

South Dakota General Fund Long-Term Financial Plan

- BFM required to submit document to Governor per Executive Order 2014-06 by January 10.
- BFM required to release documents for public viewing per SDCL 4-7-51 by January 15.
- Includes:
 - Revenue and expenditure history for FY20
 - Governor Noem's revised recommendations for the adopted FY21 budget
 - Governor Noem's recommendation for the FY22 budget
 - Projections for general fund revenue sources and general fund budgets for all state agencies for FY23 and FY24

Revenue Assumptions

- Sales and use tax is projected to grow 6.3% in FY21, 0.5% in FY22, 3.1% in FY23, and 3.3% FY24.
- The document outlines the assumptions used to project revenues for FY21-FY24 for the other general fund revenue sources, including: the contractor's excise tax, insurance company tax, bank franchise tax, telecommunications tax, severance taxes, video lottery, instant and online lottery, South Dakota gaming receipts, tobacco taxes, alcohol taxes, unclaimed property, licenses, permits, and fees, trust funds, net transfers in, charges for goods and services, and investment income and interest.
- One-time receipts come from a variety of sources and are not included in receipts unless they have already occurred or have an extremely high probability of occurring.

Expenditure Assumptions

- Expenditures are divided into five categories including: Education in South Dakota, Medicaid, Continued Safety, Keeping South Dakota Health, and Serving and Supporting South Dakota to improve the understanding of where tax dollars are invested.
- FY21 and FY22 projections are based on Governor Noem's recommendations.
- FY23 and FY24 projections include the following inflation assumptions: 2.2% for salary policy, 0% change in the Federal Medical Assistance Percentage (FMAP), 2.4% in FY23 and 2.2% in FY24 for state aid and providers.

**STATE OF SOUTH DAKOTA
GENERAL FUND LONG-TERM PROJECTION**

	ACTUAL FY2020	REVISED FY2021	GOVERNOR'S RECOMMENDED FY2022	PROJECTED FY2023	PROJECTED FY2024
RECEIPTS					
Sales and Use Tax	\$ 1,072,830,649	\$ 1,140,054,313	\$ 1,145,342,839	\$ 1,180,742,991	\$ 1,219,634,152
Other Business Activity Taxes	240,901,235	262,756,006	263,958,460	268,970,960	276,255,946
Lottery and Gaming Receipts	124,875,393	137,277,935	138,254,660	142,126,749	146,561,047
Tobacco and Alcohol Taxes	61,544,557	61,484,405	61,281,789	59,471,946	60,638,922
Other Ongoing Receipts	199,471,303	203,090,264	194,415,634	192,437,511	193,750,488
One-time Receipts	41,722,093	99,084,492	0	0	0
TOTAL RECEIPTS	\$ 1,741,345,230	\$ 1,903,747,415	\$ 1,803,253,382	\$ 1,843,750,157	\$ 1,896,840,555
EXPENDITURES					
Education in South Dakota	\$ 829,766,408	\$ 864,446,296	\$ 882,352,034	\$ 908,308,694	\$ 933,538,072
Medicaid	361,432,803	334,928,036	422,057,471	432,588,393	442,580,932
Continued Safety	211,080,532	185,941,262	219,332,854	226,097,776	232,948,251
Keeping South Dakota Healthy	179,146,413	156,151,634	178,905,023	182,721,701	186,446,542
Serving and Supporting South Dakota	77,872,066	89,057,715	92,139,962	93,189,055	94,261,234
Continuous Appropriations	7,951,714	8,228,243	8,466,038	8,550,359	8,636,366
Transfers and One-time Appropriations	55,001,331	264,950,615	0	0	0
TOTAL EXPENDITURES	\$ 1,722,251,267	\$ 1,903,703,801	\$ 1,803,253,382	\$ 1,851,455,978	\$ 1,898,411,397
Beginning Unobligated Cash Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Net (Receipts less Expenditures)	19,093,963	43,614	0	(7,705,821)	(1,570,842)
Ending Cash Balance	\$ 19,093,963	\$ 43,614	\$ 0	\$ (7,705,821)	\$ (1,570,842)

NOTE: The totals may not add due to rounding.