



# State of North Carolina

## Office of the State Controller

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### STATE'S GENERAL FUND HAS NEGATIVE BALANCE AT END OF MAY

**RALEIGH** – For May 2009, North Carolina's General Fund continued to see lower tax and non-tax receipts. Tax revenues, net of refunds, declined by \$14.6 million, or 1.4 percent for the month of May compared to the previous year. With lower cash balances, investment earnings declined by \$12.6 million for May as compared to the prior year. For the year to date through May, net tax revenues reflected a decline of \$1.7 billion, or 10 percent, with investment earnings down by \$111.2 million, or 49.6 percent.

All pending income tax refunds for the 2008 tax year have been paid as of May 31, 2009.

The General Fund's unreserved fund balance continued to have a negative balance of \$344.8 million as of May 31, as compared to a negative \$284.7 million at the end of April. The Office of the State Controller, in consultation with the Office of State Budget and Management, has been implementing measures to ensure the state's budget is balanced by June 30, 2009.

This information is contained in the most recent monthly report on the General Fund compiled by the Office of the State Controller.

This report can be found at [www.osc.nc.gov](http://www.osc.nc.gov). Go to "Recent Publications" and click on "General Fund Monthly Financial Report -- May." The OSC website includes General Fund monthly budgetary basis financial information back through June 1998.

*The State Controller is North Carolina's chief fiscal officer. The Office of the State Controller serves as an independent resource to ensure the financial integrity of the State by providing accounting, disbursing, payroll, internal control and financial reporting systems that serve state agencies, employees and the public and maximizing financial return through its statewide cash management plan. The OSC issues numerous financial reports including: Financial Highlights, General Fund Monthly Financial Report, IT Expenditures Report, Statewide Accounts Receivable Report, the State's Comprehensive Annual Financial Report (CAFR) as well as the short, easy-to-read version of the CAFR known as the "popular" report.*