



Strategic Action Planning Group on Aging

April 2020 Budget Update

I am opting for a different format for our budget update this month, and presumably, May. This seemed appropriate given our remote meeting format and the current uncertainty/concerns around the state budget.

First things first – our cash fund update:

Monthly Billing Average FY19-20: \$6,099

Projected Billing Total for FY19-20: \$73,008

Current Total Cash Funds Available: \$61,360

- Our cash fund has roll over authority and does not redirect to the General Fund at the end of the fiscal year

Next up is likely the item on many of our minds – revenue projections and the state budget. In previous years, the Long Bill is either almost through the General Assembly or has been sent to Governor at this point. Clearly, that is not the case this year. The Long Bill was nearly complete heading into the March revenue forecast, but things have changed significantly since mid-March.

On March 16, the quarterly revenue forecast came in about \$750M short of the December revenue forecast. This reality, coupled with the expectation that this deficit would continue to swell given COVID-19, upended the previous work which had been done on the state budget. Lauren Larson, Director of the Office of State Planning and Budgeting has indicated that state revenue may drop \$3B over the next fiscal year. The Office of State Planning and Budgeting has issued guidance to State Departments to cut down their budgets as the Joint Budget Committee must rework the Long Bill. It is unclear what this means for our \$110K appropriation, but anything seems possible at this point.

The General Assembly's Executive Committee met yesterday afternoon and laid out a timeline for returning to work. The Joint Budget Committee, along with House and Senate leadership, have requested an updated revenue forecast on May 12 and are eyeing a return to the Capitol the following week. The goal, laid out by Speaker KC Becker, would be to introduce the Long Bill the week of May 18 and have it sent to the Governor by early June. This timeline is optimistic and it is possible this could be pushed back.

I will be keeping everyone updated as I find out more over the next two months.