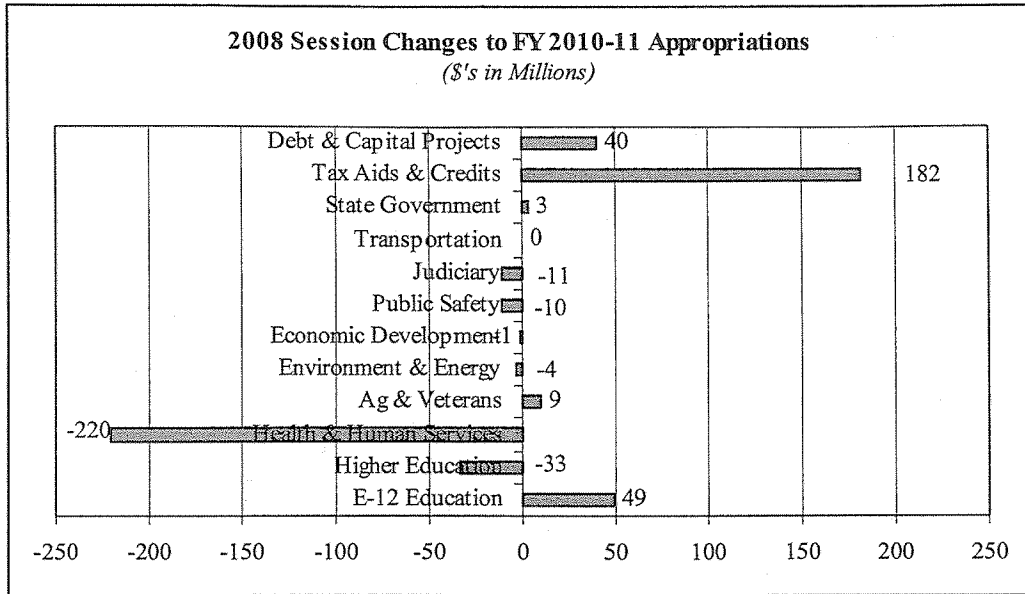


General Fund Budget Status 2008 End-of-Session

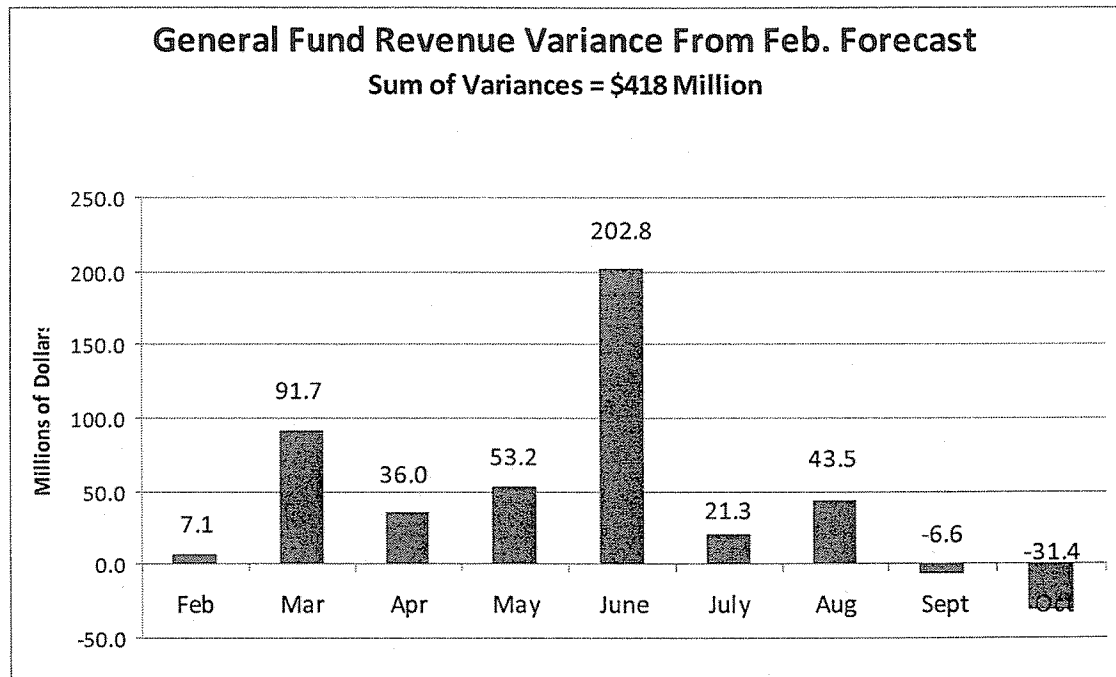
FY 2008-09 General Fund Budget Balance, 2008 End-of-Session			
(\$'s in millions)	Feb. 08 Forecast	2008 Leg. Changes	Current Budget
Resources:			
Balance Forward	2,245		2,245
Revenues & Transfers-in	32,542		32,857
Tax Revenue Changes		171	
Non-Tax Revenue Changes		35	
<u>Transfers-In</u>		<u>110</u>	
Net Change		315	
Uses:			
Expenditures	34,718		34,593
Additional Spending		143	
<u>Spending Reductions</u>		<u>(268)</u>	
Net Change		(125)	
Reserves	1,003	(500)	503
Budget Balance	(935)		6

FY 2010-2011 Planning Estimates 2008 End-of-Session			
(\$'s in millions)	Feb. 08 Forecast	2008 Legislative Changes	FY 2010-11
Resources:			
Balance Forward	1,003		509
Reduced Budget Reserve		(500)	
Unreserved FY08-09		6	
Balance			
Revenues & Transfers-in	35,044		35,187
Tax Revenue Changes		125	
Non-Tax Revenue Changes		14	
<u>Transfers-In</u>		<u>4</u>	
Net Change		143	
Uses:			
Expenditures	36,130		36,133
Additional Spending		352	
<u>Spending Reductions</u>		<u>(349)</u>	
Net Change		3	
Reserves	1,003		503
Budget Balance	(1,086)		(940)
<i>Planning Estimate Inflation</i>	(1,040)		(1,040)
<i>Inflation Adjusted Shortfall</i>	(2,126)		(1,980)

Where did the FY 2010-11 appropriation changes come from by budget area?



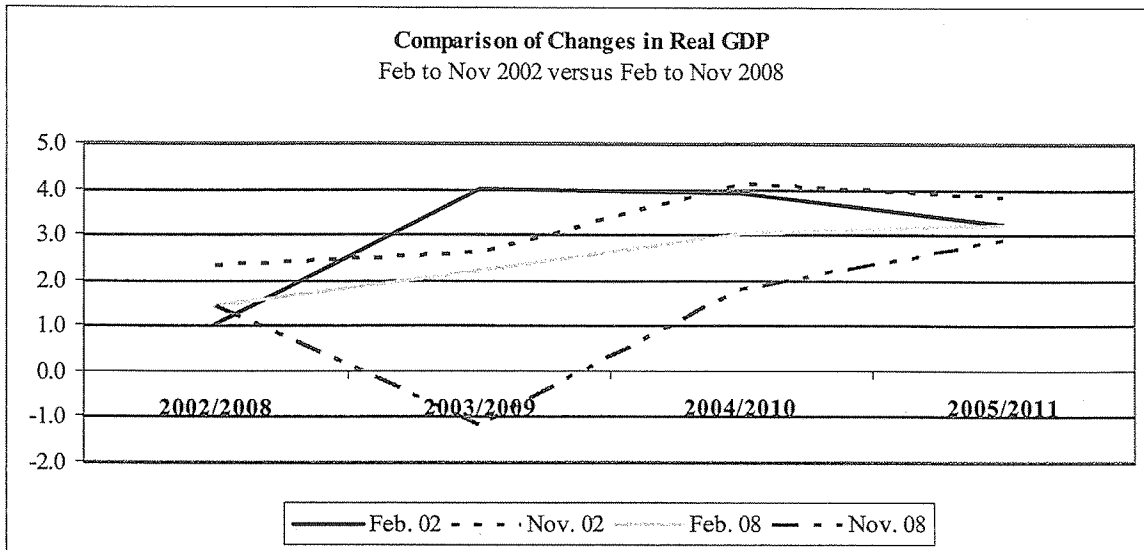
FY 2008-2009: What has happened since May 2008 (02-08 Forecast)?



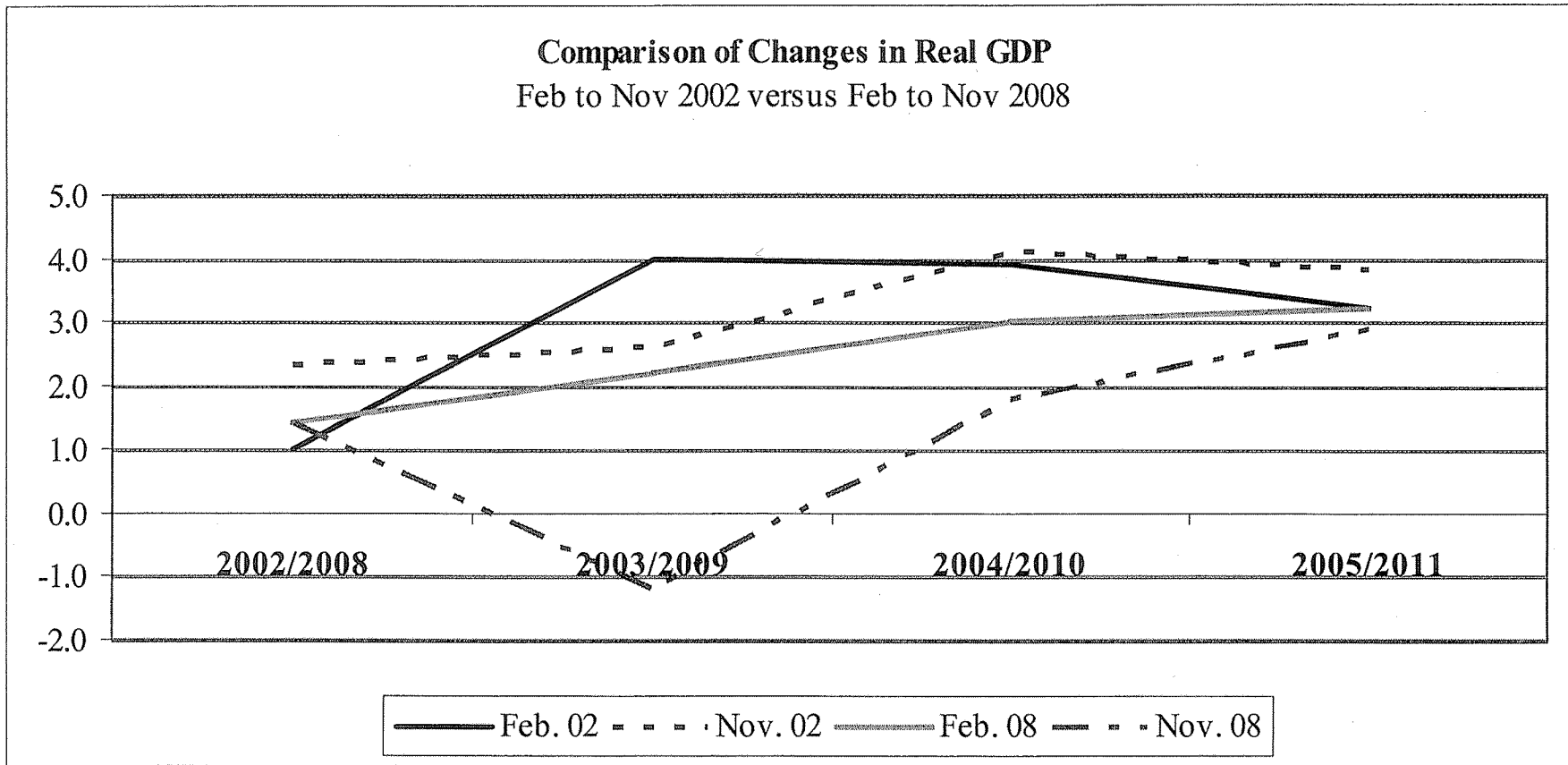
Why were revenue collections above forecast? US Real GDP showed the economy continued to expand in the first two quarters of 2008.

	08Q1	08Q2	08Q3	08Q4
February 2008 Forecast	-0.4	-0.5	3.4	2.7
Global Insights (11/08)	0.9	2.8	-0.3	-3.3

Comparison of Real GDP Changes — Nov. 2002 –v- Nov. 2008



Comparison of Real GDP Changes — Nov. 2002 –v- Nov. 2008



	2002/2008	2003/2009	2004/2010	2005/2011
Feb-02	1.0	4.0	3.9	3.2
Nov-02	2.3	2.6	4.1	3.8
Feb-08	1.4	2.2	3	3.2
Nov-08	1.4	-1.2	1.8	2.9