

Senate Subcommittee Report

Agency: Kansas Commission on Veterans' Affairs

Bill No. SB 237

Bill Sec. 75

Analyst: Fye

Analysis Pg. No. 2754

Budget Page No. 228

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,327,260	\$ 7,565,975	\$ 0
Other Funds	13,940,316	13,208,036	0
Subtotal	<u>\$ 22,267,576</u>	<u>\$ 20,774,011</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 9,900	\$ 9,900	\$ 0
Other Funds	1,334,500	2,077,000	0
Subtotal	<u>\$ 1,344,400</u>	<u>\$ 2,086,900</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 23,611,976</u></u>	<u><u>\$ 22,860,911</u></u>	<u><u>\$ 0</u></u>
FTE positions	373.0	368.0	0.0
Non FTE Uncl. Perm. Pos.	6.0	6.0	0.0
TOTAL	<u><u>379.0</u></u>	<u><u>374.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests total expenditures of \$23.6 million, including \$8.3 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the agency requests operating expenditures of \$22.3 million, including \$8.3 million from the State General Fund, for FY 2017. This is an all funds decrease of \$162,923, or 0.7 percent, and a State General Fund increase of \$508,573, or 6.5 percent, above the FY 2016 request. The all funds decrease is attributable to the agency requesting less contractual services expenditures, partially offset by an increase in salaries and wages, due to payment of the 27th payroll period which occurs in that fiscal year. The agency requests capital improvement expenditures of \$1.3 million, including \$9,900 from the State General Fund, for FY 2017.

Governor's Recommendation

The **Governor** recommends total expenditures of \$22.9 million, including \$7.6 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the Governor recommends operating expenditures of \$20.8 million, including \$7.6 million from the State General Fund, for FY 2017. This is an all funds decrease of 1.5 million, or 6.7 percent, and a State General Fund decrease of \$761,284, or 9.1 percent, below the agency's request. The decrease is primarily attributable to a reduction in employer contributions for state employees health insurance, the Governor not recommending the agency enhancement requests, and a decrease in salaries, including fringe benefit expenditures,

partially offset by a decrease in shrinkage. The Governor recommends capital improvement expenditures of \$2.1 million, including \$9,900 from the State General Fund, for FY 2017. This is an all funds increase of \$742,500, or 55.2 percent, above the agency's request. The State General Fund total is the same amount as the agency's request. The all funds increase is primarily attributable to the Governor recommending the delay of two projects from FY 2016 until 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 with the following adjustment:

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, Federal Domiciliary Per Diem Fund, and the Federal Long Term Care Per Diem Fund, upon expressed written approval by the State Finance Council, for FY 2017.

Senate Committee of the Whole Recommendation

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

House Budget Committee Report

Agency: Kansas Commission on Veterans' Affairs **Bill No.** HB 2370

Bill Sec. 75

Analyst: Fye

Analysis Pg. No. 2754

Budget Page No. 192

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 8,327,260	\$ 7,565,975	\$ 0
Other Funds	13,940,316	13,208,036	0
Subtotal	\$ 22,267,576	\$ 20,774,011	\$ 0
Capital Improvements:			
State General Fund	\$ 9,900	\$ 9,900	\$ 0
Other Funds	1,334,500	2,077,000	0
Subtotal	\$ 1,344,400	\$ 2,086,900	\$ 0
TOTAL	\$ 23,611,976	\$ 22,860,911	\$ 0
FTE positions	373.0	368.0	0.0
Non FTE Uncl. Perm. Pos.	6.0	6.0	0.0
TOTAL	379.0	374.0	0.0

Agency Request

The **agency** requests total expenditures of \$23.6 million, including \$8.3 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the agency requests operating expenditures of \$22.3 million, including \$8.3 million from the State General Fund, for FY 2017. This is an all funds decrease of \$162,923, or 0.7 percent, and a State General Fund increase of \$508,573, or 6.5 percent, above the FY 2016 request. The all funds decrease is attributable to the agency requesting less contractual services expenditures, partially offset by an increase in salaries and wages due to payment of the 27th payroll period which occurs in that fiscal year, and the agency enhancement requests. The agency requests capital improvement expenditures of \$1.3 million, including \$9,900 from the State General Fund, for FY 2017.

Governor's Recommendation

The **Governor** recommends total expenditures of \$22.9 million, including \$7.6 million from the State General Fund, for operating expenditures and capital improvements, for FY 2017. Of this amount, the Governor recommends operating expenditures of \$20.8 million, including \$7.6 million from the State General Fund, for FY 2017. This is an all funds decrease of 1.5 million, or 6.7 percent, and a State General Fund decrease of \$761,284, or 9.1 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 employees health insurance, and the Governor not recommending the agency enhancement requests. The Governor recommends capital improvement expenditures of \$2.1 million, including \$9,900 from the State General Fund, for FY 2017. This is an all funds increase of \$742,500, or 55.2 percent, above the agency's request. The State General Fund total is the same amount as the agency's request. The all funds increase is primarily attributable to the Governor recommending the delay of two projects from FY 2016 until 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.

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. 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 2017.
2. Delete \$320,806, including \$103,980 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 \$37,178, including \$12,051 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.
4. Delete \$14,705, all from the State General Fund, for a 25.0 percent reduction of travel expenditures for FY 2017.
5. Delete \$932, all from the State General Fund, for a 50.0 percent reduction of advertising expenditures for FY 2017.
6. 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	\$ 20,159,011	\$ (373,621)	\$ 19,785,390	\$ 0	\$ 19,785,390
Aid to Local Units	0	0	0	0	0
Other Assistance	615,000	0	615,000	0	615,000
Subtotal- Operations	<u>\$ 20,774,011</u>	<u>\$ (373,621)</u>	<u>\$ 20,400,390</u>	<u>\$ 0</u>	<u>\$ 20,400,390</u>
Capital Improvements	2,086,900	0	2,086,900	0	2,086,900
TOTAL	<u><u>\$ 22,860,911</u></u>	<u><u>\$ (373,621)</u></u>	<u><u>\$ 22,487,290</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 22,487,290</u></u>
State General Fund					
State Operations	\$ 6,965,975	\$ (131,668)	\$ 6,834,307	\$ 0	\$ 6,834,307
Aid to Local Units	0	0	0	0	0
Other Assistance	600,000	0	600,000	0	600,000
Subtotal-Operating	<u>\$ 7,565,975</u>	<u>\$ (131,668)</u>	<u>\$ 7,434,307</u>	<u>\$ 0</u>	<u>\$ 7,434,307</u>
Capital Improvements	9,900	0	9,900	0	9,900
TOTAL	<u><u>\$ 7,575,875</u></u>	<u><u>\$ (131,668)</u></u>	<u><u>\$ 7,444,207</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 7,444,207</u></u>
FTE Positions	368.0	0.0	368.0	0.0	368.0
Non-FTE Unclass. Perm. Pos.	6.0	0.0	6.0	0.0	6.0
TOTAL	<u><u>374.0</u></u>	<u><u>0.0</u></u>	<u><u>374.0</u></u>	<u><u>0.0</u></u>	<u><u>374.0</u></u>