
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.

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

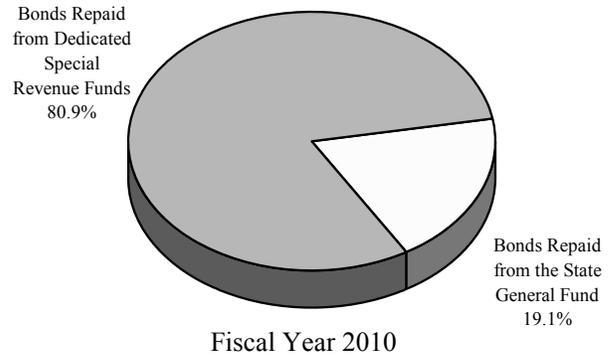
KDFA accomplishes this purpose in part by issuing debt to fund capital improvements and certain public purpose programs. KDFA issues debt for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction and 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 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 19.1 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.

Total Bond Indebtedness



As of June 30, 2008, various state agencies had legislatively authorized but unissued debt of \$479.3 million. These appear in the schedule following this section where a principal balance appears, but no payments are reflected. 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 often finances equipment acquisitions by state agencies and represents a line-of-credit concept.

Third Party & Other Debt. Third Party debt is used by agencies to make purchases, 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.

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 Restructuring

As part of the effort to balance the FY 2009 and FY 2010 budgets, a portion of the state's bonded indebtedness is being restructured to achieve budgetary relief. Where possible, State General Fund

serviced bonds will be restructured so that interest on the debt is still paid from the State General Fund, but FY 2009 and FY 2010 principal payments will be deferred and spread over the remaining years of the loan. The restructuring will be done in three transactions, one in the spring of 2009, another in the fall of 2009, and the final transaction in the spring of 2010. The bond restructuring lowers expected debt service payments by \$14.0 million in FY 2009 and by \$39.0 million in FY 2010. The table below shows the agencies affected and the amount of budgetary savings in each agency.

	Principal Refinanced	
	FY 2009	FY 2010
Department of Administration	\$11,927,500	\$24,050,000
KPERS	--	2,575,000
Board of Regents	--	6,380,000
Pittsburg State University	160,000	165,000
University of Kansas	--	720,000
Wichita State University	--	1,340,000
Department of Corrections	40,000	835,000
Kansas Bureau of Investigation	280,000	300,000
Adjutant General	1,195,000	1,455,000
Kansas State Fair	410,000	1,210,000
	\$14,012,500	\$39,030,000

Debt Projects

Following are brief descriptions of new, changing, or expanded projects that are debt financed.

Department of Administration

Statehouse Renovation. For several years now, the Statehouse has undergone extensive renovations. The 2000 Legislature approved an original 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 an additional \$19.8 million for Phase II of the Statehouse renovation. Another \$26.9 million was authorized by the 2005 Legislature to complete Phase III, the west wing. 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 \$55.0 million in bonds for the south wing. Another \$38.0 million was authorized by the 2008 Legislature for the exterior masonry renovation, but these bonds have not been issued yet. The remaining areas scheduled for renovation include the north wing and the visitor center. In December 2008, however, the Capitol Restoration Commission opted not to request any additional bond authorization. Total bonds authorized to date equal \$210.9 million.

Pension Obligation Bonds. The Governor recommends refinancing the principal payment of these bonds for FY 2009 and FY 2010. As a result, the Governor recommends interest-only payments of \$26,076,303 in FY 2009 and \$25,731,305 in FY 2010, all from the State General Fund. These bonds were issued in FY 2004 in the amount of \$500.0 million to help finance the unfunded liability of the KPERS system.

Kansas Racing & Gaming Commission

Expanded Lottery. The 2007 Legislature approved the Kansas Expanded Lottery Act, which authorizes electronic gaming machines at parimutuel racetracks and four new destination casinos located across the state. The act requires gaming facility managers to pay for the costs of regulation. The Commission can receive a loan of up to \$5.0 million from the Pooled Money Investment Board (PMIB) to finance the initial expenses of its Expanded Lottery Act Regulation Division. The loan is required to be repaid with interest by June 30, 2009. Three gaming facility managers, which had been awarded contracts to manage destination casinos at three separate locations across the state, withdrew their applications before the contract became binding. New gaming facility managers will not be selected until FY 2010. The Governor recommends extending the date required to repay the loan by one year until June 30, 2010, which will allow newly selected gaming facility managers to be assessed the costs of regulation and allow the agency to repay the loan with interest. The Commission indicates that it will repay the \$5.0 million in principal and \$679,730 in interest payments by the end of FY 2010 with revenue from selected gaming facility managers.

Board of Regents

Research Initiative Debt Service. To encourage and finance research at state universities, the Legislature authorized the issuance of \$125.0 million in bonds. Those projects include the Life Science Research Center at the University of Kansas Medical Center, the Biosecurity Research Institute at Kansas State University, equipping a research facility at the University of Kansas, the Engineering Research Laboratory at Wichita State University, and the Polymer Research Center at Pittsburg State University. The state is responsible for the first \$50.0 million in debt service, financed through a transfer from the State General Fund to a special revenue account at the Board of Regents. The Governor recommends that the transfer for the principal portion of the debt service be stopped for FY 2010. That year's principal payment of \$4,975,000 will be made through the bond refinancing program.

University of Kansas

School of Pharmacy. The 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 2008 Legislature authorized \$20.0 million in bonding authority and \$15.0 million in both FY 2010 and FY 2011 from the Expand Lottery Act Revenue Fund (ELARF.) However, revenue to ELARF did not materialize as expected. The Governor recommends \$30.0 million in bonding authority in FY 2010 to complete the expansion project rather than direct cash appropriations.

Johnson County Education Research Triangle. Johnson County voters recently authorized a one-eighth cent sales tax to support the Johnson County Education Research Triangle which will fund projects at the Edwards Campus, the University of Kansas Medical Center, and Kansas State University. The Governor recommends \$4,950,000 in bonding authority for building number four on the Edwards Campus. The 75,000 gross square feet facility will support the expansion of programs in business, engineering, science and technology, and provide space for support staff.

The Governor also recommends \$25.0 million in bonding authority for the KU Clinical Research Center. The project will renovate an office building in Fairway, Kansas to house the Heartland Institute for Clinical and Translation Research program and clinical trials for cancer. This is part of the University's effort to achieve National Cancer Institute comprehensive cancer center designation. The building will be transferred to the University from the Hall Family Foundation before renovations begin. Debt service for both of these projects will be paid with the local sales tax.

Jayhawker Towers Renovation, Phase Two. The 2008 Legislature authorized bonding for phase one of the Jayhawker Towers Renovation. The Towers 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 mechanical systems are aging and the interior brick walls and poor lighting make the apartments dark and unattractive. The Governor recommends \$6,950,000 in bonding authority in FY 2010 with debt service to be paid with housing system revenue funds.

Department of Corrections

RDU Relocation Debt Service. To fund the debt service payment related to the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility, the Governor recommends expenditures of \$1,361,000 from the State General Fund for FY 2009. Of the total amount, \$715,000 is for principal and \$646,000 is for interest. For FY 2010, \$1,358,000 is recommended from the State General Fund, including \$750,000 for principal and \$608,000 for interest. The principal amounts for both fiscal years include reductions of \$40,000 as a result of the Governor's recommendation to restructure the debt service.

Labette Correctional Conservation Camp Debt Service. For FY 2009, the Governor recommends a debt service payment of \$160,000 from the State General Fund, including \$150,000 for principal and \$10,000 for interest. For FY 2010, the Governor recommends \$4,000 for interest from the State General Fund. The principal payment of \$150,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service. The

proceeds from this bond issue were used for a 100-bed expansion project that was authorized in 1997.

Facility Infrastructure Improvements Debt Service. To provide additional funding for substantial infrastructure needs at the correctional facilities, the Department of Corrections was authorized to issue \$19.2 million in bonds in FY 2007. Some of the projects included 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 \$751,000 from the State General Fund for the debt service payment. Of this amount, \$625,000 is for principal and \$126,000 is for interest. The interest payment includes a reduction of \$798,000 as a result of one-time capitalized interest savings. For FY 2010, the Governor recommends an interest payment of \$897,000 from the State General Fund for the debt service. The principal payment of \$645,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service.

Prison Capacity Expansion Projects Debt Service. The 2008 Legislature approved bonding authority for the Department of Corrections totaling \$19.5 million for prison capacity expansion projects at Ellsworth, El Dorado, Stockton, and Yates Center when inmate population projections indicated that additional capacity was required. However, because expansion would not be required in the near term, the Legislature prohibited any money from being spent on expenditures related to the actual construction of prison capacity expansion projects before July 1, 2009. The agency was allowed to use a portion of the bond proceeds to finance the planning and preparation of prison capacity expansion projects prior to this date. The Governor recommends \$130,461 from the Correctional Institutions Building Fund for the debt service related to the planning of the projects. Of this amount, \$95,000 is for principal and \$35,461 is for interest. Completing the planning phase will reduce the time required to build, once a determination has been made that additional capacity for the varying security levels of offenders is required.

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 has rehabilitated selected state-owned armories and replaced 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 2009, the Governor recommends \$1,086,807 from the State General Fund to finance the debt service for bonds issued for the Armory Rehabilitation Plan. Of the total, \$95,000 will be principal and \$991,807 will be interest. The Governor recommends \$1,084,739 in FY 2010 from the State General Fund to finance the debt service interest payment.

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 \$60,188 from the State General Fund in FY 2009 to finance interest portion of the debt service. For FY 2010, the Governor recommends \$57,988 from the State General Fund to finance the interest portion of the debt service payment. 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. For FY 2010 the recommendation is \$719,331 from the State General Fund to finance the debt services payment. Of that amount, \$300,000 is for principal and \$419,331 is for interest.

Kansas Bureau of Investigation

Headquarters Building Debt Service. The Governor recommends \$26,850 in FY 2009 from the State General Fund and \$9,293 in FY 2010 from the State General Fund to finance the debt service interest portion of the debt service payments on the headquarters building in Topeka.

Kansas State Fair

Debt Service. In 2001, the State Fair was authorized the issuance of bonds up to a total of \$29.0 million to finance capital improvements. The bond proceeds allowed the State Fair 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 of up to \$300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. The Governor does not recommend the match be transferred in FY 2010. The Governor does recommend \$1,041,861 from all funding sources for debt service interest in FY 2010. This includes \$341,861 from the State General Fund and \$700,000 from the State Fair Capital Improvements Fund. The debt service principal of \$1,210,000 is part of the debt service restructuring plan.

Indebtedness of the State

	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	Prin. Balance June 30, 2010 Estimate
State General Fund Budgeted Debt Service					
Department of Administration					
Principal--Statehouse Renovations	2,895,000	3,405,000	4,390,000	--	118,225,000
Interest	4,542,134	4,410,733	5,677,885	5,536,983	
Principal--Judicial Center Improvements	65,000	65,000	70,000	--	660,000
Interest	36,653	34,020	31,170	28,260	
Principal--Energy Conservation	695,000	575,000	--	--	--
Interest	85,990	50,754	--	--	
Principal--Public Broadcasting Digital	354,128	295,000	315,000	--	3,905,000
Interest	305,011	282,891	296,736	296,736	
Principal--KPERs Actuarial Liability	--	--	10,070,000	--	500,000,000
Interest	15,000,000	26,076,303	26,076,303	25,731,305	
Kansas Public Employees Retirement System					
Principal--13th Check Repayment	2,786,547	2,816,161	2,465,000	--	14,190,000
Interest	425,201	833,093	745,948	639,134	
Kansas Board of Regents					
Principal--KPERs Obligation	1,290,000	1,295,000	1,350,000	--	7,945,000
Interest	500,629	461,004	406,004	349,376	
Principal--Postsecondary Inst. Improve.	--	--	2,500,000	5,000,000	40,000,000
Interest	--	--	680,469	1,356,250	
Pittsburg State University					
Principal--Armory/Classroom Project	--	150,000	--	--	4,065,000
Interest	--	45,082	166,999	160,598	
University of Kansas					
Principal--Pharmacy School Construction	--	--	--	--	20,000,000
Interest	--	--	--	1,096,309	
University of Kansas Medical Center					
Principal--Energy Conservation Projects	350,000	370,000	395,000	415,000	10,670,000
Interest	533,344	524,595	513,000	501,441	
Wichita State University					
Principal--Aviation Research Facilities	1,159,852	1,215,000	1,275,000	--	7,265,000
Interest	188,912	286,507	440,348	414,471	
Adjutant General					
Principal--Armory Rehab & Repair	1,060,000	1,095,784	--	--	21,200,000
Interest	917,892	870,525	842,394	796,844	
Principal--Training Center	--	--	290,000	300,000	8,580,000
Interest	--	--	387,190	419,331	
Principal--Armory/PSU Facility	--	55,000	--	--	1,465,000
Interest	--	25,496	60,188	57,988	
Department of Corrections					
Principal--Facilities Improvements	303	70,303	765,303	880,303	23,665,000
Interest	505,994	505,000	1,353,000	1,132,303	
Principal--Ellsworth Correctional Facility	1,505,000	1,580,000	--	--	--
Interest	115,877	40,000	--	--	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Department of Corrections, Cont'd.					
Principal--Labette Conservation Camp	135,000	140,000	150,000	--	150,000
Interest	28,666	16,497	10,000	3,300	
Principal--El Dorado Rec./Diagnostic Unit	125,939	730,000	715,000	750,000	11,820,000
Interest	646,864	629,735	646,000	608,000	
Kansas Bureau of Investigation					
Principal--Headquarters Acquisition	250,000	270,000	--	--	600,000
Interest	57,200	24,858	26,850	9,293	
Kansas State Fair Board					
Principal--Fairground Improvements	1,080,000	1,120,000	410,000	--	14,325,000
Interest	1,167,251	1,128,884	1,085,821	1,041,861	
Department of Transportation					
Principal--Transportation Bonds	--	6,735,000	7,010,000	--	195,745,000
Interest	4,992,724	9,390,942	9,138,175	8,848,975	
Total					
Principal	\$ 13,751,769	\$ 21,982,248	\$ 32,170,303	\$ 7,345,303	\$ 1,004,475,000
Interest	\$ 30,050,342	\$ 45,636,919	\$ 48,584,480	\$ 49,028,758	
Total--SGF Budgeted Debt Service	\$ 43,802,111	\$ 67,619,167	\$ 80,754,783	\$ 56,374,061	

Special Revenue Fund Budgeted Debt Service

Department of Commerce					
Principal--Impact Program	11,035,000	11,470,000	13,380,000	9,815,000	45,065,000
Interest	2,503,638	3,909,468	3,031,968	2,354,805	
Principal--1430 Topeka Fac. Improvement	65,000	70,000	70,000	75,000	1,230,000
Interest	68,768	66,045	63,070	60,068	
Social & Rehabilitation Services					
Principal--State Security Hospital Const.	1,695,000	1,765,000	1,850,000	1,945,000	36,870,000
Interest	2,038,239	1,975,477	2,057,100	1,962,225	
Principal--St. Hospital Rehab. & Repair	1,200,000	1,230,000	1,265,000	1,305,000	26,195,000
Interest	1,247,082	1,303,654	1,320,000	1,282,050	
Department of Labor					
Principal--Unemp. Ins. Benefit IT Sys.	1,745,000	1,810,000	1,875,000	1,950,000	13,575,000
Interest	894,512	290,989	763,000	689,276	
Principal--Headquarters Improvement	150,000	155,000	160,000	165,000	2,550,000
Interest	127,508	122,554	118,358	113,158	
Health & Environment--Health					
Principal--Vital Statistics Data System	430,000	450,000	470,000	490,000	--
Interest	69,011	51,095	31,620	11,698	
Revolving Fund Water Projects	--	--	--	--	544,485,000
Kansas Board of Regents					
Principal--Crumbling Classrooms	11,450,000	12,045,000	12,665,000	13,305,000	27,406,000
Interest	3,550,000	2,955,000	2,332,210	1,694,472	
Principal--Research Initiative	6,220,562	4,025,000	4,765,000	--	104,740,000
Interest	1,232,009	4,725,000	5,150,259	4,943,695	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Emporia State University					
Principal--Student Housing	332,378	385,000	380,000	375,000	8,205,000
Interest	86,819	375,757	358,343	346,068	
Principal--Student Union Refurbishing	122,379	124,136	131,000	131,000	--
Interest	550	550	550	550	
Principal--Student Rec. Bldg. Addition	110,000	115,000	120,000	125,000	1,860,000
Interest	77,535	109,300	104,298	98,958	
Fort Hays State University					
Principal--Student Housing	150,000	155,093	160,000	160,000	4,275,000
Interest	200,465	182,736	190,350	185,022	
Principal--Lewis Field Renovation	60,000	60,000	65,000	65,000	725,000
Interest	34,651	20,034	34,770	33,796	
Principal--Memorial Hall Renovation	--	285,000	300,000	310,000	6,895,000
Interest	--	311,740	298,428	286,413	
Kansas State University					
Principal--Salina Student Housing	50,000	60,000	60,000	60,000	360,000
Interest	23,373	25,735	22,885	20,335	
Principal--Student Housing	1,062,093	1,250,000	1,405,000	1,450,000	67,340,000
Interest	202,316	3,184,345	3,032,546	2,985,296	
Principal--Student Union Parking	--	--	335,000	350,000	17,170,000
Interest	--	--	760,930	748,870	
Principal--Ackert Hall Restoration	95,000	100,000	105,000	110,000	825,000
Interest	69,907	61,713	56,613	51,205	
Principal--Rec. Complex Improvements	460,000	480,000	505,000	530,000	2,395,000
Interest	209,653	186,653	163,853	142,390	
Principal--Farrell Library Expansion	170,000	180,000	190,000	200,000	1,820,000
Interest	131,173	122,550	113,205	103,160	
Principal--Energy Conservation Projects	695,000	725,000	765,000	800,000	16,510,000
Interest	834,532	764,270	796,826	774,499	
Principal--Student Union Renovation	375,000	390,000	410,000	430,000	5,260,000
Interest	286,248	289,562	302,460	283,190	
Principal--Salina Student Life Ctr. Const.	--	--	--	--	1,600,000
Interest	--	--	69,133	81,600	
Principal--Child Care Center Construction	--	--	--	--	6,000,000
Interest	--	--	--	--	
Pittsburg State University					
Principal--Student Housing	125,000	185,000	220,000	230,000	26,540,000
Interest	211,101	201,947	201,756	193,208	
Principal--Overman Stu. Ctr. Renovation	100,000	100,000	100,000	105,000	1,950,000
Interest	95,864	92,295	88,328	84,162	
Principal--H. Mann Adm. Bldg. Renovation	140,000	145,000	150,000	160,000	2,250,000
Interest	108,453	106,699	96,322	89,833	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Pittsburg State University, cont'd.					
Principal--Scientific Research Fac. Const.	--	--	--	--	--
Interest	77,896	77,169	--	--	--
Principal--Student Health Center Const.	--	--	--	--	3,750,000
Interest	--	--	--	--	--
Principal--Parking Expansion	--	--	--	--	4,000,000
Interest	--	--	--	--	--
University of Kansas					
Principal--Student Housing	654,578	770,000	795,000	938,303	48,155,000
Interest	1,184,445	1,352,780	1,163,388	1,299,226	--
Principal--Continuing Ed. Bldg. Const.	140,000	150,000	--	--	--
Interest	52,963	49,909	--	--	--
Principal--Child Care Facility Renovation	125,959	130,000	135,000	145,000	1,900,000
Interest	107,224	103,809	97,833	91,353	--
Principal--Parking Improvements	395,000	700,000	140,000	140,000	9,510,000
Interest	252,238	281,561	38,973	325,453	--
Principal--Parking Garage Construction	431,338	205,125	750,000	785,000	3,525,000
Interest	233,866	274,451	234,750	201,750	--
Principal--Stu. Rec. Ctr. Improvements	900,000	1,130,000	1,185,000	1,230,000	13,906,000
Interest	328,661	601,367	504,598	580,760	--
Principal--Regents Center Restoration	--	--	--	--	5,365,000
Interest	--	--	--	--	--
Principal--Law Enforcement Ctr. Restor.	--	--	670,000	695,000	16,855,000
Interest	--	--	593,613	648,424	--
Principal--Student Union Addition	350,000	365,000	380,000	395,000	1,380,000
Interest	96,814	85,770	71,729	78,410	--
University of Kansas Medical Center					
Principal--Research Support Fac. Const.	225,000	230,000	240,000	250,000	4,120,000
Interest	211,023	205,123	200,279	190,839	--
Principal--Ctr. for Health in Aging Const.	120,000	125,000	130,000	135,000	1,785,000
Interest	96,642	89,850	76,694	73,704	--
Principal--Parking Garage Construction	120,000	125,000	130,000	130,000	11,375,000
Interest	143,800	140,200	136,450	132,550	--
Principal--Ambulatory Care Facility Const.	--	--	--	--	66,000,000
Interest	--	--	--	--	--
Wichita State University					
Principal--Campus Parking Improvements	315,000	335,000	350,000	370,000	2,725,000
Interest	177,568	194,168	199,945	180,520	--
Principal--Student Housing	490,000	510,000	520,000	540,000	8,695,000
Interest	315,872	386,249	433,698	416,798	--
Department of Corrections					
Principal--Facilities Improvements	1,689,697	1,689,697	--	--	--
Interest	--	--	--	--	--

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Juvenile Justice Authority					
Principal--Topeka & Larned Fac. Restor.	1,885,000	1,975,000	2,075,000	2,180,000	32,795,000
Interest	2,104,174	2,015,340	1,922,763	1,819,013	
Principal--Juv. Detention Fac. Restoration	475,000	485,000	505,000	525,000	1,235,000
Interest	123,691	108,091	90,870	71,680	
Highway Patrol					
Principal--Salina Training Center Restor.	470,000	470,000	--	--	--
Interest	43,390	19,975	--	--	
Principal--Fleet Acquisition/Service	210,000	220,000	230,000	240,000	2,425,000
Interest	161,281	152,293	142,325	130,575	
Principal--Olathe Inspect. Fac. Restoration	45,000	45,000	45,000	50,000	215,000
Interest	15,650	14,756	13,406	12,056	
Department of Transportation					
Principal--Highway Projects	53,020,000	50,330,000	52,990,000	99,930,000	1,586,560,000
Interest	68,623,027	70,935,675	69,113,021	69,666,399	
Total					
Principal	\$ 100,098,984	\$ 97,749,051	\$ 103,171,000	\$ 143,319,303	\$ 2,800,372,000
Interest	\$ 88,653,632	\$ 98,523,704	\$ 96,593,516	\$ 95,539,512	
Total Special Rev. Fund Debt Service	\$ 188,752,616	\$ 196,272,755	\$ 199,764,516	\$ 238,858,815	

Off Budget

Department of Administration					
Principal--Memorial Hall Restoration	235,000	250,000	260,000	275,000	3,205,000
Interest	198,993	187,441	176,480	164,305	
Principal--Eisenhower Building Restoration	1,090,000	1,129,687	1,180,000	1,230,000	28,715,000
Interest	1,150,029	1,027,655	1,059,095	1,032,015	
Principal--Facilities Improvement Projects	380,000	390,000	410,000	425,000	6,375,000
Interest	396,412	377,413	360,837	343,925	
Total					
Principal	\$ 1,705,000	\$ 1,769,687	\$ 1,850,000	\$ 1,930,000	\$ 38,295,000
Interest	\$ 1,745,434	\$ 1,592,509	\$ 1,596,412	\$ 1,540,245	
Total--Off Budget Debt Service	\$ 3,450,434	\$ 3,362,196	\$ 3,446,412	\$ 3,470,245	

Pool Money Investment Board Loans

Department of Administration					
Principal--Public Broadcasting	--	--	--	--	2,300,000
Interest	--	--	--	--	
Kansas State University-ESARP					
Principal--Grain Science Center	1,000,000	1,350,000	--	--	--
Interest	38,031	19,974	--	--	
Kansas Water Office					
Principal--Water Storage	232,039	--	--	--	--
Interest	5,906	--	--	--	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Kansas Racing & Gaming Commission					
Principal	--	--	--	5,000,000	--
Interest	--	--	--	679,730	--
Department of Wildlife & Parks					
Principal--Tuttle Creek	700,000	--	--	--	--
Interest	15,153	--	--	--	--
Total					
Principal	\$ 1,932,039	\$ 1,350,000	\$ --	\$ 5,000,000	\$ 2,300,000
Interest	\$ 59,090	\$ 19,974	\$ --	\$ 679,730	
Total--PMIB Loans	\$ 1,991,129	\$ 1,369,974	\$ --	\$ 5,679,730	
Off Budget					
Department of Administration					
Principal	738,988	178,347	176,836	187,164	--
Interest	52,607	6,581	27,523	12,132	
Total--Off Budget PMIB Loans	\$ 791,595	\$ 184,928	\$ 204,359	\$ 199,296	
Master Lease Program					
Department of Administration					
Principal	10,797	11,405	12,047	7,160	--
Interest	2,009	1,401	759	140	
Social & Rehabilitation Services					
Principal	18,958	86,087	34,646	34,646	--
Interest	3,254	2,488	--	--	
Osawatomie State Hospital					
Principal	121,215	109,636	80,652	62,353	4,749
Interest	19,008	10,907	5,987	2,990	
Health & Environment--Health					
Principal	223,853	199,105	329,480	335,488	1,628,842
Interest	118,657	112,173	119,621	104,204	
Department of Labor					
Principal	56,116	68,316	71,743	82,214	204,204
Interest	18,236	18,514	15,087	17,411	
Fort Hays State University					
Principal	--	34,581	35,699	36,854	117,867
Interest	--	7,276	6,158	5,003	
Board of Regents					
Principal	10,062	10,625	11,219	11,847	37,948
Interest	4,708	4,145	3,551	2,923	
Kansas State University					
Principal	1,932,873	517,581	583,176	557,550	473,254
Interest	95,596	51,254	55,423	35,800	
Pittsburg State University					
Principal	96,161	11,354	10,671	9,163	5,115
Interest	3,193	1,003	882	470	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance	
	Actual	Actual	Estimate	Estimate	June 30, 2010	
					Estimate	
University of Kansas Medical Center						
Principal	975,530	1,138,255	964,811	541,952	197,622	
Interest	101,076	81,508	52,342	15,481		
Emporia State University						
Principal	15,783	21,088	22,306	23,595	30,439	
Interest	4,722	4,942	3,724	2,435		
Beloit Juvenile Correctional Facility						
Principal	--	--	40,338	40,338	48,605	
Interest	--	--	5,292	5,292		
Highway Patrol						
Principal	413,789	435,323	963,703	998,275	506,887	
Interest	119,477	97,943	96,989	62,417		
Kansas Bureau of Investigation						
Principal	--	458,956	321,163	331,952	487,227	
Interest	--	65,562	38,029	27,240		
Department of Wildlife & Parks						
Principal	4,771	--	--	--	--	
Interest	29	--	--	--	--	
	Principal	\$ 3,879,908	\$ 3,102,312	\$ 3,481,654	\$ 3,073,387	\$ 3,742,759
	Interest	\$ 489,965	\$ 459,116	\$ 403,844	\$ 281,806	
	Total--Master Lease Program	\$ 4,369,873	\$ 3,561,428	\$ 3,885,498	\$ 3,355,193	

Off Budget

Department of Administration					
Principal	1,578,356	1,496,054	1,505,403	1,128,439	1,642,558
Interest	187,829	175,967	166,470	107,608	
	Total--Off Budget Master Lease	\$ 1,766,185	\$ 1,672,021	\$ 1,671,873	\$ 1,236,047

Facilities Conservation Improvement Program

Insurance Department					
Principal	58,745	60,861	63,054	65,325	444,434
Interest	8,084	21,257	19,892	17,621	
Kansas Neurological Institute					
Principal	114,895	119,995	125,320	128,071	1,345,487
Interest	75,419	71,375	66,050	63,299	
Parsons State Hospital & Training Center					
Principal	109,118	113,619	113,666	123,392	1,462,678
Interest	77,977	74,109	74,109	64,399	
School for the Blind					
Principal	25,276	26,494	27,770	29,108	289,435
Interest	18,055	16,720	15,465	14,820	
School for the Deaf					
Principal	54,197	56,464	58,826	61,286	726,480
Interest	38,591	36,495	34,447	31,986	

Indebtedness of the State

	FY 2007	FY 2008	FY 2009	FY 2010	Prin. Balance
	Actual	Actual	Estimate	Estimate	June 30, 2010
					Estimate
Emporia State University					
Principal	12,378	13,096	13,856	14,659	16,297
Interest	3,836	3,118	2,358	1,555	
Fort Hays State University					
Principal	183,046	200,276	194,258	209,590	3,822,718
Interest	176,246	179,000	169,808	161,709	
Kansas State University					
Principal	337,221	344,257	344,534	360,286	1,169,877
Interest	110,175	93,818	79,471	63,720	
Pittsburg State University					
Principal	452,198	475,265	504,738	529,227	5,111,256
Interest	309,881	285,091	272,529	248,039	
University of Kansas					
Principal	739,303	387,458	725,782	688,383	14,296,091
Interest	806,444	772,055	784,392	821,791	
El Dorado Correctional Facility					
Principal	177,517	186,376	193,772	201,462	1,133,778
Interest	74,460	65,601	58,205	50,515	
Ellsworth & Labette Correctional Facilities					
Principal	77,088	79,934	77,097	77,097	470,977
Interest	27,175	24,396	27,660	27,660	
Hutchinson Correctional Facility					
Principal	248,112	258,895	259,000	259,000	921,329
Interest	80,551	69,373	70,000	70,000	
Lansing Correctional Facility					
Principal	328,842	340,753	353,097	365,887	1,600,965
Interest	103,240	91,687	78,668	67,355	
Larned Correctional Mental Health Facility					
Principal	14,762	15,306	14,762	14,762	90,187
Interest	5,222	4,676	5,294	5,294	
Norton Correctional Facility					
Principal	149,535	155,637	161,988	168,598	746,060
Interest	53,784	48,228	41,877	35,267	
Topeka Correctional Facility					
Principal	62,957	65,311	64,015	64,015	391,108
Interest	23,809	21,331	22,961	22,961	
Winfield Correctional Facility					
Principal	125,201	130,311	130,911	130,911	624,657
Interest	45,091	39,755	39,780	39,780	
Total					
Principal	\$ 3,270,391	\$ 3,030,308	\$ 3,426,446	\$ 3,491,059	\$ 34,663,814
Interest	\$ 2,038,040	\$ 1,918,085	\$ 1,862,966	\$ 1,807,771	
Total--FCI Program	\$ 5,308,431	\$ 4,948,393	\$ 5,289,412	\$ 5,298,830	

Indebtedness of the State

	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
Third Party and Other Debt				
Department of Administration				
Principal	58,240	64,329	40,650	28,688
Interest	24,221	18,132	12,329	9,550
Attorney General				
Principal	42,655	42,655	42,655	--
Interest	--	--	--	--
Citizens Utility Ratepayer Board				
Principal	1,527	577	1,680	1,995
Interest	--	--	--	--
Kansas Corporation Commission				
Principal	45,579	46,528	46,528	46,528
Interest	--	--	--	--
Judiciary				
Principal	36,282	34,781	34,781	34,781
Interest	--	--	--	--
Social & Rehabilitation Services				
Principal	--	--	714,417	234,152
Interest	--	--	35,234	5,847
Osawatomie State Hospital				
Principal	105,384	99,434	48,975	48,975
Interest	15,074	8,328	4,465	4,465
Kansas State University				
Principal	798,066	802,951	136,014	138,502
Interest	42,633	40,013	34,476	30,531
Pittsburg State University				
Principal	194,259	188,555	197,464	146,795
Interest	7,916	6,027	4,673	2,229
University of Kansas				
Principal	2,655,000	310,133	310,133	310,133
Interest	--	--	--	--
University of Kansas Medical Center				
Principal	694,132	472,900	492,161	505,386
Interest	393,133	344,193	269,922	40,071
Wichita State University				
Principal	468,286	624,637	649,522	675,399
Interest	241,649	465,233	440,348	414,471
Kansas Water Office				
Principal	479,067	509,853	527,480	672,483
Interest	667,155	644,378	626,749	794,804
Total				
Principal	\$ 5,578,477	\$ 3,197,333	\$ 3,242,460	\$ 2,843,817
Interest	\$ 1,391,781	\$ 1,526,304	\$ 1,428,196	\$ 1,301,968
Total--Third Party Debt	\$ 6,970,258	\$ 4,723,637	\$ 4,670,656	\$ 4,145,785