

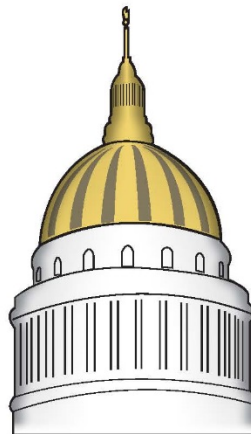


STATE OF
WEST VIRGINIA

EXECUTIVE BUDGET
GENERAL AND LOTTERY FUNDS

WWW.BUDGET.WV.GOV

JIM JUSTICE
GOVERNOR

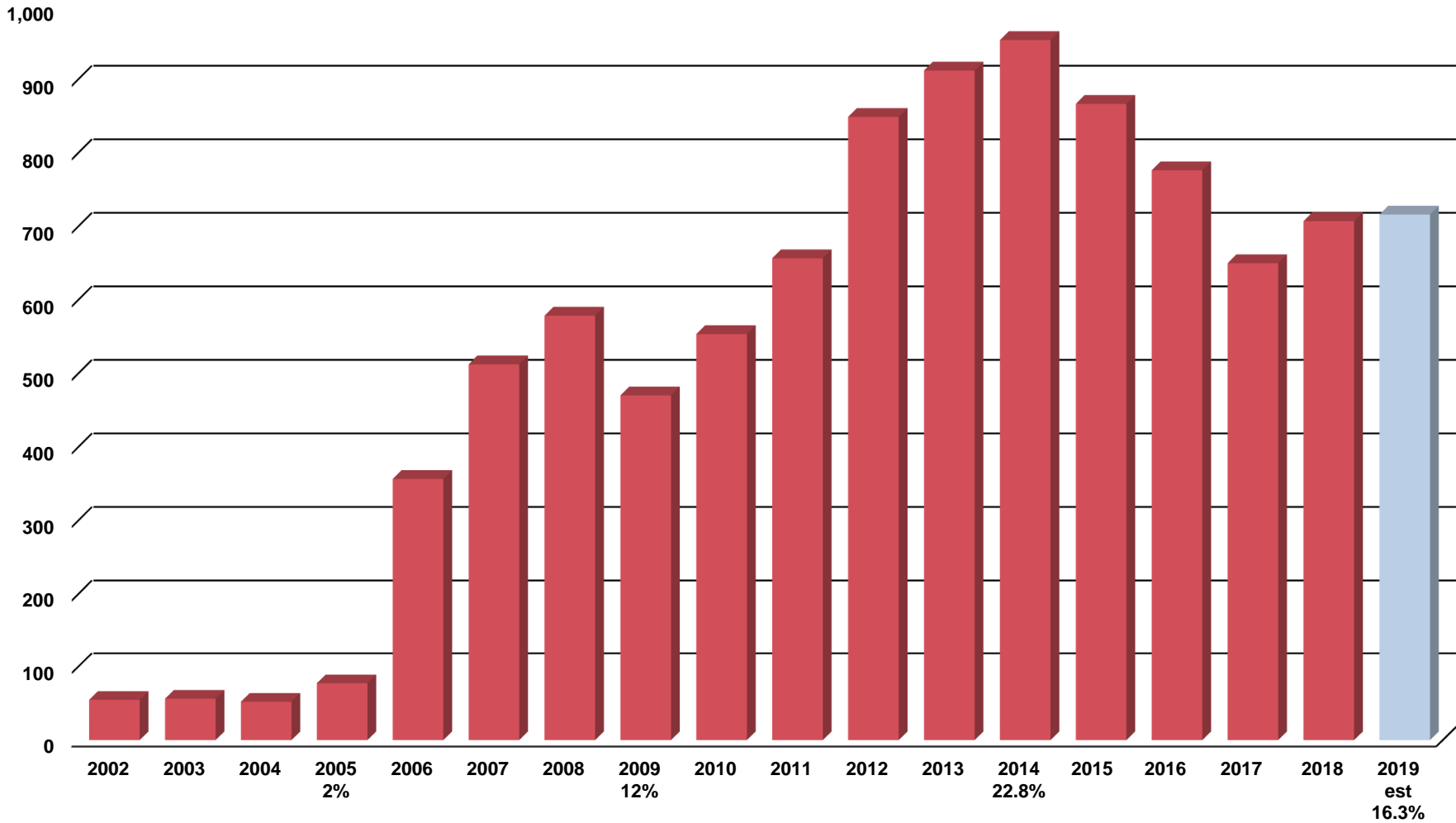


FISCAL YEAR
2020

State of West Virginia - Executive Budget

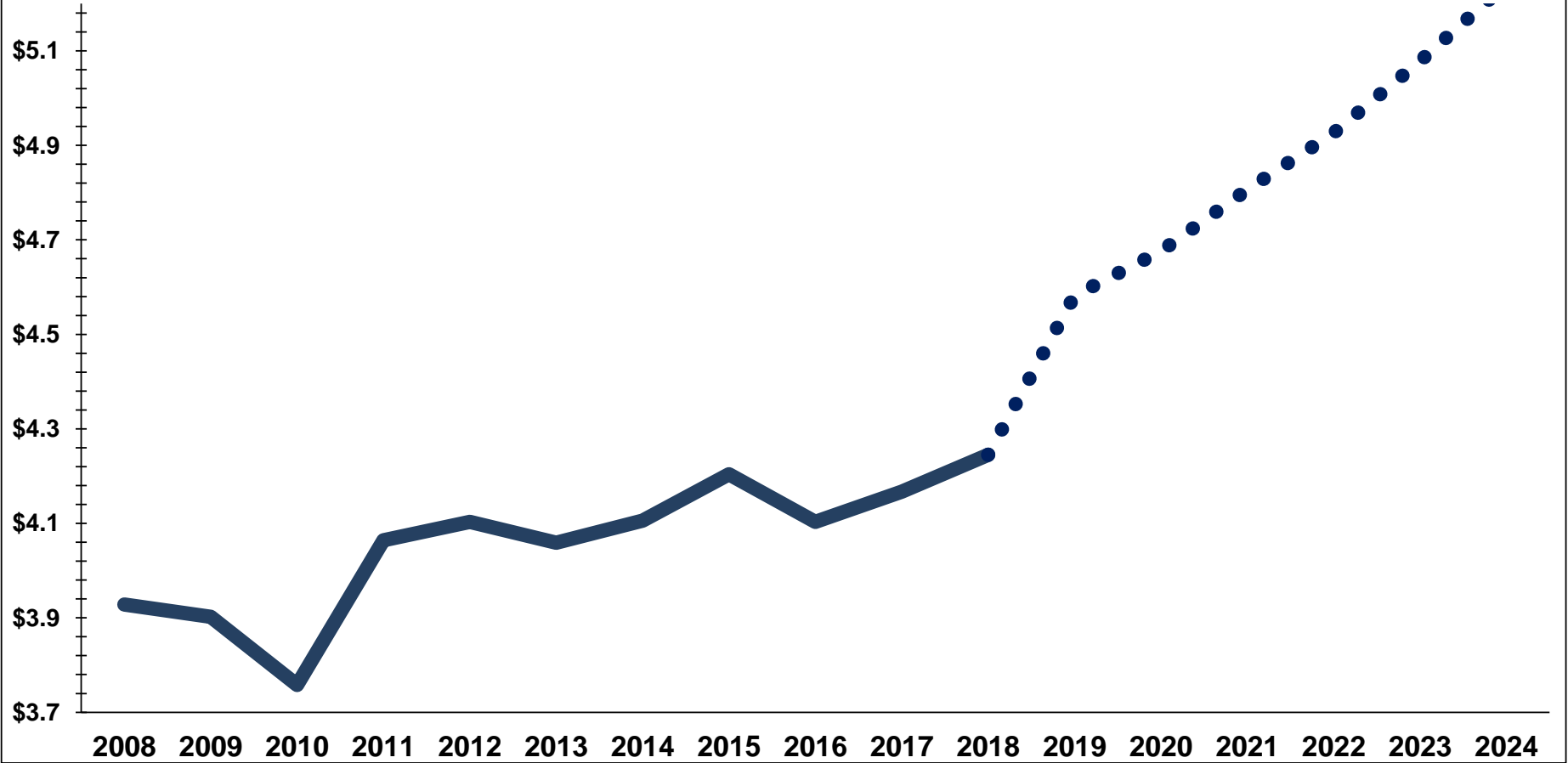
- Challenging budget years in FY 2014 – FY 2018.
- Ended FY 2018 with a General Revenue surplus of \$36.1 million, with \$18 million transferred to Rainy Day, \$13.8 million to fund surplus appropriations in the FY 2019 Budget Bill.
- The Medicaid Program ended FY 2018 with a healthy cash balance in the State’s matching share.
- FY 2019 revenues are \$185.9 million above estimate at the end of December 2018. FY 2019 Lottery revenues are running about 16% ahead of estimates.
- FY 2019 General Revenue cash flow is strong – we continue to pay our bills on time.
- Governor recommends a balanced FY 2020 budget.
- Governor recommends a pay raise of \$2,120 for teachers, \$1,150 for service personnel, and \$2,370 for other state employees (average of 5% raise), along with the second year of a three increase for Corrections employees.
- 100% of Required Retirement Contributions are funded in the FY 2020 budget.
- Major new dollars included for Social Services, deferred maintenance, Tourism, and Substance Abuse programs.
- **No** Rainy Day funds are used to balance FY 2020.
- Rainy Day funds continue to be among the best in the country – over \$718.6 million as of December 31, 2018, (16.34% of General Revenue).
- State’s Workers’ Compensation unfunded liability was retired December 31, 2018.
- FY 2020 Revenue Estimates are 2.05% above current year estimates, as revised.
- FY 2020 proposed expenditures are 1.73% above total current fiscal year expenditures.

Rainy Day Balance at End of Fiscal Year

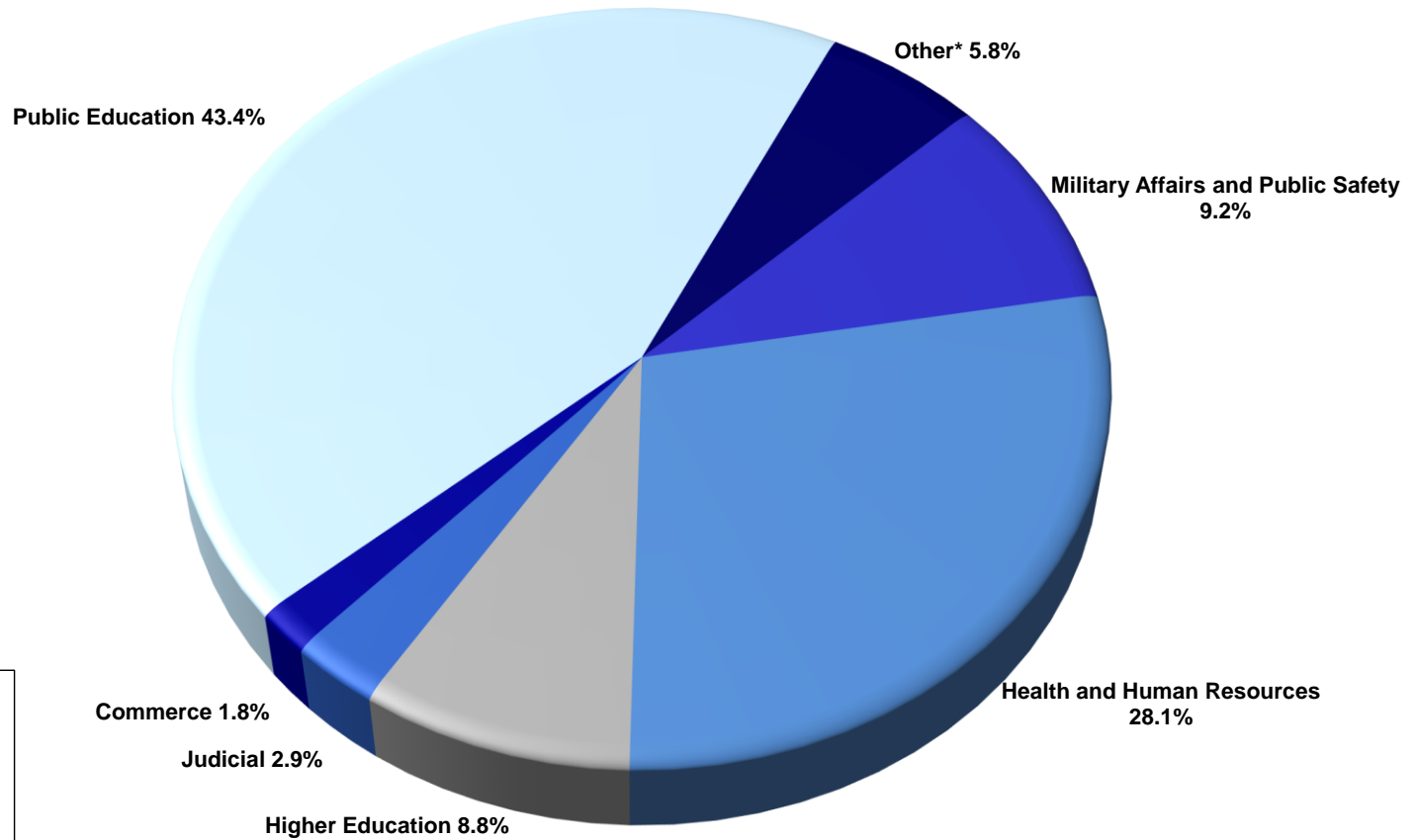


General Revenue Fund Collections Trend

(Actual FY 2008 - FY 2018, Estimated FY 2018- FY 2024)



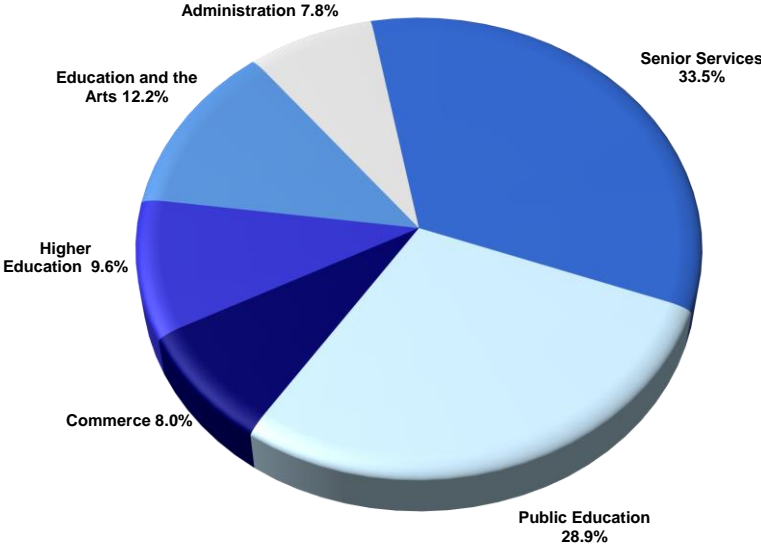
**Recommended Expenditures
Fiscal Year 2020
\$4.675 Billion**



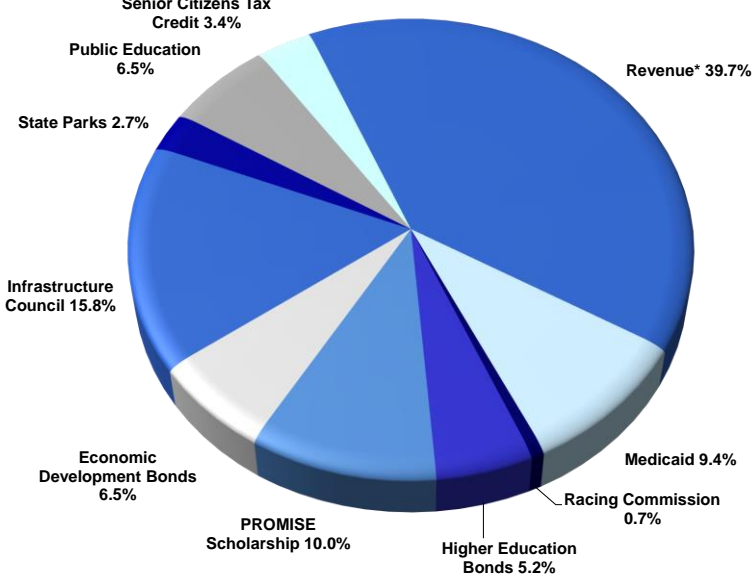
***Other**
Legislature - 0.5%
Executive - 0.8%
Administration - 2.4%
Arts, Culture & Hist. - 0.2%
Environment - 0.1%
Revenue - 0.7%
Veterans Assistance - 0.3%
Transportation - 0.1%
Senior Services - 0.7%

Recommended Expenditures Fiscal Year 2020 \$418.1 Million

**Lottery Fund
\$127.8 Million**

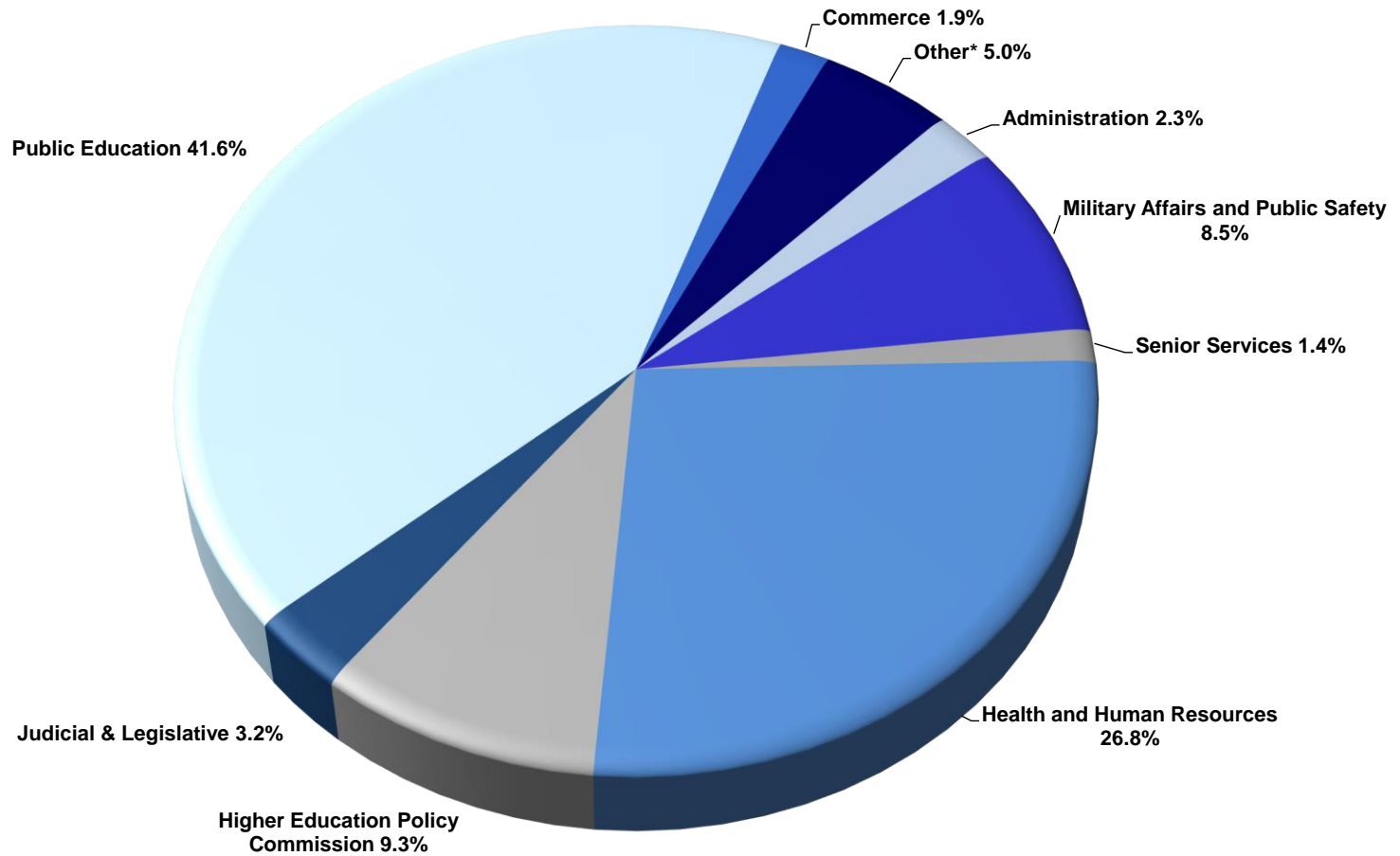


**Excess Lottery Fund
\$290.3 Million**



* Includes \$65,000,000 transfer to General Revenue Fund

Total Recommended Appropriations General, Lottery, and Excess Lottery Fiscal Year 2020 \$5.028 Billion*



* \$5.028 billion does not double count \$65 million transfer from Excess Lottery to General Revenue.

**Six-Year Financial Plan
Through FY 2024
General and Lottery Revenues**
(In Thousands)

	Actual FY 2018	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023	Projected FY 2024
Estimated Revenue							
General Revenue	\$4,245,258	\$4,439,920	\$4,675,820	\$4,805,600	\$4,926,430	\$5,078,250	\$5,240,580
General Revenue - Estimate Revision		\$142,000					
General Revenue - (Surplus used / available from previous FYs)	46,935	32,152					
Lottery	148,749	123,308	127,808	127,808	127,808	127,808	127,808
Lottery - (Surplus used / available from previous FYs)	31,689	6,000	16,000	0	0	0	
Excess Lottery	259,527	225,257	225,257	250,257	225,257	225,257	225,257
Excess Lottery - (Surplus used / available from previous FYs)	55,648	8,000	17,000	0	0	0	
Total Available	\$4,787,806	\$4,976,637	\$5,061,885	\$5,183,665	\$5,279,495	\$5,431,315	\$5,593,645
Estimated Expenditures							
Previous Years' Base Budget		4,716,084	4,870,181	\$5,057,608	\$5,118,850	\$5,260,645	\$5,365,948
(Base Budget FY18) and (Base Budget Growth for out-years): *							
Legislature	23,452	(455)	421	0	0	0	0
Supreme Court	141,759	(2,000)	(3,610)	0	0	0	0
Public Defender	31,580	54	2,786	14,300	0	0	0
PERS Employer Contribution	35,120	12,507	0	4,000	0	0	0
PEIA Premiums	327,125	18,605	(8,674)	0	52,000	28,600	31,200
Teachers' Retirement Savings Realized	34,638	362	7,954	2,000	2,000	2,000	2,000
Teachers' Retirement System	416,087	10,272	(21,836)	30,000	15,000	15,000	20,000
State Aid to Schools (PEIA and Retirement included above)	1,124,707	49,133	(25,913)	(9,000)	(9,000)	(10,000)	(11,000)
Public Education - All Other	174,650	4,977	16,173	1,500	1,500	1,500	1,500
DHHR- Medicaid	730,778	0	0	0	0	0	0
DHHR- All Other	577,798	61,098	47,466	21,442	13,295	14,203	15,218
Correctional Facilities	223,079	12,924	37,552	10,000	12,000	2,000	12,000
State Police	74,707	7,600	1,428	0	4,000	0	4,000
Public Safety Retirement Plan A / State Police Plan B	29,240	(8,240)	(3,234)	0	0	0	0
Higher Education	439,202	15,130	3,362	0	0	0	0
All Other Items (net)	332,162	(27,870)	28,445	(18,000)	2,000	2,000	2,000
Salary Enhancements	0	0	105,107	0	44,000	45,000	46,000
Unanticipated Expenditures				5,000	5,000	5,000	5,000
Total Ongoing Base Budget	\$4,716,084	\$4,870,181	\$5,057,608	\$5,118,850	\$5,260,645	\$5,365,948	\$5,493,866
Onetime Expenditures	10,820	26,684	10,228	15,000	5,000	5,000	12,471
Supplementals	89,060	200,110					
Onetime Reductions	(101,166)	(138,726)	(6,409)				
Expirations							
Surplus Transferred to Rainy Day Fund	38,022	18,014					
Estimated Balance (Gaps)	\$34,986	\$374	\$458	\$49,815	\$13,850	\$60,367	\$87,308

Note: This six-year financial plan is a tool for analyzing future budgets.

"Base Budget Growth for out-years" is the additional amount required annually to fund existing programs as shown in FY2019-FY2024.

Governor's Recommendations FY 2020

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
GENERAL REVENUE							
LEGISLATURE							
Senate	0165	\$5,952,206				\$5,952,206	
House of Delegates	0170	8,904,031				8,904,031	
Joint Expenses/Claims against State	0175	9,894,197		421,260		10,315,457	\$421,260 for claims as requested.
Subtotal		24,750,434	0	421,260	0	25,171,694	
JUDICIAL							
Supreme Court	0180	139,759,670	0	(8,609,670)	5,000,000	136,150,000	(\$8,666,670) as requested; \$57,000 for JRS as requested; \$5,000,000 for Intermediate Court of Appeals.
EXECUTIVE							
Office of the Governor	0101	4,325,277	79,440		62,112	4,466,829	\$62,112 for operational expenses.
Custodial Fund	0102	552,579	16,872			569,451	
State Auditor's Office	0116	2,719,697	103,398			2,823,095	
State Treasurer's Office	0126	3,246,897	78,455			3,325,352	
Department of Agriculture	0131	9,905,377	386,996			10,292,373	
WV Conservation Agency	0132	7,833,605	189,630		2,000,000	10,023,235	\$2,000,000 for dam maintenance.
Meat Inspection	0135	729,788	27,937			757,725	
Agricultural Awards	0136	54,250				54,250	
Agricultural Land Protection Auth.	0607	97,685	2,812			100,497	
Attorney General	0150	4,645,739	307,718			4,953,457	
Secretary of State	0155	957,594				957,594	
State Election Commission	0160	7,508				7,508	
Subtotal		35,075,996	1,193,258	0	2,062,112	38,331,366	
ADMINISTRATION							
Office of the Secretary	0186	15,724,786	15,466			15,740,252	
Public Employees Insurance Agency	0200	21,000,000				21,000,000	
Division of Finance	0203	734,018	18,982			753,000	
General Services Division	0230	17,639,867	129,352		15,000,000	32,769,219	\$15,000,000 for maintenance and repairs on state owned buildings.
Purchasing Division	0210	1,031,858	32,619			1,064,477	
Comm. on Uniform State Laws	0214	45,550				45,550	
Grievance Board	0220	1,090,968	33,744			1,124,712	
Ethics Commission	0223	701,706	18,138			719,844	
Public Defender Services	0226	31,633,914	66,082		2,785,650	34,485,646	\$2,500,000 for appointed counsel fees; \$285,650 for habeas division.
Comm. Purchase from Handicapped	0233	4,055				4,055	
Prosecuting Attorneys Institute	0557	241,029	5,624			246,653	
Real Estate Division	0610	811,620	20,246			831,866	
Travel Management	0615	1,238,346	22,496			1,260,842	
Subtotal		91,897,717	362,749	0	17,785,650	110,046,116	

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
COMMERCE							
Office of the Secretary	0606	573,717	33,744			607,461	
Tourism Office	0246	0			14,000,000	14,000,000	\$14,000,000 for tourism marketing and brand promotion.
Forestry	0250	3,284,870	137,788			3,422,658	
Geological & Economic Survey	0253	2,833,449	83,798			2,917,247	
Development Office	0256	10,606,154	199,371		458,000	11,263,525	\$458,000 for Local Economic Development Partnership.
Division of Labor	0260	1,778,500	64,676			1,843,176	
Division of Natural Resources	0265	22,399,631	848,719			23,248,350	
Miners' Health, Safety & Training	0277	11,319,311	306,509			11,625,820	
Bd of Coal Mine Health & Safety	0280	352,787	2,812			355,599	
WorkForce WV	0572	59,363				59,363	
Division of Energy	0612	1,241,455	2,812			1,244,267	
Division of Rehabilitation Services	0310	14,380,303	506,161			14,886,464	
Subtotal		68,829,540	2,186,390	0	14,458,000	85,473,930	
EDUCATION							
School Lunch Program	0303	2,454,359	11,248	1,300		2,466,907	Statutory Adjustments.
State Department of Education	0313	79,916,749	184,779	7,871,892		87,973,420	\$7,954,000 for Teachers' Retirement Savings Realized based on actuarial calculations; \$476,348 for Allowance for County Transfer; \$150,000 for Increased Enrollment; (\$550,000) for Teacher Mentor; (\$69,250) for Principals Mentorship; (\$89,206) Other Statutory Adjustments.
Aid for Exceptional Children	0314	30,228,979	782,600	201,800	1,151,000	32,364,379	Statutory Adjustments; \$1,151,000 for Institutional Educators.
State Aid to Schools	0317	1,839,260,810	67,717,500	(62,831,802)		1,844,146,508	(\$16,042,423) increase in Local Share and Adjustments; (\$8,673,825) for PEIA due to less formula funded positions; (\$6,409,018) excess balance on deposit with PEIA - onetime reduction; (\$16,108,816) for professional educators mostly due to drop in enrollment; (\$5,424,063) for service personnel mostly due to drop in enrollment; (\$1,187,763) for service personnel equity held at current level; \$1,249,418 for transportation; (\$21,836,190) for Teachers' Retirement System based on actuarial calculations; \$3,630,411 for Teacher and Leader Induction program; \$579,480 for SBA due to bond retirement; all other steps (net) \$7,390,987.
Vocational Division	0390	32,748,588	867,405	243,824	15,000,000	48,859,817	\$10,000,000 for Jim's Dream; \$5,000,000 for Jim's Dream - Childhood Drug Prevention Education; Statutory Adjustments.
Schools for the Deaf & the Blind	0320	14,271,821	406,067			14,677,888	
Subtotal		1,998,881,306	69,969,599	(54,512,986)	16,151,000	2,030,488,919	
DEPARTMENT OF ARTS, CULTURE, AND HISTORY							
Office of the Secretary	0294	2,334,925		(2,334,925)		0	Elimination of office.
Culture and History	0293	5,111,807	163,574			5,275,381	
Library Commission	0296	1,587,362	53,428			1,640,790	
Educational Broadcasting Authority	0300	3,757,579	73,112			3,830,691	
Subtotal		12,791,673	290,114	(2,334,925)	0	10,746,862	

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
ENVIRONMENTAL PROTECTION							
Environmental Quality Board	0270	107,859	5,624			113,483	
Environmental Protection	0273	6,307,994	190,485			6,498,479	
Air Quality Board	0550	76,053				76,053	
Subtotal		6,491,906	196,109	0	0	6,688,015	
HEALTH AND HUMAN RESOURCES							
Office of Secretary	0400	655,996	11,248			667,244	
Division of Health	0407	67,731,507	752,271		8,877,416	77,361,194	\$2,928,974 for Chief Medical Examiner; \$567,953 for the Office of Drug Control Policy; \$2,380,489 for the Office of Medical Cannabis; \$1,000,000 for Health Right Free Clinics; \$2,000,000 for the Take Back Our Health initiative.
Division of Health	0525	207,953,702	3,812,797		17,316,655	229,083,154	\$10,000,000 for Jim's Dream; \$7,316,655 for Children's Mobile Crisis/Wraparound Services.
Division of Health	0561	647,500				647,500	
Human Rights Commission	0416	1,374,653	44,992			1,419,645	
Human Services	0403	1,014,039,558	3,982,014	(33,997,758)	22,566,769	1,006,590,583	\$660,546 for CPS worker retention program; \$ 21,906,223 for Social Services; (\$33,000,000) Medicaid moved to lottery surplus; \$900,000 Medicaid moved from excess lottery; (\$1,897,758) Medicaid moved to Regular Lottery.
Subtotal		1,292,402,916	8,603,322	(33,997,758)	48,760,840	1,315,769,320	
MILITARY AFFAIRS & PUBLIC SAFETY							
Office of the Secretary	0430	1,928,535	25,308			1,953,843	
Adjutant General - State Militia	0433	15,703,628	230,640			15,934,268	
Adjutant General - Military Fund	0605	157,775				157,775	
Parole Board	0440	1,383,470	2,812			1,386,282	
Homeland Security/Emerg. Mgmt.	0443	4,375,541	75,924		594,429	5,045,894	\$594,429 for SIRN.
Corrections Central Office	0446	623,400	22,496	(83,530)		562,366	Moved to Division of Administrative Services.
Correctional Units	0450	194,626,274	5,252,824	(1,738,586)	41,244,939	239,385,451	\$30,865,925 for regional jail per diem payments; \$5,000,000 for Anthony Center repairs; (\$1,738,586) moved to Division of Administrative Services; \$5,379,014 for step 2 of 3 for correctional staff pay raise.
WV State Police	0453	103,307,183	2,664,375	(3,234,185)	1,428,102	104,165,475	(\$3,234,185) for Troopers Retirement System based on actuarial calculations; \$1,428,102 for the AFIS system maintenance.
Fire Commission	0436	64,021				64,021	
Justice and Community Services	0546	9,926,870	39,735			9,966,605	
Juvenile Services	0570	41,376,775	1,605,652	(514,139)	1,306,507	43,774,795	(\$514,139) moved to Division of Administrative Services; \$1,306,507 for step 2 of 3 for correctional staff pay raise.
Protective Services Division	0585	3,444,728	134,976			3,579,704	
Division of Administrative Services	0619	0		2,336,255		2,336,255	New division.
Subtotal		376,918,200	10,054,742	(3,234,185)	44,573,977	428,312,734	
REVENUE							
Secretary of Revenue	0465	600,039	14,060			614,099	
Tax Division	0470	28,070,392	842,899		340,000	29,253,291	\$340,000 for taxpayer services initiative.
State Budget Office	0595	673,645	22,496			696,141	
Office of Tax Appeals	0593	539,385	14,060			553,445	
Athletic Commission	0523	36,811				36,811	
Subtotal		29,920,272	893,515	0	340,000	31,153,787	

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
TRANSPORTATION							
State Rail Authority	0506	2,112,458	8,436			2,120,894	
Public Transit	0510	2,262,989				2,262,989	
Aeronautics Commission	0582	766,681	8,436			775,117	
Subtotal		5,142,128	16,872	0	0	5,159,000	
VETERANS ASSISTANCE							
Veterans Affairs	0456	9,359,165	388,929		1,000,000	10,748,094	\$1,000,000 for nursing facility operations.
Veterans Home	0460	1,195,523	68,332			1,263,855	
Subtotal		10,554,688	457,261	0	1,000,000	12,011,949	
SENIOR SERVICES							
Senior Services	0420	29,950,955	0	0	0	29,950,955	
HIGHER EDUCATION							
Council for C&T College Education	0596	8,747,123	10,967			8,758,090	
Mountwest C&T College	0599	5,505,121	184,186			5,689,307	
New River C&T College	0600	5,452,807	262,079			5,714,886	
Pierpont C&T College	0597	7,244,243	275,886			7,520,129	
Blue Ridge C&T College	0601	5,099,246	231,596			5,330,842	
WVU at Parkersburg	0351	9,495,037	424,247			9,919,284	
Southern WV C&T College	0380	7,944,214	297,609			8,241,823	
WV Northern C&T College	0383	6,833,499	302,326			7,135,825	
Eastern WV C&T College	0587	1,812,537	67,375			1,879,912	
BridgeValley C&T College	0618	7,420,648	278,163			7,698,811	
HEPC-Administration	0589	72,853,786	64,647			72,918,433	
WVNET	0551	1,681,744	66,082			1,747,826	
WVU-School of Medicine	0343	20,520,709	425,328			20,946,037	
West Virginia University	0344	106,292,930	2,949,628			109,242,558	
Marshall University-School of Medicine	0347	13,182,461	465,752			13,648,213	
Marshall University	0348	46,676,300	1,556,332			48,232,632	
WV School of Osteopathic Medicine	0336	7,391,690	204,714			7,596,404	
Bluefield State College	0354	5,600,993	229,228			5,830,221	
Concord University	0357	8,552,843	298,572			8,851,415	
Fairmont State University	0360	15,111,777	488,564			15,600,341	
Glenville State College	0363	5,885,700	314,242			6,199,942	
Shepherd University	0366	9,671,542	312,287			9,983,829	
West Liberty University	0370	7,823,727	263,935			8,087,662	
West Virginia State University	0373	11,447,580	322,678		1,362,446	13,132,704	\$1,362,446 for land grant match.
Subtotal		398,248,257	10,296,423	0	1,362,446	409,907,126	
TOTAL GENERAL REVENUE		4,521,615,658	104,520,354	(102,268,264)	151,494,025	4,675,361,773	

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) PEIA/ Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
LOTTERY							
ADMINISTRATION							
Education, Arts, Sciences and Tourism Debt Service Fund	2252	10,000,000				10,000,000	
COMMERCE							
Tourism	3067	6,549,756	104,044	78,625		6,732,425	
Division of Natural Resources	3267	3,196,301	140,600	106,250		3,443,151	
EDUCATION							
State Department of Education	3951	18,526,892	186,071	170,412		18,883,375	
School Building Authority	3963	18,000,000				18,000,000	
EDUCATION AND THE ARTS							
Office of the Secretary	3508	250,100		(250,100)		0	Elimination of office.
Culture and History	3534	4,077,607	12,584	9,509	15,457	4,115,157	\$15,457 for Greenbrier Valley Theater.
Library Commission	3559	11,454,456	33,744	25,500		11,513,700	
SENIOR SERVICES							
Bureau of Senior Services	5405	39,169,030	7,650	1,904,707	1,775,000	42,856,387	\$1,897,758 of Medicaid moved from General Revenue (to balance); \$1,775,000 for service provider rate increase.
HIGHER EDUCATION POLICY COMMISSION							
Community & Technical College	4908	5,000,000				5,000,000	
Higher Education Policy Comm.	4925	3,014,498	2,418	1,828		3,018,744	
West Virginia University	4185	3,494,374	86,718	65,533		3,646,625	
Marshall-School of Medicine	4896	574,986	13,356	10,094		598,436	
TOTAL LOTTERY		123,308,000	587,185	2,122,358	1,790,457	127,808,000	

DEPARTMENT / Agency Description	Fund	(1) Adjusted Base FY 2019	(2) Pay raise	(3) Adjustments	(4) Improvements	(5) Governor's Recommendation FY 2020	Adjustments / Improvements Explanation
EXCESS LOTTERY							
COMMERCE							
Division of Natural Resources	3277	5,000,000		(3,495,000)		1,505,000	(\$3,495,000) to State Parks Lottery Debt Service Fund.
EDUCATION							
School Building Authority (Bond)	3514	19,000,000				19,000,000	
HEALTH AND HUMAN RESOURCES							
Div. of Human Services	5365	28,202,960		(900,000)		27,302,960	(\$900,000) moved to General Revenue (to balance)
REVENUE							
Lottery Comm.-General Purpose	7206	65,000,000				65,000,000	
Lottery Comm.-Refundable Credit	7207	10,000,000				10,000,000	
Lottery Comm.-Sty Fnds/Purposes	7213	50,022,040				50,022,040	
Racing Commission	7308	2,000,000				2,000,000	
HIGHER EDUCATION POLICY COMMISSION							
PROMISE Scholarship	4295	29,000,000				29,000,000	
Improvement Fund (Bond)	4297	15,000,000				15,000,000	
MISCELLANEOUS BOARDS & COMMISSIONS							
Water Development Authority	3390	46,000,000				46,000,000	
Economic Development Auth (Bond)	9065	19,000,000				19,000,000	
Cacapon and Beech Fork Debt Service	9067	2,032,000				2,032,000	
State Parks Lottery Debt Service	9068	0		4,395,000		4,395,000	\$4,395,000 for debt service
TOTAL EXCESS LOTTERY		290,257,000	0	0	0	290,257,000	