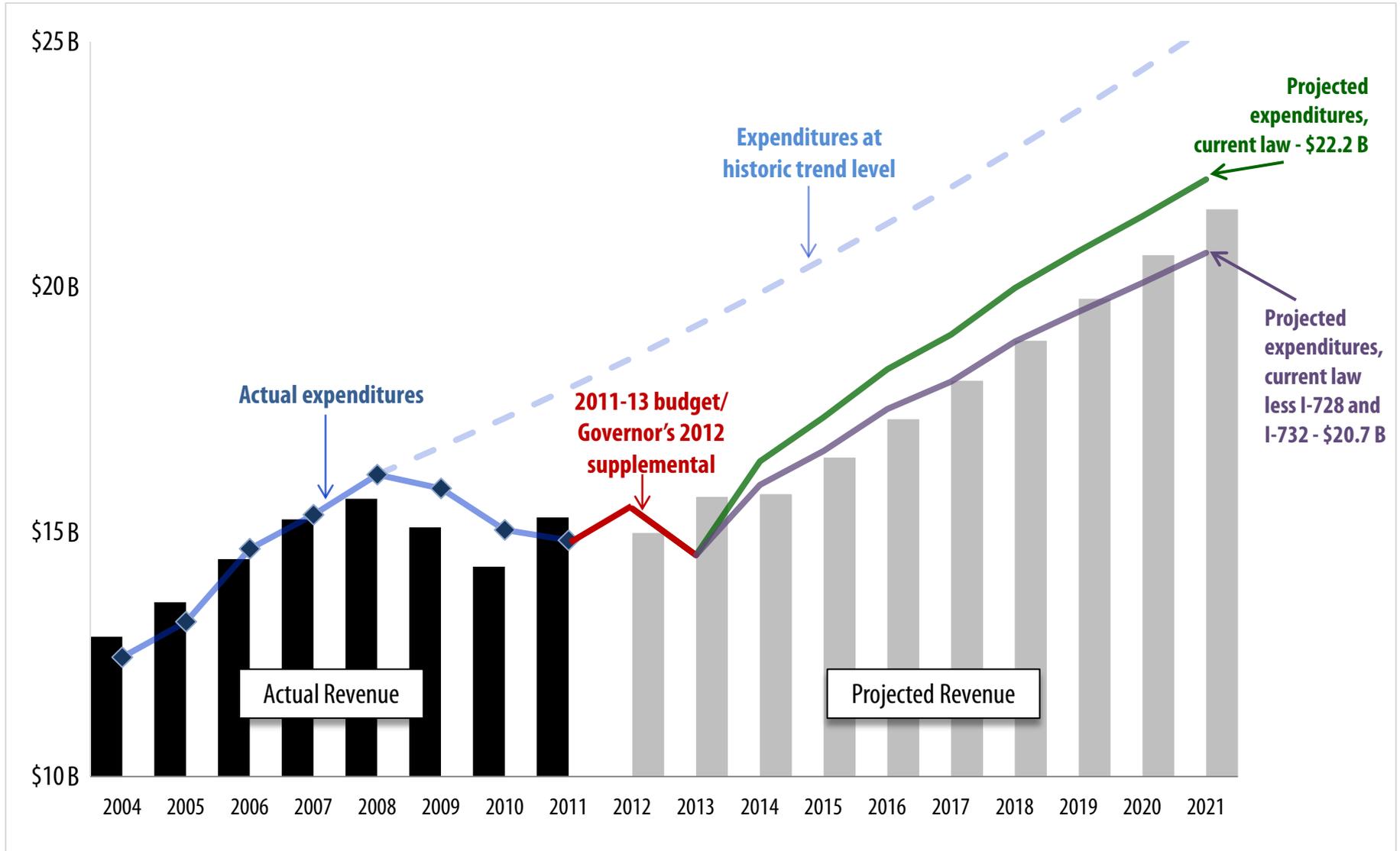


State Revenue and Expenditures Outlook

General Fund-State — Dollars in Billions



State Revenue and Expenditures Outlook

Actual revenue

General Fund-State revenues, FY 2004–11.

Projected revenue

The Economic and Revenue Forecast Council has not yet forecast GF-S revenue for 2013–15, so the chart reflects the November forecast for the current biennium. Future years are increased by 4.5 percent per year with adjustments for expiring B&O surcharges and B&O/sales tax credits.

Actual expenditures

Actual GF-S expenditures, FY 2004–11.

Expenditures at historic trend level

Actual expenditures between FY 2004 and FY 2009 represent an average 5 percent annual increase. This increase is applied to FY 2008 and beyond as an approximation of how expenditures might have increased without the past three years of budget cuts.

2011-13 budget/Governor's 2012 supplemental

Reflects current biennium expenditure levels and Governor's proposed 2012 supplemental.

Projected expenditures, current law

Projections through FY 2021 are derived from the OFM model that applies demographic/caseload changes and general/medical inflation (IPD) to the current budget (Governor's supplemental). This baseline is adjusted for extraordinary costs that affect future expenditures in ways the model cannot predict: primarily the restoration of I-728, I-732, state employee/K-12 salaries that were suspended in the current biennium, pension rate increases, continuation of increases related to the Basic Education Law (HB 2776) and restoration of K-12 apportionment payment delays.

Projected expenditures, current law less I-732 and I-728

Same current law assumptions as above, but omits adjustments for restoration of the two initiatives.