



**Economic Outlook & Revenue Assessment
Committee**

January 8, 2009

General Fund Budget Update

Fiscal Year 2008 (\$ millions)

	Yr End
Beginning Balance	\$ 268.8
Actual Revenues 3.5%	2,909.8
Net Transfers	(130.0)
Appropriations	2,799.9
Estimated Ending Balance	\$ 248.8

Revised Oct 2008

DFM August FY 2009 General Fund Revenue Forecast (\$ millions)

	Total
FY 2008 Actual	\$2,909.9
Gov Jan Original	\$3,011.9
Gov Feb Revised	\$2,941.8
Sine Die with Law Chgs.	\$2,873.7
Gov Aug Revised	\$2,766.3
% Change from FY08	(4.9%)

Fiscal Year 2009 (\$ millions)

Beginning Balance	\$248.8
Revenue Estimate (4.9%)	2,766.3
Transfers Out	(38.4)
Original Appropriations	2,959.3
Reapprop/Budgeted Reversions	21.6
Deficiency Warrants	11.0
Supplementals/Rescissions	15.2
Governor's Holdback 1%	(27.3)
Estimated Ending Balance	(\$3.1)

Revised Oct 2008

FY 2009 General Fund Revenue Forecast/Hypothetical (\$ millions)

	Total
FY 2008 Actual	\$2,909.9
Gov Jan Original	\$3,011.9
Gov Feb Revised	\$2,941.8
Sine Die with Law Chgs.	\$2,873.7
Gov Aug Revised	\$2,766.3
Dec Hypothetical	\$2,677.1
% Change from FY08	(8.0%)
Dec Hypothetical	\$2,618.9
% Change from FY08	(10.0%)

Fiscal Year 2009 (\$ millions)

Beginning Balance	\$248.8
Hypothetical Revenue Est. (8.0%)	2,677.1
Transfers Out	(20.8)
Original Appropriations	2,959.3
Reapprop/Budgeted Reversions	21.6
Deficiency Warrants	11.0
Supplementals/Rescissions	10.6
Governor's Holdback 4%	(114.4)
Estimated Ending Balance	\$17.0

Revised Dec 2008

Governor's Holdback

- Executive Order 2008-5: \$114.4 million
- Basically 4% on FY 2009 Ongoing Appropriations
- Advised agencies that cuts would be permanent except for Public Schools
- Public Schools shift to PESF is one-time
- Legislature and Judicial not included in order but will be making the same cuts

Reserve Funds for FY 2010

- Budget Stabilization Fund
 - §57-814
 - \$140.6 million
- Public Education Stabilization Fund
 - §33-907
 - \$114.0 - \$60.7 = \$53.3 million
- Economic Recovery Reserve Fund
 - §67-3520
 - \$66.1 million
- TOTAL = \$260 million

FY 2010 Budget

- FY 2010 Base
 - Reduced by 4% for state agencies
 - \$54 million
 - \$2,825.8 million
- FY 2010 Revenue – no growth
 - Range of \$2,677.1 - \$2,618.9 million
- Difference from Base
 - \$148.7 to \$206.9 million

FY 2010 Budget

- Difference from Base
 - \$148.7 million to \$206.9 million
- FY 2010 Maintenance
 - Public School Nondiscretionary
 - \$30 million
 - Support Units
 - Transportation
 - Bond Levy
 - Medicaid
 - \$30 million
 - Caseload, Utilization, Inflation
 - \$208.7 million to \$266.9 million

Where does the Money come from?

- Additional Base Reductions
 - State Agencies
 - Public Schools
- Postpone Large Projects
- Suspend/Moratorium on State Mandates
- Stabilization Funds
- Other Buckets of Dedicated Funds
 - Shift costs to dedicated funds
 - Transfer cash from dedicated funds to General Fund
- Federal Stimulus