

Summary of General Fund Structural Gap/Shortfalls and Solutions

124th Legislature, 1st Regular Session

Estimated Shortfall/Structural Gap Estimates	FY 09	FY 10	FY 11	3-yr Totals
Dec. 2008 Revenue vs. Projected Current Services Approps.	\$0.0	(\$444.5)	(\$521.0)	(\$965.5)
December 2008 Baseline Revenue Revision	(\$140.3)	\$0.0	\$0.0	(\$140.3)
May 2009 Revenue Revision	(\$129.2)	(\$195.6)	(\$244.2)	(\$569.1)
Total Structural Gap/Shortfalls - 124th 1st Regular Session	(\$269.5)	(\$640.2)	(\$765.2)	(\$1,674.9) 100.0%

General Fund - Summary of Actions to Offset Structural Gap/Shortfalls

Transfers and Adjustments to Balance	FY 09	FY 10	FY 11	3-yr Totals	% of Gap
General Fund Reserve Balance Transfers	\$170.2	\$0.0	(\$3.6)	\$166.5	9.9%
General Fund Appropriation Lapsed Balances	\$5.6	\$2.4	\$2.3	\$10.3	0.6%
One-day Borrowing from Other Special Revenue Funds	\$0.0	\$16.0	(\$16.0)	(\$0.0)	0.0%
General Fund Transfers from (to) Other Funds	\$8.6	\$3.5	\$2.0	\$14.1	0.8%
Prior Period Adjustments (Tax Accounting Error)	(\$11.1)	\$0.0	\$0.0	(\$11.1)	-0.7%
Total Net Transfers/Adjustments	\$173.2	\$21.9	(\$15.3)	\$179.8	10.7%
Legislative Revenue Adjustments	FY 09	FY 10	FY 11	3-yr Totals	% of Gap
Tax Reform - (Gross Sales and Income Tax Changes)	\$0.0	\$12.5	\$8.2	\$20.8	1.2%
Tax Enforcement Initiatives	\$0.0	\$22.5	\$19.4	\$41.9	2.5%
Other Tax and Fee Changes	\$6.7	\$21.7	\$44.9	\$73.3	4.4%
Net Changes to Tax Relief Revenue Transfers	\$0.0	\$15.1	\$14.1	\$29.2	1.7%
Net Reductions to Revenue Sharing/Accounting Change	\$19.8	\$15.8	\$23.0	\$58.6	3.5%
Other Revenue Changes	\$2.5	\$3.5	\$10.4	\$16.4	1.0%
Total General Fund Revenue Increases (Decreases)	\$29.0	\$91.2	\$120.0	\$240.2	14.3%
Appropriations	FY 09	FY 10	FY 11	3-yr Totals	% of Gap
Implied Changes from Current Services Estimates to Baseline	\$0.0	(\$253.9)	(\$371.7)	(\$625.6)	37.4%
Legislative Adjustments from Baseline Appropriations:					
- ARRA SFSF School Subsidy (GPA) Reductions	(\$40.2)	(\$51.2)	(\$66.9)	(\$158.3)	9.4%
- ARRA FMAP Deappropriations	(\$125.0)	(\$189.3)	(\$95.6)	(\$409.8)	24.5%
- ARRA Other MaineCare Offsets	(\$22.2)	(\$9.8)	\$0.0	(\$32.0)	1.9%
- ARRA Higher Education Deappropriations	(\$13.1)	(\$8.2)	(\$8.2)	(\$29.4)	1.8%
Subtotal - ARRA-related Deappropriations	(\$200.5)	(\$258.4)	(\$170.6)	(\$629.5)	37.6%
- Other GPA Adjustments	\$0.0	\$4.3	(\$39.9)	(\$35.6)	2.1%
- Other MaineCare Adjustments	\$88.1	\$22.6	(\$33.2)	\$77.6	-4.6%
- Other Health and Human Services Adjustments	(\$21.4)	(\$4.6)	(\$14.0)	(\$40.0)	2.4%
- State Employees - Pay and Health Insurance	\$0.0	(\$14.1)	(\$18.9)	(\$33.0)	2.0%
- Attrition and Retirement Incentive Savings	\$0.0	(\$12.0)	(\$12.4)	(\$24.5)	1.5%
- Debt Service Adjustments from Baseline	(\$1.0)	\$14.8	\$25.9	\$39.8	-2.4%
- Teachers Retirement Adjustments from Baseline	\$5.0	\$10.1	\$20.3	\$35.4	-2.1%
- Savings from Streamlining Initiative	\$0.0	\$0.0	(\$30.0)	(\$30.0)	1.8%
- Other Net Adjustments from Baseline Appropriations	\$11.0	\$4.9	(\$5.8)	\$10.2	-0.6%
Total Increase (Decrease) to Appropriations	(\$118.7)	(\$486.2)	(\$650.3)	(\$1,255.2)	74.9%
Net Increase (Decrease) General Fund Balance	\$320.9	\$599.3	\$755.0	\$1,675.3	100.0%
Net Increase (Decrease) to Ending Balances	\$51.3	(\$41.1)	(\$9.9)	\$0.3	

General Fund and Highway Fund Revenue
Fiscal Year Ending June 30, 2009
Reflecting Final Budgeted Amounts

JUNE 2009 AND FINAL FY 2009 REVENUE VARIANCE REPORT

Revenue Line	June '09 Budget	June '09 Actual	June '09 Var.	FY09 YTD Budget	FY09 YTD Actual	FY09 YTD Variance	FY09 YTD Variance %	FY09 Budgeted Totals
General Fund								
Sales and Use Tax	165,967,752	160,922,855.00	(5,044,897.00)	929,698,051	921,823,720.19	(7,874,330.81)	-0.8%	929,698,051
Service Provider Tax	8,834,479	8,835,550.28	1,071.28	53,452,742	52,812,594.94	(640,147.06)	-1.2%	53,452,742
Individual Income Tax	184,921,379	161,437,774.89	(23,483,604.11)	1,281,982,990	1,242,505,909.45	(39,477,080.55)	-3.1%	1,281,982,990
Corporate Income Tax	35,113,923	25,880,193.71	(9,233,729.29)	148,940,000	143,085,965.64	(5,854,034.36)	-3.9%	148,940,000
Cigarette and Tobacco Tax	12,258,301	13,971,628.03	1,713,327.03	143,213,844	144,424,711.63	1,210,867.63	0.8%	143,213,844
Public Utilities Tax	0	0.00	0.00	18,405,029	19,536,482.86	1,131,453.86	6.1%	18,405,029
Insurance Companies Tax	22,973,322	26,316,407.76	3,343,085.76	71,978,985	79,770,430.97	7,791,445.97	10.8%	71,978,985
Estate Tax	8,827,641	7,041,801.24	(1,785,839.76)	34,335,010	31,819,187.58	(2,515,822.42)	-7.3%	34,335,010
Property Tax - Unorganized Territory	1,963,261	1,638,382.00	(324,879.00)	12,969,540	12,633,755.00	(335,785.00)	-2.6%	12,969,540
Income from Investments	46,555	(10,366.20)	(56,921.20)	1,154,221	1,100,029.38	(54,191.62)	-4.7%	1,154,221
Transfer to Municipal Revenue Sharing	(14,583)	0.00	14,583.00	(103,412,337)	(102,156,198.76)	1,256,138.24	1.2%	(103,412,337)
Transfer from Lottery Commission	3,811,481	4,365,919.68	554,438.68	49,549,250	49,839,434.04	290,184.04	0.6%	49,549,250
Other Revenue	29,918,611	33,941,678.94	4,023,067.94	212,495,823	214,172,271.68	1,676,448.68	0.8%	212,495,823
Totals	474,622,122	444,341,825.33	(30,280,296.67)	2,854,763,148	2,811,368,294.60	(43,394,853.40)	-1.5%	2,854,763,148
Highway Fund								
Fuel Taxes	39,442,412	37,875,516.70	(1,566,895.30)	217,243,255	216,215,543.91	(1,027,711.09)	-0.5%	217,243,255
Motor Vehicle Registration and Fees	9,945,667	10,574,044.99	628,377.99	92,254,651	91,886,824.40	(367,826.60)	-0.4%	92,254,651
Inspection Fees	107,616	394,193.08	286,577.08	3,996,421	4,057,977.64	61,556.64	1.5%	3,996,421
Fines	184,762	163,429.33	(21,332.67)	1,795,049	1,785,196.53	(9,852.47)	-0.5%	1,795,049
Income from Investments	28,772	44,993.96	16,221.96	458,392	480,418.53	22,026.53	4.8%	458,392
Other Revenue	608,428	921,359.99	312,931.99	9,401,872	9,816,188.25	414,316.25	4.4%	9,401,872
Totals	50,317,657	49,973,538.05	(344,118.95)	325,149,640	324,242,149.26	(907,490.74)	-0.3%	325,149,640

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

REVENUE CATEGORY	FY 2005	% Chg	FY 2006	% Chg	FY 2007	% Chg	FY 2008	% Chg	FY 2009	% Chg
GENERAL FUND										
Sales and Use Tax	\$896,576,322.41	2.6%	\$946,174,276.49	5.5%	\$971,455,721.16	2.7%	\$983,057,278.30	1.2%	\$921,823,720.19	-6.2%
Service Provider Tax	\$44,645,517.02	N/A	\$47,028,430.04	5.3%	\$49,400,531.56	5.0%	\$52,100,663.57	5.5%	\$52,812,594.94	1.4%
Individual Income Tax	\$1,296,255,556.72	12.1%	\$1,364,368,543.16	5.3%	\$1,464,928,346.49	7.4%	\$1,558,032,960.61	6.4%	\$1,365,437,729.41	-12.4%
Individual Income Tax (Circuitbreaker)	(\$26,030,227.29)	N/A	(\$42,796,070.28)	-64.4%	(\$44,440,759.07)	-3.8%	(\$46,689,380.27)	-5.1%	(\$48,751,672.45)	-4.4%
Individual Income Tax (BETR)	\$0.00	N/A	(\$67,065,809.69)	N/A	(\$66,553,092.48)	0.8%	(\$67,875,376.29)	-2.0%	(\$74,180,147.51)	-9.3%
Corporate Income Tax	\$135,862,913.44	21.7%	\$188,015,557.61	38.4%	\$183,851,533.23	-2.2%	\$184,514,568.35	0.4%	\$143,085,965.64	-22.5%
Cigarette and Tobacco Tax	\$96,350,703.70	-0.3%	\$156,951,369.91	62.9%	\$158,953,466.08	1.3%	\$150,499,431.93	-5.3%	\$144,424,711.63	-4.0%
Public Utilities Tax	\$25,403,213.56	-9.2%	\$20,627,030.00	-18.8%	\$16,317,029.00	-20.9%	\$16,858,472.04	3.3%	\$19,536,482.86	15.9%
Insurance Companies Tax	\$75,669,053.48	4.8%	\$76,065,864.43	0.5%	\$74,452,541.68	-2.1%	\$72,292,532.14	-2.9%	\$79,770,430.97	10.3%
Estate Tax	\$32,255,726.97	0.6%	\$75,330,514.40	133.5%	\$54,820,038.11	-27.2%	\$39,890,576.91	-27.2%	\$31,819,187.58	-20.2%
Property Tax - Unorganized Territory	\$10,622,666.00	-0.8%	\$11,559,305.00	8.8%	\$11,376,293.00	-1.6%	\$12,217,081.00	7.4%	\$12,633,755.00	3.4%
Income from Investments	\$5,854,625.01	153.4%	\$8,271,869.40	41.3%	\$1,215,836.12	-85.3%	\$1,074,143.31	-11.7%	\$1,100,029.38	2.4%
Revenue Sharing Transfers	(\$119,712,814.17)	-7.4%	(\$124,222,179.55)	-3.8%	(\$130,490,756.35)	-5.0%	(\$135,820,175.16)	-4.1%	(\$102,160,745.18)	24.8%
Liquor Transfers	\$49,845,026.94	-51.2%	\$2,560,043.62	-94.9%	\$4,412,264.00	72.4%	\$5,534,346.00	25.4%	\$6,190,531.00	11.9%
Lottery Transfers	\$49,328,102.14	19.5%	\$50,879,646.68	3.1%	\$50,624,741.35	-0.5%	\$49,491,086.25	-2.2%	\$49,839,434.04	0.7%
Other Revenue	\$217,918,667.48	-2.7%	\$218,077,295.40	0.1%	\$219,271,655.50	0.5%	\$212,640,783.41	-3.0%	\$207,986,287.10	-2.2%
TOTAL GENERAL FUND REVENUE	\$2,790,845,053.41	4.0%	\$2,931,825,686.62	5.1%	\$3,019,595,389.38	3.0%	\$3,087,818,992.10	2.3%	\$2,811,368,294.60	-9.0%
HIGHWAY FUND										
Fuel Taxes	\$220,484,728.32	3.7%	\$221,575,308.92	0.5%	\$226,824,017.56	2.4%	\$225,235,339.36	-0.7%	\$216,215,543.91	-4.0%
Motor Vehicle Registration and Fees	\$84,645,422.12	2.5%	\$87,658,962.22	3.6%	\$87,291,873.62	-0.4%	\$86,094,837.27	-1.4%	\$91,886,824.40	6.7%
Inspection Fees	\$4,260,058.93	-9.5%	\$4,373,691.60	2.7%	\$4,342,518.85	-0.7%	\$4,193,874.09	-3.4%	\$4,057,977.64	-3.2%
Fines	\$1,518,580.08	-20.9%	\$1,809,813.31	19.2%	\$1,667,999.77	-7.8%	\$1,747,985.91	4.8%	\$1,785,196.53	2.1%
Income from Investments	\$1,440,738.71	100.1%	\$1,833,806.41	27.3%	\$1,105,986.72	-39.7%	\$1,152,490.60	4.2%	\$480,418.53	-58.3%
Other Revenue	\$13,728,627.10	44.5%	\$9,294,574.07	-32.3%	\$9,588,686.28	3.2%	\$9,712,051.34	1.3%	\$9,816,188.25	1.1%
TOTAL HIGHWAY FUND REVENUE	\$326,078,155.26	4.5%	\$326,546,156.53	0.1%	\$330,821,082.80	1.3%	\$328,136,578.57	-0.8%	\$324,242,149.26	-1.2%

Adjusted for Service Provider Tax Split