



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 and showed positive growth through January. However, the very strong growth of taxable sales this past fall has slowed in recent months and the significant increase in estimated payments turned out not to be an indicator of significant growth in 2013 income tax liability as final estimated payments fell short of budget. Without any other significant positive variances, hopes of a sizeable upward revision in the March revenue forecast dwindled.

Monthly positive variances in fuel tax collections continued to increase the positive revenue variance in the Highway Fund. With no adjustment to this category in the December revenue forecast, the fuel tax variance and the total variance for the Highway Fund have grown to \$4.3 million through January.

This “on track” revenue picture through January coupled with little new tax or revenue data since the last revenue forecast and very little change to the economic forecast by the Consensus Economic Forecasting Commission in its February update caused the Revenue Forecasting Committee to make only modest net changes to its December 2013 forecast. All major taxes except the Gasoline Tax were unchanged. Projections of other revenue sources were revised slightly and produced a net overall increases to revenue forecast for all funds except the MaineCare Dedicated Revenue Taxes. The downward revisions to the later were already factored into the estimates of the MaineCare budget shortfall presented to the Appropriations Committee.

Cash balances showed a bit of a recovery in January. The expected decline in General Fund cash position took a break and actually showed some improvement over December and January 2013. Highway Fund cash also bounced back from the cash flow drain resulting from the single annual distribution of Local Road Assistance payments at the beginning of December.

The effects of the continuing very cold temperatures on home heating budgets were only slightly mitigated by a stabilization in heating oil prices. However, heating oil prices remain at record highs during this colder than average winter, contributing to the slowness of Maine’s economic recovery.

Despite continuing declines in MaineCare caseloads, average weekly MaineCare spending is failing to show the required declines to stay within budgeted resources. While updated projections from the Department of Health and Human Services (DHHS) showed a reduction in the estimated shortfall from earlier estimates, recent cycle payment activity indicate that a further reduction in the near future is unlikely



General Fund Revenue Update

Total General Fund Revenue - FY 2014 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
January	\$294.0	\$298.8	\$4.8	1.6%	\$302.7	-1.3%
FYTD	\$1,649.1	\$1,655.1	\$6.0	0.4%	\$1,607.4	3.0%

General Fund revenue was over budget by \$4.8 million (1.6%) in January and \$6.0 million (0.4%) for the fiscal year through January. General Fund revenue grew by 3.0% for the first seven months of the fiscal year, but January's revenue was 1.3% below last January. The increase for the fiscal year reflects: the strength of taxable sales in the automobile and building supply sectors; the change in the sales tax rates in October; and this past fall's estimated individual income tax payments.

The Sales and Use Tax was over budget by \$2.6 million in January (December taxable sales) and was \$4.7 million over budget for the fiscal year through January. Adjusting for the change in the sales tax rate, it now appears that those taxable sales were approximately even with the 2012 holiday season, which was rather lackluster.

Individual Income Tax revenue was \$4.1 million below budget in January, but was over budget for the fiscal year by \$2.4 million. Estimated payments were under budget by \$12.5 million in January. This decline supports the Revenue Forecasting Committee's conservative assumption in the December 2013

revenue forecast that the spike in September estimated payments was unusual and not indicative of a significant increase in 2013 income tax liabilities. A late start to the federal income tax filing season again this year contributed to a positive variance from the delay in refund that partially offset the negative variance from estimated payments.

The Corporate Income Tax was over budget by \$5.0 million in January, which offset previous negative variances and created a positive variance of \$2.3 million for the fiscal year. Pending refunds may still create some future negative variances in the months ahead.

The only other significant negative variances among the major revenue sources were the Estate Tax and Transfers from Lottery Commission. The Estate Tax was under budget by \$3.6 million through January. It is still expected that we will receive the normal filing of some larger estates that will offset this negative variance. Lottery revenue was \$2.5 million under budget through January. This negative variance is not expected to be offset in the short-term and was adjusted downward in the March revenue forecast.

Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2014 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
January	\$25.8	\$26.7	\$0.8	3.2%	\$26.1	2.3%
FYTD	\$165.2	\$169.5	\$4.3	2.6%	\$171.4	-1.1%

Highway Fund revenue was over budget by \$0.8 million (3.2%) in January and \$4.3 million (2.6%) for the fiscal year through January. Highway Fund revenue grew by 2.3% in January, but declined by 1.1% for the fiscal year through January compared with the same period last fiscal year. Excluding the prior fiscal year's significant one-time revenue from title fees received in October 2012, revenue is 1.3% higher than last year.

The Fuel Taxes category, which was not revised in the December revenue forecast, continues to exceed projections and has built up a \$4.3 million positive variance for the first seven months of the fiscal year.

This category, projected to decline by 2.1% for this fiscal year, has grown by 1.7% through January. The Revenue Forecasting Committee (RFC) adjusted this category upward, recognizing a portion of this positive variance in its March forecast.

The change in the timing of the payments of the Local Road Assistance program has reduced Highway Fund cash balances and consequently created a negative variance in the Income from Investments category. The RFC adjusted the forecast for this category downward accordingly.

Overall, other Highway Fund revenue categories have been on budget through January.



Revenue Forecast Update

The Revenue Forecasting Committee (RFC) met on February 21st to update the revenue forecast for its March 1st reporting deadline. With very little new data since the last forecast (one quarter earlier) and very little change in the underlying economic forecast, the RFC made only minor adjustments to the revenue forecast. Presented below is a table summarizing the RFC revisions by fund.

The RFC increased budgeted General Fund revenue by \$2.3 million for the 2014-2015 biennium. No adjustments were made to the major taxes in this forecast. The most significant changes were from revenue from liquor sales, lottery transfers and milk-related fees and transfers. The 2013 profit sharing revenue from the current contract to operate the wholesale liquor business was adjusted to reflect the actual amount in FY 2014. This increased revenue by \$1.6 million. An increase in the forecast of milk prices resulted in a net increase of budgeted revenue for the milk handling fee and the transfers to the Maine milk pool by \$2.2 million for the biennium. Lottery revenue estimates were lowered by \$1.9 million for the biennium.

Highway Fund revenue projections were increased by \$3.5 million for the 2014-2015 biennium. The RFC recognized a portion of the positive variance in Gasoline

Tax collections through January as an on-going increase and reprojected the broad Fuel Taxes category upward by \$3.6 million for the biennium. The RFC made some other minor downward adjustments in motor vehicle operator license fee revenue and interest earnings and increased excess revenue estimates for the Municipal Excise Tax Reimbursement program transfers.

The RFC updated revenue estimates for the tobacco settlement payments accruing to the Fund for a Healthy Maine to reflect a revised projection released by the National Association of Attorneys General (NAAG). That revision increased revenue estimates for the 2014-2015 biennium by \$2.1 million. The RFC also recognized and included in the FY 2015 projections the release of Maine's \$5.6 million share of disputed payments withheld by participating manufacturers pending the outcome of litigation related to the nonparticipating manufacturers adjustment under the Master Settlement Agreement.

Finally, the RFC lowered the projections of the MaineCare dedicated revenue taxes by \$7.2 million for the 2014-2015 biennium. The largest portion of the downward revision was related to hospital excise tax estimates, updated to reflect a hospital closure and updated hospital financial reporting.

Summary of March 2014 Revenue Revisions

General Fund Summary (Millions of \$'s)

	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	\$3,094.4	\$3,074.4	\$3,275.8	\$3,141.4	\$3,254.5
Annual % Growth	2.6%	-0.6%	6.6%	-4.1%	3.6%
Net Increase (Decrease)		(\$0.2)	\$2.5	\$0.1	(\$0.6)
Revised Forecast	\$3,094.4	\$3,074.2	\$3,278.3	\$3,141.4	\$3,253.9
Annual % Growth	2.6%	-0.7%	-4.2%	-4.2%	3.6%

Highway Fund Summary (Millions of \$'s)

	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	\$318.8	\$308.6	\$306.8	\$306.4	\$306.0
Annual % Growth	0.5%	-3.2%	-0.6%	-0.1%	-0.1%
Net Increase (Decrease)		\$1.7	\$1.8	\$1.8	\$1.8
Revised Forecast	\$318.8	\$310.3	\$308.6	\$308.2	\$307.8
Annual % Growth	0.5%	-2.7%	-0.1%	-0.1%	-0.1%

Fund for a Healthy Maine Summary (Millions of \$'s)

	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	\$51.0	\$54.7	\$54.3	\$53.9	\$53.4
Annual % Growth	-8.1%	7.3%	-0.7%	-0.9%	-0.9%
Net Increase (Decrease)		\$1.2	\$6.3	\$0.8	\$0.9
Revised Forecast	\$51.0	\$55.9	\$60.7	\$54.7	\$54.3
Annual % Growth	-8.1%	9.7%	8.5%	-9.9%	-0.8%

Medicaid/MaineCare Dedicated Revenue Taxes Summary (Millions of \$'s)

	FY13 Actual	FY14	FY15	FY16	FY17
Current Forecast	\$153.2	\$172.0	\$172.0	\$172.0	\$172.0
Annual % Growth	0.9%	12.3%	0.0%	0.0%	0.0%
Net Increase (Decrease)		(\$3.6)	(\$3.6)	(\$3.6)	(\$3.6)
Revised Forecast	\$153.2	\$168.4	\$168.4	\$168.4	\$168.4
Annual % Growth	0.9%	9.9%	0.0%	0.0%	0.0%



Cash Update

The average total cash pool balance for January was \$499.0 million. This average balance was \$64.5 million higher than last January and \$66.3 million higher than December but was still \$22.3 million lower than the \$521.2 million 10-year average balance for January.

January cash balances showed a greater improvement from December than the 10-year averages would suggest. January's improvement interrupted the expected decline in average cash balances and General Fund internal borrowing dropped below last year's levels after increasing above the prior year's balance in December.

Highway Fund average cash balance, which dropped below \$4.0 million in December due to a change from quarterly payments to a single annual payment by December 1st for the Local Road Assistance program, recovered in January to an average balance of \$12.2 million.

Summary of Treasurer's Cash Pool

January Average Daily Balances

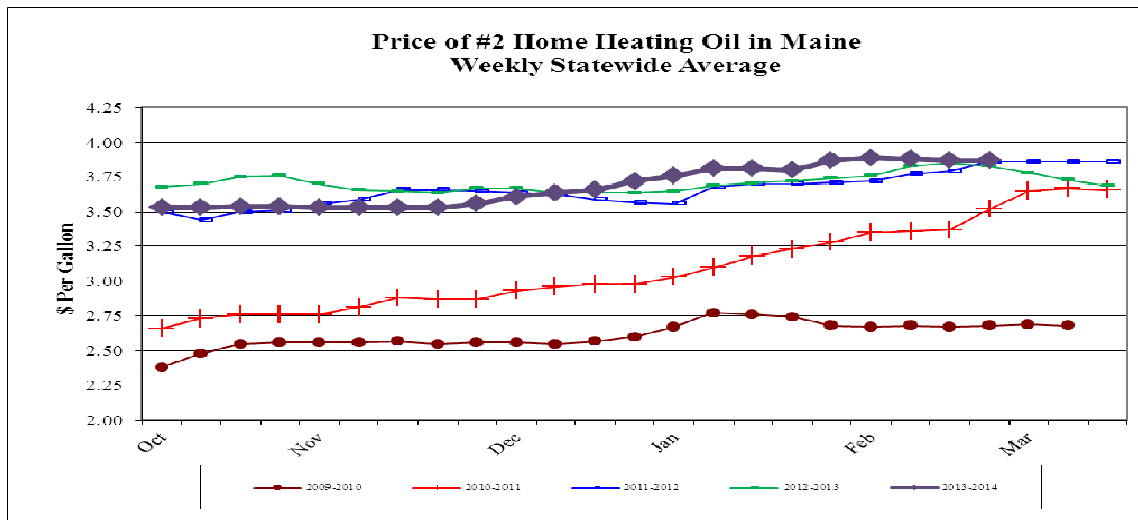
Millions of \$'s

	2013	2014
General Fund (GF) Total	\$39.7	\$45.5
General Fund (GF) Detail:		
Budget Stabilization Fund	\$44.8	\$59.8
Reserve for Operating Capital	\$17.1	\$2.6
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$214.7	\$168.5
Other General Fund Cash	(\$236.8)	(\$185.4)
Other Spec. Rev. - Interest to GF	(\$5.6)	\$51.6
Other State Funds - Interest to GF	\$16.0	\$20.8
Highway Fund	\$21.8	\$12.2
Other Spec. Rev. - Retaining Interest	\$66.6	\$35.9
Other State Funds	\$184.5	\$234.1
Independent Agency Funds	\$111.4	\$98.9
Total Cash Pool	\$434.5	\$499.0

Heating Oil Price Update

The average price of #2 home heating oil in Maine stabilized in February, albeit at an all-time high for a winter heating season in Maine. After rising from \$3.87 to \$3.89 per gallon during the first week of February, the price of home heating oil declined over the next 2 weeks, ending the month where it began - at \$3.87 per gallon. This price is up approximately \$0.06 per gallon (1.6%) over the same time last year. The average home heating oil price for the 2013-2014 winter heating season thus far, however, is approximately 0.5% below the same time period last year. This is primarily due to lower home heating oil prices in the early part of the heating season.

February brought no relief from the cold temperatures that the State has been experiencing this winter. Temperatures in February were approximately 9.2% colder than last year and 6.8% colder than normal. For the first 5 months of the 2013-2014 winter heating season, temperatures were approximately 9.6% colder than the same time period last year and 4.9% colder than normal. With only one month to go in the "winter heating season," it appears that this year's colder than normal temperatures and high oil prices will result in a significant increase in the average household expenditures for heating oil.





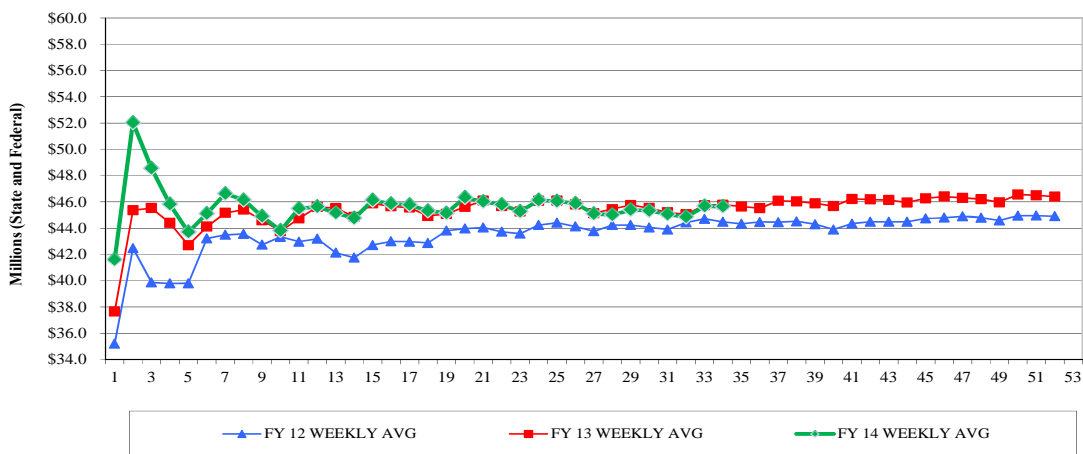
MaineCare Update

MaineCare Spending

MaineCare cycle payments for FY 2014 continue to track closely to last year's payments with the average weekly MaineCare cycle for FY 2014 through Week 34 of \$45.6 million (state and federal dollars) slightly less than the weekly cycle average for FY 2013 through 34 weeks of \$45.8 million but slightly more than the average for FY 2014 through Week 30 of \$45.3 million. MaineCare Chart 1 below summarizes average weekly MaineCare cycle payments for FY

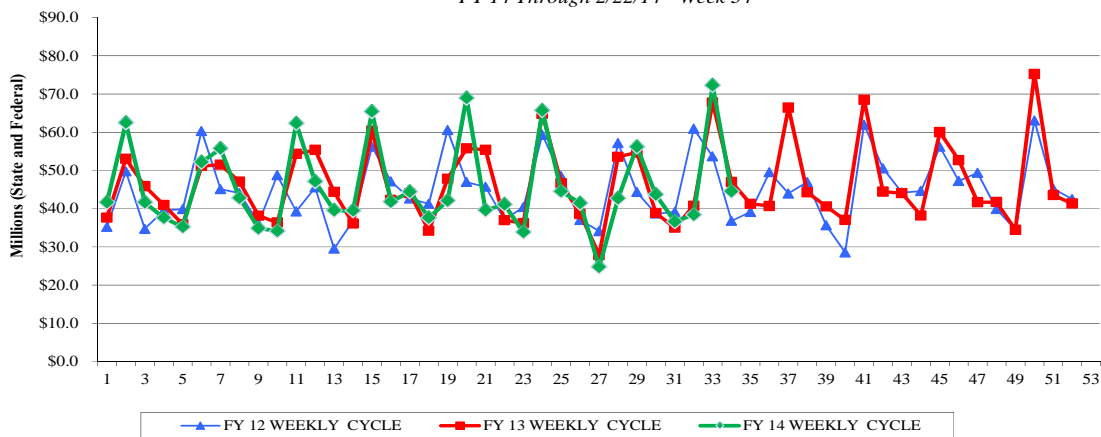
2014 as well as comparable payment cycle averages for FY 2012 and FY 2013. MaineCare Chart 2 summarizes the actual cycles each week for FY 2014 and for FY 2012 and FY 2013. As shown in MaineCare Chart 2, the Week 33 "monthly billing providers" cycle for February was \$72.3 million and included \$4.3 million in monthly payments to non-emergency transportation brokers.

MaineCare Chart 1 - Weekly Cycle Averages - FY 12, FY 13 and FY 14
 FY 14 Through 2/22/14 - Week 34



° FY 14 averages do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) cycle. 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 12, FY 13 and FY 14
 FY 14 Through 2/22/14 - Week 34



° FY 14 cycles do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) cycle. 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 Expenditure Detail through Seven Months**

MaineCare Table 1 uses expenditure data through January 2014 to compare MaineCare and Related expenditures (all state and federal dollars) through the first seven months for the last three fiscal years. After adjusting for one-time hospital settlements and case management recoupments, MaineCare spending through seven months decreased by 1.3% from FY 2013 to FY 2014. The overall change in spending included increases in the hospital services, residential care, pharmacy and related, and mental health services expenditure categories. These increases were offset by reductions in the Medicare crossover payments, medical professionals and clinic services expenditure categories.

Another factor continuing to affect the change in “All Funds” spending through seven months was an increase in net credits and other offsets in the “16 Other

Adjustments” expenditure category. This category reflects financial transactions (e.g., third party liability collections, audit settlements, etc.) that are not assigned to another expenditure category.

MaineCare Table 1 also summarizes the MaineCare and Related programs General Fund expenditure impact through seven months. The total impact shows a 1.0% decrease from FY 2013 to FY 2014. After adjusting for the one-time expenditures noted above, the General Fund impact shows a 1.1% increase in spending through seven months. The lack of a significant increase in the net credits and other offsets for the General Fund in the “16 Other Adjustments” expenditure category (unlike the effect cited in the “All Funds” summary) contributed to this General Fund spending increase.

Expenditure Categories	FY 2012	FY 2013	FY 2014	Chgs. FY 2013 to FY 2014	
	7 Months	7 Months	7 Months	\$	%
1 Hospital Services	\$271,189,512	\$334,912,467	\$344,385,236	\$9,472,770	2.8%
1A Hospital Settlements ¹	\$0	\$26,332,279	\$490,200,000	\$463,867,721	na
2 Residential Care	\$306,541,009	\$304,418,644	\$311,124,157	\$6,705,513	2.2%
3 HCBC Waivers	\$191,026,397	\$189,030,488	\$191,594,700	\$2,564,212	1.4%
4 Pharmacy and Related	\$178,213,664	\$172,859,630	\$181,722,013	\$8,862,383	5.1%
5 Medical Professionals	\$102,346,717	\$98,571,890	\$91,931,350	(\$6,640,540)	-6.7%
6 Medicare Crossover Payments	\$71,779,510	\$77,933,050	\$54,757,851	(\$23,175,199)	-29.7%
7 Mental Health Services	\$142,229,015	\$157,947,381	\$163,694,562	\$5,747,181	3.6%
8 Clinic Services	\$27,376,395	\$31,334,054	\$27,662,680	(\$3,671,374)	-11.7%
9 Home Health	\$16,498,700	\$17,329,773	\$19,202,113	\$1,872,340	10.8%
10 Rehabilitation Services	\$10,691,644	\$13,058,664	\$14,071,233	\$1,012,569	7.8%
11 Case Management ²	\$53,206,010	\$24,812,436	\$25,476,991	\$664,556	2.7%
12 Certified Seed	\$9,448,637	\$13,244,060	\$13,060,936	(\$183,124)	-1.4%
13 Transportation Services	\$27,665,115	\$26,019,550	\$25,460,737	(\$558,812)	-2.1%
15 Other Services	\$10,920,491	\$7,108,443	\$13,961,517	\$6,853,074	96.4%
16 Other Adjustments	(\$9,711,767)	(\$16,058,813)	(\$45,064,386)	(\$29,005,573)	180.6%
All Funds Totals	\$1,409,421,048	\$1,478,853,995	\$1,923,241,691	\$444,387,696	30.0%
One-Time Adjustments ^{1,2}	(\$29,736,437)	(\$26,332,279)	(\$490,200,000)		
Adjusted All Funds Totals	\$1,379,684,611	\$1,452,521,716	\$1,433,041,691	(\$19,480,025)	-1.3%
General Fund Totals	\$474,098,876	\$457,701,867	\$453,100,291	(\$4,601,576)	-1.0%
One-Time Adjustments ^{1,2}	(\$29,736,437)	(\$9,671,846)	\$0		
General Fund Adjusted Totals	\$444,362,439	\$448,030,021	\$453,100,291	\$5,070,270	1.1%

¹ Includes one-time hospital settlement payments in FY 2013 and FY 2014.
² Includes a one-time \$29.7 million FY 2012 targeted case management federal settlement.



MaineCare Update (Continued)

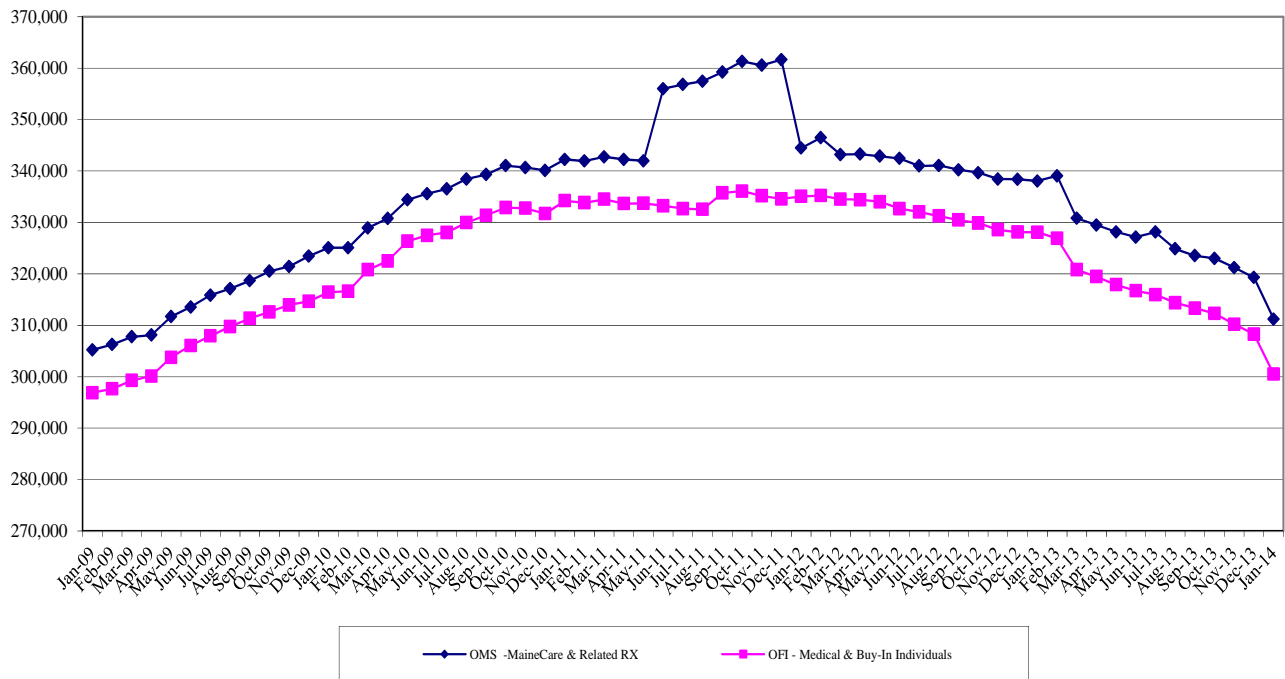
MaineCare Caseload

MaineCare caseload data for January 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 MaineCare caseload continues to decrease. MaineCare Chart 3 shows OMS and OFI aggregate caseload data over time. The two sources count MaineCare caseload differently but have tracked consistently with the exception of the problems with the initial switchover to the Maine Integrated Health Management Solution (MIHMS) caseload data source (June to December 2011).

The DHHS detailed caseload data through January 2013, included in MaineCare Table 2, show the impact of the elimination of the non-categorical adult waiver program effective December 31, 2013. MaineCare eligibility for parents with incomes from 101% to 133% of the Federal Poverty Level (FPL) also ended December 31, 2013. Because these parents will receive transitional Medicaid coverage for up to a year, beginning January 1, 2014 they (and their children – at least temporarily) are included under the “Traditional Medicaid” category on MaineCare Table 2. The childless adults who lost coverage effective December 31, 2013 are not eligible for transitional Medicaid coverage.

MaineCare Chart 3 - MaineCare Caseload Through January 2014

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 Table 2 - 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	Total
Jun-10 - May-11								
Averages	239,326	10,291	5,407	20,918	16,153	6,787	41,309	340,191
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>	<i>-11,820</i>	<i>-540</i>	<i>-186</i>	<i>-1,445</i>	<i>-2,304</i>	<i>-1,015</i>	<i>-1,812</i>	<i>-19,122</i>
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>	<i>-3,274</i>	<i>-208</i>	<i>-51</i>	<i>-406</i>	<i>-229</i>	<i>-176</i>	<i>-970</i>	<i>-5,314</i>
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
Nov-12	239,071	10,235	5,576	21,122	11,074	6,726	44,642	338,446
Dec-12	239,052	10,295	5,612	21,149	10,749	6,752	44,775	338,384
Jan-13	238,974	10,299	5,608	21,177	10,378	6,711	44,893	338,040
Feb-13	241,593	9,774	5,568	20,619	10,116	6,477	44,908	339,055
Mar-13	247,354	6,311	5,154	17,077	9,857	1,740	43,316	330,809
Apr-13	248,607	5,654	5,080	16,227	9,603	780	43,552	329,503
May-13	249,013	5,403	4,987	15,621	9,335	19	43,780	328,158
June-13	248,205	5,414	4,909	15,667	9,058	10	43,871	327,134
Jul-13	249,597	5,505	4,864	15,545	8,792	0	43,817	328,120
Aug-13	246,889	5,515	4,783	15,255	8,544	0	43,888	324,874
Sep-13	245,738	5,707	4,740	15,163	8,303	0	43,892	323,543
Oct-13	245,203	5,891	4,737	15,163	8,068	0	43,933	322,995
Nov-13	243,658	5,940	4,704	15,131	7,806	0	43,993	321,232
Dec-13	242,475	5,958	4,640	14,661	7,439	0	44,111	319,284
Jan-14	254,239	4,679	4,520	4,478	4	0	43,292	311,212

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 Solution (MIHMS). The caseload data above include data from June 2011 through January 2014 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 been included 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), individuals on transitional Medicaid coverage 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** include persons eligible for Medicaid, but not for "full benefits" (e. g., QMB, SLMB, QI) who meet the criteria for participation in DEL and/ or MSP.

**General Fund Revenue
Fiscal Year Ending June 30, 2014 (FY 2014)
January 2014 Revenue Variance Report**

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	January '14 Budget	January '14 Actual	January '14 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	102,778,743	105,368,761	2,590,018	583,686,706	588,402,289	4,715,583	0.8%	10.8%	1,108,677,783
Service Provider Tax	4,482,415	4,432,728	(49,687)	24,561,258	24,325,974	(235,284)	-1.0%	-3.2%	49,317,427
Individual Income Tax	170,006,486	165,891,144	(4,115,342)	825,624,921	828,071,175	2,446,254	0.3%	-5.3%	1,380,685,000
Corporate Income Tax	619,000	5,661,738	5,042,738	82,275,164	84,601,488	2,326,324	2.8%	10.8%	169,706,958
Cigarette and Tobacco Tax	10,700,493	10,732,810	32,317	81,115,776	82,086,693	970,917	1.2%	-0.6%	135,900,000
Insurance Companies Tax	48,309	(86,116)	(134,425)	13,186,780	12,840,921	(345,859)	-2.6%	-10.9%	80,715,000
Estate Tax	2,109,365	1,950,251	(159,114)	12,788,430	9,178,449	(3,609,981)	-28.2%	-69.9%	27,553,982
Other Taxes and Fees *	10,185,163	11,083,991	898,828	68,417,813	70,439,728	2,021,915	3.0%	-9.3%	127,884,891
Fines, Forfeits and Penalties	1,664,519	1,773,123	108,604	13,291,724	12,927,697	(364,027)	-2.7%	-2.8%	23,431,666
Income from Investments	(2,740)	15,594	18,334	114,273	153,221	38,948	34.1%	98.3%	13,818
Transfer from Lottery Commission	4,288,457	2,977,568	(1,310,889)	32,163,457	29,710,510	(2,452,947)	-7.6%	-3.0%	55,750,000
Transfers to Tax Relief Programs *	(10,704,627)	(9,007,668)	1,696,959	(58,255,544)	(58,323,031)	(67,487)	-0.1%	42.8%	(61,540,498)
Transfers for Municipal Revenue Sharing	(5,295,904)	(5,701,275)	(405,371)	(37,518,636)	(37,924,005)	(405,369)	-1.1%	29.3%	(64,795,934)
Other Revenue *	3,138,591	3,682,182	543,591	7,649,704	8,560,911	911,207	11.9%	24.5%	41,077,521
Totals	294,018,270	298,774,831	4,756,561	1,649,101,826	1,655,052,020	5,950,194	0.4%	3.0%	3,074,377,614

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

General Fund Revenue
Fiscal Year Ending June 30, 2014 (FY 2014)
January 2014 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	January '14 Budget	January '14 Actual	January '14 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	0	0	0	11,970,000	11,999,965	29,965	0.3%	24.3%	13,584,806
- Real Estate Transfer Tax	905,307	1,001,613	96,306	4,961,470	5,221,851	260,381	5.2%	-3.9%	9,176,840
- Liquor Taxes and Fees	1,714,948	1,560,707	(154,241)	12,060,644	12,985,414	924,770	7.7%	8.5%	20,818,837
- Corporation Fees and Licenses	273,575	271,253	(2,322)	1,615,749	1,675,278	59,529	3.7%	-1.2%	8,313,649
- Telecommunication Excise Tax	0	0	0	0	(1,169,972)	(1,169,972)	N/A	-189.7%	8,000,000
- Finance Industry Fees	2,528,653	2,714,000	185,347	14,708,636	15,741,500	1,032,864	7.0%	9.0%	24,851,990
- Milk Handling Fee	104,859	90,741	(14,118)	679,645	650,634	(29,011)	-4.3%	-64.6%	1,203,936
- Racino Revenue	732,706	741,373	8,667	5,294,340	5,187,570	(106,770)	-2.0%	-38.3%	8,957,869
- Boat, ATV and Snowmobile Fees	356,539	371,456	14,917	2,084,002	2,082,960	(1,042)	-0.1%	-3.4%	4,523,561
- Hunting and Fishing License Fees	2,279,675	2,958,437	678,762	9,769,527	10,626,569	857,042	8.8%	4.1%	16,101,822
- Other Miscellaneous Taxes and Fees	1,288,901	1,374,410	85,509	5,273,800	5,437,959	164,159	3.1%	-55.8%	12,351,581
Subtotal - Other Taxes and Fees	10,185,163	11,083,991	898,828	68,417,813	70,439,728	2,021,915	3.0%	-9.3%	127,884,891
Detail of Other Revenue:									
- Liquor Sales and Operations	1,534	5,550	4,016	10,736	27,440	16,704	155.6%	117.8%	8,408,196
- Targeted Case Management (DHHS)	176,028	174,882	(1,146)	1,232,194	1,231,740	(454)	0.0%	21.6%	2,112,332
- State Cost Allocation Program	1,485,392	1,598,727	113,335	10,749,415	11,119,736	370,321	3.4%	22.0%	18,296,833
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	6,015,000
- Tourism Transfer	0	0	0	(10,381,884)	(10,381,884)	0	0.0%	-4.5%	(10,381,884)
- Transfer to Maine Milk Pool	0	0	0	(282,242)	0	282,242	100.0%	100.0%	(282,242)
- Transfer to STAR Transportation Fund	0	0	0	(6,069,901)	(6,069,901)	0	0.0%	1.1%	(6,069,901)
- Other Miscellaneous Revenue	1,475,637	1,903,022	427,385	12,391,386	12,633,780	242,394	2.0%	-11.8%	22,979,187
Subtotal - Other Revenue	3,138,591	3,682,182	543,591	7,649,704	8,560,911	911,207	11.9%	24.5%	41,077,521
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(1,000)	872	1,872	(757,484)	(755,992)	1,492	0.2%	97.9%	(760,000)
- BETR - Business Equipment Tax Reimb.	(9,154,649)	(8,917,110)	237,539	(35,666,997)	(34,031,444)	1,635,553	4.6%	24.6%	(38,205,000)
- BETE - Municipal Bus. Equip. Tax Reimb.	(1,548,978)	(91,430)	1,457,548	(21,831,063)	(23,535,595)	(1,704,532)	-7.8%	-13.6%	(22,575,498)
Subtotal - Tax Relief Transfers	(10,704,627)	(9,007,668)	1,696,959	(58,255,544)	(58,323,031)	(67,487)	-0.1%	42.8%	(61,540,498)
Inland Fisheries and Wildlife Revenue - Total	2,727,261	3,486,365	759,104	12,434,209	13,416,308	982,099	7.9%	2.4%	21,532,511

Highway Fund Revenue Fiscal Year Ending June 30, 2014 (FY 2014) January 2014 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	January '14 Budget	January '14 Actual	January '14 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	15,162,881	15,852,499	689,618	99,944,569	102,725,870	2,781,301	2.8%	0.8%	188,780,000
- Special Fuel and Road Use Taxes	3,546,009	3,688,723	142,714	22,413,896	24,378,611	1,964,715	8.8%	5.7%	42,980,000
- Transcap Transfers - Fuel Taxes	(1,374,545)	(1,439,117)	(64,572)	(10,549,729)	(10,950,006)	(400,277)	-3.8%	-1.9%	(17,027,938)
- Other Fund Gasoline Tax Distributions	(379,179)	(396,423)	(17,244)	(2,920,686)	(2,992,769)	(72,083)	-2.5%	-0.7%	(4,720,822)
Subtotal - Fuel Taxes	16,955,166	17,705,682	750,516	108,888,050	113,161,706	4,273,656	3.9%	1.7%	210,011,240
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	4,584,377	4,518,650	(65,727)	36,169,695	36,466,655	296,960	0.8%	1.3%	65,659,536
- License Plate Fees	115,477	94,511	(20,966)	1,841,334	1,928,935	87,601	4.8%	4.5%	3,351,681
- Long-term Trailer Registration Fees	1,357,335	1,327,677	(29,658)	3,845,872	3,916,585	70,713	1.8%	-2.5%	9,384,523
- Title Fees	1,096,943	989,070	(107,873)	7,346,008	7,600,942	254,934	3.5%	-41.5%	12,843,660
- Motor Vehicle Operator License Fees	743,530	586,889	(156,641)	4,872,074	4,698,017	(174,058)	-3.6%	-5.2%	8,522,204
- Transcap Transfers - Motor Vehicle Fees	0	0	0	(7,608,626)	(7,751,270)	(142,644)	-1.9%	17.0%	(15,398,687)
Subtotal - Motor Vehicle Reg. & Fees	7,897,662	7,516,797	(380,865)	46,466,357	46,859,863	393,506	0.8%	-7.2%	84,362,917
Motor Vehicle Inspection Fees	345,215	711,362	366,147	2,276,005	1,961,401	(314,605)	-13.8%	-13.6%	2,982,500
Other Highway Fund Taxes and Fees	71,518	81,297	9,779	751,011	687,506	(63,505)	-8.5%	-2.9%	1,313,165
Fines, Forfeits and Penalties	67,825	67,436	(389)	609,001	605,785	(3,216)	-0.5%	-3.7%	1,007,998
Interest Earnings	8,286	1,080	(7,206)	59,392	32,388	(27,004)	-45.5%	-25.6%	100,825
Other Highway Fund Revenue	477,086	574,957	97,871	6,147,041	6,235,083	88,042	1.4%	3.4%	8,797,218
Totals	25,822,758	26,658,610	835,852	165,196,857	169,543,732	4,346,875	2.6%	-1.1%	308,575,863