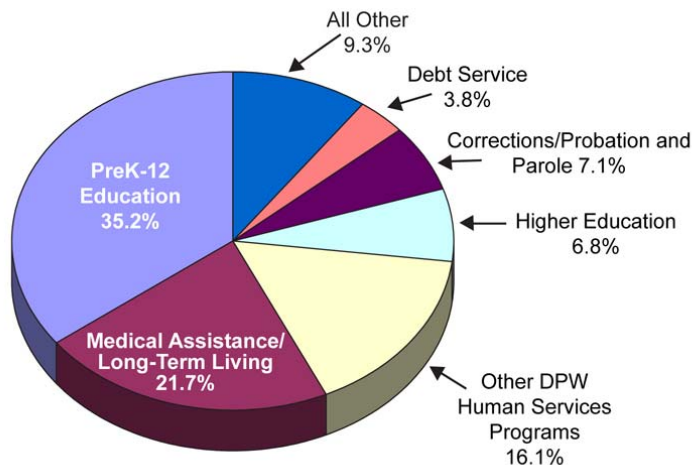


Highlights of FY 2010-11 Budget That Works

- Governor Rendell's Fiscal Year 2010-11 budget is a budget that works to:
 - continue to meet our health and safety responsibilities;
 - invest in our children's education;
 - keep the cost of state government down; and
 - prepare for our future challenges.
- The 2010-11 General Fund budget does not rely on any broad-based tax increases.
- The 2010-11 total General Fund budget is \$29 billion – an increase of \$1.15 billion or 4.1 percent after accounting for the use of nearly \$2.7 billion in federal American Recovery and Reinvestment Act funds in 2009-10 and nearly \$2.8 billion in 2010-11.
- Administrative spending in the 2010-11 budget is 4 percent lower than it was in 2002-03. If administrative spending had been allowed to grow at the rate of inflation, commonwealth agencies would spend \$458 million more to operate state government in 2010-11.
- The 2010-11 budget includes a reduction of positions in the commonwealth's current authorized complement that will bring the total reduction since January 2003 to 4,887.
- In the 2010-11 General Fund budget, \$12.3 billion, or 42 percent, is for education.
- The 2010-11 General Fund budget reduces spending by 1 percent in all areas other than Education, Public Welfare, Aging and Long Term Living, Corrections, Probation and Parole, and debt service.
- To help meet future budgetary challenges, this budget proposes to create a new Stimulus Transition Reserve Fund. New revenue will be raised for deposit in this fund beginning in 2010-11 – to be used in 2011-12 and in future budgets. Revenue reform measures will include cutting the state sales tax rate from 6 percent to 4 percent and reducing the Corporate Net Income Tax rate from 9.99 percent to 8.99 percent.



General Fund Expenditures

Total General Fund Expenditures:	
\$ 26.27	Billion State
\$ 2.76	Billion ARRA
\$ 29.03	Billion Total