

March 8, 2011

The Honorable Pete Brungardt, Chairperson  
Senate Committee on Federal and State Affairs  
Statehouse, Room 136-E  
Topeka, Kansas 66612

Dear Senator Brungardt:

**SUBJECT:** Fiscal Note for SB 204 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 204 is respectfully submitted to your committee.

SB 204 would require the Governor to appoint a 12-member county unification study commission. The purpose of this commission would be to prepare and adopt a plan addressing the consolidation of counties, including the feasibility of a plan that would consolidate existing counties into 23 county units identified in the bill. The commission would be established by July 30, 2011, and would consist of no more than seven members from the same political party, with at least two members from each congressional district. Members of the commission would be individuals with experience in business mergers and consolidations, business management, business finance, municipal finance, law, education, political science, or public administration. The members would be paid compensation, subsistence allowances, and mileage.

The Governor would also appoint an executive director of the commission, who could employ other staff and contract with consultants as needed to carry out the functions of the commission. The Commission would meet within 30 days following the appointment of all members and would hold public meetings for the purpose of gathering information which would aid in drafting of the plan. The final plan would be submitted to the Governor and Legislature on or before January 1, 2013.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$147,594	\$147,594
FTE Pos.	--	--	--	--

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The passage of SB 204 would increase state expenditures by approximately \$147,594, including \$28,248 for expenses related to four commission meetings and four public hearings in FY 2012. At the statutory rate of \$35 a day, per diem compensation would be \$420 per meeting ( $\$35 \times 12$  commission members). Lodging and meals are estimated to cost \$1,098 per meeting. Of this amount, \$864 would be for lodging and meals for six members staying overnight ( $\$144 \times 6$ ) and \$234 would be for meals for six members who would not stay overnight ( $\$39 \times 6$ ). Mileage is projected to be \$1,879 based on the rates included in the budget cost indices (270 miles  $\times$  12 members  $\times$  \$0.58), with tolls estimated to be \$84 ( $\$14$  round trip  $\times$  6 commission members). The commission should be able to use public facilities for many of its meetings; however, it is estimated that at least half of the meetings would be held in private venues at a cost of \$100 per meeting.

An Executive Director and an Office Assistant position would be filled at \$60,000 and \$18,741 plus benefits, respectively. An office would be leased at a cost of \$5,212, annually, and provided with furniture, computer equipment, and phone and data service installation at a one-time cost of \$6,633. Telephone and long distance services are estimated to be \$232, annually. It is expected that the Executive Director and staff member would attend the commission meetings and public hearings at a cost of \$2,717 for subsistence, lodging, and mileage for four day trips and four overnight stays (2 staff members  $\times$  \$39 subsistence  $\times$  4 meetings + 2 staff members  $\times$  \$144 lodging and meals  $\times$  4 meetings). All costs would be financed out of the State General Fund. Any fiscal effect associated with SB 204 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Melissa Wangemann, Kansas Association of Counties