

November 2021 Long-Term Revenue-Expenditure Forecast (October 2021 CREG, 2021 General Session Action)

		FY 2021-2022 Biennium	FY 2023-2024 Biennium	FY 2025-2026 Biennium
Beginning Balances (Estimated July 1, 2022 and Estimated July 1, 2024)				
Box 1	1 GF/BRA	\$360,052,200	\$113,000,000	\$115,270,000
Beg. Bal.	2 October 25, 2021 Profile	\$238,718,581		
	3 Reversions and adjustments	\$121,333,619		
	4 SFP	\$232,401,148	\$100,000,000	\$100,000,000
	5 SCCA, including reversions	\$22,409,681	\$17,000,000	\$0
	6 TOTAL	\$614,863,029	\$230,000,000	\$215,270,000
Estimated Revenues				
	7 GF/BRA	\$3,130,300,000	\$2,851,600,000	\$2,965,700,000
	8 Sales and Use Taxes	\$1,006,200,000	\$1,077,800,000	\$1,142,700,000
	9 Investment Earnings	\$829,300,000	\$578,100,000	\$644,800,000
Box 2	10 Severance Taxes and FMRs	\$930,200,000	\$826,900,000	\$830,200,000
Est. Rev.	11 All Other	\$364,600,000	\$348,000,000	\$348,000,000
Less	12 ARP Act Potential Conservation of WyDOT FMRs		\$20,800,000	
	13 SFP	\$1,783,600,000	\$1,756,200,000	\$1,793,800,000
	14 Ad valorem Taxes	\$487,400,000	\$555,600,000	\$580,800,000
	15 FMRs	\$372,500,000	\$339,600,000	\$339,200,000
	16 Investment Earnings	\$369,200,000	\$319,200,000	\$360,000,000
	17 Investment Income Guarantee	\$70,200,000	\$118,200,000	\$111,600,000
	18 All Other	\$240,400,000	\$323,500,000	\$324,200,000
	19 Statutory Transfer from LSRA ¹	\$243,900,000	\$100,100,000	\$78,000,000
	20 SCCA	\$232,400,000	\$173,100,000	\$185,100,000
	21 Dedicated Revenue (FMRs, investment income)	\$13,600,000	\$10,700,000	\$10,700,000
	22 Transfer - School Lands MM Subaccount	\$55,900,000	\$64,000,000	\$67,000,000
	23 Transfer - School MM Subaccount	\$89,700,000	\$98,400,000	\$107,400,000
	24 Net Transfer - Other Accounts	\$73,200,000	\$0	\$0
	25 TOTAL	\$5,146,300,000	\$4,780,900,000	\$4,944,600,000
Estimated Appropriations/Expenditures				
	26 GF/BRA ²	(\$2,728,700,000)	(\$2,325,000,000)	(\$2,654,000,000)
	27 Department of Health	(\$878,000,000)	(\$832,000,000)	(\$832,000,000)
	28 Higher Education, not incl WICHE or CC matching	(\$635,000,000)	(\$569,000,000)	(\$569,000,000)
	29 Corrections	(\$244,000,000)	(\$240,000,000)	(\$240,000,000)
Box 3	30 Major Maintenance ³	\$0	(\$185,200,000)	(\$185,200,000)
Est. Exp.	31 All Other	(\$810,800,000)	(\$765,900,000)	(\$765,900,000)
	32 Spending Policy transfer to PWMTF RA	(\$308,200,000)	(\$53,300,000)	(\$61,200,000)
Equals	33 ARP Act Potential Conservation of General Funds	\$147,300,000	\$320,400,000	\$0
	34 SFP	(\$1,916,000,000)	(\$1,756,200,000)	(\$1,793,900,000)
	35 K-12 Funding Model ⁴	(\$1,822,000,000)	(\$1,703,200,000)	(\$1,740,900,000)
	36 Agencies and All Other	(\$58,000,000)	(\$53,000,000)	(\$53,000,000)
	37 Spending Policy transfer to CSPLF RA	(\$36,000,000)	\$0	\$0
	38 SCCA ⁵	(\$237,900,000)	(\$251,300,000)	(\$241,600,000)
	39 TOTAL	(\$4,882,600,000)	(\$4,332,500,000)	(\$4,689,500,000)
Biennial Surplus/(Shortfall) - "Revenues Minus Expenditures"⁶				
Box 4	40 GF/BRA	\$648,000,000	\$524,000,000	\$312,000,000
Surplus/	41 SFP before LSRA transfer	(\$243,900,000)	(\$100,100,000)	(\$78,100,000)
Shortfall	42 SCCA	\$17,000,000	(\$78,000,000)	(\$57,000,000)
	43 SCCA considering available beginning balance in FY2023-2024		(\$61,200,000)	
	44 Cumulative TOTAL, before LSRA transfer	\$421,100,000	\$345,900,000	\$176,900,000
Estimated Reserve Balances, End of Biennium				
Box 5	45 LSRA ⁷	\$1,942,000,000	\$2,216,000,000	\$2,325,000,000
Other	46 SIPA ⁸	\$38,000,000	\$138,000,000	\$178,000,000
Balances	47 PWMTF RA ⁹	\$319,000,000	\$134,000,000	\$0
	48 SFP RA	\$400,000	\$400,000	\$400,000
	49 CSPLF RA ⁹	\$227,000,000	\$114,000,000	\$6,000,000
	50 TOTAL	\$2,526,400,000	\$2,602,400,000	\$2,509,400,000
	51 One Percent Sev. Tax revenue: 50:50 to PWMTF and CSPLF¹⁰	\$180,400,000	\$168,800,000	\$169,800,000

Notes:

- 1) See W.S. 9-4-219(b).
- 2) Estimated FY 2023-2024 biennial appropriations for general government operations includes a preliminary estimate of total standard budgets for all branches. The estimated FY 2025-2026 includes a 0% increase.
- 3) Major maintenance, per JAC direction, is included in FY 2023-2024 and FY 2025-2026 biennia from the GF. The amount for both the FY 2023-2024 and FY 2025-2026 biennia reflect the amount recommended by the State Building Commission for FY 2023-2024.
- 4) Future years' SFP appropriations assume most recent school year 2020-2021 data at the time of preparation; flat student enrollment; annual 6% health insurance increase starting FY 2024; 4% growth for reimbursements starting FY 2022. No external cost adjustment for any year is incorporated. Agency budgets for the FY 2023-2024 and FY 2025-2026 biennia reflect the FY 2023-2024 standard budget. The FY 2023-2024 K-12 school finance model reflect the entitlement payment estimates submitted by the Department of Education.
- 5) FY 2023-2024 estimated expenditures assume the Governor's and Select School Facilities Committee recommendations for construction and operations. Estimated expenditures for FY 2025-2026 SCCA assume major maintenance growth of 3%, \$70 million in capital construction and the anticipated standard budget for state operations.
- 6) This section ("Box 4") has been redefined to reflect the biennial shortfall before transfers for all biennia after FY 2021-2022. The amounts reflect revenues minus expenditures (minus any increase in the statutory reserve amount for the GF/BRA). These are no longer "cumulative" increases. For purposes of this presentation, any net surplus is anticipated to be added to the LSRA, although that deposit would require legislative action.
- 7) LSRA balance assumes continued appropriation of \$105 million to cities, towns, and counties in future biennia. Several appropriations from LSRA are contingent, e.g., continuous appropriation for public welfare emergencies. The analysis assumes no realized capital gains. Any surplus in the GF/BRA is added to the LSRA balance for purposes of this analysis. Any shortfall in the SFP is deducted from the LSRA pursuant to W.S. 9-4-219(b).
- 8) SIPA balance assumes no capital construction appropriations beyond FY 2021-2022 biennium. Sufficient funds exist in the FY 2023-2024 biennium to fund the transfer to the SCCA for K-12 major maintenance and the \$10M/yr deposit to the State Penitentiary Capital Construction Account. The guarantee for FY 2026 to SIPA reflects \$50.8 million, rather than \$56.1 million noted in Table IX, page 16, of the October 2021 CREG Report. The difference is due to posting amount of loan loss reserve funds.
- 9) The balance of the PWMTF RA and CSPLF RA are entirely dependent upon investment earnings, including realized capital gains (or losses) which CREG does not forecast. If earnings are in excess of the projected interest and dividends, the revenue to the respective reserve accounts (PWMTF RA and CSPLF RA) would increase by an amount equal to the investment earnings in excess of the projected interest and dividends, but not to exceed an account balance of 150 percent of the annual spending policy amount.
- 10) The 2021 Supplemental Budget Bill (2021 Laws, Ch. 69, Section 314) directs the revenue from the one percent statutory severance tax equally to the CSPLF and PWMTF. Furthermore, 2021 Laws, Ch. 144 directs the revenue from the one percent statutory severance tax to the PWMTF and CSPLF from FY 2023 through FY 2028. Thereafter, distributions are one-third to the CSPLF and two-thirds to the PWMTF.