

FISCAL YEAR 2015 - 2016
FIVE YEAR BASE LINE PROJECTION SYNOPSIS
AND
EXISTING OPERATING BUDGET FY 2014 - 2015
VERSUS
CONTINUATION FY 2015 - 2016

**FIVE YEAR BASE LINE PROJECTION
STATE GENERAL FUND SUMMARY
Continuation**

	Current Fiscal Year 2014-2015	Projected Fiscal Year 2015-2016	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017-2018	Projected Fiscal Year 2018-2019
REVENUES:					
Taxes, Licenses & Fees	\$10,523,400,000	\$10,759,300,000	\$11,052,900,000	\$11,361,600,000	\$11,704,400,000
Less Dedications	(\$2,011,800,000)	(\$2,038,600,000)	(\$2,067,100,000)	(\$2,392,300,000)	(\$2,102,900,000)
Carry Forward Balances	\$11,239,379	\$0	\$0	\$0	\$0
Per action by JLCB on 12/18/2014 on the Mid-Year Deficit	\$17,332,443	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$8,540,171,822	\$8,720,700,000	\$8,985,800,000	\$8,969,300,000	\$9,601,600,000
ANNUAL GROWTH RATE		2.11%	3.04%	-0.18%	7.05%
EXPENDITURES:					
General Appropriation Bill (Act 15 of 2014 RLS)	\$8,299,155,544	\$9,395,514,551	\$9,703,159,986	\$10,112,494,789	\$10,429,729,956
Ancillary Appropriation Bill (Act 45 of 2014 RLS)	\$0	\$29,608,736	\$51,023,577	\$70,289,521	\$90,746,852
Non-Appropriated Requirements	\$206,170,216	\$473,712,343	\$476,988,673	\$458,230,630	\$447,469,386
Judicial Appropriation Bill (Act 65 of 2014 RLS)	\$155,338,908	\$155,422,556	\$155,351,819	\$155,352,335	\$155,352,872
Legislative Appropriation Bill (Act 75 of 2014 RLS)	\$73,352,811	\$73,419,975	\$73,289,879	\$73,288,306	\$73,286,926
Special Acts	\$0	\$18,600,000	\$18,600,000	\$18,600,000	\$18,600,000
Capital Outlay Bill (Act 25 of 2014 RLS)	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$8,734,017,479	\$10,146,278,161	\$10,478,413,934	\$10,888,255,581	\$11,215,185,992
ANNUAL GROWTH RATE		16.17%	3.27%	3.91%	3.00%
Midyear Adjustments after 12/1/2014	(\$153,159,149)	\$0	\$0	\$0	\$0
Preamble Adjustment	(\$40,686,508)	(\$40,686,508)	(\$40,686,508)	(\$40,686,508)	(\$40,686,508)
PROJECTED BALANCE	\$0	(\$1,384,891,653)	(\$1,451,927,426)	(\$1,878,269,073)	(\$1,572,899,484)
Oil Prices included in the REC official forecast	\$81.33	\$83.54	\$88.22	\$91.17	\$92.69

**FIVE YEAR BASE LINE PROJECTION
STATE GENERAL FUND REVENUE**

	Current Fiscal Year 2014-2015	Ensuing Fiscal Year 2015-2016	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017-2018	Projected Fiscal Year 2018-2019
REVENUES:					
Taxes, Licenses & Fees:					
Corporate Franchise & Income	\$350,000,000	\$350,000,000	\$353,100,000	\$370,100,000	\$420,000,000
Individual Income	\$2,869,400,000	\$2,987,800,000	\$3,126,100,000	\$3,263,900,000	\$3,403,900,000
Sales, General & Motor Vehicle	\$3,049,900,000	\$3,111,800,000	\$3,167,700,000	\$3,230,500,000	\$3,302,100,000
Sales, Suspension of Exemptions 2)	\$0	\$0	\$0	\$0	\$0
Mineral Revenues	\$1,220,500,000	\$1,196,700,000	\$1,237,100,000	\$1,266,300,000	\$1,285,100,000
Gaming Revenues	\$861,700,000	\$854,900,000	\$860,000,000	\$864,600,000	\$869,000,000
Other	\$2,171,900,000	\$2,258,100,000	\$2,308,900,000	\$2,366,200,000	\$2,424,300,000
TOTAL TAXES, LICENSES, & FEES	\$10,523,400,000	\$10,759,300,000	\$11,052,900,000	\$11,361,600,000	\$11,704,400,000
LESS DEDICATIONS	(\$2,011,800,000)	(\$2,038,600,000)	(\$2,067,100,000)	(\$2,392,300,000)	(\$2,102,900,000)
TOTAL REVENUE	\$8,511,600,000	\$8,720,700,000	\$8,985,800,000	\$8,969,300,000	\$9,601,600,000
ANNUAL GROWTH RATE	0.50%	2.46%	3.04%	-0.18%	7.05%
OIL PRICE	\$81.33	\$83.54	\$88.22	\$91.17	\$92.69
NOTES:					
Source: The official forecast adopted by the Revenue Estimating Conference on November 14, 2014.					

STATE
State of Louisiana
Baseline Projection - Statewide
Continuation

DI Description	Existing Oper Budget as of 12/01/14	Total Continuation Adjustments	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017 - 2018	Projected Fiscal Year 2018 - 2019
Existing Oper Budget as of 12/01/14	\$8,734,017,479	\$8,734,017,479	\$8,734,017,479	\$8,734,017,479	\$8,734,017,479
STATEWIDE STANDARDS					
Annualize Classified State Employees Performance Adjustment		\$9,309,366	\$18,991,107	\$29,060,117	\$39,531,888
Annualize Unclassified State Employees Merits		\$155,187	\$316,581	\$484,432	\$658,996
Annualize Unclassified Teacher Merits		\$52,487	\$107,073	\$163,843	\$222,884
Classified State Employees Performance Adjustment		\$20,790,076	\$42,411,755	\$64,898,301	\$88,284,309
Unclassified State Employees Performance Adjustment		\$457,230	\$932,749	\$1,427,289	\$1,941,611
Unclassified Teacher Performance Adjustment		\$209,944	\$428,286	\$655,361	\$891,520
Civil Service Training Series		\$1,096,484	\$1,096,484	\$1,096,484	\$1,096,484
Louisiana State Employees' Retirement System Base Adjustment		\$8,059,774	\$8,059,774	\$8,059,774	\$8,059,774
Teachers Retirement Base Adjustment		(\$2,082,616)	(\$2,082,616)	(\$2,082,616)	(\$2,082,616)
Group Insurance Rate Adjustment for Active Employees		\$15,077,675	\$24,358,478	\$34,195,600	\$44,622,950
Group Insurance Rate Adjustment for Retirees		\$14,531,061	\$23,457,708	\$32,919,954	\$42,949,935
Group Insurance Base Adjustment		\$891,062	\$891,062	\$891,062	\$891,062
Group Insurance Base Adjustment for Retirees		\$7,455,903	\$7,455,903	\$7,455,903	\$7,455,903
Salary Base Adjustment		(\$4,979,794)	(\$4,941,997)	(\$4,941,997)	(\$4,941,997)
Acquisitions & Major Repairs		\$166,286	\$170,693	\$174,960	\$178,704
Non-Recurring Acquisitions & Major Repairs		(\$273,635)	(\$280,886)	(\$287,908)	(\$294,070)
Non-recurring Carryforwards		(\$11,239,378)	(\$11,239,378)	(\$11,239,378)	(\$11,239,378)
Inflation		\$16,833,507	\$34,113,102	\$51,799,436	\$69,741,451
Medical Inflation		\$77,163,735	\$147,932,756	\$220,710,949	\$296,713,989
Risk Management		\$3,237,541	\$3,207,391	\$3,173,967	\$3,173,967
Legislative Auditor Fees		\$290,476	\$302,095	\$314,179	\$326,746
Rent in State-Owned Buildings		\$698,507	\$717,017	\$734,943	\$750,671
Maintenance in State-Owned Buildings		(\$161,975)	(\$166,267)	(\$170,424)	(\$174,071)
Capitol Park Security		\$13,162	\$13,511	\$13,849	\$14,145

STATE
State of Louisiana
Baseline Projection - Statewide
Continuation

DI Description	Existing Oper Budget as of 12/01/14	Total Continuation Adjustments	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017 - 2018	Projected Fiscal Year 2018 - 2019
STATEWIDE STANDARDS					
Capitol Police		\$11,563	\$11,563	\$11,563	\$11,563
UPS Fees		\$69,545	\$71,388	\$73,173	\$74,739
State Treasury Fees		\$24,717	\$24,717	\$24,717	\$24,717
Office of Technology Services (OTS)		(\$1,344,062)	(\$2,229,585)	(\$2,285,324)	(\$2,334,230)
TOTAL MEANS OF FINANCING SUB ADJUSTMENT		\$807,411,518	\$798,583,582	\$788,753,945	\$787,089,266
TOTAL NEW AND EXPANDED ADJUSTMENT		\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000
TOTAL NON-RECURRING OTHER ADJUSTMENT		(\$28,016,721)	(\$28,016,721)	(\$28,016,721)	(\$28,016,721)
TOTAL OTHER ADJUSTMENTS ADJUSTMENT		\$416,737,338	\$558,876,976	\$785,198,305	\$901,723,716
TOTAL OTHER ANNUALIZATIONS ADJUSTMENT		(\$5,262,628)	(\$4,135,451)	(\$3,008,274)	(\$1,881,097)
TOTAL OTHER TECHNICAL ADJUSTMENTS ADJUSTMENT		\$6,176,038	\$6,176,038	\$6,176,038	\$6,176,038
TOTAL WORKLOAD ADJUSTMENT		\$34,701,309	\$94,781,568	\$143,802,601	\$205,525,668
TOTAL ADJUSTMENTS		\$1,412,260,682	\$1,744,396,456	\$2,154,238,102	\$2,481,168,515
TOTAL		\$10,146,278,161	\$10,478,413,935	\$10,888,255,581	\$11,215,185,994

STATE
State of Louisiana
Baseline Projection of Significant Items
Continuation for FY 2015-2016

DI Description	Total Continuation Adjustments	Projected Fiscal Year 2016-2017	Projected Fiscal Year 2017 - 2018	Projected Fiscal Year 2018 - 2019
Elections Expense	\$4,036,756	\$1,253,290	(\$5,433,553)	\$611,541
Local Housing _State Offenders	(\$2,610,087)	(\$13,014,995)	(\$13,089,995)	(\$13,139,995)
Medicaid Payments	\$761,826,117	\$922,108,635	\$1,193,391,192	\$1,345,947,926
Econ Development Commitments	\$44,930,332	\$36,585,004	\$27,221,851	\$26,037,941
Taylor Opp Program_Students	\$56,264,180	\$59,380,880	\$60,832,267	\$63,710,425
Minimum Foundation Program	\$65,490,064	\$93,872,754	\$122,255,444	\$150,638,134
State Debt Service	\$267,542,127	\$270,818,457	\$252,060,414	\$241,299,170
Bridge and Road Hazards	\$18,600,000	\$18,600,000	\$18,600,000	\$18,600,000

Notes:

The 'Existing Operating Budget as of 12/1/2014' represents the budgeted amount as of December 1, 2014 for FY 2014-2015.

The column labeled 'Total Executive Legislative Adjustments' represents the Appropriated Level for FY 2014-2015.

The section labeled 'Statewide Standards' are statewide adjustments and to the extent necessary are made to all appropriations.

Growth rates are not applied to Salaries (Object Codes 2100/2130/5200). Annualization Performance Adjustments and Performance Adjustments are computed separately as specific items allowing a 4% growth rate per year for eligible employees. Performance Adjustments are included for Unclassified Employees only to the extent a structured salary schedule exists relative to the unclassified employees.

Acquisitions and Major Repairs - Comprised of Replacement Equipment, Major Repairs to existing property, and other needed equipment and major repairs but not included as a Workload adjustment, Annualization adjustment, or New or Expanded adjustment.

The Annual Growth Rate, Inflation, forecast for the Projected Years is based upon the Moody's Economy.com forecast of June 2014. The projected fiscal years' growth rate of the implicit price deflator for total consumption expenditures is 2.47%, 2.65%, 2.50%, and 2.14% for fiscal years 2015-2016 through 2018-2019, respectively. The projected fiscal years' growth rate of the implicit price deflator for medical care consumption expenditures is 3.75%, 3.95%, 4.14%, and 4.17%, for fiscal years 2015-2016 through 2018-2019, respectively.

Group Benefits Adjustment

Group Insurance Premiums in FY 15-16 increases 10.8% for both active employees and retirees. This is reflected by a \$27.3 million (\$15.1 million in State General Fund) increase for active employees, and a \$28.2 million (\$14.5 million in State General Fund) increase for Retirees, for an overall increase of \$55.5 million (\$29.6 million in State General Fund) over FY 14-15. This follows premium increase of 5% in FY15, which had an overall increase of \$17.9 million (\$6.9 million increase in State General Fund). The out years projection of State General Fund needs in FY17-19 include a rate increase of 6% each year.

Risk Management Adjustment

a - Amortization of past liabilities is not included in the premiums billed. Amortization of unfunded accrued liabilities would increase premiums by \$97.7 million per year for 10 years.

b - FY15-16 premiums will decrease 0.46% for \$186.04 million in total means of financing (State General Fund at \$91.44 million, a \$3.24 million increase over FY14-15). The Office of Risk Management projects an average increase of 0.04% in FY 16-17, FY 17-18, and 0% increase in FY 18-19. In FY 16-17 the estimated decrease over FY 14-15 is \$0.93 million in total means of financing (\$3.21 million increase in State General Fund). In FY 17-18 the estimated decrease over FY 14-15 is \$0.99 million in total means of financing (\$3.17 million increase in State General Fund). In FY 18-19 the estimated decrease over FY14-15 is \$0.99 million in total means of financing (\$3.17 million increase in State General Fund). The Statewide Property Excess insurance total limit in FY 14-15 is \$275 million per self-insured retention, with a \$100 million aggregate sublimit for flood, and an additional \$50 million top and drop cover for named windstorm. Self-insured retention per occurrence -- \$50 million self-insured retention for flood and windstorm, \$10 million for all other perils and earthquake. This coverage does not include Louisiana State University - Baton Rouge campus. Higher limits were not available in the insurance market at the time of placement as a result of the high windstorm risk of the gulf south, including losses sustained in Hurricanes Katrina, Rita, Gustav, and Ike, and losses from other worldwide catastrophes that financially impact the international market.

c - The stated assumptions do not attempt to anticipate legislative changes in tort liability and payments.

d - Department of Transportation and Development - There is no funding provided for the payment of Road and Bridge Hazard premiums. Claims paid by the Office of Risk Management for Road and Bridge Hazards in prior years have exceeded premium collections by \$335.4 million, through June 30, 2014. ORM processes Road and Bridge Hazard claims, but no longer pays those claims from the Self Insurance Fund. The 5-Year average on claims payable each year is \$18.6 million. Revised Statute 48:78 prohibits the use of the Transportation Trust Fund for this purpose. The 5-Year average on claims payable for Road and Bridge Hazards for out years are in Special Acts.

e - Appropriated funding for Road and Bridge Hazard administrative expenses and related matters in fiscal year 2014-2015 totals \$9,839,752 in Fees and Self-generated Revenues (via the Self-Insurance Fund) to the Office of Risk Management.

f - Currently no premiums are collected for the payment of Survivor Benefits paid to surviving family members of police and firefighters killed in the line of duty. The Office of Risk Management has been appropriated \$2,950,000 for Survivor Benefits payments for FY 14-15, based upon the 3-Year average of \$2,436,667 in claims paid in prior years. The 5-Year average for claims paid in prior years is \$2,412,000. As of June 30, 2014, \$3,700,000 in claims have been paid for FY 13-14.

Election Expenses

The total estimated cost of election expenses in FY 2015-2016 is \$19 million. There are three statewide elections including an open primary/gubernatorial, open general/gubernatorial and presidential preference. There is also a scheduled date for a municipal primary election. The total estimated cost of election expenses in FY 2016-2017 is \$16.5 million. There are two statewide elections including an open primary/congressional/presidential and an open general presidential/congressional. There are also two scheduled dates for municipal elections in FY 2016-2017 including a municipal primary and municipal general. The total estimated cost of election expenses in FY 2017-2018 is \$10.6 million. There are two statewide elections including an 'open primary and open general. There are also two scheduled dates for municipal elections including Orleans municipal elections. The total estimated cost of election expenses in FY 2018-2019 is \$15.9 million. There are two statewide elections including an Open primary/congressional and an open general/congressional. There are also two scheduled dates for municipal elections in FY 2018-2019 including a municipal primary and municipal general.

Election expenses include the cost of the commissioners, deputy custodians, janitors, drayman, clerk of court, registrar of voters, parish board of election supervisor, and precinct rentals; however, it does not include the cost of ballot printing and precinct supplies. The cost of election expenses and ballot printing fluctuate because of the cyclical nature of the types and number of elections held. Additionally, the costs of elections increased due to Acts 135 and 167 of the 2008 Regular Session, which established a permanent program to conduct early voting at additional locations and extended hours of early voting in all parishes, respectively. Act 134 of the 2008 Regular Session eliminated the July election date for proposition only elections; citing that it would be more cost efficient for localities to hold propositions elections on dates that coincide with other available elections. Given this, the cost of municipal elections increased slightly to accommodate this change. Municipal elections cost distribution depends on what issues are on the ballot. For gubernatorial, congressional, legislative, constitutional amendment, and judges, the state pays the first 50%.

Ballot Printing

The total estimated cost of ballot printing in FY 2015-2016 is \$1,350,000. There are three statewide elections including an open gubernatorial primary and general and presidential preference. Municipal elections in FY 2015-2016 include a municipal primary and municipal general. The total estimated cost of ballot printing in FY 2016-2017 is \$1,094,782. There are two statewide elections including an open primary and general/presidential/congressional and two scheduled dates for municipal primary & general elections. The total estimated cost of ballot printing in FY2017-2018 is \$255,000. There will be an open primary and open general election, an Orleans municipal/parochial primary and general election and a municipal primary and general election. The total estimated cost for ballot printing in FY 2018-2019 is \$1,055,000. there are two statewide elections including an Open primary/congressional and an open general/congressional. There are also two scheduled dates for municipal elections in FY 2018-2019 including a municipal primary and municipal general.

Local Housing of State Adult Offenders

The FY15-16 Continuation Budget for Local Housing of State Adult Offenders is \$166.9 million State General Fund (Direct), which includes a decrease of \$2.6 million from EOB. The FY16 continuation adjustments include an increase of \$7 million for the housing of parole detainees per Act 652 of the 2014 Regular Session of the Legislature, and a decrease of \$9.7 million from savings achieved through cost avoidance of recidivating offenders (by expanding transitional work programs, local re-entry centers, and day-reporting centers) per recommendations contained in the Governmental Efficiencies Management Support (GEMS) final report. Projected funding levels for FY16-17, FY17-18, and FY18-19 each include a decrease of \$13 million associated with a projected reduction in the offender population from 20,470 in FY15-16 to 17,749 in FY16-17, FY17-18, and FY18-19.

Medical Vendor Payments

- I. The Continuation Budget for FY15-16 for Medical Vendor Payments is \$8.7 billion, of which, \$2.7 billion is State General Fund. The Appropriated Budget is based on the following facts:
 - A. For the Medical Vendor Payments program, growth for the out years is measured using the chained price index for Medical Services as published by Moody, as of November 2014. The rates are as follows: FY 2016-2017 = 3.95%; FY 2017-2018 = 4.14% and FY 2018-2019 = 4.17%. Applying these rates against the total State General Fund, the required amount of State General Fund for the out years is: FY 2016-2017 - \$70.6 million; FY 2017-2018 - \$143.4 million; and FY 2018-2019 - \$219.4 million.
 - B. Means of Financing Substitutions replacing State General Fund with non-recurring revenue which allows for services to continue at current level. These Means of Financing Substitutions result in a net increase in State General Fund of \$691.7 million for FY 15-16, and include:
 1. \$141.5 million State General Fund (Direct) increase due to a means of financing substitution replacing 2013 Amnesty Collections Fund.
 2. \$6.6 million replacing State General Fund (Direct) due to the FMAP rate changing from 62.06% in FY 15 to 62.17% for Title XIX in FY 16.
 3. \$18.1 million replacing Low Income and Needy Care Collaboration Agreement (LINCCA) Fees and Self-Generated revenue with State General Fund (Direct).
 4. \$16.3 million State General Fund (Direct) increase due to a means of financing substitution replacing Federal CPEs.
 5. \$649K State General Fund (Direct) increase due to a means of financing substitution replacing Health Excellence Fund.
 6. \$3.3 million State General Fund (Direct) increase due to a means of financing substitution replacing Health Trust Fund.
 7. \$8.2 million State General Fund (Direct) increase due to a means of financing substitution replacing Louisiana Fund.
 8. \$233 million State General Fund (Direct) increase due to a means of financing substitution replacing Medicaid Trust Fund for the Elderly (MTFE).
 9. \$266 million State General Fund (Direct) increase due to a means of financing substitution replacing Overcollections Fund.
 10. \$11 million State General Fund (Direct) increase due to a means of financing substitution replacing a one time match from Office of Public Health used for northern LSU Public Private Partnership hospitals added by Senate amendment in FY 15.
 - C. The following adjustments also increased the need for State General Fund in the following amounts: Utilization, \$9.1 Million; Pharmacy Utilization, \$11.7 million; Cooperative Endeavor Agreement growth, \$14.5 million; Long Term Personal Care Services growth, \$3.4 million; Domestic Service Worker (DSW) overtime, \$11.2 million; New Opportunities Waiver (NOW) adjustment, \$13.6 million; Transfer of budget authority from MVA to MVP to align with LBHP procurement, \$6.2 million; Replacement of one time IAT from OPH, \$11 million; Community Choices Waiver, \$6.1 million; Medicare Part A & B Premiums, \$4.9 million. In FY 15-16, State General Fund (Direct) savings of \$33.9 million are achieved through the annualization of GEMS savings included in Act 15.
 - D. Increases in Medicaid payments for the out years include, in FY 2016-2017, \$47.3 million in FY2016-2017 for State General Fund (Direct) need over the UCC cap; \$18.5 million for nursing home rebase; \$10 million for Cooperative Endeavor Agreement inflation. In FY 2017-2018, \$241.7 million for State General Fund (Direct) need over the UCC cap; \$20.2 million for Cooperative Endeavor Agreement inflation. In FY 2018-2019, \$260.8 State General Fund (Direct) need over the UCC cap; \$37 million for nursing home rebase; \$30.8 million for Cooperative Endeavor Agreement inflation.
 - E. Act 646 of the 2014 session provides for deposits into the Medicaid Trust Fund for the Elderly from proceeds of the Deepwater Horizon litigation. If these proceeds should materialize during the out years it will lessen the need for State General Fund.

Economic Development Debt Service and Project Commitments

The projections for FY 15-16 through FY 18-19 are based upon Debt Service Payments and Commitments to companies and projects that are vital to the state's economic development. The total State General Fund for FY 15-16 is \$48.4 million, FY 16-17 \$40.0 million, FY 17-18 \$30.7 million and FY 18-19 \$29.5 million.

Taylor Opportunity Program for Students (TOPS)

The projections for the out years are based on anticipated retention rates and the projected number of high school graduates. The projected number of participants from 2016 through 2019 was obtained from the agency. Funding associated with the FY14-15 Existing Operating Budget is \$250 million, of which \$169.9 million is State General Fund (Direct). The projected awards for FY16 is 55,278 for a total need of \$284.3 million of which \$228.3 million is State General Fund; awards for FY17 is 55,785 for a total need of \$287.4 million, of which \$231.0 million is State General Fund; awards for FY18 is 56,030 for a total need of \$288.8 million, of which \$232.0 million is State General Fund; and awards for FY19 is 55,292 for a total need of \$291.7 million, of which \$234.3 million is State General Fund (Direct). State General Fund is used to replace Tobacco Refinance savings of \$22m for FY16-FY19.

Minimum Foundation Program (MFP)**Overview:**

FY17 through FY19 student enrollment projections and associated expenditures are based on a historical analysis.

FY 2015-2016:

Recommended is \$3.368 billion State General Fund and a total cost of \$3.628 billion with an estimated student count of 691,818. Base per pupil amount is \$3,961.

This includes a normal growth factor of 2.75%. The state general fund increase of \$65.5 million consists of the following: \$34.5 million net increase for the October 1, 2014 and the estimated February 1, 2015 student count of an additional net of 6,295 students and \$31.0 million decrease in State General Fund and a net increase in Statutory Dedications in Lottery Proceeds Fund and Support Education In Louisiana First (SELF) Fund revenue forecasts as of 11/14/2014.

FY 2016-2017:

Projections include an additional \$93.9 million State General Fund need including \$31.0 million to replace Lottery Proceeds Fund and SELF revenues and \$62.9 million for student count cost increase for a total cost of \$3.657 billion based upon a student count projection of 697,292.

FY 2017-2018:

Projections include an additional \$122.2 million State General Fund need including \$31.0 million to replace Lottery Proceeds Fund and SELF revenues and \$91.2 million for additional student cost increase for a total cost of \$3.685 billion based upon a student count projection of 702,766.

FY 2018-2019:

Projections include an additional \$150.6 million State General Fund need including \$31.0 to replace Lottery Proceeds Fund and SELF revenues and \$119.5 million for additional student cost increase for a total cost of \$3.713 billion based upon a student count projection is 708,240.

Debt Service

Debt Service increased by \$118.6 million for FY 2015-2016 and is associated with the following changes; Defeasance of debt in FY 2013-2014 (\$210 million), Funding requirements for debt service in FY 2015-2016 (-\$9.4 million), Bond premium savings utilized in FY 2014-2015 (\$41.4 million), Bond refunding savings utilized in FY 2014-2015 (\$1.5 million). The projections for FY17-FY19 include the replacement of the \$210 million for the defeasance of debt in FY 2013-2014, Bond premium savings utilized in FY 2014-2015 \$41.4 million and \$1.5 million in bond refunding savings utilized in FY 2014-2015. The projections also include adjustments to balance to the current bond schedule for FY17 of -\$3.3 million, FY18 -\$15.5 million and FY19 -\$26.2 million and \$24 million for additional bond sales.

Road and Bridge Hazard Claims (Special Acts)

Projections are based on 5 years of average claim payments of approximately \$18.6m.