

11-1-2009

Fiscal News, November 2009

Maine State Legislature

Office of Fiscal and Program Review

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Recommended Citation

Maine State Legislature; Office of Fiscal and Program Review; and Pennoyer, Grant T., "Fiscal News, November 2009" (2009). *Office of Fiscal and Program Review*. 60.
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FISCAL NEWS

MONTHLY NEWSLETTER OF THE OFFICE OF FISCAL AND PROGRAM REVIEW

NOVEMBER 2009

Volume 3 Number 11

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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

After another dismal General Fund revenue performance in October and a significant downward revision to the economic forecast, the Revenue Forecasting Committee (RFC) met in late November and ended the speculation about the size of the General Fund shortfall. The RFC revised General Fund revenue downward by a total of \$383.6 million for the 2010-2011 biennium. This downward revision when combined with the \$24.8 million negative ending balance as a result of FY 2009 poor revenue performance results in a total shortfall of \$408.4 million.

The suspension of the Tax Reform Package by a People's Veto petition certified by the Secretary of State increases the current fiscal year General Fund shortfall. The combination of the FY 2009 revenue shortfall, the suspension of Tax Reform and the pattern of the revenue revision combined to create a General Fund shortfall for FY 2010 of \$231.7 million with just 7 months remaining to produce the savings.

Highway Fund revenue was also under budget in October, but it remained \$2.5 million ahead of budget through the first 4 months of this fiscal year. Given this performance, some may be very surprised by the \$14.3 million downward revision to Highway Fund revenue for the 2010-2011 biennium adopted by the RFC. More than two-thirds of the downward revision was driven by the change in the economic forecast. The tax model forecast for Fuel Taxes, which relies predominantly on the Personal Income variable, calculated a \$16.6 million drop in 2010-2011 Fuel Tax revenue from the old forecast. The RFC decided to adopt a reduction to only part of the fuel tax category, keeping the gas tax portion unchanged.

On the same day as the RFC was revising revenue estimates downward, the Governor implemented a \$63 million General Fund curtailment order to help address the FY 2010 General Fund shortfall.

The work of the Appropriations Committee on the Initiative to Streamline State Government continued in early October. The committee approved savings ideas that would produce more than \$20 million of General Fund savings, 2/3 of the way to the \$30 million structural savings goal. A significant portion of the savings is related to debt service savings that will also produce \$8 million of related Highway Fund savings to offset part of the revenue revision.

Cash balances remain very low with internal borrowing reaching record levels. The need for external cash flow borrowing has been deferred until December thereby avoiding additional debt service costs.

MaineCare caseloads continue to grow, but the Department of Health and Human Services believes that they have been able to manage spending within budgeted levels through various initiatives.



General Fund Revenue Update

Total General Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
October	\$244.6	\$217.8	(\$26.8)	-10.9%	\$243.4	-10.5%
FYTD	\$831.9	\$762.9	(\$69.0)	-8.3%	\$845.7	-9.8%

General Fund revenue was under budget by \$26.8 million in October increasing the negative variance for the first quarter of FY 2010 to \$69.0 million or 8.3%. General Fund revenue fell by 9.8% during the first 4 months of FY 2010 compared to the same period in FY 2009. A preliminary review of November revenue indicates another poor performance, although not as bad as September and October.

Individual Income Tax was the primary factor once again in October's negative variance. This category was under budget by \$19.0 million in October with \$11.4 million of this variance related to withholding payments. Individual Income Tax collections were \$58.2 million or 13.1% below budget through October and were 12.4% below the same period in FY 2009. November collections are consistent with this trend, but also show additional negative variances from refunds.

Sales Tax collections were under budget by \$7.1 million in October and fell \$25.4 million or 8.9% below projections for the first 4 months of FY 2010. Sales Tax collections through October were 10.3% below the same period in FY 2009. The largest declines in taxable sales were in the auto/transportation and building supply categories with calendar year-to-date declines of 18% and 10%, respectively. November sales tax collections will likely come in roughly \$5 million under budget.

The Corporate Income Tax joined the problem list in October with refunds in October exceeding projections by \$7.4 million. The \$8.0 million negative variance in October offset the positive variance through September and resulted in a negative variance of \$5.4 million for the first 4 months of FY 2010. Corporate Income Tax collections have fallen 16.3% below collections during the same period in FY 2009. Part of the negative variance in refunds appears to be a timing issue as November's Corporate Income Tax performance will end the month ahead of projections by roughly \$8 million, half of that variance coming from fewer refunds.

As a result of the variances in the revenue sharing base taxes (sales and income taxes), transfers to municipal revenue sharing have fallen \$4.6 million below projections.

Some positive news in October occurred in Estate Tax collections where a single \$4.5 million estate tax payment produced a \$3.5 million positive variance for the month and brought this category over budget by \$1.5 million through October. Tax relief program transfers have also been below expectation producing a positive variance through October of \$4.9 million.

The Revenue Forecasting Committee (RFC) was aware of October's performance when revising revenue estimates for its December 2009 report. The changes to forecast will not be incorporated into the monthly reporting until the December report.

Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2010 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
October	\$27.2	\$26.7	(\$0.5)	-1.9%	\$28.2	-5.3%
FYTD	\$86.2	\$88.7	\$2.5	2.9%	\$91.2	-2.8%

Highway Fund revenue was under budget by \$0.5 million or 1.9% in October. However, Highway Fund revenue remained above budget by \$2.5 million (2.9%) through the first 4 months of FY 2010. October's Highway Fund revenue decline of 5.3% compared with October 2008 produced a steeper decline for the first 4 months of FY 2010 falling 2.8% below the same period in FY 2009.

The positive revenue variance built up during the first 2 months of FY 2010 resulted from the Fuel Taxes category, which was \$4.6 million ahead at the end of August. The collections of the last 2 months have eroded that positive variance with negative variances in most of the major categories, particularly Bureau of Motor Vehicle revenue.



Revenue Forecast Update

The Revenue Forecasting Committee (RFC) met on Friday, November 20, 2009 to update the revenue forecast for the December 1st report deadline. The table on the next page summarizes the changes made to the various funds and dedicated revenue sources that the RFC forecasts. With these revisions, General Fund revenue is not projected to recover to its FY 2008 peak until outside of the forecast period and FY 2013 revenue is projected to be below FY 2006 levels.

General Fund Shortfall

When the downward revision to General Fund revenue for the 2010-2011 biennium of \$383.6 million (incorporating the monthly negative revenue variances) is combined with the \$24.8 million shortfall recognized by the FY 2009 final year-end accounting the total 2010-2011 shortfall is \$408.4 million. This amount does not reflect the separate \$30 million savings that must be generated by the work of the Appropriations Committee in its Initiative to Streamline State Government.

Measurement Issues for Economic Variables

The real story behind this downward revision is a major revision to the Personal Income estimates released in mid-October by the federal Bureau of Economic Analysis (BEA). It was at this time that the BEA captured the extent of the decline in salaries and wages during the first quarter of calendar year 2009. The failure to accurately capture the effect on salaries and wages and total Personal Income in the first quarter of 2009 explains why the RFC had such a difficult time using the current tax models to capture actual experience during its update for its May 1st forecast. This was most noticeable for the sales tax estimates. Despite best efforts to target the models using the old Personal Income estimates, it wasn't long after the forecast that taxable sales once again began falling below projections. While the hope is that the revised Personal Income estimates of the bureau will help the tax models more accurately capture the future performance of taxable sales, the recent sustained declines in taxable sales have been unprecedented in the history of Maine's sales tax. The risk in this current forecast is that the consumer behavior has changed so dramatically from past experience that our current tax models are not capable of accurately capturing it.

Impact on Local Governments

The other major story in this forecast is the reduction to estimates for municipal revenue sharing, which is directly tied to the major tax lines and the change in the economic variables. Roughly 5% of the downward revisions to

sales and income taxes equals the reduction to municipal revenue sharing. For the 2010-2011 biennium, projections for revenue sharing were reduced by \$21.3 million (an \$11.2 million or 10% reduction in the current year from previous estimates). This will be a major shock to current year municipal budgets that will be compounded by curtailments affecting General Purpose Aid for Local Schools (see Curtailment Order Summary).

Non-economic Revenue Categories

Excluding the major sales and income tax sources and revenue sharing so directly affected by the change to the economic forecast, other General Fund revenue categories were revised upward in this forecast by a net amount of \$26.2 million in the 2010-2011 biennium. The largest increase was in the MaineCare Targeted Case Management revenue category, which was increased by \$15.1 million due to the rescission of federal rules that had limited billings for these services. Transfers for Tax Relief Programs were revised upward by \$11.3 million for the 2010-2011 biennium meaning that projections for tax relief expenditures will be less than previously projected. Other upward revisions included the Milk Handling Fee and Racino revenue. These upward revisions were partially offset by downward revisions to unclaimed property transfers, judicial branch revenue, income from investments and Secretary of State corporation fees.

Highway Fund Issues

The changes to Personal Income in the economic forecast also significantly affected the tax model forecasts for the fuel tax. However, unlike the sales tax, the fuel tax line was not experiencing major variances from forecasts. In fact, the fuel tax category was over budget through October. The RFC decided to accept only a portion of the recommended changes for fuel taxes, ignoring the recommended effects on the gasoline tax, which was showing growth in gallons. The changes to other fuel taxes still produced some sizeable downward adjustments in the tax that combined with other smaller adjustments to reduce Highway Fund budgeted revenue estimates by \$14.3 million in this biennium.

Other Funds

The Fund for a Healthy Maine was revised upward by \$0.7 million largely due to more optimistic forecasts for Racino revenue. However, MaineCare Taxes were revised downward due to the recognition of certain legislative changes and current trends.

**Revenue Forecast Update (continued)****Summary of December 2009 Revenue Revisions (Millions of \$'s)****General Fund Summary**

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$2,811.4	\$2,856.7	\$2,897.9	\$2,939.3	\$3,035.9
Annual % Growth	-9.0%	1.6%	3.1%	2.9%	4.8%
Net Increase (Decrease)		(\$209.4)	(\$174.2)	(\$164.8)	(\$146.9)
Revised Forecast	\$2,811.4	\$2,647.2	\$2,723.7	\$2,774.6	\$2,889.0
Annual % Growth	-9.0%	-5.8%	2.9%	1.9%	4.1%

Highway Fund Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$324.2	\$312.7	\$308.7	\$314.4	\$320.3
Annual % Growth	-1.2%	-3.5%	-4.8%	0.5%	3.7%
Net Increase (Decrease)		(\$7.3)	(\$7.1)	(\$7.6)	(\$8.8)
Revised Forecast	\$324.2	\$305.5	\$301.6	\$306.9	\$311.5
Annual % Growth	-1.2%	-5.8%	-7.0%	-5.4%	2.0%

Fund for a Healthy Maine Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$68.4	\$59.7	\$57.1	\$62.8	\$62.6
Annual % Growth	10.3%	-12.8%	-4.3%	10.0%	-0.3%
Net Increase (Decrease)		\$0.5	\$0.2	\$1.2	\$0.9
Revised Forecast	\$68.4	\$60.2	\$57.3	\$64.0	\$63.5
Annual % Growth	10.3%	-12.0%	-4.8%	11.6%	-0.8%

Medicaid/MaineCare Dedicated Revenue Taxes Summary

	FY09 Actual	FY10	FY11	FY12	FY13
Current Forecast	\$138.0	\$140.7	\$140.8	\$140.9	\$141.0
Annual % Growth	6.0%	2.0%	0.1%	0.1%	0.1%
Net Increase (Decrease)		(\$2.4)	(\$3.3)	(\$3.4)	(\$3.5)
Revised Forecast	\$138.0	\$138.3	\$137.6	\$137.6	\$137.6
Annual % Growth	6.0%	0.2%	-0.6%	0.0%	0.0%

Curtailment Order Summary

On the same day that the Revenue Forecasting Committee was meeting to revise the revenue forecast, the Governor issued an Executive Order implementing a curtailment of FY 2010 General Fund allotments to slow spending in the wake of the recent significant negative revenue variances. Allotments are the authority to spend based on legislative appropriations. This is the Governor's only tool to address a shortfall without action by the Legislature. Provided to the right is a summary of the major programs affected by this \$63.1 million curtailment order.

More specific information regarding this curtailment order is available on line at <http://www.maine.gov/budget/budgetinfo/2010curtailment.htm>. Pursuant to the curtailment authority in 5 MRSA §1668, each curtailment order must be accompanied by an impact summary of the effect of each of the curtailments, which is also available at the web address above.

Summary of November 20th FY 2010 Curtailment

Programs Curtailed:	\$'s in Millions	% of Total
General Purpose Aid for Local Schools	\$38.1	60.3%
MaineCare Retroactive Matching Rate	\$7.5	11.8%
Other HHS Reductions	\$3.7	5.8%
University of Maine System	\$6.0	9.5%
Maine Community College System	\$1.7	2.7%
Maine Maritime Academy	\$0.3	0.4%
Treasury - Debt Service	\$3.5	5.5%
DECD - Maine Technology Institute	\$0.4	0.6%
Judicial - Indigent Legal Services	\$0.7	1.1%
Labor - Governor's Training Initiative	\$0.4	0.7%
Other Miscellaneous Reductions	\$1.0	1.5%
Total - Curtailment	\$63.1	



Cash Balances Update

Presented to the right is a summary of the State's average cash balances in October 2009 compared to October 2008. The average total cash pool for last month of \$323.1 million was \$125.1 million below last October. Despite poor General Fund revenue performances and a reduction in General Fund reserves of \$170.7 million compared to last October, the total cash pool remained solid enough to support \$242.6 million of General Fund internal borrowing, \$167.1 million higher than last October. The historical average for October's total average balance in the cash pool (2001 to 2008) was \$588.3 million.

The Treasurer had indicated that some sort of external borrowing would likely be required by November. His office and the Office of the State Controller have been watching the cash position carefully and have deferred external borrowing for another month. The longer that external borrowing can be delayed the greater the General Fund savings in the Treasurer's Debt Service program.

Dirigo Health Fund cash balance showed some improvement in September, but declined in October remaining negative by \$20.5 million, excluding the effect of the \$25 million cash advance from the General Fund. The \$25 million cash advance must be repaid by June 30, 2010.

Summary of Treasurer's Cash Pool

October Average Daily Balances (Millions of \$'s)		
	2008	2009
General Fund (GF) Total	\$10.8	(\$0.6)
General Fund (GF) Detail:		
Budget Stabilization Fund	\$130.7	\$0.2
Reserve for Operating Capital	\$40.6	\$0.0
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$75.5	\$242.6
Other General Fund Cash	(\$236.0)	(\$243.4)
Other Spec. Rev. - Interest to GF	\$91.3	(\$44.6)
Other State Funds - Interest to GF	(\$14.1)	\$10.8
Highway Fund	\$25.1	\$18.9
Other Spec. Rev. - Retaining Interest	\$63.5	\$46.6
Other State Funds	\$188.4	\$184.5
Independent Agency Funds	\$83.2	\$107.5
Total Cash Pool	\$448.2	\$323.1

Other Special Revenue Funds that contribute interest earnings to the General Fund had a negative balance of \$44.6 million in October. This was largely due to a significant drop in the average cash balance for federal funds. At this point, it appears that the filing for reimbursement of significant federal expenditures in October, including hospital settlements, may have been delayed longer than usual by the state shutdown day and various other reasons.

Tax Reform Package Referendum

The Secretary of State recently confirmed that sufficient valid signatures have been submitted by the deadline to submit the Tax Reform Package, PL 2009, c. 382 to a People's Veto referendum vote on the June 2010 ballot. This has some significant implications for the General Fund budget. The validation of the signatures makes the Act contingent on a referendum and therefore removes the impact from current budgeted revenue and appropriations. While over the course of the 2010-2011 biennium the net impact was expected to be minimal, the Tax Reform Package was projected to increase General Fund balance by \$7.4 million in FY 2010 and decrease the General Fund balance by \$7.3 million in FY 2011. The removal of the FY 2010 net increase to balance increases the short-term imbalance that must be addressed in FY 2010, which is compounded by the revenue revisions that also disproportionately affect FY 2010.

The delay of implementation of the Tax Reform Package may also offset the near "revenue neutrality"

of the Act by delaying the implementation of the sales tax changes designed to offset the revenue reductions associated with the income tax changes, which are effective in tax years beginning on or after January 1, 2010. The cost of the income tax reductions relied on the earlier implementation of the sales tax expansions to offset the income tax revenue loss. While appropriations for administrative costs of the Act were technically not available to Maine Revenue Services (MRS), MRS had to prepare to implement the Act on the original effective date (90 days after the adjournment of the Legislature or October 1st, the effective date of the first tax change) and has been incurring significant expenditures.

Another "wrinkle" associated with the delay of implementation is the change of the cost estimates associated with tax reform package. The near revenue neutrality of the tax reform package may be altered by subsequent revenue forecasts. At this point, it is not certain, which way it may tip that balance.



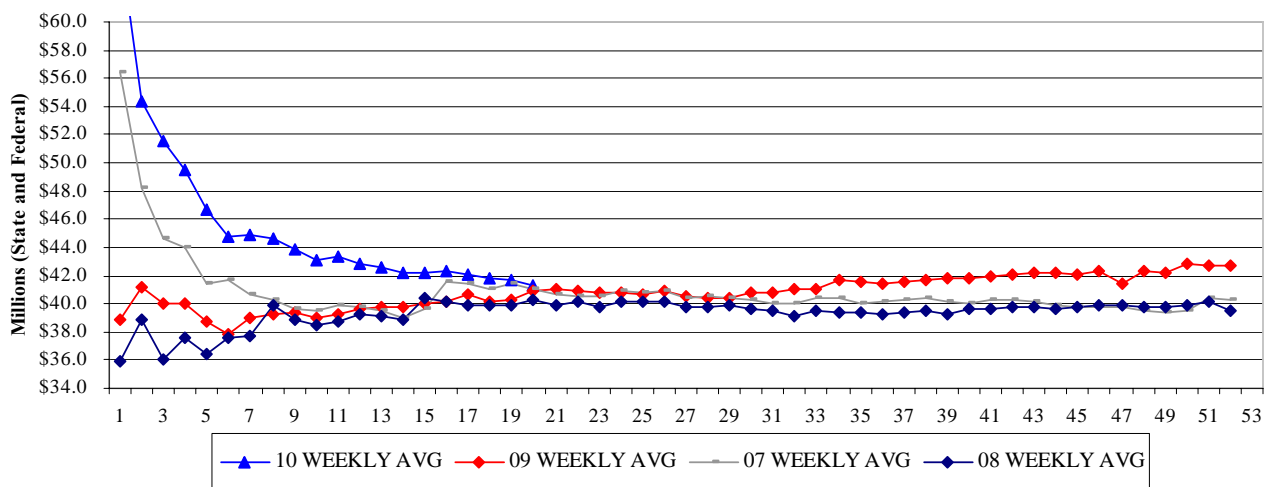
MaineCare Update

The chart below summarizes weekly average MaineCare payment cycles for FY 2010 through Week 20, as well as comparable payment cycle averages for FY's 2007, 2008, and 2009. The FY 2010 average does not reflect the \$132.5 million in MaineCare hospital settlements paid in the October 23, 2009 (17th) cycle but does reflect the one-time delay of hospital and long term care facility MaineCare payments from FY 2009 to FY 2010,

required in PL 2009, c. 1. Accordingly, the weekly average of MaineCare payment cycles for FY 2010 through Week 20 was \$41.4 million (state and federal), down from the average through Week 16 of \$42.6 million reflected in the October *Fiscal News*. Further controlling for the one-time delay of the hospital and long term care facility MaineCare payments at the end of FY 2009, the average weekly cycles for FY 2010 through Weeks 16 and 20 would be \$40.7 million and \$40.0 million respectively.

MaineCare Weekly Cycle Averages FY 07, FY 08, FY 09 and FY 10

FY 10 Through 11/14/2009 - Week 20 of 52



° FY 09 averages do not reflect the \$160.4 million in MaineCare hospital settlements paid in the May 8, 2009 (45th) cycle but do reflect the Week 47 cycle delayed and paid with the Week 48 cycle and the delay in hospital and long term care payments until FY 10.

° FY 10 averages do not reflect the \$132.5 million in MaineCare hospital settlements paid in the October 23, 2009 (17th) cycle but do reflect the delayed FY 09 hospital and long term care payments.

Recently released October 2009 MaineCare caseload data summarized on the next page show a continued significant increase in MaineCare enrollment of 1,430 in October, and a cumulative increase of 13,751 persons this calendar year. The overall increase is driven by increases in the “traditional Medicaid” enrollment categories (i.e., adults and children receiving financial benefits such as TANF and IV-E Foster Care; aged and disabled persons; and institutionalized persons) of 1,289 persons in October, with more than 12,000 persons added this calendar year – a 5.6% increase in this category. The increase in “traditional Medicaid” enrollment is

partially offset by a 336 person decrease in the non-categorical waiver population for October. The non-categorical waiver population had increased from 9,474 persons in April 2009 to 11,638 persons in June 2009, but has now decreased to 10,463 persons in October 2009. The April through June increases were the result of DHHS actions to open enrollment for non-categorical eligible adults currently on waiting lists, while the more recent decreases reflect the DHHS decision to close the waiver program to new enrollment to keep spending for the waiver within budgeted amounts.

**MaineCare Update (continued)**

MaineCare Caseload							
Month	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Expansion Parents ≤ 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Expansion Parents >150% FPL	Total
2002 Avg.	174,962	8,597	4,209	13,756	1,349	0	202,873
2003 Avg.	195,664	8,142	4,734	14,019	14,738	0	237,298
2004 Avg.	203,608	9,397	4,502	16,414	21,138	0	255,058
2005 Avg.	209,817	10,130	4,159	18,301	19,875	2,016	264,298
2006 Avg.	212,842	10,289	4,518	18,790	14,670	4,998	266,106
2007 Avg.	215,763	9,909	4,524	19,010	20,060	5,490	274,756
2008 Avg.	217,214	9,513	4,524	18,273	14,276	5,582	269,381
Detail by Month							
Nov-08	217,676	9,812	4,528	18,589	11,548	5,495	267,648
Dec-08	218,097	9,772	4,611	18,481	11,121	5,537	267,619
Jan-09	219,754	9,765	4,631	18,607	10,719	5,532	269,008
Feb-09	222,145	9,145	4,674	18,062	10,341	5,396	269,763
Mar-09	223,664	9,171	4,730	18,076	9,886	5,510	271,037
Apr-09	223,582	9,321	4,741	18,315	9,474	5,653	271,086
May-09	224,463	9,364	4,797	18,582	11,538	5,800	274,544
Jun-09	225,693	9,447	4,741	18,900	11,638	5,832	276,251
Jul-09	227,163	9,653	4,790	19,242	11,427	5,884	278,159
Aug-09	228,083	9,722	4,778	19,364	11,120	6,023	279,090
Sep-09	229,060	9,812	4,780	19,427	10,799	6,062	279,940
Oct-09	230,349	9,859	4,880	19,665	10,463	6,154	281,370
Changes:							
Latest month	1,289	47	100	238	-336	92	1,430
Year (CY) to Date	12,252	87	269	1,184	-658	617	13,751
Eligibility Descriptions:							
<ul style="list-style-type: none"> • Traditional Medicaid includes adults and children in receipt of a financial benefit (TANF, IV-E); aged and disabled persons in receipt of a financial benefit (SSI, SSI Supplement), institutionalized persons (NF), and others not included below. • SCHIP (State Child Health Insurance Program) Medicaid Expansion Children (M S-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 (effective 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. 							

General Fund and Highway Fund Revenue
Fiscal Year Ending June 30, 2010
Reflecting Budgeted Amounts Through 124th Legislature, 1st Regular Session

OCTOBER 2009 REVENUE VARIANCE REPORT

Revenue Line	October '09 Budget	October '09 Actual	October '09 Variance	FY10 YTD Budget	FY10 YTD Actual	FY10 YTD Variance	FY10 YTD Variance %	FY10 Budgeted Totals
General Fund								
Sales and Use Tax	90,777,923	83,631,634.94	(7,146,288.06)	285,735,407	260,296,611.62	(25,438,795.38)	-8.9%	938,953,932
Service Provider Tax	4,861,374	4,800,200.87	(61,173.13)	14,543,574	14,880,448.19	336,874.19	2.3%	55,590,852
Individual Income Tax	124,700,000	105,732,983.41	(18,967,016.59)	445,200,000	386,968,584.64	(58,231,415.36)	-13.1%	1,444,804,369
Corporate Income Tax	5,150,000	(2,898,229.31)	(8,048,229.31)	42,150,000	36,748,257.53	(5,401,742.47)	-12.8%	144,697,500
Cigarette and Tobacco Tax	12,184,499	12,938,589.72	754,090.72	50,970,344	51,992,380.81	1,022,036.81	2.0%	137,881,705
Insurance Companies Tax	6,219,873	7,537,986.39	1,318,113.39	7,423,704	8,507,672.63	1,083,968.63	14.6%	71,985,000
Estate Tax	2,476,952	6,019,155.92	3,542,203.92	5,355,278	6,827,864.99	1,472,586.99	27.5%	30,124,796
Other Taxes and Fees *	20,840,838	20,190,252.01	(650,585.99)	48,768,877	49,591,062.19	822,185.19	1.7%	143,490,376
Fines, Forfeits and Penalties	3,794,356	2,692,733.39	(1,101,622.61)	15,255,450	12,394,670.81	(2,860,779.19)	-18.8%	43,559,855
Income from Investments	159,479	57,110.81	(102,368.19)	521,271	179,542.19	(341,728.81)	-65.6%	947,908
Transfer from Lottery Commission	4,762,916	4,407,154.12	(355,761.88)	17,146,478	17,497,465.24	350,987.24	2.0%	49,534,250
Transfers to Tax Relief Programs	(16,970,414)	(14,807,960.95)	2,162,453.05	(52,909,467)	(47,997,410.00)	4,912,057.00	9.3%	(116,953,498)
Transfers for Municipal Revenue Sharing	(12,408,682)	(10,585,987.62)	1,822,694.38	(40,886,869)	(36,268,692.30)	4,618,176.70	11.3%	(112,092,834)
Other Revenue **	(1,978,241)	(1,899,137.60)	79,103.40	(7,340,365)	1,286,241.31	8,626,606.31	117.5%	24,147,811
Totals	244,570,873	217,816,486.10	(26,754,386.90)	831,933,682	762,904,699.85	(69,028,982.15)	-8.3%	2,856,672,022
Highway Fund								
Fuel Taxes	19,197,577	19,083,312.15	(114,264.85)	56,499,043	60,163,032.34	3,663,989.34	6.5%	220,305,526
Motor Vehicle Registration and Fees	7,303,016	6,921,196.76	(381,819.24)	26,255,090	25,639,323.38	(615,766.62)	-2.3%	77,674,394
Inspection Fees	303,666	203,397.00	(100,269.00)	1,454,250	1,134,796.54	(319,453.46)	-22.0%	4,157,802
Fines, Forfeits and Penalties	157,011	146,251.11	(10,759.89)	627,188	606,947.00	(20,241.00)	-3.2%	1,795,049
Income from Investments	7,500	13,139.42	5,639.42	25,000	51,735.83	26,735.83	106.9%	203,237
Other Revenue	275,488	354,637.79	79,149.79	1,349,308	1,072,676.88	(276,631.12)	-20.5%	8,605,431
Totals	27,244,258	26,721,934.23	(522,323.77)	86,209,879	88,668,511.97	2,458,632.97	2.9%	312,741,439

Comparison of Actual Year-to-Date Revenue
Through October of Each Fiscal Year

REVENUE CATEGORY	FY 2006	% Chg	FY 2007	% Chg	FY 2008	% Chg	FY 2009	% Chg	FY 2010	% Chg
GENERAL FUND										
Sales and Use Tax	\$274,608,095.37	4.2%	\$282,648,870.58	2.9%	\$285,976,994.47	1.2%	\$290,232,341.56	1.5%	\$260,296,611.62	-10.3%
Service Provider Tax	\$10,792,552.97	-1.7%	\$12,429,394.24	15.2%	\$13,170,645.40	6.0%	\$9,261,644.17	-29.7%	\$14,880,448.19	60.7%
Individual Income Tax	\$367,804,403.59	6.8%	\$389,434,184.29	5.9%	\$407,704,676.07	4.7%	\$441,513,956.72	8.3%	\$386,968,584.64	-12.4%
Corporate Income Tax	\$51,617,068.69	30.7%	\$55,643,959.90	7.8%	\$51,324,087.24	-7.8%	\$43,925,156.83	-14.4%	\$36,748,257.53	-16.3%
Cigarette and Tobacco Tax	\$44,109,348.89	27.9%	\$57,919,918.55	31.3%	\$56,062,625.60	-3.2%	\$53,914,808.62	-3.8%	\$51,992,380.81	-3.6%
Insurance Companies Tax	\$7,274,838.54	-3.9%	\$6,201,248.43	-14.8%	\$9,549,031.61	54.0%	\$7,654,330.41	-19.8%	\$8,507,672.63	11.1%
Estate Tax	\$34,887,346.78	668.6%	\$17,410,927.55	-50.1%	\$3,893,924.63	-77.6%	\$4,644,759.46	19.3%	\$6,827,864.99	47.0%
Other Taxes and Fees	\$45,800,211.55	7.8%	\$49,517,683.83	8.1%	\$48,809,866.61	-1.4%	\$47,314,286.99	-3.1%	\$49,591,062.19	4.8%
Fines, Forfeits and Penalties	\$10,746,766.92	-5.0%	\$13,187,224.58	22.7%	\$15,978,859.37	21.2%	\$15,738,975.17	-1.5%	\$12,394,670.81	-21.2%
Earnings on Investments	\$1,903,496.60	63.8%	\$1,683,273.19	-11.6%	\$1,346,310.41	-20.0%	\$1,368,741.27	1.7%	\$179,542.19	-86.9%
Transfer from Lottery Commission	\$16,808,624.38	-0.2%	\$17,908,342.32	6.5%	\$17,752,015.57	-0.9%	\$17,358,163.88	-2.2%	\$17,497,465.24	0.8%
Transfers to Tax Relief Programs	(\$56,297,753.75)	-197.7%	(\$55,057,251.48)	2.2%	(\$49,255,445.12)	10.5%	(\$61,565,718.21)	-25.0%	(\$47,997,410.00)	22.0%
Transfers for Municipal Revenue Sharing	(\$33,074,742.70)	-12.4%	(\$29,940,057.02)	9.5%	(\$36,154,968.85)	-20.8%	(\$36,891,736.43)	-2.0%	(\$36,268,692.30)	1.7%
Other Revenue	\$14,533,875.56	-77.1%	\$7,030,579.55	-51.6%	\$9,884,766.65	40.6%	\$6,816,360.66	-31.0%	\$1,286,241.31	-81.1%
TOTAL GENERAL FUND REVENUE	\$791,514,133.39	-0.1%	\$826,018,298.51	4.4%	\$836,043,389.66	1.2%	\$841,286,071.10	0.6%	\$762,904,699.85	-9.3%
HIGHWAY FUND										
Fuel Taxes	\$60,740,819.15	-1.0%	\$60,588,921.05	-0.3%	\$59,311,064.22	-2.1%	\$57,953,895.35	-2.3%	\$60,163,032.34	3.8%
Motor Vehicle Registration and Fees	\$28,086,927.22	8.9%	\$27,830,481.06	-0.9%	\$27,586,597.79	-0.9%	\$28,435,349.09	3.1%	\$25,639,323.38	-9.8%
Inspection Fees	\$1,477,439.92	8.4%	\$1,470,738.77	-0.5%	\$1,429,010.70	-2.8%	\$1,311,627.03	-8.2%	\$1,134,796.54	-13.5%
Fines	\$635,117.20	9.1%	\$617,070.65	-2.8%	\$433,829.28	-29.7%	\$594,310.18	37.0%	\$606,947.00	2.1%
Income from Investments	\$593,314.59	171.6%	\$291,311.72	-50.9%	\$442,950.04	52.1%	\$268,155.97	-39.5%	\$51,735.83	-80.7%
Other Revenue	\$2,458,127.32	3.3%	\$2,561,205.06	4.2%	\$3,008,994.33	17.5%	\$2,671,974.15	-11.2%	\$1,072,676.88	-59.9%
TOTAL HIGHWAY FUND REVENUE	\$93,991,745.40	2.5%	\$93,359,728.31	-0.7%	\$92,212,446.36	-1.2%	\$91,235,311.77	-1.1%	\$88,668,511.97	-2.8%