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State Revenues and Expenditures, Now in the Future for the Kansas Association of School Board School Finance Seminar by Alan Conroy

Major Points:

- **State Budget Overview (Table 1)**
 - State General Fund and All Funds Receipt Sources (Table 2);
 - All Funds expenditures (Table 3);
 - State General Fund Expenditures (Table 4).

April, 2011 Consensus Revenue Estimate (green sheets)

- The April, 2011 Consensus Revenue Estimating Group made minor downward revisions in the State General Fund projections:
 - \$10 million or 0.2 percent **reduction** in FY 2011;
 - \$22 million or 0.4 percent **reduction** in FY 2012.
 - Economic Forecast - *"A great deal of uncertainty on the state's economy remains, as a number of economic indicators are estimated to show only modest improvements over the next few years. Significant concerns remain on the effect of higher oil prices and employment levels for many of the state's key sectors, including aviation manufacturing and telecommunications..... The Consensus estimates are based on the continued modest recovery of the state's economy during the balance of FY 2011 and slightly accelerated growth throughout FY 2012."*
- **State General Fund Receipts**
 - Actual FY 2011 State General Fund revenues (purple sheet)
 - \$107.1 million or 1.9 percent **above** the estimate;

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- Major source **above** the estimate was:
 - Individual income - \$114.7 million or 4.4 percent above FY 2010;
 - Withholding increased 4.9 percent;
 - Estimated payments grew 6.8 percent; and
 - Balance due payments increased 29.2 percent.
- Major source **below** the estimate were:
 - Retail sales - \$24.6 million or 1.2 percent; and
 - Corporation income - \$6.1 million or 2.7 percent.
- Actual FY 2010 State General Fund revenues were \$98.6 million or 1.9 percent **below** the estimate.
- Actual FY 2009 State General Fund revenues were \$120.7 million or 2.1 percent **below** the estimate.
- FY 2011 State General Fund revenues through August (coral sheet)
 - \$26.6 million or 3.2 percent **above** the estimate for total receipts.
 - \$41.1 million or 4.9 percent **above** the estimate for tax receipts only.
 - A School District Capital Improvement Fund transfer out of \$5.0 million was made in August that had been anticipated to be made later in the fiscal year.
 - A transfer out of \$10 million to the State Emergency Fund was made in August, had not been anticipated to be made in the fiscal year.
 - Individual income receipts were \$22.9 million or 6.1 percent above the estimate; (although just for the month of August withholding receipts were flat when compared to August of last year);
 - Retail sales were \$10.9 million or 3.1 percent above the estimate;
 - No tax source was below the estimate by more than \$1.0 million.
- Preliminary State General Fund tax receipts only through Wednesday, September 28th were \$15.3 million or 2.9 percent above estimate for the month.
 - Individual income - \$8.4 million or 3.2 percent;
 - Retail sales - \$4.1 million or 2.4 percent.
- **State Unemployment**
 - State Unemployment
 - 6.9 percent up from 6.8 percent in July;
 - Down from 7.1 percent in August, 2010.

- County Unemployment (see map);
 - Highest - Wilson County at 11.2 percent;
 - Second highest - Linn County at 11.0 percent;
 - Lowest - Sheridan County at 3.2 percent;
 - Second lowest - Ness County at 3.3 percent.

- **Federal Stimulus Funding**

- Total Funds to Date - Over \$2.0 billion
- For the fiscal years 2009 through 2011, Kansas received approximately \$1.2 billion in federal economic stimulus funds that replaced State General Fund financing:
 - \$122 million in FY 2009;
 - \$603 million in FY 2010;
 - \$490 million in FY 2011; and
 - **None in FY 2012.**

Revenue Adjustments - 2011 Legislature

- The Legislature approved several changes in transfers that impact State General Fund revenue:
 - Some of the transfers either to or from the State General Fund:
 - \$200 from the State Highway Fund to the State General Fund;
 - "Slider" payment to local units of government eliminated;
 - \$35 million reduction in transfer to the Biosciences Authority;
 - \$10 million payment to the Special City County Highway Fund eliminated;
 - \$34 million in additional gaming revenue.

FY 2012 Approved Budget

- The approved State General Fund budget by the 2011 Legislature would leave an ending balance of:
 - \$77 million in FY 2011; and
 - \$71 million in FY 2012.

- State General Fund expenditures (in part because of the replacement of lost federal economic stimulus funds) are:

- \$6.1 billion, an increase of \$380 million or 6.7 percent above the revised FY 2011 expenditures.

Latest State General Fund Profile (blue sheet)

- State General Fund tax receipts only through August, FY 2012 were \$26 million or 3.2 percent above the estimate.
 - **FY 2010 (actual)** - Technically an negative ending balance of \$27.1 million;
 - \$131.8 million of Department of Education funding that should of been paid in FY 2010 was delayed and paid in FY 2011;
 - **FY 2011 (actual)** ending balance was \$180.2 million,
 - **FY 2012 ending balance of \$202 million or 3.2 percent**, but that would not include any supplementals (*i.e.*, human services caseloads or the State Department of Education supplemental request for property valuation drop, increased free and reduced lunch students, or additional students).
 - **FY 2013 ending balance of \$101.9 million or 1.7 percent.**
 - 3.0 percent growth in receipts;
 - Does not include \$200 million transfer from the State Highway Fund;
 - Does include human services caseload increase; KPERS increased employer contribution; special education maintenance of effort.
 - Does NOT include and enhancements from the State Department of Education request of \$622 million - mainly to fully fund the current law - BSAPP of \$4,492 instead of \$3,780.
 - Does NOT include and significant changes in federal funding, especially in human services area.
 - Does not include any additional revenue (from an earlier opening of either casino) if the expanded gaming funds would be transferred to the State General Fund.

- The Consensus Revenue Estimating Group will meet on November 4th to revise the FY 2012 estimate and make the first official estimate for FY 2013.

2012 Session Redistricting

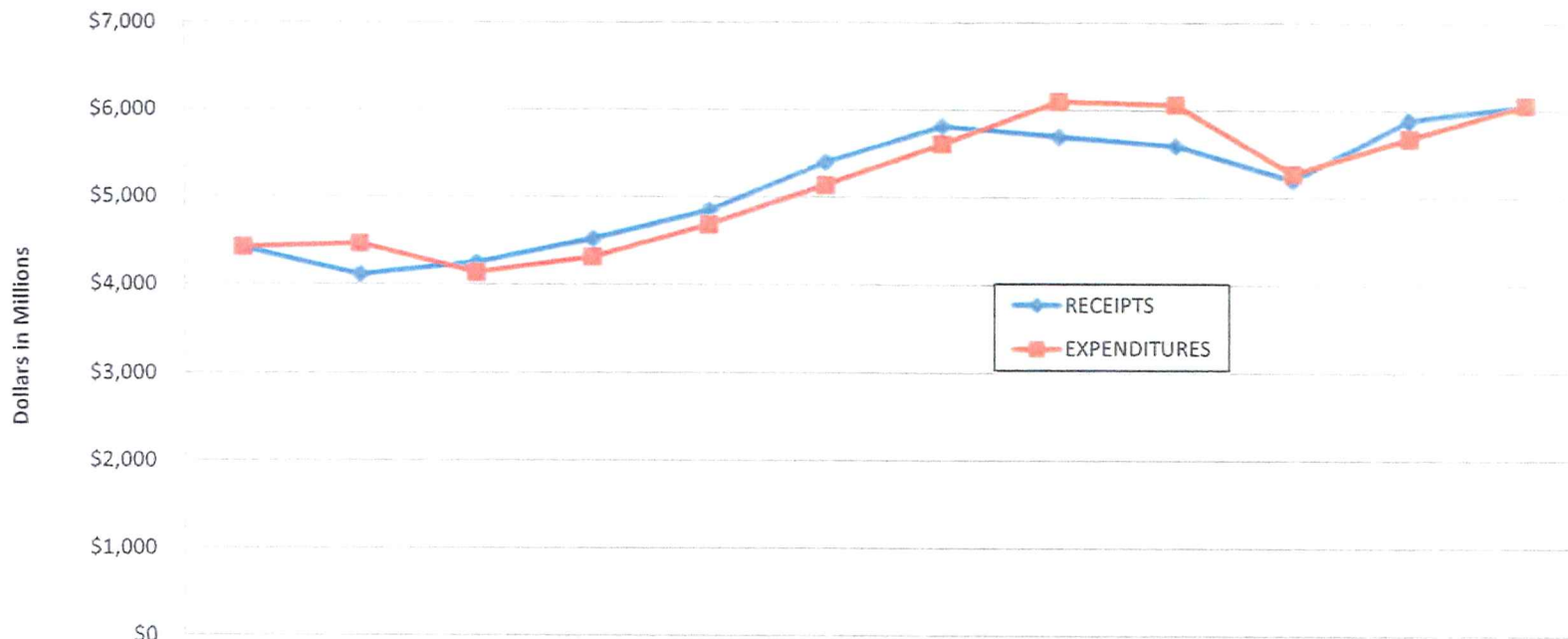
As required by the *US* and *Kansas Constitutions*, every 10 years the Legislature is required to redraw legislative, State Board of Education, and congressional districts. These new districts will be effective for the 2012 election cycle. The ideal state House district will have population of 22,716 and the state Senate district of 70,986. Based on the adjusted 2010 Census figures 77 counties lost population and 28 counties gained population.

FY 2014 Changes

- Sales tax rate decline - Remember the 1.0 percent sales tax rate increase that was approved by the 2010 Legislature increased the state sales tax rate from 5.3 percent to 6.3 percent (falling to 5.7 percent in July, 2013 with the entire increase at that point going to the State Highway Fund). The original estimate for the loss of revenue to the State General Fund in FY 2014 is approximately \$350 million.
- KPERS employer contribution rate increase as provided by 2012 legislation (from the current 0.6 percent increase):
 - 0.9 percent in FY 2014;
 - 1.0 percent in FY 2015;
 - 1.1 percent in FY 2016;
 - 1.2 percent in FY 2017.

Table 1

State General Fund Receipts and Expenditures



	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
RECEIPTS	\$4,415.0	\$4,108.9	\$4,245.6	\$4,518.7	\$4,841.3	\$5,394.4	\$5,809.0	\$5,693.3	\$5,587.4	\$5,191.2	\$5,882.0	\$6,047.7
EXPENDITURES	\$4,429.7	\$4,466.0	\$4,137.5	\$4,316.5	\$4,690.1	\$5,139.2	\$5,607.7	\$6,101.8	\$6,064.4	\$5,268.0	\$5,675.3	\$6,054.9

Table 2

Where Each FY 2012 \$ Comes From

State General Fund Receipts

		Amount (Thousands)
		<u> </u>
45¢	Individual Income Tax	\$ 2,726,818
39¢	Sales and Compensating Use Tax	2,385,814
4¢	Corporation and Financial Income Tax	247,550
3¢	Insurance Premium Tax	160,475
3¢	Alcohol Taxes	160,475
2¢	Tobacco Taxes	98,700
1¢	Severance Tax	88,150
2¢	Other Taxes and Revenue	99,397
<u>\$ 1.00</u>	TOTAL Receipts	<u>\$ 6,047,604</u>

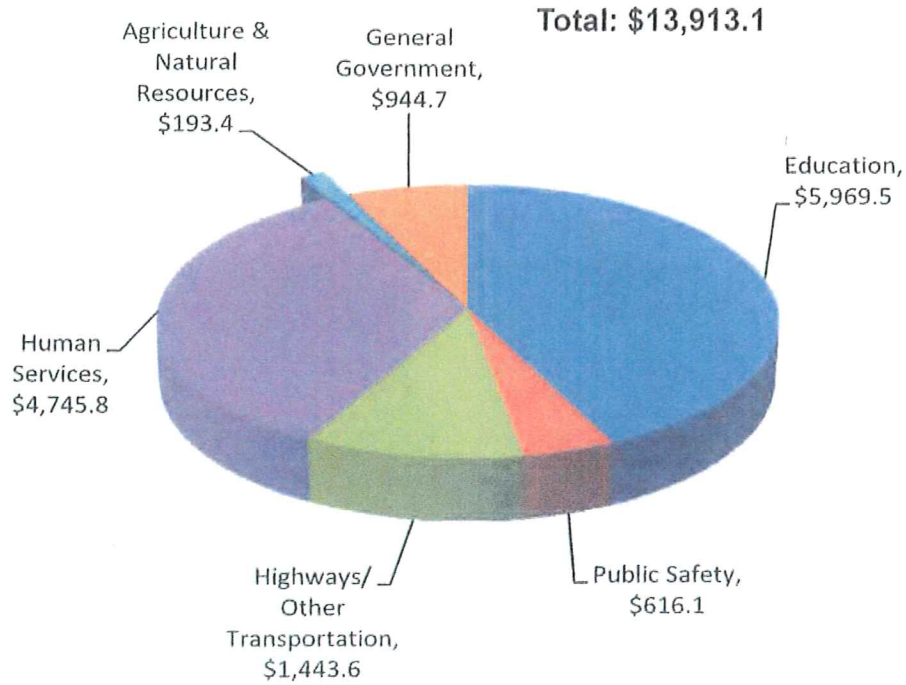
Expenditures from All Funds

44¢	State General Fund	\$ 6,054,840
28¢	Federal Funds	3,856,203
8¢	State Highway Fund	1,084,170
21¢	Other Funds	2,917,937
<u>\$ 1.00</u>	TOTAL Expenditures	<u>\$ 13,913,150</u>

Totals may not add due to rounding.

Table 3

**FY 2012 All Funds Expenditures by Function of Government
(Millions of Dollars)**



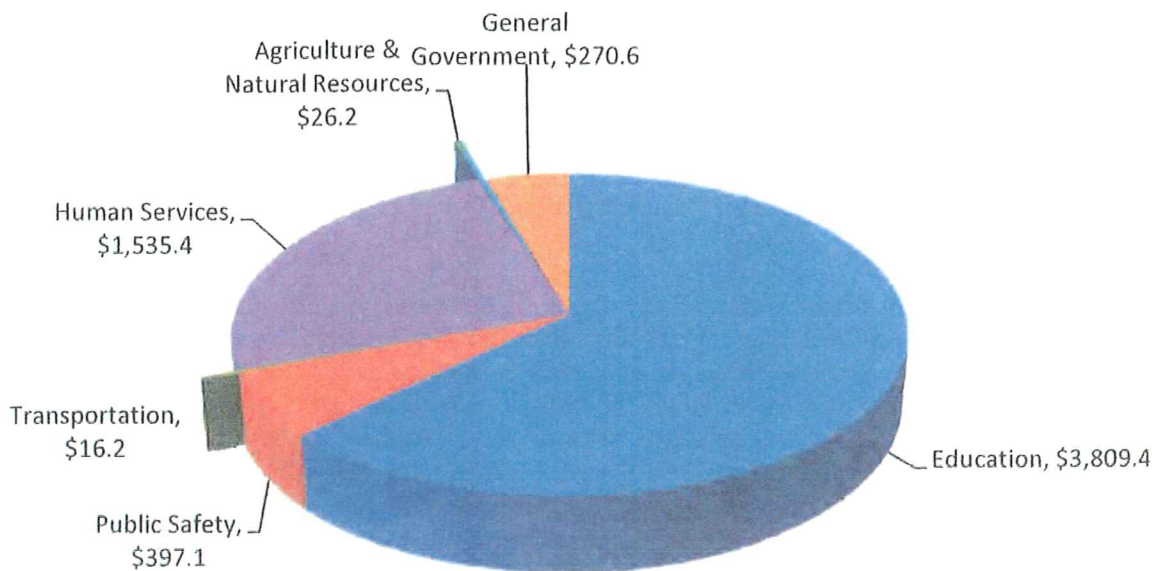
**All Funds Expenditures by Function of Government
(Millions of Dollars)**

	Actual	Estimated	Change		Approved	Change	
	FY 10	FY 11	\$	%	FY 12	\$	%
General Government	\$ 727.0	\$ 844.5	\$ 117.5	16.2%	\$ 944.7	\$ 100.2	11.9%
Human Services	5,336.1	5,197.6	(138.5)	(2.6)	4,745.8	(451.8)	(8.7)
Education	5,877.0	6,297.5	420.4	7.2	5,969.5	(327.9)	(5.2)
Public Safety	772.9	754.6	(18.3)	(2.4)	616.1	(138.5)	(18.4)
Ag./Nat. Resources	169.6	211.0	41.3	24.4	193.4	(17.6)	(8.3)
Transportation	1,161.2	1,434.3	273.0	23.5	1,443.5	9.3	0.6
Other Adjustments	0.0	(1.6)	(1.6)	-	0.0	1.6	(100.0)
TOTAL	\$ 14,044.0	\$ 14,737.9	\$ 693.9	4.9%	\$ 13,913.3	\$ (824.7)	(5.6)%

Table 4

**FY 2012 State General Fund Expenditures by Function of Government
(Millions of Dollars)**

Total: \$6,054.8



**State General Fund Expenditures by Function of Government
(Millions of Dollars)**

	Actual	Estimated	Change		Approved	Change	
	FY 10	FY 11	\$	%	FY 12	\$	%
General Government	\$ 227.1	\$ 251.5	\$ 24.5	10.8%	\$ 270.5	\$ 19.0	7.6%
Human Services	1,161.5	1,269.8	108.3	9.3	1,535.4	265.6	20.9
Education	3,478.7	3,746.9	268.2	7.7	3,809.4	62.5	1.7
Public Safety	365.3	365.5	0.2	0.1	397.1	31.6	8.6
Ag./Nat. Resources	26.6	27.0	0.4	1.5	26.2	(0.8)	(3.0)
Transportation	8.8	16.2	7.3	-	16.2	(0.0)	-
Other	0.0	(1.6)	(1.6)	-	0.0	0.0	-
TOTAL	\$ 5,268.0	\$ 5,675.3	\$ 407.3	7.7%	\$ 6,054.8	\$ 377.9	6.7%

April 26, 2011

To: Governor Sam Brownback and Legislative Budget Committee
From: Kansas Division of the Budget and Kansas Legislative Research Department
Re: State General Fund Receipt Revisions for FY 2011 and FY 2012

Estimates for the State General Fund (SGF) are developed using a consensus process that involves the Division of the Budget, Legislative Research Department, Department of Revenue, and three consulting economists from state universities. This estimate is the base from which the Governor and the Legislature build the annual budget. The Consensus Group met on April 15, 2011, and decreased the overall estimate for both fiscal years by a combined \$31.7 million relative to the previous estimate made in November. The revised estimates incorporate the fiscal impact of all 2011 legislation previously signed into law by April 15.

For FY 2011, the estimate was decreased by \$10.2 million, or 0.2 percent, below the November estimate. The estimate for total taxes was decreased by \$1.3 million, while the estimate for other revenues was decreased by \$8.9 million. The overall revised SGF estimate of \$5.775 billion represents an 11.2 percent increase above final FY 2010 receipts. The increase includes the impact of the retail sales and compensating use tax increase enacted last year.

The revised estimate for FY 2012 of \$5.789 billion was decreased by \$21.5 million, or 0.4 percent below the November estimate. The estimate for total taxes was decreased by \$15.7 million, while the estimate for other revenues was decreased by \$5.8 million. The new forecast for FY 2012 represents a 0.2 percent increase above the newly revised FY 2011 figure.

Table 1 compares the new FY 2011 and FY 2012 estimates with actual receipts from FY 2012.

Economic Forecast for Kansas Summary

A great deal of uncertainty on the state's economy remains, as a number of economic indicators are estimated to show only modest improvements over the next few years. Significant concerns remain on the effect of higher oil prices and employment levels for many of the state's key sectors, including aviation manufacturing and telecommunications. Current forecasts call for the nominal Gross Domestic Product to grow by 4.1 percent in 2011 and by 5.6 percent in 2012 (coming off a 3.8 percent increase in 2010). Estimates of nominal Kansas Gross State

Product used in November of 4.1 percent for 2011 and 5.8 percent for 2012 have now been decreased to 4.0 percent and 5.3 percent, respectively. The Consensus estimates contained in this memo are based on the continued modest recovery of the state's economy during the balance of FY 2011 and slightly accelerated growth throughout FY 2012.

Federal Legislation

Since the estimates were made last fall, one important new development relates to the federal enactment of the Tax Relief Act of 2010. Because Kansas generally begins computation of its income tax liability using federal tax law as a starting point, a number of provisions of this federal tax law changes will flow through and also affect state income tax receipts. The new federal tax provisions will allow for 100.0 percent expensing of certain capital investments made through the end of calendar year 2011 and will allow for 50.0 percent bonus depreciation for certain capital investments made in tax year 2012, removes limitations on itemized deductions by high-income taxpayers, and extends the expansion of the Dependent Care Tax Credit and Earned Income Tax Credit that were set to expire in 2010. The new federal tax provisions are estimated to reduce individual and corporation income tax receipts for the two fiscal years by a total of \$77.0 million (\$24.0 million in FY 2011 and \$53.0 million in FY 2012). The estimated fiscal effect on SGF receipts for each of the specific federal tax law changes are estimated as follows:

<u>Federal Tax Law Change</u>	<u>FY 2011</u>	<u>FY 2012</u>
100% Expensing/50% Bonus Depreciation	(\$24,000,000)	(\$36,500,000)
Removal of Limitations on Itemized Deductions	--	(10,000,000)
Expansion of Dependent Care Tax Credits	--	(2,500,000)
Expansion of Earned Income Tax Credits	--	(4,000,000)
Total	(\$24,000,000)	(\$53,000,000)

This fiscal effect accounts for only the reduction of individual and corporate income tax receipts as a result of the passage of the Tax Relief Act of 2010 and does not account for possible increases in revenue from other tax sources as a result of increased disposable income.

Kansas Personal Income

Kansas Personal Income (KPI) in 2010 increased by 2.7 percent over the 2009 level (after having fallen by 1.9 percent in 2009). KPI is currently expected to increase by 4.1 percent in 2011 and 5.4 percent in FY 2012. The new 2011 estimate improved slightly from the KPI forecasts used in November which showed KPI increasing by 3.4 percent, while the 2012 KPI estimate decreased slightly from the 5.6 percent shown in November. Current estimates are that overall US Personal Income (USPI) growth will fare moderately better than KPI, with nominal USPI estimates of 4.2 percent in 2011 and 6.0 percent in 2012.

Employment

Data obtained from the Kansas Department of Labor indicate that employment levels which had been relatively stable since the fall of 2009, declined over the winter months and may suggest that jobs were temporarily lost due to weather. Data shows that a total of 6,600

construction job were lost in January and February, which would likely be short-term job losses that would be expected to return in future monthly data releases. The most recent monthly data show that total Kansas non-farm employment from February 2010 to February 2011 had decreased by 10,500 jobs or 0.8 percent. Data also indicate that private sector jobs decreased by 6,800 in February while government jobs increased by 4,900 for a net loss of 1,900 jobs in the month of February. Current estimates indicate that the overall Kansas unemployment rate, which was 7.0 percent in CY 2010, is expected to decrease to 6.8 percent in CY 2011 and 6.1 percent in CY 2012. The national unemployment rate is expected to remain above the Kansas rate, with the US rate now expected to be 9.4 percent in 2011 and 8.4 percent in 2012.

Agriculture

The outlook for net farm income continues to improve with relatively strong production levels, higher sustained commodity prices, and rising farmland values. The All Crops Index of Prices received by Kansas farmers was 245 in March, down 19 points from February, but up 88 points from 2010. The latest prospective plantings report indicates that farmers expect to plant 20.4 million acres of the four major grain crops in 2011, up 2.5 percent from 2010. If realized, the amount of acres planted with corn would be the largest since 1936 and the amount of acres planted with corn and soybeans would be greater than the amount of acres planted with wheat for the second year in a row. This would be the second lowest amount of acres planted with wheat since 1957 and the second highest amount of acres devoted to soybeans. Average livestock prices in mid-March were above prices from a year earlier.

Oil and Gas

The average price per taxable barrel of Kansas crude oil is now estimated to be \$77 in FY 2011 (up from the \$73 estimate used in November) and reflects the annualized effect of the recent increase in world prices since the November estimate. The estimated average price of \$82 per barrel for FY 2012 (up from \$75 in November) takes into account current oil futures price expectations that have been impacted significantly by recent political tension in several large oil producing countries. A great deal of uncertainty remains about forecasting the price of this commodity; however, it appears that high prices will continue in the foreseeable future. Gross oil production in Kansas, which had steadily increased since FY 2005, fell slightly in FY 2010. The current forecasts of 40.0 million barrels for FY 2011 and 41.0 million barrels for FY 2012 will continue the pattern of steady growth in production and reflects the expectation that production levels will increase from the November estimate of 39.0 million barrels for both FY 2011 and FY 2012. It is estimated that 48.0 percent of all Kansas oil produced will not be subject to severance taxation because of various exemptions in state law.

The price of natural gas is expected to average \$3.85 per mcf for FY 2011 before increasing to \$4.15 per mcf for FY 2012, based on an industry source's analysis of futures markets. The new price estimates are slightly higher than the \$3.60 and \$3.95 estimates used in the fall. Factors considered in revising the price forecasts included the relationship between crude oil and gas prices, the current relatively high storage levels for gas, industrial demand, and the impact of enhanced production from shale formations elsewhere in the United States. Kansas natural gas production in FY 2010 of 347.6 million cubic feet represented a significant decrease

from the modern era peak of 730.0 million cubic feet in FY 1996 (largely as a result of depleting reserves in the Hugoton Field). Production is estimated to continue to decrease in the future and is expected to be 320.0 million cubic feet in FY 2011 before decreasing to 300.0 million cubic feet in FY 2012. Approximately 10.0 percent of natural gas produced is expected to be exempt from severance taxation in both FY 2011 and FY 2012.

Inflation Rate

The Consumer Price Index for all Urban consumers (CPI-U) increased by 1.6 percent in 2010, which is identical to the November forecast. The current forecasts of 2.2 percent for both 2011 and 2012 indicate that inflation will likely continue to be held in check by aggressive Federal Reserve monetary policy. The inflation expectations have changed slightly since the forecast reported in November, which showed that inflation would increase by 1.6 percent in 2011 and by 2.4 percent in 2012.

Interest Rates

The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper and corporate bonds; as well as repurchase agreements and certificates of deposit of Kansas banks. Low idle fund balances compared to previous years require PMIB to maintain a highly liquid portfolio, which reduces the amount of return available to the pool. In FY 2010, the state earned 0.96 percent on its SGF portfolio (compared with a 2.20 percent rate in FY 2009). The average rate of return forecasted for FY 2011 is now 0.47 percent (down slightly from the 0.53 percent estimate used in November). For FY 2012, the forecasted rate is 0.27 percent (up slightly from the 0.24 percent rate assumed in November), but greater than expected cash balances are projected to bring in slightly more earnings to the State General Fund.

Economic Forecasts

	<u>CY 10</u>	<u>CY 11*</u>	<u>CY 12*</u>
KPI Growth	2.7%	4.1%	5.4%
Inflation (CPI-U)	1.6%	2.2%	2.2%
	<u>FY 10</u>	<u>FY 11*</u>	<u>FY 12*</u>
SGF Interest	0.96%	0.47%	0.27%
Oil and Gas			
Oil Price per bbl	\$66.49	\$77.00	\$82.00
Gross Prod. (000)	39,310	40,000	41,000
Gas Price per mcf	\$3.74	\$3.85	\$4.15
Gas Taxable Value (000)	1,162,951	1,108,800	1,120,500

* Estimated

State General Fund Receipts Estimates

FY 2011. The revised estimate of SGF receipts for FY 2011 is \$5.775 billion, a decrease of \$10.2 million from the previous estimate made in November. Total SGF receipts through March were running \$18.7 million below the previous estimate. The revised estimate is \$583.7 million or 7.1 percent above actual FY 2010 receipts.

Each individual SGF source was reevaluated independently and consideration was given to revised and updated economic forecasts, collection information from the Departments of Revenue and Insurance, and year-to-date receipts.

The estimate of total taxes was decreased by \$1.3 million, while the estimate of other revenue was decreased by \$8.9 million. Total taxes in FY 2011, which include the impact of the retail sales and compensating use tax increase and other tax law changes enacted by the 2010 Legislature, are now expected to be \$608.0 million or 12.2 percent above FY 2010 collections, which were \$422.4 million or 7.8 percent below the FY 2009 figure.

The estimate for corporation income taxes was decreased by \$29.0 million, which includes an estimated \$19.0 million from the state impact of the federal tax law changes that were made in December. Receipts through March were running \$23.0 million below the prior fiscal year-to-date estimate. The retail sales tax estimate was reduced by \$10.0 million, which takes into account that actual year-to-date receipts through March were down \$9.4 million. The estimate for agency earnings was reduced by \$7.3 million reflecting lower than expected year-to-date receipts including district court fines, penalties, and fees. Other receipt estimates that were reduced by at least \$1.0 million include the cigarette tax (reduced by \$3.0 million), net transfers (reduced by \$2.6 million), estate tax (reduced by \$2.5 million), and the liquor enforcement tax (reduced by \$1.0 million).

On the positive side, the individual income tax estimate, which had been \$5.7 million higher than the year-to-date estimate through March, was increased by \$17.8 million based on stronger Kansas Personal Income (KPI) growth and the assumptions that modest employment growth will occur over the remainder of the fiscal year. However, the individual income tax estimate would have been \$5.0 million higher if not for the estimated state impact of the federal tax law changes that were made in December.

As noted earlier, the severance tax estimate was increased largely as a result of significantly higher prices for oil and slightly higher prices for gas than had been assumed in the fall. The overall severance tax estimate was increased by \$10.1 million (\$7.2 million attributable to oil and \$2.9 million attributable to gas). Severance tax receipts were only \$1.1 million above the previous estimate through March; however, with higher sustained prices and increased oil production levels it is anticipated that severance tax receipts will increase substantially in the remainder of fiscal year.

The estimate for the insurance premiums tax was increased by \$8.0 million, from \$124.0 million to \$132.0 million, based on higher year-to-date receipts that were already \$12.4 million ahead of the November estimate. The increase in receipts is expected to be partially offset by

higher than previously expected refunds for the remainder of the fiscal year. Other revenue sources that were increased by at least \$1.0 million include the corporate franchise tax (increased by \$6.0 million), compensating use tax (increased by \$3.0 million), and SGF interest (increased by \$1.0 million). Details of the current year's revised estimate are reflected in Table 2.

FY 2012. SGF receipts are estimated to be \$5.789 billion in FY 2012, a decrease of \$21.5 million relative to the November estimate. The new FY 2012 figure is \$14.2 million or 0.2 percent above the newly revised FY 2011 estimate. This result is heavily influenced by an increase of \$208.8 million in net transfers from the SGF which will occur absent any change in current law. The estimate of total taxes was decreased by \$15.7 million or 0.3 percent below the previous estimate made in November. Total taxes in FY 2012 are now projected to increase by 4.0 percent above the newly revised FY 2011 amount, to reflect the modest economic recovery.

The estimate for corporation income taxes was decreased by \$44.0 million, which includes an estimated \$29.0 million from the state impact of the federal tax law changes that were made in December. The retail sales tax estimate was reduced by \$10.0 million, tempered by the effects of sustained higher oil prices on consumer spending. Other receipt estimates that were reduced by at least \$1.0 million include agency earnings (reduced by \$5.6 million), cigarette tax (reduced by \$5.0 million), net transfers (reduced by \$1.4 million), and the liquor enforcement tax (reduced by \$1.0 million).

The individual income tax estimate was increased by \$21.0 million based on the expectation of continued positive growth in KPI and modest employment growth. The individual income tax estimate would have been \$25.5 million higher if not for the estimated state impact of the federal tax law changes that were made in December (\$24.0 million) and SB 198 which was signed into law by the Governor that establishes the Rural Opportunity Zone tax credit (\$1.5 million). The overall severance tax estimate was increased by \$13.4 million (\$11.2 million attributable to oil and \$2.2 million attributable to gas). The insurance premiums tax (increased by \$8.0 million), compensating use tax (increased by \$2.0 million), and SGF interest (increased by \$1.2 million) were the only revenue sources to have their estimates increased by more than \$1.0 million. Details of the revised estimate for FY 2012 are reflected in Table 3.

Accuracy of Consensus Revenue Estimates

For 36 years, SGF revenue estimates for Kansas have been developed using the consensus revenue estimating process. Besides the three state agencies identified on the first page, the economists currently involved in the process are Joe Sicilian from the University of Kansas, Tracy Turner from Kansas State University, and Nancy McCarthy Snyder from Wichita State University. Each of the agencies and individuals involved in the process prepared independent estimates and met on April 15, 2011, to discuss estimates and come to a consensus for each fiscal year.

STATE GENERAL FUND ESTIMATES

Fiscal Year	Adjusted Original Estimate*	Adjusted Final Estimate**	Actual Receipts	Difference from:			
				Original Estimate Amount	Percent	Final Estimate Amount	Percent
1975	\$ --	\$ 614.9	\$ 627.6	\$ --	-- %	\$ 12.7	2.1%
1976	676.3	699.7	701.2	24.9	3.7	1.4	0.2
1977	760.2	760.7	776.5	16.3	2.1	15.8	2.1
1978	830.1	861.2	854.6	24.5	3.0	(6.5)	(0.8)
1979	945.2	1,019.3	1,006.8	61.6	6.5	(12.5)	(1.2)
1980	1,019.3	1,095.9	1,097.8	78.5	7.7	1.9	0.2
1981	1,197.1	1,226.4	1,226.5	29.4	2.5	0.1	--
1982	1,351.3	1,320.0	1,273.0	(78.3)	(5.8)	(47.0)	(3.6)
1983	1,599.2	1,366.9	1,363.6	(235.6)	(14.7)	(3.2)	(0.2)
1984	1,596.7	1,539.0	1,546.9	(49.8)	(3.1)	7.9	0.5
1985	1,697.7	1,679.7	1,658.5	(39.2)	(2.3)	(21.3)	(1.3)
1986	1,731.2	1,666.4	1,641.4	(89.8)	(5.2)	(25.0)	(1.5)
1987	1,903.1	1,764.7	1,778.5	(124.6)	(6.5)	13.8	0.8
1988	1,960.0	2,031.5	2,113.1	153.1	7.8	81.6	4.0
1989	2,007.8	2,206.9	2,228.3	220.5	11.0	21.4	1.0
1990	2,241.2	2,283.3	2,300.5	59.3	2.6	17.2	0.8
1991	2,338.8	2,360.6	2,382.3	43.5	1.9	21.7	0.9
1992	2,478.7	2,454.5	2,465.8	(12.9)	(0.5)	11.3	0.5
1993	2,913.4	2,929.6	2,932.0	18.6	0.6	2.4	0.1
1994	3,040.1	3,126.8	3,175.7	135.6	4.5	48.9	1.6
1995	3,174.4	3,243.9	3,218.8	44.4	1.4	(25.1)	(0.8)
1996	3,428.0	3,409.2	3,448.3	20.3	0.6	39.0	1.1
1997	3,524.8	3,642.4	3,683.8	159.0	4.5	41.4	1.1
1998	3,714.4	3,971.0	4,023.7	309.3	8.3	52.7	1.3
1999	3,844.7	4,051.9	3,978.4	133.7	3.5	(73.4)	(1.8)
2000	4,204.1	4,161.0	4,203.1	(1.0)	--	42.1	1.0
2001	4,420.7	4,408.7	4,415.0	(5.7)	(0.1)	6.4	0.1
2002	4,674.5	4,320.6	4,108.9	(565.6)	(12.1)	(211.7)	(4.9)
2003	4,641.0	4,235.6	4,245.6	(395.4)	(8.5)	9.9	0.2
2004	4,605.5	4,450.5	4,518.7	(86.8)	(1.9)	68.2	1.5
2005	4,490.5	4,793.8	4,841.3	350.8	7.8	47.5	1.0
2006	4,834.0	5,308.7	5,394.4	560.4	11.6	85.7	1.6
2007	5,144.0	5,721.3	5,809.0	665.0	12.9	87.8	1.5
2008	5,700.4	5,736.3	5,693.3	(7.1)	(0.1)	(43.0)	(0.7)
2009	6,185.7	5,709.7	5,587.4	(598.3)	(9.7)	(122.3)	(2.1)
2010	5,974.2	5,291.0	5,191.2	(783.0)	(13.1)	(99.8)	(1.9)

* The adjusted original estimate is the estimate made in November or December prior to the start of the next fiscal year in July and adjusted to account for legislation enacted, if any, which affected receipts to the SGF.

** The final estimate made in March or April is the adjusted original estimate plus or minus changes subsequently made by the Consensus Estimating Group. It also includes the estimated impact of legislation on receipts.

The table (above) presents estimates compared to actual receipts since FY 1975, the fiscal year for which the current process was initiated. First, the adjusted original estimate is compared to actual collections and then the final estimate is compared to actual receipts.

Concluding Comments

Consensus revenue estimates are based on current federal and state laws and their current interpretation. These estimates will be further adjusted at the conclusion of the 2011 Legislative Session to reflect state legislation enacted after April 15 which affects SGF receipts.

Table 1
Consensus Revenue Estimate for Fiscal Years 2011 and 2012
and FY 2010 Actual Receipts
(Dollars in Thousands)

	FY 2010 (Actual)		FY 2011 (Revised)		FY 2012 (Revised)	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	\$ 24,993	(14.6) %	\$ 25,500	2.0 %	\$ 27,000	5.9 %
Income Taxes:						
Individual	\$ 2,418,208	(9.8) %	\$ 2,595,000	7.3 %	\$ 2,726,000	5.0 %
Corporation	224,940	(6.4)	231,000	2.7	231,000	--
Financial Inst.	16,515	(36.9)	21,000	27.2	21,500	2.4
Total	\$ 2,659,663	(9.8) %	\$ 2,847,000	7.0 %	\$ 2,978,500	4.6 %
Estate Tax	\$ 8,396	(62.7) %	\$ 500	(94.0) %	\$ --	(100.0) %
Excise Taxes:						
Retail Sales	\$ 1,652,037	(2.2) %	\$ 1,990,000	20.5 %	\$ 2,080,000	4.5 %
Compensating Use	205,540	(12.5)	283,000	37.7	297,000	4.9
Cigarette	99,829	(6.9)	94,000	(5.8)	92,000	(2.1)
Tobacco Products	6,352	10.9	6,500	2.3	6,700	3.1
Cereal Malt Bev.	1,989	(4.8)	1,850	(7.0)	1,850	--
Liquor Gallonage	17,953	(1.4)	18,800	4.7	19,200	2.1
Liquor Enforcement	54,827	1.9	57,000	4.0	58,000	1.8
Liquor Drink	8,930	(2.3)	9,000	0.8	9,100	1.1
Corp. Franchise	41,462	(0.6)	24,000	(42.1)	8,000	(66.7)
Severance	81,870	(34.1)	102,900	25.7	107,700	4.7
Gas	39,988	(45.8)	41,600	4.0	41,600	--
Oil	41,882	(17.0)	61,300	46.4	66,100	7.8
Total	\$ 2,170,788	(5.1) %	\$ 2,587,050	19.2 %	\$ 2,679,550	3.6 %
Other Taxes:						
Insurance Prem.	\$ 120,375	0.7 %	\$ 132,000	9.7 %	\$ 133,000	0.8 %
Miscellaneous	1,655	(7.7)	1,800	8.8	2,000	11.1
Total	\$ 122,030	0.5 %	\$ 133,800	9.6 %	\$ 135,000	0.9 %
Total Taxes	\$ 4,985,870	(7.8) %	\$ 5,593,850	12.2 %	\$ 5,820,050	4.0 %
Other Revenues:						
Interest	\$ 24,629	(61.6) %	\$ 18,400	(25.3) %	\$ 13,000	(29.3) %
Net Transfers	127,410	274.1	113,700	(10.8)	(95,100)	(183.6)
Agency Earnings	53,365	(34.0)	49,000	(8.2)	51,200	4.5
Total	\$ 205,403	14.7 %	\$ 181,100	(11.8) %	\$ (30,900)	(117.1) %
Total Receipts	\$ 5,191,273	(7.1) %	\$ 5,774,950	11.2 %	\$ 5,789,150	0.2 %

Table 2
State General Fund Receipts
FY 2011 Revised
Comparison of November 2010 Estimate to April 2011 Estimate
(Dollars in Thousands)

	FY 2011 CRE Est.	FY 2011 CRE Est.	Difference	
	Revised 11/02/10	Revised 04/15/11	Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 26,000	\$ 25,500	\$ (500)	(1.9) %
Income Taxes:				
Individual	\$ 2,577,175	\$ 2,595,000	\$ 17,825	0.7 %
Corporation	260,000	231,000	(29,000)	(11.2)
Financial Inst.	20,770	21,000	230	1.1
Total	\$ 2,857,945	\$ 2,847,000	\$ (10,945)	(0.4) %
Estate Tax	\$ 3,000	\$ 500	\$ (2,500)	(83.3) %
Excise Taxes:				
Retail Sales	\$ 2,000,000	\$ 1,990,000	\$ (10,000)	(0.5) %
Compensating Use	280,000	283,000	3,000	1.1
Cigarette	97,000	94,000	(3,000)	(3.1)
Tobacco Product	6,600	6,500	(100)	(1.5)
Cereal Malt Beverage	1,900	1,850	(50)	(2.6)
Liquor Gallonage	18,800	18,800	--	--
Liquor Enforcement	58,000	57,000	(1,000)	(1.7)
Liquor Drink	9,300	9,000	(300)	(3.2)
Corporate Franchise	18,000	24,000	6,000	33.3
Severance	92,800	102,900	10,100	10.9
Gas	38,700	41,600	2,900	7.5
Oil	54,100	61,300	7,200	13.3
Total	\$ 2,582,400	\$ 2,587,050	\$ 4,650	0.2 %
Other Taxes:				
Insurance Premiums	\$ 124,000	\$ 132,000	\$ 8,000	6.5 %
Miscellaneous	1,800	1,800	--	--
Total	\$ 125,800	\$ 133,800	\$ 8,000	6.4 %
Total Taxes	\$ 5,595,145	\$ 5,593,850	\$ (1,295)	(0.0) %
Other Revenues:				
Interest	\$ 17,400	\$ 18,400	\$ 1,000	5.7 %
Net Transfers	116,300	113,700	(2,600)	(2.2)
Agency Earnings	56,320	49,000	(7,320)	(13.0)
Total Other Revenue	\$ 190,020	\$ 181,100	\$ (8,920)	(4.7) %
Total Receipts	\$ 5,785,165	\$ 5,774,950	\$ (10,215)	(0.2) %

Table 3
State General Fund Receipts
FY 2012 Revised
Comparison of November 2010 Estimate to April 2011 Estimate
(Dollars in Thousands)

	FY 2012 CRE Est. Revised 11/02/10	FY 2012 CRE Est. Revised 04/15/11	Difference	
			Amount	Pct. Chg.
Property Tax:				
Motor Carrier	\$ 27,000	\$ 27,000	\$ --	-- %
Income Taxes:				
Individual	\$ 2,705,000	\$ 2,726,000	\$ 21,000	0.8 %
Corporation	275,000	231,000	(44,000)	(16.0)
Financial Inst.	21,000	21,500	500	2.4
Total	\$ 3,001,000	\$ 2,978,500	\$ (22,500)	(0.7) %
Estate Tax	\$ --	\$ --	\$ --	-- %
Excise Taxes:				
Retail Sales	\$ 2,090,000	\$ 2,080,000	\$ (10,000)	(0.5) %
Compensating Use	295,000	297,000	2,000	0.7
Cigarette	97,000	92,000	(5,000)	(5.2)
Tobacco Product	6,800	6,700	(100)	(1.5)
Cereal Malt Beverage	1,900	1,850	(50)	(2.6)
Liquor Gallonage	19,200	19,200	--	--
Liquor Enforcement	59,000	58,000	(1,000)	(1.7)
Liquor Drink	9,500	9,100	(400)	(4.2)
Corporate Franchise	8,000	8,000	--	--
Severance	94,300	107,700	13,400	14.2
Gas	39,400	41,600	2,200	5.6
Oil	54,900	66,100	11,200	20.4
Total	\$ 2,680,700	\$ 2,679,550	\$ (1,150)	(0.0) %
Other Taxes:				
Insurance Premiums	\$ 125,000	\$ 133,000	\$ 8,000	6.4 %
Miscellaneous	2,000	2,000	--	--
Total	\$ 127,000	\$ 135,000	\$ 8,000	6.3 %
Total Taxes	\$ 5,835,700	\$ 5,820,050	\$ (15,650)	(0.3) %
Other Revenues:				
Interest	\$ 11,800	\$ 13,000	\$ 1,200	10.2 %
Net Transfers	(93,700)	(95,100)	(1,400)	(1.5)
Agency Earnings	56,800	51,200	(5,600)	(9.9)
Total Other Revenue	\$ (25,100)	\$ (30,900)	\$ (5,800)	(23.1) %
Total Receipts	\$ 5,810,600	\$ 5,789,150	\$ (21,450)	(0.4) %

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July 26, 2011

To: Legislative Budget Committee

STATE GENERAL FUND RECEIPTS FY 2011

The Legislative Research Department recently received from the Division of Accounts and Reports information on the total State General Fund (SGF) receipts from FY 2011.

Total receipts to the SGF were \$107.1 million, or 1.9 percent above the final adjusted estimate (which includes any legislation enacted after the Consensus Revenue estimate). Taxes only in FY 2011 were \$99.1 million or 1.8 percent above the adjusted estimate, most notably in higher-than-estimated individual income taxes.

Tax sources that exceeded the estimate by more than \$1.0 million were individual income (\$114.7 million or 4.4 percent), insurance premiums (\$9.7 million or 7.4 percent), corporate franchise (\$6.3 million or 26.2 percent), compensating use (\$4.7 million or 1.7 percent) and cigarette (\$1.9 million or 2.0 percent).

Tax sources falling below the adjusted estimate by more than \$1.0 million were retail sales (\$24.6 million or 1.2 percent), corporation income (\$6.1 million or 2.7 percent), severance (\$4.2 million or 4.1 percent), and motor carriers (\$2.3 million or 9.2 percent).

Of particular positive note is the strength in individual income taxes. Withholding receipts for salaried individuals increased 4.9 percent in FY 2011 compared to the FY 2010 receipts. Estimated income tax payments, largely from self-employed individuals, in FY 2011 increased 6.8 percent above the FY 2010 amount. Balance due payments for individual income tax payers in FY 2011 increased \$122.0 million or 29.2 percent above the FY 2010 balance due payment amounts.

Interest exceeded the estimate by \$1.4 million or 7.4 percent. Net transfers exceeded the estimate by \$5.2 million and agency earnings also exceeded the estimate by \$1.5 million.

Total SGF receipts in FY 2011 were above total SGF receipts in FY 2010 by \$689.6 million or 13.3 percent. Tax receipts only for FY 2011 were above FY 2010 tax receipts only by \$707.0 million or 14.2 percent. Remember the 2010 Legislature increased the sales and compensating use tax rate from 5.3 percent to 6.3 percent effective at the beginning of FY 2011. The latest calculation of receipts from the tax rate increase is \$329.5 million for FY 2011.

A Certificate of Indebtedness of \$700 million was discharged or redeemed by the State General Fund prior to the end of the fiscal year, as required by law. The redemption took place on June 27, 2011.

STATE GENERAL FUND RECEIPTS
FY 2011
(dollar amounts in thousands)

	Actual	FY 2011		Percent increase relative to:		
	FY 2010	Estimate*	Actual	Difference	FY 2010	Estimate
Property Tax:						
Motor Carriers	\$ 24,993	\$ 25,500	\$ 23,167	\$ (2,333)	(7.3)%	(9.2)%
Income Taxes:						
Individual	\$ 2,418,208	\$ 2,595,000	\$ 2,709,717	\$ 114,717	12.1%	4.4%
Corporation	224,940	231,000	224,865	(6,135)	(0.0)	(2.7)
Financial Inst.	16,515	21,000	21,651	651	31.1	3.1
Total	\$ 2,659,663	\$ 2,847,000	\$ 2,956,234	\$ 109,234	11.2%	3.8%
Estate Tax	\$ 8,396	\$ 500	\$ 228	\$ (272)	(97.3)%	(54.4)%
Excise Taxes:						
Retail Sales	\$ 1,652,037	\$ 1,990,000	\$ 1,965,388	\$ (24,612)	19.0%	(1.2)%
Comp. Use	205,540	283,000	287,730	4,730	40.0	1.7
Cigarette	99,829	94,000	95,923	1,923	(3.9)	2.0
Tobacco Prod.	6,352	6,500	6,573	73	3.5	1.1
Cereal Malt Bev.	1,989	1,850	1,905	55	(4.2)	3.0
Liquor Gallonage	17,953	18,800	18,276	(524)	1.8	(2.8)
Liquor Enforce.	54,827	57,000	56,120	(880)	2.4	(1.5)
Liquor Drink	8,930	9,000	9,003	3	0.8	0.0
Corp. Franchise	41,462	24,000	30,283	6,283	(27.0)	26.2
Severance	81,870	102,900	98,666	(4,234)	20.5	(4.1)
Gas	39,988	41,600	41,228	(372)	3.1	(0.9)
Oil	41,882	61,300	57,437	(3,863)	37.1	(6.3)
Total	\$ 2,170,788	\$ 2,587,050	\$ 2,569,868	\$ (17,182)	18.4%	(0.7)%
Other Taxes:						
Insurance Prem.	\$ 120,375	\$ 132,000	\$ 141,707	\$ 9,707	17.7%	7.4%
Miscellaneous	1,655	1,800	1,717	(83)	3.8	(4.6)
Total	\$ 122,030	\$ 133,800	\$ 143,424	\$ 9,624	17.5%	7.2%
Total Taxes	\$ 4,985,870	\$ 5,593,850	\$ 5,692,919	\$ 99,069	14.2%	1.8%
Other Revenue:						
Interest	\$ 24,629	\$ 18,400	\$ 19,764	\$ 1,364	(19.8)%	7.4%
Transfers (net)	128,586	113,700	118,879	5,179	(7.5)	4.6
Agency Earnings and Misc.	53,365	49,000	50,525	1,525	(5.3)	3.1
Total	\$ 206,580	\$ 181,100	\$ 189,167	\$ 8,067	(8.4)%	4.5%
TOTAL RECEIPTS	\$ 5,192,449	\$ 5,774,950	\$ 5,882,087	\$ 107,137	13.3%	1.9%

* Consensus estimate as of April 15, 2011 as subsequently adjusted for legislation enacted after that date.
A Certificate of Indebtedness of \$700 million was redeemed or repaid on June 27, 2011.

NOTES: Details may not add to totals due to rounding.

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September 9, 2011

To: Legislative Budget Committee

STATE GENERAL FUND RECEIPTS July Through August, FY 2012

For the first four months of FY 2012, estimates of State General Fund (SGF) receipts are based upon the consensus estimates of April 15, 2011, as adjusted for legislation enacted after that date by the 2011 Legislature.

Total receipts for July and August, the first two months of FY 2012, were \$26.6 million, or 3.2 percent above the estimate. The component of total SGF receipts from taxes only was \$41.1 million or 4.9 percent above the estimate.

Tax sources exceeding the fiscal year estimate by more than \$1.0 million through August were: individual income (\$22.9 million or 6.1 percent), retail sales (\$10.9 million or 3.1 percent), compensating use (\$2.0 million or 3.9 percent), severance (\$1.9 million or 9.5 percent), cigarette (\$1.1 million or 6.5 percent), insurance premiums (\$1.4 million), and motor carriers property (\$1.1 million). It should be noted that retail sales tax receipts for this August compared to a year ago reflect an increase of approximately 5 percent. The yearly comparison of this August compared to August of last year is the first monthly comparison to reflect the full impact of the sales tax rate increase (5.3 percent to 6.3 percent) that was effective on July 1, 2010. There is generally a 30-day time lag in receipts from the beginning of a tax increase to those receipts being deposited in the state treasury. Individual income tax withholding was nearly flat for this August when compared to August of last year.

No tax sources were below the estimates by more than \$1.0 million.

Interest and agency earnings were both above the estimate by \$0.5 million and \$1.4 million, respectively. Net transfers were \$16.4 million less than anticipated. Of particular note is a transfer out of the State General Fund of \$10.0 million to the State Emergency Fund for state disaster relief projects. The transfer was authorized recently by the State Finance Council and had not been anticipated in the approved FY 2012 budget. In addition, transfers out to the School District Capital Improvement Fund (local school district bond and interest payments) were \$5.0 million more than expected.

Total SGF receipts through August of FY 2012 are \$62.3 million or 7.9 percent above FY 2011 for the same period. Tax receipts only for the same period were above FY 2011 by \$82.3 million or 10.4 percent.

This report excludes the July 1 deposit to the SGF of \$600 million pursuant to issuance of a Certificate of Indebtedness. The Certificate will be discharged prior to the end of the fiscal year.

STATE GENERAL FUND RECEIPTS
July - August, FY 2012
(dollar amounts in thousands)

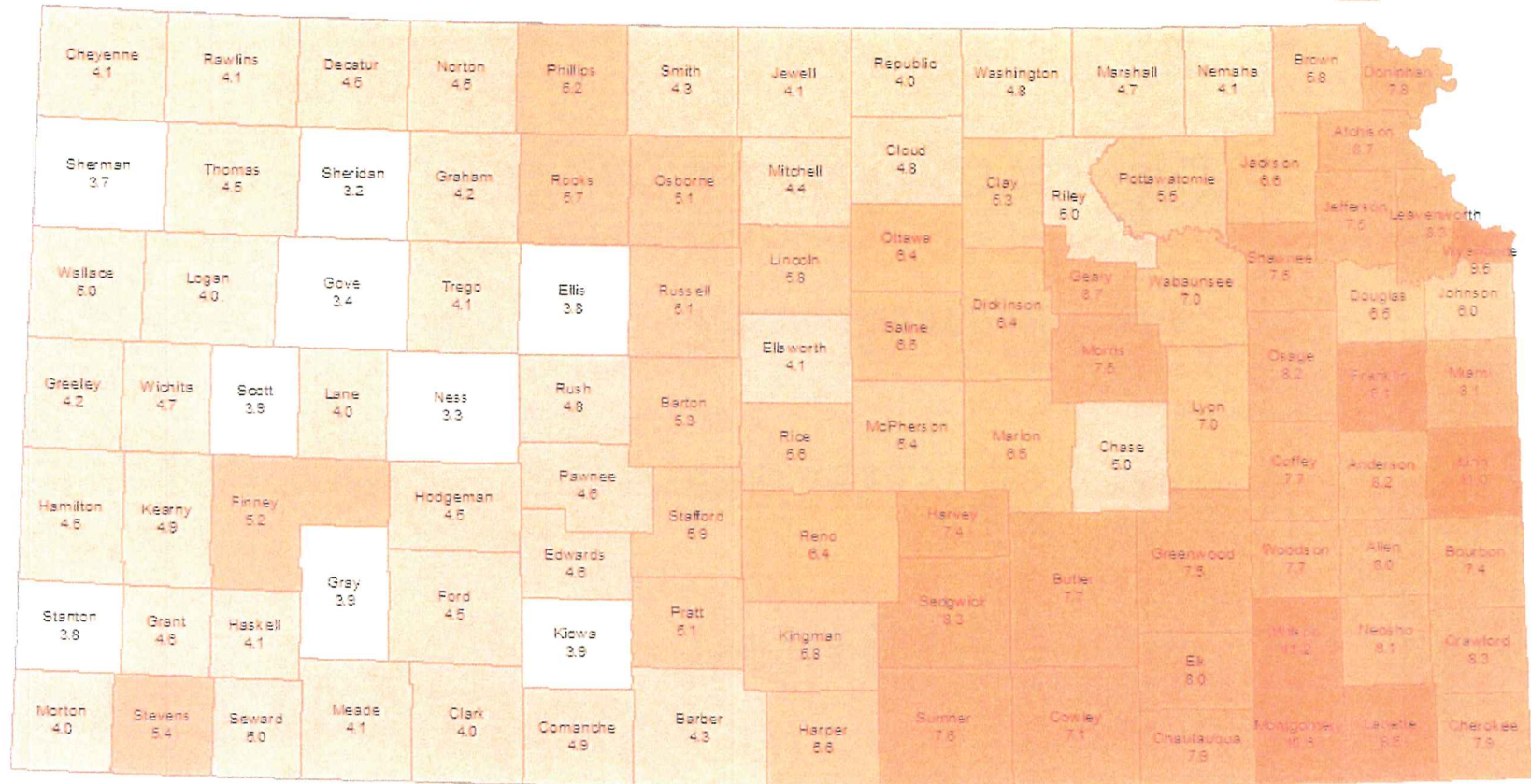
	Actual	FY 2012			Percent increase relative to:	
	FY 2011	Estimate*	Actual	Difference	FY 2011	Estimate
Property Tax:						
Motor Carriers	\$ 1,655	\$ 1,000	\$ 2,079	\$ 1,079	25.6%	107.9%
Income Taxes:						
Individual	\$ 370,757	\$ 375,000	\$ 397,924	\$ 22,924	7.3%	6.1%
Corporation	9,342	5,000	4,800	(200)	(48.6)	(4.0)
Financial Inst.	(630)	(2,100)	(2,237)	(137)	255.1	6.5
Total	\$ 379,469	\$ 377,900	\$ 400,488	\$ 22,588	5.5%	6.0%
Excise Taxes:						
Retail Sales	\$ 314,448	\$ 350,000	\$ 360,903	\$ 10,903	14.8%	3.1%
Comp. Use	43,494	51,000	52,976	1,976	21.8	3.9
Cigarette	17,638	16,500	17,571	1,071	(0.4)	6.5
Tobacco Prod.	1,140	1,125	1,224	99	7.3	8.8
Cereal Malt Bev.	367	355	346	(9)	(5.8)	(2.6)
Liquor Gallonage	3,258	3,400	3,392	(8)	4.1	(0.2)
Liquor Enforce.	9,597	10,000	9,725	(275)	1.3	(2.7)
Liquor Drink	1,515	1,500	1,523	23	0.5	1.5
Corp. Franchise	2,323	1,500	1,649	149	(29.0)	10.0
Severance	15,771	20,000	21,900	1,900	38.9	9.5
Gas	6,861	7,500	8,673	1,173	26.4	15.6
Oil	8,910	12,500	13,227	727	48.5	5.8
Total	\$ 409,550	\$ 455,380	\$ 471,209	\$ 15,829	15.1%	3.5%
Other Taxes:						
Insurance Prem.	\$ (111)	\$ (2,500)	\$ (1,140)	\$ 1,360	--	--
Miscellaneous	629	600	874	274	39.0	45.7
Total	\$ 518	\$ (1,900)	\$ (266)	\$ 1,634	--	--
Total Taxes	\$ 791,192	\$ 832,380	\$ 873,510	\$ 41,130	10.4%	4.9%
Other Revenue:						
Interest	\$ 2,256	\$ 2,000	\$ 2,524	\$ 524	11.9%	26.2%
Transfers (net)	\$ (8,089)	\$ (14,370)	\$ (30,774)	\$ (16,404)	--	--
Agency Earnings and Misc.	\$ 5,903	\$ 6,900	\$ 8,298	\$ 1,398	40.6	20.3
Total	\$ 71	\$ (5,470)	\$ (19,952)	\$ (14,482)	--	--
TOTAL RECEIPTS	\$ 791,263	\$ 826,910	\$ 853,558	\$ 26,648	7.9%	3.2%

* Consensus estimate as of April 15, 2011, as subsequently adjusted for legislation enacted after that date.
Excludes \$600 million to the State General Fund due to an issuance of a Certificate of Indebtedness.

NOTES: Details may not add to totals due to rounding.

UNEMPLOYMENT RATES FOR AUGUST 2011

State Rate = 6.9%



Source: Kansas Department of Labor, Labor Market Information Services

* MSA and County data revised as of September 22, 2011

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July 29, 2011

To: Kansas Legislature

From: Corey J. Carnahan, Principal Analyst
Alan D. Conroy, Director

Re: Adjusted Population Data

Enclosed are three documents displaying adjusted population data by Kansas county, House district, and Senate district. These adjusted numbers are the population figures that will be used to redraw State House, State Senate, and State Board of Education districts during the 2012 Legislative Session. For the redrawing of congressional districts, Kansas will use data obtained via the 2010 Census.

The census adjustment is conducted by the Secretary of State's Office with the goal of determining the permanent place of residence for college/university students and military personnel located in the state.

County Data. Table 1 displays adjusted population data by county. The second column contains the 2010 Census population for each county; the third column contains the adjusted population figures; and the final column shows the number of residents gained or lost by a given county as a result of the adjustment.

State Senate and House Data. Tables 2 and 3 display adjusted population data by legislative district. The second column contains the 2010 Census population for each district; the third column contains the adjusted population figures; and the fourth column shows the number of residents gained or lost by a given district as a result of the adjustment.

The final two columns in Tables 2 and 3 relate to ideal district size. For Senate districts, the ideal district size is 70,986. For House districts, the ideal district size is 22,716. The fourth column shows how far each district is from the ideal population size. The fifth column displays, by percent, how close each district is to the ideal population of 100 percent. Historically, the courts have allowed legislative districts to be drawn with a population deviation of plus or minus 5 percent.

Please feel free to contact me with any questions or if more information is needed.

CJC/kal

Enclosures

**2010 Adjusted Population Data
(by Kansas county)**

<u>County Name</u>	<u>2010 Population</u>	<u>2010 Adjusted Population</u>	<u>2010 Adjustment</u>
Allen	13,371	13,414	43
Anderson	8,102	8,197	95
Atchison	16,924	16,417	(507)
Barber	4,861	4,925	64
Barton	27,674	27,967	293
Bourbon	15,173	15,173	0
Brown	9,984	10,104	120
Butler	65,880	65,940	60
Chase	2,790	2,809	19
Chautauqua	3,669	3,713	44
Cherokee	21,603	21,659	56
Cheyenne	2,726	2,777	51
Clark	2,215	2,239	24
Clay	8,535	8,654	119
Cloud	9,533	9,351	(182)
Coffey	8,601	8,710	109
Comanche	1,891	1,911	20
Cowley	36,311	36,005	(306)
Crawford	39,134	38,029	(1,105)
Decatur	2,961	3,011	50
Dickinson	19,754	20,038	284
Doniphan	7,945	7,956	11
Douglas	110,826	98,665	(12,161)
Edwards	3,037	3,085	48
Elk	2,882	2,900	18
Ellis	28,452	26,727	(1,725)
Ellsworth	6,497	6,596	99
Finney	36,776	36,835	59
Ford	33,848	34,009	161
Franklin	25,992	26,159	167
Geary	34,362	34,392	30
Gove	2,695	2,765	70
Graham	2,597	2,663	66
Grant	7,829	7,900	71
Gray	6,006	6,081	75
Greeley	1,247	1,284	37
Greenwood	6,689	6,739	50
Hamilton	2,690	2,725	35
Harper	6,034	6,080	46
Harvey	34,684	34,667	(17)
Haskell	4,256	4,303	47
Hodgeman	1,916	1,970	54
Jackson	13,462	13,611	149
Jefferson	19,126	19,330	204
Jewell	3,077	3,130	53
Johnson	544,179	550,253	6,074
Kearny	3,977	4,024	47
Kingman	7,858	7,949	91
Kiowa	2,553	2,548	(5)
Labette	21,607	21,688	81
Lane	1,750	1,778	28
Leavenworth	76,227	76,562	335

<u>County Name</u>	<u>2010 Population</u>	<u>2010 Adjusted Population</u>	<u>2010 Adjustment</u>
Lincoln	3,241	3,296	55
Linn	9,656	9,739	83
Logan	2,756	2,818	62
Lyon	33,690	32,538	(1,152)
McPherson	29,180	29,049	(131)
Marion	12,660	12,532	(128)
Marshall	10,117	10,338	221
Meade	4,575	4,647	72
Miami	32,787	33,127	340
Mitchell	6,373	6,423	50
Montgomery	35,471	35,057	(414)
Morris	5,923	6,012	89
Morton	3,233	3,255	22
Nemaha	10,178	10,405	227
Neosho	16,512	16,512	0
Ness	3,107	3,137	30
Norton	5,671	5,764	93
Osage	16,295	16,448	153
Osborne	3,858	3,942	84
Ottawa	6,091	6,191	100
Pawnee	6,973	7,045	72
Phillips	5,642	5,757	115
Pottawatomie	21,604	21,819	215
Pratt	9,656	9,551	(105)
Rawlins	2,519	2,546	27
Reno	64,511	64,809	298
Republic	4,980	5,082	102
Rice	10,083	9,858	(225)
Riley	71,115	60,098	(11,017)
Rooks	5,181	5,263	82
Rush	3,307	3,339	32
Russell	6,970	7,050	80
Saline	55,606	55,731	125
Scott	4,936	5,024	88
Sedgwick	498,365	499,544	1,179
Seward	22,952	22,985	33
Shawnee	177,934	178,438	504
Sheridan	2,556	2,610	54
Sherman	6,010	6,003	(7)
Smith	3,853	3,915	62
Stafford	4,437	4,520	83
Stanton	2,235	2,258	23
Stevens	5,724	5,781	57
Sumner	24,132	24,412	280
Thomas	7,900	7,837	(63)
Trego	3,001	3,047	46
Wabaunsee	7,053	7,125	72
Wallace	1,485	1,514	29
Washington	5,799	5,937	138
Wichita	2,234	2,264	30
Wilson	9,409	9,490	81
Woodson	3,309	3,341	32
Wyandotte	157,505	157,805	300
Total	2,853,118	2,839,445	(13,673)

**2010 ADJUSTED POPULATION DATA
(BY KANSAS HOUSE DISTRICT)**

<u>District No.</u>	<u>2010 Population</u>	<u>2010 Adjusted Population</u>	<u>2010 Adjustment</u>	<u>Deviation from Ideal</u>	<u>Percent of Ideal Size</u>
1	20,329	20,385	56	(2,331)	89.7 %
2	20,299	20,355	56	(2,361)	89.6
3	21,922	20,750	(1,172)	(1,966)	91.3
4	20,981	21,061	80	(1,655)	92.7
5	21,996	22,086	90	(630)	97.2
6	26,961	27,262	301	4,546	120.0
7	19,922	19,993	71	(2,723)	88.0
8	20,232	20,256	24	(2,460)	89.2
9	21,122	21,268	146	(1,448)	93.6
10	25,352	24,212	(1,140)	1,496	106.6
11	21,445	21,079	(366)	(1,637)	92.8
12	19,460	19,457	(3)	(3,259)	85.7
13	17,996	18,146	150	(4,570)	79.9
14	27,630	27,877	247	5,161	122.7
15	27,123	27,270	147	4,554	120.0
16	18,949	19,196	247	(3,520)	84.5
17	23,303	23,753	450	1,037	104.6
18	21,120	21,411	291	(1,305)	94.3
19	20,371	20,566	195	(2,150)	90.5
20	22,415	22,753	338	37	100.2
21	21,104	21,394	290	(1,322)	94.2
22	21,395	21,475	80	(1,241)	94.5
23	20,831	20,917	86	(1,799)	92.1
24	20,368	20,432	64	(2,284)	89.9
25	20,461	20,687	226	(2,029)	91.1
26	31,058	31,014	(44)	8,298	136.5
27	32,289	32,843	554	10,127	144.6
28	26,379	27,002	623	4,286	118.9
29	20,245	20,491	246	(2,225)	90.2
30	21,881	22,141	260	(575)	97.5
31	19,669	19,698	29	(3,018)	86.7
32	20,891	20,735	(156)	(1,981)	91.3
33	20,337	20,393	56	(2,323)	89.8
34	19,918	19,954	36	(2,762)	87.8
35	20,403	20,453	50	(2,263)	90.0
36	27,098	27,295	197	4,579	120.2
37	21,850	21,890	40	(826)	96.4
38	40,325	40,677	352	17,961	179.1
39	34,351	34,663	312	11,947	152.6
40	20,967	20,919	(38)	(1,797)	92.1
41	19,860	19,824	(36)	(2,892)	87.3
42	27,057	27,384	327	4,668	120.5
43	36,993	37,221	228	14,505	163.9
44	21,762	16,125	(5,637)	(6,591)	71.0
45	29,825	28,801	(1,024)	6,085	126.8
46	24,552	20,179	(4,373)	(2,537)	88.8
47	20,765	20,989	224	(1,727)	92.4
48	38,916	39,598	682	16,882	174.3
49	26,967	27,332	365	4,616	120.3
50	22,000	22,279	279	(437)	98.10 %

District No.	2010 Population	2010 Adjusted Population	2010 Adjustment	Deviation from Ideal	Percent of Ideal Size
51	22,133	22,426	293	(290)	98.7 %
52	22,542	22,775	233	59	100.3
53	23,340	23,619	279	903	104.0
54	22,524	22,670	146	(46)	99.8
55	21,171	20,576	(595)	(2,140)	90.6
56	20,158	20,194	36	(2,522)	88.9
57	21,197	21,273	76	(1,443)	93.6
58	21,153	21,141	(12)	(1,575)	93.1
59	21,469	21,689	220	(1,027)	95.5
60	21,595	20,371	(1,224)	(2,345)	89.7
61	24,567	24,807	240	2,091	109.2
62	20,162	20,509	347	(2,207)	90.3
63	22,789	22,266	(523)	(450)	98.0
64	32,032	32,026	(6)	9,310	141.0
65	22,589	22,673	84	(43)	99.8
66	34,584	24,162	(10,422)	1,446	106.4
67	24,852	24,319	(533)	1,603	107.1
68	20,392	20,681	289	(2,035)	91.0
69	21,239	21,348	109	(1,368)	94.0
70	20,195	20,108	(87)	(2,608)	88.5
71	21,133	21,047	(86)	(1,669)	92.7
72	22,366	22,352	(14)	(364)	98.4
73	20,713	20,465	(248)	(2,251)	90.1
74	20,785	20,899	114	(1,817)	92.0
75	21,740	21,562	(178)	(1,154)	94.9
76	20,876	21,054	178	(1,662)	92.7
77	22,516	22,651	135	(65)	99.7
78	20,447	20,392	(55)	(2,324)	89.8
79	20,632	20,432	(200)	(2,284)	89.9
80	20,532	20,759	227	(1,957)	91.4
81	23,242	23,440	198	724	103.2
82	24,960	25,054	94	2,338	110.3
83	20,044	20,240	196	(2,476)	89.1
84	19,066	19,053	(13)	(3,663)	83.9
85	25,053	25,178	125	2,462	110.8
86	22,040	22,060	20	(656)	97.1
87	26,547	26,483	(64)	3,767	116.6
88	21,279	21,278	(1)	(1,438)	93.7
89	24,429	23,948	(481)	1,232	105.4
90	25,763	26,038	275	3,322	114.6
91	21,438	21,514	76	(1,202)	94.7
92	21,084	21,096	12	(1,620)	92.9
93	25,269	25,508	239	2,792	112.3
94	26,172	26,396	224	3,680	116.2
95	21,493	21,076	(417)	(1,640)	92.8
96	23,195	23,244	49	528	102.3
97	20,232	20,273	41	(2,443)	89.2
98	20,631	20,621	(10)	(2,095)	90.8
99	34,751	35,005	254	12,289	154.1
100	25,827	26,190	363	3,474	115.3
101	20,821	20,980	159	(1,736)	92.4
102	20,090	19,908	(182)	(2,808)	87.6
103	21,890	21,883	(7)	(833)	96.3
104	21,567	21,867	300	(849)	96.3
105	24,955	25,098	143	2,382	110.5 %

District No.	2010 Population	2010 Adjusted Population	2010 Adjustment	Deviation from Ideal	Percent of Ideal Size
106	19,150	19,562	412	(3,154)	86.1 %
107	19,899	19,887	(12)	(2,829)	87.5
108	21,374	21,607	233	(1,109)	95.1
109	18,283	18,550	267	(4,166)	81.7
110	20,985	21,279	294	(1,437)	93.7
111	23,476	21,703	(1,773)	(1,013)	95.5
112	20,797	20,958	161	(1,758)	92.3
113	18,946	18,874	(72)	(3,842)	83.1
114	21,602	21,663	61	(1,053)	95.4
115	21,825	22,060	235	(656)	97.1
116	19,915	20,101	186	(2,615)	88.5
117	18,105	18,133	28	(4,583)	79.8
118	18,449	18,759	310	(3,957)	82.6
119	23,934	24,024	90	1,308	105.8
120	19,519	19,855	336	(2,861)	87.4
121	19,063	19,113	50	(3,603)	84.1
122	19,688	19,983	295	(2,733)	88.0
123	20,756	20,843	87	(1,873)	91.8
124	21,020	21,206	186	(1,510)	93.4
125	22,636	22,667	31	(49)	99.8 %
Totals	2,853,118	2,839,445	(13,673)		

by Kansas House District – page 3

**2010 ADJUSTED POPULATION DATA
(BY KANSAS SENATE DISTRICT)**

District No.	2010 Population	2010 Adjusted Population	2010 Adjustment	Deviation from Ideal	Percent of Ideal Size
1	69,919	69,907	(12)	(1,079)	98.5 %
2	74,901	63,454	(11,447)	(7,532)	89.4
3	81,860	81,630	(230)	10,644	115.0
4	62,358	62,486	128	(8,500)	88.0
5	75,528	75,760	232	4,774	106.7
6	66,722	66,672	(50)	(4,314)	93.9
7	66,551	67,163	612	(3,823)	94.6
8	63,197	63,768	571	(7,218)	89.8
9	88,376	89,239	863	18,253	125.7
10	76,355	77,373	1,018	6,387	109.0
11	69,452	70,624	1,172	(362)	99.5
12	70,151	70,769	618	(217)	99.7
13	65,565	64,480	(1,085)	(6,506)	90.8
14	61,993	61,708	(285)	(9,278)	86.9
15	63,117	63,426	309	(7,560)	89.4
16	70,811	70,905	94	(81)	99.9
17	62,307	61,219	(1,088)	(9,767)	86.2
18	67,438	67,336	(102)	(3,650)	94.9
19	65,414	65,772	358	(5,214)	92.7
20	67,196	67,663	467	(3,323)	95.3
21	61,803	62,325	522	(8,661)	87.8
22	95,140	84,299	(10,841)	13,313	118.8
23	91,066	91,509	443	20,523	128.9
24	71,161	71,518	357	532	100.7
25	75,868	75,779	(89)	4,793	106.8
26	82,246	82,842	596	11,856	116.7
27	74,202	74,665	463	3,679	105.2
28	65,583	65,561	(22)	(5,425)	92.4
29	68,805	68,301	(504)	(2,685)	96.2
30	81,936	82,361	425	11,375	116.0
31	78,681	78,912	231	7,926	111.2
32	66,171	66,207	36	(4,779)	93.3
33	64,554	65,003	449	(5,983)	91.6
34	64,511	64,809	298	(6,177)	91.3
35	66,006	66,096	90	(4,890)	93.1
36	68,097	66,931	(1,166)	(4,055)	94.3
37	91,466	92,875	1,409	21,889	130.8
38	70,617	71,005	388	19	100.0
39	64,662	64,988	326	(5,998)	91.6
40	61,332	62,105	773	(8,881)	87.5 %
Total	2,853,118	2,839,445	(13,673)		

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:

1. Expenditures - Senate Substitute for HB 2014 - the 2011 Session appropriation bill for FY 2011 and FY 2012, as adjusted for gubernatorial vetoes.
2. 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.
3. 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.
4. Tax revenue increases 3.0 percent in FY 2013.
5. 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