



Office of Fiscal Analysis

FY 25 BUDGET PROJECTIONS

March 25, 2025

PROJECTIONS HOLD STEADY

The Office of Fiscal Analysis projects operating surpluses within the General and Special Transportation funds of \$354.1 million and \$142.3 million, respectively. Relative to [last month's projection](#), the projected operating surplus in the General Fund has decreased by \$2.3 million and the projected operating surplus in the Special Transportation Fund (STF) has decreased by \$0.6 million. Projections take into account policy changes included in the recently enacted, Special Acts [25-1](#) and [25-2](#), which transferred \$43 million in total from the General Fund to newly established off-budget (i.e., non-appropriated) accounts to provide additional funding for special education and services delivered by certain non-profits.

General Fund

General Fund revenue projections are revised downward by \$43 million as transfers out are anticipated in accordance with Special Acts 25-1 and 25-2. No other adjustments are made this month to revenue projections. Collections are performing well thus far, particularly in the withholding portion of the personal income tax as the bonus season culminates. A key additional data point pending in the coming weeks is another month's worth of sales tax collections results. As always, there is a relatively large degree of uncertainty as to the exact magnitude of April collections of the estimated and final payments of the personal income tax, since roughly 50% of these revenues are received in April. We anticipate that any variances from current projections would impact the FY 25 volatility transfer adjustment amount only (and related transfers to the pensions funds), and thus have no effect on the General Fund.

Overview

In Millions of Dollars

General Fund	Budget	March Estimate	Difference from Budget
Revenues	23,103.7	23,635.3	531.6
Expenditures	22,805.9	23,281.2	475.4
Surplus/(Deficit)	297.9	354.1	56.2
Budget Reserve Deposit	957.5	1,757.6	800.1
Special Transportation Fund			
Revenues	2,354.5	2,343.4	(11.1)
Expenditures	2,286.4	2,201.1	(85.3)
Surplus/(Deficit)	68.1	142.3	74.2
Fund Balance	509.1	583.3	74.2

General Fund expenditure projections are revised downward (positive budget adjustment) by approximately \$40.7 million in total across well over a dozen state agencies as technical updates are made to reflect ongoing trends.

Special Transportation Fund

The Special Transportation Fund estimated surplus has been revised downward by \$0.6 million relative to last month's projection as fringe benefits expenditure projections are revised upward by the same amount. No changes to STF revenue projections are made this month.

General Fund Summary

In Millions of Dollars

Summary	FY 25
Budgeted Balance	297.9
Revenue Adjustments as of April 2024 Consensus	25.8
Revenue Changes	
+ Investment Income	336.5
+ Withholding	130.0
+ Federal Grants	31.0
+ Health Provider Tax	(65.9)
+ Net Revenue	74.2
Revenue Subtotal	531.6
Expenditure Changes	
+ Agency Deficiencies	(534.9)
+ Net Lapses	59.5
Expenditure Subtotal	(475.4)
= Surplus/(Deficit)	354.1
Budget Reserve Fund Starting Balance	4,105.1
+ Surplus/(Deficit)	354.1
+ Volatility Adjustment	1,403.5
= Budget Reserve Transfer Subtotal	1,757.6
= Budget Reserve Fund Balance	5,862.7

Special Transportation Fund Summary

In Millions of Dollars

Summary	FY 25
Budgeted Balance	68.1
Revenue Adjustments as of April 2024 Consensus	56.0
Revenue Changes	
+ Oil Companies	(54.6)
+ Licenses, Permits and Fees	(10.0)
+ Sales Tax - DMV	4.4
+ Federal Grants	(2.9)
+ Net Revenue	(4.0)
Revenue Subtotal	(11.1)
Expenditure Changes	
+ Agency Deficiencies	0.0
+ Net Lapses	85.3
Expenditure Subtotal	85.3
= Surplus/(Deficit)	142.3
STF Starting Balance	441.0
+ Surplus/(Deficit)	142.3
= Fund Balance	583.3

For further information, please see the links below:

[Revenue Details Table](#)[Expenditure Details Table](#)[Budget Status Page](#)