

Florida: Long-Range Financial Outlook

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Presented by:



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Current Year Deficits & Balance

Unallocated General Revenue (Current Outlook) **+\$667.1 million**

- *Medicaid*
 - *FY 2008-09 & 2009-10* *-\$224.8 million*
- *Principal State School Trust Fund*
 - *FY 2009-10* *-\$ 38.1 million*
- *Risk Management Trust Fund*
 - *FY 2009-10* *-\$ 5.3 million*
- *Voluntary Pre-Kindergarten*
 - *FY 2009-10* *-\$ 17.5 million*

+\$381.4 million



Presentation Framework

- The General Revenue Fund is solvent for Fiscal Year 2009-10, but has projected shortfalls in each of the three planning years despite the significant revenue growth projected for those years.
- The Long-Range Financial Outlook assumes that non-recurring solutions are used to address the budget gaps, meaning that each year stands alone, and:
 - *that the beginning balances for the subsequent years are zero;*
 - *there are no fiscal strategies deployed that cause permanent changes to revenues or expenditures; and,*
 - *there is no required repayment of funds in future years.*



Key Budget Drivers...

Critical Needs

	FY 2010-11		FY 2011-12		FY 2012-13	
	Total GR	Total Major TF	Total GR	Total Major TF	Total GR	Total Major TF
Critical Needs (Includes Annualizations, Mandatory Increases Based on Estimating Conferences, and Other Essential Needs)						
<i>Education - Stimulus Restoration</i>	0.0	0.0	1,216.9	0.0	0.0	0.0
<i>FEFP - Workload / Class Size Red</i>	515.8	(18.8)	(7.9)	7.2	23.3	7.8
<i>Education - Misc</i>	39.0	(2.6)	18.3	(1.6)	2.8	22.9
<i>State Government Operations</i>	317.7	81.6	132.6	63.4	151.8	72.5
<i>Medicaid</i>	1,608.7	191.5	1,130.7	(324.7)	285.6	285.3
<i>Health & Human Services</i>	80.0	32.5	31.2	50.8	28.8	46.6
<i>Judiciary</i>	62.0	(62.0)	27.0	(27.0)	9.7	(9.7)
<i>Criminal Justice & Corrections</i>	154.7	0.0	234.2	0.0	299.1	0.0
<i>State Disasters</i>	9.8	0.0	9.1	0.0	7.1	0.0
<i>Unemployment Compensation</i>	0.0	0.0	126.9	0.0	199.4	0.0
<i>General Government</i>	39.7	3.9	22.7	1.3	20.9	1.3
Subtotal Critical Needs	2,827.4	226.1	2,941.7	(230.6)	1,028.6	426.6



Outlook for Critical Needs

GENERAL REVENUE OUTLOOK - COMPARISON OF ESTIMATED REVENUES TO ESTIMATED EXPENDITURES

TIER 1 ISSUES - CRITICAL NEEDS

NO FISCAL STRATEGIES --- NO RESERVE
(\$ MILLIONS)

	FY 2009-10			FY 2010-11			FY 2011-12			FY 2012-13		
	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total
Funds Available:												
Balance Forward	0.0	300.7	300.7	0.0	381.4	381.4	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Estimate	20,883.9	-190.7	20,693.2	22,072.3	24.7	22,097.0	23,910.9	3.9	23,914.8	25,879.6	-0.2	25,879.4
Non-operating Funds	-4.3	272.8	268.5	-4.3	99.9	95.6	-4.3	99.9	95.6	-4.3	99.9	95.6
New Issues - Environmental Land Acquisition	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transfer From Trust Funds	0.0	600.0	600.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds Available	20,879.6	982.8	21,862.4	22,068.0	506.0	22,574.0	23,906.6	103.8	24,010.4	25,875.3	99.7	25,975.0
Estimated Expenditures:												
Base Budget				20,669.7	0.0	20,669.7	23,188.9	0.0	23,188.9	25,872.8	0.0	25,872.8
New Issues by GAA Section:												
Section 2 - Education	11,327.0	59.1	11,386.1	554.8	0.0	554.8	1,227.4	0.0	1,227.4	26.1	0.0	26.1
Section 3 - Human Services	4,910.1	291.5	5,201.6	1,438.5	250.2	1,688.7	1,161.8	0.0	1,161.8	314.4	0.0	314.4
Section 4 - Criminal Justice and Corrections	3,512.7	32.4	3,545.1	132.8	22.0	154.8	131.1	103.0	234.2	145.5	153.6	299.1
Section 5 - Natural Resources /Environment/Growth Management/Transportation	158.9	10.4	169.3	0.0	9.8	9.8	0.0	9.1	9.1	0.0	7.1	7.1
Section 6 - General Government	618.4	110.1	728.5	13.4	26.4	39.7	4.0	145.6	149.6	1.6	218.7	220.3
Section 7 - Judicial Branch	134.8	0.0	134.8	62.0	0.0	62.0	27.0	0.0	27.0	9.7	0.0	9.7
Administered Funds - Statewide Issues	7.8	22.1	30.0	317.7	0.0	317.7	132.6	0.0	132.6	151.8	0.0	151.8
Total New Issues				2,519.1	308.3	2,827.4	2,684.0	257.7	2,941.7	649.1	379.5	1,028.6
Medicaid Deficit (FY 2008-09 & FY 2009-10)		224.8	224.8									
Other Deficits (SSTF, RMTF and VPK)*		60.9	60.9									
Transfer to Budget Stabilization Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	214.5	214.5	0.0	214.5	214.5
Total Estimated Expenditures	20,669.7	811.3	21,481.0	23,188.9	308.3	23,497.2	25,872.8	472.2	26,345.1	26,522.0	594.0	27,115.9
Ending Balance	209.9	171.5	381.4	-1,120.9	197.7	-923.2	-1,966.2	-368.4	-2,334.7	-646.7	-494.3	-1,140.9

Note: Negative balances are not allowed to carry-forward to subsequent years; the assumption is that each year is addressed with a nonrecurring solution.

* State School Trust Fund (SSTF), Risk Management Trust Fund and Voluntary Pre-Kindergarten (VPK)

Key Budget Drivers...

Other High Priorities

	FY 2010-11		FY 2011-12		FY 2012-13	
	Total GR	Total Major TF	Total GR	Total Major TF	Total GR	Total Major TF
Other High Priority Needs (Includes Other Historically Funded Issues)						
<i>Statewide Buildings</i>	44.8	15.3	48.4	15.3	43.8	15.3
<i>Transportation & Environment</i>	201.2	5,831.3	236.5	5,827.1	212.4	5,952.4
<i>Environmental Land Acquisition</i>	0.0	300.0	0.0	300.0	0.0	300.0
<i>General Government</i>	120.8	42.9	110.8	38.9	100.3	22.7
<i>Education - Stimulus Restoration</i>	0.0	0.0	133.6	0.0	0.0	0.0
<i>FEFP - Enhancement</i>	498.5	0.0	516.6	0.0	551.0	0.0
<i>Education - Misc</i>	360.8	0.0	318.7	0.0	306.2	0.0
<i>State Government Operations</i>	133.7	63.5	137.0	65.0	140.3	66.6
<i>Medicaid -MEDS AD & Medically Needy</i>	250.2	424.0	582.8	784.2	582.8	784.2
<i>Health & Human Services</i>	72.7	84.7	12.0	19.5	22.2	24.1
<i>Criminal Justice & Corrections</i>	17.2	0.0	17.6	0.0	14.6	0.0
<i>Judiciary</i>	8.0	0.0	7.8	0.0	7.1	0.0
Subtotal Other High Priority Needs	1,707.9	6,761.8	2,121.6	7,050.0	1,980.8	7,165.3



Outlook for Critical & High Priority Needs

GENERAL REVENUE OUTLOOK - COMPARISON OF ESTIMATED REVENUES TO ESTIMATED EXPENDITURES

TIER 2 ISSUES - CRITICAL NEEDS AND OTHER HIGH PRIORITY NEEDS

NO FISCAL STRATEGIES --- NO RESERVE

(\$ MILLIONS)

	FY 2009-10			FY 2010-11			FY 2011-12			FY 2012-13		
	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total	Recurring	Non-recurring	Total
Funds Available:												
Balance Forward	0.0	300.7	300.7	0.0	381.4	381.4	0.0	0.0	0.0	0.0	0.0	0.0
Revenue Estimate	20,883.9	-190.7	20,693.2	22,072.3	24.7	22,097.0	23,910.9	3.9	23,914.8	25,879.6	-0.2	25,879.4
Non-operating Funds	-4.3	272.8	268.5	-4.3	99.9	95.6	-4.3	99.9	95.6	-4.3	99.9	95.6
New Issues - Environmental Land Acquisition	0.0	0.0	0.0	-30.5	7.2	-23.3	-61.0	7.2	-53.8	-91.5	7.2	-84.3
Transfer From Trust Funds	0.0	600.0	600.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Funds Available	20,879.6	982.8	21,862.4	22,037.5	513.2	22,550.7	23,845.6	111.0	23,956.6	25,783.8	106.9	25,890.7
Estimated Expenditures:												
Base Budget				20,669.7	0.0	20,669.7	24,152.0	0.0	24,152.0	27,895.4	0.0	27,895.4
New Issues by GAA Section:												
Section 2 - Education	11,327.0	59.1	11,386.1	1,303.5	110.5	1,414.0	2,085.7	110.5	2,196.2	772.9	110.5	883.3
Section 3 - Human Services	4,910.1	291.5	5,201.6	1,502.7	530.2	2,032.8	1,173.8	604.0	1,777.8	336.6	604.0	940.6
Section 4 - Criminal Justice and Corrections	3,512.7	32.4	3,545.1	144.2	39.4	183.6	142.9	121.0	263.9	154.1	169.1	323.2
Section 5 - Natural Resources /Environment/Growth Management/Transportation	158.9	10.4	169.3	1.1	217.5	218.6	35.4	219.9	255.3	0.0	229.7	229.7
Section 6 - General Government	618.4	110.1	728.5	13.4	147.1	160.5	4.0	256.3	260.4	1.6	319.0	320.6
Section 7 - Judicial Branch	134.8	0.0	134.8	66.0	8.5	74.4	32.0	8.2	40.2	13.7	6.1	19.7
Administered Funds - Statewide Issues	7.8	22.1	30.0	451.5	0.0	451.5	269.6	0.0	269.6	292.1	0.0	292.1
Total New Issues				3,482.3	1,053.1	4,535.4	3,743.4	1,319.9	5,063.3	1,571.1	1,438.3	3,009.4
Medicaid Deficit (FY 2008-09 & FY 2009-10)		224.8	224.8									
Other Deficits (SSTF, RMTF and VPK)*		60.9	60.9									
Transfer to Budget Stabilization Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	214.5	214.5	0.0	214.5	214.5
Total Estimated Expenditures	20,669.7	811.3	21,481.0	24,152.0	1,053.1	25,205.1	27,895.4	1,534.4	29,429.8	29,466.5	1,652.8	31,119.3
Ending Balance	209.9	171.5	381.4	-2,114.5	-539.9	-2,654.4	-4,049.8	-1,423.4	-5,473.2	-3,682.7	-1,545.9	-5,228.6

Note: Negative balances are not allowed to carry-forward to subsequent years; the assumption is that each year is addressed with a nonrecurring solution.

* State School Trust Fund (SSTF), Risk Management Trust Fund (RMTF) and Voluntary Pre-Kindergarten (VPK)