

**Appendix Table 4 – General Fund Financial Summary**  
**August 2009 Consensus Forecast**  
(Dollars in Millions)

	Audited FY08	Preliminary FY09	Estimated FY10	Estimated FY11
<b>APPROPRIATION ACCOUNT</b>				
<b>REVENUE</b>				
Recurring Revenue, August 2009 Consensus Estimates	6,015.5	5,417.9	5,052.0	5,397.8
Nonrecurring Revenue, August 2009 Consensus Estimates	47.2	425.6	0.0	
<b>TOTAL REVENUE</b>	<b>6,062.6</b>	<b>5,843.4</b>	<b>5,052.0</b>	<b>5,397.8</b>
<b>APPROPRIATIONS</b>				
Recurring Appropriations	5,675.0	6,002.3	5,487.7	5,397.8
Nonrecurring Appropriations	295.1	-43.0	100.0	0.0
<b>TOTAL APPROPRIATIONS</b>	<b>5,970.0</b>	<b>5,959.3</b>	<b>5,587.7</b>	<b>5,397.8</b>
Transfer to/from General Fund Operating Reserve	92.6	-115.9	-535.6	0.0
<b>GENERAL FUND OPERATING RESERVE</b>				
Beginning Balance	156.1	247.2	129.9	-408.0
Appropriations	-1.5	-1.5	-2.3	-2.3
Transfers In Appropriation Account	92.6	0.0	0.0	0.0
Transfers Out Appropriation Account	0.0	-115.9	-535.6	0.0
<b>Ending Balance</b>	<b>247.2</b>	<b>129.9</b>	<b>-408.0</b>	<b>-410.3</b>
Ending Balances as a % of Prior Year Recurring Appropriations	4.8%	2.3%	-6.8%	-7.5%
<b>STATE SUPPORT RESERVE</b>				
Beginning Balance	1.0	1.0	1.0	1.0
<b>Ending Balance</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>
<b>APPROPRIATION CONTINGENCY FUND</b>				
Beginning Balance, Excluding Education Reform	47.7	27.5	9.2	22.5
Expenditures	-26.9	-25.7	-17.0	-16.0
Revenue, Transfers and Reversions	6.7	7.5	30.2	5.2
<b>Ending Balance, Excluding Education Reform</b>	<b>27.5</b>	<b>9.2</b>	<b>22.5</b>	<b>11.7</b>
Education Reform, Beginning Balance	74.9	69.1	19.0	59.0
Transfers In	0.0	0.0	40.0	0.0
Transfers Out	-5.9	-50.0	0.0	
<b>Ending Balance, Education Reform</b>	<b>69.1</b>	<b>19.0</b>	<b>59.0</b>	<b>59.0</b>
<b>Ending Balance</b>	<b>96.6</b>	<b>28.3</b>	<b>81.5</b>	<b>70.8</b>
<b>TAX STABILIZATION RESERVE</b>				
Beginning Balance	254.4	254.4	198.7	198.7
Transfers In	0.0	0.0	0.0	0.0
Transfers Out	0.0	-55.7	0.0	0.0
<b>Ending Balance</b>	<b>254.4</b>	<b>198.7</b>	<b>198.7</b>	<b>198.7</b>
Ending Balances as a Percentage of Prior Year Recurring Appropriations	0.0	0.0	0.0	0.0
<b>TOBACCO SETTLEMENT PERMANENT FUND</b>				
Beginning Balance	116.7	135.9	121.0	126.4
Transfers In, December 2008 Consensus Estimate	44.9	48.6	48.6	48.6
Transfers Out	-22.4	-48.6	-48.6	-24.3
Gains or (Losses)	-3.3	-14.9	5.4	10.4
<b>Ending Balance</b>	<b>135.9</b>	<b>121.0</b>	<b>126.4</b>	<b>161.0</b>
<b>TOTAL BALANCES</b>	<b>735.1</b>	<b>478.8</b>	<b>-0.4</b>	<b>21.2</b>
Reserves as a % of Current-year Recurring Appropriations	13.0%	8.0%	0.0%	0.4%
New Money – recurring				(89.9)
Deficit for current year (Reserving 10% of current year recur. Approps)		(121.5)	(427.7)	
Restricted sub-accounts	62.5%	70.7%		

**Notes to General Fund Financial Summary:**

**"Reserves as a Percentage of Current-year Recurring Appropriations"** is calculated by dividing each year's ending total reserve balance by the total recurring appropriations for that year. E.G. for FY08,  $218.2/6,026.8 = 3.62\%$

**"New Money – recurring"** is calculated by subtracting *previous* year's recurring appropriations from *current* year's recurring revenue. E.G. for FY10,  $5,733.3 - 6,026.8 = 293.5$

**"Deficit for current year (Reserving 10% of current year recur. approps)"** is calculated by subtracting 10% of current year's appropriations from the level of total reserve balance for that year. E.G., for FY09,  $218.2 - 10\% \times 6,026.8 = (384.4)$

**"Nonrecurring subject to appropriation"** is calculated by subtracting total reserve balances for the budget year from 10% of the same year's total recurring revenue. E.G. for FY10,  $225.8 - 10\% \times 5,733.3 = (347.5)$

**"Restricted sub-accounts"** is calculated by summing the final balance for the fiscal year in the "Education Lock-box", the Tax Stabilization Reserve and the Tobacco Settlement Permanent Fund and dividing by the total reserve balances for the fiscal year. E.G., for FY09,  $(67.4 + 254.4 + 131.2) / 218.2 = 207.5\%$

**Further note that the budget for FY10 must be balanced and the Governor and Legislature apparently agree that spending and revenues must result in 10% General Fund reserve balances at the end of FY10.**