

Appendix Table 4: General Fund Financial Summary
Semi-Final -- October 2009 Revenue Estimate (Dollars in Millions)

	Audited	Preliminary	Estimated	Estimated
	FY08	FY09	FY10	FY11
APPROPRIATION ACCOUNT				
REVENUE				
Recurring Revenue, October 2009 Consensus Estimates	6,015.5	5,319.6	4,833.6	5,173.6
Nonrecurring Revenue, October 2009 Consensus Estimates	47.2	425.5	0.0	
TOTAL REVENUE	6,062.6	5,745.1	4,833.6	5,173.6
APPROPRIATIONS				
Recurring Appropriations	5,675.0	6,035.1	5,493.7	5,173.6
Nonrecurring Appropriations	295.1	-81.5	105.7	0.0
TOTAL APPROPRIATIONS	5,970.0	5,953.6	5,599.4	5,173.6
Transfer to/from General Fund Operating Reserve	92.6	-208.5	-765.8	0.0
GENERAL FUND OPERATING RESERVE				
Beginning Balance	156.1	247.2	37.4	-730.7
Reversions				
Appropriations	-1.5	-1.4	-2.3	-2.3
Transfers In Appropriation Account	92.6	0.0	0.0	0.0
Transfers Out Appropriation Account	0.0	-208.5	-765.8	0.0
Internal transfer -- emergency fund				
Ending Balance	247.2	37.4	-730.7	-733.0
Ending Balances as a Percentage of Prior Year Recurring Appropriations	4.8%	0.7%	-12.1%	-13.3%
APPROPRIATION CONTINGENCY FUND				
Beginning Balance, Excluding Education Reform	47.7	27.5	11.5	24.5
Expenditures	-26.9	-24.3	-17.4	-16.0
Revenue, Transfers and Reversions	6.7	8.3	30.3	5.3
Ending Balance, Excluding Education Reform	27.5	11.5	24.5	13.8
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	0.0
Ending Balance, Education Reform	69.1	19.0	59.0	59.0
Ending Balance	96.6	30.6	83.5	72.9
TAX STABILIZATION RESERVE				
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
Ending Balance	254.4	198.7	198.7	198.7
Ending Balances as a Percentage of Prior Year Recurring Appropriations	0.0	0.0	0.0	0.0
TOBACCO SETTLEMENT PERMANENT FUND				
Beginning Balance	116.7	135.9	121.0	130.9
Transfers In, December 2008 Consensus Estimate	44.9	48.9	45.5	44.6
Transfers Out	-22.4	-48.9	-45.5	-22.3
Gains or (Losses)	-3.3	-14.9	9.9	10.7
Ending Balance	135.9	121.0	130.9	163.9
TOTAL BALANCES	735.1	388.6	-316.7	-296.6
Reserves as a Percentage of Current-year Recurring Appropriations	13.0%	6.4%	-5.8%	-5.7%
Deficit (Reserving 10% of current year recur. Approps)		(214.9)	(866.0)	(813.9)
Deficit (Reserving 8% of current year recur. Approps)		(94.2)	(756.2)	(710.5)
Deficit (Reserving 6% of current year recur. Approps)		26.5	(646.3)	(607.0)

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 FY09, $475.5/6,002.3 = 7.9\%$

"New Money -- recurring" is calculated by subtracting *previous* year's recurring appropriations from *current* year's recurring revenue. E.G. for FY11, $5,397.8 - 5,487.7 = (89.9)$

"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, $475.5 - 10\% \times 6,002.3 = (124.7)$. Similarly, for FY10, $(-4.0 + 124.7) - 10\% \times 5,487.7 = (428.0)$

"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 Lockbox", the Tax Stabilization Reserve and the Tobacco Settlement Permanent Fund and dividing by the total reserve balances for the fiscal year. E.G., for FY08, $(19.0 + 198.7 + 121.0) / 475.5 = 71.2\%$.

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.

Appropriation Account, Nonrecurring Appropriations:

FY05 includes \$8.9 million from the General Appropriation Act of 2004; \$69.813 million HB2, \$7.429 million SB190, \$238.592 million HB885.

FY06 includes \$0.06 million from the General Appropriation Act of 2005 (Laws 2005, Chapter 33, Item 43); \$0.817 million from SB 190 (Laws 2005, Chapter 34); \$0.2562 million from HB901 (Laws 2005, Chapter 284); \$37.5 million for LIHEAP (Laws 2005 (1st SS), Chapter 2); \$158.6 million from the General Appropriation Act of 2006 (Laws 2006, Chapter 109, Sections 5 and 6); \$4.3 million from HB1 (Laws 2006, Chapter 1); and \$454.6 million from HB622 (Laws 2006, Chapter 111).

FY07 includes \$68.6809 million from the General Appropriation Act of 2006 (Laws 2006, Chapter 109); and \$0.2835 million from HB337 for judgeships (Laws 2006, Chapter 99, Sections 5 and 12); \$2.093 million from the "Junior" bill (Laws 2006, Chapter 110); and \$743.411 million from various bills from the Laws of 2007.

FY08 includes \$15 million water trust fund transfer from General Appropriation Act of 2007 (Laws 2007, Chapter 28); \$8 million for development training programs (Laws 2007, Chapter 363), \$0.188 million for judgeships (Laws 2007, Chapter 140), \$12 million for faculty endowments (Laws 2007, Chapter 364), \$3.2153 million for breast cancer research (Laws 2007, Chapter 26), \$10.7676 million from the "Junior" bill (Laws 2007, Chapter 21), \$118.3488 million from Sections 4, 5 and 6 of the General Appropriation Act of 2008 (Laws 2008, Chapter 3), \$5.8982 million for expenses of the Legislature (Laws 2008, Chapter 1), and \$121.4613 million for capital outlay (Laws 2008, Chapter 92).

Fiscal Year 2009 includes \$18.8 million from the General Appropriation Act of 2008 (Laws 2008, Chapter 3); \$0.5 million from HB140 (Laws 2008, Chapter 78); \$8.5 million from SB 165 (Laws 2008, Chapter 6); \$1.5 million from SB 471 (Laws 2008, Chapter 92); and \$45.8 million from Special Session Laws 2008, Chapters 3-10; \$8.3 million for expenses of the Legislature (Laws 2009, Chapter 1); \$(90.2) million from HB 9 (Laws 2009, Chapter 5); \$(139.3) million from HB 10 (Laws 2009, Chapter 2), \$(28.1) million from SB79 (Laws, 2009, Chapter 3); \$41.6 million from the General Appropriation Act of 2009 (Laws 2009, Chapter 124, Sections 5 and 6); and \$0.2 million from HB 85 (Laws 2009, Chapter 94).

FY10 includes \$100 million transferred to various funds (Laws 2009, Chapter 124, Section 12).

General Fund Operating Reserve Appropriations:

FY04 includes \$0.434 million for BOF Emergency Fund, \$18.911 million for capital outlay (Laws 2004, Chapter 126), \$5.0 million for Economic Development Department for X-Prize (Laws 2004, Chapter 114, Section 5), \$1.5 million for Economic Development Department for X-Prize (Laws 2001, Chapter 64, Section 6), and \$0.972 to New Mexico State University.

FY05 includes \$1.144 million for BOF Emergency Fund and \$1.5 million contingency for corrections.

FY06 includes \$1.5 million for BOF Emergency Fund (Laws 2005, Chapter 33, Section 4, Subsection C); and \$0.2774 million for the Corrections Department (Laws 2005, Chapter 33, Section 4, Subsection G).

FY07 includes \$1.533 million for BOF Emergency Fund (Laws 2006, Chapter 109), \$0.7 million contingency for water litigation (Laws 2002, Chapter 4 (1st E.S.) as reauthorized by Laws 2006, Chapter 109); and \$8.6 million contingency for the spaceport (Laws 1998 (1st SS), Chapter 13, Laws 1998 (1st SS), Chapter 11 and Laws 2005, Chapter 347, Section 173).

FY08 includes \$1.5 million for BOF Emergency Fund.

FY09 includes \$1.5 million for BOF Emergency Fund.

FY10 includes \$2.25 million for BOF Emergency Fund.

Year-ending Balances in the Operating Reserve:

Annually, if the balance in the General Fund Operating Reserve exceeds 8% of the previous year's recurring appropriations, the excess over 8% is transferred to the Tax Stabilization Reserve.

FY06 -- On the date the excess over 8.0% was calculated, \$8.73 million in FY07 activity in the General Fund Operating Reserve had been recorded. The transfer of \$121,303,940 from the Operating Reserve to the Tax Stabilization Reserve brought the balance in the Operating Reserve to 8.2% as of the end of FY06, but to 8.0% on the date of the transfer.

State Support Reserve (See Section 22-8-31 NMSA 1978):

FY07 includes \$1 million transfer from the Appropriation Account (Laws 2007, Chapter 28, Section 5).

Appropriation Contingency Fund Appropriations:

FY05 includes \$8.113 million for disasters, \$0.548 million for the Secretary of State (Laws 2004, Chapter 114, Section 5, Item 28), \$0.63 million for the Department of Public Safety (Laws 2004, Chapter 114, Section 5, Subsection G), \$5.0 million to Public Education Department for emergency supplemental funds to public schools (Laws 2005, Chapter 33, Section 5, Item 109). Education Reform Initiatives include \$14.65 million to Public Education Department (Laws 2005, Chapter 33, Section 5 Subsection 5, Items 104, 105, 106, & 128). Includes reversions of \$6.664 million for federal reimbursements for fire season 2003-2005.

FY06 includes \$13.309 million for disaster allotments and \$0.525 million to Department of Public Safety for criminal background check contingency (Laws 2005, Chapter 33, Section 4 Subsection G). \$4.5 million for Interstate Stream Commission (ISC) for land and water rights for augmentation; \$4.5 million to ISC for augmentation services (Laws 2006, Chapter 111); and \$25.522 million for Public Education Reform.

FY07 includes \$18.161 million for disaster allotments; \$2.0 million for DOH Behavioral Health Services Program (Laws 2006, Chapter 109); \$1.9125 million for Santa Fe Community College (Laws 2006, Chapter 109); \$4.9 million to PED for education reform initiatives (Laws 2007, Chapter 28); \$0.750 million contingency to Corrections Department (Laws 2005, Chapter 33, Section 4) for FY06; and \$9 million appropriation reduction prior period adjustment for water rights appropriations (Laws 2006, Chapter 111, Sec 78 (HB 622)).

FY08 includes \$17.9 million for disaster allotments; \$9 million contingency appropriation for water rights appropriations (Laws 2006, Chapter 111, Sec 78 (HB 622; see prior period adjustment in FY07); \$7.527 million for education reform appropriations from the General Appropriation Act of 2008 (Laws 2008, Chapter 3, Section 5); and \$1.65 million deleted from FY08 and added to FY09 for an unexpended appropriation from education reform for a PED IT system.

FY09 includes \$16 million for disaster allotments; and \$13 million contingency for PED (Laws 2008, Chapter 3, Section 5, Item 98); \$35.7536 million for the State Equalization Guarantee (Laws 2009, Chapter 3, Section 9); and \$12.6 million for education reform appropriations from the General Appropriation Act of 2009 (Laws 2009, Chapter 124, Section 5); and \$1.65 million deleted from FY08 and added to FY09 for an unexpended appropriation from education reform for a PED IT system.

FY10 includes \$16 million for disaster allotments; \$1 million contingency appropriation for the Department of Public Safety (Laws 2009, Chapter 124, Section 4); \$25 million transferred from the general fund for general purposes (Laws 2009, Chapter 124); and \$40 million transferred from the Appropriation Account for education reform (Laws 2009, Chapter 124).

Year-ending Balances in the Tax Stabilization Reserve:

Annually, if the balance in the Tax Stabilization Reserve exceeds 6.0% of the previous year's recurring appropriations, the excess over 6% is transferred to the Taxpayer's Dividend Fund.

FY06 -- \$121.3 million was transferred from the General Fund Operating Reserve, the excess in that fund of 8% of prior year recurring appropriations prior to the date of the transfer.

FY06 -- if the transfer of amounts in excess over 8.0% in the Operating Reserve had been done as of the end of FY06, the transfer would have been \$130,033,940 -- \$8,730,000 more than the actual transfer calculated in December 2006. However, even if the transfer had been calculated earlier, the balance in the Tax Stabilization reserve would have been 5.996% of prior year's recurring appropriation. There would not have been a sequential transfer of any excess in the Tax Stabilization Reserve to the Taxpayer's Dividend Fund.

Fiscal Year 2009 includes \$55.7 million transfer from the Tax Stabilization Reserve into the Appropriation Account (Laws 2009, Chapter 3).

Tobacco Settlement Permanent Fund Reserve established (see Laws 2003, Chapter 312).

Fiscal Year 2009 -- an additional \$22.4 million was transferred from the Tobacco Settlement Permanent Fund Reserve to the Tobacco Settlement Program Fund (Laws 2009, Chapter 3)

Fiscal Year 2010 includes amendments to tobacco statutes that transfer the second half of annual payment to the Tobacco Settlement Program Fund for appropriation to Medicaid (Laws 2009, Chapter 3).