

Senate Subcommittee Report

Agency: Department of Administration

Bill No. SB 237

Bill Sec. 56

Analyst: Dear

Analysis Pg. No. 1231

Budget Page No. 18

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 42,925,731	\$ 36,272,027	\$ 0
Other Funds	41,656,212	48,845,508	0
Subtotal	\$ 84,581,943	\$ 85,117,535	\$ 0
Capital Improvements:			
State General Fund	\$ 19,101,351	\$ 18,491,851	\$ 0
Other Funds	2,735,800	13,115,000	0
Subtotal	\$ 21,837,151	\$ 31,606,851	\$ 0
TOTAL	\$ 106,419,094	\$ 116,724,386	\$ 0
FTE positions	390.7	390.7	0.0
Non FTE Uncl. Perm. Pos.	167.1	167.1	0.0
TOTAL	557.8	557.8	0.0

Agency Request

The **agency** requests operating expenditures of \$84.6 million, including \$42.9 million from the State General Fund, an all funds increase of \$145,437, or 0.2 percent, from the FY 2015 agency estimate. The request is a State General Fund increase of \$9.9 million, or 30.0 percent, and a special revenue fund reduction of \$9.8 million, or 19.0 percent, from the FY 2015 agency estimate.

The State General Fund increase is attributable to an increase of \$10.1 million in debt service principal payments for the Statehouse. In FY 2015, debt service on the statehouse was predominantly funded from the State Highway Fund. The increase was partially offset by reductions in debt service on the KPERs pension obligation bonds (\$50,053) and National Bio and Agro-Defense Facility bonds (\$95,742).

Governor's Recommendation

The **Governor** recommends operating expenditures of \$85.1 million, including \$36.3 million from the State General Fund. With the addition of capital improvements, the Governor recommends expenditures of \$116.7 million, including \$54.8 million from the State General Fund. This is an all funds increase of \$10.3 million, or 9.7 percent, partially offset by a State General Fund reduction of \$7.3 million, or 11.7 percent, from the FY 2015 agency estimate.

The Governor recommends additional debt service for the National Bio and Agro-Defense Facility of \$16.2 million, all from the State General Fund. The increase is offset by reducing the State General Fund for debt service payments on the Statehouse by \$20.0 million and replacing it with moneys from the State Highway Fund.

The Governor also reduced agency expenditures by \$391,597, for a 4.0 percent operating reduction, reduced employer contributions for state employee health insurance by 8.5 percent for a State General Fund reduction of \$39,620, and refinanced bonds for a savings of \$752,112.

The Governor further recommends that the Public Broadcasting program be relocated from the Department of Administration budget to the Department of Commerce. The Department of Administration has no functional control over the Public Broadcasting Council currently. This would reduce EDIF expenditures by \$600,000.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2016.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee recommendation for FY 2016.

House Budget Committee Report

Agency: Department of Administration

Bill No. HB 2370

Bill Sec. 56

Analyst: Dear

Analysis Pg. No. 1231

Budget Page No. 18

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House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2016.

House Appropriations Committee Recommendation

The **Committee** concurs with the Governor's recommendation in FY 2016 with the following adjustment:

1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation in FY 2016.

Conference Committee Recommendation

The **Conference Committee** concurs with the Governor's recommendation with the following adjustments:

1. Add language to reduce information technology expenditures by \$15.0 million as contained within the Governor's recommendation for FY 2016.
2. Add \$1.0 million, all from the Digital Imaging Program Fund, to provide grants to agencies for digital imaging projects for FY 2016.
3. Add language appropriating the Digital Imaging Program Fund for FY 2016.
4. Add language to deposit \$1 of the \$4 Division of Vehicles Modernization Surcharge for total receipts not to exceed \$1.0 million in the Digital Imaging Program Fund for FY 2016.
5. Concur with GBA No. 1, Item 11 and add \$2.1 million, all from the State General Fund to update State General Funded debt service payments and make further technical

adjustments of \$175,877 to allow the GBA to correctly reflect debt service payments in FY 2016.

6. Concur with GBA No. 1, Item 1 and delete \$6.4 million all from the State General fund, to reflect interest only payments for debt service on the National Bio-Agro Defense Facility in FY 2016.
7. Add \$31.4 million, all from the State General Fund, for debt service on the issuance of \$1.0 billion in revenue bonds to implement the provisions of SB 228 for FY 2016.
8. Add \$1.7 million, all from the State General Fund, for debt service on the John Redmond Reservoir in FY 2016.
9. Add language barring the Department of Administration from selling the real property on which the Docking State Office Building is located for FY 2016.
10. Add language directing the Office of Information Technology Services to report the agency budget separately from the Department of Administration for FY 2016.
11. Add \$1.1 million, all from the State General Fund, for debt service on the KU Medical Education Building in FY 2016.
12. Add language transferring \$300,000 from the Purchasing Fee Fund to the State General Fund for FY 2016.
13. Delete \$133,081, all from the Public Broadcasting Digital Conversion Debt Service Account, for reduced debt service expenditures for FY 2016.
14. Delete \$88,052, including \$58,038 from the State General Fund, to reduce the Kansas Public Employees Retirement System employer contribution rate from 12.37 percent to 10.91 percent for FY 2016. This implements the provisions of SB 228.
15. Delete \$12,758, all from the State General Fund, for a 25.0 percent reduction of travel expenditures for FY 2016.
16. Delete \$18,720, including \$12,508 from the State General Fund, to suspend employer contributions to the Kansas Public Employees Retirement System Group Insurance Fund, or Death and Disability Fund, for the final seven pay periods for FY 2016.
17. Delete \$221,800, all from the State General Fund, to move funding from the Department of Administration to Pittsburg State University for debt service on the Armory and Recreation Center for FY 2016.
18. Add language to prohibit expenditures on newspapers and magazines, including electronic subscriptions, for FY 2016.

	Governor's Recommendation FY 2016	Legislative Action	Legislative Approved FY 2016	Governor's Vetoed FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	\$ 86,868,017	\$ 34,525,595	\$ 121,393,612	\$ 0	\$ 121,393,612
Aid to Local Units	325,000	0	325,000	0	325,000
Other Assistance	12,000	0	12,000	0	12,000
Subtotal- Operations	\$ 87,205,017	\$ 34,525,595	\$ 121,730,612	\$ 0	\$ 121,730,612
Capital Improvements	25,220,666	0	25,220,666	0	25,220,666
TOTAL	\$ 112,425,683	\$ 34,525,595	\$ 146,951,278	\$ 0	\$ 146,951,278
State General Fund					
State Operations	\$ 39,342,489	\$ 33,694,902	\$ 73,037,391	\$ 0	\$ 73,037,391
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Subtotal-Operating	\$ 39,342,489	\$ 33,694,902	\$ 73,037,391	\$ 0	\$ 73,037,391
Capital Improvements	12,105,666	0	12,105,666	0	12,105,666
TOTAL	\$ 51,448,155	\$ 33,694,902	\$ 85,143,057	\$ 0	\$ 85,143,057
FTE Positions	390.7	0.0	390.7	0.0	390.7
Non-FTE Unclass. Perm. Pos.	167.1	0.0	167.1	0.0	167.1
TOTAL	557.8	0.0	557.8	0.0	557.8