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"July collections... exceeded the enacted budget forecast by \$145 million."

Summary

July 2021 General Fund revenue collections were \$1.18 billion, which is (22.8)% below July 2020. A significant decline in revenues was expected for the month given that the state deferred the 2020 income tax filing deadline from April to July, which caused the July 2020 revenue base to be artificially higher by including a significant amount of final income tax payments.

Even with the significant decline in revenues, July collections still exceeded the enacted budget forecast by \$145 million. These gains were concentrated in the Sales Tax and Individual Income Tax category.

Sales Tax

Sales Tax collections posted significant growth of 17.9% during the month, driven by continued growth in the retail/remote seller category along with increases in the service-based sectors such as restaurant/bar, hotel/motel and amusements. Collections in these 3 "service sector" categories now exceed the pre-pandemic level of July 2019.

Individual Income Tax

Overall Individual Income Tax (IIT) collections declined by (49.4)%. However, the IIT category still managed to generate a forecast gain of \$60 million during the month based on the following factors:

- Final Payments – Given that the state's 2021 deferral policy only extended the filing deadline to mid-May, the July 2021 forecast assumed the state would receive minimal final payments (in comparison to the significant amount received in July 2020). It appears that this year's mid-May filing deadline has allowed the processing of some final payments to shift into July, generating an unexpected forecast gain.
- Withholding Collections – This IIT component also generated a counterintuitive result, declining by (1.8)% while still generating a modest forecast gain. July 2021 had one fewer tax processing day than July 2020, so while the forecast had assumed some decline for this technical reason, withholding collections dropped by less than expected.

FY 2021 Ending Balance Update

In the [July Monthly Fiscal Highlights](#), we noted that FY 2021 revenue gains significantly increased the state's projected ending balance. However, at that time, the state's FY 2021 spending data needed additional analysis in order to further refine the estimate of the FY 2021 ending balance.

Since last month, the state's General Accounting Office has continued the book closing process and has provided our office with additional information. At this time, we can estimate an approximate FY 2021 ending balance of \$697 million based on the following:

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Summary (Continued)

- The enacted budget projected an ending FY 2021 balance of \$442 million.
- Revenue collections were \$432 million above forecast (after year-end technical adjustments).
- A loss of \$177 million from higher-than-expected spending. This budget loss appears to be related to accounting for the enhanced federal match rate in the state's Medicaid agencies. Pending further review, this loss may be recouped as a bookkeeping adjustment to the state's FY 2022 spending.

The state will continue its book closing process over the next several months. The Executive Branch is required to provide a preliminary estimate of the FY 2021 ending balance by September 15, 2021.

The JLBC Staff will release another update of the FY 2021 ending balance projection at the October 28th meeting of the Finance Advisory Committee.

July Revenues

	General Fund Revenues (\$ in Millions)		
	<u>FY 2022 Collections</u>	<u>Difference From Budget Forecast</u>	<u>Difference From FY 2021</u>
July	\$ 1,184.9	\$ 144.7	\$ (349.3)
Year-to-Date	\$ 1,184.9	\$ 144.7	\$ (349.3)

Sales Tax collections of \$580.9 million were 17.9% above July of last year and \$74.8 million above the Enacted Budget forecast. On a year-over-year basis, sales tax collections have increased for 14 consecutive months.

As shown in *Table 2*, all sales tax categories performed well in July compared to the same month in the prior year except for Contracting, which decreased by (0.9)%. After historically high growth in the past 3 years, Contracting revenue began slowing in February this year and has declined in 2 of the last 3 months. Prior to the slowdown in February, contracting tax revenue grew at double-digit rates for 12 consecutive months.

The Restaurants and Bars category posted its fourth consecutive month of double-digit growth. The large percentage increase is due to the low level of sales that occurred in the industry during the early stage of the pandemic at the same time last year. Compared to July 2019, before the pandemic, tax collections from sales in restaurants and bars were 17% higher in July 2021.

Similarly, Retail sales have been steadily increasing for the past year, growing by 15.3% in July compared to the same month in the prior year. Retail sales tax revenue has grown by 31% compared to July 2019.

Overall, categories that were most adversely affected by the Covid-19 pandemic have recovered and are

surpassing pre-pandemic levels. For example, the Amusement category posted its third consecutive month of triple-digit growth. Compared to July of 2019, the category has grown by 13%. Additionally, Hotel/Motel tax revenue collections grew by 72.9% compared to July 2020 and 12% compared to July of 2019. Historically, these 2 categories make up about 4% of total sales tax collections.

	Sales Tax Growth Rates Compared to Prior Year	
	<u>July</u>	<u>YTD</u>
Retail/Remote Seller	16.7%	16.7%
Contracting	(0.9)%	(0.9)%
Use	8.8%	8.8%
Restaurant & Bar	31.9%	31.9%
Utilities	21.6%	21.6%
Hotel/Motel Lodging	72.9%	72.9%
Amusements	338.3%	338.3%

Individual Income Tax (IIT) net collections in July were \$508.8 million, (49.4)% below July 2020 and \$60.4 million above the Enacted Budget forecast. The large percentage decline compared to last year is due to the April 2020 income tax filing due date being postponed to July 2020. Accounting for the deferral, net IIT collections were an estimated 12.4% higher in July 2021 than July 2020.

July Revenues (Continued)

Table 3
Individual Income Tax Growth Rates
Compared to Prior Year

	<u>July</u>	<u>YTD</u>
Withholding	(1.8)%	(1.8)%
Estimated/Final Payments	(83.6)%	(83.6)%
Refunds	(74.8)%	(74.8)%

July withholding revenue fell by (1.8)%, the first month of negative growth since January. The reason for the slight year-over-year decline in July is uncertain as job growth remains strong in the state. Therefore, the decrease may be due to July having one fewer processing day compared to last year. At \$429.7 million, withholding was \$15.8 million above forecast.

Payments were (83.6)% lower in July than in the previous year. After accounting for the 2020 tax-filing deferral, payments increased by 244%. The larger-than-expected increase in payments may be related to the 2021 tax-filing deferral, which moved the filing due date from April 15 to May 17, 2021. As a result, some payments that would normally have been processed before the end of FY 2021 may have been delayed until July. Payments were \$62.1 million above the Enacted Budget forecast.

Refunds were \$40.4 million in July, (74.8)% below last year. As with payments, July 2020 refunds were higher than normal because of the 2020 tax-filing deferral. Adjusting for the deferral, the amount of refunds in July was 107% above last year. The enacted budget forecast assumed refunds of \$22.9 million. The higher-than-projected level of refunds in July resulted in a revenue loss of \$(17.5) million relative to the forecast.

Corporate Income Tax net revenue was \$57.5 million in July, which was (28.7)% below the July 2020 level and \$9.2 million above the enacted budget forecast. July collections tend to vary significantly but on average make up about 5% of the yearly total. The large decrease of collections this year relative to the same month in the prior year may be due to the tax filing deferral that occurred last year, which shifted the due date for corporate final tax payments from April 2020 to July 2020.

Insurance Premium Tax (IPT) revenue was \$47.4 million in July, which was \$47.2 million higher than last year and \$4.4 million above the enacted budget forecast. The \$47.4 million reflects the largest amount of July collections going back to 1998.

The large increase in IPT revenue over July 2020 is due to a timing issue that occurred in 2020, which delayed the deposit of scheduled installment payments that are typically made in July. For further perspective, July 2019 IPT collections were \$38.9 million. As noted in previous

months, the significant growth in IPT collections may be related to premium taxes levied on the state's Medicaid program.

The **Lottery Commission** reported that total ticket sales in July were \$110.1 million. This amount is (\$9.9) million, or (8.3)%, below July 2021.

Highway User Revenue Fund (HURF) collections of \$141.5 million in July were 9.5% above the amount collected in July 2020 and \$7.8 million above forecast.

Due to a delay in receiving July **tobacco** and **liquor** tax revenue data, July collections are reported at forecast.

The state receives **marijuana tax** revenues from three different sources: 1) the 16% Recreational Marijuana Excise Tax; 2) Sales Tax applied to Recreational Marijuana purchases; and 3) Sales Tax applied to Medical Marijuana purchases. The excise tax is distributed according to the Proposition 207 formula, while the sales tax revenues are allocated to both the state General Fund and local governments under the existing formula for the retail classification. July marijuana tax collections for all 3 sources totaled \$16.8 million (see Table 4). Of that amount, \$4.4 million was deposited to the state General Fund.

Table 4
Marijuana Tax Collections and Distributions
(\$ in Millions)

	<u>July</u>	<u>YTD</u>
Marijuana Excise Tax	\$10.9	\$10.9
Medical Marijuana TPT	\$3.3	\$3.3
<u>Distribution:</u>		
General Fund	\$2.5	\$2.5
Counties	\$0.5	\$0.5
Cities	\$0.3	\$0.3
Recreational Marijuana TPT	\$2.6	\$2.6
<u>Distribution:</u>		
General Fund	\$1.9	\$1.9
Counties	\$0.4	\$0.4
Cities	\$0.3	\$0.3
Total Marijuana Tax Collections	\$16.8	\$16.8

Table 5

General Fund Revenue: Change from Previous Year and Enacted Budget Forecast July 2021

	Current Month					FY 2022 YTD (One Month)				
	Actual July 2021	Change From July 2020		Enacted Budget Forecast		Actual July 2021	Change from July 2020		Enacted Budget Forecast	
		Amount	Percent	Amount	Percent		Amount	Percent	Amount	Percent
Taxes										
Sales and Use	\$580,873,408	\$88,098,998	17.9 %	\$74,826,234	14.8 %	\$580,873,408	\$88,098,998	17.9 %	\$74,826,234	14.8 %
Income - Individual	508,846,716	(497,252,406)	(49.4)	60,390,087	13.5	508,846,716	(497,252,406)	(49.4)	60,390,087	13.5
- Corporate	57,492,037	(23,128,660)	(28.7)	9,170,366	19.0	57,492,037	(23,128,660)	(28.7)	9,170,366	19.0
Property	531,055	311,026	141.4	(4,934)	(0.9)	531,055	311,026	141.4	(4,934)	(0.9)
Luxury - Tobacco	1,934,550	93,226	5.1	0	--	1,934,550	93,226	5.1	0	0.0
- Liquor	3,513,201	788,982	29.0	0	--	3,513,201	788,982	29.0	0	0.0
Insurance Premium	47,442,766	47,177,066	--	4,374,268	10.2	47,442,766	47,177,066	--	4,374,268	10.2
Other Taxes	890,441	(106,834)	(10.7)	(106,475)	(10.7)	890,441	(106,834)	(10.7)	(106,475)	(10.7)
Sub-Total Taxes	\$1,201,524,174	(\$384,018,602)	(24.2) %	\$148,649,544	14.1 %	\$1,201,524,174	(\$384,018,602)	(24.2) %	\$148,649,544	14.1 %
Other Revenue										
Lottery	40,000,000	40,000,000	--	(2,560,500)	(6.0)	40,000,000	40,000,000	--	(2,560,500)	(6.0)
License, Fees and Permits	2,753,098	(318,944)	(10.4)	(1,483,202)	(35.0)	2,753,098	(318,944)	(10.4)	(1,483,202)	(35.0)
Interest	569	(1,447)	(71.8)	(1,508)	(72.6)	569	(1,447)	(71.8)	(1,508)	(72.6)
Sales and Services	1,384,017	(1,469,413)	(51.5)	(313,575)	(18.5)	1,384,017	(1,469,413)	(51.5)	(313,575)	(18.5)
Other Miscellaneous	1,967,295	1,672,528	567.4	1,796,548	--	1,967,295	1,672,528	567.4	1,796,548	--
Disproportionate Share	0	0	--	0	--	0	0	--	0	--
Transfers and Reimbursements	346,786	(11,221,470)	(97.0)	(1,429,791)	(80.5)	346,786	(11,221,470)	(97.0)	(1,429,791)	(80.5)
Sub-Total Other Revenue	\$46,451,765	\$28,661,253	161.1 %	(\$3,992,028)	(7.9) %	\$46,451,765	\$28,661,253	161.1 %	(\$3,992,028)	(7.9) %
TOTAL BASE REVENUE	\$1,247,975,939	(\$355,357,349)	(22.2) %	\$144,657,517	13.1 %	\$1,247,975,939	(\$355,357,349)	(22.2) %	\$144,657,517	13.1 %
Other Adjustments										
Urban Revenue Sharing	(63,032,358)	6,008,714	(8.7)	0	0.0	(63,032,358)	6,008,714	(8.7)	0	0.0
One-Time Transfers	0	0	--	0	--	0	0	--	0	--
Public Safety Transfers	0	0	--	0	--	0	0	--	0	--
Sub-Total Other Adjustments	(63,032,358)	6,008,714	(8.7) %	0	0.0 %	(63,032,358)	6,008,714	(8.7) %	0	0.0 %
TOTAL GENERAL FUND REVENUE	\$1,184,943,582	(\$349,348,635)	(22.8) %	\$144,657,517	13.9 %	\$1,184,943,582	(\$349,348,635)	(22.8) %	\$144,657,517	13.9 %
Non-General Funds										
Highway User Revenue Fund	141,549,053	12,251,445	9.5 %	7,801,690	5.8 %	141,549,053	12,251,445	9.5 %	7,801,690	5.8 %

Monthly Indicators

NATIONAL

The U.S. Bureau of Economic Analysis' advance estimate for the annualized growth rate of 2nd quarter **U.S. Real Gross Domestic Product (GDP)** is 6.5%, approximately the same rate of growth as the 1st quarter. This is the 4th consecutive quarter with a positive growth rate, reflecting a full year of economic growth following the nadir of the pandemic. Total GDP surpassed the pre-pandemic high, making it the highest of any single quarter in U.S. history.

The Conference Board's **Consumer Confidence Index** increased 0.2% in July over the revised June total. This increase was a bit surprising given the sharp gain of the index in June, which raised this metric back into pre-pandemic territory. Optimism regarding the present state of the economy combined with a strong job market were the reasons for the increase. Expectations for the future dropped slightly but still remain positive.

The June **U.S. Leading Economic Index (LEI)**, which is also published by the Conference Board, rose 0.7% to 115.1. This suggests the economic growth of the past year will continue, at least in the short-term. Over the first half of 2021, the **LEI** increased 5.0%, slower than the 6.6% increase in the second half of 2020.

The U.S. Bureau of Labor Statistics **Consumer Price Index (CPI)** rose by 0.5% in July. After seasonal adjustment, prices are 5.3% higher than in July 2020. The food index increased by 0.7% this month, while the energy index rose 1.6%. In addition, the index for used cars gained 0.2%, a much smaller change than in recent months. Core inflation (all items less food and energy) was 0.3% in July, and core CPI is 4.3% higher than in July 2020.

ARIZONA

Single-family housing construction is continuing to grow. In June, Arizona's 12-month total of **single-family building permits** was 48,807. This is up 1.8% from the prior month and is 40.2% above June 2020. This was the 13th consecutive month of double digit year-over-year growth.

In June, Arizona's 12-month total of 15,724 **multi-family building permits** was 7.3% more than for the same 12-month period in 2020. Multi-family building permits have been fluctuating significantly in the past 5 months, ranging from a (9.8)% year-over-year decrease to a 11.8% year-over-year increase.

Tourism and Restaurants

In June, **Revenue per available room** was \$76.52, a decrease of (5.5)% from the prior month but an increase of 75.1% over June 2020. This rapid increase over last year

indicates that tourism industry in Arizona has recovered significantly since the start of the pandemic.

Hotel occupancy was 65.0% in June, or 1.7% greater than the occupancy rate reported in the prior month, but 31.1% higher than in June 2020.

Phoenix Sky Harbor Airport Ridership was over 3.6 million in June, an increase of 2.6% over the prior month. In June 2020, ridership was less than half of what it was in June 2021.

According to data reported by OpenTable, on August 7, **daily restaurant reservations** were 17.0% above 2019 reservations on a comparable date. Despite the apparent restaurant sector recovery, employment data suggests the restaurant industry is still below full pre-pandemic employment levels.

Employment

According to the latest employment report released by the Office of Economic Opportunity (OEO), the state gained 6,100 **nonfarm jobs** in July compared to the prior month. Historically, nonfarm employment has averaged a loss of (19,700) jobs in July (2011-2020). Over the month, the private sector added 16,100 jobs whereas the government sector lost (10,000) jobs in July. Job losses typically occur in July when schools are in recess.

Compared to the same month in the prior year, the state added 183,200 jobs, or 6.7%, in July. All eleven sectors reported gains in July. The largest gains were recorded in the Leisure and Hospitality sector (60,100) and the Trade Transportation and Utilities sector (41,000). These are also the sectors that incurred the largest job losses at the start of the pandemic in the spring of 2020.

As of July, the Arizona economy has regained a total of 310,600 jobs since the early stage of the pandemic in March and April of 2020. This represents almost 94% of the (331,500) jobs lost at that time. By way of comparison, the U.S. economy has regained close to 75% of the jobs lost in March and April of 2020.

The state's seasonally adjusted **unemployment rate** decreased from 6.8% in June to 6.6% in July. In July of last year, the jobless rate was 10.4%. The U.S. seasonally adjusted unemployment rate decreased from 5.9% in June to 5.4% in July.

OEO reported that a total of 3,172 **initial claims for unemployment insurance** were filed in Arizona in the week ending on August 7th. (This figure excludes the claims under the Pandemic Unemployment Assistance (PUA) program). For the same week in the prior year,

Monthly Indicators *(Continued)*

11,655 initial claims were filed. Initial Claims peaked at 132,428 on April 4th, 2020 as a result of the pandemic and began to decrease throughout the year. The latest initial claims estimate is the lowest since before the pandemic.

According to OEO, for the week ending on July 31st, there were a total of 38,434 **continued claims for unemployment insurance** in Arizona. A year ago this time, the continued claims were 219,460. In comparison to initial claims, continued claims did not peak until August 1, 2020 at 232,497 continued claims. The average number of weekly continued claims in 2019 was 22,613.

For the week ending on August 7th, the federal Department of Labor (DOL) reported that 555 initial PUA claims were filed in Arizona. For the week ending on July 24th, DOL reported that 55,337 continued PUA claims were filed in the state. Both of these figures are advance estimates subject to change. *(See October's Monthly Fiscal Highlights for more information on Pandemic Unemployment Assistance)*

State Agency Data

As of August 1, 2021, the total **AHCCCS caseload** was 2.21 million members. Total monthly enrollment increased 0.6% in August over July and increased 11.2% compared to a year ago. Parent and child enrollment in the Traditional population increased by 0.4% in August or 6.1% higher than a year ago.

Enrollment in Other Acute Care populations, including Prop 204 Childless Adults, Other Prop 204, Adult Expansion, and KidsCare, was 976,869 in August – an increase of 0.9% over July and 19.0% above last year. For August 2021, Long-Term Care EPD and DD population growth increased by 0.1%. At 65,162, this population is (1.5)% lower than a year ago.

There were 13,736 **TANF Cash Assistance recipients** in the state in June, representing a (1.4)% monthly caseload decrease from May. The year-over-year number of TANF Cash Assistance recipients has decreased by (19.7)%. The statutory lifetime limit on cash assistance is 24 months.

The **Supplemental Nutrition Assistance Program (SNAP)**, formerly known as Food Stamps, provides assistance to low-income households to purchase food. In June, 929,477 people received food stamp assistance in the state, representing a (3.7)% decrease from May caseloads. Compared to June 2020, the level of food stamp participation has increased by 3.1%.

The Arizona Department of Correction's **inmate population** was 35,746 as of July 31, 2021. This was a decrease of (0.7)% since June 30, 2021 and a (9.1)% decrease since July 2020.

Based on information the Department of Child Safety provided for June 2021, **reports of child maltreatment** totaled 44,207 over the last 12 months, a decrease of (0.3)% over the prior year. There were 14,940 **children in out-of-home care** as of June 2021, or 5.5% more than in June 2020. Compared to the prior month, the number of out-of-home children increased by 0.9%.

Table 6

MONTHLY INDICATORS				
Indicator	Time Period	Current Value	Change From Prior Period	Change From Prior Year
Arizona				
<i>Employment</i>				
- Seasonally Adjusted Unemployment Rate	July	6.6%	(0.2)%	(3.8)%
- Total Unemployment Rate (discouraged/underemployed)	2nd Q 2021	11.7%	1.8%	0.4%
- Initial Unemployment Insurance Claims	Week Ending Aug 7	3,172	0.6%	(72.8)%
- Continued Unemployment Insurance Claims	Week Ending Jul 31	48,434	(3.8)%	(82.4)%
- Non-Farm Employment - Total	July	2,908,900	0.2%	6.7%
Manufacturing	July	180,400	0.1%	3.7%
Construction	July	176,300	0.2%	2.3%
- Average Hourly Earnings, Private Sector	July	\$28.45	1.0%	3.4%
<i>Building</i>				
- Single-Family Building Permits (12 months rolling sum)	June	48,807	1.8%	40.2%
Multi-family	June	15,724	(1.7)%	7.3%
- Maricopa County/Other, Single-Family Home Sales (ARMLS)	June	6,602	(0.1)%	(17.0)%
- Maricopa County/Other, Single-Family Median Home Price (ARMLS)	June	\$409,900	2.5%	26.1%
- Maricopa Pending Foreclosures	June	873	(4.0)%	(43.8)%
<i>Tourism and Restaurants</i>				
- Phoenix Sky Harbor Air Passengers	June	3,638,979	2.6%	222.5%
- State Park Visitors	June	282,059	(14.7)%	5.6%
- Revenue Per Available Hotel Room	June	\$76.52	(5.5)%	75.1%
- Arizona Hotel Occupancy Rate	June	65.0%	1.7%	31.1%
- Arizona OpenTable Reservations – % Change from 2019	August 7	N/A	N/A	17.0%
<i>General Measures</i>				
- Arizona Personal Income, SAAR	1 st Q 2021	\$418.1 billion	68.5%	21.5%
- Arizona Population	April 2020	7,151,502	N/A	N/A
- State Debt Rating				
Standards & Poor's/Moody's Rating	May 2015/Nov 2019	AA / Aa1	N/A	N/A
Standards & Poor's/Moody's Outlook	May 2015/Nov 2019	Negative/Stable	N/A	N/A
<i>Agency Measures</i>				
- AHCCCS Recipients	August 1st	2,207,200	0.6%	11.2%
Traditional Acute Care		1,165,200	0.4%	6.1%
Other Acute Care		976,900	0.9%	19.0%
Long-Term Care – Elderly & DD		65,200	0.1%	(1.5)%
- Department of Child Safety (DCS) Annual Reports of Child Maltreatment (12-month total)	June	44,207	1.0%	(0.3)%
DCS Out-of-Home Children	June	14,940	0.9%	5.5%
Filled Caseworkers (1406 Budgeted)	June	1,234	47	(113)
- ADC Inmate Growth	July	35,746	(0.7)%	(9.1)%
- Department of Economic Security				
- TANF Cash Assistance Recipients	June	13,736	(1.4)%	(19.7)%
- SNAP (Food Stamps) Recipients	June	929,477	(3.7)%	3.1%
United States				
- Gross Domestic Product (Chained 2012 dollars, SAAR)	2 nd Q, 2021 (1 st Estimate)	\$19.4 trillion	6.5%	12.2%
- Consumer Confidence Index (1985 = 100)	July	129.1	0.2%	39.4%
- Leading Economic Index (2016 = 100)	June	115.1	0.7%	12.8%
- Consumer Price Index, SA (1982-84 = 100)	July	272.3	0.5%	5.3%

JLBC/JCCR Meeting Follow-Up

Arizona Department of Emergency and Military Affairs - Report on Readiness Centers – Pursuant to provisions from the September 2018 and September 2019 JCCR meetings, the Arizona Department of Emergency and Military Affairs (DEMA) submitted status updates on expenditures for construction of the Tucson Readiness Center and the West Valley Readiness Center.

The FY 2019 Capital Outlay Bill appropriated \$3.8 million from the state General Fund to DEMA for construction of the Tucson Readiness Center. Laws 2021, Chapter 406 extends the lapsing date for this appropriation to FY 2026.

As of July 31, 2021, DEMA reports that no monies from the appropriation for the Tucson Valley Readiness Center have been spent. When reviewed at the September 2018 JCCR meeting, the original construction start date was March 2021 with completion in December 2021. Last August DEMA reported the project was moved to April 2021 with an estimated completion date of October 2023. As of July 31, 2021, DEMA reports an estimated construction start date of October 2021, with project completion in January 2024. In addition, DEMA reports that 96% of federal matching monies have been received for this project.

The FY 2020 Capital Outlay Bill appropriated \$3.9 million from the state General Fund to DEMA for construction of the West Valley readiness center. Laws 2021, Chapter 406 extends the lapsing date of this appropriation to FY 2026.

As of July 31, 2021, DEMA reports that no monies from the appropriation for the West Valley Readiness Center have been spent. When reviewed at the September 2019 JCCR meeting, the original construction start date was December 2021 with completion in October 2023. DEMA reports that

the construction start date is now estimated to be FY 2023 with project completion in FY 2026. DEMA states that the delay is due to U.S. Department of Defense budget reprogramming of military construction, delaying the federal match award until Federal FY 2023. (Alexis Pagel)

Arizona State Parks Board – Report on the Status of Capital Improvement Projects – Pursuant to a provision from the December 2020 JCCR meeting, the Arizona State Parks Board (ASPB) reported on the status of all capital improvement projects and capital improvement expenditures, including progress on the Tonto Natural Bridge Replacement and Alamo Lake Wastewater projects.

The FY 2020 Capital Outlay Bill appropriated \$1.3 million from the State Parks Revenue Fund (SPRF) to demolish the existing pedestrian bridge and construct a new pedestrian bridge at the Tonto Natural Bridge State Park. Additionally, \$500,000 in SPRF funding from the agency's FY 2020 operating budget was allocated for contingency funding, bringing the total budgeted amount for the project to \$1.8 million. The project was transferred to ADOA for construction management and oversight, and it was completed in March 2021.

The funding sources for ASPB's capital projects include \$7.3 million from the State Lake Improvement Fund (SLIF) and \$11.3 million from SPRF for a total of \$18.6 million in reviewed capital project funding. Of the \$18.6 million amount, ASPB has expended \$7.1 million on capital projects as of June 2021. Since the last report in January, ASPB completed the Alamo Lake Wastewater and Tonto Natural Bridge pedestrian bridge projects. A total of 4 projects remain open. Please see Table 7 below for more details. (Nate Belcher)

Table 7

ASPB Status of Active Major Capital Projects

<u>Project Title</u>	<u>Year Reviewed</u>	<u>Amount Reviewed</u>	<u>Expenditures as of June '21</u>	<u>Remaining Balance</u>
<u>State Lake Improvement Fund (SLIF)</u>				
Upper Cattail Cove Development	FY 2017	\$ 5,307,500	\$4,255,400	\$ 1,052,100
Cattail Cove Compost Toilets	FY 2018	250,000	5,200	244,800
Roper Wastewater System	FY 2018	400,000	0	400,000
Buckskin Redevelopment	FY 2019	1,000,000	65,200	934,800
Alamo Lake Wastewater	FY 2021	<u>325,000</u>	<u>456,000</u>	<u>0</u>
SLIF Subtotal		\$7,282,500	\$4,781,800	\$2,631,700
<u>State Parks Revenue Fund (SPRF)</u>				
Rockin' River Ranch Development	FY 2018	4,000,000	550,400	N/A ^{1/}
Oracle Redevelopment	FY 2019	4,000,000	75,500	N/A ^{1/}
Buckskin Redevelopment	FY 2019	1,500,000	83,400	N/A ^{1/}
Tonto Natural Bridge	FY 2020	<u>1,800,000</u>	<u>1,561,200</u>	<u>N/A ^{2/}</u>
SPRF Total		\$11,300,000	\$2,270,500	\$0

^{1/} Appropriations lapsed at the end of FY 2020.

^{2/} Appropriations lapsed at the end of FY 2021.

Summary of Recent Agency Reports

Arizona Department of Administration – Automation Projects Fund Quarterly Report and Third-Party Reports

– Pursuant to an FY 2021 General Appropriation Act footnote, the Arizona Department of Administration (ADOA) provided its fourth quarter FY 2021 update of all current projects funded through the Automation Projects Fund (APF). ADOA evaluates the health of each project on a quarterly basis and labels each as on track, at risk, or off track. Of the 5 active projects, ADOA has labeled 2 on track, 2 complete and 1 off-track.

CHILDS Replacement (DCS)

The Arizona Strategic Enterprise Technology (Office (ASET) now lists the Department of Child Safety (DCS) Children's Information Library and Data Source (CHILDS) Replacement project as off-track; the project was previously listed as at-risk. The department continues to report issues with report functionality and system bugs.

Status of ITAC Projects

In its report, ADOA notes that 3 projects approved by the Information Technology Authorization Committee (ITAC) are on-hold or off-track due to schedule delays. Project delays including issues with delay in project schedule (Department of Economic Security (DES) Developmental Disabilities HIPAA Transaction Code Set and DES Accounts Receivable Collections System) and issues with cyber security certification (ADOA Enterprise Email).

ITAC Third-Party Reports

Additionally, pursuant to A.R.S. § 18-104, any large-scale IT projects with a total cost greater than \$5 million must receive third-party analysis from an independent contracted vendor. The third-party vendor is required to review and provide guidance on the project and submit quarterly reports on project progress. The IVV reports were submitted for the following projects: Electronic Visit Verification project (AHCCCS), Provider Management System upgrade (AHCCCS), ATLAS Replacement (DES), School Finance System replacement (Arizona Department of Education), and Criminal Justice Information System (Department of Public Safety). The reports provided commentary on project progress that matched that of the quarterly APF reports from ASET. (Rebecca Perra)

Arizona Department of Administration – Report on Capital Project Spending

– Pursuant to an FY 2021 Capital Outlay Bill footnote, the Arizona Department of Administration (ADOA) reported the status of capital projects and capital project expenditures.

As of July 1, 2021, ADOA has spent \$15.9 million of its \$17.0 million FY 2020 building renewal appropriation. Most of the FY 2020 building renewal projects are complete with the remaining projects encumbering an additional \$864,000. ADOA also reported the status of 1 capital project appropriated funding in FY 2020. Specifically, ADOA has spent \$474,700 of its \$1.0 million appropriation to begin the replacement of the air handlers at the Legislature. ADOA has encumbered an additional \$430,900. The FY 2022 budget extended the lapsing date of these appropriation through FY 2022.

In addition, ADOA has spent \$4.1 million of its \$16.0 million FY 2021 building renewal appropriation. The majority of FY 2021 projects are in progress encumbering an additional \$3.3 million.

Further, ADOA reported the status of 2 capital projects appropriated funding in FY 2019. Specifically, ADOA spent \$9.9 million of its \$10.0 million appropriation to renovate 1400 W. Washington Street and \$3.4 million of its \$4.1 million appropriation to complete the elevator replacements at the Legislature. ADOA reported that these projects are now complete. (Rebecca Perra)

Arizona Health Care Cost Containment System – Report on Arnold v. Sarn

– Pursuant to an FY 2021 General Appropriation Act footnote, the Arizona Health Care Cost Containment System (AHCCCS) reported on its implementation of the *Arnold v. Sarn* joint agreement. The state has been a longstanding defendant in the *Arnold v. Sarn* litigation concerning the level of services provided to the Seriously Mentally Ill (SMI) population in Maricopa County. In January 2014, a joint agreement was filed with the court to terminate the lawsuit, and in February 2014, the agreement received court approval.

The agreement requires availability of certain behavioral health services for individuals with a serious mental illness in Maricopa County ("class members"). These services include assertive community treatment teams (ACT), peer support services, supported employment, supportive housing, and crisis services. AHCCCS continues to comply with these service capacity requirements. AHCCCS estimates that the annual cost of providing *Arnold v. Sarn* services is \$42.3 million, including \$19.9 million from the General Fund. The General Fund amounts consists of:

- \$5.2 million for Assertive Community Treatment teams.
- \$378,600 for Peer Support Services.
- \$406,800 for Supported Employment.
- \$13.9 million for Supported Housing, which consists of \$11.6 million for rental subsidies and \$2.3 million for support services.

Summary of Recent Agency Reports (Continued)

As of April 2021, these funds have provided supportive housing services for 5,225 members, peer support for 2,139 members, and supportive employment services for 1,178 members. Funds additionally support 9 ACT teams. (Maggie Rocker)

Attorney General – Quarterly Report on Child and Family Advocacy Center Fund Expenditures – Pursuant to A.R.S. § 41-191.11, the Attorney General (AG) submitted its quarterly report on expenditures from the Child and Family Advocacy Center Fund (CFAF), which funds nonprofit and government entities that serve victims of child abuse or investigate and prosecute their abusers.

Through the fourth quarter of FY 2021, the AG has expended \$600,000 from the Consumer Protection - Consumer Fraud Revolving Fund. The Fund has an unencumbered fund balance of \$100,000 at the end of FY 2021. (Ryan Fleischman)

Attorney General – Quarterly Reports on Legal Settlements – The Attorney General (AG) submitted its statutorily-required quarterly reports on the receipts to and disbursements from the Consumer Protection - Consumer Fraud (CPCF) Revolving Fund, the Antitrust Enforcement Revolving Fund, and the Consumer Restitution and Remediation Revolving Fund (including its 2 subaccounts), as well as deposits made to the General Fund.

In the fourth quarter of FY 2021, the AG deposited a total of \$15.5 million into various consumer accounts. Of that amount, \$4.3 million was deposited into the CPCF Revolving Fund, \$133,400 was deposited into the Consumer Restitution Subaccount, and \$11.1 million was deposited into the Consumer Remediation Subaccount. The AG made no deposits into the Antitrust Enforcement Revolving Fund from settlements. The AG made \$1.5 million in deposits to the General Fund from settlements.

Deposits to the CPCF Revolving Fund
The AG deposited \$4.3 million to the appropriated CPCF Revolving Fund, which may be used for consumer fraud education and investigation, costs associated with the Tobacco Master Settlement Agreement, or any other purpose permitted by statute. This amount resulted from a \$3.1 million settlement with Boston Scientific Corporation regarding deceptive marketing of surgical mesh devices to patients, a \$693,400 settlement with Landmark Home Warranty, LLC regarding deceptive acts in connection with misrepresentations about expedited services, a \$287,900 settlement with C.R. Brand, Inc. regarding deceptive practices in advertising or selling surgical mesh devices, and small

legal settlements and interest income. As of June 30, 2021, the fund had an unencumbered balance of \$41.1 million.

Deposits to Antitrust Enforcement Revolving Fund
The AG made no deposits into the appropriated Antitrust Enforcement Revolving Fund, which may be used for antitrust enforcement expenses, excluding attorney compensation. As of June 30, 2021, the fund had an unencumbered balance of \$2.0 million.

Deposits to the Consumer Restitution Subaccount
The AG deposited \$133,400 into the non-appropriated Consumer Restitution Subaccount to compensate specific entities for economic loss resulting from consumer fraud. This amount resulted from small legal settlements and interest income. As of June 30, 2021, the fund had an unencumbered balance of \$6.6 million. These funds are specifically earmarked for restitution payments.

Deposits to the Consumer Remediation Subaccount
The AG deposited \$11.1 million into the partially-appropriated Consumer Remediation Subaccount, which is used to rectify violations of consumer protection laws. This amount resulted from a \$11.1 million settlement with McKinsey & Company Inc. regarding deceptive practices in working for opioid companies and interest income. As of June 30, 2021, the fund had an unencumbered balance of \$12.7 million.

Deposits to the General Fund
The AG deposited \$1.5 million into the General Fund. This amount resulted from a \$1.5 million settlement with Grand River Enterprises regarding failure to comply with statute regulating the selling of tobacco products and small legal settlements. (Ryan Fleischman)

Attorney General – Quarterly Report on Internet Crimes Against Children Enforcement Fund Expenditures – Pursuant to A.R.S. § 41-199, the Attorney General (AG) submitted its quarterly report on expenditures from the Internet Crimes Against Children (ICAC) Enforcement Fund and progress made towards ICAC goals. The ICAC Enforcement Fund receives an annual deposit of \$900,000 in revenues from lottery games that are sold from a vending machine in age restricted areas. Monies in the fund are utilized to support the ICAC Task Force, which is housed within the Phoenix Police Department and works with federal, state, and local law enforcement to investigate technology-facilitated sexual exploitation of children.

Through the fourth quarter of FY 2021, the AG received \$900,000 in revenues for deposit into the ICAC

Summary of Recent Agency Reports (Continued)

Enforcement Fund. A total of \$422,300 was expended from the fund balance in the fourth quarter of FY 2021 to help pay for the operating costs of the ICAC Task Force. As of June 30, 2021, the ICAC Enforcement Fund had a fund balance of \$2.1 million, plus \$407,800 in outstanding encumbrances, leaving an unencumbered fund balance of \$1.7 million. (Ryan Fleischman)

County Treasurers' Report – Report on the Government Property Lease Excise Tax – Laws 2015, Chapter 10, Section 8 requires each county treasurer to report to the Joint Legislative Budget Committee (JLBC) by February 15 of each year the amount of Government Property Lease Excise Tax (GPLET) collected in the preceding calendar year.

GPLET was enacted in 1996 (Laws 1996, Chapter 349) to allow cities, towns, counties and county stadium districts ("government lessors") to lease property that they own to private parties ("prime lessees") for commercial, residential rental, or industrial purposes for at least 30 days.

Because the Arizona Constitution exempts federal, state, county, and municipal property from taxation, government lessors do not have to pay any property taxes. Instead, the prime lessees are required to pay a GPLET on the building ("government property improvement") that they lease from the government lessor. Unlike the property tax, GPLET is based on factors other than a property's assessed value, such as a building's square footage and usage.

Table 8 shows the reported GPLET collections by county in Calendar Year (CY) 2020.

As shown in the table, statewide GPLET collections totaled \$14.4 million in CY 2020, which represent an increase of 1.0%, or \$139,163 over the total amount collected in CY 2019. Ninety percent of statewide GPLET revenue was collected in Maricopa County. Several counties, including Apache, Cochise, Gila, Graham, Greenlee, La Paz, and Santa Cruz, reported that no GPLET revenue was collected in CY 2020. Yavapai County did not submit any GPLET report for CY 2020. (Hans Olofsson)

County	Total GPLET Collections
Apache	\$0
Cochise	0
Coconino	970,734
Gila	0
Graham	0
Greenlee	0
La Paz	0
Maricopa	12,987,898
Mohave	177,417
Navajo	2,274
Pima	171,421
Pinal	27,104
Santa Cruz	0
Yavapai	1/
Yuma	32,000
Statewide Total	\$14,368,848
1/ No report submitted	

Department of Corrections – Report on Building Renewal Expenditures – Pursuant to an FY 2021 Capital Outlay Bill footnote, the Arizona Department of Corrections (ADC) reported the status of all current building renewal projects and building renewal expenditures. As of June 30, 2021, ADC has spent or encumbered \$2.7 million of its \$5.5 million FY 2021 building renewal appropriation, or 49.1%. All FY 2021 projects are underway or have been completed. ADC also reports it has spent or encumbered 91.2% of its \$6.9 million FY 2020 building renewal appropriation and 99.5% of its \$5.5 million FY 2019 building renewal appropriation. ADC reports that all but one FY 2020 building renewal project and all pre-FY 2020 building renewal projects are complete.

While not required by the footnote, ADC also reported on selected non-building renewal capital improvement projects. The 3 projects had total project costs of \$393,000. ADC reported that 2 projects were completed at a cost of \$79,100 and 1 project was cancelled. (Geoffrey Paulsen)

Department of Corrections – Report on Inmate Health Care Performance Measures – Pursuant to an FY 2022 General Appropriation Act footnote, ADC submitted its latest report detailing the status of performance measures required under the *Parsons v. Ryan* Stipulation. The Stipulation requires ADC to track 112 individual health care performance measures across the 10 ADC-operated prisons. Not all performance measures are tracked at every prison, and the Stipulation allows for ADC to stop tracking a measure after meeting certain requirements. ADC currently

Summary of Recent Agency Reports (Continued)

tracks 845 monthly performance measures across the 10 state prisons. ADC reports that as of April 2021 it was in substantial compliance with 91.6% of the active measures, up from 90.4% in October 2020.

ADC provided the following timeline of events since its last report submitted on December 28, 2020:

In June 2021 ADC exercised the first of three 1-year extensions to the existing inmate health care contract with the vendor. The extension amended the contract to increase the total annual value by \$12.0 million and cap the vendor's indemnification on court-ordered sanctions and fees related to the Parsons case at \$2 million. (Geoffrey Paulsen)

Department of Corrections – Report on Transition Release Program – Pursuant to A.R.S. § 31-281 and A.R.S. § 31-285, the Arizona Department of Corrections (ADC) submitted its annual report for FY 2021 for the Transition Program. The Transition Program, as established by A.R.S. § 31-281, allows certain inmates the opportunity to be released 3 months prior to their release date. For each bed day saved, statute requires a transfer of at least \$17 from the State Department of Corrections Revolving Fund to the Transition Program Fund.

ADC reports that a total of 1,046 inmates received an early release into the program in FY 2021, a (3.4)% decrease below FY 2020. The department reports that 922 participants completed the Transition Program in FY 2021, a 45.7% increase above FY 2020. A total of 138 participants failed to complete the early transition release by violating their conditions of supervision. In total, the program was responsible for 81,082 bed days saved in FY 2021, a 23.0% increase above FY 2020. At the statutorily-mandated rate of \$17 per day, \$1.4 million was transferred to the Transition Program Fund. The report also provided the status of inmates released in FY 2018. Since that time, 31.8% of those inmates who were released to the Transition Program were returned to prison for either technical violations or new felony convictions, compared to 42.9% for those released to Community Supervision only or 26.3% for all other inmates released. (Geoffrey Paulsen)

Department of Economic Security – Report on Filled FTE Positions for Developmental Disabilities Programs – Pursuant to an FY 2022 General Appropriation Act footnote, the Department of Economic Security (DES) submitted its report on the number of filled FTE Positions for case managers and non-case managers within the Division of Developmental Disabilities (DDD) as of June 30, 2021. Table 9 below shows the total

number of filled positions by classification. A total of 2,227 FTE Positions were filled in DDD as of June 30, 2021, including 1,168 case management FTE Positions and 1,059 non-case management FTE Positions. These amounts represent a decrease of 32 positions compared to June of last year, including a decrease of 5 case management FTE Positions and a decrease of 27 non-case management FTE Positions. Within the non-case management Positions, DES experienced a decrease of (49) direct care staff, which was attributed to the effects of the COVID-19 pandemic; managed care staff, on the other hand, increased by 22 FTE Positions. DDD case management staffing is currently at 52.5% of total DDD staff, in line with 52% in the June 2020 report. DES is required to submit an expenditure plan to the Committee for its review if the department intends to hire non-case manager positions beyond the 1,059 FTE Positions included in the report. (Alexis Pagel)

<u>Classification</u>	<u>FTE Positions</u>
Case Management	1,168
Direct Care	742
Managed Care	317
Total	2,227

Department of Forestry and Fire Management -- Report on Wildfire Mitigation Expenditures Laws 2021, 1st Special Session, Chapter 1 appropriates \$75,000,000 in FY 2020 to the Department of Forestry and Fire Management (DFFM) for six purposes related to ongoing efforts to mitigate wildfires. Chapter 1 also requires DFFM to submit a monthly report detailing its expenditures in each of the six spending categories. DFFM submitted its first report, reporting the following expenditures by category for June 2021:

- Fire suppression: \$4,507,336
- Capital expenditures: \$0
- Mitigation projects: \$1,926,286
- Emergency liabilities: \$0
- Financial assistance to landowners: \$0
- Reimbursements: \$0
- Total: \$6,433,622

DFFM reported total expenditures for the month of \$6,433,622, with the remaining balance of funds from the appropriation totaling \$68,566,378. Future monthly reports will be published on JLBC's website. (Nate Belcher)

Summary of Recent Agency Reports (Continued)

Arizona Game and Fish Department – Report on Building Renewal Spending – Pursuant to an FY 2021 Capital Outlay Bill footnote, the Arizona Game and Fish Department (AZGFD) reported the status of building renewal projects and building renewal expenditures. As of May 1, 2021, AZGFD has spent \$586,400 of its \$1,157,900 FY 2021 building renewal appropriation. Of the remaining amount, \$499,500 has been committed, and \$72,000 is uncommitted and unexpended. A majority of the projects are complete or in progress with a few projects starting in the first half of FY 2022. Of the 33 projects that AZGFD planned for FY 2020, 25 are completed, 3 have been deferred, 2 are ongoing, 1 is in negotiations and 1 is in design. (David Hoffer)

Arizona Department of Transportation – Annual Report on ServiceArizona Retained Fees – Pursuant to an FY 2022 General Appropriation Act footnote, the Arizona Department of Transportation (ADOT) reported on the state's share of fees retained by the ServiceArizona vendor in the prior fiscal year.

As an authorized third party, the vendor for ServiceArizona (the state's vehicle registration renewal website) retains a portion of each transaction it completes, including those for the vehicle license tax, registration fees and title fees, among others. The vendor for ServiceArizona keeps roughly half of its retained fees as compensation. The other half of the retained fees belong to the state and are treated as non-appropriated monies by ADOT. The state's share of the retainage is managed by the ServiceArizona vendor, which disburses funds directly to vendors on behalf of the state, as directed by ADOT.

In FY 2021, the state's share of the retained fees totaled \$18.3 million. The vendor spent \$18.0 million in FY 2021 on behalf of ADOT. The majority of these monies (\$12.5 million) were spent on stabilization, enhancement, and operations of the Motor Vehicle Modernization (MvM) automation project, which updated the Motor Vehicle Department (MVD) computer system. The MvM project was completed on June 30, 2020. The new system provides MVD customer service representatives with a suite of new applications for motor vehicle transactions. In addition, residents of Arizona can now use the new MVD customer portal (AZ MVD Now) which offers 44 online services; the AZ MVD Now project received enhancements funded by ServiceArizona fees. The department anticipates continued enhancements to the MvM system, including the incorporation of the motor carrier management system. ADOT plans to submit a project investment justification (PIJ) for this enhancement and they anticipate it will be deployed during FY 2023.

Besides funding for MvM stabilization, enhancement, and operations, the remaining \$5.5 million was spent as follows:

- \$1.8 million for external solution deployment support.
- \$1.7 million for cloud hosting.
- \$1.4 million for ADOT MvM strategic initiatives.
- \$340,100 for portal enhancements.
- \$175,600 for contract administration.

(Jordan Johnston)

Arizona Department of Transportation – Report on Non-Highway Capital Projects and Expenditures – Pursuant to a footnote in the FY 2021 Capital Outlay Bill, the Arizona Department of Transportation (ADOT) submitted a report on the status of all non-highway construction capital projects and expenditures. The report covers both FY 2020 and FY 2021 appropriations. ADOT has expended \$541,400 of their \$6.9 million budgeted expenditures on non-highway construction capital projects, with 2 FY 2020 projects underway. ADOT has expended \$16.3 million (\$16.0 million from the State Highway Fund and \$284,800 from the State Aviation Fund) of their \$26.6 million (\$26.0 million from the State Highway Fund and \$563,400 from the State Aviation Fund) budgeted expenditures on building renewal. Of their \$13.3 million in FY 2020 building renewal budget expenditures, only \$30,600 remains unexpended. (Jordan Johnston)

Arizona Department of Transportation – Annual Report on Motor Vehicle Division Wait Times – Pursuant to an FY 2021 General Appropriation Act footnote, the Arizona Department of Transportation (ADOT) reported on Motor Vehicle Division (MVD) field office customer wait times. Between arrival at an MVD office and departure, the average customer experience time in metropolitan areas decreased from 29.6 minutes in FY 2020 to 27.0 minutes in FY 2021. Average customer experience times in metropolitan areas ranged from 17.5 minutes in the Southeast Mesa office to 34.5 minutes in the Apache Junction office in FY 2021. In non-metropolitan areas, the average customer experience time increased from 22.5 minutes in FY 2020 to 26.6 minutes in FY 2021. In addition to customer experience time, the department measures the percent of customers spending more than 15 minutes waiting in the lobby. This metric decreased from 42.9% in FY 2020 to 34.9% in FY 2021 in metropolitan areas and decreased from 32.7% to 30.5% over the same time period in non-metropolitan areas.

Due to the COVID-19 pandemic, the department reports that most transactions that occurred during FY 2021 took place over the phone. In response to the pandemic, the MVD converted all field customer

Summary of Recent Agency Reports (Continued)

service representatives to a single call center queue and began requiring that customers call prior to coming to an office. The overall average speed to answer phone calls decreased from 30 minutes in FY 2020 to 18 minutes in FY 2021.

The number of customers visiting MVD field offices declined by (60.8)% from 2.04 million customer visits in FY 2020 to 0.8 million in FY 2021. In addition, kiosk transactions decreased by (72.3)% from FY 2020 to FY 2021 and transactions via ServiceArizona (the state's vehicle registration renewal website) decreased by (35.4)% from FY 2020 to FY 2021, from 7.9 million to 5.1 million. ADOT attributes the decline in ServiceArizona transactions to the creation of the new AZ MVD Now portal which offers MVD services online and the way transactions are counted in the new system. The AZ MVD Now portal processed 1.5 million transactions in FY 2021.

The number of transactions for vehicle registration renewal by mail decreased slightly by (0.7)% from FY 2020 to FY 2021. Also, the average turnaround time for vehicle registration renewal by mail was 2.7 days in FY 2021, although the department notes that the turnaround time has averaged 1.1 days since October. (Jordan Johnston)

Arizona Economic Trends

August 2021

Appendix A

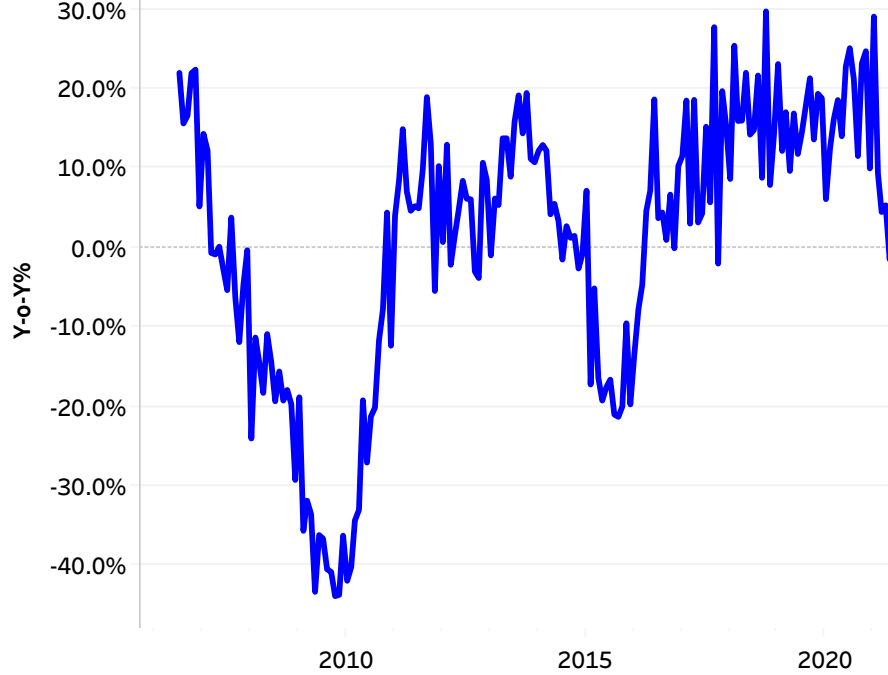
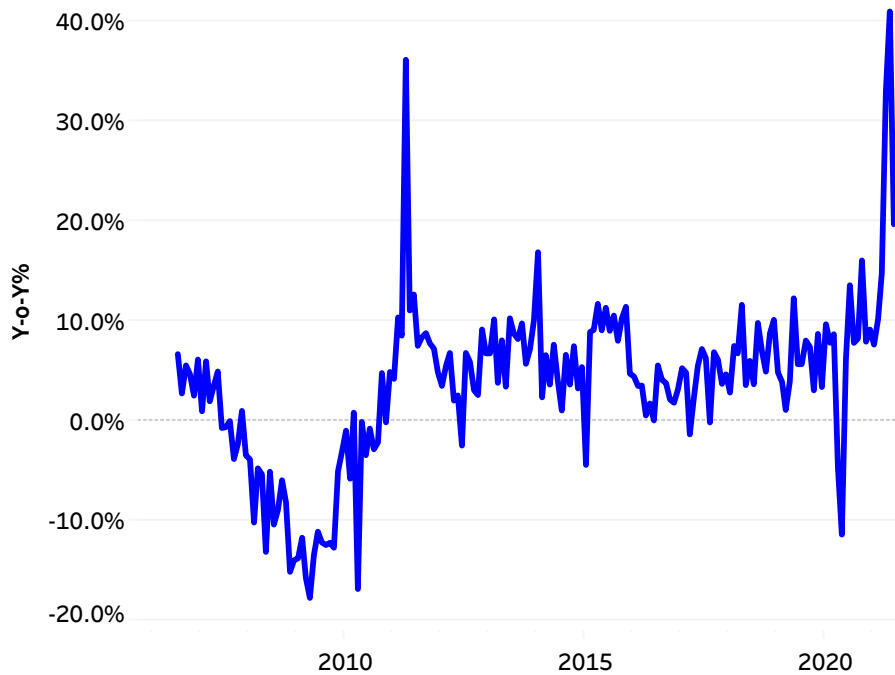
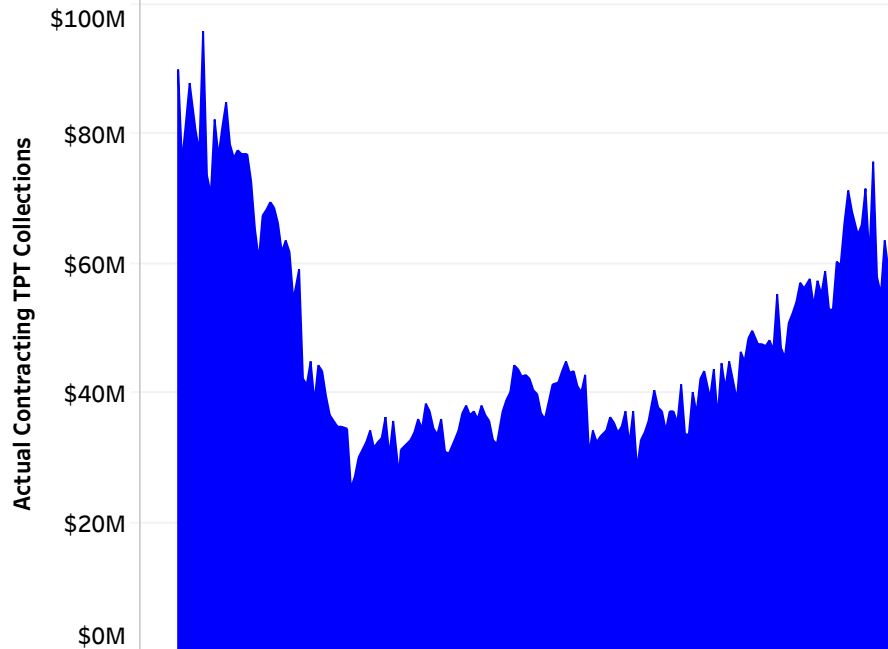
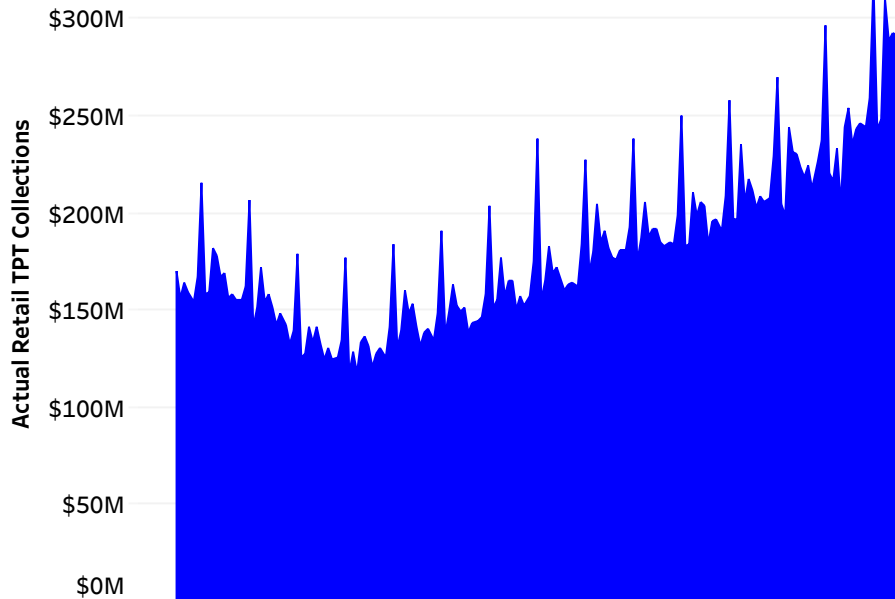
Page:

- 2.....State Sales Tax Collections – Retail Category
 - State Sales Tax Collections – Contracting Category
- 3.....Average Hourly Earnings – Private Sector
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 - Arizona Employment by Category
 - Residential Building Permits
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 - HURF Revenue
 - Sky Harbor Total Passengers
 - Arizona Hotel Occupancy
- 7..... Arizona OpenTable Daily Reservations

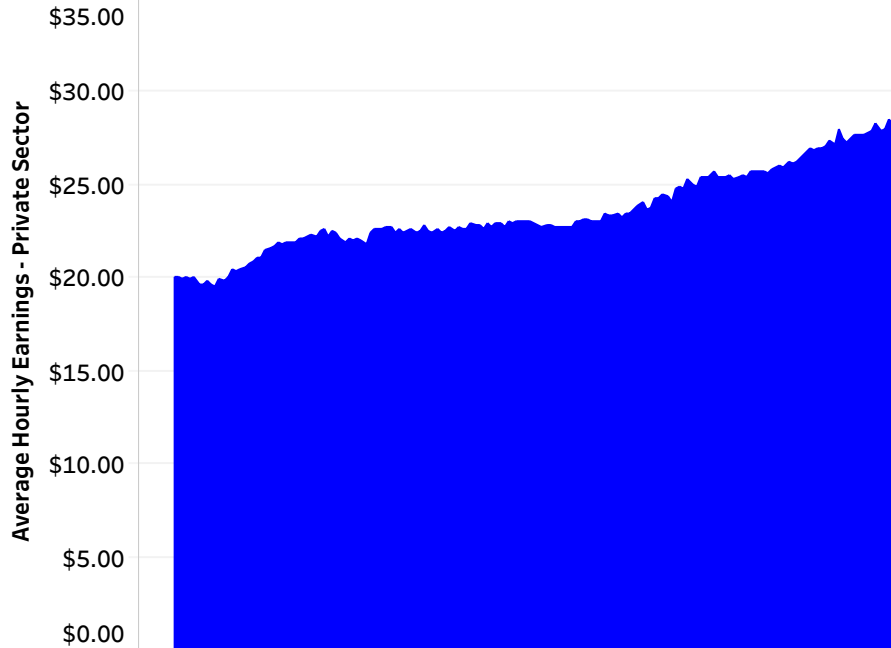
[Link to Most Recent Arizona Economic Trends Tableau Dashboard](#)

State Sales Tax Collections - Retail Category

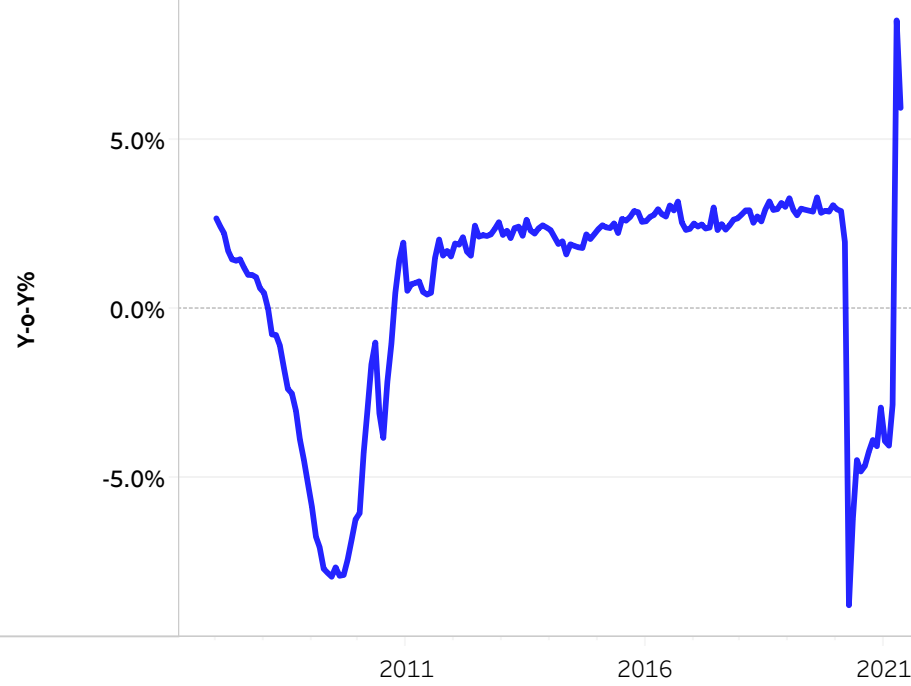
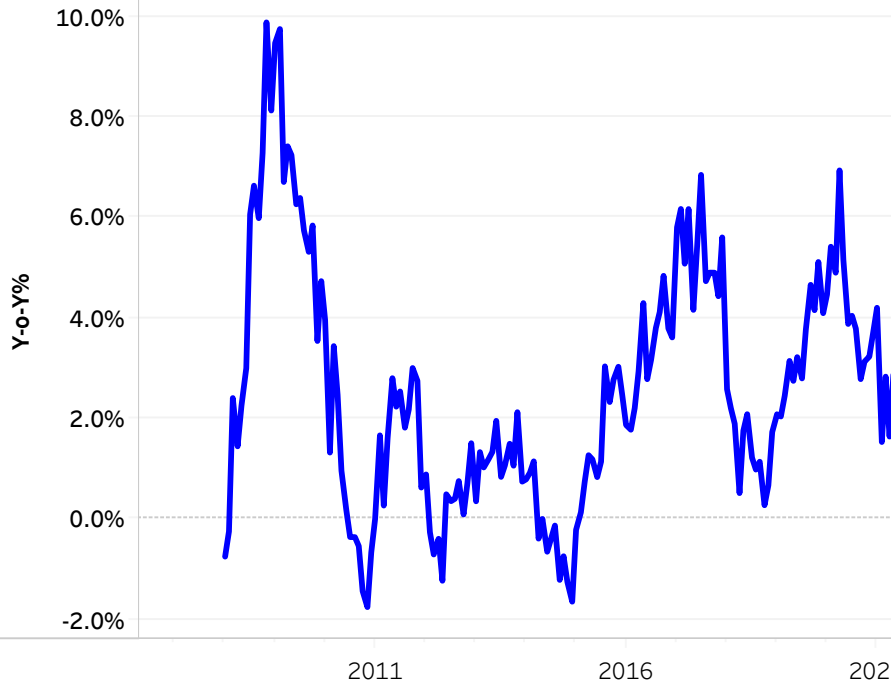
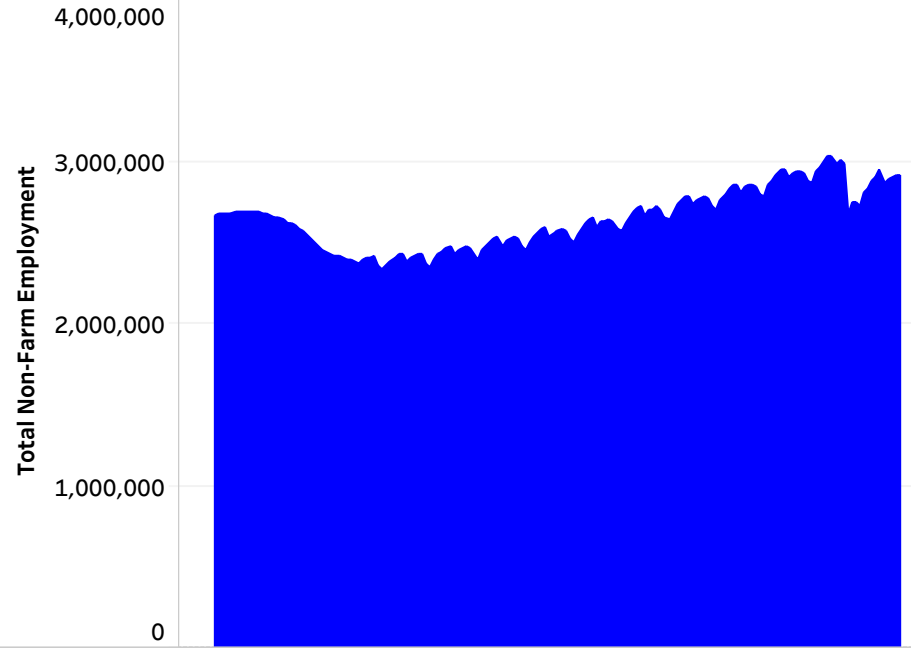
State Sales Tax Collections - Contracting Category



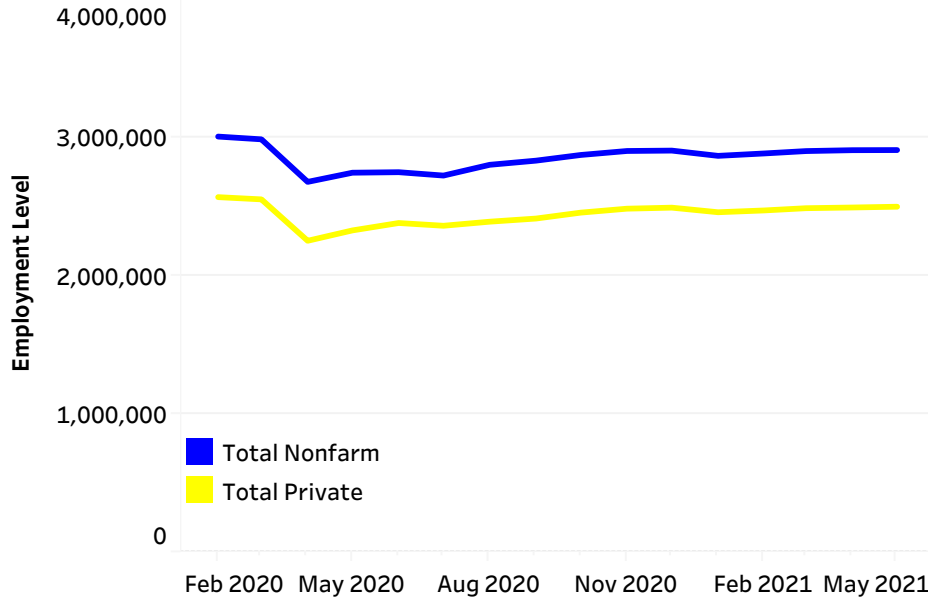
Average Hourly Earnings - Private Sector



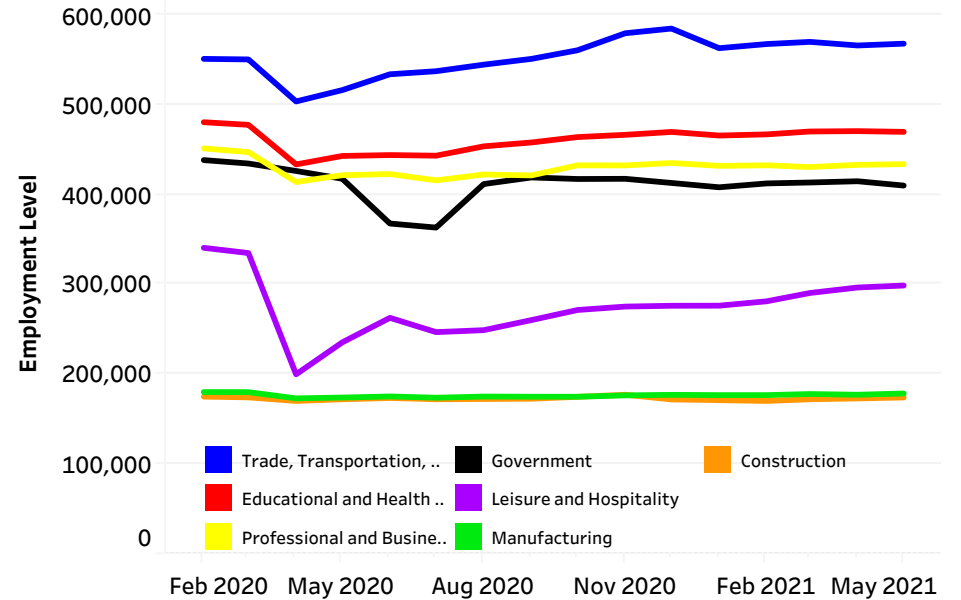
Total Non-Farm Employment



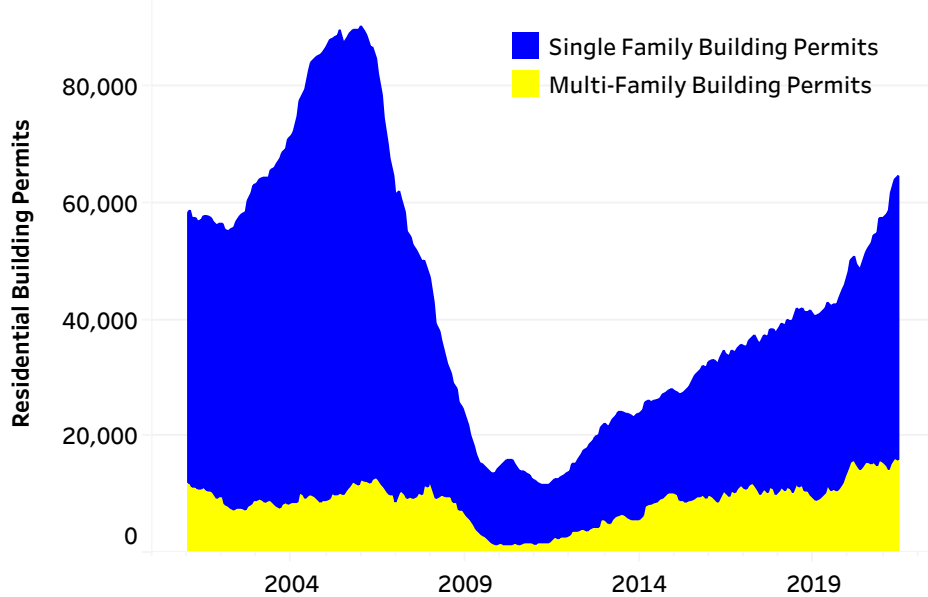
Arizona Total Non-Farm vs Total Private Employment



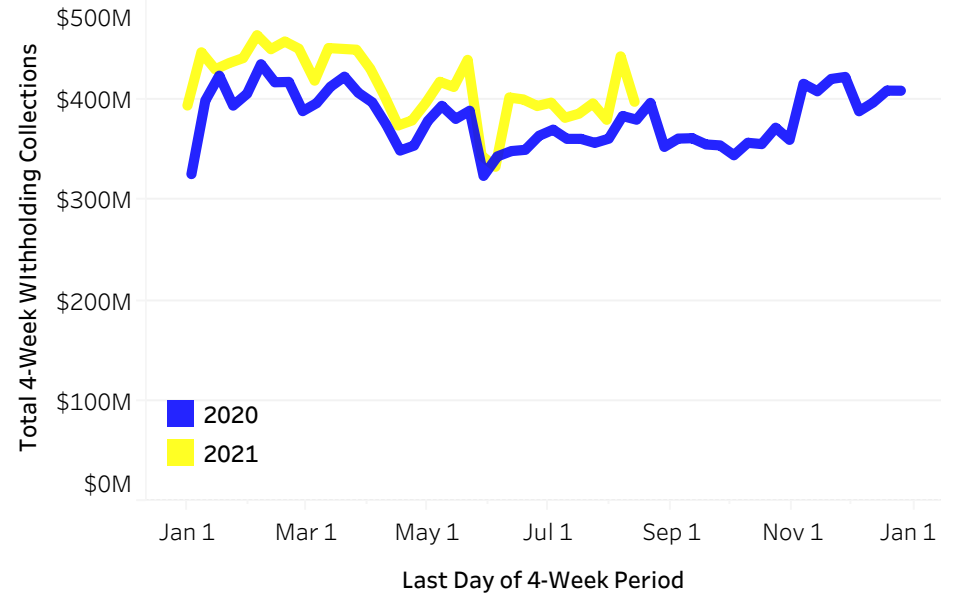
Arizona Employment by Category



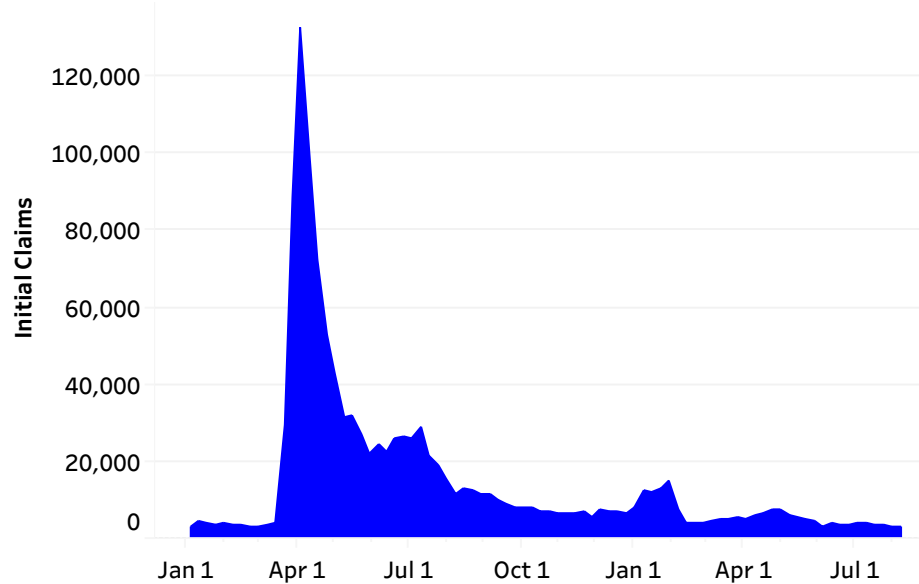
Residential Building Permits



Rolling 4-Week Withholding Total

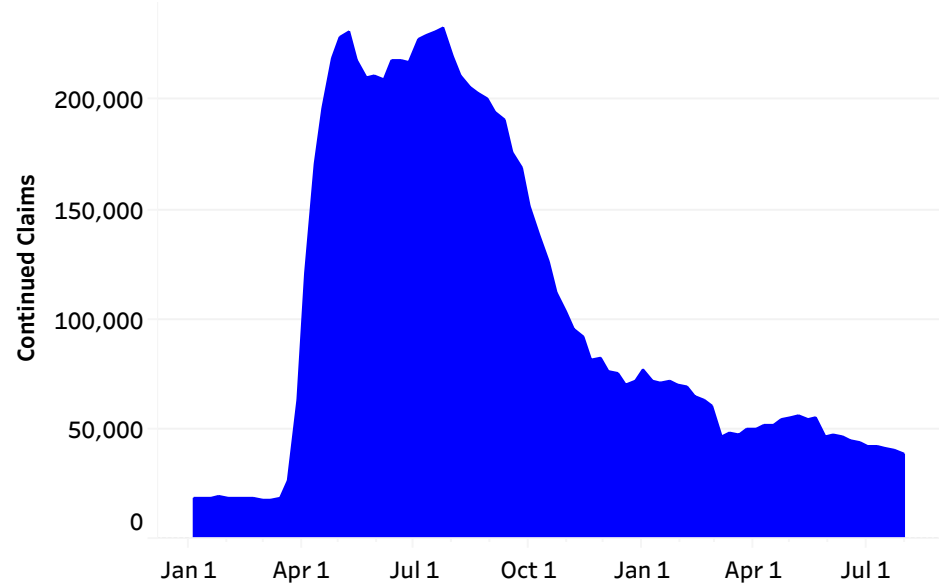


Initial Unemployment Insurance Weekly Claims



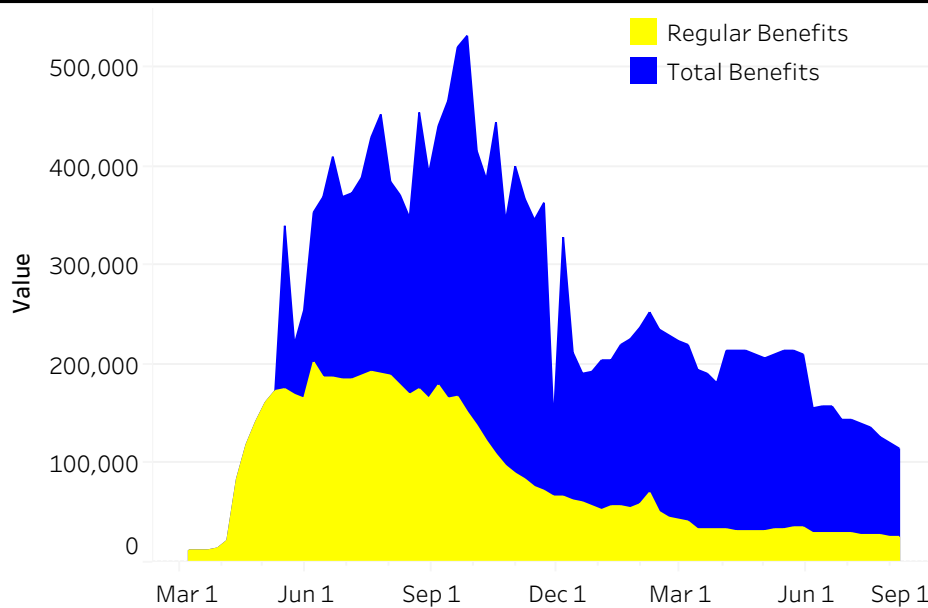
Reported Unemployment Insurance Initial Claims and Continued Claims do not include claims associated with the federally funded Pandemic Unemployment Assistance (PUA) program.

Continued Unemployment Insurance Weekly Claims

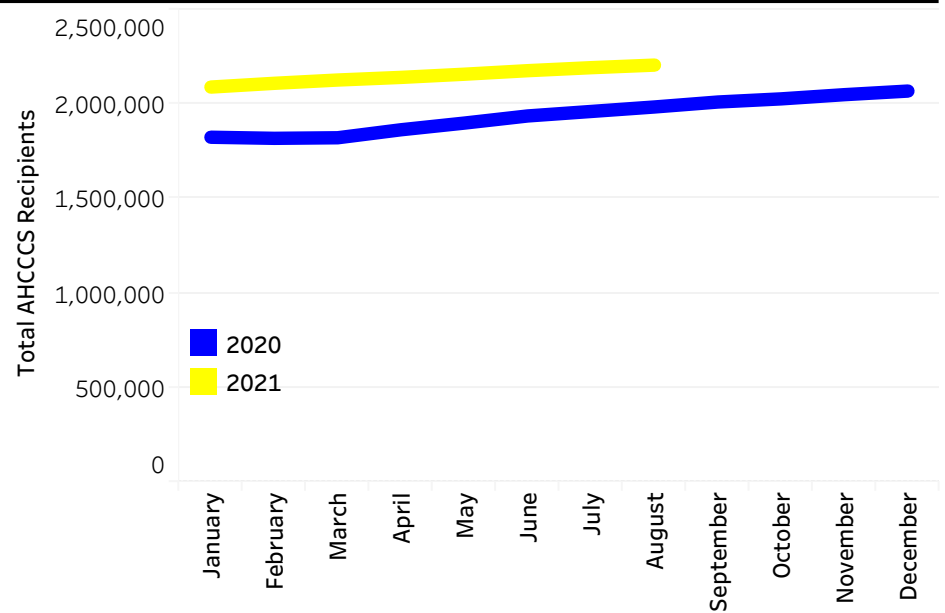


Reported Unemployment Insurance Initial Claims and Continued Claims do not include claims associated with the federally funded Pandemic Unemployment Assistance (PUA) program.

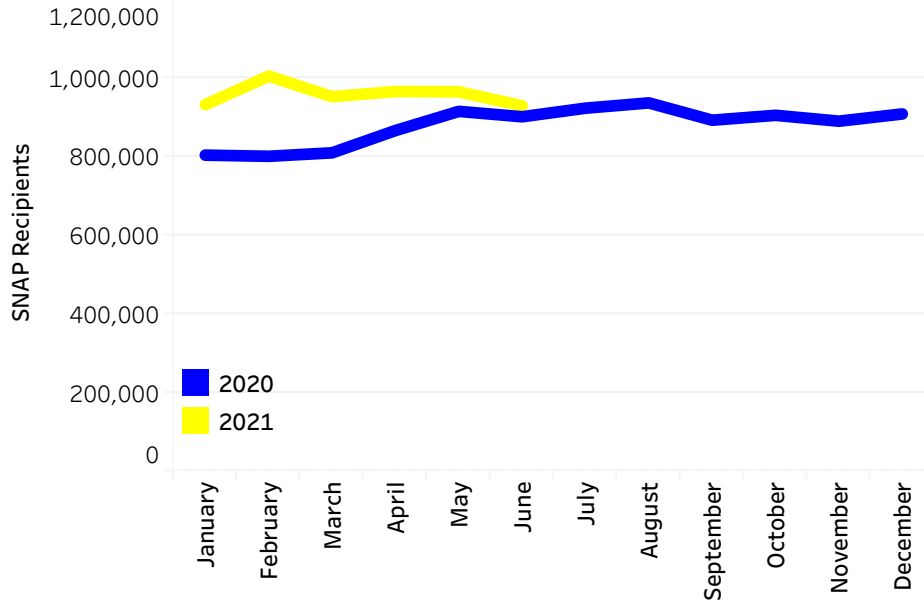
Unduplicated Unemployment Insurance Claimants



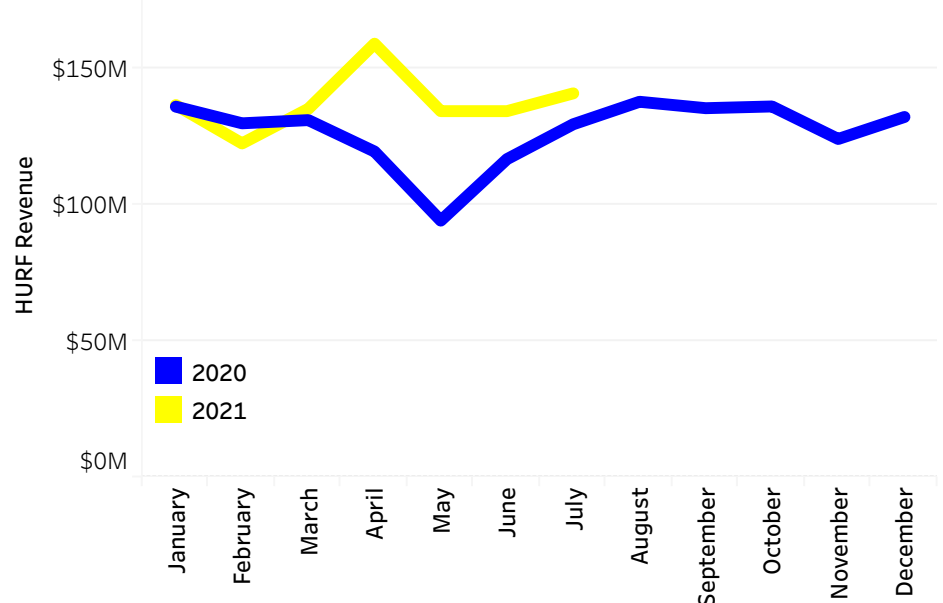
AHCCCS Recipients



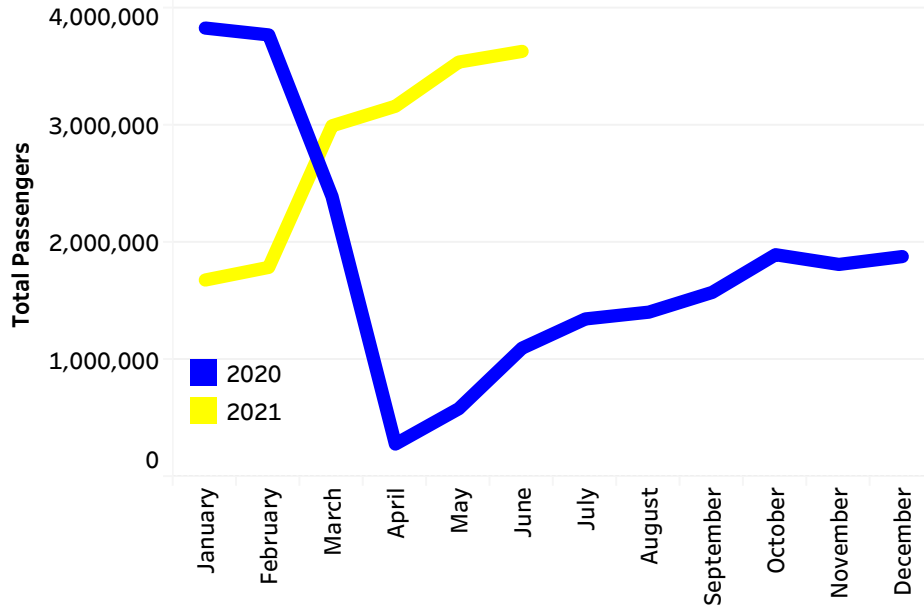
SNAP Recipients



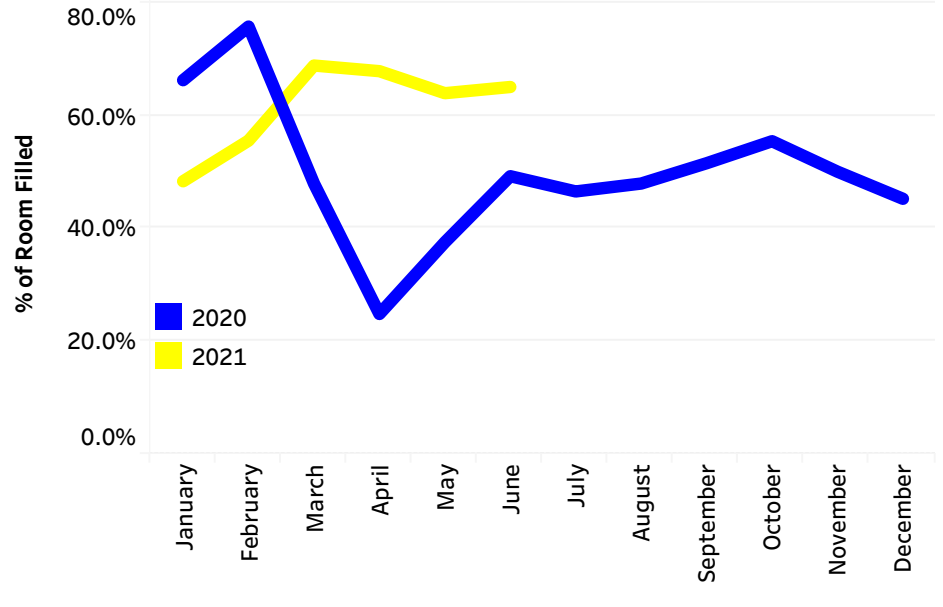
HURF Revenue



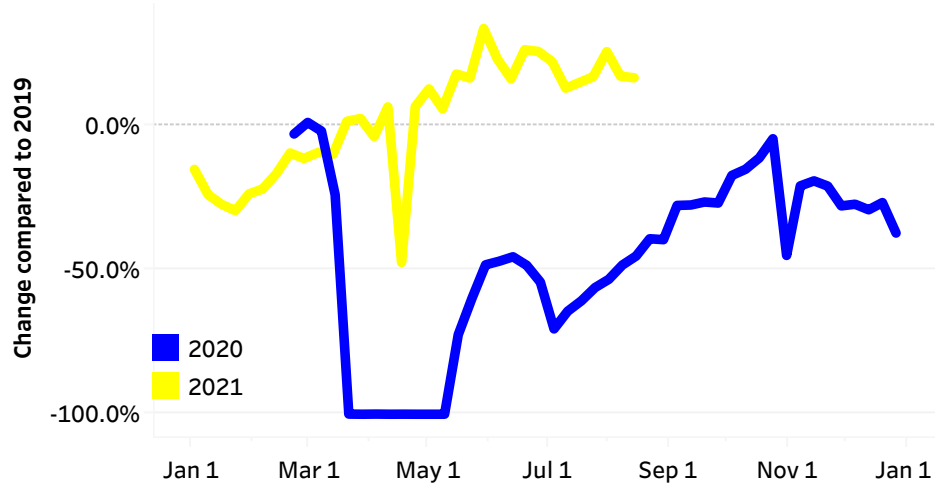
Sky Harbor Total Passengers



Arizona Hotel Occupancy



Arizona OpenTable Saturday Reservations



The 2021 OpenTable data displays the change in seated diners from 2019, rather than the year-over-year change from 2020.