

GENERAL FUND STATUS: **FISCAL 2007 ACTUAL / 2009 BIENNIUM PROJECTED**

A Report Prepared for the
Revenue and Transportation Interim Committee

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INTRODUCTION

The purpose of this report is to provide the committee with preliminary fiscal 2007 ending fund balance data for the general fund account. Although the revenue and disbursement data for the account have been finalized on the Statewide Accounting, Budgeting, and Human Resource System (SABHRS), the Generally Accepted Accounting Principles (GAAP) balance shown in this report reflects only the adjustments made to date by the Department of Administration (DOA). The general fund account has not yet been audited by the Legislative Auditor, as the audited balance is normally finalized in late fall.

This report provides a comparison between budgeted data as developed by the 60th Legislature and what actually occurred in fiscal 2007. It also provides aggregate information on revenue estimates and collections, disbursements and reversions, and an updated fund balance statement for the 2009 biennium including actions by the September 2007 Special Legislative Session. A more detailed analysis on revenue trends and the implications for the current biennium will be undertaken later this fall when tax return data for calendar 2006 becomes available.

FUND BALANCE DISCUSSION

The general fund account GAAP balance at the end of fiscal 2007 was projected to be \$458.9 million. This estimate was based on House Joint Resolution 2 (HJ 2) revenue estimates (60th Regular Legislative Session) and disbursement budgets adopted during the 60th regular and May special legislative sessions¹. Total revenues were expected to be greater than total disbursements by approximately \$36.9 million.

As shown in Figure 1, the preliminary general fund account unreserved, undesignated balance for fiscal year 2007 was \$543.5 million, or \$84.6 million above the level anticipated by the 60th Legislature. Figure 1 also shows the differences between budgeted and actual amounts for aggregate revenues, disbursements, and other adjustments.

It should be noted that the preliminary general fund balance for fiscal 2007 shown in Figure 1 does not include the impacts of the fiscal policy “triggers” enacted during the May Special Legislative Session. The impacts of these triggers are shown in the 2009 biennium section of the report. Figure 1 also does not include an accounting coding error that occurred during fiscal 2007. This error has been corrected and will be included in the fiscal 2008 records.

Figure 1

General Fund Account				
Fiscal 2007 Budgeted Versus Actual				
Fund Balance Detail				
	Budgeted Amount *	Actual Fiscal 2007	Over (Under) Estimate	Diff. Percent
Beginning Balance	\$422,211,000	422,210,662	(\$338)	0.00%
General Fund Receipts	1,768,657,000	1,829,871,817	61,214,817	3.46%
Residual Equity Transfers	0	0	0	na
Total Revenue	\$1,768,657,000	\$1,829,871,817	\$61,214,817	3.46%
General Fund Disbursements	1,731,709,000	1,700,773,486	(\$30,935,514)	-1.79%
Non-Budgeted Disbursements	0	0	0	na
Total Disbursements	\$1,731,709,000	\$1,700,773,486	(\$30,935,514)	-1.79%
Prior Year Rev. Adjustments	9,897,000	6,430,868	(3,466,132)	-35.02%
Prior Year Exp. Adjustments	(10,150,000)	(12,676,530)	(2,526,530)	24.89%
Other Adjustments	37,000	(1,521,462)	(1,558,462)	-4212.06%
Total Adjustments	(\$216,000)	(\$7,767,124)	(\$7,551,124)	3495.89%
Ending Balance (Preliminary)	\$458,943,000	\$543,541,869	\$84,598,869	18.43%

* Legislative Fiscal Report, Special Session May 2007

¹Legislative Fiscal Report, May 2007 Special Legislative Session

REASONS FOR DIFFERENCES

REVENUE ESTIMATES AND COLLECTIONS

Column 2 of Figure 2 shows the fiscal 2007 revenue estimates for the general fund account as shown in HJ 2 during the 2007 regular legislative session including adjustments for enacted legislation. The adjacent columns in the table show actual collections, the amount collections were over or (under) the estimate, the percent difference, and the contribution percent. The contribution percent signifies the importance of each revenue component to the general fund account. For example, individual income taxes were 45.0 percent of the total general fund collections, while wine taxes accounted for only 0.10 percent during fiscal 2007. This column of information shows that about 71.4 percent of general fund revenue collections in fiscal 2007 came from individual (45.0%), property (10.4%), vehicle (6.3%), and corporate (9.7%) taxes.

Figure 2

General Fund Receipts By Major Component					
Fiscal 2007					
Revenue Category	Estimated 2007 Receipts *	Actual 2007 Receipts	Over(Under) Estimate	Percent Difference	Contribution Percent
GF0100 Drivers License Fee	\$3,918,000	\$4,607,782	\$689,782	17.61%	0.25%
GF0200 Insurance Tax	60,241,000	61,074,266	833,266	1.38%	3.33%
GF0300 Investment Licenses	6,002,000	6,094,835	92,835	1.55%	0.33%
GFxxxx Vehicle Fee/Tax	117,086,000	116,454,885	(631,115)	-0.54%	6.34%
GF0600 Nursing Facilities Fee	5,814,000	5,712,071	(101,929)	-1.75%	0.31%
GF0700 Beer Tax	2,922,000	3,034,266	112,266	3.84%	0.17%
GF0800 Cigarette Tax	34,516,000	35,829,932	1,313,932	3.81%	1.95%
GF0900 Coal Severance Tax	9,813,000	10,919,266	1,106,266	11.27%	0.59%
GF1000 Corporation Tax	161,057,000	177,503,707	16,446,707	10.21%	9.67%
GF1100 Electrical Energy Tax	4,698,000	4,564,404	(133,596)	-2.84%	0.25%
GF1150 Wholesale Energy Trans Tax	3,814,000	3,651,024	(162,976)	-4.27%	0.20%
GF1200 Railroad Car Tax	1,631,000	1,614,509	(16,491)	-1.01%	0.09%
GF1300 Individual Income Tax	793,847,000	827,145,498	33,298,498	4.19%	45.04%
GF1400 Inheritance Tax	706,000	838,865	132,865	18.82%	0.05%
GF1500 Metal Mines Tax	9,048,000	8,991,415	(56,585)	-0.63%	0.49%
GF1700 Oil Severance Tax	86,241,000	96,334,992	10,093,992	11.70%	5.25%
GF1800 Public Contractor's Tax	3,883,000	5,566,958	1,683,958	43.37%	0.30%
GF1850 Rental Car Sales Tax	2,875,000	2,976,235	101,235	3.52%	0.16%
GFxxxx Property Tax	192,084,000	190,981,940	(1,102,060)	-0.57%	10.40%
GF2150 Lodging Facilities Sales Tax	11,290,000	12,916,075	1,626,075	14.40%	0.70%
GF2250 Retail Telecom Excise Tax	21,255,000	21,065,843	(189,157)	-0.89%	1.15%
GF2300 Tobacco Tax	4,401,000	4,669,627	268,627	6.10%	0.25%
GF2400 Video Gaming Tax	59,871,000	60,641,063	770,063	1.29%	3.30%
GF2500 Wine Tax	1,705,000	1,774,838	69,838	4.10%	0.10%
GF2600 Institution Reimbursements	11,451,000	10,669,017	(781,984)	-6.83%	0.58%
GF2650 Highway Patrol Fines	4,926,000	4,155,144	(770,856)	-15.65%	0.23%
GF2700 TCA Interest Earnings	27,482,000	33,951,447	6,469,447	23.54%	1.85%
GF2900 Liquor Excise Tax	13,639,000	13,981,692	342,692	2.51%	0.76%
GF3000 Liquor Profits	7,593,000	8,200,000	607,000	7.99%	0.45%
GF3100 Coal Trust Interest Earnings	29,959,000	32,334,879	2,375,879	7.93%	1.76%
GF3300 Lottery Profits	8,345,000	11,420,242	3,075,242	36.85%	0.62%
GF3450 Tobacco Settlement	2,822,000	2,861,266	39,266	1.39%	0.16%
GF3500 U.S. Mineral Leasing	28,680,000	28,220,719	(459,281)	-1.60%	1.54%
GF3600 All Other Revenue	35,042,000	19,113,116	(15,928,884)	-45.46%	1.04%
Total Current Year Revenue	\$1,768,657,000	\$1,829,871,817	\$61,214,817	3.46%	99.65%
Prior Year Adjustments	9,897,000	6,430,868	(3,466,132)	-35.02%	0.35%
Residual Equity Transfers	0	0	0		0.00%
Total Revenue	\$1,778,554,000	\$1,836,302,685	\$57,748,685	3.25%	100.00%

* House Joint Resolution 2 Regular Session revenue estimates as adjusted for enacted legislation.

At the bottom of Figure 2, prior year adjustments and residual equity transfers are shown, providing a complete picture of the total revenue flow to the account.

Figure 3 shows aggregate revenue estimates and collections for the general fund account. The 60th Legislature used a total fiscal 2007 general fund account revenue estimate of \$1,768.7 million. The Legislature assumed prior year revenue adjustments of \$9.9 million but did not anticipate any residual equity transfers. Total collections (including adjustments and transfers) were \$1,836.3 million or \$57.7 million (3.2 percent) above the estimated amounts.

Figure 3
General Fund Revenue Recap
Fiscal 2007

Account	Revenue Category	Estimated Receipts	Fiscal 2007 Receipts	Over (Under) Estimate	Diff. Percent
01100	General Fund Receipts*	\$1,768,657,000	\$1,829,871,817	\$61,214,817	3.46%
---	Prior Year Adjustments	9,897,000	6,430,868	(3,466,132)	-35.02%
---	Residual Equity Transfers	0	0	0	
	Totals After Adj. & Trsf.	\$1,778,554,000	\$1,836,302,685	\$57,748,685	3.25%

* House Joint Resolution 2 Regular Session revenue estimates adjusted for enacted legislation.

Total current year revenue collections (before prior year revenue adjustments) were \$61.2 million above the amount anticipated by the 60th Legislature. The legislature did not include any prior year revenue adjustments in HJ 2 but the \$9.9 million shown in Figure 3 was included as an aggregate amount in the general fund balance sheet. Since this type of revenue is the result of revenue accruals and/or uncollected previous years' receipts, it is difficult to include an estimated amount by revenue source in the revenue estimate resolution. As shown in Figures 2 and 3, however, prior year revenue adjustments were \$6.4 million. Most of these adjustments were due to actual revenues received in July and August of fiscal 2007 being different than the accrued amounts booked during fiscal year end 2006. While most revenue categories include prior year revenue adjustments, individual income tax, oil and gas production tax, and institution reimbursements accounted for a significant portion of prior year activity.

Figure 4 summarizes which major sources of revenue exceeded or were below the revenue estimate and provides a brief explanation of why collections were different than anticipated. As shown, individual, corporation, and oil and natural gas production taxes were the primary sources responsible for increased revenue collections. From an economic viewpoint, higher commodity prices and interest rates were the "drivers" behind the improved revenue condition. The next section of the report provides a brief explanation for the change in collections when compared to the HJ 2 estimates.

Figure 4
Reasons for Changed Revenue Receipts
Fiscal 2007 (In Millions)

Revenue Source	Amount	Preliminary Explanation
Individual Income Tax	\$33.3	Non-wage income growth
Corporation Income Tax	16.4	Audits, profits
Oil & Natural Gas Production Tax	10.1	Commodity price
TCA Interest	6.5	Invested balance
Lottery Profits	3.1	Larger jackpots
Coal Trust Interest Earnings	2.4	Interest rates
All Other Revenue	(15.9)	SABHRS entry error, delayed sale
Remaining Revenue Sources	5.3	Numerous explanations
Total Change	\$61.2	

Individual Income Tax - \$33.3 million

Individual income tax collections for fiscal 2007 were \$33.3 million above estimates contained in HJ 2 of the 2007 Regular Legislative Session. This amount represents a 7.6 percent increase above fiscal 2006 collections (see Figure 5). The 60th Legislature assumed the growth rate to be 3.2 percent above the fiscal 2006 amount.

At this time, it is not totally clear what is causing this surge in revenue collections. Since almost two-thirds of total income reported on state tax returns is from wage and salary income, a review of this income component may provide some insight. In the estimate shown in HJ 2, the wage and salary growth rate between

calendar years 2005 and 2006 was assumed to be 9.5 percent (calendar 2007 data is not available). According to the Bureau of Economic Analysis (BEA), actual growth was 8.6 percent which is below the assumed rate shown in HJ 2. This statistic would indicate that other types of income are contributing to the increase in individual income tax collections and that wage growth may not have been as high as expected.

Figure 5 shows the accounting details of individual income tax collections for fiscal 2006 compared to fiscal 2007. Withholding taxes, which should be an indicator of wage growth, have grown by 9.9 percent – well above the growth in wage and salary income reported by the BEA. This difference could be partially explained by the fact that BEA data are on a calendar year basis and withholding taxes are reported on a fiscal year basis. Figure 5 also shows that estimated and current year payments are above last

year's amount by 5.8 percent and 4.9 percent, respectively. Estimated payments, and to some degree current year payments, reflect tax liability on non-wage components of income. Some examples of these components are interest

earnings, dividends, capital gains/losses, royalties, and net business income. Since estimated and current year payments are up, then one or several of the non-wage components of income are above the estimates contained in HJ 2. Reported amounts on these components of income will not be available until late October or early November 2007 when the Department of Revenue (DOR) provides our office with return data for tax year 2006.

Since the unanticipated increase in tax collections is significant, it is unrealistic to assume that only one reason may be causing the surge in collections. The following is a list of potential explanations for the higher than anticipated individual income tax collections:

- Land and other real estate sales are producing large capital gains
- Investors are cashing out of the equity market and taking capital gains
- Oil and natural gas prices are at historic high levels. Royalty payments should be up significantly
- Business profitability has improved since “9/11” and the recession. Net business income should be improving as reflected in higher corporation income tax collections
- With higher corporate profits, more incentives and bonuses may be provided to employees. These items may not be reported as wage and salaries
- Reduced federal tax rates on dividends may have resulted in unusually high corporation dividend payments

Corporation Income Tax - \$16.4 million

Corporation income tax revenues in fiscal 2007 were \$177.5 million, \$16.4 million or 10.2 percent greater than in HJ 2. Two known factors played a critical role in the increased corporation tax revenues. The primary cause of the increase was higher than expected corporation tax audit revenue. Audit collections in fiscal 2007 were \$26.8 million, while the corporation tax revenue projection included an estimate for audit collections of \$4.0 million. Conversely, actual refunds were about \$26.2 million, while the HJ 2 estimate included anticipated refund payments of \$13.8 million. The net change of these two changes equals \$10.4 million of the increase. The remainder of the increase, \$6.0 million, can be attributed to greater corporate profitability than assumed in the HJ 2 estimate.

Figure 5

Individual Income Tax Comparison				
Revenue Code & Description	Final Fiscal 2006	Final Fiscal 2007	Difference	Percent Change
510101 Withholding Tax	542,603,278.28	596,403,243.53	53,799,965.25	9.92%
510102 Estimated Tax	219,621,962.48	232,430,480.29	12,808,517.81	5.83%
510103 Current Year I/T	172,823,727.68	181,338,053.66	8,514,325.98	4.93%
510105 Income Tax - Audit Collections	22,743,591.43	25,475,125.33	2,731,533.90	12.01%
510106 Income Tax Refunds	<u>(188,870,217.07)</u>	<u>(208,501,405.10)</u>	<u>(19,631,188.03)</u>	10.39%
Totals	\$768,922,342.80	\$827,145,497.71	\$58,223,154.91	7.57%

Oil & Natural Gas Production Tax - \$10.1 million

Oil and natural gas production taxes for fiscal 2007 were \$10.1 million higher than anticipated in HJ 2. At this time, limited data are available to determine the exact reason for the increased collections. Data from the Energy Information Administration, however, indicates that Montana's average wellhead oil price was \$56.15 per barrel during fiscal 2007. The assumed price contained in HJ 2 was \$51.60 per barrel. This price differential could be the primary reason for the increased collections. Tax return data submitted to the DOR will be available later this fall for further analysis. This data will provide specific information on price and production for both oil and natural gas.

TCA Interest - \$6.5 million

Earnings in fiscal 2007 exceeded the HJ 2 estimate by \$6.5 million. The estimate was based on an average monthly invested balance of \$588.6 million. The actual average balance was \$710.1 million, with large increases in the latter three months of the fiscal year.

Lottery Profits - \$3.1 million

Profits in fiscal 2007 exceeded the HJ 2 estimate by \$3.1 million. The increase is due to increased sales in the multi-state lottery games, primarily Hot Lotto and Wild Card. Increased sales for these games were caused by large jackpots.

Coal Trust Interest Earnings - \$2.4 million

Earnings in fiscal 2007 exceeded the HJ 2 estimate by \$2.4 million. Most of the increase can be attributed to increased earnings from in-state investments and the trust funds bond pool. These additional earnings, however, were offset by lesser short-term investment pool earnings.

All Other Revenue - (\$15.9) million

The category of "All Other Revenue" was \$15.9 million below the HJ 2 revenue estimate. A significant portion of this amount (\$8.2 million) was due to an encoding error in the state accounting system. This error has been corrected and will be shown as a prior year revenue adjustment in fiscal 2008. An additional \$3.5 million shortfall was due to the Missoula Armory not being sold in fiscal 2007. It is anticipated this sale will take place in fiscal 2008. Revenue from the single state registration system (Department of Highways) was \$1.0 million below the estimate due to the expiration of the program in January 2007.

HB 667 enacted in the 2005 session provided individual income tax credits for businesses and taxpayers that pay a portion of employee's health insurance premiums. The amount of tax credits are reimbursed to the general fund through a transfer of cigarette tax money by the State Auditor's Office. It was anticipated that the fiscal 2007 reimbursement would be \$3.3 million, but the actual reimbursement was \$4.1 million. However, this amount was not recorded on SABHRS as a transfer to the general fund by the State Auditor, but rather as current year income tax revenue by the Department of Revenue. Therefore, actual collections for this item as "All Other" revenue are \$3.3 million less than the estimate and there is \$4.1 million in unanticipated individual income tax revenue.

Remaining Revenue Sources - \$5.3 million

The combined change from the HJ 2 estimates for the remaining revenue sources is \$5.3 million. Some revenue sources were above the HJ 2 estimate while others were below the estimate. In total, the net change was \$5.3 million more than anticipated.

DISBURSEMENTS AND REVERSIONS

Figure 6 shows general fund account disbursements and reversions for fiscal 2007. General fund disbursements (excluding prior year disbursement adjustments) were \$58.2 million less than authorized by the legislature. Since total reversions budgeted by the 60th Legislature were \$27.3 million, "unanticipated" reversions before adjusting

for continuing authority were \$30.9 million. Of this amount, \$5.4 million is authorized to be re-established (continued) into fiscal 2008. This means that the “true” unanticipated reversion amount was \$25.6 million.

Figure 6

General Fund Account Disbursements and Reversions Fiscal 2007	
Budgeted Disbursements	\$1,759,006,000
Actual Disbursements	<u>1,700,773,486</u>
Total Reversions	\$58,232,514
Budgeted Reversions	<u>(27,297,000)</u>
Unanticipated Reversions	\$30,935,514
Less Continuing Authority (Impacts Fiscal 2008)	<u>5,376,644</u>
Total Net Reversions	25,558,870

The primary agencies with significant reversions were the Legislative Branch (\$3.6 million), Judiciary (\$1.2 million), Office of Public Instruction (\$22.4 million), Commissioner of Higher Education (\$4.4 million), Department of Natural Resources (\$3.2 million), Department of Corrections (\$4.6 million) and Department of Public Health and Human Services (\$5.4 million).

FUND BALANCE ADJUSTMENTS

During fiscal 2007, there were prior year revenue and disbursement adjustments, direct adjustments to fund balance, and SABHRS to GAAP reconciliation items. In total, these adjustments decreased the general fund account ending fund balance by about \$7.6 million more than anticipated by the legislature (shown in Figure 1). The reasons for these adjustments are currently being researched.

SUMMARY OF FISCAL 2007 INFORMATION

As stated earlier, the preliminary general fund account unreserved, undesignated ending balance for fiscal 2007 is \$543.5 million, or \$84.6 million above the level anticipated by the 60th Legislature. The reasons, as previously discussed, are summarized in Figure 7.

As noted earlier, there was an accounting error that resulted in an understatement of fiscal 2007 revenues of \$8.2 million. If this error had not occurred, revenue collections would have exceeded the revenue estimate by \$69.4 million instead of the \$61.2 million shown in Figure 7. A correcting entry has been made to the fiscal 2008 accounting records.

The additional revenue received in fiscal 2007 is in line with the recommendation of Legislative Fiscal Division (LFD) during the regular and May special sessions. Staff of the LFD recommended to the legislature that fiscal 2007 revenue collections were “on track” to exceed the HJ 2 revenue estimate by about \$63 million. The legislature did not include the LFD recommendation in the HJ 2 revenue estimate.

Figure 7

Reasons for General Fund Balance Change Fiscal 2007 (In Millions)	
Explanation of Fund Balance Change	Amount
Beginning Fund balance	\$0.0
Revenue Collections (Actual - Estimated)	61.2
Disbursements (Budgeted - Actual)	30.9
Fund Balance Adjustments	<u>(7.6)</u>
Prior Year Revenue/Expenditure Adjustments	(6.0)
Other Adjustments	(1.6)
Total Change (difference due to rounding)	\$84.5

2009 BIENNIUM PROJECTION

Figure 8 shows the projected general fund balance for the 2009 biennium. Amounts shown include the revenue estimates included in HJ 2 plus legislation impacts and the cost of operating state government based on appropriations adopted by the 60th Legislature. Also included in this figure are estimated amounts by LFD staff for statutory appropriations, budgeted transfers, and reversions. The figure shows the anticipated general fund balance before and after action by the September 2007 Special Legislative Session.

As Figure 8 shows, the 2009 biennium ending general fund balance was projected to be a positive \$207.3 million before any legislative proposals or initiatives for wildfire costs were considered. It should be noted that this balance is based on no supplemental appropriations for fiscal 2009 but does include \$16.5 million for emergency appropriations.

Figure 8 also shows the projected general fund balance when the special session feed bill and the wildfire funding actions are included. The legislature increased general fund transfers and appropriations by \$82.3 million during the 2009 biennium. Appropriations for the Department of Natural Resources and Conservation are increased by \$39.0 million and the budget for the Department of Military Affairs is increased by \$3.0 million. A wildfire study was also funded at a cost of \$0.2 million. In addition, the legislature authorized a \$40.0 million transfer from the general fund to a state special revenue account. This account is statutorily appropriated and is to be used only in fiscal 2009 for wildfire costs. When all of these amounts are included, the projected ending fund balance for the 2009 biennium is \$125.0 million.

DETAILED GENERAL FUND BALANCE

Figure 9 shows the detailed general fund balance sheet by fiscal year based on budgeted revenues and disbursements, followed by a sub-table that shows the projected balance when legislative action is included. Figures 8 and 9 incorporate the financial impacts of the “trigger” mechanisms contained in HB 2 (general appropriations act) and HB9 (\$400 tax rebate) adopted during the May 2007 Special Session.

During the May 2007 Special Session, the legislature enacted two bills that contain fiscal policy “triggers” that are dependent upon the amount of general fund revenue received in fiscal 2007. The two bills enacted were HB 2 and HB 9.

HB 2 appropriates up to \$30.0 million to the Office of Public Instruction for distribution to schools for capital investment and deferred maintenance payments. This appropriation is contingent upon fiscal 2007 revenues exceeding \$1,762,355,000. Based on a letter of certification from the Department of Administration, total general fund revenues in fiscal 2007 were \$1,838,053,331. Therefore, the maximum amount of \$30.0 million is appropriated to the Office of Public Instruction in fiscal 2008 for distribution to public schools.

Figure 8

2009 Biennium General Fund Balance In Millions	
Beginning Fund Balance	\$543.5
Revenues	3,645.4
Available Funds	\$4,188.9
Disbursements	
General Appropriations	3,268.9
Statutory Appropriations	432.1
Transfers	235.2
Miscellaneous Appropriations	50.2
Supplementals	0.0
Session Costs	11.0
Reversions	(7.5)
Totals Disbursements	3,989.8
Adjustments	8.2
Ending Fund Balance Before Special Session	\$207.3
Special Session Feed Bill	0.132
Special Session Transfers & Appropriations	82.200
Ending Fund Balance With Special Session Action	\$125.0

HB 9 contains a similar “trigger” except that the available funds are to determine tax credits to be claimed on individual income tax returns. This trigger is based on fiscal 2007 general fund revenues exceeding \$1,802,000,000. As stated above, the certified revenue amount was about \$1.838 billion which is \$36 million (when rounded to the nearest million) more than the trigger amount. This means that taxpayers will receive \$36 million in tax credits that will be claimed on their 2007 tax returns. Individual taxpayers will receive approximately \$140 in tax credits.

Figure 9

2009 Biennium General Fund Balance						
Action By the 60th Legislature With Preliminary Fiscal 2007 and Trigger Adjustments						
In Millions						
	Actual Fiscal 2006	Preliminary Fiscal 2007	Estimated Fiscal 2008	Estimated Fiscal 2009	Preliminary 2007 Biennium	Estimated 2009 Biennium
Beginning Fund Balance	\$299.792	\$422.210	\$543.542	\$273.061	\$299.792	\$543.542
Revenues						
Current Law Revenue	1,708.166	1,829.872	1,797.764	1,875.209	3,538.038	3,672.973
Legislation Impacts	-	-	(27.861)	0.270	-	(27.591)
Total Revenue	\$1,708.166	\$1,829.872	\$1,769.903	\$1,875.479	\$3,538.038	\$3,645.382
Total Funds Available	\$2,007.958	\$2,252.082	\$2,313.445	\$2,148.540	\$3,837.830	\$4,188.924
Disbursements						
General Appropriations	1,441.188	1,566.962	1,614.569	1,654.289	3,008.150	3,268.858
Statutory Appropriations	120.226	149.222	265.028	167.095	269.448	432.123
Miscellaneous Appropriations	1.521	-	9.057	7.746	1.521	16.803
Non-Budgeted Transfers	24.277	42.822	127.561	107.618	67.099	235.179
Continuing Appropriations	-	-	2.946	-	-	2.946
Supplemental Appropriations	-	-	-	-	-	-
Language Appropriations	0.706	-	30.050	0.050	0.706	30.100
Feed Bill Appropriations	-	-	2.280	8.740	-	11.020
Carryforward Appropriations	-	-	0.329	-	-	0.329
Anticipated Reversions	(21.179)	(58.233)	(3.204)	(4.344)	(79.412)	(7.548)
Total Disbursements	\$1,566.739	\$1,700.773	\$2,048.616	\$1,941.194	\$3,267.512	\$3,989.810
Adjustments	(19.009)	(7.767)	8.232	-	(26.776)	8.232
Reserved Ending Fund Balance	\$422.210	\$543.542	\$273.061	\$207.346	\$543.542	\$207.346
Unreserved Ending Fund Balance	\$422.210	\$543.542	\$273.061	\$207.346	\$543.542	\$207.346
Legislative Action Spetember 2007 Special Session						
Special Session Feed Bill			0.132	-	-	0.132
Wildfire Study			0.200	-	-	0.200
Department of Natural Resources			39.000	-	-	39.000
Department of Military Affairs			3.000	-	-	3.000
Transfer to Fire Fund			40.000	-	-	40.000
Total Legislative Action			\$82.332	\$0.000	\$0.000	\$82.332
Unreserved Ending Fund Balance With Legislative Action			\$190.729	\$125.014	\$543.542	\$125.014

In summary, the September 2007 Special Legislative Session adopted \$82.3 million of additional transfers and appropriations for the 2009 biennium. With this amount included, the projected general fund balance at the end of the 2009 biennium will be \$125.0 million provided there are no supplemental appropriations needed for other state services.