

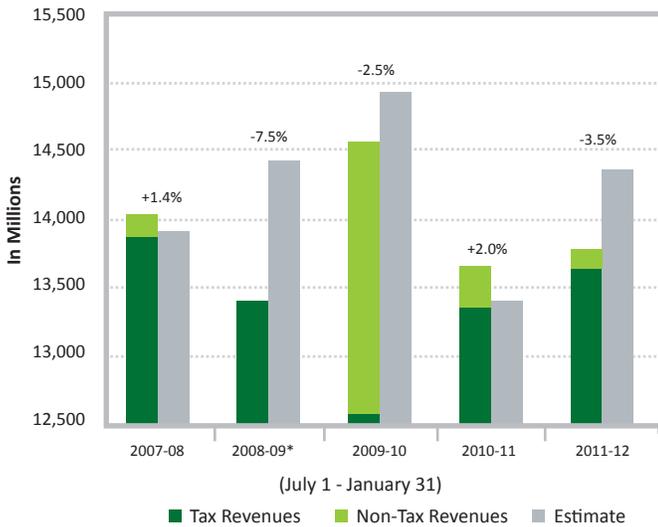


THE McCord Report

A quarterly look at Pennsylvania's economic vital signs

Fiscal Year to Date Revenue Collections vs. Estimates

See how the Commonwealth's revenues, and official revenue estimates, vary for the period July 1 through January 31 over each of the last five years. The chart also demonstrates the accuracy of the estimates to actual collections. A positive number indicates revenue collections are above estimates; a negative number indicates that they are below estimates.



* Fiscal year-to-date tax revenue collections in 2008-09 were \$11.26 billion, but non-tax revenues were -\$107 million, for a net total of \$11.15 billion. Source: PA Dept of Revenue



Like many others in Harrisburg and across our state, I watch the state's monthly revenue numbers with great interest. With collections now totaled for the first seven months of this fiscal year, we have an opportunity to study those numbers. I believe it is important to provide some historical context, especially with respect to collections and the

accuracy of past revenue estimates.

We aim to provide that sort of insight in this edition of The McCord Report. We also offer our traditional examination of the state's unemployment numbers and how those figures compare to other states.

Please do share any feedback you have on this issue by emailing McCordReport@patreasury.gov. As always, we look forward to reading your comments.

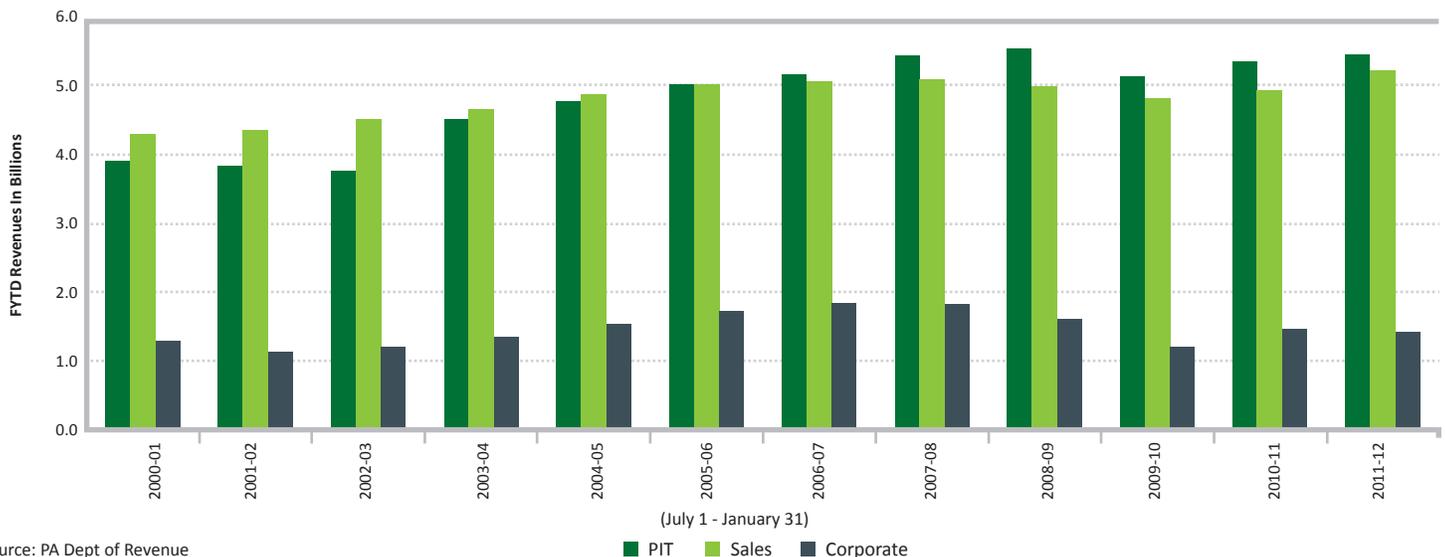
Yours in service,

Rob McCord
Pennsylvania State Treasurer

TAX REVENUES FOR THE JULY 1 – JANUARY 31 PERIOD ARE THE HIGHEST SINCE 2007-08.

Major Revenue Sources by Fiscal Year

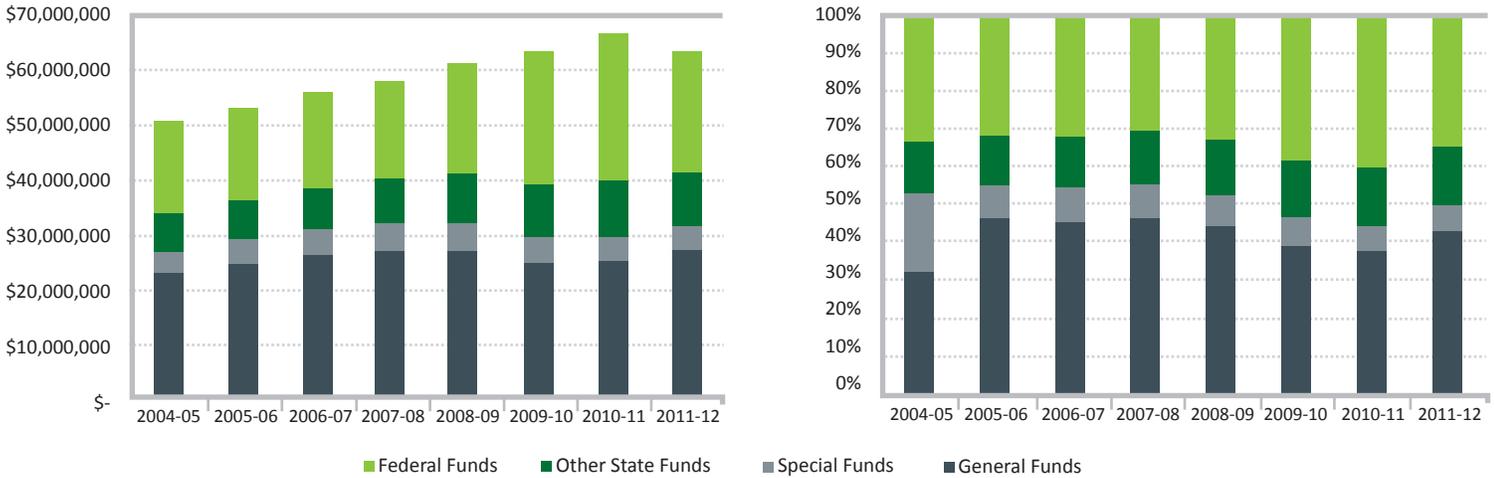
This graph compares the three largest sources of revenue collections to the General Fund - Personal Income Taxes, Corporate taxes, and sales taxes - over the past 12 fiscal years. All numbers reflect collections from July 1 through January 31 of each fiscal year.



Source: PA Dept of Revenue

Commonwealth Budget by Funding Source

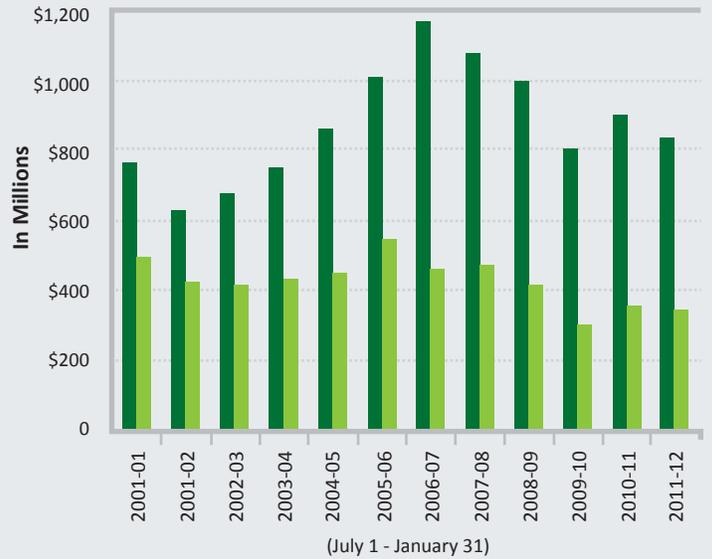
The following two charts illustrate the sources of funds for Pennsylvania's operating budget, which totals \$63.6 billion in Fiscal Year 2011-12. The four sources are federal funds, other state funds, special funds and the General Fund. The charts depict the share of funding by source in terms of dollars and as a percentage of the total operating budget.



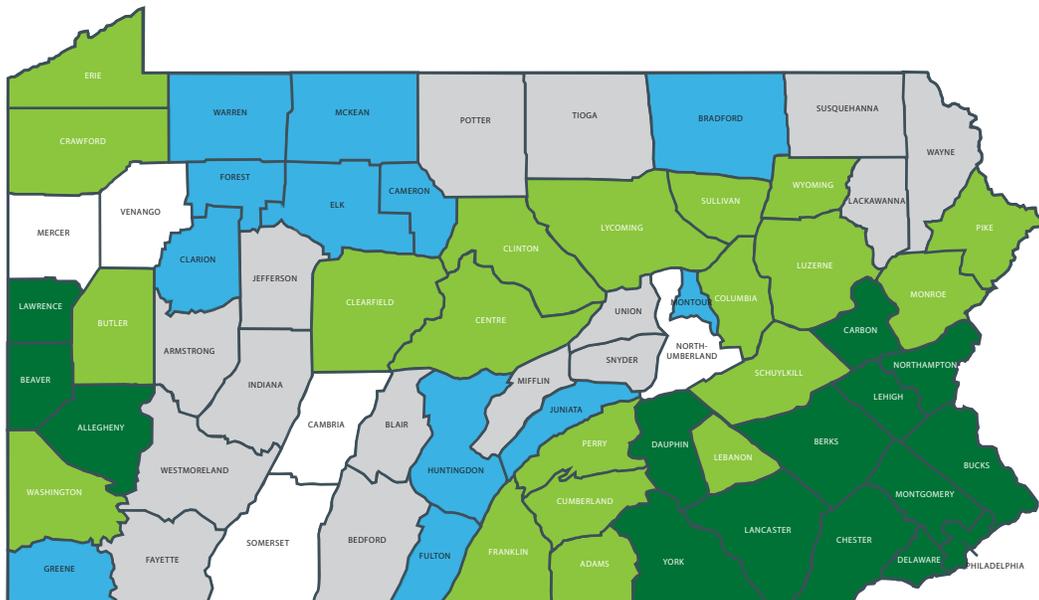
Source: PA Budget Office

Major Corporate Tax Collections

See how collections of two major sources of corporate business tax revenue, the Corporate Net Income Tax and the Corporate Stock and Franchise Tax, compare over the past 12 years for the period July 1 - January 31.



Source: PA Budget Office



Foreclosures by County

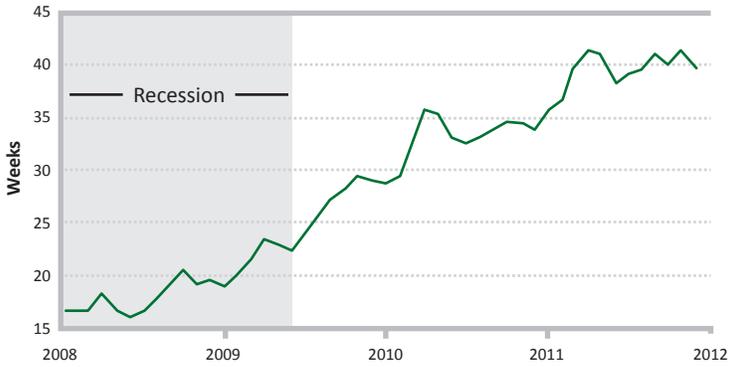
This heat map illustrates the rate of home foreclosures by county in Pennsylvania (in those counties for which information is available).

- No Data Available
- 1 per 25,001 or more housing units
- 1 per 10,001-25,000 housing units
- 1 per 1,501-10,000 housing units
- 1 per 0-1,500 housing units

Source: RealtyTrac

Average Weeks Unemployed

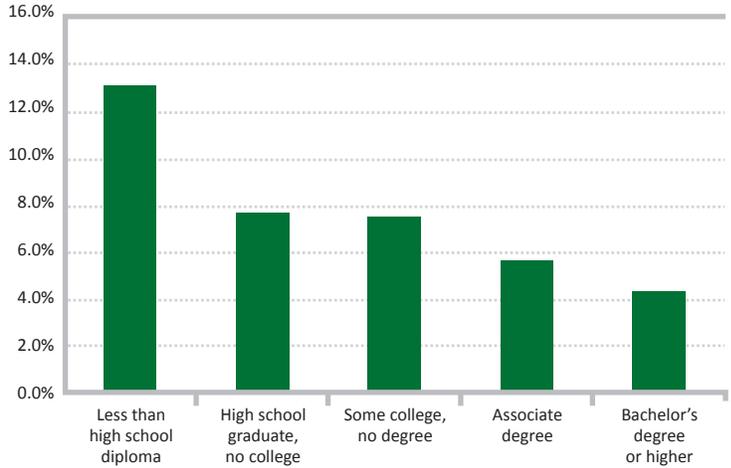
This graph illustrates how the average duration of U.S. unemployment has changed during the past four years.



Source: U.S. Department of Labor: Bureau of Labor Statistics

PA Unemployment Rate by Education Level

The unemployment rate among Pennsylvania's workforce varies by education level, as depicted by this chart.



Source: PA Department of Labor & Industry

YEAR OVER YEAR CHANGE IN NUMBER OF JOBS BY INDUSTRY

(December 2010 to December 2011)

INDUSTRY	DECEMBER 2011 EMPLOYMENT	CHANGE IN NUMBER OF JOBS	PERCENT CHANGE
TOP 3 NUMBER OF JOBS ADDED			
Education & Health Services	1,167,600	+19,900	+1.7%
Trade, Transportation & Utilities	1,098,300	+13,400	+1.2%
Manufacturing	574,600	+12,100	+2.2%
BOTTOM 3 NUMBER OF JOBS ADDED			
Government	731,600	-19,800	-2.6%
Financial Activities	310,600	-1,500	-0.5%
Information	95,200	+3,400	+3.7%

Source: PA Department of Labor & Industry

AS OF JANUARY 2012, AMERICA HAD ADDED JOBS FOR 23 STRAIGHT MONTHS.

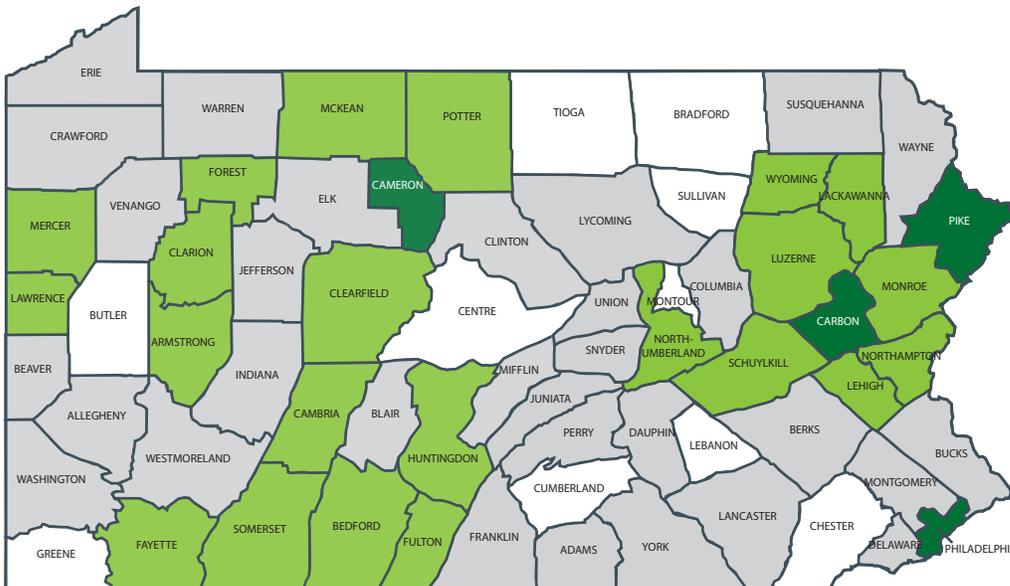
Current Unemployment Rate by State

Compare Pennsylvania's unemployment rate to the national rate, as well as to that of neighboring states as of December 2011.

Unemployment Rates December 2011

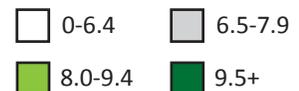


Source: PA Department of Labor & Industry



PA Unemployment Rate by County

Pennsylvania's seasonally adjusted unemployment rate was 7.6% in December 2011, while the national rate stood at 8.5%. See how rates vary by county.

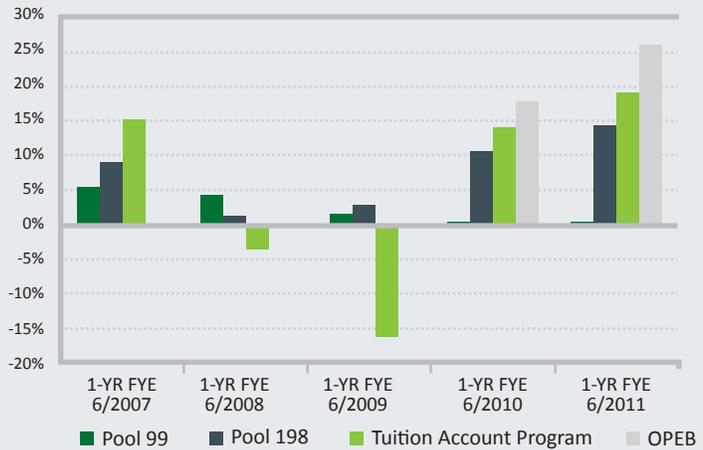


Source: PA Department of Labor & Industry

Pennsylvania Treasury performance

Investment Returns by Fiscal Year

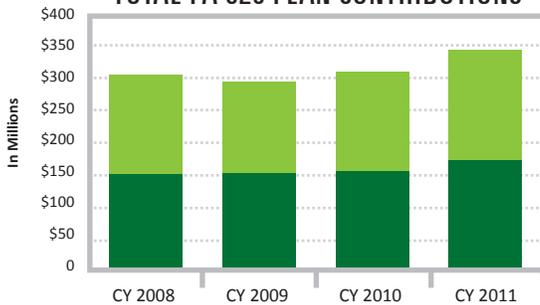
The State Treasurer monitors and safeguards virtually all state agency funds, which totaled \$98.4 billion as of June 30, 2011. Of that total, the Treasurer serves as the sole fiduciary for approximately \$15.2 billion. This graph illustrates the annual investment returns for the four pools of funds the Treasurer directly manages by fiscal year. To view Treasury's annual fiscal year investment report, visit www.patreasury.gov and click on "Investments and Transparency." OPEB, or Other Post-Employment Benefits, is a fund to address non-pension benefits that accrue to Commonwealth employees, such as life insurance, deferred compensation and healthcare. TAP refers to the Tuition Account Program, which is marketed as the PA529 College Savings Program.



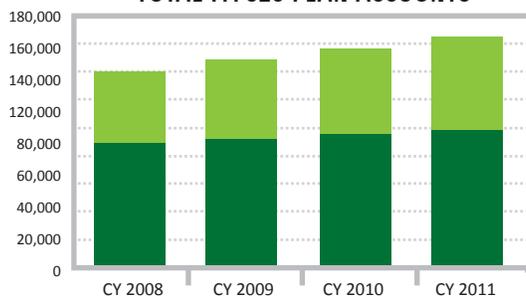
PA 529 College Savings Program

Treasury administers the Pennsylvania 529 College Savings Program, offering families two distinct savings plans to help make college affordable. Please visit www.PA529.com to learn more about the program.

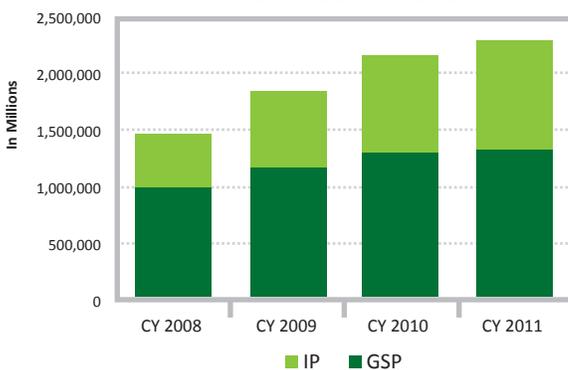
TOTAL PA 529 PLAN CONTRIBUTIONS



TOTAL PA 529 PLAN ACCOUNTS



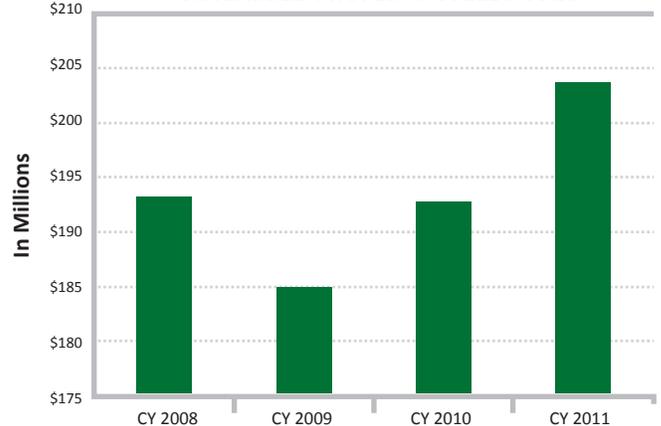
TOTAL PA 529 ASSETS



Unclaimed Property Program

Treasury manages Pennsylvania's Unclaimed Property Program, a revenue-generating, good-government program aimed at reuniting owners and heirs with their dormant or unclaimed property. Search the free database at www.patreasury.gov.

UNCLAIMED PROPERTY COLLECTIONS



NET REVENUES TO THE GENERAL FUND

