

*Required  
Supplementary  
Information*





**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR JUNE 30, 2009**

	<u>General Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 15,214,856,000	\$ 14,429,157,176	\$ 14,142,387,477	\$ (286,769,699)
Federal and other grants	9,442,761,781	11,305,126,379	9,346,812,948	(1,958,313,431)
Licenses and fees	1,216,293,101	1,188,388,003	1,086,432,369	(101,955,634)
Services and assessments	2,551,083,000	2,539,364,125	2,056,932,864	(482,431,261)
Investment earnings	18,074,000	2,713,573	22,930,717	20,217,144
Contributions	1,000	1,000	1,300	300
Other	3,651,363,432	3,610,158,579	2,190,782,294	(1,419,376,285)
Total Revenues	<u>32,094,432,314</u>	<u>33,074,908,835</u>	<u>28,846,279,969</u>	<u>(4,228,628,866)</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	<u>2,102,826,000</u>	<u>2,380,143,313</u>	<u>2,271,193,058</u>	<u>(108,950,255)</u>
Total Other Financing Sources	<u>2,102,826,000</u>	<u>2,380,143,313</u>	<u>2,271,193,058</u>	<u>(108,950,255)</u>
<b>Total Revenues and Other Financing Sources</b>	<u>34,197,258,314</u>	<u>35,455,052,148</u>	<u>31,117,473,027</u>	<u>(4,337,579,121)</u>
<b>EXPENDITURES</b>				
Public safety and criminal justice	3,610,271,113	3,618,219,243	3,154,001,754	464,217,489
Physical and mental health	10,309,909,281	10,682,738,913	10,281,570,973	401,167,940
Educational, cultural, and intellectual development	5,210,479,718	5,253,780,970	4,748,018,234	505,762,736
Community development and environmental management	2,103,164,118	2,068,547,981	1,549,152,461	519,395,520
Economic planning, development, and security	4,861,231,705	5,019,866,177	4,455,115,223	564,750,954
Transportation programs	649,286,547	622,271,806	547,743,149	74,528,657
Government direction, management, and control	5,940,875,944	5,631,057,416	5,136,829,737	494,227,679
Special government services	466,611,221	452,774,975	339,042,240	113,732,735
Total Expenditures	<u>33,151,829,647</u>	<u>33,349,257,481</u>	<u>30,211,473,771</u>	<u>3,137,783,710</u>
<b>OTHER FINANCING USES</b>				
Transfers to other funds	<u>1,329,075,667</u>	<u>1,841,454,667</u>	<u>1,325,948,667</u>	<u>515,506,000</u>
Total Other Financing Uses	<u>1,329,075,667</u>	<u>1,841,454,667</u>	<u>1,325,948,667</u>	<u>515,506,000</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>34,480,905,314</u>	<u>35,190,712,148</u>	<u>31,537,422,438</u>	<u>3,653,289,710</u>
Net change in fund balance	(283,647,000)	264,340,000	(419,949,411)	(684,289,411)
<b>Fund Balances - July 1, 2008</b>	<u>400,447,000</u>	<u>469,826,956</u>	<u>469,826,956</u>	<u>-</u>
<b>Fund Balances - June 30, 2009</b>	<u>\$ 116,800,000</u>	<u>\$ 734,166,956</u>	<u>\$ 49,877,545</u>	<u>\$ (684,289,411)</u>

**Property Tax Relief Fund**

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget</u>
\$ 13,222,522,926	\$ 10,740,522,926	\$ 11,088,033,218	\$ 347,510,292
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>13,222,522,926</u>	<u>10,740,522,926</u>	<u>11,088,033,218</u>	<u>347,510,292</u>
-	1,230,109,000	846,814,862	(383,294,138)
-	1,230,109,000	846,814,862	(383,294,138)
<u>13,222,522,926</u>	<u>11,970,631,926</u>	<u>11,934,848,080</u>	<u>(35,783,846)</u>
-	-	-	-
-	-	-	-
10,521,458,011	9,606,500,885	9,416,032,179	190,468,706
658,612,000	600,582,661	640,828,981	(40,246,320)
-	-	-	-
-	-	-	-
2,042,452,915	1,862,495,380	1,995,369,553	(132,874,173)
-	-	-	-
<u>13,222,522,926</u>	<u>12,069,578,926</u>	<u>12,052,230,713</u>	<u>17,348,213</u>
-	-	-	-
-	-	-	-
<u>13,222,522,926</u>	<u>12,069,578,926</u>	<u>12,052,230,713</u>	<u>17,348,213</u>
-	(98,947,000)	(117,382,633)	(18,435,633)
-	98,947,159	98,947,159	-
<u>\$ -</u>	<u>\$ 159</u>	<u>\$ (18,435,474)</u>	<u>\$ (18,435,633)</u>

(Continued on next page)

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
MAJOR GOVERNMENTAL FUNDS (Continued)  
FOR THE FISCAL YEAR JUNE 30, 2009**

	<b>Total Major Governmental Funds</b>			
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Taxes	\$ 28,437,378,926	\$ 25,169,680,102	\$ 25,230,420,695	\$ 60,740,593
Federal and other grants	9,442,761,781	11,305,126,379	9,346,812,948	(1,958,313,431)
Licenses and fees	1,216,293,101	1,188,388,003	1,086,432,369	(101,955,634)
Services and assessments	2,551,083,000	2,539,364,125	2,056,932,864	(482,431,261)
Investment earnings	18,074,000	2,713,573	22,930,717	20,217,144
Contributions	1,000	1,000	1,300	300
Other	3,651,363,432	3,610,158,579	2,190,782,294	(1,419,376,285)
<b>Total Revenues</b>	<b>45,316,955,240</b>	<b>43,815,431,761</b>	<b>39,934,313,187</b>	<b>(3,881,118,574)</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers from other funds	2,102,826,000	3,610,252,313	3,118,007,920	(492,244,393)
<b>Total Other Financing Sources</b>	<b>2,102,826,000</b>	<b>3,610,252,313</b>	<b>3,118,007,920</b>	<b>(492,244,393)</b>
<b>Total Revenues and Other     Financing Sources</b>	<b>47,419,781,240</b>	<b>47,425,684,074</b>	<b>43,052,321,107</b>	<b>(4,373,362,967)</b>
<b>EXPENDITURES</b>				
Public safety and criminal justice	3,610,271,113	3,618,219,243	3,154,001,754	464,217,489
Physical and mental health	10,309,909,281	10,682,738,913	10,281,570,973	401,167,940
Educational, cultural, and intellectual development	15,731,937,729	14,860,281,855	14,164,050,413	696,231,442
Community development and environmental management	2,761,776,118	2,669,130,642	2,189,981,442	479,149,200
Economic planning, development, and security	4,861,231,705	5,019,866,177	4,455,115,223	564,750,954
Transportation programs	649,286,547	622,271,806	547,743,149	74,528,657
Government direction, management, and control	7,983,328,859	7,493,552,796	7,132,199,290	361,353,506
Special government services	466,611,221	452,774,975	339,042,240	113,732,735
<b>Total Expenditures</b>	<b>46,374,352,573</b>	<b>45,418,836,407</b>	<b>42,263,704,484</b>	<b>3,155,131,923</b>
<b>OTHER FINANCING USES</b>				
Transfers to other funds	1,329,075,667	1,841,454,667	1,325,948,667	515,506,000
<b>Total Other Financing Uses</b>	<b>1,329,075,667</b>	<b>1,841,454,667</b>	<b>1,325,948,667</b>	<b>515,506,000</b>
<b>Total Expenditures and Other     Financing Uses</b>	<b>47,703,428,240</b>	<b>47,260,291,074</b>	<b>43,589,653,151</b>	<b>3,670,637,923</b>
Net change in fund balance	(283,647,000)	165,393,000	(537,332,044)	(702,725,044)
<b>Fund Balances - July 1, 2008</b>	<b>400,447,000</b>	<b>568,774,115</b>	<b>568,774,115</b>	<b>-</b>
<b>Fund Balances - June 30, 2009</b>	<b>\$ 116,800,000</b>	<b>\$ 734,167,115</b>	<b>\$ 31,442,071</b>	<b>\$ (702,725,044)</b>

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
BUDGET-TO-GAAP RECONCILIATION--MAJOR FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**Explanation of differences between budgetary inflows and outflows  
and GAAP revenues and expenditures**

	<b>General Fund</b>	<b>Property Tax Relief Fund</b>
<b>Sources/inflows of resources:</b>		
Total revenues and other financing sources--actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,117,473,027	\$ 11,934,848,080
<b>Differences--budget to GAAP:</b>		
Receipt of federal food stamp coupons is not a budgetary resource but is revenue for financial reporting purposes (GASB 24).	682,411,923	-
Federal revenue related to encumbrances is a budgetary resource but is not earned on a GAAP basis.	(116,973,508)	-
Proceeds and premiums from the sale of school construction bonds by the Economic Development Authority are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	1,184,420,059	-
Proceeds and premiums from the sale of general obligation refunding bonds are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	203,996,935	-
Proceeds and premiums from the sale of installment obligation bonds including refundings are not inflows of budgetary resources but are other financing sources for financial reporting purposes.	288,642,776	-
Excess anticipated revenue transferred from Fund Balance - Reserved for Surplus Revenue is a budgetary resource but is not revenue for financial reporting purposes.	(362,200,000)	-
Revenues in other funds are not inflows of budgetary resources but have been incorporated into revenues for financial reporting purposes.	4,081,767	-
Total revenues and other financing sources as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	\$ 33,001,852,979	\$ 11,934,848,080
<b>GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds reconciliation:</b>		
Total revenues	\$ 29,178,277,740	
Transfers from other funds	2,146,515,469	
Other sources	1,677,059,770	
Total revenues and other financing sources	\$ 33,001,852,979	

**STATE OF NEW JERSEY  
BUDGETARY COMPARISON SCHEDULE  
BUDGET-TO-GAAP RECONCILIATION--MAJOR FUNDS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2009**

**Explanation of differences between budgetary inflows and outflows  
and GAAP revenues and expenditures (continued)**

	<u>General Fund</u>	<u>Property Tax Relief Fund</u>
<b>Uses/outflows of resources:</b>		
Total expenditures and other financing uses--actual amounts (budgetary basis) from the budgetary comparison schedule	\$ 31,537,422,438	\$ 12,052,230,713
Differences--budget to GAAP:		
Encumbrances for items ordered but not received are reported in the year the resources are encumbered for budgetary purposes, but in the year the items are received for financial reporting purposes.	(1,432,218,133)	(1,198,179)
Expenditures in prior budget fiscal year accounts are reported in the year the resources are encumbered for budgetary purposes, but in the year the funds are disbursed for financial reporting purposes.	902,920,722	18,020,230
Loans and travel advances are outflows of budgetary resources but are not expenditures for financial reporting purposes.	45,792	36,000
Miscellaneous accruals are not outflows of budgetary resources but are expenditures for financial reporting purposes.	532,974,569	(36,000)
Distribution of federal food stamp coupons is not a budgetary outflow but is an expenditure for financial reporting purposes (GASB 24).	682,411,923	-
School construction bonds proceeds distributed to the New Jersey Schools Development Authority are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	1,184,420,059	-
Installment obligation refunding bonds proceeds deposited with fiscal agent are not outflows of budgetary resources but are expenditures and other financing uses for financial reporting purposes.	203,996,935	-
Additions to other debt are not budgetary outflows but are expenditures and other financing uses for financial reporting purposes.	288,642,776	-
Expenditures in other funds are not outflows of budgetary resources but have been incorporated into expenditures for financial reporting purposes.	<u>648,552,423</u>	<u>-</u>
Total expenditures and other financing uses as reported on the GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds	<u>\$ 34,549,169,504</u>	<u>\$ 12,069,052,764</u>
GAAP-basis statement of revenues, expenditures, and changes in fund balances--governmental funds reconciliation:		
Total expenditures	30,673,226,648	
Transfers to other funds	3,227,941,657	
Other uses	<u>648,001,199</u>	
Total expenditures and other financing uses	<u>\$ 34,549,169,504</u>	



**STATE OF NEW JERSEY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Budgetary Process**

The Appropriations Act provides annual departmental budgets for the General Fund and certain special revenue funds (Casino Control, Casino Revenue, Gubernatorial Elections, and Property Tax Relief Funds). The State Legislature enacts the Appropriations Act through passage of specific departmental appropriations, the sum of which may not exceed estimated resources. It is a constitutional requirement that the Budget be balanced. The Governor certifies the revenues. Before signing the Appropriations Act, the Governor may veto or reduce any specific appropriation, subject to State Legislative override. Once passed and signed, the Appropriations Act becomes the State's financial plan for the coming fiscal year. Spending authority contained in the Appropriations Act may be revised by supplemental appropriations approved by both the State Legislature and the Governor. Expenditures are presented on the accompanying budgetary basis financial statements by statewide program classifications, not by the legal level of budgetary control. Detail at the departmental level is presented on the accompanying Schedules of Appropriations and Expenditures.

For the General Fund and budgeted special revenue funds, budgetary control (legal control) is maintained within the department (as indicated on the organization chart shown in the Transmittal Letter) at the appropriation line item level. Program classifications represent a lower level, operating program function, consisting of closely related activities with identifiable objectives or goals. Program classification examples include Water Supply Management, Forestry Management, Shellfish and Marine Fisheries Management, in the Department of Environmental Protection. Revisions to the Appropriations Act during the fiscal year may be effected with certain executive and legislative branch approvals. In accordance with the "General Provisions" section of the Appropriations Act, the Executive Branch may amend the budget within a department with the approval of the Director of the Division of Budget and Accounting. Under specific conditions, additional approval by the Office of Legislative Services is required. Only the State Legislature, however, may transfer appropriations between departments. Transfers within a department are permitted within certain guidelines and Executive Branch approval.

Appropriations are authorized for expenditure during the fiscal year and for a period of one month thereafter, and unencumbered appropriations lapse at the end of the fiscal year, unless otherwise specified by the Appropriations Act.

The State's budgetary basis of accounting differs from that utilized to present fund financial statements in conformance with generally accepted accounting principles (GAAP). The main differences between the budgetary basis and the GAAP basis used to present fund financial statements, are that under the budgetary basis encumbrances are recognized as expenditures, the federal revenue related to such encumbrances is also recognized, and the budgetary basis reflects transactions only for the current fiscal year. In addition, under the GAAP basis in the fund financial statements, certain grants and other financial assistance are required to be recorded as revenues and expenditures.

The Budgetary Comparison Schedule displays the undesignated-unreserved fund balance for the original budget, final budget, and actual amounts (budgetary basis). The beginning fund balance for the original budget is estimated as of July 1 while the beginning fund balance for the final budget and actual amount columns represent actual amounts.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF FUNDING PROGRESS**  
**PENSION TRUST FUNDS AND HEALTH BENEFITS PROGRAM FUND**

<b>Plan/Actuarial Valuation</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
<b>OPEB - State</b>						
June 30, 2006	-	58,059,000,000	58,059,000,000	-	-	N/A
June 30, 2007	-	50,649,500,000	50,649,500,000	-	-	N/A
June 30, 2008	-	55,913,500,000	55,913,500,000	-	20,180,200,000	277.1%
<b>PERS - State</b>						
June 30, 2006	10,668,645,162	14,797,684,446	4,129,039,284	72.1%	4,253,564,219	97.1%
June 30, 2007	11,024,255,608	16,028,875,601	5,004,619,993	68.8%	4,434,933,181	112.8%
June 30, 2008	11,200,668,671	17,072,702,680	5,872,034,009	65.6%	4,609,019,779	127.4%
<b>PERS - Local</b>						
June 30, 2006	16,699,827,172	20,273,979,840	3,574,152,668	82.4%	6,730,309,209	53.1%
June 30, 2007	17,690,520,507	21,764,214,593	4,073,694,086	81.3%	6,983,534,635	58.3%
June 30, 2008	18,217,749,414	23,173,183,973	4,955,434,559	78.6%	7,206,781,046	68.8%
<b>TPAF</b>						
June 30, 2006	35,531,294,790	46,539,868,653	11,008,573,863	76.3%	8,748,623,186	125.8%
June 30, 2007	36,714,578,745	49,161,247,363	12,446,668,618	74.7%	9,077,628,813	137.1%
June 30, 2008	36,664,627,629	51,754,814,521	15,090,186,892	70.8%	9,419,083,203	160.2%
<b>PFRS - State</b>						
June 30, 2006	2,082,930,162	3,082,176,677	999,246,515	67.6%	506,084,434	197.4%
June 30, 2007	2,215,697,407	3,426,631,813	1,210,934,406	64.7%	527,556,519	229.5%
June 30, 2008	2,316,017,361	3,749,118,910	1,433,101,549	61.8%	527,495,741	271.7%
<b>PFRS - Local</b>						
June 30, 2006	18,281,315,556	22,907,522,660	4,626,207,104	79.8%	2,772,915,465	166.8%
June 30, 2007	19,500,229,156	24,562,195,443	5,061,966,287	79.4%	2,932,283,180	172.6%
June 30, 2008	20,437,541,909	26,871,106,532	6,433,564,623	76.1%	3,068,758,436	209.6%
<b>SPRS</b>						
June 30, 2006	1,970,398,511	2,319,656,532	349,258,021	84.9%	263,220,592	132.7%
June 30, 2007	2,066,754,160	2,485,649,230	418,895,070	83.1%	275,301,995	152.2%
June 30, 2008	2,127,263,509	2,609,164,869	481,901,360	81.5%	281,087,566	171.4%
<b>JRS</b>						
June 30, 2006	369,493,799	493,778,007	124,284,208	74.8%	62,492,250	198.9%
June 30, 2007	379,364,939	524,970,330	145,605,391	72.3%	63,144,685	230.6%
June 30, 2008	380,964,713	553,284,647	172,319,934	68.9%	67,159,516	256.6%
<b>CPFPF</b>						
June 30, 2006	22,453,828	24,749,667	2,295,839	90.7%	-	N/A
June 30, 2007	19,336,247	21,090,186	1,753,939	91.7%	-	N/A
June 30, 2008	15,705,984	17,319,488	1,613,504	90.7%	-	N/A
<b>POPF</b>						
June 30, 2006	14,014,718	8,236,295	(5,778,423)	170.2%	-	N/A
June 30, 2007	13,499,361	7,378,386	(6,120,975)	183.0%	-	N/A
June 30, 2008	12,890,441	6,789,017	(6,101,424)	189.9%	-	N/A

Note: The 6/30/2009 Pension Actuarial Reports are available at <http://www.state.nj.us/treasury/pensins/actuarial-rpts.htm>.