

# Debt Service Summary

## Types of Debt

The State of Kansas uses debt financing to pay for certain state expenditures. Debt can be divided into five distinct categories.

**Traditional Bonds.** The first category is traditional debt financing through the issuance of bonds. Except for the Kansas Department of Transportation, which issues bonds to finance highways and other transportation projects, the Kansas Development Finance Authority (KDFA) is the issuer of revenue bonds for the state and some local governments. KDFA was created by the Legislature in 1987 as an independent instrumentality of the state to operate as a public corporation rather than as a state agency. The Authority charged by the Legislature provides state agencies and other public and private organizations access to the capital markets.

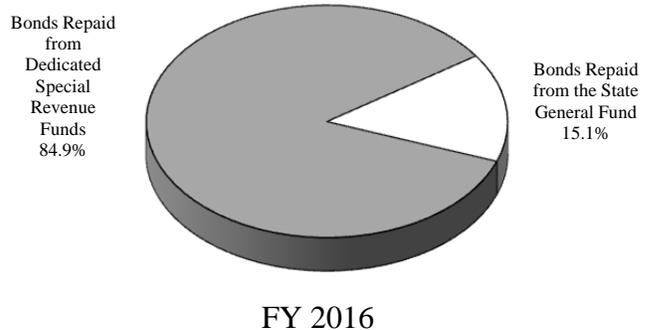
KDFA accomplishes this purpose in part by issuing debt to fund capital improvements debt for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction, expansion, and energy conservation improvements. KDFA also issues bonds or other debt instruments to finance health care facilities, affordable multifamily housing, and beginning farm loans. Most of the debt issued by KDFA can be characterized as pledge-of-revenue debt, meaning that bonds are serviced by a dedicated stream of revenue, such as a pledge of dormitory or parking garage revenues.

The remaining obligations KDFA issues on behalf of the state can be characterized as State General Fund appropriation bonds, such as those bonds issued to renovate the Capitol Building. Of the state's total bonded indebtedness, only 15.1 percent is an obligation of the State General Fund, as illustrated by the pie chart.

Provisions in the Kansas Constitution allow for the limited issuance of general obligation bonds subject to certain restrictions. However, no bonds have been issued under these provisions for decades. No other provisions in the constitution or state law limit the

amount of debt that can be issued for Kansas agencies. As of June 30, 2014, various state agencies had legislative authorized but unissued debt of \$453.3 million compared to \$695.8 million as of June 30, 2013.

Total Bond Indebtedness



**Bond Refinancing.** The Governor recommends that in FY 2015 four bonds be refinanced to take advantage of lower interest rates. The original bonds were issued between 2005 through 2007. Eleven projects will be affected at six different agencies. The refinancing will provide savings of \$2.9 million in FY 2015, \$6.0 million in FY 2016, and \$1.3 million in FY 2017.

**PMIB Loans.** The second category consists of a few loans issued by the Pooled Money Investment Board. These loans usually charge interest sufficient to recoup the loss of earnings that would otherwise be made on the investment of idle funds. An example would be the legal authorization to finance the 27th payroll that occurred in FY 2006 and provides for a PMIB loan of up to \$6.0 million in case the other financing mechanisms fail to provide sufficient resources to cover the obligation. To date, no such loan has been necessary.

**Facilities Conservation Improvement Program.** The third category includes the financing of energy improvements for state facilities under a program administered by the Department of Administration, the Facilities Conservation Improvement Program. The financing is provided through lease purchase agreements with a financial institution, and the debt service is repaid from the energy savings generated by the improvements.

**Master Lease Purchase Program.** The fourth category is the Master Lease Purchase Program administered by the Department of Administration. This program often finances equipment acquisitions by state agencies and represents a line-of-credit concept.

## Ratings

Although the state has no general obligation debt, and thus no general obligation debt rating, KDFA works with the rating agencies to facilitate the state's issuer "shadow" credit rating. Standard & Poors reduced its bond rating for Kansas in August 2014 from "AA+" to "AA" citing structural imbalances.

Moody's rating is an issuer rating and, which like the Standard & Poor's rating, is characterized as an implicit general obligation rating. In May 2014, Moody's Investors Service reduced its rating from "Aa1" to "Aa2" after tax revenues declined by 45.0 percent over the previous year. Moody's also noted its concern regarding the court's ruling on mandatory spending on schools.

The rating outlook is considered to be stable by both Standard & Poors and Moodys.

## Debt Projects

Following are brief descriptions of new, changing, or large projects that are debt financed. For details of all debt financed projects, refer to the table at the end of this section.

### Department of Administration

**Statehouse Renovation Bonds.** The Governor recommends expenditures of \$22.9 million in FY 2015 to pay for the debt service on all bonds that have been issued to date for improvements to the Statehouse, including \$258,796 from the State General Fund, \$2,640,800 from the Expanded Lottery Act Revenues Fund, and \$20.0 million from the State Highway Fund. For FY 2016, the Governor recommends a total debt service payment of \$23.7 million, including \$1,104,838 from the State General Fund, \$2,640,800

from the Expanded Lottery Act Revenues Fund, and \$20.0 million from the State Highway Fund. The FY 2017 recommendation is \$22.2 million, including \$2,640,800 from the Expanded Lottery Act Revenues Fund and \$19.5 million from the State Highway Fund.

### Department for Aging & Disability Services

**State Security Hospital.** In FY 2003, SRS issued \$50.1 million in bonds to finance the construction of the new State Security Hospital. Debt service payments on those bonds are made from the State Institutions Building Fund. In FY 2013 the Department for Aging and Disability Services took responsibility for payment of this debt service. The Governor's budget recommendation for KDADS in FY 2016 includes debt service payments of \$3.8 million and \$3.9 million in FY 2017.

**Rehabilitation & Repair—State Institutions.** In FY 2005, SRS received a one-time appropriation of \$7.0 million from the State Institutions Building Fund and was allowed to issue bonds totaling \$35.0 million to address a backlog of rehabilitation and repair projects at the state hospitals for the mentally ill. Debt service payments on those bonds are paid from the State Institutions Building Fund. In FY 2013 the Department for Aging and Disability Services took responsibility for payment of this debt service. The Governor recommends debt service payments of \$2.6 million in FY 2016 and FY 2017 for these bonds.

### Kansas Neurological Institute

**Energy Conservation—Debt Service.** The Kansas Neurological Institute participated in the Department of Administration's Facilities Conservation Improvement Program. The program was introduced by the state to help facilities realize savings in energy costs by implementing various improvements in energy management systems, lighting retrofits, mechanical structures, and water conservation measures. The debt service is then paid with the savings generated through the improvements made to each facility. For FY 2015, the Governor recommends \$238,870 from special revenue funds for the Institute's energy conservation debt service payments, of which \$28,749 is for interest. The Governor recommends debt service payments of \$238,870 for both FY 2016 and FY 2017,

which includes \$28,749 for interest each year. However, the FY 2016 and FY 2017 amounts include \$192,000 from the State Institutions Building Fund.

## **Parsons State Hospital & Training Center**

**Energy Conservation—Debt Service.** Parsons State Hospital & Training Center participated in the Department of Administration’s Facilities Conservation Improvement Program. For FY 2015, the Governor recommends \$187,791 for energy conservation debt service payments, of which \$36,342 is for interest. Of the total, \$138,897 is from the State General Fund and \$48,894 is from the State Institutions Building Fund. The Governor recommends debt service payments from the State Institutions Building Fund of \$187,791 in FY 2016, and \$187,790 in FY 2017, of which \$30,007 is for interest in FY 2016 and \$23,406 is for interest in FY 2017.

## **University of Kansas Medical Center**

**Health Education Building.** This will be a state of the art facility designed to train new doctors and other medical personnel. The 2014 Legislature approved \$1.0 million from the Educational Building Fund to begin the planning process and \$25.0 million in bonding authority. Debt service for the construction is planned to begin in FY 2016. The cost will be approximately \$1.8 million annually from the State General Fund.

## **University of Kansas**

**McCollum Hall.** This residence hall does not meet current student needs and will be replaced with two new residential facilities and additional parking. The 2014 Legislature approved \$49.0 million in bonding with the debt service being funded with housing fees. Debt service will be under \$3.0 million annually.

## **Kansas State University**

**Chiller Plant.** The university received \$56.0 million in bonding authority to expand its heating and cooling infrastructure for its existing buildings and in preparation for expected growth of research facilities

on campus. The location of the new plant will allow the university to establish a utility loop so any existing building can be taken “off-line” for repairs and maintenance without affecting the surrounding facilities. The project is expected to pay for itself through energy savings. Debt will be paid with special revenues and cost approximately \$4.0 million a year.

## **Fort Hays State University**

**Wiest Hall.** Wiest Hall will be replaced with a 400 bed residential and dining facility. It will be three stories and located north of Gross Coliseum. The 2014 Legislature approved \$25.0 million in bonding and the university will contribute \$19.5 million in FY 2015 and \$17.1 million in FY 2016. Debt service on the bond will be approximately \$1.5 million annually from housing funds.

## **Department of Corrections**

**Facilities Conservation Improvement Program.** Each of the correctional facilities participated in the Facilities Conservation Improvement Program, which allowed the facilities to replace toilets, showerheads, boilers, and other energy-consuming devices with more efficient equipment. Financing was provided through a line of credit, and each facility is required to repay its ten-year obligation from budget savings as a result of energy efficiencies. For many of the correctional facilities, the final payments for this debt service will occur in FY 2015. The total required for this debt service will be \$435,604, all from the State General Fund.

**RDU Relocation Debt Service.** In 2001, the Reception and Diagnostic Unit (RDU) was relocated from Topeka Correctional Facility to El Dorado Correctional Facility. The RDU is a central processing and evaluation unit for all adult male inmates entering the correctional system. The current year debt service for this project totals \$1,300,491 from the State General Fund including \$995,000 for principal and \$305,491 for interest. For FY 2016, \$319,150 is planned for a total debt service payment. For FY 2017, the debt service is \$1,579,150 with \$1,100,000 for principal and \$479,150 for interest. All amounts account for the bond refunding initiative that will generate near-term debt service savings.

**Facility Infrastructure Improvements Debt Service.**

In FY 2007, the Department of Corrections was authorized to issue \$19.2 million in bonds to provide additional funding for substantial maintenance needs at the adult correctional facilities. Projects included replacing locking systems, upgrading utility tunnels, adding water treatment systems, ensuring ADA compliance, and upgrading security and fire alarm systems. Total payments include \$1,395,548 in FY 2015 (\$800,000 principal; \$595,548 interest); \$1,500,387 in FY 2016 (\$835,000 principal; \$665,387 interest); and \$1,499,112 in FY 2017 (\$870,000 principal; \$629,112 interest). CIBF financing of \$500,000 is used for principal payments in all years with the remaining debt service amounts financed from the State General Fund. This debt service will also be subject to bond refunding.

**Prison Capacity Expansion Projects Debt Service.**

The 2007 Legislature approved the Governor's recommendation to give the Department of Corrections bonding authority of up to \$39.5 million to expand prison capacity to address the Sentencing Commission's estimate of an increasing inmate population. Issuance of the bonds was approved by the State Finance Council that same year. However, because of legislation passed during the 2007 Legislative Session, the Sentencing Commission's revised estimate resulted in lower prison population projections. Consequently, the 2008 Legislature reduced the Department of Corrections bonding authority to \$19.5 million and limited \$1.7 million of the total to developing plans for construction. The Department issued the \$1.7 million in bonds to finance plans for prison capacity expansion projects at Ellsworth, El Dorado, Stockton, and Yates Center. Determining that expansion was no longer needed, the

remaining \$17.8 million in bonding authority was rescinded by the 2009 Legislature. For FY 2015, \$130,065 from the CIBF is recommended for the debt service related to the planning of prison construction. Of this amount, \$110,000 is for principal and \$20,065 is for interest. For the FY 2016 payment of \$126,325, \$110,000 is for principal and \$16,325 is for interest. A total of \$127,100 will be paid in FY 2017 with \$115,000 for principal and \$12,100 for interest

**Juvenile Correctional Facility Construction Debt Service.**

Bonds were issued in FY 2002 to finance the construction of new juvenile correctional facilities at Larned and Topeka and to renovate a living unit at the facility in Beloit. The Beloit renovation was completed in May, 2002. The Larned Juvenile Correctional Facility opened in June, 2003 and the Topeka facility, currently the Kansas Juvenile Correctional Complex, opened in September, 2004. Because of decreasing numbers of juveniles housed in secure facilities, the Beloit Juvenile Correctional Facility was subsequently closed in FY 2011. The debt service payments include \$3,997,250 for FY 2015 (\$2,985,000 principal; \$1,012,250 interest); \$3,993,000 for FY 2016 (\$3,130,000 principal; \$863,000 interest); and \$3,996,500 for FY 2017 (\$3,290,000 principal; \$706,500 interest).

**Department of Transportation**

**Bonding Authority.** The Kansas Department of Transportation plans on issuing \$250.0 million in bonds during FY 2016 as part of the Transportation Works for Kansas Program; however, the agency does not plan to issue any bonds in FY 2017.

## Indebtedness of the State

	<u>FY 2014</u> <u>Actual</u>	<u>FY 2015</u> <u>Estimate</u>	<u>FY 2016</u> <u>Estimate</u>	<u>FY 2017</u> <u>Estimate</u>	<u>Prin. Balance</u> <u>June 30, 2017</u> <u>Estimate</u>
<b>State General Fund Budgeted Debt Service</b>					
Department of Administration					
Principal--Statehouse Renovations	11,020,000	--	--	--	208,990,000
Interest	11,693,064	258,796	1,104,838	--	
Principal--KPERs Actuarial Liability	--	--	--	--	--
Interest	1,598,000	2,738,000	2,738,312	3,075,373	
Principal--Debt Restructuring	--	1,345,000	1,380,000	1,440,000	40,650,000
Interest	2,220,677	2,200,851	2,150,798	2,094,328	
Principal--Transportation Bonds	8,580,000	8,960,000	9,380,000	9,815,000	127,970,000
Interest	7,568,312	5,608,401	6,409,712	5,977,018	
Principal--NBAF	3,035,000	2,710,000	14,814,650	14,311,950	60,005,000
Interest	3,014,599	3,343,724	7,326,857	7,926,736	
Kansas Public Employees Retirement System					
Principal	3,125,000	--	--	--	--
Interest	81,406	--	--	--	
Board of Regents					
Principal--KPERs Obligation	1,715,000	--	--	--	--
Interest	44,676	--	--	--	
Principal--Postsecondary Inst. Improve.	--	--	--	--	--
Interest	692,663	519,875	294,875	107,375	
Pittsburg State University					
Principal--Armory/Classroom Project	190,000	200,000	205,000	215,000	2,400,000
Interest	132,797	100,399	124,800	116,600	
Principal--Energy Conservation Project	300,000	496,244	505,616	515,272	2,715,000
Interest	47,041	137,756	128,384	118,728	
University of Kansas					
Principal--Pharmacy School Construction	1,869,600	2,080,000	2,165,000	2,255,000	21,404,288
Interest	1,760,809	2,044,917	1,961,939	1,865,652	
University of Kansas Medical Center					
Principal--Energy Conservation Projects	535,000	525,000	555,000	595,000	6,555,000
Interest	370,737	357,875	336,875	309,175	
Principal--Health Education Building	--	--	1,265,000	725,000	23,010,000
Interest	--	--	503,420	1,041,150	
Wichita State University					
Principal--Aviation Research Facilities	1,610,000	--	--	--	--
Interest	37,674	--	--	--	
Department of Corrections					
Principal--Facilities Improvements	760,000	800,000	835,000	870,000	12,965,000
Interest	777,000	743,850	710,150	673,875	
Principal--El Dorado Rec./Diagnostic Unit	945,000	995,000	319,150	1,100,000	5,040,000
Interest	453,638	305,491	--	479,150	
Kansas Bureau of Investigation					
Principal--KBI Lab	--	--	2,095,000	2,105,000	53,220,000
Interest	--	--	2,229,724	4,321,069	
Adjutant General					
Principal--Armory Rehab & Repair	1,795,000	1,835,000	1,120,610	2,010,000	12,830,000
Interest	909,212	669,114	11,775	938,100	

## Indebtedness of the State

	<b>FY 2014 Actual</b>	<b>FY 2015 Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>Prin. Balance June 30, 2017 Estimate</b>
Principal--Training Center	360,000	375,000	390,000	405,000	6,060,000
Interest	363,223	347,613	331,844	314,931	
Principal--Armory/PSU Facility	70,000	70,000	75,000	80,000	865,000
Interest	47,985	45,188	42,388	39,388	
Kansas State Fair					
Principal--Fairground Improvements	155,000	535,000	560,000	585,000	4,925,000
Interest	247,751	312,700	285,950	263,550	
<b>Total</b>					
<b>Principal</b>	<b>\$ 36,064,600</b>	<b>\$ 20,926,244</b>	<b>\$ 35,665,026</b>	<b>\$ 37,027,222</b>	<b>\$ 589,604,288</b>
<b>Interest</b>	<b>\$ 32,061,264</b>	<b>\$ 19,734,550</b>	<b>\$ 26,692,641</b>	<b>\$ 29,662,198</b>	
<b>Total--SGF Budgeted Debt Service</b>	<b>\$ 68,125,864</b>	<b>\$ 40,660,794</b>	<b>\$ 62,357,667</b>	<b>\$ 66,689,420</b>	

## Special Revenue Fund Budgeted Debt Service

Department of Administration					
Principal--Statehouse Renovations	--	12,050,000	13,020,000	12,920,000	See SGF Bonds
Interest	--	10,590,800	9,620,800	9,268,311	
Principal--Public Broadcasting Digital	90,000	90,000	95,000	445,000	1,917,695
Interest	148,328	144,769	141,150	129,944	
Principal--KPERs Actuarial Liability	12,275,000	12,835,000	13,440,000	14,085,000	407,160,000
Interest	22,265,850	20,562,483	19,956,102	18,972,308	
Department of Commerce					
Principal--Impact Program	17,090,000	17,800,000	17,360,000	18,225,000	129,155,000
Interest	8,724,550	8,010,350	7,139,725	6,272,275	
Principal--1430 Topeka Fac. Improvement	90,000	95,000	100,000	100,000	800,000
Interest	46,383	41,775	36,900	32,150	
Department for Aging & Disability Services					
Principal--State Security Hospital Const.	180,000	2,675,000	2,780,000	2,885,000	20,225,000
Interest	1,211,400	1,169,525	1,164,481	965,363	
Principal--St. Hospital Rehab. & Repair	2,585,000	1,665,000	1,750,000	1,835,000	13,355,000
Interest	846,904	925,700	925,700	754,950	
Health & Environment--Health					
Revolving Fund Water Projects	--	--	--	--	214,577,000
Department of Labor					
Principal--Unemp. Ins. Benefit IT Sys.	2,310,000	2,405,000	91,500	--	--
Interest	336,088	195,533	--	91,500	
Principal--Headquarters Improvement	190,000	195,000	205,000	215,000	1,215,000
Interest	87,919	80,322	72,328	63,923	
Board of Regents					
Principal--Research Initiative	--	--	--	--	--
Interest	155,400	44,410	--	--	
Emporia State University					
Principal--Student Housing	415,000	450,000	450,000	475,000	5,235,000
Interest	291,799	277,205	260,105	242,105	
Principal--Memorial Union Refurbishing	585,000	600,000	610,000	630,000	1,069,985
Interest	483,401	472,985	457,985	439,685	
Principal--Student Rec. Bldg. Addition	150,000	160,000	165,000	175,000	795,000
Interest	73,470	65,970	57,970	49,720	

## Indebtedness of the State

	<b>FY 2014 Actual</b>	<b>FY 2015 Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>Prin. Balance June 30, 2017 Estimate</b>
Fort Hays State University					
Principal--Lewis Field Renovation	75,000	75,000	80,000	85,000	200,000
Interest	16,037	17,799	14,893	11,693	
Principal--Memorial Hall Renovation	355,000	370,000	380,000	395,000	4,405,000
Interest	239,582	226,607	212,168	196,858	
Kansas State University					
Principal--Salina Student Housing	67,535	--	--	--	--
Interest	2,196	--	--	--	
Principal--Student Housing	1,945,000	2,015,000	2,090,000	3,495,000	129,290,000
Interest	3,106,626	5,380,322	5,800,519	5,712,672	
Principal--Student Union Parking	400,000	420,000	432,000	450,000	14,340,000
Interest	636,642	679,343	663,173	646,208	
Principal--Ackert Hall Restoration	135,000	140,000	--	--	--
Interest	5,500	2,800	--	--	
Principal--Farrell Library Expansion	260,000	265,000	250,000	--	--
Interest	12,900	7,650	2,500	--	
Principal--Energy Conservation Projects	2,966,975	3,217,254	3,308,143	3,410,120	14,889,779
Interest	1,304,909	1,381,290	1,182,522	1,182,522	
Principal--Student Union Renovation	550,000	555,000	570,000	585,000	605,000
Interest	69,125	58,125	47,025	32,775	
Principal--Salina Student Life Ctr. Const.	--	--	--	--	1,600,000
Interest	81,600	81,600	81,600	81,600	
Principal--Child Care Center	115,000	120,000	125,000	130,000	5,540,000
Interest	281,992	278,281	273,297	267,475	
Principal--Recreation Center Expansion	500,000	505,000	510,000	525,000	19,525,000
Interest	837,622	827,572	816,788	803,565	
Principal--Research & Development	1,075,000	1,130,000	1,180,000	1,240,000	29,480,000
Interest	1,300,127	1,249,734	1,195,661	1,137,256	
Principal--Landfill Remediation	85,000	90,000	90,000	90,000	3,230,000
Interest	123,919	122,219	120,419	118,619	
Principal--Engineering Facility	--	1,010,000	915,000	960,000	15,730,000
Interest	--	660,692	753,044	707,294	
Principal--School of Business	--	--	1,500,000	1,500,000	22,000,000
Interest	--	--	419,263	419,263	
Principal--Chiller Plant	--	--	2,240,000	2,240,000	51,520,000
Interest	--	--	1,731,226	1,731,226	
Pittsburg State University					
Principal--Student Housing	730,000	1,350,000	1,505,000	1,870,000	45,070,000
Interest	1,027,999	1,001,476	2,102,895	2,042,937	
Principal--Research Initiative	--	--	--	--	3,000,000
Interest	155,385	118,133	155,400	155,400	
Principal--Overman/Bonita	220,000	235,000	240,000	255,000	1,205,000
Interest	53,247	67,484	48,838	39,975	
Principal--H. Mann Adm. Bldg. Renovation	240,000	245,000	255,000	265,000	285,000
Interest	30,160	25,350	19,713	12,550	
Principal--Student Health Center Const.	50,000	50,000	50,000	55,000	435,000
Interest	25,782	24,236	22,361	20,261	

## Indebtedness of the State

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2017</b>
					<b>Estimate</b>
Principal--Energy Conservation	51,655	62,954	74,969	82,243	See SGF
Interest	98,794	93,978	84,638	73,214	
Principal--Parking Expansion	175,000	180,000	185,000	190,000	3,325,000
Interest	250,981	244,435	235,445	225,500	
University of Kansas					
Principal--Student Housing	850,000	915,000	2,530,000	1,980,000	61,850,000
Interest	1,032,425	2,380,653	2,659,794	2,547,094	
Principal--Child Care Facility Renovation	165,000	175,000	175,000	185,000	385,000
Interest	21,676	36,800	29,800	22,800	
Principal--Parking Facilities	455,000	1,140,000	1,325,000	1,375,000	7,855,000
Interest	377,450	465,208	435,209	380,809	
Principal--Stu. Rec. Ctr. Improvements	1,390,000	1,450,000	1,505,000	300,000	3,750,000
Interest	340,478	285,409	227,409	167,934	
Principal--Law Enforcement Ctr. Restor.	800,000	830,000	860,000	895,000	11,245,000
Interest	613,188	583,187	549,988	515,588	
Principal--Jayhawk Towers	670,000	1,040,000	1,070,000	1,115,000	17,920,000
Interest	794,708	769,058	732,058	688,358	
Principal--Edward Campus Facility	--	--	--	--	13,560,000
Interest	--	--	--	--	
Principal--Energy Conservation	2,178,938	2,148,267	2,243,161	2,345,513	14,530,000
Interest	866,758	1,090,291	1,010,034	921,643	
Principal--Engineering Facility	--	--	1,905,000	2,000,000	5,156,325
Interest	1,640,189	3,251,575	3,251,575	3,156,325	
University of Kansas Medical Center					
Principal--Parking Garage Construction	405,000	415,000	430,000	410,000	7,860,000
Interest	374,401	360,700	324,838	311,212	
Principal--Research & Development Facility	2,380,000	2,495,000	2,595,000	2,200,000	34,365,000
Interest	1,686,458	1,571,540	1,387,725	1,387,725	
Principal--Clinical Research Facility	--	--	--	--	11,980,000
Interest	--	--	--	--	
Wichita State University					
Principal--Student Housing	560,000	590,000	1,655,000	1,710,000	64,190,000
Interest	267,500	2,233,618	3,224,073	3,172,373	
Principal--Research & Development	720,000	750,000	790,000	830,000	870,000
Interest	289,378	139,468	102,695	63,400	
Principal--Energy Conservation	789,632	821,090	853,802	887,816	--
Interest	300,238	268,780	236,068	202,054	
Principal--Rhatigan Student Center	1,425,000	1,510,000	1,585,000	1,665,000	14,170,000
Interest	927,750	856,000	780,500	701,250	
Department of Corrections					
Principal--Improvements & Expansion	105,000	110,000	110,000	115,000	245,000
Interest	23,520	20,065	16,325	12,100	
Principal--Topeka & Larned Fac. Restor.	5,710,000	2,985,000	3,130,000	3,290,000	10,840,000
Interest	1,205,242	1,203,825	863,000	706,500	
Highway Patrol					
Principal--Fleet Acquisition/Service	295,000	305,000	325,000	340,000	360,000
Interest	77,200	61,819	45,281	27,825	

## Indebtedness of the State

	<b>FY 2014 Actual</b>	<b>FY 2015 Estimate</b>	<b>FY 2016 Estimate</b>	<b>FY 2017 Estimate</b>	<b>Prin. Balance June 30, 2017 Estimate</b>
Principal--Olathe Inspect. Fac. Restoration	60,000	--	--	--	--
Interest	2,999	--	--	--	--
Department of Wildlife, Parks & Tourism					
Principal--Johnson County Office	60,000	65,000	65,000	70,000	1,240,000
Interest	81,766	80,266	76,340	73,966	
Principal--Energy Conservation	50,000	40,000	40,000	45,000	1,080,000
Interest	47,599	58,550	56,950	55,350	
Kansas Department of Transportation					
Principal--Highway Projects	103,310,000	113,405,000	102,670,000	107,310,000	1,832,000,000
Interest	60,417,707	78,010,845	82,366,204	83,288,790	
Principal--Communication System	190,700	199,600	209,200	218,900	568,200
Interest	66,158	57,143	47,707	37,816	
Principal--Revolving Fund	--	--	--	--	29,555,225
Interest	--	--	--	--	
<b>Total</b>					
<b>Principal</b>	<b>\$ 168,525,435</b>	<b>\$ 194,444,165</b>	<b>\$ 192,117,775</b>	<b>\$ 199,099,592</b>	<b>\$ 3,306,754,209</b>
<b>Interest</b>	<b>\$ 115,787,405</b>	<b>\$ 148,915,753</b>	<b>\$ 154,240,207</b>	<b>\$ 151,342,009</b>	
<b>Total Special Rev. Fund Debt Service</b>	<b>\$ 284,312,840</b>	<b>\$ 343,359,918</b>	<b>\$ 346,357,982</b>	<b>\$ 350,441,601</b>	

### Off Budget

Department of Administration					
Principal--Memorial Hall Restoration	310,000	325,000	340,000	360,000	1,485,000
Interest	94,375	82,375	65,750	48,250	
Principal--Eisenhower Building Restoration	1,290,000	1,330,000	1,390,000	1,450,000	20,035,000
Interest	1,101,656	1,049,256	987,906	916,906	
Principal--Facilities Improvement Projects	485,000	505,000	525,000	590,000	3,312,305
Interest	217,275	198,650	175,044	149,250	
<b>Total</b>					
<b>Principal</b>	<b>\$ 2,085,000</b>	<b>\$ 2,160,000</b>	<b>\$ 2,255,000</b>	<b>\$ 2,400,000</b>	<b>\$ 24,832,305</b>
<b>Interest</b>	<b>\$ 1,413,306</b>	<b>\$ 1,330,281</b>	<b>\$ 1,228,700</b>	<b>\$ 1,114,406</b>	
<b>Total--Off Budget Debt Service</b>	<b>\$ 3,498,306</b>	<b>\$ 3,490,281</b>	<b>\$ 3,483,700</b>	<b>\$ 3,514,406</b>	

### Pool Money Investment Board Loans

Department of Administration					
Principal	60,635	60,635	60,635	60,635	121,269
Interest	945	788	509	383	
Department of Wildlife, Parks & Tourism					
Principal	1,616,341	--	--	--	--
Interest	2,790	--	--	--	
Pittsburg State University					
Principal	--	8,998,205	--	--	--
Interest	--	70,506	--	--	
Kansas Department of Health & Environment					
Principal	2,665,845	5,100,000	--	--	--
Interest	13,366	25,604	--	--	
University of Kansas					
Principal	3,800,000	--	--	--	--
Interest	29,099	--	--	--	

## Indebtedness of the State

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate	Prin. Balance June 30, 2017 Estimate
KU Medical Center	--	480,206	482,170	484,581	--
Principal	--	10,856	9,714	7,307	
Interest					
<b>Total</b>					
<b>Principal</b>	<b>\$ 8,142,821</b>	<b>\$ 14,158,840</b>	<b>\$ 60,635</b>	<b>\$ 60,635</b>	<b>\$ 121,269</b>
<b>Interest</b>	<b>\$ 46,200</b>	<b>\$ 96,898</b>	<b>\$ 509</b>	<b>\$ 383</b>	
<b>Total--PMIB Loans</b>	<b>\$ 8,189,021</b>	<b>\$ 14,255,738</b>	<b>\$ 61,144</b>	<b>\$ 61,018</b>	

## Master Lease Program

Health & Environment--Health					
Principal	217,643	230,816	229,715	--	--
Interest	41,045	27,873	13,903	--	
Department of Education					
Principal	175,616	119,497	121,535	123,609	189,379
Interest	17,717	8,907	6,868	4,795	
Board of Regents					
Principal	5,369	5,698	4,547	--	--
Interest	957	628	621	--	
Fort Hays State University					
Principal	38,289	38,652	39,019	--	--
Interest	1,099	736	369	--	
Kansas State University					
Principal	250,697	221,424	171,904	145,659	100,982
Interest	7,941	12,683	6,957	3,797	
Pittsburg State University					
Principal	30,854	30,358	6,161	--	--
Interest	1,998	1,118	63	--	
University of Kansas Medical Center					
Principal	142,924	27,885	--	--	--
Interest	6,059	939	--	--	
Wichita State University					
Principal	93,375	--	--	--	--
Interest	1,328	--	--	--	
Department of Correction (Juvenile)					
Principal	35,397	36,881	--	--	--
Interest	3,019	1,535	--	--	
Department of Agriculture					
Principal	41,802	42,429	42,429	51,973	82,995
Interest	4,332	3,706	3,706	3,699	
<b>Total</b>					
<b>Principal</b>	<b>\$ 1,031,966</b>	<b>\$ 753,640</b>	<b>\$ 615,310</b>	<b>\$ 321,241</b>	<b>\$ 373,356</b>
<b>Interest</b>	<b>\$ 85,495</b>	<b>\$ 58,125</b>	<b>\$ 32,487</b>	<b>\$ 12,291</b>	
<b>Total--Master Lease Program</b>	<b>\$ 1,117,461</b>	<b>\$ 811,765</b>	<b>\$ 647,797</b>	<b>\$ 333,532</b>	

## Off Budget

Department of Administration					
Principal	1,316,437	439,176	190,627	178,550	54,866
Interest	47,714	9,932	4,973	2,141	
<b>Total--Off Budget Master Lease</b>	<b>\$ 1,364,151</b>	<b>\$ 449,108</b>	<b>\$ 195,600</b>	<b>\$ 180,691</b>	<b>\$ 54,866</b>

## Indebtedness of the State

	FY 2014 Actual	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate	Prin. Balance June 30, 2017 Estimate
<b>Facilities Conservation Improvement Program</b>					
Kansas Neurological Institute					
Principal	210,464	210,121	210,121	210,121	695,084
Interest	35,659	28,749	28,749	28,749	
Parsons State Hospital & Training Center					
Principal	145,369	151,449	157,784	164,384	446,092
Interest	42,423	36,342	30,007	23,406	
School for the Blind					
Principal	35,134	36,826	38,600	40,459	42,408
Interest	8,794	7,102	5,328	3,469	
School for the Deaf					
Principal	72,202	75,222	78,368	81,646	219,370
Interest	21,070	18,050	14,904	11,626	
Fort Hays State University					
Principal	280,118	300,024	320,924	342,862	1,842,959
Interest	123,460	111,802	99,321	85,974	
Kansas State University					
Principal	233,591	--	--	--	--
Interest	3,134	--	--	--	
Pittsburg State University					
Principal	85,741	89,060	92,508	96,089	598,979
Interest	36,088	32,769	29,321	25,740	
University of Kansas					
Principal	990,714	1,076,996	1,118,085	1,160,741	7,240,935
Interest	530,135	378,301	337,212	294,556	
Ellsworth & Labette Correctional Facilities					
Principal	99,352	94,291	--	--	--
Interest	5,787	1,720	--	--	
Lansing Correctional Facility					
Principal	421,850	--	--	--	--
Interest	11,392	--	--	--	
Larned Correctional Mental Health Facility					
Principal	18,557	18,557	--	--	--
Interest	1,500	1,500	--	--	
Norton Correctional Facility					
Principal	196,029	--	--	--	--
Interest	7,836	--	--	--	
Topeka Correctional Facility					
Principal	78,016	78,016	--	--	--
Interest	8,961	8,961	--	--	
Winfield Correctional Facility					
Principal	165,655	--	--	--	--
Interest	5,036	--	--	--	
<b>Total</b>					
<b>Principal</b>	<b>\$ 3,032,792</b>	<b>\$ 2,130,562</b>	<b>\$ 2,016,390</b>	<b>\$ 2,096,302</b>	<b>\$ 11,085,827</b>
<b>Interest</b>	<b>\$ 841,275</b>	<b>\$ 625,296</b>	<b>\$ 544,842</b>	<b>\$ 473,520</b>	
<b>Total--FCI Program</b>	<b>\$ 3,874,067</b>	<b>\$ 2,755,858</b>	<b>\$ 2,561,232</b>	<b>\$ 2,569,822</b>	