



ECONOMIC & REVENUE UPDATE

July 11, 2014

summary

Summary

- **U.S. nonfarm employment exceeded 200,000 net new jobs for a fifth consecutive month.**
- **GDP growth for the first quarter of 2014 was revised down from -1.0% to -2.9% at an annual rate.**
- **U.S. retail and food service sales increased for a fourth straight month.**
- **Washington employment continues to grow at a moderate pace.**
- **Initial claims for unemployment insurance have returned to pre-recession levels.**
- **Washington personal income growth was very strong in the first quarter but mostly as a result of temporary Boeing bonus payments.**
- **Major General Fund-State revenue collections for the June 11 - July 10, 2014 collection period were \$26.5 million (2.0%) higher than the June forecast.**
- **Revenue Act collections were \$19.5 million (2.0%) higher than forecasted and non-Revenue Act collections were \$7.0 million (2.2%) higher than forecasted.**

United States

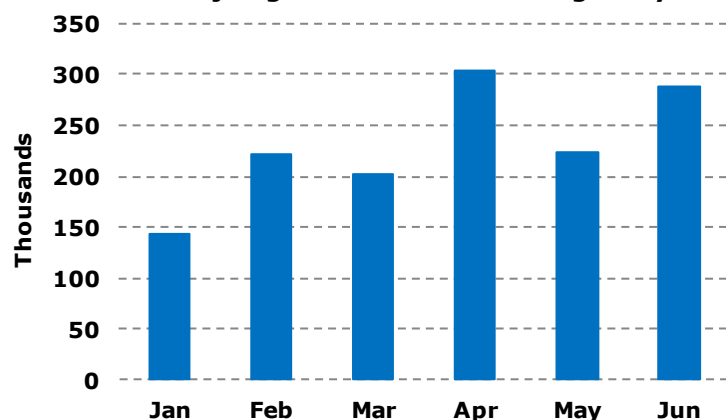
As was true last month, this month's economic data were generally positive: a fifth straight month with employment gains of over 200,000 net new jobs, strong auto sales and four consecutive months of growth in retail and food service sales. Negative news included GDP contracting in the first quarter (likely reflecting the temporary impact of severe winter weather) and a drop in both housing permits and housing starts.

Nonfarm employment increased by 288,000 jobs in June ([see figure](#)); May and April employment was revised up by a total of 29,000 jobs. Sectors with notable employment gains in June included retail trade (+40,000), leisure and hospitality (+39,000), professional and technical services (+30,000), health care (+21,000), employment services (+18,000), and local government education (+18,000). Federal government employment saw its first increase since November 2013, gaining 2,000 jobs. The unemployment rate decreased by 0.2 percentage points to 6.1%.

After several months of moving in the opposite direction, the two major consumer confidence measures both increased in June. The Conference Board index of consumer confidence increased in June for a third straight month, rising to 3.0 points to 85.2. It is now at its highest level since January 2008. The University of Michigan consumer sentiment survey also increased in June, rising to 82.5 from the May reading of 81.9.

Initial claims for unemployment insurance decreased by 11,000 to 304,000 (SA) in the week ending

U.S. job growth has been strong this year



united states

July 5th. The four-week moving average for initial claims decreased by 3,500 to 311,500. Layoff announcements, as tracked by outplacement firm Challenger, Gray, and Christmas, decreased to 31,434 in June after having increased by 52,961 in May. Through the first six months of the year, layoff announcements are 5.0% lower than for the same period in 2013.

Real GDP growth for the first quarter of 2014 was revised down from -1.0% to -2.9% at an annual rate. Previously, GDP had not contracted since the first quarter of 2011. The decrease in first quarter GDP reflected negative contributions from inventory investment, net exports, state and local government spending, nonresidential fixed investment, and residential fixed investment. Severe weather in the first quarter appears to have reduced both labor productivity and hours worked, also contributing to lower GDP. Given the likely role of weather in GDP weakness, most economists expect the economy to rebound; the July consensus Blue Chip forecast for GDP growth in the second quarter is 3.3%.

Retail and food services sales increased for a fourth consecutive month according to the Census Bureau advance estimate, with May sales 0.3% (SA) above their April level. April sales growth was also revised up from 0.1% (SA) to 0.5%. The strongest May sales growth was in motor vehicle dealers (+1.5%), building material and garden supplies (+1.1%) and nonstore retailers (+0.6%), while department stores had sales decrease by 1.4%.

Gasoline prices have remained fairly stable since mid-April, settling at \$3.68 per gallon (regular, all formulations) for the week ending July 7th. Instability in the Middle East has likely contributed to somewhat higher spot prices for petroleum in the last month. The price for U.S. benchmark West Texas Intermediate oil increased from \$104 per barrel in late May to \$107 per barrel by the end of June, then dipped to \$106 per barrel for the week ending July 4th. Spot prices for European benchmark Brent oil followed a similar pattern, rising from \$110 per barrel in late May to \$114 in mid-June before dropping to \$110 per barrel for the week ending July 4th.

Light motor vehicle sales increased from 16.77 million units (SAAR) in May to 16.98 million units in June. Sales have been at or above 16 million units for four consecutive months and are at their highest level since January 2006.

The American Trucking Association's truck tonnage index increased 1.1% in May after increasing by a revised 0.9% (SA) in April. Truck tonnage in May was 3.4% above the May 2013 level and is just 1.0% below its all-time high in November 2013. Rail carloads in June were 1.1% lower (SA) than in May but 3.3% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) in June were 0.5% (SA) above their May level and 6.7% higher than in June 2013.

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Industrial production increased by 0.6% in May (SA) after decreasing by a revised 0.3% in April (SA). Growth was particularly strong in the wood products, machinery, electrical equipment, motor vehicles, furniture, petroleum and coal, plastic and rubber products, and mining sectors. Core capital goods orders (i.e., durables excluding aircraft and military) which are a proxy for business investment, increased by 0.7% (SA) in May after a revised decrease of 1.2% in April. Manufacturing activity, as measured by the Institute for Supply Management's Purchasing Managers Index (PMI), decreased slightly to 55.3 in June (50 or higher indicates growth) from 55.4 in May. Manufacturing activity has now increased for thirteen consecutive months. The non-manufacturing PMI for June decreased by 0.3 points to 56.0, representing continued expansion but at a slightly slower rate. Non-manufacturing activity has now increased for 53 consecutive months.

This month's data paint a mixed picture for the housing market. Housing units authorized by building permits in May decreased 6.4% (SAAR) compared to their April level. However, single-family permits were up 3.7% in May. Housing starts decreased to 1.0 million units in

May, 6.5% (SAAR) below the April rate. Existing home sales in May were 4.9% (SAAR) higher than in April. This is the second straight month with an increase in existing home sales. Home prices continue to increase, with the Case-Shiller home price index for April 10.8% above the year-ago level (SA). However, the rate of increase may be slowing, as the monthly increase in the Case-Shiller index for April was the smallest since February 2012.

WASHINGTON

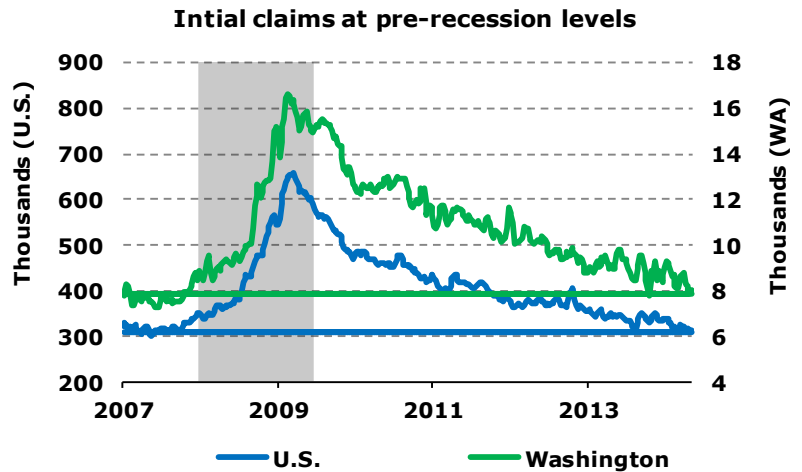
Our recently released June forecast reflects five months of new employment data since the February forecast was adopted. From December 2013 through May 2014 the Washington economy added 22,000 jobs, 2,100 fewer than the 24,100 expected in the February forecast. Despite the fact that aerospace employment held up better than expected, the manufacturing sector added only 400 net new jobs, 2,100 fewer than expected in the forecast. The construction sector added 5,200 jobs, 1,600 more than expected. Private services-providing sectors added 13,800 net new jobs, 2,500 short of the February forecast but government payrolls grew by 2,500 jobs which was 800 more than expected. Hiring by state and local governments more than offset continued losses in federal government employment.

Initial claims for unemployment insurance continue to trend lower and are now at pre-recession levels. The 4-week moving average of Washington initial claims for unemployment insurance edged down to 7,926 in the week ending July 5th from 7,940 in the previous week and is now lower than it was at the onset of the recession ([see figure](#)).

Single-family housing construction was once again weak in the first quarter of 2014 according to the building permit data but overall construction held up well thanks to strong multi-family construction. Total housing units authorized by building permits averaged 31,200 (SAAR) in January, February, and March. Single-family units averaged 17,100 and multi-family units averaged 14,100. Data for April and May suggest more of the same in the second quarter. Total permits averaged a strong 40,200 units (SAAR) in April and May compared to our forecast of 37,400 for the entire quarter. Multi-family permits averaged 23,900 units but single-family permits averaged only 16,300 so far in the second quarter.

Regional home prices continue to rise. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices have risen in each of the last 29 months and, as of April, are 11.2% higher than in the previous April. Rising mortgage rates and home prices have started to decrease affordability, although homes remain relatively affordable by historical standards. Even with the recent gains, Seattle area home prices are 12.2% lower than their 2007 peak.

In late June, the Bureau of Economic Analysis released estimates of state personal income through the first quarter of 2014. Washington personal income grew at a 5.8% rate (SAAR) in the first quarter which was best among the states (including the District of Columbia) and was nearly double the 3.2% rate for the nation as a whole. However, most of the above av-



erage Washington growth was due to strong earnings growth in durable manufacturing which we believe was due to unusually large bonus payments to Boeing employees. If so, we should see relatively weak Washington income growth in the second quarter.

The Institute of Supply Management - Western Washington Index (ISM-WW) rebounded to 59.6 in May and 67.0 in June from 53.7 in April (index values above 50 indicate positive growth while values below 50 indicate contractions). The production, orders, employment, and inventory components all improved in June but the deliveries index declined. The last time the Western Washington index was below 50 was in July 2009.

Washington car sales continue to trend unevenly higher. After reaching a post-recession high of 280,800 vehicles (SAAR) in January, Washington new car and light truck registrations plummeted to 248,400 in March before rebounding to a new post-recession high of 287,700 vehicles in April. New vehicle registrations then declined slightly in May to 276,500 only to rebound to 287,700 vehicles in June. June's new vehicle registrations were the strongest since November 2007, before the onset of the recession.

REVENUE COLLECTIONS

Overview

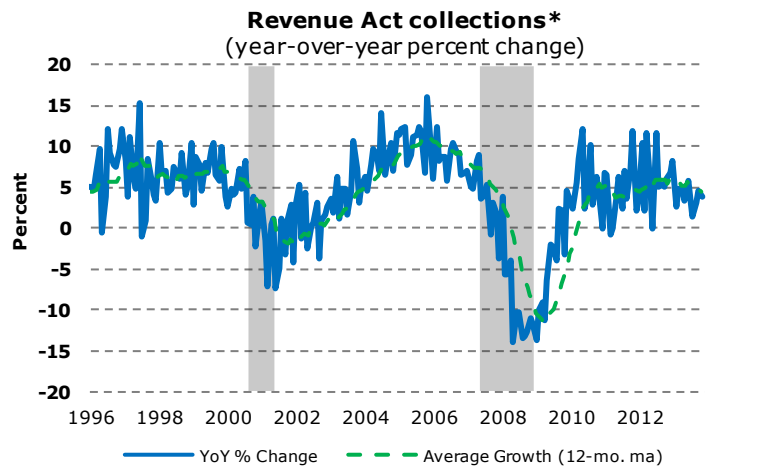
Major General Fund-State revenue collections for the June 11 - July 10, 2014 collection period were \$26.5 million (2.0%) higher than the June forecast. Revenue Act collections were \$19.5 million (2.0%) higher than forecasted and non-Revenue Act collections were \$7.0 million (2.2%) higher than forecasted.

Revenue Act

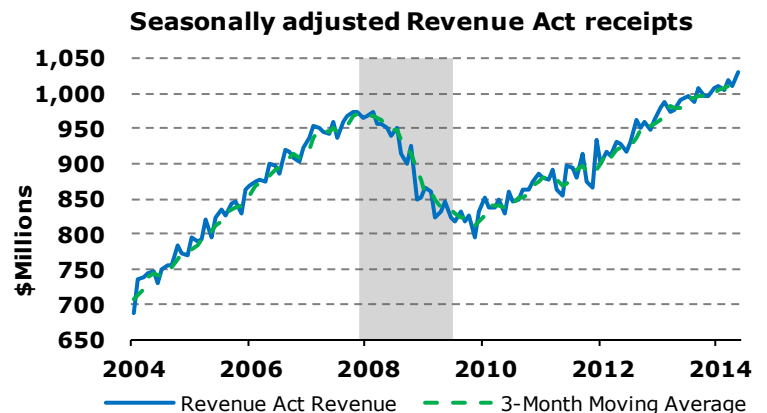
The revenue collections reported here are for the June 11 - July 10, 2014 collection period. Collections correspond primarily to the May economic activity of monthly filers.

Revenue Act collections for the current period came in \$19.5 million (2.0%) above the June forecast. Adjusted for a large one-time large refund last year, Revenue Act collections grew 3.9% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 4.4%. Seasonally adjusted collections increased (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act receipts increased by 4.8% year over year. The preliminary estimate of year-over-year retail sales tax growth is 8.5%. The preliminary estimate of B&O tax growth is -3.5%. Estimated year-over-year growth in B&O tax receipts is negative due to the July 1, 2013 expiration of a temporary surcharge on services-producing businesses.



*Growth adjusted for definition change and unusually large assessment payments, refunds etc.



January 2004 through May 2014 preliminary activity, Current definition, adjusted for large payments/refunds and timing of payments

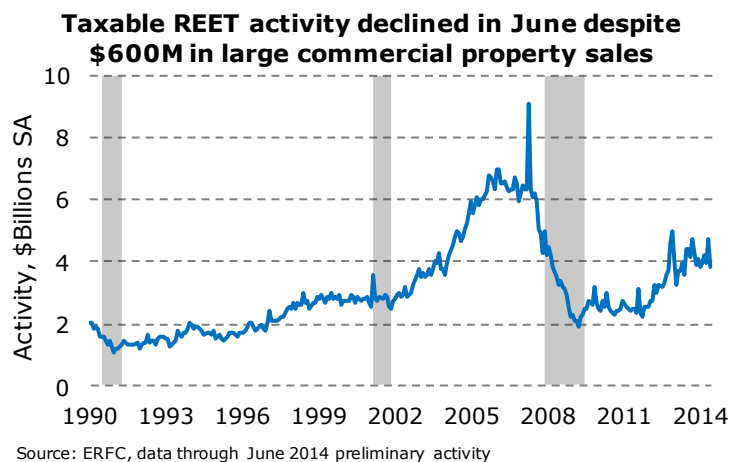
Total tax payments as of June 27th from electronic filers who also paid in the June 11 – July 10 collection period of last year were 4.0% higher year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 5.4% year over year. Last month, payments grew 8.0% year over year.
- Payments from the motor vehicles and parts sector increased by 11.0% year over year. Last month, payments in the sector increased by 6.8% year over year.
- Other retail trade sectors that showed strong growth in payments were nonstore retailers (+12.6%), building materials and garden equipment (+7.9%) and furniture and home furnishings (+7.3%). Two retail trade sectors showed year-over-year declines in payments: food and beverage stores (-3.6%) and electronics and appliances stores (-0.1%).
- Payments from non-retail trade sectors were up 3.1% year over year in the current period. Last month, year-over-year payments increased 3.7%.
- Payments from the manufacturing sector increased by 24.0% year over year. Last month payments increased 15.7% year over year. This month saw a strong year-over-year increase in payments from the transportation equipment sector due to stronger activity and a lower amount of tax credits claimed in the current year. Payments from the petroleum refining sector grew moderately. Excluding these sectors, payment growth from other manufacturing sectors was 7.5%.
- Excluding the manufacturing sector, payments from non-retail trade sectors increased 1.0% year over year. Last month, non-retail payments excluding manufacturing increased 2.5%.
- Tax payments by businesses in the construction sector increased by 5.9% year over year. Last month, payments decreased 8.4% year over year.

DOR Non-Revenue Act

June collections came in \$7.0 million (2.2%) above the forecast. Most of the surplus was due to real estate excise tax (REET) collections, which came in \$9.3 million (15.9%) higher than forecasted. The positive variance stemmed mainly from strong sales of commercial property, with \$609 million in sales valued at \$10 million or more. These sales generated \$7.2 million in General Fund-State REET payments. While these sales were lower than last month’s \$720 million in large commercial sales, the forecast had expected a larger decline. Other sales were also slightly stronger than expected. Though sales were higher than expected, seasonally-adjusted taxable activity decreased from last month’s spike ([see figure](#)).



Liquor taxes came in \$1.1 million (5.5%) below the forecast. Adjusted for an increase in this year's distribution of taxes to local governments, tax receipts for May sales decreased by 3.1% year over year. Unadjusted receipts decreased by 10.7% as reported in the "Key Revenue Variables" table.

Cigarette tax receipts came in \$1.3 million (4.1%) higher than forecasted, while property tax collections came in \$0.4 million (0.2%) lower than forecasted.

Revenue from other DOR non-GF-S sources came in \$2.1 million (4.9%) below the forecast due to higher-than-expected refunds of unclaimed property.

Other Revenue

Department of Licensing receipts for June came in \$0.1 million (1.8%) above the June forecast, while revenue from the Administrative Office of the Courts came in \$0.2 million (2.2%) lower than the forecast.

Key U.S. Economic Variables

	2014						2012	2013
	Jan.	Feb.	Mar.	Apr.	May	Jun.		
Real GDP (SAAR)	-	-	-2.9	-	-	-	2.8	1.9
Industrial Production (SA, 2007 = 100)	101.4	102.5	103.3	103.0	103.7	-	97.1	99.9
<i>Y/Y % Change</i>	3.0	3.4	3.8	3.8	4.3	-	3.8	2.9
ISM Manufacturing Index (50+ = growth)	51.3	53.2	53.7	54.9	55.4	55.3	51.7	53.9
ISM Non-Manuf. Index (50+ = growth)	54.0	51.6	53.1	55.2	56.3	56.0	54.6	54.7
Housing Starts (SAAR, 000)	897	928	950	1,071	1,001	-	784	930
<i>Y/Y % Change</i>	0.1	-2.4	-4.4	26.3	9.4	-	28.1	18.6
Light Motor Vehicle Sales (SAAR, mil.)	15.2	15.3	16.4	16.0	16.8	17.0	14.5	15.6
<i>Y/Y % Change</i>	0.1	0.0	7.1	5.6	8.3	6.9	12.7	7.6
CPI (SA, 1982-84 = 100)	234.9	235.2	235.6	236.3	237.1	-	229.6	233.0
<i>Y/Y % Change</i>	1.6	1.1	1.5	2.0	2.1	-	2.1	1.5
Core CPI (SA, 1982-84 = 100)	235.8	236.1	236.6	237.2	237.8	-	229.8	233.8
<i>Y/Y % Change</i>	1.6	1.6	1.6	1.8	1.9	-	2.1	1.8
IPD for Consumption (2009=100)	107.9	108.0	108.2	108.4	108.7	-	106.0	107.2
<i>Y/Y % Change</i>	1.2	0.8	1.1	1.6	1.8	-	1.8	1.1
Nonfarm Payroll Empl., e-o-p (SA, mil.)	137.5	137.8	138.0	138.3	138.5	138.8	135.1	137.4
<i>Monthly Change</i>	0.14	0.22	0.20	0.30	0.22	0.29	2.24	2.33
Unemployment Rate (SA, percent)	6.6	6.7	6.7	6.3	6.3	6.1	8.1	7.4
Yield on 10-Year Treasury Note (percent)	2.86	2.71	2.72	2.71	2.56	2.60	1.80	2.35
Yield on 3-Month Treasury Bill (percent)	0.04	0.05	0.05	0.03	0.03	0.04	0.09	0.06
Broad Real USD Index** (Mar. 1973=100)	85.7	85.9	85.8	85.4	85.1	85.2	84.4	84.6
Federal Budget Deficit (\$ bil.)*	10.5	193.5	36.9	-106.9	130.0	-	1,089.2	680.2
<i>FYTD sum</i>	183.1	376.6	413.5	306.7	436.7	-	-	-
US Trade Balance (\$ bil.)	-40.1	-42.6	-44.2	-47.0	-44.4	-	-537.6	-476.4
<i>YTD Sum</i>	-40.1	-82.6	-126.8	-173.9	-218.2	-	-	-

*Federal Fiscal Year runs from October 1st to September 30th.

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

Key Washington Economic Variables

	2014						2012	2013
	Jan.	Feb.	Mar.	Apr.	May	Jun.		
Employment							<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,031.0	3,034.2	3,040.1	3,047.0	3,048.0	-	2,951.9	3,026.0
<i>Change from Previous Month (000)</i>	5.1	3.2	5.8	6.9	1.0	-	63.2	74.1
Construction	154.9	154.8	155.9	157.3	157.9	-	144.4	152.6
<i>Change from Previous Month</i>	2.2	-0.1	1.0	1.5	0.5	-	8.4	8.3
Manufacturing	287.0	287.3	288.1	288.3	288.0	-	284.8	287.5
<i>Change from Previous Month</i>	-0.5	0.2	0.8	0.2	-0.3	-	10.2	2.8
Aerospace	93.9	93.6	93.5	93.6	93.5	-	96.7	95.0
<i>Change from Previous Month</i>	-1.1	-0.3	0.0	0.1	-0.1	-	5.8	-1.7
Software	55.0	55.0	55.2	55.2	55.4	-	52.6	55.0
<i>Change from Previous Month</i>	0.1	0.0	0.1	0.0	0.2	-	0.6	2.3
All Other	2,534.1	2,537.1	2,541.0	2,546.2	2,546.8	-	2,470.1	2,530.8
<i>Change from Previous Month</i>	3.2	3.0	3.9	5.2	0.6	-	44.0	60.7
Other Indicators							<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	242.8	-	246.6	-	-	238.7	241.6
	-	1.2%	-	2.4%	-	-	2.5%	1.2%
Housing Permits (SAAR, 000)	25.7	35.9	31.9	49.0	31.4	-	28.3	30.8
	-23.5%	3.2%	1.0%	74.8%	2.5%	-	34.1%	9.0%
WA Index of Leading Ind. (2004=100)	116.8	116.1	117.1	118.0	117.8	-	111.8	115.4
	1.5%	0.9%	2.4%	3.0%	2.8%	-	3.3%	3.2%
WA Business Cycle Ind. (Trend=50)	40.1	49.8	47.1	59.5	47.5	-	30.6	41.4
	-0.8%	22.0%	20.5%	59.9%	18.0%	-	57.7%	35.2%
Avg. Weekly Hours in Manuf. (SA)	40.8	40.9	41.0	40.7	40.8	-	42.0	41.6
	-3.0%	-2.2%	-2.4%	-2.6%	-1.1%	-	-0.8%	-0.9%
Avg. Hourly Earnings in Manuf.	25.1	25.0	25.1	25.0	25.3	-	24.1	24.3
	2.5%	2.8%	3.1%	3.0%	4.5%	-	0.7%	0.8%
New Vehicle Registrations (SA, 000)	23.4	21.2	20.7	24.0	23.0	24.0	19.8	22.1
	4.8%	-3.9%	-4.9%	14.3%	8.9%	8.9%	16.5%	11.5%
Initial Unemployment Claims (SA, 000)	36.2	41.6	38.7	37.0	37.4	31.9	44.6	40.1
	-9.5%	3.3%	-6.2%	-10.6%	-6.5%	-23.0%	-10.6%	-10.0%
Personal Income (SAAR, \$bil.)	-	-	337.6	-	-	-	317.6	328.3
	-	-	4.6%	-	-	-	4.8%	3.4%
Median Home Price (\$000)	-	-	248.9	-	-	-	232.5	252.1
	-	-	4.8%	-	-	-	3.6%	8.4%

*Employment data has been Kalman filtered and does not match figures released by the BLS

*Percentage Change is Year-over-Year

Key Revenue Variables

Thousands of Dollars

	2013					2014						
	Jul 11- Aug 10	Aug 11- Sep 10	Sep 11- Oct 10	Oct 11- Nov 10	Nov 11- Dec 10	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*
Department of Revenue-Total	1,233,405	1,138,230	1,129,529	1,270,094	1,794,096	1,181,060	1,320,415	1,000,368	1,019,727	1,286,764	1,843,026	1,345,058
	<i>10.4</i>	<i>7.3</i>	<i>3.3</i>	<i>5.4</i>	<i>1.6</i>	<i>0.0</i>	<i>2.6</i>	<i>6.1</i>	<i>1.7</i>	<i>5.9</i>	<i>4.1</i>	<i>3.7</i>
Revenue Act	1,068,312	1,005,940	1,009,226	1,033,506	978,084	931,732	1,196,447	900,074	894,710	1,055,388	977,857	1,013,168
	<i>7.1</i>	<i>8.1</i>	<i>3.1</i>	<i>3.5</i>	<i>4.9</i>	<i>2.0</i>	<i>4.0</i>	<i>5.5</i>	<i>2.0</i>	<i>4.8</i>	<i>5.6</i>	<i>4.8</i>
Retail Sales Tax	665,498	653,087	653,589	664,132	629,879	584,548	751,170	560,931	556,037	664,460	634,587	658,493
	<i>7.4</i>	<i>10.3</i>	<i>6.7</i>	<i>6.7</i>	<i>7.8</i>	<i>1.2</i>	<i>5.1</i>	<i>7.4</i>	<i>5.5</i>	<i>8.3</i>	<i>9.9</i>	<i>8.5</i>
Business and Occupation Tax	310,370	266,141	268,529	282,860	261,960	256,454	331,505	240,364	234,613	281,932	251,597	264,077
	<i>6.4</i>	<i>4.3</i>	<i>-5.3</i>	<i>-3.2</i>	<i>-0.1</i>	<i>2.2</i>	<i>-1.6</i>	<i>0.2</i>	<i>-9.4</i>	<i>-5.8</i>	<i>-3.3</i>	<i>-3.5</i>
Use Tax	50,751	44,601	45,354	44,237	43,226	45,647	56,608	40,980	44,708	51,412	44,858	46,729
	<i>14.0</i>	<i>2.1</i>	<i>11.4</i>	<i>-0.6</i>	<i>-4.4</i>	<i>9.2</i>	<i>21.3</i>	<i>8.2</i>	<i>14.4</i>	<i>9.9</i>	<i>3.8</i>	<i>5.3</i>
Public Utility Tax	27,554	28,091	27,795	26,359	29,914	29,289	41,501	43,008	40,621	39,292	32,963	30,038
	<i>-3.7</i>	<i>10.4</i>	<i>0.2</i>	<i>2.4</i>	<i>6.5</i>	<i>-3.6</i>	<i>12.6</i>	<i>3.2</i>	<i>6.3</i>	<i>15.0</i>	<i>1.1</i>	<i>2.6</i>
Tobacco Products Tax	5,030	3,860	4,681	3,930	3,237	4,010	3,266	3,611	3,006	4,446	3,955	4,120
	<i>38.1</i>	<i>-0.6</i>	<i>20.9</i>	<i>24.9</i>	<i>-13.2</i>	<i>15.6</i>	<i>-6.0</i>	<i>6.9</i>	<i>-6.9</i>	<i>20.6</i>	<i>3.3</i>	<i>3.1</i>
Penalties and Interest	9,109	10,159	9,278	11,989	9,867	11,785	12,397	11,181	15,726	13,845	9,896	9,711
	<i>-3.5</i>	<i>2.0</i>	<i>-11.9</i>	<i>14.2</i>	<i>7.0</i>	<i>26.6</i>	<i>10.6</i>	<i>30.3</i>	<i>50.1</i>	<i>45.8</i>	<i>8.6</i>	<i>10.4</i>
Non-Revenue Act**	165,094	132,290	120,303	236,588	816,012	249,328	123,968	100,293	125,017	231,377	865,170	331,890
	<i>38.2</i>	<i>1.1</i>	<i>4.7</i>	<i>14.8</i>	<i>-2.0</i>	<i>-6.9</i>	<i>-9.8</i>	<i>12.7</i>	<i>-0.2</i>	<i>11.2</i>	<i>2.4</i>	<i>0.6</i>
Liquor Sales/Liter	20,025	23,931	20,689	18,975	20,475	20,784	29,573	19,529	18,344	14,969	19,172	19,874
	<i>3.1</i>	<i>-8.8</i>	<i>-13.9</i>	<i>-6.5</i>	<i>-3.9</i>	<i>-3.6</i>	<i>-5.0</i>	<i>-7.5</i>	<i>-2.4</i>	<i>-23.9</i>	<i>-0.9</i>	<i>-10.7</i>
Cigarette	36,691	35,149	31,588	38,604	29,948	34,763	35,824	22,623	27,879	32,173	33,000	34,029
	<i>14.9</i>	<i>-11.3</i>	<i>-9.5</i>	<i>6.6</i>	<i>-19.3</i>	<i>15.7</i>	<i>-3.7</i>	<i>1.4</i>	<i>-15.7</i>	<i>10.3</i>	<i>-22.1</i>	<i>3.1</i>
Property (State School Levy)	10,920	8,424	9,381	58,609	677,754	129,310	12,260	6,147	28,666	112,590	735,586	169,547
	<i>-15.7</i>	<i>28.7</i>	<i>-9.7</i>	<i>61.5</i>	<i>0.2</i>	<i>-7.9</i>	<i>39.7</i>	<i>4.1</i>	<i>-0.2</i>	<i>11.4</i>	<i>5.1</i>	<i>-11.7</i>
Real Estate Excise	83,478	52,692	47,587	59,637	43,454	54,397	32,072	30,667	41,024	47,388	55,565	67,653
	<i>126.0</i>	<i>7.6</i>	<i>31.6</i>	<i>21.5</i>	<i>-18.6</i>	<i>-13.9</i>	<i>-13.1</i>	<i>18.7</i>	<i>11.5</i>	<i>2.6</i>	<i>5.4</i>	<i>39.6</i>
Timber (state share)	0	716	0	0	637	0	0	685	0	0	637	0
	<i>NA</i>	<i>-11.0</i>	<i>NA</i>	<i>NA</i>	<i>-19.9</i>	<i>NA</i>	<i>NA</i>	<i>10.9</i>	<i>NA</i>	<i>NA</i>	<i>-5.3</i>	<i>NA</i>
Other	13,979	11,379	11,058	60,763	43,745	10,075	14,239	20,642	9,103	24,256	21,209	40,787
	<i>-23.1</i>	<i>30.7</i>	<i>17.7</i>	<i>-5.5</i>	<i>0.9</i>	<i>-20.4</i>	<i>-39.1</i>	<i>56.5</i>	<i>16.0</i>	<i>102.8</i>	<i>-29.1</i>	<i>18.9</i>
Department of Licensing**	3,618	1,091	504	342	201	267	307	342	560	1,077	3,736	5,337
	<i>6.9</i>	<i>-16.6</i>	<i>-1.7</i>	<i>-4.6</i>	<i>-22.6</i>	<i>8.7</i>	<i>-0.1</i>	<i>-20.4</i>	<i>-10.4</i>	<i>-54.8</i>	<i>31.6</i>	<i>3.0</i>
Administrative Office of the Courts**	7,053	7,136	6,890	7,122	8,313	6,224	7,207	6,264	7,198	7,711	7,569	6,945
	<i>-6.8</i>	<i>-10.3</i>	<i>-7.3</i>	<i>-2.5</i>	<i>-4.1</i>	<i>-9.2</i>	<i>11.5</i>	<i>-9.5</i>	<i>-4.6</i>	<i>-3.3</i>	<i>-11.8</i>	<i>-7.2</i>
Total General Fund-State***	1,244,077	1,146,457	1,136,923	1,277,558	1,802,609	1,187,551	1,327,928	1,006,974	1,027,484	1,295,553	1,854,332	1,357,340
	<i>10.3</i>	<i>7.1</i>	<i>3.2</i>	<i>5.4</i>	<i>1.6</i>	<i>0.0</i>	<i>2.6</i>	<i>6.0</i>	<i>1.7</i>	<i>5.7</i>	<i>4.0</i>	<i>3.6</i>

*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, AOC 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
June 11, 2014 - July 10, 2014				
July 10, 2014 Collections Compared to the June 2014 Forecast				
Department of Revenue-Total	\$1,318,508	\$1,345,058	\$26,550	2.0%
Revenue Act** (1)	993,635	1,013,168	19,533	2.0%
Non-Revenue Act(2)	324,873	331,890	7,017	2.2%
Liquor Sales/Liter	21,023	19,874	(1,149)	-5.5%
Cigarette	32,697	34,029	1,332	4.1%
Property (State School Levy)	169,914	169,547	(368)	-0.2%
Real Estate Excise	58,353	67,653	9,300	15.9%
Timber (state share)	0	0	0	0.0%
Other	42,885	40,787	(2,097)	-4.9%
Department of Licensing (2)	5,244	5,337	93	1.8%
Administrative Office of the Courts (2)	7,105	6,945	(160)	-2.2%
Total General Fund-State***	\$1,330,857	\$1,357,340	\$26,484	2.0%

Cumulative Variance Since the June Forecast (June 11, 2014 - July 10, 2014)

Department of Revenue-Total	\$1,318,508	\$1,345,058	\$26,550	2.0%
Revenue Act** (3)	993,635	1,013,168	19,533	2.0%
Non-Revenue Act(4)	324,873	331,890	7,017	2.2%
Liquor Sales/Liter	21,023	19,874	(1,149)	-5.5%
Cigarette	32,697	34,029	1,332	4.1%
Property (State School Levy)	169,914	169,547	(368)	-0.2%
Real Estate Excise	58,353	67,653	9,300	15.9%
Timber (state share)	0	0	0	0.0%
Other	42,885	40,787	(2,097)	-4.9%
Department of Licensing (4)	5,244	5,337	93	1.8%
Administrative Office of the Courts	7,105	6,945	(160)	-2.2%
Total General Fund-State***	\$1,330,857	\$1,357,340	\$26,484	2.0%

1 Collections June 11, 2014 - July 10, 2014. Collections primarily reflect May 2014 activity of monthly filers.

2 June 2014 collections.

3 Cumulative collections, estimates and variance since the June 2014 forecast; (June 11, 2014 - July 10, 2014) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June 2014) and revisions to history.

* Based on the June 2014 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.