

**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, 2008
(expressed in thousands)**

REVENUES:	Appropriation (Budget)	Actual	Favorable (Unfavorable)
Taxes:			
Sales and Use	\$ 4,526,269	\$ 4,434,845	\$ (91,424)
Income	3,672,380	3,506,425	(165,955)
Property	24,000	22,910	(1,090)
Luxury	63,128	61,037	(2,091)
Insurance Premium	414,356	407,712	(6,644)
Motor Vehicle License	0	915	915
Estate	235	320	85
Other Taxes	600	443	(157)
Total Tax Revenues	<u>\$ 8,700,968</u>	<u>\$ 8,434,607</u>	<u>\$ (266,361)</u>
Non-Tax Revenues:			
Lottery Proceeds	\$ 44,725	\$ 47,420	\$ 2,695
Disproportionate Share, Net	73,570	72,189	(1,381)
Licenses, Fees, Sales and Permits	40,854	102,070	61,216
Other Miscellaneous	156,551	118,741	(37,810)
Interest Earnings	87,839	95,161	7,322
Total Non-Tax Revenues	<u>\$ 403,539</u>	<u>\$ 435,581</u>	<u>\$ 32,042</u>
TOTAL REVENUES	<u>\$ 9,104,507</u>	<u>\$ 8,870,188</u>	<u>\$ (234,319)</u>
EXPENDITURES:			
General Government	\$ 647,418	\$ 600,637	\$ 46,781
Health and Welfare	2,759,949	2,688,720	71,229
Inspection and Regulation	50,126	48,489	1,637
Education	5,781,970	5,651,242	130,728
Protection and Safety	1,151,931	1,118,168	33,763
Transportation	85	76	9
Natural Resources	78,858	77,852	1,006
TOTAL EXPENDITURES	<u>\$ 10,470,337</u>	<u>\$ 10,185,184</u>	<u>\$ 285,153</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (1,365,830)</u>	<u>\$ (1,314,996)</u>	<u>\$ 50,834</u>
OTHER FINANCING SOURCES (USES):			
General Operating Fund			
Transfers In	\$ 331,629	\$ 322,122	\$ (9,507)
Transfers In from Budget Stabilization Fund	587,000	560,208	(26,792)
Budget Stabilization Fund			
Interest Earnings	0	33,889	33,889
Transfer Out to General Operating Fund	(587,000)	(560,208)	26,792
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 331,629</u>	<u>\$ 356,011</u>	<u>\$ 24,382</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ (1,034,201)</u>	<u>(958,985)</u>	<u>\$ 75,216</u>
FUND BALANCE, JULY 1, 2007 (as restated)	<u>1,196,371</u>	<u>1,196,371</u>	<u>0</u>
FUND BALANCE, JUNE 30, 2008	<u>\$ 162,170</u>	<u>\$ 237,386</u>	<u>\$ 75,216</u>

See accompanying notes to financial statements.