

Finance Advisory Committee

Briefing Materials

March 31, 2009

JLBC

Finance Advisory Committee

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Arizona Economic Indicators at Historic Lows

- 2.7% personal income growth lowest since 1949
- (6.5)% employment decline lowest since 1946
- (5.9)% year-to-date withholding loss only exceeded in 1964 and 1983

Any Revenue Forecast Will Have Significant Constraints In Predicting the Next 15 Months

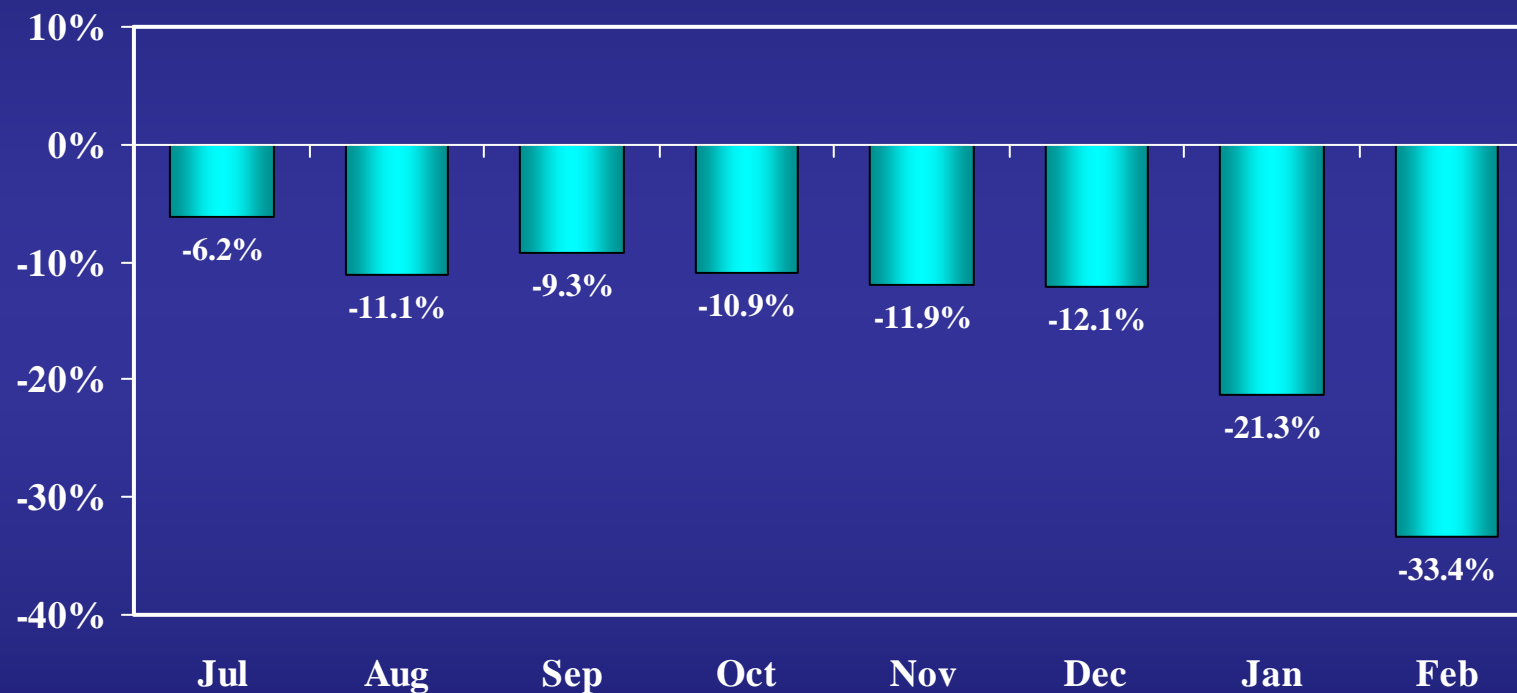
- Current economic instability makes forecasting especially challenging
- The impact of Federal stimulus is difficult to gauge
- Current forecasts can indicate the direction of the economy, not its precise landing point

General Fund Revenues Are Declining More Rapidly Than Budget Forecast

- FY '09 budget forecast (9.7)%
(January Special Session)
- February YTD revenue (13.5)%
decrease
- YTD revenue below \$(155) M
January forecast

Rate of '09 Decline Appears to be Accelerating

- 8 Month YTD Decline = (13.5)%
- February Decline May Be Overstated



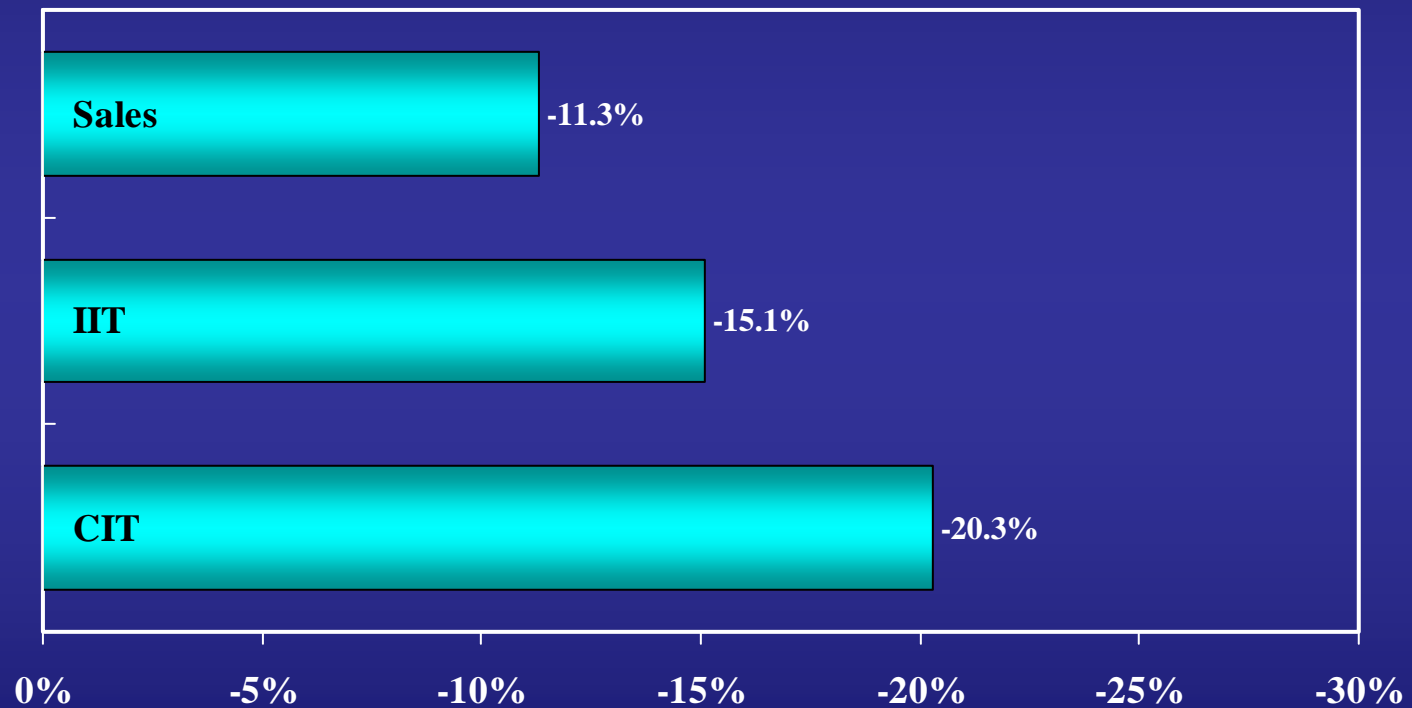
Percent Change Below FY 2008

February Decline of (33.4)% Is Overstated

- Probably Closer to (19)%

- Sales tax collections are down by (17.9)%
- Withholding tax collections are down by (19.2)%
- Net February income tax collections are not a large dollar amount
- Total income tax collections for February went from a \$39 M in 2008 to \$(42) M in 2009 – a reduction of (207)%

All Major Tax Categories Declined in the 1st 8 Months of FY '09

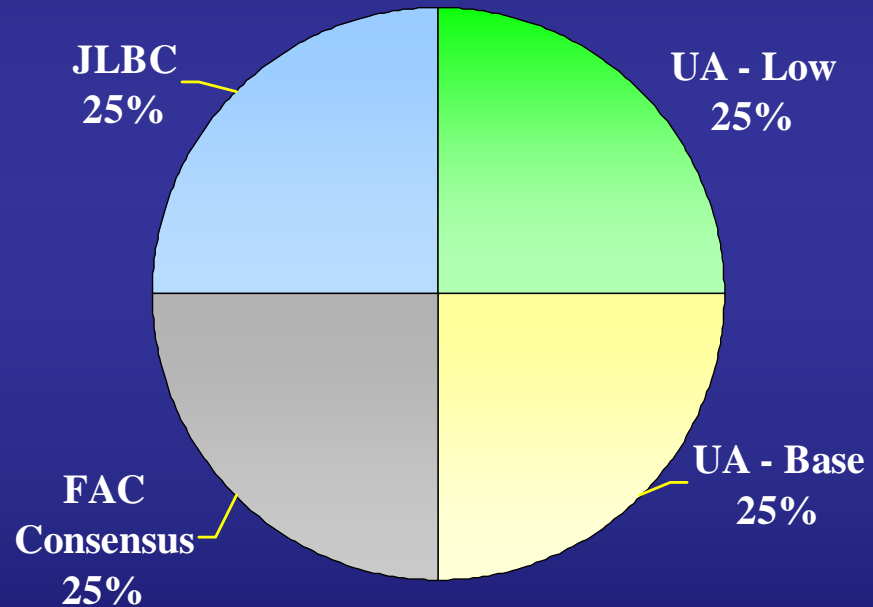


Where Are We Headed Over the Next Few Years?

- Four-Sector Consensus Forecast Incorporates Different Economic Views, Including the FAC

4-sector forecast equally weights:

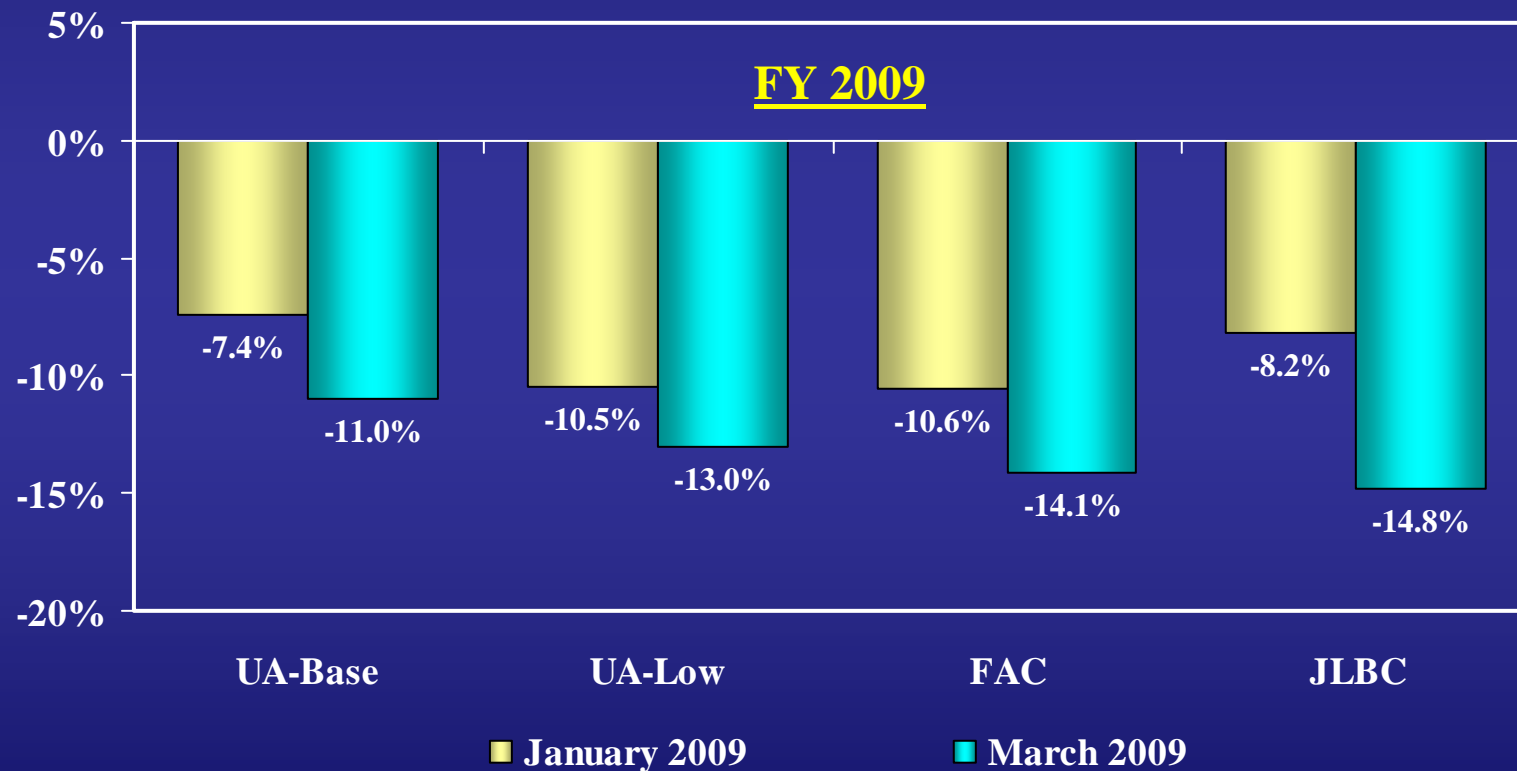
- FAC average
- UofA model - base
- UofA model - low
- JLBC Staff forecast
- Remaining revenues (9% of total) are staff forecast



* Includes Big 3 categories of sales tax, individual income and corporate income taxes.

March 4-Sector Projecting Revenue Decline of (13.0)% in FY '09

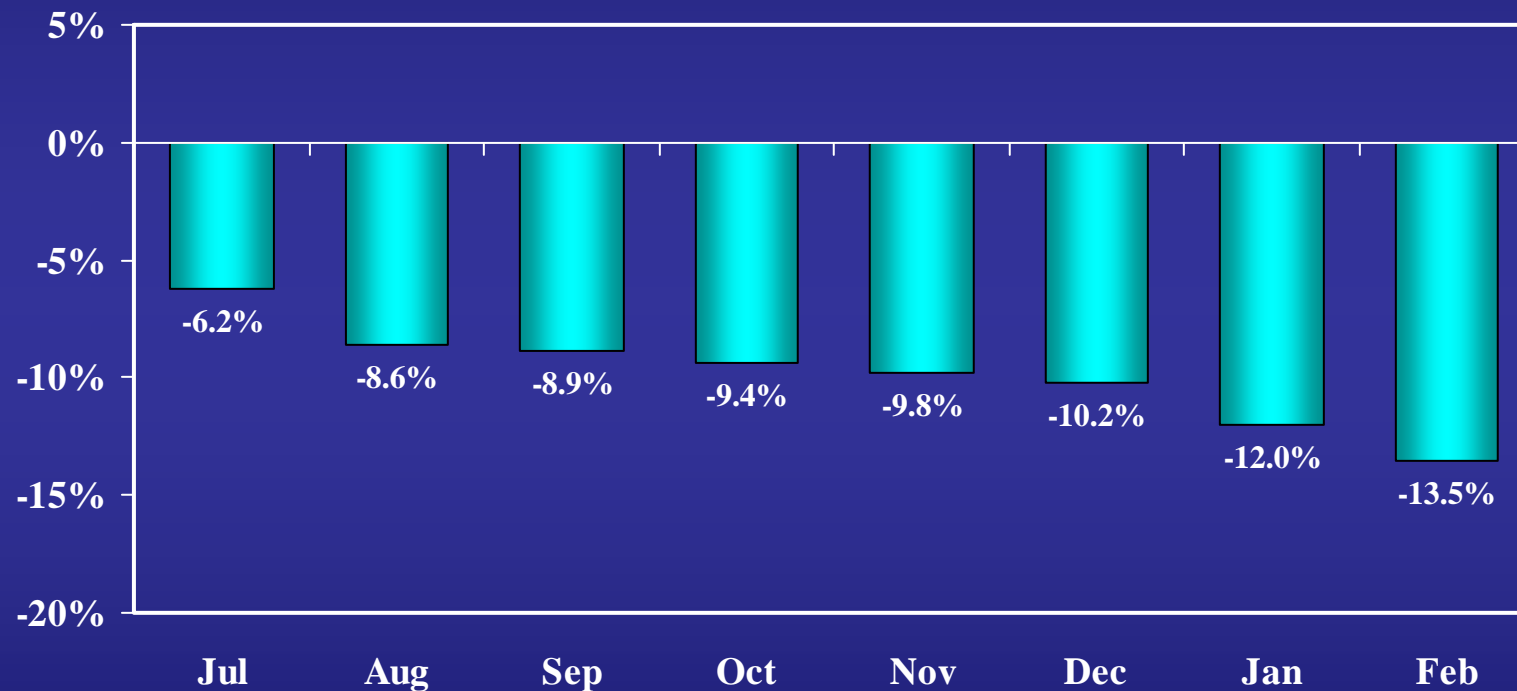
- January 2009 Forecast for FY '09 was (9.7)% Decline



Weighted Big 3 Average of (13.2)% and JLBC Forecast
for Small Categories Prior to Tax Law Changes

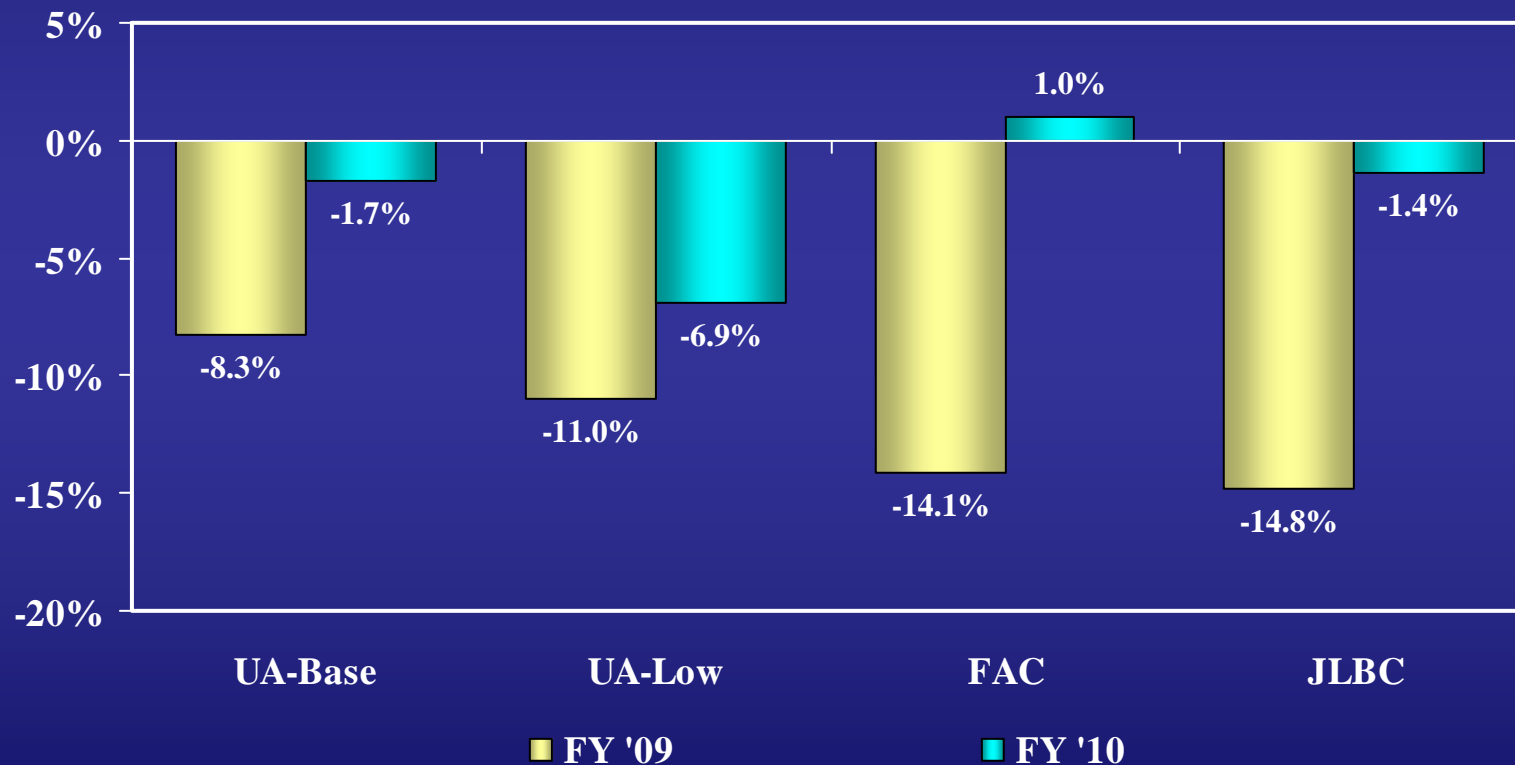
(13.0)% Decline Appears Optimistic Given Trend

- Recommend Using (14.5)% Decline



Cumulative Percent Change Below FY 2008

Each Sector Shows Improvement for FY '10, But Overall Forecast Still A (2.1)% Decline - Compares to January Rate of (2.8)%



Weighted Big 3 Average of (2.3)% and JLBC Forecast for
Small Categories Prior to Tax Law Changes

Sales Tax

- The Consensus Forecasts Declines of (10.6)% in '09 and Another (2.7)% in '10



* 5.6% without the \$(55.2) million estimated payment threshold change.

Sales Tax

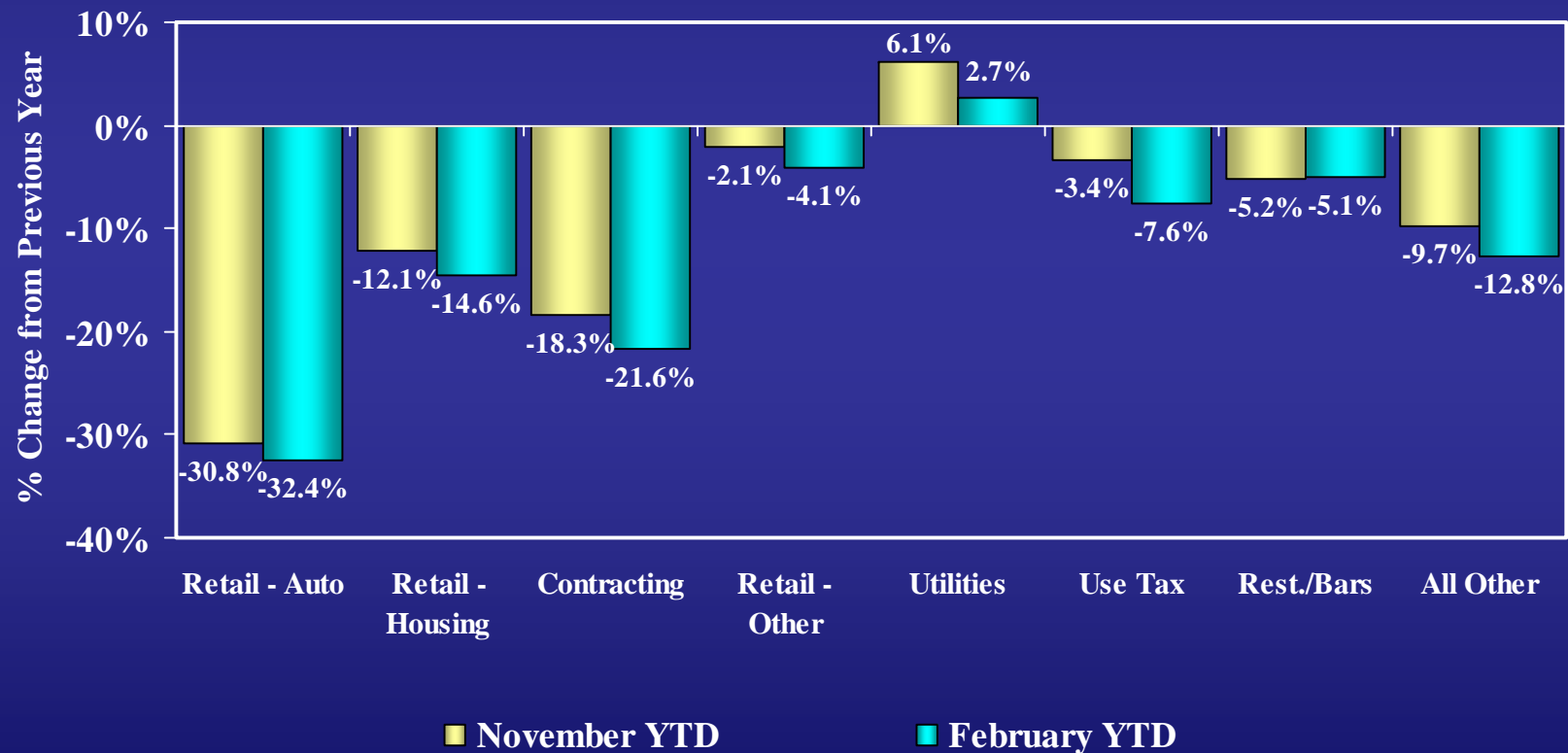
- Collections Below FY '06 Level Through FY '12



Includes enacted tax law changes.

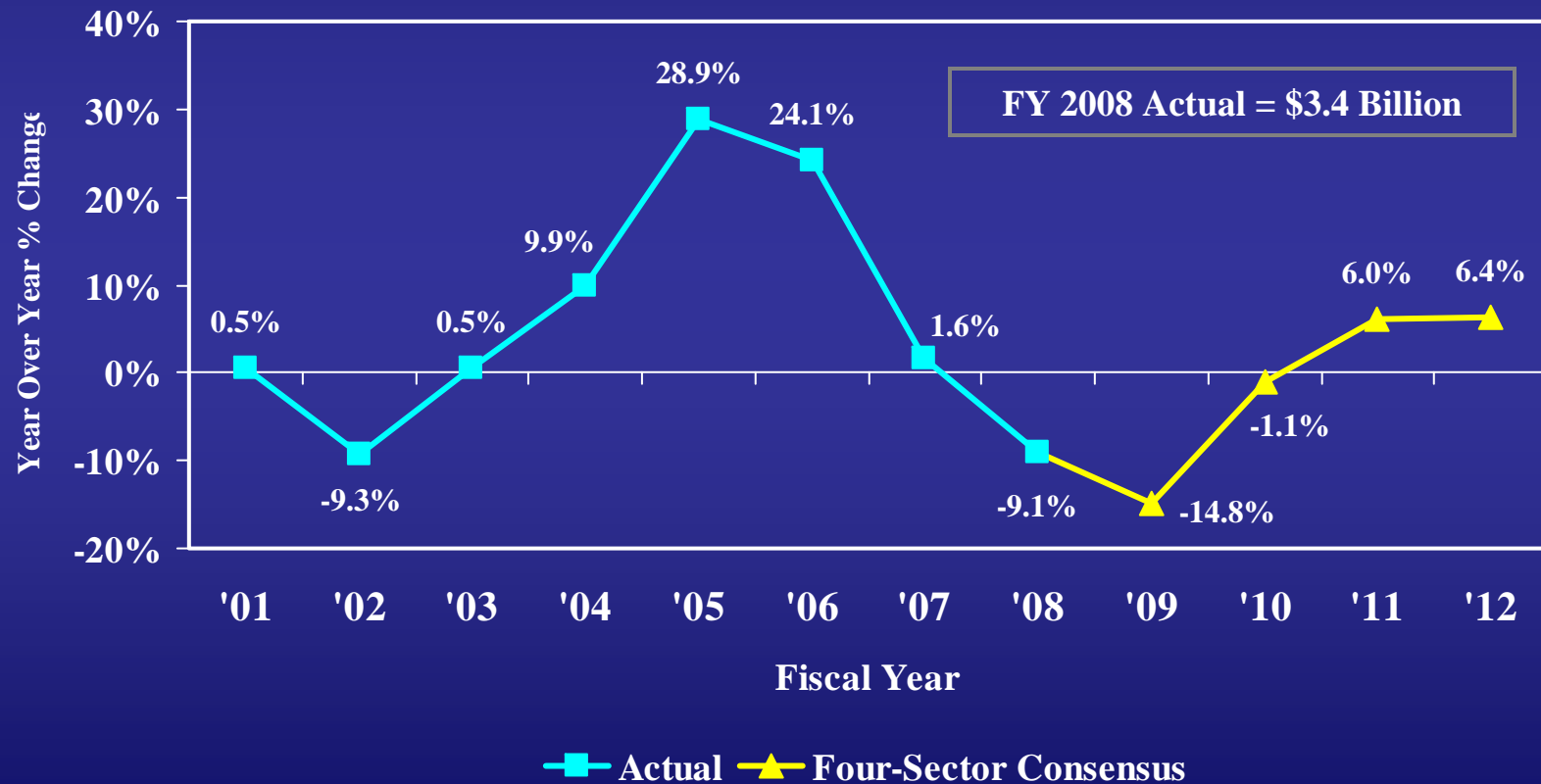
Construction and Vehicle Spending Have Continued to Decline

- Historically Represents 37% of Sales Tax



Individual Income Tax

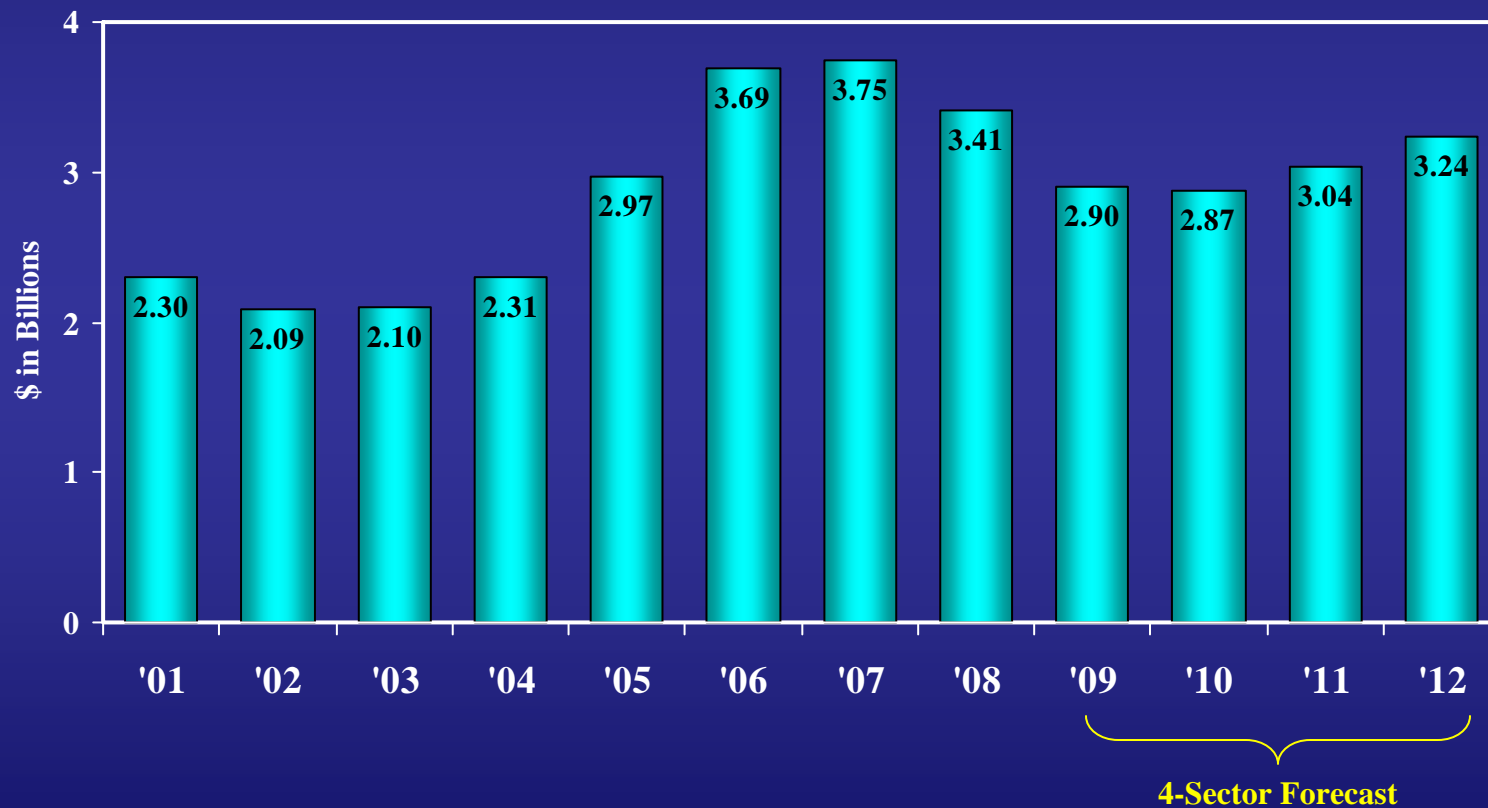
- The Consensus Forecasts Declines of (14.8)% in '09 and Another (1.1)% in '10



* Excluding the 10% phased-in rate reduction, growth would have been 6.3% in '07, and (4.1)% in '08.

Individual Income Tax

- Collections Are Below FY '06 Level Through FY '12



Includes enacted tax law changes.

Individual Income Tax

- Withholding and Estimated Payments Have Declined Sharply

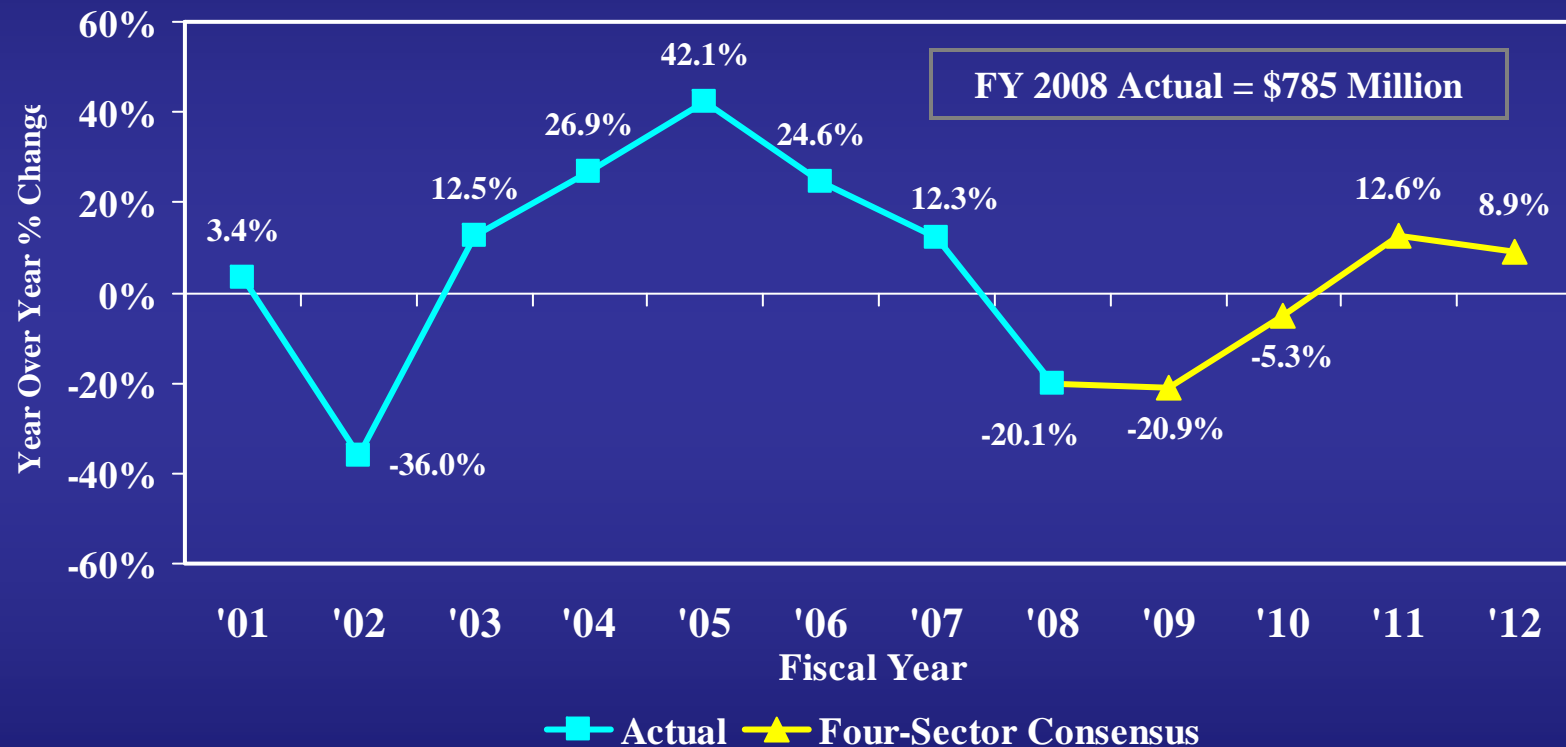
- Through February, YTD withholding is down (5.9)%
- Only twice in the past 47 years has the comparable withholding number declined by more ('64 and '83)
- YTD estimated payments are down (26.5)%
- '09 YTD estimated payments are comparable to amounts collected in '05
- April is critical to the '09 forecast since two-thirds of final payments are collected in this month

Recent Federal Legislation Reduces State Withholding

- New \$400/\$800 federal tax cut implemented through federal withholding
- Since state withholding is a percentage of federal withholding, recent federal change reduces state withholding
- Absent any legislative action, the state will incur an income tax loss of \$(73) M in '09 and \$(37) M in '10
- These losses (which began in late February) are not reflected in the 4-sector consensus forecast

Corporate Income Tax

- The Consensus Forecasts Declines of (20.9)% in '09 and Another (5.3)% in '10

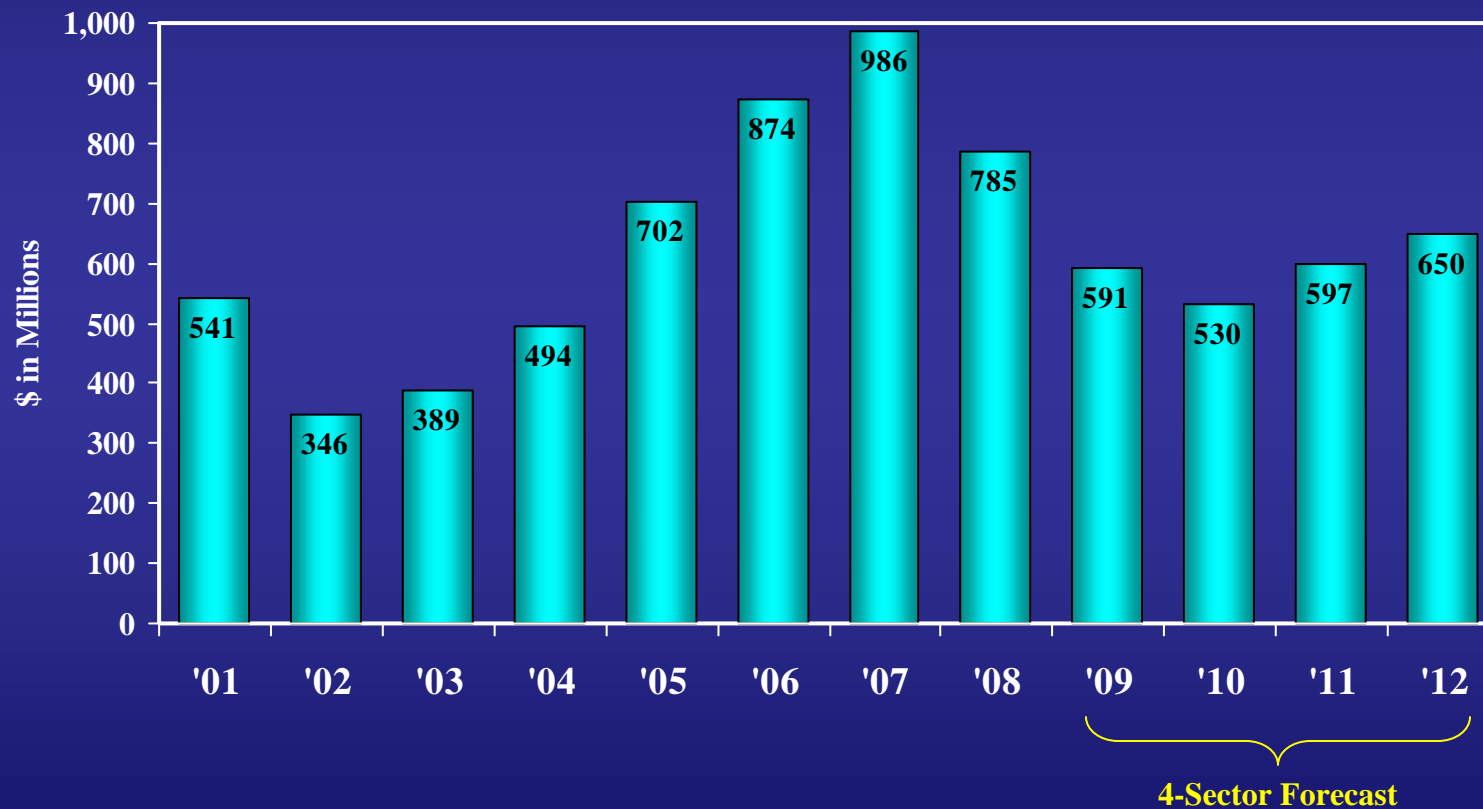


* Excluding tax law changes, growth would have been 12.8% in '07, and the '08 decrease would have been (14.7)%.

** In FY '09-11, there will be an additional incremental loss associated with the phase in of the corporate sales factor legislation.

Corporate Income Tax

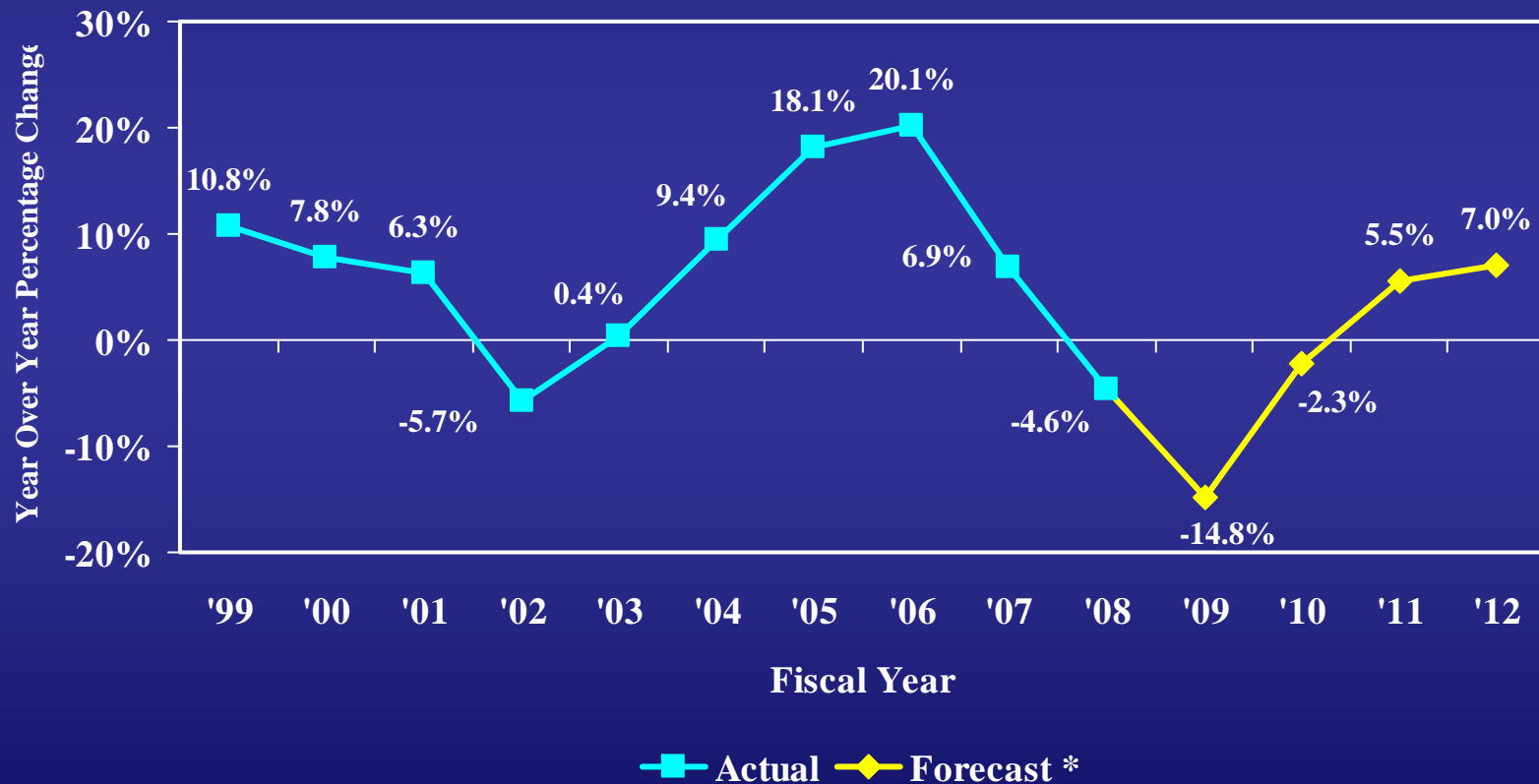
- Collections Below FY '05 Level Through FY '12



Includes enacted tax law changes.

Forecast Shows Declining Revenue Through FY '10

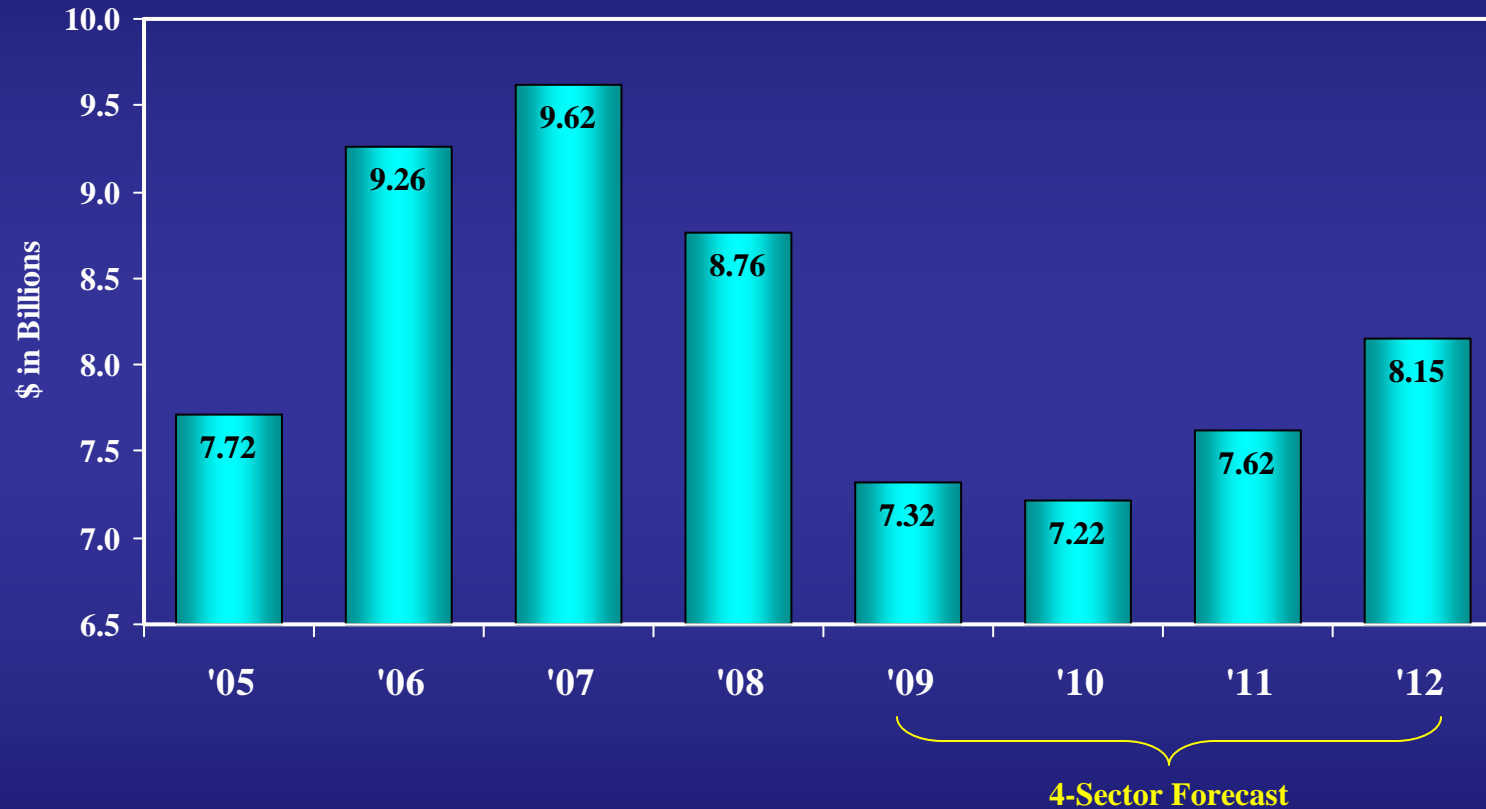
- Recovery Begins in FY '11



* 4-sector forecast weighted average growth.

On-Going General Fund Revenue

- Collections Are Below FY '06 Level Through FY '12



Includes Urban Revenue Sharing and enacted tax law changes
- excludes balance forward and other one-time revenues.

Impact on Budget Shortfall of (14.5)% FY '09 Revenue Decline

- Projected revenue shortfall is \$(487) M
 - After adjusting for \$(73) M withholding and \$50 M balance, net shortfall is \$(510) M
- Given accelerating losses and lack of any remaining Budget Stabilization Funds, JLBC Staff recommends contingency plan
 - Suggest deficit reduction solutions equal to at least \$650 M

Estimated FY '10 Shortfall = \$(2.93) B

- (2.1)% revenue decline in '10
- Incorporating January Special Session '09 expenditure reductions as on-going
- Assumes '10 spending growth from January Baseline

FY2009-FY 2012 Quartile Forecast Worksheet

	FY 2009	FY 2010	FY 2011	FY 2012
<u>Sales Tax</u>				
JLBC Forecast (3/17/09)	-11.4%	-1.6%	3.5%	6.5%
UA - Low (2/09 revision)	-10.2%	-6.4%	3.3%	7.1%
UA - Base (2/09 revision)	-9.4%	-3.3%	4.5%	7.9%
FAC (3/4/09 Survey)	-11.4%	0.7%	4.9%	7.1%
Average:	-10.6%	-2.7%	4.1%	7.2%
<u>Individual Income Tax</u>				
JLBC Forecast (3/17/09)	-17.8%	-1.4%	6.2%	7.0%
UA - Low (3/09 revision)	-14.8%	-5.8%	5.2%	5.2%
UA - Base (3/09 revision)	-11.0%	1.8%	7.1%	5.7%
FAC (3/4/09 Survey)	-15.6%	1.1%	5.5%	7.8%
Average:	-14.8%	-1.1%	6.0%	6.4%
<u>Corporate Income Tax</u>				
JLBC Forecast (3/17/09)	-20.4%	0.0%	12.3%	4.1%
UA - Low (2/09 revision)	-21.2%	-15.6%	11.9%	11.5%
UA - Base (2/09 revision)	-19.9%	-8.6%	18.7%	7.5%
FAC (3/4/09 Survey)	-22.1%	2.9%	7.7%	12.4%
Average:	-20.9%	-5.3%	12.6%	8.9%

Consensus Weighted Average:	-13.2%	-2.3%	5.5%	7.0%
JLBC Weighted Average:	-14.8%	-1.4%	5.3%	6.5%
UA Low Weighted Average:	-13.0%	-6.9%	4.7%	6.7%
UA Base Weighted Average:	-11.0%	-1.7%	6.7%	7.0%
FAC Consensus Weighted Average:	-14.1%	1.0%	5.4%	7.8%



National Economic Outlook

Presented to:
Finance Advisory Committee

By:
Elliott Pollack
March 31st, 2009



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2009

a **BAD** year

or

a **TERRIBLE** year



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Economics vs. Psychology



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Liquidity Trap



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Liquidity or Solvency?

Banks are still worried about covering their bad loans and covering their reserve requirements.

Credit will remain tight (for now).



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Stimulus package?

It does not stimulate as advertised.

(as much social engineering as economic development)



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Basic Story?



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Basic Story

Consumer

- Too much debt
- Not enough traditional savings
- Poor stock market and housing price performance
- Jobs and hours worked declining



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The Result

Consumer

- Consumer spending squeezed
- Big cuts in spending on durables
- Also cuts in non-durables and services

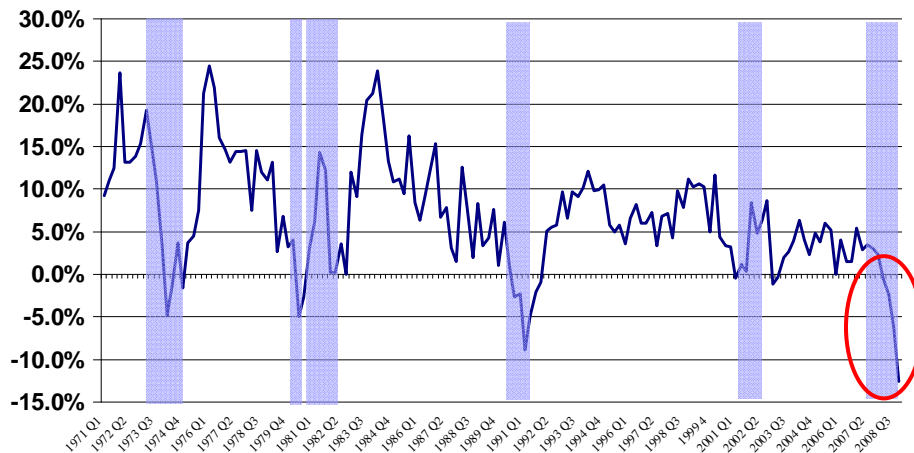


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Consumer Spending on Durable Goods Percent Change Year Ago 1971 – 2008*

Source: Bureau of Economic Analysis

Recession Periods

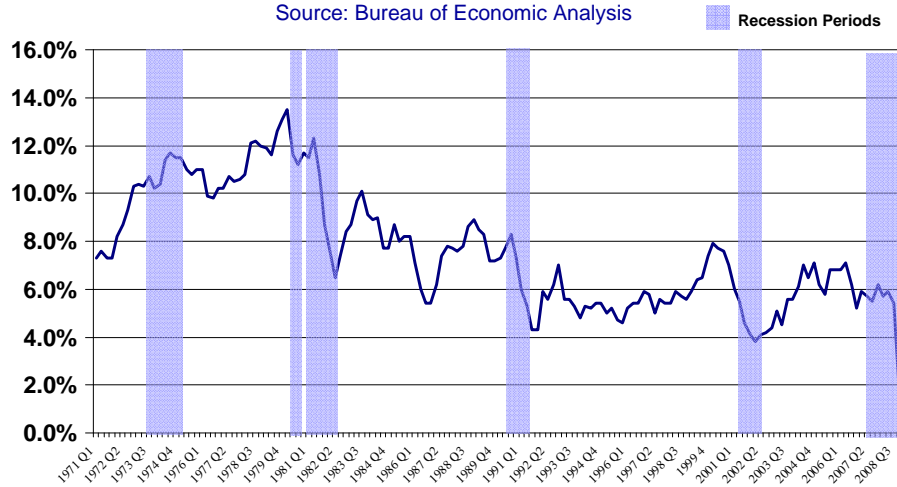


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* Data through fourth quarter 2008, Nominal GDP release.

Consumer Spending on Non-Durable Goods & Services Percent Change Year Ago 1971 – 2008*

Source: Bureau of Economic Analysis



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* Data through fourth quarter 2008

Basic Story

Business

- Had been strong due to weak dollar / strong exports
- Weakness in domestic spending
- Weakness in rest of world will hurt exports



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The Result

Business

- Business spending on plant & equipment will be weak
- Just starting inventory correction



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Basic Story

Housing

- Supply / demand imbalance continues
- No quick fix for credit markets
- Foreclosures to continue at high rates



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The Result

Housing

- Drag on economy from housing will end because comparisons so easy
- But drag on economy from commercial will get worse



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Credit and housing are still major problems.



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Anything left to shock us?



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There may
be a few
more shoes
left to
drop....



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The One Horsepower Economy: Consumers and Businesses

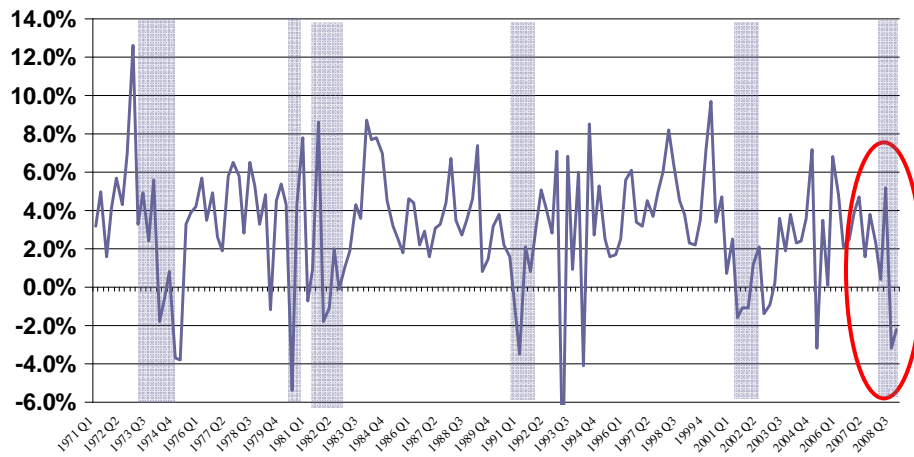


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Real Personal Income Net of Government Transfers Percent Change Quarter Ago, Annualized 1971 – 2008*

Source: Bureau of Economic Analysis

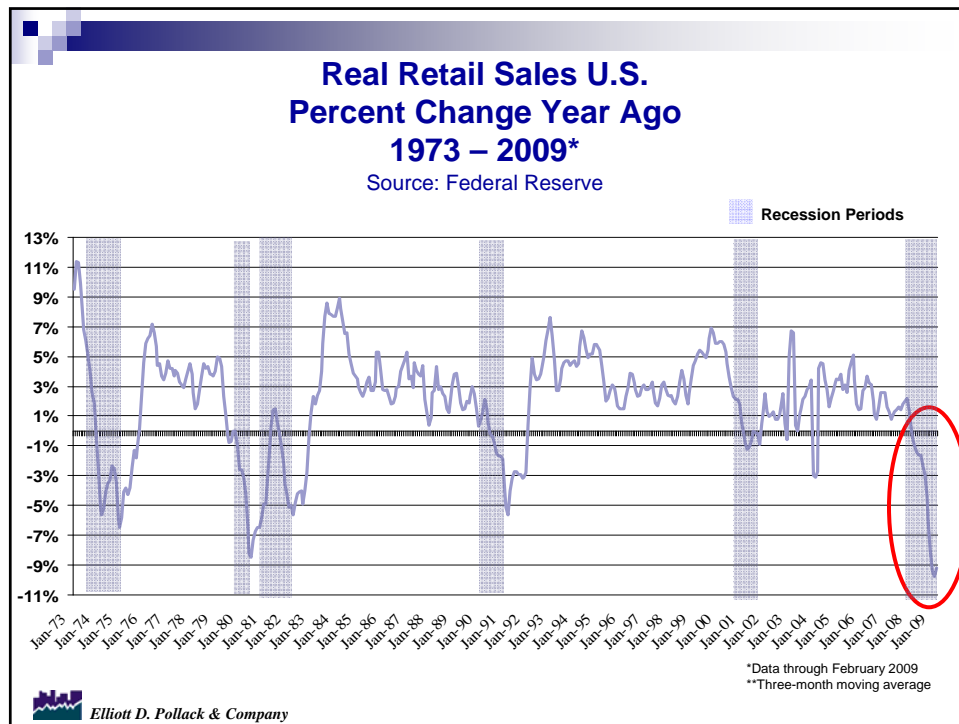
Recession Periods



* Data through fourth quarter 2008



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Short-term: **deflation**

Long-term: **inflation**

?

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Wealth Effect



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What Will Happen to HH Net Worth?

In the 90s

Housing prices increased moderately,
but stock market boomed.

First half of 2000's

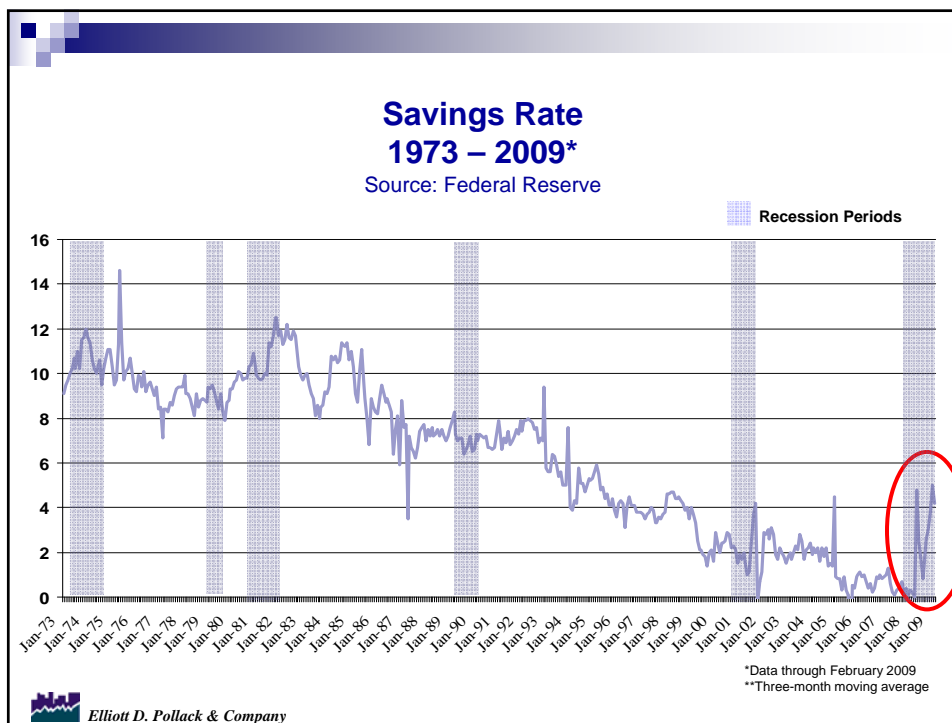
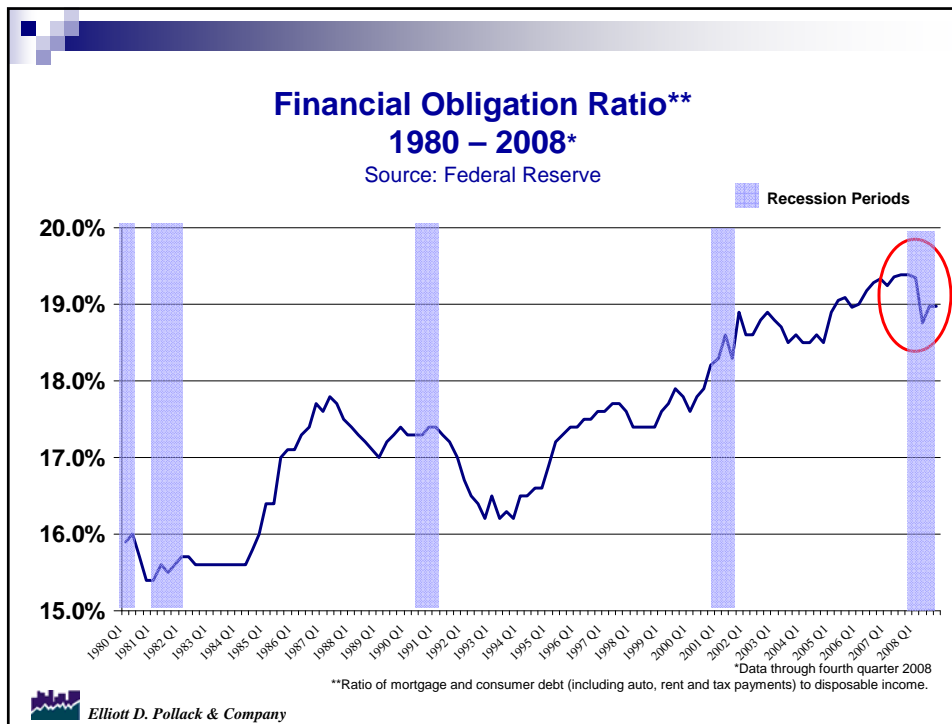
Stock market was doing poorly,
but housing prices boomed.

Now

Declining housing prices AND
poor results in the stock market.



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Recap: Reduced Spending

- Paying for past purchases,
- No money left in homes,
- Declining stock values,
- Having to save more,
- Feeling poor.

Also:

- Tighter access to money,
- Fear.



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Business: Finally taking it on the chin



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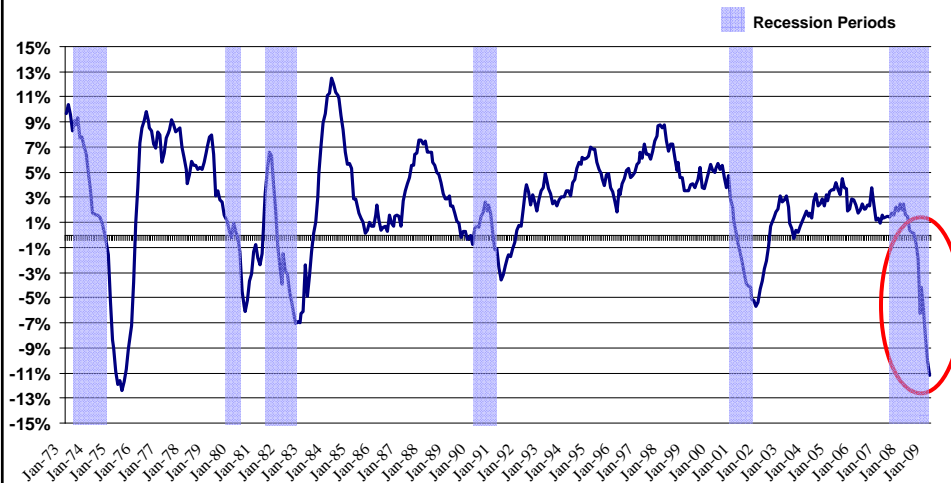
- Corporations were in good financial shape. Now can't get credit.
- Exports were booming. Now declining.



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Industrial Production Percent Change Year Ago 1973 – 2009*

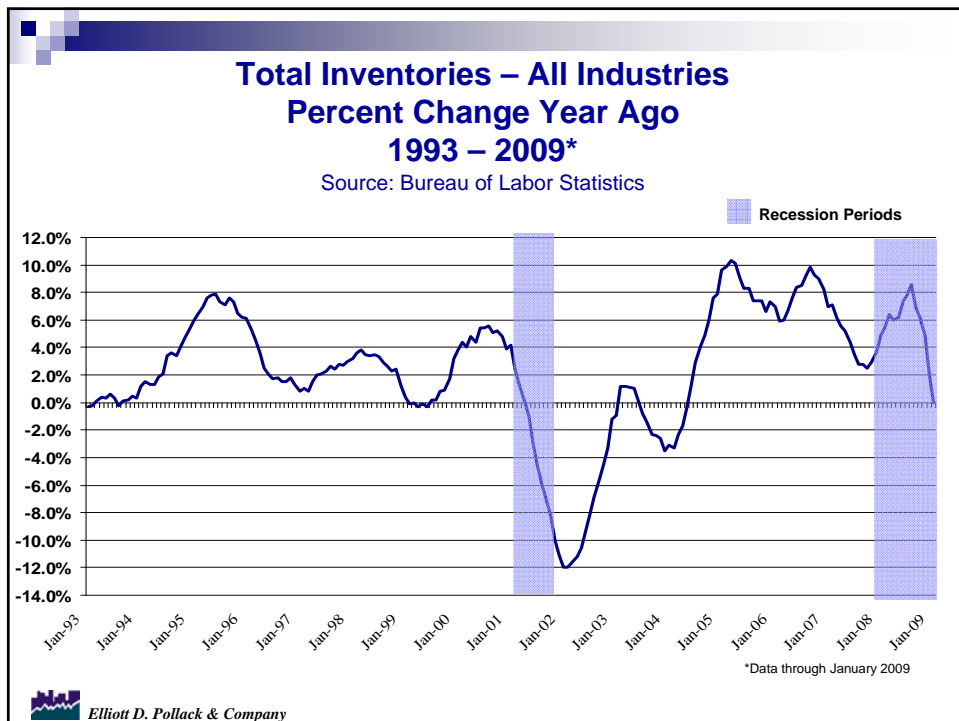
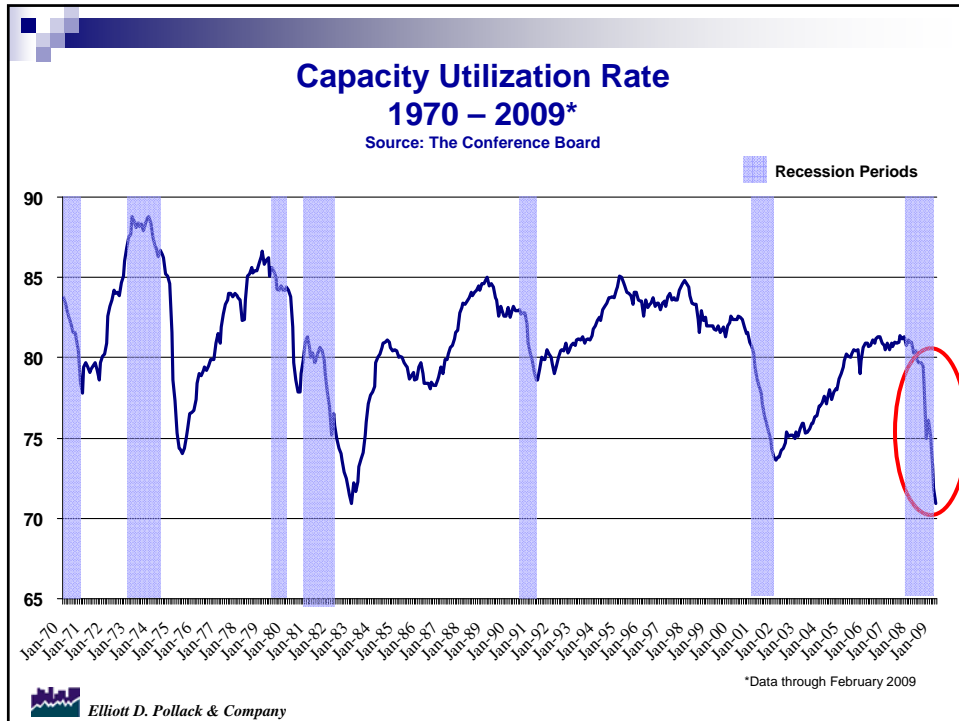
Source: The Conference Board

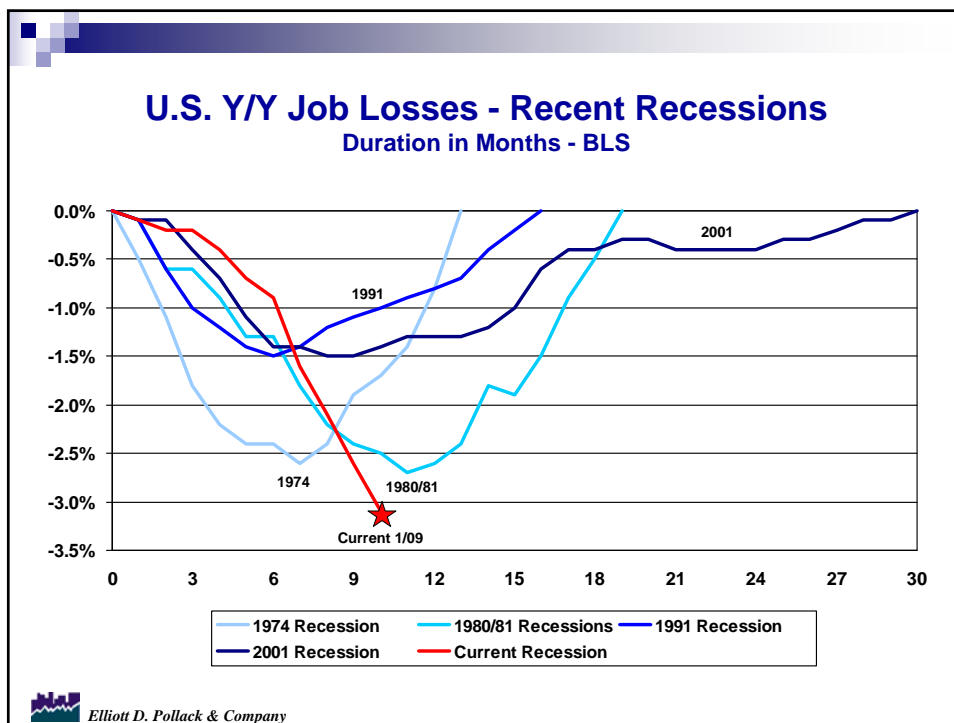
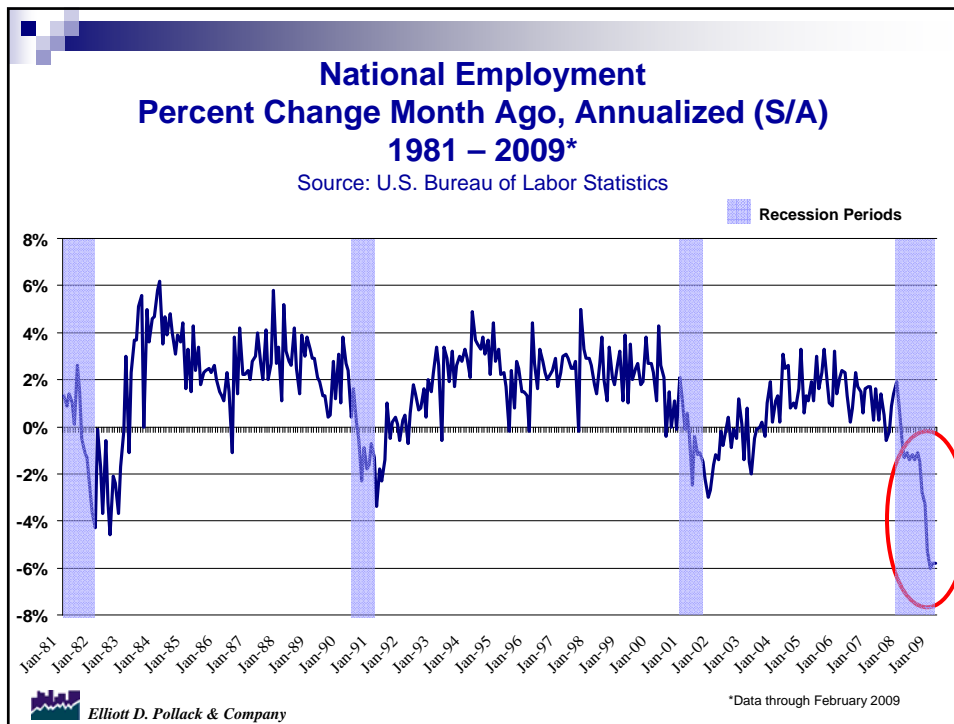


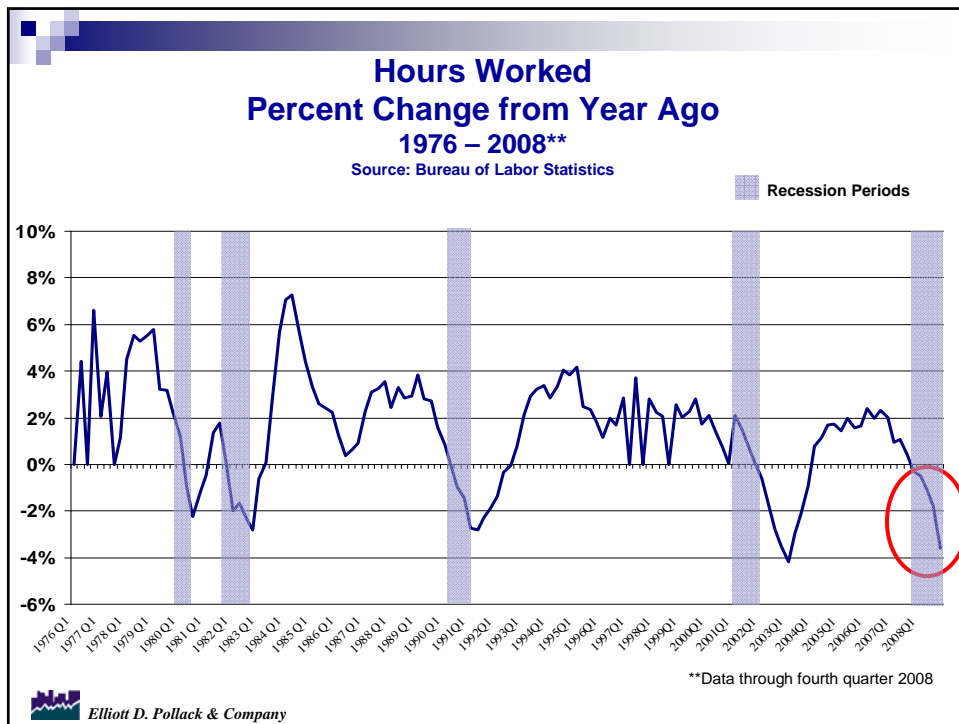
*Data through February 2009



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Tougher Mortgage Loan Standards

Source: Federal Reserve Survey, October 2008

- 100% of banks tightened on sub-prime mortgages.
- 89.6% of banks tightened on “non-traditional” mortgages
(ARMs, Interest-only, or Limited Income Verification loans).
- 71.0% of banks tightened on prime mortgage loans.

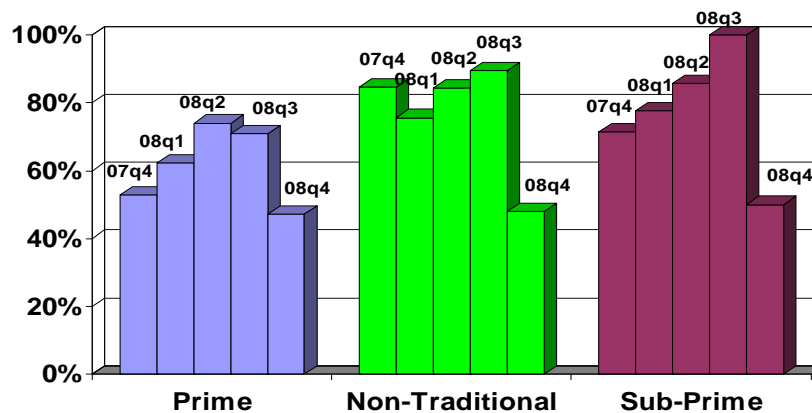


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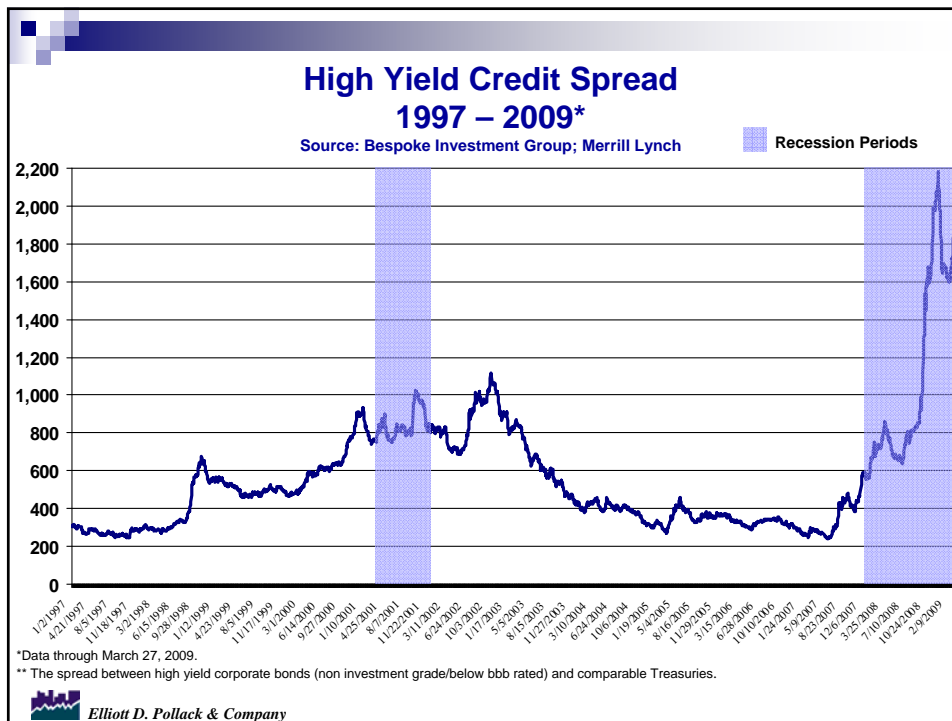
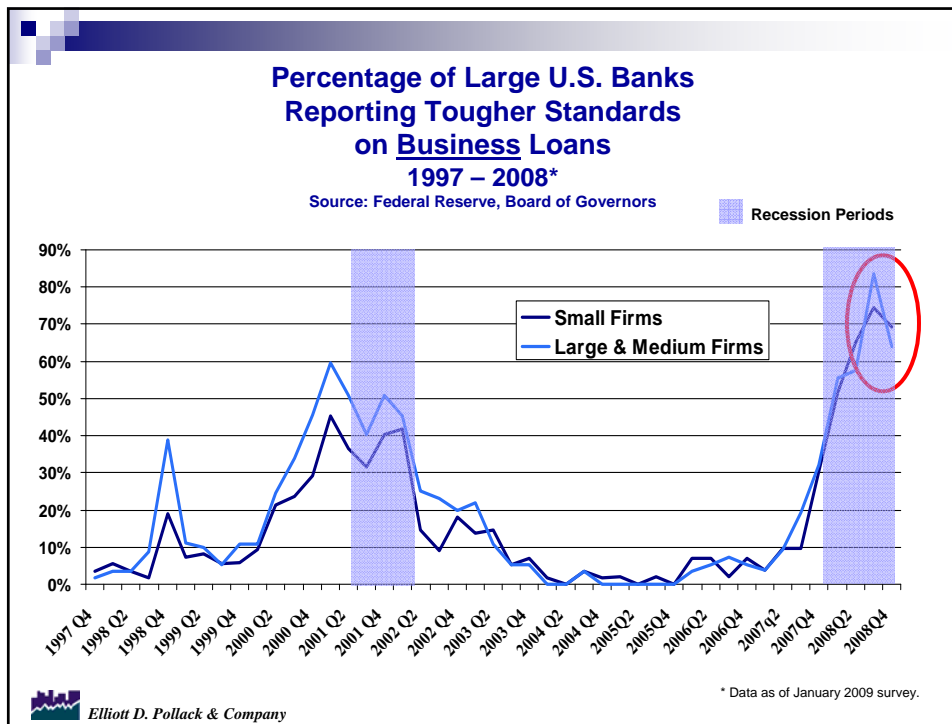
Net Percentage of Large U.S. Banks Reporting Tougher Standards versus Eased Standards on Residential Mortgage Loans

2007 – 2008q4

Source: Federal Reserve, Board of Governors



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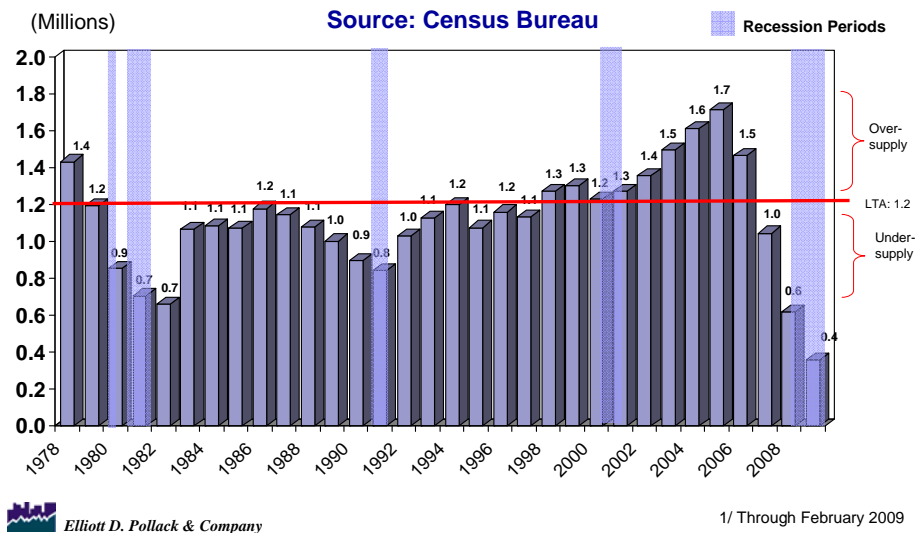


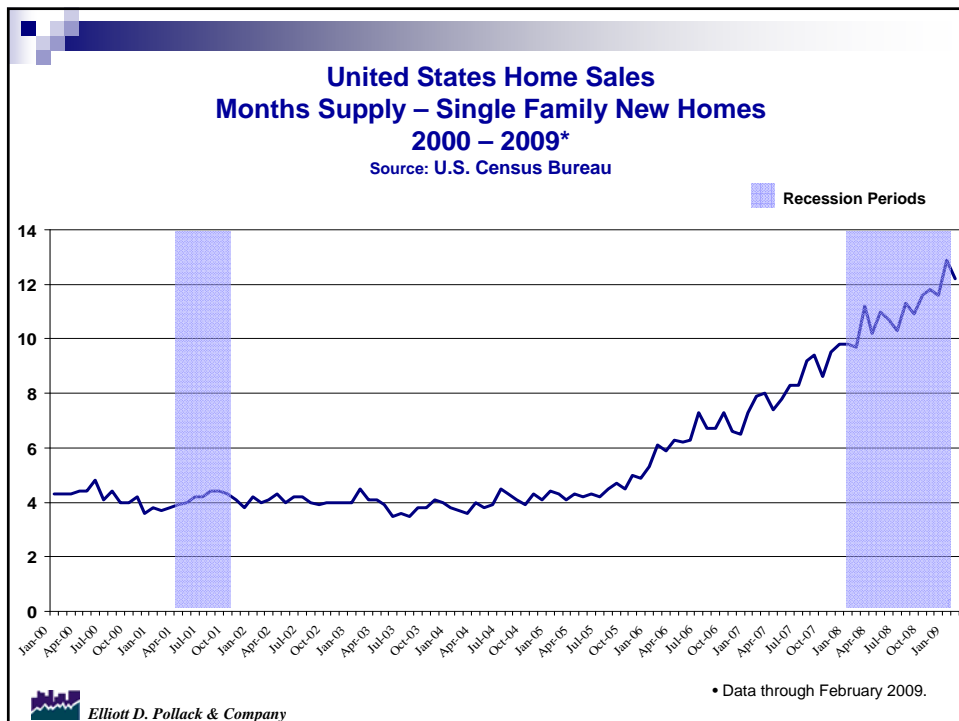
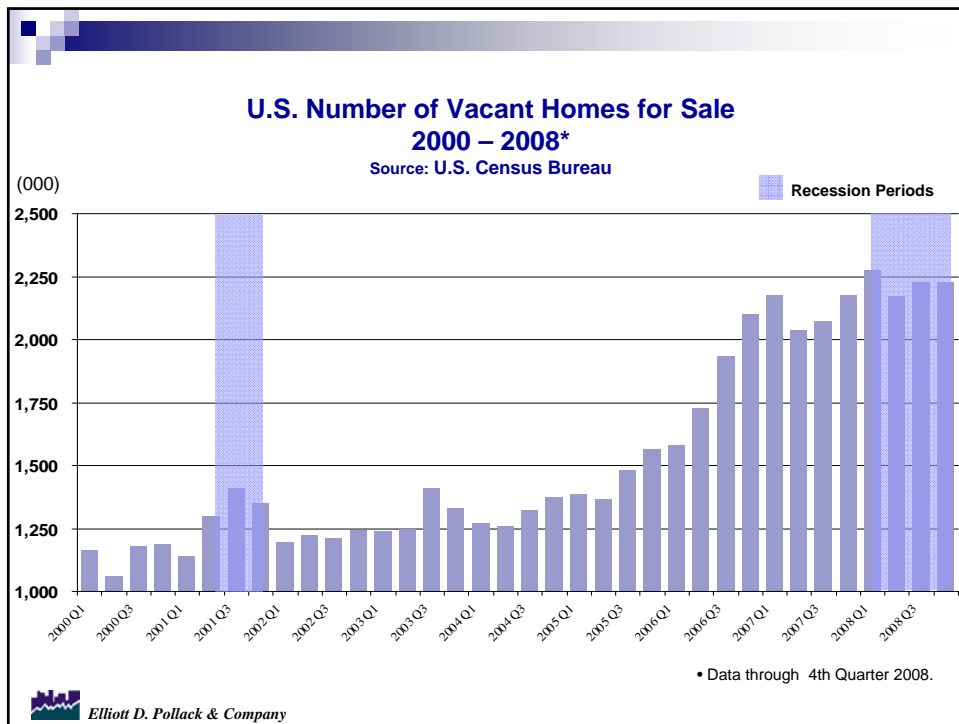
Housing Market

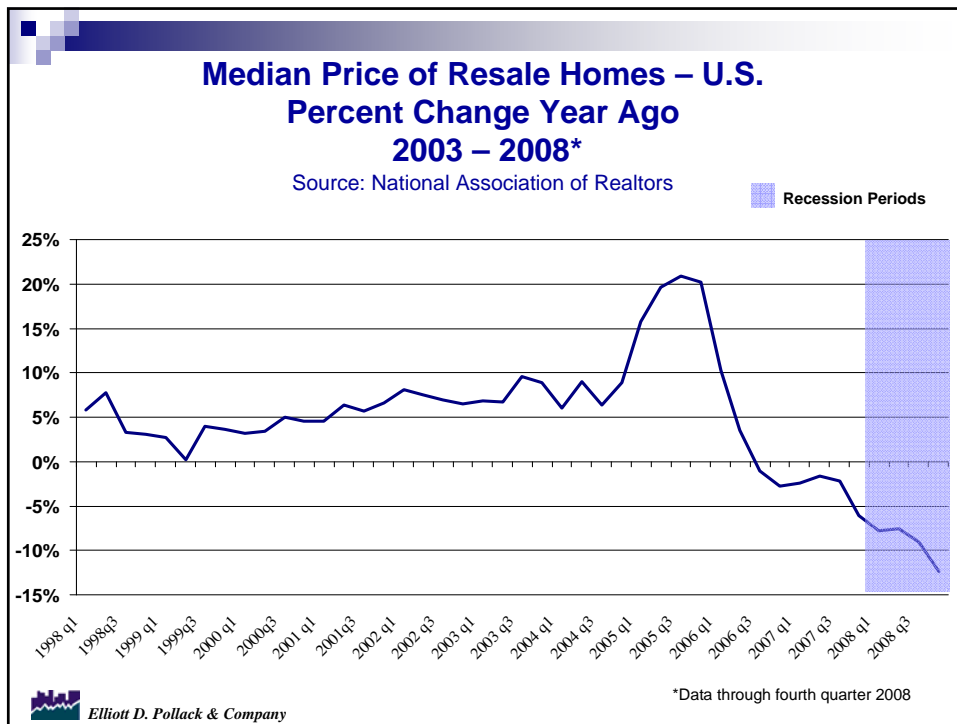


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U.S. Single-Family Starts 1978–2009^{1/}







**Tighter lending standards
and a weak economy
have acted as a drag on the
housing market.**

It's Not Just Subprime

2008 Q1- Arizona

Source: Mortgage Bankers Association

Loan Type	AZ Share of Loans	AZ Share of Foreclosures
Prime Fixed	57.2%	14.2%
Prime ARM	19.8%	23.7%
Sub Fixed	4.9%	6.4%
Sub ARM	9.8%	52.6%
FHA	4.9%	2.2%
VA	2.3%	0.7%
Other	1.1%	0.3%
Total	100%	100%



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**How
will it
turn out?**



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Look for a:



Not a:



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U.S. Summary 2009:

**The first half, continued
ugly.**

**The second half, no better than
homely.**



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Because....

**In the first half, comparisons
are **tough**.
In the second half, comparisons
get easier.**



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ECONOMIC OUTLOOK **2009 - 2010**



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Economic and Real Estate Consulting

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[INFO @ EDPCO.COM](mailto:INFO@EDPCO.COM)

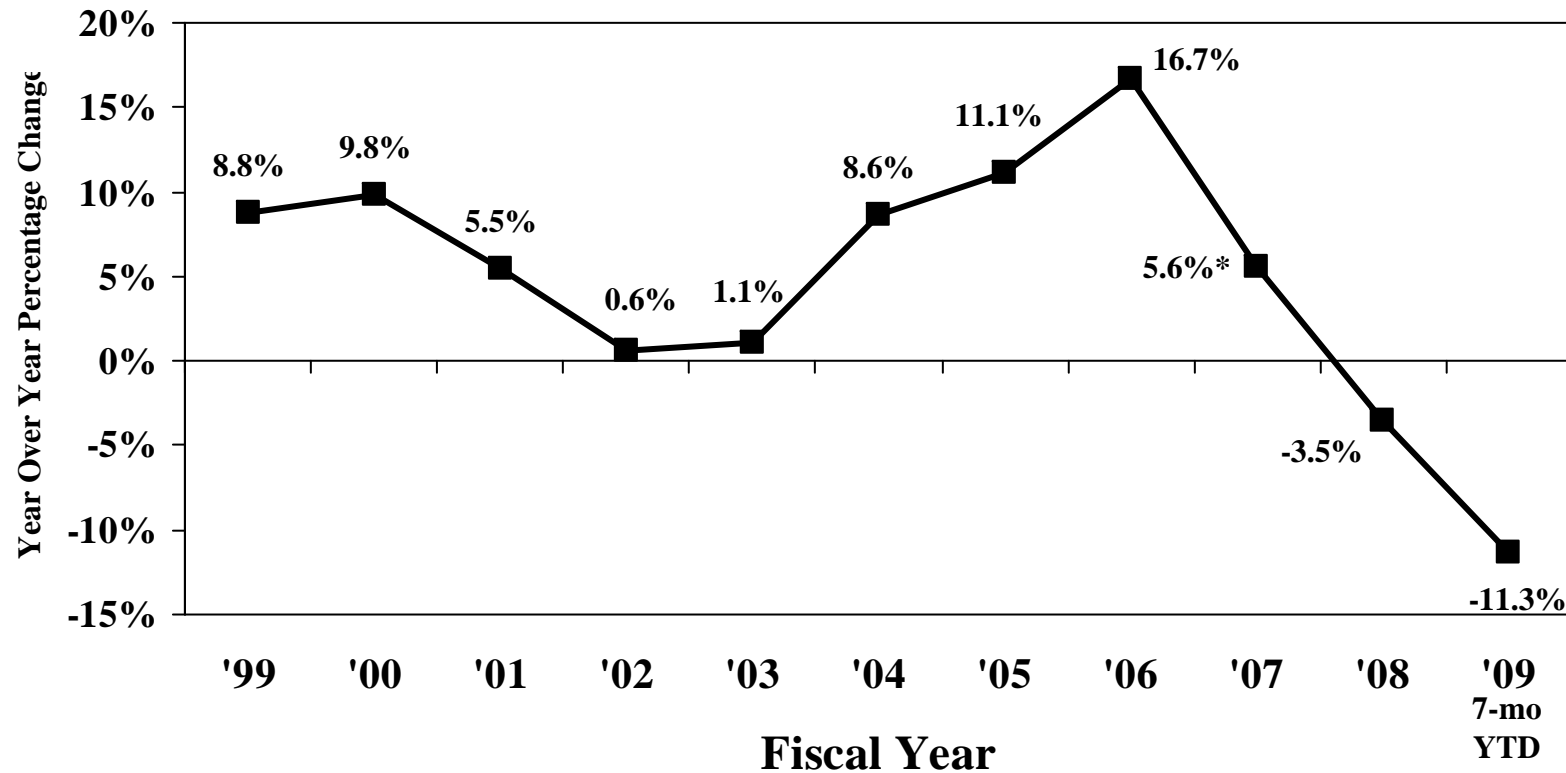
7505 East Sixth Avenue, Suite 100 Scottsdale, Arizona 85251
480-423-9200 P 480-423-5942 F www.arizonaeconomy.com



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Sales Tax

Sales Tax Growth Rate



* The '07 increase of 5.6% does not include the one-time impact of the revised June estimated payment threshold from \$100,000 to \$1.0 million enacted by the Legislature.

Including the impact of the one-time change, actual collections grew by 4.3%

Arizona Sales Tax - Total General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	297,753,472	9.8%	9.8%
		Aug 2004	286,991,921	9.7%	9.8%
		Sept 2004	291,524,219	9.2%	9.6%
		Oct 2004	294,146,223	10.7%	9.9%
		Nov 2004	289,546,242	8.3%	9.5%
		Dec 2004	287,618,657	9.9%	9.6%
		Jan 2005	356,818,639	13.6%	10.3%
		Feb 2005	282,930,176	9.7%	10.2%
		Mar 2005	291,854,753	10.4%	10.2%
		Apr 2005	332,806,103	10.7%	10.3%
		May 2005	315,664,510	13.8%	10.6%
	↓	June 2005	333,513,707	16.6%	11.1%
FY 2006	↑	July 2005	347,621,329	16.7%	16.7%
		Aug 2005	334,204,902	16.5%	16.6%
		Sept 2005	343,784,559	17.9%	17.0%
		Oct 2005	344,584,769	17.1%	17.1%
		Nov 2005	334,011,412	15.4%	16.7%
		Dec 2005	341,852,219	18.9%	17.1%
		Jan 2006	420,282,327	17.8%	17.2%
		Feb 2006	330,582,460	16.8%	17.2%
		Mar 2006	345,767,996	18.5%	17.3%
		Apr 2006	384,904,139	15.7%	17.1%
		May 2006	362,497,362	14.8%	16.9%
	↓	June 2006	383,265,378	14.9%	16.7%
FY 2007	↑	July 2006	390,460,231	12.3%	12.3%
		Aug 2006	353,466,457	5.8%	9.1%
		Sept 2006	379,889,665	10.5%	9.6%
		Oct 2006	376,890,480	9.4%	9.5%
		Nov 2006	365,372,337	9.4%	9.5%
		Dec 2006	362,236,390	6.0%	8.9%
		Jan 2007	439,996,411	4.7%	8.2%
		Feb 2007	359,643,938	8.8%	8.3%
		Mar 2007	353,088,173	2.1%	7.6%
		Apr 2007	398,196,373	3.5%	7.1%
		May 2007	357,610,064	-1.3%	6.3%
	↓	June 2007	320,780,323	-16.3%	4.3%
FY 2008	↑	July 2007	392,889,822	0.6%	0.6%
		Aug 2007	366,627,555	3.7%	2.1%
		Sept 2007	366,842,873	-3.4%	0.2%
		Oct 2007	373,831,498	-0.8%	0.0%
		Nov 2007	366,084,157	0.2%	0.0%
		Dec 2007	362,105,035	0.0%	0.0%
		Jan 2008	406,881,740	-7.5%	-1.2%
		Feb 2008	342,061,289	-4.9%	-1.7%
		Mar 2008	349,634,579	-1.0%	-1.6%
		Apr 2008	373,838,251	-6.1%	-2.1%
		May 2008	353,973,221	-1.0%	-2.0%
	↓	June 2008	298,794,828	-6.9%	-2.3%
FY 2009	↑	July 2008	356,253,718	-9.3%	-9.3%
		Aug 2008	345,178,741	-5.9%	-7.6%
		Sept 2008	342,275,305	-6.7%	-7.3%
		Oct 2008	337,313,340	-9.8%	-7.9%
		Nov 2008	317,474,089	-13.3%	-9.0%
		Dec 2008	302,821,227	-16.4%	-10.2%
		Jan 2009	357,760,734	-12.1%	-10.5%
		Feb 2009	282,660,000	-17.4%	-11.3%
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

Arizona Sales Tax - Retail

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	135,655,865	6.3%	6.3%
		Aug 2004	129,780,078	9.5%	7.9%
		Sept 2004	129,817,746	4.2%	6.6%
		Oct 2004	133,734,938	11.1%	7.7%
		Nov 2004	131,620,393	9.1%	8.0%
		Dec 2004	138,559,574	8.9%	8.1%
		Jan 2005	186,350,807	10.4%	8.6%
		Feb 2005	130,567,977	7.2%	8.4%
		Mar 2005	136,300,442	10.3%	8.6%
		Apr 2005	158,048,274	9.3%	8.7%
		May 2005	148,086,810	12.4%	9.0%
	↓	June 2005	149,656,276	10.6%	9.2%
FY 2006	↑	July 2005	159,056,661	17.3%	17.3%
		Aug 2005	151,650,858	16.9%	17.1%
		Sept 2005	155,323,150	19.6%	17.9%
		Oct 2005	151,719,291	13.4%	16.8%
		Nov 2005	150,085,277	14.0%	16.2%
		Dec 2005	157,743,736	13.8%	15.8%
		Jan 2006	213,093,761	14.4%	15.5%
		Feb 2006	148,801,215	14.0%	15.4%
		Mar 2006	155,769,534	14.3%	15.2%
		Apr 2006	175,368,144	11.0%	14.8%
		May 2006	169,266,627	14.3%	14.7%
	↓	June 2006	168,160,318	12.4%	14.5%
FY 2007	↑	July 2006	169,723,491	6.7%	6.7%
		Aug 2006	155,842,572	2.8%	4.8%
		Sept 2006	163,988,894	5.6%	5.0%
		Oct 2006	158,869,642	4.7%	5.0%
		Nov 2006	153,908,793	2.5%	4.5%
		Dec 2006	167,464,043	6.2%	4.8%
		Jan 2007	215,189,656	1.0%	4.1%
		Feb 2007	157,706,055	6.0%	4.3%
		Mar 2007	158,858,656	2.0%	4.0%
		Apr 2007	181,559,289	3.5%	4.0%
		May 2007	177,671,344	5.0%	4.1%
	↓	June 2007	166,994,609	-0.7%	3.7%
FY 2008	↑	July 2007	168,701,610	-0.6%	-0.6%
		Aug 2007	155,843,067	0.0%	-0.3%
		Sept 2007	157,758,362	-3.8%	-1.5%
		Oct 2007	155,232,586	-2.3%	-1.7%
		Nov 2007	155,481,940	1.0%	-1.2%
		Dec 2007	161,715,960	-3.4%	-1.6%
		Jan 2008	206,954,506	-3.8%	-2.0%
		Feb 2008	141,687,651	-10.2%	-2.9%
		Mar 2008	151,347,983	-4.7%	-3.1%
		Apr 2008	171,895,140	-5.3%	-3.4%
		May 2008	154,399,548	-13.1%	-4.3%
	↓	June 2008	158,533,239	-5.1%	-4.4%
FY 2009	↑	July 2008	151,221,528	-10.4%	-10.4%
		Aug 2008	141,997,515	-8.9%	-9.7%
		Sept 2008	148,418,887	-5.9%	-8.4%
		Oct 2008	142,632,579	-8.1%	-8.4%
		Nov 2008	132,015,121	-15.1%	-9.7%
		Dec 2008	139,180,130	-13.9%	-10.4%
		Jan 2009	178,527,187	-13.7%	-11.0%
		Feb 2009			
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

Arizona Sales Tax - Contracting

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	56,625,508	17.6%	17.6%
		Aug 2004	53,051,419	15.5%	16.6%
		Sept 2004	56,478,418	20.0%	17.7%
		Oct 2004	56,912,069	18.0%	17.8%
		Nov 2004	54,698,652	10.9%	16.4%
		Dec 2004	55,495,541	26.2%	17.9%
		Jan 2005	64,083,984	23.1%	18.7%
		Feb 2005	48,999,303	17.1%	18.5%
		Mar 2005	53,376,960	21.3%	18.8%
		Apr 2005	64,008,264	25.4%	19.5%
		May 2005	61,389,981	22.5%	19.8%
	↓	June 2005	66,300,608	33.0%	21.0%
FY 2006	↑	July 2005	73,449,566	29.7%	29.7%
		Aug 2005	65,280,791	23.1%	26.5%
		Sept 2005	69,736,836	23.5%	25.5%
		Oct 2005	71,875,989	26.3%	25.7%
		Nov 2005	65,866,408	20.4%	24.6%
		Dec 2005	73,197,845	31.9%	25.8%
		Jan 2006	83,495,930	30.3%	26.6%
		Feb 2006	65,409,736	33.5%	27.3%
		Mar 2006	70,980,348	33.0%	27.9%
		Apr 2006	82,734,326	29.3%	28.1%
		May 2006	76,269,575	24.2%	27.7%
	↓	June 2006	82,977,855	25.2%	27.5%
FY 2007	↑	July 2006	89,602,967	22.0%	22.0%
		Aug 2006	75,238,759	15.3%	18.8%
		Sept 2006	80,938,291	16.1%	17.9%
		Oct 2006	87,594,136	21.9%	18.9%
		Nov 2006	80,499,919	22.2%	19.5%
		Dec 2006	76,849,517	5.0%	17.0%
		Jan 2007	95,496,438	14.4%	16.6%
		Feb 2007	73,418,261	12.2%	16.1%
		Mar 2007	70,403,512	-0.8%	14.2%
		Apr 2007	81,956,142	-0.9%	12.5%
		May 2007	76,125,717	-0.2%	11.3%
	↓	June 2007	80,475,472	-3.0%	9.9%
FY 2008	↑	July 2007	84,908,206	-5.2%	-5.2%
		Aug 2007	78,149,544	3.9%	-1.1%
		Sept 2007	75,884,177	-6.2%	-2.8%
		Oct 2007	77,120,496	-12.0%	-5.2%
		Nov 2007	76,543,383	-4.9%	-5.1%
		Dec 2007	76,723,853	-0.2%	-4.4%
		Jan 2008	72,469,751	-24.1%	-7.6%
		Feb 2008	64,593,368	-12.0%	-8.1%
		Mar 2008	59,879,686	-14.9%	-8.7%
		Apr 2008	66,449,725	-18.9%	-9.8%
		May 2008	66,990,187	-12.0%	-10.0%
	↓	June 2008	69,569,046	-13.6%	-10.3%
FY 2009	↑	July 2008	68,881,661	-18.9%	-18.9%
		Aug 2008	65,910,704	-15.7%	-17.3%
		Sept 2008	61,476,833	-19.0%	-17.9%
		Oct 2008	63,339,249	-17.9%	-17.9%
		Nov 2008	61,291,312	-19.9%	-18.3%
		Dec 2008	54,311,200	-29.2%	-20.1%
		Jan 2009	58,954,479	-18.6%	-19.9%
		Feb 2009			
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

Arizona Sales Tax - Utilities

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	27,013,184	3.2%	3.2%
		Aug 2004	30,325,703	6.4%	4.8%
		Sept 2004	31,741,960	8.2%	6.0%
		Oct 2004	30,740,200	4.9%	5.7%
		Nov 2004	25,266,623	2.2%	5.1%
		Dec 2004	20,437,208	9.9%	5.7%
		Jan 2005	22,887,268	15.4%	6.8%
		Feb 2005	23,568,912	8.4%	6.9%
		Mar 2005	21,093,834	0.0%	6.3%
		Apr 2005	20,088,226	3.4%	6.0%
		May 2005	19,934,242	5.1%	6.0%
	↓	June 2005	23,163,752	6.9%	6.0%
FY 2006	↑	July 2005	30,123,635	11.5%	11.5%
		Aug 2005	33,750,711	11.3%	11.4%
		Sept 2005	35,125,817	10.7%	11.1%
		Oct 2005	33,780,817	9.9%	10.8%
		Nov 2005	29,135,783	15.3%	11.6%
		Dec 2005	22,091,021	8.1%	11.2%
		Jan 2006	27,326,797	19.4%	12.2%
		Feb 2006	25,560,400	8.4%	11.8%
		Mar 2006	22,568,311	7.0%	11.3%
		Apr 2006	24,117,190	20.1%	12.0%
		May 2006	22,105,984	10.9%	11.9%
	↓	June 2006	27,844,657	20.2%	12.6%
FY 2007	↑	July 2006	34,298,139	13.9%	13.9%
		Aug 2006	35,017,585	3.8%	8.5%
		Sept 2006	43,094,371	22.7%	13.5%
		Oct 2006	37,109,678	9.9%	12.6%
		Nov 2006	31,261,217	7.3%	11.7%
		Dec 2006	24,939,936	12.9%	11.8%
		Jan 2007	27,586,109	0.9%	10.4%
		Feb 2007	32,562,551	27.4%	12.2%
		Mar 2007	29,526,457	30.8%	13.8%
		Apr 2007	25,414,142	5.4%	13.1%
		May 2007	24,034,224	8.7%	12.8%
	↓	June 2007	29,476,016	5.9%	12.2%
FY 2008	↑	July 2007	38,942,178	13.5%	13.5%
		Aug 2007	37,039,168	5.8%	9.6%
		Sept 2007	38,939,736	-9.6%	2.2%
		Oct 2007	43,658,875	17.6%	6.1%
		Nov 2007	34,702,176	11.0%	6.9%
		Dec 2007	28,029,896	12.4%	7.6%
		Jan 2008	27,510,799	-0.3%	6.7%
		Feb 2008	35,515,285	9.1%	6.9%
		Mar 2008	34,338,536	16.3%	7.9%
		Apr 2008	24,546,221	-3.4%	7.0%
		May 2008	27,297,353	13.6%	7.4%
	↓	June 2008	30,641,891	4.0%	7.2%
FY 2009	↑	July 2008	37,561,735	-3.5%	-3.5%
		Aug 2008	46,879,131	26.6%	11.1%
		Sept 2008	45,036,032	15.7%	12.7%
		Oct 2008	40,502,312	-7.2%	7.2%
		Nov 2008	35,158,491	1.3%	6.1%
		Dec 2008	27,056,247	-3.5%	4.9%
		Jan 2009	27,811,860	1.1%	4.5%
		Feb 2009			
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

Arizona Sales Tax - Restaurants and Bars

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	22,708,857	9.2%	9.2%
		Aug 2004	21,278,820	10.3%	9.7%
		Sept 2004	21,320,496	8.5%	9.3%
		Oct 2004	21,984,775	6.6%	8.6%
		Nov 2004	23,818,505	14.2%	9.8%
		Dec 2004	22,326,535	1.9%	8.4%
		Jan 2005	26,300,293	16.2%	9.6%
		Feb 2005	24,490,839	7.4%	9.3%
		Mar 2005	26,750,839	11.6%	9.6%
		Apr 2005	27,538,659	5.2%	9.1%
		May 2005	27,671,032	16.8%	9.8%
	↓	June 2005	26,359,625	12.9%	10.1%
FY 2006	↑	July 2005	25,760,478	13.4%	13.4%
		Aug 2005	23,621,671	11.0%	12.3%
		Sept 2005	24,552,209	15.2%	13.2%
		Oct 2005	25,332,188	15.2%	13.7%
		Nov 2005	26,717,800	12.2%	13.4%
		Dec 2005	26,402,748	18.3%	14.2%
		Jan 2006	28,524,262	8.5%	13.3%
		Feb 2006	27,902,255	13.9%	13.3%
		Mar 2006	29,389,750	9.9%	12.9%
		Apr 2006	31,522,229	14.5%	13.1%
		May 2006	30,057,423	8.6%	12.6%
	↓	June 2006	29,045,199	10.2%	12.4%
FY 2007	↑	July 2006	28,025,509	8.8%	8.8%
		Aug 2006	25,406,213	7.6%	8.2%
		Sept 2006	25,474,093	3.8%	6.7%
		Oct 2006	27,567,943	8.8%	7.3%
		Nov 2006	32,249,878	20.7%	10.1%
		Dec 2006	28,295,767	7.2%	9.6%
		Jan 2007	30,950,667	8.5%	9.4%
		Feb 2007	30,649,098	9.8%	9.5%
		Mar 2007	29,694,899	1.0%	8.4%
		Apr 2007	34,392,336	9.1%	8.5%
		May 2007	31,957,682	6.3%	8.3%
	↓	June 2007	29,936,887	3.1%	7.8%
FY 2008	↑	July 2007	29,101,596	3.8%	3.8%
		Aug 2007	26,935,024	6.0%	4.9%
		Sept 2007	26,786,010	5.2%	5.0%
		Oct 2007	28,689,796	4.1%	4.7%
		Nov 2007	29,377,274	-8.9%	1.6%
		Dec 2007	30,275,107	7.0%	2.5%
		Jan 2008	27,452,580	-11.3%	0.3%
		Feb 2008	29,995,413	-2.1%	0.0%
		Mar 2008	30,895,077	4.0%	0.5%
		Apr 2008	34,037,313	-1.0%	0.3%
		May 2008	30,786,989	-3.7%	-0.1%
	↓	June 2008	31,854,667	6.4%	0.4%
FY 2009	↑	July 2008	26,987,359	-7.3%	-7.3%
		Aug 2008	25,927,019	-3.7%	-5.6%
		Sept 2008	26,558,833	-0.8%	-4.0%
		Oct 2008	26,485,387	-7.7%	-5.0%
		Nov 2008	27,624,767	-6.0%	-5.2%
		Dec 2008	27,609,854	-8.8%	-5.8%
		Jan 2009	27,811,860	1.3%	-4.8%
		Feb 2009			
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

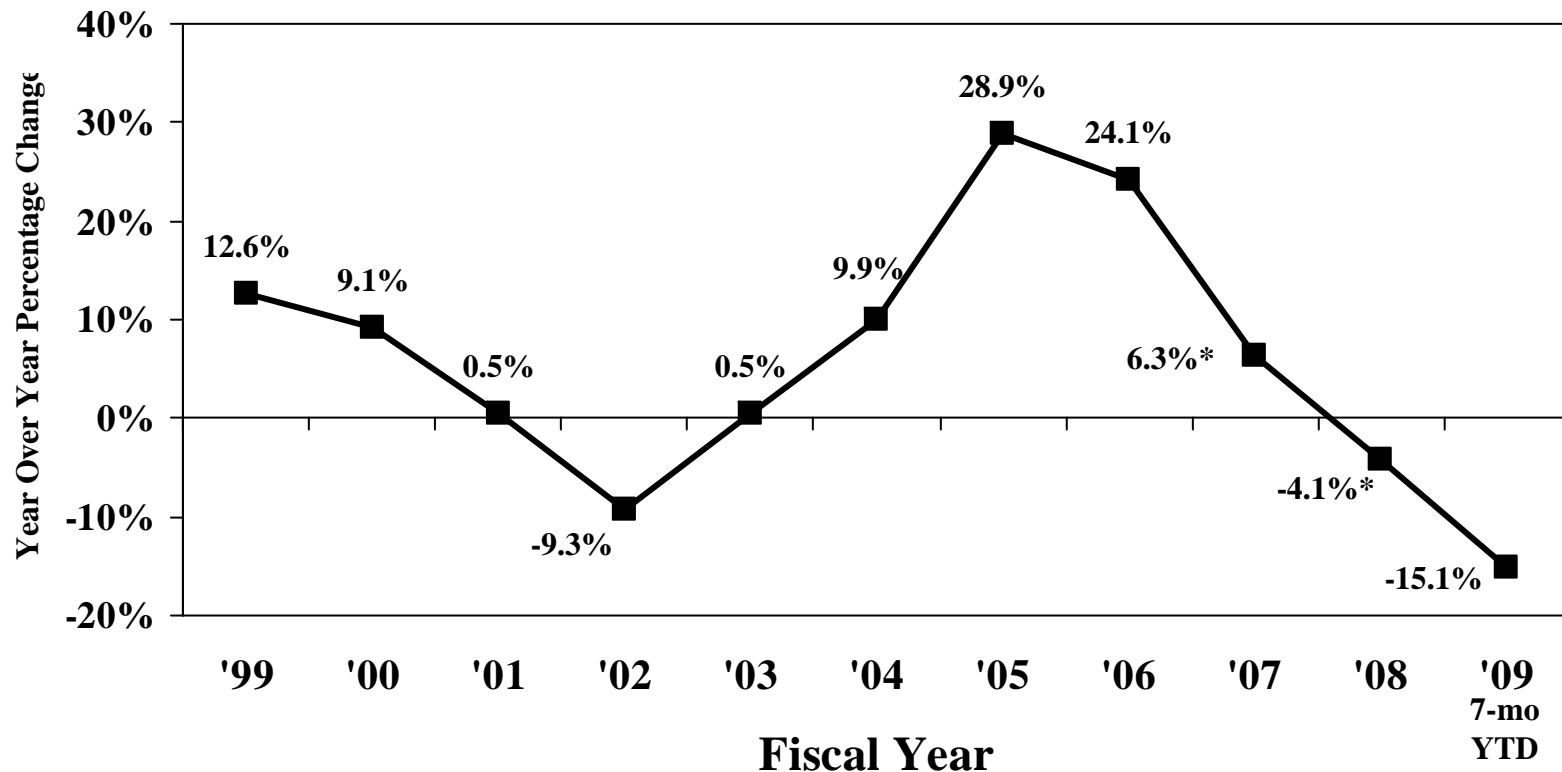
Arizona Use Tax

General Fund Collections

		Collections (\$)	Year-to-Year % Change	Year-to-Date % Change	
FY 2005	↑	July 2004	22,547,132	26.2%	26.2%
		Aug 2004	22,557,101	13.4%	19.5%
		Sept 2004	22,229,731	14.1%	17.7%
		Oct 2004	20,607,802	10.0%	15.8%
		Nov 2004	21,355,148	4.2%	13.3%
		Dec 2004	19,586,986	5.0%	12.0%
		Jan 2005	24,134,289	21.2%	13.3%
		Feb 2005	21,758,390	23.4%	14.5%
		Mar 2005	18,691,567	5.6%	13.6%
		Apr 2005	22,354,083	5.4%	12.7%
		May 2005	21,652,224	13.6%	12.7%
	↓	June 2005	22,141,203	2.6%	11.8%
FY 2006	↑	July 2005	23,872,256	5.9%	5.9%
		Aug 2005	26,621,874	18.0%	11.9%
		Sept 2005	25,990,396	16.9%	13.6%
		Oct 2005	28,124,088	36.5%	19.0%
		Nov 2005	25,350,591	18.7%	18.9%
		Dec 2005	25,520,731	30.3%	20.6%
		Jan 2006	31,316,999	29.8%	22.1%
		Feb 2006	26,149,998	20.2%	21.8%
		Mar 2006	26,624,546	42.4%	23.8%
		Apr 2006	26,326,619	17.8%	23.2%
		May 2006	21,682,845	0.1%	21.1%
	↓	June 2006	18,617,865	-15.9%	17.9%
FY 2007	↑	July 2006	28,987,773	21.4%	21.4%
		Aug 2006	25,431,547	-4.5%	7.8%
		Sept 2006	28,561,796	9.9%	8.5%
		Oct 2006	28,527,152	1.4%	6.6%
		Nov 2006	27,484,263	8.4%	7.0%
		Dec 2006	23,756,958	-6.9%	4.7%
		Jan 2007	31,899,499	1.9%	4.2%
		Feb 2007	23,123,752	-11.6%	2.3%
		Mar 2007	22,628,801	-15.0%	0.3%
		Apr 2007	27,021,534	2.6%	0.6%
		May 2007	6,153,618	-71.6%	-4.9%
	↓	June 2007	29,434,170	58.1%	-1.0%
FY 2008	↑	July 2007	31,300,389	8.0%	8.0%
		Aug 2007	29,103,528	14.4%	11.0%
		Sept 2007	29,437,063	3.1%	8.3%
		Oct 2007	30,750,858	7.8%	8.1%
		Nov 2007	30,042,343	9.3%	8.4%
		Dec 2007	26,487,663	11.5%	8.8%
		Jan 2008	33,730,459	5.7%	8.3%
		Feb 2008	27,581,711	19.3%	9.5%
		Mar 2008	26,927,528	19.0%	10.4%
		Apr 2008	28,924,084	7.0%	10.0%
		May 2008	27,402,823	345.3%	17.6%
	↓	June 2008	19,220,885	-34.7%	12.5%
FY 2009	↑	July 2008	31,696,678	1.3%	1.3%
		Aug 2008	30,505,018	4.8%	3.0%
		Sept 2008	28,148,827	-4.4%	0.6%
		Oct 2008	29,703,678	-3.4%	-0.4%
		Nov 2008	25,398,587	-15.5%	-3.4%
		Dec 2008	20,945,415	-20.9%	-6.1%
		Jan 2009	32,438,853	-3.8%	-5.7%
		Feb 2009			
		Mar 2009			
		Apr 2009			
		May 2009			
	↓	June 2009			

Individual Income Tax

Individual Income Tax Growth Rate



* The '07 and '08 percentages do not include the impact of the 10% rate reduction passed by the Legislature, and phased in over 2 years beginning in tax year 2006. Including the rate reduction, actual '07 growth was 1.6%, and '08 was (9.1)%.

% Change From Prior Year

FYTD Est

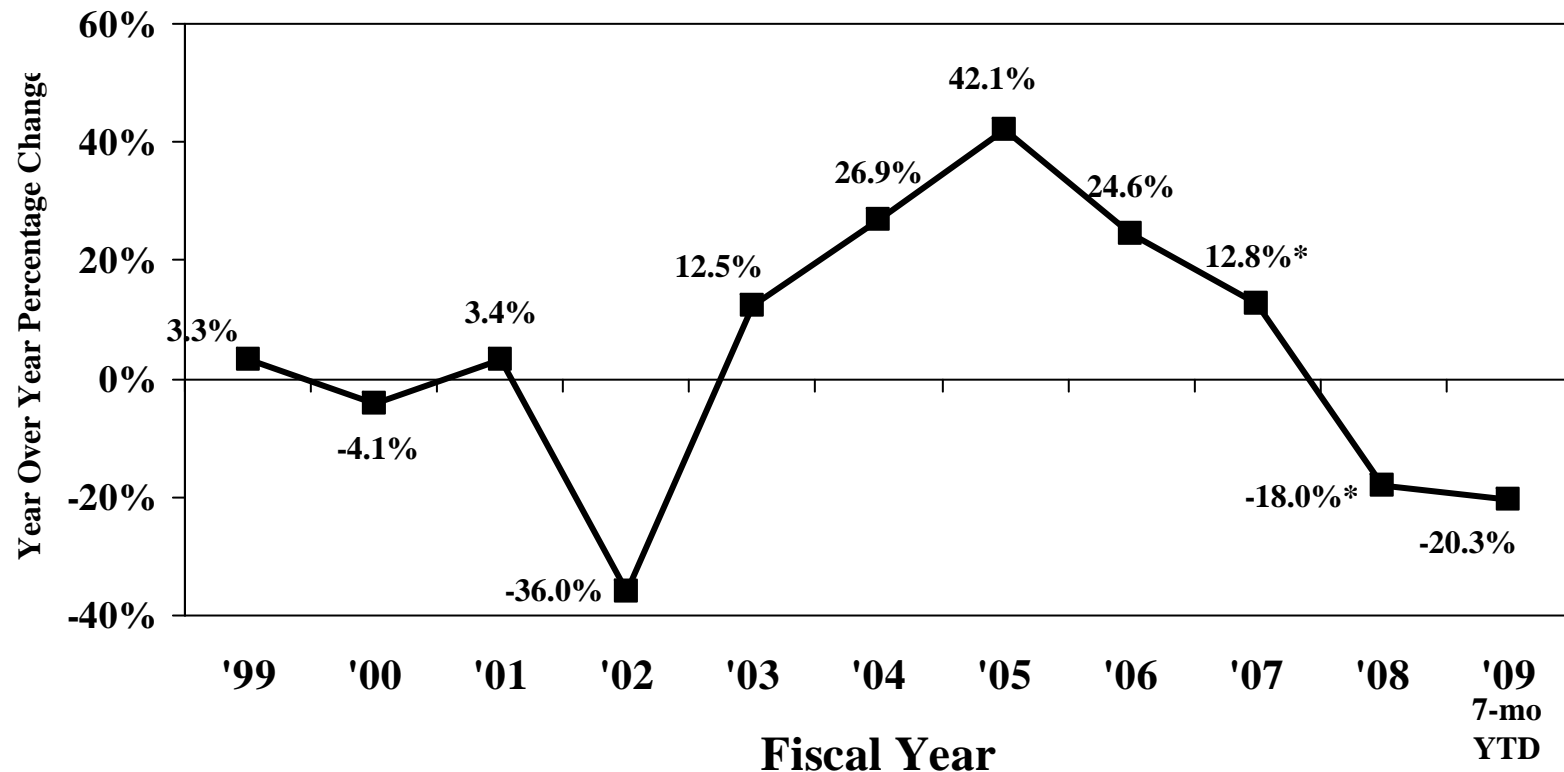
		FYTD				FYTD		Est. & Final	Y/Y	FYTD			FYTD
		Total PIT	Y/Y Chg.	Chg.	Withholdings	Y/Y Chg.	Chg.	Payments	Chg.	Chg.	Refunds	Y/Y Chg.	Chg.
FY 2005	Jul-04	180,258,486	8.7%	8.7%	185,359,849	10.2%	10.2%	7,982,042	-18.7%	-18.7%	(13,083,405)	7.8%	7.8%
	Aug	208,007,549	14.4%	11.6%	206,338,811	14.7%	12.5%	17,256,736	31.3%	9.9%	(15,587,998)	40.5%	23.4%
	Sep	258,308,001	11.8%	11.7%	184,456,860	2.7%	9.2%	85,967,739	20.7%	18.0%	(12,116,599)	-39.0%	-5.3%
	Oct	203,622,310	9.6%	11.2%	187,072,940	-0.3%	6.7%	27,192,307	27.3%	19.8%	(10,642,937)	-54.1%	-22.4%
	Nov	218,542,604	19.9%	12.9%	222,360,341	14.3%	8.3%	11,359,321	35.3%	20.8%	(15,177,058)	-26.6%	-23.4%
	Dec	296,768,719	14.1%	13.1%	233,620,890	9.2%	8.5%	81,181,241	42.6%	27.7%	(18,033,413)	67.5%	-13.4%
	Jan	357,209,039	33.8%	16.9%	249,542,466	21.8%	10.5%	119,604,915	51.0%	34.8%	(11,938,341)	-29.8%	-15.8%
	Feb	95,639,793	46.0%	18.1%	239,830,618	16.4%	11.3%	12,489,817	3.1%	33.4%	(156,680,643)	2.7%	-5.3%
	Mar	108,697,181	21.4%	18.3%	245,076,317	11.1%	11.3%	39,089,384	8.5%	30.5%	(175,468,521)	5.0%	-1.3%
	Apr	534,861,186	76.9%	27.5%	209,608,264	12.6%	11.4%	512,208,256	57.4%	44.3%	(186,955,334)	-10.6%	-4.4%
	May	229,122,033	69.4%	30.2%	244,198,666	24.9%	12.7%	84,231,869	80.3%	46.8%	(99,308,501)	-7.1%	-4.7%
	Jun	282,679,372	18.0%	28.9%	215,867,519	10.2%	12.4%	106,817,719	38.4%	45.9%	(40,005,867)	19.0%	-3.7%
FY 2006	Jul-05	223,953,189	24.2%	24.2%	221,317,607	19.4%	19.4%	15,395,021	92.9%	92.9%	(12,759,440)	-2.5%	-2.5%
	Aug	263,700,000	26.8%	25.6%	253,061,649	22.6%	21.1%	25,713,368	49.0%	62.9%	(15,075,017)	-3.3%	-2.9%
	Sep	322,958,721	25.0%	25.4%	217,514,066	17.9%	20.1%	118,564,270	37.9%	43.6%	(13,119,615)	8.3%	0.4%
	Oct	244,717,144	20.2%	24.1%	233,132,229	24.6%	21.2%	27,206,826	0.1%	35.0%	(15,621,911)	46.8%	10.0%
	Nov	246,397,916	12.7%	21.8%	251,199,672	13.0%	19.3%	16,055,089	41.3%	35.5%	(20,856,845)	37.4%	16.3%
	Dec	366,228,870	23.4%	22.1%	275,574,553	18.0%	19.1%	111,812,195	37.7%	36.3%	(21,157,877)	17.3%	16.5%
	Jan	461,569,947	29.2%	23.6%	289,016,657	15.8%	18.5%	182,419,323	52.5%	41.8%	(9,866,032)	-17.4%	12.3%
	Feb	104,975,664	9.8%	22.9%	269,407,378	12.3%	17.7%	18,041,261	44.4%	41.9%	(182,472,975)	16.5%	14.9%
	Mar	75,235,164	-30.8%	19.9%	271,172,800	10.6%	16.8%	43,912,674	12.3%	39.0%	(239,850,310)	36.7%	23.8%
	Apr	621,374,286	16.2%	19.1%	221,762,700	5.8%	15.7%	618,672,832	20.8%	28.8%	(219,061,246)	17.2%	21.8%
	May	423,818,481	85.0%	24.7%	276,966,197	13.4%	15.5%	259,114,481	207.6%	43.9%	(112,262,197)	13.0%	20.6%
	Jun	334,443,992	18.3%	24.1%	256,634,913	18.9%	15.8%	145,568,069	36.3%	43.2%	(67,758,989)	69.4%	23.2%
FY 2007	Jul-06	232,882,593	4.0%	4.0%	233,180,431	5.4%	5.4%	17,937,645	16.5%	16.5%	(18,235,483)	42.9%	42.9%
	Aug	283,590,385	7.5%	5.9%	277,224,789	9.5%	7.6%	23,419,716	-8.9%	0.6%	(17,054,119)	13.1%	26.8%
	Sep	355,502,460	10.1%	7.6%	216,332,499	-0.5%	5.0%	157,891,628	33.2%	24.8%	(18,721,667)	42.7%	31.9%
	Oct	305,103,998	24.7%	11.5%	263,987,122	13.2%	7.1%	65,184,764	139.6%	41.5%	(24,067,889)	54.1%	38.0%
	Nov	249,526,954	1.3%	9.6%	259,238,972	3.2%	6.3%	31,853,112	98.4%	46.0%	(41,565,130)	99.3%	54.5%
	Dec	360,467,690	-1.6%	7.1%	308,908,979	12.1%	7.4%	90,557,275	-19.0%	22.9%	(38,998,564)	84.3%	60.9%
	Jan	544,268,647	17.9%	9.5%	339,575,980	17.5%	9.1%	239,701,160	31.4%	26.0%	(35,008,493)	254.8%	78.6%
	Feb	83,536,034	-20.4%	8.1%	292,673,483	8.6%	9.0%	18,072,039	0.2%	25.1%	(227,209,488)	24.5%	44.7%
	Mar	106,837,038	42.0%	9.2%	291,407,424	7.5%	8.8%	45,377,904	3.3%	23.4%	(229,948,290)	-4.1%	22.6%
	Apr	603,667,191	-2.8%	6.6%	253,149,529	14.2%	9.3%	642,965,695	3.9%	13.2%	(292,448,033)	33.5%	25.8%
	May	310,268,127	-26.8%	2.4%	289,463,997	4.5%	8.8%	172,843,132	-33.3%	4.8%	(152,039,001)	35.4%	27.0%
	Jun	311,735,821	-6.8%	1.6%	249,174,420	-2.9%	7.8%	138,268,468	-5.0%	3.9%	(75,707,066)	11.7%	25.9%
FY 2008	Jul-07	266,413,536	14.4%	14.4%	267,840,071	14.9%	14.9%	17,879,385	-0.3%	-0.3%	(19,305,920)	5.9%	5.9%
	Aug	267,438,218	-5.7%	3.4%	274,123,223	-1.1%	6.2%	25,938,503	10.8%	5.9%	(32,623,508)	91.3%	47.2%
	Sep	362,253,396	1.9%	2.8%	232,690,269	7.6%	6.6%	150,661,494	-4.6%	-2.4%	(21,098,367)	12.7%	35.2%
	Oct	275,463,139	-9.7%	-0.5%	279,036,817	5.7%	6.4%	68,191,868	4.6%	-0.7%	(71,765,546)	198.2%	85.4%
	Nov	235,208,302	-5.7%	-1.4%	267,231,175	3.1%	5.7%	17,879,843	-43.9%	-5.3%	(49,902,715)	20.1%	62.7%
	Dec	363,991,640	1.0%	-0.9%	302,000,571	-2.2%	4.1%	62,901,960	-30.5%	-11.2%	(910,892)	-97.7%	23.3%
	Jan	479,616,749	-11.9%	-3.5%	323,018,735	-4.9%	2.5%	195,882,391	-18.3%	-13.9%	(39,284,377)	12.2%	21.3%
	Feb	39,043,896	-53.3%	-5.2%	294,334,015	0.6%	2.2%	17,557,877	-2.8%	-13.6%	(272,847,997)	20.1%	20.6%
	Mar	61,928,889	-42.0%	-6.8%	297,732,417	2.2%	2.2%	48,363,442	6.6%	-12.3%	(284,166,970)	23.6%	21.7%
	Apr	605,994,371	0.4%	-5.4%	251,826,796	-0.5%	2.0%	675,341,552	5.0%	-3.9%	(321,173,977)	9.8%	18.0%
	May	146,065,658	-52.9%	-9.7%	282,129,773	-2.5%	1.5%	32,424,806	-81.2%	-12.8%	(168,488,921)	10.8%	17.0%
	Jun	303,035,518	-2.8%	-9.1%	250,638,790	0.6%	1.5%	119,010,089	-13.9%	-12.9%	(66,613,361)	-12.0%	15.1%
FY 2009	Jul-08	265,360,890	-0.4%	-0.4%	270,267,357	0.9%	0.9%	20,362,785	13.9%	13.9%	(25,269,252)	30.9%	30.9%
	Aug	231,680,201	-13.4%	-6.9%	245,741,515	-10.4%	-4.8%	14,090,255	-45.7%	-21.4%	(28,151,568)	-13.7%	2.9%
	Sep	355,393,041	-1.9%	-4.9%	255,433,501	9.8%	-0.4%	124,307,996	-17.5%	-18.4%	(24,348,455)	15.4%	6.5%
	Oct	260,640,864	-5.4%	-5.0%	274,469,795	-1.6%	-0.7%	53,444,533	-21.6%	-19.2%	(67,273,464)	-6.3%	0.2%
	Nov	200,335,179	-14.8%	-6.6%	250,315,933	-6.3%	-1.9%	13,115,668	-26.6%	-19.7%	(63,096,422)	26.4%	6.9%
	Dec	341,281,282	-6.2%	-6.6%	297,480,818	-1.5%	-1.8%	62,643,686	-0.4%	-16.2%	(18,843,222)	1968.7%	16.0%
	Jan	331,952,295	-30.8%	-11.7%	275,506,543	-14.7%	-3.9%	112,467,313	-42.6%	-25.8%	(56,021,561)	42.6%	20.5%
	Feb	(41,919,799)	-207.4%	-15.1%	238,055,874	-19.1%	-5.9%	17,921,395	2.1%	-24.9%	(297,897,068)	9.2%	14.4%
	Mar	-	-	-	-	-	-	-	-	-	-	-	-
	Apr	-	-	-	-	-	-	-	-	-	-	-	-
	May	-	-	-	-	-	-	-	-	-	-	-	-
	Jun	-	-	-	-	-	-	-	-	-	-	-	-

**Individual Income Tax
Estimated/Final Payments Worksheet
(by Month)**

	FY2005			FY2006			FY2007			FY2008			FY2009		
	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final
Jul	7,982,042	3,053,848	4,928,193	15,395,021	4,885,194	10,509,827	17,937,645	6,371,696	11,565,948	17,879,385	6,507,747	11,371,639	20,362,785	6,533,304	13,829,481
Aug	17,256,736	4,162,399	13,094,337	25,713,368	7,683,379	18,029,988	23,419,716	7,456,858	15,962,858	25,938,503	5,666,480	20,272,023	14,090,255	5,827,130	8,263,125
Sep	85,967,739	78,273,024	7,694,715	118,564,270	110,531,138	8,033,132	157,891,628	145,469,802	12,421,826	150,661,494	135,849,436	14,812,058	124,307,996	112,945,236	11,362,760
Oct	27,192,307	5,023,144	22,169,162	27,206,826	7,685,799	19,521,027	65,184,764	11,339,308	53,845,457	68,191,868	10,396,440	57,795,428	53,444,533	7,821,163	45,623,371
Nov	11,359,321	3,013,046	8,346,275	16,055,089	5,885,793	10,169,296	31,853,112	5,472,606	26,380,506	17,879,843	4,759,688	13,120,155	13,115,668	4,170,266	8,945,402
Dec	81,181,241	73,782,471	7,398,770	111,812,195	104,933,642	6,878,553	90,557,275	80,299,660	10,257,616	62,901,960	55,908,594	6,993,366	62,643,686	53,127,242	9,516,444
Jan	119,604,915	113,808,450	5,796,464	182,419,323	176,696,056	5,723,266	239,701,160	224,055,775	15,645,386	195,882,391	186,098,584	9,783,807	112,467,313	106,370,433	6,096,880
Feb	12,489,817	2,222,960	10,266,858	18,041,261	3,446,602	14,594,659	18,072,039	3,192,180	14,879,859	17,557,877	2,689,455	14,868,423	17,921,395	2,892,677	15,028,718
Mar	39,089,384	4,321,854	34,767,531	43,912,674	3,710,949	40,201,725	45,377,904	5,005,202	40,372,702	48,363,442	4,708,386	43,655,056	-	-	-
Apr	512,208,256	60,279,400	451,928,857	618,672,832	76,814,795	541,858,037	642,965,695	56,965,976	585,999,719	675,341,552	68,112,029	607,229,523	-	-	-
May	84,231,869	4,464,003	79,767,865	259,114,481	9,724,645	249,389,836	172,843,132	27,485,026	145,358,105	32,424,806	4,895,158	27,529,649	-	-	-
Jun	106,817,719	93,912,110	12,905,609	145,568,069	127,531,819	18,036,250	138,268,468	125,906,046	12,362,422	119,010,089	108,562,477	10,447,612	-	-	-
Total	1,105,381,346	446,316,710	659,064,637	1,582,475,408	639,529,812	942,945,597	1,644,072,537	699,020,134	945,052,403	1,432,033,211	594,154,473	837,878,738			
	Percent Change														
	FY2005			FY2006			FY2007			FY2008			FY2009		
	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final
Jul	-18.7%	10.1%	-30.0%	92.9%	60.0%	113.3%	16.5%	30.4%	10.0%	-0.3%	2.1%	-1.7%	13.9%	0.4%	21.6%
Aug	31.3%	52.3%	25.8%	49.0%	84.6%	37.7%	-8.9%	-2.9%	-11.5%	10.8%	-24.0%	27.0%	-45.7%	2.8%	-59.2%
Sep	20.7%	20.3%	24.7%	37.9%	41.2%	4.4%	33.2%	31.6%	54.6%	-4.6%	-6.6%	19.2%	-17.5%	-16.9%	-23.3%
Oct	27.3%	33.2%	26.0%	0.1%	53.0%	-11.9%	139.6%	47.5%	175.8%	4.6%	-8.3%	7.3%	-21.6%	-24.8%	-21.1%
Nov	35.3%	18.7%	42.4%	41.3%	95.3%	21.8%	98.4%	-7.0%	159.4%	-43.9%	-13.0%	-50.3%	-26.6%	-12.4%	-31.8%
Dec	42.6%	43.7%	32.7%	37.7%	42.2%	-7.0%	-19.0%	-23.5%	49.1%	-30.5%	-30.4%	-31.8%	-0.4%	-5.0%	36.1%
Jan	51.0%	54.4%	6.0%	52.5%	55.3%	-1.3%	31.4%	26.8%	173.4%	-18.3%	-16.9%	-37.5%	-42.6%	-42.8%	-37.7%
Feb	3.1%	84.7%	-5.9%	44.4%	55.0%	42.2%	0.2%	-7.4%	2.0%	-2.8%	-15.7%	-0.1%	2.1%	7.6%	1.1%
Mar	8.5%	42.0%	5.4%	12.3%	-14.1%	15.6%	3.3%	34.9%	0.4%	6.6%	-5.9%	8.1%			
Apr	57.4%	36.8%	60.6%	20.8%	27.4%	19.9%	3.9%	-25.8%	8.1%	5.0%	19.6%	3.6%			
May	80.3%	22.4%	85.2%	207.6%	117.8%	212.6%	-33.3%	182.6%	-41.7%	-81.2%	-82.2%	-81.1%			
Jun	38.4%	39.3%	32.5%	36.3%	35.8%	39.8%	-5.0%	-1.3%	-31.5%	-13.9%	-13.8%	-15.5%			
Total	45.9%	38.9%	51.1%	43.2%	43.3%	43.1%	3.9%	9.3%	0.2%	-12.9%	-15.0%	-11.3%			
	Percent to Total														
	FY2005			FY2006			FY2007			FY2008			FY2009		
	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final	Total	Estimated	Final
Jul	0.7%	0.7%	0.7%	1.0%	0.8%	1.1%	1.1%	0.9%	1.2%	1.2%	1.1%	1.4%	N/A	N/A	N/A
Aug	1.6%	0.9%	2.0%	1.6%	1.2%	1.9%	1.4%	1.1%	1.7%	1.8%	1.0%	2.4%	N/A	N/A	N/A
Sep	7.8%	17.5%	1.2%	7.5%	17.3%	0.9%	9.6%	20.8%	1.3%	10.5%	22.9%	1.8%	N/A	N/A	N/A
Oct	2.5%	1.1%	3.4%	1.7%	1.2%	2.1%	4.0%	1.6%	5.7%	4.8%	1.7%	6.9%	N/A	N/A	N/A
Nov	1.0%	0.7%	1.3%	1.0%	0.9%	1.1%	1.9%	0.8%	2.8%	1.2%	0.8%	1.6%	N/A	N/A	N/A
Dec	7.3%	16.5%	1.1%	7.1%	16.4%	0.7%	5.5%	11.5%	1.1%	4.4%	9.4%	0.8%	N/A	N/A	N/A
Jan	10.8%	25.5%	0.9%	11.5%	27.6%	0.6%	14.6%	32.1%	1.7%	13.7%	31.3%	1.2%	N/A	N/A	N/A
Feb	1.1%	0.5%	1.6%	1.1%	0.5%	1.5%	1.1%	0.5%	1.6%	1.2%	0.5%	1.8%	N/A	N/A	N/A
Mar	3.5%	1.0%	5.3%	2.8%	0.6%	4.3%	2.8%	0.7%	4.3%	3.4%	0.8%	5.2%	N/A	N/A	N/A
Apr	46.3%	13.5%	68.6%	39.1%	12.0%	57.5%	39.1%	8.1%	62.0%	47.2%	11.5%	72.5%	N/A	N/A	N/A
May	7.6%	1.0%	12.1%	16.4%	1.5%	26.4%	10.5%	3.9%	15.4%	2.3%	0.8%	3.3%	N/A	N/A	N/A
Jun	9.7%	21.0%	2.0%	9.2%	19.9%	1.9%	8.4%	18.0%	1.3%	8.3%	18.3%	1.2%	N/A	N/A	N/A
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%			

Corporate Income Tax

Corporate Income Tax Growth Rate



* The '07 and '08 percentages do not include the impact of tax law changes passed by the Legislature. Including these changes, actual '07 growth was 12.3%, and '08 was (17.2)%.

General Fund Collections

		Gross	Year-to-Year	Year-to-Date		Year-to-Year	Year-to-Date	Net	Year-to-Year	Year-to-Date	
		Revenue (\$)	% Change	% Change	Refunds (\$)	% Change	% Change	Revenue (\$)	% Change	% Change	
FY 2005	↑	July 2004	25,278,574	8.5%	8.5%	(4,286,201)	-32.3%	-32.3%	20,992,373	23.7%	23.7%
		Aug 2004	23,683,196	110.1%	41.6%	(2,429,217)	-39.5%	-35.1%	21,253,979	192.9%	74.4%
		Sept 2004	128,929,320	36.4%	37.8%	(6,570,919)	-0.1%	-21.5%	122,358,400	39.2%	46.8%
		Oct 2004	41,115,100	10.6%	31.7%	(6,005,157)	-69.5%	-47.3%	35,109,943	100.6%	54.0%
		Nov 2004	17,598,692	-38.1%	21.6%	(11,805,464)	-34.6%	-43.1%	5,793,228	-44.1%	46.8%
		Dec 2004	148,651,887	36.4%	26.9%	(11,419,097)	-52.0%	-45.8%	137,232,790	61.1%	52.2%
		Jan 2005	26,481,318	31.1%	27.1%	(4,271,547)	98.0%	-41.9%	22,209,771	23.1%	50.0%
		Feb 2005	18,432,601	87.4%	28.9%	(11,908,414)	-4.1%	-36.9%	6,524,188	-352.2%	54.3%
		Mar 2005	67,086,220	57.9%	32.2%	(3,257,603)	-78.4%	-42.7%	63,828,617	132.7%	62.4%
		Apr 2005	108,261,223	8.1%	27.1%	(7,157,472)	158.8%	-37.6%	101,103,751	3.8%	46.8%
		May 2005	70,241,233	79.7%	31.1%	(2,192,513)	102.2%	-36.3%	68,048,720	79.1%	49.8%
		June 2005	110,861,193	17.8%	29.1%	(13,192,824)	273.9%	-26.8%	97,668,369	7.8%	42.1%
FY 2006	↑	July 2005	39,403,420	55.9%	55.9%	(4,125,396)	-3.8%	-3.8%	35,278,025	68.1%	68.1%
		Aug 2005	25,696,715	8.5%	33.0%	(2,266,943)	-6.7%	-4.8%	23,429,772	10.2%	39.0%
		Sept 2005	176,288,184	36.7%	35.7%	(5,907,796)	-10.1%	-7.4%	170,380,388	39.2%	39.2%
		Oct 2005	32,084,843	-22.0%	24.9%	(3,496,533)	-41.8%	-18.1%	28,588,309	-18.6%	29.0%
		Nov 2005	17,504,745	-0.5%	23.0%	(11,649,227)	-1.3%	-11.7%	5,855,519	1.1%	28.2%
		Dec 2005	148,830,193	0.1%	14.2%	(13,593,465)	19.0%	-3.5%	135,236,728	-1.5%	16.3%
		Jan 2006	40,013,321	51.1%	16.5%	(6,007,037)	40.6%	0.6%	34,006,284	53.1%	18.6%
		Feb 2006	29,206,362	58.4%	18.3%	(26,798,202)	125.0%	25.8%	2,408,160	-63.1%	17.2%
		Mar 2006	81,512,645	21.5%	18.8%	(6,684,270)	105.2%	30.0%	74,828,375	17.2%	17.2%
		Apr 2006	164,532,013	52.0%	24.7%	(2,648,528)	-63.0%	20.4%	161,883,485	60.1%	25.3%
		May 2006	56,587,649	-19.4%	20.1%	(3,743,958)	70.8%	21.9%	52,843,691	-22.3%	19.9%
		June 2006	152,469,682	37.5%	22.6%	(2,988,945)	-77.3%	6.4%	149,480,737	53.0%	24.5%
FY 2007	↑	July 2006	43,353,146	10.0%	10.0%	(4,319,904)	4.7%	4.7%	39,033,242	10.6%	10.6%
		Aug 2006	36,550,203	42.2%	22.7%	(4,532,437)	99.9%	38.5%	32,017,766	36.7%	21.0%
		Sept 2006	191,640,170	8.7%	12.5%	(478,252)	-91.9%	-24.1%	191,161,918	12.2%	14.5%
		Oct 2006	59,655,446	85.9%	21.1%	(5,716,861)	63.5%	-4.7%	53,938,585	88.7%	22.7%
		Nov 2006	18,008,043	2.9%	20.0%	(12,842,981)	10.2%	1.6%	5,165,061	-11.8%	21.9%
		Dec 2006	199,892,212	34.3%	24.8%	(30,301,417)	122.9%	41.8%	169,590,795	25.4%	23.1%
		Jan 2007	40,561,661	1.4%	22.9%	(3,294,750)	-45.2%	30.7%	37,266,911	9.6%	22.0%
		Feb 2007	22,671,285	-22.4%	20.3%	(1,544,406)	-94.2%	-14.6%	21,126,878	777.3%	26.2%
		Mar 2007	81,308,195	-0.3%	17.5%	(2,647,466)	-60.4%	-18.4%	78,660,729	5.1%	23.1%
		Apr 2007	181,878,155	10.5%	16.0%	(4,248,464)	60.4%	-15.9%	177,629,692	9.7%	19.9%
		May 2007	53,261,647	-5.9%	14.4%	(5,508,206)	47.1%	-13.2%	47,753,442	-9.6%	17.7%
		June 2007	138,851,344	-8.9%	10.7%	(6,026,798)	101.6%	-9.4%	132,824,546	-11.1%	12.8%
FY 2008	↑	July 2007	36,629,629	-15.5%	-15.5%	(2,826,419)	-34.6%	-34.6%	33,803,210	-13.4%	-13.4%
		Aug 2007	31,231,530	-14.6%	-15.1%	(2,130,868)	-53.0%	-44.0%	29,100,662	-9.1%	-11.5%
		Sept 2007	190,463,884	-0.6%	-4.9%	(12,876,823)	2592.5%	91.1%	177,587,061	-7.1%	-8.3%
		Oct 2007	66,882,299	12.1%	-1.8%	(10,751,410)	88.1%	90.0%	56,130,889	4.1%	-6.2%
		Nov 2007	20,550,859	14.1%	-1.0%	(23,194,074)	80.6%	85.7%	(2,643,215)	-151.2%	-8.5%
		Dec 2007	159,569,186	-20.2%	-8.0%	(39,476,416)	30.3%	56.8%	120,092,770	-29.2%	-15.7%
		Jan 2008	30,393,356	-25.1%	-9.1%	(44,896,658)	1262.7%	121.4%	(14,503,302)	-138.9%	-24.3%
		Feb 2008	30,326,605	33.8%	-7.6%	(8,934,899)	478.5%	130.2%	21,391,706	1.3%	-23.4%
		Mar 2008	77,714,008	-4.4%	-7.2%	(16,372,625)	518.4%	145.8%	61,341,383	-22.0%	-23.2%
		Apr 2008	132,091,079	-27.4%	-11.4%	(6,877,514)	61.9%	140.7%	125,213,565	-29.5%	-24.6%
		May 2008	49,477,589	-7.1%	-11.1%	(22,932,737)	316.3%	153.6%	26,544,852	-44.4%	-25.7%
		June 2008	156,770,836	12.9%	-8.0%	(6,319,532)	4.9%	142.6%	150,451,304	13.3%	-20.4%
FY 2009	↑	July 2008	30,855,446	-15.8%	-15.8%	(7,560,667)	167.5%	167.5%	23,294,779	-31.1%	-31.1%
		Aug 2008	27,451,899	-12.1%	-14.1%	(8,301,008)	289.6%	220.0%	19,150,891	-34.2%	-32.5%
		Sept 2008	141,909,038	-25.5%	-22.5%	(9,825,536)	-23.7%	44.0%	132,083,502	-25.6%	-27.4%
		Oct 2008	38,739,976	-42.1%	-26.5%	(17,578,552)	63.5%	51.4%	21,161,424	-62.3%	-34.0%
		Nov 2008	19,717,616	-4.1%	-25.2%	(22,250,262)	-4.1%	26.5%	(2,532,646)	-4.2%	-34.3%
		Dec 2008	142,148,266	-10.9%	-20.7%	(30,686,844)	-22.3%	5.4%	111,461,422	-7.2%	-26.4%
		Jan 2009	24,405,949	-19.7%	-20.6%	(27,870,664)	-37.9%	-8.9%	(3,464,715)	-76.1%	-24.6%
		Feb 2009	44,210,646	45.8%	-17.1%	(9,879,797)	10.6%	-7.7%	34,330,849	60.5%	-20.3%
		Mar 2009									
		Apr 2009									
	May 2009										
	June 2009										

Economic Indicators

Economic Indicators

NATIONAL

The Conference Board's **U.S. Consumer Confidence Index** for February declined from 37.4 to 25.0, the third straight month with a new record-low number for the index. Consumer confidence is now down by (67.3)% compared to a year ago. According to the Conference Board, increasing concerns about business conditions, employment and earnings have brought the index to its lowest level ever.

The Semiconductor Industry Association (SIA) reported that **Semiconductor Billings** in the U.S. fell by (12.4)% between November and December last year, from \$3.1 billion to \$2.7 billion. This was the third largest decline in semiconductor sales in the last 32 years. SIA attributed the large decline to the "global economic recession."

The Conference Board's **U.S. Index of Leading Economic Indicators** increased by 0.4% in January. Year-over-year, the index is down by (2.9)%. Five of the 10 components that make up the index advanced during the month. As reported previously, the increase in the index is not the result of improved economic conditions but rather the outcome of recent Fed policy, which has produced an increase in money supply.

The **U.S. Consumer Price Index** increased by 0.3% in January. January was the first month-over-month increase of the index since September 2008. The CPI increase in January was primarily due to a 1.7% increase in energy prices. Compared to the same month last year, the CPI is down by (0.2)%.

ARIZONA

The most recent release of state economic data clearly indicates that conditions are rapidly deteriorating. This is especially evident from newly revised employment data released by the Arizona Department of Commerce. This annual revision (commonly referred to as "benchmarking") revealed that more jobs were lost in 2008 than previously estimated. Under the old estimate, the State of Arizona lost (116,500) jobs in 2008, or (4.3)% of its workforce. The benchmarking of employment data showed that the actual job loss in 2008 was 35,800 higher than previously estimated or (152,300) in total.

The Department's most recent *Workforce*

Report indicates that job losses continued to increase in January. According to this report, the state shed (155,400) jobs in January compared to the same month in the prior year. This equates to a year-over-year job decline of (5.9)%, the sharpest contraction since April 1946 when job losses were reported to be (7.1)%.

The data revision also revealed that the **construction sector** fared more poorly in 2008 than previously assumed. The benchmarked data showed that the state lost on average (4,000) more construction jobs per month last year than previously reported. The trend of job losses carried over into the new calendar year as the construction sector shed another (9,800) employees in January. The construction sector now employs (47,600) fewer workers than a year ago. To provide some perspective, the current number of construction employees (153,100) in the state is roughly the same as in January of 1999.

The benchmarking process showed that the **manufacturing sector** lost on average (3,600) more jobs per month in 2008 than previously estimated. This means that instead of a 2008 job loss of (2.4)%, as previously reported, manufacturing employment decreased by (4.0)% last year. With the industry paring another (2,300) jobs in January, the state's total manufacturing employment of 168,500 is now comparable to the level in June of 1993.

The employment services sector is a segment of the labor market that has been disproportionately affected by the state's deteriorating economy. This sector lost (42,000) jobs, or a third of its workforce, from the peak in September 2006 to January 2009. Year-over-year, the industry declined by (24.1)% in January.

January marked the 10th consecutive month with rising unemployment. Revised data shows that the state's **unemployment rate** increased to 7.0% in January, a 0.4% increase from the prior month. This is the highest unemployment rate in the state since January 1993.

The Department of Commerce reported that 39,076 **initial claims for unemployment insurance** were filed in January, an increase of 100.2% over last year. The total number of initial jobless claims in January was the highest on record.

"According to the U.S. Census Bureau, a total of 17,762 single-family residential building permits were issued in Arizona in 2008, the lowest level since 1975."

Economic Indicators (Continued)

“...45.6% of all
single-family
homes resold last
month were
foreclosures.”



According to the U.S. Census Bureau, a total of 17,762 **single-family residential building permits** were issued in Arizona in 2008, the lowest level since 1975. In percentage terms, single-family permitting activity fell by (52.8)% between 2007 and 2008. During the height of the housing construction boom in 2004 and 2005 more than 80,000 permits were issued annually. The multi-family sector also performed poorly in 2008. Census data shows that 7,470 **multi-family permits** were issued in the state last year, a (37.6)% decline from the level in 2007. The last time fewer than 7,000 multi-family permits were issued in the state was in 1993.

According to ASU's January report, foreclosures continue to have a negative impact on the Greater Phoenix housing market. In terms of existing **single-family homes**, ASU reported that a total of 6,960 homes were sold in Greater Phoenix in January. Nearly half of these resales (48.4%) were for previously foreclosed properties. Compared to the same month last year, traditional resales are up by 49.3% and foreclosed sales by 87.2%.

The large volume of foreclosed homes on the market is taking its toll on home prices. According to the January report, the Greater Phoenix **single-family median resale home price** was \$136,000 for traditional homes and \$135,055 for foreclosed properties. These figures represent a year-over-year price decline of (44.0)% and (35.2)%, respectively. At the height of the housing boom in June 2006, the median resale price was \$267,000.

The **S&P/Case-Shiller Home Price Index** is a measure of the change in housing prices based on repeat sales. According to the most recent release of this measure, home prices in Phoenix fell month-over-month by (5.1)% in December. Compared to last year, housing prices are down by (34.0)%. Phoenix home prices have fallen by (45.5)% since the peak in June of 2006.

Based on MLS data, January had an 8.8 **months supply of housing**, the same as in the prior month. The comparable figure last year was 14.7 months. As reported previously, this housing inventory measure may be currently understated due to the large number of foreclosed homes not included in the MLS

database.

A total of 39.9 million passengers entered and exited aircraft at the **Phoenix Sky Harbor International Airport** in 2008. This was a decrease of (5.4)% from the prior year and the sharpest decline in passenger traffic since 1980. The total number of individuals that either enplaned or deplaned at Sky Harbor last year was roughly comparable to the level in 2004.

AHCCCS caseloads in February increased to a total of 1,165,019 members, a 4.4% increase over the prior month. At current levels, the AHCCCS caseloads are 7.5% above January 2008 levels. The revised FY 2009 budget funded a projected caseload growth of 7.8%, or a total of 1,234,901 members.

There were a reported 86,965 **TANF recipients** in the state in December, an increase of 3.1% from the prior month. Year-over-year, caseload is up by 6.4%. The FY 2009 budget assumes the TANF caseload will grow by 2.5%.

The **Supplemental Nutrition Assistance Program (SNAP)**, formerly known as Food Stamps, provides assistance to low-income households to purchase food. In December, there were a total 773,083 food stamp recipients in the state, an increase of 3.2% over the prior month. Compared to the same month last year, food stamp participation was up 24.5%.

The **Department of Corrections' (ADC) inmate population** increased by an average of 77 inmates per month between November and January. ADC now has an average population of 39,572 inmates, or 1,838 more inmates than in the same period last year. (Hans Olofsson, Martin Lorenzo)

Economic Indicators (Continued)

Table 5

ECONOMIC INDICATORS				
Indicator	Time Period	Current Value	Change From Prior Period	Change From Prior Year
Arizona				
- Unemployment Rate	January	7.0%	0.4%	2.6%
- Initial Unemployment Insurance Claims	January	39,076	13.6%	100.2%
- Non-Farm Employment – Total	January	2.49 million	(2.9)%	(5.9)%
Manufacturing	January	168,500	(1.3)%	(4.3)%
Construction	January	153,100	(6.0)%	(17.5)%
- Contracting Tax Receipts (3-month average)	Nov-Jan	\$58.2 million	(2.5)%	(22.7)%
- Retail Sales Tax Receipts (3-month average)	Nov-Jan	\$149.9 million	8.7%	(14.2)%
- Residential Building Permits (3-month moving average)				
Single-unit	Oct-Dec	722	(15.6)%	(54.5)%
Multi-unit	Oct-Dec	294	(40.8)%	(64.6)%
- Greater Phoenix Existing Home Sales				
Single-Family, Traditional Sales	January	3,590	(16.8)%	49.3%
Single-Family, Foreclosed Sales	January	3,370	8.4%	87.2%
Townhouse/Condominium, Traditional Sales	January	335	(23.9)%	(40.2)%
Townhouse/Condominium, Foreclosed Sales	January	280	(1.8)%	100.0%
- Greater Phoenix Median Home Sales Price				
Single-Family, Traditional Sales	January	\$136,000	(6.8)%	(44.0)%
Single-Family, Foreclosed Sales	January	\$135,005	(9.0)%	(35.2)%
Townhouse/Condominium, Traditional Sales	January	\$125,000	(8.9)%	(29.0)%
Townhouse/Condominium, Foreclosed Sales	January	\$104,745	(12.4)%	(32.9)%
S&P/Case-Shiller Home Price Index (Jan. 2000 = 100)	December	123.93	(5.1)%	(34.0)%
- Months Supply of Housing, (ARMLS)	January	8.8 months	(0.0) months	(5.9) months
- Phoenix Sky Harbor Air Passengers	December	3.2 million	7.1%	(2.3)%
- Arizona Average Natural Gas Price (\$ per thousand cubic feet)	November	\$7.95	40.2%	(21.5)%
- Consumer Confidence Index (1985 = 100)	1st Quarter 2009	44.2	N/A	(58.4)%
- Business Leaders Confidence Index	1 st Quarter 2009	32.1	(24.3)%	(20.5)%
- Arizona Personal Income	3 rd Quarter 2008	\$214.8 billion	(0.3)%	2.2%
- Arizona Population	July 1, 2008	6.50 million	146,759	2.3%
- AHCCCS Recipients	February	1,165,019	4.4%	7.5%
- TANF Recipients	December	86,965	3.1%	6.4%
- SNAP (Food Stamps) Recipients	December	773,083	3.2%	24.5%
- DOC Inmate Growth (3-month average)	Nov-Jan	39,572	77 inmates	1,838 inmates
United States				
- Real Gross Domestic Product (seasonally adjusted annual growth rate)	4 th Quarter 2008	\$11.5 trillion	(6.2)%	(0.8)%
- Consumer Confidence Index (1985 = 100)	February	25.0	(33.2)%	(67.3)%
- Leading Indicators Index (2004 = 100)	January	99.5	0.4%	(2.9)%
- U.S. Semiconductor Billings (3-month moving average)	Oct-Dec	\$2.70 billion	(12.4)%	(26.2)%
- Consumer Price Index, SA (1982-84 = 100)	January	212.174	0.3%	(0.2)%

JLBC FINANCE ADVISORY COMMITTEE (FAC) MEMBERS

Dan Anderson has served as Assistant Executive Director for Institutional Analysis for Arizona Board of Regents since July 2002. From 1975 through June 2002, Mr. Anderson held various positions at the Arizona Department of Economic Security, with most of his time as Research Administrator. He has been a member of the FAC since its inception.

Dr. Jay Q. Butler is Director of Realty Studies and an Associate Professor of Real Estate in the Morrison School at Arizona State University at the Polytechnic campus. He also holds the Arizona Realtors Professorship in Real Estate. Dr. Butler has been at ASU since 1972. He has been a member of the FAC since 1994.

Brian Cary is Corporate Economist for Salt River Project (SRP). Prior to joining SRP in September 2007, he served as Principal Economist on the JLBC staff for 4 years. Mr. Cary has been producing forecasts and analysis for more than 25 years, mostly focused on the energy and financial sectors. He joined the FAC in 1989.

Tracy L. Clark is Data Integrity Manager for the Arizona Department of Transportation. Previously, he was with Arizona State University as the Associate Director of the JPMorgan Chase Economic Outlook Center. He produced national and local economic forecasts, as well as, gathering forecasts from other economists for Center publications. Mr. Clark has been a member of the FAC since 1989.

Dennis Doby is the Senior Director of the Research Administration Division in the Arizona Department of Commerce. Mr. Doby has spent 18 years working in various positions in the Arizona Department of Economic Security (DES). Research Administration was transitioned from DES to Commerce in December 2007. Prior to his work with DES, Mr. Doby served as an economist with the Joint Legislative Budget Committee.

Pete Ewen is Chief Economist and Manager, Revenue and Fuel Analysis and Forecast Group at Pinnacle West. He has been with Arizona Public Service/Pinnacle West for 17 years.

John C. Lucking is President of ECON-LINC, an economic consulting firm. Dr. Lucking also serves as a director for Sanu Resources Ltd., an international mineral exploration company, and as a trustee for several municipal bond mutual funds. Previously, he served as Chief Economist for Bank One Arizona and as the Executive Director of the Governor's Partnership for Economic Development (GSPED). Dr. Lucking has been a member of the FAC since 1987.

State Treasurer Dean Martin serves as the chief financial officer for the State Treasury in Arizona. He previously served as a State Senator from 2001 to 2007 and was Chairman of the Senate Finance Committee, responsible for legislation related to taxes, retirement, insurance and financial issues. The State Treasurer has been a member of the Finance Advisory Committee since its inception. Mr. Martin has been a member of the FAC since he became State Treasurer in January 2007.

Georganna Meyer is Chief Economist for the Arizona Department of Revenue. She has been a member of the FAC since 1984.

Elliott D. Pollack is President of Elliott D. Pollack and Company in Scottsdale, Arizona, an economic and real estate consulting firm established in 1987. Mr. Pollack served as Chief Economist of Valley National Bank in Arizona for 14 years prior to establishing his consulting firm and is currently a member of the Economic Estimates Commission. He has been a member of the FAC since its inception.

Debra J. Roubik is the Chief Economist and Founder of VisionEcon, a consulting firm. Ms. Roubik began her career as an economist at Chicago's Harris Trust and Savings Bank where she was responsible for the bank's macroeconomic model. She also held the positions of Vice President of Stotler Economics, Manager of Revenue Forecasting for Atchison Topeka & Santa Fe Railway, and Economist for the Arizona Department of Economic Security's Research Administration. Ms. Roubik has been a member of the FAC since 1999.

Martin Shultz is Vice President of Government Affairs for Pinnacle West Capital Corporation. In that role he manages public affairs and government relations for Pinnacle West Capital Corporation and its subsidiaries: Arizona Public Service (APS), APS Energy Services, Pinnacle West Energy Corporation, El Dorado and SunCor. Mr. Shultz has been a member of the FAC since 1984.

Randie Stein joined the Investment Banking firm Stone & Youngberg as a Vice President in the Public Finance Department in September 2004. Ms. Stein has 10 years of experience as a fiscal advisor and Finance Committee analyst in the State Senate and as an economist/budget analyst with the Joint Legislative Budget Committee, and is a former staff director of the School Facilities Board. She has been a member of the FAC since 2005.

Marshall J. Vest is director of the Economic and Business Research Center at the University of Arizona's Eller College of Management. Mr. Vest has headed the College's Forecasting Project for 28 years. He is past-president of the Association for University Economic and Business Research, whose membership includes university-based applied research centers from across the country. Mr. Vest has been a member of the FAC for 28 years.

Eileen Klein is Director of the Governor's Office of Strategic Planning and Budgeting (OSPB).