

Fiscal Year 2022 Financial Outlook Report

Interim Joint Committee on Appropriations and Revenue

August 17, 2022

John Hicks, State Budget Director

Fiscal Year 2022 Overview

Revenue Story

General Fund Year-End

Road Fund Year-End

FY2022 General Fund Revenues

(FY22 revenue totals, \$ million)

	FY22				
	Full Year		Official		
	Actual	% Chg	Estimate	\$ Diff	% Diff
Individual Income	6,047.5	17.6	5,424.7	622.8	11.5
Sales & Use	5,062.9	11.0	4,950.7	112.2	2.3
Corp. Inc. & LLET	1,186.6	34.4	970.5	216.1	22.3
Property	723.9	3.0	679.2	44.7	6.6
Lottery	295.0	2.0	319.3	-24.3	-7.6
Cigarettes	324.5	-7.3	334.7	-10.2	-3.1
Coal Severance	70.7	26.0	64.1	6.6	10.2
Other	991.5	17.7	1,013.9	-22.4	-2.2
General Fund	14,702.5	14.6	13,757.1	945.4	6.9

FY 2022 General Fund Summary

➤ **Income Taxes Soared**

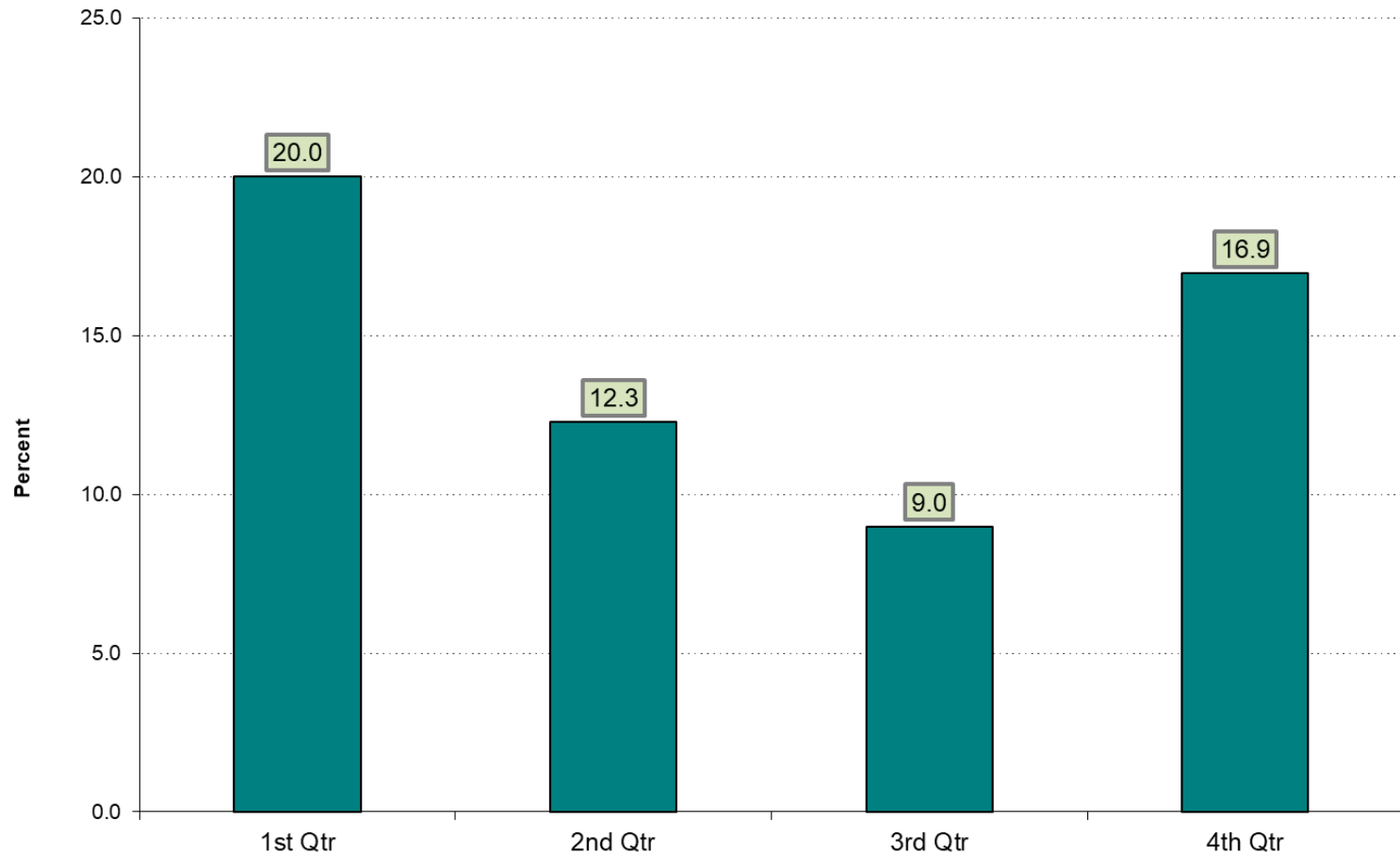
- Individual Income tax grew 17.6% - Highest since 1991
- 66% of the \$945.4 million revenue surplus was attributable to individual income tax receipts
- Withholding receipts grew 11.1%; 7-year avg is 3.5%
- Business taxes grew 34.4% over a record year last year

➤ **Sales Tax Continues to Outperform**

- Sales tax grew 11% over the FY 21 12% growth
- 15-year average is 4.1 percent

Quarterly GF Revenue Growth in FY22

(Percentage Growth)



\$1.03 Billion - FY2022 General Fund Surplus

\$1.03 Billion - FY 2022 General Fund Surplus Disposition

Reserve for FY 23 Necessary Government Expenses	\$20.0
Deposit to Budget Reserve Trust Fund	1,013.5
General Fund Surplus	\$1,033.5

FY2022 Budget Reserve Trust Fund (Rainy Day Fund)

- Largest Rainy Day Balance in History of **\$2.7 billion**
- FY 2022 General Fund Surplus deposit of **\$1.01 billion**
- Equates to **19.5%** of FY 23 General Fund appropriations

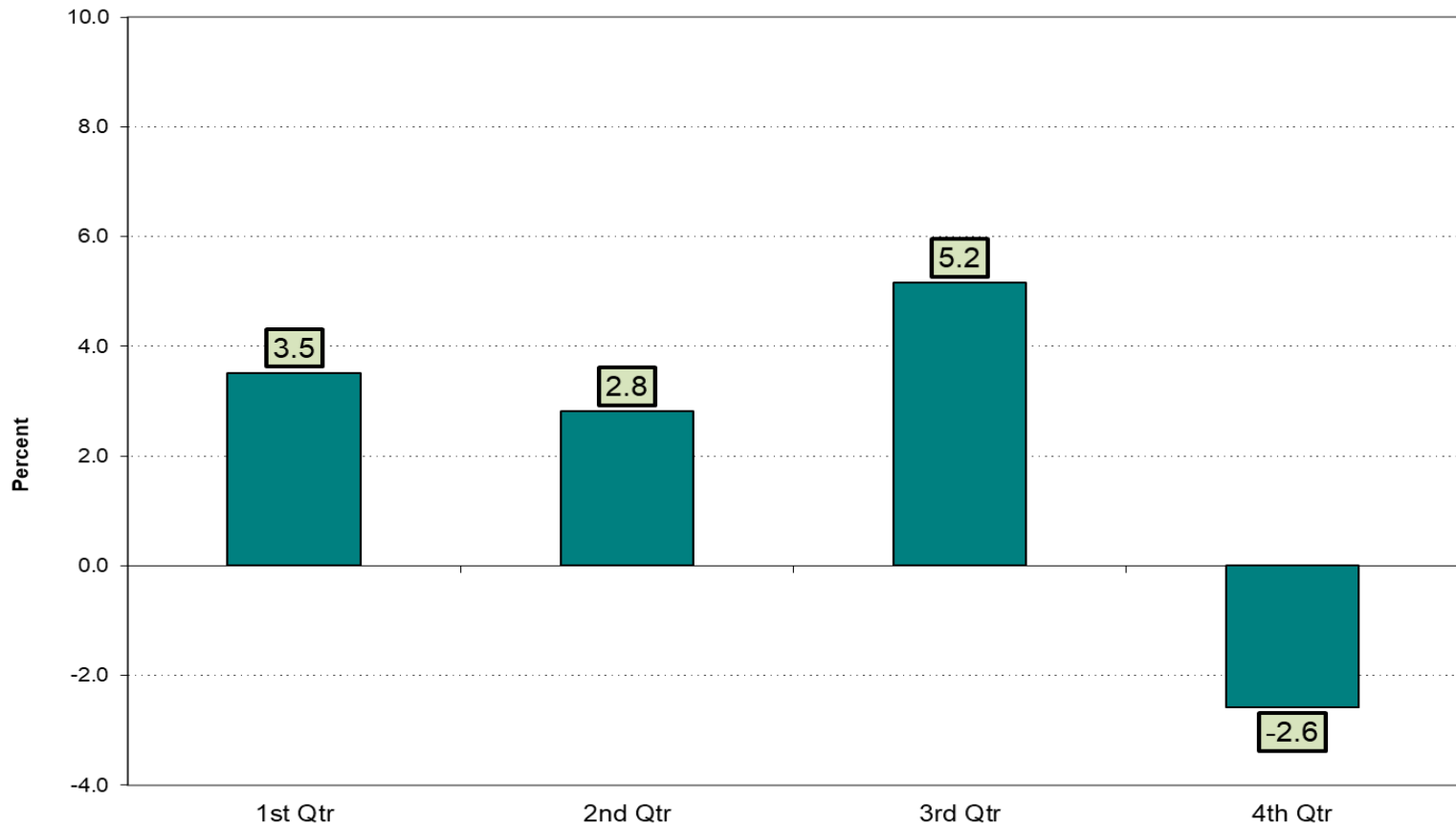
FY2022 Road Fund Revenues

(FY22 revenue totals, \$ million)

	FY22				
	Full Year		Official		
	Actual	% Chg	Estimate	\$ Diff	% Diff
Motor Fuels	774.6	3.5	788.3	-13.7	-1.7
Motor Vehicle Usage	629.1	1.3	619.7	9.4	1.5
Motor Vehicle License	123.7	-1.5	116.6	7.1	6.1
Motor Vehicle Operators	28.5	29.1	25.8	2.7	10.5
Weight Distance	87.2	4.8	90.5	-3.3	-3.6
Income on Investments	-11.0	NA	-1.0	-10.0	NA
Other	43.3	1.9	40.2	3.1	7.7
Road Fund	1,675.4	2.0	1,680.1	-4.7	-0.3

Quarterly RF Revenue Growth in FY22

(Percentage Growth)



FY2022 Road Fund Summary

- Actual Revenues Came in Very Close to Estimates
- Motor Vehicle Usage Set a New Record in FY22
 - \$629.1 million beat FY21 total of \$619.9 million
 - Before FY21, the record was \$514.5 million in FY19
- Motor Fuels Grew by \$26.3 million or 3.5%

\$70.3 Million - FY2022 Road Fund Surplus

\$70.3 Million - FY 2022 Road Fund Surplus

Unappropriated Revenues	\$	48.9
Revenues /Fund Transfers less than Estimated		(4.6)
Lower Revenue Sharing Appropriations (Due to less Motor Fuels Taxes than Budgeted)		7.4
Spending Lapses		18.6
Road Fund Surplus		\$70.3

\$70.3 Million - FY 2022 Road Fund Surplus Disposition

Highways-State Construction Account

Questions