

February 19, 2013 (Revised)

Highlights of House Appropriations and Finance Committee (HAFC) substitute for HB 2, the General Appropriation Act of 2013

Revenue Outlook. Pursuant to the mid-session review of the general fund revenue forecast (LFC staff memorandum, February 11, 2013), the December 2012 general fund revenue estimates were adjusted downward: -\$41.4 million in FY13 and -\$24.2 million in FY14. This reflects a weaker economy and the risk of sequestration of federal funds offset by higher revenue from oil production and higher insurance premium taxes from expansion of Medicaid in 2014.

Recurring Appropriations. HAFC Substitute for HB 2, et.al, the 2013 General Appropriation Act, along with HB 1, the legislative “feed bill”, have FY14 recurring general fund appropriations of \$5.89 billion. This is an increase of \$239 million, or 4.2 percent, over FY13. The appropriations include \$90 million more for compensation and benefits, \$19.8 million to replace tobacco settlement revenue used temporarily for the Medicaid and other health budgets, and \$22 million for early childhood initiatives.

The FY14 general fund appropriation level is \$19 million below projected revenue leaving a little room for revenue measures or Senate amendments. FY14 general fund appropriations are slightly higher, \$6 million, than recommended by the Executive and the Legislative Finance Committee.

Public Schools. Principal issues in development of public school appropriations were maintenance of effort (MOE) for special education, increased funding for early learning and other initiatives, and formula funding (above-the-line) versus related appropriations (below-the-line).

The MOE problem dominated the early stage of budget development with cost estimates to fix both prior year and FY14 shortfalls reaching \$100 million. After further review, the Legislative Finance Committee (LFC) projects that growth in the state equalization guarantee of almost 4 percent reduces the expected MOE shortfall. The HB 2 includes a \$12 million categorical supplemental appropriation for special education to be distributed in the same proportion as formula funding. Also, HB 2 authorizes a \$15 million transfer from the state equalization appropriation to a supplemental special education appropriation if a requested federal workload waiver request is unsuccessful.

The HB 2 reflects an \$87 million, or 3.8 percent increase, in the state equalization guarantee with funding at or above HB 2 levels for compensation, fixed costs, insurance, and unit growth. The HB 2 has a \$3.6 million increase for categorical transportation funding.

General fund related appropriations increased \$15.6 million including \$11.5 million more for pre-K, K-3 plus, and the executive early reading initiative. The HB 2 also has \$3 million more for other Executive education initiatives including early college high school, dropout prevention, workforce readiness, and STEM (science, technology, engineering and math) initiatives.

Higher Education. The HB 2 appropriates \$786.2 million for higher education, \$28.5 million, or 3.8 percent, above FY13. HB 2 advances the move to performance funding with \$10.5 million for course completion, \$9 million for degree and certificate completion, and \$21 million of FY13 performance funding carried forward. Categorical funding for higher education increases \$5 million with increases for health sciences, agricultural extension, athletics, special schools, and compensation increases for all research and public service projects.

Medicaid and Human Services. For the last decade Medicaid has been by far the greatest budget driver, reflecting enrollment growth, medical inflation and higher utilization. For FY14, the general fund appropriation for Medicaid increases \$26.7 million, or only 3 percent, to \$932 million. The bill includes additional federal funds to accommodate expansion of eligibility for adults to 138 percent of poverty scheduled January 1, 2014. The Medicaid expansion should result in savings from the strategic coverage initiative (SCI) and lower fixed costs per client.

The appropriation for the Temporary Aid to Needy Families (TANF) program totals \$104.7 million, which includes \$27.2 million for childcare assistance, a \$3.5 million increase over FY13. General fund increases in the Income Support program include \$830 thousand for general assistance and the state food stamp supplement program. In the workforce area, \$2.4 million in federal funds are provided for new programs in the employment and substance abuse services areas.

Department of Health. The general fund appropriation to the Department of Health is \$301.2 million and includes an increase of \$4.6 million for the Developmental Disabilities Medicaid Waiver Program to serve clients on the waiting list for services. At the end of FY12, 3,888 developmentally disabled clients were receiving services under the Developmental Disabilities Medicaid Waiver Program, but 5,911 were on the waiting list. The general fund appropriation also includes \$2 million for a new 20-bed inpatient adolescent substance abuse treatment unit at Turquoise Lodge in Albuquerque; an additional \$500 thousand for the Family, Infant, Toddler (FIT) Medicaid Program; an increase of \$675 thousand for sexual assault treatment contracts; and \$250 thousand for a stroke registry.

Public Safety. General fund appropriations for the Department of Public Safety (DPS) are \$96.1 million, a 5.4 percent increase above the FY13 operating budget. The increase includes \$1.9 million to fund vehicle fleet replacement within the base budget. To address the department's chronically high vacancy rate, HB 2 provides an additional \$878 thousand to increase officer pay by one step in the DPS step pay plan, or about 3 percent.

Compensation. The HB 2 appropriates approximately \$34.7 million for a one percent salary increase for all public employees with the public education increase included in the state equalization guarantee in Section 4 of the bill and the increase for higher education and state employees provided in Section 8 of the bill. An additional \$878 thousand was appropriated in Section 8 to provide a 3 percent increase for commissioned state police officers and motor transportation officers. An additional \$38.4 million was included to reverse a 1.5 percent retirement swap for all public employees in effect for FY11, FY12 and FY13. The bill also added \$15.8 million for schools and higher education for a 0.75 percent employer contribution increase for retirement.

Tourism. The general fund appropriations for the Tourism Department are \$10.1 million, an increase of \$1.8 million, or 21.8 percent, above FY13 appropriations. The additional funds were added to promote New Mexico through increased tourism advertising and bring the advertising budget to \$4.3 million for FY14.

Special, Supplemental, and Deficiencies Appropriations. Nonrecurring general fund appropriations for FY13 and FY14 total \$110.7 million, including \$27.5 million from the education lock box. Significant items include \$9.2 million for group health insurance, \$3 million for job training, \$3 million for the Local Economic Development Act (LEDA), \$6.5 million for water resources litigation, \$2.8 million to match federal funds for hazardous waste cleanup, \$3.2 million for State Police cars and equipment, \$20 million for distribution to the six state transportation districts, and \$20 million to the higher education endowment fund to match private contributions. Special appropriations for schools include \$5.2 million for technology (PARCC), \$5.8 million for district emergency needs, \$2.4 million to implement a teacher evaluation system, and \$15 million for special education maintenance of effort.

Reserves. Projected general fund reserves at the end of FY14 are \$589 million, or 10 percent, including \$192 million in the tobacco settlement permanent fund.

FY14 RECURRING GENERAL FUND SCENARIO
(\$ in Millions)

	FY13 OpBud	FY14 Executive Rec	FY14 Final LFC Rec	H AFC Preliminary	Catch- up/Clean- up	H AFC Final Action	H AFC \$ Change from FY13 OpBud	H AFC % Change from FY13 OpBud
REVENUES:								
December Estimate		5,932.6	5,932.6	5,932.6		5,932.6		
Earmark MVD Excise Tax to Road Fund (1 year sunset)		-	(25.0)			-		
Tax Reform Initiatives		(47.4)	-			-		
February Revision Scenario				(24.2)		(24.2)		
Total Recurring Revenues		5,885.2	5,907.6	5,908.4		5,908.4		
APPROPRIATIONS:								
Public School Support								
SEG (incl. 1.5% retirement swap & 0.75 increase & 1% Comp)	2,273.6	2,341.3	2,351.1	2,360.4		2,360.4	86.8	
Categorical	129.2	132.5	132.4	138.8		138.8	9.6	
Related	41.8	72.1	51.0	56.4	0.0	56.4	14.6	
924 Public Education Dept.	10.7	12.2	11.7	11.7		11.7	1.0	
Subtotal	2,455.4	2,558.1	2,546.2	2,567.3	0.0	2,567.3	112.0	4.6%
Higher Education								
I&G (incl. 1.5% retirement swap & 0.75 increase)	723.2	746.9	751.1	750.0	1.6	751.6	28.4	
Higher Education Dept.	34.5	34.8	34.4	34.4	0.1	34.5	(0.0)	
Subtotal	757.7	781.7	785.5	784.4	1.7	786.1	28.4	3.7%
Education Subtotal	3,213.1	3,339.8	3,331.7	3,351.7	1.7	3,353.4	140.3	4.4%
630 Medicaid	905.0	933.0	940.0	931.7	0.0	931.7	26.7	3.0%
630 Other Human Services	102.4	107.2	104.4	106.6		106.6	4.2	4.1%
624 Aging & Long-Term Care Dept.	42.7	45.9	44.3	44.7	0.2	44.9	2.2	5.1%
631 Workforce Solutions Dept	3.7	4.9	3.3	3.5		3.5	(0.2)	-4.3%
665 Department of Health	292.0	303.4	299.8	300.0	1.2	301.2	9.2	3.2%
690 Children, Youth & Families Dept.	207.7	221.9	218.3	219.0	0.2	219.2	11.4	5.5%
770 Department of Corrections	265.7	271.2	268.5	268.5		268.5	2.8	1.1%
790 Department of Public Safety	91.2	98.1	94.6	96.1		96.1	4.9	5.4%
341 Department of Finance & Administration	13.4	13.5	13.6	13.5	0.1	13.6	0.2	1.3%
344 DFA (Special Approps)	9.5	9.5	9.4	9.5	0.8	10.3	0.8	8.6%
350 General Services Department	13.4	14.9	13.8	13.8		13.8	0.4	3.1%
333 TRD	53.3	55.0	54.7	54.7		54.7	1.4	2.5%
521 Energy, Minerals & Natural Res. Dept.	20.2	21.5	20.6	20.8	0.0	20.8	0.7	3.3%
667 Environment Department	11.3	11.4	11.3	11.3	0.2	11.5	0.2	2.2%
550 State Engineer	14.8	18.6	15.1	15.3		15.3	0.5	3.5%
418 Tourism	8.3	10.9	9.8	10.0	0.1	10.1	1.8	22.1%
419 Economic Development Department	6.5	6.8	6.5	6.5	0.1	6.6	0.1	0.8%
505 Cultural Affairs Department	27.3	28.3	28.0	28.0	0.5	28.5	1.2	4.3%
Courts	141.8	146.2	147.2	147.5	0.1	147.6	5.8	4.1%
District Attorneys'	57.2	59.2	59.4	59.7	0.2	59.9	2.7	4.6%
305 Attorney General	8.3	9.5	9.4	9.4		9.4	1.1	13.8%
355 Public Defender	40.1	42.0	41.6	41.6		41.6	1.5	3.7%
All Other Agencies	100.9	108.8	105.2	105.4	0.8	106.2	5.4	5.3%
Subtotal Recurring	5,649.6	5,881.5	5,850.5	5,868.8	6.2	5,875.0	225.4	4.0%
1 % Compensation Pkg, State Workers		-	7.2	7.2		7.2	7.2	
Public Schools		-	18.3	-		-	-	
Higher Education		-	5.8	5.8		5.8	5.8	
3 % Special Comp (State Police, MTD)		-	0.9	0.9		0.9	0.9	
Subtotal Recurring	5,649.6	5,881.5	5,882.7	5,882.7		5,888.9	239.3	4.2%
Recurring Surplus (Deficit)		3.7	24.9	25.7		19.5		

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
(dollars in thousands)

AGENCY		FY13 OpBud	LFC Total Rec.	Total Exec Rec.	H AFC Initial	H AFC Final Review	Total H AFC	H AFC Dollar Change	H AFC Percent Change
FEED BILL:									
11100	Legislative Council Service	5,483.4	5,560.0	5,563.7	5,560.0		5,560.0	76.6	1.4%
11200	Legislative Finance Committee	3,922.8	4,016.3	3,986.3	4,016.3		4,016.3	93.5	2.4%
11400	Senate Chief Clerk	1,111.9	1,135.2	1,127.0	1,135.2		1,135.2	23.3	2.1%
11500	House Chief Clerk	1,065.1	1,102.7	1,081.0	1,102.7		1,102.7	37.6	3.5%
11700	Legislative Education Study Committee	1,194.0	1,212.8	1,212.8	1,212.8		1,212.8	18.8	1.6%
11900	Legislative Information Systems	632.1	549.1	0.0	0.0		0.0	(632.1)	-100.0%
13100	Legislature	1,350.9	1,350.9	1,350.9	1,350.9		1,350.9	0.0	0.0%
LEGISLATIVE:		14,760.2	14,927.0	14,321.7	14,377.9	0.0	14,377.9	(382.3)	-2.6%
GENERAL APPROPRIATION ACT:									
11100	Legislative Council Service	0.0	0.0	0.0			0.0	0.0	0.0%
11100	Energy Council Dues	32.0	32.0	0.0	32.0		32.0	0.0	0.0%
11200	Legislative Finance Committee	0.0	0.0	0.0			0.0	0.0	0.0%
11400	Senate Chief Clerk	0.0	0.0	0.0			0.0	0.0	0.0%
11500	House Chief Clerk	0.0	0.0	0.0			0.0	0.0	0.0%
11700	Legislative Education Study Committee	0.0	0.0	0.0			0.0	0.0	0.0%
11900	Legislative Building Services	3,881.6	3,988.2	3,953.5	3,988.2		3,988.2	106.6	2.7%
13100	Legislature	0.0	0.0	0.0			0.0	0.0	0.0%
LEGISLATIVE:		3,913.6	4,020.2	3,953.5	4,020.2	0.0	4,020.2	106.6	2.7%
20500	Supreme Court Law Library	1,505.6	1,546.7	1,526.9	1,546.7		1,546.7	41.1	2.7%
20800	New Mexico Compilation Commission	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
21000	Judicial Standards Commission	742.9	766.5	821.2	821.2		821.2	78.3	10.5%
21500	Court of Appeals	5,514.3	5,691.1	5,615.0	5,691.1		5,691.1	176.8	3.2%
21600	Supreme Court	2,879.3	3,019.9	2,963.3	3,019.9		3,019.9	140.6	4.9%
21800	Administrative Office of the Courts	40,678.5	43,025.5	42,414.2	43,025.5	140.0	43,165.5	2,487.0	6.1%
21900	Supreme Court Building Commission	833.4	841.4	841.4	841.4		841.4	8.0	1.0%
23000	District Courts	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
23100	First Judicial District Court	6,175.7	6,285.5	6,275.1	6,285.5		6,285.5	109.8	1.8%
23200	Second Judicial District Court	21,051.5	21,594.0	21,326.4	21,594.0		21,594.0	542.5	2.6%
23300	Third Judicial District Court	6,064.4	6,188.8	6,112.6	6,188.8		6,188.8	124.4	2.1%
23400	Fourth Judicial District Court	2,067.0	2,117.5	2,129.0	2,129.0		2,129.0	62.0	3.0%
23500	Fifth Judicial District Court	5,839.8	6,058.7	6,049.3	6,058.7		6,058.7	218.9	3.7%
23600	Sixth Judicial District Court	3,010.3	3,101.3	3,096.9	3,101.3		3,101.3	91.0	3.0%
23700	Seventh Judicial District Court	2,124.9	2,191.1	2,262.8	2,262.8		2,262.8	137.9	6.5%
23800	Eighth Judicial District Court	2,613.6	2,662.4	2,791.5	2,791.5		2,791.5	177.9	6.8%
23900	Ninth Judicial District Court	3,078.8	3,172.3	3,216.3	3,216.3		3,216.3	137.5	4.5%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
(dollars in thousands)

AGENCY		FY13 OpBud	LFC Total Rec.	Total Exec Rec.	H AFC Initial	H AFC Final Review	Total H AFC	H AFC Dollar Change	H AFC Percent Change
24000	Tenth Judicial District Court	751.6	781.1	792.2	792.2		792.2	40.6	5.4%
24100	Eleventh Judicial District Court	5,730.4	5,928.1	5,890.1	5,928.1		5,928.1	197.7	3.5%
24200	Twelfth Judicial District Court	2,926.8	3,025.7	3,067.5	3,067.5		3,067.5	140.7	4.8%
24300	Thirteenth Judicial District Court	6,274.8	6,458.7	6,402.6	6,458.7		6,458.7	183.9	2.9%
24400	Bernalillo County Metropolitan Court	21,937.8	22,694.2	22,581.6	22,694.2		22,694.2	756.4	3.4%
25000	District Attorneys	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
25100	First Judicial District Attorney	4,639.8	4,835.2	4,736.1	4,835.2		4,835.2	195.4	4.2%
25200	Second Judicial District Attorney	16,414.2	17,107.2	16,795.5	17,107.2		17,107.2	693.0	4.2%
25300	Third Judicial District Attorney	4,300.7	4,417.8	4,392.7	4,417.8		4,417.8	117.1	2.7%
25400	Fourth Judicial District Attorney	2,906.4	2,954.2	3,048.4	3,048.4		3,048.4	142.0	4.9%
25500	Fifth Judicial District Attorney	4,209.9	4,453.2	4,379.9	4,453.2		4,453.2	243.3	5.8%
25600	Sixth Judicial District Attorney	2,477.2	2,564.2	2,621.0	2,621.0		2,621.0	143.8	5.8%
25700	Seventh Judicial District Attorney	2,231.8	2,306.2	2,383.8	2,383.8		2,383.8	152.0	6.8%
25800	Eighth Judicial District Attorney	2,397.7	2,482.1	2,482.7	2,482.7		2,482.7	85.0	3.5%
25900	Ninth Judicial District Attorney	2,594.8	2,676.7	2,673.7	2,676.7		2,676.7	81.9	3.2%
26000	Tenth Judicial District Attorney	957.3	995.5	998.0	998.0		998.0	40.7	4.3%
26100	Eleventh Judicial District Attorney, Div I	3,136.8	3,270.8	3,339.4	3,339.4		3,339.4	202.6	6.5%
26200	Twelfth Judicial District Attorney	2,506.9	2,602.1	2,603.6	2,603.6		2,603.6	96.7	3.9%
26300	Thirteenth Judicial District Attorney	4,598.6	4,772.6	4,808.6	4,808.6		4,808.6	210.0	4.6%
26400	Administrative Office of the District Attorneys	1,840.0	1,840.0	1,866.2	1,866.2	180.0	2,046.2	206.2	11.2%
26500	Eleventh Judicial District Attorney, Division II	2,012.8	2,076.9	2,086.4	2,086.4		2,086.4	73.6	3.7%
JUDICIAL		199,026.3	206,505.2	205,391.9	207,242.6	320.0	207,562.6	8,536.3	4.3%
30500	Attorney General	8,258.7	9,438.5	9,501.5	9,438.5		9,438.5	1,179.8	14.3%
30800	State Auditor	2,516.6	2,647.7	3,117.1	2,882.4		2,882.4	365.8	14.5%
33300	Taxation and Revenue Department	53,342.1	54,659.9	54,963.4	54,659.9		54,659.9	1,317.8	2.5%
33700	State Investment Council	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
34100	Department of Finance and Administration	13,374.5	13,523.2	13,519.3	13,450.7	824.0	14,274.7	900.2	6.7%
34200	Public School Insurance Authority	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
34300	Retiree Health Care Authority	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
34400	DFA Special Appropriations	9,459.4	9,500.0	9,503.9	9,572.5		9,572.5	113.1	1.2%
35000	General Services Department	13,384.6	13,786.0	14,871.3	13,786.0		13,786.0	401.4	3.0%
35200	Educational Retirement Board	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
35400	New Mexico Sentencing Commission	529.8	529.8	529.8	529.8		529.8	0.0	0.0%
35500	Public Defender Department	40,145.3	41,624.7	42,045.8	41,624.7		41,624.7	1,479.4	3.7%
35600	Governor	3,391.6	3,587.1	3,587.1	3,587.1		3,587.1	195.5	5.8%
36000	Lieutenant Governor	579.9	585.8	585.8	585.8		585.8	5.9	1.0%
36100	Department of Information Technology	844.5	855.8	855.8	855.8		855.8	11.3	1.3%
36600	Public Employees Retirement Association	0.0	0.0	0.0	0.0		0.0	0.0	0.0%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
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AGENCY		FY13 OpBud	LFC Total Rec.	Total Exec Rec.	HAFC Initial	HAFC Final Review	Total HAFC	HAFC Dollar Change	HAFC Percent Change
36900	State Commission of Public Records	2,544.0	2,619.9	2,674.6	2,619.9		2,619.9	75.9	3.0%
37000	Secretary of State	4,580.7	5,415.6	5,367.8	5,367.8		5,367.8	787.1	17.2%
37800	Personnel Board	3,896.1	4,159.8	4,211.0	4,159.8		4,159.8	263.7	6.8%
37900	Public Employee Labor Relations Board	214.0	214.0	216.5	214.0		214.0	0.0	0.0%
39400	State Treasurer	3,572.3	3,684.5	3,841.1	3,684.5		3,684.5	112.2	3.1%
GENERAL CONTROL		160,634.1	166,832.3	169,391.8	167,019.2	824.0	167,843.2	7,209.1	4.5%
40400	Board of Examiners for Architects	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
41700	Border Authority	333.4	334.8	339.1	334.8		334.8	1.4	0.4%
41800	Tourism Department	8,300.7	9,773.9	10,858.7	9,973.9	135.0	10,108.9	1,808.2	21.8%
41900	Economic Development Department	6,497.2	6,542.8	6,811.9	6,542.8	50.0	6,592.8	95.6	1.5%
42000	Regulation and Licensing Department	12,802.9	12,995.2	13,886.0	13,145.2		13,145.2	342.3	2.7%
43000	Public Regulation Commission	7,836.8	7,895.5	7,974.6	7,895.5		7,895.5	58.7	0.7%
44600	Medical Board	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
44900	Board of Nursing	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
46000	New Mexico State Fair	0.0	0.0	0.0	0.0	50.0	50.0	50.0	0.0%
46400	State Brd of Licensure for Engineers & Land Surveyors	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
46500	Gaming Control Board	5,467.5	5,547.6	5,839.4	5,547.6		5,547.6	80.1	1.5%
46900	State Racing Commission	1,983.0	2,345.4	2,751.4	2,345.4		2,345.4	362.4	18.3%
47900	Board of Veterinary Medicine	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
49000	Cumbres and Toltec Scenic Railroad Commission	87.0	98.7	115.0	98.7		98.7	11.7	13.4%
49100	Office of Military Base Planning and Support	125.6	144.4	156.9	144.4		144.4	18.8	15.0%
49500	Spaceport Authority	456.2	456.2	461.3	456.2		456.2	0.0	0.0%
COMMERCE AND INDUSTRY		43,890.3	46,134.5	49,194.3	46,484.5	235.0	46,719.5	2,829.2	6.4%
50500	Cultural Affairs Department	27,313.1	27,979.6	28,272.6	27,979.6	480.0	28,459.6	1,146.5	4.2%
50800	New Mexico Livestock Board	459.4	750.0	1,421.3	900.0	75.0	975.0	515.6	112.2%
51600	Department of Game and Fish	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
52100	Energy, Minerals and Natural Resources Department	20,159.7	20,638.1	21,527.2	20,788.1	20.0	20,808.1	648.4	3.2%
52200	Youth Conservation Corps	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
53800	Intertribal Ceremonial Office	105.0	105.0	105.0	105.0		105.0	0.0	0.0%
53900	Commissioner of Public Lands	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
55000	State Engineer	14,776.9	15,071.4	18,571.4	15,271.4		15,271.4	494.5	3.3%
56900	Organic Commodity Commission	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
AGRICULTURE, ENERGY & NATURAL RESOURCES		62,814.1	64,544.1	69,897.5	65,044.1	575.0	65,619.1	2,805.0	4.5%
60100	Commission on Status of Women	0.0	0.0	0.0		125.0	125.0	125.0	0.0%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
(dollars in thousands)

AGENCY		FY13 OpBud	LFC Total Rec.	Total Exec Rec.	H AFC Initial	H AFC Final Review	Total H AFC	H AFC Dollar Change	H AFC Percent Change
60300	Office of African American Affairs	681.0	701.4	700.8	700.8		700.8	19.8	2.9%
60400	Commission for Deaf and Hard-of-Hearing Persons	300.0	300.0	300.0	300.0		300.0	0.0	0.0%
60500	Martin Luther King, Jr. Commission	198.8	200.9	213.8	213.8	60.0	273.8	75.0	37.7%
60600	Commission for the Blind	2,030.3	2,052.9	2,052.9	2,052.9		2,052.9	22.6	1.1%
60900	Indian Affairs Department	2,399.9	2,413.6	2,413.6	2,413.6		2,413.6	13.7	0.6%
62400	Aging and Long-Term Services Department	42,702.2	44,326.8	45,905.1	44,705.1	180.0	44,885.1	2,182.9	5.1%
63000	Human Services Department	1,007,384.7	1,044,384.7	1,040,159.5	1,038,323.7	31.0	1,038,354.7	30,970.0	3.1%
63100	Workforce Solutions Department	3,675.1	3,275.8	4,948.9	3,486.5		3,486.5	(188.6)	-5.1%
63200	Workers' Compensation Administration	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
64400	Division of Vocational Rehabilitation	5,619.3	5,616.7	5,693.9	5,616.7		5,616.7	(2.6)	0.0%
64500	Governor's Commission on Disability	852.6	883.3	928.3	918.3		918.3	65.7	7.7%
64700	Developmental Disabilities Planning Council	4,554.0	4,827.2	5,059.5	4,827.2	124.0	4,951.2	397.2	8.7%
66200	Miners' Hospital of New Mexico	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
66500	Department of Health	291,991.5	299,835.7	303,400.5	300,003.1	1,210.0	301,213.1	9,221.6	3.2%
66700	Department of Environment	11,256.2	11,268.4	11,438.5	11,268.4	200.0	11,468.4	212.2	1.9%
66800	Office of the Natural Resources Trustee	87.0	87.0	87.7	87.0		87.0	0.0	0.0%
66900	New Mexico Health Policy Commission	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
67000	Veterans' Services Department	2,873.8	2,967.4	3,085.8	3,085.8	130.0	3,215.8	342.0	11.9%
69000	Children, Youth and Families Department	207,732.6	218,335.6	221,941.2	219,012.0	175.0	219,187.0	11,454.4	5.5%
HEALTH, HOSPITALS & HUMAN SERVICES		1,584,339.0	1,641,477.4	1,648,330.0	1,637,014.9	2,235.0	1,639,249.9	54,910.9	3.5%
70500	Department of Military Affairs	6,322.7	6,445.2	6,530.4	6,530.4	280.0	6,810.4	487.7	7.7%
76000	Parole Board	463.7	485.7	492.9	492.9		492.9	29.2	6.3%
76500	Juvenile Parole Board	20.0	11.0	20.0	15.0		15.0	(5.0)	-25.0%
77000	Corrections Department	265,694.0	268,450.0	271,247.8	268,450.0		268,450.0	2,756.0	1.0%
78000	Crime Victims Reparation Commission	1,710.0	1,832.3	1,837.1	1,837.1		1,837.1	127.1	7.4%
79000	Department of Public Safety	91,199.0	94,613.2	98,099.2	96,113.2		96,113.2	4,914.2	5.4%
79500	Homeland Security and Emergency Management	2,393.2	2,424.3	2,893.2	2,424.3		2,424.3	31.1	1.3%
PUBLIC SAFETY		367,802.6	374,261.7	381,120.6	375,862.9	280.0	376,142.9	8,340.3	2.3%
80500	Department of Transportation	0.0	0.0	0.0	0.0		0.0	0.0	0.0%
TRANSPORTATION		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
92400	Public Education Department	10,739.6	11,711.9	12,240.2	11,711.9	0.0	11,711.9	972.3	9.1%
92500	Public Education Dept.-Special Appropriations	41,833.5	50,983.5	72,077.4	56,382.3	35.0	56,417.3	14,583.8	34.9%
93000	Regional Education Cooperatives	0.0	0.0	0.0			0.0	0.0	0.0%
94000	Public School Facilities Authority	0.0	0.0	0.0			0.0	0.0	0.0%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
(dollars in thousands)

AGENCY		FY13 OpBud	LFC Total Rec.	Total Exec Rec.	HAFC Initial	HAFC Final Review	Total HAFC	HAFC Dollar Change	HAFC Percent Change
OTHER EDUCATION		52,573.1	62,695.4	84,317.6	68,094.2	35.0	68,129.2	15,556.1	29.6%
95000	Higher Education Department	34,548.9	34,375.7	34,755.5	34,375.7	100.0	34,475.7	(73.2)	-0.2%
95200	University of New Mexico	284,966.0	295,156.6	294,752.8	294,931.4	1,002.4	295,933.8	10,967.8	3.8%
95400	New Mexico State University	186,430.8	192,730.1	191,487.4	192,587.9	395.0	192,982.9	6,552.1	3.5%
95600	New Mexico Highlands University	29,160.0	29,896.8	29,517.0	29,781.2		29,781.2	621.2	2.1%
95800	Western New Mexico University	17,554.7	18,610.8	18,015.8	18,496.8		18,496.8	942.1	5.4%
96000	Eastern New Mexico University	42,007.0	44,165.8	42,819.7	43,484.9		43,484.9	1,477.9	3.5%
96200	NM Institute of Mining and Technology	35,246.0	36,310.0	36,247.9	36,297.4		36,297.4	1,051.4	3.0%
96400	Northern New Mexico College	10,525.9	10,775.8	10,841.8	10,817.7	205.0	11,022.7	496.8	4.7%
96600	Santa Fe Community College	12,501.0	13,269.4	13,250.3	13,082.4		13,082.4	581.4	4.7%
96800	Central New Mexico Community College	47,750.4	51,791.8	50,766.3	51,386.5		51,386.5	3,636.1	7.6%
97000	Luna Community College	7,762.1	7,839.0	7,870.4	7,831.7		7,831.7	69.6	0.9%
97200	Mesalands Community College	4,290.1	4,285.3	4,343.6	4,295.1		4,295.1	5.0	0.1%
97400	New Mexico Junior College	6,215.0	5,695.9	6,476.8	6,124.0		6,124.0	(91.0)	-1.5%
97600	San Juan College	23,198.7	23,988.4	23,954.2	24,148.9		24,148.9	950.2	4.1%
97700	Clovis Community College	8,750.9	9,519.1	9,342.8	9,513.5		9,513.5	762.6	8.7%
97800	New Mexico Military Institute	2,066.1	2,127.5	2,312.3	2,185.0		2,185.0	118.9	5.8%
97900	New Mexico School for the Blind and Visually Impaired	975.2	1,083.2	1,113.5	1,125.5		1,125.5	150.3	15.4%
98000	New Mexico School for the Deaf	3,767.8	3,893.0	3,849.8	4,016.6		4,016.6	248.8	6.6%
HIGHER EDUCATION		757,716.6	785,514.2	781,717.9	784,482.2	1,702.4	786,184.6	28,468.0	3.8%
99300	Public School Support	2,402,768.3	2,483,531.6	2,473,834.9	2,499,241.7		2,499,241.7	96,473.4	4.0%
PUBLIC SCHOOL SUPPORT		2,402,768.3	2,483,531.6	2,473,834.9	2,499,241.7	0.0	2,499,241.7	96,473.4	4.0%
1%	State Workers	0.0	7,200.0		7,200.0		7,200.0	7,200.0	
1%	Higher Education	0.0	5,800.0		5,800.0		5,800.0	5,800.0	
3%	Special Comp - State Police & Motor Trans Officers	0.0	900.0		900.0		900.0	900.0	
HAFC Public School 1% compensation increase in the SEG @ \$21,623.5 thousand									
Compensation Increase		0.0	13,900.0	0.0	13,900.0	0.0	13,900.0	13,900.0	
TOTAL GENERAL APPROPRIATION ACT		5,635,478.0	5,849,416.6	5,867,150.0	5,868,406.5	6,206.4	5,874,612.9	239,134.9	4.2%
TOTAL FEED BILL AND GENERAL APPROPRIATION ACT		5,650,238.2	5,864,343.6	5,881,471.7	5,882,784.4	6,206.4	5,888,990.8	238,752.6	4.2%

RECURRING GENERAL FUND AGENCY SUMMARY
FISCAL YEAR 2014
(dollars in thousands)

AGENCY	FY13 OpBud	LFC Total Rec.	Total Exec Rec.	HAFC Initial	HAFC Final Review	Total HAFC	HAFC Dollar Change	HAFC Percent Change
FEED BILL:								
LEGISLATIVE	14,760.2	14,927.0	14,321.7	14,377.9	0.0	14,377.9	(382.3)	-2.6%
GENERAL APPROPRIATION ACT:								
LEGISLATIVE	3,913.6	4,020.2	3,953.5	4,020.2	0.0	4,020.2	106.6	2.7%
JUDICIAL	199,026.3	206,505.2	205,391.9	207,242.6	320.0	207,562.6	8,536.3	4.3%
GENERAL CONTROL	160,634.1	166,832.3	169,391.8	167,019.2	824.0	167,843.2	7,209.1	4.5%
COMMERCE & INDUSTRY	43,890.3	46,134.5	49,194.3	46,484.5	235.0	46,719.5	2,829.2	6.4%
AGRICULTURE, ENERGY & NATURAL RESOURCES	62,814.1	64,544.1	69,897.5	65,044.1	575.0	65,619.1	2,805.0	4.5%
HEALTH, HOSPITALS & HUMAN SERVICES	1,584,339.0	1,641,477.4	1,648,330.0	1,637,014.9	2,235.0	1,639,249.9	54,910.9	3.5%
PUBLIC SAFETY	367,802.6	374,261.7	381,120.6	375,862.9	280.0	376,142.9	8,340.3	2.3%
TRANSPORTATION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
OTHER EDUCATION	52,573.1	62,695.4	84,317.6	68,094.2	35.0	68,129.2	15,556.1	29.6%
HIGHER EDUCATION	757,716.6	785,514.2	781,717.9	784,482.2	1,702.4	786,184.6	28,468.0	3.8%
PUBLIC SCHOOL SUPPORT	2,402,768.3	2,483,531.6	2,473,834.9	2,499,241.7	0.0	2,499,241.7	96,473.4	4.0%
OTHER (State workers, Higher Ed, & Special Comp for State Police and MTD Officers)	0.0	13,900.0	0.0	13,900.0	0.0	13,900.0	13,900.0	
TOTAL GENERAL APPROPRIATION ACT	5,635,478.0	5,849,416.6	5,867,150.0	5,868,406.5	6,206.4	5,874,612.9	239,134.9	4.2%
TOTAL FEED BILL AND GENERAL APPROPRIATION ACT	5,650,238.2	5,864,343.6	5,881,471.7	5,882,784.4	6,206.4	5,888,990.8	238,752.6	4.2%

General Fund Financial Summary - December 2012 Consensus Revenue Estimate
(in millions of dollars)

	<u>Actual FY2012</u>	<u>Estimated FY2013</u>	<u>Estimated FY2014</u>
APPROPRIATION ACCOUNT			
REVENUE			
Recurring Revenue			
December 2012 Consensus Forecast	\$ 5,802.4	\$ 5,707.3	\$ 5,932.7
February 2013 forecast update		\$ (41.4)	\$ (24.2)
2013 Regular Session		\$ -	\$ -
Total Recurring Revenue	\$ 5,802.4	\$ 5,665.9	\$ 5,908.5
Nonrecurring Revenue			
December 2012 Consensus Forecast	\$ 14.7	\$ (3.3)	\$ (0.9)
February 2013 forecast update	\$ (40.0)	\$ -	\$ -
2013 Regular Session		\$ (1.8)	\$ -
Total Non-Recurring Revenue (1)	\$ (25.3)	\$ (5.1)	\$ (0.9)
TOTAL REVENUE	\$ 5,777.1	\$ 5,660.8	\$ 5,907.6
APPROPRIATIONS			
Recurring Appropriations			
General Appropriation	\$ 5,431.4	\$ 5,649.6	\$ 5,889.0
2013 Regular Session - Legislation	\$ -	\$ 9.2	\$ -
Total Recurring Appropriations	\$ 5,431.4	\$ 5,658.8	\$ 5,889.0
Nonrecurring Appropriations			
Regular Session	\$ 5.8		
2012 Audit	\$ (23.8)	\$ 23.7	
2013 IT Project Funding		\$ 20.4	
2013 Deficiencies, Supplementals, Specials	\$ 100.8	\$ 83.2	\$ -
Total Nonrecurring Appropriations	\$ 82.7	\$ 127.3	\$ -
TOTAL APPROPRIATIONS	\$ 5,514.1	\$ 5,786.1	\$ 5,889.0
Transfer to(from) Reserves (2)	\$ 263.0	\$ (125.3)	\$ 18.6
GENERAL FUND RESERVES			
Beginning Balances	\$ 504.7	\$ 712.9	\$ 556.8
Transfers from (to) Appropriations Account	\$ 263.0	\$ (125.3)	\$ 18.6
Revenue and Reversions	\$ 202.8	\$ 53.5	\$ 51.5
Appropriations, expenditures and transfers out	\$ (257.6)	\$ (84.3)	\$ (37.8)
Ending Balances	\$ 712.9	\$ 556.8	\$ 589.2
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>13.1%</i>	<i>9.8%</i>	<i>10.0%</i>

Notes:

(1) FY12 includes \$18.3 million in nonrecurring revenue: \$11.4 million fund transfer for solvency, and \$6.9 million for tax amnesty. The nonrecurring revenue reductions in FY13 and FY14 reflect accelerated revenue collections due to the tax amnesty program.

(2) Pursuant to Section 10, \$40 million was transferred from the Appropriation Account to the Appropriation Contingency Fund in FY12.

General Fund Financial Summary - December 2012 Consensus Revenue Estimate

RESERVE DETAIL

(in millions of dollars)

	Actual FY2012	Estimated FY2013	Estimated FY2014
OPERATING RESERVE			
Beginning balance	\$ 276.5	\$ 346.8	\$ 219.7
BOF Emergency Appropriations/Reversions	\$ (1.3)	\$ (1.75)	\$ (2.0)
Contingent Liability - Cash Management (1)	\$ (70.0)	\$ -	
Transfers from/to appropriation account	\$ 263.0	\$ (125.3)	\$ 18.6
Transfer to tax stabilization reserve	\$ (121.4)	\$ -	
Ending balance	\$ 346.8	\$ 219.7	\$ 236.4
APPROPRIATION CONTINGENCY FUND			
Beginning balance	\$ 5.2	\$ 29.5	\$ 16.8
Disaster allotments	\$ (17.6)	\$ (16.0)	\$ (16.0)
Other appropriations	\$ -	\$ -	\$ -
Transfers in (2)	\$ 40.0	\$ -	\$ -
Revenue and reversions	\$ 1.9	\$ 3.3	\$ -
Ending Balance	\$ 29.5	\$ 16.8	\$ 0.8
Education Lock Box			
Beginning balance	\$ 47.1	\$ 39.1	\$ 11.6
Appropriations (GAA Section 5&6) (3)	\$ (8.0)	\$ (27.5)	\$ -
Transfers in (out)	\$ -	\$ -	\$ -
Ending balance	\$ 39.1	\$ 11.6	\$ 11.6
Total of Appropriation Contingency Fund	\$ 68.6	\$ 28.4	\$ 12.4
STATE SUPPORT FUND			
Beginning balance	\$ 1.0	\$ 1.0	\$ 1.0
Revenues	\$ -	\$ -	\$ -
Appropriations	\$ -	\$ -	\$ -
Ending balance	\$ 1.0	\$ 1.0	\$ 1.0
TOBACCO PERMANENT FUND			
Beginning balance	\$ 148.8	\$ 149.0	\$ 160.2
Transfers in	\$ 39.3	\$ 39.0	\$ 39.5
Appropriation to tobacco settlement program fund	\$ (19.7)	\$ (19.5)	\$ (19.8)
Gains/Losses	\$ 0.2	\$ 11.2	\$ 12.0
<i>Additional transfers to Program Fund</i>	\$ (19.7)	\$ (19.5)	\$ -
Ending balance	\$ 149.0	\$ 160.2	\$ 192.0
TAX STABILIZATION RESERVE			
Beginning balance	\$ 26.1	\$ 147.5	\$ 147.5
Transfers in	\$ 121.4	\$ -	\$ -
Ending balance	\$ 147.5	\$ 147.5	\$ 147.5
GENERAL FUND ENDING BALANCES			
	\$ 712.9	\$ 556.8	\$ 589.2
<i>Percent of Recurring Appropriations</i>	<i>13.1%</i>	<i>9.8%</i>	<i>10.0%</i>

Notes:

(1) Due to SHARE reconciliation to the cash account there was a \$70 million cash shortfall which will come out of the ACF.

(2) Transfer from FY12 appropriation account to replenish the Appropriation Contingency Fund.

(3) DFA scores this appropriation as \$8 million in FY12, and \$1 million in FY13. Also in FY13, \$2 million for common core and teacher evaluation implementation, \$5.6 million for hold harmless for funding formula reform (contingent on legislation).

