

\$8,961,000.87 is the amount we have to start the fiscal year beginning July 1st, 1944, over and above all obligations existing at that date.

The surplus increases or decreases as revenues exceed or fail to equal operating expenses. I am giving you below some figures to show how forecasting of revenues worked out for the fiscal year 1944:

The budget originally submitted to you at the 1943 Session estimated general funds revenues for the fiscal year 1944 as..... \$27,865,200.00

The revisions made by the 1943 Session and the March 1944 Special Session, including the reduction in income tax effected by the Board of Public Works in increasing the tax credit from 33-1/3% to 50%, reduced the estimated receipts to..... \$24,250,046.00

The actual receipts of general funds revenues for the fiscal year 1944 were..... \$26,370,174.78

I also give you estimated figures for the fiscal year 1945 to compare with the first two figures given above for the fiscal year 1944:

The budget originally submitted to you at the 1943 Session estimated general funds revenues for the fiscal year 1945 as..... \$27,867,700.00

The revisions made by the 1943 Session and the March 1944 Special Session, after taking into consideration the credit to be taken by income tax payers being on the basis of 33-1/3% reduction for this year, reduce the estimated revenues to..... \$24,998,546.00

In the light of our experience as to actual revenues for the fiscal year 1944, further consideration will have to be given to revising estimates of revenues for the fiscal year 1945, and this will be the subject of further study by this office and a statement to be furnished to the Governor in connection with the preparation of the State budget which will be submitted to the 1945 Session. The statement will also cover estimates of revenues for each of the fiscal years 1946 and 1947, the next ensuing biennium.

I believe it would be interesting, at this point, to give you comparative figures, in totals, showing appropriations and expenditures from general funds for operating expenses, as follows:

Appropriations—general funds—fiscal year 1944 \$32,284,306.85

Expenditures fiscal year 1944 ..	\$27,955,336.98
Obligated balances at the end of the year	2,338,276.96
Reversions during the year.....	1,990,692.91

Total..... \$32,284,306.85