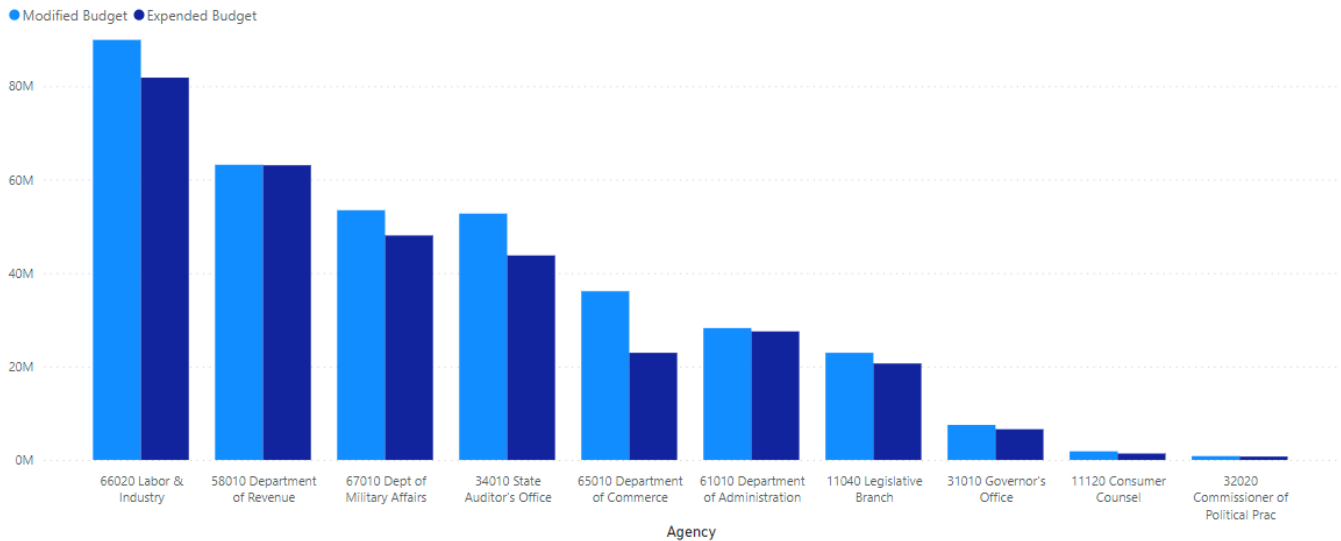


SECTION A – FISCAL YEAR END BUDGET OVERVIEW

HB 2 Highlights

The HB 2 Section A modified budget totaled \$356.8 million in FY 2023, and 88.7% or \$316.6 million was expended. This expenditure rate is approximately 3.8% greater than the five-year historical average. Budget highlights include:

- Agencies with the highest budgeted expenditures and actual expenditures include the Department of Labor and Industry, Department of Revenue, Department of Military Affairs, and the State Auditor’s Office
- The Department of Commerce had lower percent expended in FY 2023 due to a change in federal housing grant distributions. Due to the nature of multi-year projects and grant programs, it is not uncommon for the Department of Commerce to have lower expenditures at fiscal year end
- Modifications made to the HB 2 2023 FYE budget primarily include program reorganizations, transferring operating expense authority to debt services to properly record rent expenditures, and carryforward authority from the biennial legislative audit

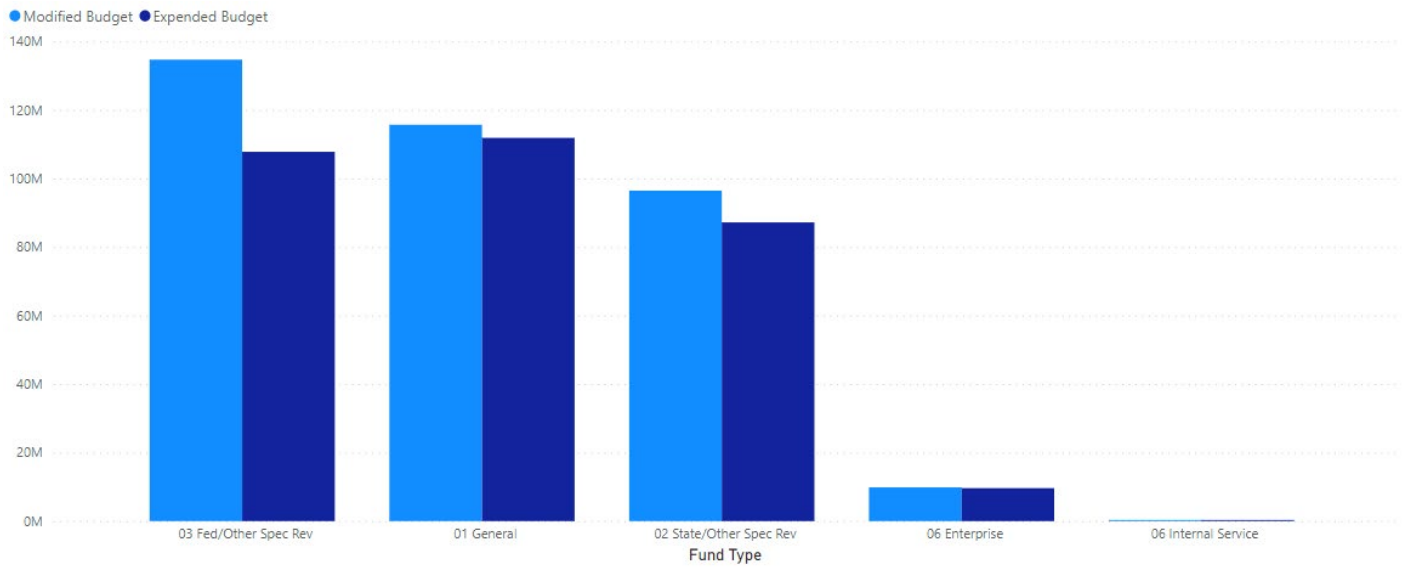


HB 2 FYE 2023 - Section A				
Agency	FY 2023 Budget	FY 2023 Expenditures	FY 2023 Percent Expended	5-Year Average Expenditure
11040 Legislative Branch	\$ 22,943,446	\$ 20,655,665	90.0%	92.0%
11120 Consumer Counsel	\$ 1,850,027	\$ 1,385,444	74.9%	64.9%
31010 Governor's Office	\$ 7,509,776	\$ 6,581,755	87.6%	89.8%
32020 Commissioner of Political Practices	\$ 832,077	\$ 738,099	88.7%	90.6%
34010 State Auditor's Office	\$ 52,732,095	\$ 43,768,985	83.0%	71.0%
58010 Department of Revenue	\$ 63,184,892	\$ 63,082,363	99.8%	99.3%
61010 Department of Administration	\$ 28,239,265	\$ 27,521,284	97.5%	93.4%
65010 Department of Commerce	\$ 36,117,402	\$ 22,939,593	63.5%	70.6%
66020 Labor & Industry	\$ 89,916,225	\$ 81,830,432	91.0%	91.3%
67010 Dept of Military Affairs	\$ 53,455,638	\$ 48,053,994	89.9%	86.0%
Total	\$ 356,780,843	\$ 316,557,614	88.7%	84.9%

HB 2 Funding Highlights

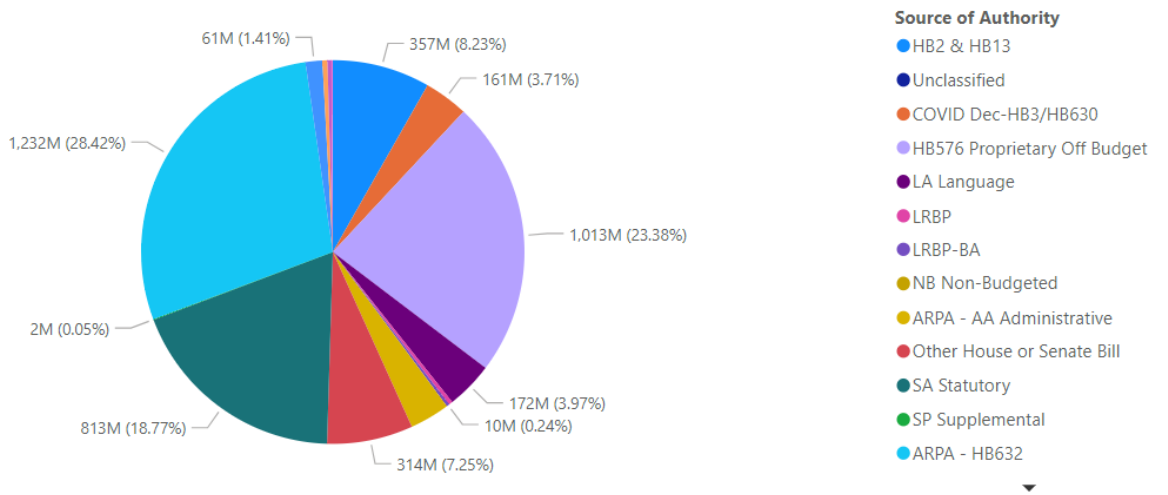
Federal special revenue appropriations of \$134.7 million comprise the majority of the HB 2 funding in Section A, and \$107.8 million or 80.0% was expended. In section A, the Department of Military Affairs, Department of Labor and Industry, State Auditor’s Office, and the Department of Commerce have the majority of federal special revenue funds. Lower overall expenditures are driven by the Department of Commerce, which had lower expenditures for housing grants due to a change in federal disbursements.

General fund is the second highest fund source at \$115.7 million and primarily funds the Department of Revenue, Legislative Branch, and Department of Administration. Expenditures totaled \$111.9 million or 96.7% of general fund appropriations, which is in line with anticipated expenditures at the end of the fiscal year.



Other Sources of Authority Highlights

Modified Budget and Expended Budget by Source of Authority



Source of Authority	FYE23 Modified Budget	FYE23 Expended Budget	Percent Expended	
ARPA	1,439,286,191	169,239,554	11.8%	
HB576 Proprietary Off Budget	1,005,896,580	557,050,155	55.4%	
SA Statutory	813,300,633	736,161,601	90.5%	
HB2 & HB13	356,780,844	316,557,616	88.7%	
Other House or Senate Bill	314,188,833	23,615,723	7.5%	
LA Language	172,000,000	170,121,560	98.9%	
CARES II	160,752,548	3,820,928	2.4%	
CARES	14,224,702	2,672,652	18.8%	
BA Budget Amendment	14,024,899	2,782,559	19.8%	
LRBP	13,808,715	3,436,348	24.9%	
LRBP-BA	10,453,562	253,460	2.4%	
CF Carryforward	5,060,916	2,619,099	51.8%	
SP Supplemental	2,171,540	1,591,090	73.3%	
Unclassified	127,374			
NB Non-Budgeted	33,787	119,615,632	354026.8%	
Total	4,322,111,124	2,109,537,979	48.8%	

- COVID Funds** – Funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, CARES II, and the American Rescue Plan Act (ARPA) totaled \$1.6 billion for Section A agencies. Agencies with remaining COVID-19 authority in Section A include the Department of Labor and Industry, Department of Commerce, Department of Administration, and the Governor’s Office. Authority for the Department of Labor and Industry is for unemployment insurance benefits, including fraud prevention, and this authority has various end dates that are set to expire as far out as June 30, 2025. The Department of Commerce has remaining authority primarily for rental assistance which remains available through the 2025 biennium
- Non-Budgeted Proprietary Funding** – Non-budgeted proprietary funding was budgeted at \$1.0 billion in FY 2023. The majority of this funding is in the Department of Labor and Industry primarily for the unemployment insurance trust (\$561.4 million). The next largest is in the Department of Administration (\$369.9 million and 95.6% expended), which is primarily in the Health Care and Benefits Division, State Information Technology Services Division, Risk Management and Tort Defense Division, and General Services Division. In FY 2023, only 55.7% was expended. Lower expenditures are driven by low disbursements from the unemployment insurance trust due to lower unemployment claims
- Statutory Authority** – Statutory authority accounted for \$813.3 million in FY 2023. Agencies with the greatest statutory authority include the Department of Administration (primarily for pensions and lottery prizes), Department of Revenue (primarily for entitlement share and oil and natural gas production tax payments), Governor’s Office (debt and liability free account), and the Department of Military Affairs (primarily disaster funding). In FY 2023, 74.5% was expended with unspent authority being largely in the Department of Military Affairs
- Other House and Senate Bills** – Other house and senate bills accounted for \$314.2 million in FY 2023 and was 7.5% expended. Much of this authority is in the Department of Administration (\$258.0 million) for HB 10 projects, which encompasses the state’s Long-range information technology capital projects program. Long-range information technology projects often take multiple years to complete, which was the reason for the low expenditures. As state agencies work on these projects, appropriation authority is transferred to that agency