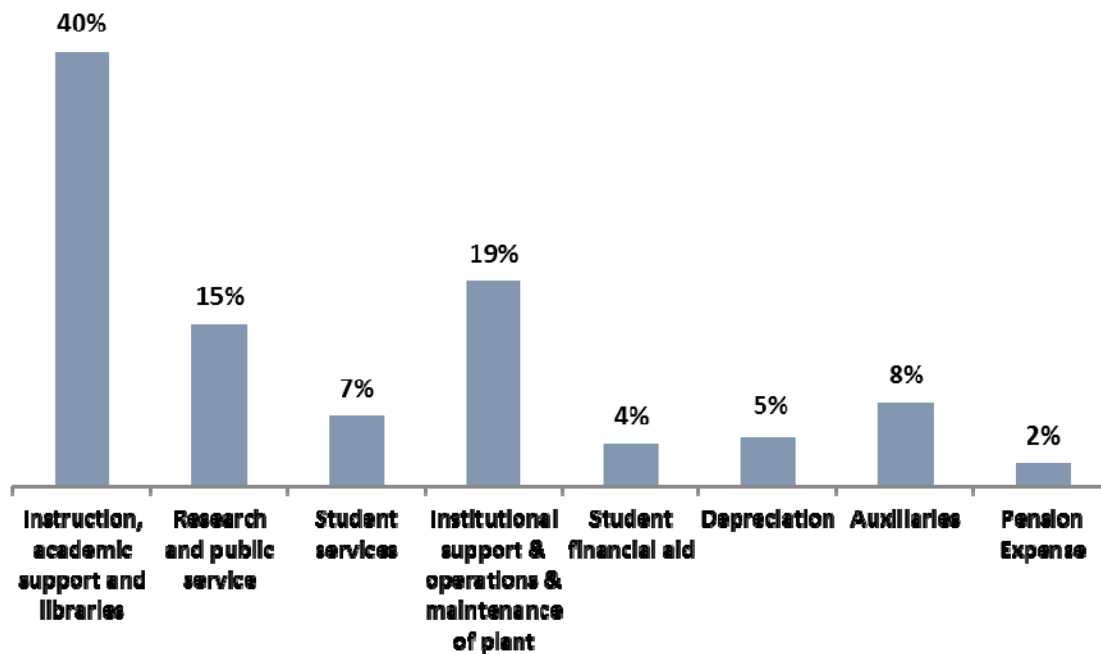
Institutional Support and Operations and Maintenance of Plant – These functions provide physical and administrative support for the University and include administrative offices, physical plant operations, noncapital maintenance expenses, utility expenses, technology support, legal, property and liability insurance, and other similar operational support costs. For the fiscal year ended June 30, 2015, the expenditures for these areas totaled \$55.6 million compared to \$48.4 million for the year ended June 30, 2014; an increase of \$7.2 million.

Student Financial Aid – Tuition and fees, as well as certain auxiliary revenues, are shown net of financial aid from all sources directly awarded to fund those respective areas. As a result, the financial aid expense shown on the Statement of Revenues, Expenses, and Changes in Net Position for the fiscal years highlighted is relatively low in relationship to the total amounts expended for financial aid both from governmental sources and institutional sources. For fiscal year 2015, the total financial aid expenditure was \$78.1 million compared to \$71.9 million for fiscal year 2014, as shown in the table on the following page.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Pension Expense – Upon adoption of GASB Statement No. 68 Accounting and Financial Reporting for Pensions, the University reports Pension Expense on the Statement of Revenues, Expenses, and Change in Net Position. For the fiscal year ending June 30, 2015, the University recorded \$ 6.5 million of Pension Expense.

Major Areas of Operating Expense – Fiscal Year 2015



Net student financial aid reported on the Statement of Changes in Revenues, Expenses, and Changes in Net Position reflect the residual financial aid paid directly to the students. The net student financial aid for the year ended June 30, 2015, was \$11.8 million compared to \$12.2 million for the year ended June 30, 2014. The decrease of \$400 thousand in net student financial aid resulted from small increases to tuition rates.

The information below shows the gross dollars associated with financial aid support:

	Year ended June 30,	
	2015	2014
Tuition and fee discount	\$ 54,891	\$ 51,223
Auxiliary enterprises discount	11,432	8,455
Student financial aid expense	<u>11,800</u>	<u>12,202</u>
Student financial aid expense	<u>\$ 78,123</u>	<u>\$ 71,880</u>

Non-operating Revenue/Expenses

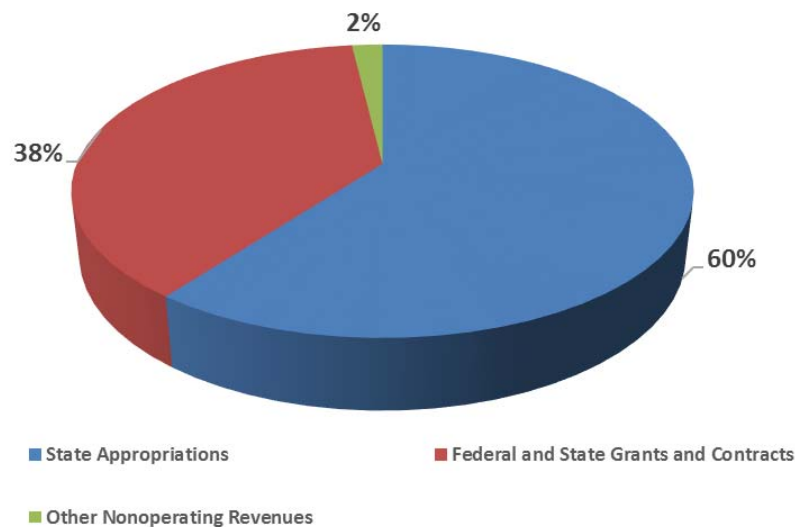
State Appropriations – Funding from state appropriations for operations and debt service for the fiscal year ended June 30, 2015 totaled \$68.0 million, an increase of \$360 thousand from the prior fiscal year amount of \$67.7 million.

Investment Income – Total investment income for the fiscal years ended June 30, 2015, and 2014, was \$(612) thousand and \$1.7 million, respectively; a decrease of \$2.4 million.

Federal and State Grants and Contracts – Total federal and state grant revenue for the fiscal year ended June 30, 2015, was \$42.6 million, compared to \$41.1 million from fiscal year 2014. This was an increase from prior year revenue of \$1.5 million.

Other Non-Operating Revenues – Other Non-Operating revenues totaled \$2.1 million for the year ended June 30, 2015, remaining unchanged from the amount of \$2.1 million from the prior year ended June 30, 2014.

Major Sources of Non-Operating Revenues – Fiscal Year 2015



Capital Support – For the year ended June 30, 2015, the University received funds from the Commonwealth totaling \$7.9 million for a new capital project, compared to fiscal year 2014 when the University returned funds to the Commonwealth totaling \$426 thousand for a completed capital project.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

The following is summary information from the Statements of Revenues, Expenses, and Changes in Net Position.

	Year ended June 30, <u>2015</u>	<u>2014</u>
Operating revenues	\$ 176,346	\$ 165,572
Operating expenses	<u>291,490</u>	<u>269,904</u>
Operating loss	(115,144)	(104,332)
Nonoperating revenues – net	<u>109,272</u>	<u>110,494</u>
Income (loss) before capital appropriations	(5,872)	6,162
Capital appropriations	<u>7,980</u>	<u>(426)</u>
Increase in net position	2,108	5,736
Net Position – beginning of year	<u>(57,259)</u>	<u>(62,995)</u>
Net Position – end of year	<u>\$ (55,151)</u>	<u>\$ (57,259)</u>

Statements of Cash Flows

The Statements of Cash Flows provides information related to cash sources and uses during the fiscal year. The Statement focuses on three areas: cash generated and utilized from operations; noncapital and capital financing activities; and investing activities. Additionally, there is a reconciliation section in the Statement whereby the net cash used in operations is reconciled to the loss from operations reflected in the Statements of Revenues, Expenses, and Changes in Net Position.

The following is summary information from the Statements of Cash Flows:

	Year ended June 30, <u>2015</u>	<u>2014</u>
Cash provided by (used in)		
Operating activities	\$ (90,482)	\$ (89,073)
Noncapital financing activities	110,673	108,758
Capital and related financing activities	(3,365)	(21,826)
Investing activities	<u>636</u>	<u>4,965</u>
Net change in cash and cash equivalents	17,462	2,824
Cash and cash equivalents – beginning of year	<u>68,125</u>	<u>51,639</u>
Cash and cash equivalents – end of year	<u>\$ 85,587</u>	<u>\$ 54,463</u>

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Capital Asset and Debt Administration

During fiscal years 2015, and 2014, the following projects were completed by the University:

	Year ended June 30, <u>2015</u>	<u>2014</u>
New Student Housing	\$ -	\$ 20,295
Capitalized Bond interest – New Student Housing	-	1,144
Baseball Field Lighting RCF 1035	-	564
Softball Field Lighting RCF 1036	-	225
Palmer Air Chiller Replacement	-	184
Gibson Fluid Cooler Replacement	-	137
Begley Building Chiller	-	101
Ault Building HVAC Replacement	-	101
Hummel Planetarium Seating – RCF 874	-	77
Dairy Research & Education Center	-	25
208 Summit Street Renovation	-	24
Thompson/Schwendeman Expansion Project	-	12
Turkey Hughes Baseball Field Lighting	-	5
Hood Softball Field Lighting	-	5
Ault Building HVAC	40	-
Keen Johnson Bell Tower	319	-
RCF 1096 – Challenge Course	175	-
244 Summit Street Renovation	167	-
RCF 1111 – Gifford Theater Seating	110	-
RCF 1176 – EELI Program – Crabbe Lib HVAC	80	-
Martin Hall Cooling Tower Replacement	121	-
Dupree Cooling Tower Replacement	112	-
Martin Hall Blow Down Separator	23	-
Martin Hall Fire Main Supply Line	64	-
McBrayer Arena Lighting RCF 1077	306	-
McBrayer Arena Floor Replacement RCF 1078	275	-
Eight New Tennis Courts – RCF 1082	607	-
RCF 1017 – Baseball Outfield Fence	32	-
RCF 1156 – Football Stadium Fencing	27	-
RCF 1217 – Women's Locker Room Air Conditioner	33	-
	<hr/>	<hr/>
Total	\$ <u>2,491</u>	\$ <u>22,899</u>

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

The following projects were still in process at June 30, 2015:

	Total Expenditures Through <u>June 30, 2015</u>	Estimated Cost to Complete at <u>June 30, 2015</u>
Begley Building Sewer Lift Station	\$ 28	\$ 122
Burrier Building Chiller Replacement	198	2
Weaver Health Domestic Water	5	35
Crabbe Library Noel Studio Reading Porch	359	120
Crabbe Library Plaza/mall Renovate	151	449
College of Education Complex	32	83,423
Lilley Cornett Woods Bunk House	71	99
LCWoods Research Facility	154	179
Keen Johnson Compressor Replacement	14	16
Meadowbrook Farm Cattle Pen – RCF 1051	171	26
RCF 1245 – Pedestrian Entrance	37	562
RCF 1258 – Vehicular Gateway	1	598
RCF 1345 – Sidewalk Project	46	652
Todd Hall Cooling Tower Replacement	110	3
Keene Hall Boiler Replacement	16	304
Renovate HVAC Systems	2,627	92
Commonwealth Renovation	943	21,630
C6E6 – Renovate HVAC kSystems	1,810	391
Renovate/Improve Athletic Facilities	182	15,059
Science Building – Phase 2	8,464	52,858
Ashland Addition	<u>1,138</u>	<u>2,827</u>
 Total	 <u>\$ 16,557</u>	 <u>\$ 179,447</u>

Long-term debt at June 30, 2015, was \$108.1 million compared to \$74.3 million at June 30, 2014. The \$33.8 million increase is the result of the increase to leases payable of \$23.8 related to the lease of Grand Campus Properties as well as the issuance of bonds for new projects, along with a decrease to bonds payable for payments of principal owned on bonds in fiscal year 2015.

Economic and Other Factors Impacting Future Periods

The following is a brief discussion of economic and other factors that could have an impact on the University in the future:

- The level of state-appropriated funds received by the University will continue to be a major factor in the future of the University. Presently, state-appropriated funds represent approximately 30 percent of the University's education and general budget. The remaining 70 percent of the education and general budget must come from other sources, primarily student tuition revenue. The Council on Post-Secondary Education (CPE) continues to limit the amount of annual tuition increases that state universities may implement, which limits the ability of Universities to generate additional revenue. Improving the affordability of a college education for our students remains vitally important to Eastern and with every tuition increase there must be a corresponding focus and analysis of student financial aid available to our students.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

- The University feels strongly that campus facility improvements will lead to more students choosing to live on campus, which will ultimately result in higher student retention rates and greater student success. The various facility improvement projects around campus are included in the Center for Student Life initiatives announced during the year.
- ECU's Board of Regents approved a resolution authorizing the University to take the leading role in administration of all capital projects valued at more than \$600,000. Previously, that role had been administered by the Commonwealth's Department for Facilities and Support Services, an administrative group within the Finance and Administration Cabinet. The University already had authority to manage projects up to \$600,000. The action taken by the Board now awaits approval through appropriate legislative channels.
- The University has engaged a national firm to develop a new Campus Master Plan. All areas of campus and the community will be engaged in the planning process.
- The University has committed an additional \$1.7 million to its scholarship budget for the Fall 2015 class, which translates into approximately 100-150 additional merit scholarships.
- The University has developed a comprehensive alumni engagement program including a re-launch of the Eastern Magazine, a new digital communication platform for alumni and donors, and a new 12-month schedule of on-campus and regional events.
- As noted in the President's 2015 Convocation address, the University's top general fund capital construction priorities are a new Model Laboratory School/College of Education complex, renovation of the Moore Building and a new aviation facility at Madison Airport.
- Bonds have been issued for upgrades to athletic facilities, including a new multi-purpose athletic facility and upgrades for the baseball and softball facilities.
- Make No Little Plans: A Vision for 2020 – The Eastern Kentucky University Strategic Plan has been approved by the Board of Regents. Strategic priorities in the plan include academic excellence; commitment to student success; institutional distinction; financial strength; campus revitalization; and service to communities and region.
- Given the ongoing and often conflicting pressures for revenue generation, the goal of maximizing affordability for our students, and the goal of continually strengthening the core educational mission of the University, the University must continue to seek additional revenue from other sources. Other sources include unrestricted annual gifts, the Eastern Kentucky University Foundation, funds generated through University research activities, as well as entrepreneurial venture opportunities. The University remains committed to continuing to seek more and better ways to operate as efficiently as possible and continually reduce expenses.
- Kentucky's economy is showing signs of improvement with revenue forecasts ticking upward. National economic recovery is also underway and the Commonwealth's economic health is inextricably linked with the national and international economy. The latest projected growth forecast for the U.S. economy is about 1.1% for 2015 and 2.0% for 2016.

EASTERN KENTUCKY UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015 and 2014

Requests for Information

This financial report is designed to provide a general overview of Eastern Kentucky University's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Vice President of Finance and Administration, Eastern Kentucky University, Coates CPO 35A, 521 Lancaster Avenue, Richmond, KY 40475.

EASTERN KENTUCKY UNIVERSITY
STATEMENT OF NET POSITION
June 30, 2015

ASSETS

Current Assets

Cash and cash equivalents	\$ 58,608,805
Accounts receivable – less allowance of \$3,337,897	18,246,646
Loans to students – less allowance of \$283,777	316,139
Inventories	373,957
Prepaid expenses	<u>2,210,481</u>
Total current assets	<u>79,756,028</u>

Noncurrent Assets

Restricted cash and cash equivalents	26,978,573
Investments	17,672,817
Loans to students – less allowance of \$622,306	4,780,524
Capital assets – net of accumulated depreciation of \$238,287,246	312,750,107
Capital assets not being depreciated	<u>23,690,690</u>
Total noncurrent assets	<u>385,872,711</u>

Total Assets	<u>465,628,739</u>
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Deferred Outflows

Unamortized deferred refunding loss balance	745,199
Contributions to KTRS/KERS Pension	<u>16,009,640</u>
Total deferred outflows	<u>16,754,839</u>

Total Assets and Deferred Outflows	<u>\$ 482,383,578</u>
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(Continued)

EASTERN KENTUCKY UNIVERSITY
STATEMENT OF NET POSITION
June 30, 2015

LIABILITIES AND NET POSITION

Current Liabilities

Accounts payable	\$ 7,306,956
Accrued interest	803,961
Accrued salaries and benefits	5,101,095
Accrued compensated absences	5,933,093
Payroll withholding payable	1,216,160
Refundable deposits	617,201
Assets held for others	321,334
Unearned revenue	7,664,795
Bonds payable	5,949,140
Leases payable	<u>1,695,000</u>
Total current liabilities	<u>36,608,735</u>

Noncurrent Liabilities

Bonds payable, noncurrent portion	66,945,145
Leases payable, noncurrent portion	33,525,000
Net pension liability	<u>381,104,508</u>
Total noncurrent liabilities	<u>481,574,653</u>
 Total liabilities	 <u>518,183,388</u>

Deferred Inflows

KTRS/KERS Pension	<u>19,350,946</u>
Total deferred inflows	<u>19,350,946</u>

Net Position

Net investment in capital assets	244,130,430
Restricted	
Expendable for capital projects	10,992,448
Expendable for loans to students	6,540,228
Expendable for scholarships	1,297,112
Expendable for institutional support	3,114,504
Unexpendable for permanent endowment	11,467,772
Unrestricted	<u>(332,693,250)</u>
Total net position	<u>(55,150,756)</u>

Total Liabilities, Deferred Inflows and Net Position	<u>\$ 482,383,578</u>
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See accompanying notes to financial statements.

EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2015

ASSETS

Current assets

Cash and cash equivalents	\$ 4,042,269
Pledges receivable – net	78,240
Cash surrender value of life insurance	205,832
Other assets	<u>62,776</u>
Total current assets	<u>4,389,117</u>

Noncurrent assets

Investments	60,725,631
Pledges receivable – net	43,144
Property and equipment – net	<u>4,619,336</u>
Total noncurrent assets	<u>65,388,111</u>

Total Assets \$ 69,777,228

LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable	\$ 50,150
Due to University	430,502
Note payable, current maturities	<u>266,441</u>
Total current liabilities	747,093

Noncurrent liabilities

Note payable – less current maturities	849,025
Deferred gift liabilities	348,495
Assets held for others	<u>17,659,309</u>
Total noncurrent liabilities	<u>18,856,829</u>

Total Liabilities 19,603,922

Net assets

Unrestricted	5,973,117
Temporarily restricted	17,696,393
Permanently restricted	<u>26,503,796</u>
Total net assets	<u>50,173,306</u>

Total Liabilities and Net Assets \$ 69,777,228

See accompanying notes to financial statements.

EASTERN KENTUCKY UNIVERSITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year ended June 30, 2015

OPERATING REVENUES

Tuition and fees – net	\$ 90,980,531
Federal grants and contracts	20,456,223
State grants and contracts	25,958,017
Nongovernmental grants, contracts, and gifts	4,232,769
Sales and services of educational activities	6,413,375
Auxiliary enterprises – housing	12,170,360
Auxiliary enterprises – other	3,269,942
Other operating revenues	<u>12,864,958</u>
Total operating revenues	<u>176,346,175</u>

OPERATING EXPENSES

Educational and general	
Instruction	93,708,918
Research	700,916
Public service	43,376,570
Libraries	3,937,366
Academic support	20,179,592
Student services	19,252,078
Institutional support	32,799,509
Operations and maintenance of plant	22,810,401
Depreciation	13,425,530
Student financial aid	11,799,809
Auxiliary enterprises	
Housing and other auxiliaries	18,586,339
Depreciation	4,128,844
Pension expense	6,493,146
Other operating expenses	<u>291,434</u>
Total operating expenses	<u>291,490,452</u>

Operating loss (115,144,277)

NONOPERATING REVENUES (EXPENSES)

State appropriations	68,033,800
Federal and state grants and contracts	42,639,565
Investment income	(612,258)
Interest expense	(2,288,333)
Other nonoperating revenues	2,136,876
Other nonoperating expenses	<u>(637,569)</u>
Net nonoperating revenues	<u>109,272,081</u>

Loss before capital appropriations (5,872,196)

Capital appropriations 7,980,196

Increase in net position 2,108,000

Net position – beginning of year 320,693,911

Restatement for GASB 68 implementation (377,952,667)

Net position – beginning of year, as restated (57,258,756)

Net position – end of year \$ (55,150,756)

See accompanying notes to financial statements.

EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC.
STATEMENT OF ACTIVITIES
Year ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUES AND GAINS				
Contributions	\$ 666,321	\$ 1,963,802	\$ 1,550,668	\$ 4,180,791
Investment returns – net of investment expenses of \$261,225	170,647	1,012,699	-	1,183,346
Net realized and unrealized gains (losses) on investments	136,935	(1,190,280)	-	(1,053,345)
Other income – net	<u>492,685</u>	<u>-</u>	<u>-</u>	<u>492,685</u>
	1,466,588	1,786,221	1,550,668	4,803,477
Net assets released from restrictions	<u>2,766,850</u>	<u>(2,766,850)</u>	<u>-</u>	<u>-</u>
Total revenues, gains (losses) and other support	<u>4,233,438</u>	<u>(980,629)</u>	<u>1,550,668</u>	<u>4,803,477</u>
EXPENSES				
Support for the University	4,304,774	-	-	4,304,774
Management and general	84,260	-	-	84,260
Interest	37,734	-	-	37,734
Bad debts	758,267	-	-	758,267
Depreciation	<u>191,614</u>	<u>-</u>	<u>-</u>	<u>191,614</u>
Total expenses	<u>5,376,649</u>	<u>-</u>	<u>-</u>	<u>5,376,649</u>
Change in net assets	(1,143,211)	(980,629)	1,550,668	(573,172)
Net assets – beginning of year (restated)	<u>7,116,328</u>	<u>18,677,022</u>	<u>24,953,128</u>	<u>50,746,478</u>
Net assets – end of year	<u>\$ 5,973,117</u>	<u>\$ 17,696,393</u>	<u>\$ 26,503,796</u>	<u>\$ 50,173,306</u>

See accompanying notes to financial statements.

EASTERN KENTUCKY UNIVERSITY
STATEMENT OF CASH FLOWS
Year ended June 30, 2015

OPERATING ACTIVITIES

Tuition and fees	\$ 91,779,369
Grants, contracts and gifts	51,446,061
Payments to suppliers	(64,800,565)
Payments for utilities	(8,011,376)
Payments to employees	(133,027,183)
Payments for benefits	(50,857,705)
Payments to students	(11,195,562)
Loans issued to students and employees	(872,866)
Collections of loans to students and employees	1,198,912
Auxiliary enterprise charges	
Residence halls	11,974,711
Other	3,269,942
Sales and services of educational activities	6,413,375
Other receipts	<u>12,200,973</u>
Net cash used in operating activities	(90,481,914)

NONCAPITAL FINANCING ACTIVITIES

State appropriations	68,033,800
Other nonoperating revenues – grants and contracts	<u>42,639,565</u>
Net cash provided by noncapital financing activities	110,673,365

CAPITAL AND RELATED FINANCING ACTIVITIES

Change in restricted cash	13,317,026
Purchase of capital assets	(21,702,100)
Principal paid on bonds payable and capital leases	(2,415,000)
Interest paid on bonds payable and capital leases	(1,299,841)
Proceeds on issuance of bonds payable	14,280,000
State reimbursement of capital lease payments	2,136,876
Proceeds from sale of capital assets	298,539
Capital appropriations	<u>(7,980,196)</u>
Net cash used in capital and related financing activities	(3,364,696)

INVESTING ACTIVITIES

Proceeds from sales and maturities of investments	9,257,876
Interest on investments	(992,803)
Purchase of investments	<u>(7,629,030)</u>
Net cash provided by investing activities	<u>636,043</u>

Increase in cash and cash equivalents 17,462,798

Cash and cash equivalents – beginning of year 68,124,580

Cash and cash equivalents – end of year \$ 85,587,378

(Continued)

EASTERN KENTUCKY UNIVERSITY
STATEMENT OF CASH FLOWS
Year ended June 30, 2015

**RECONCILIATION OF OPERATING LOSS
TO NET CASH USED IN OPERATING ACTIVITIES**

Operating loss	\$ (115,144,277)
Depreciation expense	17,554,372
Changes in operating assets and liabilities	
Accounts receivable – net	998,240
Loans to students – net	326,045
Inventories	13,796
Prepaid expenses	(335,446)
Accounts payable	(370,184)
Accrued liabilities	212,569
Refundable deposits	45,481
Assets held for others	29,808
Unearned revenue	(305,465)
Deferred outflows – pension liability	(4,330,438)
Deferred inflows – pension liability	19,350,946
Net pension liability	<u>(8,527,361)</u>
Net cash flows used in operating activities	<u>\$ (90,481,914)</u>
Supplemental cash flows information	
Capital assets acquired through capital lease	\$ 25,500,000

See accompanying notes to financial statements.

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Eastern Kentucky University (the “University”) is a regional, coeducational, public institution of higher education offering general and liberal arts programs, pre-professional and professional training in education and various other fields at both the undergraduate and graduate levels. Located in Richmond, Kentucky, the University has a distinguished record of over nine decades of educational service to the Commonwealth of Kentucky (the “Commonwealth”).

Reporting Entity – The University is a component unit of the Commonwealth and is included in the basic financial statements of the Commonwealth. The University’s financial statements, as defined by Statement No. 14 and amended by Statement No. 61 of the Governmental Accounting Standards Board (“GASB”), include the financial operations and financial position of Eastern Kentucky University Foundation, Inc. (the “Foundation”), which is a corporation formed for educational, charitable and public purposes in accordance with the provisions of KRS 273.010 and a discretely presented component unit of the University. Specifically, it was founded to cooperate with the University and with the Board of Regents of the University (the “Board”) in the promotion of the educational, civic, and charitable purpose of the University and Board in any lawful manner deemed appropriate by the Board. This purpose includes the encouragement of scholarship and research, the promotion of the prestige, expansion, and development of the University, including the development of its physical plant, its faculty and the assistance of its students and alumni. Certain officers of the Foundation are also officers of the University. The Foundation is included in the University’s financial statements as a component unit as it is organized exclusively to benefit the University by generating funding and performing the University’s development activities.

Basis of Accounting and Presentation – The financial statements of the University have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and balances are eliminated in the preparation of the financial statements. Operating revenues and expenses include exchange transactions and program-specific, government-mandated nonexchange transactions. Investment income and interest expense from government-mandated nonexchange transactions that are not program specific (such as state appropriations) are included in nonoperating revenues and expenses.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in Net Position during the reporting period. Actual results could differ from those estimates.

Cash Equivalents – The University considers all liquid investments with original maturities of three months or less to be cash equivalents. Funds held by the Commonwealth are considered cash equivalents.

Restricted Cash and Cash Equivalents – Restricted cash is restricted for the purchase of capital assets.

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Investments and Investment Income – Investments in equity and debt securities are carried at fair value determined using quoted market prices. Investments in nonnegotiable certificates of deposit, money market accounts, and repurchase agreements are carried at cost which approximates market value. Amounts due for debt service in the upcoming year represent short-term investments; all other investments are classified as long-term.

The University's investments held with the Foundation are governed by the Foundation's investment policies that determine permissible investments by category. The holdings include U.S. and foreign equity securities as well as alternative investments.

Investment income consists of interest and dividend income, realized gains and the net change for the year in the fair value of investments carried at fair value.

Accounts Receivable – Accounts receivable consist primarily of tuition and fee charges to students, charges for auxiliary enterprise services provided to students, faculty and staff and receivables from federal, state and private agencies for grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts. Estimated uncollectible amounts are determined by considering a number of factors, including the length of time accounts receivable are past due, previous loss history and the condition of the general economy and the industry as a whole.

Loans to Students – The University makes loans to students under various federal and other loan programs. Such loans receivable are recorded net of estimated uncollectible amounts.

Inventories – Inventories are stated at the lower of cost or market determined on the first-in, first-out method.

Capital Assets – Capital assets are recorded at cost at the date of acquisition. Gifts are recorded at fair value at the date of donation. The University's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life of greater than one year. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expenses are incurred.

Depreciation of capital assets is computed on a straight-line basis over the estimated useful lives of the assets; generally 50 years for buildings, 15–20 years for land improvements, 25 years for infrastructure, 10 years for library books, and 3–15 years for equipment.

Costs incurred during the construction of capital assets are recorded as construction in progress and are not depreciated until placed into service. The University capitalizes interest as a component of capital assets constructed for its own use. Total interest incurred and capitalized for the year ended June 30, 2015, was \$352,319.

Compensated Absences – University employees begin to accumulate annual vacation allocations from the beginning date of employment; however, accrued vacation is not granted until three months of employment have been completed. The maximum accumulation of vacation leave is limited to the number of days that can be accumulated in two years, based on the length of service. Employees are paid their accumulated vacation upon termination, subject to certain limitations.

(Continued)

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

University policy permits most employees to accumulate vacation that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized when vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs and no liability is accrued for such benefits employees have earned but not yet realized. Compensated absence liabilities are computed using the regular pay in effect and related benefit costs at the Statement of Net Position date.

Unearned Revenue – Unearned revenue represents student fees and advances on grants and contract awards for which the University has not met all of the applicable eligibility requirements.

Pensions – For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kentucky Teachers' Retirement system (KTRS) and the Kentucky Employees Retirement System (KERS) and additions to /deductions from KTRS' and KERS' fiduciary net position have been determined on the same basis as they are reported by KTRS and KERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows and Inflows of Resources – Deferred outflows represent the consumption of resources that are applicable to a future reporting period, but do not require any further exchange of goods or services. Deferred outflows of resources in the University's financial statements consist of the unamortized deferred refunding loss balance and pension contributions made after the measurement date. Deferred inflows consist of the KTRS and KERS pension related unamortized balances.

Net Position - Under the provisions of GASB Statement No. 63, resources of the University are classified for accounting and reporting purposes into the following net position categories:

Net investment in Capital Assets: Represents the University's investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to the acquisition, construction, or improvement of those assets.

Restricted – Expendable: Represents resources the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

Restricted – Unexpendable: Represents resources the University is legally or contractually obligated to retain in perpetuity.

Unrestricted: The unrestricted component of net position represents assets, deferred outflows, liabilities and deferred inflows whose use by the University is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board. Substantially all unrestricted resources are designated for academic and research programs and initiatives, capital projects and operating reserves.

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Operating and Nonoperating Revenues and Expenses – Operating activities as reported on the Statements of Revenues, Expenses and Changes in Net Position are those activities that generally result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Primarily all of the University's expenses are from exchange transactions. Certain revenue streams are recorded as nonoperating revenues, as required by GASB standards, including state appropriations, federal Pell grant revenue, gifts and investment income. In addition, interest expense is shown as a nonoperating expense.

Release of Restricted Resources – When an expense or outlay is incurred for which both restricted and unrestricted resources are available, the University's policy is to allow each departmental unit the flexibility to determine whether to first apply restricted or unrestricted resources based on the most advantageous application of resources in the particular circumstances.

Scholarship Discounts and Allowances – Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the Statements of Revenues, Expenses, and Changes in Net Position. Scholarship allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain government grants, such as Pell grants, and other federal, state, or nongovernmental programs, are recorded as either operating or nonoperating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance. The scholarship allowances on tuition and fees and on housing for the year ended June 30, 2015, were \$54,891,010 and \$8,619,632 respectively. Payments made directly to students are presented as student financial aid expenses in the Statements of Revenues, Expenses, and Changes in Net Position.

Adoption of New Accounting Pronouncements - During fiscal year 2015, the University adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. Statement 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits.

Governmental employers participating in a cost-sharing plan are required to report a net pension liability, pension expense and pension-related assets and liabilities based on their proportionate share of the collective amounts for all governments in the plan. Refer to Note 10 for the following required note disclosures:

- Descriptions of the plan and benefits provided
- Significant assumptions employed in the measurement of the net pension liability
- Descriptions of benefit changes and changes in assumptions
- Assumptions related to the sensitivity of the discount rate
- Net pension assets and liabilities

(Continued)

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

The objective of Statement No. 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts. The provisions of this Statement were required to be applied simultaneously with the provisions of Statement 68.

The adoption of GASB Statement No. 68 and 71 resulted in a decrease in net position at July 1, 2014 of \$377,952,667 to reflect the beginning of year net pension liability and deferred outflow of resources.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, issued April 2013. The provisions of this Statement are effective for periods beginning after June 15, 2013. This Statement specifies the information required to be disclosed by the governments that extend nonexchange financial guarantees. In addition, this Statement requires new information to be disclosed by governments that receive nonexchange financial guarantees.

Recent Accounting Pronouncements - As of June 30, 2015, the GASB has issued the following statements not yet implemented by the University.

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015. The provisions of this Statement are effective for periods beginning after June 15, 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, issued June 2015. The provisions of this Statement are effective for periods beginning after June 15, 2016. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued on June 2015. The provisions of this Statement are effective for periods beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, issued June 2015. The provisions of this Statement are effective for periods beginning after June 15, 2015. The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (“GAAP”). The GAAP hierarchy consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

GASB Statement No. 77, *Tax Abatement Disclosures*, issued August 2015. The provisions of this Statement are effective for periods beginning after December 15, 2015. This Statement establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government’s tax revenues. The provisions of this Statement should be applied to all state and local governments subject to such tax abatement agreements.

The University’s management has not yet determined the effect these statements will have on the University’s financial statements.

Income Taxes – As a state institution of higher education, the income of the University is generally exempt from federal and state income taxes under Section 115(1) of the Internal Revenue Code, as amended, and a similar provision of state law. However, the University is subject to federal income tax on any unrelated business taxable income.

NOTE 2 – DEPOSITS, INVESTMENTS AND INVESTMENT RETURN

The Commonwealth treasurer requires that all state funds be insured by the Federal Deposit Insurance Corporation (“FDIC”), collateralized by securities held by the cognizant Federal Reserve Bank or invested in U.S. government obligations. The University’s deposits with the Commonwealth treasurer are pooled with funds of other state agencies and then, in accordance with statutory limitations, placed in financial institutions or invested as the Commonwealth treasurer may determine, in the state’s name.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 2 – DEPOSITS, INVESTMENTS AND INVESTMENT RETURN (Continued)

The University requires that balances on deposit with financial institutions to be insured by the FDIC or collateralized by securities held by the cognizant Federal Reserve Bank, in the University's name.

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the University's deposits may not be returned to the University. As a means of limiting its exposure to losses from custodial credit risk, the University's deposits and investments are held by the Commonwealth treasurer, collateralized by securities in the University's name, and insured by the FDIC or in the University's name.

Deposits as of June 30 consisted of:

	<u>2015</u>
Depository accounts	
Local bank deposits – collateral held as a pledge in the University's name	\$ 29,370,462
Cash on hand	9,386
State investment pool – uninsured and uncollateralized	<u>56,207,530</u>
Total deposits	<u>\$ 85,587,378</u>

Deposits at June 30 as presented on the Statement of Net Position include:

	<u>2015</u>
Cash and cash equivalents	\$ 58,608,805
Restricted cash and cash equivalents	<u>26,978,573</u>
Total deposits	<u>\$ 85,587,378</u>

Investments at June 30 consisted of:

	<u>2015</u>
Money market funds	\$ 13,508
Restricted assets held by the Foundation	<u>17,659,309</u>
Total investments	<u>\$ 17,672,817</u>

Investments in U.S. government securities and the collateral for repurchase agreements are registered in the name of Eastern Kentucky University or held in the University's name by its agents and trustees. The University may legally invest in direct obligations of, and other obligations guaranteed as to principal, the U.S. Treasury and U.S. agencies, and instrumentalities and in bank repurchase agreements. It may also invest to a limited extent in equity securities.

University investments held by the Eastern Kentucky University Foundation, Inc. are comprised of the Regional University Excellence Trust Fund and Programs of Distinction endowments (see Note 8). Assets held by the Foundation are invested primarily in an investment pool managed by the Foundation and are carried at fair value.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 2 – DEPOSITS, INVESTMENTS AND INVESTMENT RETURN (Continued)

The assets in the Foundation investment pool at June 30 are invested as follows:

	<u>2015</u>
Percentage of pool invested in:	
Cash equivalents – trustee	10%
Registered investment companies equity funds	63
Registered investment companies fixed income funds	22
Alternative investments	<u>5</u>
Total	<u>100%</u>

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University does not have a formal policy to specifically limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. Credit quality ratings provide information about the investment's credit risk. The University does not have a formal policy that would limit its investment choices. However, investments are required to be in compliance with Commonwealth statute.

The credit quality of the University's investments as of June 30, 2015, is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Not Rated</u>	<u>AAA/Aaa</u>	<u>AA, A, and BBB</u>
Cash equivalents – trustee	\$ 1,789,576	\$ 1,789,576	\$ -	\$ -
Investments with Foundation	<u>15,883,241</u>	<u>12,538,074</u>	<u>443,908</u>	<u>2,901,259</u>
Total investments	<u>\$ 17,672,817</u>	<u>\$ 14,327,650</u>	<u>\$ 443,908</u>	<u>\$ 2,901,259</u>

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The University does not have a formal policy for concentration of credit risk.

Investment Income – Investment income for the year ended June 30, 2015 resulted in a loss of \$612,258 consisting primarily of an unrealized loss of investments.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable are recorded net of estimated uncollectible amounts and consist of the following at June 30:

	<u>2015</u>
Student tuition and fees	\$ 7,509,792
Auxiliary enterprises	752,391
Federal, state and private grants and contracts	10,175,388
Other state agencies	28,198
Other	<u>3,118,774</u>
Total	21,584,543
Less allowance for uncollectible accounts	<u>(3,337,897)</u>
Accounts receivable – net	<u>\$ 18,246,646</u>

NOTE 4 – CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2015, is as follows:

	Balance - June 30, <u>2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Transfers</u>	Balance – June 30, <u>2015</u>
Capital assets not being depreciated					
Land	\$ 5,637,953	\$ 891,652	\$ -	\$ -	\$ 6,529,605
Works of art	31,300	88,817	-	-	120,117
Livestock for educational purposes	461,500	22,100	-	-	483,600
Construction in progress	<u>3,967,508</u>	<u>15,139,930</u>	<u>-</u>	<u>(2,550,070)</u>	<u>16,557,368</u>
Total capital assets not being depreciated	10,098,261	16,142,499	-	(2,550,070)	23,690,690
Other capital assets					
Land improvements	56,040,333	840,440	(810,709)	-	56,070,064
Buildings	404,005,151	24,688,556	(5,042,145)	2,550,070	426,201,632
Leasehold improvements	556,987	-	-	-	556,987
Equipment	27,515,688	1,610,619	(3,928,928)	-	25,197,379
Library books	<u>41,817,717</u>	<u>1,369,917</u>	<u>(176,343)</u>	<u>-</u>	<u>43,011,291</u>
Total other capital assets	529,935,876	28,509,532	(9,958,125)	2,550,070	551,037,353
Less accumulated depreciation for					
Land improvements	(21,693,891)	(3,164,321)	810,709	-	(24,047,503)
Buildings	(152,822,763)	(11,313,025)	4,818,960	-	(159,316,828)
Leasehold improvements	(278,160)	(68,650)	-	-	(346,810)
Equipment	(20,053,260)	(1,711,749)	3,762,515	-	(18,002,494)
Library books	<u>(35,453,321)</u>	<u>(1,296,633)</u>	<u>176,343</u>	<u>-</u>	<u>(36,573,611)</u>
Total accumulated depreciation	<u>(230,301,395)</u>	<u>(17,554,378)</u>	<u>9,568,527</u>	<u>-</u>	<u>(238,287,246)</u>
Capital assets – net	<u>\$ 309,732,742</u>	<u>\$ 27,097,653</u>	<u>\$ (389,598)</u>	<u>\$ -</u>	<u>\$ 336,440,797</u>

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 5 – UNEARNED REVENUE

Unearned revenue as of June 30 is as follows:

	<u>2015</u>
Unearned summer school revenue and activity fees	\$ 3,294,964
Unearned grants and contracts revenue	4,056,573
Other	<u>313,258</u>
Total	<u>\$ 7,664,795</u>

NOTE 6 – BONDS PAYABLE AND CAPITAL LEASE OBLIGATIONS

Long-term liabilities as of June 30, 2015, and long-term activity for the year ended June 30, 2015, are summarized as follows:

	<u>Balance - July 1, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Refunding</u>	<u>Balance - June 30, 2015</u>	<u>Balance Due Within One Year</u>
Revenue bonds payable	\$ 37,510,000	\$ 14,280,000	\$ (2,280,000)	\$ -	\$ 49,510,000	\$ 2,870,000
General receipts refunding bonds	22,805,000	-	(2,415,000)	-	20,390,000	2,510,000
Capitalized lease obligations	11,344,999	27,865,441	(3,990,440)	-	35,220,000	1,695,000
Unamortized bond premium	<u>2,652,562</u>	<u>909,426</u>	<u>(567,703)</u>	<u>-</u>	<u>2,994,285</u>	<u>569,140</u>
	<u>\$ 74,312,561</u>	<u>\$ 43,054,867</u>	<u>\$ (9,253,143)</u>	<u>\$ -</u>	<u>\$ 108,114,285</u>	<u>\$ 7,644,140</u>

Consolidated Education Buildings Revenue Bonds – Consolidated Education Buildings Revenue Bonds were sold to construct or renovate certain academic and services buildings on campus or to refinance prior issues. The bonds, originally issued in the amount of \$38,340,000 from January 1998 through June 2004, mature in varying amounts through May 1, 2024, with interest payable at rates ranging from 3.0% to 5.0%. Student registration fees are pledged for debt service on these bonds. Total principal outstanding at June 30, 2012, was \$8,790,000. As discussed below, on July 3, 2012, the remaining outstanding bond (Consolidated Education Buildings Revenue Bonds Series V) were advanced refunded as part of the 2012 Series A General Receipts Revenue bonds transaction.

General Receipts Revenue Bonds – On August 2, 2007, the University sold \$12,920,000 of Eastern Kentucky University General Receipts and Refunding Bonds, Series 2007A, with a net interest rate of 4.41%. The proceeds of this bond issue provided funding for the renovation of the Sidney Clay Residence Hall and the refunding of the Eastern Kentucky University Housing System Revenue Bonds. The bonds mature in varying amounts through May 1, 2027. All of the revenues of the University, except federal and state grants and contracts, RUETF endowment matching grants, POD endowment, capital appropriations, and federal capital support are pledged for debt service on these bonds. During fiscal year 2015, \$780,000 of principal and \$364,625 of interest was paid on the bonds. Total outstanding principal at June 30, 2015, was \$7,785,000.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 6 – BONDS PAYABLE AND CAPITAL LEASE OBLIGATIONS (Continued)

On April 1, 2009, the University sold \$12,095,000 of Eastern Kentucky University General Receipt Bonds, Series 2009A, at a net interest cost of 3.98%. The proceeds of this bond issue provided funding for the renovation of the Walters Residence Hall and the construction of intramural fields. The bonds mature in varying amounts through May 1, 2028. During fiscal year 2015, \$645,000 of principal and \$345,414 of interest were paid on the bonds. Total outstanding principal at June 30, 2015 was \$8,480,000.

On December 8, 2011, the University sold \$21,480,000 of Eastern Kentucky University General Receipt Bonds, Series 2011A, at a net interest cost of 3.74%. The proceeds of this bond issue provided funding for a new residence hall. The bonds mature in varying amounts through October 1, 2031. During fiscal year 2015, \$855,000 of principal and \$646,875 of interest were paid on the bonds. Total outstanding principal at June 30, 2015 was \$18,965,000.

On July 3, 2012, the University sold \$27,700,000 of Eastern Kentucky University General Receipts Refunding Bonds, 2012 Series A bonds, at an effective interest rate of 3.49% to advance refund Consolidated Education Revenue Bonds Series V (June 1, 2004, which refinanced outstanding Housing Revenue Series bonds and provided additional funding for the replacement of the campus underground electrical system) of \$8,790,000 and a master lease (September 25, 2008 for an energy savings performance contract) of \$21,863,227. The 2012 Series A bond agreement includes certain covenants and guidelines related to the University's indebtedness.

The net proceeds of \$31,350,000 (including the Original Issuer's Premium) of the 2012 Series A Bonds were used (after payment of underwriting fees, insurance, and other issuance costs) to purchase U.S. government securities. Those securities were deposited to an irrevocable trust with an escrow agent to provide for all future debt service payments on those Series V bonds and the energy savings lease. As a result, the Series V bonds and energy savings lease are considered to be defeased and the liabilities for these obligations have been removed from the statement of Net Position. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,407,906. This difference, reported under GASB 65 (see Note 1) as a deferred outflow, is being charged to operations through the year 2024 using the effective-interest method. The University completed the advance refunding to reduce its total debt service payments over the next 12 years. The resulting savings on a present value basis is approximately \$2.35 million.

During fiscal year 2015, \$2,415,000 of principal and \$1,091,000 of interest was paid on the bonds. The outstanding principal at June 30, 2015 is \$20,390,000.

On April 7, 2015, the University sold \$14,280,000 of Eastern Kentucky University General Receipt Bonds, Series 2015A, at a net interest cost of 3.26%. The proceeds of this bond issue provided funding for various athletic projects. The bonds mature in varying amounts through April 1, 2035. During fiscal year 2015, no principal or interest was paid on the bonds. Total outstanding principal at June 30, 2015 is \$14,280,000.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 6 – BONDS PAYABLE AND CAPITAL LEASE OBLIGATIONS (Continued)

Capital Lease Obligations – The University has capitalized certain buildings and equipment under various capital lease agreements. In June 2000, the University entered into a financing/lease agreement with the Commonwealth of Kentucky State Property and Buildings Commission to finance the Law Enforcement Basic Training Complex ("Project #66") in the amount of \$20,350,000. During the 2002 fiscal year, the University entered into a second financing/lease agreement to finance the Law Enforcement Physical Skills Training Facility ("Project #75") in the amount of \$7,075,000. In October 2003, the University entered into a \$12,990,000 lease agreement with the Commonwealth of Kentucky State Property and Buildings Commission ("Project #80"), the proceeds of which were used primarily to retire \$12,655,000 in lease payments due on the Project #66 lease agreement.

During the fiscal year 2009, the University entered into a master lease agreement with SunTrust Equipment Finance & Leasing Corporation in the amount of \$25,364,000 to finance a campus-wide energy management project. As discussed above, this master lease agreement was completely refunded as of July 3, 2012 as part of the 2012 Series A Bonds transaction.

During fiscal year 2015, the University entered into a 20-year lease agreement with Grand Campus Properties, LLC, for a total of \$62,698,878 over the life of the lease to be paid in annual rent payments. Grand Campus is an approximately 16-acre property adjacent to campus that holds 2 separate student housing dormitories containing a total of 512 bedrooms. The dormitories also have separate bathrooms, common areas, swimming pool, clubhouse, and parking lot among other amenities.

During fiscal year 2015, \$1,625,000 of principal and \$2,877,346 of interest were paid on the capital leases, respectively. The principal maturities and interest repayment requirements on bonds and capital leases are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Years ending June 30,			
2016	\$ 7,644,140	\$ 5,855,692	\$ 13,499,832
2017	7,815,256	5,682,463	13,497,719
2018	8,050,664	5,426,290	13,476,954
2019	8,394,993	5,056,206	13,451,199
2020	8,708,353	4,864,769	13,573,122
2021-2025	25,555,945	17,291,254	42,847,199
2026-2030	22,036,524	10,668,013	32,704,537
2031-2033	<u>19,908,410</u>	<u>15,555,601</u>	<u>35,464,011</u>
	<u>\$ 108,114,285</u>	<u>\$ 70,400,288</u>	<u>\$ 178,514,573</u>

Assets under capital leases at original cost totaled \$39,890,000, with accumulated depreciation of \$12,243,890 at June 30, 2015.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 7 – DESIGNATIONS OF UNRESTRICTED NET POSITION

Unrestricted Net Position is designated for specific purposes by action of the Board or University management or may otherwise be limited by contractual agreements. Commitments for the use of Unrestricted Net Position at June 30 are as follows:

	<u>2015</u>
Inventories	\$ 373,957
Outstanding encumbrances	6,908,007
Departmental commitments	14,564,437
Designated projects and contingency reserves	6,290,277
Health care self-insurance reserve	3,000,000
Auxiliary working capital	11,271,110
University capital projects	9,344,775
KTRS Pension	(247,320,497)
KERS Pension	<u>(137,125,316)</u>
Total	<u>\$ (332,693,250)</u>

NOTE 8 – ASSETS HELD BY OTHERS

The Regional University Excellence Trust Fund ("RUETF") was created by the Kentucky General Assembly with the passage of the Postsecondary Education Improvement Act of 1997 ("House Bill 1"). The RUETF Endowment Match Program, also known as "Bucks for Brains", provides state funds on a dollar-for-dollar match basis. Funds are endowed for the purposes of supporting endowed chairs and professorships. House Bill 1 also established two Eastern Kentucky University endowments for the support of nationally recognized Programs of Distinction ("PODs") for the College of Justice and Safety and for potential future additional Programs of Distinction. The College of Justice and Safety POD was liquidated in 2010 to fund an addition to the Stratton Building.

The total fair market value of the Eastern Kentucky University RUETF and POD endowment as of June 30, 2015 was \$17,659,309.

The portion of the RUETF endowment representing the value of the funding received from the Kentucky General Assembly, plus unexpended earnings thereon, was \$15,879,388 as of June 30, 2015, and is included in restricted assets held by the Foundation (see Note 2).

The fair market value of the Eastern Kentucky University POD endowments as of June 30, 2015 was \$1,779,921, and is included in restricted assets held by the Foundation (see Note 2).

NOTE 9 – RELATED-PARTY TRANSACTIONS

The University and the Foundation are related parties. The University authorizes the Foundation to solicit contributions on its behalf. In the absence of donor restrictions, the Foundation has discretionary control over the amounts and timing of its distributions to the University. In addition, the Foundation incurs expenses for salaries of certain University staff; however, the salaries are paid by the University.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 9 – RELATED-PARTY TRANSACTIONS (Continued)

Related party transactions and funds held by the Foundation on behalf of the University are as follows as of and for the year ended June 30:

	<u>2015</u>
Funds disbursed by the University on behalf of the Foundation:	
For employee salaries and benefits	\$ 68,248
For scholarships	646,570
Funds held by the Foundation on behalf of or for the benefit of the University as of June 30	17,659,310
Funds due to the University by the Foundation	430,502

NOTE 10 – PENSION PLANS

All full-time University faculty members and certain other staff occupying a position requiring certification or graduation from a four-year college or university as a condition of employment are covered by the Kentucky Teacher's Retirement System ("KTRS"), a defined benefit plan. KTRS, a cost sharing multiple-employer, public employment retirement system, provides retirement benefits based on the employee's highest three or five year average salary and number of years of service. Benefits are subject to certain reductions if the employee retires before reaching age 60 or has less than 27 years of participation in the plan. The plan also provides for disability, death and survivor benefits and medical insurance. Under the plan, members hired prior to July 1, 2008 contribute 6.50% of their annual salary and the University contributes 14.18%. Employees participating in KTRS hired after June 1, 2008 contribute 7.16% and the University contributes 14.84%.

Effective August 1, 1996 optional 403(b) defined contribution retirement plans are available for new employees who would otherwise be covered by the KTRS. The providers of the optional retirement plans are Aetna (ING), TIAA/CREF, VALIC, and Fidelity. During the 2008 Kentucky legislative session, the General Assembly passed and the Governor signed, Senate Bill 65, a bill that changed the rate of payment the universities make toward the unfunded liability of the KTRS that is associated with optional retirement plan. The rate previously floated on the annual basis depending upon the unfunded liability of the KTRS. Senate Bill 65 changed the floating rate to a fixed rate of 5.1% effective April 7, 2008. The fixed rate is set to expire on July 1, 2048. As of April 7, 2008, the employee contribution to their selected plan is 6.16% of their annual salary. As determined by the KTRS Board of Trustees, the University contributes 8.74% and also provides an additional 5.10% to KTRS as an unfunded liability.

The KTRS issues a publicly available financial report with required supplementary schedules and a report on the audit of schedules of employer allocations and schedules of pension amounts by employer for KTRS. These reports may be obtained by writing to Kentucky Teachers Retirement System, 479 Versailles Road, Frankfort, KY 40601, or visiting the website at <http://ktrs.ky.gov>.

Total Pension Liability: The total pension liability ("TPL") was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	4.0 - 8.20 percent, average, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation

(Continued)

NOTE 10 – PENSION PLANS (Continued)

Mortality rates were based on the RP-2000 combined mortality table for males or females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with a set back of 1 year for females.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2010.

Discount Rate Assumptions:

- (a) Discount rate: The discount rate used to measure the total pension liability was 5.23%.
- (b) Projected cash flows: The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rates and that employer contributions will be made at the statutorily required rates.
- (c) Long term rate of return: The long-term rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.
- (d) Municipal bond rate: The discount rate determination does use a municipal bond rate (4.35%).
- (e) Periods of projected benefit payments: The pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members until the 2036 plan year. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments through 2035 and a municipal bond index rate of 4.35% was applied to all periods of projected benefit payments after 2035.
- (f) Assumed asset allocation: The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.40%
International equity	17%	6.50%
Fixed income	24%	1.60%
High yield bonds	4%	3.10%
Real estate	4%	5.80%
Alternatives	4%	6.80%
Cash	<u>2%</u>	1.50%
Total	<u>100%</u>	

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

- (g) Sensitivity analysis: This paragraph requires disclosure of the sensitivity of the net pension liability to changes in the discount rate. The following presents the Eastern Kentucky University's allocated portion of the net pension liability ("NPL") of the system, calculated using the discount rate of 5.23 percent, as well as what the allocated portion of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.23 percent) or one percentage-point higher (6.23 percent) than the current rate:

	1% Decrease <u>(4.23%)</u>	Current Discount Rate <u>(5.23%)</u>	1% Increase <u>(6.23%)</u>
Eastern Kentucky University proportionate share of net pension liability (in thousands)	\$ 297,774	\$ 237,056	\$ 186,947

Contributions: Benefit and contribution rates are established by state statute. Per Kentucky Revised Statutes 161.540, 161.550 and 161.565, contribution requirements of the active employees and the participating organizations are established and may be amended by the KTRS Board. For the fiscal year ended June 30, 2015, University employees were required to contribute 7.68 percent of their annual covered salary for retirement benefits. The University was contractually required to contribute 15.36 percent of covered payroll. The actuarially determined amount, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The University's total contributions to KTRS for the years ending June 30, 2015 and 2014 were \$7,235,381 and \$8,529,378, respectively, and were equal to the required contributions for the year. In addition, the Commonwealth of Kentucky contributes ad hoc annual cost of living adjustments provided by the General Assembly for KTRS retirees. These contributions totaled \$967,817 for the year ending June 30, 2014 and are approximately \$1,175,000 for the year ending June 30, 2015.

Collective Net Pension Liability: At June 30, 2015, the University reported a liability for its proportionate share of the net pension liability that reflected a reduction for pension support provided to the University by the Commonwealth of Kentucky. The amount recognized by the University as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the University were as follows:

University's proportionate share of the net pension liability	\$ 237,056,212
Commonwealth of Kentucky's proportionate share of the net pension liability associated with the University	<u>26,898,447</u>
	<u>\$ 263,954,659</u>

The net pension liability was measured as of June 30, 2014 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The University's proportion of the net pension liability was based on the University's share of contributions to the pension plan relative to the contributions of all participating employers. At June 30, 2014, the University's proportion was 1.10 percent and the Commonwealth of Kentucky's proportion associated with the University was 0.12 percent.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

Measurement Date: June 30, 2013 is the actuarial valuation date upon which the TPL is based. An expected TPL is determined as of June 30, 2014 using standard roll forward techniques. The procedure used to determine the TPL as of June 30, 2014 is shown in the GASB 67 report for KTRS submitted on December 11, 2014.

Changes in Assumptions and Benefit Terms: A change in the municipal bond index rate from the prior measurement date to the measurement date resulting in the SEIR changing from 5.13% at the prior measurement date to 5.23% at the measurement date. The change in the discount rate is considered a change in actuarial assumptions under GASB 68.

Changes Since Measurement Date: There were no changes in assumptions or benefit terms since the prior measurement date.

Pension Expense: For the year ended June 30, 2015, the University recognized pension expense of \$12,934,065 and revenue of \$1,318,053 for support provided by the Commonwealth of Kentucky.

Deferred Outflows and Deferred Inflows: Since certain expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts serve to reduce pension expense they are labeled as deferred inflows. If they will increase pension expense they are labeled deferred outflows. As noted in the previous section, the amortization of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions, if any, are amortized over the average remaining service life of the active and inactive system members at the beginning of the fiscal year. Investment gains and losses are amortized over a fixed five year period.

The table below provides a summary of the deferred inflows and outflows as of the measurement date.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions or other inputs	\$ -	\$ 3,207,657
Net difference between projected and actual earnings on pension plan investments	-	14,292,009
Employer contributions subsequent to the measurement date	<u>7,235,381</u>	<u>-</u>
Total	<u>\$ 7,235,381</u>	<u>\$ 17,499,666</u>

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

At June 30, 2015, the University reported \$7,235,381 as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Deferred inflows of resources at June 30, 2015, related to pensions will be recognized in pension expense as follows:

Deferred Amounts to be recognized in Fiscal Years
Following the Reporting Date

<u>Fiscal Years</u>	<u>Amount</u>
2016	\$ 4,241,338
2017	4,241,338
2018	4,241,338
2019	4,241,338
2020	<u>534,314</u>
Total	<u>\$ 17,499,666</u>

Substantially all other full-time University employees are required by law to participate in the Kentucky Employees Retirement System ("KERS"), a cost-sharing, multiple-employer defined benefit pension plan administered by the Kentucky Retirement System ("KRS"), an agency of the Commonwealth. Under the provisions of Kentucky Revised Statute Section 61.645, the Board of Trustees ("Board") of KRS administers the KERS, County Employees Retirement System and State Police Retirement System. Although the assets of the systems are invested as a whole, each system's assets are used only for the payment of benefits to members of that plan, and a pro rate share of administrative costs, in accordance with the provisions of Kentucky Revised Statute Sections 16.555, 61.570, and 78.630.

More specifically, within KERS, Eastern Kentucky University employees participate in the non-hazardous portion of the plan, which covers all regular full-time members employed in non-hazardous duty positions of any state department, board, or agency directed by executive order to participate in KERS. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may also be extended to beneficiaries of plan members under certain circumstances.

Under the provisions of Kentucky Revised Statute Section 61.701, the Board of KRS also administers the Kentucky Retirement Systems Insurance Fund. The statutes provide for a single insurance fund to provide group hospital and medical benefits to retirees drawing a benefit from the three pension funds administered by KRS. The assets of the insurance fund are invested as a whole. The KERS issues a publicly available financial report that includes financial statements and required supplementary information for the KERS. The report may be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601, or it may be found at the KRS website at www.kyret.ky.gov.

(Continued)

NOTE 10 – PENSION PLANS (Continued)

Benefits Provided: The information below summarizes the major retirement benefit provisions of KERS-Non-Hazardous. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions:

Non-Hazardous Normal Retirement:

Members whose participation began before 8/1/2004:

Age requirement: 65

Service requirement: At least one month of non-hazardous duty service credit.

Amount: If a member has at least 48 months of service, the monthly benefit is 1.97% times final average compensation times years of service. For members who were participants in any one of the state retirement systems from January 1, 1998 through January 1, 1999, the benefit factor is 2.00%. For those members who retired between January 1, 1999 and January 31, 2009 with at least 240 months of service, the benefit factor is 2.20%.

Final compensation is calculated by taking the average of the highest five (5) fiscal years of salary. If the number of months of service credit during the five (5) year period is less than forty-eight (48), one (1) or more additional fiscal years shall be used.

If a member has less than 48 months of service, the monthly benefit is the actuarial equivalent of two times the member's contributions with interest.

Members whose participation began on or after 8/1/2004, but before 9/1/2008:

Age requirement: 65

Service requirement: At least one month of non-hazardous duty service credit.

Amount: If a member has at least 48 months of service, the monthly benefit is 2.00% multiplied by final average compensation, multiplied by years of service.

Final compensation is calculated by taking the average of the highest five (5) fiscal years of salary. If the number of months of service credit during the five (5) year period is less than forty-eight (48), one (1) or more additional fiscal years shall be used.

If a member has less than 48 months of service, the monthly benefit is the actuarial equivalent of two times the member's contributions with interest.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

Members whose participation began on or after 9/1/2008 but before 1/1/2014:

Age/Service Requirement: Age 65 with 60 months of non-hazardous duty service credit, or age 57 if age plus service equals at least 87

Amount: The monthly benefit is the following benefit factor based on service credit at retirement plus 2.00% for each year of service greater than 30 years, multiplied by final average compensation, multiplied by years of service.

<u>Service Credit</u>	<u>Benefit Factor</u>
10 years or less	1.10%
10 - 20 years	1.30%
20 - 26 years	1.50%
26 - 30 years	1.75%

Final compensation is calculated by taking the average of the last (not highest) five (5) complete fiscal years of salary. Each fiscal year used to determine final compensation must contain twelve (12) months of service credit.

Members whose participation began on or after 1/1/2014:

Age/Service Requirement: Age 65 with 60 months of non-hazardous duty service credit, or age 57 if age plus service equals at least 87

Amount: Each year that a member is an active contributing member to the system, the member and the member's employer will contribute 5.00% and 4.00%, respectively, of creditable compensation into a hypothetical account. The hypothetical account will earn interest annually on both the member's and employer's contribution at a minimum rate of 4%. If the system's geometric average net investment return for the previous five years exceeds 4%, then the hypothetical account will be credited with an additional amount of interest equal to 75% of the amount of the return which exceeds 4%. All interest credits will be applied to the hypothetical account balance on June 30 based on the account balance as of June 30 of the previous year.

Upon retirement the hypothetical account which includes member contributions, employer contributions and interest credits can be withdrawn from the system as a lump sum or annuitized into a single life annuity option.

(Continued)

NOTE 10 – PENSION PLANS (Continued)

Contributions: For the fiscal year ended June 30, 2015, plan members who began participating prior to September 1, 2008 were required to contribute 5% of their annual creditable compensation. The Commonwealth was required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the Board on the basis of an annual valuation last preceding July 1 of a new biennium. The Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the Board. However, formal commitment to provide the contributions by the employer is made through the biennial budget. For the fiscal years ended June 30, 2015 and 2014, participating employers contributed 38.77% and 26.79%, respectively, of each employee's creditable compensation. The actuarially determined rates set by the Board for the fiscal years ended June 30, 2015 were and 45.28%, respectively, of each employee's creditable compensation. Administrative costs of KRS are financed through employer contributions and investments earnings.

In accordance with House Bill 1, signed by the Governor on June 27, 2008, plan members who began participating on, or after, September 1, 2008, were required to contribute a total of 6% of their annual creditable compensation. Five percent of the contribution was deposited to the member's account while the one percent was deposited to an account created for the payment of health insurance benefits under 26 USC Section 401(h) in the pension fund (see Kentucky Administrative Regulation 105KAR 1:420E). Interest is paid each June 30 on members' accounts at a rate of 2.5%. If a member terminates employment and applies to take a refund, the member is entitled to a full refund of contributions and interest; however, the 1% contribution to the 401(h) account is non-refundable and is forfeited. For plan members who began participating prior to September 1, 2008, their contributions remain at 5% of their annual creditable compensation.

In accordance with Senate Bill 2, signed by the Governor on April 4, 2013, plan members who began participating on, or after, January 1, 2014, were required to contribute to the cash balance plan. The cash balance plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute a set percentage of their salary each month to their own account. Non-hazardous members contribute 5% of their annual creditable compensation and 1% to the health insurance fund which is not credited to the member's account and is not refundable. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of the member's salary. Each month, when employer contributions are received, an employer pay credit is deposited to the member's account. For non-hazardous members, their account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

Total Pension Liability: The total pension liability ("TPL") was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	4.5 percent, average, including inflation
Investment rate of return	7.5 percent, net of pension plan investment expense, including inflation

(Continued)

NOTE 10 – PENSION PLANS (Continued)

The rates of mortality for the period after service retirement are according to the 1983 Group Annuity Mortality Table for all retired members and beneficiaries as of June 30, 2006 and the 1994 Group Annuity Mortality Table for all other members. The Group Annuity Mortality Table set forward 5 years is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2008.

Discount Rate Assumptions:

- (a) Discount rate: The discount rate used to measure the total pension liability was 7.75%.
- (b) Projected cash flows: The projection of cash flows used to determine the discount rate assumed the local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period.
- (c) Long-term rate of return: The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for the system. The most recent analysis, performed for the period covering fiscal years 2005 through 2008, is outlined in a report dated August 25, 2009. Several factors are considered in evaluating the long-term rate of return assumption including long term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.
- (d) Municipal bond rate: The discount rate determination does not use a municipal bond rate.
- (e) Periods of projected benefit payments: Projected future benefit payments for all current plan members were projected through 2116. The long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

- (f) Assumed asset allocation: The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	8.45%
International equity	22%	8.85%
Emerging market equity	5%	10.50%
Private equity	7%	1.25%
Real estate	5%	7.00%
Core U.S. fixed income	10%	5.25%
High-Yield U.S. fixed income	5%	7.25%
Non-U.S. fixed income	5%	5.50%
Commodities	5%	7.75%
TIPS	5%	5.00%
Cash	<u>1%</u>	3.25%
Total	<u>100%</u>	

- (g) Sensitivity analysis: This paragraph requires disclosure of the sensitivity of the net pension liability to changes in the discount rate. The following presents the Eastern Kentucky University's allocated portion of the net pension liability ("NPL") of the system, calculated using the discount rate of 7.75 percent, as well as what the allocated portion of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent) or one percentage-point higher (8.75 percent) than the current rate (in thousands):

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Eastern Kentucky University's proportionate share of net pension liability (in thousands)	\$ 162,050	\$ 144,048	\$ 127,818

Employer's Portion of the Collective Net Pension Liability: The proportionate share of the NPL, as indicated in the prior table, is \$144,048,296 or 1.61%. The liability was distributed based on 2014 actual employer contributions to the plan.

Measurement Date: June 30, 2014 is the actuarial valuation date upon which the TPL is based. No update procedures were used to determine the TPL. An expected TPL is determined as of July 1, 2013 using standard roll back techniques. The roll back calculation subtracts the annual normal cost (also called the service costs), adds the actual benefit payments and refunds for the plan year and then applies the expected investment rate of return for the year. The procedure was used to determine the TPL as of July 1, 2013, as shown in the GASB 67 report for KERS submitted on November 17, 2014.

Changes in Assumptions and Benefit Terms: There were no changes in assumptions or benefit terms since the prior measurement date.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

Changes Since Measurement Date: There were no changes between the measurement date of the collective net pension liability and the employer's reporting date.

Pension Expense: Eastern Kentucky University recognized \$10,887,000 of pension expense during 2015.

Deferred Outflows and Deferred Inflows: Since certain expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts serve to reduce pension expense they are labeled as deferred inflows. If they will increase pension expense they are labeled deferred outflows. As noted in the previous section, the amortization of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions, if any, are amortized over the average remaining service life of the active and inactive system members at the beginning of the fiscal year. Investment gains and losses are amortized over a fixed five year period.

The table below provides a summary of the deferred inflows and outflows as of the measurement date.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 1,851,280
Employer contributions subsequent to the measurement date	<u>8,774,260</u>	<u>-</u>
Total	<u>\$ 8,774,260</u>	<u>\$ 1,851,280</u>

At June 30, 2015, the University reported \$8,774,260 as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Deferred inflows of resources at June 30, 2015, related to pensions will be recognized in pension expense as follows:

Deferred Amounts to be Recognized in Fiscal Years
Following the Reporting Date

<u>Fiscal Years</u>	<u>Amount</u>
2016	\$ 462,820
2017	462,820
2018	462,820
2019	<u>462,820</u>
Total	<u>\$ 1,851,280</u>

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 10 – PENSION PLANS (Continued)

Method and Assumptions Used in Calculations of Actuarially Determined Contributions: The actuarially determined contribution rates are determined on a biennial basis beginning with the fiscal years ended 2014 and 2015, determined as of July 1, 2013. The amortization period of the unfunded liability has been reset as of July 1, 2013 to a closed 30-year period. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	3.5 percent
Salary increase	4.5 percent, average, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

Summary Pension Plan Information:

	<u>KERS</u>	<u>KTRS</u>	<u>Total</u>
Net pension liability	\$ 144,048,296	\$ 237,056,212	\$ 381,104,508
Deferred outflows of resources	8,774,260	7,235,381	16,009,641
Deferred inflows of resources	1,851,280	17,499,666	19,350,946
Pension expense	10,887,000	12,934,065	23,821,065

NOTE 11 – RISK MANAGEMENT

The University is exposed to various risks of loss from torts, theft of, damage to or destruction of assets, business interruption, workers' compensation, employee injuries and illnesses, natural disasters and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from these risks, other than employee health. Settled claims have not exceeded this commercial coverage in any of the three preceding years. As a sovereign entity of the Commonwealth, the Kentucky Board of Claims handles tort claims on behalf of the University.

The University maintains a self-insurance program for employee's health insurance. Under this plan, the University pays premiums based on estimated claims. The University pays approximately 75% of the expenses of the plan for permanent full-time employees and their families. Expenses incurred to cover claims paid by the University under the plan for year ended June 30, 2015, totaled \$14,527,416. Administrative fees incurred for the year ended June 30, 2015, were \$890,296.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 11 – RISK MANAGEMENT (Continued)

Changes in the liability for self-insurance at June 30 are as follows:

	<u>2015</u>
Liability – beginning of year	\$ 1,823,611
Accruals for current year claims and changes in estimate	16,387,182
Claims paid	(14,527,416)
Other costs	<u>(1,856,886)</u>
Liability – end of year	<u>\$ 1,826,491</u>

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Construction Commitments – The estimated cost to complete construction projects under contract at June 30, 2015, is approximately \$179.4 million. The projects are to be financed principally by appropriations from the Commonwealth, proceeds from bonds, internal funds and gifts.

Claims and Litigation – The University is subject to various litigation and other claims in the ordinary course of business. University officials are of the opinion, based upon the advice of legal counsel, that the ultimate resolution of these matters will not have a material adverse effect on the University's financial position or results of operations.

Government Grants – The University is currently participating in numerous grants from various departments and agencies of the federal and state governments. The expenditures of grant proceeds must be for allowable and eligible purposes. Single audits and audits by the granting department or agency may result in requests for reimbursement of unused grant proceeds or disallowed expenditures. University management believes disallowances, if any, will not have a material adverse effect on the University's financial statements. Upon notification of final approval by the granting department or agency, the grants are considered closed.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 13 – OPERATING EXPENSES BY NATURAL CLASSIFICATION

Operating expenses by natural classification for the years ended June 30 are as follows:

	<u>2015</u>
Salaries and wages	\$ 133,134,690
Employee benefits	50,913,514
Supplies and other services	56,183,010
Travel	5,391,713
Depreciation	17,554,374
Student scholarships and financial aid	11,195,562
Utilities	8,011,376
Pension expense	6,493,146
Other operating expenses	<u>2,613,068</u>
Total	<u>\$ 291,490,453</u>

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC.

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations - Eastern Kentucky University Foundation, Inc. ("Foundation") is a corporation formed for educational, charitable, and public purposes in accordance with the provisions of KRS 273.0010. The Foundation is a component unit of Eastern Kentucky University ("University"). Specifically, it was founded to cooperate with the University and with the University's Board of Regents ("Board") in the promotion of the educational, civic, and charitable purposes of the University and the Board in any lawful manner deemed appropriate by the Foundation's Board of Directors. This purpose includes the encouragement of scholarship and research, the promotion of the prestige, expansion, and development of the University's physical plant and faculty, and the assistance of its students and alumni.

Basis of Presentation - The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Under established financial reporting standards for not-for-profit organizations, net assets, revenues, expenses, and gains (losses) are classified based on the existence or absence of donor imposed restrictions.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Revenues from sources other than contributions are reported as increases in unrestricted net assets. Contributions are reported as increases in the appropriate category of net assets, except that contributions which impose restrictions that are met in the same fiscal year they are received are included in unrestricted revenues. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law. Expirations of temporary restrictions on net assets (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from temporarily restricted net assets to unrestricted net assets.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents - The Foundation considers all liquid investments with original maturities of three months or less to be cash equivalents. Periodically throughout the year, the Foundation's cash and cash equivalents balances exceed the amount insured by the Federal Deposit Insurance Corporation.

Investments - Investments in equity securities having a readily determinable market value and all debt securities are carried at fair value. Income from investments includes dividends and interest income and realized and unrealized gains and losses on investments reported at fair value. Income from investments which is initially restricted by donor stipulation and for which the restriction will be satisfied in the same fiscal year is included in unrestricted net assets. Other income from investments is reflected in the accompanying statement of activities as unrestricted, temporarily restricted, or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions. Alternative investments, consisting of hedge funds and limited partnerships, are carried at estimated fair value provided by the management of the alternative investment funds as of year-end. Because alternative investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investment existed. The estimated fair value of the Foundation's alternative investments total approximately \$5,022,000 as of June 30, 2015.

The Foundation invests the endowment matching funds for the Regional University Endowment Trust Fund on behalf of the University. Dividends and interest income and realized and unrealized gains and losses on investments are allocated between the Foundation and the University based on the percentage of investments owned.

The Foundation previously adopted the *Uniform Prudent Management of Institutional Funds Act* (UPMIFA). Under UPMIFA, net appreciation on endowment fund investments, whose income is otherwise unrestricted as to use, is reported as temporarily restricted net assets until appropriated for expenditure by the Foundation, unless the donor has permanently restricted such net appreciation. In cases where the donor has placed temporary restrictions on the use of the income from endowed gifts, related net appreciation is subject to those restrictions and is reported as a part of temporarily restricted net assets until the restriction has been met.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Property and Equipment - Property and equipment is stated at cost and is depreciated on the straight-line method over the estimated useful lives of the assets; 40-50 years for buildings and building improvements, 15-20 years for land improvements, and 5-15 years for equipment. The Foundation's capitalization policy includes all items with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Renovations to buildings and infrastructure and land improvements that significantly increase the value or extend the useful life of the asset are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expenses are incurred.

The Foundation reviews for the impairment of long-lived assets subject to depreciation and amortization, including property and equipment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. No such impairment losses have been recognized with respect to year ended June 30, 2015.

Deferred Gift Liabilities - The carrying amount for deferred gift liabilities is the actuarially determined present value of the income distributions or other payments to the donors or other designated beneficiaries during the terms of the respective split-interest agreements.

Temporarily and Permanently Restricted Net Assets - Temporarily restricted net assets are those whose use by the Foundation has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Foundation in perpetuity.

Contributions - Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with donor stipulations that limit their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying statement of activities as net assets released from restrictions.

Gifts of land, buildings, equipment, and other assets are reported at fair value at the date of the gift and are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets. Absent explicit donor stipulations that long-lived assets must be held, expirations of restrictions resulting in reclassification of temporarily restricted net assets as unrestricted net assets are reported when the long-lived assets are placed into service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional promises to give expected to be collected in future years are recorded at the present value of estimated future cash flows. The resulting discount is computed using a risk-free interest rate applicable to the years in which the unconditional promises are received. Amortization using the level-yield method is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

A. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional promises to give expected to be collected in future years are recorded at the present value of estimated future cash flows. The resulting discount is computed using a risk-free interest rate applicable to the years in which the unconditional promises are received (discount rates ranging from 1.14% to 6.09%). Amortization using the level-yield method is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Income Taxes - The Internal Revenue Service (“IRS”) has determined that the Foundation is exempt from income taxes under Section 501 of the Internal Revenue Code (“Code”). The Foundation is however subject to federal income tax on any unrelated business taxable income. Additionally, the Foundation has been determined by the IRS not to be a private foundation within the context of Section 509(a) of the Code.

GAAP prescribes recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits or liabilities will be recognized only if the tax position is more-likely-than-not sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit or liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely- than-not test, no tax benefit or liability will be recorded. Management is not aware of any tax benefits or liabilities which would warrant recognition as of June 30, 2015, nor does it expect this to change in the next 12 months.

The Foundation would recognize interest and penalties related to uncertain tax positions in interest and income tax expense, respectively. The Foundation has no amounts accrued for interest or penalties as of June 30, 2015.

Foreign Currency Risk - Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Foundation’s exposure to foreign currency risk derives from pooled non-U.S. equity fund investments with a fair value totaling approximately \$14,998,000 as of June 30, 2015. The Foundation’s endowment investment policy allows managers to invest a portion of funds in non-U.S. securities in accordance with the guidelines established in the investment policy.

Subsequent Events - Management has performed an analysis of the activities and transactions subsequent to year-end to determine the need for any adjustments to and/or discussions within the accompanying financial statements as of and for the year ended June 30, 2015. Management has performed its analysis through the date of the Independent Auditor’s Report, the date the financial statements were available to be issued.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

B. FAIR VALUE OF FINANCIAL INSTRUMENTS

GAAP defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Foundation's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

This guidance also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs that may be used to measure fair value are described below:

- Level 1 - Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.
- Level 2 - Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 - Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The fair value of financial instruments as of June 30, 2015 is as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs Level 3
Money market funds	\$ 6,150,253	\$ 6,150,253	\$ -	\$ -
Equities	36,424,867	36,424,867	-	-
Fixed income	13,128,921	13,128,921	-	-
Alternatives:				
Hedge funds	2,019,394	-	2,019,394	-
Limited partnerships	3,002,196	-	-	3,002,196
	<u>\$ 60,725,631</u>	<u>\$ 55,704,041</u>	<u>\$ 2,019,394</u>	<u>\$ 3,002,196</u>

The fair values of money market funds, equity investments, and fixed income investments are determined using quoted market prices and are classified as Level 1 financial instruments. The predominance of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions, and third-party pricing services.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

B. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

For other investments for which there is no active market, generally referred to as “alternative investments,” such as alternative hedge funds and private equities, the fair values are initially based on valuations determined by the respective investment managers using net asset values (“NAVs”) as of their most recent statements, adjusted for cash receipts, cash disbursements, and other anticipated income or loss through June 30. The NAVs of the funds are determined on the accrual basis of accounting in conformity with GAAP; in certain instances, secondary investments require reporting other than GAAP such as International Financial Reporting Standards or Tax Basis accounting, in which case the investment managers adjust values to more accurately comply with GAAP. The managers utilize standard valuation procedures and policies to assess the fair value of the underlying investment holdings to derive NAV. For holdings in marketable securities listed on national securities exchanges, the values represent the publicly traded values. Holdings in private securities are generally valued using the mark-to-market method, which attempts to apply a fair value standard by referring to meaningful third-party transactions, comparable public market valuations, appraisals, and/or the income approach. Pursuant to GAAP, management has considered redemption restrictions to assess classification of fair value inputs. For alternative investments with redemption periods of 90 days or less, the assets are considered a Level 2 fair value measurement. Investments that are redeemable in greater than 90 days are considered a Level 3 fair value measurement due to the inability to redeem the asset at NAV in the near term.

Management has performed an independent review of valuations reported by investment managers and determined that NAV is a reasonable and prudent estimate of fair value. Alternative investments are not readily marketable and their estimated value is subject to uncertainty. Therefore, there may be a material difference between their estimated value and the value that would have been used had a readily determinable fair value for such investments existed.

Description of Alternative Investments Strategy and Liquidity

As of June 30, 2015, the Foundation's alternative investments consist of hedge funds and limited partnerships. Additional disclosure relative to the underlying strategies for these types of investments is as follows:

- **Hedge funds** - As of June 30, 2015, the Foundation invests in various hedge funds which employ the following investment strategies. The categories represent the variety of investment strategies used rather than a description of each hedge fund.
 - 1) Equity hedged - The strategy of these funds is to take long positions in equities that are perceived to be undervalued and go short on equities that are perceived to be overvalued.
 - 2) Event driven - This strategy invests in debt securities created by significant transactional events such as spin-offs, mergers and acquisitions, bankruptcy reorganizations, and recapitalizations.
 - 3) Capital structure arbitrage - The strategy of these funds typically involves taking long and short positions in different financial instruments and asset classes within the capital structure of the same company (debt and equity investments).

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

B. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

- 4) Convertible arbitrage - The strategy of these funds is to take long positions in convertible securities and hedge those positions by selling short the underlying common stock.
 - 5) Fixed income arbitrage - The strategy of these funds is to take long positions in fixed income securities and hedge those positions by selling short the underlying common stock.
 - 6) Long/short - This strategy consists of a core holding of long equities hedged at all times with short sales of stocks and/or stock index options.
 - 7) Macro - The strategy of these funds is to invest by making leveraged bets on anticipated price movements of stock markets, interest rates, foreign exchange rates, and physical commodities.
 - 8) Multi-strategy - The objective of these funds is to strategically allocate capital to various hedge fund strategies based on their perceived risk and return profiles.
 - 9) Volatility arbitrage - This strategy undertakes the buying and selling of volatility, primarily using options across various markets to take advantage of dislocations in volatility created by directional investors.
- **Limited partnerships** - As of June 30, 2015, the Foundation invests in various limited partnerships which employ the following investment strategies. The categories represent the variety of strategies used rather than a description of each limited partnership.
- 1) Buyout funds - These funds invest in more established companies that are in need of repair or growth to boost returns. Generally, interests are purchased through some combination of preferred shares and debt. There are various investment opportunities in buyout, such as “buy and build,” “spinoffs,” “ownership transitions,” and “recapitalizations.”
 - 2) Debt funds - These funds provide lending to companies that are being restructured or re-capitalized. Among debt funds, there are two major sub-sectors: mezzanine debt and distressed debt. Mezzanine funds initiate lending to companies of all sizes, both private and public. Mezzanine funds have a subordinated claim on the underlying assets relative to senior lenders (banks, bondholders, etc.) and, in return, can charge a higher interest rate on the debt. Distressed debt funds buy existing public and/or private debt of distressed companies. Distressed debt funds can be further broken down into two groups: 1) those where the general partners take control of the distressed companies and work through the bankruptcy process to pick new managers and strategies for restructuring, and 2) those where the general partners do not take control of these companies, but instead focus on trading the distressed securities.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

B. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

- 3) Funds of funds (FOFs) - These funds invest in several partnerships within private equity (venture, buyout, debt, and real estate). FOFs that commit capital to many partnerships in one sector (such as biotech, software, or telecommunications) or one sub-class (all venture funds or all debt funds) are called “concentrating” funds. FOFs that invest across sectors and sub-classes are “diversifying” funds. There are also FOFs, referred to as “hybrid” funds, which mix investments in limited partnerships with direct investments in underlying platforms. Finally, FOFs that buy existing partnerships that are for resale are referred to as “secondaries” funds.

- 4) Real estate funds - These funds provide capital to meet a number of different needs including new construction, renovation, or a change in property ownership or management. These investments may involve equity or debt. The major sub-sectors that comprise equity investments include the purchase of land (including timberland and farmland), the purchase of fully or partially leased commercial properties, and the purchase of renovation properties (buying existing properties and upgrading them), as well as investments in new construction (called “development”). There are also investments that can be made on the debt side, including first mortgage lending, mezzanine lending, distressed lending (senior lending to troubled assets), and the purchase of real estate bank loans (pools of loans sold off by banks that want to lower the level of reserve capital that must be held against such loans).

- 5) Venture capital funds - These funds invest in young companies with varying degrees of infrastructure, revenues, and profits. Investments are typically made in cash through the purchase of preferred shares in the company. If the investment is in a concept alone, it is called “see stage.” Depending on the degree to which the product line is complete, management positions are fully staffed, revenues are being generated, and/or profits are being made, the investments are referred to as “early stage” (very new companies, largely undeveloped), “mid stage” (more infrastructure, but no profits), and “late stage” (sufficiently developed to possibly issue public stock or to soon attract interest from a strategic buyer).

The following table provides additional information as of June 30, 2015 relative to alternative investments:

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Hedge funds	\$ 2,019,394	\$ -	Quarterly	60 days
Limited partnerships	3,002,196	-	Fund Dissolved	N/A

The respective limited partnerships have incorporation dates ranging from 2005 to 2008. Each of the limited partnerships have a term of fifteen years, provided, however, that the fund manager, in its sole discretion, may elect to extend such term for up to three one-year periods if it believes such extensions are necessary or desirable in order to effect an orderly liquidation of the limited partnership investments. The fund manager may, in its sole discretion, elect to terminate the limited partnership prior to the end of the term or any extension period.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

B. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

The year ended June 30, 2015 activity with respect to the investments reflected as Level 3 is as follows:

Beginning of year	\$ 3,454,404
Net gains or losses (realized/unrealized) included in the change in net assets	(467,608)
Purchases, issuances, and settlements	<u>15,400</u>
End of year	<u>\$ 3,002,196</u>

The amount of total gains or losses for the year ended June 30, 2015 relating to Level 3 investments still held at June 30, 2015 is as follows:

Limited partnerships	<u>\$ (467,608)</u>
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See also Note 14, Letter G with respect to deferred gift liabilities (Level 3 fair value measurement).

C. ENDOWMENT

The Foundation's endowment consist of approximately 400 individual funds established for a variety of purposes. The endowment includes both donor restricted endowment funds and funds designated by the Foundation's Board Directors to function as endowments (Board designated endowment funds). As required by GAAP, net assets associated with endowment funds, including funds designated by the Foundation's Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

In 2010, the *Uniform Prudent Management of Institutional Funds Act* ("UPMIFA") was adopted by the Commonwealth of Kentucky. The Foundation interprets UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

C. ENDOWMENT (Continued)

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- The purposes of the endowment fund
- The duration and preservation of the endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

Funds with Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the “historic dollar value” level the Foundation is required to preserve as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are to be reported in unrestricted net assets. There are no such funds with deficiencies as of June 30, 2015.

At June 30, 2015, endowment net assets consist of the following:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Board designated	\$ 5,524,453	\$ -	\$ -	\$ 5,524,453
Donor restricted	-	13,223,408	26,451,874	39,675,282
	<u>\$ 5,524,453</u>	<u>\$13,223,408</u>	<u>\$26,451,874</u>	<u>\$45,199,735</u>

Changes in endowment net assets for the year ended June 30, 2015 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning of year	\$ 2,804,406	\$15,979,176	\$24,901,206	\$43,684,788
Contributions	2,472,687	-	1,550,668	4,023,355
Investment return				
Net investment income	148,273	1,012,699	-	1,160,972
Net unrealized and realized appreciation (depreciation)	125,980	(880,807)	-	(754,827)
Appropriation of endowment assets for expenditure	(26,893)	(2,887,660)	-	(2,914,553)
End of year	<u>\$ 5,524,453</u>	<u>\$13,223,408</u>	<u>\$26,451,874</u>	<u>\$45,199,735</u>

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

C. ENDOWMENT (Continued)

Return Objectives and Risk Parameters - The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain over time the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity or for a donor specified period(s), as well as Board designated funds. Under the Foundation's policies, endowment assets are invested in a manner that emphasizes total return. Specifically, the primary objective is to emphasize long-term growth of principal while avoiding excessive risk, to achieve a balanced return of current income and modest growth of principal, and to achieve a rate of return equal to or higher than the Endowment and Foundation Index or other benchmarks as determined by the Foundation's Board of Directors.

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (dividends and interest). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The endowment assets of the Foundation are invested in a broad range of equities and debt securities, thereby limiting the market risk exposure in any single investment manager or individual investment.

Spending Policy and How the Investment Objectives Relate to the Spending Policy - The Foundation has a policy of appropriating for distribution each year up to 5.0% of a three year rolling average of the fund's value. Likewise, it is the policy of the Foundation that, annually, up to 1.5% of a three year rolling average of the fund's value be designated for unrestricted use by the Foundation in furtherance of its singular mission to provide support for the advancement of the University. The policies are monitored by the Executive Committee of the Foundation's Board of Directors and may be amended in accordance with market conditions. Earnings above the annually designated portions are reinvested in the corpus to insure long-term growth and stability.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

D. PLEDGES RECEIVABLE

At June 30, 2015, net pledges receivable consist of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Current pledges receivable:				
Estimated to be collected in less than one year	\$ -	\$ 26,318	\$ 92,400	\$ 118,718
Less allowance	-	-	(40,478)	(40,478)
	<u>\$ -</u>	<u>\$ 26,318</u>	<u>\$ 51,922</u>	<u>\$ 78,240</u>
Long-term pledges receivable:				
Estimated to be collected in one to five years	\$ -	\$ 53,756	\$ 27,000	\$ 80,756
Estimated to be collected thereafter	-	-	100	100
Less allowance	-	-	(21,239)	(21,239)
Less discounts to net present value	-	(10,612)	(5,861)	(16,473)
	<u>\$ -</u>	<u>\$ 43,144</u>	<u>\$ -</u>	<u>\$ 43,144</u>
	<u>\$ -</u>	<u>\$ 69,462</u>	<u>\$ 51,922</u>	<u>\$ 121,384</u>

E. PROPERTY AND EQUIPMENT

At June 30, 2015, net property and equipment consists of the following:

Land	\$ 1,558,723
Land improvements	523,225
Buildings and building improvements	3,435,083
	<u>5,517,031</u>
Less accumulated depreciation	(897,695)
	<u>\$ 4,619,336</u>

During the year ended June 30, 2015, the Foundation contributed to the University certain fixed assets with a net book value totaling approximately \$977,000 (see also Note 14, Letter I). Such items largely represented contributions received over time by the Foundation on the University's behalf.

Depreciation expense for the year ended June 30, 2015 totals \$191,614.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

F. NOTE PAYABLE

During the year ended June 30, 2014, the Foundation entered into a \$1,500,000 commercial bank note payable, the proceeds of which were used to retire the Variable Rate Demand Economic Development Revenue Bonds, Series 2008 issuance. The uncollateralized/unsecured bank note payable bears interest at fixed rate of 2.97% and is payable in monthly principal and interest payments totaling \$24,665 through May 2019, with a final balloon payment due at maturity (June 2019). The outstanding principal balance at June 30, 2015 is \$1,115,466.

At June 30, 2015, the aggregate maturities required on the bank note payable are as follows:

<u>Year ending June 30</u>	
2016	\$ 266,441
2017	274,463
2018	282,726
2019	291,836
	<u>\$ 1,115,466</u>

G. DEFERRED GIFT LIABILITIES

Over time, the Foundation has been the recipient of several gift annuities which require future payments to the donor or their named beneficiaries. The assets received from the donor are recorded at fair value.

The accompanying statement of financial position reflects a liability at June 30, 2015 totaling \$348,495, which represents the estimated present value of the future annuity obligations calculated using discount rates ranging from 5.5% to 8.4%. The actuarial related assumptions used in calculating the respective present values include the beneficiary's age and life expectancy, the date of the gift, the fair value of the amount gifted, the estimated rate of return, the payout rate, the payment schedule, and the discount rate (represents the discount rate at the date of the contribution determined in accordance with the Internal Revenue Code). The carrying amount of the deferred gift liabilities estimates fair value and is calculated using Level 3 inputs (see also Note 2).

The year ended June 30, 2015 activity with respect to deferred gift liabilities is as follows:

Beginning of year	\$ 364,328
Payment obligations	(10,837)
Net actuarial gain	<u>(4,996)</u>
End of year	<u>\$ 348,495</u>

At June 30, 2015, investments (which are reflected at fair value) relative to such deferred gift liabilities total \$642,352.

(Continued)

EASTERN KENTUCKY UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

H. ASSETS HELD FOR OTHERS

Assets held for others represent resources in the possession of, but not under the control of, the Foundation. At June 30, 2015, assets held for others consist of the following:

Regional University Endowment Trust Fund	\$ 15,879,388
Programs of Distinction	<u>1,779,921</u>
	<u><u>\$ 17,659,309</u></u>

I. RELATED PARTY TRANSACTIONS

Eastern Kentucky University - The University provides various administrative services to the Foundation. In addition, during the year ended June 30, 2015, the University expended \$646,570 and \$68,248 on behalf of the Foundation with respect to scholarships and employee salaries/related benefits. Such amounts are ultimately reimbursed by the Foundation. At June 30, 2015, the amount due to the University totals \$430,502. Such amount is reflected as due to related party per the accompanying statement of financial position.

As indicated in Note 14, Letter E, during the year ended June 30, 2015, the Foundation transferred to the University certain fixed assets with a net book value totaling approximately \$977,000.

Arlington Golf Course - The Foundation owns the Arlington Golf Course property (a golf course built and owned by the Foundation on Foundation owned property; \$3,976,830 of the gross property and equipment amount per Note 14, Letter E). The Foundation leases such property to Arlington Association, Inc. ("Arlington") under the terms of a year-to-year lease agreement which can be terminated by either party with notice. Currently, the monthly lease payment is \$24,665. Arlington bears all expenses associated with the operation and maintenance of the golf course and related facilities. Arlington receives the related income from the operation thereof. Various University departments are permitted to use the golf course and related facilities for instructional purposes. At June 30, 2015, Arlington owes the Foundation \$1,406,484 with respect to unpaid lease payments.

Additionally, at June 30, 2015, Arlington owes the Foundation \$329,982 under the terms of a \$400,000 line of credit agreement (in addition to \$270,000 borrowed by Arlington from May 2011 through February 2012 under a separate borrowing arrangement), the proceeds of which have been used by Arlington to fund on-going capital improvements to the golf course and related facilities. The line of credit bears interest at 4.0%. Interest is paid monthly. The line of credit agreement does not provide for a maturity date.

Lastly, at June 30, 2015, Arlington is also indebted to the Foundation in the amount of \$348,608. Such amount represents an obligation originally due from Arlington to the University which the University then subsequently "transferred" to the Foundation in 2009.

Based upon management's review of the financial condition of Arlington and its operating activity, an allowance totaling \$2,355,074 has been provided as of June 30, 2015. Such allowance amount represents 100% of the various amounts due from Arlington as of June 30, 2015. Bad debts expense per the accompanying statement of activities totals \$758,267, \$750,391 of which represents increasing the Arlington related allowance during the year ended June 30, 2015.

(Continued)

NOTE 14 – EASTERN KENTUCKY UNIVERSITY FOUNDATION, INC. (Continued)

I. RELATED PARTY TRANSACTIONS (Continued)

Other - At June 30, 2015, outstanding gross pledges receivable due from related parties (members of the Foundation's Board of Directors) total \$41,381. Such gross pledges receivable amounts are included in the amounts reflected in Note 14, D.

J. PRIOR PERIOD ADJUSTMENTS AND RECLASSIFICATION

During 2015, management made the determination that certain pledges receivable had previously been misstated (\$355,402 and \$100 decrease in permanently and temporarily restricted net assets, respectively) and that the cash surrender value of life insurance had not previously been recorded (\$205,832 increase in unrestricted net assets). Accordingly, net assets as previously reported as of July 1, 2014 decreased from \$50,896,148 to \$50,746,478. The \$149,670 restatement had no effect on the previously reported change in net assets as of and for the year ended June 30, 2014.

During 2015, management also made the determination that certain unrestricted (\$2,276,465) and temporarily restricted (\$250,031) net assets as of June 30, 2014 were misclassified as permanently restricted. The classifications of unrestricted, temporarily restricted, and permanently restricted net assets as of July 1, 2014 have been restated to correct the misclassifications. The \$2,526,496 reclassification had no effect on the previously reported change in net assets as of and for the year ended June 30, 2014.

REQUIRED SUPPLEMENTARY INFORMATION

EASTERN KENTUCKY UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(in thousands)
June 30, 2015

KERS	<u>2015</u>
University's proportion of the net pension liability	1.61%
University's proportionate share of the net pension liability	\$ 144,048
University's covered-employee payroll	\$ 27,312
University's proportionate share of the net pension liability as a percentage of its covered-employee payroll	527.42%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

KTRS	<u>2015</u>
University's proportion of the net pension liability	1.10%
University's proportionate share of the net pension liability	\$ 237,056
State's proportionate share of the net pension liability associated with the University	<u>26,899</u>
Total	<u>\$ 263,955</u>
University's covered-employee payroll	\$ 53,531
University's proportionate share of the net pension liability as a percentage of its covered-employee payroll	442.84%
Plan fiduciary net position as a percentage of the total pension liability	45.59%

* The amounts presented for each fiscal year were determined as of the year end that occurred one year prior.

** This is a ten-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until ten years of information is available.

EASTERN KENTUCKY UNIVERSITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE UNIVERSITY'S CONTRIBUTIONS
(in thousands)
June 30, 2015

KERS	<u>2015</u>
Contractually required contribution	\$ 8,774
Contributions in relation to the contractually required contribution	<u>(8,774)</u>
Contribution deficiency (excess)	<u>\$ -</u>
University's covered-employee payroll	\$ 27,312
Contributions as a percentage of covered-employee payroll	32.13%
 KTRS	 <u>2015</u>
Contractually required contribution	\$ 7,235
Contributions in relation to the contractually required contribution	<u>(7,235)</u>
Contribution deficiency (excess)	<u>\$ -</u>
University's covered-employee payroll	\$ 53,531
Contributions as a percentage of covered-employee payroll	13.52%

* This is a ten-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until ten years of information is available.

KENTUCKY DEPARTMENT OF MILITARY AFFAIRS

Continuing Disclosure of Operating Budget Revenues and Expenditures

Required by Agency Bond Continuing Disclosure Agreement by and among the Kentucky Asset / Liability Commission and J.P. Morgan Trust Co. under a Trust Indenture dated 1 May 2005.

KyDMA Agency Historical Operating Budget & Projections

DEPT ACTUALS	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012		FY2013		FY2014	FY2015	FY2016
General Fund Revenues	\$16,481,075	\$15,660,596	\$16,429,863	\$16,290,599	\$18,338,840	\$17,804,529	\$20,291,624	\$15,726,712	\$14,280,801	\$28,832,047	\$34,635,917	\$19,459,654	\$16,870,155	11%	\$14,340,539	10%	\$13,414,642	\$15,035,159	\$18,996,900
Federal Fund Revenues	\$15,135,337	\$15,190,217	\$25,823,280	\$44,371,550	\$74,504,447	\$61,334,347	\$43,298,646	\$27,851,145	\$33,650,784	\$68,952,870	\$224,470,401	\$79,102,983	\$78,416,924	62%	\$83,555,514	71%	\$96,065,749	\$80,465,063	\$78,936,600
Restricted Fund Revenues	\$18,405,953	\$23,770,035	\$22,891,445	\$19,654,638	\$17,637,073	\$25,964,169	\$26,291,767	\$35,957,604	\$39,365,108	\$38,201,641	\$43,807,803	\$48,006,691	\$45,342,052	28%	\$37,568,006	27%	\$36,694,442	\$39,622,679	\$49,274,926
Total Gross Revenues:	\$50,022,365	\$54,620,848	\$65,144,588	\$80,316,787	\$110,480,360	\$104,703,045	\$89,882,037	\$79,535,461	\$87,296,693	\$135,966,558	\$302,914,121	\$146,569,327	\$140,629,131	→	\$135,464,059	→	\$146,174,833	\$135,122,901	\$147,208,426
General Fund Expenditures	\$16,481,075	\$15,660,596	\$16,429,863	\$16,290,599	\$18,338,840	\$17,804,529	\$20,291,624	\$15,726,712	\$14,280,801	\$28,832,047	\$34,635,917	\$19,459,654	\$16,870,155	11%	\$14,340,539	10%	\$13,414,642	\$15,035,159	\$18,996,900
Federal Fund Expenditures	\$16,164,740	\$12,804,137	\$23,757,434	\$40,664,176	\$72,265,141	\$57,906,763	\$41,961,399	\$30,436,333	\$33,700,492	\$70,715,567	\$226,513,404	\$78,893,193	\$75,665,016	63%	\$81,247,525	72%	\$93,808,529	\$77,362,878	\$78,936,600
Restricted Fund Expenditures	\$16,284,175	\$20,113,928	\$20,210,734	\$17,170,414	\$18,972,941	\$20,911,907	\$22,432,399	\$28,005,221	\$29,461,336	\$34,494,826	\$39,696,535	\$35,096,628	\$36,043,995	26%	\$34,071,284	33%	\$42,427,888	\$35,413,743	\$40,529,626
Total Gross Expenditures:	\$48,929,990	\$48,578,661	\$60,398,031	\$74,125,189	\$109,576,922	\$96,623,199	\$84,685,422	\$74,170,266	\$77,442,629	\$134,042,440	\$300,845,856	\$133,449,474	\$128,579,166	→	\$129,659,348	→	\$149,651,059	\$127,811,779	\$138,463,126
Net Agency Revenues:	\$1,092,375	\$6,042,187	\$4,746,557	\$6,191,598	\$903,438	\$8,079,846	\$5,196,615	\$5,365,195	\$9,854,064	\$1,944,118	\$2,068,265	\$13,119,853	\$12,049,965	4%	\$5,804,711	-3%	(\$3,476,225)	\$7,311,122	\$8,745,300
														→					
ALL RF retained cash:	\$2,121,778	\$3,656,107	\$2,680,711	\$2,484,224	\$0	\$4,652,262	\$3,859,368	\$7,952,383	\$9,903,772	\$3,706,815	\$4,111,268	\$12,910,063	\$9,298,057	9%	\$3,496,722	-15%	(\$5,733,446)	\$4,208,937	\$8,745,300
BGS & CCDF retained earnings	\$522,268	\$713,420	\$590,769	\$2,296,235	\$0	\$1,549,159	\$2,797,808	\$9,588,604	\$3,538,179	\$617,599	\$4,330,321	\$8,491,565	\$3,767,540		\$3,149,756		(\$5,061,877)	\$6,158,065	\$1,355,074
DEPT AVERAGES	12 yr Avg.	9 yr Avg.	6 yr Avg.	3 yr Avg.	Mthly Avg.														
Average Annual Cash Rev:	\$111,392,409	\$133,110,748	\$148,821,882	\$196,704,193	\$11,719,094.26										\$32,545,513		\$30,884,232	\$30,413,419	\$41,716,904
Average Annual Cash Exp:	\$105,495,942	\$126,601,708	\$141,421,638	\$187,624,832	\$10,714,930.48										\$27,600,725		\$34,209,541	\$22,454,622	\$38,533,726
Average Annual Net Cash Rev:	\$5,896,467	\$6,509,040	\$7,400,244	\$9,079,361	\$1,004,163.78														
Avg RF cash retained earnings:	\$5,179,755	\$6,265,999	\$7,980,393	\$8,773,130	\$774,838.12														
OVERALL AGENCY DEBT CAPACITY ANALYSIS																			
Gross RF Cash Revenue Coverage Ratio						62.02	44.28	30.84	31.24	28.01	25.51	20.93	21.13				22.00	26.95	
Net RF Cash Revenue Coverage Ratio (minimum 1.2 ratio required by OFM)						13.72	11.14	2.99	2.93	7.53	5.23	1.95	-3.30				2.34	4.78	

Bluegrass Station Division (BGS) Historical Operating Budget & Projections

BGS DIVISION ACTUALS	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Restricted Fund Rev (less xfr int):	\$4,560,462	\$4,140,211	\$5,186,143	\$5,764,357	\$4,935,471	\$7,288,435	\$6,566,293	\$7,358,006	\$8,664,466	\$8,980,116	\$8,902,917	\$10,026,209	\$9,410,019	\$9,525,778	\$10,212,808	\$11,205,016	\$11,072,236
RF Opg Exp (less xfrs OUT & debt)	\$3,671,533	\$4,123,475	\$4,345,319	\$4,164,404	\$4,469,313	\$4,453,313	\$5,204,305	\$4,928,301	\$5,059,893	\$5,559,814	\$5,362,641	\$5,786,329	\$4,044,050	\$5,031,296	\$5,592,238	\$6,436,313	\$6,804,058
	81%	100%	84%	72%	91%	61%	79%	67%	55%	62%	60%	58%	43%	53%	55%	57%	61%
Net Capital Project Transfers:	\$687,304	(\$201,626)	\$954,746	\$1,165,984	\$1,164,831	\$2,075,506	\$883,373	\$287,098	\$17,698	\$1,563,882	\$1,302,888	(\$5,374)	\$5,165,087	\$1,027,050	\$5,030,629	\$600,696	\$1,175,000
	15%	-5%	18%	20%	24%	28%	13%	4%	0%	17%	15%	0%	55%	11%	49%	5%	11%
Net Division Revenues:	\$201,625	\$128,362	(\$113,922)	\$433,969	(\$608,673)	\$759,611	\$478,615	\$2,142,607	\$2,986,875	\$1,856,420	\$2,237,388	\$4,245,255	\$200,881	\$3,467,432	(\$410,059)	\$4,168,007	\$3,093,178
	4%	5%	-2%	8%	-14%	10%	7%	29%	34%	21%	25%	42%	2%	36%	-4%	37%	28%
Debt Service Xfr OUT:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$579,744	\$888,947	\$1,238,821	\$1,402,188	\$1,714,199	\$1,777,734	\$1,795,032	\$1,736,568	\$1,800,743	\$1,828,104
	0%	0%	0%	0%	0%	0%	0%	8%	10%	14%	16%	17%	19%	19%	17%	17%	17%
Actual RF retained earnings:	\$201,625	\$128,362	\$0	\$433,969	\$0	\$759,611	\$478,615	\$1,562,862	\$2,097,928	\$617,599	\$835,199	\$2,531,056	(\$1,576,853)	\$1,672,400	(\$2,146,627)	\$2,367,265	\$1,265,074
	4%	5%	0%	8%	0%	10%	7%	21%	24%	7%	9%	25%	-17%	18%	-21%	21%	11%
BGS DIVISION AVERAGES	12 yr Avg.	9 yr Avg.	6 yr Avg.	3 yr Avg.	Mthly Avg.												
Average Annual Cash Rev:	\$7,060,239	\$8,014,659	\$8,890,289	\$9,446,382	\$784,168,24												
Average ALL Cash Exp:	\$6,495,056	\$7,280,510	\$7,878,990	\$8,849,914	\$155,572,61												
Average Capital Project Xfrs:	\$1,158,569	\$1,383,888	\$1,388,546	\$2,154,200	\$304,423,93												
Average Annual Net Cash Rev:	\$1,149,924	\$1,578,775	\$2,278,238	\$2,227,841	\$16,740,12												
Avg RF cash retained earnings:	\$627,690	\$811,780	\$1,011,299	\$586,468	(\$131,404,38)												
BGS DEBT CAPACITY ANALYSIS																	
Gross RF Cash Revenue Coverage Ratio						12.69	9.75	7.25	6.35	5.85	5.29	5.31	5.88			6.22	6.06
Net RF Cash Revenue Coverage Ratio (minimum 1.2 ratio required by OFM)						3.70	3.36	1.50	1.60	2.48	0.11	1.93	-0.24			2.31	1.69

Centralized Clothing Distribution Facility (CCDF) Historical Operating Budget & Projections

CCDF DIVISION ACTUALS	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Restricted Fund Rev (less xfr int):	\$3,061,079	\$5,700,085	\$7,903,510	\$9,605,119	\$9,505,041	\$11,631,450	\$14,600,461	\$28,246,888	\$21,908,537	\$21,583,930	\$31,809,269	\$31,516,371	\$28,692,223	\$23,019,735	\$20,671,424	\$19,208,404	\$30,644,668
RF Opg Exp (less xfrs OUT & debt)	\$2,740,933	\$5,205,027	\$7,312,741	\$7,988,736	\$10,185,330	\$10,688,402	\$13,038,362	\$20,340,706	\$20,469,130	\$21,827,973	\$27,787,648	\$25,555,862	\$23,161,405	\$20,621,760	\$19,321,224	\$14,932,993	\$25,344,668
	90%	91%	93%	83%	107%	92%	89%	72%	93%	101%	87%	81%	90%	90%	78%	83%	83%
Net Capital Project Transfers:	(\$497)	\$0	\$0	(\$245,883)	\$0	\$153,500	(\$757,094)	(\$119,560)	(\$844)	\$1,569,202	\$526,500	\$186,426	\$920,619	\$4,265,450	\$484,621	\$5,210,000	
	0%	0%	0%	-3%	0%	1%	-5%	0%	0%	7%	2%	0%	1%	4%	3%	17%	
Net Division Revenues	\$320,643	\$495,058	\$590,769	\$1,862,266	(\$680,289)	\$789,548	\$2,319,193	\$8,025,742	\$1,440,251	(\$1,813,245)	\$3,495,122	\$5,960,509	\$5,344,392	\$1,477,356	(\$2,915,250)	\$3,790,790	\$90,000
	10%	9%	7%	19%	-7%	7%	16%	28%	7%	-8%	11%	19%	19%	6%	-14%	20%	0%
Debt Service Xfr OUT:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Actual RF retained earnings	\$320,643	\$495,058	\$590,769	\$1,862,266	\$0	\$789,548	\$2,319,193	\$8,025,742	\$1,440,251	\$0	\$3,495,122	\$5,960,509	\$5,344,392	\$1,477,356	(\$2,915,250)	\$3,790,790	\$90,000
	10%	9%	7%	19%	0%	7%	16%	28%	7%	0%	11%	19%	19%	6%	-14%	20%	0%
CCDF DIVISION AVERAGES	12 yr Avg.	9 yr Avg.	6 yr Avg.	3 yr Avg.	Mthly Avg.												
Average Annual Cash Rev:	\$17,366,459	\$22,166,019	\$27,292,870	\$30,672,621	\$2,391,018.61												
Average ALL Cash Exp:	\$15,209,486	\$19,423,079	\$23,622,799	\$25,858,101	\$1,945,652.57												
Average Capital Project Xfrs:	\$109,313	\$194,766	\$432,345	\$366,463	\$15,535.50												
Average Annual Net Cash Rev:	\$2,165,381	\$2,764,580	\$3,742,129	\$4,933,341	\$445,366.04												
Avg RF cash retained earnings:	\$2,357,192	\$3,041,640	\$4,044,336	\$4,933,341	\$445,366.04												

STATEMENT of DMA pledged & covenanted cash programs assets available for agency debt service payment

<u>LEDGED CASH PGM ACTUAL</u>	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	➔	FY2013	➔	FY2014	FY2015	FY2016
Gross BGS Cash Revenues:	\$4,560,462	\$4,140,211	\$5,186,143	\$5,764,357	\$4,935,471	\$7,288,435	\$6,566,293	\$7,358,006	\$8,664,466	\$8,980,116	\$8,902,917	\$10,026,209	\$9,410,019	29%	\$9,525,778	31%	\$10,212,808	\$11,205,016	\$11,072,236
Gross CCDF Cash Revenues:	\$3,061,079	\$5,700,085	\$7,903,510	\$9,605,119	\$9,505,041	\$11,631,450	\$14,600,461	\$28,246,888	\$21,908,537	\$21,583,930	\$31,809,269	\$31,516,371	\$28,692,223	71%	\$23,019,735	64%	\$20,671,424	\$19,208,404	\$30,644,668

Total Gross Cash Revenues																											
	\$7,621,541	\$9,840,296	\$13,089,653	\$15,369,476	\$14,440,512	\$18,919,885	\$21,166,754	\$35,604,894	\$30,573,003	\$30,564,046	\$40,712,186	\$41,542,580	\$38,102,242	➔	\$32,545,513	➔	\$30,884,232	\$30,413,419	\$41,716,904								
BGS Cash Opg Expenditures:	\$3,671,533	\$4,123,475	\$4,345,319	\$4,164,404	\$4,469,313	\$4,453,318	\$5,204,305	\$4,928,301	\$5,659,893	\$5,559,814	\$5,362,641	\$5,786,329	\$4,044,050	18%	\$5,031,296	20%	\$5,592,238	\$6,436,313	\$6,804,058								
BGS Cash Capital Project Transfers In-Out:	\$687,304	(\$201,626)	\$954,746	\$1,165,984	\$1,164,831	\$2,075,506	\$883,373	\$287,098	\$17,698	\$1,563,882	\$1,302,888	(\$5,374)	\$5,165,087	4%	\$1,027,050	18%	\$5,030,629	\$600,696	\$1,175,000								
CCDF Cash Opg Expenditures:	\$2,740,933	\$5,205,027	\$7,312,741	\$7,988,736	\$10,185,330	\$10,688,402	\$13,038,362	\$20,340,706	\$20,469,130	\$21,827,973	\$27,787,648	\$25,555,862	\$23,161,405	75%	\$20,621,760	70%	\$19,321,224	\$14,932,993	\$25,344,668								
CCDF Cash Capital Project Transfers In-Out:	(\$497)	\$0	\$0	(\$245,883)	\$0	\$153,500	(\$757,094)	(\$119,560)	(\$844)	\$1,569,202	\$526,500	\$0	\$186,426	3%	\$920,619	15%	\$4,265,450	\$484,621	\$5,210,000								
Total Gross Cash Exp																											
	\$7,099,273	\$9,126,876	\$12,612,806	\$13,073,241	\$15,819,474	\$17,370,726	\$18,368,946	\$25,436,545	\$26,145,877	\$30,520,871	\$34,979,677	\$31,336,816	\$32,556,968	➔	\$27,600,725	➔	\$34,209,541	\$22,454,622	\$38,533,726								
Net Program Cash Rev	\$522,268	\$713,420	\$476,847	\$2,296,235	(\$1,378,962)	\$1,549,159	\$2,797,808	\$10,168,349	\$4,427,126	\$43,175	\$5,732,509	\$10,205,764	\$5,545,274	15%	\$4,944,788	-10%	(\$3,325,309)	\$7,958,797	\$3,183,178								
BGS Debt Svc Transfers Out:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$579,744	\$888,947	\$1,238,821	\$1,402,188	\$1,714,199	\$1,777,734	6%	\$1,795,032	5%	\$1,736,568	\$1,800,743	\$1,828,104								
Actual RF cash pgms retained earnings	\$522,268	\$713,420	\$476,847	\$2,296,235	\$0	\$1,549,159	\$2,797,808	\$9,588,604	\$3,538,179	\$0	\$4,330,321	\$8,491,565	\$3,767,540	10%	\$3,149,756	-16%	(\$5,061,877)	\$6,158,055	\$1,355,074								
PLEDGED CASH PGMS AVG	12 yr Avg.	9 yr Avg.	6 yr Avg.	3 yr Avg.	Mthly Avg.																						
Average Annual Cash Rev:	\$24,426,698	\$30,180,678	\$36,183,158	\$40,119,003	\$3,175,186.85																						
Average Annual Cash Exp:	\$21,111,392	\$25,837,322	\$30,162,792	\$32,957,820	\$2,713,080.69																						
Average Annual Net Cash Rev:	\$3,315,306	\$4,343,356	\$6,020,366	\$7,161,182	\$462,106.16																						
Avg RF cash retained earnings:	\$2,928,611	\$3,784,797	\$4,952,702	\$5,529,809	\$313,961.66																						
PLEDGED MAJOR CASH PROGRAMS DEBT CAPACITY ANALYSIS																											
Gross RF Cash Pgms Revenue Coverage Ratio																		48.72	24.65	17.42	22.69	18.39	16.14	12.82	11.90	10.67	16.76
Net RF Cash Pgms Revenue Coverage Ratio (minimum 1.2 ratio required by OFM)																		17.54	4.98	0.03	4.09	5.95	3.12	2.75	-1.91	4.42	1.74

KENTUCKY HOUSING CORPORATION

**FINANCIAL STATEMENTS
JUNE 30, 2015**

KENTUCKY HOUSING CORPORATION

FINANCIAL STATEMENTS
June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Kentucky Housing Corporation
Frankfort, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Kentucky Housing Corporation (the "Corporation"), a component unit of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Corporation, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash

flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis Matter

As discussed in Note L to the financial statements, the Corporation adopted new accounting guidance related to pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis* on page 3 through 13, the schedule of Corporation's proportionate share of the net pension liability and the schedule of Corporation's employer contribution on pages 50 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

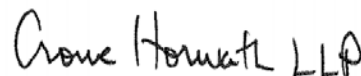
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Corporation's basic financial statements. The combining financial statements on page 52 through 55 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2015 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.


Crowe Horwath LLP

Louisville, Kentucky
September 30, 2015

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

Management's discussion and analysis of Kentucky Housing Corporation's ("Corporation") financial performance provides an overview of the Corporation's financial activities for the fiscal year ended June 30, 2015. It should be read in conjunction with the Corporation's financial statements.

Financial Highlights

- For fiscal 2015, the Corporation adopted Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), the provisions of which require the Corporation, as a participating employer in the Kentucky Employees Retirement System ("KERS" or "the Plan"), to reflect in the Statement of Net Position its proportionate share of the net pension liability of the Plan. The adoption of this pronouncement resulted in a decrease of \$66.0 million in the Corporation's beginning net position compared to the June 30, 2014 adjusted balance. As a member of the Plan, the Corporation has always contributed such amounts as were required by the Plan, which contribution levels have proven to be insufficient to permit the plan to be fully funded. Contributions to the Plan were significantly increased for fiscal 2015, from \$2.2 million in 2014 to \$3.7 million in 2015, though as of June 30, 2015, the Corporation's liability for its unfunded pension obligation totaled \$70.5 million.
- After consideration of the impact of adopting GASB 68, the Corporation's net position increased \$8.0 million, the result of an increase in net position attributable to the Corporation's business-type activities of \$12.5 million, primarily due to continued strong net interest income. The increase in the business-type activities net position was offset by a decrease attributable to the Corporation's governmental activities of \$4.5 million.
- Except for the increase in the pension contributions described above, the Corporation was able to maintain expense levels at or near prior year levels.
- Prevailing low interest rates allowed the Corporation to continue reducing cost of funds by economically refunding \$91 million in outstanding bonds. The resulting increased interest spread, coupled with other debt management efforts, and improved delinquency ratios and payment collections on mortgage loans increased net interest income by \$4.8 million.
- Overall single family loan production totaled \$250 million, with virtually all production delivered into the secondary market, through the Corporation's Secondary Market Mortgage Purchase program. Gains generated through the program totaled \$12.6 million for the fiscal year.
- The Corporation's total first mortgage single family loan servicing portfolio increased by nearly \$43 million, reflecting an increase in the off-balance sheet serviced for others portfolio of \$200 million and a decrease in the on-balance sheet portfolio (Program - Purpose Assets-both whole loans and loans backing Mortgage-Backed Securities) of \$164 million. The Corporation's serviced for others portfolio now comprises approximately 43% of total first mortgage single family loan servicing activities.

Overview of the Financial Statements

The financial statements consist of four parts – this management's discussion and analysis, the basic financial statements, the notes to the financial statements and supplemental combining information. The basic financial statements include two different series of statements that present the Corporation's financial position and performance.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

- Corporation-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements display information about the Corporation as a whole and are presented using the economic resources measurement focus and the accrual basis of accounting as used by private-sector businesses. Activities of the Corporation are distinguished as being either "governmental" or "business-type" activities.
- Fund financial statements report additional and detailed information about the Corporation. Governmental activities are reported under Governmental Funds financial statements. These statements consist of a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Net Position. Governmental Funds statements are presented using the current financial resources measurement focus and the modified accrual basis of accounting used predominately in the public-sector.
- Business-type activities are reported under Proprietary Funds financial statements. These statements consist of a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position and a Statement of Cash Flows. Proprietary Funds statements are also presented using the economic resources measurement focus and the accrual basis of accounting.

Corporation-Wide Financial Statements – Pages 14 and 15

The Corporation was created by state statute in 1972 as a de jure municipal corporation and political subdivision of the Commonwealth of Kentucky. The Corporation was created to serve a public purpose by increasing the supply of safe, decent and affordable residential housing.

The Corporation operates a number of programs consistent with the mandate to promote affordable residential housing. Several programs are identified within the financial statements as governmental type activities because they are financed with intergovernmental revenues. Significant governmental activities financed by the federal government include the Department of Housing and Urban Development's ("HUD") Home Investment Partnerships Program ("HOME"), HUD's Section 8 rental assistance programs ("Rental Assistance"), the Department of Energy's Weatherization Assistance ("Weatherization") program and the U.S. Treasury's Unemployment Bridge Program. The Affordable Housing Trust Fund, which provides assistance to very-low income persons in meeting their basic housing needs, is funded by a portion of the fees received by County Clerks for recording and indexing various documents. Other governmental activities are funded by the Commonwealth of Kentucky.

The Corporation also operates a number of programs that are identified as business-type activities. These activities include providing financing with favorable terms to qualified homebuyers and developers of affordable rental housing; servicing single-family and multifamily loan portfolios; and administering the Federal Low Income Housing Tax Credit program.

The Corporation-wide financial statements separately present the governmental and business-type activities of the Corporation. The nature of the Corporation's governmental activities is such that substantially all funds flow through the Corporation to ultimate program recipients. As a result, the Balance Sheet related to governmental activities shows a relatively small amount of assets, representing monies received by the Corporation but unexpended for each respective program's purpose. Conversely, the business-type activities of the Corporation create the vast majority of the Corporation's assets, liabilities and net position as reflected in the Statement of Net Position. The overall financial condition of the Corporation can thus be best evaluated through the analysis in the Proprietary Funds section in pages 8-12 of the MD&A and under the Proprietary Funds' financial statements on pages 20-24.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

The Statement of Activities shows the financial performance of each significant governmental and business-type activity operated by the Corporation over the past year. The revenues and expenses associated with each activity are shown as well as a net amount showing whether revenues exceeded expenses. The net revenue of all governmental activities (after transfers) results in an increase (decrease) in the fund net position that is to be expended for program purposes. The net revenue of all business-type activities results in an increase in the Fund Net Position of the Corporation. The Corporation's overall net position increased by \$8.0 million for the year ended June 30, 2015, after consideration of the reduction in net position of \$66 million as of July 1, 2014 due to the implementation of GASB 68. Table 1 shows condensed financial information from the Statement of Net Position:

Table 1
Statement of Net Position
(in millions)

	Governmental Activities		Business-Type Activities		Total Corporation	
	2015	2014*	2015	2014*	2015	2014*
Current assets	\$ 40.3	\$ 56.5	\$ 201.6	\$ 290.0	\$ 241.9	\$ 346.5
Non-current assets	-	-	1,185.1	1,321.7	1,185.1	1,321.7
Total Assets	40.3	56.5	1,386.7	1,611.7	1,427.0	1,668.2
Total Deferred Outflows of Resources	1.2	-	5.4	6.8	6.6	6.8
Current liabilities	(22.4)	(34.7)	(149.8)	(141.2)	(172.2)	(175.9)
Non-current liabilities	(23.3)	-	(978.2)	(1,182.1)	(1,001.5)	(1,182.1)
Total Liabilities	(45.7)	(34.7)	(1,128.0)	(1,323.3)	(1,173.7)	(1,358.0)
Total Deferred Inflows of Resources	(.3)	-	(.6)	-	(.9)	-
Net Position:						
Invested in capital assets	-	-	3.7	3.6	3.7	3.6
Restricted	17.9	21.8	238.8	230.0	256.7	251.8
Unrestricted	(22.4)	-	21.0	61.6	(1.4)	61.6
Net Position	\$ (4.5)	\$ 21.8	\$ 263.5	\$ 295.2	\$ 259.0	\$ 317.0

* Results for 2014 were not adjusted for the adoption of GASB 68.

The net position of the governmental activities decreased from \$21.8 million to (\$4.5 million), after consideration of the reduction in net position of \$21.8 million as of July 1, 2014 due to the implementation of GASB 68. All assets of the Corporation's governmental activities are externally restricted for program purposes. Total assets subject to immediate disbursement are reflected as current liabilities and remaining assets are reflected as restricted net position. The decrease in net position indicates that revenues received from governmental activities were less than program grants, operating expenditures and transfers. The unrestricted net position of (\$22.4 million) represents claims against program administrative revenues not yet received, and impact of the proportionate share of the net pension liability.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

The net position of the Corporation's business-type activities decreased from \$295.2 million to \$263.5 million after consideration of the reduction in net position of \$44.2 million as of July 1, 2014 due to the implementation of GASB 68, and as a result of total revenues of \$82.5 million, total program expenses of \$72.5 million, and transfers in from government operations of \$2.5 million, for a net increase in net position of business-type activities of \$12.5 million. Comparisons in the changes in net position between fiscal years 2015 and 2014 provide additional insight on the Corporation's operating performance. Table 2 shows condensed Statement of Activities financial information.

Table 2
Statement of Activities
(in millions)

	Governmental Activities		Business-Type Activities		Total Corporation	
	2015	2014*	2015	2014*	2015	2014*
Revenues						
Operating revenues	\$ 11.2	\$ 12.0	\$ 82.5	\$ 91.4	\$ 93.7	\$ 103.4
Operating grants	208.6	202.1	-	-	208.6	202.1
Total Revenues	219.8	214.1	82.5	91.4	302.3	305.5
Program Expenses						
Rental subsidy administration	153.9	152.0	-	-	153.9	152.0
Weatherization program	3.7	2.4	-	-	3.7	2.4
HOME program	13.6	13.4	-	-	13.6	13.4
Unemployment Bridge program	26.3	27.0	-	-	26.3	27.0
Other federal and state programs	24.3	19.9	-	-	24.3	19.9
Administrative	-	-	12.6	11.6	12.6	11.6
Bond financed loan programs	-	-	45.1	57.4	45.1	57.4
Loan servicing	-	-	5.9	6.0	5.9	6.0
Other loan and housing credit programs	-	-	8.9	6.9	8.9	6.9
Total Program Expenses	221.8	214.7	72.5	81.9	294.3	296.6
Excess before transfers	(2.0)	(.6)	10.0	9.5	8.0	8.9
Transfers	(2.5)	(1.9)	2.5	1.9	-	-
Increase (Decrease) in Net Position	\$ (4.5)	\$ (2.5)	\$ 12.5	\$ 11.4	\$ 8.0	\$ 8.9

* Results for 2014 were not adjusted for the adoption of GASB 68.

Total revenues for governmental activities were \$219.8 million during fiscal year 2015, a \$5.7 million increase from the \$214.1 million in revenues in fiscal year 2014. The increase was due to a \$6.5 million increase in operating grants and a \$.8 million decrease in charges for services. Fiscal year 2015 operating grants include federal funding for Rental Assistance (\$149.4 million), HOME (\$12.8 million), Unemployment Bridge (\$20.7 million) and Weatherization (\$3.4 million), which represent 89% of total operating grant revenues.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

The Corporation receives fees or charges for services for federal program administration. These revenues decreased from \$12.0 million in 2014 to \$11.2 million during fiscal year 2015. A substantial amount of the fees earned in excess of operating costs are transferred from the governmental funds to the proprietary funds of the Corporation. During 2015, \$11.2 million in fee revenue was received and \$8.7 million in operating expenses were incurred thereby enabling a \$2.5 million transfer, a \$.6 million increase over the \$1.9 million transferred in 2014.

Program expenses for governmental activities increased during 2014 by \$7.1 million. Program expenses for governmental activities during 2015 were \$221.8 million, comprised of grants of \$212.5 million and operating expenses of \$9.3 million, as discussed above. In fiscal 2014, total program expenses were \$214.7 million with grants of \$204.6 million and operating expenses of \$10.1 million.

Total revenues for business-type activities were \$82.5 million during fiscal year 2015, an \$8.9 million decrease from the \$91.4 million of revenues in fiscal year 2014. For fiscal 2015, gains on the sale of mortgage-backed and marketable securities and loans held for sale decreased \$.9 million, interest earnings from loans, mortgage-backed securities and other investments decreased \$6.4 million, other income increased \$.3 million, the change in fair market value of securities decreased \$1.8 million, and the change in the fair market value of swaps decreased \$.1 million.

Program expenses for business-type activities decreased \$9.4 million from \$81.9 million in 2014 to \$72.5 million in 2015. Bond financed loan program expenses decreased by \$12.3 million, administrative expenses, or expenses not directly attributable to programs, increased by \$1.0 million, loan servicing expenses decreased by \$.1 million and other loan program expenses increased by \$2.0 million. The line items related to these expenses are presented in detail in Table 2.

The excess of revenues over expenses for business-type activities was \$10.0 million in 2015 compared to a \$9.5 million excess of expenses over revenues in 2014, an increase of \$.5 million from 2014. As described above and in additional detail under "Proprietary Funds," the increase is due to an \$8.9 million decrease in revenues and a \$9.4 million decrease in expenses. Transfers-in were \$2.5 million in 2015, a \$.6 million increase from 2014. Such changes in revenues, expenses and transfers resulted in an increase in business-type activities net position of \$12.5 million.

Fund Financial Statements

The following section provides information on the Corporation's fund financial statements.

Governmental Funds – Pages 16 through 19

Each of the columns presented in the governmental funds financial statements represents an independent program operated by the Corporation. A description of each program can be found under Note A of the "Notes to the Financial Statements." Other Housing Funds include several independent programs, each of which does not meet the criteria for separate financial reporting.

The current assets of each governmental fund are held pending disbursement for program purposes. Most program disbursements are in the form of a grant or subsidy to program recipients. However, certain disbursements under the Affordable Housing Trust Fund, the HOME Program and the Treasury Housing Credit program are in the form of loans. Because of the extended loan terms, minimal interest rates and the credit risks associated with these loans, loan loss provisions have been established at 100%. As of June 30, 2015, the Corporation retained \$40.3 million of total assets for program purposes and had \$22.4 million reflected as program liabilities resulting in a total of \$17.9 million reflected as restricted fund balances for program purposes.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

During fiscal year 2015, the Affordable Housing Trust Fund had revenues greater than expended funds of \$.1 million, thereby increasing the program's fund net position. Rental Assistance programs operated in such a manner that most revenues were either expended for the programs, \$156.0 million, or transferred to proprietary funds, \$2.5 million. Similarly, all HOME program revenues, \$13.5 million, were expensed in an equal amount in 2015, as were Weatherization revenues of \$3.6 million. Expenses of the Unemployment Bridge program exceeded revenues by \$3.3 million, thereby decreasing the fund net position of the Unemployment Bridge funds. Finally, Other Housing Funds revenues exceeded expenses by \$.7 million, thereby decreasing the fund net position of Other Housing Funds

Proprietary Funds – Pages 20 through 24

A significant portion of the Corporation's financial resources and activities is reported in the proprietary fund financial statements. Proprietary funds account for approximately 97% of corporate assets, 88% of non-grant revenues, 89% of operating expenses and 100% of the Corporation's unrestricted net position.

Proprietary funds are organized in accordance with the restrictions described under Note B of the "Notes to the Financial Statements." Our discussion and analysis of proprietary funds will focus on the combined totals of the four separate funds. Primary attention, however, will be given to the financial condition and performance of the Housing Revenue Bond Funds which comprise 86% of the total assets, 67% of total revenues, and 83% of the fund net position of proprietary fund combined totals.

The Corporation's primary business-type activity involves the production and/or sale of single-family mortgage loans. This objective is achieved through the Corporation's Housing Revenue Bond program or the Secondary Market Mortgage Purchase program.

Historically, the Corporation has issued mortgage revenue bonds to fund qualifying residential single-family and multi-family mortgage loans. The federal tax code, with certain exceptions, limits the allowable spread between the Corporation's cost of funds and the interest rate charged to borrowers to 1.125%. This spread allows the Corporation to cover bond interest and operating costs, including servicing costs, of the housing finance program.

Since 2012 most of the Corporation's single-family mortgage loan production has been through the Secondary Market Mortgage Purchase program. This program allows the Corporation to fund mortgage loans outside the bond indenture at more competitive market rates with the intent of selling the mortgages at a premium. Through this program, the Corporation agrees to purchase various mortgage loans from its lender partners. In the case of agency insured/guaranteed loans, the mortgages are pooled into mortgage-backed securities issued by the Government National Mortgage Association ("GNMA") which are then sold on the "TBA" market. Beginning in fiscal year 2013, the Corporation also began funding uninsured conventional loans for sale on a whole loan basis to Fannie Mae. These loans are subject to a brief period during which they are sold with recourse back to the Corporation, after which they revert to full recourse to Fannie Mae.

Loans sold pursuant to the Secondary Market Mortgage Purchase program are sold with servicing retained by the Corporation. However, the servicing fee rates are lower than the interest rate spread enjoyed on traditional bond program servicing. Therefore, the recurring revenue stream attributable to loan servicing will be smaller in future years than that which the Corporation has recorded in the past.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

Condensed financial information from the Statement of Net Position follows in Table 3.

Table 3
Proprietary Funds
Statement of Net Position
(in millions)

	<u>2015</u>	<u>2014*</u>	<u>Change</u>
Program-Purpose Assets:			
Mortgage loans and real estate owned	\$ 705.1	\$ 775.5	\$ (70.4)
Mortgage-backed securities	362.6	451.0	(88.4)
Housing construction loans	8.8	8.4	0.4
Other loans	8.7	9.9	(1.2)
Total Program-Purpose Assets	<u>1,085.2</u>	<u>1,244.8</u>	<u>(159.6)</u>
Cash and Investments	271.3	337.5	(66.2)
Loans held for sale	16.8	14.3	2.5
Other assets	13.4	15.0	(1.6)
Total Assets	<u>1,386.7</u>	<u>1,611.6</u>	<u>(224.9)</u>
Total Deferred Outflows of Resources	<u>5.4</u>	<u>6.8</u>	<u>(1.4)</u>
Bonds payable	(947.4)	(1,189.6)	(242.2)
Other liabilities	(180.6)	(133.6)	47.0
Total Liabilities	<u>(1,128.0)</u>	<u>(1,323.2)</u>	<u>(195.2)</u>
Total Deferred Inflows of Resources	<u>(0.6)</u>	<u>-</u>	<u>0.6</u>
Fund Net Position	<u>\$ 263.5</u>	<u>\$ 295.2</u>	<u>\$ (31.7)</u>

* Results for 2014 were not adjusted for the adoption of GASB 68.

Mortgage loans, mortgage-backed securities, housing construction loans and other loans decreased by \$159.6 million or 13% during 2015. Total program-purpose assets at June 30, 2015 were \$1.09 billion. The decrease was the result of mortgage loan fundings of \$55.1 million, mortgage loan repayments of \$121.5 million, a loan loss provision increase of \$1.1 million, an accrued mortgage loan interest decrease of \$.5 million, plus net decreases in mortgage-backed securities, housing construction loans, other loans and real estate owned and related receivables, of \$91.6 million, of which \$18.5 million was due to the sale of mortgage-backed securities and the majority of the remaining \$73.1 million decrease was due to payments and payoffs received on the loans underlying the mortgage-backed securities.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

Offsetting the decrease in Program Assets reflected in the Statement of Net Position is a net increase of \$200.4 million in loans serviced for others, from \$523.9 million to \$724.3 million, generated by the Secondary Market Mortgage Purchase program. The loans serviced for others portfolio is not reported in the Statement of Net Position. As discussed above, this portfolio contains net servicing fee rates lower than the net spread experienced on bond program servicing, but such servicing is acquired at a net cash profit, compared to a net cash cost of generating bond program servicing. The increase in loans serviced for others results from origination and subsequent sale into the secondary market of approximately \$246.7 million and acquisitions of \$16.8 million, net of payoffs and loan principal payments totaling approximately \$63.1 million.

The Debt Service Reserve Fund maintains deposits to provide additional security and a source of liquidity to bond investors. Deposits must be maintained at the level required under the Corporation's bond indenture. At June 30, 2015, the Debt Service Reserve requirement was \$90.5 million and the amount on deposit was \$167.6 million. (The Housing Revenue Bond Resolution ("Resolution") requires that the amounts on deposit be valued at the lesser of par or fair market value and inclusive of any interest or gain realized to the valuation date.) The Corporation has designated approximately \$50 million of the remaining \$77.1 million in excess reserves for purposes of providing self-liquidity for certain of the Corporation's variable rate bonds, thereby saving the cost of paying outside liquidity providers.

During 2015, the Corporation issued short- and long-term bonds and incurred other short-term debt (lines of credit) in the amount of \$213.7 million. This includes Housing Revenue Bonds issued of \$91.5 million and \$122.2 of line of credit borrowings. Total bond and line-of-credit principal repayments was \$452.1 million and the change in net unamortized bond premium was \$.8 million. As a result of this activity, bonds outstanding decreased \$242.2 million and short-term debt increased by \$3.0 million. The Corporation's Housing Revenue Bond Indenture is rated AAA by Standard & Poor's with a stable outlook and is rated Aaa by Moody's with a stable outlook.

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

The following Table 4 provides condensed financial information from the Statement of Revenues, Expenses and Changes in Fund Net Position.

Table 4
Proprietary Funds
Revenues, Expenses, and Changes in Fund Net Position
(in millions)

	<u>2015</u>	<u>2014*</u>	<u>Change</u>
Interest income--loans	\$ 38.9	\$ 41.1	\$ (2.2)
Interest income--mortgage-backed securities	17.7	22.3	(4.6)
Interest income--investment securities	3.3	2.9	0.4
Total interest income	<u>59.9</u>	<u>66.3</u>	<u>(6.4)</u>
Interest expense	<u>(38.1)</u>	<u>(49.3)</u>	<u>11.2</u>
Net Interest income	21.8	17.0	4.8
Increase (decrease) in fair value of marketable securities	(3.3)	(1.5)	(1.8)
Increase (decrease) in fair market value of swaps	0.2	0.3	(0.1)
Gains on sales of mortgage-backed and marketable securities and loans held for sale	14.1	15.0	(0.9)
Provision for loan losses	<u>(1.1)</u>	<u>(1.7)</u>	<u>0.6</u>
Net Investment Income	31.7	29.1	2.6
Other income	11.6	11.3	0.3
General and administrative expenses	(22.5)	(20.2)	(2.3)
Other expenses	(10.8)	(10.7)	(0.1)
Interfund transfers	<u>2.5</u>	<u>1.9</u>	<u>0.6</u>
Changes in Fund Net Position	<u>\$ 12.5</u>	<u>\$ 11.4</u>	<u>\$ 1.1</u>

* Results for 2014 were not adjusted for the adoption of GASB 68.

Net position increased by \$12.5 million in 2015, compared to an \$11.4 million increase for 2014. The increase is attributable to several factors. Gains on sales of mortgage-backed and other marketable securities and loans held for sale decreased from \$15.0 million in 2014 to \$14.1 million in 2015, a decrease of \$.9 million. The fair value of investment securities decreased by \$3.3 million in 2015 compared to a \$1.5 million decrease in 2014, representing an overall decrease of \$1.8 million. Generally, investment securities the Corporation holds, specifically its mortgage-backed securities, will decrease in value as market interest rates increase.

Net interest, the difference between total interest income and interest expense, increased \$4.8 million from \$17.0 million in 2014 to \$21.8 million in 2015. Other (fee) income increased \$.3 million from \$11.3 million in 2014 to \$11.6 million in 2015. The change in fair market value of swaps decreased \$.1 million

(Continued)

KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

from a \$.3 million increase in 2014 to a \$.2 million increase in 2015. The provision for loan losses decreased \$.6 million, from \$1.7 million in 2014 to \$1.1 million in 2015.

Also, other expenses, including grants, loan servicing expenses and the expensing of debt issuance costs and servicing release premiums, increased by \$.1 million from \$10.7 million in 2014 to \$10.8 million in 2015. General and administrative expenses increased by \$2.3 million from \$20.2 million in 2014 to \$22.5 million in 2015.

Finally, changes in fund net position were impacted by interfund transfers of \$2.5 million, a \$.6 million increase from transfers of \$1.9 million in 2014. (See "Governmental Funds" for additional information on interfund transfers.)

Financial Outlook

The Corporation's future financial position and performance is dependent on a number of economic, regulatory and financial conditions along with management's consideration of, and response to, those conditions. The Corporation's governmental activities are made possible through intergovernmental revenues made available from the federal government and the Commonwealth of Kentucky. The Corporation's ability to expand or continue these programs is subject to the statutory authority and the budget appropriations of those governments. Management is committed to take those actions necessary to adapt to the ongoing overall reductions in funding of housing programs at the federal level. The continued decrease in available funds has required, and will continue to require, changes in the way the Corporation delivers safe, affordable housing to Kentucky's citizens in need.

The single most immediate financial issue facing the Corporation remains the funding status of and resultant future contributions to KERS. The increased contributions recorded in fiscal 2015 are expected to continue for the foreseeable future and possibly increase, therefore diverting resources otherwise available for the Corporation's mission critical activities. Management is confident that despite the magnitude of the obligation yet to be funded, the Corporation will be able to generate sufficient resources to fund the obligation and continue its important role in providing affordable housing.

The Corporation's Secondary Market Mortgage Purchase program continues to provide means by which the Corporation can continue to provide home financing to the citizens of Kentucky. While this method provides a lower interest rate/servicing spread compared to Housing Revenue Bond financing, it has over the past several years produced relatively high trading gains upon sale of the loans, essentially shifting the timing of revenue realization to the current period, rather than future periods. Managing this shift in the timing of revenue realization is essential to maintain effective Corporate budgeting in future periods. Management is constantly monitoring the mortgage markets to properly balance loan volumes with gains, while still providing needed mortgage money to support housing needs. Management remains vigilant in seeking the most cost effective sources of financing to maximize the Corporation's home mortgage programs.

As discussed above, with the Secondary Market Mortgage Purchase program remaining the singular source of funding for single family loan production, the bond indenture portfolio continues to shrink. Though over the past few years the Corporation has been able to increase interest spreads and consequently net interest income, eventually, in the foreseeable future, the decrease in the size of the portfolio may cause a decrease in net interest income. This scenario does not necessarily weaken the relative strength of the indenture portfolio, nor does it suggest that the Housing Finance Program will become unsustainable. Corporation management, as it has in the past, will continue to take advantage of bond refunding and other interest rate management techniques to maximize net interest income from the indenture portfolio.

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KENTUCKY HOUSING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
June 30, 2015

The Corporation has embarked on a dedicated effort to increase its presence in the multi-family housing market with the aim to more effectively deploy available resources, including low income housing tax credits and conduit bond techniques, to maximize the number of families impacted, both with new construction and preservation of existing properties. These initiatives have been favorably received by our housing partners throughout the Commonwealth. Increasing the number of affordable multi-family housing units is a natural complement to the Corporation's history of providing single family financing and reaches an additional segment of the Commonwealth's population in need.

As of June 30, 2015 the total amount of variable rate debt was \$154.7 million of the total bond indebtedness of \$944.3 million, or 16.4%. The Corporation mitigates interest rate risk with interest rate swaps on \$112.1 million of its variable rate debt. After several years of low short term interest rates, and with many swaps approaching their optional par termination dates, management is developing strategies to take maximum advantage of market conditions and the impact on its borrowings of different interest rate scenarios, particularly scenarios of rising interest rates, by continually managing its balance sheet with refundings, redemptions, bond structures and cash management techniques.

The Corporation's management continues to watch closely the ongoing discussions in Washington, D.C., concerning the future of Fannie Mae and Freddie Mac. Significant developments concerning these entities could create substantial changes in national housing finance initiatives, which could result in significant adjustments in the Corporation's delivery of affordable home finance. Similarly, management is closely monitoring other possible legislation and regulatory changes that may have a negative impact on the Corporation's ability to fulfill its mission to the citizens of the Commonwealth and will be working with its national trade group and others to mitigate the impact of such legislation.

Kentucky's economic environment continues to slowly improve. High unemployment rates and still depressed housing values in selected geographic regions subject the Corporation's balance sheet to ongoing, though decreasing, stress. The Corporation's historic concentration on government insured/guaranteed and conventional insured mortgage loan investments, coupled with conservative investment requirements of the Corporation's bond indenture, limit the Corporation's exposure to much default risk. Most of the Corporation's investment in Fannie Mae mortgage-backed securities is with recourse to Fannie Mae and there is minimal underlying default risk associated with the loans backing the Corporation's GNMA mortgage-backed securities investments. Corporate mortgage-backed securities holdings at June 30, 2015 totaled \$363 million. Additional information on the Corporation's mortgage-backed securities investments and allowance for loan losses can be found in Notes C, D, E and F in the "Notes to Financial Statements."

Consistent with its mission, the Corporation continues to serve Kentuckians seeking to become first-time homebuyers with competitive rates, Mortgage Credit Certificates and down-payment assistance. With continued aggressive balance sheet management, the addition of new products and services and emphasis on multi-family preservation to meet the needs of the population it serves, the Corporation expects to maintain its position as Kentucky's affordable housing leader.

Contacting the Corporation's Financial Management

This report is designed to provide our stakeholders with the information needed to understand the Corporation's financial condition and results of operations for the fiscal year ended June 30, 2015. Questions and inquiries may be directed to James F. Statler, Chief Financial Officer at Kentucky Housing Corporation, 1231 Louisville Road, Frankfort, Kentucky 40601. Telephone: (502) 564-7630, x286, fax: (502) 564-7322, e-mail: jstatler@kyhousing.org.

KENTUCKY HOUSING CORPORATION
CORPORATION-WIDE STATEMENT OF NET POSITION

June 30, 2015
(Dollars in thousands)

ASSETS	Governmental Activities	Business- Type Activities	Combined Totals
Current Assets			
Cash and cash equivalents	\$ 28,763	\$ 61,505	\$ 90,268
Investment securities	8,282	62,185	70,467
Mortgage-backed securities	-	14,094	14,094
Housing mortgage loans held for sale	-	16,827	16,827
Housing mortgage loans	-	30,243	30,243
Housing construction loans	-	8,811	8,811
Other loans	-	683	683
Accounts receivable and other assets	4,129	6,374	10,503
Interfund accounts	(854)	854	-
Total Current Assets	40,320	201,576	241,896
Noncurrent Assets			
Investment securities	-	147,578	147,578
Mortgage-backed securities	-	348,458	348,458
Housing mortgage loans	-	672,597	672,597
Other loans	-	8,016	8,016
Real estate owned and related receivables	-	2,304	2,304
Capital assets	-	3,734	3,734
Other noncurrent assets	-	2,485	2,485
Total Noncurrent Assets	-	1,185,172	1,185,172
Total Assets	40,320	1,386,748	1,427,068
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated decrease in fair value of derivatives - interest rate swaps	-	2,888	2,888
Deferred outflows related to pension	1,227	2,476	3,703
Total Deferred Outflows of Resources	1,227	5,364	6,591
LIABILITIES			
Current Liabilities			
Lines of credit	-	42,831	42,831
Accounts payable and other liabilities	22,419	1,562	23,981
Accrued interest payable	-	15,756	15,756
Escrows and project reserves	-	56,792	56,792
Revenue bonds, due within one year	-	32,875	32,875
Total Current Liabilities	22,419	149,816	172,235
Noncurrent Liabilities			
Revenue bonds, due after one year	-	914,520	914,520
Other noncurrent liabilities	-	13,594	13,594
Derivative instruments - interest rate swaps	-	2,920	2,920
Net pension liability	23,369	47,150	70,519
Total Noncurrent Liabilities	23,369	978,184	1,001,553
Total Liabilities	45,788	1,128,000	1,173,788
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	300	606	906
NET POSITION			
Net investment in capital assets	-	3,734	3,734
Restricted by			
Revenue bond indenture	-	219,745	219,745
Enabling legislation	-	7,759	7,759
Program requirements	17,901	-	17,901
Unrestricted	(22,442)	32,268	9,826
Net Position	\$ (4,541)	\$ 263,506	\$ 258,965

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
CORPORATION-WIDE STATEMENT OF ACTIVITIES
Year Ended June 30, 2015
(Dollars in thousands)

Functions/Activities	Direct Expenses		Program Revenues		Net (Expense) Revenues and Changes in Net Position		
	Grants	Operating	Charges for Services	Operating Grants	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Rental assistance	\$ 149,442	\$ 4,371	\$ 6,584	\$ 149,442	\$ 2,213	\$ -	\$ 2,213
HOME program	12,821	774	712	12,821	(62)	-	(62)
Weatherization	3,358	308	281	3,358	(27)	-	(27)
Unemployment Bridge	23,936	2,343	2,283	20,681	(3,315)	-	(3,315)
Other federal and state housing programs	22,931	1,411	1,340	22,277	(725)	-	(725)
Total Governmental Activities	212,488	9,207	11,200	208,579	(1,916)	-	(1,916)
Business-Type Activities							
Administrative	1,356	11,310	123	-	-	(12,543)	(12,543)
Bond financed loan programs	-	45,070	56,686	-	-	11,616	11,616
Loan servicing	-	5,939	8,369	-	-	2,430	2,430
Other loan and housing credit programs	-	8,892	17,367	-	-	8,475	8,475
Total Business-Type Activities	1,356	71,211	82,545	-	-	9,978	9,978
Total Activities	<u>\$ 213,844</u>	<u>\$ 80,418</u>	<u>\$ 93,745</u>	<u>\$ 208,579</u>	(1,916)	9,978	8,062
Transfers					(2,532)	2,532	-
Change in Net Position					(4,448)	12,510	8,062
Net Position, Beginning of Year, as restated					(93)	250,996	250,903
Net Position, End of Year					<u>\$ (4,541)</u>	<u>\$ 263,506</u>	<u>\$ 258,965</u>

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
BALANCE SHEET – GOVERNMENTAL FUNDS
June 30, 2015
(Dollars in thousands)

ASSETS	Affordable Housing Trust Fund	HOME Program	Treasury Housing Credit	Weatherization Assistance	Rental Assistance	Unemployment Bridge	Other Housing Funds	Combined Totals
Current Assets								
Cash and cash equivalents	\$ 4,217	\$ 12,591	\$ -	\$ -	\$ 546	\$ 101	\$ 11,308	\$ 28,763
Investment securities	4,378	-	-	-	-	2,994	910	8,282
Accounts receivable and other assets	-	962	-	408	-	-	2,759	4,129
Interfund accounts	-	(47)	-	(102)	(207)	-	(498)	(854)
Total Current Assets	8,595	13,506	-	306	339	3,095	14,479	40,320
Noncurrent Assets								
Program loans	15,170	97,984	53,312	-	-	87,996	2,741	257,203
Less loan loss provision	(15,170)	(97,984)	(53,312)	-	-	(87,996)	(2,741)	(257,203)
Total Noncurrent Assets	-	-	-	-	-	-	-	-
Total Assets	\$ 8,595	\$ 13,506	\$ -	\$ 306	\$ 339	\$ 3,095	\$ 14,479	\$ 40,320
LIABILITIES								
Current Liabilities								
Accounts payable and program advances	\$ -	\$ 13,506	\$ -	\$ 306	\$ 339	\$ 569	\$ 7,699	\$ 22,419
FUND BALANCE								
Restricted by program requirements	8,595	-	-	-	-	2,526	6,780	17,901
Total Liabilities and Fund Balance	\$ 8,595	\$ 13,506	\$ -	\$ 306	\$ 339	\$ 3,095	\$ 14,479	\$ 40,320

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE CORPORATION-WIDE STATEMENT OF NET POSITION
June 30, 2015
(Dollars in thousands)

Fund balances - total governmental funds	\$ 17,901
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Amounts reported for governmental activities in the Statement of
Net Position are different because of the measurement attributable to:

Some liabilities, including net pension liability, are not
due and payable in the current period and, therefore, are
not reported in the individual governmental funds:

Net pension liability	(23,369)
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Deferred outflows and inflows or resources related to
pensions are applicable to future periods and, therefore,
are not reported in the individual governmental funds:

Deferred outflows of resources related to pensions of \$1,227 represents deferred outflow of 2015 employer contributions related to pensions	1,227
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Deferred inflows of resources related to pensions	<u>(300)</u>
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Net position of governmental activities	<u>\$ (4,541)</u>
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See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION – GOVERNMENTAL FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	Affordable Housing Trust Fund	HOME Program	Weatherization Assistance	Rental Assistance	Unemployment Bridge	Other Housing Funds	Combined Totals
Revenues							
Federal and state administrative fees	\$ -	\$ 712	\$ 281	\$ 6,584	\$ 2,283	\$ 1,340	\$ 11,200
Pass-through grant revenues	4,934	12,821	3,358	149,442	20,681	17,343	208,579
Total Revenues	4,934	13,533	3,639	156,026	22,964	18,683	219,779
Expenditures							
General and administrative	-	712	281	4,052	2,283	1,340	8,668
Pass-through grant expenditures	4,880	12,821	3,358	149,442	23,936	18,051	212,488
Total Expenditures	4,880	13,533	3,639	153,494	26,219	19,391	221,156
Revenues in Excess of / (Less Than) Expenditures	54	-	-	2,532	(3,255)	(708)	(1,377)
Interfund Transfers	-	-	-	(2,532)	-	-	(2,532)
Change in Fund Balance	54	-	-	-	(3,255)	(708)	(3,909)
Fund Balance, Beginning of Year	8,541	-	-	-	5,781	7,488	21,810
Fund Balance, End of Year	<u>\$ 8,595</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,526</u>	<u>\$ 6,780</u>	<u>\$ 17,901</u>

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
RECONCILIATION OF STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION – GOVERNMENTAL FUNDS
TO THE CORPORATION-WIDE STATEMENT OF ACTIVITIES
Year Ended June 30, 2015
(Dollars in thousands)

Net changes in fund balances - total governmental funds	\$ (3,909)
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Amounts reported for governmental activities in the Corporation-Wide Statement of Activities are different because of the measurement focus attributable to:

Governmental funds report pension contributions as expenditures using the current financial resources measurement focus. However, in the Corporation-Wide Statement of Activities, the cost of pension benefits earned is reported economic resource measurement focus and the full accrual basis of accounting.

Corporation pension contributions (deferred outflows)	\$ 1,227	
Cost of pension benefits earned	<u>(1,766)</u>	<u>(539)</u>
Change in net position of governmental activities		<u><u>\$ (4,448)</u></u>

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2015
(Dollars in thousands)

ASSETS	General Funds	Housing Revenue Bond Funds	Housing Development Fund	Combined Totals
Current Assets				
Cash and cash equivalents	\$ 58,635	\$ 2,819	\$ 51	\$ 61,505
Investment securities	2,027	58,444	1,714	62,185
Mortgage-backed securities	-	14,094	-	14,094
Housing mortgage loans held for sale	16,827	-	-	16,827
Housing mortgage loans	3,346	26,897	-	30,243
Housing construction loans	2,810	-	6,001	8,811
Other loans	683	-	-	683
Accounts receivable and other assets	6,374	-	-	6,374
Interfund accounts	871	(17)	-	854
Total Current Assets	91,573	102,237	7,766	201,576
Noncurrent Assets				
Investment securities	-	147,578	-	147,578
Mortgage-backed securities	-	348,458	-	348,458
Housing mortgage loans	78,354	594,243	-	672,597
Other loans	8,016	-	-	8,016
Real estate owned and related receivables	-	2,304	-	2,304
Capital assets	3,734	-	-	3,734
Other noncurrent assets	2,485	-	-	2,485
Total Noncurrent Assets	92,589	1,092,583	-	1,185,172
Total Assets	184,162	1,194,820	7,766	1,386,748
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated decrease in fair value of derivatives - interest rate swaps	-	2,888	-	2,888
Deferred outflows related to pension	1,859	617	-	2,476
Total Deferred Outflows of Resources	1,859	3,505	-	5,364

(Continued)

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
June 30, 2015
(Dollars in thousands)

LIABILITIES	General Funds	Housing Revenue Bond Funds	Housing Development Fund	Combined Totals
Current Liabilities				
Lines of credit	\$ 42,831	\$ -	\$ -	\$ 42,831
Accounts payable and other liabilities	1,498	64	-	1,562
Accrued interest payable	-	15,756	-	15,756
Escrows and project reserves	56,792	-	-	56,792
Revenue bonds, due within one year	-	32,875	-	32,875
Total Current Liabilities	101,121	48,695	-	149,816
Noncurrent Liabilities				
Revenue bonds, due after one year	-	914,520	-	914,520
Other noncurrent liabilities	13,043	544	7	13,594
Derivative instruments - interest rate swaps	-	2,920	-	2,920
Net pension liability	35,400	11,750	-	47,150
Total Noncurrent Liabilities	48,443	929,734	7	978,184
Total Liabilities	149,564	978,429	7	1,128,000
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	455	151	-	606
NET POSITION				
Invested in capital assets	3,734	-	-	3,734
Restricted by				
Revenue bond indenture	-	219,745	-	219,745
Enabling legislation	-	-	7,759	7,759
Unrestricted	32,268	-	-	32,268
Net Position	\$ 36,002	\$ 219,745	\$ 7,759	\$ 263,506

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND POSITION –
PROPRIETARY FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	General Funds	Housing Revenue Bond Funds	Housing Development Fund	Combined Totals
Operating Revenues				
Interest and fee income				
Housing mortgage and construction loans	\$ 3,546	\$ 35,250	\$ 162	\$ 38,958
Mortgage-backed securities	-	17,704	-	17,704
Marketable securities	-	3,331	-	3,331
Net (decrease) in fair value of marketable securities	-	(3,282)	-	(3,282)
Net increase in fair market value of swaps	-	186	-	186
Gains on sales of mortgage-backed and marketable securities	12,553	1,529	-	14,082
Fees, charges and other income	10,591	975	-	11,566
Total Operating Revenues	26,690	55,693	162	82,545
Operating Expenses				
Interest on revenue bonds and notes payable	366	37,771	-	38,137
Provision for losses on loans	1,199	(71)	4	1,132
General and administrative	22,232	261	-	22,493
Housing assistance grants	1,356	-	-	1,356
Mortgage loan servicers' fees	11	2,344	-	2,355
Loan origination costs	6,141	77	-	6,218
Debt issuance costs	-	876	-	876
Total Operating Expenses	31,305	41,258	4	72,567
Operating Income (Loss)	(4,615)	14,435	158	9,978
Interfund Transfers	8,602	(6,070)	-	2,532
Change in Net Position	3,987	8,365	158	12,510
Net Position, Beginning of Year, as restated	32,015	211,380	7,601	250,996
Net Position, End of Year	<u>\$ 36,002</u>	<u>\$ 219,745</u>	<u>\$ 7,759</u>	<u>\$ 263,506</u>

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	General Funds	Housing Revenue Bond Funds	Housing Development Fund	Combined Totals
Cash Flows From Operating Activities				
Interest income on loans	\$ 3,547	\$ 35,250	\$ 102	\$ 38,899
Gain on sales of loans held for sale	11,476	-	-	11,476
Fees, charges and other income	11,154	-	-	11,154
Personnel costs	(16,706)	-	-	(16,706)
Operating expenses	(9,077)	(2,682)	-	(11,759)
Housing assistance grants	(1,356)	-	-	(1,356)
Fundings of housing mortgage loans	(296,636)	(5,216)	-	(301,852)
Repayments on housing mortgage loans	32,617	88,917	-	121,534
Conversion of mortgage loans to mortgage-backed securities and loans sold on secondary market	246,734	-	-	246,734
Net changes in housing construction loans	(469)	-	74	(395)
Other, net	2,537	117	-	2,654
Net Cash Provided By (Used In) Operating Activities	<u>(16,179)</u>	<u>116,386</u>	<u>176</u>	<u>100,383</u>
Cash Flows From Noncapital Financing Activities				
Proceeds from lines of credit and issuance of revenue bonds	122,241	91,904	-	214,145
Payments for debt issuance costs	-	(1,199)	-	(1,199)
Principal payments on lines of credit and revenue bonds	(119,235)	(332,865)	-	(452,100)
Interest payments on revenue bonds and lines of credit	(366)	(43,877)	-	(44,243)
Changes in escrows and project reserves	7,116	-	-	7,116
Interfund transfers	8,332	(5,800)	-	2,532
Net Cash Provided By (Used In) Noncapital Financing Activities	<u>18,088</u>	<u>(291,837)</u>	<u>-</u>	<u>(273,749)</u>
Cash Flows From Capital and Related Financing Activities				
Acquisition of capital assets	(584)	-	-	(584)
Cash Flows From Investing Activities				
Purchases of investments and mortgage-backed securities	(377,642)	(710,392)	(1,150)	(1,089,184)
Sales of investments and mortgage-backed securities	378,341	860,824	-	1,239,165
Gain on sales of investments and mortgage-backed securities	-	1,529	-	1,529
Interest received on investments and mortgage-backed securities	-	21,177	-	21,177
Net Cash Provided By (Used In) Investing Activities	<u>699</u>	<u>173,138</u>	<u>(1,150)</u>	<u>172,687</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,024	(2,313)	(974)	(1,263)
Cash and Cash Equivalents, Beginning of Year	<u>56,611</u>	<u>5,132</u>	<u>1,025</u>	<u>62,768</u>
Cash and Cash Equivalents, End of Year	<u>\$ 58,635</u>	<u>\$ 2,819</u>	<u>\$ 51</u>	<u>\$ 61,505</u>

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
Year Ended June 30, 2015
(Dollars in thousands)

	General Funds	Housing Revenue Bond Funds	Housing Development Fund	Combined Totals
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities				
Operating income (loss)	\$ (4,615)	\$ 14,435	\$ 158	\$ 9,978
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Gain related to servicing intangible asset	(1,077)	-	-	(1,077)
Provision for losses on loans	1,199	(71)	4	1,132
Debt issuance costs	-	876	-	876
Amortization of intangible asset	461	-	-	461
Depreciation expense	445	-	-	445
Interest expense on revenue bonds and lines of credit	366	37,771	-	38,137
Interest income on mortgage-backed securities	-	(17,704)	-	(17,704)
Interest income on marketable securities	1	(3,331)	-	(3,330)
Net (increase) decrease in fair value of marketable securities	-	3,282	-	3,282
Net (increase) decrease in fair value of swaps	-	(186)	-	(186)
Gain on sale of mortgage-backed and marketable securities	-	(1,529)	-	(1,529)
Other income	-	(975)	-	(975)
Changes in operating assets and liabilities:				
Fundings of housing mortgage loans	(296,636)	(5,216)	-	(301,852)
Repayments on housing mortgage loans	32,617	88,917	-	121,534
Conversion of mortgage loans to mortgage backed securities and loans sold on secondary market	246,734	-	-	246,734
Housing construction loans	(469)	-	74	(395)
Other, net	4,795	117	(60)	4,852
Net Cash Provided By (Used In) Operating Activities	\$ (16,179)	\$ 116,386	\$ 176	\$ 100,383

See Notes to Financial Statements.

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note A--Compliance with Enabling Legislation and Bond Resolutions

The Kentucky Housing Corporation (the "Corporation") was established in 1972 by the Kentucky General Assembly under the provisions of the Kentucky Housing Corporation Act (the "Act"). The Act, as amended, authorizes the Corporation to issue bonds and notes, the cumulative outstanding indebtedness of which does not exceed \$5,000,000. The Act and the Bond Resolutions adopted by the Corporation contain provisions establishing funds and accounts for the segregation and restriction of assets and also restrict the use of the proceeds of bonds as well as other funds received. Further, the Act and the Bond Resolutions authorize the Corporation to invest in obligations of the United States, the Commonwealth of Kentucky (the "Commonwealth"), or their agencies or instrumentalities. The Corporation is a component unit of the Commonwealth and, as such, its financial statements are included in the Commonwealth's Comprehensive Annual Financial Report.

The Corporation primarily makes first mortgage loans to finance single-family and multi-family housing units within Kentucky. Loans are made primarily to first-time home buyers meeting certain low-to-moderate income guidelines. Substantially all assets are held by banks as trustees and are pledged as collateral for the Corporation's bonds. The Corporation also administers various programs for federal and state agencies. Funds held for these programs are restricted as to use by statutes, contracts or other agreements.

Note B--Summary of Significant Accounting Policies

Basis of Presentation: The Corporation's financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments* and related statements, and are comprised of three components: 1) Corporation-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The Corporation-wide financial statements are comprised of a statement of net position and a statement of activities. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements reflect all of the assets, liabilities, revenues, expenses, deferred inflows, deferred outflows, gains and losses of governmental and business-type activities. The governmental activities reflect the administration of the various programs for the Commonwealth and the federal government. The business-type activities include single and multi-family loan programs and other lender services. The Corporation follows GASB pronouncements as codified under GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The Corporation's fund financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities, which provide that accounting systems be organized by funds to account for specific activities consistent with legal and operating requirements.

Governmental Funds: The governmental funds financial statements are prepared utilizing the current financial economic resources measurement focus and the modified accrual basis of accounting, and include the activities of administering rental subsidy and other federal and state housing programs for the Commonwealth and U.S. Department of Housing and Urban Development ("HUD"). Revenues considered susceptible to accrual are those revenues that are both measurable and available, usually grant revenue. In substance, "available" means that the item is a resource that can be used to finance the governmental operations within a 60 day period. Each governmental fund is considered a major fund.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note B--Summary of Significant Accounting Policies (Continued)

The Corporation's governmental funds (special revenue funds) are:

Affordable Housing Trust Fund: This fund accounts for resources made available in the form of grants or loans to local governments, nonprofits and regional or statewide housing assistance organizations to provide housing to very low-income Kentucky residents with critical housing needs. The fund's resources are primarily provided by a portion of the fees received by county clerks for recording and indexing various documents. Such allocation of resources was approved by the Kentucky General Assembly in 2006.

HOME Program: This fund accounts for resources made available from the federal government through its Home Investment Partnerships Program ("HOME") to help local governments, nonprofits, private developers, community housing development organizations and individuals to provide safe, decent and affordable housing. Resources are made available to these entities and individuals through both grants and loans.

Treasury Housing Credit: This fund accounts for resources made available through the United States Department of Treasury ("Treasury") via Section 1602 of the American Recovery and Reinvestment Act of 2009. Under Section 1602 the Treasury issued cash assistance to state housing credit agencies in exchange for low income housing tax credits initially allocated in 2008 and 2009. These resources are secured by deferred, forgivable at maturity mortgage loans.

Weatherization Assistance: This fund accounts for resources made available from the federal government to assist eligible individuals in reducing their utility costs and improving the safety of their homes through energy efficiency measures.

Rental Assistance: This fund accounts for resources made available from the federal government to assist eligible individuals to rent decent, safe and affordable housing and to assure that property owners provide safe, affordable housing to recipients according to guidelines established by HUD.

Unemployment Bridge Program: This fund accounts for resources made available from the U.S. Treasury to assist Kentucky homeowners who have lost their jobs or suffered a reduction in income due to the recent economic downturn keep their homes. The proceeds are loaned to eligible homeowners and are secured by a five-year forgivable lien on the recipient's home. The fund is available to all lenders and all borrowers who meet the program criteria. The fund balance of the Unemployment Bridge program is restricted for use only by this program and if any fund balance exists at the end of the program's duration such balance will be returned to the U.S. Treasury.

Other Housing Funds: These funds account for other minor housing assistance program funds made available through various federal and state resources.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note B--Summary of Significant Accounting Policies (Continued)

Proprietary Funds: Financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of the loan and other lender services are presented as proprietary funds. Each proprietary fund is considered a major fund. The Corporation's proprietary funds are:

General Funds: These funds account for proprietary fund (1) activities related to the development and administration of corporate financial programs, (2) corporate-owned assets and (3) any business type activities of the Corporation not included in the Housing Revenue Bond indenture or construction loans, including the Secondary Market Mortgage Purchase program. Fund net position is generally unrestricted.

Housing Revenue Bond Funds: These funds account for the proceeds from the sale of Housing Revenue Bonds, the debt service requirements of the bond indebtedness, and mortgage loans made from bond proceeds to finance the purchase of single-family residential housing as well as the construction and long-term financing of multi-family residential housing. Fund net position is restricted as to use by the terms of the Housing Revenue Bond Indenture.

Housing Development Fund: This fund accounts for construction loan proceeds for the production of both single-family and multi-family residential loans, as well as any investments made with proceeds currently not loaned. Fund net position is restricted to use within the fund by the enabling legislation that created the fund. This fund was created by the same enabling legislation as the Corporation as previously disclosed in Note A.

Cash and Cash Equivalents: Cash consists of cash held by depository institutions and a trustee in the Corporation's name. The Corporation's cash and cash equivalents include money market funds utilized for operations, not for investment policy purposes.

Investment and Mortgage-Backed Securities: Investment and mortgage-backed securities are stated at fair value based on quoted market prices. Unrealized gains (losses) due to changes in the fair value of investment and mortgage-backed securities are reported under the caption operating revenues in the Corporation's statement of revenues, expenses and changes in fund net position.

Historically, the Corporation securitized a large portion of its conventionally insured housing mortgage loans by converting them into mortgage-backed securities through the Federal National Mortgage Association ("Fannie Mae"). The Corporation retains ownership of the securities and retains the servicing rights to the housing mortgage loans, and is subject to recourse provisions covering a portion of these housing mortgage loans (as described in Note C). The Corporation also securitized a large portion of its government insured housing mortgage loans into mortgage-backed securities through the Government National Mortgage Association ("GNMA"). The Corporation also retains ownership of the securities and retains the servicing rights to the housing mortgage loans.

Loans and Allowance for Loan Losses: Housing mortgage loans, housing construction loans and other loans are stated at remaining principal balances, plus accrued interest, less allowance for loan losses. Housing mortgage loans held for sale are recorded at the lower of cost or fair value. The allowance for loan losses is established through a provision for loan losses charged to expense. Loans are charged against the allowance for loan losses when management believes that the collectability of the principal is unlikely. The allowance is an amount that management believes will be adequate to absorb losses on existing loans that may become uncollectible, based on evaluations of the collectability of loans and prior loan loss experience.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note B--Summary of Significant Accounting Policies (Continued)

The evaluations take into consideration such factors as changes in the nature and volume of the loan portfolio, overall portfolio quality, loan guarantees, review of specific problem loans, and current economic conditions that may affect a borrower's ability to pay. Accrual of interest is discontinued on a loan when management believes, after considering the economic climate, business conditions, and collection efforts that a borrower's financial condition is such that collection of interest is doubtful.

Mortgage Banking Revenue: Mortgage banking revenue includes revenue derived from mortgages originated and subsequently sold, with servicing retained. The primary components are gains and losses on mortgage sales and servicing revenue.

Mortgage Servicing Rights: Mortgage Servicing Rights ("MSRs") are capitalized at fair value as separate assets when loans are sold and servicing is retained. The Corporation determines the fair value by estimating the present value of the assets' future cash flows.

Real Estate Owned and Related Receivables: Real estate owned arises from foreclosures or other mortgage default-related actions on properties pledged as collateral on mortgage loans. Real estate owned is recorded at the lesser of unpaid principal balance plus accrued interest on the loans as of the date the loans became real estate owned, plus subsequent expenses incurred less any insurance or other loan related payments received or fair market value less costs to sell. Because a substantial majority of all such loans are guaranteed, based on the Corporation's past experience, it is anticipated that the Corporation will recover a majority of the unpaid principal balances of the loans through proceeds arising from the sale of such property or receipt of applicable guaranteed proceeds.

Capital Assets: Capital assets are stated at cost less accumulated depreciation and are reported in the business-type activities column in the Corporation-wide statement of net position. Maintenance, repairs, and minor replacements are charged to expense as incurred; major improvements are capitalized. The cost of assets sold or retired and the related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is included in income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets:

Buildings	30 to 40 years
Equipment	3 to 10 years

Net Position: Net Position is displayed in three components as follows:

- *Invested in Capital Assets, Net of Related Debt* - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* - This consists of balances associated with activities that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. For the government-wide financial statements, net position is reported as restricted when constraints placed on net asset use are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted* - This consists of balances that do not meet the definition of "restricted" or "invested in capital assets."

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note B--Summary of Significant Accounting Policies (Continued)

Governmental Funds Fund Balance Classification Policies and Procedures: Due to the fact that the Corporation's governmental funds account for intragovernmental revenues received under the terms of grant agreements and the related grant expenditures, all governmental fund activities are reflected as restricted; therefore, the Corporation has not adopted a written policy regarding the classification of governmental fund balance categories.

Interfund Eliminations: Interfund receivables and payables arising primarily from allocations of administrative charges among the appropriate funds are eliminated in the governmental and business-type activities columns of the Corporation-wide statement of net position.

Debt Issuance Costs and Bond Premiums and Discounts: Debt issuance costs are expensed in the year the debt is incurred. Bond premiums and discounts on revenue bonds are amortized by the effective interest method over the term of the related debt. Revenue bonds payable are reported net of the applicable bond premium or discount.

Debt Refundings: The Corporation accounts for debt refundings in accordance with GASB Statement No.63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflow of Resources and Net Position* and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KERS and additions to/deductions from the KERS fiduciary net position have been determined on the same basis as they are reported by KERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Program Revenues: Program revenues in the Corporation-wide statement of activities are reported in two categories including (1) charges for services and (2) program-specific operating grants and contributions. Charges for services include all revenues from loans, investments, servicing, financing, and program administration fees received in connection with administering the Corporation's various loan programs. Program-specific operating grants and contributions include revenues from mandatory and voluntary nonexchange transactions with other governments and organizations that are restricted for use in a particular program and interest earned on unspent grant proceeds. The Corporation's policy is to apply restricted resources first when an expense is incurred for which both restricted and unrestricted net position are available.

Revenue and Expense Recognition of Proprietary Funds: The Corporation records all revenues derived from and related expenses incurred for loans, investments, servicing, financing and program administration as operating revenues and expenses since they are generated from the Corporation's daily operations needed to carry out its statutory purpose.

Origination and Commitment Fees: Origination fees relating to permanently financed multi-family loans are recognized in the year of origination. Commitment fees charged to mortgage originators to reserve funds for permanently financed single-family loans are recognized in the period of exercise.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note B--Summary of Significant Accounting Policies (Continued)

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting periods. Estimates used in the preparation of the financial statements are based on various factors including the current interest rate environment and the general strength of Kentucky's economy. Changes in the overall interest rate environment can significantly affect the carrying value of the Corporation's investments and mortgage-backed securities. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for loan losses and the fair value of investment and mortgage-backed securities. Actual results could differ from those estimates.

Implementation of Accounting Standards: The Corporation adopted the following accounting standards during the year:

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The objective of these statements is to improve accounting and financial reporting by state and local governments for pensions. The statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense. The Corporation adopted the new GASB accounting standards effective July 1, 2014, with a decrease in the governmental wide activities of \$21.9 million and the business type activities of \$44.2 million. Within the business type activities, the General Funds decreased by \$11.0 million and the Housing Revenue Bond Fund decreased by \$33.2 million.
- The Corporation has determined that GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*, effective for the fiscal year ended June 30, 2015, will have no effect on its financial statements.

GASB standards that are under evaluation include:

- GASB Statement No. 72, *Fair Value Measurement and Application* is effective for the fiscal year ending June 30, 2016, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* is effective for the fiscal year ending June 30, 2016, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* is effective for the year ending June 30, 2017, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is effective for the fiscal year ending June 30, 2018 and GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* is effective for the year ending June 30, 2016. The Corporation has not yet adopted these standards and is evaluating the impact they may have on its financial statements.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note C--Cash, Cash Equivalents and Investments

The Corporation has adopted GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, which requires disclosure of various investment-related risks, including custodial credit risk, interest rate risk, credit risk, concentration of credit risk, and foreign currency risk.

Kentucky Revised Statutes authorize the Corporation to invest in obligations guaranteed by the Commonwealth of Kentucky, the United States, or their agencies, provided however, that the return on such investments shall not violate any rulings of the Internal Revenue Service regarding the investment of the proceeds of any federally tax-exempt bond issue.

Cash and Cash Equivalents: At June 30, 2015, the carrying amount of the Corporation's cash and cash equivalents was \$90,268 and the bank balance was \$87,021. The difference between the carrying amount and the bank balance is a result of transactions in transit. Of the \$87,021 bank balance, \$36,691 was covered by federal depository insurance and \$50,330 was collateralized. For the funds collateralized by the financial institutions, the collateral equals or exceeds at least 102 percent (102%) of the value of the uninsured funds on deposit as required by the Corporation's investment policies, and the collateral is held by the financial institutions or a third party in the name of the Corporation.

Cash and cash equivalents of approximately \$87,628 are restricted for government programs, payment of bond principal and interest, payment of principal and interest on mortgage-backed securities and for payment of taxes, insurance and other escrowed items on the Corporation's serviced loans. Of the above amount, \$28,763 is restricted in governmental activities and \$58,865 is restricted in business type activities. Within the business type activities, the restricted amounts are almost entirely in the general fund.

Investment and Mortgage-Backed Securities: At June 30, 2015 the Corporation had the following:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Effective Duration (in Years)</u>
U.S. Treasuries	\$ 11,696	3.46
U.S. government-sponsored enterprises	135,882	4.58
Mortgage-backed securities	362,552	2.41
Certificates of deposit	331	0.00
Money market funds	70,136	0.00
Total Investment and Mortgage-Backed Securities	580,597	2.65
Less amounts shown as current assets	84,561	
Noncurrent Investment and Mortgage-Backed Securities	\$ 496,036	

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note C--Cash, Cash Equivalents and Investments (Continued)

Interest Rate Risk: In general, the Corporation's investment strategy is designed to match the life of the asset with the date of its related liability. With this strategy, investments would be expected to reach maturity with limited realized gains or losses. The Corporation's investment policy does allow trades of existing securities in circumstances where extension or contraction of maturity date or conversion from one allowable investment to another produces additional value through increased yield or capital gains. The fair value of the Corporation's investments in mortgage-backed securities is highly sensitive to volatility in interest rates.

Credit Risk: The Corporation's investment policy defines the types of investments available to the Corporation. Investments, including the underlying securities for money market funds, are held by the Corporation's trustee in the Corporation's name. The Corporation's investments are rated as follows by Moody's Investors Service at June 30, 2015:

<u>Investment Type</u>	<u>Moody's Rating</u>
Mortgage-backed securities	Aaa
U.S. Treasuries	Aaa
U.S. government-sponsored enterprises	Aaa
Certificates of deposit	Not rated
Money market funds	Not rated

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation would not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Substantially all of the Corporation's investments are held in the name of the Corporation by a trustee.

Concentration of Credit Risk: The Corporation's investment policy places no limit on the amount the Corporation may invest in any one issuer. Investments in issuers exceeding five percent (5%) of the Corporation's portfolio at June 30, 2015 consist of the following:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
GNMA	\$ 268,924	46%
U.S. government-sponsored enterprises	135,882	23%
Fannie Mae	93,628	16%
Dreyfus	70,136	12%

The GNMA investments consist of mortgage-backed securities backed by federally insured or guaranteed single-family mortgage loans originated by the Corporation and then formed into securities, and had a book value of \$245,485 as of June 30, 2015. The performance of the GNMA securities is guaranteed by GNMA, though as servicer of the GNMA pools, the Corporation is exposed to minimal residual risk on the underlying loans in the event, that upon default of a loan, the insurance or guarantee received is insufficient to fully reimburse the Corporation.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note C--Cash, Cash Equivalents and Investments (Continued)

The Fannie Mae investments consist of mortgage-backed securities backed by loans originated by the Corporation and then formed into securities, and had a book value of \$82,986 as of June 30, 2015. Although performance of the Fannie Mae securities is guaranteed by Fannie Mae, the Corporation has retained full recourse risk with respect to \$8,321 of the underlying loans and recourse on an additional \$6,347 of loans subject to a stop loss agreement with Fannie Mae. The remaining \$68,317 of underlying loans is without recourse to the Corporation.

Note D--Housing Mortgage Loans

At June 30, 2015, housing mortgage loans consist of the following:

Housing Revenue Bond Funds:	
Single-family (A)	\$ 586,967
Multifamily (B)	<u>33,364</u>
Total Housing Revenue Bond Funds	620,331
General Funds (C)	<u>87,494</u>
Total Principal	707,825
Add accrued interest receivable on loans	<u>2,665</u>
Total Principal and Accrued Interest	710,490
Less allowance for loan losses	<u>7,650</u>
Net Housing Mortgage Loans	702,840
Less amount shown as current assets	<u>30,243</u>
Noncurrent Housing Mortgage Loans	<u><u>\$ 672,597</u></u>

Additional information related to loans includes:

- Note (A) Single-family includes \$562,345 in federally insured or guaranteed loans, \$15,940 of non-insured loans with initial loan-to-value ratios less than 90%, and \$8,682 of loans covered by private mortgage insurance.
- Note (B) Multifamily includes \$28,547 in federally insured or guaranteed loans and \$4,817 in non-insured loans.
- Note (C) General Funds include \$42,465 in federally insured or guaranteed loans and \$45,029 in non-insured loans.

Note E--Other Loan Related Activities

Housing Mortgage Loans Held for Sale: These loans are first mortgage loans pending sale into the secondary market, are secured by single family residences and are recorded at the lower of cost or fair value.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note E--Other Loan Related Activities (Continued)

Housing Construction Loans: These loans are primarily secured by first mortgages and are repayable at maturity or at the date of the sale of the property, whichever occurs first. Such loans are net of an allowance for loan losses of \$899.

Other Loans: These loans are primarily non-secured loans made to agencies, organizations, and individuals to construct or preserve affordable housing in Kentucky. Such loans are net of an allowance for loan losses of \$1,408.

Real Estate Owned and Related Receivables: This asset arises from foreclosures or other mortgage default-related actions on properties pledged as collateral on mortgage loans.

Loan Commitments: At June 30, 2015, the Corporation is committed to make single-family mortgage loans and housing construction loans totaling \$56,861 and \$1,934, respectively. The Corporation had \$44,220 in outstanding commitments to sell single-family loans at June 30, 2015.

Note F-- Loan Servicing

In addition to the GNMA and Fannie Mae mortgage-backed securities portfolios that the Corporation services for its own indenture (See Note C), the Corporation was servicing the following for other investors at June 30, 2015:

<u>Servicing Type</u>	<u>Number of Loans</u>	<u>Amounts</u>
GNMA mortgage-backed securities	4,897	\$ 453,970
Fannie Mae Mortgage-backed securities	620	41,233
Fannie Mae whole loans	<u>1,866</u>	<u>229,088</u>
	<u>7,383</u>	<u>\$ 724,291</u>

Included in Fannie Mae mortgage-backed securities totals are loans totaling \$22,283 on which the Corporation has retained default risk on the underlying loans. Included in Fannie Mae whole loan amounts are loans totaling \$108,990 for which the Corporation has retained default risk for the twelve months following the origination date.

Servicing rights totaling \$1,869 are recorded at fair value and are amortized in proportion to, and over the period of, estimated servicing income. They are included in other assets.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note G--Capital Assets

Major classes of capital assets at June 30, 2015 and activity during the year follows:

Business-Type Activities	Balance July 1, 2014	Additions	Retirements and Dispositions	Balance June 30, 2015
Land	\$ 1,089	\$ -	\$ -	\$ 1,089
Buildings	5,036	125	-	5,161
Equipment	4,876	459	(297)	5,038
Less accumulated depreciation	<u>(7,406)</u>	<u>(445)</u>	<u>297</u>	<u>(7,554)</u>
Net Capital Assets	<u>\$ 3,595</u>	<u>\$ 139</u>	<u>\$ -</u>	<u>\$ 3,734</u>

All depreciation expense was incurred for business-type activities and was included in the administrative function category in the Corporation-wide statement of activities.

Note H--Lines of Credit

The Corporation's lines of credit at June 30, 2015 and activity during the year follows:

Business-Type Activities	Balance July 1, 2014	Borrowings	Repayments and Dispositions	Balance June 30, 2015
Loan Warehousing Line of Credit 1	\$ 32,325	\$ 18,041	\$ 10,435	\$ 39,931
Loan Warehousing Line of Credit 2	<u>7,500</u>	<u>104,200</u>	<u>108,800</u>	<u>2,900</u>
	<u>\$ 39,825</u>	<u>\$ 122,241</u>	<u>\$ 119,235</u>	<u>\$ 42,831</u>

Loan Warehousing Line of Credit 1 ("Line 1") is used for the purchase of mortgage loans. Borrowings are repaid upon the next issuance of Housing Revenue Bonds or the sale of loans into the secondary market or to other investors. The line provides for borrowings up to \$40,000, bears interest at one-month LIBOR plus 53 basis points and matures June 30, 2016. The rate as of June 30, 2015 was .78%. Up to \$30,000 of Line 1 may also be used to purchase certain FHA and RHS loans pending receipt of insurance/guarantee claim payments from the respective agencies.

Loan Warehousing Line of Credit 2 is also used for the purchase of mortgage loans pending issuance of new Housing Revenue Bonds or sale to the secondary market or to other investors. This line provides for borrowings up to \$25,000, bears interest at the daily LIBOR plus 60 basis points and, with its recent renewal, matures August 12, 2016. The rate as of June 30, 2015 was .79%.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note I--Revenue Bonds and Other Noncurrent Liabilities

Revenue Bonds: Revenue bonds at June 30, 2015 and the activity for the year then ended consist of the following:

	Original Face Amount	Balance July 1, 2014	Issued	Repaid/ Retired	Balance June 30, 2015	Amount Due Within One Year
Housing Revenue Bonds:						
2004 Series D:						
2016-2025, 4.45% to 4.90%	\$ 55,000	\$ 14,480	\$ -	\$ 14,480	\$ -	\$ -
2004 Series F:						
2016-2026, 4.20% to 4.60%	45,000	13,730	-	13,730	-	-
2004 Series G:						
2016-2017, 3.85% to 4.05%	10,225	1,950	-	1,950	-	-
2004 Series H:						
2017-2026, 4.50% to 4.70%	29,775	6,200	-	6,200	-	-
2005 Series A:						
2016-2018, 4.25% to 4.35%	18,670	9,630	-	8,415	1,215	430
2005 Series B:						
2016-2033, variable	16,330	5,465	-	1,190	4,275	35
2005 Series C:						
2016-2031, 3.85% to 4.50%	22,215	13,410	-	13,410	-	-
2005 Series D:						
2019-2027, 4.60%	37,785	11,135	-	11,135	-	-
2005 Series E:						
2016-2034, 4.10% to 5.00%	80,000	35,600	-	35,600	-	-
2005 Series F:						
2016, 4.78%	20,000	2,710	-	2,380	330	330
2005 Series G:						
2016-2031, 4.20% to 5.00%	37,390	14,240	-	14,240	-	-
2005 Series H:						
2017-2037, variable	21,925	21,925	-	21,925	-	-
2005 Series I:						
2016-2017, 5.04%	22,940	4,640	-	2,300	2,340	2,265
2005 Series L:						
2017-2037, variable	20,000	18,230	-	1,430	16,800	-
2006 Series A:						
2016-2031, 4.10% to 4.75%	8,775	3,965	-	3,965	-	-
2006 Series B:						
2016-2037, 4.80% to 5.25%	15,420	3,145	-	3,145	-	-
2006 Series C:						
2024-2037, variable	15,425	15,425	-	2,155	13,270	-
2006 Series D:						
2016, 5.24%	20,000	2,355	-	2,280	75	75
2006 Series E:						
2031-2037, 4.75%	27,140	11,375	-	5,345	6,030	-
2006 Series F:						
2017-2030, variable	20,540	20,540	-	-	20,540	-
2006 Series H:						
2017-2030, 4.65% to 4.95%	41,495	21,360	-	3,710	17,650	-
2006 Series I:						
2019-2032, variable	23,750	23,750	-	-	23,750	-

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note I--Revenue Bonds and Other Noncurrent Liabilities (Continued)

	Original Face Amount	Balance July 1, 2014	Issued	Repaid/ Retired	Balance June 30, 2015	Amount Due Within One Year
Housing Revenue Bonds-Continued						
2006 Series K:						
2018-2023, 4.30% to 4.55%	\$ 9,585	\$ 955	\$ -	\$ 600	\$ 355	\$ -
2006 Series L:						
2033-2037, 5.50%	19,085	670	-	670	-	-
2006 Series M:						
2017-2033, variable	21,000	21,000	-	-	21,000	-
2006 Series O:						
2017-2036, variable	29,035	15,520	-	-	15,520	-
2006 Series P:						
2016-2035, 3.95% to 4.60%	8,210	8,150	-	260	7,890	475
2006 Series Q:						
2018-2032, 4.50% to 4.85%	41,790	18,255	-	3,320	14,935	-
2006 Series R:						
2017-2038, 5.816%	21,700	1,535	-	1,535	-	-
2006 Series S:						
2016-2037, 5.88%	15,000	2,625	-	2,625	-	-
2006 Series T:						
2017-2038, variable	23,300	8,455	-	-	8,455	-
2006 Series U:						
2016-2038, 4.40% to 4.90%	45,000	22,285	-	3,370	18,915	435
2006 Series W:						
2017-2038, variable	38,380	12,090	-	-	12,090	-
2007 Series A:						
2016-2038, 4.2% to 4.65%	39,545	28,980	-	1,220	27,760	365
2007 Series B:						
2019-2038, 5.58%	38,000	4,885	-	2,860	2,025	-
2007 Series C:						
2016-2038, 4.35% to 4.80%	50,000	37,300	-	1,120	36,180	515
2007 Series D:						
2018-2038, 5.745%	30,000	5,285	-	2,200	3,085	-
2007 Series E:						
2016-2038, 4.30% to 4.85%	45,000	35,955	-	1,835	34,120	825
2007 Series F:						
2018-2038, 5.53%	30,000	1,375	-	1,375	-	-
2007 Series G:						
2016-2035, 4.05% to 4.75%	6,285	6,275	-	175	6,100	-
2007 Series H:						
2016-2028, 4.45% to 4.90%	34,965	13,540	-	2,705	10,835	390
2007 Series I:						
2018-2038, 5.77%	16,620	1,965	-	920	1,045	-
2007 Series J:						
2018-2038, variable	17,130	12,740	-	-	12,740	-
2007 Series K:						
2017-2028, 4.15% to 4.85%	7,405	7,385	-	6,125	1,260	-

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note I--Revenue Bonds and Other Noncurrent Liabilities (Continued)

	Original Face Amount	Balance July 1, 2014	Issued	Repaid/ Retired	Balance June 30, 2015	Amount Due Within One Year
Housing Revenue Bonds-Continued						
2007 Series L:						
2016-2031, 4.75% to 5.50%	\$ 25,485	\$ 1,915	\$ -	\$ 850	\$ 1,065	\$ 60
2007 Series M:						
2019-2037, 6.06%	27,000	4,175	-	1,750	2,425	-
2007 Series N:						
2016-2028, 4.375% to 5.00%	40,000	17,265	-	12,000	5,265	360
2007 Series O:						
2016-2038, variable	10,000	6,375	-	155	6,220	140
2008 Series A:						
2016-2033, 4.05% to 5.25%	39,270	10,785	-	4,030	6,755	350
2008 Series C:						
2016-2034, 3.90% to 5.00%	14,230	10,950	-	6,605	4,345	120
2008 Series E:						
2016-2024, 3.95% to 4.875%	60,000	22,540	-	10,820	11,720	725
2008 Series F:						
2020-2037, 5.625%	10,000	390	-	390	-	-
2009 Series B:						
2016-2035, 2.95% to 5.00%	60,000	43,390	-	16,165	27,225	1,230
2009 Series C, Sub series C-3:						
2028-2042, 3.55%	30,000	25,570	-	3,420	22,150	-
2009 Series C, Sub series C-4:						
2028-2042, 2.52%	30,000	29,410	-	2,970	26,440	-
2010 Series A:						
2016-2027, 2.25% to 5.00%	40,000	22,265	-	5,780	16,485	1,980
2010 Series B:						
2016-2028, 2.30% to 5.00%	40,000	23,845	-	4,850	18,995	2,030
2010 Series C:						
2028-2034, 4.375% to 4.625%	10,000	6,705	-	670	6,035	-
2010 Series D:						
2016-2021, 3.15% to 4.40	46,000	31,430	-	10,845	20,585	2,835
2010 Series E:						
2021-2036, 3.625% to 4.75%	20,000	20,000	-	845	19,155	-
2011 Series A:						
2016-2028, 2.35% to 5.00%	20,000	13,780	-	2,660	11,120	520
2011 Series B:						
2016-2028, 1.75% to 4.25%	20,000	17,055	-	2,790	14,265	595
2012 Series A:						
2016-2034, 1.436% to 4.268%	187,755	151,890	-	12,445	139,445	8,355
2013 Series A:						
2041, 3.00%	52,940	46,825	-	6,015	40,810	-
2013 Series B:						
2041, 3.00%	54,920	49,900	-	5,770	44,130	-
2013 Series C:						
2016-2024, 0.94% to 3.522%	36,470	33,100	-	3,015	30,085	2,225

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note I--Revenue Bonds and Other Noncurrent Liabilities (Continued)

	Original Face Amount	Balance July 1, 2014	Issued	Repaid/ Retired	Balance June 30, 2015	Amount Due Within One Year
Housing Revenue Bonds-Continued						
2013 Series D:						
2024-2033, 3.20% to 4.00%	49,410	41,405	-	9,030	32,375	-
2013 Series E:						
2016-2024, 1.00% to 3.20%	7,590	7,590	-	175	7,415	80
2013 Series F:						
2016, 0.85% to 1.20%	2,200	1,310	-	795	515	515
2013 Series G:						
2024-2034, 4.00%	4,300	3,360	-	2,890	470	-
2014 Series A:						
2016-2034, 0.30% to 4.296%	4,300	-	61,445	2,745	58,700	3,585
2014 Series B:						
2016-2037, 0.18% to 4.097%	4,300	-	30,000	665	29,335	1,030
Total Housing Revenue Bonds	<u>\$ 2,143,005</u>	1,185,710	<u>\$ 91,445</u>	<u>\$ 332,865</u>	944,290	<u>\$ 32,875</u>
Unamortized premium		3,859			3,105	
Net Revenue Bonds		<u>\$ 1,189,569</u>			<u>\$ 947,395</u>	

As indicated in the above table, bond issues totaling \$154,660 have variable rates of interest. This rate is determined periodically by the bond remarketing agent as the minimum interest rate that would result in the sale of the variable-rate bonds at a price equal to the principal amount plus accrued interest thereon (not to exceed 10% on tax-exempt variable-rate bonds, and not to exceed a range of 18% to 21% on taxable variable-rate bonds).

The remarketing of variable rate bonds totaling \$115,155 is supported by Standby Bond Purchase Agreements with other financial institutions which obligate those institutions to purchase the bonds in the event they cannot be remarketed in the capital markets. Surplus balances in the Fund Net Position of the Bond Debt Service Reserve Fund totaling \$50,000 have been reserved to provide self-liquidity on the remaining \$39,505 of outstanding variable rate bonds which will be utilized to retire those bonds in the event they cannot be remarketed in the capital markets.

The revenue bonds are collateralized by the underlying mortgages as well as mortgage-backed securities financed by the proceeds from the revenue bonds, and by the pledge of the principal and interest collections received from these mortgages and securities.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note I--Revenue Bonds and Other Noncurrent Liabilities (Continued)

As of June 30, 2015, aggregate debt service requirements of the Corporation's debt (fixed-rate and variable-rate) and net receipts/payments on associated interest rate swaps are as shown in the table below. These amounts assume that current interest rates on variable-rate bonds and the current reference rates of the interest rate swaps will remain the same for their term. As these rates vary, interest payments on variable-rate bonds and net receipts/payments on the interest rate swaps will vary. Refer to Note J for further information on the interest rate swap agreements.

	Amortization of Principal	Interest Expense	Net Swap Payments	Total Debt Service
Fiscal years ending June 30,				
2016	\$ 32,875	\$ 30,440	\$ 3,918	\$ 67,233
2017	44,145	28,548	3,476	76,169
2018	46,755	27,432	3,340	77,527
2019	48,605	26,104	3,239	77,948
2020	49,600	24,675	3,092	77,367
Five years ending June 30,				
2021-2025	219,245	100,664	12,791	332,700
2026-2030	195,930	66,478	6,775	269,183
2031-2035	164,390	34,348	2,061	200,799
2036-2040	51,735	16,767	112	68,614
2041-2045	91,010	4,854	-	95,864
	<u>\$ 944,290</u>	<u>\$ 360,310</u>	<u>\$ 38,804</u>	<u>\$ 1,343,404</u>

The Corporation has routinely exercised early redemption options and has retired various bonds prior to their scheduled maturity dates with funds available for that purpose.

Interest expense was entirely incurred in business-type activities and was included in the bond financed loan programs function and administrative function in the Corporation-wide statement of activities.

Other Noncurrent Liabilities: Other liabilities had the following activity during the year:

Account	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015
Other noncurrent liabilities	<u>\$ 13,747</u>	<u>\$ 886</u>	<u>\$ (1,039)</u>	<u>\$ 13,594</u>

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note J--Interest Rate Swap Agreements

Summary of Derivative Instruments: The Corporation has entered into nine multiple pay-fixed, receive-variable interest rate swap agreements ("swaps") in order to hedge the interest rate exposure associated with variable rate debt and to reduce borrowing costs. The nine swaps are cash flow hedges issued in conjunction with the business-type activities of the mortgage revenue bond program. None of the derivative instruments are considered investments.

As of June 30, 2015, eight of the nine swaps were determined to be effective hedges, while the 2006 W swap has been determined to be ineffective for the purposes of GASB 53, Accounting and Financial Reporting for Derivative Instruments. The effectively hedged swaps, which have a notional amount of \$109,400, increased in fair value by \$3,897 during the year ended June 30, 2015. This increase has been recorded as a reduction in Deferred Outflows of Resources on the Corporation-wide statement of net position. As of June 30, 2015, the aggregate balance of Deferred Outflows of resources attributable to effective swap hedges is \$2,888. The ineffective swap, which has a notional amount of \$2,685, also increased in fair value by \$186 during the year ended June 30, 2015. This increase is recorded as investment revenue for the year ended June 30, 2015.

The aggregate fair value of all swaps, totaling \$2,920, is reflected with noncurrent liabilities on the statements of net position.

Objectives: These agreements provide for reductions in the notional amount of the swaps to coincide with expected reductions in the outstanding amount of the associated bonds.

Terms: The following table displays the terms of each derivative:

Bond Series	Effective Date	Notional Amount		Maturity Date	Pay-Fixed Rate	Receive Variable Rate	Optional Call Dates
		Original	Outstanding				
2005 Series B	4/7/2005	\$ 16,330	\$ 4,670	1/1/2032	3.188%	62% 3M LIBOR + 28 bp	1/1/2016
2005 Series L	12/1/2005	\$ 20,000	\$ 20,000	7/1/2036	3.627%	62% 1M LIBOR + 28 bp	1/1/2016
2006 Series C	1/26/2006	\$ 15,425	\$ 15,425	7/1/2036	3.914%	62% 1M LIBOR + 28 bp	1/1/2016
2006 Series F	4/11/2006	\$ 20,540	\$ 20,540	7/1/2029	3.764%	62% 1M LIBOR + 28 bp	7/1/2016
2006 Series I	6/8/2006	\$ 23,750	\$ 23,750	1/1/2032	4.127%	62% 1M LIBOR + 35 bp	7/1/2016
2006 Series M	8/9/2006	\$ 21,000	\$ 21,000	1/1/2033	4.178%	62% 1M LIBOR + 35 bp	7/1/2016
2006 Series O	8/9/2006	\$ 29,035	\$ 2,805	1/1/2017	5.700%	100% 1M LIBOR	N/A
2006 Series T	9/27/2006	\$ 23,300	\$ 1,210	1/1/2016	5.337%	100% 1M LIBOR	N/A
2006 Series W	11/29/2006	\$ 38,380	\$ 2,685	1/1/2016	5.318%	100% 1M LIBOR	N/A

Other than the optional call dates noted above, the swaps do not contain any other embedded options.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note J--Interest Rate Swap Agreements (Continued)

Risks: *Credit risk* is the risk that a counterparty will not fulfill its obligation. As of June 30, 2015, the swaps had a negative fair value of \$2,920. To mitigate the potential for credit risk, the Corporation has contracted with A2/A/A and Aa3/A+/A+ rated counterparties.

- Merrill Lynch Capital Services, Inc. (Baa1/A-/A) serves as the counterparty for eight of the Corporation's derivative instruments and accounts for \$109,400 of the total notional amount outstanding for all swaps. Furthermore, the derivative instruments are guaranteed by Merrill Lynch Derivative Products AG, which is rated Aa3/A+/NR.
- UBS AG (A1(cr)/A/A) serves as the counterparty for the remaining swap and accounts for \$2,685 of the total notional amount outstanding.

The Corporation did not require or post collateral in relation to the above derivative instruments.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the interest rate swaps. As each swap uses LIBOR as the basis to calculate the receive-variable rate, the Corporation is exposed to interest rate risk. The fair value of the swaps will generally decline with a decrease in interest rates and increase when interest rates increase. These changes in valuation do not affect the Corporation's cash flow.

Basis Risk is the risk that a counterparty's variable rate swap payments do not correspond to actual variable rate bond payments. When variable rate payments and variable rate swap receipts materially differ, the anticipated cost savings from entering into swaps may not be realized. The Corporation attempts to minimize the mismatch of these cash flows through the selection of a variable-received swap rate index that has demonstrated a historical trading differential similar to the underlying variable rate bonds.

Termination risk is the risk that an unscheduled end of a swap agreement will result in unintended unhedged variable rate debt outstanding and/or a termination payment will either be owing or due. The Corporation views the potential for termination to be remote.

Rollover risk is the risk that a swap agreement does not extend to the maturity of the debt, thereby creating unhedged variable rate debt. The 2006 Series O, 2006 Series T, and 2006 Series W swaps have maturity dates of January 2017, January 2016, and January 2016, respectively. The maturity dates of the debt associated with these swaps are January 2036, July 2037, and July 2037, respectively.

Market-access risk is the risk that the Corporation will not be able to enter credit markets or that credit markets will become more costly. The Corporation has evaluated this risk and determined that the swaps do not create a material market-access risk.

Foreign currency risk is the risk that the Corporation may have fluctuations in currency exchanges. The Corporation does not have any foreign currency transactions.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note K--Conduit Debt Obligations

The Corporation uses its tax-exempt debt issuing authority to provide financial assistance to private-sector developers for the acquisition and rehabilitation, or the construction of multi-family housing projects serving low-to-moderate income households. The debt is collateralized by revenues generated by the properties financed and is repayable solely from payments received on the underlying mortgage loans and any specific third-party credit enhancement associated with the individual financings. Through June 30, 2015, conduit debt obligations have been issued for 30 multi-family projects totaling approximately \$242,468. The debt does not constitute a liability or a pledge of faith and credit of the Corporation and, accordingly, has not been reported in the Corporation-wide financial statements.

Note L--Retirement Plan

Plan Description: All full-time and eligible part-time employees of the Corporation participate in KERS, a cost-sharing, multiple-employer defined benefit pension plan administered by the Kentucky Retirement System ("KRS"), an agency of the Commonwealth. Under the provisions of Kentucky Revised Statute Section 61.645, the Board of Trustees ("KRS Board") of KRS administers the KERS, County Employees Retirement System and State Police Retirement System. Although the assets of the systems are invested as a whole, each system's assets are used only for the payment of benefits to members of that plan, and a pro rata share of administrative costs, in accordance with the provisions of Kentucky Revised Statute Sections 16.555, 61.570, and 78.630.

More specifically, within KERS the Corporation's employees participate in the Non-Hazardous portion of the Plan, which covers all regular full-time members employed in non-hazardous duty positions of any state department, board, or agency directed by Executive Order to participate in KERS. The plan provides for retirement, disability, and death benefits to plan members. Retirement benefits may also be extended to beneficiaries of plan members under certain circumstances.

KRS issues a publicly available financial report that includes audited financial statements and audited required supplementary information for KERS. The report may be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601, or it may be found at the KRS website at www.kyret.ky.gov.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note L--Retirement Plan (Continued)

Benefits provided: The information below summarizes the major retirement benefit provisions of KERS-Non-Hazardous. It is not intended to be, nor should it be interpreted as, a complete statement of all benefit provisions:

For members whose participation began before September 1, 2008, the following provisions are in force:

Age and service requirement: Age 65, with at least one month of non-hazardous duty service credit

Benefit Amount: For members whose participation began before August 1, 2004, if a member has at least 48 months of service, the monthly benefit is 1.97% times final average compensation times years of service. For members who were participants in any one of the state retirement systems from January 1, 1998 through January 1, 1999, the benefit factor is 2.00%. For those members who retired between January 1, 1999 and January 31, 2009 with at least 240 months of service, the benefit factor is 2.20%. For members whose participation began on or after August 1, 2004, the benefit factor is 2%.

Final compensation is calculated by taking the average of the highest five (5) fiscal years of salary. If the number of months of service credit during the five (5) year period is less than forty-eight (48), one (1) or more additional fiscal years shall be used.

If a member has less than 48 months of service, the monthly benefit is the actuarial equivalent of two times the member's contributions with interest.

For members whose participation began on or after September 1, 2008, but before January 1, 2014, the following provisions are in force:

Age and service requirement: Age 65 with 60 months of non-hazardous duty service credit, or age 57 if age plus service equals at least 87

Benefit Amount: The monthly benefit is the following benefit factor based on service credit at retirement plus 2.00% for each year of service greater than 30 years, multiplied by final average compensation, multiplied by years of service.

<u>Service Credit</u>	<u>Benefit Factor</u>
10 years or less	1.10%
10+ - 20 years	1.30%
20+ - 26 years	1.50%
26+ - 30 years	1.75%

Final compensation is calculated by taking the average of the last (not highest) five (5) complete fiscal years of salary. Each fiscal year used to determine final compensation must contain twelve (12) months of service credit.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note L--Retirement Plan (Continued)

For members whose participation began on or after January 1, 2014, the following provisions are in force:

Age and service requirement: Age 65 with 60 months of non-hazardous duty service credit, or age 57 if age plus service equals at least 87

Benefit: Each year that a member is an active contributing member to the System, the member and the member's employer will contribute 5.00% and 4.00%, respectively, of creditable compensation into a hypothetical account. The hypothetical account will earn interest annually on both the member's and employer's contribution at a minimum rate of 4%. If the System's geometric average net investment return for the previous five years exceeds 4%, then the hypothetical account will be credited with an additional amount of interest equal to 75% of the amount of the return which exceeds 4%. All interest credits will be applied to the hypothetical account balance on June 30 based on the account balance as of June 30 of the previous year.

Upon retirement the hypothetical account which includes member contributions, employer contributions and interest credits can be withdrawn from the System as a lump sum or annuitized into a single life annuity option.

Contributions: For the fiscal year ended June 30, 2015, plan members who began participating prior to January 1, 2014 were required to contribute 5% of their annual creditable compensation. Participating employers, including the Corporation, were required to contribute at an actuarially determined rate. Per Kentucky Revised Statute Section 61.565(3), normal contribution and past service contribution rates shall be determined by the KRS Board on the basis of an annual valuation last preceding July 1 of a new biennium. The KRS Board may amend contribution rates as of the first day of July of the second year of a biennium, if it is determined on the basis of a subsequent actuarial valuation that amended contribution rates are necessary to satisfy requirements determined in accordance with actuarial bases adopted by the KRS Board. However, formal commitment to provide the contributions by the employer is made through the Commonwealth's biennial budget. For the fiscal years ended June 30, 2015 and 2014, participating employers, contributed 30.84% and 17.29%, respectively, of each employee's creditable compensation. Administrative costs of KRS are financed through employer contributions and investment earnings.

Plan members who began participating on, or after, January 1, 2014, were required to contribute to the Cash Balance Plan. The Cash Balance Plan is known as a hybrid plan because it has characteristics of both a defined benefit plan and a defined contribution plan. Members in the plan contribute five percent of their creditable compensation to their own account. The employer contribution rate is set annually by the Board based on an actuarial valuation. The employer contributes a set percentage of the member's creditable compensation. Each month an employer pay credit is deposited to the member's account. For non-hazardous members, their account is credited with a 4% employer pay credit. The employer pay credit represents a portion of the employer contribution.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note L--Retirement Plan (Continued)

Total Pension Liability: The total pension liability ("TPL") was determined by an actuarial valuation as of June 30, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.5 percent
Salary increases	4.5 percent, average, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

The rates of mortality for the period after service retirement are according to the 1983 Group Annuity Mortality Table for all retired members and beneficiaries as of June 30, 2006 and the 1994 Group Annuity Mortality Table for all other members. The Group Annuity Mortality Table set forward 5 years is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2005 – June 30, 2008.

Discount rate assumptions:

- (a) Discount rate: The discount rate used to measure the total pension liability was 7.75%.
- (b) Projected cash flows: The projection of cash flows used to determine the discount rate assumed the local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period.
- (c) Long term rate of return: The long term rate of return assumption on plan assets is reviewed as part of the regular experience studies prepared every five years for the System. The most recent analysis, performed for the period covering fiscal years 2005 through 2008, is outlined in a report dated August 25, 2009. The assumption is intended to be a long term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.
- (d) Municipal bond rate: The discount rate determination does not use a municipal bond rate.
- (e) Periods of projected benefit payments: Projected future benefit payments for all current plan members were projected through 2116.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note L--Retirement Plan (Continued)

- (f) Assumed Asset Allocation: The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	8.45%
International equity	22%	8.85%
Core U.S. fixed income	10%	5.25%
Private equity	7%	1.25%
Other classes, each 5% or less	<u>31%</u>	7.04%
Total	<u>100%</u>	

- (g) Sensitivity Analysis: This paragraph requires disclosure of the sensitivity of the net pension liability ("NPL") to changes in the discount rate. The Corporation's allocated portion of the NPL of \$70,519, which is based on a discount rate of 7.75%, would increase to \$79,332 using a discount rate of 6.75% and would decrease to \$62,573 using a discount rate of 8.75%.

Method and assumptions used in calculations of actuarially determined contributions: The actuarially determined contribution rates are determined on a biennial basis beginning with the fiscal years ended 2014 and 2015, determined as of July 1, 2013. The amortization period of the unfunded liability has been reset as of July 1, 2013 to a closed 30-year period. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	3.5 percent
Salary increase	4.5 percent, average, including inflation
Investment rate of return	7.75 percent, net of pension plan investment expense, including inflation

Employer's portion of the collective Net Pension Liability: The Corporation's proportionate share of the Plan's NPL, as indicated in the preceding paragraph, is \$70,519 or 0.786%. The liability was distributed by the Plan based on 2014 actual employer contributions to the plan.

Measurement date: June 30, 2014 is the actuarial valuation date upon which the TPL is based. No update procedures were used to determine the TPL. An expected TPL is determined as of July 1, 2013 using standard roll back techniques. The roll back calculation subtracts the annual normal cost (also called the service costs), adds the actual benefit payments and refunds for the plan year and then applies the expected investment rate of return for the year.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note L--Retirement Plan (Continued)

Changes in assumptions and benefit terms: There were no changes in assumptions or benefit terms since the prior measurement date.

Changes since measurement date: There were no changes between the measurement date of the collective net pension liability and the employer's reporting date.

Pension expense: The Corporation recognized \$5,330 of pension expense during 2015.

Deferred Outflows and Deferred Inflows: Since certain expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts serve to reduce pension expense they are labeled as deferred inflows. If they will increase pension expense they are labeled deferred outflows. As noted in the previous section, the amortization of these amounts is accomplished on a level dollar basis, with no interest included in the deferred amounts. Experience gains/losses and the impact of changes in actuarial assumptions, if any, are amortized over the average remaining service life of the active and inactive System members at the beginning of the fiscal year. Investment gains and losses are amortized over a fixed five year period. As of the Measurement Date, deferred inflows of resources totaling \$906 represent net differences between projected and actual earnings on plan investments. Such amount will be amortized and recognized in earnings in equal amounts over the following four fiscal years. Deferred outflows of \$3,703 represent contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Note M--Post-Employment Health Care Benefits

Retired Corporation employees receive some health care benefits depending on their length of service. In accordance with Kentucky Revised Statutes, these benefits are provided and advance-funded on an actuarially determined basis through the KERS. The Corporation was required to contribute \$952 during 2015. Kentucky Retirement System administers this cost-sharing plan and issues a publicly available financial report that includes financial statements and required supplementary information for the KERS. The report may be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601.

Note N--Risk Management

The Corporation is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by various commercial insurance policies. There have been no reductions in insurance coverage during the year ended June 30, 2015. Settlements have not exceeded insurance coverage.

(Continued)

KENTUCKY HOUSING CORPORATION
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2015
(Dollars in thousands)

Note O--Subsequent Events

The Corporation evaluated events occurring between the end of its most recent fiscal year and September 30, 2015, the date the financial statements were issued.

In August 2015, the Board of Directors authorized the sale of up to \$120,000 aggregate principal amount of mortgage-backed securities pledged as security under the Corporation's Resolution. On or about September 14, 2015, the Corporation sold approximately \$96,400 of its mortgage-backed securities investments for proceeds of approximately \$108,100. The proceeds of the sale of such mortgage-backed securities constitute "Recoveries of Principal" and, as required by the Resolution, will be applied to redeem outstanding bonds of the Corporation. It is expected that such redemptions will occur between October 15, 2015 and November 1, 2015.

Note P--Contingencies

In the normal course of operations, the Corporation receives funding from federal and state government agencies. These funds are to be used for designated purposes only. For government agency grants, if the grantor's review indicates that the funds have not been used for the intended purpose, the grantor may request a refund of monies advanced or refuse to reimburse the Corporation for its disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the Corporation's grant programs is predicated upon the grantors' satisfaction that the funds provided are being spent as intended and the grantors' intent to continue their programs.

In addition, the Corporation operates in a heavily regulated environment. The operations of the Corporation are subject to the administrative directives, rules, and regulations of federal and state legislative and regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules, and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little or inadequate funding to pay for the related cost, including the additional administrative burden to comply with a change.

**REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015**

KENTUCKY HOUSING CORPORATION
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CORPORATION'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
KENTUCKY EMPLOYEES RETIREMENT SYSTEM – NONHAZARDOUS
PRESENTED FOR YEAR INFORMATION IS AVAILABLE
Year Ended June 30, 2015
(Dollars in thousands)

	<u>2015</u>
Corporation's proportion of the net pension liability	0.79%
Corporation's proportionate share of the net pension liability	\$ 70,519
Corporation's covered-employee payroll	\$ 13,011
Corporation's proportionate share of the net pension liability as a percentage of its covered-employee payroll	542.00%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

The amounts presented for each fiscal year were determined as of the prior calendar year-end.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

KENTUCKY HOUSING CORPORATION
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CORPORATION'S EMPLOYER CONTRIBUTIONS
KENTUCKY EMPLOYEES RETIREMENT SYSTEM – NONHAZARDOUS
PRESENTED FOR YEAR INFORMATION IS AVAILABLE

Year Ended June 30, 2015
(Dollars in thousands)

	<u>2015</u>
Actuarially determined required contribution	\$ 2,250
Actual contributions made	<u>(2,250)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Corporation's covered-employee payroll	\$ 13,011
Contributions as a percentage of covered-employee payroll	17.29%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

See Independent Auditor's Report.

**SUPPLEMENTARY COMBINING INFORMATION
HOUSING REVENUE BOND FUNDS**

KENTUCKY HOUSING CORPORATION
COMBINING STATEMENT OF NET POSITION
HOUSING REVENUE BOND FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

ASSETS	Bond Proceeds Fund	Recoveries of Principal Fund	Bond Debt Service Fund	Bond Debt Service Reserve Fund	Trust Fund	Redemption Fund	Combined Totals
Current Assets							
Cash and cash equivalents	\$ 2,815	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ 2,819
Investment securities	17,617	4,802	23,191	5,056	5,610	2,168	58,444
Mortgage-backed securities	13,385	-	-	709	-	-	14,094
Housing mortgage loans	24,909	-	-	-	1,988	-	26,897
Interfund accounts	(15,090)	9,045	5,742	-	286	-	(17)
Total Current Assets	<u>43,636</u>	<u>13,847</u>	<u>28,933</u>	<u>5,769</u>	<u>7,884</u>	<u>2,168</u>	<u>102,237</u>
Noncurrent Assets							
Investment securities	-	-	-	147,578	-	-	147,578
Mortgage-backed securities	330,920	-	-	17,538	-	-	348,458
Housing mortgage loans	551,706	-	-	-	42,537	-	594,243
Real estate owned and related receivables	2,304	-	-	-	-	-	2,304
Total Noncurrent Assets	<u>884,930</u>	<u>-</u>	<u>-</u>	<u>165,116</u>	<u>42,537</u>	<u>-</u>	<u>1,092,583</u>
Total Assets	<u>928,566</u>	<u>13,847</u>	<u>28,933</u>	<u>170,885</u>	<u>50,421</u>	<u>2,168</u>	<u>1,194,820</u>
DEFERRED OUTFLOWS OF RESOURCES							
Accumulated decrease in fair value of derivatives - interest rate swaps	-	-	2,888	-	-	-	2,888
Deferred outflows related to pension	617	-	-	-	-	-	617
Total Deferred Outflows of Resources	<u>617</u>	<u>-</u>	<u>2,888</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,505</u>
LIABILITIES							
Current Liabilities							
Accounts payable and other liabilities	63	-	-	-	1	-	64
Accrued interest payable	-	-	15,756	-	-	-	15,756
Revenue bonds - current portion	32,875	-	-	-	-	-	32,875
Total Current Liabilities	<u>32,938</u>	<u>-</u>	<u>15,756</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>48,695</u>
Noncurrent Liabilities							
Revenue bonds	914,520	-	-	-	-	-	914,520
Other noncurrent liabilities	544	-	-	-	-	-	544
Derivative instruments - interest rate swaps	-	-	2,920	-	-	-	2,920
Net pension liability	11,750	-	-	-	-	-	11,750
Total Noncurrent Liabilities	<u>926,814</u>	<u>-</u>	<u>2,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>929,734</u>
Total Liabilities	<u>959,752</u>	<u>-</u>	<u>18,676</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>978,429</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred inflows related to pension	151	-	-	-	-	-	151
FUND NET POSITION							
Restricted by revenue bond indenture	<u>\$ (30,720)</u>	<u>\$ 13,847</u>	<u>\$ 13,145</u>	<u>\$ 170,885</u>	<u>\$ 50,420</u>	<u>\$ 2,168</u>	<u>\$ 219,745</u>

See Independent Auditor's Report.

KENTUCKY HOUSING CORPORATION
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
HOUSING REVENUE BOND FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	Bond Proceeds Fund	Recoveries of Principal Fund	Bond Debt Service Fund	Bond Debt Service Reserve Fund	Trust Fund	General Revenue Fund	Redemption Fund	Combined Totals
Operating Revenues								
Interest and fee income								
Housing mortgage loans	\$ 34,336	\$ -	\$ -	\$ -	\$ 914	\$ -	\$ -	\$ 35,250
Mortgage-backed securities	16,698	-	-	1,006	-	-	-	17,704
Marketable securities	3	2	3	3,320	1	1	1	3,331
Net (decrease) in fair value of marketable securities	(4,694)	-	-	1,412	-	-	-	(3,282)
Net increase in fair market value of swaps	-	-	186	-	-	-	-	186
Gain on sale of mortgage-backed and marketable securities	1,529	-	-	-	-	-	-	1,529
Other income	975	-	-	-	-	-	-	975
Total Operating Revenues	<u>48,847</u>	<u>2</u>	<u>189</u>	<u>5,738</u>	<u>915</u>	<u>1</u>	<u>1</u>	<u>55,693</u>
Operating Expenses								
Interest on revenue bonds	-	-	37,771	-	-	-	-	37,771
Provision for losses on loans	(71)	-	-	-	-	-	-	(71)
General and administrative	261	-	-	-	-	-	-	261
Mortgage loan servicers' fees	2,174	-	-	-	170	-	-	2,344
Loan origination costs	74	-	-	-	3	-	-	77
Debt issuance costs	876	-	-	-	-	-	-	876
Total Operating Expenses	<u>3,314</u>	<u>-</u>	<u>37,771</u>	<u>-</u>	<u>173</u>	<u>-</u>	<u>-</u>	<u>41,258</u>
Operating Income (Loss)	45,533	2	(37,582)	5,738	742	1	1	14,435
Interfund Transfers	<u>29,032</u>	<u>(9,533)</u>	<u>42,463</u>	<u>1</u>	<u>(2,788)</u>	<u>(1)</u>	<u>(65,244)</u>	<u>(6,070)</u>
Change in Fund Net Position	74,565	(9,531)	4,881	5,739	(2,046)	-	(65,243)	8,365
Fund Net Position, Beginning of Year	<u>(105,285)</u>	<u>23,378</u>	<u>8,264</u>	<u>165,146</u>	<u>52,466</u>	<u>-</u>	<u>67,411</u>	<u>211,380</u>
Fund Net Position, End of Year	<u>\$ (30,720)</u>	<u>\$ 13,847</u>	<u>\$ 13,145</u>	<u>\$ 170,885</u>	<u>\$ 50,420</u>	<u>\$ -</u>	<u>\$ 2,168</u>	<u>\$ 219,745</u>

See Independent Auditor's Report.

KENTUCKY HOUSING CORPORATION
COMBINING STATEMENT OF CASH FLOWS – HOUSING REVENUE BOND FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	Bond Proceeds Fund	Recoveries of Principal Fund	Bond Debt Service Fund	Bond Debt Service Reserve Fund	Trust Fund	General Revenue Fund	Redemption Fund	Combined Totals
Cash Flows From Operating Activities								
Interest income on loans	\$ 34,336	\$ -	\$ -	\$ -	\$ 914	\$ -	\$ -	\$ 35,250
Operating expenses	(2,509)	-	-	-	(173)	-	-	(2,682)
Fundings of housing mortgage loans	(2,879)	-	-	-	(2,337)	-	-	(5,216)
Repayments on housing mortgage loans	82,528	-	-	-	6,389	-	-	88,917
Other, net	(3,989)	4,434	(157)	-	(171)	-	-	117
Net Cash Provided By (Used In) Operating Activities	107,487	4,434	(157)	-	4,622	-	-	116,386
Cash Flows From Noncapital Financing Activities								
Proceeds from issuance of revenue bonds	91,904	-	-	-	-	-	-	91,904
Payments for debt issuance costs	(1,199)	-	-	-	-	-	-	(1,199)
Principal payments on revenue bonds	(61,445)	-	(271,420)	-	-	-	-	(332,865)
Interest payments on revenue bonds	-	-	(43,877)	-	-	-	-	(43,877)
Interfund transfers - loan collections and investment income	(193,869)	124,771	66,087	1	(2,788)	(1)	(1)	(5,800)
Interfund transfers - purchase of mortgage loans	-	-	-	-	-	-	-	-
Interfund transfers - retirement of debt	(48,487)	(134,305)	248,035	-	-	-	(65,243)	-
Net Cash Provided By (Used In) Noncapital Financing Activities	(213,096)	(9,534)	(1,175)	1	(2,788)	(1)	(65,244)	(291,837)
Cash Flows From Investing Activities								
Purchases of investments and mortgage-backed securities	(107,511)	(128,428)	(95,856)	(140,015)	(4,319)	-	(234,263)	(710,392)
Sales of investments and mortgage-backed securities	192,244	133,526	97,185	135,879	2,484	-	299,506	860,824
Gain on the sales of investments and mortgage-backed securities	1,529	-	-	-	-	-	-	1,529
Interest received on investments and mortgage-backed securities	17,030	2	3	4,139	1	1	1	21,177
Net Cash Provided By (Used In) Investing Activities	103,292	5,100	1,332	3	(1,834)	1	65,244	173,138
Net Increase (Decrease) in Cash and Cash Equivalents	(2,317)	-	-	4	-	-	-	(2,313)
Cash and Cash Equivalents, Beginning of Year	5,132	-	-	-	-	-	-	5,132
Cash and Cash Equivalents, End of Year	<u>\$ 2,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,819</u>

(Continued)

See Independent Auditor's Report.

KENTUCKY HOUSING CORPORATION
COMBINING STATEMENT OF CASH FLOWS – HOUSING REVENUE BOND FUNDS
Year Ended June 30, 2015
(Dollars in thousands)

	Bond Proceeds Fund	Recoveries of Principal Fund	Bond Debt Service Fund	Bond Debt Service Reserve Fund	Trust Fund	General Revenue Fund	Redemption Fund	Combined Totals
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities								
Operating income (loss)	\$ 45,533	\$ 2	\$ (37,582)	\$ 5,738	\$ 742	\$ 1	\$ 1	\$ 14,435
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:								
Provision for losses on loans	(71)	-	-	-	-	-	-	(71)
Debt issuance costs	876	-	-	-	-	-	-	876
Interest expense on revenue bonds	-	-	37,771	-	-	-	-	37,771
Interest income on mortgage-backed securities	(16,698)	-	-	(1,006)	-	-	-	(17,704)
Interest income on marketable securities	(3)	(2)	(3)	(3,320)	(1)	(1)	(1)	(3,331)
Net increase (decrease) in fair value of marketable securities	4,694	-	-	(1,412)	-	-	-	3,282
Net increase in fair value of swaps	-	-	(186)	-	-	-	-	(186)
Gain on sale of mortgage-backed and marketable securities	(1,529)	-	-	-	-	-	-	(1,529)
Other income	(975)	-	-	-	-	-	-	(975)
Changes in operating assets and liabilities:								
Fundings of housing mortgage loans	(2,879)	-	-	-	(2,337)	-	-	(5,216)
Repayments on housing mortgage loans	82,528	-	-	-	6,389	-	-	88,917
Other, net	(3,989)	4,434	(157)	-	(171)	-	-	117
Net Cash Provided By (Used In) Operating Activities	\$ 107,487	\$ 4,434	\$ (157)	\$ -	\$ 4,622	\$ -	\$ -	\$ 116,386

See Independent Auditor's Report.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Directors
Kentucky Housing Corporation
Frankfort, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities and each major fund of Kentucky Housing Corporation (the "Corporation"), as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated September 30, 2015, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

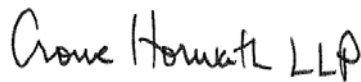
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe Horwath LLP". The signature is written in a cursive, flowing style.

Crowe Horwath LLP

Louisville, Kentucky
September 30, 2015

**KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY
KENTUCKY HIGHER EDUCATION STUDENT LOAN CORPORATION**

JUNE 30, 2015

Financial Statements

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation
Frankfort, Kentucky

Report on the Financial Statements

We have audited the accompanying combined financial statements of the governmental activities, the business-type activities, and each major fund of the Kentucky Higher Education Assistance Authority and the Kentucky Higher Education Student Loan Corporation (the Authority/Corporation), component units of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the Authority/Corporation's basic combined financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these combined financial statements based on our audit. We did not audit the financial statements of the Kentucky Education Savings Plan Trust, which statements reflect total assets of \$180,392,674 as of June 30, 2015, and an increase to fiduciary net position of \$6,206,635 for the year ended June 30, 2015. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Kentucky Education Savings Plan Trust, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Kentucky
Indiana
Ohio

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Opinions

In our opinion, based on our audit and the report of other auditors, the combined financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Authority/Corporation as of June 30, 2015, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note M to the financial statements, the Authority/Corporation adopted Governmental Auditing Standards Board (GASB) Statement No. 68 *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27. The implementation resulted in a restatement of the prior year net position. Additionally, as discussed in Notes S to the financial statements, the Authority/Corporation restated prior year net position regarding student aid continuing appropriations recognized as revenue in prior years. Our opinion is not modified with respect to either matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 15 and the required supplemental information on pages 62 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic combined financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic combined financial statements, and other knowledge we obtained during our audit of the basic combined financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2015 on our consideration of the Authority/Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority/Corporation's internal control over financial reporting and compliance.



Louisville, Kentucky
October 1, 2015

Management's Discussion and Analysis (Unaudited)

Kentucky Higher Education Assistance Authority Kentucky Higher Education Student Loan Corporation

June 30, 2015

Description of the Business

The Kentucky Higher Education Assistance Authority (the "Authority" or "KHEAA") was established in 1966 as the Commonwealth of Kentucky's agency for improving higher education opportunities. The Authority also guarantees, performs default aversion activities, pays lender default and other claims and performs collection activities on eligible student loans. The Kentucky Educational Savings Plan Trust (the "Trust") and the Commonwealth Postsecondary Education Prepaid Trust Fund, Kentucky's Affordable Prepaid Tuition Plan (the "Plan") offer savings and investment opportunities for Kentuckians to save for higher education. The Kentucky Higher Education Student Loan Corporation (the "Corporation" or "KHESLC") makes student loans directly to parents and students as part of the Kentucky Advantage loan programs, purchases and services eligible Federal and Kentucky Advantage student loans and performs collection activities on certain eligible Federal student loans. The Authority and the Corporation maintain bundled operations to maximize the efficiency of loan guarantee and servicing operations. Accordingly, all senior management positions have responsibilities related to both the Authority and the Corporation. Additionally, the Plan and the Trust are governed by the Authority and Corporation's combined Board of Directors. Throughout the accompanying financial statements, the "Authority/Corporation" refers to the combined group of operations.

The Authority/Corporation maintains the following operations:

Outreach - Outreach operations provide resources to make higher education accessible to Kentucky's current and future generations. Outreach counselors at the Authority/Corporation are available year-round to provide free college planning and financial aid assistance. They conduct scholarship and other funding searches, help students with the admissions and financial aid application processes and increase motivation for at-risk students. Outreach services are offered through financial aid nights, career fairs, college nights, adult education programs, Kentucky Educational Excellence Scholarship ("KEES") workshops, Free Application for Federal Student Aid ("FAFSA") workshops, PTA and other meetings, financial literacy workshops, professional development/staff training, and other programs and camps. Personnel, professional and administrative costs associated with the outreach operation are accounted for as a program benefit in a proprietary fund of the Authority/Corporation.

Student Aid - The Authority/Corporation provides some or all levels of administration of fourteen student aid programs: (1) the Kentucky Tuition Grant ("KTG") program, (2) College Access Program ("CAP") grant, (3) Kentucky Educational Excellence Scholarship program, (4) Teacher Scholarship program, (5) Osteopathic Medicine Scholarship program, (6) the KHEAA Work-Study program, (7) Kentucky Coal County College Completion Scholarship, (8) Early Childhood Development Scholarship program, (9) the Go Higher Grant program, (10) the Coal County Scholarship for Pharmacy Students program, (11) the Mary Jo Young Scholarship program, (12) John R. Justice grant, (13) the Kentucky National Guard Tuition Award program, and (14) the Minority Educator Recruitment and Retention Scholarship program.

Personnel, professional and administrative costs associated with student aid operations are accounted for as a program benefit in a proprietary fund of the Authority/Corporation. Direct benefits to students are accounted for in the governmental fund.

Management's Discussion and Analysis (Unaudited)

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

College Savings Programs - The Authority/Corporation administers two savings plans for the Commonwealth of Kentucky; (1) the Trust and (2) the Plan.

The Trust was formed on July 15, 1988, by Kentucky law, to help families save for the costs of higher education. The Trust is administered by the Authority/Corporation's Board of Directors. The Authority/Corporation has contracted with TIAA-CREF Tuition Financing, Inc. ("TFI"), a wholly-owned subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), for management services for the Trust. The Trust is operated in a manner such that it is exempt from registration as an investment company under the Investment Company Act of 1940. The Trust offers certain federal and state tax advantages to account owners.

An individual or entity participating in the Trust establishes an account in the name of a Beneficiary. Contributions can be made among six investment options: the Managed Allocation Option, the Fixed Income Option, the Balanced Option, the Equity Index Option, the Active Equity Option, and the Guaranteed Option.

Contributions in the Managed Allocation Option are allocated among six age bands, based on the age of the beneficiary. Each age band invests in varying percentages in the Institutional Class of the International Equity, International Equity Index, Large-Cap Value, Large-Cap Growth, S&P 500 Index, Mid-Cap Growth Fund, Small-Cap Equity, Mid-Cap Value, Short-Term Bond, Bond Index, Inflation-Linked Bond, Equity Index, Bond Fund, Real Estate Securities, Emerging Market Equity, Emerging Market Equity Index and Money Market Funds of the TIAA-CREF Institutional Mutual Funds.

All allocation percentages are determined by the Authority/Corporation's Board of Directors and reviewed annually. The assets of the Guaranteed Option are allocated to a funding agreement issued by TIAA-CREF Life Insurance Company, a subsidiary of TIAA, which offers a guarantee of principal and a minimum rate of return to the Trust.

The Equity Options invest in varying percentages in the Institutional Class of the International Equity and Growth & Income Funds of the TIAA-CREF Institutional Mutual Funds.

The Guaranteed Option is contractually obligated to pay a minimum rate of return of 1%.

The Authority/Corporation also administers the Plan, which was created by the 2000 Kentucky General Assembly and is governed under Kentucky Revised Statutes ("KRS") 164A.700-709.

The Plan was established to provide families with an opportunity to save for future postsecondary education expenses. The Plan investment policy goal is to earn rates of return that closely match or exceed anticipated tuition inflation rates and remain sufficiently liquid to meet KAPT benefit payments in a timely manner. The Plan offers certain federal and state tax advantages to purchasers.

Participants purchased annual tuition units at current tuition levels, or current tuition levels at the time of purchase plus a premium, and receive benefits equal to tuition rates in place at the time that the student attends a qualified postsecondary education institution. The Plan offered three tuition plans – the Value Plan, the Standard Plan, and the Premium Plan. In the Value Plan, participants buy tuition units and receive benefits indexed to the tuition rate of the Kentucky Community and Technical College System.

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

The Standard Plan offers tuition units and benefits indexed to the tuition rate of Kentucky's most expensive public university. The Premium Plan offers tuition units at the current average tuition cost of Kentucky's private colleges and universities and guarantees a return on a participant's investment equal to the tuition inflation rate for the University of Kentucky.

Participants were allowed to elect to spread payments to the Plan over three, five or seven years or until the anticipated year of the student's enrollment in a qualified postsecondary education institution. Participants may use Plan benefits for eligible educational expenses at any eligible public or private vocational school, college or university in the United States. If a beneficiary attends an eligible educational institution with tuition rates in excess of Plan benefits, the Plan will not be responsible for the difference. If a beneficiary attends an eligible educational institution with tuition rates less than Plan benefits, participants may use the difference for other qualified educational expenses such as room, board, books, and supplies.

Participants may withdraw from the Plan at any time for any reason. Terminating participants are refunded any contract payments made less benefits received, administrative and cancellation fees. Participants who withdraw after July 1 of the beneficiary's college entrance year receive the statutorily defined payout value of the contract less benefits received, administrative and cancellation fees. Non-qualified withdrawals are subject to a 10% penalty in accordance with Section 529 of the Internal Revenue Code ("IRC") except in cases where the withdrawal is: (1) made on account of the death or disability of the student; (2) made on account of a scholarship received by a student, or (3) a non-taxable transfer to another account or to another IRC Section 529 program for a different student who is a family member of the original student.

The Kentucky General Assembly approved certain changes to the Plan during the 2014 Legislative Session that became effective July 2014. These changes included the following: the addition of a utilization period definition; the establishment of June 30, 2028 as the closure date of the Plan; the establishment of certain limitations on the growth of a plan account beyond the utilization period; the prohibition of projected college entrance year extensions; and the clarification of provisions for transferring a plan account to another qualified tuition program.

As of June 30, 2015, the Plan maintained a present value fund deficit of \$24.1 million. This represents a \$1.1 million increase over the previous year's deficit. Based on actuarial estimates, the Plan's assets will be exhausted in fiscal year 2023, at which time the liability of the Plan becomes a General Obligation of the Commonwealth of Kentucky. Per KRS 164A.708, once a real liability is expected to accrue, the General Assembly shall appropriate the necessary funds to meet the liability. Over the remaining estimated life of the program, through fiscal year 2028, actuarial estimates show the Commonwealth of Kentucky will need to transfer approximately \$44 million.

Personnel, professional and administrative costs associated with administering the Trust and the Plan are accounted for in the Student Aid Fund, a governmental fund of the Authority/Corporation. All assets, liabilities and net position additions and deductions for the Trust are accounted for in the Kentucky Educational Savings Plan Trust fund, a fiduciary fund of the Authority/Corporation. All assets, liabilities and net position additions and deductions for the Plan are accounted for in the Kentucky Affordable Prepaid Tuition fund, a fiduciary fund of the Authority/Corporation.

Management's Discussion and Analysis (Unaudited)—Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Loan Guarantee - Loan guarantee operations maintain loan guarantees for qualified students and parents of qualified students made by approved lenders, under the Federal Family Education Loan Program ("FFELP"). The loan guarantee operation is also responsible for providing default aversion assistance to lenders for delinquent loans, reporting loan information to the National Student Loan Data System ("NSLDS"), paying lender claims for loans in default, paying lender claims for death, disability or bankruptcy, and collecting loans on which default claims have been paid.

Personnel, professional and administrative costs associated with loan guarantee operations are accounted for in the Agency Operating Fund ("AOF"), a proprietary fund of the Authority/Corporation. All federal program activities related to default aversion, claim payment, claim reinsurance from the U.S. Department of Education ("USDE"), defaulted loan recoveries and other federally mandated program sources and uses of funds are accounted for in the Federal Student Loan Reserve Fund ("FSLRF"), a fiduciary fund of the Authority/Corporation.

Loan Origination and Disbursement – Loan origination and disbursement operations consist of credit underwriting, loan origination, and issuing disbursements directly to schools for the Supplemental Student Loan Program. The Supplemental Student Loan Program is comprised of the Kentucky Advantage Education Loan ("KAEL") and Kentucky Advantage Parent Loan programs ("KAPL") for residents of the Commonwealth of Kentucky and non-residents attending a post-secondary institution or approved program in the Commonwealth of Kentucky, and the Advantage Education Loan and Advantage Parent Loan for non-residents of the Commonwealth of Kentucky.

Personnel, professional and administrative costs associated with loan origination and disbursement operations are accounted for in the proprietary fund of the Authority/Corporation.

School Services – School service operations provide services to higher education institutions through a contractual relationship. These areas currently consist of KHEAA Verify and Cohort Default Management Services and new areas of services are continuously analyzed and evaluated based on the needs of school partners across the Commonwealth and beyond.

KHEAA Verify consists of services associated with the required verification of FAFSA information submitted by potential students at an institution. Cohort Default Management Services engages students at an institution to educate them about persistence and completing their education and successfully repaying any educational debt while providing information about the various options available. Personnel, professional and administrative costs associated with school services are accounted for in the Agency Operating Fund ("AOF"), a proprietary fund of the Authority/Corporation and through the collection of revenues generated through service contracts with each institution.

Loan Finance - The Authority/Corporation's loan finance operation is authorized to refinance existing long-term debt and to acquire private supplemental student loans, rehabilitated FFELP loans, FFELP portfolios from other lenders, and certain other FFELP loans required to be repurchased by the Higher Education Act. The Authority/Corporation may issue bonds and notes not to exceed \$5 billion in order to carry out these corporate powers and duties. The FFELP student loans held by the Authority/Corporation include Federal Stafford Loans ("Stafford"), Unsubsidized Stafford Loans ("Unsubsidized Stafford"), Federal Supplemental Loans for Students ("SLS"), Federal Parent Loans for Undergraduate Students ("PLUS"), and Federal Consolidation Loans ("Consolidations"). As of June 30, 2015, the loan finance operation owned approximately \$1.17 billion of student loans.

Most FFELP loans held by the Authority/Corporation are insured by the Authority/Corporation's loan guarantee operations. FFELP loans made prior to October 1, 1993, are 100% insured. FFELP

Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

loans made between October 1, 1993 and June 30, 2006, are 100% insured against borrowers' death, disability, or bankruptcy and 98% insured against borrowers' default. FFELP loans made after June 30, 2006, are 100% insured against borrowers' death, disability, or bankruptcy and 97% insured against borrowers' default.

The Authority/Corporation's loan finance operation finances legacy and certain other FFELP loans with revenue bonds, internal warehouse funds, and commercial bank lines of credit. As of June 30, 2015, the Authority/Corporation maintained six separate Indentures of Trust and related Series Resolutions for issues of revenue bonds. The GBRs contain provisions establishing funds and accounts for the segregation of assets and provisions restricting the use of the proceeds of bonds and other funds received. As of June 30, 2015, the loan finance operation maintained \$1.07 billion of revenue bonds outstanding and \$16.4 million of lines of credit payable.

Personnel, professional and administrative costs associated with loan finance operations are accounted for in a proprietary fund of the Authority/Corporation.

Loan Servicing - The loan servicing operation performs servicing and default prevention activities on FFELP and supplemental loans held by the Authority/Corporation's loan finance operation and other lenders. Of the loans serviced, approximately \$1.17 billion in outstanding principal of loans was held by the loan finance operation. Over 90% of these loans were pledged pursuant to the 2008 Indenture, the 2010 Indenture, the 2013-1 Indenture, the 2013-2 Indenture, the 2014 Indenture, and the 2015 Indenture. Approximately \$4 million of FFELP Loans and other education loans were owned by another holder. For those loans, the loan servicing operation collects student loan remittances and subsequently disburses these remittances to the appropriate lending entities.

Personnel, professional and administrative costs associated with loan servicing operations are accounted for in a proprietary fund of the Authority/Corporation. Student loan remittances and payables to other lenders are also accounted for in a proprietary fund.

Industry Update

The Health Care and Education Reconciliation Act ("HCERA") of 2010 (H.R.4872/Public Law 111-152) was signed into law on March 30, 2010. HCERA eliminated the origination and/or guarantee of FFELP loans, effective July 1, 2010. In accordance with HCERA, the Authority/Corporation continues to provide guarantee services on \$2.27 billion of FFELP loans, continues to own \$1.17 billion of FFELP loans and other education loans, and continues to service an additional \$4 million of FFELP and other education loans. The Authority/Corporation can no longer originate, guarantee or fund any newly originated FFELP loans; however, the Authority/Corporation does continue to look for opportunities to mitigate the impact of the runoff of the FFELP legacy loan portfolio through the acquisition of FFELP rehabilitation loans and other FFELP portfolios and through the origination of Kael loans.

The Authority/Corporation plans to leverage its experience collecting defaulted FFELP and Direct Loans to become one of the Private Collection Agencies ("PCA") selected by USDE as part of future PCA Request for Proposal processes. In anticipation of future PCA selection processes, the Authority/Corporation sought and received state legislative approval from the Commonwealth of Kentucky to create the Asset Resolution Corporation ("ARC") as the entity that would contract with USDE to become a PCA. ARC was created by the Kentucky General Assembly effective July 12, 2012. ARC is attached to KHESLC for administrative and reporting purposes.

Management's Discussion and Analysis (Unaudited)—Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

On December 26, 2013, President Obama signed into law the Bipartisan Budget Act of 2013 (the "2013 Budget"). Section 502 of the 2013 Budget reduces the amount that the Authority/Corporation and other guaranty agencies are permitted to retain on rehabilitated defaulted student loans. Under the old rules, guaranty agencies were permitted to retain 18.5% of the principal balance of the rehabilitated loan and 100% of accrued interest, and could charge the borrower up to another 18.5% of the principal balance and accrued interest at the time of loan sale and retain such amount to defray collection costs. For rehabilitated loan sales on and after July 1, 2014, the 2013 Budget requires that the guaranty agency pay ED 100% of the principal balance of the loan at the time of sale (multiplied by the reinsurance percentage in effect when payment under the guaranty agreement was made). In addition, the guaranty agency can charge to the borrower an amount not to exceed 16% of the outstanding principal and interest at the time of the loan sale in order to defray collection costs.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority/Corporation's combined financial statements. The Authority/Corporation's combined financial statements are comprised of the following three components: 1) combined government-wide financial statements, 2) combined fund financial statements, and 3) notes to combined financial statements.

The combined government-wide statement of net position and statement of activities include the Governmental Funds and Proprietary Funds. The combined government-wide financial statements can be found on pages 16 and 17 of this report. The combined fund financial statements can be found on pages 18 through 23 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Authority/Corporation. Fiduciary funds are not reflected in the combined government-wide financial statements because the resources are not available to support the Authority/Corporation's programs. The fiduciary fund statement of net position (deficit) and changes in fiduciary net position (deficit) can be found on pages 24 and 25 of this report.

The Trust publishes separate financial statements and footnotes.

To obtain a copy of the financial statements and footnotes, please contact the Authority at (502) 696-7421.

The following is a condensed summary of financial information for the years ended June 30, 2015 and 2014, respectively.

Condensed Financial Information - Governmental Fund and Proprietary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

	Governmental Fund		Proprietary Funds	
	2015	2014	2015	2014
Net Position Information				
Capital assets	\$	\$	\$ 5,315,212	\$ 5,016,462
Other assets (2014 Governmental, as restated)	22,004,402	18,853,873	1,359,175,910	1,443,294,081
Total Assets	<u>22,004,402</u>	<u>18,853,873</u>	<u>1,364,491,122</u>	<u>1,448,310,543</u>
Deferred Outflows of Resources:				
Deferred pension expense			4,624,385	
Total Assets and Deferred Outflows of Resources	<u>22,004,402</u>	<u>18,853,873</u>	<u>1,369,115,507</u>	<u>1,448,310,543</u>
Long-term liabilities (2014 Proprietary, as restated)				
Other liabilities	17,879	240,690	34,261,358	25,628,069
Deferred pension expense			1,035,000	
Deferred gain on debt retirements, net			20,012,879	21,812,809
Total Liabilities and Deferred Inflows of Resources	<u>17,879</u>	<u>240,690</u>	<u>1,203,989,529</u>	<u>1,285,392,624</u>
Invested in capital assets, net of expended debt proceeds			5,315,212	5,016,462
Unrestricted			6,285,287	
Restricted, other			73,169,113	79,495,392
Restricted for program benefits	21,986,523	18,613,183		
Restricted for student aid and related activities			80,356,366	78,406,065
Total Net Position, 2014 Restated	<u>\$ 21,986,523</u>	<u>\$ 18,613,183</u>	<u>\$ 165,125,978</u>	<u>\$ 162,917,919</u>
Activity Information				
Interest and investment income fund	\$ 619,859	\$ 376,016	\$ 703,223	\$ 769,858
Student aid & advancement fund revenue	203,673,961	200,632,313		
Tobacco settlement revenue	797,714	1,001,536		
Unclaimed lottery revenue	6,500,000	11,000,000		
Contributions from Agency Operating Fund	2,359,798	3,118,697		
Federal funds revenue	5,543	59,795		
Servicing Fees from external sources			923,236	847,298
Servicing Fees from Education Finance Funds			6,882,940	7,530,485
Debt recovery commission			22,377,948	33,858,701
Early retirement of debt			108,828	2,304,111
Federal fees earned			1,536,064	1,721,637
Federal grant revenue				293,245
Default aversion fee income			(501,501)	(390,225)
Interest income on loans			19,372,732	20,929,509
Amortization of deferred gain on debt retirements			1,799,930	10,132,812
Guarantee fee			142,104	175,231
Gain on the sale of loans			2,696,772	364,377
Late payment penalties			1,235,258	1,210,613
School Services			550,429	573,595
Other income	768,482	573,698	151,044	235,601
Total Revenue	<u>214,725,357</u>	<u>216,762,055</u>	<u>57,979,007</u>	<u>80,556,848</u>
Kentucky Tuition Grants	28,680,413	30,358,991		
College Access Program Grants	61,045,814	62,800,437		
Mary J Young Scholarships	626,859	530,529		
Early Childhood Development Scholarships	995,045	771,883		
National Guard Tuition Awards	5,680,227	4,789,286		
Kentucky Education Excellence Scholarships	107,866,852	105,485,835		
Teacher Scholarships	1,263,932	463,133		
Teacher Loan Forgiveness	1,400,000	1,400,000		
Osteopathic Medicine Scholarships	705,347	435,639		
Work Study Benefits	504,655	444,455		
Go Higher Grant Program	297,812	239,406		
Drive the Dream Scholarship		533,704		
Kentucky Coal County College Completion Scholarship	1,978,674	1,318,796		
John R. Justice Grant	140,429	89,101		
Loan guarantee operations			4,189,182	3,382,216
Default collections			7,292,484	6,470,126
Loan finance and servicing activities			33,506,486	34,216,102
Outreach			3,913,148	2,915,676
Contribution to FSLRF			2,500,000	5,500,000
Student aid administration			1,892,281	2,214,617
Contribution to student aid programs			467,517	904,080
School services			1,890,561	1,917,563
Other activities		40,331	119,289	232,739
Total Expenditures	<u>211,352,017</u>	<u>209,701,526</u>	<u>55,770,948</u>	<u>57,753,119</u>
Net Operating Income before Operating Transfers	<u>3,373,340</u>	<u>7,060,529</u>	<u>2,208,059</u>	<u>22,803,729</u>
Transfer to KAPT (the "Plan")				(23,503)
Change in Net Position	<u>\$ 3,373,340</u>	<u>\$ 7,060,529</u>	<u>\$ 2,208,059</u>	<u>\$ 22,780,226</u>

Management's Discussion and Analysis (Unaudited)

Kentucky Higher Education Assistance Authority Kentucky Higher Education Student Loan Corporation

June 30, 2015

Financial Analysis – Governmental and Proprietary Funds

As previously noted, the Authority and the Corporation maintain bundled operations to maximize the efficiency of operations. Throughout the financial analysis, the "Authority/Corporation" refers to the combined group of operations for both organizations. Financial results for specific operating activities may be discussed as needed to provide appropriate disclosure.

This section of the annual financial report presents a discussion and analysis of the Authority/Corporation's government-wide performance for the fiscal year ended June 30, 2015. Please read it in conjunction with the Authority/Corporation's combined financial statements and notes to the combined financial statements, which follow this section.

Financial Overview

- The Authority/Corporation's proprietary fund total assets and deferred outflows decreased approximately \$79 million (5.5%), from \$1.4 billion to \$1.3 billion. The decrease was caused primarily by an \$90.3 million decrease in loans, a \$800,000 decrease in accrued interest income, a \$4.6 million decrease in receivables, and increases in cash and investments of \$12.1 million and deferred outflows related to GASB 68 pension expense of \$4.6 million.
- The Authority/Corporation's proprietary fund liabilities and deferred inflows, as restated, decreased by \$81.4 million (6%), from \$1.3 billion to \$1.2 billion. The decrease in liabilities and deferred inflows resulted primarily from a decrease in bonds payable of \$93.7 million, an increase in other long-term liabilities of \$4.4 million, an increase in the line of credit payable of \$9.1 million, a decrease in deferred gain on early retirement of debt of \$1.8 million, and an increase in deferred inflows related to GASB 68 pension expense of \$1 million.
- The Authority/Corporation's proprietary fund revenues decreased \$22.5 million (28%), from \$80 million to \$58 million. The overall decrease was primarily attributable to the following three variances: an \$11.5 million reduction in debt recovery commission due to the aforementioned Bipartisan Budget Act of 2013, an \$8.3 million reduction in amortization of deferred gain on debt retirements, and a reduction in interest income on loans of \$1.6 million.
- The Authority/Corporation's total proprietary fund expenditures decreased approximately \$2 million (3%), due to various fluctuations with the primary variance resulting from a decrease in the AOF Contribution to FSLRF.
- The Authority/Corporation's governmental fund assets increased \$3.2 million (17%) after taking into consideration the restatement noted in Note S. This resulted primarily from an increase in accounts receivable related to student aid programs of \$2.6 million and an increase in cash and cash equivalents of \$645,000.
- The Authority/Corporation's governmental fund liabilities decreased approximately \$223,000 as compared to prior year.

Continued

Management's Discussion and Analysis (Unaudited)—Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

- The Authority/Corporation's governmental fund revenues decreased \$2 million (1%), resulting primarily from additional state General Funds for student aid programs of \$3 million and an increase in investment income of \$244,000 offset by a decrease in unclaimed lottery revenue of \$4.5 million, a decrease in the contribution from the Agency Operating Fund of \$759,000, and a decrease in federal fund revenue of \$54,000.
- The Authority/Corporation's governmental fund expenditures increased \$1.7 million (1%) resulting from decreases in College Access Program and Kentucky Tuition Grants of \$1.8 and 1.7 million, respectively, offset by an increase in the Kentucky Educational Excellence Scholarships of \$2.38 million, an increase in National Guard of \$890,000, an increase in the Kentucky Coal County Completion Scholarship of \$660,000 and a \$1.2 million increase across the remaining programs.

Combined Statement of Net Position – Governmental Fund and Proprietary Funds

Total governmental net position, as restated, increased from \$18.6 million to \$22 million. Total proprietary fund net position increased \$2.2 million comprised of a \$14.8 million increase from default collection operations (compared to \$27.1 million in prior year), \$2.5 million decrease from loan guarantee operations (compared to \$1.4 million decrease in prior year), \$3.9 million contribution for outreach activities (compared to \$2.6 million contribution in prior year), \$2.4 million contribution for student aid and administration (compared to \$3.1 million in prior year), \$25,000 gain in loan finance and servicing activities (compared to \$9.7 million gain in prior year), \$2.5 million contribution to the FSLRF (compared to \$5.5 million in prior year), and \$1.3 million contribution for school services (compared to \$1.3 million in prior year).

Certain highlights related to the combined statement of net position as of June 30, 2015, are as follows:

- The Authority/Corporation purchased \$4 million of its own auction rate securities on the secondary market for a discount, resulting in other income of \$109,000.
- The Authority/Corporation maintained \$2.27 billion of FFELP guarantees outstanding.
- The Authority/Corporation maintained \$1.17 billion of FFELP loans and education loans.
- The Authority/Corporation maintained \$435.5 million of defaulted loans in its collection portfolio.
- Unrestricted net position, as restated, increased from \$0 to \$6.3 million.
- Net position, restricted other, as restated, decreased from \$79.5 million to \$73.2 million.
- Net position restricted for student aid and related activities, as restated, increased from \$78.4 million to \$80.4 million.

Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Combined Statement of Revenues, Expenses and Changes in Net Position

The \$2.2 million increase in proprietary fund net position during FY 2015 was \$20.6 million less than the \$22.8 million increase during FY 2014. The change in the overall growth of net position as compared to the previous year's growth was attributable to an approximate \$10.9 million decrease for the Authority and an approximate \$9.7 million decrease for the Corporation. The Authority's \$10.9 million decrease was due primarily to an \$11.5 million reduction in debt recovery commission due to the aforementioned Bipartisan Budget Act of 2013. The reduction in the overall increase for the Corporation resulted primarily from various differences from year to year some of which are offsetting variances. The most significant change over the prior year pertains to an \$8.3 million reduction in amortization of deferred gain on debt retirements.

Certain other highlights related to the combined statement of revenues, expenses and changes in net position for the year ended June 30, 2015, are as follows:

- The Authority/Corporation provided \$11.7 million of FFELP and other program benefits, the majority of which directly benefited the citizens of the Commonwealth of Kentucky.
- The defaulted loan collection operation received \$22.4 million in commissions on the \$140 million collected on behalf of the USDE.

Condensed Financial Information - Fiduciary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

	Federal Student Loan Reserve Fund		Kentucky's Affordable Prepaid Tuition		Kentucky Education Savings Plan Trust	
	2015	2014	2015	2014	2015	2014
Net Position Information						
Other assets	\$ 17,313,546	\$ 21,180,654	\$ 106,838,962	\$ 120,379,782	\$ 180,392,674	\$ 174,016,252
Total Assets	17,313,546	21,180,654	106,838,962	120,379,782	180,392,674	174,016,252
Total Liabilities	5,768,676	10,119,603	130,893,230	143,379,761	455,471	285,684
Restricted net position (deficit)	11,544,870	11,061,051	(24,054,268)	(22,999,979)	179,937,203	173,730,568
Total Net Position (Deficit)	\$ 11,544,870	\$ 11,061,051	\$ (24,054,268)	\$ (22,999,979)	\$ 179,937,203	\$ 173,730,568
Changes in Fiduciary Net Position Information						
Federal reinsurance	\$ 72,521,422	\$ 85,023,123	\$	\$	\$	\$
Contribution from Agency Operating Fund	2,500,000	5,500,000				
Fee revenue						
Contributions			323,244	152,694		
Subscriptions					56,353,397	47,324,492
Investment revenue	1,287	1,178	3,999,603	17,868,669	3,649,820	19,953,950
Other income	3,598,440	3,631,526				
Total Additions	78,621,149	94,155,827	4,322,847	18,021,363	60,003,217	67,278,442
Administrative expenses			469,904	430,543	720,193	641,205
Refunds			2,553,305	1,666,426		
Trustee expense			320,996	637,866		
Tuition benefits expense, net			2,032,931	796,836		
Loan claims	78,638,831	91,887,117				
Redemptions					53,076,389	45,434,182
Default aversion	(501,501)	(390,225)				
Total Deductions	78,137,330	91,496,892	5,377,136	3,531,671	53,796,582	46,075,387
Change in Net Position before Gain from Legislative Changes and Transfers	483,819	2,658,935	(1,054,289)	14,489,692	6,206,635	21,203,055
Gain from Legislative Changes				15,389,851		
Transfer from Agency Operating Fund				23,503		
Change in Net Position	\$ 483,819	\$ 2,658,935	\$ (1,054,289)	\$ 29,903,046	\$ 6,206,635	\$ 21,203,055

Management's Discussion and Analysis (Unaudited)—Continued

Kentucky Higher Education Assistance Authority Kentucky Higher Education Student Loan Corporation

June 30, 2015

Financial Analysis – Fiduciary Funds

This section of the annual financial report presents a discussion and analysis of the Authority/Corporation's fiduciary fund performance for the fiscal year ended June 30, 2015. Please read it in conjunction with the Authority/Corporation's combined financial statements and notes to the combined financial statements, which follow this section.

Financial Overview

- Loan claims paid decreased from \$91.9 million in fiscal year 2014 to \$78.6 million in fiscal year 2015 (14% decrease).
- The Plan noted a decrease in tuition benefits payable of \$12.3 million in fiscal year 2015, due primarily to the net of several different factors including certain losses due to unfavorable investment experience and changes in assumption.

Statement of Fiduciary Net Position (Deficit)

The FSLRF net position increased \$484,000 compared to prior year. Assets decreased approximately 18% (\$3.9 million), while liabilities decreased 43% (\$4.4 million). The increase in net position is primarily comprised of a \$2.5 million contribution from the AOF and \$500,000 for default aversion remittances from the AOF, offset by a \$2.5 million decrease associated with claim related activity.

The Plan recognized an increase in the net deficit of \$1.1 million for fiscal year 2015 compared to a \$29.9 million decrease in net deficit in the prior year. Overall, the current year increase in net deficit from prior year is attributable to the net of various gains and other changes including certain losses due to unfavorable investment experience and changes in assumptions.

The Plan's total assets decreased \$13.5 million, from \$120.4 million as of June 30, 2014 to \$106.8 million as of June 30, 2015. Cash and investments decreased from \$117.4 million to \$104.6 million, a \$12.8 million decrease. The change in tuition and investment return assumptions are as follows:

- 2015-thereafter – investment return decreased from 5.74% to 5.45%.
- 2015-2016 academic year – tuition increase assumption was 6.25%, while actual tuition increases were 2.0% for the Value Plan and 3.0% for the Standard Plan and the Premium Plan
- 2016-thereafter – tuition increase assumption remained at 6.25%

The Trust is an Internal Revenue Code 529 plan managed by the Authority and administered on behalf of the Authority by TFI. Trust assets are entirely comprised of cash and pooled investments. Total net position increased approximately \$6.2 million, due to subscriptions received (\$56.4 million) and investment gain (\$3.6 million), net of expenses and redemptions (\$53.8 million).

Management's Discussion and Analysis (Unaudited)

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Statement of Changes in Fiduciary Net Position (Deficit)

The FSLRF net position increased \$484,000 compared to prior year. Assets decreased approximately 18% (\$3.9 million), while liabilities decreased 43% (\$4.4 million). The increase in net position is primarily comprised of a \$2.5 million contribution from the AOF and \$500,000 for default aversion remittances from the AOF, offset by a \$2.5 million decrease associated with claim related activity.

The Plan recognized an increase in the net deficit of \$1.1 million for fiscal year 2015 compared to a \$29.9 million decrease in net deficit in the prior year. Overall, the current year increase in net deficit from prior year is attributable to the net of various gains and other changes including certain losses due to unfavorable investment experience and changes in assumptions.

Combined Government-Wide Statement of Net Position

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

June 30, 2015

ASSETS	Governmental Activities	Business-Type Activities	Total
Current:			
Cash and cash equivalents	\$ 3,670,700	\$ 30,756,347	\$ 34,427,047
Accounts receivable and prepaid expenses	8,598,775	938,363	9,537,138
Accrued interest income		12,857,744	# 12,857,744 #
Investments		9,673,326	9,673,326
Teacher and Osteopathic Medicine scholarship loans	450,000		450,000
Loans, net		135,303,565	135,303,565
Total Current Assets	12,719,475	189,529,345	202,248,820
Noncurrent:			
Restricted cash and cash equivalents		62,803,830	62,803,830
Restricted from Federal Student Loan Reserve Fund		1,677,485	1,677,485
Investments		70,580,606	70,580,606
Fixed assets, net		8,525,212	8,525,212
Loans, net		1,023,853,277	1,023,853,277
Teacher and Osteopathic Medicine scholarship loans, net	4,387,943		4,387,943
Teacher and Osteopathic Medicine scholarship advances	4,896,984		4,896,984
Accrued interest income, net		7,521,367	7,521,367
Total Noncurrent Assets	9,284,927	1,174,961,777	1,184,246,704
Total Assets	22,004,402	1,364,491,122	1,386,495,524
Deferred Outflows of Resources:			
Deferred pension expense		4,624,385	4,624,385
Total Assets and Deferred Outflows of Resources	22,004,402	1,369,115,507	1,391,119,909
LIABILITIES			
Current:			
Accounts payable and accrued expenses	17,879	6,428,231	6,446,110
Accrued interest expense		922,034	922,034
Payable to US Department of Education		9,885,826	9,885,826
Line of credit payable		16,445,267	16,445,267
Capital lease payable		580,000	580,000
Total Current Liabilities	17,879	34,261,358	34,279,237
Noncurrent:			
Net pension liability		80,527,000	80,527,000
Capital lease payable		2,630,000	2,630,000
Bonds payable		1,065,523,292	1,065,523,292
Total Noncurrent Liabilities		1,148,680,292	1,148,680,292
Total Liabilities	17,879	1,182,941,650	1,182,959,529
Deferred Inflows of Resources:			
Deferred pension expense		1,035,000	1,035,000
Deferred gain on debt retirements, net		20,012,879	20,012,879
Total Liabilities and Deferred Inflows of Resources	17,879	1,203,969,529	1,204,007,408
NET POSITION			
Invested in capital assets, net of expended debt proceeds		5,315,212	5,315,212
Unrestricted		6,285,287	6,285,287
Restricted, other		73,169,113	73,169,113
Restricted for program benefits	21,986,523		21,986,523
Restricted for student aid and related activities		80,356,366	80,356,366
Total Net Position	\$ 21,986,523	\$ 165,125,978	\$ 187,112,501

Combined Government-Wide Statement of Activities

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

For Year Ending June 30, 2015

	Program Revenue				Net (Expenses) Revenues and Changes in Net Position	
	Direct Expenses	Indirect Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities
						Total
Governmental Activities:						
Kentucky Tuition Grant	\$ 28,529,245	\$ 151,168	\$	\$ 32,632,812	\$ 3,952,399	\$ 3,952,399
College Access Program Grant	60,894,646	151,168		59,902,916	(1,142,898)	(1,142,898)
Mary Jo Young Scholarship	482,910	143,949		616,966	(9,893)	(9,893)
Early Childhood Development Scholarship	847,214	147,831		1,157,336	162,291	162,291
Kentucky National Guard Tuition Award Program	5,532,396	147,831		5,074,151	(606,076)	(606,076)
Kentucky Educational Excellence Scholarship	107,715,684	151,168		107,903,492	36,640	36,640
Teacher Scholarship	1,112,294	151,168		2,301,370	1,037,908	1,037,908
Teacher Loan Forgiveness	1,400,000				(1,400,000)	(1,400,000)
Osteopathic Medicine Scholarship	557,625	147,722		1,210,342	504,995	504,995
KHEAA Work Study Program	356,824	147,831		547,994	43,339	43,339
Go Higher Grant Program	161,960	135,852		308,780	10,968	10,968
Pharmacy Scholarship Program	28,670	137,758		950,095	783,667	783,667
Kentucky Coal County College Completion Scholarship	1,834,725	143,949		1,978,674		
John R. Justice Grant	5,543	134,886		140,429		
Total Governmental Activities	209,459,736	1,892,281		214,725,357	3,373,340	3,373,340
Business-Type Activities:						
Loan guarantee operations	4,189,182		1,667,515			(2,521,667)
Default collections	7,292,484		22,110,104			14,817,620
Loan finance and servicing activities	33,506,486		33,531,670			25,184
Outreach	3,913,148					(3,913,148)
Contribution to student aid programs	467,517					(467,517)
Student aid administration	1,892,281					(1,892,281)
Contribution to FSLRF	2,500,000					(2,500,000)
School services	1,890,561		550,429			(1,340,132)
Other activities	119,289		119,289			
Total Business-Type Activities	55,770,948		57,979,007			2,208,059
Total Primary Government	\$ 265,230,684	\$ 1,892,281	\$ 57,979,007	\$ 214,725,357	3,373,340	5,581,399
Change in Net position					3,373,340	5,581,399
Net position, July 1, 2014, Restated					18,613,183	181,531,102
Net position, June 30, 2015					\$ 21,986,523	\$ 187,112,501

See accompanying notes

Combined Statement of Net Position - Proprietary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

June 30, 2015

	Authority			Corporation			Combined
	Internal Service Fund	Agency Operating Fund	Authority Total	Education Finance Funds	Operating Fund	Corporation Total	Total
ASSETS							
Current:							
Cash and cash equivalents	\$ 4,123,570	\$ 12,781,675	\$ 16,905,245	\$	\$ 13,851,102	\$ 13,851,102	\$ 30,756,347
Investments		9,673,326	9,673,326				9,673,326
Accounts receivable and prepaid expenses		185,696	185,696	32,780	719,887	752,667	938,363
Accrued interest income		248,054	248,054	11,733,332	876,358	12,609,690	12,857,744
Loans, net				128,941,394	6,362,171	135,303,565	135,303,565
Total Current Assets	4,123,570	22,888,751	27,012,321	140,707,506	21,809,518	162,517,024	189,529,345
Noncurrent:							
Restricted cash and cash equivalents				62,803,830		62,803,830	62,803,830
Internal receivable (payable) for Gear Up Scholarships							
Receivable from Federal Student Loan Reserve Fund		1,677,485	1,677,485				1,677,485
Investments		62,221,101	62,221,101		8,359,505	8,359,505	70,580,606
Fixed assets, net		8,210,914	8,210,914		314,298	314,298	8,525,212
Loans, net				945,157,915	78,695,362	1,023,853,277	1,023,853,277
Accrued interest income, net				7,102,492	418,875	7,521,367	7,521,367
Total Noncurrent Assets		72,109,500	72,109,500	1,015,064,237	87,788,040	1,102,852,277	1,174,961,777
Total Assets	4,123,570	94,998,251	99,121,821	1,155,771,743	109,597,558	1,265,369,301	1,364,491,122
Deferred Outflows of Resources:							
Deferred pension expense		475,279	475,279		4,149,106	4,149,106	4,624,385
Total Assets and Deferred Outflows of Resources	4,123,570	95,473,530	99,597,100	1,155,771,743	113,746,664	1,269,518,407	1,369,115,507
LIABILITIES							
Current:							
Accounts payable and accrued expenses	1,408,838	629,776	2,038,614	417,851	3,971,766	4,389,617	6,428,231
Interfund payable (receivable)	2,714,732	(2,594,309)	120,423	(3,227,437)	3,107,014	(120,423)	
Accrued interest expense		27,283	27,283	892,612	2,139	894,751	922,034
Payable (receivable) to U.S. Department of Education		(366,500)	(366,500)	9,553,977	698,349	10,252,326	9,885,826
Line of credit payable					16,445,267	16,445,267	16,445,267
Capital lease payable		580,000	580,000				580,000
Total Current Liabilities	4,123,570	(1,723,750)	2,399,820	7,637,003	24,224,535	31,861,538	34,261,358
Noncurrent:							
Capital lease payable		2,630,000	2,630,000				2,630,000
Net pension liability		9,093,000	9,093,000		71,434,000	71,434,000	80,527,000
Bonds payable, net				1,065,523,292		1,065,523,292	1,065,523,292
Total Noncurrent Liabilities		11,723,000	11,723,000	1,065,523,292	71,434,000	1,136,957,292	1,148,680,292
Total Liabilities	4,123,570	9,999,250	14,122,820	1,073,160,295	95,658,535	1,168,818,830	1,182,941,650
Deferred Inflows of Resources:							
Deferred pension expense		117,000	117,000		918,000	918,000	1,035,000
Deferred gain on debt retirements, net				20,012,879		20,012,879	20,012,879
Total Liabilities and Deferred Inflows of Resources	4,123,570	10,116,250	14,239,820	1,093,173,174	96,576,535	1,189,749,709	1,203,989,529
NET POSITION							
Invested in capital assets, net		5,000,914	5,000,914		314,298	314,298	5,315,212
Unrestricted					6,285,287	6,285,287	6,285,287
Restricted, other				62,598,569	10,570,544	73,169,113	73,169,113
Restricted for student aid and related activities		80,356,366	80,356,366				80,356,366
Total Net Position	\$	\$ 85,357,280	\$ 85,357,280	\$ 62,598,569	\$ 17,170,129	\$ 79,768,698	\$ 165,125,978

See accompanying notes

Combined Statement of Revenues, Expenditures and Changes
in Net Position - Proprietary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

For Year Ending June 30, 2015

	Authority			Corporation			Combined
	Internal Service Fund	Agency Operating Fund	Authority Total	Education Finance Funds	Operating Fund	Corporation Total	Total
Operating revenues:							
Interest Revenues:							
Interest on loans	\$	\$	\$	\$ 26,204,379	\$ 2,246,372	\$ 28,450,751	\$ 28,450,751
Interest and investment income		632,952	632,952	14,110	56,161	70,271	703,223
Amortization of deferred gain on debt retirements				1,799,930		1,799,930	1,799,930
Interest expense on bonds				(8,813,415)	(264,804)	(9,078,019)	(9,078,019)
Total net interest revenues		632,952	632,952	19,205,004	2,037,929	21,242,933	21,875,865
Financing Expenses:							
Provision for loan losses				4,273,400	870,295	5,143,695	5,143,695
Provision for arbitrage				(55,771)		(55,771)	(55,771)
Long-Term debt credit facility and remarketing fees				966,820	19,707	986,527	986,527
Debt issuance costs				961,249		961,249	961,249
Total financing expenses				6,145,698	890,002	7,035,700	7,035,700
Interest revenues net of financing expenses		632,952	632,952	13,059,306	1,147,927	14,207,233	14,840,185
Other Operating Revenues:							
Servicing fees from external sources					923,236	923,236	923,236
Servicing fees from Education Finance Funds					6,882,940	6,882,940	6,882,940
Debt recovery commission		22,110,104	22,110,104		267,844	267,844	22,377,948
Federal fees earned		1,536,064	1,536,064				1,536,064
Default aversion fee income		(501,501)	(501,501)				(501,501)
Guarantee fee				89,812	52,292	142,104	142,104
Gain on early retirement of debt				108,828		108,828	108,828
Gain on sale/purchase of loans				653,493	2,043,279	2,696,772	2,696,772
Late payment penalties				1,179,326	55,932	1,235,258	1,235,258
School services		550,429	550,429				550,429
Other income	119,289		119,289		31,755	31,755	151,044
Total operating revenues	119,289	24,328,048	24,447,337	15,090,765	11,405,205	26,495,970	50,943,307
Operating Expenses:							
Administrative expenses	119,289	10,589,590	10,708,879		17,769,656	17,769,656	28,478,535
Servicing fees for Operating Fund				6,882,940		6,882,940	6,882,940
Depreciation and amortization		534,565	534,565		104,748	104,748	639,313
Other expenses		357,511	357,511	168,283	543,300	711,583	1,069,094
Total operating expenses	119,289	11,481,666	11,600,955	7,051,223	18,417,704	25,468,927	37,069,882
Net operating income (loss) before program benefits		12,846,382	12,846,382	8,039,542	(7,012,499)	1,027,043	13,873,425
Program Benefits:							
Principal and interest benefits				518,421	483,438	1,001,859	1,001,859
School Service		1,890,561	1,890,561				1,890,561
Outreach		3,913,148	3,913,148				3,913,148
Contribution to FSLRF		2,500,000	2,500,000				2,500,000
Contribution to student aid programs		467,517	467,517				467,517
Student aid administration		1,892,281	1,892,281				1,892,281
Total program benefits		10,663,507	10,663,507	518,421	483,438	1,001,859	11,663,366
Operating income (loss) before transfers		2,182,875	2,182,875	7,521,121	(7,495,937)	25,184	2,208,059
Transfers (to) from other funds							
Interfund transfers				(27,269,794)	27,269,794		
Increase (decrease) in Net position after transfers		2,182,875	2,182,875	(19,748,673)	19,773,857	25,184	2,208,059
Net position, July 1, 2014, Restated		83,174,405	83,174,405	82,347,242	(2,603,726)	79,743,514	162,917,919
Net position, June 30, 2015	\$	\$ 85,357,280	\$ 85,357,280	\$ 62,598,569	\$ 17,170,129	\$ 79,768,698	\$ 165,125,978

See accompanying notes

Combined Statement of Cash Flows - Proprietary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

For Year Ending June 30, 2015

	Authority			Corporation			Combined
	Internal Service Fund	Agency Operating Fund	Authority Total	Education Finance Funds	Operating Fund	Corporation Total	Total
Cash Flows from Operating Activities:							
Principal received on loans	\$	\$	\$	\$ 204,902,642	\$ 14,712,500	\$ 219,615,142	\$ 219,615,142
Interest received on loans				37,513,688	2,259,087	39,772,775	39,772,775
Special allowance paid				(27,312,708)	(1,091,978)	(28,404,686)	(28,404,686)
Servicing fees received, internal sources	(119,289)	178,307	59,018	(6,882,940)	6,882,940		59,018
School services fees received		550,429	550,429				550,429
Servicing fees received, external sources					931,879	931,879	931,879
Debt recovery commission received		22,110,104	22,110,104		399,684	399,684	22,509,788
Federal fees received		1,536,064	1,536,064				1,536,064
Default aversion fees received		(501,501)	(501,501)				(501,501)
Outreach		(3,913,148)	(3,913,148)				(3,913,148)
School services		(1,890,561)	(1,890,561)				(1,890,561)
Internal activity-payments to other funds	1,308,367	(1,308,367)		4,867,229	(4,867,229)		
Loans originated, including costs				(1,806,260)	(6,231,947)	(8,038,207)	(8,038,207)
Administrative expenses paid		(9,601,163)	(9,601,163)	(3,860,037)	(15,158,678)	(19,018,715)	(28,619,878)
Contribution to FSLRF		(2,500,000)	(2,500,000)				(2,500,000)
Credit facility fees paid				(966,981)	(18,821)	(985,802)	(985,802)
Loans purchased, including premiums				(12,651,374)	(91,481,526)	(104,132,900)	(104,132,900)
Contribution to student aid programs		(467,517)	(467,517)				(467,517)
Student aid administration		(1,892,281)	(1,892,281)				(1,892,281)
Interfund loan sales and purchases				(59,427,074)	59,427,074		
Client loan receipts					3,008,818	3,008,818	3,008,818
Loan receipts remitted to clients					(3,432,935)	(3,432,935)	(3,432,935)
Net Cash Provided by (Used in) Operating Activities	1,189,078	2,300,366	3,489,444	134,376,185	(34,661,132)	99,715,053	103,204,497
Cash Paid from Noncapital Financing Activities:							
Proceeds from debt issued				134,605,000	76,832,623	211,437,623	211,437,623
Debt principal payments				(228,316,000)	(67,757,036)	(296,073,036)	(296,073,036)
Interest on debt				(9,051,744)	(267,204)	(9,318,948)	(9,318,948)
Debt issuance costs				(961,249)	(16,290)	(977,539)	(977,539)
Gain on early retirement of debt				108,828		108,828	108,828
Interfund transfers				(27,269,794)	27,269,794		
Increase in Federal Student Loan Reserve receivable		4,403,172	4,403,172				4,403,172
Net Cash Provided by (Used in) Noncapital Financing Activities		4,403,172	4,403,172	(130,884,959)	36,061,887	(94,823,072)	(90,419,900)
Cash Flows From Capital and Related Financing Activities:							
Capital expenditures		(562,818)	(562,818)		(170,924)	(170,924)	(733,742)
Interest paid on capital lease		(4,600)	(4,600)				(4,600)
Bond principal payments		(550,000)	(550,000)				(550,000)
Net Cash Used in Capital and Related Financing Activities		(1,117,418)	(1,117,418)		(170,924)	(170,924)	(1,288,342)
Cash Flows From Investing Activities:							
Proceeds from sales/maturities of investments		32,407,906	32,407,906		4,579,192	4,579,192	36,987,098
Purchases of investments		(53,411,360)	(53,411,360)		(4,641,820)	(4,641,820)	(58,053,180)
Investment income		902,790	902,790	13,384	54,513	67,897	970,687
Net Cash Provided by (Used in) Investing Activities		(20,100,664)	(20,100,664)	13,384	(8,115)	5,269	(20,095,395)
Net Increases (Decrease) in Cash and Cash Equivalents	1,189,078	(14,514,544)	(13,325,466)	3,504,610	1,221,716	4,726,326	(8,599,140)
Cash and Cash Equivalents, July 1, 2014	2,934,492	27,296,219	30,230,711	59,299,220	12,629,386	71,928,606	102,159,317
Cash and Cash Equivalents, June 30, 2015	\$ 4,123,570	\$ 12,781,675	\$ 16,905,245	\$ 62,803,830	\$ 13,851,102	\$ 76,654,932	\$ 93,560,177

See accompanying notes

Combined Statement of Cash Flows - Proprietary Funds

Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation

For Year Ending June 30, 2015

	Authority			Corporation			Combined
	Internal Service Fund	Agency Operating Fund	Authority Total	Education Finance Funds	Operating Fund	Corporation Total	Total
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities							
Operating income (loss) before transfers	\$	\$ 2,182,875	\$ 2,182,875	\$ 7,521,121	\$ (7,495,937)	\$ 25,184	\$ 2,208,059
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:							
Investment income		(632,952)	(632,952)	(13,384)	(58,902)	(72,286)	(705,238)
Depreciation and amortization		880,246	880,246		104,748	104,748	984,994
Amortization of deferred gain on debt retirements				(1,799,930)		(1,799,930)	(1,799,930)
Amortization, expense and write-off of debt issuance costs				961,249		961,249	961,249
Gain on early retirement of debt				(108,828)		(108,828)	(108,828)
Interest expense		4,600	4,600	8,813,415	264,604	9,078,019	9,082,619
Provision for loan losses				4,273,400	870,295	5,143,695	5,143,695
Borrower interest converted to principal				(21,694,230)	(1,167,526)	(22,861,756)	(22,861,756)
Loan forgiveness				518,421	17,650	536,071	536,071
Pension expense		211,721	211,721		1,249,894	1,249,894	1,461,615
(Increases) decreases in assets:							
Accounts receivables and prepaid expenses		102,909	102,909	4,763	84,155	88,918	191,827
Accrued interest receivable		75,398	75,398	1,440,676	(555,909)	884,767	960,165
Principal received on loans				204,902,642	14,712,500	219,615,142	219,615,142
Loans purchased, including premiums		(47)	(47)	(12,651,374)	(91,481,526)	(104,132,900)	(104,132,947)
Loans originated, including costs				(1,806,260)	(6,231,947)	(8,038,207)	(8,038,207)
Interfund loan sales and purchases				(59,427,074)	59,427,074		
Increases (decreases) in liabilities:							
Accounts payable and accrued expenses	331,970	205,225	537,195	(39,286)	280,660	241,374	778,569
Payable to U.S. Department of Education				(1,316,400)	318,363	(998,037)	(998,037)
Interfund receivable/payable	857,108	(725,009)	132,099	4,867,229	(4,999,328)	(132,099)	
Accrued interest payable		(4,600)	(4,600)				(4,600)
Allowance for arbitrage liabilities				(69,965)		(69,965)	(69,965)
Net Cash Provided by (Used in) Operating Activities	\$ 1,189,078	\$ 2,300,366	\$ 3,489,444	\$ 134,376,185	\$ (34,661,132)	\$ 99,715,053	\$ 103,204,497

Balance Sheet - Governmental Fund

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

	Governmental Fund Student Aid
ASSETS	
Current:	
Cash and cash equivalents	\$ 3,670,700
Accounts receivable	8,598,775
Teacher and Osteopathic Medicine scholarship loans	<u>450,000</u>
Total Current Assets	<u>12,719,475</u>
Noncurrent:	
Teacher and Osteopathic Medicine scholarship loans, net of allowance of \$3,600,000	4,387,943
Teacher and Osteopathic Medicine scholarship advances	<u>4,896,984</u>
Total Noncurrent Assets	<u>9,284,927</u>
Total Assets	<u>22,004,402</u>
LIABILITIES	
Current:	
Accounts payable	<u>17,879</u>
Total Liabilities	<u>17,879</u>
FUND BALANCE	
Restricted for program benefits	<u><u>\$ 21,986,523</u></u>

Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Fund

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

For Year Ending June 30, 2015

	Governmental Fund Student Aid
Revenues:	
Interest and investment income fund	\$ 619,859
Tobacco settlement revenue	797,714
Unclaimed lottery revenue	6,500,000
State General Fund revenue	203,673,961
Federal funds revenue	5,543
Other income	768,482
Contribution from Agency Operating Fund	2,359,798
Total Revenues	214,725,357
Expenditures:	
Kentucky Tuition Grant	28,680,413
College Access Program Grant	61,045,814
Mary Jo Young Scholarship	626,859
Early Childhood Development Scholarship	995,045
Kentucky National Guard Tuition Award Program	5,680,227
Kentucky Educational Excellence Scholarship	107,866,852
Teacher Scholarship	1,263,932
Teacher Loan Forgiveness	1,400,000
Osteopathic Medicine Scholarship	705,347
Coal County Scholarship Program for Pharmacy Students	165,958
KHEAA Work Study Program	504,655
Go Higher Grant Program	297,812
Kentucky Coal County College Completion Scholarship	1,978,674
John R. Justice Grant	140,429
Total Expenditures	211,352,017
Net Change in Fund Balance	3,373,340
Fund Balance, July 1, 2014, Restated	18,613,183
Fund Balance, June 30, 2015	\$ 21,986,523

Statement of Fiduciary Net Position (Deficit)

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

	Federal Student Loan Reserve Fund	Kentucky's Affordable Prepaid Tuition	Kentucky Education Savings Plan Trust
ASSETS			
Current:			
Cash and cash equivalents	\$ 11,009,408	\$ 2,867,739	\$ 30
Contributions receivable		661,925	
Fees receivable		195,798	
Receivable from U.S. Department of Education	6,302,488		
Investments		101,687,668	180,068,341
Other current assets	1,650		324,303
Total Current Assets	17,313,546	105,413,130	180,392,674
Noncurrent:			
Contributions receivable		1,425,832	
Total Assets	17,313,546	106,838,962	180,392,674
LIABILITIES			
Current:			
Accounts payable	6,716	144,534	324,303
Accrued expenses			131,168
Current portion of reinsurance reserve	499,899		
Total Current Liabilities	506,615	144,534	455,471
Noncurrent:			
Reinsurance reserve, less current portion	3,584,574		
Payable to Agency Operating Fund	1,677,487		
Tuition benefits payable		130,748,696	
Total Liabilities	5,768,676	130,893,230	455,471
NET POSITION			
Restricted for program benefits		(24,054,268)	179,937,203
Restricted for other purposes	11,544,870		
Total Net Position (Deficit)	\$ 11,544,870	\$ (24,054,268)	\$ 179,937,203

See accompanying notes

Statement of Changes in Fiduciary Net Position (Deficit)

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

For Year Ending June 30, 2015

	Federal Student Loan Reserve Fund	Kentucky's Affordable Prepaid Tuition	Kentucky Education Savings Plan Trust
Additions:			
Federal reinsurance	\$ 72,521,422	\$	\$
Contribution from Agency Operating Fund	2,500,000		
Contract income, net		323,244	
Subscriptions			56,353,397
Investment Revenues:			
Net unrealized gain (loss) on investments		(7,351,587)	381,410
Interest and investment income	1,287	11,351,190	3,268,410
Other income	3,598,440		
Total Additions	78,621,149	4,322,847	60,003,217
Deductions:			
Program benefits:			
Loan claims	78,638,831		
Default aversion fee expense	(501,501)		
Redemptions			53,076,389
Administrative expenses		52,793	720,193
Personnel and professional expenses		417,111	
Refunds		2,553,305	
Trustee fee expense		320,996	
Tuition benefits expense, net		2,032,931	
Total Deductions	78,137,330	5,377,136	53,796,582
Change in Net Position	483,819	(1,054,289)	6,206,635
Net Position (Deficit), July 1, 2014	11,061,051	(22,999,979)	173,730,568
Net Position (Deficit), June 30, 2015	\$ 11,544,870	\$ (24,054,268)	\$ 179,937,203

Notes to Financial Statements

Kentucky Higher Education Assistance Authority Kentucky Higher Education Student Loan Corporation

June 30, 2015

Note A--Description of Business

The Kentucky Higher Education Assistance Authority (the "Authority") was established in 1966 as the Commonwealth of Kentucky's agency for improving higher education opportunities. The Authority guarantees loans, performs default aversion activities, pays lender default and other claims and performs collection activities on eligible student loans. The Kentucky Educational Savings Plan Trust (the "Trust"), and the Commonwealth Postsecondary Education Prepaid Trust Fund, Kentucky's Affordable Prepaid Tuition Plan (the "Plan") offer savings and investment opportunities for Kentuckians to save for higher education. The Kentucky Higher Education Student Loan Corporation (the "Corporation") makes student loans directly to parents and students as part of the Kentucky Advantage Education Loan Program ("KAEL"), which includes the Kentucky Advantage Parent Loan. The Corporation also purchases, services and performs collection activities on certain eligible education loans. The Authority and the Corporation maintain bundled operations to maximize the efficiency of loan guarantee and servicing operations. Accordingly, all senior management positions have responsibilities related to both the Authority and the Corporation. Additionally, the Plan and the Trust are governed by the Authority and Corporation's combined Board of Directors. Throughout the accompanying financial statements, the "Authority/Corporation" refers to the combined group of operations.

The Health Care and Education Reconciliation Act ("HCERA") of 2010 was signed into law on March 30, 2010. HCERA eliminated the origination and/or guarantee of Federal Family Education Loan Program ("FFELP") loans, effective July 1, 2010. HCERA did allow lenders to make subsequent disbursements on loans originated on or before June 30, 2010. The Authority/Corporation can no longer originate, guarantee or fund any new FFELP loans. However, the Authority/Corporation continues to operate under existing FFELP regulations for loans originated and guaranteed prior to July 1, 2010.

Loan Guarantee Operations

The Authority/Corporation's loan guarantee operations guarantee existing FFELP loans to qualified students and parents of qualified students made by approved lenders in Kentucky and Alabama. Commencing in 1969, retroactive to 1965, the federal government agreed to insure 80% of such guarantee student loans. FFELP was established by Congress and is administered by the USDE as a means of making loans available to students attending colleges, universities and vocational institutions. FFELP provides for the Authority/Corporation's loan guarantee operations to guarantee the repayment of principal and accrued interest to lenders for each eligible student loan. The Authority/Corporation's loan guarantee operation is responsible for maintaining loan guarantees, providing default aversion assistance to lenders for delinquent loans, paying lender claims for loans in default, paying lender claims for death, disability or bankruptcy and collecting loans on which default claims have been paid. The Authority/Corporation also educates lenders about FFELP requirements and regulatory changes.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note A--Description of Business--Continued

Effective January 10, 1977, the Authority/Corporation's loan guarantee operation entered into a supplemental guaranty agreement with the Federal government, which provided up to 100% reimbursement, depending upon default experience as specified in the agreement. Subsequently, federal reinsurance on guaranteed loans made from October 1, 1993 to September 30, 1998 was reduced to a maximum of 98% and federal reinsurance on guaranteed loans made on or after October 1, 1998, was reduced to a maximum of 95% (see Note E).

The Higher Education Amendments of 1998 (the "1998 Amendments") which were enacted on October 7, 1998, with an effective date of October 1, 1998, changed the manner in which FFELP is administered. Under the 1998 Amendments, the Authority/Corporation established a Federal Student Loan Reserve Fund (the "FSLRF") and an Agency Operating Fund (the "AOF") to account for all FFELP guarantee activities. FSLRF assets and all earnings on those assets are the property of the Federal government.

The guarantee reserves of the Authority/Corporation were required to be deposited in the new Federal Fund no later than 60 days after enactment. The result of this federal legislation was that the Authority/Corporation's guarantee reserve fund equity of approximately \$40.6 million was transferred to the newly established FSLRF and the Authority/Corporation's AOF commenced activities with a zero fund equity. The funds in the newly established FSLRF were used to pay for the reimbursements to the lenders for student loan claims and pay the AOF for default aversion fees, Account Maintenance Fee shortfall and any U.S. Treasury recall amounts. Funds used to pay loan claims are mostly replenished from reimbursements from the federal government.

Other sources of revenues to the FSLRF include the federal compliment on collections of defaulted loans and investment income. All of the other sources and uses of funds not related to the FSLRF are recorded in the AOF. The AOF assets and earnings on those assets are the property of the Authority/Corporation and may generally be used for all guaranty agency and other student financial aid related activities.

Sources of funds to the AOF include investment income, agency retention on collections of defaulted loans, default aversion fees and account maintenance fees. Expenditures from the AOF include personnel, professional and other administrative expenses directly related to the loan program operations, outreach program activities, school services and other operating activities. The AOF provides funding to the governmental fund to pay administration costs for fourteen student aid programs, administrative costs for the Trust, and direct benefits for the Mary Jo Young Scholarship program. The AOF also transfers funds to the Plan to pay some of the Plan's administration costs. Both the FSLRF and AOF are subject to federal oversight.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note A--Description of Business--Continued

Loan Finance and Servicing Operations

The Corporation is an independent *de jure* municipal corporation established by the Kentucky General Assembly in 1978 to provide a loan finance program for post-secondary students in the Commonwealth of Kentucky. The Corporation is authorized to finance loans for students attending eligible post-secondary institutions, service and collect education loans, and issue bonds and notes not to exceed \$5 billion in order to carry out its corporate powers and duties.

The Authority/Corporation's finance, servicing and collection activities include: (i) the origination and acquisition of education loans; (ii) the financing of FFELP and Kael loans; (iii) the servicing of FFELP, Kael, certain federal and other education loans; and (iv) the collection of FFELP, Kael, certain federal and other education loans for other holders on a commission or cost reimbursement basis. FFELP student loans held, serviced and collected by the Authority/Corporation include Federal Stafford Loans ("Stafford"), Unsubsidized Stafford Loans ("Unsubsidized Stafford"), Federal Supplemental Loans for Students ("SLS"), Federal Parent Loans for Undergraduate Students ("PLUS") and Federal Consolidation Loans ("Consolidations").

Most FFELP loans held by the Authority/Corporation are insured by a guaranty agency. Loans made prior to October 1, 1993, are 100% insured. Loans made between October 1, 1993 and June 30, 2006, are 100% insured against borrowers' death, disability, or bankruptcy and 98% insured against borrowers' default. Loans made after June 30, 2006, are 100% insured against borrowers' death, disability, or bankruptcy and 97% insured against borrowers' default. Kael loans are self-insured by the Authority/Corporation.

The Authority/Corporation's Indentures and separate series resolutions for issuance of revenue bonds contain provisions establishing funds and accounts for the segregation of assets and provisions restricting the use of the proceeds of bonds and other funds received. In addition, the Authority/Corporation's lines of credit also provide for certain collateral account and proceeds restrictions.

As of June 30, 2015 the Authority/Corporation held and serviced approximately \$1.17 billion outstanding principal amount of FFELP and other education loans. \$1.08 billion of loans were pledged pursuant to the 2008 Indenture, the 2010 Indenture, the 2013-1 Indenture, the 2013-2 Indenture, the 2014 Indenture, and the 2015 Indenture. The remaining \$89 million of loans were funded by the Corporation's Operating Fund. Also, the Authority/Corporation services approximately \$4 million of FFELP and other education loans on behalf of other holders. The majority of such education loans are serviced by the Authority/Corporation pursuant to servicing agreements which do not provide for the acquisition by the Authority/Corporation of the education loans serviced. As a servicer of FFELP and other education loans, the Authority/Corporation collects student loan remittances and subsequently disburses these remittances to the appropriate lending entities. The Authority/Corporation's obligations pursuant to such servicing and collection agreements are without recourse to assets pledged to collateralize any Authority/Corporation financings.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note A--Description of Business—Continued

In addition to operations related to FFELP program, the Authority/Corporation administers the Trust, the Plan, student aid programs, and outreach programs.

Kentucky Educational Savings Plan Trust

The Trust was formed on July 15, 1988 by Kentucky law, to help families save for the costs of higher education. The Trust is administered by the Board of Directors. The Authority/Corporation has contracted with TIAA-CREF Tuition Financing, Inc. ("TFI"), a wholly-owned subsidiary of Teachers Insurance and Annuity Association of America ("TIAA"), for management services over the Trust's operations. The Trust is operated in a manner such that it is exempt from registration as an investment company under the Investment Company Act of 1940. The Trust offers certain federal and state tax advantages to account owners.

An individual or entity participating in the Trust establishes an account in the name of a Beneficiary. Contributions can be made among six investment options: the Managed Allocation Option, the Fixed Income Option, the Balanced Option, Equity Index Option, Active Equity Option and the Guaranteed Option.

Contributions in the Managed Allocation Option are allocated among six age bands, based on the age of the beneficiary. Each age band invests in varying percentages in the Institutional Class of the International Equity, International Equity Index, Large-Cap Value, Large-Cap Growth, S&P 500 Index, Mid-Cap Growth Fund, Small-Cap Equity, Mid-Cap Value, Short-Term Bond, Bond Index, Inflation-Linked Bond, Equity Index, Bond Fund, Real Estate Securities, Emerging Market Equity, Emerging Market Equity Index and Money Market Funds of the TIAA-CREF Institutional Mutual Funds.

The Equity Option invests in varying percentages in the Institutional Class of the International Equity and Growth & Income Funds of the TIAA-CREF Institutional Mutual Funds.

The Guaranteed Option is contractually obligated to pay a minimum rate of return of 1%.

All allocation percentages are determined by the Authority/Corporation's Board of Directors and are subject to change. The assets of the Guaranteed Option are allocated to a funding agreement issued by TIAA-CREF Life Insurance Company, a subsidiary of TIAA, which offers a guarantee of principal and a minimum rate of return to the Trust.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note A--Description of Business--Continued

Prepaid Tuition Plan

The Authority/Corporation also administers the Plan, which was created by the 2000 Kentucky General Assembly and is governed under Kentucky Revised Statutes ("KRS") 164A.700-709.

On July 1, 2005, governance of the Plan permanently transferred to the Authority/Corporation. The Plan was established to provide families with an opportunity to save for future postsecondary education expenses. The Plan investment policy goal is to earn rates of return that closely match tuition inflation rates and remain sufficiently liquid to meet KAPT benefit payments in a timely manner. The Plan offered enrollment periods in fiscal years 2002, 2003 and 2005, for purchasers to buy prepaid tuition contracts. The Plan offers certain federal and state tax advantages to purchasers. There have been no enrollment periods since fiscal year 2005 as the Plan currently maintains an accumulated net deficit of approximately \$24.1 million.

Participants purchased annual tuition units at current tuition levels, or current tuition levels plus a premium, and receive benefits equal to tuition rates in place at the time that the student attends a qualified postsecondary education institution. The Plan offered three tuition plans – the Value Plan, the Standard Plan and the Premium Plan. In the Value Plan, participants buy tuition units and receive benefits indexed to the tuition rate of the Kentucky Community and Technical College System. The Standard Plan offers tuition units and benefits indexed to the tuition rate of Kentucky's most expensive public university. The Premium Plan offers tuition units at the current average tuition cost of Kentucky's private colleges and universities and guarantees a return on a participant's investment equal to the tuition inflation rate for the University of Kentucky.

Participants were allowed to elect to spread payments to the Plan over three, five or seven years or until the anticipated year of the student's enrollment in a qualified postsecondary education institution. Participants may use Plan benefits for eligible educational expenses at any eligible public or private vocational school, college or university in the United States. If a beneficiary attends an eligible educational institution with tuition rates in excess of Plan benefits, the Plan will not be responsible for the difference. If a beneficiary attends an eligible educational institution with tuition rates less than Plan benefits, participants may use the difference for other qualified educational expenses such as room, board, books and supplies.

Participants may withdraw from the Plan at any time for any reason. Terminating participants are refunded any contract payments made less benefits received, administrative and cancellation fees. Participants who withdraw after July 1 of the beneficiary's college entrance year receive the statutorily defined payout value of the contract less benefits received, administrative and cancellation fees. Non-qualified withdrawals are subject to a 10% penalty in accordance with Section 529 of the Internal Revenue Code ("IRC") except in cases where the withdrawal is: (1) made on account of the death or disability of the student; (2) made on account of a scholarship received by a student, or (3) a non-taxable transfer to another account or to another IRC Section 529 program for a different student who is a family member of the original student.

Notes to Financial Statements--Continued

Kentucky Higher Education Assistance Authority Kentucky Higher Education Student Loan Corporation

June 30, 2015

Note A--Description of Business--Continued

The Kentucky General Assembly approved certain changes to the Plan during the 2014 Legislative Session that became effective July 2014. These changes included the following: the addition of a utilization period definition; the establishment of June 30, 2028 as the closure date of the Plan; the establishment of certain limitations on the growth of a plan account beyond the utilization period; the prohibition of projected college entrance year extensions; and the clarification of provisions for transferring a plan account to another qualified tuition program.

As of June 30, 2015, the Plan maintained a present value fund deficit of \$24.1 million. This represents a \$1.1 million increase over the previous year's deficit. Based on actuarial estimates, the Plan's assets will be exhausted in fiscal year 2023, at which time the liability of the Plan becomes a General Obligation of the Commonwealth of Kentucky. Per KRS 164A.708, once a real liability is expected to accrue, the General Assembly shall appropriate the necessary funds to meet the liability. Over the remaining estimated life of the program, through fiscal year 2028, actuarial estimates show the Commonwealth of Kentucky will need to transfer approximately \$44 million.

Student Aid Programs

The Authority/Corporation provides administration of fourteen student aid programs: (1) the Kentucky Tuition Grant program, (2) College Access Program grant, (3) Kentucky Educational Excellence Scholarship program, (4) Teacher Scholarship program, (5) Osteopathic Medicine Scholarship program, (6) the KHEAA Work-Study program, (7) Kentucky Coal County College Completion Scholarship, (8) Early Childhood Development Scholarship program, (9) the Go Higher Grant program, (10) the Coal County Scholarship for Pharmacy Students program, (11) the Mary Jo Young Scholarship program, (12) John R. Justice grant, (13) the Kentucky National Guard Tuition Award program, and (14) the Minority Educator Recruitment and Retention Scholarship program. Direct benefits for grant, scholarship, and work-study programs are funded by appropriations from the Kentucky General Assembly, federal grants, funding from the Authority/Corporation, allocation of revenues from the Kentucky Lottery Corporation, Coal Severance Tax and Tobacco Settlement funds.

Outreach Programs

The Authority/Corporation offers college planning and student financial aid guidance to students and families, school counselors, adult education providers and other community contacts. Programs and services include regional field counselors, a mobile college-planning classroom, a one-stop Web portal, near-peer college coaches and targeted publications for students of all ages. Initiatives include Kentucky College Application Week, which provides participating seniors with hands-on assistance in applying to college or technical school; *Surviving College*, a workshop and publication combination designed to ease the transition from high school to college, increasing retention; and the Kentucky College Coaches Program, in which recent college graduates serve as coaches to students in schools with predominantly first-generation, low-income students.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies

Basis of Presentation - The Authority/Corporation reports its financial information in accordance with the Government Accounting Standard Board ("GASB") Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments* as amended by GASB No. 37 and modified by GASB No. 38, *Certain Financial Statement Disclosures*, (collectively "GASB No. 34"). The Authority/Corporation's basic financial statements are prepared in accordance with GASB No. 34 and are comprised of the following three components: 1) government-wide financial statements; 2) fund financial statements, and 3) notes to financial statements. The government-wide financial statements are comprised of a statement of net position and a statement of activities. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements reflect all of the assets, liabilities, deferred inflows of resources, deferred outflows of resources, revenues, expenses, gains and losses of the combined Authority/Corporation's governmental and business-type activities. The Authority/Corporation's governmental activities reflect the activities of administering the various student grant, scholarship, advance/loan and work-study programs for the Commonwealth of Kentucky and the Federal Government.

The Authority/Corporation's business-type activities include administering loan guarantees, default collection, loan finance and servicing, outreach program activities, student aid administration and contributions, school services and other activities.

The combined government-wide financial statements do not reflect fiduciary activities whose resources are not available to finance the Authority/Corporation's programs.

The Authority/Corporation's combined fund financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to state government entities, which provide that accounting systems be organized by funds to account for specific activities consistent with legal and operating requirements. The Authority/Corporation's governmental fund includes the activities of administering grant, scholarship, advance/loan programs and the work-study program for the Commonwealth of Kentucky and the Federal Government.

The Authority/Corporation's loan guarantee, default collection, loan finance and servicing, outreach program activities, student aid administration and contributions, school services and other business-type activities are presented as proprietary funds. Proprietary funds also include internal service funds, which are used to report activity that provides goods or services on a cost reimbursement basis predominantly to the Authority/Corporation's other business-type activities. The Authority/Corporation follows all applicable GASB pronouncements.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies--Continued

Fiduciary activities include private-purpose trust and agency funds administered by the Authority/Corporation pursuant to FFELP, the Trust and the Plan. The fiduciary fund financial statements are comprised of a statement of net position and a statement of changes of net position. Prepared using the economic resources measurement focus and the accrual basis of accounting, these statements reflect all of the assets, liabilities, revenues, expenses, gains and losses of the FSLRF, the Trust and the Plan.

The Authority/Corporation's Fiduciary Funds are held in a custodial capacity. FSLRF assets and all earnings on those assets are the property of the Federal government and are used primarily to facilitate FFELP claim payments. Assets of the Trust are held by the Authority/Corporation on behalf of program participants. Assets of the Plan are held by the Authority/Corporation to offset future tuition obligations of participants.

Cash and Cash Equivalents - The Authority/Corporation considers cash and cash equivalents to include highly liquid investments, which mature within one month or less of purchase.

Investments - Investments for all funds consist primarily of securities of the federal government or its agencies, corporate bonds, commercial paper collateralized mortgage obligations and mutual funds, which are stated at fair market value. Fair market value is determined by using quoted market prices as of the last day of the fiscal year.

The Plan maintains a separate investment policy with the current following target asset allocation:

Large Cap U.S. stocks	30%
Mid Cap U.S. stocks	5%
Small Cap U.S. stocks	4%
Non-U.S. stocks	9%
Total Equity	48%
Inflation indexed bonds	7%
Domestic fixed income	44%
Cash	1%
Total Fixed Income	52%

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies--Continued

To decrease overall investment risk, the following restrictions apply to the Plan's investments:

- i. No more than 5% of the total amount of the equity portion of the investment account in the securities of any one issuer;
- ii. No more than 25% of the total amount of the equity portion of the investment account in any one industry, as defined by Standard & Poors;
- iii. For portfolios invested in major-market countries, no more than 25% of the total amount of the equity portion of the investment account in any one country with the exception of those countries whose weighting in the Europe, Australia, and Far East ("EAFE") index is greater than 25%, where a maximum weight of the current country weight in the EAFE benchmark plus 10% is permitted;
- iv. For portfolios invested in emerging markets, no more than 20% of the equity portion of the investment account shall be invested in one country;
- v. A minimum of eight countries shall be represented in each investment account; and
- vi. No more than 10% of the total amount of the fixed-income portion of the investment account shall be committed to the securities of any one issuer at the time of purchase, with the exception of securities issued or guaranteed by the full faith and credit of the United States of America or AAA-related securities issued by government agencies as to which there is no limit.

Under the Kentucky Revised Statutes, the Authority/Corporation's Board of Directors is charged with selecting the various options in which the participants of the Trust can invest their funds. An individual participating in the Trust establishes an account in the name of a Beneficiary. Contributions can be made among six investment options: the Managed Allocation Option, the Fixed Income Option, the Balanced Option, Equity Index Option, Active Equity Option and the Guaranteed Option.

Teacher and Osteopathic Medicine Scholarship Loan and Advances - Teacher Scholarship advances to students may be repaid via eligible service credits granted for specified teaching in primary or secondary schools. The disbursements are recorded as advances and charged to program benefits over the period that the teaching service is performed. If the teaching requirements are not satisfied, the advances are converted to loans, which are repayable with interest.

Osteopathic medicine scholarship advances to students may be repaid via eligible service credits granted for working as a doctor in Kentucky. The expenditures are recorded as advances and charged to program benefits over the period that the medical services are provided. If the medical requirements are not satisfied, the advances are converted to loans, which are repayable with interest.

Notes to Financial Statements—Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies—Continued

Fixed Assets, Net - Fixed assets are stated at cost, less accumulated depreciation. Fixed assets are depreciated beginning when the assets are placed in service and continuing over the estimated useful lives of the respective asset using the straight-line method.

Defaulted Student Loans - All collections on defaulted loans are recorded as income when received. The portion of collections due to the federal government is treated as a contra-revenue. Federal defaulted loans outstanding are accounted for by the Authority/Corporation but are not presented on the accompanying combined statement of net position.

Allowance for Uncollectible Loans - As discussed in Note A, most FFELP loans held by the Authority/Corporation are insured by guarantee agencies and the USDE. Management of the Authority/Corporation believes that all of the respective guaranty agencies and the USDE will be able to honor all loan claims submitted. However, the Authority/Corporation records a provision for loan losses based upon its expected default claims with respect to 98% and 97% insured loans and for loans with certain loan servicing violations. The allowance for loan loss on all loans funded through normal operations was \$7.3 million for loan principal and \$643,000 for accrued interest as of June 30, 2015. Furthermore, the Authority/Corporation is required to purchase loans owned by third party customers with certain loan servicing violations. As of June 30, 2015, the allowance for third party servicing loan losses for loans that have been purchased was \$1.4 million for loan principal and \$583,000 for accrued interest. In addition, the Authority/Corporation records a provision for loan loss related to Teacher and Osteopathic Medicine advances that have converted to loans. As of June 30, 2015, the allowance for advances converted to loans was \$3.8 million.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Kentucky Employees Retirement System (KERS) and additions to/deductions from KERS' fiduciary net position have been determined on the same basis as they are reported by KERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Interest Income on Loans - The Authority/Corporation earns interest income on loans from the following three sources: (1) subsidized interest from USDE earned while certain students are in school, in grace or in deferment status; (2) special allowance from USDE (discussed in Note G); and (3) borrower interest. All interest is recorded when earned and is shown in the combined financial statements net of the interest related portion of the provision for loan losses.

Servicing Fees - The Authority/Corporation's fees for servicing loans held by third parties are recorded as servicing fee revenue when earned.

Third party loans serviced by the Authority/Corporation are not presented on the combined statement of net position, as they are not owned by the Authority/Corporation.

Debt Issuance Costs - Debt issuance costs are expensed when incurred.

Deferred Gain on Early Retirement of Debt - In accordance with GASB No. 23, *Accounting and Financial Reporting of Debt Reported by Proprietary Activities*, the Authority/Corporation defers any

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies—Continued

gains related to early retirement associated with a refinancing of debt over the shorter of the remaining life of the old debt or the life of the new debt.

Income Taxes - The Authority is a state government agency established by the Kentucky General Assembly and the Corporation is an independent *de jure* municipal corporation and political subdivision of the Commonwealth of Kentucky, therefore they are not subject to federal or state income taxes. The Trust and the Plan are state sponsored IRC Section 529 education savings plans and therefore, are also not subject to federal or state income taxes.

Use of Estimates - Accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Interfund Eliminations - Interfund receivables and payables are eliminated in the governmental and business-type activities column of the combined government-wide statement of net position. Net residual amounts due between governmental and business-type activities are reflected as receivable (payable) for internal balances. Amounts reported in funds as receivable from or payables to fiduciary funds are reflected in the combined government-wide statement of net position. Eliminations are made in the combined government-wide statement of activities to remove the doubling-up effect of internal service fund activity.

Program Revenues - Program revenues are reported in two categories including (1) charges for services and (2) program-specific operating grants and contributions. Charges for services include revenues received in the form of fees and charges for the Authority/Corporation loan guarantee, default collection, interest income from the corporate loan finance and servicing activities, and other activities.

Program-specific operating grants and contributions include revenues from mandatory and voluntary non-exchange transactions with other governments and organizations that are restricted for use in a particular program. Program-specific operating grant and contribution services include the interest earned on scholarship loans.

Contribution Receivable - As discussed in Note A, participants in the Plan may elect to make payments on executed tuition contracts over a specific period. Contributions receivable are recorded at their net realizable value in the period in which a tuition contract is purchased. A finance charge of 7.25% per annum of the outstanding balance is charged to participants who enrolled in the Plan during fiscal year 2005.

Tuition Benefits and Other Payable - Tuition benefits payable are reported at the actuarial net present value of estimated future benefits to be paid on behalf of participants of the Plan. The reported amount reflects actuarial assumptions, including anticipated tuition and fee increases, expected investment earnings, and refunds and other terminations.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note B--Summary of Significant Accounting Policies—Continued

Indirect Costs - Indirect costs are allocated among functions/programs utilizing a full cost allocation approach with the objective of allocating all expenses to the Authority/Corporation's various functions and programs.

Risk Management - The Authority/Corporation is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries. Coverage against various risks of loss is obtained through participation in the State of Kentucky's Risk Management Fund, State Sponsored Group Insurance Fund, and policies purchased from outside insurance corporations.

Restricted Net Position - Restricted net position is comprised of net position with legal or contractual restrictions and thus cannot be used in operations of the Authority/Corporation.

Unrestricted Net Position - Unrestricted net position is comprised of net position available to be used in operations or transfers of the Authority/Corporation.

Subsequent Events - In preparing these combined financial statements, the Authority/Corporation has evaluated events and transactions for potential recognition or disclosure through the date of the Independent Auditor's Report which represents the date the financial statements were available to be issued. (See Note R.)

Note C--Cash and Investments

The Authority/Corporation has adopted provisions of GASB Statement No. 40, *Deposits and Investment Risk Disclosures*. This statement adds certain additional disclosures about cash and investments, including common areas of investment risk.

The Authority/Corporation's operating funds and investments comply with the Operating Funds Investment Policy. The policy permits investments in bank time deposits, certificates of deposit, commercial paper, agency mortgage-backed securities, asset-backed commercial paper, bankers acceptance and floating-rate notes with a coupon reset of 30 days or less, direct obligations of the United States of America (which are unconditionally guaranteed by the United States of America), indebtedness issued by certain Federal agencies, U.S. dollar denomination corporate bonds and obligations of foreign governments, asset-backed securities, and taxable and tax-exempt municipal bonds. All securities must have a minimum rating of investment grade BBB or better by a nationally recognized credit rating agency at the time of purchase. Money market instruments must be rated A-1 or P-1 or better at the time of purchase. An average rating of A must be maintained by the total portfolio.

The investments in the Authority/Corporation's Education Finance Funds comply with the underlying bond resolution and indenture requirements, as applicable. Additionally, such requirements mandate specific classes of investment vehicles including bank time deposits, certificates of deposit, direct obligations of the United States of America (which are unconditionally guaranteed by the United States of America), indebtedness issued by certain Federal agencies, collateralized repurchase agreements or investment funds secured by obligations of the United States of America with collateral held by or at the direction of the trustee.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note C--Cash and Investments--Continued

Custodial Credit Risk and Interest Rate Risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority/Corporation's deposits may not be returned to it. The Authority/Corporation's investment policy does not contain a requirement for the collateralization of cash and investments nor does it require investments to be maintained in the Authority/Corporation's name. As of June 30, 2015, Authority/Corporation's Proprietary Funds, Governmental Fund and Fiduciary Funds maintained cash on deposit is as follows:

Of the \$92.1 million of cash and cash equivalents maintained in the Proprietary Funds, \$17.1 million was held for guarantee operations and the remaining \$75 million was held for loan finance and servicing activities.

Of the \$13.9 million of cash and cash equivalents maintained in the Fiduciary Funds, \$11 million was related to the FSLRF and the remaining \$2.9 million was associated with the Plan.

	Governmental Fund Bank Balance	Proprietary Fund Bank Balance	Fiduciary Fund Bank Balance
FDIC Insured	\$	\$ 484,033	\$ 506,124
Uninsured		1,003,136	
Collateralized by securities held by the pledging financial institution		7,457,102	9,039,752
Money market demand deposits			
Money market securities		79,011,773	4,256,092
Cash deposited with Kentucky State Treasurer	3,670,700	4,123,570	80,830
	<u>\$ 3,670,700</u>	<u>\$ 92,079,614</u>	<u>\$ 13,882,798</u>

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note C--Cash and Investments--Continued

As of June 30, 2015, all Proprietary Funds investments were registered in the Authority/Corporation's name and maintained by an external trustee or investment manager, as applicable. The investment balances as of June 30, 2015 are summarized as follows:

	<u>Fair Value</u>	<u>Weighted Average Maturity (in years)</u>
Corporate bonds	\$ 40,095,247	2.52
U.S. Treasury and government agency securities	33,750,885	1.54
Collateralized mortgage obligations	6,407,800	10.21
	<u>\$ 80,253,932</u>	

As of June 30, 2015, Trust investments of \$180.1 million comprised entirely of TIAA mutual funds.

As of June 30, 2015, Plan investments of \$101.7 million comprised primarily of mutual funds held by State Street Global Advisors.

Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved upon sale of an investment, prior to its maturity, with the reinvestment of proceeds, then this provision is also allowed.

Concentration of Credit Risk - The Authority/Corporation does not maintain investments in any one issuer that represents 5% or more of the total investment base, excluding investments issued or explicitly guaranteed by the U.S government and investments in mutual funds.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note C--Cash and Investments--Continued

Credit Risk - The Authority/Corporation's investment policy limits the credit risk for securities. Securities must have a credit rating of BBB by a nationally recognized credit rating agency. Money Market Securities must be rated A-1 or P-1 or better at the time of purchase. The investment manager is allowed to hold up to 5% in aggregate market value securities that have been downgraded below BBB, but must maintain an average rating of A for the total portfolio. The following table summarizes the Standard & Poors / Moody's rating (as applicable) for all corporate bonds held by the Authority/Corporation's Proprietary Funds as of June 30, 2015:

<u>Rating</u>	<u>Fair Value</u>
AAA / Aaa	\$ 16,026,122
AA / Aa	4,206,850
A / A	9,590,314
BAA / Baa	10,271,961
	<u>\$ 40,095,247</u>

The Plan maintains an investment policy that limits the credit risk for fixed income securities and short-term commercial paper. No more than 10% of the total amount of fixed-income portion of the investment account shall be committed to the securities of any one issuer at the time of purchase, with the exception of securities issued or guaranteed by the full faith and credit of the United States or AAA-rated securities issued by government agencies as to which there is no limit. The Plan may invest in short-term commercial paper of any domestic issuer, maturing within 9 months, with a minimum rating of A-1 by Standard & Poors or Prime 1 by Moody's. As previously noted, at June 30, 2015 the Plan primarily invested in mutual funds.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note D--Fixed Assets

A summary of fixed assets follows:

	Beginning Balance July 1, 2014	Additions	Disposals	Ending Balance June 30, 2015
Proprietary fund:				
Furniture and equipment	\$ 14,187,991	\$ 731,102	\$ 581,372	\$ 14,337,721
Building	12,072,407	2,642		12,075,049
System development	55,955			55,955
Student loan servicing	541,131			541,131
Debt recovery system	791,556			791,556
Accumulated depreciation and amortization	(18,872,578)	(984,994)	(581,372)	(19,276,200)
	<u>\$ 8,776,462</u>	<u>\$ (251,250)</u>	<u>\$</u>	<u>\$ 8,525,212</u>
Fiduciary Fund:				
Furniture and equipment	\$ 68,217	\$	\$ (529)	\$ 67,688
Accumulated depreciation	(68,217)		529	(67,688)
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

Depreciation and amortization expense totaled \$984,994 for the year ended June 30, 2015, of which \$859,763 was allocated to business-type activities, \$116,670 allocated to governmental activities, and \$8,561 allocated to the fiduciary activities.

Depreciation and amortization expense was allocated to the business-type activities functions as follows:

	TOTAL
Loan guarantee operations	\$ 606,342
Default collections	148,673
Loan finance and servicing	<u>104,748</u>
	<u>\$ 859,763</u>

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note D--Fixed Assets--Continued

The Authority/Corporation has assets under capital lease agreements, as described in Note I, of \$12,075,048 with related accumulated amortization of \$4,889,769. Amortization of assets under capital lease is included in amortization expense in the accompanying combined financial statements. Amortization expense of assets under capital lease agreements was \$402,458 for the year ended June 30, 2015.

Note E--Federal Family Education Loan Programs (Loan Guarantee Operations)

Pursuant to FFELP, the loan guarantee operating unit of Authority/Corporation insures eligible student loans for losses incurred from the default, death, disability, or bankruptcy and also insures for other losses such as school closures and false certifications. As of June 30, 2015, the outstanding balance of aggregate insured student loans was approximately \$2.27 billion.

Loans insured by the Authority/Corporation are reinsured under FFELP by the federal government. Death, disability, bankruptcy, lender of last resort, closed school, false certification, and ineligible borrower claims are reinsured at 100%. Default claims are subject to the Authority/Corporation's default claims rate (reimbursed default claims for the federal fiscal year divided by the original principal amount of loans in repayment at the beginning of the fiscal year).

The Authority/Corporation's annual default claims rate is within the 5%, which allows for reimbursement rates at the highest level. Due to the reduction of the Federal reimbursement rate for loans made subsequent to October 1, 1993, the Authority/Corporation has recorded a reserve of \$4.1 million at June 30, 2015 for losses on federal reinsurance.

The following schedule summarizes the reinsurance rates for guarantee agency paid default claims.

Annual Default Claims Rate	Reimbursement Rate		
	Through September 30, 1993	October 1, 1993 through September 30, 1998	October 1, 1998 and After
0% to 5%	100%	98%	95%
More than 5% up to 9%	90% of claims over 5% up to 9%	88% of claims over 5% up to 9%	85% of claims over 5% up to 9%
Over 9%	80% of claims over 9%	78% of claims over 9%	75% of claims over 9%

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note E--Federal Family Education Loan Programs (Loan Guarantee Operations)-Continued

The Authority/Corporation is entitled to charge certain fees associated with its reinsurance activities. A summary of those fees are as follows:

Rehabilitated Loans - The Authority/Corporation was entitled to retain 18.5% of principal and all accrued interest for rehabilitated loans, plus 18.5% of collection costs through June 30, 2014. Effective July 1, 2014, 100% of principal is paid to USDE and the Authority/Corporation is entitled to retain all accrued interest for rehabilitated loans plus 16% of collection costs.

Consolidated Loans - For William D. Ford Consolidation, the Authority/Corporation is entitled to 10% collection costs (18.5% collected, less 8.5% rebate to USDE).

Recoveries Payable to Federal Government - The Authority/Corporation is entitled to retain 16% of defaulted loan collections received after October 1, 2007.

Account Maintenance Fees ("AMF") - The 1998 Amendments established an account maintenance fee based on 0.06% of the sum of net guarantees as of September 30. AMF is paid to the Authority/Corporation on a quarterly basis by the Federal government.

Default Aversion Fees ("DAF") - Default aversion fees were established under the 1998 Amendments. The Authority/Corporation receives DAF for its aversion activities on delinquent loans at the time lenders request default aversion assistance. DAF are equal to 1% of principal and interest on the loan at the time the Authority/Corporation receives a request from a lender for preclaim assistance. DAF are recorded monthly and is recognized as a deduction in the FSLRF and as revenue in the AOF. DAF are remitted back to the FSLRF for loans that default.

Note F--Loans (Finance and Servicing Operations)

The Authority/Corporation originates private supplemental loans, purchases loans and holds various types of student loans as described in Note A. The terms of these loans, which vary on an individual basis depending upon loan type and the date the loan was originated, generally provide for repayment in monthly installments of principal and interest over a period of up to thirty years for consolidation loans and generally up to ten years for other loans. The repayment period begins after a grace period of six months following graduation or loss of qualified student status for the Subsidized and Unsubsidized Stafford loans. The repayment period for Consolidation, SLS and PLUS loans begins within 60 days from the date the loan is fully disbursed. Statutory interest rates on student loans ranged from 1.73% to 12% for the fiscal year ended June 30, 2015 depending upon the type and date of origination of the individual loan. Actual rates may be lower due to interest rate reductions associated with payments via electronic funds transfer or for other reasons such as borrowers making a specified number of consecutive on-time payments.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note F--Loans (Finance and Servicing Operations)--Continued

Loans consist of the following at June 30, 2015:

Stafford - Subsidized	\$ 326,142,684
Stafford - Unsubsidized	368,664,822
PLUS/SLS	26,034,077
Consolidation	422,829,323
Supplemental	25,099,428
Other	<u>1,224,846</u>
Total gross loans	1,169,995,180
Allowance for loan losses	(8,713,750)
Loan rebate due to borrowers	(500,000)
Unamortized discount on purchase of loans	(2,017,359)
Unamortized premium on purchase of loans	<u>392,771</u>
Loans, net	1,159,156,842
Less amount shown as current assets	<u>135,303,565</u>
Noncurrent loans, net	<u>\$ 1,023,853,277</u>

All principal and accrued interest on FFELP student loans is insured against borrower death, disability, bankruptcy or default, as long as the Authority/Corporation performs all required loan servicing due diligence activities. As of June 30, 2015, \$2,856,682 of student loans were no longer insured due to violations of due diligence requirements. Loan rebate due to borrowers represents the additional loan forgiveness described in Note H.

Generally, all student loans in the Education Finance Funds of the Authority/Corporation are pledged as collateral for the various obligations of the Authority/Corporation.

Note G--Special Allowance

The Higher Education Act of 1965 provides for quarterly Special Allowance Payments to be made by USDE to holders of student loans to the extent necessary to ensure that they receive at least specified market interest rates of return. Certain FFELP loans disbursed during the period from January 1, 2000 through June 30, 2010 received special allowance at a rate based upon the average of the bond equivalent rates of the three-month commercial paper rate as reported by the U.S. Federal Reserve through March 31, 2012. Pursuant to a December 23, 2011, amendment to the Higher Education Act, the Authority/Corporation elected to change the index for special allowance calculations on its FFELP loans disbursed after January 1, 2000, from the three-month commercial paper (CP) rate to the one-month LIBOR index beginning on April 1, 2012. Other eligible loans receive special allowance based on the 91-day Treasury bill rates. The special allowance is accrued as either earned or payable, as applicable.

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note H--Loan and Other Forgiveness

During fiscal year 2015, the Authority/Corporation forgave approximately \$4 million in loan principal and accrued interest for teachers funded by USDE, and an additional \$1.4 million in loan forgiveness for teachers funded by the Commonwealth of Kentucky. Also, during fiscal year 2015, the Authority/Corporation provided additional loan forgiveness of \$536,252.

The Authority/Corporation's Board of Directors approved \$500,000 of additional loan forgiveness for best in program borrowers who were employed in the Commonwealth, which was accrued as of June 30, 2015 and is scheduled to be provided in the fall of 2015.

The Agency Operating Fund of the Authority/Corporation contributed \$2.5 million to the Federal Student Loan Reserve Fund during fiscal year 2015. The contribution was facilitated through a \$2.5 million reduction in the receivable/payable between the two funds.

Note I--Capital Lease Payable

On June 22, 2000, the Commonwealth of Kentucky, State Property and Building Commission (the "Commission") issued \$8,825,000 in bonds payable on behalf of the Authority/Corporation. The proceeds of the bonds are used to house the Authority/Corporation's operations located in Frankfort, Kentucky. On October 8, 2003, the Commission issued additional bonds payable on behalf of the Authority/Corporation as a partial refunding of original bonds payable.

The original bonds had a final principal payment in May 2010. The new bonds bear interest at fixed rates which vary from 2.0% to 5.25% and have a maturity date of May 2020. The bonds are special and limited obligations of the Commission. The bonds do not constitute a debt, liability or obligation of the Commonwealth of Kentucky or a pledge of the full faith and credit or taxing power of the Commonwealth of Kentucky, but are payable solely from amounts derived from the biennially renewable lease agreement with the Authority/Corporation as described below. The bondholders have no security interest in any properties constituting the project or any amounts derived there from. The scheduled payments of principal and interest on the bonds are guaranteed under an insurance policy.

In connection with the issuance of the bonds, the Authority/Corporation entered into a financing/lease agreement with the Commission whereby the Authority/Corporation agreed to lease the newly constructed building. The Authority/Corporation renewed the lease for the biennium ending June 30, 2016 and has the right to renew for three additional two-year periods.

The Authority/Corporation can cancel the lease on the last business day in May immediately preceding the beginning of any renewal term.

The lease payments are equal to the debt service required by the bond indenture. In connection with the agreements, the Kentucky General Assembly appropriated sufficient spending authorization to the Authority/Corporation to pay the lease payments required through June 30, 2016. There can be no assurance to make rent payments past the two-year lease period.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note I--Capital Lease Payable--Continued

A summary of the activity for the capital lease for the year ended June 30, 2015 is as follows:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2015</u>
Capital Lease Payable	<u>\$ 3,760,000</u>	<u>\$</u>	<u>\$ 550,000</u>	<u>\$ 3,210,000</u>

Debt service requirements for the final five fiscal years are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 580,000	\$ 164,592
2017	610,000	135,268
2018	640,000	103,663
2019	670,000	72,013
2020	710,000	37,275
	<u>\$ 3,210,000</u>	<u>\$ 512,811</u>

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note J--Revenue Bonds and Notes Payable

The balance of revenue bonds and notes payable at June 30, 2015 and the related activity for the year ended June 30, 2015 is as follows:

<u>Series</u>	<u>Scheduled Maturity</u>	<u>Interest Rate</u>	<u>Beginning Balance July 1, 2014</u>	<u>Bond Maturities & Refundings</u>	<u>New Issues</u>	<u>Amortization of Premium / (Discount)</u>	<u>Ending Balance June 30, 2015</u>
<u>1997 General Bond Resolution</u>							
1998 A-1	May 1, 2028	28 days	\$ 2,000,000	\$ (2,000,000)	\$	\$	\$
1998 B *	May 1, 2028	35 days	3,000,000	(3,000,000)			
1999 A	May 1, 2029	28 days	3,500,000	(3,500,000)			
1999 B *	May 1, 2029	35 days	750,000	(750,000)			
2000 A-1	May 1, 2030	28 days	4,300,000	(4,300,000)			
2000 A-2	May 1, 2030	28 days	50,000	(50,000)			
2001 A-1	May 1, 2031	35 days	2,900,000	(2,900,000)			
2001 A-2	May 1, 2031	35 days	4,900,000	(4,900,000)			
2002 A-1	May 1, 2032	28 days	1,600,000	(1,600,000)			
2002 A-3 *	May 1, 2032	35 days	24,950,000	(24,950,000)			
			<u>47,950,000</u>				
<u>2008 Indenture</u>							
2008 A-1 *	June 1, 2037	Weekly	73,720,000	(2,300,000)			71,420,000
2008 A-2 *	June 1, 2038	Weekly	58,125,000	(6,800,000)			51,325,000
			<u>131,845,000</u>				<u>122,745,000</u>
<u>2010 Indenture</u>							
2010 A-2 *	May 1, 2034	Quarterl	134,810,000	(14,435,000)			120,375,000
<u>2013-1 Indenture</u>							
2013-1	June 1, 2026	Monthly	463,950,000	(89,525,000)			374,425,000
<u>2013-2 Indenture</u>							
2013-2	June 1, 2028	Monthly	358,356,331	(62,256,000)		174,612	296,274,943
<u>2014 Indenture</u>							
2014 A *	June 1, 2031	Fixed	22,284,450	(1,345,000)		(136,101)	20,803,349
<u>2015-1 Indenture</u>							
2015-1	December 1, 2031	Monthly		(3,705,000)	134,605,000		130,900,000
			<u>\$ 1,159,195,781</u>	<u>\$ (228,316,000)</u>	<u>\$ 134,605,000</u>	<u>\$ 38,511</u>	<u>\$ 1,065,523,292</u>

*This bond series is tax-exempt.

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note J--Revenue Bonds and Notes Payable--Continued

The Authority/Corporation's revenue bonds include fixed and variable rates of interest based on various index rates. Those fixed rates and variable index rates ranged from 0.06% to 5.0% as of June 30, 2015.

Debt service requirements to maturity or redemption date, assuming interest rates based on fixed rates and variable index rates at June 30, 2015, are as follows:

	Principal Repayment Amount (Thousands)						Total
	2008 Indenture	2010 Indenture	2013-1 Indenture	2013-2 Indenture	2014 Indenture	2015-1 Indenture	
Year Ending June 30, 2016	\$	\$	\$	\$	\$ 850	\$	\$ 850
4 Years Ending June 30, 2020					4,500		4,500
5 Years Ending June 30, 2025					4,500		4,500
5 Years Ending June 30, 2030			374,425	298,574	8,455		681,454
5 Years Ending June 30, 2035		120,375			2,000	130,900	253,275
3 Years Ending June 30, 2038	122,745						122,745
	<u>\$ 122,745</u>	<u>\$ 120,375</u>	<u>\$ 374,425</u>	<u>\$ 298,574</u>	<u>\$ 20,305</u>	<u>\$ 130,900</u>	<u>\$1,067,324</u>
	Interest Payments Amount (Thousands)						Total
	2008 Indenture	2010 Indenture	2013-1 Indenture	2013-2 Indenture	2014 Indenture	2015-1 Indenture	
Year Ending June 30, 2016	\$ 72	\$ 1,785	\$ 2,572	\$ 2,350	\$ 854	\$ 1,227	\$ 8,860
Year Ending June 30, 2017	72	1,785	2,572	2,350	828	1,227	8,834
Year Ending June 30, 2018	72	1,785	2,572	2,350	792	1,227	8,798
Year Ending June 30, 2019	72	1,785	2,572	2,350	732	1,227	8,738
Year Ending June 30, 2020	72	1,785	2,572	2,350	696	1,227	8,702
5 Years Ending June 30, 2025	363	8,926	12,863	11,748	2,695	6,132	42,727
5 Years Ending June 30, 2030	363	8,926	2,572	7,049	1,019	6,132	26,061
5 Years Ending June 30, 2035	363	7,141			90	1,226	8,820
3 Years Ending June 30, 2038	175						175
	<u>\$ 1,624</u>	<u>\$ 33,918</u>	<u>\$ 28,295</u>	<u>\$ 30,547</u>	<u>\$ 7,706</u>	<u>\$ 19,625</u>	<u>\$ 121,715</u>

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note J--Revenue Bonds and Notes Payable--Continued

The Authority/Corporation entered into an irrevocable direct pay Letter of Credit and Reimbursement Agreement ("LOC") with two banks relating to the Series 2008 Bonds in the amount of \$300,000,000 issued on June 18, 2008. The LOC was issued in an amount (the "Original Stated Amount") equal to the sum of (i) the aggregate principal amount of the outstanding Series 2008A-1 Bonds and the Series 2008A-2 Bonds, plus an amount equal to 202 days of interest thereon at a rate of 14% per annum plus (ii) the aggregate principal amount of the outstanding Series 2008A-3 Bonds, plus an amount equal to 51 days of interest thereon at a rate of 18% per annum. The LOC had an original maturity date of June 17, 2011. The Authority/Corporation and the banks extended the Stated Expiration Date as defined in the LOC to October 14, 2011. On September 8, 2011, the Stated Expiration Date as defined in the LOC was extended to September 13, 2013. On February 19, 2013 a portion of the outstanding Series 2008 Bonds were redeemed pursuant to a Mandatory Tender. On February 20, 2013 an amended LOC was entered into with one of the two banks in an amount of \$142,060,278 representing outstanding principal (\$131,845,000) and accrued interest (\$10,215,278) calculated as described above. At June 30, 2015, there was no balance nor has there been activity on the LOC.

All assets of the 2008 Indenture, the 2010 Indenture, the 2013-1 Indenture, the 2013-2 Indenture, the 2014 Indenture, and the 2015 Indenture are pledged for repayment of the specific bond or note issues under each resolution or program.

Note K--Allowance for Arbitrage Liabilities

Certain of the Authority/Corporation's tax-exempt bond issues are subject to potential arbitrage liabilities under U.S. tax law. Arbitrage liabilities, under current federal income tax law regarding tax-exempt bond issues, consist of three types; (1) yield adjustment payments, (2) forgiveness and (3) arbitrage rebate. At June 30, 2015, the Authority/Corporation is reporting a liability for arbitrage rebate of zero.

The determination of excess yield on acquired purpose investments is cumulative over the life of the applicable bond series, as is the determination of arbitrage rebate on non-purpose investments, except for variable rate bonds for which arbitrage rebate is generally determined for each five-year period without retroactivity.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note K--Allowance for Arbitrage Liabilities--Continued

Yield adjustment payments, which also relate to yield restriction on acquired purpose investments, are applicable to all tax exempt bonds. The allowable yield is 2% above the bond yield (arbitrage yield), with the federal special allowance included in income. The loss of tax exempt status may be avoided by rebating 75% of the excess yield to the US treasury at least once every five years subsequent to the 10th anniversary date of the issuance and the full amount upon final maturity of the bonds.

Forgiveness is applicable to all tax exempt bonds. In general, a yield restriction is imposed on acquired purpose investments, designating the allowable yield as 2% above the bond yield (arbitrage yield). The loss of tax-exempt status may be avoided by partial forgiveness of the applicable student loans. Forgiveness can be applied upon maturity of the bonds or as otherwise prescribed by the bond resolutions.

On May 6, 2013, the KHESLC entered into a voluntary closing agreement (the "VCA") with the Internal Revenue Service (the "IRS") relating to certain of its tax-exempt bonds (collectively, the "Subject Bond Issues"). The VCA resulted from a request that was submitted by KHESLC on July 31, 2012 pursuant to IRS Announcement 2012-14, 2012-14 I.R.B. 721, titled TEB Voluntary Closing Agreement Program: Relief from Allocation and Accounting Errors for Certain Issuers of Tax-Exempt Student Loan Bonds (the "Announcement"). The VCA modified the application of the foregoing excess yield discussion with respect to the Subject Bond Issues. The determination of excess yield on acquired purpose investments is no longer applicable for the Subject Bond Issues.

Arbitrage rebate is applicable to all of the Authority/Corporation's tax-exempt bonds. With certain limited exceptions, income earned on non-purpose investments (investments other than student loans) which exceeds the bond yield (arbitrage yield), must be rebated to the U.S. Treasury. Payments of at least 90% are due every five years after the year of issuance, and upon final maturity of bonds.

Note L--Deferred Gain on Retirement of Debt

In fiscal year 2010, the Authority/Corporation purchased \$1.198 billion of its own auction rate securities and retired the debt. The resulting \$80.2 million of gain was deferred and is being amortized over the life of the new debt. In addition in fiscal year 2014, the Authority/Corporation purchased \$358.65 million of its own auction rate securities and retired the debt. This resulted in an additional \$7.2 million of gain which was deferred and is being amortized over the remaining life of the old debt. The Authority/Corporation recognized a gain of \$1.8 million for the year ended June 30, 2015. The Authority/Corporation retired additional debt during fiscal year 2015 with cash and recognized approximately \$109,000 as income in the current period.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note M--Retirement Plans

Plan Description. Employees of the Authority/Corporation participate in Kentucky Employees Retirement systems (KERS), a cost-sharing multiple-employer defined benefit pension plan administered by Kentucky Retirement Systems (KRS). KRS is governed by Kentucky Revised Statutes 61.510 through 61.705 and can only be modified by the state legislature.

Benefits Provided. KERS provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

All regular full-time employees of the Authority/Corporation are covered by KERS. A regular full-time employee is an employee that averages one hundred or more hours per month over a calendar or fiscal year. KERS consist of three tiers:

Tier 1: Participation prior to September 1, 2008

Tier 2: Participation on or after September 1, 2008 to December 31, 2013

Tier 3: Participation on or after January 1, 2014

For Tiers 1 and 2, the benefit paid is based on the following formula: Final Compensation X Benefit Factor X Years of Service = Annual Benefit. For Tier 3, the benefit paid is based on the member's accumulated account balance at the time of retirement.

In 2013, all Cost of Living Adjustments (COLA's) were eliminated unless the State Legislature so authorizes on a biennial basis and either (1) the system is over 100% funded or (2) the Legislature appropriates sufficient funds to prepay the increased liability for the COLA.

Contributions. Kentucky statutes set the rates for employer and employee contributions. Contributions rates can only be modified by the state legislature.

The employer and each employee contribute a percentage of the employee's creditable compensation. Creditable compensation consists of all wages includable on the employee's Federal Form W-2, Wage and Tax statement, under the heading "Wages, Tips, and Other Compensation". There are two exceptions of payment of wages not included in creditable compensation: (1) the lump-sum compensatory leave payments to employees in Tier 2 and 3 and (2) vacation payout at termination. The employer total contribution rate for FY15 was 38.77% comprised of 30.84% for pension contributions and 7.93% for insurance contributions. The employer total contribution rate for FY14 was 26.79% comprised of 17.29% for pension contributions and 9.5% for insurance contributions. The employee's contribution rates are as follows: Tier 1 - 5%, Tier 2 and 3 - 6%.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

The contributions for the employer and employee are as follows:

	FY15
Authority: Employer	\$ 475,279
Authority: Employee	78,959
	<u>554,238</u>
Corporation: Employer	4,149,106
Corporation: Employee	717,270
	<u>4,866,376</u>
Total: Employer	4,624,385
Total: Employee	796,229
	<u>\$ 5,420,614</u>

The employer is responsible for additional contributions if pension spiking occurs. Pension spiking may be deemed to have occurred for certain large compensation increases in the five years immediately preceding retirement. Kentucky Revised Statute 61.598 requires the last participating employer, for employees retiring on or after January 1, 2014, to pay for any additional actuarial costs resulting from annual increases in an employee's creditable compensation greater than ten percent over the employee's last five fiscal years of employment that are not a direct result of a bona fide promotion or career advancement.

Pension Costs. At June 30, 2015, the Authority/Corporation reported a net pension liability of \$80,527,000 for its proportionate share of the KERS's net pension liability. The Authority's portion is \$9,093,00 and the Corporation's is \$71,434,000. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by the actuarial valuation as of that date. The Authority/Corporation's estimated proportionate share of the collective net pension liability was based on a projection of the Authority/Corporation's long-term share of contributions to the pension plan relative to the projected contributions of all employer participants, as actuarially determined. The Authority's contributions during the measurement period were \$449,460 with a proportionate share percentage of .101355%. The Corporation's contributions during the measurement were \$3,530,779 with a proportionate share percentage of .796208%.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

For the year ended June 30, 2015, the Authority/Corporation recognized pension expense of \$6,086,000 for its proportionate share of KERS's pension expense. The Authority's portion was \$687,000 and the Corporation's was \$5,399,000.

At June 30, 2015, the Authority reported its proportionate share of KERS's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

<u>Authority</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual investment earnings	\$	\$ 117,000
Authority's contributions to KERS subsequent to the measurement date	475,279	
	<u>\$ 475,279</u>	<u>\$ 117,000</u>

\$475,279 reported as deferred outflows of resources related to pensions resulting from the Authority's contributions to KERS subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to KERS pensions will be recognized in pension expense as follows:

Year ended June 30	Authority
2016	\$ (29,250)
2017	(29,250)
2018	(29,250)
2019	(29,250)
	<u>\$ (117,000)</u>

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

At June 30, 2015, the Corporation reported its proportionate share of KERS's deferred outflows of resources and deferred inflows of resources, and its contributions subsequent to the measurement date, from the following sources:

<u>Corporation</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between projected and actual investment earnings	\$	\$ 918,000
Corporation's contributions to KERS subsequent to the measurement date	4,149,106	
	<u>\$ 4,149,106</u>	<u>\$ 918,000</u>

\$4,149,106 reported as deferred outflows of resources related to pensions resulting from the Corporation's contributions to KERS subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and inflows of resources related to KERS pensions will be recognized in pension expense as follows:

<u>Year ended June 30</u>	<u>Corporation</u>
2016	\$ (229,500)
2017	(229,500)
2018	(229,500)
2019	(229,500)
	<u>\$ (918,000)</u>

Actuarial Assumptions. The total pension liability in the June 30, 2014, actuarial valuation was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

<u>Assumptions</u>	<u>Percentage</u>
Inflation	3.50% per year
Active Member Payroll Growth	4.50% per year
Investment Rate of Return	7.75% per year

Salary increases were based on a service-related table.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

The rates of mortality for the period after service retirement are according to the 1983 Group Annuity Mortality Table for all retired members and beneficiaries as of June 30, 2006 and the 1994 Group Annuity Mortality Table for all other members.

The actuarial assumptions used in the June 30, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2005 - June 30, 2008.

The long-term expected rate of return on pension plan investments is reviewed as part of the regular experience studies prepared every five years. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The target allocation and arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Domestic Equity	8.45%	30.00%
International Equity	8.85%	22.00%
Emerging Market Equity	10.50%	5.00%
Private Equity	11.25%	7.00%
Real Estate	7.00%	5.00%
Core US Fixed Income	5.25%	10.00%
High Yield US Fixed Income	7.25%	5.00%
Non US Fixed Income	5.50%	5.00%
Commodities	7.75%	5.00%
TIPS	5.00%	5.00%
Cash	3.25%	1.00%
Total		100.00%

The long-term expected rate of return on plan assets is 7.75%, which was established by the Board of Trustees of the Kentucky Retirement Systems based on a blending of the factors described above.

Discount Rate. The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year amortization period

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of projection period.

Pension Liability Sensitivity. The following table presents the Authority/Corporation's proportionate share of the net pension liability in KRS, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority/Corporation's proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
KRS Discount Rate	6.75%	7.75%	8.75%
Authority's proportionate share of net pension liability	\$ 10,229,000	\$ 9,093,000	\$ 8,068,000
Corporation's proportionate share of net pension liability	\$ 80,361,000	\$ 71,434,000	\$ 63,385,000

Pension Plan Fiduciary Net Position. Detailed information about KERS's fiduciary net position is available in a KRS financial report. That report may be obtained on the Internet at www.kyret.ky.gov; by writing to Kentucky Retirement Systems at Perimeter Park West, 1260 Louisville Road, Frankfort, KY 40601; or by calling 1-800-928-4646.

Note N--Tuition Benefit Payable

The following assumptions provided by management were used in the actuarial valuation of tuition benefits payable as of June 30, 2015. These assumptions are based on national and state specific economic data, previous program actuarial valuation reports, historical state general fund appropriations to the University of Kentucky and KCTCS, actual tuition increases from previous years (2002-2014) and other state prepaid tuition programs' annual tuition inflation assumptions.

Investment Rates - The investment yield assumption is based on estimates of the yields that will be available on the investment portfolio and cash and cash equivalents. The gross investment yield assumption utilized in the calculation of the tuition benefit payable was 5.45% and 5.74% as of June 30, 2015 and June 30, 2014, respectively.

Investment Expenses - The minimum investment expense is assumed to be 20 basis points on all invested assets.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note N--Tuition Benefit Payable--Continued

Tuition Increases - Tuition increases are based on the known increases for the next academic year and best estimates of future tuition increases for Kentucky's public colleges and universities. The historical tuition increases are as follows:

- The tuition increases for the 2002-2003 academic year were 32.4% for the Value Plan and 6.4% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2003-2004 academic year were 23.4% for the Value Plan and 14.4% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2004-2005 academic year were 24.2% for the Value Plan and 16.9% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2005-2006 academic year were 6.5% for the Value Plan and 12.5% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2006-2007 academic year were 11.2% for the Value Plan and 12% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2007-2008 academic year were 5.5% for the Value Plan and 9.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2008-2009 academic year were 5.2% for the Value Plan and 9.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2009-2010 academic year were 3.3% for the Value Plan and 5.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2010-2011 academic year were 4.0% for the Value Plan and 6.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2011-2012 academic year were 3.8% for the Value Plan and 6.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2012-2013 academic year were 3.8% for the Value Plan and 6.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2013-2014 academic year were 2.9% for the Value Plan and 3.0% for the Standard Plan and the Premium Plan.
- The tuition increases for the 2014-2015 academic year were 2.1% for the Value Plan and 5.0% for the Standard Plan and the Premium Plan.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note N--Tuition Benefit Payable--Continued

- As of June 30, 2015, the tuition increases for the 2015-2016 academic year were 2.0% for the Value Plan and 3.0% for the Standard Plan and the Premium Plan. The tuition increase assumption was 6.25% for the 2015-2016 academic year and 6.25% for each year thereafter.

For the period from inception to June 30, 2015, the annualized tuition increase for the highest-priced Kentucky public university, as applicable to the tuition benefits payout rate of Kentucky's Affordable Prepaid Tuition Standard and Premium Plans, which represents 94.8% of the Plan's enrollments, has been 8.2%. For the Kentucky Community and Technical College System ("KCTCS"), as applicable to the tuition benefits payout rate of the Value Plan, the average annualized tuition increase from inception to June 30, 2015, has been 9.3%.

Payment of Tuition and Mandatory Fees - Payments of tuition and mandatory fees are assumed to be 128 credit hours of utilization and payments occur twice annually.

Note O--Restricted Net Position

The following categories of restricted net position are included in the combined statement of net position for the following purposes:

- Federal Student Loan Reserve Fund:** Net position is restricted for certain FFELP activities, primarily the payments of claims.
- Agency Operating Fund:** Net position is restricted for certain FFELP activities and other student aid activities.
- Education Finance Funds:** Net position is restricted as required by the 2008 Indenture, the 2010 Indenture, the 2013-1 Indenture, the 2013-2 Indenture, the 2014 Indenture, and the 2015 Indenture.
- Corporation Operating Fund:** Net position is primarily restricted for an estimated amount of mandatory repurchases of loans subject to bankruptcy claims.
- Student Aid Funds:** The Student Aid fund balance is restricted for the Student Aid Programs.
- The Trust:** Net position is restricted for use by trust participants.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note P--Operating Leases

The Authority/Corporation leases office space and equipment under agreements through 2022. Rental and space utilization expense was \$2,570,560 for the year ended June 30, 2015. Minimum future rental payments for real estate and equipment, including common area maintenance commitments, at June 30, 2015 are as follows:

Year Ending June 30,	
2016	\$ 1,456,760
2017	603,303
2018	648,085
2019	648,085
2020	648,085
Two Years Ending June 30,	
2021 - 2022	<u>1,243,273</u>
	<u>\$ 5,247,591</u>

Note Q--Commitments and Contingencies

The FSLRF is contingently liable for loans made by financial institutions that qualify for guarantee. The default ratio for loans guaranteed by the Authority/Corporation's loan guarantee operations is below 5% for the fiscal year ended June 30, 2015. The federal government's reinsurance rate for defaults is 100% for loans made prior to October 1, 1993, 98% for loans made on or after October 1993 to September 30, 1998, and 95% for loans made after September 30, 1998. In the event of future adverse default experience, the FSLRF could be liable for up to 25% of defaulted loans. At the beginning of each fiscal year, the reinsurance rate returns to baseline (100%, 98% or 95%); management does not expect that all guaranteed loans could default in one year.

While management believes the FSLRF's expected maximum contingent liability is less than 25% of outstanding guaranteed loans, the maximum contingent liability at June 30, 2015 is calculated as follows:

Amount of guaranteed student loans outstanding at lenders	\$ 2,273,256,993
Less minimum federal government share - 75%	<u>1,704,942,745</u>
	<u>\$ 568,314,248</u>

Continued

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

Note R--Subsequent Events

On September 18, 2015, the Authority/Corporation executed a Warehouse Loan and Security Agreement with a commercial bank (the "Bank") to provide up to \$60,000,000 through a multi-draw term loan ("Credit Facility"). The Credit Facility is restricted to the acquisition of loans made through the Federal Family Education Loan Program and is collateralized by the loans financed with funds advanced by the Bank. In addition, this \$60,000,000 Credit Facility and an existing \$30,000,000 Line of Credit with the same Bank are cross-collateralized. Cash and marketable securities of the Operating Funds of the Authority/Corporation are pledged as collateral against any outstanding balance on the \$30,000,000 Line of Credit. The final date for advances on the Credit Facility is the earlier of the date the full \$60,000,000 is advanced or September 17, 2016. The maturity dates on the Credit Facility and the Line of Credit are September 17, 2017.

The Authority/Corporation entered into two separate agreements in June 2015 related to the federal loan servicing operations it is doing business as "KSA Servicing." The first agreement terminates KSA Servicing's relationship with its existing USDE federal loan servicer contingent upon the effective date of the second agreement, a new teaming arrangement with a different federal loan servicer that was approved by USDE. The teaming arrangement agreement shall constitute a transfer by KSA Servicing to the new federal loan servicer upon receipt of approval from USDE. On August 4, 2015, the first of five scheduled transfers of these loans occurred with the last of the five occurring on September 4, 2015. In addition, no telephone calls transferred to the KSA Servicing call center after August 31, 2015.

On June 23, 2015, the Authority/Corporation entered into a Loan Purchase Agreement with another student loan entity to acquire three portfolios of loans. The first of the three portfolios of loans was acquired for approximately \$16.44 million and converted to the Authority/Corporation's loan servicing system on June 26, 2015. The remaining two portfolios of loans were acquired and converted on July 10, 2015 for a total of approximately \$1.05 million.

Note S—Restatement

The Fund Balance of the Governmental Fund at June 30, 2014 was restated from \$34,729,285 to \$18,613,183. The \$16,116,102 decrease represents adjustments made to reduce accounts receivable by the sum of related student aid continuing appropriations recognized as revenue during the three previous fiscal years.

Note T - Recent Pronouncements

In February 2015, the GASB issued Statement No. 72, *Fair Value and Measurement and Application*. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015.

This statement establishes standards for valuation techniques to measure fair value. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques.

Notes to Financial Statements--Continued

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation**

June 30, 2015

In June 2015, the GASB issued Statement No. 75, *Accounting and Reporting for Postemployment Other Than Pensions*. The provisions of this statement are effective for fiscal years beginning after June 15, 2017.

This statement establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The Authority/Corporation is currently evaluating the impact that will result from adopting GASB No. 72 and GASB No. 75 and is therefore unable to disclose the impact that adopting these Standards will have on the Authority/Corporation's financial position and the results of its operations when the Statement is adopted.

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
June 30, 2014**

	<u>FY 2014</u>
Authority's proportion of the net pension liability	0.101355%
Authority's proportionate share of the net pension liability	\$ 9,093,000
Authority's covered-employee payroll	\$ 1,740,891
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	522.32%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

	<u>FY 2014</u>
Corporation's proportion of the net pension liability	0.796208%
Corporation's proportionate share of the net pension liability	\$ 71,434,000
Corporation's covered-employee payroll	\$ 13,672,643
Corporation's proportionate share of the net pension liability as a percentage of its covered-employee payroll	522.46%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

Total collective net pension liability for the Kentucky Employees Retirement System (KERS) non-hazardous employees	\$ 8,971,820,000
KERS' non-hazardous employees total fiduciary net position	\$ 2,578,290,000
KERS' non-hazardous employees total pension liability	\$ 11,550,110,000

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation
Required Supplementary Information
Schedule of Required Contributions**

	<u>FY 2014</u>
Authority's contractually required contribution	\$ 567,008
Authority's contributions in relation to the contractually required contribution	301,000
Authority's contribution deficiency	<u>\$ (266,008)</u>
Authority's covered-employee payroll	1,740,891
Authority's contributions as a percentage of covered-employee payroll	17.29%

	<u>FY 2014</u>
Corporation's contractually required contribution	\$ 4,453,180
Corporation's contributions in relation to the contractually required contribution	2,364,000
Corporation's contribution deficiency	<u>\$ (2,089,180)</u>
Corporation's covered-employee payroll	13,672,643
Corporation's contributions as a percentage of covered-employee payroll	17.29%

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**Kentucky Higher Education Assistance Authority
Kentucky Higher Education Student Loan Corporation
Note to the Required Supplemental Information
June 30, 2014**

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age
Amortization method	Level of percentage of payroll, closed
Remaining amortization period	29 years
Asset valuation method	5-year smoothed market
Inflation	3.50%
Projected salary increases	4.50%, average, including inflation
Investment rate of return	7.75%, net of investment expense, including inflation

See accompanying independent auditor's report.

KENTUCKY INFRASTRUCTURE AUTHORITY

FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2015

KENTUCKY INFRASTRUCTURE AUTHORITY

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

Report on the Financial Statements

We have audited the accompanying financial statements of the Kentucky Infrastructure Authority (the Authority), a component unit of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

To the Board of Directors
Kentucky Infrastructure Authority

circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2015, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 16 to the financial statements, in 2015, the Authority adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27 and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of Governmental Accounting Standards Board Statement No. 68*. Our opinion is not modified with respect to this matter.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 through 9, the schedule of the net proportionate share of the net pension liability and schedule of contributions on pages 36 through 37 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors
Kentucky Infrastructure Authority

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by *Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* is presented on pages 38 through 40 for purposes of additional analysis and is not a required part of the basic financial statements. The combining information on pages 41 and 42 is presented for purposes of additional analysis rather than to present the financial position, respective changes in financial position, and cash flows of the individual funds of the Authority and is not a required part of the basic financial statements.

The accompanying schedule of expenditures of federal awards and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedule of expenditures of federal awards and supplementary information are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2015, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Blue & Co., LLC

Lexington, Kentucky
December 2, 2015

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

As management of the Kentucky Infrastructure Authority (the Authority), a component unit of the Commonwealth of Kentucky, we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial performance of the Authority for the fiscal year ended June 30, 2015. We encourage readers to read it in conjunction with the Authority's financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

- As of the close of fiscal year 2015, the Authority reported ending net position of approximately \$1,033,821,000, an increase of approximately \$27,211,000 (2.70%) in comparison with the prior year.
- The Authority's total debt decreased approximately \$19,672,000 (5.75%) during fiscal year 2015.
- The Authority disbursed approximately \$84,839,000 to borrowers for assistance agreements and approximately \$16,708,000 to local governmental entities in state grants. Principal and interest in the amount of approximately \$75,075,000 was collected from borrowers for assistance agreements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements, and the accompanying notes to the financial statements. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to those of a private business.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

The statement of cash flows provides relevant information about the cash receipts and cash payments of the Authority during the fiscal year. The statement should help users assess the Authority's ability to generate future net cash flows, meet future obligations as they become due, the Authority's need for future external financing, the reasons for differences in operating and related cash receipts and cash payments, and the effects on financial position of cash and non-cash investing, capital, non-capital and financing activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found on pages 14 through 35.

FINANCIAL ANALYSIS OF THE AUTHORITY

Condensed Financial Information Statements of Net Position As of June 30

	<u>2015</u>	<u>% Increase (Decrease)</u>	<u>2014</u>
Assets:			
Current assets	\$ 450,952,000	-1.48%	\$ 457,719,000
Long-term investments	13,510,000	-43.75%	24,018,000
Long-term receivables	886,602,000	1.79%	870,980,000
Total assets	<u>1,351,064,000</u>	0.12%	<u>1,352,717,000</u>
Deferred outflow of resources	<u>5,331,000</u>	7856.72%	<u>67,000</u>
Total assets and deferrals	<u>1,356,395,000</u>	0.27%	<u>1,352,784,000</u>
Liabilities:			
Current liabilities	30,948,000	-19.85%	38,613,000
Long-term debt	291,342,000	-3.96%	303,349,000
Total liabilities	<u>322,290,000</u>	-5.75%	<u>341,962,000</u>
Deferred inflow of resources	<u>284,000</u>	7.98%	<u>263,000</u>
Total liabilities and deferrals	<u>322,574,000</u>	-5.74%	<u>342,225,000</u>
Net position:			
Restricted net position	<u>\$ 1,033,821,000</u>	2.30%	<u>\$ 1,010,559,000</u>

Total assets consist primarily of cash and cash equivalents, investments, and assistance agreements receivable.

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

During 2015, the Authority's total cash and cash equivalents and investments decreased approximately \$18,929,000.

At June 30, 2015, investments consist of a current portion of approximately \$363,939,000 and a non-current portion of approximately \$13,510,000. As of June 30, 2015, the current portion is representative of U.S. Government Agency debt securities with maturities longer than three months when purchased, but also having maturities prior to June 30, 2016. The non-current portion is representative of the Authority's investments maintained within the State cash and investment pool and other investments with maturities greater than one year. The Authority's investments tend to consist of a large concentration of investments with a maturity of three months or less when purchased (cash equivalents) in order to maintain sufficient liquidity.

During fiscal year 2015, new loan assistance agreements issued of approximately \$84,839,000 exceeded repayments of assistance agreements receivable of approximately \$59,972,000 and forgiveness of loan principal of \$6,145,000 contributing to the approximately \$18,722,000 increase in net assistance agreements receivable.

Total liabilities typically consist of current and non-current portions of revenue bonds payable and related accrued interest thereon. During fiscal year 2015, long-term debt decreased approximately \$12,007,000.

Condensed Financial Information Statements of Revenues, Expenses, and Changes in Net Position For the Fiscal Years Ended June 30

	2015	% Increase (Decrease)	2014
Operating revenues	\$ 19,288,000	0.82%	\$ 19,132,000
Operating expenses	34,168,000	-22.40%	44,033,000
Operating loss	(14,880,000)	-40.24%	(24,901,000)
Non-operating revenues (expenses):			
Income from investments	395,000	-95.00%	7,899,000
Bond issuance costs	(648,000)	N/A	-0-
Net increase (decrease) in fair market value of investments	64,000	-100.89%	(7,177,000)
Federal grants and reimbursements	33,257,000	-1.74%	33,845,000
Principal forgiveness on loans	(6,145,000)	-57.72%	(14,535,000)
Intergovernmental revenue from the Commonwealth	11,518,000	-48.26%	22,260,000
State appropriations	3,651,000	-1.62%	3,711,000
Miscellaneous expense	(1,000)	N/A	-0-
Change in net position	\$ 27,211,000	28.95%	\$ 21,102,000

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

Operating revenues primarily consist of interest and service fee revenue from assistance agreements receivable and grant administration fees. Interest on assistance agreements receivable and related service fees increased approximately \$325,000 from fiscal year 2014.

Operating expenses primarily consist of grants, general and administrative costs, and amortization and interest related to revenue bonds payable. Grants are primarily representative of the disbursements made to local taxing districts of the Commonwealth as appropriated during the General Assembly. Current year grants decreased approximately \$6,637,000 from 2014 due to the continued budgetary constraints of the Commonwealth. General and administrative costs increased approximately \$216,000.

Non-operating revenues and expenses consist of income from investments, net changes in the fair market value of investments, federal grant revenues and related expenses, intergovernmental revenues and state appropriations. Federal grant revenues and expenditures totaled approximately \$33,257,000 for new loans made to municipalities under federal programs and the administration of the programs. A portion of these funds were awarded under federal regulations that required additional subsidization which the Authority chose to provide as principal forgiveness. For 2015, approximately \$6,145,000 in loan principal forgiveness was recorded as an expense in the statement of revenues, expenses, and changes in net position. For details related to intergovernmental revenues refer to Note 9 of the financial statements. For details on state appropriations refer to Note 10 of the financial statements.

LONG-TERM DEBT

At June 30, 2015, the Authority had approximately \$277,775,000 in bond principal outstanding which is a decrease of 8.11% from last year. The decrease is due to scheduled maturities during the year plus the advance refunding of \$65,695,000 in outstanding Series 2010A bonds. More detailed information about the Authority's long-term liabilities is presented in Note 7 of the financial statements.

Bond Ratings. The Authority's appropriation-supported debt rating is A+ from Standard & Poor's, A+ from Fitch and Aa3 from Moody's. This is one step below the Commonwealth's general obligation credit rating of AA- and Aa2. Wastewater and Drinking Water program supported debt rating is Aaa from Moody's and AAA from Standard & Poor's and Fitch. The Governmental Agencies program revenue bonds of the Authority are rated AA by Standard & Poor's.

Limitations on Debt. The Authority is required by Kentucky Revised Statute (KRS) 56.870(1) to obtain General Assembly approval for issuance of general fund appropriation-supported debt. For debt related to issues that require no appropriation of state funds, General Assembly approval must be obtained for bonds or notes having a final maturity extending beyond three (3) years, if the aggregate principal amount of the bonds or notes

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

outstanding under any trust indenture or bond resolution exceeds the sum of five hundred million dollars (\$500,000,000). Our outstanding debt, which meets this criterion, is significantly below this limit.

Kentucky Infrastructure Authority's outstanding debt at June 30:

	2015	% Increase (Decrease)	2014
General fund appropriation supported debt	\$ 6,240,000	-23.53%	\$ 8,160,000
Program revenue supported debt	271,535,000	-7.68%	294,115,000
Total	<u>\$ 277,775,000</u>	-8.11%	<u>\$ 302,275,000</u>

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

The 2003 General Assembly, in House Bill (HB) 269, identified 271 projects totaling \$59,071,343 for tobacco impacted counties and \$54,861,998 for coal producing counties to be disbursed and administered by the Authority as grants from proceeds of bonds in the amount of \$54,765,000 (first year debt service to be paid from tobacco settlement funds) and \$54,765,000 (first year debt service to be paid from multi-county coal severance tax receipts). There was no increase in state appropriation to cover the cost of administering these projects. At the end of fiscal year 2015, all of the projects have been completed.

The 2005 General Assembly, in House Bill 267, identified 507 projects totaling \$120,660,220 for tobacco impacted counties and \$79,395,960 for coal producing counties to be disbursed and administered by the Authority as grants from proceeds of bonds to be issued by the Commonwealth's State Property and Buildings Commission. There was allowance for an administrative fee of 0.5% of each grant to cover the cost of administering these projects. At the end of fiscal year 2015, no refunds remained to be disbursed to grantees.

The 2006 General Assembly, in House Bill 380, identified 576 projects totaling approximately \$146,531,000 (corresponding appropriation of \$145 million) for non-coal producing counties and approximately \$71,902,000 (corresponding appropriation of \$70.9 million) for coal producing counties to be disbursed and administered by the Authority as grants from proceeds of bonds to be issued by the Commonwealth's State Property and Buildings Commission. There was allowance for an administrative fee of 0.5% of each grant to cover the cost of administering these projects. The 2010 Special Session of the General Assembly, in HB1, appropriated the remaining funds to complete the project funding. At the end of fiscal year 2015, approximately \$5.2 million remained to be disbursed to grantees. Disbursement will occur over the next several years and the projects will require on-going project administration services. The 2006 General Assembly, in House Bill 380, also appropriated \$1,740,000 for funding of water and sewer projects for Community Development Projects. At the end of fiscal year 2015, all funds have been

KENTUCKY INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

disbursed to grantees for Community Development.

The 2008 General Assembly, in House Bill 608, identified 598 projects totaling \$160,585,000 (corresponding appropriation of \$150 million) for non-coal producing counties and \$79,240,000 (corresponding appropriation of \$75 million) for coal producing counties to be disbursed and administered by the Authority as grants from proceeds of bonds to be issued by the Commonwealth's State Property and Buildings Commission. There was allowance for an administrative fee of 0.5% of each grant to cover the cost of administering these projects. The 2010 Special Session of the General Assembly, in HB1, appropriated the remaining funds to complete the project funding. At the end of fiscal year 2015, approximately \$10.0 million remained to be disbursed to grantees. Disbursement will occur over the next several years and the projects will require on-going project administration services.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our legislators, citizens, taxpayers, customers, and federal government officials, as well as, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kentucky Infrastructure Authority, Fiscal Officer, 1024 Capital Center Drive, Suite 340, Frankfort, Kentucky, 40601.

KENTUCKY INFRASTRUCTURE AUTHORITY

STATEMENT OF NET POSITION JUNE 30, 2015

ASSETS

Current assets:

Cash and cash equivalents	\$ 29,189,000
Investments, current portion	363,939,000
Federal fund receivables	4,000
Intergovernmental receivables	570,000
Accrued interest receivable, investments	54,000
Accrued interest receivable, assistance agreements	1,682,000
Current maturities of long-term receivables	55,504,000
Other current assets	10,000
Total current assets	<u>450,952,000</u>

Investments	11,029,000
Investments, restricted for debt service	2,481,000
Total noncurrent investments	<u>13,510,000</u>

Long-term receivables:

Assistance agreements receivable:	
Principal	942,544,000
Less:	
Current maturities	(55,504,000)
Unamortized discounts	(438,000)
Total long-term receivables	<u>886,602,000</u>
Total assets	<u>1,351,064,000</u>

Deferred outflow of resources:

Pension contributions subsequent to the measurement date	255,000
Unamortized deferred amount on refunding	5,076,000
Total assets and deferrals	<u>1,356,395,000</u>

LIABILITIES

Current liabilities:

Current maturities of revenue bonds payable, net of unamortized premiums and discounts	26,527,000
Accrued interest payable	3,346,000
Grants payable	604,000
Other payables	471,000
Total current liabilities	<u>30,948,000</u>

Long-term debt:

Revenue bonds payable, less current maturities and unamortized premiums and discounts	287,128,000
Net pension liability	4,214,000
Total liabilities	<u>322,290,000</u>

Deferred inflow of resources:

Net difference between projected and actual earnings on pension investments	54,000
Unamortized deferred amount on refunding	230,000
Total liabilities and deferrals	<u>322,574,000</u>

NET POSITION

Restricted net position	<u>\$ 1,033,821,000</u>
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See the accompanying notes to
the financial statements.

KENTUCKY INFRASTRUCTURE AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDING JUNE 30, 2015

Operating revenues:

Assistance agreements:

Servicing fee	\$ 1,666,000
Interest	14,445,000
Interest received securing revenue bonds	777,000
Amortization of premium	60,000
Grant administration fee	15,000
Amortization of bond premiums	2,325,000
Total operating revenues	<u>19,288,000</u>

Operating expenses:

General and administrative	3,086,000
Intergovernmental administrative expense reimbursement	4,405,000
Grants	15,233,000
Revenue bonds payable:	
Interest	11,388,000
Arbitrage expense	56,000
Total operating expenses	<u>34,168,000</u>

Operating loss (14,880,000)

Non-operating revenues (expenses):

Income from investments	395,000
Bond issuance cost	(648,000)
Net increase in fair value of investments	64,000
Federal grants and reimbursements	33,257,000
Principal forgiveness on loans	(6,145,000)
Intergovernmental revenue from the Commonwealth	11,518,000
State appropriations	3,651,000
Miscellaneous expense	(1,000)
Total non-operating revenues	<u>42,091,000</u>

Change in net position 27,211,000

Net position, beginning of year (as previously stated) 1,010,559,000

Adjustment for net pension liability (3,949,000)

Net position, beginning of year (as adjusted) 1,006,610,000

Net position, end of year \$ 1,033,821,000

KENTUCKY INFRASTRUCTURE AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING JUNE 30, 2015

Cash flows from operating activities:	
Administrative fees received	\$ 1,681,000
Collections on assistance agreements, net of change in deposit reserve	59,972,000
Advances on assistance agreements	(84,839,000)
Interest received on assistance agreements	15,100,000
Cash payments for grants	(16,708,000)
Cash payments for personnel expenses	(1,604,000)
Cash payments to suppliers for goods and services	(6,225,000)
Net cash used in operating activities	<u>(32,623,000)</u>
Cash flows from noncapital financing activities:	
Principal payments on long-term debt	(28,040,000)
Payments to refund and defease debt	(77,664,000)
Bond issuance cost	(648,000)
Proceeds from new debt issuance	83,234,000
Interest paid on long-term debt	(13,711,000)
Receipt of federal grants	33,253,000
State appropriation	3,227,000
Payments from the Commonwealth	13,448,000
Net cash provided by noncapital financing activities	<u>13,099,000</u>
Cash flows from investing activities:	
Purchase of investment securities	(363,940,000)
Proceeds from sale and maturities of investment securities	378,505,000
Interest and other investment income received	531,000
Net cash provided by investing activities	<u>15,096,000</u>
Net change in cash and cash equivalents	(4,428,000)
Cash and cash equivalents, beginning of year	<u>33,617,000</u>
Cash and cash equivalents, end of year	<u>\$ 29,189,000</u>

See the accompanying notes to
the financial statements.

KENTUCKY INFRASTRUCTURE AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDING JUNE 30, 2015

Reconciliation of operating loss to net cash used in
operating activities:

Operating loss	\$ (14,880,000)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Amortization of bond premium	(2,325,000)
Amortization of assistance agreements premium	(60,000)
Amortization of bond defeasance included in interest	34,000
Interest paid on long-term debt	13,711,000
Changes in assets and liabilities:	
Increase in accrued interest receivable on assistance agreements	(122,000)
Increase in assistance agreements receivable, net of desposit reserve	(24,867,000)
Increase in other current assets	(10,000)
Decrease in accrued interest payable	(2,357,000)
Decrease in grants payable	(1,475,000)
Decrease in other payables	(334,000)
Change in deferred outflow	(116,000)
Change in deferred inflow	54,000
Change in net pension liability	124,000
	<hr/>
Net cash used in operating activities	<u><u>\$ (32,623,000)</u></u>

Supplemental disclosure of noncash investing activities:

Net increase in fair value of investments	<u><u>\$ 64,000</u></u>
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KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

1. DESCRIPTION OF ORGANIZATION

In 1972, the General Assembly of Kentucky established the Kentucky Pollution Abatement Authority (the Act, the Authority) after determining that pollution was seriously harming the Commonwealth's water resources and would, if unchecked, endanger the health, safety, welfare and well-being of the public, and would also destroy the natural chemical, physical and biological integrity of the waters of the Commonwealth. The Act was also adopted to maximize federal grant participation in the Commonwealth in respect to works and facilities undertaken by local governmental units in the Commonwealth for the abatement of water pollution and to provide an alternate source of financing for local governmental units. The Act was amended in 1974 and 1978 (a) to remove the prior requirement that federal grant participation be obtained by local units of government as a condition precedent to Authority aid and (b) to grant to the Authority the power to issue tax-exempt industrial development bonds for pollution control facilities.

The General Assembly again amended the Act in 1984 (a) to grant to the Authority the ability to assist local government units with the implementation of water resource projects intended to conserve and develop the water resources of the Commonwealth, including, among other things, all aspects of water supply, flood damage abatements, navigation, water-related recreation and land conservation facilities and (b) to change the name of the Authority to the "Kentucky Pollution Abatement and Water Resources Finance Authority". In 1988, the Act was further amended to, among other things (a) broaden the scope of the Authority's powers to finance "infrastructure projects," (b) establish two revolving funds to assist in the financing of infrastructure projects and (c) change the name of the Authority to the "Kentucky Infrastructure Authority" (KIA). A further amendment to the Act in 1990 provided for the establishment of (a) an additional revolving fund to assist in the financing of solid waste projects and (b) a solid waste grant fund, jointly administered with the Natural Resources Cabinet, intended to defray the capital costs associated with promotion of recycling and other similar solid waste management activities. Amendments to the Act in 2000 expanded the role of the Authority to include regional infrastructure planning coordination, promotion of higher levels of technical, managerial, and financial capacity of water-based utilities, as well as expanding the Authority's more traditional role of infrastructure financing for both governmental agencies and investor-owned, private utilities by adding a new account, the 2020 account, to its array of grant and subsidized loan programs.

In 2004, the Governor of the Commonwealth issued an Executive Order which attached the Authority to the Governor's Office for Local Development (GOLD) for administrative purposes. By Executive Order issued in 2008, the GOLD was reorganized as the Department for Local Government (DLG).

The Kentucky Infrastructure Authority is a component unit of the Commonwealth of Kentucky and is included in the Commonwealth of Kentucky's Comprehensive Annual Financial Report.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

The Authority is authorized by Kentucky Revised Statute (KRS) Chapter 224A to issue notes and bonds to provide loans to governmental agencies and private, investor-owned utilities in Kentucky. The provisions of KRS 224A.165 dictate certain limits on the amount of notes and bonds the Authority can have outstanding. The purpose of the loans is to assist such entities in financing the construction of infrastructure projects. The following provides a description of the Authority's various programs:

Fund A - Clean Water State Revolving Fund Loan Program

Local wastewater treatment facilities that qualify under the U.S. Environmental Protection Agency (EPA) requirements can be financed through this program. Jointly administered by the Authority and the Energy and Environment Cabinet, loans will be provided at below-market interest rates with repayments not exceeding thirty years. The state's share of construction is funded with state appropriation-supported bonds. The Commonwealth appropriates an amount equal to this fund's debt service to make its bond payments.

Fund B - Infrastructure Revolving Loan Program

This fund was established to provide financing for the construction or acquisition of infrastructure projects. Loans are made to governmental entities of the Commonwealth that are unable to finance a complete project through other public grant or loan programs, through commercial credit at reasonable rates or from its own resources.

The loans will be at or below market interest rates and will not exceed thirty years. Grants are available, but are reserved for borrowers where the Authority determines both a hardship and extreme health hazard exist. The Commonwealth appropriates an amount equal to this fund's debt service to make its bond payments.

As part of this program, a 2020 water service account has been established to assist in making potable water available to all Kentuckians by the year 2020.

The General Assembly, from time to time, appropriates funds to be administered and disbursed by the Authority in the form of water and wastewater grants. During 2014 and 2013, projects were being administered from the 2003 General Assembly, the 2005 General Assembly, the 2006 General Assembly, and the 2008 General Assembly. Activities for these grants are accounted for in the Fund B.

The Fund E Solid Waste Revolving Loan Program was established to assist local government units in the financing of solid waste projects. The 2002 General Assembly abolished the legal authority for the Authority's solid waste program. On February 8, 2007, the Authority's Board approved a resolution to authorize the transfer of the Fund E (solid waste revolving) program assets to the appropriate accounts in Fund B (infrastructure revolving) program.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Fund C - Governmental Agencies Program

This program provides local governmental agencies access to funding through the municipal bond market at better terms than could be obtained on an individual basis. Financial assistance is available on a loan basis for up to thirty years for the construction or acquisition of infrastructure projects by governmental entities in the Commonwealth. The loans may be used to totally fund a construction project or they can be used to supplement grants or cash contributions.

Fund F - Drinking Water State Revolving Fund Loan Program

This fund was established to assist in financing local drinking water treatment and distribution facilities that qualify under EPA requirements. Projects must be recommended by the Kentucky Division of Water from the Project Priority List and must be financially feasible as determined by the Authority's staff. Loan funds are available on short terms for planning and preliminary design work. The state's share of construction is funded with state appropriation-supported bonds. The Commonwealth appropriates an amount equal to this fund's debt service to make its bond payments.

2. SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Authority is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Authority's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The activities of the Authority are accounted for as an enterprise fund on the accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenditures are recognized when they are incurred.

Use of Estimates

Management uses estimates and assumptions in preparing the financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and reported revenues and expenses. Actual results may differ from those estimates.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted market prices in the statement of net position. Unrealized gains and losses are included in the change in net position in the accompanying statements of revenues, expenses and changes in net position.

Description of Net Position Classes

Accounting principles generally accepted in the United States of America require the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as unspent proceeds.

Restricted – This component of net position consists of constraints placed on the use of net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Amortization of Discounts on Assistance Agreements

Discounts on assistance agreement receivables are amortized using the straight-line method over the life of the related receivable. The results of this method do not materially differ from those that would be obtained by applying the effective interest method.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Amortization of Bond Premium

Bond premiums are amortized on the straight-line method over the life of the bond issue. The results of this method do not materially differ from those that would be obtained by applying the effective interest method.

Amortization of Deferred Gain or Loss on Early Retirement of Debt

Deferred gain or loss on early retirement of debt is amortized on the straight-line method over the original remaining life of the old debt or the life of the new debt, whichever is less. The results of this method do not materially differ from those that would be obtained by applying the effective interest method.

Operating Revenues and Expenses

The Authority considers interest income received on loans to be operating revenue. In order not to overstate the income from operations, the Authority also includes the interest paid on bonds issued to fund such loans as operating income and expense as well. For the statement of cash flows, the Authority includes interest income received on loans as an operating receipt.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to the pension. Information about the fiduciary net position of Kentucky Employees' Retirement Systems (KERS) and addition to/deduction from KERS's fiduciary net position have been determined on the same basis as they are reported by the Authority.

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS

As of June 30, 2015, cash and cash equivalents consist of the following:

Commercial paper	\$ 25,051,000
First American Government Obligation Fund	3,550,000
State cash and investment pool	<u>588,000</u>
Total cash and cash equivalents	<u>\$ 29,189,000</u>

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

The following schedule presents the carrying amounts of investments by maturity at June 30, 2015:

Investment	Fair Value	Maturity	Rate
Federal Agriculture Management Corporation	\$ 23,993,000	10/15/2015	0.130%
Federal Farm Credit Bks	23,251,000	9/15/2015	0.130%
Federal Home Loan Bks	34,432,000	7/15/2015	0.110%
Federal Home Loan Bks	26,589,000	11/12/2015	0.130%
Federal Home Loan Bks	3,143,000	7/15/2015	0.050%
Federal Home Loan Bks	3,228,000	8/14/2015	0.130%
Federal Home Loan Bks	6,434,000	9/15/2015	0.140%
Federal Home Loan Bks	260,000	7/15/2015	0.000%
Federal Home Loan Bks	178,000	8/14/2015	0.000%
Federal Home Loan Bks	299,000	9/15/2015	0.050%
Federal Home Loan Bks	572,000	11/13/2015	0.110%
Federal Home Loan Bks	434,000	9/15/2015	0.125%
Federal Home Loan Bks	1,494,000	11/13/2015	0.130%
Federal Home Loan Bks	55,160,000	7/15/2015	0.140%
Federal Home Loan Bks	6,711,000	7/15/2015	0.000%
Federal Home Loan Bks	10,046,000	8/14/2015	0.000%
Federal Home Loan Bks	7,626,000	7/15/2015	0.000%
Federal Home Loan Bks	8,366,000	8/14/2015	0.000%
Federal Home Loan Bks	24,470,000	9/15/2015	0.000%
Federal Home Loan Bks	19,976,000	7/15/2015	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	23,252,000	8/17/2015	0.070%
Federal Home Loan Mortgage Corporation (FHLMC)	45,008,000	12/4/2015	0.140%
Federal Home Loan Mortgage Corporation (FHLMC)	1,495,000	2/12/2016	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	832,000	7/15/2015	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	434,000	8/14/2015	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	5,054,000	1/15/2016	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	15,283,000	7/15/2015	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	4,998,000	10/15/2015	0.000%
Federal Home Loan Mortgage Corporation (FHLMC)	2,492,000	1/15/2016	0.625%
Federal Home Loan Mortgage Corporation (FHLMC)	4,576,000	7/15/2015	0.625%
FNMA	706,000	1/15/2016	4.450%
FNMA	579,000	9/15/2015	0.250%
US Treasury Note	1,560,000	10/15/2015	0.250%
US Treasury Note	999,000	12/15/2015	0.250%
US Govt Issue - Invetmt	2,481,000	8/1/2022	2.220%
	<u>366,411,000</u>		
Investment in State Pools	<u>11,038,000</u>		
Total	<u>377,449,000</u>		
Less: current potion	<u>363,939,000</u>		
Long-term Investments	<u>\$ 13,510,000</u>		

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

At June 30, 2015, all of the Authority's investments other than those in U.S. Treasury securities, Federal Agriculture Management Corporation, and discount notes possess a Moody's rating of Aaa or a Standard and Poor's rating of AA+. All investments in Federal Agriculture Management Corporation and discount notes are unrated.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2015, the Authority's investments are neither insured nor registered, but are held by the Authority's custodial agent in the Authority's name.

Credit Risk: Under state statutes, the Authority is permitted to invest in the following:

- obligations backed by the full faith and credit of the United States
- obligations of any corporation of the United States Government
- obligations of government sponsored entities
- collateralized or uncollateralized certificates of deposit issued by banks or other interest-bearing accounts in depository institutions chartered by Kentucky or by the United States
- bankers acceptances
- commercial paper
- securities issued by a state or local government, or any instrumentality or agency thereof in the United States
- United States denominated corporate, Yankee, and Eurodollar securities, excluding corporate stocks, issued by foreign and domestic issuers
- asset-backed securities
- shares of mutual funds, not to exceed 10% of the total funds available for investment
- state and local delinquent property tax claims

Concentration of Credit Risk: The Authority places no limit on the amount the Authority may invest in any one issuer, with the exception of investments in mutual funds as indicated above. The Authority's trustee consults with the Office of Financial Management (within the Finance and Administration Cabinet) to determine suitable investments.

At June 30, 2015 the Authority maintained \$11,626,000, of cash and investments with the State Investment Pool of the State Investment Commission of the Commonwealth of Kentucky. The State Investment Commission (the Commission) is charged with the oversight of the Commonwealth's investment programs pursuant to KRS 42.500. The Commission delegates the day to day management of the Commonwealth's investments to the Office of Financial Management (OFM). The purpose of the investment pools is to provide: economies of scale that enhance yield, ease of administration for both the user agencies and OFM, and increase accountability and control. All investments shall be permitted investments as defined in KRS 42.500 and as further limited by 200 Kentucky

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Administrative Regulation (KAR) Chapter 14. Funds residing in the pools are available to be spent at any time. The Authority had no collateral or insurance as security for the balances with the Commission at June 30, 2015, but they own a proportionate interest in the securities held in the respective pools.

Interest Rate Risk: The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

4. REVENUE BOND FUND ACCOUNTS

Components of the Revenue Bond Fund accounts by cash, cash equivalents and investments at June 30, 2015 are summarized below:

	Cash and Cash Equivalents	Investments	Total
Operating Fund	\$ 137,000	\$ 9,843,000	\$ 9,980,000
Revolving Fund	25,520,000	229,793,000	255,313,000
Debt Service Reserve Fund	-0-	2,480,000	2,480,000
Revenue Fund	2,927,000	4,998,000	7,925,000
Surplus Fund	17,000	119,297,000	119,314,000
Funds in State Pool	588,000	11,038,000	11,626,000
	<u>\$ 29,189,000</u>	<u>\$ 377,449,000</u>	<u>\$ 406,638,000</u>

Trust indentures contain provisions which establish that specific accounts be maintained by the Authority to properly account for the financial activities as described below:

- A. Operating Fund - Designated for paying operating costs incurred by the Authority.
 - B. Revolving Fund - Designated to receive debt service payments from the revolving loan program in order to recycle money for new loans.
 - C. Debt Service Reserve Fund - Designated as an allowance or reserve for the payment of principal and interest on revenue bonds as to which there would otherwise be a default in payment.
 - D. Revenue Fund - This fund is for receipt of principal and interest payments from governmental agencies and are subsequently transferred to the Debt Service Fund or other funds as needed.
 - E. Surplus Fund - This fund is a reserve for advances to municipalities in anticipation of new bond issues, transfers to other funds to cover deficiencies, and other lawful purposes of the Authority.
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KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

5. INTERGOVERNMENTAL RECEIVABLES

Intergovernmental receivables consist of the following reimbursements for expenditures incurred prior to June 30, 2015:

Due from the Commonwealth's General Fund for debt service and general and administrative costs	\$ 424,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Coal Counties per 2005 House Bill 267	12,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Coal Producing Counties per 2006 House Bill 380	10,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Non-Coal Producing Counties per 2006 House Bill 380	33,000
State Property and Building Commission bond issue - funding of the water and sewer projects from the Coal Projects per 2008 House Bill 406 / 408	77,000
State Property and Building Commission bond issue - funding of the water and sewer projects from the Non-Coal Projects per 2008 House Bill 406 / 408	<u>14,000</u>
Total receivable from the Commonwealth	<u><u>\$ 570,000</u></u>

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

6. ASSISTANCE AGREEMENTS RECEIVABLE

Assistance agreements receivable are loans made to governmental entities for construction of infrastructure projects. The principal and interest are due in periodic installments used to either meet the principal or interest requirements of the Authority's revenue bonds or used to fund additional projects. At June 30, 2015, management considered all assistance agreement receivables to be fully collectible. Accordingly, there was no allowance for uncollectible receivables.

A total loan amount is approved for each governmental entity. In addition to the \$942,544,000 in net assistance agreements receivable at June 30, 2015, the Authority has commitments remaining to disburse funds summarized as follows:

Fund A - Clean Water State Revolving Fund Loan Program	\$ 336,909,000
Fund B - Infrastructure Revolving Loan Program	9,676,000
Fund C - Governmental Agencies Program	7,738,000
Fund F - Drinking Water State Revolving Fund Loan Program	<u>74,896,000</u>
Total commitments outstanding	<u><u>\$ 429,219,000</u></u>

7. LONG-TERM DEBT, REVENUE BONDS PAYABLE

Long-term debt consists of the following at June 30, 2015:

	<u>Balance</u>	<u>Current</u>	<u>Long-term</u>
Fund A, Waste Water Revolving Fund Revenue and Revenue Refunding Bonds, interest 2.00% to 5.25%, due semi-annually, principal due annually to February 1, 2032	\$ 221,500,000	\$ 16,690,000	\$ 204,810,000
Fund C, Governmental Agencies Program Revenue and Revenue Refunding Bonds, interest 4.00% to 5.29%, due semi-annually, principal due annually to August 1, 2022	11,545,000	2,425,000	9,120,000
Fund F, Drinking Water Revolving Fund Revenue Bonds, interest 2.00% to 5.25%, due semi-annually, principal due annually to February 1, 2032	44,730,000	2,865,000	41,865,000
	<u>277,775,000</u>	<u>21,980,000</u>	<u>255,795,000</u>
Bond principal payable	35,880,000	4,547,000	31,333,000
Unamortized premium			
Total	<u><u>\$ 313,655,000</u></u>	<u><u>\$ 26,527,000</u></u>	<u><u>\$ 287,128,000</u></u>

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Except for cash deposited with the state, all cash and investments of the Authority are held by a trustee bank. Most of these assets are either pledged as collateral for bond indebtedness, have certain investment restrictions as outlined in the bond indentures, or both.

The required annual payments for all debt are as follows:

	Principal	Interest	Total
2016	\$ 21,980,000	\$ 11,773,000	\$ 33,753,000
2017	20,787,000	11,883,000	32,670,000
2018	20,682,000	11,022,000	31,704,000
2019	20,367,000	10,109,000	30,476,000
2020	19,782,000	9,161,000	28,943,000
2021 - 2025	92,875,000	32,745,000	125,620,000
2026 - 2030	72,785,000	11,527,000	84,312,000
2031 - 2032	8,517,000	521,000	9,038,000
	<u>\$ 277,775,000</u>	<u>\$ 98,741,000</u>	<u>\$ 376,516,000</u>

The following summarizes long-term debt activity of the Authority for the year ended June 30, 2015:

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Bond principal payable	\$ 302,275,000	\$ 69,235,000	\$ 93,735,000	\$ 277,775,000
Unamortized premiums	31,099,000	13,999,000	9,218,000	35,880,000
Total	<u>\$ 333,374,000</u>	<u>\$ 83,234,000</u>	<u>\$ 102,953,000</u>	<u>\$ 313,655,000</u>

In April 2015, the Authority issued Wastewater and Drinking Water Revolving Fund Revenue Refunding Bonds, Series 2015A, in the aggregate principal of \$64,465,000. The Authority issued the bonds to advance refund \$65,695,000 of the outstanding Series 2010A bonds with a 5% interest rate.

To accomplish this refunding, the Authority purchased, at par, certain direct obligations of the United States of America which bear interest and mature in such a manner as to pay the debt service of the defeased bonds. These direct obligations of the United States of America were deposited with the Trustee in a refunding escrow account and pledged to pay debt service and interest on the bonds to be refunded when due, through the February 1, 2020 redemption date. Upon deposit of the direct obligations with the Trustee, the bonds to be refunded were considered defeased, and the Authority removed the liability from its accounts.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

After payment of the new debt issuance costs, the proceeds from the new debt allocated for the refunding totaled \$77,659,000. The debt service requirement to service the new debt issued for the refunding is calculated as follows:

Proceeds from new debt deposited with Trustee	\$ 77,664,000
Debt issuance cost	500,000
Premium on new bonds	(13,699,000)
New debt	<u>\$ 64,465,000</u>

The cash flow required to service the refunded 2010A bonds and 2015A refunding bonds to maturity is \$93,785,000 and \$90,607,000, respectively, which results in a difference of \$3,178,000.

The economic gain from this refunding transaction is calculated as the difference between the present value of the debt service requirements of the refunded 2010 Series A and the present value of the 2015 Series A debt service requirements, discounted at the effective rate of the 2015 Series A Bonds. The economic gain on the advance refunding is \$2,763,000.

As of June 30, 2015, \$65,695,000 of defeased bonds was outstanding. There were no defeased bonds outstanding at June 30, 2014.

In April 2015, the Authority issued Governmental Agency Program Revenue Bonds Series 2015 in the amount of \$4,770,000 with interest rates ranging from 2.00% to 4.00%.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

8. GRANT COMMITMENTS

The Authority has committed to disburse grant funds as follows:

Fund B - 2020	\$ 660,000
Total funded by agency funds	<u>660,000</u>
Fund B - 2005 HB 267 Coal IEDF	182,000
Fund B - 2005 HB 267 Tobacco IEDF	490,000
Fund B - 2006 HB 380 Coal	372,000
Fund B - 2006 HB 380 Non Coal	6,479,000
Fund B - 2008 HB 406 / 408 Coal	5,376,000
Fund B - 2008 HB 406 / 408 Non Coal	<u>8,935,000</u>
Total funded by bond funds	<u>21,834,000</u>
Fund B – 2008 HB 410; 2010 HB 1; 2012 HB 265; and 2014 HB 235 Coal Severance	<u>11,732,000</u>
Total grant commitments	<u><u>\$ 34,226,000</u></u>

The primary funding sources for Fund B and Fund B - 2020 are from the Authority's revolving funds and the primary source of funds for the remaining commitments are provided from bond funds made available by specific General Assembly House Bills as listed above.

The funding source of the coal severance projects are from Local Government Economic Development Fund (KRS 42.4592) monies from the single county fund. Administration of the projects has been designated to the Authority by the enumerated General Assembly. The total shown above represents the amount left to disburse for projects with grant assistance agreements at year end.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

9. INTERGOVERNMENTAL REVENUE

Intergovernmental revenue from the Commonwealth during the fiscal years ended June 30, 2015:

State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Coal Counties per 2005 House Bill 267	\$ 380,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Tobacco Counties per 2005 House Bill 267	91,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Coal Producing Counties per 2006 House Bill 380	1,109,000
State Property and Building Commission bond issue - funding of the Infrastructure for Economic Development Fund for Non-Coal Producing Counties per 2006 House Bill 380	1,243,000
State Property and Building Commission bond issue - funding of the water and sewer projects from the Coal Projects per 2008 House Bill 406 / 408	1,914,000
State Property and Building Commission bond issue - funding of the water and sewer projects from the Non-Coal Projects per 2008 House Bill 406 / 408	4,331,000
Coal Severance Tax Receipts - funding of the water and sewer projects from the Coal Severance per 2012 House Bill 265	<u>2,450,000</u>
Total intergovernmental revenue from the Commonwealth	<u><u>\$ 11,518,000</u></u>

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

10. STATE APPROPRIATIONS

Appropriations from the Commonwealth during the fiscal year ended June 30, 2015 consisted of the following:

Appropriations for debt service	\$ 2,326,000
Appropriations for general and administrative costs	<u>1,325,000</u>
Total state appropriations	<u><u>\$ 3,651,000</u></u>

11. RESTRICTED NET POSITION

Since the use of the Authority's resources is mandated by Kentucky Revised Statute 224A, the Authority considers all net position other than those invested in capital net of related debt, and restricted for debt service, to be restricted by law. Restricted net position consists of the following at June 30, 2015:

Restricted by law	\$ 1,031,340,000
Restricted for debt service	<u>2,481,000</u>
Total restricted net position	<u><u>\$ 1,033,821,000</u></u>

12. INTERGOVERNMENTAL EXPENSE

Intergovernmental expense for the year ended June 30, 2015, totaled \$4,405,000, for services provided by the Commonwealth's Energy and Environment Cabinet, Division of Water related to federal grant compliance for the federal funds administered under Fund A and Fund F.

13. RELATED PARTY TRANSACTIONS

The Authority incurred expenses for utilities and office space received from the Commonwealth of Kentucky's Department for Local Government (DLG) in the amount of \$31,000 the year ending June 30, 2015. The Authority also received the benefit of administrative services from DLG for 2015 for which no fee was assessed. The Authority incurred expenses for information technology support received from the Commonwealth Office of Technology (COT) in the amount of \$37,000 for the year ending June 30, 2015.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

14. RETIREMENT PLANS

All Cabinet employees who work more than one hundred hours per month participate in a defined benefit plan administered by the Kentucky Employees Retirement System (KERS), a cost-sharing multi-employer public employee retirement system. Payroll for the employees of the Authority totaled approximately \$866,000 and \$777,000 for the years ended June 30, 2015 and 2014, respectively.

	Tier 1 Participation Prior to 9/1/2008	Tier 2 Participation 9/1/2008 through 12/31/2013	Tier 3 Participation on or after 1/1/2014
Covered Employees:	Substantially all regular full-time members employed in non-hazardous and hazardous duty positions of any state department, board, or any agency directed by Executive Order to participate in the system.		
Benefit Formula:	Final Compensation X Benefit Factor X Years of Service		Cash Balance Plan
Final Compensation:	Average of the highest 5 fiscal years (must contain at least 48 months). Includes lump-sum compensation payments (before and at retirement).	5 complete fiscal years immediately preceding retirement; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	1.97% - If you do not have 13 months credit for 1/1/1998 - 1/1/1999. 2.00% - If you have 13 months credit for 1/1/1998 - 1/1/1999	10 years or less = 1.10%. Greater than 10 years, but no more than 20 years = 1.30%. Greater than 20 years, but no more than 26 years = 1.50%. Greater than 26 years, but no more than 30 years = 1.75%. Additional years above 30 = 2.00% (2.00% benefit factor only applies to service earned in excess of 30 years).	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and a method adopted by the board based on member's accumulated account balance.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

	Tier 1	Tier 2	Tier 3
	Participation Prior to 9/1/2008	Participation 9/1/2008 through 12/31/2013	Participation on or after 1/1/2014
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 27 years of service. Age 65 with 48 months of service. Money Purchase for age 65 with less than 48 months based on contributions and interest.	Rule of 87: Member must be at least age 57 and age plus earned service must equal 87 years at retirement to retire under this provision. Age 65 with 5 years of earned service. No Money Purchase calculations.	
Reduced Retirement Benefit:	Any age with 25 years of service. Age 55 with 5 years of service.	Age 60 with 10 years of service. Excludes purchased service (exception: refunds, omitted, free military).	No reduced retirement benefit

At June 30, 2015, the Plan reported a liability of \$4,214,000 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Plan's proportion of the net pension liability was based on a projection of the Plan's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities. At June 30, 2015, the Plan's proportion was 0.046969 percent.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Actuarial Assumptions

State Contribution	26.79%
Member Contribution	5.00%
Actuarial Valuation Date	June 30, 2014
Actuarial Cost Method	Entry age
Amortization Method	Level percent closed
Remaining amortization period	29 years
Asset valuation method	Five-year smoothed Market
Actuarial assumptions:	
Investment rate of return	7.75%
Inflation Rate	3.50%
Projected salary increases	4.50%
Mortality Tables	1983 Group Annuity Table for all retired members and beneficiaries as of June 30, 2006 and the 1994 Group Annuity Mortality Table for all other members. The Group Annuity Mortality Table set forward 5 years is used for the period after disability retirement.
Date of Experience Study	The period July 1, 2005 - June 30 2008

For the year ended June 30, 2015, the Plan recognized pension expenses of \$318,000 and deferred outflows and deferred inflows related to pension from the following sources:

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on investments \$	-0-	\$ 54,157
Contributions subsequent to the measurement date	<u>255,559</u>	<u>-0-</u>
Total	\$ <u><u>255,559</u></u>	\$ <u><u>54,157</u></u>

The \$255,559 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ended June 30, 2016. Other amounts reported as deferred inflows and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

2016	\$	242,019
2017	\$	(13,539)
2018	\$	(13,539)
2019	\$	(13,539)

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for the Systems. The most recent analysis, performed was for the period covering fiscal years 2005 through 2008, and is outlined in a report dated August 25, 2009. Several factors are considered in evaluating the long-term rate of return. Assumption including long-term historical data, estimates inherent in current market data, and a log – normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the following table:

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Kentucky Retirement Systems		
Asset Class	Target Allocation	Long-Term Nominal Rate of Return
Domestic Equity	30%	8.45%
International Equity	22%	8.85%
Emerging Market Equity	5%	10.5%
Private Equity	7%	11.25%
Real Estate	5%	7%
Core U.S. Fixed Income	10%	5.25%
High Yield U.S. Fixed Income	5%	7.25%
Non U.S. Fixed Income	5%	5.5%
Commodities	5%	7.75%
TIPS	5%	5%
Cash	1%	3.25%
Total	100%	

The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period.

June 30, 2014, is the actuarial valuation date upon which the total pension liability is based. No update procedures were used to determine the total pension liability. The discount rate is defined as the single rate of return that when applied to all projected payments results in an actuarial value of projected benefits payments. A municipal bond rate was not used. Projected future benefit payments for all current plan members were projected through 2116.

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.75%, as well as what the Authority's net position liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%):

	Decrease (6.75%)	Discount (7.75%)	Increase (8.75%)
The Authority's proportionate share	\$ 4,740,603	\$ 4,213,974	\$ 3,739,172

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Detailed information about the KERS's fiduciary net position is available in the separately issued Kentucky Employees' Retirement System's Annual Financial Report (which is a matter of public record). The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to KERS.

In addition to the above defined benefit pension plan, the Authority's employees are also eligible to participate in two deferred compensation plans sponsored by the Commonwealth of Kentucky and administered by the Kentucky Public Employees' Deferred Compensation Authority. These plans are organized as a Section 457 plan and as a Section 401(k) plan under the Internal Revenue Code. Both plans permit employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship. There were no contributions made by the Authority during 2015 or 2014. The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the deferred compensation plans.

Retired Authority employees receive some health care benefits depending on their length of service. In accordance with Kentucky Revised Statutes, these benefits are provided and advance-funded on an actuarially-determined basis through the KERS. As indicated above, covered employees hired after September 1, 2008, contribute 1.00% of their salaries to the KERS Insurance Fund. The employer contribution to the Insurance Fund is included in the contribution rates indicated above. Kentucky Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the KERS. The report may be obtained by writing to Kentucky Retirement System, Perimeter Park West, 1260 Louisville Road, Frankfort, Kentucky 40601.

15. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Authority utilizes the Commonwealth of Kentucky's Risk Management Fund to cover the exposure to these potential losses. The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the Risk Management Fund.

16. NEW STANDARDS IMPLEMENTATION

During 2015, the Plan implemented **GASB Statement No. 68**, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27* and **GASB Statement No. 71**, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68*. These standards require the recognition of the entire net pension liability, a more comprehensive measure of pension expense and enhanced disclosures relating to the pension. The adoption of these standards decreased the previously presented net position as of June 30, 2014, by \$3,949,000. The 2014 financial statements have not been restated as the Plan's pension amounts were not

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

individually calculated at June 30, 2013, and it was not deemed practical to determine its impact on the opening 2014 financial position or the effect on the 2014 change in net position.

17. RECENT GASB PRONOUNCEMENTS

Management has not currently determined what, if any, effects of implementation of the following statements may have on the financial statements:

GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015, will be effective for periods beginning after June 15, 2015. This Statement will enhance the comparability of financial statements among governments requiring the measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statements users about the impact of fair value measurements on a government's financial position.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued June 2015, will be effective for periods beginning after June 15, 2017. The Statement addresses accounting and financial reporting for Postemployment Benefits Other than pensions (OPEB) that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosures and required supplementary information requirements about defined benefit OPEB will be enhanced.

REQUIRED SUPPLEMENTARY INFORMATION

KENTUCKY INFRASTRUCTURE AUTHORITY

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY JUNE 30, 2015

	<u>2015</u>
Proportion of the net pension liability (asset)	0.046969%
Proportionate share of the net pension liability	\$ 4,213,974
Covered- employee payroll	\$ 740,934
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	568.74%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

*Note: This schedule is intended to present 10 years of the proportionate share of the net pension liability. Currently, only those years with information available are presented.

KENTUCKY INFRASTRUCTURE AUTHORITY

SCHEDULE OF CONTRIBUTIONS JUNE 30, 2015

		2015
Statutorily required contribution	\$	<u>244,598</u>
Contribution in relation to the statutorily required contribution		<u>139,421</u>
Contribution deficiency (excess)	\$	105,177
Covered employee payroll	\$	740,934
Contribution as a percentage of covered- employee payroll		18.82%

*Note: This schedule is intended to present 10 years of the contributions and related ratios. Currently, only those years with information available are presented.

SUPPLEMENTARY INFORMATION

KENTUCKY INFRASTRUCTURE AUTHORITY

SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2015

<u>Grant Name</u>	<u>Federal CFDA No.</u>	<u>Grant Number</u>	<u>Grant Period</u>	<u>Expenditures</u>	<u>Passed through to other agencies (including revenue redistributions)</u>
<u>U.S. Environmental Protection Agency</u>					
Major Program:					
Capitalization Grants for Drinking Water State Revolving Fund	66.468	FS984547-11	7/2011 - 9/2014	\$ 377,000	\$ -0-
Capitalization Grants for Drinking Water State Revolving Fund	66.468	FS984547-12	7/2012 - 9/2015	222,000	2,226,000
Capitalization Grants for Drinking Water State Revolving Fund	66.468	FS984547-13	7/2013 - 9/2017	4,186,000	796,000
Capitalization Grants for Drinking Water State Revolving Fund	66.468	FS984547-14	7/2014 - 9/2017	<u>7,834,000</u>	<u>530,000</u>
Total Capitalization Grants for Drinking Water State Revolving Fund				<u>12,619,000</u>	<u>3,552,000</u>
Non-Major Program:					
Capitalization Grants for Clean Water State Revolving Fund	66.458	CS210001-13	7/2013 - 9/2017	1,508,000	-0-
Capitalization Grants for Clean Water State Revolving Fund	66.458	CS210001-14	7/2014 - 9/2017	<u>14,725,000</u>	<u>853,000</u>
Total Capitalization Grants for Clean Water State Revolving Fund				<u>16,233,000</u>	<u>853,000</u>
Total all programs				<u>\$ 28,852,000</u>	<u>\$ 4,405,000</u>

See report of independent auditors and accompanying
notes to the schedule.

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2015

1. BASIS OF ACCOUNTING

The accompanying supplementary schedule of expenditures of federal awards includes the federal grant activity of the Authority and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Therefore, some amounts in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The award revenues received and expended are subject to audit and adjustment. If any expenditures are disallowed by the grantor as a result of such an audit, any claim for reimbursement to the grantor would become a liability of the Authority. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.

2. PASSED THROUGH TO OTHER AGENCY

CFDA No.	Name of Grant	Amount	Pass Through Entity
66.458	Clean Water State Revolving Funds	\$ 853,000	Environmental and Public Protection Cabinet
66.468	Drinking Water State Revolving Funds	3,552,000	Environmental and Public Protection Cabinet
	Total	<u>\$ 4,405,000</u>	

3. LOANS OUTSTANDING

CFDA No.	Name of Grant	Amount
66.458	Clean Water State Revolving Funds	\$ 639,868,000
66.458	Clean Water State Revolving Funds – ARRA	17,208,000
66.468	Drinking Water State Revolving Funds	192,151,000
66.468	Drinking Water State Revolving Funds – ARRA	<u>7,039,000</u>
	Total	<u>\$ 856,266,000</u>

KENTUCKY INFRASTRUCTURE AUTHORITY

NOTES TO THE SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2015

4. LOAN PRINCIPAL FORGIVENESS

CFDA No.	Name of Grant	Amount
66.458	Clean Water State Revolving Funds	\$ 2,365,000
66.468	Drinking Water State Revolving Funds	<u>3,351,000</u>
	Total	<u><u>\$ 5,716,000</u></u>

5. SUB-RECIPIENTS

The accompanying supplementary schedule of expenditures of federal awards includes expenditures consisting of federal awards provided to sub-recipients as follows:

CFDA No.	Name of Grant	Amount
66.458	Clean Water State Revolving Funds	\$ 15,886,000
66.468	Drinking Water State Revolving Funds	<u>12,339,000</u>
	Total	<u><u>\$ 28,225,000</u></u>

KENTUCKY INFRASTRUCTURE AUTHORITY
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Fund A	Fund B	Fund C	Fund F	Total
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 25,387,000	\$ 793,000	\$ 2,960,000	\$ 49,000	\$ 29,189,000
Investments, current portion	260,561,000	12,806,000	21,756,000	68,816,000	363,939,000
Federal funds receivable	4,000	-0-	-0-	-0-	4,000
Intergovernmental receivables	-0-	570,000	-0-	-0-	570,000
Accrued interest receivable, investments	1,000	-0-	53,000	-0-	54,000
Accrued interest receivable, assistance agreements	1,022,000	129,000	48,000	483,000	1,682,000
Current maturities of long-term receivables	36,817,000	5,781,000	2,497,000	10,409,000	55,504,000
Other current assets	-0-	10,000	-0-	-0-	10,000
Total current assets	<u>323,792,000</u>	<u>20,089,000</u>	<u>27,314,000</u>	<u>79,757,000</u>	<u>450,952,000</u>
Investments	35,000	11,169,000	-0-	(175,000)	11,029,000
Investments, restricted for debt service	-0-	-0-	2,481,000	-0-	2,481,000
Total noncurrent investments	<u>35,000</u>	<u>11,169,000</u>	<u>2,481,000</u>	<u>(175,000)</u>	<u>13,510,000</u>
Long-term receivables:					
Assistance agreements receivable:					
Principal	657,075,000	62,984,000	23,295,000	199,190,000	942,544,000
Less:					
Current maturities	(36,817,000)	(5,781,000)	(2,497,000)	(10,409,000)	(55,504,000)
Unamortized discounts	-0-	-0-	(438,000)	-0-	(438,000)
Total long-term receivables	<u>620,258,000</u>	<u>57,203,000</u>	<u>20,360,000</u>	<u>188,781,000</u>	<u>886,602,000</u>
Total assets	<u>944,085,000</u>	<u>88,461,000</u>	<u>50,155,000</u>	<u>268,363,000</u>	<u>1,351,064,000</u>
Deferred outflow of resources:					
Net difference between projected and actual earnings on pension investments	121,000	11,000	14,000	109,000	255,000
Unamortized deferred amount on refunding	4,301,000	-0-	-0-	775,000	5,076,000
Total assets and deferrals	<u>948,507,000</u>	<u>88,472,000</u>	<u>50,169,000</u>	<u>269,247,000</u>	<u>1,356,395,000</u>
LIABILITIES					
Current liabilities:					
Current maturities of revenue bonds payable, net of unamortized discounts and premiums	20,829,000	-0-	2,474,000	3,224,000	26,527,000
Accrued interest payable	2,666,000	-0-	147,000	533,000	3,346,000
Grants payable	-0-	604,000	-0-	-0-	604,000
Other payables	-0-	426,000	45,000	-0-	471,000
Total current liabilities	<u>23,495,000</u>	<u>1,030,000</u>	<u>2,666,000</u>	<u>3,757,000</u>	<u>30,948,000</u>
Long-term debt:					
Revenue bonds payable, net of current maturities and unamortized discounts and premiums	230,389,000	-0-	9,369,000	47,370,000	287,128,000
Net pension liability	2,002,000	179,000	235,000	1,798,000	4,214,000
Total liabilities	<u>255,886,000</u>	<u>1,209,000</u>	<u>12,270,000</u>	<u>52,925,000</u>	<u>322,290,000</u>
Deferred inflow of resources:					
Pension contributions subsequent to the measurement date	26,000	2,000	3,000	23,000	54,000
Unamortized deferred amount on refunding	-0-	-0-	230,000	-0-	230,000
Total liabilities and deferrals	<u>255,912,000</u>	<u>1,211,000</u>	<u>12,503,000</u>	<u>52,948,000</u>	<u>322,574,000</u>
NET POSITION					
Restricted net position	<u>\$ 692,595,000</u>	<u>\$ 87,261,000</u>	<u>\$ 37,666,000</u>	<u>\$ 216,299,000</u>	<u>\$ 1,033,821,000</u>

See report of independent auditors.

KENTUCKY INFRASTRUCTURE AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	Fund A	Fund B	Fund C	Fund F	Total
Operating revenues:					
Assistance agreements:					
Servicing fee	\$ 1,107,000	\$ 113,000	\$ 43,000	\$ 403,000	\$ 1,666,000
Interest	10,193,000	1,020,000	-0-	3,232,000	14,445,000
Interest received securing revenue bonds	-0-	-0-	777,000	-0-	777,000
Amortization of premium	-0-	-0-	60,000	-0-	60,000
Grant administration fee	-0-	15,000	-0-	-0-	15,000
Amortization of bond premiums	1,948,000	3,000	-0-	374,000	2,325,000
Total operating revenues	<u>13,248,000</u>	<u>1,151,000</u>	<u>880,000</u>	<u>4,009,000</u>	<u>19,288,000</u>
Operating expenses:					
General and administrative	767,000	1,493,000	77,000	749,000	3,086,000
Intergovernmental administrative expense reimbursement	853,000	-0-	-0-	3,552,000	4,405,000
Grants	-0-	15,233,000	-0-	-0-	15,233,000
Interest - revenue bonds payable	9,247,000	16,000	326,000	1,799,000	11,388,000
Arbitrage expense	-0-	-0-	56,000	-0-	56,000
Total operating expenses	<u>10,867,000</u>	<u>16,742,000</u>	<u>459,000</u>	<u>6,100,000</u>	<u>34,168,000</u>
Operating income (loss)	<u>2,381,000</u>	<u>(15,591,000)</u>	<u>421,000</u>	<u>(2,091,000)</u>	<u>(14,880,000)</u>
Nonoperating revenues (expenses):					
Income from investments	193,000	11,000	153,000	38,000	395,000
Bond Issuance Cost	(386,000)	-0-	(70,000)	(192,000)	(648,000)
Net decrease in fair value of investments	52,000	-0-	(1,000)	13,000	64,000
Federal grants and reimbursements	17,087,000	-0-	-0-	16,170,000	33,257,000
Principal forgiveness on loans	(2,365,000)	8,000	(437,000)	(3,351,000)	(6,145,000)
Intergovernmental revenue from the Commonwealth	-0-	11,518,000	-0-	-0-	11,518,000
State appropriations	1,694,000	1,562,000	-0-	395,000	3,651,000
Miscellaneous expense	-0-	(1,000)	-0-	-0-	(1,000)
Total nonoperating revenues (expenses)	<u>16,275,000</u>	<u>13,098,000</u>	<u>(355,000)</u>	<u>13,073,000</u>	<u>42,091,000</u>
Change in net position	<u>18,656,000</u>	<u>(2,493,000)</u>	<u>66,000</u>	<u>10,982,000</u>	<u>27,211,000</u>
Net position, beginning of year (as previously stated)	675,816,000	89,921,000	37,820,000	207,002,000	1,010,559,000
Adjustment for net pension liability	<u>(1,877,000)</u>	<u>(167,000)</u>	<u>(220,000)</u>	<u>(1,685,000)</u>	<u>(3,949,000)</u>
Net Postion, beginning of year (as adjusted)	<u>673,939,000</u>	<u>89,754,000</u>	<u>37,600,000</u>	<u>205,317,000</u>	<u>1,006,610,000</u>
Net position, end of year	<u>\$ 692,595,000</u>	<u>\$ 87,261,000</u>	<u>\$ 37,666,000</u>	<u>\$ 216,299,000</u>	<u>\$ 1,033,821,000</u>

See report of independent auditors.



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**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Kentucky Infrastructure Authority (the Authority), a component unit of the Commonwealth of Kentucky, which comprise the statements of net position as of June 30, 2015, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated December 2, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Lexington, Kentucky
December 2, 2015



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REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

Report on Compliance for Each Major Federal Program

We have audited the Kentucky Infrastructure Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2015. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Each Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors
Kentucky Infrastructure Authority
Frankfort, Kentucky

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Blue & Co., LLC

Lexington, Kentucky
December 2, 2015

KENTUCKY INFRASTRUCTURE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2015

Section 1 - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified
that are not considered to be
material weaknesses? _____ yes x none
reported

Noncompliance material to financial
statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ yes x no

Significant deficiency(ies) identified
that are not considered to be
material weaknesses? _____ yes x none
reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required
to be reported in accordance with section
510(a) of Circular A-133? _____ yes x no

Identification of major program:

CFDA Number

Name of Federal Program

66.468

Drinking Water State Revolving Funds

Dollar threshold used to distinguish between type A and type B programs: \$997,000

Auditee qualified as low-risk auditee: _____ yes x no

KENTUCKY INFRASTRUCTURE AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2015

Section II – Findings – Financial Statement Audit

None reported.

Section III – Findings and Questioned Costs – Major Federal Awards Program Audit

None reported.

KENTUCKY INFRASTRUCTURE AUTHORITY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED JUNE 30, 2015

2014-1

Condition: The 2014 audit resulted in audit adjustments to properly state accrued interest payable and interest expense on revenue bonds payable. The original entry to record accrued interest was recorded in reverse, resulting in accrued interest payable and interest expense being understated.

Recommendation: We recommend the Authority implement a procedure to have an individual review journal entries recorded during the year-end external financial reporting process.

Current Year Status: Appropriate review procedures were performed over current year-end adjustments including review of supporting work papers.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Kentucky Local Correctional
Facilities Construction Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Kentucky Local Correctional Facilities Construction Authority (the Authority), a component unit of the Commonwealth of Kentucky, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Kentucky Local Correctional Facilities Construction Authority as of June 30, 2015 and 2014, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3–8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2015, on our consideration of the Kentucky Local Correctional Facilities Construction Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kentucky Local Correctional Facilities Construction Authority's internal control over financial reporting and compliance.

Blue & Co., LLC

Lexington, Kentucky
December 8, 2015

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

As management of the Kentucky Local Correctional Facilities Construction Authority (the Authority), a component unit of the Commonwealth of Kentucky (the Commonwealth), we offer the readers of the Authority's financial statements this narrative overview and analysis of the financial performance of the Authority for the fiscal years ended June 30, 2015 and 2014. We encourage readers to read it in conjunction with the Authority's financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

During fiscal year 2015 the Authority collected the remaining outstanding balance on lease agreements receivable and paid off the remaining outstanding principal balance on the revenue bonds payable. During January 2015, there was a non-reciprocal payment of \$6,462,310 made to the Commonwealth for all remaining funds.

Going forward the Authority will continue to serve as an administrative conduit for the approval of new construction or the repair of existing correctional facilities in the Commonwealth.

- Cash, cash equivalents, and investments decreased \$5,211,457 (100%)
- Revenue bonds payable and other liabilities decreased \$2,441,754 (100%)
- The Authority's net position decreased \$5,775,772 (100%)
- Operating revenues decreased \$2,299,889 (76.42%)
- Operating expenses decreased \$102,425 (67.66%)
- Income from operations decreased \$2,197,464 (76.88%)
- Income from investments decrease \$50,936 (66.43%)

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements, and the accompanying notes to the financial statements. The Authority is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to those of a private business.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The statement of cash flows provides relevant information about the cash receipts and cash payments of the Authority during the fiscal year. The statement should help users assess the Authority's ability to generate future net cash flows, meet future obligations as they become due, the Authority's need for future external financing, the reasons for differences in operating and related cash receipts and cash payments, and the effects on financial position of cash and non-cash investing, capital, non-capital, and financing activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found on pages 14-23.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

FINANCIAL ANALYSIS OF THE AUTHORITY

Condensed Financial Information (in thousands)
Statements of Net Position
As of June 30

	<u>2015</u>	<u>% Increase (Decrease)</u>	<u>2014</u>	<u>% Increase (Decrease)</u>	<u>2013</u>
Current assets	\$ -0-	-100.0%	\$ 8,179	2.5%	\$ 7,977
Non-current assets	<u>-0-</u>	0.0%	<u>-0-</u>	-100.0%	<u>2,671</u>
Total assets	<u>-0-</u>	-100.0%	<u>8,179</u>	-23.2%	<u>10,648</u>
Deferred outflow of resources	<u>-0-</u>	-100.0%	<u>39</u>	0.0%	<u>154</u>
Total assets and deferrals	<u>\$ -0-</u>	-100.0%	<u>\$ 8,218</u>	-23.9%	<u>\$ 10,802</u>
Current liabilities	-0-	-100.0%	2,442	-10.9%	2,741
Non-current liabilities	<u>-0-</u>	0.0%	<u>-0-</u>	-100.0%	<u>2,421</u>
Total liabilities	<u>-0-</u>	-100.0%	<u>2,442</u>	-52.7%	<u>5,162</u>
Restricted net position	<u>-0-</u>	-100.0%	<u>5,776</u>	-2.4%	<u>5,640</u>
Total liabilities and net position	<u>\$ -0-</u>	100.0%	<u>\$ 8,218</u>	23.9%	<u>\$ 10,802</u>

Current assets consist primarily of the operating and program cash and cash equivalents, court cost receivables, and the current portion of lease agreement receivables.

Non-current assets consist primarily of debt service reserve investments and the non-current portion of lease agreement receivables.

Current liabilities consist primarily of the current portion of the revenue bonds payable due annually on November 1.

Non-current liabilities represent the non-current portion of the revenue bonds payable.

Deferred outflow of resources represent unamortized deferred amount on refunding bonds.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

In providing funds for the construction and improvement of correctional facilities, the Authority obtained its funding through the issuance of revenue bonds and the receipt of court costs remittances. When revenue bonds were issued, the Authority incurred long-term obligations that were repaid primarily by revenue received from annual court costs receipts. When construction grants were awarded to local governments, the disbursements were immediately reflected as operating expenses. Due to the timing of these transactions, the Authority periodically incurred losses from operations. In addition, during 2009, House Bill No. 406 authorized non-reciprocal payments to the Commonwealth during fiscal years 2010 and 2009 of \$2,427,500 and \$2,430,800, respectively for local correctional facility and operational support. During 2007 and 2008 House Bill No. 380 authorized non-reciprocal payments to the Commonwealth of Kentucky in the amounts of \$4,000,000 and \$1,500,000, respectively. During 2003, House Bill No. 269 authorized a non-reciprocal payment to the Commonwealth in the amount of \$15,000,000.

During 2010, House Bill No. 290 authorized non-reciprocal payments to the Commonwealth of Kentucky during fiscal years 2011 and 2012 of \$2,427,500 each year, for local correctional facility and operational support. Subsequent to the passage of House Bill No. 290, the Authority came to an agreement with the Office of State Budget Director to waive the payment to the Commonwealth of Kentucky for the years ended June 30, 2011 and 2012, as a result of the decline in court cost receipts in recent years. In 2014, the Authority made a non-reciprocal payment to the Commonwealth of Kentucky for \$2,800,000 pursuant to House Bill 265 (2012 Regular Session). During the 2014 Regular Session House Bill No. 235 authorized non-reciprocal payments to the Commonwealth of Kentucky for the years ended June 30, 2015 and 2016, in the amount of \$2,800,000 each year. Subsequent to the passage of House Bill No. 235, the Authority paid off the remaining outstanding principal balance on the revenue bonds payable and was directed by Office of State Budget Director to make a non-reciprocal payment to the Commonwealth of Kentucky of all remaining funds in the amount of \$6,462,310.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

Condensed Financial Information (in thousands) Statement of Revenues, Expenses, and Changes in Net Position For the Fiscal Years Ended June 30

	2015	% Increase (Decrease)	2014	% Increase (Decrease)	2013
Operating revenues:					
Court costs receipts	\$ 711	-75.8%	\$ 2,944	-11.5%	\$ 3,325
Interest income-leases	6	-79.3%	29	-44.2%	52
Other	(7)	-119.4%	36	-43.8%	64
Total operating revenues	<u>710</u>	-76.4%	<u>3,009</u>	-12.6%	<u>3,441</u>
Operating expenses:					
Interest expense	24	-79.3%	116	-53.0%	247
Other	25	-28.6%	35	-22.2%	45
Total operating expenses	<u>49</u>	-67.5%	<u>151</u>	-48.3%	<u>292</u>
Income from operations	<u>661</u>	-76.9%	<u>2,858</u>	-9.2%	<u>3,149</u>
Non-operating revenues (expenses)	<u>(6,437)</u>	136.4%	<u>(2,723)</u>	-3636.4%	<u>77</u>
Change in net assets	(5,776)	-4378.5%	135	-95.8%	3,226
Restricted net position, beginning of year	<u>5,776</u>	-2.4%	<u>5,641</u>	-133.6%	<u>2,415</u>
Restricted net position, end of year	<u>\$ -0-</u>	-100.0%	<u>\$ 5,776</u>	-2.4%	<u>\$ 5,641</u>

Court costs receipts represent 10.8% or \$10.80 of each \$100.00 court cost, up to \$5,400,000 each fiscal year, taxed against a defendant upon conviction in each case tried in a State Circuit or District Court. The court costs are collected by all circuit clerks in Kentucky and were submitted to the Authority on a monthly basis through October 2014. Any receipts collected above the \$5,400,000 each fiscal year were paid into the Commonwealth's General Fund.

Interest income-leases represents the portion of the rental payments received by the Authority under the leases from Local Governments in repayment of, and as interest on, a Local Government's agreed participation.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

Other operating revenues consist of the amortization of the net premium on leases.

Interest expense represents the interest that was due semi-annually each May 1 and November 1 on the revenue bonds payable. Also reflected within interest expense was the amortization expense relative to the bond premium/discount and the deferred amount on refunding.

Other operating expenses are primarily representative of the amounts due to the Office of Financial Management (OFM) to reimburse OFM for expenses incurred on behalf of the Authority and the amortization of the debt issuance costs.

Non-operating revenues (expenses) consist in part of income from investments, which remained flat from 2013 to 2014 to 2015 due to the consistent balances in the Authority's average investment balance, as well as a consistency in interest rates. In 2014, the amount decreased with the payment to the Commonwealth of Kentucky for \$2,800,000. In 2015, the amount decrease with the transfer of the remaining balances to the Commonwealth of Kentucky.

In 2014, the Authority made a payment to the Commonwealth for \$2,800,000 pursuant to House Bill 265 (2012 Regular Session).

DEBT ADMINISTRATION

On October 13, 2004, the Authority issued \$21,670,000 in Multi-County Correctional Facilities Revenue Refunding Bonds, Series 2004, to redeem and discharge \$26,895,000 of the outstanding Series 1994 bonds. More detailed information about the Authority's debt is presented in Note 4 to the financial statements.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

The following summarizes the changes (in thousands) in the Authority's debt principally resulting from the refunding during 2005 and the regularly scheduled principal and interest payments during the fiscal years ended June 30, 2015, 2014, and 2013.

	<u>2015</u>	<u>% Increase (Decrease)</u>	<u>2014</u>	<u>% Increase (Decrease)</u>	<u>2013</u>
Revenue bonds payable	\$ -0-	-100.0%	\$ 2,365	-51.7%	\$ 4,895
Unamortized premium	<u>-0-</u>	-100.0%	<u>56</u>	-75.0%	<u>224</u>
Revenue bonds payable, net	<u><u>\$ -0-</u></u>	-100.0%	<u><u>\$ 2,421</u></u>	-52.7%	<u><u>\$ 5,119</u></u>

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances for all of those with an interest. If you have any questions concerning the information provided in this report or need additional financial information, contact the Office of Financial Management, Finance and Administration Cabinet, Commonwealth of Kentucky, Room 76, Capitol Annex, Frankfort, Kentucky, 40601.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

STATEMENTS OF NET POSITION JUNE 30, 2015 AND 2014

	2015	2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -0-	\$ 5,211,457
Investments-debt service reserve	-0-	2,335,178
Court costs receivable	-0-	241,575
Accrued interest receivable-investments	-0-	12,515
Accrued interest receivable-leases	-0-	5,887
Lease agreement receivables	-0-	372,292
Total current assets	<u>-0-</u>	<u>8,178,904</u>
Total assets	<u>-0-</u>	<u>8,178,904</u>
Deferred outflow of resources:		
Unamortized deferred amount on refunding	<u>-0-</u>	<u>38,622</u>
Total assets and deferrals	<u><u>\$ -0-</u></u>	<u><u>\$ 8,217,526</u></u>
LIABILITIES		
Current liabilities:		
Revenue bonds payable	\$ -0-	\$ 2,421,060
Accrued interest payable	-0-	20,694
Total current liabilities	<u>-0-</u>	<u>2,441,754</u>
Total liabilities	<u>-0-</u>	<u>2,441,754</u>
NET POSITION		
Restricted net position	<u>-0-</u>	<u>5,775,772</u>
Total liabilities and net position	<u><u>\$ -0-</u></u>	<u><u>\$ 8,217,526</u></u>

See accompanying notes to the financial statements.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Court costs receipts	\$ 710,429	\$ 2,944,133
Interest income-leases	5,886	29,076
Amortization of premium and discount on leases	<u>(6,563)</u>	<u>36,432</u>
Total operating revenues	<u>709,752</u>	<u>3,009,641</u>
Operating expenses:		
Interest expense	23,950	116,125
Other operating expenses	<u>25,000</u>	<u>35,250</u>
Total operating expenses	<u>48,950</u>	<u>151,375</u>
Income from operations	<u>660,802</u>	<u>2,858,266</u>
Non-operating revenues (expenses):		
Income from investments	25,736	76,672
Payment to the Commonwealth	<u>(6,462,310)</u>	<u>(2,800,000)</u>
Total non-operating revenues (expenses)	<u>(6,436,574)</u>	<u>(2,723,328)</u>
Change in net position	(5,775,772)	134,938
Net position, beginning of year	<u>5,775,772</u>	<u>5,640,834</u>
Net position, end of year	<u>\$ -0-</u>	<u>\$ 5,775,772</u>

See accompanying notes to the financial statements.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Cash received from court costs	\$ 952,004	\$ 2,949,522
Lease payments collected, including interest	377,501	378,214
Cash payments for services	(25,000)	(35,250)
Net cash flows from operating activities	<u>1,304,505</u>	<u>3,292,486</u>
Cash flows from non-capital financing activities:		
Payment to the Commonwealth	<u>(6,462,310)</u>	<u>(2,800,000)</u>
Cash flows from capital and related financing activities:		
Principal paid on revenue bonds	(2,365,000)	(2,530,000)
Interest paid on revenue bonds	(62,081)	(190,575)
Net cash flows from financing activities	<u>(2,427,081)</u>	<u>(2,720,575)</u>
Cash flows from investing activities:		
Investment income received	38,251	76,672
Proceeds from maturity of investments	2,335,178	-0-
Net cash flows from investing activities	<u>2,373,429</u>	<u>76,672</u>
Net change in cash and cash equivalents	(5,211,457)	(2,151,417)
Cash and cash equivalents, beginning of year	<u>5,211,457</u>	<u>7,362,874</u>
Cash and cash equivalents, end of year	<u>\$ -0-</u>	<u>\$ 5,211,457</u>

See accompanying notes to the financial statements.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Reconciliation of income from operations to net cash flows from operating activities:		
Income from operations	\$ 660,802	\$ 2,858,266
Interest paid on revenue bonds	62,081	190,575
Amortization of premium and discount on leases	6,563	(36,432)
Amortization of bond premium	(56,060)	(168,179)
Amortization of deferred amount on refunding	38,622	115,866
Decrease in assets:		
Court costs receivable	241,575	5,389
Accrued interest receivable-leases	5,887	5,531
Lease agreement receivables	365,729	343,607
Decrease in liabilities:		
Accrued interest payable	<u>(20,694)</u>	<u>(22,137)</u>
Net cash flows from operating activities	<u>\$ 1,304,505</u>	<u>\$ 3,292,486</u>

See accompanying notes to the financial statements.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Kentucky Local Correctional Facilities Construction Authority (the Authority) is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Organization

The Authority is a public corporation and governmental agency of the Commonwealth of Kentucky created in 1982 by an Act of the Kentucky General Assembly. The purpose of the Authority was to provide up to 75 percent of the cost of construction, improvement, or repair of any jails operated by Kentucky local governments. Upon the passage of House Bill 463 in 2011, the function of the Authority changed from a financing entity to an administrative conduit for the approval of new construction or the repair of existing correctional facilities in the Commonwealth.

During fiscal year 2015 the Authority collected the remaining outstanding balance on lease agreements receivable and paid off the remaining outstanding principal balance on the revenue bonds payable. During January 2015, there was a transfer of \$6,462,310 made to the Commonwealth for all remaining funds.

As a component unit of the Commonwealth of Kentucky, the accompanying financial statements are included in the Commonwealth's Comprehensive Annual Financial Report as a discretely presented component unit.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The activities of the Authority are accounted for as an enterprise fund on the accrual basis of accounting. Accordingly, revenues are recognized when they are earned and expenses are recognized when they are incurred.

As a result of adopting Governmental Accounting Standards Board Statement No. 34, *"Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments,"* in the year ended June 30, 2002, the financial statements include a Management's Discussion and Analysis (MD&A) section providing an analysis of the Authority's overall financial position and results of operations.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Authority considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are reported at fair market value. Unrealized gains and losses (income/loss from investments) are included in the statement of revenues, expenses, and changes in net position.

Net Position

Generally accepted accounting principles require the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as unspent proceeds.

Restricted – This component of net position consists of constraints placed on the use of net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Amortization of Premium/Discount on Lease Agreement Receivables

Premiums and discounts on lease agreement receivables were amortized on the straight-line method over the life of the related receivable. The results of this method did not materially differ from those that would be obtained by applying the effective interest method.

Amortization of Bond Premium/Discount

The bond premium (Series 2004 bonds)/discount (Series 1994 bonds) were amortized on the straight-line method over the life of the bond issues. The results of this method did not materially differ from those that would be obtained by applying the effective interest method. The amortization of the bond premium/discount was charged to interest expense on the accompanying statements of revenues, expenses, and changes in net position.

Amortization of Deferred Amount on Refunding

The deferred amount on refunding was amortized on the straight-line method over the life of the Series 2004 bonds. The results of this method did not materially differ from those that would be obtained by applying the effective interest method. The amortization was charged to interest expense on the accompanying statements of revenues, expenses, and changes in net position.

Operating Revenues and Expenses

Operating revenues and expenses for enterprise funds are those that result from providing services. It also includes all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities.

2. CASH, CASH EQUIVALENTS, AND INVESTMENTS

Pursuant to the issue of the Multi-County Correctional Facilities Revenue Refunding Bonds, Series 2004 (see Note 4), the Authority entered into a Trust Indenture Agreement with U.S. Bank National Association of Louisville, Kentucky as Trustee. The Trust Indenture provided for the issuance of the bonds and the establishment of the following special accounts with the Trustee.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Construction Account

Funded from the bond proceeds of any Series required to be deposited therein, available funds of the Authority, or other sources as determined by Series resolution, to be applied to the acquisition, construction, reconstruction, and equipping of the projects designated and the necessary expenses incidental thereto. No disbursements could be made from the Construction Account unless the Trustee received a written Requisition for Funds approved by the Authority.

Costs of Issuance Account

Established from bond proceeds for the purpose of paying the costs of issuing such bonds.

Debt Service Fund

Interest Account:

To receive transfers from the Revenue Fund for payments of the interest becoming due on the bonds on said interest payment dates.

Principal Account:

To receive transfers from the Revenue Fund for payments of the principal becoming due on the bonds on said principal payment dates.

Debt Service Reserve Fund

The Debt Service Reserve Fund maintained proceeds of bonds or a surety bond (or other credit facility) so provided to be deposited therein by any Series resolution, as well as the pledged receipts from the Revenue Fund, an amount equal to the payment of the principal installments of, or interest on, any outstanding bonds (the "aggregate debt service reserve requirement"), but only to the extent amounts in the Debt Service Fund and the Revenue Fund are not adequate for such purpose. The "aggregate debt service reserve requirement" was defined to mean an amount equal to the lesser of (a) 10% of the stated aggregate principal amount of the bonds, (b) the maximum annual debt service requirement in the current year or any succeeding bond fiscal year with respect to all outstanding bonds, or (c) 125% of the average annual debt service requirement with respect to all outstanding bonds.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Payment, Surplus, and Operating Fund

The Payment, Surplus, and Operating Fund maintained the amounts required to be so paid by the provisions of the Trust Indenture, including amounts transferred from the Revenue Fund. Notwithstanding anything in the Trust Indenture to the contrary, monies in the Payment, Surplus, and Operating Fund could be withdrawn and paid out by the Trustee to or at the direction of the Authority for any lawful purpose of the Authority, including, but not limited to, paying reasonable or necessary operating costs and making grants to Local Governments.

Revenue Fund

All of the pledged receipts of the Authority, including court costs, investment earnings, rental payments, and supplemental rental payments, were deposited in the Revenue Fund and disbursed for payment of interest and principal which will come due on the bonds on said interest and principal payment dates.

At June 30, 2015 and 2014, the components of the revenue bond accounts are as follows:

	<u>2015</u>	<u>2014</u>
Debt service fund - principal account	\$ -0-	\$ 1,182,507
Debt service reserve fund	-0-	2,335,178
Payment, surplus, and operating fund	-0-	1,092,729
Revenue fund	<u>-0-</u>	<u>2,936,221</u>
Total cash, cash equivalents, and investments	-0-	7,546,635
Less non-current debt service reserve investments	<u>-0-</u>	<u>-0-</u>
Total current cash and cash equivalents, and investments	<u><u>\$ -0-</u></u>	<u><u>\$ 7,546,635</u></u>

At June 30, 2014, the Authority's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>
U.S. Treasury Department Treasury Bonds, State and Local Government Series	<u><u>\$ 2,335,178</u></u>	October 31, 2014

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

At June 30, 2014, the Authority's remaining funds on deposit with the Trustee (money market funds reported as cash and cash equivalents) were invested in the First American Government Obligation Fund.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority has no formal policy on custodial credit risk. At June 30, 2015 and 2014, the Authority's investments are neither insured nor registered, but are held by the Authority's counterparty in the Authority's name.

Credit Risk: The Trustee, on behalf of the Authority, is permitted to invest Authority funds in the following:

- Obligations backed by the full faith and credit of the United States
- Obligations of any corporation of the United States Government
- Collateralized or uncollateralized certificates of deposit issued by banks or other interest-bearing accounts in depository institutions chartered by Kentucky or by the United States
- Bankers acceptances
- Commercial paper
- Securities issued by a State or local government, or any instrumentality or agency thereof in the United States
- United States denominated corporate, Yankee, and Eurodollar securities, excluding corporate stocks, issued by foreign and domestic issuers
- Asset-backed securities
- Shares of mutual funds, not to exceed 10% of the total funds available for investment
- State and local delinquent property tax claims

Concentration of Credit Risk: The Authority places no limit on the amount the Authority may invest in any one issuer, with the exception of investments in mutual funds as indicated above.

Interest Rate Risk: The Authority maintains its investment in U.S. Treasury Department Treasury Bonds, State and Local Government Series (SLGS) to comply with federal arbitrage tax law provisions under the trust indenture and, accordingly, does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates relative to its investment in the SLGS.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

3. LEASE AGREEMENT RECEIVABLES

Lease agreement receivables represent the participating counties' agreed amount of bond principal required to finance the counties' share of project costs funded through the bond issue. As of June 30, 2015 and 2014, no allowance for uncollectible balances is considered necessary.

The counties and their respective amounts are as follows:

	2015	2014
	<u>2015</u>	<u>2014</u>
Adair	\$ -0-	\$ 31,674
Estill	-0-	13,433
Franklin	-0-	132,277
Fulton	-0-	23,729
Knox	-0-	35,874
McCreary	-0-	21,673
Montgomery	-0-	62,580
Powell	-0-	17,929
Simpson	-0-	26,561
	<u>-0-</u>	<u>365,730</u>
Net premium (discount) on leases	-0-	6,562
Net lease agreement receivable	-0-	372,292
Less current portion	-0-	(372,292)
Non-current lease agreement receivables	<u>\$ -0-</u>	<u>\$ -0-</u>

Premiums and discounts on leases represent the difference between the amount of bond principal assigned and bond proceeds allocated to the participating counties, which reflects the counties' share of bond issuance costs.

4. REVENUE BONDS PAYABLE

On October 13, 2004, the Authority issued \$21,670,000 in Multi-County Correctional Facilities Revenue Refunding Bonds, Series 2004, to redeem and discharge \$26,895,000 of outstanding Series 1994 bonds.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Activity within revenue bonds payable (Multi-County Correctional Facilities Revenue Refunding Bonds, Series 2004) during the year ended June 30, 2015 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Serial bonds	\$ 2,365,000	\$ -0-	\$ 2,365,000	\$ -0-	\$ -0-
Unamortized premium	56,060	-0-	56,060	-0-	-0-
	<u>\$ 2,421,060</u>	<u>\$ -0-</u>	<u>\$ 2,421,060</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

There are no outstanding bonds at June 30, 2015. The bonds matured on November 1, 2014.

Activity within revenue bonds payable during the year ended June 30, 2014 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Serial bonds	\$ 4,895,000	\$ -0-	\$ 2,530,000	\$ 2,365,000	\$ 2,365,000
Unamortized premium	224,239	-0-	168,179	56,060	56,060
	<u>\$ 5,119,239</u>	<u>\$ -0-</u>	<u>\$ 2,698,179</u>	<u>\$ 2,421,060</u>	<u>\$ 2,421,060</u>

The Series 2004 bonds were special and limited obligations of the Authority and, except to the extent payable from the proceeds of such bonds or other monies pledged under the Trust Indenture, were payable from the pledged receipts as described below:

1. The Authority was entitled to 10.8% or \$10.80 of each \$100.00 court cost, up to \$5,400,000 each fiscal year, taxed against a defendant upon conviction in each case tried in a State Circuit or District Court. The court costs were collected by all circuit clerks in Kentucky and submitted on a monthly basis. Any receipts collected above the \$5,400,000 each fiscal year were paid into the Commonwealth's General Fund.
2. Rental payments received by the Authority under the leases from Local Governments in repayment of and as interest on a Local Government's agreed participation.
3. All interest earned and gains realized on investment obligations acquired with monies on deposit under the Trust Indenture other than the Payment, Surplus, and Operating Fund.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

4. Any gifts or grants received from any agency of government, both Federal and State, to the extent not otherwise required to be applied.
5. Any and all appropriations made to the Authority by the General Assembly of the Commonwealth of Kentucky to the extent not otherwise committed during any fiscal period of the Authority.

As a result of the 2004 refunding, the Authority recognized a deferred amount on the refunding in the amount of \$1,158,663. This amount represents the difference between the reacquisition price relative to the Series 1994 bonds outstanding (including the 102% call premium) and the net carrying amount of the Series 1994 bonds (including the unamortized discount and debt issuance costs). The unamortized deferred amount on the refunding was reported in the accompanying statements of net position as a deferred outflow of resources as of June 30, 2014.

5. PAYMENT TO THE COMMONWEALTH

During its 2012 Regular Session, the General Assembly of the Commonwealth of Kentucky passed House Bill No. 265 which contained a provision that, notwithstanding KRS 441.605 to 441.695, for the fiscal year ended June 30, 2014, funds of \$2,800,000 was expended from the Kentucky Local Correctional Facilities Construction Authority for local correctional facility and operational support consistent with contractual covenants in accordance with bond indentures of the Authority.

During the 2014 Regular Session House Bill No. 235 authorized non-reciprocal payments to the Commonwealth of Kentucky for the years ended June 30, 2015 and 2016, in the amount of \$2,800,000 each year. Subsequent to the passage of House Bill No. 235, the Authority paid off the remaining outstanding principal balance on the revenue bonds payable and was directed by Office of State Budget Director to make a non-reciprocal payment to the Commonwealth of Kentucky of all remaining funds in the amount of \$6,462,310.

6. RELATED PARTY TRANSACTIONS

The Authority receives the benefit of accounting and administrative services from the Office of Financial Management (OFM). OFM serves as staff to the Authority and is reimbursed for accounting and administrative costs. The Authority reimbursed OFM \$25,000 for these costs during both 2015 and 2014, respectively.

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

7. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Authority utilizes the Commonwealth of Kentucky's Risk Management Fund to cover the exposure to these potential losses. The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the Risk Management Fund.



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**REPORTS OF IDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Kentucky Local Correctional
Facilities Construction Authority

Report on the Financial Statements

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Kentucky Local Correctional Facilities Construction Authority (the Authority), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 8, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors
Kentucky Local Correctional
Facilities Construction Authority

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Lexington, Kentucky
December 8, 2015

KENTUCKY LOCAL CORRECTIONAL FACILITIES CONSTRUCTION AUTHORITY

SCHEDULE OF FINDINGS YEAR ENDED JUNE 30, 2015

Schedule of auditor's results

We have issued an unmodified opinion dated December 8, 2015, on the financial statements of the Kentucky Local Correctional Facilities Construction Authority as of and for the year ended June 30, 2015.

Our audit disclosed no instances of noncompliance which are material to the Authority's financial statements.

Findings relating to the financial statements

Our audit disclosed no findings that are required to be reported in accordance with *Government Auditing Standards*.

**KENTUCKY LOCAL CORRECTIONAL
FACILITIES CONSTRUCTION AUTHORITY**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND THEIR RESOLUTION
YEAR ENDED JUNE 30, 2015**

Findings relating to the prior year financial statements

The audit disclosed no findings that were required to be reported in accordance with *Government Auditing Standards* for the year ended June 30, 2014.



KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

A COMPONENT UNIT OF
THE COMMONWEALTH OF KENTUCKY

FRANKFORT, KENTUCKY

FOR THE YEAR ENDED JUNE 30, 2015 AND 2014



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015 AND 2014



**KENTUCKY PUBLIC TRANSPORTATION
INFRASTRUCTURE AUTHORITY**
A Component Unit of the Commonwealth of Kentucky

Prepared By:

David L. Talley
Innovative Finance Manager

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

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KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

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INTRODUCTORY SECTION





Steven L. Beshear
Governor



Michael W. Hancock, P.E.
Secretary

November 24, 2015

To the Members and Bondholders of the
Kentucky Public Transportation Infrastructure
Authority and Citizens of the
Commonwealth of Kentucky
Frankfort, Kentucky

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the Kentucky Public Transportation Infrastructure Authority (the Authority, KPTIA) for the year ended June 30, 2015. The purpose of the report is to provide members, management, bondholders, the public, the Commonwealth of Kentucky, and other interested parties with detailed information reflecting the Authority's financial condition.

The Report

The KPTIA 2013 General Trust Indenture and the Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Agreement require annual audits of the Authority's financial statements by a certified public accountant within 150 days of the end of the fiscal year. These requirements have been fulfilled and the independent auditors' report is included with this report for the fiscal year ended June 30, 2015.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. The objective of internal control is to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

The Auditor of Public Accounts of the Commonwealth of Kentucky has issued an unmodified opinion on the Authority's financial statements for the years ended June 30, 2015 and 2014. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it.

Profile of the Authority

The Authority is an independent de jure municipal corporation and political subdivision of the Commonwealth of Kentucky (the Commonwealth). The Authority was established in 2009 by the Extraordinary Session of the General Assembly through the enactment of Kentucky Revised Statutes (KRS) Chapter 175B, as amended, to review, approve, and monitor certain significant transportation projects within the Commonwealth and between the Commonwealth and the State of Indiana and, if necessary, to assist with the operation, financing, and management of those projects. The Authority currently oversees one project, The Louisville-Southern Indiana Ohio River Bridges Project (LSIORBP). The LSIORBP is divided into two crossings, the Downtown Crossing and the East End Crossing. The Downtown Crossing is being procured by the Authority and the East End Crossing is being procured by the Indiana Finance Authority (IFA). The Authority's portion of the Downtown Crossing costs is being funded by Toll Revenue Bonds and Toll Revenue Bond Anticipation Notes. Operations and debt service will be funded by toll revenues.

The Authority is authorized by KRS 175B to hire employees, but has not yet chosen to do so. KRS 175B also specifies that the Authority is administratively attached to the Kentucky Transportation Cabinet (KYTC). As such, the Authority relies upon administrative and financial support from KYTC. KYTC has assigned the Innovative Finance Manager with the task of ensuring that the Authority receives sufficient budgetary and administrative support to carry out its functions.

A variety of KYTC staff provide support on an as needed basis, including Procurement and Contracting, Budgeting, Accounting, Legal Services, Engineering, and Environmental Analysis. These staff services are augmented when necessary through contracting arrangements initiated by KYTC on behalf of the Authority. Currently, the Authority has contracts in place for financial advisory services, financial reporting services, and general counsel legal services.

Additionally, KRS 175B assigns the Finance and Administration Cabinet's Office of Financial Management (OFM) with providing advice to the Authority. Staff from OFM were instrumental in structuring and executing the December 2013 Toll Revenue Bond and Toll Revenue Bond Anticipation Note sale, as well as the TIFIA loan.

Economic Condition and Outlook

Economic growth in the Louisville / Southern Indiana Metropolitan Statistical Area (MSA) is expected to be broad-based and average over the next two years and will include manufacturing, transportation, education, and healthcare. Housing recoveries across the country and increasing auto sales should provide for increased activity and volume for manufactures such as General Electric at Appliance Park and Ford Motor Company. The United Parcel Service hub in Louisville should benefit from the broad based improvement in economic growth on a national level.

Finance and professional services will be a reliable source of well-paying jobs in the MSA through the medium term. Wage increases and fewer foreclosures on the market will support a pickup in housing. Overall, manufacturing pay will resume its downward trend, and below average population growth will limit potential growth. The MSA had an average (mean) hourly wage approximately 10 percent below the national average in 2014. The unemployment rate declined from 6.8% in July 2014 to 4.7% in June 2015.

Long-term Financial Planning for LSIORB

The Tolling Body is responsible for adopting toll rates for the LSIORBP. The Tolling Body is made up of the Joint Board and one additional representative from both the Authority and IFA. The Joint Board is composed of the chairman of the Authority, the Public Finance Director of the State of Indiana, the Secretary of KYTC, and the Commissioner of the Indiana Department of Transportation.

The Development Agreement sets forth the proper flow of funds. Toll revenues received shall be allocated equally between the Authority and IFA. It also states that the rate covenant provisions require that the tolls generated will be sufficient to pay project costs, meet debt service requirements, and create reserves as required by the rate covenant.

The 2013 Toll Revenue Bond Anticipation Notes will be refunded by a TIFIA loan on July 1, 2017. The TIFIA loan is a low interest loan maturing on July 1, 2052.

Major Initiatives

The LSIORB consists of the construction of the East End Bridge and highway connections that will complete an outer loop around the greater Louisville area and continuing north of the Ohio River to connect to Interstate 65; a Downtown Crossing including a new I-65 bridge for northbound traffic; a revamped John F. Kennedy Memorial Bridge for southbound traffic, and rebuilding of the downtown interchange on both sides of the Ohio River. Kentucky is responsible for financing, reconstruction and operational improvements of the Downtown Crossing Bridges; and Indiana is responsible for financing and constructing the East End Crossing. During fiscal year 2014, the Authority finalized the financing package for the Downtown Crossing Bridges through the sale of \$364.5 million Toll Revenue Bonds and \$452.2 million Toll Revenue Bond Anticipation Notes. The Bond Anticipation Notes will be refunded in 2017 with the proceeds of a TIFIA loan also approved during fiscal year 2014. Project revenues will be used to repay the Toll Revenue Bonds and TIFIA Loan as well as to pay for operations and maintenance on the project. These transactions provided approximately \$592 million in project construction funds with the remaining proceeds used for capitalized interest, debt service reserve funding and costs of issuance. More detailed information about the LSIORBP can be obtained at the project website www.kyinbridges.com.

The date on which toll collections will begin for the LSIORB Project remains somewhat uncertain. To some degree, that date is a function of the construction schedules for both the Downtown Crossing and the East End Crossing. Kentucky and Indiana have

agreed that tolling will not commence before the date on which cross-river capacity within the corridor has been increased. Under current construction schedules, cross river capacity within the corridor is set to increase in October of 2016 with the completion of the East End Crossing.

When the Authority sold toll revenue bonds and entered into the TIFIA loan agreement in December 2013, the traffic and revenue study used to support the sale of those bonds assumed a tolling commencement date of January 1, 2017. The design-build contract with Walsh Construction Co. specifies a December 9, 2016 completion date for both bridges of the Downtown Crossing. Completion of both bridges in the Downtown Crossing would constitute increased cross-river capacity, triggering tolling commencement before January of 2017 regardless of whether the East End Crossing has been completed by that time or not.

A number of steps required before tolling can commence are currently being addressed. In December 2014, the states completed an *Assessment of Economic Effects of Tolling and Potential Strategies for Mitigating Effects of Tolling on Low-Income and Minority Populations*, and submitted that document to the Federal Highway Administration for review. That document will serve as a basis for developing a Tolling Mitigation Plan, which will ultimately be incorporated by the bi-state Tolling Body into a Tolling Policy for the LSIORB Project. In accordance with the Revised Record of Decision for the LSIORB Project, these steps must be completed before tolling commencement.

The states are also preparing for tolling by engaging in a number of bi-state procurements. The Indiana Finance Authority, on behalf of both states, signed a contract in May 2015 with Kapsch TrafficCom to design, construct, integrate, test, operate, and maintain the all-electronic toll system that will collect tolls on all three river crossings. KYTC, on behalf of both states, executed a contract with KPMG to serve as Revenue Control Manager in February 2015. The Toll Oversight Advisor will be responsible for advising the states on tolling matters, and overseeing the work of the Toll System Provider. The Revenue Control Manager will be responsible for coordinating and overseeing the timely and accurate collection and division of toll revenues between the states.

The states have already hired a public relations, marketing, and communications firm to assist with tolling. The firm has begun market research to investigate current knowledge and opinions of the project. The firm will ultimately assist the states in branding and marketing the toll collection system, and will provide public education and outreach to inform drivers of how the system operates, what its benefits are, and how drivers can take full advantage of the system by opening a transponder account and availing themselves of the lowest possible toll rates.

Additionally, the Authority has begun the procurement process for securing business interruption insurance to protect the Kentucky share of the toll revenue stream in the event that damage to a bridge or roadway causes an unanticipated interruption in toll collection. This insurance coverage is required by bondholders and the TIFIA lender, and must be in place before toll commencement.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report for the year ended June 30, 2014. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of KYTC. We would also like to express sincere appreciation to all employees who contributed to its preparation.

Respectfully submitted,



David L. Talley
Innovative Finance Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Kentucky Public Transportation
Infrastructure Authority**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Emen". The signature is fluid and cursive.

Executive Director/CEO

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

2015 AUTHORITY MEMBERS



Chairman Michael Hancock



Vice Chair Lori Flanery



Steve Austin



Charles Buddeke



Charlie Johnson
Secretary



Don Kelly



Dana Mayton



Harold McKinney



Glenn Mitchell



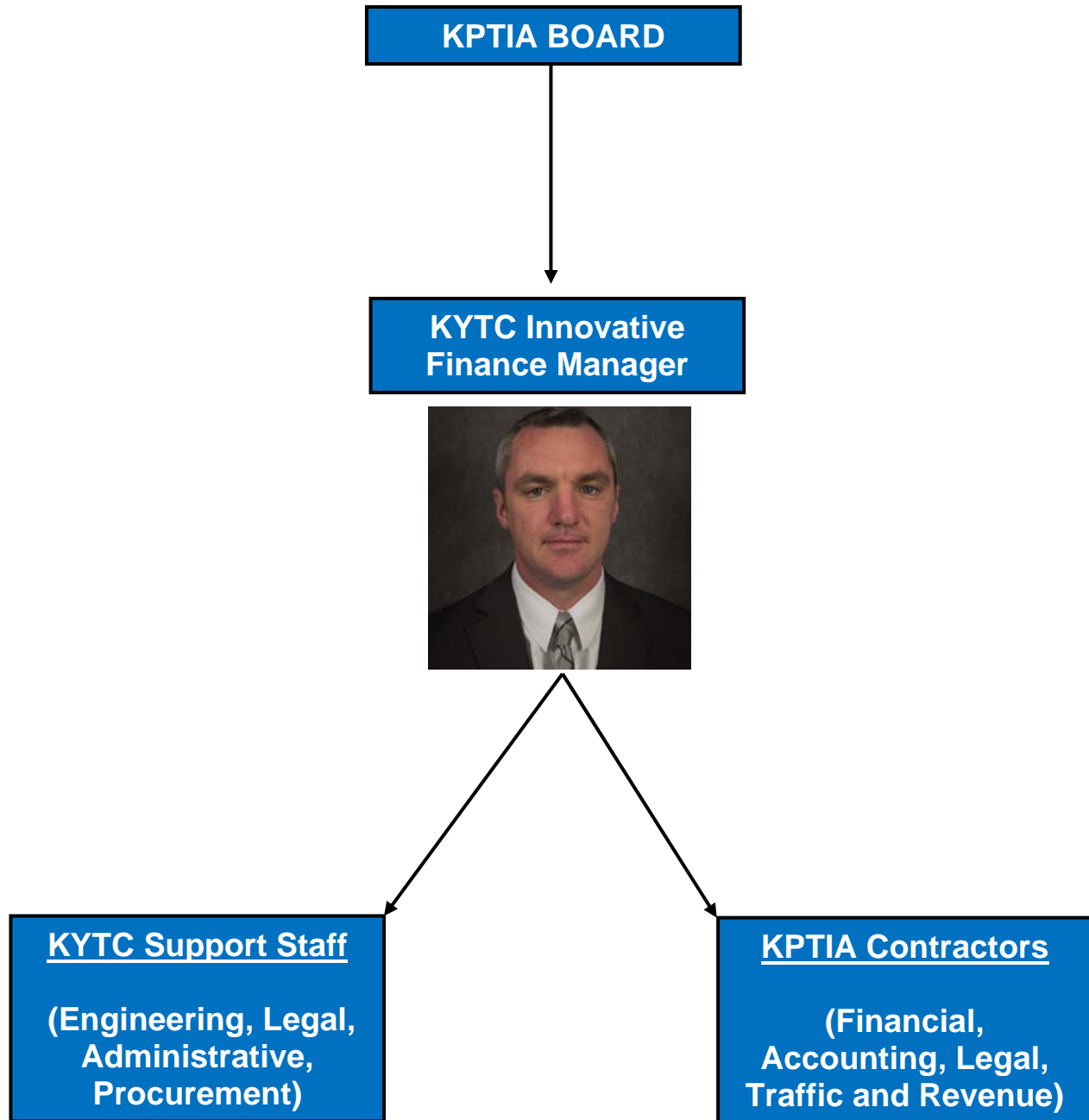
Jim Ward



Michael Walker

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

ORGANIZATIONAL CHART





FINANCIAL SECTION





ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

Michael Hancock, Chairman
Kentucky Public Transportation Infrastructure Authority
Board of Directors

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the Kentucky Public Transportation Infrastructure Authority (the Authority), a component unit of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



Michael Hancock, Chairman
Kentucky Public Transportation Infrastructure Authority
Board of Directors

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, a component unit of the Commonwealth of Kentucky, as of June 30, 2015 and 2014, and the respective changes in its financial position and its cash flows, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Reporting Entity

As discussed in Note 1, the financial statements present only the Authority, and are not intended to present fairly the financial position of the Commonwealth of Kentucky, or the results of its operations and cash flows of its proprietary fund types in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified in respect to this matter.

Prior Period Adjustment

As discussed in Note 12, an error in the recording of maintenance costs as of June 30, 2014 was discovered by management during fiscal year 2015 resulting in a prior adjustment to the Authority's Net Position at July 1, 2014. Our opinion is not modified in respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 12 through 17 and information about infrastructure assets reported using the modified approach on pages 37 through 40, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures did not provide us with sufficient evidence to express an opinion or provide any assurance.

Michael Hancock, Chairman
Kentucky Public Transportation Infrastructure Authority
Board of Directors

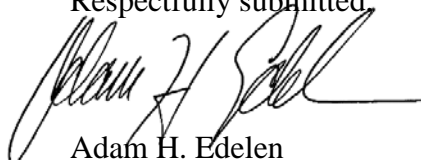
Other Information

The Introductory and Statistical sections presented in the report on pages 1 through 8 and 41 through 59 have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2015 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam H. Edelen', written over a horizontal line.

Adam H. Edelen
Auditor of Public Accounts

November 24, 2015

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

The management of the Kentucky Public Transportation Infrastructure Authority (the Authority), a discretely presented component unit of the Commonwealth of Kentucky, offers the readers of the Authority's financial statements this narrative overview and analysis of the financial performance of the Authority for the fiscal years ended June 30, 2015 and 2014. We encourage readers to read it in conjunction with the Authority's financial statements and the accompanying notes.

The Authority is an independent de jure municipal corporation and political subdivision of the Commonwealth of Kentucky (the Commonwealth). The Authority was established in 2009 by the Extraordinary Session of the General Assembly through the enactment of Kentucky Revised Statutes (KRS) Chapter 175B, as amended, to review, approve, and monitor certain significant transportation projects within the Commonwealth and between the Commonwealth and the State of Indiana and, if necessary, to assist with the operation, financing, and management of those projects. Projects are developed through a bi-state development agreement. The Authority is authorized to construct, reconstruct, operate, finance and manage highway projects that are either part of the designated federal interstate system or built to the standards of the interstate system that would be designated as a mega-project by the Federal Highway Administration.

The Authority, the Kentucky Transportation Cabinet (KYTC), the Indiana Department of Transportation (INDOT), the Indiana Finance Authority (IFA), and the Louisville and Southern Indiana Bridges Authority (LSIBA) entered into a legal agreement in October 2012 known as the "Bi-State Development Agreement" which governs The Louisville-Southern Indiana Ohio River Bridges Project (LSIORBP). The project consists of the construction of the East End Bridge and highway connections that will complete an outer loop around the greater Louisville area and continuing north of the Ohio River to connect to Interstate 65; a Downtown Crossing including a new I-65 bridge for northbound traffic; a revamped John F. Kennedy Memorial Bridge for southbound traffic, and rebuilding of the downtown interchange on both sides of the Ohio River. Kentucky is responsible for financing, reconstruction and operational improvements of the Downtown Crossing Bridges; and Indiana is responsible for financing and constructing the East End Crossing. During fiscal year 2014, the Authority finalized the financing package for the Downtown Crossing Bridges through the sale of \$364.5 million Toll Revenue Bonds and \$452.2 million Toll Revenue Bond Anticipation Notes. The Bond Anticipation Notes will be refunded in 2017 with the proceeds of a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan also approved during fiscal year 2014. Project revenues will be used to repay the Toll Revenue Bonds and TIFIA Loan as well as to pay for operations and maintenance on the project. These transactions provided approximately \$592 million in project construction funds with the remaining proceeds used for capitalized interest, debt service reserve funding and costs of issuance. More detailed information about the LSIORBP can be obtained at the project website www.kyinbridges.com.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

The Authority is authorized pursuant to Part I, A., 4., (16) of Kentucky House Bill 2 of the 2012 Extraordinary Session of the General Assembly to participate as the developing and issuing authority as described in KRS 175B.025 in the development, construction, financing, and operation and maintenance of the LSIORBP.

FINANCIAL HIGHLIGHTS

- Cash and cash equivalents increased from \$104,446,000 to approximately \$124,653,000 in 2015 and increased from \$0 to approximately \$104,446,000 in 2014.
- Investments decreased from \$543,310,000 to approximately \$231,948,000 in 2015 and increased from \$0 to approximately \$543,310,000 in 2014.
- Capital assets increased from approximately \$522,534,000 to \$861,092,000 in 2015 and increased from \$0 to \$522,534,000 in 2014.
- The Authority's total debt decreased from \$763,407,000 to approximately \$760,715,000 in 2015 and increased from \$0 to \$763,407,000 in 2014.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: Management's Discussion and Analysis (this section), the basic financial statements, the accompanying notes to the financial statements, and the required supplementary information other than management's discussion and analysis. The Authority follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Authority. These statements are presented in a manner similar to those of a private business.

The statements of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statements of revenues, expenses and changes in net position present information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The statements of cash flows provides relevant information about the cash receipts and cash payments of the Authority during the fiscal year. The statement should help users assess the Authority's ability to generate future net cash flows, meet future obligations

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

as they become due, the Authority's need for future external financing, the reasons for differences in operating and related cash receipts and cash payments, and the effects on financial position of cash and non-cash investing, capital, non-capital and financing activities.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found on pages 21 through 36.

FINANCIAL ANALYSIS OF THE AUTHORITY

Condensed Financial Information Statements of Net Position As of June 30

	<u>2015</u>	<u>% Increase (Decrease)</u>	<u>2014 RESTATED</u>
Assets:			
Current assets	\$ 208,688,368	10%	\$ 190,275,062
Long-term cash and investments	148,125,121	(68)%	457,719,433
Net capital assets	<u>861,092,151</u>	65%	<u>522,533,700</u>
 Total assets	 <u>1,217,905,640</u>	 4%	 <u>1,170,528,195</u>
Liabilities:			
Current liabilities	36,376,366	(8)%	39,361,781
Long-term debt	<u>760,715,277</u>	0%	<u>763,407,058</u>
 Total liabilities	 <u>797,091,643</u>	 (1)%	 <u>802,768,839</u>
Net position:			
Net investment in capital assets	429,759,696	16%	371,792,541
Unrestricted net position (deficit)	<u>(8,945,699)</u>	122%	<u>(4,033,185)</u>
 Total net position	 <u>\$ 420,813,997</u>	 14%	 <u>\$ 367,759,356</u>

Total assets consist primarily of cash and cash equivalents, investments, and capital assets.

During 2015, the Authority's total cash and cash equivalents and investments decreased approximately \$291,155,000 from continued construction costs and debt interest payments.

At June 30, 2015, investments consist of a current portion of approximately \$83,823,000 and a non-current portion of approximately \$148,125,000. As of June 30, 2015, the

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

current portion is representative of short-term investments in the Commonwealth's cash and investment pool. The non-current portion is representative of the Authority's investments maintained within the Commonwealth's cash and investment pool and other investments with maturities greater than one year.

Capital assets increased in 2015 by approximately \$338,558,000 resulting from construction of the Downtown Crossing and contributions of infrastructure from KYTC.

Total liabilities primarily consist of current and non-current portions of revenue bonds and revenue bond anticipation notes payable and related accrued interest thereon. During fiscal year 2015, long-term debt decreased approximately \$2,692,000.

Condensed Financial Information Statements of Revenues, Expenses, and Changes in Net Position For the Fiscal Years Ended June 30

	2015	% Increase (Decrease)	2014 RESTATED
Operating expenses	\$ 5,260,859	1170%	\$ 414,247
Operating loss	(5,260,859)	1170%	(414,247)
Nonoperating revenues (expenses):			
Interest earned on investments	241	80%	134
Intergovernmental revenues	348,104	(16)%	414,247
Costs of issuance on revenue bonds and bond anticipation notes	-0-	(100)%	(4,033,319)
Total nonoperating revenues (expenses)	348,345	(110)%	(3,618,938)
Contributed capital from KYTC	91,947,020	(75)%	371,792,541
Contributions to KYTC	(33,979,865)	100%	-0-
Change in net position	53,054,641	(86)%	367,759,356
Net position, beginning of year	367,759,356	100%	-0-
Net position, end of year	\$ 420,813,997	14%	\$ 367,759,356

Operating revenues will primarily consist of tolls, but also include administrative fees and fines for nonpayment of tolls and other miscellaneous deposits. Tolls will not commence until new capacity is added to the I-65 corridor, which under current construction schedules will be October of 2016.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

Operating expenses currently consist primarily of KYTC staff salaries and benefits for two employees assigned to the Authority, vehicle usage, professional services, and board meeting expenses, such as transcription services and member travel expenses. After project operations commence in 2016, maintenance and operation of the roadway and tolling infrastructure will also be included.

Nonoperating revenues and expenses consist of income from investments, net changes in the fair market value of investments, bond issuance costs, and contributed capital from KYTC. Contributed capital from KYTC represents capitalized expenses paid for the LSIORBP by KYTC that were contributed to the Authority, as the developing authority for the LSIORBP along with contributions of infrastructure. Contributions to KYTC represent preservation payments made by the Authority on infrastructure that was transferred to the Authority on June 2, 2015. These costs were incurred prior to the date of the transfer, see capital assets section below for further detail.

LONG-TERM DEBT

At June 30, 2015, the Authority had approximately \$760,715,000 in bonds and notes payable outstanding, net of unamortized premiums and discounts, which is a decrease from \$763,407,000 as of June 30, 2014 and an increase from \$0 as of June 30, 2013. The decrease in 2015 is a result of the amortized premium and discounts. The increase in 2014 is a result of the issuance of bonds and bond anticipation notes in December 2013. More detailed information about the Authority's long-term liabilities is presented in Note 7 of the financial statements.

Bond Ratings. The Authority's first tier toll revenue bonds and third tier TIFIA loan/subordinate tier bond anticipation notes debt rating is BBB- from Fitch and Baa3 from Moody's.

The Authority's outstanding debt at June 30:

	2015	% Increase (Decrease)	2014
First tier toll revenue bonds	\$ 364,525,000	0%	\$ 364,525,000
Subordinate toll revenue bond anticipation notes	452,200,000	0%	452,200,000
Unamortized premiums	23,193,664	(33)%	34,758,810
Unamortized discounts	(79,203,387)	(10)%	(88,076,752)
Total	<u>\$ 760,715,277</u>	0%	<u>\$ 763,407,058</u>

CAPITAL ASSETS

During the year ended June 30, 2015, the Authority received ownership of the existing Kennedy Bridge and interchanges, right of ways, and easements as a result the

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

recording of a deed of conveyance on June 2, 2015. As of June 30, 2014, the historical cost of the existing Kennedy Bridge and interchanges and right of ways and easements purchased for the LSIORBP were owned and reported by the Commonwealth and not the Authority. Upon conveyance, the existing Kennedy Bridge and interchanges were contributed to the Authority and reported by the Authority as infrastructure. The Required Supplementary Information (RSI) for the existing Kennedy Bridge and interchanges is reported by the Authority for the current period.

For financial reporting purposes the Authority has elected to utilize the "Modified Approach" for reporting infrastructure assets as defined in GASB (Government Accounting Standards Board) Statement Number 34 "*Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments.*" Under this alternative method of financial reporting the Authority expenses certain maintenance and preservation costs and will not report depreciation expense. GASB 34 requires infrastructure assets being reported under the modified approach to present certain information on the preservation and maintenance, including, assessed condition levels, of those assets to be included in RSI. See the RSI included after the notes to the financial statements.

During the year ended June 30, 2014, the Authority issued debt to finance a portion of the LSIORBP. Proceeds from the debt issuance were used to pay construction costs of the LSIORBP. Construction costs will be moved from construction in progress to infrastructure when the assets are placed in service.

Upon project termination of the LSIORBP, currently scheduled for December 2053, in accordance with the Bi-State Development Agreement, Indiana and the Commonwealth, through the Authority, will exchange values for portions of sections three and four, as identified in the Bi-State Development Agreement, of the LSIORBP, where one state is currently working and recording construction in progress on the other state's land, which will eventually be the maintenance responsibility of the home state.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our customers, legislators, citizens, taxpayers, and federal government officials, as well as, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Kentucky Public Transportation Infrastructure Authority, ATTN: David Talley, 200 Mero Street, Frankfort, Kentucky, 40622.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATEMENTS OF NET POSITION JUNE 30, 2015 AND 2014

	2015	2014 RESTATED
Assets:		
Current assets:		
Cash and cash equivalents-restricted	\$ 124,653,043	\$ 104,446,494
Investments-restricted	83,822,910	85,590,188
Accrued interest receivable	212,415	238,380
Total current assets	<u>208,688,368</u>	<u>190,275,062</u>
Noncurrent assets:		
Investments-restricted	<u>148,125,121</u>	<u>457,719,433</u>
Capital assets:		
Right-of-way easements	7,087,960	-0-
Infrastructure	23,420,539	-0-
Construction in progress	830,583,652	522,533,700
Net capital assets	<u>861,092,151</u>	<u>522,533,700</u>
Total noncurrent assets	<u>1,009,217,272</u>	<u>980,253,133</u>
Total assets	<u><u>\$ 1,217,905,640</u></u>	<u><u>\$ 1,170,528,195</u></u>
Liabilities:		
Current liabilities:		
Payable from restricted assets:		
Accounts payable	\$ 20,201,414	\$ 22,198,360
Accrued interest payable	16,174,952	17,163,421
Total current liabilities	<u>36,376,366</u>	<u>39,361,781</u>
Noncurrent liabilities:		
Long term debt, including unamortized net discounts of \$56,009,723 and \$53,317,942, respectively	<u>760,715,277</u>	<u>763,407,058</u>
Total liabilities	<u>797,091,643</u>	<u>802,768,839</u>
Net position:		
Net investment in capital assets	429,759,696	371,792,541
Unrestricted (deficit)	<u>(8,945,699)</u>	<u>(4,033,185)</u>
Total net position	<u><u>\$ 420,813,997</u></u>	<u><u>\$ 367,759,356</u></u>

The accompanying notes are an integral part of the financial statements.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014 RESTATED
Operating expenses:		
Maintenance	\$ 4,912,755	\$ -0-
General administration	348,104	414,247
Total operating expenses	<u>5,260,859</u>	<u>414,247</u>
Operating loss	<u>(5,260,859)</u>	<u>(414,247)</u>
Nonoperating revenues (expenses):		
Interest earned on investments	241	134
Intergovernmental revenues	348,104	414,247
Costs of issuance on revenue bonds and bond anticipation notes	-0-	(4,033,319)
Total nonoperating revenues (expenses)	<u>348,345</u>	<u>(3,618,938)</u>
Contributed capital from KYTC	<u>91,947,020</u>	<u>371,792,541</u>
Contributions to KYTC	<u>(33,979,865)</u>	<u>-0-</u>
Change in net position	53,054,641	367,759,356
Net position, beginning of year	<u>367,759,356</u>	<u>-0-</u>
Net position, end of year	<u><u>\$ 420,813,997</u></u>	<u><u>\$ 367,759,356</u></u>

*The accompanying notes are an integral
part of the financial statements.*

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014 Restated
Operating activities:		
Payments to service providers	\$ (4,912,755)	\$ -0-
Net cash flows from operating activities	<u>(4,912,755)</u>	<u>-0-</u>
Capital and related financing activities:		
Issuance of 2013 Revenue Bonds	-0-	364,525,000
Discount on issuance of 2013A Revenue Bonds	-0-	(92,939,152)
Issuance of 2013 Revenue Bond Anticipation Notes	-0-	452,200,000
Premium on issuance of 2013 Revenue Bond Anticipation Notes	-0-	41,127,561
Payment of bond issuance costs	-0-	(4,033,319)
Payments to service providers	(22,656,514)	-0-
Interest paid on long-term debt outstanding	(33,338,373)	-0-
Acquisition and construction of capital assets	<u>(231,375,144)</u>	<u>(113,434,803)</u>
Net cash flows from capital and related financing activities	<u>(287,370,031)</u>	<u>647,445,287</u>
Investing activities:		
Purchase of investments	(250,895)	(548,434,070)
Proceeds from sales and maturities of investments	311,612,483	5,124,449
Interest received	<u>1,127,747</u>	<u>310,828</u>
Net cash flows from investing activities	<u>312,489,335</u>	<u>(542,998,793)</u>
Net change in cash and cash equivalents	20,206,549	104,446,494
Cash and cash equivalents, beginning of year	<u>104,446,494</u>	<u>-0-</u>
Cash and cash equivalents, end of year	<u>\$ 124,653,043</u>	<u>\$ 104,446,494</u>
Reconciliation of cash presentation to cash and cash equivalents:		
Cash and cash equivalents - restricted	<u>\$ 124,653,043</u>	<u>\$ 104,446,494</u>
Total cash and cash equivalents	<u>\$ 124,653,043</u>	<u>\$ 104,446,494</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:		
Operating income (loss)	\$ (5,260,859)	\$ (414,247)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:		
Intergovernmental revenue for operating expenses	<u>348,104</u>	<u>414,247</u>
Net cash flows from operating activities	<u>\$ (4,912,755)</u>	<u>\$ -0-</u>
Supplemental schedule of noncash capital and related financing activities:		
Construction in progress contributed as capital from KYTC	\$ 2,025,299	\$ 371,792,541
Infrastructure and right of way contributed from KYTC	\$ 89,921,721	\$ -0-
Interest costs capitalized and accrued	\$ 14,443,701	\$ 15,091,325
Capital assets included in accounts payable	\$ 20,201,414	\$ 22,198,360

The accompanying notes are an integral part of the financial statements.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

1. DESCRIPTION OF THE ORGANIZATION

The Kentucky Public Transportation Infrastructure Authority (the Authority) is an independent de jure municipal corporation and political subdivision of the Commonwealth. The Authority was established in 2009 by the Commonwealth pursuant to the provisions of Kentucky Revised Statutes (KRS) Chapter 175B, as amended, to review, approve, and monitor certain significant transportation projects within the Commonwealth and between the Commonwealth and the State of Indiana and, if necessary, to assist with the operation, financing, and management of those projects. Beginning in 2014, the Authority is reported as a discretely presented component unit of the Commonwealth. Financial activities between the Commonwealth and the Authority are related party activities, and are disclosed as such.

The Authority currently has 11 voting members; Chairman Michael Hancock, Vice Chair Lori Flanery, Secretary Charlie Johnson, Charles Buddeke, Steve Austin, Don Kelly, Dana Mayton, Harold McKinney, Glenn Mitchell, Michael Walker, and James Ward. The Authority is attached administratively to the Kentucky Transportation Cabinet (KYTC) and relies exclusively on KYTC staff to operate. Currently, the Authority is engaged in overseeing a single project, the Louisville-Southern Indiana Ohio River Bridges Project (LSIORBP), as described below. More information on the Authority can be obtained by visiting their website at <http://transportation.ky.gov/KPTIA>.

The Commonwealth, the Authority, KYTC, the Indiana Department of Transportation, and the Indiana Finance Authority entered into a legal agreement in October 2012 known as the "Bi-State Development Agreement" which governs the LSIORBP. The LSIORBP consists of the construction of the East End Bridge and highway connections that will complete an outer loop around the greater Louisville area and continuing north of the Ohio River to connect to Interstate 65; a Downtown Crossing including a new I-65 bridge for northbound traffic; a revamped John F. Kennedy Memorial Bridge for southbound traffic, and rebuilding of the downtown interchange on both sides of the Ohio River. Kentucky is responsible for financing, reconstruction and operational improvements of the Downtown Crossing Bridges; and Indiana is responsible for financing and constructing the East End Crossing. More detailed information about the LSIORBP Project can be obtained at the project website www.kyinbridges.com.

The Authority is authorized pursuant to Part I, A., 4., (16) of Kentucky House Bill 2 of the 2012 Extraordinary Session of the General Assembly to participate as the developing and issuing authority as described in KRS 175B.025 in the development, construction, financing, and operation and maintenance of the LSIORBP.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Authority is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Authority's financial statements are included in the Commonwealth's Comprehensive Annual Financial Report as a discretely presented component unit. The activities of the Authority are accounted for as an enterprise fund. The intent of an enterprise fund is to finance or recover, primarily through user charges, the costs of providing goods and services. An enterprise fund prepares operating statements using the flow of economic resources as its measurement focus. Such operating statements are designed to report events and transactions that increase or decrease an entity's economic resources (i.e., all assets and liabilities). Enterprise fund transactions are accounted for using the accrual basis, under which revenues are recorded when earned, and expenses are recorded when the liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Description of Net Position Classes

Net Investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Restricted - This component of net position consists of constraints placed on the use of net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted - This component of net position consists of the net position that does not meet the definition of "restricted" or "net investment in capital assets."

Cash and Cash Equivalents

The Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Restricted cash and cash equivalents consist of unspent proceeds received from the issuance of bonds and anticipation notes described in Note 5. The unspent proceeds are restricted for use in accordance with the bond and anticipation notes documents.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of net position. Unrealized gains and losses are included in the changes in net position in the accompanying statements of revenues, expenses, and changes in net position. Restricted investments consist of unspent proceeds received from the issuance of bonds and anticipation notes described in Note 5 that are invested in U.S. Treasuries. The unspent proceeds are restricted for use in accordance with the bond and anticipation notes documents.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Contributed capital assets are recorded at the asset's book value at the time of the contribution.

Infrastructure assets will not be depreciated, as the Authority anticipates electing to use the modified approach, as defined by GASB 34. As a result, certain maintenance and preservation costs will be expensed when incurred. Additions and improvements to infrastructure assets are capitalized when capacity and efficiency has increased.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Major outlays for capital assets are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Total interest charged during the years ended June 30, 2015 and 2014 was \$32,349,903 and \$17,163,421, respectively. Capitalized interest, net of related interest earned on debt proceeds amounted to \$28,556,923 and \$15,091,325 for the years ended June 30, 2015 and 2014, respectively.

Operating Revenues and Expenses

Balances classified as operating revenues and expenses are those which comprise the Authority's principal ongoing operations. Other revenues and expenses are classified as nonoperating.

Contributed Capital

Contributed capital arises from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction.

3. CASH DEPOSITS

Cash includes amounts on deposit with the Commonwealth's cash and investment pool and cash held by Bank of New York Mellon (the Trustee). See the Commonwealth's Comprehensive Annual Financial Report for the year ended June 30, 2015, for disclosure of the credit risk classifications of the cash and investment pool. The carrying amount of the Authority's cash and cash equivalents invested in the Commonwealth's cash and investment pool balance was \$ 124,653,043 and \$104,446,494 at June 30, 2015 and 2014, respectively.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

4. INVESTMENTS

All Authority investments, legally authorized by KRS 175B.075 and the Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan Agreement, are direct obligations of the United States of America or direct federal agency obligations or other similar obligations to the extent that the full faith and credit of the United States of America is pledged for the timely payment thereof. Direct obligations shall include money market mutual funds that invest solely in the obligations referenced above.

All project funds are held in a segregated account with the Commonwealth's investment pools. These are reported at fair value. The State Investment Commission has statutory responsibility and authority to safeguard the funds. See the Commonwealth's Comprehensive Annual Financial Report for the year ended June 30, 2015, for disclosure of the credit risk classifications of the additional cash and investment pool.

All remaining funds are held with the bond trustee, Bank of New York Mellon. The following schedule presents the carrying amounts of investments by maturity at June 30, 2015:

Investment	Fair Value	Maturity	Rate
U.S. Treasury Notes State and Local Governments Series	\$ 15,541,441	7/1/2015	0.20%
U.S. Treasury Notes State and Local Governments Series	15,556,983	1/1/2016	0.29%
U.S. Treasury Notes State and Local Governments Series	15,579,540	7/1/2016	0.44%
U.S. Treasury Notes State and Local Governments Series	15,613,815	1/1/2017	0.62%
U.S. Treasury Notes State and Local Governments Series	15,662,217	7/1/2017	0.83%
U.S. Treasury Notes State and Local Governments Series	5,123,089	1/1/2018	1.04%
Fidelity Treasury Money Market Fund	52,724,488	N/A	0.01%
	<u>135,801,573</u>		
Investments in state pool	<u>96,146,458</u>		
Total	<u>231,948,031</u>		
Less: current portion	<u>83,822,910</u>		
Long-term investments	<u>\$ 148,125,121</u>		

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

The following schedule presents the carrying amounts of investments by maturity at June 30, 2014:

Investment	Fair Value	Maturity	Rate
U.S. Treasury Certificates of Indebtedness State and Local Governments Series	\$ 16,471,731	7/1/2014	0.09%
U.S. Treasury Notes State and Local Governments Series	15,531,346	1/1/2015	0.13%
U.S. Treasury Notes State and Local Governments Series	15,541,441	7/1/2015	0.20%
U.S. Treasury Notes State and Local Governments Series	15,556,983	1/1/2016	0.29%
U.S. Treasury Notes State and Local Governments Series	15,579,540	7/1/2016	0.44%
U.S. Treasury Notes State and Local Governments Series	15,613,815	1/1/2017	0.62%
U.S. Treasury Notes State and Local Governments Series	15,662,217	7/1/2017	0.83%
U.S. Treasury Notes State and Local Governments Series	5,123,091	1/1/2018	1.04%
Fidelity Treasury Money Market Fund	53,587,111	N/A	0.01%
	<u>168,667,275</u>		
Investments in state pool	<u>374,642,346</u>		
Total	<u>543,309,621</u>		
Less: current portion	<u>85,590,188</u>		
Long-term investments	<u>\$ 457,719,433</u>		

Custodial Credit Risk: For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2015, the Authority's investments are neither insured nor registered, but are held by the Authority's custodial agent for the benefit of the Authority.

Credit Risk: Under state statutes, the Authority is permitted to invest direct obligations of the United States of America or direct federal agency obligations or other similar obligations to the extent that the full faith and credit of the United States of America is pledged for the timely payment thereof. Direct obligations shall include money market mutual funds that invest solely in the obligations referenced above. The credit ratings and concentration by issuer of the Authority's investments is as follows at June 30, 2015:

	Fair Value	Rating	Percent
U.S. Treasury Certificates of Indebtedness State and Local Governments Series	\$ -0-	U.S. Treasuries	0.00%
U.S. Treasury Notes State and Local Governments Series	83,077,085	U.S. Treasuries	61.18%
Fidelity Treasury Money Market Fund	52,724,488	Unrated	38.82%
	<u>\$ 135,801,573</u>		<u>100.00%</u>

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

The credit ratings and concentration by issuer of the Authority's investments is as follows at June 30, 2014:

	<u>Fair Value</u>	<u>Rating</u>	<u>Percent</u>
U.S. Treasury Certificates of Indebtedness State and Local Governments Series	\$ 16,471,731	U.S. Treasuries	9.77%
U.S. Treasury Notes State and Local Governments Series	98,608,433	U.S. Treasuries	58.46%
Fidelity Treasury Money Market Fund	<u>53,587,111</u>	Unrated	<u>31.77%</u>
Total investments	<u>\$ 168,667,275</u>		<u>100.00%</u>

Concentration of Credit Risk: The Authority places no limit on the amount the Authority may invest in any one issuer. The Authority's trustee consults with the Office of Financial Management (within the Finance and Administration Cabinet) to determine suitable investments.

Interest Rate Risk: The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

5. REVENUE BOND FUND ACCOUNTS

Components of the Toll Revenue Bond Fund and Toll Revenue Bond Anticipation Notes accounts by cash, cash equivalents and investments at June 30, 2015 are summarized below:

	<u>Money Market Mutual Funds</u>	<u>U.S. Treasuries</u>	<u>Total</u>
Debt Service Reserve Funds	\$ 46,116,455	\$	\$ 46,116,455
Cost of Issuance Fund	-0-		-0-
Capitalized Interest Fund	2,202,893	83,077,085	85,279,978
Tolling O&M Reserve Fund	4,405,125		4,405,125
General O&M Reserve Fund	<u>15</u>		<u>15</u>
Total	<u>\$ 52,724,488</u>	<u>\$ 83,077,085</u>	<u>\$ 135,801,573</u>

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Components of the Toll Revenue Bond Fund and Toll Revenue Bond Anticipation Notes accounts by cash, cash equivalents and investments at June 30, 2014 are summarized below:

	Money Market Mutual Funds	U.S. Treasuries	Total
Debt Service Reserve Funds	\$ 46,114,456	\$	\$ 46,114,456
Cost of Issuance Fund	94,421		94,421
Capitalized Interest Fund	2,973,537	115,080,164	118,053,701
Tolling O&M Reserve Fund	4,404,682		4,404,682
General O&M Reserve Fund	15		15
	<u>53,587,111</u>	<u>115,080,164</u>	<u>168,667,275</u>
Total	<u>\$ 53,587,111</u>	<u>\$ 115,080,164</u>	<u>\$ 168,667,275</u>

The General Trust Indenture contains a provision which establishes that specific accounts are maintained by the Authority to properly account for the financial activities as described below:

- A. Authority System Revenue Fund - This fund receives all Pledged Receipts and other moneys received by the Authority except for funds required to be deposited into another fund by the General Trust Indenture.
- B. Project Funds - Funds deposited into the project funds shall be expended only for the purpose of paying costs of the Project.
- C. Cost of Issuance Fund - Designated to pay the costs of issuance established for each series, as specified in the respective Series Trust Indentures.
- D. Debt Service Funds
 - a) First Tier Debt Service Account - Designated to pay the principal and interest on the First Tier Bonds.
 - b) First Tier Common Debt Service Reserve Account and within such Account, a "Proceeds Subaccount" and a "Revenue Subaccount" - Designated a reserve for the payment of principal and interest on First Tier Bonds that are not TIFIA Bonds when funds for that purpose are available in the First Tier Debt Service Account.
 - c) Second Tier Debt Service Account - Designated to pay the principal and interest on the Second Tier Bonds.
 - d) Second Tier Common Debt Service Reserve Account - Designated a reserve for the payment of principal and interest on Second Tier Bonds when funds for that purpose are available in the Second Tier Debt Service Account.
 - e) Third Tier Debt Service Account - Designated to pay the principal and

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

interest on the Third Tier Bonds.

- f) Third Tier Common Debt Service Reserve Account - Designated a reserve for the payment of principal and interest on Third Tier Bonds when funds for that purpose are available in the Third Tier Debt Service Account.
- E. Redemption Fund - Designated for the redemption of outstanding bonds or bond anticipation obligations.
- F. Tolling Operation & Maintenance (O&M) Reserve Fund - Designated to pay Toll System Collection Expenses for the current fiscal year as reflected in the Authority System Budget.
- G. General O&M Reserve Fund - Designated to pay General O&M Expenses for the current fiscal year as reflected in the Authority System Budget.
- H. M&R Reserve Fund - Designated to pay M&R Expenses for the current fiscal year as reflected in the then-current capital improvement program and Authority System Budget and to pay any other M&R expenses that must be incurred to restore or maintain any portion of the Authority System in a safe operating condition. M&R expenses represent lifecycle costs and/or capital costs necessary to continue to maintain the Authority System in good operating order and that are not normally recurring costs.
- I. Lease Payment Fund - Funds designated to pay amounts due from the Authority to KYTC under the Lease Agreement.
- J. General Reserve Fund - Designated to pay expenses relating to the Authority System, providing for debt service on bonds or as may otherwise be permitted by the Act or required by the Development Agreement, Lease Agreement, or the Inter-local Agreement, including, but not limited to fees and expenses of credit providers, hedge termination payments, and the payment of the debt service on any subordinated bonds.
- K. Rebate Fund - Designated for the collection and payment of earnings from "non-purpose investments" in excess of the amount which said investments would have earned at a rate equal to the "yield" on the applicable bonds, plus any income attributable to such excess.
- L. Capitalized Interest Fund - Designated for the payment of interest, when due, on the bonds and notes.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

6. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 is as follows:

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Infrastructure	\$ -0-	\$ 23,420,539	\$ -0-	\$ 23,420,539
Right of Way easements	-0-	7,087,960	-0-	7,087,960
Construction in Progress	522,533,700	308,049,952	-0-	830,583,652
Total Capital Assets	<u>\$ 522,533,700</u>	<u>\$ 338,558,451</u>	<u>\$ -0-</u>	<u>\$ 861,092,151</u>

During the year ended June 30, 2015, a deed of conveyance was executed that transferred the ownership of a previously existing infrastructure and right of way easements owned by the Commonwealth to KPITA. Total infrastructure and right of way contributions from the Commonwealth totaled \$91,947,020 during the year ended June 30, 2015.

Capital asset activity for the year ended June 30, 2014 is as follows:

	Balance June 30, 2013	Increases	Decreases	Balance June 30, 2014
Construction in Progress	<u>\$ -0-</u>	<u>\$ 522,533,700</u>	<u>\$ -0-</u>	<u>\$ 522,533,700</u>

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

7. LONG-TERM LIABILITIES

Long-term debt consists of the following at June 30, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
First Tier Toll Revenue Bonds, Series 2013A Current Interest Bonds; interest fixed at rates ranging from 5.75% to 6.00%, due semi-annually; principal due July 1, 2049 and July 1, 2053 with mandatory sinking fund redemption in part prior to maturity beginning July 1, 2046.	\$ 174,865,000	\$ 174,865,000
First Tier Toll Revenue Bonds, Series 2013B Capital Appreciation Bonds; interest fixed at rates ranging from 3.75% to 6.65% will not be paid on a current basis, but will be added to the principal amount on a semi-annual basis; principal due annually beginning July 1, 2019 through July 1, 2032.	52,185,000	52,185,000
First Tier Toll Revenue Bonds, Series 2013C Convertible Capital Appreciation Bonds; interest fixed at rates ranging from 6.40% to 6.875% will not be paid on a current basis prior to the conversion date, but will be added to the principal amount on a semi-annual basis; principal due annually beginning July 1, 2033 through July 1, 2046.	137,475,000	137,475,000
Subordinate Toll Revenue Bond Anticipation Notes, Tax Exempt Series 2013A; interest fixed at rates ranging from 3.00% to 5.00%, due semi-annually; principal due July 1, 2017.	426,045,000	426,045,000
Subordinate Toll Revenue Bond Anticipation Notes, Taxable Series 2013B; interest fixed at 3.22%, due semi-annually; principal due July 1, 2017.	<u>26,155,000</u>	<u>26,155,000</u>
Total	816,725,000	816,725,000
Unamortized premium	23,193,664	34,758,810
Unamortized discount	<u>(79,203,387)</u>	<u>(88,076,752)</u>
	<u><u>\$ 760,715,277</u></u>	<u><u>\$ 763,407,058</u></u>

The Series 2013 Bonds and Series 2013 Bond Anticipation Notes above represent the debt of the Authority. The debt is secured by the Trust Estate, as defined by the General Trust Indenture, which primarily consists of all pledged receipts (the Authority's 50% share of toll revenues and certain investment earnings), and all moneys and securities on deposit in the funds and accounts established by the General Trust Indenture. In the event that toll revenues are insufficient to make the

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

operations and maintenance deposits required in the General Trust Indenture, the Authority entered into a lease agreement (the Lease) with KYTC, whereby KYTC is obligated to pay rent, as defined in the Lease, to satisfy the required operation and maintenance deposits. Rent, as defined in the lease, shall represent a loan to the Authority and bear interest at a rate of 5.0%. The loan is payable by the Authority from the pledged receipts and shall be due in amounts available to make such payments in accordance with Section 504 of the General Trust Indenture. As of June 30, 2015, no rent payments have been made by the KYTC under the terms of the lease.

Debt service payments on the Series 2013 Bonds and Series 2013 Bond Anticipation Notes are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	-	32,349,904	32,349,904
2017	-	32,349,904	32,349,904
2018	452,200,000	21,324,680	473,524,680
2019	-	10,299,463	10,299,463
2020	555,000	10,299,463	10,854,463
2021-2025	25,350,000	65,323,960	90,673,960
2026-2030	14,485,000	97,586,138	112,071,138
2031-2035	23,825,000	96,830,014	120,655,014
2036-2040	42,005,000	87,524,985	129,529,985
2041-2045	66,345,000	69,237,997	135,582,997
2046-2050	94,070,000	43,701,922	137,771,922
2051-2054	97,890,000	12,174,300	110,064,300
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 816,725,000</u>	<u>\$ 579,002,730</u>	<u>\$ 1,395,727,730</u>

The Authority entered into a loan agreement with the U.S. Department of Transportation under the Transportation Infrastructure Finance and Innovation Act (TIFIA) to refund the Subordinate Toll Revenue Bond Anticipation Notes on July 1, 2017. The TIFIA loan will bear interest at 3.9% with principal and interest due semi-annually beginning July 1, 2018 through July 1, 2051. The balance of the TIFIA loan at June 30, 2015 and 2014 was \$0.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

The following summarizes long-term debt activity of the Authority for the year ended June 30, 2015:

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Bonds principal payable	\$ 816,725,000	\$ -0-	\$ -0-	\$ 816,725,000
Unamortized premiums	\$ 34,758,810	-0-	11,565,146	23,193,664
Unamortized discounts	\$ (88,076,752)	-0-	(8,873,365)	(79,203,387)
	<u>\$ 763,407,058</u>	<u>\$ -0-</u>	<u>\$ 2,691,781</u>	<u>\$ 760,715,277</u>

The following summarizes long-term debt activity of the Authority for the year ended June 30, 2014:

	Balance June 30, 2013	Increases	Decreases	Balance June 30, 2014
Bonds principal payable	\$ -0-	\$ 816,725,000	\$ -	\$ 816,725,000
Unamortized premiums	-0-	41,127,561	6,368,751	34,758,810
Unamortized discounts	-0-	(92,939,152)	(4,862,400)	(88,076,752)
	<u>\$ -0-</u>	<u>\$ 764,913,409</u>	<u>\$ 1,506,351</u>	<u>\$ 763,407,058</u>

8. RESTRICTED ASSETS

Certain of the Authority's assets have constraints that have been placed on how they can be used. By definition, restricted assets are cash or other assets whose use, in whole or in part, is restricted for specific purposes bound by virtue of contractual agreements, legal requirements, or enabling legislation. The Authority's cash and investments are restricted for use by the trust indentures which restrict the manner in which the bond and bond anticipation note proceeds may be spent.

Restricted assets consist of the following at June 30, 2015 and 2014:

	2015	2014
Restricted for capital projects	\$ 220,799,501	\$ 479,088,840
Restricted for debt service	131,396,433	164,168,157
Restricted for maintenance reserves	4,405,140	4,404,697
Restricted for bond issuance costs	-0-	94,421
Total	<u>\$ 356,601,074</u>	<u>\$ 647,756,115</u>

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

9. RELATED PARTY TRANSACTIONS

The Authority received the benefit of accounting, legal, and administrative services from KYTC for 2015. The cost of these services was directly charged to the accounts of the Authority. Amounts capitalized into construction in progress for engineering and administrative services and included in the capital contribution on the statement of revenues, expenses, and changes in net position amounted to \$833,936 and \$843,787 for the years ended June 30, 2015 and 2014, respectively. Amounts charged to expense for accounting, legal, and administrative services and included in intergovernmental revenues on the statement of revenues, expenses, and changes in net position amounted to \$177,463 and \$50,214 for the years ended June 30, 2015 and 2014, respectively. The total amount of services contributed amounted to \$1,011,399 and \$894,001 for the years ended June 30, 2015 and 2014, respectively. In addition, KYTC paid certain invoices on behalf of the Authority totaling \$170,641 and \$364,033 for the years ended June 30, 2015 and 2014, respectively, which are also included in intergovernmental revenues on the statement of revenues, expenses, and changes in net position.

The Authority received \$91,947,020 and \$371,792,541 in capital contributions from KYTC during the years ended June 30, 2015 and 2014, respectively. The contributions in both years related to construction work completed on Kentucky roads, bridge approaches, and right-of-way related to the bridge construction project. In addition, included in the \$91,947,020 capital contributions from KYTC during the year ended June 30, 2015, \$89,921,721 related to a transfer of previously existing bridges, bridge approaches, and right-of way related to the bridge construction project via a deed of conveyance that was recorded on June 2, 2015.

Additionally, the Authority contributed \$33,979,865 to KYTC during the year ended June 30, 2015, related to maintenance work completed on Kentucky roads, bridge approaches, and right-of-way related to the bridge construction project prior to the recording to the deed transferring ownership of the infrastructure assets from KYTC to KPTIA.

The Authority received the benefit of consultant services from the Finance and Administration Cabinet for 2015 and 2014. The Finance and Administration Cabinet did not assess a fee for the cost of these services.

The Authority received services from the Commonwealth Office for Technology (COT) which provides technical support for State government agencies in the application of information technology including major information resource functions such as data and voice communications, data administration, hardware selection and installation, printing, and related end-user and customer support services. During 2015 and 2014, KYTC paid for all services provided by COT. KYTC did not

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

assess a fee to the Authority for their respective portion of the charges and will not request reimbursement from the Authority.

10. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Authority utilizes the Commonwealth of Kentucky's Risk Management Fund to cover exposure to these potential losses. The Commonwealth of Kentucky's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the Risk Management Fund. KYTC carries commercial insurance, including builders risk coverage on the LSIORBP, for all risks of loss during construction.

11. COMMITMENTS

The Authority and the State of Indiana have entered into a legal agreement known as the "Bi-State Development Agreement" which governs the LSIORBP. The project consists of the construction of the East End Bridge and highway connections that will complete an outer loop around the greater Louisville area; a Downtown Crossing including a new I-65 bridge for northbound traffic; a revamped John F. Kennedy Memorial Bridge for southbound traffic, and rebuilding of the downtown interchange on both sides of the Ohio River. Kentucky is responsible for financing, reconstruction and operational improvements of the Downtown Crossing Bridges; and Indiana is responsible for financing and constructing the East End Crossing.

The LSIORBP structures will be ultimately owned 50% by Indiana and 50% by Kentucky and is expected to cost \$2.6 billion. Kentucky's portion of the total project cost is estimated to be \$1.3 billion and Indiana's portion is estimated to be \$1.3 billion. Kentucky plans to finance its portion of the LSIORBP partially through the Authority. The project is being funded in part with a combination of governmental purpose tax-exempt debt in the form of a TIFIA loan, Grant Anticipation Revenue Vehicle (GARVEE) bonds backed by future federal funds, and governmental purpose tax-exempt and taxable debt in the form of toll revenue bonds. The toll revenue bonds principal and interest and the TIFIA loan principal and interest will be issued by the Authority and paid solely by Kentucky's share of project revenues (primarily tolls). These financing instruments do not constitute a debt of the Commonwealth or any of its political subdivisions. Neither the faith and credit nor the taxing power of the Commonwealth is pledged to the payment of the above described debt.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015 AND 2014

Under the six year highway plan adopted by the Commonwealth, the Commonwealth parties will provide up to \$536 million in future federal funds to be used for the Downtown Crossing. This includes \$300 million in traditional federal funds (\$50 million per State Fiscal Year for six years beginning with State Fiscal Year 2013) and the proceeds of approximately \$236 million of previously issued GARVEE bonds for construction, for a total of \$536 million. In addition, Kentucky will utilize approximately \$763 million in tax exempt and taxable bonds and notes, a portion of which will be retired in 2017 with a \$452 million low interest, long-term TIFIA loan from the U.S. Department of Transportation.

The Commonwealth parties have spent approximately \$1billion to date and the State of Indiana has spent approximately \$350 million to date. The Commonwealth's expenditures are included in construction in progress and reflected in the statement of revenues, expenses, and changes in net position within contributed capital and beginning net position.

The Authority has entered into various contracts for services in connection with the operation of the Tolls consisting of toll oversight, marketing and communication services, and toll transponders. Additional contracts are in the process of being procured, but have not yet been executed. These contracts relate to services for the toll custodian, and E-ZPass. Costs under the toll contracts described above will be paid as services are rendered and will be split between the Commonwealth (through the Authority) and the State of Indiana.

12. PRIOR PERIOD ADJUSTMENTS

An error in the recording of maintenance costs as of June 30, 2014 was discovered by management during 2015. Accordingly, an adjustment totaling \$75,710,467 was recorded to restate construction in progress and contributed capital from KYTC as of June 30, 2014.

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MANAGEMENT'S DISCUSSION
AND ANALYSIS**

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

As allowed by GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Authority has adopted an alternative process for recording depreciation expense on selected infrastructure assets. Under this alternative method, referred to as the modified approach, the Authority expenses certain maintenance and preservation costs and does not report depreciation expense.

In order to utilize the modified approach, the Authority is required to:

- Maintain an asset management system that includes an up-to-date inventory of eligible infrastructure assets.
- Perform condition assessments of eligible assets and summarize the results using a measurement scale.
- Estimate, each year, the annual amount to maintain and preserve the assets at the condition level established and disclosed by the Authority.
- Document that the assets are being preserved approximately at, or above, the established condition level.

The Authority's assets accounted for, under the modified approach, include approximately 15.9 lane miles of roads and 24 bridge structures. As the developer for the LSIORBP, as designated in House Bill 2 enacted by the Kentucky General Assembly in 2012, the Authority is responsible for maintaining the assets. The Authority's pavement condition assessments will be relaxed during construction; however, bridge inspections will continue until access to structures is restricted by construction activities. Once the LSIORB is complete, it is planned the Authority and the Cabinet will enter into a memorandum of agreement through which the Cabinet will resume responsibility for condition inspections, maintenance and preservation activities on behalf of the Authority.

Pavement

Measurement Scale

The Authority uses numerous methods to determine the condition of roadway pavements; including the Pavement Condition Index (PCI) to measure and monitor pavement conditions. In use since the mid-1980s, the PCI for any particular pavement section is the mathematical difference between the current pavement smoothness and the acceptable pavement smoothness threshold based on traffic volumes. The corresponding pavement condition is based on the following PCI ranges:

<u>Condition</u>	<u>PCI</u>
Good	Greater than +0.4

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

Fair	Between 0.0 and 0.4
Poor	Less than 0.0

Established Minimum Condition Level

No more than 30% of the pavements shall be rated as "poor."

Assessed Conditions

The Authority received the title to the 15.9 lane miles of roadways during the year ended June 30, 2015. As the roadways were received during the fiscal year, previous condition assessments have been reported by the Cabinet. The condition assessment at the time of conveyance met or exceeded the Cabinet's established minimum condition level. The pavement condition goal above represents the Cabinet's goal for the Commonwealth's state maintained highway system. The actual conditions of the pavements for which the Authority is responsible may or may not meet this stated goal for the reporting period due to delayed preservation activities. The LSIORBP has required a lengthy planning and development period and in anticipation of the reconstruction of the assets much of the preservation work has been postponed; thus, pavement conditions may temporarily be below the statewide condition goal. Routine pavement inspections have continued and required maintenance has been performed prior to construction to insure that payments are safe and reliable. Once construction is complete, the Authority will work with the Cabinet to adopt payment condition goals for the LSIORBP assets.

Bridges

Measurement Scale

The Authority maintains information on its bridge in compliance with the National Bridge Inspection guidelines established by the Federal Highway Administration. The Authority inspects all bridges at least once every two years and the conditioned assessment results are coded on a 0-9 scale with 9 being the most desirable. The condition ratings are based on the following scale:

<u>Rating</u>	<u>Description</u>
9	Excellent.
8	Very good.
7	Good. Some minor problems.
6	Satisfactory. Structural elements show some minor deterioration.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

5	Fair. All primary structural elements are sound but may have minor section loss, cracking, spalling or scour.
4	Poor. Advanced section loss, deterioration, spalling or scour.
3	Serious. Loss of section, deterioration, spalling, or scour have seriously affected primary structural components. Local failures are possible. Fatigue cracks in steel or shear cracks in concrete may be present.
2	Critical. Advanced deterioration of primary structural elements. Fatigue cracks in steel or shear cracks in concrete may be present or scour may have removed substructure support. Unless closely monitored, it may be necessary to close the bridge until corrective action is taken.
1	Imminent failure. Major deterioration or section loss present in critical structural components or obvious vertical or horizontal movement affecting structure stability. Bridge is closed to traffic, but corrective action may put it back in light service.
0	Failure. Out of service; beyond corrective action.

Established Minimum Condition Level

No more than 10% of the bridges shall be rated as "structurally deficient." In addition, the total deck area of structurally deficient, state maintained bridges will not exceed 12% of the total deck area of all state maintained bridges.

Assessed Conditions

A bridge coded 4 or less for its deck, superstructure, or substructure, or coded 2 or less for its structural evaluation or waterway adequacy is classified as "structurally deficient." A structurally deficient bridge is inadequate to carry legal loads, whether caused by structural deterioration, obsolete design standards, or an insufficient waterway opening. A bridge coded 3 or less for its structural evaluation, deck geometry, vertical or horizontal underclearance, water adequacy, or approach roadway alignment is classified as "functionally obsolete." A functionally obsolete bridge cannot properly accommodate the current traffic. The following table reports the percentage of bridges whose condition was assessed as "structurally deficient" in the corresponding year:

<u>Calendar Year</u>	<u>Structurally Deficient</u>	<u>Deck Area Structurally deficient</u>
2015	43%	42%

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015 AND 2014

The bridge condition goals above represent the Cabinet's goal for all structures located on the Commonwealth's state maintained highway system. The actual conditions of the bridges for which the Authority is responsible do not meet this stated goal for the reporting period. The LSIORBP has required a lengthy planning and development period and in anticipation of the construction activities much of the needed preservation work has been postponed. Construction activities are well underway and will either fully preserve or replace all existing bridge structures, restoring the asset's conditions to above goal levels. During construction routine inspections and conditions assessments have continued and required maintenance has been performed to insure all bridges are safe for traffic. Once construction is completed, the Authority will work with the Cabinet to adopt bridge condition goals for the LSIORBP assets. The Authority received the title to the bridges during the year ended June 30, 2015 and as such historical condition assessments are not reported by the Authority.

Estimated Actual Costs to Maintain

The following table presents the Authority's estimate of spending necessary to preserve and maintain the pavements, bridges, and maintenance condition at, or above, the "Established Condition Levels" cited above and the actual amount spent during the past fiscal year:

	Roadways	Bridges	Total
	<hr/>	<hr/>	<hr/>
<u>Fiscal Year 2015</u>	\$ 4,912,755	\$ -0-	\$ 4,912,755
Estimated	\$ -0-	\$ -0-	\$ -0-

Note: A total of approximately \$65,527,000 was spent on preservation costs for roadways related to the LSIORBP assets by all Commonwealth parties. Estimated costs for roadways was not developed for the year ended 2015 by the Authority as the date of transfer of assets was uncertain. There were no preservation costs incurred for bridges during the year ended June 30, 2015.



STATISTICAL SECTION



KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

This part of the Authority's Comprehensive Annual Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information and the Authority's overall financial health.

Financial Trends **Pages 41-43**

These schedules (1 through 3) trend information to help the reader understand how the Authority's financial performance and viability have changed over time.

Operating Information **Pages 44-53**

These schedules (4 through 13) contain service and infrastructure data to help the reader understand how the information in the Authority's financial report relates to the services it provides and the activities it performs.

Debt Capacity **Page 54**

This schedule (14) presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Revenue Capacity **Pages 55-57**

These schedules (15 through 17) contain information to help the reader assess the Authority's most significant revenue source, toll collection.

Demographic and Economic Information **Pages 58-59**

These schedules (18 and 19) offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 1				
Net Position by Component				
Last Four Fiscal Years				
	2015	2014	2013	2012
Net investment in capital assets	\$ 429,759,696	\$ 371,792,541	\$ -0-	\$ -0-
Restricted	-0-	-0-	-0-	-0-
Unrestricted	(8,945,699)	(4,033,185)	-0-	-0-
Total net position	<u>\$ 420,813,997</u>	<u>\$ 367,759,356</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 2 Changes in Net Position Last Four Fiscal Years				
	2015	2014	2013	2012
Operating Revenue				
Tolls	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Concession	-0-	-0-	-0-	-0-
Total operating revenues	-0-	-0-	-0-	-0-
Operating Expenses				
Tolls operations	-0-	-0-	-0-	-0-
Maintenance	4,912,755	-0-	-0-	-0-
General administration	348,104	414,247	-0-	-0-
Total operating expenses	5,260,859	414,247	-0-	-0-
Operating income (loss)	(5,260,859)	(414,247)	-0-	-0-
Nonoperating revenues (expenses)				
Interest earned on investments	241	134	-0-	-0-
Interest expense	-0-	-0-	-0-	-0-
Intergovernmental revenues	348,104	414,247	-0-	-0-
Costs of issuance on revenue bonds and bond anticipation notes	-0-	(4,033,319)	-0-	-0-
Amortization of discounts on bonds	-0-	-0-	-0-	-0-
Total nonoperating revenues (expenses)	348,345	(3,618,938)	-0-	-0-
Contributed Capital for KYTC	91,947,020	371,792,541	-0-	-0-
Contributions to KYTC	(33,979,865)	-0-	-0-	-0-
Change in net position	\$ 53,054,641	\$ 367,759,356	\$ -0-	\$ -0-

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 3 Downtown Crossing Cash Flows Last Four Fiscal Years

	2015	2014	2013	2012
Operating activities:				
Receipts from patrons	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Receipts from concessionaires	-0-	-0-	-0-	-0-
Receipts from other sources	-0-	-0-	-0-	-0-
Payments to service providers	(4,912,755)	-0-	-0-	-0-
Payments to employees	-0-	-0-	-0-	-0-
Net cash flows from operating activities	(4,912,755)	-0-	-0-	-0-
Capital and related financing activities				
Issuance of 2013 Revenue Bonds	-0-	364,525,000	-0-	-0-
Discount on issuance of 2013A Revenue Bonds	-0-	(92,939,152)	-0-	-0-
Issuance of 2013 Revenue Bond Anticipation Notes	-0-	452,200,000	-0-	-0-
Premium on issuance of 2013 Revenue Bond Anticipation Notes	-0-	41,127,561	-0-	-0-
Payment of bond issuance costs	-0-	(4,033,319)	-0-	-0-
Principal payment to retire long-term debt	-0-	-0-	-0-	-0-
Payments to service providers	(22,656,514)	-0-	-0-	-0-
Interest paid on long-term debt outstanding	(33,338,373)	-0-	-0-	-0-
Acquisition and construction of capital assets	(231,375,144)	(113,434,803)	-0-	-0-
Net cash flows from capital and related financing activities	(287,370,031)	647,445,287	-0-	-0-
Investing activities				
Purchase of investments	(250,895)	(548,434,070)	-0-	-0-
Proceeds from sales and maturities of investments	311,612,483	5,124,449	-0-	-0-
Interest received	1,127,747	310,828	-0-	-0-
Net cash flows from investing activities	312,489,335	(542,998,793)	-0-	-0-
Net change in cash and cash equivalents	20,206,549	104,446,494	-0-	-0-
Cash and cash equivalents, beginning of year	104,446,494	-0-	-0-	-0-
Cash and cash equivalents, end of year	\$ 124,653,043	\$ 104,446,494	\$ -0-	\$ -0-

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. Tolls are expected to commence in October 2016 based on current construction schedules.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 4 Toll Revenues by Principal Revenue Payers - Payment Method, Class and Crossing Last Four Fiscal Years

	2015	2014	2013	2012
Toll revenues:				
E-ZPass	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Video billing	-0-	-0-	-0-	-0-
Percentages of toll revenues:				
E-ZPass	-0-%	-0-%	-0-%	-0-%
Video billing	-0-%	-0-%	-0-%	-0-%
Toll transactions:				
E-ZPass	-0-	-0-	-0-	-0-
Video billing	-0-	-0-	-0-	-0-
Percentages of toll transactions:				
E-ZPass	-0-%	-0-%	-0-%	-0-%
Video billing	-0-%	-0-%	-0-%	-0-%
Downtown Crossing:				
Two-axle	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Medium trucks	-0-	-0-	-0-	-0-
Heavy trucks	-0-	-0-	-0-	-0-
Total	-0-	-0-	-0-	-0-
East End Crossing:				
Two-axle	-0-	-0-	-0-	-0-
Medium trucks	-0-	-0-	-0-	-0-
Heavy trucks	-0-	-0-	-0-	-0-
Total	-0-	-0-	-0-	-0-
Total Toll Revenue	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Note: The Downtown Crossing and East End Crossing (the Crossings) are currently under construction. Completion of the Crossings is expected in October 2016 under current construction schedules. Upon completion of the Crossings, tolls will commence. Tolls will be shared equally between the Authority and the Indiana Finance Authority.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 5 Actual Versus Forecast Traffic Last Four Fiscal Years

	2015	2014	2013	2012
Downtown Crossing:				
Two-Axle:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Medium trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Heavy trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Total Downtown Crossing:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
East End Crossing:				
Two-Axle:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Medium trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Heavy trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Total East End Crossing:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Total Over (under) estimate	-0-	-0-	-0-	-0-

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. Tolls are expected to commence in October 2016 based on current construction schedules.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 6 Actual Versus Forecast Revenue Last Four Fiscal Years

	2015	2014	2013	2012
Downtown Crossing:				
Two-Axle:				
Actual	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Medium trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Heavy trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Total Downtown Crossing toll revenues:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
East End Crossing:				
Two-Axle:				
Actual	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Medium trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Heavy trucks:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	-0-	-0-	-0-	-0-
Total East End Crossing toll revenues:				
Actual	-0-	-0-	-0-	-0-
Estimated	-0-	-0-	-0-	-0-
Over (under) estimate	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Total over (under) estimate	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. Tolls are expected to commence in October 2016 based on current construction schedules.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 7 Initial Toll Rates

	<u>Two Axle</u>	<u>Medium Trucks</u>	<u>Heavy Trucks</u>
Discount program	\$ 1.00	\$ N/A	\$ N/A
Transponder	2.00	5.00	10.00
Registered Video	3.00	6.00	11.00
Other Video	4.00	7.00	12.00

Note: Tolls are expected to commence in October 2016 based on current construction schedules. The initial toll rate resolution also states that the tolls will increase annually, beginning July 1 of the year following the commencement of toll collection and thereafter on each July 1 by the greater of inflation as measured by the Consumer Price Index or 2.5%.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 8
Capital Asset Statistics
Last Four Fiscal Years

Year	2015	2014	2013	2012
Lane miles:	15.9	-0-	-0-	-0-
Right-of-Way Area (acres):	367	-0-	-0-	-0-
Bridge Structures:	24	-0-	-0-	-0-

Note: During the year ended June 30, 2015, KPITA received title to certain previously existing infrastructure assets as noted in footnote 9.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 9
Payments and Repayments of Rent
Last Four Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Rent payments received	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Repayments of rent	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Amount owed for repayment of rent	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 10 Insurance in Force

Insurance	Policy Term	Policy	Coverage	Deductible	Annual or Last Premium
-----------	-------------	--------	----------	------------	---------------------------

Note: The Authority is required by the TIFIA Loan agreement and KPTIA 2013 General Trust Indenture to have business interruption insurance prior to tolls commencing. Tolls are expected to commence in October 2016 based on current construction schedules. The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. The Authority utilizes the Commonwealth of Kentucky's Risk Management Fund to cover exposure to these potential losses. KYTC carries commercial insurance, including builders risk coverage on the LSIORBP, for all risks of loss during construction.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 11 Employees and Contractors by Function

Employees	2015	2014	2013	2012
Full-time	-0-	-0-	-0-	-0-
Part-time	-0-	-0-	-0-	-0-
Contractors:	-0-	-0-	-0-	-0-
Accounting	1	1	-0-	-0-
Legal	1	1	-0-	-0-
Financial Advisor	1	1	-0-	-0-

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. The Authority does not have any employees, but uses the services of KYTC employees for operations in addition to contracted services.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 12 Payments to Contractors Last Four Fiscal Years

Contractor	2015	2014	2013	2012
Walsh Construction	\$ 260,926,780	\$ 113,434,803	\$ -0-	\$ -0-

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 13 Safety Incidents

Safety Incident	2015	2014	2013	2012
Total citations	-0-	-0-	-0-	-0-
Total warnings	-0-	-0-	-0-	-0-
Motorist assists	-0-	-0-	-0-	-0-
Accidents	-0-	-0-	-0-	-0-
Fatalities	-0-	-0-	-0-	-0-

Note: The Authority was formed in FY 2012, but did not hold infrastructure until FY 2015 when the deed of conveyance was recorded for the existing Kennedy Bridge and roadway segments. The conveyance of the deed occurred during late FY 2015 and as such safety incident information is not available for the period of ownership by KPITA.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 14 Ratios of Outstanding Debt Last Four Fiscal Years				
	2015	2014	2013	2012
Net revenue bonds outstanding	\$ 285,321,613	\$ 276,448,248	\$ -0-	\$ -0-
Net revenue bond anticipation notes outstanding	475,393,664	486,958,810	-0-	-0-
Total outstanding debt	<u>\$ 760,715,277</u>	<u>\$ 763,407,058</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Toll transactions:				
E-ZPass	-0-	-0-	-0-	-0-
Video billing	-0-	-0-	-0-	-0-
Total transactions	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Debt per E-ZPass transaction	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Debt per video billing transaction	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Debt per total transaction	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. Tolls are expected to commence in October 2016 based on current construction schedules.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 15
Pledged-Revenue Coverage
Last Four Fiscal Years

	2015	2014	2013	2012
Operating revenues	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Operating expenses (1)	-0-	-0-	-0-	-0-
Net revenues available for debt service	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Debt service for revenue bonds outstanding:				
Principal	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Interest	-0-	-0-	-0-	-0-
Total current debt service	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Debt service for revenue bond anticipation notes outstanding:				
Principal	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Interest	-0-	-0-	-0-	-0-
Total current debt service	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Debt service coverage	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

- (1) Does not include operating expenses paid for by KYTC and recognized as intergovernmental revenues.

Notes:

- A) The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.
- B) All interest paid in FY 2015 and 2014 was capitalized into construction in progress.
- C) Debt Service Coverage equals Net Revenues Available for Debt Service divided by Total Current Debt Service.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 16 Pledged Receipts Last Four Fiscal Years

	2015	2014	2013	2012
Operating Revenue				
Tolls	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Concessions	-0-	-0-	-0-	-0-
Total operating revenues	-0-	-0-	-0-	-0-
Nonoperating revenues				
Lease paymemnts received	-0-	-0-	-0-	-0-
Interest earned on investments	241	134	-0-	-0-
Total nonoperating revenues				
Total pledged receipts	\$ 241	\$ 134	\$ -0-	\$ -0-

Notes:

- A) The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued.
- B) Pledged revenues include all revenues of the Authority.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION
JUNE 30, 2015

Schedule 17 **Largest Toll Payers** **Last Four Fiscal Years**

Toll Payer	2015	2014	2013	2012
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Note: The Authority was formed in FY 2012, but activity in the Authority's accounts did not occur until FY 2014 when toll revenue bonds and toll revenue bond anticipation notes were issued. Tolls are expected to commence in October 2016 based on current construction schedules.

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 18 Population and Commuting Statistics Last Four Fiscal Years

Year	County	Population	Per Capita Income	Total Personal Income (000s)	% Rate of Unemployment
2013	Bullitt, KY	76,854	\$ 32,791	\$ 2,520,121	8.0%
	Clark, IN	112,938	\$ 36,956	\$ 4,173,712	7.5%
	Floyd, IN	76,244	\$ 42,503	\$ 3,240,607	7.0%
	Harrison, IN	39,163	\$ 34,410	\$ 1,347,587	6.7%
	Jefferson, KY	756,832	\$ 44,018	\$ 33,314,513	8.8%
	Oldham, KY	62,364	\$ 49,428	\$ 3,082,540	6.8%
	Scott, IN	23,972	\$ 30,051	\$ 720,378	8.4%
2012	Bullitt, KY	75,869	\$ 32,768	\$ 2,486,090	8.7%
	Clark, IN	111,972	\$ 36,535	\$ 4,090,881	6.9%
	Floyd, IN	75,374	\$ 42,683	\$ 3,217,180	6.9%
	Harrison, IN	39,142	\$ 34,006	\$ 1,331,047	6.7%
	Jefferson, KY	750,810	\$ 43,991	\$ 33,028,892	9.1%
	Oldham, KY	61,407	\$ 49,758	\$ 3,055,463	7.2%
	Scott, IN	23,845	\$ 30,141	\$ 718,711	9.3%

Note: Data is as of June 30th of the year presented. Data for June 30, 2015 and 2014, has not been made available by the U.S. Department of Commerce.

Sources: (1) U.S. Department of Commerce
(2) U.S. Department of Labor

KENTUCKY PUBLIC TRANSPORTATION INFRASTRUCTURE AUTHORITY

STATISTICAL SECTION JUNE 30, 2015

Schedule 19 Principle Employers within the LSIORB Area Last Four Fiscal Years

Employer	2014			2013			2012		
	Numbers of Employees	Rank	Percentage of Total Employment	Numbers of Employees	Rank	Percentage of Total Employment	Numbers of Employees	Rank	Percentage of Total Employment
United Parcel Services	20,931	1	3.31%	20,047	1	3.06%	20,117	1	3.11%
Jefferson County Public Schools K-12	14,676	2	2.32%	14,269	2	2.18%	14,336	2	2.21%
Humana Inc.	12,371	3	1.96%	11,235	3	1.72%	11,000	3	1.70%
Norton Healthcare Inc	10,245	4	1.62%	9,666	4	1.48%	9,658	4	1.49%
KentuckyOne Health Inc.	5,602	9	0.89%	8,893	5	1.36%	5,898	7	0.91%
Ford Motor Co.	8,987	5	1.42%	8,347	6	1.28%	8,696	5	1.34%
University of Louisville	6,161	7	0.97%	6,187	7	0.95%	6,273	6	0.97%
GE Appliances & Lighting	6,230	8	0.99%	6,000	8	0.92%	5,000	10	0.77%
Louisville/Jefferson County Metro Government Services	5,654	8	0.89%	5,651	9	0.86%	5,689	8	0.88%
The Kroger Co.	5,417	10	0.86%	5,152	10	0.79%	5,298	9	0.82%
Baptist Healthcare Systems Inc.	5,339	11	0.84%	4,854	11	0.74%	4,219	11	0.65%
<i>Total Labor Force for Louisville Metro Area</i>			632,311			654,530			647,242

Note: FY 2015 data has not yet been released. Data is as of June 30th of the year presented.

Sources: (1) www.louisvilleky.gov
(2) www.bls.gov

REPORT OF THE AUDIT OF THE KENTUCKY RIVER AUTHORITY

**For The Fiscal Year Ended
June 30, 2015**



**ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS
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ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

Jerry T. Graves, Executive Director
Kentucky River Authority
Board of Directors

Independent Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements of the Kentucky River Authority (Authority), a discretely presented component unit of the Commonwealth of Kentucky, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on



Jerry T. Graves, Executive Director
Kentucky River Authority
Board of Directors
(Continued)

the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2015, and the respective changes in its financial position and its cash flows, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis-of-Matter

Reporting Entity

As discussed in Note 1, the financial statements present only the Authority, and are not intended to present fairly the financial position of the Commonwealth of Kentucky, or the results of its operations and cash flows of its proprietary fund types in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Change in Accounting Principle

As discussed in Note 12, the Authority implemented Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions* during fiscal year 2015. The implementation of this standard resulted in a prior period adjustment to the Authority's Net Position at July 1, 2014. Our opinion is not modified with respect to this matter.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 7 through 13 and the Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions on page 43 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economical, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the financial statements, and other knowledge we obtained during our audit of the financial statements.

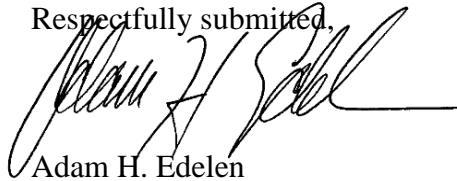
Jerry T. Graves, Executive Director
Kentucky River Authority
Board of Directors
(Continued)

We do not express an opinion or provide any assurance on the information because the limited procedures did not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2015, on our consideration of the Authority's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam H. Edelen', is written over the typed name.

Adam H. Edelen
Auditor of Public Accounts

October 28, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015

The following narrative and analysis is provided as an overview of the financial activities of the Kentucky River Authority (Authority), a discretely presented component unit of the Commonwealth of Kentucky, for the fiscal years ended June 30, 2015 and June 30, 2014, and to assist the reader in an assessment of the financial condition of the Authority in comparison with the prior year. Please assess this narrative and analysis in conjunction with the Authority's financial statements and the accompanying notes.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities at the close of the most recent fiscal year and, accordingly, the Authority reported an ending net position totaling \$38,335,799, of which \$11,040,546 is classified as restricted.
- Current year operating expenses totaled \$2,777,778, an increase of \$174,126 from FY 2014.
- Current year fee income totaled \$4,234,600, an increase of \$31,633 from FY 2014.
- Current year state appropriations totaled \$251,195, an increase of \$4,474 from FY 2014.
- At June 30, 2015, balances remaining on commitments total approximately \$7,252,521 (see Note 8).

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as total net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The Authority's total liabilities equaled \$29,254,792 and include the net pension liability. This is the first year the pension liability has been shown on the Statement of Net Position, as required by Governmental Accounting Standards Board Statement No. 68, effective for fiscal years beginning after June 15, 2014. The net pension liability represents the Authority's proportionate share of the Kentucky Employees Retirement System Non-Hazardous Plan's collective pension liability. The net pension liability represents the actuarial present value of projected payments for employee services rendered through June 30, 2014. This is a long term liability which will be paid over the life of the retiree.

The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods.

The Statement of Cash Flows presents the receipts and usage of cash and cash equivalents. Only transactions that affect the Authority's cash account typically are reported in the Statement of Cash Flows.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)

FINANCIAL ANALYSIS OF THE AUTHORITY

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by \$38,335,799 at the close of the most recent fiscal year. The table below presents the Authority's condensed Statement of Net Position as of June 30, 2015 and June 30, 2014, derived from the Statement of Net Position for the respective years with restatement to June 30, 2014, for implementation of Governmental Accounting Standards Board Statement No. 68.

Condensed Financial Information (in thousands)
Statement of Net Position
June 30

	2015	2014 (As Restated)	Percentage Increase (Decrease)
Current assets	\$ 13,208	\$ 18,303	(27.84%)
Capital assets, net	54,295	50,682	7.13%
Total assets	67,503	68,985	(2.15%)
Deferred Outflows of Resources	119	80	48.75%
Current liabilities	1,661	2,509	(33.80%)
Non-current liabilities	27,594	28,631	(3.62%)
Total liabilities	29,255	31,140	(6.05%)
Deferred Inflows of Resources	31		
Investment in capital assets, net of related debt	27,686	22,083	25.37%
Restricted for capital projects	11,040	16,180	(31.77%)
Unrestricted	(390)	(338)	(15.38%)
Net Position	\$ 38,336	\$ 37,925	1.08%

Current assets consist primarily of unrestricted cash and cash equivalents (deposits of Tier I fees), cash and cash equivalents restricted for capital projects (deposits of Tier II fees), and accounts receivable from charges for services and state appropriations.

During FY 2015, the Authority completed \$5,144,668 of construction in progress, purchased one additional capital asset, and disposed of two capital assets. Depreciation expense for FY 2015 totaled \$1,537,188.

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)

FINANCIAL ANALYSIS OF THE AUTHORITY (CONTINUED)

Current liabilities consist primarily of general accounts payable and the current portion of leases payable. The decrease of \$847,649 from 2014 is the result of a decreased current portion of accounts payable. A large portion of two ongoing capital projects was completed.

Non-current liabilities represent the non-current portion of compensated absences, leases payable, and the net pension liability. The non-current portion of the Authority's compensated absences liability at year-end is based on an allocation of the annual and compensated leave hours used to the total hours remaining as of year-end. In total (both the current and non-current portions), the compensated absences liability increased slightly during FY 2015. The net pension liability represents the Authority's portion of the total pension liability based on the employer allocation percentage.

As of June 30, 2015, the Authority's net position is primarily invested in capital assets, net of related debt in the amount of \$27,685,577 and restricted for capital projects in the amount of \$11,040,546. The remaining portion is unrestricted in the amount of (\$390,324). The unrestricted is shown as negative due to the net pension liability shown as a non-current liability to the Authority.

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)

FINANCIAL ANALYSIS OF THE AUTHORITY (CONTINUED)

Condensed Financial Information (in thousands)
Statement of Revenues, Expenses, And Changes In Net Position
For the Fiscal Years Ended June 30

	2015	2014 (As Restated)	Percentage Increase (Decrease)
Operating revenues:			
Fee income	\$ 4,235	\$ 4,203	0.76%
Other income	12	10	20.00%
State appropriations	251	247	1.62%
Total operating revenues	4,498	4,460	0.85%
Operating expenses:			
Compensation and benefits	566	586	(3.41%)
Pension expense	183		
Rentals	22	25	(12.00%)
Professional fees	104	36	188.89%
Intergovernmental grants	88	99	(11.11%)
Other grants	142	152	(6.58%)
Repairs and engineering services	41	12	241.67%
Administrative and other expenses	95	74	28.38%
Depreciation expense	1,537	1,541	(0.26%)
Total operating expenses	2,778	2,525	10.02%
Gain from operations	1,720	1,935	(11.11%)
Non-operating revenues			
Income from investments	13	25	(48.00%)
Other revenues		13	(100.00%)
Total non-operating revenues	13	38	(65.79%)
Non-operating expenses			
Interest expense	1,322	1,267	4.34%
Total non-operating expense	1,322	1,267	4.34%
Change in net position	\$ 411	\$ 706	(41.78%)

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)

FINANCIAL ANALYSIS OF THE AUTHORITY (CONTINUED)

The Authority's net position increased \$411,295 during the current fiscal year. During FY 2014, the Authority's net position increased \$627,041.

State appropriations increased \$4,266 during the current fiscal year from FY 2014.

Condensed Financial Information (in thousands)
Statement of Cash Flows
For the Fiscal Years Ended June 30

	<u>2015</u>	<u>2014</u>	<u>Percentage Increase (Decrease)</u>
Net cash provided by (used in)			
Operating Activities	\$ 3,355	\$ 2,954	13.57%
Capital and related financing activities	(8,462)	(6,457)	31.05%
Investing Activities	<u>13</u>	<u>24</u>	(45.83%)
Net change in cash and cash equivalents	(5,094)	(3,479)	46.42%
Cash and cash equivalents, beginning of year	<u>17,217</u>	<u>20,696</u>	(16.81%)
Cash and cash equivalents, end of year	<u>\$ 12,123</u>	<u>\$ 17,217</u>	(29.59%)

KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)

CAPITAL ASSETS ADMINISTRATION

The following table summarizes the changes in capital assets between FY 2015 and 2014.

	2015	2014	Percentage Increase (Decrease)
Capital Assets not being depreciated			
Land	\$ 546,493	\$ 546,493	0.00%
Construction in Progress			
Dam 8	8,089,258	5,676,001	42.52%
Locks 1 and 2	3,913,587	1,189,919	228.90%
Lock 4 Lock House Renovation	7,743		100%
Capital Assets being depreciated			
Locks and Dams	51,936,405	51,936,405	0.00%
Lock and Dam Buildings	432,010	432,010	0.00%
Equipment	174,731	170,577	2.44%
Office Equipment	22,406	22,406	0.00%
Vehicles	78,567	78,567	0.00%
Accumulated Depreciation	(10,905,829)	(9,370,662)	16.38%
Capital Assets, net	<u>\$ 54,295,371</u>	<u>\$ 50,681,716</u>	7.13%

Additional information on the Authority's capital assets can be found in Note 3.

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS

During FY 2015 Tier I and Tier II rate of fees charged on water use were maintained at 2.2 cents per 1,000 gallons and 13 cents per 1,000 gallons of water withdrawn, respectively. There are some variations in water use due to weather conditions and general business trends. Tier I water use was 0.337% lower in FY 15 over the prior year. Tier II water use was 1% higher in FY 15 over the prior year.

There are 14 lock and dam structures on the Kentucky River, for which the Authority is responsible for maintenance. The Authority has title to the lock and dam structures and adjoining real estate at Dams 5 through 14. Dams 1 through 4 are owned by the U.S. Army Corps of Engineers (Corps). It is anticipated that title to these facilities will be transferred to the Authority within the next four fiscal years. All these structures will require substantial renovations.

**KENTUCKY RIVER AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015
(Continued)**

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS, (CONTINUED)

Current and future activities of the Authority include:

- Kentucky River Locks 1 through 4 opened for navigation to recreational boaters on May 22, 2015. Boaters can travel unimpeded from the Ohio River, up the Kentucky River as far as Lock and Dam 5 and vice-versa. In all, 82 miles of the Kentucky River are once again navigable from the Ohio River.
- The Dam 8 reconstruction project in Jessamine County is ongoing but due to abnormal amounts of rainfall in the past two years, the days working on the river have been limited. The estimated completion date is December 25, 2015. The new dam will replace the existing 114 year old dam that holds the water supply for Lancaster and Nicholasville.
- The Authority started the process to renovate an existing lockmaster house at Lock and Dam 4 in Frankfort, Kentucky. The Authority has received the approval for the renovation from the Army Corps of Engineers and the Kentucky Heritage Council. The Authority plans to have all operations centrally located at the Lock and Dam 4 property.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances for all of those with an interest. If you have any questions concerning the information provided in this report or need additional financial information, contact the Kentucky River Authority, 627 Wilkinson Blvd., Frankfort, Kentucky, 40601.

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FINANCIAL STATEMENTS

KENTUCKY RIVER AUTHORITY

STATEMENT OF NET POSITION

June 30, 2015

Assets

Current Assets:

Cash and cash equivalents	
Unrestricted	\$ 1,082,811
Restricted	11,040,546
Accounts receivable	1,084,297
Total Current Assets	<u>13,207,654</u>
Capital assets, net	<u>54,295,371</u>
 Total Assets	 <u>67,503,025</u>
Deferred Outflows of Resources	<u>118,599</u>

Liabilities

Current Liabilities:

Accounts payable	418,548
Accrued payroll	60,479
Compensated absences	72,202
Lease Payable	1,110,000
Total Current Liabilities	<u>1,661,229</u>
 Non-Current Liabilities:	
Net pension liability	2,414,676
Lease payable	25,139,046
Compensated absences	39,841
Total Non-Current Liabilities	<u>27,593,563</u>

Total Liabilities	<u>29,254,792</u>
Deferred Inflows of Resources	<u>31,033</u>

Net Position

Invested in capital assets, net of related debt	27,685,577
Restricted for capital projects	11,040,546
Unrestricted	<u>(390,324)</u>
 Total Net Position	 <u>\$ 38,335,799</u>

The accompanying notes are an integral part of the financial statements.

**KENTUCKY RIVER AUTHORITY
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION**

For The Year Ended June 30, 2015

Operating Revenues:	
Fee income	\$ 4,234,600
Other income	11,989
State appropriations	251,195
Total Operating Revenues	<u>4,497,784</u>
Operating Expenses:	
Compensation and benefits	566,431
Pension Expense	182,491
Rentals	21,528
Professional fees	104,214
Intergovernmental grants	87,805
Other grants	142,380
Repairs and engineering services	41,280
Administrative and other expenses	94,461
Depreciation expense	1,537,188
Total Operating Expenses	<u>2,777,778</u>
Income from Operations:	<u>1,720,006</u>
Non-Operating Revenues (Expenses)	
Investments income	13,293
Interest expense	(1,322,004)
Total Non-Operating Revenues:	<u>(1,308,711)</u>
Change in Net Position	411,295
Net Position at July 1, 2014 (As Restated - Note 12)	<u>37,924,504</u>
Net Position at June 30, 2015	<u>\$ 38,335,799</u>

The accompanying notes are an integral part of the financial statements.

KENTUCKY RIVER AUTHORITY

STATEMENT OF CASH FLOWS

For The Year Ended June 30, 2015

Cash flows from operating activities:	
Cash received from customers	\$ 4,248,141
Cash payments for personnel expenses	(759,864)
Cash payments for goods and services	(286,859)
Cash payments from other sources	251,195
Cash payments to other sources	(97,022)
Net cash provided by (used in) operating activities:	<u>3,355,591</u>
Cash flows from capital and related financing activities:	
Construction related to capital assets	(6,066,461)
Principal paid on debt service	(1,073,750)
Interest paid on debt service	(1,322,004)
Net cash provided by (used in) capital and related financing activities:	<u>(8,462,215)</u>
Cash flows from investing activities:	
Income from investments	<u>13,293</u>
Net cash provided by (used in) investing activities	<u>13,293</u>
Net change in cash and cash equivalents	(5,093,331)
Cash and cash equivalents at July 1, 2014	<u>17,216,688</u>
Cash and cash equivalents at June 30, 2015	<u>\$ 12,123,357</u>
Reconciliation of income from operations to net cash flows from operating activities:	
Gain from operations	\$ 1,720,006
Depreciation	1,537,188
(Increase) decrease in operating assets:	
Accounts receivable	1,552
(Increase) decrease in deferred outflows of resources	(38,709)
Increase (decrease) in operating liabilities:	
Accounts payable not capital	6,277
Accrued payroll	(7,981)
Compensated absences	34,657
Net pension liability	71,568
Increase (decrease) in deferred inflows of resources	<u>31,033</u>
Net cash provided by (used in) operating activities:	<u>\$ 3,355,591</u>

The accompanying notes are an integral part of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

Note 1 - Summary of Significant Accounting Policies

This summary of significant accounting policies of the Kentucky River Authority (Authority) is presented to assist in understanding the Authority's financial statements. The financial statements and notes are representations of the Authority's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Nature of Activities

The Authority was created by an Act of the 1986 General Assembly of the Commonwealth of Kentucky (Commonwealth). That Act, together with subsequent amendments, is codified as KRS 151.700 through 151.730. These statutes empower the Authority, among other things, to collect water use fees on water withdrawn and used within the geographic boundaries of the Kentucky River Basin. Additional definitions, exemptions, and collection methods of these fees are contained in Kentucky Administrative Regulations, 420 KAR 1:010 through 1:050. The regulations separate water use fees into Tier I and Tier II fees. Tier I fees are collected on water use from all sources within the Kentucky River Basin and are applied to the operating expenses of the Authority, and such purposes as directed by the Authority Board. Tier II fees, which are collected in addition to Tier I fees on the water withdrawn and used from the main stem of the Kentucky River, are to be applied to capital projects enhancing the water supply of the main stem of the Kentucky River, as well as other capital improvements to the Kentucky River lock and dam system. The rate of water use fees may be adjusted each year of the biennium, as necessary, to carry out the functions, projects, and expenses authorized by the General Assembly in the Authority's biennial budget.

Reporting Entity

The Authority is a component unit of the Commonwealth and its financial statements are included in the Commonwealth's Comprehensive Annual Financial Report as a discretely presented component unit. The Governor appoints the Authority's Board members. The Authority is attached for administrative purposes to the Commonwealth's Finance and Administration Cabinet.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB pronouncements prevail. The Authority has further elected not to apply FASB pronouncements issued after November 30, 1989, in accordance with GASB Statement No. 20.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

As required by GASB Statement No. 34, “*Basic Financial Statements-and Management’s Discussion and Analysis-for State and Local Governments,*” the financial statements include a Management’s Discussion and Analysis (MD&A) section providing an analysis of the Authority’s overall financial position and results of operations.

Measurement Focus and Basis of Accounting

The financial statements of the Authority have been presented using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. Accordingly, revenues are recognized when they are earned and become measurable, and expenses are recognized at the time liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all funds on deposit with the Commonwealth’s State Treasury to be cash and cash equivalents.

Accounts Receivable

Accounts receivable consist of revenues earned as of year-end, but not yet received. The direct write-off method is used for uncollectible fee accounts. This method is not in accordance with generally accepted accounting principles, but the departure does not have a material effect on the financial statements. Based on historical collection experience and a review of existing receivables, two fee accounts receivable totaling \$1,266 were written-off during FY 2015.

Capital Assets

All capital assets are valued at historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Lock and dam structures acquired through donation are valued at estimated fair value at the date of donation. Engineering expenses on major renovations that extend the life of the facility are recorded as capital improvements.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

Depreciation of all exhaustible capital assets is recorded as an allocated expense. The Authority's capitalization threshold is \$500. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of capital asset is as follows:

Major Renovations of the Locks and Dams	50 years
Lock and Dams	20 years
Vehicles	5 years
Equipment	3 - 10 years

Compensated Absences

Compensated absences represent the liability to employees for unused annual and compensatory leave. The liability is recorded at the employees' current rate of pay. The liability also includes employer payroll taxes (FICA) and employee benefits such as retirement. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits. See Note 4 for additional information on compensated absences.

Financial Statements

The Statement of Net Position presents the Authority's non-fiduciary assets and liabilities with the difference between the two shown as total net position. Net position is reported in three categories:

- a. **Invested in capital assets, net of related debt** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted for capital projects** - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted** - All other net assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted."

Revenues

Fee income represents the amounts due from users who withdraw water from within the geographic boundaries of the Kentucky River Basin.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 1 - Summary of Significant Accounting Policies (Continued)

State appropriations represent the amounts allocated to the Authority by the Commonwealth from its general fund. These appropriations lapse at year-end as the unobligated amounts revert back to the Commonwealth.

Expenses

The Authority reports expenses relating to the use of economic resources. Expenses are classified by natural or object classification in the statement of revenues, expenses, and changes in net position.

Engineering Services

Engineering service expenses for minor repairs or inspections are shown as operating expenses. Engineering expenses on major renovations that extend the life of the facility are recorded as capital improvements. The level of design may vary from year to year and may contribute to a net loss for operational activities.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, the pension expense, information about the fiduciary net position of the Kentucky Retirement System (KRS) and additions to/deductions from KRS' fiduciary net position have been determined on the same basis as they are reported by KRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 - Cash and Cash Equivalents

The cash receipts of the Authority are deposited with the Commonwealth's State Treasury. The Commonwealth's Office of Financial Management is responsible for investing the funds of the Authority as a part of the Commonwealth's investment pool. See the Commonwealth's Comprehensive Annual Financial Report for disclosure of the legally authorized investments and the credit risk classifications of the investment pool.

In accordance with the applicable statutes, the Authority is to receive interest on the available balances accumulated from the collection of fees. Interest is received pro-rata, based on the average balances of the Authority.

Cash and cash equivalents consist primarily of receipts from collections of Tier II fees. Collections of Tier II fees are restricted to fund projects to improve the water supply of the main stem of the Kentucky River, as well as other capital improvements to the Kentucky River lock and dam system.

At June 30, 2015, the fair market value of Kentucky River Authority's pooled deposits with the Commonwealth totaled \$12,123,357.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 3 - Capital Assets

Capital asset activity for the year ended June 30, 2015, is as follows:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital Assets not being depreciated:				
Land	\$ 546,493	\$	\$	\$ 546,493
Construction in Progress				
Dam 8	5,676,001	2,413,257		8,089,258
Locks 1 & 2	1,189,919	2,723,668		3,913,587
Lock 4 lock house renovation		7,743		7,743
Total capital assets not being depreciated:	7,412,413	5,144,668		12,557,081
Other Capital Assets:				
Lock and Dams 5, 7-9, 11-14	12,000,000			12,000,000
Dam 3	16,134,038			16,134,038
Locks 3 & 4	4,379,055			4,379,055
Lock and Dam 6	1,500,000			1,500,000
Dam 9	16,423,312			16,423,312
Lock and Dam 10	1,500,000			1,500,000
Lock and Dam buildings	432,010			432,010
Vehicles	78,567			78,567
Equipment	192,983	6,175	(2,021)	197,137
Total other capital assets	52,639,965	6,175	(2,021)	52,644,119
Total Capital assets	60,052,378	5,150,843	(2,021)	65,201,200
Accumulated Depreciation	(9,370,662)	(1,537,188)	2,021	(10,905,829)
Capital Assets, net	\$ 50,681,716	\$ 3,613,655	\$	\$ 54,295,371

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 3 - Capital Assets (Continued)

Locks and Dams 1 through 4 are not the property of the Authority but instead are leased per an agreement between the Secretary of the Army, and the Commonwealth for the use and benefit of the Authority for a term of 25 years, beginning March 1, 2002, and ending February 28, 2027. The consideration for this lease is the operation and maintenance of the premises by the Authority for the benefit of the United States and the general public. Per the agreement, the Authority has the right to erect such structures and to provide such equipment upon the premises as may be necessary to furnish the facilities and services authorized. Those structures and equipment shall be and remain the property of the Authority.

Note 4 - Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused annual leave, compensatory leave, and sick pay benefits. The policy of the Commonwealth is to only record the cost of annual and compensatory leave.

Annual and Compensatory Leave

Annual leave is accumulated at amounts ranging from 7.50 to 15.00 hours per month, determined by length of service, with maximum accumulations ranging from 30 to 60 days. The calendar year is the period used for determining accumulated leave. Compensatory leave is granted to authorized employees. At June 30, 2015, the Authority's estimated liability for accrued annual and compensatory leave was \$112,043.

The estimated liability and change in the estimated liability for compensated absences for the Authority as of June 30, 2015, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	<u>\$ 77,386</u>	<u>\$ 119,934</u>	<u>\$ 85,277</u>	<u>\$ 112,043</u>	<u>\$ 72,202</u>

Sick Leave

It is the policy of the Authority to record the cost of sick leave when paid. Generally, sick leave (earned one day per month with unlimited accumulation) is paid only when an employee is absent due to illness, injury, or related family death. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits as of year-end.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 5 - Intergovernmental Activity

The Authority leases office space on a monthly basis from the Office of Capital Plaza Operations within the Commonwealth's Finance and Administration Cabinet. Rent expense during FY 2015 under this rental agreement totaled \$18,441. The lease can be terminated on 30 days notice either by the Authority or the Office of Capital Plaza Operations.

Note 6 - Retirement Plans

Plan Description

The employees of the Authority participate in the Kentucky Employees Retirement Systems (KERS) Non-Hazardous Plan administered by the Board of Trustees of KRS, which is a cost-sharing, multiple-employer, defined benefit pension plan covering substantially all regular full-time employees. The plan provides retirement, disability, and death benefits to plan members. KERS provides for cost-of-living adjustments at the discretion of the Kentucky legislature. For FY 2015, the Authority is required by statute to contribute 38.77% of the covered employees' salaries.

At June 30, 2015, the Authority reported a liability of \$2,414,676 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of June 30, 2014, and the total pension liability was determined by an actuarial valuation as of the same date. The Authority's proportionate share of the net pension liability is 0.026914%. This percentage is based on the long-term share of contributions of the Authority to the total of all contributions from employers of qualifying participants.

Tier I employees who retire at or after age 65 with 48 months of credited service are entitled to a retirement benefit based on a range of 1.97% to 2.0% of their final average salary multiplied by their years of service. Final average salary is the employee's average of the five fiscal years during which the employee had the highest average monthly salary. Benefits fully vest on reaching five years of service. Vested employees may retire after 27 years of service and receive full benefits; or retire after age 55 and receive reduced benefits. The KERS also provides death and disability benefits. Benefits are established by Kentucky Revised Statutes.

On June 27, 2008 House Bill 1, the Pension Reform legislation, was signed into law. This legislation significantly impacted retirement benefits for employees who begin participating with KRS on or after September 1, 2008 (Tier II employees). The law also has a few provisions that will affect current employees and retirees. For those employees beginning participation on or after September 1, 2008 they will be required to contribute 6.00% of their annual covered salary. Employers, including the Authority, will continue to be required to contribute an actuarially determined rate. House Bill 1 contained a provision expressing the intent of the General Assembly to gradually increase the employer contributions to KRS beginning July 1, 2010. If in the future the General Assembly adheres to this schedule, all participating agencies will be required to pay the full employer contribution by 2025. The financial impact to the Authority in these future years is not yet known.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

Plan Description (Continued)

Covered employees hired after December 31, 2013 (Tier III employees), are eligible to participate in a cash balance plan which requires employees to pay a pre-tax 5% rate based on creditable compensation. The employee's account is also credited with a 4% employer pay credit. In addition to the 5% contribution, all active employees participating on or after January 1, 2014, pay a 1% pretax contribution to KERS Insurance Fund. At the end of each fiscal year, interest is paid into the employee's account. The account is guaranteed 4% interest credit on the employee's account balance as of June 30 of the previous year. The employee's account may be credited with additional interest if the five-year average investment return exceeds 4%. At the time of termination, the employee is eligible to either take a refund of the accumulated account balance if vested (five or more years of service), or annuitize their account balance, if eligible for retirement. If the employee terminates employment and requests a refund prior to vesting, the employee is eligible only for the employee's contributions and associated interest, and forfeits the employer pay credit and associated interest.

Ten-year historical trend information showing the KERS' progress in accumulating sufficient assets to pay benefits when due is presented in the KERS' annual financial report (which is a matter of public record). KERS' annual financial report can be obtained at kyret.ky.gov. The Commonwealth's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the KERS.

In addition to the above defined benefit pension plan, the Authority's employees are also eligible to participate in two deferred compensation plans sponsored by the Commonwealth. These plans are organized as a Section 457 plan and as a Section 401(k) plan under the Internal Revenue Code. Both plans permit employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship. The Commonwealth's Comprehensive Annual Financial Report should be referred to for additional disclosures related to the deferred compensation plans.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

Plan Description (Continued)

	Kentucky Employees' Retirement System Non-Hazardous Governance KRS 61.510 through KRS 61.705		
	Tier 1	Tier 2	Tier 3
	Participation Prior to 9/1/2008	Participation 9/1/2008 through 12/31/2013	Participation on or after 1/1/2014
Covered Employees:	Substantially all regular full-time members employed in non-hazardous duty positions of any state department, board, or any agency directed by Executive Order to participate in the system.		
Benefit Formula:	Final Compensation × Benefit Factor × Years of Service		Cash Balance Plan
Final Compensation:	Average of the highest 5 fiscal years (must contain at least 48 months). Includes lump-sum compensation payments (before and at retirement).	5 complete fiscal years immediately preceding retirement; each year must contain 12 months. Lump-sum compensation payments (before and at retirement) are not to be included in creditable compensation.	No Final Compensation
Benefit Factor:	1.97%, or 2.0% for those retiring with service for all months between 1/1998 and 1/1999.	10 years or less = 1.10%. Greater than 10 years, but no more than 20 years = 1.30%. Greater than 20 years, but no more than 26 years = 1.50%. Greater than 26 years, but no more than 30 years = 1.75%. Additional years above 30 = 2.00% (2.00% benefit factor only applies to service earned in excess of 30 years).	No benefit factor. A life annuity can be calculated in accordance with actuarial assumptions and methods adopted by the board based on member's accumulated account balance.
Cost of Living Adjustment (COLA):	No COLA unless authorized by the Legislature with specific criteria. This impacts all retirees regardless of Tier.		
Unreduced Retirement Benefit:	Any age with 27 years of service. Age 65 with 48 months of service. Money Purchase for age 65 with less than 48 months based on contributions and interest.	Rule of 87: Member must be at least age 57 and age plus earned service must equal 87 years at retirement to retire under this provision. Age 65 with 5 years of earned service. No Money Purchase calculations.	
Reduced Retirement Benefit:	Any age with 25 years of service. Age 55 with 5 years of service.	Age 60 with 10 years of service. Excludes purchased service (exception: refunds, omitted, free military).	No reduced retirement benefit

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

Actuarial Valuation

State Contribution	26.79%
Member Contribution	5.00% Tier 1
	6.00% Tier 2 and 3
Actuarial Valuation Date	June 30, 2014
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent closed
Remaining Amortization Period	29 years
Asset Valuation Method	Five-year smoothed market
Investment Rate of Return	7.75%
Inflation Rate	3.50%
Project Salary Increases	4.50%
Mortality Tables	1983 Group Annuity Table for all retired members and beneficiaries as of June 30, 2006, and the 1994 Group Annuity Table for all other members. The Group Annuity Mortality Table set forward five years is used for the period after disability retirement.
Date of Experience Study	The period July 1, 2005 - June 30, 2008

The long-term expected return on plan assets is reviewed as part of the regular experience studies prepared every five years for KRS. The most recent analysis, performed for the period covering fiscal years 2005 through 2008, is outlined in a report dated August 25, 2009. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

Actuarial Valuation (Continued)

The target asset allocation and best estimates of arithmetic nominal rates of return for each major asset class are summarized in the following table:

Kentucky Retirement Systems

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Nominal Rate of Return</u>
Domestic Equity	30%	8.45%
International Equity	22%	8.85%
Emerging Market Equity	5%	10.5%
Private Equity	7%	11.25%
Real Estate	5%	7.0%
Core U.S. Fixed Income	10%	5.25%
High Yield U.S. Fixed Income	5%	7.25%
Non U.S. Fixed Income	5%	5.5%
Commodities	5%	7.75%
Treasury Inflation Protected Securities	5%	5.0%
Cash	1%	3.25%
Total	<u>100%</u>	

The projection of cash flows used to determine the discount rate assumed that local employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29 year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase in of anticipated gains on actuarial value of assets over the first four years of the projection period.

June 30, 2014, is the actuarial valuation date upon which the total pension liability is based. No update procedures were used to determine the total pension liability. The discount rate is defined as the single rate of return that when applied to all projected payments results in an actuarial value of projected benefits payments. A municipal bond rate was not used. Projected future benefit payments for all current plan members were projected through 2116.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

Actuarial Valuation (Continued)

The following presents the net pension liability of the Authority, calculated using the discount rate of 7.75%, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) :

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Kentucky River Authority's Proportionate Share	\$2,716,442	\$2,414,676	\$2,142,606

Deferred Inflows/Outflows of Resources

For the year ended June 30, 2015, the Authority recognized pension expenses of \$182,491 and deferred outflows and deferred inflows related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$	\$
Changes in assumptions		
Net difference between projected and actual earnings on investments		31,033
Change in proportionate share		
Contributions subsequent to the measurement date	118,599	
Total	\$ 118,599	\$ 31,033

The \$118,599 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in pension expense as follows:

2016	\$110,841
2017	(7,758)
2018	(7,758)
2019	(7,758)

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 6 - Retirement Plans (Continued)

KERS Non-Hazardous Membership

	2014 KERS Non-Hazardous
Retirees and beneficiaries receiving benefits	38,022
Inactive plan members	41,213
Active plan members	40,500
Total	<u>119,735</u>

Pension Plan Fiduciary Net Position

KRS' fiduciary net position has been determined on the same basis used by KRS. KRS' combining financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with terms of the plan. Premium payments are recognized when due and payable in accordance with terms of the plan. Administrative and investment expenses are recognized when incurred.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Short-term investments are reported at cost, which approximates fair value. See Note D of KRS' annual financial report previously referenced for further discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gain (loss) on investments includes KRS' gains and losses on investments bought and sold as well as held during the fiscal year.

Note 7 - Economic Dependency

The Authority collects fees from water users in the Kentucky River Drainage Basin. These fees are the primary funding source of the Authority's activities. For the year ended June 30, 2015, six customers accounted for approximately 82.3% of the Tier II fees earned during the year. One of these six customers accounted for approximately 36.6%.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 8 - Commitments

Prior to year-end, the Authority had ongoing projects on Lock and Dams 1, 2, and 8. The balance remaining on these commitments as of year-end totaled approximately \$7,252,521.

Note 9 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disaster; and errors and omissions. The Authority has purchased commercial insurance for public officials' liability coverage, which covers the litigation costs relative to errors and omissions as they pertain to the Authority's Board members. Additionally, the Authority's exposure under negligent claims filed against it is limited through the Kentucky Board of Claims. The Authority also has purchased commercial insurance for liability and collision loss on Authority owned vehicles. Loss to buildings and equipment are self-insured through the Commonwealth's Fire and Tornado Fund.

Note 10 - Long-Term Obligations

On October 3, 2008, the State Property and Buildings Commission (SPBC) authorized and issued \$15,720,000 in Series 2008 Agency Fund Revenue Bonds (Project No. 91). The majority of the proceeds of these bonds were used for refunding \$14,025,000 in ALCo 2005 Agency Fund 2nd Series A-5 Notes held by the Authority. The Authority approved a lease agreement with SPBC, effective October 1, 2008, to act as a mechanism for financing the principal and interest payments of the bonds. The bonds have a delivery date of October 21, 2008, with interest payable on April 1 and October 1 each year, commencing on April 1, 2009 and ending with the final maturity of the term bonds due April 1, 2029. Interest rates range from 3.4% to 5.75% at the final maturity date.

On March 19, 2013, the SPBC adopted a resolution authorizing the issuance of \$17,210,000 in Series 2013 Agency Fund Revenue Bonds (Project No. 105). The bonds were issued at a premium in the amount of \$1,386,657. The Series 2013 Bonds are being issued as Additional Bonds under the Series 2008 Resolution and have been authorized and issued pursuant to the Constitution and laws of the Commonwealth. The Authority approved a lease agreement with SPBC, effective April 1, 2013, to act as a mechanism for financing the principal and interest payments of the bonds. The bonds have a delivery date of May 15, 2013, with interest payable on April 1 and October 1 each year, commencing on October 1, 2013 and ending with the final maturity of the term bonds due April 1, 2033. Interest rates range from 2.0% to 4.75% at the final maturity date.

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 10 - Long-Term Obligations (Continued)

The Series 2008 Agency Fund Revenue Bonds (Project No. 91) have a rate stabilization fund and a debt service reserve fund in the amount of \$1,609,623. The cash in these two funds will be used towards the principal balance in 2028 and 2029.

The Series 2013 Agency Fund Revenue Bonds (Project No. 105) have a debt service reserve fund of \$1,101,331 and that cash will be used towards the principal balance in 2033.

Changes in long-term liabilities for the year ended June 30, 2015, are summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease Payable Total	<u>\$ 27,322,796</u>	<u>\$</u>	<u>\$ 1,073,750</u>	<u>\$ 26,249,046</u>	<u>\$ 1,110,000</u>

KENTUCKY RIVER AUTHORITY
PROJECT 91 REVENUE BONDS DTD 10/21/08
LEASE PAYMENT SCHEDULE

Subject to change dependent on reinvestment of debt service fund or debt service reserve. Payments are made quarterly in equal installments.

Fiscal Year Ending	Principal Payment	Interest Expense	Credit	Total Payments
6/30/2016	\$ 626,250	\$ 696,100	\$ (65,440)	\$ 1,256,910
6/30/2017	653,750	665,950	(65,440)	1,254,260
6/30/2018	688,750	633,050	(65,440)	1,256,360
6/30/2019	725,000	596,634	(65,440)	1,256,194
6/30/2020	766,250	554,947	(65,440)	1,255,757
6/30/2021	811,250	510,888	(65,440)	1,256,698
6/30/2022	857,500	464,241	(65,440)	1,256,301
6/30/2023	907,500	414,934	(65,440)	1,256,994
6/30/2024	958,750	362,753	(65,440)	1,256,063
6/30/2025	1,013,750	307,625	(65,440)	1,255,935
6/30/2026	1,070,000	249,334	(55,080)	1,264,254
6/30/2027	1,131,250	187,809	(24,000)	1,295,059
6/30/2028	525,377	122,763	(24,000)	624,140
6/30/2029		53,907	(18,000)	35,907
	<u>\$ 10,735,377</u>	<u>\$ 5,820,935</u>	<u>\$ (775,480)</u>	<u>\$ 15,780,832</u>

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 10 - Long-Term Obligations (Continued)

KENTUCKY RIVER AUTHORITY
PROJECT 105 REVENUE BONDS DTD 5/3/2013
LEASE PAYMENT SCHEDULE

Subject to change dependent on reinvestment of debt service fund or debt service reserve. Payments are made quarterly in equal installments.

<u>Fiscal Year</u> <u>Ending</u>	<u>Principal</u> <u>Payment</u>	<u>Interest Expense</u>	<u>Credit</u>	<u>Total Payments</u>
6/30/2016	\$ 483,750	\$ 615,081	\$ (38,400)	\$ 1,060,431
6/30/2017	497,500	605,406	(38,400)	1,064,506
6/30/2018	507,500	595,456	(38,400)	1,064,556
6/30/2019	517,500	585,306	(38,400)	1,064,406
6/30/2020	530,000	572,331	(38,400)	1,063,931
6/30/2021	550,000	551,131	(38,400)	1,062,731
6/30/2022	568,750	530,544	(38,400)	1,060,894
6/30/2023	583,750	514,931	(38,400)	1,060,281
6/30/2024	597,500	503,070	(38,400)	1,062,170
6/30/2025	610,000	489,050	(38,400)	1,060,650
6/30/2026	632,500	469,188	(38,400)	1,063,288
6/30/2027	661,250	443,888	(38,400)	1,066,738
6/30/2028	683,750	419,138	(38,400)	1,064,488
6/30/2029	1,032,500	396,888	(44,400)	1,384,988
6/30/2030	2,061,250	360,700	(62,400)	2,359,550
6/30/2031	2,133,750	289,631	(62,400)	2,360,981
6/30/2032	2,231,250	188,278	(751,114)	1,668,414
6/30/2033	631,169	82,294	(713,463)	
	<u>\$ 15,513,669</u>	<u>\$ 8,212,311</u>	<u>\$ (2,132,977)</u>	<u>\$ 21,593,003</u>

KENTUCKY RIVER AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015
(Continued)

Note 11 - Net Position Restricted For Capital Projects

The Authority has a Net Position Restricted for Capital Projects of \$11,040,546. This amount consists of solely restricted cash. The restricted cash consists of accounts restricted to maintenance and construction of capital assets.

Note 12 - Prior Period Adjustment

The Authority implemented Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions for the current reporting period, fiscal year ended June 30, 2015. This statement establishes standards for reporting deferred outflows, deferred inflows, pension expense, and net pension liability for the Kentucky River Authority's proportionate share of the KERS Non-Hazardous Plan. The effect of this implementation was a decrease of \$2,263,218 in Net Position as of July 1, 2014.

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REQUIRED SUPPLEMENTARY INFORMATION

KENTUCKY RIVER AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2015

Schedule of Proportionate Share of the Net Pension Liability

	2015
Proportion of the net pension liability (asset)	0.026914%
Proportionate share of the net pension liability	\$ 2,414,676
Covered-employee payroll	\$ 424,567
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	568.74%
Plan fiduciary net position as a percentage of the total pension liability	22.32%

Schedule of Contributions

	2015
Actuarially required contribution	\$ 140,159
Contribution in relation to the actuarial contribution	(79,890)
Contribution deficiency (excess)	\$ 60,269
Covered-employee payroll	\$ 424,567
Contribution as a percentage of covered-employee payroll	18.82%

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***



ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With *Government Auditing Standards*

Independent Auditor's Report

Jerry T. Graves, Executive Director
Kentucky River Authority
Board of Directors

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Kentucky River Authority (Authority) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated October 28, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Report On Internal Control Over Financial Reporting And
On Compliance And Other Matters Based On An Audit Of Financial
Statements Performed In Accordance With *Government Auditing Standards*
(Continued)

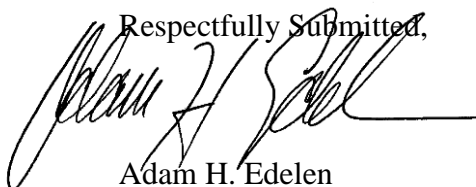
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

A handwritten signature in dark ink, appearing to read 'Adam H. Edelen', written over the typed name.

Adam H. Edelen
Auditor of Public Accounts

October 28, 2015

Kentucky State Fair Board

Financial Statements

June 30, 2015 and 2014

Kentucky State Fair Board

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Independent Auditor's Report

To the Board of Directors
Kentucky State Fair Board

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activity of the Kentucky State Fair Board ("Fair Board"), a component unit of the Commonwealth of Kentucky, as of and for the years ended June 30, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the Fair Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Kentucky
Indiana
Ohio

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Independent Auditor's Report (Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of business-type activity of the Fair Board as of June 30, 2015 and 2014, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note B to the financial statements, the Fair Board adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27. The implementation resulted in a restatement of prior year net position (See Note P).

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 9, and the Required Supplementary Information: 1) Schedule of the Fair Board's Estimated Proportionate Share of the Collective Net Pension Liability and Related Ratios Based on the Fair Board's Participation in the KERS; 2) Schedule of the Fair Board's Contributions Based on the Fair Board's Participation in the KERS; and 3) Note to the Required Supplemental Information on pages 30 and 32 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2015 on our consideration of the Fair Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fair Board's internal control over financial reporting and compliance.



Louisville, Kentucky
October 5, 2015

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited)

As management of the Kentucky State Fair Board (Fair Board), a component unit of the Commonwealth of Kentucky, we offer the readers of the Fair Board's financial statements this narrative overview and analysis of the financial performance of the Fair Board for the fiscal years ended June 30, 2015 and 2014. We encourage readers to read it in conjunction with the Fair Board's financial statements and the accompanying notes.

Financial Highlights

- Cash and cash equivalents increased \$5,688,352 (70%)
- Accounts receivable (net) increased \$7,376 (.25%)
- Property, plant and equipment (net) increased \$1,926,212 (.71%)
- Capital lease obligations decreased \$2,145,142 (12%)
- Bonds payable decreased \$1,575,000 (5%)
- Bond Premium decreased \$419,560 (10%)
- Net position increased \$890,811 (.51%)
- Operating revenues decreased \$57,423 (.13%)
- Operating expenses increased \$3,856,701 (7%)
- Operating loss increased \$3,914,124 (32%)
- Non-operating expenses (net) increased \$23,462 (2%)
- Transfers from Commonwealth decreased \$5,257,253 (38%)
- Contributed property decreased \$24,751,690 (72%)
- Interest and investment revenue increased \$11,293 (90%)

Overview of the Financial Statements

This financial report consists of three parts: Management's Discussion and Analysis (this section), the basic financial statements, and the accompanying notes to the financial statements. The Kentucky State Fair Board is a self-supporting entity and follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short and long-term financial information about the activities and operations of the Fair Board. These statements are presented in a manner similar to those of a private business.

The statement of net position presents information on all of the Fair Board's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Fair Board is improving or deteriorating.

The statement of revenues, expenses, and changes in net position presents information showing how the Fair Board's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The statement of cash flows provides relevant information about the cash receipts and cash payments of the Fair Board during the fiscal year. The statement should help users assess the Fair Board's ability to generate future net cash flows, meet future obligations as they become due, and assess the Fair Board's need for future external financing, the reasons for differences in operating and related cash receipts and cash payments, and the effects on financial position of cash and non-cash investing, capital, non-capital, and financing activities.

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)

Overview of the Financial Statements (Continued)

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The notes to the financial statements can be found on pages 14 - 28.

Financial Analysis of the Fair Board

Condensed Financial Information (in thousands)
 Statements of Net Position
 As of June 30

	2015	Percentage Increase (Decrease)	2014 Restated
Current Assets	\$ 17,619	46%	\$ 12,093
Non-current assets	<u>273,802</u>	-1%	<u>277,878</u>
Total Assets	<u>291,421</u>	1%	<u>289,971</u>
Deferred Out flows of Resources	<u>2,897</u>	100%	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>294,318</u>	1%	<u>289,971</u>
Current Liabilities	24,596	28%	19,144
Non-current liabilities	<u>89,556</u>	-2%	<u>91,765</u>
Total Liabilities	<u>114,152</u>	3%	<u>110,909</u>
Deferred In flows of Resources	<u>4,549</u>	5%	<u>4,336</u>
Total Liabilities and Deferred Inflows of Resources	118,701	3%	115,245
Net investment in capital assets	224,425	3%	218,360
Restricted	(27)	-100%	5,974
Unrestricted	<u>(48,781)</u>	-2%	<u>(49,608)</u>
Total Net Position	<u>\$ 175,617</u>	1%	<u>\$ 174,726</u>
	294,318	3%	289,971

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)

Overview of the Financial Statements (Continued)

Financial Analysis of the Fair Board (Continued)

Restatement of Net Position: The implementation of GASB Statement No. 68, *Accounting and financial Reporting for Pensions* - an amendment of GASB Statement No. 27 required a restatement of the June 30, 2014 balance of (\$46,186,000); additionally, an accounting error was identified related to the June 30, 2014 net position and related to fiscal year 2014 statement of activities which resulted in a restatement of \$142,367

Current assets consist primarily of operating cash and cash equivalents, prepaid expenses and event/contract lease receivables.

Non-current assets consist primarily of property, plant and equipment and cash balances restricted for capital construction and debt service.

Current liabilities consist primarily of accounts payable and the current-portion of bond and lease payables.

Non-current liabilities represent the non-current portion of bond and lease payables.

In providing funds for the construction and improvement of Fair Board facilities, the Fair Board obtains its funding through the issuance of revenue bonds, lease and rental income, and state appropriations. When revenue bonds are issued, the Fair Board incurs long-term obligations that are repaid primarily by revenue received from annual lease and rental income.

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)

Overview of the Financial Statements (Continued)

Financial Analysis of the Fair Board (Continued)

Condensed Financial Information (in thousands)
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Fiscal Years Ended June 30

	2015	Percentage Increase (Decrease)	2014 Restated
Operating Revenues:			
Charges for services	\$ 41,493	-1.2%	\$ 41,989
Lease income	2,169	25.4%	1,730
Total Operating Revenues	43,662	-0.1%	43,719
Operating Expenses			
General and administrative	3,174	6.6%	2,977
Operating	34,996	8.7%	32,207
Direct cost of events	9,860	-6.6%	10,554
Depreciation and amortization	11,721	15.4%	10,156
Total Operating Expenses	59,751	6.9%	55,894
Loss from Operations	(16,089)	32.1%	(12,175)
Non-operating Revenues (Expenses)	(1,158)	2.1%	(1,134)
(Loss) before transfers and contributed revenue	(17,247)	-29.6%	(13,309)
Transfers and contributed revenue	18,138	-62.3%	48,147
Changes in Net Position	891	97.4%	34,838
Net Position, Beginning of Year	174,726	-6.1%	186,074
Restatement for change in accounting principle	-	100.0%	(46,186)
Net Position, End of Year	\$ 175,617	0.5%	\$ 174,726

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)

Overview of the Financial Statements (Continued)

Financial Analysis of the Fair Board (Continued)

Charges for services represent revenues primarily from gate admissions, parking income, event and catering commissions, entry fees, sponsorships, space rental, promotions, electric services and drayage services.

Lease income represents revenues primarily from the lease of real property owned by the Fair Board to operators of hotels and motels, restaurants, amusement parks, convenience stores and parking facilities.

General and administrative expenses primarily represent personnel costs for administrative, operations and security staff, insurance, supplies and advertising.

Operating expenses primarily represent personnel costs for maintenance staff, utilities, and repairs and maintenance.

Direct cost of events primarily represent personnel costs directly allocable to events such as operations, housekeeping staff, grounds-keeping staff, and hired labor, entertainment costs, promotional costs, premiums, prizes and awards, and special materials and services.

Non-operating revenues consist primarily of interest and investment revenue, advertising revenue, other non-event income, interest expense, and net payments from the Commonwealth.

During 2015 and 2014, the Fair Board's investments were primarily limited to the state investment pool. Investment earnings decreased during 2015 as invested balances were utilized more in 2015 to finance the Fair Board's construction projects as compared to 2014. Interest expense relates primarily to the debt service on the bonds payable.

During 2015, the net payments received from the Commonwealth of Kentucky included \$8,688,175 to help with debt service payments and construction costs.

Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)

Overview of the Financial Statements (Continued)

Financial Analysis of the Fair Board (Continued)

Condensed Financial Information (in thousands)
 Statements of Cash Flows
 For the Fiscal Years Ended June 30

	<u>2015</u>	<u>Percentage Increase (Decrease)</u>	<u>2014</u>
Net Cash Provided by (Used in):			
Operating Activities	\$ 448	-66.8%	\$ 1,348
Non-capital financing activities	810	-20.7%	1,022
Capital and related financing activities	4,406	-936.1%	(527)
Investing activities	<u>24</u>	<u>100.0%</u>	<u>12</u>
Net Change in Cash and Cash Equivalents	5,688	206.6%	1,855
Cash and Cash Equivalents, Beginning of Year	<u>8,128</u>	<u>29.6%</u>	<u>6,273</u>
Cash and Cash Equivalents, End of Year	<u>\$ 13,816</u>	<u>70.0%</u>	<u>\$ 8,128</u>

The net increase in cash and cash equivalents totaled \$5,688,352 at June 30, 2015, primarily due to the monies transferred from restricted cash. The net increase in cash and cash equivalents totaled \$1,855,512 at June, 30, 2014, primarily due to the monies transferred from restricted cash.

**Kentucky State Fair Board
Management's Discussion and Analysis (Unaudited) (Continued)**

Overview of the Financial Statements (Continued)

Capital Assets Administration

The following table summarizes the changes in net capital assets per component (in thousands) between fiscal years 2015, and 2014.

	<u>2015</u>	<u>Percentage Increase (Decrease)</u>	<u>2014</u>
Construction in progress	\$ 2,793	193.7%	\$ 951
Land	27,835	0.0%	27,835
Buildings and improvements	403,294	4.9%	384,502
Machinery and equipment	24,695	187.4%	8,593
Furniture and fixtures	382	0.0%	382
Kentucky Kingdom improvements	9,450	-72.4%	34,202
Accumulated depreciation	<u>(194,629)</u>	<u>5.4%</u>	<u>(184,571)</u>
	<u>\$ 273,820</u>	<u>0.7%</u>	<u>\$ 271,894</u>

Debt Administration

The following table summarizes the outstanding obligations under revenue bonds payable and capital leases (in thousands) as June 30, 2015 and 2014.

	<u>2015</u>	<u>Percentage Increase (Decrease)</u>	<u>2014</u>
Revenue bonds (at par)	\$ 30,030	-5.0%	\$ 31,605
Capital leases	<u>15,457</u>	<u>-12.2%</u>	<u>17,603</u>
	<u>\$ 45,487</u>	<u>-7.6%</u>	<u>\$ 49,208</u>

Contacting The Fair Board's Financial Management

This financial report is designed to provide a general overview of the Fair Board's finances for all of those with an interest. If you have any questions concerning the information provided in this report or need additional financial information, contact the Kentucky State Fair Board, 937 Phillips Lane, Louisville, Kentucky, 40209-1398.

Kentucky State Fair Board
Statements of Net Position
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u> <u>Restated</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 13,816,493	\$ 8,128,141
Accounts receivable, net of allowance for doubtful accounts of \$10,878,862 in 2015 and \$9,284,734 in 2014	3,023,686	3,016,310
Prepaid expenses and other	779,455	949,045
Total Current Assets	17,619,634	12,093,496
Non-current Assets		
Restricted cash and cash equivalents	(18,764)	5,983,371
Property, plant and equipment net of accumulated depreciation	273,820,464	271,894,252
Total Non-current Assets	273,801,700	277,877,623
Total Assets	291,421,334	289,971,119
Deferred Outflows of Resources		
Pension contributions	2,897,082	-
Total Assets and Deferred Outflows of Resources	<u>\$294,318,416</u>	<u>\$289,971,119</u>
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	\$ 15,009,113	\$ 11,296,660
Interest payable	226,225	233,679
Unearned revenue	4,152,812	3,985,623
Bonds payable, current portion	3,110,000	1,575,000
Obligations under capital lease, current portion	2,098,431	2,052,812
Total Current Liabilities	24,596,581	19,143,774
Non-current Liabilities		
Obligations under capital lease, long-term portion	13,358,940	15,549,701
Bonds payable, long-term portion	26,920,000	30,030,000
Net pension liability	49,277,000	46,186,000
Total Non-current Liabilities	89,555,940	91,765,701
Total Liabilities	114,152,521	110,909,475
Deferred inflows of Resources		
Bond premium	3,916,240	4,335,800
Investment earning differential	633,000	-
Total Deferred Inflows of Resources	4,549,240	4,335,800
Total Liabilities and Deferred Inflows of Resources	118,701,761	115,245,275
Net Position		
Net investment in capital assets	224,424,785	218,359,798
Restricted for capital construction (deficit)	(26,696)	5,974,512
Unrestricted (deficit)	(48,781,434)	(49,608,466)
Total Net Position	175,616,655	174,725,844
Total Liabilities and Net Position	<u>\$294,318,416</u>	<u>\$289,971,119</u>

See accompanying notes.

Kentucky State Fair Board
Statements of Revenues, Expenses and Changes in Net Position
For the Fiscal Years Ended June 30, 2015 and 2014

	2015	2014 Restated
Operating Revenues		
Charges for services	\$ 41,493,175	\$ 41,988,709
Lease income	2,168,513	1,730,402
Total Operating Revenues	43,661,688	43,719,111
Operating Expenses		
General and administrative	3,174,300	2,976,663
Operating	34,996,280	32,207,299
Direct cost of events	9,860,016	10,554,164
Depreciation and amortization	11,720,504	10,156,273
Total Operating Expenses	59,751,100	55,894,399
Operating Loss	(16,089,412)	(12,175,288)
Non-operating Revenues (Expenses)		
Interest expense	(1,491,790)	(2,043,965)
Loss on sale of fixed asset	(500,208)	(125,384)
Interest and investment revenue	23,811	12,518
Other	810,083	1,022,189
Total Non-operating Expenses	(1,158,104)	(1,134,642)
(Loss) before transfers and contributed property	(17,247,516)	(13,309,930)
Transfer from Commonwealth's Capital Projects Fund	4,980,075	3,355,528
Transfer from Commonwealth's General Fund	3,708,100	10,589,900
Contributed property	9,450,152	34,201,842
Change in Net Position	890,811	34,837,340
Total Net Position, Beginning of Year	174,725,844	186,074,504
Restatement for change in accounting principle	-	(46,186,000)
Total Net Position, End of Year	\$ 175,616,655	\$ 174,725,844

See accompanying notes.

Kentucky State Fair Board
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u> <u>Restated</u>
Cash Flows from Operating Activities		
Cash received from customers	\$ 44,596,868	\$ 41,673,170
Cash payments to suppliers for goods and services	(20,805,711)	(17,007,249)
Cash payments for employee salaries and benefits	(23,342,842)	(23,317,872)
Net Cash Provided by Operating Activities	448,315	1,348,049
Cash Flows from Non-capital Financing Activities		
Non-operating income	810,083	1,022,189
Net Cash Provided by Non-capital Financing Activities	810,083	1,022,189
Cash Flows from Capital and Related Financing Activities		
Acquisition and construction of capital assets	(4,696,771)	(1,077,300)
Transfers (to) from restricted cash	6,002,135	(1,638,533)
Net payments from the Commonwealth	8,688,175	13,945,428
Interest paid on bonds and capital lease obligations	(1,867,254)	(2,034,911)
Prepaid interest related to old bonds	-	(429,935)
Repayment of short-term loan from Commonwealth	-	(7,232,574)
Payments on bonds payable	(1,575,000)	(255,000)
Payments on capital lease obligations	(2,145,142)	(1,804,419)
Net Cash Provided by (Used in) Capital Related Financing Activities	4,406,143	(527,244)
Cash Flows from Investing Activities		
Interest and investment revenue	23,811	12,518
Net Increase in Cash & Cash Equivalents	5,688,352	1,855,512
Cash and Cash Equivalents, Beginning of Year	8,128,141	6,272,629
Cash and Cash Equivalents, End of Year	\$ 13,816,493	\$ 8,128,141

See accompanying notes.

Kentucky State Fair Board
Statements of Cash Flows (Continued)
For the Fiscal Years Ended June 30, 2015 and 2014

	2015	2014 Restated
Reconciliation of Operating Loss to Net Cash		
Provided by Operating Activities		
Operating loss	\$(16,089,412)	\$(12,175,288)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	11,720,504	10,156,273
Provision for bad debts	1,594,128	5,899,498
Changes in assets and liabilities:		
Accounts receivable	(1,459,137)	(7,175,512)
Prepaid expenses and other	169,590	414,804
Accounts payable and accrued expenses	3,712,453	4,998,201
Unearned revenue	800,189	(769,927)
Net Cash Provided by Operating Activities	<u>\$ 448,315</u>	<u>\$ 1,348,049</u>
Supplemental Disclosure:		
Kentucky Kingdom additions by tenant	<u>\$ 9,450,152</u>	<u>\$ 34,201,842</u>

See accompanying notes.

Kentucky State Fair Board
Notes to Financial Statements
June 30, 2015 and 2014

Note A - Nature of Organization and Operations

The Fair Board is a component unit of the Commonwealth of Kentucky and is included in the Commonwealth of Kentucky's comprehensive annual financial report. The criteria for inclusion, as defined by the Governmental Accounting Standards Board, is determined on the basis of: 1) selection of governing Fair Board; 2) designation of management; 3) ability to significantly influence operations; and 4) accountability for fiscal matters.

Note B - Summary of Significant Accounting Policies

1. **Basis of Presentation:** The accompanying financial statements have been prepared as an enterprise fund of the Commonwealth of Kentucky. Enterprise funds are designed to accumulate the total cost of providing a particular service and to indicate the extent user charges are sufficient to cover these costs. Revenue generated from user charges and leases is classified as operating revenue while all other sources of revenue are considered non-operating revenue. The Kentucky State Fair Board (Fair Board) uses the accrual basis of accounting for financial accounting and reporting purposes.
2. **Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
3. **Statement of Cash Flows:** For purposes of the statement of cash flows, the Fair Board considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash paid for interest was \$1,867,254 and \$2,034,911 for the years ended June 30, 2015 and June 30, 2014, respectively.
4. **Property, Plant and Equipment:** Property, plant and equipment expenditures over \$5,000 are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization is provided over the estimated useful life of leased assets or the lease term, whichever is shorter. The following is a summary of the estimated useful lives used in computing depreciation:

Buildings and improvements	5-50 years
Machinery, equipment and leasehold improvements	3-25 years
Furniture and fixtures	3-25 years

Depreciation and amortization expense for the years ended June 30, 2015 and 2014 was \$11,720,504 and \$10,156,273 respectively.
5. **Advertising Costs:** The Fair Board expenses the costs of advertising as incurred. Advertising expense was \$38,658 and \$38,460 for the years ended June 30, 2015 and 2014, respectively.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note B - Summary of Significant Accounting Policies (Continued)

6. Unearned Revenue: The Fair Board receives revenue in advance for user charges prior to an event's occurrence. Revenue received in this way is recorded as unearned until the event is completed. Revenue is recognized upon completion of the event.
7. Subsequent Events: Subsequent events for the Fair Board have been considered through the date of the Independent Auditor's Report which represents the date the financial statements were available to be issued.
8. Pensions: In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* (Statement No. 68). Statement No. 68 established accounting and financial reporting requirements related to pensions for governments whose employees are provided with pensions through pension plans that are administered through trusts that have certain defined characteristics, as well as with respect to non-employer governments that have a legal obligation to contribute to such plans. Statement No. 68 established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources, and expenses/expenditures. For defined benefit pensions, Statement No. 68 identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. In addition, Statement No. 68 also addresses the related disclosure and required supplementary information requirements.

The Fair Board adopted this pronouncement as of and for the year ended June 30, 2015 (see Note J). Accordingly, the Fair Board's net position per the accompanying statement of revenues, expenses, and changes in net position for the year ended June 30, 2014 has been restated for the \$46,186,000 impact of the change in accounting principle. Such amount represents the Fair Board's estimated proportionate share of the collective net pension liability as of June 30, 2014 (see also the pension liability per the accompanying statement of net position as of June 30, 2014). Net position as of July 1, 2013 was not restated. The Fair Board's estimated proportionate share of the collective net pension liability as of June 30, 2013 was not measurable (the relevant information was not available). Additionally, it was not practical to determine the amounts of all deferred outflows and inflows of resources related to pensions as of June 30, 2014. Thus, the accompanying statement of revenues, expenses, and changes in net position for the year ended June 30, 2014 has not otherwise been restated (other than with respect to restating net position as of June 30, 2014).

For purposes of measuring the Fair Board's estimated proportionate share of the collective net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information regarding the Fair Board's participation in the Kentucky Employees Retirement System (KERS) has been determined on the same basis as reported by the KERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

9. Reclassification: Certain items previously reported have been reclassified to conform with the current year's presentation.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note C - Contingencies

The Fair Board is party to certain litigations. Due to the fact the Fair Board is an agency of the Commonwealth of Kentucky the Fair Board is subject to sovereign immunity and is not responsible to settle these litigations. The Commonwealth has the responsibility for settling all significant claims for the Fair Board; therefore, no disclosure or accrual regarding litigation is required as a part of these financial statements.

Note D - Concentration of Credit Risk

The Fair Board maintains accounts at several financial institutions, each of which are insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000 per customer. For the years ended June 30, 2015 and 2014, the Fair Board's cash balances exceeded the FDIC limit by \$7,238,845 and \$4,642,757, respectively. The excess funds are covered by collateral held by the pledging institution's trust department in the Fair Board's name.

Note E - Property, Plant and Equipment

Property, plant and equipment consist of the following components:

	Balance 6/30/2014	Additions	Reclassification	Deletions	Balance 6/30/2015
Business-type Activities					
Land	\$ 27,835,149	\$ -	\$ -	\$ -	\$ 27,835,149
Buildings and improvements	384,502,232	2,662,404	18,265,938	(2,137,170)	403,293,404
Machinery and improvements	8,592,802	192,280	15,935,904	(26,000)	24,694,986
Furniture and fixtures	382,163	-	-	-	382,163
Kentucky Kingdom improvements	34,201,842	9,450,152	(34,201,842)	-	9,450,152
Construction in progress	951,232	6,526,129	-	(4,684,042)	2,793,319
Total at Cost	456,465,420	18,830,965	-	(6,847,212)	468,449,173
Less: accumulated depreciation	(184,571,168)	(11,720,504)	-	1,662,963	(194,628,709)
Capital Assets, net	\$ 271,894,252	\$ 7,110,461	\$ -	\$ (5,184,249)	\$ 273,820,464

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note F - Deposits and Investments

All Fair Board receipts are deposited directly in the Commonwealth's general depository or depositories designated by the State Treasurer, which has statutory responsibility and authority to safeguard the funds. At June 30, 2015 and 2014, the Fair Board's share of deposits in the Commonwealth's general depository (State investment pool) totaled \$5,948,656 and \$8,640,736 respectively.

The Commonwealth's Comprehensive Annual Financial Report (CAFR) for the years ended June 30, 2015 should be referred to for disclosures required by GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements" and GASB Statement No. 40, "Deposit and Investment Risk Disclosures" (an amendment of GASB Statement No. 3).

Note G - Restricted Cash and Cash Equivalents

	<u>2015</u>	<u>2014</u>
Construction Funds Investments (Deficit)	\$ (26,696)	\$ 5,974,512
Gate Escrow	<u>7,932</u>	<u>8,859</u>
	<u>\$ (18,764)</u>	<u>\$ 5,983,371</u>

Restricted cash and cash equivalents include construction fund accounts. The negative restricted cash in the construction funds' investments are due to construction work for a project near year-end. Expenditures related to the project will be paid with the proceeds of a bond issue. The Commonwealth of Kentucky, Finance and Administration Cabinet allowed the Fair Board to overdraw this account which will be repaid with the proceeds of the bond upon issuance.

The construction funds accounts are retained by the Kentucky State Treasury as special accounts designated solely for the payment of all approved capital construction projects.

Note H - Revenue Bonds Issued by the Commonwealth of Kentucky

The Commonwealth of Kentucky State Property and Buildings Commission (the Commission) has issued revenue bonds for the acquisition and construction of certain projects, including the development of the Kentucky International Convention Center, parking structures and various capital improvements, including an exposition hall added to the Kentucky Fair and Exposition Center. The revenue bonds are included in the general long-term debt account group of the Commonwealth of Kentucky (the Commonwealth) since the Commonwealth intends to make the required principal and interest payments on these obligations and has made all such payments to date. The properties have been contributed to the Fair Board and are included in property, plant and equipment.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note I - Lease Income

The Fair Board is the lessor of real property under non-cancelable operating leases for terms ranging from 3 to 40 years. The leases expire from 2015 through 2043. Most leases contain renewal options ranging from 5 to 50 years. Minimum future lease income under non-cancelable operating leases at June 30, 2015 is as follows:

<u>Year Ending June 30</u>	
2016	\$ 1,987,075
2017	2,037,075
2018	2,014,000
2019	1,922,000
2020	1,852,000
Thereafter	<u>15,615,650</u>
Total Minimum Future Lease Income	<u>\$ 25,427,800</u>

The above amounts do not include contingent lease income which may be received based upon percentages of gross receipts from tenants, as defined in the lease agreements. Contingent lease income was approximately \$353,999 and \$649,464 in fiscal 2015 and 2014, respectively.

Note J - Retirement Plans

General Information

Plan Description

All employees averaging 100 or more hours per month over a calendar or fiscal year participate in the Kentucky Employees Retirement System (KERS) of the Commonwealth of Kentucky, which is a cost-sharing multiple employer defined benefit pension plan. Under the provisions of KRS 61.645, the Kentucky Retirement Systems Board of Trustees administers the KERS.

Ten-year historical trend information showing the KERS' progress in accumulating sufficient assets to pay benefits when due (as well as financial statements and other required supplementary information) is presented in the Kentucky Employees Retirement System's Annual Financial Report (which is a matter of public record). The most recent actuarial valuation is as of June 30, 2014. Such report may be obtained by writing to the Kentucky Retirement System, 1260 Louisville Road, Perimeter Park West, Frankfort, Kentucky 40601. The Commonwealth's Comprehensive Annual Financial Report should also be referred to for additional disclosures related to the KERS.

In addition to the KERS, the Fair Board's employees are also eligible to participate in two deferred compensation plans sponsored by the Commonwealth. These plans are organized as a Section 457 plan and as a Section 401(k) plan under the Internal Revenue Code. Both plans permit employees to defer a portion of their salary until future years. Deferred compensation is not available to employees until termination, retirement, death, or financial hardship. The Kentucky Public Employees Deferred Compensation Fair Board issues a publicly available report that includes financial statements and other required supplementary information relative to the deferred compensation plans. Such report may be obtained by writing to the Kentucky Public Employees Deferred Compensation Fair Board, 101 Sea Hero Road, Suite 110, Frankfort, Kentucky 40601. The Commonwealth's Comprehensive Annual Financial Report should also be referred to for additional disclosures related to the two deferred compensation plans.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note J - Retirement Plans (Continued)

General Information (Continued)

Benefits Provided

The KERS provides retirement, as well as health care, disability, and death benefits to plan members. The KERS provides for cost-of-living adjustments at the discretion of the Kentucky legislature. Benefits are established by State statute.

Covered employees hired before September 1, 2008, who retire at or after age 65 with a minimum of 48 months of credited service, are entitled to a retirement benefit equal to 1.97% to 2.20% of their final-average salary multiplied by their years of service. Final-average salary is the employee's average of the five fiscal years during which the employee had the highest average monthly salary. Benefits fully vest upon reaching five years of service. Vested employees may retire after 27 years of service and receive full retirement benefits or after age 55 or 25 years of service and receive reduced retirement benefits.

Covered employees hired between September 1, 2008 and December 31, 2013, who retire at or after age 65 with a minimum of 60 months of credited service or when the employee's age (must be at least 57 years of age) plus their years of credited service equals at least 87 years, are entitled to a retirement benefit equal to 1.10% to 2.00% of their final-average salary multiplied by their years of service. Final-average salary is the employee's average of the last five full fiscal years. Employees may be eligible to receive reduced retirement benefits at age 60 with a minimum of 120 months of credited service.

Contributions

Covered employees are required by State statute to contribute 5.00% of their salary to the KERS (covered employees hired between September 1, 2008 and December 31, 2013 are required by State statute to contribute an additional 1.00% of their salary to fund the Kentucky Retirement Systems insurance fund). The Fair Board is (for the year ended June 30, 2015) required by the same statute to contribute 38.77% of the covered employees' salaries (26.79% and 23.61% of the covered employees' salaries with respect to the years ended June 30, 2014 and 2013, respectively). The actuarially determined employer contribution represents the amount, that when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, the costs of administration, and an amortized portion of any unfunded liability.

Covered employees hired on or after January 1, 2014, are also eligible to participate in a Cash Balance Plan which requires employees to contribute, on a pre-tax basis, 5.00% of creditable compensation. Employee accounts are also credited with a 4.00% employer pay credit. In addition to the 5.00% employee contribution, covered employees are required by State statute to contribute an additional 1.00% of their salary to fund the Kentucky Retirement Systems insurance fund. At the end of each fiscal year interest is paid into each employee's account. The account is guaranteed the 4.00% interest credit on the employee's account balance as of June 30 of the previous fiscal year-end. The employee's account may be credited with additional interest if the five-year average investment return exceeds 4.00%. If an employee terminates his/her employment, the employee, if fully vested (fully vested upon reaching five years of service), is eligible to either take a refund of his/her accumulated account balance or, if the employee is eligible for retirement benefits, he/she may annuitize the account balance. If an employee terminates his/her employment prior to being fully vested and requests a refund, the employee is only eligible to receive his/her contributions plus the interest thereon, forfeiting the employer pay credit and the associated interest.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note J - Retirement Plans (Continued)

General Information (Continued)

Contributions (Continued)

Retired employees receive certain health care benefits depending on length of service. In accordance with State statutes, such benefits are provided and advanced-funded on an actuarially determined basis through the KERS. As indicated above, covered employees hired between September 1, 2008 and December 31, 2013 are required by State statute to contribute an additional 1.00% of their salary to fund the Kentucky Retirement Systems insurance fund. The related employer contribution is included in the required employer contribution rates indicated above.

The Fair Board's contributions for the years ended June 30, 2015 and 2014 total approximately \$3,642,000 and \$2,602,000, respectively.

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources

At June 30, 2015, the Fair Board's liability with respect to its estimated proportionate share of the collective net pension liability is \$49,277,000 (\$46,186,000 as of June 30, 2014). The June 30, 2015 net pension liability has been measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Fair Board's estimated proportionate share of the collective net pension liability was based on a projection of the Fair Board's long-term share of contributions to the pension plan relative to the projected contributions of all employer participants, as actuarially determined. At June 30, 2015 and 2014, the Fair Board's estimated proportionate share is .55% (as rounded).

The Fair Board's estimate of pension expense with respect to the year ended June 30, 2015 totals \$3,724,000. At June 30, 2015, deferred outflows and inflows of resources related to pensions consist of the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 633,000
Fair Board's contributions subsequent to the measurement date of the collective net pension liability	<u>2,897,082</u>	<u>\$ -</u>
	<u>\$ 2,897,082</u>	<u>\$ 633,000</u>

The \$2,987,082 of deferred outflows of resources per the above table as of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note J - Retirement Plans (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources (Continued)

Other amounts reflected as deferred outflows of resources related to pensions as of June 30, 2015 (per the above table) will be recognized in pension expense as follows:

Year Ending June 30

2016	\$ 158,250
2017	158,250
2018	158,250
2019	158,250
	<hr/>
	\$ 633,000

Actuarial Assumptions

The total pension liability per the June 30, 2014 actuarial valuation was determined using the following actuarial assumptions, as applied to all periods included in the measurement:

- Inflation - 3.50%
- Projected salary increases - 4.50%, average, including inflation
- Investment rate of return - 7.75% net of investment expenses, including inflation

Mortality rates were based on the 1983 Group Annuity Mortality Table with respect to all retired members and beneficiaries as of June 30, 2006 and the 1994 Group Annuity Mortality Table with respect to all other members.

The actuarial assumptions used in the June 30, 2014 actuarial valuation were based on the results of an actuarial experience study performed with respect to the period from July 1, 2005 through June 30, 2008. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on plan assets is reviewed as part of the regular experience studies prepared every five years. The most recent analysis, performed with respect to the period from July 1, 2004 through June 30, 2008, is outlined in a report dated August 25, 2009. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a ten-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note J - Retirement Plans (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources (Continued)

Actuarial Assumptions (Continued)

The target asset allocation and best estimates of arithmetic long-term nominal rates of return for each major asset class are as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Nominal Rate of Return</u>
Domestic equity	30%	8.45%
International equity	22%	8.85%
Core U.S. fixed income	10%	5.25%
Private equity	7%	11.25%
Commodities	5%	7.75%
Emerging markets equity	5%	10.50%
High-yield U.S. fixed income	5%	7.25%
Non-U.S. fixed income	5%	5.50%
Real estate	5%	7.00%
Treasury inflation-protected securities	5%	5.00%
Cash/cash equivalents	1%	3.25%
	<u>100%</u>	

The long-term expected rate of return on plan assets is 7.75%, which was established by the Board of Trustees of the Kentucky Retirement Systems based on a blending of the factors described above.

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed the employers would contribute the actuarially determined contribution rate of projected compensation over the remaining 29-year amortization period of the unfunded actuarial accrued liability. The actuarial determined contribution rate is adjusted to reflect the phase of anticipated gains on the actuarial value of assets over the first 4 years of the projection period. The discount rate determination does not use a municipal bond rate. Projected future benefit payments for all current plan members were projected through 2116.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note J - Retirement Plans (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources (Continued)

Sensitivity of the Fair Board's Estimated Proportionate Share of the Collective Net Pension Liability to Changes in the Discount Rate

The following table presents the Fair Board's estimated proportionate share of the collective net pension liability calculated using the discount rate of 7.75%, as well as what the Fair Board's estimated proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current discount rate.

	1.00% Decrease (6.75%)	Current Discount Rate (7.75%)	1.00% Increase (8.75%)
Fair Board's estimated proportionate share of the collective net pension liability	<u>\$55,436,625</u>	<u>\$ 49,277,000</u>	<u>\$ 43,723,763</u>

Liability to KERS

At June 30, 2015 and 2014, the liability to KERS, which represents the amount of employer contributions required to be funded as of year-end, totals \$138,657 and \$101,594, respectively. Such amounts are included within accrued expenses per the accompanying statements of net position.

Note K - Capital Leases

On February 10, 2008, the Commonwealth of Kentucky, acting by and through the Commerce Cabinet, entered into a master lease contract with Citimortgage, Inc. for certain equipment related to the Fair Board Energy Savings Performance Contracting (ESPC) project. ESPC is the development of a contract with an energy service company for the purpose of providing services and capital improvements in order to reduce the consumption and related costs of energy and water use. The Fair Board subsequently entered into a memorandum of understanding with the Commonwealth of Kentucky whereby it assumed the financial obligations of the master lease contract. The Fair Board has recorded this obligation as a capital lease.

On November 19, 2010, the Fair Board entered into a Municipal Lease and Option Agreement with Guardlink of Kentucky, LLC to purchase the new Gate System. Fifth Third Bank loaned \$3,225,681 to the Fair Board to purchase the equipment. The Fair Board has recorded this obligation as a capital lease.

On December 21, 2012, the Fair Board entered into a Municipal Lease and Option Agreement with Guardlink of Kentucky, LLC to make improvements the Gate System. Fifth Third Bank loaned \$464,500 to the Fair Board to make improvements. The Fair Board has recorded this obligation as a capital lease.

On January 27, 2013, the Fair Board entered into a Municipal Lease and Option Agreement to purchase IT Network Switches. Chase Equipment Finance, Inc. loaned \$360,942 to the Fair Board to purchase the equipment. The Fair Board has recorded this obligation as a capital lease.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note K - Capital Leases (Continued)

On August 31, 2012, the Commonwealth of Kentucky, acting by and through the Commerce Cabinet, entered into a master lease contract with Banc of America Public Capital Corporation for certain improvements related to the Fair Board Energy Savings Performance Contracting (ESPC) project. ESPC is the development of a contract with an energy service company for the purpose of providing services and capital improvements in order to reduce the consumption and related costs of energy and water use. Then during fiscal year 2014, the Fair Board subsequently entered into a memorandum of understanding with the Commonwealth of Kentucky whereby it assumed the financial obligations of the master lease contract. The amount of the lease was \$10,559,181. The Fair Board has recorded this obligation as a capital lease.

On April 1, 2014, the Fair Board entered into a Municipal Lease and Option Agreement to purchase bleachers. Fifth Third Bank loaned \$1,377,805 to the Fair Board to purchase the equipment. The Fair Board has recorded this obligation as a capital lease.

Additionally, the Fair Board leases various equipment under leases classified as capital leases. The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2015:

<u>Year Ending June 30</u>	
2016	\$ 2,500,471
2017	2,439,978
2018	2,400,585
2019	1,951,403
2020	1,538,316
2021-2015	5,561,154
2026	<u>961,843</u>
Total Minimum Future Lease Payments	17,353,750
Less amount representing interest	<u>(1,896,379)</u>
Present Value of Net Minimum Lease Payments*	<u>\$ 15,457,371</u>

* Reflected in the balance sheet as current and non-current obligations under capital leases of \$2,098,431 and \$13,358,940, respectively.

Assets held under capital leases included capital assets at June 30, 2015, include the following.

Equipment and improvements	\$ 23,825,501
Less: Accumulated depreciation/amortization	<u>(7,567,177)</u>
Total	<u>\$ 16,258,324</u>

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note K - Capital Leases (Continued)

Amortization of equipment under capital assets is included with depreciation expense.

A summary of the activity for the capital lease, at principal amount, for the years ended June 30, 2015 and 2014 are as follows:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2015</u>
Capital leases	<u>\$ 17,602,513</u>	<u>\$ -</u>	<u>\$2,145,142</u>	<u>\$ 15,457,371</u>
	<u>June 30, 2013</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2014</u>
Capital leases	<u>\$ 7,469,946</u>	<u>\$11,936,986</u>	<u>\$1,804,419</u>	<u>\$ 17,602,513</u>

Note L - Bonds Payable

On November 19, 2003, the Commonwealth of Kentucky State Property and Building Commission (Commission) issued \$55,300,000 in bonds payable on behalf of the Fair Board. The proceeds of the bonds were used to finance the 237,000 square-foot expansion of the Kentucky Fair and Exposition Center in Louisville, Kentucky. The bonds bear interest at fixed rates which vary from 2.00% to 5.00% and have a final maturity date of November 1, 2023.

In connection with the issuance of the bonds, the Commonwealth of Kentucky Finance and Administration Cabinet (Cabinet) entered into a financing/lease agreement with the Commission whereby the Cabinet agreed to lease the newly constructed building. The Cabinet, in turn, entered into a financing/sublease agreement with the Fair Board whereby the Fair Board agreed to sublease the newly constructed building. The lease was for an initial eight-month term ended June 30, 2004, with the right to renew for ten succeeding two-year renewal periods. The Fair Board can cancel the lease on the last business day in June immediately preceding the beginning of any renewal term. The lease payments are equal to the debt service required by the bond indenture. The Fair Board renewed the lease for the biennium ending June 30, 2013.

On September 14, 2005, the Commission issued \$5,840,000 in bonds payable on behalf of the Fair Board. The proceeds of the bonds were used to finance the East Wing/East Hall reconstruction project of the Kentucky Fair and Exposition Center in Louisville, Kentucky. The bonds bear interest at fixed rates which vary from 3.00% to 4.25% and have a final maturity date of May 1, 2026.

On December 4, 2012 these bonds were refunded (See M below). The bond proceeds less bond issuance costs were deposited into an escrow account. The balance in the escrow account was \$0 and \$4,166,956 as of June 30, 2015 and 2014, respectively. During 2015, the escrow balance was used to retire \$4,010,000 of the old bonds outstanding amount. The remaining balance of \$156,956 was paid for interest expense. Under GASB No.7 - *Advance Refundings Resulting in Defeasance of Debt*, the bonds outstanding principal amount can be decreased for the amount of monies in the escrow account designated for bond principal payments; therefore, the outstanding old bonds principal amount was decreased to \$0 for fiscal years 2014. The interest expense related to the defeased bonds paid from the escrow account totaled to \$54,895 and \$429,935 for the years ended June 30, 2015 and 2014, respectively. The prepaid interest account in the amount of \$54,895 for fiscal year ended June 30, 2014 was expensed in 2015 when the bonds fully matured.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note M - Bond Payable (Refunding Bonds)

On December 4, 2012, the Commonwealth of Kentucky State Property and Building Commission (Commission) issued \$31,860,000 Agency Fund Revenue Refunding Bonds (Project Number 104), for the purpose of (i) advance refunding the \$55,300,000 Project 81 and 86 bonds, the proceeds of which were used to finance the 237,000 square-foot expansion of the Kentucky Fair and Exposition Center in Louisville, Kentucky ("Prior Bonds"); (ii) paying accrued interest, if any; and (iii) paying the cost of issuance incurred with respect to the issuance of the Bonds. Interest on the Bonds is payable each November 1 and May 1, beginning December 1, 2012. The Bonds will mature on June 30, 2025. The interest rate on the bonds ranges from 2.0% to 5.0%.

The Fair Board has recorded the proceeds of the bonds as restricted cash and cash equivalents and recorded the related debt, debt issuance costs, and construction in progress incurred to date. Net interest costs from the tax exempt debt incurred from the date of issuance of the bonds through the date of project completion and have been capitalized as part of the building cost. A premium on bonds payable in the amount of \$5,034,718 was recorded upon issuance of the 2013 bonds. The unamortized bond premium in the amounts of \$3,916,240 and \$4,335,800 for fiscal year ended June 30, 2015 and 2014, respectively have been reported as a Deferred Inflow of Revenues presented separately from the bond.

A summary of the activity for the bond issue, at principal amount, for the year ended June 30, 2015 is as follows:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2015</u>
Bonds Payable	<u>\$ 31,605,000</u>	<u>\$ -</u>	<u>\$ 1,575,000</u>	<u>\$ 30,030,000</u>

A summary of the activity for the bond issue, at principal amount, for the year ended June 30, 2014 is as follows:

	<u>June 30, 2013</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2015</u>
Bonds Payable	<u>\$ 31,860,000</u>	<u>\$ -</u>	<u>\$ 255,000</u>	<u>\$ 31,605,000</u>

Debt service requirements for the next five fiscal years and thereafter are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 3,110,000	\$ 1,310,600
2017	3,230,000	1,199,350
2018	3,375,000	1,050,375
2019	3,535,000	895,300
2020	3,695,000	732,225
<u>Five Years Ending June 30</u>		
2021-2025	<u>13,085,000</u>	<u>1,048,425</u>
	<u>\$ 30,030,000</u>	<u>\$ 6,236,275</u>

The budget of the Commonwealth of Kentucky has appropriated funds in the amount of \$4,420,600 for fiscal year 2016 to pay the Fair Board's debt service requirement related to bonds payable.

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note N - Louisville Arena

The operation of the Louisville Arena is expected to negatively impact the future lease revenue of the Fair Board. The Louisville Arena Fair Board is required to reimburse the Fair Board the effect of this negative impact over the first ten years of operations. The Fair Board recorded an accounts receivable of \$9,590,519 to record the negative impact. However, the Fair Board is uncertain of the collectability of this receivable; therefore, an accounts receivable allowance was established to reserve the entire amount of the account.

The Louisville Arena also owed the Fair Board for payroll related expenditures. The receivable related to these expenditures was \$1,471,000 as of June 30, 2013. However, the Fair Board is uncertain of the collectability of this receivable; therefore, an accounts receivable allowance was established during fiscal year 2013 to reserve the entire amount of the account. During fiscal years 2015 and 2014, \$150,000 and \$100,000, respectively were received related to the outstanding receivable. Therefore after considering the payments made in fiscal year 2015 and 2014, the accounts receivable allowance related to this receivable was \$1,221,000 and \$1,371,000 as of June 30, 2015 and 2014, respectively.

Note O - Kentucky Kingdom

On January 28, 2013, the Fair Board signed a lease with Kentucky Kingdom, LLLP related to the theme park. As part of the lease, the tenant is required to make additions and improvements to the park. According to the lease agreement, these additions and improvements are the property of the Fair Board. All additions and improvements made to the park by the tenant are capitalized by the Fair Board. During fiscal years 2015 and 2014, \$9,450,512 and \$34,201,842, respectively of additions and improvements were capitalized by the Fair Board.

The lease year runs from November 1 - October 31 of each year. Lease income in the amount of \$508,333 and \$316,667 were recorded in fiscal years June 30, 2015 and 2014, respectively. The yearly lease amount will be paid in two equal installments, which are due on the first day of each September and October of the lease year. During fiscal years 2015 and 2014, \$350,000 and \$316,667, respectively of account receivables were recorded related to the lease. Future lease income related to the Kentucky Kingdom lease is included in the schedule of future lease income at Note I.

Note P - Restatement of Net Position - June 30, 2014

Beginning net position for fiscal year 2014 was restated to implement No. 68, *Accounting and Financial Reporting for Pensions* - an amendment of GASB Statement No. 27 and record the beginning pension liability. The net position for June 30, 2013 was not restated as information was not available to allow the restatement of the 2014 financial statements as the retirement plan did not measure the pension liability as of June 30, 2013 as such, only the liability has been restated as of June 30, 2014.

Also, included in the restatement was a correction of an error related to fiscal year 2014. Revenues were incorrectly recorded in fiscal year 2014 instead of fiscal year 2015. The error also caused a restatement of the prior year accounts receivable balance. The prior year accounts receivable balance was decreased by the amount of restatement (\$142,367). The prior year change in net position also decreased by the amount of the restatement (\$142,367).

Kentucky State Fair Board
Notes to Financial Statements (Continued)
June 30, 2015 and 2014

Note P - Restatement of Net Position - June 30, 2014 (Continued)

Net position, June 30, 2014, prior to restatement	\$ 221,054,211
June 30, 2014 Pension Liability	(46,186,000)
Unamortized lease costs	
Decrease in fiscal year 2014 net income due to revenue recorded in wrong year	(142,367)
Net position, June 30, 2014 (Restated)	<u>\$ 174,725,844</u>
Accounts receivable, June 30, 2014 prior to restatement	\$ 3,158,677
Revenues incorrectly recorded in fiscal year 2014 instead of fiscal year 2015	(142,367)
Accounts receivable, June 30, 2014 (Restated)	<u>\$ 3,016,310</u>
Change in Net Position, prior to restatement	\$ 34,979,707
Decrease in fiscal year 2014 net income due to revenue recorded in wrong year	(142,367)
Net position, June 30, 2014 (Restated)	<u>\$ 34,837,340</u>
Total Operating Revenue, June 30, 2014, prior to restatement	\$ 43,861,478
Decrease in fiscal year 2014 revenues due to revenue recorded in wrong year	(142,367)
Total Operating Revenue, June 30, 2014 (Restated)	<u>\$ 43,719,111</u>

Note Q - Future Accounting Pronouncements

In February 2015, the GASB issued Statement No. 72, *Fair Value and Measurement and Application*. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015.

This statement establishes standards for valuation techniques to measure fair value. This statement establishes a hierarchy of inputs to valuation techniques used to measure fair value. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques.

In June 2015, the GASB issued Statement No. 75, *Accounting and Reporting for Postemployment Other Than Pensions*. The provisions of this statement are effective for fiscal years beginning after June 15, 2017.

This statement establishes new accounting and financial reporting requirements for OPEB plans. The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The Fair Board is currently evaluating the impact that will result from adopting GASB No. 72 and GASB No. 75 and is therefore unable to disclose the impact that adopting these Standards will have on the Fair Board's financial position and the results of its operations when the Statement is adopted.

**KENTUCKY STATE FAIR BOARD
REQUIRED SUPPLEMENTAL INFORMATION**

For The Years Ended June 30, 2015

Kentucky State Fair Board
Schedule of the Fair Board's Estimated Proportionate Share
of the Collective Net Pension Liability and Related Ratios
Based on the Fair Board's Participation in the KERS
Year ended June 30, 2014

Total collective net pension liability for the Kentucky Employees Retirement System (KERS) non-hazardous employees	\$ 8,971,819,000
Fair Board's estimated portion (percentage) of the total collective net pension liability	0.55%
Fair Board's estimated portion (amount) of the total collective net pension liability	\$ 49,277,000
Fair Board's estimated portion of the covered employees payroll	\$ 9,393,910
Fair Board's estimated proportionate share of the total collective net pension liability as a percentage of the Fair Board's estimated portion of the covered employees payroll	525%
KERS' non-hazardous employees total fiduciary net position	\$ 2,578,290,000
KERS' non-hazardous employees total pension liability	\$ 11,550,110,000
KERS' non-hazardous employees total fiduciary net position as a percentage of the total pension liability	22%

Kentucky State Fair Board
Schedule of the Fair Board's Contributions Based on
the Fair Board's Participation in the KERS
Year ended June 30, 2014

Actuarially determined contribution amount	\$ 2,860,000
Contributions amount in relation to the actuarially determined contribution amount	<u>1,542,798</u>
Deficiency	<u>\$ (1,317,202)</u>
 Fair Board's estimated portion of the covered employees payroll	 \$ 9,393,910
Contributions amount as a percentage of the Fair Board's estimated portion of the covered employees payroll	16%

Kentucky State Fair Board
Note to the Required Supplemental Information
June 30, 2014

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age
Amortization method	Level of percentage of payroll, closed
Remaining amortization period	29 years
Asset valuation method	5-year smoothed market
Inflation	3.50%
Projected salary increases	4.50%, average, including inflation
Investment rate of return	7.75%, net of investment expense, including inflation



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Board of Directors

Kentucky State Fair Board
Louisville, Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activity of the Kentucky State Fair Board ("Fair Board"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Fair Board's basic financial statements, and have issued our report thereon dated October 5, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Fair Board's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fair Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fair Board's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we identified deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards (Continued)

Internal Control Over Financial Reporting (continued)

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fair Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Louisville, Kentucky
October 5, 2015

**ECONOMIC DEVELOPMENT REVITALIZATION
ROAD PROJECTS
OF THE
TURNPIKE AUTHORITY OF KENTUCKY**

SPECIAL-PURPOSE FINANCIAL STATEMENTS

JUNE 30, 2015

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

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REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Turnpike Authority of Kentucky
Frankfort, Kentucky

Report on the Financial Statements

We have audited the accompanying Statement of Assets, Liabilities and Fund Balances – Trust Indenture Basis and Statements of Revenues, Expenses and Changes in Fund Balances - Trust Indenture Basis of the Economic Development Revitalization Road Projects of the Turnpike Authority of Kentucky (the “Authority”), as of and for the year ended June 30, 2015, as listed in the table of contents, and the related notes.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these special-purpose financial statements in accordance with the accounting principles specified in Section 709 of the Trust Indenture dated October 1, 1990, as amended, between the Authority and Citizens Fidelity Bank and Trust Company; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the special-purpose financial statements that are free from material misstatement, whether due to error or fraud.

Auditor’s Responsibility

Our responsibility is to express an opinion on the special-purpose financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special-purpose financial statements. The procedures selected depend on the auditor’s judgment, including assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s

preparation and fair presentation of the special-purpose financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the special-purpose financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets, liabilities, and fund balances – trust indenture basis of the Economic Development Revitalization Road Projects of the Authority, as of June 30, 2015, and the revenues, expenses, and changes in fund balances – trust indenture basis, for the year then ended in conformity with the basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the special-purpose financial statements, which describes that the accompanying special-purpose financial statements were prepared in conformity with the accounting principles specified in Section 709 of the Trust Indenture, as amended, between the Authority and Citizens Fidelity Bank and Trust Company, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Trust Indenture referred to above, and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming opinions on the Authority's special-purpose financial statements. The accompanying bond fund – combining schedule of accounts and construction fund – schedule of project costs (collectively, "the schedules") are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements as a whole.

The accompanying schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the special-purpose financial statements or to the special-purpose financial statements themselves,

and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedules are fairly stated in all material respects in relation to the special-purpose financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* we have also issued our report dated December 7, 2015, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Restriction on Use

This report is intended solely for the information and use of the board of directors and management of the Authority and The Bank of New York Mellon Trust Company, N.A. as successor to Citizens Fidelity Bank and Trust, and is not intended to be and should not be used anyone other than these specified parties.

Blue & Co., LLC

Lexington, Kentucky
December 7, 2015

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES – ALL FUNDS TRUST INDENTURE BASIS JUNE 30, 2015

ASSETS		
Construction Fund		
Cash and cash equivalents	\$ 3,334,480	
Investments	74,783,723	
Cost of projects	2,247,013,120	
Unamortized debt issuance costs	<u>6,156,597</u>	
Total assets - Construction Fund		2,331,287,920
Revenue Fund		
Cash and cash equivalents	116,214,684	
Investments	<u>187,016</u>	
Total assets - Revenue Fund		116,401,700
Debt Service Reserve Fund		
Total assets - Debt Service Reserve Fund		-0-
Escrow Fund		
Total assets - Escrow Fund		-0-
Bond Fund		
Bond Service Account		
Cash and cash equivalents	3,347,630	
Due from Revenue Fund	116,205,308	
Capitalized Interest Account		-0-
Redemption Account		-0-
Rebate Account		
Cash and cash equivalents	<u>223,984</u>	
Total assets - Bond Fund		<u>119,776,922</u>
Total assets - all funds		<u><u>\$ 2,567,466,542</u></u>

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES – ALL FUNDS TRUST INDENTURE BASIS (CONTINUED) JUNE 30, 2015

LIABILITIES AND FUND BALANCES

Construction Fund		
Accounts payable	\$ 9,590	
Economic Development Revitalization Revenue		
Refunding Bonds	1,523,281,066	
Fund balance - restricted for transportation	<u>807,997,264</u>	
Total liabilities and fund balance - Construction Fund		2,331,287,920
Revenue Fund		
Due to Bond Service Account	116,205,308	
Fund balance - restricted for transportation	<u>196,392</u>	
Total liabilities and fund balance - Revenue Fund		116,401,700
Debt Service Reserve Fund		
Total liabilities and fund balance - Debt Service Reserve Fund		-0-
Escrow Fund		
Total liabilities and fund balance - Escrow Fund		-0-
Bond Fund		
Bond Service Account		
Accrued interest payable	34,946,455	
Unearned income	1,671,195	
Fund balance - restricted for bond principal payment, July 1, 2015, \$82,935,000	82,935,287	
Capitalized Interest Account	-0-	
Redemption Account	-0-	
Rebate Account		
Fund balance - restricted for debt service	<u>223,985</u>	
Total liabilities and fund balance - Bond Fund		<u>119,776,922</u>
Total liabilities and fund balance - all funds		<u>\$ 2,567,466,542</u>

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

CONSTRUCTION FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE TRUST INDENTURE BASIS FOR THE YEAR ENDED JUNE 30, 2015

Revenues:	
Investment income	\$ 874,609
Amortization of bond premiums	11,684,907
Other	<u>16,132</u>
Total revenues	<u>12,575,648</u>
Expenses:	
Amortization of deferred losses on refunding	812,703
Amortization of issuance costs	<u>919,077</u>
Total expenses	<u>1,731,780</u>
Excess of revenues over expenses	<u>10,843,868</u>
Other financing sources:	
Bonds retired in Bond Service Account	73,570,000
Operating transfers in	-0-
Operating transfers out	<u>-0-</u>
Total other financing sources	<u>73,570,000</u>
Excess of revenues and other financing sources over expenses and other financing uses	84,413,868
Fund balance, beginning of year	<u>723,583,396</u>
Fund balance, end of year	<u>\$ 807,997,264</u>

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

REVENUE FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE TRUST INDENTURE BASIS FOR THE YEAR ENDED JUNE 30, 2015

Revenues:	
Lease rentals from Transportation Cabinet	\$ 149,595,679
Investment income	<u>144</u>
Total revenues	<u>149,595,823</u>
Total expenses	<u>79,782</u>
Excess of revenues over expenses	<u>149,516,041</u>
Other financing uses:	
Operating transfers in	-0-
Operating transfers out	<u>(149,595,679)</u>
Total other financing uses	<u>(149,595,679)</u>
Deficiency of revenues over expenses and other financing uses	(79,638)
Fund balance, beginning of year	<u>276,030</u>
Fund balance, end of year	<u><u>\$ 196,392</u></u>

See accompanying notes.

**ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS
OF THE TURNPIKE AUTHORITY OF KENTUCKY**

DEBT SERVICE RESERVE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
TRUST INDENTURE BASIS
FOR THE YEAR ENDED JUNE 30, 2015

Total revenues	\$ -0-
Total expenses	<u>-0-</u>
Other financing sources/uses:	
Operating transfers in	-0-
Operating transfers out	<u>-0-</u>
Total other financing sources/uses	<u>-0-</u>
Fund balance, beginning of year	<u>-0-</u>
Fund balance, end of year	<u><u>\$ -0-</u></u>

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

ESCROW FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE TRUST INDENTURE BASIS FOR THE YEAR ENDED JUNE 30, 2015

Total revenues	\$ -0-
Total expenses	-0-
Other financing sources/uses:	
Operating transfers in	-0-
Operating transfers out	-0-
Total other financing sources/uses	-0-
Fund balance, beginning of year	-0-
Fund balance, end of year	\$ -0-

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

BOND FUND STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE TRUST INDENTURE BASIS FOR THE YEAR ENDED JUNE 30, 2015

Revenues:	
Investment income	\$ 631
Interest expense reimbursement	3,344,192
	<hr/>
Total revenues	3,344,823
	<hr/>
Expenses:	
Interest expense	70,092,863
Principal amount of bonds redeemed	73,570,000
	<hr/>
Total expenses	143,662,863
	<hr/>
Deficiency of revenues over expenses	(140,318,040)
	<hr/>
Other financing sources:	
Operating transfers in	149,595,679
Operating transfers out	-0-
	<hr/>
Total other financing sources	149,595,679
	<hr/>
Excess of revenues and other financing sources over expenses and other financing uses	9,277,639
	<hr/>
Fund balance, beginning of year	73,881,633
	<hr/>
Fund balance, end of year	\$ 83,159,272
	<hr/> <hr/>

See accompanying notes.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

1. Summary of Significant Accounting Policies

Basis of Presentation

As provided by authorizing legislation, the Turnpike Authority of Kentucky (the "Authority") has issued bonds to construct various economic development roads to preserve and enhance the economic viability of the Commonwealth of Kentucky (the Commonwealth). To set forth obligations and agreements of the Authority with regard to these bonds, the Authority adopted the 1990 Trust Indenture Agreement, dated as of October 1, 1990, as supplemented by the First Supplemental Trust Indenture, dated as of November 15, 2000, as amended by the First Supplemental Agreement, dated October 1, 1992; the Second Supplemental Agreement, dated as of April 1, 1993; the Third Supplemental Agreement, dated as of April 1, 1995; the Fourth Supplemental Agreement, dated as of April 1, 1999; the Fifth Supplemental Agreement, dated as of February 1, 2001; the Sixth Supplemental Agreement, dated as of March 1, 2001; the Seventh Supplemental Agreement, dated as of May 1, 2004; the Eighth Supplemental Agreement, dated as of April 1, 2005; the Ninth Supplemental Agreement, dated as of March 1, 2006; the Tenth Supplemental Agreement, dated as of September 1, 2007; the Eleventh Supplemental Agreement, dated as of June 1, 2010; the Twelfth Supplemental Agreement, dated as of April 1, 2011; the Thirteenth Supplemental Agreement, dated as of March 1, 2012; the Fourteenth Supplemental Agreement, dated as of September 1, 2013; and the Fifteenth Supplemental Agreement, dated as of June 1, 2014.

Among other requirements, the Trust Indenture and the Supplemental Agreements set forth various accounting principles which are to be followed by the Authority. These principles differ in certain respects from accounting principles generally accepted in the United States of America for governmental funds, principally as follows:

Costs of Projects

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method expenditures for capital assets are reported as fund expenditures in the period incurred. The cost of projects balance differs from this accounting principle in that this balance represents the Authority's cumulative design, right-of-way, utilities and construction expenditures for road projects.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Economic Development Road Revenue Bonds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method long-term debt and obligations are not recognized as liabilities.

The reported balance for the Economic Development Road Revenue Bonds differs from this accounting principle in that the bonds are reported at the outstanding principal balance.

Debt Issuance Costs

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method costs related to the issuance of long-term debt are reported as fund expenditures in the period incurred. The reported balance for debt issuance costs differs from this accounting principle in that these costs are capitalized and amortized over the life of the bond issue applying the effective interest method.

Bond Premium and Discounts

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method long-term debt and obligations are not recognized as liabilities. The reported balance for the Economic Development Road Revenue Bonds differs from this accounting principle in that bond premium and discounts are reported as additions to or reductions of bonds outstanding and are amortized over the life of the bond issue applying the effective interest method.

Deferred Loss on Refunding

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method long-term debt and obligations are not recognized as liabilities. The reported balance for the Economic Development Road Revenue Bonds differs from this accounting principle in that the deferred loss on early retirement of debt is reported as a reduction of bonds outstanding and is amortized applying the effective interest method over the remaining life of the old debt or the life of the new debt, whichever is less.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Other Revenue Sources

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Authority occasionally receives income from the sale of excess of surplus property acquired for construction of roads. Also, the Authority receives excess earnings from funds previously escrowed for bond defeasance. However, these items are considered to be measureable and available only when cash is received.

The Authority's special-purpose financial statements are reported in a format which differs from accounting principles generally accepted in the United States of America. Therefore, the accompanying financial statements, which are prepared in accordance with the aforementioned accounting principles are not intended to, and do not, present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America.

Cash and Investments

The Authority's cash and cash equivalents include all demand deposits and all highly liquid investments with a maturity of three months or less from the date of acquisition.

All investments of the Authority are accounted for at fair value based on quoted market prices.

Lease Income

The Trust Indenture Agreement provides for the Authority, at six month intervals, to request sufficient funds from the Transportation Cabinet to make principal and interest payments due on outstanding bonds plus supplemental lease income to pay administrative expenses for the succeeding six months. This supplemental lease income is recorded as income in the period for which it is to be expended.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Use of Estimates

Management uses estimates and assumptions that affect the reported amounts in the special-purpose financial statements and accompanying notes. Actual results could differ from those estimates.

2. General Information

Purpose

Economic Development Road Revenue Bonds (Revitalization Projects), Series 1990 (the "Bonds") were issued by The Turnpike Authority of Kentucky pursuant to the October 1, 1990 Trust Indenture as supplemented by the First Supplemental Trust Indenture dated as of November 15, 2000 (the "Indenture") for the purpose of financing the cost of economic development road revitalization projects, including the construction, reconstruction or relocation of certain roads designated by the Transportation Cabinet of the Commonwealth (the "Cabinet") as Economic Development Revitalization Road Projects.

Economic Development Road Revenue Refunding Bonds (Revitalization Projects), Series 2001A (the "Bonds") were issued by the Turnpike Authority of Kentucky pursuant to a 2001 Series A Resolution adopted on February 1, 2001 to refund certain 1993 and 1995 Economic Development Road Revenue Bonds (Revitalization Projects).

Economic Development Road Revenue Refunding Bonds (Revitalization Projects), Series 2004B (the "Bonds") were issued by The Turnpike Authority of Kentucky pursuant to a 2004 Series B Resolution adopted on May 4, 2004 to refund certain revenue bonds previously issued by the Authority.

Economic Development Road Revenue Refunding Bonds (Revitalization Projects), Series 2005A (the "Bonds") were issued by The Turnpike Authority of Kentucky pursuant to a 2005 Series A Resolution adopted on March 28, 2005 to refund certain revenue bonds previously issued by the Authority.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2005B (the "Bonds") were issued by The Turnpike Authority of Kentucky pursuant to a 2005 Series B Resolution adopted on March 28, 2005 to provide for the financing of certain Economic Development Road Projects.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2006A (the “Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2006 Series Resolution adopted on February 3, 2006 to provide for the financing of certain Economic Development Road Projects.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2006B (the “Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2006 Series Resolution adopted on February 3, 2006 to provide for the financing of certain Economic Development Road Projects.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2008A (the “Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2008 Series A Resolution adopted on June 23, 2008 to provide for the financing of certain Economic Development Road Projects and to refund a portion of the outstanding Kentucky Asset/Liability Commission Project Notes, 2007 Road Fund Series A.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2009A (the “Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2009 Series A Resolution adopted on March 9, 2009 to provide for the financing of certain Economic Development Road Projects, to refund the outstanding Kentucky Asset/Liability Commission Project Notes, 2007 Road Fund Series A, and to pay for certain capitalized interest.

Economic Development Road Revenue and Revenue Refunding 2010 Series A (Revitalization Projects), (the “Series A Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a Series 2010 Resolution adopted on March 12, 2010 to provide for the financing of certain Economic Development Road Projects, to refund certain series of outstanding Economic Development Road Revenue Bonds, to pay certain costs of issuance of the Series A Bonds and to pay for certain capitalized interest.

Economic Development Road Revenue Bonds (Revitalization Projects) 2010 Series B, (Federally Taxable – Build America Bonds – Direct Payment to the Authority), (the “Series B Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a Series 2010 Resolution adopted on March 12, 2010 to provide for the financing of certain Revitalization Projects, to pay for certain capitalized interest and to pay certain costs of issuance of the Series B Bonds.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Build America Bonds

The America Recovery and Reinvestment Act of 2009 (ARRA) authorizes the Authority to issue taxable bonds known as “Build America Bonds” to finance capital expenditures for which it could issue tax-exempt bonds and to elect to receive a subsidy payment from the federal government equal to the amount of 35% of each interest payment on such taxable bonds. The Authority has determined to issue all of the 2010 Series B Bonds as Build America Bonds. The subsidy payments will be paid to the Authority or to the Trustee on the Authority’s behalf; holders of the 2010 Series B Bonds will not be entitled to a tax credit and interest paid on the 2010 Series B Bonds will be includable in gross income of the holder for purposes of federal income taxation but will be exempt from Kentucky income tax. The subsidy payments have not been pledged to the payment of the 2010 Series B Bonds. To the extent the federal government pays such subsidy payments to the Authority, such amounts would be part of the Authority’s general revenues. The subsidy payments are not full faith and credit obligations of the United States.

Economic Development Road Revenue and Revenue Refunding 2011 Series A (Revitalization Projects), (the “Series A Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2011 Resolution adopted on March 16, 2011 to provide for the financing of certain Economic Development Road Projects, to refund certain series of outstanding Economic Development Road Revenue Bonds, to pay certain costs of issuance of the Series A Bonds and to pay for certain capitalized interest.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2012 A (the “Series A Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2011 Resolution adopted on February 15, 2012 to provide for the financing of certain Economic Development Road Projects and to pay certain costs of issuance of the 2012 Series A Bonds.

Economic Development Road Revenue Bonds (Revitalization Projects), Series 2013 A (the “Series A Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2013 Resolution adopted on August 14, 2013 to provide for the financing of certain Economic Development Road Projects and to pay certain costs of issuance of the 2013 Series A Bonds.

Economic Development Road Revenue and Revenue Refunding 2014 Series A (Revitalization Projects), (the “Series A Bonds”) were issued by The Turnpike Authority of Kentucky pursuant to a 2014 Resolution adopted on May 8, 2014 to provide for the financing of certain Economic Development Road Projects, to

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

refund certain series of outstanding Economic Development Road Revenue Bonds, and to pay certain costs of issuance of the Series A Bonds.

The Authority

The Authority constitutes a de jure municipal corporation and political subdivision of the Commonwealth of Kentucky. The Authority is a blended component unit of the Commonwealth of Kentucky. It is authorized and empowered, under the terms of written agreements with the Cabinet, to initiate, plan, implement, acquire, construct and finance toll road projects, resource recovery road projects and economic development road projects, to lease such projects to the Cabinet, to issue revenue bonds to finance such projects and to refund such revenue bonds.

These financial statements include only the activities of the Economic Development Road Projects bond issues and are not intended to present the activities of the Turnpike Authority of the Commonwealth of Kentucky, as a whole.

Security

The Bonds are special obligations of the Authority secured by and payable solely from monies pledged for the payment thereof under the 1990 Trust Indenture as supplemented by the First Supplemental Trust Indenture dated as of November 15, 2000 (the "Indenture") as amended by the First Supplemental Agreement, dated as of October 1, 1992; the Second Supplemental Agreement, dated as of April 1, 1993; the Third Supplemental Agreement, dated as of April 1, 1995; the Fourth Supplemental Agreement, dated as of April 1, 1999; the Fifth Supplemental Agreement, dated as of February 1, 2001; the Sixth Supplemental Agreement, dated as of March 1, 2001; the Seventh Supplemental Agreement, dated as of May 1, 2004; the Eighth Supplemental Agreement, dated as of April 1, 2005; the Ninth Supplemental Agreement, dated as of March 1, 2006; the Tenth Supplemental Agreement, dated as of September 1, 2007; the Eleventh Supplemental Agreement, dated as of June 1, 2010; the Twelfth Supplemental Agreement, dated as of April 1, 2011; the Thirteenth Supplemental Agreement, dated as of March 1, 2012; the Fourteenth Supplemental Agreement, dated as of September 1, 2013; and the Fifteenth Supplemental Agreement, dated as of June 1, 2014. Subject only to the provisions of the Trust Indenture, the First Supplemental Trust Indenture, the 1992, 1993, 1995, 1999, 2001, 2004, 2005, 2006, 2007, 2010, 2011, 2012, 2013 and 2014 Supplemental Agreements, permitting the application of such monies for or to the purposes and on the terms and conditions set forth therein, such monies are pledged for the payment or principal and premium, if any, and interest on the Bonds, all funds (and all accounts thereof) established pursuant to the Trust Indenture. There are to be deposited in such funds, (i) proceeds derived from the sale of the Bonds, (ii)

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

monies received by the Authority as rental payments from the Cabinet under the Lease, the First Supplemental Lease, dated October 1, 1992; the Second Supplemental Lease, dated as of April 1, 1993; the Third Supplemental Lease, dated as of April 1, 1995; the Financing/Fourth Supplemental Lease, dated as of October 1, 1999, which has been amended by a First Amendment to Financing/Fourth Supplemental Lease Agreement, dated as of November 15, 2000; the Fifth Supplemental Lease, dated as of February 1, 2001; the Sixth Supplemental Lease, dated as of March 1, 2001; a Financing/Seventh Supplemental Lease Agreement, dated as of May 1, 2004; the Eighth Supplemental Lease, dated as of April 1, 2005; the Ninth Supplemental Lease, dated as of March 1, 2006; a Financing /Tenth Supplemental Agreement, dated September 1, 2007, which has been amended by a First Amendment to Financing/Tenth Supplemental Lease Agreement, dated as of August 1, 2008 and by a Second Amendment to Financing/Tenth Supplemental Lease Agreement, dated as of April 1, 2009; an Eleventh Supplemental Lease, dated as of June 1, 2010; a Twelfth Supplemental Lease, dated as of April 1, 2011; a Thirteenth Supplemental Lease Agreement, dated as of March 1, 2012; a Fourteenth Supplemental Lease Agreement, dated as of September 1, 2013; a Fifteenth Supplemental Lease Agreement, dated as of June 1, 2014, and (iii) during such times as the lease shall not be in effect, the Transportation Cabinet must collect from the Commonwealth and pay over to the Authority motor fuel taxes and surtaxes collected by the Commonwealth on gasoline and other motor fuels consumed on the Economic Development Revitalization Projects not directed by law or previous binding contract to be applied to uses other than payment of the principal of and interest on the Bonds.

The Authority does not expect that it will have a source of revenues sufficient to pay Bonds if required rentals are not received under the lease. There is no indication that the required rentals will not be received.

The Authority does not have any taxing power. The Bonds do not constitute a debt of the Commonwealth, and neither the faith and credit nor the taxing authority of the Commonwealth is pledged to the payment of the principal or interest on the Bonds.

Trust Indenture

In connection with the issuance of the Bonds, the Authority entered into the Indenture with PNC Bank of Kentucky (the "Trustee" and formerly Citizens Fidelity Bank and Trust).

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

The Indenture, dated as of October 1, 1990, as supplemented by a First Supplemental Trust Indenture dated as of November 15, 2000 (and subsequent amendments shown in Note 1) between the Authority and The Bank of New York Mellon Trust Company, N.A. (formerly Chase Manhattan Trust Company N. A.), Louisville, Kentucky, as trustee, contain provisions establishing funds and accounts for segregation of assets and restricting the use of the proceeds of Bonds as well as other funds received. Cash and marketable securities of the various funds and accounts are restricted for the following purposes:

Construction Fund - construction costs are to include costs of preliminary studies, land acquisition (less consideration received for land sold), engineering, legal, administrative and maintenance expenses during construction (less interest earned on unexpended construction funds). Construction costs are not amortized.

The Construction Fund records debt incurred to finance not only the construction of roads as provided in the indenture, but has also borrowed funds to defease and partially defease bonds issued under this indenture and other indentures. When funds are borrowed to defease or partially defease bonds issued under other indentures, this causes an outflow of funds and can result in a negative fund balance.

The Construction Fund has also incurred debt to finance the construction and improvement of roads owned by various local governments in the Commonwealth of Kentucky. When these funds are expended, this outflow of funds can result in a negative fund balance.

Revenue Fund - a depository for collections of monies received under lease agreements with the Cabinet. Transfers are made from this fund according to funding requirements of the Indenture. The Revenue Fund also has an operating account for payment of administrative costs.

Debt Service Reserve Fund - assets held as a reserve for payment of Bond principal and interest if monies in the Bond Service Account are insufficient to make required payments.

Escrow Fund - this Fund was established October 1, 1992 as a depository for certain payments required under the First Supplemental Lease dated October 1, 1992 which will be used to purchase certain United States Government obligations in the amounts and on the dates as set forth in the Escrow Agreement dated October 1, 1992.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Bond Fund - this Fund is comprised of the following four accounts:

Capitalized Interest Account - payment of bond interest as may be provided in a Series Resolution;

Bond Service Account - payment of bond principal and interest;

Redemption Account - retirement of bonds, and;

Rebate Account - this Account was established October 1, 1990 as a depository for amounts required to be paid to the United States of America pursuant to Section 148(F) of the Internal Revenue Code as determined by the Authority's rebate consultant.

3. **Concentration of Credit Risk**

At June 30, 2015, the Authority maintained \$78,297,387 of cash and investments with the State Investment Pool of the State Investment Commission of the Commonwealth of Kentucky.

The State Investment Commission ("The Commission") is charged with the oversight of the Commonwealth's investment programs pursuant to KRS 42.500.

The Commission delegates the day-to-day management of the Commonwealth's investments to the Office of Financial Management ("OFM"). The purpose of the investment pools is to provide: economies of scale that enhance yield, ease of administration for both the user agencies and OFM and increased accountability and control. All investments shall be permitted investments as defined in KRS 42.500 and as further limited by 200 KAR Chapter 14. Funds residing in the pools are available to be spent at any time. The Commonwealth has a custodial agreement with State Street Bank, which clears all security transactions and holds its securities. The Commonwealth also has tri-party custodial accounts with Bank of New York and J. P. Morgan Chase to facilitate the execution of repurchase agreements. The information concerning these investment pools has been obtained from OFM. The Authority had no collateral or insurance as security for the balances with the State Investment Commission at June 30, 2015, but they own a proportionate interest in the securities held in the respective pools.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

4. **Cash, Cash Equivalents, and Investments**

At June 30, 2015, the Economic Development Revitalization Road Projects of the Turnpike Authority of Kentucky held cash and cash equivalents consisting of the following:

State pool cash and equivalents	\$ 3,326,648
U.S. Government money market funds	119,794,130
	<u>\$ 123,120,778</u>

At June 30, 2015, the Economic Development Revitalization Road Projects of the Turnpike Authority of Kentucky had the following investments and maturities:

	<u>Fair Value</u>	<u>Less than One Year</u>	<u>1 - 5 Years</u>
State pool investments	<u>\$ 74,970,739</u>	<u>\$ -0-</u>	<u>74,970,739</u>

Interest Rate Risk

The State Investment Pools are managed within statute, administrative regulation and under review of the State Investment Commission. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy requires, at a minimum, an annual review of the investment maturities.

Credit Risk

The Economic Development Revitalization Road Projects indenture limits investments to U. S. Government backed securities, any corporation of the U. S. Government, Certificates of Deposit and Bankers Acceptances issued by highly rated banks, commercial paper in the highest rating category, securities issued by a state or local government rated in one of the three highest categories by a nationally-recognized rating agency, and any other investment permitted by KRS 42.500. The Authority did not have any investments at June 30, 2015, that were subject to credit risk.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments, or collateral securities that are in the possession of an outside party. At June 30, 2015, all of the Economic Development Revitalization Road Project's cash, cash equivalents, and investments are insured, collateralized, or held by the Authority's counterparty in the Authority's name.

5. Economic Development Revitalization Road Revenue Bonds

At June 30, 2015, Economic Development Revitalization Road Revenue Bonds outstanding were as follows:

2001 Series A

Serial Bonds, 4.70% to 5.50%, amount due on final payment is \$8,665,000. Final scheduled maturity is July 1, 2015.

	\$	8,665,000
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2004 Series B

Serial Bonds, 3.80% to 5.25%, amount due on final payment is \$10,155,000. Final scheduled maturity is July 1, 2015.

		10,155,000
--	--	------------

2005 Series A

Serial Bonds, 4.00%, amount due on final payment is \$2,830,000. Final scheduled maturity is July 1, 2015.

		2,830,000
--	--	-----------

2005 Series B

Serial Bonds, 5.00%, amount due on final payment is \$10,070,000. Final scheduled maturity is July 1, 2015.

		10,070,000
--	--	------------

2006 Series A

Serial Bonds, 4.00% to 4.40%, due annually in amounts ranging from \$225,000 to \$6,625,000. Final scheduled maturity is July 1, 2026.

		20,960,000
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2006 Series B

Serial Bonds, 4.20% to 5.00%, due annually in amounts ranging from \$6,625,000 to \$15,570,000. Final scheduled maturity is July 1, 2026.

		133,955,000
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ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

2008 Series A

Serial Bonds, 3.625% to 5.00%, due annually in amounts ranging from \$9,925,000 to \$17,090,000. Final scheduled maturity is July 1, 2028. 178,355,000

2009 Series A

Serial Bonds, 2.75% to 5.00%, due annually in amounts ranging from \$6,310,000 to \$10,755,000. Final scheduled maturity is July 1, 2027. 107,215,000

Term Bonds, 5.00% due annually in amounts ranging from \$11,290,000 to \$11,855,000. Final scheduled maturity is July 1, 2029. 23,145,000

2010 Series A

Serial Bonds, 2.00% to 5.00%, due annually in amounts ranging from \$19,285,000 to \$24,030,000. Final scheduled maturity is July 1, 2020. 129,200,000

2010 Series B

Term Bonds, 5.244% to 5.722%, due annually in amounts ranging from \$91,015,000 to \$96,625,000. Final scheduled maturity is July 1, 2030. 187,640,000

2011 Series A

Serial Bonds, 3.00% to 5.00%, due annually in amounts ranging from \$3,785,000 to \$15,115,000. Final scheduled maturity is July 1, 2031. 115,175,000

2012 Series A

Serial Bonds, 2.00% to 5.00%, due annually in amounts ranging from \$8,775,000 to \$18,285,000. Final scheduled maturity is July 1, 2032. 218,200,000

2013 Series A

Serial Bonds, 2.00% to 5.00%, due annually in amounts ranging from \$6,385,000 to \$14,620,000. Final scheduled maturity is July 1, 2033. 187,625,000

2014 Series A

Serial Bonds, 1.00% to 5.00%, due annually in amounts ranging from \$9,955,000 to \$14,740,000. Final scheduled maturity is July 1, 2025. 121,325,000

	1,454,515,000
Unamortized bond premium	72,447,887
Deferred amount on refunding	(3,681,821)
	\$ 1,523,281,066

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

The debt principal and interest requirements, net of related capitalized interest and Build America Bonds subsidy payments (see Note 2), for the years ending June 30 are as follows:

	Principal	Interest	Capitalized Interest and Interest Subsidies	Total
2016	\$ 82,935,000	67,994,115	(3,473,993)	147,455,122
2017	85,290,000	64,336,570	(3,605,598)	146,020,972
2018	88,980,000	60,590,205	(3,605,598)	145,964,607
2019	92,920,000	56,554,540	(3,605,598)	145,868,942
2020	97,040,000	52,223,635	(3,605,598)	145,658,037
2021-2025	457,605,000	195,497,840	(15,769,623)	637,333,217
2026-2030	410,010,000	83,762,622	(7,786,202)	485,986,420
2031-2034	139,735,000	10,629,639	(416,462)	149,948,177
	<u>\$ 1,454,515,000</u>	<u>\$ 591,589,166</u>	<u>\$ (41,868,672)</u>	<u>\$ 2,004,235,494</u>

The following is a summary of long-term debt activity of the Economic Development Revitalization Road Projects for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Reductions	Amortization	Balance June 30, 2015	Due Within One Year
Bonds Payable	\$1,528,085,000	\$ -0-	\$ (73,570,000)	\$ -0-	\$1,454,515,000	<u>\$82,935,000</u>
Bonds Premium	84,132,794	-0-	-0-	(11,684,907)	72,447,887	
Deferred Loss	(4,494,524)	-0-	-0-	812,703	(3,681,821)	
Total	<u>\$1,607,723,270</u>	<u>\$ -0-</u>	<u>\$ (73,570,000)</u>	<u>\$ (10,872,204)</u>	<u>\$1,523,281,066</u>	

Redemption Provisions

2001 Series A Bonds

The 2001 A Bonds are not subject to optional redemption prior to maturity.

2004 Series B Bonds

The 2004 B Bonds are not subject to redemption prior to maturity.

2005 Series A Bonds

The 2005 A Bonds are not subject to redemption prior to maturity.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

2005 Series B Bonds

The outstanding 2005 B Bonds are not subject to redemption prior to maturity.

2006 Bonds

The 2006 Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2006 Bonds maturing on and after July 1, 2017 are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2016 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

Selection of Bonds - If less than all of the 2006 Bonds are to be called for redemption, the Authority will determine the maturities of the 2006 Bonds to be redeemed. If less than all of the 2006 Bonds of a single maturity are to be redeemed, the selection of the 2006 Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2006 Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

Notice of Redemption - Notice of call for any redemption of the 2006 Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2006 Bonds to be redeemed as shown on the bond register for those 2006 Bonds at the close of business on the 25th day preceding such mailing.

2008 Series A Bonds

The 2008 A Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2008 A Bonds maturing on and after July 1, 2019 are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2018 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Selection of Bonds - If less than all of the 2008 A Bonds are to be called for redemption, the Authority will determine the maturities of the 2008 A Bonds to be redeemed. If less than all of the 2008 A Bonds of a single maturity are to be redeemed, the selection of the 2008 A Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2008 A Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

Notice of Redemption - Notice of call for any redemption of the 2008 A Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2008 A Bonds to be redeemed as shown on the bond register for those 2008 A Bonds at the close of business on the 15th day preceding such mailing.

2009 Series A Bonds

The 2009 A Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2009 A Bonds maturing on and after July 1, 2020, are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2019 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

Selection of Bonds - If less than all of the 2009 A Bonds are to be called for redemption, the Authority will determine the maturities of the 2009 A Bonds to be redeemed. If less than all of the 2009 A Bonds of a single maturity are to be redeemed, the selection of the 2009 A Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2009 A Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Notice of Redemption - Notice of call for any redemption of the 2009 A Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2009 A Bonds to be redeemed as shown on the bond register for those 2009 A Bonds at the close of business on the 15th day preceding such mailing.

2010 Series A Bonds

The 2010 A Bonds are not subject to optional redemption prior to maturity.

2010 Series B Bonds

The 2010 B Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2010 B Bonds maturing on July 1, 2025 and July 1, 2030 are subject to redemption prior to maturity by written direction of the Authority, in whole or in part, at a redemption price equal to the "Make Whole Redemption Price" as defined in the Bond documents.

Extraordinary Optional Redemption - The 2010 B Bonds are subject to redemption prior to maturity at the option of the Authority, in whole or in part upon the occurrence of an "Extraordinary Event" at a redemption price equal to the greater of:

- 1) the principal amount of the 2010 B Bonds to be redeemed, less any original issue discount and plus any original issue premium related to such 2010 B Bonds; or
- 2) the sum of the present value of the remaining scheduled payments of principal and interest to the maturity date of such 2010 B Bonds to be redeemed, not including any portion of those payments of interest accrued and unpaid as of the date on which such 2010 B Bonds are to be redeemed, discounted to the date on which such 2010 B Bonds are to be redeemed on a semi-annual basis, assuming a 360-day year consisting of twelve 30-day months, at the Treasury Rate (described above) plus 100 basis points; plus, in each case, accrued interest on such 2010 B Bonds to be redeemed to the redemption date.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

An “Extraordinary Event” will have occurred if Section 54AA or 6431 of the Internal Revenue Code of 1986, as amended (the “Code”) (as such Sections were added by Section 1531 or ARRA, pertaining to “Build America Bonds”) is modified, amended or interpreted in a manner pursuant to which the Authority’s 35% cash subsidy payment from the United States Treasury is reduced or eliminated.

Selection of Bonds - If less than all of the 2010 B Bonds are to be called for redemption, the Authority will determine the maturities of the 2010 B Bonds to be redeemed. If less than all of the 2010 B Bonds of a single maturity are to be redeemed, the selection of the 2010 B Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2010 B Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

Notice of Redemption - Notice of call for any redemption of the 2010 B Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2010 B Bonds to be redeemed as shown on the bond register for those 2010 B Bonds at the close of business on the 15th day preceding such mailing.

2011 Series A Bonds

The 2011 Series A Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2011 A Bonds maturing on or after July 1, 2022 are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2021 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

Selection of Bonds - If less than all of the 2011 A Bonds are to be called for redemption, the Authority will determine the maturities of the 2011 A Bonds to be redeemed. If less than all of the 2011 A Bonds of a single maturity are to be redeemed, the selection of the 2011 A Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2011 A Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Notice of Redemption - Notice of call for any redemption of the 2011 A Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2011 A Bonds to be redeemed as shown on the bond register for those 2011 A Bonds at the close of business on the 15th day preceding such mailing.

2012 Series A Bonds

The 2012 Series A Bonds are subject to optional redemption prior to maturity as set forth below:

Optional Redemption - The 2012 A Bonds maturing on or after July 1, 2023 are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2022 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

Selection of Bonds - If less than all of the 2012 A Bonds are to be called for redemption, the Authority will determine the maturities of the 2012 A Bonds to be redeemed. If less than all of the 2012 A Bonds of a single maturity are to be redeemed, the selection of the 2012 A Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2012 A Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

Notice of Redemption - Notice of call for any redemption of the 2012 A Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2012 A Bonds to be redeemed as shown on the bond register for those 2012 A Bonds at the close of business on the 15th day preceding such mailing.

2013 Series A Bonds

The Series A Bonds are subject to optional redemption prior to maturity as set forth below:

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

Optional Redemption - The 2013 A Bonds maturing on or after July 1, 2024 are subject to redemption prior to maturity in whole or in part, in the amount of \$5,000 or integral multiples thereof, on any date on or after July 1, 2023 at the redemption prices equal to 100% of principal amount redeemed plus accrued interest to the redemption date.

Selection of Bonds - If less than all of the 2013 A Bonds are to be called for redemption, the Authority will determine the maturities of the 2013 A Bonds to be redeemed. If less than all of the 2013 A Bonds of a single maturity are to be redeemed, the selection of the 2013 A Bonds to be redeemed, or portions thereof in the amounts of \$5,000 or any integral multiple thereof, will, so long as the 2013 A Bonds remain in Book-Entry Form, be made by the Depository and the Participants (currently by way of a lottery process), and otherwise will be made at random by the Trustee, in such manner as the Trustee, in its discretion, may determine.

Notice of Redemption - Notice of call for any redemption of the 2013 A Bonds will be given by the Trustee on behalf of the Authority, by mailing a copy of the redemption notice, at least 30 days prior to the date fixed for redemption, to the Holders of the 2013 A Bonds to be redeemed as shown on the bond register for those 2013 A Bonds at the close of business on the 15th day preceding such mailing.

2014 Series A Bonds

The 2014 Series A Bonds are not subject to optional or mandatory sinking fund redemption.

6. Prior Year's Debt Defeasance

Concurrent with the issuance of the 2014 Series A in June 2014, the Authority refunded a portion of the 2005 Series B. Proceeds from the new bonds were used to purchase certain direct obligations of the United States of America, which were deposited with the Trustee in a refunding escrow account and pledged to pay debt service and interest on the refunded bonds. For financial reporting purposes, the debt has been considered defeased, and therefore removed as a liability from the Authority's financial statements. The total amount of defeased debt that remains outstanding at June 30, 2015, is approximately \$132.4 million.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS JUNE 30, 2015

7. Encumbrances

At June 30, 2015, there were encumbrances outstanding at the Transportation Cabinet for construction costs on the Economic Development Revitalization Road Projects in the amount of \$111,067,161, which the Authority will be responsible for in future years.

8. Subsequent Events

On July 22, 2015, Economic Development Road Revenue 2015 Series A and Series B Bonds were issued by the Turnpike Authority of Kentucky pursuant to a resolution adopted on May 12, 2015. This issue provides for the financing of certain Economic Development Road Projects, provides funds to advance refund certain serial maturities of outstanding Economic Development Road Revenue Bonds (2006 Series A and 2006 Series B), and provides funds to pay certain costs of the issuance of the 2015 Series A and Series B Bonds. The aggregate par value of the 2015 Series A and Series B Bonds is \$190,885,000.

SUPPLEMENTARY INFORMATION

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

BOND FUND-COMBINING SCHEDULE OF ACCOUNTS STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES TRUST INDENTURE BASIS FOR THE YEAR ENDED JUNE 30, 2015

	Bond Service Account	Capitalized Interest Account	Redemption Account	Rebate Account	Total Bond Fund
Revenues:					
Investment income	\$ 561	\$ -0-	\$ -0-	\$ 70	\$ 631
Interest expense reimbursement	3,344,192	-0-	-0-	-0-	3,344,192
Total revenues	3,344,753	-0-	-0-	70	3,344,823
Expenses:					
Interest expense	70,092,863	-0-	-0-	-0-	70,092,863
Principal amount of bonds redeemed	73,570,000	-0-	-0-	-0-	73,570,000
Total expenses	143,662,863	-0-	-0-	-0-	143,662,863
Deficiency of revenues over expenses	(140,318,110)	-0-	-0-	70	(140,318,040)
Other financing sources:					
Operating transfers in	149,595,679	-0-	-0-	-0-	149,595,679
Operating transfers out	-0-	-0-	-0-	-0-	-0-
Total other financing sources	149,595,679	-0-	-0-	-0-	149,595,679
Excess of revenues and other financing sources over expenses and other financing uses	9,277,569	-0-	-0-	70	9,277,639
Fund balances, beginning of year	73,657,718	-0-	-0-	223,915	73,881,633
Fund balances, end of year	\$ 82,935,287	\$ -0-	\$ -0-	\$ 223,985	\$ 83,159,272

See report of independent auditors.

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

CONSTRUCTION FUND SCHEDULE OF PROJECT COSTS JANUARY 1, 1991 TO JUNE 30, 2015

Design	\$ 68,177,001
Construction	1,927,615,755
Right-of-Way	151,984,411
Utilities	98,837,086
Planning	<u>398,867</u>
Total All Projects	<u>\$ 2,247,013,120</u>



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**REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Turnpike Authority of Kentucky

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose financial statements of the Economic Development Revitalization Road Projects of the Turnpike Authority of Kentucky (the Authority), as of and for the year ended June 30, 2015, and the related notes to the special-purpose financial statements, and have issued our report thereon dated as of the date of this letter. The special-purpose financial statements present only the Economic Development Revitalization Road Projects Fund and do not purport to, and do not, present fairly the financial position of the Turnpike Authority of Kentucky, as of June 30, 2015, and the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's special-purpose financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's special-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of the special-purpose financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Lexington, Kentucky
December 7, 2015

ECONOMIC DEVELOPMENT REVITALIZATION ROAD PROJECTS OF THE TURNPIKE AUTHORITY OF KENTUCKY

SCHEDULE OF FINDINGS AND RESPONSES YEAR ENDED JUNE 30, 2015

Summary of Auditor's Results

We have issued an unmodified opinion dated December 7, 2015, on the special-purpose financial statements of the Economic Development Revitalization Road Projects of the Turnpike Authority of Kentucky as of and for the year ended June 30, 2015.

Our audit disclosed no instances of noncompliance that are material to the special-purpose financial statements.

Findings Related to the Special-Purpose Financial Statements

Our audit disclosed no findings that are required to be reported in accordance with *Government Auditing Standards*.

Summary of Prior Year Findings

The prior-year audit disclosed no findings that are required to be reported in accordance with *Government Auditing Standards* for the year ended June 30, 2014.

UNIVERSITY OF KENTUCKY®



University of Kentucky 2016 Financial Statements

University of Kentucky
A Component Unit of the Commonwealth of Kentucky
Financial Statements
Years Ended June 30, 2015 and 2014

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MESSAGE FROM THE PRESIDENT



This year, in celebration of the University of Kentucky's 150th anniversary, UK Associate Professor and 2014 Kentucky Poet Laureate Frank X Walker captured the spirit of this place we love in his poem titled, "Seedtime in the Commonwealth."

"There is no vaccination against ignorance, but there is us. There is this university. And we still have heavy doors to open, unmet obligations to the land and its people. There are still leadership opportunities to advance the Commonwealth, this nation, and our world towards fulfilling its potential, towards meeting its lofty promises ... Let men and women come here as seeds, let us invest in them until they form sufficient roots and leaves to obtain their own food. Let them grow from here not just trees, but a fruit-bearing, deeply-rooted forest."

"There is us." There is this university. We were founded for Kentucky.

Through the education we provide, the creative research we conduct, and the care and service we render, we are the university *for* Kentucky—the institution our Commonwealth has charged with asking and addressing the most penetrating questions confronting our state and our people, the vexations that challenge us in education, economic development, health care, and cultural, and societal advancement. Because of you, our success is evident across campus:

- At 30,131 students, UK broke its enrollment record for the fifth year in a row; and set new records for non-resident, African American, Hispanic and International student enrollment.
- The mean ACT Composite for the Fall 2014 first-year class was 25.5, and included 674 students with a 31-36 composite score – an 80% increase from 2009.
- The first-year class included 113 National Merit, National Achievement and National Hispanic Scholars, placing UK in the top 10 of public universities with these scholars.
- In the 2014-15 academic year, we awarded more than 6,400 undergraduate and graduate degrees.
- We welcomed 233 new full-time faculty.
- In FY 2014-15, UK received \$285.1 million in external research grants and contracts – signifying that we are a major player among research institutions in the country.
- UK completed another historic year in philanthropy, securing record results in both gift receipts of \$118.2 million, and in new commitments received of more than \$168.3 million. These represent increases of 12% and 16%, respectively. UK received more than 101,200 gifts from 54,275 donors.

Our concerted effort to rebuild our campus continues. Our guiding principle – to build a community that fosters inclusivity and promotes success for the UK family – is manifest in the physical spaces that are coming to life.

The University's public/private partnership with EdR continues to make progress. In August, we completed the Woodland Glen community with residence halls III, IV and V opening to new students and living-learning programs.

Phase II-C is underway for Limestone Park I and II, and the Board of Trustees recently approved Phase III – University Flats. In total, the completed and approved projects will add more than 6,500 beds across 13 facilities by Fall 2017. The investment thus far – more than \$422 million – is transforming the way we house, educate and build community for our students.

The Gatton College of Business and Economics completed its expansion in August, and the revitalization of the 90's classroom wing is proceeding. The College of Fine Arts' School of Art and Visual Studies moved into its new home on Bolivar Street.

The \$126.5 million Commonwealth Stadium project finished for the 2015 SEC football season, and construction on the expansion of the Nutter Training Facility continues.

Progress is being made on the Academic Science Building and various projects in UK HealthCare. Both are critical to UK's long-term academic, research and health care missions.

Anchored by the largest single gift in the University's history, and state authorization to self-finance the project, we started construction on the \$175 million expansion and renovation of the Student Center.

We reached important milestones in our \$245 million dining partnership with Aramark. We announced the Food Connection at UK – an academic partnership with Aramark and the College of Agriculture, Food and Environment to strengthen the local food economy. Locally sourced food in our dining halls reached an all-time high, and we opened “The 90”, a modern 82,000 square foot dining facility that also provides spaces for academic programs supporting residential communities on south campus.

To build on our excellence in health research that addresses the myriad public and clinical health issues in the Commonwealth, the University recently received approval from the state legislature to build a \$265 million multi-disciplinary health science research facility. The facility will be financed with \$132.5 million from the state and \$132.5 million from various University resources.

In total, over the last four years, UK has initiated – and largely self-financed – more than \$1.81 billion to add or improve more than five million square feet in capital investment that enhances the academic, research, service and health care missions of the institution while maintaining a strong balance sheet and not placing a financial burden on the state.

At the end of June, the University of Kentucky Board of Trustees adopted a \$3.4 billion operating and capital budget that emboldens our work. This budget fundamentally represents the priorities that have directed our work thus far and our role as a flagship and land grant research university.

The budget, more than mere numbers, is about people – our people. We are investing our resources toward creating access and quality for students and their families, while giving them the tools they need to succeed. And we are investing in our faculty and staff, who create an innovative and welcoming environment of learning, scholarship, healing and discovery that promises a bright future for our state.

Our priorities and success have gained for us the confidence of external partners and expert analysts in our industry. At a time when other major research universities are experiencing stagnant enrollment and finances, often accompanied by negative ratings outlooks, a recent upgrade from Standard & Poor's is a strong endorsement of our direction. In their report, S&P cited our increasing enrollment, revenue diversity aided by UK HealthCare, strong financial performance and a low debt burden as strengths for our future.

Where do we go from here?

For the past several months, a leadership team, comprised of individuals from across our community, has been working in earnest to develop the UK Strategic Plan. This plan will guide our actions, and how we measure our progress, as we continue to serve the Commonwealth and the world.

Our vision is grounded in and guided by five strategic objectives that mark our priorities: undergraduate student success, graduate education, diversity and inclusivity, research and scholarly work, and community engagement.

Undergraduate education has always been at the heart of UK's mission, and it remains so today. All outstanding research universities offer stellar undergraduate experiences. Reaffirming the commitment we have maintained over the generations, we will continue to produce graduates prepared to serve the Commonwealth in all aspects of its development. Accordingly, we will be the university of choice for qualified undergraduate students, within both the Commonwealth and the region.

For a community of scholars, **graduate education** represents the nurturing of intellectual seed for tomorrow's pedagogy and path-setting research. We will improve the quality and distinctiveness of our graduate programs to even better prepare our students for careers as accomplished scholars and professionals who contribute to the Commonwealth, the nation, and the world through their research, creative discovery and endeavors, teaching, and service.

Our ability to prepare students for success in a global and increasingly interconnected economy is, in an important sense, most determined by the learning environment we provide them. Similarly, the ability of our faculty and staff to harness and reach their potential is facilitated, in large measure, by the extent to which our campus community is **diverse, welcoming and inclusive**. Deeply understanding this dynamic – and acting upon it – means we will work each day to strengthen the diversity and inclusivity of our university community through recruitment and retention of an increasingly diverse population of faculty, staff and students, and by implementing initiatives that provide rich diversity-related experiences for all, to help ensure their success in a diverse and interconnected world.

Our **research and scholarly endeavors** offer the brightest hope for transformation and change for our Commonwealth and the broader world we serve. We will, therefore, expand our scholarly work, creative endeavors, and cutting-edge research to focus on the most important challenges of the Commonwealth and to improve the lives of our citizens.

Our sense of **connection to those we serve** and our steadfast commitment to changing lives is an integral part of what makes our campus community special. To foster that, we will build upon our engagement with – and service to – our community partners

within the Commonwealth, the nation, and the world by honoring our historic commitments as a land-grant institution. We will leverage contemporary technology, scholarship and research in innovative ways to advance the public good and to foster the development of citizen-scholars.

With the harmony of diverse voices and perspectives, but in the cadence of a common voice, the strategic plan, which our Board will consider in October, creates a blueprint for our future, guided by the values and dreams of those who built this special place.

Much has been accomplished, and our Board, alumni, faculty, staff, students, policy-makers, private partners and donors who believe in us are those to whom recognition is most due.

Challenges remain. New obstacles will appear. Still our future is hopeful and bright because of the steadfast stewardship of those who came before us and those who now have been entrusted with this precious legacy birthed 150 years ago. I look forward to sharing that future with you.

A handwritten signature in black ink, reading "Eli Capilouto". The signature is fluid and cursive, with the first name "Eli" and last name "Capilouto" clearly distinguishable.

Eli Capilouto
President

Independent Auditor's Report

Board of Trustees
University of Kentucky
Lexington, Kentucky

Report on the Financial Statements

We have audited the accompanying basic financial statements of the University of Kentucky (University), a component unit of the Commonwealth of Kentucky, which are comprised of statements of net position as of June 30, 2015 and 2014, and statements of revenues, expenses and changes in net position and of cash flows for the years then ended and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Kentucky Medical Services Foundation, Inc. (KMSF), a blended component unit of the University, which statements reflect total assets of \$195,126 and \$139,714 as of June 30, 2015 and 2014, respectively, and total revenues of \$304,167 and \$230,336, respectively, for the years then ended (dollars in thousands). Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for KMSF, is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of KMSF, which are included in the University's reporting entity, were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that

are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2015 and 2014, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and post-employment and long-term disability benefit plan information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The governing board listing and the message from the president as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 2, 2015, on our consideration of the University's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

BKD, LLP

Louisville, Kentucky
October 2, 2015

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) provides an overview of the financial position and activities of the University of Kentucky (the University or UK) and its affiliated corporations for the years ended June 30, 2015 and 2014. Management has prepared this discussion, and suggests that it be read in conjunction with the financial statements and the notes appearing in this report.

About the University of Kentucky

Mission. The University of Kentucky is a public, land-grant university dedicated to improving people's lives through excellence in education, research and creative work, service and health care. As Kentucky's flagship institution, the University plays a critical leadership role by promoting diversity, inclusion, economic development and human well-being.

Vision. As Kentucky's indispensable educational institution, we transform the lives of our students and advance the Commonwealth we serve and beyond through our teaching and learning, diversity and inclusion, discovery, research and creativity, promotion of health, and deep community engagement.

Values. The University of Kentucky is guided by its core values:

- Integrity
- Excellence
- Mutual respect and human dignity
- Diversity and inclusion
- Academic freedom
- Personal and institutional responsibility and accountability
- Shared governance
- A sense of community
- Work-life sensitivity
- Civic engagement
- Social responsibility

Background. Under provisions of the federal Morrill Land-Grant Colleges Act (1862), Kentucky State Agricultural and Mechanical College was established in 1865 as part of Kentucky University (now Transylvania University). The College separated from Kentucky University in 1878 and was established on a 52 acre site (the University's current location) donated by the city of Lexington. In 1908, the College was re-named the State University, Lexington, Kentucky. In 1916 it became the University of Kentucky.

According to the Kentucky Revised Statutes (KRS) 164.125(2):

In carrying out its statewide mission, the University of Kentucky shall conduct statewide research and provide statewide services, including, but not limited to, agricultural research and extension services, industrial and scientific research, industrial technology extension services to Kentucky employers and research related to the doctoral, professional and postdoctoral programs offered within the University. The University may establish and operate centers and utilize state appropriations and other resources to carry out the necessary research and service activities throughout the state. The University may enter into joint research and service activities with other universities in order to accomplish its statewide mission.

In 1997, the Kentucky General Assembly reformed the state's public system of colleges and universities. According to the ***Kentucky Postsecondary Education Improvement Act of 1997***:

The University of Kentucky is mandated to become a major comprehensive research institution ranked nationally in the top twenty public universities by 2020.

At its December 2005 meeting, the UK Board of Trustees approved the **Top 20 Business Plan**.

The University's **Strategic Plan for 2009-2014** was adopted by the UK Board of Trustees at its June 2009 meeting. The **Strategic Plan** is designed to measure the University's progress by establishing specific goals for teaching, research and service at the department, college and university level. The Strategic Plan established five goals:

- Prepare Students for Leading Roles in an Innovation-driven Economy and Global Society
- Promote Research and Creative Work to Increase the Intellectual, Social, and Economic Capital of Kentucky and the World Beyond Its Borders
- Develop the Human and Physical Resources of the University to Achieve the Institution's Top 20 Goals
- Promote Diversity and Inclusion
- Improve the Quality of Life of Kentuckians through Engagement, Outreach and Service

Today, the University continues to focus on the core academic mission of the institution and the original tenets of the Morrill Land-Grant Colleges Act (1862). For 150 years, we have been a beacon for Kentucky, shining bright a path to prosperity and economic competitiveness. We remain steadfast in our covenant with the Commonwealth – to produce graduates prepared for a 21st century economy; to conduct research that extends the boundaries of scientific discovery; and to render service and patient care that uplifts our community and region.

Work is currently underway to develop UK's next strategic plan for the years 2015-2020. The plan will build on extraordinary progress from previous planning documents, a dramatic investment in the institution's physical spaces, and the insight garnered from considerable campus conversation and constituent input. The plan considers the current operating context for higher education and focuses on five strategic objectives that support our role as Kentucky's indispensable institution:

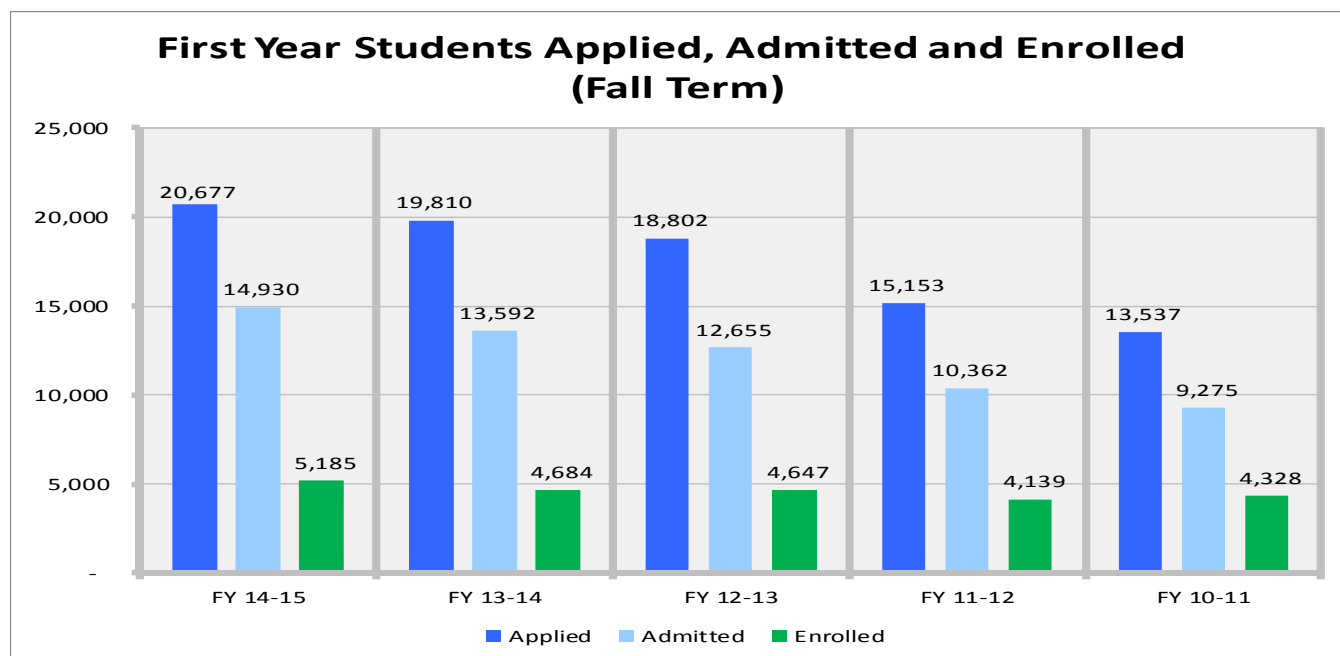
- **Undergraduate Student Success** – To be the University of choice for aspiring undergraduate students within the Commonwealth and beyond, seeking a transformational education that promotes self-discovery, experiential learning, and life-long achievement.
- **Graduate Education** – Strengthen the quality and distinctiveness of our graduate programs to transform our students into accomplished scholars and professionals who contribute to the Commonwealth, the nation, and the world through their research and discovery, creative endeavors, teaching, and service.
- **Diversity and Inclusivity** – Enhance the diversity and inclusivity of our University community through recruitment and retention of an increasingly diverse population of faculty, staff, and students, and by implementing initiatives that provide rich diversity-related experiences for all, to help ensure their success in an interconnected world.
- **Research and Scholarly Work** – Expand our scholarship, creative endeavors, and research across the full range of disciplines to focus on the most important challenges of the Commonwealth, our nation, and the world.
- **Outreach and Community Engagement** – Leverage leading-edge technology, scholarship, and research in innovative ways to advance the public good and to foster the development of citizen-scholars.

The steering committee is developing an implementation plan and metrics for review and approval by the Board of Trustees in October 2015.

The University is identified as a "Research University (very high research activity)" by the Carnegie Commission on Higher Education. There are 108 such institutions in the United States (out of approximately 3,600 colleges and universities).

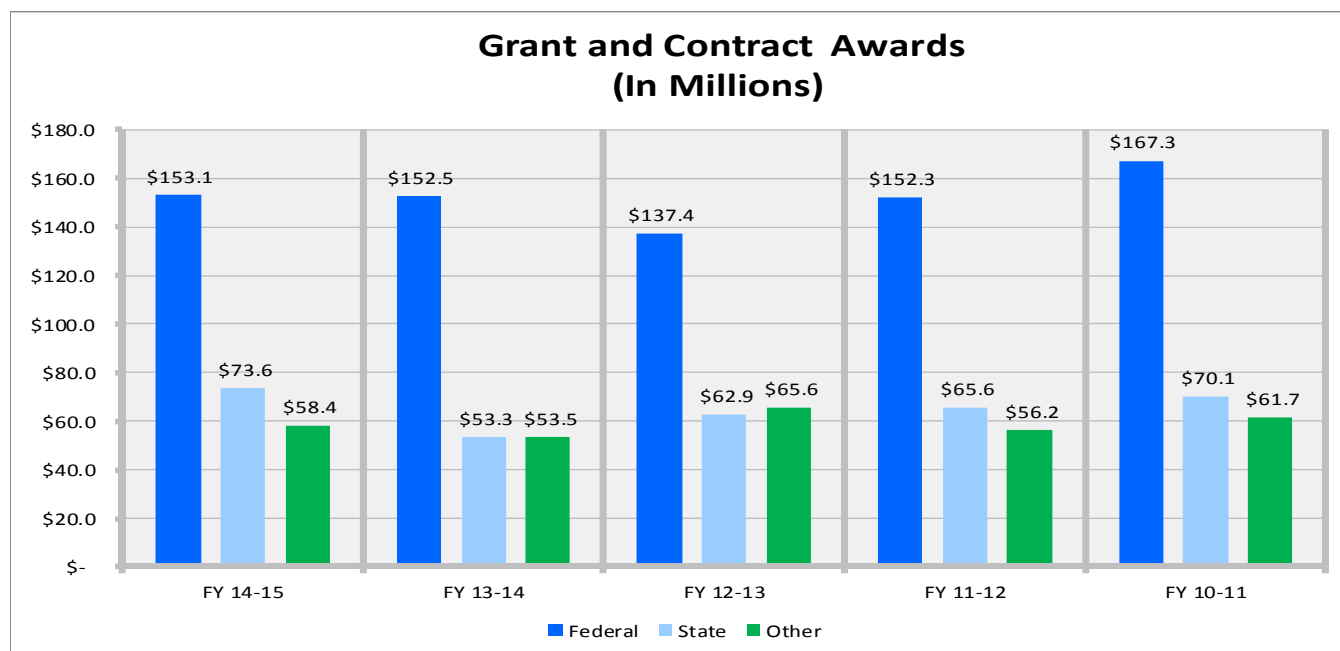
The University is accredited by the Commission on Colleges (CoC) of the Southern Association of Colleges and Schools (SACS). This has been re-affirmed at approximately 10-year intervals since 1915, with the next accreditation review scheduled for 2022. In addition, several degree programs and individual units are accredited by agencies appropriate to specific professions or fields.

Students. In Fall 2014, the University had 30,131 undergraduate, graduate, and professional students. They represent all 120 Kentucky counties, every state in the U.S. and over 100 countries. Enrollment has increased by 3,692 students (14%) since Fall 2005.



Programs. The University offers more than 200 majors and degree programs in 17 academic and professional colleges that are supported by a comprehensive research library system. UK is one of only eight public universities nationally with colleges of Agriculture, Engineering, Medicine and Pharmacy on a single contiguous campus.

Research. Total research expenditures, as reported to the National Science Foundation, totaled \$328.2 million for fiscal year 2013-14, compared to \$339.8 million in 2012-13. Research awards received during fiscal year 2014-15 total \$285.1 million, a 10% increase from the prior year amount of \$259.3 million.



Outreach. As Kentucky's flagship, land-grant university, UK engages citizens and communities across the state in a myriad of ways, including extension offices in all 120 Kentucky counties; continuing education opportunities for teachers, lawyers and health care providers; clinics providing legal, pharmaceutical and health care assistance; and a multitude of research efforts aimed at Kentucky's most difficult problems in economic development, health care, infrastructure and education.

Medical Centers. UK HealthCare, a trademarked brand used by the University of Kentucky for its health care services, is uniquely equipped to provide advanced subspecialty care to the people of Kentucky. The academic medical center and health system provides patient care on par – in terms of both volume and complexity – with the nation's top 25% of academic medical centers. In October 2013, UK HealthCare was named a "Rising Star" by the University HealthSystem Consortium (UHC) for gains made in quality, safety, efficiency and equity of care. This and other notable achievements are listed at <http://ukhealthcare.uky.edu/quality/awards/>.

UK HealthCare Hospital System (the System) operates two hospital units under one Joint Commission Accreditation and two licenses in addition to ambulatory services. The major service units include Albert B. Chandler Hospital, Good Samaritan Hospital and the Kentucky Clinic. The System has a combined total of 826 licensed beds with an average daily census of 698 patients. On a monthly basis, the system provides over 1,257 inpatient surgeries, 1,343 outpatient surgeries, 31,649 radiology procedures, 8,450 emergency department visits and 111,307 hospital based outpatient clinic visits.

Under a management contract entered into with the Kentucky Cabinet for Health and Family Services (CHFS), the System also operates and manages Eastern State Hospital, a 300,000 square-foot facility located on the University's Coldstream Research Campus. Eastern State Hospital provides a modern setting for both acute and long-term inpatient psychiatric treatment for adults living within Fayette County and the 50 surrounding counties.

UK HealthCare's Markey Cancer Center remains the state's only cancer center designated by the National Cancer Institute (NCI), which reflects UK's position as a frontrunner in cancer treatment and research. UK HealthCare is one of an elite group of only 22 medical centers in the United States that have NCI designation, a federally funded Center on Aging, and a highly prized Clinical and Translational Science Award (CTSA) grant.

UK HealthCare's dramatic growth within the last decade is in large part the result of a commitment to support the state's overall system of care by working hand-in-hand with local community providers to bring specialty care closer to the patient. These relationships take on different dimensions in each locality (management agreements, affiliate networks, outreach, etc.) and support keeping less acute care in the local community and smoothing the process for more complex, serious cases to be treated in UK HealthCare's Lexington facilities. The goal is better care at all points of the continuum.

Libraries. UK operates a nationally recognized research library system, with the capstone being the world-class William T. Young Library. UK's book endowment is the largest among public universities. Its library network and technology provide extraordinary service to students in the colleges of Medicine, Law, Engineering, Fine Arts and other programs. Meanwhile, students, faculty and Kentucky residents can use UK Libraries' advanced technology to access the most up-to-date information from online journals, government publications and private studies.

Financial Highlights

The University's overall financial position remains fiscally sound with assets of \$5.48 billion, deferred outflows of resources of \$13.8 million, liabilities of \$1.80 billion and deferred inflows of resources of \$241.1 million as of June 30, 2015. Net position, which represents the University's residual interest in assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted, was \$3.46 billion (63% of total assets).

- Total assets increased \$990.5 million (22%), primarily due to increases in cash and cash equivalents, notes, loans and accounts receivable, net and capital assets, net.
- Deferred outflows of resources increased \$13.8 million due to the unamortized difference between the reacquisition price and the net carrying amount of refunded debt.
- Total liabilities increased \$449.7 million (33%), primarily due to increases in unearned revenue, bonds and capital lease obligations and accounts payable and accrued liabilities.

- Deferred inflows of resources totaled \$241.1 million due to the new service concession arrangements entered into with Education Realty Trust (EdR) of \$130.3 million, Aramark Educational Services, LLC (Aramark) of \$105.9 million and Barnes and Noble College Booksellers (Barnes and Noble) of \$4.9 million.
- Total net position increased \$313.4 million (10%). Unrestricted net position increased \$203.6 million and net investment in capital assets increased \$74.8 million. Restricted net position increased \$35.0 million mainly due to capital projects including the Gatton College of Business and Economics expansion and the University Department of Intercollegiate Athletics (Athletics) new football training facility.
- Operating revenues were \$2.46 billion and operating expenses were \$2.61 billion, resulting in a loss from operations of \$147.1 million. Nonoperating and other revenues, net of nonoperating expenses, were \$460.5 million, including \$279.6 million in state appropriations.

Using the Financial Statements

The University presents its financial reports in a “business type activity” format, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis for Public Colleges and Universities – an amendment of GASB Statement No. 34*. GASB requires that statements be presented on a comprehensive, entity-wide basis. In addition to this MD&A section, the financial report includes:

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

Reporting Entity

The University is a component unit of the Commonwealth of Kentucky (Commonwealth). The financial statements of the University include the operations of the University and the following entities:

- University of Kentucky Research Foundation, and its for-profit subsidiaries, Kentucky Technology, Inc. and Coldstream Laboratories, Inc. (CLI)
- The Fund for Advancement of Education and Research in the University of Kentucky Medical Center
- University of Kentucky Gluck Equine Research Foundation, Inc.
- University of Kentucky Humanities Foundation, Inc.
- University of Kentucky Mining Engineering Foundation, Inc.
- University of Kentucky Center on Aging Foundation, Inc.
- Central Kentucky Management Services, Inc.
- Kentucky Medical Services Foundation, Inc.

Statement of Net Position

The Statement of Net Position is the University’s balance sheet. It reflects the total assets, liabilities, net position (equity), and deferred outflows and inflows of resources of the University as of June 30, 2015, with comparative information as of June 30, 2014. Liabilities due within one year, and assets available to pay those liabilities, are classified as current. Other assets and liabilities are classified as noncurrent. Net position (i.e. the difference between total assets and total liabilities and deferred inflows and outflows of resources) are an important indicator of the University’s current financial condition, while the change in net position is an indicator of whether the overall financial position has improved or worsened during the year. Generally, assets and liabilities and deferred inflows and outflows of resources are reported using current values. A major exception is capital assets, which are stated at historical cost less accumulated depreciation.

A summarized comparison of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2015, 2014 and 2013 are as follows:

Condensed Statements of Net Position (in thousands)

	2015	2014	2013
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets	\$ 983,253	\$ 694,839	\$ 661,164
Capital assets, net	2,336,640	1,979,404	1,955,731
Other noncurrent assets	2,161,316	1,816,476	1,327,891
Deferred outflows of resources	13,755	-	-
Total assets and deferred outflows of resources	<u>5,494,964</u>	<u>4,490,719</u>	<u>3,944,786</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities	472,487	358,671	324,496
Noncurrent liabilities	1,324,095	988,196	757,223
Deferred inflows of resources	241,124	-	561
Total liabilities and deferred inflows of resources	<u>2,037,706</u>	<u>1,346,867</u>	<u>1,082,280</u>
NET POSITION			
Net investment in capital assets	1,422,560	1,347,778	1,304,887
Restricted			
Nonexpendable	585,074	576,265	569,589
Expendable	451,990	425,775	312,324
Unrestricted	997,634	794,034	675,706
Total net position	<u>\$ 3,457,258</u>	<u>\$ 3,143,852</u>	<u>\$ 2,862,506</u>

Assets. As of June 30, 2015, total assets amounted to \$5.48 billion. The largest asset class was capital assets, net, that totaled \$2.34 billion or 43% of total assets. Endowment investments were \$1.23 billion, or 23% of total assets and cash and cash equivalents totaled \$937.5 million, or 17% of total assets. During the year, total assets increased by a net \$990.5 million primarily due to an increase in capital assets, net of \$357.2 million, notes, loans and accounts receivable, net of \$332.2 million, cash and cash equivalents of \$256.6 million, other long-term investments of \$26.9 million and endowment investments of \$16.3 million.

Deferred Outflows of Resources. The University's deferred outflows of resources totaled \$13.8 million, which represents the unamortized difference between the reacquisition price and the net carrying amount of refunded debt.

Liabilities. As of June 30, 2015, total liabilities amounted to \$1.80 billion. Bonds and notes payable, capital leases and other long-term obligations issued for educational buildings, housing, the UK HealthCare Hospital System, athletics football stadium, and equipment totaled \$930.4 million, or 53% of total liabilities. During the year, total liabilities increased by \$449.7 million primarily in unearned revenue of \$230.9 million including the new multimedia rights contract with JMI Sports for Athletics, the issuance of new debt comprised of \$347.2 million in general receipts bonds, \$26.7 million in capital leases and \$38.5 million in unamortized bond premium offset by principal payments of \$50.4 million and refunded debt of \$231.2 million, and an increase in accounts payable and accrued liabilities of \$65.6 million.

Deferred Inflows of Resources. The University's deferred inflows of resources totaled \$241.1 million, that represents new service concession arrangements with EdR of \$130.3 million, Aramark of \$105.9 million and Barnes and Noble of \$4.9 million.

Net Position. The University's equity of \$3.46 billion as of June 30, 2015 is reported on the Statement of Net Position in three net position categories: net investment in capital assets, \$1.42 billion (41%); restricted nonexpendable, \$585.1 million (17%) and restricted expendable, \$452.0 million (13%); and unrestricted, \$997.6 million (29%).

Restricted net position is subject to externally imposed restrictions governing its use. Although unrestricted net position is not subject to externally imposed stipulations, most of the unrestricted net position has been internally designated for support of academic and research programs and initiatives, capital projects and working capital requirements.

Total net position increased \$313.4 million during the year ended June 30, 2015. Net investment in capital assets increased \$74.8 million due to excess of additions of capital assets and principal payments of capital debt offset by depreciation expense. Restricted net position increased \$35.0 million principally due to gifts for construction projects including the Gatton College of Business and Economics renovation/expansion and Athletics' new football training facility. Unrestricted net position increased \$203.6 million, primarily due to an increase in operating revenues of \$313.0 million offset by an increase in operating expenses of \$167.7 million.

2014 Versus 2013. During the year ended June 30, 2014:

- Total assets increased by a net \$545.9 million primarily due to an increase in cash and cash equivalents of \$229.0 million, endowment investments of \$160.8 million, other long-term investments of \$86.5 million, capital assets, net of \$23.7 million, notes, loans and accounts receivable, net of \$22.7 million and current investments of \$19.5 million.
- Liabilities increased \$265.1 million primarily as the result of the issuance of new debt of \$241.8 million offset by principal payments, an increase in accounts payable and accrued liabilities and a decrease in unearned revenue.
- Deferred inflows of resources decreased \$561 thousand due to the amendment of the Forward Delivery Agreement that eliminated the hedging instrument that provided a specified rate of return on certain debt service instruments.
- Total net position increased \$281.3 million. Net investment in capital assets increased \$42.9 million due to excess of additions of capital assets and principal payments of capital debt offset by depreciation expense. Restricted net position increased \$120.1 million principally as a result of gain on endowment investments due to a positive return on the endowment pool. Unrestricted net position increased \$118.3 million primarily due to an increase in operating revenues of \$166.3 million offset by an increase in operating expenses of \$141.7 million. Additionally, the positive return on the endowment pool caused an increase in quasi endowment net position of \$37.6 million.

Statement of Revenues, Expenses and Changes in Net Position

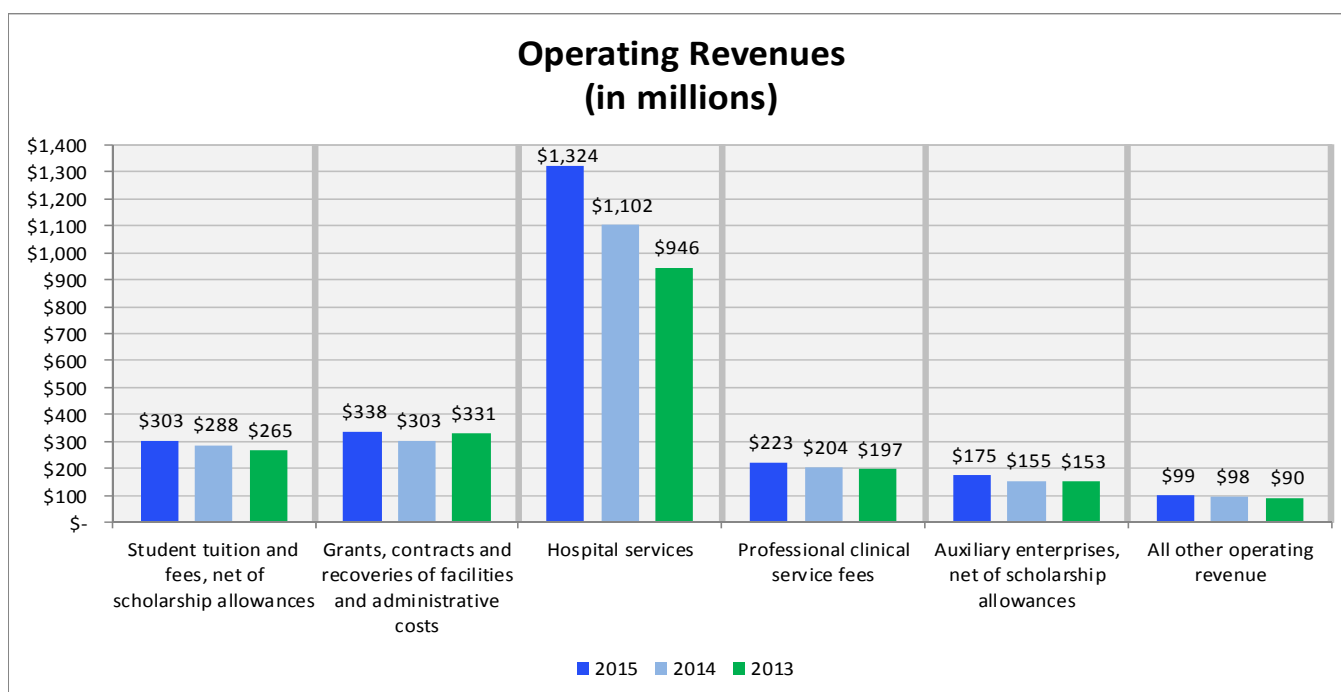
The Statement of Revenues, Expenses and Changes in Net Position is the University's income statement. It details how net position has changed during the year ended June 30, 2015, with comparative information for the year ended June 30, 2014. This statement is prepared on the accrual basis of accounting whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Items that increase or decrease net position appear on the Statement of Revenues, Expenses and Changes in Net Position as revenues, expenses, gains or losses.

Financial activities are reported as either operating or nonoperating. GASB Statement No. 35 requires state appropriations, gifts, and investment income to be classified as nonoperating revenues. Accordingly, the University reports a net operating loss prior to the addition of nonoperating revenues. The utilization of long-lived capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life. Tuition revenue is reduced by external scholarships and institutional aid and is reported net of the scholarship allowance.

A summarized comparison of the University's revenues, expenses and changes in net position for years ended June 30, 2015, 2014 and 2013 are as follows:

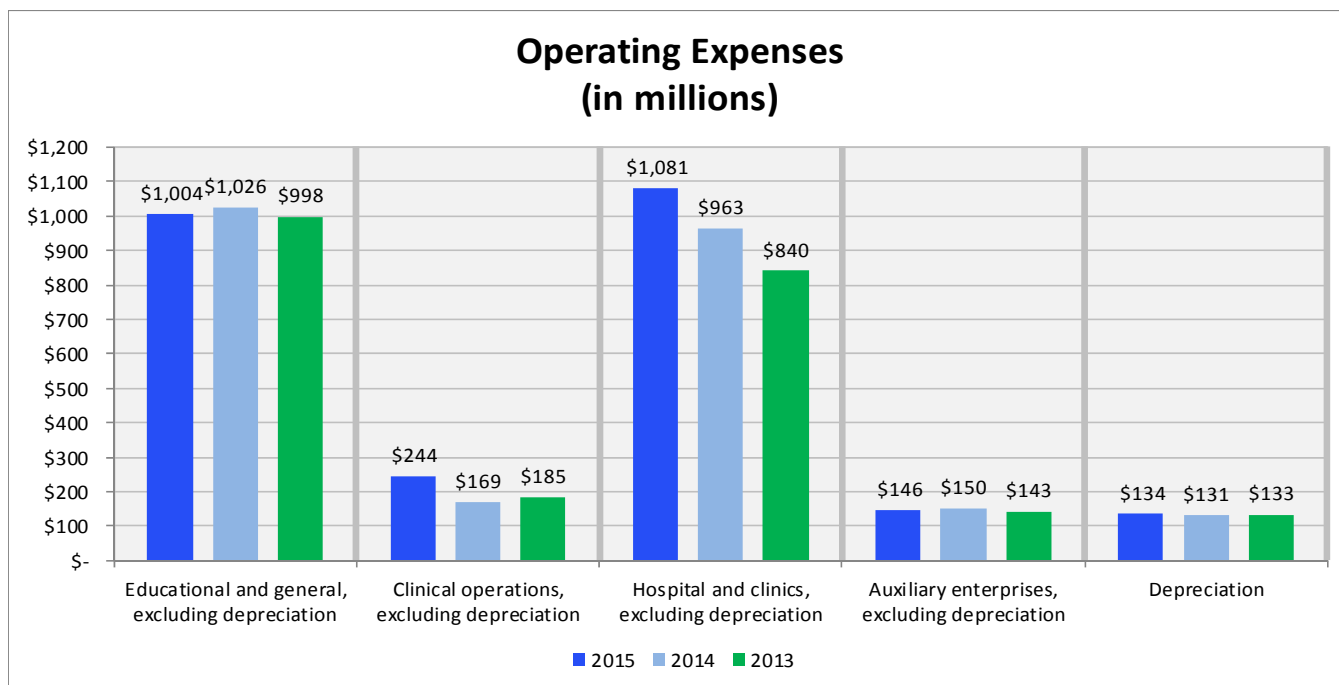
Condensed Statements of Revenues, Expenses and Changes in Net Position (in thousands)

	2015	2014	2013
OPERATING REVENUES			
Student tuition and fees, net of scholarship allowances	\$ 302,936	\$ 287,517	\$ 265,293
Grants and contracts	290,199	256,179	283,378
Hospital services	1,323,652	1,101,662	945,885
Professional clinical service fees	223,291	203,721	196,974
Auxiliary enterprises, net of scholarship allowances	175,232	155,393	153,006
Recoveries of facilities and administrative costs	48,154	47,159	47,862
Sales and services	54,112	54,765	50,473
Federal and county appropriations	39,510	38,259	36,202
Other operating revenues	5,059	4,516	3,772
Total operating revenues	<u>2,462,145</u>	<u>2,149,171</u>	<u>1,982,845</u>
OPERATING EXPENSES			
Educational and general, excluding depreciation	1,003,856	1,026,280	998,229
Clinical operations, excluding depreciation	243,688	168,934	184,794
Hospital and clinics, excluding depreciation	1,080,956	963,272	840,119
Auxiliary enterprises, excluding depreciation	145,739	150,451	143,028
Depreciation	134,374	131,262	133,066
Other operating expenses	640	1,384	682
Total operating expenses	<u>2,609,253</u>	<u>2,441,583</u>	<u>2,299,918</u>
NET LOSS FROM OPERATIONS	<u>(147,108)</u>	<u>(292,412)</u>	<u>(317,073)</u>
NONOPERATING REVENUES (EXPENSES)			
State appropriations	279,611	283,869	283,869
Gifts and non-exchange grants	105,506	96,771	98,418
Investment income (loss)	45,188	155,547	104,748
Interest on capital asset-related debt	(27,691)	(30,288)	(29,244)
Capital grants and gifts	45,341	54,068	30,672
Additions to permanent endowments	7,758	7,578	10,225
Other, net	4,801	6,213	8,179
Total nonoperating revenues (expenses)	<u>460,514</u>	<u>573,758</u>	<u>506,867</u>
Total increase in net position	313,406	281,346	189,794
Net position, beginning of year	<u>3,143,852</u>	<u>2,862,506</u>	<u>2,672,712</u>
Net position, end of year	<u>\$ 3,457,258</u>	<u>\$ 3,143,852</u>	<u>\$ 2,862,506</u>



Total operating revenues were \$2.46 billion for the year ended June 30, 2015, an increase of \$313.0 million (15%). The primary components of operating revenues were student tuition and fees of \$302.9 million; grants, contracts and recoveries of facilities and administrative costs of \$338.4 million; hospital services of \$1.32 billion; and professional clinical service fees of \$223.3 million.

The major increase was in hospital service revenue of \$222.0 million attributable to an increase in rates, partially driven by patient acuity, and improved payer mix as a result of the Medicaid expansion program. Retail and contract pharmacy sales also increased hospital service revenues. Other significant increases in operating revenues related to net student tuition and fees of \$15.4 million due to tuition and fee rate increases as well as increased enrollment; grants and contracts of \$34.0 million due to increases in professional supplemental payments from state and federal grants and contracts; professional clinical service fees of \$19.6 million due to increased patient activity and improved reimbursements associated with the decline in the uninsured self-pay population due to Medicaid expansion; and auxiliary enterprises of \$19.8 million.



Operating expenses totaled \$2.61 billion, an increase of \$167.7 million (seven percent). Of this amount, \$1.00 billion (excluding depreciation) was expended for educational and general programs, including instruction, research and public service. Hospital and clinics expenses, excluding depreciation, amounted to \$1.08 billion and clinical operations expenses, excluding depreciation, were \$243.7 million. Depreciation expense for the year amounted to \$134.4 million.

Education and general programs expenses, excluding depreciation, decreased \$22.4 million due primarily to decreases in public service expenses of \$29.9 million, student financial aid of \$9.2 million, operation and maintenance of plant of \$5.8 million and research of \$1.8 million. Offsetting these decreases was an increase in instruction expenses of \$14.5 million, institutional support of \$6.3 million, student services expenses of \$1.9 million and academic support expenses of \$1.6 million. Clinical operations expenses, excluding depreciation, increased \$74.8 million primarily due to the increased use of funds provided by professional supplemental payments revenue and corresponding expenses reflected within this category. Hospital and clinics expenses, excluding depreciation, increased \$117.7 million primarily due to additional staffing and supplies required for increased patient volume and market adjustments for clinical staff. Auxiliary enterprise expenses, excluding depreciation, decreased \$4.7 million primarily in housing and dining due to outsourcing services to EdR and Aramark. Depreciation expense increased \$3.1 million due to new buildings, renovations and equipment depreciation.

The net loss from operations for the year was \$147.1 million. Nonoperating and other revenues, net of expenses, totaled \$460.5 million and included state appropriations of \$279.6 million. Gifts and non-exchange grants totaled \$105.5 million – an increase of \$8.7 million; capital grants and gifts of \$45.3 million – a decrease of \$8.7 million; investment income of \$45.2 million – a decrease of \$110.4 million; and additions to permanent endowments of \$7.8 million – a decrease of \$180 thousand.

2014 Versus 2013. Total operating revenues were \$2.15 billion for the year ended June 30, 2014, including: student tuition and fees of \$287.5 million (13%); grants, contracts, and recoveries of facilities and administrative costs of \$303.3 million (14%); professional clinical service fees of \$203.7 million (nine percent); and hospital services of \$1.10 billion (51%). Operating revenues for fiscal year 2014 increased \$166.3 million or eight percent over fiscal year 2013, primarily due to increases in hospital services revenue of \$155.8 million resulting from an increase in rates and overall case mix; student tuition and fees of \$22.2 million due to tuition and fees rate increases as well as increased enrollment; and professional clinical service fees of \$6.7 million due to increased patient activity and improved reimbursements associated with the decline in the uninsured self-pay population due

to Medicaid expansion; sales and services of \$4.3 million and auxiliary enterprises net of scholarship allowances of \$2.4 million while grants and contracts decreased \$27.2 million due to the closure of the Department of Corrections Health Care Network grant and a reduction in funding from the American Recovery and Reinvestment Act of 2009.

Operating expenses totaled \$2.44 billion in fiscal year 2014. Of this amount, \$1.03 billion (42%), excluding depreciation, was expended for educational and general programs, including instruction, research and public service. Hospital and clinics expenses, excluding depreciation, totaled \$963.3 million (39%) of the total expenses, and clinical operations expenses, excluding depreciation, were \$168.9 million (seven percent). Depreciation amounted to \$131.3 million (five percent). Operating expenses for fiscal year 2014 increased \$141.7 million (six percent) compared to fiscal year 2013 primarily due to an increase in education and general program expenses of \$28.1 million (three percent); hospital and clinics expenses, excluding depreciation of \$123.2 million (15%); and auxiliary enterprises expenses of \$7.4 million (five percent). Offsetting decreases were in clinical operations expenses, excluding depreciation, of \$15.9 million (nine percent) and depreciation expense of \$1.8 million (one percent).

The net loss from operations for the 2014 fiscal year totaled \$292.4 million. Nonoperating and other revenues, net of expenses, totaled \$573.8 million, resulting in an increase in net position of \$281.3 million for the year. Nonoperating revenue included state appropriations of \$283.9 million for both June 30, 2014 and June 30, 2013.

Statement of Cash Flows

The Statement of Cash Flows details how cash has increased or decreased during the fiscal year ended June 30, 2015, with comparative financial information for the fiscal year ended June 30, 2014. The sources and uses of cash are arranged in the following categories:

- Operating activities
- Noncapital financing activities
- Capital financing activities
- Investing activities

Cash flows associated with the University's expendable net position appear in the operating and noncapital financing categories. Capital financing activities include payments for capital assets, proceeds from long-term debt, and debt repayments. Purchases and sales of investments are reflected in investing activities.

The primary purpose of the Statement of Cash Flows is to provide information about the cash receipts and cash payments made by the University during the year that will allow financial statement readers to assess the University's ability to generate future net cash flows and to meet obligations as they become due, and to assess the possible need for external financing.

A comparative summary of the University's statement of cash flows for years ended June 30, 2015, 2014 and 2013 are as follows:

Condensed Statements of Cash Flows (in thousands)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
CASH PROVIDED (USED) BY:			
Operating activities	\$ 11,738	\$ (150,202)	\$ (152,097)
Noncapital financing activities	416,732	409,650	402,433
Capital and related financing activities	(178,778)	81,163	(127,067)
Investing activities	<u>6,900</u>	<u>(111,587)</u>	<u>(19,582)</u>
Net increase (decrease) in cash and cash equivalents	256,592	229,024	103,687
 Cash and cash equivalents, beginning of year	 <u>680,891</u>	 <u>451,867</u>	 <u>348,180</u>
Cash and cash equivalents, end of year	<u><u>\$ 937,483</u></u>	<u><u>\$ 680,891</u></u>	<u><u>\$ 451,867</u></u>

The University's cash and cash equivalents increased \$256.6 million in fiscal year 2015. Total cash provided by operating and noncapital financing activities was \$428.5 million, an increase of \$169.0 million compared to fiscal year 2014. Total cash provided by investing activities was \$6.9 million. Total cash used by capital financing activities was \$178.8 million, reflecting both capital funding sources (debt proceeds) and uses (purchases of capital assets and debt service).

Major sources of cash received from operating activities were student tuition and fees of \$301.5 million; hospital services of \$1.34 billion; grants, contracts, and recoveries of facilities and administrative costs of \$333.1 million; and professional clinical service fees of \$221.7 million. Major uses of cash for operating activities were payments to employees for salaries and benefits of \$1.64 billion and to vendors and contractors of \$781.4 million.

Noncapital financing activities include state appropriations from the Commonwealth of \$279.6 million; gifts of \$121.0 million and other noncapital financing receipts of \$16.1 million.

Capital and related financing activities include proceeds of capital debt of \$392.1 million and capital grants and gifts of \$31.0 million. Cash of \$284.0 million was expended for construction and acquisition of capital assets, \$248.6 was expended for payments to refunding bond agents and \$84.7 million was expended for principal and interest payments on debt.

Investing activities include proceeds from sales and maturities of investments of \$313.0 million and interest and dividends on investments of \$19.9 million. Net proceeds from the sale of CLI and related debt and other payments totaled \$16.6 million. Cash of \$342.5 million was used to purchase investments.

2014 Versus 2013. Cash balances were higher when comparing fiscal year 2014 to fiscal year 2013. The \$229.0 million net increase in cash was created from more cash provided by capital and noncapital financing activities and less cash used by operating activities offset by more cash used for investing activities.

Capital Asset and Debt Administration

Capital Assets

Capital assets, net of accumulated depreciation, totaled \$2.34 billion at June 30, 2015, an increase of \$357.2 million. Capital assets as of June 30, 2015, 2014 and 2013, and significant changes in capital assets during the years ended June 30, 2014 and 2015 are as follows (in millions):

	Balance June 30, 2013	Net Additions (Deletions) FY 13-14	Balance June 30, 2014	Net Additions (Deletions) FY 14-15	Balance June 30, 2015
Land and land improvements	\$ 180	\$ 5	\$ 185	\$ 9	\$ 194
Buildings, fixed equipment and infrastructure	2,369	32	2,401	231	2,632
Equipment, vehicles and capitalized software	710	25	735	22	757
Library materials and art	160	2	162	2	164
Certificate of need license	12	-	12	-	12
Construction in progress	35	57	92	175	267
Accumulated depreciation	(1,510)	(98)	(1,608)	(81)	(1,689)
Total	<u>\$ 1,956</u>	<u>\$ 23</u>	<u>\$ 1,979</u>	<u>\$ 358</u>	<u>\$ 2,337</u>

At June 30, 2015, the University had capital construction projects in progress totaling approximately \$845.9 million in scope. Major projects include the renovation and expansion of Commonwealth Stadium and Nutter Training Center, the renovation and expansion of the Gatton College of Business and Economics, the construction of the Academic Science Building, the renovation and expansion of the Student Center and the fit-up of the 9th and 10th floors of the Patient Care Facility. The estimated cost to complete the projects in progress was approximately \$580.2 million.

Net additions also include EdR Phase II construction totaling \$136.4 million and Aramark capital renovation projects of \$10.5 million.

Debt

At June 30, 2015, capital debt amounted to \$930.4 million, summarized by trust indenture and type are as follows (in millions):

	2015	2014	2013
General Receipts bonds and notes	\$ 821	\$ 698	\$ 479
Consolidated Educational Buildings Revenue Bonds	-	33	38
Capital lease obligations	90	86	109
Notes payable	19	21	22
Total	<u>\$ 930</u>	<u>\$ 838</u>	<u>\$ 648</u>

Debt increased \$92.3 million during the year primarily due to the issuance of General Receipts Bonds 2014 Series D for \$88.1 million, General Receipts Bonds 2015 Series A, B and C for \$259.0 million and additional capital leases of \$26.7 million, offset by a net decrease from principal payments of the University's debt obligations of \$50.4 million and the refunding of Consolidated Educational Building and Revenue Bonds (CEBRB) Series PQR and U, General Receipts Bonds and Notes 2005 Series A, General Receipts Bonds 2006 Series A and General Receipts Notes 2007 Series A and B of \$231.2 million.

Economic and Other Factors That Will Affect the Future

Executive management believes the University is well-positioned to maintain its strong financial condition and to continue providing excellent service to students, patients, the community, and the citizens of the Commonwealth. The University's strong financial condition, as evidenced by recent credit ratings of Aa2 and AA from Moody's Investors Service and Standard & Poor's Ratings Services, respectively, will provide a high degree of flexibility in obtaining funds for future capital projects on competitive terms. This flexibility, along with ongoing efforts toward revenue diversification and cost containment, will enable the University to obtain the necessary resources to sustain excellence. The following are known facts and circumstances that will affect future financial results:

- The Commonwealth's economy is showing positive emerging trends of consistent job growth, a lower unemployment rate, and higher consumer confidence. Kentucky personal income is projected to grow faster than that of the national average for at least the next year. Home prices are increasing in urban areas such as Louisville and Northern Kentucky and the number of new home construction permits issued also is increasing. As a result of a General Fund surplus for fiscal year 2014-15, the Commonwealth's Budget Reserve Trust Fund is estimated to exceed \$209.0 million, the largest balance since fiscal year 2007-08.
- The enacted fiscal year 2015-16 budget generally reflects no change in state appropriations for state agencies and public colleges and universities. As a result, state support as a percentage of the University's total budget is expected to continue to decline. Over the past 10 years, state support decreased from 17% of the total operating budget to eight percent. In spite of significant enrollment growth and cost increases, state support for fiscal year 2015-16 will be \$39.0 million less than it was in fiscal year 2006-07.
- Student demand is expected to remain high in the coming years. Applications for the Fall 2015 incoming class will exceed 22,500 for the first time in the University's history. Preliminary numbers indicate that the Fall 2015 entering freshmen class will reach 5,217 students – an increase of 1,027 or 25% since Fall 2006.
- The University is undergoing a momentous physical transformation, part of which involves revitalization of its on-campus housing through a comprehensive public/private partnership (P3) with EdR. The multi-phase P3 is the first of its kind in the nation, entailing a substantial increase in the quantity and quality of student housing while allowing the University to reserve its debt capacity for other capital needs. Seven new residence halls came online in August 2013 and 2014 adding 2,982 beds to the housing stock and three additional residence halls were brought online in August 2015, adding another 1,610 beds. The total to date is 4,592 beds. Under construction now are three additional buildings which will bring the total to 6,504 new beds by Fall 2017. The total plan includes increasing the current on-campus housing stock up to 9,000 beds by 2018.
- Also part of the campus transformation are the following academic, research, healthcare and athletic projects authorized by the Kentucky General Assembly:
 - A \$65.0 million renovation and expansion of the Gatton College of Business and Economics, financed by the University
 - A new \$112.0 million Academic Science Building financed by the University with Athletics funding \$65.0 million of the project cost
 - A \$126.5 million renovation and expansion of Commonwealth Stadium financed completely by Athletics
 - A \$175.0 million renovation and expansion of the Student Center financed by the University
 - A \$150.0 million renovation and upgrade of the UK HealthCare facilities financed completely by UK HealthCare, which when complete will increase licensed bed capacity to 945 beds
 - A \$65.0 million renovation and expansion of the College of Law building financed by \$35.0 million of state bonds and \$30.0 million by the University
 - A new \$265.0 million Research Building financed by the University and state bonds (\$132.5 million each)
- As of June 30, 2015, grants and contracts of approximately \$189.2 million, an increase of approximately \$11.5 million from the previous year, have been awarded to the University but not expended. The growth in available governmental awards will result in increased grant revenue in future periods.
- Health care reform has initiated significant changes to the United States healthcare system, including potential material changes to the delivery of healthcare services and the reimbursement paid for such services by governments or other third-party payers. The long-term impact is unknown, as the long period

between passage and its implementation lends to some level of uncertainty. UK HealthCare Hospital System will develop and execute strategies in an effort to mitigate the negative impacts and leverage opportunities.

- The University will continue its long-term endowment investment strategy to maximize total returns, at an appropriate level of risk, while utilizing a spending rate policy to insulate programs funded by the endowment from temporary market volatility.
- In July 2014, the University created a public/private partnership with Aramark that will continue to transform the dining services provided for students, faculty, staff, and the community. The 15 year partnership provides for \$70.0 million in facilities investments by Aramark to be completed by fiscal year 2017-18.

Economic challenges will continue to have an impact on the future. However, management believes the University will be able to sustain its sound financial position and continue its progress toward becoming a nationally recognized public research institution.

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
STATEMENTS OF NET POSITION (in thousands)
JUNE 30, 2015 AND 2014

	2015	2014
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents	\$ 621,961	\$ 387,863
Notes, loans and accounts receivable, net	292,776	240,088
Investments	21,702	26,452
Inventories and other assets	46,814	40,436
Total current assets	983,253	694,839
Noncurrent Assets		
Restricted cash and cash equivalents	315,522	293,028
Endowment investments	1,231,557	1,215,226
Other long-term investments	275,001	248,108
Notes, loans and accounts receivable, net	338,953	59,412
Other noncurrent assets	283	702
Capital assets, net	2,336,640	1,979,404
Total noncurrent assets	4,497,956	3,795,880
Total assets	5,481,209	4,490,719
Deferred Outflows of Resources	13,755	-
Total assets and deferred outflows of resources	5,494,964	4,490,719
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES		
Current Liabilities		
Accounts payable and accrued liabilities	293,223	227,576
Unearned revenue	97,861	60,017
Long-term liabilities - current portion	81,403	71,078
Total current liabilities	472,487	358,671
Noncurrent Liabilities		
Unearned revenue	193,094	-
Long-term liabilities	1,131,001	988,196
Total noncurrent liabilities	1,324,095	988,196
Total liabilities	1,796,582	1,346,867
Deferred Inflows of Resources	241,124	-
Total liabilities and deferred inflows of resources	2,037,706	1,346,867
NET POSITION		
Net investment in capital assets	1,422,560	1,347,778
Restricted		
Nonexpendable		
Scholarships and fellowships	140,739	134,970
Research	271,579	269,972
Instruction	80,062	78,897
Academic support	84,083	83,904
Other	8,611	8,522
Total restricted nonexpendable	585,074	576,265
Expendable		
Scholarships and fellowships	75,608	77,594
Research	92,833	95,614
Instruction	54,951	57,031
Academic support	59,860	56,801
Loans	10,908	10,445
Capital projects	128,734	101,357
Debt service	724	774
Auxiliary	15,523	15,198
Other	12,849	10,961
Total restricted expendable	451,990	425,775
Total restricted	1,037,064	1,002,040
Unrestricted	997,634	794,034
Total net position	\$ 3,457,258	\$ 3,143,852

See notes to financial statements.

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (in thousands)
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
OPERATING REVENUES		
Student tuition and fees	\$ 425,805	\$ 385,989
Less: Scholarship allowances	(122,869)	(98,472)
Net tuition and fees	302,936	287,517
Federal grants and contracts	168,125	160,384
State and local grants and contracts	92,269	67,755
Nongovernmental grants and contracts	29,805	28,040
Recoveries of facilities and administrative costs	48,154	47,159
Sales and services	54,112	54,765
Federal appropriations	17,535	17,921
County appropriations	21,975	20,338
Professional clinical service fees	223,291	203,721
Hospital services	1,323,652	1,101,662
Auxiliary enterprises:		
Housing and dining	42,246	51,347
Less: Scholarship allowances	(2,695)	(7,193)
Net housing and dining	39,551	44,154
Athletics	88,928	73,957
Other auxiliaries	46,753	37,282
Other operating revenues	5,059	4,516
Total operating revenues	2,462,145	2,149,171
OPERATING EXPENSES		
Educational and general:		
Instruction	286,377	271,857
Research	243,511	245,313
Public service	181,537	211,479
Libraries	21,084	21,070
Academic support	73,078	71,482
Student services	38,648	36,790
Institutional support	55,623	49,295
Operations and maintenance of plant	71,104	76,895
Student financial aid	32,894	42,099
Depreciation	65,548	65,522
Total educational and general	1,069,404	1,091,802
Clinical operations (including depreciation of \$2,743 in 2015 and \$2,021 in 2014)	246,431	170,955
Hospital and clinics (including depreciation of \$53,167 in 2015 and \$51,460 in 2014)	1,134,123	1,014,732
Auxiliary enterprises:		
Housing and dining (including depreciation of \$5,279 in 2015 and \$5,446 in 2014)	31,240	48,208
Athletics (including depreciation of \$6,031 in 2015 and \$5,734 in 2014)	101,696	92,088
Other auxiliaries (including depreciation of \$1,606 in 2015 and \$1,079 in 2014)	25,719	22,414
Other operating expenses	640	1,384
Total operating expenses	2,609,253	2,441,583
Net loss from operations	(147,108)	(292,412)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	279,611	283,869
Gifts and non-exchange grants	105,506	96,771
Investment income (loss)	45,188	155,547
Interest on capital asset-related debt	(27,691)	(30,288)
Other nonoperating revenues and expenses, net	8,988	7,449
Net nonoperating revenues (expenses)	411,602	513,348
Net income (loss) before other revenues, expenses, gains or losses	264,494	220,936
Capital grants and gifts	45,341	54,068
Additions to permanent endowments	7,758	7,578
Other, net	(4,187)	(1,236)
Total other revenues (expenses)	48,912	60,410
INCREASE IN NET POSITION	313,406	281,346
NET POSITION, beginning of year	3,143,852	2,862,506
NET POSITION, end of year	\$ 3,457,258	\$ 3,143,852

See notes to financial statements.

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
STATEMENTS OF CASH FLOWS (in thousands)
FOR THE YEARS ENDED JUNE 30, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Student tuition and fees	\$ 301,454	\$ 288,922
Grants and contracts	284,664	247,522
Recoveries of facilities and administrative costs	48,457	45,917
Sales and services	53,465	53,836
Federal appropriations	18,749	17,117
County appropriations	22,640	21,400
Payments to vendors and contractors	(781,388)	(721,086)
Student financial aid	(32,896)	(42,082)
Salaries, wages and benefits	(1,644,420)	(1,529,995)
Professional clinic service fees	221,728	212,424
Hospital services	1,338,659	1,096,977
Auxiliary enterprise receipts	171,385	153,659
Loans issued to students	(18,231)	(21,188)
Collection of loans to students	18,425	19,818
Self insurance receipts	61,352	51,230
Self insurance payments	(56,750)	(48,217)
Other operating receipts (payments), net	4,445	3,544
Net cash provided (used) by operating activities	11,738	(150,202)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations	279,611	283,869
Gifts and grants received for other than capital purposes:		
Gifts received for endowment purposes	7,782	7,554
Gifts received for other purposes	113,225	88,716
Agency and loan program receipts	227,347	225,252
Agency and loan program payments	(229,398)	(226,011)
Other noncapital financing receipts (payments), net	18,165	30,270
Net cash provided (used) by noncapital financing activities	416,732	409,650
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital grants and gifts	30,974	46,989
Purchases of capital assets	(284,031)	(139,955)
Proceeds from capital debt	392,077	251,920
Payments to refunding bond agents	(248,642)	-
Proceeds from sales of capital assets	10,180	-
Principal paid on capital debt and leases	(49,872)	(50,900)
Interest paid on capital debt and leases	(34,849)	(28,460)
Other capital and related financing receipts (payments), net	5,385	1,569
Net cash provided (used) by capital and related financing activities	(178,778)	81,163
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	312,958	717,482
Interest and dividends on investments	19,850	13,723
Purchase of investments	(342,511)	(842,792)
Net proceeds from sale of CLI stock, net of cash acquired	19,877	-
Repayment of debt and other related to sale of CLI stock	(3,274)	-
Net cash provided (used) by investing activities	6,900	(111,587)
NET INCREASE IN CASH AND CASH EQUIVALENTS	256,592	229,024
CASH AND CASH EQUIVALENTS, beginning of year	680,891	451,867
CASH AND CASH EQUIVALENTS, end of year	\$ 937,483	\$ 680,891
Reconciliation of net loss from operations		
to net cash provided (used) by operating activities:		
Net loss from operations	\$ (147,108)	\$ (292,412)
Adjustments to reconcile net loss from operations		
to net cash provided (used) by operating activities:		
Depreciation expense	134,374	131,262
Change in assets and liabilities:		
Notes, loans and accounts receivable, net	(327,943)	(11,745)
Inventories and other assets	(5,800)	(4,472)
Accounts payable and accrued liabilities	22,358	26,255
Unearned revenue	230,882	(4,510)
Long-term liabilities	13,959	5,420
Deferred inflows of resources	91,016	-
Net cash provided (used) by operating activities	\$ 11,738	\$ (150,202)

See notes to financial statements.

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
NOTES TO FINANCIAL STATEMENTS

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The University of Kentucky (the University) is a component unit of the Commonwealth of Kentucky (the Commonwealth) and is included in the basic financial statements of the Commonwealth. The financial statements of the University include the operations of the University and its affiliated non-profit corporations (entities for which the University is financially accountable as defined by Statement No. 14 and amended by Statements No. 39 and No. 61 of the Governmental Accounting Standards Board (GASB), and which meet the definition of an affiliated corporation under Kentucky Revised Statutes (KRS) section 164A.550) as follows: the University of Kentucky Research Foundation and its for-profit subsidiaries (Kentucky Technology, Inc. and Coldstream Laboratories, Inc.); The Fund for Advancement of Education and Research in the University of Kentucky Medical Center (The Fund); University of Kentucky Gluck Equine Research Foundation, Inc.; University of Kentucky Humanities Foundation, Inc.; University of Kentucky Mining Engineering Foundation, Inc.; University of Kentucky Center on Aging Foundation, Inc.; and Central Kentucky Management Services, Inc. The affiliates are presented as blended component units since University management has operational responsibility for each affiliated corporation. The financial statements also include the operations of Kentucky Medical Services Foundation, Inc. (KMSF) a non-profit entity for which the University is financially accountable as defined by GASB, but which is not an affiliated corporation under KRS. KMSF is included within the University reporting entity as a blended component unit as KMSF provides its services entirely to the University. The financial statements also include the operations of organizational units of the University: the UK HealthCare Hospital System (the System), the Department of Intercollegiate Athletics (Athletics), the Kentucky Tobacco Research and Development Center (KTRDC), and WUKY Radio. The separate financial statements for the above entities can be found at: www.uky.edu/evpfa/controller/finst.

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the GASB. GASB establishes standards for external financial reporting for public colleges and universities and requires that resources be classified for accounting and financial reporting purposes into the following net position categories:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.
- Restricted: *Nonexpendable* – Net position subject to externally imposed stipulations that they be maintained permanently by the University. Such assets include the principal of the University's permanent endowment funds.

Expendable – Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time.

- Unrestricted: Net position whose use by the University is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees (the board) or may otherwise be limited by contractual agreements with outside parties.

The financial statement presentation is intended to provide a comprehensive, entity-wide perspective of the University's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position and cash flows.

Summary of Significant Accounting Policies

Accrual Basis. The financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. The University reports as a Business Type Activity (BTA) as defined by GASB Statement No. 35. BTAs are those activities that are financed in whole or part by fees charged to external parties for goods and services.

Cash and Cash Equivalents. The University considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Noncurrent cash and cash equivalents include plant funds allocated for capital projects, debt service reserves and endowment fund cash pending transfer to the custodian for investment. Cash and cash equivalents held by bond trustees and the University's endowment fund managers are included in investments.

Notes, Loans and Accounts Receivable. This classification consists of tuition and fee charges to students; charges for auxiliary enterprise services provided to students, faculty and staff; and loans to students. Also included are patient accounts receivable, amounts due from sponsors for reimbursement of expenses made pursuant to contracts and grants, amounts due under multimedia rights contract and service concession arrangements, and pledges that are verifiable, measurable and expected to be collected. Accounts receivable are recorded net of estimated uncollectible amounts based upon a review of outstanding receivables, historical collection information, and existing economic conditions.

Inventories. Inventories are stated principally at the lower of average cost or market.

Pooled Endowment Funds. All endowments are managed in a consolidated investment pool, which consists of more than 2,000 named funds. All contributing endowments participate in the income and appreciation of the pool on a per unit basis commensurate with their contribution to the pool. New endowments purchase units in the pool at the current unit value, which is calculated each month based on the fair value of the pool investments divided by the number of pool units outstanding. The market value method of accounting for pooled endowment funds is employed to ensure proper distribution of market price changes, realized gains (losses) on sales, accrued income earned, and distribution of investment earnings for expenditure by participating funds.

In accordance with the Kentucky Uniform Prudent Management of Institutional Funds Act (UPMIFA), as adopted by the Commonwealth in July 2010, the University employs a total return method for establishing investment objectives and spending policies designed to achieve financial equilibrium for endowment funds over the long term. The University makes expenditure decisions in accordance with UPMIFA and donor gift agreements. UPMIFA prescribes guidelines for expenditure of a donor-restricted endowment fund (in the absence of overriding, explicit donor stipulations) and focuses on the entirety of a donor-restricted endowment fund, that is, both the original gift amount(s) and net appreciation. In accordance with the standard of prudence prescribed by UPMIFA and consistent with industry standards, the University has adopted a spending policy with the long-term objective to maintain the purchasing power of each endowment and provide a predictable and sustainable level of income to support current operations.

Effective for fiscal year 2015 and thereafter, the University established a "hybrid" spending policy, which includes both the market value of the endowment and the current level of inflation in determining spending each year. Annual spending is calculated by taking a weighted average comprising 60% of the prior year's spending, adjusted for inflation, and 40% of the amount that results when the target annual spending rate of four percent is applied to the average market value of the endowment over the preceding 36 months. The spending amount determined by the formula is constrained so that the calculated rate is at least three percent, and not more than six percent, of the current endowment market value. For fiscal year 2014, spending was based on four percent of the average endowment market value for the preceding 60 months.

The University also utilizes an endowment management fee to support internal management and fundraising costs related to the endowment. For the years ended June 30, 2015 and 2014, the University's annual endowment management fee was 0.25%.

To protect endowment funds from permanent impairment of value, spending and management fee withdrawals are suspended on endowments with a market value less than the contributed value by more than 20%. Additionally, endowments with a market value less than the contributed value by more than 10% undergo a formal review to determine the appropriate level of spending in accordance with various factors set forth in UPMIFA. All donor restrictions and stipulations prevail in decisions regarding preservation and spending of endowment funds.

The components of the University's spending policy distribution and management fee for the years ended June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Gross spending policy distribution	\$ 38,340	\$ 36,381
Reinvested spending policy distribution	(17,903)	(16,640)
Net spending policy distribution	\$ 20,437	\$ 19,741
Management fee	\$ 2,718	\$ 2,525

Investments. Investments in marketable debt and equity securities are carried at fair value, as determined by the major securities markets. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses and Changes in Net Position. Other investments, including guaranteed investment contracts, repurchase agreements and certificates of deposit are valued at face value and are fully collateralized.

The University's financial statements include alternative investments, such as limited partnerships, that are not publicly traded. Certain of these alternative investments are carried at their estimated fair values as of March 31, 2015 and 2014, as adjusted by cash receipts, cash disbursements, and securities distributions through June 30, 2015 and 2014, at a total estimated fair value of \$211.4 million and \$154.1 million, respectively. Other alternative investments are carried at estimated fair values as of December 31, 2014 and 2013, at a total estimated value of \$950,000 and \$1.3 million, respectively. In addition, the University also has alternative investments in investment funds that are not themselves publicly traded and thus do not have publicly reported market values, but whose underlying assets consist of publicly traded investments for which fair values are established by the major securities markets. Such alternative investments are carried at fair value of approximately \$484.6 million and \$492.9 million at June 30, 2015 and 2014, respectively. The University believes that the total carrying amount of its alternative investments valued at \$747.9 million and \$695.6 million at June 30, 2015 and 2014, respectively, is a reasonable estimate of fair value. The University's outstanding commitment to alternative investments is approximately \$195.4 million and \$122.5 million as of June 30, 2015 and 2014, respectively.

Capital Assets. Capital assets are stated at cost at date of acquisition or, in the case of gifts, at fair market value at date of gift.

The University capitalizes interest costs as a component of construction in progress based on the interest cost of borrowing specifically for a currently active project, net of interest earned on investments acquired with the proceeds of the borrowing. The University also capitalizes interest costs as a component of construction in progress on projects funded by unrestricted funds based on the interest costs of borrowings no longer associated with a specific project. The calculation is based on a project's average expenditures times the weighted average interest rate on borrowings.

Equipment with a unit cost of \$2,000 or more (\$1,000 for computers) and having an estimated useful life of greater than one year is capitalized. Institutional software costing more than \$400,000 is capitalized. Renovations to buildings, infrastructure and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred.

Depreciation of capital assets is computed on a straight-line basis over the estimated useful lives of the respective assets, generally 75 years for new student housing buildings, 40 years for other buildings, 10 – 25 years for land improvements, building improvements and infrastructure, 10 years for library books and capitalized software, and 5 – 20 years for equipment and vehicles.

The University capitalizes, but does not depreciate, works of art, historical treasures and certain library materials that are held for exhibition, education, research and public service.

Deferred Outflows of Resources. A deferred outflow of resources is a loss in net position by the University that is applicable to a future reporting period. Deferred outflows of resources are reported in the statement of net position, but are not recognized in the financial statements as expense until in the related period. Deferred outflows of resources of \$13.8 million as of June 30, 2015, consisted of unamortized difference between the reacquisition price and net carrying amount of the refunded debt.

Unearned Revenue. Unearned revenue consists primarily of amounts received from grant and contract sponsors that have not yet been earned under the terms of the agreement. Unearned revenue also includes amounts received from multimedia rights pursuant to contract agreement and amounts received in advance of an event, such as advance athletic ticket sales relating to future fiscal years and unearned summer school revenue. Unearned revenue is recognized in the period to which the grant, event or semester relates.

Compensated Absences. The amount of vacation leave earned but not taken by employees at June 30, 2015 is recorded as a liability by the University. Temporary disability leave payable upon termination under the University's payout policy is also recorded as a liability. Compensated absence liabilities are computed using the pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as Social Security and Medicare taxes computed using rates in effect at that date.

Deferred Inflows of Resources. A deferred inflow of resources is a gain in net position by the University that is applicable to a future reporting period. Deferred inflows of resources are reported in the statement of net position but are not recognized in the financial statements as revenue until in the related period.

Scholarship Allowances. Student tuition and fees are presented net of scholarship allowances applied to student accounts. Stipends and other payments made directly to students are presented as student financial aid expenses. Scholarship allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants and other federal and state programs similar to Pell, are recorded as nonoperating revenues; other governmental and nongovernmental grants are recorded as operating revenues in the University's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance.

Hospital and Clinical Services Revenues. Hospital and clinical services revenues are reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including contractual allowances and estimated retroactive adjustments under reimbursement programs with third-party payers, less a provision for doubtful accounts. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. Inpatient skilled nursing services are paid at prospectively determined per diem rates that are based on the patients' acuity. Certain inpatient nonacute services and defined medical education costs are paid based on a cost reimbursement methodology. The System is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicare fiscal intermediary.

Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology for certain services and at prospectively determined rates for all other services.

The System is reimbursed for cost reimbursable services at tentative rates with final settlement determined after submission of annual cost reports by the System and audits thereof by the Medicaid fiscal intermediary. Revenue from the Medicare and Medicaid programs accounted for approximately 28% and 27%, respectively, of the System's net patient services revenues before the provision for doubtful accounts for the year ended June 30, 2015 and approximately 25% and 24%, respectively for the year ended June 30, 2014. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

The System also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the System under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

The System provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Since the System does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

Electronic Health Records Incentive Program. The Electronic Health Records Incentive Program, enacted as part of the American Recovery and Reinvestment Act of 2009, provides for incentive payments under both the Medicare and Medicaid programs to eligible physicians, dentists and hospitals that demonstrate meaningful use of certified electronic health records technology. Payments under the Medicare program are generally made for up to four years based on a statutory formula. Payments under the Medicaid program are generally made for up to four years based upon a statutory formula, as determined by the state, which is approved by the Centers for Medicare and Medicaid Services. Payment under both programs is contingent on the System, The Fund and KMSF continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

The System recognizes revenue when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period.

In fiscal year 2015, the System was in the fourth year under the Medicare programs and recorded \$1.1 million, which is included in hospital services revenue within operating revenues in the Statement of Revenues, Expenses, and Changes in Net Position. In fiscal year 2014, the System was in the third year of the programs and recorded \$1.7 million.

In fiscal year 2015, the System received no revenue under the Medicaid program as their program ended in fiscal year 2014. In fiscal year 2014, the System recorded \$564,000 in hospital services revenue.

In addition, during the years ended June 30, 2015 and 2014, KMSF applied for and received \$366,000 and \$269,000, respectively, in Medicaid health information technology (HIT) funds and \$1.3 million and \$1.0 million, respectively, in Medicare HIT funds, which is included in professional clinical service fees in the Statement of Revenues, Expenses and changes in Net Position.

In fiscal year 2015, The Fund completed the first-year requirements under the Medicaid program and recorded \$298,000 in state and local grants and contracts within operating revenues in the Statement of Revenues, Expenses and Changes in Net Position.

Income Taxes. The University is an agency and instrumentality of the Commonwealth, pursuant to Kentucky Revised Statutes sections 164.100 through 164.280. Accordingly, the University is excluded from federal income taxes as an organization described in Section 115 of the Internal Revenue Code of 1986, as amended. Each of the University's affiliated non-profit organizations has received a determination from the Internal Revenue Service granting exemption from federal income taxation pursuant to the provisions of Internal Revenue Code section 501(c)(3). KMSF is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code.

Restricted Asset Spending Policy. The University's policy is that restrictions on assets cannot be fulfilled by the expenditure of unrestricted funds for similar purposes. The determination on whether restricted or unrestricted funds are expended for a particular purpose is made on a case-by-case basis. Restricted funds remain restricted until spent for the intended purpose.

Operating Activities. The University defines operating activities, as reported on the Statement of Revenues, Expenses and Changes in Net Position, as those that generally result from exchange transactions, such as payments received for providing goods and services and payments made for goods and services received. Nearly all of the University's expenses are from exchange transactions. Certain significant revenues relied upon for operations, such as state appropriations, gifts and investment income, are recorded as nonoperating revenues in accordance with GASB Statement No. 35.

The University has classified operating expenses based upon their functional classifications. Operating expenses by natural classification are presented in Note 24. During fiscal years 2015 and 2014, departmental research in nonsponsored accounts of approximately \$61.6 million and \$67.7 million, respectively, was recorded as research expense in the Statements of Revenues, Expenses and Changes in Net Position.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to use estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The accompanying financial statements include estimates for items such as bad debt and contractual allowances, estimated third-party payer settlements, self-insurance reserves, accrued expenses and other liability accounts.

Recent Accounting Pronouncements. As of June 30, 2015, the GASB has issued the following applicable statements to the University but not yet implemented.

- GASB Statement No. 72, *Fair Value Measurement and Application*, issued February 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2015. This statement requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. The University is currently evaluating the effect Statement No. 72 will have on its financial statements.
- GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68*, issued June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This statement establishes requirements for defined contribution pensions plans not administered through trusts that meet certain criteria. The University has certain employees who were age 40 or older prior to the establishment of each group retirement plan that qualify for minimum annual retirement benefits. (see note 17) The University is currently evaluating the effect statement No. 73 will have on its financial statements.
- GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. This statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. This statement addresses employers whose employees are provided defined contribution OPEB. The University is working with an actuary to determine the impact of the pronouncement. Although specific amounts are not yet known, this is expected to result in a significant liability for the unfunded portion being recorded on the University's financial statements.
- GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles (GAAP) for State and Local Governments*, issued June 2015. The provisions of this Statement are effective for fiscal years beginning after June 15, 2015. This statement supersedes Statement No. 55 and raises the category of GASB Implementation Guides in the GAAP hierarchy. The University is currently evaluating the effect Statement No. 76 will have on its financial statements.

Reclassifications. Certain reclassifications have been made to the fiscal year 2014 financial statements to conform to the fiscal year 2015 financial statement presentation. These reclassifications had no effect on change in net position.

2. DEPOSITS AND INVESTMENTS

The fair value of deposits and investments, by type, at June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Cash and cash equivalents	\$ 213,775	\$ 109,551
Certificates of deposit	36,729	26,715
Common and preferred stocks	51,026	63,668
Corporate fixed income securities	60,817	56,742
Deposits with banks and the Commonwealth of Kentucky	81,871	111,619
Government agency fixed income securities	91,926	69,423
Guaranteed investment contracts	3,786	2,726
Other	148	152
Pooled absolute return funds	122,347	140,497
Pooled equity funds	332,258	353,946
Pooled fixed income funds	821,949	615,555
Pooled global tactical allocation funds	88,047	91,544
Pooled long/short equity funds	173,669	145,705
Pooled private equity funds	157,977	120,515
Pooled real estate funds	105,708	81,454
Pooled diversified inflation strategy funds	101,210	115,915
Repurchase agreements	487	39,998
State and municipal fixed income securities	12,967	13,258
U.S. Treasury fixed income securities	9,046	11,694
Total	\$ 2,465,743	\$ 2,170,677

	2015	2014
Statement of Net Position classification		
Current cash and cash equivalents	\$ 621,961	\$ 387,863
Current investments	21,702	26,452
Restricted cash and cash equivalents	315,522	293,028
Endowment investments	1,231,557	1,215,226
Other long-term investments	275,001	248,108
Total	\$ 2,465,743	\$ 2,170,677

Alternative investments totaling approximately \$747.9 million and \$695.6 million as of June 30, 2015 and 2014, respectively, are included within pooled absolute return funds, pooled global tactical allocation funds, pooled long/short equity funds, pooled private equity funds, pooled real estate funds, and pooled diversified inflation strategy funds in the summary schedule of investments above (refer to Note 1, Summary of Significant Accounting Policies, regarding valuation of alternative investments).

Deposit and Investment Policies. The Board is responsible for establishing deposit and investment policies. Once established, the Board has delegated day-to-day management to the Treasurer of the University. Deposit and investment policies are developed to ensure compliance with state laws and regulations as well as to establish and maintain sound financial management practices.

The University follows Kentucky Revised Statute KRS 42.500 for the investment of public funds, which lists allowable investment instruments including: obligations of the United States or a United States government agency; obligations of any corporation of the United States government or government-sponsored enterprise; various highly rated fixed income securities including collateralized and uncollateralized certificates of deposit, bankers acceptances, commercial paper, state or local government securities, United States denominated

corporate, Yankee and Eurozone securities and asset-backed securities; highly rated mutual funds comprised of any of the above allowable investments; and state and local property tax certificates of delinquency secured by interests in real property.

For purposes of investment management, the majority of the University's deposits and investments can be grouped into five significant categories, as follows:

- Overnight investments include deposits, money market funds and repurchase agreements with local banks, the Commonwealth and other financial institutions.
- Bond revenue fund investments held by the Treasurer of the Commonwealth as required by the University's bond trust indentures and invested in pooled fixed income funds managed by the Commonwealth.
- Short-term and intermediate-term investments:
 - managed by the University, including individual securities purchased and held by the University,
 - managed by the Commonwealth in pooled fixed income funds, and
 - managed by an external manager in a low duration strategy.
- Debt service sinking fund investments required by the University's bond trust indentures and held by the bond trustees.
- Endowment investments administered by the University and managed using external investment managers.

The Treasurer manages overnight, short-term and intermediate-term investments based on the Operating Fund Investment Policy. The University's policy for the investment of bond revenue and debt service reserve funds is governed by each respective bond's trust indenture. The Investment Committee of the Board establishes and maintains the University's Endowment Investment Policy.

Deposit and Investment Risks. The University's deposits and investments are exposed to various risks, including credit, interest rate and foreign currency risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could affect the investment amounts in the Statements of Net Position.

Credit Risk. Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation, causing the University to experience a loss of principal.

As a means of limiting its exposure to losses arising from credit risk, the University's investment policies limit the exposure of its various investment types as follows:

- Overnight investment (deposits, money market funds and repurchase agreements) policies minimize credit risk in several ways. Deposits are governed by state law which requires full collateralization for balances exceeding amounts covered by the Federal Deposit Insurance Corporation (FDIC). The University's deposits are insured up to \$250,000 at each FDIC insured institution. Credit risk on deposits in excess of FDIC coverage and on repurchase agreements with local banks is mitigated by the issuing financial institution's pledge of specific U.S. Treasury or agency securities, held in the name of the University by the Federal Reserve Bank. Credit risk on repurchase agreements with the Commonwealth is mitigated by the Commonwealth's requirement that providers of overnight repurchase agreements collateralize these investments at 102% of face value with U.S. Treasury or agency securities, pledged in the name of the Commonwealth. Money market fund portfolios consist of securities eligible for short-term investments.
- Bond revenue fund investments held in the Commonwealth's investment pools can invest in U.S. Treasury and agency securities; commercial paper, asset-backed securities or qualified mutual funds rated in the highest category by a nationally recognized statistical rating organization; certificates of deposit, bankers acceptances, state or local government securities and corporate, Yankee and Eurodollar securities rated in one of the three highest categories by a nationally recognized statistical rating organization; and state and local property tax certificates of delinquency secured by interests in real property.

- Short-term and intermediate-term investments managed by the University and those held in the Commonwealth's investment pools are subject to the same credit quality restrictions as denoted above for bond revenue fund investments. The investment guidelines for the low duration strategy managed by an external manager require that a minimum of 85% of the portfolio holdings are investment grade and a minimum A- portfolio average quality is maintained, with no single credit industry exceeding 15% of the portfolio.
- Investment securities held in bond debt service reserve funds may be invested and reinvested solely in bonds or interest bearing notes of the United States government.
- Endowment managers are permitted to use derivative instruments to limit credit risk.

At June 30, 2015, and 2014, respectively, the credit quality of the University's fixed income investments is summarized below (in thousands):

2015										
S&P/Moody's Credit Ratings										
	AAA/Aaa	AA/Aa	A	BBB/ Baa	BB/Ba	B	Below B	Not rated	Rating Not Applicable	Total
Cash and cash equivalents	\$ 200,080	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,695	\$ -	\$ 213,775
Certificates of deposit	-	-	-	-	-	-	-	36,729	-	36,729
Corporate fixed income	8,088	3,148	19,277	21,859	5,604	2,075	375	391	-	60,817
Government agency fixed income	10	90,858	-	195	863	-	-	-	-	91,926
Guaranteed investment contracts	-	159	-	-	-	-	-	3,627	-	3,786
Pooled fixed income	-	1,175	-	-	-	-	-	820,774	-	821,949
Repurchase agreements	-	-	-	-	-	-	-	487	-	487
State and municipal fixed income	1,834	11,133	-	-	-	-	-	-	-	12,967
U.S. Treasury fixed income	-	-	-	-	-	-	-	-	9,046	9,046
Total	\$ 210,012	\$ 106,473	\$ 19,277	\$ 22,054	\$ 6,467	\$ 2,075	\$ 375	\$ 875,703	\$ 9,046	\$ 1,251,482

2014										
S&P/Moody's Credit Ratings										
	AAA/Aaa	AA/Aa	A	BBB/ Baa	BB/Ba	B	Below B	Not rated	Rating Not Applicable	Total
Cash and cash equivalents	\$ 73,674	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,877	\$ -	\$ 109,551
Certificates of deposit	-	-	-	-	-	-	-	26,715	-	26,715
Corporate fixed income	6,005	2,471	15,569	23,844	5,607	2,355	496	395	-	56,742
Government agency fixed income	-	68,690	-	733	-	-	-	-	-	69,423
Guaranteed investment contracts	-	121	-	-	-	-	-	2,605	-	2,726
Pooled fixed income	-	-	-	-	-	-	-	615,555	-	615,555
Repurchase agreements	-	-	-	-	-	-	-	39,998	-	39,998
State and municipal fixed income	1,840	2,600	8,818	-	-	-	-	-	-	13,258
U.S. Treasury fixed income	-	-	-	-	-	-	-	-	11,694	11,694
Total	\$ 81,519	\$ 73,882	\$ 24,387	\$ 24,577	\$ 5,607	\$ 2,355	\$ 496	\$ 721,145	\$ 11,694	\$ 945,662

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investment or collateral securities that are in possession of an outside party.

As a means of limiting its exposure to losses arising from custodial credit risk, the University's investment policies limit the exposure of its various investment types as follows:

- Overnight investments (deposits, money market funds and repurchase agreements) are not exposed to custodial credit risk other than repurchase agreements with the Commonwealth, which are held in the Commonwealth's name. Deposits and money market investments are held in the University's name by various financial institutions.
- Bond revenue fund investments held in the Commonwealth's investment pools are held in the Commonwealth's name by the Commonwealth's custodian.
- Short-term and intermediate-term investments held by the Commonwealth for the benefit of the University are invested in the Commonwealth's investment pools and are held in the name of the Commonwealth by the Commonwealth's custodian. Short-term and intermediate-term investments managed by the University are held in the University's name in a safekeeping account. The low duration strategy investments managed by an external manager are held in the University's name by the University's custodian.
- Investment securities held in bond debt service sinking funds are held by the respective bond trustee in a specific trust account for the benefit of the University and bondholders.
- Endowment investments are held in the University's name by the University's custodian.

At June 30, 2015 and 2014, respectively, the following University deposit and investment balances held in the name of the Commonwealth, included in the above significant investment types, were exposed to custodial credit risk as follows (in thousands):

	2015				
	Overnight Investments	Bond Revenue Investments	Short-term Investments	Other State Investments	Total
Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the University's name	\$ -	\$ -	\$ -	\$ -	\$ -
Uninsured, not registered in the name of the University and held by the counterparty but not in the University's name	-	643,430	60,000	25,536	728,966
Total	<u>\$ -</u>	<u>\$ 643,430</u>	<u>\$ 60,000</u>	<u>\$ 25,536</u>	<u>\$ 728,966</u>

	2014				
	Overnight Investments	Bond Revenue Investments	Short-term Investments	Other State Investments	Total
Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the University's name	\$ 42,000	\$ -	\$ -	\$ -	\$ 42,000
Uninsured, not registered in the name of the University and held by the counterparty but not in the University's name	-	435,360	60,000	25,885	521,245
Total	<u>\$ 42,000</u>	<u>\$ 435,360</u>	<u>\$ 60,000</u>	<u>\$ 25,885</u>	<u>\$ 563,245</u>

Concentrations of Credit Risk. University investments can be exposed to a concentration of credit risk if significant amounts are invested in any one issuer.

As a means of limiting its exposure to concentrations of credit risk, the University's investment policies limit concentrations in various investment types as follows:

- Overnight investments (deposits, money market funds and repurchase agreements) are not limited to a maximum amount that may be invested in one issuer. However, all such deposits in excess of federal deposit insurance are required to be fully collateralized by U.S. Treasury and/or U.S. agency securities or other similar investments as provided by KRS 41.240.
- Bond revenue fund investments held in the Commonwealth's investment pools are limited as follows: U.S. dollar denominated corporate and Yankee securities issued by foreign and domestic issuers shall not exceed 35% of an individual pool and \$25.0 million per issuer, inclusive of commercial paper, bankers acceptances and certificates of deposit per individual pool; and U.S. dollar denominated sovereign debt shall not exceed five percent of any individual portfolio and \$25.0 million per issuer.
- Short-term and intermediate-term investments managed by the University and those held in the Commonwealth's investment pools are subject to the same credit concentration restrictions as denoted above for the bond revenue fund investments. Investments in the low duration strategy managed by an external manager are limited such that no single credit industry shall exceed 15% of the portfolio at purchase.
- There is no specific limit on the maximum amount of investment securities held in bond debt service sinking funds that may be invested in one issuer. However, such investments are limited to bonds or interest bearing notes of the U.S. government.
- Endowment fixed income managers are limited to a maximum investment in any one issuer of no more than five percent of total investments excluding sovereign debt of governments belonging in the Organization for Economic Cooperation and Development and U.S. agencies.

At June 30, 2015 and 2014, the University had no investments in any one issuer, other than U.S. Treasury and/or agency securities, that represented five percent or more of total investments.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

As a means of limiting its exposure to fair value losses arising from increasing interest rates, the University's investment policies limit the maturity of its various investment types as follows:

- Overnight investments (deposits, money market funds and repurchase agreements) have limited exposure to interest rate risk due to the short-term nature of the investment. The University requires that all deposits and repurchase agreements be available for use on the next business day.
- Bond revenue fund investments and short-term investments held in the Commonwealth's short-term investment pool are limited to an average maturity that does not exceed 90 days. Such investments in the Commonwealth's intermediate-term investment pool must maintain an effective duration of less than three years.
- Short-term and intermediate-term investments managed by the University are generally limited to a maximum maturity of 24 months and those held in the Commonwealth's investment pools are subject to the same maturity and duration limits as denoted above for bond revenue fund investments. The portfolio duration of the low duration strategy investment managed by an external manager must be within a range of +/- 0.5 years of the Barclays Capital U.S. Government/Credit 1-5 Year Index.
- Investment securities held in bond debt service sinking funds are required to have a maturity no later than two years from the date of the investment.
- Endowment managers are permitted to use derivative instruments to limit interest rate risk. Additionally, endowment investments held by core-plus fixed income managers are limited to a duration that is within two years of the duration of the Barclays Capital U.S. Aggregate Bond Index and unconstrained fixed income strategies have been implemented to further protect against rising interest rates.

For June 30, 2015, below is the maturity distribution of the University's fixed income investments (in thousands):

<u>Investment Type</u>	2015						<u>Total</u>
	<u>Maturities in Years</u>					Managed based on duration	
	Less than 1	1-3	3-5	5-10	Greater than 10		
Cash and cash equivalents	\$ 213,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 213,775
Certificates of deposit	36,729	-	-	-	-	-	36,729
Corporate fixed income	2,410	21,178	17,349	7,009	4,822	8,049	60,817
Government agency fixed income	1,613	17,306	68,606	1,336	507	2,558	91,926
Guaranteed investment contracts	-	56	-	159	3,571	-	3,786
Pooled fixed income	-	-	-	-	-	821,949	821,949
Repurchase agreements	487	-	-	-	-	-	487
State and municipal fixed income	5,116	7,271	580	-	-	-	12,967
U.S. Treasury fixed income	-	54	47	-	-	8,945	9,046
Total	<u>\$ 260,130</u>	<u>\$ 45,865</u>	<u>\$ 86,582</u>	<u>\$ 8,504</u>	<u>\$ 8,900</u>	<u>\$ 841,501</u>	<u>\$ 1,251,482</u>

For June 30, 2014, below is the maturity distribution of the University's fixed income investments (in thousands):

<u>Investment Type</u>	2014						<u>Total</u>
	<u>Maturities in Years</u>					Managed based on duration	
	Less than 1	1-3	3-5	5-10	Greater than 10		
Cash and cash equivalents	\$ 109,551	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,551
Certificates of deposit	26,715	-	-	-	-	-	26,715
Corporate fixed income	2,305	12,305	19,004	7,592	9,395	6,141	56,742
Government agency fixed income	-	-	59,584	7,205	-	2,634	69,423
Guaranteed investment contracts	-	-	102	120	2,504	-	2,726
Pooled fixed income	-	-	-	-	-	615,555	615,555
Repurchase agreements	39,998	-	-	-	-	-	39,998
State and municipal fixed income	250	10,496	2,512	-	-	-	13,258
U.S. Treasury fixed income	10	29	47	23	-	11,585	11,694
Total	<u>\$ 178,829</u>	<u>\$ 22,830</u>	<u>\$ 81,249</u>	<u>\$ 14,940</u>	<u>\$ 11,899</u>	<u>\$ 635,915</u>	<u>\$ 945,662</u>

At June 30, 2015 and 2014, the University had the following investments managed based on duration (in thousands):

<u>Investment Type</u>	<u>2015</u>		<u>2014</u>	
	<u>Fair Value</u>	<u>Modified Duration (Years)</u>	<u>Fair Value</u>	<u>Modified Duration (Years)</u>
Corporate fixed income	\$ 8,049	0.7	\$ 6,141	0.4
Government agency fixed income	2,558	0.4	2,634	0.5
Pooled fixed income				
Commonwealth of Kentucky intermediate pool	110,494	1.1	60,028	1.3
Commonwealth of Kentucky limited pool	618,471	0.1	461,218	0.1
Kentucky Technology, Inc.	57	2.3	52	2.2
KMSF	1,776	2.9	1,860	3.6
Other endowment investments	2,149	5.8	2,283	5.4
Pooled endowment fund	89,002	1.6	90,114	0.6
U.S. Treasury fixed income	8,945	3.2	11,585	2.5
Total	<u>\$ 841,501</u>		<u>\$ 635,915</u>	

Foreign Currency Risk. Foreign currency risk is the risk that fluctuations in exchange rates will adversely affect the fair value of an investment or deposit.

The University's exposure to foreign currency risk derives from certain endowment investments. The University's endowment investment policy allows fixed income managers to invest a portion of their portfolios in non-U.S. securities. Additionally, the investment policy allows various pooled fund managers to invest in accordance with the guidelines established in each individual fund's prospectus, which allows for investment in non-U.S. securities. Endowment managers are permitted to use derivative instruments to limit foreign currency risk.

As of June 30, 2015 and 2014, the following endowment investments were subject to foreign currency risk (in thousands):

	<u>Fair Value</u>	
	<u>2015</u>	<u>2014</u>
Common stock	\$ 38,289	\$ 51,320
Pooled private equity funds	6,971	8,712
Pooled real estate funds	5,174	-
Cash equivalents	720	372
Total	<u>\$ 51,154</u>	<u>\$ 60,404</u>

3. NOTES, LOANS AND ACCOUNTS RECEIVABLE, NET

Notes, loans and accounts receivable as of June 30, 2015 and 2014 are as follows (in thousands):

	2015		
	Gross Receivable	Allowance	Net Receivable
Accrued interest receivable	\$ 1,885	\$ -	\$ 1,885
Dentistry patient accounts	2,766	(696)	2,070
Hospital patient accounts	176,436	(40,923)	135,513
KMSF patient accounts	32,421	(4,003)	28,418
Multimedia rights receivable	210,000	-	210,000
Pledges receivable	78,537	(26,650)	51,887
Reimbursement receivable - federal appropriations	1,604	-	1,604
Reimbursement receivable - grants and contracts	32,793	(400)	32,393
Service concession arrangements	98,832	-	98,832
Student loans	29,747	(3,103)	26,644
Student receivables	28,189	(16,328)	11,861
Other	30,622	-	30,622
Total	<u>\$ 723,832</u>	<u>\$ (92,103)</u>	<u>\$ 631,729</u>
Current portion			\$ 292,776
Noncurrent portion			<u>338,953</u>
Total			<u>\$ 631,729</u>

	2014		
	Gross Receivable	Allowance	Net Receivable
Accrued interest receivable	\$ 2,807	\$ -	\$ 2,807
Dentistry patient accounts	2,584	(690)	1,894
Hospital patient accounts	146,604	(26,042)	120,562
Hospital third-party payer settlements	6,490	-	6,490
KMSF patient accounts	29,317	(6,365)	22,952
Pledges receivable	76,279	(28,316)	47,963
Reimbursement receivable - federal appropriations	2,699	-	2,699
Reimbursement receivable - grants and contracts	31,663	(575)	31,088
Student loans	29,701	(2,854)	26,847
Student receivables	22,934	(13,256)	9,678
Other	26,520	-	26,520
Total	<u>\$ 377,598</u>	<u>\$ (78,098)</u>	<u>\$ 299,500</u>
Current portion			\$ 240,088
Noncurrent portion			<u>59,412</u>
Total			<u>\$ 299,500</u>

4. CAPITAL ASSETS, NET

Capital assets as of June 30, 2015 and capital asset activity for the year ended June 30, 2015 are summarized below (in thousands):

	June 30, 2014	Additions	Deletions	June 30, 2015
Land	\$ 72,394	\$ 953	\$ -	\$ 73,347
Land improvements - nonexhaustible	42,643	3,583	-	46,226
Land improvements - exhaustible	70,231	4,048	-	74,279
Buildings	2,209,332	247,090	24,873	2,431,549
Fixed equipment - communications	96,579	4,253	216	100,616
Infrastructure	95,385	4,619	48	99,956
Equipment	571,221	59,158	51,250	579,129
Vehicles	21,400	1,750	1,247	21,903
Library materials	144,330	2,565	962	145,933
Nondepreciable library materials	6,651	-	-	6,651
Capitalized software	142,580	13,486	151	155,915
Art	11,459	327	-	11,786
Certificate of need license	11,609	-	-	11,609
Construction in progress	91,637	213,434	38,180	266,891
	<u>3,587,451</u>	<u>555,266</u>	<u>116,927</u>	<u>4,025,790</u>
<u>Accumulated Depreciation</u>				
Land improvements - exhaustible	55,278	2,741	-	58,019
Buildings	822,366	59,489	15,860	865,995
Fixed equipment - communications	59,347	6,276	191	65,432
Infrastructure	33,001	3,631	17	36,615
Equipment	408,068	45,707	36,025	417,750
Vehicles	18,252	1,461	1,157	18,556
Library materials	134,477	2,706	-	137,183
Capitalized software	77,258	12,363	21	89,600
	<u>1,608,047</u>	<u>134,374</u>	<u>53,271</u>	<u>1,689,150</u>
Capital assets, net	<u>\$ 1,979,404</u>	<u>\$ 420,892</u>	<u>\$ 63,656</u>	<u>\$ 2,336,640</u>

Capital assets as of June 30, 2014 and capital asset activity for the year ended June 30, 2014 are summarized below (in thousands):

	June 30, 2013	Additions	Deletions	June 30, 2014
Land	\$ 71,480	\$ 914	\$ -	\$ 72,394
Land improvements - nonexhaustible	40,492	2,151	-	42,643
Land improvements - exhaustible	68,472	1,788	29	70,231
Buildings	2,184,296	36,216	11,180	2,209,332
Fixed equipment - communications	90,775	5,862	58	96,579
Infrastructure	93,561	1,915	91	95,385
Equipment	553,165	46,676	28,620	571,221
Vehicles	20,684	1,344	628	21,400
Library materials	142,576	2,212	458	144,330
Nondepreciable library materials	6,618	33	-	6,651
Capitalized software	135,824	6,756	-	142,580
Art	11,148	311	-	11,459
Certificate of need license	11,609	-	-	11,609
Construction in progress	34,762	82,411	25,536	91,637
	<u>3,465,462</u>	<u>188,589</u>	<u>66,600</u>	<u>3,587,451</u>
<u>Accumulated Depreciation</u>				
Land improvements - exhaustible	52,709	2,595	26	55,278
Buildings	772,551	57,367	7,552	822,366
Fixed equipment - communications	53,382	6,023	58	59,347
Infrastructure	29,561	3,514	74	33,001
Equipment	387,387	45,289	24,608	408,068
Vehicles	17,383	1,497	628	18,252
Library materials	131,496	2,981	-	134,477
Capitalized software	65,262	11,996	-	77,258
	<u>1,509,731</u>	<u>131,262</u>	<u>32,946</u>	<u>1,608,047</u>
Capital assets, net	<u>\$ 1,955,731</u>	<u>\$ 57,327</u>	<u>\$ 33,654</u>	<u>\$ 1,979,404</u>

At June 30, 2015, the University had construction projects in progress totaling approximately \$845.9 million in scope. The estimated cost to complete these projects was approximately \$580.2 million. Such construction was principally financed by cash reserves, gifts and grants, and proceeds from the University's general receipts bonds.

Interest costs incurred during construction, net of related investment income, are capitalized. Total interest capitalized was \$8.0 million for 2015 and \$454,000 for 2014.

During fiscal years 2015 and 2014, the University utilized capital leases to acquire various items of equipment. As of June 30, 2015 and 2014, the net book value of land, buildings, equipment and software acquired through capital leases included in the above schedules totaled \$115.5 million and \$130.9 million, respectively.

During fiscal year 2015, five student housing buildings were demolished with an original cost of \$7.3 million and accumulated depreciation of \$7.0 million, for a total net book value written off of \$331,000.

During fiscal year 2014, five student housing buildings were demolished with an original cost of \$7.6 million and accumulated depreciation of \$6.8 million, for a total net book value written off of \$779,000. As of June 30, 2014, seven student housing buildings were scheduled for demolition in subsequent fiscal years and were recorded as impaired assets. A portion of the net book value of each building was written off with the remainder to be written off in the subsequent year. The total original cost of impaired assets was \$7.3 million with accumulated depreciation of \$6.5 million, and a total net book value written off in fiscal year 2014 of \$356,000.

Non-cash capital asset and related financing activities as of June 30, 2015 and 2014 are summarized below (in thousands):

	2015	2014
Capital lease additions	\$ 26,063	\$ 1,353
Gifts of capital assets	\$ 2,750	\$ 4,934
Capital asset additions in accounts payable	\$ 39,976	\$ 11,982
Capital asset additions by service concession arrangements	\$ 150,107	\$ -
Capitalized interest, net of investment income	\$ 8,037	\$ 454
Amortized bond discount and premium	\$ 7,719	\$ 2,667
Amortized difference between reacquisition price and net carrying amount of refunded debt	\$ 828	\$ -
Capital asset trade in	\$ 1,594	\$ 295

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities as of June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Payable to vendors and contractors	\$ 165,744	\$ 113,574
Accrued expenses, including vacation and sick leave	78,311	68,705
Employee withholdings and deposits payable to third parties	49,168	45,297
Total	<u>\$ 293,223</u>	<u>\$ 227,576</u>

6. UNEARNED REVENUE

Unearned revenues as of June 30, 2015 and 2014 are as follows (in thousands):

2015						
	June 30, 2014	Additions	Reductions	June 30, 2015	Current Portion	Non-current Portion
Unearned summer school revenue	\$ 8,934	\$ 9,259	\$ 9,091	\$ 9,102	\$ 9,102	\$ -
Unearned hospital revenue	7,545	94,403	73,241	28,707	28,707	-
Unearned grants and contracts revenue	23,140	59,967	57,140	25,967	25,967	-
Unearned multimedia rights revenue	-	210,000	2,916	207,084	14,001	193,083
Prepaid athletic ticket sales	12,636	14,557	13,662	13,531	13,531	-
Other	7,762	10,151	11,349	6,564	6,553	11
Total	<u>\$ 60,017</u>	<u>\$ 398,337</u>	<u>\$ 167,399</u>	<u>\$ 290,955</u>	<u>\$ 97,861</u>	<u>\$ 193,094</u>

2014						
	June 30, 2013	Additions	Reductions	June 30, 2014	Current Portion	Non-current Portion
Unearned summer school revenue	\$ 7,330	\$ 8,934	\$ 7,330	\$ 8,934	\$ 8,934	\$ -
Unearned hospital revenue	6,928	33,170	32,553	7,545	7,545	-
Unearned grants and contracts revenue	29,509	57,686	64,055	23,140	23,140	-
Prepaid athletic ticket sales	13,581	14,354	15,299	12,636	12,636	-
Other	7,204	23,661	23,103	7,762	7,762	-
Total	<u>\$ 64,552</u>	<u>\$ 137,805</u>	<u>\$ 142,340</u>	<u>\$ 60,017</u>	<u>\$ 60,017</u>	<u>\$ -</u>

A multimedia rights partnership was formed in July 2014 between the University and JMI Sports providing athletics and campus multimedia marketing rights in a 15 year, \$210.0 million agreement. Under the contract, the University will receive a guaranteed rights fee in each of the 15 years of the partnership, starting at \$9.1 million in fiscal year 2015-16 and increasing to \$16.0 million in fiscal year 2029-30. The agreement also included a \$29.4 million signing bonus to be paid over the first two years of the contract.

7. LONG-TERM LIABILITIES

Long-term liabilities as of June 30, 2015 and long-term liability activity for the year ended June 30, 2015 are summarized below (in thousands):

	June 30, 2014	Additions	Reductions	June 30, 2015	Current Portion	Non-current Portion
<u>Bonds, notes and capital leases</u>						
General receipts notes	\$ 265,180	\$ -	\$ 195,985	\$ 69,195	\$ 16,440	\$ 52,755
General receipts bonds	432,500	347,185	27,950	751,735	14,845	736,890
Educational buildings bonds	33,350	-	33,350	-	-	-
Capital leases and other						
long-term obligations	86,485	26,693	23,194	89,984	17,298	72,686
Notes payable	20,664	-	1,135	19,529	600	18,929
Total bonds, notes and capital leases	<u>838,179</u>	<u>373,878</u>	<u>281,614</u>	<u>930,443</u>	<u>49,183</u>	<u>881,260</u>
<u>Other liabilities</u>						
Annuities payable	5,701	653	2,552	3,802	565	3,237
Arbitrage rebate	27	-	27	-	-	-
Automobile and property self insurance	440	1,491	1,469	462	462	-
Compensated absences	7,634	-	334	7,300	721	6,579
Federal loan programs	20,533	375	531	20,377	-	20,377
Health insurance	7,189	40,620	39,229	8,580	8,580	-
Insurance executory costs	-	6,157	82	6,075	82	5,993
Long-term disability	-	2	-	2	2	-
Medical malpractice	29,297	8,959	7,659	30,597	6,006	24,591
Retiree health benefits trust	97,317	11,498	-	108,815	-	108,815
Unamortized bond premium	22,160	46,250	7,781	60,629	6,437	54,192
Unemployment compensation	622	705	752	575	575	-
Workers compensation	21,773	9,967	6,660	25,080	7,167	17,913
Other	8,402	7,812	6,547	9,667	1,623	8,044
Total other liabilities	<u>221,095</u>	<u>134,489</u>	<u>73,623</u>	<u>281,961</u>	<u>32,220</u>	<u>249,741</u>
Total	<u>\$ 1,059,274</u>	<u>\$ 508,367</u>	<u>\$ 355,237</u>	<u>\$ 1,212,404</u>	<u>\$ 81,403</u>	<u>\$ 1,131,001</u>

Long-term liabilities as of June 30, 2014 and long-term liability activity for the year ended June 30, 2014 are summarized below (in thousands):

	June 30, 2013	Additions	Reductions	June 30, 2014	Current Portion	Non-current Portion
<u>Bonds, notes and capital leases</u>						
General receipts notes	\$ 280,175	\$ -	\$ 14,995	\$ 265,180	\$ 15,685	\$ 249,495
General receipts bonds	199,295	238,975	5,770	432,500	5,940	426,560
Educational buildings bonds	37,960	-	4,610	33,350	4,795	28,555
Capital leases and other long-term obligations	108,641	2,840	24,996	86,485	19,964	66,521
Notes payable	21,719	-	1,055	20,664	1,089	19,575
Total bonds, notes and capital leases	647,790	241,815	51,426	838,179	47,473	790,706
<u>Other liabilities</u>						
Annuities payable	4,788	1,473	560	5,701	566	5,135
Arbitrage rebate	5	22	-	27	-	27
Automobile and property self insurance	414	1,119	1,093	440	440	-
Compensated absences	7,634	-	-	7,634	651	6,983
Federal loan programs	20,992	375	834	20,533	-	20,533
Health insurance	6,038	36,447	35,296	7,189	7,189	-
Long-term disability	6	-	6	-	-	-
Medical malpractice	26,346	8,440	5,489	29,297	5,235	24,062
Retiree health benefits trust	75,362	21,955	-	97,317	-	97,317
Unamortized bond premium	11,144	12,715	1,699	22,160	2,137	20,023
Unemployment compensation	629	744	751	622	622	-
Workers compensation	19,765	7,743	5,735	21,773	5,445	16,328
Other	5,644	6,460	3,702	8,402	1,320	7,082
Total other liabilities	178,767	97,493	55,165	221,095	23,605	197,490
Total	\$ 826,557	\$ 339,308	\$ 106,591	\$ 1,059,274	\$ 71,078	\$ 988,196

Annuities payable consists of the present value of future payments due under charitable remainder annuity trusts, charitable remainder unitrusts, lead trusts, irrevocable trusts and charitable gift annuities, discounted at 3.6% to 10.8%.

Bond discounts and premiums are amortized over the life of the bond using the effective interest method.

Bonds payable consist of general receipts bonds and general receipts notes in the original amount of \$1.10 billion dated October 27, 2005 through April 15, 2015, which bear interest at 1.46% to 4.66%. The bonds are payable in annual installments through April 1, 2045. The University is required to make semi-annual deposits of varying amounts to the debt service funds held by the trustees. The bonds are secured by the net revenues of the University and the assets restricted under the bond indenture agreements. Capital leases are due in periodic installments through November 20, 2028 and bear interest at 1.39% to 4.45%. All bonds except for the General Receipts 2012 Bonds Series A and General Receipts 2014 Bonds Series C, totaling \$791.0 million, are callable between 2016 and 2025.

The indenture agreements require that certain funds be established with the trustee and with the Commonwealth.

On July 28, 2014, approximately \$88.1 million of University of Kentucky General Receipts 2014 Bonds Series D were issued at a true interest cost of 2.04%. These bonds were issued for the purpose of refunding University of Kentucky General Receipts 2005 Bonds Series A (originally issued to fund the renovation of Memorial Coliseum), University of Kentucky General Receipts 2005 Notes Series A (originally issued to fund the construction of the Patient Care Facility) and Consolidated Educational Buildings Revenue Bonds (CEBRB) Series PQR (originally issued to fund various projects). These bonds will reduce the University's total debt service payments over the next 11 years by approximately \$16.8 million, representing an economic gain (difference between the present value of the debt service payments on the old and the new bonds) of

approximately \$15.0 million. Also, on April 15, 2015, approximately \$259.0 million of University of Kentucky General Receipts 2015 Bonds Series A, B and C were issued at a true interest cost of 3.52%, 2.33% and 1.97%, respectively. These bonds were issued for the purpose of funding various construction projects for the System and refunding University of Kentucky General Receipts 2007 Notes Series A and B (originally issued to fund the construction of the Patient Care Facility), CEBRB Series U (originally issued to fund parking and infrastructure projects) and University of Kentucky General Receipts 2006 Bonds Series A (originally issued to fund the construction of the student health facility). The refunding portion of these bonds will reduce the University's total debt service payments over the next 13 years by approximately \$17.3 million, representing an economic gain of approximately \$14.9 million.

In prior fiscal years, certain general receipts bonds series were issued as Build America Bonds (BAB) as authorized under the American Recovery and Reinvestment Act of 2009 and as Qualified Energy Conservation Bonds (QECB) as authorized under the Recovery Act and the Hiring Incentive to Restore Employment Act of 2010. The University will receive an annual cash subsidy from the U.S. Treasury equal to 35% (BAB) and 80% (QECB) of the interest payable on the bonds. The subsidy, which was approximately \$2.3 million during fiscal year 2015 and 2014, was included in gifts and non-exchange grants in the Statements of Revenues, Expenses and Changes in Net Position. The subsidy payment is contingent on federal regulations and may be subject to change. On March 1, 2013, the President signed an executive order reducing the budgetary authority in accounts subject to sequestration. As a result, the BAB subsidy was reduced to approximately 32% and 33% in 2015 and 2014, respectively. The QECB subsidy was reduced to approximately 74% in 2015 and 2014.

Principal maturities and interest on bonds, notes and capital leases for the next five fiscal years and in subsequent five-year fiscal periods as of June 30, 2015, are as follows (in thousands):

	Principal	Interest	Total
2016	\$ 49,183	\$ 38,774	\$ 87,957
2017	66,548	37,355	103,903
2018	48,356	35,003	83,359
2019	44,010	33,190	77,200
2020	45,347	31,451	76,798
2021-2025	236,674	130,494	367,168
2026-2030	151,635	77,841	229,476
2031-2035	105,030	52,729	157,759
2036-2040	103,900	29,904	133,804
2041-2045	79,760	9,044	88,804
Total	<u>\$ 930,443</u>	<u>\$ 475,785</u>	<u>\$ 1,406,228</u>

At June 30, 2015, assets with a fair market value of approximately \$213.7 million have been placed on deposit with trustees to totally defease bonds with a par amount of approximately \$199.9 million. The liability for these fully defeased bonds is not included in the financial statements.

8. DEFERRED INFLOWS OF RESOURCES

As of June 30, 2015 and 2014, deferred inflows of resources are as follows (in thousands):

	2015	2014
Aramark service concession arrangement	\$ 105,900	\$ -
Barnes and Noble service concession arrangement	4,924	-
EdR service concession arrangement	130,300	-
Total	<u>\$ 241,124</u>	<u>\$ -</u>

The University has entered into a multi-phase housing project with a third party developer, Education Realty Trust (EdR), to construct new residence halls. Phase I, signed in April 2012, was for two four-story buildings, (601 beds) and opened in August 2013. The project, with an estimated cost of \$25.2 million, is on land owned by the University and leased to EdR for a 50 year term with options for additional 10 year and 15 year terms thereafter. At the conclusion of the initial 50 year term or the first renewal option, the University will be required to purchase the buildings from EdR for an appraised value, unless the ground lease is renewed for the first or second optional extension. At the conclusion of the second optional extension, the University is required to purchase the buildings for the greater of current net book value or \$10. Ground rent is a percentage of gross revenues. The University accounts for the ground lease as an operating lease. These facilities are subject to ad valorem tax.

Phase II-A, which opened in August 2014, included the development of five residence halls at an approximate cost of \$138.2 million. The residence halls are reported as a capital asset with carrying value of \$136.4 million at June 30, 2015 and deferred inflows of resources in the amount of \$130.3 million pursuant to the service concession arrangement. The 75 year term lease with EdR includes maintenance standards for the facilities and parameters for the room rental rates for the contract duration. The University will receive a percentage of the total revenues and a share of the net income, after EdR achieves a minimum internal rate of return. Phase II-A and subsequent phases are exempt from ad valorem tax.

Future plans include Phase II-B, online in August 2015, for the construction of three residence halls at an approximate cost of \$101.2 million. Phase II-C, expected to open in August 2016, includes residence halls at an approximate cost of \$83.9 million. Phase III-A, expected to open in August 2017, will be a \$74.0 million, 771 bed facility which will provide apartment style units for upper class, graduate and professional students.

In July 2014, the University entered into an approximately \$250.0 million contract with Aramark Enterprise Services, LLC (Aramark), forming a 15 year public/private partnership. This partnership will transform dining services offered to students, faculty, staff, and the community served. Under the partnership, several new food brands were located on campus starting in the Fall of 2014 and continuing the next year. Aramark provides meals covered under the University's student boarding plans and declining balance dollars. The contract allows for dining commissions to be paid to the University with guaranteed minimum amounts for each contract year. Aramark will provide \$70.0 million in facilities investments, including \$40.0 million in new facilities, subject to board approval, to be completed by fiscal year 2017-18. As part of these facilities investments, Aramark constructed a new K Lair Grill at Haggin Hall and made substantial upgrades to the Student Center Food Court and will construct "The 90's" dining facility for the Fall 2015 semester. The completed projects are reported as capital asset with carrying value of \$11.3 million at June 30, 2015 and deferred inflows of resources in the amount of \$11.1 million pursuant to the service concession arrangement. The present value of the guaranteed minimum payments over the 15 year contract period include a receivable of \$94.6 million and deferred inflows of resources in the amount of \$94.8 million pursuant to the service concession arrangement.

In June 2015, the University entered into a contract with Barnes and Noble College Booksellers (Barnes and Noble) to operate and provide services for the bookstore for ten years with an additional five year renewal option period. Barnes and Noble constructed a temporary bookstore for use until the new student center opens in January 2018. The present value of the guaranteed minimum payments over the 181 month contract period is reported as receivable of \$4.3 million and deferred inflows of resources in the amount of \$4.9 million pursuant to the service concession arrangement.

9. COMPONENTS OF RESTRICTED EXPENDABLE NET POSITION

Restricted expendable net position are subject to externally imposed stipulations or conditions that must be followed and cannot be used for support of general operations of the University. As of June 30, 2015 and 2014 restricted expendable net position is composed of the following (in thousands):

	2015	2014
Appreciation on permanent endowments	\$ 158,121	\$ 164,726
Term endowments	9,123	9,515
Quasi-endowments initially funded with restricted assets	50,775	50,997
Funds restricted for capital projects and debt service	129,458	102,131
Funds restricted for noncapital purposes	93,605	87,961
Loan funds (primarily University funds required for federal match)	10,908	10,445
Total	<u>\$ 451,990</u>	<u>\$ 425,775</u>

10. DESIGNATIONS OF UNRESTRICTED NET POSITION

Unrestricted net position is designated for specific purposes by action of the Board or management or may otherwise be limited by contractual agreements. Commitments for the use of unrestricted net position as of June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Working capital requirements	\$ 109,072	\$ 115,282
Budget appropriations for future year fiscal operations	180,535	145,083
Designated for capital projects	36,831	55,201
Designated for renewal and replacement of capital assets	31,021	25,559
UK HealthCare Hospital System	585,764	414,062
Affiliated corporations and component units	54,411	38,847
Total	<u>\$ 997,634</u>	<u>\$ 794,034</u>

11. PLEDGED REVENUES

Pledged revenues for 2015 and 2014 as defined by the General Receipts Trust Indenture, are as follows (in thousands):

	2015	2014
Student tuition and fees	\$ 302,936	\$ 287,517
Nongovernmental grants and contracts	849	716
Recoveries of facilities and administrative costs	48,154	47,159
Sales and services	40,004	41,637
Hospital services	1,323,652	1,101,662
Auxiliary enterprises - housing and dining	39,551	44,154
Auxiliary enterprises - athletics	88,928	73,957
Auxiliary enterprises - other	46,753	37,282
Other operating revenue	852	967
State appropriations	279,611	283,869
Gifts and grants	4,955	4,809
Investment income	21,774	6,208
Total	<u>\$ 2,198,019</u>	<u>\$ 1,929,937</u>

The University has substantially pledged all of the unrestricted operating and nonoperating revenues to repay the general receipts bonds and notes issued during 2005 to 2015. Proceeds from the bonds and notes provided funding for new constructions, major renovations, and for the refunding of bonds and notes issued over the years. The bonds are payable from unrestricted revenues, operating and nonoperating, and are payable through 2045. Annual principal and interest payments on bonds are expected to require approximately three percent of pledged revenue. The total principal and interest remaining to be paid on the bonds is approximately \$1.28 billion and \$1.07 billion in 2015 and 2014, respectively. Principal and interest paid for 2015 and 2014 was \$55.5 million and \$43.2 million, respectively.

12. INVESTMENT INCOME

Components of investment income (loss) for the years ended June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Interest and dividends earned on endowment investments	\$ 12,154	\$ 14,369
Realized and unrealized gains and losses on endowment investments	9,877	135,759
Interest and dividends on cash and non-endowment investments	3,242	3,964
Realized and unrealized gains and losses on non-endowment investments	18,293	(317)
Investment income from external trusts	1,622	1,772
Total	<u>\$ 45,188</u>	<u>\$ 155,547</u>

13. FUNDS HELD IN TRUST BY OTHERS

The University is the income beneficiary of various trusts that are held and controlled by external trustees. For the years ended June 30, 2015 and 2014, the University received income from these trusts of approximately \$1.6 million and \$1.8 million, respectively. The market value of the external trust assets as of June 30, 2015 and 2014 was approximately \$41.5 million and \$42.1 million, respectively. As the University does not have ownership of the trust assets held by external trustees, the trusts are recorded at a nominal value of \$1 each.

14. PLEDGES AND DEFERRED GIFTS

At June 30, 2015 and 2014, respectively, pledges are expected to be collected primarily over the next 10 years, as follows (in thousands):

	2015	2014
Operating purposes	\$ 10,939	\$ 11,541
Capital projects	74,974	70,046
Total pledges	85,913	81,587
Less discounts	(7,376)	(5,308)
Total gross pledges receivable	78,537	76,279
Less allowances	(26,650)	(28,316)
Total net pledges receivable	<u>\$ 51,887</u>	<u>\$ 47,963</u>

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the University is required to record operating and capital pledges as revenue when all eligibility requirements have been met. Endowment pledges are not recognized as revenue until the gifts are actually received. For the years ended June 30, 2015 and 2014, the University recorded the discounted value of operating and capital pledges using a rate of two percent.

Deferred gifts through insurance, known bequests and irrevocable trusts in which the University has a remainder interest are estimated to be approximately \$115.7 million and \$94.5 million at June 30, 2015 and 2014, respectively. The University records these amounts as revenue when the cash is received.

15. GRANTS AND CONTRACTS AWARDED

At June 30, 2015 and 2014, grants and contracts of approximately \$189.2 million and \$177.7 million, respectively, have been awarded to the University and the University of Kentucky Research Foundation, but not expended. These amounts will be recognized in future periods.

16. RETIREMENT PLANS

Regular full-time employees, including faculty, are participants in the University of Kentucky Retirement Plan, a defined contribution plan. The University of Kentucky Retirement Plan consists of five groups as follows:

Group I	Established July 1, 1964, for faculty and certain administrative officials.
Group II	Established July 1, 1971, for staff members in the clerical, technical and service categories.
Group III	Established July 1, 1972, for staff members in the managerial, professional and scientific categories.
Group IV	Established January 1, 1973, for staff members having U.S. Civil Service retirement entitlement.
Group V	Established July 1, 1987, for staff members covered under the Federal Employees Retirement System that replaced Civil Service (those whose employment began during the period from January 1, 1984 to March 31, 1987). Staff members whose employment began after March 31, 1987 are under one of the above University of Kentucky Retirement Plans.

Participation in the University of Kentucky Retirement Plan is mandatory for all regular full-time employees in groups I, II and III who are age 30 or older. Participation is voluntary for regular full-time employees under the age of 30 and for those employees in groups IV and V. Participants in groups I, II, III and IV contribute five percent and the University contributes 10% of the participant's eligible compensation to the retirement plan. Participants in group V contribute one percent and the University contributes two percent of the participant's eligible compensation to the retirement plan.

The University has authorized two retirement plan carriers, as follows:

Teachers Insurance and Annuity Association/College
Retirement Equities Fund (TIAA/CREF)
Fidelity Investments Institutional Services Company

Under the fully funded University of Kentucky Retirement Plan, the University and plan participants make contributions to provide retirement benefits to employees in individually owned contracts. All payments are vested immediately for employees hired prior to January 1, 2010. For employees hired after January 1, 2010, employer contributions are vested after three years. The University's contributions and costs for 2015 and 2014 were approximately \$97.7 million and \$91.4 million, respectively. Employees contributed approximately \$48.6 million in 2015 and \$45.3 million in 2014. The University's total payroll costs were approximately \$1.26 billion and \$1.18 billion for the years ended June 30, 2015 and 2014, respectively. The payroll for employees covered by the retirement plan was approximately \$975.0 million and \$912.1 million for the years ended 2015 and 2014, respectively.

Regular full-time KMSF employees become eligible to participate in a defined contribution plan on the first of the month following the employee's regular full time hire date and attainment of age 21. KMSF contributes 10% of the employee's earnings and employees do not contribute to this plan. KMSF contributions for 2015 and 2014 were approximately \$695,000 and \$700,000, respectively. The total payroll costs for employees

covered by the defined contribution plan were approximately \$7.1 million and \$7.2 million for the years ended June 30, 2015 and 2014, respectively. Participants become vested in the plan according to years of service, with 100% vesting at three years or more.

In addition to retirement benefits provided from the group retirement plan, the University provides supplemental retirement income benefits to certain eligible employees in each of the retirement groups (see Note 17).

17. MINIMUM ANNUAL RETIREMENT BENEFITS AND SUPPLEMENTAL RETIREMENT INCOME

Employees in retirement groups I, II and III, (see note 16), who were age 40 or older prior to the date of establishment of each group plan, and who were employed by the University prior to that date, qualify for the minimum annual retirement benefit provisions of the retirement plan. Benefits for these eligible employees are based upon a percentage, determined through years of service, of the participant's annual salary in the last year of employment prior to retirement. Retirement benefits as determined are funded by each individual retiree's accumulation in the group retirement plan, with the balance, if necessary, provided by the University as supplemental retirement income. No active employees were eligible for this benefit for the years ended June 30, 2015 and 2014.

The Legislature of the Commonwealth appropriates funds to the University which the University has used for payment of supplemental retirement income benefits since adoption of the group retirement plans, and is expected to continue this practice. However, the Constitution of the Commonwealth prohibits the commitment of future revenues beyond the end of the current biennium. The University does not recognize the liability for supplemental retirement income benefits during the service life of covered employees, but recognizes its costs when funds are appropriated by the Legislature and payments are made. The University intends to continue paying supplemental retirement income benefits. Supplemental retirement benefit payments were approximately \$1.4 million and \$1.6 million for the years ended June 30, 2015 and 2014, respectively.

The latest actuarial valuation was prepared as of July 1, 2014 by TIAA/CREF. The actuarial present value of accumulated supplemental retirement income benefits as determined by this valuation, utilizing an assumed rate of return of seven percent, was approximately \$5.9 million.

18. HEALTH INSURANCE BENEFITS FOR RETIREES

The University administers a single-employer defined benefit healthcare plan including medical and prescription drug benefits. The plan provides lifetime healthcare insurance benefits for eligible retirees and their surviving spouses. Employees are eligible for the University retiree health benefits upon retirement after (a) completing 15 years of continuous service and (b) age plus years of service equal at least 75 years ("rule of 75"). Employees hired on or after January 1, 2006 are eligible to participate in the retiree healthcare plan on an "access only" basis upon retirement, but they must pay 100% of the cost of the selected plan. Employees hired prior to January 1, 2006 are eligible for the University subsidy based on their hire date and surviving spouses receive one-half of the health credit their spouse was entitled to if they were covered by the health plan at the time of the retiree's death. No health credit is provided to a spouse of a living retiree. Human Resources policies and procedures define retiree health benefits and can be amended by the President of the University as delegated by the Board. Employees who were hired before August 1, 1965 are also eligible for \$5,000 of life insurance coverage upon retirement.

The retiree health plan does not issue a publicly available financial report, but it is included in this report of the University using the economic resources measurement focus and the accrual basis of accounting under which expenses, including benefits and refunds, are recorded when the liability is incurred. Employer contributions are recorded in the accounting period in which they are earned and become measureable. Investments are reported at fair market value and based on published prices and quotations from major investment brokers at current exchange rates, as available.

The contribution requirements of plan members and the University are established and may be amended by the President of the University. For employees hired before January 1, 2006, the University provides a pre-65 credit of up to 90% of the "true retiree" cost of the least expensive pre-65 medical plan. For post-65 benefits, the University provides a credit equal to 90% of the "true retiree" cost of the post-65 medical plan. For fiscal

year 2015, the University contributed \$20.8 million to the plan. Plan members receiving benefits contributed 30.8% of the premium costs, an average for combined single and family coverage. In fiscal year 2015, total member contributions were approximately \$4.9 million.

The University has established a trust fund to segregate plan assets, and currently plans to contribute amounts to the trust fund sufficient to fully fund the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The University plans to continue to finance retiree benefits by pre-funding benefits and contributing the ARC into a segregated, protected trust fund and will amortize the initial unfunded accrued liability (UAL) over a 30 year closed period. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The current ARC of \$20.4 million is 4.0% of annual covered payroll. There are no long-term contracts for contributions to the plan.

The following table presents the other postemployment benefits (OPEB) cost for the year, the amount contributed and changes in the OPEB Plan for fiscal year 2015 (in thousands):

Annual required contribution	\$ 20,395
Contributions made	(20,543)
Increase in net OPEB obligation/(asset)	(148)
Net OPEB obligation/(asset) - beginning of year	(239)
Net OPEB obligation/(asset) - end of year	<u><u>\$ (387)</u></u>

The University's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal year 2015, 2014 and 2013, are as follows (in thousands):

Fiscal Year Ended	Annual OPEB cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/(Asset)
6/30/2013	\$20,392	100.4%	(\$240)
6/30/2014	\$19,801	100.0%	(\$239)
6/30/2015	\$20,395	100.7%	(\$387)

As of July 1, 2015, the actuarial accrued liability (AAL) for benefits was \$337.7 million, with an actuarial value of assets of \$108.8 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$228.9 million. The July 1, 2015 valuation reflects updates in the following assumptions to better anticipate future experience under the plan: healthcare trend rates, mortality rates, retirement rates, termination rates and participation rates. The covered payroll (annual payroll of active employees covered by the plan) was \$509.6 million and the ratio of the UAAL to the covered payroll was 44.9% at June 30, 2015. The University implemented the University of Kentucky OPEB Trust in July 2007, after the July 1, 2007 actuarial valuation date. As of June 30, 2015, net trust fund assets totaled \$108.8 million.

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, is designed to present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The projection of benefits for financial reporting purposes is based on the substantive plan (the plan as understood by the employer and the plan members) and includes the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects for legal or contractual funding limitations on the pattern of cost sharing between the employer

and plan member in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.5% discount rate based on the University's ARC funding policy based on the expected long-term return on the separate trust assets that will be used to finance the payment of plan benefits. The projected annual healthcare trend rate is eight percent for the pre-65 members and 6.5% for the post-65 members initially, reduced in decrements to an ultimate rate of 2.5% for pre-65 members and five percent for post-65 members after eight years and seven years respectively. The expected long-term payroll growth rate was assumed to be three percent per year. The initial UAAL is being amortized as a level percent of pay amount on a closed basis. The remaining amortization period at July 1, 2014 was 23 years.

19. LONG-TERM DISABILITY BENEFIT PLAN

The University is self-funded for a long-term disability income program and has established a trust for the purpose of paying claims and establishing necessary reserves. Regular employees with a full-time equivalent of .75 or greater who have completed 12 months of service are automatically enrolled in the plan. To be covered, an employee must be actively at work on the first day of the month after the employee completes one full year of service. An employee approved for long-term disability receives benefits based on the employee's basic regular monthly salary at the time of the onset of the disabling condition. Primary income benefits provide payment of 60% of the basic regular monthly salary less any disability received from government programs and/or another employer for the same condition. Basic salary for medical faculty is defined as the tenure base salary. Other sources of income used in the benefit formula include Social Security, worker's compensation or other similar government programs, veterans' or other governmental disability payments, or other employer-sponsored disability benefits.

Employees approved for long-term disability receive 100% of their basic salary for the first six months and 60% thereafter. Benefits end when members recover, die, terminate employment or retire. In most cases, claimants retire at age 65. The plan also includes provisions for health insurance that allow participants who were enrolled in a health plan at the time their disability benefit began to continue health coverage (University subsidy limited to 29 months for claimants approved on or after October 1, 2006), life insurance benefit (\$10,000 before July 1, 2007 or one times salary on or after July 1, 2007) and retirement contributions equal to 10% of pre-disability salary per year for applications filed on or after October 1, 2006 and 15% of pre-disability salary per year for applications filed before October 1, 2006.

The long-term disability plan does not issue a publicly available financial report, but is included in this report of the University using the economic resources measurement focus and the accrual basis of accounting under which expenses, including benefits and refunds, are recorded when the liability is incurred. Employer contributions are recorded in the accounting period in which they are earned and become measureable. Investments are reported at fair market value and based on published prices and quotations from major investment brokers at current exchange rates, as available. The coverage of the long-term disability benefits is established and may be amended by the President of the University.

The University currently plans to contribute amounts to the trust fund sufficient to fully fund the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The University plans to continue to finance long-term disabilities by pre-funding benefits and contributing to the ARC into a segregated, protected trust fund and will amortize the initial UAL over a 30 year closed period. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The current ARC of \$2.2 million is 0.3% of annual covered payroll. There are no long-term contracts for contributions to the plan.

The following table presents the OPEB cost for the year, the amount contributed and changes in the OPEB plan for fiscal year 2015 (in thousands):

Annual required contribution	\$ 2,203
Contributions made	(2,197)
Increase in net OPEB obligation/(asset)	6
Net OPEB obligation/(asset) - beginning of year	(4)
Net OPEB obligation/(asset) - end of year	<u>\$ 2</u>

The University's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal year 2015, 2014 and 2013 are as follows (in thousands):

Fiscal Year Ended	Annual OPEB cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation/(Asset)
6/30/2013	\$2,012	99.8%	\$6
6/30/2014	\$2,139	100.5%	(\$4)
6/30/2015	\$2,203	99.7%	\$2

As of July 1, 2015, the actuarial accrued liability (AAL) for benefits was \$22.7 million and the actuarial value of assets was \$16.6 million, resulting in an UAAL of \$6.1 million. The July 1, 2015 valuation reflects updates in the following assumptions to better anticipate future experience under the plan: disability recovery rates, mortality rates, termination rates and retirement rates. The covered payroll (annual payroll of active employees covered by the plan) was \$813.2 million and the ratio of the UAAL to the covered payroll was 0.8% at June 30, 2015.

Actuarial valuation of an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of events far into the future. Major factors affecting all long-term disability benefits are the rate at which people become disabled and how quickly they are expected to recover from disability. These rates will improve or deteriorate over time, for example with the state of the economy, with technological development and health related events. Other factors that could also impact the liability include salary inflation, changes in utilization patterns, changes to government programs and technological advances, such as new drugs or equipment. Actuarially determined amounts are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, is designed to present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The projection of benefits for financial reporting purposes is based on the substantive plan (the plan as understood by the employer and the plan members) and includes the type of benefits provided at the time of each valuation. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 7.5% discount rate based on the University's funding policy (ARC funding) based on the expected long-term return on the separate trust assets that will be used to finance the payment of plan benefits. The projected elimination period is six months; termination (mortality and recovery from disability) and gender and age-related disability incidence rates are based on the 1987 Commissioner's Group Long-Term Disability Table. Benefits end when members recover, die, terminate employment or retire. For long-term disabilities arising at age 64 or later, the duration of the long-term disability payments is limited to 12 months. Payments are assumed to be made until the later of (a) age 65 or (b) five years after date of disability. An employee approved for long-term disability benefits receives primary and supplemental payment benefits based on the employee's basic regular monthly salary at the time of onset of the disabling condition. Primary income benefits provide payment of 60% of the basic regular monthly salary less any disability received from government programs and/or other employers for the same condition. Basic salary for medical faculty is

defined as the tenure base salary. Other sources of income used in the benefit formula include Social Security, workers' compensation or other similar government programs, veterans' or other governmental disability payments, or other employer-sponsored disability benefits.

The University provides supplemental payment benefits for 42 months following the date of disability onset based on the following schedule (for current long-term disability participants or employees approved for long-term disability benefits prior to October 1, 2006):

Months	Percentage of Salary
1-6	100%
7-18	90%
19-30	80%
31-42	70%
43-End of Benefit	60%

Claimants that file applications and who are approved for benefits on October 1, 2006 or after will have benefits based on the following schedule:

Months	Percentage of Salary
1-6	100%
7-End of Benefit	60%

The projected long-term income benefit is based on actual net benefit currently being paid with social security offset. For people who have been disabled for less than 24 months and are currently not entitled to a social security offset, it was assumed that the offset will eventually be approved according to the following table:

Months Since Disability	Proportion
<12	5%
12-17	40%
18-23	40%
24+	80%

The future salary increase for active members was assumed to be three percent per year. The UAAL is being amortized as a level percent of pay amount on a closed basis. The remaining amortization period at July 1, 2014 was 23 years.

20. RISK MANAGEMENT

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by (1) the State Fire and Tornado Insurance Fund (the insurance fund), (2) Sovereign Immunity and the State Board of Claims, or (3) in the case of risks not covered by the insurance fund and Sovereign Immunity, commercial insurance, participation in insurance risk retention groups or self-insurance.

The insurance fund covers losses to property from fire, wind, earthquake, flood and most other causes of loss between \$250,000 and \$1.0 million per occurrence. Losses in excess of \$1.0 million are insured by commercial carriers up to \$1.25 billion per occurrence with buildings and contents insured at replacement cost. As a state agency, the University is vested with Sovereign Immunity and is subject to the provisions of the Board of Claims Act, under which the University's liability for certain negligence claims is limited to \$200,000 for any one person or \$350,000 for all persons damaged by a single act of negligence. Claims against educators' errors and omissions and wrongful acts are insured through a reciprocal risk retention group. There have been no significant reductions in insurance coverage from 2014 to 2015. Settlements have not exceeded insurance coverage during the past three years.

The University and its agents are insured against medical malpractice by a combination of Sovereign Immunity, self-insurance, commercial liability insurance and an excess coverage fund established by the Commonwealth. An actuarial valuation is performed to determine the self-insurance funding requirements and the fund liability, which has been discounted using an interest rate of 3.5%. The malpractice liability as of June 30, 2015 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be recorded if it is probable that a loss has occurred and the amount of loss can be reasonably estimated. The liability includes an estimate for claims that have been incurred but not reported as of June 30, 2015.

The University also self-insures certain employee benefits, including health insurance, worker's compensation and unemployment claims to the extent not covered by insurance. The University has recorded an estimate for asserted claims at June 30, 2015.

21. CONTINGENCIES

The University is a defendant in various lawsuits. The nature of the educational and health care industries is such that, from time to time, claims will be presented on account of alleged negligence, acts of discrimination, medical malpractice, breach of contract or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational and health care services at a large institution. However, University officials are of the opinion, based on advice of in-house legal counsel, that the effect of the ultimate outcome of all litigation will not be material to the future operations or financial position of the University.

22. RESEARCH CHALLENGE TRUST FUND

The Research Challenge Trust Fund (RCTF) was created by the Kentucky General Assembly with the passage of the Postsecondary Education Improvement Act of 1997 (House Bill 1). The objectives of the RCTF, as stated in House Bill 1, include support of efforts by the University to attain status as a top-20 public research university. The RCTF Endowment Match Program provides state funds on a dollar-for-dollar match basis. This program, also known as "Bucks for Brains," supports endowed chairs, professorships and graduate fellowships, and the research and graduate mission of the University.

With the passage of the 2008-10 budget of the Commonwealth, the 2008 General Assembly authorized \$50.0 million in General Fund supported bonds in 2008-09 for the RCTF to support the Endowment Match Program and a newly created Research Capital Match Program. In accordance with KRS 164.7917, these funds were allocated two-thirds to the University of Kentucky (\$33.3 million) and one-third to the University of Louisville (\$16.7 million). At its June 9, 2009 board meeting, the Board approved the allocation of the University's RCTF appropriation as follows: \$21.9 million to the Research Capital Match Program and \$11.4 million to the Endowment Match Program.

The status of the RCTF endowed funds as of June 30, 2015, is summarized below (in thousands):

	Kentucky General Assembly Funding	University of Kentucky Share of Funding	State Funds Received to Date
1998 Biennium	\$ 100,000	\$ 66,667	\$ 66,667
2000 Biennium	100,000	68,857	68,857
2002 Biennium	100,000	66,667	66,667
2008 Biennium: Capital Projects	21,927	21,927	21,927
2008 Biennium: RCTF	28,073	11,406	11,406
Total	<u>\$ 350,000</u>	<u>\$ 235,524</u>	<u>\$ 235,524</u>

Interest income of approximately \$2.2 million was earned on the state matching funds and included in the University's share of the 2000 biennium funding.

23. CANCER RESEARCH MATCHING FUND

The Kentucky General Assembly created the Cancer Research Institutions Matching Fund, which is funded by a one-cent surtax levied on each 20 cigarettes sold in Kentucky. Tax revenues are made available equally to the University of Kentucky and the University of Louisville when matched dollar-for-dollar by private sources.

A summary of the receipts and expenses related to the fund as of June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Funds from private sources approved for match	\$ 7,749	\$ 5,715
Cigarette excise tax funds distributed	1,953	1,901
Total cancer research matching fund revenues	<u>\$ 9,702</u>	<u>\$ 7,616</u>
Cancer research matching fund expenses	<u>\$ 7,763</u>	<u>\$ 7,028</u>

24. NATURAL CLASSIFICATION

The University's operating expenses by natural classification for the years ended June 30, 2015 and 2014 are as follows (in thousands):

	2015	2014
Salaries and wages	\$ 1,265,729	\$ 1,179,988
Employee benefits	390,057	358,804
Supplies and services	621,350	582,175
Depreciation	134,374	131,262
Student scholarships and financial aid	54,676	60,401
Purchased utilities	50,970	53,093
Other, various	92,097	75,860
Total	<u>\$ 2,609,253</u>	<u>\$ 2,441,583</u>

25. COMBINED CONDENSED STATEMENTS

The University of Kentucky and its blended component units' condensed statements for the years ended June 30, 2015 and 2014 were summarized as follows (in thousands):

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
A COMBINED CONDENSED STATEMENT OF NET POSITION AS OF JUNE 30, 2015
(in thousands)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current Assets

UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Mining Engineering Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
\$ 560,450	\$ 49,592	\$ 10,308	\$ 247	\$ 63	\$ 21	\$ 170	\$ 549	\$ 561	\$ -	\$ 621,961
Notes, loans and accounts receivable, net	32,559	2,597	-	-	-	-	1,035	41,333	(50,267)	292,776
Investments	-	-	-	-	-	-	-	21,702	-	21,702
Inventories and other assets	2,129	1	-	-	-	-	18	57	-	46,814
Total current assets	84,280	12,906	247	63	21	170	1,602	63,653	(50,267)	983,253

Noncurrent Assets

Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-	315,522
Endowment investments	4,296	165	8,941	1,383	1,924	-	-	-	-	1,231,557
Other long-term investments	1,080	-	-	-	-	-	-	54,927	(263)	275,001
Notes, loans and accounts receivable, net	2	-	-	-	-	-	-	802	-	338,953
Other noncurrent assets	283	-	-	-	-	-	-	-	-	283
Capital assets, net	9,504	-	-	-	-	-	137	75,745	-	2,336,640
Total noncurrent assets	14,882	165	8,941	1,383	1,924	-	137	131,474	(263)	4,497,956
Total assets	99,162	13,071	9,188	1,446	1,945	170	1,739	195,127	(50,530)	5,481,209
Deferred Outflows of Resources	13,755	-	-	-	-	-	-	-	-	13,755
Total assets and deferred outflows of resources	99,162	13,071	9,188	1,446	1,945	170	1,739	195,127	(50,530)	5,494,964

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current Liabilities

Accounts payable and accrued liabilities	10,489	661	1	-	11	5	1,602	119,325	(120,760)	293,223
Unearned revenue	29,783	88	-	-	-	-	-	-	-	97,861
Long-term liabilities - current portion	-	-	-	-	-	-	-	3,066	-	81,403
Total current liabilities	40,272	749	1	-	11	5	1,602	122,391	(120,760)	472,487

Noncurrent Liabilities

Unearned revenue	-	-	-	-	-	-	-	-	-	193,094
Long-term liabilities	480	-	-	-	-	-	-	39,226	-	1,131,001
Total noncurrent liabilities	480	-	-	-	-	-	-	39,226	-	1,324,095
Total liabilities	40,752	749	1	-	11	5	1,602	161,617	(120,760)	1,796,582
Deferred Inflows of Resources	-	-	-	-	-	-	-	-	-	241,124
Total liabilities and deferred inflows of resources	40,752	749	1	-	11	5	1,602	161,617	(120,760)	2,037,706

INTERFUND BALANCES

(934)	-	934	-	-	-	-	-	-	-	-
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NET POSITION

Net investment in capital assets

Restricted	9,504	-	-	-	-	-	137	33,510	-	1,422,560
Nonexpendable	823	31	4,607	618	659	-	-	-	-	585,074
Expendable	4,395	634	4,580	828	1,275	165	-	-	-	451,990
Total restricted	5,218	665	9,187	1,446	1,934	165	-	-	-	1,037,064
Unrestricted	43,688	10,723	-	-	-	-	-	-	70,230	997,634
Total net position	58,410	11,388	9,187	1,446	1,934	165	137	33,510	70,230	3,457,258

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
COMBINED CONDENSED STATEMENT OF NET POSITION AS OF JUNE 30, 2014
(in thousands)

ASSETS	UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Mining Engineering Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
Current Assets											
Cash and cash equivalents	\$ 343,011	\$ 37,115	\$ 6,313	\$ 377	\$ 94	\$ 4	\$ 109	\$ 587	\$ 253	\$ -	\$ 387,863
Notes, loans and accounts receivable, net	214,446	33,597	4,393	-	-	-	-	-	24,733	(37,081)	240,088
Investments	-	-	-	-	-	-	-	-	26,452	-	26,452
Inventories and other assets	37,483	2,898	-	-	-	-	-	14	53	(12)	40,436
Total current assets	594,940	73,610	10,706	377	94	4	109	601	51,491	(37,083)	694,839
Noncurrent Assets											
Restricted cash and cash equivalents	293,028	-	-	-	-	-	-	-	-	-	293,028
Endowment investments	1,198,655	4,256	137	8,859	1,370	1,949	-	-	-	-	1,215,226
Other long-term investments	202,498	1,417	-	-	-	-	-	-	44,470	(277)	248,108
Notes, loans and accounts receivable, net	58,831	-	-	-	-	-	-	-	801	(220)	59,412
Other noncurrent assets	540	162	-	-	-	-	-	-	-	-	702
Capital assets, net	1,927,980	13,522	-	-	-	-	-	202	37,700	-	1,979,404
Total noncurrent assets	3,681,532	19,357	137	8,859	1,370	1,949	-	202	82,971	(497)	3,795,880
Total assets	4,276,472	92,967	10,843	9,236	1,464	1,953	109	803	134,462	(37,590)	4,490,719
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES											
Current Liabilities											
Accounts payable and accrued liabilities	210,922	14,022	451	-	1	-	-	601	95,126	(93,547)	227,576
Unearned revenue	31,242	28,710	77	-	-	-	-	-	-	(12)	60,017
Long-term liabilities - current portion	69,647	178	-	-	-	-	-	-	1,373	(120)	71,078
Total current liabilities	311,811	42,910	528	-	1	-	-	601	96,499	(93,679)	358,671
Noncurrent Liabilities											
Long-term liabilities	967,148	1,061	-	-	-	-	-	-	20,267	(280)	988,196
Total noncurrent liabilities	967,148	1,061	-	-	-	-	-	-	20,267	(280)	988,196
Total liabilities	1,278,959	43,971	528	-	1	-	-	601	116,766	(93,959)	1,346,867
INTERFUND BALANCES	(2,369)	1,564	806	-	-	(1)	-	-	-	-	-
NET POSITION											
Net investment in capital assets	1,317,483	13,440	-	-	-	-	-	202	16,653	-	1,347,778
Restricted											
Nonexpendable	569,533	823	31	4,607	617	654	-	-	-	-	576,265
Expendable	414,046	4,192	653	4,629	846	1,300	109	-	-	-	425,775
Total restricted	983,579	5,015	684	9,236	1,463	1,954	109	-	-	-	1,002,040
Unrestricted	698,820	28,977	8,825	-	-	-	-	-	1,043	56,369	794,034
Total net position	\$ 2,999,882	\$ 47,432	\$ 9,509	\$ 9,236	\$ 1,463	\$ 1,954	\$ 109	\$ 202	\$ 17,696	\$ 56,369	\$ 3,143,852

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
COMBINED CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2015
(in thousands)

	UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Engineering Foundation	Mining Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
OPERATING REVENUES												
Student tuition and fees, net	\$ 302,936	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302,936
Federal grants and contracts	1,552	166,573	-	-	-	-	-	-	-	-	-	168,125
State and local grants and contracts	-	-	1,954	-	-	-	-	-	-	-	-	92,269
Nongovernmental grants and contracts	201,138	28,851	6,311	-	-	-	-	-	-	-	(206,495)	29,805
Recoveries of facilities and administrative costs	271	47,883	-	-	-	-	-	-	-	-	-	48,154
Sales and services	25,479	15,273	14,210	1	-	-	-	29	26,370	-	(27,250)	54,112
Federal appropriations	17,535	-	-	-	-	-	-	-	-	-	-	17,535
County appropriations	21,975	-	-	-	-	-	-	-	-	-	-	21,975
Professional clinical service fees	-	-	-	-	-	-	-	-	-	227,197	(3,906)	223,291
Hospital services	-	-	-	-	-	-	-	-	-	-	(4,978)	1,323,652
Auxiliary enterprises:	1,328,630	-	-	-	-	-	-	-	-	-	-	-
Housing and dining, net	40,207	-	-	-	-	-	-	-	-	-	(656)	39,551
Athletics	88,928	-	-	-	-	-	-	-	-	-	-	88,928
Other auxiliaries	46,754	-	-	-	-	-	-	-	-	-	(1)	46,753
Other operating revenues	853	-	-	-	-	-	-	-	-	79,185	(74,979)	5,059
Total operating revenues	2,149,683	275,470	22,475	1	-	-	-	29	26,370	306,382	(318,265)	2,462,145
OPERATING EXPENSES												
Educational and general:												
Instruction	274,970	10,555	1,028	-	1	59	-	-	-	-	(236)	286,377
Research	84,883	160,755	180	42	-	-	-	-	-	-	(2,349)	243,511
Public service	174,908	75,675	3,550	-	-	-	-	-	-	-	(72,596)	181,537
Libraries	21,085	-	-	-	-	-	-	-	-	-	(1)	21,084
Academic support	67,472	1,825	3,812	-	-	-	-	-	-	-	(31)	73,078
Student services	37,748	-	1,038	-	1	-	-	-	-	-	(139)	38,648
Institutional support	55,013	569	125	6	-	-	-	102	26,357	-	(26,549)	55,623
Operations and maintenance of plant	70,904	1	391	-	-	-	-	-	-	-	(192)	71,104
Student financial aid	30,261	1,328	1,266	-	40	-	-	-	-	-	(1)	32,894
Depreciation	64,125	1,380	-	-	-	-	-	-	43	-	-	65,548
Total educational and general	881,369	252,088	11,390	48	42	59	102	102	26,400	-	(102,094)	1,069,404
Clinical operations (including depreciation of \$2,743)	179,675	-	-	-	-	-	-	-	-	289,627	(222,871)	246,431
Hospital (including depreciation of \$53,167)	1,141,835	-	60	-	-	-	-	-	-	-	(7,772)	1,134,123
Auxiliary enterprises:												
Housing and dining (including depreciation of \$5,279)	31,249	-	-	-	-	-	-	-	-	-	(9)	31,240
Athletics (including depreciation of \$6,031)	102,156	-	-	-	-	-	-	-	-	-	(460)	101,696
Other auxiliaries (including depreciation of \$1,606)	26,221	-	-	-	-	-	-	-	-	-	(502)	25,719
Other operating expenses	640	-	-	-	-	-	-	-	-	-	-	640
Total operating expenses	2,363,145	252,088	11,450	48	42	59	102	102	26,400	289,627	(333,708)	2,609,253
Net income (loss) from operations	(213,462)	23,382	11,025	(47)	(42)	(59)	(73)	(73)	(30)	16,755	15,443	(147,108)
NONOPERATING REVENUES (EXPENSES)												
State appropriations	279,611	-	-	-	-	-	-	-	-	-	-	279,611
Gifts and non-exchange grants	105,557	461	190	118	1	-	-	129	-	-	(950)	105,506
Investment income (loss)	27,338	18,047	9	175	27	39	-	-	1	102	(550)	45,188
Interest on capital asset-related debt	(26,710)	(49)	-	-	-	-	-	-	-	(932)	-	(27,691)
Grant to/(from) the University for non-capital purposes	36,167	(26,431)	(9,433)	(295)	(3)	(5)	-	-	-	-	-	-
Other nonoperating revenues and expenses, net	7,145	1,843	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenues (expenses)	429,108	(6,129)	(9,234)	(2)	25	34	129	-	1	(830)	(1,500)	8,988
Net income (loss) before other revenues, expenses, gains, or losses	215,646	17,253	1,791	(49)	(17)	(25)	56	56	(29)	15,925	13,943	264,494
Capital grants and gifts	38,999	6,424	-	-	-	-	-	-	-	-	(82)	45,341
Additions to permanent endowments	7,752	1	-	-	-	5	-	-	-	-	-	7,758
Grant to/(from) the University for capital purposes	11,088	(11,176)	88	-	-	-	-	-	-	-	-	-
Other, net	(2,516)	(1,524)	-	-	-	-	-	-	(36)	(111)	-	(4,187)
Total other revenues (expenses)	55,323	(6,275)	88	-	-	5	-	-	(36)	(111)	(82)	48,912
INCREASE (DECREASE) IN NET POSITION	270,969	10,978	1,879	(49)	(17)	(20)	56	56	(65)	15,814	13,861	313,406
NET POSITION, beginning of year	2,999,882	47,432	9,509	9,236	1,463	1,954	109	109	202	17,696	56,369	3,143,852
NET POSITION, end of year	\$ 3,270,851	\$ 58,410	\$ 11,388	\$ 9,187	\$ 1,446	\$ 1,934	\$ 165	\$ 137	\$ 33,510	\$ 33,510	\$ 70,230	\$ 3,457,258

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
COMBINED CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2014
(in thousands)

	UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Engineering Foundation	Mining Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
OPERATING REVENUES												
Student tuition and fees, net	\$ 287,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 287,517
Federal grants and contracts	1,553	158,831	-	-	-	-	-	-	-	-	-	160,384
State and local grants and contracts	47,653	19,102	1,000	-	-	-	-	-	-	-	-	67,755
Nongovernmental grants and contracts	140,475	27,283	9,193	-	-	-	-	-	-	-	(148,911)	28,040
Recoveries of facilities and administrative costs	320	46,839	-	-	-	-	-	-	-	-	-	47,159
Sales and services	27,635	14,065	13,781	-	-	-	-	34	6,779	-	(7,529)	54,765
Federal appropriations	17,921	-	-	-	-	-	-	-	-	-	-	17,921
County appropriations	20,338	-	-	-	-	-	-	-	-	-	-	20,338
Professional clinical service fees	-	-	-	-	-	-	-	-	-	207,734	(4,013)	203,721
Hospital services	1,113,453	-	-	-	-	-	-	-	-	-	(11,791)	1,101,662
Auxiliary enterprises:												
Housing and dining, net	46,402	-	-	-	-	-	-	-	-	-	(2,248)	44,154
Athletics	73,957	-	-	-	-	-	-	-	-	-	-	73,957
Other auxiliaries	39,346	-	-	-	-	-	-	-	-	-	(2,064)	37,282
Other operating revenues	967	-	-	-	-	-	-	-	-	21,732	(18,183)	4,516
Total operating revenues	1,817,537	266,120	23,974	-	-	-	-	34	6,779	229,466	(194,739)	2,149,171
OPERATING EXPENSES												
Educational and general:												
Instruction	260,345	11,546	981	-	6	52	-	-	-	-	(1,073)	271,857
Research	89,977	157,451	302	24	-	-	-	-	-	-	(2,441)	245,313
Public service	152,614	71,145	3,154	-	-	-	-	-	-	-	(15,434)	211,479
Libraries	21,089	-	-	-	-	-	-	-	-	-	(19)	21,070
Academic support	64,270	2,882	4,647	-	-	-	-	-	-	-	(317)	71,482
Student services	36,141	24	1,094	-	2	-	-	-	-	-	(471)	36,790
Institutional support	48,845	720	122	-	-	-	-	125	6,676	-	(7,193)	49,295
Operations and maintenance of plant	76,878	7	237	-	-	-	-	-	-	-	(227)	76,895
Student financial aid	37,960	1,281	2,876	-	40	-	-	-	-	-	(58)	42,099
Depreciation	63,980	1,480	-	-	-	-	-	-	62	-	-	65,522
Total educational and general	852,099	246,536	13,413	24	48	52	-	125	6,738	-	(27,233)	1,091,802
Clinical operations (including depreciation of \$2,021)	116,783	-	-	-	-	-	-	-	-	226,917	(172,745)	170,955
Hospital (including depreciation of \$51,460)	1,023,011	-	59	-	-	-	-	-	-	-	(8,338)	1,014,732
Auxiliary enterprises:												
Housing and dining (including depreciation of \$5,446)	48,722	-	-	-	-	-	-	-	-	-	(514)	48,208
Athletics (including depreciation of \$5,734)	93,550	-	-	-	-	-	-	-	-	-	(1,462)	92,088
Other auxiliaries (including depreciation of \$1,079)	22,951	-	-	-	-	-	-	-	-	-	(537)	22,414
Other operating expenses	1,384	-	-	-	-	-	-	-	-	-	-	1,384
Total operating expenses	2,158,500	246,536	13,472	24	48	52	-	125	6,738	226,917	(210,829)	2,441,583
Net income (loss) from operations	(340,963)	19,584	10,502	(24)	(48)	(52)	-	(91)	41	2,549	16,090	(292,412)
NONOPERATING REVENUES (EXPENSES)												
State appropriations	283,869	-	-	-	-	-	-	-	-	-	-	283,869
Gifts and non-exchange grants	97,185	191	208	92	1	-	-	118	-	-	(1,024)	96,771
Investment income (loss)	153,922	399	29	1,220	189	268	-	-	-	87	(567)	155,547
Interest on capital asset-related debt	(29,371)	(14)	-	-	-	-	-	-	-	(903)	-	(30,288)
Grant to/(from) the University for non-capital purposes	21,502	(11,839)	(9,526)	(129)	(3)	(5)	-	-	-	-	-	-
Other nonoperating revenues and expenses, net	4,517	2,932	-	-	-	-	-	-	-	-	-	-
Net nonoperating revenues (expenses)	531,624	(8,331)	(9,289)	1,183	187	263	-	118	-	(816)	(1,591)	7,449
Net income (loss) before other revenues, expenses, gains, or losses	190,661	11,253	1,213	1,159	139	211	-	27	41	1,733	14,499	220,936
Capital grants and gifts	50,626	3,599	-	-	-	-	-	-	-	-	(157)	54,068
Additions to permanent endowments	7,614	1	-	-	-	3	-	-	-	-	(40)	7,578
Grant to/(from) the University for capital purposes	(1,187)	(49)	(4)	-	-	(2)	-	-	-	-	-	-
Other, net	74,002	(13,392)	(4)	-	-	1	-	-	-	-	-	(1,236)
Total other revenues (expenses)	264,663	(2,139)	1,209	1,159	139	212	-	27	41	1,733	(197)	60,410
INCREASE (DECREASE) IN NET POSITION	2,735,219	49,571	8,300	8,077	1,324	1,742	-	82	161	15,963	42,067	2,862,506
NET POSITION, beginning of year	\$ 2,999,882	\$ 47,432	\$ 9,509	\$ 9,236	\$ 1,463	\$ 1,954	\$ -	\$ 109	\$ 202	\$ 17,696	\$ 56,369	\$ 3,143,852
NET POSITION, end of year												

UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
COMBINED CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2015
(in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES

	UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Mining Engineering Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
Student tuition and fees	\$ 301,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 301,454
Grants and contracts	267,304	213,631	10,224	-	-	-	-	-	-	(206,495)	284,664
Recoveries of facilities and administrative costs	275	48,182	-	-	-	-	-	-	-	-	48,457
Sales and services	28,595	16,166	14,061	1	-	-	29	24,771	-	(30,158)	53,465
Federal appropriations	18,749	-	-	-	-	-	-	-	-	-	18,749
County appropriations	22,640	-	-	-	-	-	-	-	-	-	22,640
Payments to vendors and contractors	(737,485)	(86,551)	(7,730)	(18)	(42)	(22)	(95)	(1,347)	(254,657)	306,559	(781,388)
Student financial aid	(31,630)	-	(1,266)	-	-	-	-	-	-	-	(32,896)
Salaries, wages and benefits	(1,447,924)	(162,243)	(2,248)	(29)	-	(24)	(2)	(23,449)	(8,501)	11,131	(1,644,420)
Professional clinic service fees	-	-	-	-	-	-	-	-	210,597	(4,205)	221,728
Hospital services	1,342,864	-	-	-	-	-	-	-	-	(657)	1,338,659
Auxiliary enterprise receipts	172,042	-	-	-	-	-	-	-	-	-	171,385
Loans issued to students	(18,231)	-	-	-	-	-	-	-	-	-	(18,231)
Collection of loans to students	18,425	-	-	-	-	-	-	-	-	-	18,425
Self insurance receipts	60,882	-	-	-	-	-	-	-	470	-	61,352
Self insurance payments	(56,750)	-	-	-	-	-	-	-	-	-	(56,750)
Other operating receipts (payments), net	375	-	-	-	-	-	-	-	78,648	(74,578)	4,445
Net cash provided (used) by operating activities	(58,415)	29,185	13,041	(46)	(42)	(46)	(68)	(25)	26,557	1,597	11,738

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State appropriations	279,611	-	-	-	-	-	-	-	-	-	279,611
Gifts and grants received for other than capital purposes:											
Gifts received for endowment purposes	7,776	1	-	-	-	5	-	-	-	-	7,782
Gifts received for other purposes	113,296	442	190	118	-	-	129	-	-	(950)	113,225
Agency and loan program receipts	227,347	-	-	-	-	-	-	-	-	-	227,347
Agency and loan program payments	(229,398)	-	-	-	-	-	-	-	-	-	(229,398)
Grants (to) from the University for non-capital purposes	37,602	(27,994)	(9,305)	(295)	(3)	(5)	-	-	-	-	-
Other noncapital financing receipts (payments), net	14,438	3,727	-	-	-	-	-	-	-	-	18,165
Net cash provided (used) by noncapital financing activities	450,672	(23,824)	(9,115)	(177)	(3)	-	129	-	-	(950)	416,732

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital grants and gifts	24,632	6,424	-	-	-	-	-	-	-	(82)	30,974
Purchases of capital assets	(266,098)	(863)	-	-	-	-	-	(14)	(17,056)	-	(284,031)
Proceeds from capital debt	392,077	-	-	-	-	-	-	-	-	-	392,077
Payments to refunding bond agents	(248,642)	-	-	-	-	-	-	-	-	-	(248,642)
Proceeds from sales of capital assets	10,180	-	-	-	-	-	-	-	-	-	10,180
Principal paid on capital debt and leases	(47,024)	(194)	-	-	-	-	-	-	(2,654)	-	(49,872)
Interest paid on capital debt and leases	(33,868)	(49)	-	-	-	-	-	-	(932)	-	(34,849)
Grants (to) from the University for capital purposes	11,088	(11,176)	88	-	-	-	-	-	-	-	-
Other capital and related financing receipts (payments), net	5,386	(1)	-	-	-	-	-	-	-	-	5,385
Net cash provided (used) by capital and related financing activities	(152,269)	(5,859)	88	-	-	-	-	(14)	(20,642)	(82)	(178,778)

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sales and maturities of investments, net	313,636	(2,947)	4	1,589	246	385	-	-	45	-	312,958
Interest and dividends on investments	20,211	97	8	93	14	20	-	1	(29)	(565)	19,850
Purchase of investments	(333,901)	(779)	(31)	(1,589)	(246)	(342)	-	-	(5,623)	-	(342,511)
Net proceeds from sale of CLI stock, net of cash acquired	-	23,219	-	-	-	-	-	-	-	(3,342)	19,877
Repayment of debt and other related ro sale of CLI stock	(1)	(6,615)	-	-	-	-	-	-	-	3,342	(3,274)
Net cash provided (used) by investing activities	(55)	12,975	(19)	93	14	63	-	1	(5,607)	(565)	6,900

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

Net cash provided (used) by investing activities	239,933	12,477	3,995	(130)	(31)	17	61	(39)	308	-	256,592
CASH AND CASH EQUIVALENTS, beginning of year	636,039	37,115	6,313	377	94	4	109	587	253	-	680,891

CASH AND CASH EQUIVALENTS, end of year	\$ 875,972	\$ 49,592	\$ 10,308	\$ 247	\$ 63	\$ 21	\$ 170	\$ 549	\$ 561	\$ -	\$ 937,483
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UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
COMBINED CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2014
(in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES

	UK	Research Foundation	The Fund	Gluck Equine Research Foundation	Humanities Foundation	Mining Engineering Foundation	Center on Aging	Central Kentucky Management Services	Kentucky Medical Services Foundation	Eliminations	Total
Student tuition and fees	\$ 288,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 288,922
Grants and contracts	189,581	198,983	7,869	-	-	-	-	-	-	(148,911)	247,522
Recoveries of facilities and administrative costs	509	45,408	-	-	-	-	-	-	-	-	45,917
Sales and services	25,396	15,070	14,049	-	-	-	34	6,424	-	(7,137)	53,836
Federal appropriations	17,117	-	-	-	-	-	-	-	-	-	17,117
County appropriations	21,400	-	-	-	-	-	-	-	-	-	21,400
Payments to vendors and contractors	(618,502)	(84,757)	(6,999)	(2)	(43)	(21)	(125)	(837)	(198,632)	188,832	(721,086)
Student financial aid	(39,206)	-	(2,876)	-	-	-	-	-	-	-	(42,082)
Salaries, wages and benefits	(1,349,723)	(161,819)	(3,561)	(23)	(4)	(39)	-	(5,394)	(9,432)	-	(1,529,995)
Professional clinic service fees	-	-	-	-	-	-	-	-	209,226	3,198	212,424
Hospital services	1,108,779	-	-	-	-	-	-	-	-	(11,802)	1,096,977
Auxiliary enterprise receipts	157,972	-	-	-	-	-	-	-	-	(4,313)	153,659
Loans issued to students	(21,188)	-	-	-	-	-	-	-	-	-	(21,188)
Collection of loans to students	19,818	-	-	-	-	-	-	-	-	-	19,818
Self insurance receipts	47,929	-	-	-	-	-	-	-	3,301	-	51,230
Self insurance payments	(48,217)	-	-	-	-	-	-	-	-	-	(48,217)
Other operating receipts (payments), net	401	-	-	-	-	-	-	-	21,206	(18,063)	3,544
Net cash provided (used) by operating activities	(199,012)	12,885	8,482	(25)	(47)	(60)	(91)	193	25,669	1,804	(150,202)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State appropriations	283,869	-	-	-	-	-	-	-	-	-	283,869
Gifts and grants received for other than capital purposes:											
Gifts received for endowment purposes	7,590	1	-	-	-	3	-	-	-	(40)	7,554
Gifts received for other purposes	89,115	191	208	107	1	-	118	-	-	(1,024)	88,716
Agency and loan program receipts	225,252	-	-	-	-	-	-	-	-	-	225,252
Agency and loan program payments	(226,011)	-	-	-	-	-	-	-	-	-	(226,011)
Grants (to) from the University for non-capital purposes	22,041	(12,405)	(9,499)	(129)	(3)	(5)	-	-	-	-	-
Other noncapital financing receipts (payments), net	26,636	3,634	-	-	-	-	-	-	-	-	30,270
Net cash provided (used) by noncapital financing activities	428,492	(8,579)	(9,291)	(22)	(2)	(2)	118	-	-	(1,064)	409,650

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital grants and gifts	43,547	3,599	-	-	-	-	-	-	-	(157)	46,989
Purchases of capital assets	(136,506)	(796)	-	-	-	-	-	-	(2,549)	-	(139,955)
Proceeds from capital debt	251,920	-	-	-	-	-	-	(104)	-	-	251,920
Principal paid on capital debt and leases	(812,955)	(202)	-	-	-	-	-	-	(759)	-	(50,900)
Interest paid on capital debt and leases	(27,543)	(14)	-	-	-	-	-	-	(903)	-	(28,460)
Grants (to) from the University for capital purposes	16,972	(16,966)	(4)	-	-	(2)	-	-	-	-	-
Other capital and related financing receipts (payments), net	1,073	496	-	-	-	-	-	-	-	-	1,569
Net cash provided (used) by capital and related financing activities	99,524	(13,833)	(4)	-	-	(2)	-	(104)	(4,211)	(157)	81,163

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sales and maturities of investments	708,063	2,432	200	4,908	759	1,077	-	-	43	-	717,482
Interest and dividends on investments	16,025	107	7	113	17	25	-	-	(1,988)	(583)	13,723
Purchase of investments	(88,867)	(2,520)	(73)	(4,725)	(731)	(1,040)	-	-	(20,748)	-	(842,792)
Net cash provided (used) by investing activities	240,137	(9,568)	(679)	249	45	62	-	-	(22,693)	(533)	(11,587)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

						(2)	27	89	(1,235)	-	229,024
CASH AND CASH EQUIVALENTS, beginning of year	395,902	46,673	6,992	128	98	6	82	498	1,488	-	451,867

CASH AND CASH EQUIVALENTS, end of year

	\$ 636,039	\$ 37,115	\$ 6,313	\$ 377	\$ 94	\$ 4	\$ 109	\$ 587	\$ 253	\$ -	\$ 680,891
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UNIVERSITY OF KENTUCKY
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY
REQUIRED SUPPLEMENTARY INFORMATION

1. HEALTH INSURANCE BENEFITS FOR RETIREES

The University of Kentucky's (the University) Other Postemployment Benefit (OPEB) plan is administered through the University's OPEB trust fund as an irrevocable trust. Assets of the trust fund are dedicated to providing post-retirement health insurance coverage to current and eligible future university retirees. Only employees hired prior to January 1, 2006 are eligible to receive post-retirement health insurance benefits.

The following schedules present the University's actuarially determined funding progress and required contributions for the University's OPEB trust using the projected unit credit actuarial cost method:

Schedule of Funding Progress by Valuation Date
(in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2013	\$75,362	\$252,938	\$177,576	29.8%	\$526,073	33.7%
July 1, 2014	\$97,317	\$268,335	\$171,018	36.3%	\$513,748	33.3%
July 1, 2015	\$108,815	\$337,665	\$228,850	32.2%	\$509,627	44.9%

Schedule of Employer Contributions
(in thousands)

Year Ended	Annual Required Contributions	Percentage Contributed
June 30, 2013	\$20,392	100.4%
June 30, 2014	\$19,801	100.0%
June 30, 2015	\$20,395	100.7%

2. LONG-TERM DISABILITY BENEFIT PLAN

The University is self-funded for a long-term disability income program and has established a trust for the purpose of paying claims and establishing necessary reserves. Regular employees with a full-time equivalent of .75 or greater who have completed 12 months of service are automatically enrolled in the plan.

The following schedules present the University's actuarially determined funding progress and required contributions for the University's long-term disability benefit trust fund using the projected unit credit actuarial cost method:

Schedule of Funding Progress by Valuation Date
(in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2013	\$13,362	\$22,667	\$9,305	58.9%	\$725,189	1.3%
July 1, 2014	\$15,977	\$23,650	\$7,673	67.6%	\$768,214	1.0%
July 1, 2015	\$16,576	\$22,730	\$6,154	72.9%	\$813,205	0.8%

Schedule of Employer Contributions
(in thousands)

Year Ended	Annual Required Contributions	Percentage Contributed
June 30, 2013	\$2,012	99.8%
June 30, 2014	\$2,139	100.5%
June 30, 2015	\$2,203	99.7%

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