

State Of Nevada
Projected General Fund Shortfall
2007 - 2009 Biennium

| | <u>As of</u> <u>January 24, 2008</u> | <u>As of</u> <u>April 9, 2008</u> | <u>As of</u> <u>June 27, 2008</u> | <u>June vs. April</u> <u>Difference</u> |
|--|---|--------------------------------------|--------------------------------------|--|
| Unappropriated General Fund Balance - July 1, 2007 Shortfall | \$ 23,109,631 | \$ 23,109,631 | \$ 23,109,631 | \$ - |
| Projected General Fund Revenue Shortfall FY 2008 & 2009 | 395,338,441 | 583,278,627 | 777,870,662 | 194,592,035 |
| Projected Reversion Shortfall | 25,000,000 | 25,000,000 | 25,000,000 | - |
| Additional Distributive School Account Support Required | 121,311,689 | 194,145,538 | 275,199,374 | 81,053,836 |
| Medicaid Shortfall due to higher than budgeted caseloads | - | 60,725,608 | 60,725,608 | - |
| Shortfall in Division of Welfare and Supportive Svcs. Assistance to Aged and Blind | - | 280,000 | 280,000 | - |
| Shortfall in the Division of Child and Family Services | - | 15,471,227 | 12,416,726 | (3,054,501) |
| Total Projected Shortfall 2007 - 2009 Biennium | \$ 564,759,761 | \$ 902,010,631 | \$ 1,174,602,001 | \$ 272,591,370 |

Solutions to Projected Shortfall:

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Transfer from Fund to Stabilize Operation of State Government - <i>SB 1, 24th Special Session</i> | 232,000,000 | 267,000,000 | 267,000,000 | - |
| Budget Reserves of "Ongoing" & "One-time" Appropriations - 4.5% | 276,252,753 | 257,742,544 | 257,342,630 | (399,914) |
| Capital Improvement Budget Reserves | 36,003,092 | 190,590,914 | 188,539,539 | (2,051,375) |
| AB 617 - IFC / Fund to Stabilize Operation of State Government - <i>AB 1, 24th Special Session</i> | - | 36,000,000 | 36,000,000 | - |
| Eliminate Retiree Pre-funding of Health Insurance | - | 17,500,000 | 20,306,051 | 2,806,051 |
| Transfer from the Bond Interest & Redemption Account | - | 18,000,000 | 18,000,000 | - |
| Public Employees Benefit Program (PEBP) rate holiday (<i>GF Savings</i>) | - | 10,000,000 | 9,905,206 | (94,794) |
| Grant Sawyer Office Building Settlement | 5,151,153 | 5,151,153 | 5,151,153 | - |
| Corrections & DCFS debt forgiveness for FY 2008 & 2009 | - | 4,914,492 | 4,913,492 | (1,000) |
| Deferred Maintenance in Operating Budgets (Dec Units M425, M750 & E256) | - | 808,053 | 808,053 | - |
| Department of Information Technology - General fund payback | - | 545,498 | 545,498 | - |
| Commission on Tourism - Grants to small airports | - | 500,000 | 500,000 | - |
| Division of Insurance - Insurance Examiners examination fees | - | 500,000 | 500,000 | - |
| Reduce Transfer to the Disaster Relief Account | - | 500,000 | 500,000 | - |
| Special Appropriations Account: | | | | |
| White Pine County Juvenile Detention Facility | - | 2,200,000 | 2,200,000 | - |
| City of Caliente - Bridge over the Clover Creek Wash | - | 300,000 | 300,000 | - |
| City of Sparks - Larry D. Johnson Community Center | - | 163,760 | 163,760 | - |
| City of Fernley - Construction of a sound barrier | - | 86,240 | 86,240 | - |
| Interim Finance Funds: | | | | |
| AB 628 Sec. 37 - Costs of housing inmates and/or other programs | - | 4,230,798 | 4,230,798 | - |
| AB 628 Sec. 70 - Utility funding for State Agencies and NSHE | - | 3,923,243 | 3,923,243 | - |
| AB 628 Sec. 42 - Balance of funding to support a state fusion process | - | 307,057 | 307,057 | - |
| AB 628 Sec. 40 - Interstate Compact on Juveniles | - | 231,552 | 231,552 | - |
| AB 628 Sec. 39 - Revert remainder not anticipated for use of the Youth Parole funding | - | - | 330,757 | 330,757 |
| Budget Reserves of "Ongoing" Appropriations - Average reduction of 3.3% | - | - | 106,000,000 | 106,000,000 |
| AB 544 - Transportation Funding Reserve ^a | - | 56,000,000 | 106,000,000 | 50,000,000 |
| 50% Reduction to text books, instructional supplies and hardware - <i>SB5, 24th Special Session</i> | - | - | 47,995,713 | 47,995,713 |
| Transfer from the Public Health Trust Fund ^c | - | 9,527,466 | 36,827,466 | 27,300,000 |
| Transfer from the Healthy Nevada Fund ^b | - | 10,000,000 | 13,000,000 | 3,000,000 |

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|--|-----------------------------------|--------------------------------|--------------------------------|--------------------------------------|
| Millennium Scholarship Program - Eliminate Transfer from Unclaimed Property in FY 2009 ^c | | | 7,600,000 | 7,600,000 |
| Redirection in estimated FY 2009 receipts for the Public Health Trust Fund ^c | | | 4,400,000 | 4,400,000 |
| Redirection of a portion of the FY 2009 tobacco settlement payments for the Healthy Nevada Fund ^c | | | 4,200,000 | 4,200,000 |
| Transfer from the Disaster Relief Account - <i>AB3, 24th Special Session</i> | | | 4,000,000 | 4,000,000 |
| Department of Taxation - Tax Amnesty Program | | | 4,000,000 | 4,000,000 |
| Transfer from the Department of Public Safety, Criminal History Repository Reserve - <i>AB3, 24th Special Session</i> | | | 4,000,000 | 4,000,000 |
| Transfer from the Fund for the Care of Sites for the Disposal of Radioactive Waste (NRS 459.231) - <i>AB3, 24th Special Session</i> | | | 4,000,000 | 4,000,000 |
| Revert Funds from the Homeowner's Disaster Relief Fund (AB 572, 2005) - <i>AB3, 24th Special Session</i> | | | 3,500,000 | 3,500,000 |
| Transfer from the Department of Business & Industry, Mortgage Lending Division Reserve - <i>AB3, 24th Special Session</i> | | | 3,500,000 | 3,500,000 |
| Transfer from the Department of Business & Industry, Industrial Development Revenue Bonds Reserve - <i>AB3, 24th Special Session</i> | | | 800,000 | 800,000 |
| Reversion of Project Challenge funding | | | 600,000 | 600,000 |
| Transfer from the Legislative Committee on Health Care (NRS 439B.200) | | | 200,000 | 200,000 |
| Spend-down unappropriated General Fund balance | 15,352,763 | 5,287,861 | 2,193,793 | (3,094,068) |
| Total Solutions to Projected Shortfall | \$ 564,759,761 | \$ 902,010,631 | \$ 1,174,602,001 | \$ 272,591,370 |
| Net Shortfall | \$ - | \$ - | \$ - | \$ - |

^a AB 5 of the 24th Special Session authorized a total amount not to exceed \$20 million in general obligation bonds for highway projects.

^b Requires eliminating Dental benefits which were added to the Senior Rx and Disability Rx programs at the January 24, 2008 IFC meeting. This also requires Legislative action.

^c Requires Legislative action