



# FISCAL NEWS

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JUNE 2014

## Volume 8 Number 6

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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 suffered a temporary setback in May as a sizeable negative revenue variance reduced the accumulated revenue surplus. Sales and Use Tax collections, income tax withholding and insurance premium taxes were the major causes of the variance for the month. Most of these variances appear to be timing issues. However, Sales and Use Tax collections did not recover in June and will end the fiscal year below budget along with the Estate Tax, Transfers for Tax Relief Programs and Transfers from Lottery Commission categories. More than offsetting the weakness in these categories was a surge from income taxes in June, particularly the Corporate Income Tax with a substantial June variance from estimated payments. Largely due to the performance of the income taxes, General Fund revenue will end FY 2014 with an estimated year-end revenue surplus of roughly \$35 million.

The General Fund revenue surplus and unbudgeted lapsed General Fund appropriations and other accounting adjustments will be transferred to various reserves at the close of FY 2014 through the so-called year-end “Cascade.” The actual amounts that will be transferred to these reserves will not be known until late July. Based on the amount of the estimated revenue surplus, even reserves designated among the lowest in the priority order of the transfers will receive some additional funding this fiscal year.

Highway Fund revenue was over budget in May and increased the FY 2014 revenue surplus to \$4.9 million with one month remaining. Most of the Highway Fund positive variance has been the growth in the Fuel Taxes category. Preliminary data for June fuel tax collections show another positive variance that will result in a positive variance for the fiscal year of roughly \$5.4 million in this category. All of the FY 2014 revenue surplus in the Highway Fund will increase Highway Fund allocations in FY 2015 for highway and bridge improvement projects.

From January on, average total cash pool balances in FY 2014 have remained higher than the previous two years. Although General Fund internal borrowing last month was higher than May 2013, it now appears to be tracking very closely with FY 2012, which was also the first year of a biennium and which also included substantial Other Special Revenue borrowing from the second year to keep the General Fund in balance. Total cash pool balances remained sufficient throughout FY 2014 to, once again, avoid any external cash flow borrowing.

The MaineCare program continued spending at a rate roughly equal to last fiscal year. With the supplemental FY 2014 MaineCare funding provided by the Legislature, the cumulative impact of reductions in MaineCare eligibility over the last year and an increase in the collection of drug rebates during the fourth quarter, MaineCare General Fund appropriations should be sufficient to cover spending through the fiscal year.

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$247.7	\$233.5	(\$14.2)	-5.7%	\$249.6	-6.4%
FYTD	\$2,586.4	\$2,605.1	\$18.7	0.7%	\$2,598.6	0.2%

General Fund revenue was under budget by \$14.2 million (5.7%) in May, but still remained over budget for the fiscal year through May by \$18.7 million (0.7%). General Fund revenue through 11 months of this fiscal year still shows a very modest positive growth rate of 0.2% compared with the same period in FY 2013. The General Fund revenue forecast for FY 2014 assumes a decline of 0.6% after adjusting for recent legislative adjustments. Based on preliminary data, June receipts will increase the positive variance for the General Fund to roughly \$35 million for FY 2014 based on the strength in the income taxes.

The most significant May negative variance was in the Individual Income Tax category, which was under budget by \$8.9 million for the month. This reduced the positive variance for the fiscal year to \$19.2 million with just one month remaining. May's negative variance was due to a \$7.9 million shortfall in withholding

receipts, part of which looks to be a timing issue as June receipts will offset part of that negative variance. Preliminary data for June indicate that this category will end the fiscal year over budget by approximately \$23 million. An overestimate of the cost of the new Property Tax Fairness Credit drove refunds well below budget and remains the primary reason for this individual income tax surplus.

Corporate Income Tax was over budget by \$0.6 million in May and \$4.1 million for the fiscal year through May. As noted in previous issues, there are still some pending refunds requested in tax returns under review. However, Maine Revenue Services indicated that it is unlikely that any of these would be addressed and finalized before the end of this fiscal year, leaving a sizeable positive variance from refunds. In addition to this positive variance from refunds, preliminary data on June receipts indicate that June's estimated payments will substantially increase the

positive variance for this category to approximately \$13 million at the end of the fiscal year.

Sales and Use Tax collections were under budget by \$2.1 million in May. The shortfall eliminated the positive variance in this category that was generated earlier in the fiscal year. April and May revenue from March and April taxable sales were below projections. These months were likely adversely affected by the delay in spring weather. It was expected that spring-related sales deferred until later in the fiscal year would help taxable sales growth in May and June. Based on preliminary data for June revenue (May taxable sales), that recovery either did not occur or there were other offsetting factors that kept growth below estimates again. This category combined with the Service Provider Tax will end the year with a negative variance of roughly \$2 million.

Some other revenue categories that will end the year with negative variances include: Estate Tax (\$3.4 million); Transfers to Tax Relief Programs (\$3.1 million); Telecommunications Excise Tax (\$1.2 million); Inland Fisheries and Wildlife revenue (\$0.5 million); and Transfer from Lottery Commission (~\$2.2 million). Transfers for Revenue Sharing driven by the positive overall variances from income and sales taxes will end the year with greater than projected transfers (a negative revenue variance) of \$1.2 million.

Income taxes, as noted earlier, offset the negative variances as do the following categories with estimated year-end positive variances: Unclaimed Property Transfer (\$4.5 million); Finance Industry Fees (\$1.8 million); Real Estate Transfer Tax (\$1.3 million); Liquor Taxes and Fees (\$0.7 million); Cigarette and Tobacco Tax (\$1 million); and Insurance Companies Tax (\$2.2 million).

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
May	\$26.7	\$27.3	\$0.6	2.3%	\$26.9	1.7%
FYTD	\$266.4	\$271.3	\$4.9	1.9%	\$273.3	-0.7%

Highway Fund revenue was over budget by \$0.6 million (2.3%) in May and \$4.9 million (1.9%) over budget for FY 2014 with only one month remaining. Through May, Highway Fund revenue shows a decline of 0.7% from the prior fiscal year, much less than the 2.7% decline projected for FY 2014 in the March forecast. Preliminary data for June collections indicate that the Highway Fund will end FY 2014 with a revenue surplus in excess of \$5 million. This revenue surplus along with any lapsed balances and other net positive accounting adjustments will result in an increase in Highway Fund allocations for highway and bridge projects in FY 2015.

The Fuel Taxes category has been the primary factor driving the Highway Fund positive variance. It was

just slightly over budget in May, which increased the positive variance for the fiscal year-to-date to \$4.5 million. This category was budgeted to decline by 1.3% in FY 2014, but instead has grown by 1.6% through May compared with the same period last fiscal year. Preliminary data for June indicate another strong month for both gasoline and special fuel taxes. June receipts will increase the positive variance for the Fuel Taxes category to \$5.4 million.

The Motor Vehicle Inspection Fees category, which had been below budget through April, rebounded in May offsetting most of the negative variance. Preliminary data for June indicate that this category will record another sizeable positive variance and help this category end the fiscal year with a modest positive variance.

**Cash Update**

The average total cash pool balance for May was \$555.0 million. This average balance was \$24.1 million higher than last May and \$65.0 million higher than April. After exceeding the 10-year average balance in April, May's average balance once again fell below the 10-year average balance for May of \$600.9 million. There have been very few months that have exceeded its 10-year average since January 2008.

May's General Fund internal borrowing was \$33.2 million more than May 2013 and was roughly equal to May 2012 (see line chart next page). This fiscal year's internal borrowing by the General Fund had been substantially below FY 2013 levels until late in the fiscal year. Beginning in April, both FY 2012 and FY 2014 internal borrowing dropped below FY 2013. The higher level of internal borrowing later in the fiscal year for FY 2012 and FY 2014, years that had substantial borrowing from Other Special Revenue Funds to balance the General Fund budget, suggests that the cash flow impact of this type of budget-balancing borrowing becomes more pronounced toward the end of the fiscal year.

**Summary of Treasurer's Cash Pool****May Average Daily Balances**

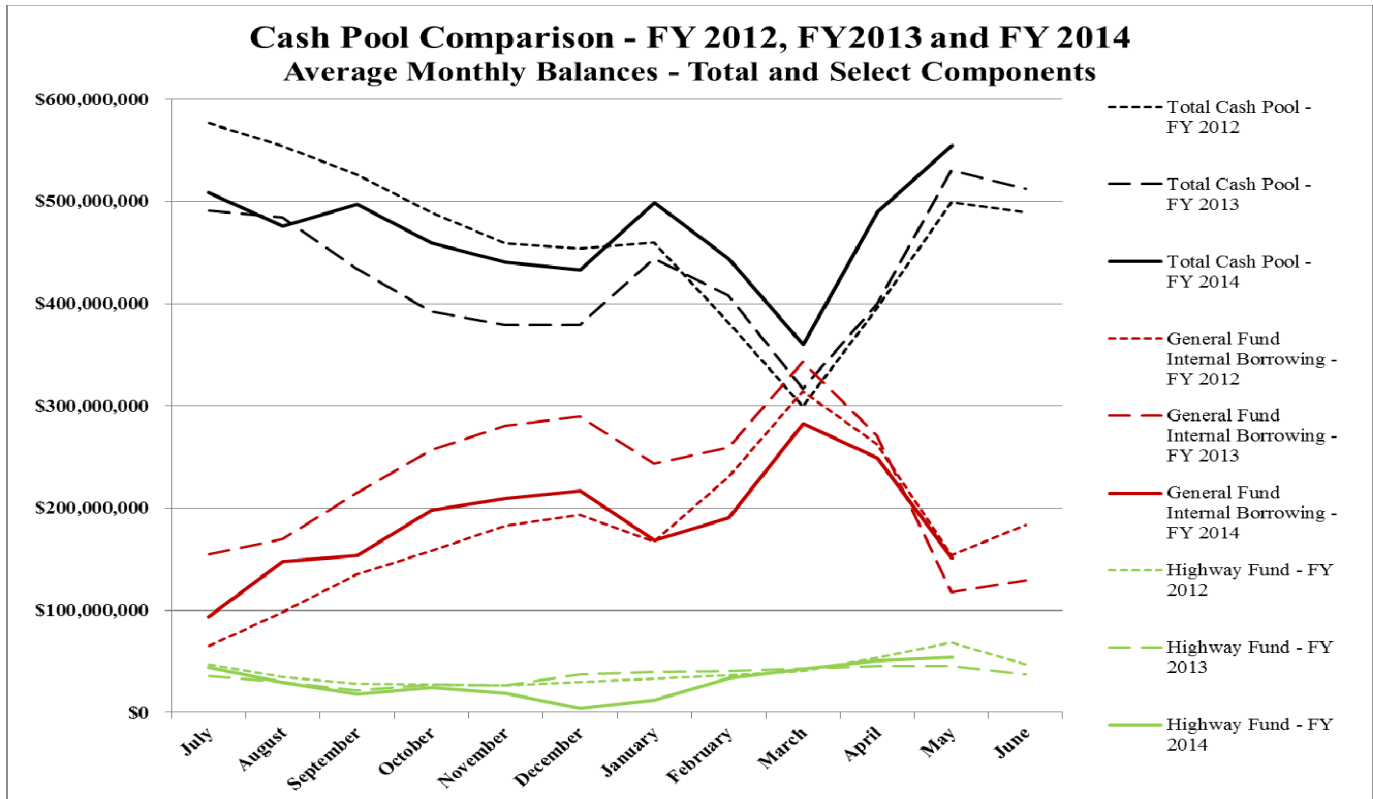
Millions of \$'s

	2013	2014
General Fund (GF) Total	\$20.4	\$23.3
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	\$118.2	\$151.4
Other General Fund Cash	(\$159.5)	(\$190.5)
Other Spec. Rev. - Interest to GF	\$63.6	\$64.2
Other State Funds - Interest to GF	\$15.9	\$19.7
Highway Fund	\$45.2	\$53.9
Other Spec. Rev. - Retaining Interest	\$80.4	\$91.0
Other State Funds	\$192.5	\$220.0
Independent Agency Funds	\$112.9	\$82.9
<b>Total Cash Pool</b>	<b>\$530.9</b>	<b>\$555.0</b>

Highway Fund cash balances, which were significantly impacted in December by the change in the timing of the payments of the Local Road Assistance program, recovered by the end of the third quarter and were tracking closely with the last two fiscal years in the last quarter. Careful cash flow planning to accommodate that substantial cash drain at the beginning of December will be required to avoid Highway Fund cash flow borrowing in the future.



Cash Update (Continued)



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 51 of \$46.5 million (state and federal dollars) roughly equal to the weekly cycle average for FY 2013 through 51 weeks but slightly more than the average for FY 2014 through Week 47 of \$46.1 million, discussed in last month’s *Fiscal News*. A preliminary review of the 52<sup>nd</sup> and final FY 2014 cycle that processed on June 25<sup>th</sup>, indicates the MaineCare cycle average for all of FY 2014 will be essentially equal to the FY 2013 average.

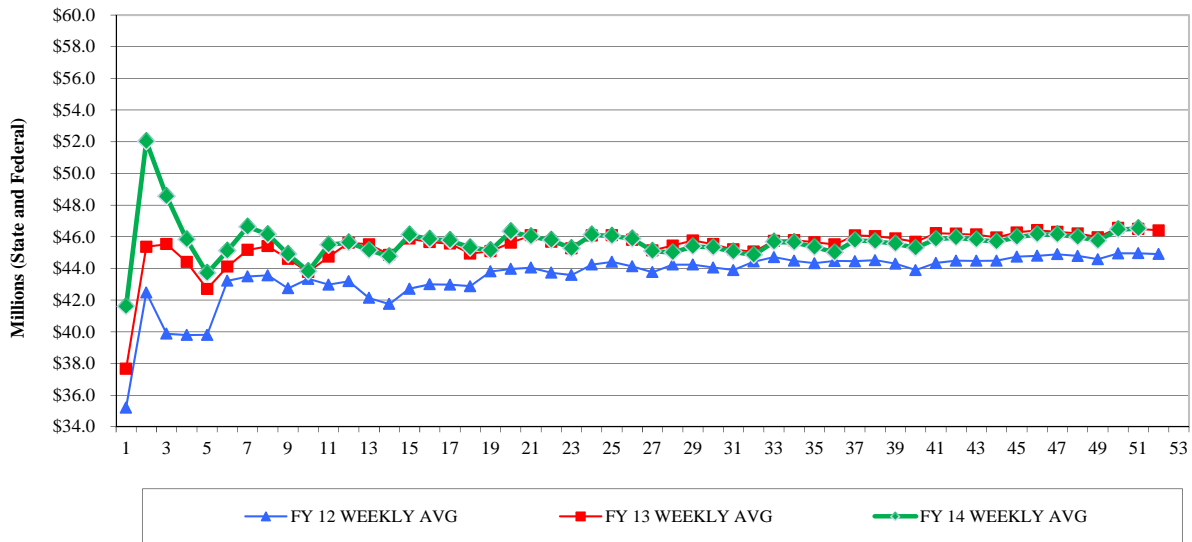
MaineCare Chart 1 below summarizes average weekly MaineCare cycle payments for FY 2014 as well as comparable payment cycle averages for FY

2012 and FY 2013. MaineCare Chart 2 summarizes the actual cycles each week for FY 2014 and for FY 2012 and FY 2013. Of note in MaineCare Chart 2 is that Week 50 was the “monthly billing providers” cycle for June and included a one-time payment of \$9.3 million to reimburse in-State hospitals for crossover claims incurred between late March and June 2011 that were not included in the larger hospital settlements paid last September. Even without these one-time payments, the remaining cycle of \$71.9 for Week 50 would still be one of the highest such cycles in FY 2014. Excluding these one-time payments would reduce the calculation of the average weekly cycle through Week 51 to \$46.3 million.



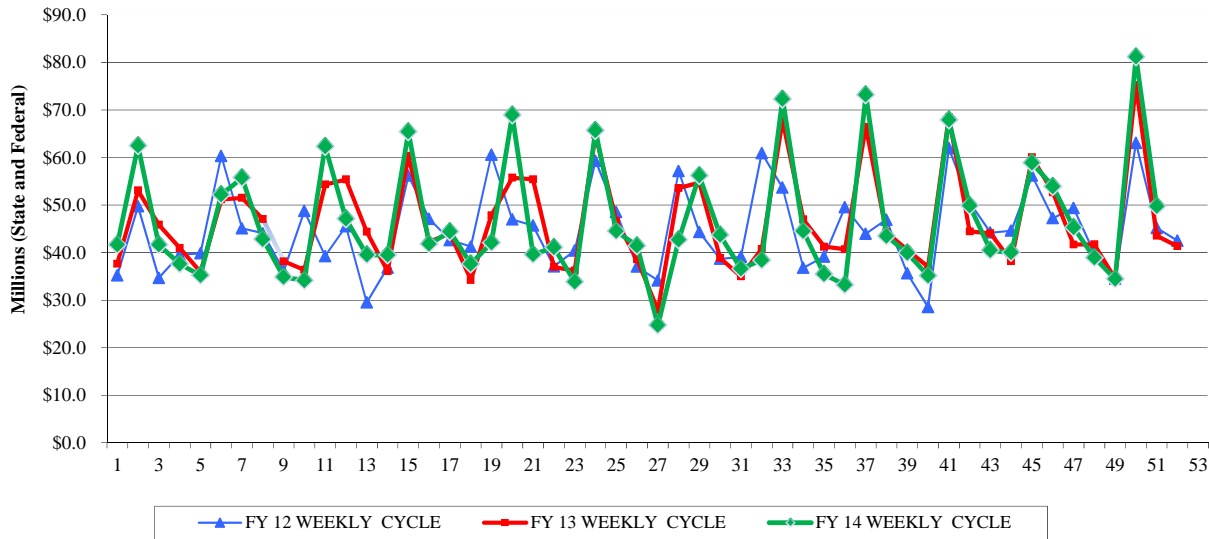
### MaineCare Update (Continued)

#### MaineCare Chart 1. Weekly Cycle Averages - FY 12, FY 13 and FY 14 FY 14 Through 6/21/14 - Week 51



° FY 14 averages do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) cycle but do include \$9.3 million to reimburse in-State hospitals for crossover claims incurred between late March and June 2011 paid in the 6/11/14 (50th) 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 6/21/14 - Week 51



° FY 14 cycles do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) cycle but do include \$9.3 million to reimburse in-State hospitals for crossover claims incurred between late March and June 2011 paid in the 6/11/14 (50th) 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 Eleven Months**

MaineCare Table 1 uses expenditure data through May 2014 to compare MaineCare and Related expenditures (all state and federal dollars) through the first eleven months for the last three fiscal years. After adjusting for one-time hospital settlements, case management recoupments and bad debt write-offs, MaineCare “All Funds” aggregate spending through eleven months decreased by 1.4% from FY 2013 to FY 2014. As detailed in MaineCare Table 1, the aggregate “All Funds” change included increases in the pharmacy and related, home and community-based care waivers, mental health services, hospital, and residential care expenditure categories and decreases in the Medicare crossover payments, medical professionals and clinic services expenditure categories.

FY 2014 MaineCare “All Funds” spending through eleven months was also reduced by significant increases 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. FY 2014 General Fund MaineCare spending through eleven months did not experience a similar increase in the “16 Other Adjustments” expenditure category. As a result, MaineCare Table 1 shows aggregate General Fund expenditures through eleven months, after adjusting for the one-time expenditures, increased by 0.4% from FY 2013 to FY 2014.

**MaineCare Table 1 - MaineCare and Related Expenditures Detail Through 11 Months***All Funds*

Expenditure Categories	FY 2012	FY 2013	FY 2014	Chgs. FY 2013 to FY 2014	
	11 Months	11 Months	11 Months	\$	%
1 Hospital Services	\$465,842,565	\$550,689,372	\$556,186,154	\$5,496,782	1.0%
1A Hospital Settlements <sup>1</sup>	\$0	\$26,332,279	\$490,200,000	\$463,867,721	1761.6%
2 Residential Care	\$462,461,335	\$483,345,418	\$486,611,261	\$3,265,843	0.7%
3 HCBC Waivers	\$300,294,259	\$295,143,591	\$312,978,766	\$17,835,175	6.0%
4 Pharmacy and Related	\$297,922,424	\$277,727,292	\$295,655,923	\$17,928,631	6.5%
5 Medical Professionals	\$168,414,434	\$158,353,996	\$147,601,526	(\$10,752,469)	-6.8%
6 Medicare Crossover Payments	\$137,604,683	\$116,341,867	\$90,663,762	(\$25,678,105)	-22.1%
7 Mental Health Services	\$235,784,221	\$251,835,949	\$257,981,483	\$6,145,534	2.4%
8 Clinic Services	\$46,835,176	\$49,007,791	\$45,849,195	(\$3,158,596)	-6.4%
9 Home Health	\$26,668,429	\$27,860,030	\$29,762,430	\$1,902,400	6.8%
10 Rehabilitation Services	\$16,939,715	\$22,729,528	\$21,690,140	(\$1,039,388)	-4.6%
11 Case Management <sup>2</sup>	\$68,205,697	\$39,513,655	\$40,237,287	\$723,632	1.8%
12 Certified Seed	\$26,171,712	\$22,491,783	\$23,309,406	\$817,623	3.6%
13 Transportation Services	\$43,922,238	\$41,138,297	\$42,450,829	\$1,312,533	3.2%
14 Other Services	\$10,075,346	\$10,434,107	\$11,940,899	\$1,506,792	14.4%
15 Accounting Adjustments <sup>3</sup>	\$3,732,964	\$659,277	\$9,781,492	\$9,122,215	1383.7%
16 Other Adjustments	(\$14,381,358)	(\$25,584,560)	(\$74,549,631)	(\$48,965,071)	191.4%
All Funds Totals	\$2,296,493,840	\$2,348,019,673	\$2,788,350,923	\$440,331,250	18.8%
One-Time Adjustments <sup>1,2,3</sup>	(\$33,469,401)	(\$26,991,556)	(\$499,981,492)		
Adjusted All Funds Totals	\$2,263,024,438	\$2,321,028,117	\$2,288,369,431	(\$32,658,686)	-1.4%
General Fund Totals	\$732,019,142	\$696,801,328	\$699,151,370	\$2,350,042	0.3%
One-Time Adjustments <sup>1,2,3</sup>	(\$33,469,401)	(\$10,331,123)	(\$9,737,704)		
General Fund Adjusted Totals	\$698,549,741	\$686,470,205	\$689,413,667	\$2,943,461	0.4%

<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 \$3.7 million in FY 2012 and \$9.8 million in FY 2014.



### MaineCare Update (Continued)

#### MaineCare Caseload

MaineCare caseload data for May 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 but at a more moderate rate. MaineCare Chart 3 shows OMS and OFI aggregate caseload data over time.

As discussed in last month's *Fiscal News*, the overall negative trend in MaineCare caseload over the last year was marked by two distinct periods of significant reductions in caseload: 1) in March-April 2013 when parents from 134% to 200% of the Federal Poverty Level (FPL) lost coverage; and 2) in December 2013-January 2014 when coverage for non-categorical waiver adults and for parents with incomes from 101% to 133% of the FPL ended.

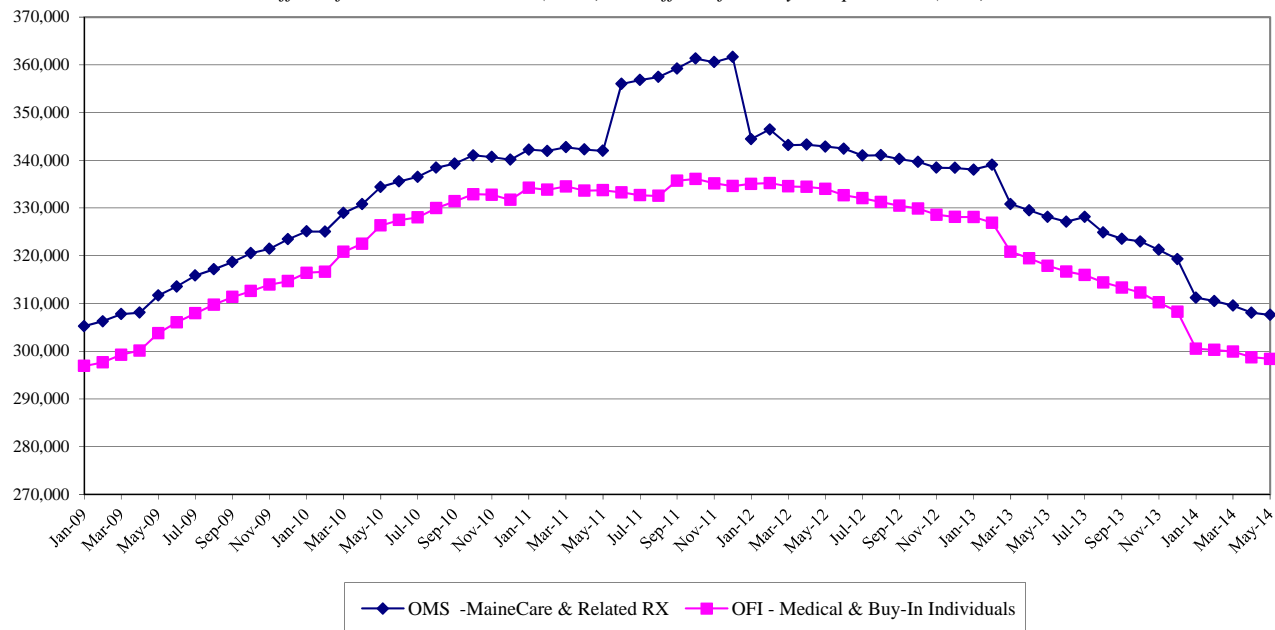
During the March-April 2013 period, the immediate impact on caseload was limited to parents with incomes from 151% to 200% of the FPL losing coverage, while parents with incomes from 134% to

150% of the FPL were eligible for transitional Medicaid coverage for up to a year. During the December 2013-January 2014 period the immediate impact on caseload was limited to non-categorical waiver adults losing coverage. The parents with incomes from 101% to 133% of the FPL were eligible for transitional Medicaid coverage for up to a year.

For the last three months, the continued overall decline in MaineCare caseload has been driven by the reduction in the number of individuals on MaineCare transitional assistance. Presumably it is due to the parents and children with incomes from 134% to 150% of the FPL who lost coverage in the March-April 2013 period but had been on transitional Medicaid coverage for up to a year (the children would not be losing coverage after the year just moving to a different eligibility status). As shown in MaineCare Table 2 below, without this reduction in transitional coverage, caseload would have increased during this three-month period.

MaineCare Chart 3 - MaineCare Caseload Through May 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. These two sources count MaineCare caseload differently but have tracked consistently with the exception of the problems with the initial switchover to the MIHMS data source (June to December 2011).

**MaineCare Update (Continued)****MaineCare Caseload (Continued)**

Another major factor that may affect MaineCare caseload is the impact of individuals seeking health insurance coverage through the Affordable Care Act (ACA) Federally Facilitated Marketplace (FFM) that are assessed as likely eligible for Medicaid and are then referred to MaineCare for eligibility determinations. In an update provided to the Maine Health Exchange Advisory Committee on June 3, 2014, DHHS indicated it is still working on systems changes to be able to accept automatic transfers from the FFM but is currently receiving a

flat file of potentially eligible individuals. DHHS indicated that 6,860 individuals had been assessed by the FFM as likely eligible for MaineCare and that DHHS was in the process of making final eligibility determinations. The impact on MaineCare caseload will depend on how many are determined to actually be MaineCare eligible, for what period(s) and whether some or all of the individuals that are coming through the FFM would have come directly to MaineCare absent the FFM (the so call normal churn in MaineCare eligibility).

**MaineCare Table 2. MaineCare Caseload - Transitional Assistance**

	<b>Total MaineCare Caseload</b>	<b>% Monthly Change</b>	<b>Transitional Assistance Caseload</b>	<b>Net MaineCare Caseload w/Out Transitional Assistance</b>	<b>% Monthly Change</b>
<b>Feb-13</b>	339,055		8,221	330,834	
<b>Mar-13</b>	330,809	-2.4%	13,895	316,914	-4.2%
<b>Apr-13</b>	329,503	-0.4%	15,106	314,397	-0.8%
<b>May-13</b>	328,159	-0.4%	15,807	312,352	-0.7%
<b>Jun-13</b>	327,135	-0.3%	16,011	311,124	-0.4%
<b>Jul-13</b>	328,121	0.3%	16,188	311,933	0.3%
<b>Aug-13</b>	324,876	-1.0%	16,164	308,712	-1.0%
<b>Sep-13</b>	323,547	-0.4%	15,628	307,919	-0.3%
<b>Oct-13</b>	322,998	-0.2%	15,430	307,568	-0.1%
<b>Nov-13</b>	321,236	-0.5%	15,236	306,000	-0.5%
<b>Dec-13</b>	319,288	-0.6%	15,414	303,874	-0.7%
<b>Jan-14</b>	311,216	-2.5%	30,264	280,952	-7.5%
<b>Feb-14</b>	310,504	-0.2%	34,596	275,908	-1.8%
<b>Mar-14</b>	309,539	-0.3%	30,362	279,177	1.2%
<b>Apr-14</b>	308,068	-0.5%	27,359	280,709	0.5%
<b>May-14</b>	307,599	-0.2%	24,890	282,709	0.7%

Source: DHHS Monthly Caseload Reports



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

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	May '14 Budget	May '14 Actual	May '14 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	85,134,955	83,077,677	(2,057,278)	899,339,462	899,085,584	(253,878)	0.0%	11.7%	1,107,378,483
Service Provider Tax	3,906,015	3,896,878	(9,137)	40,557,049	40,217,003	(340,046)	-0.8%	-3.7%	49,317,427
Individual Income Tax	111,663,140	102,775,299	(8,887,841)	1,205,554,831	1,224,721,921	19,167,090	1.6%	-9.1%	1,380,685,000
Corporate Income Tax	5,000,000	5,643,592	643,592	139,206,958	143,301,814	4,094,856	2.9%	4.7%	169,706,958
Cigarette and Tobacco Tax	11,268,896	11,838,125	569,229	123,165,377	123,971,602	806,225	0.7%	-1.3%	135,900,000
Insurance Companies Tax	14,089,104	10,770,074	(3,319,030)	55,239,780	56,867,240	1,627,460	2.9%	4.1%	80,715,000
Estate Tax	2,659,365	2,430,165	(229,200)	19,723,746	18,632,230	(1,091,516)	-5.5%	-59.4%	27,553,982
Other Taxes and Fees *	10,353,824	10,752,085	398,261	115,655,943	117,204,142	1,548,199	1.3%	-14.8%	128,659,912
Fines, Forfeits and Penalties	1,956,880	1,925,337	(31,543)	21,462,452	21,191,800	(270,652)	-1.3%	-2.1%	23,468,666
Income from Investments	(21,195)	7,545	28,740	121,022	183,296	62,274	51.5%	145.6%	132,523
Transfer from Lottery Commission	5,144,240	4,204,232	(940,008)	49,384,620	47,190,734	(2,193,886)	-4.4%	-3.6%	53,500,000
Transfers to Tax Relief Programs *	(218,552)	(270,695)	(52,143)	(62,258,092)	(65,230,038)	(2,971,946)	-4.8%	41.1%	(62,258,370)
Transfers for Municipal Revenue Sharing	(7,126,080)	(7,784,580)	(658,500)	(55,495,092)	(57,834,792)	(2,339,700)	-4.2%	32.4%	(64,839,710)
Other Revenue *	3,932,497	4,256,688	324,191	34,745,715	35,560,488	814,773	2.3%	18.5%	44,447,248
<b>Totals</b>	<b>247,743,089</b>	<b>233,522,422</b>	<b>(14,220,667)</b>	<b>2,586,403,771</b>	<b>2,605,063,023</b>	<b>18,659,252</b>	<b>0.7%</b>	<b>0.2%</b>	<b>3,074,367,119</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)**

**May 2014 Revenue Variance Report**

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	May '14 Budget	May '14 Actual	May '14 Variance	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	780,031	901,159	121,128	7,611,686	8,762,827	1,151,141	15.1%	-10.9%	9,376,840
- Liquor Taxes and Fees	1,747,949	1,885,153	137,204	19,028,648	19,707,290	678,642	3.6%	3.5%	20,818,837
- Corporation Fees and Licenses	1,820,768	2,179,158	358,390	6,631,297	7,222,454	591,157	8.9%	5.0%	8,313,649
- Telecommunication Excise Tax	0	(0)	(0)	8,000,000	6,842,823	(1,157,177)	-14.5%	-32.1%	8,000,000
- Finance Industry Fees	2,028,653	2,241,650	212,997	23,323,248	24,973,130	1,649,882	7.1%	7.8%	25,351,990
- Milk Handling Fee	91,239	93,270	2,031	1,022,018	1,013,233	(8,785)	-0.9%	-55.6%	1,113,256
- Racino Revenue	732,706	852,527	119,821	8,225,164	8,011,447	(213,717)	-2.6%	-39.9%	8,957,869
- Boat, ATV and Snowmobile Fees	728,127	682,180	(45,947)	3,677,652	3,439,141	(238,511)	-6.5%	-4.6%	4,523,561
- Hunting and Fishing License Fees	1,484,187	1,116,027	(368,160)	14,241,263	13,779,763	(461,500)	-3.2%	-2.1%	16,101,822
- Other Miscellaneous Taxes and Fees	940,164	800,961	(139,203)	11,924,967	11,452,070	(472,897)	-4.0%	-55.2%	12,517,282
<b>Subtotal - Other Taxes and Fees</b>	<b>10,353,824</b>	<b>10,752,085</b>	<b>398,261</b>	<b>115,655,943</b>	<b>117,204,142</b>	<b>1,548,199</b>	<b>1.3%</b>	<b>-14.8%</b>	<b>128,659,912</b>
<b>Detail of Other Revenue:</b>									
- Liquor Sales and Operations	8,435	4,510	(3,925)	9,996,235	10,008,542	12,307	0.1%	14.7%	10,000,196
- Targeted Case Management (DHHS)	176,028	110,856	(65,172)	1,936,304	1,763,623	(172,681)	-8.9%	-10.6%	2,112,332
- State Cost Allocation Program	1,313,848	1,554,512	240,664	16,459,969	17,185,707	725,738	4.4%	19.6%	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	0	0	0	N/A	100.0%	0
- 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	2,434,186	2,586,811	152,625	22,804,992	23,054,401	249,409	1.1%	2.0%	24,474,672
<b>Subtotal - Other Revenue</b>	<b>3,932,497</b>	<b>4,256,688</b>	<b>324,191</b>	<b>34,745,715</b>	<b>35,560,488</b>	<b>814,773</b>	<b>2.3%</b>	<b>18.5%</b>	<b>44,447,248</b>
<b>Detail of Transfers to Tax Relief Programs:</b>									
- Me. Resident Prop. Tax Program (Circuitbreaker)	0	1,545	1,545	(760,000)	(747,680)	12,320	1.6%	98.2%	(760,000)
- BETR - Business Equipment Tax Reimb.	(218,552)	(40,475)	178,077	(37,569,169)	(40,374,677)	(2,805,508)	-7.5%	17.5%	(37,569,447)
- BETE - Municipal Bus. Equip. Tax Reimb.	0	(231,765)	(231,765)	(23,928,923)	(24,107,681)	(178,758)	-0.7%	-14.9%	(23,928,923)
<b>Subtotal - Tax Relief Transfers</b>	<b>(218,552)</b>	<b>(270,695)</b>	<b>(52,143)</b>	<b>(62,258,092)</b>	<b>(65,230,038)</b>	<b>(2,971,946)</b>	<b>-4.8%</b>	<b>41.1%</b>	<b>(62,258,370)</b>
<b>Inland Fisheries and Wildlife Revenue - Total</b>	<b>2,270,793</b>	<b>1,874,529</b>	<b>(396,264)</b>	<b>18,765,360</b>	<b>18,267,508</b>	<b>(497,852)</b>	<b>-2.7%</b>	<b>-2.5%</b>	<b>21,535,212</b>

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

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	May '14 Budget	May '14 Actual	May '14 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	14,582,710	14,380,705	(202,005)	157,974,779	160,996,450	3,021,671	1.9%	1.4%	190,780,000
- Special Fuel and Road Use Taxes	3,083,158	3,478,205	395,047	35,825,219	37,941,851	2,116,632	5.9%	2.8%	42,980,000
- Transcap Transfers - Fuel Taxes	(1,297,241)	(1,374,220)	(76,979)	(15,797,824)	(16,366,179)	(568,355)	-3.6%	-2.6%	(17,174,186)
- Other Fund Gasoline Tax Distributions	(364,670)	(358,080)	6,590	(4,371,847)	(4,448,403)	(76,556)	-1.8%	-1.2%	(4,770,837)
Subtotal - Fuel Taxes	16,003,957	16,126,611	122,654	173,630,327	178,123,720	4,493,393	2.6%	1.6%	211,814,977
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	7,074,201	6,698,762	(375,439)	59,034,342	58,738,633	(295,709)	-0.5%	-0.4%	65,659,536
- License Plate Fees	465,369	480,597	15,228	3,091,655	3,241,391	149,736	4.8%	3.0%	3,351,681
- Long-term Trailer Registration Fees	431,883	887,003	455,120	8,866,456	9,422,877	556,421	6.3%	1.8%	9,384,523
- Title Fees	1,151,526	1,316,792	165,266	11,738,405	12,082,203	343,798	2.9%	-32.9%	12,843,660
- Motor Vehicle Operator License Fees	719,652	654,192	(65,460)	7,474,600	7,265,728	(208,872)	-2.8%	-7.2%	8,254,407
- Transcap Transfers - Motor Vehicle Fees	0	0	0	(11,004,931)	(11,032,110)	(27,179)	-0.2%	13.9%	(15,398,687)
Subtotal - Motor Vehicle Reg. & Fees	9,842,631	10,037,346	194,715	79,200,527	79,718,722	518,195	0.7%	-5.5%	84,095,120
Motor Vehicle Inspection Fees	100,050	314,953	214,903	2,932,450	2,668,748	(263,703)	-9.0%	-15.8%	2,982,500
Other Highway Fund Taxes and Fees	146,547	138,256	(8,291)	1,148,880	1,124,498	(24,382)	-2.1%	0.6%	1,298,729
Fines, Forfeits and Penalties	87,802	77,070	(10,732)	921,973	887,628	(34,345)	-3.7%	-5.8%	1,007,998
Interest Earnings	4,147	9,781	5,634	45,134	62,219	17,085	37.9%	-25.0%	52,553
Other Highway Fund Revenue	546,363	633,670	87,307	8,478,438	8,701,483	223,045	2.6%	5.5%	9,015,334
<b>Totals</b>	<b>26,731,497</b>	<b>27,337,687</b>	<b>606,190</b>	<b>266,357,729</b>	<b>271,287,016</b>	<b>4,929,287</b>	<b>1.9%</b>	<b>-0.7%</b>	<b>310,267,211</b>