



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

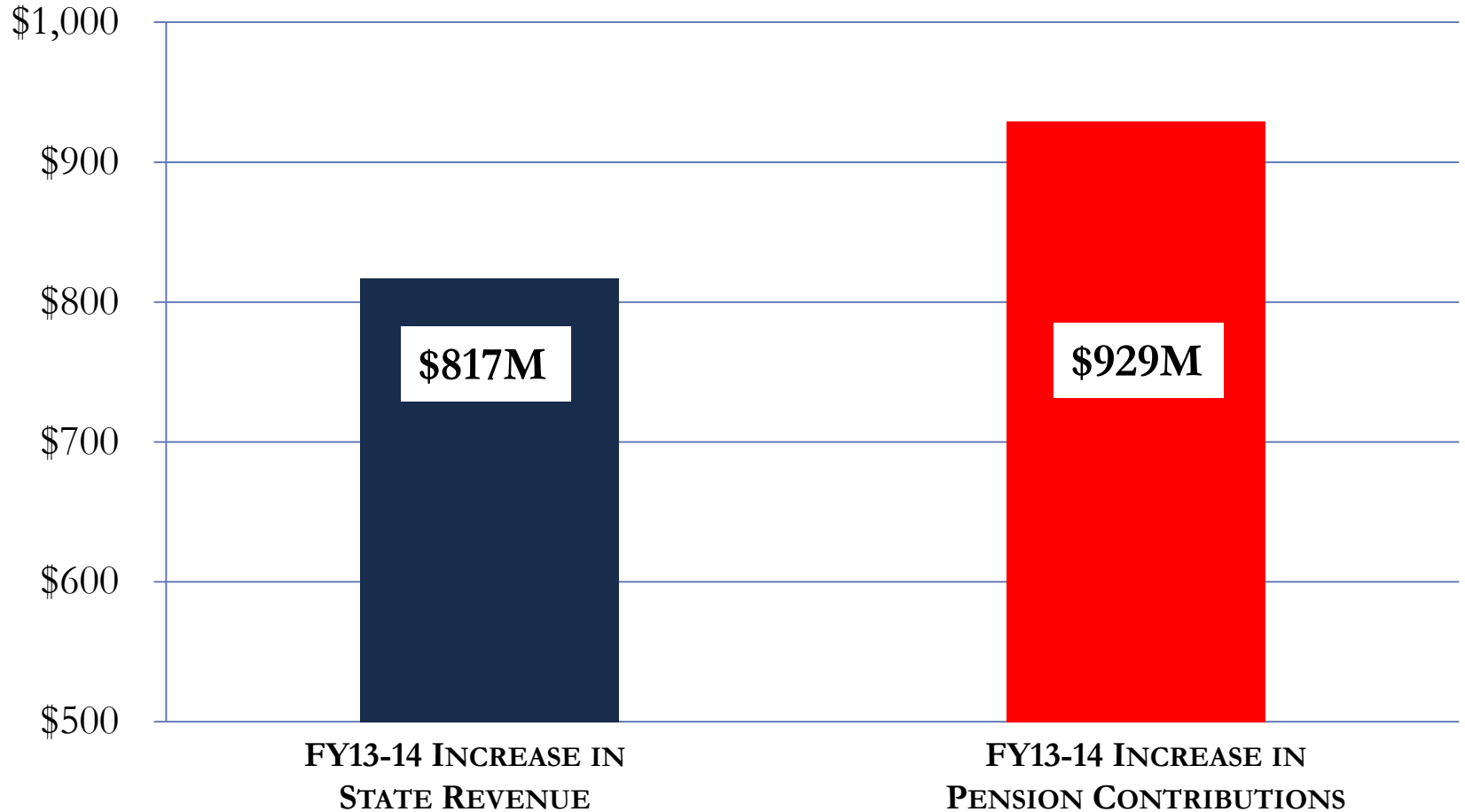
General Fund Spending \$35.6B

All Funds Revenues \$62.4B

All Funds Spending \$62.4B

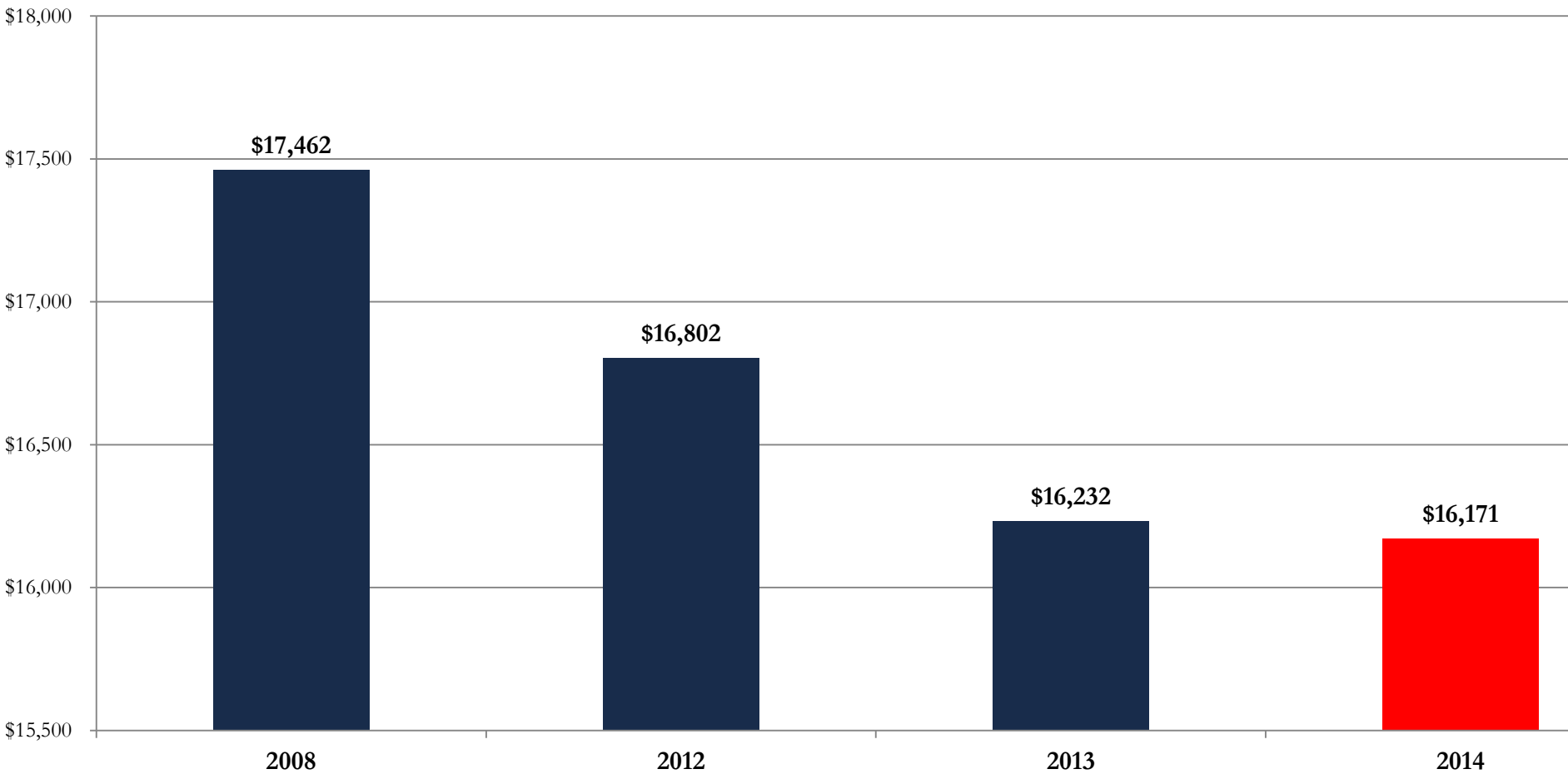
Balanced

Revenue Growth vs. Pension Growth
(millions)



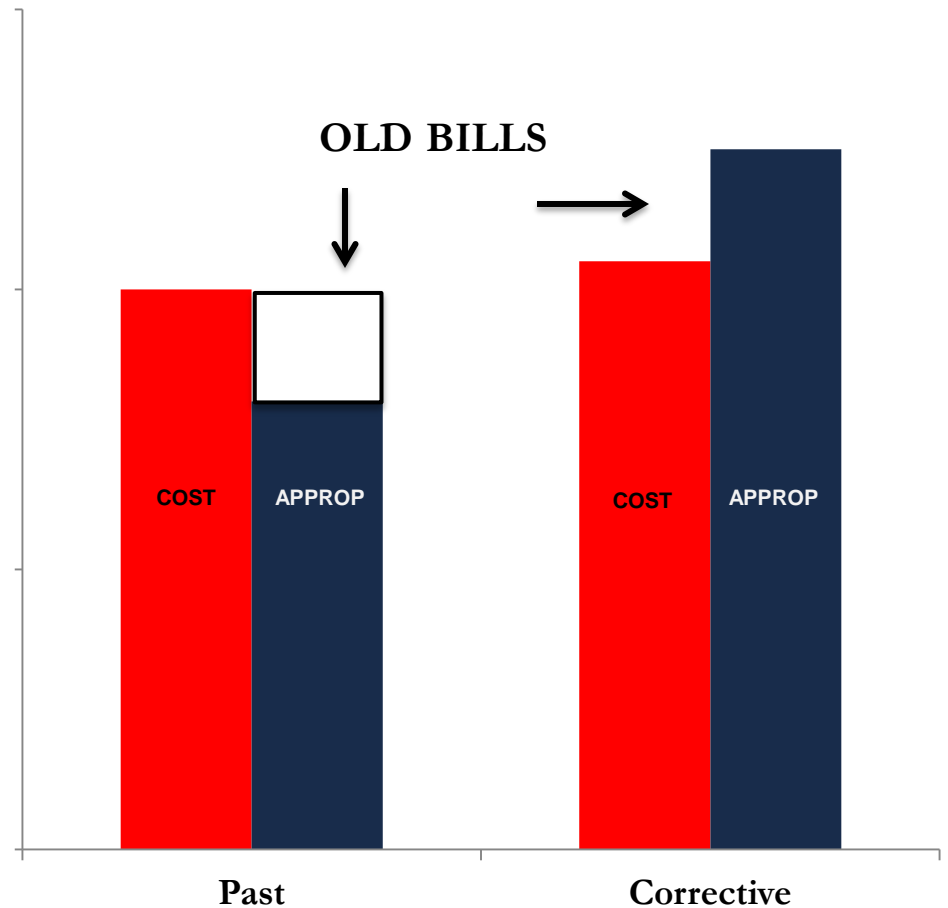
Reducing Spending

Discretionary Spending (millions)

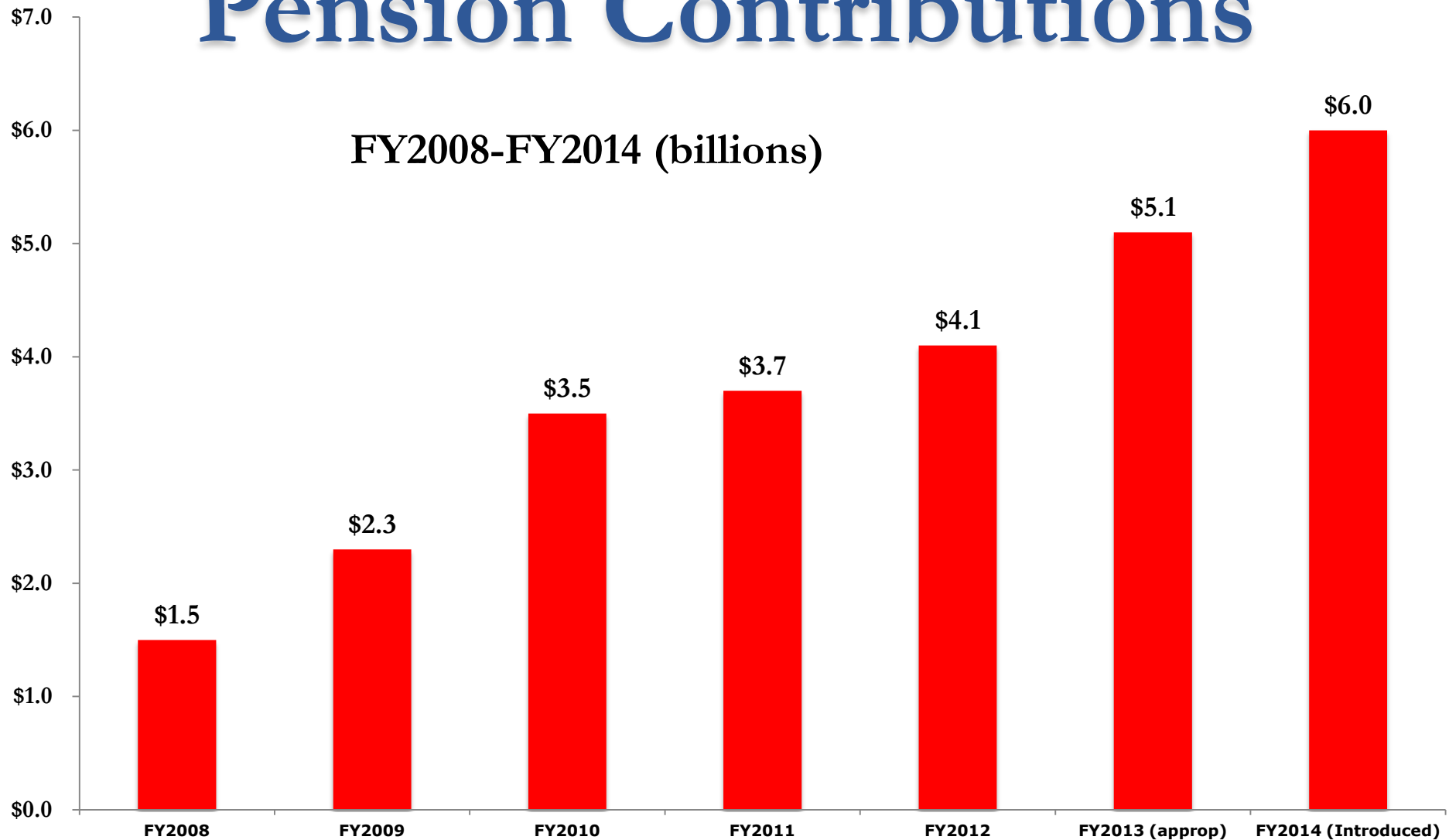


Honest

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



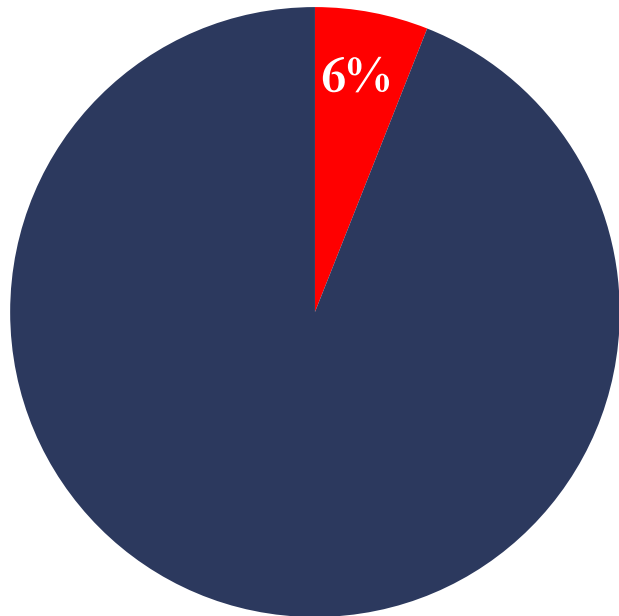
General Funds Pension Contributions



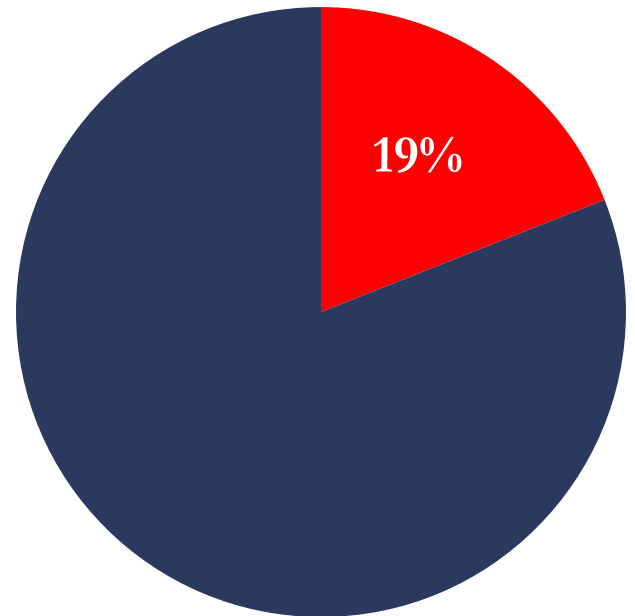
Pension Cost Growth

GENERAL FUND APPROPRIATIONS

2008



2014



■ Pensions
■ All other

Difficult

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

A grayscale photograph of four graduates in caps and gowns, smiling and holding rolled-up diplomas. The image is semi-transparent, serving as a background for the text.

Where is the money going?

Education

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
GRF \$12.2B (Pensions \$3.4B)	GRF \$12.7B (Pensions \$4.1B)	GRF \$13.2B (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

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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**

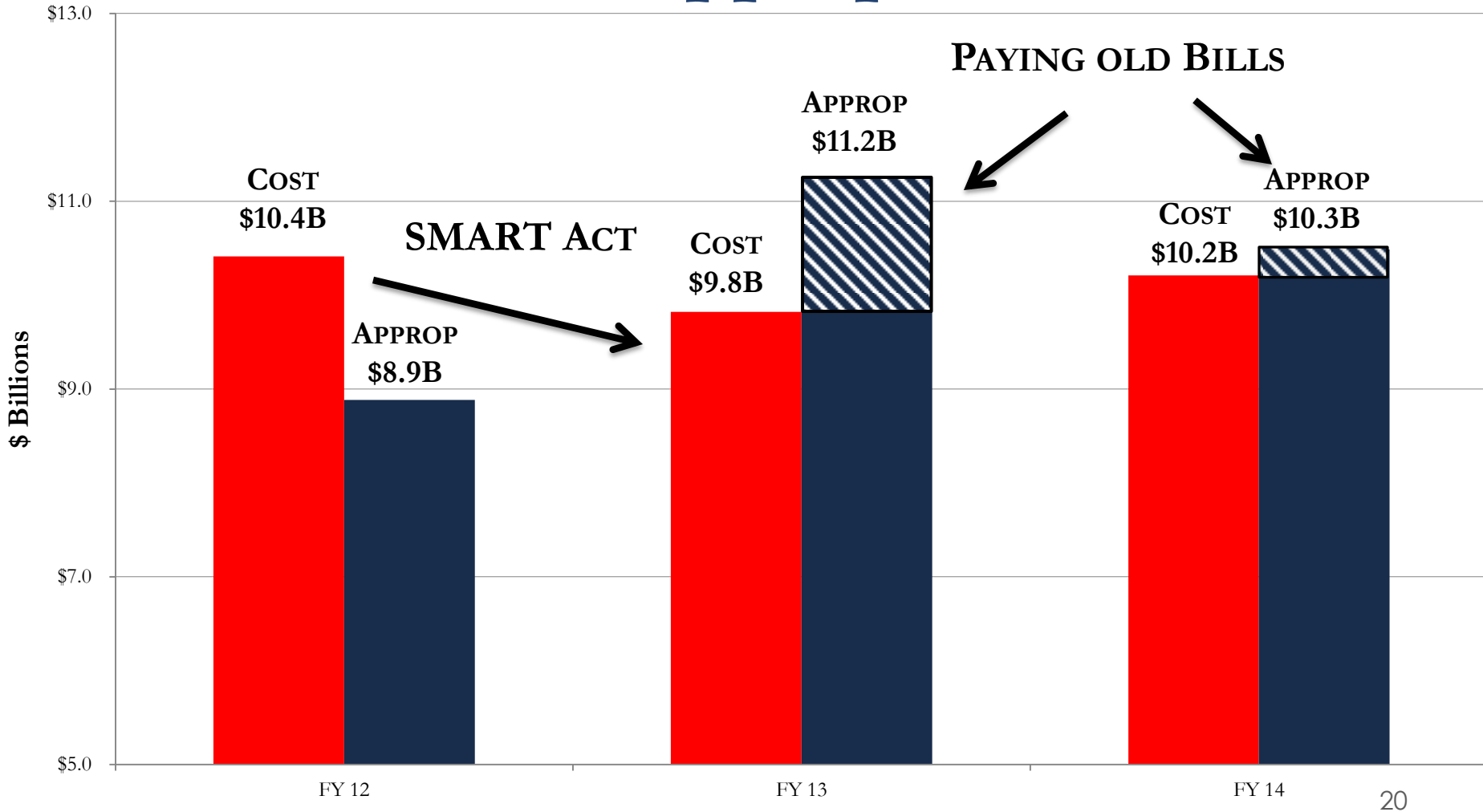
Healthcare

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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

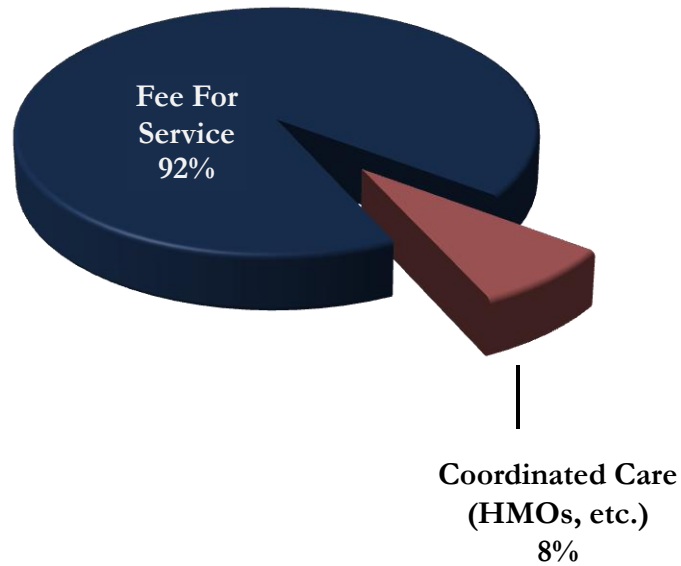
Costs vs. Appropriations



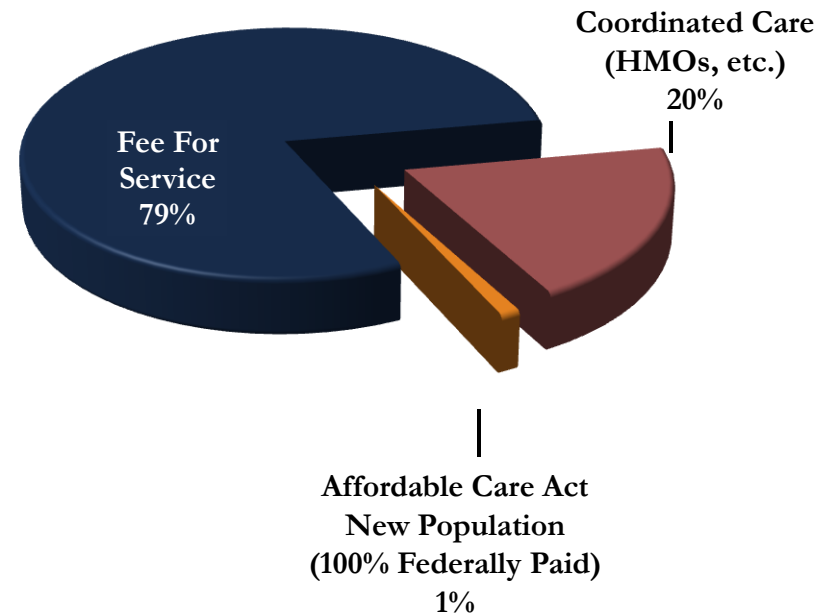
Medicaid: Implementing Coordinated Care

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

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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

<u>FY12</u>	<u>FY13</u>	<u>FY14</u>
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

A faded background image of a train platform. Two people are visible: one on the left, possibly a man in a suit, and one on the right, possibly a woman, both looking at a document or map. A train is visible in the background.

- **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

Total Bills on Hand

