Members Present:
Dan Anderson, Assistant Executive Director,
    Institutional Analysis, Arizona Board of Regents
Brian Cary, Chief Economist, Salt River Project
Doug Ducey, State Treasurer
Aruna Murthy, Director of Economic Analysis, Department of Commerce
Jim Rounds, Vice-President, Elliott D. Pollack & Co.
Debra Roubik, Chief Economist and Founder, VisionEcon
Marshall Vest, Director, Economic and Business Research Center, University of Arizona’s Eller College of Management

At its April 13, 2011 meeting, the Finance Advisory Committee (FAC) heard presentations on General Fund Revenue collections, the U.S. economy, and state cash flows. See FAC Meeting Book for additional information

JLBC Staff provided members with the latest 4-sector consensus estimates for the “Big 3” revenue collections. The 4-sector consensus estimate is a composite of equally weighted estimates from:

• The University of Arizona Economic and Business Research (EBR) General Fund baseline model;
• The EBR conservative forecast model;
• The FAC panel; and
• JLBC Staff.

For FY 2011, base revenue collections are expected to grow 5.6%, compared to the FY 2011 budgeted rate of 5.7%.

The 4-sector consensus forecast projects base revenue growth of 4.2% in FY 2012. The conservative forecast model, which represents a “worst case scenario”, predicted a double-dip
recession and a decline in General Fund revenues. FAC panelists generally believed that this scenario was unlikely.

Excluding the conservative forecast, General Fund revenues were projected to grow by 6.0%, compared to the FY 2012 budgeted rate of 5.7%.

JLBC Staff outlined the enacted FY 2012 budget which was approved earlier in April.

In addition to the JLBC Staff presentation, panel members heard formal presentations from economist Jim Rounds and the State Treasurer, Doug Ducey. The presenters and FAC panelists generally believed that the recession has ended in Arizona, but there were still concerns about how the recovery could be more prolonged than previously predicted.

The meeting adjourned at 12:50 p.m.

A video of the meeting is available [here](#).

Sandy Schumacher, Secretary

Hans Olofsson, Chief Economist

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at [http://www.azleg.gov/jlbc/meeting.htm](http://www.azleg.gov/jlbc/meeting.htm)