

**STATE OF ARIZONA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
APPROPRIATION (BUDGET) TO ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2007
(expressed in thousands)**

REVENUES:	Appropriation (Budget)	Actual	Favorable (Unfavorable)
Taxes:			
Sales and Use	4,619,500	\$ 4,538,810	\$ (80,690)
Income	4,856,651	4,090,276	(766,375)
Property	28,000	28,433	433
Luxury	67,500	65,809	(1,691)
Insurance Premium	394,356	398,450	4,094
Motor Vehicle License	0	686	686
Estate	200	(551)	(751)
Other Taxes	781	734	(47)
Total Tax Revenues	<u>\$ 9,966,988</u>	<u>\$ 9,122,647</u>	<u>\$ (844,341)</u>
Non-Tax Revenues:			
Lottery Proceeds	\$ 46,959	\$ 52,922	\$ 5,963
Disproportionate Share, Net	113,127	113,127	0
Licenses, Fees, Sales and Permits	103,635	102,663	(972)
Other Miscellaneous	74,206	56,008	(18,198)
Interest Earnings	96,000	104,756	8,756
Total Non-Tax Revenues	<u>\$ 433,927</u>	<u>\$ 429,476</u>	<u>\$ (4,451)</u>
TOTAL REVENUES	<u>\$ 10,400,915</u>	<u>\$ 9,552,123</u>	<u>\$ (848,792)</u>
EXPENDITURES:			
General Government	\$ 910,608	\$ 842,625	\$ 67,983
Health and Welfare	2,581,206	2,480,757	100,449
Inspection and Regulation	49,539	46,163	3,376
Education	5,806,175	5,713,132	93,043
Protection and Safety	1,112,644	1,074,694	37,950
Transportation	1,188	1,188	(0)
Natural Resources	81,710	80,829	881
TOTAL EXPENDITURES	<u>\$ 10,543,070</u>	<u>\$ 10,239,388</u>	<u>\$ 303,682</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (142,155)</u>	<u>\$ (687,265)</u>	<u>\$ (545,110)</u>
OTHER FINANCING SOURCES (USES):			
General Fund			
Transfers In and Reimbursements	\$ 35,914	\$ 69,748	\$ 33,834
Transfers Out to Budget Stabilization Fund	0	(9,809)	(9,809)
Budget Stabilization Fund			
Interest Earnings	0	29,069	29,069
Transfer In from General Fund	0	9,809	9,809
Transfers Out - Alternative Fuel Recovery	0	(7)	(7)
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 35,914</u>	<u>\$ 98,810</u>	<u>\$ 62,896</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (106,241)</u>	<u>\$ (588,455)</u>	<u>\$ (482,214)</u>
FUND BALANCE, JULY 1, 2006	<u>1,773,058</u>	<u>1,773,058</u>	<u>0</u>
FUND BALANCE, JUNE 30, 2007	<u>\$ 1,666,817</u>	<u>\$ 1,184,603</u>	<u>\$ (482,214)</u>

See accompanying notes to financial statements