

# ISSUE BRIEF

## SENATE POLICY DEVELOPMENT AND RESEARCH OFFICE

PREPARED IN CONJUNCTION WITH THE SENATE REPUBLICAN POLICY COMMITTEE

### History and Analysis of General Fund Revenues and Expenditures

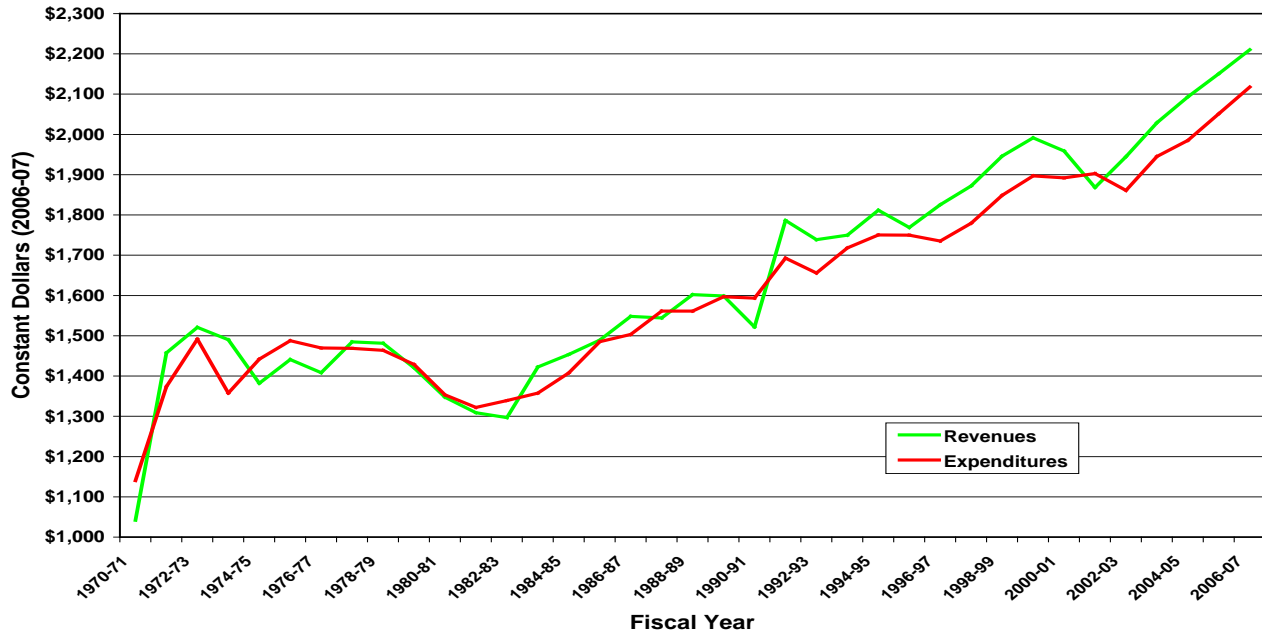
The General Fund is the account into which general, that is, non-earmarked, Commonwealth revenues are deposited and from which monies are appropriated to pay for the general expenses of the Commonwealth. Revenues constitute monies received mainly from taxes. Expenditures are accounting entries for which the Commonwealth is liable. The following table enumerates General Fund revenues and expenditures, and also lists population and total personal income, all of which are elements of the ensuing analysis.

#### **Actual General Fund Revenues and Expenditures, Estimated Population, and Personal Income**

| <b>Fiscal Year</b> | <b>Revenues<br/>(\$ Thousands)</b> | <b>Expenditures<br/>(\$ Thousands)</b> | <b>Estimated<br/>Population</b> | <b>Pers. Income<br/>(\$ Thousands)</b> |
|--------------------|------------------------------------|--|---------------------------------|--|
| 1970-71            | 2,393,546                          | 2,619,667                              | 11,843,583                      | 49,547,629                             |
| 1971-72            | 3,490,084                          | 3,289,782                              | 11,897,317                      | 53,362,837                             |
| 1972-73            | 3,815,522                          | 3,741,623                              | 11,899,380                      | 58,510,921                             |
| 1973-74            | 4,057,626                          | 3,696,748                              | 11,880,706                      | 64,425,006                             |
| 1974-75            | 4,142,117                          | 4,322,634                              | 11,888,490                      | 70,564,022                             |
| 1975-76            | 4,643,169                          | 4,793,521                              | 11,901,737                      | 77,203,336                             |
| 1976-77            | 4,814,324                          | 5,023,178                              | 11,895,485                      | 84,836,255                             |
| 1977-78            | 5,430,213                          | 5,370,765                              | 11,886,494                      | 93,441,079                             |
| 1978-79            | 5,932,392                          | 5,861,756                              | 11,883,686                      | 103,321,475                            |
| 1979-80            | 6,394,284                          | 6,432,179                              | 11,875,935                      | 114,149,742                            |
| 1980-81            | 6,774,185                          | 6,801,829                              | 11,861,231                      | 125,943,808                            |
| 1981-82            | 7,109,561                          | 7,181,919                              | 11,851,857                      | 136,718,443                            |
| 1982-83            | 7,362,808                          | 7,604,380                              | 11,841,435                      | 144,577,927                            |
| 1983-84            | 8,371,473                          | 7,991,122                              | 11,826,448                      | 154,039,378                            |
| 1984-85            | 8,866,506                          | 8,586,362                              | 11,793,017                      | 165,107,130                            |
| 1985-86            | 9,316,221                          | 9,292,072                              | 11,776,807                      | 174,494,778                            |
| 1986-87            | 9,969,615                          | 9,680,835                              | 11,796,809                      | 184,261,938                            |
| 1987-88            | 10,359,238                         | 10,472,116                             | 11,828,309                      | 196,622,696                            |
| 1988-89            | 11,256,651                         | 10,969,994                             | 11,855,874                      | 212,204,085                            |
| 1989-90            | 11,834,369                         | 11,820,132                             | 11,884,648                      | 227,540,927                            |
| 1990-91            | 11,862,272                         | 12,421,264                             | 11,942,732                      | 238,578,000                            |
| 1991-92            | 14,516,797                         | 13,755,804                             | 12,015,807                      | 249,348,073                            |
| 1992-93            | 14,633,118                         | 13,935,523                             | 12,084,587                      | 259,668,467                            |
| 1993-94            | 15,210,742                         | 14,934,534                             | 12,142,887                      | 268,078,931                            |
| 1994-95            | 16,224,684                         | 15,674,655                             | 12,182,227                      | 278,229,861                            |
| 1995-96            | 16,338,538                         | 16,162,928                             | 12,209,434                      | 290,629,034                            |
| 1996-97            | 17,320,554                         | 16,466,648                             | 12,224,139                      | 304,501,354                            |
| 1997-98            | 18,123,168                         | 17,229,814                             | 12,236,743                      | 320,834,748                            |
| 1998-99            | 19,226,655                         | 18,263,339                             | 12,254,739                      | 336,385,704                            |
| 1999-00            | 20,256,727                         | 19,295,301                             | 12,274,685                      | 353,724,392                            |
| 2000-01            | 20,561,745                         | 19,861,696                             | 12,286,553                      | 368,588,496                            |
| 2001-02            | 20,059,943                         | 20,429,399                             | 12,296,647                      | 377,295,292                            |
| 2002-03            | 21,314,451                         | 20,400,104                             | 12,316,501                      | 388,079,818                            |
| 2003-04            | 22,828,078                         | 21,885,366                             | 12,337,934                      | 403,881,572                            |
| 2004-05            | 24,308,540                         | 23,054,037                             | 12,357,947                      | 422,902,921                            |
| 2005-06            | 25,854,296                         | 24,664,610                             | 12,385,047                      | 444,341,641                            |
| 2006-07            | 27,449,336                         | 26,298,095                             | 12,417,805                      | 469,488,734                            |

The following graph shows, in constant dollars, that revenues and expenditures *per capita* have roughly doubled through the 37 years under examination, from about \$1,100 in FY 1970-71 to about \$2,200 in FY 2006-07, for an annual increase of nearly \$30 or 2.7%.

### Revenues and Expenditures per Capita



Although revenues and expenditures *per capita* have doubled over the last 37 years, the following graph shows the ratios of revenues and expenditures and statewide personal income have generally remained constant between 5% and 6% during this period.

### Ratio of Revenues and Expenditures to Personal Income

