

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Assessment Against)
the Public Utilities in the State of Missouri)
for the Expenses of the Commission for)
the Fiscal Year Commencing July 1, 2002.)

Case No. AO-2002-1156

AFFIDAVIT OF DONNA M. PRENGER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Donna M. Prenger, of lawful age and on her oath states that she has personal knowledge of the following, and that it is true to the best of her knowledge, information and belief:

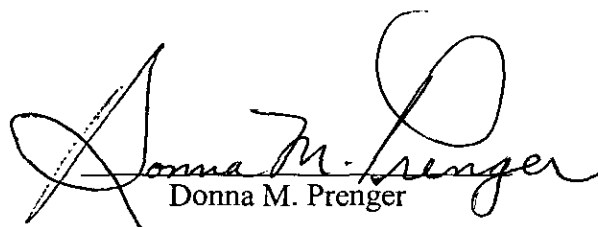
1. I am Director of the Division of Administration of the Public Service Commission of Missouri. My job duties include, among other things, oversight of the development of the Commission's budget, supervision of the Commission's fiscal function which includes preparation of the annual assessment of utilities for the Commission's expenses.
2. Pursuant to the Commission's Order dated July 16, 2002 in Case No. AO-2002-1156, the Commission's Staff met with representatives of Missouri Gas Energy, a division of Southern Union Company (MGE) on August 1, 2002, to discuss supporting detail concerning the calculation of the Commission's assessment for its operating expenses for the fiscal year that began July 1, 2002, and the calculation of MGE's portion of that assessment.

3. Schedule 1 attached hereto is a copy of information Staff provided to MGE at the August 1 meeting. The material in Schedule 1 includes specification of the amounts to be transferred to the Department of Economic Development and the Office of Administration in Fiscal Year 2003, and the amounts transferred to the Office of Administration for the fiscal year ended June 30, 2002. At the meeting, Staff answered MGE's questions concerning the Commission's assessment process and the factors affecting MGE's assessment.
4. At the end of the meeting MGE stated that its only issue at that time was the inclusion of \$247,942 in the Commission's fiscal year 2003 budget for a cost allocation to the Office of Administration, and the reduction to the Public Service Commission Fund balance at the end of Fiscal Year 2002 by \$247,942 for a transfer to the Office of Administration during FY 2002 for a similar purpose. MGE stated that it would notify Staff if any other issue developed after the meeting.
5. At the time I execute this affidavit no Staff member has informed me of any further issues posed by MGE.
6. MGE pays 7.5892% of the common items included in the Commission's assessment for Fiscal Year 2003. The reduction to the Fiscal Year 2002 balance of the Public Service Commission Fund and the scheduled payment of the 2003 Office of Administration costs, combined, have the effect of increasing by \$37,633.48 MGE's assessment for Fiscal Year 2003.
7. The cost allocations and appropriations of \$247,942 from the Public Service Commission Fund to the Office of Administration were made by the General Assembly in its enactment of HB 1115, Section 15.220 for Fiscal Year 2002 and HB 1105, Section


5.040 for Fiscal Year 2003, which state: "There is transferred out of the State Treasury, chargeable to various funds, such amounts as are necessary for allocation of costs to other funds in support of the state's central services, to the General Revenue Fund." Attached as Schedule 2 is a copy of the Cost Allocation Methodology as developed by the Office of Administration.

8. The Office of Administration provides accounting, payroll and cash disbursement services to the Commission. Staff has not conducted a study to estimate the cost to provide such services either internally or from a different vendor.
9. The General Assembly makes the cost allocation to the Department of Economic Development through the appropriations process. The allocation was made in HB7 for Fiscal Year 2002, and in HB 1107 for Fiscal Year 2003. A copy of the pertinent part of each bill is attached as Schedule 3.

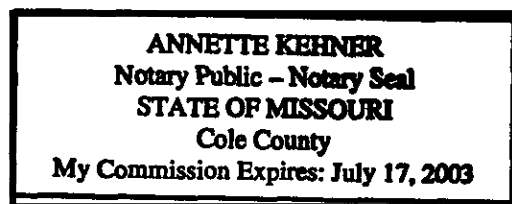
Further affiant says not.


Donna M. Prenger

Subscribed and sworn to before me this 14th day of August, 2002.


Notary Public

My commission expires 17 JULY 2003.



MISSOURI GAS ENERGY
COMPARISON OF ASSESSMENT DATA FOR FY-2002 & FY-2003

	FY-2002	FY-2003	
Total PSC Assessment	\$15,133,236	\$16,540,051	
Gas Group Assessment	\$3,745,853	\$4,487,295	
Percentage of Gas Group Assessment to Total	24.7525%	27.1299%	
Total Gross Intrastate Operating Revenue of All Groups	\$7,155,803,058	\$7,789,102,546	
Total Gas Group Intrastate Operating Revenue	\$1,346,169,076	\$1,627,832,356	
Percentage of Gas Revenue to Total Revenue	18.8123%	20.8988%	
Activity Percentage of Gas Group	17.5485%	20.0835%	
# Hours of Gas Activity Reported	64,157.25	70,477.50	
MGE's Gross Intrastate Operating Revenue	\$477,368,997	\$591,128,959	
Percentage of MGE's Revenue to Gas Group Revenue	35.4613%	36.3139%	
MGE's Assessment	\$1,328,328.01	\$1,629,510.56	
MGE's Increased Amount of Assessment			\$301,182.55
MGE's Increased Gross Operating Revenue			\$113,759,962
Percentage of MGE's Increased Assessment to Increased Revenue			0.2648%

MISSOURI PUBLIC SERVICE COMMISSION
FY 2003 ASSESSMENT
SUMMARY OF COST ALLOCATED TO TYPE OF UTILITY

DIVISION/COST GROUP	TOTAL	ELECTRIC	GAS	HEATING	WATER	SEWER	TELEPHONE	COMMON
PUBLIC SERVICE COMMISSION	\$15,814,566	\$2,391,365	\$2,862,717	\$10,255	\$502,851	\$166,925	\$2,188,050	\$7,692,403
ECONOMIC DEVELOPMENT	\$208,224	\$38,097	\$41,819	\$173	\$8,176	\$2,664	\$29,511	\$87,784
OFFICE OF ADMINISTRATION	\$828,195	\$151,529	\$166,331	\$690	\$32,519	\$10,596	\$117,376	\$349,154
OFFICE OF ADMIN-COST ALLOCATION	\$247,942							\$247,942
TOTAL	\$17,098,927	\$2,580,991	\$3,070,867	\$11,118	\$543,546	\$180,185	\$2,334,937	\$8,377,283
INTRASTATE REVENUE	\$7,789,102,546	\$3,558,919,197	\$1,627,832,356	\$14,946,237	\$162,767,787	\$3,053,456	\$2,421,583,513	
PERCENT TO TOTAL	100.0000%	45.6910%	20.8988%	0.1919%	2.0897%	0.0392%	31.0894%	
ALLOCATION OF COMMON		\$3,827,665	\$1,750,755	\$16,075	\$175,059	\$3,284	\$2,604,445	(\$8,377,283)
TOTAL COSTS ALLOCATED	\$17,098,927	\$6,408,656	\$4,821,622	\$27,193	\$718,605	\$183,469	\$4,939,382	
LESS: PSC FUND CASH BALANCE	\$283,876	\$129,706	\$59,327	\$545	\$5,932	\$111	\$88,255	
LESS: EST. GAS SAFETY REIMB.	\$275,000		\$275,000					
FISCAL YEAR 2003 ASSESSMENT	\$16,540,051	\$6,278,950	\$4,487,295	\$26,648	\$712,673	\$183,358	\$4,851,127	

ASSESSMENT % TO REVENUE	0.2123%	0.1764%	0.2757%	0.1783%	0.4378%	6.0049%	0.2003%
MAXIMUM ASSESSMENT TO REVENUE	\$19,472,756						

PUBLIC SERVICE COMMISSION
FY 2003 ASSESSMENT
CALCULATION OF PSC ASSESSMENT

FISCAL YEAR 2002-2003

PUBLIC SERVICE COMMISSION	\$13,166,609
ECONOMIC DEVELOPMENT	\$208,224
OFFICE OF ADMINISTRATION	\$828,195
OFFICE OF ADMIN-COST ALLOCATION	<u>\$247,942</u>

SUB-TOTAL	\$14,450,970
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ADD: O.A.S.D.H.I.	\$720,469
STATE RETIREMENT	\$829,716
STATE INSURANCE	\$999,990
LONG TERM DISABILITY	\$53,682
DEFERRED COMPENSATION	<u>\$44,100</u>

SUB TOTAL	<u>\$2,647,957</u>
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TOTAL APPROPRIATION, TRANSFERS	\$17,098,927
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LESS: ESTIMATED CASH BALANCE - PSC FUND	(\$283,876)
ESTIMATED D.O.T. GAS SAFETY RECEIPTS	<u>(\$275,000)</u>

FISCAL YEAR 2003 PSC ASSESSMENT	<u><u>\$16,540,051</u></u>
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FY 2003 PSC ASSESSMENT
PUBLIC SERVICE COMMISSION FUND
ESTIMATED CASH BALANCE JUNE 30, 2002

FY-2002 REVENUES	\$15,670,335	
CASH BALANCE AT JULY 1, 2001	\$465,197	
 TOTAL CASH AVAILABLE		 \$16,135,532
 ACTUAL EXPENDITURES:		
 JULY 1, 2001 - JUNE 14, 2002		
PERSONAL SERVICE	\$8,001,136	
EXPENSE & EQUIPMENT	<u>\$4,079,798</u>	
		\$12,080,934
 ESTIMATED EXPENDITURES:		
 JUNE 15, 2002 - JUNE 30, 2002		
PERSONAL SERVICE	\$358,483	
EXPENSE & EQUIPMENT	<u>\$475,597</u>	
		\$834,080
 ESTIMATED TRANSFERRED OUT:		
OASDHI	\$608,353	
STATE RETIREMENT & LTD INS	\$1,000,654	
STATE INSURANCE	\$792,848	
DEFERRED COMPENSATION	\$43,351	
WORKERS COMPENSATION	\$35,270	
DED/MIS OFFICE SPACE, MAIL ROOM	\$208,224	
OA-COST ALLOCATION TRANSFER	<u>\$247,942</u>	
		\$2,936,642
 TOTAL ESTIMATED EXPENDITURES & TRANSFERS		 <u>\$15,851,656</u>
 ESTIMATED CASH BALANCE 06/30/2002		 <u><u>\$283,876</u></u>

**PUBLIC SERVICE COMMISSION
FY 2003 ASSESSMENT**

	ELECTRIC	GAS	HEATING	WATER	SEWER	TELEPHONE	TOTAL
TOTAL INTRASTATE OPERATING REVENUE	\$3,558,919,197	\$1,627,832,356	\$14,946,237	\$162,767,787	\$3,053,456	\$2,421,583,513	\$7,789,102,546
PERCENTAGE TO TOTAL	45.69100453%	20.89884356%	0.19188651%	2.08968602%	0.03920164%	31.08937775%	100.00000001%

ASSESSMENT BY TYPE	FY2003 ASSESSMENT	ASSESSMENT FACTOR
ELECTRIC	\$6,278,950	0.17642856%
GAS	\$4,487,295	0.27566076%
HEATING	\$26,648	0.17829237%
WATER	\$712,673	0.43784646%
SEWER	\$183,358	6.00493370%
TELEPHONE	\$4,851,127	0.20032871%
TOTAL	\$16,540,051	0.21234861%

RECEIVED

STATEMENT OF REVENUE
FY-2003 Mo. PSC Assessment

MAR 15 2002

MISSOURI GAS ENERGY(2020)
3420 BROADWAY
KANSAS CITY MO 64111

INTERNAL ACCOUNTING
MO. P.S.C

I, DANA S. NOLAN, V.P., CONTROLLER (816) 360-5655
NAME TITLE TELEPHONE #

hereby certify that the GROSS INTRASTATE OPERATING REVENUE of the above-named Company in the State of Missouri, for the calendar year 2001, is:

NOTE: REPORT (to the nearest dollar) REVENUE APPLICABLE TO YOUR RESPECTIVE UTILITY OPERATIONS.

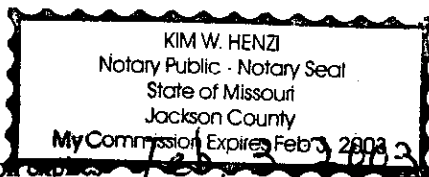
ELECTRIC OPERATING REVENUE	\$	
GAS OPERATING REVENUE	\$	591,128,959
HEATING OPERATING REVENUE	\$	
WATER OPERATING REVENUE	\$	
SEWER OPERATING REVENUE	\$	
TELEPHONE OPERATING REVENUE	\$	
TOTAL	\$	591,128,959

Dana S. Nolan
SIGNATURE

State of MISSOURI
County of JACKSON

Sworn to and subscribed before me a Notary Public in and for said County and State this
13th day of MARCH, 2002.
DATE MONTH YEAR

(SEAL)



My commission expires Feb 28, 2003

Kim W. Henzi
NOTARY PUBLIC
Kim W. Henzi

Mail one notarized copy of this statement to the Missouri Public Service Commission, Internal Accounting
Department, P.O. Box 360, Jefferson City, Missouri 65102.
NO LATER MARCH 31, 2002



Commissioners
KELVIN L. SIMMONS
Chair
CONNIE MURRAY
SHEILA LUMPE
STEVE GAW
BRYAN FORBIS

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.state.mo.us>

ROBERT J. QUINN, JR.
Executive Director
WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. PRENGER
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

June 26, 2002

MISSOURI GAS ENERGY
3420 BROADWAY
KANSAS CITY MO 64111

Subject: Missouri Public Service Commission Annual Assessment

Dear Sir or Madam:

Pursuant to the provisions of Section 386.370 RSMo Supp 2001, you are subject to assessment as a public utility for expenses of the Missouri Public Service Commission. On June 25 2002, the Commission determined the amount of the assessment in Case No. AO-2002-1156. Please visit our website at www.psc.state.mo.us to view information regarding the annual assessment. The amount of your assessment for the fiscal year beginning July 1, 2002 is \$1,629,510.56 gas.

In making payment, please observe the following instructions:

1. Make check payable to: Director of Revenue, State of Missouri
Mail check to: Missouri Public Service Commission
Attn: Internal Accounting Department
P.O. Box 360
Jefferson City, MO 65102
2. July 15, 2002 is the due date for this assessment. At your option, you may pay the assessment in quarterly installments. If you choose quarterly installments, they are due on the following dates:

July 15, 2002	October 15, 2002
January 15, 2003	April 15, 2003
3. No further assessment notice will be furnished. If you choose to make quarterly installments, it is your responsibility to make the payments no later than the due date shown above.

Sincerely,

Robert J. Quinn, Jr.
Executive Director

PUBLIC SERVICE COMMISSION
FY 2002 ASSESSMENT
SUMMARY OF COST ALLOCATED TO TYPE OF UTILITY

DIVISION/COST GROUP	TOTAL	ELECTRIC	GAS	HEATING	WATER	SEWER	TELEPHONE	COMMON
PUBLIC SERVICE COMMISSION	\$16,209,906	\$2,352,130	\$2,586,426	\$7,211	\$779,800	\$153,775	\$2,170,152	\$8,160,412
ECONOMIC DEVELOPMENT	\$208,224	\$36,307	\$36,540	\$123	\$12,621	\$2,414	\$35,006	\$85,213
OFFICE OF ADMINISTRATION	\$809,762	\$141,194	\$142,101	\$477	\$49,083	\$9,388	\$136,136	\$331,383
TOTAL	\$17,227,892	\$2,529,631	\$2,765,067	\$7,811	\$841,504	\$165,577	\$2,341,294	\$8,577,008
INTRASTATE REVENUE PERCENT TO TOTAL	\$7,155,803,058 100.0000%	\$3,166,910,588 44.2565%	\$1,346,169,076 18.8123%	\$17,394,532 0.2431%	\$149,222,191 2.0853%	\$2,801,218 0.0391%	\$2,473,305,453 34.5636%	
ALLOCATION OF COMMON		\$3,795,887	\$1,613,530	\$20,849	\$178,859	\$3,358	\$2,964,525	(\$8,577,008)
TOTAL COSTS ALLOCATED	\$17,227,892	\$6,325,518	\$4,378,597	\$28,660	\$1,020,363	\$168,935	\$5,305,819	
LESS: PSC FUND CASH BALANCE	\$1,800,656	\$796,908	\$338,744	\$4,377	\$37,550	\$705	\$622,372	
LESS: EST. GAS SAFETY REIMB.	\$294,000		\$294,000					
FISCAL YEAR 2002 ASSESSMENT	\$15,133,236	\$5,528,610	\$3,745,853	\$24,283	\$982,813	\$168,230	\$4,683,447	

ASSESSMENT % TO REVENUE	0.2115%	0.1746%	0.2783%	0.1396%	0.6586%	6.0056%	0.1894%
MAXIMUM ASSESSMENT TO REVENUE	\$17,889,508						

PUBLIC SERVICE COMMISSION
FY 2002 ASSESSMENT
CALCULATION OF PSC ASSESSMENT

FISCAL YEAR 2001-2002

PUBLIC SERVICE COMMISSION	\$13,587,309
ECONOMIC DEVELOPMENT	\$208,224
OFFICE OF ADMINISTRATION	<u>\$809,762</u>

SUB-TOTAL	\$14,605,295
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ADD: O.A.S.D.H.I.	\$720,469
STATE RETIREMENT	\$1,091,534
STATE INSURANCE	\$712,212
LONG TERM DISABILITY	\$53,682
DEFERRED COMPENSATION	<u>\$44,700</u>

SUB TOTAL	<u>\$2,622,597</u>
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TOTAL APPROPRIATION, TRANSFERS	\$17,227,892
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LESS: ESTIMATED CASH BALANCE - PSC FUND	(\$1,800,656)
ESTIMATED D.O.T. GAS SAFETY RECEIPTS	<u>(\$294,000)</u>

FISCAL YEAR 2002 PSC ASSESSMENT	<u><u>\$15,133,236</u></u>
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FY 2002 PSC ASSESSMENT
PUBLIC SERVICE COMMISSION FUND
ESTIMATED CASH BALANCE JUNE 30, 2001

FY-2001 REVENUES		\$16,088,137	
CASH BALANCE AT JULY 1, 2000		\$2,555,798	
 TOTAL CASH AVAILABLE			 \$18,643,935
 EXPENDITURES:			
 JULY 1, 2000 - MAY 31, 2001			
PERSONAL SERVICE	\$7,746,468		
EXPENSE & EQUIPMENT	<u>\$3,060,981</u>		
		\$10,807,449	
 JUNE, 2001 ESTIMATED EXPENDITURES			
PERSONAL SERVICE	\$714,113		
EXPENSE & EQUIPMENT	<u>\$1,081,525</u>		
		\$1,795,638	
 CARRY-OVER AFTER 06/30/00		 <u>\$1,399,082</u>	
 TOTAL ESTIMATED EXPENDITURES, CARRYOVER		 \$14,002,169	
 ESTIMATED TRANSFERRED OUT:			
OASDHI	\$620,450		
STATE RETIREMENT	\$1,053,568		
STATE INSURANCE	\$646,912		
LONG-TERM DISABILITY	\$48,062		
DEFERRED COMPENSATION	\$42,865		
WORKERS COMPENSATION	\$4,395		
ARTICLE X	\$192,094		
DED/MIS OFFICE SPACE, MAIL ROOM	\$214,903		
OFFICE OF ADMINISTRATION	<u>\$17,861</u>		
		\$2,841,110	
 TOTAL ESTIMATED EXPENDITURES & TRANSFERS			 <u>\$16,843,279</u>
 ESTIMATED CASH BALANCE 06/30/2001			 <u><u>\$1,800,656</u></u>

**PUBLIC SERVICE COMMISSION
FY 2002 ASSESSMENT**

	ELECTRIC	GAS	HEATING	WATER	SEWER	TELEPHONE	TOTAL
TOTAL INTRASTATE OPERATING REVENUE	\$3,166,910,588	\$1,346,169,076	\$17,394,532	\$149,222,191	\$2,801,218	\$2,473,752,921	\$7,156,250,526
PERCENTAGE TO TOTAL	44.2537692%	18.8110949%	0.2430677%	2.0852008%	0.0391437%	34.5677239%	100.0000000%

ASSESSMENT BY UTILITY TYPE	FY2002 ASSESSMENT	ASSESSMENT FACTOR
ELECTRIC	\$5,528,610	0.001745742
GAS	\$3,745,853	0.002782602
HEATING	\$24,283	0.001396013
WATER	\$982,813	0.006586239
SEWER	\$168,230	0.060056017
TELEPHONE	\$4,683,447	0.001893598
	\$15,133,236	0.211468784%

STATEMENT OF REVENUE

RECEIVED

MISSOURI GAS ENERGY (2020)
3420 BROADWAY
KANSAS CITY MO 64111

MAY 21 2001

INTERNAL ACCOUNTING
MO. P.S.C.

I, Dana Nolan, Controller (816) 360-5655
NAME TITLE TELEPHONE #

hereby certify that the GROSS INTRASTATE OPERATING REVENUE of the above-named Company in the State of Missouri, for the calendar year 2000, is:

NOTE: REPORT (to the nearest dollar) REVENUE APPLICABLE TO YOUR RESPECTIVE UTILITY OPERATIONS.

ELECTRIC OPERATING REVENUE	\$	
GAS OPERATING REVENUE	\$	477,368,997
HEATING OPERATING REVENUE	\$	
WATER OPERATING REVENUE	\$	
SEWER OPERATING REVENUE	\$	
TELEPHONE OPERATING REVENUE	\$	

TOTAL

\$ 477,368,997

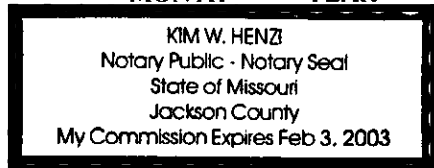
Dana S. Nolan
SIGNATURE

State of MISSOURI
County of JACKSON

Sworn to and subscribed before me a Notary Public in and for said County and State this

17th day of MAY, 2001.
DATE MONTH YEAR

(SEAL)



Kim W. Henz
NOTARY PUBLIC

My commission expires _____.

Mail one notarized copy of this statement to the Missouri Public Service Commission, Internal Accounting Department, P.O. Box 360, Jefferson City, Missouri 65102.
NO LATER MARCH 31, 2001



Commissioners
SHEILA LUMPE
Chair

CONNIE MURRAY
KELVIN L. SIMMONS
STEVE GAW

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY, MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.state.mo.us>

WESS A. HENDERSON
Director, Utility Operations
ROBERT SCHALLENBERG
Director, Utility Services
DONNA M. KOLILIS
Director, Administration
DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge
DANA K. JOYCE
General Counsel

June 28, 2001

MISSOURI GAS ENERGY
3420 BROADWAY
KANSAS CITY MO 64111

Subject: Missouri Public Service Commission Annual Assessment

Dear Sir or Madam:

Pursuant to the provisions of Section 386.370 RSMo Supp 2000, you are subject to assessment as a public utility for expenses of the Missouri Public Service Commission. On June 26, 2001, the Commission determined the amount of the assessment in Case No. 11,110. A copy of the order is enclosed for your information. The amount of your assessment for the fiscal year beginning July 1, 2001 is \$1,328,328.01 gas.

In making payment, please observe the following instructions:

1. Make check payable to: Director of Revenue, State of Missouri
Mail check to: Missouri Public Service Commission
Attn: Internal Accounting Department
P.O. Box 360
Jefferson City, MO 65102
2. July 15, 2001 is the due date for this assessment. At your option, you may pay the assessment in quarterly installments. If you choose quarterly installments, they are due on the following dates:

July 15, 2001	October 15, 2001
January 15, 2002	April 15, 2002
3. No further assessment notice will be furnished. If you choose to make quarterly installments, it is your responsibility to make the payments no later than the due date shown above.

Sincerely,

Donna M. Kolilis

Donna M. Kolilis
Director, Administration

Enclosure

Cost Allocation Methodology

Cost allocation plans are used to recover costs for services provided to others and are an acceptable accounting practice. For example, the State of Missouri and the Federal Government agree on a Statewide Cost Allocation Plan to recover overhead costs performed by the State for agencies receiving federal grants. This plan uses standard, acceptable methods approved by the federal government for cost allocation plans. Under this plan, the state is recovering the costs of services provided by the Office of Administration, the Department of Revenue, the State Auditor's office, the State Treasurer's office, and retiree health care to the various state funds. The plan outlined below establishes three cost allocation pools. Costs are allocated based on how the funds create work for the agencies in the pool.

Expenditure Cost Allocation Pool:

Costs to be allocated include the Office of Administration and the State Auditor. Costs are allocated to funds based on expenditures which is the basis that they create work – purchases, checks written, etc.

1. Uses FY 2001 expenditures less refunds
2. Determine % by fund
3. Multiply % by fund by the expenditures to be allocated
(Expenditures to be Allocated = FY 2001 General Revenue operating expenditures for the Office of Administration and 60% of the State Auditor's operations)
4. Subtract costs for Federal and Constitutional Funds
5. Determine revised % by fund after exemptions for Federal and Constitutional Funds
6. Multiply revised % by fund by the exemption amount
7. Add amount from Step 3 (initial allocation) to Step 6 (recovery for exemptions allocation)
8. Exclude Elementary and Secondary Education funds and pick up these costs with General Revenue

Receipt Cost Allocation Plan:

Costs to be allocated include the Department of Revenue and the State Treasurer. Costs are allocated to funds based on the receipts into the fund which is the basis that they create work – deposits, investments, etc.

1. Uses FY 2001 receipts less refunds
2. Determine % by fund
3. Multiply % by fund by the expenditures to be allocated
(Expenditures to be Allocated = FY 2001 General Revenue operating expenditures for the Department of Revenue and the State Treasurer's operations)
4. Subtract costs for Federal and Constitutional Funds
5. Determine revised % by fund after exemptions for Federal and Constitutional Funds
6. Multiply revised % by fund by the exemption amount
7. Add amount from Step 3 (initial allocation) to Step 6 (recovery for exemptions allocation)
8. Exclude Elementary and Secondary Education funds and pick up these costs with General Revenue

Retiree Health Care Cost Allocation Plan:

Costs to be allocated include the retiree health care paid by general revenue to the Missouri Consolidated Health Care Plan. Costs are allocated to funds based on the number of FTE in the MCHCP plan. It would be practically impossible to go back and track where all of the retirees in the MCHCP plan worked during their long tenure with the state. Basing the allocation on current FTE is a reasonable compromise.

1. Uses FY 2001 FTE expenditures of employees covered by the Missouri Consolidated Health Care Plan (MCHCP)
2. Determine % by fund
3. Multiply % by fund by the expenditures to be allocated
(Expenditures to be Allocated = FY 2001 General Revenue MCHCP retiree health care costs)
4. Subtract costs for Federal and Constitutional Funds
5. Determine revised % by fund after exemptions for Federal and Constitutional Funds
6. Multiply revised % by fund by the exemption amount
7. Add amount from Step 3 (initial allocation) to Step 6 (recovery for exemptions allocation)
8. Exclude Elementary and Secondary Education funds and pick up these costs with General Revenue

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 7

91ST GENERAL ASSEMBLY

0007L.04T

2001

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Economic Development, Department of Insurance, and Department of Labor and Industrial Relations, and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2001 and ending June 30, 2002.

Be it enacted by the General Assembly of the state of Missouri, as follows:

There is appropriated out of the State Treasury, to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, for the purpose of funding each Department, Division, agency, and program enumerated in each section for the item or items stated, and for no other purpose whatsoever chargeable to the fund designated for the period beginning July 1, 2001 and ending June 30, 2002, as follows:

Section 7.005. To the Department of Economic Development

2	For general administration of Administrative Services	
3	Personal Service	\$1,449,510
4	Annual salary adjustment in accordance with Section 105.005, RSMo	210
5	Personal Service and/or Expense and Equipment	161,057
6	Expense and Equipment	<u>795,102</u>
7	From General Revenue Fund	2,405,879
8	Personal Service	3,332,438

9	Personal Service and/or Expense and Equipment	370,271
10	Expense and Equipment	<u>1,858,666</u>
11	From Federal Funds	5,561,375
12	Personal Service	1,103,169
13	Personal Service and/or Expense and Equipment	122,574
14	Expense and Equipment	2,071,592
15	For refunds	<u>5,000E</u>
16	From Department of Economic Development Administrative Fund	<u>3,302,335</u>
17	Total (Not to exceed 175.07 F.T.E.)	\$11,269,589

Section 7.010. To the Department of Economic Development

2 For the Missouri WORKS Program

3	Personal Service	\$498,118
4	Personal Service and/or Expense and Equipment	55,346
5	Expense and Equipment	<u>144,707</u>
6	From General Revenue Fund (Not to exceed 14.00 F.T.E.)	\$698,171

Section 7.015. To the Department of Economic Development

2 There is transferred, for mailroom and support services, administrative
 3 services, rent for state office buildings by the Department of
 4 Economic Development, and information systems, the following
 5 amounts to the Department of Economic Development
 6 Administrative Fund

7	From Federal Funds	\$247,990
8	From Division of Tourism Supplemental Revenue Fund	159,347
9	From State Highways and Transportation Department Fund	124,715
10	From Railroad Expense Fund	20,774
11	From Division of Finance Fund	80,504
12	From Division of Credit Unions Fund	32,588
13	From Manufactured Housing Fund	11,065
14	From Public Service Commission Fund	208,224
15	From Professional Registration Fees Fund	<u>593,586</u>
16	Total	\$1,478,793

Section 7.020. To the Department of Economic Development

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1107

91ST GENERAL ASSEMBLY

3007L.04T

2002

AN ACT

To appropriate money for the expenses, grants, refunds, and distributions of the Department of Economic Development, Department of Insurance, and Department of Labor and Industrial Relations, and the several divisions and programs thereof to be expended only as provided in Article IV, Section 28 of the Constitution of Missouri, and to transfer money among certain funds for the period beginning July 1, 2002 and ending June 30, 2003.

Be it enacted by the General Assembly of the state of Missouri, as follows:

There is appropriated out of the State Treasury, to be expended only as provided in
2 Article IV, Section 28 of the Constitution of Missouri, for the purpose of funding each
3 department, division, agency, and program enumerated in each section for the item or items
4 stated, and for no other purpose whatsoever chargeable to the fund designated for the period
5 beginning July 1, 2002 and ending June 30, 2003, as follows:

Section 7.005. To the Department of Economic Development

2 For general administration of Administrative Services

3	Personal Service	\$1,277,387
4	Personal Service and/or Expense and Equipment	67,230
5	Expense and Equipment	<u>336,976</u>
6	From General Revenue Fund	1,681,593

7	Personal Service	3,510,793
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8	Personal Service and/or Expense Equipment	180,497
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9	Expense and Equipment	<u>1,858,666</u>
10	From Federal Funds	5,549,956
11	Personal Service	1,164,456
12	Personal Service and/or Expense and Equipment	61,287
13	Expense and Equipment	2,071,592
14	For refunds	<u>5,000E</u>
15	From Department of Economic Development Administrative Fund	<u>3,302,335</u>
16	Total (Not to exceed 168.76 F.T.E.)	\$10,533,884

Section 7.010. To the Department of Economic Development

2 For the Missouri WORKS Program

3	Personal Service	\$459,465
4	Personal Service and/or Expense and Equipment	24,182
5	Expense and Equipment	<u>72,630</u>
6	From General Revenue Fund (Not to exceed 11.00 F.T.E.)	\$556,277

Section 7.015. To the Department of Economic Development

2 There is transferred, for mailroom and support services, administrative
3 services, rent for state office buildings by the Department of
4 Economic Development, and information systems, the following
5 amounts to the Department of Economic Development
6 Administrative Fund

7	From Federal Funds	\$247,990E
8	From Division of Tourism Supplemental Revenue Fund	159,347E
9	From State Highways and Transportation Department Fund	124,715E
10	From Railroad Expense Fund	20,774E
11	From Division of Finance Fund	80,504E
12	From Division of Credit Unions Fund	32,588E
13	From Manufactured Housing Fund	11,065E
14	From Public Service Commission Fund	208,224E
15	From Professional Registration Fees Fund	<u>593,586E</u>
16	Total	\$1,478,793

Section 7.020. To the Department of Economic Development

2 For general administration of Business Development activities