State of Illinois
Pat Quinn, Governor

Illinois

BUDGET BRIEFING
FISCAL YEAR 2014

Gov. Quinn's Fiscal Strategy

Balance

Build

Grow

Balance

- Stabilizing Medicaid
- Rebalancing
- Facility closures
- Office consolidations and lease reductions
- Program eliminations

Build

- $31 Billion – Illinois Jobs Now!
- $12 Billion – Move Illinois (Tollway)
- $1 Billion – Clean Water Initiative

= $44 Billion in Capital and Thousands of Jobs

Grow

Illinois has added 136,300 jobs since December 2009 including 41,900 jobs in calendar year 2012.

What this budget is:

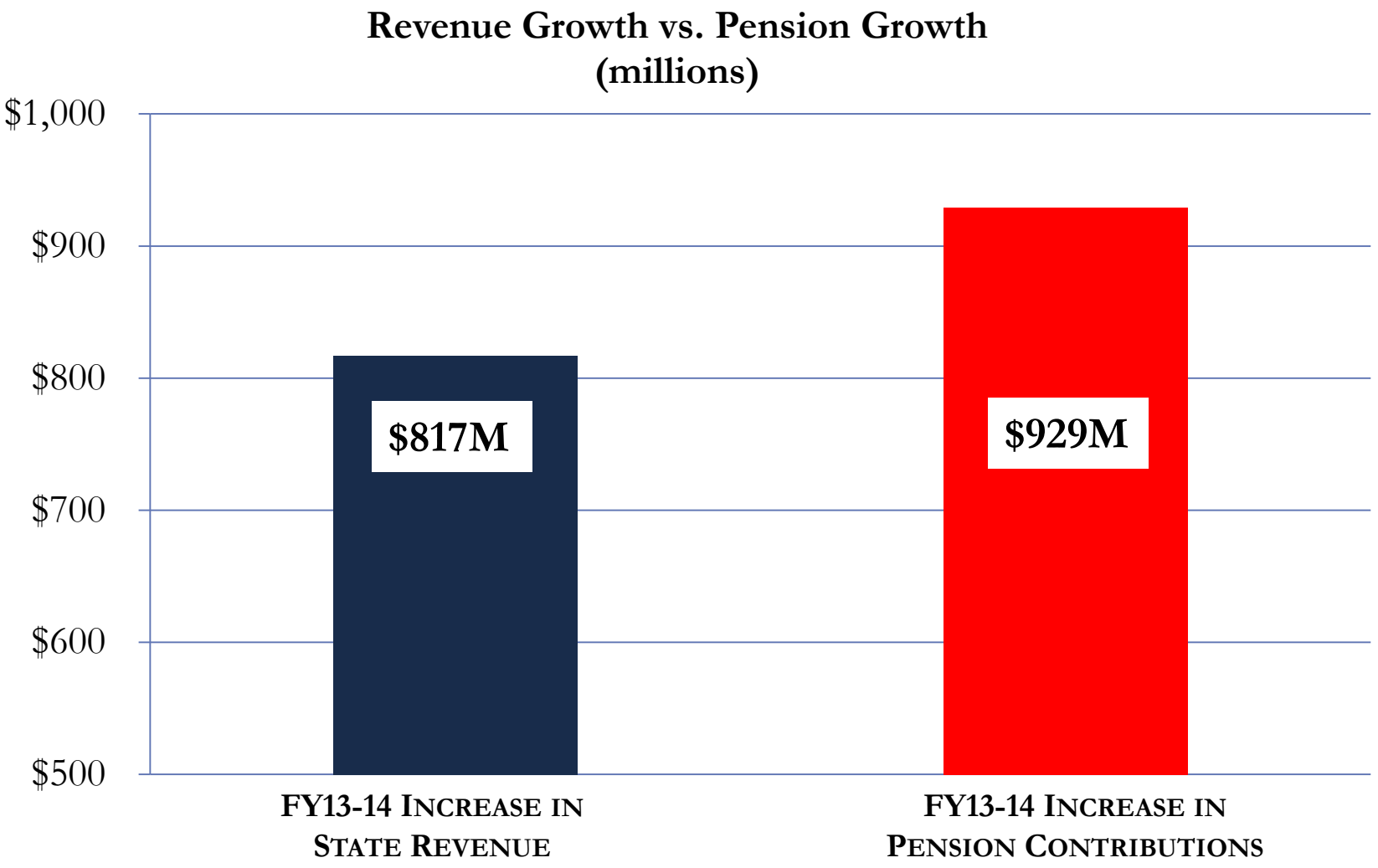
Balanced, Honest & Difficult

Balanced

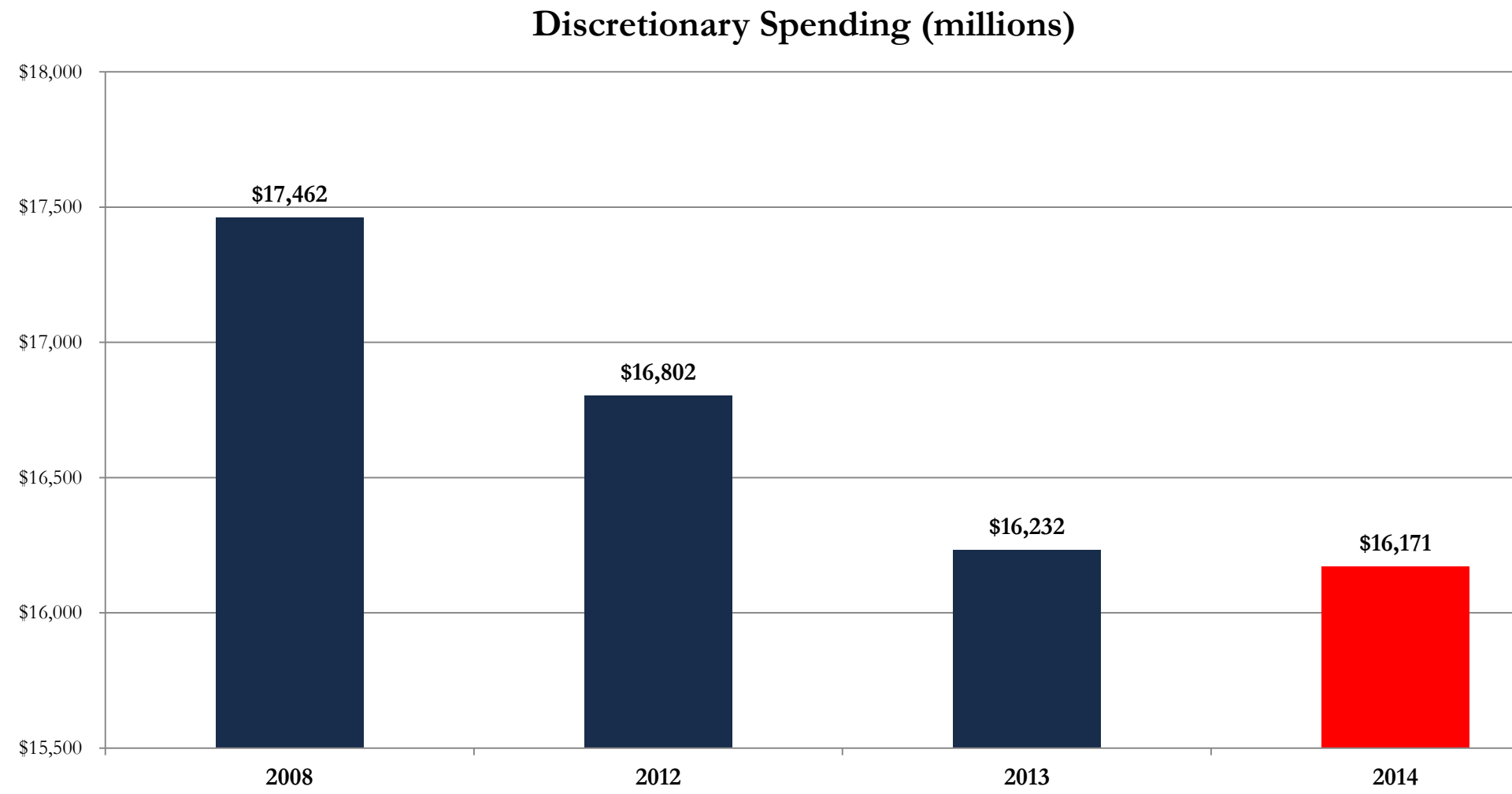
Revenues match expenditures

	FY14
General Fund Revenues	$35.6B
General Fund Spending	$35.6B
All Funds Revenues	$62.4B
All Funds Spending	$62.4B

Balanced

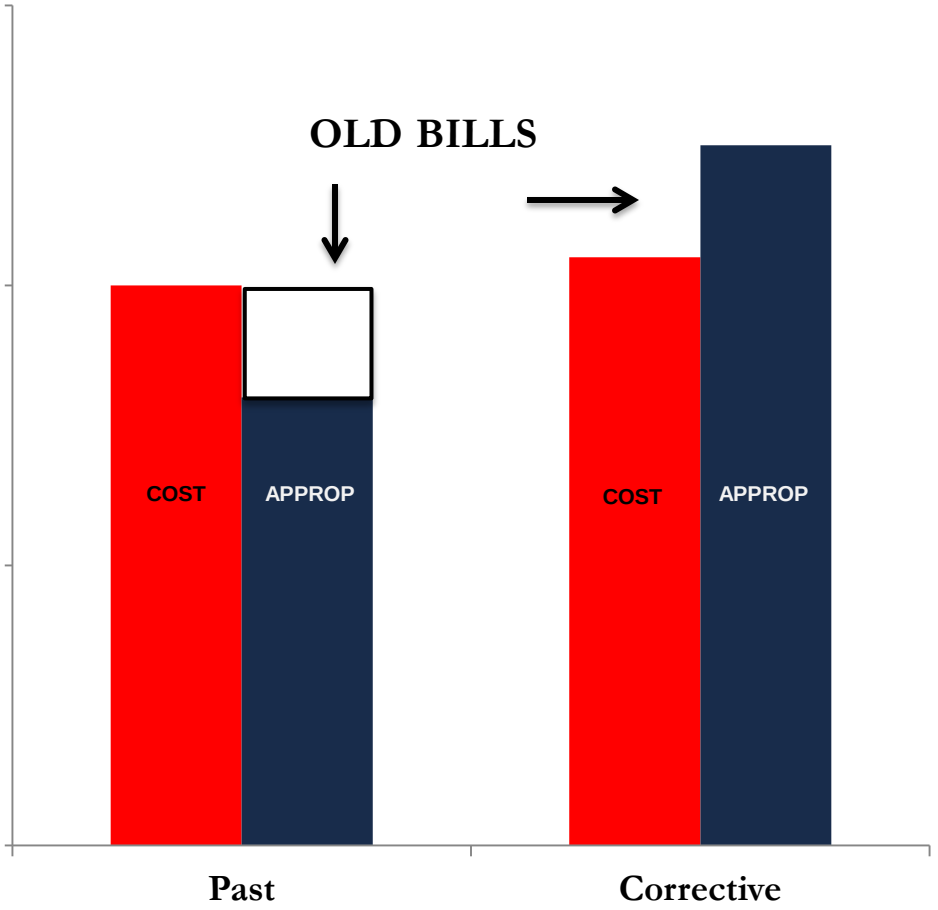

Revenue Growth vs. Pension Growth
(millions)
$1,000
$900
$800
$700
$600
$500
$817M
$929M
FY13-14 Increase in State Revenue
FY13-14 Increase in Pension Contributions

Reducing Spending

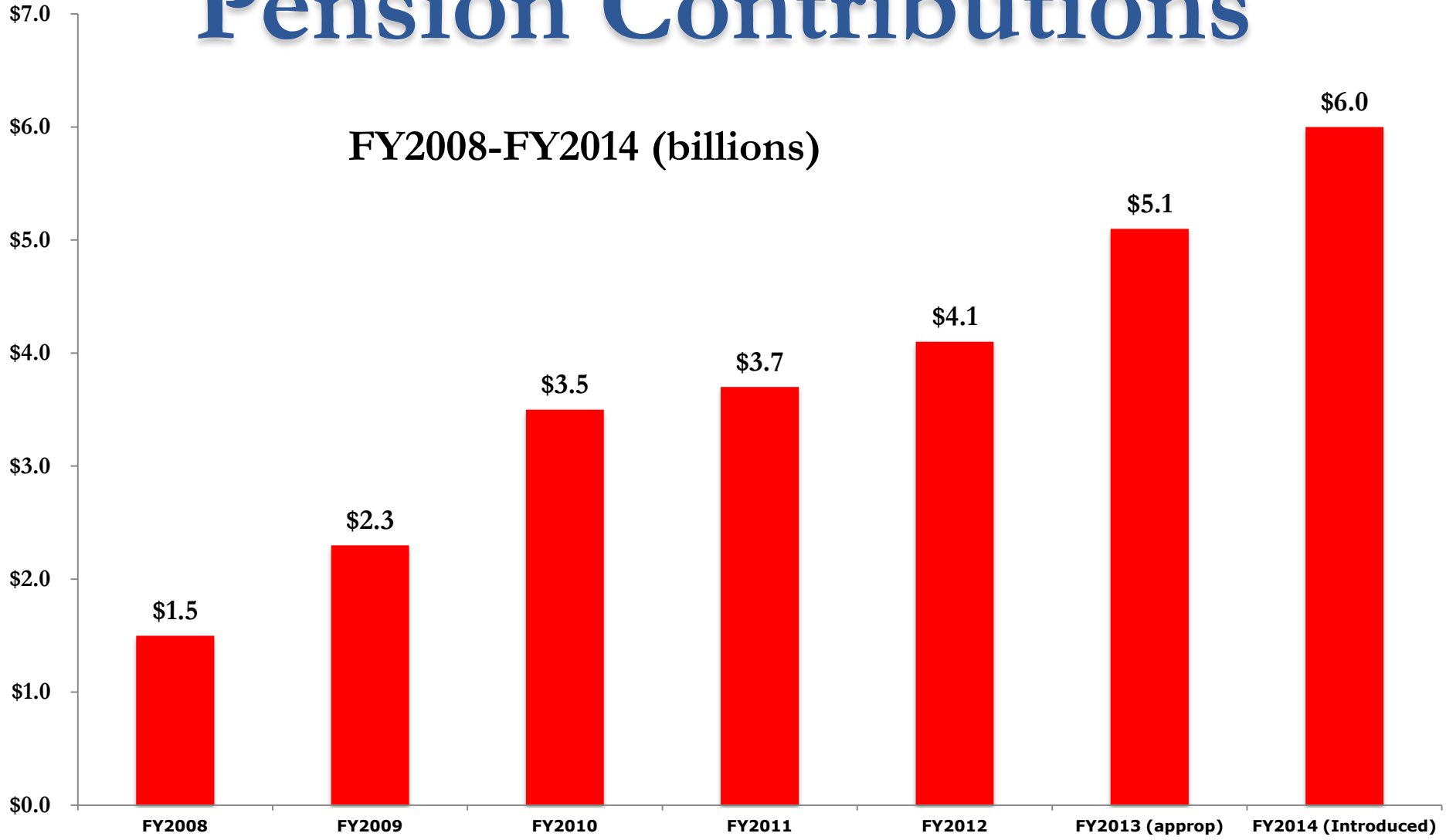


Honest

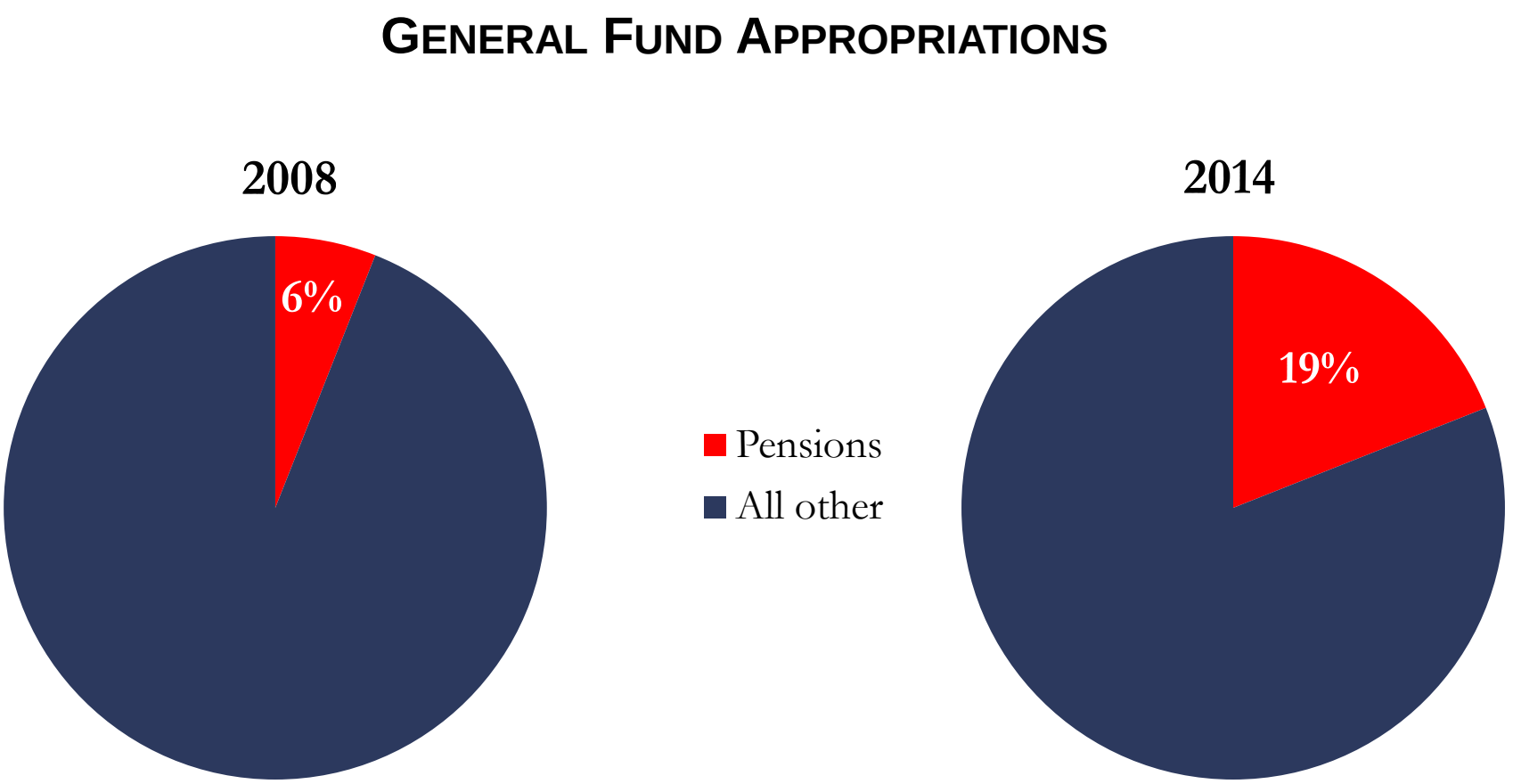
- Includes all actual costs
- Requires appropriations to match actual cost



General Funds Pension Contributions

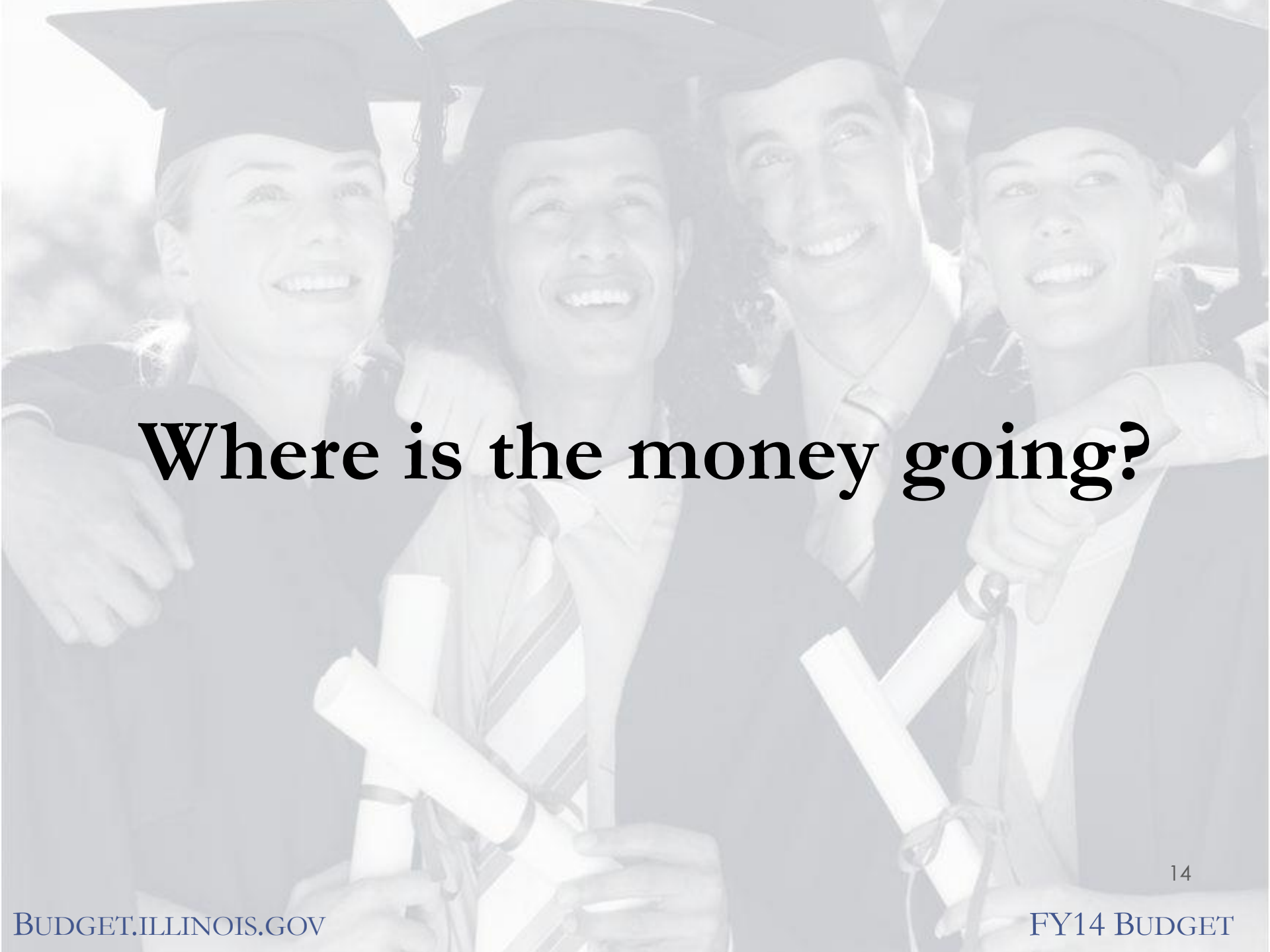


Pension Cost Growth



Difficult

- Subject all expenditures to annual review
- Make Transfers Out subject to annual review
- Adopt necessary statutory changes



Where is the money going?

Education

FY12	FY13	FY14
GRF $12.2B	GRF $12.7B	GRF $13.2B
(Pensions $3.4B)	(Pensions $4.1B)	(Pensions $5.0B)
Other $4.6B	Other $3.8B	Other $3.8B
Total $16.8B	Total $16.5B	Total $17.0B

- Teacher pension costs increase by $842M
- Skyrocketing pension costs lead to reductions in K-20
- Maintain investments in MAP & Early Childhood

Economic Development

FY12	FY13	FY14
GRF $0.5B	GRF $0.4B	GRF $0.4B
Other $2.9B	Other $2.6B	Other $2.7B
Total $3.4B	Total $3.0B	Total $3.1B

- **Prioritizes job training at DCEO**
- **Maintains programs at Departments of Agriculture and Labor at FY13 levels**

Public Safety

FY12	FY13	FY14
GRF $1.6B	GRF $1.5B	GRF $1.6B
Other $3.1B	Other $3.1B	Other $3.0B
Total $4.7B	Total $4.6B	Total $4.6B

- **Maintain staffing levels at State Police and Department of Corrections**
  - **3 ISP cadet classes and 4 DOC cadet classes**
- **Strengthen Redeploy Illinois**

Human Services

FY12	FY13	FY14
GRF $4.7B	GRF $4.6B	GRF $5.3B
Other $3.5B	Other $3.9B	Other $4.2B
Total $8.2B	Total $8.5B	Total $9.5B

- Serving the growing elderly population
- Achieving efficiencies and paying old bills
- Rebalancing and strengthening mental health services
- Reforming Adult Protective Services
- Protecting Veterans' services

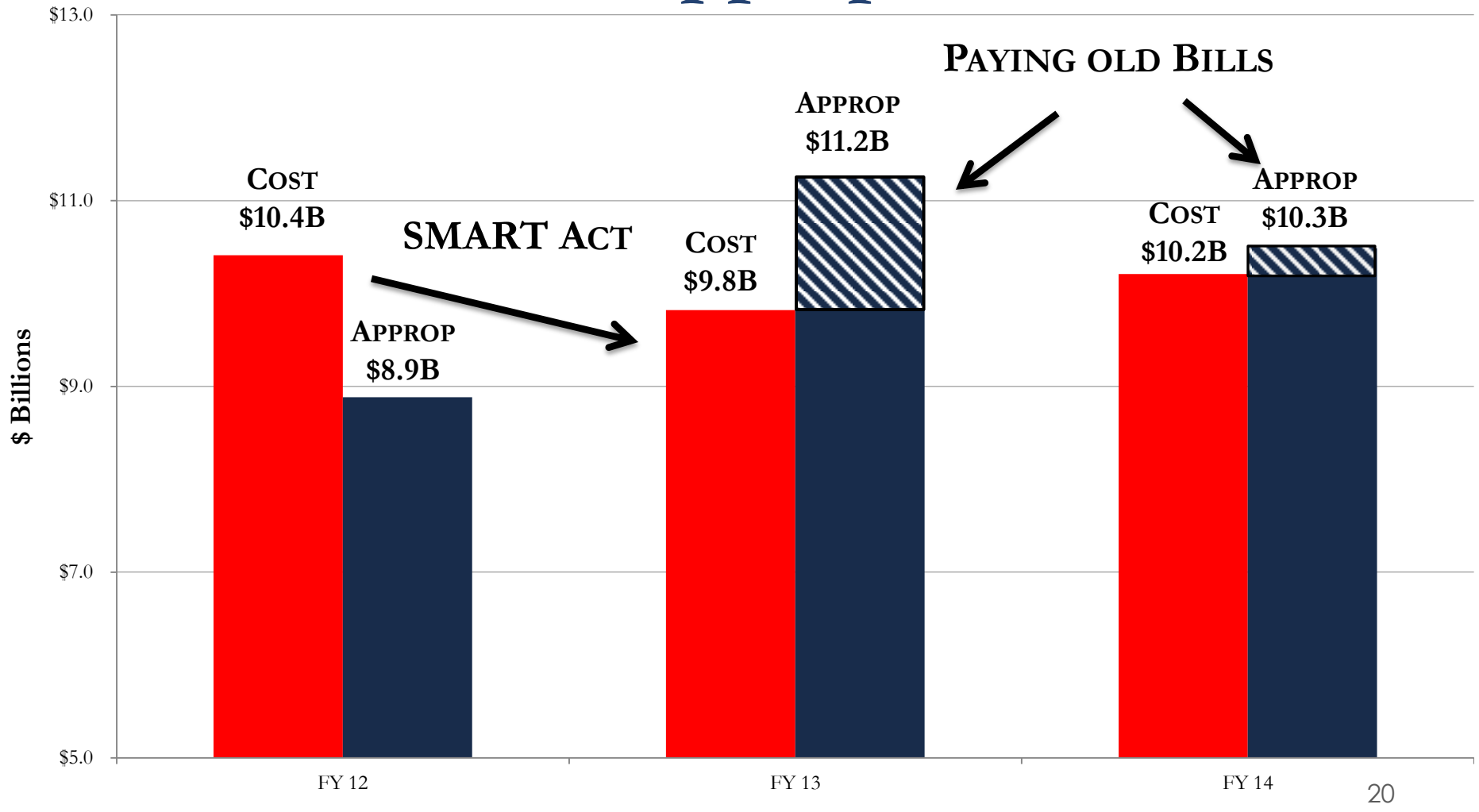
Healthcare

FY12	FY13	FY14
GRF $7.0B	GRF $6.8B	GRF $7.2B
Other $8.3B	Other $11.2B	Other $10.9B
Total $15.3B	Total $18.0B	Total $18.1B

- SMART Act Implementation
- Shift to Coordinated Care
- Access to Quality Healthcare

Medicaid

Costs vs. Appropriations

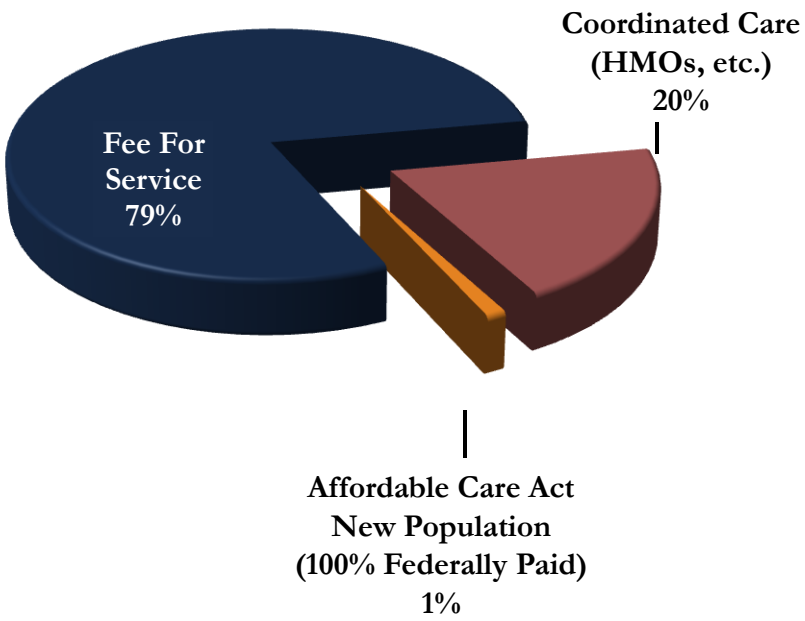


Medicaid: Implementing Coordinated Care

Cost of Care (Medicaid)

Fiscal Year 2013

Fiscal Year 2014



Access to Quality Healthcare

- **New Health Insurance Marketplace**
  - **Sign-up begins October 1, 2013**
  - **Coverage begins January 1, 2014**
  - **500,000 eligible consumers**

- **New ACA low-income populations**
  - **Cook County waiver: 115,000 (FY14 est.)**
  - **Statewide: 162,000 (FY14 est.)**

Environment and Culture

FY12	FY13	FY14
GRF $62.7M	GRF $55.7M	GRF $57.6M
Other $502.6M	Other $492.1M	Other $520.0M
Total $565.3M	Total $547.8M	Total $577.6M

- Enhance conservation programs
- Maintain historic sites
- Protect environment and drinking water

Government Services

FY12	FY13	FY14
GRF $3.5B	GRF $3.6B	GRF $3.6B
Other $8.8B	Other $9.2B	Other $9.8B
Total $12.3B	Total $12.8B	Total $13.4B

- Reduce group health costs
- Increase opportunities for minority & women-owned businesses
- Enhance revenue collections

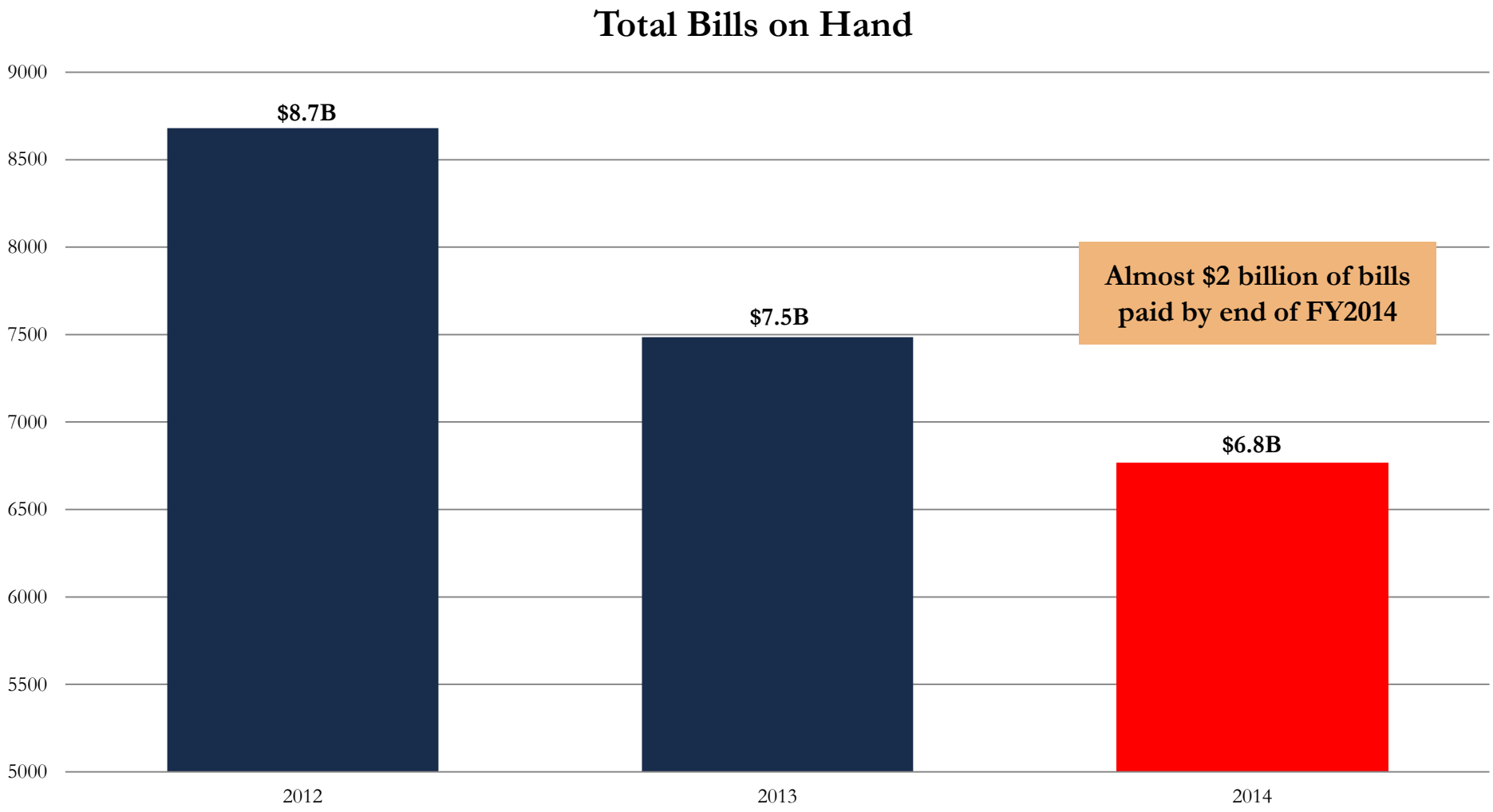
Tentative Collective Bargaining Agreement

- Three-year contract (FY13-FY15)
- Unprecedented savings in group health insurance
- Retirees pay premiums for the first time
- Modest wage adjustments budgeted

Capital Investment

- Clean Water Initiative
- High-speed rail
- Public transit
- Schools
- Roads and bridges
- High-speed internet

Paying Old Bills

- **Pay off Medicaid bills by end of FY14**
- **Pay off Aging bills by end of FY14**
- **Reduce DHS payables by $195M by end of FY14**

Paying Old Bills