

Estimated General Fund Investment Income Loss due to "Set Aside" in Proposed Amendment to SF 3266
Dollars in 000s

Calculation of investment income lost:

FY 2023

"set-aside" beginning balance (Feb forecast prior year ending balance minus Greater of \$44 million or expected stadium

168,600

	July	August	September	October	November	December	January	February	March	April	May	June
Estimated End of Month Cash Balance	178,113	187,627	197,140	206,654	216,167	225,681	235,194	244,707	254,221	263,734	273,248	282,761
Estimated ITC earning	62	65	68	71	75	78	81	85	88	91	94	98

FY 23 lost GF investment income : 956

FY 2024

Beginning balance:

282,761

	July	August	September	October	November	December	January	February	March	April	May	June
Estimated End of Month Cash Balance	292,964	302,477	311,991	321,504	331,018	340,531	350,044	359,558	369,071	378,585	388,098	405,196
Estimated ITC earning	101	105	108	111	114	118	121	124	128	131	134	140

FY 24 lost GF investment income: 1,436

FY 2025

Beginning balance:

405,196

	July	August	September	October	November	December	January	February	March	April	May	June
Estimated End of Month Cash Balance	416,148	425,661	435,174	444,688	454,201	463,715	473,228	482,741	492,255	501,768	511,282	536,614
Estimated ITC earning	144	147	150	154	157	160	164	167	170	174	177	186

FY 25 lost GF investment income: 1,950

GRAND TOTAL, FY 2023-2025

4,342

Calculation of "set-aside" balance

	Feb forecast stadium reserve	Greater of \$44 million or expected stadium expenses	Set aside balance
FY 22	212,600	44,000	168,600
FY 23	326,761	44,000	282,761
FY 24	449,427	44,231	405,196
FY 25	581,221	44,607	536,614

Assumptions:

1. The assumed annual return rate is 0.42% and is based on the February forecast rate used to calculate FY 22 general fund investment income. This rate is used in all years for this estimate because MMB practice is to assume investment income levels in forecast years (FY 23-25) at current year levels due to the uncertainty of future budgetary and cash balances.
2. Under current law the stadium reserve is within the general fund and thus any interest earned on stadium reserve cash balances accrue to the general fund bottom line. The proposed amendment would move all stadium reserve cash, with the exception of the greater of \$44 million or expected stadium expenses in a given year, to an account that earns minimal interest.