

**STATE OF ARIZONA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2007 AND 2006
(expressed in thousands)**

REVENUES:	Fiscal Year 2006-2007	Fiscal Year 2005-2006	Increase (Decrease)
Taxes:			
Sales and Use	\$ 4,538,810	\$ 3,954,591	\$ 584,219
Income	4,090,276	4,089,779	497
Property	28,433	29,117	(684)
Luxury	65,809	66,732	(923)
Insurance Premium	398,450	373,704	24,746
Motor Vehicle License	686	587	99
Estate	(551)	11,684	(12,235)
Other Taxes	734	798	(64)
Total Tax Revenues	<u>\$ 9,122,647</u>	<u>\$ 8,526,992</u>	<u>\$ 595,655</u>
Non-Tax Revenues:			
Lottery Proceeds	\$ 52,922	\$ 45,778	\$ 7,144
Disproportionate Share, Net	113,127	108,004	5,123
Licenses, Fees, Sales and Permits	102,663	90,692	11,971
Other Miscellaneous	56,008	46,398	9,610
Interest Earnings	104,756	74,320	30,436
Total Non-Tax Revenues	<u>\$ 429,476</u>	<u>\$ 365,192</u>	<u>\$ 64,284</u>
TOTAL REVENUES	<u>\$ 9,552,123</u>	<u>\$ 8,892,184</u>	<u>\$ 659,939</u>
EXPENDITURES:			
General Government	\$ 842,625	\$ 503,623	\$ 339,002
Health and Welfare	2,480,757	2,156,671	324,086
Inspection and Regulation	46,163	42,924	3,239
Education	5,713,132	4,416,348	1,296,784
Protection and Safety	1,074,694	841,877	232,817
Transportation	1,188	76	1,112
Natural Resources	80,829	72,498	8,331
TOTAL EXPENDITURES	<u>\$ 10,239,388</u>	<u>\$ 8,034,017</u>	<u>\$ 2,205,371</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (687,265)</u>	<u>\$ 858,167</u>	<u>\$ (1,545,432)</u>
OTHER FINANCING SOURCES (USES):			
General Fund			
Transfers In	\$ 69,748	\$ 44,822	\$ 24,926
Transfers Out to Budget Stabilization Fund	(9,809)	(480,958)	471,149
Budget Stabilization Fund			
Interest Earnings	29,069	9,270	19,799
Transfer In from General Fund	9,809	480,958	(471,149)
Transfers Out - Alternative Fuel Recovery	(7)	(81)	74
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 98,810</u>	<u>\$ 54,011</u>	<u>\$ 44,799</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (588,455)</u>	<u>\$ 912,178</u>	<u>\$ (1,500,633)</u>
BEGINNING FUND BALANCES	<u>1,773,058</u>	<u>860,880</u>	<u>912,178</u>
ENDING FUND BALANCES	<u><u>\$ 1,184,603</u></u>	<u><u>\$ 1,773,058</u></u>	<u><u>\$ (588,455)</u></u>

See accompanying notes to financial statements