

Budget Shortfall of Nearly \$240 Million Expected in FY 2019

Based on the recently agreed to Consensus Revenue Estimate, the Missouri Budget Project estimates a \$238.8 million shortfall in fiscal year 2019.

FY 2018

- The revised FY 2018 Consensus Revenue Estimate (CRE) calls for general revenue collections of \$9.189 billion. In addition to funds lapsed from the previous year and transfers, \$9.436 billion is available to support the FY 2018 budget.
- Existing state obligations total \$9,371.8 million, leaving the state an estimated balance of \$61.2 million heading into FY 2019.¹

Fiscal Year 2019 Outlook

- The FY 2019 CRE calls for \$9.418 in general revenue collections. Including the balance from FY 2018, transfers, and previous year lapse, the state will have \$9.731 billion to fund the FY 2019 budget.
- This is nearly \$240 million short of what's needed to fund a budget substantively similar to what the legislature passed for FY 2018.
- Assuming modest inflationary growth of 2.5 percent, **\$9,969.5 billion** would be needed to fund the services the legislature passed, required increases in the K-12 foundation formula, and capital and supplemental appropriations - **leaving a \$238.8 million shortfall for FY 2019.**
- It is important to note that this shortfall does **NOT** take into account restoring cuts that were already made in several areas, including home- and community-based services for seniors and Missourians with disabilities or K-12 transportation funds.



\$238.8 million SHORTFALL

¹ These obligations include the FY 2018 budget, less spending restrictions; capital appropriations & reappropriations; and estimated supplemental appropriations.