

MEMORANDUM

TO: Laura Kelly, Governor, and
DeAngela Burns-Wallace, Ed. D., Secretary of Administration

FROM: Larry L. Campbell, Director of the Budget

DATE: June 25, 2020

SUBJECT: FY 2021 State General Fund Allotment

After considering current revenue information, the FY 2021 approved budget, and other pertinent information, it appears that the resources of the State General Fund are likely to be insufficient to cover the appropriations made against the State General Fund. Therefore, I advise that the use of an allotment plan as provided for in K.S.A. 75-3722 is necessary and beneficial to the state.

I estimate that the State General Fund is projected to have a FY 2020 ending balance of \$89.2 million, which will carryforward as the beginning balance of FY 2021. The approved FY 2021 State General Fund revenues from all applicable revenue sources are estimated at \$7,230.5 million. When combined with the beginning balance, the resulting total amount available is \$7,319.7 million. For FY 2020 expenditures, the 2020 Legislature approved \$8,024.1 million. The 2020 Legislature adjourned Sine Die without a statutorily and constitutionally balanced State General Fund budget. Considering these factors, I estimate that the FY 2021 State General Fund ending balance will be approximately \$704.4 million below zero unless corrective action is taken through an allotment plan.