

Department 412 - Aeronautics Commission  
 House Bill No. 1006

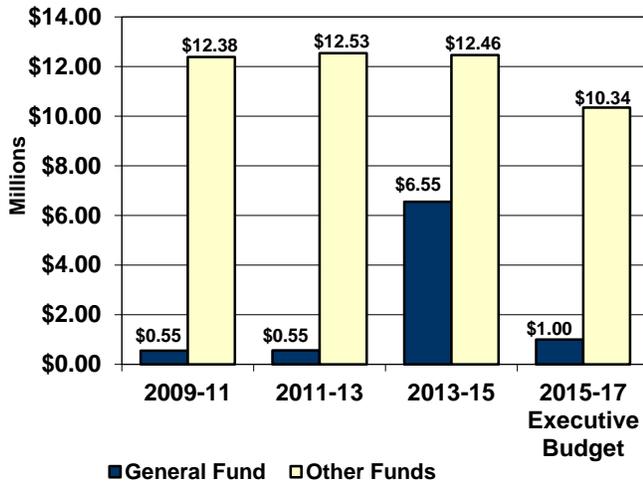
**Executive Budget Comparison to Prior Biennium Appropriations**

	FTE Positions	General Fund	Other Funds	Total
2015-17 Executive Budget	7.00	\$1,000,000	\$10,339,376	\$11,339,376
2013-15 Legislative Appropriations	6.00	6,550,000	12,463,427	19,013,427
Increase (Decrease)	1.00	(\$5,550,000)	(\$2,124,051)	(\$7,674,051)

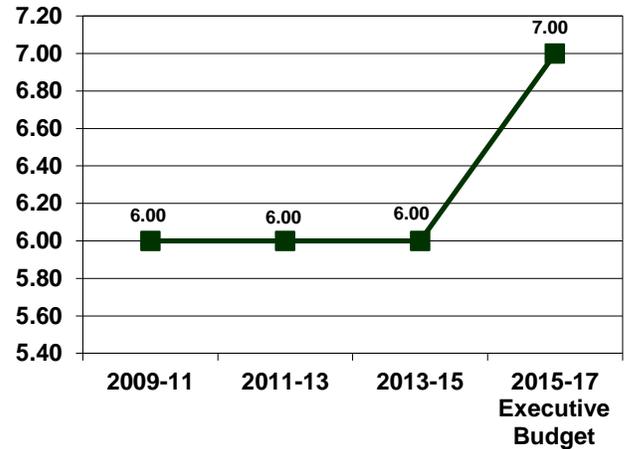
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2015-17 Executive Budget	\$1,000,000	\$0	\$1,000,000
2013-15 Legislative Appropriations	550,000	6,000,000	6,550,000
Increase (Decrease)	\$450,000	(\$6,000,000)	(\$5,550,000)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2015-17 Executive Budget	\$1,000,000	\$10,339,376	\$11,339,376
2015-17 Base Level	550,000	12,463,427	13,013,427
Increase (Decrease)	\$450,000	(\$2,124,051)	(\$1,674,051)

**First House Action**

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights  
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$67,984 relates to performance increases, \$4,189 is for market equity adjustments, \$30,224 is for health insurance increases, and \$7,064 is for retirement contribution increases. <b>The House provided funding for performance salary increases of 2 to 4 percent per year and for health insurance increases, but did not include funding for market equity increases or funding for retirement contribution increases.</b>	\$0	\$109,461	\$109,461
2. Adds 1 FTE account budget specialist I position	\$0	\$149,933	\$149,933
3. Increases airport grant funding provided from the general fund	\$450,000	\$0	\$450,000

4. Decreases airport grant funding provided from other funds	\$0	(\$2,450,000)	(\$2,450,000)
5. Increases operating expenses	\$0	\$81,051	\$81,051

### Other Sections in Bill

**Interest - Aeronautics special fund** - Section 3 provides for the investment income of the Aeronautics Commission special fund, including investment income earned on aircraft excise tax collections deposited in the fund, to be retained in the fund rather than deposited in the general fund. The agency estimates the fiscal impact of this change to be \$8,500 for the 2015-17 biennium.

### Continuing Appropriations

No continuing appropriations for this agency.

### Significant Audit Findings

The operational audit of the Aeronautics Commission conducted by the State Auditor's office for the biennium ended June 30, 2013, included significant audit findings related to the following:

- The commission has not properly segregated duties and has not adequately reviewed the potential risk of fraud surrounding the handling of revenue collections.
- The commission did not follow State Procurement Office guidelines for the purchase of equipment and services.

### Major Related Legislation

**Senate Bill No. 2109** - Provides for a change to aircraft registration fees and allows the permanent registration of an antique aircraft.

**House Bill No. 1053 - Desktop Support Services** - Requires select agencies to use centralized desktop support services provided by the Information Technology Department.

**Aeronautics Commission - Budget No. 412**  
**House Bill No. 1006**  
**Base Level Funding Changes**

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2015-17 Biennium Base Level</b>	6.00	\$550,000	\$12,463,427	\$13,013,427	6.00	\$550,000	\$12,463,427	\$13,013,427
<b>2015-17 Ongoing Funding Changes</b>								
Base payroll changes			\$75,504	\$75,504			\$75,504	\$75,504
Salary increase - Performance			67,984	67,984			50,867	50,867
Salary increase - Market equity			4,189	4,189				0
Retirement contribution increase			7,064	7,064				0
Health insurance increase			30,224	30,224			30,224	30,224
New FTE - Account budget specialist I	1.00		149,933	149,933	1.00		149,933	149,933
Increase airport grant funding from general fund		450,000		450,000		450,000		450,000
Decrease airport grant funding from other funds			(2,450,000)	(2,450,000)			(2,450,000)	(2,450,000)
Operating expenses increase			81,051	81,051			81,051	81,051
Decrease capital asset funding			(90,000)	(90,000)			(90,000)	(90,000)
<b>Total ongoing funding changes</b>	<b>1.00</b>	<b>\$450,000</b>	<b>(\$2,124,051)</b>	<b>(\$1,674,051)</b>	<b>1.00</b>	<b>\$450,000</b>	<b>(\$2,152,421)</b>	<b>(\$1,702,421)</b>
<b>One-time funding items</b>								
No one-time funding items				0				0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>1.00</b>	<b>\$450,000</b>	<b>(\$2,124,051)</b>	<b>(\$1,674,051)</b>	<b>1.00</b>	<b>\$450,000</b>	<b>(\$2,152,421)</b>	<b>(\$1,702,421)</b>
<b>2015-17 Total Funding</b>	<b>7.00</b>	<b>\$1,000,000</b>	<b>\$10,339,376</b>	<b>\$11,339,376</b>	<b>7.00</b>	<b>\$1,000,000</b>	<b>\$10,311,006</b>	<b>\$11,311,006</b>

**Other Sections in House Bill No. 1006**

Interest - Aeronautics special fund

**Executive Budget Recommendation**  
Section 3 provides for the investment income of the Aeronautics Commission special fund, including investment income earned on aircraft excise tax collections deposited in the fund, to be retained in the fund rather than deposited in the general fund.

**House Version**  
Section 3 provides for the investment income of the Aeronautics Commission special fund, including investment income earned on aircraft excise tax collections deposited in the fund, to be retained in the fund rather than deposited in the general fund.