



# ECONOMIC & REVENUE UPDATE

August 16, 2018

summary

## Summary

- **The U.S. labor market added 157,000 net new jobs in July.**
- **U.S. real GDP grew at a 4.1% rate in the second quarter.**
- **U.S. residential construction and sales activity weakened in June.**
- **Washington employment growth has been stronger than expected.**
- **Washington exports continue to grow.**
- **Major General Fund-State (GF-S) revenue collections for the July 11 - August 10, 2018 collection period came in \$33.6 million (2.0%) above the June forecast.**
- **Cumulatively, collections are now \$75.0 million (2.2%) higher than forecasted.**

## United States

The national economy continues to expand with strong second quarter GDP growth, an increase in employment, lower initial unemployment insurance claims and continued expansion in manufacturing activity. However, residential construction activity slowed and auto sales weakened.

The U.S. economy added 157,000 net new jobs in July. Employment data for May and June were revised up by 59,000 jobs. Sectors with notable employment gains in July included manufacturing (+37,000), accommodation and food services (+34,000), temporary help services (+28,000), construction (+19,000), social assistance (+17,000), health care (+17,000) and professional and technical services (+16,000). Industries with net employment declines in July included sporting goods, hobby, book, and music stores (-32,000), transit and ground passenger transportation (-15,000), local government education (-14,000), educational services (-11,000) and finance and insurance (-9,000).

Initial claims for unemployment insurance decreased by 6,000 to 213,000 (SA) in the week ending August 4th. The four-week moving average of initial claims decreased by 500 to 214,250. Layoff announcements in July, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 27,122 or 27.1% lower than in June. The retail sector continues to lead all industries in job cuts so far this year with 75,763 (27.8% of year-to-date job cuts).

Average hourly earnings increased by seven cents in July and are 2.7% above their year-ago level. The average workweek in July decreased by 0.1 hours to 34.5 hours. The July unemployment rate decreased from 4.0% to 3.9%.

The first estimate of real gross domestic product (GDP) growth for the second quarter of 2018 was a strong 4.1% (SAAR), with positive contributions from personal consumption, exports, nonresidential investment and government spending. In the first quarter, real GDP grew at a 2.2% rate (SAAR).

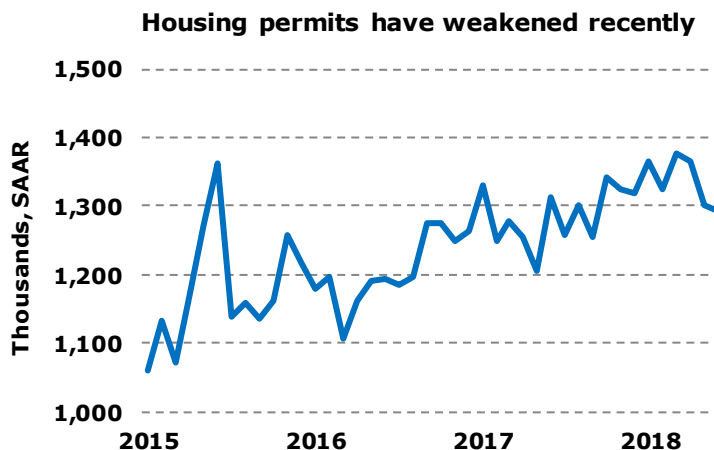
Manufacturing activity expanded for a 23rd consecutive month in July, although at a slightly slower pace. The Institute for Supply Management's Purchasing Managers Index (PMI) decreased by 2.1 points to 58.1 (50 or higher indicates growth). The non-

united states

manufacturing PMI for July decreased by 3.4 points from June to 55.7. The non-manufacturing index has remained above 50 for 102 consecutive months.

Industrial production increased by 0.6% (SA) in June following a revised 0.5% decrease in May. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, increased by 0.2% (SA) in June and were 7.8% (SA) above their year-ago level according to U.S. Census Bureau data.

U.S. residential construction and sales activity data weakened this month. Housing units authorized by building permits in June were 2.2% (SA) below their May level and 3.0% above their year-ago level ([see figure](#)). June housing starts decreased by 12.3% (SA) compared to May and were 4.2% below their June 2017 level. Existing home sales decreased by 0.6% in June (SA) compared to May and were 2.2% below their June 2017 level. New single-family home sales in June decreased by 5.3% (SA) compared to May but were 2.4% above their year-ago level. The seasonally adjusted Case-Shiller national home price index for May was 0.4% above its April level and 6.4% above its year-ago level.



Consumer confidence was essentially unchanged this month but remains at a high level. Consumers responding to the University of Michigan consumer sentiment survey reported a mix of both positive and negative expectations, resulting in a slight 0.3 point decline to 97.9 in the sentiment index in July. However, 35% of respondents expressed concerns that tariffs would have a negative impact on the economy. The Conference Board index of consumer confidence increased marginally in July, rising 0.3 points to 127.4. Consumers were slightly more confident about current conditions but slightly less optimistic regarding future economic conditions.

Light motor vehicle sales in July were 2.7% (SAAR) below June sales and unchanged from July 2017. Domestic vehicles accounted for nearly 78% of July light vehicle sales.

Petroleum spot prices in the U.S. decreased over the last month. For the week ending August 3rd, U.S. benchmark West Texas Intermediate was \$69 per barrel, down \$4 per barrel from early July. Over the same time period, European benchmark Brent decreased by \$3 to \$73 per barrel. Gasoline prices were relatively unchanged over the last month, falling one cent to \$2.85 per gallon (regular, all formulations) between July 9th and August 6th.

The American Trucking Association's truck tonnage index decreased 0.4% (SA) in June but was 7.8% above its year-ago level. Rail carloads for July were 1.5% (SA) below their July level but 3.9% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 0.3% (SA) lower than in June but 6.9% above their July 2017 level.

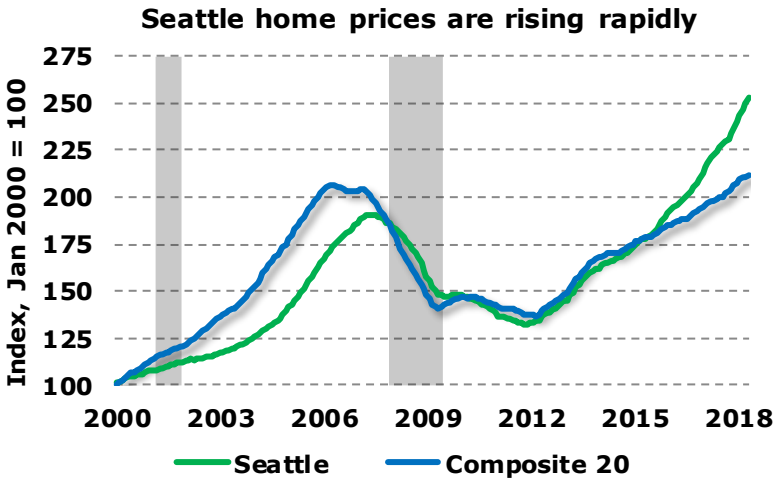
## WASHINGTON

We have two months of new Washington employment data since the June forecast was released. Total nonfarm payroll employment rose 18,100 (seasonally adjusted) in June and July, which was 6,300 more than the 11,800 expected in the June forecast. The

variance in employment growth was mostly due to the private services-providing sectors, which added 15,300 jobs compared to 9,400 in the June forecast. Manufacturing employment increased 1,700 in June and July boosted by an increase of 1,300 aerospace employees. Construction employment decreased by 500 jobs while government payrolls expanded by 1,600 jobs.

Washington housing construction declined in the second quarter of 2018 and fell short of the June forecast. The number of housing units authorized by building permits decreased to 43,200 units (SAAR) in the second quarter of 2018 from 49,200 units in the first quarter. Second quarter permits were made up of 23,000 single-family units and 20,200 multi-family units. The June forecast assumed 46,700 units (SAAR) in the second quarter, consisting of 24,400 single-family units and 22,300 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 1.4% in May compared to a 0.2% increase in the Composite-20 index. Over-the-year prices are up 13.6%, more than double the 6.5% increase in the Composite-20 index. Seattle home prices are up 91% since the December 2011 trough and now exceed the May 2007 peak by 33% (see figure).



Seattle area consumer price inflation remains well above the national average. Over the last year, from June 2017 to June 2018, consumer prices in the Seattle area rose 3.3% compared to 2.8% for the U.S. city average. Core prices, which exclude food and energy, were up 2.9% in Seattle compared to 2.2% for the nation. The higher Seattle inflation is due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 6.4% compared to 3.4% for the nation. Excluding shelter costs, Seattle inflation was below the national average at 1.5% compared to 2.5%.

Despite a decline in transportation equipment, Washington exports were up over the year for a third consecutive quarter. Exports increased 3.7% in the second quarter of 2018 compared to the second quarter of 2017. Transportation equipment exports (mostly Boeing planes) declined 5.3% over the year but exports of agricultural products rose 26.8% and exports of all other commodities (mostly manufacturing) increased 12.0%.

The Institute of Supply Management - Western Washington Index (ISM-WW) increased in July and remained solidly in positive territory. The index, which measures conditions in the manufacturing sector, increased from 56.0 in June to 60.0 in July (index values above 50 indicate growth while values below 50 indicate contraction). The index has exceeded 50 in each of the last 12 months. The production, orders, employment, and inventory components all indicated expansion in July while the deliveries component was neutral at 50.

Car and truck sales appear to have plateaued. Seasonally adjusted new vehicle registrations fell 1.4% in July but are up 0.9% over the year. Car and truck sales are down 13.1% since the post-recession peak in November 2017.

**REVENUE COLLECTIONS**

**Overview**

Major General Fund-State (GF-S) revenue collections for the July 11 - August 10, 2018 collection period came in \$33.6 million (2.0%) above the June forecast. Cumulatively, collections are now \$75.0 million (2.2%) 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, 2018 collection period. Collections correspond primarily to the June economic activity of monthly filers and second quarter activity of quarterly filers.

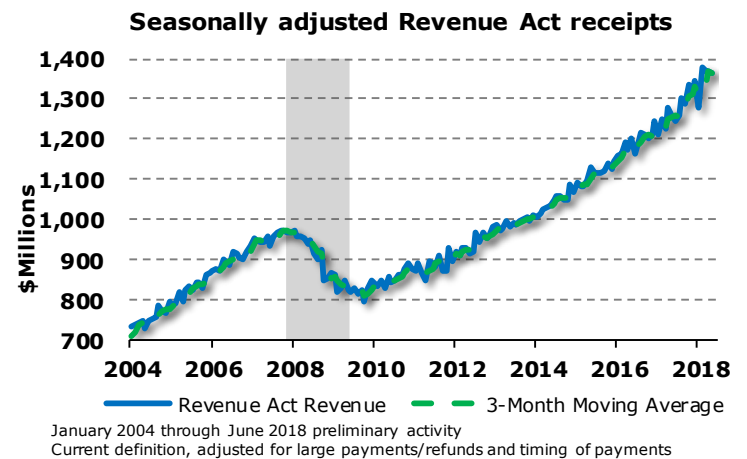
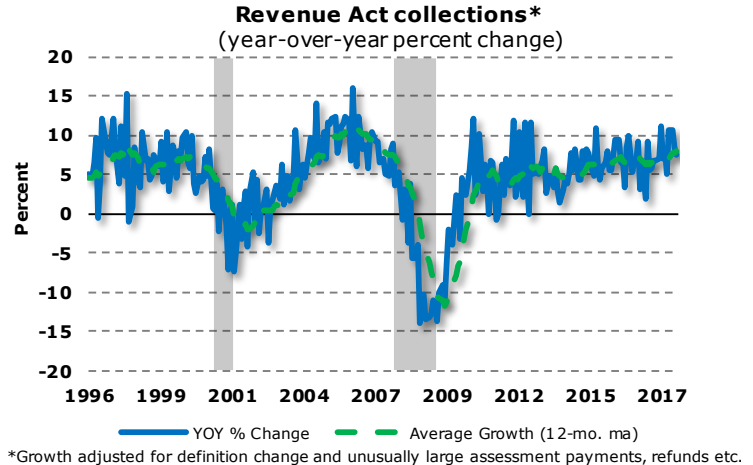
Revenue Act collections for the current period came in \$33.3 million (2.2%) above the June forecast. Cumulatively, collections are now \$72.7 million (2.6%) above the forecast. During the current period there was a one-time payment of \$5.2 million for past-due taxes. Without this payment, collections for the current period would have been \$28.2 million (1.9%) above the forecast and cumulative payments would have been \$67.5 million (2.4%) above the forecast.

Adjusted for the large one-time payment, collections grew 7.6% year over year (see figure). The 12-month moving average of year-over-year growth increased to 7.9%. Seasonally adjusted collections decreased slightly from last month's level (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act collections increased 8.0% year over year. Retail sales tax collections grew 9.5% year over year and B&O tax collections grew 7.5%.

Total tax payments as of August 1st from electronic filers who also filed returns in the July 11 - July 27 period of last year were up 7.6% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well). Last month payments were up 11.0% year over year. Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 5.2% year over year. Last month, payments grew 8.3% year over year.
- Payments from the motor vehicles and parts sector increased by 4.9% year over year. Last month, payments in the sector increased by 7.1% year over year.
- Retail trade sectors that showed strong growth in payments were gas stations and convenience stores (+9.0%), furniture and home furnishings (+7.3%), electronics and



appliances (+7.2%), food and beverage stores (+6.3%) and nonstore retailers (+6.0%).

- Payments from non-retail trade sectors were up 8.8% year over year in the current period. Last month, year-over-year payments increased 12.5%.
- Tax payments by businesses in the accommodation and food services sector increased by 3.2% year over year. Last month receipts from the sector increased 5.5% year over year.
- Payments from the manufacturing sector increased by 17.4% year over year. Last month payments increased 18.5% year over year. The month saw a large year-over-year increase in payments from the petroleum refining sector and a small increase in payments from the transportation equipment sector. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 10.2% year over year.
- Tax payments by businesses in the construction sector increased by 9.6% year over year. Last month receipts from the construction sector increased 13.3% year over year.

**DOR Non-Revenue Act**

July DOR non-Revenue Act collections came in \$39,000 (0.0%) above the forecast. Cumulatively, collections are now \$1.1 million (0.2%) above the forecast.

Real estate excise tax (REET) collections came in \$6.8 million (6.4%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in higher than expected at \$1.35 billion, up from last month’s revised

sales of \$1.21 billion. Collections from residential sales came in lower than forecasted. Seasonally adjusted activity decreased from last month’s level ([see figure](#)). Cumulatively, collections are now \$9.9 million (4.6%) higher than forecasted.

Cigarette tax receipts came in \$1.4 million (4.2%) higher than forecasted. Cumulatively, however, receipts are \$4.0 million (6.3%) lower than forecasted. The shortfall, however, is due to the timing of tax stamp payments rather than the level of stamp purchases. Much of the cumulative shortfall should therefore be made up next month.

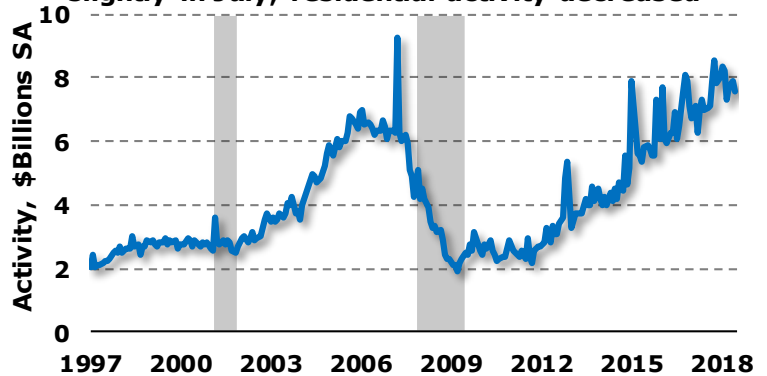
Liquor taxes came in \$0.5 million (2.3%) higher than forecasted. Cumulatively, collections are now \$0.2 million (0.4%) lower than forecasted.

Refunds of unclaimed property from the GF-S were \$4.6 million higher than forecasted. Cumulatively, unclaimed property refunds are now \$3.3 million (45.8%) higher than forecasted.

Property tax receipts came in \$3.1 million (16.1%) lower than forecasted. Cumulatively, however, receipts are \$2.2 million (0.8%) higher than forecasted.

Other DOR revenue came in \$1.1 million (6.1%) lower than forecasted. Cumulatively, other revenue is \$3.4 million (7.7%) lower than forecasted.

**Large commercial taxable REET activity increased slightly in July; residential activity decreased**



Source: ERFC, data through July 2018 preliminary activity

**Other Revenue**

Revenue from the Administrative Office of the Courts came in \$0.2 million (3.4%) higher than forecasted. Cumulatively, revenue is \$1.2 million (10.7%) higher than forecasted.

## Key U.S. Economic Variables

	2018						2016	2017
	Feb.	Mar.	Apr.	May	Jun.	Jul.		
Real GDP (SAAR)	-	2.2	-	-	4.1	-	1.6	2.2
Industrial Production (SA, 2007 = 100)	105.9	106.4	107.6	107.1	107.7	-	102.1	103.7
<i>YOY % Change</i>	3.6	3.6	3.7	3.2	3.8	-	-1.9	1.6
ISM Manufacturing Index (50+ = growth)	60.8	59.3	57.3	58.7	60.2	58.1	51.5	57.6
ISM Non-Manuf. Index (50+ = growth)	59.5	58.8	56.8	58.6	59.1	55.7	54.9	57.0
Housing Starts (SAAR, 000)	1,290	1,327	1,276	1,337	1,173	-	1,177	1,208
<i>YOY % Change</i>	0.1	12.6	9.5	19.2	-4.2	-	6.4	2.6
Light Motor Vehicle Sales (SAAR, mil.)	17.1	17.5	17.2	16.9	17.5	-	17.5	17.3
<i>YOY % Change</i>	-2.2	3.9	0.7	0.7	4.6	-	0.5	-1.4
CPI (SA, 1982-84 = 100)	249.6	249.5	250.0	250.5	250.9	251.3	240.0	245.1
<i>YOY % Change</i>	2.3	2.4	2.4	2.7	2.8	2.9	1.3	2.1
Core CPI (SA, 1982-84 = 100)	255.8	256.2	256.5	256.9	257.3	257.9	247.6	252.2
<i>YOY % Change</i>	1.9	2.1	2.1	2.2	2.2	2.3	2.2	1.8
IPD for Consumption (2009=100)	107.6	107.6	107.8	108.0	108.2	-	104.2	106.1
<i>YOY % Change</i>	1.9	2.1	2.0	2.2	2.2	-	1.1	1.8
Nonfarm Payroll Empl., e-o-p (SA, mil.)	148.1	148.3	148.5	148.7	149.0	149.1	145.4	147.6
<i>Monthly Change</i>	0.32	0.16	0.18	0.27	0.25	0.16	2.34	2.19
Unemployment Rate (SA, percent)	4.1	4.1	3.9	3.8	4.0	3.9	4.9	4.4
Yield on 10-Year Treasury Note (percent)	2.86	2.84	2.87	2.98	2.91	2.89	1.84	2.33
Yield on 3-Month Treasury Bill (percent)	1.59	1.73	1.79	1.90	1.94	1.99	0.32	0.95
Broad Real USD Index** (Mar. 1973=100)	94.9	95.2	95.3	97.9	99.4	99.9	99.0	98.4
Federal Budget Deficit (\$ bil.)*	215.2	208.7	-214.3	146.8	74.9	-	693.9	665.8
<i>FYTD sum</i>	391.0	599.7	385.4	532.2	607.1	-		
US Trade Balance (\$ bil.)	-55.5	-47.2	-46.1	-43.2	-46.3	-	-502.0	-552.3
<i>YTD Sum</i>	-108.4	-155.6	-201.7	-244.9	-291.2	-		

\*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

	2018						2016	2017	
	Feb.	Mar.	Apr.	May	Jun.	Jul.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,384.9	3,394.0	3,398.7	3,409.7	3,417.9	3,427.8	3,284.3	3,360.8	
<i>Change from Previous Month (000)</i>	6.1	9.1	4.7	11.0	8.2	9.9	98.5	76.5	
Construction	209.0	209.9	211.0	212.0	211.8	211.5	193.9	206.5	
<i>Change from Previous Month</i>	1.5	0.9	1.2	1.0	-0.2	-0.3	16.3	12.6	
Manufacturing	284.2	285.2	285.0	285.6	285.8	287.3	287.0	283.6	
<i>Change from Previous Month</i>	1.3	0.9	-0.2	0.6	0.2	1.5	-6.1	-3.3	
Aerospace	82.1	82.1	82.1	82.8	83.3	84.0	87.7	81.5	
<i>Change from Previous Month</i>	0.5	0.0	0.0	0.7	0.5	0.8	-5.8	-6.2	
Software	63.3	63.6	64.0	64.6	65.2	65.1	60.3	62.6	
<i>Change from Previous Month</i>	0.5	0.3	0.4	0.5	0.6	-0.1	3.2	2.2	
All Other	2,828.4	2,835.4	2,838.7	2,847.5	2,855.1	2,863.9	2,743.1	2,808.1	
<i>Change from Previous Month</i>	2.8	7.0	3.3	8.8	7.6	8.8	85.0	65.0	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	268.0	-	270.3	-	272.4	-	255.0	262.7	
<i>Change from Previous Month (%)</i>	3.3%	-	3.3%	-	3.3%	-	2.3%	3.0%	
Housing Permits (SAAR, 000)	46.4	62.0	50.8	33.8	45.1	-	42.9	44.9	
<i>Change from Previous Month (%)</i>	2.7%	58.4%	0.9%	-15.6%	9.0%	-	5.5%	4.7%	
WA Index of Leading Ind. (2004=100)	124.7	125.9	125.9	124.8	124.5	-	119.8	122.4	
<i>Change from Previous Month (%)</i>	3.7%	4.1%	3.4%	2.4%	1.5%	-	1.4%	2.1%	
WA Business Cycle Ind. (Trend=50)	80.2	81.9	81.0	82.0	82.1	-	67.9	74.8	
<i>Change from Previous Month (%)</i>	14.3%	13.0%	13.2%	11.6%	11.9%	-	15.7%	10.3%	
Avg. Weekly Hours in Manuf. (SA)	42.3	41.8	43.0	42.4	42.7	-	41.6	41.7	
<i>Change from Previous Month (%)</i>	2.9%	0.5%	3.1%	2.4%	2.6%	-	0.6%	0.3%	
Avg. Hourly Earnings in Manuf.	28.0	28.2	28.4	28.1	28.2	-	26.4	27.4	
<i>Change from Previous Month (%)</i>	3.1%	3.7%	4.8%	4.7%	4.0%	-	3.5%	3.6%	
New Vehicle Registrations (SA, 000)	25.0	25.7	24.8	24.9	24.7	24.3	26.1	25.4	
<i>Change from Previous Month (%)</i>	2.5%	1.4%	1.7%	1.8%	5.7%	0.9%	4.4%	-2.8%	
Initial Unemployment Claims (SA, 000)	27.3	26.0	26.0	25.6	26.9	-	30.3	27.0	
<i>Change from Previous Month (%)</i>	-7.7%	-7.6%	-9.6%	-6.7%	-3.5%	-	-5.9%	-11.1%	
Personal Income (SAAR, \$bil.)	-	434.1	-	-	-	-	397.8	417.2	
<i>Change from Previous Month (%)</i>	-	6.0%	-	-	-	-	4.7%	4.9%	
Median Home Price (\$000)	-	360.2	-	-	-	-	315.9	342.7	
<i>Change from Previous Month (%)</i>	-	11.1%	-	-	-	-	9.3%	8.5%	

\*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

	2017					2018							
	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>	1,590,439	1,438,865	1,459,366	1,698,248	2,151,574	1,572,657	1,774,474	1,298,160	1,277,108	1,765,343	2,784,039	1,780,202	1,719,052
	5.0	-0.8	6.6	7.1	4.0	9.3	9.0	8.4	5.3	14.5	29.8	13.1	8.1
<b>Revenue Act</b>	1,408,395	1,260,549	1,280,897	1,420,341	1,229,201	1,271,300	1,611,781	1,169,326	1,097,294	1,456,428	1,260,746	1,340,750	1,520,569
	5.6	-2.4	6.0	7.7	6.2	10.9	9.2	7.8	5.0	11.3	10.8	10.9	8.0
Retail Sales Tax	918,099	842,244	890,183	926,968	797,565	817,127	976,735	705,705	702,322	935,545	831,263	894,841	1,005,475
	5.9	3.4	12.4	8.4	5.9	11.7	3.2	4.1	5.8	11.5	12.3	13.4	9.5
Business and Occupation Tax	372,900	308,348	317,297	391,779	321,861	335,291	458,476	325,920	274,923	391,436	324,707	340,253	401,004
	6.6	0.1	7.0	9.2	7.3	8.5	12.1	16.7	3.4	10.6	11.6	11.5	7.5
Use Tax	65,265	56,191	50,642	55,665	53,038	55,931	73,687	49,178	73,182	64,662	56,083	61,172	60,394
	8.2	-10.7	-2.2	-5.6	1.6	12.3	23.2	-12.9	39.4	17.6	5.1	1.3	-7.5
Public Utility Tax	32,689	30,190	28,787	20,511	29,153	28,939	44,339	51,428	34,259	47,617	35,828	33,231	33,249
	1.3	8.4	14.7	-20.8	-0.2	7.6	15.3	1.6	-16.9	11.1	7.1	1.9	1.7
Tobacco Products Tax	4,783	5,660	6,695	3,941	5,328	4,721	4,558	4,416	3,398	3,862	6,544	2,946	9,680
	9.8	37.5	26.3	-1.9	10.2	15.0	6.7	16.9	-21.3	-2.4	59.6	-44.1	102.4
Penalties and Interest	14,660	17,916	-12,707	21,478	22,256	29,291	53,986	32,678	9,211	13,306	6,321	8,307	10,766
	-27.0	-75.7	-133.4	35.0	19.1	18.0	203.9	88.1	-47.0	0.4	-61.0	-50.8	-26.6
<b>Non-Revenue Act**</b>	182,043	178,316	178,470	277,907	922,373	301,357	162,693	128,833	179,814	308,915	1,523,293	439,452	198,483
	0.9	12.2	11.1	3.7	1.3	3.0	7.0	14.7	7.1	32.5	51.3	20.6	9.0
Liquor Sales/Liter	22,107	24,496	23,854	21,058	17,722	26,629	32,140	21,407	11,354	29,366	20,143	23,516	23,113
	-0.5	5.2	7.5	3.2	-10.4	18.0	2.0	14.7	-40.7	41.3	3.4	5.3	4.5
Cigarette	30,614	38,723	33,441	24,697	33,054	29,029	33,337	22,139	26,923	25,549	34,626	25,277	34,986
	-12.7	10.3	-5.4	-30.2	8.0	-7.3	19.2	3.5	-11.5	-3.1	11.1	-33.1	14.3
Property (State School Levy)	12,337	6,561	12,104	40,276	747,319	142,621	9,131	5,896	44,762	148,005	1,316,010	256,383	16,041
	17.8	-3.5	7.3	-13.0	2.4	2.5	-4.7	6.6	34.5	46.8	60.3	49.7	30.0
Real Estate Excise	99,385	101,683	89,953	99,378	87,763	96,959	67,965	65,165	84,485	83,757	98,780	113,692	113,921
	1.1	15.7	6.6	4.1	3.0	8.6	14.5	8.0	14.7	22.9	2.2	6.0	14.6
Unclaimed Property	-3,587	-779	-448	71,678	28,236	-5,266	-474	3,210	503	1,886	7,978	-4,114	-6,415
	-30.7	-74.5	-80.4	52.5	-30.6	1,698.6	-123.0	-178.7	-131.7	-287.4	-382.8	-33.4	78.8
Other	21,188	7,634	19,566	20,821	8,279	11,386	20,594	11,016	11,787	20,351	45,756	24,697	16,839
	8.3	-13.7	101.4	-11.1	88.4	6.3	-4.1	5.0	-9.0	13.0	11.7	-22.9	-20.5
<b>Administrative Office of the Courts**</b>	6,479	6,194	6,500	6,680	6,580	5,967	5,372	6,012	5,669	7,102	6,623	6,454	6,125
	5.4	-9.6	3.3	9.0	-7.8	6.2	-7.3	11.3	1.5	0.2	4.2	5.9	-5.5
<b>Total General Fund-State***</b>	<b>1,596,918</b>	<b>1,445,060</b>	<b>1,465,866</b>	<b>1,704,927</b>	<b>2,158,154</b>	<b>1,578,624</b>	<b>1,779,846</b>	<b>1,304,172</b>	<b>1,282,777</b>	<b>1,772,445</b>	<b>2,790,662</b>	<b>1,786,657</b>	<b>1,725,177</b>
	<b>5.0</b>	<b>-0.8</b>	<b>6.6</b>	<b>7.1</b>	<b>4.0</b>	<b>9.3</b>	<b>9.0</b>	<b>8.4</b>	<b>5.3</b>	<b>14.5</b>	<b>29.7</b>	<b>13.1</b>	<b>8.0</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 - August 10, 2018</b>				
<b>August 10, 2018 Collections Compared to the June 2018 Forecast</b>				
Department of Revenue-Total	\$1,685,703	\$1,719,052	\$33,349	2.0%
Revenue Act** (1)	1,487,259	1,520,569	33,310	2.2%
Non-Revenue Act(2)	198,444	198,483	39	0.0%
Liquor Sales/Liter	22,602	23,113	511	2.3%
Cigarette	33,566	34,986	1,420	4.2%
Property (State School Levy)	19,122	16,041	(3,081)	-16.1%
Real Estate Excise	107,074	113,921	6,847	6.4%
Unclaimed Property	(1,859)	(6,415)	(4,557)	245.2%
Other	17,939	16,839	(1,100)	-6.1%
Administrative Office of the Courts (2)	5,923	6,125	202	3.4%
<b>Total General Fund-State***</b>	<b>\$1,691,626</b>	<b>\$1,725,177</b>	<b>\$33,551</b>	<b>2.0%</b>

### Cumulative Variance Since the June Forecast (June 11, 2018 - August 10, 2018)

Department of Revenue-Total	\$3,425,485	\$3,499,254	\$73,769	2.2%
Revenue Act** (3)	2,788,664	2,861,319	72,655	2.6%
Non-Revenue Act(4)	636,822	637,935	1,113	0.2%
Liquor Sales/Liter	46,827	46,629	(198)	-0.4%
Cigarette	64,285	60,263	(4,022)	-6.3%
Property (State School Levy)	270,259	272,424	2,165	0.8%
Real Estate Excise	217,695	227,612	9,918	4.6%
Unclaimed Property	(7,224)	(10,529)	(3,305)	45.8%
Other	44,979	41,536	(3,444)	-7.7%
Administrative Office of the Courts (4)	11,365	12,579	1,214	10.7%
<b>Total General Fund-State***</b>	<b>\$3,436,851</b>	<b>\$3,511,833</b>	<b>\$74,983</b>	<b>2.2%</b>

1 Collections July 11 - August 10, 2018. Collections primarily reflect June 2018 activity of monthly filers and second quarter 2018 activity of quarterly filers.

2 July 2018 collections.

3 Cumulative collections, estimates and variance since the June 2018 forecast; (June 11, 2018 - August 10, 2018) and revisions to history.

4 Cumulative collections, estimates and variance since the June forecast (June - July 2018) and revisions to history.

\* Based on the June 2018 economic and revenue forecast released June 19, 2018.

\*\*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 the Department of Revenue and the Administrative Office of the Courts.