

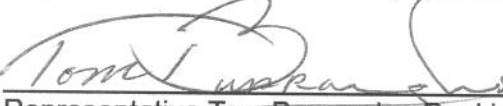
FY 2012 and FY 2013


General Government Budget Committee


Kansas Department of Revenue
Kansas Human Rights Commission
Kansas Public Employees Retirement System
State Court of Tax Appeals


Representative Joe McLeland, Chair


Representative Pete DeGraaf, Vice-Chair


Representative Tom Burroughs, Ranking
Minority Member

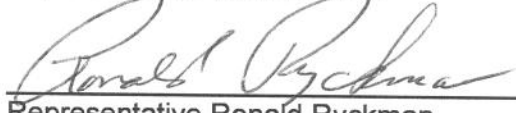

Representative Nile Dillmore


Representative Ramon Gonzalez


Representative Don Hineman


Representative Kyle Hoffman

Representative Trent LeDoux


Representative Ronald Ryckman

Senate Committee Recommendation

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

1. Add language to increase the limitation on the Hospitality fund by \$125, from \$150 to \$275, to allow the agency to provide receptions for the new commissioners joining the agency and the commissioners who are leaving the agency.
2. Delete language to increase the limitation on the Annual Banquet fund by \$125.

House Budget Committee Report

Agency: Kansas Human Rights Commission

Bill No. --

Bill Sec. --

Analyst: Boudewyns

Analysis Pg. No. --

Budget Page No. --

Expenditure Summary	Agency Estimate FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,257,329	\$ 1,257,329	\$ 0
Other Funds	448,750	448,750	0
Subtotal	\$ 1,706,079	\$ 1,706,079	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 1,706,079	\$ 1,706,079	\$ 0
FTE positions	25.0	25.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	25.0	25.0	0.0

Agency Estimate

The **agency** estimates operating expenditures of \$1,706,079, including \$1,257,329 from the State General Fund. This is an all funds increase of \$30,926, or 1.8 percent, and a State General Fund increase of \$17,225, or 1.4 percent, above the FY 2012 approved budget due to reappropriations. The agency request is for 25.0 FTE positions, which is the same as the FY 2012 approved number.

Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2012.

House Budget Committee Recommendation

The **Committee** concurs with the Governor's FY 2012 recommendation.

Senate Subcommittee Report

Agency: Kansas Human Rights
Commission

Bill No. 433

Bill Sec. --

Analyst: Boudewyns

Analysis Pg. No. --

Budget Page No. 58

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,469,074	\$ 1,203,295	\$ 127,869
Other Funds	517,877	517,877	0
Subtotal	<u>\$ 1,986,951</u>	<u>\$ 1,721,172</u>	<u>\$ 127,869</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,986,951</u></u>	<u><u>\$ 1,721,172</u></u>	<u><u>\$ 127,869</u></u>
FTE positions	26.5	23.0	2.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>26.5</u></u>	<u><u>23.0</u></u>	<u><u>2.0</u></u>

Agency Request

The **agency** requests \$1,986,951, including \$1,469,074 from the State General Fund, for operating expenditures for FY 2013. This is an all funds increase of \$280,872, or 16.5 percent, above the FY 2012 revised estimate and a State General Fund increase of \$211,745, or 16.8 percent, above the FY 2012 revised estimate. Fee funds comprise \$517,877 of the request, an increase of \$69,127, or 15.4 percent, above the FY 2012 revised estimate. The agency requests 26.5 FTE positions, an increase of 1.5 positions over the FY 2012 approved amount with the enhancements. Without the enhancements, the request is for \$1,779,485, an all funds increase of \$73,406, or 4.3 percent. The increase is partially due to the agency's addition of out of state travel to re-establish a training program, as well as the filling of the Chief Legal Counsel position. Without the enhancements, the agency requests 25.0 FTE positions, the same as the FY 2012 revised estimate.

Governor's Recommendation

The **Governor** recommends FY 2013 operating expenditures of \$1,721,172, including \$1,203,295 from the State General Fund. This is a decrease of \$265,779, or 13.4 percent, all from the State General Fund, below the agency's FY 2013 request. The recommendation is an increase of \$15,093, or 0.9 percent, all funds, above the Governor's FY 2012 recommendation and a decrease of \$54,034, or 4.3 percent, from the State General Fund, below the Governor's

FY 2012 recommendation. The increase in all funds from the FY 2012 recommendation is attributed to an increase in federal reimbursement rates which rose from \$550 to \$600 per completed investigation. The recommendation includes the suspension of out-of-state staff training, as well as capital outlay purchases for a total reduction of \$25,766 for FY 2013. Additionally the recommendation includes a savings of \$32,547 from the Voluntary Retirement Incentive Program. Finally, the Governor recommends the elimination of 2.0 vacant FTE positions, which will reduce the Commission's authorized FTE position limitation from 25.0 to 23.0. The Governor does not recommend any enhancement funding at this time.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation with the following adjustments:

1. Add \$13,281, all from the State General Fund, to contract with a temporary employment services agency to provide staffing on a part-time basis to assist the agency in keeping up with investigations.
2. Add \$114,588, all from the State General Fund, and 2.0 FTE position to fill two Special Investigator II positions in order to assist the agency in completing investigations in a timely manner.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation with the following adjustment:

1. Delete \$114,588, all from the State General Fund, for two Special Investigator II positions.

House Budget Committee Report

Agency: Kansas Human Rights Commission

Bill No. 2760

Bill Sec. --

Analyst: Boudewyns

Analysis Pg. No. --

Budget Page No. --

<u>Expenditure Summary</u>	<u>Agency Request FY 2013</u>	<u>Governor Recommendation FY 2013</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 1,469,074	\$ 1,203,295	\$ 0
Other Funds	517,877	517,877	0
Subtotal	<u>\$ 1,986,951</u>	<u>\$ 1,721,172</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,986,951</u></u>	<u><u>\$ 1,721,172</u></u>	<u><u>\$ 0</u></u>
FTE positions	26.5	23.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>26.5</u></u>	<u><u>23.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests \$1,986,951, including \$1,469,074 from the State General Fund, for operating expenditures for FY 2013. This is an all funds increase of \$280,872, or 16.5 percent, above the FY 2012 revised estimate and a State General Fund increase of \$211,745, or 16.8 percent, above the FY 2012 revised estimate. Fee funds comprise \$517,877 of the request, an increase of \$69,127, or 15.4 percent, above the FY 2012 revised estimate. The agency requests 26.5 FTE positions, an increase of 1.5 positions over the FY 2012 approved amount with the enhancements. Without the enhancements, the request is for \$1,779,485, an all funds increase of \$73,406, or 4.3 percent. The increase is partially due to the agency's addition of out of state travel to re-establish a training program, as well as the filling of the Chief Legal Counsel position. Without the enhancements, the agency requests 25.0 FTE positions, the same as the FY 2012 revised estimate.

Governor's Recommendation

The **Governor** recommends FY 2013 operating expenditures of \$1,721,172, including \$1,203,295 from the State General Fund. This is a decrease of \$265,779, or 13.4 percent, all from the State General Fund, below the agency's FY 2013 request. The recommendation is an increase of \$15,093, or 0.9 percent, all funds, above the Governor's FY 2012 recommendation and a decrease of \$54,034, or 4.3 percent, from the State General Fund, below the Governor's FY 2012 recommendation. The increase in all funds from the FY 2012 recommendation is attributed to an increase in federal reimbursement rates which rose from \$550 to \$600 per completed investigation. The recommendation includes the suspension of out-of-state staff training, as well as capital outlay purchases for a total reduction of \$25,766 for FY 2013. Additionally the recommendation includes a savings of \$32,547 from the Voluntary Retirement Incentive Program. Finally, the Governor recommends the elimination of 2.0 vacant FTE positions, which will reduce the Commission's authorized FTE position count from 25.0 to 23.0. The Governor does not recommend any enhancement funding at this time.

House Budget Committee Recommendation

The **Committee** concurs with the Governor's FY 2013 recommendation.

House Budget Committee Report

Agency: Kansas Public Employees
Retirement System

Bill No. 2760

Bill Sec. 15

Analyst: Steiner

Analysis Pg. No. 88

Budget Page No. 64

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,208,993	\$ 3,208,993	\$ 0
Other Funds	49,554,204	49,037,199	378,063
Subtotal	\$ 52,763,197	\$ 52,246,192	\$ 378,063
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 52,763,197	\$ 52,246,192	\$ 378,063
FTE positions	86.3	84.3	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	86.3	84.3	0.0

Agency Request

The **agency** requests FY 2013 operating expenditures of \$52,763,197, including \$3,208,993 from the State General Fund. The request is an all funds increase of \$2,303,576, or 4.6 percent, and a State General Fund decrease of \$1,099, from the agency's FY 2012 estimate. The State General Fund appropriation is attributable to the agency servicing both the debt principal and debt interest on the KPERS 13th Check bonds. The all other funds increase is partially attributable to an increase in professional fees associated with KPERS investment activities. Investment expenditures are developed based upon the current market portfolio and as investments have increased there has been a corresponding increase in professional fees associated with the management of KPERS investments.

Governor's Recommendation

The **Governor** recommends FY 2013 operating expenditures of \$52,246,192. The Governor concurs with the agency's State General Fund appropriation of \$3,208,993. The Governor's recommendation is an all funds decrease of \$517,005, or 1.0 percent, below the agency's FY 2013 request. The decrease is primarily attributable to a reduction in contractual services for professional fees. The Governor recommended a decrease of 2.0 FTE positions from 86.25 to 84.25 and savings of \$138,942 from the Voluntary Retirement Program Reduction.

The **Budget Committee** concurs with the Governor's request with the following adjustments:

1. Add \$378,063, all from the Kansas Public Employees Retirement System Trust Fund, to fund the agency's enhancement request for FY 2013. The agency's FY 2013 enhancement request includes funding for the following:
 - **Implementation of Sen. Sub. for HB 2194.** The agency is requesting \$273,063, all from special revenue funds, for additional expenditure authority for FY 2013 to cover administrative and operational costs associated with the implementation of HB 2194. KPERS will be required to make changes in the areas of information technology, communications, and staffing.
 - **Information Technology** - The **agency** will need to create a new member type, modify all future contributions, employer reporting and benefit calculations, and modify annual statements and website calculators. The agency will also need to make changes to both the employer and member web portals.
 - **Communications** - The **agency** will need to communicate with over 150,000 members and 1,500 employers in order to support the election provision in HB 2194.
 - **Governmental Accounting Standards Board (GASB) 25 and 27.** The agency is required to make changes in pension accounting and financial reporting, due to recommendations issued by the GASB. The agency requests \$105,000 for this enhancement.
2. As a result of the current effort to create a new plan design for retirees and since potential changes could impact the operating budget of KPERS, the Budget Committee recommends that the House Committee on Appropriations review funding for KPERS at Omnibus.

House Budget Committee Report

Agency: State Court of Tax Appeals

Bill No. 2760

Bill Sec. 21

Analyst: Steiner

Analysis Pg. No. 389

Budget Page No. 112

Expenditure Summary	Agency Estimate FY 2012	Governor Recommendation FY 2012	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 960,738	\$ 960,738	\$ 0
Other Funds	1,018,852	1,018,852	0
Subtotal	<u>\$ 1,979,590</u>	<u>\$ 1,979,590</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,979,590</u></u>	<u><u>\$ 1,979,590</u></u>	<u><u>\$ 0</u></u>
FTE positions	20.0	20.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>20.0</u></u>	<u><u>20.0</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency's** estimate for FY 2012 operating expenditures is \$1,979,590, including \$960,738 from the State General Fund. Included in the agency's estimate is \$4,964 from the Duplicating Fee Fund and \$1,013,888 from the Filing Fee Fund. The estimate is an all funds decrease of \$317,440 or 13.8 percent, and a State General Fund increase of \$232 above the amount approved by the 2011 Legislature. The all funds decrease is due to a revised estimate of the Filing Fee Fund for FY 2012. The 2011 Legislature restored a portion of the agency's State General Fund appropriation for FY 2012 in order to prevent a significant increase in the Court of Tax Appeals filing fees. Because filing fees were not increased, the revised estimate for the Filing Fee Fund was decreased for FY 2012.

Governor's Recommendation

The **Governor** concurs with the agency's estimate for FY 2012.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's request with the following notation:

1. The Budget Committee would like to express its appreciation to the Court for its ability to budget appropriately and operate with the current financial constraints.

House Budget Committee Report

Agency: State Court of Tax Appeals

Bill No. 2760

Bill Sec. 21

Analyst: Steiner

Analysis Pg. No. 389

Budget Page No. 112

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 970,216	\$ 970,216	\$ 0
Other Funds	1,032,107	1,032,107	0
Subtotal	<u>\$ 2,002,323</u>	<u>\$ 2,002,323</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 2,002,323</u></u>	<u><u>\$ 2,002,323</u></u>	<u><u>\$ 0</u></u>
FTE positions	20.0	19.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>20.0</u></u>	<u><u>19.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** request for FY 2013 operating expenditures is \$2,002,323, including \$970,216 from the State General Fund. Included in the agency's request is \$5,000 from the Duplicating Fee Fund and \$1,027,107 from the Filing Fee Fund. The request is an all funds increase of \$22,733, or 1.1 percent, and a State General Fund increase of \$9,478, or 1.0 percent, above the FY 2012 revised estimate. The increase is attributable to increased employer contributions for group health insurance and Kansas Public Employees Retirement System (KPERs) contributions.

Governor's Recommendation

The **Governor** concurs with the agency's request for FY 2013; however, the Governor does recommend the elimination of 1.0 FTE which is currently unfilled due to budget reductions.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following notations:

1. The Budget Committee would like to draw attention to current lawsuits underway which attempt to equalize business and property taxes and notes that such lawsuits could impact the Court's filing fees.
2. The Budget Committee notes its concern in regards to the amount appropriated to the Court by the Legislature and the Budget Committee wants to ensure that the public has unfettered access to the Court.