

Osawatomie State Hospital

Expenditure	Actual FY 2020	Approved FY 2021	Approved FY 2022
All Funds:			
State Operations	\$ 42,123,887	\$ 48,052,209	\$ 46,591,136
Aid to Local Units	-	-	-
Other Assistance	6,847	9,240	9,240
<i>Subtotal - Operating</i>	<u>\$ 42,130,734</u>	<u>\$ 48,061,449</u>	<u>\$ 46,600,376</u>
Capital Improvements	8,985	1,044,000	25,000
TOTAL	<u>\$ 42,139,719</u>	<u>\$ 49,105,449</u>	<u>\$ 46,625,376</u>
State General Fund:			
State Operations	\$ 36,153,981	\$ 38,046,810	\$ 34,361,164
Aid to Local Units	-	-	-
Other Assistance	6,847	9,240	9,240
<i>Subtotal - Operating</i>	<u>\$ 36,160,828</u>	<u>\$ 38,056,050</u>	<u>\$ 34,370,404</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ 36,160,828</u>	<u>\$ 38,056,050</u>	<u>\$ 34,370,404</u>
Percent Change:			
Operating Expenditures			
All Funds	2.6 %	14.1 %	(3.0)%
State General Fund	(1.4)	5.2	(9.7)
FTE Positions	486.5	486.5	486.5

The approved operating budget for Osawatomie State Hospital in FY 2021 is \$48.1 million, including \$38.1 million SGF. This is an all funds increase of \$5.9 million, or 14.1 percent, and an SGF increase of \$1.9 million, or 5.2 percent, above the FY 2020 actual amount. The all funds increase is primarily attributable to funding for operational costs associated with an additional 14-bed patient unit. This was approved by the 2020 Legislature as part of the agency's plan to lift the moratorium on voluntary admissions. The agency also received federal relief funds from the Strengthening People and Revitalizing Kansas (SPARK) Taskforce to provide hazard pay bonuses to direct support staff due to continued potential exposure to COVID-19 as well as providing funds for personal protective equipment and sanitation supplies. The agency budgeted for increased staffing as part of the plan to lift the moratorium, as well as providing coverage for staff shortages related to the COVID-19 pandemic. The increase is also attributable to an unexpected increase in natural gas expenditures due to lower-than-typical temperatures in February 2021. The approved operating budget includes 486.5 FTE positions, which is the same as the FY 2020 actual number.

The approved capital improvements budget for Osawatomie State Hospital in FY 2021 is \$1.0 million, all from the State Institutions Building Fund. This is an increase of \$1.0 million, or 11,519.4 percent, above the FY 2020 actual capital improvements amount. This is due to expenditures approved by the 2020 Legislature to remodel existing facilities to open a 14-bed unit related to the lifting the moratorium and to repair campus roads and sidewalks.

The approved operating budget for Osawatomie State Hospital for FY 2022 is \$46.6 million, including \$34.4 million SGF. This is an all funds decrease of \$1.5 million, or 3.0 percent, and an SGF decrease of \$3.7 million, or 9.7 percent, below the FY 2021 approved amount. The all funds decrease is attributable to the one-time receipt of federal funds related to the COVID-19 pandemic not reoccurring for FY 2022. The SGF decrease is primarily due to the Governor adopting the agency's reduced resource budget, which included reductions in SGF for salary-related expenditures offset with special revenue funds, as well as a general reduction in various operating expenditures. The approved operating budget includes 486.5 FTE positions, which is the same as the FY 2021 approved number.

The FY 2022 approved capital improvements budget for Osawatomie State Hospital is \$25,000, all from the State Institutions Building Fund, which is a decrease of \$1.0 million, or 97.6 percent, below the FY 2021 approved amount. This decrease is due to the completion of several projects in FY 2021. Except for occasional projects, capital improvement expenditures for the state hospitals are traditionally reflected in the Kansas Department for Aging and Disability Services' budget.

Osawatomie State Hospital

	FY 2021			FY 2022		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate	\$ 38,433,452	\$ 49,427,928	486.5	\$ 38,189,338	\$ 47,414,020	486.5
Governor's Changes:						
1. SPARK Award for Hazard Pay	\$ -	\$ 549,521	-	\$ -	\$ -	-
2. SGF Reappropriation Lapse	(575,402)	-	-	-	-	-
3. Deleted Capital Improvements Request	(86,697)	(1,156,697)	-	-	-	-
4. MiCo Shrinkage Adjustment	86,697	86,697	-	-	-	-
5. Reduced Resource Item - Salary Fee Fund Replacement	-	-	-	(2,030,290)	-	-
6. Reduced Resource Item - AAC Appropriation Replacement	-	-	-	(1,000,000)	-	-
7. Reduced Resource Item - Operating Expenditures Reduction	-	-	-	(788,644)	(788,644)	-
8. GBA No. 3 Item 14 - Cold Weather Event Energy Bills	198,000	198,000	-	-	-	-
Subtotal - Governor's Recommendation	<u>\$ 38,056,050</u>	<u>\$ 49,105,449</u>	<u>486.5</u>	<u>\$ 34,370,404</u>	<u>\$ 46,625,376</u>	<u>486.5</u>
Change from Agency Est.	\$ (377,402)	\$ (322,479)	-	\$ (3,818,934)	\$ (788,644)	-
Percent Change from Agency Est.	(1.0)%	(0.7)%	0.0 %	(10.0)%	(1.7)%	0.0 %
Legislative Action:						
9. Adopt GBA No. 3, Item 14	\$ -	\$ -	-	\$ -	\$ -	-
10. Claims Against the State	-	-	-	-	-	-
TOTAL APPROVED	<u>\$ 38,056,050</u>	<u>\$ 49,105,449</u>	<u>486.5</u>	<u>\$ 34,370,404</u>	<u>\$ 46,625,376</u>	<u>486.5</u>
Change from Gov. Rec.	\$ -	\$ -	-	\$ -	\$ -	-
Percent Change from Gov. Rec.	-- %	-- %	0.0 %	-- %	-- %	0.0 %
Change from Agency Est.	\$ (377,402)	\$ (322,479)	-	\$ (3,818,934)	\$ (788,644)	-
Percent Change from Agency Est.	(1.0)%	(0.7)%	0.0 %	(10.0)%	(1.7)%	0.0 %

1. The Governor added \$549,521, all from the federal Coronavirus Relief Fund, for relief moneys awarded by the SPARK Taskforce primarily for hazard pay bonuses provided to front-line workers due to continued COVID-19 exposure in FY 2021.
2. The Governor deleted \$575,402, all SGF, for an SGF reappropriation lapse due the utilization of federal relief funds for expenditures related to the COVID-19 pandemic in FY 2021.
3. The Governor deleted \$1.2 million, including \$86,697 SGF, to not recommend the agency's request for funding of the therapy pool capital improvement project for FY 2021. The Governor recommended that the agency work with the Kansas Department for Aging and Disability Services to include all of its capital improvement expenditures, where the expenditures are traditionally included.
4. The Governor added \$86,697, all SGF, to adjust the shrinkage rate for the MiCo Sexual Predator Treatment Program reintegration unit on the Osawatomie Campus for FY 2021.
5. The Governor replaced \$2.0 million, all SGF, with special revenue funds to partially adopt the agency's reduced resources budget for FY 2022. The Governor reduced the agency's SGF appropriation for salary-related items including: adjusting the shrinkage rate for the Osawatomie and Adair Acute Care (AAC) unit; shifting nurse managers on the AAC unit to exempt status; and funding longevity bonuses for contract physicians. The Governor recommended that the agency utilize fee fund moneys to offset the SGF reduction.
6. The Governor replaced \$1.0 million, all SGF, with special revenue funds to partially adopt the agency's reduced resources budget for FY 2022. This was a general reduction to the agency's SGF appropriation for the AAC unit. The Governor recommended that the agency utilize fee fund moneys to offset the SGF reduction.

7. The Governor deleted \$788,644, all SGF, for a general reduction in operating expenditures for the state hospital for FY 2022. These reductions included: increasing the shrinkage rate for the MiCo reintegration unit; reducing commodities expenditures; and reducing capital outlay expenditures.
8. The Governor added \$198,000, all SGF, for energy bills related to the February cold weather event in FY 2021 in GBA No. 3, Item 14.
9. The Legislature concurred in part with GBA No. 3, Item 14, to add \$198,000, all SGF, for energy bills related to the February cold weather event in FY 2021, and added language to utilize federal funds, if available, and lapse up to that amount in SGF moneys if federal funds are available for this purpose.
10. The Legislature added language requiring the agency to pay \$1,946, all from existing resources in its SGF operations account, for a claim against the State related to automobile damage in FY 2021.