Kansas

Division of the Budget

MEMORANDUM

TO: Governor Sam Brownback
         Dennis Taylor, Secretary of Administration

FROM: Steven J. Anderson, Director of the Budget

DATE: March 11, 2011

SUBJECT: Implementation of Allotment System

After considering current revenue information, the FY 2011 approved budget, and other pertinent information, I advise that the use of an allotment plan as provided for in K.S.A. 75-3722 is necessary and beneficial.

It now appears that the resources of the State General Fund are likely to be insufficient to cover current appropriations and the demands placed by the entitlement programs for health and human service caseloads estimated last fall. Therefore, I advise that the use of an allotment plan as provided for in K.S.A. 75-3722 is necessary.

Applying this allotment authority to reduce $56,472,011 from the currently approved FY 2011 State General Fund appropriations, combined with current consensus revenue estimates, and assuming the implementation of the approved budget and currently estimated expenditures for health and human service caseloads, the FY 2011 ending balance will be zero.

The following table details the agencies and amounts affected.

GOV002930

Governor's Plan to Balance FY 2011 SGF Budget

Agency Allotments

Department of Administration	Debt Service Savings	(212,656)
Court of Tax Appeals	Operating Reductions	(40,454)
Attorney General	Operating Reductions	(38,535)
SRS	Prepaid Ambulatory Health Plan	(2,300,000)
Department of Education*	General State Aid	(50,159,572)
Regents System	Operating Reductions	(2,322,229)
Arts Commission	Operating Reductions	(30,000)
Wildlife & Parks	Operating Reductions	(52,302)
State Finance Council	Undermarket Salary Adjustment Savings	(1,316,263)
Total Agency Allotments		**$ (56,472,011)**

Requires legislative action on health and human service caseloads.