

Kansas Lottery

Expenditure	Actual FY 2020	Approved FY 2021	Approved FY 2022
All Funds:			
State Operations	\$ 273,857,647	\$ 305,247,485	\$ 327,129,018
Aid to Local Units	10,236,721	11,106,000	12,000,000
Other Assistance	31,410,957	36,500,000	37,000,000
<i>Subtotal - Operating</i>	<u>\$ 315,505,325</u>	<u>\$ 352,853,485</u>	<u>\$ 376,129,018</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ 315,505,325</u>	<u>\$ 352,853,485</u>	<u>\$ 376,129,018</u>
State General Fund:			
State Operations	\$ -	\$ -	\$ -
Aid to Local Units	-	-	-
Other Assistance	-	-	-
<i>Subtotal - Operating</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Improvements	-	-	-
TOTAL	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Percent Change:			
Operating Expenditures			
All Funds	(19.0)%	11.8 %	6.6 %
State General Fund	--	--	--
FTE Positions	95.0	90.0	90.0

The approved budget for the Kansas Lottery in FY 2021 is \$352.9 million, all from special revenue funds. The approved budget is an increase of \$37.3 million, or 11.8 percent, above the FY 2020 actual expenditures. This increase is primarily attributable to an increase in contractual services expenditures reflecting an increase in the Gaming Facility Manager Fee for the four state-owned casinos, which is proportional to total sales and is paid to casino operators. The approved budget includes 90.0 FTE positions, which is a decrease of 5.0 FTE positions below the FY 2020 actual number. This decrease is due to the elimination of vacant positions in the Administration program.

The approved budget for the Kansas Lottery for FY 2022 is \$376.1 million, all from special revenue funds. The approved budget is an increase of \$23.3 million, or 6.6 percent, above the FY 2021 approved budget. The majority of the increase is attributable to an increase in the Gaming Facility Manager Fee for the four state-owned casinos and increases to salaries and wages for merit-based adjustments and budgeted increases to salaries and wages fringe benefit expenditures.

The agency states the majority of the initial 272 lottery vending machines have been deployed in FY 2020 and it anticipates placing orders of 70 to 100 lottery vending machines in both FY 2021 and FY 2022.

Kansas Lottery

	FY 2021			FY 2022		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Agency Estimate	\$ -	\$ 344,560,695	95.0	\$ -	\$ 375,683,608	95.0
Governor's Changes:						
1. Vacant Positions	\$ -	\$ -	(5.0)	\$ -	\$ -	(5.0)
2. Shrinkage Rate	-	(371,210)	-	-	(390,590)	-
3. GBA No. 3, Item 2 - Lottery and Gaming Revenues Adjustment	-	8,664,000	-	-	836,000	-
<i>Subtotal - Governor's Recommendation</i>	<u>\$ -</u>	<u>\$ 352,853,485</u>	<u>90.0</u>	<u>\$ -</u>	<u>\$ 376,129,018</u>	<u>90.0</u>
Change from Agency Est.	\$ -	\$ 8,292,790	(5.0)	\$ -	\$ 445,410	(5.0)
Percent Change from Agency Est.	-- %	2.4 %	(5.3)%	-- %	0.1 %	(5.3)%
Legislative Action:						
4. GBA No. 3, Item 2 - Lottery and Gaming Revenues Adjustment	\$ -	\$ -	-	\$ -	\$ -	-
TOTAL APPROVED	<u><u>\$ -</u></u>	<u><u>\$ 352,853,485</u></u>	<u><u>90.0</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 376,129,018</u></u>	<u><u>90.0</u></u>
Change from Gov. Rec.	\$ -	\$ -	-	\$ -	\$ -	-
Percent Change from Gov. Rec.	-- %	-- %	0.0 %	-- %	-- %	0.0 %
Change from Agency Est.	\$ -	\$ 8,292,790	(5.0)	\$ -	\$ 445,410	(5.0)
Percent Change from Agency Est.	-- %	2.4 %	(5.3)%	-- %	0.1 %	(5.3)%

1. The Governor deleted 5.0 FTE positions to eliminate vacant positions in FY 2021 and FY 2022.
2. The Governor deleted \$371,210 in FY 2021 and \$390,590 for FY 2022, all from special revenue funds, to implement a 5.0 percent salaries and wages shrinkage rate.
3. The Governor added \$8.7 million in FY 2021 and \$836,000 for FY 2022, all from special revenue funds, to reflect estimated increases in lottery and gaming revenues in Governor's Budget Amendment (GBA) No. 3, Item 2.
4. The Legislature concurred with GBA No. 3, Item 2 to add \$8.7 million in FY 2021 and \$836,000 for FY 2022, all from special revenue funds, to reflect estimated increases in lottery and gaming revenues; see Item 3.