

STATE OF MISSISSIPPI

LEGISLATIVE BUDGET REPORT

FOR FISCAL YEAR

July 1, 2020 – June 30, 2021



SUBMITTED BY

JOINT LEGISLATIVE BUDGET COMMITTEE

To The

MISSISSIPPI LEGISLATURE

2020 SESSION

STATE OF MISSISSIPPI

JOINT LEGISLATIVE BUDGET COMMITTEE

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STAFF

Tony Greer, Director
Howard Brown, Jr., Deputy Director

TO MEMBERS OF THE MISSISSIPPI LEGISLATURE:

In compliance with the provisions of Section 27-103-113, Mississippi Code of 1972, the Joint Legislative Budget Committee submits for your consideration the Proposed Budget for the State of Mississippi for FY 2021.

Section 27-103-113, Mississippi Code of 1972, states that "It shall be the duty of the Legislative Budget Office to prepare an overall balanced budget of the entire expenses and income of the state for each fiscal year, which budget shall encompass the operations of all general-fund agencies and all special-fund agencies and the Mississippi Department of Transportation (including Office of State Aid Road Construction). Beginning with the 1996 fiscal year, such budget shall be prepared in a format which will include performance measurement data associated with various programs operated by each agency. Said overall budget shall be completed prior to December 15 before the convening of the Legislature at the regular session."

In compliance with Section 27-103-113, the Joint Legislative Budget Committee prepares its budget recommendation in a format which includes performance measurement data. The Joint Legislative Budget Committee requires all state agencies to identify programs, the costs associated with each program, and the present and anticipated activities and objectives of each program. In addition to agency budget recommendations being made by major object of expenditure, recommendations are also made by the various programs of each agency as required by statute.

JOINT LEGISLATIVE BUDGET COMMITTEE RECOMMENDATIONS FOR FY 2021

Prior to the preparation of this budget, detailed budget request documents were received from all state agencies in support of their requests for FY 2021. Governing boards and executive heads of agencies appeared before the members of the Joint Legislative Budget Committee to further explain their needs and problems. Following the conclusion of this process, the members of the Committee agreed to submit this budget report for the consideration of the Legislature. Copies of the budget requests as received from all state agencies are contained in files which are maintained in the offices of the Senate and House of Representatives Appropriations Committees as well as the Legislative Budget Office. Budget requests are also available online.

Joint Legislative Budget Committee recommendations for FY 2021 will require, if adopted, total appropriations of \$5,740,994,431 from the General Fund. FY 2021 revenues are projected to decrease by 0.5% below the revised revenue estimate for FY 2020 under current law.

The Joint Legislative Budget Committee is recommending that \$1,290.9 million of reserve funds be retained for: 1) allocation by the Legislature to address additional needs in the FY 2020 and/or 2021 budgets, 2) allocation during future budget years, or 3) maintaining as reserves.

Total State Support Funding is set forth on pages 25-26. This schedule identifies those funds that are considered state source special funds. State support funding is the combination of state General Funds and state source special funds. The state source special funds include: Budget Contingency Funds, Capital Expense Funds, Education Enhancement Funds, Health Care Expendable Funds, and Tobacco Control Funds.

At a meeting on November 22, 2019, a revenue estimate for FY 2021 was adopted by the Governor and the Joint Legislative Budget Committee in the amount of \$5,965,500,000 which is 0.5% below the FY 2020 revised revenue estimate under current law.

In reviewing these recommendations, attention must be focused on total funds and not just General Funds. General Funds alone are not an adequate measure of financial support. The Committee has properly considered the Special Fund revenues available to state agencies and utilized them wherever possible to offset the demand on the General Fund. The preparation of a state budget under the law required the Committee to face the difficult task of attempting to satisfy virtually unlimited needs with very limited resources. This report is the Joint Legislative Budget Committee's best effort to lay out a financial blueprint for the 2020 Legislature to consider.

ESTIMATE OF BUDGET REVENUES - FY 2021

At a meeting on November 22, 2019, the Governor and the Joint Legislative Budget Committee adopted an estimate of \$5,965,500,000 in General Fund receipts for FY 2021 under current law.

The State Economist presented the FY 2021 revenue estimate as recommended by the Revenue Estimating Group. The five members of the Revenue Estimating Group are the State Economist, the State Fiscal Officer, State Treasurer, Commissioner of Revenue, and Director of the Legislative Budget Office. The FY 2021 estimate took into account a review of collections for the first three months of FY 2020. Through September 2019, FY 2020 collections were approximately \$77.0 million above the sine die estimate for FY 2020. On November 22, 2019, the Joint Legislative Budget Committee adopted a revised revenue estimate for FY 2020 of \$5,996,200,000, an increase of \$137.8 million from the FY 2020 sine die estimate. The revised FY 2020 estimate reflects an increase of 0.5% above actual FY 2019 collections.

The FY 2021 revenue estimate is a decrease of 0.5% below the revised revenue estimate for FY 2020 under current law. Sales tax collections are expected to increase by \$39.5 million and individual income taxes are expected to remain flat in FY 2021. There are other increases and decreases in other revenue categories, but the key to the FY 2021 revenue estimate will be the projections for sales and individual income tax.

The economic assumptions underlying the FY 2021 revenue estimate are shown below. The Revenue Estimating Group's estimate reflects the group's outlook for FY 2021. The economic indicators for Mississippi project a 3.3% increase in the gross domestic product for FY 2021. The assumptions upon which the revenue estimate is based are shown in comparison to the United States as reflected below.

PROJECTED ECONOMIC TRENDS IN MISSISSIPPI, FY 2020 AND FY 2021

	<u>FY 2020</u>	<u>FY 2021</u>
Gross Domestic Product (Percentage Change)	3.0	3.3
Real Gross Domestic Product (Percentage Change)	1.2	1.0
Price Level (Percentage Change)	1.8	2.3
Total Employment (Percentage Change/Payroll)	0.7	0.8
Unemployment Rate (Percent)	5.1	4.8
Total Personal Income (Percentage Change)	3.0	3.3

COMPARISON OF PROJECTED ECONOMIC INDICATORS, FY 2021, MISSISSIPPI AND U.S.

	<u>MISSISSIPPI</u>	<u>U.S.</u>
Gross Domestic Product (Percentage Change)	3.3	4.3
Real Domestic Product (Percentage Change)	1.0	2.1
Price Level (Percentage Change)	2.3	2.1
Total Employment (Percentage Change/Payroll)	0.8	0.9
Unemployment Rate (Percent)	4.8	3.5
Total Personal Income (Percentage Change)	3.3	3.9

FUNDING THE BUDGET FOR FY 2021

Statement II of this report reflects the net revenue estimated to be received from each General Fund revenue source during FY 2020 and FY 2021.

The General Fund revised revenue estimate for FY 2020 anticipates the collection of \$5,996.2 million, which represents an increase of \$28.4 million or 0.5% above actual collections for FY 2019. Actual collections for FY 2019 compared to actual collections for FY 2018 reflected an increase of \$273.5 million or 4.8%.

The estimated General Fund collections for FY 2021 are \$5,965,500,000, which represents a decrease of \$30.7 million, or 0.5% below the revised FY 2020 estimate under current law.

SUMMARY OF ANTICIPATED GENERAL FUNDS AVAILABLE FOR FY 2021

Projected Beginning Cash Balance July 1, 2020	\$	0
Anticipated Receipts for FY 2021 under current law		5,965,500,000
Less: Two Percent (2%) of Projected FY 2021 Revenue & Beginning Cash		<u>(119,310,000)</u>
Total General Funds Available for FY 2021 Appropriations		5,846,190,000
Less: FY 2021 General Fund Legislative Budget Committee's Recommendation		<u>(5,740,994,431)</u>
Estimated General Fund Balance June 30, 2021	\$	<u>105,195,569</u>

FY 2021 RESERVES

The Joint Legislative Budget Committee's FY 2021 Budget Recommendation leaves unallocated at the end of FY 2021 the following sources of funds:

Working Cash Stabilization Reserve Funds	\$	678,916,918
Capital Expense Funds		234,664,561
Two Percent (2%) General Fund Set-Aside		119,310,000
General Funds Available/Not Allocated		105,195,569
Gulf Coast Restoration Funds		87,412,977
BP Settlement Funds		20,039,292
Idle Special Fund Cash Balances		15,967,153
Education Enhancement Funds		11,041,932
Health Care Expendable Funds		8,454,160
Budget Contingency Funds		7,599,822
Tobacco Control Funds		<u>2,333,938</u>
Total Reserves	\$	<u>1,290,936,322</u>

GUIDELINES FOR BUDGET DEVELOPMENT

The Joint Legislative Budget Committee instructed the staff to develop recommendations on individual agency budgets. These staff recommendations were developed utilizing budget guidelines adopted by the Committee.

Following completion of the staff recommendation, the Committee was furnished information on each agency summarizing the staff's recommendation. In addition to the summary, the Committee received a verbal briefing or recommendation from the staff prior to final approval by the full Committee. Any deviations from the guidelines were made by the Committee and not by the staff.

In preparation of the budget recommendation, attention has been focused on minimizing the funding of vacant positions, reducing unnecessary travel, and deferring equipment purchases. The dominant concern in the development of the recommendations was to maintain adequate funding for continuation of current operations within the confines of the adopted estimate of General Fund revenue plus other state source funds estimated to be available during FY 2021.

The guidelines as adopted by the Committee on September 13, 2019 are as follows:

1. In addition to agency budget recommendations being made by major object of expenditure, recommendations will also be made by the various approved programs of each agency. Performance targets should be recommended for agencies that have targets set out in their FY 2020 appropriation bills.
2. The aggregate total of FY 2021 General Fund recommendations for continuation purposes shall not exceed the FY 2020 General Fund Appropriation (except increases approved by the Joint Legislative Budget Committee). Individual agency recommendations shall be less than FY 2020 when feasible.
3. No recommendation of new positions or new or expanded programs and activities shall be included except for operations mandated by state or federal statutes, regulations, court orders or commitments. However, staff is granted flexibility to recommend new positions identified and considered highly vulnerable or deemed to be in a high-risk area.
4. Reductions in authorized staffing levels will be made in conjunction with information being furnished by the State Personnel Board relative to non-mandatory, long-term vacancies exceeding 180 days. Staff is directed to recommend no funding of remaining vacancies. Staff shall have discretion in recommending the funding and retaining of seasonal or essential vacant positions. Staff is directed to recommend attrition adjustments on filled positions in budgets where historical employee turnover rates and other criteria would support such adjustments. Staff recommendations for salaries, wages, and fringe benefits shall not exceed the FY 2020 estimated level except in the case of fully funding filled positions.

Exempt from this guideline are any agencies that have been taken out of the purview of the State Personnel Board.
5. No funding for reallocation or reclassification of positions not previously approved by legislative action will be allowed.
6. No recommendation shall exceed the agency request for funding.
7. No increases above the FY 2020 level for overtime pay or liability insurance shall be included, except where the purchase of liability insurance has been authorized by the Legislature.
8. Attention shall be directed at the relationship of General vs. Special Funds and any impact of the agency's request on this relationship to ensure that General Funds are not being provided to replace lost federal funds.
9. Agency requests for budget authorization in special and/or federal funds which exceed FY 2020 continuation levels and funded solely from non-general fund sources may be considered for inclusion.
10. Staff will identify critical needs above the FY 2020 level that are not included in the staff recommendation.
11. Recommendations for vehicles will be considered in conjunction with information being furnished by the Office of Fleet Management (if Fleet Management recommendations are available).
12. Grant staff discretion to recommend the utilization of a spend-down of special fund cash balances where deemed feasible.
13. The staff is directed to identify any non-recurring revenue sources utilized to fund the FY 2021 budget recommendation.
14. The staff is directed to recommend minimum levels of funding in the areas of salaries, travel, contract workers, vehicles, and other equipment.
15. The staff is directed to recommend the replacement of non-recurring sources of funds utilized to fund recurring expenditures in the FY 2020 budget and to recommend a plan to provide the source of these replacement funds.

EXPLANATION OF FY 2021 DELETED POSITIONS

The Joint Legislative Budget Committee reduced authorized (vacant) positions and funding for vacant positions across all state agencies and institutions. This deletion will permanently reduce the state's potential salaries requirement. All state agencies and institutions should be aware of the continuation of this policy in the FY 2021 Budget Recommendation and should be extremely careful about filling any currently vacant positions in FY 2020.

The Joint Legislative Budget Committee recommended that a total of 3,406 vacant positions be abolished, along with the elimination of funding for these positions.

SUMMARY GENERAL FUND RECOMMENDATIONS BY MAJOR FUNCTION OF GOVERNMENT

The following schedule reflects the differences between the Joint Legislative Budget Committee General Fund recommendations for FY 2021 and the FY 2020 appropriation level by major functions of state government:

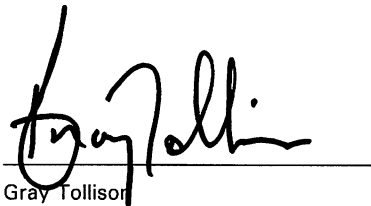
	INCREASE OR DECREASE <u>AMOUNT</u>
Legislative	\$(2,386,949)
Judiciary & Justice	(530,811)
Executive & Administrative	(767,919)
Fiscal Affairs	2,994,794
Public Education	7,010,222
Higher Education	(5,366,981)
Public Health	(254,334)
Hospitals & Hospital Schools	(120,679)
Agriculture & Economic Development	(771,393)
Conservation	(403,235)
Insurance & Banking	(557,273)
Corrections	(5,575,514)
Social Welfare	2,298,733
Military, Police & Veterans Affairs	16,372
Local Assistance	0
Miscellaneous	(511,948)
Debt Service	0
Capital Expenditures - R & R	<u>0</u>
TOTAL DECREASE	<u>\$(4,926,915)</u>

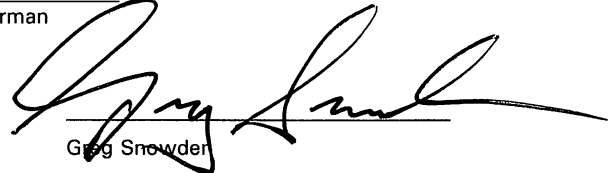
Section 27-103-127, Mississippi Code of 1972, provides that "no special fund agency shall make expenditures from special funds available to such agency unless such expenditures are set forth in a budget approved by the Legislature." Part II and Part III of this Budget Report contain this Committee's Special Fund and Mississippi Department of Transportation (including Office of State Aid Road Construction) recommendations. "Expenditures approved or authorized by the Legislature for any special fund agency shall constitute a maximum to be expended or encumbered by such agency, and shall not constitute authority to expend or encumber more than the amount of revenue actually collected or otherwise received." In making this recommendation, due care was exercised on the premise that Special Fund agencies also operate with public funds, regardless of source, and are accountable as General Fund agencies.

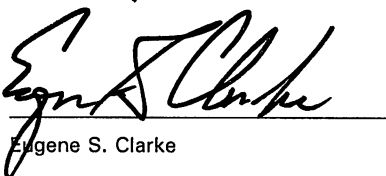
Respectfully submitted,


Tate Reeves, Chairman


Philip Gunn, Vice Chairman


Gray Tollison


Greg Snowden


Eugene S. Clarke

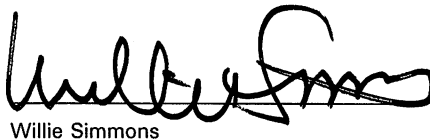

John Read


Joey Fillingame


Jeffery C. Smith



Dean Kirby

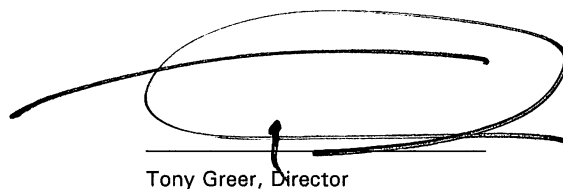

Angela Cockerham


Willie Simmons


Credell Calhoun

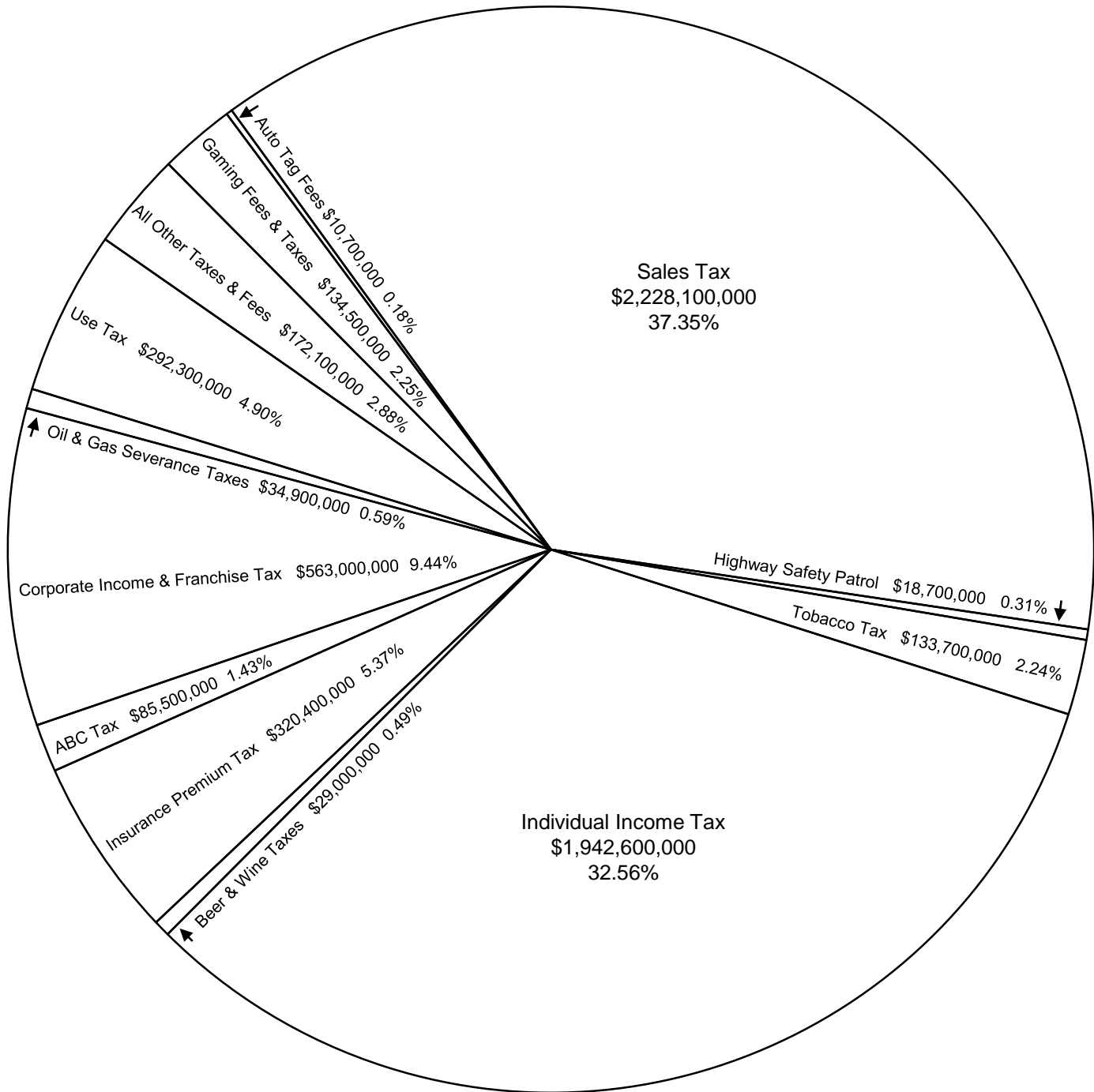

Sally Doty


C. Scott Bounds


Tony Greer, Director

General Fund Revenues Estimated For Fiscal Year 2021 Budget

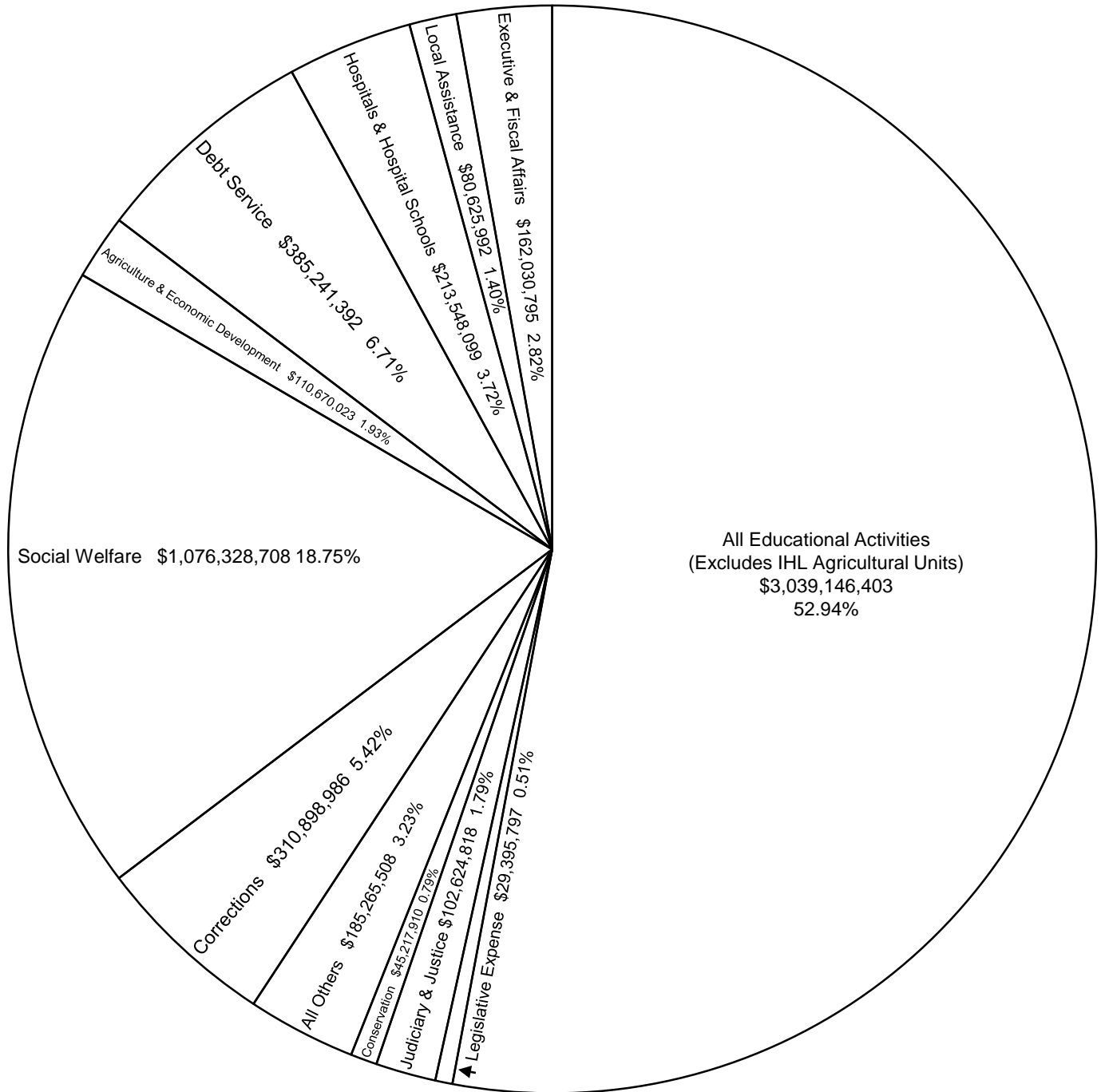
(For Detail See Statement II)



General Fund Revenue Estimate FY 2021 (Chart Total)	\$5,965,500,000
Less: Two Percent Set-Aside	(119,310,000)
Less: Projected Ending Balance	<u>(105,195,569)</u>
Total General Fund Allocated for FY 2021 Budget	<u>\$5,740,994,431</u>

Regular General Fund Appropriations For Fiscal Year 2021 Budget

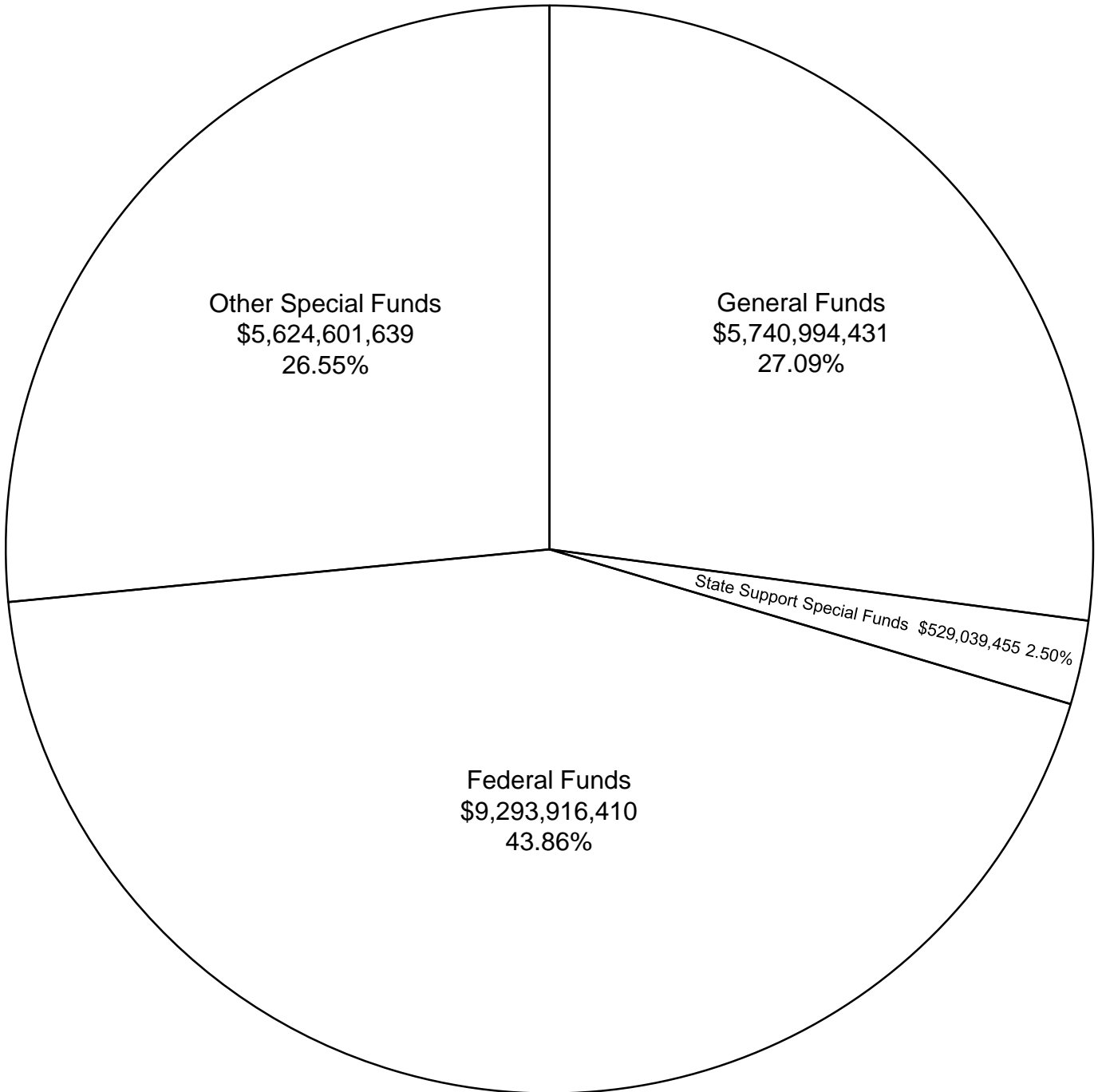
(For Detail See Statement III)



Total Regular General Fund Appropriations (Chart Total)	\$ 5,740,994,431
Other Transfers In/Out	<u>0</u>
Total Regular General Fund Appropriations for Fiscal Year 2021	<u>\$ 5,740,994,431</u>

Funding Sources For Appropriations Fiscal Year 2021 Budget

(For Detail See Statement VI)



General Funds	\$ 5,740,994,431
State Support Special Funds	529,039,455
Federal Funds	9,293,916,410
Other Special Funds	<u>5,624,601,639</u>
Total State Budget for Fiscal Year 2021	<u>\$ 21,188,551,935</u>

**REVISED ESTIMATED GENERAL FUND COLLECTIONS FOR FY 2020
 COMPARED WITH ESTIMATED GENERAL FUND COLLECTIONS FOR FY 2021**
 (FY 2021 Data used in Pie Chart on page 13)

	Estimate <u>FY 2020 Revised</u>		Estimate <u>FY 2021</u>		Increase or Decrease <u>FY 2020 vs. FY 2021</u>	
	<u>Amount</u>	Percent of <u>Total</u>	<u>Amount</u>	Percent of <u>Total</u>	<u>Amount</u>	<u>Percent</u>
Sales Tax	\$2,188,600,000	36.50%	\$2,228,100,000	37.35%	\$39,500,000	1.80%
Individual Income Tax	1,942,600,000	32.40%	1,942,600,000	32.56%	0	0.00%
Corp. Inc. & Franchise Tax	631,300,000	10.53%	563,000,000	9.44%	-68,300,000	-10.82%
Use Tax	302,300,000	5.04%	292,300,000	4.90%	-10,000,000	-3.31%
Insurance Premium Tax	312,000,000	5.20%	320,400,000	5.37%	8,400,000	2.69%
Tobacco Tax	135,000,000	2.25%	133,700,000	2.24%	-1,300,000	-0.96%
ABC Tax	83,500,000	1.39%	85,500,000	1.43%	2,000,000	2.40%
Beer & Wine Taxes	28,900,000	0.48%	29,000,000	0.49%	100,000	0.35%
Oil & Gas Severance Taxes	35,000,000	0.58%	34,900,000	0.59%	-100,000	-0.29%
Gaming Fees & Taxes	134,500,000	2.24%	134,500,000	2.25%	0	0.00%
Highway Safety Patrol	18,700,000	0.31%	18,700,000	0.31%	0	0.00%
Auto Tag Fees	12,400,000	0.21%	10,700,000	0.18%	-1,700,000	-13.71%
All Other Taxes & Fees	<u>171,400,000</u>	<u>2.86%</u>	<u>172,100,000</u>	<u>2.88%</u>	<u>700,000</u>	<u>0.41%</u>
Total General Fund	<u>\$5,996,200,000</u>	<u>100.00%</u>	<u>\$5,965,500,000</u>	<u>100.00%</u>	<u>-\$30,700,000</u>	<u>-0.51%</u>

**ESTIMATED GENERAL FUND BUDGET FOR FY 2020
 COMPARED WITH RECOMMENDED GENERAL FUND BUDGET FOR FY 2021**
 (FY 2021 Data used in Pie Chart on page 14)

	Estimated Expenditures <u>FY 2020</u>		Recommended Expenditures <u>FY 2021</u>	
	<u>Amount</u>	Percent of <u>Total</u>	<u>Amount</u>	Percent of <u>Total</u>
All Educational Activities*	\$3,037,503,162	52.86%	\$3,039,146,403	52.94%
Legislative Expense	31,782,746	0.55%	29,395,797	0.51%
Judiciary & Justice	103,155,629	1.80%	102,624,818	1.79%
Conservation	45,621,145	0.79%	45,217,910	0.79%
Social Welfare	1,074,029,975	18.69%	1,076,328,708	18.75%
Corrections	316,474,500	5.51%	310,898,986	5.42%
Hospitals & Hospital Schools	213,668,778	3.72%	213,548,099	3.72%
Debt Service	385,241,392	6.70%	385,241,392	6.71%
Agriculture & Economic Development	111,441,416	1.94%	110,670,023	1.93%
Local Assistance	80,625,992	1.40%	80,625,992	1.40%
Executive & Fiscal Affairs	159,803,920	2.78%	162,030,795	2.82%
All Others	<u>186,572,691</u>	<u>3.25%</u>	<u>185,265,508</u>	<u>3.23%</u>
Total	<u>\$5,745,921,346</u>	<u>100.00%</u>	<u>\$5,740,994,431</u>	<u>100.00%</u>

* Excludes IHL Agricultural Units

Note: Figures may not add due to rounding.

STATEMENT I
GENERAL FUND
Preliminary Funds Available for FY 2020 and FY 2021
November 2019 - JLBC LBR

FY 2020

1.	Estimated General Fund Beginning Cash, July 1, 2019		\$ 0
2.	General Fund Reappropriations for FY 2020 from FY 2019		4,689,346
3.	Estimated FY 2020 General Fund Revenue (Sine Die \$5,858.4M + November Revision \$137.8M)		5,996,200,000
4.	Less: 2% of Projected FY 2020 Revenue		<u>(119,924,000)</u>
5.	Total General Funds Available for FY 2020 Appropriations		5,880,965,346
6.	Less: General Fund Budget for FY 2020:		
	General Fund FY 2020 Final Action	(5,741,232,000)	
	General Fund Reappropriations for FY 2020 from FY 2019	<u>(4,689,346)</u>	
7.	Total FY 2020 General Fund Budget		(5,745,921,346)
8.	Plus: 2% of Projected FY 2020 Revenue		<u>119,924,000</u>
9.	Total Estimated FY 2020 General Fund Ending Cash Available for Distribution		254,968,000
10.	Estimated Distribution of Ending Cash Balance:		
	Transfer to Municipal Aid Fund	(750,000)	
	Transfer to Working Cash Stabilization Reserve Fund	(127,109,000)	
	Transfer to Capital Expense Fund	<u>(127,109,000)</u>	
11.	Less: Total Transfers		<u>(254,968,000)</u>
12.	Estimated General Fund Balance, June 30, 2020		<u><u>\$ 0</u></u>

FY 2021

13.	Estimated General Fund Beginning Cash, July 1, 2020		\$ 0
14.	Estimated FY 2021 General Fund Revenue		5,965,500,000
15.	Less: 2% of Projected FY 2021 Revenue		<u>(119,310,000)</u>
16.	Total General Funds Available for FY 2021 Appropriations		5,846,190,000
17.	Less: General Fund Budget for FY 2021:		
	General Fund FY 2021 LBR	(5,740,994,431)	
	General Fund Reappropriations for FY 2021 from FY 2020	<u>0</u>	
18.	Total FY 2021 General Fund Budget		(5,740,994,431)
19.	Estimated General Fund Balance Available for Distribution, June 30, 2021		<u><u>\$ 105,195,569 *</u></u>

* If the FY 2021 Revenue Estimate of \$5,965,500,000 is collected, the General Fund balance at June 30, 2021 would include the statutory 2% set-aside of \$119,310,000 plus the unencumbered ending cash, totaling an estimated \$224,505,569.

Note: Figures may not add due to rounding.

STATEMENT II
GENERAL FUND REVENUE ESTIMATE FOR FISCAL YEAR 2021 COMPARED
TO FISCAL YEAR 2020 REVISED ESTIMATE

	FY 2019	FY 2020	FY 2021	FY 2021 Estimate	% Increase
	<u>Collections*</u>	<u>Revised Estimate**</u>	<u>Estimate***</u>	<u>Over FY 2020</u>	<u>Over FY 2020</u>
<u>Department of Revenue Collections</u>					
Sales Tax	\$2,138,037,754	\$2,188,600,000	\$2,228,100,000	\$39,500,000	1.80%
Individual Income Tax	1,898,059,305	1,942,600,000	1,942,600,000	0	0.00%
Corp. Inc. & Franchise Tax	643,653,771	631,300,000	563,000,000	-68,300,000	-10.82%
Use Tax	326,412,860	302,300,000	292,300,000	-10,000,000	-3.31%
Insurance Premium Tax	311,914,397	312,000,000	320,400,000	8,400,000	2.69%
Tobacco Tax	138,456,827	135,000,000	133,700,000	-1,300,000	-0.96%
ABC Tax	81,306,986	83,500,000	85,500,000	2,000,000	2.40%
Beer & Wine Taxes	27,933,327	28,900,000	29,000,000	100,000	0.35%
Oil Severance Taxes	31,592,541	31,400,000	31,400,000	0	0.00%
Gas Severance Taxes	3,296,326	3,600,000	3,500,000	-100,000	-2.78%
Auto Tag Fees	13,229,492	12,400,000	10,700,000	-1,700,000	-13.71%
Installment Loan Tax	11,575,373	11,000,000	11,200,000	200,000	1.82%
Nuclear In-Lieu Payment	1,200,000	1,200,000	1,200,000	0	0.00%
Miscellaneous Taxes	10,839,381	11,400,000	11,600,000	200,000	1.75%
Gaming Fees & Taxes	<u>136,631,531</u>	<u>134,500,000</u>	<u>134,500,000</u>	<u>0</u>	<u>0.00%</u>
TOTAL DEPARTMENT OF REVENUE	\$5,774,139,870	\$5,829,700,000	\$5,798,700,000	-\$31,000,000	-0.53%
<u>Other Than Department of Revenue Collections</u>					
Interest on Investments	\$22,440,578	\$14,000,000	\$14,000,000	\$0	0.00%
Highway Safety Patrol	18,182,159	18,700,000	18,700,000	0	0.00%
Insurance Department	27,538,432	28,900,000	29,200,000	300,000	1.04%
Licenses, Fees & Permits	54,588,010	52,000,000	52,000,000	0	0.00%
Crime Tax/Criminal Law Assessment [^]	42,997,144	43,500,000	43,500,000	0	0.00%
Miscellaneous Collections ^{^^}	3,008,218	2,400,000	2,400,000	0	0.00%
Gaming Fees	<u>6,660,155</u>	<u>7,000,000</u>	<u>7,000,000</u>	<u>0</u>	<u>0.00%</u>
TOTAL OTHER THAN DEPARTMENT OF REVENUE COLLECTIONS	\$175,414,696	\$166,500,000	\$166,800,000	\$300,000	0.18%
Settlements/Other Collections	18,238,361	0	0	0	0.00%
WCSRF Transfers In	0	0	0	0	0.00%
Other Non-Budget Transfers In	0	0	0	0	0.00%
Budget Reduction Transfers In	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.00%</u>
TOTAL GENERAL FUND	<u>\$5,967,792,927</u>	<u>\$5,996,200,000</u>	<u>\$5,965,500,000</u>	<u>-\$30,700,000</u>	<u>-0.51%</u>

* Source: Department of Finance & Administration August 2019 Revenue Report.

** FY 2020 Revised Revenue Estimate adopted by the Joint Legislative Budget Committee on November 22, 2019.

*** FY 2021 Revenue Estimate adopted by the Governor and the Joint Legislative Budget Committee on November 22, 2019.

[^] Combined Crime Tax and Criminal Law Assessment categories in FY 2019.

^{^^} Combined From Special Funds and Miscellaneous Collections categories in FY 2019.

OUT-YEAR BUDGET PROJECTIONS
(Historical Experience/Budget Projections)

In response to the Financial and Operational Responses That Invigorate Future Years Act of 2017, a historical experience schedule and an out-year revenue and expenditure projection is prepared each fall as the budget recommendation for the upcoming fiscal year is under consideration.

The out-year budget projection shown below includes official estimates of General Fund revenues for FY 2020 and FY 2021. Revenue estimates for FY 2022, FY 2023 and FY 2024 are projections recommended by the University Research Center. The out-year budget projection shows that, beginning with FY 2022, revenues are expected to grow 1.1%, 1.2% and 2.2%, respectively, through the year FY 2024.

The FY 2021 column on the out-year budget projection reflects the FY 2021 Joint Legislative Budget Committee's Recommendation. The outlined multi-year agency plan includes all available funding sources and is based upon the statutory provision that proposed expenditures shall not exceed estimated general and special fund revenues, Section 27-103-125, Mississippi Code of 1972.

The schedule includes projected and available state cash reserves provided from the General Fund Two Percent (2%) Set-Aside and the Working Cash Stabilization Reserve Fund (WCSRF).

OUT-YEAR PROJECTIONS FOR REVENUES AND EXPENDITURES

<u>Funds Available for Expenditure</u>	<u>FY 2017</u> (Actual)	<u>FY 2018</u> (Actual)	<u>FY 2019</u> (Actual)	<u>FY 2020</u> (Appropriated)
General Funds	\$ 5,641,418,335	\$ 5,575,902,422	\$ 5,536,219,087	\$ 5,745,921,346
Other State Support Funds*	<u>646,941,245</u>	<u>525,235,118</u>	<u>592,807,650</u>	<u>617,769,505</u>
Total State Support Funds	6,288,359,580	6,101,137,540	6,129,026,737	6,363,690,851
Other Special Funds	5,163,079,874	5,097,778,929	5,034,985,207	5,689,672,735
Federal Funds	<u>7,823,632,497</u>	<u>7,787,803,109</u>	<u>7,839,260,012</u>	<u>9,462,615,129</u>
Total Funds Available for Expenditure	<u>\$ 19,275,071,951</u>	<u>\$ 18,986,719,578</u>	<u>\$ 19,003,271,956</u>	<u>\$ 21,515,978,715</u>

Actual/Projected State Cash Reserve

2% General Fund Set-Aside**	\$ 0	\$ 56,015,000	\$ 115,628,000	\$ 119,924,000
WCSRF Actual/Projected Funds Available***	\$ 281,041,031	\$ 290,265,370	\$ 349,719,752	\$ 555,475,204

<u>Funds Available for Expenditure</u>	<u>FY 2021</u> (LBR)	<u>FY 2022</u> (1.1% GF Growth)	<u>FY 2023</u> (1.2% GF Growth)	<u>FY 2024</u> (2.2% GF Growth)
General Funds	\$ 5,740,994,431	\$ 5,910,498,090	\$ 5,981,424,067	\$ 6,113,015,397
Other State Support Funds*	<u>529,039,455</u>	<u>588,694,455</u>	<u>649,005,660</u>	<u>710,040,599</u>
Total State Support Funds	6,270,033,886	6,499,192,545	6,630,429,727	6,823,055,996
Other Special Funds	5,624,601,639	5,624,601,639	5,624,601,639	5,624,601,639
Federal Funds	<u>9,293,916,410</u>	<u>9,293,916,410</u>	<u>9,293,916,410</u>	<u>9,293,916,410</u>
Total Funds Available for Expenditure	<u>\$ 21,188,551,935</u>	<u>\$ 21,417,710,594</u>	<u>\$ 21,548,947,776</u>	<u>\$ 21,741,574,045</u>

Projected State Cash Reserve

2% General Fund Set-Aside**	\$ 119,310,000	\$ 120,622,410	\$ 122,069,879	\$ 124,755,416
WCSRF Actual/Projected Funds Available***	\$ 678,916,918	\$ 738,571,918	\$ 798,883,123	\$ 859,918,062

* Includes Budget Contingency Funds, Capital Expense Funds, Education Enhancement Funds, Health Care Expendable Funds, Tobacco Control Funds and Working Cash Stabilization Reserve Funds.

** HB 878 of the 2016 RS suspends the 2% set-aside for FY17. SB 2649 of the 2017 RS modifies the 2% set-aside for FY18 to a 1% set-aside. These funds are included in the fiscal year-end distribution of unencumbered cash. Fifty percent of the set-aside is reflected in the WCSRF projected balance and the other fifty percent is reflected in Other State Support Funds.

*** Beginning in FY21, the projected fund balance is calculated assuming a 2% set-aside of the estimated general fund revenue collections and the distribution of unencumbered cash in accordance with Mississippi Code §27-103-213.

BUDGET CONTINGENCY FUND

<u>Program</u>	<u>FY 2020 Appropriations</u>	<u>FY 2021 Recommendation</u>
<u>Mississippi Development Authority</u>		
National Diabetes and Obesity Research Center	\$ 1,500,000	\$ 0
Total Appropriations	1,500,000	0
 Reappropriations from FY 2019 to FY 2020		
<u>Finance and Administration, Department of</u>		
Bureau of Building - IHL - USM Greene Hall R&R	23,436	0
Total Reappropriations	23,436	0
Total Appropriations and Reappropriations	\$ 1,523,436	\$ 0

CAPTIAL EXPENSE FUND

<u>Program</u>	<u>FY 2020 Appropriations</u>	<u>FY 2021 Recommendation</u>
<u>Archives and History, Department of</u>		
Crossroads Museum	\$ 25,000	\$ 0
de la Pointe-Krebs Home	1,000,000	0
Fannie Lou Hammer/George Lee Museum	25,000	0
Mississippi Heritage Trust Preservation Toolkit	150,000	0
Mississippi Museum of Art	275,000	0
Subtotal	1,475,000	0
<u>Arts Commission, Mississippi</u>		
Agency Operations	100,000	0
<u>Attorney General, Office of</u>		
Judgments & Settlements	75,989 *	0
<u>Audit, Department of</u>		
Legal Fees Reimbursement	35,000	0
<u>Community and Junior Colleges</u>		
Support - Data Center at Community College Board	657,500	0
Support - Repair and Renovation Projects	7,342,500	0
Subtotal	8,000,000	0
<u>Corrections, Department of</u>		
Operating Expenses	1,800,000	0
<u>Education, Department of</u>		
Mississippi Student Information System	500,000	0
WorkKeys/Advanced Placement/Dual Credit/Int'l Baccalaureate/Cambridge	1,000,000	0
Subtotal	1,500,000	0
<u>Educational Television Authority</u>		
Repair and Maintenance of Agency's Towers	500,000	0
<u>Finance and Administration, Department of</u>		
Amite County School District	250,000	0
Bureau of Building - Capital Projects	11,000,000	0
Capitol Complex	1,000,000	0
Capitol Police	397,000	0
City of Carthage - Carthage Lincoln Park	200,000	0
City of Kosciusko - Ashley Presley Stingley Park	200,000	0
City of Magee - City Lagoon	250,000	0
City of Natchez - Natchez City Auditorium	38,340	0
City of Winona - Historic Clock Tower	250,000	0
Clay County - Bryan Public Library	100,000	0
Crawford Community Education and Recreation Center in Crawford, MS	350,000	0
CREATE Foundation - First Christian Church in Amory, MS	200,000	0

CAPTIAL EXPENSE FUND

<u>Program</u>	<u>FY 2020</u> <u>Appropriations</u>	<u>FY 2021</u> <u>Recommendation</u>
<u>Finance and Administration, Department of (cont'd)</u>		
Deer Creek Promise Community Initiative	800,000	0
Department of Education for Education Scholarship Accounts	2,000,000	0
Dept. of Wildlife, Fisheries & Parks - Tishomingo State Park/Haynes Lake	500,000	0
DeSoto County - Animal Shelter	50,000	0
Friends of the Pickens Public Library	200,000	0
Grammy Museum - Interpretative Wall	150,000	0
Hatten Water Association in Jones County	50,000	0
I.T. Montgomery Home	250,000	0
Itawamba County School District	500,000	0
Jackson Public Schools - Callaway High School	100,000	0
Kosciusko Separate School District - Pre-Kindergarten Program	275,000	0
Marion County Historical Society - John Ford Home	350,000	0
Marshall County - Courthouse	350,000	0
Missionary Baptist Seminary in Natchez, MS	400,000	0
Mississippi Maritime Museum	650,000	0
Mississippi Wildlife Heritage Foundation - Mississippi Wildlife Museum	600,000	0
Monroe County School District - Tornado Damage	70,000	0
MS Law Enforcement Officer's Training Academy	1,506,635 *	0
Pascagoula Redevelopment Corporation - Economic Development Projects	650,000	0
Progress Community Water Association in Lamar County	500,000	0
Smith County - Various Economic Development Projects	250,000	0
State Property Insurance	2,048,958 *	0
State Property Insurance	3,092,614	0
Tallahatchie County - Welcome Center and Museum	250,000	0
Town of Boyle - City/Community Pavilion and Park	50,000	0
Town of Louin - Park Improvements	50,000	0
Town of Smithville - Tornado Damage	40,000	0
Tupelo Symphony	50,000	0
University of Mississippi Research Institute of Pharmaceutical Sciences	1,000,000	0
West Bolivar School District - Cafeteria	250,000	0
Wilkinson County School District	250,000	0
Subtotal	<hr/> 31,518,547	<hr/> 0
<u>Human Services, Department of</u>		
Child Protection Services, Department of	15,157,835	0
<u>Institutions of Higher Learning</u>		
General Support - Alcorn State University - STEM Related Programs	333,333	0
General Support - Jackson State University - School of Public Health	333,334	0
General Support - Mississippi Valley State University - STEM Related Programs	333,333	0
General Support - Repair and Renovation Projects	14,500,000	0
Subtotal	<hr/> 15,500,000	<hr/> 0
<u>Insurance, Department of</u>		
State Fire Academy - Airport Firefighter Crash Truck	100,000	0
<u>Judicial Performance Commission</u>		
Information Systems Development and Hardware	23,000	0
<u>Library Commission, Mississippi</u>		
Agency Operations	476,654	0
<u>Oil and Gas Board</u>		
Emergency Repairs or Plugging of Orphaned Wells	1,000,000	0
<u>Mississippi Development Authority</u>		
Economic Development and Infrastructure Fund	2,500,000	0
Mississippi Book Festival	50,000	0
Mississippi Hills National Heritage Area	100,000	0
Skills Foundation of Mississippi	500,000	0
Small Business and Grocer Investment Act	200,000	0
Subtotal	<hr/> 3,350,000	<hr/> 0
<u>Mississippi Emergency Management Agency</u>		
Next Generation (NG) 911	240,000	0

CAPTIAL EXPENSE FUND

<u>Program</u>	<u>FY 2020 Appropriations</u>	<u>FY 2021 Recommendation</u>
<u>Public Safety, Department of</u>		
Driver Services Division	1,500,000	0
Highway Safety Patrol Trooper School	4,500,000	0
Subtotal	6,000,000	0
<u>Revenue, Department of</u>		
License Tag Commission	330,770	0
Tax Return Equipment and Agency Operations	1,000,000	0
Subtotal	1,330,770	0
<u>State Personnel Board</u>		
Equipment Replacement	16,500	0
<u>Supreme Court Services, Office of</u>		
AOC - Intervention Courts	250,000	0
AOC - Drug Court Case Management Program	540,000	0
Subtotal	790,000	0
<u>Wildlife, Fisheries and Parks, Department of</u>		
Chronic Wasting Disease Prevention	400,000	0
Neshoba Lake	40,000	0
Scenic River Development Alliance	50,000	0
Subtotal	490,000	0
Total Appropriations	89,479,295	0
 <u>Reappropriations from FY 2019 to FY 2020</u>		
Archives and History, Department of - Old Smith County Jailhouse	130,000	0
Finance and Administration, Dept. of - BOB - ASU - Water Treatment Facility	2,625,302	0
Mississippi Development Authority - Air Services Development Act	510,106	0
Mississippi Development Authority - Greenville Airport	420,887	0
Wildlife, Fisheries and Parks, Department of - Neshoba Lake	25,000	0
Total Reappropriations	3,711,295	0
Total Appropriations and Reappropriations	\$ 93,190,590	\$ 0

* From, after and through appropriations from the 2019 Regular Session.

EDUCATION ENHANCEMENT FUND

<u>Program</u>	<u>FY 2020</u> <u>Appropriations</u>	<u>FY 2021</u> <u>Recommendation</u>
<u>General Education Programs</u>		
General Education	\$ 21,784,413	\$ 21,784,413
Buildings and Buses	16,000,000	16,000,000
Supplies and Instructional Materials	12,000,000	12,000,000
Subtotal	<u>49,784,413</u>	<u>49,784,413</u>
Mississippi Adequate Education Program	231,431,187	235,389,519
Mississippi Schools for the Blind and Deaf	1,207,037	1,207,037
Vocational and Technical Education	4,937,258	4,937,258
Educational Television Authority	2,118,966	2,118,966
Mississippi Library Commission	493,847	493,847
<u>Community and Junior Colleges</u>		
Board	256,000	256,000
Support	45,481,356	46,281,070
Subtotal	<u>45,737,356</u>	<u>46,537,070</u>
<u>Institutions of Higher Learning</u>		
Universities - General Support - Consolidated	58,535,862	59,761,792
Universities - Subsidiary Programs - Consolidated	830,742	830,742
University of Mississippi Medical Center - Consolidated	6,888,029	6,888,029
ASU - Agricultural Programs	19,322	19,322
MSU - Agricultural and Forestry Experiment Station	1,165,578	1,165,578
MSU - Cooperative Extension Service	975,245	975,245
MSU - Forest and Wildlife Research Center	253,005	253,005
MSU - Veterinary Medicine, College of	552,920	552,920
Subtotal	<u>69,220,703</u>	<u>70,446,633</u>
Arts Commission	450,000	450,000
Wildlife - Project WILD	<u>125,335</u>	<u>125,335</u>
Total	<u>\$ 405,506,102</u>	<u>\$ 411,490,078</u>

Note: A \$10 million diversion to the Public School Building Fund is not reflected in the numbers above.

HEALTH CARE EXPENDABLE FUND

<u>Program</u>	<u>FY 2020 Appropriations</u>	<u>FY 2021 Recommendation</u>
<u>Governor's Office - Medicaid, Division of</u>		
CHIP Program up to 209% Level of Poverty	\$ 9,000,000	\$ 9,000,000
Medical Program Matching Funds	<u>54,230,003</u>	<u>54,230,003</u>
Subtotal	63,230,003	63,230,003
<u>Health, State Department of</u>		
Maternal and Child Health Care Program	1,242,943	1,242,943
Early Intervention Program and/or Child Therapeutic Services	188,661	188,661
Health Department Programs	<u>7,747,179</u>	<u>7,747,179</u>
Subtotal	9,178,783	9,178,783
<u>Mental Health, Department of</u>		
Expenses of the Department of Mental Health	9,259,790	9,259,790
Alzheimer's Disease Services Development and Implementation of Senate Bill 2100, 1997 Regular Session	379,417	379,417
Medicaid Matching Funds	3,896,641	3,896,641
Psychotropic Drugs or Medicaid Match	252,944	252,944
Alzheimer's Disease Program, Prepayment to Medicaid, etc.	505,890	505,890
Holding Centers, Group Homes, Substance Abuse Programs, Children's Programs, Prepayment of Medicaid, etc.	2,727,792	2,727,792
Crisis Centers	636,374	636,374
Physician Services at Community Mental Health Centers	1,138,252	1,138,252
Specialized Treatment Facility	104,196	104,196
Grant for Epilepsy Foundation of Mississippi or Medicaid Match	<u>50,590</u>	<u>50,590</u>
Subtotal	18,951,886	18,951,886
<u>Rehabilitation Services, Department of</u>		
Fully Match all Available Federal Funds	2,782,590	2,782,590
Independent Living Prg which includes the St Attendant Care Prg Deaf and Hard of Hearing	854,903	854,903
	<u>44,309</u>	<u>44,309</u>
Subtotal	3,681,802	3,681,802
<u>Education, Department of</u>		
Mississippi Eye Screening Program	126,472	126,472
<u>Institutions of Higher Learning</u>		
University of Mississippi Medical Center - Consolidated	<u>2,380,431</u>	<u>2,380,431</u>
Total Appropriations	<u>\$ 97,549,377</u>	<u>\$ 97,549,377</u>

TOBACCO CONTROL FUND

<u>Program</u>	<u>FY 2020 Appropriations</u>	<u>FY 2021 Recommendation</u>
<u>IHL - University of Mississippi Medical Center</u>		
Cancer Institute	\$ 4,250,000	\$ 4,250,000
A Comprehensive Tobacco Center (ACT)	<u>595,000</u>	<u>595,000</u>
Subtotal	4,845,000	4,845,000
<u>Education, Department of</u>		
School Nurse Program	3,060,000	3,060,000
<u>Attorney General's Office</u>		
Alcohol and Tobacco Enforcement Unit	680,000	680,000
<u>Health, State Department of</u>		
Health Department Programs	7,165,000	7,165,000
Skool ADS - School Poster Program	<u>255,000</u>	<u>255,000</u>
Subtotal	7,420,000	7,420,000
<u>Mississippi Health Care Alliance</u>		
ST Elevated Myocardial Infarction Program (STEMI)	382,500	382,500
Stroke System of Care Plan	<u>212,500</u>	<u>212,500</u>
Subtotal	595,000	595,000
<u>Mississippi Qualified Health Center</u>		
Grant Program	<u>3,400,000</u>	<u>3,400,000</u>
Total Appropriations	<u>\$ 20,000,000</u>	<u>\$ 20,000,000</u>

**FISCAL YEAR 2021 JOINT LEGISLATIVE BUDGET COMMITTEE RECOMMENDATIONS
TOTAL STATE SUPPORT**

<u>AGENCY</u>	<u>FY 2020 Estimated w/Reappr</u>	<u>FY 2021 JLBC LBR</u>	<u>FY21 LBR +/- FY20 Estimated AMOUNT</u>	<u>PERCENT</u>
Legislative Operations	\$31,782,746	\$29,395,797	(\$2,386,949)	-7.51%
Attorney General, Office of the	23,629,754	23,345,018	(284,736)	-1.20%
Judgments & Settlements	75,989	0	(75,989)	-100.00%
Capital Post-Conviction Counsel, Office of	1,783,742	1,607,667	(176,075)	-9.87%
District Attorneys & Staff	25,179,231	25,179,231	0	0.00%
Judicial Performance Commission	603,235	580,235	(23,000)	-3.81%
State Public Defender, Office of	3,271,486	3,236,486	(35,000)	-1.07%
Supreme Court Services, Office of	6,741,513	6,741,513	0	0.00%
Administrative Office of Courts	12,174,532	11,349,532	(825,000)	-6.78%
Court of Appeals	4,424,396	4,424,396	0	0.00%
Trial Judges	26,160,740	26,160,740	0	0.00%
Ethics Commission	627,471	627,471	0	0.00%
Governor's Office - Support & Mansion	2,719,105	2,719,105	0	0.00%
Secretary of State	13,462,659	12,694,740	(767,919)	-5.70%
Audit, Department of	8,866,457	8,376,819	(489,638)	-5.52%
Finance & Administration, Department of - Support	54,142,451	39,808,299	(14,334,152)	-26.47%
MS Home Corporation	1,484,450	1,484,450	0	0.00%
State Property Insurance	9,398,958	9,398,958	0	0.00%
Status of Women	42,100	42,100	0	0.00%
Information Technology Services, Department of	27,834,177	27,632,308	(201,869)	-0.73%
Wireless Communication Commission	10,639,874	10,639,874	0	0.00%
State Personnel Board	4,276,738	4,231,263	(45,475)	-1.06%
Revenue, Department of	42,602,025	40,615,846	(1,986,179)	-4.66%
License Tag Commission	3,577,960	3,235,885	(342,075)	-9.56%
Tax Appeals, Board of	523,677	523,677	0	0.00%
Education, Department of (K-12)				
General Education Programs	236,172,420	171,724,755	(64,447,665)	-27.29%
Chickasaw Interest	18,866,383	15,961,151	(2,905,232)	-15.40%
Mississippi Adequate Education Program	2,226,145,998	2,303,035,318	76,889,320	3.45%
Schools for Blind & Deaf	11,094,103	11,094,103	0	0.00%
Vocational & Technical Education	81,547,676	81,547,676	0	0.00%
K-12 Subtotal:	2,573,826,580	2,583,363,003	9,536,423	0.37%
Educational Television Authority	6,754,544	6,233,866	(520,678)	-7.71%
Library Commission	10,408,653	9,884,808	(523,845)	-5.03%
Public Education Subtotal:	2,590,989,777	2,599,481,677	8,491,900	0.33%
Institutions of Higher Learning				
Univ - General Support - Cons (includes Ayers)	374,615,380	358,900,291	(15,715,089)	-4.19%
Univ - Subsidiary Programs - Cons	34,643,566	34,457,720	(185,846)	-0.54%
Student Financial Aid	41,721,546	41,721,546	0	0.00%
UM - University of Mississippi Medical Center - Cons	174,134,328	172,296,052	(1,838,276)	-1.06%
ASU - Agricultural Programs	6,431,464	6,399,403	(32,061)	-0.50%
MSU - Agriculture & Forestry Experiment Station	23,338,327	23,228,327	(110,000)	-0.47%
MSU - Cooperative Extension Service	30,339,497	30,189,497	(150,000)	-0.49%
MSU - Forest & Wildlife Research Center	5,798,433	5,798,433	0	0.00%
MSU - Veterinary Medicine, College of	18,108,170	18,018,170	(90,000)	-0.50%
IHL Subtotal:	709,130,711	691,009,439	(18,121,272)	-2.56%
Community & Junior Colleges				
Board	6,498,233	6,351,445	(146,788)	-2.26%
Support	245,348,586	236,393,248	(8,955,338)	-3.65%
Community & Junior College Subtotal:	251,846,819	242,744,693	(9,102,126)	-3.61%
Health, State Department of	61,961,962	61,707,628	(254,334)	-0.41%
Mental Health, Department of - Cons	232,620,664	232,499,985	(120,679)	-0.05%
Agriculture & Commerce, Department of - Support	7,461,254	7,427,453	(33,801)	-0.45%
Animal Health, Board of	1,200,418	1,197,772	(2,646)	-0.22%
Fair Commission - County Livestock Shows	212,147	212,147	0	0.00%

**FISCAL YEAR 2021 JOINT LEGISLATIVE BUDGET COMMITTEE RECOMMENDATIONS
TOTAL STATE SUPPORT**

AGENCY	FY 2020 Estimated w/Reappr	FY 2021 JLBC LBR	FY21 LBR +/- FY20 Estimated AMOUNT	PERCENT
Mississippi Development Authority (w/ Innovate MS)	27,298,769	21,164,891	(6,133,878)	-22.47%
Archives & History, Department of (w/ Oral History)	11,458,130	9,804,093	(1,654,037)	-14.44%
Environmental Quality, Department of	10,805,448	10,712,748	(92,700)	-0.86%
Forestry Commission	14,613,837	14,487,186	(126,651)	-0.87%
Grand Gulf Military Monument Commission	277,772	276,372	(1,400)	-0.50%
Marine Resources, Department of	1,101,802	1,096,431	(5,371)	-0.49%
Oil & Gas Board	3,158,147	2,144,025	(1,014,122)	-32.11%
Soil & Water Conservation Commission	625,766	555,575	(70,191)	-11.22%
Tenn-Tom Waterway Development Authority	150,644	150,644	0	0.00%
Wildlife, Fisheries & Parks, Department of - Cons	6,674,934	6,116,171	(558,763)	-8.37%
Insurance, Department of - Support	12,213,658	11,656,385	(557,273)	-4.56%
State Fire Academy	5,330,230	5,230,230	(100,000)	-1.88%
Corrections, Department of - Cons	318,274,500	310,898,986	(7,375,514)	-2.32%
Governor's Office - Medicaid, Division of	931,243,309	929,492,521	(1,750,788)	-0.19%
Human Services, Department of - Cons	69,899,587	69,550,089	(349,498)	-0.50%
Child Protection Services, Department of	125,706,695	114,947,879	(10,758,816)	-8.56%
Rehab Services, Department of - Cons	29,250,024	29,250,024	0	0.00%
Emergency Management Agency	4,053,870	3,794,801	(259,069)	-6.39%
Disaster Relief - Cons	585,056	585,056	0	0.00%
Military Department - Cons	8,037,489	7,995,784	(41,705)	-0.52%
Public Safety, Department of				
Forensics Laboratories	8,321,507	7,678,349	(643,158)	-7.73%
Highway Safety Patrol, Office of	74,302,455	70,080,108	(4,222,347)	-5.68%
Homeland Security Office	116,394	116,394	0	0.00%
Law Enforcement Officers' Training Academy	303,174	303,174	0	0.00%
Narcotics, Bureau of	11,599,714	10,898,446	(701,268)	-6.05%
Public Safety Planning, Office of	3,227,613	3,197,613	(30,000)	-0.93%
Support Services, Office of	4,274,301	4,059,394	(214,907)	-5.03%
Public Safety Subtotal:	102,145,158	96,333,478	(5,811,680)	-5.69%
Veterans' Affairs Board	5,859,922	5,748,748	(111,174)	-1.90%
Revenue Dept. - Homestead Exemption Reimbursement	80,625,992	80,625,992	0	0.00%
Arts Commission	1,719,421	1,563,509	(155,912)	-9.07%
Gaming Commission	8,436,223	8,391,018	(45,205)	-0.54%
Public Service Commission	4,522,303	4,329,512	(192,791)	-4.26%
No Call Telephone Solicitation	69,865	69,865	0	0.00%
Public Utilities Staff	2,269,187	2,159,310	(109,877)	-4.84%
Workers' Compensation Commission	5,437,130	5,328,967	(108,163)	-1.99%
Treasurer's Office, State - Debt Service				
Bank Service Charge	500,000	500,000	0	0.00%
Bonds/Interest Payment	384,741,392	384,741,392	0	0.00%
Debt Service Subtotal	385,241,392	385,241,392	0	0.00%
DFA - BOB - Capital Projects	15,155,373	0	(15,155,373)	-100.00%
TOTAL	<u>\$6,363,690,851</u>	<u>\$6,270,033,886</u>	<u>(\$93,656,965)</u>	<u>-1.47%</u>
<u>FY 2021 State Support Funds</u>				
General Funds	\$5,745,921,346	\$5,740,994,431	(4,926,915)	-0.09%
Budget Contingency Funds	1,523,436	0	(1,523,436)	-100.00%
Education Enhancement Funds	405,506,102	411,490,078	5,983,976	1.48%
Health Care Expendable Funds	97,549,377	97,549,377	0	0.00%
Tobacco Control Funds	20,000,000	20,000,000	0	0.00%
Capital Expense Funds	93,190,590	0	(93,190,590)	-100.00%
Total State Support	<u>\$6,363,690,851</u>	<u>\$6,270,033,886</u>	<u>(\$93,656,965)</u>	<u>-1.47%</u>

THE MISSISSIPPI FISCAL SYSTEM

The state's fiscal operations, for the purpose of this discussion, are classified into three groups, namely General Fund agencies, Special Fund agencies and earmarked or diverted funds. The term "General Fund agency" means any department, institution, board or commission of the State of Mississippi which is supported in whole or in part by appropriations from the General Fund. "Special Fund agency" means any agency, department, institution, board, or commission of the State of Mississippi which receives no appropriation from the General Fund, but which is supported entirely from Special Fund sources or otherwise. The Mississippi Department of Transportation and Office of State Aid Road Construction operate as Special Fund agencies. Earmarked or diverted funds are those funds designated by statute for specific purposes or diverted to other entities. Some earmarked or diverted funds such as Education Enhancement Funds are appropriated. Other earmarked or diverted funds such as a part of the sales tax designated for the construction of public school buildings can be expended without additional legislative appropriations. Still other earmarked and diverted funds go to entities like municipalities and counties.

Special Fund agencies in most instances operate entirely from funds which have been designated by statute to be used in funding the operation of such agencies. The largest of the special fund type agencies is the Mississippi Department of Transportation. Operating funds for the Department of Transportation are derived from a portion of the state tax on gasoline, diesel fuel, and kerosene, as provided by Section 27-5-101, Mississippi Code of 1972, plus federal funds which are made available under a matching formula.

The state General Fund represents about 27.1% of the total state budget as recommended by the Joint Legislative Budget Committee for FY 2021. The General Fund budget is unlike Special Fund budgets in that the General Fund budget is much more variable and flexible. Increased costs, new programs, and expanded operations are generally funded through the General Fund. All money expended from this source must be appropriated by the Legislature before it becomes available for expenditure by General Fund agencies. The Legislature must appropriate funds for all state agencies, both General Fund and Special Fund, and the Mississippi Department of Transportation.

Over 400 General Fund and Special Fund accounts are maintained by the Financial Control Division of the Department of Finance and Administration under a centralized accounting and control system. All state agencies are required to report all receipts, expenditures, fund balances and commitments outstanding. Historically, all appropriations (with some exceptions such as the Institutions of Higher Learning, the Community and Junior Colleges and others) are appropriated by major object of expenditure category. This method of appropriation requires thought and study by department heads preparing budgets, provides the Legislature a uniform system for comparing figures for arriving at each agency's needs for the succeeding fiscal year, and has the final effect of requiring that state agencies more closely adhere to legislative intent after the final appropriations have been made. However, in recent years, appropriations have been made in a lump sum form due to fiscal constraints.

In December of 1992, the Joint Legislative Budget Committee issued a budget reform report that called for the implementation of the "M-PAC" budgeting concept which is intended to integrate three key elements of the budget process: program analysis, performance measurement and priority setting. Implementation of this concept was begun on a pilot basis for the FY 1995 budget cycle.

In an attempt to reinforce the Joint Legislative Budget Committee's budget reform efforts, the Legislature enacted Senate Bill 2995 which is cited as the Mississippi Performance Budget and Strategic Planning Act of 1994. This act required the implementation of performance budgeting and strategic planning for all agencies beginning with the FY 1996 budget cycle.

In July 2014, the Joint Legislative Budget Committee released "Improving Mississippi's Budget Process" a summary of steps to reinvigorate and move forward performance budgeting in state government. A new element in Mississippi's accountability process is the adoption of a statewide strategic plan entitled "Building a Better Mississippi". Recommended by the Subcommittee on State Performance Goals, the full Committee approved the statewide strategic plan in addition to directing all state agencies to adopt and align their goals and outcomes to this new plan. The Committee also approved the continued implementation of the Pew-MacArthur Results First Initiative cost-benefit model. In the 2014 Regular Legislative Session the Legislature passed House Bill 677 that required four pilot state agencies (Department of Corrections, State Department of Health, Department of Education and the Mississippi Department of Transportation) to work with legislative staff in collecting, defining and categorizing agency program inventories. The comprehensive goal of this model is to establish a cost-benefit ratio for agency programs and provide a reliable tool for evidence-based policymaking.

The FY 2021 Budget Recommendation includes historical program performance measurement data for each state agency and institution. While continuing to provide object of expenditure data, the enhanced format emphasizes program efforts and accomplishments.