



Office of Fiscal Analysis

FY 23 BUDGET PROJECTIONS

June 26, 2023

2024-2025 BUDGET IMPACTS PROJECTED FY 23 GENERAL FUND SURPLUS

The Office of Fiscal Analysis projects a FY 23 General Fund operating surplus of \$723.0 million and a volatility adjustment transfer of \$1,297.5 million to the Budget Reserve Fund. Changes to the General Fund projected surplus since [last month's projection](#) are summarized in the table below, and are primarily attributable to adjustments made in the recently enacted 2024-2025 budget, HB 6941, as amended. In total, a transfer of approximately \$2 billion is anticipated to be made at the close of the FY 23 fiscal year to reduce long-term debt (primarily unfunded SERS/TRS pensions liabilities).

A projected FY 23 operating surplus of \$273.4 million in the Special Transportation Fund would increase that fund's cumulative balance to \$671.2 million. The projected operating surplus has increased by \$5.1 million since last month's projection primarily due to increased revenue projections.

Summary of General Fund Balance Changes Since May Projection in Millions of Dollars

Descriptions	FY 23
May 25th report	1,591.2
Policy changes in the budget	
Repeal use of ARPA as state revenue	(314.9)
Authorize new carry forwards to FY 24	(339.6)
Appropriations to retire 2013 GAAP bonds	(211.7)
Subtotal	(866.2)
Projections updates	
Other revenue updates (net)	4.0
Other expenditure updates (net)	(6.0)
Subtotal	(2.0)
June 26th report	723.0

Overview

In Millions of Dollars

	Budget	June Estimate	Difference from Budget
General Fund			
Revenues	22,388.2	23,133.7	745.5
Expenditures	22,089.2	22,410.7	321.5
Surplus/(Deficit)	299.0	723.0	424.0
Budget Reserve Fund			
Budget Reserve Deposit	2,146.5	2,020.5	(126.0)
Budget Reserve Balance	5,459.9	5,333.9	(126.0)
Special Transportation Fund			
Revenues	2,091.9	2,075.2	(16.7)
Expenditures	1,826.2	1,801.8	(24.3)
Surplus/(Deficit)	265.7	273.4	7.6
Fund Balance	663.5	671.2	7.6

General Fund Summary

In Millions of Dollars

Summary	FY 23
Budgeted Surplus	299.0
Revenue Changes	
+ Estimates and Finals	(635.0)
+ Volatility Cap Adjustment	550.0
+ Sales and Use	315.0
+ Corporations	187.5
+ Net Revenue	328.0
Revenue Subtotal	745.5
Expenditure Changes	
+ Agency Deficiencies	(51.0)
+ Net Adjustments	(270.5)
Expenditure Subtotal	(321.5)
= Surplus/(Deficit)	723.0
Budget Reserve Fund Starting Balance	3,313.4
+ Surplus/(Deficit)	723.0
+ Volatility Adjustment	1,297.5
= Budget Reserve Transfer Subtotal	2,020.5
= Budget Reserve Fund Balance	5,333.9

Special Transportation Fund Summary

In Millions of Dollars

Summary	FY 23
Budgeted Surplus	265.7
Revenue Changes	
+ Motor Fuels Tax	(90.0)
+ Interest Income	62.3
+ Sales and Use Tax	38.5
+ Net Revenue	(27.5)
Revenue Subtotal	(16.7)
Expenditure Changes	
+ Net Lapses	24.3
+ Agency Deficiencies	0.0
Expenditure Subtotal	24.3
= Surplus/(Deficit)	273.4
STF Starting Balance	397.8
+ Surplus/(Deficit)	273.4
= Fund Balance	671.2

For further information, please see the links below:

[Revenue Details Table](#)

[Expenditure Details Table](#)

[Budget Status Page](#)