

KANSAS STATE FAIR

	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Operating Expenditures:					
State General Fund	\$ 538,686	\$ 300,500	\$ 1,300,500	\$ 690,500	\$ 250,500
Other Funds	5,464,509	2,241,726	2,241,726	4,512,748	4,512,748
<i>Subtotal</i>	<i>\$ 6,003,195</i>	<i>\$ 2,542,226</i>	<i>\$ 3,542,226</i>	<i>\$ 5,203,248</i>	<i>\$ 4,763,248</i>
Capital Improvements:					
State General Fund	\$ 665,000	\$ 700,000	\$ 700,000	\$ 735,000	\$ 735,000
Other Funds	652,836	315,000	315,000	603,217	603,217
<i>Subtotal</i>	<i>\$ 1,317,836</i>	<i>\$ 1,015,000</i>	<i>\$ 1,015,000</i>	<i>\$ 1,338,217</i>	<i>\$ 1,338,217</i>
TOTAL	\$ 7,321,031	\$ 3,557,226	\$ 4,557,226	\$ 6,541,465	\$ 6,101,465
Percentage Change:					
Operating Expenditures					
State General Fund	47.3 %	(44.2) %	141.4 %	129.8 %	(80.7) %
All Funds	(3.9)	(57.7)	(41.0)	104.7	34.5
FTE Positions	23.0	24.0	24.0	22.0	22.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

AGENCY OVERVIEW

The mission of the Kansas State Fair is to promote and showcase Kansas agriculture, industry, and culture; create opportunity for commercial activity; and provide an educational and entertaining experience that is the pride of all Kansans. The annual State Fair event is organized and administered by the 13-member State Fair Board. The State Fairgrounds is located in Reno County within the City of Hutchinson. The fairgrounds consist of approximately 280 acres, with 75 buildings and nearly 24 covered acres. The State Fair event starts on the Friday following Labor Day in September and runs for 10 days. This makes the State Fair event the state's largest single event, attracting more than 350,000 people, plus an estimated 200,000 people to the nearly 500 non-Fair events held throughout the year on the fairgrounds. The agency operates with 26 full-time employees and 600 part-time and temporary employees, in addition to contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** deleted the transfer of \$300,000 from the State General Fund (SGF) to the State Fair Capital Improvements Fund in fiscal year (FY) 2010 and for FY 2011.

The Legislature also transferred an additional \$50,000 from the State Fair Fee Fund to the State Fair Capital Improvements Fund for FY 2011 and made the transfer on or before March 1, 2011.

The **2011 Legislature** added 1.0 FTE position and \$39,749, all from special revenue funds, for an administrative assistant position in the Competitive Exhibits department and also added \$376,950, all from special revenue funds, for roof replacement projects. The Legislature also made reductions totaling \$23,130, all from special revenue funds, for cellphone expenditures, information technology expenditures, a death and disability moratorium, and an across-the-board reduction.

The **2012 Legislature** added \$25,000, all from the Economic Development Initiatives Fund, for FY 2013 for enhanced marketing of the State Fair's centennial celebration, which was subsequently vetoed by the Governor. The Legislature also approved adding \$11,182,256, all from the Expanded Lottery Act Revenues Fund, for increasing debt service payments to call the bonds for debt service for FY 2013 to reduce future payments for future debt service.

The **2013 Legislature** added \$250,000, all SGF, for the State's statutorily required match to the State Fair Capital Improvements Fund for FY 2014. The match was not to be made for FY 2015.

The **2014 Legislature** added \$400,000, all from the State Fair Capital Improvements Fund, for capital improvement projects.

The **2015 Legislature** transferred \$100,000 for both FY 2016 and FY 2017, all SGF, to the State Fair Capital Improvements Fund to match a portion of the agency's contribution.

The **2017 Legislature** transferred \$100,000, all SGF, to the State Fair Capital Improvements Fund for FY 2018 and FY 2019. The Legislature also added \$150,000, all from the SGF, for utility expenditures for FY 2018 and FY 2019.

The **2018 Legislature** added \$165,643, all from special revenue funds, for rehabilitation and repair of the fairgrounds, including replacement of the Pride of Kansas building roof.

The **2018 Legislature** also added language giving the State Fair bonding authority up to \$1.7 million for Bison Arena renovations for FY 2019, and passed SB 415, which repeals the \$300,000 statutory transfer from the SGF to the State Fair Capital Improvement Fee Fund and permits the State Fair to retain 86.846 percent of the state sales tax collected from retail sales on the state fairgrounds.

The **2019 Legislature** approved HB 2215, which authorizes the Kansas State Fair Board to establish a 501(c)(3) nonprofit corporation in order to receive gifts, donations, grants, and other moneys and to engage in fundraising projects.

BUDGET SUMMARY AND KEY POINTS

FY 2021 – Current Year. The agency estimates revised FY 2021 total expenditures of \$3.6 million, including \$1.0 million from the State General Fund (SGF). This is an all funds decrease of \$4.7 million, or 56.7 percent, and an SGF decrease of \$1.0 million, or 50.0 percent, below the FY 2021 approved amount.

The agency estimates revised FY 2021 operating expenditures of \$2.5 million, including \$300,500 SGF. This is an all funds decrease of \$4.4 million, or 63.3 percent, and an SGF decrease of \$1.0 million, or 76.9 percent, below the FY 2021 approved amount. The SGF decrease is due to the \$1.0 million transfer from the Coronavirus Relief Account of the SGF approved by the LCC not being included in the agency's revised estimate. This transfer was approved after the agency submitted its budget. The all funds decrease also is due to decreased expenditures across all categories due to decreased revenue and expenditures associated with the cancellation of the 2020 State Fair event. These decreased expenditures include salaries and wages for furloughed and eliminated FTE positions, expenditures for entertainers, gasoline, maintenance and cleaning, and utilities.

The agency estimates revised FY 2021 capital improvement expenditures of \$1.0 million, including \$700,000 SGF. This is a decrease of \$288,217, or 22.1 percent, all from special revenue funds, below the approved amount. This decrease is due to decreased expenditures on maintenance and the delayed start of the Expo Center Repair until FY 2022.

The **Governor** recommends FY 2021 total expenditures of \$4.6 million, including \$2.0 million SGF. This is an increase of \$1.0 million, or 28.1 percent, all SGF, above the agency's total FY 2021 revised estimate. This increase is due to the Governor including the \$1.0 million transfer from the Coronavirus Relief Account of the SGF approved by the Legislative Coordinating Council (LCC) in the recommendation.

The Governor recommends FY 2021 operating expenditures of \$3.5 million, including \$1.3 million SGF. This is an increase of \$1.0 million, or 39.3 percent, all SGF, above the agency's FY 2021 operating expenditures revised estimate. This increase is due to the Governor including the \$1.0 million transfer from the Coronavirus Relief Account of the SGF approved by the LCC in the recommendation.

The Governor recommends FY 2021 capital improvements expenditures of \$1.0 million, including \$700,000 SGF. This is the same as the agency's FY 2021 revised capital improvements expenditures.

FY 2022 – Budget Year. The **agency** requests FY 2022 total expenditures of \$6.5 million, including \$1.4 million SGF. This is an all funds increase of \$3.0 million, or 83.9 percent, and an SGF increase of \$425,000, or 42.5 percent, above the FY 2021 revised estimate.

The agency requests FY 2022 operating expenditures of \$5.2 million, including \$690,500 SGF. This is an all funds increase of \$2.7 million, or 104.7 percent, and an SGF increase of \$390,000, or 129.8 percent, above the FY 2021 revised estimate. The SGF increase is due to the agency's salaries and wages enhancement, partially offset by decreased expenditures on debt service interest. The all funds increase is due to increased expenditures across all categories due to the rehiring of furloughed employees and to expenses related to holding a Fair event in 2021, which was not held in 2020, as well as the agency's enhancement request for seasonal employees.

The agency requests FY 2022 capital improvement expenditures of \$1.3 million, including \$735,000 SGF. This is an all funds increase of \$288,217, or 31.8 percent, and an SGF increase of \$35,000, or 5.0 percent. The SGF increase is due to increased expenditures on debt service principal. The all funds increase is due to increased expenditures for maintenance as well as the repair of the Expo Center beginning in FY 2022.

The **Governor** recommends FY 2022 total expenditures of \$6.1 million, including \$985,500 SGF. This is a decrease of \$440,000, or 6.7 percent, all SGF, below the agency's FY 2022 request.

The Governor recommends FY 2022 operating expenditures of \$4.8 million, including \$250,500 SGF. This is a decrease of \$440,000, or 8.5 percent, all SGF, below the agency's FY 2022 request. This decrease is due to the Governor not recommending the agency's seasonal workers enhancement request and recommending the implementation of the agency's reduced resources budget.

The Governor recommends FY 2022 capital improvements expenditures of \$1.3 million, including \$735,000 SGF. This is the same as the agency's FY 2022 capital improvements expenditures request.

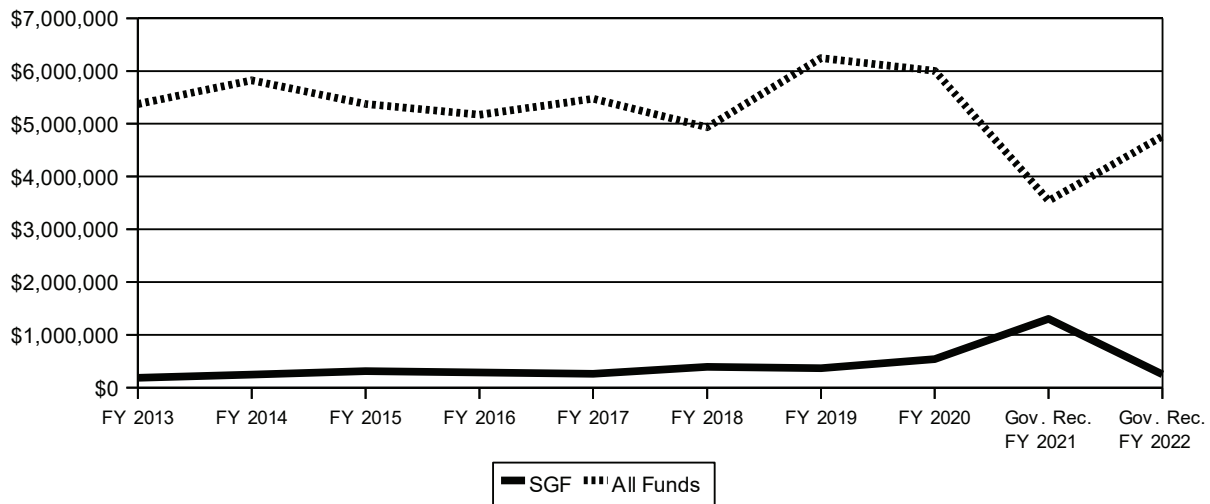
PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Cost of Grandstand Acts as a Percent of Grandstand Ticket Sales	101.0 %	110.0 %	95.0 %	95.0 %	36.0 %	100.0 %
Percent of Fair Attendees Also Attending Grandstand Events	7.3 %	8.5 %	8.5 %	10.0 %	0.0 %	10.0 %
Percent of Counties with Kansas Youth Participation	60.0 %	68.0 %	64.0 %	70.0 %	0.0 %	70.0 %
Percent of School Districts with Kansas Youth Participation	42.0 %	46.4 %	46.4 %	46.8 %	0.0 %	45.0 %
Percent of Returning Exhibitors	92.0 %	85.0 %	87.0 %	87.0 %	0.0 %	85.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 6.2	\$ 7.4	\$ 6.8	\$ 7.3	\$ 4.6	\$ 6.1
FTE Positions	25.0	26.0	26.0	23.0	24.0	22.0

BUDGET TRENDS

OPERATING EXPENDITURES FY 2013 – FY 2022



OPERATING EXPENDITURES FY 2013 – FY 2022

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2013	\$ 182,165	(66.3)%	\$ 5,374,945	(6.3)%	25.0
2014	247,751	36.0	5,824,490	8.4	25.0
2015	309,566	25.0	5,375,425	(7.7)	25.0
2016	285,942	(7.6)	5,171,847	(3.8)	25.0
2017	263,533	(7.8)	5,474,038	5.8	24.0
2018	390,127	48.0	4,934,542	(9.9)	25.0
2019	365,725	(6.3)	6,245,251	26.6	26.0
2020	538,686	47.3	6,003,195	(3.9)	23.0
2021 Gov. Rec.	1,300,500	141.4	3,542,226	(41.0)	24.0
2022 Gov. Rec.	250,500	(80.7)	4,763,248	34.5	22.0
Ten-Year Change Dollars/Percent	\$ 68,335	37.5 %	\$ (611,697)	(11.4)%	(3.0)

Summary of Operating Budget FY 2020 - FY 2022

	Actual FY 2020	Agency Estimate			Governor's Recommendation				
		Estimate FY 2021	Request FY 2022	Dollar Change from FY 21	Percent Change from FY 21	Rec. FY 2021	Rec. FY 2022	Dollar Change from FY 21	Percent Change from FY 21
By Program:									
Administration	\$ 4,222,622	\$ 1,390,600	\$ 3,481,606	\$ 2,091,006	150.4 %	\$ 2,390,600	\$ 3,056,606	\$ 666,006	27.9 %
Facilities Management	1,596,887	1,001,126	1,581,192	580,066	57.9	1,001,126	1,566,192	565,066	56.4
Debt Service	183,686	150,500	140,450	(10,050)	(6.7)	150,500	140,450	(10,050)	(6.7)
TOTAL	\$ 6,003,195	\$ 2,542,226	\$ 5,203,248	\$ 2,661,022	104.7 %	\$ 3,542,226	\$ 4,763,248	\$ 1,221,022	34.5 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 2,073,466	\$ 1,220,531	\$ 1,852,848	\$ 632,317	51.8 %	\$ 1,720,531	\$ 1,427,848	\$ (292,683)	(17.0)%
Contractual Services	3,294,913	1,037,615	2,910,350	1,872,735	180.5	1,537,615	2,895,350	1,357,735	88.3
Commodities	425,930	120,730	286,750	166,020	137.5	120,730	286,750	166,020	137.5
Capital Outlay	25,200	12,850	12,850	0	0.0	12,850	12,850	0	0.0
Debt Service	183,686	150,500	140,450	(10,050)	(6.7)	150,500	140,450	(10,050)	(6.7)
<i>Subtotal - Operations</i>	\$ 6,003,195	\$ 2,542,226	\$ 5,203,248	\$ 2,661,022	104.7 %	\$ 3,542,226	\$ 4,763,248	\$ 1,221,022	34.5 %
Aid to Local Units	0	0	0	0	--	0	0	0	--
Other Assistance	0	0	0	0	--	0	0	0	--
TOTAL	\$ 6,003,195	\$ 2,542,226	\$ 5,203,248	\$ 2,661,022	104.7 %	\$ 3,542,226	\$ 4,763,248	\$ 1,221,022	34.5 %
Financing:									
State General Fund	\$ 538,686	\$ 300,500	\$ 690,500	\$ 390,000	129.8 %	\$ 1,300,500	\$ 250,500	\$ (1,050,000)	(80.7)%
State Fair Fee Fund	5,461,028	2,158,372	4,433,074	2,274,702	105.4	2,158,372	4,433,074	2,274,702	105.4
All Other Funds	3,481	83,354	79,674	(3,680)	(4.4)	83,354	79,674	(3,680)	(4.4)
TOTAL	\$ 6,003,195	\$ 2,542,226	\$ 5,203,248	\$ 2,661,022	104.7 %	\$ 3,542,226	\$ 4,763,248	\$ 1,221,022	34.5 %

BUDGET OVERVIEW

A. FY 2021 – Current Year

Adjustments to Approved State General Fund Budget

The 2020 Legislature approved an SGF budget of \$1.0 million for the Kansas State Fair in FY 2021. An adjustment has been made subsequently to that amount. This adjustment changes the current approved amount without any legislative action required. For this agency, the following adjustment has been made:

- An increase of \$1.0 million, all from the Coronavirus Relief Fund account of the SGF, for lost revenue due to the cancellation of the 2020 Kansas State Fair event. This transfer was approved by the Legislative Coordinating Council (LCC) after the agency submitted its budget.

This adjustment changes the FY 2021 approved SGF amount to \$2.0 million. That amount is reflected in the table below as the currently approved FY 2021 SGF amount.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2021	Agency Estimate FY 2021	Agency Change from Approved	Governor Rec. FY 2021	Governor Change from Approved
State General Fund	\$ 2,000,500	\$ 1,000,500	\$ (1,000,000)	\$ 2,000,500	\$ 0
All Other Funds	6,223,368	2,556,726	(3,666,642)	2,556,726	(3,666,642)
TOTAL	\$ 8,223,868	\$ 3,557,226	\$ (4,666,642)	\$ 4,557,226	\$ (3,666,642)
FTE Positions	26.0	24.0	(2.0)	24.0	(2.0)

The **agency** estimates revised FY 2021 total expenditures of \$3.6 million, including \$1.0 million SGF. This is an all funds decrease of \$4.7 million, or 56.7 percent, and an SGF decrease of \$1.0 million, or 50.0 percent, below the FY 2021 approved amount.

The agency estimates revised FY 2021 operating expenditures of \$2.5 million, including \$300,500 SGF. This is an all funds decrease of \$4.4 million, or 63.3 percent, and an SGF decrease of \$1.0 million, or 76.9 percent, below the FY 2021 approved amount. The SGF decrease is due to the \$1.0 million transfer from the Coronavirus Relief Fund account of the SGF approved by the LCC not being included in the agency's revised estimate. This transfer was approved after the agency submitted its budget. The all funds decrease also is due to decreased expenditures across all categories due to decreased revenue and expenditures associated with the cancellation of the 2020 State Fair event. Major expenditures are detailed below:

- **Salaries and Wages.** The agency estimates revised salaries and wages expenditures of \$1.2 million, all from special revenue funds. This is an all funds decrease of \$1.4 million, or 54.2 percent, and an SGF decrease of \$500,000 below the FY 2021 approved amount. The SGF decrease is due to the \$1.0

million transfer from the Coronavirus Relief Fund account of the SGF approved by the LCC not being included in the agency's revised estimate. The all funds decrease is also due to the elimination of 2.0 FTE positions, the furloughing of 4.0 FTE positions, and the resignation of 4.0 additional employees due to revenue shortfall in FY 2021;

- **Contractual Services.** The agency estimates revised contractual services expenditures of \$1.0 million, including \$150,000 SGF. This is an all funds decrease of \$2.6 million, or 71.2 percent, and an SGF decrease of \$500,000, or 53.8 percent, below the FY 2021 approved amount. The SGF decrease is due to the \$1.0 million transfer from the Coronavirus Relief Fund account of the SGF approved by the LCC not being included in the agency's revised estimate. The all funds decrease is also due to decreased expenditures on services such as equipment rental, utilities, travel, printing, advertising, and entertainment due to the cancellation of the 2020 State Fair event;
- **Commodities.** The agency estimates revised commodities expenditures of \$120,730, all from special revenue funds. This is a decrease of \$195,270, or 61.8 percent, below the FY 2021 approved amount. This decrease is due to decreased expenditures on supplies for the 2020 State Fair event including fuel, maintenance and cleaning supplies, and volunteer meals; and
- **Capital Outlay.** The agency estimates revised capital outlay expenditures of \$12,850, all from special revenue funds. This is a decrease of \$142,850, or 91.7 percent, below the FY 2021 approved amount. This decrease is due to decreased expenditures on agriculture equipment, office furniture, and equipment.

The **Governor** recommends FY 2021 operating expenditures of \$3.5 million, including \$1.3 million SGF. This is an increase of \$1.0 million, or 39.3 percent, all SGF, above the agency's FY 2021 revised estimate. This increase is due to the Governor including the \$1.0 million transfer from the Coronavirus Relief Account of the SGF approved by the LCC in the recommendation.

B. FY 2022 – Budget Year

FY 2022 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 5,203,248	\$ 4,763,248	\$ (440,000)
FTE Positions	22.0	22.0	0.0
Change from FY 2021:			
<i>Dollar Change:</i>			
State General Fund	\$ 390,000	\$ (1,050,000)	
All Other Funds	2,271,022	2,271,022	
TOTAL	\$ 2,661,022	\$ 1,221,022	
<i>Percent Change:</i>			
State General Fund	129.8 %	(80.7) %	
All Other Funds	101.3	101.3	
TOTAL	104.7 %	34.5 %	
Change in FTE Positions	(2.0)	(2.0)	

The **agency** requests FY 2022 operating expenditures of \$5.2 million, including \$690,500 SGF. This is an all funds increase of \$2.7 million, or 104.7 percent, and an SGF increase of \$390,000, or 129.8 percent, above the FY 2021 revised estimate. The SGF increase is due to the agency's salaries and wages enhancement, partially offset by decreased expenditures on debt service interest. The all funds increase is due to increased expenditures on salaries and wages, contractual services, and commodities. The request includes 22.0 FTE positions, which is a decrease of 2.0 FTE positions below the FY 2021 revised number. This decrease is due to not hiring all employees back after the FY 2021 resignations and furloughs. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$1.9 million, including \$425,000 SGF. This is an all funds increase of \$632,317, or 51.8 percent, and an SGF increase of \$425,000, or XX percent, above the FY 2021 revised estimate. The SGF increase is entirely due to the agency's enhancement request for funding for 600 seasonal fair employees. The all funds increase is due to the rehiring of employees after furloughing employees in FY 2021 and increased expenditures on KPERS and group health insurance;
- **Contractual Services.** The agency requests contractual services expenditures of \$2.9 million, all from special revenue funds. This is an increase of \$1.9 million, or 180.5 percent, above the FY 2021 revised estimate. This increase is due to increased expenditures on services such as equipment rental, utilities, travel, printing, advertising, maintenance, and entertainment which were lower in FY 2021 due to the cancellation of the 2020 State Fair event; and
- **Commodities.** The agency requests commodities expenditures of \$286,750, all from special revenue funds. This is an increase of \$166,020, or 137.5 percent, above the FY 2021 revised estimate. This increase is due to increased

expenditures on volunteer meals, gasoline, and maintenance and cleaning supplies which were lower in FY 2021 due to the cancellation of the 2020 State Fair event.

The **Governor** recommends FY 2022 operating expenditures of \$4.8 million, including \$250,500 SGF. This is a decrease of \$440,000, or 8.5 percent, all SGF, below the agency's FY 2022 request. This decrease is due to the Governor not recommending the agency's seasonal workers enhancement request and to recommending the implementation of the agency's reduced resources budget.

Enhancement Detail

FY 2022 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Seasonal Workers	\$ 425,000	\$ 425,000	0.0	\$ 0	\$ 0	0.0

The **agency** requests an enhancement of \$425,000, all SGF, for seasonal fair-time workers, for FY 2022. The agency states that due to the loss of revenue caused by the cancellation of the 2020 State Fair event, funds are requested to hire 600 seasonal fair-time employees for the 2021 State Fair event. The agency states these individuals are vital to the success of the Fair event and that without the enhancement, more-costly options will be considered for ticket takers, building support, and other tasks.

The **Governor** does not recommend this enhancement request.

FY 2022 Reduced Resources

The Governor has requested that specified agencies with State General Fund moneys provide a reduced resources budget submission of 10.0 percent for FY 2022. The information below provides details of the agency's reduced resources budget submission for the State General Fund.

FY 2022 REDUCED RESOURCES						
Item	Agency Recommendation			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Electricity	\$ (15,000)	\$ (15,000)	0.0	\$ (15,000)	\$ (15,000)	0.0

The **agency** submits a reduced resources budget of \$15,000, all SGF. The agency states this reduced resources budget would reduce the amount of SGF available for electricity costs.

The **Governor** recommends the implementation of the agency's reduced resources budget.

Governor's Recommended Salary and Wage Adjustments

For FY 2022, the Governor recommends adding \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved. Employees of state universities are also not included in the proposed pay plan; however, the Governor recommends adding \$10.4 million, all SGF, to the university operating grants. This amount is equivalent to what the pay plan would have provided for university employees, but the funds are included in the Kansas Board of Regents budget for use at their discretion.

Longevity Bonus Payments. In FY 2021 and for FY 2022, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2021 payment is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF. **For this agency, FY 2021 longevity payments total \$2,080, including \$604 SGF, and FY 2022 longevity payments total \$2,200, all from special revenue funds.**

Kansas Public Employees Retirement System (KPERs). The employer retirement contribution rate, including Death and Disability contributions, for the KPERs State and School Group is scheduled to be 14.23 percent in FY 2021 and 15.09 percent for FY 2022. The FY 2021 rate excludes the 1.0 percent KPERs Death and Disability contribution that is currently subject to a moratorium described below.

The Governor recommends the KPERs State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2022, an extension of 10 years to the current plan. Reamortization would reduce employer contributions for the KPERs State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$177.3 million, including \$158.7 million SGF, for FY 2022. The Governor's recommendation would also incorporate \$25.8 million in KPERs layering payments into the amortization schedules. **No savings from this policy are currently included in this agency's budget.**

KPERs Death and Disability Group Insurance Fund. During FY 2021, a moratorium on employer contributions to the KPERs Death and Disability Group Insurance Fund was in effect. The fund had a sufficient balance to suspend payments on a temporary basis without affecting employee benefits. The moratorium was implemented *via* the Governor's allotment authority; therefore, the Legislative and Judicial branches are currently excluded from the moratorium. The total savings for the moratorium are estimated at \$46.7 million in contributions from the SGF. Included in this amount were savings of approximately \$40.3 million from KPERs School Group contributions in the Kansas State Department of Education budget. No similar moratorium is proposed for FY 2022, requiring the addition of \$46.7 million to annualize the payments for the full fiscal year.

Funding Sources

Funding Source	Agency Req. Percent of Total FY 2022	Gov. Rec. Percent of Total FY 2022
State General Fund	13.3 %	5.3 %
State Fair Fee Fund	85.2	93.1
All Other Funds	1.5	1.7
TOTAL	100.0 %	100.0 %

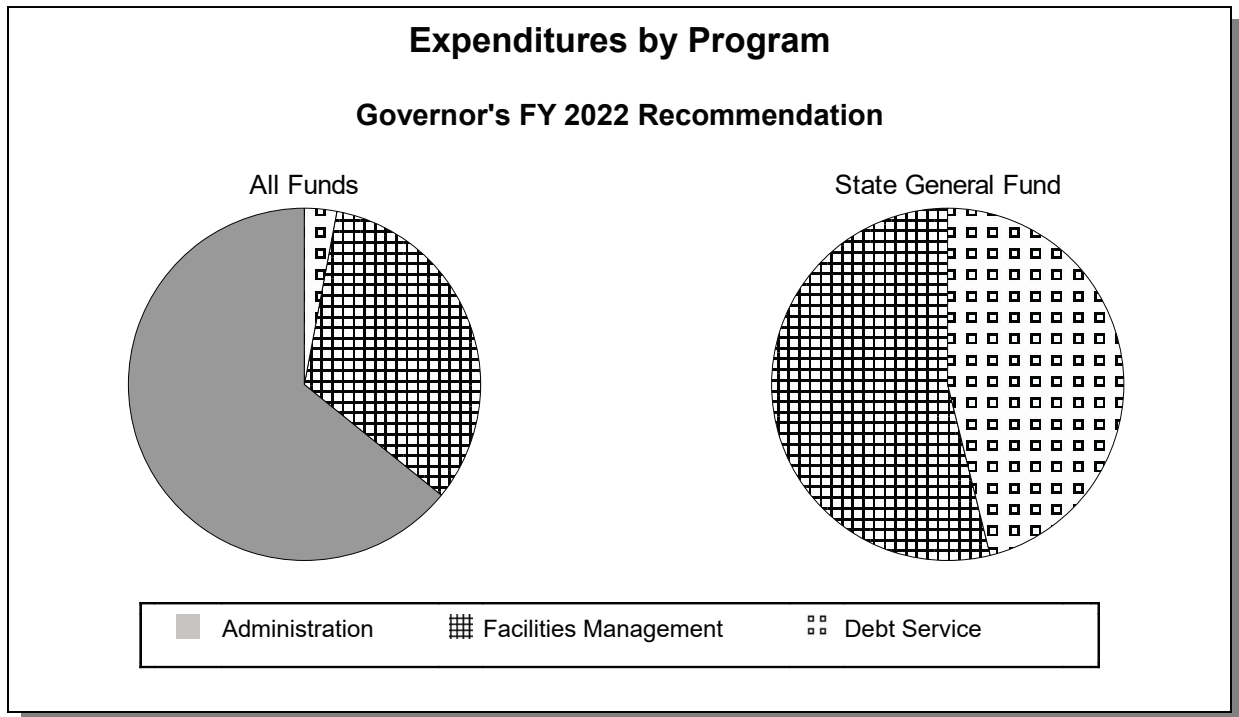
(Note: Totals may not add due to rounding.)

State Fair Fee Fund

Revenues for the agency come from both State Fair and non-State Fair activities on the State Fairgrounds and are deposited into the State Fair Fee Fund. Revenue sources include admission fees to the State Fair and grandstand entertainment, premium book advertising, building rentals, sales and concessions, and parking fees. The State Fair estimates total non-Fair use of the State Fairgrounds at nearly 500 events throughout the year.

Resource Estimate	Actual FY 2020	Agency Estimate FY 2021	Gov. Rec. FY 2021	Agency Request FY 2022	Gov. Rec. FY 2022
Beginning Balance	\$ 777,866	\$ 627,069	\$ 627,069	\$ 18,842	\$ 18,842
Revenue	5,483,448	1,550,145	1,550,145	4,786,120	4,786,120
Transfers in	0	0	0	0	0
<i>Funds Available</i>	\$ 6,261,314	\$ 2,177,214	\$ 2,177,214	\$ 4,804,962	\$ 4,804,962
Less:					
Expenditures	\$ 5,461,028	\$ 2,158,372	\$ 2,158,372	\$ 4,433,074	\$ 4,433,074
Transfers Out	0	0	0	300,000	300,000
Off-Budget Expenditures	173,217	0	0	0	0
Ending Balance	\$ 627,069	\$ 18,842	\$ 18,842	\$ 71,888	\$ 71,888
Ending Balance as Percent of Expenditures	11.5%	0.9%	0.9%	1.6%	1.6%
Month Highest Ending Balance	September \$ 1,300,000	December \$ 700,000	December \$ 700,000	September \$ 1,500,000	September \$ 1,500,000
Month Lowest Ending Balance	January \$ 500,000	November \$ 18,842	November \$ 18,842	January \$ 71,888	January \$ 71,888

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2022	Percent of Total	Gov. Rec. SGF FY 2022	Percent of Total
Administration	\$ 3,056,606	64.2 %	\$ 0	0.0 %
Facilities Management	1,566,192	32.9	135,000	53.9
Debt Service	140,450	2.9	115,500	46.1
TOTAL	\$ 4,763,248	100.0 %	\$ 250,500	100.0 %

FTE POSITIONS BY PROGRAM FY 2020 – FY 2022

Program	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Administration	14.0	14.0	14.0	12.0	12.0
Facilities Management	9.0	10.0	10.0	10.0	10.0
TOTAL	23.0	24.0	24.0	22.0	22.0

(Note: For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.)

A. Administration

The Administration program of the Kansas State Fair provides for the administration of the agency as well as the planning, marketing, and advertising of the State Fair. The Administration program also markets non-Fair use of the State Fairgrounds in Hutchinson.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Cost of Grandstand Acts as a Percent of Grandstand Ticket Sales	101.0 %	110.0 %	95.0 %	95.0 %	36.0 %	100.0 %
Percent of Fair Attendees Also Attending Grandstand Events	7.3 %	8.5 %	8.5 %	10.0 %	0.0 %	10.0 %
Percent of Counties with Kansas Youth Participation	60.0 %	68.0 %	64.0 %	70.0 %	0.0 %	70.0 %
Percent of School Districts with Kansas Youth Participation	42.0 %	46.4 %	46.4 %	46.8 %	0.0 %	45.0 %
Percent of Returning Exhibitors	92.0 %	85.0 %	87.0 %	87.0 %	0.0 %	85.0 %
Agency Expenditures						
All Funds (Dollars in Millions)	\$ 3.2	\$ 4.4	\$ 3.5	\$ 4.2	\$ 2.4	\$ 3.1
FTE Positions	14.0	13.0	15.0	14.0	14.0	12.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2020 – FY 2022					
Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Expenditures:					
Salaries and Wages	\$ 1,468,959	\$ 666,135	\$ 1,166,135	\$ 1,271,056	\$ 846,056
Contractual Services	2,416,947	640,365	1,140,365	1,986,450	1,986,450
Commodities	312,276	71,250	71,250	211,250	211,250
Capital Outlay	24,440	12,850	12,850	12,850	12,850
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 4,222,622	\$ 1,390,600	\$ 2,390,600	\$ 3,481,606	\$ 3,056,606
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	\$ 4,222,622	\$ 1,390,600	\$ 2,390,600	\$ 3,481,606	\$ 3,056,606
Financing:					
State General Fund	\$ 200,000	\$ 0	\$ 1,000,000	\$ 425,000	\$ 0
All Other Funds	4,022,622	1,390,600	1,390,600	3,056,606	3,056,606
TOTAL	\$ 4,222,622	\$ 1,390,600	\$ 2,390,600	\$ 3,481,606	\$ 3,056,606
FTE Positions	14.0	14.0	14.0	12.0	12.0

The **agency** requests FY 2022 Administration expenditures of \$3.5 million, including \$425,000 SGF. This is an all funds increase of \$2.1 million, or 150.4 percent, and an SGF increase of \$425,000. The SGF increase is due to the agency's enhancement request for seasonal fair employees. The all funds increase is due to increased expenditures on salaries and wages, contractual services, and commodities. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$1.3 million, including \$425,000 SGF. This is an all funds increase of \$604,921, or 90.8 percent, and an SGF increase of \$425,000 above the FY 2021 revised estimate. The SGF increase is entirely due to the agency's enhancement request for 600 seasonal fair employees. The all funds increase is due to the rehiring of employees after furloughing employees in FY 2021 and increased expenditures on KPERS and group health insurance;
- **Contractual Services.** The agency requests contractual services expenditures of \$2.0 million, all from special revenue funds. This is an increase of \$1.3 million, or 210.2 percent, above the FY 2021 revised estimate. This increase is due to increased expenditures on services such as equipment rental, utilities, travel, printing, advertising, honorariums, and entertainment which were lower in FY 2021 due to the cancellation of the 2020 State Fair event; and
- **Commodities.** The agency requests commodities expenditures of \$211,250, all from special revenue funds. This is an increase of \$140,000, or 196.5 percent, above the FY 2021 revised estimate. This increase is due to increased expenditures on volunteer meals, gasoline, and maintenance and cleaning supplies which were lower in FY 2021 due to the cancellation of the 2020 State Fair event.

The **Governor** recommends FY 2022 Administration program expenditures of \$3.1 million, all from special revenue funds. This is a decrease of \$425,000, all SGF, below the agency's FY 2022 request. This decrease is due to the Governor not recommending the agency's seasonal workers enhancement request.

B. Facilities Management

The Facilities Management program, previously named the Physical Plant and Central Services program, of the Kansas State Fair works to provide convenient, safe, and attractive buildings and grounds to patrons of the State Fair and non-Fair activities on the State Fairgrounds. The Facilities Management program is staffed by 11.0 FTE positions, along with contract plumbers and electricians and inmate labor from the Hutchinson Correctional Facility, whose work includes painting, cleaning, mowing, carpentry projects, and other maintenance jobs.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
There are no performance measures submitted for this program.						
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 1.5	\$ 1.7	\$ 1.8	\$ 1.6	\$ 1.0	\$ 1.6
FTE Positions	11.0	13.0	11.0	9.0	10.0	10.0

**FACILITIES MANAGEMENT
SUMMARY OF EXPENDITURES FY 2020 – FY 2022**

Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Expenditures:					
Salaries and Wages	\$ 604,507	\$ 554,396	\$ 554,396	\$ 581,792	\$ 581,792
Contractual Services	877,966	397,250	397,250	923,900	908,900
Commodities	113,654	49,480	49,480	75,500	75,500
Capital Outlay	760	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 1,596,887</u>	<u>\$ 1,001,126</u>	<u>\$ 1,001,126</u>	<u>\$ 1,581,192</u>	<u>\$ 1,566,192</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 1,596,887</u>	<u>\$ 1,001,126</u>	<u>\$ 1,001,126</u>	<u>\$ 1,581,192</u>	<u>\$ 1,566,192</u>
Financing:					
State General Fund	\$ 155,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 135,000
All Other Funds	1,441,887	851,126	851,126	1,431,192	1,431,192
TOTAL	<u>\$ 1,596,887</u>	<u>\$ 1,001,126</u>	<u>\$ 1,001,126</u>	<u>\$ 1,581,192</u>	<u>\$ 1,566,192</u>
FTE Positions	9.0	10.0	10.0	10.0	10.0

The **agency** requests FY 2022 Facilities Management expenditures of \$1.6 million, including \$150,000 SGF. This is an increase of \$580,066, or 57.9 percent, all from special revenue funds, above the FY 2021 revised estimate. This increase is due to increased expenditures on salaries and wages, contractual services, and commodities. Major expenditures are detailed below:

- **Salaries and Wages.** The agency requests salaries and wages expenditures of \$581,792, which is an increase of \$27,396, or 4.9 percent, above the FY 2021 revised estimate. This increase is due to the rehiring of an employee furloughed in FY 2021 and increased expenditures on KPERS and group health insurance;
- **Contractual Services.** The agency requests contractual services expenditures of \$923,900, which is an increase of \$526,650, or 132.6 percent, above the FY 2021 revised estimate. This increase is primarily due to increased expenditures on utilities, which were lower in FY 2021 due to the cancellation of the 2020 State Fair event; and
- **Commodities.** The agency requests commodities expenditures of \$75,500, which is an increase of \$26,020, or 52.6 percent, above the FY 2021 revised estimate. This increase is due to increased expenditures on gasoline, vehicle parts, and maintenance and cleaning supplies, which were lower in FY 2021 due to the cancellation of the 2020 State Fair event.

The **Governor** recommends FY 2022 Facilities Management program expenditures of \$1.6 million, including \$135,000 SGF. This is a decrease of \$15,000, or 0.9 percent, all SGF, below the agency's FY 2022 request. This decrease is due to the Governor recommending implementation of the agency's reduced resources budget, which will decrease expenditures for electricity costs.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Ongoing Maintenance	\$ 315,000	\$ 315,000	\$ 425,000	\$ 425,000
Expo Center Repair	0	0	178,217	178,217
Debt Service Principal	700,000	700,000	735,000	735,000
TOTAL	\$ 1,015,000	\$ 1,015,000	\$ 1,338,217	\$ 1,338,217
Financing:				
State General Fund	\$ 700,000	\$ 700,000	\$ 735,000	\$ 735,000
All Other Funds	315,000	315,000	603,217	603,217
TOTAL	\$ 1,015,000	\$ 1,015,000	\$ 1,338,217	\$ 1,338,217

FY 2021 – Current Year. The agency estimates revised FY 2021 capital improvement expenditures of \$1.0 million, including \$700,000 SGF. This is a decrease of \$288,217, or 22.1 percent, all from special revenue funds, below the FY 2021 approved amount. This decrease is due to lower expenditures on maintenance and the delaying of the start of the Expo Center repair until FY 2022.

The **Governor** concurs with the agency's FY 2021 revised capital improvements estimate.

FY 2022 – Budget Year. The agency requests FY 2022 capital improvement expenditures of \$1.3 million, including \$735,000 SGF. This is an all funds increase of \$288,217, or 31.8 percent, and an SGF increase of \$35,000, or 5.0 percent, above the FY 2021 revised estimate. The SGF increase is due to increased expenditures on debt service principal. The all funds increase is due to increased expenditures for maintenance as well as the repair of the EXPO Center beginning in FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements request.