

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on March 8, 2006 in Room 514-S of the Capitol.

All members were present except:

Representative Sharon Schwartz- excused  
Representative Shari Weber- excused

Committee staff present:

Alan Conroy, Legislative Research Department  
J. G. Scott, Legislative Research Department  
Becky Krahl, Legislative Research Department  
Matt Spurgin, Legislative Research Department  
Michele Alishahi, Legislative Research Department  
Reagan Cussimano, Legislative Research Department  
Amy Deckard, Legislative Research Department  
Audrey Dunkel, Legislative Research Department  
Julian Efird, Legislative Research Department  
Debra Hollon, Legislative Research Department  
Susan Kannarr, Legislative Research Department  
Carolyn Rampey, Legislative Research Department  
Leah Robinson, Legislative Research Department  
Amy VanHouse, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Nikki Feuerborn, Administrative Assistant  
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Others attending:

See attached list.

- Attachment 1 Budget Committee reports on Kansas Guardianship Program and Kansas Human Rights Commission
- Attachment 2 Budget Committee reports on Mental Health Hospitals and Developmental Disabilities Institutions
- Attachment 3 Budget Committee reports on Capital Improvements
- Attachment 4 Budget Committee reports on **HB 2949** and **HB 2956**

Representative Yoder, member of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Guardianship Program for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 1). The motion was seconded by Representative Pottorff. Motion carried.

Representative Yoder, member of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Guardianship Program for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 1). The motion was seconded by Representative Pottorff. Motion carried.

Representative Lane, member of the General Government and Commerce Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Kansas Human Rights Commission for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 1). The motion was seconded by Representative Yoder. Motion carried.

Representative Lane, member of the General Government and Commerce Budget Committee,

CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 8, 2006 in Room 514-S of the Capitol.

presented the Budget Committee report on the Governor's recommendation for the Kansas Human Rights Commission for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 1). The motion was seconded by Representative Yoder.

Representative Pottorff moved to amend language in Item No. 3 of the Kansas Human Rights Commission for FY 2007 by adding "review at Omnibus" to the report. The motion was seconded by Representative Lane. Motion carried.

Representative Lane renewed the motion to adopt the Budget Committee report on the Kansas Human Rights Commission for FY 2007 as amended. The motion was seconded by Representative Pottorff. Motion carried.

Representative Ballard, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Mental Health Hospitals including Larned State Hospital, Osawatometie State Hospital and Rainbow Mental Health Facility for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 2). The motion was seconded by Representative Bethell. Motion carried.

Representative Ballard, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Mental Health Hospitals including Larned State Hospital, Osawatometie State Hospital and Rainbow Mental Health Facility for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 2). The motion was seconded by Representative Bethell. Motion carried.

The Budget Committee stated that the Division of Information Systems and Communications (DISC) has billed between \$200,000 and \$300,000 to the Mental Health Hospitals for services rendered since the end of the 2005 Session. This issue was not addressed or budgeted for during the 2005 Session and has placed a burden on these entities. The Budget Committee felt this procedure needs to be reviewed before the end of the 2006 Session. The Budget Committee also noted that the Senate has added \$3.5 million to this budget above the Governor's recommendation. The Budget Committee noted that this issue will be reviewed during Conference Committee meetings.

Responding to a question from the Committee, Ron Denney, Deputy Secretary of Health Care Policy, Department of Social and Rehabilitation Services (SRS), noted that the closing of some of the Community Mental Health Centers has been the result of the reimbursement rate. The Committee noted that this is a concern because of the increase in admissions at the Larned, Osawatometie and Rainbow facilities since 2001.

Representative Ballard, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Developmental Disabilities Institutions including Kansas Neurological Institute and Parsons State Hospital and Training Center for FY 2006 and moved for the adoption of the Budget Committee recommendation for FY 2006 (Attachment 2). The motion was seconded by Representative Landwehr. Motion carried.

Representative Ballard, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's recommendation for the Developmental Disabilities Institutions including Kansas Neurological Institute and Parsons State Hospital and Training Center for FY 2007 and moved for the adoption of the Budget Committee recommendation for FY 2007 (Attachment 2). The motion was seconded by Representative Landwehr. Motion carried.

Representative Landwehr moved to revise the Budget Committee reports on the Mental Hospitals and Developmental Disabilities Institutions for FY 2006 and FY 2007 by stating that no expenditures can be made from the State General Fund (SGF) or any special revenue funds for any payments or charges billed by the Division of Information Systems and Communications (DISC) and all amounts paid during FY 2006 shall be reimbursed by DISC. The motion was seconded by Representative Bethell. Motion carried.

Representative Ballard moved to adopt the Budget Committee Reports on the Mental Hospitals and



CONTINUATION SHEET

MINUTES OF THE House Appropriations Committee at 9:00 A.M. on March 8, 2006 in Room 514-S of the Capitol.

Developmental Disabilities Institutions for FY 2006 and FY 2007 as amended. The motion was seconded by Representative Landwehr. Motion carried.

Deb Hollon, Kansas Legislative Research Department, presented the House Budget Committee Reports on Capital Improvements for FY 2006 and FY 2007 (Attachment 3).

Representative Feuerborn moved to adopt the House Budget Committee Reports on Capital Improvements for FY 2006 and FY 2007. The motion was seconded by Representative Gatewood. Motion carried.

**Action on HB 2949 - Purposes for disbursements from the public water supply loan fund.**

Representative Schwartz explained that **HB 2949** amends statute by adding an additional use for the Kansas Public Water supply Loan Fund as a source of revenue or security for the payment of principal and interest on bonds.

Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on **HB 2949** (Attachment 4) and moved for the adoption of the Budget Committee Report. The motion was seconded by Representative Williams. Motion carried.

Representative Schwartz moved to recommend **HB 2949** favorable for passage and because the Committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar. The motion was seconded by Representative Williams. Motion carried.

**Action on HB 2956 - Allocations from Kansas water pollution control revolving fund.**

Representative Schwartz explained that **HB 2956** amends statute by adding an additional use for the Kansas Water Pollution Control Revolving Fund as a source of revenue or security for the payment of principal and interest on bonds.

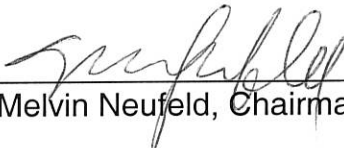
Representative Schwartz, Chair of the Agriculture and Natural Resources Budget Committee, presented the Budget Committee report on **HB 2956** and moved for the adoption of the Budget Committee Report. The motion was seconded by Representative Powell. Motion carried.

Representative Schwartz moved to recommend **HB 2956** favorable for passage and because the Committee is of the opinion that the bill is of a noncontroversial nature, be placed on the consent calendar. The motion was seconded by Representative Powell. Motion carried.

**HB 2980** was referred to the Education Budget Committee.

**HB 2971** was referred to the Social Services Budget Committee.

The meeting was adjourned at 10:15 a.m. The next meeting of the Committee will be held at 9:00 a.m. on March 9, 2006.

  
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Melvin Neufeld, Chairman






FY 2006 and FY 2007

**Kansas Guardianship Program  
Commission on Human Rights**


  
Representative Jo Ann Pottorff, Chair

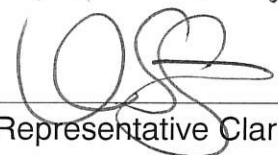
  
Representative David Huff

  
Representative Harold Lane

  
Representative Kevin Yoder

  
Representative Richard Carlson

  
Representative Annie Kuether

  
Representative Clark Shultz

HOUSE APPROPRIATIONS

DATE 3-08-2006  
ATTACHMENT 1

## Senate Subcommittee Report

**Agency:** Kansas Guardianship Program

**Bill No. --**

**Bill Sec. --**

**Analyst:** Deckard

**Analysis Pg. No.** Vol. II-1167

**Budget Page No.** 173

<u>Expenditure Summary</u>	<u>Agency Estimate FY 06</u>	<u>Governor's Recommendation FY 06</u>	<u>Senate Subcommittee Adjustments</u>
State General Fund	\$ 1,058,640	\$ 1,058,640	\$ 0
Special Revenue Funds	0	0	0
TOTAL	<u>\$ 1,058,640</u>	<u>\$ 1,058,640</u>	<u>\$ 0</u>
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>12.0</u>	<u>12.0</u>	<u>0.0</u>

### Agency Estimate

The agency's estimate for the current year is \$1,058,640, which is an increase of \$13,133 or 1.3 percent above the amount approved by the 2005 Legislature. The increase is entirely due to an unbudgeted reappropriation of State General Fund moneys.

### Governor's Recommendation

The Governor concurs with the agency's estimate.

### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation.

### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

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### House Budget Committee Report

**Agency:** Kansas Guardianship Program

**Bill No. --**

**Bill Sec. --**

**Analyst:** Deckard

**Analysis Pg. No.** Vol. II-1167

**Budget Page No.** 173

Expenditure Summary	Agency Estimate FY 06	Governor's Recommendation FY 06	House Budget Committee Adjustments
State General Fund	\$ 1,058,640	\$ 1,058,640	\$ 0
Special Revenue Funds	0	0	0
<b>TOTAL</b>	<b>\$ 1,058,640</b>	<b>\$ 1,058,640</b>	<b>\$ 0</b>
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>

#### Agency Estimate

The agency's estimate for the current year is \$1,058,640, which is an increase of \$13,133 or 1.3 percent above the amount approved by the 2005 Legislature. The increase is entirely due to an unbudgeted reappropriation of State General Fund moneys.

#### Governor's Recommendation

The Governor concurs with the agency's estimate.

#### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation.

## Senate Subcommittee Report

**Agency:** Kansas Guardianship Program

**Bill No.** SB 573

**Bill Sec.** 33

**Analyst:** Deckard

**Analysis Pg. No.** Vol. II-1167

**Budget Page No.** 173

Expenditure Summary	Agency Request FY 07	Governor's Recommendation FY 07	Senate Subcommittee Adjustments
State General Fund	\$ 1,212,839	\$ 1,065,230	\$ 0
Special Revenue Funds	0	0	0
<b>TOTAL</b>	<b>\$ 1,212,839</b>	<b>\$ 1,065,230</b>	<b>\$ 0</b>
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>

### Agency Request

The agency requests \$1,212,839, an increase of \$154,199 or 14.6 percent above the FY 2006 estimate. The request includes an agency enhancement package of \$160,080 to increase the monthly stipend from \$20 to \$30 to help cover the volunteer's out-of-pocket expenses incurred while serving as guardians and conservators. The Guardianship Program, a quasi-state agency, pays its employees monthly, and did not require additional funding for the 27th payroll period in FY 2006.

### Governor's Recommendation

The Governor recommends \$1,065,230 for FY 2007 operating expenditures, which is an increase of \$6,590 or 0.6 percent above the FY 2006 recommendation. The recommendation is a decrease of \$147,609 or 12.2 percent below the agency's request. The Governor did not recommend the agency's enhancement request for \$160,080 to increase monthly stipends, but did include \$12,471 from the State General Fund to fund the 2.5 percent cost of living increase for state employees.

### Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustment:

1. Review at Omnibus the addition of \$160,080 from the State General Fund to increase monthly stipends to volunteers.

### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

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### House Budget Committee Report

**Agency:** Kansas Guardianship Program

**Bill No.** HB 2968

**Bill Sec.** 33

**Analyst:** Deckard

**Analysis Pg. No.** Vol. II-1167

**Budget Page No.** 173

Expenditure Summary	Agency Estimate FY 07	Governor's Recommendation FY 07	House Budget Committee Adjustments
State General Fund	\$ 1,212,839	\$ 1,065,230	\$ 0
Special Revenue Funds	0	0	0
<b>TOTAL</b>	<b>\$ 1,212,839</b>	<b>\$ 1,065,230</b>	<b>\$ 0</b>
FTE Positions	12.0	12.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>12.0</b>	<b>12.0</b>	<b>0.0</b>

#### Agency Request

The agency requests \$1,212,839, an increase of \$154,199 or 14.6 percent above the FY 2006 estimate. The request includes an agency enhancement package of \$160,080 to increase the monthly stipend from \$20 to \$30 to help cover the volunteer's out-of-pocket expenses incurred while serving as guardians and conservators. The Guardianship Program, a quasi-state agency, pays its employees monthly, and did not require additional funding for the 27th payroll period in FY 2006.

#### Governor's Recommendation

The Governor recommends \$1,065,230 for FY 2007 operating expenditures, which is an increase of \$6,590 or 0.6 percent above the FY 2006 recommendation. The recommendation is a decrease of \$147,609 or 12.2 percent below the agency's request. The Governor did not recommend the agency's enhancement request for \$160,080 to increase monthly stipends, but did include \$12,471 from the State General Fund to fund the 2.5 percent cost of living increase for state employees.

#### House Budget Committee Recommendation

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

- FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27<sup>th</sup> payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERs) rates, KPERs death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue

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transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

**For this agency**, the FY 2006 approved budget totaled \$1,045,507, all of which is from the State General Fund. The approved budget was increased by a net total of \$9,051, to establish a baseline budget for FY 2007. The increase included \$9,051 in salary adjustments.

*Staff Note: The Guardianship Program, a quasi-state agency, pays its employees monthly, and did not require additional funding for the 27th payroll period in FY 2006.*

**2. Comparison of FY 2007 Baseline Budget to Governor's Recommendation.**  
The table below reflects the difference between the Governor's recommendation and the baseline budget.

	<u>SGF</u>	<u>All Funds</u>
Governor's Recommendation	\$ 1,065,230	\$ 1,065,230
Baseline Budget	<u>1,054,558</u>	<u>1,054,558</u>
Dollar Difference	<u>\$ 10,672</u>	<u>\$ 10,672</u>
<i>Percent Difference</i>	<i>1.0%</i>	<i>1.0%</i>

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	<u>SGF</u>	<u>All Funds</u>
Base Salary Adjustment	\$ 12,471	\$ 12,471
Other Net Adjustments	<u>(1,799)</u>	<u>(1,799)</u>
TOTAL	<u>\$ 10,672</u>	<u>\$ 10,672</u>

**3. Review at Omnibus the addition of \$160,080 from the State General Fund to increase monthly stipends to volunteers from \$20 to \$30.**

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## Senate Subcommittee Report

**Agency:** Kansas Human Rights Commission **Bill No.**

**Bill Sec.**

**Analyst:** Spurgin

**Analysis Pg. No.** Vol. 1- 488

**Budget Page No.** 203

Expenditure Summary	Agency Estimate FY 2006	Governor's Recommendation FY 2006	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,649,112	\$ 1,649,112	\$ 0
Other Funds	384,938	384,938	0
<b>TOTAL</b>	<b>\$ 2,034,050</b>	<b>\$ 2,034,050</b>	<b>\$ 0</b>
FTE Positions	39.0	39.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>39.0</b>	<b>39.0</b>	<b>0.0</b>

### Agency Estimate

The **agency's** current year total budget of \$2,034,050 is a decrease of \$41,571 (2.0 percent) below the approved budget. The current year budget from the State General Fund is \$1,649,112, an increase of \$1,312 (0.1 percent) above the approved budget. Budgeted expenditures from all other funds are \$384,938, a decrease of \$42,883 (10.0 percent) below the approved amount. The increase in spending from the State General Fund is a combination of unbudgeted reappropriated funds that carried forward from FY 2005, and \$751 in KSIP funds. The current year budget includes funding for 27 payroll periods.

### Governor's Recommendation

The **Governor** concurs with the agency's estimate for current year operating expenditures.

### Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

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House Budget Committee

Agency: Kansas Human Rights Commission Bill No. --

Bill Sec. --

Analyst: Spurgin

Analysis Pg. No. Vol. 1-488

Budget Page No. 203

Expenditure Summary	Agency Estimate FY 2006	Governor's Recommendation FY 2006	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,649,112	\$ 1,649,112	\$ 0
Other Funds	384,938	384,938	0
TOTAL	<u>\$ 2,034,050</u>	<u>\$ 2,034,050</u>	<u>\$ 0</u>
FTE Positions	39.0	39.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>39.0</u>	<u>39.0</u>	<u>0.0</u>

**Agency Estimate**

The **agency's** current year total budget of \$2,034,050 is a decrease of \$41,571 (2.0 percent) below the approved budget. The current year budget from the State General Fund is \$1,649,112, an increase of \$1,312 (0.1 percent) above the approved budget. Budgeted expenditures from all other funds are \$384,938, a decrease of \$42,883 (10.0 percent) below the approved amount. The increase in spending from the State General Fund is a combination of unbudgeted reappropriated funds that carried forward from FY 2005, and \$751 in KSIP funds. The current year budget includes funding for 27 payroll periods.

**Governor's Recommendation**

The **Governor** concurs with the agency's estimate for current year operating expenditures.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

## Senate Subcommittee Report

Agency: Human Rights Commission Bill No. SB 573

Bill Sec. 16

Analyst: Spurgin

Analysis Pg. No. Vol. I- 488

Budget Page No. 203

Expenditure Summary	Agency Req. FY 2007	Governor's Recommendation FY 2007	Senate Subcommittee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 1,792,030	\$ 1,666,220	\$ 0
Other Funds	347,732	347,732	0
<b>TOTAL</b>	<b>\$ 2,139,762</b>	<b>\$ 2,013,952</b>	<b>\$ 0</b>
FTE Positions	39.0	34.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>39.0</b>	<b>34.0</b>	<b>0.0</b>

### Agency Request

The **agency's** total request of \$2,139,762 is an increase of \$105,712 (5.2 percent) above the FY 2006 estimate. The requested budget funded through the State General Fund is \$1,792,030, an increase of \$142,918 (8.7 percent) above the FY 2006 estimated budget. The request includes an enhancement request of \$207,023 from the State General Fund, which the agency requests as an enhancement to maintain operations at their current level. The request includes funding for 26 payroll periods.

### Governor's Recommendation

The **Governor** recommends expenditures of \$2,013,952, a decrease of \$20,098 (1.0 percent) below the revised current year estimate. The recommendation includes \$1,666,220 from the State General Fund, an increase of \$17,108 above the current year estimate. The recommendation includes \$31,213 from the State General Fund, for a base salary adjustment. The Governor also recommends \$50,000 from the State General Fund to reduce the shrinkage in the agency, and recommends the elimination of 5.0 unfilled FTE positions. The recommendation includes funding for 26 payroll periods.

### Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

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### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee's recommendation.

### House Budget Committee Report

**Agency:** Human Rights Commission **Bill No.** HB 2968

**Bill Sec.** 16

**Analyst:** Spurgin

**Analysis Pg. No.** Vol. I- 488

**Budget Page No.** 203

Expenditure Summary	Agency Req. FY 2007	Governor's Recommendation FY 2007	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 1,792,030	\$ 1,666,220	\$ 0
Other Funds	347,732	347,732	0
<b>TOTAL</b>	<b><u>\$ 2,139,762</u></b>	<b><u>\$ 2,013,952</u></b>	<b><u>\$ 0</u></b>
FTE Positions	39.0	34.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b><u>39.0</u></b>	<b><u>34.0</u></b>	<b><u>0.0</u></b>

### Agency Request

The **agency's** total request of \$2,139,762 is an increase of \$105,712 (5.2 percent) above the FY 2006 estimate. The requested budget funded through the State General Fund is \$1,792,030, an increase of \$142,918 (8.7 percent) above the FY 2006 estimated budget. The request includes an enhancement request of \$207,023 from the State General Fund, which the agency requests as an enhancement to maintain operations at their current level. The request includes funding for 26 payroll periods.

### Governor's Recommendation

The **Governor** recommends expenditures of \$2,013,952, a decrease of \$20,098 (1.0 percent) below the revised current year estimate. The recommendation includes \$1,666,220 from the State General Fund, an increase of \$17,108 above the current year estimate. The recommendation includes \$31,213 from the State General Fund, for a base salary adjustment. The Governor also recommends \$50,000 from the State General Fund to reduce the shrinkage in the agency, and recommends the elimination of 5.0 unfilled FTE positions. The recommendation includes funding for 26 payroll periods.

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### House Budget Committee Recommendation

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

1. **FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27<sup>th</sup> payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERS) rates, KPERS death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

**For this agency,** the FY 2006 approved budget totaled \$2,075,621, including \$1,647,800 from the State General Fund. The approved budget was reduced by a net total of \$22,866, including \$25,283 from the State General Fund, to establish a baseline budget for FY 2007. The reductions included \$25,283 in salary adjustments.

2. **Comparison of FY 2007 Baseline Budget to Governor's Recommendation.** The table below reflects the difference between the Governor's recommendation and the baseline budget.

	SGF	All Funds
Governor's Recommendation	\$ 1,666,220	\$ 2,013,952
Baseline Budget	1,622,517	2,052,755
Dollar Difference	<u>\$ 43,703</u>	<u>\$ (38,803)</u>
<i>Percent Difference</i>	2.6%	(1.9)%

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	SGF	All Funds
Base Salary Adjustment	\$ 31,213	\$ 31,213
Reduced Federal Funds	0	(37,419)
Other Net Adjustments	12,490	(32,597)
TOTAL	<u>\$ 43,703</u>	<u>\$ (38,803)</u>

3. The Budget Committee notes that the agency has indicated the recommended funding would result in a shortfall of funding to maintain operations at the same level as FY 2006. The agency reports that it will be \$92,586 short of funding to maintain the current level of operations.

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House Appropriations  
Social Services Budget Committee

**FY 2006 and FY 2007 Report on  
SRS Institutions**

Mental Health Hospitals  
Larned State Hospital  
Osawatomie State Hospital  
Rainbow Mental Health Facility

Developmental Disabilities Institutions  
Kansas Neurological Institute  
Parsons State Hospital and Training Center

  
Representative Brenda Landwehr, Chairperson

  
Representative John Edmonds


  
Representative Bob Bethell


  
Representative Peggy Mast

  
Representative Barbara Ballard

  
Representative Arlen Siegfried

  
Representative Jerry Henry

  
Representative Luis Ruiz

  
Representative Willa DeCastro

HOUSE APPROPRIATIONS

DATE 3-08-2006  
ATTACHMENT 2

## Senate Subcommittee Report

**Agency:** Mental Health Hospitals

**Bill No.** 570

**Bill Sec.** 43

**Analyst:** Kannarr **Analysis Pg. No.** Vol. II-1273, 1299, 1322 **Budget Page No.** 297, 315, 325

Expenditure	Agency Est. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments
<b>Larned State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 34,888,988	\$ 33,943,438	\$ 0
Other Funds	11,571,835	11,571,835	0
<b>TOTAL</b>	<b>\$ 46,460,823</b>	<b>\$ 45,515,273</b>	<b>\$ 0</b>
FTE Positions	938.2	938.2	0.0
<b>Osawatomie State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 10,150,386	\$ 9,416,789	\$ 0
Other Funds	13,073,589	13,073,589	0
<b>TOTAL</b>	<b>\$ 23,223,975</b>	<b>\$ 22,490,378</b>	<b>\$ 0</b>
FTE Positions	398.6	398.6	0.0
<b>Rainbow Mental Health Facility</b>			
Operating Expenditures			
State General Fund	\$ 4,241,293	\$ 3,825,760	\$ 0
Other Funds	3,732,099	3,732,099	0
<b>TOTAL</b>	<b>\$ 7,973,392</b>	<b>\$ 7,557,859</b>	<b>\$ 0</b>
FTE Positions	115.2	115.2	0.0

### Larned State Hospital

#### Agency Estimate

The **agency** estimates FY 2006 operating expenditures of \$46,460,823, including \$34,888,988 from the State General Fund. The estimate is an all funds increase of \$998,530 (2.2 percent) and a State General Fund increase of \$945,550 (2.8 percent) above the amount approved by the 2005 Legislature after adjustment. Subsequent to the 2005 Session, the hospital transferred \$228,500 in State General Fund expenditure authority to the Department of Social and Rehabilitation Services to correct an over-appropriation in the Sexual Predator Treatment Program account.

The revised estimate includes supplemental requests of \$1,063,550, including \$945,550 from the State General Fund. Items in the supplemental include:

- \$90,000 from the State General Fund to cover increases in the Enterprise Applications Fee charged by the Division of Information Systems and Communications at the Department of Administration;

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- \$118,000 from hospital fee funds to fund hospital's portion of the systemwide replacement of the Patient Account Management computer systems;
- \$578,240 from the State General Fund to cover costs of the newly opened Isaac Ray building;
- \$107,155 from the State General Fund to provide support staff for the reoccupation of Dillon building in the spring of 2006 by units from the Sexual Predator Treatment Program currently housed in Isaac Ray [Staff note: The agency intended to request 14.0 FTE positions but the positions were omitted from the Budget Management System.]; and
- \$170,155 from the State General Fund to cover additional utility costs due to increased wastewater fees.

### **Governor's Recommendation**

The **Governor** recommends FY 2006 operating expenditures of \$45,515,273, including \$33,943,438 from the State General Fund. The recommendation is an all funds decrease of \$945,550 (2.0 percent) and a State General Fund decrease of \$945,550 (2.7 percent) below the agency's revised estimate. The State General Fund recommendation is the same as the approved amount as amended by the transfer of spending authority to SRS subsequent to the session. The all funds recommendation is a decrease of \$52,980 (0.1 percent) below the amended approved amount.

The Governor does not recommend any of the agency's State General Fund supplemental requests of \$945,550 which accounts for the entire difference from the agency's estimate.

### **Osawatomie State Hospital**

#### **Agency Estimate**

The **agency** estimates FY 2006 expenditures of \$23,223,975 including \$10,150,386 from the State General Fund. The estimate is an all funds increase of \$1,338,972 (6.1 percent) and a State General Fund increase of \$1,233,597 (13.8 percent) above the amount approved by the 2005 Legislature.

The revised estimate includes State General Fund supplemental requests totaling \$1,233,597 which represents the entire difference from the approved amount. The supplemental request includes: \$989,625 to fund additional pharmaceutical costs; \$59,000 to pay for user fees implemented by the Department of Administration; \$133,172 to pay for increased utility costs due to rising natural gas prices; and \$51,800 to fund increased food costs.

In addition, the FY 2006 revised estimate includes an all funds supplemental request for additional expenditure authority of \$105,375 to pay for the hospital's portion of the replacement of the Patient Account Management computer system in all state hospitals.

### **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$22,490,378, including \$9,416,789 from the State General Fund. The recommendation is an all funds decrease of \$733,597 (3.2

percent) and a State General Fund decrease of \$733,597 (7.2 percent) below the agency's revised estimate. The recommendation includes \$500,000 from the State General Fund, plus \$244,813 in increased shrinkage savings, for increased pharmaceutical costs and \$105,375 from the agency fee fund for the hospital's portion of the systemwide replacement of the Patient Account Management system. The Governor does not recommend any of the other agency's State General Fund supplemental requests for increased utility costs (\$133,172), increased food costs (\$51,800), and increased user fees (\$59,000).

## **Rainbow Mental Health Facility**

### **Agency Estimate**

The **agency** estimates FY 2006 operating expenditures of \$7,973,392, including \$4,241,293 from the State General Fund. The estimate is an all funds increase of \$450,658 and an State General Fund increase of \$415,533 above the amount approved by the 2005 Legislature. The revised estimate includes four supplemental requests totaling \$450,658, including \$415,533 from the State General Fund. This request represents the entire change from the approved amount.

### **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$7,557,859 for Rainbow Mental Health Facility, including \$3,825,760 from the State General Fund. The recommendation is an all funds decrease of \$415,533 (5.2 percent) and a State General Fund decrease of \$415,533 (9.8 percent) below the agency's revised estimate. The Governor does not recommend any of the agency's State General Fund supplemental requests. The recommendation increases the agency shrinkage rate from 2.8 percent to 5.7 percent, resulting in a State General Fund savings of \$171,682 and shifts this funding to Ancillary Services to fund increased costs related to pharmaceuticals. The Governor recommends the agency's request for expenditure authority of \$35,125 from the hospital fee fund to replace the Patient Account Management system.

### **Senate Subcommittee Recommendation**

The Senate Subcommittee concurs with the Governor's recommendation.

### **Senate Committee Recommendation**

The Senate Committee concurs with the Subcommittee recommendation.

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### Budget Committee Report

**Agency:** Mental Health Hospitals

**Bill No.** 2958

**Bill Sec.** 43

**Analyst:** Kannarr    **Analysis Pg. No.** Vol. II-1273, 1299, 1322    **Budget Page No.** 297, 315, 325

Expenditure	Agency Est. FY 06	Governor Rec. FY 06	Budget Committee Adjustments
<b>Larned State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 34,888,988	\$ 33,943,438	\$ 0
Other Funds	11,571,835	11,571,835	0
<b>TOTAL</b>	<b><u>\$ 46,460,823</u></b>	<b><u>\$ 45,515,273</u></b>	<b><u>\$ 0</u></b>
FTE Positions	938.2	938.2	0.0
<b>Osawatomie State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 10,150,386	\$ 9,416,789	\$ 0
Other Funds	13,073,589	13,073,589	0
<b>TOTAL</b>	<b><u>\$ 23,223,975</u></b>	<b><u>\$ 22,490,378</u></b>	<b><u>\$ 0</u></b>
FTE Positions	398.6	398.6	0.0
<b>Rainbow Mental Health Facility</b>			
Operating Expenditures			
State General Fund	\$ 4,241,293	\$ 3,825,760	\$ 0
Other Funds	3,732,099	3,732,099	0
<b>TOTAL</b>	<b><u>\$ 7,973,392</u></b>	<b><u>\$ 7,557,859</u></b>	<b><u>\$ 0</u></b>
FTE Positions	115.2	115.2	0.0

### Larned State Hospital

#### Agency Estimate

The **agency** estimates FY 2006 operating expenditures of \$46,460,823, including \$34,888,988 from the State General Fund. The estimate is an all funds increase of \$998,530 (2.2 percent) and a State General Fund increase of \$945,550 (2.8 percent) above the amount approved by the 2005 Legislature after adjustment. Subsequent to the 2005 Session, the hospital transferred \$228,500 in State General Fund expenditure authority to the Department of Social and Rehabilitation Services to correct an over-appropriation in the Sexual Predator Treatment Program account.

The revised estimate includes supplemental requests of \$1,063,550, including \$945,550 from the State General Fund. Items in the supplemental include: \$90,000 from the State General Fund to cover increases in the Enterprise Applications Fee charged by the Division of Information Systems and Communications at the Department of Administration; \$118,000 from hospital fee funds to fund hospital's portion of the systemwide replacement of the Patient Account Management computer systems; \$578,240 from the State General Fund to cover costs of the newly opened Isaac Ray building; \$107,155 from the State General Fund to provide support staff for the reoccupation of Dillon building in the spring of 2006 by units from the Sexual Predator Treatment Program currently housed

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in Isaac Ray [**Staff note:** The agency intended to request 14.0 FTE positions but the positions were omitted from the Budget Management System.]; and \$170,155 from the State General Fund to cover additional utility costs due to increased wastewater fees.

### **Governor's Recommendation**

The **Governor** recommends FY 2006 operating expenditures of \$45,515,273, including \$33,943,438 from the State General Fund. The recommendation is an all funds decrease of \$945,550 (2.0 percent) and a State General Fund decrease of \$945,550 (2.7 percent) below the agency's revised estimate. The State General Fund recommendation is the same as the approved amount as amended by the transfer of spending authority to SRS subsequent to the session. The all funds recommendation is a decrease of \$52,980 (0.1 percent) below the amended approved amount.

The Governor does not recommend any of the agency's State General Fund supplemental requests of \$945,550 which accounts for the entire difference from the agency's estimate.

### **Osawatomie State Hospital**

#### **Agency Estimate**

The **agency** estimates FY 2006 expenditures of \$23,223,975 including \$10,150,386 from the State General Fund. The estimate is an all funds increase of \$1,338,972 (6.1 percent) and a State General Fund increase of \$1,233,597 (13.8 percent) above the amount approved by the 2005 Legislature.

The revised estimate includes State General Fund supplemental requests totaling \$1,233,597 which represents the entire difference from the approved amount. The supplemental request includes: \$989,625 to fund additional pharmaceutical costs; \$59,000 to pay for user fees implemented by the Department of Administration; \$133,172 to pay for increased utility costs due to rising natural gas prices; and \$51,800 to fund increased food costs.

In addition, the FY 2006 revised estimate includes an all funds supplemental request for additional expenditure authority of \$105,375 to pay for the hospital's portion of the replacement of the Patient Account Management computer system in all state hospitals.

#### **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$22,490,378, including \$9,416,789 from the State General Fund. The recommendation is an all funds decrease of \$733,597 (3.2 percent) and a State General Fund decrease of \$733,597 (7.2 percent) below the agency's revised estimate. The recommendation includes \$500,000 from the State General Fund, plus \$244,813 in increased shrinkage savings, for increased pharmaceutical costs and \$105,375 from the agency fee fund for the hospital's portion of the systemwide replacement of the Patient Account Management system. The Governor does not recommend any of the other agency's State General Fund supplemental requests for increased utility costs (\$133,172), increased food costs (\$51,800), and increased user fees (\$59,000).

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## Rainbow Mental Health Facility

### Agency Estimate

The **agency** estimates FY 2006 operating expenditures of \$7,973,392, including \$4,241,293 from the State General Fund. The estimate is an all funds increase of \$450,658 and an State General Fund increase of \$415,533 above the amount approved by the 2005 Legislature. The revised estimate includes four supplemental requests totaling \$450,658, including \$415,533 from the State General Fund. This request represents the entire change from the approved amount.

### Governor's Recommendation

The **Governor** recommends FY 2006 expenditures of \$7,557,859 for Rainbow Mental Health Facility, including \$3,825,760 from the State General Fund. The recommendation is an all funds decrease of \$415,533 (5.2 percent) and a State General Fund decrease of \$415,533 (9.8 percent) below the agency's revised estimate. The Governor does not recommend any of the agency's State General Fund supplemental requests. The recommendation increases the agency shrinkage rate from 2.8 percent to 5.7 percent, resulting in a State General Fund savings of \$171,682 and shifts this funding to Ancillary Services to fund increased costs related to pharmaceuticals. The Governor recommends the agency's request for expenditure authority of \$35,125 from the hospital fee fund to replace the Patient Account Management system.

### Budget Committee Recommendation

The Social Services Budget Committee concurs with the Governor's recommendation, with the following notation:

1. The Budget Committee notes that the Governor's recommendation includes funding of \$420,000 from special revenue funds for upgrades to the Patient Account Management systems at all state hospitals. According to agency information, systems currently in use to manage patient accounts were originally designed in 1985 at Parsons State Hospital and Training center and have been upgraded since that time. However, the hospitals are not able to meet current Medicare and Medicaid billing requirements without a complete rewrite of the legacy systems which can be difficult to modify to meet changing needs. The funding will be used to acquire a new software system to meet the needs of the hospitals.

## Senate Subcommittee Report

**Agency:** Mental Health Hospitals

**Bill No.** 573

**Bill Sec.** 32

**Analyst:** Kannarr **Analysis Pg. No.** Vol. II-1273, 1299, 1322 **Budget Page No.** 297, 315, 325

Expenditure	Agency Req. FY 07	Governor Rec. FY 07	Senate Subcommittee Adjustments
<b>Larned State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 38,804,859	\$ 36,870,796	\$ 2,137,538
Other Funds	11,433,957	11,494,694	0
<b>TOTAL</b>	<b><u>\$ 50,238,816</u></b>	<b><u>\$ 48,365,490</u></b>	<b><u>\$ 2,137,538</u></b>
FTE Positions	970.2	952.2	0.0
<b>Osawatomie State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 9,700,948	\$ 8,823,246	\$ 422,627
Other Funds	12,968,214	13,816,965	0
<b>TOTAL</b>	<b><u>\$ 22,669,162</u></b>	<b><u>\$ 22,640,211</u></b>	<b><u>\$ 422,627</u></b>
FTE Positions	398.6	398.6	0.0
<b>Rainbow Mental Health Facility</b>			
Operating Expenditures			
State General Fund	\$ 4,377,961	\$ 3,792,488	\$ 11,304
Other Funds	3,696,974	3,819,501	0
<b>TOTAL</b>	<b><u>\$ 8,074,935</u></b>	<b><u>\$ 7,611,989</u></b>	<b><u>\$ 11,304</u></b>
FTE Positions	128.2	115.2	0.0

### Larned State Hospital

#### Agency Request

The **agency** requests FY 2007 operating expenditures of \$50,238,816, including \$38,804,859 from the State General Fund. The request is an all funds increase of \$3,777,993 (8.1 percent) and a State General Fund increase of \$3,915,871 (11.2 percent) above the revised FY 2006 estimate. Absent the enhancement request, the agency request is an all funds decrease of \$2,198,219 (4.7 percent) and a State General Fund decrease of \$1,896,259 (5.4 percent) below the FY 2006 estimate. The salaries and wages budget reflects a decrease of \$1,141,974 from the State General Fund due the absence of the 27<sup>th</sup> payroll period that occurred in FY 2006.

The agency request includes State General Fund enhancement requests of \$5,812,130. Items in the enhancement package include:

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- \$3,647,897 for the annualization of costs for beds in Isaac Ray (State Security Hospital) added in FY 2006;
- \$90,000 to cover increases in the Enterprise Applications Fee charged by the Division of Information Systems and Communications at the Department of Administration;
- \$578,240 to cover costs of the newly opened Isaac Ray building;
- \$170,155 to cover additional utility costs due to increased wastewater fees;
- \$390,145 to provide support staff for the reoccupation of Dillon building in the spring of 2006 by units from the Sexual Predator Treatment Program currently housed in Isaac Ray [**Staff note:** The agency intended to request 14.0 FTE positions but the positions were omitted from the submitted request];
- \$634,715 to provide support services for the 90 additional beds in Isaac Ray [**Staff note:** The agency intended to request 18.0 FTE positions but the positions were omitted from the submitted request; and
- \$300,978 to annualize funding added for FY 2006 to support a 30-bed expansion in the Sexual Predator Treatment Program (SPTP).

### **Governor's Recommendation**

The **Governor** recommends FY 2007 operating expenditures of \$48,365,490, including \$36,870,796 from the State General Fund. The recommendation is an all funds decrease of \$1,873,326 (3.7 percent) and a State General Fund decrease of \$1,934,063 (5.0 percent) below the agency request. The Governor recommends the following:

- \$2,674,854 from the State General Fund for a portion of the agency's requested enhancement to annualize the 90 beds added to Isaac Ray (State Security Hospital) in FY 2006;
- \$390,145 from the State General Fund for support staff to reoccupy Dillon building (**Staff Note:** The Governor appears to have intended to include the 14.0 FTE positions but inadvertently omitted them from the original budget recommendation.)
- \$23,533 from the State General Fund for the salary reclassification of skilled tradespeople; and
- \$850,272, including \$789,535 from the State General Fund, for the recommended 2.5 percent base salary adjustment which is offset by a State General Fund decrease due to the absence of the 27<sup>th</sup> payroll period that occurred in FY 2006.

### **Osawatomie State Hospital**

#### **Agency Request**

The **agency** requests FY 2007 expenditures of \$22,669,162, including \$9,700,948 from the State General Fund. The request is an all funds decrease of \$554,813 (2.4 percent) and a State General Fund decrease of \$449,438 (4.4 percent) below the revised FY 2006 estimate.

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The FY 2007 request includes an enhancement package totaling \$1,159,276, all from the State General Fund. Without these enhancements, the agency request is an all funds decrease of \$1,714,089 (7.4 percent) and a State General Fund decrease of \$1,608,714 (15.8 percent). The enhancements include: \$946,419 to increase funding for pharmaceuticals; \$59,000 to pay for user fees implemented by the Department of Administration; \$81,957 to pay for increased utility costs due to rising natural gas prices; and \$71,900 to fund increased food costs.

### **Governor's Recommendation**

The **Governor** recommends FY 2007 expenditures of \$22,640,211, including \$8,823,246 from the State General Fund. The recommendation is an all funds decrease of \$28,951 (0.1 percent) and a State General Fund decrease of \$877,702 (9.0 percent) below the agency request. The recommendation includes: \$500,000 from the State General Fund for increased pharmaceutical expenditures; \$12,506 from the State General Fund for the reclassification of salaries for skilled tradespeople; and \$381,170, including \$132,419 from the State General Fund, for the recommended 2.5 percent base salary adjustment. The salaries and wages recommendations are offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006. The Governor does not recommend any of the remaining State General Fund enhancement requests of \$59,000 for increased user fees, \$81,957 for increased utility costs, and \$71,900 for increased food costs.

### **Rainbow Mental Health Facility**

#### **Agency Request**

The **agency** requests FY 2007 operating expenditures of \$8,074,935, including \$4,377,961 from the State General Fund. The request is an all funds increase of \$101,543 or 1.3 percent, and a State General Fund increase of \$136,668, or 3.2 percent, above the revised FY 2006 estimate.

The FY 2007 request includes an enhancement package of \$682,468 from the State General Fund. Included in the enhancement package are the following items: \$92,600 SGF for increases in drug costs; \$13,000 SGF for increases in charges for the Enterprise Application fee implemented by the Division of Information Systems and Communication (DISC) at the Department of Administration; and \$576,868 SGF to increase staff on treatment units to care for aggressive and/or combative patients.

#### **Governor's Recommendation**

The **Governor** recommends FY 2007 expenditures of \$7,611,989, including \$3,792,488 from the State General Fund. The recommendation is an all funds decrease of \$462,946 (5.7 percent) and a State General Fund decrease of \$585,473 (13.4 percent) below the agency request. The Governor does not recommend any of the agency's requested enhancement items. The recommendation includes \$122,593 from special revenue funds for a 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006. The Governor recommends \$2,633 from special revenue funds for the reclassification of skilled tradespeople.

## Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following exception:

1. **Larned State Hospital.** Add \$2,137,538 from the State General Fund, as part of the recommendation to add \$3,206,914 across all state mental health and developmental disabilities institution budgets in response to concerns about the adequacy of funding under the Governor's recommendation to pay for operating expenditures. SRS was requested to suggest distribution of the funding based on an assessment of needs at each of the institutions. For LSH, this funding is suggested to return utilities funding to the level requested by the agency (\$838,395), to fund the entire agency request to annualize funding for new beds at the State Security Hospital for which the Governor recommended partial funding (\$973,043), and to fund part of the requested enhancement for staffing at the State Security Hospital which the Governor did not recommend (\$326,100).
2. **Osawatomie State Hospital.** Add \$422,627 from the State General Fund, as part of the recommendation to add \$3,206,914 across all state mental health and developmental disabilities institution budgets in response to concerns about the adequacy of funding under the Governor's recommendation to pay for operating expenditures. SRS was requested to suggest distribution of the funding based on an assessment of needs at each of the institutions. For OSH, the funding is suggested to return funding for utilities and pharmaceuticals to the level requested by the agency.
3. **Rainbow Mental Health Facility.** Add \$11,304 from the State General Fund, as part of the recommendation to add \$3,206,914 across all state mental health and developmental disabilities institution budgets in response to concerns about the adequacy of funding under the Governor's recommendation to pay for operating expenditures. SRS was requested to suggest distribution across institutions based on an assessment of needs at each of the institutions. For RMHF, the funding is suggested to return funding for utilities to the level requested by the agency.
4. The Subcommittee recommends an interim study examining the public mental health system, both state hospital and community services, in Kansas. In particular, the Subcommittee recommends the interim study look at what has taken place since the original Mental Health Reform legislation was passed in the early 1990's and the need for a process to be in place to address census increases at the state hospitals. Finally, the interim study should look at the adequacy of using the Diagnostically Related Group (DRG) methodology to reimburse community hospitals as opposed to a per diem reimbursement.
5. The Subcommittee recognizes the efforts of SRS, the state mental health hospitals (SMHHs) and community providers to develop a *Protocol for Managing SMHH Census Increases* to address issues with the significant growth in admissions and census at the SMHHs that has occurred over the last several years. According to testimony, increased admissions to the hospitals have caused the census level to rise to critical levels several times in the last year and the Protocol was developed to ensure these critical levels are not reached.

6. The Subcommittee supports the efforts of SRS and the hospitals to explore public/private partnerships for alternative service delivery options as part of the effort to manage the high hospital census.

**Senate Committee Recommendation**

The Senate Committee concurs with the Subcommittee recommendation.

**Budget Committee Report**

**Agency:** Mental Health Hospitals

**Bill No.** 2968

**Bill Sec.** 43

**Analyst:** Kannarr **Analysis Pg. No.** Vol. II-1273, 1299, 1322 **Budget Page No.** 297, 315, 325

Expenditure	Agency Req. FY 07	Governor Rec. FY 07	Budget Committee Adjustments
<b>Larned State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 38,804,859	\$ 36,870,796	\$ 0
Other Funds	11,433,957	11,494,694	0
TOTAL	<u>\$ 50,238,816</u>	<u>\$ 48,365,490</u>	<u>\$ 0</u>
FTE Positions	970.2	952.2	0.0
<b>Osawatomie State Hospital</b>			
Operating Expenditures			
State General Fund	\$ 9,700,948	\$ 8,823,246	\$ 0
Other Funds	12,968,214	13,816,965	0
TOTAL	<u>\$ 22,669,162</u>	<u>\$ 22,640,211</u>	<u>\$ 0</u>
FTE Positions	398.6	398.6	0.0
<b>Rainbow Mental Health Facility</b>			
Operating Expenditures			
State General Fund	\$ 4,377,961	\$ 3,792,488	\$ 0
Other Funds	3,696,974	3,819,501	0
TOTAL	<u>\$ 8,074,935</u>	<u>\$ 7,611,989</u>	<u>\$ 0</u>
FTE Positions	128.2	115.2	0.0

## Larned State Hospital

### Agency Request

The **agency** requests FY 2007 operating expenditures of \$50,238,816, including \$38,804,859 from the State General Fund. The request is an all funds increase of \$3,777,993 (8.1 percent) and a State General Fund increase of \$3,915,871 (11.2 percent) above the revised FY 2006 estimate. Absent the enhancement request, the agency request is an all funds decrease of \$2,198,219 (4.7 percent) and a State General Fund decrease of \$1,896,259 (5.4 percent) below the FY 2006 estimate. The salaries and wages budget reflects a decrease of \$1,141,974 from the State General Fund due the absence of the 27<sup>th</sup> payroll period that occurred in FY 2006.

The agency request includes State General Fund enhancement requests of \$5,812,130. Items in the enhancement package include: \$3,647,897 for the annualization of costs for beds in Isaac Ray (State Security Hospital) added in FY 2006; \$90,000 to cover increases in the Enterprise Applications Fee charged by the Division of Information Systems and Communications at the Department of Administration; \$578,240 to cover costs of the newly opened Isaac Ray building; \$170,155 to cover additional utility costs due to increased wastewater fees; \$390,145 to provide support staff for the reoccupation of Dillon building in the spring of 2006 by units from the Sexual Predator Treatment Program currently housed in Isaac Ray; \$634,715 to provide support services for the 90 additional beds in Isaac Ray; and \$300,978 to annualize funding added for FY 2006 to support a 30-bed expansion in the Sexual Predator Treatment Program (SPTP).

### Governor's Recommendation

The **Governor** recommends FY 2007 operating expenditures of \$48,365,490, including \$36,870,796 from the State General Fund. The recommendation is an all funds decrease of \$1,873,326 (3.7 percent) and a State General Fund decrease of \$1,934,063 (5.0 percent) below the agency request. The Governor recommends the following:

- \$2,674,854 from the State General Fund for a portion of the agency's requested enhancement to annualize the 90 beds added to Isaac Ray (State Security Hospital) in FY 2006;
- \$390,145 from the State General Fund for support staff to reoccupy Dillon building (**Staff Note:** The Governor appears to have intended to include the 14.0 FTE positions but inadvertently omitted them from the original budget recommendation.)
- \$23,533 from the State General Fund for the salary reclassification of skilled tradespeople; and
- \$850,272, including \$789,535 from the State General Fund, for the recommended 2.5 percent base salary adjustment which is offset by a State General Fund decrease due to the absence of the 27<sup>th</sup> payroll period that occurred in FY 2006.

## Osawatomie State Hospital

### Agency Request

The **agency** requests FY 2007 expenditures of \$22,669,162, including \$9,700,948 from the State General Fund. The request is an all funds decrease of \$554,813 (2.4 percent) and a State General Fund decrease of \$449,438 (4.4 percent) below the revised FY 2006 estimate.

The FY 2007 request includes an enhancement package totaling \$1,159,276, all from the State General Fund. Without these enhancements, the agency request is an all funds decrease of

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\$1,714,089 (7.4 percent) and a State General Fund decrease of \$1,608,714 (15.8 percent). The enhancements include: \$946,419 to increase funding for pharmaceuticals; \$59,000 to pay for user fees implemented by the Department of Administration; \$81,957 to pay for increased utility costs due to rising natural gas prices; and \$71,900 to fund increased food costs.

### **Governor's Recommendation**

The **Governor** recommends FY 2007 expenditures of \$22,640,211, including \$8,823,246 from the State General Fund. The recommendation is an all funds decrease of \$28,951 (0.1 percent) and a State General Fund decrease of \$877,702 (9.0 percent) below the agency request. The recommendation includes: \$500,000 from the State General Fund for increased pharmaceutical expenditures; \$12,506 from the State General Fund for the reclassification of salaries for skilled tradespeople; and \$381,170, including \$132,419 from the State General Fund, for the recommended 2.5 percent base salary adjustment. The salaries and wages recommendations are offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006. The Governor does not recommend any of the remaining State General Fund enhancement requests of \$59,000 for increased user fees, \$81,957 for increased utility costs, and \$71,900 for increased food costs.

### **Rainbow Mental Health Facility**

#### **Agency Request**

The **agency** requests FY 2007 operating expenditures of \$8,074,935, including \$4,377,961 from the State General Fund. The request is an all funds increase of \$101,543 or 1.3 percent, and a State General Fund increase of \$136,668, or 3.2 percent, above the revised FY 2006 estimate.

The FY 2007 request includes an enhancement package of \$682,468 from the State General Fund. Included in the enhancement package are the following items: \$92,600 SGF for increases in drug costs; \$13,000 SGF for increases in charges for the Enterprise Application fee implemented the by Division of Information Systems and Communication (DISC) at the Department of Administration; and \$576,868 SGF to increase staff on treatment units to care for aggressive and/or combative patients.

#### **Governor's Recommendation**

The **Governor** recommends FY 2007 expenditures of \$7,611,989, including \$3,792,488 from the State General Fund. The recommendation is an all funds decrease of \$462,946 (5.7 percent) and a State General Fund decrease of \$585,473 (13.4 percent) below the agency request. The Governor does not recommend any of the agency's requested enhancement items. The recommendation includes \$122,593 from special revenue funds for a 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006. The Governor recommends \$2,633 from special revenue funds for the reclassification of skilled tradespeople.

## House Budget Committee Recommendation

The Social Services Budget Committee concurs with the Governor's recommendation with the following comments:

1. **FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27<sup>th</sup> payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERs) rates, KPERs death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

**For these agencies,** the FY 2006 approved budget totaled \$75,098,530, including \$46,914,487 from the State General Fund. The approved budget was reduced by a net total of \$1,214,912, including \$1,686,481 from the State General Fund to establish a baseline budget for FY 2007. The reductions included \$986,412 in salary adjustments, and \$228,500 in one-time adjustments.

2. **Comparison of FY 2007 Baseline Budget to Governor's Recommendation.** The table below reflects the difference between the Governor's recommendation and the baseline budget.

	SGF	All Funds
Governor's Recommendation	\$ 49,486,530	\$ 78,617,690
Baseline Budget	45,228,006	73,883,618
Dollar Difference	<u>\$ 4,258,524</u>	<u>\$ 4,734,072</u>
<i>Percent Difference</i>	<i>9.4%</i>	<i>6.4%</i>

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	SGF	All Funds
Base Salary Adjustment	\$ 921,954	\$ 1,354,035
Reclassification of skilled tradespeople	38,738	38,738
LSH - Partial annualization of State Security Hospital beds	2,674,854	2,674,854
LSH - Support staff for Dillon Building	390,145	390,145
LSH - Changes in education and canteen funding	0	(84,898)
OSH - Increased pharmaceutical funding	500,000	500,000
OSH - Shift financing to fee fund	(600,000)	0
RMHF - Increased pharmaceutical expenditures	94,296	94,296
Other miscellaneous adjustments	238,537	(233,098)
TOTAL	<u>\$ 4,258,524</u>	<u>\$ 4,734,072</u>

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3. The Budget Committee expresses concern about the ability of the hospitals to pay additional fees to the Department of Administration, Division of Information Systems and Communication (DISC) in light of their current budget situation. No additional money was recommended by the Governor to pay these increased fees in FY 2006. The Budget Committee requests information on increases in fees charged by the Department of Administration over the last five years. In addition, information on how fees charged to agencies are calculated is requested before the full Appropriations Committee works the budget bill.
4. The Budget Committee expresses concern regarding the effect new Federal Medicare Part D provisions will have on the state hospitals. Under the federal provisions, Medicare Part D will pay for prescription drugs for low-income seniors and persons with disabilities who are dually eligible. According to testimony, the impact on these residents and the hospital budgets is uncertain at this time particularly with regard to the Mental Health hospitals because of the fluid nature of the patient census and the varying number of patients who are dually eligible and the fact that the hospitals operate their own pharmacies. The Budget Committee requests additional information from the agency at Omnibus on the anticipated effect of the federal program changes.
5. The Budget Committee requests information at Omnibus regarding the anticipated total number of people living on the combined campus at Larned State Hospital (LSH) including the corrections and juvenile justice facilities. This information is requested to allow the City of Larned to appropriately calculate the shared cost of the new wastewater treatment facility being constructed. According to information received by the Budget Committee, previous numbers shared with the city on separate occasions have varied widely making it difficult to calculate cost sharing.
6. The Budget Committee notes the dramatic decrease in the number of beds at the state hospitals from a high of 5,000 to 1,000 at the time of Mental Health Reform in 1990 and now to 340 beds due to the development of community based treatment. The closure of hospital beds since 1990 has been accomplished through the development of community based services to treat people in the community. According to testimony, the state may be reaching critical levels in the availability of state hospital beds. Admissions have increased recently at the state hospitals, especially at Osawatomie and Rainbow, due to a number of factors including the closure of private psychiatric beds, the number of new people seeking services and the lack of private insurance coverage to pay for care. Although the state has been able to provide services in the community and reduce inpatient beds, conferees stressed the need for adequate inpatient resources for stabilization and treatment. Conferees also noted the integral role the state hospitals play in the overall public mental health system to provide a safety net for people whose illnesses cannot be managed in the community.
7. The Budget Committee encourages people involved with the public mental health system to share success stories with the Legislature about moving from a primarily inpatient treatment approach to serving people into the community.
8. During its review of the agency's requested budgets and public testimony, the Budget Committee noted several areas of concern regarding the state mental health hospitals and the public mental health system. Conferees suggested that the state may be coming to a point of crises in the ability of the hospitals to

provide adequate treatment services to people needing inpatient treatments. Specific items and issues noted in budget hearings include increased utilities and pharmaceutical costs; increased charges for statewide computer system usage for payroll and other processes; the need to hold positions open and increase shrinkage to pay for other operating expenditures; the loss of private psychiatric beds in the state and the resulting pressure on state hospitals for inpatient treatment; increased admissions and the need to shorten lengths of stay; and challenges in hiring and retaining staff. The agency noted that hospitals must operate within established budgets regardless of the number of admissions. In recent years, hospitals have had difficulty staying within these budgets and have been required to offset increased operating expenditure costs with salary savings by leaving positions vacant.

The Budget Committee notes that the Governor recommended increased shrinkage in FY 2006 to pay for other operating expenditures and that the hospitals will likely have to use this method to in the budget year manage expenditures at the state hospitals. The Budget Committee has some concerns with the effect these budget management techniques have on the ability of the hospitals to effectively treat patients, especially in light of increasing admissions and the need to intensify and shorten treatment. In addition, having too few staff may be putting patients and workers at risk especially in light on fact that patients at the state hospitals are often people that were not able to be handled by other facilities.

In response to these concerns, the Budget Committee discussed the need for additional funding at the hospitals to assist in pay for operating expenditures, including the ability to more fully staff positions and reduce reliance of shrinkage to pay other bills.

9. The Budget Committee recommends continued oversight of issues related to increase admissions at the state mental health hospitals. The following chart shows the number of psychiatric admissions to state mental health hospitals from FY 2001 to FY 2005 (excluding the State Security Program, Social Detoxification, and the Sexual Predator Treatment program):

<b>Psychiatric Admissions</b>					
	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
Larned	684	663	738	846	990
Osawatomie	886	1,023	1,189	1,404	1,767
Rainbow	435	513	588	715	671
<b>Total</b>	<b>2,005</b>	<b>2,199</b>	<b>2,515</b>	<b>2,965</b>	<b>3,428</b>

According to the agency, the hospitals have addressed growing admissions by increasing the intensity and effectiveness of hospital treatment, reducing lengths of stay and stabilizing the census. Also, the Hospitals have changed their service delivery to include crisis stabilization services for those who would benefit from a short-term, intensive hospital stay. The Budget Committee notes that thus far it appears the hospital have not experienced significant increases in the 30-day readmission rate due to the decreased lengths of stay but encourages continued monitoring of such indicators to ensure that patients are not being prematurely released from the state hospitals to meet budget constraints.

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10. The Budget Committee notes that the agency requested additional staff to respond to more aggressive and combative behavior at Rainbow Mental Health Facility but that the Governor did not recommend the additional staffing. In response to questions, the agency noted that they were engaging in additional training initiatives at all facilities to manage the behaviors within current staffing levels and felt that these efforts were having a positive affect. The Budget Committee encourages further work on the issues to help ensure staff and patient safety at state hospitals.
11. In light of the need to use increased shrinkage to pay for non-salary operating expenditures, the Budget Committee suggests that the hospitals more carefully evaluate the use of overtime in lieu of filling positions due to potential costs of worker's compensation due to injuries that might not occur as often if proper staffing is maintained. The Committee suggests that the hospitals look at the real costs of not fully staffing positions and whether the costs of the additional staff would be offset by a decrease in overtime and workers' compensation payments.
12. The Budget Committee requests information on salary comparisons for Registered Nurses (RNs) and Laboratory Technicians as compared to the private market. The budget information for Rainbow Mental Health Facility indicated that it is challenged in hiring RNs because the salaries are low as compared to the private market in Kansas City. However, other information indicated that the opposite may be true in the Larned State Hospital area. In addition, information received indicated that Laboratory Technician salaries may be low as compared to the private sector even for senior staff who have topped out at their salary level. The concern was expressed that this inequality may cause problems in hiring replacements when these senior staff retire.
13. The Budget Committee requests information about pharmaceutical purchasing procedures at the state mental health hospitals which maintain onsite pharmacies. In particular, information is requested about whether medications are over purchased and "age out" while in stock, requiring disposal.



## Senate Subcommittee Report

**Agency:** Developmental Disabilities  
Institutions (DD Hospitals)

**Bill No.** 570

**Bill Sec.** 43

**Analyst:** Kannarr

**Analysis Pg. No.** Vol. II-1225, 1248

**Budget Page No.** 253, 319

Expenditure	Agency Est. FY 06	Governor Rec. FY 06	Senate Subcommittee Adjustments
<b>Kansas Neurological Institute</b>			
State General Fund	\$ 12,818,599	\$ 12,089,114	\$ 0
Other Funds	15,040,964	15,040,964	0
TOTAL	\$ 27,859,563	\$ 27,130,078	\$ 0
FTE Positions	588.2	588.2	0.0
<b>Parsons State Hospital and Training Center</b>			
State General Fund	\$ 8,654,969	\$ 8,403,787	\$ 0
Other Funds	14,437,998	14,437,998	0
TOTAL	\$ 23,092,967	\$ 22,841,785	\$ 0
FTE Positions	467.2	467.2	0.0

### Kansas Neurological Institute (KNI)

#### Agency Estimate

The **agency** estimates FY 2006 expenditures of \$27,859,563, including \$12,818,599 from the State General Fund. The estimate is an all funds increase of \$811,532 (3.0 percent) and a State General Fund increase of \$729,485 (6.0 percent) above expenditures approved by the 2005 Legislature.

The revised estimate includes supplemental requests of \$807,985, including \$729,485 from the State General Fund. The State General Fund supplemental represents the entire change from the approved State General Fund budget. The supplementals include: \$596,825 from the State General Fund to fund increased pharmaceutical costs; \$54,000 from the State General Fund to pay for increased user fees from the Department of Administration, Division of Information Systems and Communications; \$78,660 from the State General Fund to pay for increased utilities costs; and \$78,500 from the Title XIX fund to pay KNI's portion of the replacement cost for the Patient Account Management system in all hospitals.

The salaries and wages portion of the budget includes base salary adjustments approved by the 2005 Legislature, funding for 27 payroll periods and payments for accumulated compensatory time due to staff for overtime worked in FY 2005 amounting to \$229,272.

#### Governor's Recommendation

The **Governor** recommends FY 2006 expenditures of \$27,130,078, including \$12,089,114 from the State General Fund. The recommendation is an all funds decrease of \$729,485 (5.7

2.19



percent) and a State General Fund decrease of \$729,485 (5.7 percent) from the agency's revised FY 2006 estimate. The Governor's State General Fund recommendation is equal to the amount approved by the 2005 Legislature.

The Governor recommends expenditures of \$78,500 from the agency fee fund for the replacement of the Patient Account Management system but does not recommend any of the other requested State General Fund supplementals. In addition, the recommendation increases the overall shrinkage rate from 2.77 percent to 6.13 percent resulting in a decrease of \$813,390 from the State General Fund in salaries and wages. This same amount was added to pharmaceutical expenditures.

## **Parsons State Hospital and Training Center (Parsons)**

### **Agency Estimate**

The **agency** estimates FY 2006 expenditures of \$23,092,967, including \$8,654,969 from the State General Fund. The estimate is an all funds increase of \$334,182 (1.5 percent) and a State General Fund increase of \$251,182 (3.0 percent) above the amount approved by the 2005 Legislature. The salaries and wages portion of the budget includes base salary adjustments approved by the 2005 Legislature, funding for 27 payroll periods and payments for accumulated compensatory time due to staff for overtime worked in FY 2005 amounting to \$63,000.

The FY 2006 estimate includes a supplemental request of \$334,182 from the State General Fund. Items included in the supplemental request are \$83,000 to pay the hospital's portion of the replacement cost for the Patient Account Management system in all hospitals; \$36,000 to pay for increased user fees from the Department of Administration, Division of Information Systems and Communications (DISC); \$90,235 to pay for increased pharmaceutical costs; \$63,919 to pay for increased utility costs; and \$61,028 for increases in operating expenditures due to a rise in the resident census. [**Staff Note:** \$83,000 of the supplemental was entered into the Budget Management System as a SGF supplemental but should have been entered as other funds.]

### **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$22,841,785, including \$8,403,787 from the State General Fund. The recommendation is an all funds decrease of \$251,182 (1.1 percent) and a State General Fund decrease of \$251,182 (2.9 percent) below the agency's revised estimate. The Governor does not recommend the agency's supplemental requests of \$251,182 from the State General Fund for increased DISC charges (\$36,000), increased pharmaceutical costs (\$90,235), increased utilities (\$63,919) or additional costs due to increased census (\$61,028). The recommendation includes increased State General Fund shrinkage savings of \$251,182 which was shifted to fund increased pharmaceutical costs, increased utilities costs and additional expenditures due to increased census. The Governor does recommend \$83,000 from Title XIX funds for the replacement of the Patient Account Management system.

### **Senate Subcommittee Recommendation**

The Senate Subcommittee concurs with the Governor's recommendation.

### **Senate Committee Recommendation**

The Senate Committee concurs with the Subcommittee recommendation.

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### House Budget Committee Report

**Agency:** Developmental Disabilities  
Institutions (DD Hospitals)

**Bill No.** 2958

**Bill Sec.** 43

**Analyst:** Kannarr

**Analysis Pg. No.** Vol. II-1225, 1248

**Budget Page No.** 253, 319

Expenditure	Agency Est. FY 06	Governor Rec. FY 06	Budget Committee Adjustments
<b>Kansas Neurological Institute</b>			
State General Fund	\$ 12,818,599	\$ 12,089,114	\$ 0
Other Funds	15,040,964	15,040,964	0
TOTAL	<u>\$ 27,859,563</u>	<u>\$ 27,130,078</u>	<u>\$ 0</u>
FTE Positions	588.2	588.2	0.0
<b>Parsons State Hospital and Training Center</b>			
State General Fund	\$ 8,654,969	\$ 8,403,787	\$ 0
Other Funds	14,437,998	14,437,998	0
TOTAL	<u>\$ 23,092,967</u>	<u>\$ 22,841,785</u>	<u>\$ 0</u>
FTE Positions	467.2	467.2	0.0

### Kansas Neurological Institute (KNI)

#### Agency Estimate

The **agency** estimates FY 2006 expenditures of \$27,859,563, including \$12,818,599 from the State General Fund. The estimate is an all funds increase of \$811,532 (3.0 percent) and a State General Fund increase of \$729,485 (6.0 percent) above expenditures approved by the 2005 Legislature.

The revised estimate includes supplemental requests of \$807,985, including \$729,485 from the State General Fund. The State General Fund supplemental represents the entire change from the approved State General Fund budget. The supplementals include: \$596,825 from the State General Fund to fund increased pharmaceutical costs; \$54,000 from the State General Fund to pay for increased user fees from the Department of Administration, Division of Information Systems and Communications; \$78,660 from the State General Fund to pay for increased utilities costs; and \$78,500 from the Title XIX fund to pay KNI's portion of the replacement cost for the Patient Account Management system in all hospitals.

The salaries and wages portion of the budget includes base salary adjustments approved by the 2005 Legislature, funding for 27 payroll periods and payments for accumulated compensatory time due to staff for overtime worked in FY 2005 amounting to \$229,272.

## **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$27,130,078, including \$12,089,114 from the State General Fund. The recommendation is an all funds decrease of \$729,485 (5.7 percent) and a State General Fund decrease of \$729,485 (5.7 percent) from the agency's revised FY 2006 estimate. The Governor's State General Fund recommendation is equal to the amount approved by the 2005 Legislature.

The Governor recommends expenditures of \$78,500 from the agency fee fund for the replacement of the Patient Account Management system but does not recommend any of the other requested State General Fund supplementals. In addition, the recommendation increases the overall shrinkage rate from 2.77 percent to 6.13 percent resulting in a decrease of \$813,390 from the State General Fund in salaries and wages. This same amount was added to pharmaceutical expenditures.

## **Parsons State Hospital and Training Center (Parsons)**

### **Agency Estimate**

The **agency** estimates FY 2006 expenditures of \$23,092,967, including \$8,654,969 from the State General Fund. The estimate is an all funds increase of \$334,182 (1.5 percent) and a State General Fund increase of \$251,182 (3.0 percent) above the amount approved by the 2005 Legislature. The salaries and wages portion of the budget includes base salary adjustments approved by the 2005 Legislature, funding for 27 payroll periods and payments for accumulated compensatory time due to staff for overtime worked in FY 2005 amounting to \$63,000.

The FY 2006 estimate includes a supplemental request of \$334,182 from the State General Fund. Items included in the supplemental request are \$83,000 to pay the hospital's portion of the replacement cost for the Patient Account Management system in all hospitals; \$36,000 to pay for increased user fees from the Department of Administration, Division of Information Systems and Communications (DISC); \$90,235 to pay for increased pharmaceutical costs; \$63,919 to pay for increased utility costs; and \$61,028 for increases in operating expenditures due to a rise in the resident census. **[Staff Note: \$83,000 of the supplemental was entered into the Budget Management System as a SGF supplemental but should have been entered as other funds.]**

## **Governor's Recommendation**

The **Governor** recommends FY 2006 expenditures of \$22,841,785, including \$8,403,787 from the State General Fund. The recommendation is an all funds decrease of \$251,182 (1.1 percent) and a State General Fund decrease of \$251,182 (2.9 percent) below the agency's revised estimate. The Governor does not recommend the agency's supplemental requests of \$251,182 from the State General Fund for increased DISC charges (\$36,000), increased pharmaceutical costs (\$90,235), increased utilities (\$63,919) or additional costs due to increased census (\$61,028). The recommendation includes increased State General Fund shrinkage savings of \$251,182 which was shifted to fund increased pharmaceutical costs, increased utilities costs and additional expenditures due to increased census. The Governor does recommend \$83,000 from Title XIX funds for the replacement of the Patient Account Management system.

## House Budget Committee Recommendation

The Social Services Budget Committee concurs with the Governor's recommendations, with the following notation:

1. The Budget Committee notes that the Governor's recommendation includes funding of \$420,000 from special revenue funds for upgrades to the Patient Account Management systems at all state hospitals. According to agency information, systems currently in use to manage patient accounts were originally designed in 1985 at Parsons State Hospital and Training Center and have been upgraded since that time. However, the hospitals are not able to meet current Medicare and Medicaid billing requirements without a complete rewrite of the legacy systems which can be difficult to modify to meet changing needs. The funding will be used to acquire a new software system to meet the needs of the hospitals.

## Senate Subcommittee Report

**Agency:** Developmental Disabilities  
Institutions (DD Hospitals)

**Bill No.** 573

**Bill Sec.** 32

**Analyst:** Kannarr

**Analysis Pg. No.** Vol. II-1225, 1248

**Budget Page No.** 253, 319

Expenditure	Agency Req. FY 07	Governor Rec. FY 07	Senate Subcommittee Adjustments
<b>Kansas Neurological Institute</b>			
State General Fund	\$ 11,832,803	\$ 11,670,591	\$ 599,445
Other Funds	14,962,464	15,004,213	0
<b>TOTAL</b>	<b><u>\$ 26,795,267</u></b>	<b><u>\$ 26,674,804</u></b>	<b><u>\$ 599,445</u></b>
FTE Positions	588.2	575.2	13.0
<b>Parsons State Hospital and Training Center</b>			
State General Fund	\$ 8,652,673	\$ 8,629,055	\$ 36,000
Other Funds	14,966,158	14,354,998	0
<b>TOTAL</b>	<b><u>\$ 23,618,831</u></b>	<b><u>\$ 22,984,053</u></b>	<b><u>\$ 36,000</u></b>
FTE Positions	467.2	467.2	0.0

### Kansas Neurological Institute (KNI)

#### Agency Request

The **agency** requests FY 2007 expenditures of \$26,795,267 including \$11,832,803 from the State General Fund. The request is an all funds decrease of \$1,064,296 (3.8 percent) and a State General Fund decrease of \$985,796 (7.7 percent) below the FY 2006 estimate.

The request includes State General Fund enhancements of \$196,690. These enhancements include: \$64,030 to pay for increased pharmaceutical costs; \$54,000 to pay for increased user fees from the Department of Administration; and \$78,660 to pay for increased utilities costs.

#### Governor's Recommendation

The **Governor** recommends FY 2007 operating expenditures of \$26,674,804, including \$11,670,591 from the State General Fund. The recommendation is an all funds decrease of \$120,463 (0.4 percent) and a State General Fund decrease of \$162,212 (1.4 percent) below the agency request. As compared to the FY 2006 recommendation, the recommendation is an all funds decrease of \$455,274 (1.7 percent) and a State General Fund decrease of \$418,523 (3.5 percent).

- The Governor accepts a portion of the agency's reduced resources package and reduces expenditures by \$402,755 (\$223,753 State General Fund) and deletes a total of 13.0 FTE positions.

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- The Governor does not recommend the agency enhancement package. However, the recommendation increases shrinkage from 2.77 percent to 3.83 percent and shifts the savings of \$221,395 to pharmaceutical costs.
- The Governor adds \$19,730 from the State General Fund for the reclassification of employees in skilled trades.
- The Governor adds \$458,758, including \$419,856 from the State General Fund, for the recommended 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006.

## **Parsons State Hospital and Training Center**

### **Agency Request**

The **agency** requests FY 2007 expenditures of \$23,618,831, including \$8,652,673 from the State General Fund. The request is an all funds increase of \$525,864 (2.3 percent) and a State General Fund decrease of \$2,296 (0.03 percent) from the revised FY 2006 estimate.

The major increase from FY 2006 to FY 2007 is in the salaries and wages portion of the budget which increases by \$561,756 (2.9 percent). This increase the net of an enhancement request of \$1,018,600 to reopen one of the vacant patient cottages and a decrease due to the absence of the 27<sup>th</sup> payroll period in FY 2007. The requested expenditures include an enhancement package totaling \$1,205,863, including \$594,703 from the State General Fund. Items in the enhancement package include: \$90,235 from the State General Fund for increased pharmaceutical costs; \$36,000 from the State General Fund for increased user fees; \$61,028 from the State General Fund for operating expenditures associated with the increased census; and \$1,018,600, including \$407,440 from the State General Fund, to reopen Willow cottage.

### **Governor's Recommendation**

The **Governor** recommends FY 2007 expenditures of \$22,984,053, including \$8,629,055 from the State General Fund. The recommendation is an all funds decrease of \$634,778 (2.7 percent) and a State General Fund decrease of \$23,618 (0.3 percent) below the agency request. The Governor does not recommend any of the agency's requested enhancements totaling \$1,205,863, including \$594,703 from the State General Fund. The recommendation includes \$14,274 from the State General Fund for the reclassification of skilled tradespeople. The Governor recommends \$405,548 from the State General Fund for a 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006.

### **Senate Subcommittee Recommendation**

The Senate Subcommittee concurs with the Governor's recommendation with the following exceptions:

1. **Kansas Neurological Institute.** Add \$599,445 from the State General Fund and 13.0 FTE positions, as part of the recommendation to add \$3,206,914 across all state mental health and developmental disabilities institution budgets in response to concerns about the adequacy of funding under the Governor's recommendation to pay for operating expenditures. SRS was requested to



suggest distribution of the funding based on an assessment of needs at each of the institutions. For this hospital, the recommended amount is used to reinstate positions and funding for 13.0 FTE eliminated as part of the reduced resources package and to off-set increases in shrinkage recommended to fund other operating expenditures.

2. **Parsons State Hospital and Training Center.** Add \$36,000 from the State General Fund, as part of the recommendation to add \$3,206,914 across all state mental health and developmental disabilities institution budgets in response to concerns about the adequacy of funding under the Governor's recommendation to pay for operating expenditures. SRS was requested to suggest distribution of the funding based on an assessment of needs at each of the institutions. For this institution, funding is suggested to return utilities funding back to the agency's requested level.

### Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

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### House Budget Committee Report

**Agency:** Developmental Disabilities  
Institutions (DD Hospitals)

**Bill No.** 2968

**Bill Sec.** 43

**Analyst:** Kannarr

**Analysis Pg. No.** Vol. II-1225, 1248

**Budget Page No.** 253, 319

Expenditure	Agency Req. FY 07	Governor Rec. FY 07	Budget Committee Adjustments
<b>Kansas Neurological Institute</b>			
State General Fund	\$ 11,832,803	\$ 11,670,591	\$ 0
Other Funds	14,962,464	15,004,213	0
TOTAL	<u>\$ 26,795,267</u>	<u>\$ 26,674,804</u>	<u>\$ 0</u>
FTE Positions	588.2	575.2	0.0
<b>Parsons State Hospital and Training Center</b>			
State General Fund	\$ 8,652,673	\$ 8,629,055	\$ 0
Other Funds	14,966,158	14,354,998	0
TOTAL	<u>\$ 23,618,831</u>	<u>\$ 22,984,053</u>	<u>\$ 0</u>
FTE Positions	467.2	467.2	0.0

## **Kansas Neurological Institute (KNI)**

### **Agency Request**

The **agency** requests FY 2007 expenditures of \$26,795,267 including \$11,832,803 from the State General Fund. The request is an all funds decrease of \$1,064,296 (3.8 percent) and a State General Fund decrease of \$985,796 (7.7 percent) below the FY 2006 estimate.

The request includes State General Fund enhancements of \$196,690. These enhancements include: \$64,030 to pay for increased pharmaceutical costs; \$54,000 to pay for increased user fees from the Department of Administration; and \$78,660 to pay for increased utilities costs.

### **Governor's Recommendation**

The **Governor** recommends FY 2007 operating expenditures of \$26,674,804, including \$11,670,591 from the State General Fund. The recommendation is an all funds decrease of \$120,463 (0.4 percent) and a State General Fund decrease of \$162,212 (1.4 percent) below the agency request. As compared to the FY 2006 recommendation, the recommendation is an all funds decrease of \$455,274 (1.7 percent) and a State General Fund decrease of \$418,523 (3.5 percent).

- The Governor accepts a portion of the agency's reduced resources package and reduces expenditures by \$402,755 (\$223,753 State General Fund) and deletes a total of 13.0 FTE positions.
- The Governor does not recommend the agency enhancement package. However, the recommendation increases shrinkage from 2.77 percent to 3.83 percent and shifts the savings of \$221,395 to pharmaceutical costs.
- The Governor adds \$19,730 from the State General Fund for the reclassification of employees in skilled trades.
- The Governor adds \$458,758, including \$419,856 from the State General Fund, for the recommended 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006.

## **Parsons State Hospital and Training Center**

### **Agency Request**

The **agency** requests FY 2007 expenditures of \$23,618,831, including \$8,652,673 from the State General Fund. The request is an all funds increase of \$525,864 (2.3 percent) and a State General Fund decrease of \$2,296 (0.03 percent) from the revised FY 2006 estimate.

The major increase from FY 2006 to FY 2007 is in the salaries and wages portion of the budget which increases by \$561,756 (2.9 percent). This increase the net of an enhancement request of \$1,018,600 to reopen one of the vacant patient cottages and a decrease due to the absence of the 27<sup>th</sup> payroll period in FY 2007. The requested expenditures include an enhancement package totaling \$1,205,863, including \$594,703 from the State General Fund. Items in the enhancement package include: \$90,235 from the State General Fund for increased pharmaceutical costs; \$36,000 from the State General Fund for increased user fees; \$61,028 from the State General Fund for operating expenditures associated with the increased census; and \$1,018,600, including \$407,440 from the State General Fund, to reopen Willow cottage.

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### Governor's Recommendation

The **Governor** recommends FY 2007 expenditures of \$22,984,053, including \$8,629,055 from the State General Fund. The recommendation is an all funds decrease of \$634,778 (2.7 percent) and a State General Fund decrease of \$23,618 (0.3 percent) below the agency request. The Governor does not recommend any of the agency's requested enhancements totaling \$1,205,863, including \$594,703 from the State General Fund. The recommendation includes \$14,274 from the State General Fund for the reclassification of skilled tradespeople. The Governor recommends \$405,548 from the State General Fund for a 2.5 percent base salary adjustment which is offset by a decrease due to the absence of the 27<sup>th</sup> payroll period which occurred in FY 2006.

### House Budget Committee Recommendation

The Social Services Budget Committee concurs with the Governor's recommendation with the following comments:

1. **FY 2007 Baseline Budget.** To establish a baseline FY 2007 budget, the FY 2006 budget, as approved by the 2005 Legislature, was adjusted to reflect salary adjustments (removal of the 27<sup>th</sup> payroll period funding included in FY 2006, annualization of the FY 2006 phased in 2.5 percent base salary adjustment and statutorily required adjustments for Kansas Public Employees Retirement System (KPERS) rates, KPERS death and disability insurance, and longevity). In addition, adjustments were made for required debt service payments, revenue transfers, and consensus items including school finance funding and caseload estimates for the Department of Social and Rehabilitation Services, the Department of Administration, the Department on Aging, and the Board of Indigents' Defense Services. Finally, adjustments were made for one-time items which impact specific agency budgets.

**For these agencies**, the FY 2006 approved budget totaled \$49,806,816, including \$20,492,901 from the State General Fund. The approved budget was reduced by a net total of \$693,976, including \$859,531 from the State General Fund to establish a baseline budget for FY 2007. The reductions included \$693,826 in salary adjustments, and \$150 in one-time adjustments.

2. **Comparison of FY 2007 Baseline Budget to Governor's Recommendation.** The table below reflects the difference between the Governor's recommendation and the baseline budget.

	SGF	All Funds
Governor's Recommendation	\$ 20,299,646	\$ 49,658,857
Baseline Budget	19,633,370	49,112,840
Dollar Difference	<u>\$ 666,276</u>	<u>\$ 546,017</u>
<i>Percent Difference</i>	<i>3.4%</i>	<i>1.1%</i>

The following table reflects items included in the Governor's recommendation which differ from the baseline budget.

	<u>SGF</u>	<u>All Funds</u>
Base Salary Adjustment	\$ 825,898	\$ 864,800
Reclassification of skilled tradespeople	34,004	34,004
KNI - Portion of agency reduced resources package	(223,753)	(402,755)
KNI - Financing shift to fee funds	(181,849)	0
PSH&TC - Increased contractual services and commodities expenditures	151,263	151,263
Other miscellaneous adjustments	60,713	(101,295)
TOTAL	<u>\$ 666,276</u>	<u>\$ 546,017</u>

3. The Budget Committees expresses concern regarding the effect new Federal Medicare Part D provisions will have on the state hospitals. The impact is of particular concern at the Developmental Disability hospitals where approximately 68 percent of the residents are dual eligibles, meaning that they are eligible for Medicaid and Medicare. Under the federal provisions, Medicare Part D will pay for prescription drugs for low-income seniors and persons with disabilities who are dually eligible. According to testimony, the impact on these residents and the hospital budgets is uncertain at this time. Both of the hospitals contract for pharmaceutical services. These pharmacies will need to contract with the various drug plans for direct payment for the dual eligibles. The Budget Committee requests additional information from the agency at Omnibus on the anticipated effect of the federal program changes.
4. The Budget Committee is concerned about the ability of the hospitals to pay additional fees to the Department of Administration, Division of Information Systems and Communications (DISC) in light of their current budget situation. No additional money was recommended by the Governor to pay these increased fees in FY 2006. The Budget Committee requests information on increases in fees charged by the Department of Administration over the last five years. In addition, information on how fees charged to agencies are calculated is requested before the full Appropriations Committee works the budget bill.
5. The Budget Committee notes that the Governor recommended increased shrinkage to pay for other operating expenditures and that the hospitals have historically used this method to manage the budget at the state hospitals. The Budget Committee has some concerns with the effect these budget management techniques have on the ability of the hospitals to effectively treat patients. In addition, having too few staff may be putting patients and workers at risk especially in light on fact that patients at the state hospitals are often people that were not able to be handled by other facilities or in the community.

In response to these concerns, the Budget Committee discussed the need for additional funding at the hospitals to assist in paying for operating expenditures, including the ability to more fully staff positions and reduce reliance of shrinkage to pay other bills.

6. In light of the need to use increased shrinkage to pay for non-salary operating expenditures, the Budget Committee suggests that the hospitals more carefully evaluate the use of overtime in lieu of filling positions due to potential costs of worker's compensation due to injuries that might not occur as often if proper

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staffing is maintained. The Committee suggested that the hospitals should look at the real costs of not fully staffing positions and whether the costs of the additional staff would be offset by a decrease in overtime and workers' compensation payments.



**House Budget Committee Reports  
Capital Improvements**

The Budget Committees on the Department of Administration and the Department of Social and Rehabilitation Services have not yet reported to the full Appropriations Committee. As a result, this review does not include any changes made in those budgets.

**FY 2006**

State Fair

The Budget Committee recommends that the agency look into the cost-effectiveness of obtaining insurance to cover damages that may occur to State Fair facilities, such as in the case of the storm that damaged the Grandstand roof in July 2005. The Budget Committee notes that the Governor's FY 2006 capital improvements recommendation includes \$70,635 from the State General Fund for the agency's supplemental request to repair the roof.

**FY 2007**

Judicial Branch

The House Budget Committee deletes \$165,540 from the State General Fund recommended by the Governor for the creation of a judicial suite in response to the Judicial Branch's request to delay expansion of the Court of Appeals by one year and notes that SB 568, which would effectuate the delay, has been introduced.

Kansas Bureau of Investigation

1. The Budget Committee notes that the agency requested funding of \$763,011 from the State General Fund, including \$357,310 in FY 2007, to finish the existing second floor of the Great Bend Laboratory. The remaining amount of the funding is requested for fiscal years 2008, 2009, and 2010. The renovation would result in an additional 4,300 square feet for the forensic laboratory. The 2005 Legislature approved funding for this project beginning in FY 2006 from the Forensic Laboratory and Materials Fee Fund. The agency reports that balances in the fee fund are not sufficient to complete the project. The Budget Committee is interested in this project, and recommends further consideration of the project at Omnibus.

2. The agency reported that the IMA insurance company recently approached the agency about the possibility of purchasing its Topeka office. The IMA building is located next door to the KBI Headquarters building. IMA is consolidating its Topeka and Kansas City offices and is planning to vacate the building. The agency is actively exploring this possibility. The building was constructed in 1986 and has approximately 13,000 square feet, with eight offices, 42 Herman Miller style cubicles, two conference rooms, and almost 60 parking spaces. The agency reports that IMA would leave the furnishings, leaving the building in "move-in" condition, with the exception of some communication and security upgrades. The agency reported that some administrative offices, the

HOUSE APPROPRIATIONS

DATE 3-08-2006  
ATTACHMENT 3



Registered Offenders section, and the agent offices could be relocated to the IMA building, creating additional space in the existing Headquarters building for the laboratory. The Budget Committee directs the agency to report at Omnibus additional details regarding the possibility of this purchase.

#### Adjutant General's Department

The Budget Committee notes that the state is investing in the future of the Kansas National Guard through an extensive renovation of the state's Armories. The Budget Committee is concerned that changes in the National Guard may necessitate the closure or consolidation of Armories, possibly shortly after the renovation is complete. The Budget Committee directs the agency to analyze the future need of the state's Armories and report back during the 2007 Legislative Session.

#### State Fair

The Budget Committee recommends the agency report back, during the 2007 Session, to provide an update on the status of the Sheep Barn project. The agency reported that the estimated cost of one of the State Fair's master plan projects, the renovation and addition to the Sheep Barn, has increased from \$329,730 to almost \$1.0 million. The Division of Facilities Management and the Fire Marshal's Office requested some life safety modifications which significantly increased the estimated cost. The agency indicated that it is in the process of working out a possible solution with the Division of Facilities Management.

**HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Insurance Department

**Bill No.** HB 2957

**Bill Sec.** 7

**Analyst:** Robinson

**Analysis Pg. No.** Vol. I - 438

**Capital Budget Page No.** 211

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Rehabilitation and Repair	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Carpet and Flooring Replacement	30,000	30,000	30,000	30,000
Basement Retaining Wall and Stairs	25,000	25,000	25,000	25,000
Debt Service Principal - HVAC System*	37,500	37,500	37,500	37,500
<b>TOTAL</b>	<b>\$ 122,500</b>	<b>\$ 122,500</b>	<b>\$ 122,500</b>	<b>\$ 122,500</b>
<b>Financing:</b>				
Special Revenue Funds	\$ 122,500	\$ 122,500	\$ 122,500	\$ 122,500

\*An additional \$37,500 is included in the agency's operating budget for debt service interest payments.

**Agency Estimate/Governor's Recommendation**

The agency requests FY 2006 capital improvement expenditures totaling \$122,500, all from special revenue funds. The revised estimate includes \$30,000 for ongoing rehabilitation and repair projects, \$30,000 for ongoing carpet and flooring replacement, \$25,000 to repair or replace a retaining wall and stairs leading to the basement of the building, and \$37,500 for debt service principal payments to allow for improvements to the heating and cooling system in the Insurance Department Building. An additional \$37,500 in debt service interest payments is requested in the agency's operating budget.

The Governor concurs with the agency's revised current year estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the recommendations of the Governor.

HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE

CAPITAL IMPROVEMENTS

Agency: Kansas Insurance Department Bill No. HB 2957

Bill Sec. 7

Analyst: Robinson

Analysis Pg. No. Vol. I - 438

Capital Budget Page No. 211

Project	Agency Req. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Rehabilitation and Repair	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500
Carpet and Flooring Replacement	30,000	30,000	30,000	30,000
Basement Retaining Wall and Stairs	0	0	0	0
Debt Service Principal - HVAC System*	37,500	37,500	37,500	37,500
<b>TOTAL</b>	<b>\$ 99,000</b>	<b>\$ 99,000</b>	<b>\$ 99,000</b>	<b>\$ 99,000</b>

**Financing:**

Special Revenue Funds \$ 99,000 \$ 99,000 \$ 99,000 \$ 99,000

\*An additional \$37,500 is included in the agency's operating budget for debt service interest payments.

**Agency Request/Governor's Recommendation**

The agency requests FY 2007 capital improvement expenditures totaling \$99,000, all from special revenue funds. The request includes \$31,500 for ongoing rehabilitation and repair projects, \$30,000 for ongoing carpet and flooring replacement, and \$37,500 for debt service principal payments associated with improvements to the building's heating and cooling systems. An additional \$37,500 in debt service interest payments is requested in the agency's operating budget.

The Governor concurs with the agency's FY 2007 capital improvements request.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the recommendations of the Governor.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the recommendations of the Governor.

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**HOUSE JUDICIAL, TRANSPORTATION, AND  
RETIREMENT BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Judicial Branch

**Bill No. --**

**Bill Sec. --**

**Analyst:** Rampey

**Analysis Pg. No.** Vol. I-633

**Capital Budget Page No.** 212

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Suite for New Court of Appeals Judge	\$ 141,141	\$ 165,540	\$ (165,540)	\$ (165,540)
<b>TOTAL</b>	<u>\$ 141,141</u>	<u>\$ 165,540</u>	<u>\$ (165,540)</u>	<u>\$ (165,540)</u>
<b>Financing:</b>				
State General Fund	\$ 141,141	\$ 165,540	\$ (165,540)	\$ (165,540)
<b>TOTAL</b>	<u>\$ 141,141</u>	<u>\$ 165,540</u>	<u>\$ (165,540)</u>	<u>\$ (165,540)</u>

**Agency Request**

The **Judicial Branch** originally requested \$141,141 from the State General Fund to create a judicial suite for the 13<sup>th</sup> judge on the Court of Appeals and 2.0 FTE associated staff who are scheduled to be added in January 2007. The addition is part of a statutory expansion of the Court of Appeals, which will be completed in January 2008 with the addition of the 14<sup>th</sup> judge.

However, the Chief Judge of the Court of Appeals has asked the Legislature to introduce legislation to delay by one year the expansion of the Court of Appeals (SB 568).

**Governor's Recommendation**

The **Governor** recommends \$165,540 from the State General Fund for the creation of a judicial suite for the 13<sup>th</sup> judge. The apparent discrepancy between the Judicial Branch's request and the Governor's recommendation is a coding difference. (An additional \$24,399 requested by the Judicial Branch for capital outlay associated with the new judge is included in the operations portion of the budget, as recommended by the Governor.)

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction deletes \$165,540 recommended by the Governor for the creation of a judicial suite in response to the Judicial Branch's request to delay expansion of the Court of Appeals by one year and notes that SB 568, which would effectuate the

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delay, has been introduced.

### **House Budget Committee Recommendation**

The House Budget Committee deletes \$165,540 recommended by the Governor for the creation of a judicial suite in response to the Judicial Branch's request to delay expansion of the Court of Appeals by one year and notes that SB 568, which would effectuate the delay, has been introduced.

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**HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Commerce

**Bill No.** 2957

**Bill Sec.** 18

**Analyst:** Dunkel

**Analysis Pg. No.** Vol. I - 582

**Capital Budget Page No.** 211

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Rehabilitation and Repair	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
HVAC Replacement	238,500	238,500	238,500	238,500
Roof Replacement	138,000	138,000	138,000	138,000
Debt Service Principal	65,000	65,000	65,000	65,000
<b>TOTAL</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>
<b>Financing:</b>				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	521,500	521,500	521,500	521,500
<b>TOTAL</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>	<b>\$ 521,500</b>

**Agency Estimate/Governor's Recommendation**

The agency Estimates FY 2006 expenditures of \$521,500 other funds for Capital Improvements. Projects include rehabilitation and repair for the various buildings owned by the Department, replacement of the HVAC unit and roof and debt service payments for the Topeka Workforce Building,

The Governor concurs with the agency estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



**HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Commerce

**Bill No.** 2957

**Bill Sec.** 18

**Analyst:** Dunkel

**Analysis Pg. No.** Vol. I - 582

**Capital Budget Page No.** 211

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
HVAC Replacement	0	0	0	0
Roof Replacement	0	0	0	0
Debt Service Principal	65,000	65,000	65,000	65,000
<b>TOTAL</b>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>
<b>Financing:</b>				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	65,000	65,000	65,000	65,000
<b>TOTAL</b>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>	<u>\$ 65,000</u>

**Agency Estimate/Governor's Recommendation**

The agency requests FY 2007 expenditures of \$65,000 other funds for debt service payments for the Topeka Workforce Building.

The Governor concurs with the agency estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

**HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Department of Labor

**Bill No. --**

**Bill Sec. --**

**Analyst:** Spurgin

**Analysis Pg. No.** Vol. II-1203

**Capital Budget Page No.** 213

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
401 SW Topeka Blvd. Construct Parking Lot	\$ 224,395	\$ 224,395	\$ 224,395	\$ 224,395
Purchase Eastman Building	350,000	350,000	350,000	350,000
Remodel Eastman Building	0	350,000	350,000	350,000
1309 Topeka Blvd. HVAC	0	0	0	0
414 & 416 SW Jackson St.: Repair Roofs	33,255	33,255	33,255	33,255
<i>Subtotal - Projects</i>	<u>\$ 607,650</u>	<u>\$ 957,650</u>	<u>\$ 957,650</u>	<u>\$ 957,650</u>
<b>Rehabilitation and Repair:</b>				
General Rehab. & Repair of Buildings	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
1309 Topeka Blvd. Rehab. Interior	0	0	0	0
<i>Subtotal - Rehabilitation and Repair</i>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 40,000</u>
<b>Debt Service Principal:</b>				
401 Sw Topeka Blvd. Remodeling	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000
Revenue Bond Payment	62,000	62,000	62,000	62,000
<i>Subtotal - Capital Improvements</i>	<u>\$ 207,000</u>	<u>\$ 207,000</u>	<u>\$ 207,000</u>	<u>\$ 207,000</u>
<b>TOTAL</b>	<u><u>\$ 854,650</u></u>	<u><u>\$ 1,204,650</u></u>	<u><u>\$ 1,204,650</u></u>	<u><u>\$ 1,204,650</u></u>
<b>Financing:</b>				
Special Projects Fund	\$ 62,000	\$ 412,000	\$ 412,000	\$ 412,000
Special Employment Security Fund	145,000	145,000	145,000	145,000
Workers Compensation Fee Fund	20,000	20,000	20,000	20,000
Employment Security Administration Fund (ESAF)	53,255	53,255	53,255	53,255
ESAF-Property	574,395	574,395	574,395	574,395
<b>TOTAL</b>	<u><u>\$ 854,650</u></u>	<u><u>\$ 1,204,650</u></u>	<u><u>\$ 1,204,650</u></u>	<u><u>\$ 1,204,650</u></u>

**Agency Estimate**

The agency requests FY 2006 capital improvements expenditures of \$845,650. The estimate includes \$224,395 for the construction of a new parking lot at 401 SW Topeka Blvd. And \$350,000 for the purchase of the Eastman Building on the grounds of the former Topeka State Hospital. Both of these expenditures are funded through the Employment Security Administration Fund (ESAF)- Property, which is proceeds of funds from the sale of property originally purchased with federal funds. Other projects include \$33,255 to repair the roofs at 414 and 416t SW Jackson St. A total of \$207,000 for debt service principal payments are requested.

**Governor's Recommendation**

The Governor recommends FY 2006 capital improvements of \$1,204,650. The Governor concurs with the agency's request for FY 2006, and adds an additional \$350,000 from the Special Projects Fund for remodeling of the Eastman Building.

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### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

HOUSE GENERAL GOVERNMENT AND COMMERCE BUDGET COMMITTEE

CAPITAL IMPROVEMENTS

Agency: Department of Labor

Bill No. 2957

Bill Sec. 19

Analyst: Spurgin

Analysis Pg. No. Vol. II-1203

Capital Budget Page No. 213

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
401 SW Topeka Blvd. Construct Parking Lot	\$ 0	\$ 0	\$ 0	0
Purchase Eastman Building	0	0	0	0
Remodel Eastman Building	0	0	0	0
1309 Topeka Blvd. HVAC	125,000	125,000	125,000	125,000
414 & 416 SW Jackson St.: Repair Roofs	0	0	0	0
<i>Subtotal - Projects</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
<b>Rehabilitation and Repair:</b>				
General Rehab. & Repair of Buildings	\$ 40,000	\$ 40,000	\$ 40,000	40,000
1309 Topeka Blvd. Rehab. Interior	90,000	90,000	90,000	90,000
<i>Subtotal - Rehabilitation and Repair</i>	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>\$ 130,000</u>	<u>130,000</u>
<b>Debt Service Principal:</b>				
401 Sw Topeka Blvd. Remodeling	\$ 150,000	\$ 150,000	\$ 150,000	150,000
Revenue Bond Payment	62,000	62,000	62,000	62,000
<i>Subtotal - Capital Improvements</i>	<u>\$ 212,000</u>	<u>\$ 212,000</u>	<u>\$ 212,000</u>	<u>212,000</u>
<b>TOTAL</b>	<u><u>\$ 467,000</u></u>	<u><u>\$ 467,000</u></u>	<u><u>\$ 467,000</u></u>	<u><u>467,000</u></u>
<b>Financing:</b>				
Special Projects Fund	\$ 3,000	\$ 3,000	\$ 3,000	3,000
Special Employment Security Fund	209,000	209,000	209,000	209,000
Workers Compensation Fee Fund	20,000	20,000	20,000	20,000
Employment Security Administration Fund (ESAF)	235,000	235,000	235,000	235,000
ESAF-Property	0	0	0	0
<b>TOTAL</b>	<u><u>\$ 467,000</u></u>	<u><u>\$ 467,000</u></u>	<u><u>\$ 467,000</u></u>	<u><u>467,000</u></u>

**Agency Request**

The **agency** requests \$467,000 for capital improvements. The request includes \$125,000 to replace the HVAC system at 1309 S. Topeka Blvd., \$130,000 for rehabilitation and repair and \$212,000 for debt service principal payments.

**Governor's Recommendation**

The **Governor** concurs with the agency's request for FY 2007.

**Staff Note:** The *Governor's Budget Report* includes an additional \$1,495,000 debt service principal payment as a capital improvement/debt service expenditure. This debt service payment is related



to bonds for the agency's unemployment insurance technology upgrade project. Since the principal of this payment is not on capital improvements (buildings and property), but on capital outlay expenditures, the above table and the *Budget Analysis* for this agency reflects this recommendation as a capital outlay expenditure and not a capital improvement expense.

### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

**HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Commission on Veterans' Affairs

**Bill No. --**

**Bill Sec. --**

**Analyst:** Deckard

**Analysis Pg. No.** Vol.2-1463

**Capital Budget Page No.** 213

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Veterans Cemetery Program				
Fort Riley	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
Construct water wells	357,600	357,600	357,600	357,600
Rehabilitation and Repair				
Kansas Veteran' Home	137,380	137,380	137,380	137,380
Kansas Soldiers' Home	257,130	257,130	257,130	257,130
Kansas Veterans' Home				
Replace HVAC	94,752	94,752	94,752	94,752
Kansas Soldiers' Home				
Facility Conservation	7,995	7,995	7,995	7,995
<b>TOTAL</b>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>
<b>Financing:</b>				
State Institutions Building Fund	\$ 458,908	458,908	458,908	458,908
Federal Funds	845,949	845,949	845,949	845,949
<b>TOTAL</b>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>	<u>\$ 1,304,857</u>

**Agency Estimate**

The agency estimates \$1,304,857 for FY 2006 capital improvement projects. Of this amount, \$807,600 is for the Veterans Cemetery Program, \$394,510 is for rehabilitation and repair, and \$102,747 is for project at the two homes. Funding for the estimate includes \$458,908 from the State Institutions Building Fund and \$845,949 from federal funds.

**Governor's Recommendation**

The Governor concurs with the agency's estimate.



**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE

CAPITAL IMPROVEMENTS

Agency: Kansas Commission on Veterans' Affairs Bill No. HB 2957 Bill Sec.20

Analyst: Deckard Analysis Pg. No. Vol.2-1463 Capital Budget Page No. 213

Project	Agency Req. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Veterans Cemetery Program				
Fort Riley	\$ 4,507,403	\$ 4,507,403	\$ 4,507,403	\$ 4,507,403
Rehabilitation and Repair				
Kansas Veteran' Home	100,000	100,000	100,000	100,000
Kansas Soldiers' Home	279,615	279,615	279,615	279,615
Cemeteries	100,000	100,000	100,000	100,000
Kansas Veterans' Home				
Bleckley Hall Entry Remodel	31,500	31,500	31,500	31,500
Backup Generator	1,445,590	1,445,590	1,445,590	1,445,590
Kansas Soldiers' Home				
Home Health and Safety	1,246,390	1,246,390	1,246,390	1,246,390
Dementia Unit Remodel	50,000	50,000	50,000	50,000
Backup Generator	617,500	617,500	617,500	617,500
<b>TOTAL</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>
<b>Financing:</b>				
State Institutions Building Fund	\$ 1,669,433	\$ 1,669,433	\$ 1,669,433	\$ 1,669,433
Federal Funds	6,708,565	6,708,565	6,708,565	6,708,565
<b>TOTAL</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>	<b>\$ 8,377,998</b>

Agency Request

The agency requests \$8,377,998 for FY 2007 capital improvement projects. The request is an increase of \$7,073,141 or 542.1 percent above the FY 2006 estimate. Of the request, \$4,507,403 is for the Veterans Cemetery Program, \$479,615 is for rehabilitation and repair projects, and \$3,390,980 is for projects at the two homes. Funding for the request includes \$1,669,433 from the State Institutions Building Fund and \$6,708,565 from federal funds.

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**Governor's Recommendation**

The Governor concurs with the Agency's request.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

**HOUSE EDUCATION BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** School for the Deaf

**Bill No. --**

**Bill Sec. --**

**Analyst:** Alishahi

**Analysis Pg. No. Vol. II-811 Capital Budget Page No. Vol. I-215**

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Key Card Entry System	\$ 108,000	\$ 108,000	\$ 108,000	\$ 108,000
Gym Roof Repair	33,256	33,256	33,256	33,256
Roth Dorm Renovation	1,844,968	1,844,968	1,844,968	1,844,968
Subtotal-Projects	\$ 1,986,224	\$ 1,986,968	\$ 1,986,968	\$ 1,986,968
<b>Rehabilitation and Repair</b>	\$ 183,430	\$ 183,430	\$ 183,430	\$ 183,430
<b>Debt Service Principal:</b>				
Facilities Conservation Improvement Program:				
Energy Improvements	\$ 52,021	\$ 52,021	\$ 52,021	\$ 52,021
<b>TOTAL</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>
<b>Financing:</b>				
State General Fund	\$ 52,021	\$ 52,021	\$ 52,021	\$ 52,021
State Institutions Building Fund (SIBF)	2,169,654	2,169,654	2,169,654	2,169,654
<b>TOTAL</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>	<b>\$ 2,221,675</b>

**Agency Estimate**

The agency estimates FY 2006 capital improvements expenditures of \$2,221,675, an increase of \$1,076,464 or 94.0 percent above the approved amount. The increase is the result of State Institutions Building Fund (SIBF) reappropriations of: \$1,039,778 for the Roth Dorm Renovation project, \$33,256 for the Gym Roof Repair project, and \$3,430 for rehabilitation and repair.

**Governor's Recommendation**

The Governor concurs with the agency's revised estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

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# HOUSE EDUCATION BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

**Agency:** School for the Deaf

**Bill No.** HB 2957

**Bill Sec.** 05

**Analyst:** Alishahi

**Analysis Pg. No.** Vol. II-811

**Capital Budget Page No.** Vol. I-215

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Roth Dorm Renovation - Study	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Tuckpoint and Seal Roth Building	140,000	0	0	0
Subtotal-Projects	<u>\$ 165,000</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
<b>Rehabilitation and Repair</b>	<b>\$ 190,000</b>	<b>\$ 185,000</b>	<b>\$ 185,000</b>	<b>\$ 185,000</b>
<b>Debt Service Principal:</b>				
Facilities Conservation Improvement Program: Energy Improvements	\$ 54,197	\$ 54,197	\$ 54,197	\$ 54,197
<b>TOTAL</b>	<b><u>\$ 409,197</u></b>	<b><u>\$ 264,197</u></b>	<b><u>\$ 264,197</u></b>	<b><u>\$ 264,197</u></b>
<b>Financing:</b>				
State General Fund	\$ 54,197	\$ 54,197	\$ 54,197	\$ 54,197
State Institutions Building Fund (SIBF)	355,000	210,000	210,000	210,000
<b>TOTAL</b>	<b><u>\$ 409,197</u></b>	<b><u>\$ 264,197</u></b>	<b><u>\$ 264,197</u></b>	<b><u>\$ 264,197</u></b>

### Agency Request

The agency requests FY 2007 capital improvement expenditures of \$409,197, including \$165,000 from the State Institutions Building Fund (SIBF) for two building projects, \$190,000 from SIBF for rehabilitation and repair, and \$54,197 from the State General Fund for the debt service principal payment for energy improvements under the Facilities Conservation Improvement Program.

- **Enhancement Request.** The agency's request includes an enhancement totaling \$5,000 from SIBF for additional funding for rehabilitation and repair.

### Governor's Recommendation

The Governor recommends FY 2007 capital improvements expenditures of \$264,197. The recommendation is \$145,000 or 35.4 percent less than the agency's FY 2007 request and does not include:

- \$140,000 from SIBF for tuck-pointing and seal repairs on the Roth Building; and
- \$5,000 from SIBF for the agency's enhancement request for additional rehabilitation and repair funds.

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### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



HOUSE EDUCATION BUDGET COMMITTEE

CAPITAL IMPROVEMENTS

Agency: School for the Blind

Bill No. --

Bill Sec. --

Analyst: Alishahi

Analysis Pg. No. Vol. II-828 Capital Budget Page No. Vol. I-215

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Reroof Vogel Education Building	\$ 123,825	\$ 123,825	\$ 123,825	\$ 123,825
<b>Rehabilitation and Repair</b>				
	\$ 179,073	\$ 179,073	\$ 179,073	\$ 179,073
<b>Debt Service Principal:</b>				
Facilities Conservation Improvement Program: Energy Improvements	\$ 32,464	\$ 32,464	\$ 32,464	\$ 32,464
<b>TOTAL</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>
<b>Financing:</b>				
State General Fund	\$ 28,613	\$ 28,613	\$ 28,613	\$ 28,613
State Institutions Building Fund (SIBF)	302,898	302,898	302,898	302,898
General Fees Fund	3,851	3,851	3,851	3,851
<b>TOTAL</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>	<b>\$ 335,362</b>

Agency Estimate

The agency estimates FY 2006 capital improvements expenditures of \$335,362, an increase of \$147,297 or 78.3 percent above the approved amount. The increase reflects:

- A reappropriation of \$114,833 from the State Institutions and Buildings Fund for rehabilitation and repair; and
- An additional \$32,464, including \$28,613 from the State General Fund, that was shifted from capital outlay to capital improvements for a debt service principal payment for energy improvements under the Facilities Conservation Improvement Program.

Governor's Recommendation

The Governor concurs with the agency's revised estimate.

Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

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## House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation.

# HOUSE EDUCATION BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

**Agency:** School for the Blind

**Bill No.** HB 2957

**Bill Sec.** 04

**Analyst:** Alishahi

**Analysis Pg. No.** Vol. II-828

**Capital Budget Page No.** Vol. I-215

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Install Underground Drain	\$ 57,150	\$ 0	\$ 0	0
<b>Rehabilitation and Repair</b>	<b>\$ 67,451</b>	<b>\$ 67,451</b>	<b>\$ 67,451</b>	<b>67,451</b>
<b>Debt Service Principal:</b>				
Facilities Conservation Improvement Program: Energy Improvements	\$ 25,276	\$ 25,276	\$ 25,276	25,276
<b>TOTAL</b>	<b>\$ 149,877</b>	<b>\$ 92,727</b>	<b>\$ 92,727</b>	<b>\$ 92,727</b>
<b>Financing:</b>				
State General Fund	\$ 25,276	\$ 25,276	\$ 25,276	25,276
State Institutions Building Fund (SIBF)	124,601	67,451	67,451	67,451
<b>TOTAL</b>	<b>\$ 149,877</b>	<b>\$ 92,727</b>	<b>\$ 92,727</b>	<b>\$ 92,727</b>

### Agency Request

The agency requests FY 2007 capital improvement expenditures of \$149,877. This request includes \$57,150 from the State Institutions Building Fund (SIBF) for an underground drain installation project, \$67,451 from SIBF for rehabilitation and repair, and \$25,276 from the State General Fund for the debt service principal payment for energy improvements under the Facilities Conservation Improvement Program.

### Governor's Recommendation

The Governor recommends FY 2007 capital improvements expenditures of \$92,727. The recommendation includes \$67,451 from SIBF for rehabilitation and repair and \$25,276 from the State General Fund for the debt service principal payment. The Governor does not recommend the agency's request for \$57,150 from SIBF for an underground drain installation project.

### Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation.

**HOUSE EDUCATION BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** State Historical Society

**Bill No.** 2958

**Bill Sec.** 48

**Analyst:** Spurgin

**Analysis Pg. No.** Vol. II-842

**Capital Budget Page No.** 209

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Routine Maintenance/Emergency repairs; Special Projects	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Replace Skylights	184,420	184,420	184,420	184,420
Grinter Place	150,000	150,000	150,000	150,000
Hays Guardhouse	0	0	0	0
Hays Officers Quarters	59,000	59,000	59,000	59,000
Shawnee Indian Mission	50,477	50,477	50,477	50,477
William Allen White House	10,594	10,594	10,594	10,594
Constitution Hall	27,820	27,820	27,820	27,820
Reappropriated State General Fund	1,199	1,199	1,199	1,199
5-year capital improvement plan expenses:				
Historic Sites preservation and development	0	0	0	0
Museum Rehabilitation	0	0	0	0
<b>Unexplained capital improvements</b>	<b>81,708</b>	<b>81,708</b>	<b>81,708</b>	<b>81,708</b>
<b>TOTAL</b>	<b>\$ 689,019</b>	<b>\$ 689,019</b>	<b>\$ 689,189</b>	<b>\$ 608,510</b>
<b>Financing:</b>				
State General Fund	\$ 340,619	\$ 340,619	\$ 340,619	\$ 340,619
Other Funds	348,400	348,400	348,400	348,400
<b>TOTAL</b>	<b>\$ 689,019</b>	<b>\$ 689,019</b>	<b>\$ 689,019</b>	<b>\$ 607,311</b>

**Staff Note:** *There were several technical oversights with the agency's submission addressing capital improvements for FY 2006 and FY 2007. The chart above reflects the actual submission.*

**Agency Estimate**

For FY 2006, the agency requests:

- **\$340,619 from the State General Fund.** The agency requests \$340,619 for capital improvements. The agency was appropriated \$125,000 for emergency repairs and maintenance from the State General Fund for FY 2006. The agency has a reappropriation of \$1,199 from capital improvements funding appropriated from the State General Fund from 2005, which was not spent and carried forward to FY 2006. The agency also was appropriated \$30,000 from the State General Fund as the state's match towards grant funding of \$120,000 for capital improvements at the Grinter Place State Historic Site. This appropriation was made with the proviso that the funding was contingent on the agency's successful application for the \$120,000 in federal grant funding, which was approved late in FY 2005.



The agency has requested an additional \$184,420 as a supplemental appropriation in the FY 2006 revised estimate due to the need to repair the skylights at the State Historical Society Museum and Research Center in Topeka. The skylights have seals that have worn out with age allowing water to collect between the two panes of glass. When the water freezes, it is causing the skylights to shatter and fall to the ground. The skylights are located both on the inside of the entrance of the building and on the canopy over the entrance and walkway between the museum and the research center.

- **\$348,400 in other funds.** The agency has requested \$348,400 from special revenue funds for other capital improvements projects. These projects include \$120,000 for the Grinter Place State Historic Site; \$27,820 for Constitution Hall; \$59,000 for the Fort Hays Officers' Quarters; \$50,477 for the Shawnee Indian Mission; and \$10,594 for the William Allen White House. The agency's request included \$81,708 from special revenue funds that did not match with any project.

### **Governor's Recommendation**

The **Governor** concurs with the agency's FY 2006 estimate for capital improvements, including the supplemental request of \$184,420 from the State General Fund for repair of the skylights at the State Historical Society Museum and Research Center in Topeka.

**Staff Note:** *The agency has reported that the requested budget for capital improvements for FY 2006 was in error and the correct request should be \$608,510, of which \$340,619 is from the State General Fund and \$267,891 is from special revenue funds.*

### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



HOUSE EDUCATION BUDGET COMMITTEE ON  
CAPITAL IMPROVEMENTS

Agency: State Historical Society

Bill No. 2957

Bill Sec. 6

Analyst: Spurgin

Analysis Pg. No. Vol. II-842

Capital Budget Page No. 221

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Routine Maintenance/Emergency repairs; Special Projects	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Replace Skylights	184,420	184,420	184,420	184,420
Grinter Place	0	0	0	0
Hays Guardhouse	0	0	0	0
Hays Officers Quarters	0	0	0	0
Shawnee Indian Mission	0	0	0	0
William Allen White House	0	0	0	0
Constitution Hall	0	0	0	0
5-year capital improvement plan expenses:				
Historic Sites preservation and development	280,000	0	0	0
Museum Rehabilitation	515,039	0	0	0
<b>Unexplained capital improvements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>\$ 920,039</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>
<b>Financing:</b>				
State General Fund	\$ 920,039	\$ 125,000	\$ 125,000	\$ 125,000
Other Funds	0	0	0	0
<b>TOTAL</b>	<b>\$ 920,039</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>

**Agency Request**

For FY 2007, the agency requests:

- **\$920,039 from the State General Fund.** The agency requests \$125,000 to fund emergency repairs and maintenance. The remainder of the agency's request for projects from the State General Fund include \$515,039 for museum repair and \$280,000 for historic sites preservation and development.

**Staff Note:** The agency has reported that the request for FY 2007 capital improvements should have been \$1,034,435, including \$640,039 from the State General Fund and \$394,400 from special revenue funds. The projects funded by special revenue funds include \$200,000 for the Shawnee Indian Mission and \$194,400 for the Fort Hays Guardhouse. In the revised figures, the agency did not include any reference to the \$280,000 for historic sites preservation and development, which was included in the five year capital improvements plan and seemed to be included in the submitted budget.

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**Governor's Recommendation**

The **Governor** recommends \$125,000 from the State General Fund for emergency repairs and maintenance. No other State General Fund capital improvements are recommended.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

# HOUSE EDUCATION BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

Agency: Postsecondary Education System

Bill No. - -

Bill Sec. - -

Analyst: Hollon

Analysis Pg. No. Various

Capital Budget Page No. Various

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
<b>Board of Regents</b>				
Debt Service Principal - Crumbling Classrooms	\$ 10,880,000	\$ 10,880,000	\$ 10,880,000	\$ 10,880,000
<b>University of Kansas</b>				
Rehabilitation and Repair (EBF)	\$ 7,581,317	\$ 7,581,317	\$ 7,581,317	\$ 7,581,317
Rehabilitation and Repair (Other)	725,706	725,706	725,706	725,706
Multicultural Resource Ctr Construction	2,603,316	2,603,316	2,603,316	2,603,316
Student Rec Center Expansion	600,000	600,000	600,000	600,000
Campus Lighting	136,663	136,663	136,663	136,663
Watkins Health Center Maintenance	91,000	91,000	91,000	91,000
Wescoe Hall Renovation	3,500,000	3,500,000	3,500,000	3,500,000
Stouffer Place Apts Renovation	609,986	609,986	609,986	609,986
Scholarship Hall #4 Construction	197,750	197,750	197,750	197,750
Parking Lot Maintenance	2,648,405	2,648,405	2,648,405	2,648,405
Debt Service Principal	3,982,388	3,982,388	3,982,388	3,982,388
<i>Subtotal - University of Kansas</i>	<u>\$ 22,676,531</u>	<u>\$ 22,676,531</u>	<u>\$ 22,676,531</u>	<u>\$ 22,676,531</u>
<b>KU Medical Center</b>				
Rehabilitation and Repair (EBF)	\$ 1,770,225	\$ 1,770,225	\$ 1,770,225	\$ 1,770,225
Debt Service - Principal	1,210,000	1,210,000	1,210,000	1,210,000
<i>Subtotal - KU Medical Center</i>	<u>\$ 2,980,225</u>	<u>\$ 2,980,225</u>	<u>\$ 2,980,225</u>	<u>\$ 2,980,225</u>
<b>Kansas State University</b>				
Rehabilitation and Repair (EBF)	\$ 5,330,493	\$ 5,330,493	\$ 5,330,493	\$ 5,330,493
Lease Payment - Aeronautical Center	189,446	189,446	189,446	189,446
Runway Improvements - Salina	2,000,000	2,000,000	2,000,000	2,000,000
Haymaker Hall Renovation	1,725,000	1,725,000	1,725,000	1,725,000
Parking Lot Maintenance	800,000	800,000	800,000	800,000
Debt Service Principal	3,367,661	3,367,661	3,367,661	3,367,661
<i>Subtotal - Kansas State University</i>	<u>\$ 13,412,600</u>	<u>\$ 13,412,600</u>	<u>\$ 13,412,600</u>	<u>\$ 13,412,600</u>
<b>KSU Veterinary Medical Center</b>				
Animal Resource Center	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
<b>Wichita State University</b>				
Rehabilitation and Repair (EBF)	\$ 2,838,392	\$ 2,838,392	\$ 2,838,392	\$ 2,838,392
Debt Service Principal	1,830,000	1,830,000	1,830,000	1,830,000
<i>Subtotal - Wichita State University</i>	<u>\$ 4,668,392</u>	<u>\$ 4,668,392</u>	<u>\$ 4,668,392</u>	<u>\$ 4,668,392</u>
<b>Emporia State University</b>				
Rehabilitation and Repair (EBF)	\$ 1,349,948	\$ 1,349,948	\$ 1,349,948	\$ 1,349,948
Rehabilitation and Repair (Other)	2,199	2,199	2,199	2,199
Parking Lot Improvements	90,000	90,000	90,000	90,000

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Debt Service Principal	512,700	512,700	512,700	512,700
Subtotal - Emporia State University	\$ 1,954,847	\$ 1,954,847	\$ 1,954,847	\$ 1,954,847

**Fort Hays State University**

Rehabilitation and Repair (EBF)	\$ 1,294,140	\$ 1,294,140	\$ 1,294,140	\$ 1,294,140
Parking Lot Maintenance	150,000	150,000	150,000	150,000
Debt Service Principal	375,424	375,424	375,424	375,424
Subtotal - Fort Hays State University	\$ 1,819,564	\$ 1,819,564	\$ 1,819,564	\$ 1,819,564

**Pittsburg State University**

Rehabilitation and Repair (EBF)	\$ 1,122,034	\$ 1,122,034	\$ 1,122,034	\$ 1,122,034
Student Health Center Improvements	20,000	20,000	20,000	20,000
Residence Hall Maintenance	750,000	750,000	750,000	750,000
Student Center Improvements	250,000	250,000	250,000	250,000
Armory/Clssrm/Rec Center Const.	6,175,562	6,175,562	6,175,562	6,175,562
Parking Lot Maintenance	400,000	400,000	400,000	400,000
Debt Service Principal	780,597	780,597	780,597	780,597
Subtotal - Pittsburg State University	\$ 9,498,193	\$ 9,498,193	\$ 9,498,193	\$ 9,498,193

<b>TOTAL</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>
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**Financing:**

State General Fund	\$ 2,044,313	\$ 2,044,313	\$ 2,044,313	\$ 2,044,313
General Fees Fund	2,230,138	2,230,138	2,230,138	2,230,138
Educational Building Fund	32,424,806	32,424,806	32,424,806	32,424,806
Other Funds	31,491,095	31,491,095	31,491,095	31,491,095
<b>TOTAL</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>	<b>\$ 68,190,352</b>

**Agency Estimate**

The **agency** estimates FY 2006 capital improvement expenditures of \$68.2 million including \$2.0 million from the State General Fund for ongoing debt service payments. The estimate of \$32.4 million from the Educational Building Fund includes \$10.9 million for Crumbling Classrooms debt service principal payments and \$21.5 million for systemwide rehabilitation and repair projects.

**Governor's Recommendation**

The **Governor** concurs with the agency's estimate.

**Joint Committee on State Building Construction Recommendation**

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

# HOUSE EDUCATION BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

**Agency:** Postsecondary Education System

**Bill No.** 2957

**Bill Sec.** Various

**Analyst:** Hollon

**Analysis Pg. No.** Various **Capital Budget Page No.** Various

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
<b>Board of Regents</b>				
Systemwide Rehabilitation and Repair	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
Debt Service Principal - Crumbling Classrooms	11,450,000	11,450,000	11,450,000	11,450,000
Debt Service Principal - Research Corporation Bonds	6,000,000	6,000,000	6,000,000	6,000,000
<i>Subtotal - Board of Regents</i>	<u>\$ 32,450,000</u>	<u>\$ 32,450,000</u>	<u>\$ 32,450,000</u>	<u>\$ 32,450,000</u>
<b>University of Kansas</b>				
Stouffer Place Apts Renovation	\$ 630,021	\$ 630,021	\$ 630,021	\$ 630,021
Scholarship Hall #4 Construction	3,302,250	3,302,250	3,302,250	3,302,250
Utility Tunnel Improvements	8,800,000	0	0	0
Parking Lot Maintenance	600,180	600,180	600,180	600,180
Debt Service Principal	4,320,271	4,320,271	4,320,271	4,320,271
<i>Subtotal - University of Kansas</i>	<u>\$ 17,652,722</u>	<u>\$ 8,852,722</u>	<u>\$ 8,852,722</u>	<u>\$ 8,852,722</u>
<b>KU Medical Center</b>				
Applegate Energy Center	\$ 6,228,701	\$ 0	\$ 0	\$ 0
Lied Building Renovation	2,000,000	2,000,000	2,000,000	2,000,000
Parking Lot Maintenance	550,000	550,000	550,000	550,000
Debt Service - Principal	815,000	815,000	815,000	815,000
<i>Subtotal - KU Medical Center</i>	<u>\$ 9,593,701</u>	<u>\$ 3,365,000</u>	<u>\$ 3,365,000</u>	<u>\$ 3,365,000</u>
<b>Kansas State University</b>				
Lease Payment - Aeronautical Center	\$ 189,446	\$ 189,446	\$ 189,446	\$ 189,446
Runway Improvements - Salina	2,000,000	2,000,000	2,000,000	2,000,000
Memorial Stadium Renovation	515,000	0	0	0
Parking Lot Maintenance	800,000	800,000	800,000	800,000
Debt Service Principal	4,606,321	4,606,321	4,606,321	4,606,321
<i>Subtotal - Kansas State University</i>	<u>\$ 8,110,767</u>	<u>\$ 7,595,767</u>	<u>\$ 7,595,767</u>	<u>\$ 7,595,767</u>
<b>KSU Veterinary Medical Center</b>				
Animal Resource Center	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000
<b>Wichita State University</b>				
Campus Energy Plant Study	\$ 145,000	\$ 0	\$ 0	\$ 0
Debt Service Principal	1,965,000	1,965,000	1,965,000	1,965,000
<i>Subtotal - Wichita State University</i>	<u>\$ 2,110,000</u>	<u>\$ 1,965,000</u>	<u>\$ 1,965,000</u>	<u>\$ 1,965,000</u>
<b>Emporia State University</b>				
Rehabilitation and Repair (Other)	\$ 2,200	\$ 2,200	\$ 2,200	\$ 2,200
WAW Library Addition	425,036	0	0	0
Parking Lot Improvements	90,000	90,000	90,000	90,000
Debt Service Principal	528,378	528,378	528,378	528,378

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<i>Subtotal - Emporia State University</i>	\$ 1,045,614	\$ 620,578	\$ 620,578	\$ 620,578
<b>Fort Hays State University</b>				
Picken Hall Renovation	\$ 320,000	\$ 0	\$ 0	\$ 0
Parking Lot Maintenance	300,000	300,000	300,000	300,000
Debt Service Principal	394,511	394,511	394,511	394,511
<i>Subtotal - Fort Hays State University</i>	\$ 1,014,511	\$ 694,511	\$ 694,511	\$ 694,511
<b>Pittsburg State University</b>				
Residence Hall Maintenance	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000
Student Center Improvements	250,000	250,000	250,000	250,000
McCray Hall Renovation	3,437,280	0	0	0
Parking Lot Maintenance	250,000	250,000	250,000	250,000
Debt Service Principal	824,141	824,141	824,141	824,141
<i>Subtotal - Pittsburg State University</i>	\$ 5,511,421	\$ 2,074,141	\$ 2,074,141	\$ 2,074,141
<b>TOTAL</b>	<b>\$ 77,803,736</b>	<b>\$ 57,932,719</b>	<b>\$ 57,932,719</b>	<b>\$ 57,932,719</b>
<b>Financing:</b>				
State General Fund	\$ 22,064,347	\$ 2,193,330	\$ 2,193,330	\$ 2,193,330
General Fees Fund	1,489,104	1,489,104	1,489,104	1,489,104
Educational Building Fund	26,450,000	26,450,000	26,450,000	26,450,000
Other Funds	27,800,285	27,800,285	27,800,285	27,800,285
<b>TOTAL</b>	<b>\$ 77,803,736</b>	<b>\$ 57,932,719</b>	<b>\$ 57,932,719</b>	<b>\$ 57,932,719</b>

## Agency Request

The **agency** requests \$77.8 million for FY 2007 capital improvement expenditures. The request includes \$22.1 million from the State General Fund for ongoing leases and debt service (\$2.2 million) as well as funding for new projects (\$19.9 million). Also included in the request is \$26.5 million from the Educational Building Fund for systemwide rehabilitation and repair (\$15.0 million) and debt service on the principal of the Crumbling Classrooms bond issuance (\$11.5 million). Kansas State University requests bonding authority of \$17.5 million for a parking facility.

## Governor's Recommendation

The **Governor** recommends FY 2007 capital improvement expenditures of \$57.9 million. The recommendation includes \$2.2 million from the State General Fund for ongoing projects and debt service, but does not include funding for new projects. The Governor concurs with the non-State General Fund portion of the request including bonding authority at Kansas State University.

## Joint Committee on State Building Construction Recommendation

The **Joint Committee on State Building Construction** concurs with the Governor's recommendation.

## House Budget Committee Recommendation

The **House Budget Committee** concurs with the Governor's recommendation.

**HOUSE PUBLIC SAFETY BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

Agency: Department of Corrections Bill No. HB 2957

Bill Sec. 21

Analyst: Krahl

Analysis Pg. No. Vol.1 - 32 Capital Budget Page No. 221

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
<b>Department of Corrections</b>				
Rehabilitation and Repair	\$ 2,876,296	\$ 2,876,296	\$ 2,876,296	\$ 2,876,296
KCI Rehabilitation and Repair	815,000	815,000	815,000	815,000
Debt Service Principal	4,965,000	4,965,000	4,965,000	4,965,000
SUBTOTAL - DOC	\$ 8,656,296	\$ 8,656,296	\$ 8,656,296	\$ 8,656,296
<b>EI Dorado Correctional Facility</b>				
Rehabilitation and Repair	\$ 11,953	\$ 11,953	\$ 11,953	\$ 11,953
Debt Service Principal	171,431	171,431	171,431	171,431
SUBTOTAL - EDCF	\$ 183,384	\$ 183,384	\$ 183,384	\$ 183,384
<b>Ellsworth Correctional Facility</b>				
Rehabilitation and Repair	\$ 49,947	\$ 49,947	\$ 49,947	\$ 49,947
Debt Service Principal	74,353	74,353	74,353	74,353
SUBTOTAL - ECF	\$ 124,300	\$ 124,300	\$ 124,300	\$ 124,300
<b>Hutchinson Correctional Facility</b>				
Rehabilitation and Repair	\$ 143,826	\$ 143,826	\$ 143,826	\$ 143,826
Debt Service Principal	237,777	237,777	237,777	237,777
SUBTOTAL - HCF	\$ 381,603	\$ 381,603	\$ 381,603	\$ 381,603
<b>Lansing Correctional Facility</b>				
Rehabilitation and Repair	\$ 490,710	\$ 490,710	\$ 490,710	\$ 490,710
Debt Service Principal	317,347	317,347	317,347	317,347
SUBTOTAL - LCF	\$ 808,057	\$ 808,057	\$ 808,057	\$ 808,057
<b>Larned Correctional Mental Health Facility</b>				
Rehabilitation and Repair	\$ 641	\$ 641	\$ 641	\$ 641
Debt Service Principal	14,326	14,326	14,326	14,326
SUBTOTAL - LCMHF	\$ 14,877	\$ 14,877	\$ 14,877	\$ 14,877
<b>Norton Correctional Facility</b>				
Rehabilitation and Repair	\$ 453,200	\$ 453,200	\$ 453,200	\$ 453,200
Debt Service Principal	143,672	143,672	143,672	143,672
SUBTOTAL - NCF	\$ 596,872	\$ 596,872	\$ 596,872	\$ 596,872
<b>Topeka Correctional Facility</b>				
Rehabilitation and Repair	\$ 306,771	\$ 306,771	\$ 306,771	\$ 306,771
Debt Service Principal	61,736	61,736	61,736	61,736
SUBTOTAL - TCF	\$ 368,507	\$ 368,507	\$ 368,507	\$ 368,507
<b>Winfield Correctional Facility</b>				
Rehabilitation and Repair	\$ 368,401	\$ 368,401	\$ 368,401	\$ 368,401
Debt Service Principal	120,293	120,293	120,293	120,293
SUBTOTAL - WCF	\$ 488,694	\$ 488,694	\$ 488,694	\$ 488,694
<b>TOTAL - DOC and Facilities</b>	<b>\$ 11,622,590</b>	<b>\$ 11,622,590</b>	<b>\$ 11,622,590</b>	<b>\$ 11,622,590</b>

**Financing:**

State General Fund (SGF)	\$ 4,485,845	\$ 4,485,845	\$ 4,485,845	\$ 4,485,845
Correctional Institutions Building Fund (CIBF)	6,321,745	6,321,745	6,321,745	6,321,745
Correctional Industries Fund (CIF)	815,000	815,000	815,000	815,000
<b>TOTAL</b>	<u>\$11,622,590</u>	<u>\$11,622,590</u>	<u>\$11,622,590</u>	<u>\$11,622,590</u>

**Agency Estimate**

The agency estimates for FY2006 capital improvements of \$11,622,590 of which \$4,485,845 is from the State General Fund; \$6,321,745 is from the Correctional Institutions Building Fund and \$815,000 is from the Correctional Industries Fund for Kansas Correctional Industries (KCI). The revised estimate includes \$5,516,745 for rehabilitation and repairs, of which \$4,701,745 is from the Correctional Building Fund and \$815,000 from the Correctional Industries Fund for KCI. The debt service principal of \$6,105,845, including \$4,485,845 from the State General Fund, includes \$1,140,845 from the State General Fund for the Facilities Conservation Improvement Program debt service.

**Governor's Recommendation**

The Governor concurs with the Department of Corrections revised estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



**HOUSE PUBLIC SAFETY BUDGET COMMITTEE ON**

**CAPITAL IMPROVEMENTS**

**Agency:** Department of Corrections

**Bill No.** HB 2957

**Bill Sec.** 21

**Analyst:** Krahl

**Analysis Pg. No.** Vol.1 - 32 **Capital Budget Page No.** 221

Project	Agency Req. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
<b>Department of Corrections</b>				
Rehabilitation and Repair	\$ 4,935,867	\$ 3,246,170	\$ 3,246,170	\$ 3,246,170
KCI Rehabilitation and Repair	530,000	530,000	530,000	530,000
Debt Service Principal	3,980,000	3,980,000	3,980,000	3,980,000
SUBTOTAL - DOC	\$ 9,445,867	\$ 7,756,170	\$ 7,756,170	\$ 7,756,170
<b>EI Dorado Correctional Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	171,431	171,431	171,431	171,431
SUBTOTAL - EDCF	\$ 171,431	\$ 171,431	\$ 171,431	\$ 171,431
<b>Ellsworth Correctional Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	77,097	77,097	77,097	77,097
SUBTOTAL - ECF	\$ 77,097	\$ 77,097	\$ 77,097	\$ 77,097
<b>Hutchinson Correctional Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	248,112	248,112	248,112	248,112
SUBTOTAL - HCF	\$ 248,112	\$ 248,112	\$ 248,112	\$ 248,112
<b>Lansing Correctional Facility</b>				
Rehabilitation and Repair	\$ 5,997,363	\$ 0	\$ 0	\$ 0
Debt Service Principal	328,842	328,842	328,842	328,842
SUBTOTAL - LCF	\$ 6,326,205	\$ 328,842	\$ 328,842	\$ 328,842
<b>Larned Correctional Mental Health Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	14,762	14,762	14,762	14,762
SUBTOTAL - LCMHF	\$ 14,762	\$ 14,762	\$ 14,762	\$ 14,762
<b>Norton Correctional Facility</b>				
Rehabilitation and Repair	\$ 595,000	\$ 0	\$ 0	\$ 0
Debt Service Principal	149,535	149,535	149,535	149,535
SUBTOTAL - NCF	\$ 744,535	\$ 149,535	\$ 149,535	\$ 149,535
<b>Topeka Correctional Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	64,015	64,015	64,015	64,015
SUBTOTAL - TCF	\$ 64,015	\$ 64,015	\$ 64,015	\$ 64,015
<b>Winfield Correctional Facility</b>				
Rehabilitation and Repair	\$ 0	\$ 0	\$ 0	\$ 0
Debt Service Principal	125,202	125,202	125,202	125,202
SUBTOTAL - WCF	\$ 125,202	\$ 125,202	\$ 125,202	\$ 125,202
<b>TOTAL - DOC and Facilities</b>	<b>\$ 17,217,226</b>	<b>\$ 8,935,166</b>	<b>\$ 8,935,166</b>	<b>\$ 8,935,166</b>



**Financing:**

State General Fund (SGF)	\$ 11,751,359	\$ 3,469,299	\$ 3,469,299	\$ 3,469,299
Correctional Institutions Building Fund (CIBF)	4,935,867	4,935,867	4,935,867	4,935,867
Correctional Industries Fund (CIF)	530,000	530,000	530,000	530,000
<b>TOTAL</b>	<b>\$ 17,217,226</b>	<b>\$ 8,935,166</b>	<b>\$ 8,935,166</b>	<b>\$ 8,935,166</b>

**Agency Request**

The Department of Corrections requests for FY 2007 capital improvements of \$17,217,226. The request includes \$12,058,230 for rehabilitation and repairs, which is an increase of \$6,541,485 (118.58 percent) above the FY 2006 estimate. The request includes enhancements totaling \$8,282,060 for:

- \$1,689,697 from the State General Fund requested by the Department of Corrections for debt service to leave the \$1,689,697 in CIBF to be used toward rehabilitation and repair;
- \$5,997,363 from the State General Fund requested by Lansing Correctional Facility for:
  - \$5,617,790 to replace the maximum security clinic and infirmary;
  - \$379,573 to provide construction of a 5,000 square foot block building near the existing visitor room which was decreased in size in 1997 when 280 inmates were added to the medium security compound; and
  - \$595,000 from the State General Fund request by Norton Correctional Facility for construction of a medium security dining room.

The request also includes \$5,518,996 for debt service principal, a decrease of \$946,849 (15.5 percent) below the FY 2006 estimate. The debt service on the bond issues for the Wichita Work Release Facility and the Lansing and Topeka correctional facilities will be completed with the scheduled payments to be made in FY 2006. Based on the established debt service schedules for current bond issues, the estimated payments for principal and interest costs remaining after FY 2007 are as follows:

<u>Bond Issue</u>	<u>Amount</u>
Ellsworth Correctional Facility - A - 2 Bonds	\$ 1,620,000
Revenue Refunding Bond Issue - A - 1 Bonds	12,493,000
Labette Correctional Conservation Camps - A - 2 Bonds	471,000
El Dorado Correctional Facility - RDU Project - H - Bonds	19,728,000
<b>TOTAL</b>	<b>\$ 34,312,000</b>

**Governor's Recommendation**

The Governor recommends FY 2007 capital improvements of \$8,935,166, a decrease of \$2,687,424 (23.1 percent) below the FY 2006 recommendation and a decrease of \$8,282,060 (48.1 percent) below the Department's request. The recommendation does not include the enhancement requests. The request includes \$3,776,190 for rehabilitation and repairs and concurs with the Department's request of \$5,158,996 for debt service principal.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

## **e Budget Committee Recommendation**

The House Building Committee concurs with the Governor's recommendation with the following adjustment:

1. The Budget Committee recommends authorizing up to \$20.5 million in bonding authority to allow the Department of Corrections to begin the process of expanding capacity at either El Dorado Correctional Facility or Ellsworth Correctional Facility. The first bond payment would be scheduled for FY 2008. The Budget Committee recommends Joint Committee on State Building Construction review of the expansion proposal to insure that the plan meets the needs of the Department of Corrections' maximum, medium and minimum security inmate population. The Budget Committee wishes to note that in FY 2008 the Department of Corrections will complete debt services payments of \$1,620,000 from the State General Fund for the Ellsworth Correctional Facility. While the Budget Committee recognizes this would increase overall indebtedness of the State, an alternative would be a direct appropriation from the State General Fund which may be considered in the full committee.

**HOUSE PUBLIC SAFETY BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Juvenile Justice Authority **Bill No.** --

**Bill Sec.** --

**Analyst:** Cussimano

**Analysis Pg. No.** Vol. I-173

**Capital Budget Page No.** Vol. I-223

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Rehabilitation and Repair Projects:				
JJA Central Office	\$ 57,800	\$ 57,800	\$ 57,800	\$ 57,800
Atchison Juvenile Correctional Facility	163,500	174,000	174,000	174,000
Kansas Juvenile Correctional Complex	30,000	30,000	30,000	30,000
Larned Juvenile Correctional Facility	13,000	13,000	13,000	13,000
Beloit Juvenile Correctional Facility	128,000	128,000	128,000	128,000
Subtotal	\$ 392,300	\$ 392,300	\$ 392,300	\$ 392,300
Debt Service - Principal	\$ 1,795,000	\$ 1,795,000	\$ 1,795,000	\$ 1,795,000
<b>TOTAL</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>
<b>Financing:</b>				
State Institutions Building Fund	\$ 2,187,300	\$ 2,187,300	\$ 2,187,300	\$ 2,187,300
<b>TOTAL</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>	<b>\$ 2,187,300</b>

**Agency Estimate**

The agency estimates capital improvement expenditures of \$2,187,300, all from the State Institutions Building Fund. The request includes \$392,000 in rehabilitation and repair projects and \$1,795,000 in debt service principal payments.

**Governor's Recommendation**

The Governor concurs with the agency's FY 2006 estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



**HOUSE PUBLIC SAFETY BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Juvenile Justice Authority

**Bill No. --**

**Bill Sec. --**

**Analyst:** Cussimano

**Analysis Pg. No. Vol. I-173**

**Capital Budget Page No. Vol. I-223**

Project	Agency Req. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Rehabilitation and Repair Projects:				
Juvenile Justice Authority	\$ 140,000	\$ 77,800	\$ 77,800	\$ 77,800
Atchison Juvenile Correctional Facility	350,000	350,000	350,000	350,000
Kansas Juvenile Correctional Complex	150,000	60,000	60,000	60,000
Larned Juvenile Correctional Facility	30,000	30,000	30,000	30,000
Beloit Juvenile Correctional Facility	217,000	217,000	217,000	217,000
Subtotal	\$ 887,000	\$ 734,800	\$ 734,800	\$ 734,800
Debt Service - Principal	1,885,000	1,885,000	1,885,000	1,885,000
<b>TOTAL</b>	<b>\$ 2,772,000</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>
New Construction:				
Atchison Juvenile Correctional Facility	\$ 596,987	\$ 0	\$ 0	\$ 0
Larned Juvenile Correctional Facility	58,865	0	0	0
Subtotal	\$ 655,852	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 3,427,852</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>
<b>Financing:</b>				
State Institutions Building Fund	\$ 3,427,852	\$ 2,619,800	\$ 2,619,800	\$ 2,619,800
<b>TOTAL</b>	<b>\$ 3,427,852</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>	<b>\$ 2,619,800</b>

**Agency Request**

The agency requests capital improvement expenditures of \$3,427,852, all from the State Institutions Building Fund. The request includes \$887,000 in rehabilitation and repair projects and \$1,885,000 in debt service principal. The request also includes \$655,852 for new construction of the following projects:

- **Atchison Juvenile Correctional Facility.** The agency requests \$596,987 from the State Institutions Building Fund to build a new maintenance building at Atchison Juvenile Correctional Facility. The building will provide space for a carpentry, plumbing, electrical, paint, vehicle maintenance and groundskeeping shop.
- **Larned Juvenile Correctional Facility.** The agency requests \$58,865 from the State Institutions Building Fund for the construction of a new shed at Larned Juvenile Correctional Facility.

### **Governor's Recommendation**

**The Governor** recommends capital improvements of \$2,619,800, all from the State Institutions Building Fund. The recommendation includes rehabilitation and repair expenditures of \$77,800 for the Juvenile Justice Authority central office, a decrease of \$62,200 below the agency's FY 2007 capital improvements request. In addition, the Governor's recommendation includes \$60,000 for rehabilitation and repair projects at Kansas Juvenile Correctional Complex, a decrease of \$90,000 below the agency's FY 2007 request. The recommendation does not include a project at the Topeka Juvenile Correctional Facility for the replacement of burners at the old heating plant. The Governor did not recommend the new construction projects at Atchison Juvenile Correctional Facility and Larned Juvenile Correctional Facility.

### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.



# HOUSE PUBLIC SAFETY BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

**Agency:** Kansas Bureau of Investigation    **Bill No.** HB 2957

**Bill Sec.** 23

**Analyst:** VanHouse    **Analysis Pg. No.** Vol. I - 285    **Capital Budget Page No.** Vol. I - 225

<u>Project</u>	<u>Agency Est. FY 2006</u>	<u>Gov. Rec. FY 2006</u>	<u>JCSBC Rec. FY 2006</u>	<u>Budget Committee Rec. FY 2006</u>
<b>Projects:</b>				
Debt Service Principal - Headquarters	\$ 245,000	\$ 245,000	\$ 245,000	\$ 245,000
<b>Financing:</b>				
State General Fund	\$ 245,000	\$ 245,000	\$ 245,000	\$ 245,000

### Agency Estimate

The agency requests capital improvements expenditures of \$245,000 from the State General Fund for the debt service principal payment on the Headquarters building in Topeka. The facility was acquired in 1989 with a 20-year bond issue. The final payment will be made in FY 2010.

### Governor's Recommendation

The Governor concurs with the agency request.

### Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation.

# HOUSE PUBLIC SAFETY BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

**Agency:** Kansas Bureau of Investigation

**Bill No.** HB 2957

**Bill Sec.** 23

**Analyst:** VanHouse    **Analysis Pg. No.** Vol. I - 285

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Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Debt Service Principal - Headquarters	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Great Bend Laboratory Enhancements	0	138,075	138,075	138,075
	625,295	100,000	100,000	100,000
<b>TOTAL</b>	<b>\$ 875,295</b>	<b>\$ 488,075</b>	<b>\$ 488,075</b>	<b>\$ 488,075</b>
<b>Financing:</b>				
State General Fund	\$ 875,295	\$ 350,000	\$ 350,000	\$ 350,000
Forensic Lab and Material Fees	0	138,075	138,075	138,075
<b>TOTAL</b>	<b>\$ 875,295</b>	<b>\$ 488,075</b>	<b>\$ 488,075</b>	<b>\$ 488,075</b>

### Agency Request

The agency requests capital improvements expenditures of \$875,295 from the State General Fund. The request includes the debt service principal payment of \$250,000 for the Headquarters building in Topeka. Also included in the request is an enhancement package totaling \$625,295.

### Governor's Recommendation

The Governor recommends capital improvements expenditures of \$350,000 from the State General Fund. The recommendation includes the debt service principal payment of \$250,000 for the Headquarters building in Topeka. The Governor also recommends enhancement funding of \$100,000 from the State General Fund to be expended at the discretion of the agency.

### Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### House Budget Committee Recommendation

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

- Great Bend Laboratory.** The Budget Committee notes that the agency requested funding of \$763,011 from the State General Fund, including \$357,310 in FY 2007, to finish the existing second floor of the Great Bend Laboratory. The remaining amount of the funding is requested for fiscal years 2008, 2009 and

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2010. The renovation would result in an additional 4,300 square feet for the forensic laboratory. The 2005 Legislature approved funding for this project beginning in FY 2006 from the Forensic Laboratory and Materials Fee Fund. The agency reports that balances in the fee fund are not sufficient to complete the project. The Budget Committee is interested in this project, and recommends further consideration of the project at Omnibus.

2. **IMA Building.** The agency reported that the IMA insurance company recently approached the agency about the possibility of purchasing their Topeka office. The IMA building is located next door to the KBI Headquarters building. IMA is consolidating their Topeka and Kansas City office and are planning to vacate the building. The agency is actively exploring this possibility. The building was constructed in 1986 and has approximately 13,000 square feet, with eight offices, 42 Herman Miller style cubicles, two conference rooms, a large training room, a computer training room, and almost 60 parking spaces. The agency reports that IMA would leave the furnishings, leaving the building in "move-in" condition, with the exception of some communication and security upgrades. The agency reported that some administrative offices, the Registered Offenders sections, and the agent offices could be relocated to the IMA building, creating additional space in the existing Headquarters building for the laboratory. The Budget Committee directs the agency to report at Omnibus additional details regarding the possibility of this purchase.



HOUSE PUBLIC SAFETY BUDGET COMMITTEE

CAPITAL IMPROVEMENTS

Agency: Adjutant General's Department Bill No. HB 2957 Bill Sec. 25

Analyst: VanHouse Analysis Pg. No. Vol. I - 255 Capital Budget Page No. Vol. I - 224

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Debt Service Principal	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000
Federal Match - Armories	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>
<b>Financing:</b>				
State General Fund	\$ 850,000	\$ 850,000	\$ 850,000	\$ 850,000
Military Fee Fund - Federal	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>	<b>\$ 1,850,000</b>

Agency Estimate

The agency requests expenditures of \$1,850,000 for capital improvements. The estimate includes expenditures of \$850,000 from the State General Fund for debt service principal payments on bonds issued for the renovation of the state's armories. The estimate also includes expenditures of \$1,000,000 from the federal Military Fee Fund to match funds in the armory renovation program. The federal government may provide a 50.0 percent match for some armory renovation projects.

Governor's Recommendation

The Governor concurs with the agency's request.

Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation.

# HOUSE PUBLIC SAFETY BUDGET COMMITTEE

## CAPITAL IMPROVEMENTS

Agency: Adjutant General's Department

Bill No. HB 2957

Bill Sec. 25

Analyst: VanHouse Analysis Pg. No. Vol. I - 255

Capital Budget Page No. Vol. I - 224

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Debt Service Principal	\$ 1,160,000	\$ 1,160,000	\$ 1,160,000	\$ 1,160,000
Federal Match - Armories	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL</b>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>
<b>Financing:</b>				
State General Fund	\$ 1,160,000	\$ 1,160,000	\$ 1,160,000	\$ 1,160,000
Military Fee Fund - Federal	1,000,000	1,000,000	1,000,000	1,000,000
<b>TOTAL</b>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>	<u>\$ 2,160,000</u>

### Agency Request

The agency requests expenditures of \$2,160,000 for capital improvements. The request includes expenditures of \$1,160,000 for debt service principal payments on bonds issued for the renovation of the state's armories. The request also includes expenditures of \$1,000,000 from the Military Fee Fund to match funds in the armory renovation program. The federal government may provide a 50.0 percent match for some armory renovation projects.

### Governor's Recommendation

The Governor concurs with the agency request.

### Joint Committee on State Building Construction Recommendation

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following notation.

- Future Armory Needs.** The Budget Committee notes that the state is investing in the future of the Kansas National Guard through an extensive renovation of the state's Armories. The Budget Committee is concerned that changes in the National Guard may necessitate the closure or consolidation of Armories, possibly shortly after the renovation is complete. The Budget Committee directs the agency to analyze the future need of the state's Armories and report back during the 2007 Legislative Session.

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**HOUSE PUBLIC SAFETY BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Highway Patrol    **Bill No.** HB 2957

**Bill Sec.** 24

**Analyst:** VanHouse    **Analysis Pg. No.** Vol. I - 303    **Capital Budget Page No.** Vol. I - 224

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Aircraft Hanger Facility	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Rehabilitation/Repair/Scale Replacement	291,509	291,509	291,509	291,509
Debt Service Principal				
Highway Patrol Training Center	445,000	445,000	445,000	445,000
Fleet Center	205,000	205,000	205,000	205,000
VIN Inspection Facility	45,000	45,000	45,000	45,000
MCI Port Modernization	41,817	0	0	0
<b>TOTAL</b>	<u>\$ 2,528,326</u>	<u>\$ 2,486,509</u>	<u>\$ 2,486,509</u>	<u>\$ 2,486,509</u>
<b>Financing:</b>				
KHP Operations Fund	\$ 488,326	\$ 446,509	\$ 446,509	\$ 446,509
VIN Fee Fund	45,000	45,000	45,000	45,000
Highway Patrol Training Center Fund	495,000	495,000	495,000	495,000
Federal Forfeiture Fund	1,500,000	1,500,000	1,500,000	1,500,000
<b>TOTAL</b>	<u>\$ 2,528,326</u>	<u>\$ 2,486,509</u>	<u>\$ 2,486,509</u>	<u>\$ 2,486,509</u>

**Agency Estimate**

The agency requests capital improvements expenditures of \$2,528,326. The estimate includes debt services principal payments of \$736,817 for the KHP Training Center, the Fleet Center, the Vehicle Identification Number Inspection Facility in Olathe, and for Motor Carrier Inspection Port Modernization. The estimate includes expenditures of \$1,500,000 for construction an airplane hanger at Billard Airport in Topeka and \$291,509 for rehabilitation, repair, and scale replacement.

**Governor's Recommendation**

The Governor recommends capital improvements expenditures of \$2,486,509. The Governor concurs with the agency estimate with the exception of debt service payments on the Motor Carrier Inspection Port Modernization. The Governor does not recommend debt service payments on this project since it has not yet been started.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

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**HOUSE PUBLIC SAFETY BUDGET COMMITTEE ON**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Highway Patrol

**Bill No.** HB 2957

**Bill Sec.** 24

**Analyst:** VanHouse    **Analysis Pg. No.** Vol. I - 303

**Capital Budget Page No.** Vol I - 224

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Rehabilitation/Repair/Scale Replacement	\$ 251,233	\$ 251,233	\$ 251,233	\$ 251,233
Debt Service Principal				
Highway Patrol Training Center	470,000	470,000	470,000	470,000
Fleet Center	210,000	210,000	210,000	210,000
VIN Inspection Facility	45,000	45,000	45,000	45,000
MCI Port Modernization	43,957	43,957	43,957	43,957
<b>TOTAL</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>
<b>Financing:</b>				
KHP Operations Fund	\$ 455,190	\$ 455,190	\$ 455,190	\$ 455,190
VIN Fee Fund	45,000	45,000	45,000	45,000
Highway Patrol Training Center Fund	520,000	520,000	520,000	520,000
<b>TOTAL</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>	<b>\$ 1,020,190</b>

**Agency Request**

The agency requests capital improvements expenditures of \$1,020,190. The request includes debt service principal payments of \$768,957 for the KHP Training Center, the Fleet Center, the Vehicle Identification Number Inspection Facility in Olathe, and for Motor Carrier Inspection Port Modernization. Expenditures of \$251,509 are requested for rehabilitation, repair, and scale replacement at the KHP Training Center in Salina, eleven scale facilities, twelve port facilities, the administration building, and the Valley Center Troop Building. Repairs include roof repair or replacement, patching of parking lot surfaces, sidewalk replacement, guttering, windows, doors, weather-proofing, painting, and loss recovery.

**Governor's Recommendation**

The Governor concurs with the agency's capital improvements request.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

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**HOUSE AGRICULTURE AND NATURAL RESOURCES  
BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas State Fair

**Bill No.** HB 2958

**Bill Sec.** 57

**Analyst:** Alishahi

**Analysis Pg. No.** Vol. II-1110

**Capital Budget Page No.** Vol. I-225

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Rehabilitation and Repair	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000
Debt Service Principal	175,601	175,601	175,601	175,601
<b>TOTAL</b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>
<b>Financing:</b>				
State General Fund	\$ 1,120,635	\$ 1,120,635	\$ 1,120,635	\$ 1,120,635
State Fair Capital Improvements Fund	104,966	104,966	104,966	104,966
<b>TOTAL</b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>	<b><u>\$ 1,225,601</u></b>

**Agency Estimate**

The agency estimates FY 2006 capital improvements expenditures of \$1,225,601, including \$1,050,000 from the State General Fund for debt service principal payments and \$104,966 from the State Fair Capital Improvements Fund for rehabilitation and repair.

- **Supplemental Request.** The agency's estimate also includes a supplemental request of \$70,635 from the State General Fund to repair the Grandstand roof that was damaged by a storm in July 2005.

**Master Plan Bond Proceeds.** Nonreportable expenditures from the master plan bond proceeds total \$3,690,635. The agency reports that the following items are scheduled for FY 2006: infrastructure and code compliance work, landscaping improvements, ADA compliance work in the vendor area, renovation of the Ye Old Mill, roof upgrades for the Dairy Tie Barn, Livestock Annex, and Ye Old Mill, renovation of the Gate 9 entrance, renovation and an addition to the Sheep Barn, and ADA compliance work on the Grandstand.

**Governor's Recommendation**

The Governor concurs with the agency's FY 2006 revised estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

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## House Budget Committee Recommendation

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

1. **Insurance Coverage.** The Budget Committee recommends that the agency look into the cost-effectiveness of obtaining insurance to cover damages that may occur to State Fair facilities, such as in the case of the storm that damaged the Grandstand roof in July 2005. The Budget Committee notes that the Governor's FY 2006 capital improvements recommendation includes \$70,635 from the State General Fund for the agency's supplemental request to repair the roof.



**HOUSE AGRICULTURE AND NATURAL RESOURCES  
BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas State Fair

**Bill No.** HB 2957

**Bill Sec.** 02

**Analyst:** Alishahi

**Analysis Pg. No.** Vol. II-1110 **Capital Budget Page No.** Vol. I-225

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Rehabilitation and Repair	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000
Debt Service Principal	107,713	107,713	107,713	107,713
<b>TOTAL</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>
<b>Financing:</b>				
State General Fund	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000	\$ 1,080,000
State Fair Capital Improvements Fund	107,713	107,713	107,713	107,713
<b>TOTAL</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>	<b>\$ 1,187,713</b>

**Agency Request**

The agency requests capital improvements expenditures of \$1,187,713, including \$1,080,000 from the State General Fund for debt service principal payments and \$107,713 from the State Fair Capital Improvements Fund for rehabilitation and repair.

**Completed Projects.** The agency reports that the renovation of the Ye Old Mill and the Gate 9 entrance, the renovation and addition to the Sheep Barn, and the ADA compliance work in the vendor area and on the Grandstand should be completed prior to the 2006 Kansas State Fair.

**Governor's Recommendation**

The Governor concurs with the agency's FY 2007 request for capital improvement expenditures. The Governor's recommendation also continues the \$300,000 revenue transfer from the State General Fund to the State Fair Capital Improvements Fund for FY 2007.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

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

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1. **Sheep Barn Project.** The Budget Committee recommends the agency report back, during the 2007 Session, to provide an update on the status of the Sheep Barn project. The agency reported that the estimated cost of one of the State Fair's master plan projects, the renovation and addition to the Sheep Barn, has increased from \$329,730 to almost \$1.0 million. The Division of Facilities Management and the Fire Marshall's Office requested some life safety modifications which significantly increased the estimated cost. The agency indicated that it is in the process of working out a possible solution with the Division of Facilities Management.

**HOUSE AGRICULTURE AND NATURAL  
RESOURCES BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Department of Wildlife and Parks

**Bill No.** 2957

**Bill Sec.** 26

**Analyst:** Efirid      **Analysis Pg. No.** Vol. II-1162

**Capital Budget Page No.** Vol. I-226

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Parks Maintenance and Repair	\$ 1,937,495	\$ 1,937,495	\$ 1,937,495	\$ 1,937,495
Parks Roads and Bridges	2,261,658	2,261,658	2,261,658	2,261,698
Water Line at Milford	1,154,054	1,154,054	1,154,054	1,154,054
Tuttle Creek Campground	477,740	406,645	406,645	406,645
Cheyenne Bottoms Info Ctr	3,629,756	3,629,756	3,629,756	3,629,756
Public Land Acquisition	1,356,351	1,356,351	1,356,351	1,356,351
Public Land Maintenance	472,597	472,597	472,597	472,597
Wetlands Acquisition/Maint.	1,305,165	1,305,165	1,305,165	1,305,165
Prairie Spirit Trail	812,562	812,562	812,562	812,562
Site Study State Park #24	60,000	60,000	60,000	60,000
Crawford State Lake Sewer	14,175	14,175	14,175	14,175
Other State Lakes Projects	54,113	54,113	54,113	54,113
Dam Repair at State Lakes	1,206,080	1,610,335	1,610,335	1,610,335
Other Misc. Projects	185,801	185,801	185,801	185,801
Coast Guard Projects	221,856	221,856	221,856	221,856
River & Motor Boat Access	2,525,513	2,525,513	2,525,513	2,525,513
<b>TOTAL</b>	<u>\$ 17,674,916</u>	<u>\$ 18,008,076</u>	<u>\$ 18,008,076</u>	<u>\$ 18,008,076</u>
<b>Financing:</b>				
State General Fund	\$ 14,175	\$ 14,175	\$ 14,175	\$ 14,175
All Other Funds	17,660,741	17,993,901	17,993,901	17,993,901
<b>TOTAL</b>	<u>\$ 17,674,916</u>	<u>\$ 18,008,076</u>	<u>\$ 18,008,076</u>	<u>\$ 18,008,076</u>

**Agency Estimate**

The agency requests an increase in its FY 2006 capital improvement budget from \$4.8 million to almost \$17.7 million by including financing of \$12.8 million from prior fiscal years. The carryover financing is for approved projects for which funds were not encumbered before June 30, 2005.

**Governor's Recommendation**

The Governor recommends an additional \$404,255 special revenue funds for dam repairs as approved by the State Finance Council after the agency submitted its budget. The Governor also reduces the Tuttle Creek project to \$406,645 special revenue funds. The Governor concurs with other project expenditures.

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### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation for FY 2006 expenditures and further recommends that the Cheyenne Bottoms project be reappropriated to FY 2007 since the project will not be completed this fiscal year.

### **House Budget Committee Recommendation**

The Budget Committee concurs with the Joint Committee and the Governor for FY 2006.



**HOUSE AGRICULTURE AND NATURAL  
RESOURCES BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Department of Wildlife and Parks

**Bill No.** 2957

**Bill Sec.** 26

**Analyst:** Efird      **Analysis Pg. No.** Vol. II-1162

**Capital Budget Page No.** Vol. I-226

Project	Agency Req. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Parks Maintenance and Repair	\$ 1,080,000	\$ 775,000	\$ 775,000	\$ 775,000
Parks Roads and Bridges	1,700,000	1,700,000	1,700,000	1,700,000
Public Land Acquisition	750,000	750,000	750,000	750,000
Public Land Maintenance	650,000	650,000	650,000	650,000
Wetlands Acquisition/Maint.	300,000	300,000	300,000	300,000
Coast Guard Projects	100,000	100,000	100,000	100,000
River & Motor Boat Access	910,000	910,000	910,000	910,000
<b>TOTAL</b>	<b>\$ 5,490,000</b>	<b>\$ 5,185,000</b>	<b>\$ 5,185,000</b>	<b>\$ 5,185,000</b>
<b>Financing:</b>				
State General Fund	\$ 305,000	\$ 0	\$ 0	\$ 0
All Other Funds	5,185,000	5,185,000	5,185,000	5,185,000
<b>TOTAL</b>	<b>\$ 5,490,000</b>	<b>\$ 5,185,000</b>	<b>\$ 5,185,000</b>	<b>\$ 5,185,000</b>

**Agency Request**

The agency requests expenditures of \$5,490,000, including \$305,000 from the State General Fund and dedicated to State Park repair and maintenance projects.

**Governor's Recommendation**

The Governor recommends \$5,185,000, the same amount as requested by the agency for financing from all other funds. The Governor does not recommend FY 2007 financing from the State General Fund for State Park projects.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation for FY 2007.

**House Budget Committee**

The Budget Committee concurs with the Joint Committee and the Governor for FY 2007.

**HOUSE REVENUE, JUDICIAL, TRANSPORTATION, AND RETIREMENT  
BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Department of Transportation      **Bill No. --**      **Bill Sec. --**  
**Analyst:** Alishahi      **Analysis Pg. No.** Vol. I-764      **Capital Budget Page No.** Vol. I-227

Project	Agency Est. FY 2006	Gov. Rec. FY 2006	JCSBC Rec. FY 2006	Budget Committee Rec. FY 2006
<b>Projects:</b>				
Reroof Buildings - Various Locations	\$ 487,250	\$ 487,250	\$ 487,250	\$ 487,250
Equipment Storage Sheds	305,002	305,002	305,002	305,002
Reroof Chemical Storage - Shawnee	38,934	38,934	38,934	38,934
Reroof Chemical Storage - Leoti	47,000	47,000	47,000	47,000
Renovate Emporia Construction Office	45,000	45,000	45,000	45,000
Multiple Window Replacement - District Two	85,000	85,000	85,000	85,000
Tuckpoint/Waterproof Area Office - El Dorado	110,450	110,450	110,450	110,450
Subtotal - Projects	<u>\$ 1,118,636</u>	<u>\$ 1,118,636</u>	<u>\$ 1,118,636</u>	<u>\$ 1,118,636</u>
<b>Rehabilitation and Repair</b>	<u>\$ 3,295,081</u>	<u>\$ 3,295,081</u>	<u>\$ 3,295,081</u>	<u>\$ 3,295,081</u>
<b>TOTAL</b>	<u><u>\$ 4,413,717</u></u>	<u><u>\$ 4,413,717</u></u>	<u><u>\$ 4,413,717</u></u>	<u><u>\$ 4,413,717</u></u>
<b>Financing:</b>				
State Highway Fund	\$ 4,413,717	\$ 4,413,717	\$ 4,413,717	\$ 4,413,717

**Agency Estimate**

The agency estimates \$4,413,717 for current year building project expenditures, an increase of \$859,983 or 24.2 percent above the approved amount. The increase is the result of a reappropriation of: \$774,049 for rehabilitation and repair, \$47,000 to reroof the chemical storage building in Leoti, and \$38,934 to reroof the chemical storage building in Shawnee.

**Governor's Recommendation**

The Governor concurs with the agency's revised estimate.

**Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

**House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

**HOUSE REVENUE, JUDICIAL, TRANSPORTATION, AND RETIREMENT  
BUDGET COMMITTEE**

**CAPITAL IMPROVEMENTS**

**Agency:** Kansas Department of Transportation    **Bill No.** HB 2968    **Bill Sec.** 66

**Analyst:** Alishahi    **Analysis Pg. No.** Vol. I-764    **Capital Budget Page No.** Vol. I-227

Project	Agency Est. FY 2007	Gov. Rec. FY 2007	JCSBC Rec. FY 2007	Budget Committee Rec. FY 2007
<b>Projects:</b>				
Reroof Buildings - Various Locations	\$ 326,726	\$ 326,726	\$ 326,726	\$ 326,726
Equipment Storage Sheds	478,802	478,802	478,802	478,802
Subarea Modernization	4,070,947	0	0	0
Renovate District Five Crew Building	405,000	405,000	405,000	405,000
Construct District Two Materials Lab - Salina	863,000	863,000	863,000	863,000
Tuckpoint/Waterproof Area Office - Pittsburg	120,940	120,940	120,940	120,940
Tuckpoint/Waterproof District One Office - Topeka	105,000	105,000	105,000	105,000
Relocate Subarea - Topeka Westgate	2,004,000	0	0	0
Update District Four Paint Booth - Chanute	168,000	168,000	168,000	168,000
Pave KHP - Chanute CDL Parking Lot	112,650	112,650	112,650	112,650
Construct KHP Headquarters - Wichita	3,480,000	0	0	0
Purchase Land - Various Locations	75,000	0	0	0
Subtotal - Projects	<u>\$ 12,210,065</u>	<u>\$ 2,580,118</u>	<u>\$ 2,580,118</u>	<u>\$ 2,580,118</u>
<b>Rehabilitation and Repair</b>	<u>\$ 2,596,662</u>	<u>\$ 2,596,662</u>	<u>\$ 2,596,662</u>	<u>\$ 2,596,662</u>
<b>TOTAL</b>	<u><u>\$ 14,806,727</u></u>	<u><u>\$ 5,176,780</u></u>	<u><u>\$ 5,176,780</u></u>	<u><u>\$ 5,176,780</u></u>

**Financing:**  
State Highway Fund    \$ 14,806,727    \$ 5,176,780    \$ 5,176,780    \$ 5,176,780

**Agency Request**

The agency requests \$14,806,727 for budget year building project expenditures. This amount includes \$12,210,065 for projects and \$2,596,662 for rehabilitation and repair.

**Governor's Recommendation**

The Governor recommends \$5,176,780 for FY 2007 building project expenditures. This amount includes \$2,580,118 for projects and \$2,596,662 for rehabilitation and repair. The recommendation is \$9,629,947 or 65.0 percent less than the agency's request and does not include:

- \$4,070,947 from the State Highway Fund (SHF) for subarea modernization;
- \$2,004,000 from SHF to relocate the Topeka Westgate Subarea;
- \$3,480,000 from SHF to construct Kansas Highway Patrol Troop F Headquarters in Wichita; and
- \$75,000 from SHF to purchase land in various locations.

### **Joint Committee on State Building Construction Recommendation**

The Joint Committee on State Building Construction concurs with the Governor's recommendation.

### **House Budget Committee Recommendation**

The House Budget Committee concurs with the Governor's recommendation.

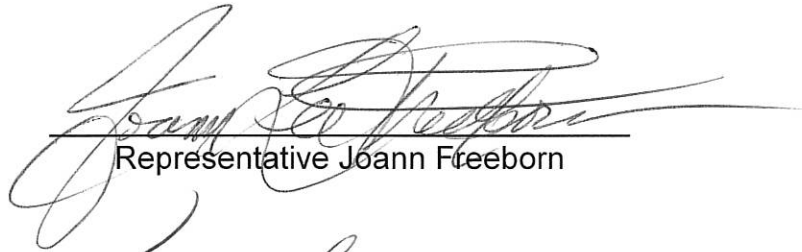


AGRICULTURE AND NATURAL RESOURCES BUDGET COMMITTEE

HB 2949  
HB 2956

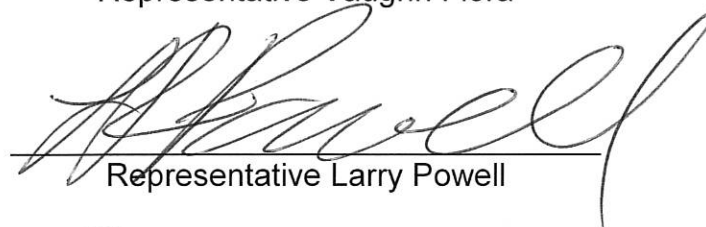
  
Representative Sharon Schwartz, Chair

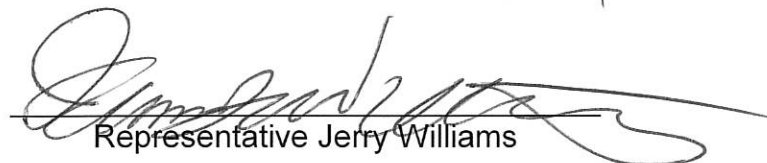
\_\_\_\_\_  
Representative Carl Holmes

  
Representative Joann Freeborn

  
Representative Tom Sloan

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Representative Vaughn Flora

  
Representative Larry Powell

  
Representative Jerry Williams

HOUSE APPROPRIATIONS

DATE 3-08-2006  
ATTACHMENT 4

## House Agriculture and Natural Resources Budget Committee

### Recommendation on House Bill No. 2949

#### Brief

HB 2949 amends statute by adding an additional use for the Kansas Public Water Supply Loan Fund as a source of revenue or security for the payment of principal and interest on bonds.

#### Background

Representatives from the Kansas Development Finance Authority (KDFA) and the Kansas Department of Health and Environment (KDHE) testified favorably on the bill. The agency representatives indicated that this bill, along with 2006 HB 2956, would allow KDFA and KDHE to pledge the combined assets of the Kansas Water Pollution Control Revolving Fund and the Kansas Public Water Supply Revolving Loan Fund for bond issues. This is anticipated to result in increased strength and lending capacity for each program.

It was noted that this is a companion bill to 2006 HB 2956, and both should be passed in order to implement this strategy.

The fiscal note prepared by the Division of the Budget indicates that this bill would have no impact on state revenues or expenditures.

## House Agriculture and Natural Resources Budget Committee

### Recommendation on House Bill No. 2956

#### Brief

HB 2956 amends statute by adding an additional use for the Kansas Water Pollution Control Revolving Fund as a source of revenue or security for the payment of principal and interest on bonds.

#### Background

Representatives from the Kansas Development Finance Authority (KDFA) and the Kansas Department of Health and Environment (KDHE) testified favorably on the bill. The agency representatives indicated that this bill, along with 2006 HB 2949, would allow KDFA and KDHE to pledge the combined assets of the Kansas Water Pollution Control Revolving Fund and the Kansas Public Water Supply Revolving Loan Fund for bond issues. This is anticipated to result in increased strength and lending capacity for each program.

It was noted that this is a companion bill to 2006 HB 2949, and both should be passed in order to implement this strategy.

The fiscal note prepared by the Division of the Budget indicates that this bill would have no impact on state revenues or expenditures.