

	Budget Stabilization Fund (\$ in Thousands)																				
	Actual FY 1991	Actual FY 1992	Actual FY 1993	Actual FY 1994	Actual FY 1995	Actual FY 1996	Actual FY 1997	Actual FY 1998	Actual FY 1999	Actual FY 2000	Actual FY 2001	Actual FY 2002	Actual FY 2003	Actual FY 2004	Actual FY 2005	Actual FY 2006	Actual FY 2007	Actual FY 2008	Actual FY 2009	Actual FY 2010	Actual FY 2011
<u>General Fund Revenues</u>																					
Adjusted Revenues <sup>1/</sup>	3,346,343.0	3,488,215.0	3,784,822.0	4,073,279.0	4,463,928.0	4,661,314.0	5,039,858.0	5,229,161.3	5,635,400.0	5,960,280.0	6,180,843.1	6,241,933.3	6,231,800.0	6,683,990.1	7,667,181.1	8,783,484.4	9,557,670.7	8,789,560.0	6,475,885.7	5,704,623.5	8,085,523.6
Statutory Limit of Revenues	15.000%	15.000%	15.000%	15.000%	15.000%	5.000%	5.000%	5.000%	5.634%	6.333%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%
Maximum Balance	501,951.5	523,232.3	567,723.3	610,991.9	223,196.4	233,130.0	251,992.9	294,610.9	356,889.9	417,219.6	432,659.0	436,935.3	436,226.0	467,879.3	536,702.7	614,843.9	669,036.9	615,269.2	453,312.0	399,323.6	565,986.7
<u>Arizona Personal Income in Prior CY</u>																					
Real Adjusted Annual Income Growth	0.90%	-0.70%	0.44%	4.04%	6.81%	8.26%	6.39%	5.97%	7.10%	5.94%	7.31%	2.10%	1.67%	1.98%	5.53%	6.74%	5.96%	2.88%	-0.98%	-7.19%	-0.42%
7-Year Average Income Growth	<u>5.31%</u>	<u>3.51%</u>	<u>2.16%</u>	<u>1.97%</u>	<u>2.42%</u>	<u>3.26%</u>	<u>3.78%</u>	<u>4.65%</u>	<u>5.65%</u>	<u>6.52%</u>	<u>6.84%</u>	<u>5.78%</u>	<u>5.26%</u>	<u>4.70%</u>	<u>4.68%</u>	<u>4.25%</u>	<u>3.98%</u>	<u>3.63%</u>	<u>3.22%</u>	<u>4.68%</u>	<u>1.98%</u>
Annual Difference	-4.41%	-4.21%	-1.72%	2.07%	4.39%	5.00%	2.61%	1.32%	1.45%	-0.58%	0.47%	-3.68%	-3.59%	-2.72%	0.85%	2.49%	1.98%	-0.75%	-4.20%	-11.87%	-2.40%
<u>BSF Transactions</u>																					
Beginning BSF Balance	0.0	0.0	0.0	0.0	42,145.7	223,196.4	233,130.0	245,810.9	291,669.6	385,266.2	407,666.3	391,523.8	64,719.3	13,765.7	13,524.8	160,834.5	501,612.8	676,979.8	218,640.5	2,956.1	189.0
BSF Formula Recommendation	(147,626.4)	(141,012.9)	(59,902.2)	78,345.8	178,816.9	223,196.4	121,660.3	66,526.1	75,822.8	0.0	28,013.3	0.0	(224,085.4)	(169,505.0)	56,813.9	190,912.8	173,913.0	0.0	(369,161.5)	(768,687.6)	(136,911.0)
Deposits	0.0	0.0	0.0	42,000.0	178,816.9	0.0	0.0	30,000.0	75,115.0	0.0	36,000.0	0.0	0.0	0.0	156,490.5	332,957.6	148,000.3	12,025.0	0.0	0.0	0.0
<u>Withdrawals</u> <sup>2/</sup>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>(69,425.4)</u>	<u>(332,490.8)</u> <sup>4/</sup>	<u>(53,028.7)</u> <sup>4/</sup>	<u>(643.2)</u>	<u>(9,485.6)</u>	<u>(80.9)</u>	<u>(6.9)</u>	<u>(505,576.0)</u> <sup>5/</sup>	<u>(223,000.0)</u> <sup>6/</sup>	<u>(2,767.1)</u> <sup>7/</sup>	<u>0.0</u>
Actual BSF Net Transfer	0.0	0.0	0.0	42,000.0	178,816.9	0.0	0.0	30,000.0	75,115.0	0.0	(33,425.4) <sup>3/</sup>	(332,490.8)	(53,028.7)	(643.2)	147,004.9	332,876.7	147,993.4	(493,551.0)	(223,000.0)	(2,767.1)	0.0
Balance Before Interest Earnings	0.0	0.0	0.0	42,000.0	220,962.6	223,196.4	233,130.0	275,810.9	366,784.6	385,266.2	374,240.9	59,033.0	11,690.6	13,122.5	160,529.7	493,711.2	649,606.2	183,428.8	(4,359.5)	189.0	189.0
Interest Earnings & Equity Gains/Losses	0.0	0.0	0.0	145.7	4,036.4	12,149.3	12,680.9	15,858.7	18,481.6	22,400.1	17,282.9	5,686.3	2,075.1	402.3	304.8	7,901.7	27,373.6	35,211.6	7,315.6	0.0	0.0
Ending BSF Balance Before Statutory Limit	0.0	0.0	0.0	42,145.7	224,999.0	235,345.7	245,810.9	291,669.6	385,266.2	407,666.3	391,523.8	64,719.3	13,765.7	13,524.8	160,834.5	501,612.8	676,979.8	218,640.5	2,956.1	189.0	189.0
Excess Amount Reverted to General Fund	0.0	0.0	0.0	0.0	(1,802.6)	(2,215.7)	0.0	0.0	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending BSF Balance	0.0	0.0	0.0	42,145.7	223,196.4	233,130.0	245,810.9	291,669.6	385,266.2	407,666.3	391,523.8	64,719.3	13,765.7	13,524.8	160,834.5	501,612.8	676,979.8	218,640.5	2,956.1	189.0	189.0
Percent of Revenues	0.0%	0.0%	0.0%	1.0%	5.0%	5.0%	4.9%	5.6%	6.8%	6.8%	6.3%	1.0%	0.2%	0.2%	2.1%	5.7%	7.1%	2.5%	0.0%	0.0%	0.0%

Footnote:

<sup>1/</sup> General Fund revenue from FY 1991 through FY 2020 represents the actual amount, as determined by the Economic Estimates Commission (EEC). General Fund revenue for FY 2021 was estimated by the JLBC Staff.

<sup>2/</sup> Between FY 2001 and FY 2007, a total of \$119.1 million was transferred from the BSF to the General Fund to pay for the alternative fuel tax credits (as required by Laws 2000, 7th Special Session, Chapter 1).

The BSF transfer each year was as follows: \$49.4 million in FY 2001, \$61.9 million in FY 2002, \$5.5 million in FY 2003, \$0.6 million in FY 2004, \$1.5 million in FY 2005, \$80,900 in FY 2006, and \$6,900 in FY 2007.

<sup>3/</sup> There was a \$20.0 million withdrawal in FY 2001 to pay for the construction of the Arizona State Hospital (ASH). However, since the \$20.0 million withdrawal was reimbursed from from the Tobacco Settlement Fund in the same fiscal year, the actual net BSF transfer related to ASH was \$0 in FY 2001. In addition, \$16.0 million was deposited from the General Fund to the BSF to offset the alternative fuel tax credit cost.

<sup>4/</sup> For FY 2002 and FY 2003, the Legislature authorized BSF withdrawals for ASH payments in the amounts of \$20.0 million and \$17.0 million, respectively.

<sup>5/</sup> The total BSF transfer of \$505.6 million was comprised of a base amount of \$487.0 million to help balance the FY 2008 budget, as provided by Laws 2008, Chapter 53, and a reversion of \$18.6 million to the General Fund (amount determined by the General Accounting Office) owing to the FY 2007 BSF ending balance exceeding its statutory cap.

<sup>6/</sup> The total BSF transfer of \$223.0 million was the result of a \$20.0 million transfer authorized by Laws 2008, Chapter 53 to help balance the FY 2009 budget, and a subsequent \$130.0 million transfer as provided by Laws 2009, 1<sup>st</sup> Special Session, Chapter 1 also for the purpose of balancing the FY 2009 budget. The remaining amount of \$73.0 million was due to the "trigger" under Laws 2008, Chapter 53, which provided that if the FY 2008 General Fund ending balance was less than \$0, the Treasurer would be required to transfer an amount equal to the negative ending balance plus \$1.0 million. The amount was determined to be \$73.0 million. The actual BSF withdrawal was made in FY 2009.

<sup>7/</sup> Laws 2010, 7<sup>th</sup> Special Session, Chapter 1 authorized a transfer of \$2.8 million to the General Fund to help balance the FY 2010 budget. This transfer brought the BSF balance to \$0.

Budget Stabilization Fund (\$ in Thousands)											Preliminary
General Fund Revenues	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Actual FY 2022
Adjusted Revenues <sup>1/</sup>	8,717,164.5	9,118,948.3	8,337,631.3	8,934,730.0	9,265,881.5	9,358,542.0	10,036,152.7	\$11,131,305.8	\$10,879,587.1	\$14,099,959.1	16,685,731.2
Statutory Limit of Revenues	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	10.00%	10.00%	10.00%
Maximum Balance	610,201.5	638,326.4	583,634.2	625,431.1	648,611.7	655,097.9	702,530.7	779,191.4	1,087,958.7	1,409,959.5	1,668,573
Arizona Personal Income in Prior CY											
Real Adjusted Annual Income Growth	3.42%	1.99%	0.85%	2.12%	3.07%	3.17%	2.61%	3.31%	3.50%	1.19%	2.57%
7-Year Average Income Growth	<u>1.35%</u>	<u>0.32%</u>	<u>-0.38%</u>	<u>-0.26%</u>	<u>0.42%</u>	<u>2.26%</u>	<u>3.15%</u>	<u>3.29%</u>	<u>3.38%</u>	<u>3.54%</u>	<u>3.46%</u>
Annual Difference	2.07%	1.67%	1.23%	2.38%	2.65%	0.91%	-0.54%	0.02%	0.12%	-2.35%	-0.89%
BSF Transactions											
Beginning BSF Balance	0.0	250,062.8	454,101.7	455,333.9	457,627.4	460,846.5	461,446.9	457,786.0	742,968.2	978,531.3	974,736.3
BSF Formula Recommendation	167,370.3	145,576.6	112,163.1	198,435.6	236,770.3	84,319.5	0.0	2,007.2	13,357.6	(255,670.3)	0
Deposits	250,000.0 <sup>8/</sup>	200,000.0 <sup>8/</sup>	0.0	0.0	0.0	0.0	0.0	277,135.8 <sup>19/20/</sup>	273,388.0 <sup>19/23/</sup>	0.0	4,596.8 <sup>25/</sup>
Withdrawals <sup>2/</sup>	<u>0.0</u>	<u>0.0</u>	<u>(2,000.0)</u> <sup>9/</sup>	<u>(1,000.0)</u> <sup>10/</sup>	<u>(587.8)</u> <sup>11/,12/</sup>	<u>(4,402.0)</u> <sup>13/,14/</sup>	<u>(10,598.3)</u> <sup>16/,17/</sup>	<u>(2,000.0)</u> <sup>21/,22/</sup>	<u>(55,000.0)</u> <sup>24/</sup>	<u>(11,269.1)</u> <sup>25/,26/</sup>	<u>0</u> <sup>27/</sup>
Actual BSF Net Transfer	250,000.0	200,000.0	(2,000.0)	(1,000.0)	(587.8)	(4,402.0)	(10,598.3)	275,135.8	218,388.0	(11,269.1)	4,596.8
Balance Before Interest Earnings	250,000.0	450,062.8	452,101.7	454,333.9	457,039.6	456,444.5	450,848.6	732,921.8	961,356.2	967,262.2	979,333.1
Interest Earnings & Equity Gains/Losses	62.8	4,038.9	3,232.2	3,293.5	3,806.9	5,002.4	6,937.4	10,046.4	17,175.1	7,474.1	2,830.7
Ending BSF Balance Before Statutory Limit	250,062.8	454,101.7	455,333.9	457,627.4	460,846.5	461,446.9	457,786.0	742,968.2	978,531.3	974,736.3	982,163.8
Excess Amount Reverted to General Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ending BSF Balance	250,062.8	454,101.7	455,333.9	457,627.4	460,846.5	461,446.9	457,786.0	742,968.2	978,531.3	974,736.3	982,163.8
Percent of Revenues	2.9%	5.0%	5.5%	5.1%	5.0%	4.9%	4.6%	6.7%	9.0%	6.9%	5.9%

<sup>8/</sup> Laws 2012, Chapter 294 authorized the transfer of \$250.0 million in FY 2012 and \$200.0 million in FY 2013 from the General Fund to the BSF.

<sup>9/</sup> Laws 2013, 1<sup>st</sup> Special Session, Chapter 9 authorized a total transfer of \$2.0 million in BSF interest earnings in FY 2014. Of this amount, \$1.0 million was appropriated for deposit in the Arts Fund administered by the Arizona Commission on the Arts and \$1.0 million to the State Parks Revenue Fund administered by the Arizona State Parks Board.

<sup>10/</sup> Laws 2014, Chapter 9 appropriated \$1.0 million from BSF interest earnings to the Arizona Commission on the Arts in FY 2015. Additionally, Laws 2015, Chapter 8 authorized a transfer equal to the negative ending balance for FY 2015 plus \$12.0 million. At the time of enactment, the FY 2015 ending balance was projected to be \$(132.3) million, which would have resulted in a BSF transfer of \$144.3 million in FY 2015. However, since the actual FY 2015 ending balance was positive, Chapter 8 did not "trigger" a conditional transfer into the BSF.

<sup>11/</sup> Laws 2016, Chapter 219 authorizes BSF monies to be used to pay a wildland fire suppression claim that is awaiting reimbursement from a federal agency. After a federal agency makes payment on a claim, the State Forester must reimburse the BSF within 45 days. Not more than \$10 million in unreimbursed claims can be outstanding from the fund at any time.

<sup>12/</sup> Laws 2016, Chapter 117 authorized the Department of Child Safety (DCS) and Department of Economic Security (DES) to use up to \$35.0 million each from the BSF to provide funding for reimbursement grants in FY 2016. Chapter 117 requires the BSF to be fully reimbursed by September 1, 2016. Only DES exercised the use of this "bridge loan" and reimbursed the BSF by September 1, 2016.

<sup>13/</sup> Laws 2016, Chapter 117 appropriated \$1.5 million from BSF interest earnings to the Arizona Commission on the Arts in FY 2017.

<sup>14/</sup> Laws 2017, Chapter 305 authorizes DES to use up to \$25.0 million from the BSF to provide funding for reimbursement grants in FY 2017. Chapter 305 requires the BSF to be fully reimbursed by September 1, 2017. DES used the full \$25.0 million loan and reimbursed the BSF by September 1, 2017.

<sup>15/</sup> At the end of FY 2017, the fund had \$2.9 million in outstanding unreimbursed wildland fire suppression claims, which the State Forester reimbursed to the State Treasurer upon federal payment on the claims.

<sup>16/</sup> Laws 2017, Chapter 305 appropriated \$2.6 million from BSF interest earnings to the Department of Education for rural assistance in FY 2018.

<sup>17/</sup> Laws 2017, Chapter 305 appropriated \$1.5 million from BSF interest earnings to the Arizona Commission on the Arts in FY 2018.

<sup>18/</sup> At the end of FY 2018, the fund had \$6.5 million in outstanding unreimbursed wildland fire suppression claims, which the State Forester will reimburse to the State Treasurer upon federal payment on the claims.

<sup>19/</sup> Laws 2019, Chapter 263 appropriates \$271.1 million from the General Fund in each of FY 2019 and FY 2020 for deposit into the BSF.

<sup>20/</sup> At the end of FY 2019, the fund had \$10.0 million in outstanding unreimbursed claims, and a net repayment in FY 2019 of \$6.0 million during the fiscal year.

<sup>21/</sup> Laws 2018, Chapter 276 appropriated \$2.0 million from BSF interest earnings to the Arizona Commission on the Arts in FY 2019.

<sup>22/</sup> Laws 2018, Chapter 276 authorizes DPS to use up to \$23.3 million from the BSF to provide temporary operating funding. Chapter 276 requires the BSF to be fully reimbursed by September 1, 2019. DPS used the full \$23.3 million loan in FY 2019 and reimbursed the BSF in the same fiscal year.

<sup>23/</sup> At the end of FY 2020, the fund had \$1.7 million in outstanding unreimbursed claims, and a net repayment in FY 2020 of \$2.3 million during the fiscal year.

<sup>24/</sup> Laws 2020, Chapter 6 appropriated \$55.0 million in FY 2020 from the BSF to DHS Public Health Emergencies Fund for costs to address the COVID-19 public health emergency. Any unspent monies as of June 30, 2021 up to \$50.0 million of the total will revert to the BSF.

<sup>25/</sup> Laws 2019, Chapter 269 authorizes up to \$20 million in BSF monies to be used by the State Forester to pay certain wildfire suppression claims. The monies must be reimbursed to the State Treasurer within 45 days.

<sup>26/</sup> Laws 2020, Chapter 58 authorizes DES to use up to \$25.0 million from the BSF to provide funding for reimbursement grants in FY 2021. Chapter 58 required the BSF to be fully reimbursed by September 1, 2021. These monies were spent and repaid by September 1, 2021.

<sup>27/</sup> Laws 2021, Chapter 408 authorizes DES to use up to \$25.0 million annually from the BSF to provide funding for reimbursement grants in FY 2022. Chapter 408 requires the BSF to be fully reimbursed by September 1, 2022.