

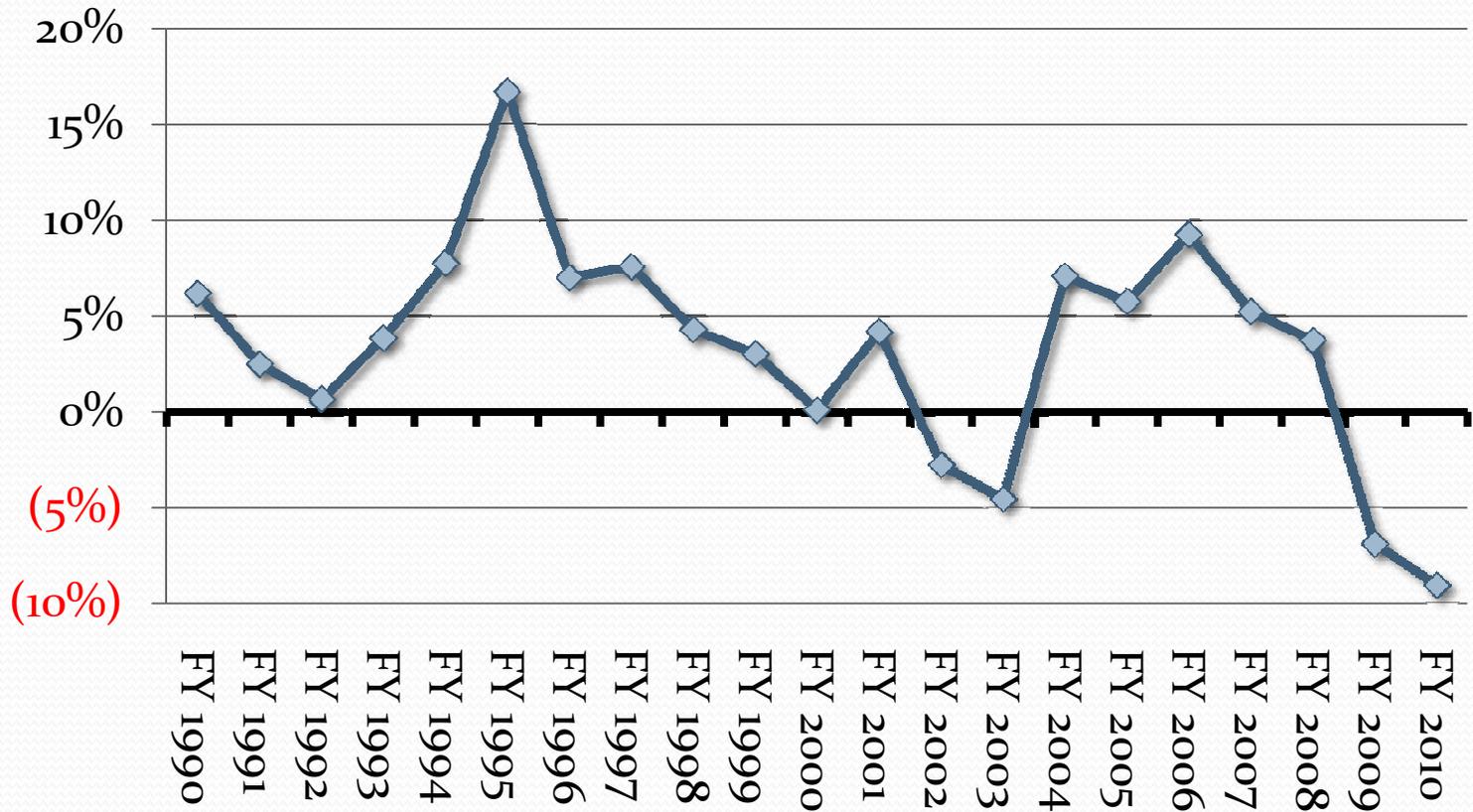


# **MISSOURI BUDGET UPDATE JULY 2010**

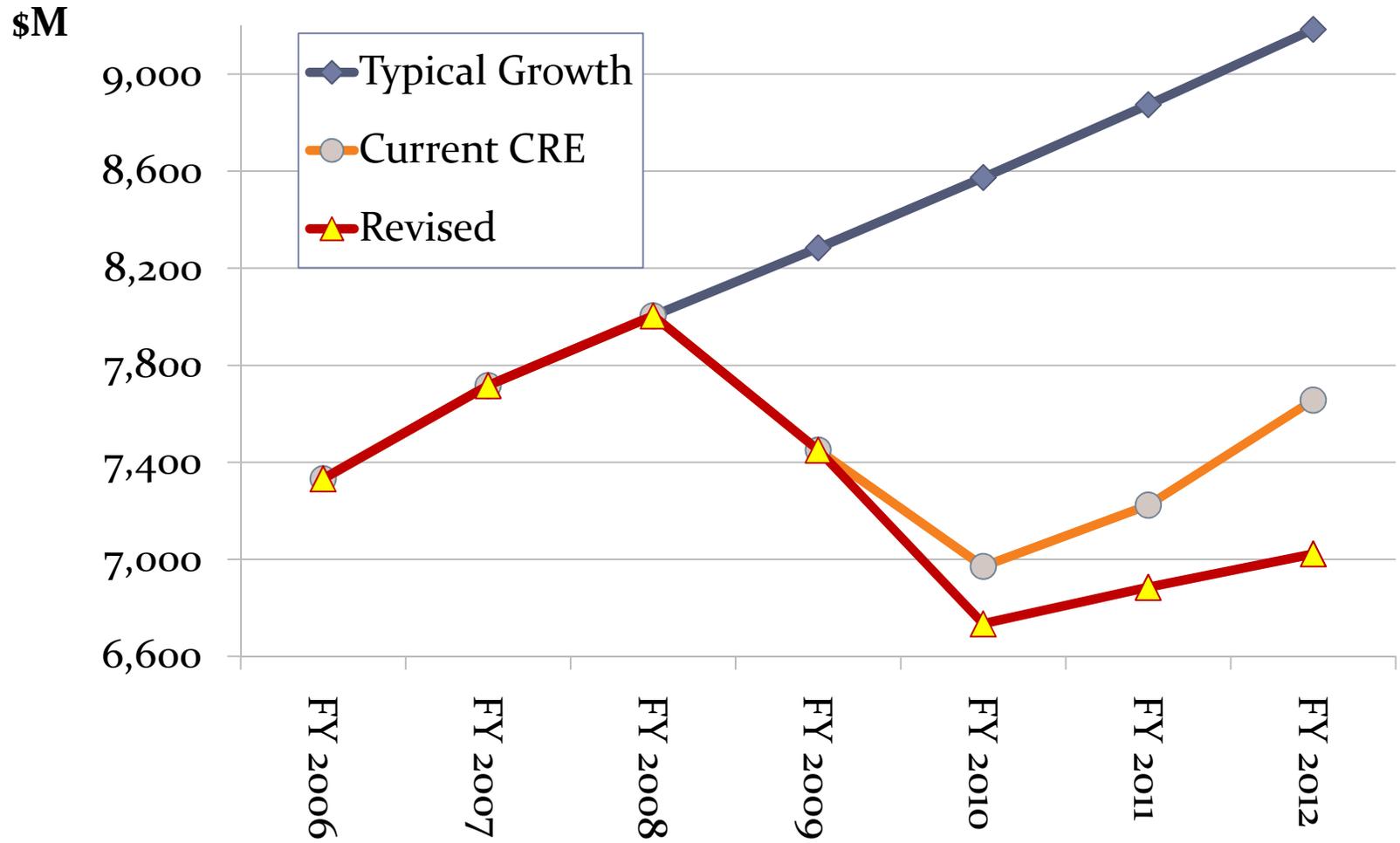
Missouri Division of Budget and Planning



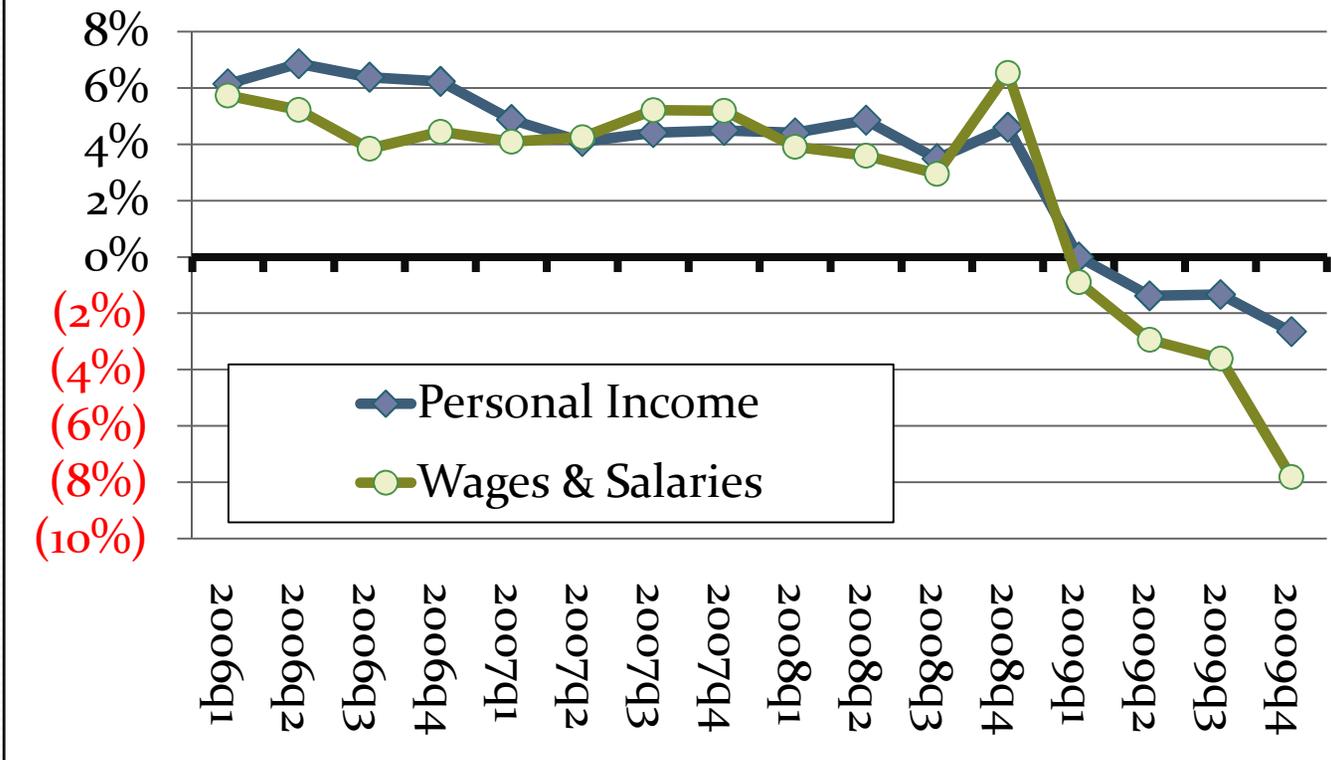
## Growth in Net General Revenues



# MO General Revenue Collections

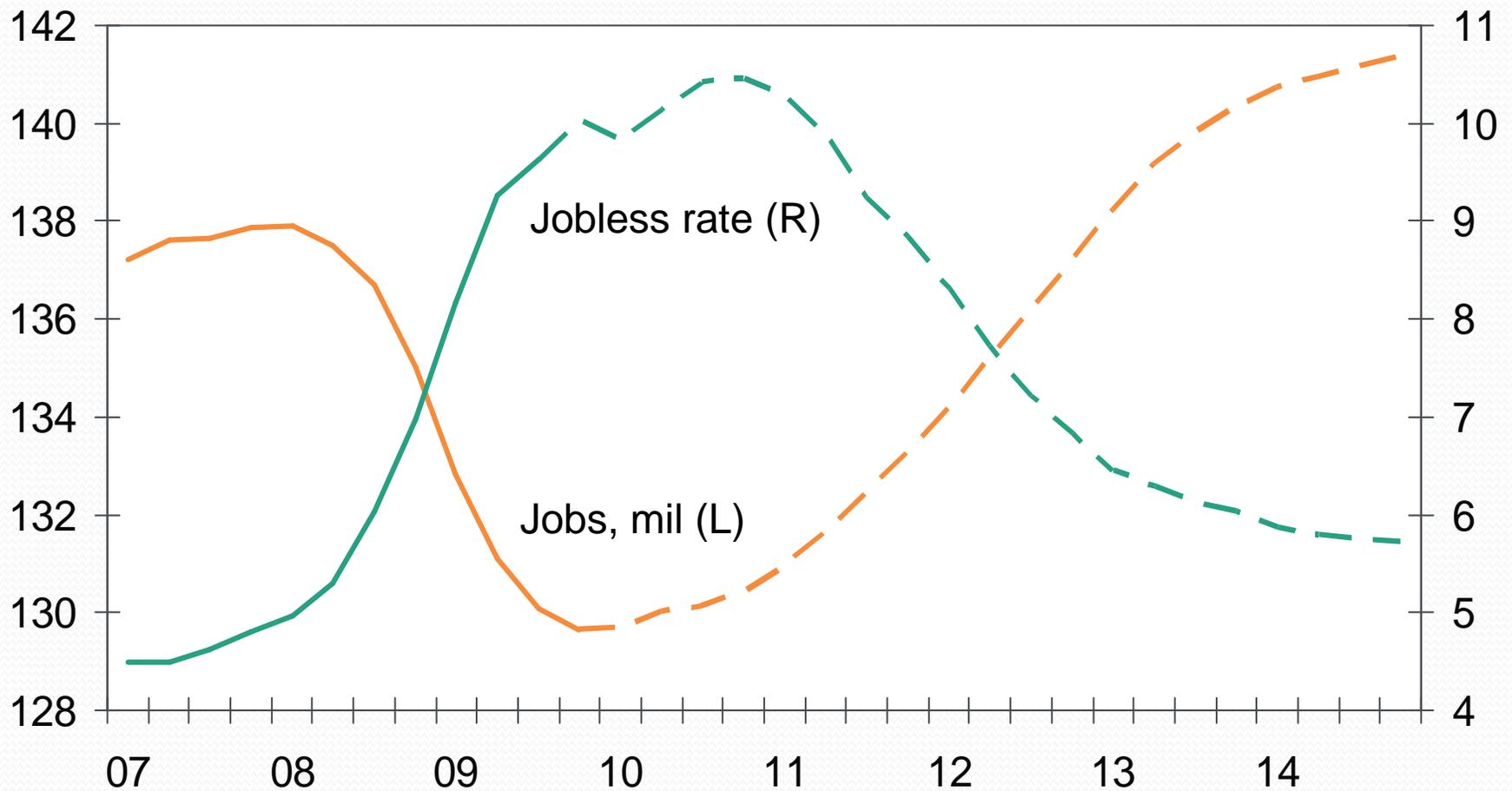


## Growth in MO Personal Income $Q/(Q-4)$



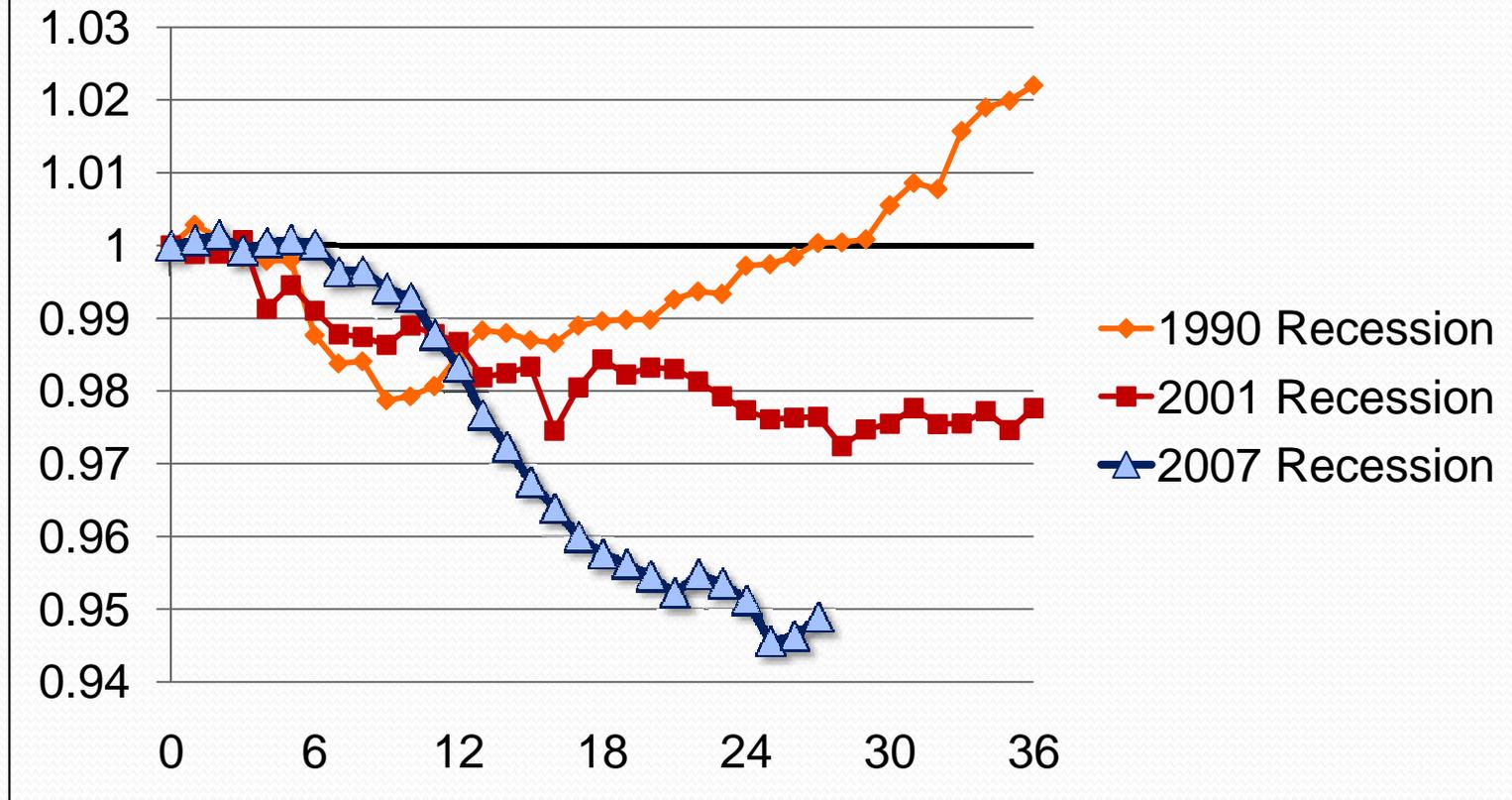
- Personal Income growth began slowing in 2008, then dropped off sharply through 2009.
- Salaries and wages declined every quarter of 2009.

# A Long Road Back in the Job Market...



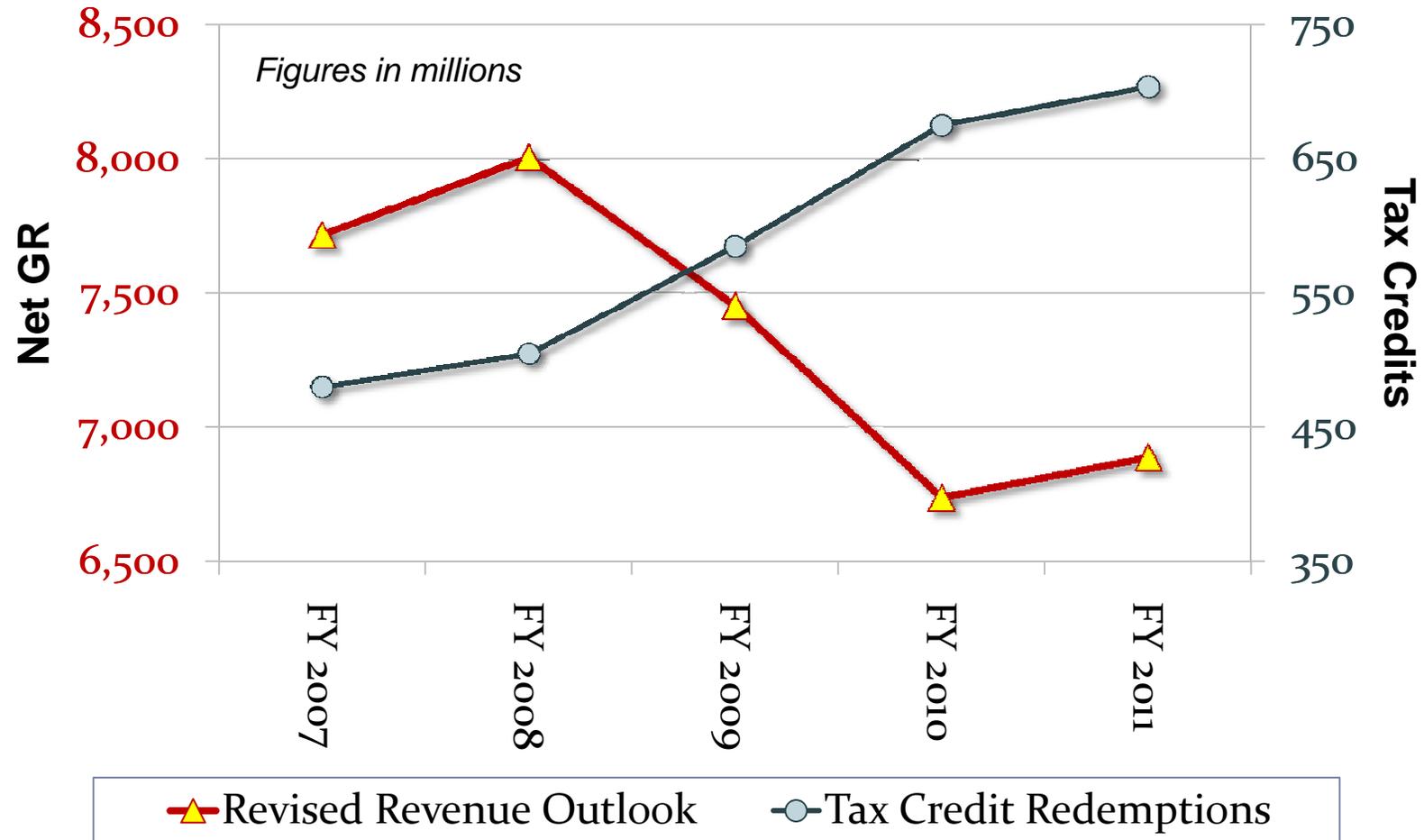
Sources: BLS, Moody's Economy.com

## Recession Employment Indices



- MO Employment has declined much more dramatically than during the previous two recessions.
- The decline in employment showed early signs of reversal in March 2010.

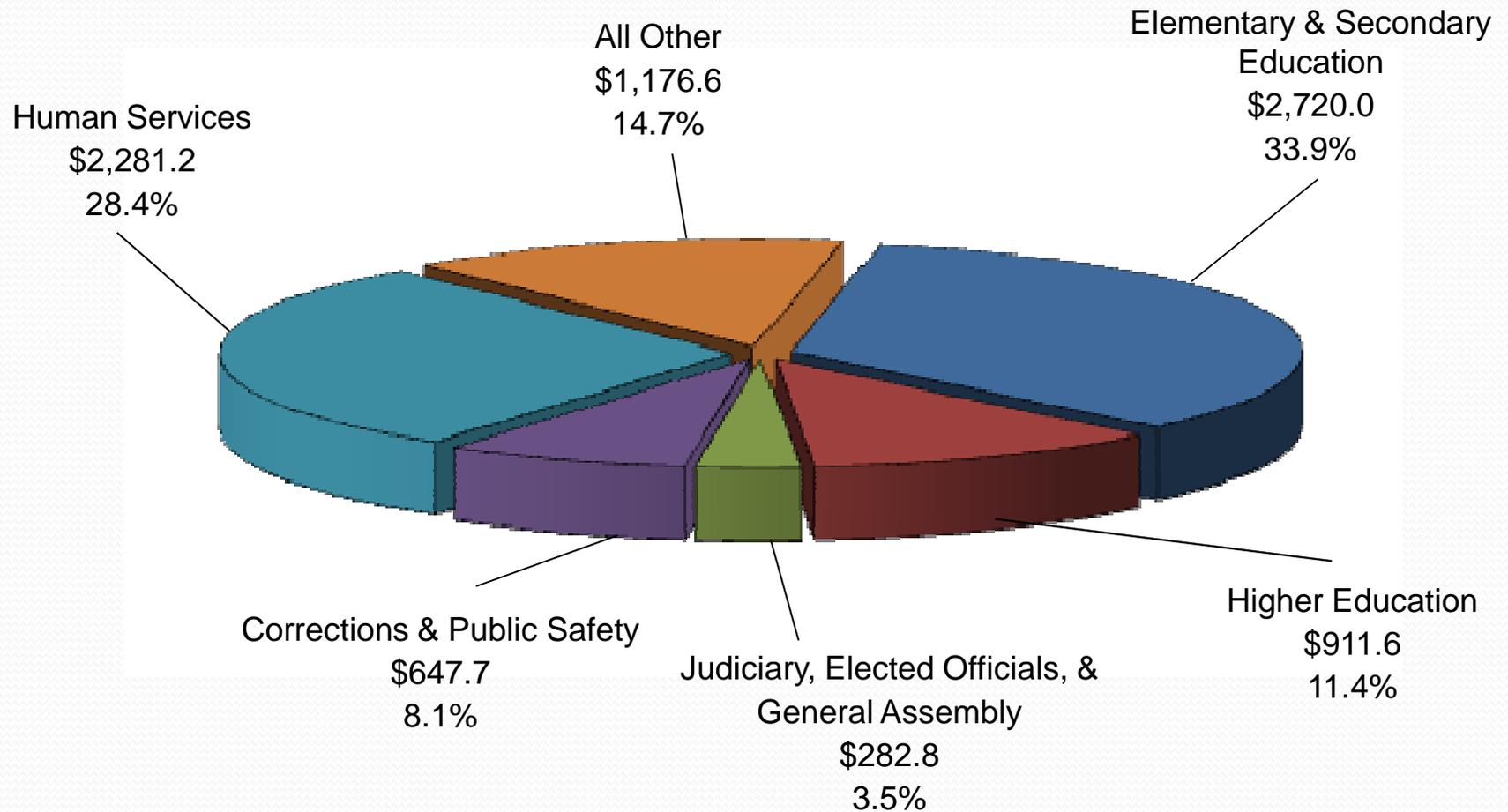
# MO General Revenue Collections & Tax Credit Redemptions



# FY 2011 General Revenue Appropriations

(\$ in millions)

**Total \$8,019.9**

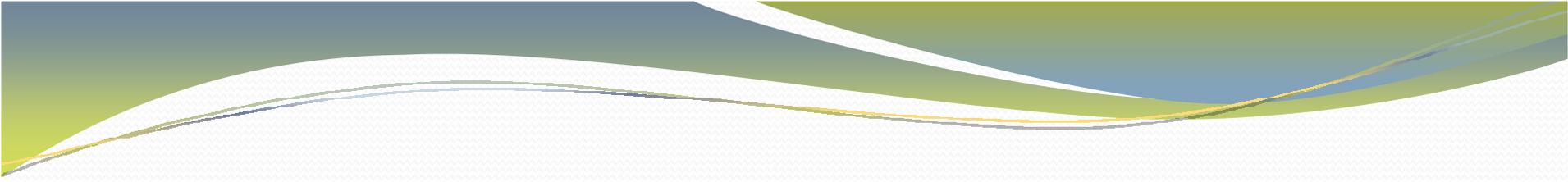


# FEDERAL STABILIZATION FUNDS

(\$s in millions)

	<b>FY 09</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>Total</b>
<b><u>Resources</u></b>					
Enhanced FMAP	\$432.1	\$718.5	\$637.2*	\$0.0	\$1,787.8
Education Stabilization	\$0.0	\$530.0	\$223.2	\$0.0	\$753.2
General Purpose Stabilization	\$0.0	\$88.5	\$79.1	\$0.0	\$167.6
Total	\$432.1	\$1,337.0	\$939.5	\$0.0	\$2,708.6
<b><u>Estimated Expenditures</u></b>					
Enhanced FMAP	\$255.8	\$611.3	\$620.7	\$300.0*	\$1,787.8
Education Stabilization	\$0.0	\$530.0	\$223.2	\$0.0	\$753.2
General Purpose Stabilization	\$0.0	\$88.5	\$79.1	\$0.0	\$167.6
Total	\$255.8	\$1,229.8	\$923.0	\$300.0	\$2,708.6

\* Includes \$300M from the extension of the enhanced FMAP that has not yet been approved by Congress.



# FY 2012 General Revenue Challenges

- Replace Federal Budget Stabilization Funds—\$860M
- Appropriation/Resource Gap—\$180M
- Revenue Collection Growth—\$420M
- Preliminary Outlook--\$620M shortfall