

DEPARTMENT OF ADMINISTRATION

FY 2024 – FY 2026 BUDGET SUMMARY

FIG. 1 **BUDGET SUMMARY, FY 2024 – FY 2026**

	Actual FY 2024	Agency FY 2025	Legislative Budget Committee FY 2025	Agency FY 2026	Legislative Budget Committee FY 2026
EXPENDITURES:					
State Operations*	\$ 13,598,140	\$ 24,958,789	\$ 23,705,149	\$ 43,021,639	\$ 16,130,446
Salaries and Wages	9,323,529	11,019,602	10,373,962	11,091,124	10,418,431
Contractual Services	3,658,770	12,331,507	12,135,507	31,422,290	5,218,290
Commodities	415,059	470,200	460,700	464,625	455,125
Capital Outlay	200,782	1,137,480	734,980	43,600	38,600
State Aid and Assistance	\$ 763,704	\$ 1,305,217	\$ 1,305,217	\$ 850,000	\$ 850,000
Aid to Local Units	527,444	505,217	505,217	550,000	550,000
Other Assistance	236,260	800,000	800,000	300,000	300,000
Capital Budget and Debt	\$ 164,505,024	\$ 212,254,820	\$ 211,854,820	\$ 147,564,852	\$ 147,564,852
Capital Improvements	12,646,715	38,005,401	37,605,401	5,000,000	5,000,000
Debt Service Principal	77,962,422	103,360,543	103,360,543	75,270,574	75,270,574
Debt Service Interest	73,895,887	70,888,876	70,888,876	67,294,278	67,294,278
TOTAL	\$ 178,866,868	\$ 238,518,826	\$ 236,865,186	\$ 191,436,491	\$ 164,545,298
FINANCING:					
State General Fund	\$ 128,754,216	\$ 168,056,539	\$ 167,656,539	\$ 147,230,461	\$ 121,230,461
ELARF	36,091,703	34,563,142	34,563,142	36,094,221	36,094,221
SIBF	325,000	575,000	575,000	710,000	710,000
CIBF	550,000	675,000	675,000	810,000	810,000
All Other Funds	13,145,949	34,649,145	33,395,496	6,591,809	5,700,616
TOTAL	\$ 178,866,868	\$ 238,518,826	\$ 236,865,177	\$ 191,436,491	\$ 164,545,298
On-Budget	\$ 178,866,868	\$ 238,518,826	\$ 236,865,177	\$ 191,436,491	\$ 164,545,298
Off-Budget**	82,615,212	97,489,430	97,489,430	98,828,258	98,828,258
GRAND TOTAL	\$ 261,482,080	\$ 336,008,256	\$ 334,354,607	\$ 290,264,749	\$ 263,373,556
PERCENTAGE CHANGE:					
State General Fund	(30.8) %	30.5 %	(0.2) %	(12.4) %	(17.7) %
All Funds	(29.3) %	28.5 %	(0.5) %	(13.6) %	(9.3) %
FTE POSITIONS:					
On-Budget	106.2	110.0	101.0	110.0	101.0
Off-Budget**	367.9	367.8	367.8	368.8	368.8
TOTAL	474.1	477.8	468.8	478.8	469.8

* Note: Expenditures for debt service interest are reflected under "Capital Budget and Debt."

** Note: Off-budget expenditures represent payments from one state agency to another and are categorized as such to avoid double counting.

AGENCY OVERVIEW

The Department of Administration provides central services for state agencies and also includes a number of other entities and programs for administrative purposes. The Secretary of Administration, who is appointed by and serves at the pleasure of the Governor, manages the Department with the assistance of a deputy secretary.

The agency is organized into the following offices:

- The **Office of the Secretary** manages the agency, supervises various offices and their functions, establishes agency priorities, and allocates resources based on agency goals.
- The **Office of the Chief Counsel** provides legal services and is responsible for legal work arising from the agency's activities.

- The **Office of Personnel Services** administers the Kansas Civil Service Act and other related statutes to provide a comprehensive human resources program for the State.
- The **Office of Procurement and Contracts** is responsible for procuring goods and services at the best price for the agencies of the State of Kansas.
- The **Office of Financial Management** provides accounting services for the agency, serves as the central budgeting office, and maintains the Small Agency Service Center.
- The **Office of Accounts and Reports** is responsible for preparing the Comprehensive Annual Financial Report (CAFR) and performing audits over state agency expenditures, local funds, assets, accounts receivable, and other financial activities.
- The **Office of Facilities and Property Management** centrally administers State-owned and State-leased facilities and protects the State's interest in all State facilities planning, design, and construction activities.
- The **Office of Printing, Surplus and Central Mail** provides printing, copying, binding, fulfillment, and mail services for state agencies and operates the Surplus Property program.
- The **Office of Systems Management** provides state agencies with centralized system services, including purchasing, accounting, human resources, payroll, and a reporting database for business intelligence software.
- The **Office of the State Employees Health Benefits Plan** includes expenditures for the State Employee Health Plan (SEHP) and the State Self-Insurance Fund (SSIF).

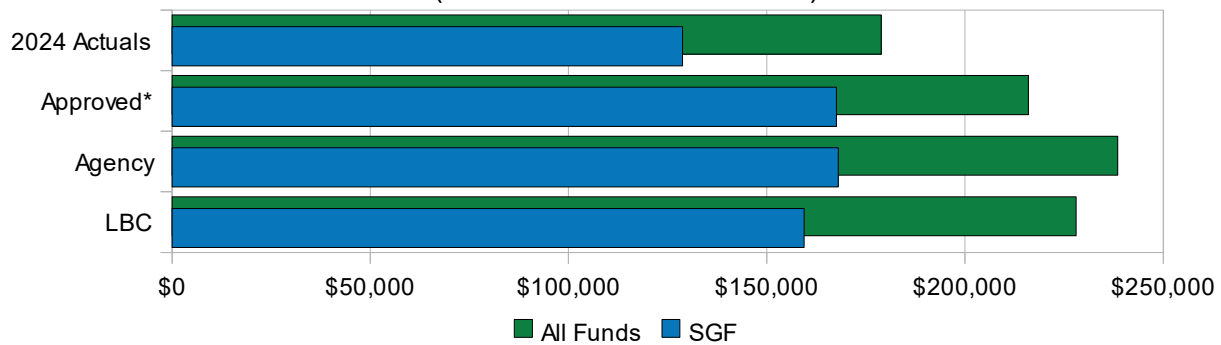
The agency budget also includes expenditures for two independent entities:

- The **Division of the Budget** has central responsibility for the state budget process, including related policy issues, and for providing management services to state agencies.
- The **Office of Public Advocates** houses the Long-Term Care and KanCare Ombudsmen.

The Department submits a two-part budget: an on-budget budget, which reflects expenditures for agency operations, and an off-budget budget, which includes expenditures for services performed for other state agencies. The off-budget budget is reflected in the on-budget expenditures of other state agencies and such expenditures are not reflected in the Department's on-budget expenditures to avoid double counting the same expenditures.

FY 2025 ANALYSIS

FIG. 2 **BUDGET HIGHLIGHTS, FY 2025**
(DOLLARS IN THOUSANDS)



* Note: Includes SGF reappropriations.

FIG. 3 **BUDGET COMPARISON, FY 2025**

Fund	2024 Actuals	2025 Approved*	2025 Agency	Agency Change from Previous-Year Actuals		Agency Change from Approved*	
SGF	\$ 128,754,216	\$ 167,590,555	\$ 168,056,539	\$ 39,302,323	30.5 %	\$ 465,984	0.3 %
All Other Funds	50,112,652	48,179,087	70,462,287	20,349,635	40.6	22,283,200	46.3
TOTAL	\$ 178,866,868	\$ 215,769,642	\$ 238,518,826	\$ 59,651,958	33.3 %	\$ 22,749,184	10.5 %

* Note: Includes SGF reappropriations.

BUDGET ANALYSIS

FIG. 4 **SUMMARY OF BUDGET REQUEST (ON-BUDGET), FY 2025**

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 167,590,555	\$ 215,769,642	101.2	\$ 159,356,715	\$ 207,535,802	101.2
2024 SB 28 & HB 2551	129,732,538	177,911,625	101.2	129,732,538	177,911,625	101.2
1. SGF Reappropriation	37,858,017	37,858,017	-	29,624,177	29,624,177	-
Supplemental Requests	\$ 400,000	\$ 400,000	-	\$ -	\$ -	-
2. Mail Scanning Equipment (OT)	400,000	400,000	-	-	-	-
Other Changes	\$ 65,984	\$ 22,349,184	8.8	\$ 65,984	\$ 21,095,544	(0.2)
3. Docking State Office Bldg. (OT)	-	19,347,789	-	-	19,347,789	-
4. Facilities Upgrades (OT)	-	1,918,606	-	-	1,918,606	-
5. OPC Staffing and Offices	-	1,253,640	9.0	-	-	-
6. All Other Adjustments	65,984	(170,851)	(0.2)	65,984	(170,851)	(0.2)
TOTAL	\$ 168,056,539	\$ 238,518,826	110.0	\$ 159,422,699	\$ 228,631,346	101.0

1. SGF REAPPROPRIATION

The agency carried over \$37,858,017 in unspent SGF moneys into FY 2025. These funds can be categorized into two groups: (1) funds that carry over due to project timing, and (2) unspent funds resulting from lower operating expenditures than originally anticipated.

Reappropriated funds related to project timing include the following:

- \$24.7 million to **pay off the remaining balance of Series 2016H and 2020S bonds**. The 2024 Legislature approved these funds in FY 2024, but they were not spent until FY 2025. The agency defeased Series 2020S in August 2024 and called Series 2016H in November 2024. Additional detail on these bonds may be found in the "Capital Budget and Debt" section.

- \$7.0 million to **create a centralized electronic credentials verification system pursuant to 2023 SB 66**, which established the Interstate Teacher Mobility Compact and required the Secretary of Administration develop a portal to verify license statuses. Due to changes in project timing, the agency did not expend these funds until FY 2025. The Kansas License Verification portal (prolicenseverify.ks.gov) went live in October 2024, and state agencies are currently in the process of integrating with the portal.
- \$5.0 million for the **Docking State Office Building** renovation. Due to changes in project timing, the agency did not expend these funds in FY 2024 but plans to do so in FY 2025. Additional detail on the renovation may be found in Item 3.
- \$500,000 to **provide additional security for Jewish centers of faith**. Due to changes in timing, these funds will be awarded in FY 2025. Potential uses of these funds include, but are not limited to, expanding license plate reader cameras, installing bullet-resistant film on windows, and setting up limestone blocks for anti-vehicle perimeter control.

Reappropriated funds related to lower expenditures include the following:

- \$320,997 in **operational expenditures within the Division of the Budget**, which came in lower than anticipated in FY 2024, in part due to employee turnover. This does not include \$200,000 in budgeted reappropriations approved by the 2024 Legislature. These funds have been budgeted to reach full staffing and to relocate personnel to a new office building in FY 2025.
- \$399,048 in **operational expenditures within the Office of Public Advocates**, largely due to lower expenditures for personnel and contractual services. These funds have been budgeted for the same purpose in FY 2025. Of that amount, \$133,016 is allocated for the Office of the Child Advocate, which became an independent state agency upon enactment of the Child Advocate Act (KSA 75-7601 *et seq.*). Those funds are transferred to the new agency in FY 2025.
- \$11,795 for **maintenance and upkeep of living quarters at Cedar Crest**. The 2023 Legislature approved \$15,000 for this purpose in FY 2023. Of that amount, \$3,205 was spent in FY 2024, and the remaining \$11,795 carries over into FY 2025. These funds have been budgeted for the same purpose in FY 2025.
- \$2,000 in **miscellaneous operational expenditures**, which has been budgeted for general agency functions in FY 2025.

Taken together, the agency estimates \$37.9 million in expenditures from reappropriated funds, including \$37.2 million for ongoing projects and \$733,840 for operating costs.

- **LBC:** Delete \$8.4 million SGF to remove selected reappropriations in FY 2025. All reappropriation lapses will be considered during the 2025 Legislative Session. This lapse includes the following:
 - \$7.0 million for a centralized electronic credentials verification system;
 - \$520,997 for Division of the Budget operations;
 - \$500,000 for additional security for Jewish centers of faith;
 - \$399,048 for Office of Public Advocate operations;

- \$11,795 for maintenance and upkeep of living quarters at Cedar Crest; and
- \$2,000 for miscellaneous operating expenditures.

2. PRINTING PLANT – MAIL SCANNING EQUIPMENT (OT)

The 2024 Legislature approved \$400,000 SGF in FY 2024 to expand the Office of Printing, Surplus and Central Mail's operations to scan mail for anomalies prior to delivery. This appropriation included \$150,000 to purchase mail scanning equipment and \$250,000 to create a dedicated structure for this purpose.

These funds were not encumbered in FY 2024 and were lapsed because the bill appropriating these funds (2024 SB 28) did not include language authorizing these funds to reappropriate to FY 2025. Accordingly, the agency requests the same funds for the same purpose in FY 2025.

- **Agency:** Add \$400,000 SGF to establish and equip a mail scanning structure in FY 2025. The 2024 Legislature approved this request in FY 2024, but the funds were not spent before the end of the fiscal year and lapsed back.
- **LBC:** Delete \$400,000 SGF for a mail scanning structure in FY 2025.

3. DOCKING STATE OFFICE BUILDING (OT)

The 2022 Legislature approved \$120.0 million in expenditures for the renovation of the Docking State Office Building. Total project costs were split evenly between the SGF and the federal American Rescue Plan Act (ARPA) State Relief Fund. Each year since then, the Department of Administration has updated when it anticipates expending funds based on progress made and adjusted project schedules.

There are two events that impact project financing in FY 2025. First, unspent funds in FY 2024 carried over into FY 2025. This includes \$5.0 million SGF, as referenced in Item 1 above, and \$347,789 from the ARPA State Relief Fund. Second, the agency received an additional allocation of \$19.0 million from the ARPA State Relief Fund. Taken together, project costs total \$139.0 million, up from the original estimate of \$120.0 million.

The agency anticipates project completion around April 2025.

FIG. 5 DOCKING STATE OFFICE BUILDING FINANCING, FY 2022 – FY 2025					
Fund	FY 2022	FY 2023	FY 2024	FY 2025	Total
2024 Approved	\$ 1,747,800	\$ 110,091,797	\$ 8,160,403	\$ -	\$ 120,000,000
SGF	-	54,931,985	5,068,015	-	60,000,000
ARPA SRF	1,747,800	55,159,812	3,092,388	-	60,000,000
2025 Revised Estimate	\$ 1,747,800	\$ 110,091,797	\$ 2,827,794	\$ 24,313,304	\$ 138,980,695
SGF	-	54,931,985	102,500	4,965,515	60,000,000
ARPA SRF	1,747,800	55,159,812	2,725,294	19,347,789	78,980,695

- **Agency:** Add \$19.3 million, all from the ARPA State Relief Fund, for the continued renovation of the Docking State Office Building in FY 2025.
- **LBC:** No changes.

4. FACILITIES UPGRADES AND IMPROVEMENTS (OT)

In 2023, the State Finance Council approved expenditures from the ARPA State Relief

Fund to address outdated equipment and deficiencies in the Capitol Complex and State Printing Plant. Since then, the Department of Administration has updated its budget request based on progress made and adjusted project schedules. As a result, \$1.9 million in funding carried over from FY 2024 into FY 2025. This change reflects the shift in expenditures; the agency does not request additional funding at this time.

The following projects are included in this request:

- \$4.5 million to **replace outdated air handling equipment within the Capitol Complex**. As budgets allow, the Office of Facilities and Property Management (OFPM) replaces outdated units, some of which date back to 1955 and 1970. This project replaces remaining units to improve filtration, indoor air quality, and efficiency.
- \$6.0 million to address deficiencies related to **physical security within the Capitol Complex** to assist OFPM and the Kansas Highway Patrol in protecting Statehouse employees and the public. Upgrades include, among other things, replacing outdated building access and video security systems, eliminating physical keys to touchless surfaces, and adding enhanced security technology.
- \$6.5 million for **deferred maintenance and upgrades to the State Printing Plant**, which houses printing and central mail operations. Most of the Printing Plant's mechanical, electrical, plumbing, and fire protection systems are original to its construction in 1985 and are at, or past, median service life estimates.

FIG. 6 ARPA CAPITAL IMPROVEMENT PROJECTS, FY 2023 – FY 2025				
Project	FY 2023	FY 2024	FY 2025	Total
2024 Approved	\$ 4,253,018	\$ 6,373,491	\$ 6,373,491	\$ 17,000,000
Capitol Complex Air Handler	1,518,646	1,490,677	1,490,677	4,500,000
Capitol Complex Security	2,734,372	1,632,814	1,632,814	6,000,000
State Printing Plant	-	3,250,000	3,250,000	6,500,000
2025 Revised Estimate	\$ 4,253,018	\$ 4,511,714	\$ 8,292,097	\$ 17,056,829
Capitol Complex Air Handler	1,518,646	1,299,282	1,703,767	4,521,695
Capitol Complex Security	2,734,372	1,632,244	1,668,518	6,035,134
State Printing Plant	-	1,580,188	4,919,812	6,500,000

- **Agency:** Add \$1.9 million, all from the ARPA State Relief Fund, for maintenance and improvements to the Capitol Complex and State Printing Plant in FY 2025. These projects were approved by the State Finance Council and the 2024 Legislature.
- **LBC:** No changes.

5. OFFICE OF PROCUREMENT AND CONTRACTS – STAFFING AND OFFICES

The Office of Procurement and Contracts (OPC) is responsible for procuring goods and services at the best price for state agencies and, when appropriate, establishing contracts that are available to political subdivisions throughout the state.

The agency indicates staff turnover at OPC has been significant in the past few years and that staffing levels have reached a low enough point that customer agencies began experiencing exceptionally long wait times. To address this, the agency has increased expenditures to hire additional Procurement Officers and Administrative Specialists, temporarily remodel its offices, and purchase equipment for the increase in personnel. Taken together, this results in an overall increase of \$1.3 million in expenditures, all

from the Purchasing Fee Fund, and an additional 9.0 FTE positions.

- **Agency:** Add \$1.3 million, all from the Purchasing Fee Fund, and 9.0 FTE positions to hire additional personnel and reconfigure work spaces within the Office of Procurement and Contracts in FY 2025.
- **LBC:** Delete \$1.3 million, all from the Purchasing Fee Fund, and 9.0 FTE positions to not hire additional personnel within the Office of Procurement and Contracts in FY 2025.

6. ALL OTHER ADJUSTMENTS

The revised estimate includes a decrease of \$170,851, but an increase of \$65,984 SGF, for other expenditures and a decrease of 0.2 FTE positions in FY 2025. Several of these adjustments are to shift expenditures made from on-budget funds to off-budget funds, which are not reflected in statewide totals to avoid double counting payments from one state agency to another.

Changes in SGF expenditures occur throughout the agency and are smaller in scope to the adjustments detailed above. Some examples include the following:

- The Office of the Chief Counsel (OCC) has budgeted \$153,390 SGF more in expenditures due to filling a Director of Labor Relations in April 2024. This position manages employment policies and labor contracts with both non-union and union organizations, such as Capitol Police and those at state universities.
- The Office of Accounts and Reports (OAR) has budgeted \$366,114 SGF more in expenditures within the Delegated Audit Program, primarily due to shifting personnel from off-budget to on-budget. Pursuant to KSA 75-3728 through 75-3731, this program manages audits of expenditures, local funds, and other financial activity.
- The Office of Personnel Services (OPS) has budgeted \$185,500 SGF more in expenditures to shift payments for building and equipment rentals from off-budget to on-budget. There is a corresponding decrease in spending on this category from the off-budget Accounting Services Recovery Fund.
- The Division of the Budget (DOB) has budgeted \$601,290 SGF to relocate its personnel to a new office building. Of this amount, \$320,997 is financed from the SGF reappropriation described in Item 1, while the remaining \$280,293 is included in this adjustment.
- The Office of Systems Management (OSM) changed how it is funded from the on-budget SGF to the off-budget Accounting Services Recovery Fund, which collects fees for services provided to other state agencies. This shifts \$108,186 in expenditures and 1.0 FTE position, including employee compensation for one State Auditor (\$84,186) and professional service fees for the State Service Desk. While this results in additional off-budget expenditures for OSM, total on- and off-budget spending within the program remains relatively unchanged from the amount approved by the 2024 Legislature, decreasing from \$9.0 million to \$8.9 million.

The increase in SGF expenditures is offset by comparatively smaller increases in expenditures from other funding sources, such as reducing expenditures from the Curtis State Office Building Maintenance Reserve Fund from \$250,000 to \$0 to reflect the

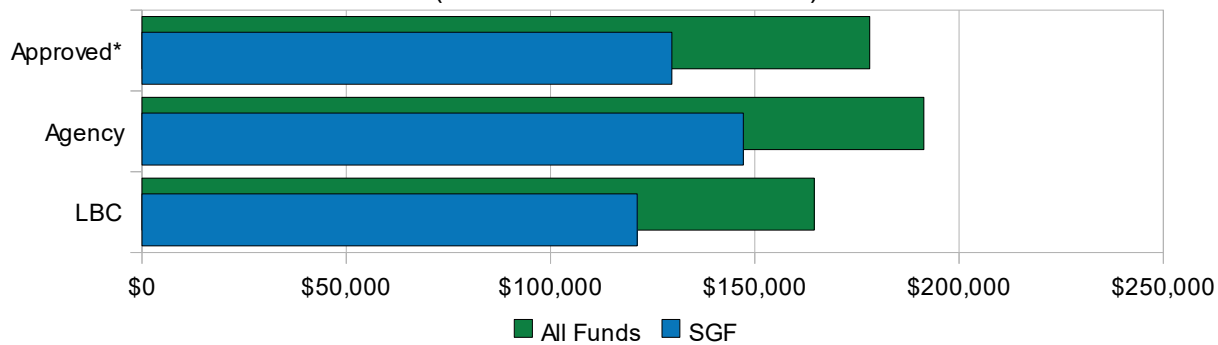
agency's intent to hold funds for unexpected maintenance issues that may arise.

The revised estimate includes \$97.5 million in off-budget expenditures and 367.9 off-budget FTE positions. In FY 2025, off-budget expenditures increase by \$1.3 million above the amount approved by the 2024 Legislature. This increase is primarily due to higher spending on workers' compensation claims (\$740,974) and on maintenance for state facilities and property (\$354,000), and is offset by a variety of other adjustments, such as eliminating a vacant Attorney position within the Office of the Chief Counsel (\$126,359).

- **Agency:** Delete \$170,851, but add \$65,984 SGF, and delete 0.2 FTE position for miscellaneous adjustments in FY 2025.
- **LBC:** No changes.

FY 2026 ANALYSIS

FIG. 7 **BUDGET HIGHLIGHTS, FY 2026**
(DOLLARS IN THOUSANDS)



* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 8 **BUDGET HIGHLIGHT CHANGES, FY 2026**

Fund	2025 Agency	2025 Approved*	2026 Agency	Agency Change from Previous-Year Agency		Agency Change from Approved*	
SGF	\$ 168,056,539	\$ 129,732,538	\$ 147,230,461	\$ (20,826,078)	(12.4) %	\$ 17,497,923	13.5 %
All Other Funds	70,462,287	48,179,087	44,206,030	(26,256,257)	(37.3)	(3,973,057)	(8.2)
TOTAL	\$ 238,518,826	\$ 177,911,625	\$ 191,436,491	\$ (47,082,335)	(19.7) %	\$ 13,524,866	7.6 %

* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

BUDGET ANALYSIS

FIG. 9 **SUMMARY OF BUDGET REQUEST, FY 2026**

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 129,732,538	\$ 177,911,625	101.2	\$ 129,732,538	\$ 177,911,625	101.2
2024 SB 28 & HB 2551	129,732,538	177,911,625	101.2	129,732,538	177,911,625	101.2
Enhancement Requests	\$ 26,000,000	\$ 26,000,000	-	\$ -	\$ -	-
1. ERP Modernization	26,000,000	26,000,000	-	-	-	-
2. Docking Key Card Access*	-	-	-	-	-	-
Other Changes	\$ (8,502,077)	\$ (12,475,134)	8.8	\$ (8,502,077)	\$ (13,366,327)	(0.2)
3. Facilities Upgrades (OT)	-	(6,373,491)	-	-	(6,373,491)	-
4. Debt Service Payoff	(7,071,376)	(7,071,376)	-	(7,071,376)	(7,071,376)	-
5. OPC Staffing and Offices	-	891,193	9.0	-	-	-
6. All Other Adjustments	(1,430,701)	78,540	(0.2)	(1,430,701)	78,540	(0.2)
TOTAL	\$ 147,230,461	\$ 191,436,491	110.0	\$ 121,230,461	\$ 164,545,298	101.0

* Note: This enhancement request is an off-budget expenditure and is not reflected in statewide totals.

1. ENTERPRISE RESOURCE PLANNING (ERP) MODERNIZATION

Enterprise Resource Planning (ERP) refers to software systems that integrate management of an organization's core business functions, such as accounting, personnel, supply chain operations, and more. The Department of Administration currently utilizes the Oracle PeopleSoft ERP to provide these services to state agencies, many of which are required by statute (KSA 75-3728 *et seq.*, 75-5501 *et seq.*). The two largest applications in-use include the Statewide Human Resource and Payroll System (SHARP) and the Statewide Management, Accounting and Reporting Tool (SMART), implemented in 1995 and 2010, respectively.

In FY 2024, the Department of Administration entered into a contract to study its current ERP system. Based on the result of the study, the agency indicates there is a cloud-based, single-vendor ERP solution available to the State and requests \$26.0 million

SGF for FY 2026 to begin the process of converting to the new vendor. If approved, the agency indicates there would be additional expenses in future years—approximately \$38.0 million for FY 2027 and \$36.0 million for FY 2028.

- **Agency:** Add \$26.0 million SGF to begin conversion to a cloud-based enterprise resource planning system for FY 2026.
- **LBC:** Delete \$26.0 million SGF for a cloud-based enterprise resource planning system for FY 2026.

2. DOCKING KEY CARD ACCESS (OFF-BUDGET)

After renovations to the Docking State Office Building are completed in FY 2025, state agencies will begin moving into the new office space. The Department of Administration anticipates needing two additional employees to process key card access requests for buildings in the Capitol Complex. The agency indicates one of those employees will be transferred from the Kansas Highway Patrol, while the other would be a new position. Both would be housed within the Office of Personnel Services.

Costs for the additional position total \$50,694, including \$32,915 for employee pay and \$17,779 for fringe benefits, and 1.0 off-budget FTE position. This position would be financed from the Accounting Services Recovery Fund, a no-limit, off-budget fund that collects fees for services provided to other state agencies. As a result, this request would not appear on statewide totals. Nonetheless, the agency submitted this enhancement request because it involves adding an additional position and establishing administrative fees to fund it.

- **Agency:** Add \$50,694, all from the Accounting Services Recovery Fund, and 1.0 FTE position for an additional employee to process key card access requests for Capitol Complex buildings for FY 2026. This is an off-budget expenditure and does not show on statewide totals.
- **LBC:** No changes.

3. FACILITIES UPGRADES AND IMPROVEMENTS (OT)

In 2023, the State Finance Council approved expenditures from the ARPA State Relief Fund to address outdated equipment and deficiencies in the Capitol Complex and State Printing Plant. These projects are all two- and three-year projects, beginning in FY 2023 and concluding in FY 2025. The 2024 Legislature approved \$6.4 million in expenditures for FY 2025, which appears as a decrease here because funding is not needed for FY 2026. Additional detail on these projects may be found in the “FY 2025 Analysis” section, under Item 4.

- **Agency:** Delete \$6.4 million, all from the ARPA State Relief Fund, for maintenance and improvement projects for FY 2026. These projects are scheduled to be completed in FY 2025, and funding is not needed for FY 2026.
- **LBC:** No changes.

4. DEBT SERVICE PAYMENTS

The Department of Administration budgets for, and pays, the debt service on revenue bonds issued for a variety of reasons. Principal and interest payments on these bonds are made on a set schedule and vary from year to year. The 2024 Legislature approved

\$24.7 million to pay off the remaining balance of Series 2016H and 2020S bonds, which refinance bonds originally issued for various capital improvement projects. These bonds were paid off in FY 2025, which results in a decrease in debt service obligations for FY 2026 onward. This results in a decrease of approximately \$6.3 million in principal payments and \$731,376 in interest payments.

- **Agency:** Delete \$7.1 million SGF for debt service payments for FY 2026. Series 2016H and 2020S bonds were paid off in FY 2025, and debt service obligations do not continue into FY 2026.
- **LBC:** No changes.

5. OFFICE OF PROCUREMENT AND CONTRACTS – STAFFING AND OFFICES

The Office of Procurement and Contracts (OPC) is responsible for procuring goods and services at the best price for state agencies and, when appropriate, establishing contracts that are available to political subdivisions throughout the State.

The agency indicates staff turnover at OPC has been significant in the past few years and that staffing levels have reached a low enough point that customer agencies began experiencing exceptionally long wait times. To address this, the agency has increased expenditures to hire additional Procurement Officers and Administrative Specialists, which results in an overall increase of \$891,193 in expenditures, all from the Purchasing Fee Fund, and an additional 9.0 FTE positions. This amount is slightly lower than the amount requested in FY 2025 because expenditures to remodel offices and for equipment do not continue into FY 2026.

- **Agency:** Add \$891,193, all from the Purchasing Fee Fund, and 9.0 FTE positions to hire additional personnel within the Office of Procurement and Contracts for FY 2026.
- **LBC:** Delete \$891,193, all from the Purchasing Fee Fund, and 9.0 FTE positions to not hire additional personnel within the Office of Procurement and Contracts for FY 2026.

6. ALL OTHER ADJUSTMENTS

The agency's request includes an increase of \$78,540 from all funds, but a decrease of \$1.4 million SGF and 0.2 FTE position for FY 2026.

The majority of these adjustments is due to debt service payments for Series 2004C bonds, which were issued to improve the funded status of the Kansas Public Employees Retirement System (KPERs). Debt service payments for these bonds are normally made from the Expanded Lottery Act Revenues Fund (ELARF). However, due to an insufficient projected ending balance in FY 2025, the 2024 Legislature approved paying \$1.5 million of the \$36.1 million in debt service from the SGF rather than from the ELARF. This was a one-time event and does not occur in FY 2026, resulting in a decrease of \$1.5 million in SGF expenditures.

The decrease in SGF expenditures are offset by comparatively smaller increases in expenditures from other funding sources. Some examples include the following:

- The Office of Accounts and Reports (OAR) periodically transfers money from the Federal Cash Management Fund to the federal government for interest payments

on federal grant fund balances, as required by KSA 75-3083 and the Federal Cash Management Act (PL 101-453). For FY 2026, the agency anticipates transferring \$300,000.

- The Office of Facilities and Property Management (OFPM) anticipates spending a combined \$270,000 more from the State Institutions Building Fund and the Correctional Institutions Building Fund for FY 2026. Expenditures from these funds are made for the maintenance and upkeep of state facilities.
- The Office of Public Advocates (OPA) has budgeted \$119,951 more in expenditures from the Older Americans Act Title IIIB and Title VII Federal Fund. The Office of the Long-Term Care Ombudsman utilizes these funds for operational expenses, such as the salaries for its 12 employees.
- The Office of Financial Management (OFM) anticipates distributing \$30,000 more in aid from the Flood Control Emergency Federal Fund than previously projected. Pursuant to federal law and regulation, the U.S. Corps of Engineers distributes 75.0 percent of moneys derived from the lease for agricultural purposes of federally owned land adjacent to federal reservoirs. KSA 27-117 provides for subsequent payment of such moneys to counties, townships, and certain school districts in accordance with a distribution list provided by the U.S. Corps of Engineers.

The agency's request also includes \$98.8 million in off-budget expenditures and 368.8 off-budget FTE positions, which are categorized as such to avoid double counting payments from one state agency to another. For FY 2026, off-budget expenditures increase by \$2.6 million above the amount approved by the 2024 Legislature. This increase is primarily due to higher spending on workers' compensation claims (\$1.3 million), equipment for OAR (\$391,200), and maintenance for state facilities and property (\$354,000).

- **Agency:** Add \$78,540, but delete \$1.4 million SGF and 0.2 FTE position, for miscellaneous adjustments for FY 2026.
- **LBC:** No changes.

CAPITAL BUDGET AND DEBT

FIG. 10 **CAPITAL BUDGET AND DEBT (ON-BUDGET), FY 2024 – FY 2026**

	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
EXPENDITURES:					
Capital Projects	\$ 12,646,715	\$ 38,005,401	\$ 37,605,401	\$ 5,000,000	\$ 5,000,000
Capitol Complex Rehab and Repair	5,307,207	5,000,000	5,000,000	5,000,000	5,000,000
Capitol Complex Air Handler (OT)	1,299,282	1,703,767	1,703,767	-	-
Capitol Complex Security (OT)	1,632,244	1,668,518	1,668,518	-	-
Docking State Office Building (OT)	2,827,794	24,313,304	24,313,304	-	-
Printing Plant (OT)	1,580,188	4,919,812	4,919,812	-	-
Printing Plant–Mail Scanning (OT)	-	400,000	-	-	-
Debt Service Principal*	\$ 21,077,422	\$ 44,440,543	\$ 44,440,543	\$ 14,175,574	\$ 14,175,574
Debt Service Interest*	\$ 6,548,278	\$ 5,518,890	\$ 5,518,890	\$ 4,112,567	\$ 4,112,567
TOTAL	\$ 40,272,415	\$ 87,964,834	\$ 87,564,834	\$ 23,288,141	\$ 23,288,141
FINANCING:					
SGF	\$ 32,691,980	\$ 60,324,948	\$ 59,924,948	\$ 23,288,141	\$ 23,288,141
ARPA State Relief Fund	7,237,008	27,639,886	27,639,886	-	-
All Other Funds	343,427	-	-	-	-
TOTAL	\$ 40,272,415	\$ 87,964,834	\$ 87,564,834	\$ 23,288,141	\$ 23,288,141

* Note: Includes debt service expenditures on capital improvement projects only. Debt services related to bonds related to the Kansas Public Employees Retirement System (KPERs) may be found in the “Debt Service” section below.

The information detailed in this section includes expenditures for **capital improvement projects** and for **debt service payments** on bonds related to capital projects.

Each year, the Department of Administration conducts projects it deems important for the upkeep of the buildings within its control, using funding from its maintenance reserve funds and from the SGF. Within the agency, the Office of Facilities and Property Management (OFPM) administers and maintains State-owned facilities, including the following major property groups:

- **Capitol Complex Buildings**—Curtis, Docking, Eisenhower, and Landon State Office Buildings; Memorial Hall; Grounds Complex; Capitol Complex Utility Plant; and Kansas Health and Environment Laboratory.
- **Monumental Buildings**—Judicial Center and Cedar Crest.
- **Myriad Building**—Maintenance is financed through the Department for Children and Families, while debt service payments are managed by the Department of Administration.

In preparing its 5-Year Capital Improvement Plan, OFPM classifies key building systems and conducts an annual Building Condition Assessment to identify strategic considerations and issues. This assessment includes review of exterior components, such as foundations, walls, and roofs; interior components, such as floors, partitions, and ceilings; and engineered systems, such as electrical, plumbing, and heating. The following tables summarize assessment scores for FY 2024:

FIG. 11 BUILDING AND COMPONENT RATING SUMMARY, FY 2024						
Building System	Points Possible	Curtis	Eisenhower	Judicial Center	Landon	Memorial Hall
Total Building Score	100.00	83.35	77.80	75.40	83.50	80.55
Exterior Components	28.00	21.15	19.95	21.00	23.70	23.15
Interior Components	29.00	25.65	20.60	22.65	22.45	24.55
Engineered Systems	43.00	36.55	37.25	31.75	37.35	32.85

FIG. 12 BUILDING AND COMPONENT RATING SUMMARY (CONT.), FY 2024						
Building System	Points Possible	Grounds Maintenance Shop	Grounds Storage Building	Statehouse	Printing Plant	Cedar Crest
Total Building Score	100.00	89.55	94.80	81.70	40.70	84.95
Exterior Components	28.00	21.55	26.60	23.80	16.10	22.75
Interior Components	29.00	27.35	27.35	24.05	14.85	24.35
Engineered Systems	43.00	40.65	40.85	33.85	9.75	37.85

The established standard goal for each facility is a rating of “Good” (80 to 89), which signifies no obvious deficiencies in condition or performance, serviceability with basic maintenance, and typically with fewer than 10 years of depreciation.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$88.0 million, including \$60.3 million SGF, in on-budget capital improvement and debt service expenditures related to capital projects in FY 2025. This amount includes \$38.0 million for capital projects, \$44.4 million for debt service principal payments, and \$5.5 million for debt service interest payments. The revised estimate includes the following capital projects:

1. CAPITOL COMPLEX REHAB AND REPAIR

The Department of Administration receives an annual \$5.0 million SGF appropriation to address rehabilitation and repair on buildings in the Capitol Complex. Specific work varies from year to year and is based on budget availability and need. In general, this work includes maintenance, asbestos abatement, minor building refurbishments, and replacement of major equipment components that break down during operations.

2. CAPITOL COMPLEX AIR HANDLER (OT)

In 2023, the State Finance Council approved \$4.5 million from ARPA State Relief Funds to replace outdated air handling equipment within the Capitol Complex. As budgets allow, the Office of Facilities and Property Management has replaced outdated air handler units, some of which date back to 1955 and 1970. This project replaces remaining units, which would improve indoor air quality, lower operation costs, and reduce impacts and disruptions to the Capitol Complex.

The project began in FY 2023 and is scheduled to be completed in FY 2025. **The revised estimate includes \$1.7 million in expenditures for FY 2025, which represents the remainder of the funding originally allocated for the project.**

3. CAPITOL COMPLEX SECURITY (OT)

In 2023, the State Finance Council approved \$6.0 million from ARPA State Relief Funds to address deficiencies related to physical security within the Capitol Complex, to assist OFPM and the Kansas Highway Patrol in protecting employees and the public. Upgrades include replacing outdated building access and video security systems, eliminating physical keys to touchless surfaces, and adding enhanced security technology in artificial intelligence. The project began in FY 2023 and is currently scheduled to be completed in FY 2025.

In testimony before the Joint Committee on Information Technology on November 21, 2024, the Chief Information Technology Officer indicated the infrastructure component of the project is currently in “Alert” status due to cost overages, supply chain issues, and challenges with integrating current system data with the new system.

Nonetheless, the project is anticipated to be completed in December 2024, and the agency is not currently requesting additional funding. **The revised estimate includes \$1.7 million in expenditures in FY 2025, which represents the remainder of the funding originally allocated for the project.**

4. DOCKING STATE OFFICE BUILDING (OT)

State Finance Council Resolution 21-740 approved the renovation of the Docking State Office Building into a three-story building with office and meeting space. The renovated building will have three floors, public lobby and exhibit spaces, state agency office space, shared meeting rooms, wellness and personal health support rooms, and a fitness center. The renovation will be built atop the building's existing foundation, which contains the basement and sub-basement levels.

The 2022 Legislature approved \$120.0 million in expenditures for the renovation, split evenly between the SGF and federal ARPA State Relief Funds. There are two events that impact project financing in FY 2025. First, \$5.0 million in unspent SGF and \$347,789 in unspent ARPA State Relief Funds carried over from FY 2024 into FY 2025. Second, the agency received an additional allocation of \$19.0 million from the ARPA State Relief Fund. Taken together, project costs total \$139.0 million, up from the original estimate of \$120.0 million.

The revised estimate includes \$24.3 million, including \$5.0 million SGF and \$19.3 million from ARPA State Relief Funds, which represents the remainder of the funding available for the project. The agency anticipates project completion around April 2025.

5. STATE PRINTING PLANT (OT)

In 2023, the State Finance Council approved \$6.0 million from ARPA State Relief Funds to address deferred maintenance and upgrades to the State Printing Plant, which houses printing and central mail operations. Most of the Printing Plant's mechanical, electrical, plumbing, and fire protection systems are original to its construction in 1985 and are at, or past, median service life estimates.

The project began in FY 2024 and is scheduled to be completed in FY 2025. **The revised estimate includes \$4.9 million in expenditures for FY 2025, which represents the remainder of the funding originally allocated for the project.**

6. STATE PRINTING PLANT–MAIL SCANNING (OT)

The 2024 Legislature approved \$400,000 SGF in FY 2024 to expand the Office of Printing, Surplus and Central Mail's operations to scan mail for anomalies prior to delivery. This appropriation included \$150,000 to purchase mail scanning equipment and \$250,000 to create a dedicated structure for this purpose.

These funds were not encumbered in FY 2024 and were lapsed because the bill appropriating these funds (2024 SB 28) did not include language authorizing these funds to reappropriate into FY 2025. Accordingly, the agency requests the same funds for the same purpose in FY 2025.

FY 2026 CAPITAL IMPROVEMENTS

The **agency** requests \$23.3 million SGF in on-budget capital improvement and debt service expenditures related to capital projects for FY 2026. This amount includes \$5.0 million for capital

projects, \$14.2 million for debt service principal payments, and \$4.1 million for debt service interest payments. The request includes the following project:

1. CAPITOL COMPLEX REHAB AND REPAIR

The Department of Administration receives an annual \$5.0 million SGF appropriation to address rehabilitation and repair on buildings in the Capitol Complex. Specific work varies from year to year and is based on budget availability and need. In general, this work includes maintenance, asbestos abatement, minor building refurbishments, and replacement of major equipment components that break down during operations.

DEBT SERVICE

The Department of Administration budgets and pays the debt service on a number of different bonds issued for a variety of reasons. Debt service expenditures account for the majority of the Department of Administration's budget. In FY 2024, debt service expenditures accounted for 60.3 percent of total expenditures, including 84.9 percent of on-budget expenditures. Except for principal payments for KPERS bonds, debt service principal payments are included within agency budgets as a capital improvements expense, whereas interest payments are included as an operating expense.

Pursuant to the Kansas Development Finance Authority (KDFA) Act, KSA 74-8901 *et seq.*, bonds are defined as any bonds, leases, notes, debentures, interim certificates, grant and revenue anticipation notes, interest in a lease, lease certificate of participation, or other evidences of indebtedness issued by the KDFA pursuant to the Act, whether or not the interest is subject to federal income taxation.

FIG. 13 DEBT SERVICE PAYMENTS, AGENCY REQUEST, FY 2025 – FY 2026						
	Principal	FY 2025 Interest	Total	Principal	FY 2026 Interest	Total
EXPENDITURES:						
On-Budget	\$ 103,360,543	\$ 70,888,876	\$ 174,249,419	\$ 75,270,574	\$ 67,294,278	\$ 142,564,852
KPERS	\$ 58,920,000	\$ 65,369,986	\$ 124,289,986	\$ 61,095,000	\$ 63,181,711	\$ 124,276,711
2004C KPERS Bonds	21,205,000	14,898,142	36,103,142	22,335,000	13,759,221	36,094,221
2015H KPERS Bonds	24,765,000	39,240,952	64,005,952	25,690,000	38,314,494	64,004,494
2021K KPERS Bonds	12,950,000	11,230,892	24,180,892	13,070,000	11,107,996	24,177,996
All Other Bonds	\$ 44,440,543	\$ 5,518,890	\$ 49,959,433	\$ 14,175,574	\$ 4,112,567	\$ 18,288,141
2016H Refinancing	25,725,062	553,376	26,278,438	-	-	-
2019F Refinancing	4,846,881	1,723,939	6,570,820	5,155,574	1,486,617	6,642,191
2020R Refinancing	6,255,000	1,979,075	8,234,075	6,570,000	1,658,450	8,228,450
2020S Refinancing	5,273,600	178,000	5,451,600	-	-	-
2021P Refinancing	2,340,000	1,084,500	3,424,500	2,450,000	967,500	3,417,500
Off-Budget	\$ 5,095,097	\$ 942,584	\$ 6,037,681	\$ 5,349,446	\$ 796,628	\$ 6,146,074
2019F Refinancing	-	-	-	1,274,426	367,483	1,641,909
2019G Refinancing	1,198,119	426,147	1,624,266	-	-	-
2020K Curtis, Myriad	3,896,978	516,437	4,413,415	4,075,020	429,145	4,504,165
TOTAL	\$ 108,455,640	\$ 71,831,460	\$ 180,287,100	\$ 80,620,020	\$ 68,090,906	\$ 148,710,926
FINANCING:						
State General Fund	\$ 83,695,543	\$ 55,990,734	\$ 139,686,277	\$ 52,935,574	\$ 53,535,057	\$ 106,470,631
ELARF	19,665,000	14,898,142	34,563,142	22,335,000	13,759,221	36,094,221
State Bldg. Operating Fund	5,095,097	942,584	6,037,681	5,349,446	796,628	6,146,074
TOTAL	\$ 108,455,640	\$ 71,831,460	\$ 180,287,100	\$ 80,620,020	\$ 68,090,906	\$ 148,710,926

The Department of Administration's budget includes debt service payments on the following bonds in FY 2025 and FY 2026:

- **Series 2004C** was issued to improve the funded status of KPERS.
 - **Original Issuance:** \$500.0 million
 - **Final Payment:** FY 2034
 - **Funding Source:** Expanded Lottery Act Revenues Fund (ELARF)
 - **3-Year Average Debt Service:** \$36.1 million
 - **Principal:** \$19.1 million
 - **Interest:** \$17.0 million
 - **Principal Balance on June 30, 2024:** \$271.9 million
 - **Call Date:** Anytime
 - **Call Price:** Greater of (a) par, or (b) a make-whole price of all future debt service discounted at a rate of U.S. Treasury yields plus 12.5 percent

- **Series 2015H** was issued to improve the funded status of KPERS.
 - **Original Issuance:** \$1.0 billion
 - **Final Payment:** FY 2045
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$64.0 million
 - **Principal:** \$23.1 million
 - **Interest:** \$40.9 million
 - **Principal Balance on June 30, 2024:** \$833.6 million
 - **Call Date:** Anytime
 - **Call Price:** Greater of (a) par, or (b) a make-whole price of all future debt service discounted at a rate of U.S. Treasury yields plus 35.0 percent

- **Series 2021K** was issued to improve the funded status of KPERS.
 - **Original Issuance:** \$504.5 million
 - **Final Payment:** FY 2051
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$24.2 million
 - **Principal:** \$14.0 million
 - **Interest:** \$10.2 million
 - **Principal Balance on June 30, 2024:** \$462.4 million
 - **Call Date:** Anytime
 - **Call Price:** Greater of (a) par, or (b) a make-whole price of all future debt service discounted at a rate of U.S. Treasury yields plus 15 percent

- **Series 2016H** refunded bonds issued in 2007 and 2008 for a variety of capital improvement projects, such as the Kansas Law Enforcement Training Center, Capitol Complex, National Guard Armory, correctional facilities, and University of Kansas pharmacy facilities.
 - **Original Issuance:** \$51.5 million
 - **Final Payment:** FY 2025
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$6.3 million
 - **Principal:** \$5.2 million
 - **Interest:** \$1.1 million
 - **Principal Balance on June 30, 2024:** \$25.7 million
 - **Call Date:** November 1, 2024
 - **Call Price:** 100 percent of principal amount plus accrued interest

- **Series 2019F** refinanced bonds originally issued for the Eisenhower State Office Building and previous bond restructures.
 - **Original Issuance:** \$69.0 million
 - **Final Payment:** FY 2035

- **Funding Source:** SGF, State Building Operating Fund
 - **3-Year Average Debt Service:** \$6.7 million
 - **Principal:** \$4.5 million
 - **Interest:** \$2.1 million
 - **Principal Balance on June 30, 2024:** \$50.5 million
 - **Call Date:** November 1, 2027
 - **Call Price:** 100 percent of principal amount plus accrued interest
- **Series 2019G** refinanced bonds originally issued for the Eisenhower State Office Building and previous bond restructures.
 - **Original Issuance:** \$5.5 million
 - **Final Payment:** FY 2025
 - **Funding Source:** State Building Operating Fund
 - **3-Year Average Debt Service:** \$1.6 million
 - **Principal:** \$1.1 million
 - **Interest:** \$454,549
 - **Principal Balance on June 30, 2024:** \$1.2 million
 - **Call Date:** N/A
 - **Call Price:** N/A
 - **Series 2020K** transferred ownership of the Curtis State Office Building and the Department for Children and Families Topeka Service Center from the Topeka Public Building Commission to the State of Kansas.
 - **Original Issuance:** \$37.2 million
 - **Final Payment:** FY 2030
 - **Funding Source:** State Buildings Operating Fund
 - **3-Year Average Debt Service:** \$4.2 million
 - **Principal:** \$3.6 million
 - **Interest:** \$678,967
 - **Principal Balance on June 30, 2024:** \$23.1 million
 - **Call Date:** June 1, 2025
 - **Call Price:** 102 percent of principal amount plus accrued interest. These bonds are callable on June 1, 2026 and 2027. The call price decreases by 1 percent per year, until it reaches 100 percent on June 1, 2027.
 - **Series 2020R** refunded bonds issued in 2010 for the National Bio and Agro-Defense Facility and for renovations to the Kansas Statehouse.
 - **Original Issuance:** \$81.4 million
 - **Final Payment:** FY 2035
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$11.8 million
 - **Principal:** \$9.1 million
 - **Interest:** \$2.7 million
 - **Principal Balance on June 30, 2024:** \$49.3 million
 - **Call Date:** November 1, 2028
 - **Call Price:** 100 percent of principal amount plus accrued interest
 - **Series 2020S** refunded bonds issued in 2010 for the National Bio and Agro-Defense Facility and for renovations to the Kansas Statehouse.
 - **Original Issuance:** \$6.5 million
 - **Final Payment:** FY 2034
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$772,888

- **Principal:** \$551,667
 - **Interest:** \$221,221
 - **Principal Balance on June 30, 2024:** \$4.8 million
 - **Call Date:** November 1, 2028
 - **Call Price:** 100 percent of principal amount plus accrued interest
- **Series 2021P** refinanced bonds originally issued for the restoration of the Capitol Complex.
 - **Original Issuance:** \$38.9 million
 - **Final Payment:** FY 2033
 - **Funding Source:** SGF
 - **3-Year Average Debt Service:** \$5.8 million
 - **Principal:** \$4.3 million
 - **Interest:** \$1.4 million
 - **Principal Balance on June 30, 2024:** \$25.6 million
 - **Call Date:** May 1, 2030
 - **Call Price:** 100 percent of principal amount plus accrued interest

FIG. 14 **DEBT SERVICE OBLIGATIONS**

Bond	Original Issuance	Interest Rates*	Final Payment	Next Call Date	Call Price
KPERS Pension Obligation Bonds:					
2004C KPERS Pension Obligation Bonds	\$ 500,000,000	5.37–5.50 %	FY 2034	Anytime	Make Whole (+12.5%)**
2015H KPERS Pension Obligation Bonds	1,005,180,000	3.74–4.93	FY 2045	Anytime	Make Whole (+35.0%)**
2021K KPERS Pension Obligation Bonds	504,535,000	0.96–2.77	FY 2051	Anytime	Make Whole (+15.0%)**
All Other Bonds:					
2016H Refinancing (Statehouse, KU, etc.)	\$ 51,500,000	2.13–5.00 %	FY 2025	N/A	N/A
2019F Refinancing (Statehouse, ESOB, etc.)	68,980,000	3.00–5.00	FY 2035	Nov. 2027	100.0 %
2019G Refinancing (Statehouse, ESOB, etc.)	5,470,000	2.15	FY 2025	N/A	N/A
2020K CSOB, Myriad Building	64,171,474	2.24	FY 2030	Jun. 2025	102.0 %
2020R Refinancing (Statehouse, Broadcast)	81,445,000	2.00–5.00	FY 2035	Nov. 2028	100.0 %
2020S Refinancing (Statehouse, NBAF)	6,485,000	3.00–4.00	FY 2032	Nov. 2028	100.0 %
2021P Refinancing (Statehouse)	38,890,000	2.00–5.00	FY 2033	May 2030	100.0 %

* Note: These rates are for FY 2025 and end-of-term.

** Note: The call price on these bonds are the greater of (a) par, or (b) a make-whole price of all future debt discounted at a rate of U.S. Treasury yields plus the percentage listed.

FIG. 15 **DEBT SERVICE PRINCIPAL PAYMENTS, FY 2025 – FY 2026**

Bond	Original Issuance	06/30/24 Balance	FY 2025 Payment	FY 2026 Payment	06/30/26 Balance
KPERS Pension Obligation Bonds:					
2004C KPERS Bonds	\$ 500,000,000	\$ 271,855,000	\$ 21,205,000	\$ 22,335,000	\$ 228,315,000
2015H KPERS Bonds	1,005,180,000	833,590,000	24,765,000	25,690,000	783,135,000
2021K KPERS Bonds	504,535,000	462,445,000	12,950,000	13,070,000	436,425,000
All Other Bonds:					
2016H Refinancing	\$ 51,500,000	\$ 25,725,062	\$ 25,725,062	\$ -	\$ -
2019F Refinancing	68,980,000	50,455,000	4,846,881	6,430,000	39,178,119
2019G Refinancing	5,470,000	1,198,119	1,198,119	-	-
2020K CSOB, Myriad Building	64,171,474	23,055,220	3,896,978	4,075,020	15,083,222
2020R Refinancing	81,445,000	49,315,000	6,255,000	6,570,000	36,490,000
2020S Refinancing	6,485,000	5,273,600	5,273,600	-	-
2021P Refinancing	38,890,000	25,630,000	2,340,000	2,450,000	20,840,000

REFERENCE TABLES

FIG. 16 **10-YEAR EXPENDITURE HISTORY (ON-BUDGET), FY 2017 – FY 2026**

Fiscal Year	SGF	Change	All Funds	Change	FTE	CPI-U Change**
FY 2017	\$ 120,632,833	46.4 %	\$ 175,799,148	24.2 %	80.8	0.0 %
FY 2018	130,438,370	8.1	189,019,566	7.5	92.1	0.2
FY 2019	135,036,674	3.5	193,236,859	2.2	92.1	0.0
FY 2020	134,363,049	(0.5)	190,710,176	(1.3)	91.3	0.8
FY 2021	141,630,307	5.4	196,119,397	2.8	92.2	2.4
FY 2022	480,070,479	239.0	543,518,301	177.1	93.9	9.2
FY 2023	186,052,989	(61.2)	287,988,741	(47.0)	99.5	5.8
FY 2024	128,754,216	(30.8)	178,866,868	(37.9)	106.2	3.0
FY 2025 Agency	168,056,539	30.5	238,518,826	33.3	110.0	2.5
FY 2026 Agency	147,230,461	(12.4)	191,436,491	(19.7)	110.0	2.4
10-Yr. Chg. (FY 2017– 2026)	\$ 26,597,628	22.0 %	\$ 15,637,343	8.9 %	29.2	33.4
3-Yr. Avg. (FY 2022– 2024)*	264,959,228		336,791,303		99.9	

* Note: Reflects three most recent years of actuals data.

** Note: Consumer Price Index – All Urban Consumers estimate for FY 2025 and FY 2026 is from the Consensus Revenue Estimating Group.

FIG. 17 **EXPENDITURES BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
On-Budget	\$ 178,866,868	\$ 238,518,826	\$ 236,865,186	\$ 191,436,491	\$ 164,545,298
Office of the Secretary	1,014,662	1,195,905	1,195,905	680,054	680,054
Office of the Chief Counsel	338,616	524,933	524,933	529,126	529,126
Office of Personnel Services	1,504,792	1,933,907	1,933,907	1,958,927	1,958,927
Office of Procurement and Contracts	1,966,195	3,692,345	2,438,705	3,329,898	2,438,705
Office of Financial Management	827,146	9,177,223	9,177,223	28,203,971	2,203,971
Office of Accounts and Reports	2,788,300	2,682,894	2,682,894	2,685,627	2,685,627
Office of Facilities and Property Mgmt.	1,623,178	34,034,775	34,034,775	6,608,531	6,608,531
Office of Printing, Mail and Surplus	13,191,562	6,329,408	5,929,408	1,015,976	1,015,976
Office of Systems Management	161,602	-	-	-	-
Office of Public Advocates	1,809,098	1,901,943	1,901,943	1,571,610	1,571,610
Division of the Budget	1,783,408	2,796,074	2,796,074	2,287,919	2,287,919
Debt Service	151,858,309	174,249,419	174,249,419	142,564,852	142,564,852
Off-Budget	\$ 82,615,212	\$ 97,489,430	\$ 97,489,430	\$ 98,828,258	\$ 98,828,258
TOTAL	\$ 261,482,080	\$ 336,008,256	\$ 334,354,616	\$ 290,264,749	\$ 263,373,556

FIG. 18 **FTE POSITIONS BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
On-Budget	106.2	110.0	101.0	110.0	101.0
Office of the Secretary	4.3	4.0	4.0	4.0	4.0
Office of the Chief Counsel	1.0	2.0	2.0	2.0	2.0
Office of Personnel Services	14.2	14.4	14.4	14.4	14.4
Office of Procurement and Contracts	20.0	29.0	20.0	29.0	20.0
Office of Financial Management	3.6	0.5	0.5	0.5	0.5
Office of Accounts and Reports	21.1	24.1	24.1	24.1	24.1
Office of Facilities and Property Mgmt.	1.0	1.0	1.0	1.0	1.0
Office of Printing, Mail and Surplus	5.0	5.0	5.0	5.0	5.0
Office of Systems Management	1.0	-	-	-	-
Office of Public Advocates	21.0	16.0	16.0	16.0	16.0
Division of the Budget	14.0	14.0	14.0	14.0	14.0
Debt Service	-	-	-	-	-
Off-Budget*	367.9	367.8	367.8	368.8	368.8
TOTAL	474.1	477.8	468.8	478.8	469.8