

FY 14-FY 16 Budget Development

January 8, 2013



Ending FY 2012

Ending Balance:	\$396 million
Rainy Day Fund Balance:	<u>\$250 million</u>
FY 2012 Total Balance:	\$646 million

About \$274 million above the projected balance:

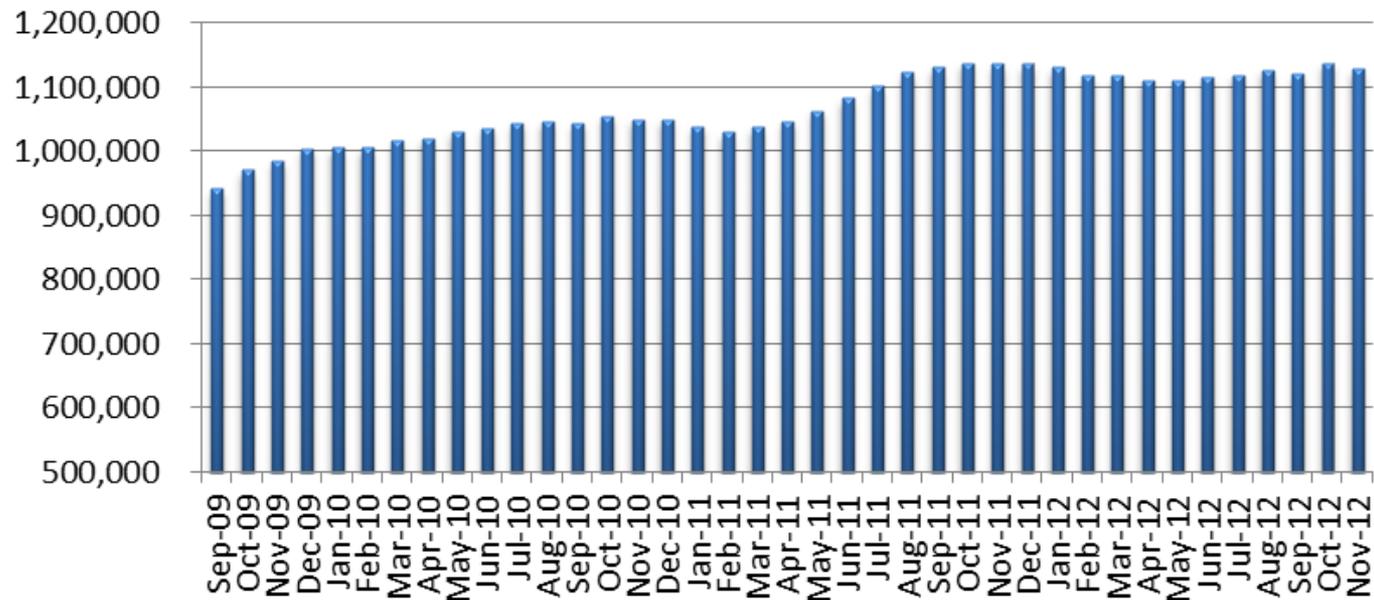
\$168 is more revenue

\$106 is less expenditures



Economy

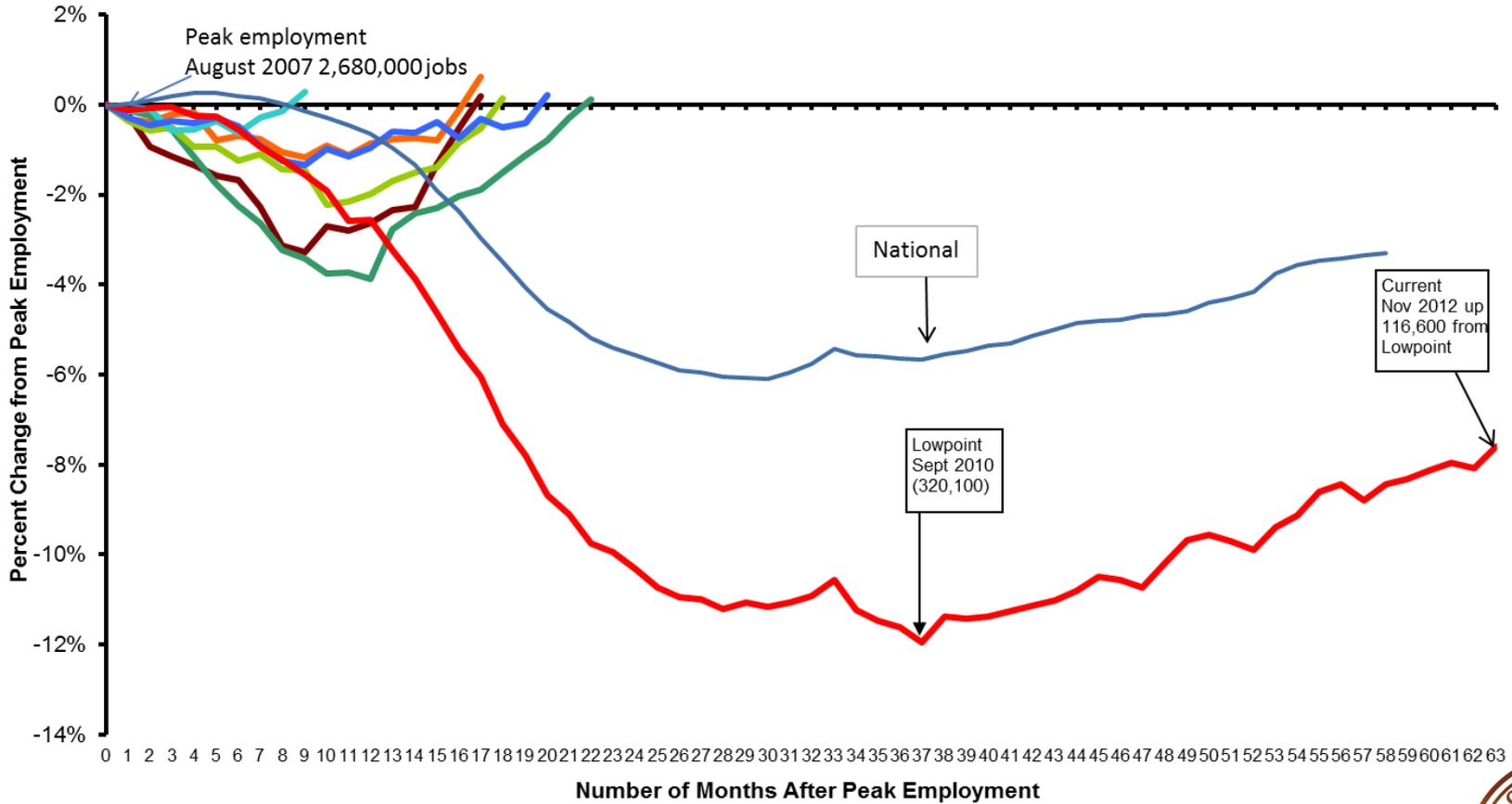
SNAP Enrollment



September 2007 enrollment: 575,269



Arizona Job Loss Non-Farm Seasonally Adjusted



Economy – The Good News

Arizona now ranks 5th in job growth
(Behind ND, Utah, Hawaii and TX)

Phoenix ranks 2nd among major metropolitan
areas (Behind Houston)

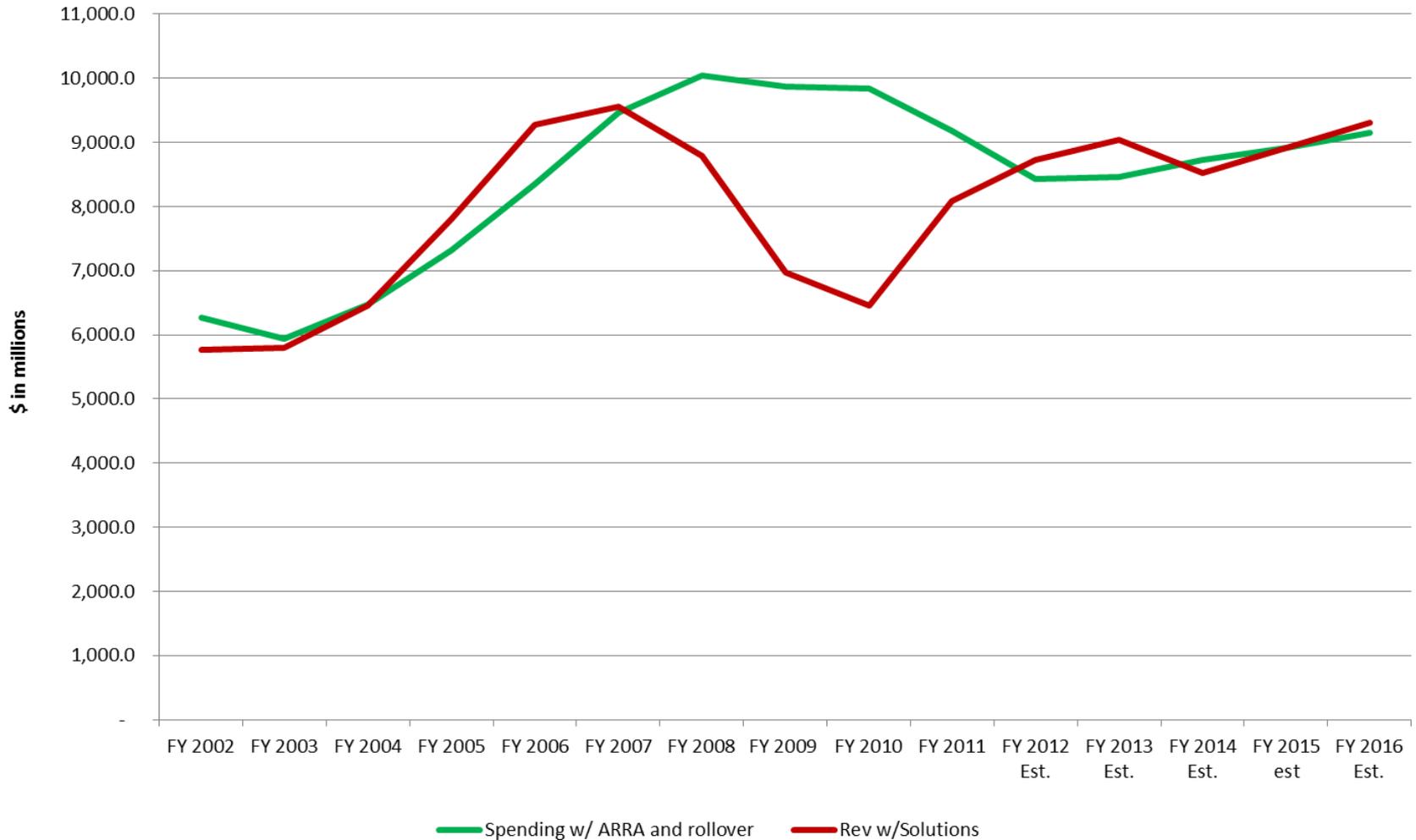


New Tax Changes

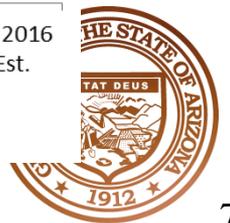
	FY 2013	FY 2014	FY 2015	FY 2016
2011 Competitiveness Package	\$16,700.0	\$52,100.0	\$182,800.0	\$257,500.0
Capital Gains Reductions	\$0.0	\$14,800.0	\$38,000.0	\$77,900.0
Other Changes	\$4,000.0	\$12,100.0	\$8,400.0	\$24,800.0
Total	\$20,700.0	\$79,000.0	\$229,200.0	\$360,200.0



Arizona General Fund Ongoing Expenditures and Revenues FY 2002-FY 2016



Office of Governor Janice K. Brewer



Budget Principles

- Budget decisions must be evaluated based on long-term fiscal outcomes
- Budget decisions will reflect the State's core mission of public safety, education and care for the indigent
- Budget decisions will be weighed based on their economic impacts and measured against the established Hard and Fast tax policy rules
- The budget should continue the modernization agenda to make government more efficient, transparent, and responsive to the taxpayer



FY 2014 Major Issues

Public Safety:	CPS/child welfare programs
Education:	Common Core
Higher Education:	Parity/Capital
Health:	Medicaid



Risks

- Lawsuits
 - K-12 Inflation
- Economy
 - 20% Recession risk
 - Europe
 - Sequester
 - War
- Federal Government

