

## House Budget Committee Report

**Agency:** Adjutant General's Department

**Bill No.** House Sub for SB 161

**Bill Sec.** 79

**Analyst:** Klaassen

**Analysis Pg. No.** 1308

**Budget Page No.** 336

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017*	House Adjustments
Operating Expenditures:			
State General Fund	\$ 6,723,789	\$ 6,045,207	\$ 0
Other Funds	37,039,556	37,039,556	0
Subtotal	\$ 43,763,345	\$ 43,084,763	\$ 0
Capital Improvements:			
State General Fund	\$ 1,658,618	\$ 1,181,689	\$ 0
Other Funds	1,350,761	776,689	0
Subtotal	\$ 3,009,379	\$ 1,958,378	\$ 0
 TOTAL	 \$ 46,772,724	 \$ 45,043,141	 \$ 0
 FTE positions	 134.5	 132.5	 0.0
Non FTE Uncl. Perm. Pos.	133.0	133.0	0.0
TOTAL	267.5	265.5	0.0

\*NOTE: Includes GBA No. 1, Item 1 to appropriate the Fire Management Assistance Grant - Federal Fund as a no limit fund for FY 2017 (no expenditures have been officially determined).

### Agency Request

The **agency** requests a revised FY 2017 estimate totaling \$46.8 million, including \$8.4 million from the State General Fund, which is an all funds increase of \$9.1 million, or 24.2 percent, and a State General Fund decrease of \$103,524, or 1.2 percent, from the current approved amounts for FY 2017. The agency's FY 2017 revised estimate includes supplemental funding requests totaling \$1.2 million, including \$586,841 from the State General Fund. The FY 2017 revised estimate includes 134.5 FTE positions, which is an increase of 2.0 FTE positions above the amount approved by the 2015 Legislature, and is due to the agency's FY 2017 supplemental requests which include requests for 2.0 additional FTE positions.

The agency's revised estimate includes capital improvement expenditures totaling \$3.0 million, including \$1.7 million from the State General Fund, for FY 2017. The revised estimate includes \$905,000, all from the State General Fund for debt service principal payments, and \$2.1 million, including \$753,618 from the State General Fund, for projects for FY 2017.

### Governor's Recommendation

The **Governor** recommends a FY 2017 total budget of \$45.0 million, including \$7.2 million from the State General Fund. This is an all funds decrease of \$1.7 million, or 3.7 percent,

and a State General Fund decrease of \$1.2 million, or 13.8 percent, below the agency's FY 2017 revised estimate. The difference from the agency's FY 2017 revised estimate, is due to the following adjustments included within the Governor's Recommendation:

Operating Adjustments:

- A salaries and positions wages reduction of \$115,194, all from the State General Fund, and 2.0 FTE due to the Governor not recommending the agency's supplemental requests for two accountant II positions for FY 2017;
- A contractual services addition of \$30,000, all from the State General Fund, due to the Governor including funding for the continuation of the agency's FY 2016 supplemental request into FY 2017 for Expanded Bandwidth for the KIFC; and
- An aid to locals decrease of \$593,388, all from the State General Fund, to reduce budget year disaster relief expenditure authority for FY 2017, related to the lapse of funds recommended in FY 2016.

Capital Improvements Adjustments:

- A reduction of \$1.1 million, including \$476,929 from the State General Fund, due to the Governor not recommending the agency's FY 2017 supplemental request for additional rehabilitation and repair for statewide armories.

**House Action**

There was no budgetary action taken during the budget committee meetings. The House Appropriations Committee and House Committee of the Whole concurred with the Governor's Recommendation with no adjustments.

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## Senate Subcommittee Report

**Agency:** Adjutant General's Department      **Bill No.** Senate Sub. HB 2365      **Bill Sec.** 79

**Analyst:** Klaassen      **Analysis Pg. No.** 1308      **Budget Page No.** 336

Expenditure Summary	Agency Request FY 2017	Governor Recommendation FY 2017*	Senate Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 6,723,789	\$ 6,045,207	\$ 0
Other Funds	37,039,556	37,039,556	0
Subtotal	\$ 43,763,345	\$ 43,084,763	\$ 0
<b>Capital Improvements:</b>			
State General Fund	\$ 1,658,618	\$ 1,181,689	\$ 0
Other Funds	1,350,761	776,689	0
Subtotal	\$ 3,009,379	\$ 1,958,378	\$ 0
<b>TOTAL</b>	<b>\$ 46,772,724</b>	<b>\$ 45,043,141</b>	<b>\$ 0</b>
FTE positions	134.5	132.5	0.0
Non FTE Uncl. Perm. Pos.	133.0	133.0	0.0
<b>TOTAL</b>	<b>267.5</b>	<b>265.5</b>	<b>0.0</b>

\*NOTE: Includes GBA No. 1, Item 1 to appropriate the Fire Management Assistance Grant - Federal Fund as a no limit fund for FY 2017 (no expenditures have been officially determined).

### Agency Request

The **agency** requests a revised FY 2017 estimate totaling \$46.8 million, including \$8.4 million from the State General Fund, which is an all funds increase of \$9.1 million, or 24.2 percent, and a State General Fund decrease of \$103,524, or 1.2 percent, from the current approved amounts for FY 2017. The agency's FY 2017 revised estimate includes supplemental funding requests totaling \$1.2 million, including \$586,841 from the State General Fund. The FY 2017 revised estimate includes 134.5 FTE positions, which is an increase of 2.0 FTE positions above the amount approved by the 2015 Legislature, and is due to the agency's FY 2017 supplemental requests which include requests for 2.0 additional FTE positions.

The agency's revised estimate includes capital improvement expenditures totaling \$3.0 million, including \$1.7 million from the State General Fund, for FY 2017. The revised estimate includes \$905,000, all from the State General Fund for debt service principal payments, and \$2.1 million, including \$753,618 from the State General Fund, for projects for FY 2017.

## **Governor's Recommendation**

The **Governor** recommends a FY 2017 total budget of \$45.0 million, including \$7.2 million from the State General Fund. This is an all funds decrease of \$1.7 million, or 3.7 percent, and a State General Fund decrease of \$1.2 million, or 13.8 percent, below the agency's FY 2017 revised estimate. The difference from the agency's FY 2017 revised estimate, is due to the following adjustments included within the Governor's Recommendation:

### Operating Adjustments:

- A salaries and positions wages reduction of \$115,194, all from the State General Fund, and 2.0 FTE due to the Governor not recommending the agency's supplemental requests for two accountant II positions for FY 2017;
- A contractual services addition of \$30,000, all from the State General Fund, due to the Governor including funding for the continuation of the agency's FY 2016 supplemental request into FY 2017 for Expanded Bandwidth for the KIFC; and
- An aid to locals decrease of \$593,388, all from the State General Fund, to reduce budget year disaster relief expenditure authority for FY 2017, related to the lapse of funds recommended in FY 2016.

### Capital Improvements Adjustments:

- A reduction of \$1.1 million, including \$476,929 from the State General Fund, due to the Governor not recommending the agency's FY 2017 supplemental request for additional rehabilitation and repair for statewide armories.

## **Senate Action**

There was no budgetary action taken during the subcommittee meetings. The Senate Ways and Means Committee and Senate Committee of the Whole on Senate Sub. for HB 2365 concurred with the Governor's Recommendation with no adjustments.

## **Conference Action House Sub. for SB 161 and House Sub. for SB 249**

The Conference Committee concurred with the Governor's Recommendation with the following adjustments:

1. Delete \$65,435, including \$51,454 from the State General Fund, to eliminate the remaining three quarters of Death and Disability payments for FY 2017. (House Sub. for SB 161)
2. Concur with GBA No. 1, Item 1, and appropriate the Fire Management Assistance Grant-Federal Fund as a no limit fund for FY 2017. (House Sub. for SB 249)

	Governor's Recommendation FY 2017*	Legislative Action	Legislative Approved FY 2017	Governor's Veto FY 2017	Final Legislative Approved FY 2017
All Funds					
State Operations	\$ 31,325,314	\$ (65,435)	\$ 31,259,879	\$ 0	\$ 31,259,879
Aid to Local Units	8,272,044	0	8,272,044	0	8,272,044
Other Assistance	3,487,405	0	3,487,405	0	3,487,405
Subtotal- Operations	\$ 43,084,763	\$ (65,435)	\$ 43,019,328	\$ 0	\$ 43,019,328
Capital Improvements	1,958,378	0	1,958,378	0	1,958,378
TOTAL	\$ 45,043,141	\$ (65,435)	\$ 44,977,706	\$ 0	\$ 44,977,706

State General Fund

State Operations	\$ 5,567,979	\$ (13,981)	\$ 5,553,998	\$ 0	\$ 5,553,998
Aid to Local Units	194,112	0	194,112	0	194,112
Other Assistance	283,116	0	283,116	0	283,116
Subtotal-Operating	\$ 6,045,207	\$ (13,981)	\$ 6,031,226	\$ 0	\$ 6,031,226
Capital Improvements	1,181,689	0	1,181,689	0	1,181,689
TOTAL	\$ 7,226,896	\$ (13,981)	\$ 7,212,915	\$ 0	\$ 7,212,915

FTE Positions	132.5	0.0	132.5	0.0	132.5
Non-FTE Unclass. Perm. Pos.	133.0	0.0	133.0	0.0	133.0
TOTAL	265.5	0.0	265.5	0.0	265.5

\*NOTE: Includes GBA No. 1, Item 1 to appropriate the Fire Management Assistance Grant - Federal Fund as a no limit fund for FY 2017 (no expenditures have been officially determined).