

**Program Budget Comparison**

The following table summarizes the total Legislative budget by year, type of expenditure, and source of funding.

| Program Budget Comparison |                  |                     |                         |                         |                       |                       |                 |                   |
|---------------------------|------------------|---------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------|-------------------|
| Budget Item               | Base Fiscal 2014 | Approp. Fiscal 2015 | Legislative Budget 2016 | Legislative Budget 2017 | Biennium Fiscal 14-15 | Biennium Fiscal 16-17 | Biennium Change | Biennium % Change |
| FTE                       | 1.57             | 1.57                | 1.57                    | 1.57                    | 1.57                  | 1.57                  | 0.00            | 0.00 %            |
| Personal Services         | 79,854           | 84,766              | 89,879                  | 89,672                  | 164,620               | 179,551               | 14,931          | 9.07 %            |
| Operating Expenses        | 57,167           | 55,926              | 58,799                  | 59,364                  | 113,093               | 118,163               | 5,070           | 4.48 %            |
| <b>Total Costs</b>        | <b>\$137,021</b> | <b>\$140,692</b>    | <b>\$148,678</b>        | <b>\$149,036</b>        | <b>\$277,713</b>      | <b>\$297,714</b>      | <b>\$20,001</b> | <b>7.20 %</b>     |
| General Fund              | 137,021          | 140,692             | 148,678                 | 149,036                 | 277,713               | 297,714               | 20,001          | 7.20 %            |
| <b>Total Funds</b>        | <b>\$137,021</b> | <b>\$140,692</b>    | <b>\$148,678</b>        | <b>\$149,036</b>        | <b>\$277,713</b>      | <b>\$297,714</b>      | <b>\$20,001</b> | <b>7.20 %</b>     |

**Program Description**

The Governor's Residence Operations Program provides for the day-to-day operations of the official state Executive Residence.

**Program Highlights**

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| <p><b>Executive Residence Operations</b><br/><b>Major Budget Highlights</b></p>   |
| <ul style="list-style-type: none"> <li>• Changes to the budget from the previous biennium are due increased operating costs for food and personal services changes</li> </ul> |

**Program Narrative**

The legislature approved an 11.6% budget increase when compared to the 2015 biennium budget in the Executive Residence Operations Program. The increased budget for operating expenses can be tied to projected increases in food costs. Additionally, personal service costs increase due to eliminating the 4% vacancy savings for legislatively approved FTE, annualizing increases for the state share contribution to employee insurance, and broadband pay increases for strategic pay. Finally, the legislature approved a transfer of 0.07 FTE from the Lieutenant Governor's Office to the Executive Residence Operations.

It should be noted that the transfer is already reflected in the Program Budget Comparison table as the executive implemented the transfer in FY 2014. The 2015 legislative base budget as shown in the Budget Summary By Category does not include the personal services costs for the 0.07 FTE.

**Funding**

The following table shows program funding by source from all sources of authority.

| Governor's Office, 02-Executive Residence Operations<br>Funding by Source of Authority |                  |                             |                            |                      |                      |  |
|--|------------------|-----------------------------|----------------------------|----------------------|----------------------|--|
| Funds  | HB2              | Non-Budgeted<br>Proprietary | Statutory<br>Appropriation | Total<br>All Sources | % Total<br>All Funds |  |
| 01100 General Fund   | 297,714          | 0                           | 0                          | 297,714              | 100.00 %             |  |
| <b>State Special Total</b>   | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>                 | <b>\$0</b>           | <b>0.00 %</b>        |  |
| <b>Federal Special Total</b>   | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>                 | <b>\$0</b>           | <b>0.00 %</b>        |  |
| <b>Proprietary Total</b>   | <b>\$0</b>       | <b>\$0</b>                  | <b>\$0</b>                 | <b>\$0</b>           | <b>0.00 %</b>        |  |
| <b>Total All Funds</b>   | <b>\$297,714</b> | <b>\$0</b>                  | <b>\$0</b>                 | <b>\$297,714</b>     |                      |  |

The Executive Residence Operations program is entirely funded with general fund.

**Budget Summary by Category**

The following summarizes the total budget utilizing the FY 2015 legislative base, present law adjustments, and new proposals.

| Budget Item         | -----General Fund-----        |                               |                                  |                      | -----Total Funds-----         |                               |                                  |                      |
|---------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|-------------------------------|-------------------------------|----------------------------------|----------------------|
|                     | Leg.<br>Budget<br>Fiscal 2016 | Leg.<br>Budget<br>Fiscal 2017 | Leg.<br>Biennium<br>Fiscal 16-17 | Percent<br>of Budget | Leg.<br>Budget<br>Fiscal 2016 | Leg.<br>Budget<br>Fiscal 2017 | Leg.<br>Biennium<br>Fiscal 16-17 | Percent<br>of Budget |
| 2015 Budget         | 135,832                       | 135,832                       | 271,664                          | 91.25 %              | 135,832                       | 135,832                       | 271,664                          | 91.25 %              |
| PL Adjustments      | 12,846                        | 13,204                        | 26,050                           | 8.75 %               | 12,846                        | 13,204                        | 26,050                           | 8.75 %               |
| New Proposals       | 0                             | 0                             | 0                                | 0.00 %               | 0                             | 0                             | 0                                | 0.00 %               |
| <b>Total Budget</b> | <b>\$148,678</b>              | <b>\$149,036</b>              | <b>\$297,714</b>                 |                      | <b>\$148,678</b>              | <b>\$149,036</b>              | <b>\$297,714</b>                 |                      |

**Present Law Adjustments**

The "Present Law Adjustments" table shows the adopted changes from the FY 2015 legislative appropriation. Each is discussed in the narrative that follows.

| Present Law Adjustments                               | -----Fiscal 2016----- |                 |                  |                    |                 | -----Fiscal 2017----- |                 |                  |                    |                 |
|---|-----------------------|-----------------|------------------|--------------------|-----------------|-----------------------|-----------------|------------------|--------------------|-----------------|
|   | FTE                   | General<br>Fund | State<br>Special | Federal<br>Special | Total<br>Funds  | FTE                   | General<br>Fund | State<br>Special | Federal<br>Special | Total<br>Funds  |
| DP 402 - Operating Cost Adjustments                   | 0.00                  | (2,318)         | 0                | 0                  | (2,318)         | 0.00                  | (2,318)         | 0                | 0                  | (2,318)         |
| DP 404 - .07 FTE Transfer from Lt. Governor Program   | 0.00                  | 2,863           | 0                | 0                  | 2,863           | 0.00                  | 2,863           | 0                | 0                  | 2,863           |
| DP 515 - State Share Health Insurance                 | 0.00                  | 763             | 0                | 0                  | 763             | 0.00                  | 763             | 0                | 0                  | 763             |
| DP 520 - Fully Fund 2015 Legislatively Authorized FTE | 0.00                  | 1,495           | 0                | 0                  | 1,495           | 0.00                  | 1,495           | 0                | 0                  | 1,495           |
| DP 525 - Fixed Costs                                  | 0.00                  | (1,783)         | 0                | 0                  | (1,783)         | 0.00                  | (1,734)         | 0                | 0                  | (1,734)         |
| DP 527 - Inflation/Deflation Adjustment               | 0.00                  | 5,731           | 0                | 0                  | 5,731           | 0.00                  | 6,300           | 0                | 0                  | 6,300           |
| DP 529 - Longevity and Other Adjustments              | 0.00                  | 778             | 0                | 0                  | 778             | 0.00                  | 773             | 0                | 0                  | 773             |
| DP 560 - Restore Governor's Office Funding            | 0.00                  | 5,317           | 0                | 0                  | 5,317           | 0.00                  | 5,062           | 0                | 0                  | 5,062           |
| <b>Grand Total All Present Law Adjustments</b>        | <b>0.00</b>           | <b>\$12,846</b> | <b>\$0</b>       | <b>\$0</b>         | <b>\$12,846</b> | <b>0.00</b>           | <b>\$13,204</b> | <b>\$0</b>       | <b>\$0</b>         | <b>\$13,204</b> |

\*\*\*Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 402 - Operating Cost Adjustments -

The legislature adopted a reduction of general fund of \$2,318 in each year of the biennium for operating cost adjustments related to using the 2015 legislative appropriation as the starting point.

DP 404 - .07 FTE Transfer from Lt. Governor Program -

The legislature approved an increase of \$5,726 general fund for the biennium to fund additional hours for the executive residence housekeeper.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance, as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Costs -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation Adjustment -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 529 - Longevity and Other Adjustments -

The legislature adopted personal service adjustments for unemployment insurance, workers compensation rates, longevity, retirement, and health benefits.

DP 560 - Restore Governor's Office Funding -

The legislature provided additional funding for the Governor's Office to provide funding to the level requested in the Governor's proposed budget. This adjustment does not include funding the executive implementation of the 2015 pay increase.