

PROGRAM DESCRIPTION

Department: Office of Administration

HB Section(s): 05.020

Program Name: Budget and Planning

Program is found in the following core budget(s): Budget and Planning

1a. What strategic priority does this program address?

Using data and analytics to improve decision-making and transparency.

1b. What does this program do?

Budget and Planning manages the state's budget processes to achieve a balanced budget, promote financial stability and health, and to ensure the efficient and effective use of taxpayer dollars by:

- developing an annual Executive Budget in conjunction with the state agencies,
- forecasting state revenue collections and preparing economic forecasts,
- continuously monitoring revenues and spending to ensure a constitutionally balanced budget, and
- promoting fiscal transparency.

Budget and Planning also:

- analyzes budget, tax, fiscal policy, and legislative issues for the Executive Branch,
- coordinates with agencies to implement fiscal policies and priorities,
- monitors and reviews legislation with budget implications,
- monitors, tracks, and reviews legislation before the General Assembly,
- reviews and/or coordinates state-wide fiscal note responses,
- is the designated state demographic agency with demographic and reapportionment duties, and
- provides additional oversight and counsel for the statewide financial system upgrade.

2a. Provide an activity measure(s) for the program.

	2016	2017	2018	2019	2020
Fiscal Notes Reviewed	771	914	1078	861	994
Finally Passed Legislative Bills Reviewed	124	59	128	77	29
Legislative Bill Tracked	2,143	1,904	2,162	1,871	2,228

* 2020 bill reviews declined due to smaller number of TAFP bills; however, a greater proportion were omnibus than in prior years.

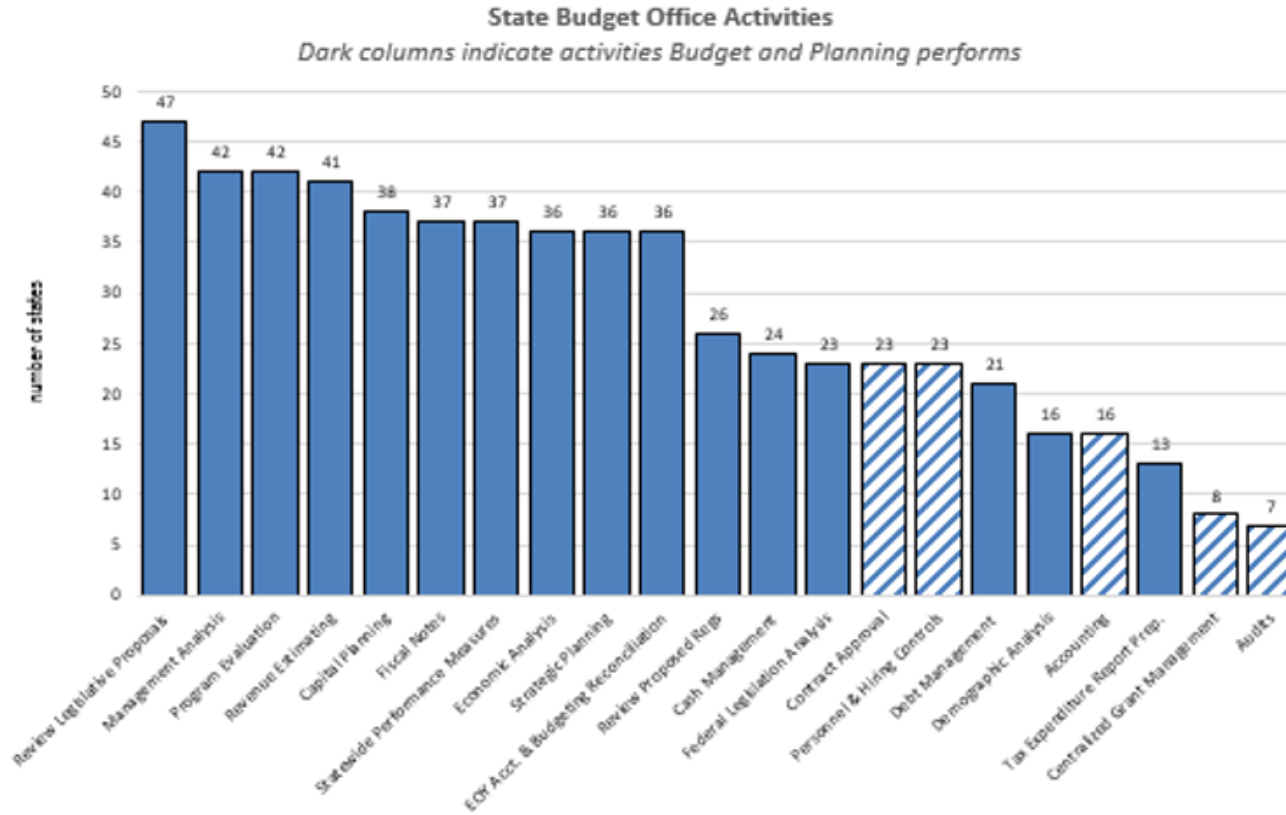
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Missouri ranks 3rd among the 50 state budget offices for most analysis and management activities.

Source: National Association of State Budget Officers (NASBO), Budget Processes in the States, Spring 2015.

NASBO is currently updating this data.

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2b. Provide a measure(s) of the program's quality.

Missouri Credit Ratings							
	2015	2016	2017	2018	2019	2020	2021 target
Moody's	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Fitch	AAA	AAA	AAA	AAA	AAA	AAA	AAA
S&P Global	AAA	AAA	AAA	AAA	AAA	AAA	AAA
% States with S&P Global AAA rating***	30.0%	28.0%	28.0%	N/A	N/A	30.0%	N/A

Triple "A" is the highest rating available from all three credit rating agencies. The higher a state's credit rating, the lower the cost to repay its bonds. High ratings signal that the state can and will meet its financial obligations to pay both interest and principal.

***Sources:

Corson, Sussan. 2020. "U.S. State Ratings And Outlooks: Current List." *Spglobal.com*. <https://www.spglobal.com/ratings/en/research/articles/190319-u-s-state-ratings-and-outlooks-current-list-1738758> (28 August 2020).

"Credit Summary: Missouri, State Of (MO) [General Government]." 2020. *Fitchratings.com*. <https://www.fitchratings.com/entity/missouri-state-of-mo-general-government-credit-summary-96250226#ratings> (28 August 2020).

"Missouri (State Of)." 2020. *Moodys.com*. <https://www.moodys.com/credit-ratings/Missouri-State-of-credit-rating-600025104> (28 August 2020).

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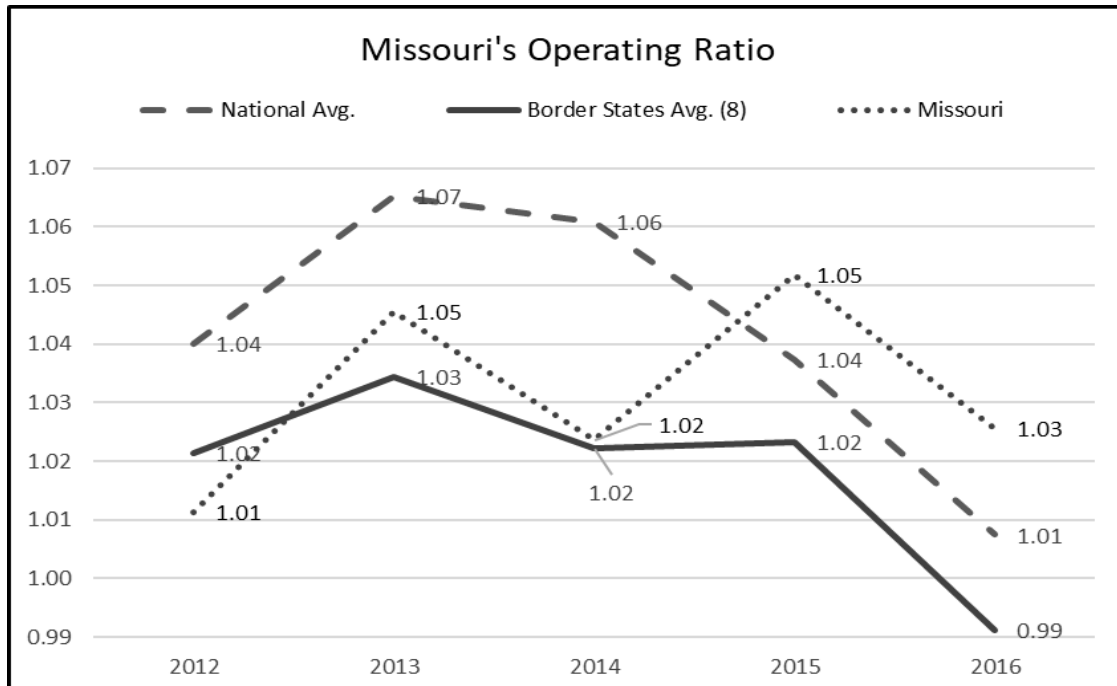
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2c. Provide a measure(s) of the program's impact.



Operating ratio is the proportion of total revenues available to cover total expenses. A ratio greater than one indicates that revenues exceed expenses and thus the state can pay for budgeted spending in the fiscal year. An operating ratio of less than one is a red flag indicating that the state is vulnerable to cash flow problems in the event of a fiscal setback.

While the national average of state operating ratios declined between 2012 and 2016, Missouri's ratio continues to improve and out-performed the national average for 2015 and 2016. Additionally, Missouri has consistently outperformed border states on this measure.

Source: Mercatus Center, George Mason University, Ranking the States by Fiscal Condition 2015-2018 Editions

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2d. Provide a measure(s) of the program's efficiency.

STATE	# Of Budget Analysts	# of State Budget Office Activities*	FY21 Operating Budget (Billions)	Billions per Analyst
OKLAHOMA	8	12	7.80	0.98
IOWA	8	13	8.80	1.10
NEBRASKA	8	8	12.05	1.51
KANSAS	9	9	19.90	2.21
MISSOURI	11	16	30.60	2.78
ARKANSAS**	13	4	38.90	2.99
TENNESSEE	13	6	40.00	3.08
KENTUCKY	10	13	37.15	3.72
ILLINOIS	17	14	93.40	5.49
Average	10.78	10.56	32.07	2.65

* National Association of State Budget Officers (NASBO), Budget Processes in the States, Spring 2015. See State Budget Office Activities in 1b above.

** Arkansas data is FY20. Updates will be added when available.

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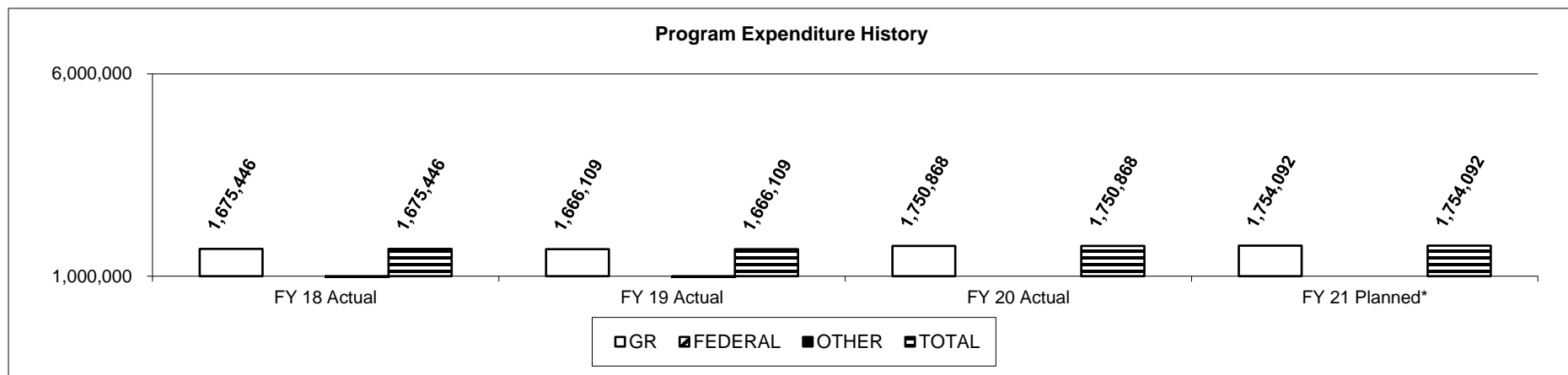
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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)



* Note- FY21 planned amount reflects expenditure restrictions in place as of August 2020

4. What are the sources of the "Other " funds? N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Chapter 33, RSMo charges the Division of Budget and Planning to assist in executive branch management.

6. Are there federal matching requirements? If yes, please explain. N/A

7. Is this a federally mandated program? If yes, please explain. No.