

Plan to Balance

	<u>(millions)</u>
Sources of the Shortfall:	
Revenue Shortfall	\$996.0
Increased Requirements	
Dedications to Local Governments due to Higher Severance Tax Revenues	\$19.8
Impact of FY 2009 Balancing Actions on FY 2010	\$32.3
Necessary Governmental Expenses - required obligations	\$22.9
Limited Spending Increases	\$12.8
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Total Amount of Problem	\$1,083.8
	<u>(millions)</u>
Solutions to the Shortfall:	
Stimulus Funding	\$741.7
Spending Reductions from Enacted FY 2010 Appropriations	\$200.0
Debt Restructuring	\$113.0
Enhanced Tax Collection Efforts	\$18.5
Suspension of 3 to 5 Paid Holidays for State Employees	\$10.6
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Total Solutions	\$1,083.8

Preserving our Priorities

- **Education – Our Pledge to Our Children**
 - Preserve SEEK
 - Preserve Postsecondary institutions
 - Preserve KET
 - Increase funding for student financial aid
 - Increase funding for Teachers' Retirement
 - Fund health insurance for teachers and state employees
- **Health Care – Protecting Our Most Vulnerable**
 - Fully Fund Medicaid
 - Preserve Mental Health services
- **Public Safety – Keeping Kentuckians Safe**
 - Preserve State Police
 - Preserve Local jail support
 - Increase funding for Corrections
 - Increase funding for Prosecutors
 - Increase funding for Public Advocates
- **Economic Development – Investing in Our Future**
 - Preserve Economic Development
 - Maintain Funding for State Parks
- **Retirement - Keeping Budgeted Increase in Contribution Rates**

Outlook for the Next Biennium

