



Office of Fiscal Analysis

FY 22 BUDGET PROJECTIONS

May 25, 2022

APPROX. \$3.6 BILLION AVAILABLE TO REDUCE DEBT / BUDGET RESERVE FUND AT \$3.3 BILLION

The Office of Fiscal Analysis projects a FY 22 General Fund operating surplus of \$940.6 million, which is \$10 million greater than the [most recent projection](#). Separately, the volatility adjustment transfer is revised upwards by \$175 million to reflect recent collections data for the estimates and finals portion of the income tax and the pass-through entity tax. Together, these improvements raise the anticipated, year-end deposits to reduce outstanding debt (primarily unfunded pensions debt) to approximately \$3.6 billion while maintaining the Budget Reserve Fund at the maximum level allowed, which is equal to 15% of FY 23 net total General Fund appropriations or \$3.3 billion.

The projected operating surplus of the Special Transportation Fund (STF) is \$197.7 million, which would increase the cumulative balance of that fund to \$438.8 million. This projection reflects the carryforward of \$100 million in FY 22 STF appropriations included in Section 18 of the recently [enacted budget](#) to provide matching funds for the federal infrastructure bill.¹

Overview

In Millions of Dollars

General Fund	Budget	May Estimate	Difference from Budget
Revenues	21,021.3	21,706.5	685.2
Expenditures	20,746.4	20,766.0	19.6
Surplus/(Deficit)	274.9	940.6	665.6
Budget Reserve Fund			
Budget Reserve Deposit	1,244.1	3,784.8	2,540.6
Budget Reserve Balance	4,356.1	6,896.8	2,540.6
Special Transportation Fund			
Revenues	1,889.7	2,001.6	111.9
Expenditures	1,721.8	1,803.9	82.1
Surplus/(Deficit)	167.9	197.7	29.7
Fund Balance	409.0	438.8	29.7

¹ Carryforwards continue the authority to spend appropriations into subsequent fiscal years. Absent a carryforward, these appropriations would have remained unspent (i.e., lapsed) and thus would have contributed to the FY 22 operating surplus.

General Fund Summary

In Millions of Dollars

Summary	FY 22
Budgeted Surplus	274.9
Revenue Changes	
+ Withholding	480.0
+ Sales and Use	492.8
+ Federal Grants	87.8
+ Transfer to FY 23	(788.9)
+ Net Revenue	413.5
Revenue Subtotal	685.2
Expenditure Changes	
+ Agency Deficiencies	(69.0)
+ Net Lapses	49.4
Expenditure Subtotal	(19.6)
= Surplus/(Deficit)	940.6
Budget Reserve Fund Starting Balance	3,112.0
+ Surplus/(Deficit)	940.6
+ Volatility Adjustment	2,844.2
= Budget Reserve Transfer Subtotal	3,784.8
= Budget Reserve Fund Balance	6,896.8

Special Transportation Fund Summary

In Millions of Dollars

Summary	FY 22
Budgeted Surplus	167.9
Revenue Changes	
+ Motor Fuels Tax	(90.0)
+ Oil Companies	140.0
+ Sales Tax - DMV	29.0
+ Net Revenue	32.9
Revenue Subtotal	111.9
Expenditure Changes	
+ Net Lapses	(82.1)
+ Agency Deficiencies	0.0
Expenditure Subtotal	(82.1)
= Surplus/(Deficit)	197.7
STF Starting Balance	241.1
+ Surplus/(Deficit)	197.7
= Fund Balance	438.8

For further information, please see the links below:

[Revenue Details Table](#)

[Budget Status Page](#)