

# *Presentation to the Legislature on Alabama's Financial Condition*



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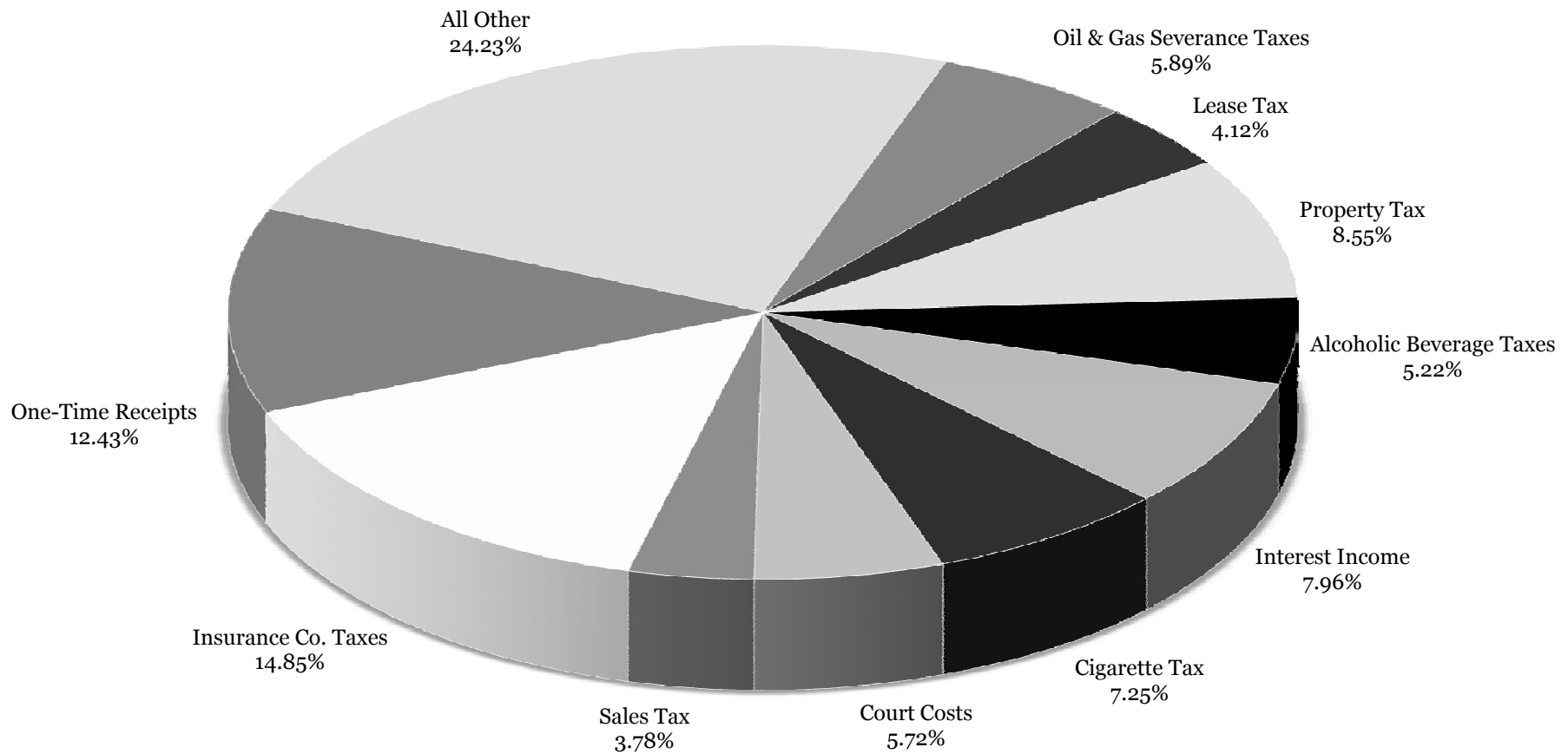
December 14, 2009

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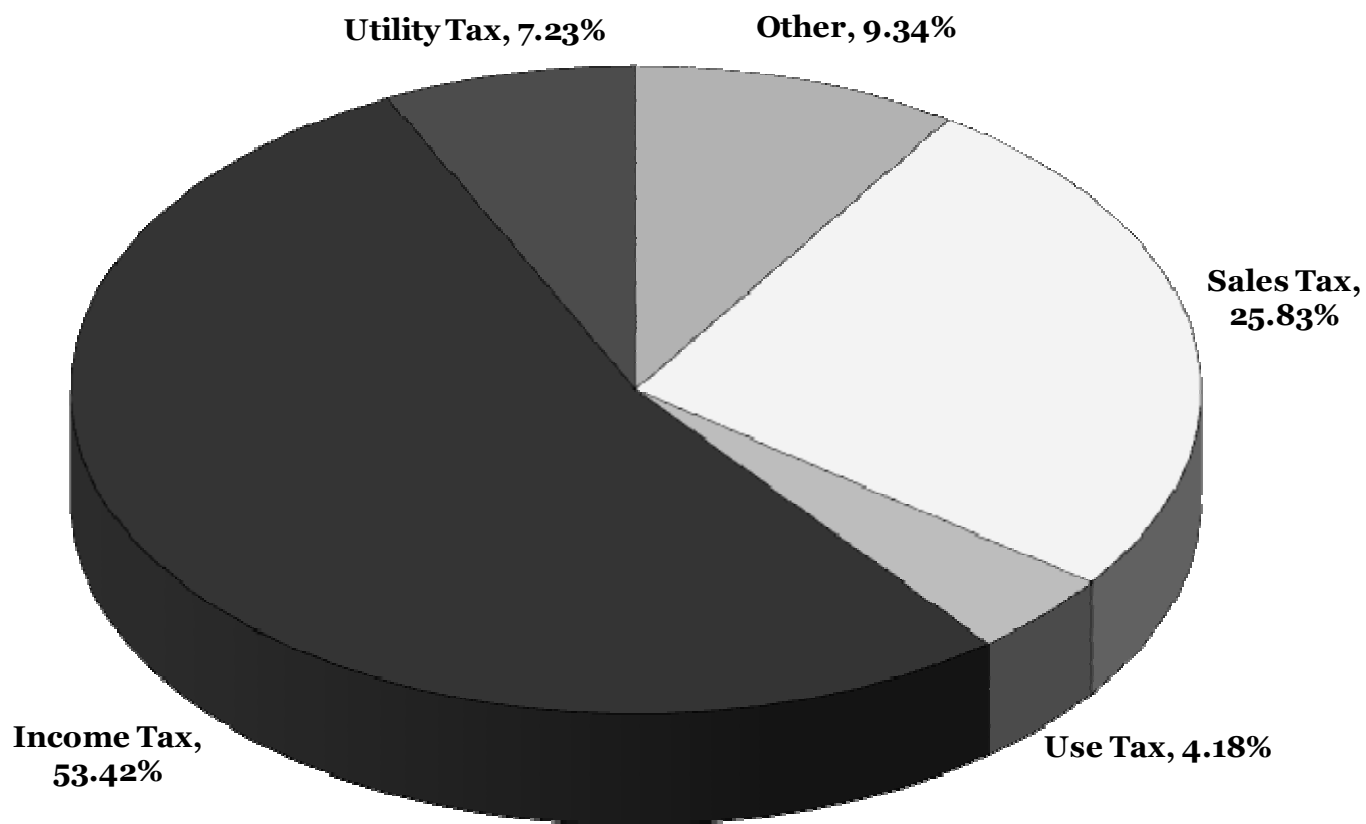
# Appropriation of All State Funds FY 2010

	STATE GENERAL FUND	% OF SGF TOTAL	EDUCATION TRUST FUND (1)	% OF ETF TOTAL	OTHER STATE FUNDS (2)	% OF OTHER TOTAL	TOTAL STATE FUNDS
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GENERAL APPROPRIATION ACTS:							
LEGISLATIVE BRANCH	68,079,128	4.34%	16,013,993	0.30%	150,000	0.00%	84,243,121
JUDICIAL BRANCH	228,018,036	14.53%			22,413,329	0.71%	250,431,365
EXECUTIVE BRANCH:							
ABC BOARD					80,196,354	2.54%	80,196,354
AGRICULTURE & FORESTRY	39,629,095	2.53%			29,163,197	0.93%	68,792,292
CONSERVATION	275,000	0.02%			99,871,850	3.17%	100,146,850
CORRECTIONS & YOUTH SERVICES	269,700,665	17.19%	50,443,380	0.95%	53,491,569	1.70%	373,635,614
HUMAN RESOURCES	108,774,042	6.93%	12,952,966	0.24%	142,707,477	4.53%	264,434,485
MEDICAID	307,968,537	19.63%			620,295,829	19.68%	928,264,366
MENTAL HEALTH	100,752,355	6.42%	473,335	0.01%	208,874,302	6.63%	310,099,992
PUBLIC HEALTH	91,204,432	5.81%	14,583,752	0.27%	258,569,818	8.20%	364,358,002
PUBLIC SAFETY	79,452,727	5.06%			54,875,000	1.74%	134,327,727
REVENUE	348,800	0.02%			131,371,060	4.17%	131,719,860
TRANSPORTATION					503,878,261	15.98%	503,878,261
DEBT SERVICE					100,482,398	3.19%	100,482,398
NON-STATE APPROPRIATIONS	1,711,213	0.11%			870,600	0.03%	2,581,813
OTHER APPROPRIATIONS	273,298,260	17.42%	113,233,965	2.13%	642,502,426	20.38%	1,029,034,651
ETF APPROPRIATION ACTS:							
K - 12 FOUNDATION PROGRAM			3,660,412,436	68.77%	202,563,762	6.43%	3,862,976,198
POSTSECONDARY EDUCATION			366,054,347	6.88%			366,054,347
UNIVERSITIES (INCLUDING ACHE)			1,085,401,642	20.39%			1,085,401,642
DEBT SERVICE			2,984,761	0.06%			2,984,761
TOTALS (3)	1,569,212,290	100.00%	5,322,554,577	100.00%	3,152,277,232	100.00%	10,044,044,099
Appropriations as of 11/30/2009.							
(1) ETF appropriations are after proration reductions and include reversions reappropriated.							
(2) Includes taxes, fees and charges collected by state agencies, Children First Trust Fund and tobacco settlement fund appropriations as well as reversions reappropriated; does not include bond proceeds, interagency transfers or federal funds.							
(3) Totals may not add due to rounding.							

# Sources of Revenue to the State General Fund FY 2009



# Sources of Revenue to the Education Trust Fund FY 2009



# Condition of the State General Fund Fiscal Year 2008 & Fiscal Year 2009

	FY 2008	FY 2009	Difference
<b>BEGINNING BALANCE</b>	<b>239,088,035</b>	<b>218,986,877</b>	<b>-20,101,158</b>
Receipts	1,533,816,343	1,380,211,423	-153,604,920
Transfers and Reversions	53,732,885	23,525,362	-30,207,523
Additional transfer from business privilege tax escrow	19,000,000	108,000,000	89,000,000
Exxon Lawsuit	85,750,235		-85,750,235
Alabama Trust Fund Unrealized Gains	117,267,060		-117,267,060
Transfer from pharmaceutical settlements	4,746,080	52,034,871	47,288,791
Transfer from Incentives Financing Authority		38,800,000	38,800,000
<b>TOTAL RECEIPTS</b>	<b>1,814,312,603</b>	<b>1,602,571,656</b>	<b>-211,740,947</b>
<b>TOTAL AVAILABLE</b> (beginning balance plus total receipts)	<b>2,053,400,638</b>	<b>1,821,558,533</b>	<b>-231,842,105</b>
Appropriations	1,883,293,743	2,066,255,445	182,961,702
Changes:			
Reduction in Medicaid appropriation		-165,000,000	-165,000,000
FMAP savings in other state agencies		-60,425,742	-60,425,742
Reductions from Object 1800		-53,498,729	-53,498,729
Reversions	-48,879,982	-71,203,257	-22,323,275
<b>TOTAL APPROPRIATIONS AND OBLIGATIONS</b>	<b>1,834,413,761</b>	<b>1,716,127,717</b>	<b>-118,286,044</b>
<b>ENDING BALANCE</b>	<b>218,986,877</b>	<b>105,430,816</b>	<b>-113,556,061</b>

# Projected Condition of the State General Fund Fiscal Year 2010 & Fiscal Year 2011

			Change From FY 2010
	FY 2010	FY 2011	FY 2010
<b>BEGINNING BALANCE</b>	<b>105,430,816</b>	<b>0</b>	-105,430,816
LFO estimated receipts	1,314,900,000	1,347,490,000	32,590,000
Transfers and reversions	28,892,365	5,000,000	-23,892,365
<b>TOTAL RECEIPTS</b>	<b>1,343,792,365</b>	<b>1,352,490,000</b>	8,697,635
<b>TOTAL AVAILABLE</b> (beginning balance plus total receipts)	<b>1,449,223,181</b>	<b>1,352,490,000</b>	-96,733,181
Appropriations	1,527,190,093		
General Fund FY 2009 reversions reappropriated	42,022,197		
<b>TOTAL APPROPRIATIONS AND OBLIGATIONS (as of 11/30/2009)</b>	<b>1,569,212,290</b>		
<b>ENDING BALANCE</b>	<b>-119,989,109</b>		

# Effect of Federal Stimulus Funds on State General Fund Expenditures

	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2011 reduction</b>
Total State General Fund appropriations	1,834,413,761	1,716,127,717	1,569,212,290	1,352,490,000	
Federal stimulus funds used to replace SGF dollars					
Medicaid FMAP		290,734,130	322,653,180	83,277,244	
Other agencies with Medicaid FMAP		63,349,618	72,219,688	18,544,715	
Corrections - Fiscal Stabilization Funds			118,586,000		
Departmental Emergency Fund - Fiscal Stabilization Funds			14,100,000		
Total federal stimulus funds used		354,083,748	527,558,868	101,821,959	
Total SGF plus federal stimulus	1,834,413,761	2,070,211,465	2,096,771,158	1,454,311,959	-642,459,199

# Federal Stimulus Funds – Non-Education

Department	Amount
ADECA	\$ 228,121,137
ADEM	\$ 67,494,200
Ag. & Industries	\$ 1,000,000
DHR	\$ 64,300,813
DIR	\$ 32,469,774
Finance Dept.	\$ 2,000,000
Medicaid	\$ 689,426,547
DMH	\$ 92,215,249
Public Health	\$ 29,904,169
Sr. Services	\$ 9,389,984
DOT	\$ 513,692,083
Fiscal Stab. Funds	\$ 132,686,000
<i>Corrections</i>	\$ 118,586,000
<i>Dept. Emer. Fund</i>	\$ 14,100,000
Other (not included in state budgets)	\$ 308,038,244
<b>Total</b>	<b>\$ 2,170,738,200</b>



# Condition of the Education Trust Fund Fiscal Year 2008 & Fiscal Year 2009

	Actual FY 2008	Actual FY 2009	Difference
Beginning balance	275,717,027	0	-275,717,027
Beginning balance reserved for October 1 debt service payment	4,328,000		-4,328,000
<b>TOTAL BEGINNING BALANCE</b>	<b>280,045,027</b>	<b>0</b>	<b>-280,045,027</b>
Receipts	5,943,258,156	5,241,600,057	-701,658,099
PSCA Repayment for Enterprise City Schools	32,000,000		-32,000,000
Transfer from Proration Prevention Account/Rainy Day Account	439,372,515	437,520,418	-1,852,097
<b>TOTAL RECEIPTS</b>	<b>6,414,630,671</b>	<b>5,679,120,475</b>	<b>-735,510,196</b>
<b>TOTAL AVAILABLE</b> (beginning balance plus total receipts)	<b>6,694,675,698</b>	<b>5,679,120,475</b>	<b>-1,015,555,223</b>
Appropriations	6,729,089,656	5,707,308,868	-1,021,780,788
Reversions and Adjustments	-34,413,958	-28,188,393	6,225,565
<b>TOTAL EXPENDITURES</b>	<b>6,694,675,698</b>	<b>5,679,120,475</b>	<b>-1,015,555,223</b>
<b>ENDING BALANCE</b>	<b>0</b>	<b>0</b>	

# Projected Condition of the Education Trust Fund Fiscal Year 2010 & Fiscal Year 2011

			Change from
	FY 2010	FY 2011	FY 2010
<b>BEGINNING BALANCE</b>	<b>0</b>	<b>0</b>	
LFO estimates	5,312,193,296	5,270,693,296	-41,500,000
DHR Food Stamp Reversion	11,028,645	18,600,000	7,571,355
Other transfers and reversions	778,059	706,704	-71,355
<b>TOTAL RECEIPTS</b>	<b>5,324,000,000</b>	<b>5,290,000,000</b>	<b>-34,000,000</b>
<b>TOTAL AVAILABLE</b> (beginning balance plus total receipts)	<b>5,324,000,000</b>	<b>5,290,000,000</b>	<b>-34,000,000</b>
Appropriations as of the date of enactment	5,726,000,000		
Changes:			
SDE - per court order	225,000		
Reappropriation of FY 2009 Reversions	23,029,976		
Less 7.5% Proration	-426,700,399		
<b>TOTAL APPROPRIATIONS AND OBLIGATIONS (as of 11/30/2009)</b>	<b>5,322,554,577</b>		
<b>ENDING BALANCE</b>	<b>1,445,423</b>		

# Effect of Federal Stimulus Funds on Education Trust Fund Expenditures

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2011 reduction
Total Education Trust Fund appropriations	6,694,675,698	5,679,120,475	5,322,554,577	5,290,000,000	
Federal stimulus funds used to replace ETF dollars					
Fiscal Stabilization Funds			298,177,936	298,177,936	
Total federal stimulus funds used			298,177,936	298,177,936	
Total ETF plus federal stimulus	6,694,675,698	5,679,120,475	5,620,732,513	5,588,177,936	-32,554,577

# Federal Stimulus Education Funds

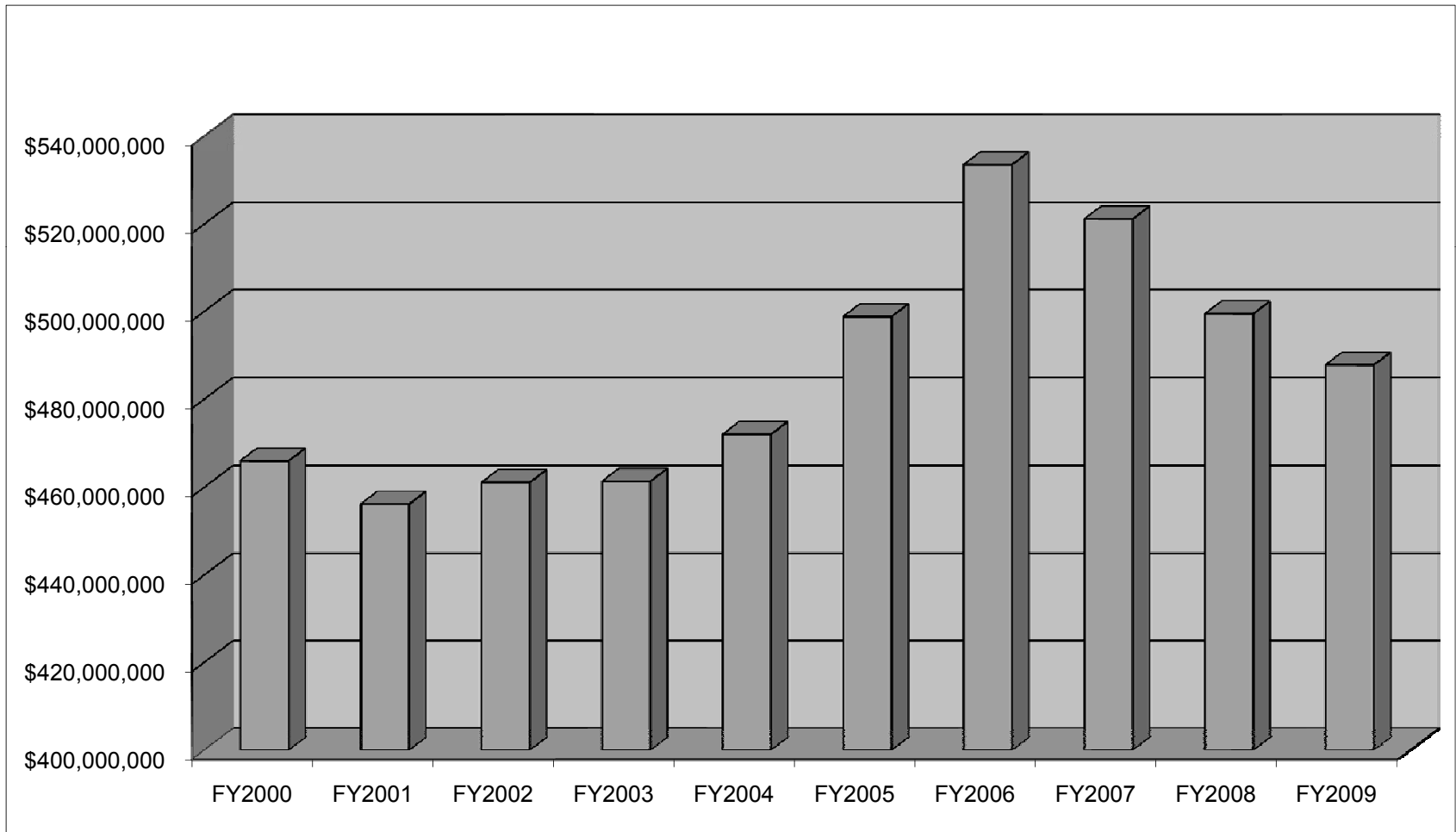
Education-Related ARRA Item	Alabama
State Fiscal Stabilization Funds - Education Portion	\$596,356,000
Title I - Grants to LEAs	\$162,969,000
Title I - School Improvement	\$49,126,000
IDEA/Special Education - Part B: Ages 3-21	\$181,865,000
IDEA/Special Education - Part B: Preschool	\$5,970,000
IDEA/Special Education - Part C: Rehab. Services	\$6,739,000
Title II - Education Technology	\$10,451,000
Homeless Student Assistance	\$1,079,000
School Lunch Equipment	\$1,956,000
Federal Work Study	\$3,269,000
Vocational Rehabilitation	\$9,791,000
Independent Living/Blind Funding	\$2,109,000
<b>Total</b>	<b>\$1,031,680,000</b>

# Alabama Capital Improvement Trust Fund

## (Amounts in Millions)

	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006	Fiscal Year 2007	Fiscal Year 2008	Fiscal Year 2009	Fiscal Year 2010
<b>Beginning Balance</b>	0	9.4	33.4	89.9	95.3	63.7	39.3	18.1	19.8
<b>Royalty Revenues</b>	74	41.7	82.7	72.8	75.6	103.4	71.7	96.7	49.3
<b>Total Expenditures*</b>	64.6	17.7	26.2	67.4	107.2	127.8	92.9	95.0	81.5
<b>General Fund Relief</b>	0	0	8.2	46.6	62.8	60.7	40.4	24.4	26.9
<b>Ending Balance</b>	9.4	33.4	89.9	95.3	63.7	39.3	18.1	19.8	-12.4
<b>*Includes General Fund Relief</b>									

# Public Road and Bridge Fund Status



# FY 2010 Tobacco Settlement Appropriations

<b>Children First Trust Fund (CFTF):</b>	<b>FY 2010</b>
Public Health	\$5,541,488
Human Resources	11,082,960
Child Abuse and Neglect Prevention	2,770,740
State Multiple Needs Children's Fund	2,448,540
Mental Health/Mental Retardation	2,770,740
Juvenile Probation Services Fund	5,541,480
Youth Services	9,420,516
Alabama Medicaid	1,939,519
All Other	1,555,965
<b>Total CFTF Appropriation</b>	<b>\$43,071,940</b>

<b>Other Tobacco Revenue:</b>	<b>FY 2010</b>
Children's Affairs Administration	\$191,188
Alabama 21st Century Fund	13,000,000
Senior Services Trust Fund	1,583,280
Medicaid Trust Fund	33,248,880
Senior Services - Medicaid Waiver	2,374,920
<b>Total Other Appropriation</b>	<b>\$50,398,268</b>

<b>State General Fund Transfer</b>	<b>\$12,634,427</b>
<b>Grand Total</b>	<b>\$106,104,635</b>