

Economic and Revenue Conditions in Arkansas: April 2018 Update

DFA-Economic Analysis and Tax Research

April 2018

Economic Indicators Update

1. Arkansas Unemployment Rate 3.8% (Feb.) vs. 4.1% at the national level
 - a. The state rate is statistically equal to the national rate
 - b. Drawdown in the U.S. rate is mainly taking place in the less educated segments of the survey groups over the past two years

2. Arkansas Payroll Employment growth (2017 annual Y/Y and Feb. 2018)
 - a. Total Nonfarm Employment +0.9%, Feb. at +0.2%
 - b. Private Sector +1.2%, Feb. at +0.1%
 - c. Government -0.3%, Feb. at +0.2%
 - d. Core Sectors +1.2%, Feb. at +0.2%
 - e. Lagging sectors are Retail, Govt., Information, and Energy

3. Personal Income Y/Y Percent change, except as noted
 - a. Total Personal Income 2017: +3.2%
 - b. Wage and Salary Income 2017: +2.5% (vs. 6.0% in state Withholding Tax)
 - c. Per Capita Income 2017: +2.7%
 - d. Arkansas Per Capita Income as percent of U.S. is 80.9%
 - e. Arkansas cost of living as percent of U.S. avg. estimated at 87.4%
 - f. Arkansas real per capita income as percent of U.S. avg. at 92.3%

4. Inflation is moving above the 2.0% rate by most measures and forecasts
 - a. CPI-All Items up 2.1% in CY 2017 with a forecast of 2.3% in 2018
 - b. CPI-Excluding Food and Energy was up 1.8% in CY 2017 with a forecast of 2.3% in 2018
 - c. CPI in Mar. monthly data was 2.4% for total CPI and 2.1% for Core CPI
 - d. The Federal Reserve measure of choice using Core Inflation from PCE shows 2.0% in 2018 and 2.2% in 2019.

5. Other Metrics
 - a. The state population reached 3.0 million in 2017
 - b. Prime working age population age 25-54 reached 1.14 million, with fractional percentage growth
 - c. Estimated U.S. labor force participation at 62.9% (Mar. 2018)
 - d. SNAP (food stamp) Households receiving assistance at 167,000 in Jan. 2018, down -3.4% Y/Y and in-line with U.S. decline rate; and down -26% from a peak in Dec. 2012

- e. Average annual wage income at \$41,571 in 2016 Quarterly Census of Employment and Wages
 - i. Estimated at \$42,469 in CY 2017 (+2.2%)
 - ii. Projected at \$43,785 in CY 2018 (+3.1%)
- f. Payroll Withholding Tax collections are growing faster than economic indicators, +4.8% YTD.

General Revenue Forecast

- 1. The forecast was updated Dec. 1, 2017 in accordance with state law prior to the fiscal session
 - a. No change in the forecast was communicated for Net Available Revenue in FY 2018 and 2019 but selected categories of collections and refunds were revised.
- 2. Forecasts for the next biennium will be issued 60 days prior to the start of the next regular session.

Official General Revenue Forecast			
2017 - 2019 Biennium			
	FY 2017	FY 2018	FY 2019
Millions of Dollars	Actual	Current	Forecast
Total Gross Revenue	\$6,551.8	\$6,734.8	\$6,942.0
\$ Change	\$100.4	\$183.0	\$207.2
Annual % Change	1.6%	2.80%	3.10%
Net Available Revenue	\$5,348.8	\$5,453.2	\$5,690.2
\$ Change	-\$19.0	\$104.4	\$237.0
Annual % Change	-0.4%	2.0%	4.3%

Revenue Update

- 1. Net Revenues in March 2018 were \$10 million below forecast mainly due to refunds issued but FY 2018 remains above forecast by \$69.6 million YTD.
- 2. Payroll Withholding Tax shows 4.8 percent growth YTD, a higher growth rate than survey-based economic indicators
- 3. April is the largest collection month of the year and one of the three largest months for Individual Refunds.

Status Summary and Outlook

Moderate growth continues in the Arkansas economy as measured by economic surveys and state tax revenue. Extended years of low unemployment is benefiting the marginally attached labor force with more job opportunities and longer hours. Employment levels remain under pressure in Retail, Government, Information, and Energy in a persistent pattern for both low-and medium-wage sectors. Other major sectors are growing at moderate rates with wage inflation for some technically qualified occupations.

Inflation is slowly rising with full employment growth conditions nationally and among major developed country economies. Federal Reserve interest rate policy appears scaled to the forward view of rising growth with inflation for the remainder of 2018 and 2019. Extended growth in the absence of asset bubbles, regulatory lapses, and extensive trade conflicts will set a new record for economic and business cycle length for expansion. Stable energy markets will support macroeconomic growth.

Average annual wage growth in Arkansas was 1.3 percent in 2016 with an estimated 2.2 percent growth in 2017. Projected growth in 2018 is 3.1 percent with further acceleration to 3.5 percent in 2019. A modest upswing in economic growth and inflation at this stage of the expansion with tightened labor markets will continue through 2019 and boost average wage income.

Economic Cycle Length and Recession Probability

Postwar Economic Cycle Length		
	Months	Avg. Growth Rate
Longest (Mar. '91 - Mar. '01)	120	3.6%
2nd Longest (June '09 - current)	105*	2.2%
3rd Longest (Nov. '01 - Dec. '07)	73	2.8%
Potential Point of Longest Expansion		
	July 2019	
* as of March 2018		
Recession Probability 12-Months Ahead		
10.8% (Fed. Reserve Bank of NY)		

Chart List

1. CPI Inflation (1)
2. Unemployment Rates and Labor Force Participation (5)
3. SNAP Benefits Recipients (1)

Other Documents

1. YTD Revenue Report
2. Official Revenue Forecast, December 2017

**OFFICIAL GENERAL REVENUE FORECAST
2017 - 2019 Biennium**

Millions of Dollars

	Actual	FY 17 Increase	% CH	12/01/17 Estimate	FY 18 Increase	% CH	12/01/17 Estimate	FY 19 Increase	% CH
INDIVIDUAL INCOME	3,214.7	66.5	2.1	3,323.1	108.4	3.4	3,428.8	105.7	3.2
CORPORATE INCOME	433.8	-52.9	-10.9	465.7	31.9	7.3	482.3	16.6	3.6
SALES AND USE	2,337.9	48.0	2.1	2,418.9	81.0	3.5	2,487.7	68.8	2.8
ALCOHOLIC BEVERAGE	57.5	0.7	1.3	57.8	0.3	0.6	58.8	1.0	1.7
TOBACCO	221.6	-1.9	-0.9	213.0	-8.6	-3.9	208.5	-4.5	-2.1
INSURANCE	141.9	40.0	39.3	114.4	-27.5	-19.4	132.7	18.3	16.0
RACING	2.4	-0.1	-3.4	2.3	-0.1	-4.3	2.3	0.0	0.0
GAMES OF SKILL	60.3	4.4	7.9	62.3	2.0	3.4	65.3	3.0	4.8
SEVERANCE	8.9	0.2	2.2	7.0	-1.9	-21.5	7.3	0.3	4.3
CORPORATE FRANCHISE	8.0	0.0	0.0	8.0	0.0	0.0	8.0	0.0	0.0
REAL ESTATE TRANSFER	2.6	0.0	0.0	2.6	0.0	-0.3	2.6	0.0	0.0
MISCELLANEOUS	62.2	-4.5	-6.8	59.7	-2.5	-4.1	57.7	-2.0	-3.4
TOTAL GROSS	6,551.8	100.4	1.6	6,734.8	183.0	2.8	6,942.0	207.2	3.1
LESS: SCS/COF	208.6	2.3	1.1	208.8	0.2	0.1	215.2	6.4	3.1
INDIVIDUAL REFUNDS	447.0	80.1	21.8	485.1	38.1	8.5	504.6	19.5	4.0
CORP REFUNDS	67.4	-1.5	-2.1	78.9	11.5	17.1	70.4	-8.5	-10.8
CLAIMS RESERVE	0.0	0.0	0.0	10.0	10.0	0.0	10.0	0.0	0.0
ECON DEV INCENTIVE	13.0	3.6	37.7	23.4	10.4	80.3	23.4	0.0	0.0
RECYCLING EQUIP CREDIT	16.0	16.0	0.0	16.0	0.0	0.0	22.5	6.5	40.6
AMENDMENT 82 BOND	5.3	5.3	0.0	5.3	0.0	0.2	5.3	0.0	0.0
WATER/SEWER BONDS	14.8	0.0	0.0	14.8	0.0	0.0	14.8	0.0	0.0
COLL SAVINGS BONDS	23.2	0.0	0.0	24.0	0.8	3.4	24.0	0.0	0.0
MLA CITY/CO TOURIST	0.9	-0.2	-15.2	0.9	0.0	1.4	0.9	0.0	0.0
EDUC EXCEL TRUST	313.4	12.6	4.2	320.3	6.9	2.2	331.4	11.1	3.5
DESEGREGATION	65.8	0.0	0.0	65.8	0.0	0.0	0.0	-65.8	-100.0
EDUCATIONAL ADQCY	27.7	1.1	4.2	28.3	0.6	2.1	29.3	1.0	3.5
NET AVAILABLE	5,348.8	-19.0	-0.4	5,453.2	104.4	2.0	5,690.2	237.0	4.3
LESS: SURPLUS	15.7								
NET AVAILABLE DISTRIBUTION	5,333.1	142.7	2.7	5,453.2	120.1	2.3	5,690.2	237.0	4.3

Prepared by Economic Analysis and Tax Research, DFA

Net Available Estimate for FY18: 100% of A, Rainy Day Fund, Medicaid Program Trust Fund, and 67.26% of B.



STATE OF ARKANSAS
**Department of Finance
and Administration**

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MEMORANDUM

TO: Larry Walther, Director
Paul Louthian, Deputy Director

FROM: John Shelnett, Economic Analysis & Tax Research JS

SUBJECT: **General Revenue Report for March (FY 2018)**

DATE: April 3, 2018

Copy: Governor's Office
Management Services

YEAR-TO-DATE REVENUE SUMMARY

Year-to-date Net Available General Revenues: Year-to-date net available general revenues total \$3,932.6 million, \$155.6 million or 4.1 percent above year ago levels. After nine months into the fiscal year, net available revenue is above forecast by \$69.6 million.

Year-to-date Gross General Revenues: Year-to-date gross collections total \$4,751.7 million, representing an increase of \$159.2 million or 3.5 percent above last year. Gross general revenues are above forecast by \$32.4 million or 0.7 percent.

Year-to-date Individual Income Taxes: Year-to-date individual income tax collections total \$2,322.2 million, \$115.7 million or 5.2 percent above FY 2017 collections and \$42.9 million or 1.9 percent above forecast.

Year-to-date individual income tax refunds total \$289.4 million, up \$26.5 million or 10.1 percent compared to last year and \$8.3 million or -2.8 percent below forecast. Amounts below forecast in refund categories raise net available revenue results.

Year-to-date Sales and Use Tax Collections: On a year-to-date basis, sales and use taxes total \$1,796.9 million, an increase of \$44.3 million or 2.5 percent from FY 2017 and \$7.1 million or -0.4 percent below forecast.

Year-to-date Corporate Income Taxes: Year-to-date corporate revenues total \$247.2 million, a decrease of \$6.5 million from year-to-date FY 2017. Corporate income is below forecast by \$13.3 million or -5.1 percent.

Year-to-date corporate income tax refunds total \$35.2 million, a decrease of \$28.9 million compared to the same year-to-date period last year.

MARCH REVENUE SUMMARY

March Net Available General Revenues total \$342.1 million, \$2.9 million or -0.8 percent below last year and \$10.0 million or -2.8 percent below forecast.

Among the major categories, Individual Income Tax refunds accounted for most of the shortfall as refunds issued in March exceeded forecast \$14.7 million. Among major categories of gross collections, Sales taxes were above year ago levels but below forecast by \$4.1 million. Motor vehicle sales tax was down 6.0 percent.

Among smaller revenue sources, Tobacco was above forecast by \$2.7 million. Results in Gaming revenue matched forecast.

March Gross General Revenues: March collections total \$518.5 million, an increase of \$8.2 million or 1.6 percent from last year and \$2.4 million or -0.5 percent below forecast.

March Individual Income Tax collections total \$250.2 million. Collections increased by \$10.0 million, or 4.2 percent compared to last year. With respect to the forecast, collections were \$1.0 million or -0.4 percent below forecast. Individual Withholding Tax was up 3.2 percent compared to last year.

March Individual Income Tax Refunds total \$120.2 million, \$16.7 million above last year and \$14.7 million above forecast. Refund amounts above forecast reduce Net Available revenue results.

March Sales and Use Tax Collections: March collections total \$200.0 million, an increase of \$6.3 million or 3.3 percent above last year. Collections were below monthly forecast levels by \$4.1 million or -2.0 percent.

March Corporate Income Tax collections total \$17.4 million, a decrease of \$10.2 million or -36.8 percent from year ago, and \$0.5 million or -2.6 percent below forecast.

March Corporate Income Tax Refunds total \$1.5 million. This amount is -\$6.3 million below year ago levels. Refunds were also \$6.5 million below forecast.

March Tobacco Tax collections, a smaller component of general revenue in annual terms, total \$19.2 million. Collections increased by \$1.8 million or 10.1 percent from

year earlier levels and were above forecast by \$2.7 million. Monthly changes in tobacco tax collections can be attributed to uneven patterns of stamp sales to wholesale purchasers.

SPECIAL REVENUES OF NOTE

Educational Adequacy Fund: Act 107 of the Second Extraordinary Session of 2003 increased the state sales and use tax rate from 5.125% to 6.0%, effective March 1, 2004. Effective July 1, 2004 a new sales tax on selected services went into effect in addition to an increase in vending machine decal fees. Act 94 increased the minimum corporate franchise tax and the tax rate, effective for calendar years beginning January 1, 2004.

The additional revenues are deposited as special revenues to the Educational Adequacy Fund to be used to fulfill the financial obligations of the state to provide an adequate educational system. In March 2018, \$43.6 million was collected and deposited to the fund. After deductions, the net amount is \$42.3 million. The monthly collection is equivalent to a 7.0 percent increase from prior year collections.

C: /FISCNOT/March FY 2018
Attachment (2)

MARCH 2018 YEAR-TO-DATE GENERAL REVENUE REPORT
ECONOMIC ANALYSIS AND TAX RESEARCH, DFA

FORECAST DATE: 12/1/2017

MILLIONS OF \$

	ACTUAL FY17	FORECAST FY18	ACTUAL FY18	CHANGE FROM FORECAST		CHANGE FROM LAST YEAR	
				DOLLAR DIFFERENCE	PERCENT DIFFERENCE	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
INDIVIDUAL INCOME	2,206.5	2,279.3	2,322.2	42.9	1.9	115.7	5.2
CORPORATE INCOME	253.7	260.5	247.2	-13.3	-5.1	-6.5	-2.6
SALES AND USE	1,752.5	1,804.0	1,796.9	-7.1	-0.4	44.3	2.5
ALCOHOLIC BEVERAGE	40.2	40.8	41.1	0.3	0.8	0.9	2.3
TOBACCO	162.3	159.0	164.7	5.7	3.6	2.5	1.5
INSURANCE	61.3	60.8	61.5	0.7	1.2	0.2	0.3
RACING	1.9	1.8	1.6	-0.2	-11.2	-0.3	-14.4
GAMES OF SKILL	43.1	45.4	46.4	1.0	2.2	3.3	7.7
MISCELLANEOUS ¹	71.2	67.7	70.2	2.5	3.7	-1.0	-1.4
TOTAL GROSS	4,592.6	4,719.3	4,751.7	32.4	0.7	159.2	3.5
LESS: SCSF/COF ²	147.0	146.3	147.3	1.0	0.7	0.3	0.2
INDIV INCOME TAX REFUNDS	263.0	297.7	289.4	-8.3	-2.8	26.5	10.1
CORP INCOME TAX REFUNDS	64.1	59.7	35.2	-24.5	-41.1	-28.9	-45.1
CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ECON DEVEL INCENTIVE FUND	9.6	14.7	9.4	-5.3	-36.2	-0.2	-2.2
AMENDMENT 82 BONDS	1.1	1.1	1.1	0.0	0.7	0.0	-1.6
RECYCLING EQUIP CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WATER/SEWER BONDS	11.2	11.2	11.2	0.0	0.0	0.0	0.0
COLLEGE SAVINGS BONDS	3.4	3.6	3.6	0.0	0.1	0.2	7.4
CITY & COUNTY TOURIST	0.7	0.6	0.7	0.1	11.0	0.0	0.0
SCHOOL DESEGREGATION	59.8	59.9	59.8	-0.1	-0.1	0.0	0.0
EDUCATIONAL EXCELLENCE	235.1	240.3	240.2	-0.1	0.0	5.2	2.2
EDUCATIONAL ADEQUACY	20.8	21.2	21.2	0.0	0.2	0.5	2.2
TOTAL DEDUCTIONS	815.6	856.3	819.2	-37.1	-4.3	3.6	0.4
NET AVAILABLE	3,777.0	3,863.0	3,932.6	69.6	1.8	155.6	4.1

REVENUE FORECAST SUMMARY FOR MARCH

YEAR-TO-DATE GROSS \$ 32.4 MILLION OR 0.7% ABOVE FORECAST
YEAR-TO-DATE NET AVAILABLE \$ 69.6 MILLION OR 1.8% ABOVE FORECAST

- 1) Miscellaneous includes severance, corporate franchise, real estate transfer, dyed diesel, and other miscellaneous taxes.
2) State Central Services Fund and Constitutional Officers Fund.

MARCH 2018 GENERAL REVENUE REPORT
ECONOMIC ANALYSIS AND TAX RESEARCH, DFA

FORECAST DATE: 12/1/2017

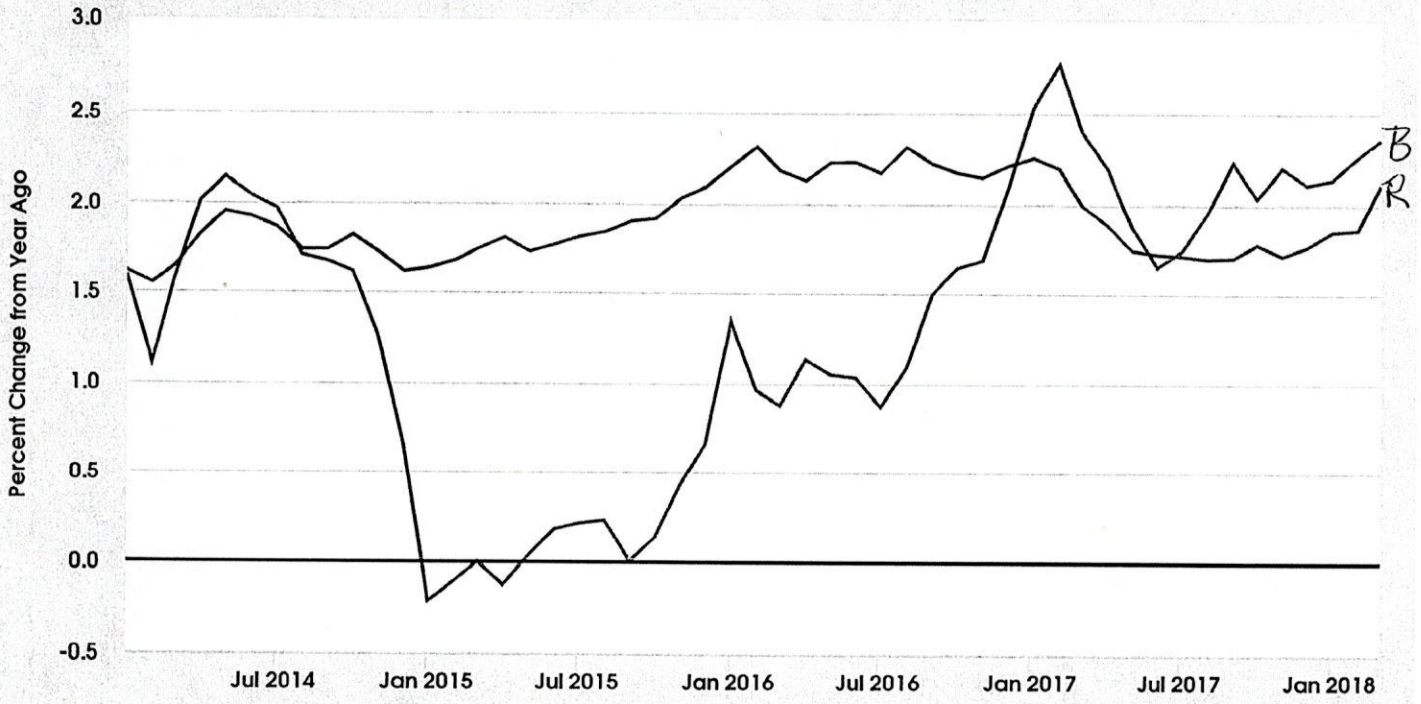
MILLIONS OF \$

	ACTUAL MAR FY17	FORECAST MAR FY18	ACTUAL MAR FY18	CHANGE FROM FORECAST		CHANGE FROM LAST YEAR	
				DOLLAR DIFFERENCE	PERCENT DIFFERENCE	DOLLAR DIFFERENCE	PERCENT DIFFERENCE
INDIVIDUAL INCOME	240.2	251.2	250.2	-1.0	-0.4	10.0	4.2
CORPORATE INCOME	27.6	17.9	17.4	-0.5	-2.6	-10.2	-36.8
SALES AND USE	193.7	204.1	200.0	-4.1	-2.0	6.3	3.3
ALCOHOLIC BEVERAGE	4.4	4.3	4.3	0.0	0.8	0.0	-0.5
TOBACCO	17.5	16.5	19.2	2.7	16.5	1.8	10.1
INSURANCE	16.2	16.2	16.4	0.2	1.0	0.1	0.7
RACING	0.3	0.3	0.3	0.0	7.5	0.0	8.0
GAMES OF SKILL	5.6	5.6	5.6	0.0	0.2	0.0	0.3
MISCELLANEOUS ¹	5.0	4.8	5.1	0.3	5.4	0.1	1.7
TOTAL GROSS	510.3	520.9	518.5	-2.4	-0.5	8.2	1.6
LESS: SCSF/COF ²	16.3	16.2	16.1	-0.1	-0.8	-0.3	-1.6
INDIV INCOME TAX REFUNDS	103.5	105.5	120.2	14.7	13.9	16.7	16.1
CORP INCOME TAX REFUNDS	7.8	8.0	1.5	-6.5	-81.6	-6.3	-81.1
CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ECON DEVEL INCENTIVE FUND	2.1	2.9	2.5	-0.4	-15.3	0.4	17.8
AMENDMENT 82 BONDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RECYCLING EQUIP CREDIT	0.0	0.0	0.0	0.0	0.0	0.0	0.0
WATER/SEWER BONDS	1.2	1.2	1.2	0.0	0.0	0.0	0.0
COLLEGE SAVINGS BONDS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CITY & COUNTY TOURIST	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SCHOOL DESEGREGATION	6.0	6.0	6.0	0.0	-0.3	0.0	0.0
EDUCATIONAL EXCELLENCE	26.1	26.7	26.7	0.0	0.0	0.6	2.2
EDUCATIONAL ADEQUACY	2.3	2.3	2.4	0.1	2.6	0.1	2.2
TOTAL DEDUCTIONS	165.3	168.8	176.4	7.6	4.5	11.1	6.7
NET AVAILABLE	345.0	352.1	342.1	-10.0	-2.8	-2.9	-0.8

REVENUE FORECAST SUMMARY FOR MARCH

MARCH GROSS	\$ 2.4 MILLION OR 0.5% BELOW FORECAST
MARCH NET AVAILABLE	\$ 10.0 MILLION OR 2.8% BELOW FORECAST


- 1) Miscellaneous includes severance, corporate franchise, real estate transfer, dyed diesel, and other miscellaneous taxes.
2) State Central Services Fund and Constitutional Officers Fund.

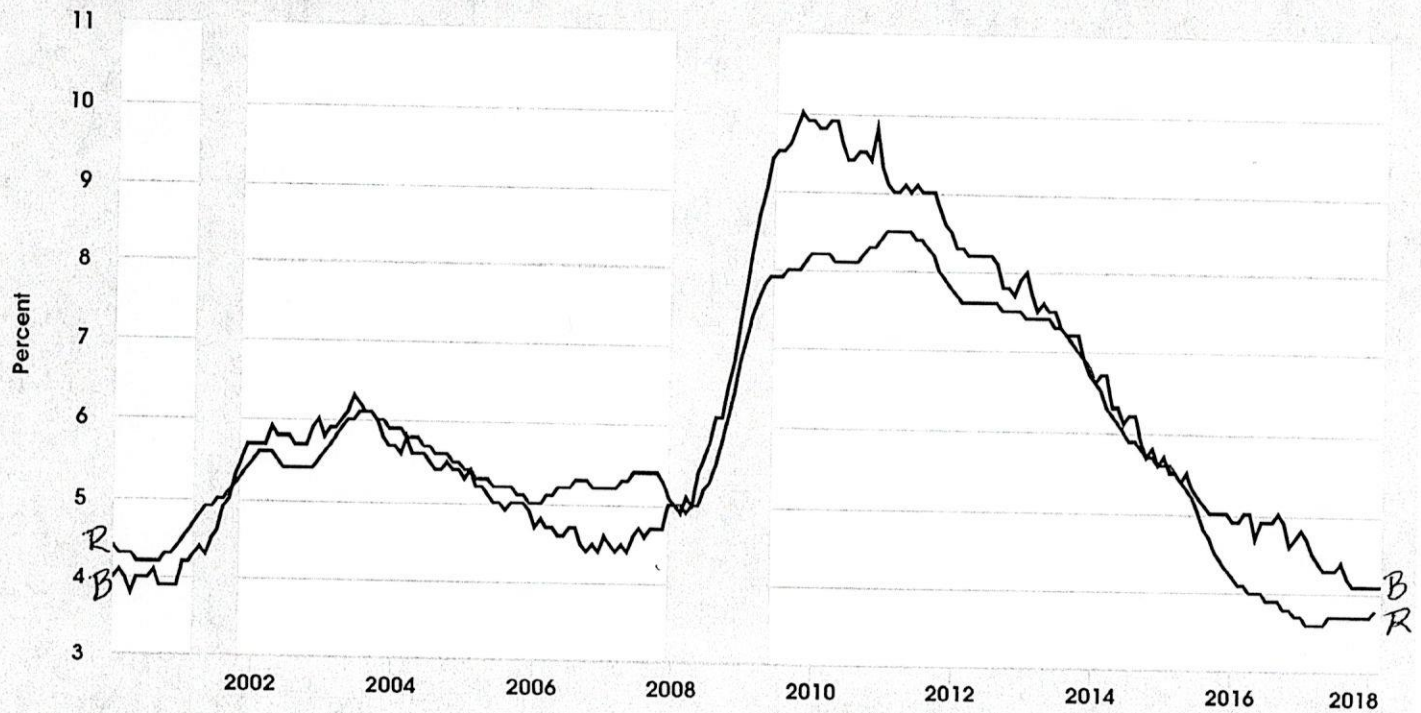


Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

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
FRED  Unemployment Rate in Arkansas
Civilian Unemployment Rate

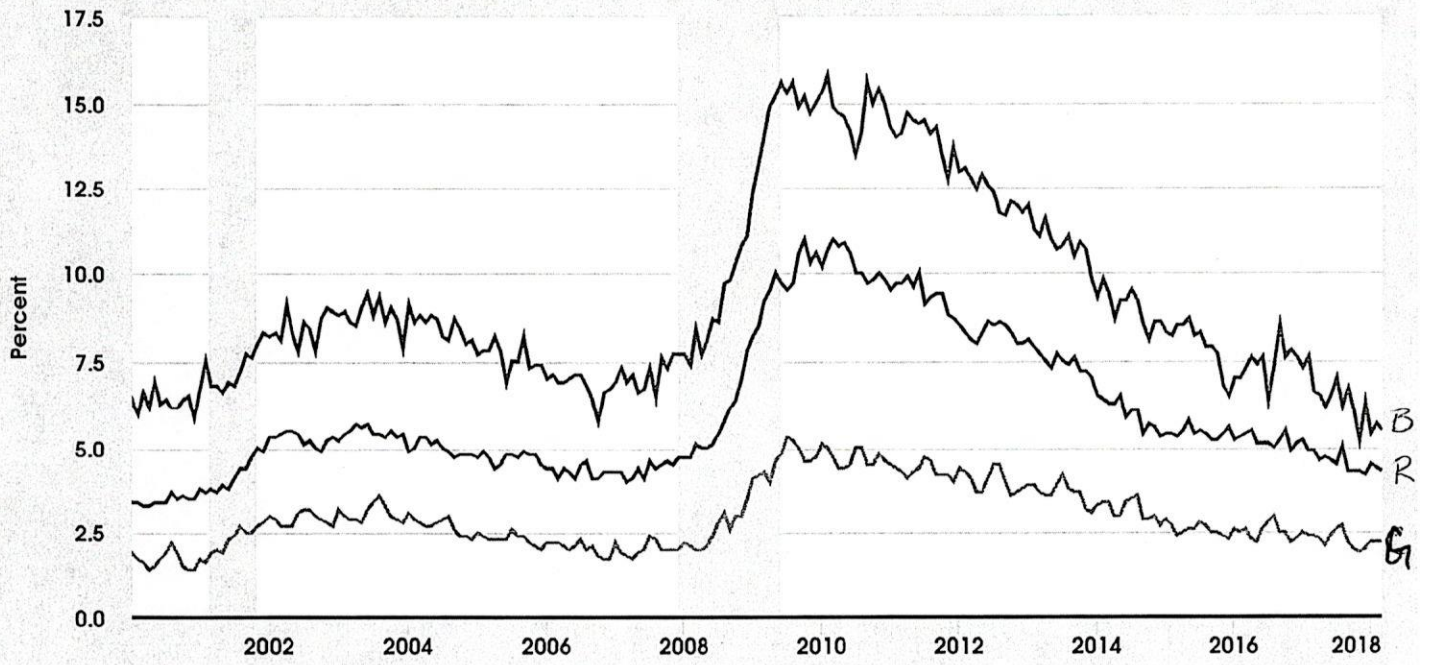


Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

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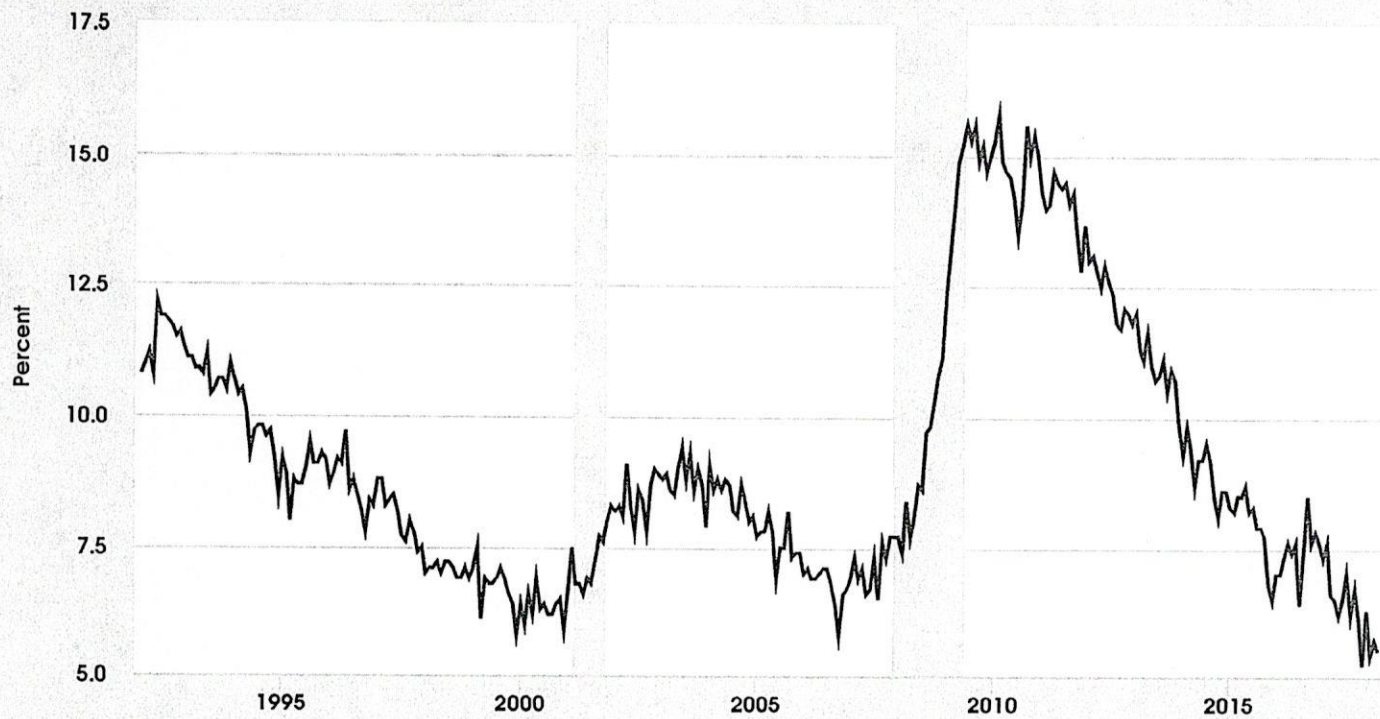
-  Unemployment Rate: Less than a High School Diploma, 25 years and over
-  Unemployment Rate: High School Graduates, No College, 25 years and over
-  Unemployment Rate: College Graduates: Bachelor's Degree and Higher, 25 years and over



Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

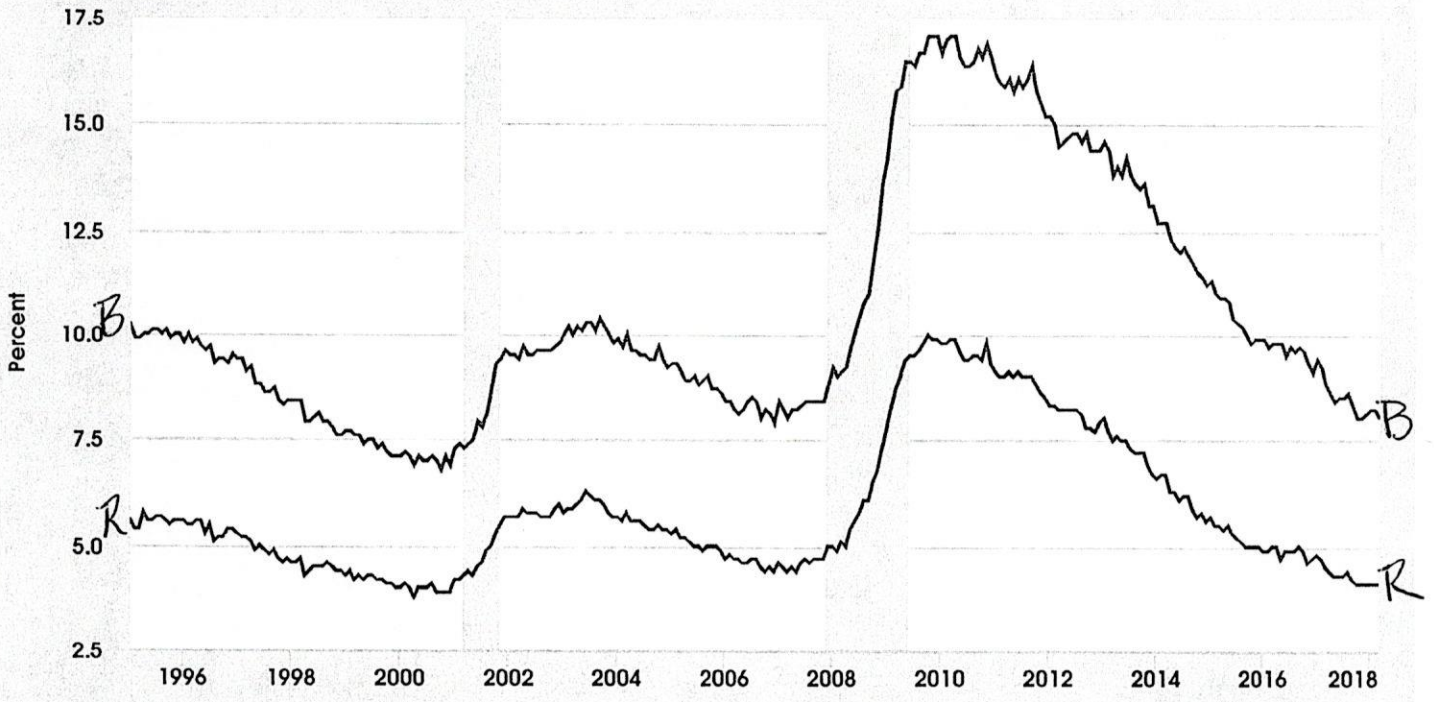
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Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

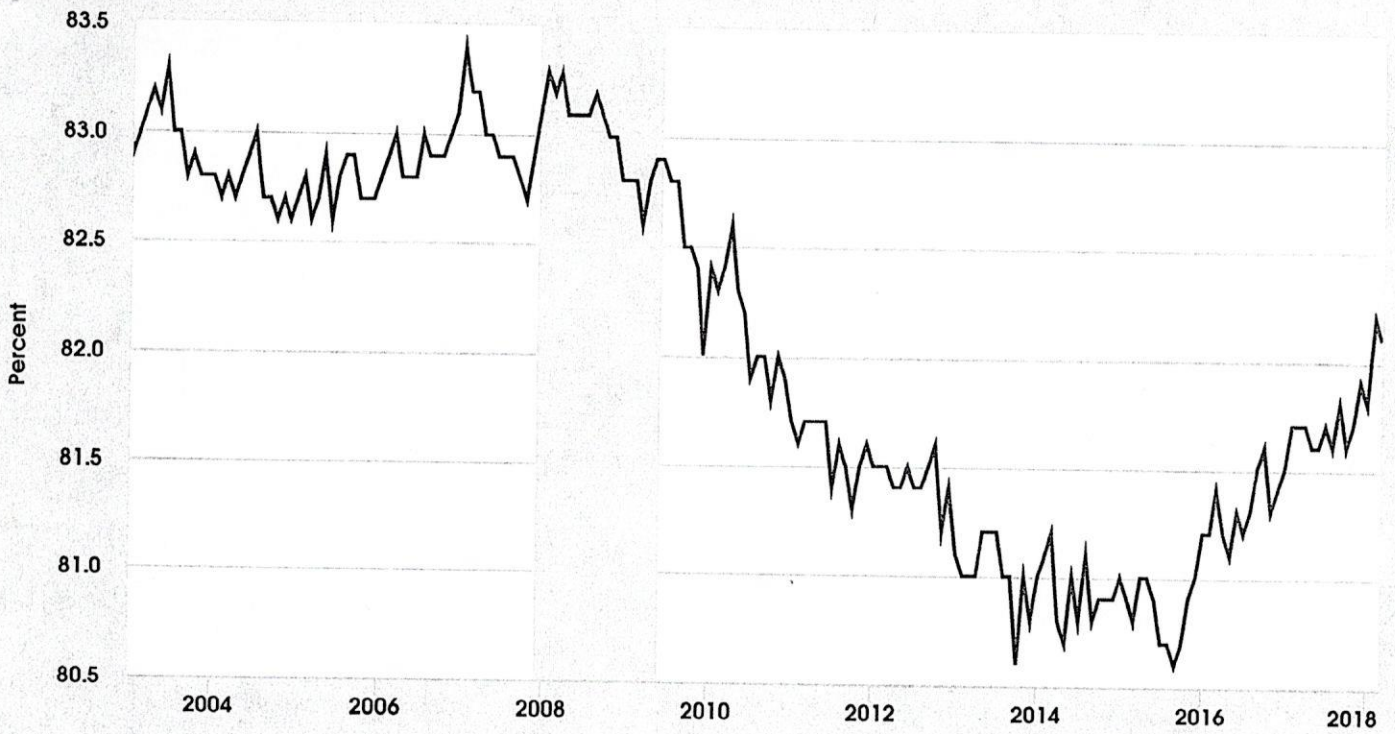
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Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

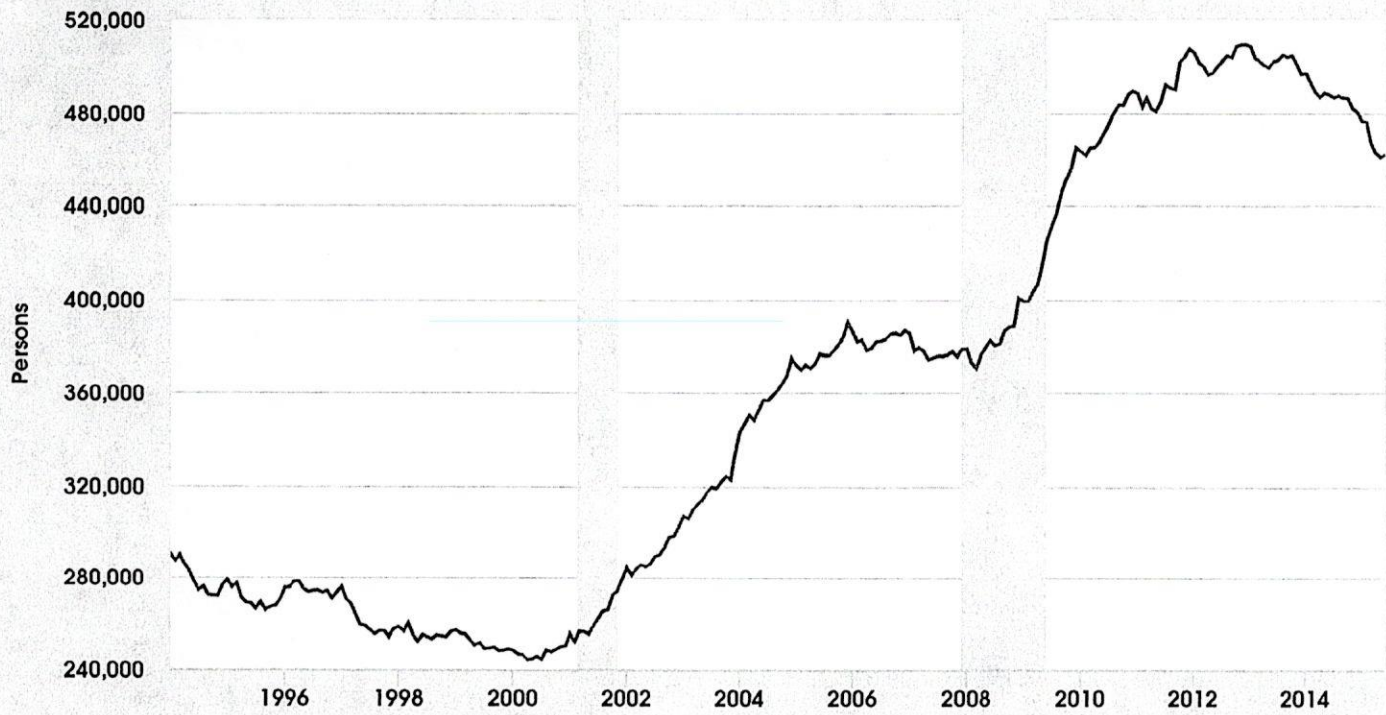
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Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

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Shaded areas indicate U.S. recessions

Source: U.S. Bureau of the Census

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STATE CENTRAL SERVICES EXPENDITURE DETAIL BY AGENCY FY2018

Agency Name	Authorized Appropriation	Reappropriation/ Carry Forward Appropriation	Budgeted Amount	Monthly	YTD Total	Remaining
				Expenditures 3/31/2018	Expenditures FY2018	Budget
Administrative Office of the Courts	19,649,115.00	-	19,458,675.40	1,514,433.54	13,776,198.43	5,682,476.97
Arkansas Senate	4,113,787.00	2,400,000.00	6,514,087.00	186,263.50	1,329,226.48	5,184,860.52
Arkansas State Claims Commission	550,960.00	-	550,960.00	55,762.13	420,798.78	130,161.22
Auditor of State	25,563,258.00	-	25,563,403.61	2,077,989.90	18,830,768.02	6,732,635.59
Bureau of Legislative Research/Disbursing Officer	19,333,043.00	-	19,130,252.27	1,268,241.94	10,201,265.94	8,928,986.33
Commissioner of State Lands	3,760,814.00	-	3,760,814.00	240,961.07	2,158,532.07	1,602,281.93
Court of Appeals	4,405,356.00	-	4,405,356.00	454,761.19	3,084,382.56	1,320,973.44
Department of Finance and Administration	-	-	-	-	-	-
Management Services Division	62,109,745.00	-	62,115,998.50	5,013,215.32	40,607,264.13	21,508,734.37
Revenue Division	98,776,635.00	-	99,182,011.29	9,800,270.56	66,296,181.09	32,885,820.20
Subtotal	160,886,380.00	-	161,308,009.79	14,813,485.88	106,903,455.22	54,404,554.57
Division of Legislative Audit	41,159,247.00	-	41,175,962.49	3,646,741.14	25,038,447.00	16,137,515.49
Governor's Mansion	1,328,434.00	-	1,332,156.76	105,609.27	887,467.71	444,689.05
House of Representatives	6,920,504.00	3,000,000.00	9,922,626.00	260,009.00	1,869,110.91	8,053,515.09
Office of Prosecutor Coordinator	1,036,074.00	-	1,036,099.00	114,304.87	814,894.99	221,204.01
Office of the Attorney General	19,570,444.00	-	19,565,666.75	1,747,188.16	11,623,917.19	7,941,749.56
Office of the Governor	5,874,308.00	-	5,513,618.00	518,121.25	3,564,683.58	1,948,934.42
Office of the Lieutenant Governor	341,764.00	-	341,710.00	20,617.04	188,484.47	153,225.53
Public Defender	25,976,523.00	-	25,976,362.75	2,737,967.07	19,433,460.65	6,542,902.10
Secretary of State	20,338,231.00	-	20,339,402.12	1,057,085.61	11,417,966.39	8,921,435.73
Supreme Court	4,897,353.00	-	5,283,445.81	663,804.27	3,692,296.34	1,591,149.47
Treasurer of State	5,370,504.00	-	5,370,504.00	387,351.23	3,455,981.48	1,914,522.52
TOTAL	371,076,099.00	5,400,000.00	376,549,111.75	31,870,698.06	238,691,338.21	137,857,773.54
Less:						
Reversions						\$ (37,654,911.18)
Adjusted Budget						\$ 338,994,200.58

Projected Income **\$377,206,511.21**
Projected Expenditures **\$ (318,255,117.61)**
(Deficit)/Surplus **\$58,951,393.60**

Note: Budgeted may exceed Authorized due to Pay Plan holding and the processing of Marketing & Redistribution proceeds.
 Reversions have been calculated using 90% of available appropriations.

Prepared by:
 Department of Finance and Administration

4/10/2018

RECEIVED

JUN 27 2017

Auditor of State

INDEPENDENT CITIZENS COMMISSION
OF ARKANSAS
SALARY ADJUSTMENT RESOLUTION
June 27, 2017

WHEREAS, the Independent Citizens Commission ("Commission") was established by the voters passage of Issue 3 on November 4, 2014; and

WHEREAS, Issue 3, now known as Amendment 94 of the Arkansas Constitution, directs the Commission to review and adjust as it deems necessary the salaries of elected constitutional officers of the executive department, members of the General Assembly, justices, and judges; and

WHEREAS, Amendment 94 provides that the Commission shall include in its considerations the overall economic conditions of State of Arkansas at the time; and

WHEREAS, on June 20, 2017, the Commission completed the initial review of salaries and proposed certain adjustments to those salaries resulting from that initial review; and

WHEREAS, the Commission has provided notice to the public of these proposed salary adjustments, made available to the public any data review by the Commission in determining the proposed salary adjustments, and afforded the public a reasonable opportunity to provide public comment on these proposed adjustments pursuant to Amendment 94; and therefore

BE IT RESOLVED, that effective ten (10) days from the filing of this Resolution with the Auditor of State, the annual salaries of the elected constitutional officers, members of the General Assembly, justices and judges, and prosecuting attorneys shall be as follows:

Governor	\$ 143,820
Lieutenant Governor	\$42,315
Attorney General	\$132,600
Secretary of State	\$91,800
Treasurer of State	\$86,700
Auditor	\$86,700
Commissioner of State Lands	\$86,700
Member of General Assembly	\$40,188
Senate President Pro Tempore	\$45,900
Speaker of House of Representatives	\$45,900