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Maine State Legislature

Office of Fiscal and Program Review

Grant T. Pennoyer

Maine State Legislature, grant.pennoyer@legislature.maine.gov

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FISCAL NEWS

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MARCH 2011

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Questions or Comments regarding specific sections contact:

Grant T. Pennoyer, Director
Office of Fiscal and Program Review
5 State House Station
Augusta, Maine 04333-0005
Telephone: (207) 287-1635

grant.pennoyer@legislature.maine.gov

www.maine.gov/legis/ofpr/

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

February revenue performance had mixed results with the General Fund coming in over budget, but the Highway Fund falling below budget for the month. For the fiscal year through February, both funds retained modest positive variances. General Fund revenue was over budget largely due to individual income tax refunds being well below budget. March refunds have picked up significantly and will offset most of February's variance and combined with a poor performance in Corporate Income Tax estimated payments, the General Fund in March will be under budget. Highway Fund revenue, particularly fuel tax collections, may erode some of the positive variance built up earlier in the fiscal year as fuel prices remain very high.

The Consensus Economic Forecasting Commission (CEFC) met at the end of March to update the economic forecast that is used by Maine Revenue Services in its tax models to help the Revenue Forecasting Committee (RFC) update its revenue forecast for its May 1st report deadline. The changeover in the appointing authorities resulted in all new membership on the CEFC. The new members after administrative formalities, including appointing a fifth member, established an economic forecast that showed some improvement in the short-term but slower future growth.

The price of crude oil remains a significant concern as the situation in Libya and other Middle East countries has pushed crude oil to over \$105 per barrel. The most significant price increases came toward the end of the heating season in February and March, which due to the month lag in the sales tax collections will show up in March and April sales tax revenue. March sales tax has showed some slowing, but it still remains close to budget.

As the public hearing phase of the work on the Governor's 2012-2013 Biennial Budget was winding down in the Appropriations Committee, the Governor presented a second supplemental budget, LD 1372, to deal with some \$64.9 million in emergency funding needs for the current fiscal year, primarily Department of Health and Human Services Medicaid funding needs.

Total MaineCare caseload growth has moderated in recent months particularly after controlling for growth in the non-categorical adults waiver caseload. The 2 most recent weekly March MaineCare cycles showed a significant retreat from recent \$50 million weekly cycles and dropped the weekly average back down. An assessment of the sustainability of these recent trends could affect the need for additional MaineCare funding for FY 2011.



General Fund Revenue Update

Total General Fund Revenue - FY 2011 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$114.3	\$131.1	\$16.8	14.7%	\$102.5	28.0%
FYTD	\$1,658.9	\$1,680.7	\$21.8	1.3%	\$1,553.9	8.2%

General Fund revenue was \$16.8 million (14.7%) over budget in February and was \$21.8 million (1.3%) over budget for the fiscal year-to-date (FYTD). Compared with the same period last fiscal year, General Fund revenue has grown 8.2% for the 8 months through February of FY 2011.

February's positive variance was driven by Individual Income Tax refunds falling \$13.0 million below projections and withholding payments running ahead of projections by \$4.6 million. The performance of refunds and withholding was offset slightly by estimated tax payments falling \$0.6 million behind so that overall Individual Income Tax had a positive variance of \$17.2 million for February. While withholding payments continued to exceed budget in March, refunds above expectations more than eliminated February's positive variance. April 19th, the Individual Income Tax filing deadline for 2010 tax returns, will be watched carefully. The May 1st reporting deadline of the Revenue Forecasting Committee (RFC) now allows the capture of this important data for the RFC's mid-session revenue update. At this point, the performance of individual income tax collections does not provide any indication of a significant variance in this category in April.

Corporate Income Tax recovered in February, coming in \$3.9 million over budget for the month and was \$0.4 million ahead of budget for the FYTD through February. However, the monthly volatility continues as March's performance will swing this category back into negative territory at the end of March.

Sales and Use Tax also came in ahead of projections in February, over by \$1.0 million for the month and \$12.0 million for the FYTD. However, the Service

Provider Tax was below budget by \$0.5 million in February and \$2.2 million for the FYTD. Both of these categories are included in taxable sales data. The combined performance of these categories seems to indicate that consumers have not been too badly affected by the recent price increases in heating oil and gasoline. However, the recent near record high oil price levels will show up in March and April sales tax collections.

With the strong performance of these major taxes, a combined positive variance of \$35.5 million through February, revenue sharing transfers were \$1.1 million higher than projected.

The Other Revenue category was again under budget in February. February's negative \$1.4 million variance increased the FYTD negative variance to \$9.7 million (36.4%). Within this category, Targeted Case Management revenue administered by the Department of Health and Human Services (DHHS) was the major factor in this negative variance, falling below projections by \$6.7 million through February. This shortfall is related to an information technology issue that is nearly resolved. Other significant negative variances in this category included \$0.9 million from a shortfall in a \$1.5 million budgeted sale of state properties and \$0.8 from other Department of Health and Human Services revenue sources.

Some other areas of continuing concern through February of FY 2011 include fine revenue (\$2.3 million or 10.7% under budget), lottery transfers (\$2.3 million or 6.5% under budget) and STA-CAP transfers (\$1.8 million or 16.1% under budget). These areas will likely be revised downward in the next revenue forecast due May 1st.



Highway Fund Revenue Update

Total Highway Fund Revenue - FY 2011 (\$'s in Millions)

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
February	\$25.6	\$25.1	(\$0.4)	-1.6%	\$25.0	0.6%
FYTD	\$188.6	\$190.9	\$2.2	1.2%	\$189.5	0.7%

Highway Fund revenue was under budget by \$0.4 million (1.6%) in February, which lowered the positive variance for the FYTD through February to \$2.2 million (1.2%). Through February, Highway Fund revenue continued to reflect modest growth of 0.7% over the same period last fiscal year.

Fuel Taxes fell slightly below budget in February due to the \$0.4 million negative variance for the Gasoline Tax, very likely affected by recent price increases.

However, despite the recent increases in diesel fuel prices, this category continued to run ahead of projections and offset the negative gasoline tax shortfalls.

Motor Vehicle Registrations and Fees continued to perform ahead of budget overall with the bulk of this positive variance the result of the strong performance of long-term trailer registrations.

Cash Update

The average total cash pool balance for February was \$513.6 million, more than \$150 million higher than one year ago. The recent historical average for February's cash balances is \$541.0 million (February 2002 to 2010). Cash balances have shown improvement across the fund groups broken out in the table to the right. The General Fund internal cash flow borrowing is \$137.7 million less than a year ago. General Fund major reserve fund balances (the Maine Budget Stabilization Fund and the Reserve for Operating Capital) are \$36.4 million more than last year. An additional \$3.2 million is budgeted for transfer into the Budget Stabilization Fund at the close of FY 2011, which will increase the total General Fund reserves to nearly \$40 million (\$39.8 million).

The Governor's proposed second supplemental budget bill for FY 2011, LD 1372, includes an additional deappropriation of \$43,750 to take the remaining funding designated for tax anticipation note interest, which is not needed this year due to the relative health of the total cash pool.

Summary of Treasurer's Cash Pool

February Average Daily Balances		
Millions of \$'s		
	2010	2011
General Fund (GF) Total	\$10.0	\$21.7
General Fund (GF) Detail:		
Budget Stabilization Fund	\$0.2	\$25.4
Reserve for Operating Capital	\$0.0	\$11.2
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$303.2	\$165.5
Other General Fund Cash	(\$293.4)	(\$180.4)
Other Spec. Rev. - Interest to GF	\$2.5	\$31.1
Other State Funds - Interest to GF	\$10.5	\$17.8
Highway Fund	\$22.8	\$60.3
Other Spec. Rev. - Retaining Interest	\$43.0	\$54.0
Other State Funds	\$172.1	\$215.9
Independent Agency Funds	\$96.0	\$112.8
Total Cash Pool	\$356.8	\$513.6

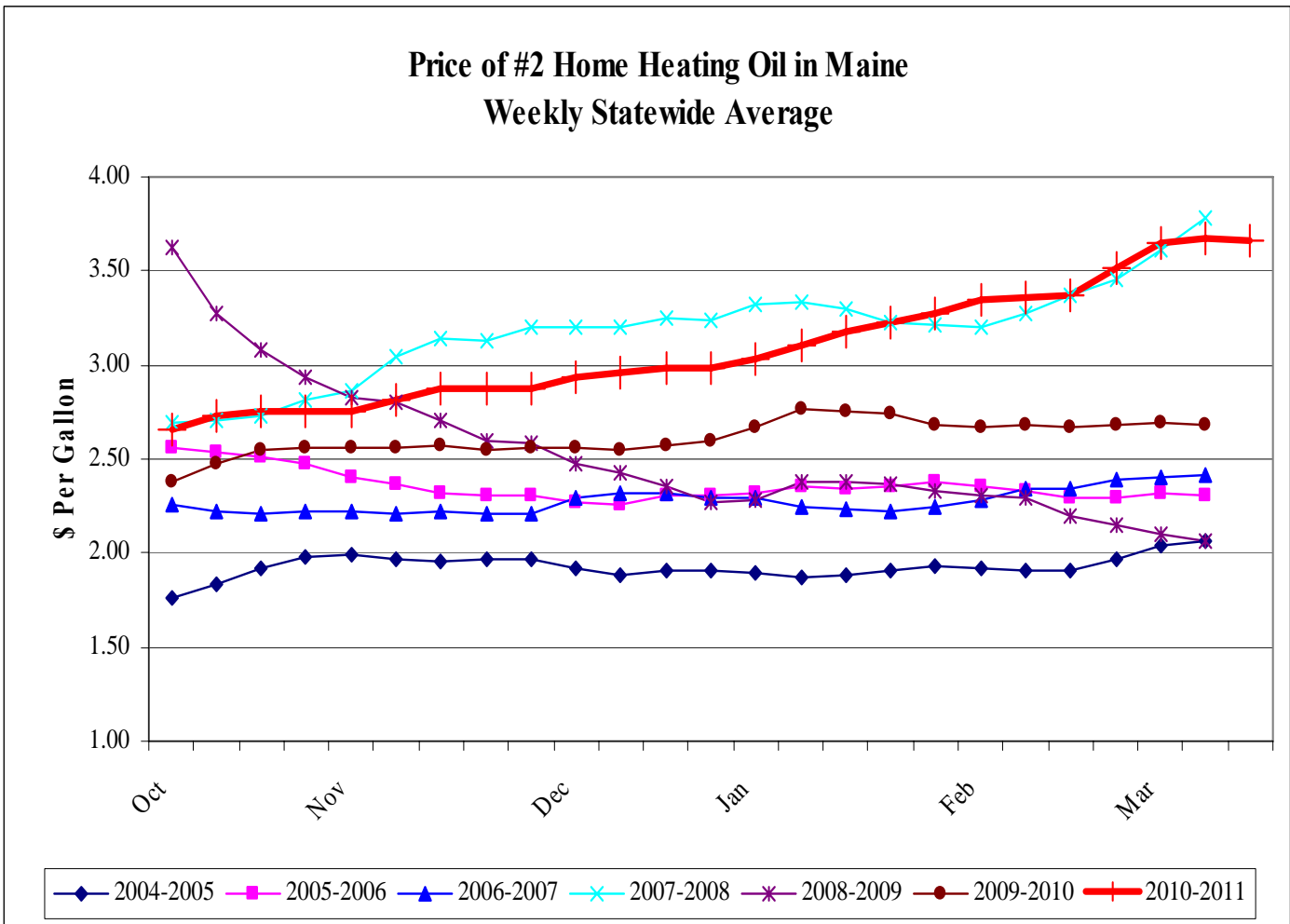


Heating Oil Price Update

After increasing for 14 consecutive weeks, the average price of #2 home heating oil in Maine fell \$0.01, from \$3.67 per gallon as of March 14, 2011 to \$3.66 per gallon as of March 21, 2011. However, prices remain at the highest levels experienced since September 2008. Prices have increased by \$0.29 per gallon over the last four weeks, or approximately 8.6%, and 36.6% over the same time last year.

As the chart below illustrates, the average price of home heating oil in Maine is very close to the record levels seen during the 2007-2008 winter heating season. The most dramatic increases came towards

the later part of the winter heating season. Assuming that we begin to see some spring warm-up, these high oil prices may not have as dramatic an effect on short-term state revenue as with past price increases. However, recent projections of crude oil prices remain quite high - at levels similar to those producing the very high heating oil prices of the 2007-2008 heating season and the recently concluded season. These projections factor in the turmoil in the Middle East and indicate that price risks remain on the upside, reflecting the possibility of the turmoil spreading to other major oil producing nations.





Second Supplemental Budget Overview

Shortly after the passage of the Emergency FY 2011 Supplemental Budget Bill, PL 2011, c. 1, in early February, the Administration provided indications of new General Fund shortfalls. As the public hearings on the Biennial Budget Bill were coming to a close at the end of March, the Governor presented another supplemental budget bill to address the estimated \$64.9 million of emergency funding needed to get through the remaining quarter of FY 2011. The table below provides an overview of the estimated shortfall and the initiatives to offset these additional General Fund costs. The presentation to the Appropriations Committee included the Governor's plan to transfer \$23.8 million by financial order (with a waiver of the 30-day waiting period) funds within the Department of Health and Human Services (DHHS) to cover a portion of the MaineCare shortfall. The Appropriations Committee will make a decision on whether to include these proposed financial order transfers within the bill or allow them to proceed with a waiver after the public hearing on the supplemental budget bill on April 4th.

One of the other decisions faced by the Appropriations Committee on these FY 2011 funding proposals will be to determine whether the recent developments in MaineCare caseload and weekly cycle payments support DHHS estimates of the amount of the MaineCare shortfall. These proposals result in a deferral of a \$29.7 million reimbursement to the federal government for an improper Medicaid drawdown related to targeted case management until FY 2012. The Administration has indicated that this liability would be settled by offsetting the costs with transfers from the Maine Budget Stabilization Fund (MBSF). To offset this and to improve the State's reserve fund picture when the State presents to the bond rating agencies in May for its annual June bond issue, the new budget bill includes a proposal to change the priorities of the year-end transfers of the unappropriated surplus in the General Fund to provide up to \$25 million more to the MBSF before the normal percentage distributions in 5 MRSA §1536.

Summary of Governor's 2nd Supplemental Budget Bill (LD 1372)

(\$'s in Millions)

FY 2011 General Fund Shortfalls	
MaineCare/Medicaid Shortfall*	\$61.7
Education - Child Development Services	\$1.3
Unrealized Saving from Personal Services Initiatives in Other Special Revenue Funds	\$1.4
Indigent Legal Services	\$0.6
Total Shortfalls	\$64.9
FY 2011 Offsets for General Fund Shortfalls	
Recalculation of federal Medicaid match for previous information systems expenses*	\$5.6
Earned federal revenue from recovered administrative costs in SCHIP*	\$9.7
Other DHHS available General Fund balances to transfer to MaineCare*	\$8.5
Transfer of funds set aside for federal Medicaid case management audit finding	\$29.7
Statewide Deappropriation related to contracts	\$2.0
Transfer of Health Insurance Internal Services Fund excess reserves	\$4.3
Deappropriation of excess FY 2011 appropriation for firefighter/law enf. health insurance	\$0.8
Additional General Fund Personal Services savings lapsing to General Fund	\$2.1
Lapsing balances in the Learning Through Technology Program in Education	\$1.3
Lapsed balances and deappropriation from Governor's Training Initiative, Labor	\$0.7
Other Miscellaneous savings in DAFS and Treasurer's Debt Service	\$0.1
Total Offsets	\$64.9
* \$23.8 million of internal DHHS savings proposed for transfer by financial order and not included in the bill.	

**Economic Forecast Update**

The Consensus Economic Forecasting Commission (CEFC) met during the last week in March over 2 days to conclude its April 1st update of the economic forecast that will be used by the Revenue Forecasting Committee (RFC) to project the major tax lines of General Fund and Highway Fund revenue. With the turnover in the appointing authorities, the CEFC was reformed with totally new membership. Much of the first meeting focused on organizational activities and appointing the 5th member (the 4 appointed members are charged with appointing the 5th member, see 5 MRSA, §1710). The remainder of their meetings focused on the review of various economic forecasts put out by Moody's Analytics (Moody's baseline forecast and 2 other scenarios), IHS Global Insights' baseline forecast and the November 2010 Forecast. The

CEFC decided to rely primarily on the IHS Global Insights baseline forecast with some modifications. The CEFC lowered Global Insights' employment and income growth in 2011 and lowered income growth rates for 2014 and 2015.

The table below compares some of the major variables in the new CEFC forecast with the variables of the last economic forecast reflected in the current revenue forecast. The general improvement in the economic forecast in the short-term, primarily 2011, will likely increase the revenue forecast in FY 2011, have an uncertain net effect in FY 2012 and will tend to drive the revenue forecast downward in FY 2013 and thereafter. The RFC will meet on April 26th to consider this forecast and update the revenue forecast.

Comparison of November 2010 and Preliminary April 2011 Economic Forecasts

Calendar Years	2010	2011	2012	2013	2014	2015
• Wage & Salary Employment (Annual Percentage Change)						
> Consensus 11/2010	-1.0%	0.4%	1.5%	2.1%	1.7%	1.0%
> Consensus 04/2011	-0.6%	0.4%	1.5%	1.5%	1.4%	1.2%
Difference	0.4%	0.0%	0.0%	-0.6%	-0.3%	0.2%
• Personal Income (Annual Percentage Change)						
> Consensus 11/2010	2.9%	3.0%	4.7%	4.9%	5.0%	4.5%
> Consensus 04/2011	3.0%	4.6%	2.9%	4.0%	4.0%	4.0%
Difference	0.1%	1.6%	-1.8%	-0.9%	-1.0%	-0.5%
Major Components of Personal Income:						
Wage and Salary Disbursements						
> Consensus 11/2010	1.8%	3.4%	5.7%	6.2%	5.5%	4.2%
> Consensus 04/2011	2.1%	4.0%	4.5%	4.2%	3.9%	3.5%
Difference	0.3%	0.6%	-1.2%	-2.0%	-1.6%	-0.7%
Supplements to Wages and Salaries						
> Consensus 11/2010	3.4%	3.2%	4.4%	5.3%	5.4%	4.5%
> Consensus 04/2011	3.0%	3.3%	4.2%	4.4%	4.7%	4.3%
Difference	-0.4%	0.1%	-0.2%	-0.9%	-0.7%	-0.2%
Non-Farm Proprietors' Income						
> Consensus 11/2010	6.2%	5.8%	6.3%	5.0%	4.0%	4.0%
> Consensus 04/2011	5.4%	6.1%	5.8%	3.4%	4.0%	3.7%
Difference	-0.8%	0.3%	-0.5%	-1.6%	0.0%	-0.3%
Dividends, Interest and Rent						
> Consensus 11/2010	0.0%	1.2%	4.9%	5.0%	6.0%	6.0%
> Consensus 04/2011	-0.1%	4.3%	4.0%	5.8%	5.7%	6.2%
Difference	-0.1%	3.1%	-0.9%	0.8%	-0.3%	-0.2%
Transfer Payments						
> Consensus 11/2010	6.1%	2.5%	2.6%	2.7%	4.3%	4.9%
> Consensus 04/2011	6.7%	3.1%	2.1%	3.5%	4.3%	4.4%
Difference	0.6%	0.6%	-0.5%	0.8%	0.0%	-0.5%
• Consumer Price Index (Annual Percentage Change)						
> Consensus 11/2010	1.7%	1.5%	2.3%	2.6%	2.3%	2.2%
> Consensus 04/2011	1.6%	2.5%	1.8%	2.0%	2.3%	2.1%
Difference	-0.1%	1.0%	-0.5%	-0.6%	0.0%	-0.1%
• Before Tax Corporate Profits (Annual Percentage Change)						
> Consensus 11/2010	35.0%	0.0%	12.8%	10.5%	4.7%	3.3%
> Consensus 04/2011	36.3%	-7.3%	0.2%	20.8%	6.5%	-3.8%
Difference	1.3%	-7.3%	-12.6%	10.3%	1.8%	-7.1%



MaineCare Update

MaineCare Spending

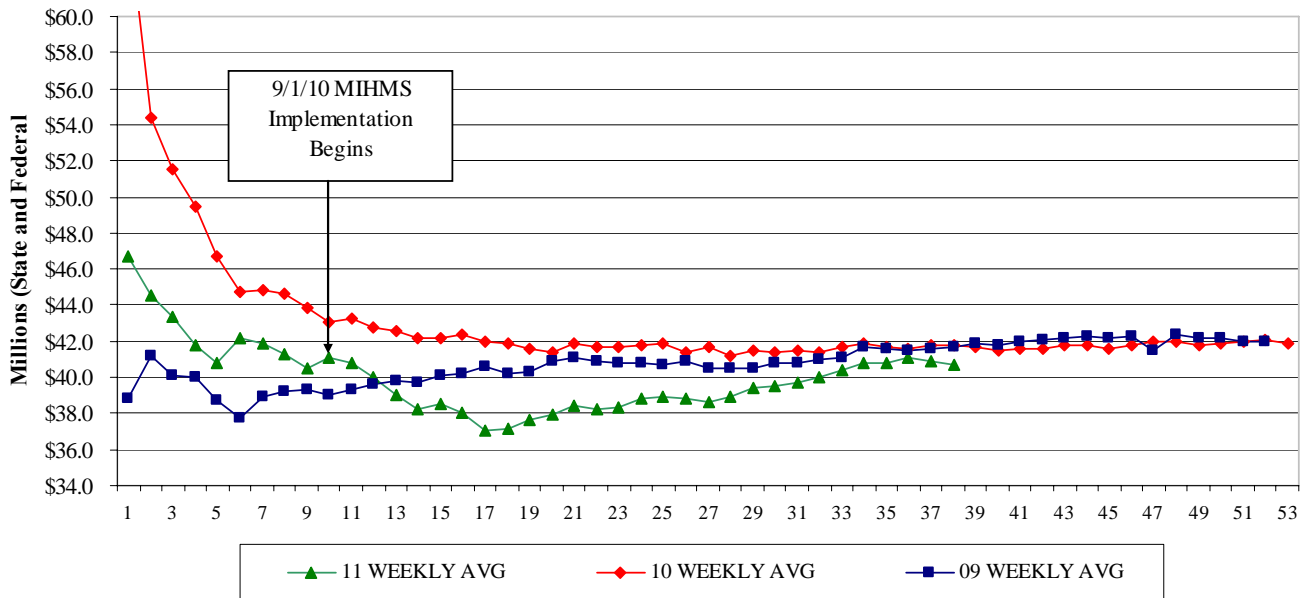
FY 2011 MaineCare spending through Week 38 (through March 25th), while continuing its recovery from the period of decreased weekly spending cycles after the September 1st “cutover” to the new Maine Integrated Health Management Solution (MIHMS) system, has moderated somewhat from the recent period of \$50 million weekly cycles. The weekly average cycle amount through Week 38 of \$40.7 million (state and federal spending) is below comparable FY 2010 and FY 2009 averages of approximately \$42 million, but above the average of \$37.0 million through the end of October 2010. The chart below summarizes weekly average MaineCare payment cycles for FY 2011 through Week 38, as well as comparable payment cycle averages for FY 2009 and FY 2010. While not included in the chart below, the Week 37 and Week 38 cycles also

included \$248.5 million (\$69.5 million General Fund) in MaineCare hospital settlement payments authorized in PL 2011, c. 1 (the EFY 2011 Supplemental Budget). Without these hospital settlement payments, the remaining Week 37 cycle was \$32.8 million and the Week 38 cycle was \$33.9 million.

In addition to the cycle payments, the Department of Health and Human Services (DHHS) continues to make “bridge payments” to MaineCare providers experiencing a delay in claims paid through the new MIHMS system. As of March 17, 2011, the Department of Health and Human Services reported it had made a total of \$92.9 million (state and federal spending) in such payments, with \$80.5 million repaid to date, leaving an outstanding balance of \$12.3 million.

MaineCare Weekly Cycle Averages - FY 09, FY 10 and FY 11

FY 11 Through 3/25/11 - Cycle 38



° FY 11 averages do not reflect MaineCare hospital settlements of \$227.7 million paid in the 3/18/11 (37th) and \$20.8 million paid in the 3/25/11 (38th) cycles.
 ° FY 10 averages do not reflect the \$132.5 million in MaineCare hospital settlements paid in the 10/23/09 (17th) cycle but do reflect the delayed FY 09 hospital and long-term care payments paid in the first weekly cycle of FY 10.
 ° FY 09 averages do not reflect MaineCare hospital settlements of \$160.4 paid in the 5/8/09 (45th) cycle and \$36.3 million paid in the 6/12/09 (50th) 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.

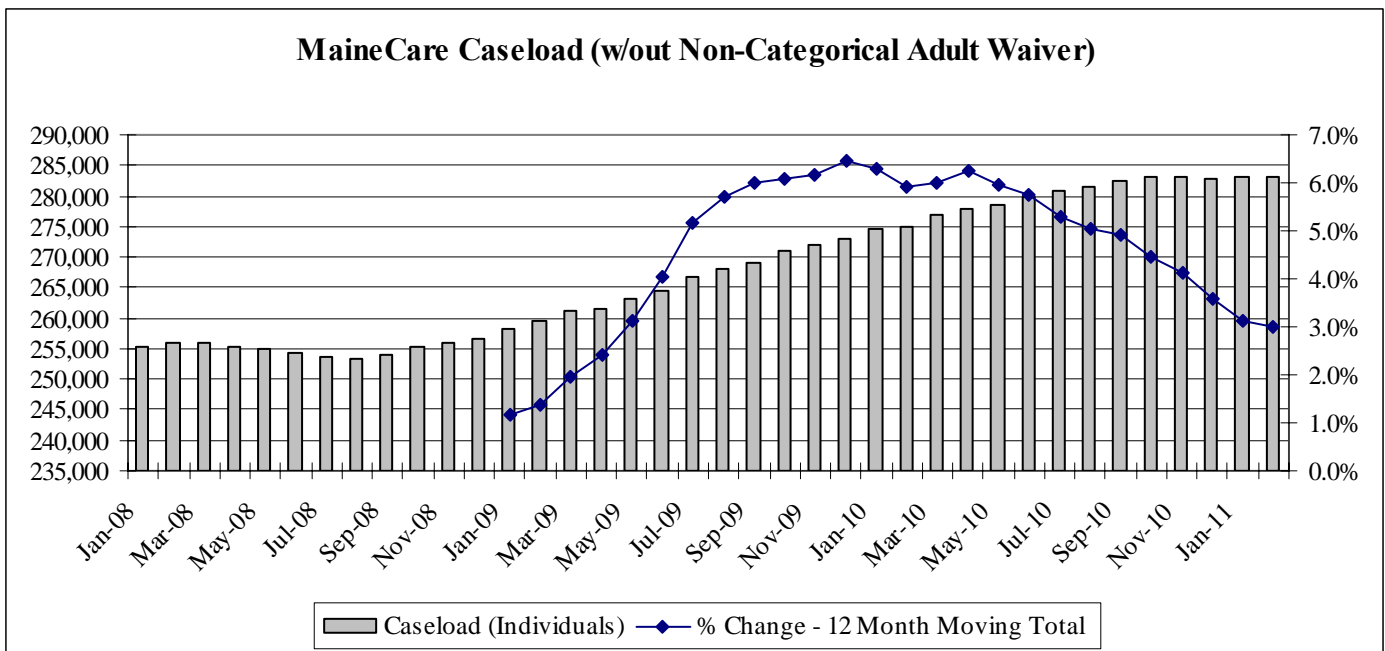


MaineCare Update (continued)

MaineCare Caseload

February 2011 MaineCare caseload data summarized in the table on the next page show a decrease of 517 persons from January levels. This decrease follows a 1,909 person increase in January and decreases of 671 persons in December and 431 persons in November. As discussed in last month's *Fiscal News*, the January increase was largely driven by a significant increase in the non-categorical adult waiver population. Over the last twelve months, overall MaineCare caseload has increased by 14,640 persons, a 5.1% increase. While overall MaineCare

caseload has remained high, recent months have seen a moderation in the sustained growth experienced over the previous two years. As shown in the chart below, when the impact of the monthly fluctuations caused by decisions to open and close the non-categorical adult waiver are removed, the caseload in recent months has remained relatively stable. The twelve month growth rate that peaked at 6.5% annual growth for the twelve month period ending in December 2009 has now moderated to just under 3% annual growth for the most recent 12 month period.



The “traditional Medicaid” enrollment category (i.e., adults and children receiving financial benefits such as TANF and IV-E Foster Care; aged and disabled persons; and institutionalized persons) increased by 321 persons in February. This February increase follows increases of 245 persons in January and decreases of 214 persons in December and 112 persons in November. Over the last twelve months a total of 7,263 persons have been added in this enrollment category (a 3.1% increase).

The non-categorical adult waiver population decreased to 17,106 persons in February, a decrease of 340 persons. This February decrease follows an increase of 1,657 persons in January and decreases

of 566 persons in December and 423 persons in November. Over the last year the non-categorical adult waiver caseload has increased by 6,437 persons. Month to month fluctuations in caseload for this waiver reflect DHHS decisions in managing new enrollment on a monthly basis to keep spending for the waiver within budgeted amounts but also to reduce the waiver waiting list to meet maintenance of effort spending requirements required under the American Recovery and Reinvestment Act of 2009 (ARRA). The January increase had reflected the Department’s decision to open enrollment to include those individuals who were on the waiting list from April, May and June of 2010.

*MaineCare Update (continued)***MaineCare Caseload Summary**

Calendar Year	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
2009 Avg.	226,423	9,590	4,801	18,976	10,673	5,857	276,320
2010 Avg.	236,851	10,342	5,276	20,851	14,605	6,628	294,554

Detail for Last 12 Months

Mar-10	234,049	10,390	5,170	20,716	12,334	6,478	289,137
Apr-10	234,926	10,357	5,171	20,879	12,867	6,579	290,779
May-10	235,572	10,332	5,151	20,964	15,546	6,637	294,202
Jun-10	236,604	10,279	5,200	21,108	15,397	6,613	295,201
Jul-10	237,337	10,329	5,257	21,176	15,048	6,710	295,857
Aug-10	238,279	10,300	5,297	20,938	15,496	6,692	297,002
Sep-10	238,949	10,449	5,332	20,944	15,855	6,692	298,221
Oct-10	239,502	10,483	5,371	20,931	16,778	6,741	299,806
Nov-10	239,390	10,480	5,399	21,033	16,355	6,718	299,375
Dec-10	239,176	10,478	5,491	21,024	15,789	6,746	298,704
Jan-11	239,421	10,411	5,531	20,974	17,446	6,830	300,613
Feb-11	239,742	10,201	5,469	20,748	17,106	6,830	300,096

Changes:

Latest month	321	-210	-62	-226	-340	0	-517
Last 12 Months	7,263	-60	332	215	6,437	453	14,640

Eligibility Descriptions:

- **Traditional Medicaid** includes adults and children in receipt of a financial benefit (TANF, IV-E); aged and disabled persons in receipt of a financial benefit (SSI, SSI Supplement), institutionalized persons (NF), and others not included below.
- **SCHIP (State Child Health Insurance Program) Medicaid Expansion Children (MS-CHIP)** (effective July 1998) are children with family incomes above 125/133% and up to and including 150% of the Federal Poverty Level (FPL).
- **SCHIP "Cub Care" Children** (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 Revenue
Fiscal Year Ending June 30, 2011 (FY 2011)
February 2011 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2011 Budgeted Totals
	February '11 Budget	February '11 Actual	February '11 Var.	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	56,089,080	57,063,796	974,716	550,844,477	562,816,154	11,971,677	2.2%	4.0%	904,850,262
Service Provider Tax	4,674,854	4,205,127	(469,727)	34,293,015	32,065,118	(2,227,897)	-6.5%	-1.6%	57,814,486
Individual Income Tax	31,269,584	48,465,133	17,195,549	829,720,227	855,050,717	25,330,490	3.1%	9.7%	1,370,120,000
Corporate Income Tax	4,154,712	8,008,323	3,853,611	115,669,608	116,059,294	389,686	0.3%	24.9%	195,734,414
Cigarette and Tobacco Tax	10,995,667	10,163,457	(832,210)	97,440,852	96,227,824	(1,213,028)	-1.2%	-2.3%	146,209,555
Insurance Companies Tax	960,814	656,865	(303,949)	12,610,510	12,523,057	(87,453)	-0.7%	-7.8%	76,765,000
Estate Tax	3,165,000	1,494,679	(1,670,321)	23,991,639	22,557,179	(1,434,460)	-6.0%	24.6%	42,978,079
Other Taxes and Fees *	7,822,785	7,957,163	134,378	81,865,201	84,757,263	2,892,062	3.5%	2.6%	149,281,382
Fines, Forfeits and Penalties	2,777,985	2,677,922	(100,063)	21,143,097	18,878,013	(2,265,084)	-10.7%	-14.3%	31,133,161
Income from Investments	(29,189)	27,620	56,809	(177,085)	182,976	360,061	203.3%	-1.7%	27,332
Transfer from Lottery Commission	4,002,631	3,777,489	(225,142)	35,023,058	32,748,452	(2,274,606)	-6.5%	-5.0%	52,034,250
Transfers to Tax Relief Programs *	(8,154,459)	(8,183,768)	(29,309)	(105,758,284)	(104,545,431)	1,212,853	1.1%	1.8%	(112,087,945)
Transfers for Municipal Revenue Sharing	(9,019,771)	(9,397,306)	(377,535)	(64,443,501)	(65,551,491)	(1,107,990)	-1.7%	9.1%	(89,975,242)
Other Revenue *	5,638,730	4,206,489	(1,432,241)	26,654,769	16,952,850	(9,701,920)	-36.4%	0.0%	59,089,977
Totals	114,348,423	131,122,989	16,774,566	1,658,877,583	1,680,721,974	21,844,391	1.3%	8.2%	2,883,974,711

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

General Fund Revenue
Fiscal Year Ending June 30, 2011 (FY 2011)
February 2011 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2011 Budgeted Totals
	February '11 Budget	February '11 Actual	February '11 Var.	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	0	0	0	12,080,762	11,896,097	(184,665)	-1.5%	5.0%	13,245,281
- Real Estate Transfer Tax	385,270	913,474	528,204	9,544,160	9,482,727	(61,433)	-0.6%	9.6%	13,298,052
- Liquor Taxes and Fees	1,467,739	1,221,130	(246,609)	13,247,452	13,619,748	372,296	2.8%	3.0%	20,413,193
- Corporation Fees and Licenses	449,675	660,859	211,184	2,022,616	2,253,748	231,132	11.4%	17.9%	7,697,099
- Telecommunication Personal Prop. Tax	0	0	0	0	(24,852)	(24,852)	N/A	-136.8%	16,775,988
- Finance Industry Fees	2,101,419	1,716,280	(385,139)	14,460,276	15,871,900	1,411,624	9.8%	9.0%	22,865,980
- Milk Handling Fee	469,387	92,796	(376,591)	3,039,770	2,803,198	(236,572)	-7.8%	-62.1%	5,949,972
- Racino Revenue	823,029	657,981	(165,048)	6,568,053	6,175,346	(392,707)	-6.0%	-0.4%	11,199,473
- Boat, ATV and Snowmobile Fees	401,187	292,005	(109,182)	2,756,865	2,491,323	(265,542)	-9.6%	3.3%	4,500,295
- Hunting and Fishing License Fees	917,471	1,419,997	502,526	10,881,742	11,426,679	544,937	5.0%	-1.1%	17,420,998
- Other Miscellaneous Taxes and Fees	807,608	982,641	175,033	7,263,505	8,761,349	1,497,844	20.6%	64.8%	15,915,051
Subtotal - Other Taxes and Fees	7,822,785	7,957,163	134,378	81,865,201	84,757,263	2,892,062	3.5%	2.6%	149,281,382
Detail of Other Revenue:									
- Liquor Sales and Operations	2,292	2,700	408	18,336	18,292	(44)	-0.2%	12.9%	7,391,759
- Targeted Case Management (DHHS)	1,826,892	1,694,634	(132,258)	15,852,168	9,182,066	(6,670,102)	-42.1%	-35.0%	23,159,729
- State Cost Allocation Program	1,427,888	1,035,081	(392,807)	11,200,293	9,393,593	(1,806,700)	-16.1%	-11.6%	16,699,059
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	2,333,420
- Toursim Transfer	0	0	0	(9,048,877)	(9,048,877)	0	0.0%	-0.3%	(9,048,877)
- Transfer to Maine Milk Pool	0	(266,670)	(266,670)	(4,011,691)	(4,011,691)	0	0.0%	59.6%	(4,611,691)
- Transfer to STAR Transportation Fund	0	0	0	(3,100,352)	(3,100,352)	0	0.0%	1.1%	(3,100,352)
- Other Miscellaneous Revenue	2,381,658	1,740,742	(640,916)	15,744,892	14,519,818	(1,225,074)	-7.8%	1.8%	26,266,930
Subtotal - Other Revenue	5,638,730	4,206,489	(1,432,241)	26,654,769	16,952,850	(9,701,920)	-36.4%	0.0%	59,089,977
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(1,357,691)	(1,307,383)	50,308	(38,515,969)	(36,841,403)	1,674,566	4.3%	-2.5%	(43,500,000)
- BETR - Business Equipment Tax Reimb.	(3,222,685)	(6,879,211)	(3,656,526)	(49,716,668)	(51,397,015)	(1,680,347)	-3.4%	8.4%	(51,043,140)
- BETE - Municipal Bus. Equip. Tax Reimb.	(3,574,083)	2,825	3,576,908	(17,525,647)	(16,307,012)	1,218,635	7.0%	-12.8%	(17,544,805)
Subtotal - Tax Relief Transfers	(8,154,459)	(8,183,768)	(29,309)	(105,758,284)	(104,545,431)	1,212,853	1.1%	1.8%	(112,087,945)
Inland Fisheries and Wildlife Revenue - Total	1,412,343	1,887,305	474,962	14,408,802	14,689,101	280,299	1.9%	-0.1%	23,068,034

Highway Fund Revenue
Fiscal Year Ending June 30, 2011 (FY 2011)
February 2011 Revenue Variance Report

Revenue Category	February '11			Fiscal Year-To-Date					FY 2011 Budgeted Totals
	Budget	Actual	Var.	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	15,452,241	15,030,327	(421,914)	119,254,485	119,554,453	299,968	0.3%	0.0%	194,694,000
- Special Fuel and Road Use Taxes	3,640,714	3,761,568	120,854	25,785,629	26,337,413	551,784	2.1%	-2.0%	43,651,789
- Transcap Transfers - Fuel Taxes	(1,406,361)	(1,390,035)	16,326	(12,179,689)	(12,229,501)	(49,812)	-0.4%	-2.0%	(17,503,281)
- Other Fund Gasoline Tax Distributions	(386,414)	(376,620)	9,794	(3,482,308)	(3,491,896)	(9,588)	-0.3%	-1.9%	(4,968,712)
Subtotal - Fuel Taxes	17,300,180	17,025,241	(274,939)	129,378,117	130,170,469	792,352	0.6%	-0.7%	215,873,796
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	4,364,946	4,404,813	39,867	39,451,713	40,190,430	738,717	1.8%	3.6%	64,718,038
- License Plate Fees	207,213	219,501	12,288	2,042,977	2,007,778	(35,199)	-1.8%	0.4%	3,445,125
- Long-term Trailer Registration Fees	1,380,360	1,738,341	357,981	4,830,507	5,641,814	811,307	14.4%	30.7%	7,884,523
- Title Fees	978,783	739,023	(239,760)	7,137,887	7,007,457	(130,430)	-1.9%	2.6%	10,871,056
- Motor Vehicle Operator License Fees	520,064	437,754	(82,311)	3,933,239	3,822,775	(110,465)	-2.9%	0.5%	5,958,859
- Transcap Transfers - Motor Vehicle Fees	0	0	0	(7,484,595)	(7,375,315)	109,280	1.5%	0.4%	(14,830,531)
Subtotal - Motor Vehicle Reg. & Fees	7,451,366	7,539,431	88,065	49,911,728	51,294,939	1,383,211	2.7%	6.1%	78,047,070
Motor Vehicle Inspection Fees	116,700	23,599	(93,101)	1,903,600	2,053,609	150,009	7.3%	7.8%	2,952,500
Other Highway Fund Taxes and Fees	76,735	70,439	(6,296)	852,715	833,418	(19,297)	-2.3%	-2.1%	1,325,823
Fines, Forfeits and Penalties	106,297	82,181	(24,116)	857,503	813,435	(44,068)	-5.4%	-22.3%	1,305,049
Interest Earnings	7,844	8,493	649	90,666	83,463	(7,203)	-8.6%	-6.9%	122,038
Other Highway Fund Revenue	496,430	396,308	(100,122)	5,648,297	5,605,754	(42,543)	-0.8%	-10.4%	8,102,531
Totals	25,555,552	25,145,692	(409,860)	188,642,626	190,855,087	2,212,461	1.2%	0.7%	307,728,807