

Figure INT-02
\$14.5 Billion General Fund Deficit
Workload Budget^{1/}
(Dollars in Billions)

	2007-08	2008-09
2007 Budget Act Reserve	\$4.1	
Changes in Beginning Balance/ Carryover from 2007-08	-0.5	-\$3.3
2007-08 Operating Deficit		-\$6.7 ^{2/}
Major Revenues Decrease/Increase (-/+)	-4.2	4.6
Other Revenues	-0.7	-1.4
Expenditure Increases:		
Proposition 98	-0.6	-2.3
All Others	-1.4	-5.4
2008-09 Operating Deficit		-\$11.2
2008-09 Governor's Budget	-\$3.3	-\$14.5
Workload Budget Deficit		
Operating Deficit	-\$6.7 ^{2/}	

^{1/} Workload budget reflects the projected costs of state government if no corrective actions are taken.

^{2/} The operating deficit for 2007-08 reflects spending more in that year than the revenues collected that year. This operating deficit carries forward into 2008-09 and is increased by projected spending increases partially offset by revenue increases.