



ECONOMIC & REVENUE UPDATE

12 March 2012

summary

- After a third straight month with job growth in excess of 200,000, the U.S. employment picture is starting to look brighter
- However, the U.S. unemployment rate remains high at 8.3% and downside concerns remain elevated
- As in the national economy, recent employment releases suggest an improving job market in Washington consistent with our February forecast. However, there is a long way to go and the downside risks remain high.
- Major General Fund-State revenue collections for the February 11 – March 10, 2012 collection period were \$7.7 million (0.9%) lower than the February forecast.

United States

There has been some positive economic news over the past month. February's employment data, showing an increase of 227,000 jobs, marked three straight months with employment gains over 200,000 ([see figure](#)). Job figures for January and December were also revised upward by a total of 61,000 jobs. However, even with the jobs increase, the February unemployment rate remained at 8.3% as more people entered (or re-entered) the labor market in search of work.



While real personal income growth was flat in January, revisions to past months' figures have created a more positive picture of income and savings since July 2010. Incomes were revised upward over the entire period, culminating in an upward revision of 0.7% in December. Prior to the revision, it appeared the savings rate began to plummet in July, reaching a low of 3.5% in November, but revised figures show a more shallow decline, bottoming out at 4.3%. This indicates consumers were able to fund more of their spending out of current income rather than savings, which is a positive sign for the economy. January's saving rate was 4.6%, down only slightly from December's 4.7% rate. Real disposable income increased 0.2% (SA) in January and real consumer spending was unchanged.

An extension of the payroll tax cut and emergency unemployment benefits was passed by both houses of Congress on February 17 and signed into law by the President on February 22. The extension occurred after the February forecast was released and was therefore not included in the forecast. As a result, both U.S. and Washington personal income in the coming months are likely to be somewhat higher than in our forecast. It looks likely,

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however, that gasoline prices will also be considerably higher than forecasted, which will offset some of the economic gain from the added income.

We continue to be concerned about the downside risks in our baseline forecast. As expected, Greece defaulted on their debt but it appears the fallout will be contained, with EU and IMF bailout funds softening the blow. It is still likely that Europe will enter another recession or is already in one. If the European situation degenerates into a full scale financial crisis, we are likely to see another recession in the U.S. as well. Recent discussions about possible military actions related to Iranian nuclear development sites have also added to uncertainty and are putting upward pressure on oil and gasoline prices.

The Conference Board index of consumer confidence jumped by 9.3 points in February, increasing from 61.5 to 70.8. Both the expectations and present conditions components of the index rose strongly. The University of Michigan consumer sentiment survey, however, was flat, increasing only from 75.0 to 75.3. January consumer credit surged for the third consecutive month, growing at a seasonally adjusted annualized rate (SAAR) of 8.6%. The increase came from purchases of big-ticket items on non-revolving credit, which increased at a SAAR of 15.7% while revolving credit (mainly credit cards) decreased at a 4.3% rate. February light motor vehicle (LMV) sales were one million units (SAAR) higher than January sales, coming in at 15.1 million units. This was the highest rate of sales since early 2008. Sales of automobiles grew much faster than sales of light trucks, indicating demand for more fuel-efficient vehicles in the face of rising gas prices. Higher gas prices, however, are likely to have a negative effect on overall consumer spending going forward.

Existing home sales increased by 4.3% (SA) in January, and are now at their highest level since April 2010, when sales were boosted by federal tax credits for homebuyers. New home sales, however, declined by 0.9%. January housing starts increased 1.5% to 699,000 (SAAR). Despite being up 9.9% year-over-year, starts are still at historically low levels. Home prices remain under pressure from the unsold inventory of foreclosed homes. The share of distressed transactions in total sales has increased for three straight months, reaching 35% in January. The Case-Shiller 20-city composite price index fell yet again in December, reaching a new post-recession low.

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WASHINGTON

As in the national economy, recent employment releases suggest an improving job market in Washington consistent with our February forecast. Not only did the Washington economy generate 12,100 net new jobs in the past three months, but the historical estimates for the third quarter were revised higher. As a result, the recently adopted February forecast reflects a level of employment that is currently 17,800 (0.6%) higher than was predicted in the November forecast. We remain cautious, however. Twice before, in early 2010 and early 2011, we saw what appeared to be strengthening job growth which soon faltered. There is no shortage of potential setbacks to the recovery. The biggest threat to the U.S. and Washington economies remains the sovereign debt crisis in Europe. Here in Washington State, we are suffering from fiscal drag from state and local government budget cuts. Also, the construction sector, which is extremely important for Washington State revenue, has stopped declining but is not yet adding to growth.

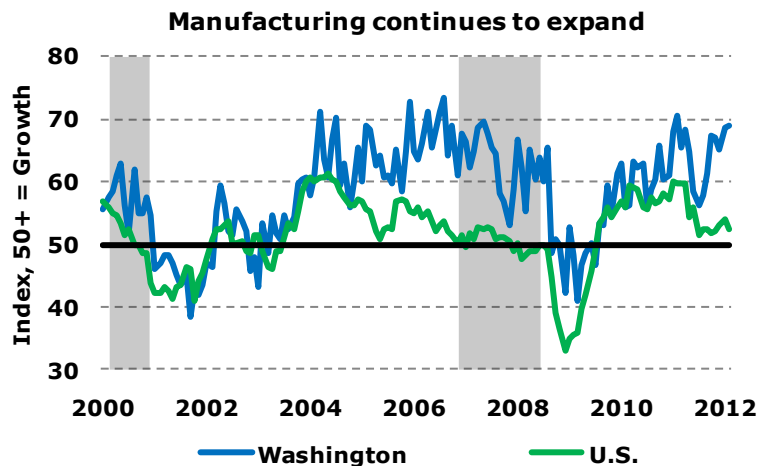
Employment growth in Washington has picked up but remains moderate in comparison with past recoveries. Private sector job gains continue to be partially offset by government job losses. We estimate that the Washington economy gained 12,100 jobs in the past three months. The loss of 2,900 government jobs the past three months, half coming in state and local education, continued to weigh down overall job recovery. The private sector

washington

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gained 14,900 jobs in November through January. Manufacturing employment increased 4,900 in the past three months and continues to lead the recovery due mainly to strong aerospace manufacturing growth. Construction employment appears to have reached a trough in January 2011, but growth has averaged just 100 jobs per month since then. Private service-providing industries were up 9,900 jobs in November through January. The increase was led by professional and business services, which increased 3,100 jobs, and leisure and hospitality, up 2,500 jobs. Despite the recent increases, this expansion has been characterized by the slowest jobs recovery in recent memory. The 81,700 jobs gained since the trough in February 2010, still only makes up less than 40% of the 208,900 jobs lost during the recession.

The recovery in Washington, as in the nation, has been driven largely by the manufacturing sector. The Institute of Supply Management - Western Washington Index (ISM-WW), which measures strength in the manufacturing sector, has now indicated growth since August 2009 (index readings above 50 indicate expansion). The index is now at the second highest level (68.9) since the recovery began ([see figure](#)). The production and orders components have been particularly strong with both coming in above 80 in February. Boeing is an important reason for the manufacturing recovery in Washington. Of the 21,500 net new manufacturing jobs in Washington since the manufacturing trough in March 2010, 11,200 were in the aerospace sector. We expect the aerospace expansion to continue. Boeing's current backlog of 4,100 planes represents more than seven years of production at current rates. Over the next couple of years, Boeing plans to continue significant production increases in all five models of commercial aircraft.



Single-family housing continues to struggle but multi-family construction is improving. Total housing permits came in at 21,400 units (SAAR) in the fourth quarter of 2011 which was down from recent high of 25,900 units in the second quarter. Multi-family permits continued to trend upward in the fourth quarter to 7,600 units from 7,000 units in the third quarter. Single-family permits edged up from 13,300 units in the third quarter to a still weak 13,800 units in the fourth quarter. Single-family permits have been trending down since the expiration of the temporary homebuyer tax credits. January's permit data has become available since the release of the February forecast. Total permits came in at 17,000 (SAAR), well below the 19,400 average rate expected in the forecast for the first quarter. The shortfall was entirely in the volatile multi-family sector. Single-family permits in January actually exceeded our forecast. In spite of January's weakness, we believe the trend is positive in multi-family housing due to rising rents and declining apartment vacancies. The near-term outlook for single-family construction remains flat to negative.

We expect the Washington economy to continue to outperform the U.S. economy. In our final February economic forecast we raised our Washington job growth forecast for 2012 and 2013 to 1.7% and 2.0% from 1.2% and 1.9% in the November forecast. However, we slightly lowered forecast for personal income growth to 2.7% and 4.6% from 2.8% and



4.7% in November. Our initial forecast for 2014 and 2015 calls for job growth of 1.8% in each year and income growth of 5.7% and 5.5%.

revenue collections

REVENUE COLLECTIONS

Overview

Major General Fund-State revenue collections for the February 11 – March 10, 2012 collection period were \$7.7 million (0.9%) lower than the February forecast.

Revenue Act

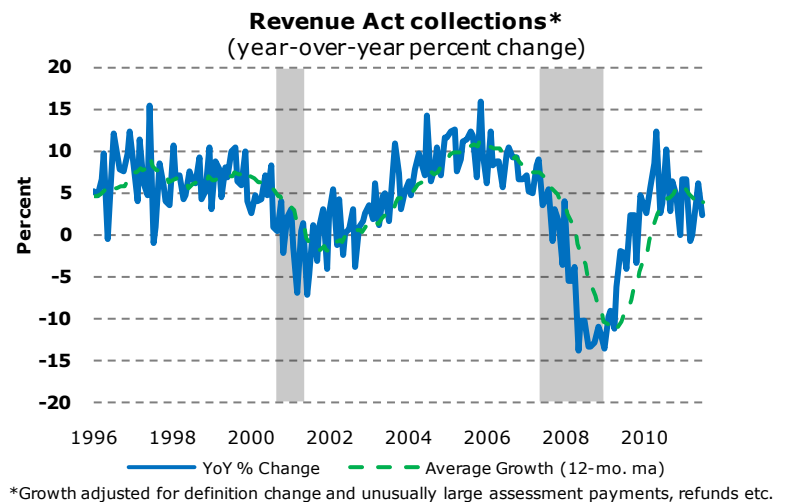
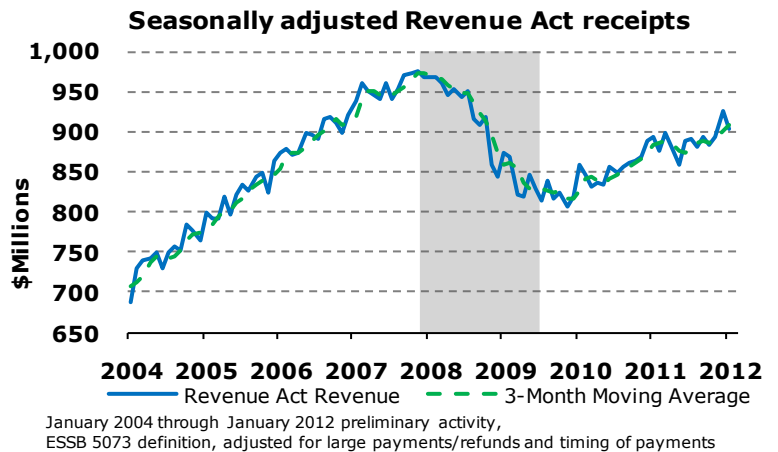
The revenue collections reported here are for the February 11 – March 10, 2011 collection period. Collections correspond primarily to the January 2012 economic activity of monthly filers.

Revenue Act collections for the current period came in \$18.6 million (2.3%) below the February forecast. Seasonally adjusted collections decreased from last month’s level but the three-week moving average of collections continued its upward trend (see figure). Adjusted for large one-time payments and refunds in the current and year-ago periods, Revenue Act collections increased 2.4% year-over-year (see figure). In the previous period revenues had increased 6.2%.

Unadjusted for large one-time payments last year, revenue increased 3.0% year-over-year as shown in the “Key Revenue Variables” table. Preliminary unadjusted ERFC monthly estimates indicate retail sales tax collections increased 2.4% year-over-year and B&O taxes increased 8.0% year-over-year.

Tax payments as of March 1st from electronic filers who also paid in the February 11 – March 10 collection period of last year were up 0.3% year-over-year, down sharply from last month’s growth rate of 4.8%. Much of the slowdown in growth

was due to payments from the electronics and appliances sector, which were down 15.6% year-over-year in the current period. The decline was due to the exceptionally large payments received last year. Excluding the electronics and appliances sector, total



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payment growth would have been up 0.7% year-over-year. January's severe storms also suppressed activity in some sectors in the current period while increasing activity in some other sectors, with the net result probably negative.

Some details of payments from electronic filers:

- Payments in the retail trade sector were down 0.5% year-over-year. Excluding the electronics and appliances sector, however, payments were up 0.8% year-over-year. In the previous period, year-over-year payments increased 3.6%.
- Payments from the motor vehicle and parts sector decreased 0.6% year-over-year. In the previous period, year-over-year payments increased 7.7%. The sector's poor January performance was likely due to the month's severe winter storms.
- Only two retail trade sectors showed strong year-over-year increases in tax payments: building materials and garden equipment (+9.1%, probably due to purchases of storm-related supplies) and non-store retailers (+8.8%). Besides electronics and appliances, the retail trade sectors showing the largest declines were furniture and home furnishings (-5.0%) and apparel and accessories (-4.5%). Most other retail trade sectors showed either modest growth or modest declines.
- Payments in non-retail trade sectors were up 0.7% year-over-year in the current period and 5.7% in the previous period.
- Tax payments by businesses in the construction sector decreased 0.6% year-over-year. Payments in the manufacturing sector were up 10.1% with strong growth in payments from petroleum refiners and the transportation equipment sector.

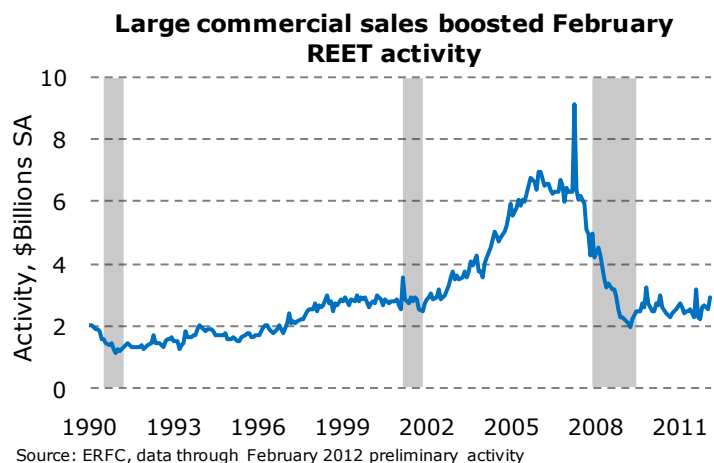
DOR Non-Revenue Act

February collections were \$11.0 million (14.2%) above the February forecast. February DOR non-Revenue Act collections were up 9.8% year-over-year.

The largest contributor to this month's positive variance was cigarette taxes, which came in \$5.1 million (19.3%) above the forecast. The variance was mainly due to a smaller-than-expected amount of deferred payments for tax stamps. Payments made in February rather than deferred to March were \$3.6 million more than forecasted. Because of this, it is likely that March payments will fall short by a similar amount.

Real estate excise taxes came in \$3.2 million (16.6%) higher than forecasted. The positive variance was almost entirely due to two large commercial real estate transactions in Seattle. The transactions totaled \$228 million, bringing in \$2.9 million in GF-S taxes.

"Other" revenues came in \$3.3 million above the forecast, due mainly to larger-than-forecasted transfers of unclaimed property into the GF-S. Transfers exceeded the forecast by \$3.2 million.



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revenue

Property tax collections came in \$1.1 million (15.0%) lower than forecasted and liquor tax receipts came in \$66,000 (0.4%) lower than forecasted.

Other Revenue

Department of Licensing receipts for February were \$44,000 (16.8%) higher than the February forecast and revenue from the Administrative Office of the Courts was \$73,000 (1.2%) lower than forecasted.

Key U.S. Economic Variables

	2011			2012			2010	2011
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.		
Real GDP (SAAR)	1.8	-	-	3.0	-	-	3.0	1.7
Industrial Production (SA, 2002 = 100)	94.5	95.0	94.9	95.9	95.9	-	90.1	93.8
<i>Y/Y % Change</i>	3.6	4.2	3.9	3.6	3.4	-	5.3	4.2
ISM Manufacturing Index (50+ = growth)	52.5	51.8	52.2	53.1	54.1	52.4	57.3	55.2
ISM Non-Manuf. Index (50+ = growth)	52.6	52.6	52.6	53.0	56.8	57.3	54.1	54.5
Housing Starts (SAAR, 000)	646	628	702	689	699	-	585	611
<i>Y/Y % Change</i>	8.2	16.5	27.4	31.0	9.9	-	5.6	4.4
Light Motor Vehicle Sales (SAAR, mil.)	13.1	13.3	13.6	13.6	14.2	15.1	11.6	12.8
<i>Y/Y % Change</i>	10.8	8.9	11.0	8.4	11.7	13.7	11.6	10.4
CPI (SA, 1982-84 = 100)	226.9	226.8	227.0	227.0	227.5	-	32.5	33.4
<i>Y/Y % Change</i>	3.9	3.6	3.5	3.0	2.9	-	3.0	2.8
Core CPI (SA, 1982-84 = 100)	226.1	226.5	226.9	227.2	227.7	-	33.6	34.7
<i>Y/Y % Change</i>	2.0	2.1	2.2	2.2	2.3	-	2.5	3.5
IPD for Consumption (2000=100)	114.6	114.6	114.7	114.7	115.0	-	111.1	113.8
<i>Y/Y % Change</i>	2.9	2.7	2.7	2.5	2.4	-	1.8	2.5
Nonfarm Payroll Empl., e-o-p (SA, mil.)	131.7	131.8	132.0	132.2	132.5	132.7	130.3	132.2
<i>Monthly Change</i>	0.20	0.11	0.16	0.22	0.28	0.23	1.03	1.84
Unemployment Rate (SA, percent)	9.0	8.9	8.7	8.5	8.3	8.3	9.6	9.0
Yield on 10-Year Treasury Note (percent)	1.98	2.15	2.01	1.98	1.97	1.97	3.21	2.79
Yield on 3-Month Treasury Bill (percent)	0.01	0.02	0.01	0.01	0.03	0.09	0.14	0.05
Broad Real USD Index** (Mar. 1973=100)	83.5	84.0	84.5	85.1	84.5	83.0	87.1	82.7
Federal Budget Deficit (\$ bil.)*	62.8	98.5	137.3	86.0	27.4	-	1,294.2	1,296.8
<i>FYTD sum</i>	1,296.8	98.5	235.8	321.7	349.1	-		
US Trade Balance (\$ bil.)	-44.0	-43.1	-47.5	-50.4	-52.6	-	-500.0	-560.0
<i>YTD Sum</i>	-418.9	-462.0	-509.5	-560.0	-52.6	-		

*Federal Fiscal Year 2009 runs from Oct. 1, 2008 to Sept. 30, 2009.

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

Key Washington Economic Variables

	2011				2012		2010	2011	
	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.			
Employment								<i>End-of-period</i>	
Total Nonfarm (SA, 000)	2,832.3	2,837.7	2,842.3	2,845.3	2,849.8	-	2,796.0	2,845.3	
<i>Change from Previous Month (000)</i>	-1.5	5.4	4.6	2.9	4.5	-	22.9	49.3	
Construction	138.0	138.3	138.0	137.9	138.4	-	138.2	137.9	
<i>Change from Previous Month</i>	0.1	0.3	-0.3	-0.1	0.5	-	-7.7	-0.3	
Manufacturing	272.2	272.9	274.6	276.5	277.8	-	260.1	276.5	
<i>Change from Previous Month</i>	1.0	0.8	1.6	1.9	1.3	-	3.2	16.4	
Aerospace	89.1	89.4	90.4	91.6	91.8	-	81.9	91.6	
<i>Change from Previous Month</i>	0.9	0.3	1.1	1.1	0.3	-	0.8	9.7	
Software	52.1	52.2	52.3	52.4	52.3	-	51.2	52.4	
<i>Change from Previous Month</i>	0.0	0.1	0.2	0.0	0.0	-	0.6	1.2	
All Other	2,370.0	2,374.3	2,377.4	2,378.5	2,381.2	-	2,346.5	2,378.5	
<i>Change from Previous Month</i>	-2.5	4.3	3.1	1.0	2.7	-	26.7	31.9	
Other Indicators								<i>Annual Average</i>	
Seattle CPI (1982-84=100)	-	235.9	-	234.8	-	-	226.7	232.8	
	-	3.8%	-	3.5%	-	-	0.3%	2.7%	
Housing Permits (SAAR, 000)	20.0	16.8	24.8	23.6	17.0	-	19.6	21.2	
	16.6%	-6.1%	28.6%	-7.8%	-4.5%	-	22.7%	8.3%	
WA Index of Leading Ind. (2004=100)	111.7	111.6	112.8	113.3	112.1	-	104.8	111.1	
	6.1%	5.1%	5.5%	5.3%	4.0%	-	4.9%	6.0%	
WA Business Cycle Ind. (Trend=50)	18.1	17.4	21.5	22.3	20.9	-	13.6	18.5	
	41.5%	29.0%	48.7%	31.7%	29.5%	-	-16.2%	35.9%	
Avg. Weekly Hours in Manuf. (SA)	42.5	42.4	42.7	42.1	41.8	-	41.9	42.4	
	0.4%	0.5%	2.3%	0.2%	-0.8%	-	-0.3%	1.2%	
Avg. Hourly Earnings in Manuf.	23.8	23.9	24.1	24.3	24.3	-	23.5	24.0	
	1.7%	2.4%	2.5%	0.7%	1.1%	-	0.4%	2.1%	
New Vehicle Registrations (SA, 000)	16.4	16.7	18.2	18.2	17.9	18.6	15.5	17.0	
	4.9%	6.5%	18.4%	12.0%	5.3%	9.6%	10.7%	9.9%	
Initial Unemployment Claims (SA, 000)	48.4	48.7	48.4	42.3	52.9	44.1	56.5	49.9	
	-16.0%	-10.1%	-2.8%	-22.6%	-1.7%	-14.2%	-18.1%	-11.8%	
Personal Income (SAAR, \$bil.)	301.5	-	-	-	-	-	287.1	-	
	4.3%	-	-	-	-	-	3.0%	-	
Median Home Price (\$000)	225.3	-	-	219.7	-	-	245.2	225.0	
	-9.5%	-	-	-8.1%	-	-	-4.1%	-8.2%	

*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

	2011					2012						
	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	Nov 11- Dec 10	Dec 11- Jan 10	Jan 11- Feb 10	Feb 11- Mar 10*
Department of Revenue-Total	870,549 <i>10.4</i>	1,335,204 <i>27.7</i>	1,641,571 <i>2.5</i>	1,270,126 <i>16.1</i>	1,092,482 <i>2.9</i>	1,020,032 <i>7.2</i>	994,146 <i>7.1</i>	1,139,412 <i>-1.0</i>	1,626,929 <i>2.7</i>	1,070,561 <i>-3.2</i>	1,269,913 <i>10.1</i>	865,345 <i>3.7</i>
Revenue Act	767,732 <i>11.7</i>	1,179,888 <i>32.2</i>	861,245 <i>7.0</i>	816,518 <i>2.0</i>	983,045 <i>2.0</i>	899,856 <i>6.7</i>	896,724 <i>7.3</i>	976,349 <i>-0.7</i>	845,057 <i>-1.4</i>	829,991 <i>-0.7</i>	1,135,635 <i>8.4</i>	777,433 <i>3.0</i>
Retail Sales Tax	458,338 <i>3.5</i>	664,871 <i>19.1</i>	524,437 <i>3.8</i>	505,397 <i>-3.3</i>	599,867 <i>1.2</i>	570,607 <i>3.4</i>	564,767 <i>5.9</i>	607,066 <i>0.3</i>	528,237 <i>-2.3</i>	545,805 <i>3.4</i>	697,507 <i>5.3</i>	464,483 <i>2.4</i>
Business and Occupation Tax	219,836 <i>30.1</i>	342,902 <i>35.7</i>	239,931 <i>13.3</i>	230,620 <i>17.8</i>	289,042 <i>1.7</i>	251,468 <i>17.5</i>	254,354 <i>15.0</i>	284,690 <i>-3.0</i>	238,227 <i>0.8</i>	210,726 <i>-7.3</i>	340,302 <i>19.5</i>	231,211 <i>8.0</i>
Use Tax	36,181 <i>12.3</i>	109,077 <i>191.1</i>	41,435 <i>16.1</i>	38,934 <i>10.2</i>	49,193 <i>17.6</i>	38,771 <i>1.1</i>	37,115 <i>0.7</i>	41,932 <i>-0.7</i>	36,319 <i>4.6</i>	31,206 <i>-12.0</i>	43,921 <i>-4.0</i>	23,052 <i>-29.9</i>
Public Utility Tax	36,583 <i>23.6</i>	40,003 <i>23.0</i>	33,817 <i>9.1</i>	30,194 <i>3.7</i>	29,136 <i>5.8</i>	26,207 <i>1.4</i>	27,937 <i>4.0</i>	29,194 <i>2.2</i>	27,650 <i>-5.3</i>	32,351 <i>18.1</i>	40,021 <i>1.4</i>	44,221 <i>11.0</i>
Tobacco Products Tax	3,338 <i>36.5</i>	4,053 <i>24.1</i>	3,865 <i>12.1</i>	4,243 <i>78.1</i>	4,334 <i>20.4</i>	4,003 <i>13.6</i>	4,462 <i>26.4</i>	4,238 <i>-2.2</i>	3,958 <i>-6.0</i>	3,593 <i>5.3</i>	3,554 <i>-18.1</i>	3,927 <i>-1.4</i>
Penalties and Interest	13,456 <i>17.5</i>	18,982 <i>139.1</i>	17,759 <i>-1.6</i>	7,130 <i>-54.4</i>	11,473 <i>-13.7</i>	8,799 <i>-11.2</i>	8,089 <i>-40.6</i>	9,229 <i>-5.4</i>	10,665 <i>-9.0</i>	6,311 <i>-53.8</i>	10,330 <i>-5.8</i>	10,539 <i>7.0</i>
Non-Revenue Act**	102,817 <i>1.5</i>	155,316 <i>1.4</i>	780,325 <i>-2.1</i>	453,608 <i>54.7</i>	109,437 <i>11.3</i>	120,176 <i>11.1</i>	97,423 <i>4.9</i>	163,063 <i>-2.3</i>	781,872 <i>7.5</i>	240,569 <i>-11.1</i>	134,278 <i>27.3</i>	87,913 <i>9.8</i>
Liquor Sales/Liter	14,524 <i>2.8</i>	16,020 <i>4.3</i>	16,164 <i>3.9</i>	16,594 <i>3.3</i>	17,247 <i>6.3</i>	18,625 <i>2.2</i>	17,897 <i>8.3</i>	16,998 <i>7.2</i>	16,912 <i>1.1</i>	17,828 <i>5.8</i>	24,559 <i>3.9</i>	14,892 <i>7.0</i>
Cigarette	27,921 <i>17.2</i>	28,463 <i>20.8</i>	23,966 <i>-33.4</i>	107,936 <i>210.6</i>	38,924 <i>61.3</i>	41,012 <i>2.9</i>	37,554 <i>29.2</i>	34,412 <i>2.7</i>	35,258 <i>34.8</i>	35,561 <i>-2.7</i>	31,419 <i>5.4</i>	31,768 <i>24.9</i>
Property (State School Levy)	25,700 <i>4.8</i>	67,364 <i>1.2</i>	694,837 <i>0.3</i>	184,883 <i>13.7</i>	9,491 <i>-12.5</i>	7,295 <i>2.8</i>	10,583 <i>7.2</i>	38,957 <i>16.8</i>	654,270 <i>6.7</i>	145,816 <i>-16.0</i>	9,659 <i>-22.1</i>	6,023 <i>-12.2</i>
Real Estate Excise	27,816 <i>-12.9</i>	28,763 <i>-11.9</i>	27,102 <i>-19.9</i>	39,094 <i>-0.8</i>	31,156 <i>-8.7</i>	45,591 <i>43.5</i>	31,027 <i>13.5</i>	23,540 <i>-24.2</i>	29,745 <i>10.3</i>	32,631 <i>-1.9</i>	22,471 <i>-1.9</i>	22,495 <i>14.2</i>
Timber (state share)	0 <i>NA</i>	0 <i>NA</i>	825 <i>27.6</i>	0 <i>NA</i>	0 <i>NA</i>	1,166 <i>-29.0</i>	0 <i>NA</i>	0 <i>NA</i>	958 <i>-9.5</i>	0 <i>NA</i>	0 <i>NA</i>	1,019 <i>NA</i>
Other	6,855 <i>-20.1</i>	14,707 <i>-2.5</i>	17,432 <i>-2.9</i>	105,100 <i>160.8</i>	12,619 <i>-2.9</i>	6,488 <i>-31.7</i>	362 <i>-96.3</i>	49,156 <i>-7.6</i>	44,729 <i>5.4</i>	8,733 <i>-14.7</i>	46,170 <i>180.8</i>	11,717 <i>-12.1</i>
Department of Licensing**	521 <i>16.6</i>	1,733 <i>65.8</i>	2,861 <i>23.0</i>	6,300 <i>-14.4</i>	3,004 <i>-20.6</i>	1,371 <i>11.5</i>	510 <i>3.4</i>	301 <i>-5.6</i>	244 <i>101.8</i>	221 <i>69.1</i>	194 <i>50.6</i>	307 <i>-10.2</i>
Lottery**	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	6,651 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>	0 <i>NA</i>
Administrative Office of the Courts**	8,165 <i>-0.3</i>	9,371 <i>-6.4</i>	8,399 <i>-4.9</i>	7,997 <i>11.9</i>	8,416 <i>-6.1</i>	7,961 <i>-2.1</i>	8,640 <i>9.1</i>	7,972 <i>2.3</i>	8,281 <i>-5.3</i>	7,462 <i>1.2</i>	7,401 <i>-7.0</i>	6,212 <i>-2.2</i>
Total General Fund-State***	879,235 <i>10.2</i>	1,346,308 <i>27.4</i>	1,652,830 <i>2.5</i>	1,291,073 <i>16.5</i>	1,103,901 <i>2.7</i>	1,029,364 <i>7.1</i>	1,003,296 <i>7.1</i>	1,147,686 <i>-1.0</i>	1,635,454 <i>2.5</i>	1,078,244 <i>-3.2</i>	1,277,509 <i>10.0</i>	871,864 <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
February 11, 2012 - March 10, 2012				
March 10, 2012 Collections Compared to the February 2012 Forecast				
Department of Revenue-Total	\$873,008	\$865,345	(\$7,663)	-0.9%
Revenue Act** (1)	796,054	777,433	(18,622)	-2.3%
Non-Revenue Act(2)	76,954	87,913	10,959	14.2%
Liquor Sales/Liter	14,958	14,892	(66)	-0.4%
Cigarette	26,638	31,768	5,130	19.3%
Property (State School Levy)	7,087	6,023	(1,064)	-15.0%
Real Estate Excise	19,286	22,495	3,208	16.6%
Timber (state share)	609	1,019	410	67.3%
Other	8,376	11,717	3,341	39.9%
Department of Licensing (2)	263	307	44	16.8%
Lottery (5)	0	0	0	0.0%
Administrative Office of the Courts (2)	6,285	6,212	(73)	-1.2%
Total General Fund-State***	\$879,556	\$871,864	(\$7,692)	-0.9%

Cumulative Variance Since the February Forecast (February 11, 2012 - March 10, 2012)

Department of Revenue-Total	\$873,008	\$865,345	(\$7,663)	-0.9%
Revenue Act** (3)	796,054	777,433	(18,622)	-2.3%
Non-Revenue Act(4)	76,954	87,913	10,959	14.2%
Liquor Sales/Liter	14,958	14,892	(66)	-0.4%
Cigarette	26,638	31,768	5,130	19.3%
Property (State School Levy)	7,087	6,023	(1,064)	-15.0%
Real Estate Excise	19,286	22,495	3,208	16.6%
Timber (state share)	609	1,019	410	67.3%
Other	8,376	11,717	3,341	39.9%
Department of Licensing (4)	263	307	44	16.8%
Lottery	0	0	0	0.0%
Administrative Office of the Courts	6,285	6,212	(73)	-1.2%
Total General Fund-State***	\$879,556	\$871,864	(\$7,692)	-0.9%

1 Collections February 11, 2012 - March 10, 2012. Collections primarily reflect January 2012 activity of monthly filers.

2 February 2012 collections.

3 Cumulative collections, estimates and variance since the February 2012 forecast; (February 11, 2012 -March 10, 2012) and revisions to history.

4 Cumulative collections, estimates and variance since the February forecast (February 2012) and revisions to history.

5 Lottery transfers to the General Fund

* Based on the February 2012 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.