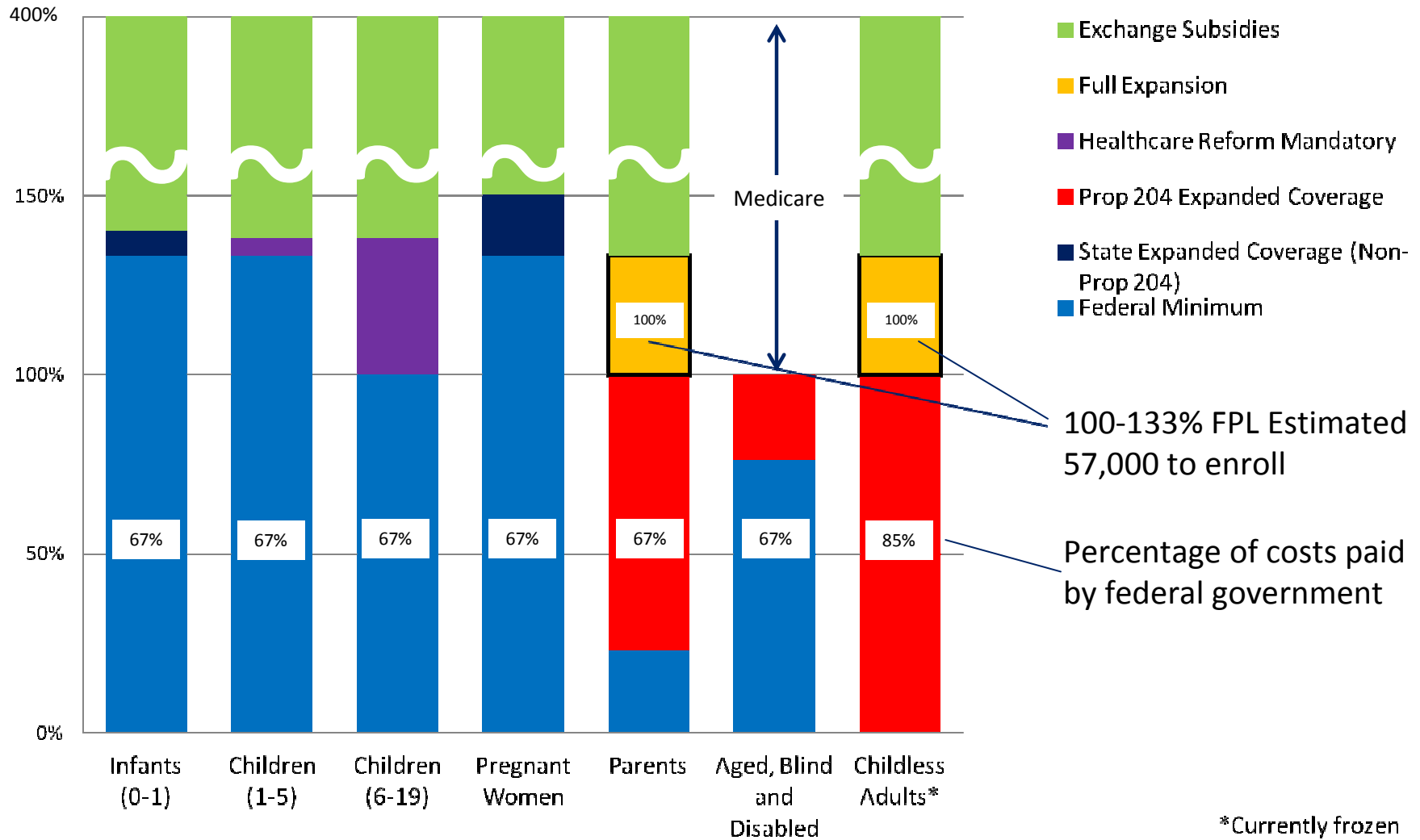


# FY 2014 – FY 2017 Budget Update

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ATRA Conference  
November 15, 2013

# Medicaid and ACA Populations



# Medicaid Policy Options

Options	Lives covered	GF Impact (FY 14-16)	Federal Responsibility
Terminate Coverage 1-1-14	0 (63,000 lose coverage)	\$0	\$0
Governor's Proposal	300,000	\$(100) m savings	\$4.1 billion
Restore Prop. 204	240,000	\$1.3 billion	\$2.7 billion
Continued Freeze	63,000 & shrinking	\$807 m cost	\$0

# Revenues

## FY 2013

	Projected	Actual
General Fund	2.3%	5.1%
Individual Income	5.8%	9.9%
Corporate	0.7%	2.2%
TPT	4.0%	5.1%

## FY 2014 Adopted Forecast

	Projected
General Fund	2.2%
Individual Income	1.5%
Corporate	3.2%
TPT	4.1%

# Individual Income

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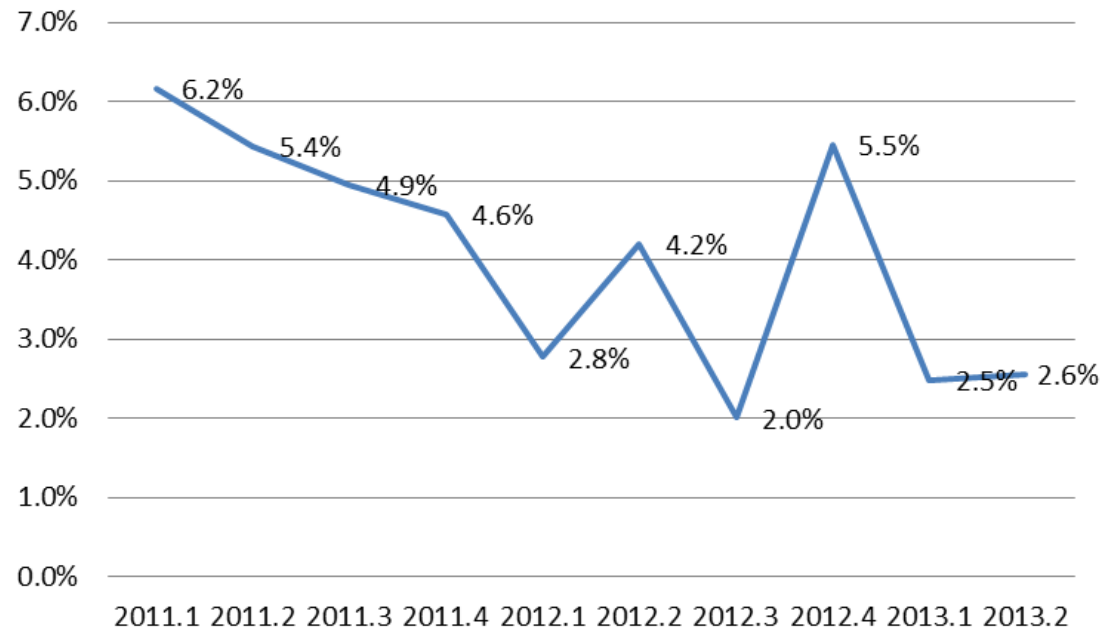
FY 2011:	18.5%
FY 2012:	8.0%
FY 2013:	9.9%

# Individual Income

Withholding is only up 3.5%

Final Payments up 15.6%

Arizona Individual Income Growth



**How much is one-time?**

# Jobs

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2012:	64,300
2013 through July:	40,700
2013 Forecast:	48,500

Office of Employment and Population Statistics

# FY 2013 Ending Balance

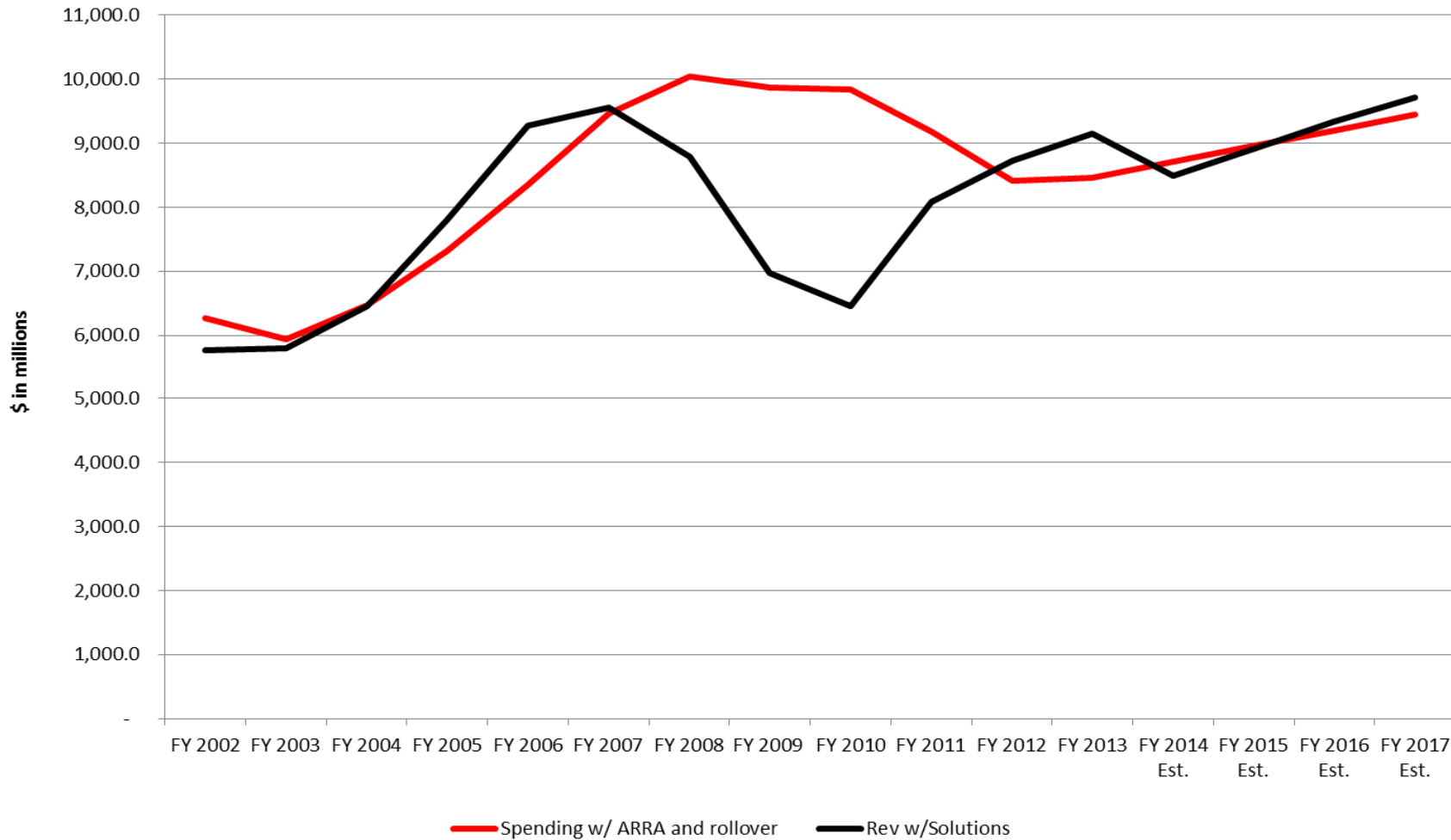
Fiscal Year	Ending Balance	Rainy Day Fund	Total
2009	(\$480.7)	\$2.7	(\$478.0)
2010	(\$5.7)	\$0.0	(\$5.7)
2011	\$3.2	\$0.0	\$3.2
2012	\$396.9	\$250.0	\$646.9
2013*	\$895.0	\$454.1	\$1,349.1

\*Estimated



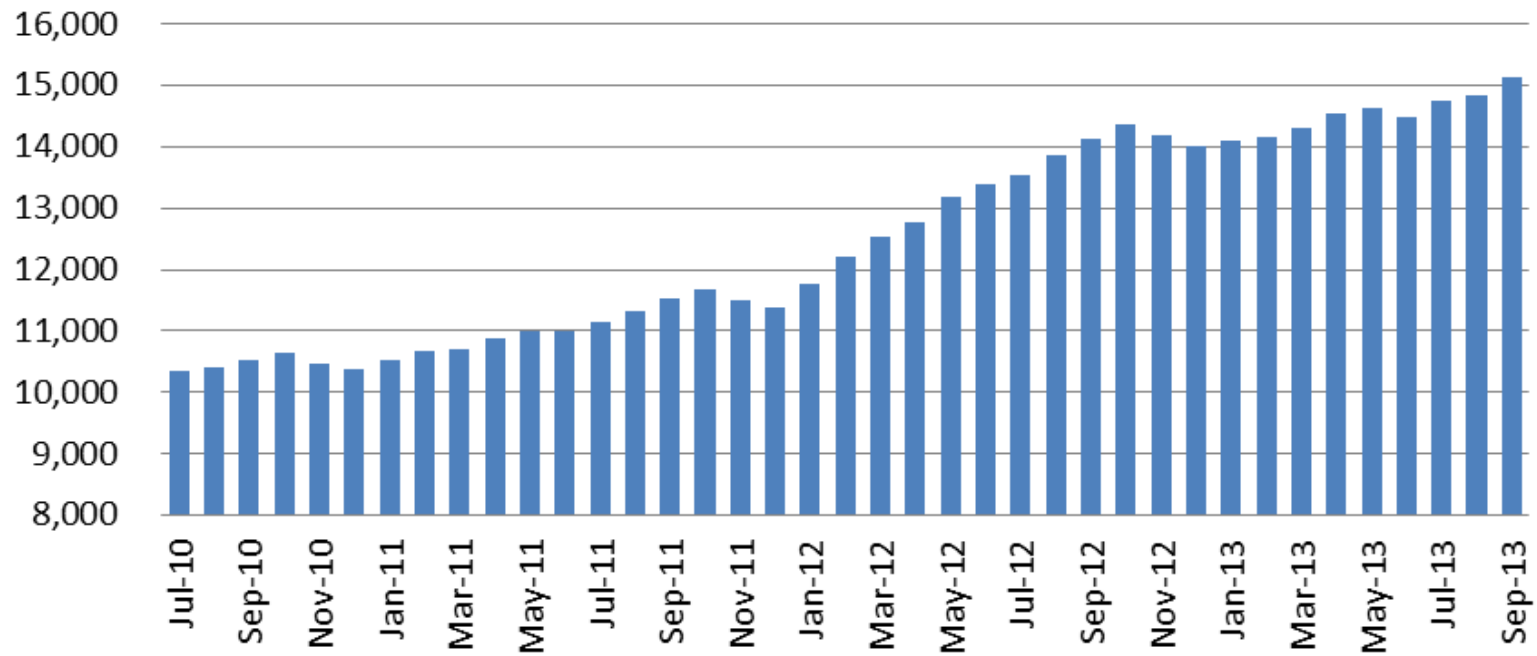
# Budget: FY 2014 – FY 2017

Arizona General Fund Ongoing Expenditures and Revenues FY 2002-FY 2017



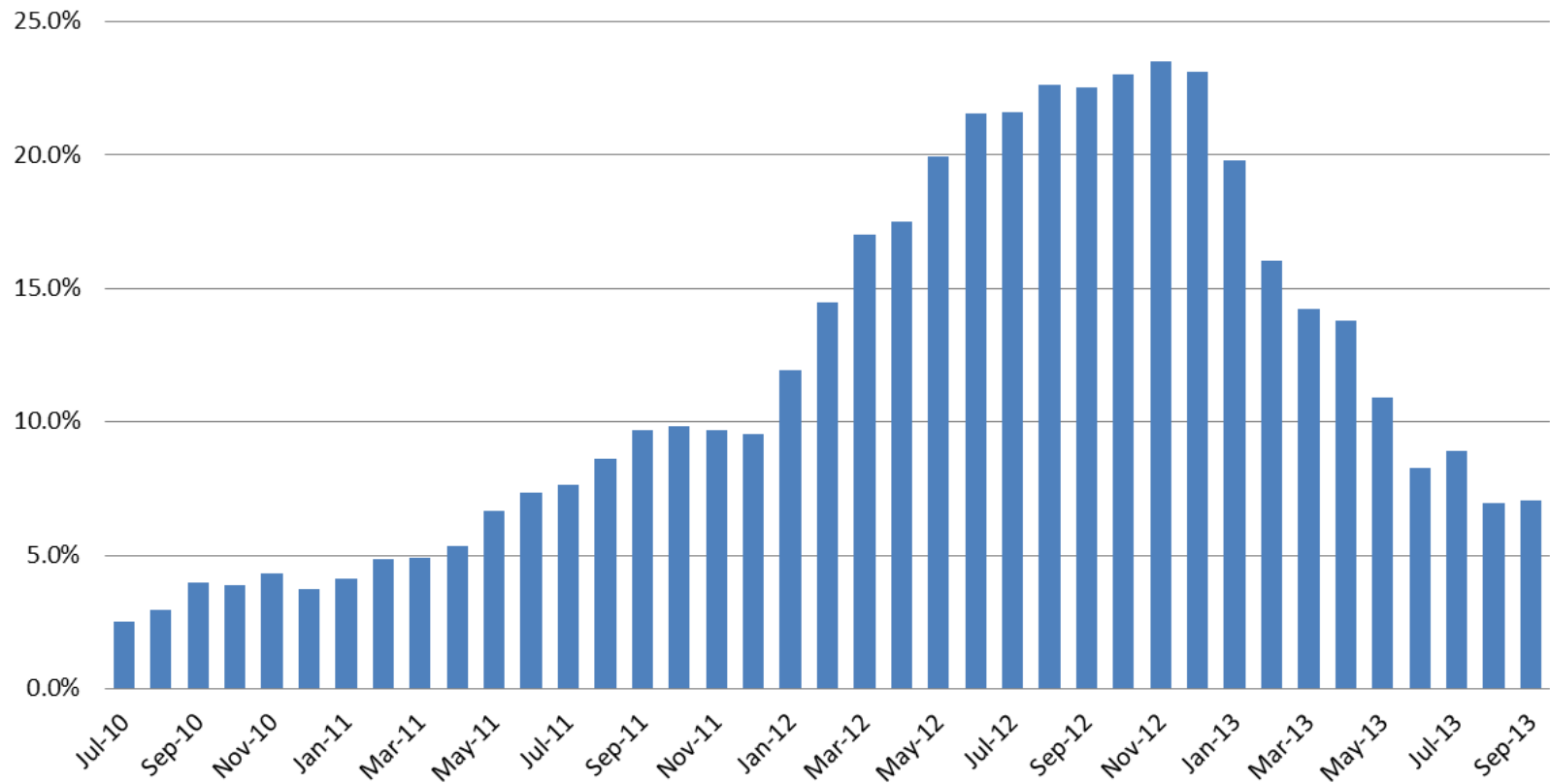
# DES

## Out of Home Care



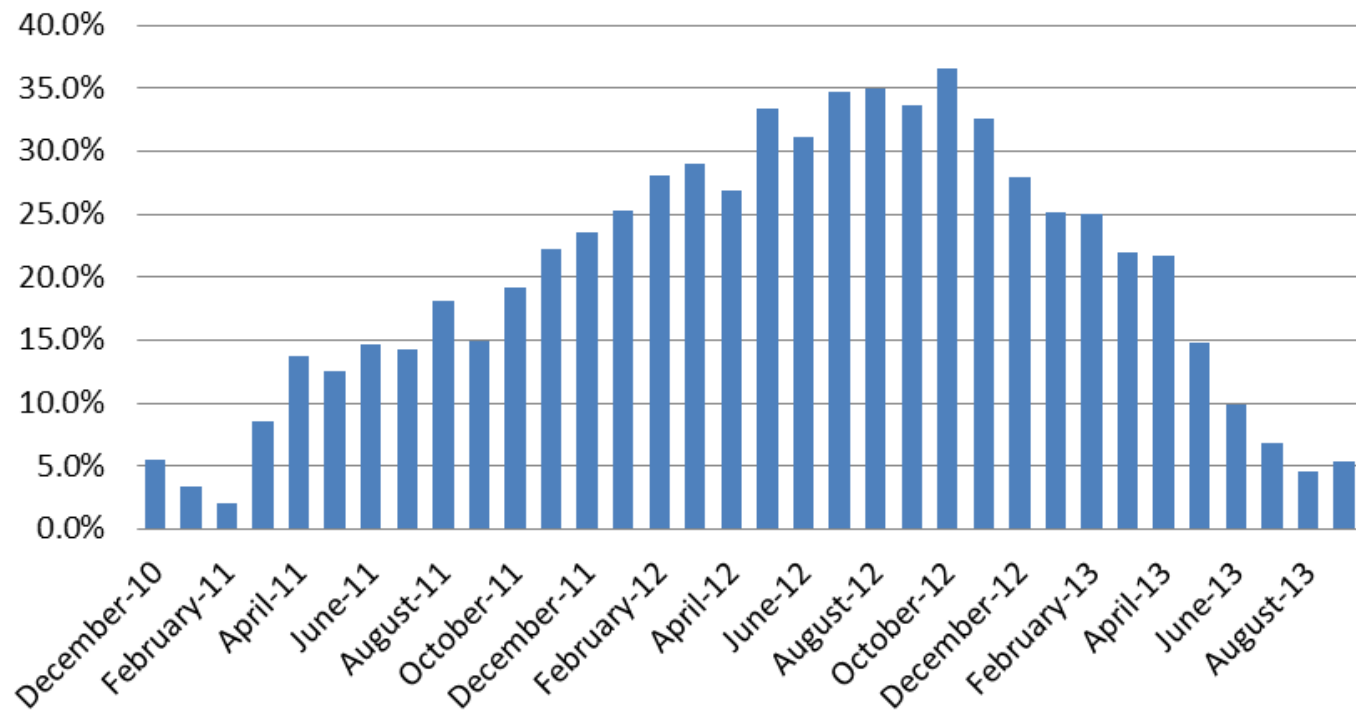
# DES

## Out of Home Care 24 Month Growth 32%

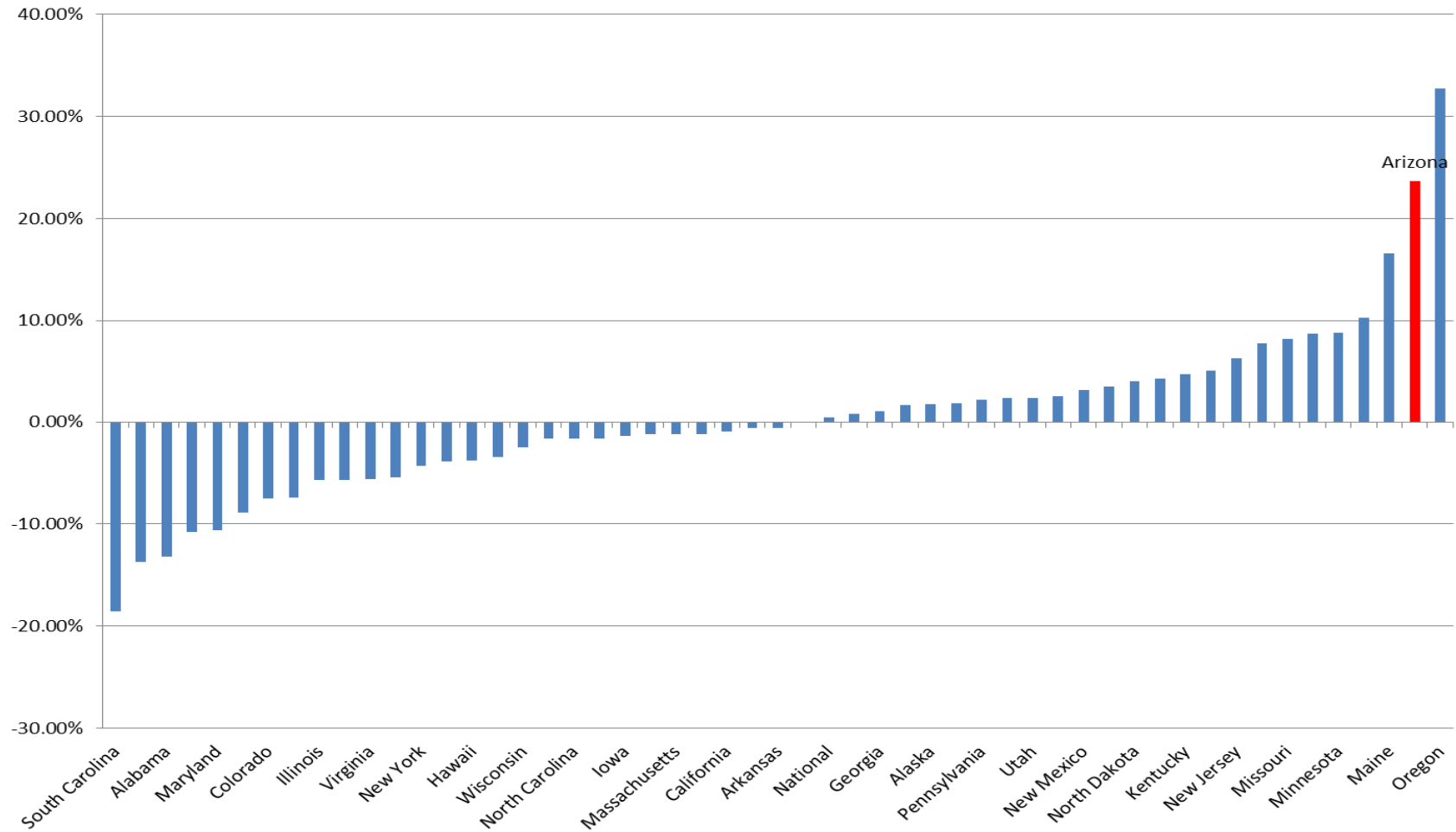


## Congregate Care Growth

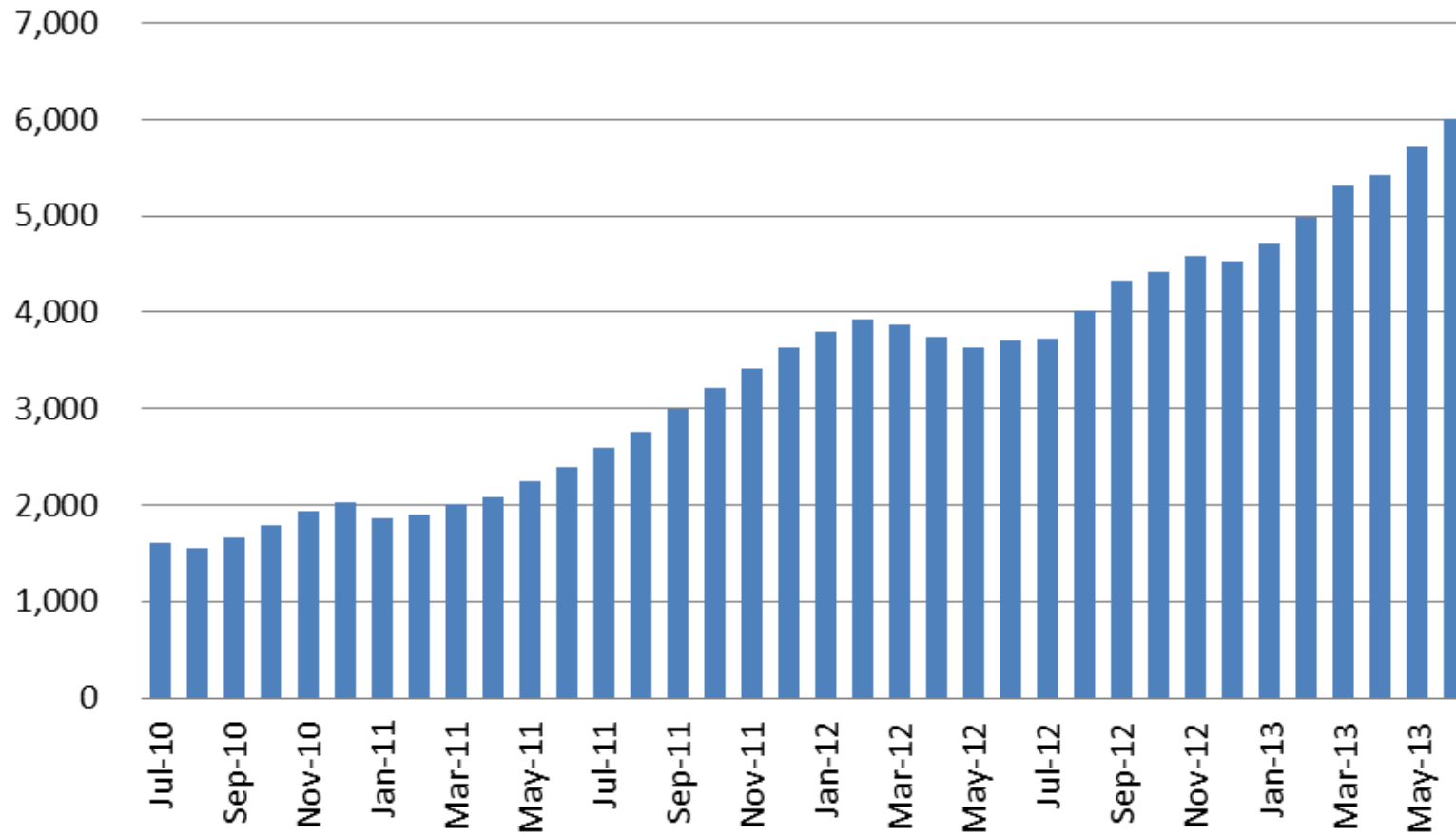
Two-Year Growth 44%



## Kids in Foster Care - 2011 to 2012 % Change



## Adult Protective Services



# DES – GF Budget Increases

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Out of Home Care growth: 32%

Adult Protective Services growth:  
151%

<u>Program</u>	<u>GF Budget Increase</u>
Children Support Services	6.2%
CPS Staff	11.3%
Residential Care	19.7%
Foster Care	10.4%
APS	0%

# One-time funds

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• Long-Term Care Fund:	\$56.4 M
• TANF:	<u>\$2.3 M</u>
Total	\$58.7M



# Other GF Programs

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- Cash Assistance: Reduced from 60 to 24 months
- DDD: Provider rates down 7%
- Childcare: Frozen
- Adoption: No major changes

# Budget Major Issues

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## K-12

- Lawsuit
- Performance
- Capital
- JTED
- Data
- District sponsored Charters

## Higher Education

- Performance
- Parity
- UofA Initiatives
- Student Funding
- Capital
- Community Colleges

## Transportation

## Capital