



# State of North Carolina

## Office of the State Controller

**DAVID T. MCCOY**  
**STATE CONTROLLER**

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Contact: Sherri Johnson (919.707.0753)

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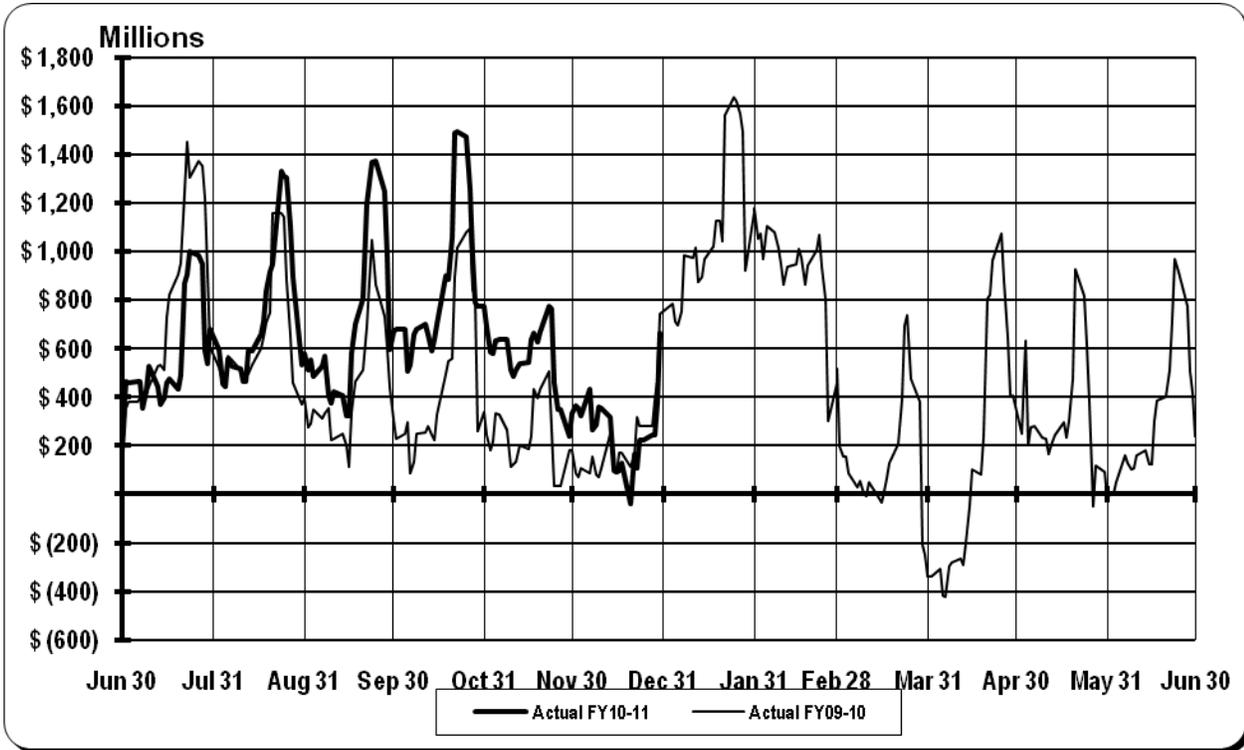
### **CONTROLLER'S OFFICE RELEASES DECEMBER MONTHLY FINANCIAL REPORT**

**RALEIGH** – Year to date, through December 2010, North Carolina's General Fund experienced a decrease in actual net tax and non-tax revenues of \$57.8 million, or 0.6 percent. Tax revenues through December increased by \$5.1 million, or 0.1 percent, and non-tax revenues decreased by \$62.9 million, or 12.7 percent as compared to the prior year. Corporate Income Tax and Franchise Tax Revenue for fiscal year 2011, when compared to the prior year, showed a decrease of 36.3 percent and 31.7 percent respectively due to the prior year collection efforts of the North Carolina Department of Revenue. The Department collected \$422 million from 236 corporate entities between August 2009 and December 2009 with the majority of the collections being received in December 2009. The collections focused on outstanding cases in which the Department and the taxpayer had disputes over the proper calculation of taxes due to the State. Because of lower rates of return on investment, the General Fund's Treasurer investment earnings declined by \$12 million or 50.2 percent as of the year ending December 2010 compared to the previous year.

The General Fund's unreserved fund balance as of December 2010, was \$666 million as compared to \$742.8 million as of December 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 <http://www.osc.nc.gov>. Go to "Recent Publications" and click on "General Fund Monthly Financial Report -- December." The OSC website includes General Fund monthly budgetary basis financial information back through June 1998.

**The graph on the next page shows the daily fluctuation of unreserved fund balance for the current and prior fiscal years.**



*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.*