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GOVERNOR'S OFFICE OF
MANAGEMENT AND BUDGET

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FISCAL YEAR 2004 - YEAR END FINANCIAL OVERVIEW

Table I
OPERATING HIGHLIGHTS*
FY2003 vs. FY2004
(in millions)

	<u>FY 03</u>	<u>FY 04</u>	<u>Change</u>	<u>% Change</u>
OPERATIONS				
General Funds Revenues	\$ 21,103	\$ 23,081	\$ 1,978	9.4%
Operating Transfers In **	\$ 1,827	\$ 2,109	\$ 282	15.4%
Total Revenue and Operating Transfers In	\$ 22,930	\$ 25,190	\$ 2,260	9.9%
Pension Obligation Reimbursement Transfers	\$ 300	\$ 1,489	\$ 1,189	396.3%
Total Operating Receipts	\$ 23,230	\$ 26,679	\$ 3,449	14.8%
General Funds Expenditures***	\$ 21,893	\$ 22,632	\$ 739	3.4%
Operating Transfers Out	\$ 2,031	\$ 2,093	\$ 62	3.1%
Total Operating Disbursements	\$ 23,924	\$ 24,725	\$ 801	3.3%
Budget Basis Operating Surplus/(Deficit)	\$ (694)	\$ 1,954	\$ 2,648	N/A

*Excludes receipts from short-term borrowings and expenditures of those borrowings.

Refer to Appendix I for details.

** FY2004 Operating Transfers In excludes \$144 million budgeted for June 2003 that did not occur until July 1, 2003.

***Budget Basis includes expenditures paid during the "Lapse Period" (July and August of subsequent fiscal year).

DISCUSSION OF FISCAL YEAR 2004 OPERATIONS

Revenues and Operating Transfers In

As summarized in Table I, Revenues and Operating Transfers In collected in fiscal year 2004 (excluding the short-term borrowings and pension contribution fund reimbursements) were \$25,190 million, which were \$2,260 million or 9.9% over the comparable collections of fiscal year 2003. State sources (State Revenues and Transfers In) were up by \$1,011 million due to increases in State Revenues of \$729 million and Transfers In of \$282 million as detailed in Appendix II. Federal receipts were \$1,249 million above prior year levels, which was due to a one-time \$422 million increase in federal grants, a one-time increase in Medicaid reimbursement rates (from 50% to 52.95%), and a concerted effort by the State to process Medicaid payments during fiscal year 2004 to realize the benefit of those increased rates.

Several sources of revenues were above fiscal year 2003 levels. These included:

- **Income Taxes (\$129 million increase):** Fiscal year 2004 gross income taxes were up by \$622 million, which included collections under the Tax Amnesty Program of \$152 million in corporate income taxes and \$35 million in individual income taxes. After reflecting a significant increase of \$493 million set aside in the Income Tax Refund Fund which had been underfunded the previous two years, net income tax collections increased by \$129 million, or 1.6% higher than fiscal year 2003.
- **Sales Taxes (\$272 million increase):** \$178 million of the increase of sales taxes was driven by economic expansion, with another \$94 million of the increase associated with the Tax Amnesty Program.
- **Public Utility Taxes (\$73 million increase):** Increases in this category included Message Taxes which were up by \$23 million, Gas Use Taxes which were up by \$25 million, and Telecommunications Taxes which were up by \$7 million in fiscal year 2004.
- **Insurance Tax and Fees (\$49 million increase):** The increase was mainly attributable to reductions in the offset to Retaliatory Taxes.
- **Cook County Intergovernmental Transfers (IGT) (\$73 million increase):** The growth was due to the incremental increase of fiscal year 2004 over fiscal year 2003 as mandated by the Federal Medicare, Medicaid, and State Children's Health Insurance Program (SCHIP) Benefits Improvement and Protection Act of 2000.
- **Other Revenue Sources (\$133 million increase):** The growth was due to fee increases deposited in general funds as well as \$89 million of fee increases transferred from other State funds directly into the General Revenue Fund.
- **Operating Transfers In (\$282 million increases):** The growth was mainly due to the \$269 million in administrative chargebacks transferred from other State funds to the General Revenue Fund as reimbursements for administrative support services provided by agencies that are funded by the General Revenue Fund.

Expenditures and Transfers Out

Fiscal year 2004 Cash Basis Operating Expenditures and Transfers Out increased by \$1,264 million from fiscal year 2003. The difference is due to payments during fiscal year 2004 for lapse period expenditures and accounts payables from fiscal year 2003, as detailed in Appendix II.

Operating Highlights:

- **Cost Reductions (\$70 million decrease):** Regular state operating expenditures actually decreased by \$70 million or 1.4%, reflecting a reduction in the size of State government. Decreased operating expenditures were consistent with the administration's cost reduction goals, through such actions as reduction in headcount and consolidation of State agencies and functions.
- **Higher Education (\$134 million decrease):** Operating expenditures decreased by \$134 million or 8.0% due to a 7.7% reduction in appropriations as well as a 2% reserve on appropriations in fiscal year 2004.

- **Awards and Grants (\$768 million increase):** Increased spending areas included Medicaid, Elementary and Secondary Education and Human Services. The \$604 million increase in Medicaid spending (as previously discussed) accounts for 78.6% of the total increase in grant spending. Elementary and Secondary Education and Human Services grants were up \$312 million and \$84 million respectively.
- **Operating Transfers Out and Others (\$62 million increase):** This was primarily due to \$50 million in transfers to the Budget Stabilization Fund, increasing its cash balance to \$276 million by the end of fiscal year 2004.

Table II
FINANCIAL POSITION
FY2003 vs. FY2004
(in millions)

	<u>FY 03</u>	<u>FY 04</u>	<u>Change</u>
CASH BALANCE			
General Funds Cash Balance (6/30)	\$ 317	\$ 182	\$ (135)
Budget Stabilization Fund Cash Balance (6/30)	\$ 226	\$ 276	\$ 50
Total Cash Balance (6/30)	\$ 543	\$ 458	\$ (85)
CURRENT LIABILITIES			
General Funds Accounts Payable (6/30) *	\$ 1,266	\$ 593	\$ (673)
General Funds Short-Term Borrowing Due in Next FY	\$ 1,450	\$ 417	\$ (1,033)
Income Tax Refunds Payable (6/30)			
Individual	\$ -	\$ -	\$ -
Corporate	\$ 425	\$ 116	\$ (309)
Total	\$ 3,141	\$ 1,126	\$ (2,015)

* Accounts Payable reflects expenditures paid during the "Lapse Period" (July and August of the subsequent fiscal year).

Financial Position

The overall liquidity position of the State improved significantly in fiscal year 2004. Current Liabilities were reduced by over \$2 billion while cash declined by only \$85 million. As noted above, the cash balance of the Budget Stabilization Fund was also increased by \$50 million.

Outstanding accounts payable at the end of fiscal year 2004 (including lapse period spending that was processed for payment during the months of July and August of fiscal year 2005) totaled \$593 million versus the \$850 million originally budgeted for fiscal year 2004. This was \$673 million below fiscal year 2003 payables of \$1,266 million. Outstanding tax refunds due were reduced from \$425 million to \$116 million at June 30, 2004.

Short-term borrowings were reduced by approximately \$1 billion (from \$1,450 million to \$417 million at June 30, 2004). The 2004 short-term borrowing of \$850 million was incurred in June 2004 in order to accelerate payments to Medicaid providers during that fiscal year as a means of receiving a higher federal reimbursement rate (52.95% versus the normal 50%) that expired on June 30, 2004. Additional federal reimbursements of \$433 million were received in July 2004 and earmarked for payment of the short-term borrowing, resulting in \$417 million to be repaid from State sources in fiscal year 2005.

FISCAL YEAR 2004 BUDGETARY COMPARISONS

The fiscal year 2004 budget was based on general fund revenues projected at \$22,983. Table III summarizes the adopted budget versus fiscal year 2004 actual performance.

As detailed in Appendix III, fiscal year 2004 actual general fund sources (excluding pension obligation bond proceeds transferred for pension appropriations) totaled \$25,190 million, which was only \$104 million (0.4%) less than the enacted budget of \$25,294 million. Shortfalls were primarily one-time revenues, including Sales of State Assets (\$233 million), the Tenth Riverboat License (\$350 million), and Illinois Clean Energy Community Foundation Transfers (\$125 million). These shortfalls were largely offset by exceeding tax revenue forecasts, one-time Federal Revenues (\$422 million of Federal Job and Growth Relief grants) and higher Medicaid reimbursement rates during fiscal year 2004, neither of which were included in the enacted budget.

As illustrated in the General Fund Operating Summary in Appendix I, fiscal year 2004 appropriations of \$23,483 million resulted in \$22,632 million of actual expenditures. The unspent appropriations of \$851 million were due to cost savings initiatives, spending reserves and other spending controls including a budget allotment system and budgetary reserves, two forms of budgetary controls that were instituted during fiscal year 2004.

Table III
BUDGETARY COMPARISONS - HIGHLIGHTS*
FY 2004
(in millions)

	FY04 Budget	FY04 Actual	Change	% Change
BUDGETED OPERATIONS				
General Funds Revenues	\$ 22,983	\$ 23,081	\$ 98	0.4%
Operating Transfers In**	\$ 2,311	\$ 2,109	\$ (202)	-8.7%
Total Revenues and Operating Transfers In	\$ 25,294	\$ 25,190	\$ (104)	-0.4%
Pension Obligation Reimbursement Transfers	\$ 1,600	\$ 1,489	\$ (111)	-6.9%
Total Operating Receipts	\$ 26,894	\$ 26,679	\$ (215)	-0.8%
General Funds Expenditures	\$ 22,698	\$ 22,632	\$ (66)	-0.3%
Operating Transfers Out	\$ 2,130	\$ 2,093	\$ (37)	-1.7%
Total Operating Disbursements	\$ 24,828	\$ 24,725	\$ (103)	-0.4%
Budget Basis Operating Surplus/(Deficit)	\$ 2,066	\$ 1,954	\$ (112)	-5.4%
BUDGETED FINANCIAL POSITION				
General Funds Cash Balance	\$ 192	\$ 182	\$ (10)	
Budget Stabilization Fund Cash Balance	\$ 276	\$ 276	\$ -	
Total Cash Balance	\$ 468	\$ 458	\$ (10)	
Year End Accounts Payable	\$ 850	\$ 593	\$ (257)	

*Excludes receipts from Short-Term Borrowing and expenditures of those borrowings.

** FY2004 Operating Transfers In excludes \$144 million budgeted for June 2003 that did not occur until July 1, 2003.

Appendix I GENERAL FUNDS OPERATING SUMMARY

(in millions)

Budget Basis	Fiscal Year 2003 Actual	Fiscal Year 2004 Actual	Fiscal Year 2004 Budget
OPERATING RECEIPTS			
REVENUES			
State Sources	\$ 17,163	\$ 17,892	\$ 18,736
Federal Sources ¹	\$ 3,940	\$ 5,189	\$ 4,247
TOTAL REVENUES	\$ 21,103	\$ 23,081	\$ 22,983
TRANSFERS			
Transfers In ²	\$ 1,827	\$ 2,109	\$ 2,311
Pension Obligation Reimbursement Transfers	\$ 300	\$ 1,489	\$ 1,600
TOTAL TRANSFERS	\$ 2,127	\$ 3,598	\$ 3,911
TOTAL OPERATING RECEIPTS	\$ 23,230	\$ 26,679	\$ 26,894
OPERATING EXPENDITURES AND TRANSFERS OUT			
CURRENT YEAR EXPENDITURES			
APPROPRIATIONS (Total Budget) ³	\$ 22,335	\$ 23,483	\$ 23,233
Less: Unspent Appropriations (Unspent Budget plus Uncashed Checks)	\$ (642)	\$ (831)	\$ (332)
Equals: CURRENT YEAR EXPENDITURES (Net Appropriations Spent) ³	\$ 21,693	\$ 22,652	\$ 22,698
TRANSFERS OUT			
Legislatively Required Transfers (Diversions to Other Funds)	\$ 2,031	\$ 2,043	\$ 2,080
Pay Pension Obligation Bond Debt Service	-	-	-
Additional Transfer to Rainy Day Fund (Budget Stabilization Fund)	-	\$ 50	\$ 50
TOTAL TRANSFERS OUT	\$ 2,031	\$ 2,093	\$ 2,130
TOTAL OPERATING EXPENDITURES AND TRANSFERS OUT	\$ 23,924	\$ 24,725	\$ 24,828
BUDGET BASIS OPERATING SURPLUS (DEFICIT)	\$ (694)	\$ 1,954	\$ 2,066
OTHER FINANCIAL USES (SOURCES)			
Reduce Outstanding Accounts Payable (Change in Lapse Period Amounts)			
Accounts Payable at End of Prior Fiscal Year	\$ 1,476	\$ 1,266	\$ 1,266
Less: Accounts Payable at end of Current Fiscal Year	\$ (1,266)	\$ (993)	\$ (650)
Equals: Paydown/(Increase) of year-end Accounts Payable	\$ 210	\$ 673	\$ 416
Short-Term Borrowing Proceeds	\$ (1,675)	-	-
Repay Short-Term Borrowing ⁴	\$ 710	\$ 1,416	\$ 1,450
Pay Prior Year Income Tax Refund ⁵	-	-	\$ 325
TOTAL OTHER FINANCIAL USES (SOURCES)	\$ (755)	\$ 2,089	\$ 2,191
TOTAL CASH DISBURSEMENTS	\$ 23,169	\$ 26,814	\$ 27,019
CASH POSITION:			
INCREASE (DECREASE) IN CASH DURING FY ⁶	\$ 61	\$ (135)	\$ (125)
Plus: Cash Balance in General Funds at Beginning of Fiscal Year	\$ 256	\$ 317	\$ 317
Equals: Cash Balance in General Funds at End of Fiscal Year	\$ 317	\$ 182	\$ 192
Plus: Cash Balance in Budget Stabilization Fund at End of Fiscal Year	\$ 226	\$ 276	\$ 276
Equals: Total Cash at End of Fiscal Year	\$ 543	\$ 458	\$ 468

¹ FY 2003 Federal Receipts excludes \$86 million not received until FY 2004 due to a processing delay.

² FY 2003 Transfers In includes a \$144 million transfer on July 1, 2003 that was budgeted for FY 2003.

³ The FY 2003 and FY 2004 cash disbursements include capital appropriations of \$79 million and \$33 million respectively. FY 2003 also includes capital expenditures of \$24 million.

⁴ FY04 current estimates include interest.

⁵ In FY 2004, the budgeted transfer of \$225 million to pay prior year Income Tax Refund was not necessary due to:

(a) More cash had been deposited into the Income Tax Refund Fund due to increasing refund deposits over prior years;

(b) Business Income Tax Amnesty receipts contributed \$113 million to the Income Tax Refund Fund.

As of June 30, 2004, the balance of Income Tax Refund liabilities was \$116 million, a \$309 million reduction from the \$425 million balance on July 1, 2003.

⁶ Operating Surplus (Deficit) minus (plus) Other Financial Uses (Sources)

**APPENDIX II
CASH FLOW SUMMARY
General Funds
Fiscal Years 2003-2004
(in millions)**

	Fiscal Year		Change	
	FY 2003	FY 2004	Amount	Percent
AVAILABLE CASH BALANCE, BEGINNING	\$ 256	\$ 317	\$ 61	23.8%
Operating Revenue Receipts:				
State Sources, Cash Receipts:				
Gross Individual Income Tax	\$ 7,979	\$ 8,235	\$ 256	3.2%
Gross Corporate Income Tax	\$ 1,011	\$ 1,377	\$ 366	36.2%
Less Deposits to Income Tax Refund Fund	\$ (911)	\$ (1,404)	\$ (493)	54.1%
Net Income Taxes	\$ 8,079	\$ 8,208	\$ 129	1.6%
Sales Taxes	\$ 6,059	\$ 6,331	\$ 272	4.5%
Other Sources:				
Public Utility Taxes	\$ 1,006	\$ 1,079	\$ 73	7.3%
Cigarette Taxes	\$ 400	\$ 400	\$ -	0.0%
Inheritance Tax (gross)	\$ 237	\$ 222	\$ (15)	-6.3%
Liquor Gallonage Taxes	\$ 123	\$ 127	\$ 4	3.3%
Insurance Tax and Fees	\$ 313	\$ 362	\$ 49	15.7%
Corporation Franchise Tax & Fees	\$ 142	\$ 163	\$ 21	14.8%
Investment Income	\$ 66	\$ 55	\$ (11)	-16.7%
Cook County IGT	\$ 355	\$ 428	\$ 73	20.6%
Other ¹	\$ 383	\$ 517	\$ 134	35.0%
Total, Other Sources	\$ 3,825	\$ 3,353	\$ 328	10.8%
Total, State Revenues	\$ 17,163	\$ 17,892	\$ 729	4.2%
Federal Revenues:				
Cash Receipts ²	\$ 3,904	\$ 5,125	\$ 1,221	31.3%
Transfers In	\$ 36	\$ 64	\$ 28	77.8%
Total, Federal Sources	\$ 3,940	\$ 5,189	\$ 1,249	31.7%
Total, Revenues	\$ 21,103	\$ 23,081	\$ 1,978	9.4%
Transfers In:				
Lottery Fund	\$ 540	\$ 570	\$ 30	5.6%
State Gaming Fund ³	\$ 554	\$ 661	\$ 107	19.3%
Other Funds ⁴	\$ 733	\$ 878	\$ 145	19.8%
Total, Transfers In	\$ 1,827	\$ 2,109	\$ 282	15.4%
Total, Receipts (Revenues and Transfers In)	\$ 22,930	\$ 25,190	\$ 2,260	9.9%
Pension Contribution Fund ⁵	\$ 300	\$ 1,489	\$ 1,189	396.3%
TOTAL, OPERATING CASH RECEIPTS	\$ 23,230	\$ 26,679	\$ 3,449	14.8%
Operating Disbursements:				
Awards and Grants:				
State Board of Education	\$ 5,071	\$ 5,383	\$ 312	6.2%
Public Aid	\$ 4,943	\$ 5,547	\$ 604	12.2%
Human Services	\$ 2,561	\$ 2,645	\$ 84	3.3%
Teachers Retirement	\$ 931	\$ 745	\$ (186)	-20.0%
Higher Education	\$ 815	\$ 769	\$ (46)	-5.6%
All Other Grants	\$ 1,147	\$ 1,147	\$ -	0.0%
Total, Awards and Grants	\$ 15,468	\$ 16,236	\$ 768	5.0%
Operations:				
Other Agencies	\$ 4,885	\$ 4,815	\$ (70)	-1.4%
Higher Education	\$ 1,676	\$ 1,542	\$ (134)	-8.0%
Total, Operations	\$ 6,561	\$ 6,357	\$ (204)	-3.1%
Regular Transfers Out	\$ 2,031	\$ 2,093	\$ 62	3.1%
All Other (Includes Prior Year Adjustments)	\$ 24	\$ (15)	\$ (39)	-162.5%
Vouchers Payable Adjustment (Change in Bills On Hand)	\$ 50	\$ 727	\$ 677	N/A
TOTAL, OPERATING EXPENDITURES AND TRANSFERS OUT	\$ 24,134	\$ 25,398	\$ 1,264	5.2%
CASH BASIS OPERATING SURPLUS (DEFICIT)	\$ (904)	\$ 1,281	\$ 2,185	N/A
Other Financial Sources (Uses)				
Short-Term Borrowing Proceeds	\$ 1,675	\$ -	\$ (1,675)	-100.0%
Transfers to Repay Short-Term Borrowing	\$ (710)	\$ (1,416)	\$ (706)	99.4%
Total Other Financial Sources (Uses)	\$ 965	\$ (1,416)	\$ (2,381)	-246.7%
CASH BASIS SURPLUS (DEFICIT)	\$ 61	\$ (135)	\$ 558	N/A
AVAILABLE CASH BALANCE, ENDING	\$ 317	\$ 182	\$ (135)	-42.5%

Source: Office of the Comptroller and GOMB.

¹ Includes fee increases transferred in GRF from other state funds, but excludes the Riverboat Gambling Taxes and Retirement Contributions.

² FY 2003 Federal Sources do not include \$86 million received in July 2003 due to a processing delay.

³ Includes Riverboat Gambling Taxes.

⁴ FY 2004 Transfers In does not include \$144 million budgeted for FY 2003 that did not occur until July 1, 2004 due to an error. This amount is included in FY 2003 year-end totals.

A administrative chargebacks to other state funds were fully reflected in this category.

⁵ Includes Transfers from State Pensions Fund (\$1,395 million), Transfers from State Pensions Fund (\$48 million) and Retirement Contributions directly deposited into General Funds (\$46 million)

APPENDIX III
FY2004 GENERAL FUNDS
Cash Basis Receipts and Disbursements
Budget vs. Actual
(in millions)

	FY2004		Change	
	Budget	Actual	Amount	Percent
Cash Basis Receipts:				
State Revenues:				
Gross Individual Income Tax	\$ 8,265	\$ 8,235	\$ (30)	-0.4%
Gross Corporate Income Tax	\$ 1,282	\$ 1,377	\$ 95	7.4%
Deposits to Income Tax Refund Fund	\$ (1,377)	\$ (1,404)	\$ (27)	2.0%
Total, Net Income Taxes	\$ 8,170	\$ 8,208	\$ 38	0.5%
Sales Taxes	\$ 6,359	\$ 6,331	\$ (28)	-0.4%
Other State Revenues:				
Public Utility Taxes	\$ 1,073	\$ 1,079	\$ 6	0.6%
Cigarette Taxes	\$ 450	\$ 400	\$ (50)	-11.1%
Inheritance Tax (Gross)	\$ 215	\$ 222	\$ 7	3.3%
Liquor Gallonage Taxes	\$ 125	\$ 127	\$ 2	1.6%
Insurance Tax and Fees	\$ 317	\$ 362	\$ 45	14.2%
Corp. Franchise Tax and Fees	\$ 175	\$ 163	\$ (12)	-6.9%
Investment Income	\$ 100	\$ 55	\$ (45)	-45.0%
Cook County IGT	\$ 440	\$ 428	\$ (12)	-2.7%
Other ¹	\$ 1,312	\$ 517	\$ (795)	-60.6%
Total, Other State Revenues	\$ 4,207	\$ 3,353	\$ (854)	-20.3%
Total, State Revenues	\$ 18,736	\$ 17,892	\$ (844)	-4.5%
Federal Revenues:				
Cash Receipts	\$ 4,128	\$ 5,125	\$ 997	24.2%
Transfers In	\$ 119	\$ 64	\$ (55)	-46.2%
Total, Federal Revenues	\$ 4,247	\$ 5,189	\$ 942	22.2%
Total, Revenues	\$ 22,983	\$ 23,081	\$ 98	0.4%
Transfers In:				
Lottery Fund	\$ 560	\$ 570	\$ 10	1.8%
State Gaming Fund ²	\$ 767	\$ 661	\$ (106)	-13.8%
Other Funds ³	\$ 984	\$ 878	\$ (106)	-10.8%
Total, Transfers In	\$ 2,311	\$ 2,109	\$ (202)	-8.7%
Total, Revenues and Transfers In	\$ 25,294	\$ 25,190	\$ (104)	-0.4%
Transfer from Pension Contribution Fund ⁴	\$ 1,600	\$ 1,489	\$ (111)	-6.9%
TOTAL, CASH RECEIPTS	\$ 26,894	\$ 26,679	\$ (215)	-0.8%
Cash Basis Disbursements:				
Awards and Grants:				
State Board of Education	\$ 5,409	\$ 5,383	\$ (26)	-0.5%
Public Aid	\$ 5,420	\$ 5,547	\$ 127	2.3%
Human Services	\$ 2,662	\$ 2,645	\$ (17)	-0.6%
Teachers Retirement	\$ 984	\$ 745	\$ (239)	-24.3%
Higher Education	\$ 771	\$ 769	\$ (2)	-0.3%
All Other Grants	\$ 1,178	\$ 1,147	\$ (31)	-2.6%
Total, Awards and Grants	\$ 16,424	\$ 16,236	\$ (188)	-1.1%
Operations:				
Other Agencies	\$ 5,220	\$ 4,815	\$ (405)	-7.8%
Higher Education	\$ 1,646	\$ 1,542	\$ (104)	-6.3%
Total, Operations	\$ 6,866	\$ 6,357	\$ (509)	-7.4%
Less Governor's Savings Initiatives	\$ (83)	\$ -	\$ 83	-100.0%
Less Lapsed Appropriations	\$ (535)	\$ -	\$ 535	-100.0%
Regular Transfers Out	\$ 2,455	\$ 2,093	\$ (362)	-14.7%
All Other (Includes Prior Year Adjustments)	\$ 25	\$ (15)	\$ (40)	-160.0%
Vouchers Payable Adjustment (Change in Bills On Hand)	\$ 417	\$ 727	\$ 310	74.3%
Total, Expenditures and Transfers Out	\$ 25,569	\$ 25,398	\$ (171)	-0.7%
Transfers to Repay Short-Term Borrowing	\$ 1,450	\$ 1,416	\$ (34)	-2.3%
TOTAL, DISBURSEMENTS	\$ 27,019	\$ 26,814	\$ (205)	-0.8%

¹ Includes fee increases transferred in GRF from other state funds, but excludes Riverboat Gambling Taxes and Retirement Contributions.

² Includes Riverboat Gambling Taxes.

³ FY 2004 Transfers In does not include \$144 million budgeted for FY 2003 that did not occur until July 1, 2004 due to an error. This amount is included in FY 2003 year-end totals. Administrative chargebacks to other state funds were fully reflected in this category.

⁴ Includes Transfers from State Pensions Fund (\$1,395 million), Transfers from State Pensions Fund (\$48 million) and Retirement Contributions directly deposited into General Funds