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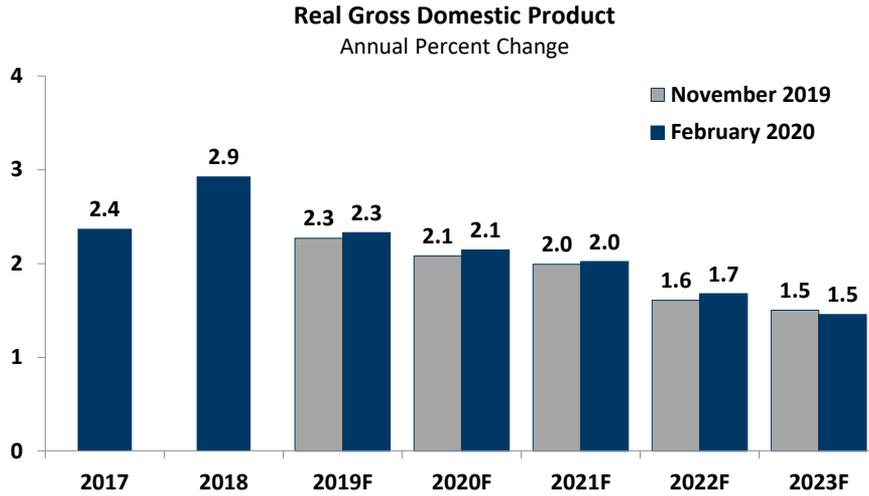
Budget Outlook Stable

- Projected balance improves to \$1.513 billion for FY 2020-21, \$181 million higher than November
- Budget reserve remains at \$2.359 billion
- FY 2022-23 continues to show structural balance, however budget challenges remain
- Economic outlook stable, slowdown remains in forecast

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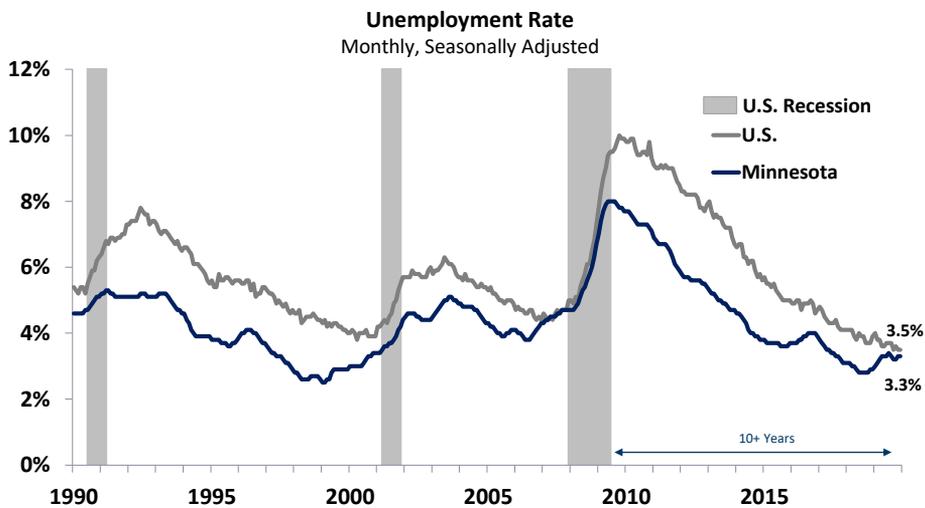
U.S. Outlook Stable; Slowdown Remains in Forecast



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State Unemployment Rate has Risen; Remains Below U.S. Rate



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Revenue Forecast 0.2% Higher

(\$ in millions)	FY 2020-21 Feb. Forecast	Forecast Change
Individual Income Tax	\$25,988	\$(51)
General Sales Tax	12,044	(81)
Corporate Franchise Tax	3,114	217
All Other Revenue	7,606	11
Total Revenue	\$48,752	\$96

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Forecast Risks



Consumer confidence



Financial market volatility



Trade policy uncertainty



Prolonged and widespread virus outbreak



16 months remain until the end of FY 2020-21

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Overall Spending Forecast Down 0.2%

(\$ in millions)	FY 2020-21 Feb. Forecast	Forecast Change
E-12 Education	\$19,999	\$(99)
Property Tax Aids & Credits	3,872	7
Health & Human Services	14,682	5
Debt Service	1,130	(2)
Other	8,689	(2)
Total Spending	\$48,373	\$(91)

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Current Biennium's Balance Increases

(\$ in millions)	FY 2020-21 Nov. Forecast	FY 2020-21 Feb. Forecast	Forecast Change
Beginning Balance	\$3,971	\$3,971	\$ -
Revenues	48,656	48,752	96
Spending	48,463	48,373	(91)
Budget Reserve	2,359	2,359	-
Cash Flow Account	350	350	-
Stadium Reserve	124	130	6
Budgetary Balance	\$1,332	\$1,513	\$181

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Planning Estimates

(\$ in millions)	FY 2020-21	FY 2022-23	Biennial Growth	Annualized % Growth
Forecast Revenues	\$48,752	\$51,501	\$2,749	2.8%
Projected Spending	48,373	51,036	2,633	2.7%
Structural Balance	\$379	\$465		
<i>Estimated Inflation</i>	<i>n/a</i>	<i>\$1,119</i>		

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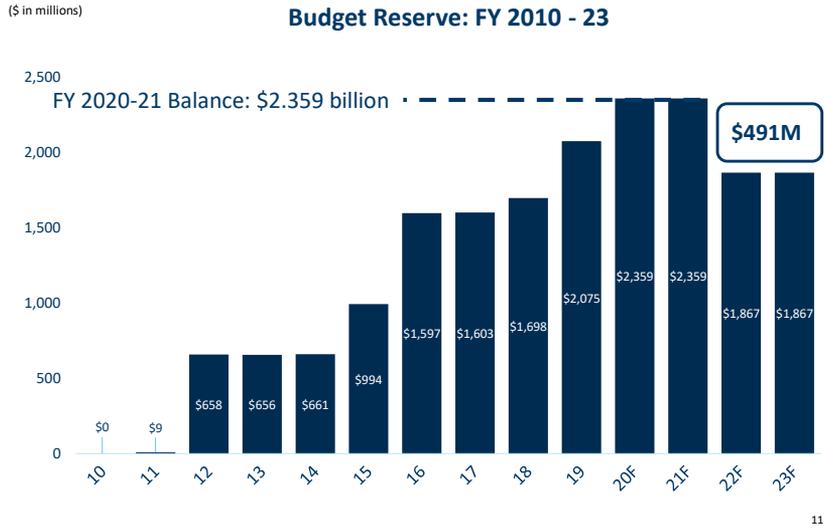
Current Law Reserve Changes in FY 2022-23

(\$ in millions)	FY 2020-21	FY 2022-23	Reserve Change
Budget Reserve	\$2,359	\$1,867	\$-491
Cash Flow Account	350	350	-
Stadium Reserve	130	263	+133

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Budget Reserve



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Inflationary Estimate

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