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**"July General
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This report has been prepared for the Arizona Legislature by the Joint Legislative Budget Committee Staff on August 20, 2012.

Summary



July furthered the state's trend of revenue growth, as base revenue collections have increased in 22 of the last 24 months. General Fund revenue collections totaled \$747.8 million. Excluding one-time revenue adjustments, July collections were 6.1% above the prior year.

Increased July collections were due to growth in both Sales and Individual Income Tax collections. Sales tax collections were driven by gains in the major categories of retail and contracting, with retail collections posting the highest growth rate since November 2011. Individual Income Tax collections were helped by strong withholding growth, which may reflect job gains seen so far this year in Arizona.

July General Fund collections were \$16.2 million above the enacted May budget forecast. As mentioned last month, FY 2013 General Fund revenues could be higher than budgeted in light of greater than expected FY 2012 revenue collections. This higher base, however, could be offset during the fiscal year by changing economic conditions and the outcome of federal budget negotiations.

Due to the lack of expenditure data from the Department of Administration at the time of publication, this month's issue of *Monthly Fiscal Highlights* does not include any information on state expenditures.

The state's fiscal health can also be measured by the operating fund balance. The state pays its bills out of the operating fund balance, which consists of the General Fund and certain dedicated funds. At the end of FY 2012, this

balance had grown to \$2.4 billion. Due to several rollover payments at the beginning of the fiscal year, along with a budgeted deposit to the Budget Stabilization Fund (BSF), the operating balance has declined to \$1.3 billion as of mid-August. In addition to the state's operating balance, the BSF currently has a balance of \$450.3 million.

Updated FY 2012 Ending Balance Projection

In the *July Monthly Fiscal Highlights*, JLBC Staff estimated that higher than expected FY 2012 revenue collections, along with lower caseload spending on certain programs, would lead to a greater ending balance than previously budgeted. This balance was expected to be approximately \$379 million.

Since that time, the state has finished the "13th month," where the state continues to record FY 2012 revenues and spending obligations. With the end of this period, the State has closed its books and will begin to officially determine the FY 2012 ending balance.

Subsequent to the *July Monthly Fiscal Highlights*, the Arizona Republic reported a FY 2012 year-end balance of \$401 million. While the Executive provided that estimate, it was preliminary and will likely change further.

The first official calculation of the ending balance will occur by September 15 as the General Appropriation Act requires the Executive to provide a preliminary estimate at this time. The Department of Administration is required to publish its final FY 2012 accounting by December 1, 2012.

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July Revenues

Table 1

General Fund Revenues (\$ in Millions)

	<u>FY 2013 Collections</u>	<u>Difference From Budget Forecast</u>	<u>Difference From FY 2012</u>
July	\$ 747.8	\$ 16.2	\$ 17.8
Year-to-Date	\$ 747.8	\$ 16.2	\$ 17.8

Sales Tax collections were \$402.5 million, or 5.3% above July 2011 and \$9.7 million above forecast for the month. Excluding the \$80.7 million from the temporary 1-cent increase, collections were \$321.9 million, or 4.9% above July 2011.

Table 2 displays the July growth rates for the largest sales tax categories.

Table 2

Sales Tax Growth Rates Compared to Prior Year

	<u>July</u>	<u>YTD</u>
Retail	6.8%	6.8%
Contracting	5.5%	5.5%
Utilities	1.3%	1.3%
Use	(2.2)%	(2.2)%
Restaurant & Bar	8.5%	8.5%

Retail and contracting together account for about 60% of all sales tax revenues. As we have noted in prior reports, growth in the retail category slowed during the second half of FY 2012 compared to the prior year. However July retail collections, reflecting June sales, rebounded from the decrease of (2.5)% in the prior month to a 6.8% increase this month. Contracting continues to be more volatile than retail, with a 6.4% growth rate for the month of July.

Individual Income Tax net revenues were \$287.9 million in July, or 11.5% greater than the prior year. Collections were \$20.6 million above the enacted budget forecast.

The July increase relative to the forecast was the result of greater than expected withholding tax collections and payment collections. In addition, refunds were less than expected.

As indicated in Table 3, withholding increased by 9.8% in July, after two months of more modest growth rates.

Total estimated and final payments were up 7.0% over the prior year. With collections of \$15

million, however, July is one of the lower collection month for individual income tax payments.

Refunds were (22.5)% less than July of last year. Along with payments, July is a relatively low month for refund activity as well.

Table 3

Individual Income Tax Growth Rates Compared to Prior Year

	<u>July</u>	<u>YTD</u>
Withholding	9.8%	9.8%
Estimated +		
Final Payments	7.0%	7.0%
Refunds	(22.5)%	(22.5)%

Corporate Income Tax net collections were \$20.8 million in July, or (18.9)% below the prior year. Collections were \$(11.8) million below the enacted budget forecast. While the decrease is large in percentage terms, July is a low collection month for Corporate Income Tax.

The **Lottery Commission** reports that July ticket sales were \$49.0 million, which is \$3.2 million, or 7.0%, above sales in the prior year.

Non-General Fund

Highway User Revenue Fund (HURF) revenues consist of gasoline and use fuel (diesel) tax, motor carrier fees (commercial carriers), vehicle license tax and registration fees, and various other fees. HURF collections of \$97.6 million in July were down \$(3.4) million, or (3.4)%, compared to July of last year.

“...July retail collections, reflecting June sales, rebounded from the decrease of (2.5)% in the prior month to a 6.8% increase this month.”

Table 4

General Fund Revenue: Change from Previous Year and Enacted May Budget Forecast July 2012

	Current Month					FY 2013 YTD (One Month)					
	Actual July 2012	Change From				Actual July 2012	Change from				
		July 2011		Budget Forecast				July 2011		Budget Forecast	
		Amount	Percent	Amount	Percent			Amount	Percent	Amount	Percent
<u>Taxes</u>											
Sales and Use - Base*	\$321,889,182	14,960,010	4.9 %	5,314,384	1.7 %	\$321,889,182	\$14,960,010	4.9 %	\$5,314,384	1.7 %	
- 1¢ Increase*	\$80,651,757	5,183,726	6.9	4,392,985	5.8	80,651,757	5,183,726	6.9	4,392,985	5.8	
Income - Individual	287,855,519	29,752,354	11.5	20,601,766	7.7	287,855,519	29,752,354	11.5	20,601,766	7.7	
- Corporate	20,785,552	(4,854,972)	(18.9)	(11,782,306)	(36.2)	20,785,552	(4,854,972)	(18.9)	(11,782,306)	(36.2)	
Property	198,915	(27,303)	(12.1)	(51,085)	(20.4)	198,915	(27,303)	(12.1)	(51,085)	(20.4)	
Luxury - Tobacco	2,228,113	(528,304)	(19.2)	0	0.0	2,228,113	(528,304)	(19.2)	0	0.0	
- Liquor	2,533,372	(605,123)	(19.3)	0	0.0	2,533,372	(605,123)	(19.3)	0	0.0	
Insurance Premium	37,508,678	(109,287)	(0.3)	(2,491,322)	(6.2)	37,508,678	(109,287)	(0.3)	(2,491,322)	(6.2)	
Estate	0	(200,652)	(100.0)	0	--	0	(200,652)	(100.0)	0	--	
Other Taxes	47,573	(827)	(1.7)	(12,427)	(20.7)	47,573	(827)	(1.7)	(12,427)	(20.7)	
Sub-Total Taxes	\$753,698,661	\$43,569,622	6.1 %	\$15,971,995	2.2 %	\$753,698,661	\$43,569,622	6.1 %	\$15,971,995	2.2 %	
<u>Other Revenue</u>											
Lottery	0	0	--	0	--	0	0	--	0	--	
License, Fees and Permits	2,825,316	1,125,830	66.2	825,316	41.3	2,825,316	1,125,830	66.2	825,316	41.3	
Interest	615	(156)	(20.2)	(9,385)	(93.9)	615	(156)	(20.2)	(9,385)	(93.9)	
Sales and Services	526,312	(229,625)	(30.4)	(973,688)	(64.9)	526,312	(229,625)	(30.4)	(973,688)	(64.9)	
Other Miscellaneous	2,621,340	1,414,685	117.2	621,340	31.1	2,621,340	1,414,685	117.2	621,340	31.1	
Disproportionate Share	0	0	--	0	--	0	0	--	0	--	
Transfers and Reimbursements	289,810	(1,976,936)	(87.2)	(210,190)	(42.0)	289,810	(1,976,936)	(87.2)	(210,190)	(42.0)	
Sub-Total Other Revenue	6,263,393	333,798	5.6 %	253,393	4.2 %	6,263,393	333,798	5.6 %	253,393	4.2 %	
TOTAL BASE REVENUE	\$759,962,054	\$43,903,420	6.1 %	\$16,225,388	2.2 %	\$759,962,054	\$43,903,420	6.1 %	\$16,225,388	2.2 %	
<u>Other Adjustments</u>											
Urban Revenue Sharing	(42,798,670)	(7,430,050)	21.0	0	0.0	(42,798,670)	(7,430,050)	21.0	0	0.0	
Budget Plan Transfers	30,627,806	(18,714,680)	(37.9)	0	0.0	30,627,806	(18,714,680)	(37.9)	0	0.0	
Sub-Total Other Adjustments	(12,170,864)	(26,144,730)	-- %	0	0.0 %	(12,170,864)	(26,144,730)	-- %	0	0.0 %	
TOTAL GENERAL FUND REVENUE	\$747,791,190	\$17,758,690	2.4 %	\$16,225,388	2.2 %	\$747,791,190	\$17,758,690	2.4 %	\$16,225,388	2.2 %	
<u>Non-General Funds</u>											
Highway User Revenue Fund	\$97,576,525	(\$3,420,147)	(3.4) %	(\$4,632,107)	(4.5) %	\$97,576,525	(\$3,420,147)	(3.4) %	(\$4,632,107)	(4.5) %	

* Total July collections including the temporary 1¢ increase approved by the voters in May 2010 were \$402.5 million. This amount is \$20.1 million, or 5.3%, above July 2011 and \$9.7 million, or 2.5%, above forecast.

Economic Indicators

NATIONAL

According to the U.S. Department of Commerce Bureau of Economic Analysis, the **U.S. Real Gross Domestic Product (GDP)** for the second quarter of 2012 increased at an annual rate of 1.5%. This growth represents a deceleration however, from the 2.2% rate estimated for the first quarter of 2012 and the 3.0% in the fourth quarter of 2011. The slow-down was mainly caused by deceleration of personal consumption and fixed investment and from growing imports.

The Conference Board's **U.S. Consumer Confidence Index** increased by 5.1% in July to 65.9. This reading represents the index's first increase in the past five months and is 11.3% above the July 2011 value. This increase was driven largely by an improved economic outlook six month hence, but moderated by a worsening view of the current economic and financial situation.

The Conference Board's **U.S. Leading Economic Index** decreased by (0.3)% in June, but still increased by 1.5% over June 2011. This drop was caused by declines in 6 of the index's 10 components, but primarily caused by a reduced number of issued building permits and manufacturing new orders.

Consumer prices, as measured by the **U.S. Consumer Price Index (CPI)**, remained flat in July and increased by 1.4% over last July. This flat growth marked the fourth consecutive month without an increase in prices. During July, a 0.1% increase in prices for food and all other items was offset by a 0.3% decrease in energy prices.

ARIZONA

The Federal Reserve Bank of Philadelphia's **coincident index** gauges current economic activity in each state. The index combines 4 indicators: employment, average hours worked in manufacturing, unemployment rate, and inflation-adjusted wages.

In June, 30 out of 50 states had increases in their coincident indexes. Arizona's coincident index increased by 0.2% compared to the prior month. Year-over-year, the Arizona index is 2.7% above last year, which is the 17th highest growth rate in the country. While this is a

significant improvement, Arizona's index is still (11.7)% below its peak, which occurred in August 2007. See [Tracking Arizona's Recovery](#) for additional historical information.

The Federal Reserve Bank of Philadelphia also publishes a **leading index** for each state that forecasts economic conditions for the next 6 months. In addition to the coincident index, Arizona's leading index is based on Arizona housing permits, Arizona initial unemployment insurance claims, national delivery times from a manufacturing survey, and the interest rate spread between the 3-month and 10-year Treasury instruments.

Using a 3-month average, Arizona's leading index projects that state GDP will grow at an annualized rate of 2.6% over the next 6 months. This is lower than the revised 2.8% growth projection in May, and higher than the 1.5% projection in June 2011.

Employment

According to the Arizona Department of Administration's employment report for July, the state lost a total of (21,800) **nonfarm jobs** between June and July. Job losses are typical in July primarily due to seasonal staff reductions at the state's public schools. More than 70% of July's reduction in nonfarm employment, or (15,700) jobs, came from the government sector. The loss of (6,100) private sector jobs was less than half the average job loss for July over the prior 10 years. Ninety three percent, or (5,700) of July's private sector job losses came from the leisure and hospitality industry. This industry typically sheds jobs in July when fewer tourists visit the state.

Compared to July 2011, nonfarm employment was up by 2.4%, or 55,700 jobs. This was the largest year-over-year job increase since March 2007. July also marked the second consecutive month with over-the-year job growth in excess of 2%. Only 2 of the 11 major employment sectors (information and other services sectors) had fewer people on their payrolls in July than a year ago. The largest contributors to July's year-over-year job gain were the education and health services sector (+11,100 jobs), followed by the professional and business services sector (+10,900 jobs).

See [Tracking Arizona's Recovery](#) for additional historical information.

"[The] U.S. Consumer Confidence Index increased by 5.1% in July...this reading represents the index's first increase in the past five months and is 11.3% above the July 2011 value."

Economic Indicators (Continued)

The state's **unemployment rate** inched up by 01% in July, going from 8.2% to 8.3%. This was the first time since November 2009 that the jobless rate increased.

Occasionally, job growth and the unemployment rate move in opposite direction, as was the case in July. This is primarily due to the fact that the two measures do not use the same underlying data. Job growth is based on a survey submitted to employers whereas the unemployment rate is computed based on a survey submitted to households. The U.S. unemployment rate also increased from 8.2% in June to 8.3% in July. Arizona's jobless rate in July 2011 was 1.3% higher at 9.6%.

Housing

The number of Maricopa County **pending foreclosures** decreased from 17,910 in June to 16,578 in July. This represents the second consecutive monthly decrease in this measure. The July total is substantially below the peak in December 2009 (51,466). See [Tracking Arizona's Recovery](#) for additional historical information.

The total housing inventory in the Greater Phoenix area decreased from 27,663 in July 2011 to 20,384 in July 2012, a (26.3)% decrease. In the Metropolitan Phoenix area, the **median price of a single family home** was \$150,000 in June. This represents an increase of 2.0% from May, and a 16.7% increase from June of last year.

Another measure of the health of the Arizona real estate market is permitting activity. For the 3-month period through June, a total of 1,619 **single-family building permits** had been issued statewide, a 62.1% increase from last year. This is the highest 3-month average since August 2008 when there were 1,740 permits issued. Even so, this is far below a more normal 3-month average of 3,000 to 4,000 permits. See [Tracking Arizona's Recovery](#) for additional historical information.

The performance of the single-family housing sector has continued to improve. However, multi-family housing is still the stronger of the two sectors. For the 3-month period ending in June, a total of 159 **multi-family building permits** had been issued in the state, a 236.6% increase from the prior year. Even with this growth, multi-family permitting activity still remains (69.1)% below the peak of activity in April 2007.

See [Tracking Arizona's Recovery](#) for additional historical information.

State Agency Data

At the beginning of August, total **AHCCCS** caseloads equaled 1.29 million members, a 0.6% increase from the prior month. Overall AHCCCS caseloads are currently

(6.9)% below August 2011 levels. The traditional AHCCCS population, which consists primarily of lower-income children and their parents, increased 0.5% from July and increased 0.9% from a year ago. The total population in this program is almost 900,000. The Proposition 204 childless adult program has not allowed new participants since July 2011 and this population has declined (119,172) since July 2011 to 105,320. Of the decline, (11,445) is attributed to members who were transferred to the SSI program. As a whole, the Proposition 204 program has declined (1.6)% compared to the prior month, and (31.7)% from the prior year.

KidsCare provides coverage for children with incomes above those in the traditional population. Its enrollment has declined since a freeze was implemented in January 2010. Enrollment declined (4.5)% compared to the prior month and (43.4)% from the prior year. Beginning on May 1, 2012, AHCCCS began a new program, entitled KidsCare II, which provides coverage for children up to 175% of the Federal Poverty Level. The state match is provided by voluntary payments from political subdivisions. As of the beginning of August, 12,441 children were enrolled in KidsCare II.

There were 40,266 **TANF recipients** in the state in July, a monthly caseload increase of 1.0%. Year-over-year, the number of TANF recipients has declined by (2.5)%. This decline is the result of changes to the statutory lifetime limit a person may receive cash assistance. The FY 2011 budget reduced the lifetime limit to 36 months. The FY 2012 budget further reduces this limit to 24 months. Previously, the maximum had been 60 months. The appropriation for TANF cash assistance in the FY 2013 budget funds a caseload of approximately 36,200 recipients in FY 2013.

The **Supplemental Nutrition Assistance Program (SNAP)**, formerly known as Food Stamps, provides assistance to low-income households to purchase food. In July, there were a total 1.1 million food stamp recipients in the state, a 0.3% increase over the prior month. Compared to the same month last year, food stamp participation was up by 1.5%. The number of food stamp recipients began increasing steadily in July 2007, after several years in the 550,000 to 575,000 range.

The 3-month average count of the **Department of Correction's (ADC) inmate population** decreased to 39,878 inmates between May 2012 and July 2012. Relative to the prior 3-month period, the population has decreased by (81) inmates. Compared to a year ago, the population has declined by (302) inmates.

Economic Indicators (Continued)

Table 5

ECONOMIC INDICATORS

Indicator	Time Period	Current Value	Change From Prior Period	Change From Prior Year
Arizona				
- Unemployment Rate (SA)	July	8.3%	0.1 %	(1.3)%
- Initial Unemployment Insurance Claims	July	27,564	17.0%	(1.4)%
- Unemployment Insurance Recipients	July	63,863	9.9%	(11.4)%
- Non-Farm Employment - Total	July	2.39 million	(0.9)%	2.4%
Manufacturing	July	152,300	0.7%	1.6%
Construction	July	121,100	0.8%	7.3%
- Average Weekly Hours, Manufacturing	June	42.5	1.2%	3.4%
- Contracting Tax Receipts (3-month average)	May-Jul	\$36.0 million	5.4%	5.7%*
- Retail Sales Tax Receipts (3-month average)	May-Jul	\$151.1 million	(2.6)%	2.2%*
- Residential Building Permits (3-month moving average)				
Single-family	Apr-Jun	1,619	6.8%	62.1%
Multi-unit	Apr-Jun	159	(0.2)%	236.6%
- Greater Phoenix Home Sales				
Single-Family	June	9,250	(4.7)%	(11.7)%
Townhouse/Condominium	June	1,339	(12.5)%	(9.2)%
- Greater Phoenix Median Home Price				
Single-Family	June	\$150,000	2.0%	16.7%
Townhouse/Condominium	June	\$90,000	(6.3)%	11.8%
- Greater Phoenix S&P/Case-Shiller Home Price Index (Jan. 2000 = 100)	May	111.92	2.7%	11.5%
- Foreclosure Activity, Maricopa County				
Pending Foreclosures (Active Notices)	July	16,578	(7.4)%	(32.0)%
- Greater Phoenix Total Housing Inventory, (ARMLS)	July	20,384	2.7%	(26.3)%
- Phoenix Sky Harbor Air Passengers	May	3.41 million	0.2%	(2.0)%
- Revenue Per Available Hotel Room	June	\$48.79	(12.0)%	2.1%
- Arizona Average Natural Gas Price (\$ per thousand cubic feet)	May	\$3.61	10.7%	(40.3)%
- Arizona Consumer Confidence Index (1985 = 100)	2nd Quarter 2012	68.6	(1.3)%	32.2%
- Arizona Coincident Index (July 1992 = 100)	June	179.09	0.2%	2.7%
- Arizona Leading Index -- 6 month projected growth rate	Apr-June	2.6%	(0.3)%	1.1%
- Arizona Personal Income	1st Quarter 2012	\$237.1 billion	0.5%	3.3%
- Arizona Population	July 1, 2011	6.48 million	N/A	1.1%
- AHCCCS Recipients	August	1,288,183	0.6%	(6.9)%
Acute Care Traditional		894,091	0.5%	0.9%
Spend Down		-	-	(100.0)%
Prop 204 Childless Adults		105,320	(4.4)%	(51.5)%
Other Prop 204		151,657	0.4%	(4.8)%
Kids Care		9,439	(4.5)%	(43.4)%
Kids Care II		12,441	128.5%	-
Long-Term Care -- Elderly & DD		52,595	0.3%	2.4%
Emergency Services		62,640	1.8%	25.9%
- TANF Recipients	July	40,266	1.0%	(2.5)%
- SNAP (Food Stamps) Recipients	July	1,138,407	0.3%	1.5%
- ADC Inmate Growth (3-month average)	May - July	39,878	(81) inmates	(302) inmates
- Probation Caseload				
Non-Maricopa	May	18,183	19	(807)
Maricopa County	May	25,581	(48)	(603)
United States				
- Gross Domestic Product (Chained 2005 dollars, SAAR)	2nd Quarter 2012 (1 st Estimate)	\$13.6 trillion	1.5%	2.2%
- Consumer Confidence Index (1985 = 100)	July	65.9	5.1%	11.3%
- Leading Indicators Index (2004 = 100)	June	95.6	(0.3)%	1.5%
- U.S. Semiconductor Billings (3-month moving average)	April-June	\$4.32 billion	(3.6)%	(8.1)%
- Consumer Price Index, SA (1982-84 = 100)	July	228.7	0.0%	1.4%

*Adjusted for 1¢ sales tax

Summary of Recent Agency Reports

Arizona Department of Administration/Arizona Board of Regents – Report on Private Leases – Pursuant to A.R.S. § 41-792.D, the Arizona Department of Administration (ADOA) and the Arizona Board of Regents (ABOR) is biennially required to submit a report on all approved office leases that exceeded the Lease Cost Review Board's (LCRB) estimated average cost per square foot for privately-owned office space during the prior 2 years. In FY 2011, ADOA approved 0 leases and ABOR approved 11 leases that exceeded the LCRB's FY 2011 \$24.20 average cost per square foot for privately-leased space. In FY 2012, ADOA approved 2 leases and ABOR approved 17 leases that exceeded the LCRB's FY 2012 \$18.80 average cost. (Leatta McLaughlin)

Arizona Board of Regents – Report on University Retention and Graduation Rates – Pursuant to A.R.S. § 15-1626, the Arizona Board of Regents is required to submit an annual report on retention and graduation rates at each university campus. Highlights from the 2012 report include:

- Fall 2011 retention rates reflect the percentage of first-time, full-time, degree-seeking students who initially enrolled in Fall 2010 and who re-enrolled in the same university in Fall 2011.
 - Arizona State University (ASU) 84%; Northern Arizona University (NAU) 73%; and the University of Arizona (UA) 77%.
 - Six-year graduation rates reflect the percentage of first-time, full-time, degree-seeking students who received their degree within 6 years of their initial Fall enrollment at the same university. The 2012 report shows the percentage of students who enrolled in Fall 2005 who graduated from the same university within 6 years.
 - ASU 58%; NAU 52%; and UA 61%.
- (Marge Zylla)

The average turnaround time for vehicle registration renewal by mail decreased by (11.1)% from 1.8 days in FY 2011 to 1.6 in FY 2012. (Ben Beutler)

AHCCCS – Report on Graduate Medical Education Residency Positions – Pursuant to A.R.S. § 36-2903.01, the Arizona Health Care Cost Containment System (AHCCCS) has submitted its annual report on the number of residency positions funded by local, county, or tribal governments. The agency indicates that these contributions in FY 2011 provided partial funding for 1,047 residency positions at the following 6 hospitals:

- Banner Good Samaritan
- Kingman Regional Medical Center
- Maricopa Medical Center
- Phoenix Children's Hospital
- University Medical Center
- University Physicians Hospital

The positions were funded by local contributions of \$33,500,095 and a federal match of \$79,852,820, resulting in \$113,352,915 total new funding. (Amy Upston)

Arizona Department of Transportation – Annual Report on Motor Vehicle Division Wait Times – A FY 2012 General Appropriation Act footnote requires the Arizona Department of Transportation to report to the Legislature annually on customer wait times in Motor Vehicle Division field offices and vehicle registration renewal by mail turnaround times. In metropolitan areas, the average customer wait time from receiving a ticket until arriving at the counter increased from 25.1 minutes in FY 2011 to 26.2 minutes in FY 2012. In non-metropolitan areas, the average customer wait time decreased from 14.8 minutes in FY 2011 to 13.9 minutes in FY 2012. Average customer wait times in metropolitan areas ranged from 15.0 minutes in the Tempe office to 50.8 minutes in the West Phoenix office in FY 2012.

July Spending

Due to the lack of expenditure data from the Department of Administration at the time of publication, this month's issue of *Monthly Fiscal Highlights* does not include any information on state expenditures.