



Office of State Budget Director

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John T. Hicks
State Budget Director

Governor's Office for Policy and Management
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August 14, 2023

The Honorable Christian McDaniel, Chairman
The Honorable Jason Petrie, Chairman
Interim Joint Committee on Appropriations and Revenue
Legislative Research Commission
Capitol Annex
Frankfort, Kentucky 40601

Dear Senator McDaniel, Representative Petrie, and Members of the Committee:

In accordance with KRS 141.020, the Office of State Budget Director has reviewed the reduction conditions for the fiscal year 2022-2023 and is reporting that the reduction conditions for the fiscal year 2022-2023 have not been met. Below are the amounts associated with each item within the reduction conditions used for making this determination.

REDUCTION CONDITIONS-KRS 141.020		<u>FY 2023</u>
A	GF Moneys (General Fund receipts excluding Tobacco moneys)	15,147,665,170
	General Fund appropriations	17,605,223,291
	less Continuing appropriations (excluding BRTF)	(634,792,043)
	less Tobacco appropriations	(117,559,749)
	less appropriations to the Budget Reserve Trust Fund	(2,260,597,156)
	less lump-sum appropriations to a state-administered retirement system	<u>(240,000,000)</u>
	GF Appropriations	14,352,274,344
	plus Individual Income Tax (IIT) Equivalent of a 1% reduction	<u>1,230,291,270</u>
B	GF appropriations for the fiscal year plus the IIT equivalent	15,582,565,614
	Row A less Row B	(434,900,444)
	General Fund Moneys greater than GF appropriations plus the IIT equivalent?	No
	Balance in the Budget Reserve Trust Fund balance at the end of a fiscal year plus closeout actions	3,713,518,566
	Balance in the Budget Reserve Trust Fund balance at the end of a fiscal year as a percentage of GF Moneys	24.5%
	Balance in the BRTF at the end of a fiscal year equal to or greater than 10% of the GF moneys?	Yes

Sincerely,

John T. Hicks
State Budget Director