

Updated BAG Projections (May 9, 2017)

Why is the updated FY 2024-25 funding gap so much smaller than the original?

Actual financial results in the base-year were far more favorable than the original assumptions: a \$61.1M surplus rather than a \$43.3M deficit. The 3-3-0 model is very sensitive to changes in base-year numbers.

State appropriations have grown by an additional \$58.1M since the base year, further reducing the projected FY 2024-25 funding gap.

FY 2015-16

\$-millions

	Original BAG Projections	Actual Financial Results	Difference
State Appropriations	\$501.2	\$517.4	\$16.2
Tuition & Fee Revenues	625.4	655.2	29.8
Other Revenues	<u>989.4</u>	<u>1,041.7</u>	<u>52.3</u>
Total Revenue	\$2,116.0	\$2,214.3	\$98.3
Funding Requirements*	\$2,159.3	\$2,153.2	(\$6.1)
Funding Gap: Surplus/(Deficit)	(\$43.3)	\$61.1	\$104.4

*"Funding Requirements" include total current fund expenditures, mandatory transfers (debt service), and 20% of the estimated salary gap.

FY 2024-25

\$-millions

	Original BAG Projections	Actual Financial Results	Difference
State Appropriations**	\$501.2	\$572.5	\$71.3
Tuition & Fee Revenues	816.0	854.9	38.9
Other Revenues	<u>1,287.1</u>	<u>1,359.2</u>	<u>72.1</u>
Total Revenue	\$2,604.3	\$2,786.6	\$182.3
Funding Requirements	\$2,981.7	\$2,908.9	(\$72.8)
Funding Gap: Surplus/(Deficit)	(\$377.4)	(\$122.3)	\$255.1

**FY 2017-18 State Appropriations are \$572.5M, up \$58.1M from FY 2015-16.
