Fiscal Year 2026
Year End Summary

Joint Committee on Appropriations

July 20, 2026

Agenda

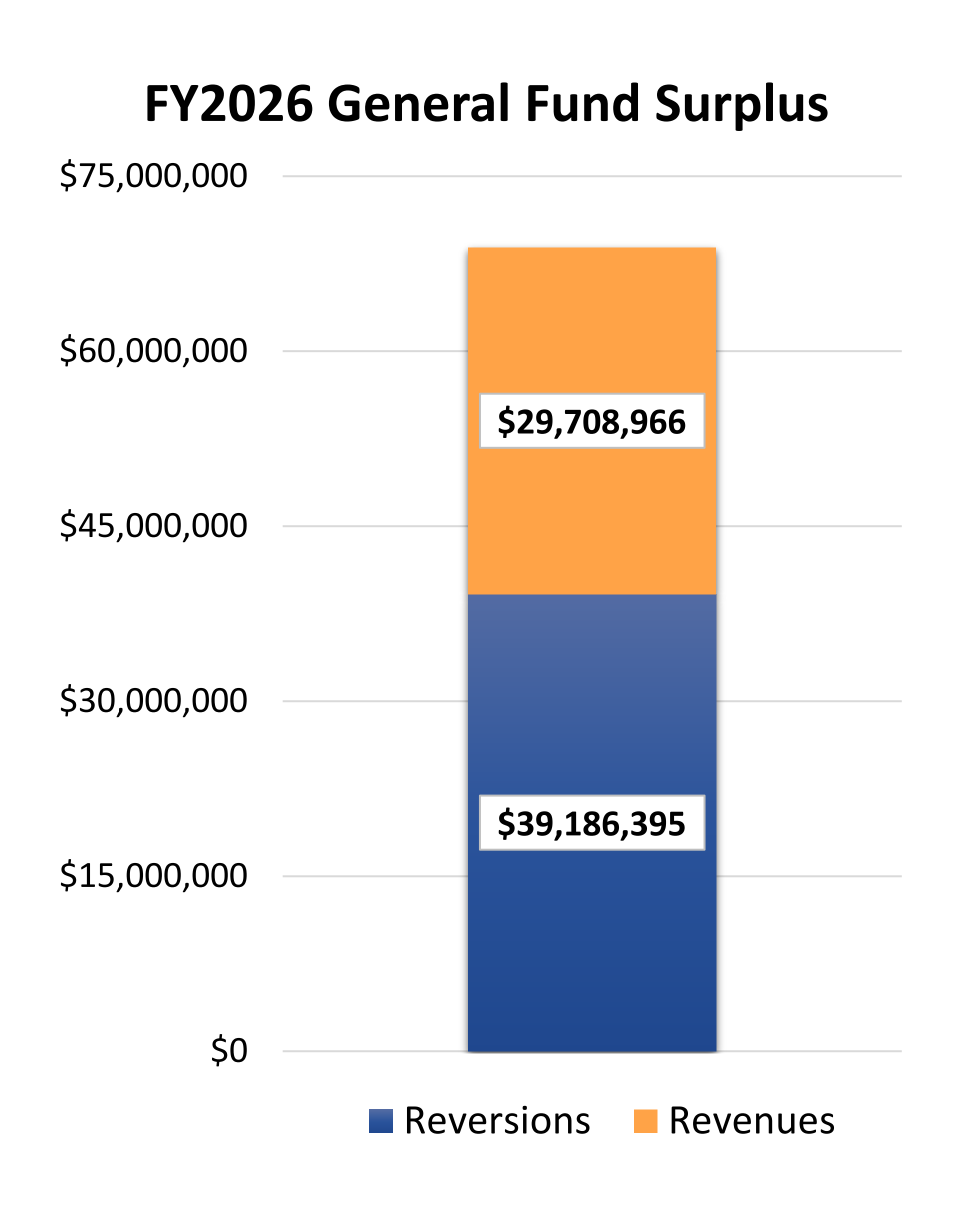
- Year-End Overview
- Revenue Collections
- Budgeted Reversions

Year-End Overview

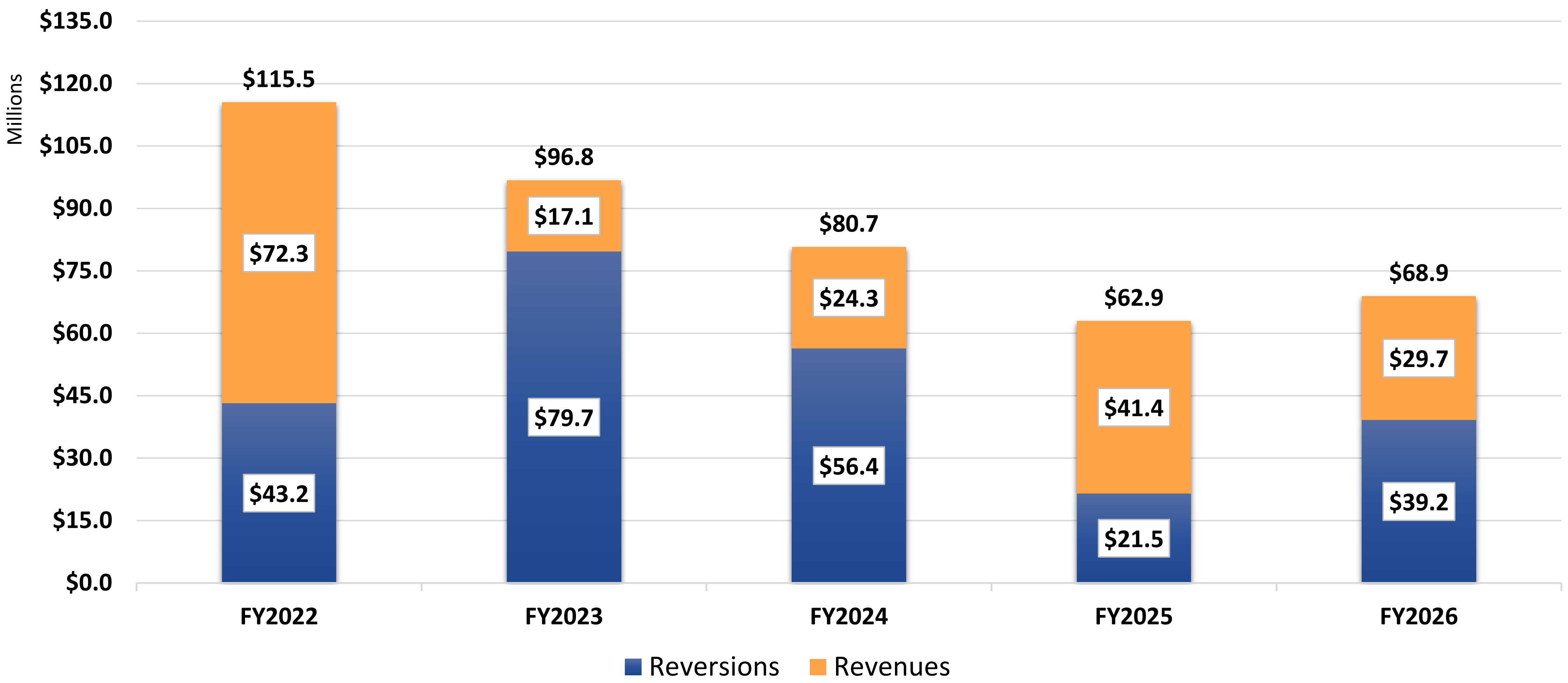
General Fund Year-End Surplus

- Surplus of $68,985,361
  - ✓ $29.7 million - Actual Revenue vs. Budgeted Revenue
  - ✓ $39.2 million - Actual Expenditures vs. Budgeted Expenditures

- State law requires any unobligated funding to be transferred into the State’s reserve funds

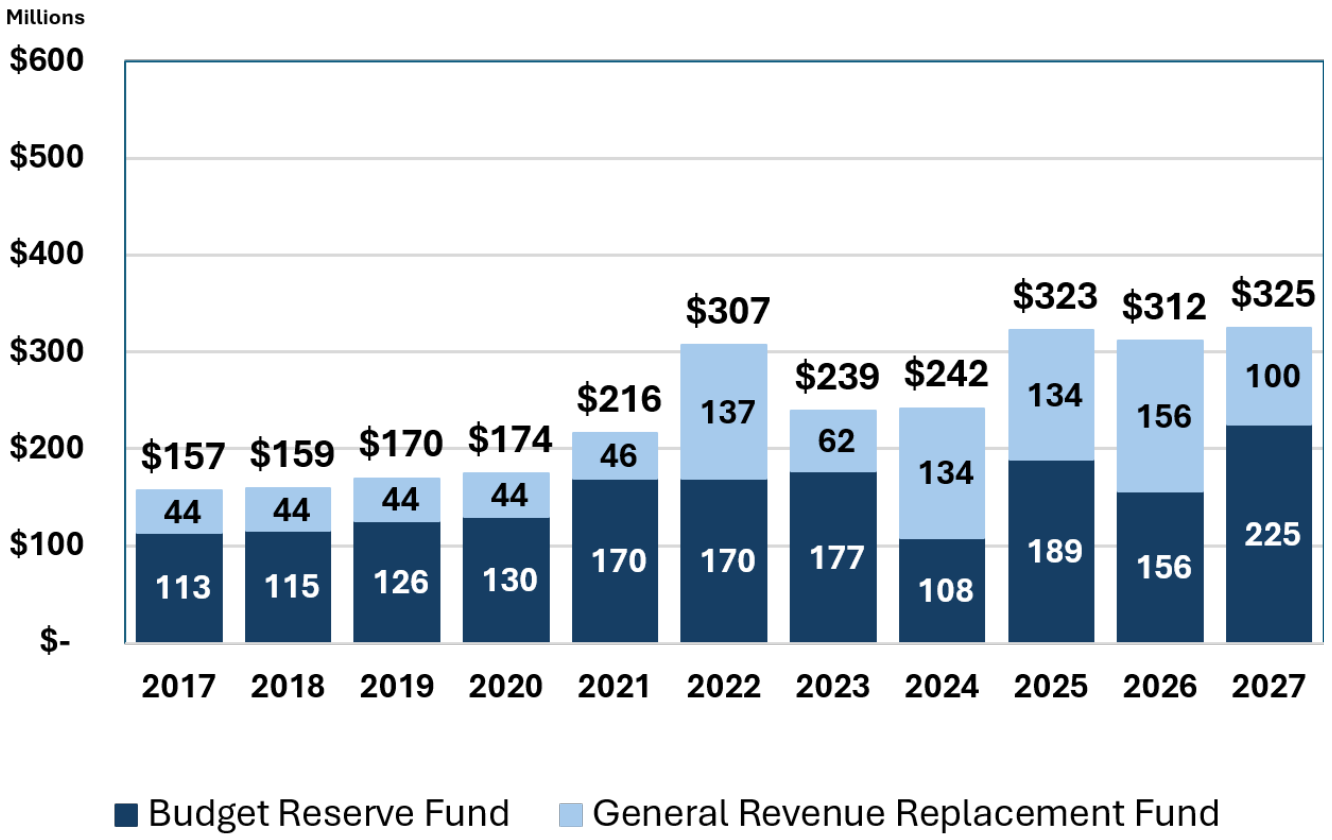


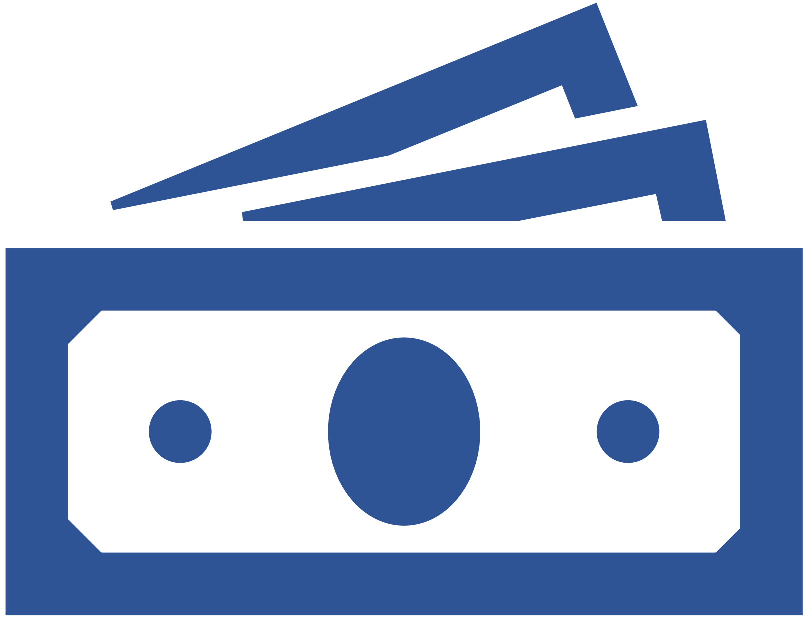
General Fund Year-End History



Rainy Day Funds

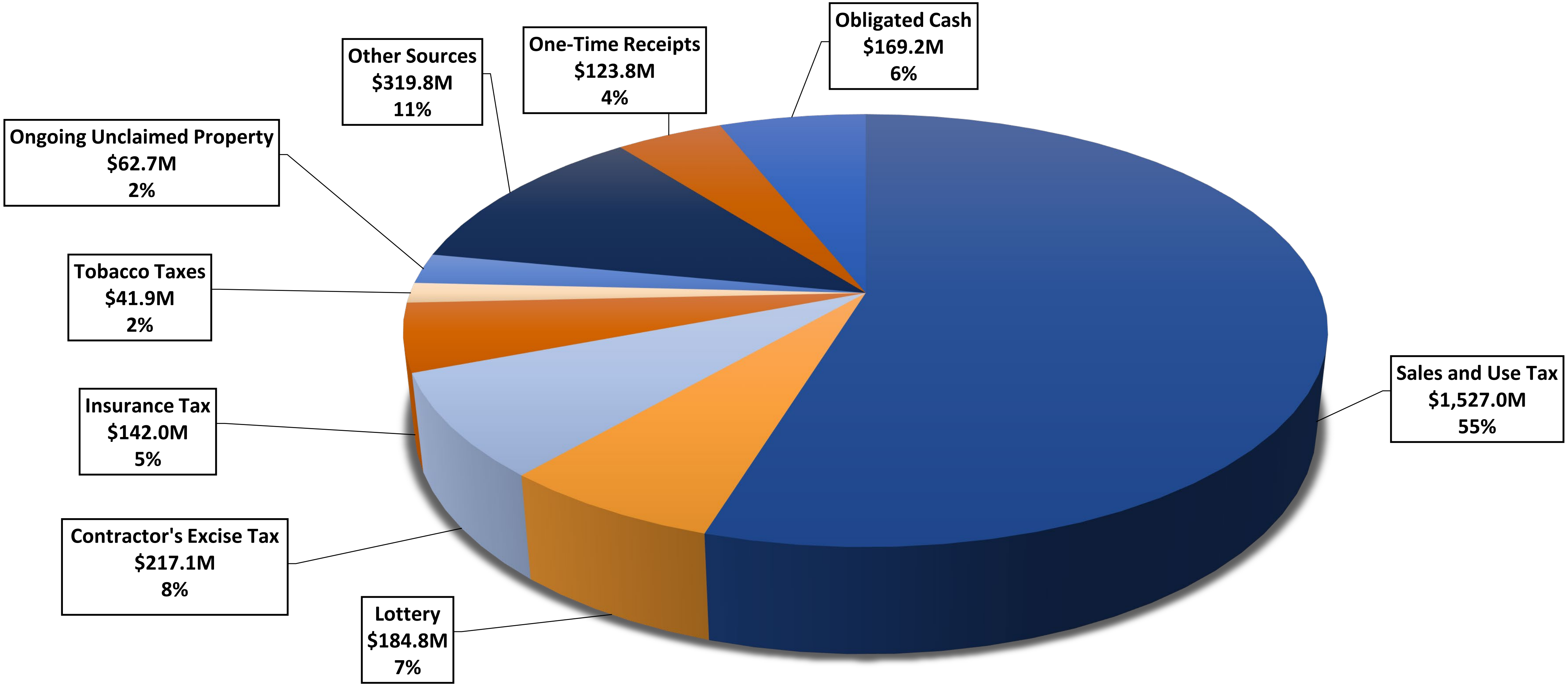
FY2027 includes the $68.9 million surplus and the $55.9 million transfer to the Homeowner Property Tax Reduction Fund on July 1, 2026.





Revenue Collections

Total General Fund Revenue
$2,788,345,910



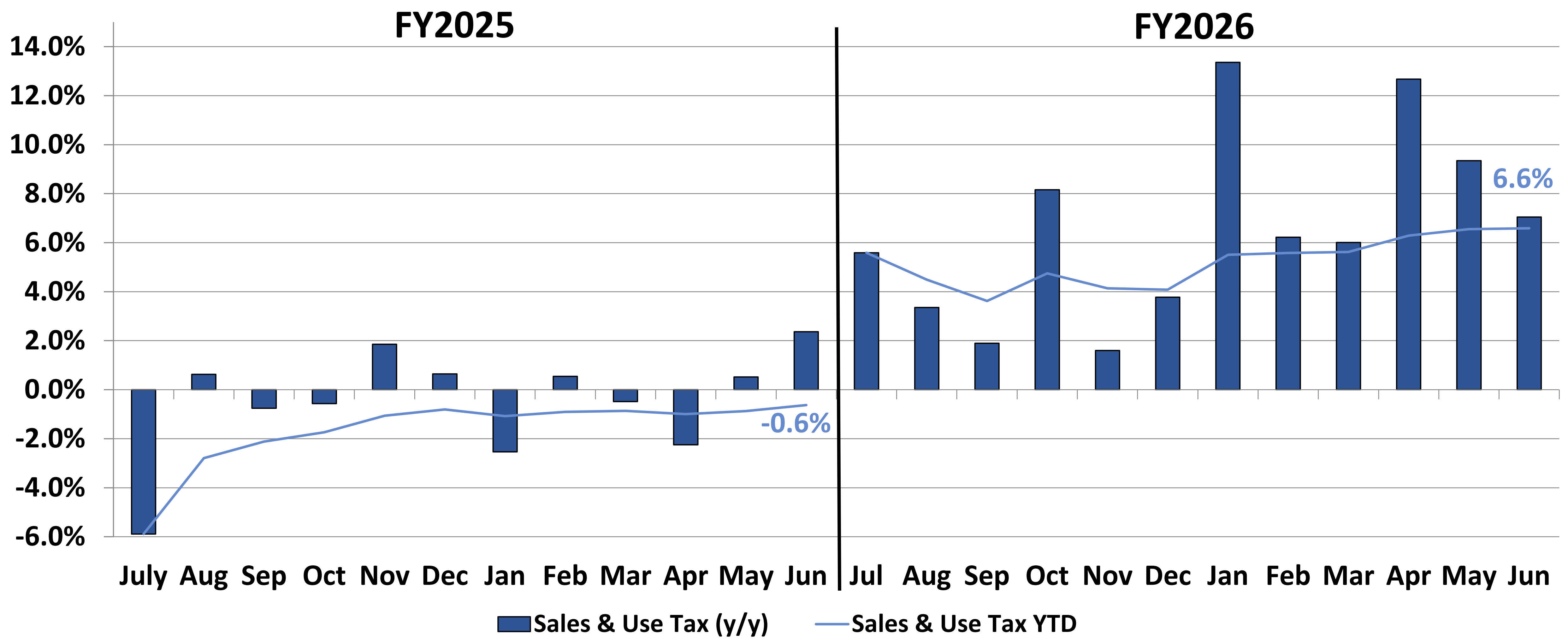
*Totals may not add due to rounding.

General Fund Receipts

Legislative Revised FY2026 vs. Actual FY2026

	LEG REVISED FY2026	ACTUAL FY2026	DOLLAR CHANGE	PERCENT CHANGE
ONGOING RECEIPTS				
Sales and Use Tax	1,509,789,226	1,527,005,026	17,215,800	1.14
Lottery	183,588,379	184,771,439	1,183,060	0.64
Contractor's Excise Tax	217,597,092	217,065,455	(531,637)	(0.24)
Insurance Company Tax	152,947,123	142,019,085	(10,928,038)	(7.14)
Unclaimed Property Receipts	61,384,827	62,741,618	1,356,791	2.21
Licenses, Permits, and Fees	77,064,730	79,357,600	2,292,870	2.98
Tobacco Taxes	42,608,593	41,934,395	(674,198)	(1.58)
Trust Funds	52,387,402	52,387,122	(280)	(0.00)
Net Transfers In	27,996,339	31,434,122	3,437,783	12.28
Alcohol Beverage Tax	8,863,062	8,521,457	(341,605)	(3.85)
Bank Franchise Tax	29,987,599	35,345,706	5,358,107	17.87
Charges for Goods and Services	13,127,959	13,609,800	481,841	3.67
Telecommunications Tax	3,002,749	3,190,014	187,265	6.24
Severance Taxes	23,988,265	20,709,249	(3,279,016)	(13.67)
Investment Income and Interest	72,101,052	72,241,654	140,602	0.20
Alcohol Bev 2% Wholesale Tax	3,137,273	3,025,954	(111,319)	(3.55)
TOTAL (ONGOING RECEIPTS)	$ 2,479,571,670	$ 2,495,359,694	$ 15,788,024	0.64
ONE-TIME RECEIPTS				
Bank Franchise Tax Prior Year Revenue	155,380	1,761,519	1,606,139	1033.68
One-Time Sales and Use Tax	0	4,135,875	4,135,875	N/A
Transfer from Trust Fund for Unclaimed Property	8,212,497	8,212,497	0	0.00
Unexpended Carryovers and Specials	0	8,178,928	8,178,928	N/A
Transfer from Budget Reserves	101,467,624	101,467,624	0	0.00
Obligated Cash Carried Forward	169,229,772	169,229,772	0	0.00
SUBTOTAL (ONE-TIME RECEIPTS)	$ 279,065,273	$ 292,986,215	$ 13,920,942	4.99
GRAND TOTAL	**$ 2,758,636,943**	**$ 2,788,345,910**	**$29,708,966**	**1.08**

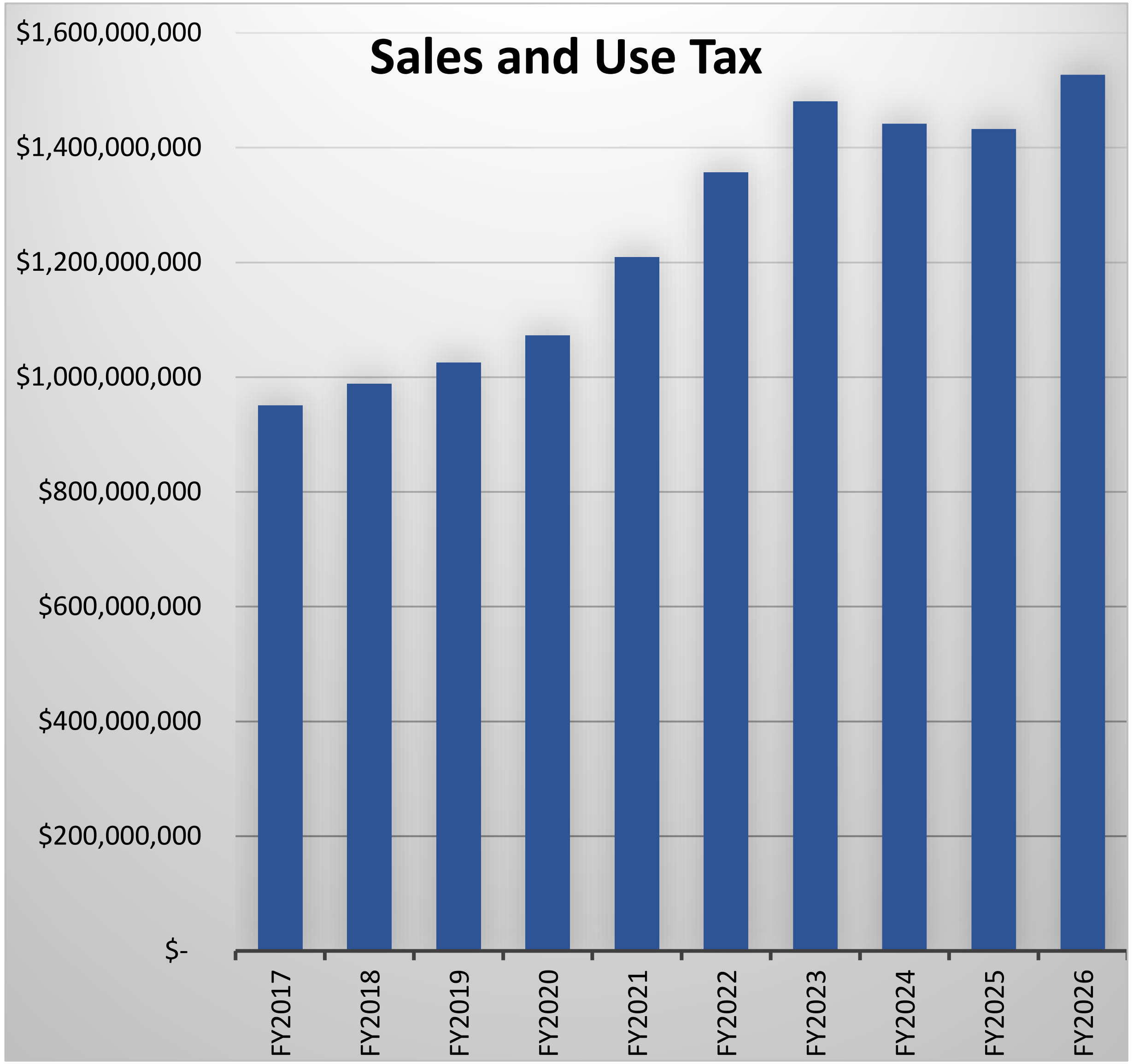
Sales and Use Tax Growth Rates



*Includes cost of administration; excludes one-time receipts.

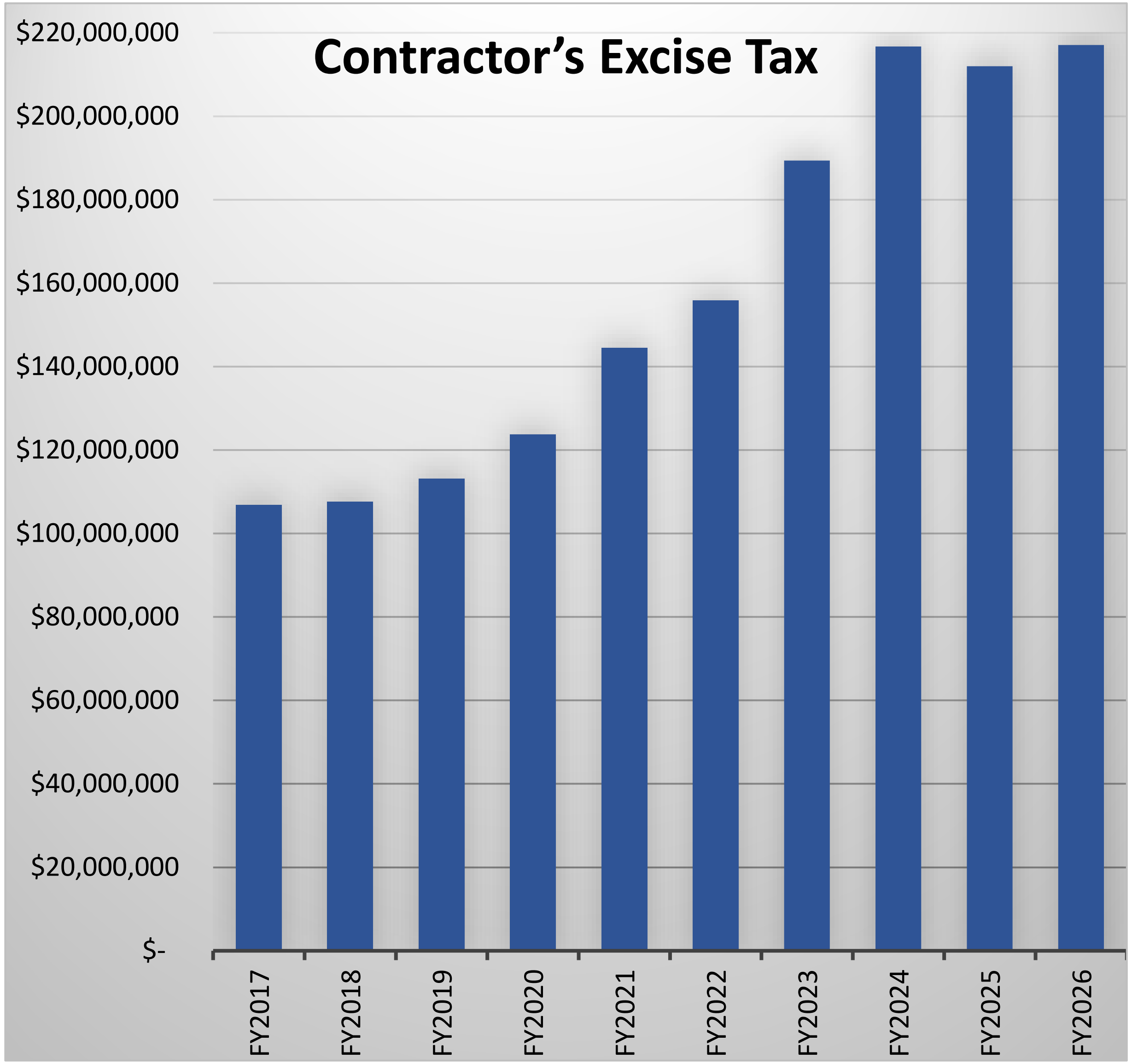
Sales and Use Tax

- Sales and Use Tax finished $17.2M, or 1.1%, above the estimate.
- FY2026 receipts were $94.4M, or 6.6%, greater than FY2025 on an ongoing basis.



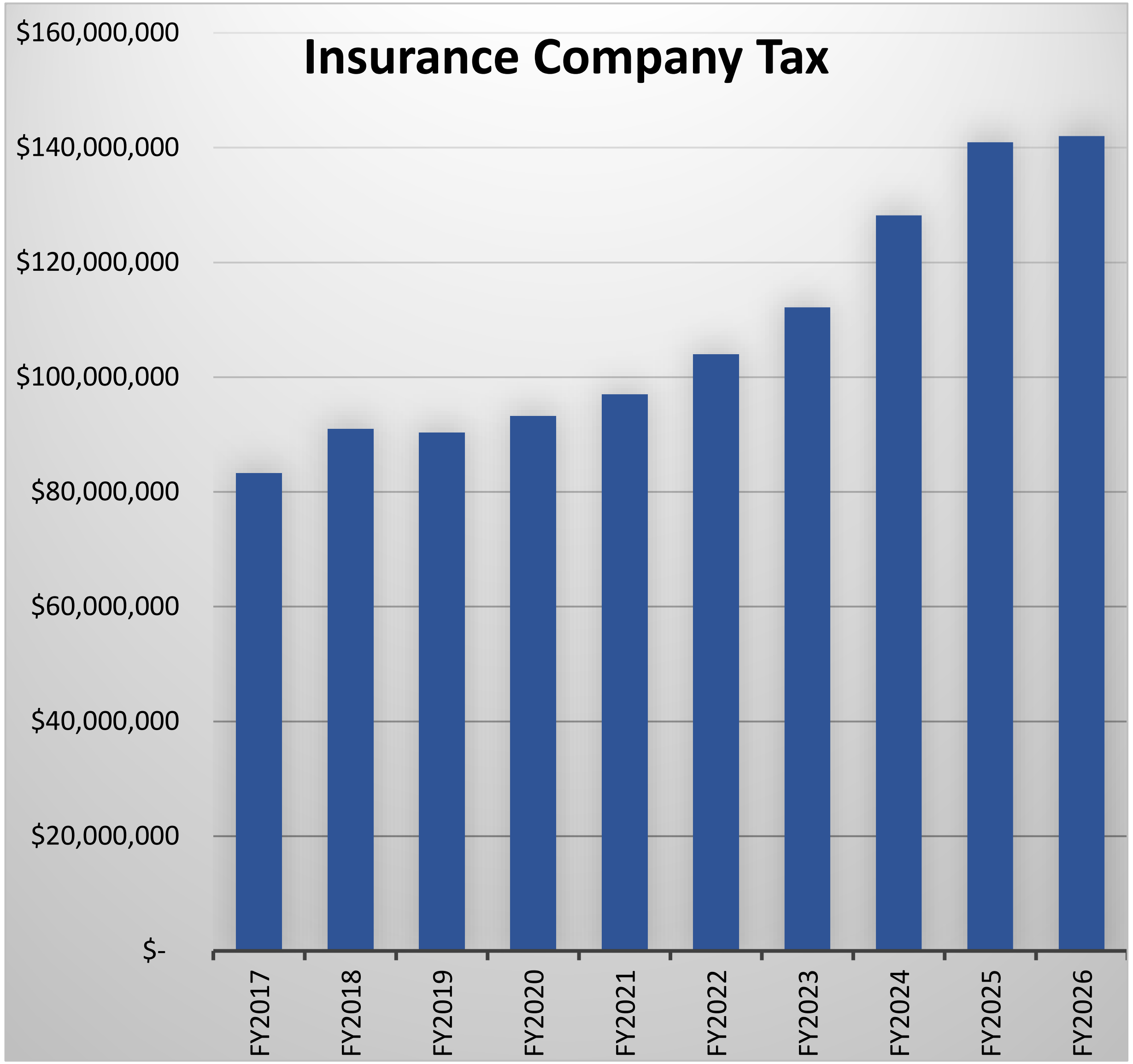
Contractor’s Excise Tax

- Contractor’s Excise Tax finished $0.5M, or 0.2%, below the estimate.
- FY2026 receipts were $5.1M, or 2.4%, more than FY2025.



Insurance Company Tax

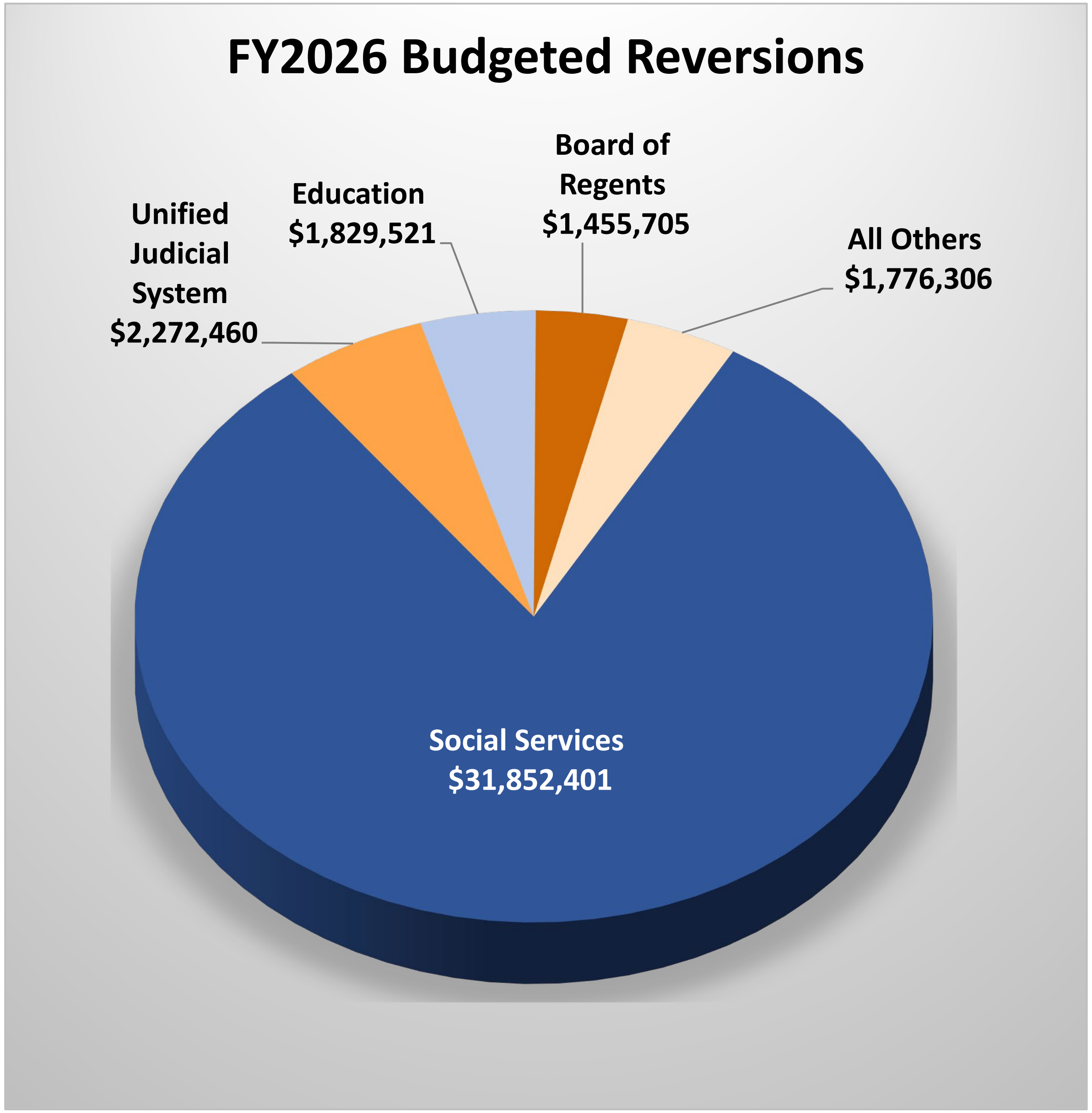
- Insurance Company Tax finished $10.9M, or 7.1%, below the estimate.
- FY2026 receipts were $1.1M, or 0.8%, greater than FY2025.



Budgeted Reversions

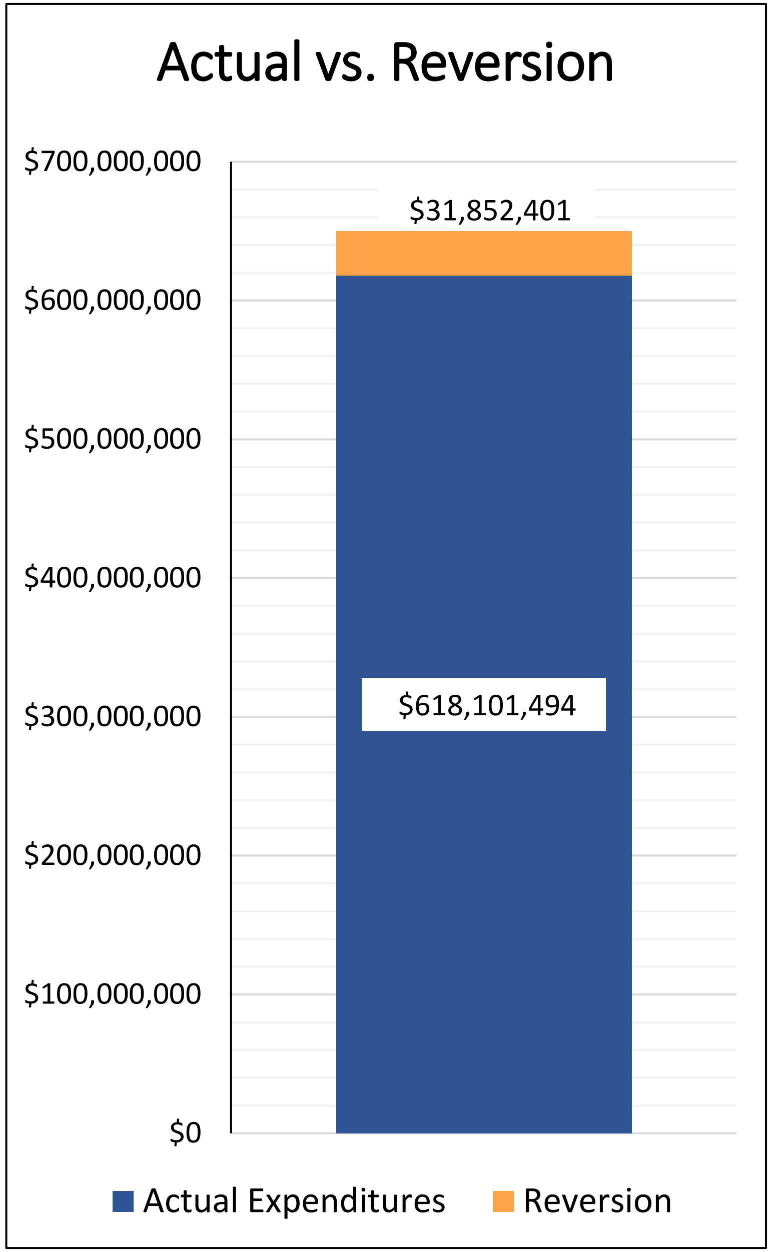
Budgeted Reversions

- General Fund reversions of $39,186,395
  - ✓ Personal Services = $6,358,949
  - ✓ Operating Expenses = $32,827,445
- 1.6% of the state general fund budget
- 95% of reversions are within four agencies
- For a complete list of reversions by agency, visit [bfm.sd.gov](bfm.sd.gov)



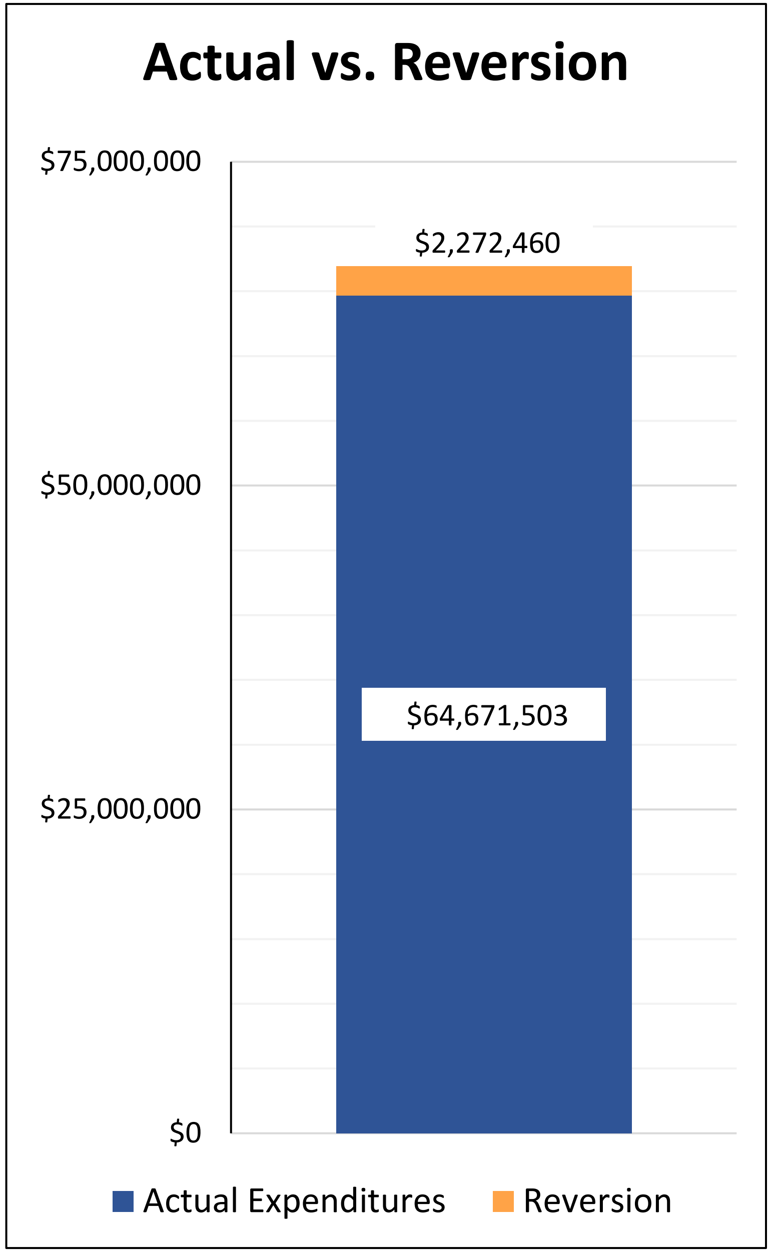
Social Services

- General Fund reversion of $31,852,401
  - ✓ Personal Services: $3,585,544
  - ✓ Operating Expenses: $28,266,857
- 4.9% of the budget
- Lower than anticipated utilization and costs in Medical Services and Children's Services.
- Workforce shortages at HSC and less than anticipated utilization within Community Behavioral Health.



Unified Judicial System

- General Fund reversion of $2,272,460
  - ✓ Unified Judicial System: $1,638,223
  - ✓ Indigent Legal Services: $634,237
- 3.4% of the budget
- UJS - Turnover throughout the year and less Drug/DUI court treatment participants.
- Indigent Legal Services – Continuing to expand services and resources for attorneys statewide.

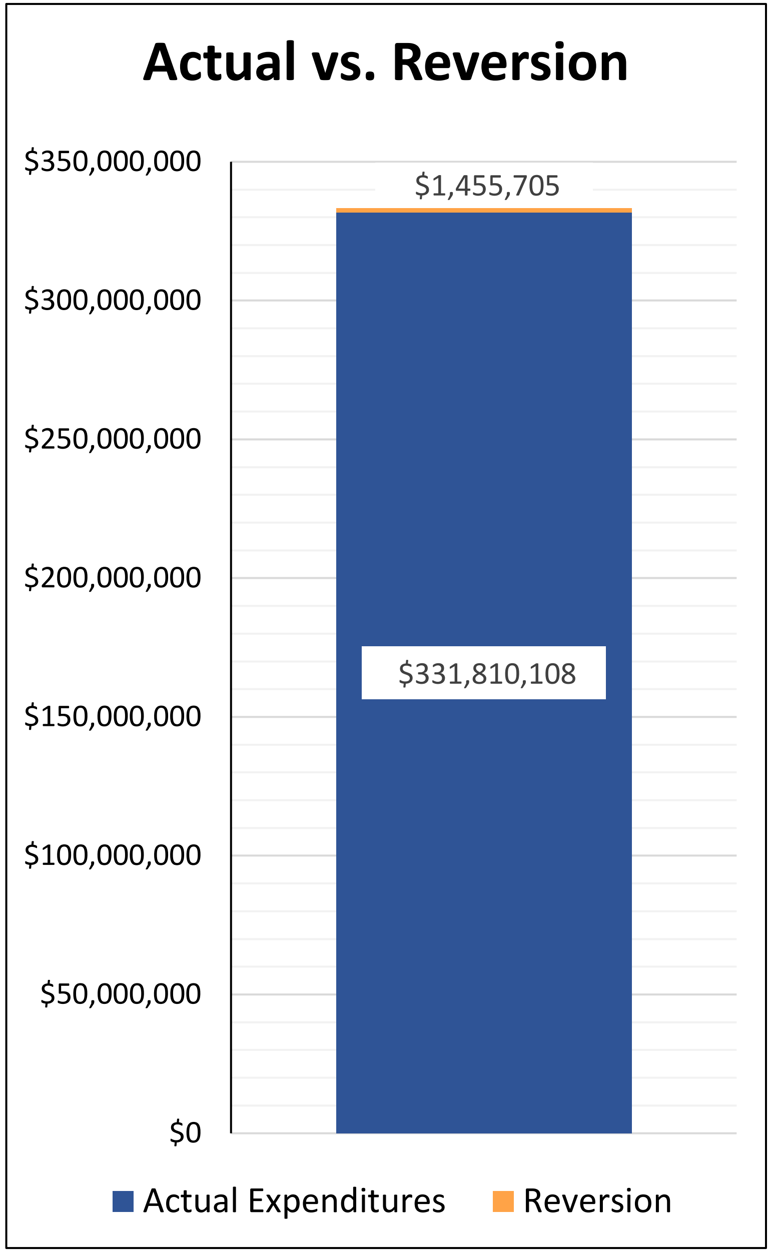


Education

- General Fund reversion of $1,829,521
  - ✓ State Aid: $1,483,265
  - ✓ Department of Education: $289,507
  - ✓ Technical Colleges: $56,750
- 0.2% of the budget
- Primary area of reversion was State Aid to General Education.
- Less than anticipated State Aid enrollments and changes in property valuations.

Board of Regents

- General Fund reversion of $1,455,705
  - ✓ Personal Services: $315,544
  - ✓ Operating Expenses: $1,140,161
- 0.4% of the budget
- Less than anticipated utility expenses at the universities.
- Vacancies at SD School for the Blind and Visually Impaired.



General Fund Reversion by Agency

More information available online at bfm.sd.gov

Department	Appropriation	Reversion	% of Budget
010 - Governor's Office	10,980,173	9,826	0.1%
011 - Finance and Management	1,421,416	1,885	0.1%
012 - Administration and Human Resources	26,091,482	61,115	0.2%
013 - Information and Technology	10,863,777	18,614	0.2%
02 - Revenue	1,604,752	13,321	0.8%
03 - Agriculture and Natural Resources	16,668,340	148,546	0.9%
06 - Game, Fish and Parks	6,245,754	-	0.0%
07 - Tribal Relations	904,074	125,228	13.9%
08 - Social Services	649,953,895	31,852,401	4.9%
09 - Health	15,457,630	-	0.0%
10 - Labor and Regulation	3,772,685	-	0.0%
11 - Transportation	729,132	126,732	17.4%
12 - Education	792,048,744	1,829,521	0.2%
14 - Public Safety	7,983,744	343,115	4.3%
15 - Board of Regents	333,265,813	1,455,705	0.4%
16 - Military	8,447,247	82,303	1.0%
17 - Veteran's Affairs	6,614,654	2,468	0.0%
18 - Corrections	160,395,836	73,350	0.0%
19 - Human Services	333,148,918	17,230	0.0%
26 - Public Utility Commission	764,234	-	0.0%
27 - Unified Judicial System	66,943,963	2,272,460	3.4%
281 - Legislative Research Council	9,566,903	7,191	0.1%
288 - Auditor General	5,987,280	356,181	5.9%
29 - Attorney General	20,424,012	-	0.0%
30 - School and Public Lands	903,910	1	0.0%
31 - Secretary of State	1,637,986	156,363	9.5%
32 - State Treasurer	2,298,244	192,206	8.4%
33 - State Auditor	1,937,695	40,631	2.1%
Total State Government	**2,497,062,293**	**39,186,395**	**1.6%**

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