THE MISSOURI BUDGET
FISCAL YEAR 2015
SUMMARY

I. OVERVIEW

Throughout Governor Nixon's administration, Missouri has been a leader in fiscal discipline maintaining a balanced budget while holding the line on taxes. Governor Nixon's Fiscal Year 2015 Budget recognizes continued growth in the state's economy, and makes fiscally-disciplined investments that will benefit the state for decades to come.

Since taking office, Governor Nixon has cut spending by $1.8 billion and ensured state government is smaller, smarter and more efficient for Missouri taxpayers. His fiscally conservative management style has helped Missouri retain its AAA credit rating from all three national rating agencies.

Governor Nixon's Fiscal Year 2015 Budget priorities are to invest in education; create jobs for Missourians; provide vital health and mental health care; provide services for veterans; ensure public safety for all Missourians; and continue the focus on fiscal discipline and efficient government.

Education

Governor Nixon believes that nothing will have a greater impact on the future of our economy and our state than a commitment to education. In today's global economy, quality public schools and college affordability are vital to Missouri's ability to compete for jobs. His Fiscal Year 2015 Budget increases the state's investment in education, at all levels, by over $480 million.

Governor Nixon understands investing in early childhood programs is essential. The economic and academic consequences of failing to invest in early childhood education are staggering—reduced academic achievement, lower-paying jobs, and a high reliance on public assistance.

For Early Childhood Education the Fiscal Year 2015 Budget provides:

- $31.7 million for the Missouri Preschool Program, an increase of $20 million.
- $53.3 million for the First Steps Program, an increase of $8.5 million.
- $16 million for Parents as Teachers, an increase of $1 million.

Under Governor Nixon's leadership, state support for Missouri's public elementary and secondary schools remains a top priority with a commitment to fully fund the education formula by next year, including half of the needed increase in his Fiscal Year 2015 Budget. Higher funding levels lead to increased expectations that student preparation for college and careers will continue to improve.

For Elementary and Secondary Education, the Fiscal Year 2015 Budget provides:

- $3.35 billion for the state's foundation formula, an increase of $278 million.
- $115 million for K-12 school transportation expenses, an increase of $15 million.
- $10 million for one-time investments to expand broadband capacity for schools to enhance online technology capabilities.

- $4.3 million to prepare high school students going directly to a career or to college, including funding for Advanced Placement exams, dual credit courses, additional innovation high schools, dropout prevention, and workforce preparation.

- $3 million to improve placement of teachers in the state's underprivileged or academically struggling urban school districts, including an increase of $1 million.

Governor Nixon's Fiscal Year 2015 Budget provides resources to help Missouri build on its record of holding tuition costs down while expanding access to affordable education opportunities for all students. His budget proposal includes additional performance funding based on institutions' outcomes that started last fiscal year. He also recommends a significant increase in scholarship funding to assist students and their families in paying for college and provides resources for initiatives targeted at high demand careers.

For Higher Education, the Fiscal Year 2015 Budget provides:

- $42.1 million for performance-based funding for colleges and universities.

- $67.2 million for the Access Missouri Scholarship Program, an increase of $8.6 million to assist an estimated 49,000 students.

- $33.1 million for the A+ Scholarship Program, an increase of $2.7 million, assisting an estimated 14,000 students.

- $31.7 million for the Academic Scholarship Program (Bright Flight), an increase of $17 million, including $15 million general revenue, to offer Bright Flight scholars the option of receiving an additional $5,000 per year on the condition that they pursue employment in Missouri after they graduate.

- $22 million new funding to four-year universities to focus on preparing students for high-demand careers in science, technology, engineering, and math (STEM).

- $19.8 million new funding for grants to educate an additional 1,200 students for high-demand mental health careers through the Caring for Missourians-Mental Health Initiative.

<u>Jobs</u>

Governor Nixon's top priority is to grow Missouri's economy and create good jobs for Missouri families. Employers added over 40,000 jobs since last year and Missouri's unemployment rate has been below the national average for four years in a row. Governor Nixon continues to focus the state's economic development tools and plan for future economic needs. The Governor will work with the General Assembly to:

- Promote entrepreneurship and foster the growth of high-tech companies;
- Create a highly-skilled competitive workforce;
- Expand Missouri's exports to other countries; and
- Retain and enhance Missouri's military bases, force strength and federal defense spending.

The Fiscal Year 2015 Budget provides:

- $24.1 million for the Division of Tourism to enhance efforts to showcase Missouri and expand the state's tourism opportunities, an increase of $10 million.

- $18.5 million for the Missouri Works Job Training Program to provide training assistance for eligible businesses to retrain workers in existing jobs or train workers in newly created jobs, an increase of $4.5 million.

- $15 million for Missouri State Parks improvements, to enhance visitors' experiences and increase parks system usage.

- $10.3 million reinvestment to expand childcare assistance to more low-income working families, increase rates to help ensure access to quality childcare, and expand before- and after-school care programs.

- $10.9 million for distribution to the Missouri Arts Council and the other cultural partners, an increase of $3 million.
- $12.7 million to complete payment of biodiesel production incentives over the next two years, an increase of $7.2 million.
- $3.3 million for trade promotion activities and resources to expand Missouri exports to other countries, an increase of $1 million.

Healthy Families

Governor Nixon is committed to making Missouri a healthier place to live and work. The Governor knows to compete in the new economy Missouri families need access to health care, workers must be healthy to succeed on the job, and children must be healthy to succeed in school. Governor Nixon's Fiscal Year 2015 Budget expands and reforms Medicaid - 25 other states have already made the commitment to cover additional uninsured individuals. By doing so, Missouri taxpayer dollars will stay in Missouri, providing health care for an estimated 300,000 Missourians, rather than having those tax dollars flow to other states.

The Governor's proposal to expand and reform Medicaid is fiscally responsible. Federal funding will cover 100 percent of the costs through 2016, phasing down to 90 percent in 2020. Expanding access to our Medicaid system will infuse nearly $2 billion of federal funds into the economy of Missouri. Additionally, reforming and expanding Medicaid will save state general revenue - $77.3 million in the first year, which can be directed to other priorities such as education. Continued inaction not only impacts the uninsured but creates economic losses to communities and businesses throughout the state.

Mental Health

Governor Nixon has made improving mental health care a priority for his administration and is committed to enhancing awareness of mental health care as an important public health issue. Expanding Medicaid is the most cost effective way to address gaps in the current mental health system by providing health care coverage to more than 47,000 Missourians with a mental health condition. In addition to expanding Medicaid, the Governor's Fiscal Year 2015 Budget includes vital resources to improve mental health care.

➢ Partnership For Hope

Created under Governor Nixon's leadership, the Partnership for Hope provides home and community-based services for Missourians with developmental disabilities. Since the program was created, 2,800 people with developmental disabilities are living fuller lives because of access to needed services. These services may delay or completely avoid the need for residential or institutional care in the future.

Governor Nixon's Fiscal Year 2015 Budget includes a $3 million increase to expand the Partnership for Hope, including $553,575 general revenue. This program, started in 2010, will grow to more than 3,800 participants by the end of Fiscal Year 2015.

➢ Mental Health Care

Governor Nixon's Fiscal Year 2015 Budget includes:

- $37.2 million increased funding for residential services for individuals with developmental disabilities during a crisis or emergency, including $13 million general revenue.
- $20.6 million increased funding to eliminate the current waiting list for Medicaid home and community-based services in counties with participating Senate Bill 40 Boards, including $7.6 million general revenue.
- $250,000 new funding to improve efforts to employ workers with developmental disabilities.

➢ Fulton State Hospital

Governor Nixon believes now is the time to responsibly move forward to replace Fulton State Hospital. Since he took office, the principal on Missouri's debt has been dramatically reduced - by over $450 million. Governor Nixon's budget includes $28 million to set aside two-years' funding for bonds to construct a new maximum and intermediate security psychiatric facility in Fulton. The project will replace two outdated buildings with a new 300-bed high security complex and demolish unused buildings to improve efficiency.

Veterans/Public Safety

Governor Nixon continues to stand up for Missourians active in the military and the state's 543,000 veterans. The Show-Me Heroes program encourages Missouri businesses to employ veterans. Also, the state tax on military pensions is being phased-out, making Missouri an even more attractive place for veterans to retire. The safety of all Missourians is a priority for Governor Nixon, from taking immediate action to ensure public safety when natural disasters strike to ensuring children are in a safe nurturing environment. To continue this focus on safety, Governor Nixon's budget recommendations include:

- $20 million in Fiscal Year 2014 supplemental funding for the costs of recovery from the Joplin tornado and other previous disasters. This funding will help cover costs for local communities as they rebuild.

- $6 million to help children's services employees as they work with troubled families to ensure the safety of Missouri's children, including $3.7 million general revenue. These funds will add staff to address high caseloads, improve salaries to attract and retain qualified individuals, provide a loan forgiveness program for employees who stay on the job, offer staff training, and enable mobile technology upgrades to improve efficiency of employees while they are in the field.

Efficient Government

➢ State Employees

Over the past five years, Governor Nixon has worked with state agencies and state employees to make government more efficient by reducing the state workforce, decreasing costs for fuel and utilities, consolidating state offices, and advancing the use of technology. The Governor's Fiscal Year 2015 Budget includes additional resources for state employees, including:

- $37.1 million for a three percent salary increase for state employees, effective January 1, 2015, including $17.1 million general revenue.

- $19.2 million to match employee deferred compensation payments on tiered levels, up to a maximum of $75 per month, including $7.5 million general revenue.

- Sufficient Missouri Consolidated Health Care Plan funding to hold premiums flat for the fourth year in a row.

- $11.1 million for state judges' salaries as directed by the Citizens' Commission for Compensation.

- $7.1 million to fund the recommendations of the Personnel Advisory Board to address high turnover and recruitment concerns for specific positions, including $5.1 million general revenue. This includes direct care nurses, children service workers, and youth service workers.

- $3.7 million for step adjustments for the Missouri Highway Patrol, including $437,575 general revenue.

- $2.8 million for an additional two-step pay increase for about 880 Children's Division workers, including $1.9 million general revenue.

➢ Technology

The Nixon Administration has advanced technology improvements that make state government more efficient and provide additional web-based services to Missouri citizens. The Governor focused resources on improving program performance, increasing state employee productivity, and simplifying access to government services. To expand the state's e-government initiatives and improve government efficiency, Governor Nixon's Fiscal Year 2015 Budget includes:

- $10 million to upgrade the state's cyber security systems, modernize legacy systems, and address the demand for mobile applications.

- $2.3 million to upgrade systems to increase tax collection efficiency.

- $1.1 million to unify common regulatory and environmental functions and make environmental information provided by the Department of Natural Resources more easily available to the public.

➢ Tax Credit Reform

Governor Nixon is committed to working with the General Assembly to enact fiscally responsible tax credit reform legislation. To move the state's economy forward, Missouri must invest its limited resources in programs that will deliver the best possible return on investment for taxpayers. Over the past 15 years, the redemption of state tax credits grew by 500 percent, reaching a historic high of nearly $630 million in 2012. Governor Nixon believes that reforms to the state's largest tax credit programs are long overdue and will yield significant future savings for taxpayers.

➢ Revenue Collections

The Department of Revenue is charged with collecting taxes and debt owed to the State of Missouri. Every year millions of dollars of legitimate, unpaid tax debt elude state coffers. The Governor supports legislation to implement:

- Sales Tax Fairness –The national Streamlined Sales and Use Tax Agreement modernizes tax collections while leveling the playing field so that local stores and online retailers operate under the same rules. This initiative is estimated to collect $3.5 million general revenue in the first year. If Congress enacts the proposed Marketplace Fairness Act, collections in future years will be significantly higher.

- Federal Vendor Offset--The department will establish reciprocal agreements with the federal government to offset vendor payments for any outstanding debt. This change will generate $2 million, including $1.6 million general revenue.

- Administrative Garnishments – Avoiding circuit court filings and the need for sheriff services, the department will be able to issue garnishments directly to banks and employers. This will streamline the current process and generate $3 million general revenue in Fiscal Year 2015.

- Tax Amnesty – To increase state revenue collections, Governor Nixon supports tax amnesty legislation allowing delinquent taxpayers to pay and be excused from accrued penalties and interest. Amnesty will be provided on a one-time, limited basis. This initiative is estimated to increase collections by $61.4 million, including $51.8 million general revenue.

II. FISCAL YEAR 2013 REVENUE REVIEW

General revenue collections grew at the fastest rate in almost twenty years in Fiscal Year 2013. Net collections improved 10.1 percent over the previous year, and after five years exceeded (at least in nominal terms) collections prior to the Great Recession.

With the U.S. economy poised for expansion, moderate revenue growth is expected over the next eighteen months. Revenues are estimated to grow by a conservative 2.8 percent in Fiscal Year 2014 and accelerate to 5.2 percent growth in Fiscal Year 2015.

III. THE ECONOMIC OUTLOOK

U.S. Economic Position

The national economy continued to grow in Calendar Year 2013, even as businesses and consumers dealt with the drag and uncertainty resulting from federal tax policy. In the fall, Congress was unable to agree on a funding plan for Fiscal Year 2014, so the federal government was shuttered for the first seventeen days of October. This was further complicated by the expiration of the federal debt ceiling in the middle of that month. Eventually, an agreement was reached to fund the federal government until mid-January, and suspend the debt ceiling until early February.

Congress and the President were able to agree on broad budget guidelines well before the mid -January deadline, with fewer reductions than what was required under the 2011 sequestration plan. This minimized stress on the economy. This assurance, in combination with the absence of tax increases, will improve the sentiment of consumers and businesses.

Despite these federal budget challenges, the economy grew modestly in 2013. Through

Economic Projections

	Increase by Calendar Year		
U.S.	**2013**	**2014**	**2015**
Real GDP	1.8 %	2.9 %	3.2 %
Employment	1.6 %	1.7%	1.9 %
Unemployment Rate	7.4 %	6.7 %	6.4 %
Personal Income	2.9 %	3.9 %	4.8 %
Consumer Expenditures	3.2 %	4.6 %	4.9 %
Consumer Prices	1.5 %	1.6 %	1.7 %
MISSOURI			
Employment	1.1 %	1.3 %	1.4%
Personal Income	2.8 %	3.4 %	4.3 %

November, average employment increased 1.6 percent. The unemployment rate steadily edged lower, to seven percent in November, near the lowest rate in the last five years. Personal income continued to improve. Consumer confidence and spending are gradually recovering. Corporate profits are near record highs, both in nominal terms and as a share of the economy. The S&P 500 Index closed the year at an all-time high, nearly 30 percent above 2012. The median selling price for new homes has reached a new peak, and the inventory of homes has dwindled to about a four-month supply.

The economy is poised for expansion, and the outlook over the next two years is encouraging. A potential hurdle to growth was removed with the federal budget agreement. With mortgage rates near historic lows, prices rising, and supply dwindling, home construction is poised to ignite. Businesses have financing available, and the Federal Reserve continues to hold interest rates down. This should spark additional investment in equipment and labor. Consumers will feel more comfortable releasing pent-up demand, and the recovery will become self-sustaining. Assuming no missteps in fiscal policy, growth will accelerate to rates above trend by the end of 2014, and this will be sustained through 2015.

In addition to those risks posed by fiscal policy, there are other risks to this outlook. Geopolitical conflicts, especially in the Persian Gulf, could have a powerful impact on oil prices. Should the European Union fall back into financial disarray, repercussions will radiate throughout the global economy. However, economic growth could exceed expectations if business investment accelerates, hiring improves, and consumer sentiment is bullish.

Missouri Economic Position

The improvement in Missouri's economy accelerated at the end of 2013. According to payroll data in November, employment has increased. Through the first eleven months, employment improved 1.2 percent compared to 2012. Unemployment claims remain at or below pre-recession levels. Missouri's unemployment rate declined to 6.1 percent in November, the lowest rate in over five years. The Missouri unemployment rate has been below the national average for 51 months in a row. Personal income continues to grow at an encouraging rate.

Like the national economy, Missouri's economy is expected to grow at a quicker pace. Job growth will accelerate over the next eighteen months and consumer confidence will continue to improve. Risks are similar to those of the nation as a whole.

IV. REVENUE PROJECTIONS FOR FISCAL YEARS 2014 AND 2015

Revenue forecasting is challenging under the best of circumstances and is even more difficult when the previous year includes many unique occurrences. Despite those challenges, it is reasonable to assume that improvement in job growth, new investment by businesses, consumer confidence, and improvement in the housing market will lead to growth in the state's economy and additional revenue for the state budget.

With economic growth accelerating, continued revenue growth is expected for Fiscal Year 2014. The revenue estimate assumes growth of 2.8 percent, which reflects moderate growth in income and sales taxes, but also considers difficult one-time comparisons to the outstanding growth in Fiscal Year 2013. The impacts of the phase-out of the corporate franchise tax will become more evident in Fiscal Year 2014. Tax credit redemptions will remain high, though likely not as high as the record level reached in Fiscal Year 2012.

Continued employment increases and spending growth will help boost general revenue collections in Fiscal Year 2015. Governor Nixon's Fiscal Year 2015 Budget assumes revenue growth of 5.2 percent.

V. REVENUE LIMITATION AMENDMENT

Article X of the Missouri Constitution establishes a revenue and spending limit on state government. The limit is 5.6 percent of Missouri personal income, based on the relationship between personal income and total state revenues when the limit was established and approved by voters in November 1980. Calculations made pursuant to Article X of the Missouri Constitution show that total state revenues for Fiscal Year 2012 were below the total state revenue limit by over $3.7 billion.

The Office of Administration projects that total state revenues will not exceed the total state revenue limit in Fiscal Years 2013 or 2014. These preliminary calculations are subject to change as actual state revenue collections become known and as the federal government revises its estimates of Missouri personal income. These projections could change if legislation is approved to increase taxes without a vote of the people. Pursuant to Article X of the Missouri Constitution, revenue approved by the voters is not subject to the revenue and spending limit.

In addition, Article X, Section 18(e) of the Missouri Constitution states the General Assembly shall not increase taxes or fees in any fiscal year, without voter approval, that in total produce net new annual revenues greater than $50 million, adjusted annually by the percentage change in the personal income of Missouri for the second previous year, or one percent of total state revenues for the second fiscal year prior to the General Assembly's action, whichever is less.

"Net new annual revenues" is defined as the net increase in annual revenues produced by the total of all tax or fee increases by the General Assembly in a fiscal year, less refunds and less all contemporaneously occurring tax or fee reductions in that same fiscal year. For Fiscal Year 2013, these calculations were $106.1 million for the personal income amount and $84.2 million for the one percent of total state revenues amount. Legislative actions in the 2013 session resulted in an increase of $14.4 million in state revenues when the provisions are fully implemented.

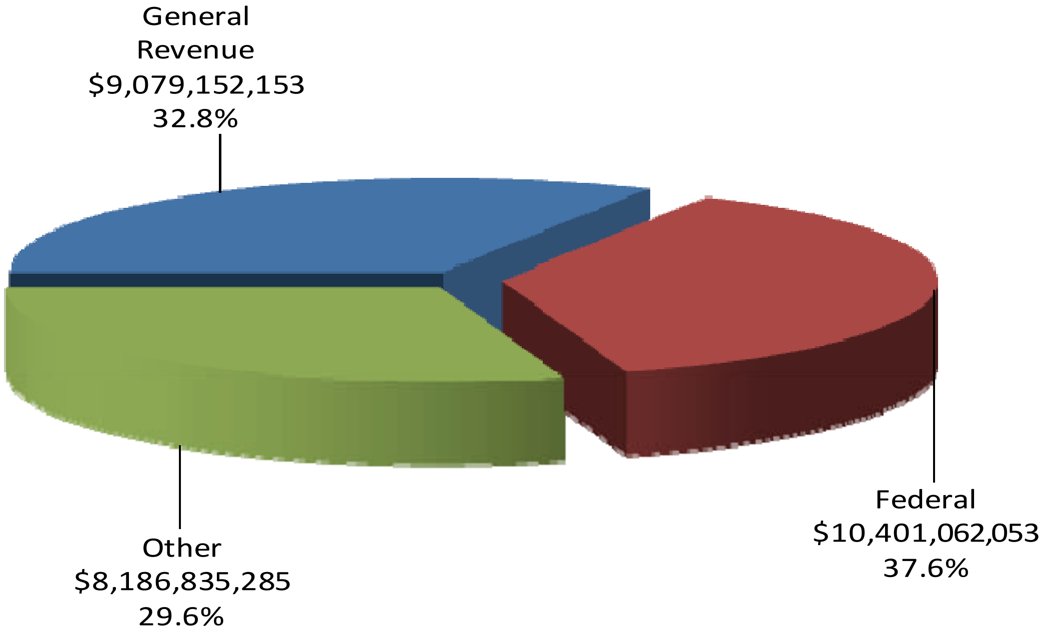
For Fiscal Year 2014, the calculations are $110.2 million for the personal income amount and $87.6 million for the one percent of total state revenues amount.

This page intentionally blank

FY 2015 TOTAL OPERATING BUDGET

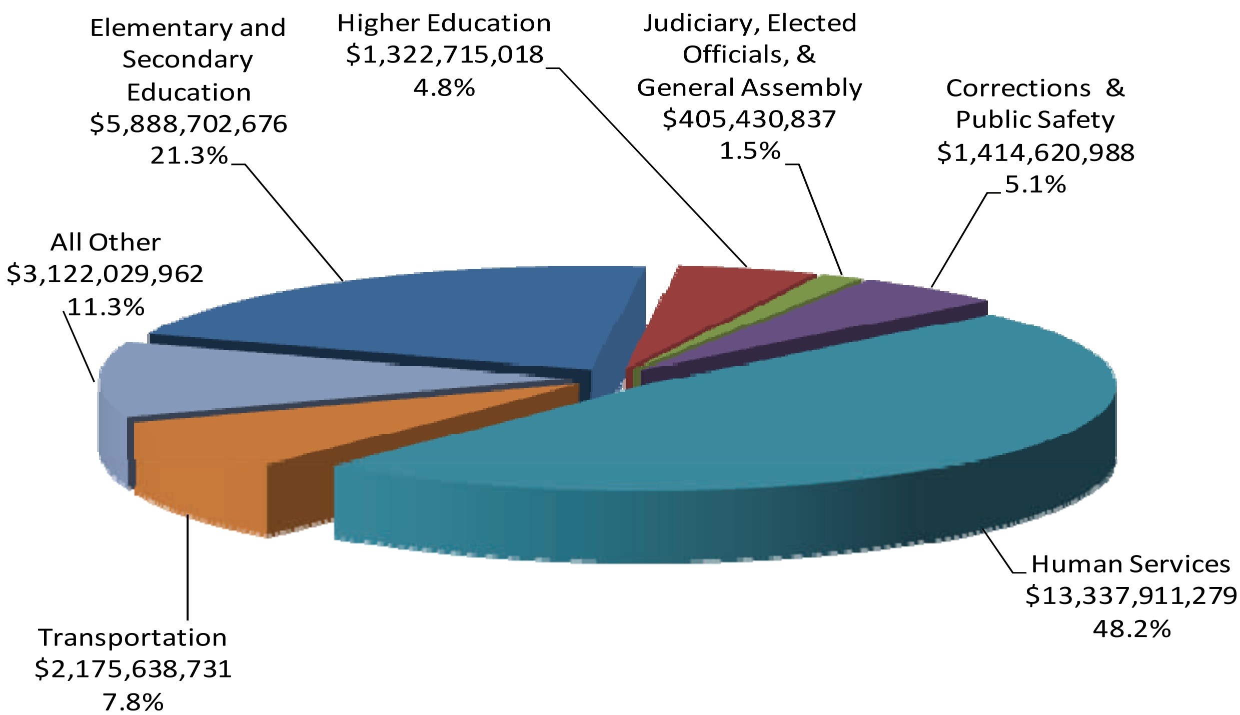
SOURCES OF FUNDS

Total Funds* $27,667,049,491



FY 2015 GOVERNOR'S RECOMMENDED OPERATING BUDGET—ALL FUNDS

Total Appropriations* $27,667,049,491



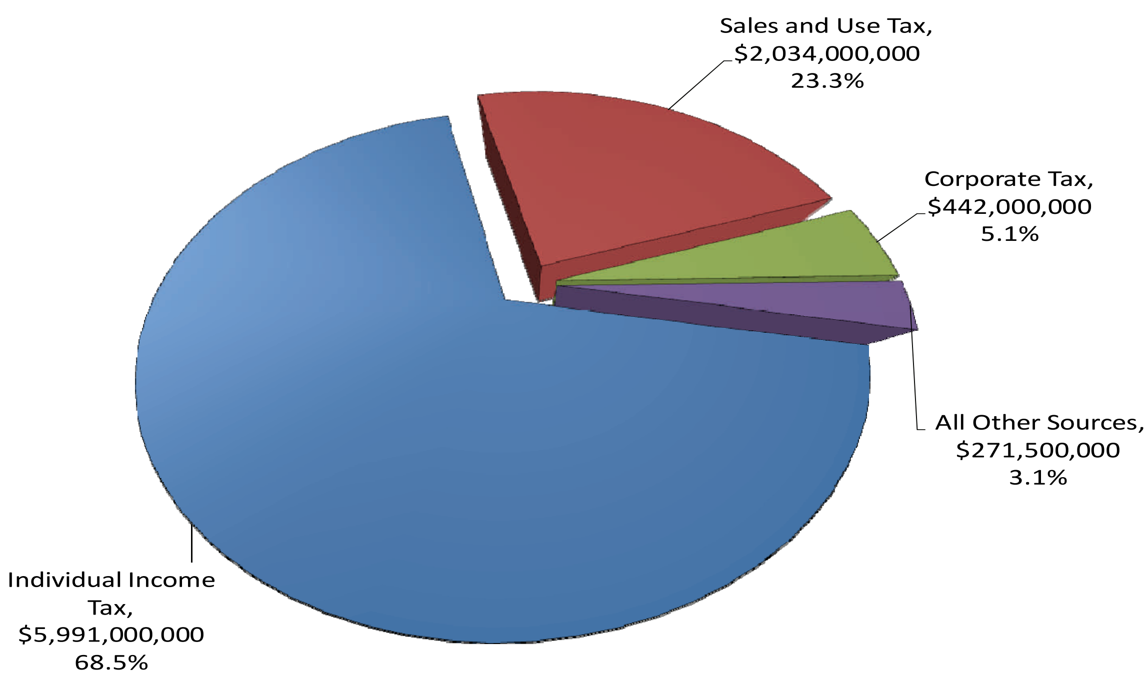
*Excludes refunds

GENERAL REVENUE RECEIPTS AND ESTIMATES

	Actual Receipts FY 2013	Revenue Estimate FY 2014	Revenue Estimate FY 2015
Collections			
Individual Income Tax	$ 6,367,971,141	$ 6,573,900,000	$ 6,981,000,000
Sales and Use Tax	1,897,543,412	1,978,000,000	2,064,000,000
Corporate Income/Franchise Tax	525,678,994	585,000,000	580,000,000
County Foreign Insurance Tax	191,234,333	193,000,000	197,000,000
Liquor Tax	26,075,287	27,000,000	28,000,000
Beer Tax	8,044,713	8,400,000	8,400,000
Interest on Deposits and Investments	7,038,083	7,500,000	9,000,000
Federal Reimbursements	18,433,426	25,200,000	26,200,000
All Other Sources	220,027,379	166,600,000	156,900,000
Total General Revenue Collections	9,262,046,768	9,564,600,000	10,050,500,000
Refunds	(1,179,360,199)	(1,254,100,000)	(1,312,000,000)
Net General Revenue Collections	$ 8,082,686,569	$ 8,310,500,000	$ 8,738,500,000
Net Growth Rate		2.8%	5.2%

FY 2015 REVENUE ESTIMATE

Net General Revenue $8,738,500,000



GENERAL REVENUE SUMMARY

RESOURCES	FY 2013	FY 2014	FY 2015
Beginning Balance	$ 64,056,028	$ 329,738,685	$ 146,416,705
Previous Year's Lapse[1]	139,663,383	117,239,988	90,000,000
Revenue Collections	9,262,046,768	9,564,600,000	10,050,500,000
Refunds	(1,179,360,199)	(1,254,100,000)	(1,312,000,000)
Other Collections[2]		33,200,000	113,600,000
Transfers to Fund	184,808,379	102,200,000	97,300,000
Total Resources Available	$ 8,471,214,359	$ 8,892,878,673	$ 9,185,816,705
OBLIGATIONS			
Operating Appropriations	$ 8,013,807,330	$ 8,276,748,366	$ 9,079,152,153
Supplemental/Estimated Appropriations	57,668,344	274,713,602	10,600,000
Capital Appropriations	70,000,000	195,000,000	96,000,000
Total Obligations	$ 8,141,475,674	$ 8,746,461,968	$ 9,185,752,153
Ending Balance	$ 329,738,685	$ 146,416,705	$ 64,552

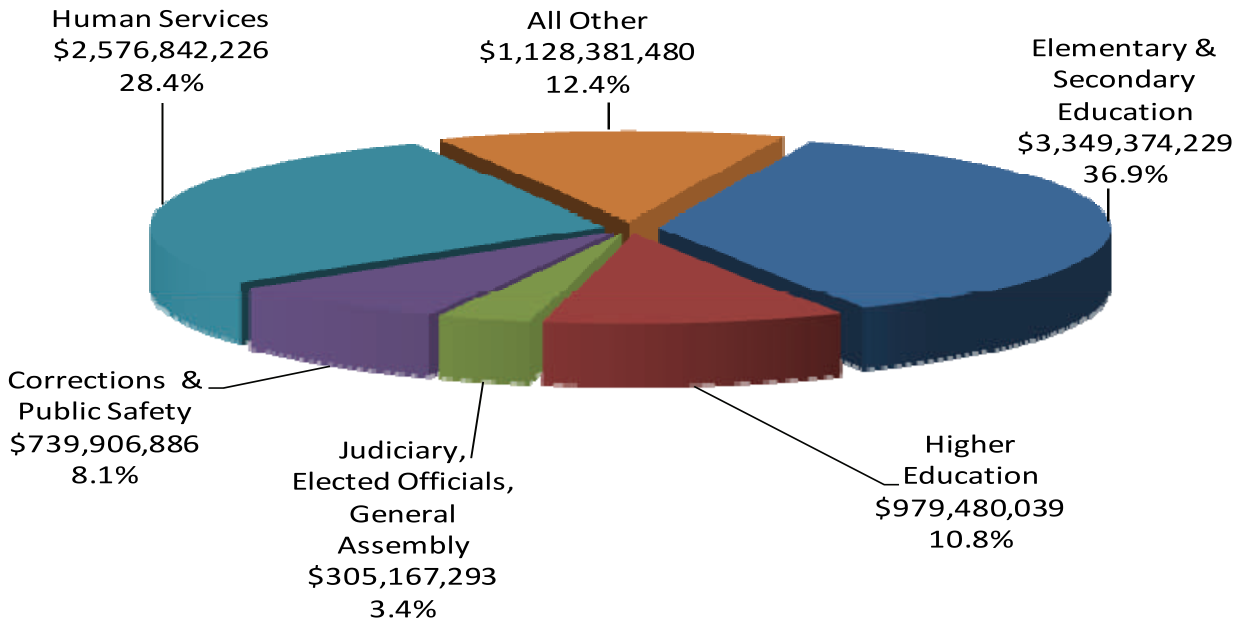
NOTES TO GENERAL REVENUE SUMMARY

(1) Unexpended appropriations are counted as a resource in the next fiscal year to avoid premature commitment of uncertain resources until actual lapses are known. This includes reserves authorized by Section 33.290, RSMo.

(2) Includes tax amnesty, centralized debt collection, integrated tax system, federal reciprocity, and other collection intiatives.

FY 2015 GOVERNOR'S RECOMMENDED OPERATING BUDGET—GENERAL REVENUE

Total Appropriations* $9,079,152,153



*Excludes refunds

FY 2015 BUDGET SUMMARY

House Bill		FY 2013 Expenditures	FY 2014 Appropriations	Governor's Recommendation FY 2015
1	**Public Debt**			
	General Revenue	$ 46,204,335	$ 68,095,974	$ 64,790,980
	Federal Funds	0	0	0
	Other Funds	2,425,404	2,046,748	3,040,998
	Total	$ 48,629,739	$ 70,142,722	$ 67,831,978
2	**Elementary and Secondary Education**			
	General Revenue	$ 2,913,509,834	$ 2,897,809,349	$ 3,349,374,229
	Federal Funds	938,685,654	1,098,047,023	1,086,959,862
	Other Funds	1,357,506,653	1,508,047,074	1,452,368,585
	Total	$ 5,209,702,141	$ 5,503,903,446	$ 5,888,702,676
3	**Higher Education**			
	General Revenue	$ 827,624,458	$ 863,988,647	$ 979,480,039
	Federal Funds	3,517,919	6,064,165	6,069,584
	Other Funds	271,521,956	340,411,690	337,165,395
	Total	$ 1,102,664,333	$ 1,210,464,502	$ 1,322,715,018
4	**Revenue**			
	General Revenue	$ 82,714,708	$ 100,453,251	$ 89,991,180
	Federal Funds	4,271,378	6,600,729	4,136,395
	Other Funds	397,672,461	364,726,988	415,775,726
	Total	$ 484,658,547	$ 471,780,968	$ 509,903,301
4	**Transportation**			
	General Revenue	$ 9,300,805	$ 13,644,129	$ 15,544,129
	Federal Funds	105,772,690	175,439,098	138,480,500
	Other Funds	2,007,871,591	1,936,969,449	2,021,614,102
	Total	$ 2,122,945,086	$ 2,126,052,676	$ 2,175,638,731
5	**Office of Administration**			
	General Revenue	$ 115,089,371	$ 138,351,467	$ 187,377,661
	Federal Funds	55,502,726	106,701,600	82,093,713
	Other Funds	60,558,891	39,123,711	46,268,211
	Total	$ 231,150,988	$ 284,176,778	$ 315,739,585
5	**Employee Benefits**			
	General Revenue	$ 490,942,137	$ 524,310,621	$ 586,913,702
	Federal Funds	181,214,365	190,445,876	214,381,146
	Other Funds	151,575,303	171,037,687	188,865,416
	Total	$ 823,731,805	$ 885,794,184	$ 990,160,264

FY 2015 BUDGET SUMMARY

House Bill			FY 2013 Expenditures		FY 2014 Appropriations		Governor's Recommendation FY 2015
6	**Agriculture**						
	General Revenue	$	14,172,140	$	10,448,807	$	17,737,497
	Federal Funds		2,427,473		4,446,472		4,132,615
	Other Funds		17,191,382		23,290,257		22,914,640
	Total	$	33,790,995	$	38,185,536	$	44,784,752
6	**Natural Resources**						
	General Revenue	$	10,327,663	$	12,853,989	$	10,480,341
	Federal Funds		36,093,131		59,868,876		50,479,592
	Other Funds		261,952,637		297,951,856		288,976,408
	Total	$	308,373,431	$	370,674,721	$	349,936,341
6	**Conservation**						
	General Revenue	$	0	$	0	$	0
	Federal Funds		0		0		0
	Other Funds		133,843,998		147,339,487		148,773,118
	Total	$	133,843,998	$	147,339,487	$	148,773,118
7	**Economic Development**						
	General Revenue	$	37,745,782	$	58,326,086	$	82,288,261
	Federal Funds		154,231,776		222,906,428		219,015,652
	Other Funds		28,107,277		56,156,148		66,577,094
	Total	$	220,084,835	$	337,388,662	$	367,881,007
7	**Insurance, Financial Institutions and Professional Registration**						
	General Revenue	$	0	$	0	$	0
	Federal Funds		1,471,529		1,773,348		1,784,980
	Other Funds		31,286,575		38,567,165		39,354,421
	Total	$	32,758,104	$	40,340,513	$	41,139,401
7	**Labor and Industrial Relations**						
	General Revenue	$	1,953,797	$	2,204,419	$	2,375,922
	Federal Funds		46,728,551		67,280,858		56,503,466
	Other Funds		78,807,270		86,584,656		123,980,482
	Total	$	127,489,618	$	156,069,933	$	182,859,870
8	**Public Safety**						
	General Revenue	$	52,877,019	$	64,160,551	$	66,653,397
	Federal Funds		159,023,267		215,413,587		216,309,075
	Other Funds		343,419,607		390,207,602		404,011,420
	Total	$	555,319,893	$	669,781,740	$	686,973,892

FY 2015 BUDGET SUMMARY

House Bill			FY 2013 Expenditures		FY 2014 Appropriations		Governor's Recommendation FY 2015
9	**Corrections**						
	General Revenue	$	588,535,233	$	623,274,962	$	673,253,489
	Federal Funds		4,514,076		5,895,653		5,262,122
	Other Funds		32,150,743		48,230,921		49,131,485
	Total	$	625,200,052	$	677,401,536	$	727,647,096
10	**Mental Health**						
	General Revenue	$	601,812,399	$	655,285,830	$	709,079,224
	Federal Funds		748,831,384		895,507,925		1,099,920,139
	Other Funds		43,715,717		58,414,072		59,617,096
	Total	$	1,394,359,500	$	1,609,207,827	$	1,868,616,459
10	**Health and Senior Services**						
	General Revenue	$	264,392,608	$	277,702,486	$	294,919,872
	Federal Funds		755,473,117		814,947,687		897,835,498
	Other Funds		17,140,032		19,443,679		19,088,235
	Total	$	1,037,005,757	$	1,112,093,852	$	1,211,843,605
11	**Social Services**						
	General Revenue	$	1,493,480,833	$	1,561,796,448	$	1,572,843,130
	Federal Funds		3,868,145,740		4,494,955,903		6,266,848,076
	Other Funds		2,368,795,532		2,491,055,970		2,417,760,009
	Total	$	7,730,422,105	$	8,547,808,321	$	10,257,451,215
12	**Elected Officials**						
	General Revenue	$	52,344,649	$	49,376,175	$	52,757,322
	Federal Funds		12,967,459		21,309,603		21,433,505
	Other Funds		51,206,169		50,107,219		50,374,535
	Total	$	116,518,277	$	120,792,997	$	124,565,362
12	**Judiciary**						
	General Revenue	$	170,576,304	$	173,091,690	$	182,369,152
	Federal Funds		5,759,284		10,578,824		10,665,693
	Other Funds		10,357,195		14,348,965		14,386,697
	Total	$	186,692,783	$	198,019,479	$	207,421,542
12	**Public Defender**						
	General Revenue	$	36,321,545	$	35,257,358	$	36,528,862
	Federal Funds		0		125,000		125,000
	Other Funds		1,325,332		2,981,482		2,983,787
	Total	$	37,646,877	$	38,363,840	$	39,637,649
12	**General Assembly**						
	General Revenue	$	31,621,622	$	33,026,615	$	33,511,957
	Federal Funds		0		0		0
	Other Funds		144,575		292,833		294,327
	Total	$	31,766,197	$	33,319,448	$	33,806,284

FY 2015 BUDGET SUMMARY

House Bill		FY 2013 Expenditures	FY 2014 Appropriations	Governor's Recommendation FY 2015
13	**Real Estate**			
	General Revenue	$ 108,979,708	$ 113,289,512	$ 70,881,807
	Federal Funds	20,111,640	22,870,507	18,625,440
	Other Funds	14,573,749	15,438,454	13,513,098
	Total	$ 143,665,097	$ 151,598,473	$ 103,020,345
14	**Supplemental**			
	General Revenue	$	$ 200,663,602	$
	Federal Funds		78,402,240	
	Other Funds		109,250,972	
	Total	$	$ 388,316,814	$
15	**Supplemental**			
	General Revenue	$	$ 14,050,000	$
	Federal Funds		0	
	Other Funds		0	
	Total	$	$ 14,050,000	$
	Total Budget			
	General Revenue	$ 7,950,526,950	$ 8,491,461,968	$ 9,079,152,153
	Federal Funds	7,104,743,159	8,499,581,402	10,401,062,053
	Other Funds	7,683,150,049	8,212,025,085	8,186,835,285
	Total	$ 22,738,420,158	$ 25,203,068,455	$ 27,667,049,491
20	**Capital Improvements - 2015**			
	General Revenue	$	$	$ 25,000,000
	Federal Funds			0
	Other Funds			198,000,000
	Total	$	$	$ 223,000,000
	Capital Improvements - 2014 - 2015*			
	General Revenue	$ 70,839,223	$ 195,000,000	$ 71,000,000
	Federal Funds	11,452,073	37,250,796	11,000,000
	Other Funds	27,329,046	83,391,149	32,423,170
	Total	$ 109,620,342	$ 315,641,945	$ 114,423,170
	Federal Stimulus*			
	General Revenue	$ 0	$	$
	Federal Funds	91,567,258		
	Other Funds	1,279,980		
	Total	$ 92,847,237	$	$
	GRAND TOTAL			
	General Revenue	$ 8,021,366,173	$ 8,686,461,968	$ 9,175,152,153
	Federal Funds	7,207,762,489	8,536,832,198	10,412,062,053
	Other Funds	7,711,759,075	8,295,416,234	8,417,258,455
	Total	$ 22,940,887,737	$ 25,518,710,400	$ 28,004,472,661

* Reappropriations are recognized in the budget in the first year they are appropriated. Expenditures from reappropriations are recognized in the year in which the expenditure occurred.

FY 2015 FTE SUMMARY

House Bill		FY 2013 Budget	FY 2014 Budget	Governor's Recommendation FY 2015
1	**Public Debt**			
	General Revenue	0.00	0.00	0.00
	Federal Funds	0.00	0.00	0.00
	Other Funds	0.00	0.00	0.00
	Total	0.00	0.00	0.00
2	**Elementary and Secondary Education**			
	General Revenue	813.50	817.50	817.50
	Federal Funds	864.26	859.26	859.26
	Other Funds	12.00	17.00	17.00
	Total	1,689.76	1,693.76	1,693.76
3	**Higher Education**			
	General Revenue	17.00	14.03	15.03
	Federal Funds	6.58	7.08	7.08
	Other Funds	52.09	58.09	59.09
	Total	75.67	79.20	81.20
4	**Revenue**			
	General Revenue	969.26	946.52	948.52
	Federal Funds	11.74	6.74	6.74
	Other Funds	421.55	421.29	420.79
	Total	1,402.55	1,374.55	1,376.05
4	**Transportation**			
	General Revenue	0.00	0.00	0.00
	Federal Funds	17.98	14.61	15.41
	Other Funds	5,794.70	5,638.88	5,638.46
	Total	5,812.68	5,653.49	5,653.87
5	**Office of Administration**			
	General Revenue	653.54	657.33	659.35
	Federal Funds	341.47	334.88	335.86
	Other Funds	1,181.06	1,186.36	947.36
	Total	2,176.07	2,178.57	1,942.57
6	**Agriculture**			
	General Revenue	87.14	89.14	89.14
	Federal Funds	37.36	38.36	34.61
	Other Funds	288.51	286.08	301.76
	Total	413.01	413.58	425.51
6	**Natural Resources**			
	General Revenue	132.20	132.20	136.20
	Federal Funds	386.72	386.88	392.27
	Other Funds	1,236.38	1,237.72	1,176.65
	Total	1,755.30	1,756.80	1,705.12

FY 2015 FTE SUMMARY

House Bill		FY 2013 Budget	FY 2014 Budget	Governor's Recommendation FY 2015
6	**Conservation**			
	General Revenue	0.00	0.00	0.00
	Federal Funds	0.00	0.00	0.00
	Other Funds	1,812.81	1,812.81	1,812.81
	Total	1,812.81	1,812.81	1,812.81
7	**Economic Development**			
	General Revenue	17.71	42.65	70.39
	Federal Funds	589.91	558.40	576.81
	Other Funds	326.63	307.70	299.55
	Total	934.25	908.75	946.75
7	**Insurance, Financial Institutions and Professional Registration**			
	General Revenue	0.00	0.00	0.00
	Federal Funds	21.00	21.00	21.00
	Other Funds	557.33	559.33	565.33
	Total	578.33	580.33	586.33
7	**Labor and Industrial Relations**			
	General Revenue	28.91	28.91	28.91
	Federal Funds	616.61	615.61	602.88
	Other Funds	178.54	178.54	194.27
	Total	824.06	823.06	826.06
8	**Public Safety**			
	General Revenue	466.82	477.82	479.82
	Federal Funds	393.54	417.34	438.83
	Other Funds	4,111.05	4,112.05	4,113.05
	Total	4,971.41	5,007.21	5,031.70
9	**Corrections**			
	General Revenue	10,733.45	10,719.45	10,962.45
	Federal Funds	52.00	50.00	44.50
	Other Funds	253.40	253.40	253.40
	Total	11,038.85	11,022.85	11,260.35
10	**Mental Health**			
	General Revenue	4,944.16	4,972.75	4,929.30
	Federal Funds	2,448.41	2,449.41	2,438.41
	Other Funds	21.50	23.00	84.07
	Total	7,414.07	7,445.16	7,451.78
10	**Health and Senior Services**			
	General Revenue	658.09	657.70	660.70
	Federal Funds	999.55	997.94	981.95
	Other Funds	130.02	130.02	126.52
	Total	1,787.66	1,785.66	1,769.17

FY 2015 FTE SUMMARY

House Bill		FY 2013 Budget	FY 2014 Budget	Governor's Recommendation FY 2015
11	**Social Services**			
	General Revenue	1,781.41	1,788.39	1,784.59
	Federal Funds	4,873.58	4,835.55	4,718.35
	Other Funds	564.72	534.39	534.39
	Total	7,219.71	7,158.33	7,037.33
12	**Elected Officials**			
	General Revenue	660.83	628.33	627.33
	Federal Funds	105.51	95.51	95.51
	Other Funds	219.68	239.68	239.68
	Total	986.02	963.52	962.52
12	**Judiciary**			
	General Revenue	3,244.30	3,245.30	3,263.30
	Federal Funds	103.25	103.25	103.25
	Other Funds	58.50	58.50	58.50
	Total	3,406.05	3,407.05	3,425.05
12	**Public Defender**			
	General Revenue	585.13	585.13	585.13
	Federal Funds	0.00	0.00	0.00
	Other Funds	2.00	2.00	2.00
	Total	587.13	587.13	587.13
12	**General Assembly**			
	General Revenue	684.92	685.92	685.92
	Federal Funds	0.00	0.00	0.00
	Other Funds	1.25	1.25	1.25
	Total	686.17	687.17	687.17
14	**Supplemental**			
	General Revenue	0.00	1.92	0.00
	Federal Funds	0.00	1.75	0.00
	Other Funds	0.00	0.33	0.00
	Total	0.00	4.00	0.00
	Total Budget			
	General Revenue	26,478.37	26,490.99	26,743.58
	Federal Funds	11,869.47	11,793.57	11,672.72
	Other Funds	17,223.72	17,058.42	16,845.93
	Total	55,571.56	55,342.98	55,262.23

SUPPLEMENTAL RECOMMENDATIONS FISCAL YEAR 2014

	GENERAL REVENUE	FEDERAL FUNDS	OTHER FUNDS	TOTAL
Department of Elementary and Secondary Education	$ 62,563,793	$ 3,000,000	$ 0	$ 65,563,793
Department of Revenue	5,270,935	133,007	59,472	5,463,414
Department of Transportation	0	4,049,625	12,406	4,062,031
Office of Administration	14,101,465	1,078,234	486,600	15,666,299
Employee Benefits	5,700,000	4,800,000	400,000	10,900,000
Department of Natural Resources	0	0	60,126,024	60,126,024
Department of Economic Development	134,920	0	0	134,920
Department of Insurance, Financial Institutions and Professional Registration	0	0	20,919	20,919
Department of Labor and Industrial Relations	0	2,023,500	8,339,746	10,363,246
Department of Public Safety	20,029,674	1	229,500	20,259,175
Department of Corrections	527,172	0	20,000	547,172
Department of Mental Health	15,344,002	25,112,281	600,000	41,056,283
Department of Health and Senior Services	10,383,172	37,705,887	0	48,089,059
Department of Social Services	80,473,077	499,705	3,800,000	84,772,782
Secretary of State	100,000	0	0	100,000
Judiciary	51,957	0	0	51,957
State Public Defender	33,435	0	0	33,435
TOTAL	$ 214,713,602	$ 78,402,240	$ 74,094,667	$ 367,210,509

Note: Amounts exclude double-counts – Sections 14.005, 14.010, 14.040, 14.045, 14.095 ($127,000), 14.105, 14.140, 14.155, 14.230, 14.250, 14.300, 14.305, 14.335, 14.340, 14.345, 14.360, and 14.365