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July 24, 2025

The Honorable Christian McDaniel, Co-Chairman

The Honorable Jason Petrie, Co-Chairman

Interim Joint Committee on Appropriations and Revenue

Legislative Research Commission

Frankfort, Kentucky 40601

Dear Senator McDaniel, Representative Petrie and Members of the Committee:

This is a report to communicate to the Committee the results of closing the books on fiscal year 2024-2025 for the General Fund and the Road Fund.

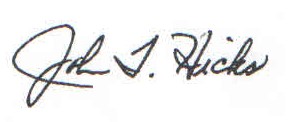
The General Fund surplus is $313,472,507. Pursuant to the General Fund Surplus Expenditure Plan in the 2024-2026 Executive Branch budget bill, Part VII, $62,132,338.73 is used for expenditures in fiscal year 2024-2025 without a sum-specific appropriation amount, known as Necessary Government Expenses, as authorized in Part I of the House Bill 6, and $251,340,168.22 will be deposited into the Budget Reserve Trust Fund, bringing its revised budgeted balance at the end of fiscal year 2025-2026 up to $3,764,123,047, which equates to 24.0 percent of the FY 2025-2026 official revenue estimate.

The $313,472,507 is comprised of $131 million in General Fund revenues more than budgeted, $147 million in net unspent appropriations, and $35 million in more fund transfers than budgeted (all from FEMA reimbursements).

The Road Fund Surplus is $61,645,556, all of which is appropriated to the State Construction Account within the Highways appropriation unit to support the 2024-2026 Biennial Highway Construction Program. The Road Fund surplus is primarily comprised from $38.5 million in Road Fund revenues more than budgeted, $12.8 million in lower Revenue Sharing appropriations based on the motor fuels tax revenues less than budgeted, $8.3 million in unspent appropriations, and $2 million in more fund transfers than budgeted.

If you have any questions, please let me know.

Sincerely,



John T. Hicks

State Budget Director