

Presentation to the Legislature on Alabama's Financial Condition



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Appropriation of All State Funds FY 2008

	STATE GENERAL FUND	% OF SGF TOTAL	EDUCATION TRUST FUND	% OF ETF TOTAL	OTHER STATE FUNDS (1)	% OF OTHER TOTAL	TOTAL STATE FUNDS	% OF TOTAL
GENERAL APPROPRIATION ACTS:								
LEGISLATIVE BRANCH	49,248,556	2.69%	23,542,174	0.35%			72,790,730	0.63%
JUDICIAL BRANCH	216,706,453	11.83%			23,579,938	0.76%	240,286,391	2.06%
EXECUTIVE BRANCH:								
ABC BOARD					74,751,793	2.41%	74,751,793	0.64%
AGRICULTURE & FORESTRY CONSERVATION	38,296,787	2.09%			30,851,808	0.99%	69,148,595	0.59%
					91,346,763	2.94%	91,346,763	0.78%
CORRECTIONS & YOUTH SERVICES	367,444,945	20.05%	60,456,223	0.90%	85,000,885	2.74%	512,902,053	4.41%
HUMAN RESOURCES	112,881,321	6.16%	15,864,100	0.24%	129,316,449	4.17%	258,061,870	2.22%
MEDICAID	470,832,801	25.69%			802,218,134	25.86%	1,273,050,935	10.94%
MENTAL HEALTH	143,899,257	7.85%	35,318,418	0.53%	211,929,418	6.83%	391,147,093	3.36%
PUBLIC HEALTH	81,044,249	4.42%	19,378,850	0.29%	180,862,544	5.83%	281,285,643	2.42%
PUBLIC SAFETY	87,991,196	4.80%			40,802,000	1.32%	128,793,196	1.11%
REVENUE	363,690	0.02%			114,414,140	3.69%	114,777,830	0.99%
TRANSPORTATION	300,000	0.02%			612,685,502	19.75%	612,985,502	5.27%
DEBT SERVICE (2)					96,338,518	3.11%	96,338,518	0.83%
NON-STATE APPROPRIATIONS	1,901,348	0.10%			970,600	0.03%	2,871,948	0.02%
OTHER APPROPRIATIONS	261,691,821	14.28%	153,125,495	2.28%	450,145,274	14.51%	864,962,590	7.43%
ETF APPROPRIATION ACTS:								
K - 12 FOUNDATION PROGRAM			4,457,674,923	66.47%	157,245,984	5.07%	4,614,920,907	39.64%
POSTSECONDARY EDUCATION			448,015,644	6.68%			448,015,644	3.85%
UNIVERSITIES (INCLUDING ACHE)			1,462,456,769	21.81%			1,462,456,769	12.56%
PRIVATE SCHOOLS			1,300,000	0.02%			1,300,000	0.01%
STATE RELATED SCHOOL			13,581,285	0.20%			13,581,285	0.12%
DEBT SERVICE (2)			15,375,775	0.23%			15,375,775	0.13%
TOTALS (3)	1,832,602,424	100.00%	6,706,089,656	100.00%	3,102,459,750	100.00%	11,641,151,830	100.00%

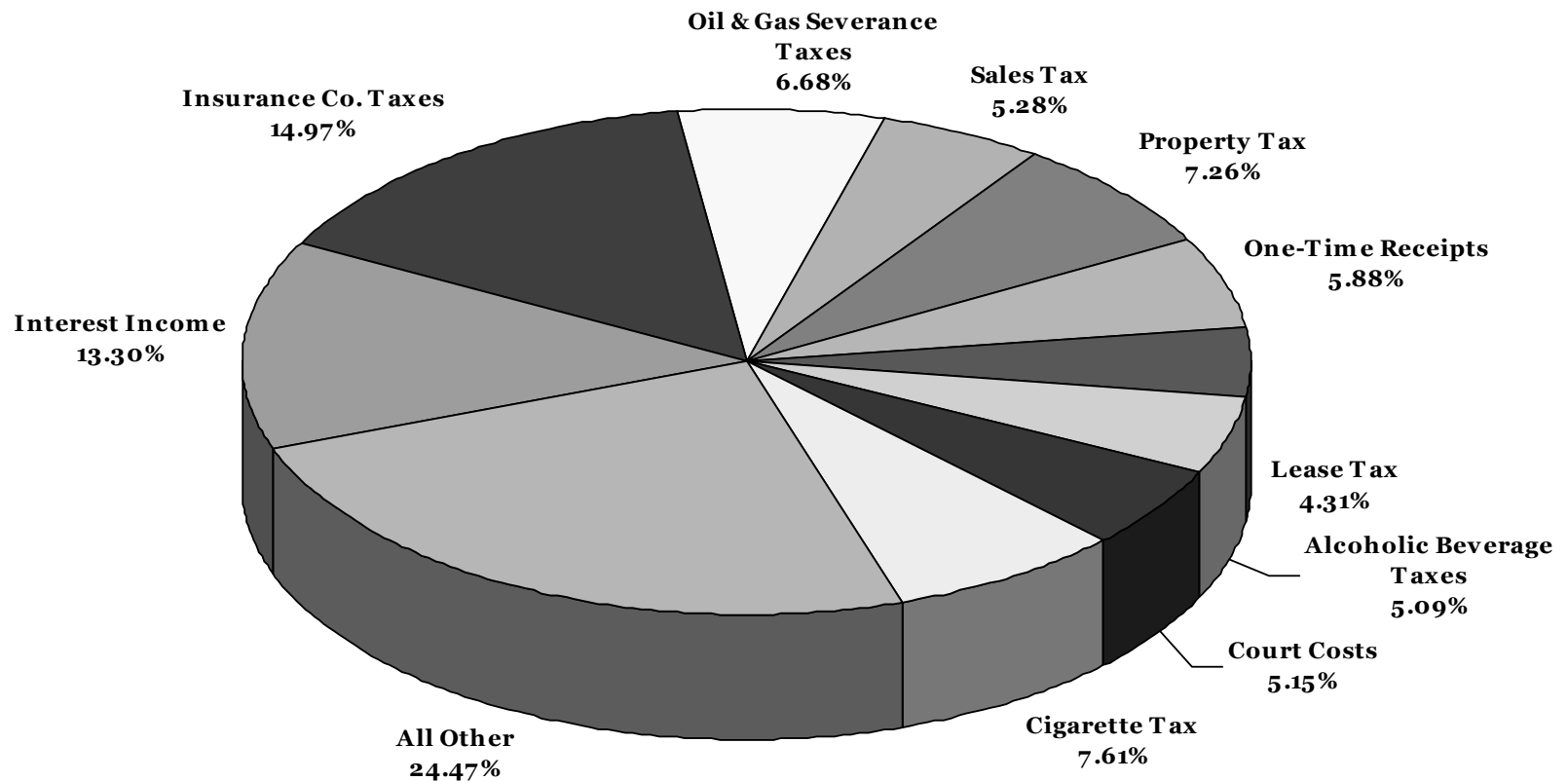
Appropriations as of 10/1/2007.

(1) Includes taxes, fees and charges collected by state agencies, Children First Trust Fund and tobacco settlement fund appropriations; does not include bond proceeds, interagency transfers, or federal funds.

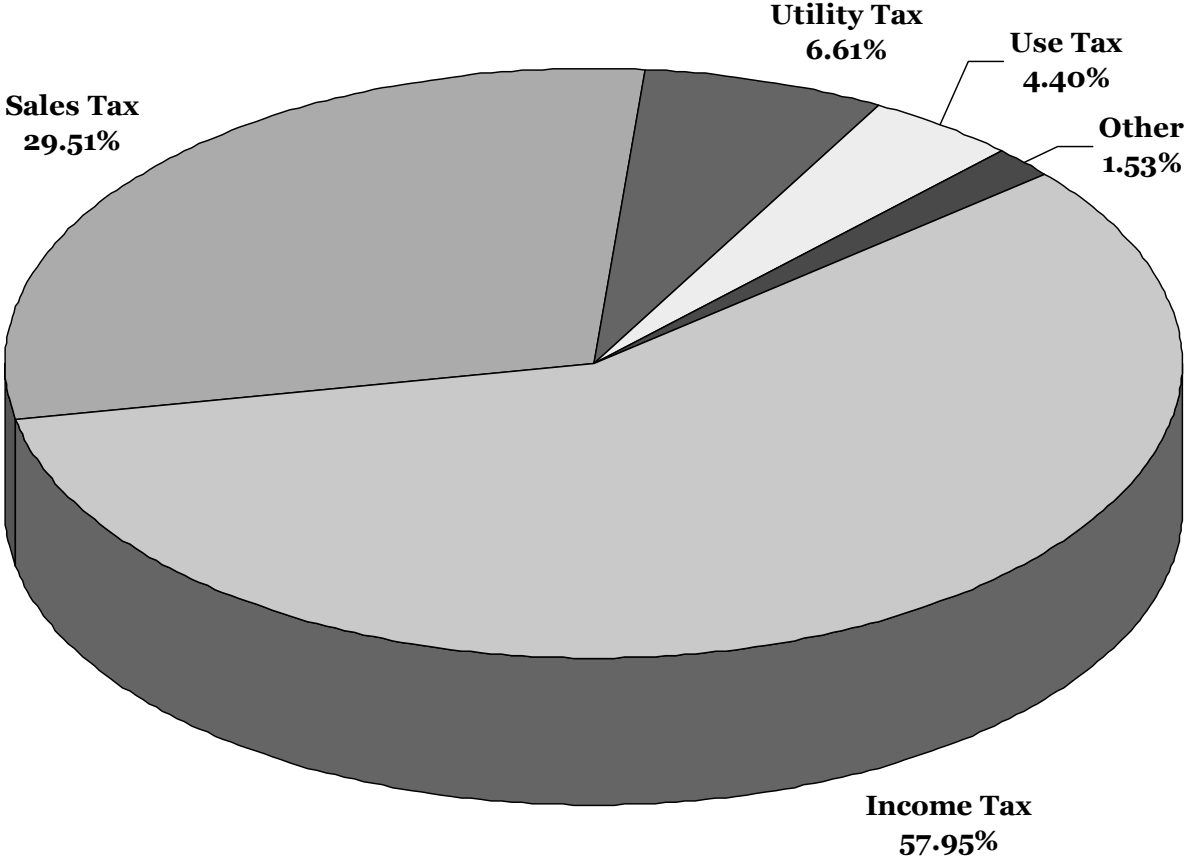
(2) Includes only the amount appropriated for debt service on General Obligation bonds; excludes Revenue Bond issues.

(3) Totals may not add due to rounding.

Sources of Revenue to the General Fund FY 2007



Sources of Revenue to the Education Trust Fund FY 2007



Condition of the State General Fund

Fiscal Year 2007

BEGINNING BALANCE	263,228,436
Receipts	1,533,149,328
Transfers from State agencies	5,323,000
Transfer from abandoned property reserve fund	25,000,000
Transfer from business privilege tax	15,000,000
Transfer from tobacco revenues	11,205,911
Transfer from Alabama Trust Fund gains	34,979,281
Transfer from FEMA refund	9,923,628
TOTAL RECEIPTS	1,634,581,148
TOTAL AVAILABLE (beginning balance, plus total receipts)	1,897,809,584
EXPENDITURES , net of reversions	1,658,721,549
ENDING BALANCE	239,088,035

Projected Condition of the State General Fund Fiscal Year 2008 and Fiscal Year 2009

	FY 2008	FY 2009	Growth
BEGINNING BALANCE	239,088,035	75,920,121	
Estimated receipts	1,506,400,000	1,515,090,000	0.58%
Transfers from State agencies	5,323,000	5,323,000	
Transfer from abandoned property reserve fund	15,000,000	15,000,000	
Transfer from Exxon escrow	19,500,000		
Transfer from tobacco revenues	12,193,631		
Transfer from Alabama Trust Fund gains	117,267,060		
Transfer from pharmaceutical company settlements	4,743,800		
TOTAL RECEIPTS	1,680,427,491	1,535,413,000	-8.63%
TOTAL AVAILABLE (beginning balance, plus total receipts)	1,919,515,526	1,611,333,121	
APPROPRIATIONS (as of 12/31/2007)	1,843,595,405		
ENDING BALANCE	75,920,121		

Condition of the Education Trust Fund

Fiscal Year 2007

Beginning balance	686,214,930
Beginning balance reserved for October 1 debt service payment	8,838,858
TOTAL BEGINNING BALANCE	695,053,788
RECEIPTS	5,854,027,193
TOTAL AVAILABLE (total beginning balance, plus receipts)	6,549,080,981
Expenditures, net of reversions	5,941,054,398
Transfer to statutory proration prevention account	149,888,327
Appropriation to Knight v. Alabama (per settlement agreement)	45,600,000
Appropriation to statutory proration prevention account	16,000,000
Appropriation to repay constitutional rainy day fund	71,993,229
Appropriation to DYS for Chalkville settlement	12,500,000
Appropriation to Enterprise City Schools (see note)	32,000,000
Reserve for October 1 debt service payment	4,328,000
TOTAL EXPENDITURES	6,273,363,954
Ending balance	275,717,027
Ending balance reserved for October 1 debt service payment	4,328,000
TOTAL ENDING BALANCE	280,045,027
NOTE: The FY 2007 appropriation to the Enterprise City Schools is anticipated to be repaid during FY 2008 from Public School and College Authority bond proceeds.	

Projected Condition of the Education Trust Fund Fiscal Year 2008 and Fiscal Year 2009

	FY 2008	Growth over FY 2007	FY 2009	Growth over FY 2008
Beginning balance	275,717,027			
Beginning balance reserved for October 1 debt service payment	4,328,000			
TOTAL BEGINNING BALANCE	280,045,027			
Estimated receipts	6,012,089,535	2.70%	6,237,792,075	3.75%
Reduction in sales tax for debt service on new PSCA bond issue	-22,889,535		-82,592,075	
Anticipated repayment from bond issue	32,000,000			
TOTAL RECEIPTS	6,021,200,000		6,155,200,000	
TOTAL AVAILABLE (total beginning balance, plus total receipts)	6,301,245,027		6,155,200,000	-2.32%
APPROPRIATIONS (as of 12/31/2007)	6,707,089,656			
ENDING BALANCE	-405,844,629			

Statutory Proration Prevention Account

- Current balance - \$434 million
 - \$366 million from unanticipated ending ETF balances in FY 04, FY 05, and FY 06
 - \$34 million total appropriated from the ETF to the Account in FY 06 and FY 07
 - \$34 million in interest income
- May be withdrawn by the Governor in order to prevent proration or by legislative act with a two-thirds vote

Constitutional Rainy Day Account

- Part of the Alabama Trust Fund
 - Balance at end of FY 2007 - \$248 million
 - May be withdrawn only to prevent proration of appropriations to public schools, colleges and universities, public schools for the deaf and blind, public schools for the mentally ill and retarded, and other entities established by general statute for public school students

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 (Est.)
Beginning Balance	0	9.4	33.4	89.9	95.3	63.7	39.4	10.0
Royalty Revenues	74	41.7	82.7	72.8	75.6	103.4	71.7	74
Total Expenditures*	64.6	17.7	26.2	67.4	107.2	127.7	101.1	75.2
General Fund Relief	0	0	8.2	46.6	62.8	60.7	44.5	28.5
Ending Balance	9.4	33.4	89.9	95.3	63.7	39.4	10.0	8.8
*Includes General Fund Relief								

Public School and College Authority

Bond Issue

- Amount - \$1,070,585,022

•K-12	\$658,640,517
•Two-Year College System	\$48,207,500
•Senior Institutions	\$178,237,005
•Other*	\$185,500,000

*Includes Forensic Sciences; Enterprise School System
Tornado Repayment; State Trooper/Correctional Training
Facility; Workforce Development Funds; Incentive Funds
and others

FY 2008 Tobacco Settlement Appropriations

Children First Trust Fund (CFTF):	FY 2008
Public Health	\$5,542,560
Human Resources	\$11,085,119
Children's Trust Fund	\$2,653,452
State Multiple Needs Children's Fund	\$3,802,879
Mental Health/Mental Retardation	\$2,694,824
Juvenile Probation Services Fund	\$5,892,494
Youth Services	\$11,432,495
Alabama Medicaid	\$4,197,175
All Other	\$1,561,774
Total CFTF Appropriation	\$48,862,772

Other Tobacco Revenue:	FY 2008
Children's Affairs Administration	\$149,712
Alabama 21st Century Fund	\$13,000,000
Senior Services Trust Fund	\$1,583,588
Medicaid Trust Fund	\$33,255,358
Senior Services - Medicaid Waiver	\$2,375,383
Total Other Appropriation	\$50,364,041

State General Fund Transfer	\$12,193,631
Grand Total	\$111,420,444