

State Board of Equalization



Proposed FY-2023 Revenue Certification

Monday, December 27, 2021



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OKLAHOMA
Office of Management
& Enterprise Services

TABLE OF CONTENTS

Purpose of December BOE Meeting

Certify revenues accrued in FY-2021 and certify amounts available for appropriation for FY-2023.

Revenue Certification		Page
Schedule 1	Certification of Prior Year Collections (Agenda Item 5)	1
Schedule 2	Statutorily Required Findings (Agenda Items 6 and 7)	2
Schedule 3	Certification of FY 2023 Estimates (Agenda Item 8)	3
Budget Outlook		
Schedule 4	FY-2023 Budget Outlook (June Expenditure Authority FY-2022, FY2022 Authorized Expenditures, and December Expenditure Authority FY-2023)	4
Appendices		
Appendix A-1	Budget Outlook Fund Detail	5
Appendix A-2	FY-2022 Certified Fund Revenue Projections	7
Appendix A-3	General Revenue Fund and Certified Fund Comparisons	8
Appendix A-4	Itemized Estimates of "Other" Revenues from General Revenue Fund	9
Appendix A-5	Education Reform Act - HB1017	10
Appendix A-6	ROADS Fund	11
Appendix A-7	Glossary	12
Appendix A-8	Relevant Legislation and Statutes and Purpose of BOE	13

PRIOR YEAR ACCRUED COLLECTIONS

SCHEDULE 1

	FY-2021 ESTIMATE 15-Jun-20	FY-2021 ACTUAL 21-Dec-21	DIFFERENCE (\$)	DIFFERENCE (%)
General Revenue Fund				
Alcohol Beverage Tax	\$41,980,000	\$47,417,220	\$5,437,220	13.0%
Mixed Beverage Receipts Tax	\$92,530,000	\$72,883,445	(\$19,646,555)	-21.2%
Cigarette Tax	\$48,606,670	\$48,532,275	(\$74,396)	-0.2%
Tobacco Products Tax	\$33,839,651	\$37,437,996	\$3,598,345	10.6%
Franchise Tax	\$57,380,000	\$55,186,142	(\$2,193,858)	-3.8%
Gross Production Tax-Gas	\$209,203,000	\$281,945,361	\$72,742,361	34.8%
Gross Production Tax-Oil	\$367,274,000	\$136,654,276	(\$230,619,724)	-62.8%
Income Tax-Individual	\$2,693,207,899	\$2,816,695,308	\$123,487,409	4.6%
Income Tax-Corporate	\$245,580,450	\$452,137,848	\$206,557,398	84.1%
Insurance Premium Tax	\$113,498,495	\$101,371,348	(\$12,127,147)	-10.7%
Motor Vehicle Taxes	\$26,020,000	\$35,532,903	\$9,512,903	36.6%
Sales Tax	\$2,164,036,661	\$2,196,722,155	\$32,685,494	1.5%
Use Tax	\$339,056,944	\$369,967,042	\$30,910,098	9.1%
Interest & Investments	\$64,000,000	\$48,880,810	(\$15,119,190)	-23.6%
Other OTC (see Appendix 3)	\$54,987,000	\$83,090,362	\$28,103,362	51.1%
Collections by Other Agencies	\$173,528,600	\$222,280,761	\$48,752,161	28.1%
General Revenue Totals	\$6,724,729,371	\$7,006,735,251	\$282,005,880	4.2%
Transfers & Lapses	\$1,000,000	\$1,000,000	\$0	0.0%
Total General Revenue	\$6,725,729,371	\$7,007,735,251	\$282,005,880	4.2%
C.L.E.E.T.	\$3,089,754	\$2,670,391	(\$419,363)	-13.6%
COMM of LAND OFFICE	\$9,467,100	\$10,334,717	\$867,617	9.2%
MINERAL LEASING	\$4,000,000	\$2,738,164	(\$1,261,836)	-31.5%
OK EDUCATION LOTTERY TRUST FUND	\$66,000,000	\$80,235,984	\$14,235,984	21.6%
PUBLIC BUILDING	\$1,887,520	\$1,977,541	\$90,020	4.8%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$800,000	\$1,317,895	\$517,895	64.7%
ALCOHOLIC BEVERAGE CONTROL FUND	\$11,466,591	\$13,000,748	\$1,534,157	13.4%
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$150,000	\$96,985	(\$53,015)	-35.3%
STATE PUBLIC SAFETY FUND	\$25,649,940	\$20,574,005	(\$5,075,935)	-19.8%
HEALTH CARE ENHANCEMENT FUND	\$152,488,000	\$158,506,725	\$6,018,725	3.9%
GRAND TOTAL	\$7,000,728,276	\$7,299,188,407	\$298,460,131	4.3%

Agenda Item 5

The reported total amount of revenue which accrued in the preceding fiscal year to the General Revenue Fund was \$7,007,735,251 and the total to all certified funds was \$7,299,188,407.

STATUTORILY REQUIRED FINDINGS

SCHEDULE 2

Agenda Item 6: Cash Flow Reserve Fund Finding

Pursuant to Title 62, Section 34.54, as amended by HB3206 in the 2016 legislative session, OMES is required to analyze and submit to the State BOE the amount of monies remaining in the General Revenue Cash-flow Reserve Fund which are not necessary for current year cash-flow needs and are available for legislative appropriation.

Finding: Based on December's FY2022 projections, \$114,665,239 will be available for appropriation.

Agenda Item 7: OHLAP Funding

In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education adopts a funding estimate each year for the needs of the Oklahoma's Promise scholarship program with a portion coming from the General Revenue Fund and a portion coming from the program's trust fund.

Finding: State Regents for Higher Education has adopted an estimate of \$58.8 million to be allocated from the General Revenue Fund for FY 2023. The amount of money allocated from income tax revenue for FY2022 was \$65.4M, and for FY 2021 was \$70.0M. These amounts have been removed from the respective individual income tax numbers.

CERTIFICATION PROPOSALS
REVENUES ESTIMATED FOR FY-2023, AMOUNTS AVAILABLE FOR APPROPRIATION
SCHEDULE 3

	PROPOSED FY-2023 ESTIMATE 21-Dec	PROPOSED FY-2023 95% ESTIMATE 21-Dec
General Revenue Fund		
Alcohol Beverage Tax	\$52,792,000	\$50,152,400
Mixed Beverage Receipts Tax	\$87,866,000	\$83,472,700
Cigarette Tax	\$47,868,964	\$45,475,515
Tobacco Products Tax	\$40,089,199	\$38,084,739
Franchise Tax	\$57,232,000	\$54,370,400
Gross Production Tax-Gas	\$439,533,852	\$417,557,159
Gross Production Tax-Oil	\$283,513,896	\$269,338,201
Income Tax-Individual	\$2,686,594,780	\$2,552,265,041
Income Tax-Corporate	\$296,473,913	\$281,650,217
Insurance Premium Tax	\$115,615,655	\$109,834,872
Motor Vehicle Taxes	\$38,149,000	\$36,241,550
Sales Tax	\$2,427,524,893	\$2,306,148,648
Use Tax	\$451,112,534	\$428,556,908
Interest & Investments	\$56,500,000	\$53,675,000
Total Other OTC (See Appendix 3)	\$61,890,000	\$58,795,500
Collections by Other Agencies	\$181,502,545	\$172,427,418
General Revenue Totals	\$7,324,259,231	\$6,958,046,270
Transfers & Lapses	\$1,000,000	\$950,000
Total General Revenue	\$7,325,259,231	\$6,958,996,270
C.L.E.E.T.	\$2,648,915	\$2,516,469
COMM of LAND OFFICE	\$10,108,722	\$9,603,286
MINERAL LEASING	\$2,750,000	\$2,612,500
OK EDUCATION LOTTERY TRUST FUND	\$60,000,000	\$57,000,000
PUBLIC BUILDING	\$1,795,271	\$1,705,508
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,249,340	\$1,186,873
ALCOHOLIC BEVERAGE CONTROL FUND	\$14,187,105	\$13,477,750
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$156,685	\$148,851
STATE PUBLIC SAFETY FUND	\$21,039,005	\$19,987,055
HEALTH CARE ENHANCEMENT FUND	\$156,658,000	\$148,825,100
GRAND TOTAL	\$7,595,852,275	\$7,216,059,661

Agenda Item 8

The estimate summation of certified revenues is \$7,595,852,275 and the certified revenue available for appropriation is \$7,216,059,661

Budget Outlook



OKLAHOMA
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**Summary of Appropriations Authority FY-2022 (21-Jun-2021),
Authorized Expenditures FY-2022 (21-Jun-2021), and
Appropriations Authority FY-2023 (27-Dec-2021)
SCHEDULE 4**

	FY-2022 21-Jun-21 APPROPRIATIONS AUTHORITY	FY-2022 21-Jun-21 AUTHORIZED EXPENDITURES	FY-2023 27-Dec-21 APPROPRIATIONS AUTHORITY
CERTIFIED			
General Revenue Fund	\$6,310,183,411	\$6,065,155,775	\$6,958,996,270
CLEET Fund	\$2,510,658	\$2,510,658	\$2,516,469
Mineral Leasing Fund	\$5,225,000	\$5,225,000	\$2,612,500
OHSA Fund	\$902,500	\$902,500	\$1,186,873
Public Building Fund	\$1,598,917	\$1,598,917	\$1,705,508
Commissioners of the Land Office Fund	\$8,406,944	\$8,379,276	\$9,603,286
OK Education Lottery Trust Fund	\$57,950,000	\$57,950,000	\$57,000,000
State Public Safety Fund	\$23,149,071	\$23,149,071	\$19,987,055
Health Care Enhancement Fund	\$147,611,950	\$147,611,950	\$148,825,100
Alcoholic Beverage Control Fund	\$12,350,000	\$12,350,000	\$13,477,750
OK Pension Improvement Rev Fund	\$57,000	\$0	\$148,851
TOTAL CERTIFIED FUNDS	\$6,569,945,451	\$6,324,833,147	\$7,216,059,661
AUTHORIZED			
1017 Fund	\$878,830,612	\$875,289,631	\$883,266,830
Common Ed. Technology Fund (GP-Oil)	\$47,372,299	\$47,372,299	\$46,997,253
OK Student Aid Fund (GP – Oil)	\$47,372,299	\$47,372,299	\$46,997,253
Higher Ed. Capital Fund (GP – Oil)	\$47,372,299	\$47,372,299	\$46,997,253
Tobacco Fund	\$13,684,375	\$13,684,375	\$12,572,152
Judicial Revolving Fund	\$20,000,000	\$20,000,000	\$26,279,262
Transportation Fund	\$186,893,663	\$186,893,663	\$214,969,818
ROADS Fund	\$575,000,000	\$575,000,000	\$590,000,000
TOTAL AUTHORIZED FUNDS	\$1,816,525,547	\$1,812,984,566	\$1,868,079,821
Total Certified and Authorized Funds	\$8,386,470,998	\$8,137,817,713	\$9,084,139,482
CARRYOVER AND SPECIAL CASH	\$1,234,282,208	\$598,873,404	\$1,125,184,436
CASH FLOW RESERVE FUND	\$200,000,000	\$200,000,000	\$114,665,239 ¹
ADD'L REV FUND APPROPRIATIONS	\$128,057,134 ²	\$128,057,134 ²	\$0

³ **Total Appropriations Authorized by Legislature for FY-2022** **\$9,064,748,251**

¹ All remaining cash in the Cash Flow Reserve Fund is expected to be available for appropriation due to adequate funds in the General Revenue Fund and higher than expected FY-22 General Revenue projections.

² \$12,500,000 appropriated from Oklahoma Medical Marijuana Authority Revolving Fund; \$28,957,134 appropriated from the Opioid Lawsuit Settlement Fund; \$86,600,000 appropriated from the Master Teacher Program Fund.

³ This number includes appropriations made from carryover and special cash, cash flow reserve fund, and additional revolving fund appropriations.

Appendices



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**BUDGET DETAIL BY FUND OF EXPENDITURE AUTHORITY 2021 SESSION (21-Jun-2021)
 AUTHORIZED EXPENDITURES 2021 SESSION (21-JUN-2021), AND
 PROPOSED EXPENDITURE AUTHORITY 2022 SESSION (27-Dec-2021)
 Appendix A-1**

	FY-2022 EXPENDITURE AUTHORITY* 2021 SESSION 21-Jun-21	FY-2022 AUTHORIZED EXPENDITURES 2021 Session 21-Jun-21	FY-2023 EXPENDITURE AUTHORITY* 2022 SESSION 27-Dec-21
NON-RESTRICTED FUNDS			
GENERAL REVENUE FUND			
Certified	\$6,310,183,411	\$6,065,155,775	\$6,958,996,270
Prior Year Certified	\$1,136,992,815	\$501,686,376	\$245,027,636
Cash	\$0	\$0	\$837,678,030
TOTAL	\$7,447,176,226	\$6,566,842,151	\$8,041,701,936
C.L.E.E.T. FUND			
Certified	\$2,510,658	\$2,510,658	\$2,516,469
Cash	\$19,488	\$19,488	\$0
TOTAL	\$2,530,146	\$2,530,146	\$2,516,469
MINERAL LEASING FUND			
Certified	\$5,225,000	\$5,225,000	\$2,612,500
Cash	\$3,524,406	\$3,524,406	\$240,763
TOTAL	\$8,749,406	\$8,749,406	\$2,853,263
OHSA FUND			
Certified	\$902,500	\$902,500	\$1,186,873
Cash	\$282,698	\$282,698	\$557,896
TOTAL	\$1,185,198	\$1,185,198	\$1,744,769
PUBLIC BUILDING FUND			
Certified	\$1,598,917	\$1,598,917	\$1,705,508
Cash	\$522,776	\$522,776	\$552,467
TOTAL	\$2,121,693	\$2,121,693	\$2,257,975
SPECIAL CASH FUND			
Cash	\$57,315,210 ¹	\$57,315,210 ¹	\$0
TOTAL	\$57,315,210	\$57,315,210	\$0
SUBTOTAL NON-RESTRICTED FUNI	\$7,519,077,879	\$6,638,743,804	\$8,051,074,412

¹ HB2900 directed the following transfers to the Special Cash Fund: Sec. 133 - \$19,315,210 from the State Transportation Fund; Sec. 134 - \$25,000,000 from the Unclaimed Property Fund; Sec. 135 - \$6,500,000 from the Insurance Commissioner Rev Fund; Sec. 136 - \$6,500,000 from the Secretary of State Rev Fund.

**BUDGET DETAIL BY FUND OF EXPENDITURE AUTHORITY 2021 SESSION (21-Jun-2021)
 AUTHORIZED EXPENDITURES 2021 SESSION (21-JUN-2021), AND
 PROPOSED EXPENDITURE AUTHORITY 2022 SESSION (27-Dec-2021)
 Appendix A-1 (Continued)**

	FY-2022 EXPENDITURE AUTHORITY* 2021 SESSION 21-Jun-21	FY-2022 AUTHORIZED EXPENDITURES 2021 Session 21-Jun-21	FY-2023 EXPENDITURE AUTHORITY* 2022 SESSION 27-Dec-21
RESTRICTED FUNDS			
COMMISSION OF THE LAND OFFICE FUND			
Certified	\$8,406,944	\$8,379,276	\$9,603,286
Prior Year Certified	\$0	\$0	\$0
Cash	\$0	\$0	\$35,115
TOTAL	\$8,406,944	\$8,379,276	\$9,638,401
OK EDUCATION LOTTERY TRUST FUND			
Certified	\$57,950,000	\$57,950,000	\$57,000,000
Cash	\$18,607,982	\$18,607,982	\$24,762,300
TOTAL	\$76,557,982	\$76,557,982	\$81,762,300
STATE PUBLIC SAFETY FUND			
Certified	\$23,149,071	\$23,149,071	\$19,987,055
Cash	\$1,528,399	\$1,528,399	\$0
TOTAL	\$24,677,470	\$24,677,470	\$19,987,055
HEALTH CARE ENHANCEMENT FUND			
Certified	\$147,611,950	\$147,611,950	\$148,825,100
Cash	\$14,186,333	\$14,186,333	\$14,362,576
TOTAL	\$161,798,283	\$161,798,283	\$163,187,676
ALCOHOLIC BEVERAGE CONTROL FUND			
Certified	\$12,350,000	\$12,350,000	\$13,477,750
Cash	\$1,199,736	\$1,199,736	\$1,792,158
TOTAL	\$13,549,736	\$13,549,736	\$15,269,908
OKLAHOMA PENSION IMPROVEMENT REV FUND			
Certified	\$57,000	\$0	\$148,851
Cash	\$102,365	\$0	\$175,495
TOTAL	\$159,365	\$0	\$324,346
SUBTOTAL RESTRICTED FUNDS	\$285,149,780	\$284,962,747	\$290,169,685
TOTAL-RESTRICTED & NON-RESTRICTED	\$7,804,227,659	\$6,923,706,551	\$8,341,244,097
COMMON ED. TECH FUND			
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$46,997,253
OK. STUDENT AID FUND			
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$46,997,253
HIGHER ED. CAPITAL FUND			
Revolving Fund Estimate	\$47,372,299	\$47,372,299	\$46,997,253
1017 FUND			
Revolving Fund Estimate	\$878,830,612	\$875,289,631	\$883,266,830
TOBACCO SETTLEMENT FUND			
Revolving Fund Estimate	\$13,684,375	\$13,684,375	\$12,572,152
STATE JUDICIAL REVOLVING FUND			
Revolving Fund Estimate	\$20,000,000	\$20,000,000	\$26,279,262
STATE TRANSPORTATION FUND			
Revolving Fund Estimate	\$186,893,663	\$186,893,663	\$214,969,818
ROADS Fund			
Revolving Fund Estimate	\$575,000,000	\$575,000,000	\$590,000,000
TOTAL	\$9,620,753,206	\$8,736,691,117	\$10,209,323,918
**ADDITIONAL BUDGETARY AUTHORIZATIONS:			
Cash Flow Reserve Fund	\$200,000,000	\$200,000,000	\$114,665,239
Constitutional Reserve Fund	\$0	\$0	\$0
Revenue Stabilization Fund	\$0	\$0	\$0
Total Reappropriations	\$0	\$0	\$0
Agency Revolving Fund Authorizations	\$0	\$0	\$0
Additional Revolving Fund Appropriations	\$128,057,134 ¹	\$128,057,134 ¹	\$0
TOTAL AUTHORIZED BUDGET	\$9,948,810,340	\$9,064,748,251	\$10,323,989,157

¹ \$12,500,000 appropriated from Oklahoma Medical Marijuana Authority Revolving Fund; \$28,957,134 appropriated from the Opioid Lawsuit Settlement Fund; \$86,600,000 appropriated from the Master Teacher Program Fund.

FY-2022 Certified Fund Revenue Projections

Appendix A-2

	FY-2022 ESTIMATE June	FY-2022 PROJECTED December	INCREASE or (DECREASE)	DIFFERENCE (%)
CERTIFIED FUNDS				
GENERAL REVENUE	\$6,642,298,328	\$7,379,387,771	\$737,089,443	11.1%
C.L.E.E.T.	\$2,642,798	\$2,680,240	\$37,442	1.4%
COMMISSIONERS OF THE LAND OFFICE	\$8,849,414	\$9,967,408	\$1,117,994	12.6%
MINERAL LEASING	\$5,500,000	\$2,770,000	(\$2,730,000)	-49.6%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$950,000	\$1,260,854	\$310,854	32.7%
PUBLIC BUILDING	\$1,683,070	\$1,795,271	\$112,201	6.7%
OK EDUCATION LOTTERY TRUST FUND	\$61,000,000	\$61,000,000	\$0	0.0%
STATE PUBLIC SAFETY FUND	\$24,367,443	\$21,177,084	(\$3,190,359)	-13.1%
HEALTH CARE ENHANCEMENT FUND	\$155,381,000	\$157,664,000	\$2,283,000	1.5%
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,000,000	\$14,025,105	\$1,025,105	7.9%
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$60,000	\$156,685	\$96,685	161.1%
AUTHORIZED FUNDS				
1017 Fund	\$878,830,612	\$910,717,681	\$31,887,069	3.6%
Common Ed. Technology Fund (GP-Oil)	\$47,372,299	\$47,111,046	(\$261,253)	-0.6%
OK Student Aid Fund (GP – Oil)	\$47,372,299	\$47,111,046	(\$261,253)	-0.6%
Higher Ed. Capital Fund (GP – Oil)	\$47,372,299	\$47,111,046	(\$261,253)	-0.6%
Tobacco Settlement Fund	\$13,684,375	\$13,233,845	(\$450,530)	-3.3%
STATE Judicial Revolving Fund	\$20,000,000	\$32,849,078	\$12,849,078	64.2%
STATE Transportation Fund	\$186,893,663	\$215,429,016	\$28,535,353	15.3%
ROADS Fund	\$575,000,000	\$575,000,000	\$0	0.0%
REVENUE COLLECTIONS GRAND TOTAL	\$8,732,257,600	\$9,540,447,174	\$808,189,574	9.3%

FY-2023 Certified Fund Comparisons

Appendix A-3

	FY-2021 ACTUAL 21-Dec	Projected FY-2022 ESTIMATE 21-Dec	PROPOSED FY-2023 ESTIMATE 21-Dec	CHANGE IN FY23 ESTIMATE FROM FY21	CHANGE IN FY23 ESTIMATE FROM FY22 ESTIMATE
General Revenue Fund					
Alcohol Beverage Tax	\$47,417,220	\$49,623,000	\$52,792,000	\$5,374,780	\$3,169,000
Mixed Beverage Receipts Tax	\$72,883,445	\$88,589,000	\$87,866,000	\$14,982,555	(\$723,000)
Cigarette Tax	\$48,532,275	\$48,131,948	\$47,868,964	(\$663,311)	(\$262,985)
Tobacco Products Tax	\$37,437,996	\$39,332,322	\$40,089,199	\$2,651,203	\$756,877
Franchise Tax	\$55,186,142	\$57,576,000	\$57,232,000	\$2,045,858	(\$344,000)
Gross Production Tax-Gas	\$281,945,361	\$532,810,977	\$439,533,852	\$157,588,491	(\$93,277,125)
Gross Production Tax-Oil	\$136,654,276	\$314,333,632	\$283,513,896	\$146,859,620	(\$30,819,736)
Income Tax-Individual	\$2,816,695,308	\$2,701,997,282	\$2,686,594,780	(\$130,100,528)	(\$15,402,501)
Income Tax-Corporate	\$452,137,848	\$333,694,850	\$296,473,913	(\$155,663,935)	(\$37,220,938)
Insurance Premium Tax	\$101,371,348	\$115,615,655	\$115,615,655	\$14,244,308	\$0
Motor Vehicle Taxes	\$35,532,903	\$37,555,000	\$38,149,000	\$2,616,097	\$594,000
Sales Tax	\$2,196,722,155	\$2,340,275,672	\$2,427,524,893	\$230,802,738	\$87,249,221
Use Tax	\$369,967,042	\$413,387,406	\$451,112,534	\$81,145,492	\$37,725,128
Interest & Investments	\$48,880,810	\$63,500,000	\$56,500,000	\$7,619,190	(\$7,000,000)
Total Other OTC (See Appendix 3)	\$83,090,362	\$62,407,000	\$61,890,000	(\$21,200,362)	(\$517,000)
Collections by Other Agencies	\$222,280,761	\$176,562,027	\$181,502,545	(\$40,778,215)	\$4,940,519
General Revenue Totals	\$7,006,735,251	\$7,375,391,771	\$7,324,259,231	\$317,523,980	(\$51,132,540)
Transfers & Lapses	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0
Total General Revenue	\$7,007,735,251	\$7,376,391,771	\$7,325,259,231	\$317,523,980	(\$51,132,540)
C.L.E.E.T.	\$2,670,391	\$2,680,240	\$2,648,915	(\$21,476)	(\$31,325)
COMM of LAND OFFICE	\$10,334,717	\$9,967,408	\$10,108,722	(\$225,995)	\$141,314
MINERAL LEASING	\$2,738,164	\$2,770,000	\$2,750,000	\$11,836	(\$20,000)
OK EDUCATION LOTTERY TRUST FUND	\$80,235,984	\$61,000,000	\$60,000,000	(\$20,235,984)	(\$1,000,000)
PUBLIC BUILDING	\$1,977,541	\$1,795,271	\$1,795,271	(\$182,269)	\$0
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,317,895	\$1,260,854	\$1,249,340	(\$68,555)	(\$11,514)
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,000,748	\$14,025,105	\$14,187,105	\$1,186,357	\$162,000
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$96,985	\$156,685	\$156,685	\$59,700	\$0
STATE PUBLIC SAFETY FUND	\$20,574,005	\$21,177,084	\$21,039,005	\$465,000	(\$138,079)
HEALTH CARE ENHANCEMENT FUND	\$158,506,725	\$157,664,000	\$156,658,000	(\$1,848,725)	(\$1,006,000)
GRAND TOTAL	\$7,299,188,407	\$7,648,888,418	\$7,595,852,275	\$296,663,868	(\$53,036,143)

Itemized Estimates of "Total Other OTC" Revenues

Appendix A-4

	FY-2021 ACTUAL 21-Dec	FY-2022 ESTIMATE 21-Dec	FY-2023 ESTIMATE 21-Dec
OTC:			
Bingo Excise & Charity Games	\$56,722	\$59,000	\$60,000
Tribal Cigarette Compacts	\$13,453,136	\$13,848,000	\$13,771,000
Other OTC	\$69,580,504	\$48,500,000	\$48,059,000
TOTAL OTHER OTC	\$83,090,362	\$62,407,000	\$61,890,000
COLLECTIONS BY OTHER AGENCIES:			
Attorney General (Tobacco)	\$266,158	\$1,266,243	\$765,300
CLEET	\$263,178	\$265,305	\$262,288
Consumer Credit	\$781,352	\$650,000	\$650,000
District Attorney's Council	\$12,058,404	\$11,204,224	\$10,223,349
DPS	\$37,589,290	\$32,237,726	\$39,821,464
Horsereading Comm	\$101,056	\$98,423	\$98,423
Insurance Comm	\$81,366,419	\$73,229,777	\$73,229,777
Labor	\$421,725	\$420,253	\$422,017
Medical Licensure	\$449,265	\$444,000	\$425,500
Nursing Board	\$386,610	\$401,295	\$407,538
OMES-DCAM/formerly DCS	\$10,281	\$22,784	\$26,594
OMES-EBD/formerly EBC	\$3,130,420	\$2,898,659	\$2,898,659
OMES-HCM/formerly OPM	\$3,034,009	\$1,505,194	\$80,899
Sec of State	\$2,857,328	\$2,593,306	\$2,645,170
Securities Comm	\$17,814,708	\$17,729,000	\$17,707,000
Treasurer (Unclaimed Property)	\$10,000,000	\$10,000,000	\$10,000,000
Tribal Gaming	\$19,555,965	\$18,582,000	\$18,824,730
Horse Track Gaming	\$2,706,636	\$3,013,838	\$3,013,838
Other	\$29,487,956	\$0	\$0
TOTAL MISC	\$222,280,761	\$176,562,027	\$181,502,545
 GRAND OTHER	 \$305,371,122	 \$238,969,027	 \$243,392,545

**Education Reform Act - HB 2017
Appendix A-5**

SB 826 of the Second Regular Session of the Forty-fifth Legislature amended Section 41.29a of Title 62 to require that the Office of Accountability account for and report monthly revenues which accrue to the Education Reform Revolving Fund. The Education Reform Revolving Fund on June 1, 1996 began receiving revenue attributable to the revenue provisions of HB 1017 rather than these revenues first being apportioned to the General Revenue Fund.

CALCULATIONS

EDUCATION REFORM REVOLVING FUND

SOURCE	FY-2021 ACTUAL Dec-21	FY-2022 PROJECTION Dec-21	PROPOSED FY-2023 ESTIMATE Dec-21
Income Tax-Individual	535,281,420	293,678,338.20	292,904,469.60
Income Tax-Corporate	109,793,897	71,044,710.00	63,324,525.00
Sales Tax	310,058,945	292,779,374.80	304,605,450.80
Use Tax	72,656,521	54,281,333.20	59,177,868.40
Cigarette Tax	2,235,990	2,225,084.40	2,216,307.60
Tobacco Products Tax	787,466	839,364.30	888,713.10
Tribal Gaming	143,187,585	136,268,000.00	138,048,020.00
Horse Track Gaming	19,848,667	22,101,475.84	22,101,475.84
Special License Plates	129	0.00	0.00
Business Activity Tax	168	0.00	0.00
Insurance Premium Tax	46,838,720	0.00	0.00
Med Marijuana Auth Rev Fund Appropriation	30,000,000.00	37,500,000.00	0.00
TOTAL - 100% OF ESTIMATE	1,270,689,508	910,717,680.74	883,266,830.34

**LEGISLATED REVENUE ADJUSTMENTS
INFORMATIONAL ROADS FUND APPORTIONMENT SUMMARY
Appendix A-6**

History and Legislated Adjustments for FY-2010 and FY-2011:

House Bill 2272, passed in the 2008 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2009 for FY-2010, the Transportation Department will receive the total amount apportioned to the ROADS fund for the preceding fiscal year plus an additional \$30 million each year until a cap of \$370 million is reached.

Legislated Apportionment Comparison:

	FY-2009 ESTIMATE 19-Feb-08	FY-2010 ESTIMATE 22-Dec-08	FY-2011 ESTIMATE 22-Dec-09
Apportionment to ROADS Fund	\$137,500,000	\$155,000,000	\$185,000,000
Additional ROADS Fund	17,500,000	30,000,000	30,000,000
OK Tourism & Passenger Rail Rev. Fund	2,000,000	2,000,000	2,000,000
Public Transit Rev. Fund	3,000,000	3,000,000	3,000,000
Total Apportionment from Individual Income Tax	<u>\$160,000,000</u>	<u>\$190,000,000</u>	<u>\$220,000,000</u>

Legislated Adjustments for FY-2012, FY-2013, FY-2014, FY-2015, FY-2016, FY-2017, FY-2018, FY-2019, FY-2020, and FY-2021:

Senate Bill 1466 passed in the 2010 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2011 for FY-2012 and for each fiscal year thereafter, the Transportation Department will receive the total amount apportioned to the ROADS fund for the preceding fiscal year plus an additional \$35.7 million each year until a cap of \$400 million is reached.

Senate Bill 976, passed in the 2011 Legislative Session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective August 26, 2011 for FY-2013, the Transportation Department will receive the total amount apportioned to the ROADS FUND for the preceding fiscal year plus an additional \$41.7 million each year until a cap of \$435 million is reached.

House Bill 2248, effective July 1, 2012, amends the same title and section. For FY-2014 and all fiscal years until the cap is reached, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$59.7 million. The cap was raised to \$575 million.

House Bill 1014XX, effective July 1, 2019, directs diesel and gasoline fuel taxes imposed by House Bill 1010XX and most motor vehicle revenues to the ROADS fund. For FY2020, estimated amounts of \$56M, \$60.9M and \$192.7M are generated from diesel, gasoline fuel and motor vehicle revenues respectively. For FY2021, estimated amount of \$53.9M, \$59.5M and \$192.2M are generated from diesel, gasoline fuel and motor vehicle revenues respectively. Contributions to the ROADS fund from motor vehicle revenues and fuel taxes replace personal income tax contributions dollar-for-dollar. Offset personal income tax dollars are redirected to GRF.

	FY-2012 ESTIMATE 21-Dec-10	PROPOSED FY-2013 ESTIMATE 20-Dec-11	PROPOSED FY-2014 ESTIMATE 20-Dec-12	PROPOSED FY-2015 ESTIMATE 19-Dec-13
Apportionment to ROADS Fund	\$215,000,000	\$250,700,000	\$292,400,000	\$352,100,000
Additional ROADS Fund	35,700,000	41,700,000	59,700,000	59,700,000
OK Tourism & Passenger Rail Rev. Fund	2,000,000	2,000,000	2,000,000	2,000,000
Public Transit Rev. Fund	3,000,000	3,000,000	3,000,000	3,000,000
Total Apportionment from Individual Income Tax	<u>\$255,700,000</u>	<u>\$297,400,000</u>	<u>\$357,100,000</u>	<u>\$416,800,000</u>
	FY-2016 ACTUAL 20-Jun-16	FY-2017 ACTUAL 20-Jun-16	FY-2018 ESTIMATE 20-Dec-17	FY-2019 ESTIMATE 20-Dec-17
Apportionment to ROADS Fund	\$452,269,915 *	\$452,269,915 *	\$511,969,915	\$571,669,915
Additional ROADS Fund		59,700,000	59,700,000	3,330,085
OK Tourism & Passenger Rail Rev. Fund	1,911,599 *	3,000,000 *	3,000,000	3,000,000
Public Transit Rev. Fund	2,867,399 *	2,000,000 *	2,000,000	2,000,000
Total Apportionment from Individual Income Tax	<u>\$457,048,913</u>	<u>\$516,969,915</u>	<u>\$576,669,915</u>	<u>\$580,000,000</u>
	FY-2020 ESTIMATE 19-Dec-18	FY-2021 ESTIMATE 15-Jun-20	PROPOSED FY-2022 ESTIMATE 18-Dec-20	PROPOSED FY-2023 ESTIMATE 27-Dec-21
Apportionment to ROADS Fund	\$575,000,000	\$395,000,000 **	\$575,000,000	\$590,000,000
Additional ROADS Fund	0	0	0	0
OK Tourism & Passenger Rail Rev. Fund	3,000,000	3,000,000	3,000,000	3,000,000
Public Transit Rev. Fund	2,000,000	2,000,000	2,000,000	2,000,000
Total Apportionment	<u>\$580,000,000</u>	<u>\$400,000,000</u>	<u>\$580,000,000</u>	<u>\$595,000,000</u>

*Pursuant to Title 69, Section 1521 of the Oklahoma Statutes, FY-2016 apportionments to the three transportation funds (less debt obligations) were reduced by 7% due to a statewide revenue failure. After final year-end closing, amounts attributed to the cuts that were found to be unnecessary to balancing the revenue failure were returned to the funds. An initial cut to agency budgets made during the FY-2017 fiscal year was fully restored after close of the year. The FY-2016 and FY-2017 amounts shown above reflect the final total amounts apportioned to each fund, respectively.

** HB2743, passed during the 2020 Legislative Session, apportioned \$180,000,000 in dedicated ROADS revenue to the Education Reform Revolving Fund for FY2021 and FY2022.

Glossary

Appendix A-7

Additional Budgetary Authorizations: Funds available for appropriation, which are not contained by a certified fund, authorized fund, or special cash fund.

Agency Revolving Funds: Funds are created solely for the agency, and the agency can budget and spend from the funds without annual Legislative appropriation.

Authorized Expenditures: Appropriations and spending authorizations made by the Legislature.

Authorized Funds: Revolving funds not certified by the Board of Equalization, but Legislature authorizes expenditures from the funds. The Legislature may authorize the total (100%) estimated collections for expenditure. Although the Board does not take action on these funds, the funds are included in the general appropriations bill and are included as additional information in the Board of Equalization information packet.

Cash Flow Reserve Fund: Fund used to make cash available for the July cash allocation and so that, insofar as possible, each monthly cash allocation thereafter can equal one-twelfth of the annual appropriation from the General Revenue Fund.

Certified Funds: Funds subject to direct legislative appropriation and certified by the Board of Equalization. The Legislature has the authority to appropriate 95% of total estimated collections of each certified fund. These funds include the General Revenue Fund and other special revenue funds.

Constitutional Reserve Fund: Reserve fund available for use during general revenue fund failures.

Estimate: Collections forecast for upcoming fiscal year.

Expenditure Authority: Expected collections and cash the Legislature has the authority to spend.

Fiscal Year (FY): Financial and accounting year beginning July 1 and ending June 30.

Prior Year Certified: Unencumbered collections certified in the prior year.

Projected: Expected collections for current fiscal year based on most recent re-estimates.

Reappropriations : Unspent and expired appropriations to agencies that is reappropriated for agency use.

Revenue Stabilization Fund : Reserve fund established to smooth volatile revenue streams including corporate income tax, gas production tax, and oil production tax.

Special Cash: Disbursement fund used to move appropriated cash from agency funds for appropriation to other agency funds.

Unencumbered/Unspent: Expected collections and cash the Legislature has the authority to spend but has not.

Relevant Legislation and Statutes and Purpose of BOE Appendix A-8

Relevant Legislation and Statutes

The summation of the itemized estimates of revenue, Schedule 3, and the amounts available for appropriation are proposed as the amounts to be certified by the State Board of Equalization in accordance with Section 23, Article X, Constitution of Oklahoma. The amounts proposed as available for appropriation are calculated as 95 percent (95%) of the summation of the itemized estimate of revenue for the respective funds, except for federal funds which shall be certified for the full amount of the estimate. □

Pursuant to House Bill 1014XX passed during the Second Special Session in 2017, amending Title 69, Section 1521 of the Oklahoma Highway Code, effective July 1, 2019, Motor Fuels Taxes enacted by HB1010XX and most Motor Vehicle Taxes currently distributed to the GRF are to be directed to the ROADS Fund and an equal amount of personal income tax currently diverted to the ROADS Fund will be redirected to the GRF. The ROADS Fund contribution from Motor Vehicle revenue, diesel fuel taxes, and gasoline fuel taxes for FY 2022 is projected to be \$247.7M, \$53.9M, and \$59.5M, respectively. FY 2023 is estimated to be \$259.7M, \$54.0M, and \$57.0M, respectively. The schedule reflects the decreased Motor Vehicle revenue contribution to GRF and the offsetting increase in the personal income tax contribution to the GRF.

Pursuant to HB1019XX passed during the Second Special Session in 2017, amending Title 68, Section 1403, the first \$20.5M in Use Taxes for FY 2020 and each year thereafter, will be apportioned to the Education Reform Revolving Fund (1017). These amounts have been removed from respective GRF use tax numbers.

Purpose of BOE

The Oklahoma Constitution provides for a number of checks and balances to ensure the Governor and Legislature maintain a balanced budget every year. One of the most important provisions is Section 23 of Article 10, which outlines the framework for how Oklahoma sustains a balanced budget. This section designates the State Board of Equalization as the body responsible for establishing expenditure limits for the Governor and the Legislature. The State Board of Equalization is comprised of the Governor, Lieutenant Governor, Treasurer, Auditor and Inspector, Attorney General, Superintendent of Public Instruction, and Secretary of Agriculture.

Pursuant to Section 23, the State Equalization Board must meet at least two times each fiscal year:

- “no more than 45 days but no less than 35 days before the start of the legislative session” (sometime in late December or early January); and
- “within five days after the monthly apportionment in February of each year.”

The board can only meet again and adjust revenue estimates if the legislature and governor enact laws during regular or special session that reduce or increase revenue certified by the board; transfer cash from one fund to another; or establish a new certified, appropriated fund. In practice, the State Equalization Board meets in June to incorporate legislative changes enacted during the legislative session and to re-certify revenue available for the coming fiscal year.

The benefit of this approach is that both the executive branch and legislative body are required to use the same revenue estimate and expenditure limit. State expenditures passed by the legislature and enacted by the governor cannot exceed the amount of funds certified and authorized by the board.

The Office of Management & Enterprise Services (OMES), which staffs the Board, compiles revenue projections from various revenue collecting agencies throughout the state, analyzes the information, and presents the information to the board for its consideration and approval. Projections for the General Revenue Fund, which makes up more than 80% of total state appropriated spending, are estimated utilizing a state economic model developed by Oklahoma State University and modified to fit the state’s customized needs by Tax Commission staff, with additional resources provided by RegionTrack, an Oklahoma City based research firm, and other national forecasts specific to the energy sector. Revenue estimates presented to the board are based on current and prior year collection trends, economic forecasts, federal and state tax law changes, and other foreseeable factors.

Revenue certified and authorized at the December Board meeting serves as the basis for the governor’s Executive Budget. The board considers possible revisions to the December estimate at the February meeting. Revisions to the December estimate are based on economic changes and additional collections data that have been noted since that time, which may increase or decrease anticipated revenue collections. The estimate approved at the February meeting sets the limit on which legislative appropriations are based.