

Fiscal Year 2023 Year End Summary

Joint Committee on Appropriations

July 26, 2023



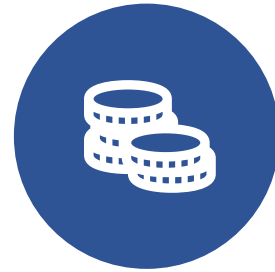
AGENDA



**YEAR-END
SURPLUS**



**REVENUE
COLLECTIONS**



**BUDGETED
REVERSIONS**



**STATE FISCAL
RECOVERY
FUND**

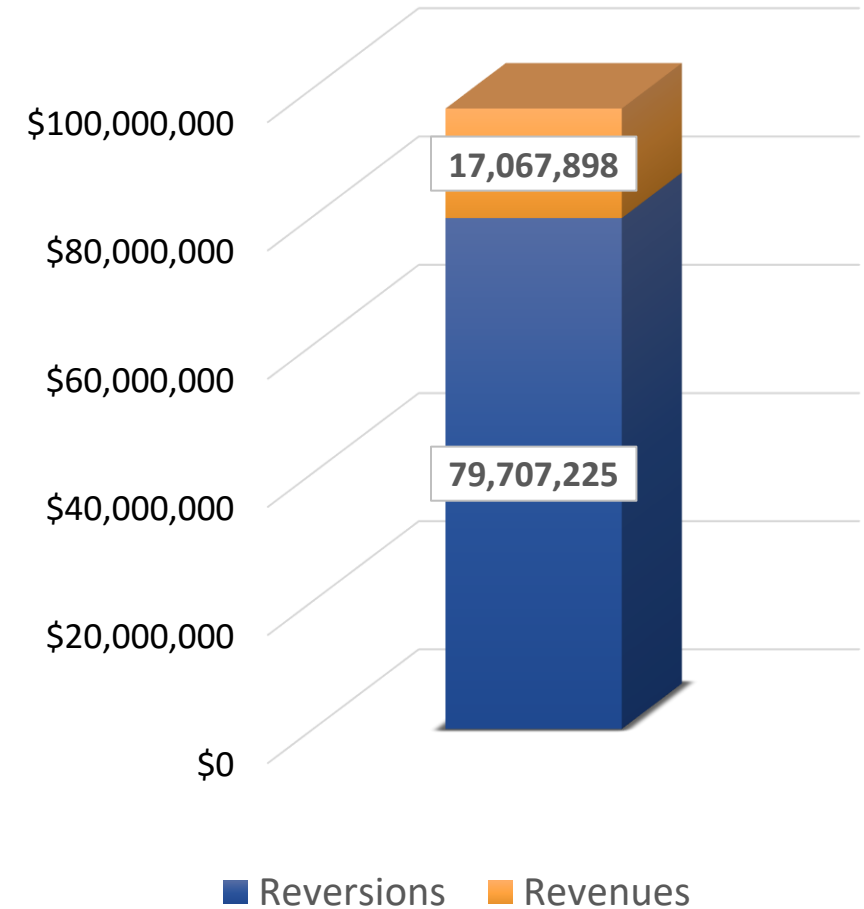


Year-End Surplus

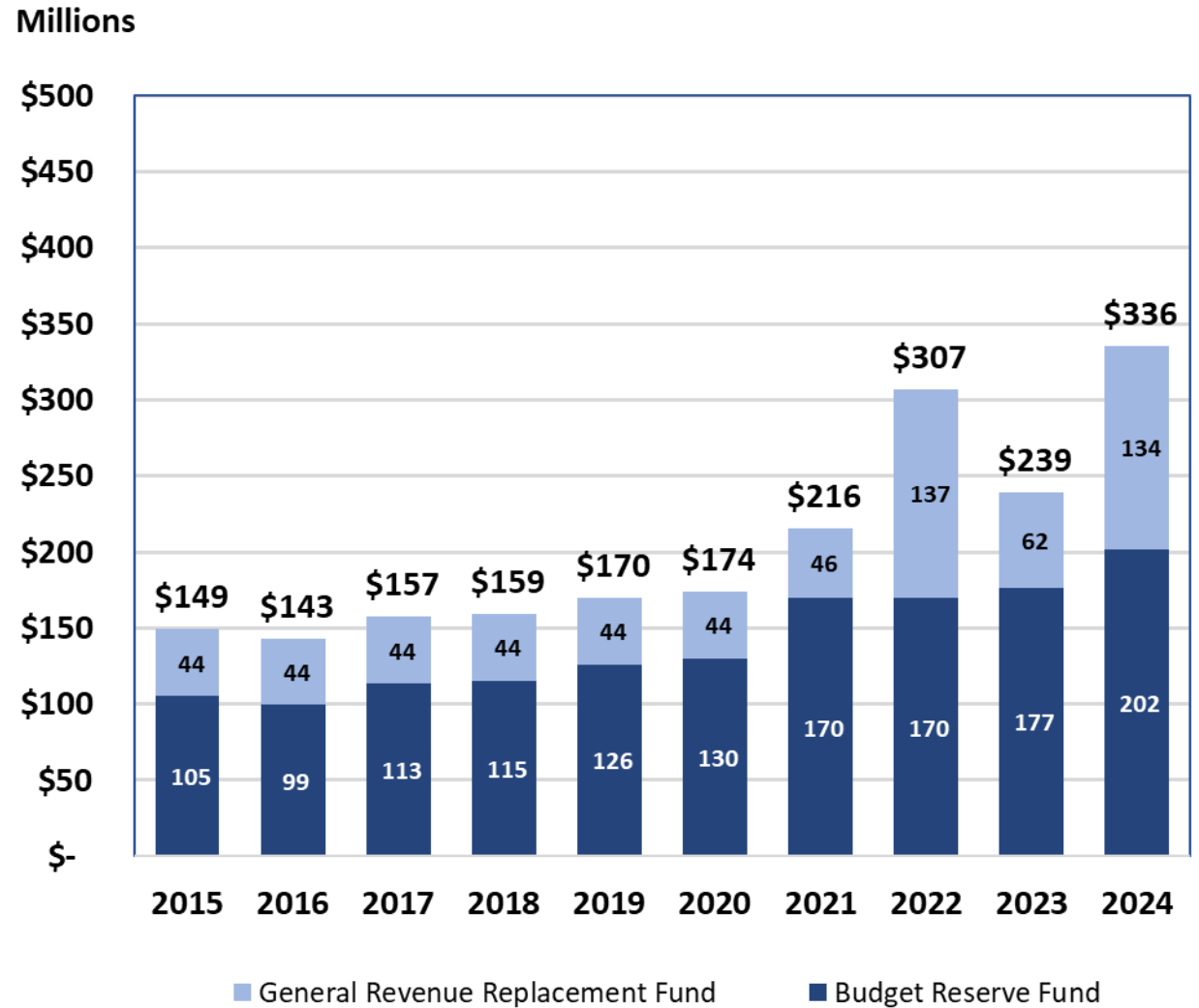
General Fund Year-End Surplus

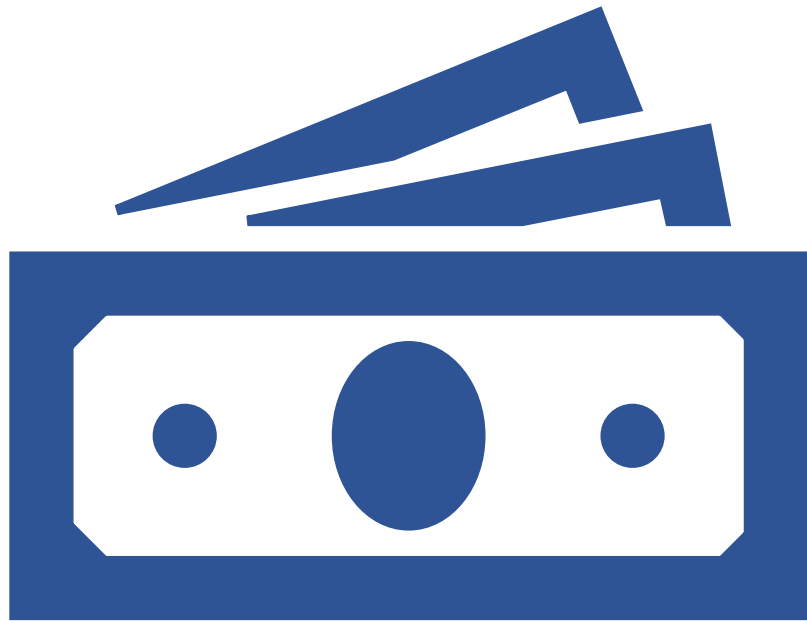
- Surplus of \$96,775,123
 - ✓ \$17.1 million - Actual Revenue vs. Budgeted Revenue
 - ✓ \$79.7 million - Actual Expenditures vs. Budgeted Expenditures
- State law requires any unobligated funding to be transferred into the State's reserve funds

FY2023 General Fund Surplus



Rainy Day Funds

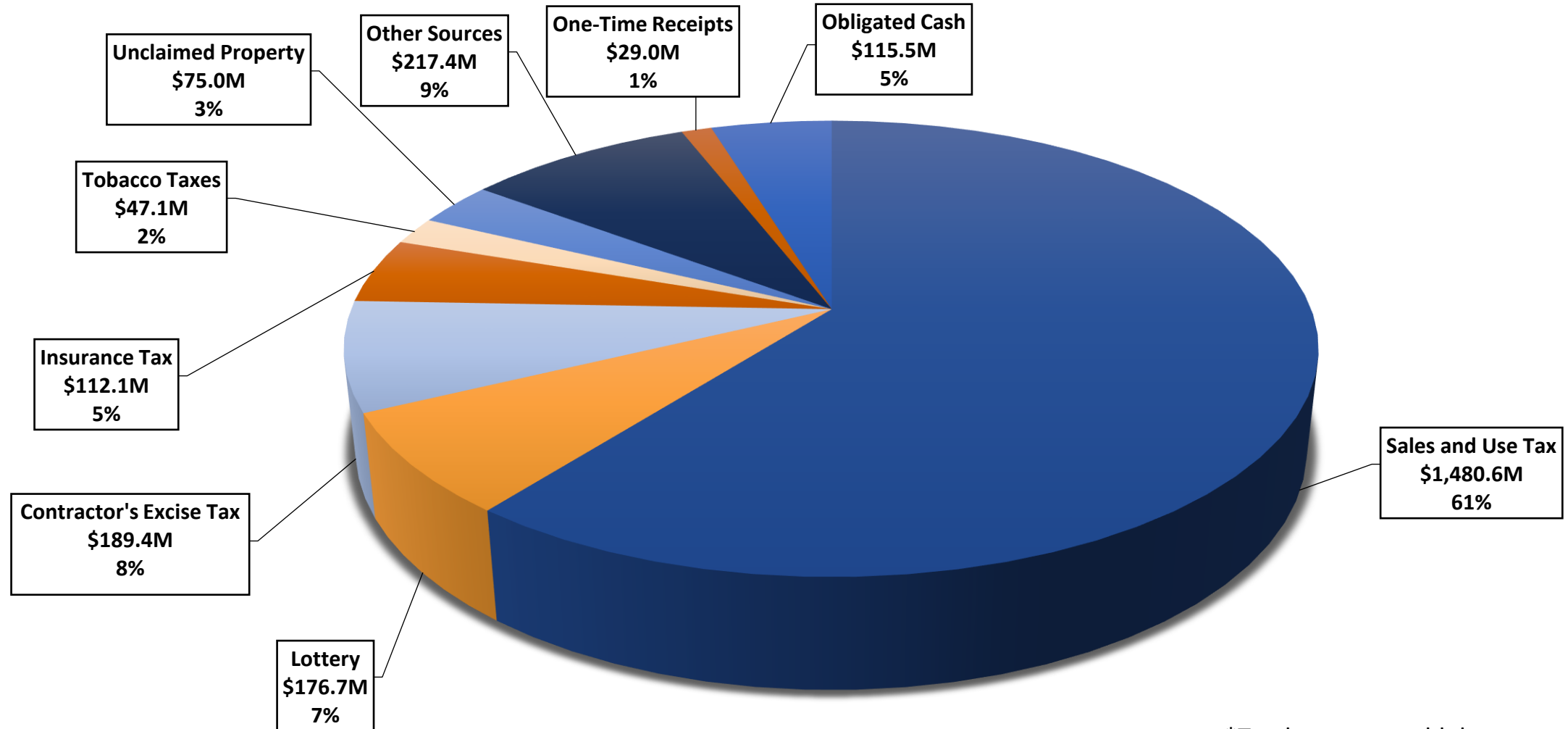




Revenue Collections

Total General Fund Revenue

\$2,442,731,904



*Totals may not add due to rounding.

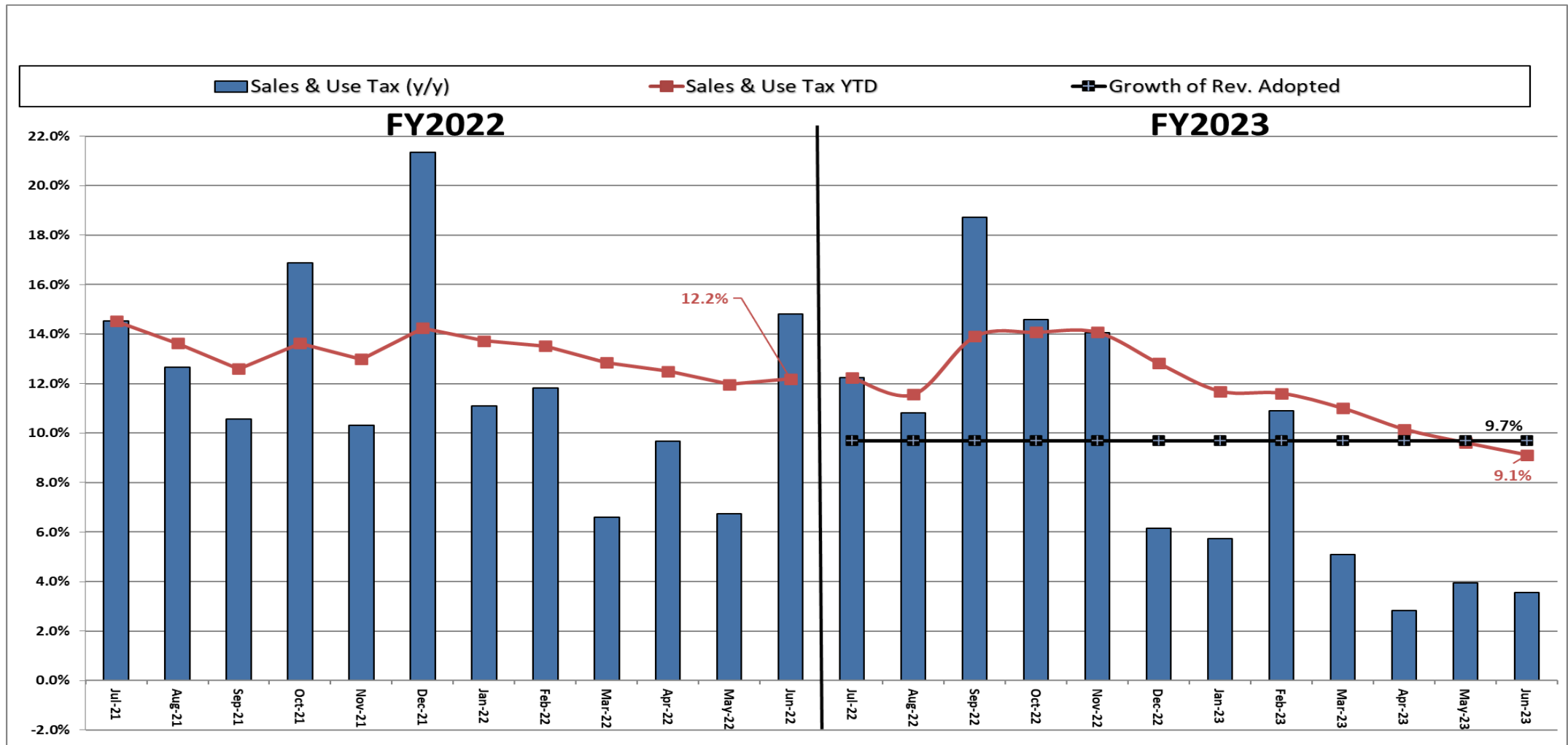


General Fund Receipts

*Legislative Revised
FY2023 vs.
Actual FY2023*

	LEG REVISED FY2023	ACTUAL FY2023	DOLLAR CHANGE	PERCENT CHANGE
ONGOING RECEIPTS				
Sales and Use Tax	1,487,500,000	1,480,572,850	(6,927,150)	(0.47)
Lottery	179,396,470	176,663,767	(2,732,703)	(1.52)
Contractor's Excise Tax	188,220,515	189,407,586	1,187,071	0.63
Insurance Company Tax	109,756,754	112,141,293	2,384,539	2.17
Unclaimed Property Receipts	71,281,179	74,981,213	3,700,034	5.19
Licenses, Permits, and Fees	76,820,106	77,636,494	816,388	1.06
Tobacco Taxes	48,043,012	47,074,649	(968,363)	(2.02)
Trust Funds	46,540,322	46,259,458	(280,864)	(0.60)
Net Transfers In	24,354,780	25,652,534	1,297,754	5.33
Alcohol Beverage Tax	8,875,647	8,939,732	64,085	0.72
Bank Franchise Tax	19,110,103	20,425,082	1,314,979	6.88
Charges for Goods and Services	14,866,510	13,473,405	(1,393,105)	(9.37)
Telecommunications Tax	2,363,947	2,466,873	102,926	4.35
Severance Taxes	6,939,293	5,657,605	(1,281,688)	(18.47)
Investment Income and Interest	13,970,769	14,000,549	29,780	0.21
Alcohol Bev 2% Wholesale Tax	3,089,592	2,936,973	(152,619)	(4.94)
TOTAL (ONGOING RECEIPTS)	\$ 2,301,128,999	\$2,298,290,062	\$ (2,838,937)	(0.12)
ONE-TIME RECEIPTS				
Bank Franchise Tax Prior Year Revenue	692,349	699,173	6,824	0.99
One-Time Unclaimed Property Receipts	0	10,554,826	10,554,826	N/A
Unexpended Carryovers and Specials	8,364,225	17,709,410	9,345,185	111.73
Obligated Cash Carried Forward	115,478,433	115,478,433	(0)	(0.00)
SUBTOTAL (ONE-TIME RECEIPTS)	\$ 124,535,007	\$ 144,441,842	\$ 19,906,835	15.98
GRAND TOTAL	\$ 2,425,664,006	\$2,442,731,904	\$17,067,898	0.70

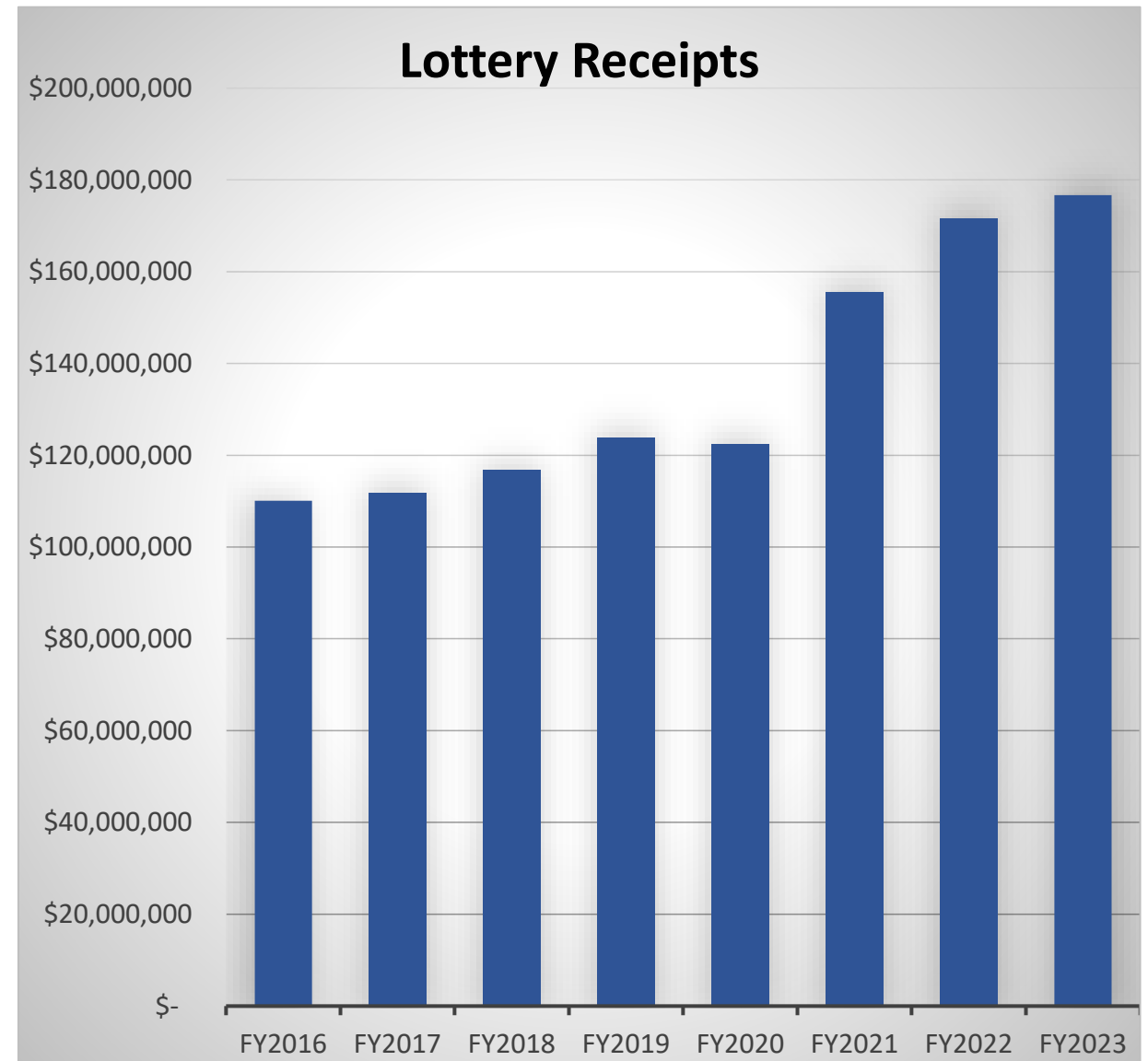
Sales and Use Tax Growth Rates



*Includes cost of administration; excludes one-time receipts.

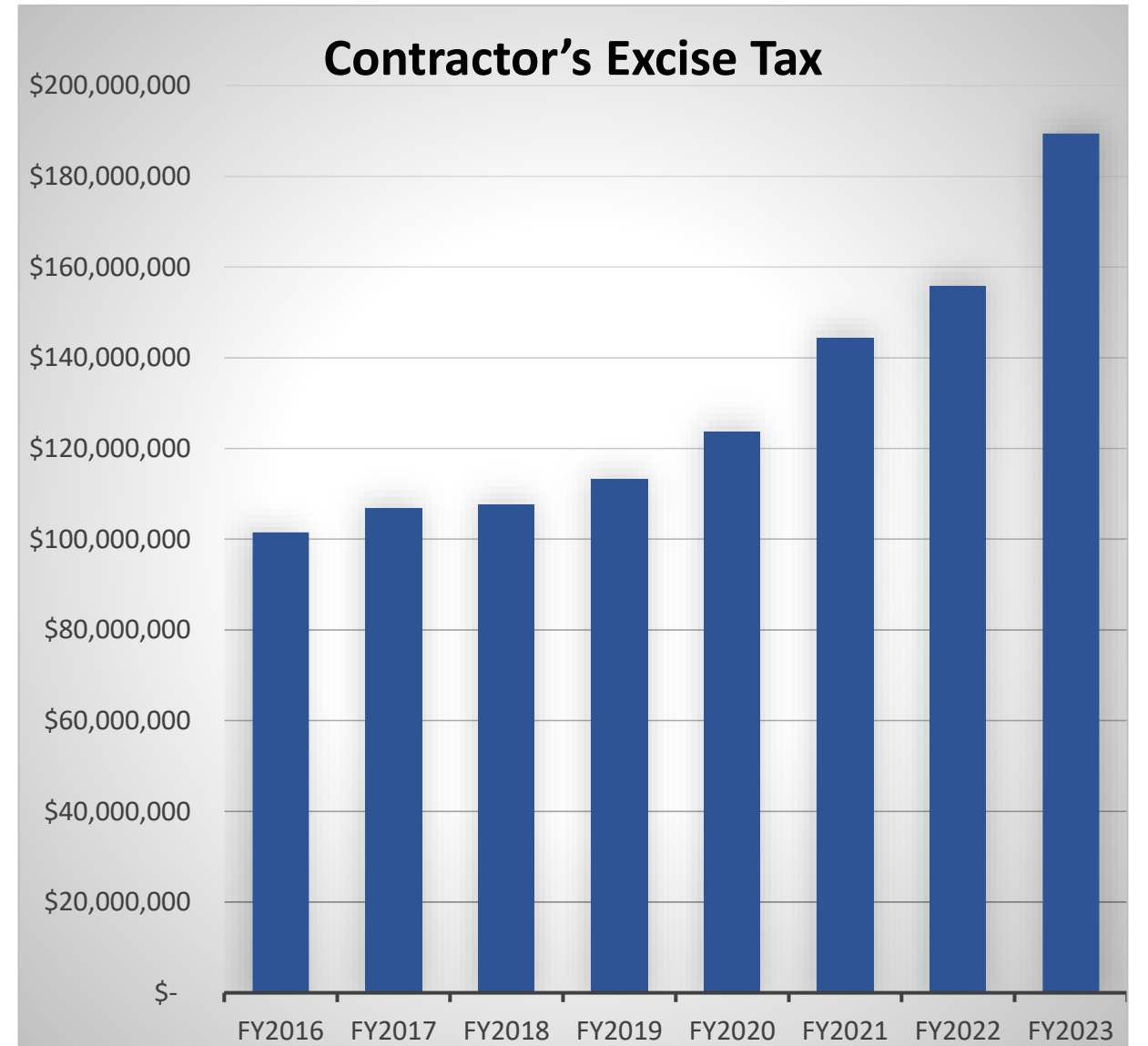
Lottery

- Lottery finished \$2.7M, or 1.5%, below the estimate.
- Video Lottery, which makes up over 90% of lottery receipts, grew by 1.0% in FY2023.
- Instant and Online Lottery receipts grew by \$3.4M, or 32%, in FY2023. Online lottery proceeds to the general fund increased from 50% to 70% in FY2023.

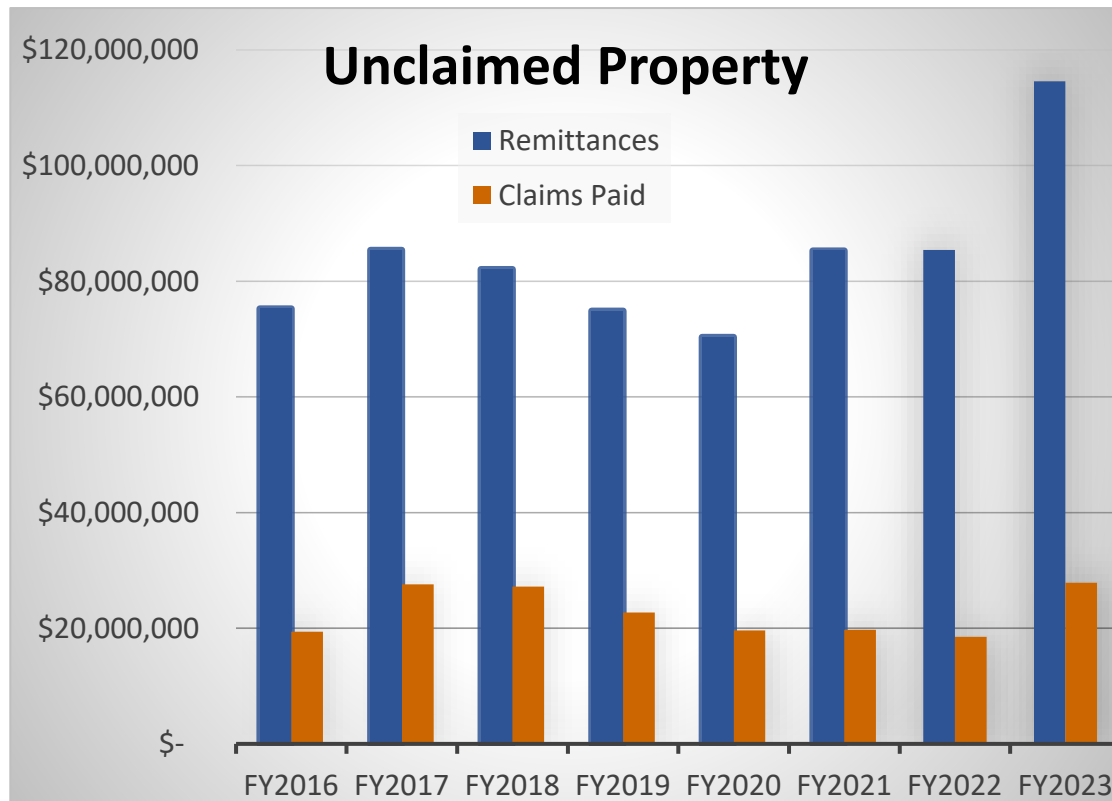


Contractor's Excise Tax

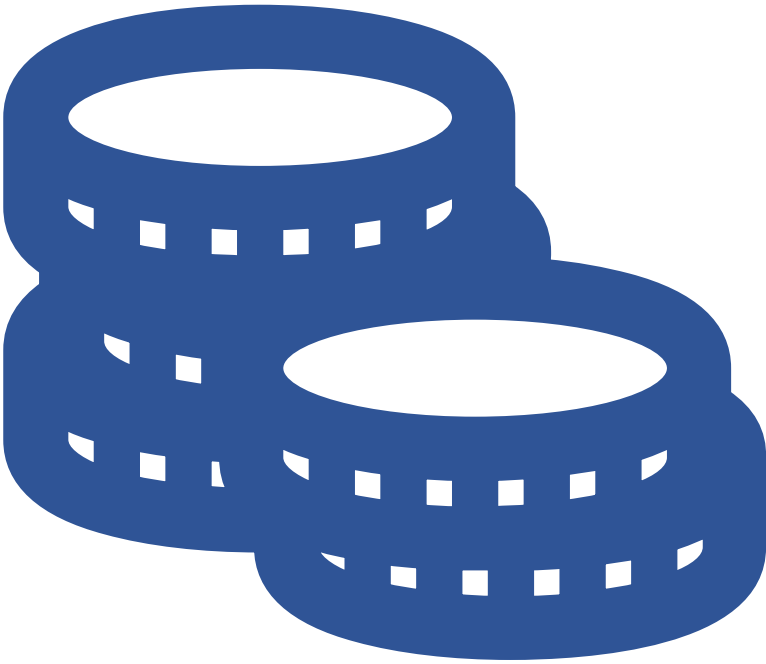
- Contractor's Excise Tax finished \$1.2M, or 0.6%, above the estimate.
- FY2023 receipts were \$33.6M, or 21.6%, greater than FY2022.



Unclaimed Property



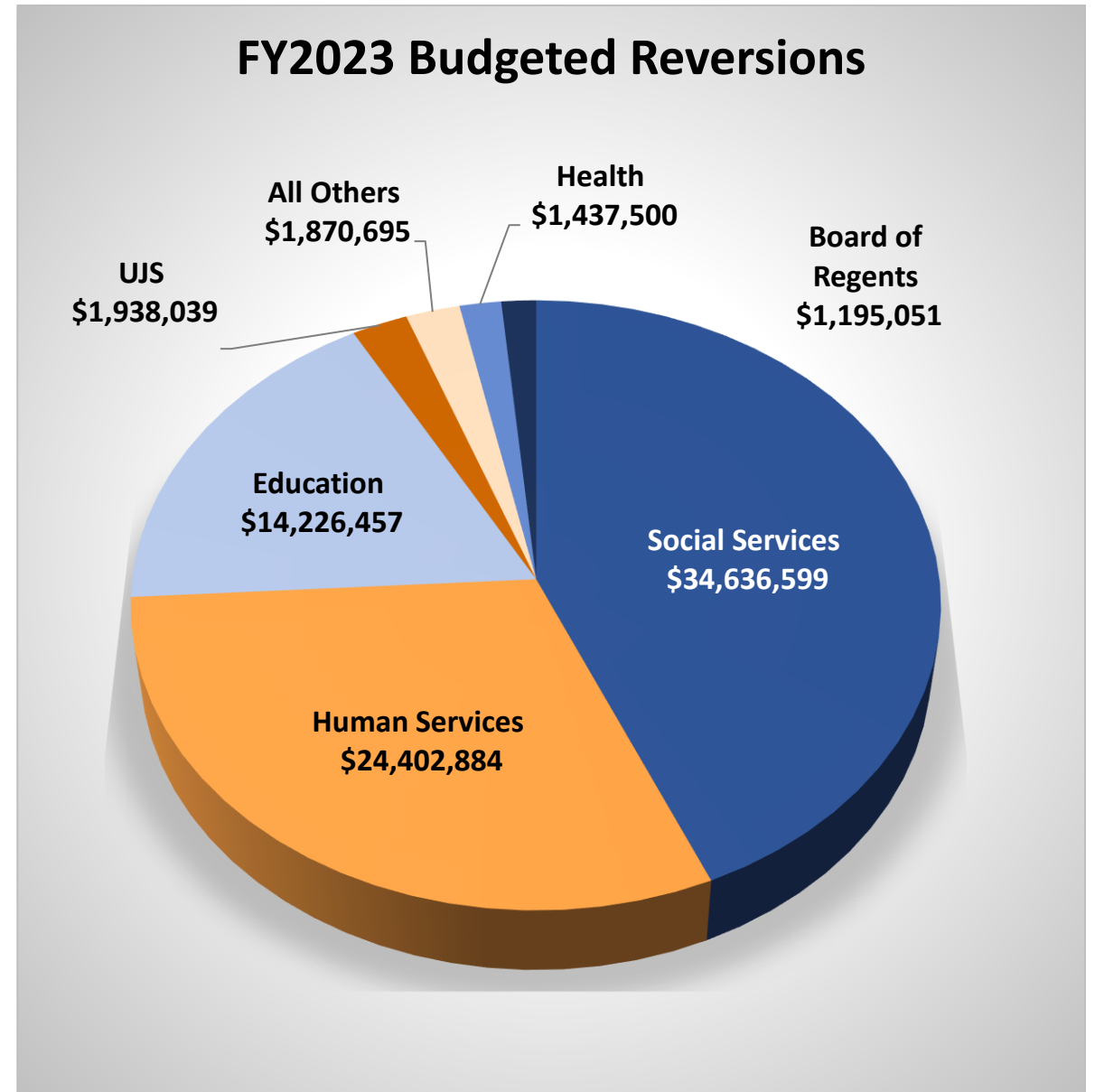
- \$85.5M in Unclaimed Property Receipts to the General Fund
 - ✓ \$10.6M remitted in May and considered one-time
 - ✓ Majority of remittances are due and received by November 1st
- Remittances were nearly \$115M in FY2023.
- Claims Paid were nearly \$28M in FY2023.



Budgeted Reversions

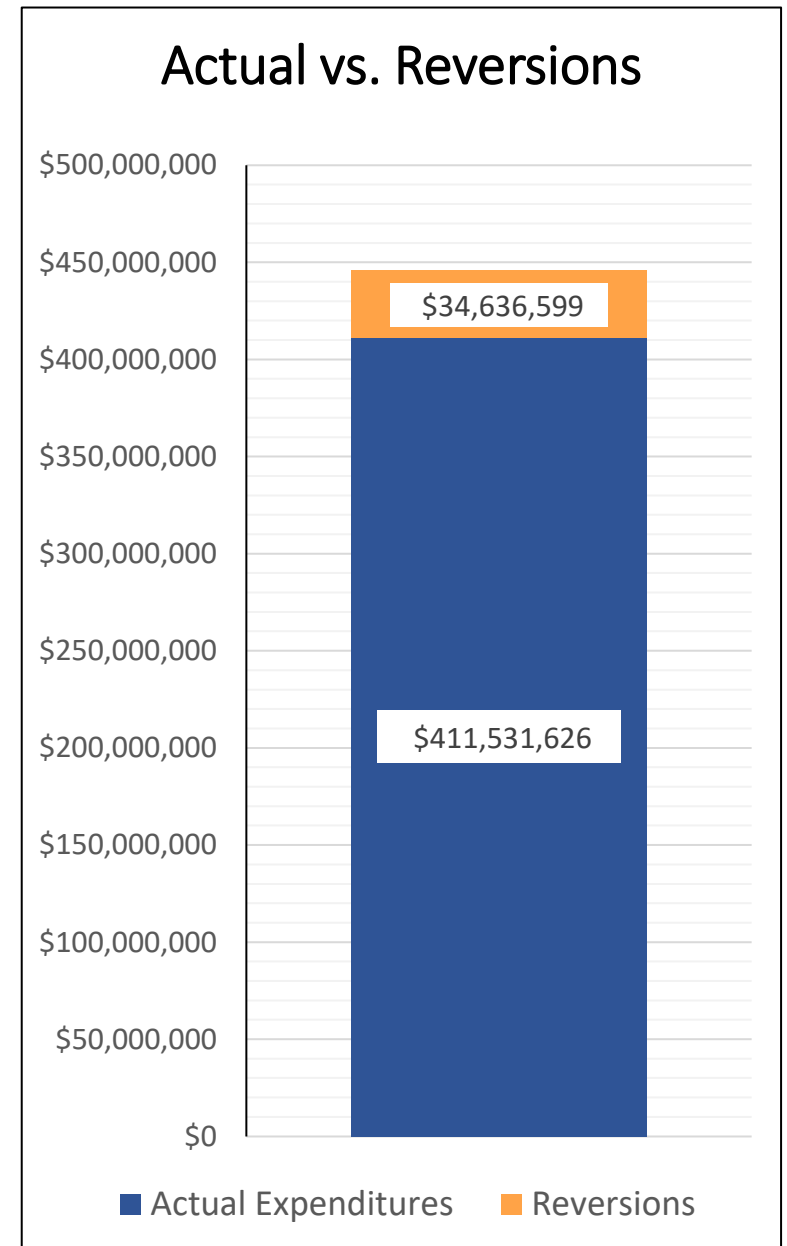
Budgeted Reversions

- General Fund Reversions of \$79,707,225
 - ✓ Personal Services = \$7,090,008
 - ✓ Operating Expenses = \$72,617,217
- 5.1% of the state general fund budget
- 98% of reversions are within six agencies
- For a complete list of reversions by agency, visit bfm.sd.gov



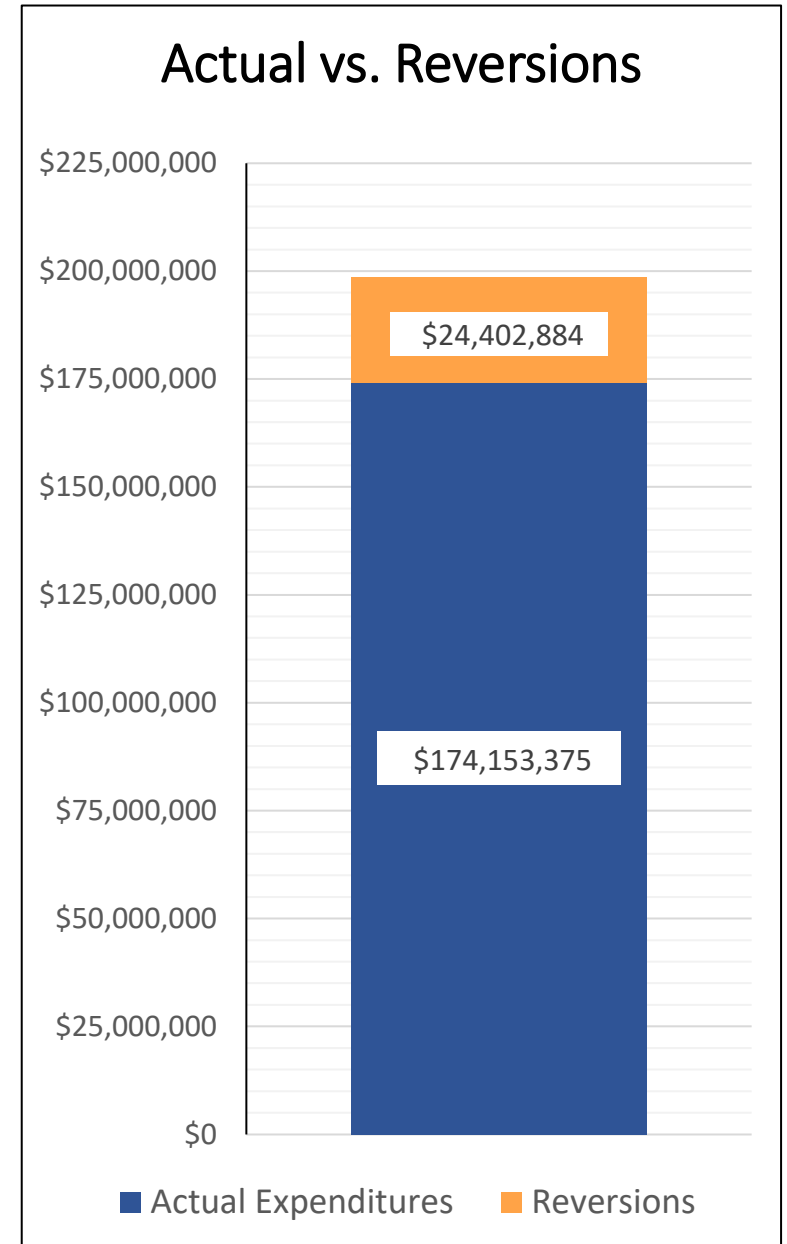
Social Services

- General Fund Reversion of \$34,636,599
 - ✓ Personal Services: \$2,828,489
 - ✓ Operating Expenses: \$31,808,110
- 7.8% of the budget
- Less than anticipated caseloads and utilization in Medical Services, Economic Assistance, and Children's Services
- Workforce shortages for Behavioral Health Providers and at the Human Services Center



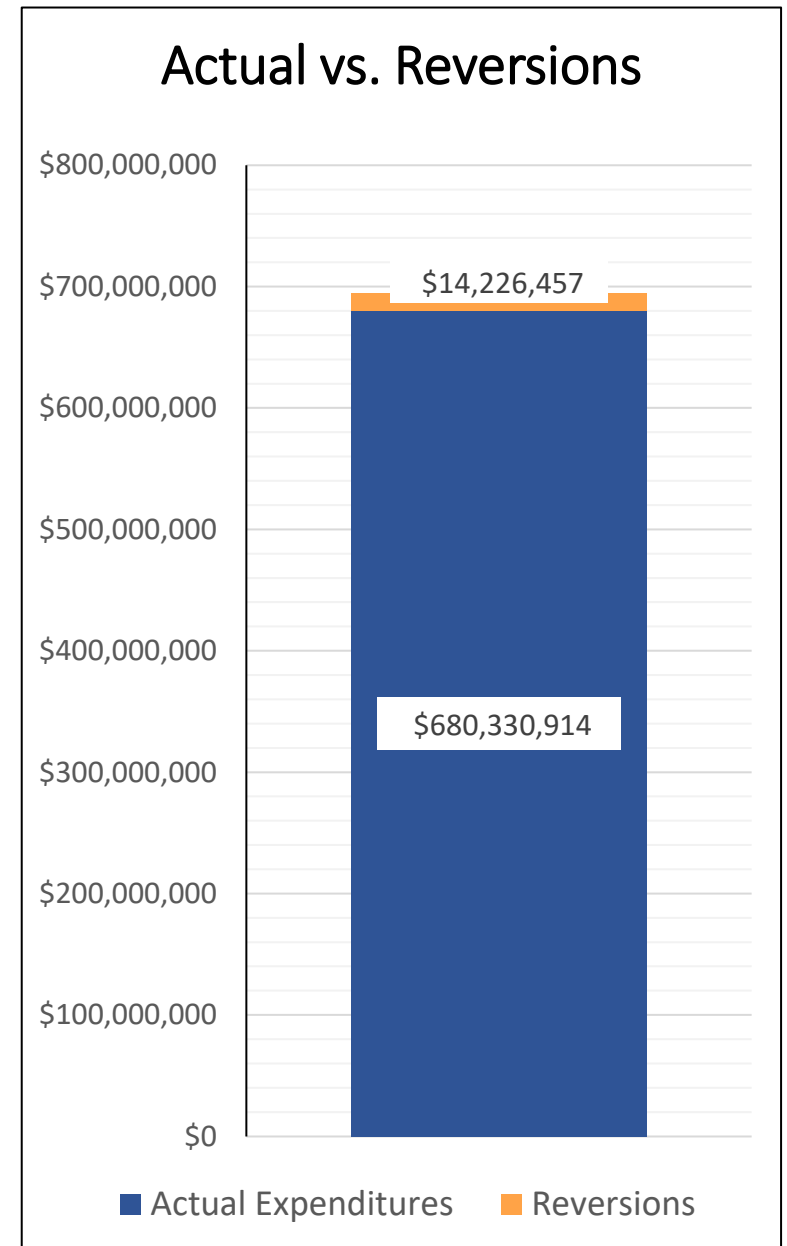
Human Services

- General Fund Reversion of \$24,402,884
 - ✓ Personal Services: \$835,870
 - ✓ Operating Expenses: \$23,567,014
- 12.3% of the budget
- Primary reversion was within Long Term Services and Supports – Nursing Homes
- Significant provider rate increases in FY2024 are expected to increase provider staffing levels and, in turn, increase number of clients served



Education

- Total Reversion of \$14,226,457
 - ✓ State Aid: \$13,706,564
 - ✓ Technical Colleges: \$160,284
 - ✓ Department of Education: \$359,609
- 2.0% of the budget
- Primary area of reversion was State Aid to Special Education
- Increased FY2024 State Aid to Special disability levels by 7.0% without adding additional budget to align





State Fiscal Recovery Fund