



Office of Fiscal Analysis

FY 18 GENERAL FUND BUDGET PROJECTION

March 26, 2018

Summary

We are projecting an FY 18 deficit of \$162.6 million once the transfer (volatility adjustment) of \$664.9 million from the General Fund to the Budget Reserve Fund is taken into account.

Highlights

Positive year-to-date variance in the Withholding portion of Income Tax is recognized in the amount of \$53 million. However, Corporation Tax collections in March (when Q1 2018 payments were due) missed its target by \$47 million. The net positive revenue variance of \$6 million is almost entirely offset by increased spending projections, primarily a \$3.9 million increase in the Adjudicated Claims line item.

Figure 1. General Fund Overview

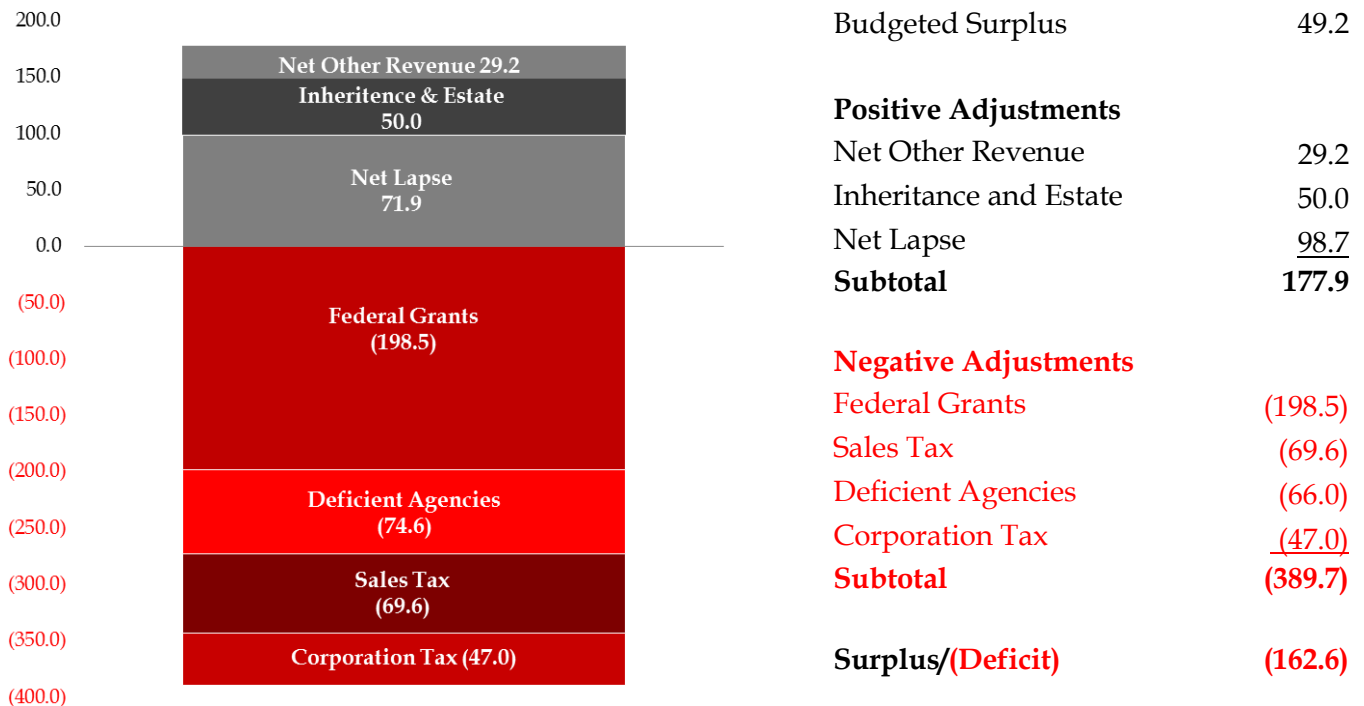
In Millions of Dollars

	Budget	March Estimate	Difference from Budget	
			\$	%
Revenues	18,739.3	18,503.4	(235.9)	-1.3%
Expenditures	<u>18,690.1</u>	<u>18,666.0</u>	<u>(24.1)</u>	<u>-0.1%</u>
Surplus/(Deficit)	49.2	(162.6)	(211.8)	-1.1%

Uncertainty remains over whether or not an estimated \$30.3 million in SEBAC labor savings in other appropriated funds will be allocated to the General Fund in FY 18. If a mechanism is not enacted to transmit these FY 18 savings to the General Fund in accordance with the budget, then the estimated \$162.6 million General Fund deficit indicated above would increase to \$192.9 million.

Figure 2. Major Items Contributing to Surplus/ (Deficit)

In Millions of Dollars



Links

[Deficient Agency Table](#)

[Expenditure Details Table](#)

[Revenue Details Table](#)