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LEGISLATIVE FISCAL ANALYST

FY 2011 & FY 2012 Budgets
2011 General Session

May 17, 2011

The Gap – at First

FY 2012	Structural Deficit	-$313 m
	Medicaid/CHIP Enrollment/FMAP	-$91 m
	2012 Public Ed Cost Increases	-$80 m
	Unfunded 2011 PE Cost Increases	-$70 m
	Retirement (incl. PE)	-$41 m
	Health Insurance (incl. PE)	-$38 m
	Bond Coverage	-$15 m
	Lawsuit Settlements	-$5 m
	Total	-$653 m
FY 2010	EF Revenue Shortfall	-$50 m

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The Gap – Gov's Budget

FY 2012	Structural Deficit	-$313 m
	Medicaid/CHIP Enrollment/FMAP	**-$49 m** ~~-$91 m~~
	2012 Public Ed Cost Increases	**-$53 m** ~~-$80 m~~
	Unfunded 2011 PE Cost Increases	**$0** ~~-$70 m~~
	Retirement ~~(incl. PE)~~	**-$4 m** ~~-$41 m~~
	Health Insurance (incl. PE)	**$0** ~~-$38 m~~
	Bond Coverage	**$0** ~~-$15 m~~
	Lawsuit Settlements	-$5 m
	Total	**-$424 m** ~~-$653 m~~
FY 2010	EF Revenue Shortfall	-$50 m

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The Gap – Redefined

FY 2012	Structural Deficit	-$313 m
	Medicaid/CHIP Enrollment/FMAP	-$49 m
	Public Ed Cost Increases	-$53 m
	Retirement	-$4 m
	Lawsuit Settlements	-$5 m
	Total	-$424 m
FY 2010	EF Revenue Shortfall	-$50 m

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Bridging the Gap

Gap Solutions	
Ongoing Revenue Growth	$263 m
Budget Cuts and Funding Shifts	$77 m
Tobacco Settlement TF Shift	$15 m
Severance Tax Caps	$6 m
Rainy Day Funds (for Settlements)	$6 m
Medicaid Re-estimate	$3 m
Charter School Re-estimate	$2 m
Other One-time Sources	$52 m
Total Solutions	$424 m

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Employee Compensation

- H.J.R. 46, "Joint Resolution on State Health Insurance"
  - Reduce premiums by 2%
  - Increase employee share of premiums from 5% to 10%

Where We Ended

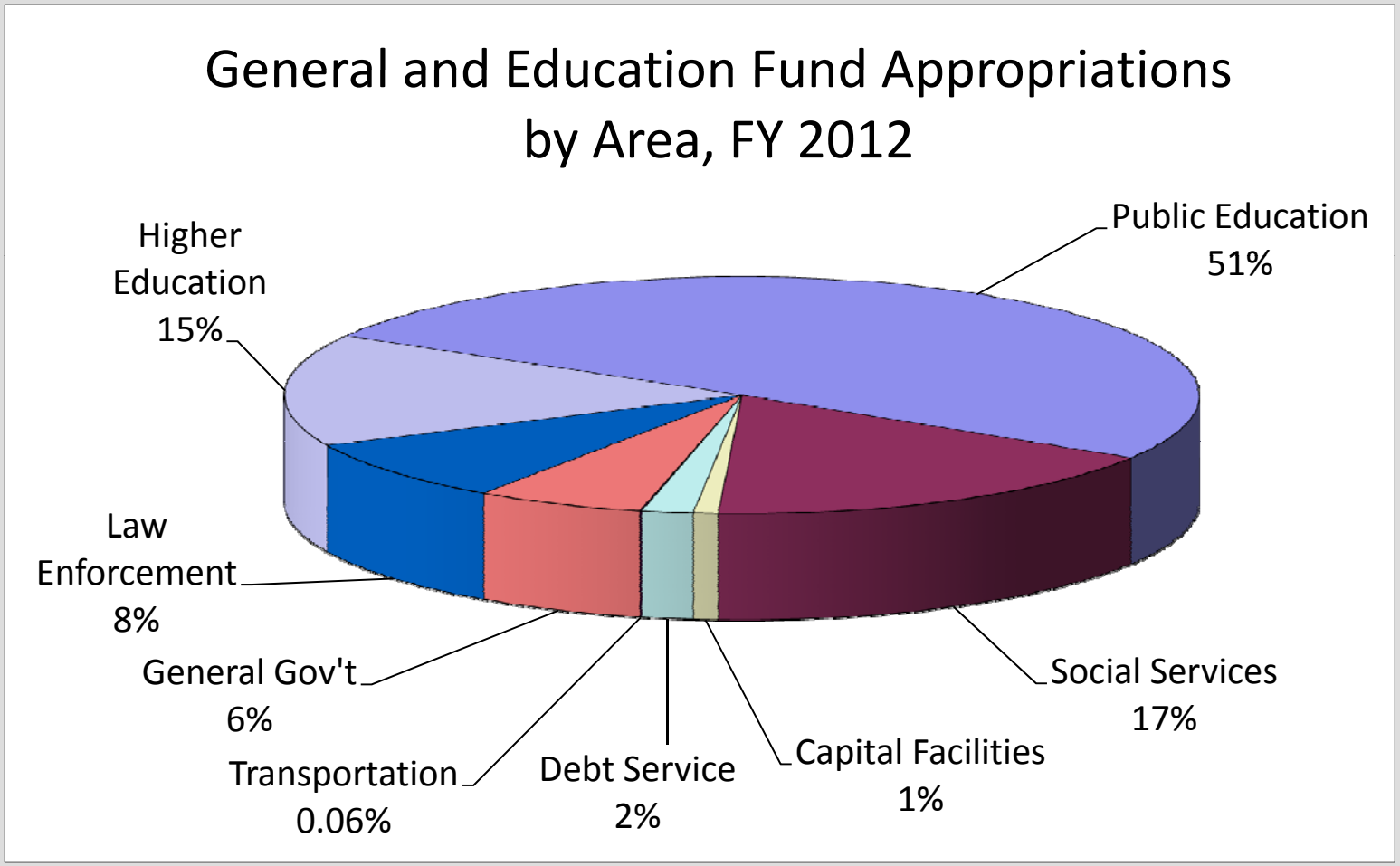
General/Education Fund Budgets by Subcommittee in Millions

	FY 2011	FY 2012	Change
Business, Economic Development & Labor	$126	$121	-4%
Executive Offices and Criminal Justice	$541	$539	0%
Higher Education	$703	$733	4%
Infrastructure and General Government	$270	$159	-41%
Natural Resources, Agriculture, & Env. Qual	$60	$57	-2%
Public Education	$2,337	$2,422	4%
Social Services	$654	$728	11%
Retirement & Independent Entities	$4	$3	-15%
National Guard, Veterans' Affairs, CPB, Leg	$30	$30	0%

In FY 2011 Health ($82m), Human & Juvenile Justice Services ($12.3m), and Higher Education ($38m) received flexible funds from the American Recovery and Reinvestment Act (ARRA).

Public Education's budget for FY 2011 reflects a $48m one-time supplemental reduction. Correcting for that anomaly, Public Education's budget increases 1.5% from FY 2011 to FY 2012.

Where We Ended



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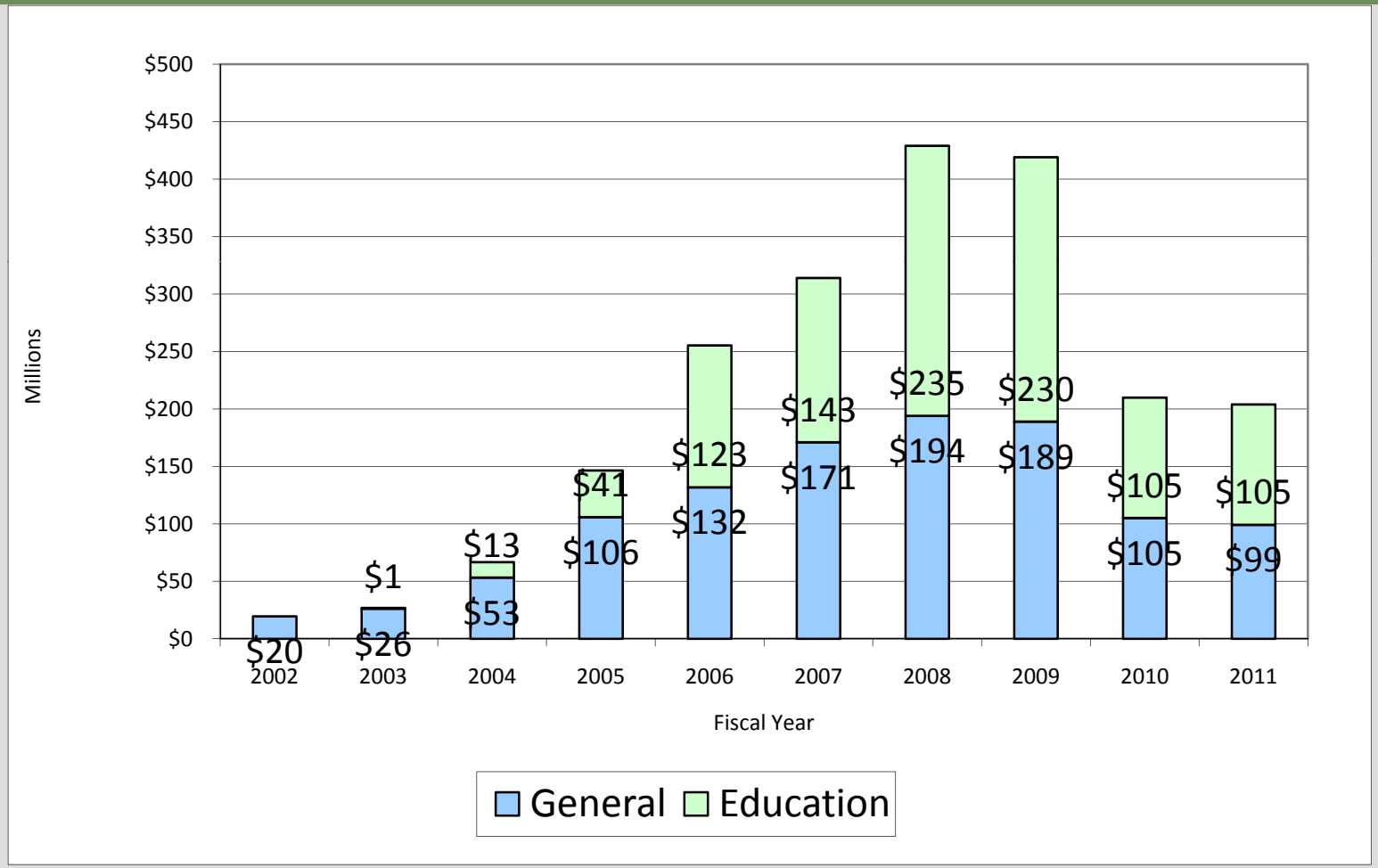
Rainy Day Fund



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Questions?

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