



FISCAL YEAR 2020 - 2021 AMENDED BUDGET

Committed To Fully Funding ...

- ✓ **Basic Education Program (BEP)**
- ✓ **Pensions & Health Insurance**
- ✓ **Debt Service Requirements**
- ✓ **Structurally Balanced Budget**

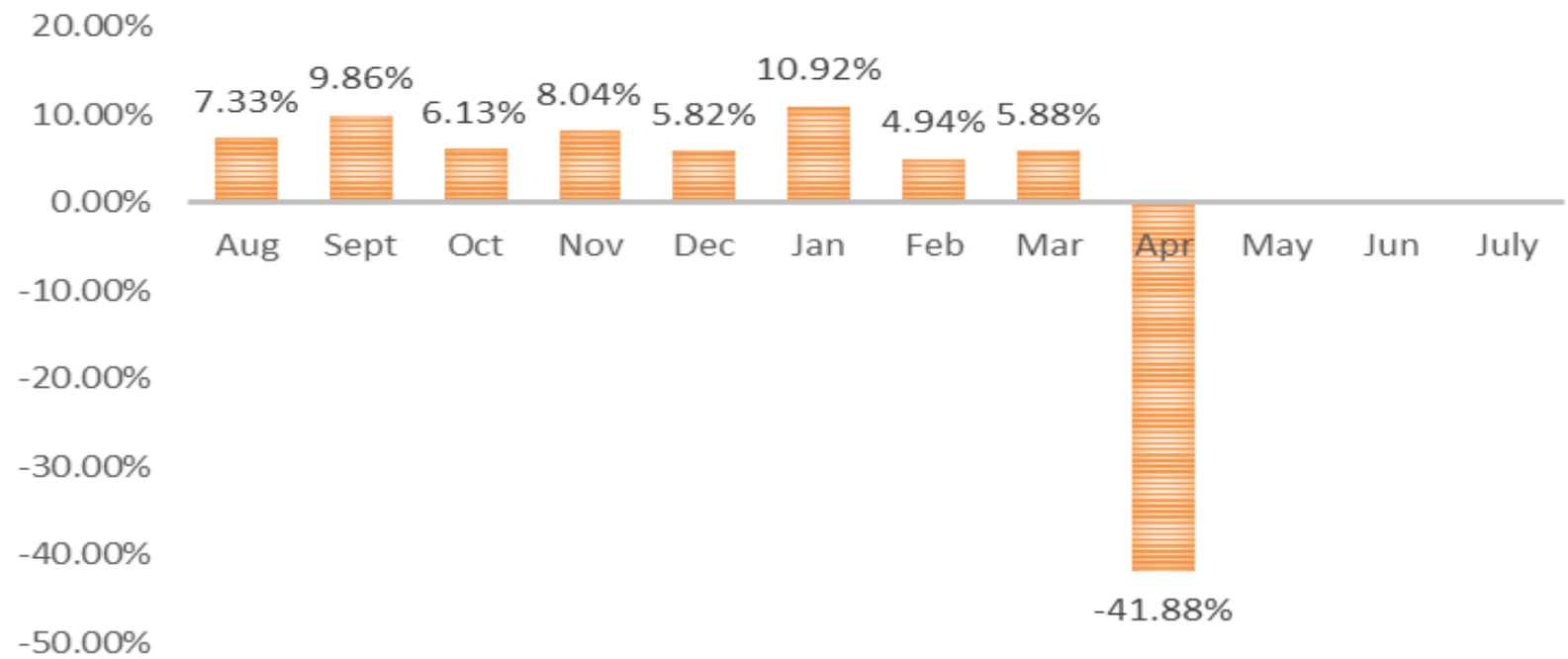
Revenue Impact

State Funding Board presentations by leading economists suggest a revenue shortfall between \$500 million and \$1.5 billion.

Using as combination of cash, reserves, and reductions, the budget will be structurally balanced over multiple fiscal years.

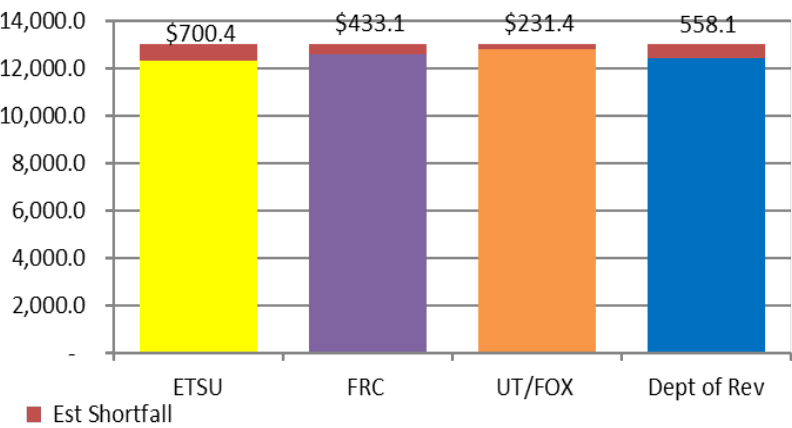
Negative Growth

FY20 MONTHLY GROWTH RATE

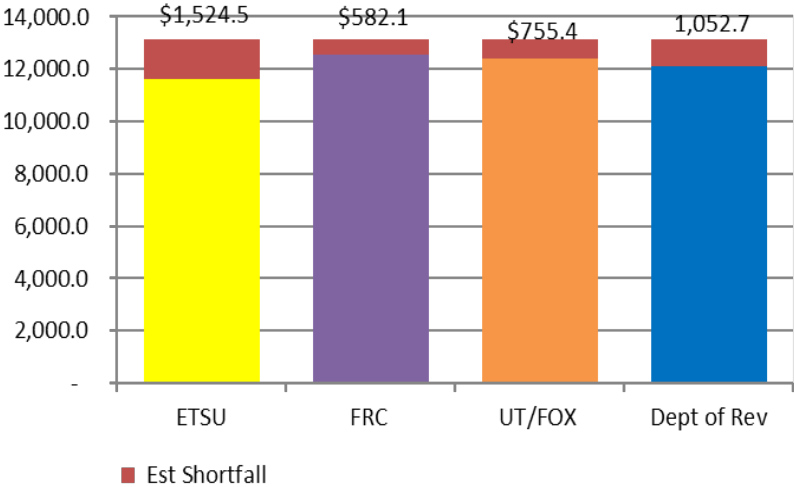


Revenue Projections

**FY20 Tax Revenue Shortfall
Forecasts**



**FY21 Tax Revenue Shortfall
Forecasts**



Closing The Books – FY20

- **Hiring and purchasing have been frozen.**
- **Shortfall closed with a combination of:**
 - Non-tax Revenues**
 - Agency Savings**
 - Reserves.**

Reducing Recurring Expenditures – FY21

- **\$397 million cut in March.**
- **\$283.7 million additional cuts in this outline.**
- **Achieving reductions and efficiencies.**

Addressing the Deficit

Variables	Levers
<ul style="list-style-type: none">• The Size of the Deficit• Future Tax Growth	<ul style="list-style-type: none">• Reserve Transfers• Reductions• Bonding• Rainy Day

Long-Term Strategies – Years 2 and 3

- **Continue to look for reductions and efficiencies.**
- **Utilize Rainy Day Fund and other Reserves as necessary to close.**
- **Rainy Day Fund will be our last resort.**

Balancing Summary – FY20 & FY21

	FY20	FY21
Beginning Balance	\$0	\$500,700,000
Estimated Shortfall	(\$500,000,000)	(\$1,000,000,000)
Revenues and Reserves	\$1,000,700,000	\$277,650,000
Reductions	-	\$346,528,800
Increases	-	(\$50,000,000)
Capital Savings	-	\$247,423,300
Rainy Day Fund	-	-
	\$500,700,000	\$322,302,100

Summary

- **We will be prudent and methodical**
- **Fully committed to**
 - Legislative approval for budgetary reductions
 - A structurally balanced budget
 - Fully funding the BEP
 - Fully funding our contributions for Pensions and Health Insurance
 - Fully funding our Debt Service Requirements



THANK YOU