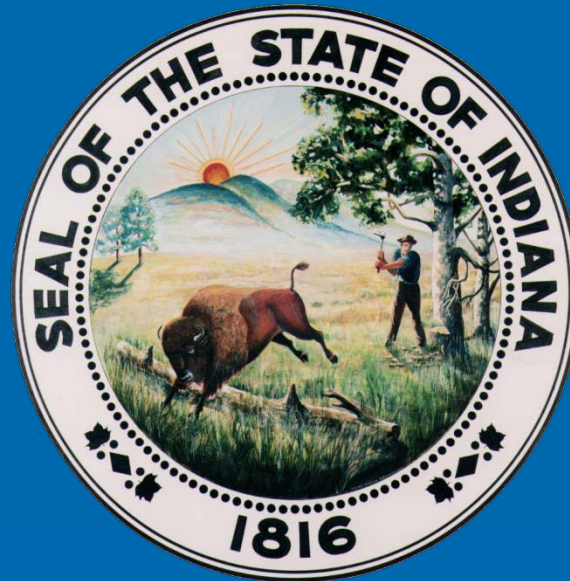


FY 2018 and FY 2019 Budget



Governor Eric Holcomb



Leading Indiana to the Next Level

- Cultivate a strong and diverse economy by growing Indiana as a magnet for jobs
- Create a 20-year plan to fund roads and bridges
- Develop a 21st century skilled and ready workforce
- Attack the drug epidemic
- Deliver great government service



Cultivate a Strong and Diverse Economy

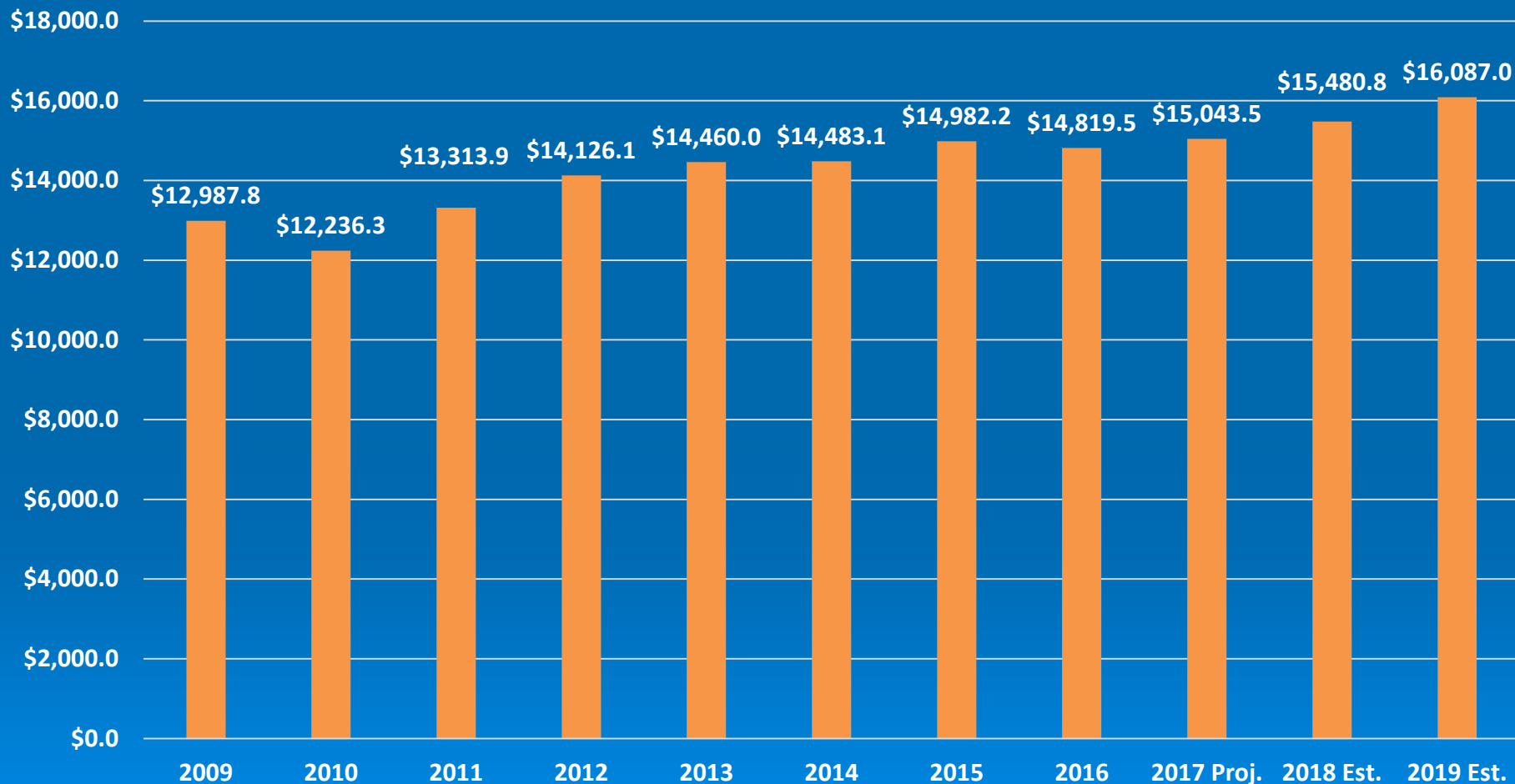
Growing Indiana as a Magnet for Jobs starts with Fiscal Discipline

- **Honestly Balanced Budget**
- **Maintain Prudent Reserve Levels**
- **Keep AAA Credit Rating**



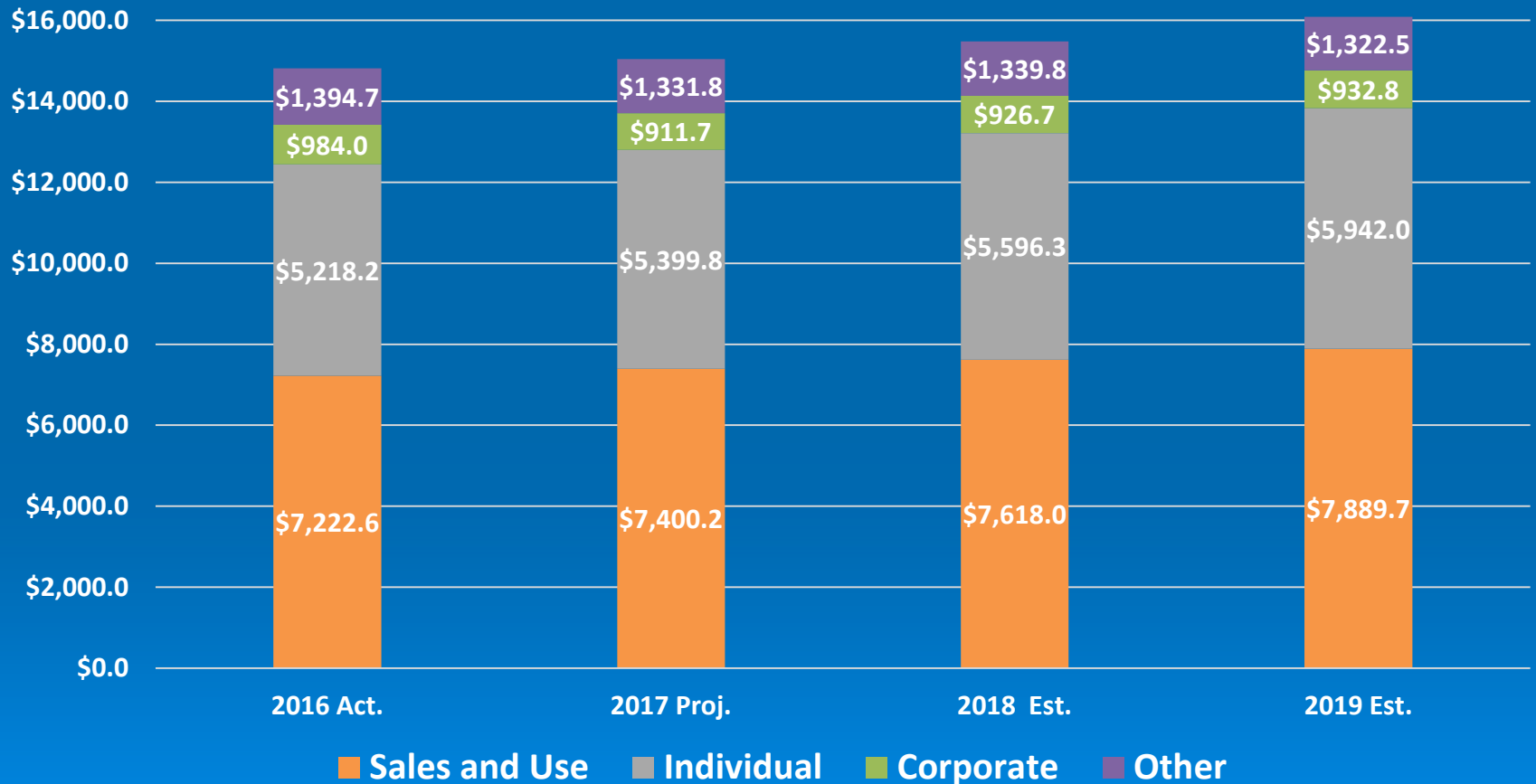
Historical and Estimated General Fund Revenue

\$'s in millions



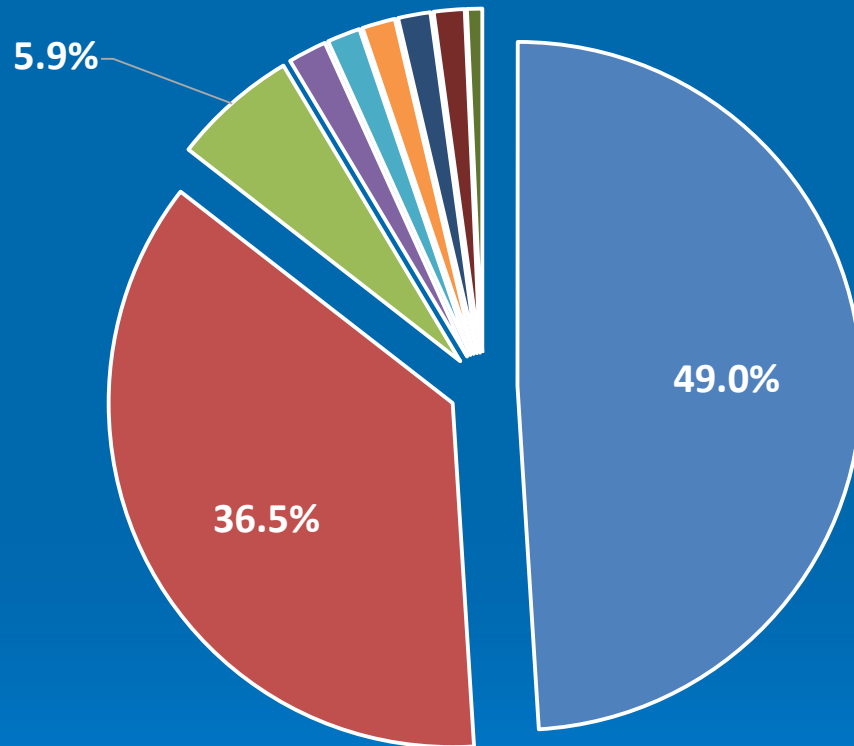
General Fund Revenue Forecast 2017-2019

\$'s in millions



2017-19 General Fund Revenue Summary

Percentage of General Fund Biennial Budget

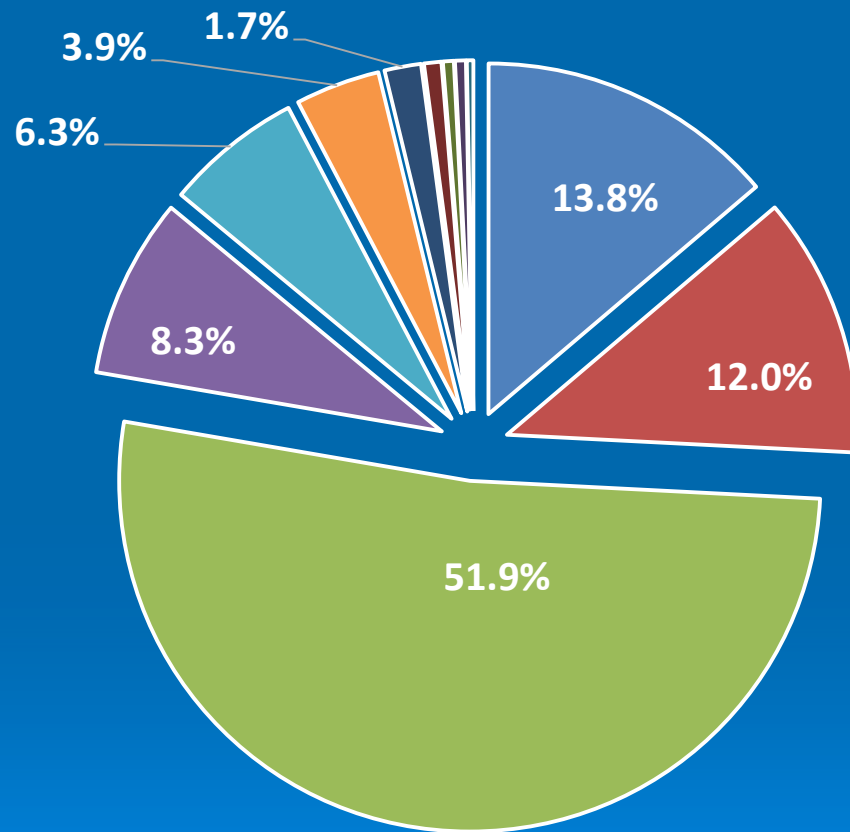


- Sales and Use
- Individual Income
- Corporate
- Riverboat Wagering (1.9%)
- Insurance (1.6%)
- Cigarette (1.5%)
- Motor & Commercial Vehicle Excise
- Other (1.4%)
- Racino Wagering (0.7%)



2017-19 General Fund Expenditure Summary

Percentage of General Fund Biennial Budget

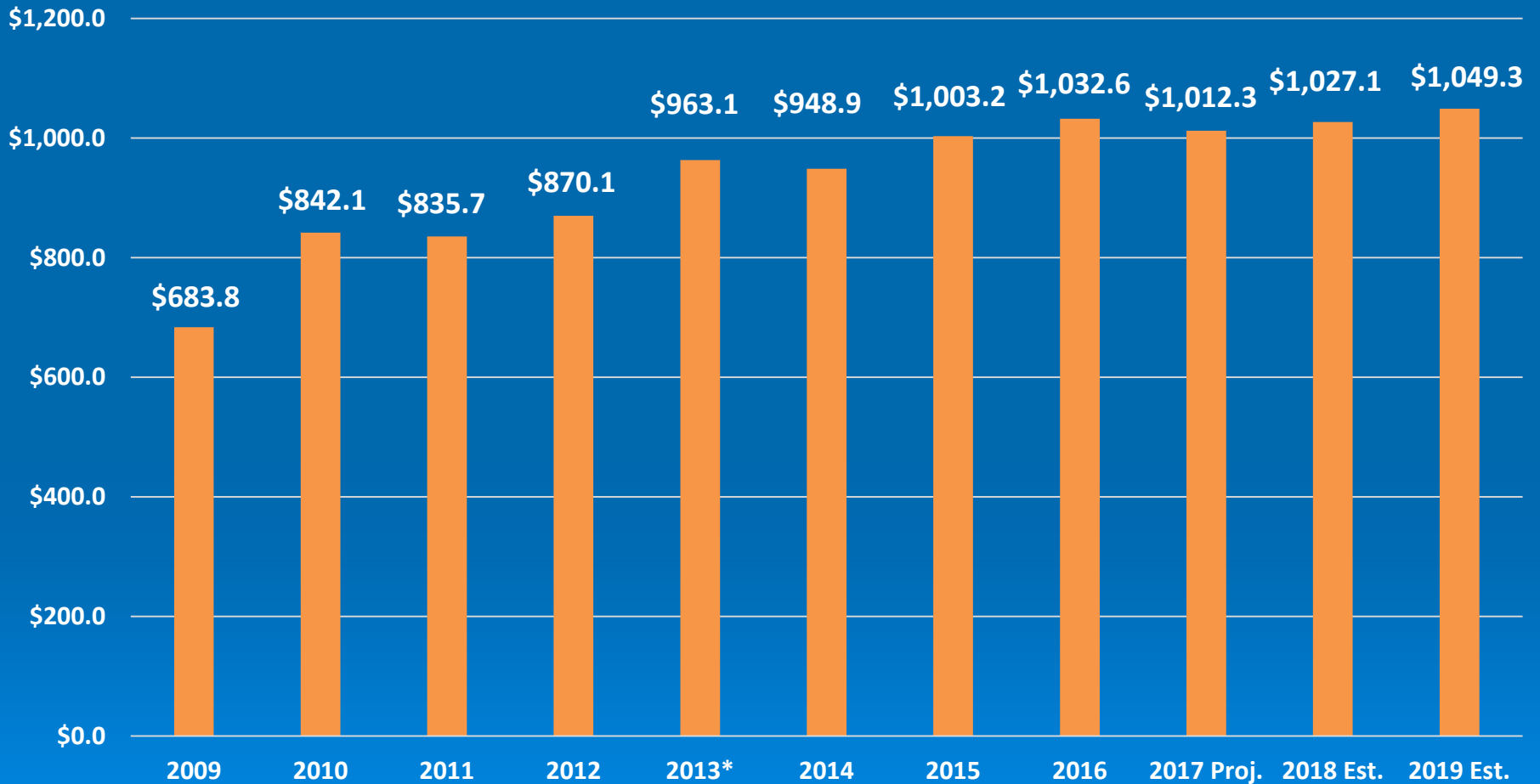


- Medicaid
- Higher Education
- K-12 Education/Teacher Retirement/Other Education
- Other Health & Human Svcs
- Public Safety
- General Government
- Construction
- Economic Development (0.8%)
- Conservation and Environment (0.5%)



INPRS Historical and Proposed Appropriations

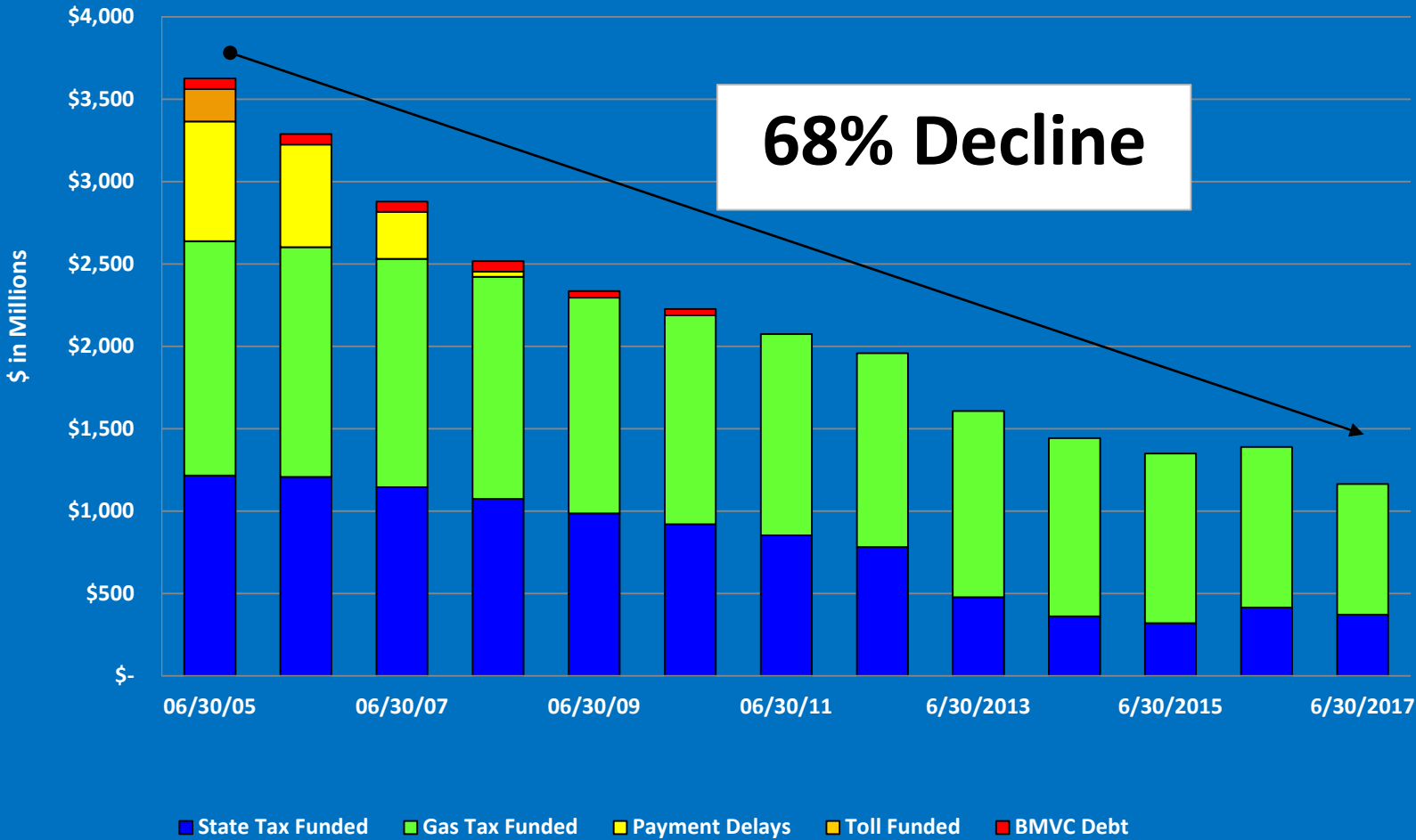
\$'s in millions



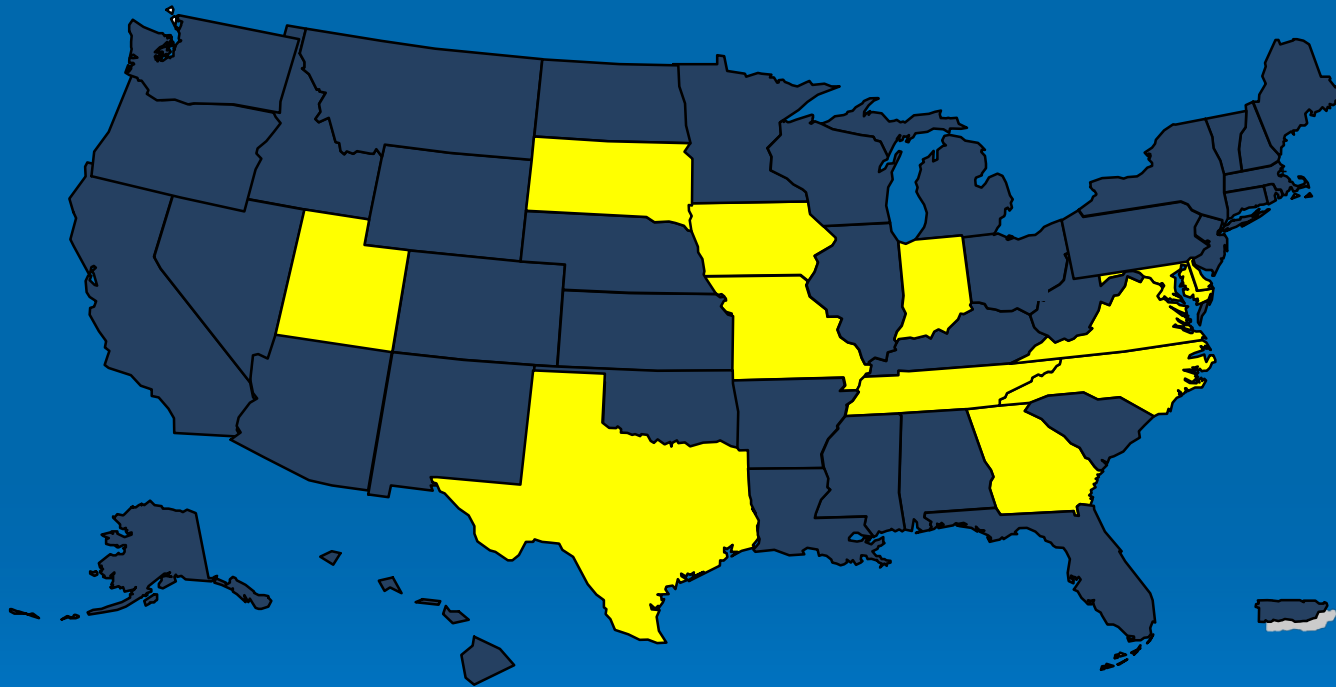
* 2013 does not include \$329M in Excess Reserves appropriated to INPRS in 2013



Indiana State Debt Outstanding



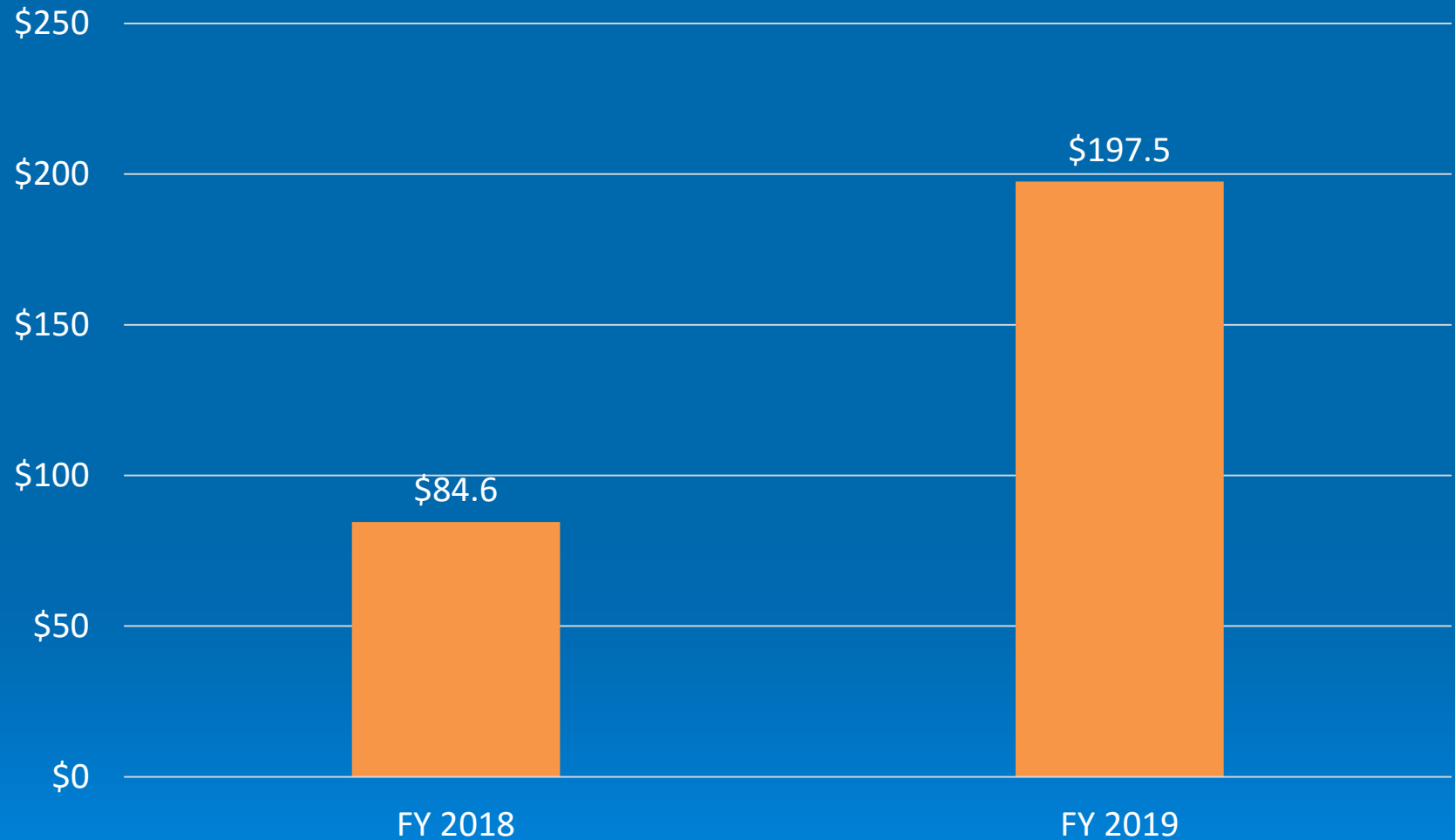
AAA Bond Rating – Best in History



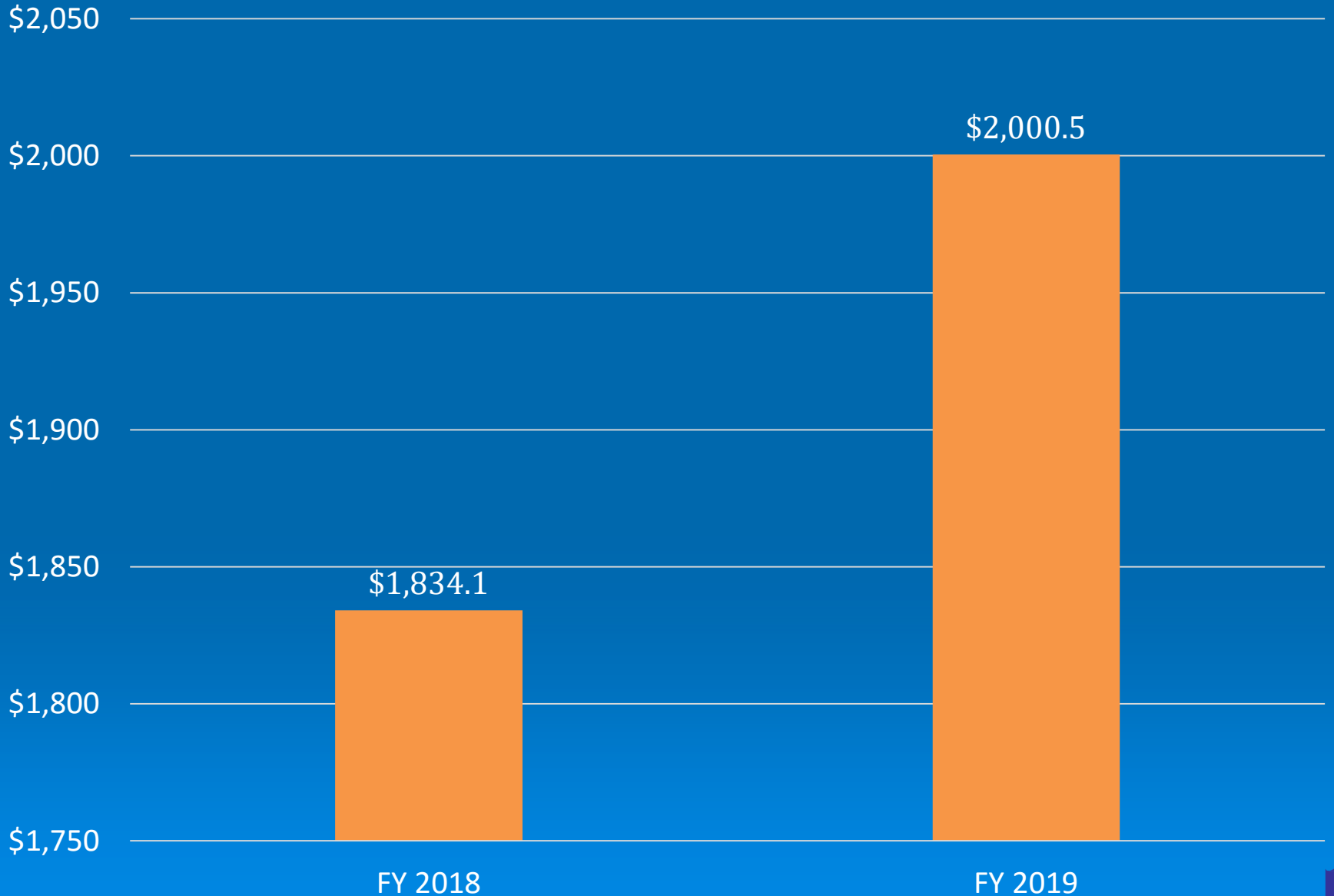
Indiana is one of 12 States with top bond rating from all three major credit rating agencies



Surpluses in Introduced Budget



FY 2018/2019 Reserve Balances



Invest \$1 Billion to Innovation and Entrepreneurship over Ten Years

- Next Level Indiana Trust Fund - \$500m over ten years
- Venture Capital Investment Tax Credit Transferability – estimated \$6m annual fiscal impact
- Continue Appropriations to the 21Fund - \$30m annual



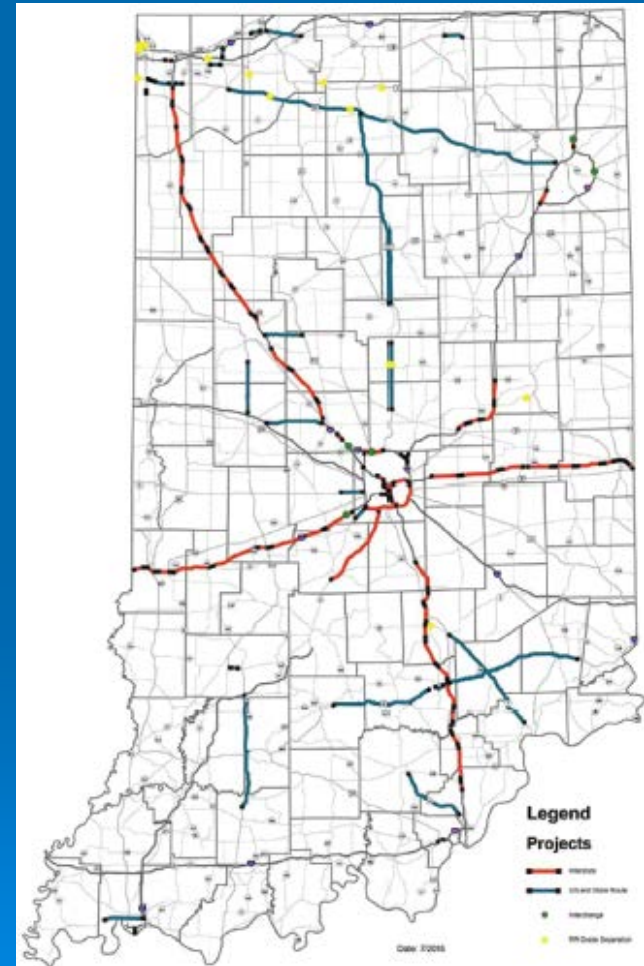
Invest \$1 Billion to Innovation and Entrepreneurship over Ten Years

- Innovation and Entrepreneurship Grant Program for Partnerships with Higher Education and Communities - \$10m per year
- Fund additional Research Capabilities at the Indiana Biosciences Research Institute - \$20m one-time fiscal impact
- Regional Cities Planning Grants - \$4m one-time fiscal impact



Create a 20-Year Roads and Bridges Plan

- **Maintain** Our Existing Roads and Bridges
- **Finish** the Projects We Have Started
- **Invest** In New Projects That Enhance Competitiveness
- **Fund** What We Need...
Responsibly!



Other Transportation & Infrastructure Priorities

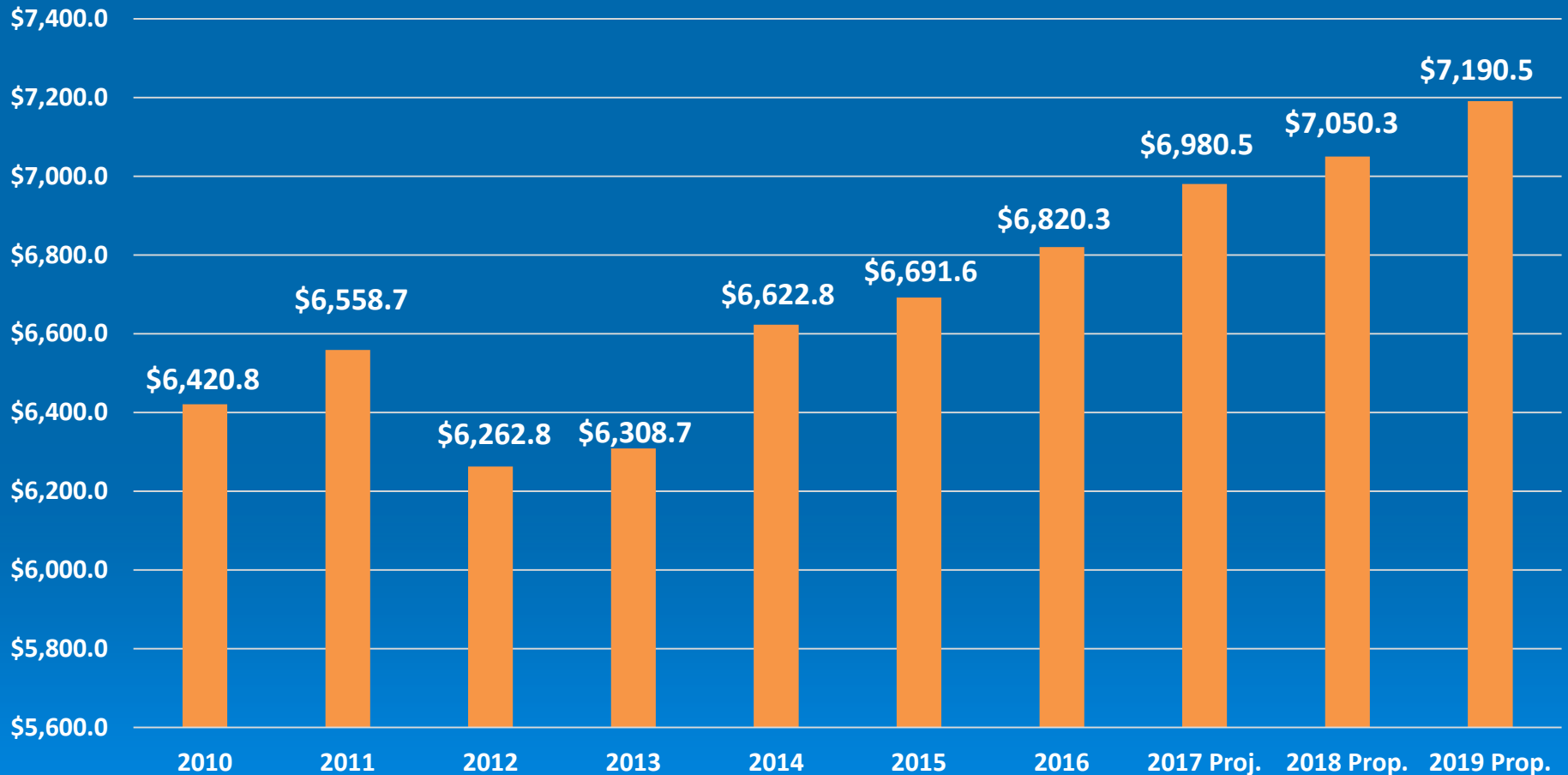
- Add more Direct Flights from Indiana Airports - \$5m per year
- Double Track the South Shore Line to create greater access to and from Chicago - \$10m per year beginning in FY 2019
- Federal dollar swap for local projects
- Create a water infrastructure safety and reliability data hub through the Management Performance Hub



Educate, Train, Retrain, & Recruit A 21st Century Workforce For Indiana

- **Double investment in quality pre-k** for Hoosier children most in need from \$10m per year to \$20m per year
- Increase K-12 funding by \$70m in FY 2018 and \$210m in FY 2019 (as compared to FY 2017)
- Increase higher education funding by \$13m in FY 2018 and \$39m in FY 2019

K-12 Tuition Support Historical and Proposed Appropriations *\$'s in millions*



* 2010 Indiana took over local taxation of K-12 support



Educate, Train, Retrain, & Recruit A 21st Century Workforce For Indiana

- Grant program to help adults earn credentials, certificates and degrees in high demand, high-wage fields - \$2m per year
- Lead a statewide effort to align STEM efforts throughout K-12 education - \$1m per year
- E-Rate funding for school corporations to match federal programs for connectivity - \$1m per year

Attack the Drug Epidemic

Save Hoosier lives by addressing Indiana's drug crisis with accountability & action

- Create the role of ***Executive Director of Drug Treatment, Prevention & Enforcement*** to direct all efforts across state government and address this epidemic in a targeted and comprehensive manner
- \$5m per year



Deliver Great State Government Services

- Modernize revenue system - \$33m in this biennium
- Increase police pay and fund police pensions - \$34m appropriation increase in this biennium
- Exempt military pensions from Income Tax - \$15m impact in this biennium
- Increase funding for Nurse-Family Partnership Program - \$5m per year

