

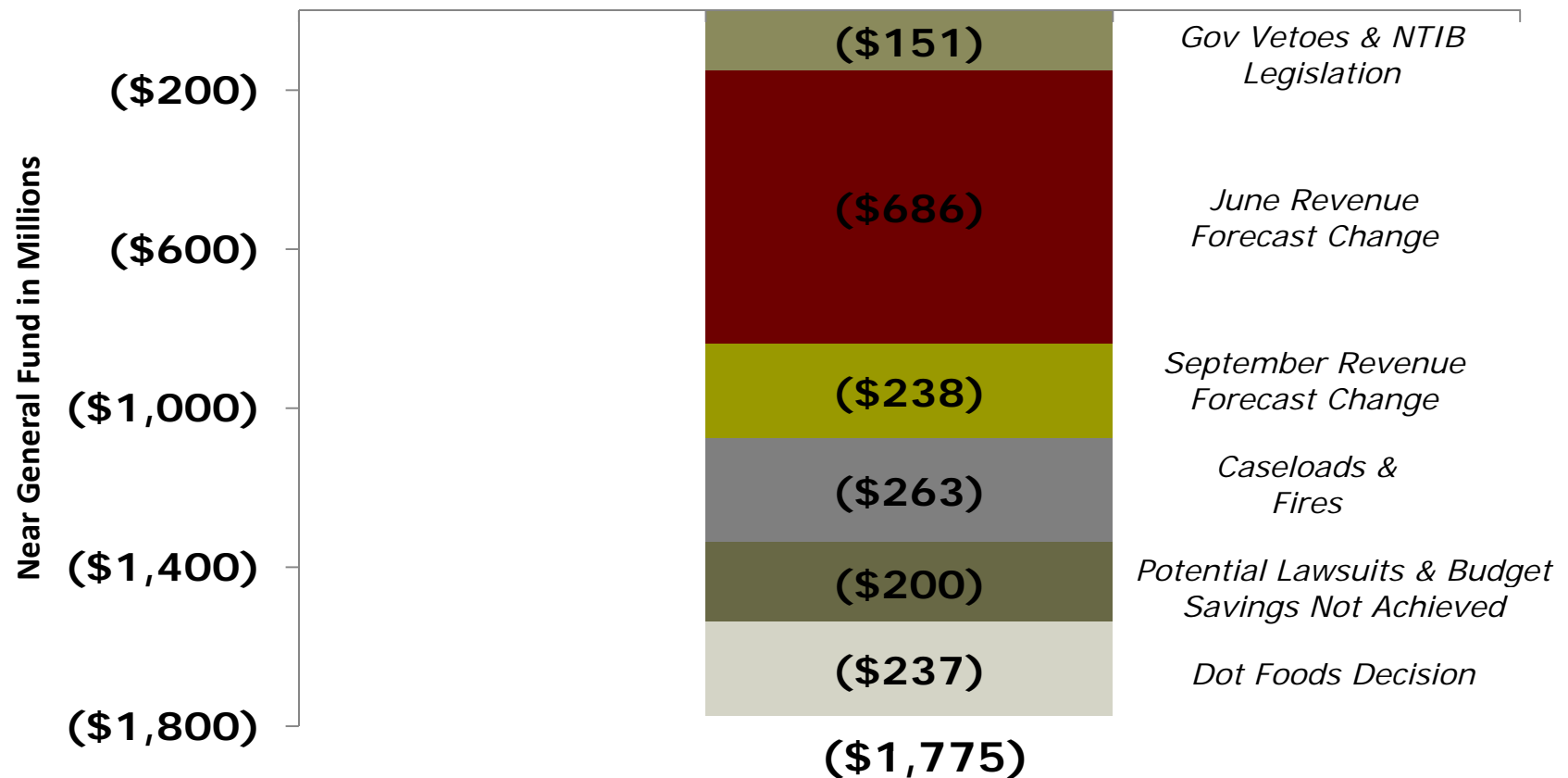
Operating Budget Update

Prepared by Senate Ways and Means Committee Staff

October 1, 2009

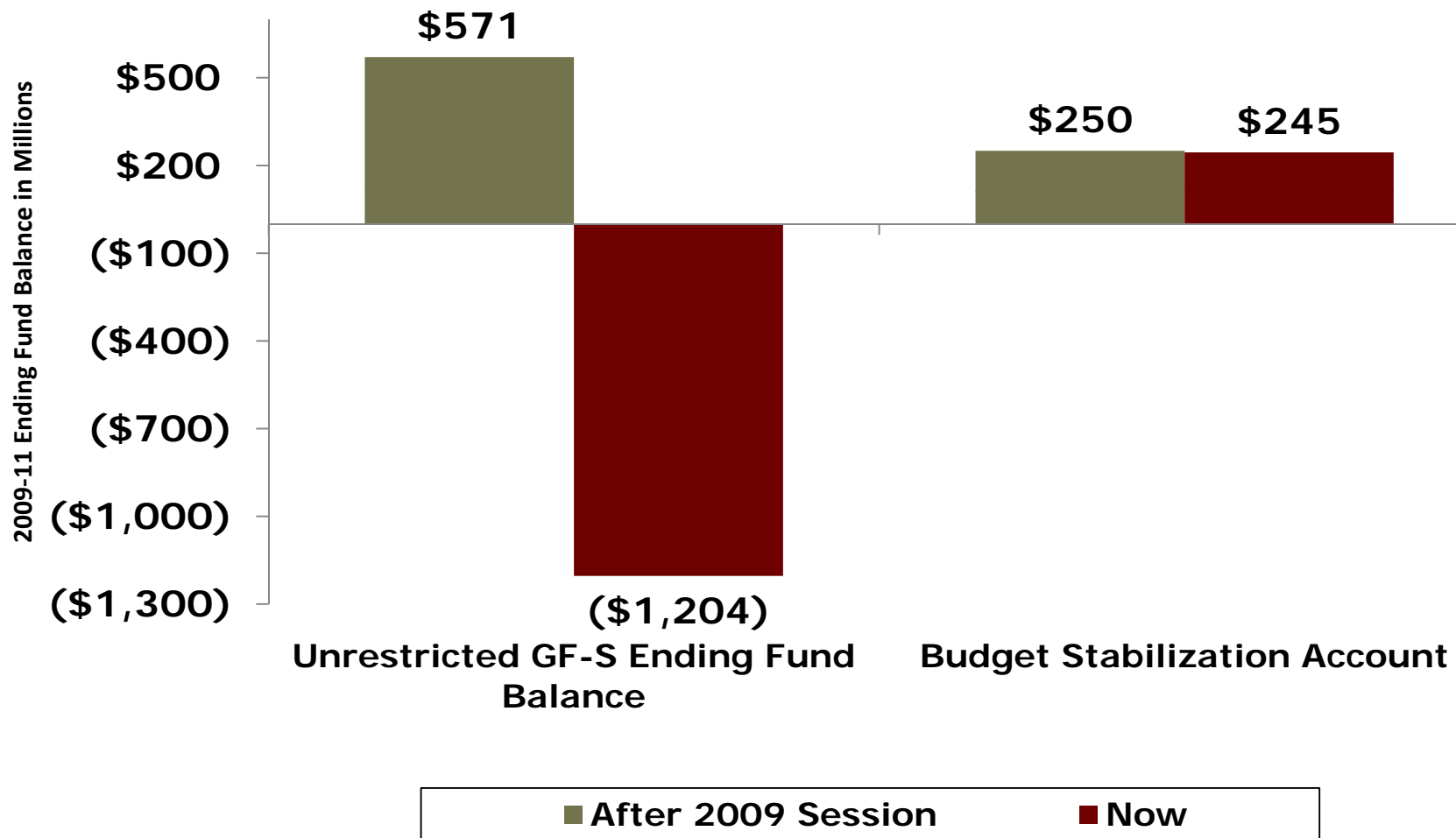


Based on current forecasts and information, there has been a \$1.8 billion negative change in the anticipated fiscal situation

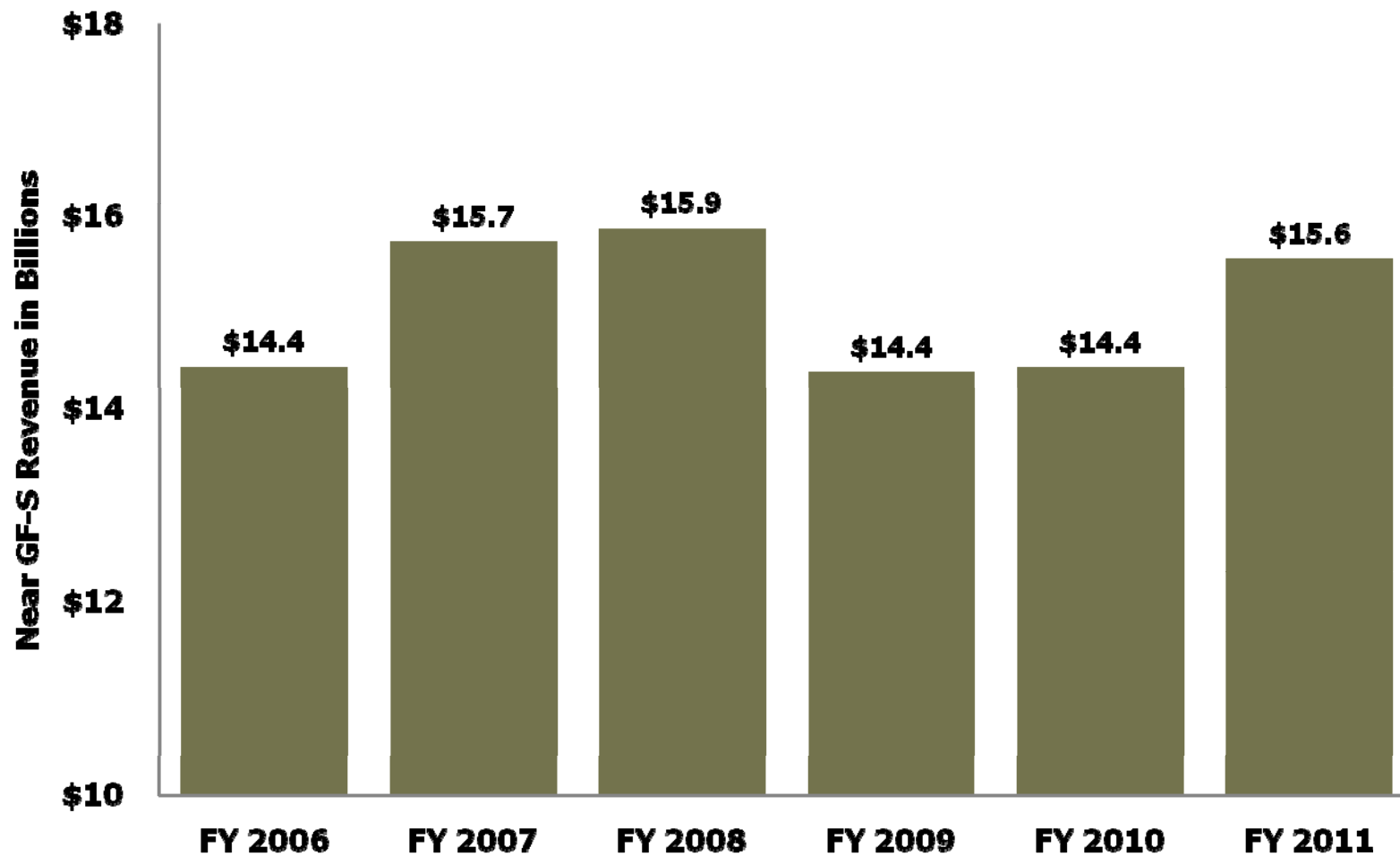


* This reflects an estimate of budget items and potential lawsuits that could result in less savings than anticipated in the enacted budget. This should be seen as an imprecise estimate that is highly dependent on a variety of factors that could result in a much higher or lower amount.

As a result, anticipated reserves have gone negative

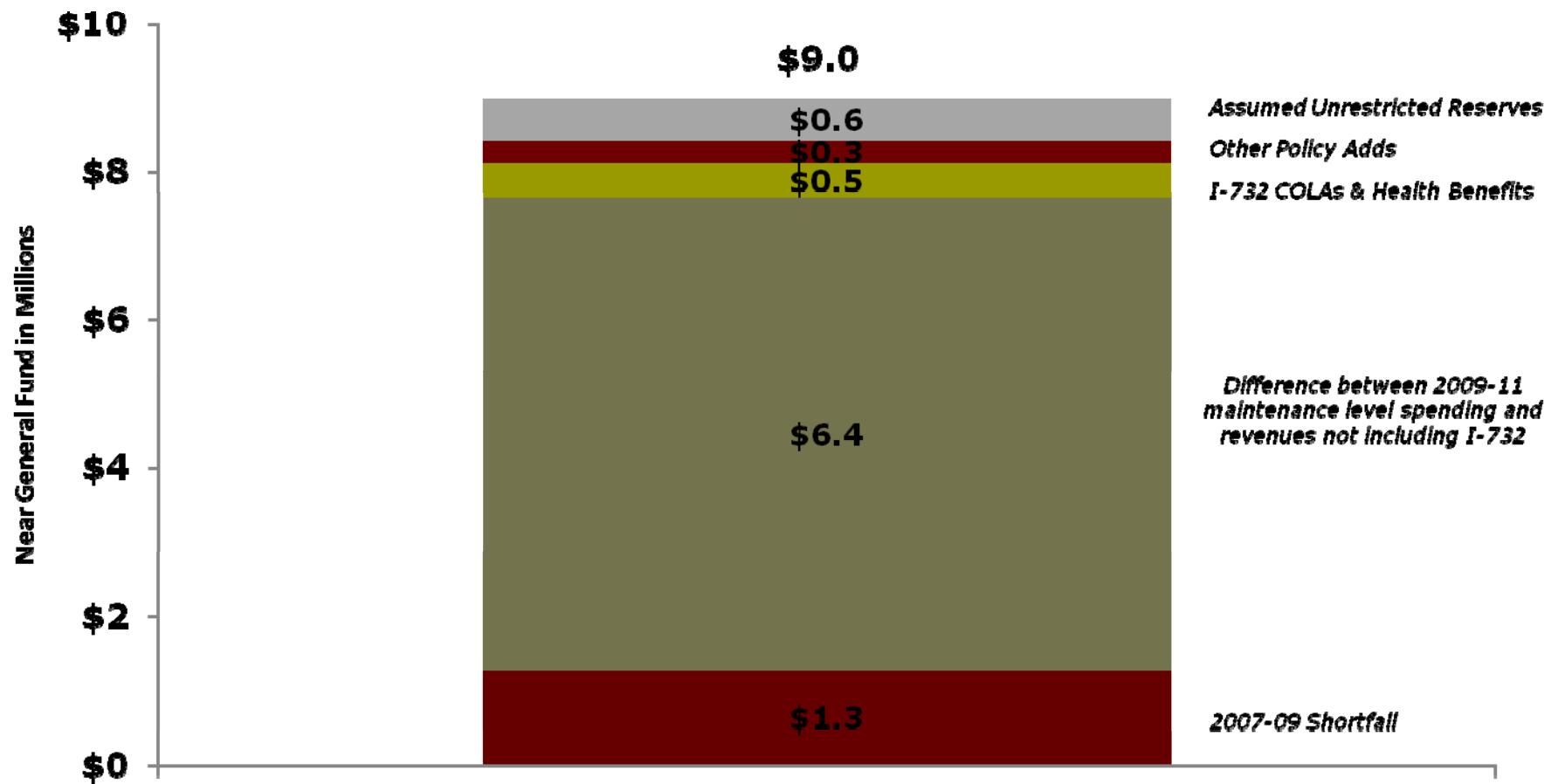


Based on the current revenue forecast, annual revenue is expected to be at 2006 levels for both FY 2009 and FY 2010



Appendix

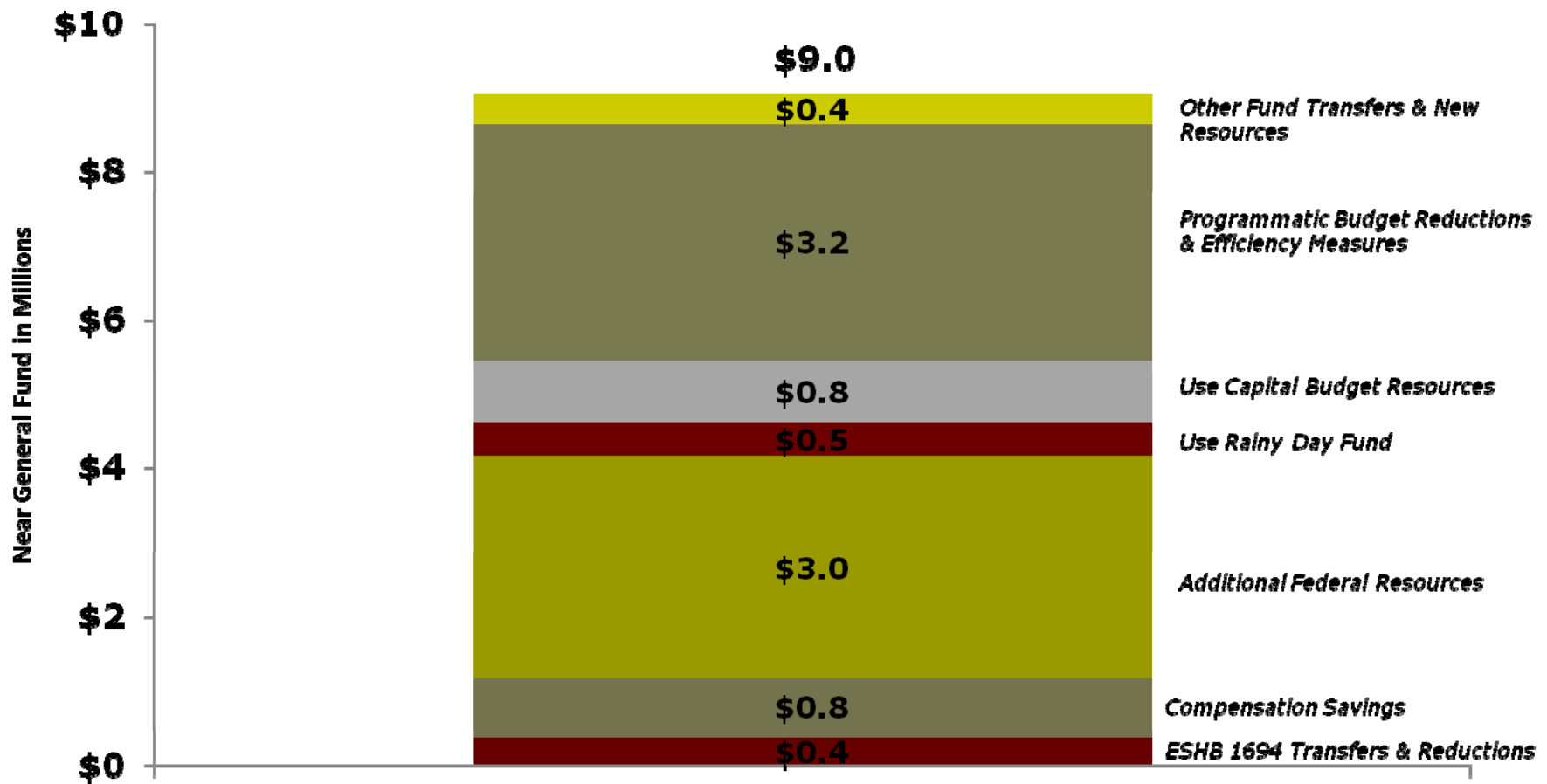
Illustration of Budget Problem Addressed in the 2009 Session



The Potential Three Year Budget Problem*

* Amounts may not total because of slight rounding differences.

The Three Year Budget Solution Based On As Passed Budget



The Three Year Budget Solution*

* Amounts may not total because of slight rounding differences.