

**Joint Legislative Budget Committee
Staff Memorandum**

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DATE: September 19, 2002

TO: Finance Advisory Committee Members

THRU: Richard Stavneak, Director

FROM: Tim Everill, Revenue Section Chief

SUBJECT: SEPTEMBER 26th FINANCE ADVISORY COMMITTEE MEETING

As you know, the next Finance Advisory Committee meeting will be on September 26th. We will be seeking your perspective on the state of the economy for the remainder of FY 2003, as well as a preliminary look at FY 2004.

In our Revenue Outlook tab, you will find a copy of our PowerPoint presentation for the meeting, which will highlight some of the forecasting challenges for the year ahead. As we did in February, we have incorporated into our presentation a consensus forecast of FAC panel members for three key economic indicators, including retail sales, personal income, and corporate profits. Also included in this tab is a summary of a survey conducted by JLBC Staff regarding capital gains losses in other states.

The Revenue Highlights tab contains the July Revenue Highlights and the August Monthly Fiscal Highlights.

The Economic Summaries tab contains tables of key economic indicators for both Arizona and the United States.

Outlook Questions

The key questions of interest are:

- When will the current downturn be over, and do you see signs of a recovery?
- What is your current perspective on how the depth and duration of the recession will specifically impact the major revenue categories?

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FINANCE ADVISORY COMMITTEE MEETING

Thursday, September 26, 2002

AGENDA

9:00 - 9:15	JLBC Staff	Revenue Outlook
9:15 - 9:30	Elliott Pollack Elliott D. Pollack and Company	U. S. Economy
9:30 - 9:45	Brian Cary Pinnacle West Capital Corporation	Arizona Economy
9:45 - 10:00	Don Wehbey Department of Economic Security	Arizona Employment
10:00 -	Discussion	

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