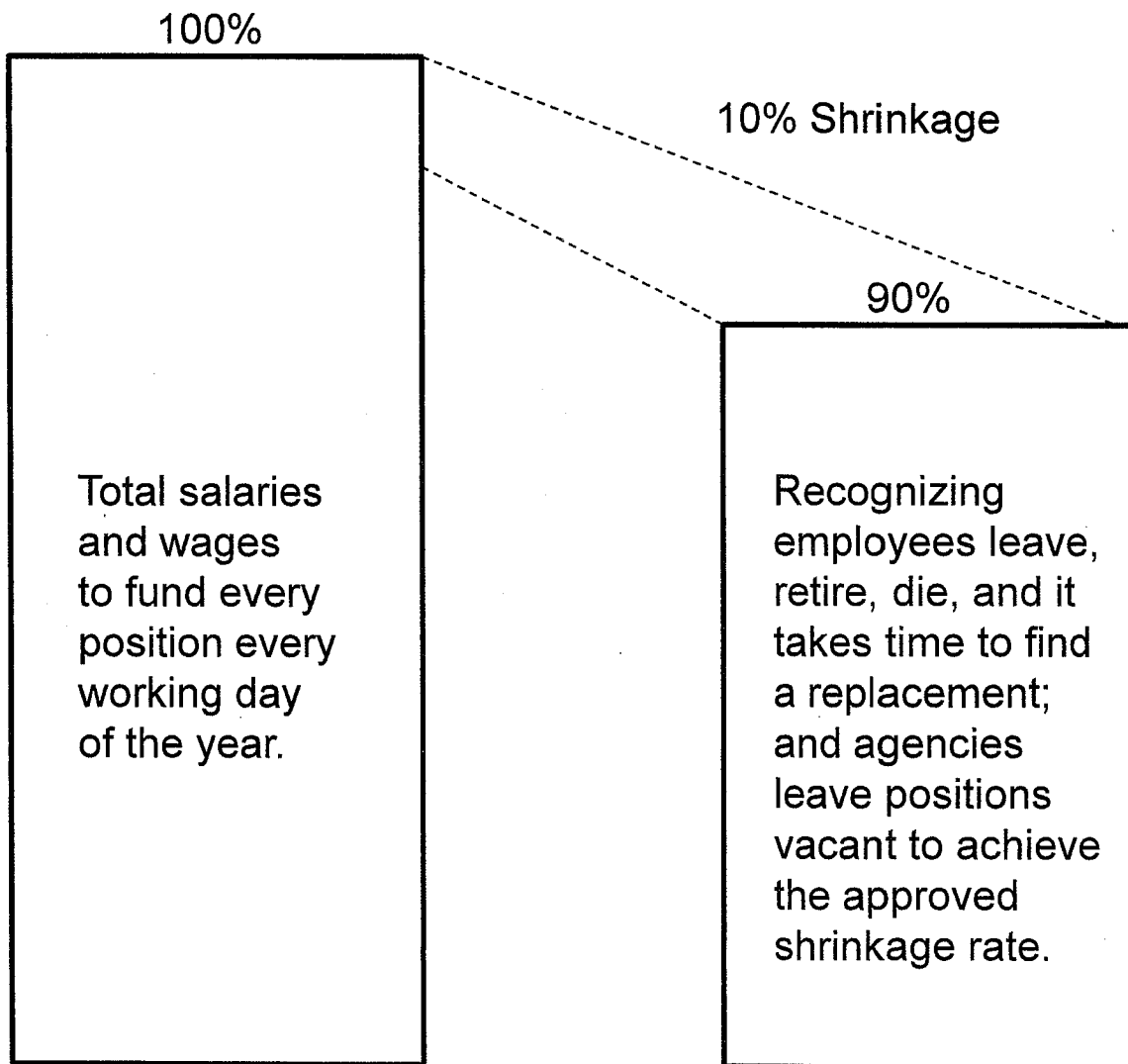


Overview of Salaries and Wages

- Statewide salaries and wages in FY 2012 will account for \$2.6 billion of all funds (including some off-budget employees in the Department of Administration). The State General Fund portion is \$1.1 billion or nearly 20 percent of the State General Fund budget.
- The Governor recommends 39,141.9 full-time equivalent (FTE) positions in FY 2012. The Governor also recommends 1,543.4 non-full-time equivalent unclassified positions.
- In FY 2010 the:
 - Average classified employee:
 - 47 years old;
 - 14 years of service;
 - \$38,049 annual salary.
 - Average unclassified employee:
 - 47 years old;
 - 12 years of service;
 - \$61,830 annual salary.
- Classified state employees are in the Executive Branch of State Government and have Civil Service protection.
- Unclassified employees do not have Civil Service protection and generally serve at the pleasure of their appointing authority.
- Full-time equivalent positions are permanent full-time or regular part-time positions equated to full-time.
- Non-full-time equivalent positions are not subject to an agencies position limitation and are treated as unclassified temporary positions by the state personnel and payroll system.
- An agency may or may not have a position limitation imposed on it by the Legislature. Regents, the Judicial Branch, and Legislative Branch are examples of agencies that do not have a position limitation imposed upon them.
- Shrinkage reduces the available amount of funding for salaries and wages. Shrinkage is the difference, expressed as a percentage, between the cost of fully funding salaries and wages in a budget assuming all positions are filled all of the time, and actual salary costs, taking vacancies into account. Shrinkage in FY 2012 (Governor's recommendation) totals an estimated \$155.3 million or 5.5 percent of total salaries and wages.

Salary and Wage Shrinkage



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Attachment 5-2

**INCREASES IN SALARIES FOR STATE CLASSIFIED EMPLOYEES
FY 1987-FY 2012 (Gov. Rec.)**

Fiscal Year	Step Movement*	Base Salary Adjustment	Base Salary Increase Excluding Longevity	Longevity Bonus Payment**	Percent Increase CPI-U***
1987	2.5% ^{1a}	3.0%	5.5%	No	2.2%
1988	2.5 ^{1b}	2.0 effective 12/18/87	4.5	No	4.1
1989	2.5 ^{1c}	4.0	6.5	No	4.6
1990	2.5 ^{1d}	3.0	5.5	\$400 to \$1,000	4.8
1991	2.5 ^{1e}	1.5	4.0	\$400 to \$1,000	5.5
1992	2.5	--	2.5	\$400 to \$1,000	3.2
1993	2.5	1.0 effective 12/18/92	3.5	\$400 to \$1,000	3.1
1994	2.5 ^{1f}	0.5	3.0	\$400 to \$1,000	2.6
1995	2.5 ^{1g}	1.5 effective 9/18/94	4.0	\$400 to \$1,000	2.9
1996	2.5	1.0	3.5	\$400 to \$1,000	2.7
1997	2.5	--	2.5	\$400 to \$1,000	2.9
1998	2.5	1.0	3.5	\$400 to \$1,000	1.8
1999	2.5	1.5	4.0	\$400 to \$1,000	1.6
2000	2.5	1.0	3.5	\$400 to \$1,000	2.2
2001	2.5	--	2.5	\$400 to \$1,000	2.8
2002	--	1.5 effective 6/10/01; 1.5 effective 12/9/01	3.0	\$400 to \$1,000	1.6
2003	--	--	--	\$400 to \$1,000	2.3
2004	--	1.5 effective 7/20/03	1.5	\$400 to \$1,000	2.3
2005	--	3.0	3.0	\$400 to \$1,000	3.4
2006	--	1.25 effective 6/5/05 1.25 effective 12/4/05	2.5	\$400 to \$1,000	3.2
2007	2.5 effective 9/10/06	1.5	4.0	\$400 to \$1,000	2.7
2008	--	2.0 ^{1h} (Plus a one-time bonus payment of \$860 paid on December 14, 2007)	4.0 (4.0 average including bonus payment approved)	\$500 to \$1,250	2.9
2009 (i)	--	2.5	2.5	\$500 to \$1,250	(0.4)
2010 (i)	--	--	--	\$500 to \$1,250	1.6
2011 (i)	--	--	--	\$500 to \$1,250	1.6 (est.)
2012 (Gov. Rec.)	--	--	--	\$500 to \$1,250	2.4 (est.)

Employer Paid Health Insurance Costs

For FY 2012 the employer's paid health insurance costs in the budget contains an annual single member health insurance premium of \$6,507, plus an annual dependent health insurance premium of \$3,011. The FY 2012 total budgeted health insurance premium for each state employee with dependents that the state pays is \$9,518.

Employer Contributions

The following employer contributions will be made for state employees in FY 2012:

Kansas Public Employees Retirement System (Assumes membership in KPERS-Regular)	9.77%
FICA (Composite Rate for OASDI and Medicare)	7.65
Workers Compensation Assessment*	1.28
Unemployment Insurance Assessment	0.26
State Leave Payment Assessment	0.54
TOTAL	<u><u>19.50%</u></u>

* Actual rate is experienced-based by agency.

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Attachment 5-3

On the average (FY2010) classified state employee's salary of \$38,049, the above employer costs for fringe benefits would total an average of \$7,419. These employer costs, when combined with employer health insurance (member and dependent), would bring the total fringe benefits costs for an average state employee to \$16,937.

Vacation and Sick Leave

State employees earn vacation leave hours based on the number of years of service with the state. For an employee with less than five years of service the individual earns 12 days a year. For an employee with 15 or more years of service the individual earns 21 days of vacation leave a year. State employees all earn 12 days of sick leave a year. Employees when they retire who have at least eight years of service and who have accumulated 100 days or more of sick leave may receive compensation for their sick leave upon retirement. The compensation ranges from 30 days to 60 days of salary depending on the years of service with the state.

Paid Vacation Days

For calendar year 2011 state employees receive ten paid holidays, including a discretionary day.

Footnotes

- * Increase is granted on the employee's anniversary of state service, assuming satisfactory performance.
- ** Longevity of \$40 a year for each year of service for those employees that have at least ten years (\$400) of service up to a maximum of 25 years (\$1,000). The estimated additional salary on average translates into 1 percent additional pay. The Governor has recommended for FY 2008 an increase in the longevity bonus payment to \$50 per year of service, still with the same years of required service (ten-year minimum – \$500, and 25-year maximum – \$1,250).
- *** Consumer Price Index – All Urban Consumers. Calendar year for 2010, 2011, and 2012.
- a) In addition, salary upgrades for the clerical job series were approved beginning last six months of FY 1987. (Phase I of salary upgrade program.)
- b) Plus salary upgrades for the mechanics, repairers, and operators job classes, and for registered nurses and licensed therapists; all effective mid-FY 1988. (Phase II of salary upgrade program.)
- c) Plus salary upgrades for employees in direct care and other service worker classes (effective mid-FY 1989). (Phase III of salary upgrade program.)
- d) Plus salary upgrades for security and law enforcement personnel. (Phase III of salary upgrade program.) The Legislature also replaced the three-year time-on-step requirement for steps above step D in each pay range with a one-year requirement and added two additional steps at the top of each pay range. An employee starting at step A should reach the top step after 13 years of elapsed time instead of the previous 23 years, assuming no changes occur in the employee's pay range assignment.
- e) Plus salary upgrades for licensed practical nurses.
- f) Plus salary upgrades for employees in health, scientific, and engineering job classes (effective 6/18/93), and information technology job classes (effective 12/18/93).
- g) Plus salary upgrades for accountants and auditors, human resource professionals, purchasing and marketing professionals, general administrative job classes, social scientists, attorneys (effective 6/18/94), and of management classes (effective 12/18/94).

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Attachment 5-9

- h) Plus a 5.0 percent targeted base increase, effective at the beginning of FY 2008, for classified employees who are more than 25 percent below market rate, based on the recent Hay Compensation Study. The increase will move targeted classified employees up one pay grade, remaining on the same pay step. The increase would apply to 1,533 classified employees. Job classes include: microbiologists, environmental technologists, legal assistants, graphic designers, rehabilitation support workers, storekeepers, grounds maintenance supervisors, power plant operators, plumbers, electricians, lock systems specialists, automotive drivers, computer operators, network control technicians, food service workers and supervisors, cooks, custodial workers and supervisors, and utility workers.

- i) For FY 2009, FY 2010, and FY 2011, undermarket funding for selected job classes were approved. The State General Fund appropriation for each year was \$8.5 million. The all funds cost totals an estimated \$16.0 million for each year.

Statewide Salaries & Wages

	FY 2010 Actual	FY 2011 Gov. Estimate	FY 2012 Base Budget	FY 2012 Enhance. Pkg.	FY 2012 Gov. Rec.
Authorized Positions					
Classified Regular	733,558,120	865,053,801	864,221,591	22,999,227	860,990,822
Classified Temporary	8,500,350	10,024,217	9,213,322	--	8,991,281
Unclassified Regular	926,249,764	1,075,400,513	1,076,297,249	1,498,295	1,071,062,605
Other Unclassified	238,747,846	142,118,808	139,839,002	1,462,711	139,636,173
Authorized Total	\$ 1,907,056,080	\$ 2,092,597,339	\$ 2,089,571,164	\$ 25,960,233	\$ 2,080,680,881
Shift Differential					
Shift Differential	3,185,713	3,484,973	3,481,507	15,117	3,487,747
Overtime					
Overtime	12,245,458	11,744,777	11,268,758	53,627	11,308,314
Holiday Pay					
Holiday Pay	58,144,814	3,860,376	3,871,555	--	3,871,555
Longevity					
Longevity	12,137,835	11,793,439	12,621,182	4,195	12,607,524
Total Base Salaries	\$ 1,992,769,900	\$ 2,123,480,904	\$ 2,120,814,166	\$ 26,033,172	\$ 2,111,956,021
Employee Retirement					
KPERS	73,763,074	92,723,653	101,817,259	385,432	101,554,074
Deferred Compensation	422,148	365,814	380,334	--	380,334
TIAA	59,452,976	69,607,859	71,613,319	--	70,987,515
Kansas Police & Fire	5,875,269	5,690,866	6,387,408	243,222	6,387,408
Judges Retirement	5,625,506	5,466,356	6,005,674	--	6,005,674
Security Officers	6,745,217	7,849,152	8,556,841	2,898	8,556,841
Retirement Total	\$ 151,884,190	\$ 181,703,700	\$ 194,760,835	\$ 631,552	\$ 193,871,846
Other Fringe Benefits					
FICA	134,517,685	149,234,904	149,575,004	327,867	148,978,952
Workers Compensation	30,751,617	26,958,609	27,883,870	120,367	27,849,399
Unemployment	3,398,315	8,229,654	5,242,316	15,146	5,217,116
Retirement Sick & Annual Leave	11,410,311	12,022,176	11,386,739	38,833	11,336,106
Health Insurance	222,412,621	270,418,092	309,846,857	1,094,381	308,977,062
Total Fringe Benefits	\$ 554,374,739	\$ 648,567,135	\$ 698,695,621	\$ 2,228,146	\$ 696,230,481
Subtotal: Salaries & Wages	\$ 2,547,144,639	\$ 2,772,048,039	\$ 2,819,509,787	\$ 28,261,318	\$ 2,808,186,502
(Shrinkage)	--	(141,361,256)	(137,582,533)	3,240,928	(155,337,744)
Total Salaries & Wages	\$ 2,547,144,639	\$ 2,630,686,783	\$ 2,681,927,254	\$ 31,502,246	\$ 2,652,848,758
State General Fund Total	\$ 1,053,407,733	\$ 1,070,533,410	\$ 1,137,548,196	\$ 26,267,955	\$ 1,116,312,098
FTE Positions					
FTE Positions	41,226.60	41,147.14	41,130.99	141.75	39,141.91
Non-FTE Unclassified Perm. Pos.					
Non-FTE Unclassified Perm. Pos.	1,686.06	1,587.94	1,562.44	(6.50)	1,543.44
Total State Positions	42,912.66	42,735.08	42,693.43	135.25	40,685.35

Dollar amounts include all Off Budget expenditures for the Department of Administration.

State General Fund Total does not include KPERS debt services payment in the Board of Regents.

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Attachment 5-6

Agency	Eliminated Positions	How many people will be laid off?	Any layoffs due to an ERO?	Footnotes
	FY 2012	FY 2012	FY 2012	
Abstracters Board	0.0	0.0	No	
Adjutant General	20.0	0.0	No	
Animal Health	0.0	25.0	Yes	1
Arts Commission	8.0	6.0	Yes	
Atchison Juvenile Correctional Facility	0.0	0.0	No	
Attorney General	3.0	0.0	No	
Behavioral Sciences Regulatory Board	0.0	0.0	No	
Beliot Juvenile Correctional Facility	0.0	0.0	No	
Board of Accountancy	0.0	0.0	No	
Board of Barbering	0.0	0.0	No	
Board of Cosmetology	1.0	0.0	No	
Board of Healing Arts	2.0	2.0	No	
Board of Indigent's Defense	10.0	0.0	No	
Board of Nursing	3.0	2.0	No	
Board of Optometry	0.0	0.0	No	
Board of Pharmacy	0.0	0.0	No	
Board of Regents System	0.0	0.0	No	
Board of Regents Universities	n/a	n/a	n/a	
Board of Technical Professions	0.0	0.0	No	
Board of Vet. Medical Examiners	0.0	0.0	No	
Commerce	40.0	22.0	Yes	2
Conservation Commission	0.0	11.0	Yes	3
Corrections System	48.0	7.0	No	
Court of Tax Appeals	6.0	0.0	No	4
CURB	2.0	0.0	No	
Dental Board	0.0	0.0	No	
Department of Administration	189.8	0.0	No	
Department of Agriculture	21.0	0.0	No	
Department of Credit Unions	0.0	0.0	No	
Department of Education	37.3	0.0	No	
Department of Labor	53.0	0.0	No	
Department on Aging	50.0	0.0	No	
Division of Post Audit	0.0	0.0	No	
Emergency Medical Services Board	1.0	0.0	No	
Fire Marshal	5.0	0.0	No	
Governmental Ethics Commission	0.0	0.0	No	
Health Care Stabilization Fund	1.0	0.5	No	
Hearing Instruments Board	0.0	0.0	No	
Home Inspection Registration Board	0.0	0.0	No	
Insurance Department	15.0	0.0	No	
Judicial Branch	0.0	0.0	No	
Judicial Council	0.0	0.0	No	
Juvenile Justice Authority	13.0	3.0	No	
Kansas Commission on Veterans' Affairs	160.0	0.0	No	
Kansas Department of Health and Environment	20.0	1.0	No	5
Kansas Department of Wildlife and Parks	0.0	0.0	No	
Kansas Development Finance Authority	0.0	0.0	No	
Kansas Guardianship Program	0.0	0.0	No	
Kansas Highway Patrol	8.0	0.0	No	
Kansas Historical Society	15.0	3.0	No	
Kansas Human Rights Commission	12.0	3.0	Yes	
Kansas Inc.	0.0	3.0	Yes	6
Kansas Juvenile Correctional Complex	6.0	0.0	No	
Kansas Parole Board	3.0	3.0	Yes	
Kansas Real Estate Commission	2.0	0.0	No	
Kansas Securities Commission	0.0	0.0	No	
Kansas Water Office	2.0	2.0	No	
KBI	24.0	0.0	No	
KCC	2.0	0.0	No	
KCPOST	0.0	0.0	No	
KDOT	197.0	0.0	No	
KHPA	71.1	38.8	Yes	7

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 Attachment 5-7

Agency	Eliminated Positions	How many people will be laid off?	Any layoffs due to an ERO?	Footnotes
	FY 2012	FY 2012	FY 2012	
KPERS	1.0	0.0	No	
KTEC	9.0	9.0	No	
Larned Juvenile Correctional Facility	8.0	0.0	No	
Legislative Coordinating Council	0.0	0.0	No	
Legislative Research Department	0.0	0.0	No	
Legislature	0.0	0.0	No	
Lottery Commission	0.0	0.0	No	
Mortuary Arts Board	0.0	0.0	No	
Office of Administrative Hearings	0.0	0.0	No	
Office of the Governor	0.4	0.0	No	8
Office of the Lieutenant Governor	0.0	0.0	No	
Racing and Gaming Commission	26.0	0.0	No	
Real Estate Appraisal Board	0.0	0.0	No	
Revenue	50.0	0.0	No	
Revisor of Statutes	0.0	0.0	No	
School for the Blind	11.0	0.5	No	
School for the Deaf	23.0	5.5	No	9
Secretary of State	3.0	0.0	No	
Sentencing Commission	0.0	0.0	No	
SRS	550.0	0.0	No	
SRS Hospitals (5)	294.0	0.0	No	10
State Bank Commissioner	0.0	0.0	No	
State Fair	0.0	0.0	No	
State Library	1.0	0.0	No	
State Treasurer	8.0	2.0	No	
Totals	2035.6	149.3		

1) Animal Health and the Department of Agriculture are affected by an ERO eliminating 33.0 FTE, but there are 8.0 FTE vacant; the reorganization plan is not yet complete.

2) Commerce was impacted by three EROs; 22.0 FTE represents the maximum layoffs that could occur; the agency has not yet completed its reorganization plan.

3) The Conservation Commission is affected by an ERO eliminating 11.0 FTE positions, but there are 2.0 vacant. The reorganization plan is not yet complete.

4) For the Court of Tax Appeals, the Governor's recommended budget may result in future layoffs absent statutory changes.

5) KDHE reorganization-related changes are reflected in KHPA numbers.

6) For Kansas Inc., the ERO would be enacted in FY 2011; three layoffs would occur as of June 30, 2011.

7) For KHPA, 38.8 FTE positions represents the maximum number of layoffs that there could be in this transition; KDHE has not yet completed its reorganization plan.

8) In the Governor's Office, the reduction of 0.4 FTE positions is due to an ERO, but there are no layoffs.

9) At the School for the Deaf, 23.0 eliminated FTE positions are vacant; the 5.5 layoffs were positions recommended by the Governor to be 'vacated.'

10) In SRS Hospitals, each individual hospital has yet to complete a revised staffing plan; new staffing plans could result in layoffs at individual hospitals even though the overall system-wide FTE level may remain the same.

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Attachment 5-8