



# ECONOMIC & REVENUE UPDATE

November 15, 2018

summary

## Summary

- **The U.S. labor market added 250,000 net new jobs in October.**
- **U.S. real GDP grew by 3.5% (SAAR) in the third quarter of 2018.**
- **U.S. residential construction activity and sales slowed this month.**
- **Washington's labor market continues to improve.**
- **Washington manufacturing activity and exports continue to expand.**
- **Major General Fund-State (GF-S) revenue collections for the October 11 - November 10, 2018 collection period came in \$19.2 million (1.1%) above the September forecast.**
- **Cumulatively, collections are now \$22.2 million (0.7%) above the forecast.**

## United States

National economic data continue to be positive, with strong GDP and job growth, lower gasoline prices and continued robust consumer confidence. However, residential construction activity and sales were weaker.

The U.S. economy added 250,000 net new jobs in October. Sectors with notable employment gains in October included health care (+36,000), accommodation and food services (+33,000), manufacturing (+32,000), construction (+30,000), transportation and warehousing (+25,000), and professional and technical services (+20,000). Industries with net employment declines in October included sporting goods, hobby, book, and music stores (-6,000), educational services (-2,000) and finance and insurance (-2,000).

Initial claims for unemployment insurance increased by 2,000 to 216,000 (SA) in the week ending November 10th. The four-week moving average of initial claims increased by 1,500 to 215,250. Layoff announcements in October, as tracked by outplacement firm Challenger, Gray, and Christmas, totaled 75,644 or 36.8% higher than in September. Over half of this month's job cuts come from a single telecommunications firm that announced plans to offer voluntary severance packages to 44,000 employees in an effort to reduce costs.

Average hourly earnings increased by five cents in October and are 3.1% above their year-ago level. The average workweek in October increased by 0.1 hours to 34.5 hours. The October unemployment rate was unchanged at 3.7%.

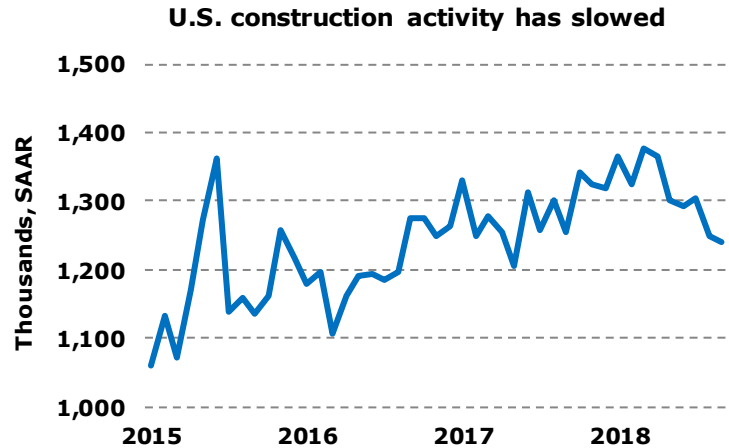
The initial estimate of real U.S. GDP growth for the third quarter of 2018 was 3.5% (SAAR). In the second quarter, real GDP grew by 4.2%.

Manufacturing activity expanded for a 26th consecutive month in October but at a slower pace. The Institute for Supply Management's Purchasing Managers Index (PMI) decreased by 2.1 points to 57.7 (50 or higher indicates growth). The non-manufacturing PMI for October decreased by 1.3 points from September to 60.3. The non-manufacturing index has remained above 50 for 105 consecutive months.

Industrial production increased by 0.3% (SA) in September following a 0.4% increase in August. New orders for core capital goods (i.e., durables excluding aircraft and military), which is a proxy for business investment, decreased by 0.1% (SA) in September according to U.S. Census Bureau data.

united states

U.S. residential construction activity and sales slowed this month. Housing units authorized by building permits in September were 0.6% (SA) below their August level and 1.0% below their year-ago level (see figure). September housing starts decreased by 5.3% (SA) compared to August but were 3.7% above their September 2017 level. Existing home sales decreased in September, falling by 3.4% (SA) compared to August. Existing home sales in September were at their slowest pace since November 2015 and are 4.1% below their year-ago level. New single-family home sales in September decreased by 5.5% (SA) compared to August and were 13.2% below their September 2017 level. The seasonally adjusted Case-Shiller national home price index for August was 0.6% above its July level and 5.8% above its year-ago level.



Two key measures of consumer confidence moved in opposite directions this month but remain at high levels. Consumers responding to the University of Michigan consumer sentiment survey reported slightly less favorable perceptions of both current and expected future economic conditions, resulting in a 1.5 point decline to 98.6 in the sentiment index in October. The Conference Board index of consumer confidence increased by 2.6 points in October to 137.9, its highest level in 18 years. In contrast to the University of Michigan findings, consumers responding to the Conference Board survey were more confident about both current conditions and future economic conditions compared to September.

Light motor vehicle sales in October were 0.5% (SAAR) above September sales but 2.0% below October 2017. Light trucks, including sport utility vehicles, accounted for 69% of September light vehicle sales.

Petroleum spot prices in the U.S. decreased over the last month. For the week ending November 9th, U.S. benchmark West Texas Intermediate decreased \$14 per barrel from early October to \$62 per barrel. Over the same time period, European benchmark Brent decreased by \$15 to \$70 per barrel. Gasoline prices dropped almost 22 cents to \$2.69 per gallon (regular, all formulations) between October 8th and November 12th.

The American Trucking Association’s truck tonnage index decreased 0.8% (SA) in September but was 2.9% above its year-ago level. Rail carloads for October were 0.3% (SA) below their September level but 1.3% above their year-ago level. Intermodal rail units (shipping containers or truck trailers) were 0.2% (SA) higher than in September and 3.3%

**WASHINGTON**

We have two months of new Washington employment data since the September forecast was released. Total nonfarm payroll employment rose 16,700 (seasonally adjusted) in September and October, which was 3,700 more than the 13,000 expected in the September forecast. Manufacturing added 1,800 jobs, boosted by an increase of 1,200 aerospace employees, and construction employment rose 2,200. Private services-providing sectors added 9,500 jobs and government payrolls expanded by 3,000 jobs.

Washington’s unemployment declined to 4.3% in October from 4.4% in September. This marks yet another all-time low in the series that extends back to 1976. A year ago, in October 2017, the Washington unemployment rate stood at 4.7%.

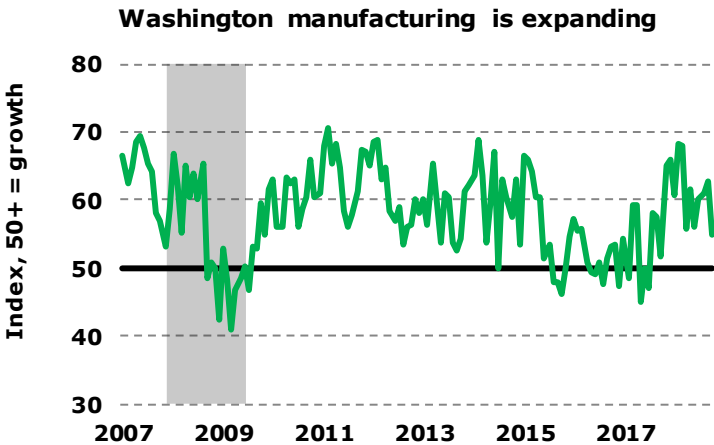
Washington housing construction declined in the third quarter of 2018 but was close to the September forecast. The number of housing units authorized by building permits decreased to 39,700 units (SAAR) in the third quarter of 2018 from 43,200 units in the second quarter. The September forecast expected 40,100 units in the third quarter.

In a sign that the housing market may be turning, seasonally adjusted Seattle area home prices fell 1.0% in August following a 0.1% decline in July and a scant 0.2% increase in June according to the S&P/Case-Shiller Home Price Indices. During the previous year, increases averaged 1.1% per month. In August, the over-the-year growth was 9.6% in Seattle, compared to the 5.5% increase in the Composite-20 index. Seattle home prices are still up 89% since the December 2011 trough and exceed the May 2007 peak by 32%.

Seattle area consumer price inflation remains above the national average. Over the last year, from October 2017 to October 2018, consumer prices in the Seattle area rose 3.1% (seasonally adjusted) compared to 2.5% for the U.S. city average. Core prices, which exclude food and energy, increased 2.7% in Seattle compared to 2.2% for the nation. The higher Seattle inflation was due to more rapid growth in shelter costs. During the year, shelter costs in Seattle rose 5.2% compared to 3.2% for the nation. Excluding shelter costs, Seattle inflation was below the national average at 1.9% compared to 2.2%.

Despite a decline in transportation equipment, Washington exports increased over the year for a fourth consecutive quarter. Exports increased 2.6% in the third quarter of 2018 compared to the third quarter of 2017. Transportation equipment exports (mostly Boeing planes) declined 3.3% over the year but exports of agricultural products rose 29.6% and exports of all other commodities (mostly manufacturing) increased 5.0%.

The Institute of Supply Management - Western Washington Index (ISM-WW) declined in October but remained in positive territory. The index, which measures conditions in the manufacturing sector, decreased from 62.7 in September to 55.0 in October (index values above 50 indicate growth while values below 50 indicate contraction). The index has exceeded 50 in each of the last 15 months (see figure). The production, orders, employment, and inventory components all indicated expansion in July while the deliveries component indicated contraction.



Car and truck sales rose in September and October after three consecutive declines. Seasonally adjusted new vehicle registrations rose 2.8% in September and 2.5% in October following declines of 2.0% in August, 1.4% in July, and 1.0% in June. Sales are still down 6.2% over the year and 10.3% since the November 2017 post-recession peak.

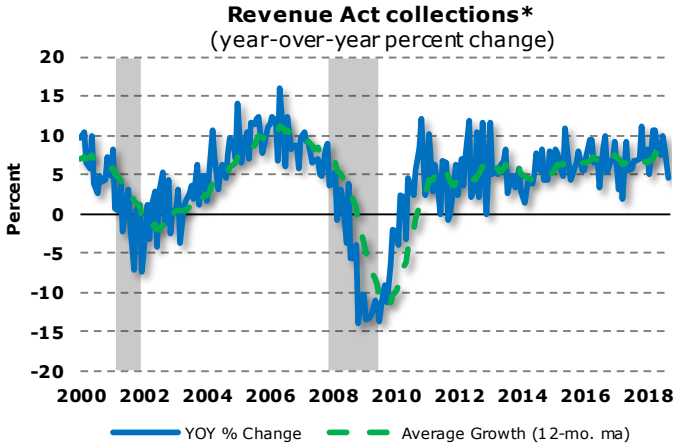
**REVENUE COLLECTIONS**

**Overview**

Major General Fund-State (GF-S) revenue collections for the October 11 - November 10, 2018 collection period came in \$19.2 million (1.1%) above the September forecast. Cumulatively, collections are now \$22.2 million (0.7%) above the forecast.

**Revenue Act**

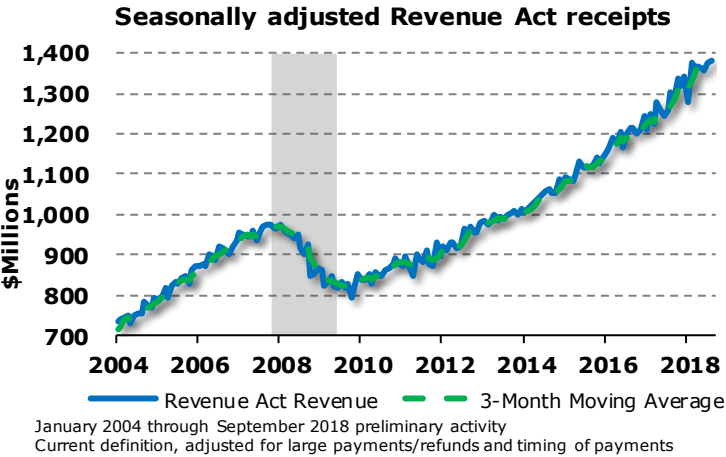
Revenue Act taxes consist of the sales, use, business and occupation (B&O), utility, and tobacco products taxes along with associated penalty and interest payments. The revenue collections reported here are for the October 11 – November 10, 2018 collection period. Collections correspond primarily to the September economic activity of monthly filers and third quarter activity of quarterly filers.



Revenue Act collections for the current period came in \$16.0 million (1.1%) below the September forecast. Cumulatively, collections are now \$25.1 million (0.9%) below the forecast.

Adjusted for large one-time payments, collections grew 4.6% year over year (see figure). The 12-month moving average of year-over-year growth decreased to 8.2%. Seasonally adjusted collections increased slightly from last month's level (see figure).

As shown in the "Key Revenue Variables" table, unadjusted Revenue Act collections increased 4.1% year over year. Preliminary retail sales tax collections grew 5.4% year over year. B&O tax collections grew only 0.9% year over year due to large one-time payments last year.



Total tax payments as of October 31st from electronic filers who also filed returns in the October 11 – October 27 period of last year were up 4.5% year over year (payments are mainly Revenue Act taxes but include some non-Revenue Act taxes as well).

Last month payments were up 7.9% year over year. Some of this month's reduced growth could be attributed to the fact that September 2017 had one more weekday than September 2018. Last year's extra weekday may have had increased impact in some sectors since it occurred the Friday before Labor Day weekend, while September 2018 had no weekdays before the holiday weekend. Some details of payments from electronic filers:

- Total payments in the retail trade sector were up 4.1% year over year. Last month, payments grew 5.3% year over year.
- Payments from the motor vehicles and parts sector increased by 6.2% year over year. Last month, payments in the sector increased by 7.7% year over year.
- Retail trade sectors that showed relatively strong growth in payments were electronics and appliances (+8.2%), nonstore retailers (+7.7%), sporting goods, toys, books and music (+6.3%) and miscellaneous retailers (+5.9%). One retail trade sector, apparel and accessories, had a small year-over-year decline in payments (-0.8%).

- Payments from non-retail trade sectors were up 4.8% year over year in the current period. Last month, year-over-year payments increased 9.3%.
- Tax payments by businesses in the accommodation and food services sector increased by 2.6% year over year. Last month receipts from the sector increased 4.7% year over year.
- Payments from the manufacturing sector increased by 10.5% year over year. Last month payments increased 13.9% year over year. The month saw a very large year-over-year increase in payments from the petroleum refining sector and a moderate decrease in payments from the transportation equipment sector. Excluding the transportation and petroleum sectors, payments from the remaining manufacturing sectors increased by 3.5% year over year.
- Tax payments by businesses in the construction sector increased by 7.4% year over year. Last month receipts from the construction sector increased 12.1% year over year.

**DOR Non-Revenue Act**

October DOR non-Revenue Act collections came in \$33.8 million (12.0%) above the forecast. Cumulatively, collections are now \$44.6 million (10.1%) above the forecast.

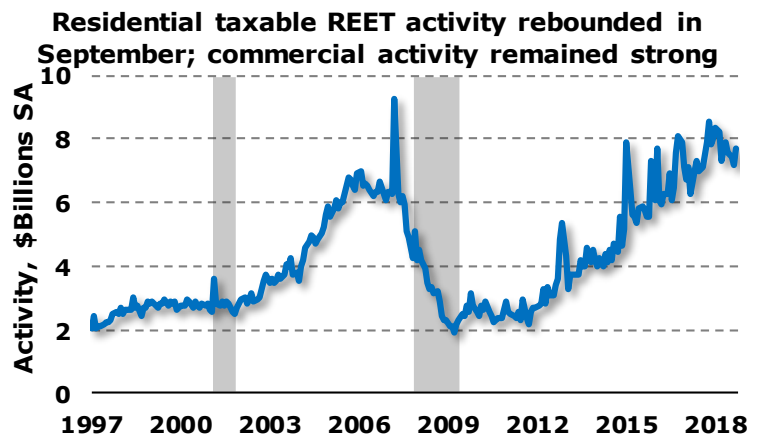
Most of this month’s surplus came from transfers of unclaimed property into the GF-S, which came in \$31.4 million (58.1%) higher than forecasted. This surplus likely represents earlier-than-expected remittances of unclaimed property from businesses to the state ahead of the November 1st annual deadline. Subsequently, next month’s collections are likely to come in lower than forecasted. Cumulatively, net transfers of unclaimed property into the GF-S are now \$38.5 million (73.9%) higher than forecasted.

Real estate excise tax (REET) collections came in \$17.1 million (18.3%) higher than forecasted. Sales of large commercial property (property valued at \$10 million or more) came in higher than expected at \$1.07 billion, roughly the same as last month’s revised sales. Collections from residential sales also came in higher than forecasted. Seasonally adjusted activity increased from last month’s level ([see figure](#)). Cumulatively, collections are now \$19.2 million (10.8%) higher than forecasted.

As expected after last month’s shortfall, cigarette tax receipts came in \$3.9 million (14.0%) higher than forecasted. Cumulatively, receipts are now \$0.4 million (0.6%) higher than forecasted.

Property tax receipts came in \$18.6 million (29.3%) lower than forecasted. This shortfall, however, is likely due to lower-than-expected receipts of semi-annual payments ahead of the October 31st due date rather than a decrease in expected collections. Next month’s collections should therefore increase. Cumulatively, receipts are now \$18.8 million (23.0%) lower than forecasted.

Liquor taxes came in \$0.6 million (2.9%) lower than forecasted. Cumulatively, however, collections are now \$3.9 million (9.2%) higher than forecasted.



Source: ERFC, data through October 2018 preliminary activity

Other DOR revenue came in \$0.5 million (2.6%) higher than forecasted. Cumulatively, receipts are now \$1.4 million (5.1%) higher than forecasted .

**Other Revenue**

Revenue from the Administrative Office of the Courts came in \$1.4 million (22.4%) higher than forecasted. Cumulatively, receipts are now \$2.7 million (23.1%) higher than forecasted

## Key U.S. Economic Variables

	2018						2016	2017
	May	Jun.	Jul.	Aug.	Sep.	Oct.		
Real GDP (SAAR)	-	4.2	-	-	3.5	-	1.6	2.2
Industrial Production (SA, 2007 = 100)	106.8	107.5	107.8	108.2	108.5	-	102.1	103.7
<i>YOY % Change</i>	3.0	3.6	4.1	4.9	5.1	-	-1.9	1.6
ISM Manufacturing Index (50+ = growth)	58.7	60.2	58.1	61.3	59.8	57.7	51.5	57.6
ISM Non-Manuf. Index (50+ = growth)	58.6	59.1	55.7	58.5	61.6	60.3	54.9	57.0
Housing Starts (SAAR, 000)	1,329	1,177	1,184	1,268	1,201	-	1,177	1,208
<i>YOY % Change</i>	18.4	-3.9	-0.1	8.2	3.7	-	6.4	2.6
Light Motor Vehicle Sales (SAAR, mil.)	17.2	17.2	16.7	16.7	17.4	17.5	17.5	17.1
<i>YOY % Change</i>	2.3	2.6	0.1	1.5	-3.7	-2.0	0.5	-2.1
CPI (SA, 1982-84 = 100)	250.5	250.9	251.3	251.8	252.0	252.8	240.0	245.1
<i>YOY % Change</i>	2.7	2.8	2.9	2.7	2.3	2.5	1.3	2.1
Core CPI (SA, 1982-84 = 100)	256.9	257.3	257.9	258.1	258.4	258.9	247.6	252.2
<i>YOY % Change</i>	2.2	2.2	2.3	2.2	2.2	2.2	2.2	1.8
IPD for Consumption (2009=100)	108.1	108.2	108.4	108.5	108.6	-	104.2	106.1
<i>YOY % Change</i>	2.3	2.3	2.3	2.2	2.0	-	1.1	1.8
Nonfarm Payroll Empl., e-o-p (SA, mil.)	148.7	148.9	149.1	149.4	149.5	149.8	145.4	147.6
<i>Monthly Change</i>	0.27	0.21	0.17	0.29	0.12	0.25	2.34	2.19
Unemployment Rate (SA, percent)	3.8	4.0	3.9	3.9	3.7	3.7	4.9	4.4
Yield on 10-Year Treasury Note (percent)	2.98	2.91	2.89	2.89	3.00	3.15	1.84	2.33
Yield on 3-Month Treasury Bill (percent)	1.90	1.94	1.99	2.07	2.17	2.29	0.32	0.95
Broad Real USD Index** (Mar. 1973=100)	97.9	99.4	99.7	100.8	101.2	-	99.0	98.4
Federal Budget Deficit (\$ bil.)*	146.8	74.9	76.9	214.1	-119.1	100.5	693.9	665.8
<i>FYTD sum</i>	532.2	607.1	684.0	898.1	779.0	100.5		
US Trade Balance (\$ bil.)	-42.6	-45.7	-50.0	-53.3	-54.0	-	-502.0	-552.3
<i>YTD Sum</i>	-242.1	-287.8	-337.8	-391.1	-445.2	-		

\*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	
	May	Jun.	Jul.	Aug.	Sep.	Oct.			
<b>Employment</b>								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	3,396.9	3,403.5	3,413.8	3,422.6	3,423.7	3,439.3	3,284.3	3,360.4	
<i>Change from Previous Month (000)</i>	7.6	6.5	10.3	8.8	1.1	15.5	98.5	76.1	
Construction	211.6	212.4	212.1	213.8	214.0	216.0	193.5	206.0	
<i>Change from Previous Month</i>	0.8	0.7	-0.3	1.7	0.2	2.0	16.2	12.5	
Manufacturing	285.3	285.5	287.2	286.8	289.1	288.7	286.7	283.2	
<i>Change from Previous Month</i>	0.8	0.2	1.7	-0.3	2.2	-0.4	-6.2	-3.4	
Aerospace	82.6	83.0	83.8	83.6	85.0	84.9	87.7	81.5	
<i>Change from Previous Month</i>	0.3	0.5	0.7	-0.1	1.4	-0.1	-5.8	-6.2	
Software	64.3	64.9	65.0	65.6	65.4	65.7	60.3	62.6	
<i>Change from Previous Month</i>	0.2	0.6	0.1	0.7	-0.2	0.2	3.2	2.2	
All Other	2,835.7	2,840.7	2,849.5	2,856.3	2,855.2	2,868.9	2,743.8	2,808.6	
<i>Change from Previous Month</i>	5.7	4.9	8.8	6.8	-1.1	13.7	85.3	64.8	
<b>Other Indicators</b>								<i>Annual Average</i>	
Seattle CPI (1982-84=100, NSA)	-	272.4	-	271.6	-	272.8	255.0	262.7	
	-	3.3%	-	3.1%	-	3.1%	2.3%	3.0%	
Housing Permits (SAAR, 000)	33.8	45.1	35.4	42.2	41.4	-	42.9	44.9	
	-15.6%	9.0%	-21.0%	-8.8%	4.0%	-	5.5%	4.7%	
WA Index of Leading Ind. (2004=100)	125.6	125.2	125.7	125.1	126.2	-	119.9	122.8	
	2.8%	1.9%	2.1%	1.4%	2.1%	-	1.6%	2.4%	
WA Business Cycle Ind. (Trend=50)	82.6	82.9	83.1	83.3	85.2	-	67.9	74.8	
	12.3%	13.0%	12.9%	10.7%	10.3%	-	15.7%	10.3%	
Avg. Weekly Hours in Manuf. (SA)	42.4	42.6	41.8	41.8	42.4	-	41.6	41.7	
	2.4%	2.4%	1.0%	0.0%	1.0%	-	0.6%	0.3%	
Avg. Hourly Earnings in Manuf.	28.1	28.2	28.1	28.1	29.0	-	26.4	27.4	
	4.7%	4.2%	3.6%	3.3%	3.5%	-	3.5%	3.6%	
New Vehicle Registrations (SA, 000)	24.9	24.7	24.3	23.8	24.5	25.1	26.1	25.4	
	1.8%	5.7%	0.9%	-7.1%	-6.7%	-6.2%	4.4%	-2.8%	
Initial Unemployment Claims (SA, 000)	25.6	26.9	25.1	27.2	27.5	24.1	30.3	27.0	
	-6.7%	-3.5%	-6.9%	-1.2%	2.3%	0.7%	-5.9%	-11.1%	
Personal Income (SAAR, \$bil.)	-	451.1	-	-	-	-	404.2	428.8	
	-	6.1%	-	-	-	-	5.1%	6.1%	
Median Home Price (\$000)	-	373.4	-	-	-	-	315.9	342.7	
	-	10.6%	-	-	-	-	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									
	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	Aug 11- Sep 10	Sep 11- Oct 10	Oct 11- Nov 10*
<b>Department of Revenue-Total</b>	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	1,576,384	1,568,422	1,793,847
	7.1	4.0	9.3	9.0	8.4	5.3	14.5	29.8	13.1	8.1	9.6	7.5	5.6
<b>Revenue Act</b>	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	1,389,534	1,397,541	1,478,119
	7.7	6.2	10.9	9.2	7.8	5.0	11.3	10.8	10.9	8.0	10.2	9.1	4.1
Retail Sales Tax	926,968	797,565	817,127	976,735	705,705	702,322	935,545	831,263	894,841	1,005,475	932,157	941,131	977,235
	8.4	5.9	11.7	3.2	4.1	5.8	11.5	12.3	13.4	9.5	10.7	5.7	5.4
Business and Occupation Tax	391,779	321,861	335,291	458,476	325,920	274,923	391,436	324,707	340,253	401,004	345,600	356,524	395,408
	9.2	7.3	8.5	12.1	16.7	3.4	10.6	11.6	11.5	7.5	12.1	12.4	0.9
Use Tax	55,665	53,038	55,931	73,687	49,178	73,182	64,662	56,083	61,172	60,394	61,013	53,662	61,023
	-5.6	1.6	12.3	23.2	-12.9	39.4	17.6	5.1	1.3	-7.5	8.6	6.0	9.6
Public Utility Tax	20,511	29,153	28,939	44,339	51,428	34,259	47,617	35,828	33,231	33,249	32,238	35,435	33,141
	-20.8	-0.2	7.6	15.3	1.6	-16.9	11.1	7.1	1.9	1.7	6.8	23.1	61.6
Tobacco Products Tax	3,941	5,328	4,721	4,558	4,416	3,398	3,862	6,544	2,946	9,680	2,881	3,128	6,148
	-1.9	10.2	15.0	6.7	16.9	-21.3	-2.4	59.6	-44.1	102.4	-49.1	-53.3	56.0
Penalties and Interest	21,478	22,256	29,291	53,986	32,678	9,211	13,306	6,321	8,307	10,766	15,644	7,662	5,163
	35.0	19.1	18.0	203.9	88.1	-47.0	0.4	-61.0	-50.8	-26.6	-12.7	-160.3	-76.0
<b>Non-Revenue Act**</b>	277,907	922,373	301,357	162,693	128,833	179,814	308,915	1,523,293	439,452	198,483	186,850	170,881	315,728
	3.7	1.3	3.0	7.0	14.7	7.1	32.5	51.3	20.6	9.0	4.8	-4.3	13.6
Liquor Sales/Liter	21,058	17,722	26,629	32,140	21,407	11,354	29,366	20,143	23,516	23,113	25,903	24,612	21,615
	3.2	-10.4	18.0	2.0	14.7	-40.7	41.3	3.4	5.3	4.5	5.7	3.2	2.6
Cigarette	24,697	33,054	29,029	33,337	22,139	26,923	25,549	34,626	25,277	34,986	37,024	27,466	32,159
	-30.2	8.0	-7.3	19.2	3.5	-11.5	-3.1	11.1	-33.1	14.3	-4.4	-17.9	30.2
Property (State School Levy)	40,276	747,319	142,621	9,131	5,896	44,762	148,005	1,316,010	256,383	16,041	11,460	18,029	44,884
	-13.0	2.4	2.5	-4.7	6.6	34.5	46.8	60.3	49.7	30.0	74.7	49.0	11.4
Real Estate Excise	99,378	87,763	96,959	67,965	65,165	84,485	83,757	98,780	113,692	113,921	107,696	86,608	110,880
	4.1	3.0	8.6	14.5	8.0	14.7	22.9	2.2	6.0	14.6	5.9	-3.7	11.6
Unclaimed Property	71,678	28,236	-5,266	-474	3,210	503	1,886	7,978	-4,114	-6,415	-4,611	5,164	85,362
	52.5	-30.6	1,698.6	-123.0	-178.7	-131.7	-287.4	-382.8	-33.4	78.8	491.7	-1,252.5	19.1
Other	20,821	8,279	11,386	20,594	11,016	11,787	20,351	45,756	24,697	16,839	9,378	9,002	20,828
	-11.1	88.4	6.3	-4.1	5.0	-9.0	13.0	11.7	-22.9	-20.5	22.9	-54.0	0.0
<b>Administrative Office of the Courts**</b>	6,680	6,580	5,967	5,372	6,012	5,669	7,102	6,623	6,454	6,125	6,681	6,989	7,398
	9.0	-7.8	6.2	-7.3	11.3	1.5	0.2	4.2	5.9	-5.5	7.9	7.5	10.7
<b>Total General Fund-State***</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>1,583,065</b>	<b>1,575,411</b>	<b>1,801,245</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>	<b>9.6</b>	<b>7.5</b>	<b>5.6</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>October 11 - November 10, 2018</b>				
<b>November 10, 2018 Collections Compared to the September 2018 Forecast</b>				
Department of Revenue-Total	\$1,776,012	\$1,793,847	\$17,835	1.0%
Revenue Act** (1)	1,494,069	1,478,119	(15,950)	-1.1%
Non-Revenue Act(2)	281,943	315,728	33,785	12.0%
Liquor Sales/Liter	22,264	21,615	(649)	-2.9%
Cigarette	28,215	32,159	3,944	14.0%
Property (State School Levy)	63,446	44,884	(18,563)	-29.3%
Real Estate Excise	93,736	110,880	17,144	18.3%
Unclaimed Property	53,976	85,362	31,387	58.1%
Other	20,306	20,828	522	2.6%
Administrative Office of the Courts (2)	6,043	7,398	1,354	22.4%
<b>Total General Fund-State***</b>	<b>\$1,782,055</b>	<b>\$1,801,245</b>	<b>\$19,189</b>	<b>1.1%</b>

### Cumulative Variance Since the September Forecast (September 11, 2018 - November 10, 2018)

Department of Revenue-Total	\$3,342,766	\$3,362,269	\$19,503	0.6%
Revenue Act** (3)	2,900,713	2,875,660	(25,053)	-0.9%
Non-Revenue Act(4)	442,053	486,610	44,557	10.1%
Liquor Sales/Liter	42,323	46,227	3,904	9.2%
Cigarette	59,253	59,625	372	0.6%
Property (State School Levy)	81,750	62,913	(18,838)	-23.0%
Real Estate Excise	178,288	197,489	19,201	10.8%
Unclaimed Property	52,048	90,526	38,478	73.9%
Other	28,391	29,830	1,440	5.1%
Administrative Office of the Courts (4)	11,686	14,386	2,700	23.1%
<b>Total General Fund-State***</b>	<b>\$3,354,452</b>	<b>\$3,376,656</b>	<b>\$22,204</b>	<b>0.7%</b>

1 Collections October 11 - November 10, 2018. Collections primarily reflect September 2018 activity of monthly filers and third quarter 2018 activity of quarterly filers.

2 October 2018 collections.

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

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

\* Based on the September 2018 economic and revenue forecast released September 26, 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.