



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 is ahead of projections both for the month of October and for the year-to-date. Based on preliminary data, the projections for the current fiscal year will likely be met or exceeded.

Highway Fund revenue improved in October and is ahead of budget through the first four months of the fiscal year. This positive position is driven by positive variances in both special fuel and gasoline tax collections.

The Revenue Forecasting Committee (RFC) met at the end of November to update its revenue forecast. Continuing a recent trend, the Committee's adjustments to its previous forecast were relatively small, reflecting the slow but steady growth of Maine's recovery from the Great Recession. In their November 1st economic forecast, the Consensus Economic Forecasting Commission (CEFC) assumed the economy would grow at a slightly more robust pace over the next five years relative to recent experience. Consistent with that forecast the new RFC projections are for stronger revenue growth in the 2016-2017 and the 2018-2019 biennia after adjusting for the expiration of the temporary sales tax increase at the end of FY 2015. While the short-term outlook is generally positive, both the RFC and the CEFC remain concerned about Maine's demographic situation. With an aging population and little to no population growth, employment and income growth will be restrained going forward.

The average balance in the cash pool in October remained healthy and was more than 40% higher than last October. General Fund internal borrowing increased from September but remains well below last year's October level. Highway Fund balances have increased from last month's level.

MaineCare weekly cycle spending continues to track closely to spending for a comparable period last fiscal year. MaineCare caseloads continue to trend downward driven largely by individuals who lost coverage over the last year or so, now losing the transitional coverage they had maintained for up to one year after first losing eligibility. On the General Fund side, the negative trend in MaineCare spending through four months will need to be maintained in order to meet budgeted resources for the MaineCare program for the current fiscal year.

General Fund Revenue Update

Total General Fund Revenue - FY 2015 (\$'s in Millions)

| | Budget | Actual | Var. | % Var. | Prior Year | % Growth |
|---------|---------|---------|--------|--------|------------|----------|
| October | \$266.0 | \$283.8 | \$17.7 | 6.7% | \$258.4 | 9.8% |
| FYID | \$941.1 | \$968.7 | \$27.6 | 2.9% | \$880.5 | 10.0% |

General Fund revenue was over budget by \$17.7 million (6.7%) for October which added to the fiscal year to date positive variance. This positive variance is largely due to a \$13.5 million positive variance in the individual income tax category driven by lower than expected refunds and higher than expected payments from those who had filed for extensions back in April and



General Fund Revenue Update (Continued)

submitted their final returns. Withholding is still slightly under budget but the Maine Revenue Service said that this is still likely due to a timing issue related to the monthly distribution of the total budget and not indicative of an underlying weakness in the forecast. The estate tax category came in significantly over

budget again in October. This is a relatively volatile category which had shown some weakness in the recent past - so the performance over the past two months is likely to be a case of rebounding toward the mean.

Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2015 (\$'s in Millions)

| | Budget | Actual | Var. | % Var. | Prior Year | % Growth |
|---------|--------|--------|-------|--------|------------|----------|
| October | \$27.6 | \$27.8 | \$0.2 | 0.8% | \$27.9 | -0.4% |
| FYTD | \$89.2 | \$91.8 | \$2.6 | 2.9% | \$90.7 | 1.2% |

Highway Fund revenue was over budget by \$0.2 million (0.8%) in October which improves the picture for the fiscal year to date from what it was a month ago. The motor fuel excise taxes show a positive variance year-to-date but are about even with one year ago. This indicates that even with falling gas

prices, usage is fairly flat. According to most other state and federal estimates, usage is likely to stay flat or grow very slightly for the near term which would be an improvement over the slight decline assumed in prior Maine revenue forecasts.

Revenue Forecast Update

The Revenue Forecasting Committee (RFC) met on November 21, 2014 to review and update the current revenue forecast to comply with this year's statutory reporting date of December 1st. The RFC revised its revenue projections through the fiscal year ending June 30, 2017 and as the Legislature begins a new biennium, extended the forecast period through the fiscal year ending June 30, 2019 for the General Fund, Highway Fund, Fund for a Healthy Maine and Medicaid/MaineCare Dedicated Revenue Taxes. A summary table of the revisions is provided below. A copy of the report can be found at http://www.maine.gov/legis/ofpr/revenue_forecasting_committee/current/index.htm

General Fund revenue estimates were revised upward by \$45.5 million in the current fiscal year, by \$28.4 million in FY 2016 and \$39.1 million in FY 2017 (\$67.5 million over the 2016-2017 biennium). The Consensus Economic Forecasting Commission (CEFC) assumed the economy will grow at a slightly higher pace relative to previous forecasts. This, coupled with a stronger than expected revenue picture in FY 2014, resulted in an increase in forecasted revenue in FY 2015 and in the next biennium.

The December RFC forecast increases sales tax revenue by \$6.3 million in FY 2015 and \$14.2 million in the 2016-2017 biennium. Individual income tax revenue was over budget by \$25.4 million in FY 2014, mostly due to higher than anticipated tax liability for tax year

2013. The December forecast recommends an increase in revenues of \$6.2 million, \$15.6 million, and \$16.7 million for FY 2015 through FY 2017. Corporate Income tax receipts were over budget in FY 2014 by \$13.2 million and are \$5.7 million over budget through the first four months of FY 2015. The RFC increased the forecast of Corporate Income tax revenue by \$12.6 million in FY 2015 and \$8.1 million for the 2016-2017 biennium. Estate tax revenues were \$13.1 million over budget through the first four months of FY 2015. The RFC increased the FY 2015 projection for estate tax receipts by \$11.4 million to account for the strong performance through October. A new forecast of household net-worth contributed to an increase of \$2.8 million in the FY 2016-2017 biennium.

Highway Fund revenue estimates were revised upward by \$7.4 million in the current fiscal year, by \$10.8 million in FY 2016 and by \$14.7 million in FY 2017 (\$25.5 million over the 2016-2017 biennium).

The changes in the Highway Fund projections are largely driven by total motor fuel tax revenue (gasoline and special fuel) which was \$6.2 million over budget in FY 2014. Based on a Moody's Analytics forecast of motor fuel gallons sold, the revenue projection for total motor fuel tax revenue was increased by \$7.4 million in FY 2015. This represents flat growth over FY 2014. Also on the basis of Moody's Analytics, the projection for the 2016-2017 biennium was increased by \$27.7 million which represents a growth rate of 1.5% per year.

**Revenue Forecast Update (Continued)**

Fund for a Healthy Maine estimates were revised downward by \$7.4 million in the current fiscal year to reflect the release of Maine's \$5.6 million share of sales year 2003 disputed payments in FY 2014 instead of FY 2015 as was assumed in the March 2014 forecast, and the repayment of a \$1.4 million FY 2014 overpayment that will likely be offset against Maine's April 2015 payment. Tobacco Settlement Payments forecast for FY 2016 and FY 2017 reflect the latest estimates from the National Association of Attorneys General (NAAG).

Medicaid/MaineCare Dedicated Revenue Taxes revenue was revised upward by \$2.1 million for FY 2015 and by \$2.5 million for FY 2016 and FY 2017 based on updated information. The increase includes an assumed increase in revenue from the tax on nursing facilities as a result of increased MaineCare nursing facility payments, an increase in Service Provider tax payments to reflect recent payment trends and a one-time FY 2015 Hospital Tax payment reflecting an adjusted payment schedule for a hospital provider.

Summary of December 2014 Revenue Forecast**General Fund Summary**

| | FY14 Actual | FY15 | FY16 | FY17 | FY18 | FY19 |
|-------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Current Forecast | \$3,113,496,933 | \$3,247,324,775 | \$3,146,346,603 | \$3,261,611,293 | | |
| Annual % Growth | 0.6% | 4.3% | -3.1% | 3.7% | | |
| Net Increase (Decrease) | | \$45,533,260 | \$28,372,942 | \$39,175,130 | \$3,409,226,783 | \$3,524,001,898 |
| Revised Forecast | \$3,113,496,933 | \$3,292,858,035 | \$3,174,719,545 | \$3,300,786,423 | \$3,409,226,783 | \$3,524,001,898 |
| Annual % Growth | 0.6% | 5.8% | -3.6% | 4.0% | 3.3% | 3.4% |

Highway Fund Summary

| | FY14 Actual | FY15 | FY16 | FY17 | FY18 | FY19 |
|-------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Current Forecast | \$317,076,966 | \$308,576,740 | \$308,222,674 | \$307,829,602 | | |
| Annual % Growth | -0.5% | -2.7% | -0.1% | -0.1% | | |
| Net Increase (Decrease) | | \$7,397,587 | \$10,801,835 | \$14,741,506 | \$325,653,401 | \$328,748,328 |
| Revised Forecast | \$317,076,966 | \$315,974,327 | \$319,024,509 | \$322,571,108 | \$325,653,401 | \$328,748,328 |
| Annual % Growth | -0.5% | -0.3% | 1.0% | 1.1% | 1.0% | 1.0% |

Fund for a Healthy Maine Summary

| | FY14 Actual | FY15 | FY16 | FY17 | FY18 | FY19 |
|-------------------------|--------------------|---------------|--------------|---------------|--------------|--------------|
| Current Forecast | \$60,558,934 | \$60,684,531 | \$54,694,606 | \$54,274,770 | | |
| Annual % Growth | 18.8% | 0.2% | -9.9% | -0.8% | | |
| Net Increase (Decrease) | | (\$7,429,240) | (\$800,598) | (\$1,361,113) | \$48,531,611 | \$47,647,398 |
| Revised Forecast | \$60,558,934 | \$53,255,291 | \$53,894,008 | \$52,913,657 | \$48,531,611 | \$47,647,398 |
| Annual % Growth | 18.8% | -12.1% | 1.2% | -1.8% | -8.3% | -1.8% |

Medicaid/MaineCare Dedicated Revenue Taxes Summary

| | FY14 Actual | FY15 | FY16 | FY17 | FY18 | FY19 |
|-------------------------|--------------------|---------------|---------------|---------------|---------------|---------------|
| Current Forecast | \$168,609,944 | \$169,437,676 | \$169,437,676 | \$169,437,676 | | |
| Annual % Growth | 10.0% | 0.5% | 0.0% | 0.0% | | |
| Net Increase (Decrease) | | \$2,073,039 | \$2,500,251 | \$2,500,251 | \$171,937,927 | \$171,937,927 |
| Revised Forecast | \$168,609,944 | \$171,510,715 | \$171,937,927 | \$171,937,927 | \$171,937,927 | \$171,937,927 |
| Annual % Growth | 10.0% | 1.7% | 0.2% | 0.0% | 0.0% | 0.0% |



Cash Update

The average total cash pool balance for October was \$658.9 million. This average balance was almost \$200 million higher than last October and \$150.5 million above the 10-year average balance for October. Average General Fund internal borrowing in October increased by \$12.8 million from September but is \$42.8 million less than October 2013. Given the improvement in the total average cash pool, the circumstances continue to seem favorable for another year in which cash flow needs are handled internally and no external borrowing is required.

Highway Fund cash balances modestly improved in October compared with September and are above the averages in October of 2012 and 2013. The balance over the next month will be critical to how well the Highway Fund can survive the early December payment for the Local Road Assistance program. Last fiscal year in December, the first year of the change to a single annual payment for this program, the Highway Fund dipped very close to \$0 and took nearly one quarter before balances recovered to the levels of previous years.

| Summary of Treasurer's Cash Pool | | |
|---|----------------|----------------|
| October Average Daily Balances | | |
| Millions of \$'s | | |
| | 2013 | 2014 |
| General Fund (GF) Total | \$30.8 | \$37.9 |
| General Fund (GF) Detail: | | |
| Budget Stabilization Fund | \$59.7 | \$68.2 |
| Reserve for Operating Capital | \$2.6 | \$4.9 |
| Tax Anticipation Notes | \$0.0 | \$0.0 |
| Internal Borrowing | \$197.7 | \$154.8 |
| Other General Fund Cash | (\$229.3) | (\$190.1) |
| Other Spec. Rev. - Interest to GF | \$27.9 | \$86.3 |
| Other State Funds - Interest to GF | \$18.5 | \$22.4 |
| Highway Fund | \$24.2 | \$34.1 |
| Other Spec. Rev. - Retaining Interest | \$50.6 | \$80.5 |
| Other State Funds | \$209.6 | \$275.6 |
| Independent Agency Funds | \$97.9 | \$122.2 |
| Total Cash Pool | \$459.4 | \$658.9 |

MaineCare Update

MaineCare Weekly Cycle Payments

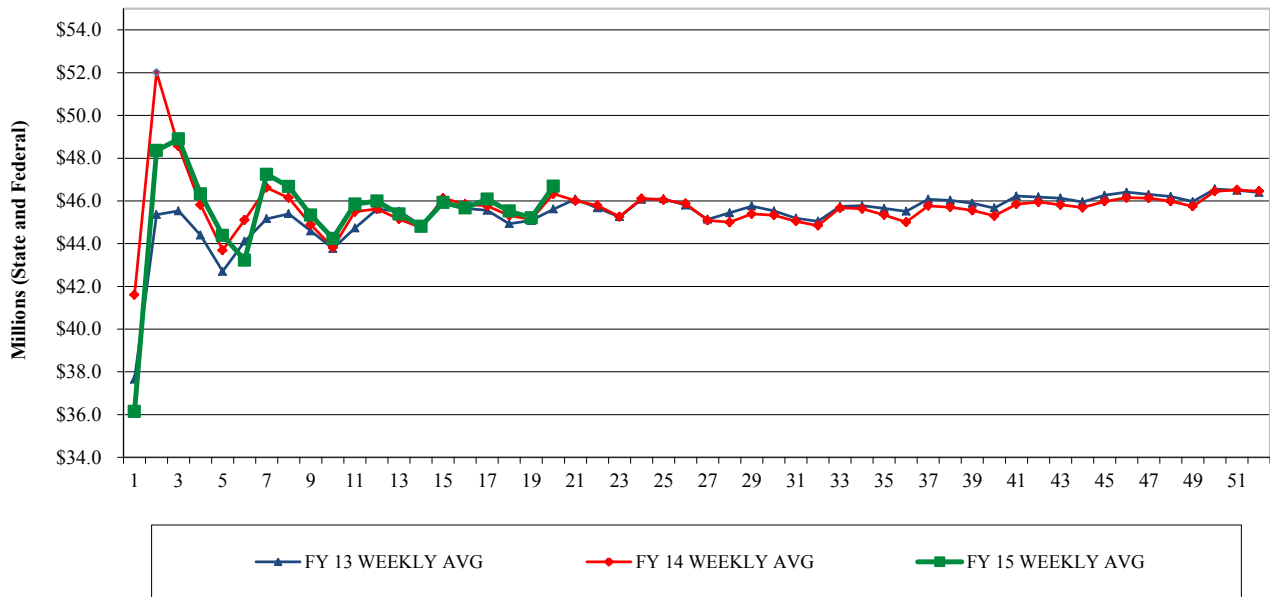
The average weekly MaineCare cycle for FY 2015 through Week 20 was \$46.7 million (state and federal dollars), an increase above the cycle average of \$46.1 million through Week 17 of this year that was referenced in last month's *Fiscal News*, and above the average of \$46.3 million through week 20 of the prior fiscal year. MaineCare Chart 1 summarizes average weekly MaineCare cycle payments for FY 2015 as well as comparable payment cycle averages for FY 2013 and FY 2014. MaineCare Chart 2 summarizes the actual cycles each week for FY 2015 and for FY 2013 and FY 2014.

The FY 2015 MaineCare cycle average had been tracking more closely to the FY 2014 average until Week 20. As shown in MaineCare Chart 2, the cycle for Week 20, the "monthly billing providers" cycle for November reached \$74.8 million. While the "monthly billing providers" cycle is the largest cycle of each month, the week 20 peak was noticeably higher than most. The Department of Health and Human Services (DHHS) has attributed this variation to monthly billers in November having had a longer time between cycles to submit claims for cycle 20 and the more than \$4 million in non-emergency transportation broker payments included in the cycle.



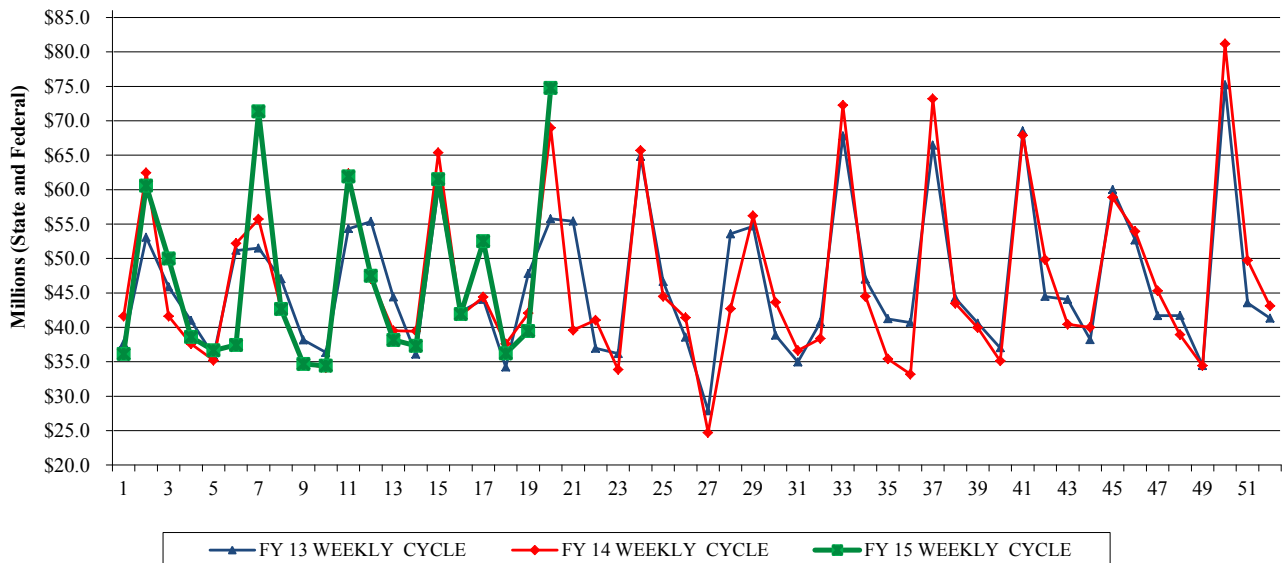
MaineCare Update (Continued)

MaineCare Chart 1. Weekly Cycle Averages - FY 13, FY 14 and FY 15 FY 15 Through 11/15/14 - Week 20



° 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 13, FY 14 and FY 15 FY 15 Through 11/15/14 - Week 20



° 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 Four Months**

MaineCare Table 1 uses expenditure data from the State's financial warehouse (MFASIS) through October of 2014 to compare MaineCare expenditures by expenditure category for the first four months for the last three fiscal years. After adjusting for one-time spending and offsets, primarily the \$490.2 million in one-time hospital settlement payments made in September of 2013, total MaineCare "All Funds" spending increased by 2.4% for the first four months of FY 2015 compared to FY 2014. As detailed in MaineCare Table 1, FY 2015 spending through four months increased primarily in the residential care (nursing home payments), home and community-based care (HCBC) waivers, mental health services, clinic services, certified seed and transportation services expenditure categories. These increases were partially offset by decreases in the hospital services, pharmacy and related and Medicare crossover payments expenditure categories. FY 2015 spending through October was also offset by significant

increases in the "16 Other Adjustments" category that reflects financial transactions (e.g., third party liability collections, audit settlements, etc.) that are not assigned to another expenditure category.

MaineCare Table 1 also shows that aggregate General Fund expenditures for the first four months of FY 2015 decreased by 1.6% compared to the first four months of FY 2014. General Fund spending for the first four months without the "16 Other Adjustments" category offsets noted above increased by only 0.4% from the first four months of FY 2014. General Fund expenditures must remain below prior fiscal year levels to reflect various cost savings initiative and associated deappropriations. It is still not clear whether the MaineCare General Fund trend through the first four months will continue and will be sufficient to stay within budgeted resources for FY 2015.

MaineCare Table 1. MaineCare and Related Expenditures Detail Through 4 Months
All Funds

| Expenditure Categories | FY 2013 | FY 2014 | FY 2015 | Chgs. FY 2014 to FY 2015 | |
|--|----------------|-----------------|----------------|--------------------------|---------|
| | 4 Months | 4 Months | 4 Months | \$ | % |
| 1 Hospital Services | \$170,566,769 | \$180,880,036 | \$176,280,507 | (\$4,599,528) | -2.5% |
| 1A Hospital Settlements | \$26,332,279 | \$490,200,000 | \$0 | (\$490,200,000) | -100.0% |
| 2 Residential Care | \$177,294,468 | \$170,569,874 | \$180,184,552 | \$9,614,679 | 5.6% |
| 3 HCBC Waivers | \$111,199,822 | \$110,461,981 | \$120,557,730 | \$10,095,749 | 9.1% |
| 4 Pharmacy and Related | \$96,894,084 | \$101,788,946 | \$98,703,630 | (\$3,085,316) | -3.0% |
| 5 Medical Professionals | \$58,364,672 | \$53,887,368 | \$53,426,681 | (\$460,687) | -0.9% |
| 6 Medicare Crossover Payments | \$48,242,617 | \$35,075,214 | \$31,592,608 | (\$3,482,606) | -9.9% |
| 7 Mental Health Services | \$91,804,144 | \$96,168,820 | \$98,779,737 | \$2,610,917 | 2.7% |
| 8 Clinic Services | \$17,300,336 | \$16,098,633 | \$17,426,608 | \$1,327,976 | 8.2% |
| 9 Home Health | \$10,408,596 | \$11,225,506 | \$11,053,017 | (\$172,489) | -1.5% |
| 10 Rehabilitation Services | \$7,042,641 | \$8,002,236 | \$8,779,809 | \$777,573 | 9.7% |
| 11 Case Management | \$14,574,909 | \$14,986,243 | \$15,682,818 | \$696,575 | 4.6% |
| 12 Certified Seed | \$8,055,821 | \$6,582,632 | \$9,198,830 | \$2,616,198 | 39.7% |
| 13 Transportation Services | \$15,625,092 | \$15,993,945 | \$18,733,059 | \$2,739,114 | 17.1% |
| 14 Other Expenditure Codes | \$4,081,516 | \$2,483,296 | \$3,310,540 | \$827,244 | 33.3% |
| 15 Accounting Adjustments ¹ | \$633,376 | \$1,908,732 | \$262,873 | (\$1,645,858) | -86.2% |
| 16 Other Adjustments ¹ | (\$10,022,201) | (\$13,418,881) | (\$22,369,960) | (\$8,951,079) | 66.7% |
| All Funds Total | \$848,398,940 | \$1,302,894,580 | \$821,603,040 | (\$481,291,540) | -36.9% |
| Minus Accounting and Other Adjustment: | (\$16,943,454) | (\$478,689,851) | \$22,107,087 | \$500,796,937 | -104.6% |
| All Funds Adjusted Total | \$831,455,486 | \$824,204,729 | \$843,710,126 | \$19,505,397 | 2.4% |
| General Fund Totals | \$284,953,689 | \$284,614,977 | \$280,123,028 | (\$4,491,949) | -1.6% |
| Minus Accounting and Other Adjustment: | \$1,203,363 | \$4,541,984 | \$10,207,568 | \$5,665,584 | 124.7% |
| General Fund Adjusted Totals | \$286,157,053 | \$289,156,961 | \$290,330,596 | \$1,173,636 | 0.4% |

¹ Includes bad debt write-offs and other adjustments (e.g., third party liability collections, audit settlements, etc.) that are not assigned to a specific expenditure category.



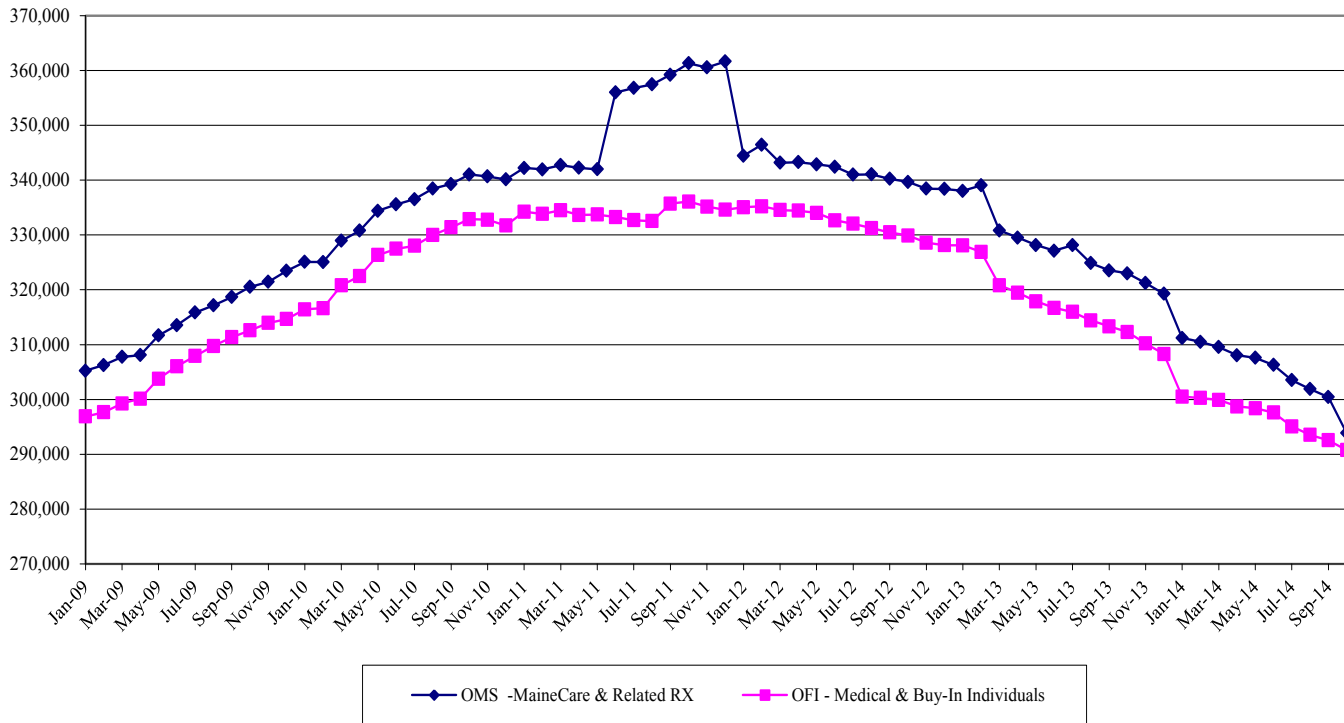
MaineCare Update (Continued)

MaineCare Caseload

MaineCare caseload data for October released by the DHHS Office of MaineCare Services (OMS) and by the DHHS Office of Family Independence (OFI) shows that aggregate MaineCare caseload continues to decrease. MaineCare Chart 3 shows OMS and OFI aggregate caseload data over time. October data released by OMS shows a significant decrease of 4,972

in Medicare Savings Program/Drugs for the Elderly (MSP/DEL) caseload that does not appear in the OFI caseload data. DHHS attributes this difference to a correction in OMS caseload counting that does not reflect a change in the number of individuals actually eligible and should not affect program spending.

MaineCare Chart 3. MaineCare Caseload Through October 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).

As shown in MaineCare Table 2, in recent months the continued overall decline in total MaineCare caseload has been driven by a reduction in the number of individuals on MaineCare transitional assistance, presumably the parents and children who have lost

coverage but had been on transitional Medicaid coverage for up to a year. The children of these parents would not be losing coverage after the year just moving back to their original eligibility status.

**MaineCare Update (Continued)****MaineCare Table 2. MaineCare Caseload - Transitional Assistance Impact**

| | Total MaineCare Caseload | % Monthly Change | MSP/DEL Caseload | Net MaineCare Caseload w/out MSP/DEL | % Monthly Change | Medicaid Transitional Assistance Caseload | Net MaineCare Caseload w/Out Transitional Assistance & MSP/DEL | % Monthly Change |
|---------------|---|---------------------------------|-----------------------------|---|---------------------------------|--|---|---------------------------------|
| Feb-13 | 339,055 | | 44,908 | 294,147 | | 8,221 | 285,926 | |
| Mar-13 | 330,809 | -2.4% | 43,316 | 287,493 | -2.3% | 13,895 | 273,598 | -4.3% |
| Apr-13 | 329,503 | -0.4% | 43,552 | 285,951 | -0.5% | 15,106 | 270,845 | -1.0% |
| May-13 | 328,159 | -0.4% | 43,780 | 284,379 | -0.5% | 15,807 | 268,572 | -0.8% |
| Jun-13 | 327,135 | -0.3% | 43,871 | 283,264 | -0.4% | 16,011 | 267,253 | -0.5% |
| Jul-13 | 328,121 | 0.3% | 43,817 | 284,304 | 0.4% | 16,188 | 268,116 | 0.3% |
| Aug-13 | 324,876 | -1.0% | 43,888 | 280,988 | -1.2% | 16,164 | 264,824 | -1.2% |
| Sep-13 | 323,547 | -0.4% | 43,892 | 279,655 | -0.5% | 15,628 | 264,027 | -0.3% |
| Oct-13 | 322,998 | -0.2% | 43,933 | 279,065 | -0.2% | 15,430 | 263,635 | -0.1% |
| Nov-13 | 321,236 | -0.5% | 43,993 | 277,243 | -0.7% | 15,236 | 262,007 | -0.6% |
| Dec-13 | 319,288 | -0.6% | 44,111 | 275,177 | -0.7% | 15,414 | 259,763 | -0.9% |
| Jan-14 | 311,216 | -2.5% | 43,292 | 267,924 | -2.6% | 30,264 | 237,660 | -8.5% |
| Feb-14 | 310,504 | -0.2% | 43,077 | 267,427 | -0.2% | 34,596 | 232,831 | -2.0% |
| Mar-14 | 309,539 | -0.3% | 42,986 | 266,553 | -0.3% | 30,362 | 236,191 | 1.4% |
| Apr-14 | 308,068 | -0.5% | 42,874 | 265,194 | -0.5% | 27,359 | 237,835 | 0.7% |
| May-14 | 307,599 | -0.2% | 42,815 | 264,784 | -0.2% | 24,890 | 239,894 | 0.9% |
| Jun-14 | 306,280 | -0.4% | 42,690 | 263,590 | -0.5% | 23,045 | 240,545 | 0.3% |
| Jul-14 | 303,519 | -0.9% | 42,439 | 261,080 | -1.0% | 19,402 | 241,678 | 0.5% |
| Aug-14 | 301,894 | -0.5% | 42,372 | 259,522 | -0.6% | 17,625 | 241,897 | 0.1% |
| Sep-14 | 300,432 | -0.5% | 42,200 | 258,232 | -0.5% | 16,298 | 241,934 | 0.0% |
| Oct-14 | 293,863 | -2.2% | 37,228 | 256,635 | -0.6% | 14,677 | 241,958 | 0.0% |

Source: DHHS-OMS Monthly Caseload Reports



**General Fund Revenue
Fiscal Year Ending June 30, 2015 (FY 2015)
October 2014 Revenue Variance Report**

| Revenue Category | October '14 | | | Fiscal Year-To-Date | | | FY 2015 Budgeted Totals | |
|---|--------------------|--------------------|----------------------|---------------------|--------------------|-------------------|-------------------------|--------------|
| | Budget | October '14 Actual | October '14 Variance | Budget | Actual | Variance | | Variance % |
| Sales and Use Tax | 114,504,194 | 111,073,288 | (3,430,906) | 358,715,397 | 354,709,329 | (4,006,068) | -1.1% | 14.4% |
| Service Provider Tax | 4,642,267 | 3,995,129 | (647,138) | 12,180,902 | 12,715,182 | 534,280 | 4.4% | 6.9% |
| Individual Income Tax | 106,733,333 | 120,268,603 | 13,535,270 | 420,468,333 | 427,089,414 | 6,621,081 | 1.6% | 2.5% |
| Corporate Income Tax | 4,800,000 | 5,395,114 | 595,114 | 46,000,000 | 50,441,708 | 4,441,708 | 9.7% | 12.8% |
| Cigarette and Tobacco Tax | 12,216,384 | 13,540,619 | 1,324,235 | 48,140,079 | 50,106,826 | 1,966,747 | 4.1% | -0.5% |
| Insurance Companies Tax | 6,936,027 | 8,427,997 | 1,491,970 | 8,067,700 | 9,128,740 | 1,061,040 | 13.2% | -9.9% |
| Estate Tax | 2,255,000 | 9,332,759 | 7,077,759 | 4,405,000 | 17,533,240 | 13,128,240 | 298.0% | 375.0% |
| Other Taxes and Fees * | 18,296,587 | 19,469,879 | 1,173,292 | 43,657,475 | 47,592,484 | 3,935,009 | 9.0% | 7.0% |
| Fines, Forfeits and Penalties | 1,924,323 | 1,977,465 | 53,142 | 8,231,381 | 8,058,109 | (173,272) | -2.1% | -0.1% |
| Income from Investments | 14,372 | 39,540 | 25,168 | 67,160 | 103,644 | 36,484 | 54.3% | -4.7% |
| Transfer from Lottery Commission | 4,442,343 | 3,860,638 | (581,705) | 18,779,961 | 17,845,967 | (933,994) | -5.0% | 2.1% |
| Transfers to Tax Relief Programs * | (1,344,289) | (8,590,334) | (7,246,045) | (10,726,053) | (12,780,639) | (2,054,586) | -19.2% | 12.9% |
| Transfers for Municipal Revenue Sharing | (7,418,509) | (7,212,412) | 206,097 | (16,523,937) | (17,181,951) | (658,014) | -4.0% | 22.3% |
| Other Revenue * | (1,963,801) | 2,183,109 | 4,146,910 | (313,724) | 3,365,849 | 3,679,573 | 1172.9% | 2627.6% |
| Totals | 266,038,231 | 283,761,394 | 17,723,163 | 941,149,674 | 968,727,902 | 27,578,228 | 2.9% | 10.0% |

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



General Fund Revenue
Fiscal Year Ending June 30, 2015 (FY 2015)
October 2014 Revenue Variance Report

| Revenue Category | October '14 | | October '14 | | Fiscal Year-To-Date | | % Change from Prior Year | FY 2015 Budgeted Totals |
|--|--------------------|--------------------|---------------------|---------------------|---------------------|--------------------|--------------------------|-------------------------|
| | Budget | Actual | Budget | Actual | Budget | Variance | | |
| Detail of Other Taxes and Fees: | | | | | | | | |
| - Property Tax - Unorganized Territory | 10,571,602 | 11,203,639 | 10,571,602 | 11,203,639 | 632,037 | 632,037 | 6.0% | 13,949,984 |
| - Real Estate Transfer Tax | 1,282,389 | 1,389,996 | 4,212,450 | 4,018,939 | 107,607 | (193,511) | -4.6% | 13,042,455 |
| - Liquor Taxes and Fees | 1,751,304 | 1,791,093 | 7,005,216 | 8,601,362 | 39,789 | 1,596,146 | 22.8% | 21,015,690 |
| - Corporation Fees and Licenses | 167,500 | 218,300 | 1,009,850 | 1,223,054 | 50,800 | 213,204 | 21.1% | 8,313,649 |
| - Telecommunication Excise Tax | 0 | 34,849 | 0 | 52,290 | 34,849 | 52,290 | N/A | 9,200,000 |
| - Finance Industry Fees | 1,987,667 | 2,217,950 | 7,950,668 | 9,046,900 | 230,283 | 1,096,232 | 13.8% | 24,351,990 |
| - Milk Handling Fee | 92,164 | 96,654 | 368,656 | 359,708 | 4,490 | (8,948) | -2.4% | 1,105,968 |
| - Racino Revenue | 878,635 | 896,094 | 3,510,470 | 3,289,631 | 17,459 | (220,839) | -6.3% | 9,256,406 |
| - Boat, ATV and Snowmobile Fees | 224,618 | 206,699 | 1,401,096 | 1,359,687 | (17,919) | (41,409) | -3.0% | 4,523,561 |
| - Hunting and Fishing License Fees | 851,310 | 719,410 | 5,530,134 | 6,116,583 | (131,900) | 586,449 | 10.6% | 16,038,274 |
| - Other Miscellaneous Taxes and Fees | 489,398 | 695,197 | 2,097,333 | 2,320,692 | 205,799 | 223,359 | 10.6% | 12,180,107 |
| Subtotal - Other Taxes and Fees | 18,296,587 | 19,469,879 | 43,657,475 | 47,592,484 | 1,173,292 | 3,935,009 | 9.0% | 132,978,084 |
| Detail of Other Revenue: | | | | | | | | |
| - Liquor Sales and Operations | 811,945 | 4,593,672 | 3,247,780 | 4,606,552 | 3,781,727 | 1,358,772 | 41.8% | 9,743,384 |
| - Targeted Case Management (DHHS) | 60,037 | 186,909 | 745,269 | 797,405 | 126,872 | 52,136 | 7.0% | 2,103,916 |
| - State Cost Allocation Program | 1,514,175 | 2,167,595 | 5,300,052 | 7,654,106 | 653,420 | 2,354,054 | 44.4% | 15,000,000 |
| - Unclaimed Property Transfer | 0 | 0 | 0 | 0 | 0 | 0 | N/A | 6,015,000 |
| - Tourism Transfer | (4,633,050) | (4,598,110) | (11,659,067) | (11,624,127) | 34,940 | 34,940 | 0.3% | (11,659,067) |
| - Transfer to Maine Milk Pool | 0 | 0 | (187,155) | 0 | 187,155 | 187,155 | 100.0% | (563,777) |
| - Transfer to STAR Transportation Fund | (1,666,308) | (2,545,361) | (6,187,481) | (7,066,534) | (879,053) | (879,053) | -14.2% | (6,187,481) |
| - Other Miscellaneous Revenue | 1,949,400 | 2,378,405 | 8,426,878 | 8,998,447 | 429,005 | 571,569 | 6.8% | 25,487,436 |
| Subtotal - Other Revenue | (1,963,801) | 2,183,109 | (313,724) | 3,365,849 | 4,146,910 | 3,679,573 | 1172.9% | 39,939,411 |
| Detail of Transfers to Tax Relief Programs: | | | | | | | | |
| - Me. Resident Prop. Tax Program (Circuitbreaker) | 0 | 426 | 0 | 2,620 | 426 | 2,620 | N/A | 0 |
| - BETR - Business Equipment Tax Reimb. | (1,344,289) | (8,590,760) | (10,691,988) | (12,753,586) | (7,246,471) | (2,061,598) | -19.3% | (31,080,000) |
| - BETE - Municipal Bus. Equip. Tax Reimb. | 0 | 0 | (34,065) | (29,673) | 0 | 4,392 | 12.9% | (27,103,362) |
| Subtotal - Tax Relief Transfers | (1,344,289) | (8,590,334) | (10,726,053) | (12,780,639) | (7,246,045) | (2,054,586) | -19.2% | (58,183,362) |
| Inland Fisheries and Wildlife Revenue - Total | 1,146,241 | 1,034,960 | 7,228,928 | 7,826,793 | (111,281) | 597,865 | 8.3% | 21,470,489 |



**Highway Fund Revenue
Fiscal Year Ending June 30, 2015 (FY 2015)
October 2014 Revenue Variance Report**

| Revenue Category | October '14 | | October '14 | | Fiscal Year-To-Date | | | FY 2015 Budgeted Totals | | |
|---|-------------------|-------------------|----------------|----------|---------------------|-------------------|------------------|-------------------------|-------------|--------------------|
| | Budget | Actual | Actual | Variance | Budget | Actual | Variance | | | |
| Fuel Taxes: | | | | | | | | | | |
| - Gasoline Tax | 15,952,908 | 16,458,291 | 505,383 | | 53,567,595 | 54,570,153 | 1,002,558 | 1.9% | -0.3% | 189,910,000 |
| - Special Fuel and Road Use Taxes | 4,453,270 | 4,187,157 | (266,113) | | 11,389,465 | 11,947,004 | 557,539 | 4.9% | 2.7% | 42,610,000 |
| - Transcap Transfers - Fuel Taxes | (1,500,543) | (1,517,541) | (16,998) | | (6,333,460) | (6,448,585) | (115,125) | -1.8% | 0.3% | (17,082,820) |
| - Other Fund Gasoline Tax Distributions | (398,934) | (411,572) | (12,638) | | (1,760,933) | (1,785,976) | (25,043) | -1.4% | 0.7% | (4,749,079) |
| Subtotal - Fuel Taxes | 18,506,701 | 18,716,335 | 209,634 | | 56,862,667 | 58,282,596 | 1,419,929 | 2.5% | 0.3% | 210,688,101 |
| Motor Vehicle Registration and Fees: | | | | | | | | | | |
| - Motor Vehicle Registration Fees | 5,496,526 | 5,580,377 | 83,851 | | 22,885,829 | 23,049,061 | 163,232 | 0.7% | 1.5% | 65,659,536 |
| - License Plate Fees | 152,094 | 149,389 | (2,705) | | 1,208,939 | 1,331,287 | 122,348 | 10.1% | 3.0% | 3,351,681 |
| - Long-term Trailer Registration Fees | 659,965 | 495,333 | (164,632) | | 1,510,940 | 2,323,354 | 812,414 | 53.8% | 44.8% | 9,384,523 |
| - Title Fees | 1,091,680 | 1,159,279 | 67,599 | | 4,319,090 | 4,566,857 | 247,767 | 5.7% | -4.4% | 13,129,254 |
| - Motor Vehicle Operator License Fees | 663,206 | 660,777 | (2,430) | | 2,536,846 | 2,633,374 | 96,528 | 3.8% | -11.7% | 7,425,882 |
| - Transcap Transfers - Motor Vehicle Fees | 0 | 0 | 0 | | (4,231,172) | (4,265,780) | (34,608) | -0.8% | 0.9% | (15,483,404) |
| Subtotal - Motor Vehicle Reg. & Fees | 8,063,471 | 8,045,155 | (18,316) | | 28,230,472 | 29,638,153 | 1,407,681 | 5.0% | 2.0% | 83,467,472 |
| Motor Vehicle Inspection Fees | 287,365 | 296,096 | 8,731 | | 1,167,668 | 938,611 | (229,057) | -19.6% | 11.6% | 2,982,500 |
| Other Highway Fund Taxes and Fees | 111,211 | 106,215 | (4,996) | | 444,172 | 456,936 | 12,764 | 2.9% | 9.0% | 1,285,229 |
| Fines, Forfeits and Penalties | 82,785 | 81,750 | (1,035) | | 364,914 | 372,536 | 7,622 | 2.1% | 3.5% | 1,007,998 |
| Interest Earnings | 9,419 | 7,809 | (1,610) | | 37,676 | 25,684 | (11,992) | -31.8% | 14.8% | 113,022 |
| Other Highway Fund Revenue | 511,557 | 549,667 | 38,110 | | 2,086,947 | 2,088,954 | 2,007 | 0.1% | 8.5% | 9,032,418 |
| Totals | 27,572,509 | 27,803,027 | 230,518 | | 89,194,516 | 91,803,470 | 2,608,954 | 2.9% | 1.2% | 308,576,740 |