

Kansas Department of Transportation

Expenditure	Actual FY 2014	Approved FY 2015	Approved FY 2016	Approved FY 2017
All Funds:				
State Operations	\$ 431,246,279	\$ 402,103,803	\$ 399,879,421	\$ 398,301,548
Aid to Local Units	187,329,856	195,970,747	190,509,594	190,946,785
Other Assistance	24,303,669	37,820,108	23,839,921	23,398,796
<i>Subtotal - Operating</i>	<u>\$ 642,879,804</u>	<u>\$ 635,894,658</u>	<u>\$ 614,228,936</u>	<u>\$ 612,647,129</u>
Capital Improvements	1,020,990,976	694,203,260	489,818,042	923,363,073
TOTAL	<u><u>\$ 1,663,870,780</u></u>	<u><u>\$ 1,330,097,918</u></u>	<u><u>\$ 1,104,046,978</u></u>	<u><u>\$ 1,536,010,202</u></u>
State General Fund:				
State Operations	\$ -	\$ -	\$ -	\$ -
Aid to Local Units	-	-	-	-
Other Assistance	-	-	-	-
<i>Subtotal - Operating</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements	-	-	-	-
TOTAL	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Percent Change:				
Operating Expenditures				
All Funds	25.7 %	(1.1)%	(3.4)%	(0.3)%
State General Fund	-	-	-	-
FTE Positions	2,302.5	2,139.5	2,139.5	2,139.5
Non-FTE Unclass. Perm. Pos.	435.0	598.0	598.0	598.0
TOTAL	<u><u>2,737.5</u></u>	<u><u>2,737.5</u></u>	<u><u>2,737.5</u></u>	<u><u>2,737.5</u></u>

The total approved budget for the Kansas Department of Transportation for FY 2015 totals \$1.3 billion, which is a decrease of \$333.8 million, or 20.1 percent, all from special revenue funds, below the 2014 actual budget. This decrease is related to significant T-WORKS program expenditures made in prior years, as well as recommended and approved reductions to FY 2015 project lettings and agency operations in order to achieve current year savings (\$58.8 million). The FY 2015 budget is the fifth year of the T-WORKS Program, and includes 2,139.5 FTE positions, which is a decrease of 163.0 FTE positions from the number approved by the 2014 Legislature, but also includes a corresponding increase of 163.0 in non-FTE positions. The agency states that it allowed several different classifications within the agency to become unclassified,

which attributes for the shift from FTE to non-FTE positions, while still remaining at the approved positions level.

The approved budget for FY 2016 totals \$1.1 billion, a decrease of \$226.1 million, or 17.0 percent, all from special revenue funds, below the FY 2015 approved budget. This decrease is primarily related to reductions to: a) preservation and other project expenditures totaling \$491.0 million, b) agency operations totaling \$13.3 million, c) requested buildings projects of \$1.8 million, and d) employer contributions to state employee health insurance of \$1.8 million. Significant FY 2016 reductions were approved for preservation and project expenditures in order to

achieve savings for transfers. The request includes 2,139.5 FTE positions, which is no change from the FY 2015 approved budget.

The Legislature also added a total of \$27,520, all from the State Highway Fund, to provide for the expenditure of gifts, grants, and donations received for highway signage costs for FY 2016 for designations and commemorations made in the following enacted bills:

2015 SB 127 – This bill includes expenditures for the following designations and commemorations approved for FY 2016: a) 2nd Lieutenant Sisson: two signs for an expenditure of \$3,900; b) George Ablah Expressway: two signs for an expenditure of \$3,440; c) Mayor Ken Bernard Memorial Highway: two signs, and re-designations for the Amelia Earhart Memorial Highway for \$7,460; and d) Bert Cantwell Memorial Interchange: four signs for an expenditure of \$9,930.

2015 HB 2103 - The Legislature added \$3,160 for designation of bridge No. 14(030) on K-15 in Clay County as the Clay County Vietnam Veterans Bridge for FY 2016.

2015 SB 43 - The Legislature added \$2,940 for the designation of the portion of K-8 Highway from the junction of K-8 Highway with U.S. Highway 36, north on K-8 Highway to the Nebraska state line as the Home on the Range Highway for FY 2016.

The approved budget for FY 2017 totals \$1.5 billion, an increase of \$432.0 million, or 39.1 percent, all from special revenue funds, above the FY 2016 approved budget. Reductions to the agency request within the FY 2017 approved budget include: a) preservation and other project expenditures totaling \$30.0 million, b) agency operations totaling \$13.8 million, c) requested buildings projects of \$1.7 million, and d) state employee health insurance of \$1.8 million. Reductions to FY 2017 expenditures for preservation and project expenditures were made in order to achieve savings for transfers. The overall budget is still an increase which is created by significant reductions included within the FY 2016 approved budget. For FY 2017 the agency anticipates expenditures to return to a level similar to prior years of T-WORKS, with FY 2017 being the seventh year of the ten year program. The agency anticipates letting projects delayed as part of FY 2015 and FY 2016 expenditure reductions as revenues allow. The request includes 2,139.5 FTE positions, which is no change from the FY 2016 approved budget.

Kansas Department of Transportation

	FY 2015			FY 2016			FY 2017		
	SGF	All Funds	FTE	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate/Request	\$ -	\$ 1,389,316,753	2,139.5	\$ -	\$ 1,612,624,907	2,139.5	\$ -	\$ 1,585,484,905	2,139.5
Governor's Changes:									
1. Reduction and Transfers	\$ -	\$ (58,793,430)	-	\$ -	\$ (504,323,611)	-	\$ -	\$ (43,770,669)	-
2. Reduce Building Projects	-	-	-	-	(1,758,532)	-	-	(1,700,443)	-
3. KPERS Employer Contribution Rate Reduction	-	(1,446,486)	-	-	-	-	-	-	-
4. CRE Adjustment - Special City County Fund Expenditures	-	1,021,081	-	-	1,037,830	-	-	1,037,831	-
5. Health Insurance Reduction	-	-	-	-	(1,784,965)	-	-	(1,820,706)	-
Total Governor's Recommendation	\$ -	\$ 1,330,097,918	2,139.5	\$ -	\$ 1,105,795,629	2,139.5	\$ -	\$ 1,539,230,918	2,139.5
Change from Agency Est./Req.	\$ -	\$ (59,218,835)	-	\$ -	\$ (506,829,278)	-	\$ -	\$ (46,253,987)	-
Percent Change from Agency Est./Req.	-%	(4.3)%	-%	-%	(31.4)%	-%	-%	(2.9)%	-%
Legislative Action:									
6. 2015 SB 127 Signage	\$ -	\$ -	-	\$ -	\$ 21,420	-	\$ -	\$ -	-
7. 2015 HB 2103 Signage	-	-	-	-	3,160	-	-	-	-
8. 2015 SB 43 Signage	-	-	-	-	2,940	-	-	-	-
9. KPERS Employer Contribution Rate Reduction	-	-	-	-	(1,471,345)	-	-	(2,885,987)	-
10. KPERS Death and Disability Reduction	-	-	-	-	(304,826)	-	-	(334,729)	-
11. Newspapers and Magazines Prohibition	-	-	-	-	-	-	-	-	-
TOTAL APPROVED	\$ -	\$ 1,330,097,918	2,139.5	\$ -	\$ 1,104,046,978	2,139.5	\$ -	\$ 1,536,010,202	2,139.5
Change from Gov. Rec.	\$ -	\$ -	-	\$ -	\$ (1,748,651)	-	\$ -	\$ (3,220,716)	-
Percent Change from Gov. Rec.	-%	-%	-%	-%	(0.2)%	-%	-%	(0.2)%	-%
Change from Agency Est./Req.	\$ -	\$ (59,218,835)	-	\$ -	\$ (508,577,929)	-	\$ -	\$ (49,474,703)	-
Percent Change from Agency Est./Req.	-%	(4.3)%	-%	-%	(31.5)%	-%	-%	(3.1)%	-%

1. The Governor recommended and Legislature approved reductions, all from special revenue funds, to preservation projects and lettings of \$51.0 million in FY 2015, \$491.0 million for FY 2016, and \$30.0 million for FY 2017; reductions to agency operations of \$7.8 million in FY 2015, \$13.3 million for FY 2016, and \$13.8 million for FY 2017. These approved reductions helped achieve savings for various transfers, which included transfers to the State General Fund as follows: \$158.5 million in FY 2015 as part of 2015 House Sub. for SB 4, and \$129.3 million for FY 2016 and \$130.8 million for FY 2017 as part of 2015 House Sub. for SB 112.

2. The Governor did not recommend a number of buildings projects requested by the agency totaling \$1.8 million, all from special revenue funds, for FY 2016. These included: a) land purchases (\$60,000), b) relocation of subareas (\$1,367,516), and c) vehicle wash bays (\$331,016). The Governor also did not recommend buildings projects requested by the agency totaling \$1.7 million, all from special revenue funds, for FY 2017, which included: a) land purchases (\$105,000), and b) relocation of subareas (\$1,595,443).

3. The Governor deleted \$1.4 million, all from special revenue funds, to reduce the Kansas Public Employees Retirement System employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015.
4. The Governor's recommendation included adjustments to reflect November 2014 estimates for expenditures from the Highway Revenue Estimating Group. Estimated increases to Special City and County Highway Fund expenditures included: \$1,021,081 in FY 2015, \$1,037,830 for FY 2016, and \$1,037,831 for FY 2017.
5. The Governor deleted \$1,784,965 for FY 2016 and \$1,820,706 for FY 2017, all from special revenue funds, to reduce employer contributions for state employee health insurance.
6. The Legislature added \$21,420, all from the State Highway Fund, for 2015 SB 127. This bill includes the following designations and commemorations:
 - 2nd Lieutenant Sisson: two signs for an expenditure of \$3,900, all from the State Highway Fund, for FY 2016;
 - George Ablah Expressway: two signs for an expenditure of \$3,440, all from the State Highway Fund, for FY 2016;
 - Mayor Ken Bernard Memorial Highway: two signs for FY 2016. In addition, re-designations for the Amelia Earhart Memorial Highway which already existed and this new designation breaks the continuity of the route, so two additional signs will be placed. The Legislature approved a total expenditure increase of \$7,460, all from the State Highway Fund, for this portion of the bill for FY 2016; and
- Bert Cantwell Memorial Interchange: four signs for an expenditure of \$9,930, all from the State Highway Fund, for FY 2016.
7. The Legislature added \$3,160, all from the State Highway Fund, for 2015 HB 2103 which designates bridge No. 14(030) on K-15 in Clay County as the Clay County Vietnam Veterans Bridge for FY 2016.
8. The Legislature added \$2,940, all from the State Highway Fund, for 2015 SB 43 which designates the portion of K-8 Highway from the junction of K-8 Highway with U.S. Highway 36, north on K-8 Highway to the Nebraska state line as the Home on the Range Highway for FY 2016.
9. The Legislature reduced the Kansas Public Employees Retirement System employer contribution rate (excluding KPERS Death and Disability) from 12.37 percent to 10.91 percent for FY 2016 and from 13.57 percent to 10.81 percent for FY 2017. **For this agency, the reductions totaled \$1,471,345 for FY 2016 and \$2,885,987 for FY 2017, all from special revenue funds.**
10. The Legislature deleted \$304,826 for FY 2016 and \$334,729 for FY 2017, all from special revenue funds, 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 and FY 2017.
11. The Legislature prohibited agencies from making expenditures on newspapers and magazines, including electronic subscriptions, for FY 2016 and FY 2017.