



# FISCAL NEWS

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MARCH 2014

## Volume 8 Number 3

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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 substantially over budget in February primarily due to lower individual income tax refund activity. While this refund variance was initially thought to be related to the delayed start to the federal income tax filing period, refunds have not increased above projections in March leaving that positive revenue variance intact. This maybe an indicator of a stronger than projected 2013 tax year and a lower than projected cost associated with the newly created Property Tax Fairness Credit.

Highway Fund revenue also continued to exceed projections. Fuel Taxes continue to be the primary factor in these positive variances even after the upward revision in the March revenue forecast for the current fiscal year. The Highway Fund will carry a solid positive variance that will protect against any future volatility in collections in the last quarter.

FY 2014 cash balances remain relatively healthy and have been consistently better than last fiscal year. General Fund internal borrowing and the total cash pool have benefitted from the slower than projected refunds in the first quarter of 2014, which places the General Fund in better position than the last 2 fiscal years with respect to the amount of internal borrowing and significantly reduces the likelihood of having to borrow externally for cash flow purposes. Even the Highway Fund has recovered after its December decline caused by the change in the timing of Local Road Assistance payments.

Despite a significant improvement in heating oil prices during March, the official start of spring failed to provide relief on the other side of the home heating economic equation, temperatures. Temperatures were more than 25% colder than normal in March. Although the average heating oil price over this heating season was comparable to last, the colder temperatures produced a much more negative impact on Maine households.

In late March, the Legislature enacted an emergency FY 2014 Supplemental Budget Bill, LD 1843, to address some current fiscal year supplemental funding needs including contributions toward a projected FY 2014 shortfall in the MaineCare program. That bill is pending action by the Governor. With this supplemental funding and the cumulative impact of reductions in MaineCare eligibility over the last year beginning to result in reductions in MaineCare spending by the 4th quarter of this fiscal year, the MaineCare program should be able to make it through this fiscal year. Supplemental funding has not yet been provided to address a projected FY 2015 MaineCare shortfall put forth by the Department of Health and Human Services.

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$99.2	\$110.0	\$10.8	10.9%	\$112.1	-1.9%
FYTD	\$1,748.3	\$1,765.0	\$16.7	1.0%	\$1,719.4	2.7%

General Fund revenue was over budget by \$10.8 million (10.9%) in February and \$16.7 million (1.0%) for the fiscal year through February. This variance does not reflect the March 2014 revenue forecast, which revised current year revenue projections downward by \$0.2 million and increased the projected decline for FY 2014 from 0.6% to 0.7%. The early FY 2014 growth (2.7% through February) reflects strong taxable sales growth in the summer and early fall, a significant increase in September income tax estimated payments, a sales and use tax rate increase in October and a shift in the timing of property tax relief payments until later in the fiscal year.

The Sales and Use Tax was under budget by \$1.5 million in February, but remained over budget for the fiscal year by \$3.3 million. After adjusting for the new monthly distribution for the March revenue forecast, February's negative variance was much less. Preliminary data for March show taxable sales running ahead of revised projections, which recognized the strong growth in this category during the first half of the fiscal year but assumes lower growth for the second half.

Individual Income Tax revenue was \$11.4 million over budget in February and \$13.9 million over for the fiscal year. Refunds continue to be much less than budgeted, a positive revenue variance of \$22.9 million for February and \$31.5 million for the fiscal year through February. Initially, the lower refund activity was assumed to be related to the late start to the income tax filing season. However, the amount of refunds paid has not caught up to projections and March activity may actually increase the positive revenue variance from refunds. This variance may be an indicator that the 2013 tax year total tax liability was higher than projected and that the estimates of the

new Property Tax Fairness Credit overstated the amount of the revenue loss.

Partially offsetting the positive variance from refunds in the Individual Income Tax category was a \$9.9 million negative variance from withholding receipts in February. Preliminary data for March withholding indicate that some of February's negative variance will be offset by a positive variance in March.

Corporate Income Tax was over budget by \$2.9 million in February and \$5.2 million for the fiscal year through February. A positive variance from refunds was the primary factor behind the positive variance. Pending refunds requested in tax returns under review will reduce this positive variance over the next few months.

The Estate Tax was over budget for February by \$0.3 million, but remained under budget for the fiscal year through February by \$3.3 million. It is still expected that we will receive the normal filing of some larger estates that will offset this negative variance. The other major negative variance noted last month was lottery revenue. Lottery transfers were also modestly over budget in February, but remain under budget for the fiscal year. The \$2.25 million downward revision to lottery transfers in the March forecast should bring this category back on track.

An unanticipated large number of Business Equipment Tax Reimbursement (BETR) program reimbursements were paid in February resulting in a negative revenue variance of \$2.9 million for the month and \$1.3 million for the fiscal year through February. March payments for this program continue to exceed projections and will likely increase the negative variance. This performance is contrary to the assumptions in the March revenue forecast, which assumed that these payments would be \$0.6 million less than previously budgeted.

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$25.0	\$25.5	\$0.5	2.0%	\$25.3	0.7%
FYTD	\$190.2	\$195.1	\$4.9	2.6%	\$196.7	-0.8%



### Highway Fund Revenue Update (Continued)

Highway Fund revenue was over budget by \$0.5 million (2.0%) in February and \$4.9 million (2.6%) for the fiscal year through February. Highway Fund revenue continues to perform better than projected even after the \$1.7 million upward revision to FY 2014 revenue in the March revenue forecast.

The Fuel Taxes category was under budget by \$0.2 million in February as a result of the \$0.9 million negative variance from Special Fuel and Road Use Taxes. Special Fuel and Road Use Taxes remained over budget for the fiscal year by \$1.1 million and the Gasoline Tax continued to perform ahead of budget.

The FY 2014 Gasoline Tax projection was revised upward in the March Forecast by \$2.0 million (\$1.8 million net after adjustment to related transfers). Preliminary data for March indicate that the positive variances for both special fuel and gasoline tax collections will increase providing a sizeable surplus as a cushion heading into the last quarter of the fiscal year.

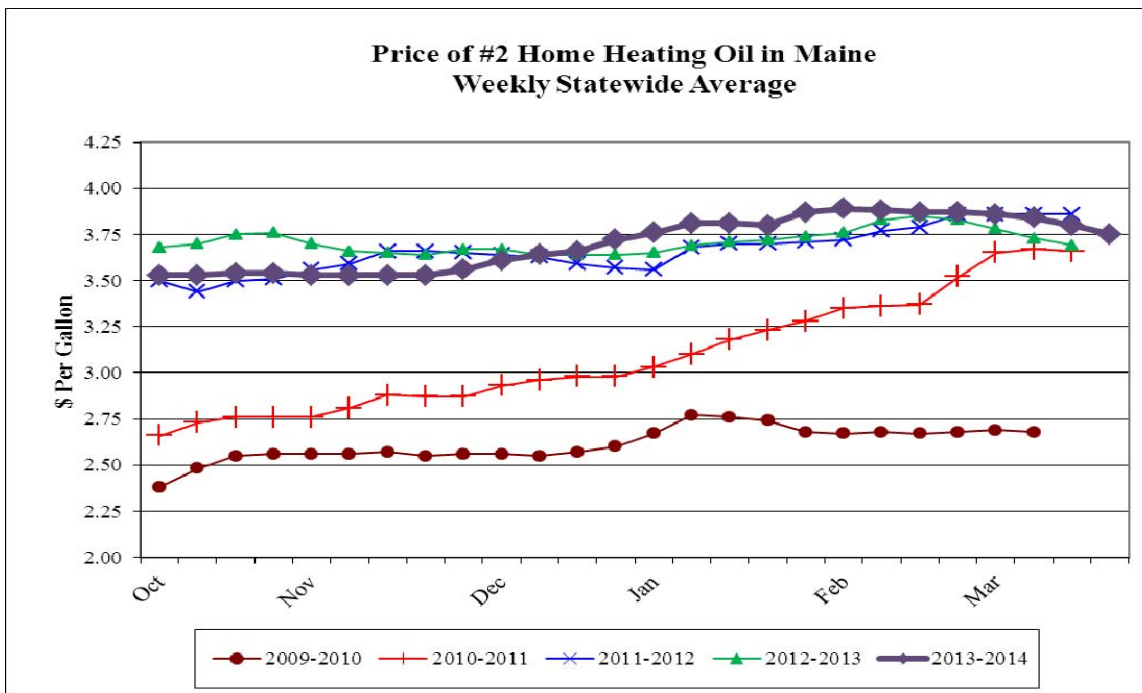
Also of note in February was a \$1.2 million positive variance for the month in the Long-term Trailer Registration Fees category. This positive variance was due to early receipt of renewals that were budgeted for March. This variance will be offset in March.

### Heating Oil Price Update

The average price of #2 home heating oil in Maine fell significantly in March 2014, from \$3.87 as of the end of February to \$3.75 per gallon as of March 25th. This price is approximately \$0.09 per gallon (2.5%) higher than the same time last year. The average price of home heating oil for the 2013-2014 winter heating season of \$3.71 per gallon is exactly the same as the 2012-2013 heating season primarily because lower home heating oil prices in the early part of this heating season offset the record high prices recorded during the peak winter months.

Winter-weary Mainer's who had been hoping that March would provide some relief from the cold

temperatures that the State has been experiencing this winter surely have been disappointed. Temperatures in March were approximately 27.1% colder than last year and 25.8% colder than normal. For the 2013-2014 winter heating season overall, temperatures are approximately 12.5% colder than the same time period last year and 8.2% colder than normal. Although the drop in the average price of oil in March may have eased the pain of filling up the oil tank one more time this winter, this year's colder than normal temperatures and high oil prices have had a significant impact on the average household expenditures for heating oil.





### Cash Update

The average total cash pool balance for February was \$444.1 million. This was \$36.2 million higher than last February but \$54.9 million lower than January and \$54.5 million lower than the 10-year average balance for February of \$498.6 million.

This month's issue attempts to correct for some historical comparison errors in several past issues of the *Fiscal News* during this fiscal year. The tables in the Cash Update articles were not properly updated to include the correct prior year's balances. The graph (below) compares some key elements of the cash pool for the current fiscal year through February with the previous two fiscal years. This provides a better comparison of cash balances and trends throughout each fiscal year. The graph includes FY 2012 in addition to FY 2013 because it was very similar to FY 2014 in that the General Fund budget was balanced using one-day Other Special Revenue Funds borrowing of more than \$90 million in each of those years.

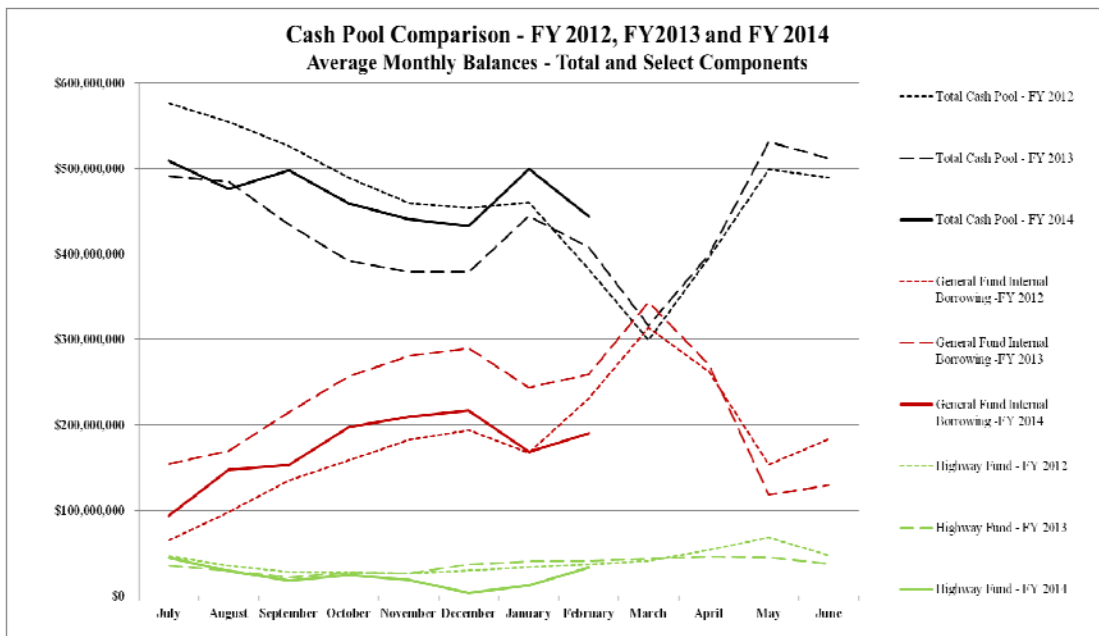
Total Cash Pool balances and General Fund Internal Borrowing for the first half of FY 2012 and FY 2014 track very closely with the only difference being that FY 2012 had General Fund reserve balances that were roughly \$25 million more on average than FY 2014. However, FY 2014 improved relative to FY 2012 beginning in January, possibly due to the delay in income tax filing and refunds.

FY 2013 had a less healthy total and a General Fund cash position for the first half of the fiscal year than FY 2012 and FY 2014. This may be because the borrowing

	2013	2014
General Fund (GF) Total	\$22.4	\$13.0
General Fund (GF) Detail:		
Budget Stabilization Fund	\$44.6	\$59.8
Reserve for Operating Capital	\$17.1	\$2.6
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$258.9	\$190.5
Other General Fund Cash	(\$298.1)	(\$240.0)
Other Spec. Rev. - Interest to GF	(\$10.2)	\$29.4
Other State Funds - Interest to GF	\$18.6	\$22.9
Highway Fund	\$40.7	\$33.2
Other Spec. Rev. - Retaining Interest	\$36.7	\$28.2
Other State Funds	\$169.1	\$220.2
Independent Agency Funds	\$130.7	\$97.3
<b>Total Cash Pool</b>	<b>\$407.9</b>	<b>\$444.1</b>

between fiscal years has a lingering effect on cash balances well into the fiscal year. The differences in cash balances are minimized after the cash infusion from individual income tax filings in mid-April.

The graphical comparison of Highway Fund average cash balances clearly illustrates the negative effects of the change from quarterly payments to a single annual payment by December 1<sup>st</sup> for the Local Road Assistance program, beginning in FY 2014. By February 2014, Highway Fund cash balances had recovered to close to the averages of the prior two fiscal years.





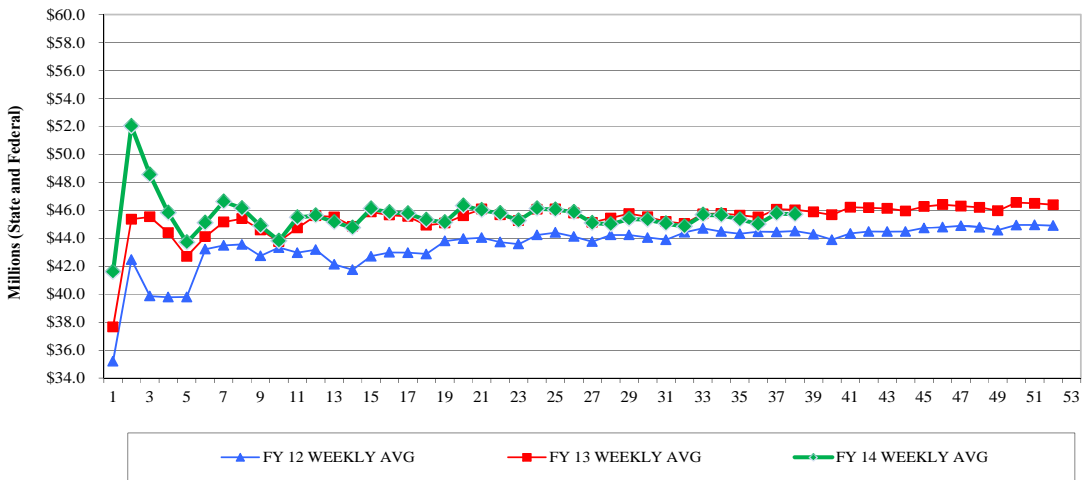
### MaineCare Update

#### MaineCare Spending

MaineCare cycle payments for FY 2014 continue to track closely to last year's payments. The average weekly MaineCare cycle for FY 2014 through Week 38 of \$45.7 million (state and federal dollars) was slightly less than the weekly cycle average for FY 2013 through 38 weeks of \$46.0 million but slightly more than the average for FY 2014 through Week 34 of \$45.6 million.

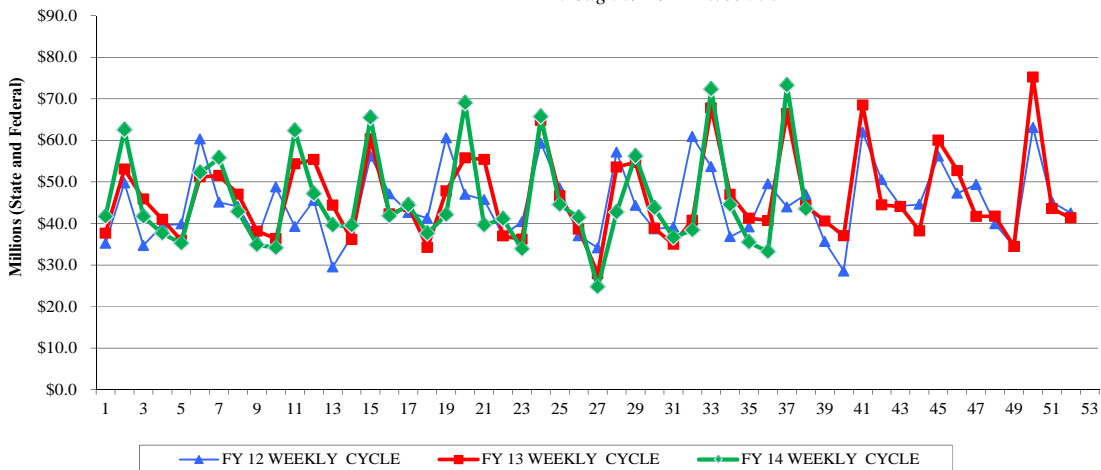
MaineCare Chart 1 below summarizes average weekly MaineCare cycle payments for FY 2014 along with comparable payment cycle averages for FY 2012 and FY 2013. MaineCare Chart 2 summarizes the actual cycles each week for FY 2014 and for FY 2012 and FY 2013. As shown in MaineCare Chart 2, the Week 37 "monthly billing providers" cycle for March was \$73.2 million following the February "monthly billing providers" cycle in Week 33 of \$72.3 million.

**MaineCare Chart 1. Weekly Cycle Averages - FY 12, FY 13 and FY 14**  
FY 14 Through 3/22/14 - Week 38



° 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 3/22/14 - Week 38



° 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 2014-2015 Shortfall**

On January 24<sup>th</sup>, the Department of Health and Human Services (DHHS) notified the Appropriations Committee that it had updated its MaineCare forecast, and was estimating a General Fund shortfall of \$45.2 million in FY 2014 and \$32.8 million in FY 2015. DHHS indicated that while overall MaineCare spending was still forecast to grow at a moderate rate of approximately 1% per year, a shortfall was forecast because General Fund appropriations for MaineCare for the biennium had assumed a net decrease in spending. Of the total projected shortfall, \$16.9 million in FY 2014 and \$11.3 million in FY 2015 was attributed to MaineCare budget initiatives not meeting budgeted savings assumptions.

On March 21<sup>st</sup>, the House and Senate gave final approval to the FY 2014 Supplemental Budget (LD

1843), which now awaits action by the Governor. The Appropriations Committee's approved version of LD 1843 included a FY 2014 appropriation of \$36 million for the MaineCare program. This reduction from DHHS's \$45.2 million forecast reflects: updated assumptions regarding additional hospital tax revenue (\$1 million); a transfer of funds from the Dirigo Health Fund (\$1.8 million); and the realization of savings in the 4<sup>th</sup> quarter of FY 2014 from MaineCare 2014-2015 Biennial Budget initiatives and from reductions in MaineCare eligibility for childless adults and for parents with incomes from 133% to 150% of the federal poverty level. A floor amendment to LD 1843 further reduced the MaineCare FY 2014 supplemental appropriation to \$31 million. LD 1843 did not address DHHS's forecast of a \$32.8 million FY 2015 MaineCare shortfall.

**MaineCare Expenditure Detail through Eight Months**

MaineCare Table 1 uses expenditure data through February 2014 to compare MaineCare and Related expenditures (all state and federal dollars) through

the first eight months for the last three fiscal years. After adjusting for one-time hospital settlements, case management recoupments and bad debt

<b>MaineCare Table 1 - MaineCare and Related Expenditures Detail Through 8 Months</b>					
<i>All Funds</i>					
Expenditure Categories	FY 2012	FY 2013	FY 2014	Chgs. FY 2013 to FY 2014	
	8 Months	8 Months	8 Months	\$	%
1 Hospital Services	\$305,431,756	\$377,022,240	\$383,266,703	6,244,464	1.7%
1A Hospital Settlements <sup>1</sup>	\$0	\$26,332,279	\$490,200,000	463,867,721	na
2 Residential Care	\$346,004,084	\$349,192,490	\$354,682,802	5,490,312	1.6%
3 HCBC Waivers	\$216,363,820	\$216,538,288	\$221,211,964	4,673,676	2.2%
4 Pharmacy and Related	\$211,103,136	\$198,785,284	\$214,054,721	15,269,436	7.7%
5 Medical Professionals	\$117,249,791	\$112,743,229	\$103,197,461	(9,545,768)	-8.5%
6 Medicare Crossover Payments	\$82,219,272	\$87,726,428	\$64,715,772	(23,010,656)	-26.2%
7 Mental Health Services	\$165,408,097	\$179,873,605	\$185,001,779	5,128,174	2.9%
8 Clinic Services	\$31,890,984	\$35,455,603	\$33,534,639	(1,920,964)	-5.4%
9 Home Health	\$18,861,405	\$19,829,639	\$21,498,294	1,668,655	8.4%
10 Rehabilitation Services	\$12,003,497	\$15,418,111	\$15,672,440	254,329	1.6%
11 Case Management <sup>2</sup>	\$56,490,333	\$28,434,578	\$28,789,923	355,345	1.2%
12 Certified Seed	\$16,020,565	\$15,655,346	\$14,951,993	(703,354)	-4.5%
13 Transportation Services	\$31,272,711	\$29,432,314	\$29,379,386	(52,928)	-0.2%
15 Other Services <sup>3</sup>	\$12,320,093	\$8,405,066	\$16,269,730	7,864,664	93.6%
16 Other Adjustments	(\$13,030,962)	(\$19,619,168)	(\$47,890,210)	(28,271,041)	144.1%
All Funds Totals	\$1,609,608,582	\$1,681,225,333	\$2,128,537,397	447,312,064	26.6%
One-Time Adjustments <sup>1,2,3</sup>	(\$33,514,539)	(\$26,124,354)	(\$498,390,022)		
Adjusted All Funds Totals	\$1,576,094,043	\$1,655,100,979	\$1,630,147,375	(24,953,604)	-1.5%
General Fund Totals	\$542,318,610	\$521,198,716	\$525,468,912	4,270,196	0.8%
One-Time Adjustments <sup>1,2,3</sup>	(\$33,514,539)	(\$9,463,921)	(\$8,190,022)		
General Fund Adjusted Totals	\$508,804,072	\$511,734,795	\$517,278,890	5,544,095	1.1%

<sup>1</sup> Includes one-time hospital settlement payments in FY 2013 and FY 2014.  
<sup>2</sup> Includes a one-time \$29.7 million FY 2012 targeted case management federal settlement.  
<sup>3</sup> Includes bad debt write-offs totaling \$3.8 million in FY 2012 and \$8.2 million in FY 2014.



### MaineCare Update (Continued)

write-offs, MaineCare spending through eight months decreased by 1.5% from FY 2013 to FY 2014. The overall change in spending included increases in the pharmacy and related, hospital services, residential care, home and community-based care waivers and mental health services expenditure categories; 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 eight 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.

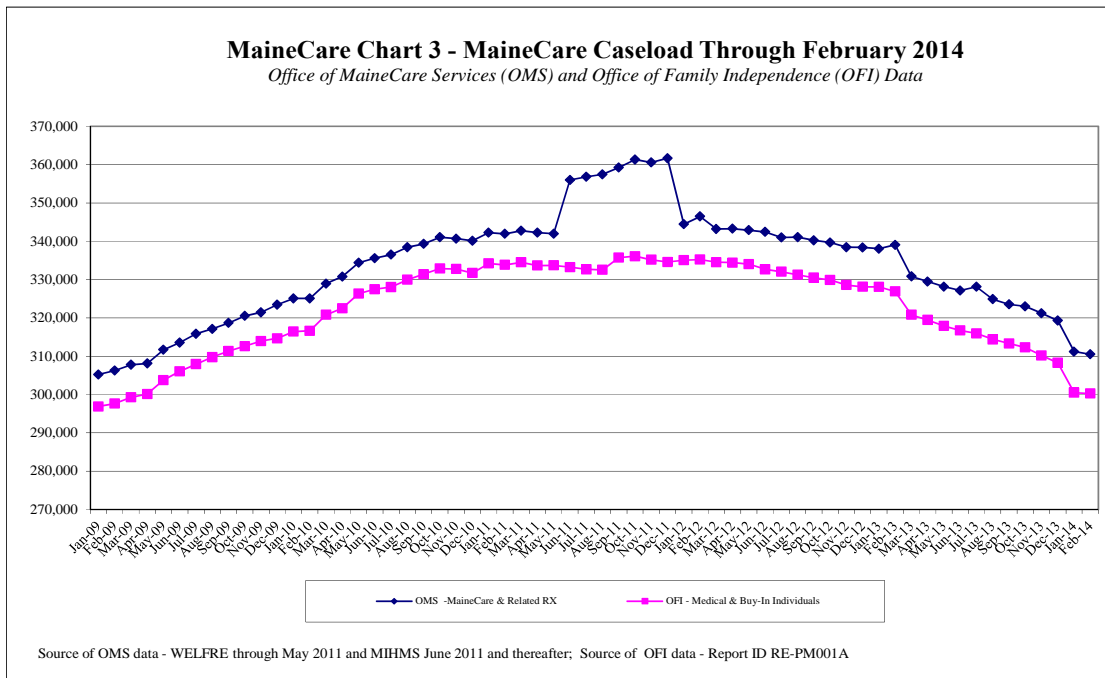
MaineCare Table 1 also summarizes the MaineCare and Related programs General Fund expenditure impact through eight months. The total impact shows a 0.8% increase from FY 2013 to FY 2014. After adjusting for the one-time expenditures noted above, the General Fund impact shows a 1.1% increase in spending through eight months. General Fund spending lacks the significant increase in the net credits and other offsets in the “16 Other Adjustments” expenditure category that contributed to the reduction in spending for “All Funds”.

### MaineCare Caseload

MaineCare caseload data for February 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 February

2014, 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 Update (Continued)**

<b>MaineCare Table 2 - MaineCare and Related Caseload Summary</b>								
Month	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Parents 101 to 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Parents >150% FPL	MSP and DEL	Total
<b>Jun-10 - May-11</b>								
<b>Averages</b>	<b>239,326</b>	<b>10,291</b>	<b>5,407</b>	<b>20,918</b>	<b>16,153</b>	<b>6,787</b>	<b>41,309</b>	<b>340,191</b>
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>
<b>Revised Jan-12</b>	<b>241,530</b>	<b>10,385</b>	<b>5,664</b>	<b>20,709</b>	<b>15,231</b>	<b>6,969</b>	<b>43,959</b>	<b>344,447</b>
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>
<b>Revised Mar-12</b>	<b>241,720</b>	<b>9,912</b>	<b>5,668</b>	<b>20,471</b>	<b>14,308</b>	<b>6,932</b>	<b>44,174</b>	<b>343,185</b>
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
Feb-14	258,223	4,448	4,413	339	0	0	43,077	310,500

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 February 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)**  
**February 2014 Revenue Variance Report**

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	February '14 Budget	February '14 Actual	February '14 Var.	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	72,701,259	71,244,691	(1,456,568)	656,387,965	659,646,979	3,259,014	0.5%	10.9%	1,108,677,783
Service Provider Tax	3,936,859	4,013,944	77,085	28,498,117	28,339,918	(158,199)	-0.6%	-2.3%	49,317,427
Individual Income Tax	579,524	12,004,102	11,424,578	826,204,445	840,075,278	13,870,833	1.7%	-6.7%	1,380,685,000
Corporate Income Tax	(128,007)	2,763,428	2,891,435	82,147,157	87,364,915	5,217,758	6.4%	8.8%	169,706,958
Cigarette and Tobacco Tax	9,719,881	9,348,714	(371,167)	90,835,657	91,435,407	599,750	0.7%	-0.5%	135,900,000
Insurance Companies Tax	932,947	1,135,792	202,845	14,119,727	13,976,713	(143,014)	-1.0%	-9.6%	80,715,000
Estate Tax	2,109,365	2,405,393	296,028	14,897,795	11,583,842	(3,313,953)	-22.2%	-65.7%	27,553,982
Other Taxes and Fees *	7,750,373	8,144,315	393,942	76,168,186	78,584,044	2,415,858	3.2%	-7.7%	127,884,891
Fines, Forfeits and Penalties	2,271,522	1,962,847	(308,675)	15,563,246	14,890,544	(672,702)	-4.3%	-3.5%	23,431,666
Income from Investments	(2,678)	26,641	29,319	111,595	179,862	68,267	61.2%	99.9%	13,818
Transfer from Lottery Commission	4,288,457	4,422,296	133,839	36,451,914	34,132,805	(2,319,109)	-6.4%	5.7%	55,750,000
Transfers to Tax Relief Programs *	(1,775,714)	(4,245,902)	(2,470,188)	(60,031,258)	(62,568,933)	(2,537,675)	-4.2%	40.9%	(61,540,498)
Transfers for Municipal Revenue Sharing	(7,238,516)	(7,356,458)	(117,942)	(44,757,152)	(45,280,463)	(523,311)	-1.2%	29.6%	(64,795,934)
Other Revenue *	4,068,369	4,113,758	45,389	11,718,073	12,674,669	956,596	8.2%	17.1%	41,077,521
<b>Totals</b>	<b>99,213,641</b>	<b>109,983,560</b>	<b>10,769,919</b>	<b>1,748,315,467</b>	<b>1,765,035,580</b>	<b>16,720,113</b>	<b>1.0%</b>	<b>2.7%</b>	<b>3,074,377,614</b>

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

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

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	February '14 Budget	February '14 Actual	February '14 Var.	Budget	Actual	Variance	Variance %	% Change from Prior Year	
<b>Detail of Other Taxes and Fees:</b>									
- 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	513,903	1,155,006	641,103	5,475,373	6,376,857	901,484	16.5%	6.7%	9,176,840
- Liquor Taxes and Fees	1,714,948	1,331,749	(383,199)	13,775,592	14,317,163	541,571	3.9%	8.7%	20,818,837
- Corporation Fees and Licenses	400,580	599,789	199,209	2,016,329	2,275,067	258,738	12.8%	9.7%	8,313,649
- Telecommunication Excise Tax	0	4,123	4,123	0	(1,165,849)	(1,165,849)	N/A	-188.7%	8,000,000
- Finance Industry Fees	2,028,653	2,344,050	315,397	16,737,289	18,085,550	1,348,261	8.1%	7.7%	24,851,990
- Milk Handling Fee	104,859	97,665	(7,194)	784,504	748,299	(36,205)	-4.6%	-61.3%	1,203,936
- Racino Revenue	732,706	630,940	(101,766)	6,027,046	5,818,511	(208,535)	-3.5%	-39.3%	8,957,869
- Boat, ATV and Snowmobile Fees	334,885	252,997	(81,888)	2,418,887	2,335,957	(82,930)	-3.4%	-0.9%	4,523,561
- Hunting and Fishing License Fees	1,291,457	782,377	(509,080)	11,060,984	11,408,947	347,963	3.1%	3.4%	16,101,822
- Other Miscellaneous Taxes and Fees	628,382	945,618	317,236	5,902,182	6,383,577	481,395	8.2%	-50.7%	12,351,581
<b>Subtotal - Other Taxes and Fees</b>	<b>7,750,373</b>	<b>8,144,315</b>	<b>393,942</b>	<b>76,168,186</b>	<b>78,584,044</b>	<b>2,415,858</b>	<b>3.2%</b>	<b>-7.7%</b>	<b>127,884,891</b>
<b>Detail of Other Revenue:</b>									
- Liquor Sales and Operations	2,173	0	(2,173)	12,909	27,440	14,531	112.6%	81.1%	8,408,196
- Targeted Case Management (DHHS)	176,028	91,821	(84,207)	1,408,222	1,323,560	(84,662)	-6.0%	-18.6%	2,112,332
- State Cost Allocation Program	1,286,451	1,544,037	257,586	12,035,866	12,663,773	627,907	5.2%	22.4%	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	2,603,717	2,477,900	(125,817)	14,995,103	15,111,680	116,577	0.8%	-8.0%	22,979,187
<b>Subtotal - Other Revenue</b>	<b>4,068,369</b>	<b>4,113,758</b>	<b>45,389</b>	<b>11,718,073</b>	<b>12,674,669</b>	<b>956,596</b>	<b>8.2%</b>	<b>17.1%</b>	<b>41,077,521</b>
<b>Detail of Transfers to Tax Relief Programs:</b>									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(1,000)	3,004	4,004	(758,484)	(752,988)	5,496	0.7%	98.0%	(760,000)
- BETR - Business Equipment Tax Reimb.	(1,048,608)	(3,942,442)	(2,893,834)	(36,715,605)	(37,973,886)	(1,258,281)	-3.4%	20.5%	(38,205,000)
- BETE - Municipal Bus. Equip. Tax Reimb.	(726,106)	(306,464)	419,642	(22,557,169)	(23,842,059)	(1,284,890)	-5.7%	-14.3%	(22,575,498)
<b>Subtotal - Tax Relief Transfers</b>	<b>(1,775,714)</b>	<b>(4,245,902)</b>	<b>(2,470,188)</b>	<b>(60,031,258)</b>	<b>(62,568,933)</b>	<b>(2,537,675)</b>	<b>-4.2%</b>	<b>40.9%</b>	<b>(61,540,498)</b>
<b>Inland Fisheries and Wildlife Revenue - Total</b>	<b>1,700,611</b>	<b>1,138,624</b>	<b>(561,987)</b>	<b>14,134,820</b>	<b>14,554,932</b>	<b>420,112</b>	<b>3.0%</b>	<b>2.4%</b>	<b>21,532,511</b>

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

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	February '14 Budget	February '14 Actual	February '14 Var.	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	14,087,125	14,709,255	622,130	114,031,694	117,435,126	3,403,432	3.0%	0.8%	188,780,000
- Special Fuel and Road Use Taxes	3,544,652	2,686,523	(858,129)	25,958,548	27,065,134	1,106,586	4.3%	2.9%	42,980,000
- Transcap Transfers - Fuel Taxes	(1,295,511)	(1,288,514)	6,997	(11,845,240)	(12,238,520)	(393,280)	-3.3%	-1.4%	(17,027,938)
- Other Fund Gasoline Tax Distributions	(352,276)	(367,834)	(15,558)	(3,272,962)	(3,360,603)	(87,641)	-2.7%	-0.6%	(4,720,822)
Subtotal - Fuel Taxes	15,983,990	15,739,430	(244,560)	124,872,040	128,901,137	4,029,097	3.2%	1.1%	210,011,240
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	4,524,558	4,470,407	(54,151)	40,694,253	40,937,062	242,809	0.6%	1.0%	65,659,536
- License Plate Fees	226,631	248,923	22,292	2,067,965	2,177,858	109,893	5.3%	4.0%	3,351,681
- Long-term Trailer Registration Fees	1,775,822	3,024,597	1,248,775	5,621,694	6,941,182	1,319,488	23.5%	18.2%	9,384,523
- Title Fees	1,138,691	753,858	(384,833)	8,484,699	8,354,800	(129,899)	-1.5%	-41.0%	12,843,660
- Motor Vehicle Operator License Fees	684,362	576,368	(107,994)	5,556,436	5,274,385	(282,052)	-5.1%	-6.0%	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	8,350,064	9,074,153	724,089	54,816,421	55,934,016	1,117,595	2.0%	-5.1%	84,362,917
Motor Vehicle Inspection Fees	5,050	88,619	83,569	2,281,055	2,050,020	(231,036)	-10.1%	-9.9%	2,982,500
Other Highway Fund Taxes and Fees	79,248	87,840	8,592	830,259	775,347	(54,912)	-6.6%	-2.7%	1,313,165
Fines, Forfeits and Penalties	65,525	60,350	(5,175)	674,526	666,135	(8,391)	-1.2%	-4.4%	1,007,998
Interest Earnings	8,286	3,612	(4,674)	67,678	36,000	(31,678)	-46.8%	-30.0%	100,825
Other Highway Fund Revenue	523,760	473,323	(50,437)	6,670,801	6,708,407	37,606	0.6%	2.5%	8,797,218
<b>Totals</b>	<b>25,015,923</b>	<b>25,527,327</b>	<b>511,404</b>	<b>190,212,780</b>	<b>195,071,060</b>	<b>4,858,280</b>	<b>2.6%</b>	<b>-0.8%</b>	<b>308,575,863</b>