

General Fund Consensus Revenue Estimate

Presented to

Legislative Finance Committee

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"In recent months, growth in tax revenues has been significantly and unsustainably stronger than growth in the economy. If the economy continues to show weakness ... into early 2012, revenue growth will likely soften as well."

Rockefeller Institute of Government, October 26, 2011.

SUMMARY:

- The consensus revenue estimating group has reviewed and updated the General Fund revenue outlook that was prepared at the beginning of October. The consensus group is comprised of career economists from the executive and legislative branches.
- Table 1 below summarizes the forecast revisions to total recurring revenue. Compared with the October Outlook:
 - FY12 total recurring revenue has been revised up by \$20.9 million.
 - FY13 total recurring revenue has been revised up by \$8.6 million.
- After these revisions, total recurring revenue growth was 12.3 percent in FY11, but falls to 2.4 percent in FY12 and to 2.8 percent in FY13. About 4 percent of the FY11 growth was due to legislated tax increases.
- After revision, FY12 ending balances will be \$599 million, or 11 percent of recurring appropriations.
- FY13 "new money", FY13 recurring revenue less FY12 recurring appropriations, is \$254 million.

- General Obligation bond capacity for authorization by the 2012 legislature will be \$299 million. Senior severance bond capacity will be \$130 million.

Table 1

December 2011 Consensus Forecast: Total Recurring Revenue

(Dollar amounts in millions)	FY11	FY12	FY13
Post-session estimate	5,164.3	5,413.2	5,637.5
July 2011 Revisions	110.6	120.2	164.8
October 2011 Revisions	113.0	(21.5)	(122.7)
December 2011 Revisions	14.5	20.9	8.6
December 2011 Consensus Estimate	5,402.4	5,532.8	5,688.2
% change versus prior year	12.6%	2.4%	2.8%

ECONOMIC INDICATORS: [Appendix 1]

- U.S. economic output (GDP) grew by 2.6 percent during FY11, but growth is now expected to be only 1.7 percent in FY12. This is up slightly from with the October forecast of 1.3 percent. While consumer spending and business investment are expected to grow at a modest pace in 2012, government spending is forecast to decrease.
- New Mexico's total payroll employment fell by 0.3 percent in FY11. This is a slightly worse performance than was estimated in October, but is based on a more reliable data source. Growth is now forecast at 0.7 percent in FY12 and 1.0 percent in FY13. These are roughly equivalent to the growth rates forecast in October.
- U.S. inflation has fallen to about 2 percent in recent months as energy and food prices have come down. Core inflation, which excludes these components, has been fairly steady around 1.5 percent.
- While some recent economic indicators have improved, others continue to point to weak economic growth:
 - New claims for unemployment insurance have fallen and private employers are adding to payrolls, but the total number of unemployed persons remains

elevated. The unemployment rate has begun to decrease, but this is partly due to discouraged workers leaving the labor force.

- The housing market remains mired in recession as falling prices and tighter lending standards have forced many households to wait to purchase homes. A modest increase in new home construction is expected in 2012, but activity remains well below healthy levels.

ENERGY MARKETS: [Appendix 1]

- New Mexico crude oil prices have fluctuated in a range from \$70 to \$100 per barrel since the beginning of the fiscal year. In recent weeks prices have been boosted in part by improved pipeline access to national markets. The prospect of weakness in the global economy is a significant downside risk for oil prices in coming months. The consensus group now expects New Mexico oil prices to average \$86.75 in FY12 and \$87.75 in FY13. These prices are increased from the October 2011 forecast by \$4.75 in FY12 and by \$3.75 in FY13.
- Natural gas prices in New Mexico started the fiscal year around \$6 per thousand cubic feet. These average prices were boosted by almost \$2 per thousand cubic feet thanks to the natural gas liquids associated with the dry gas. Prices have fallen throughout the fall in response to the lack of weather-related demand and the gradual build-up to record reserve levels. The consensus group now expects New Mexico gas prices to average \$5.20 in FY12 and \$5.60 in FY13. These prices are decreased from the October 2011 forecast by \$0.15 in FY12 and by \$0.20 in FY13.
- Crude oil production continues to increase in New Mexico. FY11 production reached 68.8 million barrels, a 7 percent increase over FY10. The consensus group expects production to increase again this year but to decline gradually after FY12.
- Natural gas production in New Mexico fell 4 percent in FY11. In part declining gas volumes reflect the losses associated with extracting more liquids from the gas stream. The consensus group expects some near term variation in the pace of decline with production falling 3 percent in FY12 and thereafter.

DECEMBER FORECAST REVISIONS BY REVENUE:

No revisions were made to the October 2011 forecast of the most broad-based revenues, Gross Receipts Tax (GRT) and Personal Income Tax (PIT). Recent collections have been generally consistent with the October forecast. In addition, the latest national and state economic forecasts are very close to those that were used as the basis for the October forecast. In particular, the forecast of New Mexico Personal Income, used in the PIT forecast, and of Private Wages and Salaries, used in the GRT forecast, are essentially identical to those used in October. The resulting forecasts are for modest growth – GRT growth in the range of 3% to 4% and PIT growth of 2% to 2.5%. This is consistent with the expectation of a sluggish economic recovery.

- The revisions to oil and gas prices in the new forecast are largely offsetting, but the net result is an increase of \$24 million in FY12 and \$16 million in FY13.
- Insurance premiums tax revenue, included in the Selective Sales Tax category, was revised down \$3.7 million in FY12 but revised up by \$3.6 million in FY13. Premiums tax collections fell in the last half of FY11 due to the sluggish payroll growth, while tax credits for New Mexico Medical Insurance Pool Assessments are expected to continue rising.
- Investment earnings from the permanent funds (included in "Other" revenue) were reduced by \$6.9 million in FY13 due to the downturn in stock and bond markets over the last several months.
- FY11 reversions increased by \$17 million as completed reports were received from State agencies. Increased reversions were seen from a number of different agencies.

Table 2

December 2011 Revisions to October Estimate by Major Revenues

December 2011 Revisions to October Estimate by Major Revenues			
(Dollar amounts in millions)	FY11	FY12	FY13
General Sales	-	-	-
Selective Sales	-	(4.3)	0.2
Income Taxes	-	-	-
Oil and Gas Revenues	-	24.0	16.1
Other	14.5	1.1	(7.6)
Total Revenue	14.5	20.9	8.6

RISKS TO THE FORECAST:

- Negative risks include the possibility of another U.S. recession, which has been put at 35 percent by the Global Insight forecasting service. In addition, the current Global Insight forecast assumes the 2 percent payroll tax reduction and emergency unemployment benefits will remain in place in 2012. If those policies are not extended, that would reduce growth by 1 percent.
- Positive risks include a stronger recovery of business and consumer confidence. Also, a successful resolution of the European debt crisis could add growth compared to the current forecast.

GENERAL FUND FINANCIAL SUMMARY: (Appendix 3)

- With the revised revenue forecast, FY11 revenue exceeded appropriations by \$238 million.
- FY12 revenue exceeds current appropriations by \$114 million leaving FY12-ending balances of \$599 million or 11 percent of appropriations. This amount will be reduced by needed deficiency and supplemental appropriations for Medicaid and other programs.
- FY13 recurring revenue of \$5,684.9 million less FY12 recurring appropriations of \$5,431.3 million leaves "new money" of \$253.6 million. Under this forecast, the retirement "swap"

would trigger off, so present law requires General Fund appropriations to increase by about \$50 million. This would leave net new money of just over \$200 million.

BOND CAPACITY UPDATE: (Appendix 4)

- After subtracting the \$81 million authorized during the 2011 special session, \$130 million of senior severance tax bond capacity is expected to be available for new statewide capital projects authorized during the 2012 regular session.
- \$148.7 million is expected to be available in Fiscal Year 2012 for public school facility projects through the Public School Facilities Authority
- Earmarked appropriations for Fiscal Year 2012 total \$26.4 million for water trust board projects, and \$13.2 million each for colonias and tribal infrastructure projects.
- \$299 million will be available for projects to be funded through general obligation bonds subject to voter approval.

APPENDIX 1

U.S. and New Mexico Economic Indicators

	FY11		FY12		FY13		FY14		FY15		FY16	
	Oct11	Dec11	Oct11	Dec11	Oct11	Dec11	Oct11	Dec11	Oct11	Dec11	Oct11	Dec11
	Prelim	Prelim	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
National Economic Indicators												
US Real GDP Growth (annual avg., % YOY)*	2.6	2.6	1.3	1.7	2.0	1.8	2.9	3.2	3.6	3.6	3.1	3.0
US Inflation Rate (CPI-U, annual avg., % YOY)**	2.2	2.2	2.3	2.3	2.3	2.3	2.4	2.3	2.4	2.4	2.4	2.4
Federal Funds Rate (%)	0.16	0.16	0.10	0.09	0.10	0.10	0.42	0.42	2.27	2.27	3.87	3.87
New Mexico Labor Market and Income Data												
NM Non-Agricultural Employment Growth (%)	0.2	-0.3	0.5	0.7	1.2	1.0	1.1	1.2	1.2	1.4	1.3	1.5
NM Personal Income Growth (%)***	4.1	4.5	4.3	4.2	3.3	3.1	3.1	3.0	4.3	4.4	4.7	4.9
NM Private Wages & Salaries Growth (%)	2.6	2.6	2.6	2.6	3.0	2.8	3.2	3.4	3.3	3.6	3.7	3.8
Crude Oil and Natural Gas Outlook												
NM Oil Price (\$/barrel)	\$84.20	\$84.60	\$82.00	\$86.75	\$84.00	\$87.75	\$84.50	\$88.50	\$85.00	\$89.50	\$85.00	\$89.75
NM Taxable Oil Volumes (million barrels)	67.0	68.8	69.7	69.5	68.6	68.9	67.6	68.4	66.9	68.1	65.9	67.0
NM Gas Price (\$ per thousand cubic feet)****	\$5.50	\$5.50	\$5.35	\$5.20	\$5.80	\$5.60	\$6.20	\$5.90	\$6.25	\$6.05	\$6.25	\$6.15
NM Taxable Gas Volumes (billion cubic feet)	1,224	1,239	1,184	1,173	1,147	1,188	1,111	1,069	1,077	1,020	1,055	991

* Real GDP is BEA chained 2005 dollars, billions, annual rate

** CPI is all urban, BLS 1982-84=1.00 base.

***Personal income growth rates are for the calendar year in which each fiscal year begins

****The gas prices are estimated using a formula of NYMEX, EIA, and Global Insight future prices as well as a liquid premium based on oil prices.

Sources: November IHS Global Insight, BBER FOR-UNM revised

APPENDIX 2

General Fund Consensus Revenue Estimate
December 2011

	FY11			FY12			FY13		
	Oct 2011 Est. Prelim Actual	Dec-2011 Est. Prelim Actual	Change from Prior	Oct 2011 Est.	Dec 2011 Est.	Change from Prior	Oct 2011 Est.	Dec 2011 Est.	Change from Prior
			% Change from FY10			% Change from FY11			% Change from FY12
Gross Receipts Tax	1,811.4	1,811.4	-	1,865.0	1,865.0	-	1,935.9	1,935.9	-
Compensating Tax	69.2	69.2	10.8%	69.5	69.5	-	73.1	73.1	3.8%
TOTAL GENERAL SALES	1,880.6	1,880.6	11.6%	1,934.5	1,934.5	-	2,009.0	2,009.0	3.8%
Tobacco Taxes	88.2	88.2	99.0%	86.4	86.4	-	84.7	84.7	-
Liquor Excise	25.7	25.7	0.4%	26.4	25.9	(0.5)	26.7	26.1	(0.6)
Insurance Taxes	192.7	132.7	1.8%	193.0	129.3	(3.7)	131.1	134.7	3.6
Fire Protection Fund Reversion	17.6	17.6	252.0%	16.1	15.9	(0.2)	15.2	15.2	(0.0)
Motor Vehicle Excise	103.7	103.7	12.4%	110.2	110.2	-	116.1	114.3	(1.8)
Gaming Excise	65.8	65.8	1.1%	66.6	66.6	-	67.5	66.7	(0.8)
Leased Vehicle Surcharge	5.0	5.0	-12.3%	5.1	5.2	0.1	5.4	5.3	(0.2)
Other	2.5	2.5	-21.6%	2.8	2.8	0.0	3.0	3.0	0.0
TOTAL SELECTIVE SALES	441.2	441.2	18.3%	446.6	442.3	(4.3)	449.9	449.9	0.2
Personal Income Tax	1,066.2	1,066.2	11.5%	1,090.0	1,090.0	-	1,115.0	1,115.0	-
Corporate Income Tax	229.8	229.8	83.7%	310.0	310.0	-	375.0	375.0	21.0%
TOTAL INCOME TAXES	1,296.0	1,296.0	19.8%	1,400.0	1,400.0	-	1,490.0	1,490.0	6.4%
Oil and Gas School Tax	378.7	378.7	16.7%	355.0	358.6	3.6	365.0	376.0	10.0
Oil Conservation Tax	19.7	19.7	20.1%	22.6	18.5	(4.1)	23.2	19.3	(3.9)
Resources Excise Tax	9.9	9.9	5.3%	10.0	10.0	-	10.0	10.0	-
Natural Gas Processors Tax	18.2	18.2	-55.0%	22.3	22.0	(0.3)	23.6	23.6	-
TOTAL SEVERANCE TAXES	426.5	426.5	9.2%	409.9	409.1	(0.8)	422.8	428.9	6.1
LICENSE FEES	49.8	49.8	-1.0%	51.5	51.5	-	54.4	53.7	(0.7)
LGPF Interest	446.2	446.2	2.1%	459.7	459.7	-	488.1	433.0	(5.1)
STO Interest	17.6	14.8	-33.0%	18.6	17.3	(1.3)	26.0	23.4	(2.6)
STPE Interest	184.6	184.6	-1.3%	183.4	183.4	-	174.3	172.5	(1.8)
TOTAL INTEREST	648.4	645.6	(0.1%)	661.7	660.4	(1.3)	638.4	628.9	(9.5)
Federal Mineral Leasing	411.8	411.8	15.9%	398.0	420.0	22.0	412.5	419.0	6.5
State Land Office	65.6	65.6	-3.1%	55.8	58.6	2.8	43.9	47.4	3.5
TOTAL RENTS & ROYALTIES	477.4	477.4	12.9%	453.8	478.6	24.8	456.4	466.4	10.0
TRIBAL REVENUE SHARING	65.9	65.9	2.8%	70.4	70.4	-	75.4	75.4	-
MISCELLANEOUS RECEIPTS	52.1	52.1	17.3%	48.5	46.0	2.5	49.6	46.2	2.6
REVERSIONS	50.0	67.3	68.2%	40.0	40.0	-	40.0	40.0	-
TOTAL RECURRING	5,387.9	5,402.4	14.5%	5,511.9	5,532.8	20.9	5,679.6	5,688.2	8.6
TOTAL NON-RECURRING*	66.8	66.8	-86.1%	18.3	18.3	-	(3.3)	(3.3)	-118.0%
GRAND TOTAL	5,454.7	5,469.2	14.5%	5,530.2	5,551.1	20.9	5,676.3	5,684.9	8.6

General Fund Consensus Revenue Estimate
December 2011

	FY14			FY15			FY16		
	Oct 2011	Dec 2011	Change	Oct 2011	Dec 2011	Change	Oct 2011	Dec 2011	% Change
	Est.	Est.	from Prior	Est.	Est.	from Prior	Est.	Est.	from FY15
Gross Receipts Tax	2,011.4	2,011.4	-	2,095.8	2,095.8	-	2,165.0	2,165.0	3.3%
Compensating Tax	75.9	75.9	-	77.2	77.2	-	77.9	77.9	0.9%
TOTAL GENERAL SALES	2,087.3	2,087.3	-	2,173.0	2,173.0	-	2,242.9	2,242.9	3.2%
Tobacco Taxes	83.1	83.1	-	81.4	81.4	-	79.9	79.9	-1.8%
Liquor Excise	27.1	26.7	(0.4)	27.5	27.2	(0.3)	27.8	27.8	2.2%
Insurance Taxes	129.7	137.9	8.2	128.3	143.9	15.6	151.2	151.2	5.1%
Fire Protection Fund Reversion	13.6	14.4	0.8	12.1	13.2	1.1	12.3	12.3	-7.3%
Motor Vehicle Excise	121.6	121.6	-	126.6	126.6	-	131.8	131.8	4.1%
Gaming Excise	68.4	67.3	(1.1)	69.4	68.0	(1.4)	68.9	68.9	1.3%
Leased Vehicle Surcharge	5.6	5.3	(0.3)	5.8	5.4	(0.4)	5.4	5.4	1.1%
Other	3.2	3.2	(0.0)	3.3	3.3	-	3.3	3.3	0.9%
TOTAL SELECTIVE SALES	452.3	459.4	7.1	454.4	469.0	14.6	480.6	480.6	2.5%
Personal Income Tax	1,150.0	1,150.0	-	1,190.0	1,190.0	-	1,230.0	1,230.0	3.4%
Corporate Income Tax	410.0	410.0	-	425.0	425.0	-	400.0	400.0	-5.9%
TOTAL INCOME TAXES	1,560.0	1,560.0	-	1,615.0	1,615.0	-	1,630.0	1,630.0	0.9%
Oil and Gas School Tax	371.8	365.7	(6.1)	366.3	362.7	(3.6)	358.0	358.0	-1.3%
Oil Conservation Tax	23.4	18.8	(4.6)	23.1	18.7	(4.4)	18.5	18.5	-1.1%
Resources Excise Tax	10.0	10.0	-	10.0	10.0	-	10.0	10.0	0.0%
Natural Gas Processors Tax	24.6	22.6	(2.0)	24.8	22.4	(2.4)	22.2	22.2	-0.9%
TOTAL SEVERANCE TAXES	429.8	417.1	(12.7)	424.2	413.8	(10.4)	408.7	408.7	-1.2%
LICENSE FEES	57.1	55.9	(1.3)	60.0	58.3	(1.8)	59.4	59.4	2.0%
LGF Interest	438.7	427.6	(11.1)	472.0	453.9	(18.1)	475.1	475.1	4.7%
STO Interest	41.4	39.3	(2.1)	49.4	52.0	2.6	58.5	58.5	12.5%
STPF Interest	164.0	160.1	(3.9)	168.8	162.6	(6.2)	162.6	162.6	0.0%
TOTAL INTEREST	644.1	627.0	(17.1)	690.2	668.5	(21.7)	696.2	696.2	4.1%
Federal Mineral Leasing	423.1	423.7	0.6	412.0	423.8	11.8	417.5	417.5	-1.5%
State Land Office	43.9	46.2	2.3	43.7	46.2	2.5	45.8	45.8	-0.9%
TOTAL RENTS & ROYALTIES	467.0	469.9	2.9	455.7	470.0	14.3	463.3	463.3	-1.4%
TRIBAL REVENUE SHARING	78.2	78.2	-	81.2	81.2	-	83.8	83.8	3.2%
MISCELLANEOUS RECEIPTS	44.0	47.1	3.1	45.5	48.1	2.6	49.0	49.0	2.0%
REVERSIONS	40.0	40.0	-	40.0	40.0	-	40.0	40.0	0.0%
TOTAL RECURRING	5,859.8	5,841.8	(18.0)	6,039.3	6,036.8	(2.4)	6,153.9	6,153.9	1.9%
TOTAL NON-RECURRING*	(0.9)	(0.9)	-	-	-	-	-	-	-100.0%
GRAND TOTAL	5,858.9	5,840.9	(18.0)	6,039.3	6,036.8	(2.4)	6,153.9	6,153.9	1.9%

APPENDIX 3
GENERAL FUND FINANCIAL SUMMARY
Reflecting December 2011 Consensus Revenue Forecast
(Dollars in Millions)

	<u>Preliminary FY2011</u>	<u>Estimated FY2012</u>	<u>Estimated FY2013</u>
APPROPRIATION ACCOUNT			
REVENUE			
Recurring Revenue			
October 2011 consensus forecast	\$ 5,387.9	\$ 5,511.9	\$ 5,679.6
December 2011 revisions	14.5	20.9	8.6
December 2011 Consensus forecast	\$ 5,402.4	\$ 5,532.8	\$ 5,688.2
Nonrecurring Revenue			
December 2011 Consensus forecast	\$ 66.8	\$ 18.3	\$ (3.3)
TOTAL REVENUE	\$ 5,469.2	\$ 5,551.1	\$ 5,684.9
APPROPRIATIONS			
Recurring Appropriations			
Recurring Appropriations	\$ 5,202.8	\$ 5,416.7	\$ 5,431.3
<i>Recurring Appropriations - Feed Bill</i>	8.9	14.6	-
<i>2011 Recurring Appropriation Bills</i>	1.3	-	-
Total Recurring Appropriations	\$ 5,212.9	\$ 5,431.3	\$ 5,431.3
Nonrecurring Appropriations			
2009 & 2010 Nonrecurring Appropriations	\$ 1.1	\$ -	\$ -
Laws 2011, Chapter 1, Nonrecurring Appropriation	\$ 1.5	-	-
<i>2011 Nonrecurring Appropriation Bills</i>	\$ 15.7	\$ -	\$ -
<i>2011 Special Session</i>	-	\$ 5.8	-
Total Nonrecurring Appropriations	\$ 18.3	\$ 5.8	\$ -
TOTAL APPROPRIATIONS	\$ 5,231.2	\$ 5,437.1	\$ 5,431.3
Transfer to(from) Reserves	\$ 238.0	\$ 114.0	\$ 253.6
GENERAL FUND RESERVES			
Beginning Balances	\$ 278.0	\$ 499.4	\$ 598.9
Transfers from (to) Appropriations Account	238.0	114.0	253.6
Revenue and Reversions	58.9	40.1	49.8
Appropriations, expenditures and transfers out	(75.5)	(54.6)	(54.6)
Ending Balances	\$ 499.4	\$ 598.9	\$ 847.7
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>9.6%</i>	<i>11.0%</i>	<i>15.6%</i>

Flat FY13 budget figures shown for illustrative purposes. These figures do not reflect an Executive Budget Recommendation.

APPENDIX 3 (CONTINUED)
GENERAL FUND FINANCIAL SUMMARY
RESERVE DETAIL
(Dollars in Millions)

	Preliminary FY2011	Estimated FY2012	Estimated FY2013
OPERATING RESERVE			
Beginning balance	\$ 36.2	\$ 274.5	\$ 388.5
BOF Emergency Appropriations (net of undibursed)	(1.0)	-	-
BOF Emergency Repayments	1.3	-	-
Transfers from/to appropriation account	238.0	114.0	253.6
Chapter 3, Laws 2009 - SS (HB6)	-	-	-
Ending balance	\$ 274.5	\$ 388.5	\$ 642.1
APPROPRIATION CONTINGENCY FUND			
Beginning balance	\$ 29.6	\$ 5.2	\$ (10.8)
Disaster allotments	(28.8)	(16.0)	(16.0)
Other appropriations	-	-	-
Transfers in	-	-	-
Revenue and reversions	4.3	-	-
Ending Balance	\$ 5.2	\$ (10.8)	\$ (26.8)
Education Lock Box			
Beginning balance	\$ 53.1	\$ 44.6	\$ 44.6
Appropriations (2010 and 2011 GAA Section 5)	(8.5)	-	-
Transfers in(out)	-	-	-
Ending balance	\$ 44.6	\$ 44.6	\$ 44.6
STATE SUPPORT FUND			
Beginning balance	\$ 1.0	\$ 1.0	\$ 1.0
Revenues	\$ -	\$ -	\$ -
Appropriations	\$ -	\$ -	\$ -
Ending balance	\$ 1.0	\$ 1.0	\$ 1.0
TOBACCO PERMANENT FUND			
Beginning balance	\$ 132.0	\$ 148.0	\$ 149.5
Transfers in	38.6	38.6	38.6
Appropriation to tobacco settlement program fund	(19.3)	(19.3)	(19.3)
Gains/Losses	16.0	1.5	11.2
Additional transfers to Program Fund	(19.3)	(19.3)	(19.3)
Ending balance	\$ 148.0	\$ 149.5	\$ 160.7
TAX STABILIZATION RESERVE			
Beginning balance	\$ 26.1	\$ 26.1	\$ 26.1
Transfers in	-	-	-
Chapter 3, Laws 2009 - SS (HB6)	-	-	-
2010 Special Session reserve transfers	-	-	-
2011 Session reserve transfers	-	-	-
Ending balance	\$ 26.1	\$ 26.1	\$ 26.1
GENERAL FUND ENDING BALANCES	\$ 499.4	\$ 598.9	\$ 847.7
Percent of Recurring Appropriations (differences from rounding)	9.6%	11.0%	15.6%

Appendix 4
December 2011 Bond Capacity Estimate

Core Bonding Programs
Sources and Uses of Funds
Bonding Capacity Available for Authorization
December 2011 Estimate

<i>Sources of Funds (millions)</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY15</i>	<i>FY16</i>	<i>FY17</i>
General Obligation Bonds	298.9	-	181.9	-	207.4	688.2
Severance Tax Bonds	187.7	187.7	187.7	187.7	187.7	938.5
Severance Tax Notes	76.5	82.8	82.2	65.2	50.9	357.5
Subtotal Senior STBs	264.2	270.5	269.9	252.9	238.6	1,296.0
Supplemental Severance Tax Bonds	-	-	-	-	-	-
Supplemental Severance Tax Notes	148.7	168.5	182.0	179.5	179.8	858.6
Subtotal Supplemental STBs	148.7	168.5	182.0	179.5	179.8	858.6
Total Sources of Funds	\$711.8	\$439.0	\$633.7	\$432.4	\$625.8	\$2,842.7
<i>Uses of Funds (millions)</i>						
Projects approved by referendum	298.9	-	181.9	-	207.4	688.2
New Statewide Capital Projects	130.3	216.4	215.9	202.3	190.9	955.8
Authorized Projects - Series 2011A-1 and 2011S-C*	67.4	-	-	-	-	67.4
Authorized but Unissued STB Projects*	13.6	-	-	-	-	13.6
10% Water Projects	26.4	27.0	27.0	25.3	23.9	129.6
5% Colonias Projects	13.2	13.5	13.5	12.6	11.9	64.8
5% Tribal Projects	13.2	13.5	13.5	12.6	11.9	64.8
Education Capital	148.7	168.5	182.0	179.5	179.8	858.6
Total Uses of Funds	\$711.8	\$439.0	\$633.7	\$432.4	\$625.8	\$2,842.7
*Reflects projects authorized during the 2011 special session.						