
Debt Service

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.

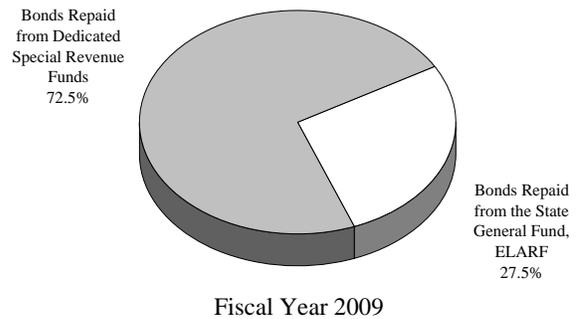
As discussed elsewhere in this report, the Governor proposes to use a portion of the revenues estimated to be available under the new gaming legislation to make debt service payments on bonds backed by the State General Fund. Should the gaming legislation be ruled unconstitutional by the courts, the payments would revert to the State General Fund.

Traditional Bonds. The first category is traditional debt financing through the issuance of bonds, which can be further divided by debt service payments financed from the State General Fund and the new Expanded Lottery Act Revenues Fund and debt financed from special revenue sources. For purposes of budgeting debt service, bonds backed by the State General Fund but paid back with gaming revenues are grouped together.

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 is charged by the Legislature with providing access to the capital markets to state agencies and other public and private organizations.

KDFA accomplishes this purpose in part by issuing debt to fund capital improvements and certain public purpose programs. KDFA issues debt, among other purposes, for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction and expansion, and energy conservation improvements. KDFA also issues bonds or other debt instruments to finance health care facilities, affordable multifamily housing, and beginning farmer loans. Most of the debt issued by KDFA can be characterized

Total Bond Indebtedness



as pledge-of-revenue debt, meaning that bonds are debt 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 27.5 percent is an obligation of the State General Fund and the Expanded Lottery Act Revenues 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, 2007, various state agencies had legislatively authorized but unissued debt of \$315,669,488. Although the amount of debt for financing capital improvement projects has increased in the past several years, debt service still constitutes a small part of the overall state budget. The state has consistently demonstrated strong fiscal management practices, carefully maintaining expenditures in line with revenues, thereby avoiding the need for restrictive statutory debt limits.

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. The legal authorization to finance the 27th payroll that occurred in FY 2006 makes provision for a PMIB loan 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 finances mostly equipment acquisitions by state agencies and represents a line-of-credit concept.

Third Party & Other Debt. Third Party debt is where an agency purchases personal computers, for example, and the vendor maintains an affiliation with a finance company in order to provide financing to the purchasing agency. The finance company constitutes the third party. There are other similar financing arrangements. In some cases the vendor itself provides financing, or the vendor recovers the cost of sales promotions by adjusting the price structure accordingly.

Budgeting for Debt Payments

When traditional bonds are issued, KDFA is responsible for the total debt service obligation to the bondholders. The source of funds to meet these obligations comes in part from investment earnings on idle bond proceeds (bond reserve funds or capitalized interest funds) or earnings on project funds which may eventually be used to pay contractors for their work. Permitted earnings on debt service monies may likewise be used to defray debt service costs. After considering the interest earned on bond funds, the

“shortfall” represents the remaining amount that must be appropriated in agency budgets from pledged revenue sources or appropriations.

The table at the end of this section depicts only the portion of the debt service included in agency budgets. Therefore, the numbers reported on the table will be the same as amounts that the Governor recommends and the Legislature approves.

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 & Poor’s “AA+” credit rating reflects the state’s general creditworthiness. Credit factors include a very low debt burden, continued economic diversification, and historically conservative and responsible fiscal management.

The issuer rating assigned by Moody’s Corporation remains “Aa1.” Moody’s rating is an issuer rating, which like the Standard & Poor’s rating, can be characterized as an implicit general obligation rating that reflects the state’s history of favorable financial management, the strength and stability of the Kansas economy, and relatively low debt levels. The rating is based on Kansas’ traditionally strong fiscal discipline.

Debt Projects

Following are brief descriptions of new, changing, or expanded projects that are debt financed, primarily capital improvements but also including the actuarial soundness of the KPERS Fund.

Department of Administration

Statehouse Renovation. The 2000 Legislature approved an issuance of bonds totaling \$40.0 million for renovation of the Statehouse, starting with the east wing. The 2001 Legislature, with the approval of the State Finance Council, authorized the issuance of another \$15.0 million in bonds for an underground parking garage. The 2004 Legislature authorized

\$19.8 million more for Phase II of the Statehouse renovation. Another \$26.9 million was authorized by the 2005 Legislature to complete Phase III of the renovation. The 2006 Legislature authorized an additional \$16.2 million to cover cost increases experienced since the original bonding amounts were authorized.

The 2007 Legislature authorized an additional \$55.0 million in bonding authority to address increased construction costs for the project. Total debt that has been authorized totals \$172.9 million as of January 2008. The Governor also recommends further bond authorization in the amount of \$38.8 million in FY 2009 for the exterior masonry repair and rehabilitation of the Statehouse. Repayment of these bonds will begin in FY 2010.

For FY 2009, the Governor recommends revised Statehouse renovation debt service expenditures of \$10,052,858 from the Expanded Lottery Act Revenues Fund. Prior debt service payments have been made from the State General Fund.

Docking State Office Building Renovation. The Governor's recommendation includes bond authorization in the amount of \$80.0 million in FY 2009 for the renovation of the Docking State Office Building plus \$16.0 million for furnishings and moving costs. This authorization will fund the removal of all exterior and interior walls to the steel girders, and then rebuild from the inside out. Repayment of these bonds will begin in FY 2010 from the Expanded Lottery Act Revenues Fund and will be approximately \$5.5 million each year for 30 years.

KDOT Comprehensive Transportation Program. FY 2009 will mark the second fiscal year that a principal payment will be made for the bonds that were issued in March 2006 for the KDOT Comprehensive Transportation Program. The Governor has included expenditures of \$16,148,175 from the Expanded Lottery Act Revenues Fund in FY 2009, including \$7,010,000 for principal and \$9,138,175 for interest. Prior debt service payments have been made from the State General Fund but are switched for FY 2009.

KPERS Pension Obligation Bonds. Included in the Governor's recommendation is a State General Fund appropriation of \$36,146,303 in FY 2009 for debt

service on KPERS pension obligation bonds. The debt service will retire \$500.0 million in bonds that were issued in FY 2004 to eliminate the unfunded liability of the KPERS System. Payments will continue at approximately \$36.1 million each year, with the final payment scheduled in June 2034.

Board of Regents

Infrastructure Projects. The 2007 Legislature authorized and the Governor concurred with \$20.0 million in bonding authority to finance infrastructure improvement projects at Washburn University, community colleges, and vocational-technical institutions. In total, the bonds cannot exceed \$100.0 million. No more than \$20.0 million can be issued in any single year, and not more than \$15.0 million in bonds can be issued for any single institution. Debt service interest on the bonds will be paid with State General Fund dollars while the institutions pay the principal. The first applications for use of this funding are due December 21, 2007.

Kansas State University

Bramlage Coliseum & the Bill Snyder Family Stadium. This FY 2009 project will expand the Bramlage Coliseum to include Title IX compliant men's and women's locker room facilities and support areas, a practice/training gym, ticket and retail space, and a Hall of Fame. The Bill Snyder Family Stadium improvements include the demolition of outdated restroom and concession buildings, construction of loge box seating, and parking lot resurfacing. The Governor recommends \$45.0 million in bonding authority. The debt service will be repaid from athletic department revenue and private gift funds beginning in FY 2010.

Peters Student Recreation Center. This project will provide 88,400 square feet of new space as well as modifications to the existing building. The project includes a cardio and weight room, an extension of the indoor track, additional multi-purpose activity courts, a 40-foot indoor rock climbing wall, a new entrance on the south side, and renovation of the existing facility. The Governor recommends \$24.0 million in bonding authority in FY 2009. The debt service will be repaid from a student privilege fee beginning in FY 2010.

University of Kansas

School of Pharmacy. As proposed by the Governor, expansion of the School of Pharmacy consists of a new building on the Lawrence campus and an addition and partial renovation of the Roberts Center for Research in Wichita. The expanded capacity will assist the state in meeting the need for new pharmacists and tie in with the state's bioscience industry. The Governor recommends \$50.0 million in bonding authority. Debt service on the 15-year issue is expected to be \$5.0 million per year beginning in FY 2010. The Governor also recommends \$1.0 million from the Expanded Lottery Act Revenues Fund for FY 2009 to begin the project.

Jayhawker Tower Renovation. The Jayhawker Tower apartments were built in 1967 as privately-owned housing and were acquired by the University in 1981. The complex has four towers, each with 75 apartments. The buildings need major mechanical renovation, to include enhancements in lighting, data service, and life-safety systems. FY 2009 will be Phase One of the project and will address Tower A. The Governor recommends \$8.1 million in bonding authority in FY 2009. The debt service will begin in FY 2010 and will be secured with a pledge of the revenue from the University's housing system.

Department of Corrections

RDU Relocation Debt Service. The debt service payment for the RDU is related to bonds that were issued to fund the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility. The Governor recommends transferring funding for the FY 2009 payment of \$1,401,000 from the State General Fund to the Expanded Lottery Act Revenues Fund. Of the total amount, \$755,000 is for principal and \$646,000 is for interest.

Labette Correctional Conservation Camp Debt Service. The debt service for Labette is to pay for a 100-bed expansion project that was authorized in 1997. For FY 2009, the Governor recommends \$160,000 from the Expanded Lottery Act Revenues Fund, including \$150,000 for principal and \$10,000 for interest. This debt service payment had been funded previously from the State General Fund.

Revenue Refunding Bonds Debt Service. These bond issues paid for the construction of El Dorado Correctional Facility and Larned Correctional Mental Health Facility. For FY 2009, the Governor recommends \$2,259,000 from all funding sources to pay the debt service for the revenue refunding bonds. Of this amount, \$1,830,000 is for principal and \$429,000 is for interest. Of the total principal payment, \$140,303 will be from the Expanded Lottery Act Revenues Fund and \$1,689,697 will be paid from the Correctional Institutions Building Fund. To offset the portion of the FY 2009 debt service payment that is from the Corrections Institutions Building Fund, the Governor recommends transferring \$1,689,697 million from the Expanded Lottery Act Revenues Fund to the Corrections Institutions Building Fund. This will allow the Department of Corrections to use more CIBF resources to address enduring maintenance needs of the correctional facilities.

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 infrastructure needs at the correctional facilities. Some of the projects identified were replacing locking systems; upgrading utility tunnels; adding water treatment systems; ensuring ADA compliance; and upgrading security and fire alarm systems. For FY 2009, the Governor recommends \$1,549,000 for the debt service payment, including \$625,000 for principal and \$924,000 for interest. Moreover, the Governor recommends transferring the source of the FY 2009 payment from the State General Fund to the Expanded Lottery Act Revenues Fund.

Adjutant General

Armory Rehabilitation Plan. The agency was authorized to issue \$22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period starting in FY 2001. The plan will rehabilitate selected state-owned armories and replace other armories. Bonds were issued totaling \$2.0 million in November 2000, \$2.0 million in November 2001, \$6.0 million in June 2003, \$6.0 million in June 2004, and \$6.0 million in November 2005. The 2005 Legislature authorized the issuance of an additional \$9.0 million in bonds to complete the Amory Renovation Plan. The bonds will be issued in \$3.0 million increments each, starting in FY 2007 and ending in FY 2009.

For FY 2008, the Governor recommends \$1,974,519 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the total, \$1,090,000 will be principal and \$884,519 will be interest. The Governor recommends \$2,226,807 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the debt service payment. Of the recommended amount, \$1,235,000 will be principal and \$991,807 interest.

Readiness Center. The agency was authorized by the 2005 Legislature to issue \$1,450,711 in bonds to fund the Pittsburg State University/Kansas National Guard Readiness Center project. The Adjutant General is constructing an armory, classroom, and recreation center in cooperation with Pittsburg State. The bonds were issued in October 2006, and the first debt service payment was in FY 2008. The Governor recommends \$117,388 from the State General Fund in FY 2008 to finance the debt service payment on the bonds. Of the total, \$55,000 will be for the principal and \$62,388 for interest. For FY 2009, the Governor recommends \$115,188 from the State General Fund. Of this amount, \$55,000 will be for principal and \$60,188 for interest. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this \$5.5 million project. Of the total amount, Pittsburg State University is responsible for \$4,025,763 and the Adjutant General's Office is responsible for \$1,450,711.

Training Center. The 2007 Legislature approved \$9.0 million in bonding authority for a training center in Salina. The training center will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard. For FY 2009, the Governor recommends \$677,189 from the State General Fund to finance the first debt service payment on the bonds issued for the construction of the training center. Of this amount,

\$290,000 will be used for principal and \$387,189 for interest.

Kansas Bureau of Investigation

Headquarters Building Debt Service. The Governor recommends \$265,000 in FY 2008 from the State General Fund and \$285,000 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the debt service principal payments on the headquarters building in Topeka. Included in the agency's operating budget is \$42,668 in FY 2008 from the State General Fund and \$26,850 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the interest portion on the debt service payments.

Kansas State Fair

KSA 2-226 authorized the issuance of bonds up to a total of \$29.0 million to finance capital improvements for the State Fair. The bond proceeds will allow the State Fair Board to make extensive improvements to the fairgrounds in Hutchinson, as specified in the Board's capital improvement master plan.

At the end of the fiscal year, the State Fair is required by law to transfer 5.0 percent of its gross receipts from the State Fair Fee Fund to its State Fair Capital Improvements Fund. At the beginning of the following fiscal year, a matching amount up to \$300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. The Governor recommends for FY 2009, that the \$300,000 be transferred from the Expanded Lottery Act Revenues Fund (ELARF) instead of the State General Fund to the State Fair Capital Improvement Fund. The Governor also recommends that the State Fair's debt service State General Fund expenditures of \$1,540,821 for FY 2009 be financed with ELARF funds.

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
State General Fund & Expanded Lottery Act Revenues Fund Bonded Indebtedness					
Department of Administration					
Principal	3,960,000	4,009,128	11,075,000	20,670,000	809,440,000
Interest	3,993,935	24,962,512	40,296,437	39,972,858	
Kansas Public Employees Retirement System					
Principal	2,736,086	2,786,547	2,816,161	2,465,000	14,190,000
Interest	475,606	425,201	398,055	745,947	
Total--General Government	\$ 11,165,627	\$ 32,183,388	\$ 54,585,653	\$ 63,853,805	\$ 823,630,000
Kansas Board of Regents					
Principal	1,220,000	1,290,000	1,295,000	1,350,000	7,985,000
Interest	532,584	500,629	461,004	406,004	
Pittsburg State University					
Principal	--	--	143,359	160,000	3,905,000
Interest	--	--	187,801	166,999	
University of Kansas Medical Center					
Principal	880,000	350,000	370,000	395,000	11,085,000
Interest	557,503	533,344	524,595	513,000	
Wichita State University					
Principal	1,050,000	1,159,852	1,215,000	1,275,000	6,525,000
Interest	226,543	188,912	427,949	369,208	
Total--Education	\$ 4,466,630	\$ 4,022,737	\$ 4,624,708	\$ 4,635,211	\$ 29,500,000
Adjutant General					
Principal	850,000	1,060,000	1,145,000	1,580,000	30,455,000
Interest	415,666	845,695	946,907	1,439,184	
Department of Corrections					
Principal	3,502,818	1,766,242	2,520,303	1,670,303	38,915,000
Interest	1,282,764	1,297,401	1,243,000	2,009,000	
Kansas Bureau of Investigation					
Principal	265,000	265,000	265,000	285,000	300,000
Interest	38,176	31,385	42,668	26,850	
Total--Public Safety	\$ 6,354,424	\$ 5,265,723	\$ 6,162,878	\$ 7,010,337	\$ 69,670,000
State Fair Board					
Principal	1,050,000	1,080,000	1,120,000	1,155,000	22,525,000
Interest	1,107,285	1,167,251	1,128,884	1,085,821	
Total--Ag. & Natural Resources	\$ 2,157,285	\$ 2,247,251	\$ 2,248,884	\$ 2,240,821	\$ 22,525,000
Total					
Principal	\$ 15,513,904	\$ 13,766,769	\$ 21,964,823	\$ 31,005,303	\$ 945,325,000
Interest	\$ 8,630,062	\$ 29,952,330	\$ 45,657,300	\$ 46,734,871	
Total--SGF & ELARF Bonded Indebtedness	\$ 24,143,966	\$ 43,719,099	\$ 67,622,123	\$ 77,740,174	
Non-SGF Bonded Indebtedness					
Department of Commerce					
Principal	12,305,000	11,100,000	11,550,000	13,450,000	56,075,000
Interest	2,456,720	2,572,406	3,975,513	3,095,038	
Total--General Government	\$ 14,761,720	\$ 13,672,406	\$ 15,525,513	\$ 16,545,038	\$ 56,075,000

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Social & Rehabilitation Services					
Principal	2,810,000	2,895,000	2,995,000	3,115,000	66,315,000
Interest	3,113,043	3,285,321	3,497,756	3,377,100	
Department of Labor					
Principal	145,000	1,895,000	1,965,000	2,035,000	18,240,000
Interest	271,262	1,022,020	955,708	881,358	
Health & Environment--Health					
Principal	415,000	430,000	450,000	470,000	616,470,000
Interest	37,838	69,011	51,095	31,620	
Total--Human Services	\$ 6,792,143	\$ 9,596,352	\$ 9,914,559	\$ 9,910,078	\$ 701,025,000
Kansas Board of Regents					
Principal	10,880,000	17,670,562	16,070,000	17,430,000	143,577,163
Interest	4,196,414	4,782,009	7,680,000	7,150,210	
Emporia State University					
Principal	386,426	564,757	631,000	631,000	10,692,902
Interest	33,143	464,904	485,606	463,191	
Fort Hays State University					
Principal	205,000	210,000	500,000	525,000	12,430,000
Interest	239,214	235,116	542,224	523,548	
Kansas State University					
Principal	2,620,000	2,907,093	3,225,000	3,810,000	115,610,000
Interest	1,159,738	1,757,202	4,720,816	5,249,319	
Pittsburg State University					
Principal	335,000	365,000	430,000	470,000	12,235,000
Interest	440,955	493,314	546,317	542,487	
University of Kansas					
Principal	1,860,000	2,996,875	3,395,000	3,540,000	72,815,000
Interest	2,023,492	2,256,211	2,629,293	2,615,072	
University of Kansas Medical Center					
Principal	330,000	465,000	480,000	500,000	4,875,000
Interest	--	451,465	463,303	454,241	
Wichita State University					
Principal	780,000	805,000	845,000	870,000	12,330,000
Interest	483,761	493,440	667,368	633,643	
Total--Education	\$ 25,973,143	\$ 36,917,948	\$ 43,310,927	\$ 45,407,711	\$ 384,565,065
Department of Corrections					
Principal	1,620,000	1,689,697	1,689,697	1,689,697	--
Interest	69,697	--	--	--	
Juvenile Justice Authority					
Principal	2,255,102	2,360,000	2,460,000	2,580,000	36,735,000
Interest	2,344,410	2,227,865	2,130,328	2,013,633	
Highway Patrol					
Principal	695,000	725,000	735,000	275,000	2,930,000
Interest	251,682	220,321	187,481	155,731	
Total--Public Safety	\$ 7,235,891	\$ 7,222,883	\$ 7,202,506	\$ 6,714,061	\$ 39,665,000

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Department of Transportation					
Principal	46,755,000	53,020,000	50,330,000	52,990,000	1,685,895,000
Interest	67,441,667	68,623,027	77,239,698	74,967,183	
Total--Transportation	\$ 114,196,667	\$ 121,643,027	\$ 127,569,698	\$ 127,957,183	\$ 1,685,895,000
Total					
Principal	\$ 84,396,528	\$ 100,098,984	\$ 97,750,697	\$ 104,380,697	\$ 2,867,225,065
Interest	\$ 84,563,036	\$ 88,953,632	\$ 105,772,506	\$ 102,153,374	
Total Non-SGF Indebtedness	\$ 168,959,564	\$ 189,052,616	\$ 203,523,203	\$ 206,534,071	

Off Budget

Department of Administration					
Principal	1,622,771	1,705,000	1,780,000	1,850,000	40,225,000
Interest	1,819,801	1,745,434	1,671,548	1,596,412	
Total--Off Budget Indebtedness	\$ 3,442,572	\$ 3,450,434	\$ 3,451,548	\$ 3,446,412	

Pool Money Investment Board Loans

Kansas State University--ESARP					
Principal	525,000	1,350,000	1,000,000	--	--
Interest	49,024	38,031	18,963	--	
Kansas Water Office					
Principal	229,946	232,039	--	--	--
Interest	7,999	5,906	--	--	
Department of Wildlife & Parks					
Principal	500,000	700,000	--	--	--
Interest	15,153	15,153	--	--	
Total					
Principal	1,254,946	2,282,039	1,000,000	--	--
Interest	72,176	59,090	18,963	--	
Total--PMIB Loans	\$ 1,327,122	\$ 2,341,129	\$ 1,018,963	\$ --	

Off Budget

Department of Administration					
Principal	1,622,771	1,705,000	1,780,000	1,850,000	40,225,000
Interest	1,819,801	1,745,434	1,671,548	1,596,412	
Total--Off Budget PMIB Loans	\$ 3,442,572	\$ 3,450,434	\$ 3,451,548	\$ 3,446,412	

Master Lease Program

Department of Administration					
Principal	4,486	10,797	11,405	12,047	7,160
Interest	883	2,009	1,401	759	
Total--General Government	\$ 5,369	\$ 12,806	\$ 12,806	\$ 12,806	\$ 7,160
Social & Rehabilitation Services					
Principal	240,009	18,958	191,870	172,146	21,351
Interest	6,421	3,254	2,488	--	
Osawatomie State Hospital					
Principal	81,819	121,215	109,636	80,652	67,102
Interest	14,084	19,008	10,907	5,987	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Health & Environment--Health					
Principal	378,831	223,853	199,105	210,232	1,496,016
Interest	136,773	118,657	112,173	101,045	
Department of Labor					
Principal	--	56,116	68,316	71,743	290,524
Interest	--	18,236	18,514	15,087	
Total--Human Services	\$ 857,937	\$ 579,297	\$ 713,009	\$ 656,892	\$ 1,874,993
Board of Regents					
Principal	9,529	10,062	10,625	11,219	49,795
Interest	5,241	4,708	4,145	3,551	
Kansas State University					
Principal	1,312,496	1,932,873	517,581	355,052	546,059
Interest	91,756	95,596	51,254	36,528	
Pittsburg State University					
Principal	95,568	96,161	4,516	--	--
Interest	5,938	3,193	128	--	
University of Kansas					
Principal	13,919	--	--	--	--
Interest	258	--	--	--	
University of Kansas Medical Center					
Principal	639,562	975,530	1,138,255	841,723	494,925
Interest	43,011	101,076	81,508	41,503	
Emporia State University					
Principal	23,242	15,783	21,088	22,306	54,034
Interest	2,822	4,722	4,942	3,724	
Total--Education	\$ 2,243,342	\$ 3,239,704	\$ 1,834,042	\$ 1,315,606	\$ 1,144,813
Highway Patrol					
Principal	393,320	413,789	435,323	457,978	988,699
Interest	139,946	119,477	97,943	75,288	
Kansas Bureau of Investigation					
Principal	--	--	576,378	474,824	997,942
Interest	--	--	39,065	48,244	
Total--Public Safety	\$ 533,266	\$ 533,266	\$ 1,148,709	\$ 1,056,334	\$ 1,986,641
Department of Wildlife & Parks					
Principal	9,301	4,771	--	--	--
Interest	298	29	--	--	
Total--Ag. & Natural Resources	\$ 9,599	\$ 4,800	\$ --	\$ --	\$ --
Principal	\$ 3,202,082	\$ 3,879,908	\$ 3,284,098	\$ 2,709,922	\$ 5,013,607
Interest	\$ 447,431	\$ 489,965	\$ 424,468	\$ 331,716	
Total--Master Lease Program	\$ 3,649,513	\$ 4,369,873	\$ 3,708,566	\$ 3,041,638	
Off Budget					
Department of Administration					
Principal	1,356,628	1,578,356	1,496,054	972,109	1,600,601
Interest	105,461	187,829	175,967	109,913	
Total--Off Budget Master Lease	\$ 1,462,089	\$ 1,766,185	\$ 1,672,021	\$ 1,082,022	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Facilities Conservation Improvement Program					
Insurance Department					
Principal	--	58,745	60,861	63,054	509,759
Interest	--	8,084	21,257	19,892	
Total--General Government	\$ --	\$ 66,829	\$ 82,118	\$ 82,946	\$ 509,759
Kansas Neurological Institute					
Principal	110,013	114,895	119,995	125,320	--
Interest	81,138	75,419	71,375	66,050	
Parsons State Hospital & Training Center					
Principal	104,737	109,118	113,619	113,666	1,586,070
Interest	82,549	77,977	107,733	74,109	
University of Kansas					
Principal	605,187	739,303	776,396	739,982	15,117,881
Interest	665,149	806,444	748,744	784,392	
Total--Human Services	\$ 1,648,773	\$ 1,923,156	\$ 1,937,862	\$ 1,903,519	\$ 16,703,951
School for the Blind					
Principal	24,115	25,276	26,494	27,770	318,542
Interest	15,315	18,055	17,434	16,158	
School for the Deaf					
Principal	72,154	54,197	56,464	58,826	787,766
Interest	20,892	38,591	36,808	34,446	
Emporia State University					
Principal	11,700	12,378	13,096	13,856	30,956
Interest	4,514	3,836	3,118	2,358	
Fort Hays State University					
Principal	169,690	183,046	179,671	184,258	4,040,837
Interest	195,695	176,246	177,304	169,808	
Kansas State University					
Principal	319,139	337,221	344,257	344,534	1,530,163
Interest	106,834	110,175	95,113	79,471	
Pittsburg State University					
Principal	438,195	452,198	481,395	504,738	5,640,482
Interest	444,075	309,881	295,871	272,529	
Total--Education	\$ 1,822,318	\$ 1,721,100	\$ 1,727,025	\$ 1,708,752	\$ 12,348,746
El Dorado Correctional Facility					
Principal	124,257	177,517	159,723	159,723	1,590,173
Interest	127,720	74,460	88,389	88,389	
Ellsworth Correctional Facility					
Principal	74,344	77,088	77,097	77,097	556,920
Interest	20,560	27,175	27,660	27,660	
Hutchinson Correctional Facility					
Principal	237,778	248,112	248,112	248,112	1,203,217
Interest	92,308	80,551	82,517	82,517	
Lansing Correctional Facility					
Principal	317,347	328,842	240,754	353,097	1,966,851
Interest	97,229	103,240	92,488	80,145	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Larned Correctional Mental Health Facility					
Principal	14,730	14,762	14,762	14,762	106,644
Interest	5,274	5,222	5,294	5,294	
Norton Correctional Facility					
Principal	143,672	149,535	155,637	161,988	914,659
Interest	55,635	53,784	48,228	41,877	
Topeka Correctional Facility					
Principal	62,753	62,957	64,015	64,015	462,477
Interest	17,013	23,809	22,961	22,961	
Winfield Correctional Facility					
Principal	120,293	125,201	125,201	125,201	765,820
Interest	46,248	45,091	45,490	45,490	
Total--Public Safety	\$ 1,557,161	\$ 1,597,346	\$ 1,498,328	\$ 1,598,328	\$ 7,566,761
Total					
Principal	\$ 2,950,104	\$ 3,270,391	\$ 3,257,549	\$ 3,379,999	\$ 37,129,217
Interest	\$ 2,078,148	\$ 2,038,040	\$ 1,987,784	\$ 1,913,546	
Total--FCIP Program	\$ 5,028,252	\$ 5,308,431	\$ 5,245,333	\$ 5,293,545	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Third Party & Other Debt				
Department of Administration				
Principal	52,732	58,240	64,329	40,650
Interest	29,729	24,221	18,132	12,329
Attorney General				
Principal	39,435	42,655	42,655	42,655
Interest	--	--	--	--
Citizens Utility Ratepayer Board				
Principal	1,680	1,527	869	912
Interest	--	--	--	--
Kansas Corporation Commission				
Principal	45,425	45,579	46,528	46,528
Interest	--	--	--	--
Judiciary				
Principal	41,363	36,282	34,781	34,781
Interest	--	--	--	--
Total--General Government	\$ 210,364	\$ 208,504	\$ 207,294	\$ 177,855
Osawatomie State Hospital				
Principal	81,819	105,384	99,434	48,975
Interest	14,084	15,074	8,328	4,465
Total--Human Services	\$ 95,903	\$ 120,458	\$ 107,762	\$ 53,440
Kansas State University				
Principal	847,156	798,066	802,951	136,014
Interest	58,217	42,633	40,013	34,476
Pittsburg State University				
Principal	91,297	106,129	13,071	14,293
Interest	5,565	7,796	5,013	3,791
University of Kansas				
Principal	55,000	2,655,000	310,133	310,133
Interest	--	--	--	--
University of Kansas Medical Center				
Principal	797,927	694,132	484,802	473,750
Interest	147,918	393,133	332,291	288,333
Wichita State University				
Principal	--	468,286	624,637	649,522
Interest	--	241,649	465,233	440,348
Total--Education	\$ 2,003,080	\$ 5,406,824	\$ 3,078,144	\$ 2,350,660
Kansas Water Office				
Principal	438,233	479,067	509,853	527,480
Interest	489,611	667,155	644,378	626,749
Total--Ag. & Natural Resources	\$ 927,844	\$ 1,146,222	\$ 1,154,231	\$ 1,154,229
Principal	\$ 2,492,067	\$ 5,490,347	\$ 3,034,043	\$ 2,325,693
Interest	\$ 745,124	\$ 1,391,661	\$ 1,513,388	\$ 1,410,491
Total--Third Party & Other Debt	\$ 3,237,191	\$ 6,882,008	\$ 4,547,431	\$ 3,736,184