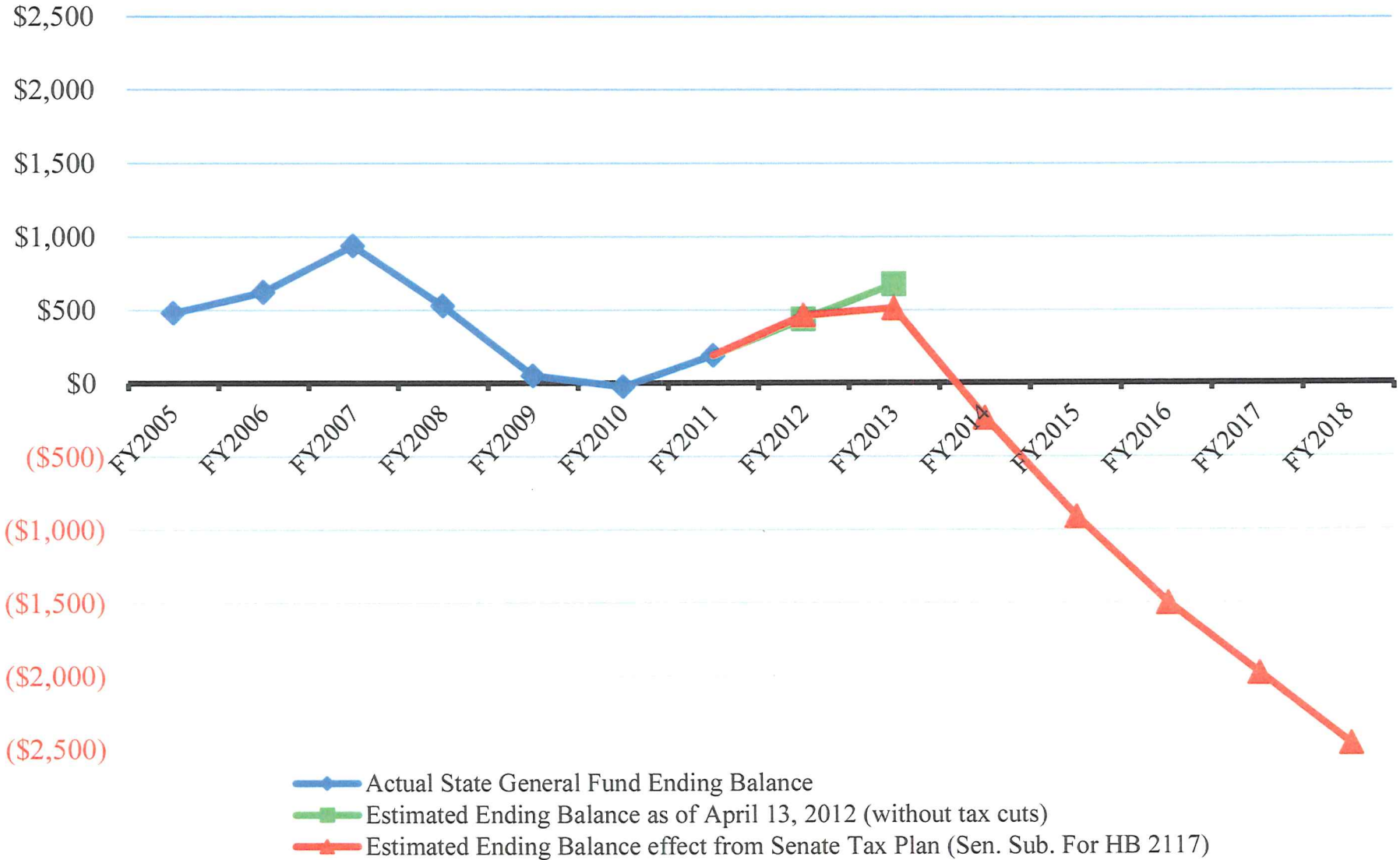


# State General Fund Ending Balance

(in Millions)



Data from:  
 Kansas Legislative Research Department  
 State General Fund Profiles

**PLAINTIFFS'**  
**EX. 299**



The budget hole has been known for years and would have existed even without the recession.

State General Fund Profile — FY 2005 – FY 2009 (Amounts in Millions)

	Approved FY 2005	Approved FY 2006	Revised FY 2007	Projected FY 2008	Projected FY 2009
Beginning Balance	\$ 327.5	\$ 478.7	\$ 620.4	\$ 396.6	\$ (3.4)
Tax Reductions Approved (Total SGF Impact Including Net Transfers)	0.0	0.0	(17.5)	(44.1)	(61.4)
Receipts (April 2005 Consensus) - 4.0 Percent Growth in FY 2008 and FY 2009	4,841.3	5,308.7	5,310.1	5,407.5	5,611.4
Adjusted Receipts	4,841.3	5,308.7	5,292.6	5,363.4	5,550.0
Total Available	\$ 5,168.8	\$ 5,787.4	\$ 5,913.0	\$ 5,760.0	\$ 5,546.6
K-12 Additional Funding - \$466.2 Million Over 3 Years (SB 549)	--	--	194.5	149.0	122.7
Less All Other Expenditures	4,690.1	5,167.0	5,321.9	5,614.4	5,850.5
Total Expenditures	4,690.1	5,167.0	5,516.4	5,763.4	5,973.2
<b>Ending Balance</b>	<b>\$ 478.7</b>	<b>\$ 620.4</b>	<b>\$ 396.6</b>	<b>\$ (3.4)</b>	<b>\$ (426.6)</b>
Ending Balance as a Percentage of Expenditures	10.2%	12.0%	7.2%	(0.1)%	(7.1)%
Receipts Above Expenditures	\$ 151.2	\$ 141.7	\$ (223.8)	\$ (400.0)	\$ (423.2)

Footnotes:

- 1) FY 2006 and FY 2007 expenditures are as approved by the 2006 Legislature.
- 2) FY 2006 revised receipts and FY 2007 projected receipts reflect the estimates of the Consensus Revenue estimating group as of April 17, 2006, as adjusted for legislation.
- 3) FY 2008 base receipts assume a 4.0 percent growth, plus year-to-date receipts above the estimates; and expenditures include out-year significant obligations (i.e., SRS and Aging caseloads, KPERs, and KDOT bonds, etc.) Other areas of government are frozen at the FY 2007 level.
- 4) \$466.2 million in new K-12 Funding FY 2007 - FY 2009 - SB 549.

and SB 404 – total impact on the SGF, including net transfers).

This state general fund profile was prepared in the summer of 2006, just after the *Montoy* three-year funding plan, SB 549, was adopted. It shows that lawmakers knew that the state ending balance would be \$426.6M in the hole at the end of the three years. During this three year period the legislature continued to cut revenues (taxes) knowing that they could not meet their constitutional obligation to fund schools.

At the time the school funding plan was adopted, it was known that the state's expenditures would exceed the state's revenues in 2007, 2008 and 2009. There had been a surplus in 2005 and 2006.

Tax Reductions as Approved by Prior Sessions of the Legislature for FY 2010 and FY 2011  
 November, 2007 Consensus Revenue Estimates for FY 2008 and FY 2009; 4.0 Percent Growth in FY 2010 and FY 2011  
 \$466.2 million in New K-12 Funding FY 2007 - FY 2009 - SB 549  
 K-12 Education Consensus and Social Services Consensus Caseload Estimates - FY 2008 - FY 2011  
 FY 2008 Expenditures as Approved by the Legislature, Plus Shifting of Expenditures from FY 2007 (\$21.4 million)  
 Health Policy Authority Reform Proposal  
 Health Policy Authority Proposal - Cigarette and Tobacco Tax Increase

**STATE GENERAL FUND RECEIPTS, EXPENDITURES AND BALANCES**  
 FY 2007 - FY 2011  
 In Millions

	<b>Actual FY 2007</b>	Revised FY 2008	Projected FY 2009	Projected FY 2010	Projected FY 2011
Beginning Balance	\$ 733.7	\$ 935.0	\$ 513.2	\$ 342.2	\$ 196.0
Receipts (November 2007 Consensus) - 4.0 Percent Growth	5,809.0	5,717.3	6,170.1	6,384.4	6,653.5
<b>Health Policy Authority - Tobacco Tax Increase</b>	0.0	0.0	61.5	65.6	64.8
Adjusted Receipts	5,809.0	5,717.3	6,231.6	6,450.0	6,718.3
Total Available	\$ 6,542.7	\$ 6,652.3	\$ 6,744.8	\$ 6,792.2	\$ 6,914.3
K-12 Additional Funding - \$466.2 Million Over Three Years	194.5	149.0	122.7	-	-
<b>Health Policy Authority - Health Reform Proposal</b>	-	-	30.0	40.6	47.1
Less All Other Expenditures	5,413.2	5,990.1	6,249.9	6,555.6	6,693.9
Total Expenditures	5,607.7	6,139.1	6,402.6	6,596.2	6,741.0
<b>Ending Balance</b>	<b>\$ 935.0</b>	<b>\$ 513.2</b>	<b>\$ 342.2</b>	<b>\$ 196.0</b>	<b>\$ 173.3</b>
Ending Balance as a Percentage of Expenditures	16.7%	8.4%	5.4%	3.0%	2.6%
Receipts Above Expenditures	201.3	(421.8)	(171.0)	(146.2)	(22.7)

Approved Expenditures by 2009 Legislature, as Adjusted for Underspending and Shifting from FY 2009 to FY 2010  
 Governor's Allotments in FY 2010 (\$90.1 million) - Generally 2.0 Percent  
 School Aid Payments Delayed from FY 2009 to FY 2010 (\$73.0 million)  
 April Consensus Revenue Estimates Adjusted for Legislation; 1.0 Percent Growth in Revenue in FY 2011 and 2.0 Percent in FY 2012;  
 Revenues Further Adjusted for Actual Receipts for May and June, 2009  
 Tax Refunds (\$31.0 million) Delayed from FY 2009 to FY 2010

STATUS OF THE STATE GENERAL FUND  
 FY 2008-FY 2012  
 (In Millions)

	Actual FY 2008	Revised FY 2009	Revised FY 2010	Estimated FY 2011	Estimated FY 2012
Beginning Balance	\$ 935.0	\$ 526.6	\$ 65.8	\$ -	\$ (0.0)
Receipts (April, 2009 Consensus Revenue Estimate)	5,693.4	5,709.7	5,535.9	5,547.7	5,624.0
Subtotal- Approved Receipts	\$ 6,628.4	\$ 6,236.3	\$ 5,601.7	\$ 5,547.7	\$ 5,624.0
Less Receipts Below Estimate (May and June)	-	(119.0)	(119.0)	(119.0)	(119.0)
Delay FY 2009 Tax Refunds to FY 2010	-	-	(31.0)	-	-
Total Available Revenue	\$ 6,628.4	\$ 6,117.3	\$ 5,451.7	\$ 5,428.7	\$ 5,505.0
Expenditures	6,101.8	6,266.6	6,009.8	6,256.9	6,360.5
Federal Economic Stimulus Legislation	-	(102.8)	(396.2)	(297.3)	-
Subtotal - Approved Expenditures	6,101.8	6,163.8	5,613.6	5,959.6	6,360.5
Less FY 2009 Underspending and Shifting to FY 2010	-	(39.3)	35.0	-	-
Less Governor's Allotments (generally 2.0 percent)	-	-	(90.1)	-	-
Delay FY 2009 School Aid Payments to FY 2010	-	(73.0)	73.0	-	-
Additional Adjustments to Achieve a Zero Ending Balance	-	-	(179.8)	(530.9)	(855.5)
Total Adjusted Expenditures	6,101.8	6,051.5	5,451.7	5,428.7	5,505.0
<b>Ending Balance</b>	<b>\$ 526.6</b>	<b>\$ 65.8</b>	<b>\$ -</b>	<b>\$ (0.0)</b>	<b>\$ (0.0)</b>
Ending Balance as a Percentage of Expenditures	8.6%	1.1%	0.0%	0.0%	0.0%
Approved Receipts in Excess of Approved Expenditures	\$ (408.4)	\$ (454.1)	\$ (77.7)	\$ (411.9)	\$ (736.5)
Adjusted Receipts in Excess of Adjusted Expenditures	\$ (408.4)	\$ (460.6)	\$ (65.8)	\$ (0.0)	\$ 0.0

Assumptions:

- Expenditures as approved by the 2009 Legislature, as adjusted for underspending and shifting of expenditures from FY 2009 to FY 2010. Plus Governor's allotments of generally 2.0 percent in FY 2010 and delay of school aid payments from FY 2009 to FY 2010.
- April, 2009 Consensus Revenue estimates for FY 2009 and FY 2010, further adjusted for legislative action. Plus, adjustment for May and June actual receipts. In addition, delay of FY 2009 tax refunds (\$31.0 million) to FY 2010.
- Estimated federal economic stimulus impact - revenue (loss of \$86.5 million) and expenditures (savings of \$76.3 million) as reflected in the approved budget.
- Caseloads include adjustments within the budgets of the Department of Social and Rehabilitation Services, Kansas Health Policy Authority, Department on Aging, Juvenile Justice Authority, and the Department of Education.

- Expenditures in FY 2011 and FY 2012 increase for human services caseloads (\$60 million), KPERS employer contribution increases (\$42 million), and state employee market pay (\$8.5 million).
- Revenue estimates increase 1.0 percent in FY 2011 and 2.0 percent in FY 2012, less repayment of previous loans to the SGF (\$34.7 million) for KDOT, Underground Petroleum Fund, and the Waste Tire Management Fund in both FY 2011 and FY 2012.

Kansas Legislative Research Department  
 July 13, 2009

**STATUS OF THE STATE GENERAL FUND**  
**FY 2009-FY 2011 Based on November 2009 Consensus Revenue Estimates**  
**and Governor's July and November Allotments**  
(In Millions)

	<u>Actual</u> <u>FY 2009</u>	<u>Estimated</u> <u>FY 2010</u>	<u>Estimated</u> <u>FY 2011</u>
<b>Revenue:</b>			
Beginning Balance	\$ 526.6	\$ 49.7	\$ -
Receipts (Nov. 2009 Consensus Revenue Estimate)	5,587.4	5,300.7	5,178.5
Total Available	<u>\$ 6,114.0</u>	<u>\$ 5,350.4</u>	<u>\$ 5,178.5</u>
<b>Expenditures:</b>			
	6,064.4	5,612.9	5,350.4
Delay FY 2009 School Aid Payments to FY 2010	-	73.0	(73.0)
State General Fund Amounts Shifted to FY 2010	-	21.3	(21.3)
Governor's July 2009 State General Fund Allotments	-	(90.1)	-
Governor's November 2009 State General Fund Allotments	-	(193.2)	-
Replace Federal Stimulus Funds Shifted from FY 2011 to FY 2010	-	-	85.9
Additional Human Services Caseload Estimates	-	24.3	118.4
Additional School Finance Estimates	-	142.3	1.3
Additional Special Education Estimates	-	13.5	25.0
Additional Statutorily Required KPERS Increase	-	-	42.0
Previously Approved Undermarket Employee Salary Adjustments	-	-	8.5
Additional Adjustments to Achieve a Zero Ending Balance	-	(253.6)	(358.7)
Total Expenditures	<u>\$ 6,064.4</u>	<u>\$ 5,350.4</u>	<u>\$ 5,178.5</u>
<b>Ending Balance</b>	<u>\$ 49.7</u>	<u>\$ -</u>	<u>\$ -</u>
Ending Balance as a Percentage of Expenditures	0.8%	0.0%	0.0%
Receipts in Excess of Expenditures	\$ (477.0)	\$ (49.7)	\$ -
Across-the-Board Reduction Needed to Achieve a Zero Ending Balance		4.5%	6.5%

**Two-Year Total Reduction Required to Achieve a Zero Ending Balance - \$612.3 million**

April Consensus Revenue Estimates  
 Expenditures as Approved by the 2011 Legislature, Including Gubernatorial Vetoes  
 Actual Receipts Above the Estimate Through August, 2011

STATUS OF THE STATE GENERAL FUND  
 FY 2010-FY 2013  
 (In Millions)

	Actual FY 2010	Revised FY 2011	Revised FY 2012	Estimated FY 2013
Beginning Balance	\$ 49.6	\$ (27.1)	\$ 180.2	\$ 202.1
Tax Receipts (April, 2011 Consensus Revenue Estimate)	5,191.2	5,593.9	5,824.7	5,999.4
Actual Receipts Above the Estimate Through August, 2011	-	107.1	26.6	-
Other Revenue Adjustments	-	181.1	222.9	75.5
Total Available Revenue	\$ 5,240.8	\$ 5,855.0	\$ 6,254.4	\$ 6,277.1
Expenditures	5,268.0	5,674.8	6,052.3	6,175.2
Expenditure Adjustments to Reach Zero	-	-	-	-
Total Adjusted Expenditures	5,268.0	5,674.8	6,052.3	6,175.2
Ending Balance	\$ (27.1)	\$ 180.2	\$ 202.1	\$ 101.9
Ending Balance as a Percentage of Expenditures	-0.5%	3.2%	3.3%	1.7%
Receipts in Excess of Approved Expenditures	\$ (76.7)	\$ (76.2)	\$ (4.7)	\$ (100.3)

Assumptions:

- Expenditures - Senate Substitute for HB 2014 - the 2011 Session appropriation bill for FY 2011 and FY 2012, as adjusted for gubernatorial vetoes.
- April, 2011 Consensus Revenue estimates for FY 2011 and FY 2012, as adjusted for legislation and gubernatorial vetoes and preliminary tax only receipts through August, 2011.
- Expenditures in FY 2013 increase for human services caseloads (\$60 million), KPERS employer contribution increases (\$40 million); and \$21.7 million for special education federal maintenance of effort requirement.
- Tax revenue increases 3.0 percent in FY 2013.
- Restore \$36 million to the tax base for the impact of the federal Tax Relief Act of 2010. The legislation reduced State General Fund receipts by \$52.5 million in FY 2012 and \$16.5 million in FY 2013. Also, add \$39.5 million as a result of 2011 SB 196.

Kansas Legislative Research Department  
 September 14, 2011

File: FY 2012 SGF Profile September 14, 2011

April Consensus Revenue Estimates  
 Expenditures for FY 2012 and FY 2013 as Recommended by the Governor, including all Governor's Budget Amendments  
**Excludes All Tax Proposals Under Consideration by the Legislature**

**STATE GENERAL FUND PROFILE**  
**FY 2010-FY 2013**  
 (Dollars in Millions)

	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013
Beginning Balance	\$ 49.6	\$ (27.1)	\$ 188.3	\$ 437.0
Consensus Revenue Estimate (April 13, 2012)	5,191.2	5,882.1	6,374.5	6,414.2
Governor's Recommended Revenue Adjustments	-	-	(2.0)	(39.4)
<b>Total Available Revenue</b>	<b>\$ 5,240.8</b>	<b>\$ 5,855.0</b>	<b>\$ 6,560.8</b>	<b>\$ 6,811.9</b>
Expenditures	\$ 5,268	\$ 5,667	\$ 6,055	\$ 6,133
Governor's Recommended Expenditure Adjustments	-	-	73.9	(39.0)
Human Services Caseloads			(4.9)	43.8
<b>Total Adjusted Expenditures</b>	<b>5,268.0</b>	<b>5,666.7</b>	<b>6,123.8</b>	<b>6,138.2</b>
<b>Ending Balance</b>	<b>\$ (27.1)</b>	<b>\$ 188.3</b>	<b>\$ 437.0</b>	<b>\$ 673.7</b>
Ending Balance as a Percentage of Expenditures	-0.5%	3.3%	7.1%	11.0%
Receipts in Excess of Approved Expenditures	\$ (76.7)	\$ 220.1	\$ 250.7	\$ 276.0

**Assumptions:**

1. April 13, 2012 Consensus Revenue estimates for FY 2012 and FY 2013.
2. Governor recommends the following FY 2012 revenue adjustments: Shift \$1.7 million from ELARF for Labette Correctional retrofit; Adjust \$0.1 million for Securities Commissioner transfer; and payment of a tort claim of \$0.4 million. Net adjustment is a reduction of \$2.0 million.
3. Governor recommends the following FY 2013 revenue adjustments: Establish a Disaster Preparedness Fund with transfer of \$12.0 million from insurance premiums; Undo the State Highway Fund transfer through the SGF for the Highway Patrol (\$30.9 million); Adjust Securities Commissioner year-end shift (\$0.1 million); Transfer State Safety Fund to SGF (\$1.5 million); Return unused emergency funds in the Department of Revenue to SGF (\$1.9 million).
4. Governor's FY 2012 expenditure adjustments include: \$12.7 million expenditure authority shifted from FY 2011; \$17.6 million for the Human Services Consensus estimates; \$24.6 million for revisions to School Finance; \$7.0 million for KPERS School obligations; \$1.8 million for correctional services; and \$10.2 million for all other adjustments.
5. Governor's FY 2013 expenditure adjustments include: \$41.9 million for Regents enhancements; \$33.7 million for Human Services caseloads; \$5.4 million for Judiciary; \$3.5 million for Corrections. Reductions of: \$47.8 million for the use of ELARF to pay off debt; \$42.5 million to readjust State Aid for Schools; \$30.1 million to shift Highway Patrol off of SGF; \$6.9 million for Voluntary Retirement savings; \$6.0 million for shifting Wildlife, Parks and Tourism to EDIF; \$9.6 million net all other adjustments.
6. Reflects April 2012 Human Services Caseloads. These adjustments are based on the consensus process and make adjustments to the Governor's recommended expenditures for FY 2012 and FY 2013.

File: April 13 CRE Profile.xlsx



April Consensus Revenue Estimates and Tentative Conference Revenue Adjustments;  
 Expenditures for FY 2012 and FY 2013 as Tentatively Agreed to in Conference;  
 Human Services Caseload Adjustments;  
 Revenue Increases at 4.0 percent;  
 Senate Tax Plan (Sen. Sub. for HB 2117) with Adjusted Severance Tax Receipts (May 10, 2012).

STATE GENERAL FUND PROFILE									
FY 2010-FY 2017									
(In Millions)									
	Actual FY 2010	Actual FY 2011	Estimated FY 2012	Estimated FY 2013	Estimated FY 2014	Estimated FY 2015	Estimated FY 2016	Estimated FY 2017	Estimated FY 2018
Beginning Balance	\$ 49.6	\$ (27.1)	\$ 188.3	\$ 459.4	\$ 509.7	\$ (242.2)	\$ (914.6)	\$ (1,505.3)	\$ (1,986.9)
Consensus Revenue Estimate (April 13, 2012)	5,191.2	5,882.1	6,374.5	6,414.2	6,230.5	6,466.2	6,711.3	6,979.8	7,259.0
Governor's Recommended Revenue Adjustments	-	-	(2.0)	(37.4)	-	-	-	-	-
Conference Tentative Recommended Revenue Adjustments	-	-	22.7	15.7	-	-	-	-	-
Senate Sub. for HB 2117	-	-	-	(231.2)	(802.8)	(824.3)	(854.2)	(892.9)	(933.7)
<b>Total Available Revenue</b>	<b>\$ 5,240.8</b>	<b>\$ 5,855.0</b>	<b>\$ 6,583.5</b>	<b>\$ 6,620.8</b>	<b>\$ 5,937.5</b>	<b>\$ 5,399.8</b>	<b>\$ 4,942.6</b>	<b>\$ 4,581.7</b>	<b>\$ 4,338.5</b>
Governor's Recommended Expenditure	5,268.0	5,666.7	6,128.7	6,089.6	6,179.7	6,314.4	6,447.9	6,568.6	6,813.6
Consensus Human Services Caseloads	-	-	(4.9)	43.8	-	-	-	-	-
Conference Tentative Recommended Expenditure Adjustments	-	-	0.3	(22.3)	-	-	-	-	-
<b>Total Adjusted Expenditures</b>	<b>5,268.0</b>	<b>5,666.7</b>	<b>6,124.1</b>	<b>6,111.1</b>	<b>6,179.7</b>	<b>6,314.4</b>	<b>6,447.9</b>	<b>6,568.6</b>	<b>6,813.6</b>
<b>Ending Balance</b>	<b>\$ (27.1)</b>	<b>\$ 188.3</b>	<b>\$ 469.4</b>	<b>\$ 509.7</b>	<b>\$ (242.2)</b>	<b>\$ (914.6)</b>	<b>\$ (1,505.3)</b>	<b>\$ (1,986.9)</b>	<b>\$ (2,475.1)</b>
Ending Balance as a Percentage of Expenditures	-0.5%	3.3%	7.6%	8.3%	-3.9%	-14.5%	-23.3%	-30.2%	-36.3%
Receipts in Excess of Approved Expenditures	\$ (76.7)	\$ 220.1	\$ 271.1	\$ 50.2	\$ (752.0)	\$ (672.5)	\$ (590.8)	\$ (481.7)	\$ (488.3)

Assumptions:

1. April 2012 Consensus Revenue estimates for FY 2012 and FY 2013
2. Governor recommends the following FY 2012 revenue adjustments: Shift \$1.7 million for ELARF for Labette Correctional retrofit; Adjust \$0.1 million for Securities Commissioner transfer; and payment of a tort claim of \$0.4 million. Net adjustment is a reduction of \$2.0 million.
3. Governor recommends the following FY 2013 revenue adjustments: Establish a Disaster Preparedness Fund with transfer of \$12 million from insurance premiums; Undo the State Highway Fund transfer through the SGF for the Highway Patrol (\$30.9 million); Adjust Securities Commissioner year-end shift - \$0.1 million; Transfer State Safety Fund to SGF (\$1.5 million); Return unused emergency funds in the Department of Revenue to SGF (\$1.9 million).
4. FY 2013 Senate Sub. for HB 2117 tax plan has a net impact of negative \$231.2 million. Of which, income tax receipts decrease \$249.2 million and severance tax increases by \$18.0 million. For FY 2014 the net impact is a reduction of \$802.8 million.
5. Governor's FY 2012 expenditure adjustments include: \$12.7 million expenditure authority shifted from FY 2011; \$17.6 million for the Human Services Consensus estimates; \$24.6 million for revisions to School Finance; \$7.0 million for KPERs School obligations; \$1.8 million for correctional services; and \$10.2 million for all other adjustments.
6. Governor's FY 2013 expenditure adjustments include: \$41.9 million for Regents enhancements; \$33.7 million for Human Services caseloads; \$5.4 million for Judiciary; \$3.5 million for Corrections. Reductions of: \$47.8 million for the use of ELARF to pay off debt; \$42.5 million to readjust State Aid for Schools; \$30.1 million to shift Highway Patrol off of SGF; \$6.9 million for Voluntary Retirement savings; \$6.0 million for shifting Wildlife, Parks and Tourism to EDIF; \$9.6 million net all other adjustments.
7. Governor's projected FY 2014 expenditure amounts which assume structural reforms are enacted for Medicaid and school finance (as outlined in the FY 2013 Governor's Budget Report - Volume No. 1) adjusted for caseloads.