

## Senate Subcommittee Report

**Agency:** Kansas Commission on Veterans' Affairs

**Bill No.** SB 237

**Bill Sec.** 74

**Analyst:** Fye

**Analysis Pg. No.** 2754

**Budget Page No.** 228

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 7,818,687	\$ 7,648,726	\$ 0
Other Funds	14,611,812	13,511,643	0
Subtotal	\$ 22,430,499	\$ 21,160,369	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 34,900	\$ 34,900	\$ 0
Other Funds	2,337,000	1,594,500	0
Subtotal	\$ 2,371,900	\$ 1,629,400	\$ 0
<b>TOTAL</b>	<b>\$ 24,802,399</b>	<b>\$ 22,789,769</b>	<b>\$ 0</b>
FTE positions	373.0	363.0	0.0
Non FTE Uncl. Perm. Pos.	6.0	6.0	0.0
<b>TOTAL</b>	<b>379.0</b>	<b>369.0</b>	<b>0.0</b>

### Agency Request

The **agency** requests total expenditures of \$24.8 million, including \$7.9 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the agency requests operating expenditures of \$22.4 million, including \$7.8 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.8 million, or 9.0 percent, and a State General Fund increase of \$246,056, or 3.2 percent, above the revised FY 2015 estimate. The increase is primarily attributable to the agency's enhancement requests, and an increase in salaries and wages and contractual services expenditures. The agency requests capital improvement expenditures of \$2.4 million, including \$34,900 from the State General Fund, for FY 2016.

### Governor's Recommendation

The **Governor** recommends total expenditures of \$22.8 million, including \$7.7 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the Governor recommends operating expenditures of \$21.2 million, including \$7.6 million from the State General Fund, for FY 2016. This is an all fund decrease of \$1.3 million, or 5.7 percent, and a State General Fund decrease of \$169,961, or 2.2 percent, below the agency's request. The decrease is primarily attributable to a decrease in employer contributions for state employee health insurance, and the Governor not recommending all of the agency's enhancement requests. The Governor recommends capital improvement

expenditures of \$1.6 million, including \$34,900 from the State General Fund, for FY 2016. This is an all funds decrease of \$742,500, or 31.3 percent, all from special revenue funds, below the agency's request. The decrease is attributable to the Governor recommending the delay of two project from FY 2016 until FY 2017.

**Senate Subcommittee Recommendation**

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

**Senate Committee Recommendation**

The **Committee** concurs with the Subcommittee's recommendation for FY 2016 with the following adjustments:

1. Add language, which allows the agency to exceed the expenditure limitations for the Kansas Veterans' Home Fee Fund, the Kansas Soldiers' Home Fee Fund, the Federal Domiciliary Per Diem Fund, and the Federal Long Term Care Per Diem Fund, upon specific authorization by the State Finance Council, for FY 2016.

**Senate Committee of the Whole Recommendation**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2016.

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## House Budget Committee Report

**Agency:** Kansas Commission on Veterans' Affairs

**Bill No.** HB 2370

**Bill Sec.** 74

**Analyst:** Fye

**Analysis Pg. No.** 2754

**Budget Page No.** 192

Expenditure Summary	Agency Request FY 2016	Governor Recommendation FY 2016	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,818,687	\$ 7,648,726	\$ 0
Other Funds	14,611,812	13,511,643	0
Subtotal	\$ 22,430,499	\$ 21,160,369	\$ 0
Capital Improvements:			
State General Fund	\$ 34,900	\$ 34,900	\$ 0
Other Funds	2,337,000	1,594,500	0
Subtotal	\$ 2,371,900	\$ 1,629,400	\$ 0
<b>TOTAL</b>	<b>\$ 24,802,399</b>	<b>\$ 22,789,769</b>	<b>\$ 0</b>
FTE positions	373.0	363.0	0.0
Non FTE Uncl. Perm. Pos.	6.0	6.0	0.0
<b>TOTAL</b>	<b>379.0</b>	<b>369.0</b>	<b>0.0</b>

### Agency Request

The **agency** requests total expenditures of \$24.8 million, including \$7.9 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the agency requests operating expenditures of \$22.4 million, including \$7.8 million from the State General Fund, for FY 2016. This is an all funds increase of \$1.8 million, or 9.0 percent, and a State General Fund increase of \$246,056, or 3.2 percent, above the revised FY 2015 estimate. The increase is primarily attributable to an increase in salaries and wages for the Kansas Veterans' Home program, funding for the agency's enhancement requests, and an increase in contractual services expenditures. The agency requests capital improvement expenditures of \$2.4 million, including \$34,900 from the State General Fund, for FY 2016.

### Governor's Recommendation

The **Governor** recommends total expenditures of \$22.8 million, including \$7.7 million from the State General Fund, for operating expenditures and capital improvements, for FY 2016. Of this amount, the Governor recommends operating expenditures of \$21.2 million, including \$7.6 million from the State General Fund, for FY 2016. This is an all fund decrease of \$1.3 million, or 5.7 percent, and a State General Fund decrease of \$169,961, or 2.2 percent, below the agency's request. The decrease is primarily attributable to a decrease in salaries and

wages and shrinkage to normalize the amount back to the level in FY 2015, a reduction in employer contributions for state employee health insurance, and the Governor recommending two enhancement requests, while the Governor did not recommend the agency's enhancement request for additional VCAP funding. The Governor recommends capital improvement expenditures of \$1.6 million, including \$34,900 from the State General Fund, for FY 2016. This is an all funds decrease of \$742,500, or 31.3 percent, all from special revenue funds, below the agency's request. The decrease is attributable to the Governor recommending the delay of two project from FY 2016 until FY 2017.

### **House Budget Committee Recommendation**

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

### **House Committee Recommendation**

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

### **Conference Committee Recommendation (House Sub. for SB 112)**

The **Conference Committee** concurs with the Governor's recommendation for FY 2016 with the following adjustments:

1. Add language allowing the agency to exceed the expenditure limitations for the Kansas Veterans' Home Fee Fund, the Kansas Soldiers' Fee Fund, the Federal Domiciliary Per Diem Fund, and the Federal Long Term Care Per Diem Fund, upon specific authorization by the State Finance Council for FY 2016.
2. Delete \$163,670, including \$55,064 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.
3. Delete \$33,880, including \$11,397 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.
4. Delete \$13,588, all from the State General Fund, for a 25.0 percent reduction of travel expenditures for FY 2016.
5. Delete \$861, all from the State General Fund, for a 50.0 percent reduction of advertising expenditures for FY 2016.
6. 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 Veto FY 2016	Final Legislative Approved FY 2016
All Funds					
State Operations	\$ 20,545,369	\$ (211,999)	\$ 20,333,370	\$ 0	\$ 20,333,370
Aid to Local Units	0	0	0	0	0
Other Assistance	615,000	0	615,000	0	615,000
Subtotal- Operations	\$ 21,160,369	\$ (211,999)	\$ 20,948,370	\$ 0	\$ 20,948,370
Capital Improvements	1,629,400	0	1,629,400	0	1,629,400
TOTAL	<u>\$ 22,789,769</u>	<u>\$ (211,999)</u>	<u>\$ 22,577,770</u>	<u>\$ 0</u>	<u>\$ 22,577,770</u>
State General Fund					
State Operations	\$ 7,048,726	\$ (80,910)	\$ 6,967,816	\$ 0	\$ 6,967,816
Aid to Local Units	0	0	0	0	0
Other Assistance	600,000	0	600,000	0	600,000
Subtotal-Operating	\$ 7,648,726	\$ (80,910)	\$ 7,567,816	\$ 0	\$ 7,567,816
Capital Improvements	34,900	0	34,900	0	34,900
TOTAL	<u>\$ 7,683,626</u>	<u>\$ (80,910)</u>	<u>\$ 7,602,716</u>	<u>\$ 0</u>	<u>\$ 7,602,716</u>
FTE Positions	363.0	0.0	363.0	0.0	363.0
Non-FTE Unclass. Perm. Pos.	6.0	0.0	6.0	0.0	6.0
TOTAL	<u>369.0</u>	<u>0.0</u>	<u>369.0</u>	<u>0.0</u>	<u>369.0</u>