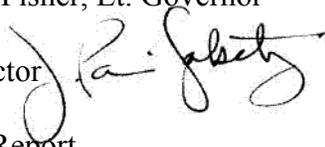




July 10, 2008

MEMORANDUM TO: The Honorable Ted Strickland, Governor  
The Honorable Lee Fisher, Lt. Governor

FROM: J. Pari Sabety, Director 

SUBJECT: Monthly Financial Report

This report contains final information for State Fiscal Year 2008. All months of SFY 2008 are now closed in the Ohio Administrative Knowledge System (OAKS) General Ledger. June financials are highlighted in this report and an appendix item contains the final revenue and expenditure tables for each month of FY 2008.

On June 30<sup>th</sup> Ohio ended the year with an unobligated General Revenue Fund balance of \$807.6 million, less than 1% variance from the \$801.8 million balance estimated at the time of budget recalibration in February 2008. Our ability to finish FY 2008 with a secure balance was directly related to actions undertaken for the budget recalibration. This success was contingent on partnership from state agencies to reduce spending plans through the last four months of FY 2008, their strict observance of enhanced hiring and equipment control procedures, and their success at managing mission-critical operations with lower budget thresholds.

As you are aware, this is the first time that we closed a fiscal year with the new OAKS Financials System. I would like to recognize the hard work of my staff and the OAKS team in accomplishing this goal. Additionally, I would like to thank all agency OAKS Financials users throughout the state for their collaboration and patience as we worked to close out FY 2008 and prepared to begin the new fiscal year.

As Fiscal Year 2009 unfolds, OBM will be making some improvements to the Monthly Financial Report. One notable change begins this month: OBM will include a new section which features a specific budgetary topic in detail. July's featured topic is the first decrease in outstanding GRF debt since the state began utilizing debt as a means to finance long-term capital assets. (See page 23 for this information.)

## ***ECONOMIC SUMMARY***

Tax rebate checks augmented personal income during late spring and fueled an increase in consumer spending. Despite this, the continued weakness in labor markets, high and rising energy prices, and a depressed housing market are restraining overall economic activity. Although the onset of recession is not widely acknowledged, many of the traditional signposts are evident, including a string of seven straight monthly declines in private sector employment through June.

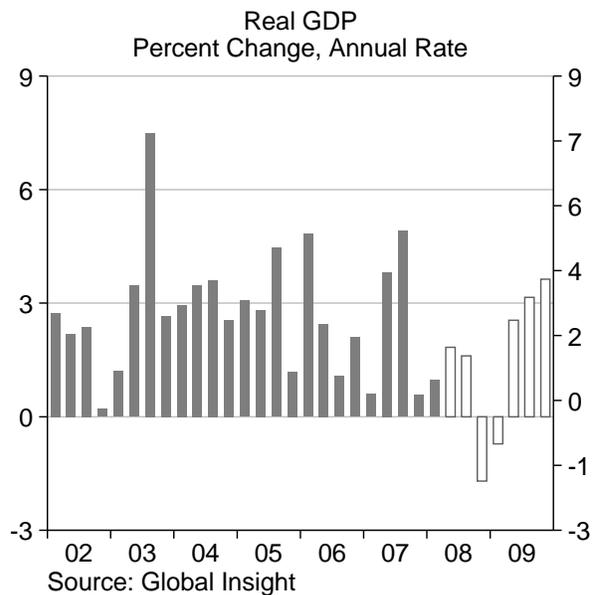
### **Highlights of Economic Performance**

- Total employment decreased for the sixth straight month in June by 62,000 jobs. Ohio employment is essentially flat through the first half of Calendar Year 2008.
- High and rising gas prices and the ongoing decline in home prices continued to depress consumer confidence in June.
- Compared with a year earlier, Ohio permits for new housing starts were down by 35% in May.
- Economists forecast modest but increasing GDP growth in the next few quarters.

### **Economic Growth**

First quarter **real GDP growth** was revised up slightly to 1.0%. Compared with a year earlier, real GDP was higher by 2.5% in the first quarter. The economy grew 0.6% in the fourth quarter of 2007. The data will be revised again at the end of July as part of the annual benchmark revision that will adjust data back to 2005.

Over the last quarter, consumer spending slowed to its weakest growth rate since the 2001 recession, growth in business investment moderated, residential construction continued to fall at a rapid pace, and the trade deficit continued to narrow. Real domestic purchases were essentially unchanged for the second consecutive quarter.

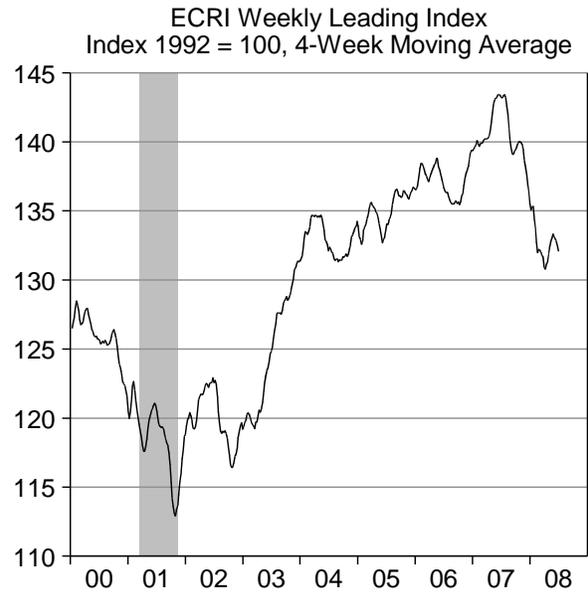


**Pre-tax operating profits** decreased by 0.3% in the first quarter, following declines during each of the previous two quarters. Profits were up by 1.0% from the first quarter of 2007, down from a peak rate of year-over-year growth of 28.4% in the second quarter of 2004 and 8.4% as recently as 2006.

Looking ahead, the composite **Leading Economic Index** compiled by the Conference Board eked out a 0.1% gain for the second consecutive month in May. The index was revised down to no change in March. The rate of change has increased to -1.7% from a low of -2.9% in February, but remains consistent with a weak economy.

The **Weekly Leading Index** from the Economic Cycle Research Institute (ECRI) paints a similar picture of moderating decline in the economy. The rate of change of the index remained near -6% during the week ending June 27, up from its low for the cycle of -11.1% at the end of March, but still squarely in recessionary territory. ECRI analysts say the improvement is notable, but does not yet reverse the recession signal, in part because it is narrowly based across components.

The consensus of forecasters is for modest growth in real GDP of 1.5% or less through the first quarter of 2009, rising to the 2.25% to 2.75% range during the final three quarter of 2009, according to the *Blue Chip Economic Indicators*. The fourth quarter of 2008 is projected to be the weakest with real GDP growth of just 0.6%. Global Insight projects an even weaker environment, with 1.50% to 1.75% growth during the middle two quarters of 2008 giving way to declines in the fourth quarter of 2008 and first quarter of 2009. Global Insight projects a stronger rebound, with growth exceeding 3% in the second half of 2009.



## Employment

**Total employment** decreased for the sixth straight month in June by 62,000 jobs. Private payrolls decreased for the seventh straight month in June by 91,000 jobs. Private payrolls have decreased for seven straight months in the past – dating back to the 1940s – only when the economy has been in recession. The one-month changes in employment during April and May were revised downward by a total of 52,000 jobs. From its peak in December, total employment has decreased by 438,000 jobs. Private sector employment has decreased by 578,000 jobs from its peak in November 2007.



Construction employment decreased by 43,000 jobs, with declines spread across both residential and nonresidential job classifications. Job losses totaling 33,000 in manufacturing were broad-based, despite a small gain in the motor vehicle industry resulting from the settlement of the strike at parts-maker American Axle. In the private services category, employment gains in education and health services (+29,000) and leisure and hospitality (+24,000) were more than offset by declines in other sectors.

Employment in temporary help services decreased for the eighth consecutive month and seventeen out of the last eighteen months and is down 8.7% from its peak in December 2006. Temporary help employment has led other measures of economic activity in the past, because of the ease with which temporary staff can be added or reduced. At the start of the last recession in March 2001, temporary help employment had decreased by 7.2% from its previous peak.

The **unemployment rate** remained at 5.5% in June, after jumping by one-half percentage point in May. The May increase was the largest one-month increase since May 1980. At 5.5%, the unemployment rate is the highest since July 2004.



The **length of the workweek** for all production and nonsupervisory workers was unchanged at 33.7 hours. The manufacturing workweek fell to 40.8 hours from 40.9 hours in May. The peak for this cycle was 41.4 hours in July 2007. The index of aggregate weekly hours decreased at an annual pace of 0.9% in the second quarter, following a 1.1% rate of decline in the first quarter. The back-to-back quarters of falling labor input were the first since the ten consecutive quarterly declines that began at the start of the 2001 recession.

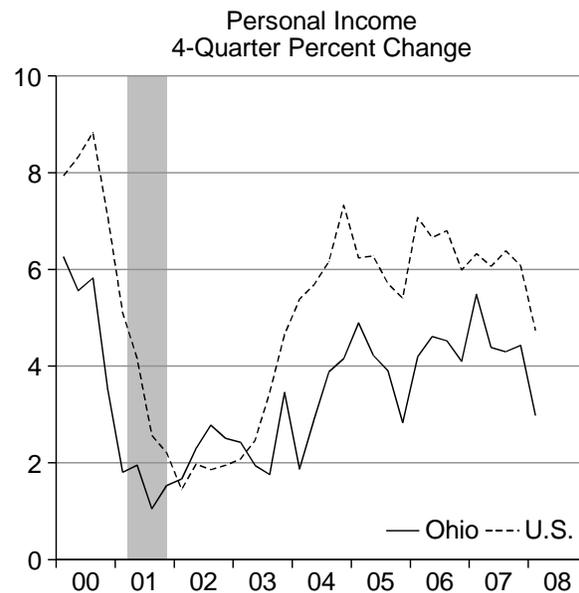
The see-saw pattern in **Ohio employment** continued in May with an increase of 9,200 jobs, which followed a decrease of 11,400 jobs in April. On the year, Ohio employment is essentially flat, as gains in service-sector jobs have roughly offset declines in manufacturing and construction employment. On a year-over-year basis, Ohio employment was lower by 11,000 jobs. The Ohio leading employment index was unchanged in April, but remains below the recent high set last September.

The only **Ohio Metropolitan Statistical Areas** that made positive contributions to statewide employment growth during the past year are Columbus (+6,400) and Akron (+1,500). Employment declined in all other metro areas, led by Cleveland (-6,700), Toledo (-4,600), and Dayton (-4,400).

Kentucky, West Virginia, and Pennsylvania led the way in employment growth among **contiguous states** during the twelve months ending in May with gains of 0.5%, 0.3%, and 0.1%, respectively. Employment in Michigan decreased 1.6% from a year ago. Employment fell by 0.2% in Ohio and 0.1% in Indiana. In comparison, U.S. employment increased 0.1% during the twelve months ending in May and was essentially unchanged during the twelve months ending in June.

### **Consumer Income and Consumption**

The arrival of tax rebate checks authorized by the Economic Stimulus Act of 2008 starting in late April will distort consumer income and spending data for several months. **Personal income** increased 1.9% in May and disposable personal income jumped by 5.7%. In both cases, monthly increases had averaged 0.4% during the previous year. Excluding the rebate checks, disposable personal income increased 0.4% again in May. Rebate payments totaled \$1.9 billion in April and \$48.1 billion in May. Another approximately \$57 billion in payments are scheduled to be delivered in July.



Wage and salary disbursements, which have been unaffected by rebate checks, increased 0.3% in May, following a 0.1% decline in April. Compared with a year earlier, wage and salary disbursements were up by 4.6% – the same as in April.

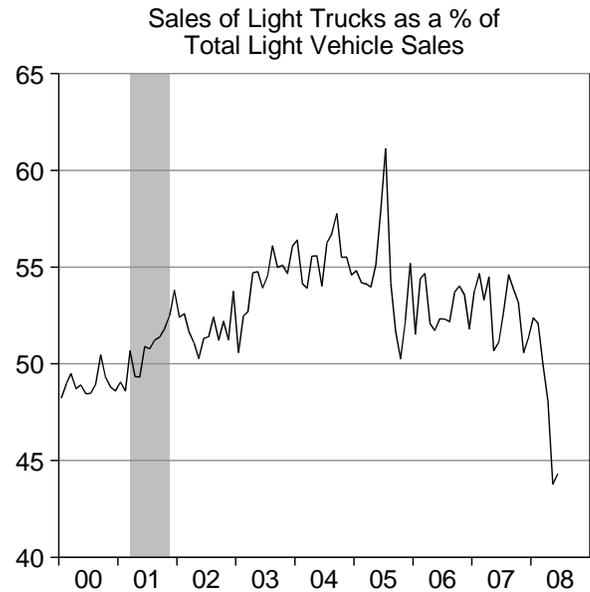
**Ohio personal income** increased 4.5% in the first quarter – 18<sup>th</sup> best in the country. Compared with the first quarter of 2007, Ohio incomes were 3.0% higher. Wage and salary disbursements increased 5.2% from the prior quarter and 1.7% from the year earlier. Other than immediately following the Gulf Coast hurricanes in 2005, this is the slowest growth in income since early in the recovery from the 2001 recession.

**Personal consumption expenditures** increased 0.8% in May and real consumption grew 0.4%. The savings rate jumped to 5.0%, compared with a range of about 0% to 1% for much of the past four years. The pattern is a familiar one, having played out in the summer of 2001, during a similar tax rebate program. A key difference between the two programs is that the 2001 checks were advances on retroactive tax rate reductions, whereas the 2008 checks are one-time payments, unconnected to permanent changes in the tax code.

**Midwest retail sales** increased 1.1% in May, and March and April changes were revised upward. Compared with a year earlier, Midwest retail sales were up by 2.1%. Sales were stronger in all regions during the month, presumably reflecting the rebate checks.

In a sign that high gasoline prices and other worries are outweighing tax rebate checks, sales of light motor vehicles fell to 13.6 million units at a seasonally adjusted pace in June, down from an average of 14.3 million units during the previous two months. Sales had averaged 15.8 million units during the twelve months ending in March. An indication that consumers are responding to gasoline prices, the light truck share of total light vehicle sales fell to 44% in June. The truck share had fallen below 50% in April for the first time since February 2001.

High and rising gasoline prices and the ongoing decline in home prices continued to depress **consumer confidence** into June. Both the Conference Board and Reuters/University of Michigan measures of consumer attitudes sank in June to levels seen in the past only in times of extreme economic weakness. The Conference Board measure of consumer expectations fell to its lowest level on record, dating back to 1967.



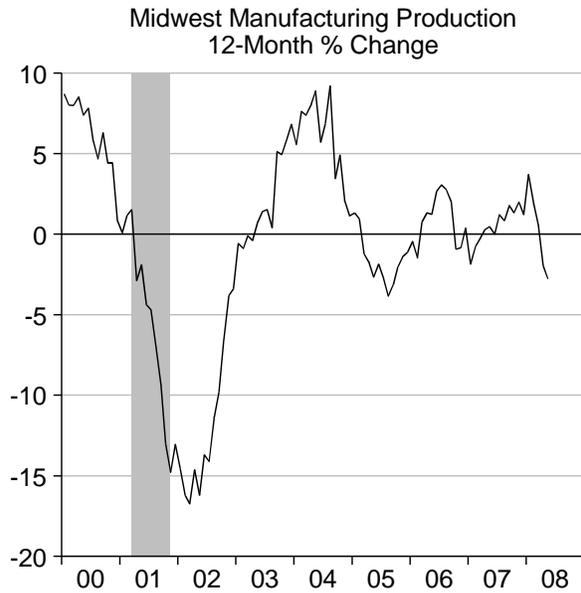
## **Manufacturing**

**Industrial production** decreased 0.2% in May, following a 0.7% decline in April, for the third decline in four months. The key culprit was a weather-driven decrease of 1.8% in utility output, as May was milder than usual across much of the country. Compared with a year earlier, industrial production was down 0.1% – the first year-over-year decline since early in the recovery from the 2001 recession. Capacity utilization fell to the lowest level since early 2004, suggesting that business investment spending will slow.

Manufacturing production was unchanged in May, after a decline of 0.9% in April. The see-saw pattern in recent months has left manufacturing output 0.3% below the year earlier level. Outside of high-tech and motor vehicles, manufacturing output fell 0.2%. The bounce-back in motor vehicle production reflected the end of the strike at a key supplier to General Motors, but left output 14.7% below the year earlier level. Autos were assembled at a seasonally adjusted annual pace of 8.6 million units in May. That was up from a pace of 8.4 million units in April, but still well below 10.8 million in 2007 and 11.3 million in 2006.



**Midwest industrial production** decreased 0.8% in May after a decline of 1.8% in April. Production in all four sectors declined, led by the auto sector with a decline of 1.7%. Compared with a year earlier, Midwest manufacturing production was down 2.8% in May. Surveys by the Philadelphia and New York Federal Reserve Banks of manufacturers in their districts revealed further deterioration in June. Declines in both new orders and shipments contributed to a decline in the overall index of activity in each region.



The mood of **purchasing managers** across the country stabilized in June. The purchasing managers' index remained near neutral for a second straight month, indicating neither growth nor decline in manufacturing activity. The index had been indicating declining activity in most months since last December. Purchasing managers reported near neutral conditions for new orders and production, widespread price increases for inputs, strong export orders, but very weak hiring.

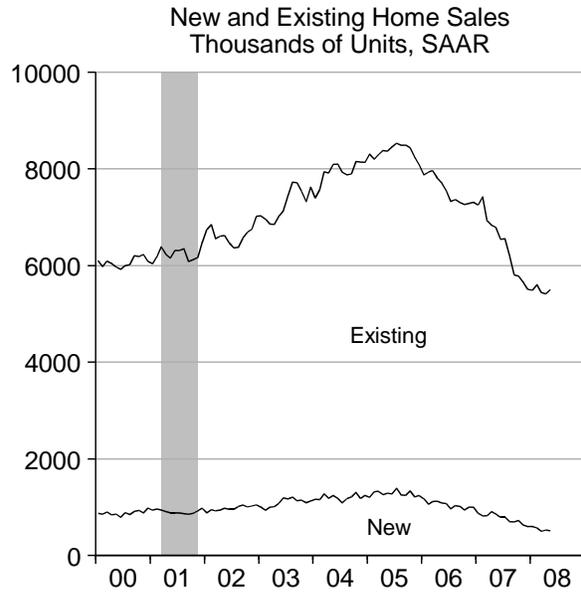
### Construction

**Construction put-in-place** fell 0.4% in May to 7.4% below the year earlier level. Residential construction fell 1.6% to 30.1% lower than a year ago. Nonresidential construction edged higher by 0.3% to 12.8% above the year ago mark. Residential construction was still accelerating in the downward direction on a year-over-year basis, although the decline in single-family housing construction has slowed in recent months. Nonresidential activity was slowing from a peak year-over-year growth rate of 18.5% last October.

**Housing starts** fell 3.3% in May to 975,000 units at a seasonally adjusted annual pace – the slowest rate since March 1991, the final month of the 1990-91 recession. Single-family starts fell by 1.0% and multi-family starts were down 8.0%. New permits for single-family homes decreased by 4.0%, indicating that housing construction will remain under downward pressure in the months ahead. Ohio new single-family permits jumped 23% in April on a three-month moving average basis, back to the January level. Compared with a year earlier, Ohio permits were down by 35%.

The Housing Market Index, compiled by the National Association of Home Builders, deteriorated to match its lowest level on record in June. The index measures builder sentiment regarding current sales, sales expectations, and prospective buyer traffic. The index increased in the Midwest to its highest level of the year. Nonetheless, fixed mortgage rates have moved up by more one-half percentage point since the low at the end of March, increasing financing costs.

Sales of new and existing homes remained under downward pressure compared with a year earlier in May. The three-month moving average of new home sales was 40.5% lower than a year earlier. Sales of existing homes were 32.7% lower. In both cases, the rate of decline was the fastest yet for this cycle. In a sign of continued adjustment, however, the number of newly built homes for sale decreased for the thirteenth straight month. The number of months' supply of both new and existing homes stayed near eleven in May – about where it has been the last few months.



## **REVENUES AND DISBURSEMENTS**

Fiscal Year 2008 is now closed. This month's report contains a review of June activity as well as aggregate information for FY 2008. The General Ledger Appendix to this report contains final revenue and disbursement information for all months for FY 2008.

### **FY 2008 GRF Revenue & Disbursements at a Glance**

- At the close of FY 2008, GRF tax receipts were below estimate by \$238.4 million (1.2%).  
✓ See **Table 1** – GRF Receipts: Final Actual FY 2008 vs. Estimate
- Tax receipts decreased \$49.4 million (0.3%) in FY 2008 compared to FY 2007.  
✓ See **Table 2** – GRF Receipts: Final Actual FY 2008 vs. FY 2007
- GRF uses for the year, including transfers, were below estimate by \$640.6 million (2.4%).  
✓ See **Table 3** – GRF Disbursements: Final Actual FY 2008 vs. Estimate
- Excluding transfers out, GRF uses were \$577.5 million (2.3%) above last year's level.  
✓ See **Table 4** – GRF Disbursements: Final Actual FY 2008 vs. FY 2007

### **Variance Summary**

FY 2008 GRF revenues and disbursement estimates that appear in this report reflect the FY 08/09 biennial budget framework that was used for Am. Sub. H.B. 119. The following table shows the variances from the estimates for the month of June and for all of FY 2008.

| <b>General Revenue Fund<br/>(\$ in millions)</b> | <b>June Variance</b> |         | <b>FY 2008 Variance</b> |        |
|--|----------------------|---------|-------------------------|--------|
| <b>Revenues</b>                                  |                      |         |                         |        |
| <b>Tax Receipts</b>                              | \$232.3              | 14.1%   | (\$238.4)               | (1.2%) |
| <b>All Sources</b>                               | \$220.3              | 8.7%    | (\$335.3)               | (1.2%) |
| <b>Total Uses (Including Transfers)</b>          | (823.6)              | (41.3%) | (\$640.6)               | (2.4%) |

### **Note Regarding Pending Accounts Receivable**

Although the FY 2008 is closed, there are a number of receivables in the OAKS Accounts Receivable Ledger that remain to be reconciled to the General Ledger. This work is ongoing and will be summarized in the August Monthly Report. This reconciliation will have no effect on the GRF ending fund balance. The exact amount of these receivables is noted on Table 1.

## Notes Regarding the FY 2008/2009 Budget Recalibration

- Revenues – On February 20, 2008, OBM released revised revenue estimates FY 2008 and FY 2009. The directive indicated that future Monthly Financial Reports will include an Appendix (Table 1A) that illustrates revised revenue estimates in light of the Administration’s budget recalibration activities. While the Monthly Financial Report will continue to use HB 119 appropriations as a benchmark, the additional appendix information is available for your reference through the end of the biennium.
- FY 08 Disbursements – OBM did not update FY 08 disbursement estimates to reflect the Administration’s budget recalibration plan; rather, any agency under-spending related to recalibration was referenced each month in the disbursement section of this report.
- FY 09 Disbursements – FY 09 disbursement estimates will reflect the recalibrated budget figures rather than the Am. Sub. HB 119 appropriations; thus, narratives in the Monthly Financial Reports will describe actual spending relative to the recalibrated budget estimates throughout the entire fiscal year. More information will be available in the August 2008 report.

## REVENUES

During the month of June, **GRF tax receipts** totaled \$1,876.4 million, which was \$232.3 million, or 14.1% above estimate, while total GRF revenues were \$220.3 million or 8.7% above estimate. For Fiscal Year (FY) 2008, tax receipts finished \$238.4 million (1.2%) below estimate. Total GRF revenues were \$335.3 million (1.2%) below estimate.

The excess revenues in June were primarily attributable to three tax sources. The domestic insurance and the dealers in intangibles taxes, which should have been received in May, all came in during June. In addition, personal income tax receipts, as expected, offset the early processing of refunds to come in significantly above estimate.

For the fiscal year, receipts were \$31.8 million below the original estimates. Income tax receipts in June exceeded the original House Bill 119 estimates by \$100.5 million. Lower than expected refunds accounted for most of the June gain. The original estimates expected refund payments of about \$119 million. However, because of quicker than expected processing and payment of refunds earlier in the fiscal year, only \$21 million was left to be paid out in refunds in June. Withholding receipts for the month were right at estimate. For the fiscal year, withholding trailed estimates by \$20.6 million.

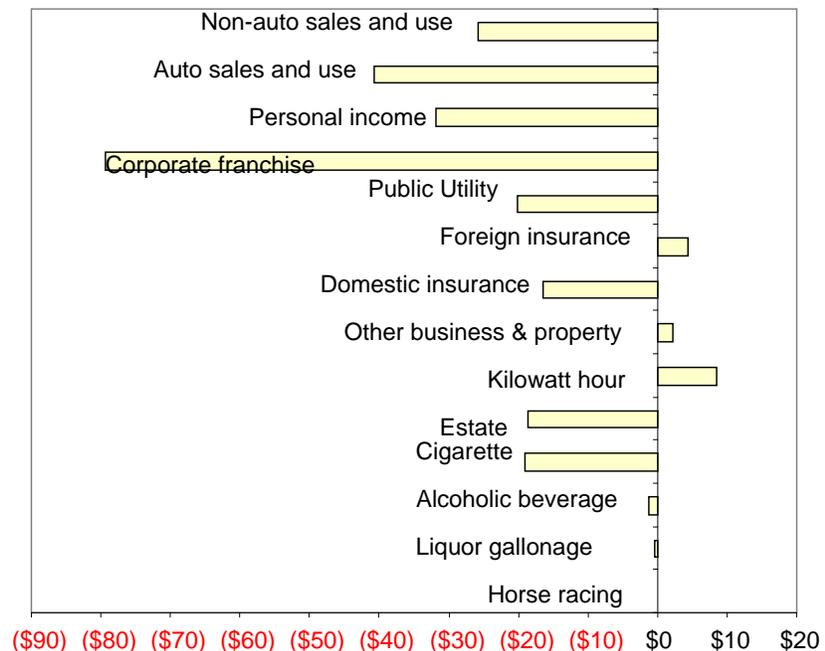
For the month of June, the corporate franchise tax fell short of estimates by \$16.2 million (14%), which helped increase the year to date negative variance for the tax to \$79.3 million (9.5%). Coupled with the shortfall in May, the final estimated payment of the year, which was due May 31<sup>st</sup>, was about \$31 million (15%) below estimate.

Non-auto sales tax receipts in June exceeded estimate by \$8.8 million (1.6%). For the fiscal year, non-auto receipts were \$25.7 million (0.4%) below estimate. Despite making the estimate for the month, the

tax continued its weakening trend of the latter part of the fiscal year. Adjusting for changes in Local Government Fund allocations, the tax grew one percent from last year, which includes the initial impact of the federal stimulus payments. Without the stimulus payments, receipts likely would have been one or two percent below last year. The auto sales tax was \$12.9 million (13.8%) below estimate for the month and \$40.8 million (4.1%) below for the fiscal year. June

### FY 2008 GRF Tax Receipts: Actual to Estimate

Variance by type through June 30, 2008, in millions



receipts are clearly reflecting the continued weakening of the market for new automobiles. For the fiscal year, adjusting for the changes in the allocation for the local government funds, auto sales tax receipts were about flat with last year.

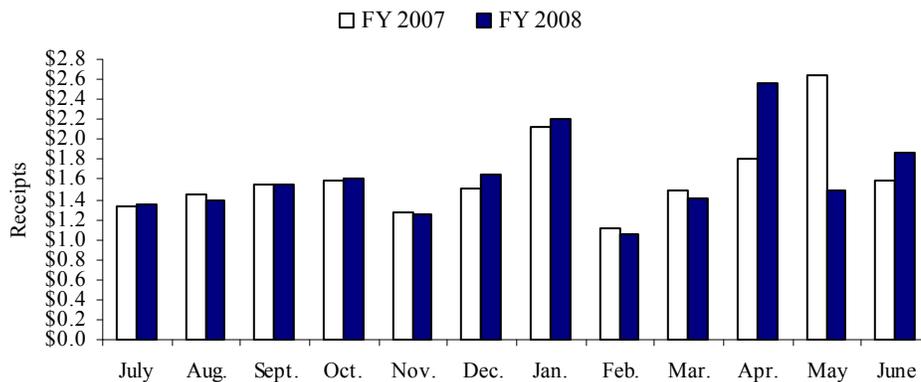
Cigarette tax receipts in June were \$7.2 million (8.7%) below estimate. For the fiscal year, the cigarette tax finished with a negative variance of \$19.1 million (2.0%)

**GRF non-tax receipts** include items such as federal grants, investment interest and revenue from licenses & fees. For the month of June, non-tax receipts were \$240.3 million below estimate (41.4%). This is due almost entirely to a timing issue with federal reimbursement in the Medicaid program: the large managed care payment, which is usually disbursed on the fourth Monday of the month, was disbursed in FY 2009 instead of FY 2008 as originally planned. Through twelve months the FY 2008 receipts were \$182.2 million below estimate (2.9%). Again, this is due in large part to the timing of federal reimbursement for Medicaid.

**GRF transfers** for the month of May were \$83.4 million below estimate, primarily as a result of an error in the timing of the original OBM monthly revenue estimate which included a \$52.5 million permanent transfer from excess commercial activity tax (CAT) receipts to the GRF. By statute, to the extent that excess revenue is realized from the CAT, those funds may not be transferred to the GRF sooner than June 15<sup>th</sup>. As part of the revised monthly revenue estimates that OBM generated in response to Budget Directive #2 issued on February 20<sup>th</sup>, monthly transfer estimates will be adjusted to reflect the error in the original estimates. In addition to the error tied to the estimated CAT transfer, there was also a delay in transferring \$37.5 million from the in kilowatt hour tax proceeds to the GRF to reimburse the GRF for the costs incurred as a result of lower tax valuation on public utilities properties. As is the case with the CAT, the kilowatt hour tax transfer was made in June.

A **year-over-year** comparison of final fiscal year GRF tax receipts shows a decrease of \$49.4 million (0.3%) compared to FY 2007 receipts. Total GRF receipts show a better performance than GRF tax revenues, largely due to a year-over-year increase in federal grants of \$291.4 million and increases in transfers in of \$636.2 million. Total GRF sources are \$880.4 million above FY 2007 levels, or 3.4%, based largely on positive variances in non-tax receipts and transfers.

**FY 2007 - FY 2008 GRF Tax Revenue Comparison by Month**  
(\$ in billions)



The table below summarizes the major revenue variances, in millions of dollars, for FY 2008.

| <u>Sources Above Estimate Year-to-Date</u> |                | <u>Sources Below Estimate Year-to-Date</u> |                  |
|--|----------------|--|------------------|
| Kilowatt Hour Tax                          | \$8.6          | Non-Auto Sales Tax                         | (\$25.7)         |
| Foreign Insurance                          | \$4.3          | Auto Sales Tax                             | (\$40.8)         |
| Other Business & Property Tax              | \$2.3          | Personal Income Tax                        | (\$31.8)         |
| ISTV                                       | \$1.4          | Corporate Franchise Tax                    | (\$79.3)         |
| Liquor Transfers                           | \$17.3         | Public Utility Excise Tax                  | (\$20.2)         |
| Transfers In – Other                       | \$62.1         | Cigarette Tax                              | (\$19.1)         |
| Temporary Transfers In                     | \$6.0          | Estate Tax                                 | (\$18.6)         |
|  |                | Domestic Insurance                         | (\$16.4)         |
|  |                | Alcoholic Beverage                         | (\$1.2)          |
|  |                | Liquor Gallonage                           | (\$0.5)          |
|  |                | Federal Grants                             | (\$165.6)        |
|  |                | Earnings on Investments                    | (\$5.4)          |
|  |                | Licenses and Fees                          | (\$11.3)         |
|  |                | Other Income                               | (\$1.3)          |
|  |                |  |                  |
|  |                |  |                  |
| <b>Total above</b>                         | <b>\$102.0</b> | <b>Total below</b>                         | <b>(\$437.2)</b> |

## **Non-Auto Sales and Use Tax**

For the first time since January, non-auto sales tax receipts were above estimate. For the month, receipts were \$8.8 million (1.6%) above estimate, but finished the fiscal year \$25.7 million (0.4%) below estimate. While this tax source generated higher than expected revenues in five of the first seven months of the fiscal year, the accumulated negative variance of last five months erased what had been a year-to-date surplus. This is reflective of weakening consumer sentiment and sharply higher fuel and food prices, which has the effect of shifting spending from taxable goods and services to commodities that are exempt from sales tax. Estimates by the Ohio Department of Taxation (ODT) put the monthly reduction in non-auto sales tax revenue due to food and fuel price increases at about \$8 million to \$12 million per month in the second half of FY 2008.

During fiscal year 2008, non-auto sales tax receipts grew 2.1 percent over FY 2007, after adjusting for the changes in the allocation for the local government funds. However, all of that growth came in the first seven months of the fiscal year. Since February, collections have dropped 0.75 percent from last year, and this includes some positive impact in June from the federal stimulus payments.

## **Auto Sales Tax**

June auto sales tax receipts fell sharply against estimate, trailing by \$12.9 million (13.8%). Nationally, unit auto sales were down 18 percent (not adjusted for sales days) this June, compared to last June. Light truck sales fell by 29%.

For the fiscal year, receipts were \$40.8 million (4.1%) below estimate. As with the non-auto sales tax, auto receipts have been weakening as we have moved through the fiscal year. Overall, adjusting for the change in local government fund allocations, receipts in FY 2008 were flat with FY 2007. However, over the last five months, receipts have trailed 2007 levels by 3.75 percent. The surprise is that tax revenues were not worse, given that for FY 2008, U.S. light vehicle sales were 15.3 million units, down 1 million units, or 6.2%, from FY 2007.

## **Personal Income Tax**

The personal income tax in June was \$100.5 million (13.1%) above estimate but finished the fiscal year \$31.8 million (0.3%) below estimate. Most of the gain during the month was in refunds. Since the Department of Taxation sent refund checks out earlier this fiscal year than was anticipated in the estimates (and earlier than in prior years), there were fewer refunds left to pay in June than originally estimated.. Specifically, in June, the amount sent out was about \$97 million less than was expected.

For the fiscal year, after adjusting for the change in allocation for the local government funds, income tax receipts grew 1.5 percent after the effects of the third of the five annual 4.2 percent rate cuts. As was the case with the sales taxes, employer withholding continued to weaken through the fiscal year. Overall, withholding was about \$20 million below estimate for the fiscal year. However, since February, withholding has been about \$40 million below estimate, offsetting some gains from early in the fiscal year.

The overage in annual return payments and the overage in refunds paid out almost offset each other. The biggest remaining contributor to the fiscal year shortfall was quarterly estimated payments, which were \$39.2 million below the estimate, up 1.3% from last year, well below the estimated increase of 3.7%.

The table below reflects the variances for different components of the income tax, both for June 2008 and for FY 2008 year-to-date.

| <b>FY 2008 PERSONAL INCOME TAX RECEIPTS BY COMPONENT (\$ in millions)</b> |                 |                |                |                 |                  |                 |
|---|-----------------|----------------|----------------|-----------------|------------------|-----------------|
|   | <b>ESTIMATE</b> | <b>ACTUAL</b>  | <b>\$ VAR</b>  | <b>ESTIMATE</b> | <b>ACTUAL</b>    | <b>\$ VAR</b>   |
|   | <b>JUNE</b>     | <b>JUNE</b>    | <b>JUNE</b>    | <b>Y-T-D</b>    | <b>Y-T-D</b>     | <b>Y-T-D</b>    |
| Withholding   | \$606.6         | \$605.8        | (\$0.8)        | \$7,829.48      | \$7,808.8        | (\$20.6)        |
| Quarterly Est.  | \$319.3         | \$306.9        | (\$12.4)       | \$1,645.6       | \$1,606.4        | (\$39.2)        |
| Trust Payments  | \$17.0          | \$9.8          | (\$7.2)        | \$88.7          | \$108.0          | \$19.1          |
| Annual Returns & 40 P   | \$37.0          | \$16.7         | (\$20.3)       | \$1,400.5       | \$1,476.8        | \$76.0          |
| Other   | \$5.0           | \$13.1         | \$8.1          | \$91.3          | \$92.1           | \$0.8           |
| Less: Refunds   | (\$118.9)       | (\$21.5)       | \$97.4         | (\$1,167.5)     | (\$1,242.2)      | (\$74.7)        |
| Local Distr.  | (\$97.7)        | (\$62.0)       | \$35.7         | (\$741.5)       | (\$735.2)        | \$6.3           |
| <b>Net to GRF</b>   | <b>\$768.3</b>  | <b>\$868.8</b> | <b>\$100.5</b> | <b>\$9146.5</b> | <b>\$9,114.7</b> | <b>(\$31.8)</b> |

### **Corporate Franchise Tax**

Corporate Franchise tax receipts in June were \$16.2 million (14%) below estimate. For the fiscal year, receipts were \$79.3 million (9.5%) below estimate. Collections for the year can be broken into two distinct periods. Through December, receipts reflect the reconciliation of prior year activity as final returns for the year are filed. Through December, receipts trailed estimates by \$69 million. During the January – June period, corporations make estimated payments on their current year’s liabilities. During the final six months, we expected payments of \$817.8 million. Actual receipts during that time were \$807.7 million, a shortfall of about 1.25 percent.

### **Commercial Activity Tax**

In FY 2008, receipts from the commercial activity tax (CAT) are distributed to non-GRF funds to reimburse school districts and local governments as the tangible personal property tax is phased out. June receipts were \$9.6 million, a shortfall of \$0.4 million. For the fiscal year, receipts were \$31.3 million (3.1%) below estimate.

The year-to-date shortfall in the CAT appears to be the result of both somewhat slower than expected overall economic growth and slightly less revenue gain than expected from the expiration of the CAT exemption of gross receipts for motor fuel (there were three quarterly payments in FY 2008 that included gross receipts from motor fuel).

### **Cigarette Tax**

Cigarette tax receipts in June were \$7.2 million (8.7%) below estimate. For the fiscal year, receipts finished \$19.1 million (2.0%) below estimate. Overall, receipts fell 3.6 percent from FY 2007. This drop, which is greater than normal trend, is likely the result of a combination of

factors, including the continued effects of the smoking ban and high fuel prices, which reduces disposable income.

### **Estate Tax**

Estate tax receipts were \$10 million below estimate in June and finished the fiscal year \$18.6 million (23.3%) below estimate. Only about a million dollars of receipts are carrying forward because of delays in filing in a couple counties.

### **Domestic Insurance Tax**

The domestic insurance tax was \$144.4 million above estimate during the month of June as a result of timing. All of that money should have been received in May. For the fiscal year, domestic insurance receipts were \$16.4 million (9.6%) below estimate.

### **Dealers in Intangibles Tax**

Similar to the situation with the domestic insurance tax, the dealers in intangibles tax, which is listed under the revenue source "Other Business and Property Tax," was \$20.5 million above estimate in June as the result of a timing issue. For the fiscal year this tax was \$2.3 million (11.3 percent) above estimate.

### **Earnings on Investments**

Earnings on investments in June were \$85.4 million and totaled \$168.5 million for the year. Total collections were below estimate by \$5.4 million and \$7.6 million below earnings in FY 2007. Comparison to monthly estimates is not meaningful due to changes to the process of posting interest to the GRF due to the implementation of the Ohio Administrative Knowledge system.

**Table 1\***  
**GENERAL REVENUE FUND RECEIPTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                |              | Year-to-Date      |                   |                  |              |
|--------------------------------|------------------|------------------|----------------|--------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>JUNE   | ESTIMATE<br>JUNE | \$ VAR         | % VAR        | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                  |                |              |                   |                   |                  |              |
| Non-Auto Sales & Use           | 563,558          | 554,800          | 8,758          | 1.6%         | 6,670,687         | 6,696,400         | (25,713)         | -0.4%        |
| Auto Sales & Use               | 80,804           | 93,750           | (12,946)       | -13.8%       | 943,452           | 984,221           | (40,769)         | -4.1%        |
| Subtotal Sales & Use           | 644,362          | 648,550          | (4,188)        | -0.6%        | 7,614,139         | 7,680,621         | (66,482)         | -0.9%        |
| Personal Income                | 868,820          | 768,300          | 100,520        | 13.1%        | 9,114,735         | 9,146,500         | (31,765)         | -0.3%        |
| Corporate Franchise            | 99,966           | 116,200          | (16,234)       | -14.0%       | 753,473           | 832,800           | (79,327)         | -9.5%        |
| Commercial Activity Tax        | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 738              | 200              | 538            | 269.2%       | 157,712           | 177,900           | (20,188)         | -11.3%       |
| Kilowatt Hour                  | 4,677            | (3,800)          | 8,477          | -223.1%      | 231,218           | 222,600           | 8,618            | 3.9%         |
| Foreign Insurance              | (5,163)          | 100              | (5,263)        | N/A          | 267,277           | 263,000           | 4,277            | 1.6%         |
| Domestic Insurance             | 154,157          | 9,800            | 144,357        | 1473.0%      | 154,592           | 171,000           | (16,408)         | -9.6%        |
| Other Business & Property Tax  | 21,709           | 1,160            | 20,549         | 1771.4%      | 22,251            | 20,000            | 2,251            | 11.3%        |
| Cigarette                      | 75,980           | 83,200           | (7,220)        | -8.7%        | 950,939           | 970,000           | (19,061)         | -2.0%        |
| Soft Drink                     | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 6,029            | 5,400            | 629            | 11.6%        | 56,823            | 58,000            | (1,177)          | -2.0%        |
| Liquor Gallonage               | 3,181            | 3,000            | 181            | 6.0%         | 34,961            | 35,500            | (539)            | -1.5%        |
| Estate                         | 1,924            | 12,000           | (10,076)       | -84.0%       | 61,359            | 80,000            | (18,641)         | -23.3%       |
| Horse Racing                   | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,876,380        | 1,644,110        | 232,270        | 14.1%        | 19,419,477        | 19,657,921        | (238,444)        | -1.2%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                |              |                   |                   |                  |              |
| Federal Grants                 | 220,404          | 468,359          | (247,955)      | -52.9%       | 5,643,901         | 5,809,479         | (165,578)        | -2.9%        |
| Earnings on Investments        | 85,480           | 52,600           | 32,880         | 62.5%        | 168,553           | 174,000           | (5,447)          | -3.1%        |
| License & Fees                 | 725              | 801              | (76)           | -9.5%        | 67,680            | 79,000            | (11,320)         | -14.3%       |
| Other Income                   | 4,003            | 34,006           | (30,003)       | -88.2%       | 80,042            | 81,300            | (1,258)          | -1.5%        |
| ISTV'S                         | 29,119           | 24,290           | 4,829          | 19.9%        | 44,129            | 42,700            | 1,429            | 3.3%         |
| Pending AR Transactions        | 3,672            | 0                | 0              | N/A          | 3,672             | 0                 | 0                | N/A          |
| Total Non-Tax Receipts         | 343,404          | 580,056          | (236,652)      | -40.8%       | 6,007,976         | 6,186,479         | (178,503)        | -2.9%        |
| <b>TOTAL REVENUES</b>          | <b>2,219,784</b> | <b>2,224,166</b> | <b>(4,382)</b> | <b>-0.2%</b> | <b>25,427,454</b> | <b>25,844,400</b> | <b>(416,946)</b> | <b>-1.6%</b> |
| <b>TRANSFERS</b>               |                  |                  |                |              |                   |                   |                  |              |
| Budget Stabilization           | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 39,000           | 12,000           | 27,000         | 225.0%       | 174,268           | 157,000           | 17,268           | 11.0%        |
| Transfers In - Capital Reserve | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 505,182          | 309,779          | 195,403        | 63.1%        | 587,992           | 525,919           | 62,073           | 11.8%        |
| Temporary Transfers In         | 5,977            | 0                | 5,977          | N/A          | 472,777           | 466,800           | 5,977            | 1.3%         |
| Total Transfers                | 550,159          | 321,779          | 228,380        | 71.0%        | 1,235,037         | 1,149,719         | 85,318           | 7.4%         |
| <b>TOTAL SOURCES</b>           | <b>2,769,943</b> | <b>2,545,945</b> | <b>223,998</b> | <b>8.8%</b>  | <b>26,662,491</b> | <b>26,994,119</b> | <b>(331,628)</b> | <b>-1.2%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 563,558        | 553,329        | 10,229    | 1.8%     | 6,670,687      | 6,502,926      | 167,760   | 2.6%     |
| Auto Sales & Use               | 80,804         | 91,775         | (10,971)  | -12.0%   | 943,452        | 921,542        | 21,910    | 2.4%     |
| Subtotal Sales & Use           | 644,362        | 645,104        | (743)     | -0.1%    | 7,614,139      | 7,424,469      | 189,670   | 2.6%     |
| Personal Income                | 868,820        | 777,601        | 91,219    | 11.7%    | 9,114,735      | 8,885,335      | 229,400   | 2.6%     |
| Corporate Franchise            | 99,966         | 48,255         | 51,711    | 107.2%   | 753,473        | 1,076,517      | (323,044) | -30.0%   |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 738            | (3,062)        | 3,800     | -124.1%  | 157,712        | 160,232        | (2,521)   | -1.6%    |
| Kilowatt Hour                  | 4,677          | 19,083         | (14,406)  | -75.5%   | 231,218        | 326,929        | (95,711)  | -29.3%   |
| Foreign Insurance              | (5,163)        | 1,251          | (6,414)   | -512.7%  | 267,277        | 256,178        | 11,100    | 4.3%     |
| Domestic Insurance             | 154,157        | 20             | 154,137   | N/A      | 154,592        | 169,485        | (14,893)  | -8.8%    |
| Other Business & Property Tax  | 21,709         | 575            | 21,133    | 3673.1%  | 22,251         | 20,761         | 1,489     | 7.2%     |
| Cigarette                      | 75,980         | 82,921         | (6,941)   | -8.4%    | 950,939        | 986,251        | (35,313)  | -3.6%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 6,029          | 5,157          | 872       | 16.9%    | 56,823         | 56,327         | 496       | 0.9%     |
| Liquor Gallonage               | 3,181          | 2,986          | 196       | 6.6%     | 34,961         | 34,301         | 660       | 1.9%     |
| Estate                         | 1,924          | 11,027         | (9,102)   | -82.5%   | 61,359         | 72,109         | (10,751)  | -14.9%   |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,876,380      | 1,590,918      | 285,462   | 17.9%    | 19,419,477     | 19,468,895     | (49,417)  | -0.3%    |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 220,404        | 249,828        | (29,423)  | -11.8%   | 5,643,901      | 5,352,475      | 291,426   | 5.4%     |
| Earnings on Investments        | 85,480         | 45,535         | 39,945    | 87.7%    | 168,553        | 176,191        | (7,638)   | -4.3%    |
| License & Fee                  | 725            | 686            | 39        | 5.7%     | 67,680         | 77,712         | (10,032)  | -12.9%   |
| Other Income                   | 4,003          | (8,288)        | 12,292    | -148.3%  | 80,042         | 90,402         | (10,360)  | -11.5%   |
| ISTV'S                         | 29,119         | 36,956         | (7,836)   | -21.2%   | 44,129         | 53,170         | (9,041)   | -17.0%   |
| Pending AR Transactions        | 3,672          | 0              | 0         | N/A      | 3,672          | 0              | 0         | N/A      |
| Total Non-Tax Receipts         | 343,404        | 324,716        | 18,689    | 5.8%     | 6,007,976      | 5,749,950      | 258,027   | 4.5%     |
| TOTAL REVENUES                 | 2,219,784      | 1,915,634      | 304,151   | 15.9%    | 25,427,454     | 25,218,844     | 208,609   | 0.8%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 39,000         | 10,000         | 29,000    | 290.0%   | 174,268        | 135,000        | 39,268    | 29.1%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 505,182        | 40,131         | 465,051   | 1158.8%  | 587,992        | 137,134        | 450,859   | 328.8%   |
| Temporary Transfers In         | 5,977          | 101,345        | (95,369)  | -94.1%   | 472,777        | 287,414        | 185,363   | 64.5%    |
| Total Transfers                | 550,159        | 151,476        | 398,683   | 263.2%   | 1,235,037      | 559,548        | 675,489   | 120.7%   |
| TOTAL SOURCES                  | 2,769,943      | 2,067,110      | 702,833   | 34.0%    | 26,662,491     | 25,778,392     | 884,099   | 3.4%     |

**Table 1A\***  
 REVISED GENERAL REVENUE FUND RECEIPTS  
 ACTUAL FY 2008 VS ESTIMATE FY 2008  
 (\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                |              | Year-to-Date      |                   |                 |              |
|--------------------------------|------------------|------------------|----------------|--------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>JUNE   | REVISED<br>JUNE  | \$ VAR         | % VAR        | ACTUAL<br>Y-T-D   | REVISED<br>Y-T-D  | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                  |                |              |                   |                   |                 |              |
| Non-Auto Sales & Use           | 563,558          | 547,422          | 16,136         | 2.9%         | 6,670,687         | 6,697,200         | (26,513)        | -0.4%        |
| Auto Sales & Use               | 80,804           | 90,837           | (10,033)       | -11.0%       | 943,452           | 942,300           | 1,152           | 0.1%         |
| Subtotal Sales & Use           | 644,362          | 638,259          | 6,103          | 1.0%         | 7,614,139         | 7,639,500         | (25,361)        | -0.3%        |
| Personal Income                | 868,820          | 814,261          | 54,559         | 6.7%         | 9,114,735         | 9,149,200         | (34,465)        | -0.4%        |
| Corporate Franchise            | 99,966           | 106,113          | (6,147)        | -5.8%        | 753,473           | 762,800           | (9,327)         | -1.2%        |
| Commercial Activity Tax        | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 738              | 0                | 738            | N/A          | 157,712           | 164,900           | (7,188)         | -4.4%        |
| Kilowatt Hour                  | 4,677            | 2,583            | 2,094          | 81.1%        | 231,218           | 223,400           | 7,818           | 3.5%         |
| Foreign Insurance              | (5,163)          | 6,318            | (11,481)       | -181.7%      | 267,277           | 263,000           | 4,278           | 1.6%         |
| Domestic Insurance             | 154,157          | 9,667            | 144,490        | N/A          | 154,592           | 171,000           | (16,408)        | -9.6%        |
| Other Business & Property Tax  | 21,709           | 1,604            | 20,105         | N/A          | 22,251            | 20,000            | 2,251           | 11.3%        |
| Cigarette                      | 75,980           | 83,947           | (7,967)        | -9.5%        | 950,939           | 970,000           | (19,062)        | -2.0%        |
| Soft Drink                     | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 6,029            | 5,095            | 934            | 18.3%        | 56,823            | 58,000            | (1,177)         | -2.0%        |
| Liquor Gallonage               | 3,181            | 3,316            | (135)          | -4.1%        | 34,961            | 35,500            | (538)           | -1.5%        |
| Estate                         | 1,924            | 11,975           | (10,051)       | N/A          | 61,359            | 70,000            | (8,642)         | -12.3%       |
| Horse Racing                   | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,876,380        | 1,683,138        | 193,242        | 11.5%        | 19,419,477        | 19,527,298        | (107,821)       | -0.6%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                |              |                   |                   |                 |              |
| Federal Grants                 | 220,404          | 231,935          | (11,531)       | -5.0%        | 5,643,901         | 5,604,923         | 38,977          | 0.7%         |
| Earnings on Investments        | 85,480           | 92,610           | (7,130)        | -7.7%        | 168,553           | 174,000           | (5,447)         | -3.1%        |
| License & Fees                 | 725              | 801              | (76)           | -9.5%        | 67,680            | 79,000            | (11,320)        | -14.3%       |
| Other Income                   | 4,003            | 6,546            | (2,543)        | -38.8%       | 80,042            | 81,300            | (1,258)         | -1.5%        |
| ISTV'S                         | 29,119           | 28,549           | 570            | 2.0%         | 44,129            | 42,700            | 1,428           | 3.3%         |
| Pending AR Transactions        | 3,672            | 0                | 0              | N/A          | 3,672             | 0                 | 0               | N/A          |
| Total Non-Tax Receipts         | 343,404          | 360,441          | (17,037)       | -4.7%        | 6,007,976         | 5,981,924         | 26,053          | 0.4%         |
| <b>TOTAL REVENUES</b>          | <b>2,219,784</b> | <b>2,043,579</b> | <b>176,205</b> | <b>8.6%</b>  | <b>25,427,454</b> | <b>25,509,222</b> | <b>(81,768)</b> | <b>-0.3%</b> |
| <b>TRANSFERS</b>               |                  |                  |                |              |                   |                   |                 |              |
| Budget Stabilization           | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 39,000           | 8,000            | 31,000         | 387.5%       | 174,268           | 157,000           | 17,268          | 11.0%        |
| Transfers In - Capital Reserve | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 505,182          | 420,408          | 84,774         | 20.2%        | 587,992           | 524,140           | 63,852          | 12.2%        |
| Temporary Transfers In         | 5,977            | 0                | 5,977          | N/A          | 472,777           | 466,800           | 5,977           | 1.3%         |
| Total Transfers                | 550,159          | 428,408          | 121,751        | 28.4%        | 1,235,037         | 1,147,940         | 87,097          | 7.6%         |
| <b>TOTAL SOURCES</b>           | <b>2,769,943</b> | <b>2,471,987</b> | <b>297,956</b> | <b>12.1%</b> | <b>26,662,491</b> | <b>26,657,163</b> | <b>5,328</b>    | <b>0.0%</b>  |

## ***DISBURSEMENTS***

**June 2008** GRF disbursements, including transfers out of the GRF, totaled \$1,171.6 million, which was \$823.6 million (41.3%) below the estimate. As noted in this section of the report, the largest contributors to the variance occurred in public assistance & Medicaid and primary, secondary & other education.

**Total FY 2008** GRF disbursements totaled \$26,413.4 million, which was \$640.6 million (2.4%) below the estimate. Agency-specific information regarding encumbrances, recalibration activities that resulted in planned lapses and other significant factors are highlighted in this section. Adjusting for transfers out of the GRF, year-to-date expenditures increased 2.3% compared to last year.

The Governor's monthly report provides explanations for variances between actual and estimated GRF disbursements, which does not provide a complete picture of an agency's use of its appropriations. Encumbrances and potential lapses must also be considered. Encumbrances are used to reserve appropriated funds to pay for goods and services through November of the following fiscal year. The disbursement estimates that are the basis for this monthly report incorporate assumptions about encumbrances and lapses. When disbursements are below year-end estimates, some of the under spending may be attributed to higher than anticipated year-end encumbrances and cannot necessarily be assumed to be lapsed funds.

GRF disbursements are reported according to functional reporting categories. Bullet points provide explanations of significant variances in components of spending categories between FY 2008 actual disbursements and estimates.

### **Primary, Secondary, and Other Education**

June disbursements in this category were \$258.0 million below estimate (52.7%). Spending for FY 2008 was \$175.4 million below estimate (2.5%). Significant variances in components of this amount include:

- Disbursements in June for the Department of Education totaled \$228.6 million, which is \$255.3 million (52.8%) below the estimated for the month. The variance in the monthly disbursements is caused by the first of the two June foundation payments posting in May. As such, only one foundation payment is reflected in the June disbursement report. For the entire FY 2008, disbursements were \$6,771.9 million, or \$166.1 million (2.39%) below the estimate, which was primarily driven student enrollments in fiscal year 2008 being lower than the budget anticipated.

### **Higher Education**

June disbursements in this category were \$6.0 million below estimate (3.5%). Spending for FY 2008 was \$96.6 million below estimate (3.7%). Significant variances in components of this amount include:

- June disbursements for the Board of Regents were \$168.5 million, representing a variance of \$5.8 million (3.3%) below the estimate for the month. Disbursements from the Choose Ohio First scholarship, Ohio Research Scholars, and James A. Rhodes scholarship programs were \$4 million less than estimated for the month. Implementation of these programs has been delayed until fiscal year 2009 as part of the budget recalibration plan proposed by the Board of Regents in response to Budget Directive #3. Disbursements in fiscal year 2008 were \$2,345.2 million, representing a variance totaling \$96.8 million (4.0%) below the estimate. The year-to-date variance is primarily due to \$90.5 million in planned underspending as part the Board of Regents' budget recalibration plan.

## **Public Assistance and Medicaid**

June disbursements in this category were \$451.9 million below estimate (54.0%). Spending for FY 2008 was \$419.0 million below estimate (3.9%). Significant variances in components of this amount include:

### ***Medicaid***

Medicaid disbursements from the GRF in June totaled \$356.6 million, which is \$422.2 million under the estimate; while Medicaid disbursements from the GRF for the year totaled \$9,345.8 million, which is under the estimate by \$347.6 million. Medicaid disbursements, across all funds, totaled \$571.1 million for the month of June, which was under estimate by \$415.1 million (-42.0%). This variance is explained below. Year-to-date Medicaid disbursements totaled \$10,766.2 million, \$433.2 million (-0.9%) under the estimate. Note that the allocation of Medicaid expenditures made from non-GRF sources has increased significantly over time. In FY 2008 spending from non-GRF sources such as provider taxes, prescription drug rebates, and third party collections will support 13% of the Medicaid budget. Because of this fact, this report, which is otherwise limited to a discussion of General Revenue Fund revenues and expenditures, includes information on Medicaid spending across all funding sources.

### **Expenditures**

In February 2008 the Administration identified a Medicaid shortfall of \$91.4 million in fiscal year 2008 and \$271 million in fiscal year 2009. The legislature provided additional Medicaid appropriations in fiscal year 2009 through H.B. 562, which did not take effect until late in fiscal year 2008. To manage within H.B. 119 appropriations the final budgeted Medicaid payment for FY 2008 was moved into FY 2009 and the remaining FY 2008 GRF appropriation of \$304 million was encumbered. This final payment totaled \$434 million and included the managed care payment (which typically is disbursed on the last Monday of each month) and several other smaller payments. These payments were disbursed on July 1<sup>st</sup> using FY 2009 appropriations, resulting in what appears to be underspending in the month of June.

### **Caseloads**

Medicaid caseloads have been increasing since June 2007 and are continuing to exceed the estimate. Through May (the most recent data available), Medicaid enrollment totaled 1.79 million recipients, which was 40,000 or 2.3% more than the estimate. Medicaid caseloads can be broken down into two main enrollment categories: Covered Children and Families (CFC)

represent 75% of the total caseload, and Aged Blind and Disabled (ABD), represent 25% of the caseload.

Currently there are over 33,000 more recipients in the Covered Children and Families (CFC) category than expected. CFC caseloads peaked in August 2006 and then declined steadily through June 2007. This decline has been attributed to increased citizenship requirements under the federal Deficit Reduction Act (DRA) of 2005. The forecast for FY 2008 and FY 2009 assumed that caseloads would increase; however, the increase has been steeper than anticipated. Enrollment in the Healthy Families Expansion category, which includes children and their parents with incomes up to 90% of the federal poverty level, is over the projection by an average of more than 15,000 or 10% year to date. Enrollment increases in this category may be due to economic factors that the state and nation are currently experiencing.

Aged, Blind, and Disabled (ABD) caseloads are also exceeding the estimate. Year-to-date, caseloads are over by 1.2% or 5,100 recipients. It is important to note that while this increase is small, this is the most expensive population group in the Medicaid program and is driving spending above the estimate in many categories of service (ABD per member per month costs average \$1,328 and CFC per member per month costs average \$217).

### ***Non-Medicaid***

In June, JFS non-Medicaid disbursements totaled \$28.2 million, producing a variance of \$29.7 million below the estimate. For FY 2008, JFS non-Medicaid disbursements totaled \$929.0 million, producing a variance of \$72.4 million (7.2%) below the estimate. Much of this is variance is the result of the department's budget recalibration plan (\$30.3 million) and higher than anticipated encumbrances (\$19.3 million).

- Spending in the support services line item was under estimate by \$2.9 million (41.9%). This is primarily attributable to central maintenance expenditures not being incurred as expected. For FY 2008, disbursements are \$5.0 million under estimate, which is primarily due to personal services contracts being lower than anticipated.
- Spending in the computer projects line item is under the estimate by \$11.5 million (59.7%). This is primarily attributable to corrections to payroll coding which resulted in payroll being under estimate. In addition, vendor payments in the amount of \$3.3 million for SACWIS were not made as expected. Further, planned equipment purchases did not occur as expected due to the equipment purchasing controls that are in place, resulting in under spending of \$5.2 million. For FY 2008, disbursements are \$6.0 million under the estimate.
- Adoption Assistance is \$4.6 million (64.5%) under the estimate. This is primarily attributable to the timing of the IV-E Assistance payments. Payments were originally anticipated to be disbursed in FY 2008; however, due to the timing of the closing of the fiscal year, the payments were made July 1 using FY 2009 appropriations. For FY 2008, disbursements are \$7.9 million under the estimate. This is primarily due to the aforementioned payments not occurring in FY 2008 as expected.

## **Health and Human Services**

June disbursements in this category were \$22.3 million below estimate (29.9%). Spending for FY 2008 was \$44.9 million below estimate (3.4%). Significant variances in components of this amount include:

- The Department of Mental Health disbursed \$19.0 million in the month of June, which was \$7.9 million, or 29.5%, below the estimate. Fiscal year 2008 GRF spending totaled \$576.7 million, which is \$9.3 million, or 1.5%, below the estimate. \$7.1 million of this underspending is attributable to the Department's recalibration plan. An additional \$614,000 in underspending in ALI 335404, Behavioral Health Services – Children, is attributable to the Controlling Board's approval of an appropriation transfer from FY 2008 to FY 2009. An additional \$1.4 million is attributable to funds the Department encumbered for expenses that will be disbursed in FY 2009. In total the Department lapsed approximately \$200,000, which can primarily be attributed to ALI 333415, Lease Rental Payments.
- The Department of Mental Retardation and Developmental Disabilities disbursed \$14.6 million in the month of June, which was \$4.6 million, or 23.9% below the estimate. In fiscal year 2008 the Department disbursed \$365.7 million, which is \$6.5 million, or 1.75% below the estimate. \$4.3 million of this under spending is attributable to the Department's budget recalibration plan. An additional \$1.9 million is attributable to funds the Department encumbered for expenses that will be disbursed in FY 2009. In total the Department lapsed approximately \$1.5 million, of which \$400,000 can be attributed to ALI 320415, Lease Rental Payments. Other lapses may be attributed to the cancellation of prior year GRF encumbrances, which was used as a strategy to achieve GRF savings in the Department's budget recalibration plan.
- The Department of Aging disbursed \$6.1 million in the month of June, which was \$8.9 million below the estimate. In fiscal year 2008 the Department disbursed \$163.3 million, which is \$17.6 million below the original estimate and attributable to the Department's budget recalibration plan.

## **Justice and Public Protection**

June disbursements in this category were \$33.9 million below estimate (26.8%). Spending for FY 2008 was \$2.1 million below estimate (0.1%). Significant variances in components of this amount include:

- In FY08, the Department of Public Safety (DPS) GRF disbursements were \$5.3 million, producing a variance of \$0.5 million (8.1%) below the estimate. June disbursements for DPS were \$100,000, producing a variance of \$300,000 (70.1%) below the estimate. DPS began FY08 with \$0.2 million in GRF encumbrances and ended the year with \$100,000 in encumbrances. Due to the budget recalibration, DPS reduced expenditures by \$345,500. After adjusting for the budget recalibration, DPS lapsed less than \$100,000 in GRF appropriations.

- In FY08, the Department of Rehabilitation and Correction (DRC) GRF disbursements were \$1,547.4 million, producing a variance of \$8.0 million (0.5%) above the estimate. June disbursements for DRC were \$100,000, producing a variance of \$29.8 (34.0%) below the estimate. DRC began FY08 with \$26.5 million in GRF encumbrances and ended the year with \$18.1 million in encumbrances. Due to the budget recalibration, DRC reduced expenditures by \$727,113 (the original recalibration was \$4,127,113, but a settlement of \$3.4 million in DRC's favor was used to offset the recalibration). After adjusting for the budget recalibration, DRC lapsed \$0.2 million in GRF appropriations.
- In FY08, the Department of Youth Services (DYS) GRF disbursements were \$263.5 million, producing a variance of \$200,000 (14.4%) above the estimate. June disbursements for DYS were \$17.0 million, producing a variance of \$2.9 million (14.4%) below the estimate. DYS began FY08 with \$6.7 million in GRF encumbrances and ended the year with \$2.7 million in encumbrances. DYS was exempted from budget reductions due to a class-action lawsuit. DYS lapsed less than \$300,000 in GRF appropriations.
- In FY08, the Office of the Public Defender (PUB) GRF disbursements were \$38.0 million, producing a variance of \$200,000 (0.6%) below the estimate. June disbursements for PUB were \$7.5 million, producing a variance of \$4.4 million (141.8%) above the estimate. PUB began FY08 with \$200,000 in GRF encumbrances and ended the year with \$100,000 in encumbrances. Due to the budget recalibration, PUB reduced expenditures by \$723,275. After adjusting for the budget recalibration, PUB lapsed less than \$100,000 in GRF appropriations.

### **Environmental Protection & Natural Resources**

June disbursements in this category were \$3.3 million below estimate (64.5%). Spending for FY 2008 was \$6.3 million below estimate (5.8%). Significant variances in components of this amount include:

- In FY08, the Department of Natural Resources (DNR) GRF disbursements were \$123.9 million, a variance of \$8.2 million (6.2%) below the original GRF expenditure estimate. June disbursements for DNR totaled \$1.8 million, which was \$3.2 million below the original June estimate of \$5.0 million. DNR ended fiscal year 2008 with \$244,000 in encumbrances. This under spending was the result of the budget recalibration exercise. A portion of the recalibration impact was seen in June resulting in the under spending by the Division of Parks and Recreation, the Division of Forestry and the Division of Soil and Water totaling \$3.2 million.

### **Transportation**

June disbursements in this category were \$765,000 below estimate (63.2%). Spending for FY 2008 was \$5.0 million below estimate (18.2%). Significant variances in components of this amount include:

- In FY08, the Department of Transportation GRF disbursements were \$21.9 million, producing a variance of \$6.6 million (29.8%) below the estimate. June disbursements for

DOT were \$444,740, producing a variance of \$833,765 (65.2%) below the estimate. DOT began FY08 with \$1.8 million in GRF encumbrances and ended the year with \$8.8 million in encumbrances. Due to the budget recalibration, DOT reduced expenditures by \$2,587,285. After adjusting for the budget recalibration, DOT lapsed \$15,529 million in GRF appropriations.

## **General Government**

June disbursements in this category were \$4.7 million below estimate (27.6%). Spending for FY 2008 was \$24.2 million below estimate (6.3%).

## **Community and Economic Development**

June disbursements in this category were \$2.8 million above estimate (41.0%). Spending for FY 2008 was \$19.4 million below estimate (12.7%). Significant variances in components of this amount include:

- June GRF disbursements for the Department of Development were \$8.7 million, producing a variance of \$3.4 million (63%) above the estimate. This variance resulted from the timing of grant subsidy payments. Year-to-date, the Department of Development GRF disbursements are \$91.0 million, which is \$21.1 million below the estimate.
- The variance has been attributed to two lines, the Thomas Edison Program and Discover Ohio. The Edison program had a variance of \$1.9 million over the estimate due to unpredictable subsidy payments. Discover Ohio had a variance of \$764,000 due to the timing of operations and advertising contracts. Since 195-521 is a new line item within Development there was no experience in disbursements or expectations for yearend activity. The year-to-date expenditures for these lines were below their estimates by \$2.3 million and \$800,000 for Thomas Edison and Discover Ohio respectively.

## **Tax Relief and Other**

June tax relief disbursements totaled \$66.8 million, which was below the monthly estimate by \$95.7 million (58.9%). The resulting year-to-date spending is \$1,406.9 million, which exceeds estimates by \$111.1 million (8.6%). As mentioned in the March and April reports, as we near the end of FY 2008 it is anticipated that the variance in tax relief payments against the HB 119 estimates will continue to increase as a result of additional payments that will be made under the expanded homestead exemption. These additional tax relief payments are supported by a combination of additional lapses in debt service made possible by tobacco securitization and excess interest earnings on the securitization proceeds. The adjustment of FY 2008 tax relief appropriations, which were increased in total by \$128.5 million (\$46.3 million for local governments and \$82.2 million for school districts) and the transfer of excess interest earnings to support these additional costs were authorized by the Controlling Board at its May 5<sup>th</sup> meeting. These payments are made by the Department of Taxation to local governments to reimburse them for property tax revenue they forego as a result of the 10 percent and 2.5 percent reductions on taxable real and homestead properties.

The tax relief disbursements are divided between two recipients – school districts and local governments. The \$42.1 million in disbursements for school district tax relief during the month of June was below monthly estimate by \$48.3 (53.4%) million and as a result the year-to-date spending of \$879.7 million is now over estimate by \$90.4 million (11.5%). The \$24.7 million in disbursements for local government tax relief during the month of June was below estimate by \$37.2 (60.1%) million and as a result the year-to-date spending of \$496.6 million, now exceeds estimates by \$52.6 million (11.8%).

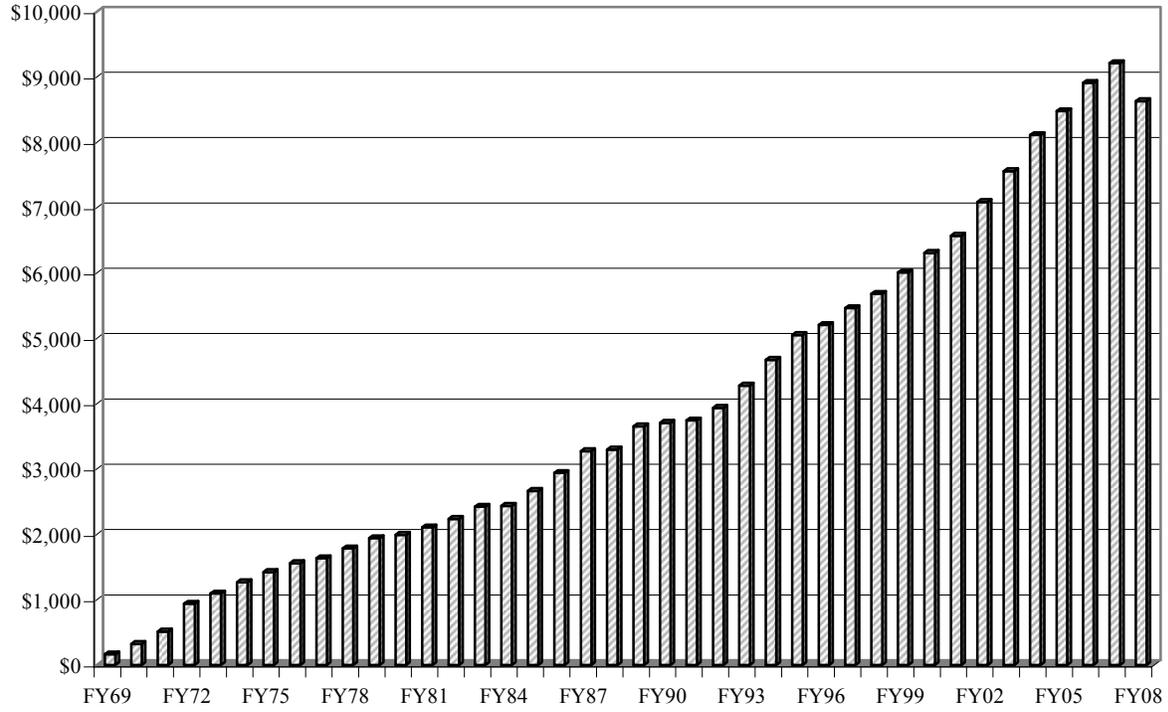
## **Debt Service**

Debt service on State general obligation (G.O.) bonds for June was under estimate by \$19.3 million. For FY2008, total debt service on State G.O. bonds came in \$37.9 million under estimate. Both the monthly and fiscal year under-spending is largely the result of the October 2007 issuance of \$5.5 billion Buckeye Tobacco Settlement Asset-Backed Bonds. The proceeds of those tobacco bonds are being used in place of G.O. debt, the debt service on which is payable from the GRF, to fund the State's share of rebuilding elementary and secondary school buildings across the State and for higher education facilities. To reflect this substitution of tobacco bonds in place of GRF-backed bonds, the Controlling Board in May 2008 approved the transfer of \$32.7 million in appropriation authority from the common school and higher education GRF debt service line items to the GRF property tax allocation line items to defray the costs of the expanded homestead exemption.

For the first time since the State began utilizing debt as a means to finance long-term capital assets, the State's outstanding debt backed by the General Revenue Fund (GRF) decreased in comparison to the prior fiscal year. The amount of GRF-backed debt outstanding as of June 30, 2008 decreased to \$8.63 billion, a reduction of \$580 million or 6.3% from the \$9.21 billion outstanding as of June 30, 2007. This decrease is primarily the result of the October 2007 issuance of \$5.5 billion Buckeye Tobacco Settlement Asset-Backed Bonds. The proceeds of those tobacco bonds are being used in place of GRF-backed debt to fund the State's share of rebuilding elementary and secondary school buildings across the State and for higher education facilities. Debt service on the tobacco bonds is paid solely from tobacco settlement receipts with no recourse to any funds of the State. The State's outstanding GRF-backed debt is expected to continue to moderate in the near-term as the State pays down more debt than it issues for new capital projects.

The following chart illustrates the total outstanding GRF-backed debt from FY1969 to FY2008:

**STATE DEBT ON THE DECLINE: GRF-BACKED STATE DEBT**  
**AMOUNT OUTSTANDING (\$ in millions)**



**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |               | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|------------------|---------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$               | %             | YTD               | YTD               | \$               | %            |
|  | JUNE             | JUNE             | VAR              | VAR           | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 231,183          | 489,220          | (258,037)        | -52.7%        | 6,877,044         | 7,052,419         | (175,375)        | -2.5%        |
| Higher Education                               | 168,462          | 174,494          | (6,032)          | -3.5%         | 2,548,826         | 2,645,449         | (96,623)         | -3.7%        |
| Public Assistance and Medicaid                 | 384,880          | 836,774          | (451,894)        | -54.0%        | 10,274,835        | 10,693,857        | (419,022)        | -3.9%        |
| Health and Human Services                      | 52,194           | 74,466           | (22,271)         | -29.9%        | 1,278,394         | 1,323,262         | (44,868)         | -3.4%        |
| Justice and Public Protection                  | 92,836           | 126,784          | (33,948)         | -26.8%        | 2,063,545         | 2,061,462         | 2,083            | 0.1%         |
| Environmental Protection and Natural Resources | 1,797            | 5,056            | (3,259)          | -64.5%        | 101,584           | 107,845           | (6,261)          | -5.8%        |
| Transportation                                 | 445              | 1,210            | (765)            | -63.2%        | 22,627            | 27,668            | (5,041)          | -18.2%       |
| General Government                             | 12,516           | 17,283           | (4,767)          | -27.6%        | 357,730           | 381,912           | (24,182)         | -6.3%        |
| Community and Economic Development             | 9,849            | 6,986            | 2,863            | 41.0%         | 133,771           | 153,144           | (19,373)         | -12.7%       |
| Tax Relief and Other                           | 66,777           | 162,486          | (95,709)         | -58.9%        | 1,406,925         | 1,295,787         | 111,138          | 8.6%         |
| Capital Outlay                                 | 0                | 120              | (120)            | -100.0%       | 146               | 1,641             | (1,496)          | -91.1%       |
| Debt Service                                   | 81,084           | 100,348          | (19,264)         | -19.2%        | 659,587           | 697,470           | (37,882)         | -5.4%        |
| Pending Payroll                                | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,102,023</b> | <b>1,995,226</b> | <b>(893,203)</b> | <b>-44.8%</b> | <b>25,725,015</b> | <b>26,441,917</b> | <b>(716,902)</b> | <b>-2.7%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                  |               |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | (53,064)         | 0                | (53,064)         | N/A           | 215,622           | 145,278           | 70,344           | 48.4%        |
| OPER TRF OUT-TEMPORARY                         | 122,672          | 0                | 122,672          | N/A           | 472,777           | 466,800           | 5,977            | 1.3%         |
| <b>Total Transfers (Out)</b>                   | <b>69,608</b>    | <b>0</b>         | <b>69,608</b>    | <b>N/A</b>    | <b>688,399</b>    | <b>612,078</b>    | <b>76,320</b>    | <b>12.5%</b> |
| <b>Total Fund Uses</b>                         | <b>1,171,631</b> | <b>1,995,226</b> | <b>(823,595)</b> | <b>-41.3%</b> | <b>26,413,414</b> | <b>27,053,995</b> | <b>(640,581)</b> | <b>-2.4%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |                | YEAR-TO-DATE      |                   |                 |              |
|--|------------------|------------------|------------------|----------------|-------------------|-------------------|-----------------|--------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR        | %<br>VAR       | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR     |
| Primary, Secondary and Other Education         | 231,183          | 497,852          | (266,669)        | -53.6%         | 6,877,044         | 6,848,178         | 28,865          | 0.4%         |
| Higher Education                               | 168,462          | 156,159          | 12,303           | 7.9%           | 2,548,826         | 2,404,734         | 144,092         | 6.0%         |
| Public Assistance and Medicaid                 | 384,880          | 603,251          | (218,371)        | -36.2%         | 10,274,835        | 10,173,997        | 100,839         | 1.0%         |
| Health and Human Services                      | 52,194           | 52,685           | (490)            | -0.9%          | 1,278,394         | 1,263,753         | 14,641          | 1.2%         |
| Justice and Public Protection                  | 92,836           | 124,366          | (31,530)         | -25.4%         | 2,063,545         | 2,017,479         | 46,067          | 2.3%         |
| Environmental Protection and Natural Resources | 1,797            | 5,263            | (3,466)          | -65.9%         | 101,584           | 102,427           | (843)           | -0.8%        |
| Transportation                                 | 445              | 1,044            | (599)            | -57.4%         | 22,627            | 22,255            | 373             | 1.7%         |
| General Government                             | 12,516           | 17,558           | (5,042)          | -28.7%         | 357,730           | 360,753           | (3,023)         | -0.8%        |
| Community and Economic Development             | 9,849            | 7,714            | 2,135            | 27.7%          | 133,771           | 141,890           | (8,119)         | -5.7%        |
| Tax Relief and Other                           | 66,777           | 143,976          | (77,200)         | -53.6%         | 1,406,925         | 1,230,010         | 176,916         | 14.4%        |
| Capital Outlay                                 | 0                | 0                | 0                | N/A            | 146               | 134               | 12              | 8.9%         |
| Debt Service                                   | 81,084           | 69,200           | 11,885           | 17.2%          | 659,587           | 581,910           | 77,677          | 13.3%        |
| Pending Payroll                                | 0                | 0                | 0                | N/A            | 0                 | 0                 | 0               | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,102,023</b> | <b>1,679,067</b> | <b>(577,044)</b> | <b>-34.4%</b>  | <b>25,725,015</b> | <b>25,147,519</b> | <b>577,496</b>  | <b>2.3%</b>  |
| <b>Transfers Out:</b>                          |                  |                  |                  |                |                   |                   |                 |              |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0                | N/A            | 0                 | 394,034           | (394,034)       | N/A          |
| OPER TRF OUT-OTH                               | (53,064)         | (13,704)         | (39,361)         | 287.2%         | 215,622           | 45,312            | 170,310         | 375.9%       |
| OPER TRF OUT-TEMPORARY                         | 122,672          | 0                | 122,672          | N/A            | 472,777           | 287,414           | 185,363         | 64.5%        |
| <b>Total Transfers (Out)</b>                   | <b>69,608</b>    | <b>(13,704)</b>  | <b>83,312</b>    | <b>-608.0%</b> | <b>688,399</b>    | <b>726,759</b>    | <b>(38,361)</b> | <b>-5.3%</b> |
| <b>Total Fund Uses</b>                         | <b>1,171,631</b> | <b>1,665,364</b> | <b>(493,732)</b> | <b>-29.6%</b>  | <b>26,413,414</b> | <b>25,874,279</b> | <b>539,135</b>  | <b>2.1%</b>  |

## ***FUND BALANCE***

Table 5 describes both the General Revenue Fund (GRF) ending fund balance for FY 2008 assumed in H.B. 119 and the FY 2008 final ending fund balance. Based on the estimated revenue for FY 2008 and the estimated FY 2008 disbursements, transfers, and encumbrances, the GRF ending fund balance for FY 2008 was an estimated \$934.2 million.

As a result of budget recalibration in February 2008, the estimated ending fund balance was revised to \$801.8 million. The actual year-end fund balance was \$807.6 million, or \$5.8 million above the recalibration target. This amount includes the required year end carryover balance as defined in Section 131.44 of the Ohio Revised Code, which for FY 2008 is \$133.3 million.

Table 5  
 FUND BALANCE  
 GENERAL REVENUE FUND  
 FY 2008  
 (\$ in thousands)

|   | <b>H.B. 119<br/>Estimate</b> | <b>FY 2008<br/>Actuals</b> |
|---|------------------------------|----------------------------|
| July 1, 2007 Beginning Cash Balance                           | \$1,432,925                  | \$ 1,432,925               |
| Plus FY 2008 Actual Revenues                                  | 20,034,921                   | 19,783,553                 |
| Plus FY 2008 Actual Federal Revenues                          | 5,809,479                    | 5,643,901                  |
| Plus FY 2008 Actual Transfers to GRF                          | 1,149,619                    | 1,235,037                  |
| <br>Total Actual Sources Available for Expenditure & Transfer | <br>28,426,944               | <br>28,095,416             |
| Less FY 2008 Actual Total Disbursements                       | 26,431,975                   | 25,725,015                 |
| Less FY 2008 Actual Total Encumbrances as of June 30, 2008    | 448,667                      | 874,436                    |
| Less FY 2008 Actual Transfers Out                             | 612,078                      | 688,399                    |
| <br>Total Actual Uses   | <br>27,492,720               | <br>27,287,850             |
| FY 2008 Actual Ending Fund Balance                            | \$ 934,224                   | \$ 807,566                 |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |               |             | Year-to-Date     |                   |               |             |
|--------------------------------|------------------|------------------|---------------|-------------|------------------|-------------------|---------------|-------------|
|                                | ACTUAL<br>JULY   | ESTIMATE<br>JULY | \$ VAR        | % VAR       | ACTUAL<br>Y-T-D  | ESTIMATE<br>Y-T-D | \$ VAR        | % VAR       |
| <b>TAX RECEIPTS</b>            |                  |                  |               |             |                  |                   |               |             |
| Non-Auto Sales & Use           | 615,187          | 591,000          | 24,187        | 4.1%        | 615,187          | 591,000           | 24,187        | 4.1%        |
| Auto Sales & Use               | 86,136           | 89,300           | (3,164)       | -3.5%       | 86,136           | 89,300            | (3,164)       | -3.5%       |
| Subtotal Sales & Use           | 701,323          | 680,300          | 21,023        | 3.1%        | 701,323          | 680,300           | 21,023        | 3.1%        |
| Personal Income                | 607,500          | 590,100          | 17,400        | 2.9%        | 607,500          | 590,100           | 17,400        | 2.9%        |
| Corporate Franchise            | (11,409)         | 3,000            | (14,409)      | -480.3%     | (11,409)         | 3,000             | (14,409)      | -480.3%     |
| Commercial Activity Tax        | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Public Utility                 | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Kilowatt Hour                  | 30,009           | 28,900           | 1,109         | 3.8%        | 30,009           | 28,900            | 1,109         | 3.8%        |
| Foreign Insurance              | 15               | 0                | 15            | N/A         | 15               | 0                 | 15            | N/A         |
| Domestic Insurance             | 1                | 0                | 1             | N/A         | 1                | 0                 | 1             | N/A         |
| Other Business & Property Tax  | 36               | 180              | (144)         | -80.0%      | 36               | 180               | (144)         | -80.0%      |
| Cigarette                      | 21,237           | 14,100           | 7,137         | 50.6%       | 21,237           | 14,100            | 7,137         | 50.6%       |
| Soft Drink                     | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Alcoholic Beverage             | 5,746            | 5,200            | 546           | 10.5%       | 5,746            | 5,200             | 546           | 10.5%       |
| Liquor Gallonage               | 2,992            | 2,900            | 92            | 3.2%        | 2,992            | 2,900             | 92            | 3.2%        |
| Estate                         | 30               | 100              | (70)          | -70.2%      | 30               | 100               | (70)          | -70.2%      |
| Horse Racing                   | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Total Tax Receipts             | 1,357,480        | 1,324,780        | 32,700        | 2.5%        | 1,357,480        | 1,324,780         | 32,700        | 2.5%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |               |             |                  |                   |               |             |
| Federal Grants                 | 327,246          | 334,423          | (7,177)       | -2.1%       | 327,246          | 334,423           | (7,177)       | -2.1%       |
| Earnings on Investments        | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| License & Fees                 | 6,080            | 6,103            | (23)          | -0.4%       | 6,080            | 6,103             | (23)          | -0.4%       |
| Other Income                   | 3,760            | 3,694            | 66            | 1.8%        | 3,760            | 3,694             | 66            | 1.8%        |
| ISTV'S                         | 10               | 10               | 0             | 0.0%        | 10               | 10                | 0             | 0.0%        |
| Total Non-Tax Receipts         | 337,096          | 344,230          | (7,134)       | -2.1%       | 337,096          | 344,230           | (7,134)       | -2.1%       |
| <b>TOTAL REVENUES</b>          | <b>1,694,576</b> | <b>1,669,010</b> | <b>25,566</b> | <b>1.5%</b> | <b>1,694,576</b> | <b>1,669,010</b>  | <b>25,566</b> | <b>1.5%</b> |
| <b>TRANSFERS</b>               |                  |                  |               |             |                  |                   |               |             |
| Budget Stabilization           | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Liquor Transfers               | 25,000           | 25,000           | 0             | 0.0%        | 25,000           | 25,000            | 0             | 0.0%        |
| Transfers In - Capital Reserve | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Transfers In - Other           | 9,984            | 4,500            | 5,484         | 121.9%      | 9,984            | 4,500             | 5,484         | 121.9%      |
| Temporary Transfers In         | 0                | 0                | 0             | N/A         | 0                | 0                 | 0             | N/A         |
| Total Transfers                | 34,984           | 29,500           | 5,484         | 18.6%       | 34,984           | 29,500            | 5,484         | 18.6%       |
| <b>TOTAL SOURCES</b>           | <b>1,729,560</b> | <b>1,698,510</b> | <b>31,050</b> | <b>1.8%</b> | <b>1,729,560</b> | <b>1,698,510</b>  | <b>31,050</b> | <b>1.8%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 615,187        | 573,097        | 42,090    | 7.3%     | 615,187        | 573,097        | 42,090    | 7.3%     |
| Auto Sales & Use               | 86,136         | 85,104         | 1,032     | 1.2%     | 86,136         | 85,104         | 1,032     | 1.2%     |
| Subtotal Sales & Use           | 701,323        | 658,201        | 43,122    | 6.6%     | 701,323        | 658,201        | 43,122    | 6.6%     |
| Personal Income                | 607,500        | 584,970        | 22,530    | 3.9%     | 607,500        | 584,970        | 22,530    | 3.9%     |
| Corporate Franchise            | (11,409)       | 31,734         | (43,143)  | -136.0%  | (11,409)       | 31,734         | (43,143)  | -136.0%  |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Kilowatt Hour                  | 30,009         | 28,103         | 1,906     | 6.8%     | 30,009         | 28,103         | 1,906     | 6.8%     |
| Foreign Insurance              | 15             | 36             | (20)      | -57.0%   | 15             | 36             | (20)      | -57.0%   |
| Domestic Insurance             | 1              | 571            | (570)     | -99.8%   | 1              | 571            | (570)     | -99.8%   |
| Other Business & Property Tax  | 36             | 104            | (68)      | -65.5%   | 36             | 104            | (68)      | -65.5%   |
| Cigarette                      | 21,237         | 13,763         | 7,474     | 54.3%    | 21,237         | 13,763         | 7,474     | 54.3%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 5,746          | 5,837          | (92)      | -1.6%    | 5,746          | 5,837          | (92)      | -1.6%    |
| Liquor Gallonage               | 2,992          | 2,925          | 68        | 2.3%     | 2,992          | 2,925          | 68        | 2.3%     |
| Estate                         | 30             | 4,631          | (4,601)   | -99.4%   | 30             | 4,631          | (4,601)   | -99.4%   |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,357,480      | 1,330,876      | 26,604    | 2.0%     | 1,357,480      | 1,330,876      | 26,604    | 2.0%     |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 327,246        | 375,368        | (48,122)  | -12.8%   | 327,246        | 375,368        | (48,122)  | -12.8%   |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| License & Fee                  | 6,080          | 5,886          | 193       | 3.3%     | 6,080          | 5,886          | 193       | 3.3%     |
| Other Income                   | 3,760          | 6,071          | (2,311)   | -38.1%   | 3,760          | 6,071          | (2,311)   | -38.1%   |
| ISTV'S                         | 10             | 483            | (473)     | -97.9%   | 10             | 483            | (473)     | -97.9%   |
| Total Non-Tax Receipts         | 337,096        | 387,808        | (50,712)  | -13.1%   | 337,096        | 387,808        | (50,712)  | -13.1%   |
| TOTAL REVENUES                 | 1,694,576      | 1,718,684      | (24,108)  | -1.4%    | 1,694,576      | 1,718,684      | (24,108)  | -1.4%    |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 25,000         | 11,000         | 14,000    | 127.3%   | 25,000         | 11,000         | 14,000    | 127.3%   |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 9,984          | 1,388          | 8,596     | 619.1%   | 9,984          | 1,388          | 8,596     | 619.1%   |
| Temporary Transfers In         | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Transfers                | 34,984         | 12,388         | 22,596    | 182.4%   | 34,984         | 12,388         | 22,596    | 182.4%   |
| TOTAL SOURCES                  | 1,729,560      | 1,731,073      | (1,512)   | -0.1%    | 1,729,560      | 1,731,073      | (1,512)   | -0.1%    |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |              | YEAR-TO-DATE     |                  |                |              |
|--|------------------|------------------|----------------|--------------|------------------|------------------|----------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$             | %            | YTD              | YTD              | \$             | %            |
|  | JULY             | JULY             | VAR            | VAR          | ACTUAL           | ESTIMATE         | VAR            | VAR          |
| Primary, Secondary and Other Education         | 605,519          | 635,184          | (29,665)       | -4.7%        | 605,519          | 635,184          | (29,665)       | -4.7%        |
| Higher Education                               | 247,222          | 202,298          | 44,923         | 22.2%        | 247,222          | 202,298          | 44,923         | 22.2%        |
| Public Assistance and Medicaid                 | 1,006,315        | 1,019,923        | (13,608)       | -1.3%        | 1,006,315        | 1,019,923        | (13,608)       | -1.3%        |
| Health and Human Services                      | 139,218          | 130,605          | 8,613          | 6.6%         | 139,218          | 130,605          | 8,613          | 6.6%         |
| Justice and Public Protection                  | 260,500          | 274,539          | (14,039)       | -5.1%        | 260,500          | 274,539          | (14,039)       | -5.1%        |
| Environmental Protection and Natural Resources | 14,949           | 15,105           | (156)          | -1.0%        | 14,949           | 15,105           | (156)          | -1.0%        |
| Transportation                                 | 675              | 711              | (36)           | -5.1%        | 675              | 711              | (36)           | -5.1%        |
| General Government                             | 30,705           | 29,247           | 1,458          | 5.0%         | 30,705           | 29,247           | 1,458          | 5.0%         |
| Community and Economic Development             | 4,004            | 2,879            | 1,125          | 39.1%        | 4,004            | 2,879            | 1,125          | 39.1%        |
| Tax Relief and Other                           | 1,043            | 1,490            | (446)          | -30.0%       | 1,043            | 1,490            | (446)          | -30.0%       |
| Capital Outlay                                 | 0                | 21               | (21)           | -100.0%      | 0                | 21               | (21)           | -100.0%      |
| Debt Service                                   | 113,162          | 113,139          | 23             | 0.0%         | 113,162          | 113,139          | 23             | 0.0%         |
| Pending Payroll                                | 0                | 0                | 0              | N/A          | 0                | 0                | 0              | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,423,312</b> | <b>2,425,141</b> | <b>(1,829)</b> | <b>-0.1%</b> | <b>2,423,312</b> | <b>2,425,141</b> | <b>(1,829)</b> | <b>-0.1%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                |              |                  |                  |                |              |
| OPER TRF OUT-OTH                               | 21,062           | 21,000           | 62             | N/A          | 21,062           | 21,000           | 62             | 0.3%         |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0              | N/A          | 0                | 0                | 0              | N/A          |
| <b>Total Transfers (Out)</b>                   | <b>21,062</b>    | <b>21,000</b>    | <b>62</b>      | <b>N/A</b>   | <b>21,062</b>    | <b>21,000</b>    | <b>62</b>      | <b>0.3%</b>  |
| <b>Total Fund Uses</b>                         | <b>2,444,374</b> | <b>2,446,141</b> | <b>(1,767)</b> | <b>-0.1%</b> | <b>2,444,374</b> | <b>2,446,141</b> | <b>(1,767)</b> | <b>-0.1%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |               | YEAR-TO-DATE     |                  |                  |               |
|--|------------------|------------------|------------------|---------------|------------------|------------------|------------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR        | %<br>VAR      | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR        | %<br>VAR      |
| Primary, Secondary and Other Education         | 605,519          | 625,957          | (20,438)         | -3.3%         | 605,519          | 625,957          | (20,438)         | -3.3%         |
| Higher Education                               | 247,222          | 199,524          | 47,697           | 23.9%         | 247,222          | 199,524          | 47,697           | 23.9%         |
| Public Assistance and Medicaid                 | 1,006,315        | 970,892          | 35,423           | 3.6%          | 1,006,315        | 970,892          | 35,423           | 3.6%          |
| Health and Human Services                      | 139,218          | 110,421          | 28,797           | 26.1%         | 139,218          | 110,421          | 28,797           | 26.1%         |
| Justice and Public Protection                  | 260,500          | 267,017          | (6,517)          | -2.4%         | 260,500          | 267,017          | (6,517)          | -2.4%         |
| Environmental Protection and Natural Resources | 14,949           | 13,785           | 1,164            | 8.4%          | 14,949           | 13,785           | 1,164            | 8.4%          |
| Transportation                                 | 675              | 2,117            | (1,442)          | -68.1%        | 675              | 2,117            | (1,442)          | -68.1%        |
| General Government                             | 30,705           | 30,395           | 310              | 1.0%          | 30,705           | 30,395           | 310              | 1.0%          |
| Community and Economic Development             | 4,004            | 13,473           | (9,469)          | -70.3%        | 4,004            | 13,473           | (9,469)          | -70.3%        |
| Tax Relief and Other                           | 1,043            | 2,816            | (1,773)          | -62.9%        | 1,043            | 2,816            | (1,773)          | -62.9%        |
| Capital Outlay                                 | 0                | 21               | (21)             | -100.0%       | 0                | 21               | (21)             | -100.0%       |
| Debt Service                                   | 113,162          | 113,455          | (293)            | -0.3%         | 113,162          | 113,455          | (293)            | -0.3%         |
| Pending Payroll                                | 0                | 0                | 0                | N/A           | 0                | 0                | 0                | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,423,312</b> | <b>2,349,874</b> | <b>73,438</b>    | <b>3.1%</b>   | <b>2,423,312</b> | <b>2,349,874</b> | <b>73,438</b>    | <b>3.1%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                  |               |                  |                  |                  |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 394,034          | (394,034)        | N/A           | 0                | 394,034          | (394,034)        | N/A           |
| OPER TRF OUT-OTH                               | 21,062           | 759              | 20,302           | N/A           | 21,062           | 759              | 20,302           | N/A           |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0                | N/A           | 0                | 0                | 0                | N/A           |
| <b>Total Transfers (Out)</b>                   | <b>21,062</b>    | <b>394,793</b>   | <b>(373,731)</b> | <b>N/A</b>    | <b>21,062</b>    | <b>394,793</b>   | <b>(373,731)</b> | <b>-94.7%</b> |
| <b>Total Fund Uses</b>                         | <b>2,444,374</b> | <b>2,744,667</b> | <b>(300,293)</b> | <b>-10.9%</b> | <b>2,444,374</b> | <b>2,744,667</b> | <b>(300,293)</b> | <b>-10.9%</b> |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                    |                 |              | Year-to-Date     |                   |                 |              |
|--------------------------------|------------------|--------------------|-----------------|--------------|------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>AUGUST | ESTIMATE<br>AUGUST | \$ VAR          | % VAR        | ACTUAL<br>Y-T-D  | ESTIMATE<br>Y-T-D | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                    |                 |              |                  |                   |                 |              |
| Non-Auto Sales & Use           | 537,767          | 535,100            | 2,667           | 0.5%         | 1,152,953        | 1,126,100         | 26,853          | 2.4%         |
| Auto Sales & Use               | 89,848           | 94,400             | (4,552)         | -4.8%        | 175,985          | 183,700           | (7,715)         | -4.2%        |
| Subtotal Sales & Use           | 627,615          | 629,500            | (1,885)         | -0.3%        | 1,328,938        | 1,309,800         | 19,138          | 1.5%         |
| Personal Income                | 579,844          | 608,500            | (28,656)        | -4.7%        | 1,187,344        | 1,198,600         | (11,256)        | -0.9%        |
| Corporate Franchise            | 4,761            | 1,500              | 3,261           | 217.4%       | (6,648)          | 4,500             | (11,148)        | -247.7%      |
| Commercial Activity Tax        | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Public Utility                 | 41,641           | 44,900             | (3,259)         | -7.3%        | 41,642           | 44,900            | (3,258)         | -7.3%        |
| Kilowatt Hour                  | 31,435           | 31,800             | (365)           | -1.1%        | 61,444           | 60,700            | 744             | 1.2%         |
| Foreign Insurance              | 1                | 0                  | 1               | N/A          | 16               | 0                 | 16              | N/A          |
| Domestic Insurance             | 40               | 600                | (560)           | -93.3%       | 41               | 600               | (559)           | -93.2%       |
| Other Business & Property Tax  | 245              | 310                | (65)            | -20.9%       | 281              | 490               | (209)           | -42.6%       |
| Cigarette                      | 91,894           | 87,800             | 4,094           | 4.7%         | 113,130          | 101,900           | 11,230          | 11.0%        |
| Soft Drink                     | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 4,842            | 5,400              | (558)           | -10.3%       | 10,588           | 10,600            | (12)            | -0.1%        |
| Liquor Gallonage               | 2,946            | 3,000              | (54)            | -1.8%        | 5,939            | 5,900             | 39              | 0.7%         |
| Estate                         | 130              | 200                | (70)            | -34.9%       | 160              | 300               | (140)           | -46.7%       |
| Horse Racing                   | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,385,393        | 1,413,510          | (28,117)        | -2.0%        | 2,742,874        | 2,738,290         | 4,584           | 0.2%         |
| <b>NON-TAX RECEIPTS</b>        |                  |                    |                 |              |                  |                   |                 |              |
| Federal Grants                 | 748,472          | 756,617            | (8,144)         | -1.1%        | 1,075,719        | 1,091,040         | (15,321)        | -1.4%        |
| Earnings on Investments        | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| License & Fees                 | 7,096            | 5,347              | 1,749           | 32.7%        | 13,176           | 11,450            | 1,726           | 15.1%        |
| Other Income                   | 4,182            | 4,600              | (418)           | -9.1%        | 7,942            | 8,294             | (352)           | -4.2%        |
| ISTV'S                         | 29               | 2,100              | (2,071)         | -98.6%       | 39               | 2,110             | (2,071)         | -98.2%       |
| Total Non-Tax Receipts         | 759,780          | 768,664            | (8,884)         | -1.2%        | 1,096,875        | 1,112,894         | (16,018)        | -1.4%        |
| <b>TOTAL REVENUES</b>          | <b>2,145,173</b> | <b>2,182,174</b>   | <b>(37,001)</b> | <b>-1.7%</b> | <b>3,839,749</b> | <b>3,851,184</b>  | <b>(11,435)</b> | <b>-0.3%</b> |
| <b>TRANSFERS</b>               |                  |                    |                 |              |                  |                   |                 |              |
| Budget Stabilization           | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Liquor Transfers               | 14,000           | 12,000             | 2,000           | 16.7%        | 39,000           | 37,000            | 2,000           | 5.4%         |
| Transfers In - Capital Reserve | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Transfers In - Other           | 5,402            | 5,400              | 2               | 0.0%         | 15,386           | 9,900             | 5,486           | 55.4%        |
| Temporary Transfers In         | 0                | 0                  | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Total Transfers                | 19,402           | 17,400             | 2,002           | 11.5%        | 54,386           | 46,900            | 7,486           | 16.0%        |
| <b>TOTAL SOURCES</b>           | <b>2,164,575</b> | <b>2,199,574</b>   | <b>(34,999)</b> | <b>-1.6%</b> | <b>3,894,135</b> | <b>3,898,084</b>  | <b>(3,949)</b>  | <b>-0.1%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 537,767        | 532,223        | 5,543     | 1.0%     | 1,152,953      | 1,105,320      | 47,633    | 4.3%     |
| Auto Sales & Use               | 89,848         | 91,793         | (1,945)   | -2.1%    | 175,985        | 176,897        | (913)     | -0.5%    |
| Subtotal Sales & Use           | 627,615        | 624,016        | 3,598     | 0.6%     | 1,328,938      | 1,282,217      | 46,720    | 3.6%     |
| Personal Income                | 579,844        | 635,774        | (55,930)  | -8.8%    | 1,187,344      | 1,220,744      | (33,400)  | -2.7%    |
| Corporate Franchise            | 4,761          | 7,497          | (2,737)   | -36.5%   | (6,648)        | 39,231         | (45,880)  | -116.9%  |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 41,641         | 45,035         | (3,394)   | -7.5%    | 41,642         | 45,035         | (3,393)   | -7.5%    |
| Kilowatt Hour                  | 31,435         | 31,047         | 387       | 1.2%     | 61,444         | 59,151         | 2,293     | 3.9%     |
| Foreign Insurance              | 1              | 13             | (12)      | -93.7%   | 16             | 48             | (32)      | -66.6%   |
| Domestic Insurance             | 40             | (338)          | 378       | -111.8%  | 41             | 233            | (192)     | -82.4%   |
| Other Business & Property Tax  | 245            | 87             | 158       | 181.3%   | 281            | 192            | 90        | 46.8%    |
| Cigarette                      | 91,894         | 94,397         | (2,504)   | -2.7%    | 113,130        | 108,161        | 4,970     | 4.6%     |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 4,842          | 5,162          | (321)     | -6.2%    | 10,588         | 11,000         | (412)     | -3.7%    |
| Liquor Gallonage               | 2,946          | 2,847          | 99        | 3.5%     | 5,939          | 5,772          | 167       | 2.9%     |
| Estate                         | 130            | 0              | 130       | N/A      | 160            | 4,631          | (4,471)   | -96.5%   |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,385,393      | 1,445,538      | (60,145)  | -4.2%    | 2,742,874      | 2,776,414      | (33,540)  | -1.2%    |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 748,472        | 558,979        | 189,494   | 33.9%    | 1,075,719      | 934,347        | 141,372   | 15.1%    |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| License & Fee                  | 7,096          | 6,185          | 912       | 14.7%    | 13,176         | 12,071         | 1,105     | 9.2%     |
| Other Income                   | 4,182          | 4,082          | 100       | 2.4%     | 7,942          | 10,153         | (2,211)   | -21.8%   |
| ISTV'S                         | 29             | 2,738          | (2,709)   | -98.9%   | 39             | 3,221          | (3,182)   | -98.8%   |
| Total Non-Tax Receipts         | 759,780        | 571,984        | 187,796   | 32.8%    | 1,096,875      | 959,792        | 137,083   | 14.3%    |
| TOTAL REVENUES                 | 2,145,173      | 2,017,522      | 127,651   | 6.3%     | 3,839,749      | 3,736,206      | 103,543   | 2.8%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 14,000         | 12,000         | 2,000     | 16.7%    | 39,000         | 23,000         | 16,000    | 69.6%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 5,402          | 1,000          | 4,402     | 440.2%   | 15,386         | 2,388          | 12,997    | 544.2%   |
| Temporary Transfers In         | 0              | 5,380          | (5,380)   | N/A      | 0              | 5,380          | (5,380)   | -100.0%  |
| Total Transfers                | 19,402         | 18,380         | 1,022     | 5.6%     | 54,386         | 30,768         | 23,618    | 76.8%    |
| TOTAL SOURCES                  | 2,164,575      | 2,035,902      | 128,673   | 6.3%     | 3,894,135      | 3,766,974      | 127,161   | 3.4%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |             | YEAR-TO-DATE     |                  |                |             |
|--|------------------|------------------|----------------|-------------|------------------|------------------|----------------|-------------|
|  | ACTUAL           | ESTIMATED        | \$             | %           | YTD              | YTD              | \$             | %           |
|  | AUGUST           | AUGUST           | VAR            | VAR         | ACTUAL           | ESTIMATE         | VAR            | VAR         |
| Primary, Secondary and Other Education         | 842,471          | 548,598          | 293,873        | 53.6%       | 1,447,990        | 1,183,782        | 264,208        | 22.3%       |
| Higher Education                               | 177,692          | 227,900          | (50,208)       | -22.0%      | 424,914          | 430,199          | (5,285)        | -1.2%       |
| Public Assistance and Medicaid                 | 958,634          | 998,513          | (39,879)       | -4.0%       | 1,964,949        | 2,018,436        | (53,487)       | -2.6%       |
| Health and Human Services                      | 124,341          | 138,212          | (13,871)       | -10.0%      | 263,559          | 268,817          | (5,258)        | -2.0%       |
| Justice and Public Protection                  | 142,428          | 145,446          | (3,017)        | -2.1%       | 402,928          | 419,985          | (17,056)       | -4.1%       |
| Environmental Protection and Natural Resources | 5,648            | 7,793            | (2,145)        | -27.5%      | 20,597           | 22,898           | (2,301)        | -10.0%      |
| Transportation                                 | 2,590            | 2,130            | 460            | 21.6%       | 3,266            | 2,841            | 424            | 14.9%       |
| General Government                             | 28,457           | 32,305           | (3,848)        | -11.9%      | 59,162           | 61,552           | (2,389)        | -3.9%       |
| Community and Economic Development             | 9,485            | 9,944            | (458)          | -4.6%       | 13,489           | 12,822           | 667            | 5.2%        |
| Tax Relief and Other                           | 91,417           | 87,510           | 3,907          | 4.5%        | 92,460           | 89,000           | 3,460          | 3.9%        |
| Capital Outlay                                 | 0                | 150              | (150)          | -100.0%     | 0                | 171              | (171)          | -100.0%     |
| Debt Service                                   | 28,825           | 28,848           | (23)           | -0.1%       | 141,987          | 141,987          | (0)            | 0.0%        |
| Pending Payroll                                | 0                | 0                | 0              | N/A         | 0                | 0                | 0              | N/A         |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,411,989</b> | <b>2,227,348</b> | <b>184,642</b> | <b>8.3%</b> | <b>4,835,301</b> | <b>4,652,488</b> | <b>182,813</b> | <b>3.9%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                |             |                  |                  |                |             |
| OPER TRF OUT-OTH                               | 266,883          | 124,278          | 142,605        | N/A         | 287,945          | 145,278          | 142,666        | 98.2%       |
| OPER TRF OUT-TEMPORARY                         | 0                | 133,800          | (133,800)      | N/A         | 0                | 133,800          | (133,800)      | -100.0%     |
| <b>Total Transfers (Out)</b>                   | <b>266,883</b>   | <b>258,078</b>   | <b>8,805</b>   | <b>N/A</b>  | <b>287,945</b>   | <b>279,078</b>   | <b>8,866</b>   | <b>3.2%</b> |
| <b>Total Fund Uses</b>                         | <b>2,678,872</b> | <b>2,485,426</b> | <b>193,446</b> | <b>7.8%</b> | <b>5,123,246</b> | <b>4,931,567</b> | <b>191,679</b> | <b>3.9%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |              | YEAR-TO-DATE     |                  |                  |               |
|--|------------------|------------------|----------------|--------------|------------------|------------------|------------------|---------------|
|  | ACTUAL           | ACTUAL           | \$             | %            | ACTUAL           | ACTUAL           | \$               | %             |
|  | 2008             | 2007             | VAR            | VAR          | 2008             | 2007             | VAR              | VAR           |
| Primary, Secondary and Other Education         | 842,471          | 564,116          | 278,355        | 49.3%        | 1,447,990        | 1,190,073        | 257,917          | 21.7%         |
| Higher Education                               | 177,692          | 183,014          | (5,321)        | -2.9%        | 424,914          | 382,538          | 42,376           | 11.1%         |
| Public Assistance and Medicaid                 | 958,634          | 858,965          | 99,669         | 11.6%        | 1,964,949        | 1,829,857        | 135,092          | 7.4%          |
| Health and Human Services                      | 124,341          | 150,678          | (26,338)       | -17.5%       | 263,559          | 261,099          | 2,459            | 0.9%          |
| Justice and Public Protection                  | 142,428          | 124,886          | 17,543         | 14.0%        | 402,928          | 391,903          | 11,025           | 2.8%          |
| Environmental Protection and Natural Resources | 5,648            | 7,304            | (1,657)        | -22.7%       | 20,597           | 21,090           | (493)            | -2.3%         |
| Transportation                                 | 2,590            | 1,198            | 1,393          | 116.3%       | 3,266            | 3,315            | (49)             | -1.5%         |
| General Government                             | 28,457           | 16,743           | 11,714         | 70.0%        | 59,162           | 47,139           | 12,024           | 25.5%         |
| Community and Economic Development             | 9,485            | 10,344           | (859)          | -8.3%        | 13,489           | 23,818           | (10,328)         | -43.4%        |
| Tax Relief and Other                           | 91,417           | 145,688          | (54,272)       | -37.3%       | 92,460           | 148,504          | (56,044)         | -37.7%        |
| Capital Outlay                                 | 0                | 26               | (26)           | -100.0%      | 0                | 46               | (46)             | -100.0%       |
| Debt Service                                   | 28,825           | 26,641           | 2,185          | 8.2%         | 141,987          | 140,096          | 1,892            | 1.4%          |
| Pending Payroll                                | 0                | 0                | 0              | N/A          | 0                | 0                | 0                | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,411,989</b> | <b>2,089,604</b> | <b>322,386</b> | <b>15.4%</b> | <b>4,835,301</b> | <b>4,439,478</b> | <b>395,824</b>   | <b>8.9%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                |              |                  |                  |                  |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0              | N/A          | 0                | 394,034          | (394,034)        | N/A           |
| OPER TRF OUT-OTH                               | 266,883          | 4,875            | 262,008        | N/A          | 287,945          | 5,634            | 282,311          | N/A           |
| OPER TRF OUT-TEMPORARY                         | 0                | 77,347           | (77,347)       | N/A          | 0                | 77,347           | (77,347)         | -100.0%       |
| <b>Total Transfers (Out)</b>                   | <b>266,883</b>   | <b>82,222</b>    | <b>184,661</b> | <b>N/A</b>   | <b>287,945</b>   | <b>477,015</b>   | <b>(189,071)</b> | <b>-39.6%</b> |
| <b>Total Fund Uses</b>                         | <b>2,678,872</b> | <b>2,171,826</b> | <b>507,047</b> | <b>23.3%</b> | <b>5,123,246</b> | <b>4,916,493</b> | <b>206,753</b>   | <b>4.2%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month               |                       |                 |              | Year-to-Date     |                   |                 |              |
|--------------------------------|---------------------|-----------------------|-----------------|--------------|------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>SEPTEMBER | ESTIMATE<br>SEPTEMBER | \$ VAR          | % VAR        | ACTUAL<br>Y-T-D  | ESTIMATE<br>Y-T-D | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                     |                       |                 |              |                  |                   |                 |              |
| Non-Auto Sales & Use           | 505,813             | 513,300               | (7,487)         | -1.5%        | 1,658,766        | 1,639,400         | 19,366          | 1.2%         |
| Auto Sales & Use               | 70,940              | 83,900                | (12,960)        | -15.4%       | 246,925          | 267,600           | (20,675)        | -7.7%        |
| Subtotal Sales & Use           | 576,753             | 597,200               | (20,447)        | -3.4%        | 1,905,691        | 1,907,000         | (1,309)         | -0.1%        |
| Personal Income                | 842,333             | 822,600               | 19,733          | 2.4%         | 2,029,677        | 2,021,200         | 8,477           | 0.4%         |
| Corporate Franchise            | (2,731)             | 7,500                 | (10,231)        | -136.4%      | (9,380)          | 12,000            | (21,380)        | -178.2%      |
| Commercial Activity Tax        | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Public Utility                 | 4                   | 0                     | 4               | N/A          | 41,646           | 44,900            | (3,254)         | -7.2%        |
| Kilowatt Hour                  | 32,942              | 33,200                | (258)           | -0.8%        | 94,386           | 93,900            | 486             | 0.5%         |
| Foreign Insurance              | 5,344               | 6,700                 | (1,356)         | -20.2%       | 5,360            | 6,700             | (1,340)         | -20.0%       |
| Domestic Insurance             | 153                 | 0                     | 153             | N/A          | 194              | 600               | (406)           | -67.6%       |
| Other Business & Property Tax  | (66)                | 190                   | (256)           | -134.5%      | 216              | 680               | (464)           | -68.3%       |
| Cigarette                      | 81,692              | 81,800                | (108)           | -0.1%        | 194,823          | 183,700           | 11,123          | 6.1%         |
| Soft Drink                     | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 5,043               | 4,800                 | 243             | 5.1%         | 15,630           | 15,400            | 230             | 1.5%         |
| Liquor Gallonage               | 3,018               | 3,000                 | 18              | 0.6%         | 8,957            | 8,900             | 57              | 0.6%         |
| Estate                         | 3,291               | 6,000                 | (2,709)         | -45.2%       | 3,451            | 6,300             | (2,849)         | -45.2%       |
| Horse Racing                   | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,547,776           | 1,562,990             | (15,214)        | -1.0%        | 4,290,650        | 4,301,280         | (10,630)        | -0.2%        |
| <b>NON-TAX RECEIPTS</b>        |                     |                       |                 |              |                  |                   |                 |              |
| Federal Grants                 | 473,425             | 462,261               | 11,164          | 2.4%         | 1,549,144        | 1,553,301         | (4,157)         | -0.3%        |
| Earnings on Investments        | 44,990              | 46,200                | (1,210)         | -2.6%        | 44,990           | 46,200            | (1,210)         | -2.6%        |
| License & Fees                 | 978                 | 1,801                 | (823)           | -45.7%       | 14,154           | 13,251            | 903             | 6.8%         |
| Other Income                   | 3,392               | 4,700                 | (1,308)         | -27.8%       | 11,334           | 12,994            | (1,660)         | -12.8%       |
| ISTV'S                         | 802                 | 1,300                 | (498)           | -38.3%       | 841              | 3,410             | (2,569)         | -75.3%       |
| Total Non-Tax Receipts         | 523,587             | 516,262               | 7,325           | 1.4%         | 1,620,463        | 1,629,156         | (8,693)         | -0.5%        |
| <b>TOTAL REVENUES</b>          | <b>2,071,363</b>    | <b>2,079,252</b>      | <b>(7,889)</b>  | <b>-0.4%</b> | <b>5,911,113</b> | <b>5,930,436</b>  | <b>(19,323)</b> | <b>-0.3%</b> |
| <b>TRANSFERS</b>               |                     |                       |                 |              |                  |                   |                 |              |
| Budget Stabilization           | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Liquor Transfers               | 13,000              | 12,000                | 1,000           | 8.3%         | 52,000           | 49,000            | 3,000           | 6.1%         |
| Transfers In - Capital Reserve | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Transfers In - Other           | 284                 | 6,360                 | (6,076)         | -95.5%       | 15,670           | 16,260            | (590)           | -3.6%        |
| Temporary Transfers In         | 0                   | 0                     | 0               | N/A          | 0                | 0                 | 0               | N/A          |
| Total Transfers                | 13,284              | 18,360                | (5,076)         | -27.6%       | 67,670           | 65,260            | 2,410           | 3.7%         |
| <b>TOTAL SOURCES</b>           | <b>2,084,648</b>    | <b>2,097,612</b>      | <b>(12,965)</b> | <b>-0.6%</b> | <b>5,978,783</b> | <b>5,995,696</b>  | <b>(16,913)</b> | <b>-0.3%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 505,813        | 483,622        | 22,191    | 4.6%     | 1,658,766      | 1,588,942      | 69,824    | 4.4%     |
| Auto Sales & Use               | 70,940         | 76,274         | (5,334)   | -7.0%    | 246,925        | 253,171        | (6,246)   | -2.5%    |
| Subtotal Sales & Use           | 576,753        | 559,896        | 16,857    | 3.0%     | 1,905,691      | 1,842,113      | 63,578    | 3.5%     |
| Personal Income                | 842,333        | 836,918        | 5,415     | 0.6%     | 2,029,677      | 2,057,662      | (27,985)  | -1.4%    |
| Corporate Franchise            | (2,731)        | 17,160         | (19,891)  | -115.9%  | (9,380)        | 56,391         | (65,771)  | -116.6%  |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 4              | 26             | (22)      | -84.3%   | 41,646         | 45,061         | (3,415)   | -7.6%    |
| Kilowatt Hour                  | 32,942         | 34,645         | (1,703)   | -4.9%    | 94,386         | 93,796         | 590       | 0.6%     |
| Foreign Insurance              | 5,344          | 6,812          | (1,468)   | -21.5%   | 5,360          | 6,860          | (1,500)   | -21.9%   |
| Domestic Insurance             | 153            | 2              | 151       | N/A      | 194            | 235            | (41)      | -17.5%   |
| Other Business & Property Tax  | (66)           | 175            | (241)     | -137.5%  | 216            | 367            | (151)     | -41.2%   |
| Cigarette                      | 81,692         | 87,486         | (5,794)   | -6.6%    | 194,823        | 195,647        | (825)     | -0.4%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 5,043          | 4,702          | 341       | 7.3%     | 15,630         | 15,701         | (71)      | -0.5%    |
| Liquor Gallonage               | 3,018          | 2,864          | 154       | 5.4%     | 8,957          | 8,635          | 321       | 3.7%     |
| Estate                         | 3,291          | 131            | 3,160     | N/A      | 3,451          | 4,762          | (1,311)   | -27.5%   |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,547,776      | 1,550,817      | (3,041)   | -0.2%    | 4,290,650      | 4,327,231      | (36,581)  | -0.8%    |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 473,425        | 449,590        | 23,835    | 5.3%     | 1,549,144      | 1,383,937      | 165,207   | 11.9%    |
| Earnings on Investments        | 44,990         | 50,250         | (5,260)   | -10.5%   | 44,990         | 50,250         | (5,260)   | -10.5%   |
| License & Fee                  | 978            | 1,562          | (584)     | -37.4%   | 14,154         | 13,633         | 521       | 3.8%     |
| Other Income                   | 3,392          | 7,064          | (3,671)   | -52.0%   | 11,334         | 17,217         | (5,882)   | -34.2%   |
| ISTV'S                         | 802            | 177            | 625       | 353.8%   | 841            | 3,398          | (2,557)   | -75.3%   |
| Total Non-Tax Receipts         | 523,587        | 508,642        | 14,946    | 2.9%     | 1,620,463      | 1,468,434      | 152,029   | 10.4%    |
| TOTAL REVENUES                 | 2,071,363      | 2,059,459      | 11,905    | 0.6%     | 5,911,113      | 5,795,665      | 115,448   | 2.0%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 13,000         | 12,000         | 1,000     | 8.3%     | 52,000         | 35,000         | 17,000    | 48.6%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 284            | 40,948         | (40,664)  | -99.3%   | 15,670         | 43,337         | (27,667)  | -63.8%   |
| Temporary Transfers In         | 0              | 0              | 0         | N/A      | 0              | 5,380          | (5,380)   | -100.0%  |
| Total Transfers                | 13,284         | 52,948         | (39,664)  | -74.9%   | 67,670         | 83,716         | (16,046)  | -19.2%   |
| TOTAL SOURCES                  | 2,084,648      | 2,112,407      | (27,759)  | -1.3%    | 5,978,783      | 5,879,381      | 99,401    | 1.7%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |               | YEAR-TO-DATE     |                  |                  |              |
|--|------------------|------------------|------------------|---------------|------------------|------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$               | %             | YTD              | YTD              | \$               | %            |
|  | SEPTEMBER        | SEPTEMBER        | VAR              | VAR           | ACTUAL           | ESTIMATE         | VAR              | VAR          |
| Primary, Secondary and Other Education         | 256,668          | 658,860          | (402,192)        | -61.0%        | 1,704,658        | 1,842,642        | (137,984)        | -7.5%        |
| Higher Education                               | 171,736          | 174,984          | (3,247)          | -1.9%         | 596,650          | 605,182          | (8,532)          | -1.4%        |
| Public Assistance and Medicaid                 | 859,157          | 827,662          | 31,494           | 3.8%          | 2,824,105        | 2,846,098        | (21,993)         | -0.8%        |
| Health and Human Services                      | 73,710           | 77,070           | (3,360)          | -4.4%         | 337,269          | 345,887          | (8,619)          | -2.5%        |
| Justice and Public Protection                  | 225,567          | 200,511          | 25,056           | 12.5%         | 628,495          | 620,495          | 8,000            | 1.3%         |
| Environmental Protection and Natural Resources | 8,420            | 7,236            | 1,184            | 16.4%         | 29,017           | 30,134           | (1,116)          | -3.7%        |
| Transportation                                 | 1,014            | 2,177            | (1,162)          | -53.4%        | 4,280            | 5,018            | (738)            | -14.7%       |
| General Government                             | 86,523           | 93,584           | (7,061)          | -7.5%         | 145,685          | 155,135          | (9,450)          | -6.1%        |
| Community and Economic Development             | 35,140           | 41,927           | (6,787)          | -16.2%        | 48,630           | 54,750           | (6,120)          | -11.2%       |
| Tax Relief and Other                           | 254,644          | 235,792          | 18,851           | 8.0%          | 347,104          | 324,792          | 22,311           | 6.9%         |
| Capital Outlay                                 | 6                | 150              | (144)            | -96.2%        | 6                | 321              | (315)            | -98.2%       |
| Debt Service                                   | 94,449           | 94,312           | 137              | 0.1%          | 236,437          | 236,300          | 137              | 0.1%         |
| Pending Payroll                                | 0                | 0                | 0                | N/A           | 0                | 0                | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,067,035</b> | <b>2,414,266</b> | <b>(347,231)</b> | <b>-14.4%</b> | <b>6,902,337</b> | <b>7,066,755</b> | <b>(164,418)</b> | <b>-2.3%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                  |               |                  |                  |                  |              |
| OPER TRF OUT-OTH                               | 1                | 0                | 1                | N/A           | 287,945          | 145,278          | 142,667          | 98.2%        |
| OPER TRF OUT-TEMPORARY                         | 9,515            | 0                | 9,515            | N/A           | 9,515            | 133,800          | (124,285)        | -92.9%       |
| <b>Total Transfers (Out)</b>                   | <b>9,516</b>     | <b>0</b>         | <b>9,516</b>     | <b>N/A</b>    | <b>297,461</b>   | <b>279,078</b>   | <b>18,382</b>    | <b>6.6%</b>  |
| <b>Total Fund Uses</b>                         | <b>2,076,551</b> | <b>2,414,266</b> | <b>(337,715)</b> | <b>-14.0%</b> | <b>7,199,797</b> | <b>7,345,833</b> | <b>(146,036)</b> | <b>-2.0%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |              | YEAR-TO-DATE     |                  |                  |               |
|--|------------------|------------------|------------------|--------------|------------------|------------------|------------------|---------------|
|  | ACTUAL           | ACTUAL           | \$               | %            | ACTUAL           | ACTUAL           | \$               | %             |
|  | 2008             | 2007             | VAR              | VAR          | 2008             | 2007             | VAR              | VAR           |
| Primary, Secondary and Other Education         | 256,668          | 603,246          | (346,579)        | -57.5%       | 1,704,658        | 1,793,320        | (88,662)         | -4.9%         |
| Higher Education                               | 171,736          | 153,569          | 18,167           | 11.8%        | 596,650          | 536,108          | 60,543           | 11.3%         |
| Public Assistance and Medicaid                 | 859,157          | 815,443          | 43,713           | 5.4%         | 2,824,105        | 2,645,300        | 178,805          | 6.8%          |
| Health and Human Services                      | 73,710           | 74,733           | (1,022)          | -1.4%        | 337,269          | 335,832          | 1,437            | 0.4%          |
| Justice and Public Protection                  | 225,567          | 216,148          | 9,419            | 4.4%         | 628,495          | 608,051          | 20,445           | 3.4%          |
| Environmental Protection and Natural Resources | 8,420            | 6,623            | 1,797            | 27.1%        | 29,017           | 27,713           | 1,304            | 4.7%          |
| Transportation                                 | 1,014            | 805              | 209              | 26.0%        | 4,280            | 4,120            | 160              | 3.9%          |
| General Government                             | 86,523           | 95,225           | (8,702)          | -9.1%        | 145,685          | 142,364          | 3,322            | 2.3%          |
| Community and Economic Development             | 35,140           | 35,100           | 40               | 0.1%         | 48,630           | 58,917           | (10,288)         | -17.5%        |
| Tax Relief and Other                           | 254,644          | 215,107          | 39,537           | 18.4%        | 347,104          | 363,611          | (16,507)         | -4.5%         |
| Capital Outlay                                 | 6                | 3                | 3                | 81.2%        | 6                | 50               | (44)             | -88.5%        |
| Debt Service                                   | 94,449           | 75,832           | 18,617           | 24.6%        | 236,437          | 215,928          | 20,509           | 9.5%          |
| Pending Payroll                                | 0                | 0                | 0                | N/A          | 0                | 0                | 0                | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,067,035</b> | <b>2,291,835</b> | <b>(224,800)</b> | <b>-9.8%</b> | <b>6,902,337</b> | <b>6,731,313</b> | <b>171,024</b>   | <b>2.5%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                  |              |                  |                  |                  |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0                | N/A          | 0                | 394,034          | (394,034)        | N/A           |
| OPER TRF OUT-OTH                               | 1                | 0                | 1                | N/A          | 287,945          | 5,634            | 282,311          | N/A           |
| OPER TRF OUT-TEMPORARY                         | 9,515            | 0                | 9,515            | N/A          | 9,515            | 77,347           | (67,832)         | -87.7%        |
| <b>Total Transfers (Out)</b>                   | <b>9,516</b>     | <b>0</b>         | <b>9,516</b>     | <b>N/A</b>   | <b>297,461</b>   | <b>477,015</b>   | <b>(179,555)</b> | <b>-37.6%</b> |
| <b>Total Fund Uses</b>                         | <b>2,076,551</b> | <b>2,291,835</b> | <b>(215,284)</b> | <b>-9.4%</b> | <b>7,199,797</b> | <b>7,208,328</b> | <b>(8,531)</b>   | <b>-0.1%</b>  |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month             |                     |                  |              | Year-to-Date     |                   |                  |              |
|--------------------------------|-------------------|---------------------|------------------|--------------|------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>OCTOBER | ESTIMATE<br>OCTOBER | \$ VAR           | % VAR        | ACTUAL<br>Y-T-D  | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                   |                     |                  |              |                  |                   |                  |              |
| Non-Auto Sales & Use           | 544,993           | 554,700             | (9,707)          | -1.7%        | 2,203,759        | 2,194,100         | 9,659            | 0.4%         |
| Auto Sales & Use               | 82,833            | 82,300              | 533              | 0.6%         | 329,757          | 349,900           | (20,143)         | -5.8%        |
| Subtotal Sales & Use           | 627,825           | 637,000             | (9,175)          | -1.4%        | 2,533,516        | 2,544,000         | (10,484)         | -0.4%        |
| Personal Income                | 718,340           | 684,300             | 34,040           | 5.0%         | 2,748,016        | 2,705,500         | 42,516           | 1.6%         |
| Corporate Franchise            | 15,110            | 27,000              | (11,890)         | -44.0%       | 5,730            | 39,000            | (33,270)         | -85.3%       |
| Commercial Activity Tax        | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Public Utility                 | (922)             | (1,700)             | 778              | -45.7%       | 40,723           | 43,200            | (2,477)          | -5.7%        |
| Kilowatt Hour                  | 26,015            | 25,000              | 1,015            | 4.1%         | 120,400          | 118,900           | 1,500            | 1.3%         |
| Foreign Insurance              | 127,826           | 132,100             | (4,274)          | -3.2%        | 133,187          | 138,800           | (5,613)          | -4.0%        |
| Domestic Insurance             | 59                | 0                   | 59               | N/A          | 253              | 600               | (347)            | -57.9%       |
| Other Business & Property Tax  | 139               | 60                  | 79               | 131.2%       | 354              | 740               | (386)            | -52.1%       |
| Cigarette                      | 83,213            | 82,700              | 513              | 0.6%         | 278,036          | 266,400           | 11,636           | 4.4%         |
| Soft Drink                     | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 4,366             | 4,500               | (134)            | -3.0%        | 19,997           | 19,900            | 97               | 0.5%         |
| Liquor Gallonage               | 2,678             | 2,800               | (122)            | -4.3%        | 11,635           | 11,700            | (65)             | -0.6%        |
| Estate                         | 13,073            | 15,500              | (2,427)          | -15.7%       | 16,523           | 21,800            | (5,277)          | -24.2%       |
| Horse Racing                   | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,617,721         | 1,609,260           | 8,461            | 0.5%         | 5,908,371        | 5,910,540         | (2,169)          | 0.0%         |
| <b>NON-TAX RECEIPTS</b>        |                   |                     |                  |              |                  |                   |                  |              |
| Federal Grants                 | 393,545           | 574,523             | (180,977)        | -31.5%       | 1,942,689        | 2,127,824         | (185,134)        | -8.7%        |
| Earnings on Investments        | 0                 | 0                   | 0                | N/A          | 44,990           | 46,200            | (1,210)          | -2.6%        |
| License & Fees                 | 5,181             | 5,160               | 21               | 0.4%         | 19,334           | 18,411            | 923              | 5.0%         |
| Other Income                   | 3,909             | 4,800               | (891)            | -18.6%       | 15,243           | 17,794            | (2,551)          | -14.3%       |
| ISTV'S                         | 1,831             | 500                 | 1,331            | 266.3%       | 2,672            | 3,910             | (1,238)          | -31.7%       |
| Total Non-Tax Receipts         | 404,466           | 584,983             | (180,517)        | -30.9%       | 2,024,929        | 2,214,139         | (189,210)        | -8.5%        |
| <b>TOTAL REVENUES</b>          | <b>2,022,187</b>  | <b>2,194,243</b>    | <b>(172,056)</b> | <b>-7.8%</b> | <b>7,933,300</b> | <b>8,124,679</b>  | <b>(191,379)</b> | <b>-2.4%</b> |
| <b>TRANSFERS</b>               |                   |                     |                  |              |                  |                   |                  |              |
| Budget Stabilization           | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Liquor Transfers               | 12,000            | 12,000              | 0                | 0.0%         | 64,000           | 61,000            | 3,000            | 4.9%         |
| Transfers In - Capital Reserve | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Transfers In - Other           | 40,007            | 46,060              | (6,053)          | -13.1%       | 55,677           | 62,320            | (6,643)          | -10.7%       |
| Temporary Transfers In         | 0                 | 0                   | 0                | N/A          | 0                | 0                 | 0                | N/A          |
| Total Transfers                | 52,007            | 58,060              | (6,053)          | -10.4%       | 119,677          | 123,320           | (3,643)          | -3.0%        |
| <b>TOTAL SOURCES</b>           | <b>2,074,194</b>  | <b>2,252,303</b>    | <b>(178,109)</b> | <b>-7.9%</b> | <b>8,052,977</b> | <b>8,247,999</b>  | <b>(195,022)</b> | <b>-2.4%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 544,993        | 546,533        | (1,540)   | -0.3%    | 2,203,759      | 2,135,475      | 68,284    | 3.2%     |
| Auto Sales & Use               | 82,833         | 71,248         | 11,584    | 16.3%    | 329,757        | 324,419        | 5,338     | 1.6%     |
| Subtotal Sales & Use           | 627,825        | 617,782        | 10,044    | 1.6%     | 2,533,516      | 2,459,895      | 73,622    | 3.0%     |
| Personal Income                | 718,340        | 659,870        | 58,469    | 8.9%     | 2,748,016      | 2,717,532      | 30,484    | 1.1%     |
| Corporate Franchise            | 15,110         | 51,922         | (36,812)  | -70.9%   | 5,730          | 108,313        | (102,583) | -94.7%   |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | (922)          | 2,115          | (3,037)   | -143.6%  | 40,723         | 47,176         | (6,452)   | -13.7%   |
| Kilowatt Hour                  | 26,015         | 23,570         | 2,444     | 10.4%    | 120,400        | 117,366        | 3,035     | 2.6%     |
| Foreign Insurance              | 127,826        | 124,185        | 3,641     | 2.9%     | 133,187        | 131,045        | 2,141     | 1.6%     |
| Domestic Insurance             | 59             | 0              | 59        | N/A      | 253            | 235            | 17        | 7.4%     |
| Other Business & Property Tax  | 139            | 140            | (2)       | -1.2%    | 354            | 507            | (153)     | -30.1%   |
| Cigarette                      | 83,213         | 85,897         | (2,684)   | -3.1%    | 278,036        | 281,544        | (3,509)   | -1.2%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 4,366          | 4,270          | 96        | 2.3%     | 19,997         | 19,972         | 25        | 0.1%     |
| Liquor Gallonage               | 2,678          | 2,818          | (140)     | -5.0%    | 11,635         | 11,453         | 181       | 1.6%     |
| Estate                         | 13,073         | 18,646         | (5,573)   | -29.9%   | 16,523         | 23,408         | (6,884)   | -29.4%   |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,617,721      | 1,591,215      | 26,506    | 1.7%     | 5,908,371      | 5,918,446      | (10,075)  | -0.2%    |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 393,545        | 356,093        | 37,452    | 10.5%    | 1,942,689      | 1,740,030      | 202,659   | 11.6%    |
| Earnings on Investments        | 0              | (93)           | 93        | N/A      | 44,990         | 50,157         | (5,167)   | -10.3%   |
| License & Fee                  | 5,181          | 5,046          | 135       | 2.7%     | 19,334         | 18,679         | 656       | 3.5%     |
| Other Income                   | 3,909          | 3,809          | 100       | 2.6%     | 15,243         | 21,025         | (5,782)   | -27.5%   |
| ISTV'S                         | 1,831          | 1,248          | 583       | 46.7%    | 2,672          | 4,646          | (1,974)   | -42.5%   |
| Total Non-Tax Receipts         | 404,466        | 366,103        | 38,363    | 10.5%    | 2,024,929      | 1,834,537      | 190,392   | 10.4%    |
| TOTAL REVENUES                 | 2,022,187      | 1,957,318      | 64,869    | 3.3%     | 7,933,300      | 7,752,983      | 180,317   | 2.3%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 12,000         | 12,000         | 0         | 0.0%     | 64,000         | 47,000         | 17,000    | 36.2%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 40,007         | 0              | 40,007    | N/A      | 55,677         | 43,337         | 12,340    | 28.5%    |
| Temporary Transfers In         | 0              | 0              | 0         | N/A      | 0              | 5,380          | (5,380)   | -100.0%  |
| Total Transfers                | 52,007         | 12,000         | 40,007    | 333.4%   | 119,677        | 95,716         | 23,960    | 25.0%    |
| TOTAL SOURCES                  | 2,074,194      | 1,969,318      | 104,876   | 5.3%     | 8,052,977      | 7,848,699      | 204,277   | 2.6%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                 |              | YEAR-TO-DATE      |                   |                |              |
|--|------------------|------------------|-----------------|--------------|-------------------|-------------------|----------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$              | %            | YTD               | YTD               | \$             | %            |
|  | OCTOBER          | OCTOBER          | VAR             | VAR          | ACTUAL            | ESTIMATE          | VAR            | VAR          |
| Primary, Secondary and Other Education         | 862,581          | 601,317          | 261,264         | 43.4%        | 2,567,239         | 2,443,959         | 123,280        | 5.0%         |
| Higher Education                               | 199,947          | 210,274          | (10,327)        | -4.9%        | 796,597           | 815,456           | (18,859)       | -2.3%        |
| Public Assistance and Medicaid                 | 1,121,165        | 1,073,233        | 47,932          | 4.5%         | 3,945,270         | 3,919,331         | 25,940         | 0.7%         |
| Health and Human Services                      | 127,386          | 143,770          | (16,384)        | -11.4%       | 464,654           | 489,657           | (25,002)       | -5.1%        |
| Justice and Public Protection                  | 178,336          | 176,885          | 1,451           | 0.8%         | 806,832           | 797,380           | 9,451          | 1.2%         |
| Environmental Protection and Natural Resources | 7,561            | 7,275            | 286             | 3.9%         | 36,578            | 37,409            | (830)          | -2.2%        |
| Transportation                                 | 1,396            | 5,534            | (4,137)         | -74.8%       | 5,677             | 10,552            | (4,875)        | -46.2%       |
| General Government                             | 16,067           | 19,310           | (3,243)         | -16.8%       | 161,753           | 174,446           | (12,693)       | -7.3%        |
| Community and Economic Development             | 9,205            | 10,398           | (1,193)         | -11.5%       | 57,834            | 65,148            | (7,314)        | -11.2%       |
| Tax Relief and Other                           | 128,375          | 108,955          | 19,420          | 17.8%        | 475,478           | 433,747           | 41,731         | 9.6%         |
| Capital Outlay                                 | 0                | 150              | (150)           | -100.0%      | 6                 | 471               | (465)          | -98.8%       |
| Debt Service                                   | 46,572           | 46,580           | (8)             | 0.0%         | 283,008           | 282,880           | 129            | 0.0%         |
| Pending Payroll                                | 0                | 0                | 0               | N/A          | 0                 | 0                 | 0              | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,698,590</b> | <b>2,403,680</b> | <b>294,910</b>  | <b>12.3%</b> | <b>9,600,927</b>  | <b>9,470,435</b>  | <b>130,492</b> | <b>1.4%</b>  |
| <b>Transfers Out:</b>                          |                  |                  |                 |              |                   |                   |                |              |
| OPER TRF OUT-OTH                               | (27,210)         | 0                | (27,210)        | N/A          | 260,735           | 145,278           | 115,457        | 79.5%        |
| OPER TRF OUT-TEMPORARY                         | 340,589          | 333,000          | 7,589           | 2.3%         | 350,104           | 466,800           | (116,696)      | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>313,379</b>   | <b>333,000</b>   | <b>(19,621)</b> | <b>(0.1)</b> | <b>610,839</b>    | <b>612,078</b>    | <b>(1,239)</b> | <b>-0.2%</b> |
| <b>Total Fund Uses</b>                         | <b>3,011,969</b> | <b>2,736,680</b> | <b>275,289</b>  | <b>10.1%</b> | <b>10,211,766</b> | <b>10,082,513</b> | <b>129,253</b> | <b>1.3%</b>  |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |              | YEAR-TO-DATE      |                  |                 |               |
|--|------------------|------------------|----------------|--------------|-------------------|------------------|-----------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR      | %<br>VAR     | ACTUAL<br>2008    | ACTUAL<br>2007   | \$<br>VAR       | %<br>VAR      |
| Primary, Secondary and Other Education         | 862,581          | 593,671          | 268,910        | 45.3%        | 2,567,239         | 2,386,991        | 180,248         | 7.6%          |
| Higher Education                               | 199,947          | 199,052          | 894            | 0.4%         | 796,597           | 735,160          | 61,437          | 8.4%          |
| Public Assistance and Medicaid                 | 1,121,165        | 930,357          | 190,807        | 20.5%        | 3,945,270         | 3,575,658        | 369,613         | 10.3%         |
| Health and Human Services                      | 127,386          | 143,811          | (16,426)       | -11.4%       | 464,654           | 479,643          | (14,989)        | -3.1%         |
| Justice and Public Protection                  | 178,336          | 169,148          | 9,189          | 5.4%         | 806,832           | 777,199          | 29,633          | 3.8%          |
| Environmental Protection and Natural Resources | 7,561            | 5,300            | 2,260          | 42.6%        | 36,578            | 33,014           | 3,565           | 10.8%         |
| Transportation                                 | 1,396            | 4,387            | (2,990)        | -68.2%       | 5,677             | 8,507            | (2,830)         | -33.3%        |
| General Government                             | 16,067           | 18,325           | (2,258)        | -12.3%       | 161,753           | 160,689          | 1,064           | 0.7%          |
| Community and Economic Development             | 9,205            | 7,851            | 1,354          | 17.2%        | 57,834            | 66,768           | (8,934)         | -13.4%        |
| Tax Relief and Other                           | 128,375          | 64,673           | 63,702         | 98.5%        | 475,478           | 428,283          | 47,195          | 11.0%         |
| Capital Outlay                                 | 0                | 10               | (10)           | -100.0%      | 6                 | 60               | (54)            | -90.4%        |
| Debt Service                                   | 46,572           | 36,400           | 10,172         | 27.9%        | 283,008           | 252,328          | 30,681          | 12.2%         |
| Pending Payroll                                | 0                | 0                | 0              | N/A          | 0                 | 0                | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,698,590</b> | <b>2,172,985</b> | <b>525,605</b> | <b>24.2%</b> | <b>9,600,927</b>  | <b>8,904,298</b> | <b>696,629</b>  | <b>7.8%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                |              |                   |                  |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0              | N/A          | 0                 | 394,034          | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | (27,210)         | 3,780            | (30,990)       | -819.9%      | 260,735           | 9,414            | 251,321         | N/A           |
| OPER TRF OUT-TEMPORARY                         | 340,589          | 210,066          | 130,523        | 62.1%        | 350,104           | 287,414          | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>313,379</b>   | <b>213,846</b>   | <b>99,532</b>  | <b>46.5%</b> | <b>610,839</b>    | <b>690,862</b>   | <b>(80,022)</b> | <b>-11.6%</b> |
| <b>Total Fund Uses</b>                         | <b>3,011,969</b> | <b>2,386,832</b> | <b>625,137</b> | <b>26.2%</b> | <b>10,211,766</b> | <b>9,595,160</b> | <b>616,606</b>  | <b>6.4%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month              |                      |               |             | Year-to-Date      |                   |                  |              |
|--------------------------------|--------------------|----------------------|---------------|-------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>NOVEMBER | ESTIMATE<br>NOVEMBER | \$ VAR        | % VAR       | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                    |                      |               |             |                   |                   |                  |              |
| Non-Auto Sales & Use           | 548,228            | 540,600              | 7,628         | 1.4%        | 2,751,987         | 2,734,700         | 17,287           | 0.6%         |
| Auto Sales & Use               | 70,378             | 64,700               | 5,678         | 8.8%        | 400,136           | 414,600           | (14,464)         | -3.5%        |
| Subtotal Sales & Use           | 618,606            | 605,300              | 13,306        | 2.2%        | 3,152,123         | 3,149,300         | 2,823            | 0.1%         |
| Personal Income                | 543,673            | 625,800              | (82,127)      | -13.1%      | 3,291,689         | 3,331,300         | (39,611)         | -1.2%        |
| Corporate Franchise            | (56,293)           | (12,750)             | (43,543)      | 341.5%      | (50,562)          | 26,250            | (76,812)         | -292.6%      |
| Commercial Activity Tax        | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 21,486             | 26,100               | (4,614)       | -17.7%      | 62,209            | 69,300            | (7,091)          | -10.2%       |
| Kilowatt Hour                  | 27,714             | 26,300               | 1,414         | 5.4%        | 148,114           | 145,200           | 2,914            | 2.0%         |
| Foreign Insurance              | (417)              | 200                  | (617)         | -308.5%     | 132,770           | 139,000           | (6,230)          | -4.5%        |
| Domestic Insurance             | 139                | 0                    | 139           | N/A         | 391               | 600               | (209)            | -34.8%       |
| Other Business & Property Tax  | 34                 | 20                   | 14            | 68.9%       | 388               | 760               | (372)            | -48.9%       |
| Cigarette                      | 82,310             | 82,200               | 110           | 0.1%        | 360,345           | 348,600           | 11,745           | 3.4%         |
| Soft Drink                     | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 5,030              | 4,700                | 330           | 7.0%        | 25,027            | 24,600            | 427              | 1.7%         |
| Liquor Gallonage               | 2,803              | 2,900                | (97)          | -3.3%       | 14,438            | 14,600            | (162)            | -1.1%        |
| Estate                         | 11,370             | 10,500               | 870           | 8.3%        | 27,893            | 32,300            | (4,407)          | -13.6%       |
| Horse Racing                   | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,256,454          | 1,371,270            | (114,816)     | -8.4%       | 7,164,825         | 7,281,810         | (116,985)        | -1.6%        |
| <b>NON-TAX RECEIPTS</b>        |                    |                      |               |             |                   |                   |                  |              |
| Federal Grants                 | 689,778            | 481,440              | 208,338       | 43.3%       | 2,632,468         | 2,609,264         | 23,204           | 0.9%         |
| Earnings on Investments        | 0                  | 0                    | 0             | N/A         | 44,990            | 46,200            | (1,210)          | -2.6%        |
| License & Fees                 | 668                | 600                  | 68            | 11.3%       | 20,002            | 19,011            | 991              | 5.2%         |
| Other Income                   | 4,530              | 4,200                | 330           | 7.9%        | 19,773            | 21,994            | (2,221)          | -10.1%       |
| ISTV'S                         | 89                 | 3,700                | (3,611)       | -97.6%      | 2,762             | 7,610             | (4,848)          | -63.7%       |
| Total Non-Tax Receipts         | 695,066            | 489,940              | 205,126       | 41.9%       | 2,719,995         | 2,704,079         | 15,916           | 0.6%         |
| <b>TOTAL REVENUES</b>          | <b>1,951,520</b>   | <b>1,861,210</b>     | <b>90,310</b> | <b>4.9%</b> | <b>9,884,820</b>  | <b>9,985,889</b>  | <b>(101,069)</b> | <b>-1.0%</b> |
| <b>TRANSFERS</b>               |                    |                      |               |             |                   |                   |                  |              |
| Budget Stabilization           | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 0                  | 13,000               | (13,000)      | -100.0%     | 64,000            | 74,000            | (10,000)         | -13.5%       |
| Transfers In - Capital Reserve | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 800                | 360                  | 440           | 122.2%      | 56,477            | 62,680            | (6,203)          | -9.9%        |
| Temporary Transfers In         | 212,100            | 212,100              | 0             | N/A         | 212,100           | 212,100           | 0                | 0.0%         |
| Total Transfers                | 212,900            | 225,460              | (12,560)      | -5.6%       | 332,577           | 348,780           | (16,203)         | -4.6%        |
| <b>TOTAL SOURCES</b>           | <b>2,164,420</b>   | <b>2,086,670</b>     | <b>77,750</b> | <b>3.7%</b> | <b>10,217,397</b> | <b>10,334,669</b> | <b>(117,272)</b> | <b>-1.1%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 548,228        | 521,925        | 26,303    | 5.0%     | 2,751,987      | 2,657,400      | 94,587    | 3.6%     |
| Auto Sales & Use               | 70,378         | 67,041         | 3,337     | 5.0%     | 400,136        | 391,461        | 8,675     | 2.2%     |
| Subtotal Sales & Use           | 618,606        | 588,966        | 29,641    | 5.0%     | 3,152,123      | 3,048,860      | 103,262   | 3.4%     |
| Personal Income                | 543,673        | 593,506        | (49,833)  | -8.4%    | 3,291,689      | 3,311,038      | (19,349)  | -0.6%    |
| Corporate Franchise            | (56,293)       | (54,591)       | (1,701)   | 3.1%     | (50,562)       | 53,722         | (104,284) | -194.1%  |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 21,486         | 21,980         | (494)     | -2.2%    | 62,209         | 69,156         | (6,947)   | -10.0%   |
| Kilowatt Hour                  | 27,714         | 24,982         | 2,732     | 10.9%    | 148,114        | 142,347        | 5,767     | 4.1%     |
| Foreign Insurance              | (417)          | 289            | (706)     | -244.2%  | 132,770        | 131,334        | 1,435     | 1.1%     |
| Domestic Insurance             | 139            | 0              | 139       | N/A      | 391            | 235            | 156       | 66.2%    |
| Other Business & Property Tax  | 34             | 116            | (82)      | -70.9%   | 388            | 623            | (235)     | -37.7%   |
| Cigarette                      | 82,310         | 88,939         | (6,630)   | -7.5%    | 360,345        | 370,483        | (10,138)  | -2.7%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 5,030          | 4,506          | 524       | 11.6%    | 25,027         | 24,478         | 549       | 2.2%     |
| Liquor Gallonage               | 2,803          | 2,735          | 68        | 2.5%     | 14,438         | 14,188         | 250       | 1.8%     |
| Estate                         | 11,370         | 965            | 10,405    | 1077.9%  | 27,893         | 24,373         | 3,520     | 14.4%    |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,256,454      | 1,272,392      | (15,938)  | -1.3%    | 7,164,825      | 7,190,838      | (26,013)  | -0.4%    |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 689,778        | 578,932        | 110,846   | 19.1%    | 2,632,468      | 2,318,962      | 313,506   | 13.5%    |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 44,990         | 50,157         | (5,167)   | -10.3%   |
| License & Fee                  | 668            | 517            | 151       | 29.3%    | 20,002         | 19,195         | 807       | 4.2%     |
| Other Income                   | 4,530          | 3,562          | 968       | 27.2%    | 19,773         | 24,588         | (4,815)   | -19.6%   |
| ISTV'S                         | 89             | 3,624          | (3,535)   | -97.5%   | 2,762          | 8,270          | (5,509)   | -66.6%   |
| Total Non-Tax Receipts         | 695,066        | 586,635        | 108,431   | 18.5%    | 2,719,995      | 2,421,172      | 298,822   | 12.3%    |
| TOTAL REVENUES                 | 1,951,520      | 1,859,028      | 92,492    | 5.0%     | 9,884,820      | 9,612,011      | 272,809   | 2.8%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 0              | 12,000         | (12,000)  | -100.0%  | 64,000         | 59,000         | 5,000     | 8.5%     |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 800            | 39,158         | (38,358)  | -98.0%   | 56,477         | 82,495         | (26,018)  | -31.5%   |
| Temporary Transfers In         | 212,100        | 92,112         | 119,988   | 130.3%   | 212,100        | 97,492         | 114,608   | 117.6%   |
| Total Transfers                | 212,900        | 143,270        | 69,630    | 48.6%    | 332,577        | 238,986        | 93,591    | 39.2%    |
| TOTAL SOURCES                  | 2,164,420      | 2,002,298      | 162,122   | 8.1%     | 10,217,397     | 9,850,997      | 366,400   | 3.7%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |              |             | YEAR-TO-DATE      |                   |                |              |
|--|------------------|------------------|--------------|-------------|-------------------|-------------------|----------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$           | %           | YTD               | YTD               | \$             | %            |
|  | NOVEMBER         | NOVEMBER         | VAR          | VAR         | ACTUAL            | ESTIMATE          | VAR            | VAR          |
| Primary, Secondary and Other Education         | 626,147          | 678,744          | (52,597)     | -7.7%       | 3,193,386         | 3,122,704         | 70,683         | 2.3%         |
| Higher Education                               | 384,237          | 355,114          | 29,123       | 8.2%        | 1,180,834         | 1,170,570         | 10,264         | 0.9%         |
| Public Assistance and Medicaid                 | 909,008          | 863,157          | 45,851       | 5.3%        | 4,854,278         | 4,782,488         | 71,790         | 1.5%         |
| Health and Human Services                      | 108,871          | 110,454          | (1,583)      | -1.4%       | 573,525           | 600,111           | (26,586)       | -4.4%        |
| Justice and Public Protection                  | 135,958          | 132,919          | 3,039        | 2.3%        | 942,789           | 930,299           | 12,490         | 1.3%         |
| Environmental Protection and Natural Resources | 21,413           | 21,157           | 255          | 1.2%        | 57,991            | 58,566            | (575)          | -1.0%        |
| Transportation                                 | 5,177            | 3,827            | 1,350        | 35.3%       | 10,854            | 14,379            | (3,525)        | -24.5%       |
| General Government                             | 17,447           | 20,914           | (3,467)      | -16.6%      | 179,199           | 195,360           | (16,160)       | -8.3%        |
| Community and Economic Development             | 9,030            | 9,917            | (886)        | -8.9%       | 66,865            | 75,065            | (8,200)        | -10.9%       |
| Tax Relief and Other                           | 93,253           | 106,554          | (13,301)     | -12.5%      | 568,732           | 540,301           | 28,430         | 5.3%         |
| Capital Outlay                                 | 50               | 150              | (100)        | -66.7%      | 56                | 621               | (565)          | -91.0%       |
| Debt Service                                   | 0                | 0                | 0            | N/A         | 283,008           | 282,880           | 129            | 0.0%         |
| Pending Payroll                                | 0                | 0                | 0            | N/A         | 0                 | 0                 | 0              | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,310,590</b> | <b>2,302,907</b> | <b>7,683</b> | <b>0.3%</b> | <b>11,911,517</b> | <b>11,773,342</b> | <b>138,175</b> | <b>1.2%</b>  |
| <b>Transfers Out:</b>                          |                  |                  |              |             |                   |                   |                |              |
| OPER TRF OUT-OTH                               | 0                | 0                | 0            | N/A         | 260,735           | 145,278           | 115,457        | 79.5%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0            | N/A         | 350,104           | 466,800           | (116,696)      | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>0</b>         | <b>0</b>     | <b>N/A</b>  | <b>610,839</b>    | <b>612,078</b>    | <b>(1,239)</b> | <b>-0.2%</b> |
| <b>Total Fund Uses</b>                         | <b>2,310,590</b> | <b>2,302,907</b> | <b>7,683</b> | <b>0.3%</b> | <b>12,522,356</b> | <b>12,385,420</b> | <b>136,936</b> | <b>1.1%</b>  |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                 |              | YEAR-TO-DATE      |                   |                 |               |
|--|------------------|------------------|-----------------|--------------|-------------------|-------------------|-----------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR       | %<br>VAR     | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR      |
| Primary, Secondary and Other Education         | 626,147          | 815,015          | (188,868)       | -23.2%       | 3,193,386         | 3,202,007         | (8,621)         | -0.3%         |
| Higher Education                               | 384,237          | 334,328          | 49,909          | 14.9%        | 1,180,834         | 1,069,488         | 111,346         | 10.4%         |
| Public Assistance and Medicaid                 | 909,008          | 868,072          | 40,936          | 4.7%         | 4,854,278         | 4,443,730         | 410,549         | 9.2%          |
| Health and Human Services                      | 108,871          | 102,746          | 6,125           | 6.0%         | 573,525           | 582,389           | (8,864)         | -1.5%         |
| Justice and Public Protection                  | 135,958          | 128,254          | 7,704           | 6.0%         | 942,789           | 905,453           | 37,337          | 4.1%          |
| Environmental Protection and Natural Resources | 21,413           | 22,866           | (1,453)         | -6.4%        | 57,991            | 55,880            | 2,111           | 3.8%          |
| Transportation                                 | 5,177            | 1,721            | 3,456           | 200.9%       | 10,854            | 10,227            | 626             | 6.1%          |
| General Government                             | 17,447           | 18,165           | (719)           | -4.0%        | 179,199           | 178,854           | 345             | 0.2%          |
| Community and Economic Development             | 9,030            | 9,880            | (850)           | -8.6%        | 66,865            | 76,648            | (9,783)         | -12.8%        |
| Tax Relief and Other                           | 93,253           | 84,838           | 8,416           | 9.9%         | 568,732           | 513,121           | 55,611          | 10.8%         |
| Capital Outlay                                 | 50               | 2                | 48              | 2763.7%      | 56                | 61                | (6)             | -9.1%         |
| Debt Service                                   | 0                | 0                | 0               | N/A          | 283,008           | 252,328           | 30,681          | 12.2%         |
| Pending Payroll                                | 0                | 0                | 0               | N/A          | 0                 | 0                 | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,310,590</b> | <b>2,385,886</b> | <b>(75,296)</b> | <b>-3.2%</b> | <b>11,911,517</b> | <b>11,290,185</b> | <b>621,333</b>  | <b>5.5%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                 |              |                   |                   |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0               | N/A          | 0                 | 394,034           | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | 0                | 0                | 0               | N/A          | 260,735           | 9,414             | 251,321         | N/A           |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0               | N/A          | 350,104           | 287,414           | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>0</b>         | <b>0</b>        | <b>N/A</b>   | <b>610,839</b>    | <b>690,862</b>    | <b>(80,022)</b> | <b>-11.6%</b> |
| <b>Total Fund Uses</b>                         | <b>2,310,590</b> | <b>2,385,886</b> | <b>(75,296)</b> | <b>-3.2%</b> | <b>12,522,356</b> | <b>11,981,046</b> | <b>541,310</b>  | <b>4.5%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month              |                      |               |             | Year-to-Date      |                   |                 |              |
|--------------------------------|--------------------|----------------------|---------------|-------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>DECEMBER | ESTIMATE<br>DECEMBER | \$ VAR        | % VAR       | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                    |                      |               |             |                   |                   |                 |              |
| Non-Auto Sales & Use           | 681,513            | 655,000              | 26,513        | 4.0%        | 3,433,500         | 3,389,700         | 43,800          | 1.3%         |
| Auto Sales & Use               | 60,838             | 70,100               | (9,262)       | -13.2%      | 460,973           | 484,700           | (23,727)        | -4.9%        |
| Subtotal Sales & Use           | 742,351            | 725,100              | 17,251        | 2.4%        | 3,894,474         | 3,874,400         | 20,074          | 0.5%         |
| Personal Income                | 802,903            | 810,600              | (7,697)       | -0.9%       | 4,094,592         | 4,141,900         | (47,308)        | -1.1%        |
| Corporate Franchise            | (3,520)            | (11,250)             | 7,730         | -68.7%      | (54,083)          | 15,000            | (69,083)        | -460.6%      |
| Commercial Activity Tax        | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 0                  | 0                    | 0             | N/A         | 62,209            | 69,300            | (7,091)         | -10.2%       |
| Kilowatt Hour                  | 26,551             | 26,500               | 51            | 0.2%        | 174,665           | 171,700           | 2,965           | 1.7%         |
| Foreign Insurance              | 7                  | 0                    | 7             | N/A         | 132,777           | 139,000           | (6,223)         | -4.5%        |
| Domestic Insurance             | 0                  | 0                    | 0             | N/A         | 391               | 600               | (209)           | -34.8%       |
| Other Business & Property Tax  | (47)               | 30                   | (77)          | -257.1%     | 341               | 790               | (449)           | -56.8%       |
| Cigarette                      | 74,514             | 84,400               | (9,886)       | -11.7%      | 434,859           | 433,000           | 1,859           | 0.4%         |
| Soft Drink                     | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 4,447              | 4,600                | (153)         | -3.3%       | 29,474            | 29,200            | 274             | 0.9%         |
| Liquor Gallonage               | 2,940              | 2,900                | 40            | 1.4%        | 17,378            | 17,500            | (122)           | -0.7%        |
| Estate                         | 2,198              | 6,600                | (4,402)       | -66.7%      | 30,091            | 38,900            | (8,809)         | -22.6%       |
| Horse Racing                   | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,652,344          | 1,649,480            | 2,864         | 0.2%        | 8,817,169         | 8,931,290         | (114,121)       | -1.3%        |
| <b>NON-TAX RECEIPTS</b>        |                    |                      |               |             |                   |                   |                 |              |
| Federal Grants                 | 490,426            | 485,002              | 5,424         | 1.1%        | 3,122,894         | 3,094,266         | 28,628          | 0.9%         |
| Earnings on Investments        | 38,083             | 38,800               | (717)         | -1.8%       | 83,073            | 85,000            | (1,927)         | -2.3%        |
| License & Fees                 | 579                | 700                  | (121)         | -17.2%      | 20,582            | 19,711            | 871             | 4.4%         |
| Other Income                   | 35,484             | 4,300                | 31,184        | 725.2%      | 55,258            | 26,294            | 28,964          | 110.2%       |
| ISTV'S                         | 1,733              | 0                    | 1,733         | N/A         | 4,495             | 7,610             | (3,115)         | -40.9%       |
| Total Non-Tax Receipts         | 566,306            | 528,802              | 37,504        | 7.1%        | 3,286,301         | 3,232,881         | 53,420          | 1.7%         |
| <b>TOTAL REVENUES</b>          | <b>2,218,650</b>   | <b>2,178,282</b>     | <b>40,368</b> | <b>1.9%</b> | <b>12,103,470</b> | <b>12,164,171</b> | <b>(60,701)</b> | <b>-0.5%</b> |
| <b>TRANSFERS</b>               |                    |                      |               |             |                   |                   |                 |              |
| Budget Stabilization           | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 31,000             | 18,000               | 13,000        | 72.2%       | 95,000            | 92,000            | 3,000           | 3.3%         |
| Transfers In - Capital Reserve | 0                  | 0                    | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 307                | 360                  | (53)          | -14.7%      | 56,784            | 63,040            | (6,256)         | -9.9%        |
| Temporary Transfers In         | 10,000             | 10,000               | 0             | N/A         | 222,100           | 222,100           | 0               | 0.0%         |
| Total Transfers                | 41,307             | 28,360               | 12,947        | 45.7%       | 373,884           | 377,140           | (3,256)         | -0.9%        |
| <b>TOTAL SOURCES</b>           | <b>2,259,957</b>   | <b>2,206,642</b>     | <b>53,316</b> | <b>2.4%</b> | <b>12,477,354</b> | <b>12,541,311</b> | <b>(63,957)</b> | <b>-0.5%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 681,513        | 601,696        | 79,818    | 13.3%    | 3,433,500      | 3,259,095      | 174,405   | 5.4%     |
| Auto Sales & Use               | 60,838         | 62,914         | (2,076)   | -3.3%    | 460,973        | 454,375        | 6,599     | 1.5%     |
| Subtotal Sales & Use           | 742,351        | 664,610        | 77,741    | 11.7%    | 3,894,474      | 3,713,470      | 181,004   | 4.9%     |
| Personal Income                | 802,903        | 707,117        | 95,787    | 13.5%    | 4,094,592      | 4,018,155      | 76,438    | 1.9%     |
| Corporate Franchise            | (3,520)        | 3,883          | (7,403)   | -190.7%  | (54,083)       | 57,604         | (111,687) | -193.9%  |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 0              | (297)          | 297       | -100.1%  | 62,209         | 68,859         | (6,649)   | -9.7%    |
| Kilowatt Hour                  | 26,551         | 25,525         | 1,027     | 4.0%     | 174,665        | 167,872        | 6,793     | 4.0%     |
| Foreign Insurance              | 7              | 788            | (781)     | -99.1%   | 132,777        | 132,122        | 654       | 0.5%     |
| Domestic Insurance             | 0              | 0              | 0         | N/A      | 391            | 235            | 156       | 66.2%    |
| Other Business & Property Tax  | (47)           | 9              | (56)      | -631.0%  | 341            | 632            | (291)     | -46.0%   |
| Cigarette                      | 74,514         | 87,905         | (13,391)  | -15.2%   | 434,859        | 458,389        | (23,530)  | -5.1%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 4,447          | 4,595          | (149)     | -3.2%    | 29,474         | 29,073         | 401       | 1.4%     |
| Liquor Gallonage               | 2,940          | 2,867          | 73        | 2.6%     | 17,378         | 17,055         | 323       | 1.9%     |
| Estate                         | 2,198          | 8,007          | (5,809)   | -72.6%   | 30,091         | 32,380         | (2,289)   | -7.1%    |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,652,344      | 1,505,008      | 147,336   | 9.8%     | 8,817,169      | 8,695,846      | 121,323   | 1.4%     |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 490,426        | 452,455        | 37,972    | 8.4%     | 3,122,894      | 2,771,417      | 351,477   | 12.7%    |
| Earnings on Investments        | 38,083         | 42,157         | (4,074)   | -9.7%    | 83,073         | 92,314         | (9,241)   | -10.0%   |
| License & Fee                  | 579            | 858            | (278)     | -32.5%   | 20,582         | 20,053         | 529       | 2.6%     |
| Other Income                   | 35,484         | 54,753         | (19,269)  | -35.2%   | 55,258         | 79,341         | (24,084)  | -30.4%   |
| ISTV'S                         | 1,733          | 292            | 1,441     | 494.3%   | 4,495          | 8,562          | (4,067)   | -47.5%   |
| Total Non-Tax Receipts         | 566,306        | 550,514        | 15,792    | 2.9%     | 3,286,301      | 2,971,687      | 314,614   | 10.6%    |
| TOTAL REVENUES                 | 2,218,650      | 2,055,522      | 163,128   | 7.9%     | 12,103,470     | 11,667,533     | 435,937   | 3.7%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 31,000         | 17,000         | 14,000    | 82.4%    | 95,000         | 76,000         | 19,000    | 25.0%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 307            | (39,158)       | 39,465    | -100.8%  | 56,784         | 43,337         | 13,447    | 31.0%    |
| Temporary Transfers In         | 10,000         | 39,158         | (29,158)  | -74.5%   | 222,100        | 136,650        | 85,450    | 62.5%    |
| Total Transfers                | 41,307         | 17,000         | 24,307    | 143.0%   | 373,884        | 255,986        | 117,898   | 46.1%    |
| TOTAL SOURCES                  | 2,259,957      | 2,072,522      | 187,435   | 9.0%     | 12,477,354     | 11,923,519     | 553,835   | 4.6%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |               | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|------------------|---------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$               | %             | YTD               | YTD               | \$               | %            |
|  | DECEMBER         | DECEMBER         | VAR              | VAR           | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 353,737          | 539,538          | (185,801)        | -34.4%        | 3,547,123         | 3,662,242         | (115,119)        | -3.1%        |
| Higher Education                               | 169,713          | 202,269          | (32,556)         | -16.1%        | 1,350,547         | 1,372,839         | (22,292)         | -1.6%        |
| Public Assistance and Medicaid                 | 909,531          | 947,084          | (37,553)         | -4.0%         | 5,763,809         | 5,729,572         | 34,237           | 0.6%         |
| Health and Human Services                      | 88,012           | 76,403           | 11,609           | 15.2%         | 661,537           | 676,514           | (14,977)         | -2.2%        |
| Justice and Public Protection                  | 199,925          | 181,135          | 18,790           | 10.4%         | 1,142,714         | 1,111,434         | 31,281           | 2.8%         |
| Environmental Protection and Natural Resources | 7,577            | 9,164            | (1,587)          | -17.3%        | 65,568            | 67,730            | (2,162)          | -3.2%        |
| Transportation                                 | 4,831            | 2,456            | 2,375            | 96.7%         | 15,685            | 16,835            | (1,150)          | -6.8%        |
| General Government                             | 28,428           | 29,175           | (747)            | -2.6%         | 207,627           | 224,535           | (16,908)         | -7.5%        |
| Community and Economic Development             | 8,814            | 9,121            | (307)            | -3.4%         | 75,679            | 84,185            | (8,507)          | -10.1%       |
| Tax Relief and Other                           | 73,796           | 112,392          | (38,596)         | -34.3%        | 642,528           | 652,693           | (10,165)         | -1.6%        |
| Capital Outlay                                 | 0                | 150              | (150)            | -100.0%       | 56                | 771               | (715)            | -92.8%       |
| Debt Service                                   | 23,536           | 24,558           | (1,023)          | -4.2%         | 306,544           | 307,438           | (894)            | -0.3%        |
| Pending Payroll                                | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,867,899</b> | <b>2,133,446</b> | <b>(265,547)</b> | <b>-12.4%</b> | <b>13,779,416</b> | <b>13,906,787</b> | <b>(127,371)</b> | <b>-0.9%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                  |               |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | 100              | 0                | 100              | N/A           | 260,835           | 145,278           | 115,557          | 79.5%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0                | N/A           | 350,104           | 466,800           | (116,696)        | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>100</b>       | <b>0</b>         | <b>100</b>       | <b>N/A</b>    | <b>610,939</b>    | <b>612,078</b>    | <b>(1,139)</b>   | <b>-0.2%</b> |
| <b>Total Fund Uses</b>                         | <b>1,867,999</b> | <b>2,133,446</b> | <b>(265,447)</b> | <b>-12.4%</b> | <b>14,390,355</b> | <b>14,518,866</b> | <b>(128,510)</b> | <b>-0.9%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |             | YEAR-TO-DATE      |                   |                 |               |
|--|------------------|------------------|----------------|-------------|-------------------|-------------------|-----------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR      | %<br>VAR    | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR      |
| Primary, Secondary and Other Education         | 353,737          | 303,911          | 49,826         | 16.4%       | 3,547,123         | 3,505,918         | 41,205          | 1.2%          |
| Higher Education                               | 169,713          | 213,391          | (43,678)       | -20.5%      | 1,350,547         | 1,282,879         | 67,668          | 5.3%          |
| Public Assistance and Medicaid                 | 909,531          | 846,438          | 63,093         | 7.5%        | 5,763,809         | 5,290,167         | 473,642         | 9.0%          |
| Health and Human Services                      | 88,012           | 76,365           | 11,647         | 15.3%       | 661,537           | 658,754           | 2,783           | 0.4%          |
| Justice and Public Protection                  | 199,925          | 136,313          | 63,612         | 46.7%       | 1,142,714         | 1,041,766         | 100,949         | 9.7%          |
| Environmental Protection and Natural Resources | 7,577            | 4,846            | 2,731          | 56.3%       | 65,568            | 60,726            | 4,842           | 8.0%          |
| Transportation                                 | 4,831            | 3,852            | 979            | 25.4%       | 15,685            | 14,079            | 1,605           | 11.4%         |
| General Government                             | 28,428           | 24,076           | 4,352          | 18.1%       | 207,627           | 202,930           | 4,697           | 2.3%          |
| Community and Economic Development             | 8,814            | 8,579            | 235            | 2.7%        | 75,679            | 85,227            | (9,549)         | -11.2%        |
| Tax Relief and Other                           | 73,796           | 104,134          | (30,338)       | -29.1%      | 642,528           | 617,254           | 25,273          | 4.1%          |
| Capital Outlay                                 | 0                | 2                | (2)            | -100.0%     | 56                | 63                | (7)             | -11.6%        |
| Debt Service                                   | 23,536           | 7,568            | 15,968         | 211.0%      | 306,544           | 259,895           | 46,648          | 17.9%         |
| Pending Payroll                                | 0                | 0                | 0              | N/A         | 0                 | 0                 | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,867,899</b> | <b>1,729,475</b> | <b>138,424</b> | <b>8.0%</b> | <b>13,779,416</b> | <b>13,019,659</b> | <b>759,757</b>  | <b>5.8%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                |             |                   |                   |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0              | N/A         | 0                 | 394,034           | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | 100              | 0                | 100            | N/A         | 260,835           | 9,414             | 251,421         | N/A           |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0              | N/A         | 350,104           | 287,414           | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>100</b>       | <b>0</b>         | <b>100</b>     | <b>N/A</b>  | <b>610,939</b>    | <b>690,862</b>    | <b>(79,922)</b> | <b>-11.6%</b> |
| <b>Total Fund Uses</b>                         | <b>1,867,999</b> | <b>1,729,475</b> | <b>138,524</b> | <b>8.0%</b> | <b>14,390,355</b> | <b>13,710,521</b> | <b>679,834</b>  | <b>5.0%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month             |                     |               |             | Year-to-Date      |                   |                 |              |
|--------------------------------|-------------------|---------------------|---------------|-------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>JANUARY | ESTIMATE<br>JANUARY | \$ VAR        | % VAR       | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                   |                     |               |             |                   |                   |                 |              |
| Non-Auto Sales & Use           | 666,294           | 639,200             | 27,094        | 4.2%        | 4,099,794         | 4,028,900         | 70,894          | 1.8%         |
| Auto Sales & Use               | 70,655            | 67,025              | 3,630         | 5.4%        | 531,628           | 551,725           | (20,097)        | -3.6%        |
| Subtotal Sales & Use           | 736,949           | 706,225             | 30,724        | 4.4%        | 4,631,423         | 4,580,625         | 50,798          | 1.1%         |
| Personal Income                | 1,139,047         | 1,159,600           | (20,553)      | -1.8%       | 5,233,639         | 5,301,500         | (67,861)        | -1.3%        |
| Corporate Franchise            | 241,570           | 210,500             | 31,070        | 14.8%       | 187,487           | 225,500           | (38,013)        | -16.9%       |
| Commercial Activity Tax        | 0                 | 0                   | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 60                | 0                   | 60            | N/A         | 62,270            | 69,300            | (7,030)         | -10.1%       |
| Kilowatt Hour                  | 10,952            | 12,200              | (1,248)       | -10.2%      | 185,617           | 183,900           | 1,717           | 0.9%         |
| Foreign Insurance              | 5                 | 0                   | 5             | N/A         | 132,782           | 139,000           | (6,218)         | -4.5%        |
| Domestic Insurance             | 42                | 0                   | 42            | N/A         | 433               | 600               | (167)           | -27.8%       |
| Other Business & Property Tax  | 55                | 30                  | 25            | 81.7%       | 396               | 820               | (424)           | -51.8%       |
| Cigarette                      | 76,194            | 83,700              | (7,506)       | -9.0%       | 511,053           | 516,700           | (5,647)         | -1.1%        |
| Soft Drink                     | 0                 | 0                   | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 4,131             | 4,500               | (369)         | -8.2%       | 33,605            | 33,700            | (95)            | -0.3%        |
| Liquor Gallonage               | 3,705             | 4,100               | (395)         | -9.6%       | 21,084            | 21,600            | (516)           | -2.4%        |
| Estate                         | 934               | 900                 | 34            | 3.8%        | 31,025            | 39,800            | (8,775)         | -22.0%       |
| Horse Racing                   | 0                 | 0                   | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 2,213,643         | 2,181,755           | 31,888        | 1.5%        | 11,030,812        | 11,113,045        | (82,233)        | -0.7%        |
| <b>NON-TAX RECEIPTS</b>        |                   |                     |               |             |                   |                   |                 |              |
| Federal Grants                 | 488,030           | 507,512             | (19,483)      | -3.8%       | 3,610,924         | 3,601,778         | 9,146           | 0.3%         |
| Earnings on Investments        | 0                 | 0                   | 0             | N/A         | 83,073            | 85,000            | (1,927)         | -2.3%        |
| License & Fees                 | 21,520            | 18,220              | 3,300         | 18.1%       | 42,101            | 37,931            | 4,170           | 11.0%        |
| Other Income                   | 4,151             | 5,400               | (1,249)       | -23.1%      | 59,409            | 31,694            | 27,715          | 87.4%        |
| ISTV'S                         | 1,357             | 2,500               | (1,143)       | -45.7%      | 5,851             | 10,110            | (4,259)         | -42.1%       |
| Total Non-Tax Receipts         | 515,057           | 533,632             | (18,575)      | -3.5%       | 3,801,359         | 3,766,513         | 34,846          | 0.9%         |
| <b>TOTAL REVENUES</b>          | <b>2,728,701</b>  | <b>2,715,387</b>    | <b>13,314</b> | <b>0.5%</b> | <b>14,832,171</b> | <b>14,879,558</b> | <b>(47,387)</b> | <b>-0.3%</b> |
| <b>TRANSFERS</b>               |                   |                     |               |             |                   |                   |                 |              |
| Budget Stabilization           | 0                 | 0                   | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 10,000            | 9,000               | 1,000         | 11.1%       | 105,000           | 101,000           | 4,000           | 4.0%         |
| Transfers In - Capital Reserve | 0                 | 0                   | 0             | N/A         | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 8                 | 360                 | (352)         | -97.7%      | 56,792            | 63,400            | (6,608)         | -10.4%       |
| Temporary Transfers In         | 24,900            | 24,900              | 0             | N/A         | 247,000           | 247,000           | 0               | 0.0%         |
| Total Transfers                | 34,908            | 34,260              | 648           | 1.9%        | 408,792           | 411,400           | (2,608)         | -0.6%        |
| <b>TOTAL SOURCES</b>           | <b>2,763,609</b>  | <b>2,749,647</b>    | <b>13,962</b> | <b>0.5%</b> | <b>15,240,963</b> | <b>15,290,958</b> | <b>(49,995)</b> | <b>-0.3%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 666,294        | 644,367        | 21,927    | 3.4%     | 4,099,794      | 3,903,462      | 196,332   | 5.0%     |
| Auto Sales & Use               | 70,655         | 67,715         | 2,940     | 4.3%     | 531,628        | 522,090        | 9,539     | 1.8%     |
| Subtotal Sales & Use           | 736,949        | 712,082        | 24,867    | 3.5%     | 4,631,423      | 4,425,552      | 205,871   | 4.7%     |
| Personal Income                | 1,139,047      | 976,883        | 162,163   | 16.6%    | 5,233,639      | 4,995,038      | 238,601   | 4.8%     |
| Corporate Franchise            | 241,570        | 321,251        | (79,681)  | -24.8%   | 187,487        | 378,855        | (191,368) | -50.5%   |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 60             | 12             | 48        | 387.5%   | 62,270         | 68,871         | (6,602)   | -9.6%    |
| Kilowatt Hour                  | 10,952         | 29,586         | (18,634)  | -63.0%   | 185,617        | 197,458        | (11,841)  | -6.0%    |
| Foreign Insurance              | 5              | 2,105          | (2,101)   | -99.8%   | 132,782        | 134,228        | (1,446)   | -1.1%    |
| Domestic Insurance             | 42             | 0              | 42        | N/A      | 433            | 235            | 197       | 83.9%    |
| Other Business & Property Tax  | 55             | 28             | 26        | 94.0%    | 396            | 660            | (264)     | -40.1%   |
| Cigarette                      | 76,194         | 84,173         | (7,979)   | -9.5%    | 511,053        | 542,562        | (31,509)  | -5.8%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 4,131          | 4,365          | (234)     | -5.4%    | 33,605         | 33,438         | 167       | 0.5%     |
| Liquor Gallonage               | 3,705          | 3,687          | 18        | 0.5%     | 21,084         | 20,742         | 342       | 1.6%     |
| Estate                         | 934            | 0              | 934       | N/A      | 31,025         | 32,380         | (1,354)   | -4.2%    |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 2,213,643      | 2,134,174      | 79,470    | 3.7%     | 11,030,812     | 10,830,020     | 200,793   | 1.9%     |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 488,030        | 476,193        | 11,837    | 2.5%     | 3,610,924      | 3,247,610      | 363,314   | 11.2%    |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 83,073         | 92,314         | (9,241)   | -10.0%   |
| License & Fee                  | 21,520         | 19,403         | 2,117     | 10.9%    | 42,101         | 39,456         | 2,646     | 6.7%     |
| Other Income                   | 4,151          | 4,728          | (576)     | -12.2%   | 59,409         | 84,069         | (24,660)  | -29.3%   |
| ISTV'S                         | 1,357          | 2,977          | (1,620)   | -54.4%   | 5,851          | 11,539         | (5,688)   | -49.3%   |
| Total Non-Tax Receipts         | 515,057        | 503,300        | 11,757    | 2.3%     | 3,801,359      | 3,474,987      | 326,371   | 9.4%     |
| TOTAL REVENUES                 | 2,728,701      | 2,637,474      | 91,227    | 3.5%     | 14,832,171     | 14,305,007     | 527,164   | 3.7%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 10,000         | 9,000          | 1,000     | 11.1%    | 105,000        | 85,000         | 20,000    | 23.5%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 8              | 2,718          | (2,709)   | N/A      | 56,792         | 46,055         | 10,738    | 23.3%    |
| Temporary Transfers In         | 24,900         | 0              | 24,900    | N/A      | 247,000        | 136,650        | 110,350   | 80.8%    |
| Total Transfers                | 34,908         | 11,718         | 23,191    | 197.9%   | 408,792        | 267,704        | 141,088   | 52.7%    |
| TOTAL SOURCES                  | 2,763,609      | 2,649,192      | 114,417   | 4.3%     | 15,240,963     | 14,572,711     | 668,252   | 4.6%     |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |              | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|------------------|--------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$               | %            | YTD               | YTD               | \$               | %            |
|  | JANUARY          | JANUARY          | VAR              | VAR          | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 497,932          | 577,398          | (79,467)         | -13.8%       | 4,045,055         | 4,239,640         | (194,585)        | -4.6%        |
| Higher Education                               | 160,737          | 191,348          | (30,611)         | -16.0%       | 1,511,284         | 1,564,187         | (52,903)         | -3.4%        |
| Public Assistance and Medicaid                 | 883,779          | 903,530          | (19,752)         | -2.2%        | 6,647,588         | 6,633,102         | 14,486           | 0.2%         |
| Health and Human Services                      | 137,924          | 156,368          | (18,444)         | -11.8%       | 799,461           | 832,882           | (33,421)         | -4.0%        |
| Justice and Public Protection                  | 179,670          | 192,349          | (12,678)         | -6.6%        | 1,322,385         | 1,303,782         | 18,602           | 1.4%         |
| Environmental Protection and Natural Resources | 6,882            | 7,031            | (150)            | -2.1%        | 72,450            | 74,761            | (2,312)          | -3.1%        |
| Transportation                                 | 1,544            | 3,307            | (1,763)          | -53.3%       | 17,229            | 20,142            | (2,913)          | -14.5%       |
| General Government                             | 23,842           | 17,885           | 5,957            | 33.3%        | 231,469           | 242,420           | (10,951)         | -4.5%        |
| Community and Economic Development             | 6,546            | 12,892           | (6,346)          | -49.2%       | 82,224            | 97,077            | (14,853)         | -15.3%       |
| Tax Relief and Other                           | 11,602           | 10,736           | 866              | 8.1%         | 654,130           | 663,429           | (9,299)          | -1.4%        |
| Capital Outlay                                 | 0                | 150              | (150)            | -100.0%      | 56                | 921               | (865)            | -93.9%       |
| Debt Service                                   | 78,813           | 84,762           | (5,949)          | -7.0%        | 385,357           | 392,200           | (6,843)          | -1.7%        |
| Pending Payroll                                | 0                | 0                | 0                | N/A          | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,989,270</b> | <b>2,157,756</b> | <b>(168,486)</b> | <b>-7.8%</b> | <b>15,768,686</b> | <b>16,064,543</b> | <b>(295,857)</b> | <b>-1.8%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                  |              |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | 7,744            | 0                | 7,744            | N/A          | 268,579           | 145,278           | 123,301          | 84.9%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0                | N/A          | 350,104           | 466,800           | (116,696)        | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>7,744</b>     | <b>0</b>         | <b>7,744</b>     | <b>N/A</b>   | <b>618,683</b>    | <b>612,078</b>    | <b>6,605</b>     | <b>1.1%</b>  |
| <b>Total Fund Uses</b>                         | <b>1,997,014</b> | <b>2,157,756</b> | <b>(160,742)</b> | <b>-7.4%</b> | <b>16,387,369</b> | <b>16,676,621</b> | <b>(289,252)</b> | <b>-1.7%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |               | YEAR-TO-DATE      |                   |                 |               |
|--|------------------|------------------|------------------|---------------|-------------------|-------------------|-----------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR        | %<br>VAR      | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR      |
| Primary, Secondary and Other Education         | 497,932          | 770,390          | (272,458)        | -35.4%        | 4,045,055         | 4,276,308         | (231,253)       | -5.4%         |
| Higher Education                               | 160,737          | 161,303          | (567)            | -0.4%         | 1,511,284         | 1,444,182         | 67,102          | 4.6%          |
| Public Assistance and Medicaid                 | 883,779          | 858,725          | 25,053           | 2.9%          | 6,647,588         | 6,148,893         | 498,695         | 8.1%          |
| Health and Human Services                      | 137,924          | 156,112          | (18,188)         | -11.7%        | 799,461           | 814,866           | (15,405)        | -1.9%         |
| Justice and Public Protection                  | 179,670          | 223,113          | (43,443)         | -19.5%        | 1,322,385         | 1,264,879         | 57,506          | 4.5%          |
| Environmental Protection and Natural Resources | 6,882            | 8,374            | (1,492)          | -17.8%        | 72,450            | 69,100            | 3,350           | 4.8%          |
| Transportation                                 | 1,544            | 1,584            | (40)             | -2.6%         | 17,229            | 15,664            | 1,565           | 10.0%         |
| General Government                             | 23,842           | 24,302           | (460)            | -1.9%         | 231,469           | 227,232           | 4,237           | 1.9%          |
| Community and Economic Development             | 6,546            | 10,006           | (3,460)          | -34.6%        | 82,224            | 95,233            | (13,009)        | -13.7%        |
| Tax Relief and Other                           | 11,602           | 7,550            | 4,052            | 53.7%         | 654,130           | 624,804           | 29,326          | 4.7%          |
| Capital Outlay                                 | 0                | 4                | (4)              | -100.0%       | 56                | 67                | (11)            | -16.9%        |
| Debt Service                                   | 78,813           | 68,446           | 10,367           | 15.1%         | 385,357           | 328,342           | 57,015          | 17.4%         |
| Pending Payroll                                | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,989,270</b> | <b>2,289,909</b> | <b>(300,639)</b> | <b>-13.1%</b> | <b>15,768,686</b> | <b>15,309,569</b> | <b>459,117</b>  | <b>3.0%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                  |               |                   |                   |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0                | N/A           | 0                 | 394,034           | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | 7,744            | 10,627           | (2,883)          | -27.1%        | 268,579           | 20,041            | 248,538         | 1240.1%       |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0                | N/A           | 350,104           | 287,414           | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>7,744</b>     | <b>10,627</b>    | <b>(2,883)</b>   | <b>N/A</b>    | <b>618,683</b>    | <b>701,489</b>    | <b>(82,806)</b> | <b>-11.8%</b> |
| <b>Total Fund Uses</b>                         | <b>1,997,014</b> | <b>2,300,537</b> | <b>(303,522)</b> | <b>-13.2%</b> | <b>16,387,369</b> | <b>16,011,058</b> | <b>376,312</b>  | <b>2.4%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month              |                      |                 |              | Year-to-Date      |                   |                  |              |
|--------------------------------|--------------------|----------------------|-----------------|--------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>FEBRUARY | ESTIMATE<br>FEBRUARY | \$ VAR          | % VAR        | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                    |                      |                 |              |                   |                   |                  |              |
| Non-Auto Sales & Use           | 453,708            | 465,700              | (11,992)        | -2.6%        | 4,553,502         | 4,494,600         | 58,902           | 1.3%         |
| Auto Sales & Use               | 73,641             | 60,830               | 12,811          | 21.1%        | 605,270           | 612,555           | (7,285)          | -1.2%        |
| Subtotal Sales & Use           | 527,349            | 526,530              | 819             | 0.2%         | 5,158,772         | 5,107,155         | 51,617           | 1.0%         |
| Personal Income                | 264,734            | 315,100              | (50,366)        | -16.0%       | 5,498,373         | 5,616,600         | (118,227)        | -2.1%        |
| Corporate Franchise            | 91,257             | 88,800               | 2,457           | 2.8%         | 278,744           | 314,300           | (35,556)         | -11.3%       |
| Commercial Activity Tax        | 0                  | 0                    | 0               | N/A          | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 31,008             | 40,800               | (9,792)         | -24.0%       | 93,278            | 110,100           | (16,822)         | -15.3%       |
| Kilowatt Hour                  | 8,650              | 7,200                | 1,450           | 20.1%        | 194,267           | 191,100           | 3,167            | 1.7%         |
| Foreign Insurance              | 61,707             | 68,700               | (6,993)         | -10.2%       | 194,489           | 207,700           | (13,211)         | -6.4%        |
| Domestic Insurance             | 0                  | 200                  | (200)           | N/A          | 433               | 800               | (367)            | -45.9%       |
| Other Business & Property Tax  | (2)                | 20                   | (22)            | -111.4%      | 393               | 840               | (447)            | -53.2%       |
| Cigarette                      | 66,148             | 67,500               | (1,352)         | -2.0%        | 577,201           | 584,200           | (6,999)          | -1.2%        |
| Soft Drink                     | 0                  | 0                    | 0               | N/A          | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 3,713              | 4,300                | (587)           | -13.7%       | 37,318            | 38,000            | (682)            | -1.8%        |
| Liquor Gallonage               | 2,554              | 2,600                | (46)            | -1.8%        | 23,638            | 24,200            | (562)            | -2.3%        |
| Estate                         | 0                  | 500                  | (500)           | -100.0%      | 31,025            | 40,300            | (9,275)          | -23.0%       |
| Horse Racing                   | 0                  | 0                    | 0               | N/A          | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,057,119          | 1,122,250            | (65,131)        | -5.8%        | 12,087,931        | 12,235,295        | (147,364)        | -1.2%        |
| <b>NON-TAX RECEIPTS</b>        |                    |                      |                 |              |                   |                   |                  |              |
| Federal Grants                 | 430,486            | 428,540              | 1,946           | 0.5%         | 4,041,410         | 4,030,318         | 11,092           | 0.3%         |
| Earnings on Investments        | 0                  | 0                    | 0               | N/A          | 83,073            | 85,000            | (1,927)          | -2.3%        |
| License & Fees                 | 9,200              | 13,413               | (4,213)         | -31.4%       | 51,301            | 51,344            | (43)             | -0.1%        |
| Other Income                   | 3,430              | 3,650                | (220)           | -6.0%        | 62,840            | 35,344            | 27,496           | 77.8%        |
| ISTV'S                         | 3,090              | 2,000                | 1,090           | 54.5%        | 8,942             | 12,110            | (3,168)          | -26.2%       |
| Total Non-Tax Receipts         | 446,207            | 447,603              | (1,396)         | -0.3%        | 4,247,566         | 4,214,116         | 33,450           | 0.8%         |
| <b>TOTAL REVENUES</b>          | <b>1,503,326</b>   | <b>1,569,853</b>     | <b>(66,527)</b> | <b>-4.2%</b> | <b>16,335,497</b> | <b>16,449,411</b> | <b>(113,914)</b> | <b>-0.7%</b> |
| <b>TRANSFERS</b>               |                    |                      |                 |              |                   |                   |                  |              |
| Budget Stabilization           | 0                  | 0                    | 0               | N/A          | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 11,000             | 10,000               | 1,000           | 10.0%        | 116,000           | 111,000           | 5,000            | 4.5%         |
| Transfers In - Capital Reserve | 0                  | 0                    | 0               | N/A          | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 18                 | 25,860               | (25,842)        | -99.9%       | 56,810            | 89,260            | (32,450)         | -36.4%       |
| Temporary Transfers In         | 219,800            | 219,800              | 0               | N/A          | 466,800           | 466,800           | 0                | 0.0%         |
| Total Transfers                | 230,818            | 255,660              | (24,842)        | -9.7%        | 639,610           | 667,060           | (27,450)         | -4.1%        |
| <b>TOTAL SOURCES</b>           | <b>1,734,144</b>   | <b>1,825,513</b>     | <b>(91,369)</b> | <b>-5.0%</b> | <b>16,975,107</b> | <b>17,116,471</b> | <b>(141,364)</b> | <b>-0.8%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 453,708        | 474,564        | (20,856)  | -4.4%    | 4,553,502      | 4,378,026      | 175,476   | 4.0%     |
| Auto Sales & Use               | 73,641         | 52,561         | 21,081    | 40.1%    | 605,270        | 574,650        | 30,619    | 5.3%     |
| Subtotal Sales & Use           | 527,349        | 527,125        | 225       | 0.0%     | 5,158,772      | 4,952,677      | 206,095   | 4.2%     |
| Personal Income                | 264,734        | 308,728        | (43,994)  | -14.3%   | 5,498,373      | 5,303,766      | 194,607   | 3.7%     |
| Corporate Franchise            | 91,257         | 93,128         | (1,871)   | -2.0%    | 278,744        | 471,984        | (193,240) | -40.9%   |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 31,008         | 36,370         | (5,361)   | -14.7%   | 93,278         | 105,241        | (11,963)  | -11.4%   |
| Kilowatt Hour                  | 8,650          | 29,463         | (20,813)  | -70.6%   | 194,267        | 226,922        | (32,655)  | -14.4%   |
| Foreign Insurance              | 61,707         | 55,081         | 6,627     | 12.0%    | 194,489        | 189,308        | 5,181     | 2.7%     |
| Domestic Insurance             | 0              | 1              | (0)       | -50.8%   | 433            | 236            | 197       | 83.6%    |
| Other Business & Property Tax  | (2)            | 9              | (12)      | -124.3%  | 393            | 669            | (276)     | -41.2%   |
| Cigarette                      | 66,148         | 64,042         | 2,106     | 3.3%     | 577,201        | 606,604        | (29,403)  | -4.8%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 3,713          | 3,961          | (248)     | -6.3%    | 37,318         | 37,399         | (81)      | -0.2%    |
| Liquor Gallonage               | 2,554          | 2,541          | 14        | 0.5%     | 23,638         | 23,283         | 355       | 1.5%     |
| Estate                         | 0              | 1,270          | (1,270)   | -100.0%  | 31,025         | 33,650         | (2,624)   | -7.8%    |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 1,057,119      | 1,121,719      | (64,600)  | -5.8%    | 12,087,931     | 11,951,738     | 136,193   | 1.1%     |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 430,486        | 451,187        | (20,700)  | -4.6%    | 4,041,410      | 3,698,797      | 342,613   | 9.3%     |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 83,073         | 92,314         | (9,241)   | -10.0%   |
| License & Fee                  | 9,200          | 12,642         | (3,442)   | -27.2%   | 51,301         | 52,098         | (797)     | -1.5%    |
| Other Income                   | 3,430          | 4,585          | (1,155)   | -25.2%   | 62,840         | 88,654         | (25,815)  | -29.1%   |
| ISTV'S                         | 3,090          | 738            | 2,353     | N/A      | 8,942          | 12,277         | (3,335)   | -27.2%   |
| Total Non-Tax Receipts         | 446,207        | 469,152        | (22,945)  | -4.9%    | 4,247,566      | 3,944,139      | 303,426   | 7.7%     |
| TOTAL REVENUES                 | 1,503,326      | 1,590,871      | (87,545)  | -5.5%    | 16,335,497     | 15,895,878     | 439,619   | 2.8%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 11,000         | 10,000         | 1,000     | 10.0%    | 116,000        | 95,000         | 21,000    | 22.1%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 18             | 0              | 18        | N/A      | 56,810         | 46,055         | 10,756    | 23.4%    |
| Temporary Transfers In         | 219,800        | 10,900         | 208,900   | N/A      | 466,800        | 147,550        | 319,250   | 216.4%   |
| Total Transfers                | 230,818        | 20,900         | 209,918   | 1004.4%  | 639,610        | 288,604        | 351,006   | 121.6%   |
| TOTAL SOURCES                  | 1,734,144      | 1,611,771      | 122,373   | 7.6%     | 16,975,107     | 16,184,482     | 790,625   | 4.9%     |

**Table 1A\***  
 REVISED GENERAL REVENUE FUND RECEIPTS  
 ACTUAL FY 2008 VS ESTIMATE FY 2008  
 (\$ in thousands)

| REVENUE SOURCE                 | Month              |                     |                 |              | Year-to-Date      |                   |                 |              |
|--------------------------------|--------------------|---------------------|-----------------|--------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>FEBRUARY | REVISED<br>FEBRUARY | \$ VAR          | % VAR        | ACTUAL<br>Y-T-D   | REVISED<br>Y-T-D  | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                    |                     |                 |              |                   |                   |                 |              |
| Non-Auto Sales & Use           | 453,708            | 462,000             | (8,292)         | -1.8%        | 4,553,502         | 4,561,778         | (8,275)         | -0.2%        |
| Auto Sales & Use               | 73,641             | 59,200              | 14,441          | 24.4%        | 605,270           | 586,463           | 18,807          | 3.2%         |
| Subtotal Sales & Use           | 527,349            | 521,200             | 6,149           | 1.2%         | 5,158,772         | 5,148,241         | 10,531          | 0.2%         |
| Personal Income                | 264,734            | 315,100             | (50,366)        | -16.0%       | 5,498,373         | 5,548,739         | (50,366)        | -0.9%        |
| Corporate Franchise            | 91,257             | 88,800              | 2,457           | 2.8%         | 278,744           | 276,287           | 2,457           | 0.9%         |
| Commercial Activity Tax        | 0                  | 0                   | 0               | N/A          | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 31,008             | 38,700              | (7,692)         | -19.9%       | 93,278            | 100,970           | (7,692)         | -7.6%        |
| Kilowatt Hour                  | 8,650              | 8,200               | 450             | 5.5%         | 194,267           | 193,817           | 450             | 0.2%         |
| Foreign Insurance              | 61,707             | 68,700              | (6,993)         | -10.2%       | 194,489           | 201,482           | (6,993)         | -3.5%        |
| Domestic Insurance             | 0                  | 300                 | (300)           | N/A          | 433               | 733               | (300)           | -40.9%       |
| Other Business & Property Tax  | (2)                | 0                   | (2)             | N/A          | 393               | 396               | (2)             | -0.6%        |
| Cigarette                      | 66,148             | 67,500              | (1,352)         | -2.0%        | 577,201           | 578,553           | (1,352)         | -0.2%        |
| Soft Drink                     | 0                  | 0                   | 0               | N/A          | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 3,713              | 4,300               | (587)           | -13.7%       | 37,318            | 37,905            | (587)           | -1.5%        |
| Liquor Gallonage               | 2,554              | 2,700               | (146)           | -5.4%        | 23,638            | 23,784            | (146)           | -0.6%        |
| Estate                         | 0                  | 0                   | 0               | N/A          | 31,025            | 31,025            | 0               | 0.0%         |
| Horse Racing                   | 0                  | 0                   | 0               | N/A          | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,057,119          | 1,115,500           | (58,381)        | -5.2%        | 12,087,931        | 12,141,930        | (53,999)        | -0.4%        |
| <b>NON-TAX RECEIPTS</b>        |                    |                     |                 |              |                   |                   |                 |              |
| Federal Grants                 | 430,486            | 428,540             | 1,946           | 0.5%         | 4,041,410         | 4,039,464         | 1,946           | 0.0%         |
| Earnings on Investments        | 0                  | 0                   | 0               | N/A          | 83,073            | 44,990            | 38,083          | 84.6%        |
| License & Fees                 | 9,200              | 13,413              | (4,213)         | -31.4%       | 51,301            | 55,514            | (4,213)         | -7.6%        |
| Other Income                   | 3,430              | 3,650               | (220)           | -6.0%        | 62,840            | 62,804            | 35              | 0.1%         |
| ISTV'S                         | 3,090              | 2,000               | 1,090           | 54.5%        | 8,942             | 7,851             | 1,090           | 13.9%        |
| Total Non-Tax Receipts         | 446,207            | 447,603             | (1,396)         | -0.3%        | 4,247,566         | 4,210,623         | 36,943          | 0.9%         |
| <b>TOTAL REVENUES</b>          | <b>1,503,326</b>   | <b>1,563,103</b>    | <b>(59,777)</b> | <b>-3.8%</b> | <b>16,335,497</b> | <b>16,352,554</b> | <b>(17,057)</b> | <b>-0.1%</b> |
| <b>TRANSFERS</b>               |                    |                     |                 |              |                   |                   |                 |              |
| Budget Stabilization           | 0                  | 0                   | 0               | N/A          | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 11,000             | 10,000              | 1,000           | 10.0%        | 116,000           | 115,000           | 1,000           | 0.9%         |
| Transfers In - Capital Reserve | 0                  | 0                   | 0               | N/A          | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 18                 | 360                 | (342)           | -95.0%       | 56,810            | 57,152            | (342)           | -0.6%        |
| Temporary Transfers In         | 219,800            | 219,800             | 0               | N/A          | 466,800           | 466,800           | 0               | 0.0%         |
| Total Transfers                | 230,818            | 230,160             | 658             | 0.3%         | 639,610           | 638,952           | 658             | 0.1%         |
| <b>TOTAL SOURCES</b>           | <b>1,734,144</b>   | <b>1,793,263</b>    | <b>(59,119)</b> | <b>-3.3%</b> | <b>16,975,107</b> | <b>16,991,506</b> | <b>(16,399)</b> | <b>-0.1%</b> |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                  |              | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|------------------|--------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$               | %            | YTD               | YTD               | \$               | %            |
|  | FEBRUARY         | FEBRUARY         | VAR              | VAR          | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 549,631          | 624,487          | (74,856)         | -12.0%       | 4,594,686         | 4,864,128         | (269,442)        | -5.5%        |
| Higher Education                               | 232,434          | 240,294          | (7,860)          | -3.3%        | 1,743,717         | 1,804,481         | (60,763)         | -3.4%        |
| Public Assistance and Medicaid                 | 781,896          | 797,092          | (15,196)         | -1.9%        | 7,429,484         | 7,430,194         | (711)            | 0.0%         |
| Health and Human Services                      | 84,254           | 88,772           | (4,518)          | -5.1%        | 883,715           | 921,654           | (37,939)         | -4.1%        |
| Justice and Public Protection                  | 134,501          | 131,689          | 2,812            | 2.1%         | 1,456,886         | 1,435,472         | 21,415           | 1.5%         |
| Environmental Protection and Natural Resources | 6,489            | 6,493            | (4)              | -0.1%        | 78,939            | 81,255            | (2,316)          | -2.9%        |
| Transportation                                 | 1,267            | 1,837            | (569)            | -31.0%       | 18,496            | 21,979            | (3,483)          | -15.8%       |
| General Government                             | 17,804           | 22,160           | (4,356)          | -19.7%       | 249,273           | 264,579           | (15,306)         | -5.8%        |
| Community and Economic Development             | 10,777           | 7,926            | 2,851            | 36.0%        | 93,001            | 105,003           | (12,002)         | -11.4%       |
| Tax Relief and Other                           | 81               | 110              | (29)             | -26.2%       | 654,211           | 663,539           | (9,328)          | -1.4%        |
| Capital Outlay                                 | 10               | 150              | (140)            | -93.4%       | 66                | 1,071             | (1,005)          | -93.9%       |
| Debt Service                                   | 34,203           | 33,291           | 912              | 2.7%         | 419,560           | 425,490           | (5,931)          | -1.4%        |
| Pending Payroll                                | 0                | 0                | 0                | N/A          | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,853,347</b> | <b>1,954,301</b> | <b>(100,954)</b> | <b>-5.2%</b> | <b>17,622,033</b> | <b>18,018,844</b> | <b>(396,811)</b> | <b>-2.2%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                  |              |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | 0                | 0                | 0                | N/A          | 268,579           | 145,278           | 123,301          | 84.9%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0                | N/A          | 350,104           | 466,800           | (116,696)        | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>0</b>         | <b>0</b>         | <b>N/A</b>   | <b>618,683</b>    | <b>612,078</b>    | <b>6,605</b>     | <b>1.1%</b>  |
| <b>Total Fund Uses</b>                         | <b>1,853,347</b> | <b>1,954,301</b> | <b>(100,954)</b> | <b>-5.2%</b> | <b>18,240,716</b> | <b>18,630,922</b> | <b>(390,206)</b> | <b>-2.1%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |             | YEAR-TO-DATE      |                   |                 |               |
|--|------------------|------------------|----------------|-------------|-------------------|-------------------|-----------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR      | %<br>VAR    | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR      |
| Primary, Secondary and Other Education         | 549,631          | 412,206          | 137,425        | 33.3%       | 4,594,686         | 4,688,514         | (93,828)        | -2.0%         |
| Higher Education                               | 232,434          | 232,801          | (367)          | -0.2%       | 1,743,717         | 1,676,983         | 66,735          | 4.0%          |
| Public Assistance and Medicaid                 | 781,896          | 841,794          | (59,898)       | -7.1%       | 7,429,484         | 6,990,687         | 438,797         | 6.3%          |
| Health and Human Services                      | 84,254           | 81,179           | 3,075          | 3.8%        | 883,715           | 896,045           | (12,330)        | -1.4%         |
| Justice and Public Protection                  | 134,501          | 132,208          | 2,293          | 1.7%        | 1,456,886         | 1,397,087         | 59,799          | 4.3%          |
| Environmental Protection and Natural Resources | 6,489            | 5,714            | 775            | 13.6%       | 78,939            | 74,814            | 4,125           | 5.5%          |
| Transportation                                 | 1,267            | 1,228            | 39             | 3.2%        | 18,496            | 16,892            | 1,604           | 9.5%          |
| General Government                             | 17,804           | 15,929           | 1,875          | 11.8%       | 249,273           | 243,160           | 6,113           | 2.5%          |
| Community and Economic Development             | 10,777           | 7,888            | 2,888          | 36.6%       | 93,001            | 103,122           | (10,121)        | -9.8%         |
| Tax Relief and Other                           | 81               | 50               | 31             | 61.5%       | 654,211           | 624,855           | 29,356          | 4.7%          |
| Capital Outlay                                 | 10               | 23               | (13)           | -57.4%      | 66                | 90                | (25)            | -27.4%        |
| Debt Service                                   | 34,203           | 33,419           | 783            | 2.3%        | 419,560           | 361,761           | 57,798          | 16.0%         |
| Pending Payroll                                | 0                | 0                | 0              | N/A         | 0                 | 0                 | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>1,853,347</b> | <b>1,764,441</b> | <b>88,906</b>  | <b>5.0%</b> | <b>17,622,033</b> | <b>17,074,009</b> | <b>548,024</b>  | <b>3.2%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                |             |                   |                   |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0              | N/A         | 0                 | 394,034           | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | 0                | 2,407            | (2,407)        | N/A         | 268,579           | 22,449            | 246,131         | 1096.4%       |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0              | N/A         | 350,104           | 287,414           | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>2,407</b>     | <b>(2,407)</b> | <b>N/A</b>  | <b>618,683</b>    | <b>703,896</b>    | <b>(85,213)</b> | <b>-12.1%</b> |
| <b>Total Fund Uses</b>                         | <b>1,853,347</b> | <b>1,766,848</b> | <b>86,499</b>  | <b>4.9%</b> | <b>18,240,716</b> | <b>17,777,905</b> | <b>462,811</b>  | <b>2.6%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                   |                  |               | Year-to-Date      |                   |                  |              |
|--------------------------------|------------------|-------------------|------------------|---------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>MARCH  | ESTIMATE<br>MARCH | \$ VAR           | % VAR         | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                   |                  |               |                   |                   |                  |              |
| Non-Auto Sales & Use           | 477,086          | 519,500           | (42,414)         | -8.2%         | 5,030,588         | 5,014,100         | 16,488           | 0.3%         |
| Auto Sales & Use               | 69,625           | 90,900            | (21,275)         | -23.4%        | 674,895           | 703,455           | (28,560)         | -4.1%        |
| Subtotal Sales & Use           | 546,711          | 610,400           | (63,689)         | -10.4%        | 5,705,483         | 5,717,555         | (12,072)         | -0.2%        |
| Personal Income                | 465,875          | 497,100           | (31,225)         | -6.3%         | 5,964,248         | 6,113,700         | (149,452)        | -2.4%        |
| Corporate Franchise            | 215,997          | 236,500           | (20,503)         | -8.7%         | 494,741           | 550,800           | (56,059)         | -10.2%       |
| Commercial Activity Tax        | 0                | 0                 | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 742              | 200               | 542              | 271.1%        | 94,020            | 110,300           | (16,280)         | -14.8%       |
| Kilowatt Hour                  | 16,587           | 18,000            | (1,413)          | -7.8%         | 210,854           | 209,100           | 1,754            | 0.8%         |
| Foreign Insurance              | 77,816           | 70,000            | 7,816            | 11.2%         | 272,305           | 277,700           | (5,395)          | -1.9%        |
| Domestic Insurance             | 1                | 400               | (399)            | N/A           | 434               | 1,200             | (766)            | -63.8%       |
| Other Business & Property Tax  | 0                | 0                 | 0                | N/A           | 393               | 840               | (447)            | -53.2%       |
| Cigarette                      | 76,957           | 78,400            | (1,443)          | -1.8%         | 654,158           | 662,600           | (8,442)          | -1.3%        |
| Soft Drink                     | 0                | 0                 | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 5,024            | 4,600             | 424              | 9.2%          | 42,342            | 42,600            | (258)            | -0.6%        |
| Liquor Gallonage               | 2,680            | 2,600             | 80               | 3.1%          | 26,318            | 26,800            | (482)            | -1.8%        |
| Estate                         | 622              | 1,500             | (878)            | -58.5%        | 31,648            | 41,800            | (10,152)         | -24.3%       |
| Horse Racing                   | 0                | 0                 | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,409,013        | 1,519,700         | (110,687)        | -7.3%         | 13,496,944        | 13,754,995        | (258,051)        | -1.9%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                   |                  |               |                   |                   |                  |              |
| Federal Grants                 | 207,061          | 419,090           | (212,029)        | -50.6%        | 4,248,471         | 4,449,408         | (200,937)        | -4.5%        |
| Earnings on Investments        | 0                | 36,400            | (36,400)         | N/A           | 83,073            | 121,400           | (38,327)         | -31.6%       |
| License & Fees                 | 8,487            | 9,200             | (713)            | -7.8%         | 59,788            | 60,544            | (756)            | -1.2%        |
| Other Income                   | 4,801            | 4,250             | 551              | 13.0%         | 67,641            | 39,594            | 28,047           | 70.8%        |
| ISTV'S                         | 1,633            | 300               | 1,333            | 444.2%        | 10,574            | 12,410            | (1,836)          | -14.8%       |
| Total Non-Tax Receipts         | 221,981          | 469,240           | (247,258)        | -52.7%        | 4,469,547         | 4,683,356         | (213,809)        | -4.6%        |
| <b>TOTAL REVENUES</b>          | <b>1,630,994</b> | <b>1,988,940</b>  | <b>(357,945)</b> | <b>-18.0%</b> | <b>17,966,491</b> | <b>18,438,351</b> | <b>(471,859)</b> | <b>-2.6%</b> |
| <b>TRANSFERS</b>               |                  |                   |                  |               |                   |                   |                  |              |
| Budget Stabilization           | 0                | 0                 | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 12,000           | 12,000            | 0                | 0.0%          | 128,000           | 123,000           | 5,000            | 4.1%         |
| Transfers In - Capital Reserve | 0                | 0                 | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 0                | 13,060            | (13,060)         | N/A           | 56,810            | 102,320           | (45,510)         | -44.5%       |
| Temporary Transfers In         | 0                | 0                 | 0                | N/A           | 466,800           | 466,800           | 0                | 0.0%         |
| Total Transfers                | 12,000           | 25,060            | (13,060)         | -52.1%        | 651,610           | 692,120           | (40,510)         | -5.9%        |
| <b>TOTAL SOURCES</b>           | <b>1,642,994</b> | <b>2,014,000</b>  | <b>(371,005)</b> | <b>-18.4%</b> | <b>18,618,102</b> | <b>19,130,471</b> | <b>(512,369)</b> | <b>-2.7%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                  |               | Year-to-Date      |                   |                |             |
|--------------------------------|------------------|------------------|------------------|---------------|-------------------|-------------------|----------------|-------------|
|                                | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR        | %<br>VAR      | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR      | %<br>VAR    |
| <b>TAX RECEIPTS</b>            |                  |                  |                  |               |                   |                   |                |             |
| Non-Auto Sales & Use           | 477,086          | 480,805          | (3,719)          | -0.8%         | 5,030,588         | 4,858,831         | 171,757        | 3.5%        |
| Auto Sales & Use               | 69,625           | 82,492           | (12,867)         | -15.6%        | 674,895           | 657,142           | 17,752         | 2.7%        |
| Subtotal Sales & Use           | 546,711          | 563,297          | (16,586)         | -2.9%         | 5,705,483         | 5,515,974         | 189,509        | 3.4%        |
| Personal Income                | 465,875          | 497,230          | (31,356)         | -6.3%         | 5,964,248         | 5,800,997         | 163,251        | 2.8%        |
| Corporate Franchise            | 215,997          | 233,470          | (17,473)         | -7.5%         | 494,741           | 705,454           | (210,713)      | -29.9%      |
| Commercial Activity Tax        | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0              | N/A         |
| Public Utility                 | 742              | (1,576)          | 2,318            | -147.1%       | 94,020            | 103,665           | (9,645)        | -9.3%       |
| Kilowatt Hour                  | 16,587           | 25,341           | (8,754)          | -34.5%        | 210,854           | 252,263           | (41,409)       | -16.4%      |
| Foreign Insurance              | 77,816           | 79,962           | (2,145)          | -2.7%         | 272,305           | 269,270           | 3,035          | 1.1%        |
| Domestic Insurance             | 1                | (129)            | 130              | -101.0%       | 434               | 107               | 327            | 305.4%      |
| Other Business & Property Tax  | 0                | (197)            | 197              | -100.0%       | 393               | 472               | (79)           | -16.7%      |
| Cigarette                      | 76,957           | 76,294           | 663              | 0.9%          | 654,158           | 682,898           | (28,740)       | -4.2%       |
| Soft Drink                     | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0              | N/A         |
| Alcoholic Beverage             | 5,024            | 4,543            | 482              | 10.6%         | 42,342            | 41,941            | 400            | 1.0%        |
| Liquor Gallonage               | 2,680            | 2,518            | 162              | 6.4%          | 26,318            | 25,801            | 518            | 2.0%        |
| Estate                         | 622              | 382              | 240              | 62.8%         | 31,648            | 34,032            | (2,384)        | -7.0%       |
| Horse Racing                   | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0              | N/A         |
| Total Tax Receipts             | 1,409,013        | 1,481,136        | (72,123)         | -4.9%         | 13,496,944        | 13,432,874        | 64,070         | 0.5%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                  |               |                   |                   |                |             |
| Federal Grants                 | 207,061          | 454,702          | (247,641)        | -54.5%        | 4,248,471         | 4,153,498         | 94,973         | 2.3%        |
| Earnings on Investments        | 0                | 38,342           | (38,342)         | N/A           | 83,073            | 130,656           | (47,583)       | -36.4%      |
| License & Fee                  | 8,487            | 6,854            | 1,633            | 23.8%         | 59,788            | 58,952            | 836            | 1.4%        |
| Other Income                   | 4,801            | 3,739            | 1,062            | 28.4%         | 67,641            | 92,393            | (24,752)       | -26.8%      |
| ISTV'S                         | 1,633            | 43               | 1,589            | N/A           | 10,574            | 12,320            | (1,746)        | -14.2%      |
| Total Non-Tax Receipts         | 221,981          | 503,680          | (281,698)        | -55.9%        | 4,469,547         | 4,447,819         | 21,728         | 0.5%        |
| <b>TOTAL REVENUES</b>          | <b>1,630,994</b> | <b>1,984,815</b> | <b>(353,821)</b> | <b>-17.8%</b> | <b>17,966,491</b> | <b>17,880,693</b> | <b>85,798</b>  | <b>0.5%</b> |
| <b>TRANSFERS</b>               |                  |                  |                  |               |                   |                   |                |             |
| Budget Stabilization           | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0              | N/A         |
| Liquor Transfers               | 12,000           | 10,000           | 2,000            | 20.0%         | 128,000           | 105,000           | 23,000         | 21.9%       |
| Transfers In - Capital Reserve | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0              | N/A         |
| Transfers In - Other           | 0                | 0                | 0                | N/A           | 56,810            | 46,055            | 10,756         | 23.4%       |
| Temporary Transfers In         | 0                | 12,700           | (12,700)         | N/A           | 466,800           | 160,250           | 306,550        | 191.3%      |
| Total Transfers                | 12,000           | 22,700           | (10,700)         | -47.1%        | 651,610           | 311,304           | 340,306        | 109.3%      |
| <b>TOTAL SOURCES</b>           | <b>1,642,994</b> | <b>2,007,515</b> | <b>(364,521)</b> | <b>-18.2%</b> | <b>18,618,102</b> | <b>18,191,997</b> | <b>426,105</b> | <b>2.3%</b> |

**Table 1A\***  
 REVISED GENERAL REVENUE FUND RECEIPTS  
 ACTUAL FY 2008 VS ESTIMATE FY 2008  
 (\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                  |               | Year-to-Date      |                   |                  |              |
|--------------------------------|------------------|------------------|------------------|---------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>MARCH  | REVISED<br>MARCH | \$ VAR           | % VAR         | ACTUAL<br>Y-T-D   | REVISED<br>Y-T-D  | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                  |                  |               |                   |                   |                  |              |
| Non-Auto Sales & Use           | 477,086          | 500,000          | (22,914)         | -4.6%         | 5,030,588         | 5,061,778         | (31,189)         | -0.6%        |
| Auto Sales & Use               | 69,625           | 86,000           | (16,375)         | -19.0%        | 674,895           | 672,463           | 2,431            | 0.4%         |
| Subtotal Sales & Use           | 546,711          | 586,000          | (39,289)         | -6.7%         | 5,705,483         | 5,734,241         | (28,758)         | -0.5%        |
| Personal Income                | 465,875          | 501,500          | (35,625)         | -7.1%         | 5,964,248         | 6,050,239         | (85,991)         | -1.4%        |
| Corporate Franchise            | 215,997          | 220,400          | (4,403)          | -2.0%         | 494,741           | 496,687           | (1,947)          | -0.4%        |
| Commercial Activity Tax        | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 742              | 0                | 742              | N/A           | 94,020            | 100,970           | (6,949)          | -6.9%        |
| Kilowatt Hour                  | 16,587           | 17,000           | (413)            | -2.4%         | 210,854           | 210,817           | 37               | 0.0%         |
| Foreign Insurance              | 77,816           | 70,000           | 7,816            | 11.2%         | 272,305           | 271,482           | 824              | 0.3%         |
| Domestic Insurance             | 1                | 600              | (599)            | N/A           | 434               | 1,333             | (898)            | -67.4%       |
| Other Business & Property Tax  | 0                | 0                | 0                | N/A           | 393               | 396               | (2)              | -0.6%        |
| Cigarette                      | 76,957           | 80,000           | (3,043)          | -3.8%         | 654,158           | 658,553           | (4,395)          | -0.7%        |
| Soft Drink                     | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 5,024            | 5,000            | 24               | 0.5%          | 42,342            | 42,905            | (563)            | -1.3%        |
| Liquor Gallonage               | 2,680            | 2,700            | (20)             | -0.7%         | 26,318            | 26,484            | (165)            | -0.6%        |
| Estate                         | 622              | 1,000            | (378)            | -37.8%        | 31,648            | 32,025            | (378)            | -1.2%        |
| Horse Racing                   | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,409,013        | 1,484,200        | (75,187)         | -5.1%         | 13,496,944        | 13,626,130        | (129,186)        | -0.9%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                  |               |                   |                   |                  |              |
| Federal Grants                 | 207,061          | 419,090          | (212,029)        | -50.6%        | 4,248,471         | 4,458,554         | (210,083)        | -4.7%        |
| Earnings on Investments        | 0                | 36,400           | (36,400)         | N/A           | 83,073            | 81,390            | 1,683            | 2.1%         |
| License & Fees                 | 8,487            | 9,200            | (713)            | -7.8%         | 59,788            | 64,714            | (4,926)          | -7.6%        |
| Other Income                   | 4,801            | 4,250            | 551              | 13.0%         | 67,641            | 67,054            | 586              | 0.9%         |
| ISTV'S                         | 1,633            | 300              | 1,333            | 444.2%        | 10,574            | 8,151             | 2,423            | 29.7%        |
| Total Non-Tax Receipts         | 221,981          | 469,240          | (247,258)        | -52.7%        | 4,469,547         | 4,679,863         | (210,316)        | -4.5%        |
| <b>TOTAL REVENUES</b>          | <b>1,630,994</b> | <b>1,953,440</b> | <b>(322,445)</b> | <b>-16.5%</b> | <b>17,966,491</b> | <b>18,305,993</b> | <b>(339,502)</b> | <b>-1.9%</b> |
| <b>TRANSFERS</b>               |                  |                  |                  |               |                   |                   |                  |              |
| Budget Stabilization           | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 12,000           | 12,000           | 0                | 0.0%          | 128,000           | 127,000           | 1,000            | 0.8%         |
| Transfers In - Capital Reserve | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 0                | 360              | (360)            | -100.0%       | 56,810            | 57,512            | (702)            | -1.2%        |
| Temporary Transfers In         | 0                | 0                | 0                | N/A           | 466,800           | 466,800           | 0                | 0.0%         |
| Total Transfers                | 12,000           | 12,360           | (360)            | -2.9%         | 651,610           | 651,312           | 298              | 0.0%         |
| <b>TOTAL SOURCES</b>           | <b>1,642,994</b> | <b>1,965,800</b> | <b>(322,805)</b> | <b>-16.4%</b> | <b>18,618,102</b> | <b>18,957,306</b> | <b>(339,204)</b> | <b>-1.8%</b> |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |               |             | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|---------------|-------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$            | %           | YTD               | YTD               | \$               | %            |
|  | MARCH            | MARCH            | VAR           | VAR         | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 661,583          | 543,844          | 117,739       | 21.6%       | 5,256,269         | 5,407,972         | (151,703)        | -2.8%        |
| Higher Education                               | 175,932          | 216,480          | (40,548)      | -18.7%      | 1,919,649         | 2,020,960         | (101,311)        | -5.0%        |
| Public Assistance and Medicaid                 | 832,208          | 846,453          | (14,246)      | -1.7%       | 8,261,691         | 8,276,648         | (14,957)         | -0.2%        |
| Health and Human Services                      | 75,217           | 73,530           | 1,687         | 2.3%        | 958,932           | 995,184           | (36,252)         | -3.6%        |
| Justice and Public Protection                  | 186,950          | 178,243          | 8,707         | 4.9%        | 1,643,836         | 1,613,715         | 30,122           | 1.9%         |
| Environmental Protection and Natural Resources | 5,000            | 5,376            | (377)         | -7.0%       | 83,939            | 86,631            | (2,693)          | -3.1%        |
| Transportation                                 | 990              | 1,779            | (789)         | -44.4%      | 19,486            | 23,757            | (4,272)          | -18.0%       |
| General Government                             | 56,923           | 63,527           | (6,604)       | -10.4%      | 306,195           | 328,106           | (21,911)         | -6.7%        |
| Community and Economic Development             | 17,299           | 20,152           | (2,853)       | -14.2%      | 110,300           | 125,155           | (14,855)         | -11.9%       |
| Tax Relief and Other                           | 63,566           | 101,536          | (37,970)      | -37.4%      | 717,777           | 765,074           | (47,297)         | -6.2%        |
| Capital Outlay                                 | 0                | 150              | (150)         | -100.0%     | 66                | 1,221             | (1,155)          | -94.6%       |
| Debt Service                                   | 86,853           | 87,462           | (609)         | -0.7%       | 506,412           | 512,952           | (6,540)          | -1.3%        |
| Pending Payroll                                | 0                | 0                | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,162,520</b> | <b>2,138,532</b> | <b>23,988</b> | <b>1.1%</b> | <b>19,784,553</b> | <b>20,157,376</b> | <b>(372,824)</b> | <b>-1.8%</b> |
| <b>Transfers Out:</b>                          |                  |                  |               |             |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | 3                | 0                | 3             | N/A         | 268,582           | 145,278           | 123,304          | 84.9%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0             | N/A         | 350,104           | 466,800           | (116,696)        | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>3</b>         | <b>0</b>         | <b>3</b>      | <b>N/A</b>  | <b>618,686</b>    | <b>612,078</b>    | <b>6,608</b>     | <b>1.1%</b>  |
| <b>Total Fund Uses</b>                         | <b>2,162,522</b> | <b>2,138,532</b> | <b>23,990</b> | <b>1.1%</b> | <b>20,403,239</b> | <b>20,769,455</b> | <b>(366,216)</b> | <b>-1.8%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |             | YEAR-TO-DATE      |                   |                 |               |
|--|------------------|------------------|----------------|-------------|-------------------|-------------------|-----------------|---------------|
|  | ACTUAL           | ACTUAL           | \$             | %           | ACTUAL            | ACTUAL            | \$              | %             |
|  | 2008             | 2007             | VAR            | VAR         | 2008              | 2007              | VAR             | VAR           |
| Primary, Secondary and Other Education         | 661,583          | 527,907          | 133,676        | 25.3%       | 5,256,269         | 5,216,421         | 39,848          | 0.8%          |
| Higher Education                               | 175,932          | 178,988          | (3,056)        | -1.7%       | 1,919,649         | 1,855,971         | 63,678          | 3.4%          |
| Public Assistance and Medicaid                 | 832,208          | 823,511          | 8,696          | 1.1%        | 8,261,691         | 7,814,198         | 447,493         | 5.7%          |
| Health and Human Services                      | 75,217           | 67,842           | 7,375          | 10.9%       | 958,932           | 963,887           | (4,955)         | -0.5%         |
| Justice and Public Protection                  | 186,950          | 175,742          | 11,208         | 6.4%        | 1,643,836         | 1,572,829         | 71,007          | 4.5%          |
| Environmental Protection and Natural Resources | 5,000            | 6,420            | (1,420)        | -22.1%      | 83,939            | 81,234            | 2,705           | 3.3%          |
| Transportation                                 | 990              | 2,343            | (1,354)        | -57.8%      | 19,486            | 19,235            | 251             | 1.3%          |
| General Government                             | 56,923           | 63,954           | (7,032)        | -11.0%      | 306,195           | 307,114           | (919)           | -0.3%         |
| Community and Economic Development             | 17,299           | 14,172           | 3,127          | 22.1%       | 110,300           | 117,294           | (6,994)         | -6.0%         |
| Tax Relief and Other                           | 63,566           | 53,086           | 10,480         | 19.7%       | 717,777           | 677,941           | 39,836          | 5.9%          |
| Capital Outlay                                 | 0                | 0                | 0              | N/A         | 66                | 90                | (25)            | -27.4%        |
| Debt Service                                   | 86,853           | 79,074           | 7,779          | 9.8%        | 506,412           | 440,835           | 65,578          | 14.9%         |
| Pending Payroll                                | 0                | 0                | 0              | N/A         | 0                 | 0                 | 0               | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,162,520</b> | <b>1,993,040</b> | <b>169,480</b> | <b>8.5%</b> | <b>19,784,553</b> | <b>19,067,049</b> | <b>717,504</b>  | <b>3.8%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                |             |                   |                   |                 |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0              | N/A         | 0                 | 394,034           | (394,034)       | N/A           |
| OPER TRF OUT-OTH                               | 3                | 0                | 3              | N/A         | 268,582           | 22,449            | 246,133         | 1096.4%       |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0              | N/A         | 350,104           | 287,414           | 62,690          | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>3</b>         | <b>0</b>         | <b>3</b>       | <b>N/A</b>  | <b>618,686</b>    | <b>703,896</b>    | <b>(85,210)</b> | <b>-12.1%</b> |
| <b>Total Fund Uses</b>                         | <b>2,162,522</b> | <b>1,993,040</b> | <b>169,482</b> | <b>8.5%</b> | <b>20,403,239</b> | <b>19,770,945</b> | <b>632,294</b>  | <b>3.2%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                   |                |              | Year-to-Date      |                   |                  |              |
|--------------------------------|------------------|-------------------|----------------|--------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>APRIL  | ESTIMATE<br>APRIL | \$ VAR         | % VAR        | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                   |                |              |                   |                   |                  |              |
| Non-Auto Sales & Use           | 530,606          | 566,900           | (36,294)       | -6.4%        | 5,561,194         | 5,581,000         | (19,806)         | -0.4%        |
| Auto Sales & Use               | 94,347           | 97,216            | (2,869)        | -3.0%        | 769,241           | 800,671           | (31,430)         | -3.9%        |
| Subtotal Sales & Use           | 624,953          | 664,116           | (39,163)       | -5.9%        | 6,330,436         | 6,381,671         | (51,235)         | -0.8%        |
| Personal Income                | 1,752,479        | 1,674,700         | 77,779         | 4.6%         | 7,716,726         | 7,788,400         | (71,674)         | -0.9%        |
| Corporate Franchise            | 74,896           | 67,000            | 7,896          | 11.8%        | 569,636           | 617,800           | (48,164)         | -7.8%        |
| Commercial Activity Tax        | 0                | 0                 | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 183              | 0                 | 183            | N/A          | 94,203            | 110,300           | (16,097)         | -14.6%       |
| Kilowatt Hour                  | 14,670           | 12,700            | 1,970          | 15.5%        | 225,524           | 221,800           | 3,724            | 1.7%         |
| Foreign Insurance              | 1                | 200               | (199)          | -99.4%       | 272,307           | 277,900           | (5,593)          | -2.0%        |
| Domestic Insurance             | 0                | 0                 | 0              | N/A          | 435               | 1,200             | (765)            | -63.8%       |
| Other Business & Property Tax  | 149              | 200               | (51)           | -25.5%       | 542               | 1,040             | (498)            | -47.9%       |
| Cigarette                      | 72,645           | 75,200            | (2,555)        | -3.4%        | 726,803           | 737,800           | (10,997)         | -1.5%        |
| Soft Drink                     | 0                | 0                 | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 4,064            | 5,000             | (936)          | -18.7%       | 46,406            | 47,600            | (1,194)          | -2.5%        |
| Liquor Gallonage               | 2,692            | 2,900             | (208)          | -7.2%        | 29,010            | 29,700            | (690)            | -2.3%        |
| Estate                         | 18,765           | 9,000             | 9,765          | 108.5%       | 50,413            | 50,800            | (387)            | -0.8%        |
| Horse Racing                   | 0                | 0                 | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 2,565,498        | 2,511,016         | 54,482         | 2.2%         | 16,062,442        | 16,266,011        | (203,569)        | -1.3%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                   |                |              |                   |                   |                  |              |
| Federal Grants                 | 723,474          | 466,719           | 256,755        | 55.0%        | 4,971,945         | 4,916,127         | 55,818           | 1.1%         |
| Earnings on Investments        | 0                | 0                 | 0              | N/A          | 83,073            | 121,400           | (38,327)         | -31.6%       |
| License & Fees                 | 6,567            | 12,855            | (6,288)        | -48.9%       | 66,356            | 73,399            | (7,043)          | -9.6%        |
| Other Income                   | 4,838            | 3,850             | 988            | 25.7%        | 72,479            | 43,444            | 29,035           | 66.8%        |
| ISTV'S                         | 1,499            | 2,000             | (501)          | -25.0%       | 12,074            | 14,410            | (2,336)          | -16.2%       |
| Total Non-Tax Receipts         | 736,379          | 485,424           | 250,955        | 51.7%        | 5,205,926         | 5,168,780         | 37,146           | 0.7%         |
| <b>TOTAL REVENUES</b>          | <b>3,301,877</b> | <b>2,996,440</b>  | <b>305,437</b> | <b>10.2%</b> | <b>21,268,369</b> | <b>21,434,791</b> | <b>(166,422)</b> | <b>-0.8%</b> |
| <b>TRANSFERS</b>               |                  |                   |                |              |                   |                   |                  |              |
| Budget Stabilization           | 0                | 0                 | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 7,268            | 11,000            | (3,732)        | -33.9%       | 135,268           | 134,000           | 1,268            | 0.9%         |
| Transfers In - Capital Reserve | 0                | 0                 | 0              | N/A          | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 0                | 15,460            | (15,460)       | -100.0%      | 56,810            | 117,780           | (60,970)         | -51.8%       |
| Temporary Transfers In         | 0                | 0                 | 0              | N/A          | 466,800           | 466,800           | 0                | 0.0%         |
| Total Transfers                | 7,268            | 26,460            | (19,192)       | -72.5%       | 658,878           | 718,580           | (59,702)         | -8.3%        |
| <b>TOTAL SOURCES</b>           | <b>3,309,145</b> | <b>3,022,900</b>  | <b>286,245</b> | <b>9.5%</b>  | <b>21,927,247</b> | <b>22,153,371</b> | <b>(226,124)</b> | <b>-1.0%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month          |                |           |          | Year-to-Date   |                |           |          |
|--------------------------------|----------------|----------------|-----------|----------|----------------|----------------|-----------|----------|
|                                | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR | ACTUAL<br>2008 | ACTUAL<br>2007 | \$<br>VAR | %<br>VAR |
| <b>TAX RECEIPTS</b>            |                |                |           |          |                |                |           |          |
| Non-Auto Sales & Use           | 530,606        | 547,437        | (16,831)  | -3.1%    | 5,561,194      | 5,406,268      | 154,926   | 2.9%     |
| Auto Sales & Use               | 94,347         | 89,895         | 4,452     | 5.0%     | 769,241        | 747,037        | 22,205    | 3.0%     |
| Subtotal Sales & Use           | 624,953        | 637,332        | (12,379)  | -1.9%    | 6,330,436      | 6,153,305      | 177,130   | 2.9%     |
| Personal Income                | 1,752,479      | 938,841        | 813,638   | 86.7%    | 7,716,726      | 6,739,837      | 976,889   | 14.5%    |
| Corporate Franchise            | 74,896         | 114,480        | (39,584)  | -34.6%   | 569,636        | 819,933        | (250,297) | -30.5%   |
| Commercial Activity Tax        | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Public Utility                 | 183            | 164            | 19        | 11.8%    | 94,203         | 103,829        | (9,626)   | -9.3%    |
| Kilowatt Hour                  | 14,670         | 30,856         | (16,186)  | -52.5%   | 225,524        | 283,119        | (57,595)  | -20.3%   |
| Foreign Insurance              | 1              | 86             | (85)      | -98.5%   | 272,307        | 269,356        | 2,951     | 1.1%     |
| Domestic Insurance             | 0              | 0              | 0         | N/A      | 435            | 107            | 328       | 305.8%   |
| Other Business & Property Tax  | 149            | 130            | 19        | 14.3%    | 542            | 602            | (60)      | -10.0%   |
| Cigarette                      | 72,645         | 73,438         | (792)     | -1.1%    | 726,803        | 756,336        | (29,532)  | -3.9%    |
| Soft Drink                     | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Alcoholic Beverage             | 4,064          | 4,901          | (837)     | -17.1%   | 46,406         | 46,843         | (436)     | -0.9%    |
| Liquor Gallonage               | 2,692          | 2,876          | (184)     | -6.4%    | 29,010         | 28,677         | 333       | 1.2%     |
| Estate                         | 18,765         | 6,260          | 12,505    | 199.7%   | 50,413         | 40,292         | 10,121    | 25.1%    |
| Horse Racing                   | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Total Tax Receipts             | 2,565,498      | 1,809,364      | 756,134   | 41.8%    | 16,062,442     | 15,242,238     | 820,205   | 5.4%     |
| <b>NON-TAX RECEIPTS</b>        |                |                |           |          |                |                |           |          |
| Federal Grants                 | 723,474        | 367,233        | 356,241   | 97.0%    | 4,971,945      | 4,520,731      | 451,214   | 10.0%    |
| Earnings on Investments        | 0              | 0              | 0         | N/A      | 83,073         | 130,656        | (47,583)  | -36.4%   |
| License & Fee                  | 6,567          | 14,973         | (8,406)   | -56.1%   | 66,356         | 73,925         | (7,570)   | -10.2%   |
| Other Income                   | 4,838          | 3,479          | 1,359     | 39.1%    | 72,479         | 95,872         | (23,393)  | -24.4%   |
| ISTV'S                         | 1,499          | 2,596          | (1,096)   | -42.2%   | 12,074         | 14,915         | (2,842)   | -19.1%   |
| Total Non-Tax Receipts         | 736,379        | 388,281        | 348,097   | 89.7%    | 5,205,926      | 4,836,101      | 369,826   | 7.6%     |
| TOTAL REVENUES                 | 3,301,877      | 2,197,645      | 1,104,232 | 50.2%    | 21,268,369     | 20,078,338     | 1,190,030 | 5.9%     |
| <b>TRANSFERS</b>               |                |                |           |          |                |                |           |          |
| Budget Stabilization           | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Liquor Transfers               | 7,268          | 10,000         | (2,732)   | -27.3%   | 135,268        | 115,000        | 20,268    | 17.6%    |
| Transfers In - Capital Reserve | 0              | 0              | 0         | N/A      | 0              | 0              | 0         | N/A      |
| Transfers In - Other           | 0              | 0              | 0         | N/A      | 56,810         | 46,055         | 10,756    | 23.4%    |
| Temporary Transfers In         | 0              | 7,600          | (7,600)   | N/A      | 466,800        | 167,850        | 298,950   | 178.1%   |
| Total Transfers                | 7,268          | 17,600         | (10,332)  | -58.7%   | 658,878        | 328,904        | 329,974   | 100.3%   |
| TOTAL SOURCES                  | 3,309,145      | 2,215,245      | 1,093,900 | 49.4%    | 21,927,247     | 20,407,243     | 1,520,004 | 7.4%     |

**Table 1A\***  
 REVISED GENERAL REVENUE FUND RECEIPTS  
 ACTUAL FY 2008 VS ESTIMATE FY 2008  
 (\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                |              | Year-to-Date      |                   |                 |              |
|--------------------------------|------------------|------------------|----------------|--------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>APRIL  | REVISED<br>APRIL | \$ VAR         | % VAR        | ACTUAL<br>Y-T-D   | REVISED<br>Y-T-D  | \$ VAR          | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                  |                |              |                   |                   |                 |              |
| Non-Auto Sales & Use           | 530,606          | 548,000          | (17,394)       | -3.2%        | 5,561,194         | 5,609,778         | (48,583)        | -0.9%        |
| Auto Sales & Use               | 94,347           | 91,000           | 3,347          | 3.7%         | 769,241           | 763,463           | 5,778           | 0.8%         |
| Subtotal Sales & Use           | 624,953          | 639,000          | (14,047)       | -2.2%        | 6,330,436         | 6,373,241         | (42,805)        | -0.7%        |
| Personal Income                | 1,752,479        | 1,674,700        | 77,779         | 4.6%         | 7,716,726         | 7,724,939         | (8,213)         | -0.1%        |
| Corporate Franchise            | 74,896           | 67,000           | 7,896          | 11.8%        | 569,636           | 563,687           | 5,949           | 1.1%         |
| Commercial Activity Tax        | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 183              | 0                | 183            | N/A          | 94,203            | 100,970           | (6,766)         | -6.7%        |
| Kilowatt Hour                  | 14,670           | 12,000           | 2,670          | 22.2%        | 225,524           | 222,817           | 2,707           | 1.2%         |
| Foreign Insurance              | 1                | 200              | (199)          | -99.4%       | 272,307           | 271,682           | 625             | 0.2%         |
| Domestic Insurance             | 0                | 0                | 0              | N/A          | 435               | 1,333             | (898)           | -67.4%       |
| Other Business & Property Tax  | 149              | 200              | (51)           | -25.5%       | 542               | 596               | (53)            | -9.0%        |
| Cigarette                      | 72,645           | 77,500           | (4,855)        | -6.3%        | 726,803           | 736,053           | (9,250)         | -1.3%        |
| Soft Drink                     | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 4,064            | 5,000            | (936)          | -18.7%       | 46,406            | 47,905            | (1,498)         | -3.1%        |
| Liquor Gallonage               | 2,692            | 2,900            | (208)          | -7.2%        | 29,010            | 29,384            | (373)           | -1.3%        |
| Estate                         | 18,765           | 9,000            | 9,765          | 108.5%       | 50,413            | 41,025            | 9,388           | 22.9%        |
| Horse Racing                   | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 2,565,498        | 2,487,500        | 77,998         | 3.1%         | 16,062,442        | 16,113,630        | (51,188)        | -0.3%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                |              |                   |                   |                 |              |
| Federal Grants                 | 723,474          | 475,808          | 247,666        | 52.1%        | 4,971,945         | 4,934,362         | 37,583          | 0.8%         |
| Earnings on Investments        | 0                | 0                | 0              | N/A          | 83,073            | 81,390            | 1,683           | 2.1%         |
| License & Fees                 | 6,567            | 12,855           | (6,288)        | -48.9%       | 66,356            | 77,569            | (11,213)        | -14.5%       |
| Other Income                   | 4,838            | 3,850            | 988            | 25.7%        | 72,479            | 70,904            | 1,575           | 2.2%         |
| ISTV'S                         | 1,499            | 2,000            | (501)          | -25.0%       | 12,074            | 10,151            | 1,922           | 18.9%        |
| Total Non-Tax Receipts         | 736,379          | 494,513          | 241,866        | 48.9%        | 5,205,926         | 5,174,376         | 31,550          | 0.6%         |
| <b>TOTAL REVENUES</b>          | <b>3,301,877</b> | <b>2,982,013</b> | <b>319,864</b> | <b>10.7%</b> | <b>21,268,369</b> | <b>21,288,006</b> | <b>(19,638)</b> | <b>-0.1%</b> |
| <b>TRANSFERS</b>               |                  |                  |                |              |                   |                   |                 |              |
| Budget Stabilization           | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 7,268            | 11,000           | (3,732)        | -33.9%       | 135,268           | 138,000           | (2,732)         | -2.0%        |
| Transfers In - Capital Reserve | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 0                | 360              | (360)          | -100.0%      | 56,810            | 57,872            | (1,062)         | -1.8%        |
| Temporary Transfers In         | 0                | 0                | 0              | N/A          | 466,800           | 466,800           | 0               | 0.0%         |
| Total Transfers                | 7,268            | 11,360           | (4,092)        | -36.0%       | 658,878           | 662,672           | (3,794)         | -0.6%        |
| <b>TOTAL SOURCES</b>           | <b>3,309,145</b> | <b>2,993,373</b> | <b>315,772</b> | <b>10.5%</b> | <b>21,927,247</b> | <b>21,950,679</b> | <b>(23,432)</b> | <b>-0.1%</b> |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |               |             | YEAR-TO-DATE      |                   |                  |              |
|--|------------------|------------------|---------------|-------------|-------------------|-------------------|------------------|--------------|
|  | ACTUAL           | ESTIMATED        | \$            | %           | YTD               | YTD               | \$               | %            |
|  | APRIL            | APRIL            | VAR           | VAR         | ACTUAL            | ESTIMATE          | VAR              | VAR          |
| Primary, Secondary and Other Education         | 581,698          | 571,297          | 10,402        | 1.8%        | 5,837,968         | 5,979,269         | (141,301)        | -2.4%        |
| Higher Education                               | 193,697          | 184,954          | 8,743         | 4.7%        | 2,113,346         | 2,205,914         | (92,568)         | -4.2%        |
| Public Assistance and Medicaid                 | 833,844          | 820,240          | 13,605        | 1.7%        | 9,095,536         | 9,096,887         | (1,352)          | 0.0%         |
| Health and Human Services                      | 135,129          | 146,968          | (11,839)      | -8.1%       | 1,094,061         | 1,142,152         | (48,091)         | -4.2%        |
| Justice and Public Protection                  | 157,185          | 183,225          | (26,040)      | -14.2%      | 1,801,022         | 1,796,939         | 4,082            | 0.2%         |
| Environmental Protection and Natural Resources | 5,645            | 5,055            | 590           | 11.7%       | 89,584            | 91,686            | (2,102)          | -2.3%        |
| Transportation                                 | 1,326            | 1,468            | (141)         | -9.6%       | 20,812            | 25,225            | (4,413)          | -17.5%       |
| General Government                             | 19,047           | 18,128           | 919           | 5.1%        | 325,242           | 346,234           | (20,992)         | -6.1%        |
| Community and Economic Development             | 5,638            | 12,312           | (6,674)       | -54.2%      | 115,938           | 137,468           | (21,529)         | -15.7%       |
| Tax Relief and Other                           | 298,177          | 236,622          | 61,555        | 26.0%       | 1,015,954         | 1,001,696         | 14,258           | 1.4%         |
| Capital Outlay                                 | 0                | 150              | (150)         | -100.0%     | 66                | 1,371             | (1,305)          | -95.2%       |
| Debt Service                                   | 72,002           | 84,169           | (12,167)      | -14.5%      | 578,414           | 597,121           | (18,707)         | -3.1%        |
| Pending Payroll                                | 0                | 0                | 0             | N/A         | 0                 | 0                 | 0                | N/A          |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,303,390</b> | <b>2,264,587</b> | <b>38,803</b> | <b>1.7%</b> | <b>22,087,943</b> | <b>22,421,963</b> | <b>(334,020)</b> | <b>-1.5%</b> |
| <b>Transfers Out:</b>                          |                  |                  |               |             |                   |                   |                  |              |
| OPER TRF OUT-OTH                               | 0                | 0                | 0             | N/A         | 268,582           | 145,278           | 123,304          | 84.9%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0             | N/A         | 350,104           | 466,800           | (116,696)        | -25.0%       |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>0</b>         | <b>0</b>      | <b>N/A</b>  | <b>618,686</b>    | <b>612,078</b>    | <b>6,608</b>     | <b>1.1%</b>  |
| <b>Total Fund Uses</b>                         | <b>2,303,390</b> | <b>2,264,587</b> | <b>38,803</b> | <b>1.7%</b> | <b>22,706,629</b> | <b>23,034,041</b> | <b>(327,413)</b> | <b>-1.4%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                 |             | YEAR-TO-DATE      |                   |                  |               |
|--|------------------|------------------|-----------------|-------------|-------------------|-------------------|------------------|---------------|
|  | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR       | %<br>VAR    | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR        | %<br>VAR      |
| Primary, Secondary and Other Education         | 581,698          | 560,404          | 21,294          | 3.8%        | 5,837,968         | 5,776,826         | 61,142           | 1.1%          |
| Higher Education                               | 193,697          | 160,796          | 32,901          | 20.5%       | 2,113,346         | 2,016,766         | 96,580           | 4.8%          |
| Public Assistance and Medicaid                 | 833,844          | 707,976          | 125,869         | 17.8%       | 9,095,536         | 8,522,173         | 573,362          | 6.7%          |
| Health and Human Services                      | 135,129          | 152,090          | (16,961)        | -11.2%      | 1,094,061         | 1,115,977         | (21,916)         | -2.0%         |
| Justice and Public Protection                  | 157,185          | 180,498          | (23,313)        | -12.9%      | 1,801,022         | 1,753,327         | 47,694           | 2.7%          |
| Environmental Protection and Natural Resources | 5,645            | 5,998            | (353)           | -5.9%       | 89,584            | 87,232            | 2,352            | 2.7%          |
| Transportation                                 | 1,326            | 792              | 534             | 67.4%       | 20,812            | 20,027            | 785              | 3.9%          |
| General Government                             | 19,047           | 18,765           | 282             | 1.5%        | 325,242           | 325,879           | (637)            | -0.2%         |
| Community and Economic Development             | 5,638            | 10,062           | (4,424)         | -44.0%      | 115,938           | 127,356           | (11,418)         | -9.0%         |
| Tax Relief and Other                           | 298,177          | 310,708          | (12,530)        | -4.0%       | 1,015,954         | 988,649           | 27,306           | 2.8%          |
| Capital Outlay                                 | 0                | 43               | (43)            | N/A         | 66                | 134               | (68)             | -50.9%        |
| Debt Service                                   | 72,002           | 71,876           | 126             | 0.2%        | 578,414           | 512,711           | 65,704           | 12.8%         |
| Pending Payroll                                | 0                | 0                | 0               | N/A         | 0                 | 0                 | 0                | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,303,390</b> | <b>2,180,009</b> | <b>123,381</b>  | <b>5.7%</b> | <b>22,087,943</b> | <b>21,247,058</b> | <b>840,885</b>   | <b>4.0%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                 |             |                   |                   |                  |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0               | N/A         | 0                 | 394,034           | (394,034)        | N/A           |
| OPER TRF OUT-OTH                               | 0                | 21,180           | (21,180)        | N/A         | 268,582           | 43,629            | 224,953          | 515.6%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0               | N/A         | 350,104           | 287,414           | 62,690           | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>0</b>         | <b>21,180</b>    | <b>(21,180)</b> | <b>N/A</b>  | <b>618,686</b>    | <b>725,076</b>    | <b>(106,390)</b> | <b>-14.7%</b> |
| <b>Total Fund Uses</b>                         | <b>2,303,390</b> | <b>2,201,189</b> | <b>102,201</b>  | <b>4.6%</b> | <b>22,706,629</b> | <b>21,972,134</b> | <b>734,495</b>   | <b>3.3%</b>   |

**Table 1\***  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL FY 2008 VS ESTIMATE FY 2008  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                  |               | Year-to-Date      |                   |                  |              |
|--------------------------------|------------------|------------------|------------------|---------------|-------------------|-------------------|------------------|--------------|
|                                | ACTUAL<br>MAY    | ESTIMATE<br>MAY  | \$ VAR           | % VAR         | ACTUAL<br>Y-T-D   | ESTIMATE<br>Y-T-D | \$ VAR           | % VAR        |
| <b>TAX RECEIPTS</b>            |                  |                  |                  |               |                   |                   |                  |              |
| Non-Auto Sales & Use           | 545,935          | 560,600          | (14,665)         | -2.6%         | 6,107,129         | 6,141,600         | (34,471)         | -0.6%        |
| Auto Sales & Use               | 93,407           | 89,800           | 3,607            | 4.0%          | 862,648           | 890,471           | (27,823)         | -3.1%        |
| Subtotal Sales & Use           | 639,341          | 650,400          | (11,059)         | -1.7%         | 6,969,777         | 7,032,071         | (62,294)         | -0.9%        |
| Personal Income                | 529,189          | 589,800          | (60,611)         | -10.3%        | 8,245,915         | 8,378,200         | (132,285)        | -1.6%        |
| Corporate Franchise            | 83,871           | 98,800           | (14,929)         | -15.1%        | 653,507           | 716,600           | (63,093)         | -8.8%        |
| Commercial Activity Tax        | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Public Utility                 | 62,770           | 67,400           | (4,630)          | -6.9%         | 156,973           | 177,700           | (20,727)         | -11.7%       |
| Kilowatt Hour                  | 1,017            | 4,600            | (3,583)          | -77.9%        | 226,540           | 226,400           | 140              | 0.1%         |
| Foreign Insurance              | 133              | (15,000)         | 15,133           | -100.9%       | 272,440           | 262,900           | 9,540            | 3.6%         |
| Domestic Insurance             | 0                | 160,000          | (160,000)        | N/A           | 435               | 161,200           | (160,765)        | -99.7%       |
| Other Business & Property Tax  | 0                | 17,800           | (17,800)         | N/A           | 542               | 18,840            | (18,298)         | -97.1%       |
| Cigarette                      | 148,155          | 149,000          | (845)            | -0.6%         | 874,959           | 886,800           | (11,841)         | -1.3%        |
| Soft Drink                     | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Alcoholic Beverage             | 4,387            | 5,000            | (613)            | -12.3%        | 50,794            | 52,600            | (1,806)          | -3.4%        |
| Liquor Gallonage               | 2,770            | 2,800            | (30)             | -1.1%         | 31,780            | 32,500            | (720)            | -2.2%        |
| Estate                         | 9,021            | 17,200           | (8,179)          | -47.6%        | 59,434            | 68,000            | (8,566)          | -12.6%       |
| Horse Racing                   | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Total Tax Receipts             | 1,480,655        | 1,747,800        | (267,145)        | -15.3%        | 17,543,097        | 18,013,811        | (470,714)        | -2.6%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                  |               |                   |                   |                  |              |
| Federal Grants                 | 451,551          | 424,993          | 26,558           | 6.2%          | 5,423,496         | 5,341,120         | 82,376           | 1.5%         |
| Earnings on Investments        | 0                | 0                | 0                | N/A           | 83,073            | 121,400           | (38,327)         | -31.6%       |
| License & Fees                 | 599              | 4,800            | (4,201)          | -87.5%        | 66,955            | 78,199            | (11,244)         | -14.4%       |
| Other Income                   | 3,560            | 3,850            | (290)            | -7.5%         | 76,039            | 47,294            | 28,745           | 60.8%        |
| ISTV'S                         | 2,936            | 4,000            | (1,064)          | -26.6%        | 15,009            | 18,410            | (3,401)          | -18.5%       |
| Total Non-Tax Receipts         | 458,646          | 437,643          | 21,003           | 4.8%          | 5,664,572         | 5,606,423         | 58,149           | 1.0%         |
| <b>TOTAL REVENUES</b>          | <b>1,939,301</b> | <b>2,185,443</b> | <b>(246,142)</b> | <b>-11.3%</b> | <b>23,207,669</b> | <b>23,620,234</b> | <b>(412,565)</b> | <b>-1.7%</b> |
| <b>TRANSFERS</b>               |                  |                  |                  |               |                   |                   |                  |              |
| Budget Stabilization           | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Liquor Transfers               | 0                | 11,000           | (11,000)         | -100.0%       | 135,268           | 145,000           | (9,732)          | -6.7%        |
| Transfers In - Capital Reserve | 0                | 0                | 0                | N/A           | 0                 | 0                 | 0                | N/A          |
| Transfers In - Other           | 26,000           | 98,360           | (72,360)         | -73.6%        | 82,810            | 216,140           | (133,330)        | -61.7%       |
| Temporary Transfers In         | 0                | 0                | 0                | N/A           | 466,800           | 466,800           | 0                | 0.0%         |
| Total Transfers                | 26,000           | 109,360          | (83,360)         | -76.2%        | 684,878           | 827,940           | (143,062)        | -17.3%       |
| <b>TOTAL SOURCES</b>           | <b>1,965,301</b> | <b>2,294,803</b> | <b>(329,502)</b> | <b>-14.4%</b> | <b>23,892,548</b> | <b>24,448,174</b> | <b>(555,626)</b> | <b>-2.3%</b> |

Table 2\*  
GENERAL REVENUE FUND RECEIPTS  
ACTUAL - FY 2008 VERSUS FY 2007  
(\$ in thousands)

| REVENUE SOURCE                 | Month            |                  |                    |               | Year-to-Date      |                   |                 |              |
|--------------------------------|------------------|------------------|--------------------|---------------|-------------------|-------------------|-----------------|--------------|
|                                | ACTUAL<br>2008   | ACTUAL<br>2007   | \$<br>VAR          | %<br>VAR      | ACTUAL<br>2008    | ACTUAL<br>2007    | \$<br>VAR       | %<br>VAR     |
| <b>TAX RECEIPTS</b>            |                  |                  |                    |               |                   |                   |                 |              |
| Non-Auto Sales & Use           | 545,935          | 543,329          | 2,606              | 0.5%          | 6,107,129         | 5,949,597         | 157,532         | 2.6%         |
| Auto Sales & Use               | 93,407           | 82,730           | 10,676             | 12.9%         | 862,648           | 829,767           | 32,881          | 4.0%         |
| Subtotal Sales & Use           | 639,341          | 626,059          | 13,282             | 2.1%          | 6,969,777         | 6,779,364         | 190,413         | 2.8%         |
| Personal Income                | 529,189          | 1,367,897        | (838,707)          | -61.3%        | 8,245,915         | 8,107,734         | 138,181         | 1.7%         |
| Corporate Franchise            | 83,871           | 208,329          | (124,458)          | -59.7%        | 653,507           | 1,028,263         | (374,755)       | -36.4%       |
| Commercial Activity Tax        | 0                | 0                | 0                  | N/A           | 0                 | 0                 | 0               | N/A          |
| Public Utility                 | 62,770           | 59,465           | 3,305              | 5.6%          | 156,973           | 163,294           | (6,321)         | -3.9%        |
| Kilowatt Hour                  | 1,017            | 24,727           | (23,711)           | -95.9%        | 226,540           | 307,846           | (81,306)        | -26.4%       |
| Foreign Insurance              | 133              | (14,429)         | 14,563             | -100.9%       | 272,440           | 254,927           | 17,514          | 6.9%         |
| Domestic Insurance             | 0                | 169,357          | (169,357)          | N/A           | 435               | 169,464           | (169,029)       | -99.7%       |
| Other Business & Property Tax  | 0                | 19,584           | (19,584)           | N/A           | 542               | 20,186            | (19,644)        | -97.3%       |
| Cigarette                      | 148,155          | 146,995          | 1,160              | 0.8%          | 874,959           | 903,331           | (28,372)        | -3.1%        |
| Soft Drink                     | 0                | 0                | 0                  | N/A           | 0                 | 0                 | 0               | N/A          |
| Alcoholic Beverage             | 4,387            | 4,327            | 60                 | 1.4%          | 50,794            | 51,170            | (376)           | -0.7%        |
| Liquor Gallonage               | 2,770            | 2,638            | 131                | 5.0%          | 31,780            | 31,315            | 465             | 1.5%         |
| Estate                         | 9,021            | 20,790           | (11,769)           | -56.6%        | 59,434            | 61,083            | (1,648)         | -2.7%        |
| Horse Racing                   | 0                | 0                | 0                  | N/A           | 0                 | 0                 | 0               | N/A          |
| Total Tax Receipts             | 1,480,655        | 2,635,739        | (1,155,084)        | -43.8%        | 17,543,097        | 17,877,976        | (334,879)       | -1.9%        |
| <b>NON-TAX RECEIPTS</b>        |                  |                  |                    |               |                   |                   |                 |              |
| Federal Grants                 | 451,551          | 581,916          | (130,365)          | -22.4%        | 5,423,496         | 5,102,648         | 320,849         | 6.3%         |
| Earnings on Investments        | 0                | 0                | 0                  | N/A           | 83,073            | 130,656           | (47,583)        | -36.4%       |
| License & Fee                  | 599              | 3,101            | (2,502)            | -80.7%        | 66,955            | 77,026            | (10,071)        | -13.1%       |
| Other Income                   | 3,560            | 2,818            | 742                | 26.3%         | 76,039            | 98,690            | (22,651)        | -23.0%       |
| ISTV'S                         | 2,936            | 1,298            | 1,637              | 126.1%        | 15,009            | 16,214            | (1,205)         | -7.4%        |
| Total Non-Tax Receipts         | 458,646          | 589,133          | (130,487)          | -22.1%        | 5,664,572         | 5,425,234         | 239,338         | 4.4%         |
| <b>TOTAL REVENUES</b>          | <b>1,939,301</b> | <b>3,224,872</b> | <b>(1,285,571)</b> | <b>-39.9%</b> | <b>23,207,669</b> | <b>23,303,210</b> | <b>(95,541)</b> | <b>-0.4%</b> |
| <b>TRANSFERS</b>               |                  |                  |                    |               |                   |                   |                 |              |
| Budget Stabilization           | 0                | 0                | 0                  | N/A           | 0                 | 0                 | 0               | N/A          |
| Liquor Transfers               | 0                | 10,000           | (10,000)           | -100.0%       | 135,268           | 125,000           | 10,268          | 8.2%         |
| Transfers In - Capital Reserve | 0                | 0                | 0                  | N/A           | 0                 | 0                 | 0               | N/A          |
| Transfers In - Other           | 26,000           | 50,948           | (24,948)           | -49.0%        | 82,810            | 97,003            | (14,193)        | -14.6%       |
| Temporary Transfers In         | 0                | 18,219           | (18,219)           | N/A           | 466,800           | 186,068           | 280,732         | 150.9%       |
| Total Transfers                | 26,000           | 79,167           | (53,167)           | -67.2%        | 684,878           | 408,071           | 276,807         | 67.8%        |
| <b>TOTAL SOURCES</b>           | <b>1,965,301</b> | <b>3,304,039</b> | <b>(1,338,738)</b> | <b>-40.5%</b> | <b>23,892,548</b> | <b>23,711,282</b> | <b>181,266</b>  | <b>0.8%</b>  |

**Table 1A\***  
 REVISED GENERAL REVENUE FUND RECEIPTS  
 ACTUAL FY 2008 VS ESTIMATE FY 2008  
 (\$ in thousands)

| REVENUE SOURCE                 | Month         |                |           |         | Year-to-Date    |                  |           |        |
|--------------------------------|---------------|----------------|-----------|---------|-----------------|------------------|-----------|--------|
|                                | ACTUAL<br>MAY | REVISED<br>MAY | \$ VAR    | % VAR   | ACTUAL<br>Y-T-D | REVISED<br>Y-T-D | \$ VAR    | % VAR  |
| <b>TAX RECEIPTS</b>            |               |                |           |         |                 |                  |           |        |
| Non-Auto Sales & Use           | 545,935       | 540,000        | 5,935     | 1.1%    | 6,107,129       | 6,149,778        | (42,649)  | -0.7%  |
| Auto Sales & Use               | 93,407        | 88,000         | 5,407     | 6.1%    | 862,648         | 851,463          | 11,185    | 1.3%   |
| Subtotal Sales & Use           | 639,341       | 628,000        | 11,341    | 1.8%    | 6,969,777       | 7,001,241        | (31,464)  | -0.4%  |
| Personal Income                | 529,189       | 610,000        | (80,811)  | -13.2%  | 8,245,915       | 8,334,939        | (89,024)  | -1.1%  |
| Corporate Franchise            | 83,871        | 93,000         | (9,129)   | -9.8%   | 653,507         | 656,687          | (3,180)   | -0.5%  |
| Commercial Activity Tax        | 0             | 0              | 0         | N/A     | 0               | 0                | 0         | N/A    |
| Public Utility                 | 62,770        | 63,930         | (1,160)   | N/A     | 156,973         | 164,900          | (7,926)   | -4.8%  |
| Kilowatt Hour                  | 1,017         | (2,000)        | 3,017     | -150.8% | 226,540         | 220,817          | 5,723     | 2.6%   |
| Foreign Insurance              | 133           | (15,000)       | 15,133    | -100.9% | 272,440         | 256,682          | 15,759    | 6.1%   |
| Domestic Insurance             | 0             | 160,000        | (160,000) | N/A     | 435             | 161,333          | (160,898) | -99.7% |
| Other Business & Property Tax  | 0             | 17,800         | (17,800)  | -100.0% | 542             | 18,396           | (17,853)  | -97.1% |
| Cigarette                      | 148,155       | 150,000        | (1,845)   | -1.2%   | 874,959         | 886,053          | (11,094)  | -1.3%  |
| Soft Drink                     | 0             | 0              | 0         | N/A     | 0               | 0                | 0         | N/A    |
| Alcoholic Beverage             | 4,387         | 5,000          | (613)     | -12.3%  | 50,794          | 52,905           | (2,111)   | -4.0%  |
| Liquor Gallonage               | 2,770         | 2,800          | (30)      | -1.1%   | 31,780          | 32,184           | (404)     | -1.3%  |
| Estate                         | 9,021         | 17,000         | (7,979)   | -46.9%  | 59,434          | 58,025           | 1,409     | 2.4%   |
| Horse Racing                   | 0             | 0              | 0         | N/A     | 0               | 0                | 0         | N/A    |
| Total Tax Receipts             | 1,480,655     | 1,730,530      | (249,875) | -14.4%  | 17,543,097      | 17,844,160       | (301,063) | -1.7%  |
| <b>NON-TAX RECEIPTS</b>        |               |                |           |         |                 |                  |           |        |
| Federal Grants                 | 451,551       | 438,626        | 12,925    | 2.9%    | 5,423,496       | 5,372,988        | 50,508    | 0.9%   |
| Earnings on Investments        | 0             | 0              | 0         | N/A     | 83,073          | 81,390           | 1,683     | 2.1%   |
| License & Fees                 | 599           | 630            | (31)      | -4.9%   | 66,955          | 78,199           | (11,244)  | -14.4% |
| Other Income                   | 3,560         | 3,850          | (290)     | -7.5%   | 76,039          | 74,754           | 1,285     | 1.7%   |
| ISTV'S                         | 2,936         | 4,000          | (1,064)   | -26.6%  | 15,009          | 14,151           | 858       | 6.1%   |
| Total Non-Tax Receipts         | 458,646       | 447,106        | 11,540    | 2.6%    | 5,664,572       | 5,621,482        | 43,090    | 0.8%   |
| TOTAL REVENUES                 | 1,939,301     | 2,177,636      | (238,336) | -10.9%  | 23,207,669      | 23,465,643       | (257,973) | -1.1%  |
| <b>TRANSFERS</b>               |               |                |           |         |                 |                  |           |        |
| Budget Stabilization           | 0             | 0              | 0         | N/A     | 0               | 0                | 0         | N/A    |
| Liquor Transfers               | 0             | 11,000         | (11,000)  | -100.0% | 135,268         | 149,000          | (13,732)  | -9.2%  |
| Transfers In - Capital Reserve | 0             | 0              | 0         | N/A     | 0               | 0                | 0         | N/A    |
| Transfers In - Other           | 26,000        | 45,860         | (19,860)  | -43.3%  | 82,810          | 103,732          | (20,922)  | -20.2% |
| Temporary Transfers In         | 0             | 0              | 0         | N/A     | 466,800         | 466,800          | 0         | 0.0%   |
| Total Transfers                | 26,000        | 56,860         | (30,860)  | -54.3%  | 684,878         | 719,532          | (34,654)  | -4.8%  |
| TOTAL SOURCES                  | 1,965,301     | 2,234,496      | (269,196) | -12.0%  | 23,892,548      | 24,185,175       | (292,628) | -1.2%  |

**Table 3\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ESTIMATE FY 2008**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                |              | YEAR-TO-DATE      |                   |                |             |
|--|------------------|------------------|----------------|--------------|-------------------|-------------------|----------------|-------------|
|  | ACTUAL           | ESTIMATED        | \$             | %            | YTD               | YTD               | \$             | %           |
|  | MAY              | MAY              | VAR            | VAR          | ACTUAL            | ESTIMATE          | VAR            | VAR         |
| Primary, Secondary and Other Education         | 807,893          | 583,931          | 223,962        | 38.4%        | 6,645,861         | 6,563,199         | 82,661         | 1.3%        |
| Higher Education                               | 267,018          | 265,040          | 1,978          | 0.7%         | 2,380,364         | 2,470,955         | (90,590)       | -3.7%       |
| Public Assistance and Medicaid                 | 794,420          | 760,196          | 34,224         | 4.5%         | 9,889,955         | 9,857,083         | 32,872         | 0.3%        |
| Health and Human Services                      | 132,139          | 106,644          | 25,494         | 23.9%        | 1,226,200         | 1,248,796         | (22,597)       | -1.8%       |
| Justice and Public Protection                  | 169,688          | 137,738          | 31,949         | 23.2%        | 1,970,709         | 1,934,678         | 36,031         | 1.9%        |
| Environmental Protection and Natural Resources | 10,203           | 11,103           | (900)          | -8.1%        | 99,787            | 102,789           | (3,002)        | -2.9%       |
| Transportation                                 | 1,371            | 1,234            | 137            | 11.1%        | 22,182            | 26,459            | (4,276)        | -16.2%      |
| General Government                             | 19,971           | 18,395           | 1,577          | 8.6%         | 345,214           | 364,629           | (19,415)       | -5.3%       |
| Community and Economic Development             | 7,984            | 8,691            | (707)          | -8.1%        | 123,922           | 146,158           | (22,236)       | -15.2%      |
| Tax Relief and Other                           | 324,194          | 131,605          | 192,589        | 146.3%       | 1,340,149         | 1,133,301         | 206,847        | 18.3%       |
| Capital Outlay                                 | 80               | 150              | (70)           | -46.7%       | 146               | 1,521             | (1,375)        | -90.4%      |
| Debt Service                                   | 89               | 0                | 89             | N/A          | 578,503           | 597,121           | (18,618)       | -3.1%       |
| Pending Payroll                                | 0                | 0                | 0              | N/A          | 0                 | 0                 | 0              | N/A         |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,535,050</b> | <b>2,024,727</b> | <b>510,322</b> | <b>25.2%</b> | <b>24,622,992</b> | <b>24,446,690</b> | <b>176,302</b> | <b>0.7%</b> |
| <b>Transfers Out:</b>                          |                  |                  |                |              |                   |                   |                |             |
| OPER TRF OUT-OTH                               | 105              | 0                | 105            | N/A          | 268,686           | 145,278           | 123,408        | 84.9%       |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0              | N/A          | 350,104           | 466,800           | (116,696)      | -25.0%      |
| <b>Total Transfers (Out)</b>                   | <b>105</b>       | <b>0</b>         | <b>105</b>     | <b>N/A</b>   | <b>618,791</b>    | <b>612,078</b>    | <b>6,712</b>   | <b>1.1%</b> |
| <b>Total Fund Uses</b>                         | <b>2,535,154</b> | <b>2,024,727</b> | <b>510,427</b> | <b>25.2%</b> | <b>25,241,783</b> | <b>25,058,769</b> | <b>183,014</b> | <b>0.7%</b> |

**Table 4\***  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2008 VS ACTUAL FY 2007**  
(\$ in thousands)

| Functional Reporting Categories<br>Description | MONTH            |                  |                 |              | YEAR-TO-DATE      |                   |                  |               |
|--|------------------|------------------|-----------------|--------------|-------------------|-------------------|------------------|---------------|
|  | ACTUAL           | ACTUAL           | \$              | %            | ACTUAL            | ACTUAL            | \$               | %             |
|  | 2008             | 2007             | VAR             | VAR          | 2008              | 2007              | VAR              | VAR           |
| Primary, Secondary and Other Education         | 807,893          | 573,501          | 234,392         | 40.9%        | 6,645,861         | 6,350,327         | 295,534          | 4.7%          |
| Higher Education                               | 267,018          | 231,809          | 35,209          | 15.2%        | 2,380,364         | 2,248,575         | 131,789          | 5.9%          |
| Public Assistance and Medicaid                 | 794,420          | 1,048,572        | (254,152)       | -24.2%       | 9,889,955         | 9,570,745         | 319,210          | 3.3%          |
| Health and Human Services                      | 132,139          | 95,091           | 37,047          | 39.0%        | 1,226,200         | 1,211,069         | 15,131           | 1.2%          |
| Justice and Public Protection                  | 169,688          | 139,786          | 29,902          | 21.4%        | 1,970,709         | 1,893,113         | 77,596           | 4.1%          |
| Environmental Protection and Natural Resources | 10,203           | 9,931            | 272             | 2.7%         | 99,787            | 97,164            | 2,624            | 2.7%          |
| Transportation                                 | 1,371            | 1,184            | 187             | 15.8%        | 22,182            | 21,211            | 972              | 4.6%          |
| General Government                             | 19,971           | 17,316           | 2,656           | 15.3%        | 345,214           | 343,195           | 2,018            | 0.6%          |
| Community and Economic Development             | 7,984            | 6,820            | 1,164           | 17.1%        | 123,922           | 134,176           | (10,254)         | -7.6%         |
| Tax Relief and Other                           | 324,194          | 97,385           | 226,810         | 232.9%       | 1,340,149         | 1,086,033         | 254,115          | 23.4%         |
| Capital Outlay                                 | 80               | 0                | 80              | N/A          | 146               | 134               | 12               | 8.9%          |
| Debt Service                                   | 89               | 0                | 89              | N/A          | 578,503           | 512,711           | 65,792           | 12.8%         |
| Pending Payroll                                | 0                | 0                | 0               | N/A          | 0                 | 0                 | 0                | N/A           |
| <b>Total Expenditures &amp; ISTV's</b>         | <b>2,535,050</b> | <b>2,221,394</b> | <b>313,655</b>  | <b>14.1%</b> | <b>24,622,992</b> | <b>23,468,452</b> | <b>1,154,540</b> | <b>4.9%</b>   |
| <b>Transfers Out:</b>                          |                  |                  |                 |              |                   |                   |                  |               |
| OPER TRF OUT-BUD STABILIZATION                 | 0                | 0                | 0               | N/A          | 0                 | 394,034           | (394,034)        | N/A           |
| OPER TRF OUT-OTH                               | 105              | 15,387           | (15,282)        | N/A          | 268,686           | 59,016            | 209,671          | 355.3%        |
| OPER TRF OUT-TEMPORARY                         | 0                | 0                | 0               | N/A          | 350,104           | 287,414           | 62,690           | 21.8%         |
| <b>Total Transfers (Out)</b>                   | <b>105</b>       | <b>15,387</b>    | <b>(15,282)</b> | <b>N/A</b>   | <b>618,791</b>    | <b>740,463</b>    | <b>(121,672)</b> | <b>-16.4%</b> |
| <b>Total Fund Uses</b>                         | <b>2,535,154</b> | <b>2,236,781</b> | <b>298,373</b>  | <b>13.3%</b> | <b>25,241,783</b> | <b>24,208,915</b> | <b>1,032,868</b> | <b>4.3%</b>   |