



PHIL BRYANT
GOVERNOR

September 7, 2016

Laura Jackson, State Fiscal Officer
Department of Finance and Administration
501 North West Street
Suite 1301, Woolfolk Building
Jackson, Mississippi 39201

Dear Laura:

Although it is too early in the fiscal year to determine how revenue collections will perform in FY 2017, budget adjustments in state government are necessary now to adjust for a \$56.8 million accounting error. The total adjustment to funds appropriated will be less than 1%. I do not recommend transferring any funds from the Working Cash Stabilization Reserve Fund (WCSRF) at this time.

As Governor, I am required by state law to balance the state budget. In accordance with Miss. Code Ann. Section 27-104-13, it is necessary to reduce FY 2017 budgets by \$56,801,694. To accomplish this level of reduction, I am mandating that adjustments equivalent to 1.63% be made to most agencies' budgets. Some agencies are excluded from these budget reductions due to court orders and statutory exemptions. Other priority items are also excluded, such as MAEP, Student Financial Aid, Military, and Veterans Affairs to name a few.

I am hopeful that these adjustments will be sufficient to get state government through this fiscal year, but budget cuts or transfers from the Rainy Day Fund may be required later. I strongly recommend that all agencies closely monitor spending and continue to make fiscally conservative budget decisions.

Sincerely,

A handwritten signature in blue ink that reads "Phil Bryant".

Phil Bryant
GOVERNOR