

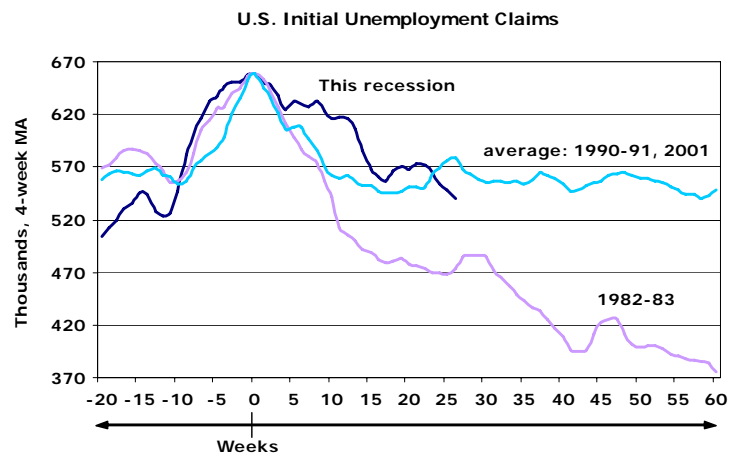


# ECONOMIC & REVENUE UPDATE

12 October 2009

## U.S.

- The economy is growing again, but the fragility of the recovery was driven home by a weak jobs report. In September, 263,000 net jobs were lost, more than had been expected, and higher than the 201,000 lost in August. Initial unemployment claims are falling, but at a slow pace similar to the slow recoveries in 1991 and 2001 (see Figure). The national unemployment rate rose to 9.8% from 9.7%.
- The manufacturing sector has returned to growth due to production for inventory restocking and to meet foreign demand. The ISM manufacturing index remained above 50 for a second consecutive month in September, indicating that manufacturing is expanding (a number above 50 indicates expansion). The new orders and export indices also remained strong at 60.8 and 55.0, respectively. Manufacturing industrial production measured by the Federal Reserve Bank also improved in both July and August, by 1.4% and 0.6%, respectively
- Light motor vehicle sales spiked to over 14 million SAAR (seasonally adjusted annualized rate) units in August, boosted by the now expired cash-for-clunkers (CARS) program. September sales fell to 9.2 million SAAR units. As we had anticipated, some of the August sales were pulled forward from later in the year. Of the total 690,000 vouchers turned in under the CARS program, we estimate that around 200,000 (2.4 million, annualized) cars were sold that would otherwise not have been sold. While some of the improvement in industrial production mentioned above can be traced to automotive production, other sectors improved as well. Non-durables were up 0.7%.
- Housing indicators continue to improve, albeit slowly. The 20-city Case-Shiller house price index rose 0.8% (SA) in June



and 1.2% (SA) in July – the first increase since May 2006. Inventories are down as well – at 7.3 months supply of new homes at the current sales pace and 8.5 months supply of existing home sales – still high, but down from their peaks of 12.4 and 11.3 months, respectively. Housing starts are up 23% since January and permits are up 16% since March. Non-residential construction, however, continues to deteriorate.

- As is obvious from the points above, turning points give mixed signals. While downside risks to the recovery have diminished, they remain significant. Consumer confidence remains weak, and consumer spending is lagging the recovery, most of which has been engineered by monetary and fiscal stimulus. At some point private spending, both consumer and business will need to replace government spending. If it doesn't happen in time, we risk a double-dip recession. Also, the disproportionate exposure of regional and local banks to a weak commercial real estate market has their loan quality deteriorate. If there is a second round of bank failures - this time the smaller local banks - we'll see a second round of credit contraction, which too will slow the recovery.

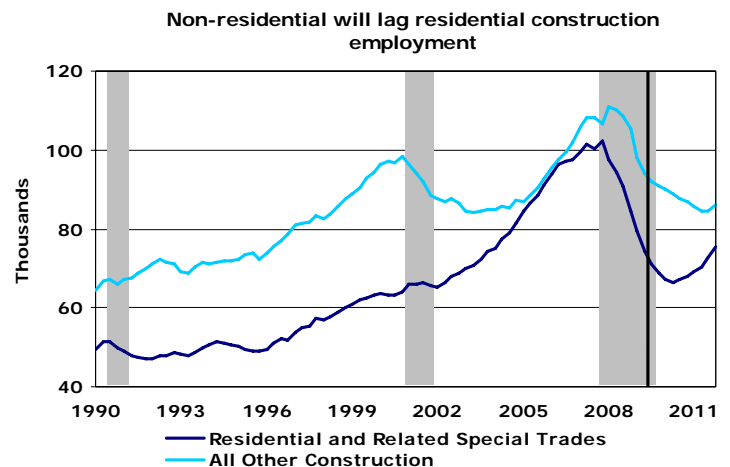
## ECONOMIC & REVENUE UPDATE

### WASHINGTON

- The Washington economy continues to evolve about as expected in our September forecast but the upturn we believe is currently underway is fragile. Economic indicators always give mixed signals in the vicinity of business cycle turning points and we should expect this recovery top be no different. As a case in point, total nonfarm payroll employment fell 8,000 in August but this followed an increase of 11,800 in July according to data released by the Employment Security Department in September. The rate at which employment is declining has slowed in recent months. We continue to believe that the state economy will shed jobs through the fourth quarter of 2009, with moderate job growth resuming in 2010. The Washington recovery, like the national recovery, will be slow and U-shaped however we expect to once again outperform the U.S. economy thanks to our export orientation and the relative stability of our key basic industries, aerospace and software.
- The unemployment rate in Washington edged up in August to 9.2% from a revised 8.9% in July. The unemployment rate has been essentially unchanged since the end of the free-fall stage of the recession in March when it reached 9.1%. While the number of payroll jobs has continued to decline since March, employment in the household survey, which figures into the unemployment rate calculation, has risen slightly since then, nearly matching the increase in the labor force. There are a number of differences between the two measures of employment. One is that employment in the household survey includes the self-employed while payroll employment does not.
- It appears clear that Washington housing construction has finally turned the corner. We continue to believe that the second quarter of 2009 will turn out to be the bottom in the number of housing units authorized by building permits. While

multi-family permits continue to bounce along the bottom, single-family permits have increased in four of the last five months and they were essentially unchanged in the other month. Single family permits improved to 15,700 in August (seasonally adjusted annual rate), the highest level since the financial crisis erupted last September. Multi-family permits inched up to 3,200 in August from an all-time low of 1,000 units in July. The recovery in housing is on, but it will continue to be hampered by oversupply, poor consumer confidence, and difficulty arranging financing.

- Despite the turnaround in housing permits, the weakest sector in the state economy continues to be construction. We have decomposed the construction employment forecast into two parts. Residential is comprised of residential building and related special trades while non-residential is comprised of non-residential building and related trades plus heavy and civil engineering construction (see figure). Housing



construction activity lags permits and housing related employment lags housing construction activity. This is why we expect housing related employment to continue to decline through the second quarter of 2010, a full year after the turning point in permits. The vertical line represents the last actual employment data, which was the second quarter of 2009. Our forecast predicts that we are near the bottom in terms of residential

## ECONOMIC & REVENUE UPDATE

### Washington (Continued)

construction employment. Unfortunately, the same cannot be said for non-residential construction employment which we believe will continue to decline through the second quarter of 2011.

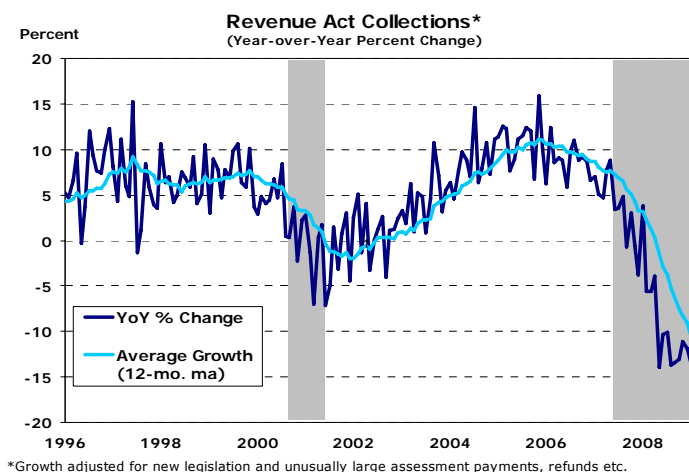
- Inflation, as measured by the Seattle Consumer Price Index, remains weak. Consumer prices rose at only a 0.6% seasonally adjusted annual rate from June to August. Core inflation was also low at 0.8%. So far this year (December

2008 to August 2009) core inflation is rising at only a 0.8 % rate and overall inflation only 1.1%. The tame performance of inflation in Seattle is due to shelter costs which have flattened out this year as the housing market collapsed.

## REVENUE COLLECTIONS

### Overview

- An unexpected B&O tax refund of \$13 million, issued October 9, 2009, greatly increased the forecast variance for the September 11 – October 10 collection period. Major General Fund-State revenues for the period were \$32.2 million (3.4%) lower than our September forecast. Excluding the refund, the variance was -\$19.2 million (-2.1%).
- Collections from the current period mainly reflect August 2009 economic activity. This period includes a little over three weeks in which the federal “Cash for Clunkers” (CARS) vehicle purchase incentive plan was in effect. Based on the number of trade-in vouchers issued, \$10-14 million in retail sales tax was paid by program participants in Washington during August.
- Total Revenue Act revenue has now increased for two months in a row on a seasonally adjusted basis after adjustments for large one-time payments and refunds (see figure).
- The revenues reported here conform to the new definition of General Fund-State as set forth in Engrossed Substitute Senate Bill 5073 (ESSB 5073), which was passed in the 2009 legislative session. Under the bill, the Health Services (HSA), Water Quality (WQA), Violence Reduction and Drug Enforcement (VRDE), Student



Achievement (SAF), and Public Safety and Education (PSEA) Accounts have been consolidated into the General Fund-State effective July 1, 2009. The changes to the monthly report are as follows:

- The B&O hospital tax, which formerly went to the HSA, is added to total B&O (Revenue Act) taxes.
- The tobacco products taxes that formerly went to the HSA and WQA are added to total tobacco products (Revenue Act) taxes.
- Cigarette and Liquor taxes that formerly went to the HSA, WQA, and VRDE account are added to Department of Revenue cigarette and liquor (non-Revenue Act) taxes.
- Revenue that was formerly transferred from the state property tax levy to the SAF is retained in the property tax (non-Revenue Act).

## ECONOMIC & REVENUE UPDATE

### Revenue Collections (Continued)

- The syrup tax that formerly went to the VRDE account is added to "other" Department of Revenue non-Revenue Act taxes.
- Revenue that formerly went to the PSEA is reported under "Administrative Office of the Courts."

### Revenue Act

- The revenue collections reported here are for the September 11 – October 10, 2009 collection period. This corresponds primarily to economic activity in August 2009.
- Collections for this period are \$33.7 million (4.0%) below the September 2009 forecast.
- A one-time refund of \$13.0 million was paid on October 9. Without this refund, the shortfall would have been \$20.7 million (2.5%).
- Adjusted for legislative changes and the one-time payments and refunds, collections in the current period are down 9.1% from their year-ago level (see figure). Unadjusted, the decline is 10.5%. Last month's declines were 13.5% adjusted and 11.6% non-adjusted.
- Preliminary ERFC monthly estimates indicate retail sales tax collections are down 10.2% year-over-year and B&O taxes are down 11.7%. Without the addition of the hospital B&O tax as per ESSB 5073 and excluding the October 9 refund, B&O collections would be down approximately 11% year-over-year.
- Preliminary tax payments from electronic filers who also paid in the September 11–October 10 collection period of last year were down 6.6% year-over-year.
  - Payments in the retail trade sector were roughly equal to last year's payments, increasing 0.04%. The increase was due to a CARS-boosted

16.1% year-over-year increase in payments from the motor vehicles and parts sector. Excluding this sector, payments in the retail trade sector would have declined 4.7%.

- Payments in three other major retail trade sectors showed a year-over-year increase: electronics and appliances (+1.8%); drug and health stores (+1.5%) and sporting goods, toys, books, and music stores (+0.7%).
- The greatest year-over-year declines in payments among retail trade sectors were in gas stations and convenience stores (-13.8%); furniture and home furnishings (-12.5%) and building materials and garden equipment (-12.3%).
- Payments in non-retail trade sectors were down 10.5% year-over-year.
- Payments in the construction sector were down 20.6%, while those in the manufacturing sector were down 13.6%.

### DOR Non-Revenue Act

- Collections were \$1.4 million (1.5%) above the September forecast.
- Cigarette taxes were \$2.8 million above the September forecast and "other" revenues were \$2.0 million above the forecast, due mainly to a large positive variance in brokered natural gas taxes. These positive variances were partially offset by negative variances of \$2.3 million (6.2%) in real estate excise tax and \$1.6 million (8.9%) in liquor taxes liquor taxes.
- Due to the redefinition of GF-S revenue under ESSB 5073, September collections are up 78.1% year-over-year. Without the changes, revenue would be down approximately 10%.

## ECONOMIC & REVENUE UPDATE

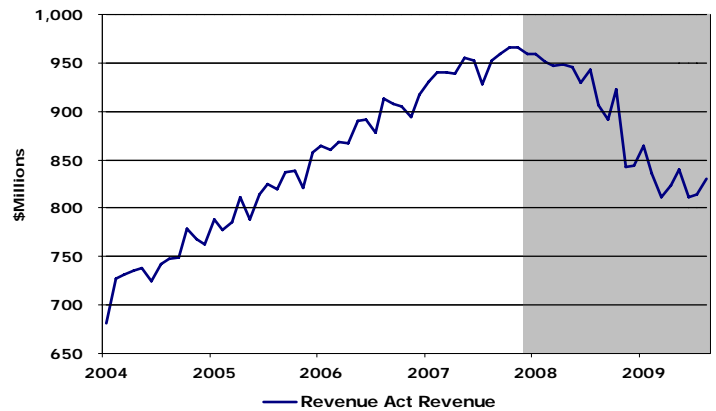
### Revenue Collections (Continued)

#### Other Revenue

- September Department of Licensing receipts were \$61,000 (12.8%) below the June forecast.
- Revenue from the Administrative Office of the Courts, which formerly was part of the PSEA, came in at \$8.6 million, \$168,000 (2.0%) above the June forecast.

#### Revenue Act Receipts Increase Two Months in a Row

January 2004 through August 2009 Activity, Seasonally Adjusted  
Adjusted for Large Payments/Refunds, pre - ESSB 5073 Definition



## Key U.S. Economic Variables

	2009						2007	2008
	Apr.	May	Jun.	Jul.	Aug.	Sep.		
Real GDP (SAAR)	-	-	-0.7	-	-	-	2.0	1.1
Industrial Production (SA, 2002 = 100)	97.2	96.1	95.8	96.7	97.4	-	111.4	109.2
<i>Y/Y % Change</i>	-12.8	-13.6	-13.9	-13.1	-11.3	-	1.7	-2.0
ISM Manufacturing Index (50+ = growth)	40.1	42.8	44.8	48.9	52.9	52.6	51.1	45.5
ISM Non-Manuf. Index (50+ = growth)	43.7	44.0	47.0	46.4	48.4	50.9	-	47.4
Housing Starts (SAAR, mil.)	479	551	590	589	598	-	1,342	900
<i>Y/Y % Change</i>	-52.1	-43.3	-45.3	-36.9	-29.6	-	-25.9	-32.9
Light Motor Vehicle Sales (SAAR, mil.)	9.2	9.9	9.7	11.2	14.1	9.2	16.2	13.2
<i>Y/Y % Change</i>	-36.4	-30.8	-29.1	-11.4	3.9	-26.7	-2.3	-18.2
CPI (SA, 1982-84 = 100)	212.7	212.9	214.5	214.5	215.4	-	207.3	215.2
<i>Y/Y % Change</i>	-0.6	-1.0	-1.2	-1.9	-1.4	-	2.9	3.8
Core CPI (SA, 1982-84 = 100)	218.6	218.9	219.3	219.5	219.7	-	210.7	215.6
<i>Y/Y % Change</i>	1.9	1.8	1.7	1.6	1.5	-	2.3	2.3
IPD for Consumption (2000=100)	104.1	104.2	104.3	104.6	105.5	-	105.6	105.4
<i>Y/Y % Change</i>	-1.9	-1.8	-1.5	-0.7	0.3	-	2.7	-0.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	132.5	132.2	131.7	131.4	131.2	130.9	138.2	135.1
<i>Monthly Change</i>	-0.52	-0.30	-0.46	-0.30	-0.20	-0.26	1.15	-3.08
Unemployment Rate (SA, percent)	8.9	9.4	9.5	9.4	9.7	9.8	4.6	5.8
Yield on 10-Year Treasury Note (percent)	2.93	3.29	3.72	3.56	3.59	3.40	4.63	3.67
Yield on 3-Month Treasury Bill (percent)	0.16	0.18	0.18	0.18	0.17	0.12	4.47	1.39
Broad Real USD Index** (Mar. 1973=100)	95.3	92.8	92.3	91.7	90.5	89.5	92.0	88.3
Federal Budget Deficit (\$ bil.)*	20.9	189.7	94.3	180.7	111.4	-	162.8	436.3
<i>FYTD sum</i>	975.0	1,164.6	1,258.9	1,439.6	1,551.0	-	-	-
US Trade Balance (\$ bil.)	-29.1	-26.4	-27.5	-31.9	-30.7	-	-701.4	-695.9
<i>YTD Sum</i>	-121.5	-147.9	-175.4	-207.3	-238.0	-	-	-

\*Federal Fiscal Year 2008 runs from Oct. 1, 2007 to Sept. 30, 2008.

\*\*Weighted average of U.S. dollar foreign exchange values against currencies of major U.S. trading partners, Federal Reserve.

## Key Washington Economic Variables

	2009						2007	2008	
	Apr.	May	Jun.	Jul.	Aug.	Sep.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,857.6	2,851.2	2,843.2	2,855.0	2,847.0	-	2,962.8	2,913.0	
Change from Previous Month (000)	-3.9	-6.4	-8.0	11.8	-8.0	-	71.7	-49.8	
Construction	170.1	167.8	166.2	163.8	164.0	-	209.3	185.1	
Change from Previous Month	-1.7	-2.3	-1.6	-2.4	0.2	-	9.0	-24.2	
Manufacturing	268.8	267.0	266.6	266.4	265.8	-	296.3	284.7	
Change from Previous Month	-3.0	-1.8	-0.4	-0.2	-0.6	-	6.2	-11.6	
Aerospace	83.8	83.7	83.1	83.7	82.4	-	82.9	85.5	
Change from Previous Month	-0.7	-0.1	-0.6	0.6	-1.3	-	6.1	2.6	
Software	52.6	52.3	52.2	52.1	51.3	-	48.4	53.0	
Change from Previous Month	-0.5	-0.3	-0.1	-0.1	-0.8	-	2.0	4.6	
All Other	2,366.1	2,364.1	2,358.2	2,372.7	2,365.9	-	2,408.8	2,390.2	
Change from Previous Month	1.3	-2.0	-5.9	14.5	-6.8	-	54.5	-18.6	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	225.9	-	227.3	-	227.1	-	215.7	224.7	
	1.2%	-	-0.4%	-	-0.3%	-	3.9%	4.2%	
Housing Permits (SAAR, 000)	12.1	15.6	14.0	14.8	18.9	-	45.6	27.3	
	-61.5%	-47.2%	-54.8%	-38.4%	-34.0%	-	-4.5%	-40.2%	
WA Index of Leading Ind. (2004=100)	106.1	107.0	108.0	108.9	109.4	-	115.7	115.3	
	-9.9%	-8.4%	-7.9%	-6.6%	-5.6%	-	4.9%	-0.3%	
WA Business Cycle Ind. (Trend=50)	0.4	-0.7	-1.4	-1.7	-2.8	-	58.2	36.2	
	-99.2%	-101.7%	-103.5%	-104.7%	-108.2%	-	-0.8%	-37.9%	
Avg. Weekly Hours in Manuf. (SA)	41.5	41.4	42.1	42.3	42.0	-	42.0	42.2	
	-4.8%	-3.5%	-3.4%	-2.6%	-2.7%	-	3.3%	0.6%	
Avg. Hourly Earnings in Manuf.	23.5	23.4	23.3	23.3	23.3	-	20.5	21.0	
	10.5%	9.9%	9.2%	8.1%	9.6%	-	3.0%	2.4%	
New Vehicle Registrations (SA, 000)	12.5	12.3	12.9	14.2	18.8	16.4	23.9	19.0	
	-39.3%	-37.6%	-37.3%	-30.8%	9.9%	-7.7%	-1.2%	-20.5%	
Initial Unemployment Claims (SA, 000)	69.4	75.9	68.6	71.5	70.1	75.7	34.1	45.7	
	74.2%	83.7%	65.1%	66.2%	61.8%	54.5%	-0.8%	34.1%	
Personal Income (SAAR, \$bil.)	-	-	-	-	-	-	265.7	277.1	
	-	-	-	-	-	-	8.1%	4.3%	
Median Home Price (\$000)	-	-	265.1	-	-	-	306.4	283.4	
	-	-	-9.2%	-	-	-	4.2%	-7.5%	

\*Percentage Change is Year-over-Year

October 2009

## Key Revenue Variables

	2009										
	Dec. 11 - Jan 10	Jan 11 - Feb 10	Feb 11 - Mar 10	Mar 11 - Apr 10	Apr 11 - May 10	May 11 - Jun 10	Jun 11 - Jul 10	Jul 11 - Aug 10*	Aug 11- Sep 10*	Sep 11- Oct 10*	
<b>Department of Revenue-Total</b>	942,557	1,103,514	769,461	703,544	970,946	1,458,783	1,028,278	1,041,295	916,965	893,466	
	-15.2	-11.7	-11.4	-24.4	-14.4	-6.6	-11.1	-7.4	-6.9	-5.7	
<b>Revenue Act</b>	781,369	1,059,501	735,791	663,249	873,625	740,002	791,144	934,166	828,176	801,901	
	-14.9	-10.6	-10.1	-19.1	-14.0	-14.1	-11.1	-11.1	-11.5	-10.5	
Retail Sales Tax	527,414	685,642	485,503	440,984	554,314	484,574	536,955	600,362	559,803	547,788	
	-14.8	-13.2	-8.7	-18.6	-15.2	-14.7	-12.4	-13.0	-12.1	-10.2	
Business and Occupation Tax	188,824	280,267	173,954	156,244	236,433	174,293	178,945	252,507	195,689	184,152	
	-11.8	-5.1	-12.8	-17.0	-12.7	-16.6	-13.6	-9.0	-10.3	-11.7	
Use Tax	28,556	45,661	31,088	32,608	35,321	37,784	34,213	40,621	35,296	36,847	
	-33.5	-8.7	-12.4	-17.1	-19.9	-8.4	4.3	-10.5	-16.9	-12.7	
Public Utility Tax	24,769	37,185	33,398	35,736	36,405	32,871	28,498	26,775	25,761	25,954	
	-19.2	-1.6	-12.4	-5.4	5.9	0.5	-0.3	-0.3	-0.4	2.5	
Tobacco Products Tax	860	859	822	993	959	951	1,008	3,033	2,705	2,786	
	3.6	15.7	-9.1	13.4	35.7	6.0	5.2	234.1	172.6	234.7	
Penalties and Interest	10,945	9,887	11,025	-3,317	10,193	9,530	11,525	10,870	8,922	4,375	
	2.4	-16.0	-13.2	-128.7	-18.1	2.5	45.6	4.8	-25.3	-54.5	
<b>Non-Revenue Act**</b>	161,188	44,013	33,671	40,296	97,321	718,781	237,134	107,128	88,789	91,565	
	-16.9	-31.6	-32.2	-63.6	-17.8	2.5	-11.0	47.3	81.5	78.1	
Liquor Sales/Liter	13,466	18,972	12,126	11,408	12,368	12,433	13,934	16,203	18,738	16,044	
	-0.8	4.4	7.9	-1.7	2.6	2.3	-0.5	24.2	31.4	11.2	
Cigarette	3,527	4,153	3,498	4,050	3,581	4,237	3,229	30,015	25,777	25,007	
	-5.9	-11.8	-7.6	0.4	-0.1	8.0	-26.4	557.5	511.7	459.5	
Property (State School Levy)	111,753	-13,815	-16,785	4,201	38,567	663,407	154,043	10,182	6,655	9,186	
	-6.8	5.1	-16.1	-44.0	7.1	6.7	-12.9	NA	NA	NA	
Real Estate Excise	26,829	19,323	29,415	19,815	24,682	24,600	35,293	36,403	31,242	34,147	
	-48.7	-48.6	-19.1	-56.3	-46.1	-44.3	-23.6	-26.5	-24.3	-22.9	
Timber (state share)	0	0	1,001	0	0	668	0	0	730	684	
	NA	NA	-35.9	NA	NA	-32.3	NA	NA	-49.8	NA	
Other	5,613	15,380	4,415	822	18,123	13,436	30,635	14,326	5,647	6,498	
	-331.6	-16.7	-73.5	-98.0	-12.8	-24.6	23.1	-28.1	0.2	54.8	
<b>Department of Licensing**</b>	213	242	263	429	5,650	3,760	6,891	3,136	898	415	
	3.1	35.9	4.3	-6.3	15.2	-20.8	6.1	5.0	1.9	2.7	
<b>Lottery**</b>	0	0	0	0	0	0	0	4,728	0	0	
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
<b>Administrative Office of the Courts**</b>	0	0	0	0	0	0	0	9,124	8,627	8,575	
	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
<b>Total General Fund-State***</b>	942,770	1,103,757	769,724	703,973	976,597	1,462,543	1,035,169	1,058,281	926,489	902,456	
	-15.2	-11.7	-11.3	-24.4	-14.3	-6.7	-11.5	-6.1	-6.0	-4.8	

\*Revenue Act components: ERFC preliminary estimates

\*\*Monthly Revenues (month of beginning of collection period)

\*\*\* Detail may not add due to rounding. The GFS total in this report includes only collections from larger state agencies: the DOR, Lottery Commission and DOL.

Note: *Italic figures refer to Year-over-Year percent change.*



## Revenue Forecast Variance

Thousands of Dollars

Period/Source	Estimate*	Actual	Difference Amount	Percent
<b>September 11 - October 10, 2009</b>				
<b>October 10, 2009 Collections Compared to the September 2009 Forecast</b>				
Department of Revenue-Total	\$925,772	\$893,466	(\$32,306)	-3.5%
Revenue Act** (1)	835,574	801,901	(33,673)	-4.0%
Non-Revenue Act(2)	90,197	91,565	1,368	1.5%
Liquor Sales/Liter	17,612	16,044	(1,568)	-8.9%
Cigarette	22,249	25,007	2,758	12.4%
Property (State School Levy)	8,746	9,186	440	5.0%
Real Estate Excise	36,421	34,147	(2,274)	-6.2%
Timber (state share)	684	684	0	0.0%
Other	4,486	6,498	2,012	44.9%
Department of Licensing (2)	476	415	(61)	-12.8%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	8,407	8,575	168	2.0%
<b>Total General Fund-State***</b>	<b>\$934,655</b>	<b>\$902,456</b>	<b>(\$32,199)</b>	<b>-3.4%</b>

### Cumulative Variance Since the September Forecast (September 11 - October 10, 2009)

Department of Revenue-Total	\$925,772	893,466	(32,306)	-3.5%
Revenue Act** (3)	\$835,574	801,901	(33,673)	-4.0%
Non-Revenue Act(4)	\$90,197	91,565	1,368	1.5%
Liquor Sales/Liter	\$17,612	16,044	(1,568)	-8.9%
Cigarette	\$22,249	25,007	2,758	12.4%
Property (State School Levy)	\$8,746	9,186	440	5.0%
Real Estate Excise	\$36,421	34,147	(2,274)	-6.2%
Timber (state share)	\$684	684	0	0.0%
Other	4,486	6,498	2,012	44.9%
Department of Licensing (4)	476	415	(61)	-12.8%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	8,407	8,575	168	2.0%
<b>Total General Fund-State***</b>	<b>\$934,655</b>	<b>\$902,456</b>	<b>(\$32,199)</b>	<b>-3.4%</b>

1 Collections September 11, 2008 - October 10, 2009. Collections primarily reflect August 2009 activity of monthly taxpayers

2 September 2009 collections.

3 Cumulative collections, estimates and variance since the September 2009 forecast; (September 11 - October 10, 2009) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June - August 2009) and revisions to history.

5 Lottery transfers to the General Fund

\* Based on the September 2009 economic and revenue forecast.

\*\*The Revenue Act consists of the retail sales, B&O, use, public utility, tobacco products taxes, and penalty and interest.

\*\*\* Detail may not add due to rounding. The General Fund-State total in this report includes only collections from larger state agencies: the Department of Revenue, Department of Licensing, Lottery Commission and Administrative Office of the Courts.