

10 Year History of General Fund Expenditures (FY 2003 - FY 2012)
(\$ in Millions)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>10-Year Average</u>
Inflation (GDP Deflator - Global Insight)	1.9%	2.5%	3.1%	3.3%	3.1%	2.5%	1.7%	1.2%	1.3%	1.7%	2.2%
<u>Population ('03-'10 - Arizona EPS, '11-'12 - Western Blue Chip)</u>	<u>2.6%</u>	<u>3.1%</u>	<u>3.5%</u>	<u>3.2%</u>	<u>2.6%</u>	<u>1.5%</u>	<u>0.3%</u>	<u>0.2%</u>	<u>1.1%</u>	<u>1.5%</u>	<u>2.0%</u>
Total (compounded)	4.5%	5.7%	6.7%	6.6%	5.8%	4.0%	2.0%	1.4%	2.4%	3.2%	4.2%
Total Expenditures:	6,040.6	6,515.8	7,545.1	8,768.4	10,200.5	10,037.2	8,754.4	7,851.5	8,334.3	8,317.6	-
Annual % Growth	-4.7%	7.9%	15.8%	16.2%	16.3%	-1.6%	-12.8%	-10.3%	6.1%	-0.2%	2.7%
<i>Above/(Below) Inflation and Population Growth</i>	-9.3%	2.2%	9.1%	9.6%	10.6%	-5.6%	-14.8%	-11.7%	3.7%	-3.4%	-1.5%
Operating Expenditures (less Prop 301) w/o Major 1-Time Expenses or Savings:	6,221.9 <u>2/</u>	6,625.3 <u>3/</u>	7,229.5 <u>4/</u>	8,246.1 <u>5/</u>	9,475.3 <u>6/</u>	10,360.4 <u>7/</u>	10,029.5 <u>8/</u>	9,906.8 <u>9/</u>	9,398.6 <u>10/</u>	8,276.5 <u>11/</u>	-
Annual % Growth	-2.2%	6.5%	9.1%	14.1%	14.9%	9.3%	-3.2%	-1.2%	-5.1%	-11.9%	4.0%
<i>Above/(Below) Inflation and Population Growth</i>	-6.7%	0.8%	2.4%	7.5%	9.1%	5.3%	-5.2%	-2.6%	-7.5%	-15.2%	-0.2%
Operating Expenditures w/o 1-Time & SFB: <u>12/</u>	6,182.1	6,602.5	7,110.9	7,851.7	9,061.6	9,879.1	9,941.8	9,802.1	9,271.0	8,112.4	-
Annual % Growth	3.4%	6.8%	7.7%	10.4%	15.4%	9.0%	0.6%	-1.4%	-5.4%	-12.5%	4.7%
<i>Above/(Below) Inflation and Population Growth</i>	-1.1%	1.1%	1.0%	3.8%	9.6%	5.0%	-1.4%	-2.8%	-7.8%	-15.7%	0.4%

1/ All years exclude Prop 301, capital, Budget Stabilization Fund Deposits, and administrative adjustments & revertsments.

2/ For FY 2003, same as footnote 1, but also excludes \$191 million in K-12 rollover savings.

3/ For FY 2004, same as footnote 1, but also excludes \$97.4 million in one-time Federal Match Rate savings.

4/ For FY 2005, same as footnote 1, but also excludes \$100 million in one-time School Facilities Board Deficiencies Correction costs, \$134 million in one-time Ladewig lawsuit settlement costs and \$156 million one-time Budget Stabilization Fund deposit.

5/ For FY 2006, same as footnote 1, but also excludes \$58.3 million in litigation payments, \$10.0 million in other General Fund transfers, and \$5.5 million in new one-time expenditures. See pages BH-4 and BH-5 of *FY 2007 Appropriations Report* for more details. The \$191 million K-12 rollover payoff and \$35 million 21st Century Fund transfers were made in FY 2007 instead of FY 2006 as discussed on pages BH-4 and BH-

6/ For FY 2007, same as footnote 1, but also excludes \$109.8 million in litigation payments, \$191.0 million to pay off K-12 rollover; \$56.4 million in other GF transfers, and \$68.3 million in new one-time expenditures. See pages BH-4 and BH-5 of *FY 2008 Appropriations Report* for more details.

7/ For FY 2008, same as footnote 1, but also excludes \$25.0 million in other GF transfers, \$(13.4) million in statutory revertsments, and \$(359.2) million in new one-time savings. See pages BH-4 and BH-5 of *FY 2009 Appropriations Report* for more details.

8/ For FY 2009, same as footnote 1, but also excludes \$(2.2) million in net capital reversions, \$(50.0) million in statutory revertsments, \$(500.0) million in temporary federal assistance, \$(125.0) million in payment deferrals, and \$(630.0) of K-12 rollover savings. See page BH-6 of *FY 2010 Appropriations Report* for more details.

9/ For FY 2010, same as footnote 1, but also excludes \$10.0 million in net capital expenditures, \$(6.7) million in statutory reversions, \$(1.42) billion in temporary federal assistance, and \$(567.0) million in new payment deferrals.

10/ For FY 2011, same as footnote 1, but also excludes \$4.0 million in net capital expenditures, \$(973.4) million in temporary federal assistance, and \$(60.0) million in School Facilities Board debt refinance savings. See page BH-4 of *FY 2012 Appropriations Report* for more details.

11/ For FY 2012, same as footnote 1, but also excludes \$79.0 million in expenditures related to an additional 27th pay period for state employees. See page BH-4 of *FY 2012 Appropriations Report* for more details.

12/ Same as footnote 1, but also excludes SFB ongoing appropriations.