

House Budget Committee Report

Agency: Adjutant General's Department

Bill No. HB 2370

Bill Sec. 121

Analyst: Klaassen

Analysis Pg. No. 434

Budget Page No. 338

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017*	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,114,390	\$ 6,454,207	\$ 0
Other Funds	28,533,150	28,572,360	0
Subtotal	\$ 35,647,540	\$ 35,026,567	\$ 0
Capital Improvements:			
State General Fund	\$ 9,753,551	\$ 284,291	\$ 0
Other Funds	1,932,669	826,004	0
Subtotal	\$ 11,686,220	\$ 1,110,295	\$ 0
TOTAL	\$ 47,333,760	\$ 36,136,862	\$ 0
FTE positions	132.5	132.5	0.0
Non FTE Uncl. Perm. Pos.	134.6	129.6	0.0
TOTAL	267.1	262.1	0.0

*NOTE: Includes GBA No. 1, Item 11 and deletes \$2.5 million, all from the State General Fund, for Debt Service Refunding for FY 2017. Changes are reflected in the table only.

Agency Request

The **agency** requests operating expenditures totaling \$35.6 million, including \$7.1 million from the State General Fund, for FY 2017. This is an all funds decrease of \$3.6 million, or 9.1 percent, and a State General Fund decrease of \$331,829, or 4.5 percent, below the FY 2016 request. The FY 2017 request includes 132.5 FTE and 134.6 non-FTE positions, which is a decrease of 15.0 FTE and 12.0 non-FTE positions from the FY 2016 request, and is primarily related to continued closure of the Kansas Readiness Sustainment Maintenance Site Program. This request includes the continuation and associated increases of the nine operating enhancements requested in FY 2016 into FY 2017 (\$614,207 All Funds, including \$469,560 from the State General Fund, and 7.0 non-FTE positions).

The agency requests capital improvements expenditures totaling \$11.7 million, including \$9.8 million from the State General Fund, for FY 2017. This is an all funds increase of \$5.0 million, or 74.6 percent, and a State General Fund increase of \$5.4 million, or 125.8 percent, above the FY 2016 request. This increase is due to five capital improvements enhancements totaling \$8.0 million, including \$6.9 million from the State General Fund, for FY 2017.

Governor's Recommendation

The **Governor** recommends an operating budget totaling \$35.0 million, including \$6.5 million from the State General Fund, for FY 2017. This is an all funds decrease of \$620,973

million, or 1.7 percent, and a State General Fund decrease of \$660,183, or 9.3 percent, below the agency's FY 2017 request. The difference from the agency's FY 2017 request is due to the following recommended adjustments: 1) reductions to continue the Governor's allotment plan, 2) reductions to employer contributions for state employee health insurance, 3) reductions for less than requested enhancement funding, 4) reductions to additional State General Funding request, and 5) an increase for debt service payments, and 6) additional Civil Air Patrol operating expenditures.

The Governor recommends capital improvements expenditures totaling \$3.7 million, including \$2.8 million from the State General Fund, for FY 2017. This is an all funds decrease of \$8.0 million, or 68.8 percent, and a State General Fund decrease of \$6.93 million, or 71.0 percent, below the agency's FY 2017 request. This decrease from the agency's request is entirely due to the Governor not recommending any of the agency's five capital improvements enhancements (\$8.0 million All Funds, including \$6.9 million State General Fund).

The Governor's recommendation includes \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repairs expenditures for FY 2017.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2017.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2017.

Senate Subcommittee Report

Agency: Adjutant General's Department

Bill No. 237

Bill Sec. 121

Analyst: Klaassen

Analysis Pg. No. 434

Budget Page No. 338

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,114,390	\$ 6,454,207	\$ 0
Other Funds	28,533,150	28,572,360	0
Subtotal	<u>\$ 35,647,540</u>	<u>\$ 35,026,567</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 9,753,551	\$ 284,291	\$ 0
Other Funds	1,932,669	826,004	0
Subtotal	<u>\$ 11,686,220</u>	<u>\$ 1,110,295</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 47,333,760</u></u>	<u><u>\$ 36,136,862</u></u>	<u><u>\$ 0</u></u>
FTE positions	132.5	132.5	0.0
Non FTE Uncl. Perm. Pos.	134.6	129.6	0.0
TOTAL	<u><u>267.1</u></u>	<u><u>262.1</u></u>	<u><u>0.0</u></u>

*NOTE: Includes GBA No. 1, Item 11 and deletes \$2.5 million, all from the State General Fund, for Debt Service Refunding for FY 2017. Changes are reflected in the table only.

Agency Request

The **agency** requests operating expenditures totaling \$35.6 million, including \$7.1 million from the State General Fund, for FY 2017. This is an all funds decrease of \$3.6 million, or 9.1 percent, and a State General Fund decrease of \$331,829, or 4.5 percent, below the FY 2016 request. The FY 2017 request includes 132.5 FTE and 134.6 non-FTE positions, which is a decrease of 15.0 FTE and 12.0 non-FTE positions from the FY 2016 request, and is primarily related to continued closure of the Kansas Readiness Sustainment Maintenance Site Program. This request includes the continuation and associated increases of the nine operating enhancements requested in FY 2016 into FY 2017 (\$614,207 All Funds, including \$469,560 from the State General Fund, and 7.0 non-FTE positions).

The agency requests capital improvements expenditures totaling \$11.7 million, including \$9.8 million from the State General Fund, for FY 2017. This is an all funds increase of \$5.0 million, or 74.6 percent, and a State General Fund increase of \$5.4 million, or 125.8 percent, above the FY 2016 request. This increase is due to five capital improvements enhancements totaling \$8.0 million, including \$6.9 million from the State General Fund, for FY 2017.

Governor's Recommendation

The **Governor** recommends an operating budget totaling \$35.0 million, including \$6.5 million from the State General Fund, for FY 2017. This is an all funds decrease of \$620,973 million, or 1.7 percent, and a State General Fund decrease of \$660,183, or 9.3 percent, below the agency's FY 2017 request. The difference from the agency's FY 2017 request is due to the following recommended adjustments: 1) reductions to continue the Governor's allotment plan, 2) reductions to employer contributions for state employee health insurance, 3) reductions for less than requested enhancement funding, 4) reductions to additional State General Funding request, and 5) an increase for debt service payments, and 6) additional Civil Air Patrol operating expenditures.

The Governor recommends capital improvements expenditures totaling \$3.7 million, including \$2.8 million from the State General Fund, for FY 2017. This is an all funds decrease of \$8.0 million, or 68.8 percent, and a State General Fund decrease of \$6.93 million, or 71.0 percent, below the agency's FY 2017 request. This decrease from the agency's request is entirely due to the Governor not recommending any of the agency's five capital improvements enhancements (\$8.0 million All Funds, including \$6.9 million State General Fund).

The Governor's recommendation includes \$1.2 million, including \$329,893 from the State General Fund, to provide for the agency's base request for rehabilitation and repairs expenditures for FY 2017.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2017.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation for FY 2017.

Senate Committee of the Whole Recommendation

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2017.

Conference Committee Recommendation (House Sub. for SB 112)

The **Conference Committee** concurs with the Governor's Recommendation for FY 2017 with the following adjustments:

1. Concur with GBA No. 1, Item 11 and delete \$2.6 million, all from the State General Fund to update State General Funded debt service payments and make further technical adjustments of \$40,283 to allow the GBA to correctly reflect debt service payments in FY 2017.
2. Delete \$261,557, including \$54,291 from the State General Fund, to reduce the Kansas Public Employees Retirement System employer contribution rate from 13.57 percent to 10.81 percent for FY 2017. This implements the provisions of SB 228.

3. Delete \$16,019, all from the State General Fund, for a 25.0 percent reduction of travel expenditures for FY 2017.
4. Delete \$30,312, including \$6,293 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 2017.
5. Add language to prohibit expenditures on newspapers and magazines, including electronic subscriptions, for FY 2017.

	Governor's Recommendation FY 2017	Legislative Action	Legislative Approved FY 2017	Governor's Vetoed FY 2017	Final Legislative Approved FY 2017
All Funds					
State Operations	\$ 29,022,560	\$ (267,605)	\$ 28,754,955	\$ 0	\$ 28,754,955
Aid to Local Units	2,171,682	0	2,171,682	0	2,171,682
Other Assistance	1,291,723	0	1,291,723	0	1,291,723
Subtotal- Operations	\$ 32,485,965	\$ (267,605)	\$ 32,218,360	\$ 0	\$ 32,218,360
Capital Improvements	3,650,897	0	3,650,897	0	3,650,897
TOTAL	<u>\$ 36,136,862</u>	<u>\$ (267,605)</u>	<u>\$ 35,869,257</u>	<u>\$ 0</u>	<u>\$ 35,869,257</u>
State General Fund					
State Operations	\$ 3,867,082	\$ (36,320)	\$ 3,830,762	\$ 0	\$ 3,830,762
Aid to Local Units	0	0	0	0	0
Other Assistance	46,523	0	46,523	0	46,523
Subtotal-Operating	\$ 3,913,605	\$ (36,320)	\$ 3,877,285	\$ 0	\$ 3,877,285
Capital Improvements	2,824,893	0	2,824,893	0	2,824,893
TOTAL	<u>\$ 6,738,498</u>	<u>\$ (36,320)</u>	<u>\$ 6,702,178</u>	<u>\$ 0</u>	<u>\$ 6,702,178</u>
FTE Positions	132.5	0.0	132.5	0.0	132.5
Non-FTE Unclass. Perm. Pos.	129.6	0.0	129.6	0.0	129.6
TOTAL	<u>262.1</u>	<u>0.0</u>	<u>262.1</u>	<u>0.0</u>	<u>262.1</u>