

**Department 412 - Aeronautics Commission
 House Bill No. 1006**

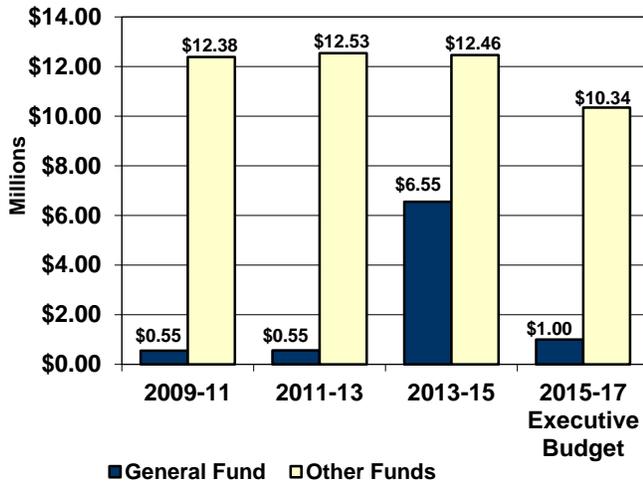
Executive Budget Comparison to Prior Biennium Appropriations

	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)

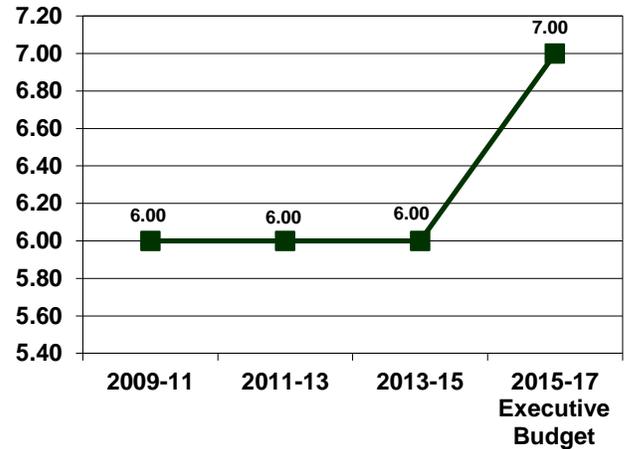
Ongoing and One-Time General Fund Appropriations

	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)

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	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	\$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 less than \$5,000 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.

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

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

Other Sections in House Bill No. 1006

	Executive Budget Recommendation
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.