

FY 2001 GENERAL FUND ADJUSTMENTS ^{1/}

	<u>Original Forecast 2/</u>	<u>Change</u>	<u>Revised Estimate</u>
REVENUES			
Balance Forward	\$ 180,150,200	\$ 22,805,800	\$ 202,956,000
Revenue	6,271,190,200	23,746,500	6,294,936,700
Other Bills - 2001 Regular Session	<u>-</u>	<u>(19,789,600)</u>	<u>(19,789,600)</u>
TOTAL REVENUES	\$6,451,340,400	\$ 26,762,700	\$6,478,103,100
EXPENDITURES			
Original Operating Budget	\$6,364,936,900	\$ (371,500)	\$6,364,565,400
- Laws 2000, Chapter 1, 7th Special Session	-	17,854,400	17,854,400
- Proposition 106 (Enacted in November, 2000)	-	6,000,000	6,000,000
- Supplemental Adjustments - 2001 Regular Session	-	162,500	162,500
Other Bills - 2001 Regular Session	<u>-</u>	<u>(19,660,000)</u>	<u>(19,660,000)</u>
Subtotal - Operating Budget	\$6,364,936,900	\$ 3,985,400	\$6,368,922,300
Original Capital Outlay	\$35,687,500	-	\$35,687,500
Administrative Adjustments	33,000,000	4,000,000	37,000,000
Revertments	<u>(74,000,000)</u>	<u>7,800,000</u>	<u>(66,200,000)</u>
TOTAL EXPENDITURES	\$6,359,624,400	\$15,785,400	\$6,375,409,800
FY 2001 Set-Aside	<u>54,780,500</u>	<u>(54,780,500)</u>	<u>-</u>
ENDING BALANCE	\$36,935,500	\$65,757,800	\$102,693,300

1/ This General Fund statement reflects the status of the FY 2001 budget as of the adjournment of the 2001 Regular Session.

2/ The original forecast reflects the FY 2001 budget as of the adjournment of the 2000 Regular Session.

The FY 2000 and FY 2001 budgets were the first biennial budget approved by the Arizona Legislature since the 1950s. The FY 2001 budget shown in the Original Forecast column includes several adjustments made during the 2000 Session. Details on those adjustments can be found in the FY 2000 and FY 2001 Supplemental Adjustments Appropriations Report.

During the 2001 Session, 2 bills decreased FY 2001 General Fund revenues by \$(20,975,600). The bills included changes required by Internal Revenue Code conformity and a decrease in Disproportionate Share Hospitals (DSH) revenue due to reduced withholding from county sales tax revenue.

Laws 2000, Chapter 1, 7th Special Session appropriated a total of \$1,854,400 for administrative costs associated with revising the state's alternative fuel vehicle (AFV) tax credit program. In addition, the State Treasurer was required to transfer no more than \$16.0 million from the General Fund to the Budget Stabilization Fund, since the latter is paying for the initial cost of the AFV credits. In addition, Proposition 106, enacted at the 2000 General

Election, appropriated \$6,000,000 for the newly created Independent Redistricting Commission.

FY 2001 General Fund operating budget supplemental adjustments enacted during the 2001 Regular Session (Laws 2001, Chapter 232) increased operating budgets by \$162,500. This included \$18,643,500 in increased spending, of which \$14,863,600 was for the Department of Education, and \$18,481,000 in spending reductions. Of the spending reductions, \$14,948,600 was due to funding shifts related to the Temporary Assistance to Needy Families Block Grant.

Other bills in the 2001 Session reduced FY 2001 expenditures by \$19,660,000. The net decrease was the result of \$20,382,600 in ex-appropriations in the AHCCCS budget related to the DSH program and an increase of \$722,600 to pay amounts the state owes from prior fiscal years.

The administrative adjustments estimate was increased and the revertment estimate decreased due to agencies using more of their appropriations than was originally projected.