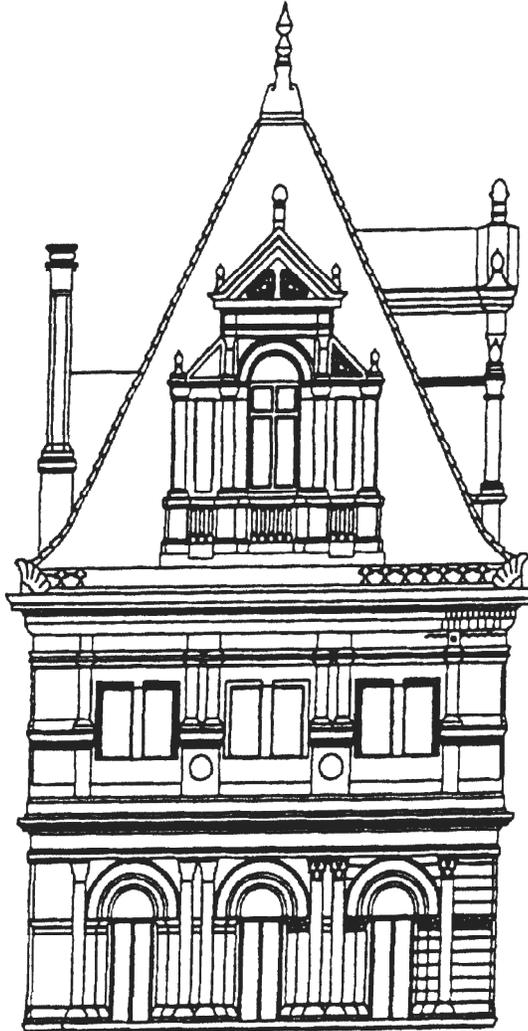


# ***New York State***

## **2000-2001 Executive Budget With 30-Day Amendments**



### **Financial Plan Projections 1999-2000 Through 2002-2003**



**George E. Pataki**  
**Governor**

**Carole E. Stone**  
**Acting**  
**Budget Director**

*January 31, 2000*

## *Overview*

This report represents the State's four-year Financial Plan projections as required by Section 22 of the State Finance Law. Financial Plan projections are included on both a cash basis and a Generally Accepted Accounting Principles (GAAP) basis for the period 1999-2000 through 2002-03.

Except as noted herein, these projections (and the assumptions upon which they are based) are consistent with the four-year Financial Plan projections detailed in the Governor's Executive Budget submission of January 11, 2000. The Executive Budget submission included an accelerated release of the outyear financial information, and contains a detailed explanation of projected receipts and disbursements estimates for the 1999-2000 through 2002-03 fiscal years. Readers should refer to the Financial Plan Overview in Appendix II of the Executive Budget for a more detailed explanation of projected receipts and disbursements trends for the 2000-01 through 2002-03 period.

Revised financial projections reflect the Governor's proposed amendments to his 2000-01 Executive Budget as provided for under the State Constitution, and are being released 17 days earlier than the Constitutional deadline of February 17, 2000. The 1999-2000 surplus of \$758 million represents an increase of \$133 million from the Executive Budget, and results from increased receipts of \$125 million and lower welfare spending of \$8 million. Consistent with the Executive Budget, the Governor is proposing to use the entire additional surplus of \$133 million to fully finance the 2001-02 and 2002-03 costs of his new tax cuts proposed in the 30-Day Amendments. The total reserve for new tax cuts is now \$433 million.

The Governor has amended the Executive Budget to reflect new targeted tax reduction proposals of \$31 million and a net General Fund spending increase of \$15 million in 2000-01. These changes include:

- A comprehensive proposal to completely eliminate all gross receipts taxes on energy companies over a six-year period. The plan immediately eliminates all energy taxes on manufacturing companies in New York, retroactive to January 1, 2000;
- A new sales tax exemption for the purchase of emissions equipment used to test and control air pollution from heavy duty vehicles such as trucks and buses;
- Additional General Fund costs of \$15 million, resulting from \$29 million in greater spending for various programs, offset by lower welfare spending estimates of \$14 million; and
- Identification of \$46 million in new resources resulting from additional tax re-estimates reflecting continued economic strength.

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*Financial Plan Projections*

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These revisions produce modest changes to the 2000-01 Financial Plan.

| Revised 30-Day Spending Estimates<br>(\$ in millions) |                      |                             |                            |                                       |
|---|----------------------|-----------------------------|----------------------------|---------------------------------------|
|   | Projected<br>2000-01 | \$ Change from<br>1999-2000 | % Change from<br>1999-2000 | \$ Change from<br>2000-01 Exec Budget |
| General Fund  | 37,932               | 869                         | 2.3                        | 15                                    |
| State Funds   | 52,457               | 2,570                       | 5.2                        | 16                                    |
| All Funds   | 76,821               | 4,007                       | 5.5                        | 16                                    |

Revised Financial Plan projections for the 2001-02 and 2002-03 fiscal years produce budget gaps that are essentially unchanged from those projected in the Executive Budget. Budget gaps are still estimated at \$1.2 billion in 2001-02 and \$2.6 billion in 2002-03.

*Summary Of Proposed Amendments*

| 30-Day General Fund Financial Plan Changes<br>(\$ in millions) |            |           |
|--|------------|-----------|
|  | 1999-2000  | 2000-01   |
| <b>Sources:</b>  |            |           |
| Receipts Estimates   | 125        | 46        |
| Welfare Savings  | 8          | 14        |
| <b>Total Sources</b>   | <b>133</b> | <b>60</b> |
| <b>Uses:</b>   |            |           |
| Local Assistance   | 0          | 11        |
| State Operations   | 0          | 18        |
| Targeted Tax Cuts  | 0          | 31        |
| Increase to New Tax Reduction Reserve                          | 133        | 0         |
| <b>Total Uses</b>  | <b>133</b> | <b>60</b> |

The 30-Day Amendments include funding to support the following initiatives:

- Tax cuts valued at \$164 million over the next three years;
- Additional staff for the Lobbying Commission, the Adirondack Park Agency, the Department of Environmental Conservation, and the Office For Technology;
- Additional staff for cigarette tax enforcement associated with the HCRA 2000 agreement;
- Preliminary planning and redevelopment of Governor's Island;

- Costs associated with nonpublic school aid mandated services through the State Education Department; and
- Additional payments for various water and sewer services to correctional facilities.

Consistent with the Executive Budget, the Governor is setting aside the entire new one-time 1999-2000 surplus of \$133 million in reserves to fully fund the outyear costs through 2002-03 of new tax reductions proposed with the Budget.

*Outyear Estimates of Receipts and Disbursements*

General Fund budget gaps for the 2001-02 and 2002-03 fiscal years are essentially unchanged from estimates in the January 11 budget submission.

| Projected Outyear Budget Gaps<br>(\$ in millions)                  |                |                |
|--|----------------|----------------|
|  | 2001-02        | 2002-03        |
| <b>January 11 Estimate</b>   | (1,226)        | (2,642)        |
| <b>Revised (Costs)/Savings:</b>                                    |                |                |
| New Targeted Tax Cuts  | (31)           | (102)          |
| Use of New Tax Reduction Reserve Fund                              | 31             | 102            |
| 30-Day Spending Amendments   | (6)            | (5)            |
| <b>Total</b>   | <b>(6)</b>     | <b>(5)</b>     |
| <b>January 31 Estimate</b>   | <b>(1,232)</b> | <b>(2,647)</b> |
| <b>2002-03 Gap if 2001-02 Gap is Closed with Recurring Actions</b> |                | <b>(1,415)</b> |

The outyear gap estimates continue to incorporate these assumptions:

- Legislative enactment of the 2000-01 Executive Budget in its entirety, including amendments and associated legislation;
- Use of \$1.82 billion in enacted tax reduction reserves of which \$615 million will be used in 2000-01 and \$1.2 billion in 2001-02 to pay for already-enacted tax cuts;
- Use of \$433 million in new tax reduction reserves created from the 1999-2000 surplus to pay for the costs of the Governor's proposed 2000-01 tax reduction program, with \$123 million of the reserve applied in 2001-02 and the remaining \$310 million used in 2002-03;

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*Financial Plan Projections*

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- Use of the Debt Reduction Reserve Fund to produce recurring debt service savings for the State from retirement of high-cost debt and increased pay-as-you-go spending for capital projects;
- Reserves for a possible collective bargaining agreement of \$475 million in 2000-01, \$505 million in 2001-02, and \$715 million in 2002-03; and
- No annual spending efficiencies.

Based on these assumptions, if the projected budget gap for 2001-02 is closed with recurring actions, the 2002-03 budget gap would be reduced to \$1.42 billion.

*Economic and Receipts Outlook*

The U.S. economic outlook of a modest slowdown in the overall economic activity over the 2000-03 timeframe is unchanged from the forecast presented in the January 11 budget submission. For the most part, the New York economic outlook is similarly unchanged. However, growth in employment and wages is likely to be stronger than previously expected for year end 1999 and the first quarter of calendar 2000. Growth in financial sector bonus payments for State fiscal year 1999-2000 are likely to have been even stronger than the impressive growth assumed in the Executive Budget. However, this exceptional bonus payment growth, associated with dramatic increases in financial sector profits, is not expected to recur, given the general economic outlook as described in the Executive Budget. Employment growth for 1999 is likely to be somewhat stronger than the previously-forecasted 2.3 percent. The risks associated with the economic forecast remain unchanged.

*General Fund Receipts*

| <b>General Fund Receipts<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>                                       | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Total Tax Receipts                                | 33,783           | 35,244         | 36,085         | 36,381         |
| All Other Receipts                                | 3,558            | 3,374          | 3,336          | 3,445          |
| Total 30-Day Receipts                             | 37,341           | 38,618         | 39,421         | 39,826         |
| Change from Recommended                           | (8)              | 148            | (31)           | (102)          |

Total receipts over the projection period are affected by underlying economic growth, scheduled changes in tax and fee statutes and the multi-year effects of the recommendations affecting receipts that are included in the Governor's 2000-01 Executive Budget. In aggregate, General Fund receipts, which are estimated to reach \$37.34 billion in the current State fiscal year, are expected to total \$38.62 billion in State fiscal year 2000-01.

Taxes, which account for 90 percent of estimated General Fund receipts, are expected to grow to \$36.38 billion in fiscal year 2002-03 from the current fiscal year. This growth reflects underlying growth in the receipts base offset by scheduled and proposed tax reductions including: full implementation of the STAR property tax reduction program and a proposed phased-in elimination of gross receipts taxes on energy.

Miscellaneous receipts and transfers from other funds, which account for 10 percent of General Fund receipts in 1999-2000, are expected to fall from \$3.56 billion in the current State fiscal year to \$3.45 billion by State fiscal year 2002-03. The elimination of medical provider assessments and the impact of sales tax reductions on transfers offset underlying growth in the receipts base.

| <b>Personal Income Tax<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>                                     | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended                                     | 20,783           | 23,060         | 24,064         | 24,348         |
| Change  | (73)             | 133            | 0              | 0              |
| 30-Day  | 20,710           | 23,193         | 24,064         | 24,348         |

*Personal Income Tax:* Personal income tax receipts for 1999-2000 have been decreased by \$73 million, reflecting the combination of strong payments received in

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*Financial Plan Projections*

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January 2000 more than offset by the planned deposit of an additional \$133 million into the refund reserve account at the conclusion of 1999-2000 fiscal year.

The revised forecast reflects large withholding payments related to strong financial sector bonus activity in late December 1999 and January 2000. The bonus activity is over and above the significant growth assumed in the Executive Budget submission on January 11. To protect against an over reliance on volatile Wall Street fluctuations, the estimates for the 2000-01 through 2002-03 fiscal years are based on the assumption that much of this revenue is of a one-time nature and will not recur in the forecast period.

| <b>User Taxes and Fees</b><br>(\$ in millions) |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>SFY:</b>                                    | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended                                    | 7,430            | 7,055          | 7,277          | 7,420          |
| Change   | 10               | 19             | (1)            | (1)            |
| 30-Day   | 7,440            | 7,074          | 7,276          | 7,419          |

*User taxes and fees:* The only significant change in user taxes and fees from the Executive Budget is a modest increase in the sales and use tax estimate, reflecting stronger-than-anticipated economic growth at the end of 1999.

The yield of the taxes and fees in this category declines by roughly \$21 million between 1999-2000 and the final year of the projection period, reflecting modest economic growth as offset by the impact of several scheduled tax reductions. The bulk of the revenue increases over the period are offset by the changes in the sales tax treatment of clothing costing less than \$110, beginning March 1, 2000, and the proposed changes in the earmarking of motor fuel taxes and motor vehicle fees.

| <b>Business Taxes</b><br>(\$ in millions) |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>                               | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended                               | 4,575            | 4,241          | 3,976          | 3,863          |
| Change                                    | 0                | (30)           | (30)           | (101)          |
| 30-Day                                    | 4,575            | 4,211          | 3,946          | 3,762          |

*Business taxes:* The 1999-2000 estimate for corporation and utilities taxes is increased by \$15 million to \$1.37 billion to reflect current strength in net collections above what was anticipated in the January 11 budget submission. The 2000-01 estimate is increased by \$32 million to \$764 million as a result of amendments to the energy tax reform and

reduction legislation and the increase in the 1999 base. The 2001-02 estimate has been adjusted in a similar manner. The 2002-03 estimate has been decreased to reflect amendments to the energy tax reform and reduction package to eliminate gross receipts taxes.

Corporate franchise tax receipts for 1999-2000 remain unchanged from the Executive Budget. However, receipts for 2000-01 have been reduced by \$47 million to \$2.13 billion to reflect amendments to the energy tax reform and reduction legislation. These declines continue into 2001-02 and 2002-03 and, again, reflect amendments to the energy reduction package.

The insurance franchise tax has been reduced by \$15 million to \$601 million in 1999-2000 reflecting weakness in net collections to date. The 2000-01 and 2001-02 estimates have also declined as a result of a lower 1999 tax base. Bank franchise tax receipts remain unchanged from the Executive Budget.

| <b>Other Taxes<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>                             | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended                             | 1,010            | 766            | 800            | 851            |
| Change                                  | 48               | 0              | 0              | 0              |
| 30-Day                                  | 1,058            | 766            | 800            | 851            |

*Other taxes:* The upward revision to the Other Taxes category in 1999-2000 is due to greater-than-anticipated estate and gift tax and real property gains tax results. The change in the real property gains tax is due to a downward revision in the estimate of refunds. The other tax changes are largely one-time increases to receipts given that both the property gains tax and the gift tax have been eliminated by statute.

Total other tax receipts decline by over \$207 million over the projection period, largely reflecting the repeal of the gift tax and the phased adoption of a “pick-up” estate tax.

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| <b>Miscellaneous Receipts<br/>(\$ in millions)</b> |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>SFY:</b>  | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended  | 1,474            | 1,339          | 1,262          | 1,228          |
| Change   | 0                | 0              | 0              | 0              |
| 30-Day   | 1,474            | 1,339          | 1,262          | 1,228          |

*Miscellaneous receipts:* Miscellaneous receipts fall from \$1.5 billion in 1999-2000 to \$1.2 billion in 2002-03. The decline primarily reflects the phased reduction of medical provider assessments.

| <b>Transfers From Other Funds<br/>(\$ in millions)</b> |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>SFY:</b>  | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended  | 2,077            | 2,009          | 2,073          | 2,218          |
| Change   | 7                | 26             | 0              | 0              |
| 30-Day   | 2,084            | 2,035          | 2,073          | 2,218          |

*Transfers from other funds:* An increase in estimated sales tax and the real estate transfer tax receipts have increased transfers from the Local Government Assistance and the Clean Water/Clean Air funds.

*General Fund Disbursements*

| <b>General Fund Disbursements<br/>(\$ in millions)</b> |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>SFY:</b>  | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended  | 37,071           | 37,917         | 40,265         | 42,063         |
| Change   | (8)              | 15             | 6              | 5              |
| 30-Day   | 37,063           | 37,932         | 40,271         | 42,068         |

General Fund spending projected in the 30-Day Financial Plan for 1999-2000 and 2000-01 remains essentially unchanged from the Executive Budget projections. Disbursements for 1999-2000 are now estimated to be \$8 million less than the Executive Budget projection. This change results from a decrease in welfare spending due to continued caseload declines. In 2000-01, the Governor's proposed amendments to the Executive Budget produce a net increase in projected spending of \$15 million. This

increase is primarily attributable to a \$29 million increase in various programs (explained below) offset by \$14 million in welfare savings.

The three-year Financial Plan projections also reflect increased General Fund spending in 2001-02 and 2002-03. Disbursements are now expected to increase by \$6 million in 2001-02 and by \$5 million in 2002-03 over prior projections. Spending growth for 2001-02 and 2002-03 is estimated at 6.2 percent and 4.5 percent, respectively. No changes were made across the projection period to the underlying growth trends in disbursements detailed in the Executive Budget.

General Fund spending increases at a higher rate in 2001-02 than in 2002-03 primarily because of the loss or assumed decline in certain funding sources (including Federal Funds) that offset General Fund spending, as described in the Executive Budget.

| <b>Grants to Local Governments<br/>(\$ in millions)</b> |           |         |         |         |
|---|-----------|---------|---------|---------|
| SFY:  | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Recommended   | 25,612    | 25,810  | 27,296  | 28,739  |
| Change  | (8)       | (3)     | (7)     | (11)    |
| 30-Day  | 25,604    | 25,807  | 27,289  | 28,728  |

*Grants to Local Governments:* Spending in this category of the Financial Plan includes funding for local governments, not-for-profits, and individuals receiving entitlements.

Local assistance spending is expected to decline from Executive Budget projections by a net of \$3 million in 2000-01, \$7 million in 2001-02, and \$11 million in 2002-03. Savings are projected in welfare resulting from continued caseload declines. Declines in caseloads are now projected to produce \$8 million more in savings in 1999-2000, with recurring savings of \$14 million in 2000-01 and beyond.

The decrease in local assistance disbursements is offset by increases which include one-time funding to accommodate the costs associated with nonpublic school aid mandated services through the State Education Department and one-time planning and redevelopment costs associated with Governor's Island.

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*Financial Plan Projections*

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| State Operations<br>(\$ in millions) |           |         |         |         |
|--------------------------------------|-----------|---------|---------|---------|
| SFY:                                 | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Recommended                          | 6,630     | 7,061   | 7,417   | 7,602   |
| Change                               | 0         | 18      | 13      | 16      |
| 30-Day                               | 6,630     | 7,079   | 7,430   | 7,618   |

*State Operations:* Spending in State Operations includes costs for State agencies, elected officials and the Judiciary. Disbursement changes in this category primarily reflect the additional payments for costs related to various water and sewer services at correctional facilities, additional staffing for cigarette tax enforcement associated with the HCRA 2000 agreement, funding for various administrative costs related to Office For Technology consolidation efforts, and additional funding for staff of the Lobbying Commission, the Adirondack Park Agency, and the Department of Environmental Conservation.

| General State Charges<br>(\$ in millions) |           |         |         |         |
|---|-----------|---------|---------|---------|
| SFY:                                      | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Recommended                               | 2,087     | 2,236   | 2,633   | 2,775   |
| Change                                    | 0         | 0       | 0       | 0       |
| 30-Day                                    | 2,087     | 2,236   | 2,633   | 2,775   |

*General State Charges:* This spending category includes the costs of employee fringe benefits and certain fixed costs of the State, such as payment of taxes on State-owned land and litigation expenses. These estimates remain unchanged from the Executive Budget projections.

| Debt Service<br>(\$ in millions) |           |         |         |         |
|----------------------------------|-----------|---------|---------|---------|
| SFY:                             | 1999-2000 | 2000-01 | 2001-02 | 2002-03 |
| Recommended                      | 6         | 5       | 0       | 0       |
| Change                           | 0         | 0       | 0       | 0       |
| 30-Day                           | 6         | 5       | 0       | 0       |

*Debt Service:* These estimates reflect short-term debt service obligations, which include interest costs on the State's commercial paper program. The estimates remain unchanged from the Executive Budget projections, and continue to reflect the replacement of the

commercial paper program with the issuance of additional variable rate general obligation debt.

| <b>Transfers To Other Funds<br/>(\$ in millions)</b> |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>SFY:</b>  | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended  | 2,736            | 2,805          | 2,919          | 2,947          |
| Change   | 0                | 0              | 0              | 0              |
| 30-Day   | 2,736            | 2,805          | 2,919          | 2,947          |

*Transfers to Other Funds:* Transfers from the General Fund primarily support long-term debt service costs and capital projects. These estimates remain unchanged from the Executive Budget projections, and continue to reflect the impact of the Governor's proposed debt reform proposals, including the increased use of the Debt Reduction Reserve Fund.

*Summary of State Reserves*

| <b>State Reserves — Year End<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>   | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Tax Stabilization Reserve Fund                        | 548              | 548            | 548            | 548            |
| Contingency Reserve Fund                              | 107              | 150            | 150            | 150            |
| Community Projects Fund - Member Items                | 265              | 0              | 0              | 0              |
| Debt Reduction Reserve Fund                           | 250              | 250            | 0              | 0              |
| 1999-2000 Enacted Tax Reduction Reserve               | 1,815            | 1,200          | 0              | 0              |
| 2000-01 New Tax Reduction Reserve                     | 0                | 433            | 310            | 0              |
| Remaining 1999-2000 Surplus                           | 683              | 0              | 0              | 0              |
| Reserve For Collective Bargaining                     | 50               | 425            | 505            | 715            |
| <b>Total Reserves</b>                                 | <b>3,718</b>     | <b>3,006</b>   | <b>1,513</b>   | <b>1,413</b>   |

\* The 1999-2000 remaining surplus of \$683 million is being used to capitalize the Debt Reduction Reserve Fund (\$250 million) in 2000-2001 and to create a new Tax Reduction Reserve (\$433 million) to cover the 2001-2002 and 2002-2003 values of the proposed new tax cuts.

The Tax Stabilization Reserve Fund will total \$548 million, after a fifth consecutive maximum deposit of \$75 million in 1999-2000. The Contingency Reserve Fund will total \$150 million after a deposit of \$43 million in 2000-01.

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*Financial Plan Projections*

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In 2000-01, the Debt Reduction Reserve Fund will contain \$250 million transferred from the General Fund, \$250 million from the 1999-2000 surplus, and \$250 million from the Tobacco Settlement Fund. Of the total resources, \$500 million will be used in 2000-01 to reduce the State's high-cost debt and increase pay-as-you-go spending for previously bond-financed programs. The balance of \$250 million will be used in 2001-02 to further reduce State debt levels and generate recurring debt service savings.

The Financial Plan assumes that the 1999-2000 Enacted Tax Reduction Reserve of \$1.82 billion will be used in 2000-01 (\$615 million) and 2001-02 (\$1.2 billion) to pay for the STAR tax cuts. The \$433 million in the New Tax Reduction Reserve Fund is proposed to be used in 2001-02 (\$123 million) and 2002-03 (\$310 million) to pay for the entire value of the Governor's new targeted tax cuts in those years.

*Tobacco Settlement Proceeds and Uses*

| <b>Tobacco Settlement Funds</b><br>(\$ in millions) |                 |                |                |              |
|---|-----------------|----------------|----------------|--------------|
| <b>SFY:</b>   | <b>2000-01*</b> | <b>2001-02</b> | <b>2002-03</b> | <b>Total</b> |
| Finance Health Care Reform**                        | 326             | 305            | 383            | <b>1,014</b> |
| Fund New Medicaid Needs                             | 92              | 91             | 91             | <b>274</b>   |
| Deposit to DRRF                                     | 250             | 0              | 0              | <b>250</b>   |
| <b>Total</b>  | <b>668</b>      | <b>396</b>     | <b>474</b>     | <b>1,538</b> |

\* Includes \$302 million in initial payments received in 1999-2000.

\*\* Includes \$50 million required for cash flow and health care uses in 2003-04.

NOTE: Tobacco settlement funds are transferred from a sole custody account directly to the HCRA Health Care Initiatives Pool.

From 1999-2000 through 2002-03, the State expects to receive \$1.54 billion under the nationwide settlement with cigarette manufacturers. Counties, including New York City, will receive additional settlement payments of \$1.47 billion over the same period.

Consistent with the Executive Budget, the State plans to use \$1.29 billion in tobacco money over the next three years to finance programs under HCRA 2000 (\$1.01 billion) and for projected new costs in Medicaid (\$274 million). The remaining \$250 million in one-time tobacco payments from 1999-2000 will be deposited to the Debt Reduction Reserve Fund (DRRF) and used to lower State debt.

*All Governmental Funds*

| <b>All Funds Disbursements<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>   | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended   | 72,833           | 76,805         | 81,105         | 84,277         |
| General Fund Change                                 | (8)              | 15             | 6              | 5              |
| Other Fund Change                                   | 0                | 1              | 1              | 1              |
| 30-Day  | 72,814           | 76,821         | 81,112         | 84,283         |

All Governmental Funds, or “All Funds” disbursements, represent spending from the four governmental fund types: General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

There were minor changes made to All Funds spending in addition to the General Fund amendments discussed in previous sections. These minor changes total \$1 million in 2000-01 and beyond, primarily for Special Revenue Funds State Operations costs in the Department of Environmental Conservation’s Law Enforcement program. Total All Funds spending increases by \$16 million in 2000-01, \$7 million in 2001-02, and \$6 million in 2002-03.

*State Funds*

| <b>State Funds Disbursements<br/>(\$ in millions)</b> |                  |                |                |                |
|---|------------------|----------------|----------------|----------------|
| <b>SFY:</b>   | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended   | 49,895           | 52,441         | 56,054         | 58,138         |
| General Fund Change                                   | (8)              | 15             | 6              | 5              |
| Other Fund Change                                     | 0                | 1              | 1              | 1              |
| 30-Day  | 49,887           | 52,457         | 56,161         | 58,144         |

State Funds spending is defined as spending that is supported by revenues imposed and collected exclusively by the State. State Funds include the same four fund types which make up All Governmental Funds — General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds — with the exception of Federal Grants.

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*Financial Plan Projections*

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Compared to the January projections, disbursements are now expected to increase by \$16 million in 2000-01, \$7 million in 2001-02 and \$6 million in 2002-03, primarily as a result of the General Fund amendments discussed in previous sections. Minor changes in Special Revenue Funds State Operations costs, including the Department of Environmental Conservation's Law Enforcement program, account for the balance of the change.

*General Fund GAAP Financial Plans*

| <b>General Fund GAAP Operating Projections</b> |                  |                |                |                |
|--|------------------|----------------|----------------|----------------|
| <b>Surplus/ (Deficit)</b>                      |                  |                |                |                |
| <b>(\$ in millions)</b>                        |                  |                |                |                |
| <b>SFY:</b>                                    | <b>1999-2000</b> | <b>2000-01</b> | <b>2001-02</b> | <b>2002-03</b> |
| Recommended                                    | 465              | (632)          | (1,328)        | (2,811)        |
| Change   | 133              | 0              | (6)            | (5)            |
| 30-Day   | 598              | (632)          | (1,334)        | (2,816)        |

The General Fund Financial Plans prepared in accordance with Generally Accepted Accounting Principles (GAAP) for State fiscal years 1999-2000 through 2002-03 were presented in the Executive Budget submission of January 11, 2000. The GAAP revisions included in the 30-day period incorporate the proposed 30-day amendments to the cash-basis Financial Plan. These GAAP projections are based on the accounting principles applied by the State Comptroller in the financial statements issued for the 1998-99 State fiscal year, and do not reflect any pending proposals of the Governmental Accounting Standards Board.

**Comparisons of Actual and Projected GAAP Operating Results**  
**(\$ in millions)**

| <b>Fiscal Year Ended:</b> | <b>General Fund</b> | <b>Special Revenue Funds</b> | <b>Debt Service Funds</b> | <b>Capital Projects Funds</b> | <b>All Governmental Funds</b> | <b>Accumulated General Fund Surplus/(Deficit)</b> |
|---------------------------|---------------------|------------------------------|---------------------------|-------------------------------|-------------------------------|---|
| March 31, 2001 (proj.)    | (\$632)             | \$1,180                      | \$36                      | \$161                         | \$745                         | \$1,612   |
| March 31, 2000 (proj.)    | 598                 | 48                           | 54                        | 167                           | 867                           | 2,244   |
| March 31, 1999            | 1,078               | (117)                        | 209                       | 154                           | 156                           | 1,646   |
| March 31, 1998            | 1,562               | 49                           | (43)                      | 232                           | 1,800                         | 567   |
| March 31, 1997            | 1,933               | 65                           | (37)                      | 98                            | 2,059                         | (995)   |
| March 31, 1996            | 380                 | (409)                        | 185                       | 276                           | 432                           | (2,928)   |
| March 31, 1995            | (1,426)             | 39                           | (38)                      | (366)                         | (1,791)                       | (3,308)   |

Deficits noted in parentheses.

Compared to the Executive Budget, the GAAP accumulated surplus will increase by \$133 million to \$1.61 billion through 2000-01. This results from an increase in the 1999-2000 cash surplus primarily due to additional receipts. In 2001-02, the General Fund GAAP Financial Plan projects a deficit of \$1.33 billion and is consistent with the projected cash imbalance before actions that will be proposed to close the gap. The GAAP operating deficit for 2002-03 is projected at \$2.82 billion and is also consistent with the projected cash imbalance before actions to close the gap.

The GAAP operating projections in the outyears are consistent with the projected cash basis forecast, and would be positively impacted as actions are enacted to close the projected cash imbalances during this projection period.

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*Financial Plan Projections*

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**Cash Financial Plan - Before Movement of Reserves  
General Fund  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <u>Executive</u> | <u>Change</u> | <u>30-Day</u> |
|---|------------------|---------------|---------------|
| <b>Opening fund balance</b>                                       | <u>892</u>       | <u>0</u>      | <u>892</u>    |
| <b>Receipts:</b>  |                  |               |               |
| Taxes   |                  |               |               |
| Personal income tax   | 23,198           | 60            | 23,258        |
| User taxes and fees   | 7,430            | 10            | 7,440         |
| Business taxes  | 4,575            | 0             | 4,575         |
| Other taxes   | 1,010            | 48            | 1,058         |
| Miscellaneous receipts  | 1,474            | 0             | 1,474         |
| Transfers from other funds  |                  |               |               |
| -- LGAC   | 1,684            | 2             | 1,686         |
| -- All other  | 393              | 5             | 398           |
| <b>Total receipts</b>   | <u>39,764</u>    | <u>125</u>    | <u>39,889</u> |
| <b>Disbursements:</b>   |                  |               |               |
| Grants to local governments                                       | 25,612           | (8)           | 25,604        |
| State operations  | 6,630            | 0             | 6,630         |
| General State charges   | 2,087            | 0             | 2,087         |
| Debt service  | 6                | 0             | 6             |
| Transfers to other funds  |                  |               |               |
| -- Debt service   | 2,230            | 0             | 2,230         |
| -- Capital projects   | 143              | 0             | 143           |
| -- Other purposes   | 363              | 0             | 363           |
| <b>Total disbursements</b>  | <u>37,071</u>    | <u>(8)</u>    | <u>37,063</u> |
| <b>Change in fund balance</b>                                     | <u>2,693</u>     | <u>133</u>    | <u>2,826</u>  |
| <b>Closing fund balance</b>                                       | <u>3,585</u>     | <u>133</u>    | <u>3,718</u>  |
| -- Tax Stabilization Reserve Fund<br>(after \$75 million deposit) | 548              | 0             | 548           |
| -- Contingency Reserve Fund                                       | 107              | 0             | 107           |
| -- Community Projects Fund  | 265              | 0             | 265           |
| -- Debt Reduction Reserve Fund                                    | 250              | 0             | 250           |
| -- 1999-2000 Enacted Tax Reduction Reserve                        | 1,815            | 0             | 1,815         |
| -- Remaining 1999-2000 Surplus                                    | 550              | 133           | 683           |
| -- 1999-2000 Salary Reserve                                       | 50               | 0             | 50            |

*Note 1: The remaining 1999-2000 surplus of \$683 million (\$758 million - \$75 million deposit to TSRF) is being used to capitalize the Debt Reduction Reserve Fund (\$250 million) in 2000-2001 and to create a New Tax Reduction Reserve (\$433 million) to cover the 2001-2002 and 2002-2003 values of the proposed new tax cuts.*

**Personal Income Tax Receipts  
General Fund  
Updated for 30-Day Amendments  
1999-2000 and 2000-2001  
(millions of dollars)**

|   | <u>1999-2000<br/>Executive</u> | <u>2000-2001<br/>30-Day</u> |
|---|--------------------------------|-----------------------------|
| <b>Net Total PIT Receipts (Gross Receipts - Refunds)</b>                  | 22,693                         | 24,126                      |
| STAR Deposit  | (1,195)                        | (2,010)                     |
| Additional STAR Deposit   | 0                              | (1,200)                     |
| DRRF Deposit  | 0                              | (250)                       |
| <b>1998-1999 Refund Reserve:</b>  | <u>2,306</u>                   |                             |
| LGAC  | 521                            |                             |
| Net Credit Reserves   | 7                              |                             |
| 1998-1999 Surplus (net of timing)   | 1,778                          |                             |
| <b>1999-2000 Refund Reserve:</b>  | <u>(3,094)</u>                 | <u>3,094</u>                |
| LGAC  | (521)                          | 521                         |
| Net Credit Reserves   | (25)                           | 25                          |
| 1999-2000 Enacted Tax Reduction Reserve                                   | (1,815)                        | 1,815                       |
| 1999-2000 Salary Reserve  | (50)                           | 50                          |
| Remaining 1999-2000 Surplus   | (683)                          | 683                         |
| <b>2000-2001 Refund Reserve:</b>  |                                | <u>(567)</u>                |
| LGAC  |                                | (521)                       |
| Net Credit Reserves   |                                | (46)                        |
| <b>Published PIT Receipts<br/>(after Refund Reserve Transaction)</b>      | <u><u>20,710</u></u>           | <u><u>23,193</u></u>        |
| <b>Reserves</b>   | <u>2,548</u>                   |                             |
| 1999-2000 Enacted Tax Reduction Reserve                                   | 1,815                          |                             |
| 1999-2000 Salary Reserve  | 50                             |                             |
| Remaining 1999-2000 Surplus   | 683                            |                             |
| <b>Published PIT Receipts<br/>(before movement of 1999-2000 reserves)</b> | <u><u>23,258</u></u>           |                             |

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*Financial Plan Projections*

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**Cash Financial Plan - After PIT Refund Reserve Transaction  
General Fund  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <u>Executive</u> | <u>Change</u> | <u>30-Day</u> |
|---|------------------|---------------|---------------|
| <b>Opening fund balance</b>                                       | <u>892</u>       | <u>0</u>      | <u>892</u>    |
| <b>Receipts:</b>  |                  |               |               |
| Taxes   |                  |               |               |
| Personal income tax   | 20,783           | (73)          | 20,710        |
| User taxes and fees   | 7,430            | 10            | 7,440         |
| Business taxes  | 4,575            | 0             | 4,575         |
| Other taxes   | 1,010            | 48            | 1,058         |
| Miscellaneous receipts  | 1,474            | 0             | 1,474         |
| Transfers from other funds  |                  |               |               |
| -- LGAC   | 1,684            | 2             | 1,686         |
| -- All other  | 393              | 5             | 398           |
| <b>Total receipts</b>   | <u>37,349</u>    | <u>(8)</u>    | <u>37,341</u> |
| <b>Disbursements:</b>   |                  |               |               |
| Grants to local governments                                       | 25,612           | (8)           | 25,604        |
| State operations  | 6,630            | 0             | 6,630         |
| General State charges   | 2,087            | 0             | 2,087         |
| Debt service  | 6                | 0             | 6             |
| Transfers to other funds  |                  |               |               |
| -- Debt service   | 2,230            | 0             | 2,230         |
| -- Capital projects   | 143              | 0             | 143           |
| -- Other purposes   | 363              | 0             | 363           |
| <b>Total disbursements</b>  | <u>37,071</u>    | <u>(8)</u>    | <u>37,063</u> |
| <b>Change in fund balance</b>                                     | <u>278</u>       | <u>0</u>      | <u>278</u>    |
| <b>Closing fund balance</b>                                       | <u>1,170</u>     | <u>0</u>      | <u>1,170</u>  |
| -- Tax Stabilization Reserve Fund<br>(after \$75 million deposit) | 548              | 0             | 548           |
| -- Contingency Reserve Fund                                       | 107              | 0             | 107           |
| -- Community Projects Fund  | 265              | 0             | 265           |
| -- Debt Reduction Reserve Fund                                    | 250              | 0             | 250           |

**Cash Financial Plan - After PIT Refund Reserve Transaction  
General Fund  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <u>Executive</u> | <u>Change</u> | <u>30-Day</u> |
|---|------------------|---------------|---------------|
| <b>Opening fund balance</b>                                 | <u>920</u>       | <u>0</u>      | <u>920</u>    |
| <b>Receipts:</b>  |                  |               |               |
| Taxes   |                  |               |               |
| Personal income tax   | 23,060           | 133           | 23,193        |
| User taxes and fees   | 7,055            | 19            | 7,074         |
| Business taxes  | 4,241            | (30)          | 4,211         |
| Other taxes   | 766              | 0             | 766           |
| Miscellaneous receipts                                      | 1,339            | 0             | 1,339         |
| Transfers from other funds                                  |                  |               |               |
| -- LGAC   | 1,647            | 6             | 1,653         |
| -- All other  | 362              | 20            | 382           |
| <b>Total receipts</b>                                       | <u>38,470</u>    | <u>148</u>    | <u>38,618</u> |
| <b>Disbursements:</b>                                       |                  |               |               |
| Grants to local governments                                 | 25,810           | (3)           | 25,807        |
| State operations  | 7,061            | 18            | 7,079         |
| General State charges                                       | 2,236            | 0             | 2,236         |
| Debt service  | 5                | 0             | 5             |
| Transfers to other funds                                    |                  |               |               |
| -- Debt service   | 2,275            | 0             | 2,275         |
| -- Capital projects   | 238              | 0             | 238           |
| -- Other purposes   | 292              | 0             | 292           |
| <b>Total disbursements</b>                                  | <u>37,917</u>    | <u>15</u>     | <u>37,932</u> |
| <b>Change in fund balance</b>                               | <u>553</u>       | <u>133</u>    | <u>686</u>    |
| <b>Closing fund balance</b>                                 | <u>1,473</u>     | <u>133</u>    | <u>1,606</u>  |
| -- Tax Stabilization Reserve Fund                           | 548              | 0             | 548           |
| -- Contingency Reserve Fund<br>(after \$43 million deposit) | 150              | 0             | 150           |
| -- 2000-2001 New Tax Reduction Reserve                      | 300              | 133           | 433           |
| -- 1999-2000 Salary Reserve                                 | 50               | 0             | 50            |
| -- 2000-2001 Salary Reserve                                 | 425              | 0             | 425           |

*Note 1: The 2000-2001 opening fund balance is \$250 million lower than the 1999-2000 closing fund balance due to the proposed reclassification of the Debt Reduction Reserve Fund (DRRF) from the General Fund to the Capital Projects Funds in 2000-2001.*

*Note 2: The 2000-2001 closing fund balance of \$1.606 billion in the General Fund does not include projected closing balances of \$1.2 billion in the STAR Special Revenue Fund and \$250 million in DRRF in the Capital Projects Funds.*

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*Financial Plan Projections*

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**Cash Financial Plan  
General Fund  
Updated for 30-Day Amendments  
2001-02  
(millions of dollars)**

|  | <u>Executive</u> | <u>Change</u> | <u>30-Day</u>  |
|--|------------------|---------------|----------------|
| <b>Receipts:</b>                                     |                  |               |                |
| Taxes  |                  |               |                |
| Personal income tax                                  | 24,064           | 0             | 24,064         |
| User taxes and fees                                  | 7,277            | (1)           | 7,276          |
| Business taxes                                       | 3,976            | (30)          | 3,946          |
| Other taxes  | 800              | 0             | 800            |
| Miscellaneous receipts                               | 1,262            | 0             | 1,262          |
| Transfers from other funds                           |                  |               |                |
| -- LGAC  | 1,756            | 0             | 1,756          |
| -- All other   | 317              | 0             | 317            |
| <b>Total receipts</b>                                | <u>39,452</u>    | <u>(31)</u>   | <u>39,421</u>  |
| <b>Disbursements:</b>                                |                  |               |                |
| Grants to local governments                          | 27,296           | (7)           | 27,289         |
| State operations                                     | 7,417            | 13            | 7,430          |
| General State charges                                | 2,633            | 0             | 2,633          |
| Debt service   | 0                | 0             |                |
| Transfers to other funds                             |                  |               |                |
| -- Debt service                                      | 2,288            | 0             | 2,288          |
| -- Capital projects                                  | 294              | 0             | 294            |
| -- Other purposes                                    | 337              | 0             | 337            |
| <b>Total disbursements</b>                           | <u>40,265</u>    | <u>6</u>      | <u>40,271</u>  |
| <b>(Deposit to)/use of New Tax Reduction Reserve</b> | <u>92</u>        | <u>31</u>     | <u>123</u>     |
| <b>(Deposit to)/use of Salary Reserve</b>            | <u>(505)</u>     | <u>0</u>      | <u>(505)</u>   |
| <b>Margin</b>  | <u>(1,226)</u>   | <u>(6)</u>    | <u>(1,232)</u> |

**Cash Financial Plan  
General Fund  
Updated for 30-Day Amendments  
2002-03  
(millions of dollars)**

|  | <b>Executive</b> | <b>Change</b> | <b>30-Day</b> |
|--|------------------|---------------|---------------|
| <b>Receipts:</b>                                     |                  |               |               |
| Taxes  |                  |               |               |
| Personal income tax                                  | 24,348           | 0             | 24,348        |
| User taxes and fees                                  | 7,420            | (1)           | 7,419         |
| Business taxes                                       | 3,863            | (101)         | 3,762         |
| Other taxes  | 851              | 0             | 851           |
| Miscellaneous receipts                               | 1,228            | 0             | 1,228         |
| Transfers from other funds                           |                  |               |               |
| -- LGAC  | 1,864            | 0             | 1,864         |
| -- All other   | 354              | 0             | 354           |
| <b>Total receipts</b>                                | 39,928           | (102)         | 39,826        |
| <b>Disbursements:</b>                                |                  |               |               |
| Grants to local governments                          | 28,739           | (11)          | 28,728        |
| State operations                                     | 7,602            | 16            | 7,618         |
| General State charges                                | 2,775            | 0             | 2,775         |
| Debt service   | 0                | 0             | 0             |
| Transfers to other funds                             |                  |               |               |
| -- Debt service                                      | 2,313            | 0             | 2,313         |
| -- Capital projects                                  | 282              | 0             | 282           |
| -- Other purposes                                    | 352              | 0             | 352           |
| <b>Total disbursements</b>                           | 42,063           | 5             | 42,068        |
| <b>(Deposit to)/use of New Tax Reduction Reserve</b> | 208              | 102           | 310           |
| <b>(Deposit to)/use of Salary Reserve</b>            | (715)            | 0             | (715)         |
| <b>Margin</b>  | (2,642)          | (5)           | (2,647)       |

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*Financial Plan Projections*

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**Cash Financial Plan  
General Fund  
Updated for 30-Day Amendments  
2000-01 through 2002-03  
(millions of dollars)**

|  | <u>2000-01</u> | <u>2001-02</u> | <u>2002-03</u> |
|--|----------------|----------------|----------------|
| <b>Receipts:</b>                                     |                |                |                |
| Taxes  |                |                |                |
| Personal income tax                                  | 23,193         | 24,064         | 24,348         |
| User taxes and fees                                  | 7,074          | 7,276          | 7,419          |
| Business taxes                                       | 4,211          | 3,946          | 3,762          |
| Other taxes  | 766            | 800            | 851            |
| Miscellaneous receipts                               | 1,339          | 1,262          | 1,228          |
| Transfers from other funds                           |                |                |                |
| -- LGAC  | 1,653          | 1,756          | 1,864          |
| -- All other   | 382            | 317            | 354            |
| <b>Total receipts</b>                                | <u>38,618</u>  | <u>39,421</u>  | <u>39,826</u>  |
| <b>Disbursements:</b>                                |                |                |                |
| Grants to local governments                          | 25,807         | 27,289         | 28,728         |
| State operations                                     | 7,079          | 7,430          | 7,618          |
| General State charges                                | 2,236          | 2,633          | 2,775          |
| Debt service   | 5              | 0              | 0              |
| Transfers to other funds                             |                |                |                |
| -- Debt service                                      | 2,275          | 2,288          | 2,313          |
| -- Capital projects                                  | 238            | 294            | 282            |
| -- Other purposes                                    | 292            | 337            | 352            |
| <b>Total disbursements</b>                           | <u>37,932</u>  | <u>40,271</u>  | <u>42,068</u>  |
| <b>(Deposit to)/use of Contingency Reserve Fund</b>  | <u>(43)</u>    | <u>0</u>       | <u>0</u>       |
| <b>(Deposit to)/use of Community Projects Fund</b>   | <u>265</u>     | <u>0</u>       | <u>0</u>       |
| <b>(Deposit to)/use of New Tax Reduction Reserve</b> | <u>(433)</u>   | <u>123</u>     | <u>310</u>     |
| <b>(Deposit to)/use of 1999-2000 Salary Reserve</b>  | <u>(50)</u>    | <u>0</u>       | <u>0</u>       |
| <b>(Deposit to)/use of Salary Reserve</b>            | <u>(425)</u>   | <u>(505)</u>   | <u>(715)</u>   |
| <b>Margin</b>  | <u>0</u>       | <u>(1,232)</u> | <u>(2,647)</u> |

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*Financial Plan Projections*

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**Cash Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>               | 892                     | 672                                  | 69                                    | 170                               | 1,803                   |
| <b>Receipts:</b>                          |                         |                                      |                                       |                                   |                         |
| Taxes                                     | 33,783                  | 2,572                                | 1,151                                 | 2,343                             | 39,849                  |
| Miscellaneous receipts                    | 1,474                   | 5,942                                | 1,866                                 | 606                               | 9,888                   |
| Federal grants                            | 0                       | 21,556                               | 1,319                                 | 0                                 | 22,875                  |
| <b>Total receipts</b>                     | <u>35,257</u>           | <u>30,070</u>                        | <u>4,336</u>                          | <u>2,949</u>                      | <u>72,612</u>           |
| <b>Disbursements:</b>                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments               | 25,604                  | 23,864                               | 600                                   | 0                                 | 50,068                  |
| State operations                          | 6,630                   | 6,311                                | 0                                     | 14                                | 12,955                  |
| General State charges                     | 2,087                   | 555                                  | 0                                     | 0                                 | 2,642                   |
| Debt service                              | 6                       | 0                                    | 0                                     | 3,561                             | 3,567                   |
| Capital projects                          | 0                       | 6                                    | 3,576                                 | 0                                 | 3,582                   |
| <b>Total disbursements</b>                | <u>34,327</u>           | <u>30,736</u>                        | <u>4,176</u>                          | <u>3,575</u>                      | <u>72,814</u>           |
| <b>Other financing sources (uses):</b>    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                | 2,084                   | 2,291                                | 185                                   | 4,564                             | 9,124                   |
| Transfers to other funds                  | (2,736)                 | (1,959)                              | (532)                                 | (3,938)                           | (9,165)                 |
| Bond and note proceeds                    | 0                       | 29                                   | 250                                   | 0                                 | 279                     |
| <b>Net other financing sources (uses)</b> | <u>(652)</u>            | <u>361</u>                           | <u>(97)</u>                           | <u>626</u>                        | <u>238</u>              |
| <b>Change in fund balance</b>             | <u>278</u>              | <u>(305)</u>                         | <u>63</u>                             | <u>0</u>                          | <u>36</u>               |
| <b>Closing fund balance</b>               | <u>1,170</u>            | <u>367</u>                           | <u>132</u>                            | <u>170</u>                        | <u>1,839</u>            |

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*Financial Plan Projections*

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**Cash Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>               | 920                     | 367                                  | 382                                   | 170                               | 1,839                   |
| <b>Receipts:</b>                          |                         |                                      |                                       |                                   |                         |
| Taxes                                     | 36,694                  | 3,434                                | 1,240                                 | 2,323                             | 43,691                  |
| Miscellaneous receipts                    | 1,339                   | 6,906                                | 2,063                                 | 575                               | 10,883                  |
| Federal grants                            | 0                       | 23,010                               | 1,377                                 | 0                                 | 24,387                  |
| (Deposit to)/use of reserves              | (1,450)                 | 1,200                                | 250                                   | 0                                 | 0                       |
| <b>Total receipts</b>                     | <u>36,583</u>           | <u>34,550</u>                        | <u>4,930</u>                          | <u>2,898</u>                      | <u>78,961</u>           |
| <b>Disbursements:</b>                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments               | 25,807                  | 26,765                               | 871                                   | 0                                 | 53,443                  |
| State operations                          | 7,079                   | 6,227                                | 0                                     | 7                                 | 13,313                  |
| General State charges                     | 2,236                   | 557                                  | 0                                     | 0                                 | 2,793                   |
| Debt service                              | 5                       | 0                                    | 0                                     | 3,802                             | 3,807                   |
| Capital projects                          | 0                       | 4                                    | 3,461                                 | 0                                 | 3,465                   |
| <b>Total disbursements</b>                | <u>35,127</u>           | <u>33,553</u>                        | <u>4,332</u>                          | <u>3,809</u>                      | <u>76,821</u>           |
| <b>Other financing sources (uses):</b>    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                | 2,035                   | 2,284                                | 263                                   | 4,898                             | 9,480                   |
| Transfers to other funds                  | (2,805)                 | (2,103)                              | (664)                                 | (3,998)                           | (9,570)                 |
| Bond and note proceeds                    | 0                       | 0                                    | 286                                   | 0                                 | 286                     |
| Use of Debt Reduction Reserve Fund        | 0                       | 0                                    | (500)                                 | 0                                 | (500)                   |
| <b>Net other financing sources (uses)</b> | <u>(770)</u>            | <u>181</u>                           | <u>(615)</u>                          | <u>900</u>                        | <u>(304)</u>            |
| <b>Change in fund balance</b>             | <u>686</u>              | <u>1,178</u>                         | <u>(17)</u>                           | <u>(11)</u>                       | <u>1,836</u>            |
| <b>Closing fund balance</b>               | <u>1,606</u>            | <u>1,545</u>                         | <u>365</u>                            | <u>159</u>                        | <u>3,675</u>            |

*Note 1: The opening fund balances of the General Fund and the Capital Projects Funds are changed by \$250 million to reflect the proposed reclassification of the Debt Reduction Reserve Fund from the General Fund to the Capital Projects Funds.*

*Note 2: The \$1.45 billion reduction in General Fund receipts is being used to make an additional deposit of \$1.2 billion to the School Tax Property Relief Fund to be used in 2001-2002 and to deposit \$250 million to the Debt Reduction Reserve Fund.*

*Financial Plan Projections*

**Cash Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
2001-2002  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>                               | 0                       | 1,545                                | 365                                   | 159                               | 2,069                   |
| <b>Receipts:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 36,086                  | 3,070                                | 1,370                                 | 2,412                             | 42,938                  |
| Miscellaneous receipts                                    | 1,262                   | 7,060                                | 1,904                                 | 555                               | 10,781                  |
| Federal grants  | 0                       | 23,737                               | 1,352                                 | 0                                 | 25,089                  |
| <b>Total receipts</b>                                     | <u>37,348</u>           | <u>33,867</u>                        | <u>4,626</u>                          | <u>2,967</u>                      | <u>78,808</u>           |
| <b>Disbursements:</b>                                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments                               | 27,289                  | 28,826                               | 768                                   | 0                                 | 56,883                  |
| State operations  | 7,430                   | 6,167                                | 0                                     | 7                                 | 13,604                  |
| General State charges                                     | 2,633                   | 311                                  | 0                                     | 0                                 | 2,944                   |
| Debt service  | 0                       | 0                                    | 0                                     | 3,953                             | 3,953                   |
| Capital projects  | 0                       | 5                                    | 3,724                                 | 0                                 | 3,729                   |
| <b>Total disbursements</b>                                | <u>37,352</u>           | <u>35,309</u>                        | <u>4,492</u>                          | <u>3,960</u>                      | <u>81,113</u>           |
| <b>Other financing sources (uses):</b>                    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                                | 2,073                   | 2,196                                | 319                                   | 4,940                             | 9,528                   |
| Transfers to other funds                                  | (2,919)                 | (1,957)                              | (783)                                 | (3,965)                           | (9,624)                 |
| Bond and note proceeds                                    | 0                       | 0                                    | 303                                   | 0                                 | 303                     |
| Use of Debt Reduction Reserve Fund                        | 0                       | 0                                    | (250)                                 | 0                                 | (250)                   |
| <b>Net other financing sources (uses)</b>                 | <u>(846)</u>            | <u>239</u>                           | <u>(411)</u>                          | <u>975</u>                        | <u>(43)</u>             |
| <b>(Deposit to)/use of New Tax Reduction Reserve Fund</b> | <u>123</u>              | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>123</u>              |
| <b>(Deposit to)/use of Salary Reserve</b>                 | <u>(505)</u>            | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>(505)</u>            |
| <b>Change in fund balance</b>                             | <u>(1,232)</u>          | <u>(1,203)</u>                       | <u>(277)</u>                          | <u>(18)</u>                       | <u>(2,348)</u>          |
| <b>Closing fund balance</b>                               | <u>(1,232)</u>          | <u>342</u>                           | <u>88</u>                             | <u>141</u>                        | <u>(279)</u>            |

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*Financial Plan Projections*

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**Cash Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
2002-2003  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>                               | 0                       | 342                                  | 88                                    | 141                               | 571                     |
| <b>Receipts:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 36,380                  | 4,430                                | 1,474                                 | 2,527                             | 44,811                  |
| Miscellaneous receipts                                    | 1,228                   | 7,243                                | 1,834                                 | 551                               | 10,856                  |
| Federal grants  | 0                       | 24,811                               | 1,369                                 | 0                                 | 26,180                  |
| <b>Total receipts</b>                                     | <u>37,608</u>           | <u>36,484</u>                        | <u>4,677</u>                          | <u>3,078</u>                      | <u>81,847</u>           |
| <b>Disbursements:</b>                                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments                               | 28,728                  | 30,149                               | 737                                   | 0                                 | 59,614                  |
| State operations  | 7,618                   | 6,243                                | 0                                     | 7                                 | 13,868                  |
| General State charges                                     | 2,775                   | 319                                  | 0                                     | 0                                 | 3,094                   |
| Debt service  | 0                       | 0                                    | 0                                     | 4,073                             | 4,073                   |
| Capital projects  | 0                       | 5                                    | 3,629                                 | 0                                 | 3,634                   |
| <b>Total disbursements</b>                                | <u>39,121</u>           | <u>36,716</u>                        | <u>4,366</u>                          | <u>4,080</u>                      | <u>84,283</u>           |
| <b>Other financing sources (uses):</b>                    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                                | 2,218                   | 2,175                                | 283                                   | 5,076                             | 9,752                   |
| Transfers to other funds                                  | (2,947)                 | (1,940)                              | (903)                                 | (4,063)                           | (9,853)                 |
| Bond and note proceeds                                    | 0                       | 0                                    | 299                                   | 0                                 | 299                     |
| <b>Net other financing sources (uses)</b>                 | <u>(729)</u>            | <u>235</u>                           | <u>(321)</u>                          | <u>1,013</u>                      | <u>198</u>              |
| <b>(Deposit to)/use of New Tax Reduction Reserve Fund</b> | <u>310</u>              | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>310</u>              |
| <b>(Deposit to)/use of Salary Reserve</b>                 | <u>(715)</u>            | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>(715)</u>            |
| <b>Change in fund balance</b>                             | <u>(2,647)</u>          | <u>3</u>                             | <u>(10)</u>                           | <u>11</u>                         | <u>(2,643)</u>          |
| <b>Closing fund balance</b>                               | <u>(2,647)</u>          | <u>345</u>                           | <u>78</u>                             | <u>152</u>                        | <u>(2,072)</u>          |

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*Financial Plan Projections*

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**Cash Financial Plan  
State Funds  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>               | 892                     | 1,067                                | 211                                   | 170                               | 2,340                   |
| <b>Receipts:</b>                          |                         |                                      |                                       |                                   |                         |
| Taxes                                     | 33,783                  | 2,572                                | 1,151                                 | 2,343                             | 39,849                  |
| Miscellaneous receipts                    | 1,474                   | 5,839                                | 1,866                                 | 606                               | 9,785                   |
| Federal grants                            | 0                       | 0                                    | 0                                     | 0                                 | 0                       |
| <b>Total receipts</b>                     | <u>35,257</u>           | <u>8,411</u>                         | <u>3,017</u>                          | <u>2,949</u>                      | <u>49,634</u>           |
| <b>Disbursements:</b>                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments               | 25,604                  | 5,171                                | 474                                   | 0                                 | 31,249                  |
| State operations                          | 6,630                   | 3,509                                | 0                                     | 14                                | 10,153                  |
| General State charges                     | 2,087                   | 435                                  | 0                                     | 0                                 | 2,522                   |
| Debt service                              | 6                       | 0                                    | 0                                     | 3,561                             | 3,567                   |
| Capital projects                          | 0                       | 6                                    | 2,390                                 | 0                                 | 2,396                   |
| <b>Total disbursements</b>                | <u>34,327</u>           | <u>9,121</u>                         | <u>2,864</u>                          | <u>3,575</u>                      | <u>49,887</u>           |
| <b>Other financing sources (uses):</b>    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                | 2,084                   | 501                                  | 185                                   | 4,564                             | 7,334                   |
| Transfers to other funds                  | (2,736)                 | (153)                                | (525)                                 | (3,938)                           | (7,352)                 |
| Bond and note proceeds                    | 0                       | 29                                   | 250                                   | 0                                 | 279                     |
| <b>Net other financing sources (uses)</b> | <u>(652)</u>            | <u>377</u>                           | <u>(90)</u>                           | <u>626</u>                        | <u>261</u>              |
| <b>Change in fund balance</b>             | <u>278</u>              | <u>(333)</u>                         | <u>63</u>                             | <u>0</u>                          | <u>8</u>                |
| <b>Closing fund balance</b>               | <u>1,170</u>            | <u>734</u>                           | <u>274</u>                            | <u>170</u>                        | <u>2,348</u>            |

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*Financial Plan Projections*

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**Cash Financial Plan  
State Funds  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>               | 920                     | 734                                  | 524                                   | 170                               | 2,348                   |
| <b>Receipts:</b>                          |                         |                                      |                                       |                                   |                         |
| Taxes                                     | 36,694                  | 3,434                                | 1,240                                 | 2,323                             | 43,691                  |
| Miscellaneous receipts                    | 1,339                   | 6,803                                | 2,063                                 | 575                               | 10,780                  |
| Federal grants                            | 0                       | 0                                    | 0                                     | 0                                 | 0                       |
| (Deposit to)use of reserves               | (1,450)                 | 1,200                                | 250                                   | 0                                 | 0                       |
| <b>Total receipts</b>                     | <u>36,583</u>           | <u>11,437</u>                        | <u>3,553</u>                          | <u>2,898</u>                      | <u>54,471</u>           |
| <b>Disbursements:</b>                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments               | 25,807                  | 6,737                                | 674                                   | 0                                 | 33,218                  |
| State operations                          | 7,079                   | 3,375                                | 0                                     | 7                                 | 10,461                  |
| General State charges                     | 2,236                   | 429                                  | 0                                     | 0                                 | 2,665                   |
| Debt service                              | 5                       | 0                                    | 0                                     | 3,802                             | 3,807                   |
| Capital projects                          | 0                       | 4                                    | 2,302                                 | 0                                 | 2,306                   |
| <b>Total disbursements</b>                | <u>35,127</u>           | <u>10,545</u>                        | <u>2,976</u>                          | <u>3,809</u>                      | <u>52,457</u>           |
| <b>Other financing sources (uses):</b>    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                | 2,035                   | 454                                  | 263                                   | 4,898                             | 7,650                   |
| Transfers to other funds                  | (2,805)                 | (141)                                | (657)                                 | (3,998)                           | (7,601)                 |
| Bond and note proceeds                    | 0                       | 0                                    | 286                                   | 0                                 | 286                     |
| Use of Debt Reduction Reserve Fund        | 0                       | 0                                    | (500)                                 | 0                                 | (500)                   |
| <b>Net other financing sources (uses)</b> | <u>(770)</u>            | <u>313</u>                           | <u>(608)</u>                          | <u>900</u>                        | <u>(165)</u>            |
| <b>Change in fund balance</b>             | <u>686</u>              | <u>1,205</u>                         | <u>(31)</u>                           | <u>(11)</u>                       | <u>1,849</u>            |
| <b>Closing fund balance</b>               | <u>1,606</u>            | <u>1,939</u>                         | <u>493</u>                            | <u>159</u>                        | <u>4,197</u>            |

*Note 1: The opening fund balances of the General Fund and the Capital Projects Funds are changed by \$250 million to reflect the proposed reclassification of the Debt Reduction Reserve Fund from the General Fund to the Capital Projects Funds.*

*Note 2: The \$1.45 billion reduction in General Fund receipts is being used to made an additional deposit of \$1.2 billion to the School Tax Property Relief Fund to be used in 2001-2002 and to deposit \$250 million to the Debt Reduction Reserve Fund.*

**Cash Financial Plan  
State Funds  
Updated for 30-Day Amendments  
2001-2002  
(millions of dollars)**

|   | <b>General<br/>Fund</b> | <b>Special<br/>Revenue<br/>Funds</b> | <b>Capital<br/>Projects<br/>Funds</b> | <b>Debt<br/>Service<br/>Funds</b> | <b>(MEMO)<br/>Total</b> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>                               | 0                       | 1,939                                | 493                                   | 159                               | 2,591                   |
| <b>Receipts:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 36,086                  | 3,070                                | 1,370                                 | 2,412                             | 42,938                  |
| Miscellaneous receipts                                    | 1,262                   | 6,957                                | 1,904                                 | 555                               | 10,678                  |
| Federal grants  | 0                       | 0                                    | 0                                     | 0                                 | 0                       |
| <b>Total receipts</b>                                     | <u>37,348</u>           | <u>10,027</u>                        | <u>3,274</u>                          | <u>2,967</u>                      | <u>53,616</u>           |
| <b>Disbursements:</b>                                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments                               | 27,289                  | 7,989                                | 569                                   | 0                                 | 35,847                  |
| State operations  | 7,430                   | 3,426                                | 0                                     | 7                                 | 10,863                  |
| General State charges                                     | 2,633                   | 181                                  | 0                                     | 0                                 | 2,814                   |
| Debt service  | 0                       | 0                                    | 0                                     | 3,953                             | 3,953                   |
| Capital projects  | 0                       | 5                                    | 2,579                                 | 0                                 | 2,584                   |
| <b>Total disbursements</b>                                | <u>37,352</u>           | <u>11,601</u>                        | <u>3,148</u>                          | <u>3,960</u>                      | <u>56,061</u>           |
| <b>Other financing sources (uses):</b>                    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                                | 2,073                   | 469                                  | 319                                   | 4,940                             | 7,801                   |
| Transfers to other funds                                  | (2,919)                 | (93)                                 | (775)                                 | (3,965)                           | (7,752)                 |
| Bond and note proceeds                                    | 0                       | 0                                    | 303                                   | 0                                 | 303                     |
| Use of Debt Reduction Reserve Fund                        | 0                       | 0                                    | (250)                                 | 0                                 | (250)                   |
| <b>Net other financing sources (uses)</b>                 | <u>(846)</u>            | <u>376</u>                           | <u>(403)</u>                          | <u>975</u>                        | <u>102</u>              |
| <b>(Deposit to) use of New Tax Reduction Reserve Fund</b> | <u>123</u>              | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>123</u>              |
| <b>(Deposit to) use of Salary Reserve</b>                 | <u>(505)</u>            | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>(505)</u>            |
| <b>Change in fund balance</b>                             | <u>(1,232)</u>          | <u>(1,198)</u>                       | <u>(277)</u>                          | <u>(18)</u>                       | <u>(2,725)</u>          |
| <b>Closing fund balance</b>                               | <u>(1,232)</u>          | <u>741</u>                           | <u>216</u>                            | <u>141</u>                        | <u>(134)</u>            |

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*Financial Plan Projections*

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**Cash Financial Plan  
State Funds  
Updated for 30-Day Amendments  
2002-2003  
(millions of dollars)**

|   | <u>General<br/>Fund</u> | <u>Special<br/>Revenue<br/>Funds</u> | <u>Capital<br/>Projects<br/>Funds</u> | <u>Debt<br/>Service<br/>Funds</u> | <u>(MEMO)<br/>Total</u> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Opening fund balance</b>                               | 0                       | 741                                  | 216                                   | 141                               | 1,098                   |
| <b>Receipts:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 36,380                  | 4,430                                | 1,474                                 | 2,527                             | 44,811                  |
| Miscellaneous receipts                                    | 1,228                   | 7,138                                | 1,834                                 | 551                               | 10,751                  |
| Federal grants  | 0                       | 0                                    | 0                                     | 0                                 | 0                       |
| <b>Total receipts</b>                                     | <u>37,608</u>           | <u>11,568</u>                        | <u>3,308</u>                          | <u>3,078</u>                      | <u>55,562</u>           |
| <b>Disbursements:</b>                                     |                         |                                      |                                       |                                   |                         |
| Grants to local governments                               | 28,728                  | 8,238                                | 539                                   | 0                                 | 37,505                  |
| State operations  | 7,618                   | 3,509                                | 0                                     | 7                                 | 11,134                  |
| General State charges                                     | 2,775                   | 185                                  | 0                                     | 0                                 | 2,960                   |
| Debt service  | 0                       | 0                                    | 0                                     | 4,073                             | 4,073                   |
| Capital projects  | 0                       | 5                                    | 2,466                                 | 0                                 | 2,471                   |
| <b>Total disbursements</b>                                | <u>39,121</u>           | <u>11,937</u>                        | <u>3,005</u>                          | <u>4,080</u>                      | <u>58,143</u>           |
| <b>Other financing sources (uses):</b>                    |                         |                                      |                                       |                                   |                         |
| Transfers from other funds                                | 2,218                   | 473                                  | 283                                   | 5,076                             | 8,050                   |
| Transfers to other funds                                  | (2,947)                 | (76)                                 | (895)                                 | (4,063)                           | (7,981)                 |
| Bond and note proceeds                                    | 0                       | 0                                    | 299                                   | 0                                 | 299                     |
| <b>Net other financing sources (uses)</b>                 | <u>(729)</u>            | <u>397</u>                           | <u>(313)</u>                          | <u>1,013</u>                      | <u>368</u>              |
| <b>(Deposit to) use of New Tax Reduction Reserve Fund</b> | <u>310</u>              | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>310</u>              |
| <b>(Deposit to) use of Salary Reserve</b>                 | <u>(715)</u>            | <u>0</u>                             | <u>0</u>                              | <u>0</u>                          | <u>(715)</u>            |
| <b>Change in fund balance</b>                             | <u>(2,647)</u>          | <u>28</u>                            | <u>(10)</u>                           | <u>11</u>                         | <u>(2,618)</u>          |
| <b>Closing fund balance</b>                               | <u>(2,647)</u>          | <u>769</u>                           | <u>206</u>                            | <u>152</u>                        | <u>(1,520)</u>          |

**Cash Financial Plan  
Special Revenue Funds  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <u>State</u> | <u>Federal</u> | <u>Total</u>  |
|---|--------------|----------------|---------------|
| <b>Opening fund balance</b>               | <u>1,067</u> | <u>(395)</u>   | <u>672</u>    |
| <b>Receipts:</b>                          |              |                |               |
| Taxes                                     | 2,572        | 0              | 2,572         |
| Miscellaneous receipts                    | 5,839        | 103            | 5,942         |
| Federal grants                            | <u>0</u>     | <u>21,556</u>  | <u>21,556</u> |
| <b>Total receipts</b>                     | <u>8,411</u> | <u>21,659</u>  | <u>30,070</u> |
| <b>Disbursements:</b>                     |              |                |               |
| Grants to local governments               | 5,171        | 18,693         | 23,864        |
| State operations                          | 3,509        | 2,802          | 6,311         |
| General State charges                     | 435          | 120            | 555           |
| Capital projects                          | <u>6</u>     | <u>0</u>       | <u>6</u>      |
| <b>Total disbursements</b>                | <u>9,121</u> | <u>21,615</u>  | <u>30,736</u> |
| <b>Other financing sources (uses):</b>    |              |                |               |
| Transfers from other funds                | 501          | 1,790          | 2,291         |
| Transfers to other funds                  | (153)        | (1,806)        | (1,959)       |
| Bond and note proceeds                    | <u>29</u>    | <u>0</u>       | <u>29</u>     |
| <b>Net other financing sources (uses)</b> | <u>377</u>   | <u>(16)</u>    | <u>361</u>    |
| <b>Change in fund balance</b>             | <u>(333)</u> | <u>28</u>      | <u>(305)</u>  |
| <b>Closing fund balance</b>               | <u>734</u>   | <u>(367)</u>   | <u>367</u>    |

**Cash Financial Plan  
Special Revenue Funds  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <u>State</u>  | <u>Federal</u> | <u>Total</u>  |
|---|---------------|----------------|---------------|
| <b>Opening fund balance</b>               | <u>734</u>    | <u>(367)</u>   | <u>367</u>    |
| <b>Receipts:</b>                          |               |                |               |
| Taxes                                     | 3,434         | 0              | 3,434         |
| Miscellaneous receipts                    | 6,803         | 103            | 6,906         |
| Federal grants                            | 0             | 23,010         | 23,010        |
| Use of reserves                           | <u>1,200</u>  | <u>0</u>       | <u>1,200</u>  |
| <b>Total receipts</b>                     | <u>11,437</u> | <u>23,113</u>  | <u>34,550</u> |
| <b>Disbursements:</b>                     |               |                |               |
| Grants to local governments               | 6,737         | 20,028         | 26,765        |
| State operations                          | 3,375         | 2,852          | 6,227         |
| General State charges                     | 429           | 128            | 557           |
| Capital projects                          | <u>4</u>      | <u>0</u>       | <u>4</u>      |
| <b>Total disbursements</b>                | <u>10,545</u> | <u>23,008</u>  | <u>33,553</u> |
| <b>Other financing sources (uses):</b>    |               |                |               |
| Transfers from other funds                | 454           | 1,830          | 2,284         |
| Transfers to other funds                  | (141)         | (1,962)        | (2,103)       |
| Bond and note proceeds                    | <u>0</u>      | <u>0</u>       | <u>0</u>      |
| <b>Net other financing sources (uses)</b> | <u>313</u>    | <u>(132)</u>   | <u>181</u>    |
| <b>Change in fund balance</b>             | <u>1,205</u>  | <u>(27)</u>    | <u>1,178</u>  |
| <b>Closing fund balance</b>               | <u>1,939</u>  | <u>(394)</u>   | <u>1,545</u>  |

**Cash Financial Plan  
Special Revenue Funds  
Updated for 30-Day Amendments  
2001-2002  
(millions of dollars)**

|   | <u>State</u> | <u>Federal</u> | <u>Total</u> |
|---|--------------|----------------|--------------|
| <b>Opening fund balance</b>               | 1,939        | (394)          | 1,545        |
| <b>Receipts:</b>                          |              |                |              |
| Taxes                                     | 3,070        | 0              | 3,070        |
| Miscellaneous receipts                    | 6,957        | 103            | 7,060        |
| Federal grants                            | 0            | 23,737         | 23,737       |
| <b>Total receipts</b>                     | 10,027       | 23,840         | 33,867       |
| <b>Disbursements:</b>                     |              |                |              |
| Grants to local governments               | 7,989        | 20,837         | 28,826       |
| State operations                          | 3,426        | 2,741          | 6,167        |
| General State charges                     | 181          | 130            | 311          |
| Capital projects                          | 5            | 0              | 5            |
| <b>Total disbursements</b>                | 11,601       | 23,708         | 35,309       |
| <b>Other financing sources (uses):</b>    |              |                |              |
| Transfers from other funds                | 469          | 1,727          | 2,196        |
| Transfers to other funds                  | (93)         | (1,864)        | (1,957)      |
| Bond and note proceeds                    | 0            | 0              | 0            |
| <b>Net other financing sources (uses)</b> | 376          | (137)          | 239          |
| <b>Change in fund balance</b>             | (1,198)      | (5)            | (1,203)      |
| <b>Closing fund balance</b>               | 741          | (399)          | 342          |

**Cash Financial Plan  
Special Revenue Funds  
Updated for 30-Day Amendments  
2002-2003  
(millions of dollars)**

|   | <u>State</u>  | <u>Federal</u> | <u>Total</u>  |
|---|---------------|----------------|---------------|
| <b>Opening fund balance</b>               | 741           | (399)          | 342           |
| <b>Receipts:</b>                          |               |                |               |
| Taxes                                     | 4,430         | 0              | 4,430         |
| Miscellaneous receipts                    | 7,138         | 105            | 7,243         |
| Federal grants                            | 0             | 24,811         | 24,811        |
| <b>Total receipts</b>                     | <u>11,568</u> | <u>24,916</u>  | <u>36,484</u> |
| <b>Disbursements:</b>                     |               |                |               |
| Grants to local governments               | 8,238         | 21,911         | 30,149        |
| State operations                          | 3,509         | 2,734          | 6,243         |
| General State charges                     | 185           | 134            | 319           |
| Capital projects                          | 5             | 0              | 5             |
| <b>Total disbursements</b>                | <u>11,937</u> | <u>24,779</u>  | <u>36,716</u> |
| <b>Other financing sources (uses):</b>    |               |                |               |
| Transfers from other funds                | 473           | 1,702          | 2,175         |
| Transfers to other funds                  | (76)          | (1,864)        | (1,940)       |
| Bond and note proceeds                    | 0             | 0              | 0             |
| <b>Net other financing sources (uses)</b> | <u>397</u>    | <u>(162)</u>   | <u>235</u>    |
| <b>Change in fund balance</b>             | <u>28</u>     | <u>(25)</u>    | <u>3</u>      |
| <b>Closing fund balance</b>               | <u>769</u>    | <u>(424)</u>   | <u>345</u>    |

**Cash Financial Plan  
Capital Projects Funds  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <b>State</b> | <b>Federal</b> | <b>Total</b> |
|---|--------------|----------------|--------------|
| <b>Opening fund balance</b>               | 211          | (142)          | 69           |
| <b>Receipts:</b>                          |              |                |              |
| Taxes                                     | 1,151        | 0              | 1,151        |
| Miscellaneous receipts                    | 1,866        | 0              | 1,866        |
| Federal grants                            | 0            | 1,319          | 1,319        |
| <b>Total receipts</b>                     | 3,017        | 1,319          | 4,336        |
| <b>Disbursements:</b>                     |              |                |              |
| Grants to local governments               | 474          | 126            | 600          |
| State operations                          | 0            | 0              | 0            |
| General State charges                     | 0            | 0              | 0            |
| Capital projects                          | 2,390        | 1,186          | 3,576        |
| <b>Total disbursements</b>                | 2,864        | 1,312          | 4,176        |
| <b>Other financing sources (uses):</b>    |              |                |              |
| Transfers from other funds                | 185          | 0              | 185          |
| Transfers to other funds                  | (525)        | (7)            | (532)        |
| Bond and note proceeds                    | 250          | 0              | 250          |
| <b>Net other financing sources (uses)</b> | (90)         | (7)            | (97)         |
| <b>Change in fund balance</b>             | 63           | 0              | 63           |
| <b>Closing fund balance</b>               | 274          | (142)          | 132          |

**Cash Financial Plan  
Capital Projects Funds  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <u>State</u> | <u>Federal</u> | <u>Total</u> |
|---|--------------|----------------|--------------|
| <b>Opening fund balance</b>               | <u>524</u>   | <u>(142)</u>   | <u>382</u>   |
| <b>Receipts:</b>                          |              |                |              |
| Taxes                                     | 1,240        | 0              | 1,240        |
| Miscellaneous receipts                    | 2,063        | 0              | 2,063        |
| Federal grants                            | 0            | 1,377          | 1,377        |
| (Deposit to)/use of reserves              | <u>250</u>   | <u>0</u>       | <u>250</u>   |
| <b>Total receipts</b>                     | <u>3,553</u> | <u>1,377</u>   | <u>4,930</u> |
| <b>Disbursements:</b>                     |              |                |              |
| Grants to local governments               | 674          | 197            | 871          |
| State operations                          | 0            | 0              | 0            |
| General State charges                     | 0            | 0              | 0            |
| Capital projects                          | <u>2,302</u> | <u>1,159</u>   | <u>3,461</u> |
| <b>Total disbursements</b>                | <u>2,976</u> | <u>1,356</u>   | <u>4,332</u> |
| <b>Other financing sources (uses):</b>    |              |                |              |
| Transfers from other funds                | 263          | 0              | 263          |
| Transfers to other funds                  | (657)        | (7)            | (664)        |
| Bond and note proceeds                    | 286          | 0              | 286          |
| Use of Debt Reduction Reserve Fund        | <u>(500)</u> | <u>0</u>       | <u>(500)</u> |
| <b>Net other financing sources (uses)</b> | <u>(608)</u> | <u>(7)</u>     | <u>(615)</u> |
| <b>Change in fund balance</b>             | <u>(31)</u>  | <u>14</u>      | <u>(17)</u>  |
| <b>Closing fund balance</b>               | <u>493</u>   | <u>(128)</u>   | <u>365</u>   |

*Note 1: The opening fund balance includes \$250 million for the Debt Reduction Reserve Fund as a result of the proposed reclassification from the General Fund to the Capital Projects Funds.*

**Cash Financial Plan  
Capital Projects Funds  
Updated for 30-Day Amendments  
2001-2002  
(millions of dollars)**

|   | <b>State</b> | <b>Federal</b> | <b>Total</b> |
|---|--------------|----------------|--------------|
| <b>Opening fund balance</b>               | 493          | (128)          | 365          |
| <b>Receipts:</b>                          |              |                |              |
| Taxes                                     | 1,370        | 0              | 1,370        |
| Miscellaneous receipts                    | 1,904        | 0              | 1,904        |
| Federal grants                            | 0            | 1,352          | 1,352        |
| <b>Total receipts</b>                     | 3,274        | 1,352          | 4,626        |
| <b>Disbursements:</b>                     |              |                |              |
| Grants to local governments               | 569          | 199            | 768          |
| State operations                          | 0            | 0              | 0            |
| General State charges                     | 0            | 0              | 0            |
| Capital projects                          | 2,579        | 1,145          | 3,724        |
| <b>Total disbursements</b>                | 3,148        | 1,344          | 4,492        |
| <b>Other financing sources (uses):</b>    |              |                |              |
| Transfers from other funds                | 319          | 0              | 319          |
| Transfers to other funds                  | (775)        | (8)            | (783)        |
| Bond and note proceeds                    | 303          | 0              | 303          |
| Use of Debt Reduction Reserve Fund        | (250)        | 0              | (250)        |
| <b>Net other financing sources (uses)</b> | (403)        | (8)            | (411)        |
| <b>Change in fund balance</b>             | (277)        | 0              | (277)        |
| <b>Closing fund balance</b>               | 216          | (128)          | 88           |

**Cash Financial Plan  
Capital Projects Funds  
Updated for 30-Day Amendments  
2002-2003  
(millions of dollars)**

|   | <u>State</u> | <u>Federal</u> | <u>Total</u> |
|---|--------------|----------------|--------------|
| <b>Opening fund balance</b>               | <u>216</u>   | <u>(128)</u>   | <u>88</u>    |
| <b>Receipts:</b>                          |              |                |              |
| Taxes                                     | 1,474        | 0              | 1,474        |
| Miscellaneous receipts                    | 1,834        | 0              | 1,834        |
| Federal grants                            | <u>0</u>     | <u>1,369</u>   | <u>1,369</u> |
| <b>Total receipts</b>                     | <u>3,308</u> | <u>1,369</u>   | <u>4,677</u> |
| <b>Disbursements:</b>                     |              |                |              |
| Grants to local governments               | 539          | 198            | 737          |
| State operations                          | 0            | 0              | 0            |
| General State charges                     | 0            | 0              | 0            |
| Capital projects                          | <u>2,466</u> | <u>1,163</u>   | <u>3,629</u> |
| <b>Total disbursements</b>                | <u>3,005</u> | <u>1,361</u>   | <u>4,366</u> |
| <b>Other financing sources (uses):</b>    |              |                |              |
| Transfers from other funds                | 283          | 0              | 283          |
| Transfers to other funds                  | (895)        | (8)            | (903)        |
| Bond and note proceeds                    | <u>299</u>   | <u>0</u>       | <u>299</u>   |
| <b>Net other financing sources (uses)</b> | <u>(313)</u> | <u>(8)</u>     | <u>(321)</u> |
| <b>Change in fund balance</b>             | <u>(10)</u>  | <u>0</u>       | <u>(10)</u>  |
| <b>Closing fund balance</b>               | <u>206</u>   | <u>(128)</u>   | <u>78</u>    |

**GAAP Financial Plan  
General Fund  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <b>Executive</b> | <b>Change</b> | <b>30-Day</b> |
|---|------------------|---------------|---------------|
| <b>Revenues:</b>  |                  |               |               |
| Taxes   |                  |               |               |
| Personal income tax   | 21,709           | 60            | 21,769        |
| User taxes and fees   | 7,449            | 10            | 7,459         |
| Business taxes  | 4,519            | 0             | 4,519         |
| Other taxes   | 1,055            | 48            | 1,103         |
| Miscellaneous revenues  | 2,954            | 0             | 2,954         |
| <b>Total revenues</b>   | <b>37,686</b>    | <b>118</b>    | <b>37,804</b> |
| <b>Expenditures:</b>  |                  |               |               |
| Grants to local governments   | 26,693           | (8)           | 26,685        |
| State operations  | 8,881            | 0             | 8,881         |
| General State charges   | 1,890            | 0             | 1,890         |
| Debt service  | 20               | 0             | 20            |
| Capital projects  | 1                | 0             | 1             |
| <b>Total expenditures</b>   | <b>37,485</b>    | <b>(8)</b>    | <b>37,477</b> |
| <b>Other financing sources (uses):</b>  |                  |               |               |
| Transfers from other funds  | 4,316            | 7             | 4,323         |
| Transfers to other funds  | (4,473)          | 0             | (4,473)       |
| Proceeds from financing arrangements/<br>advance refundings   | 421              | 0             | 421           |
| <b>Net other financing sources (uses)</b>   | <b>264</b>       | <b>7</b>      | <b>271</b>    |
| <b>Excess (deficiency) of revenues<br/>and other financing sources<br/>over expenditures and other<br/>financing uses</b> | <b>465</b>       | <b>133</b>    | <b>598</b>    |

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*Financial Plan Projections*

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**GAAP Financial Plan  
General Fund  
Updated for 30-Day Amendments  
2000-01 through 2002-03  
(millions of dollars)**

|   | <u>2000-01</u> | <u>2001-02</u> | <u>2002-03</u> |
|---|----------------|----------------|----------------|
| <b>Revenues:</b>  |                |                |                |
| Taxes   |                |                |                |
| Personal income tax   | 23,178         | 24,171         | 24,365         |
| User taxes and fees   | 7,086          | 7,289          | 7,474          |
| Business taxes  | 4,174          | 3,979          | 3,784          |
| Other taxes   | 749            | 805            | 856            |
| Miscellaneous revenues  | 3,033          | 2,981          | 3,004          |
| <b>Total revenues</b>   | <u>38,220</u>  | <u>39,225</u>  | <u>39,483</u>  |
| <b>Expenditures:</b>  |                |                |                |
| Grants to local governments   | 26,859         | 28,450         | 29,886         |
| State operations  | 9,114          | 9,260          | 9,417          |
| General State charges   | 1,950          | 2,077          | 2,204          |
| Debt service  | 32             | 21             | 23             |
| Capital Projects  | 1              | 2              | 2              |
| <b>Total expenditures</b>   | <u>37,956</u>  | <u>39,810</u>  | <u>41,532</u>  |
| <b>Other financing sources (uses):</b>  |                |                |                |
| Transfers from other funds  | 4,556          | 4,398          | 4,506          |
| Transfers to other funds  | (4,930)        | (5,045)        | (5,148)        |
| Proceeds of bond sales and other financing arrangements   | 386            | 280            | 280            |
|   | <u>12</u>      | <u>(367)</u>   | <u>(362)</u>   |
| <b>(Deposit to)/use of New Tax Reduction Reserve Fund</b>   | <u>(433)</u>   | <u>123</u>     | <u>310</u>     |
| <b>(Deposit to)/use of Salary Reserve</b>   | <u>(475)</u>   | <u>(505)</u>   | <u>(715)</u>   |
| <b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b> | <u>(632)</u>   | <u>(1,334)</u> | <u>(2,816)</u> |

**GAAP Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
1999-2000  
(millions of dollars)**

|   | <b>General<br/>Fund</b> | <b>Special<br/>Revenue<br/>Funds</b> | <b>Capital<br/>Projects<br/>Funds</b> | <b>Debt<br/>Service<br/>Funds</b> | <b>(MEMO)<br/>Total</b> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Revenues:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 34,850                  | 2,592                                | 1,149                                 | 2,368                             | 40,959                  |
| Federal grants  | 0                       | 23,131                               | 1,374                                 | 0                                 | 24,505                  |
| Lottery   | 0                       | 3,567                                | 0                                     | 0                                 | 3,567                   |
| Patient fees  | 0                       | 0                                    | 0                                     | 369                               | 369                     |
| Miscellaneous revenues  | 2,954                   | 426                                  | 226                                   | 66                                | 3,672                   |
| <b>Total revenues</b>   | <u>37,804</u>           | <u>29,716</u>                        | <u>2,749</u>                          | <u>2,803</u>                      | <u>73,072</u>           |
| <b>Expenditures:</b>  |                         |                                      |                                       |                                   |                         |
| Grants to local governments   | 26,685                  | 23,894                               | 548                                   | 0                                 | 51,127                  |
| State operations  | 8,881                   | 3,461                                | 0                                     | 14                                | 12,356                  |
| General State charges   | 1,890                   | 170                                  | 0                                     | 0                                 | 2,060                   |
| Debt service  | 20                      | 0                                    | 0                                     | 3,079                             | 3,099                   |
| Capital projects  | 1                       | 5                                    | 3,565                                 | 0                                 | 3,571                   |
| <b>Total expenditures</b>   | <u>37,477</u>           | <u>27,530</u>                        | <u>4,113</u>                          | <u>3,093</u>                      | <u>72,213</u>           |
| <b>Other financing sources (uses):</b>  |                         |                                      |                                       |                                   |                         |
| Transfers from other funds  | 4,323                   | 779                                  | 160                                   | 4,678                             | 9,940                   |
| Transfers to other funds  | (4,473)                 | (2,917)                              | (534)                                 | (4,334)                           | (12,258)                |
| Proceeds of general obligation bonds  | 0                       | 0                                    | 390                                   | 0                                 | 390                     |
| Proceeds from financing arrangements/<br>advance refundings   | 421                     | 0                                    | 1,515                                 | 0                                 | 1,936                   |
| <b>Net other financing sources (uses)</b>   | <u>271</u>              | <u>(2,138)</u>                       | <u>1,531</u>                          | <u>344</u>                        | <u>8</u>                |
| <b>Excess (deficiency) of revenues and<br/>other financing sources over<br/>expenditures and other financing uses</b> |                         |                                      |                                       |                                   |                         |
|   | <u>598</u>              | <u>48</u>                            | <u>167</u>                            | <u>54</u>                         | <u>867</u>              |

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*Financial Plan Projections*

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**GAAP Financial Plan  
All Governmental Funds  
Updated for 30-Day Amendments  
2000-2001  
(millions of dollars)**

|   | <b>General<br/>Fund</b> | <b>Special<br/>Revenue<br/>Funds</b> | <b>Capital<br/>Projects<br/>Funds</b> | <b>Debt<br/>Service<br/>Funds</b> | <b>(MEMO)<br/>Total</b> |
|---|-------------------------|--------------------------------------|---------------------------------------|-----------------------------------|-------------------------|
| <b>Revenues:</b>  |                         |                                      |                                       |                                   |                         |
| Taxes   | 34,279                  | 4,632                                | 1,489                                 | 2,329                             | 42,729                  |
| Federal grants  | 0                       | 24,630                               | 1,434                                 | 0                                 | 26,064                  |
| Lottery   | 0                       | 3,967                                | 0                                     | 0                                 | 3,967                   |
| Patient fees  | 0                       | 0                                    | 0                                     | 340                               | 340                     |
| Miscellaneous revenues  | 3,033                   | 832                                  | 333                                   | 62                                | 4,260                   |
| <b>Total revenues</b>   | <u>37,312</u>           | <u>34,061</u>                        | <u>3,256</u>                          | <u>2,731</u>                      | <u>77,360</u>           |
| <b>Expenditures:</b>  |                         |                                      |                                       |                                   |                         |
| Grants to local governments   | 26,859                  | 26,559                               | 818                                   | 0                                 | 54,236                  |
| State operations  | 9,114                   | 3,791                                | 0                                     | 7                                 | 12,912                  |
| General State charges   | 1,950                   | 181                                  | 0                                     | 0                                 | 2,131                   |
| Debt service  | 32                      | 0                                    | 0                                     | 3,363                             | 3,395                   |
| Capital projects  | 1                       | 3                                    | 3,474                                 | 0                                 | 3,478                   |
| <b>Total expenditures</b>   | <u>37,956</u>           | <u>30,534</u>                        | <u>4,292</u>                          | <u>3,370</u>                      | <u>76,152</u>           |
| <b>Other financing sources (uses):</b>  |                         |                                      |                                       |                                   |                         |
| Transfers from other funds  | 4,556                   | 953                                  | 238                                   | 5,098                             | 10,845                  |
| Transfers to other funds  | (4,930)                 | (3,300)                              | (710)                                 | (4,423)                           | (13,363)                |
| Proceeds of general obligation bonds  | 0                       | 0                                    | 331                                   | 0                                 | 331                     |
| Proceeds from financing arrangements/<br>advance refundings   | 386                     | 0                                    | 1,838                                 | 0                                 | 2,224                   |
| Use of Debt Reduction Reserve Fund  | 0                       | 0                                    | (500)                                 | 0                                 | (500)                   |
| <b>Net other financing sources (uses)</b>   | <u>12</u>               | <u>(2,347)</u>                       | <u>1,197</u>                          | <u>675</u>                        | <u>(463)</u>            |
| <b>Excess (deficiency) of revenues and<br/>other financing sources over<br/>expenditures and other financing uses</b> |                         |                                      |                                       |                                   |                         |
|   | <u>(632)</u>            | <u>1,180</u>                         | <u>161</u>                            | <u>36</u>                         | <u>745</u>              |