



FISCAL NEWS

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The Office of Fiscal and Program Review (OFPR) is a nonpartisan staff office of the Legislative Council providing budget, tax and general fiscal research and analysis for the Maine State Legislature.



Month In Review

General Fund revenue was slightly ahead of budget for the month of October, but remained \$26 million or 3% under budget for the fiscal year through October. Sales and Use Tax and Corporate Income Tax were the most significant contributors to this negative variance. Individual Income Tax withholding payments were also under budget. Based on preliminary data, November’s performance will reflect continued negative variances in the major tax lines, but a substantial estate tax payment in November will partially offset the negative variances in the other major taxes.

Highway Fund revenue was over budget in October and for the fiscal year. Significant one-time revenue in October from trailer title fees and strength in other Bureau of Motor Vehicle fee revenue offset growing negative variances in Gasoline Tax collections.

The Revenue Forecasting Committee (RFC) met at the end of November to update the revenue forecast armed with a new consensus economic forecast, updated actual revenue and tax data and updated tax forecasting models. A critical assumption underlying the economic and revenue forecasts is that the so-called “fiscal cliff” would be constructively addressed by Congress and the President. Assuming away this substantial downside risk, the RFC took a conservative approach based on the updated data and revised the General Fund and Highway Fund revenue forecasts downward based on the expected performance of most of the major taxes.

The new revenue forecast in addition to creating a FY 2013 shortfall increases the estimate of the 2014-2015 biennium General Fund structural gap (the difference between budgeted resources and projected spending needs). The Bureau of the Budget’s statutorily required forecast of spending needs compared to the previous revenue forecast was \$755 million. This revenue revision would increase that biennial gap amount to roughly \$880 million or 13% of projected spending needs.

Gasoline prices and heating oil prices have abated in recent weeks. Heating oil prices are now in line with last year’s record high prices. Concerns about taxable sales will rise if the average temperature falls below last year’s very mild levels and cause consumers to divert more of their spending to heating their homes.

The average General Fund cash balance continues to track roughly \$40 million below projections as a result of negative General Fund revenue variances and higher than projected MaineCare weekly cycle payments raising concerns about meeting the General Fund’s cash flow needs from internal borrowing from balances in other funds.

Average MaineCare weekly cycle payments continue to exceed last fiscal year’s average, while the MaineCare budget assumes a decline for FY 2013. During a presentation to the Appropriations Committee at the end of November, the Commissioner of Health and Human Services announced that the Department of Health and Human Services will be facing a potential current fiscal year General Fund shortfall of \$100 million, primarily in the MaineCare program.

**General Fund Revenue Update****Total General Fund Revenue - FY 2013 (\$'s in Millions)**

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
October	\$244.2	\$245.0	\$0.9	0.4%	\$230.6	6.3%
FYTD	\$856.0	\$830.0	(\$26.0)	-3.0%	\$840.2	-1.2%

General Fund revenue was \$0.9 million (0.4%) over budget in October, which reduced the negative variance for the fiscal year through October to \$26.0 million (3.0%). Through the first four months of FY 2013, General Fund revenue is 1.2% below the same period in FY 2012. Sales and both income taxes continue to fail to meet projections. Preliminary data for November indicate a continuation of that trend. The Revenue Forecasting Committee (RFC) revised the FY 2013 revenue forecast for the General Fund downward by a net amount of \$35.5 million. Significant downward revisions to the Sales and Use Tax, Individual Income Tax and Corporate Income Tax were only partially offset by an upward revision in the Estate Tax, which received an \$11 million estate tax payment in November.

Sales tax collections were under budget by \$3.6 million in October and \$13.1 million for the fiscal year through October. Taxable sales that indicated a relatively strong tourism season have slowed in September and October. The RFC revised this category downward by \$8.9 million in FY 2013.

Individual Income Tax revenue was modestly under budget in October and remained nearly \$5 million under budget through October. The largest contributor to the negative variance in this category

was withholding payments, which will be below budget in November again.

This performance along with updated federal income tax data for prior tax years contributed to an RFC downward revision of the Individual Income Tax of \$23.2 million for FY 2013.

The Corporate Income Tax, the other category with a significant negative variance, was below budget by \$1.3 million in October and \$14.5 million for the first 4 months of FY 2013. November preliminary data for this category indicate another sizeable negative variance of approximately \$4 million. The RFC revised this category downward by \$18.2 million for the current fiscal year.

There were a number of categories with positive variances in October and some preliminary positive variances in November that partially offset the substantial negative variances in the major tax categories. Several of these were corrections or offsets to negative variances in prior months. However, in November there was a substantial estate tax payment that was about \$11 million, which will likely increase the positive variance in the Estate Tax category to nearly \$15 million. The RFC recognized this unusual receipt and revised the FY 2013 forecast for this category upward by \$15.1 million.

Highway Fund Revenue Update**Total Highway Fund Revenue - FY 2013 (\$'s in Millions)**

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
October	\$28.8	\$32.1	\$3.3	11.6%	\$29.0	10.7%
FYTD	\$90.4	\$95.7	\$5.3	5.9%	\$89.9	6.5%



Highway Fund Revenue Update (continued)

Highway Fund revenue was \$3.3 million (11.6%) over budget in October, which increased the positive variance for the fiscal year through October to \$5.3 million (5.9%). The Revenue Forecasting Committee (RFC) revised the current fiscal year projection for the Highway Fund upward by \$2.1 million in its December 2012 forecast. Downward revisions to Gasoline Tax estimates were offset in FY 2013 by the recognition of one-time Title Fee revenue to offset negative Fuel Tax revisions.

The significant volatility of the Fuel Taxes category from month to month compared to budget has made it difficult to ascertain a general trend. The RFC now feels that the emerging trend has Gasoline Tax under-performing (\$1.5 million under budget through October), while other fuel tax subcategories are

modestly over-performing. Through October, the Fuel Tax category was \$0.9 million under budget. As a result, the RFC revised the Fuel Tax category downward by a net amount of \$2.8 million in FY 2013 with more substantial net downward revisions beginning in FY 2014.

A very unusual, one-time payment of title fees from a trucking company having to retitle roughly 179,000 trailers in Maine as a result of the change in lienholder resulted in a significant positive variance in the Title Fees category in October. The RFC recognized this unusual one-time revenue and increased Highway Fund revenue by a net amount of \$4.1 million in the current fiscal year.

Revenue Forecast Update

The Revenue Forecasting Committee (RFC) met at the end of November to update its forecast and comply with its December 1st statutory reporting date. This forecast updated the revenue projections for the current fiscal year and extended the forecast through FY 2017. Both the underlying consensus economic forecast and this revenue revision are based on the critical assumption that the Congress and the President will constructively address the looming federal tax increases and automatic budget cuts, the so-called “fiscal cliff,” and avoid their potentially serious detrimental economic effects. As a result of the uncertainty of the outcome of the federal negotiations, this forecast does not attempt to factor in the potentially significant shifts of tax liability between tax years as taxpayers react in their best interest to recognize income when it is subject to the more favorable tax treatment. Most of this taxpayer behavior would pull tax liability recognition into tax year 2012, creating a potential upside risk for the current fiscal year, but more uncertainty about future tax years. The Consensus Economic Forecasting Commission and the RFC will be watching the results of these negotiations carefully and react more quickly than the statutory forecast schedule to address and report on potentially adverse outcomes.

Presented on the next page is a table summarizing the impact of the revenue forecast on each of the major funds and revenue sources reviewed as part of the December 2012 revenue forecast.

The revisions in this revenue forecast are dominated by downward adjustments to the forecasts of the major taxes: Sales and Use Tax, Individual Income Tax, Corporate Income Tax and Fuel Taxes. Updated federal tax data, updated tax models and the recent negative performances for these major taxes combined to push the estimates downward. The General Fund revenue forecast was revised downward by \$35.5 million in FY 2013 and a total of \$125.2 million for the 2014-2015 biennium, creating a current fiscal year shortfall and increasing the next biennium’s budget problem. For the Highway Fund, the recognition of some unusual one-time revenue in FY 2013 avoided a current fiscal year shortfall, but the net downward revisions to Fuel Taxes generate an additional budget problem of \$20.3 million for the 2014-2015 biennium. The adjustments to the Fund for a Healthy Maine revenue forecast were adjusted slightly downward based on revised projections of Casino revenue. No adjustments were made to the forecast of the MaineCare Dedicated Revenue Taxes.

**Revenue Forecast Update (continued)****Summary of December 2012 Revenue Revisions**

Millions of \$'s

General Fund Summary

	FY12 Actual	FY13	FY14	FY15	FY16	FY17
Current Forecast	\$3,015.5	\$3,056.2	\$2,972.6	\$2,972.6		
Annual % Growth	2.4%	1.3%	-2.7%	-2.7%		
Net Increase (Decrease)		(\$35.5)	(\$58.3)	(\$66.9)	\$3,119.1	\$3,222.5
Revised Forecast	\$3,015.5	\$3,020.8	\$2,914.3	\$2,905.7	\$3,119.1	\$3,222.5
Annual % Growth	2.4%	0.2%	-3.5%	3.6%	3.6%	3.3%

Highway Fund Summary

	FY12 Actual	FY13	FY14	FY15	FY16	FY17
Current Forecast	\$317.2	\$316.7	\$319.8	\$0.0		
Annual % Growth	1.9%	-0.2%	1.0%	0.0%		
Net Increase (Decrease)		\$2.2	(\$8.1)	(\$12.2)	\$309.4	\$308.9
Revised Forecast	\$317.2	\$318.9	\$311.7	(\$12.2)	\$309.4	\$308.9
Annual % Growth	1.9%	0.5%	-2.3%	-0.1%	-0.1%	-0.2%

Fund for a Healthy Maine Summary

	FY12 Actual	FY13	FY14	FY15	FY16	FY17
Current Forecast	\$55.5	\$49.5	\$54.2	\$53.8		
Annual % Growth	2.1%	-10.9%	9.5%	-0.8%		
Net Increase (Decrease)		\$0.0	(\$0.3)	(\$0.3)	\$53.0	\$52.5
Revised Forecast	\$55.5	\$49.5	\$53.9	\$53.4	\$53.0	\$52.5
Annual % Growth	2.1%	-10.9%	8.9%	-0.9%	-0.9%	-0.9%

Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY12 Actual	FY13	FY14	FY15	FY16	FY17
Current Forecast	\$151.9	\$154.4	\$154.4	\$154.4		
Annual % Growth	2.6%	1.6%	0.0%	0.0%		
Net Increase (Decrease)		\$0.0	\$0.0	\$0.0	\$154.4	\$154.4
Revised Forecast	\$151.9	\$154.4	\$154.4	\$154.4	\$154.4	\$154.4
Annual % Growth	2.6%	1.6%	0.0%	0.0%	0.0%	0.0%

General Fund Structural Gap Update

Every even numbered year on September 30th, one month after agency biennial budget submissions are due, the Bureau of the Budget is required by statute to develop and report on their estimate of the so-called "structural gap." The structural gap is a measure of the upcoming biennial budget shortfall that must be addressed. The estimate starts with a projection of spending needs using the agency budget submissions and reflecting the full amount necessary to meet all statutory funding requirements, growth of caseloads and any other inflationary cost increases. That spending projection is then compared to the budgeted revenue projections. Prior to the December revenue forecast, the Bureau of the Budget had projected the General Fund structural gap for the 2014-2015 biennial budget would be roughly \$755 million or 11% of the projected spending.

The Revenue Forecasting Committee's \$125 million downward revision to General Fund revenue in its December 2012 revenue forecast increases the structural gap estimate to roughly \$880 million or 13% of projected spending. At the Appropriations Committee meeting at the end of November, the Office of Fiscal and Program Review (OFPR) presented its own analysis of the 2014-2015 biennium's General Fund structural gap. OFPR's analysis turned out very similar results with the exception of two major programs representing more than half of the General Fund budget, General Purpose Aid for Local Schools (GPA) and MaineCare.

The difference in the GPA estimate reflects the use of an updated growth limitation factor specified in



General Fund Structural Gap Update (continued)

statute. OFPR was able to use the lower official growth limitation factor for this program, which was released after the Bureau of the Budget had completed its estimate. OFPR also assumed that the dedicated revenue from the Oxford Casino would be available to contribute toward achieving the statutorily required 55% state share, thereby requiring less of an increase in General Fund appropriations. Combined, these factors place OFPR's estimate for GPA appropriations roughly \$70 million less than the Bureau of the Budget's.

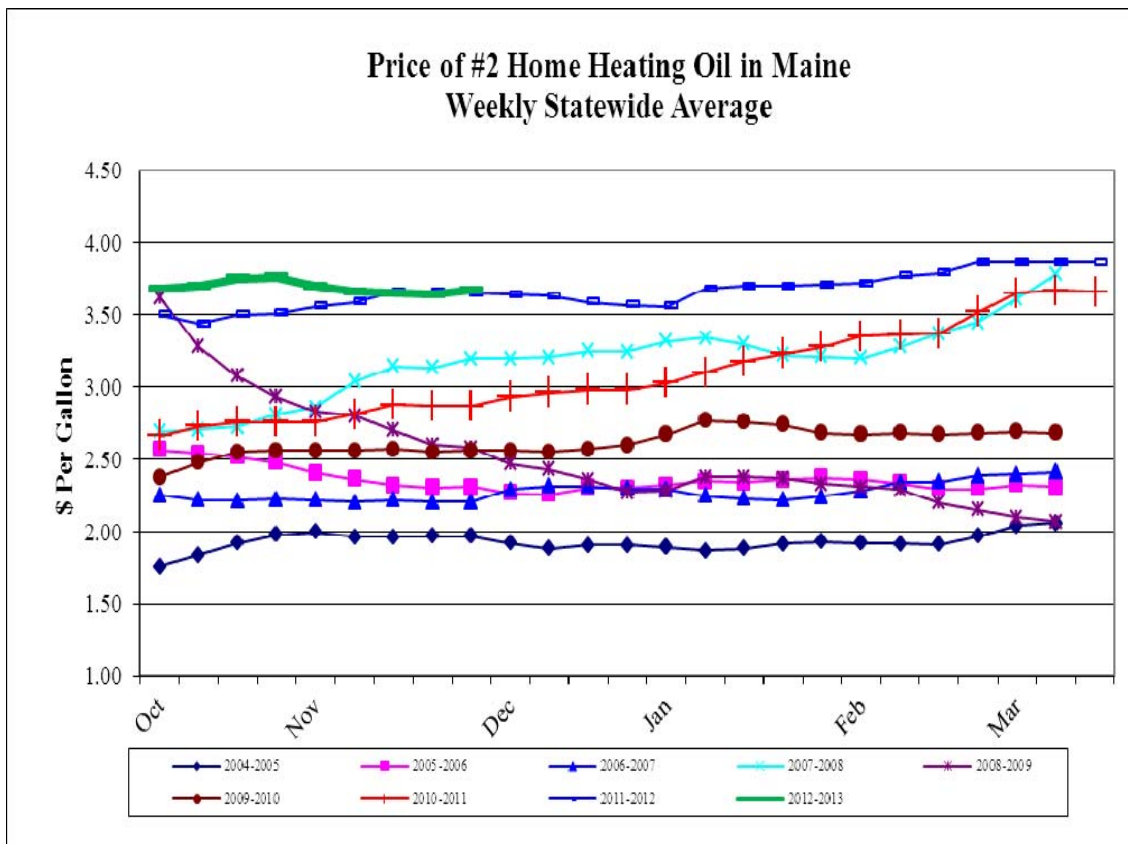
OFPR's estimate for the MaineCare program is roughly \$90 million less with the most substantial difference occurring in FY 2014. OFPR did not assume any current year shortfall and costs from unachieved savings initiatives. It appears that the Bureau of the Budget's estimates provided by the Department of Health and Human Services factored in some additional costs for these items. OFPR has not been able to ascertain the detailed assumptions underlying the Bureau of the Budget's estimates.

Heating Oil Price Update

The average price of #2 home heating oil in Maine is \$3.67 per gallon as the month of November ends, approximately 0.5%, or \$0.02 per gallon higher than one year ago. Although the average price of home heating oil in Maine is, at the present time, very close to last year's levels, it is still at the highest average price ever recorded in Maine for the first two months of a winter heating season.

Maine temperatures in November 2012 were approximately 31.4% colder than November 2011 and 6.2% colder than normal. The U.S. Energy

Information Administration projects that the average household may spend approximately 19% more for home heating oil this winter versus last winter assuming a return to normal winter temperatures and a small increase of 2% in heating oil prices compared to last year. Warmer than normal temperatures during the 2011-2012 winter heating season helped consumers keep the cost to heat their homes somewhat under control, but a return to normal temperatures will cause the average household expenditures for heating oil to increase significantly.





Cash Update

The average total cash pool balance for October was \$392.0 million: \$42.5 million lower than September; \$97.3 million less than last October and \$144.8 million less than the \$536.8 million average balance for the last 10 Octobers.

General Fund revenue variances and MaineCare spending have contributed to the General Fund cash position that was roughly \$40 million below General

Fund cash balance projections through October. Internal cash flow borrowing averaged \$257.1 million in October: \$98.9 million higher than last October and \$42.4 million higher than in September. The Office of the Controller and the Office of the Treasurer of State will be monitoring the General Fund cash position as well as other fund balances to determine if we will need to use external cash flow borrowing to make it through this fiscal year.

Summary of Treasurer's Cash Pool		
October Average Daily Balances		
Millions of \$'s		
	2011	2012
General Fund (GF) Total	\$7.5	\$17.2
General Fund (GF) Detail:		
Budget Stabilization Fund	\$71.5	\$44.8
Reserve for Operating Capital	\$17.1	\$17.1
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$158.2	\$257.1
Other General Fund Cash	(\$239.3)	(\$301.8)
Other Spec. Rev. - Interest to GF	\$46.2	(\$8.2)
Other State Funds - Interest to GF	\$25.2	\$15.7
Highway Fund	\$27.1	\$27.4
Other Spec. Rev. - Retaining Interest	\$38.0	\$65.2
Other State Funds	\$230.0	\$163.9
Independent Agency Funds	<u>\$115.3</u>	<u>\$110.8</u>
Total Cash Pool	<u>\$489.3</u>	<u>\$392.0</u>

MaineCare Update

MaineCare Spending

The average weekly MaineCare cycle for FY 2013 through Week 21 was \$46.1 million (state and federal dollars), an increase from the weekly cycle average through Week 17 of \$45.6 million and the FY 2012 average of \$44.9 million. MaineCare Chart 1 on the next page summarizes average weekly MaineCare cycle payments for FY 2013 as well as comparable payment cycle averages for FY 2011 and FY 2012. MaineCare Chart 2 summarizes the actual cycles each week for FY 2013 and for FY 2011 and FY 2012.

MaineCare Chart 1 shows continual fluctuations in the weekly cycle averages for FY 2013 reflecting the fluctuations in the underlying actual weekly cycles to date, however, the averages over the last ten weeks have consistently stayed at or above the average for FY 2012. MaineCare Chart 2 shows that the “monthly billing” high-point for November was \$55.8 million in Week 20, followed by a \$55.4 million cycle for Week 21.

Over the first four months of FY 2013, the “monthly billing” high points have been: Week 2: \$53.1 million; Week 6: \$51.2 million; Week 11 of \$54.3 million and Week 15: \$60.4 million.



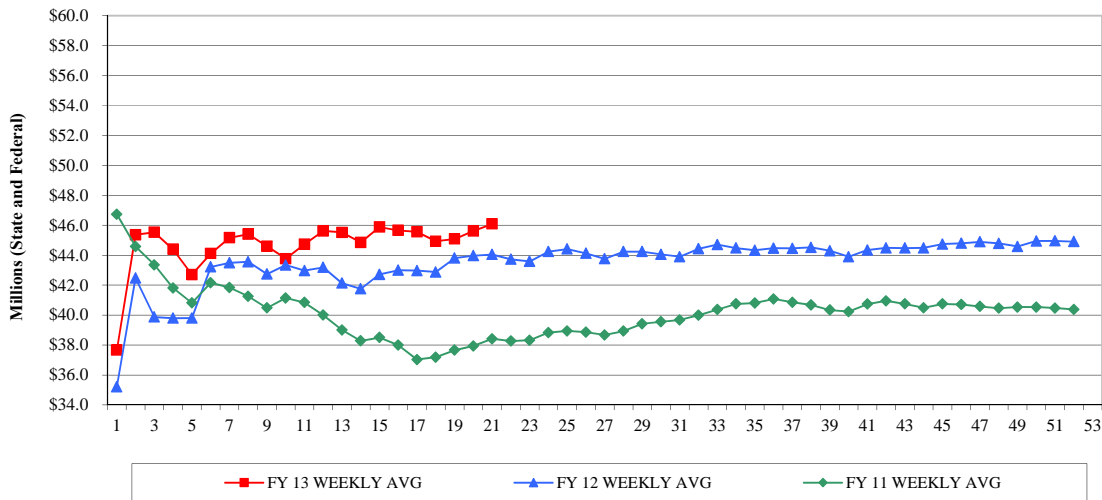
MaineCare Update (continued)

In her November 29th MaineCare update to the Appropriations Committee, Department of Health and Human Services' Commissioner Mayhew indicated that MaineCare faces a FY 2013 General Fund shortfall of approximately \$100 million. The Commissioner did not provide additional details on the causes for the shortfall but noted in her presentation that MaineCare caseload has continued to remain stable (see discussion

below) and that overall (i.e. all funds) MaineCare spending also continues to remain relatively stable. However, the General Fund budget for MaineCare for FY 2013 is more than \$100 million less than the FY 2012 General Fund MaineCare spending level. The Department's ability to implement the savings initiatives enacted to achieve the FY 2013 budgeted level will ultimately determine the actual magnitude of the FY 2013 MaineCare shortfall.

MaineCare Chart 1 - Weekly Cycle Averages - FY 11, FY 12 and FY 13

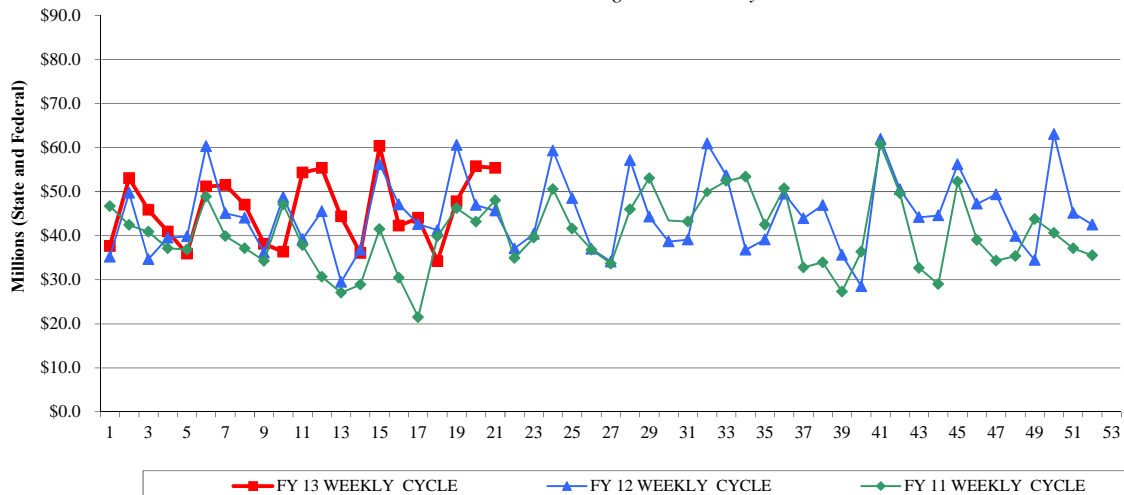
FY 13 Through 11/24/12 - Cycle 21



° FY 11 averages do not reflect MaineCare hospital settlements of \$227.7 million paid in the 3/18/11 (37th) and \$20.8 million paid in the 3/25/11 (38th) cycles. FY 13 averages do not reflect MaineCare hospital settlements of \$26.3 million paid in the 9/29/12 (13th) cycle.

MaineCare Chart 2 - Weekly Cycles - FY 11, FY 12 and FY 13

FY 13 Through 11/24/12 - Cycle 21



° FY 11 cycles do not include MaineCare hospital settlements of \$227.7 million paid in the 3/18/11 (37th) and \$20.8 million paid in the 3/25/11 (38th) cycles. FY 13 cycles do not reflect MaineCare hospital settlements of \$26.3 million paid in the 9/29/12 (13th) cycle.



MaineCare Update (continued)

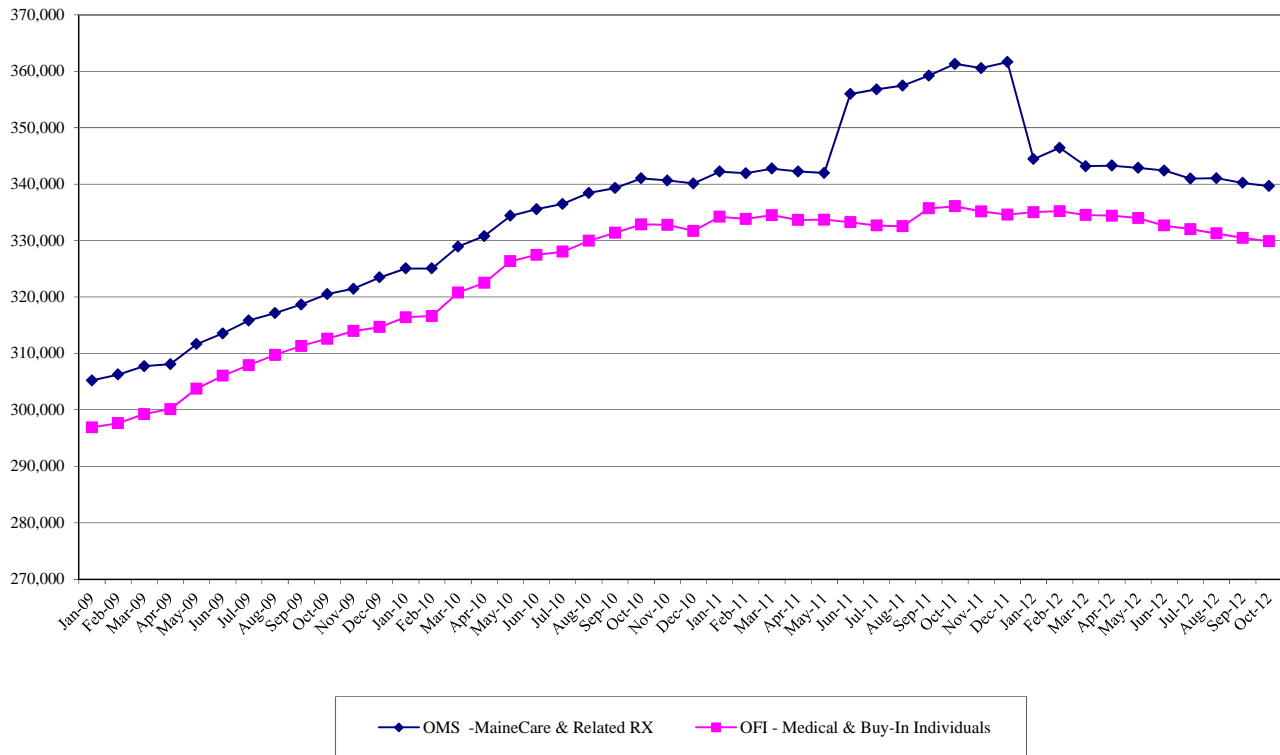
MaineCare Caseload

MaineCare caseload data detail for October released by the Department of Health and Human Services' (DHHS) Office of MaineCare Services (OMS) and by the DHHS Office of Family Independence (OFI) show decreases from September levels. MaineCare Chart 3 below compares the OMS and OFI caseload data. The two sources count MaineCare caseload differently but had been doing so consistently until the June 2011 switchover to the new Maine Integrated Health Management Solution (MIHMS) data source. This difference continued until corrected in January 2012 after which caseload data appear to have returned to the historical relationship. Chart 3 below includes caseload data detail from

January 2009 through October 2012 compiled using the MIHMS system and data from June 2010 through May 2011 compiled using the WELFRE system.

In aggregate, MaineCare caseload has decreased during the first ten months of calendar year 2012 and during the first four months of FY 2013, driven largely by decreases in the non-categorical adult waiver caseload as a result of the freeze on new enrollment. Other MaineCare eligibility categories have remained relatively stable during this period. It is important to note the trend in MaineCare caseload to date reflects the continued freeze in new enrollment in the non-categorical adult waiver but does not reflect other changes to MaineCare eligibility made during the 125th Legislature that have not yet taken effect.

MaineCare Chart 3 - MaineCare Caseload
Office of MaineCare Services (OMS) and Office of Family Independence (OFI) Data



Source of OMS data - WELFRE through May 2011 and MIHMS June 2011 and thereafter; Source of OFI data - Report ID RE-PM001A

**MaineCare Update (continued)**

MaineCare and Related Caseload Summary								
Month	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Expansion Parents ≤ 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Expansion Parents >150% FPL	MSP and DEL/Me Rx	Total
Detail for 12 Months thru May 2011								
Jun-10	236,604	10,279	5,200	21,108	15,397	6,613	40,380	335,581
Jul-10	237,337	10,329	5,257	21,176	15,048	6,710	40,649	336,506
Aug-10	238,279	10,300	5,297	20,938	15,496	6,692	40,919	337,921
Sep-10	238,949	10,449	5,332	20,944	15,855	6,692	41,078	339,299
Oct-10	239,502	10,483	5,371	20,931	16,778	6,741	41,228	341,034
Nov-10	239,390	10,480	5,399	21,033	16,355	6,718	41,292	340,667
Dec-10	239,176	10,478	5,491	21,024	15,789	6,746	41,427	340,131
Jan-11	239,421	10,411	5,531	20,974	17,446	6,830	41,620	342,233
Feb-11	239,742	10,201	5,469	20,748	17,106	6,830	41,846	341,942
Mar-11	241,095	10,040	5,507	20,738	16,714	6,955	41,702	342,751
Apr-11	241,114	10,054	5,485	20,708	16,197	6,957	41,734	342,249
May-11	241,298	9,984	5,543	20,691	15,659	6,963	41,836	341,974
Detail June 2011 through April 2012								
Jun-11	251,147	10,110	5,835	21,465	16,629	7,715	43,090	355,991
Jul-11	251,756	10,307	5,854	21,641	16,257	7,692	43,292	356,799
Aug-11	252,163	10,434	5,841	21,809	15,853	7,752	43,610	357,462
Sep-11	250,207	10,588	5,834	22,059	18,957	7,713	43,871	359,229
Oct-11	251,932	10,874	5,825	22,566	18,819	7,862	43,437	361,315
Nov-11	252,087	10,741	5,829	21,884	18,496	7,850	43,667	360,554
Dec-11	253,016	10,943	5,817	21,977	18,023	7,929	43,940	361,645
Jan-12	253,350	10,925	5,850	22,154	17,535	7,984	45,771	363,569
<i>DHHS Revisions</i>	-11,820	-540	-186	-1,445	-2,304	-1,015	-1,812	-19,122
Revised Jan-12	241,530	10,385	5,664	20,709	15,231	6,969	43,959	344,447
Feb-12	243,780	10,216	5,725	20,736	14,846	6,990	44,162	346,455
Mar-12	244,994	10,120	5,719	20,877	14,537	7,108	45,144	348,499
<i>DHHS Revisions</i>	-3,274	-208	-51	-406	-229	-176	-970	-5,314
Revised Mar-12	241,720	9,912	5,668	20,471	14,308	6,932	44,174	343,185
Apr-12	241,764	10,106	5,608	20,854	13,888	6,867	44,202	343,289
May-12	241,794	10,076	5,642	20,768	13,460	6,874	44,266	342,880
Jun-12	241,404	10,219	5,619	21,020	13,029	6,827	44,313	342,431
Jul-12	240,225	10,021	5,545	21,225	12,820	6,752	44,411	340,999
Aug-12	240,857	9,984	5,553	21,178	12,388	6,728	44,373	341,061
Sep-12	240,176	10,130	5,529	21,233	12,050	6,676	44,434	340,228
Oct-12	239,893	10,153	5,564	21,244	11,532	6,759	44,527	339,672

Note: Beginning with its June 2011 MaineCare Caseload report, DHHS switched the source of MaineCare caseload data from the old WELFRE system to the new Maine Integrated Health Management System (MIHMS). The caseload data above include data from June 2011 through October 2012 compiled using the MIHMS system and data from June 2010 through May 2011 compiled using the WELFRE system. In January and March of 2012, DHHS revised its caseload count to correct for ineligible cases that MIHMS had continued to include as eligible.

Eligibility Descriptions:

- **Traditional Medicaid** includes adults and children in receipt of a financial benefit (TANF, IV-E); aged and disabled persons in receipt of a financial benefit (SSI, SSI Supplement), institutionalized persons (NF), and others not included below.
- **SCHIP (State Child Health Insurance Program) Medicaid Expansion Children (MS-CHIP)** (effective July 1998) are children with family incomes above 125/133% and up to and including 150% of the Federal Poverty Level (FPL).
- **SCHIP "Cub Care" Children** (eff. July 1998) are children with family incomes above 150% and up to and including 200% of FPL.
- **Medicaid Expansion Parents** are persons who function as the primary caretakers of dependent children and whose income is above 100% and up to and including 150% of FPL (effective September 2000); and beginning May 2005, up to and including 200% of FPL.
- **Non-Categorical Adults** (effective October 2002) are persons who are over 21 and under 65, not disabled, not the primary caretakers of dependent children, and whose income is not more than 100% of FPL.
- **Medicare Savings Program (MSP) and DEL/Me Rx** include persons eligible for Medicaid, but not for "full benefits" (e. g., QMB, SLMB, QD) who meet the criteria for participation in DEL and/ or Maine Rx.

General Fund Revenue Fiscal Year Ending June 30, 2013 (FY 2013) October 2012 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2013 Budgeted Totals
	October '12 Budget	October '12 Actual	October '12 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	94,756,755	91,179,144	(3,577,611)	297,527,193	284,393,752	(13,133,441)	-4.4%	-0.6%	1,015,901,512
Service Provider Tax	4,598,899	4,472,815	(126,084)	12,125,034	12,637,921	512,887	4.2%	10.8%	53,586,812
Individual Income Tax	117,558,600	117,471,517	(87,083)	434,208,314	429,350,514	(4,857,800)	-1.1%	0.5%	1,437,134,214
Corporate Income Tax	5,478,440	4,176,218	(1,302,222)	55,708,756	41,219,625	(14,489,131)	-26.0%	-33.0%	204,177,901
Cigarette and Tobacco Tax	11,468,994	13,354,207	1,885,213	49,349,315	50,261,520	912,205	1.8%	1.3%	139,555,285
Insurance Companies Tax	6,416,677	7,171,967	755,290	7,668,145	9,404,209	1,736,064	22.6%	14.8%	79,215,000
Estate Tax	3,587,800	3,381,626	(206,174)	6,858,282	9,290,549	2,432,267	35.5%	58.1%	42,736,287
Other Taxes and Fees *	19,805,807	18,671,203	(1,134,604)	53,479,823	49,174,737	(4,305,086)	-8.0%	11.5%	156,489,377
Fines, Forfeits and Penalties	1,814,145	2,293,645	479,500	8,158,165	8,512,835	354,670	4.3%	4.6%	25,145,756
Income from Investments	22,812	18,238	(4,574)	96,017	58,557	(37,460)	-39.0%	-49.0%	141,684
Transfer from Lottery Commission	4,042,304	4,266,815	224,511	17,179,805	16,946,174	(233,631)	-1.4%	-3.4%	52,550,000
Transfers to Tax Relief Programs *	(13,160,285)	(10,099,653)	3,060,632	(48,204,601)	(45,169,599)	3,035,002	6.3%	8.8%	(110,914,175)
Transfers for Municipal Revenue Sharing	(9,668,295)	(9,015,896)	652,399	(32,722,673)	(31,794,430)	928,243	2.8%	6.8%	(94,592,750)
Other Revenue *	(2,540,629)	(2,298,699)	241,930	(5,417,279)	(4,311,974)	1,105,305	20.4%	-208.4%	55,107,725
Totals	244,182,024	245,043,147	861,123	856,014,296	829,974,390	(26,039,906)	-3.0%	-1.2%	3,056,234,628

* Additional detail by subcategory for these categories is presented on the following page.

General Fund Revenue Fiscal Year Ending June 30, 2013 (FY 2013) October 2012 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2013 Budgeted Totals
	October '12 Budget	October '12 Actual	October '12 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	11,979,881	9,654,297	(2,325,584)	11,979,881	9,654,297	(2,325,584)	-19.4%	-19.8%	13,479,881
- Real Estate Transfer Tax	650,445	1,021,889	371,444	3,075,000	2,701,350	(373,650)	-12.2%	6.3%	11,153,467
- Liquor Taxes and Fees	1,716,784	1,830,329	113,545	6,909,346	8,024,960	1,115,614	16.1%	1.9%	20,770,313
- Corporation Fees and Licenses	179,058	147,885	(31,173)	892,696	1,075,281	182,585	20.5%	14.4%	7,847,099
- Telecommunication Excise Tax	0	408	408	0	(493,469)	(493,469)	N/A	-788.3%	11,574,108
- Finance Industry Fees	1,904,581	1,881,005	(23,576)	7,618,324	7,856,950	238,626	3.1%	5.2%	23,265,980
- Milk Handling Fee	328,571	158,373	(170,198)	1,314,284	1,533,893	219,609	16.7%	313.3%	3,942,852
- Racino Revenue	1,458,873	701,037	(757,836)	5,835,492	3,461,265	(2,374,227)	-40.7%	-8.6%	17,506,617
- Boat, ATV and Snowmobile Fees	270,545	221,606	(48,939)	1,481,992	1,421,015	(60,977)	-4.1%	-8.1%	4,763,561
- Hunting and Fishing License Fees	847,443	799,785	(47,658)	5,343,170	5,821,756	478,586	9.0%	6.9%	16,214,189
- Other Miscellaneous Taxes and Fees	469,626	2,254,589	1,784,963	9,029,638	8,117,439	(912,199)	-10.1%	305.7%	25,971,310
Subtotal - Other Taxes and Fees	19,805,807	18,671,203	(1,134,604)	53,479,823	49,174,737	(4,305,086)	-8.0%	11.5%	156,489,377
Detail of Other Revenue:									
- Liquor Sales and Operations	2,292	750	(1,542)	9,168	8,700	(468)	-5.1%	-3.3%	28,084,900
- Targeted Case Management (DHHS)	175,449	146,119	(29,330)	701,796	589,331	(112,465)	-16.0%	-77.4%	2,105,386
- State Cost Allocation Program	1,277,194	1,428,044	150,850	4,938,779	5,401,723	462,944	9.4%	27.8%	15,000,000
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	6,000,000
- Toursim Transfer	(3,664,636)	(3,810,530)	(145,894)	(9,786,425)	(9,932,319)	(145,894)	-1.5%	-5.4%	(9,786,425)
- Transfer to Maine Milk Pool	(351,229)	0	351,229	(3,854,523)	(1,520,704)	2,333,819	60.5%	N/A	(6,667,897)
- Transfer to STAR Transportation Fund	(2,127,427)	(2,107,557)	19,870	(6,157,681)	(6,137,811)	19,870	0.3%	-92.0%	(6,157,681)
- Other Miscellaneous Revenue	2,147,728	2,044,476	(103,252)	8,731,607	7,279,106	(1,452,501)	-16.6%	-25.4%	26,529,442
Subtotal - Other Revenue	(2,540,629)	(2,298,699)	241,930	(5,417,279)	(4,311,974)	1,105,305	20.4%	-208.4%	55,107,725
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(7,247,392)	(5,177,052)	2,070,340	(28,917,560)	(26,505,672)	2,411,888	8.3%	6.2%	(43,081,877)
- BETR - Business Equipment Tax Reimb.	(5,912,893)	(4,922,601)	990,292	(19,287,041)	(18,663,927)	623,114	3.2%	12.3%	(47,632,583)
- BETE - Municipal Bus. Equip. Tax Reimb.	0	0	0	0	0	0	N/A	N/A	(20,199,715)
Subtotal - Tax Relief Transfers	(13,160,285)	(10,099,653)	3,060,632	(48,204,601)	(45,169,599)	3,035,002	6.3%	8.8%	(110,914,175)
Inland Fisheries and Wildlife Revenue - Total	1,202,776	1,109,113	(93,663)	7,163,266	7,610,076	446,810	6.2%	3.7%	21,899,276

Highway Fund Revenue Fiscal Year Ending June 30, 2013 (FY 2013) October 2012 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2013 Budgeted Totals
	October '12 Budget	October '12 Actual	October '12 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	17,137,328	15,738,152	(1,399,176)	55,800,176	54,286,616	(1,513,560)	-2.7%	-2.0%	197,590,000
- Special Fuel and Road Use Taxes	4,092,319	4,784,746	692,427	11,359,495	11,864,904	505,409	4.4%	4.8%	44,850,000
- Transcap Transfers - Fuel Taxes	(1,559,457)	(1,509,700)	49,757	(6,491,967)	(6,421,372)	70,595	1.1%	0.4%	(17,804,916)
- Other Fund Gasoline Tax Distributions	(428,553)	(393,564)	34,989	(1,816,762)	(1,778,977)	37,785	2.1%	7.0%	(4,941,133)
Subtotal - Fuel Taxes	19,241,637	18,619,634	(622,003)	58,850,942	57,951,171	(899,771)	-1.5%	-0.7%	219,693,951
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	5,957,222	5,070,123	(887,099)	21,554,648	21,986,042	431,394	2.0%	0.4%	64,805,936
- License Plate Fees	196,860	90,698	(106,162)	1,158,599	1,230,349	71,750	6.2%	0.2%	3,351,681
- Long-term Trailer Registration Fees	676,189	426,936	(249,253)	1,661,009	1,642,507	(18,502)	-1.1%	-2.4%	9,384,523
- Title Fees	987,107	6,237,125	5,250,018	3,984,480	10,106,276	6,121,796	153.6%	150.4%	11,905,216
- Motor Vehicle Operator License Fees	754,570	772,542	17,972	2,985,637	3,023,165	37,528	1.3%	7.4%	8,761,371
- Transcap Transfers - Motor Vehicle Fees	0	0	0	(3,825,255)	(4,329,043)	(503,788)	-13.2%	-11.6%	(14,966,712)
Subtotal - Motor Vehicle Reg. & Fees	8,571,948	12,597,424	4,025,476	27,519,118	33,659,296	6,140,178	22.3%	21.1%	83,242,015
Motor Vehicle Inspection Fees	248,540	172,640	(75,900)	994,160	1,152,993	158,833	16.0%	32.4%	2,982,500
Other Highway Fund Taxes and Fees	120,725	133,299	12,574	439,072	458,622	19,550	4.5%	-1.4%	1,276,365
Fines, Forfeits and Penalties	68,572	94,540	25,968	308,054	380,240	72,186	23.4%	17.0%	993,049
Interest Earnings	9,270	4,760	(4,510)	37,080	21,863	(15,217)	-41.0%	-12.5%	111,259
Other Highway Fund Revenue	519,163	503,472	(15,691)	2,252,072	2,101,390	(150,682)	-6.7%	2.5%	8,380,404
Totals	28,779,855	32,125,769	3,345,914	90,400,498	95,725,573	5,325,075	5.9%	6.5%	316,679,543