



Governor's Office of
PLANNING AND BUDGET
THE STATE OF GEORGIA

Georgia Capital Budget AFY 2024 - FY 2025

GASFA 2024 Spring Conference



Agenda

- AFY 2024 and FY 2025 Revenue Estimates
- Revenue Performance in the “Post-Pandemic” Period
- State Reserves
- Bond and Cash Funded Capital Spending
- Capital Budget Highlights
- Other Operating Budget Highlights



AFY 2024 and FY 2025 Revenue Estimates

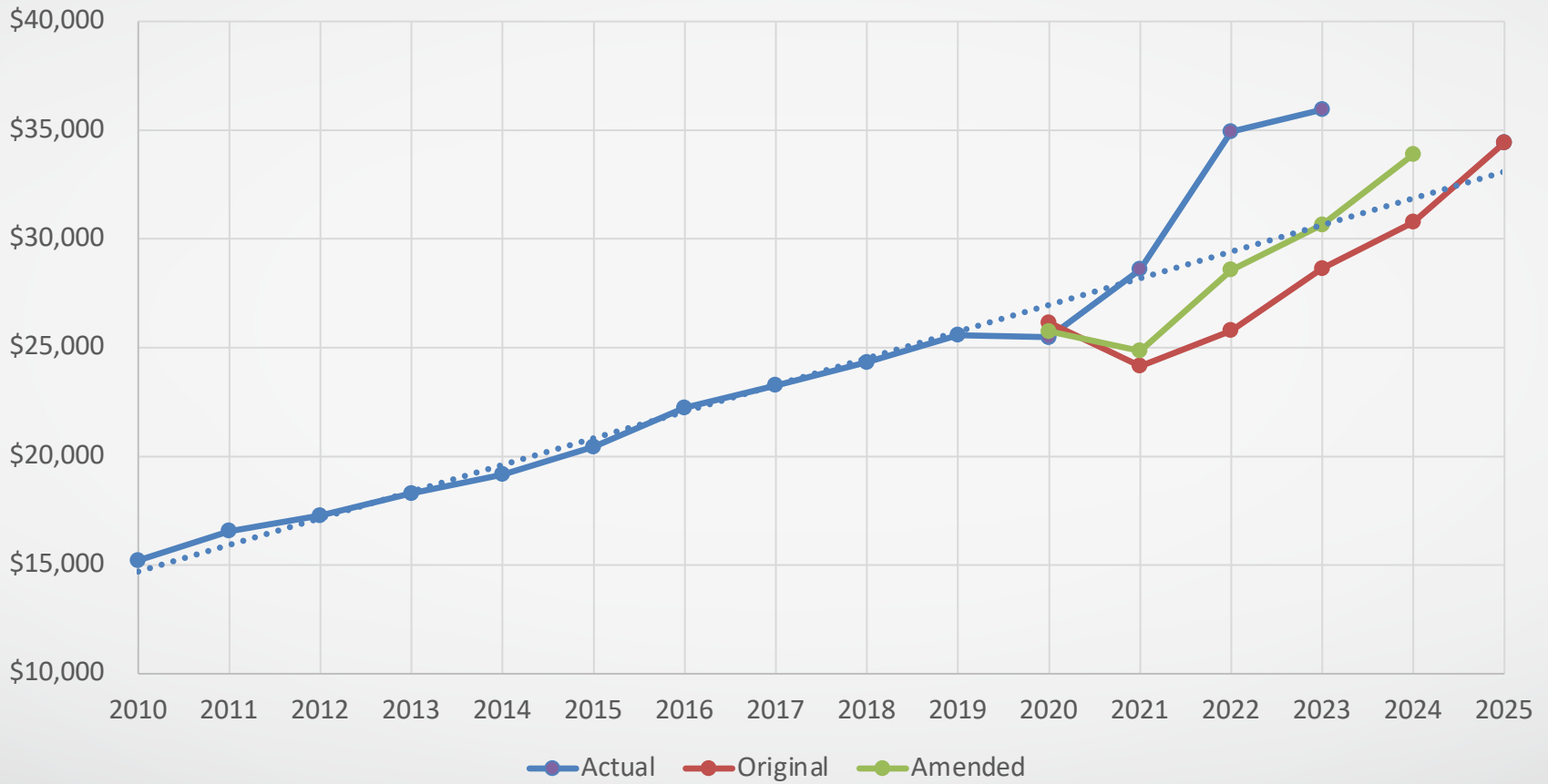
Source	FY 2023 Actual	FY 2024 Estimate	AFY 2024 Estimate*	Δ from FY 2023 Actual	FY 2025 Estimate	Δ from AFY 2024 Estimate
Individual Income Tax	\$16,969,071,606	\$14,706,897,000	\$15,505,160,000	-8.6%	\$15,808,929,000	2.0%
Corporate Income Tax	3,807,573,351	1,401,709,500	3,047,670,000	-20.0%	3,062,908,000	0.5%
Sales Tax	8,918,944,437	8,352,551,446	8,149,221,000	-8.6%	8,369,250,000	2.7%
Motor Fuel	837,218,224	2,032,931,199	1,556,629,000	85.9%	2,067,466,000	32.8%
Other Taxes	2,382,287,231	2,070,280,000	2,316,778,203	-2.7%	2,329,559,306	0.6%
Fees & Sales	3,029,443,964	2,206,993,467	3,307,251,074	9.2%	2,787,119,906	-15.7%
Lottery	1,588,498,061	1,514,645,315	1,511,932,238	-4.8%	1,560,273,909	3.2%
Tobacco Settlement	170,703,833	148,564,951	148,572,487	-13.0%	148,615,599	0.0%
Miscellaneous	3,195,863	2,113,972	2,113,972	-33.9%	2,102,507	-0.5%
Total Treasury Receipts	\$37,706,936,571	\$32,436,686,850	\$35,545,327,974	-5.7%	\$36,136,224,227	1.7%

*AFY 2024 appropriations also includes \$2 billion in Undesignated Surplus and \$359 million in Revenue Shortfall Reserve



General Fund Revenues Since 2010

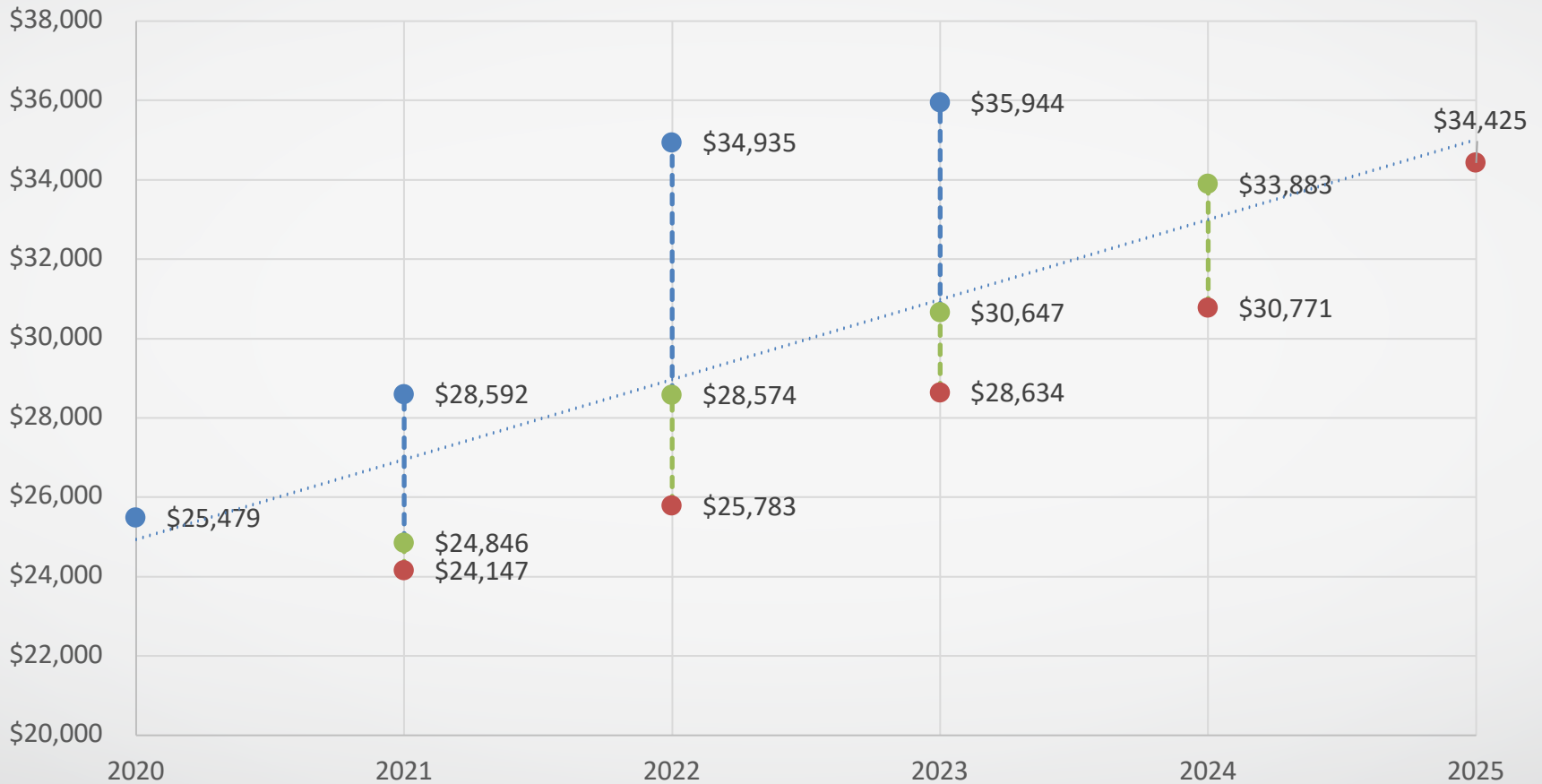
State General Fund Revenue
(in millions)





Post-Pandemic Revenues

State General Fund Revenue
(in millions)





Revenue Shortfall Reserve

Revenue Shortfall Reserve

FY 2022 Preliminary Fund Balances

Revenue Shortfall Reserve	\$5,240,228,297.00
Undesignated, Unreserved Regular Surplus	<u>6,978,505,962.88</u>
Total Beginning Fund Balance	<u>\$12,218,734,259.88</u>

One-time Tax Refunds paid during FY 2023	(\$1,086,295,332.39)
AFY 2023 Mid-Year Adjustment for Education	<u>(349,348,553.00)</u>

Adjusted FY 2022 Surplus Fund Balance **\$10,783,090,374.49**

Est. Excess Funds Available Over FY 2023 Appropriations 5,309,431,061.32

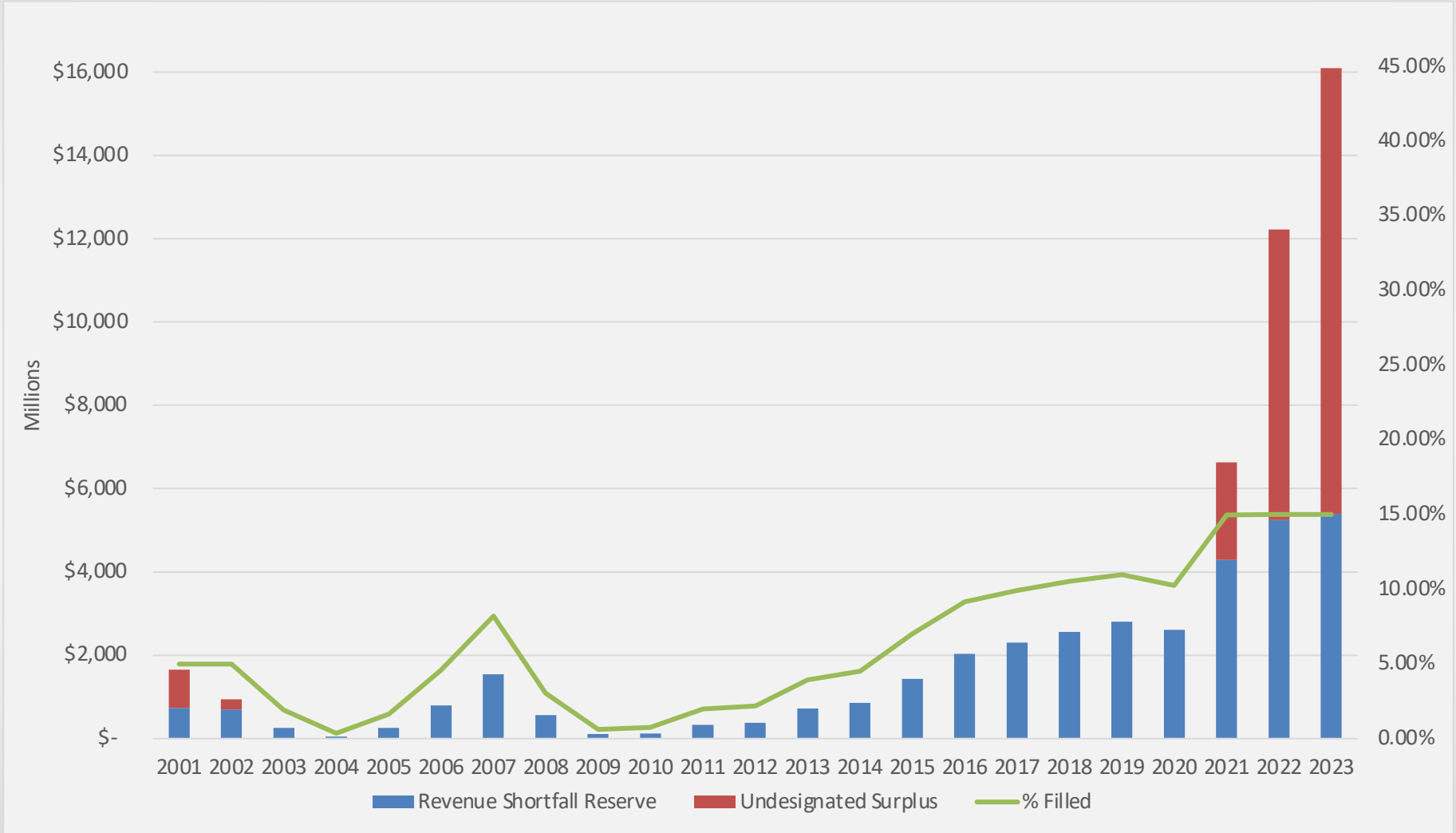
Ending RSR and Surplus Balance (Preliminary) - June 30, 2023 **\$16,092,521,435.81**

Revenue Shortfall Reserve	5,391,680,822.00
Undesignated, Unreserved Regular Surplus	10,700,840,613.81

FY 2023 RSR and undesignated surplus balance is 45% of prior year general fund revenues.



Revenue Shortfall Reserve





Capital Priorities

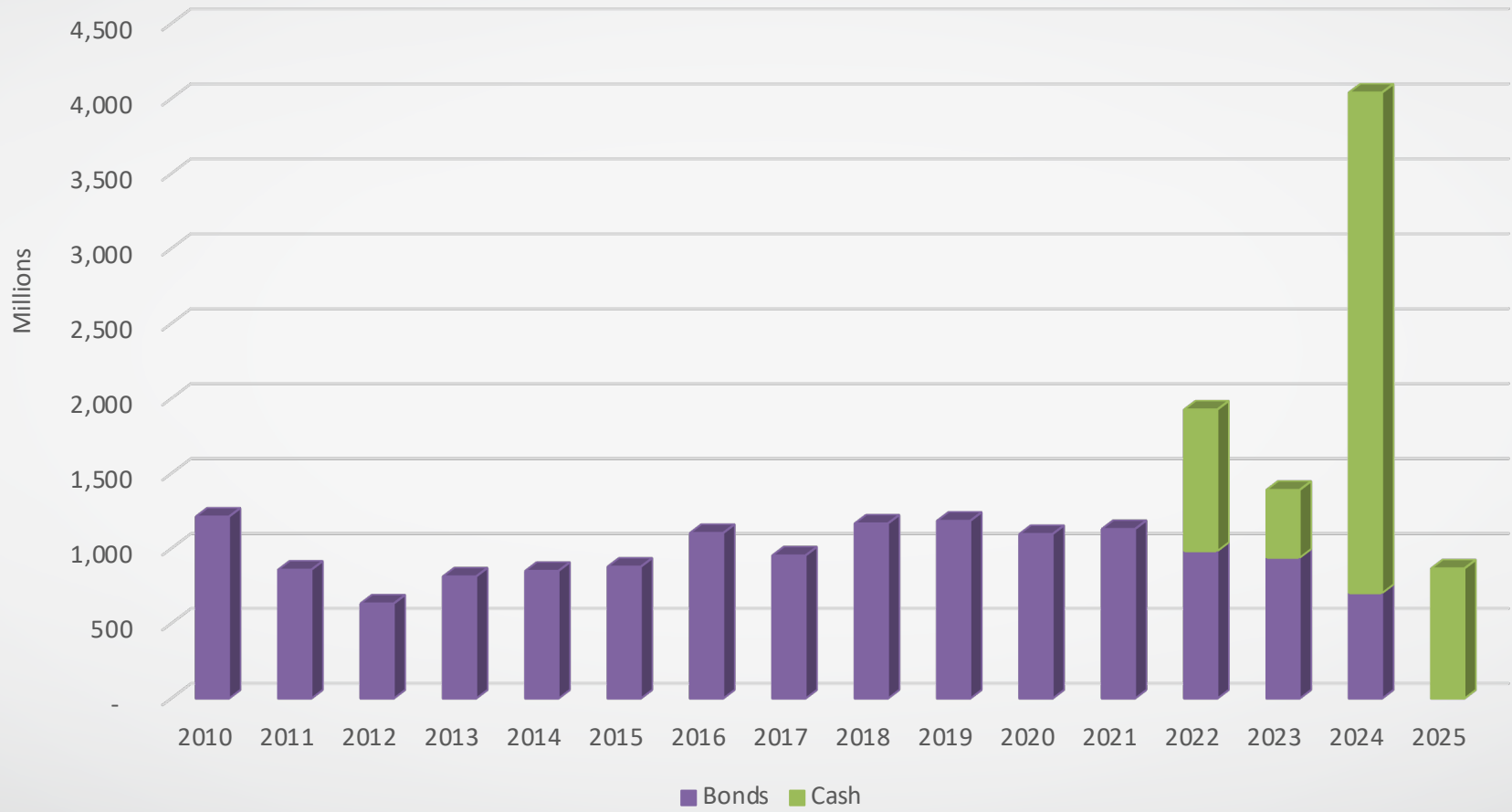
- Maintaining low debt ratios
- Focus on maintenance and renovation
 - Use what we have!
- Consider outyear operating expenses for new builds
- Cash fund one-time major capital project opportunities
- Defray future capital needs



Funding for Capital Projects

FY 2010 – FY 2025

Funding for Capital Projects





Capital Highlights

FY 2022 – FY 2025

- \$1.6 billion for statewide transportation infrastructure
- \$1.03 billion State Prison Facility Transformation Program
- \$437 million to consolidate and update Capitol Hill space
- \$362 million for additional MRR needs at state facilities
- \$250 million for water/sewer infrastructure
- \$228 million to establish new medical and dental schools
- \$188 million to replace school buses for LEAs
- \$170 million to fund ongoing MRR needs in base budget
- \$592 million “other” one-time capital needs



Other Operating Budget Highlights

FY 2022 – FY 2025

- \$2.9 billion in tax relief to citizens via one-time refunds and Homeowner Tax Relief Grants
- \$3.4 billion in state employee and teacher pay raises since FY 2022
- \$1.5 billion for the State Health Benefit Plan for teacher and non-certificated employee health benefits
- \$789 million for state retirement systems to improve funding ratios
- \$503 million for state economic development initiatives
- \$434 million for state risk pools to reduce outstanding obligations and meet the costs of future claims expenses
- \$424 million for K-12 schools for pupil transportation and security grants
- \$210 million for the Technology Empowerment Fund