

KYTC Newsletter

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Volume 87



SUPPORTIVE SERVICES

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Gov. Beshear Approves Requests From 24 City and County Governments To Fund Improvement Projects for Local Streets and Roads

Awards total \$3.4 million, will make positive difference for hundreds of Kentuckians, businesses

Today, Gov. Andy Beshear announced he has approved \$3.4 million in discretionary transportation funding for 24 cities and counties across Kentucky that asked for help in improving local streets and roads.

The discretionary funding is administered through the Department of Rural and Municipal Aid at the Kentucky Transportation Cabinet (KYTC).

"I'm glad we are able to offer this funding, because local roadways help define a community," Gov. Beshear said. "These are streets and roads that lead to homes and schools, to shops and stores and industrial sites that employ hardworking Kentucky men and women. Keeping them maintained is how we keep a community thriving." For example, Elliott County was approved for \$400,000 to repair a 1.25-mile stretch of Johnson Creek Road, which is badly breaking and slipping.

"We desperately need steel drilled in the worst areas and bituminous topping replaced," Judge/Executive Myron Lewis said in his application. "The cost of drilling steel, cribbing, and repaving would most certainly be above our county's road fund capability in one year."

Fifteen households are located in the project area, the judge said. "These are hardworking families who rely on the county to keep their road in safe condition," he said.

Similarly, Caldwell County, which was approved for \$374,496, plans to use the funding to resurface three local routes: Scottsburg Road, Sugar Creek Church Road and Friendship Road.

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Correlating Your Business Model to Profitability

Create your company scorecard & pursue growth

Whether you identify your business model or not, your company does have one. Your company operates with specific infrastructure that includes processes, culture, and priorities. I practiced in public accounting for 18 years, specializing with contractors, and I oversaw 125 audits and reviews each year before I sold my practice. One perspective gained was the disparity in profitability across companies with similar projects, specialties, and size. Business is competitive where creativity, infrastructure, leadership, and organizational skills make a difference.

A business plan lays out a map for marketing, financial planning, and operations. A business model describes how an organization creates, delivers, and captures value in economic, social, cultural, or other contexts. This article focuses on the part of your business model that makes your company profitable. It should provide visibility with respect to your financial position and where you are heading financially. It should include the mechanics of how you control costs and make money.

Identifying, analyzing, and documenting your business model can help with visibility, perspective, and improvements. Changes in the field can be driven by the quality of your information flow. This flow should include estimating, field, office, and other processes. It should include financial statements that provide accurate results. Managing your company through your financial statements is where every larger organization started. They would not have gotten to where they are without this priority. Managing your business with good project and financial data is the key to profits and growth. Improve the quality of your monthly financial statements so it becomes a great scorecard or report card.

Software is not better just because many companies you know use it. Distinguish yourself by using a system that is more efficient, is easier to use, is flexible, supports both the field and the office, and has the features that provide better visibility and accountability. Features should include automating the percentage of completion method of accounting where wage and over/under billings accruals are automated and where a full summary of contracts (the schedule ties to the income statement) is generated, and wages are reported as of the work date (geo timecards and automated accrued wages). A system should facilitate retroactive allocation of over/under allocated indirect costs to provide the most accurate picture at the close of an accounting period.

Companies stuck in a software that was extremely expensive to implement have a disadvantage. The fact that the software is expensive to implement is the first clue that you are in the wrong system.

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About The KYTC

The goal of the DBE Supportive Services Program is to increase the number of DBEs participating on KYTC contracts and facilitate the opportunity for DBEs to obtain contracts. The services are designed to:

- Assist established construction firms to move them from bidding as a subcontractor to bidding as a Prime Contractor to produce sound bids.
- Provide access to training increases DBE expertise in handling of daily business operations.



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