



# ECONOMIC & REVENUE UPDATE

August 11, 2017

summary

## Summary

- **The U.S. labor market added 209,000 net new jobs in July.**
- **Nationally, layoff announcements declined by 9.0% in July.**
- **U.S. real gross domestic product grew at an annual rate of 2.6% in the second quarter.**
- **Seattle area home price appreciation is accelerating.**
- **Washington light vehicle sales are declining.**
- **Major General Fund-State revenue collections for the July 11 - August 10, 2017 collection period came in \$49.6 million (3.2%) above the June forecast.**
- **Cumulatively, collections are now \$73.7 million (2.4%) higher than forecasted.**
- **Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Had the refunds not occurred, cumulative collections would have been \$92.9 million (3.0%) higher than forecasted.**

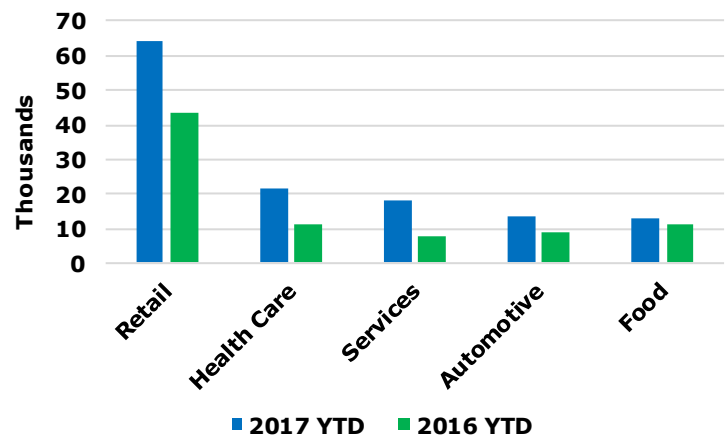
## United States

Nationally, economic data were again generally positive this month. Labor market data were positive, second quarter GDP growth was higher than the previous two quarters and residential construction activity was up. On the down side, home sales slowed and auto sales were flat.

The U.S. economy added 209,000 net new jobs in July. Employment gains in May and June were revised up by a total of 2,000 jobs. Sectors with notable employment gains in July included accommodation and food services (+53,000), health care (+39,000), administrative and support services (+30,000), professional and technical services (+18,000), manufacturing (+16,000) and educational services (+10,000). Industries with net employment declines in July included clothing and clothing accessory stores (-10,000), real estate (-3,000), membership associations and organizations (-3,000) and state government (-3,000).

Initial claims for unemployment insurance increased by 3,000 to 244,000 (SA) in the week ending August 5th. The four-week moving average of initial claims decreased by 1,000 to 241,000. Layoff announcements in July, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 28,307 or 9.0% lower than in June. Retail trade has announced the largest number of job cuts so far this year, accounting for 25.1% of all layoff announcements ([see figure](#)).

Layoff Announcements: Top Five Industries



united states

Average hourly earnings continue to advance, increasing by nine cents in July. Average hourly earnings are 2.5% above their year-ago level. The average workweek in July was unchanged from June at 34.5 hours. The unemployment rate in July was 4.3%, down from 4.4% in June.

The first estimate of second quarter real GDP growth was 2.6% (SAAR). Personal consumption expenditures grew at a 2.8% rate and nonresidential fixed investment grew by 5.2%.

Manufacturing activity continued to expand in July, although at a slightly slower pace. The Institute for Supply Management's Purchasing Managers Index (PMI) decreased by 1.5 points to 56.3 (50 or higher indicates growth). The non-manufacturing PMI for July decreased by 3.5 points from June to 53.9. The non-manufacturing index has remained above 50 for 91 consecutive months.

Industrial production expanded by 0.4% (SA) in June following a revised 0.1% (SA) increase in May. Industrial production is 2.0% above its June 2016 level. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 0.3% (SA) in June and were 1.8% (SA) above their year-ago level according to U.S. Census Bureau data.

In a reversal of May housing data, U.S. residential construction activity improved in June but existing home sales declined. Housing units authorized by building permits in June were 7.4% (SA) above their May level and 5.1% above their year-ago level. June housing starts increased by 8.3% (SA) compared to May and were 2.1% above their June 2016 level. Existing home sales in June were 1.8% (SA) below May and 0.7% above their year-ago level. New single-family home sales in June were 0.8% (SAAR) above May sales and 9.1% above their year-ago level. The seasonally adjusted Case-Shiller national home price index for May was 0.2% above its April level and 5.6% above its year-ago level.

Two key measures of consumer confidence again moved in opposite directions this month. The University of Michigan (UM) index of consumer sentiment decreased for a second straight month, falling 1.7 points in July to 93.4. The Conference Board index of consumer confidence, which declined slightly last month following a data revision, increased 3.8 points in July to 121.1. Responses to the Conference Board survey indicated a more favorable outlook for business and labor market conditions. The University of Michigan survey suggested more positive views regarding current personal finances were outweighed by greater concerns over the outlook for the future.

Light motor vehicle sales in July were nearly unchanged, increasing by 0.4% (SAAR) relative to June. Compared to July 2016, sales dropped by 5.9%. Domestic vehicles accounted for nearly 79% of July sales.

Petroleum spot prices are higher compared to late June. For the week ending August 4th, European benchmark Brent increased nearly \$6 per barrel to \$52 while U.S. benchmark West Texas Intermediate was up almost \$5 per barrel to \$50. Gasoline prices also increased over the last month, rising over eight cents to \$2.38 per gallon (regular, all formulations) for the week ending August 7th.

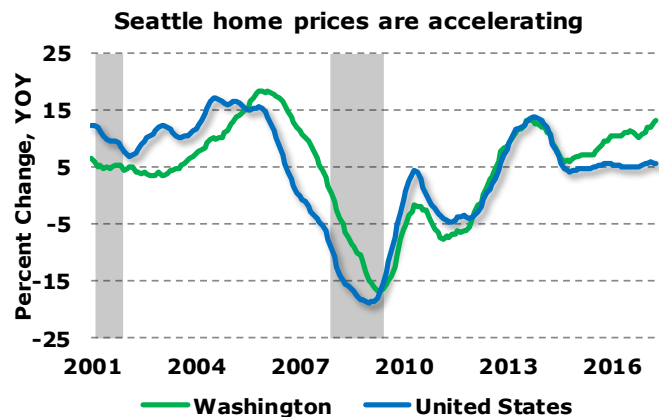
The American Trucking Association's truck tonnage index decreased 4.3% (SA) in June following a revised 6.9% increase in May. However, the index is 1.3% above year-ago levels. Rail carloads for July were 3.4% (SA) below their June level and 0.4% below their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 1.0% (SA) lower than in June but 5.6% above their July 2016 level.

## WASHINGTON

We have just one month of new Washington employment data since the June forecast was released. Total nonfarm payroll employment rose 5,400 (seasonally adjusted) in June, which was 1,600 less than the 7,000 expected in the June forecast. The variance in employment growth in June was due to the private services-providing sectors, which added 3,200 jobs compared to 5,100 in the June forecast. Manufacturing employment edged up 100 in June. There was no change in aerospace employment. Construction employment increased by 1,100 jobs while government payrolls expanded by 900 jobs.

Washington housing construction increased in the second quarter of 2017 but fell slightly short of the forecast. The number of housing units authorized by building permits increased to 43,900 units (SAAR) in the second quarter of 2017 from 40,800 units in the first quarter. Second quarter permits were made up of 22,500 single-family units and 21,400 multi-family units. The June forecast assumed 45,300 units (SAAR) in the second quarter, consisting of 22,600 single-family units and 22,700 multi-family units.

Seattle area home prices continue to rise very rapidly. According to the S&P/Case-Shiller Home Price Indices, seasonally adjusted Seattle area home prices rose 0.9% in May compared to a 0.1% increase in the Composite-20 index. However, the over-the-month changes are problematic due to seasonal adjustment issues. A more reliable measure is the over-the-year growth, which shows a 13.3% increase in prices since the previous May, more than double the 5.7% increase in the Composite-20 index. Not only are prices rising faster in Seattle than in other major metropolitan areas but also the rate of price appreciation in Seattle has been increasing in recent years ([see figure](#)). Seattle home prices are up 69% since the December 2011 trough and now exceed the May 2007 peak by 17%.



Seattle area consumer price inflation remains well above the national average. Over the last year, from June 2016 to June 2017, consumer prices in the Seattle area rose 3.0% compared to 1.6% for the U.S. city average. Core prices, which exclude food and energy, were up 3.1% in Seattle compared to 1.7% for the nation. The higher Seattle inflation is almost entirely due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 6.3% compared to 3.3% for the nation. Excluding shelter, Seattle inflation was close to the national average at 1.2% compared to 0.8%.

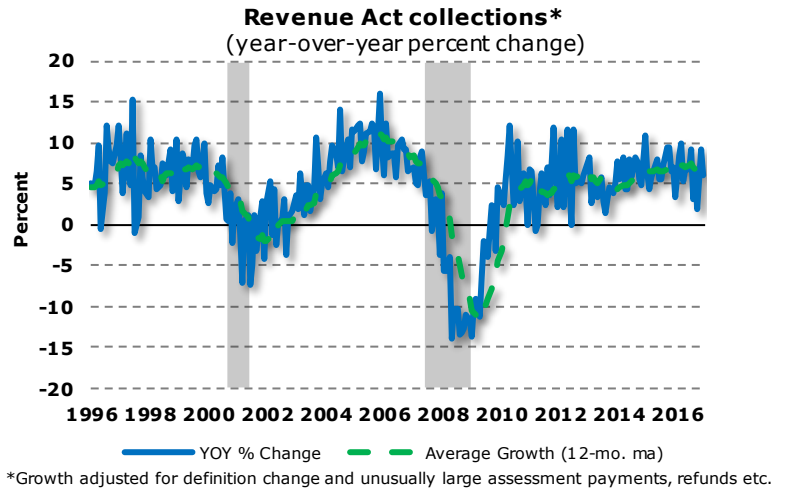
The Institute of Supply Management - Western Washington Index (ISM-WW) moved back into negative territory in July after a neutral reading in June. The index, which measures conditions in the manufacturing sector, decreased from 50.0 in June to 47.0 in July (index values above 50 indicate growth while values below 50 indicate contraction). The index has now been less than or equal to 50 in each of the last three months. The production, orders, and deliveries components indicated expansion in July but the employment and inventory components indicated contraction. Manufacturing has fluctuated around the 50 mark since mid-2015.

Washington car and truck sales fell in June to the lowest level in more than three years. Seasonally adjusted new vehicle registrations declined 5.4% in June to 274,300 (SAAR) which was the lowest rate since March 2014. Car and truck sales are down 18.1% since the post-recession peak in January 2016 and down 10.8% over the year.

**REVENUE COLLECTIONS**

**Overview**

Major General Fund-State revenue collections for the July 11 - August 10, 2017 collection period came in \$49.6 million (3.2%) above the June forecast. Cumulatively, collections are now \$73.7 million (2.4%) higher than forecasted. Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Had the refunds not occurred, cumulative collections would have been \$92.9 million (3.0%) higher than forecasted.



**Revenue Act**

Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the July 11 – August 10, 2017 collection period. Collections correspond primarily to the June economic activity of monthly filers and second quarter activity of quarterly filers.

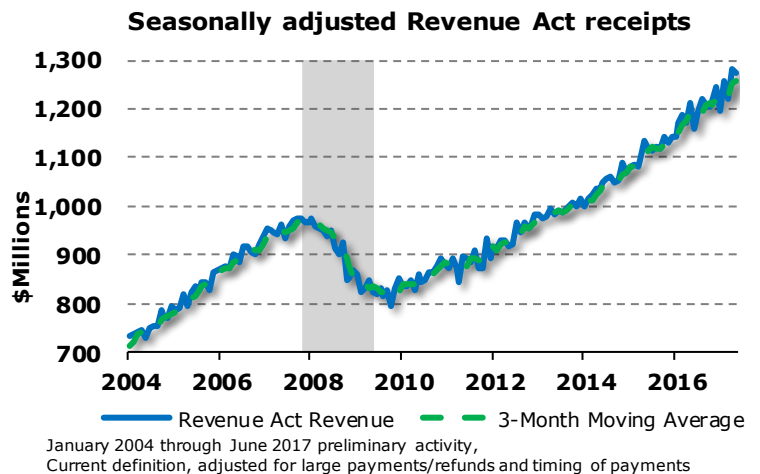
Revenue Act collections for the current period came in \$40.5 million (3.0%) above the June forecast. Cumulatively, collections are \$57.3 million (2.2%) higher than forecasted. Since the June forecast, there have been \$19.2 million in net large refunds that were not included in the forecast. Adjusted for the refunds, cumulative collections would have been \$76.5 million (3.0%) higher than forecasted.

Adjusted for a large refund this year, collections grew 6.0% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 6.4%. Seasonally adjusted collections decreased slightly from last month’s level (see figure).

As shown in the “Key Revenue Variables” table, unadjusted Revenue Act receipts increased by 5.6% year over year. The preliminary estimate of year-over-year retail sales tax growth is 5.5%. The preliminary estimate of B&O tax growth is 6.2%.

Total tax payments as of July 27th from electronic filers who also paid in the July 11 – August 10 collection period of last year were up 6.7% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 8.5% year over year. Some details of payments from electronic filers :

- Total payments in the retail



trade sector were up 7.7% year over year. Last month, payments grew 10.7% year over year.

- Payments from the motor vehicles and parts sector increased by 9.3% year over year. Last month, payments in the sector increased by 10.1% year over year.
- Retail trade sectors that showed strong growth in payments were nonstore retailers (+18.6%), building materials and garden equipment (+13.4%), furniture and home furnishings (+13.1%), gas stations and convenience stores (+10.2%), electronics and appliances (+8.1%) and drug and health stores (+8.0%).
- One retail trade sector, food and beverage stores, had a year-over-year decline in payments (-2.5%), but the decline was due to strong payments last year.
- Payments from non-retail trade sectors were up 6.2% year over year in the current period. Last month, year-over-year payments increased 7.2%.
- Tax payments by businesses in the accommodation and food services sector increased by 8.9% year over year. Last month receipts from the sector increased 7.9% year over year.
- Payments from the manufacturing sector decreased by 5.0% year over year. Last month payments increased 4.3% year over year. The month saw a moderate year-over-year decrease in payments from the petroleum refining sector and a large decrease in payments from the transportation equipment sector that was due to strong payments last year. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors decreased by 0.04% year over year.
- Tax payments by businesses in the construction sector increased by 10.8% year over year. Last month receipts from the construction sector increased 7.6% year over year.

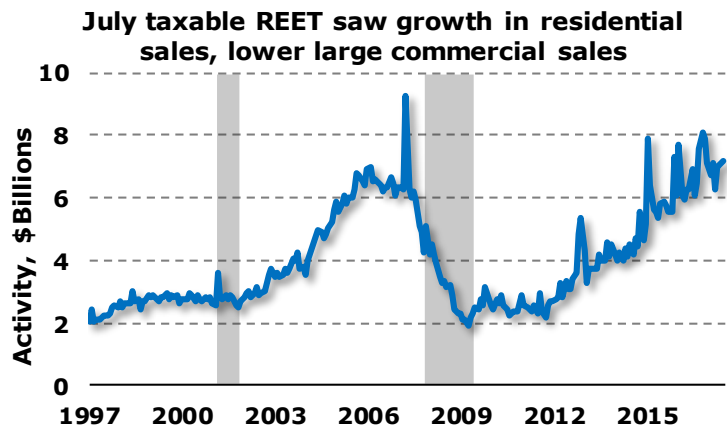
**DOR Non-Revenue Act**

July DOR non-Revenue Act collections came in \$8.3 million (4.8%) above the June forecast. Cumulatively, collections are now \$15.5 million (2.9%) higher than forecasted.

Most of this month’s surplus was once again from real estate excise tax (REET) collections, which came in \$8.7 million (9.8%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in lower than expected at \$450 million, down considerably from last month’s revised total of \$1.64 billion.

Collections from residential sales, however, came in higher than forecasted. Seasonally adjusted activity increased slightly from last month’s level (see figure). Cumulatively, REET collections are \$15.2 million (8.0%) higher than forecasted.

Property tax receipts came in \$1.4 million (13.0%) higher than forecasted. Cumulatively, collections are now \$1.8 million (1.0%) higher than forecasted.



Source: ERFC, data through July 2017 preliminary activity

Liquor taxes came in \$0.6 million (3.0%) higher than forecasted. Cumulatively, collections are now \$1.6 million (3.7%) higher than forecasted.

Cigarette tax receipts came in \$3.2 million (9.5%) lower than forecasted. Cumulatively, however, collections are only \$0.2 million (0.3%) lower than forecasted due to last month's large positive variance.

Refunds of unclaimed property from the GF-S were \$1.9 million (115%) higher than forecasted. Cumulatively, refunds are now \$5.4 million (123%) higher than forecasted.

Other DOR revenue came in \$2.7 million (14.6%) higher than forecasted, due mainly to leasehold excise tax collections. Cumulatively, collections are now \$2.5 million (4.9%) higher than forecasted.

### **Other Revenue**

Revenue from the Administrative Office of the Courts came in \$0.8 million (13.5%) higher than forecasted. Cumulatively, collections are now \$1.5 million (13.8%) higher than forecasted.

Please note that due to the relatively small size of average monthly Department of Licensing revenue receipts, coverage of those receipts has been discontinued in this report.

## Key U.S. Economic Variables

	2017						2015	2016
	Feb.	Mar.	Apr.	May	Jun.	Jul.		
Real GDP (SAAR)	-	1.2	-	-	2.6	-	2.9	1.5
Industrial Production (SA, 2007 = 100)	103.7	103.8	104.7	104.8	105.2	-	104.4	103.1
<i>YOY % Change</i>	0.4	1.3	1.8	1.9	2.0	-	-0.7	-1.2
ISM Manufacturing Index (50+ = growth)	57.7	57.2	54.8	54.9	57.8	56.3	51.4	51.5
ISM Non-Manuf. Index (50+ = growth)	57.6	55.2	57.5	56.9	57.4	53.9	57.2	54.9
Housing Starts (SAAR, 000)	1,288	1,189	1,154	1,122	1,215	-	1,107	1,177
<i>YOY % Change</i>	6.5	5.4	-0.9	0.3	2.1	-	10.6	6.3
Light Motor Vehicle Sales (SAAR, mil.)	17.5	16.8	17.0	16.8	16.7	16.8	17.4	17.5
<i>YOY % Change</i>	-1.4	0.9	-2.0	-2.2	-0.6	-5.9	5.7	0.5
CPI (SA, 1982-84 = 100)	244.5	243.8	244.2	243.8	243.8	-	237.0	240.0
<i>YOY % Change</i>	2.8	2.4	2.2	1.9	1.6	-	0.1	1.3
Core CPI (SA, 1982-84 = 100)	251.3	251.0	251.2	251.3	251.6	-	242.2	247.6
<i>YOY % Change</i>	2.2	2.0	1.9	1.7	1.7	-	1.8	2.2
IPD for Consumption (2009=100)	112.3	112.1	112.3	112.3	112.3	-	109.5	110.8
<i>YOY % Change</i>	2.2	1.8	1.7	1.5	1.4	-	0.3	1.2
Nonfarm Payroll Empl., e-o-p (SA, mil.)	145.8	145.8	146.0	146.2	146.4	146.6	143.1	145.3
<i>Monthly Change</i>	0.23	0.05	0.21	0.15	0.23	0.21	2.71	2.24
Unemployment Rate (SA, percent)	4.7	4.5	4.4	4.3	4.4	4.3	5.3	4.9
Yield on 10-Year Treasury Note (percent)	2.42	2.48	2.30	2.30	2.19	2.32	2.14	1.84
Yield on 3-Month Treasury Bill (percent)	0.53	0.75	0.81	0.90	1.00	1.09	0.05	0.32
Broad Real USD Index** (Mar. 1973=100)	101.4	100.6	99.7	99.1	97.7	96.8	95.1	98.8
Federal Budget Deficit (\$ bil.)*	192.0	176.2	-182.4	88.4	90.2	-	439.1	693.9
<i>FYTD sum</i>	349.0	525.2	342.8	431.2	521.4	-		
US Trade Balance (\$ bil.)	-44.9	-45.3	-47.6	-46.4	-43.6	-	-500.4	-504.8
<i>YTD Sum</i>	-93.7	-139.0	-186.6	-233.0	-276.6	-		

\*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

	2017						2015	2016	
	Feb.	Mar.	Apr.	May	Jun.	Jul.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,292.6	3,303.0	3,304.9	3,310.6	3,315.9	-	3,183.3	3,280.9	
Change from Previous Month (000)	5.1	10.4	1.9	5.7	5.4	-	82.9	97.6	
Construction	195.7	197.1	198.0	198.2	199.3	-	177.0	193.0	
Change from Previous Month	2.2	1.5	0.8	0.2	1.1	-	8.6	16.0	
Manufacturing	284.9	284.6	284.2	283.4	283.5	-	292.8	285.9	
Change from Previous Month	-1.0	-0.3	-0.4	-0.8	0.1	-	1.7	-6.9	
Aerospace	86.3	86.0	85.4	84.2	84.2	-	93.5	87.4	
Change from Previous Month	-0.9	-0.3	-0.6	-1.1	0.0	-	-0.9	-6.1	
Software	60.5	60.4	60.4	60.4	60.5	-	57.0	60.2	
Change from Previous Month	0.2	-0.1	0.0	0.0	0.1	-	1.8	3.2	
All Other	2,751.5	2,760.8	2,762.3	2,768.6	2,772.7	-	2,656.5	2,741.7	
Change from Previous Month	3.7	9.3	1.5	6.2	4.1	-	70.9	85.2	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	259.5	-	261.6	-	263.8	-	249.4	255.0	
	3.4%	-	3.1%	-	3.0%	-	1.4%	2.3%	
Housing Permits (SAAR, 000)	45.2	38.1	52.3	39.2	40.1	-	40.6	42.9	
	32.1%	-6.0%	11.2%	-0.3%	-13.8%	-	19.0%	5.6%	
WA Index of Leading Ind. (2004=100)	121.8	122.9	123.7	123.8	124.4	-	120.1	121.6	
	1.6%	1.8%	1.9%	1.0%	1.7%	-	1.8%	1.3%	
WA Business Cycle Ind. (Trend=50)	69.7	72.5	71.0	72.8	71.9	-	58.7	67.5	
	5.7%	12.8%	10.1%	8.4%	6.4%	-	23.7%	15.0%	
Avg. Weekly Hours in Manuf. (SA)	40.9	41.6	41.7	41.3	41.6	-	41.3	41.6	
	-0.4%	0.8%	0.8%	-0.7%	0.7%	-	0.5%	0.6%	
Avg. Hourly Earnings in Manuf.	27.1	27.2	27.1	26.9	27.1	-	25.5	26.4	
	3.4%	2.9%	2.8%	2.4%	2.4%	-	1.5%	3.5%	
New Vehicle Registrations (SA, 000)	24.4	25.5	23.8	24.2	22.9	-	25.0	26.1	
	-8.9%	-1.0%	-3.9%	-5.4%	-10.8%	-	7.3%	4.5%	
Initial Unemployment Claims (SA, 000)	29.1	27.2	28.4	26.3	27.2	27.1	32.3	30.3	
	-3.6%	-12.3%	-6.3%	-13.9%	-9.7%	-13.4%	-9.5%	-6.1%	
Personal Income (SAAR, \$bil.)	-	401.9	-	-	-	-	372.1	389.9	
	-	4.9%	-	-	-	-	4.6%	4.8%	
Median Home Price (\$000)	-	324.3	-	-	-	-	286.2	315.3	
	-	12.1%	-	-	-	-	7.6%	10.2%	

\*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

	2016					2017							
	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*	Jul 11- Aug 10*
<b>Department of Revenue-Total</b>	1,514,117	1,449,879	1,369,228	1,586,367	2,068,533	1,438,668	1,627,333	1,197,559	1,213,050	1,541,322	2,144,883	1,575,007	1,588,961
	5.4	10.9	8.4	11.8	4.5	6.9	5.3	7.7	2.4	5.2	2.5	5.4	4.9
<b>Revenue Act</b>	1,333,615	1,290,996	1,208,614	1,318,426	1,157,810	1,145,956	1,475,350	1,085,206	1,045,180	1,308,201	1,138,287	1,210,622	1,408,395
	5.8	12.0	8.2	9.9	6.3	9.0	4.3	10.0	2.3	6.8	1.8	4.5	5.6
Retail Sales Tax	866,647	814,351	791,805	854,833	753,027	731,396	946,066	677,767	663,950	839,253	740,298	794,212	913,902
	6.9	7.0	8.2	9.3	5.0	9.6	5.0	7.3	2.6	9.6	1.6	3.4	5.5
Business and Occupation Tax	349,938	308,011	296,520	358,780	299,845	308,930	409,006	279,226	265,848	353,897	290,851	305,863	371,484
	2.6	7.4	4.7	11.6	6.3	13.7	8.1	9.4	-1.2	0.9	1.7	3.9	6.2
Use Tax	60,321	62,941	51,801	58,983	52,211	49,804	59,798	56,449	52,485	54,998	53,375	57,725	64,008
	0.7	14.9	-5.2	9.3	5.9	-6.8	-1.5	17.7	9.8	3.8	7.7	20.2	6.1
Public Utility Tax	32,280	27,854	25,096	25,899	29,212	26,887	38,445	50,617	41,209	42,843	33,455	33,115	35,322
	1.2	-8.9	-13.6	-2.2	25.0	-23.3	-28.4	68.8	7.1	10.0	2.2	10.7	9.4
Tobacco Products Tax	4,357	4,117	5,302	4,017	4,836	4,105	4,271	3,778	4,315	3,955	4,100	5,215	5,229
	-4.2	-2.0	0.9	15.9	22.7	-11.6	25.4	24.1	-4.5	-28.3	-1.4	9.1	20.0
Penalties and Interest	20,071	73,723	38,090	15,915	18,679	24,833	17,763	17,369	17,373	13,256	16,207	14,492	18,451
	73.4	394.5	194.0	31.9	35.6	29.1	0.8	-8.5	18.5	21.6	-5.1	8.0	-8.1
<b>Non-Revenue Act**</b>	180,502	158,883	160,613	267,941	910,724	292,712	151,983	112,352	167,870	233,121	1,006,596	364,386	180,565
	2.0	2.5	9.5	22.2	2.2	-0.5	16.3	-10.6	2.9	-2.9	3.2	8.8	0.0
Liquor Sales/Liter	22,221	23,294	22,187	20,397	19,781	22,561	31,513	18,665	19,143	20,787	19,486	22,334	22,107
	9.8	-2.3	2.7	-0.3	32.9	-9.5	0.3	5.2	3.1	2.3	5.6	9.4	-0.5
Cigarette	35,071	35,096	35,358	35,368	30,612	31,328	27,967	21,382	30,422	26,364	31,159	37,762	30,610
	-5.5	3.2	2.9	21.4	-8.7	-19.6	-11.2	-9.6	-2.0	-17.8	-2.1	10.3	-12.7
Property (State School Levy)	10,476	6,801	11,280	46,286	730,065	139,097	9,586	5,533	33,290	100,813	821,190	171,233	12,337
	-14.8	-5.9	12.2	15.3	-0.8	9.1	-3.3	8.6	0.2	4.4	1.1	9.2	17.8
Real Estate Excise	98,344	87,901	84,358	95,452	85,213	89,302	59,382	60,360	73,646	68,149	96,608	107,207	98,093
	13.6	6.3	10.1	35.7	57.3	-3.8	27.6	-7.3	7.7	-0.5	20.2	15.2	-0.3
Unclaimed Property	-5,175	-3,059	-2,283	47,015	40,658	-293	2,058	-4,081	-1,590	-1,007	-2,821	-6,180	-3,587
	259.7	-6.3	-33.4	10.6	1.8	-113.7	-167.6	39.6	-196.5	-114.5	-29.2	39.4	-30.7
Other	19,565	8,851	9,713	23,423	4,395	10,717	21,478	10,494	12,958	18,015	40,973	32,029	21,005
	-11.9	-16.3	30.6	40.6	-64.9	34.1	49.0	-38.3	25.5	14.3	13.3	-7.9	7.4
<b>Administrative Office of the Courts**</b>	6,145	6,856	6,292	6,129	7,135	5,619	5,796	5,404	5,587	7,086	6,354	6,094	6,479
	-9.5	-7.2	-7.2	-7.2	-7.9	0.7	-8.1	-6.6	-20.1	-4.2	-13.6	-0.2	5.4
<b>Total General Fund-State***</b>	<b>1,520,262</b>	<b>1,456,735</b>	<b>1,375,520</b>	<b>1,592,496</b>	<b>2,075,668</b>	<b>1,444,287</b>	<b>1,633,129</b>	<b>1,202,963</b>	<b>1,218,637</b>	<b>1,548,408</b>	<b>2,151,237</b>	<b>1,581,101</b>	<b>1,595,440</b>
	<b>5.3</b>	<b>10.8</b>	<b>8.3</b>	<b>11.7</b>	<b>4.4</b>	<b>6.9</b>	<b>5.2</b>	<b>7.6</b>	<b>2.3</b>	<b>5.2</b>	<b>2.4</b>	<b>5.4</b>	<b>4.9</b>

\*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
<b>July 11, 2017 - August 10, 2017</b>				
<b>August 10, 2017 Collections Compared to the June 2017 Forecast</b>				
Department of Revenue-Total	\$1,540,102	\$1,588,961	\$48,859	3.2%
Revenue Act** (1)	1,367,864	1,408,395	40,531	3.0%
Non-Revenue Act(2)	172,238	180,565	8,328	4.8%
Liquor Sales/Liter	21,470	22,107	638	3.0%
Cigarette	33,818	30,610	(3,208)	-9.5%
Property (State School Levy)	10,915	12,337	1,422	13.0%
Real Estate Excise	89,378	98,093	8,715	9.8%
Unclaimed Property	(1,672)	(3,587)	(1,915)	114.5%
Other	18,329	21,005	2,675	14.6%
Administrative Office of the Courts (2)	5,707	6,479	773	13.5%
<b>Total General Fund-State***</b>	<b>\$1,545,809</b>	<b>\$1,595,440</b>	<b>\$49,631</b>	<b>3.2%</b>

### Cumulative Variance Since the June Forecast (June 11, 2017 - August 10, 2017)

Department of Revenue-Total	\$3,091,201	\$3,163,968	\$72,767	2.4%
Revenue Act** (3)	2,561,717	2,619,017	57,301	2.2%
Non-Revenue Act(4)	529,485	544,951	15,466	2.9%
Liquor Sales/Liter	42,872	44,442	1,570	3.7%
Cigarette	68,554	68,372	(181)	-0.3%
Property (State School Levy)	181,758	183,570	1,812	1.0%
Real Estate Excise	190,132	205,300	15,168	8.0%
Unclaimed Property	(4,375)	(9,767)	(5,392)	123.2%
Other	50,544	53,034	2,490	4.9%
Administrative Office of the Courts (4)	11,046	12,573	1,526	13.8%
<b>Total General Fund-State***</b>	<b>\$3,108,712</b>	<b>\$3,182,440</b>	<b>\$73,728</b>	<b>2.4%</b>

1 Collections July 11, 2017 - August 10, 2017. Collections primarily reflect June 2017 activity of monthly filers and second quarter 2017 activity of quarterly filers.

2 July 2017 collections.

3 Cumulative collections, estimates and variance since the June 2017 forecast; (June 11, 2017 - August 10, 2017) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June - July 2017) and revisions to history.

\* Based on the June 2017 economic and revenue forecast released June 20, 2017.

\*\*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.