

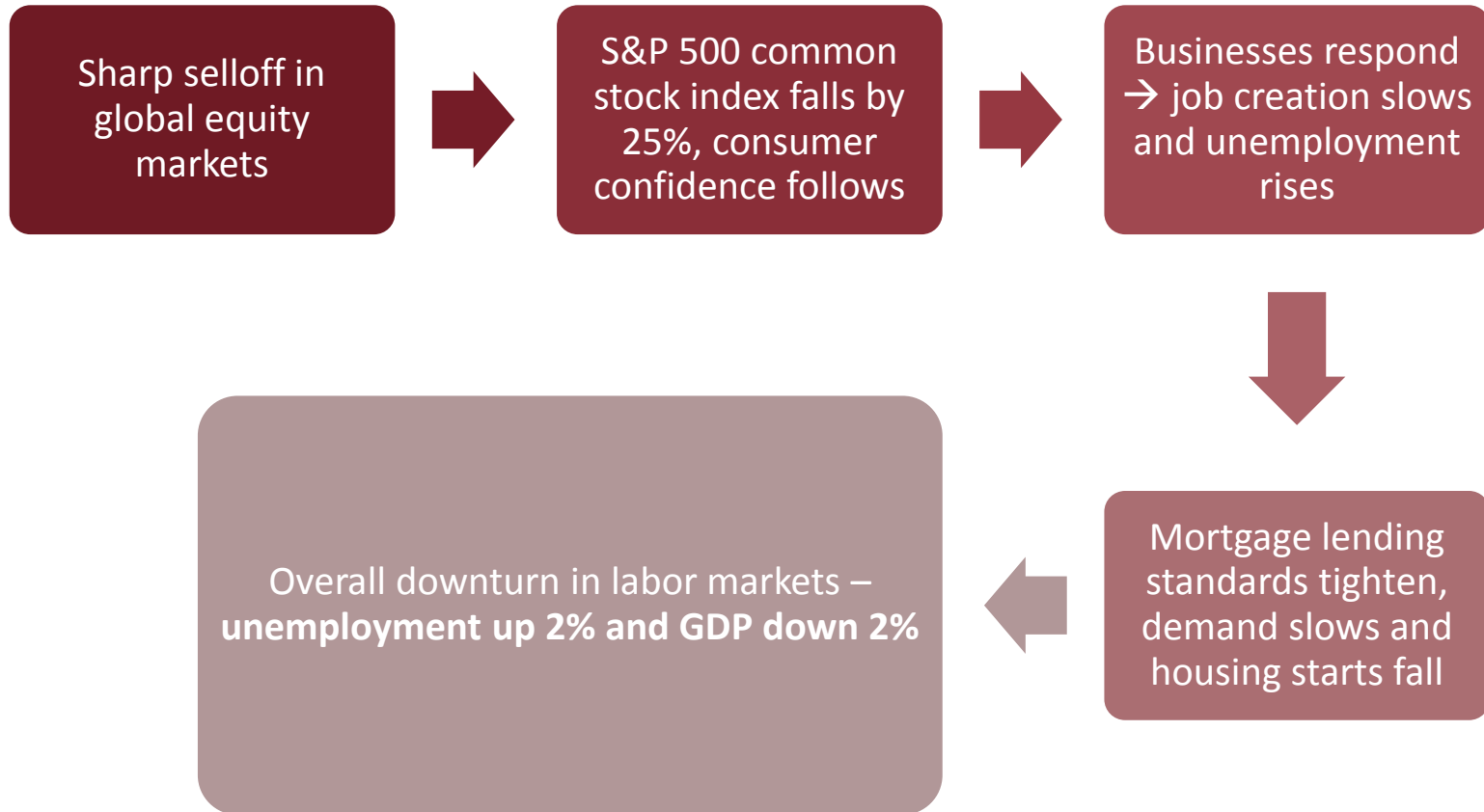
Municipal Finance Conference

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US Recession Scenario

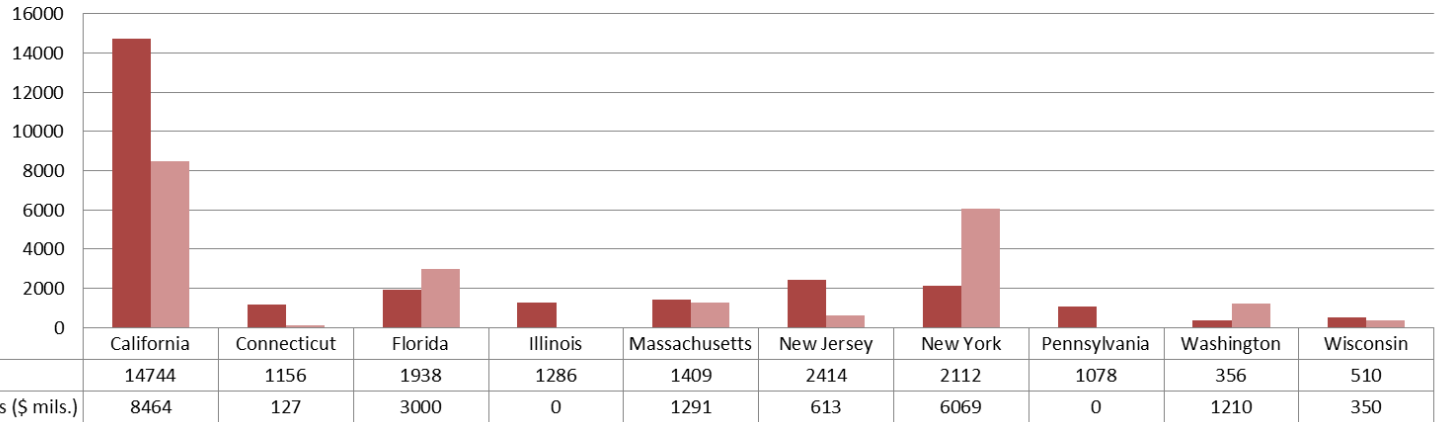


States Vary In Their Fiscal Preparedness For Recession

State Fiscal Resilience to Recession Scenario Varies

	State projected primary general fund tax revenues (\$ mils.)	Recession scenario revenues (\$ mils.)	Revenue shortfall (%)	Fiscal Gap (\$ mils.)	Reserves (\$ mils.)	Reserves as share of gap (%)
California (AA-)	120,113	105,369	-12.3	14,744	8,464	57.4
Connecticut (A+)	14,687	13,531	-7.9	1,156	127	11
Florida (AAA)	25,407	23,469	-7.6	1,938	3,000	154.8
Illinois (BBB-)	23,271	21,985	-5.5	1,286	0	0
Massachusetts (AA)	23,443	22,034	-6	1,409	1,291	92
New Jersey (A-)	26,072	23,658	-9.3	2,414	613	25.4
New York (AA+)	68,702	66,590	-3.1	2,112	6,069	287.3
Pennsylvania (AA-)	26,123	25,045	-4.1	1,078	0	0
Washington (AA+)	9,121	8,765	-3.9	356	1,210	340.3
Wisconsin (AA)	14,313	13,803	-3.6	510	350	68.7

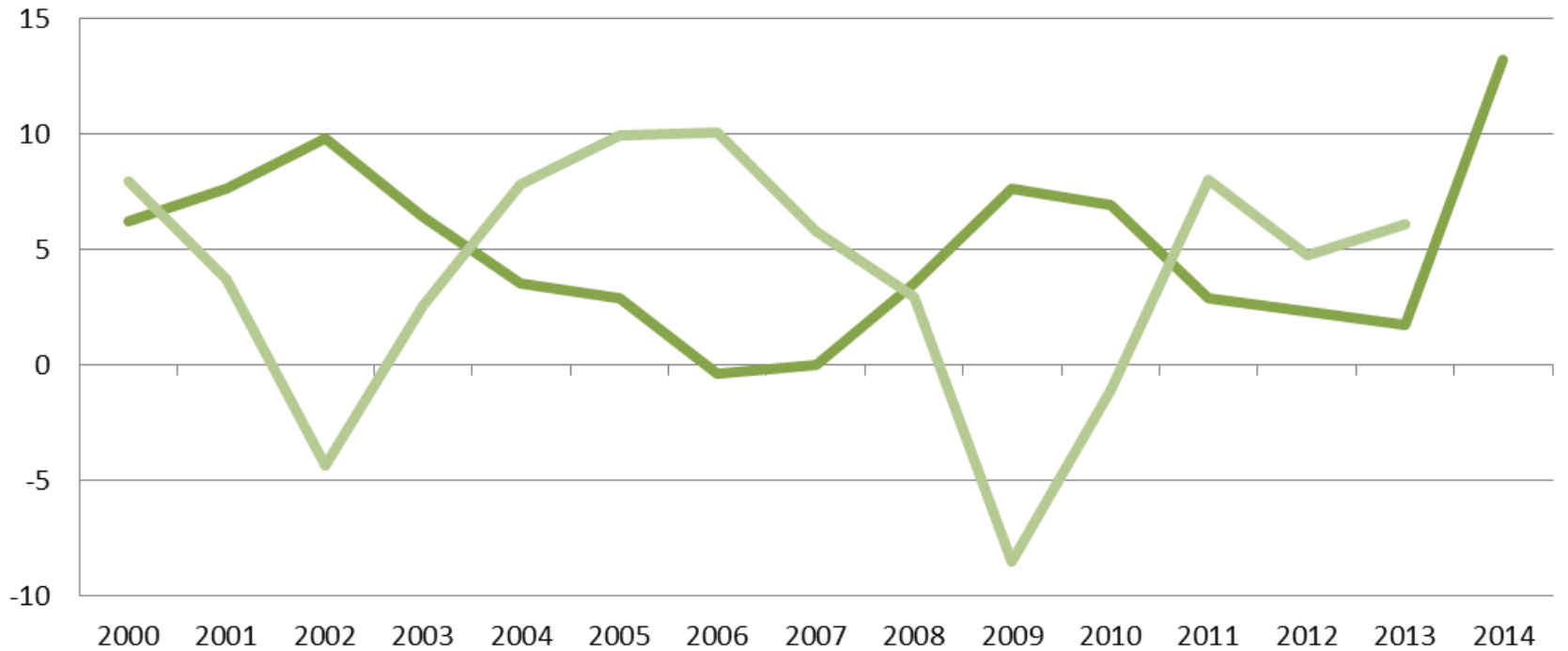
Tax Revenue Shortfalls vs States' Reserves



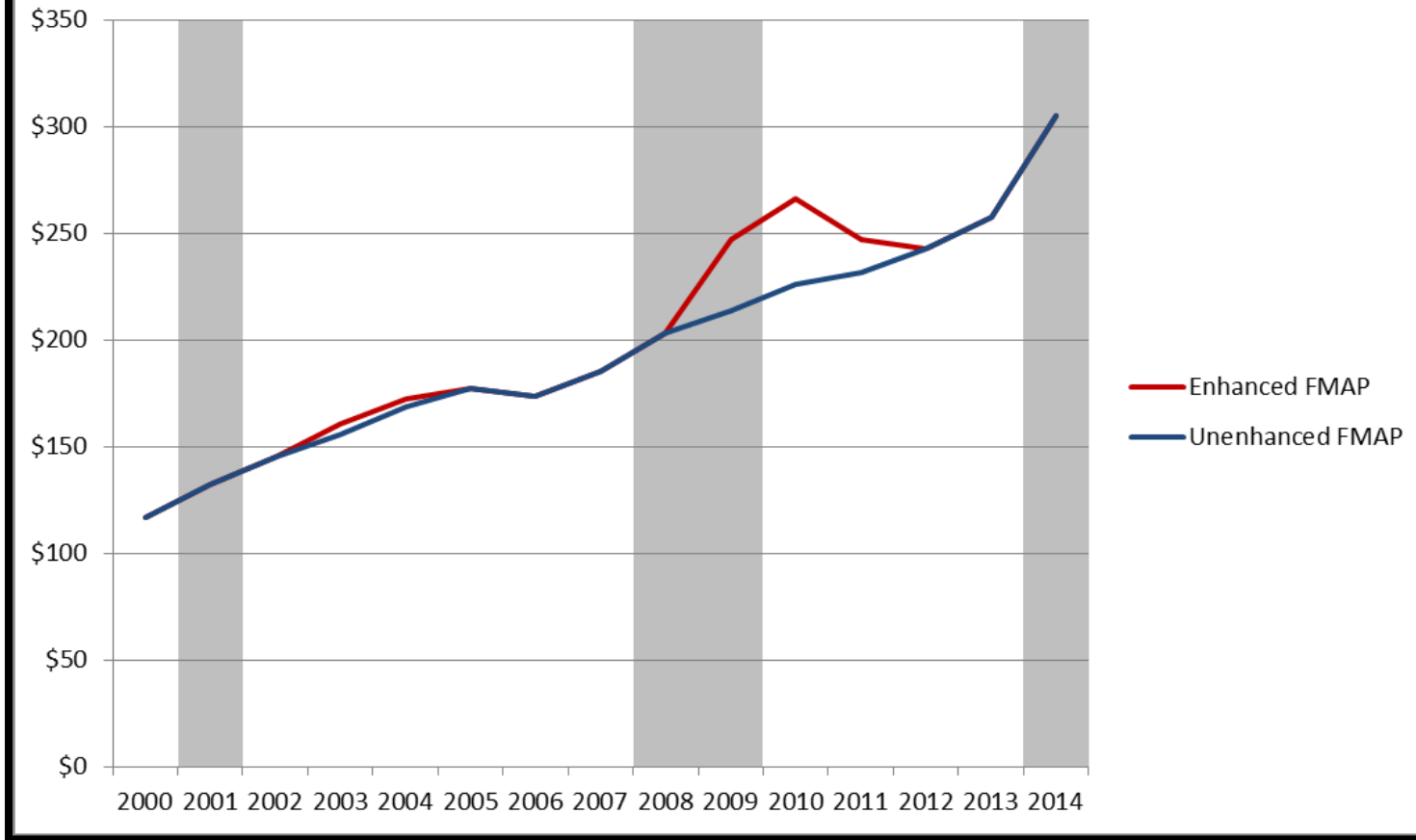
State	Reserves as share of Shortfall (%)
California	57.4
Connecticut	11
Florida	154.8
Illinois	0
Massachusetts	92
New Jersey	25.4
New York	287.3
Pennsylvania	0
Washington	340.3
Wisconsin	68.7

Annual Percent Change in State Tax Revenue and Medicaid Enrollment

Change in Medicaid Enrollment % Change in State Tax Revenue



Federal Medicaid Funding With and without Enhanced FMAP Under ARRA



SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.
Shaded areas reflect periods of economic recession (2001, 2008-2009) and the ACA implementation (2014-2015)

Debt Service, Pension, And OPEB Contribution As Shares Of Revenue

	Sum of debt service, pension, OPEB contribution (\$ mils.)	Share of state's general fund revenue projection (%)	Share of recession scenario revenues (%)
California	15,066	12.5	14.3
Connecticut	4,977	27.8	31.0
Florida	2,715	9.2	9.8
Illinois	9,302	28.8	30.0
Massachusetts	4,601	17.9	19.0
New Jersey	5,643	16.3	17.5
New York	8,931	9.4	9.7
Pennsylvania	5,052	16.0	16.5
Washington	2,622	14.0	14.3
Wisconsin	733	4.5	4.7

Source: State projections are from state budget documents and revenue forecasts, recession scenario values are estimates by S&P Global Ratings.

Thank you

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Ratings

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