



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 continued to perform consistent with revised projections through the first half of FY 2014, largely due to the strength in Individual Income Tax and Sales and Use Tax collections. Individual Income Tax estimated payments were carefully scrutinized through the January 15th due date for final 2013 estimated payments. Although initially ahead of projections in December, these estimated payments fell well short of projections in January, indicating that the significant increase in payments this fall was unusual and not an indicator of a major increase in 2013 individual income tax liability.

Highway Fund revenue continued to outpace the revised budgeted targets largely due to the strength of fuel tax collections.

With revenue tracking close to budget and very little change in the economic data from the previous projections, the Consensus Economic Forecasting Commission left its forecast of a slow, steady recovery largely unchanged.

Cash balances remained relatively healthy as the expected decline of General Fund cash balances has been slower than anticipated. Highway Fund cash balances, as a result of a change in the timing of the Local Road Assistance program payments, dropped dangerously low in December, but should recover over the remaining winter months.

State expenditures increased by 13.7% through the first half of FY 2014. However, after factoring out the one-time \$490.2 million of MaineCare hospital settlement payments in September, total operating expenditures showed a modest decline for the first half.

The abrupt change in temperatures over the last 2 months dropped average temperatures almost 5% below normal. This combined with the steady growth of heating oil prices will place added strain on consumer spending this winter.

The strong performance of the financial markets over the last year helped the Maine Public Employees Retirement System earn close to a 15% return for calendar year 2013. While the state budget will not be able to recognize these gains in the short-term, this performance may help reduce employer contribution rates for the 2016-2017 biennium.

MaineCare caseloads continue to trend downward, but average weekly MaineCare spending is just beginning to show some signs of dropping below last year's levels. Failing to achieve the budgeted decline in spending, the Department of Health and Human Services recently released revised projections for a \$45 million General Fund MaineCare shortfall this fiscal year and an additional \$33 million shortfall for FY 2015.



General Fund Revenue Update

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
December	\$243.5	\$248.6	\$5.1	2.1%	\$240.2	3.5%
FYTD	\$1,355.1	\$1,356.3	\$1.2	0.1%	\$1,304.7	4.0%

General Fund revenue was over budget by \$5.1 million (2.1%) in December and \$1.2 million (0.1%) for the first half of the fiscal year. These positive variances are calculated on the revised December revenue forecast, which increased budgeted revenue for FY 2014 by \$12.7 million. General Fund revenue grew by 4.0% for the first half of the fiscal year but is projected to end the fiscal year 0.6% below FY 2013.

Individual Income Tax revenue was \$6.6 million over budget in December and for the first half of FY 2014. This positive variance was primarily related to higher than projected final payments and lower than projected refund activity. Collections for the final estimated payment for the 2013 tax year, due by January 15th, were \$0.5 million over budget in December, but will fall below budget after January's revenue results are tallied. The decline in the final estimated payments corroborates the Revenue Forecasting Committee's conservative assumption in the December 2013 revenue forecast that the increase in September estimated payments was unusual and not indicative of a significant increase in 2013 income tax liabilities.

The Sales and Use Tax was over budget despite a slowing of the very strong growth of the automobile

and building supply sectors earlier this fall. Other retail sectors showed improved growth for the beginning of the holiday shopping season. December taxable sales (January revenue) also appear to be running ahead of the revised forecast. That revised forecast assumed a decline in taxable sales for the holiday season. It now appears that those taxable sales were approximately even with the 2012 holiday season.

The Corporate Income Tax, which was under budget by \$2.7 million in December, recovered sufficiently in January to bring it back over budget. Some pending refunds may create future negative variances in the next few months.

The only other significant negative variance among the major revenue sources was the Estate Tax, which was under budget by \$3.5 million for the first half of the fiscal year. This category is budgeted very evenly throughout the year but there are typically a few large estates that create spikes in the months in which they are received. While the size of this variance is a concern, it may only be due to our having yet to receive any sizeable estate tax payments this fiscal year.

Highway Fund Revenue Update

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

	Budget	Actual	Var.	% Var.	Prior Year	% Growth
December	\$22.2	\$22.4	\$0.2	1.0%	\$21.2	5.8%
FYTD	\$139.4	\$142.9	\$3.5	2.5%	\$145.3	-1.7%

Highway Fund revenue was over budget by \$0.2 million (1.0%) in December and \$3.5 million (2.5%) for the fiscal year through December. The \$0.7 million increase of Highway Fund budgeted revenue in the December revenue forecast for FY 2014 is now reflected in these variances.

The Fuel Taxes category, which was not revised in the December revenue forecast, has built up a \$3.5 million positive variance for the first half of the fiscal year with December's \$0.3 million positive variance.

This category accounts for virtually all of the positive variance for the Highway Fund.

Other categories have been performing well and are exceeding the revised budgeted targets with the exception of Motor Vehicle Inspection Fee revenue. This category was under budget by \$0.7 million for the first half of FY 2014. However, this negative variance is likely due to distortions in the monthly distribution of budgeted revenue based on the prior fiscal year's pattern of collections



Economic Forecast Update

The Consensus Economic Forecasting Commission (CEFC) met on Thursday, January 30th, to update the economic forecast for its February 1st statutory reporting deadline. The review of an additional quarter of economic data showed little change from previous projections of a slow, steady recovery. As a result, the CEFC made only minor changes to its November 2013 economic forecast.

The table below compares the November 2013 and February 2014 economic forecast for the major variables in the consensus economic forecast. The changes show higher growth assumptions for Corporate Profits in the short-term and slightly lower growth assumptions for total Personal Income. The Personal Income changes are driven by short-term changes in Transfer Payments, which include: Medicaid and Medicare benefits; income maintenance benefits; veterans' benefits; and unemployment benefits. The other forecast revision was an adjustment to the projections of Dividends, Interest and Rents throughout the forecast period.

The CEFC continues to diverge from the forecasts of the major national forecasting firms with respect to the forecasts of Maine employment and the related forecast of wages and wage supplements. The CEFC, based on its analysis of the demographic trends of Maine's workforce, determined that the growth assumptions in those firms' forecasts were too optimistic. In its November 2013 forecast, the CEFC lowered employment and wage assumptions to reflect more realistic growth and retained that lower forecast in this update.

The economic variables of the CEFC forecast are used by Maine Revenue Services to provide tax model forecasts for the major taxes. The tax model forecasts will be reviewed by the Revenue Forecasting Committee (RFC) when it meets in late February to update its revenue forecast for the March 1st revenue forecast deadline. The modest downward changes to the Personal Income forecast will, absent other factors, result in slightly lower tax model forecasts for revenue from Individual Income Tax and Sales and Use Taxes.

Consensus Economic Forecasting Commission

Comparison of November 2013 and February 2014 Economic Forecasts

<u>Calendar Years</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
• Wage & Salary Employment (Annual Percentage Change)					
> Consensus 11/2013	0.5%	0.7%	0.7%	0.7%	0.5%
> Consensus 2/2014	0.5%	0.7%	0.7%	0.7%	0.5%
Difference	0.0%	0.0%	0.0%	0.0%	0.0%
• Personal Income (Annual Percentage Change)					
> Consensus 11/2013	2.3%	4.4%	3.8%	4.1%	4.3%
> Consensus 2/2014	2.3%	4.3%	3.7%	4.0%	4.2%
Difference	0.0%	-0.1%	-0.1%	-0.1%	-0.1%
• Consumer Price Index (Annual Percentage Change)					
> Consensus 11/2013	1.5%	1.6%	1.7%	1.9%	1.9%
> Consensus 2/2014	1.5%	1.6%	1.7%	1.9%	1.9%
Difference	0.0%	0.0%	0.0%	0.0%	0.0%
• Before Tax Corporate Profits (Annual Percentage Change)					
> Consensus 11/2013	1.3%	12.3%	0.8%	0.2%	-1.3%
> Consensus 2/2014	3.7%	14.2%	0.8%	0.1%	-1.0%
Difference	2.4%	1.9%	0.0%	-0.1%	0.3%



Cash Update

The average total cash pool balance for December was \$432.7 million. This average balance was \$1.7 million lower than last December, \$7.6 million lower than November and \$46.5 million lower than the 10-year average balance for December of \$479.2 million.

December cash balances fell below last year's balances and General Fund internal borrowing in December increased above last year's levels for the first time this fiscal year. The General Fund decline was expected due to the negative cash effects of the \$98.5 million Other Special Revenue Funds borrowing in the Biennial Budget to balance FY 2014. The December Highway Fund average cash balance dropped below \$4.0 million due to a change from quarterly payments to a single annual payment by December 1st for the Local Road Assistance program. Highway Fund cash balances should recover from this temporary drop due to normal off-season reductions in demand for highway and bridge spending

Summary of Treasurer's Cash Pool		
December Average Daily Balances		
	Millions of \$'s	
	2012	2013
General Fund (GF) Total	\$39.7	\$44.7
General Fund (GF) Detail:		
Budget Stabilization Fund	\$44.8	\$59.8
Reserve for Operating Capital	\$17.1	\$2.6
Tax Anticipation Notes	\$0.0	\$0.0
Internal Borrowing	\$214.7	\$216.7
Other General Fund Cash	(\$236.8)	(\$234.4)
Other Spec. Rev. - Interest to GF	(\$5.6)	\$12.5
Other State Funds - Interest to GF	\$16.0	\$18.9
Highway Fund	\$21.8	\$4.0
Other Spec. Rev. - Retaining Interest	\$66.6	\$35.7
Other State Funds	\$184.5	\$218.2
Independent Agency Funds	\$111.4	\$98.8
Total Cash Pool	\$434.5	\$432.7

State Expenditure Update

The State's expenditures for the Operating Funds grew by \$484.4 million or 13.7% for the first half of FY 2014 compared with the first half of FY 2013. As was reported in the October *Fiscal News*, this unusual growth was due solely to the \$490.2 million MaineCare hospital settlement payment in September funded by the proceeds of the liquor revenue bonds. If these one-time payments are subtracted from the totals in Other Special Revenue Funds and Federal Funds, total Operating Funds expenditures would have declined \$5.8 million or 0.2%.

General Fund expenditures increased by \$32.9 million or 2.1% in the first half of FY 2014. The Department of Health and Human Services accounted for more than half of the General Fund growth for this period, increasing by \$16.5 million or 3.1%. Department of Education General Fund

spending was virtually flat. If the \$18 million deferral of the June 2013 subsidy payments until July had been paid in FY 2013, Education spending would have declined by 3.0%.

Total Highway Fund spending grew by \$25.8 million or 15.5% for the first half of FY 2014. Much of this growth is related to the change in the timing of the payments of the Local Road Assistance program, which was converted this fiscal year from quarterly payments to a single payment by December 1st. This resulted in a doubling of payments during the first half of the fiscal year for this \$23.1 million program. This timing change for Local Road Assistance program payments also significantly depleted Highway Fund cash balances in December (see Cash Update article).



State Expenditure Update (Continued)

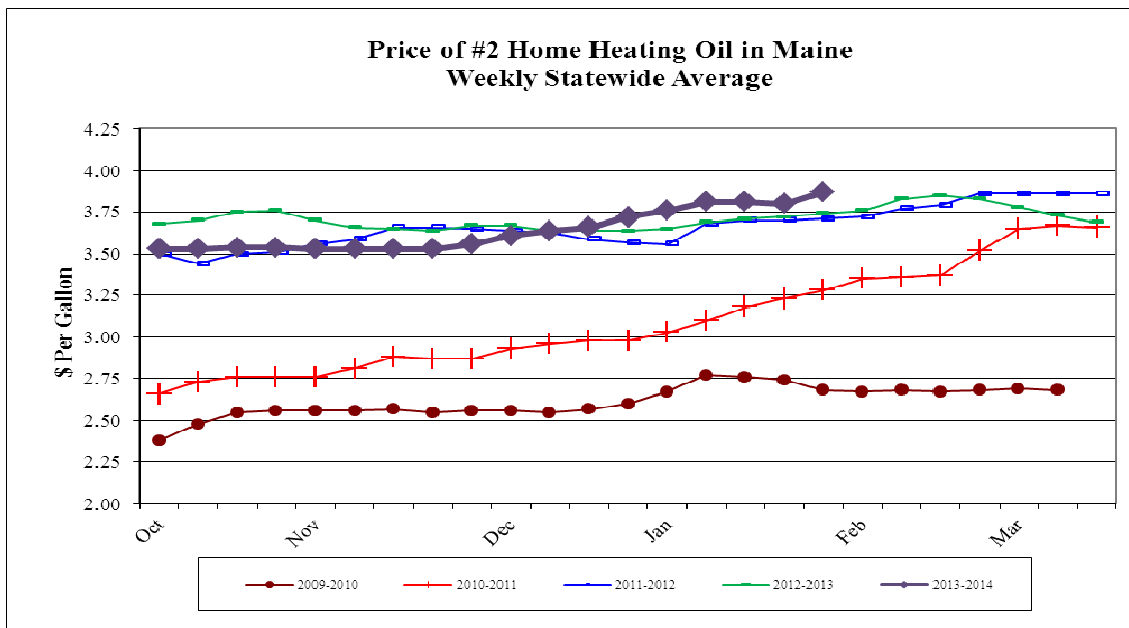
Operating Funds - Expenditures through 1st Half of Fiscal Year

Operating Funds:	FY 2013	FY 2014	% Change
General Fund	\$1,594,984,383	\$1,627,890,532	2.1%
Highway Fund	\$166,385,302	\$192,147,014	15.5%
Other Special Revenue Funds	\$475,660,306	\$658,779,757	38.5%
Federal Funds	\$1,304,222,133	\$1,546,801,365	18.6%
Total Operating Funds	\$3,541,252,124	\$4,025,618,669	13.7%
General Fund Expenditures by Major Department			
Education	\$598,694,794	\$598,767,753	0.0%
Health and Human Services	\$542,286,989	\$558,832,964	3.1%
Corrections	\$68,337,129	\$69,406,337	1.6%
Administrative and Financial Services	\$82,870,496	\$84,834,741	2.4%
Other Departments and Agencies	\$302,794,975	\$316,048,737	4.4%
Highway Fund Expenditures by Major Department			
Transportation	\$134,696,120	\$161,521,632	19.9%
Secretary of State	\$15,952,679	\$17,024,301	6.7%
Public Safety	\$14,444,479	\$12,351,410	-14.5%
Other Departments and Agencies	\$1,292,024	\$1,249,671	-3.3%

Heating Oil Price Update

The average price of #2 home heating oil in Maine is at \$3.87 per gallon as the month of January comes to an end, an all-time high for a winter heating season in Maine. This price is up approximately \$0.11 per gallon (2.9%) over December 2013 and \$0.12 per gallon (3.3%) over the same time last year. Average home heating oil prices for the first four months of the 2013-2014 winter heating season, however, are approximately 3.9% below the same time period last year due to lower home heating oil prices in the early part of the heating season.

Although temperatures in January were not as extreme as December, they still came in approximately 5.6% colder than last year and 2.5% colder than normal. For the first 4 months of the 2013-2014 winter heating season, temperatures were approximately 9.0% colder than the same time period last year and 4.6% colder than normal. Unless we experience a significant warm-up over the remainder of the winter months, households will be spending significantly more to heat their homes this year than last.





MainePERS Investment Update

Maine Public Employees Retirement System (MainePERS) investments were up 4.9% for the quarter and 14.8% over the previous one year period. The total plan assets increased \$500 million for the quarter, from \$11.7 billion as of September 30, 2013 to \$12.2 billion as of December 31, 2013. The total fund value increased approximately \$1.2 billion over the past 12 month period from \$11.0 billion as of December 31, 2012 to \$12.2 billion as of December 31, 2013.

For the quarter ending December 31, 2013, US stocks were up 10.1% and international stocks were up 4.9%. The US bond market was down 0.3%. During that same time period, approximately 90% of MainePERS asset allocation was in US Stocks (33.6%), US Bonds (23.6%), International Stocks (25.7%) and Real Estate (6.5%). The

remaining 10% was invested in Other, Infrastructure, Private Equity and Cash.

The table below shows the long-term return information as of December 31, 2013. Over the past 30 years, the fund has had an average return of 9.1% per year but quarterly and annual performance can deviate significantly from this long-term average in any given year.

It is also important to remember that this performance will not affect the rates for the 2014-2015 biennium, which were established based on the returns and value for the total fund as of June 30, 2012. However, this quarterly performance along with the performance over the next 2 quarters will be critical to the next rate adjustment which will set rates for the 2016-2017 biennium based on values as of June 30, 2014.

Long-Term Performance ending December 31, 2013					
(annualized performance)					
	1 Year	3 Years	5 Years	10 Years	30 Years
Total Fund	14.8%	9.1%	12.1%	6.6%	9.1%

MaineCare Update

MaineCare Spending

MaineCare cycle payments for FY 2014 continue to track closely to last year's payments with an average weekly MaineCare cycle for FY 2014 through Week 30 of \$45.3 million (state and federal dollars), which was slightly less than the weekly cycle average for FY 2013 through 30 weeks of \$45.5 million and less than the average for FY 2014 through Week 26 of \$45.9 million. MaineCare Chart 1 on the next page summarizes average weekly MaineCare cycle payments for FY 2014 as well as comparable payment cycle averages for FY 2012 and FY 2013. MaineCare Chart 2 summarizes the actual cycles each week for FY 2014 and for FY 2012 and FY 2013.

MaineCare 2014-2015 Shortfall

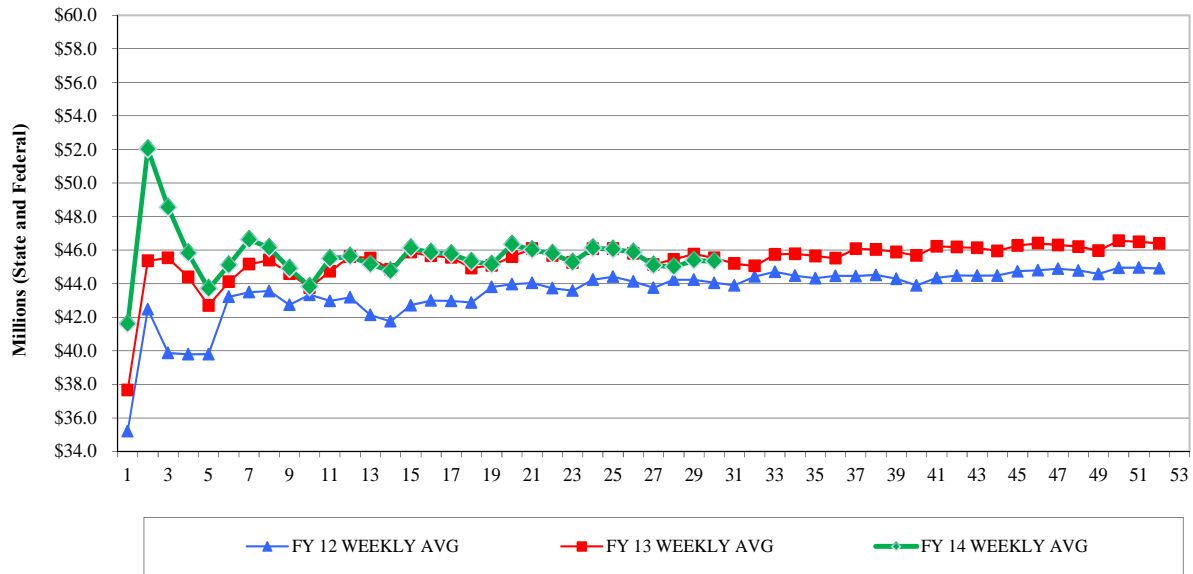
On January 24th, the Department of Health and

Human Services (DHHS) notified the Appropriations Committee that it had updated its MaineCare forecast and is now estimating a General Fund shortfall of \$45.2 million in FY 2014 and \$32.8 million in FY 2015. DHHS indicated that, while overall MaineCare spending is still forecast to grow at a moderate rate of approximately 1% per year, a shortfall is forecasted because General Fund appropriations for MaineCare for the biennium had assumed a net decrease in spending. Of the total projected shortfall, \$16.9 million in FY 2014 and \$11.3 million in FY 2015 was attributed to MaineCare budget initiatives not meeting budgeted savings assumptions. The DHHS will be providing the Committee with additional information on MaineCare spending categories that are expected to have a significant variance from budget assumptions.



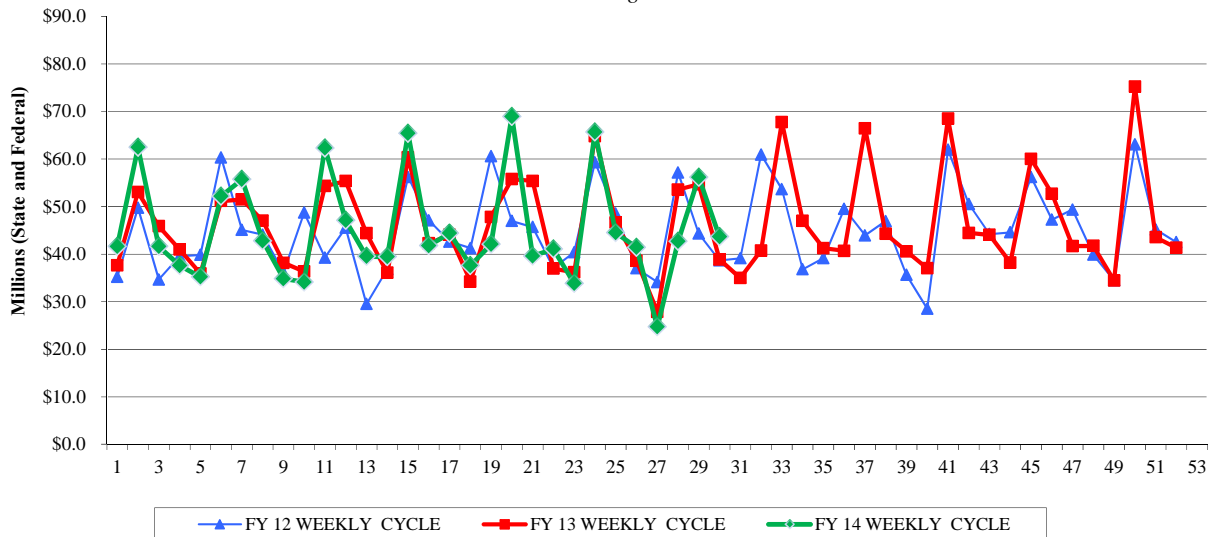
MaineCare Update (Continued)

MaineCare Chart 1 - Weekly Cycle Averages - FY 12, FY 13 and FY 14 FY 14 Through 1/25/14 - Week 30



° FY 14 averages do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) cycle. FY 13 averages do not reflect MaineCare hospital settlements of \$26.3 million paid in the 9/29/12 (13th) cycle.

MaineCare Chart 2 - Weekly Cycles - FY 12, FY 13 and FY 14 FY 14 Through 1/25/14 - Week 30



° FY 14 cycles do not reflect MaineCare hospital settlements of \$490.2 million paid in the 9/21/13 (12th) 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 through Six Months**

MaineCare Table 1 uses expenditure data through December 2013 to compare MaineCare and Related expenditures (all state and federal dollars) through the first six months of each of the last three fiscal years. After adjusting for one-time hospital settlements and case management recoupments, MaineCare spending through six months increased by 1.4% from FY 2013 to FY 2014. The overall change in spending included increases in the mental health services, pharmacy and related, HCBC waivers and residential care payment categories, which were offset by reductions in the Medicare crossover payments, medical professionals and clinic services payment categories.

Another factor affecting the change in “All Funds” spending through six months was an increase in the

net credits and other offsets in the “16 Other Adjustments” expenditure category. This category reflects financial transactions (e.g., third party liability collections, audit settlements, etc.) that are not assigned to another expenditure category.

MaineCare Table 1 also summarizes the MaineCare and Related programs General Fund expenditure impact through six months. The total impact shows a 0.4% increase from FY 2013 to FY 2014. After adjusting for the one-time expenditures noted above, the General Fund impact shows a 2.9% increase in spending through six months. A factor affecting this General Fund spending comparison through six months was a reduction in the net credits and other offsets in the “16 Other Adjustments” expenditure category, which was contrary to the “All Funds” impact.

MaineCare Table 1 - MaineCare and Related Expenditures Detail Through 6 Months					
<i>All Funds</i>					
Expenditure Categories	FY 2012	FY 2013	FY 2014	Chgs. FY 2013 to FY 2014	
	6 Months	6 Months	6 Months	\$	%
1 Hospital Services	\$236,247,129	\$288,788,980	\$290,696,363	\$1,907,382	0.7%
1A Hospital Settlements ¹	\$0	\$26,332,279	\$490,200,000	\$463,867,721	na
2 Residential Care	\$271,250,685	\$254,633,831	\$264,380,805	\$9,746,974	3.8%
3 HCBC Waivers	\$168,628,041	\$162,017,458	\$165,627,220	\$3,609,762	2.2%
4 Pharmacy and Related	\$152,772,039	\$145,926,941	\$160,912,660	\$14,985,720	10.3%
5 Medical Professionals	\$90,469,952	\$85,014,886	\$81,226,518	(\$3,788,368)	-4.5%
6 Medicare Crossover Payments	\$63,491,487	\$69,442,779	\$48,700,745	(\$20,742,033)	-29.9%
7 Mental Health Services	\$126,460,448	\$134,260,100	\$159,801,487	\$25,541,387	19.0%
8 Clinic Services	\$25,139,630	\$26,199,815	\$24,375,398	(\$1,824,416)	-7.0%
9 Home Health	\$14,625,809	\$15,024,217	\$16,750,235	\$1,726,019	11.5%
10 Rehabilitation Services	\$9,718,205	\$10,766,242	\$12,337,779	\$1,571,537	14.6%
11 Case Management ²	\$50,539,470	\$21,549,766	\$22,311,059	\$761,293	3.5%
12 Certified Seed	\$7,983,202	\$11,736,520	\$11,458,819	(\$277,700)	-2.4%
13 Transportation Services	\$24,339,812	\$22,648,177	\$22,109,081	(\$539,096)	-2.4%
15 Other Services	\$6,258,027	\$6,139,360	\$8,728,799	\$2,589,439	42.2%
16 Other Adjustments	(\$7,426,392)	(\$14,049,147)	(\$32,024,871)	(\$17,975,724)	127.9%
All Funds Totals	\$1,240,497,543	\$1,266,432,203	\$1,747,592,099	\$481,159,896	38.0%
One-Time Adjustments ^{1,2}	(\$29,736,437)	(\$26,332,279)	(\$490,200,000)		
Adjusted All Funds Totals	\$1,210,761,106	\$1,240,099,924	\$1,257,392,099	\$17,292,175	1.4%
General Fund Totals	\$420,577,247	\$395,888,562	\$397,436,853	\$1,548,291	0.4%
One-Time Adjustments ^{1,2}	(\$29,736,437)	(\$9,671,846)	\$0		
General Fund Adjusted Totals	\$390,840,810	\$386,216,716	\$397,436,853	\$11,220,137	2.9%

¹ Includes one-time hospital settlement payments in FY 2013 and FY 2014.

² Includes a one-time \$29.7 million FY 2012 targeted case management federal settlement.



MaineCare Update (Continued)

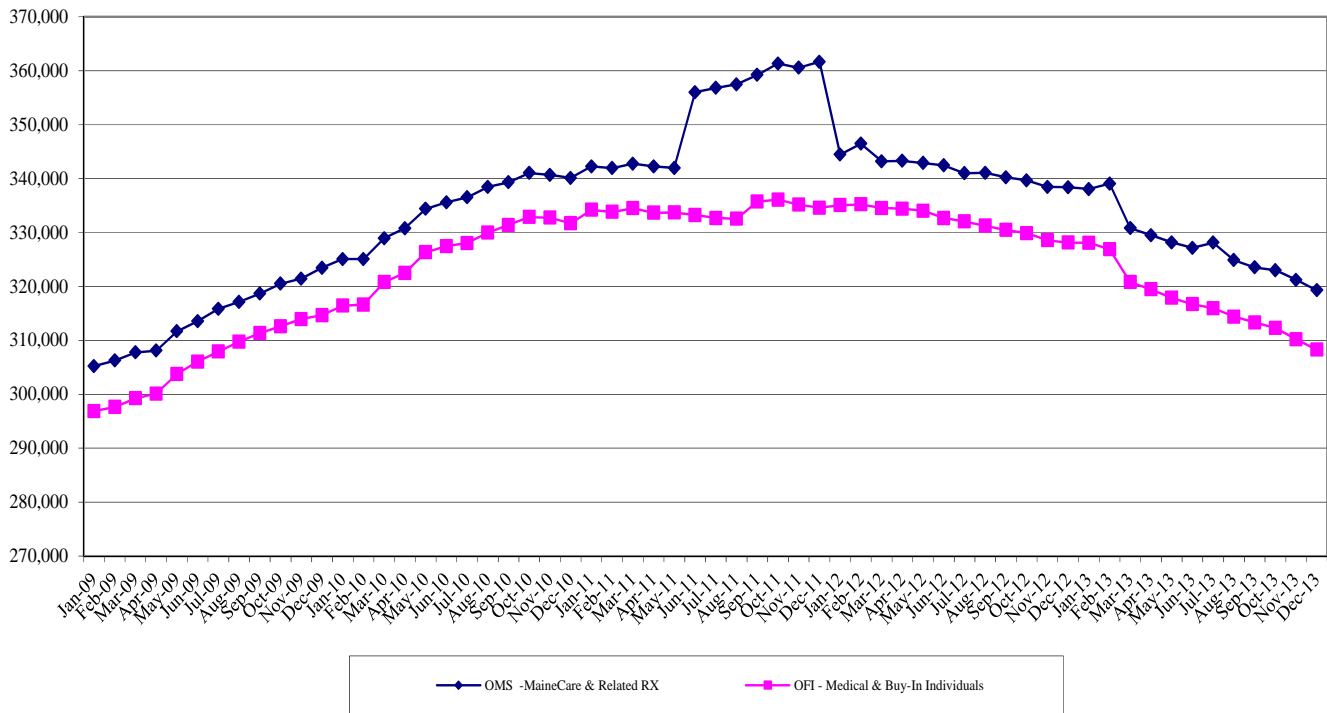
MaineCare Caseload

MaineCare caseload data for December released by the Department of Health and Human Services (DHHS) Office of MaineCare Services (OMS) and by the DHHS Office of Family Independence (OFI) show that MaineCare caseload continues to decrease. MaineCare Chart 3 shows OMS and OFI aggregate caseload data over time. The two sources count MaineCare caseload differently but have tracked consistently with the exception of the problems with the initial switchover to the Maine Integrated Health Management Solution (MIHMS) caseload data source (June to December 2011).

The DHHS detailed caseload data through December 2013, included in MaineCare Table 2, show the impact of the freeze in new enrollment in the non-categorical

adult waiver program and, beginning in March of 2013, the effect of ending MaineCare eligibility for parents with incomes from 133% to 200% of the Federal Poverty Level (FPL). Parents below 150% of the FPL (and their children – at least temporarily) who lost coverage in March moved to transitional Medicaid coverage, although after more than six months, some of those parents may be losing transitional coverage. Parents above 150% of the FPL who lost coverage did not receive transitional Medicaid coverage. While not yet reflected in MaineCare Table 2, effective January 1, 2014, coverage ended for parents above 100% of the FPL and for participants in the non-categorical adult waiver program. The parents will receive transitional MaineCare coverage for up to 12 months but the non-categorical adults will not.

MaineCare Chart 3 - MaineCare Caseload Through December 2013
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

**MaineCare Update (Continued)****MaineCare Table 2 - MaineCare and Related Caseload Summary**

Month	Traditional Medicaid	SCHIP Medicaid Expansion	SCHIP "Cub Care"	Medicaid Expansion Parents ≤ 150% FPL	Non-Categorical Adults ≤ 100% FPL	Medicaid Expansion Parents >150% FPL	MSP and DEL	Total
Jun-10 - May-11 Averages	239,326	10,291	5,407	20,918	16,153	6,787	41,309	340,191
Jun-11	251,147	10,110	5,835	21,465	16,629	7,715	43,090	355,991
Jul-11	251,756	10,307	5,854	21,641	16,257	7,692	43,292	356,799
Aug-11	252,163	10,434	5,841	21,809	15,853	7,752	43,610	357,462
Sep-11	250,207	10,588	5,834	22,059	18,957	7,713	43,871	359,229
Oct-11	251,932	10,874	5,825	22,566	18,819	7,862	43,437	361,315
Nov-11	252,087	10,741	5,829	21,884	18,496	7,850	43,667	360,554
Dec-11	253,016	10,943	5,817	21,977	18,023	7,929	43,940	361,645
Jan-12	253,350	10,925	5,850	22,154	17,535	7,984	45,771	363,569
<i>DHHS Revisions</i>	<i>-11,820</i>	<i>-540</i>	<i>-186</i>	<i>-1,445</i>	<i>-2,304</i>	<i>-1,015</i>	<i>-1,812</i>	<i>-19,122</i>
Revised Jan-12	241,530	10,385	5,664	20,709	15,231	6,969	43,959	344,447
Feb-12	243,780	10,216	5,725	20,736	14,846	6,990	44,162	346,455
Mar-12	244,994	10,120	5,719	20,877	14,537	7,108	45,144	348,499
<i>DHHS Revisions</i>	<i>-3,274</i>	<i>-208</i>	<i>-51</i>	<i>-406</i>	<i>-229</i>	<i>-176</i>	<i>-970</i>	<i>-5,314</i>
Revised Mar-12	241,720	9,912	5,668	20,471	14,308	6,932	44,174	343,185
Apr-12	241,764	10,106	5,608	20,854	13,888	6,867	44,202	343,289
May-12	241,794	10,076	5,642	20,768	13,460	6,874	44,266	342,880
Jun-12	241,404	10,219	5,619	21,020	13,029	6,827	44,313	342,431
Jul-12	240,225	10,021	5,545	21,225	12,820	6,752	44,411	340,999
Aug-12	240,857	9,984	5,553	21,178	12,388	6,728	44,373	341,061
Sep-12	240,176	10,130	5,529	21,233	12,050	6,676	44,434	340,228
Oct-12	239,893	10,153	5,564	21,244	11,532	6,759	44,527	339,672
Nov-12	239,071	10,235	5,576	21,122	11,074	6,726	44,642	338,446
Dec-12	239,052	10,295	5,612	21,149	10,749	6,752	44,775	338,384
Jan-13	238,974	10,299	5,608	21,177	10,378	6,711	44,893	338,040
Feb-13	241,593	9,774	5,568	20,619	10,116	6,477	44,908	339,055
Mar-13	247,354	6,311	5,154	17,077	9,857	1,740	43,316	330,809
Apr-13	248,607	5,654	5,080	16,227	9,603	780	43,552	329,503
May-13	249,013	5,403	4,987	15,621	9,335	19	43,780	328,158
June-13	248,205	5,414	4,909	15,667	9,058	10	43,871	327,134
Jul-13	249,597	5,505	4,864	15,545	8,792	0	43,817	328,120
Aug-13	246,889	5,515	4,783	15,255	8,544	0	43,888	324,874
Sep-13	245,738	5,707	4,740	15,163	8,303	0	43,892	323,543
Oct-13	245,203	5,891	4,737	15,163	8,068	0	43,933	322,995
Nov-13	243,658	5,940	4,704	15,131	7,806	0	43,993	321,232
Dec-13	242,475	5,958	4,640	14,661	7,439	0	44,111	319,284

Note: Beginning with its June 2011 MaineCare Caseload report, DHHS switched the source of MaineCare caseload data from the old WELFRE system to the new Maine Integrated Health Management Solution (MIHMS). The caseload data above include data from June 2011 through December 2013 compiled using the MIHMS system and data from June 2010 through May 2011 compiled using the WELFRE system. In January and March of 2012, DHHS revised its caseload count to correct for ineligible cases that MIHMS had continued to include as eligible.

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** (eff. 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.
- **Medicare Savings Program (MSP) and DEL** include persons eligible for Medicaid, but not for "full benefits" (e. g., QMB, SLMB, QI) who meet the criteria for participation in DEL and/ or MSP.

**General Fund Revenue
Fiscal Year Ending June 30, 2014 (FY 2014)
December 2013 Revenue Variance Report**

Revenue Category	December '13			Fiscal Year-To-Date					FY 2014 Budgeted Totals
	Budget	Actual	Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Sales and Use Tax	81,146,562	83,272,126	2,125,564	480,907,963	483,033,527	2,125,564	0.4%	10.6%	1,108,677,783
Service Provider Tax	4,123,047	3,937,449	(185,598)	20,078,843	19,893,246	(185,597)	-0.9%	-4.1%	49,317,427
Individual Income Tax	126,583,902	133,156,697	6,572,795	655,618,435	662,180,031	6,561,596	1.0%	-3.2%	1,380,685,000
Corporate Income Tax	33,712,922	30,996,557	(2,716,365)	81,656,164	78,939,749	(2,716,415)	-3.3%	11.4%	169,706,958
Cigarette and Tobacco Tax	10,488,000	8,729,162	(1,758,838)	70,415,283	71,353,883	938,600	1.3%	0.0%	135,900,000
Insurance Companies Tax	34,024	5,124	(28,900)	13,138,471	12,927,037	(211,434)	-1.6%	-9.8%	80,715,000
Estate Tax	2,109,365	1,290,108	(819,257)	10,679,065	7,228,198	(3,450,867)	-32.3%	-73.4%	27,553,982
Other Taxes and Fees *	7,579,246	8,312,457	733,211	58,232,650	59,355,738	1,123,088	1.9%	-11.2%	127,884,891
Fines, Forfeits and Penalties	1,564,450	1,632,173	67,723	11,627,205	11,154,574	(472,631)	-4.1%	-1.9%	23,431,666
Income from Investments	(1,743)	13,187	14,930	117,013	137,627	20,614	17.6%	85.2%	13,818
Transfer from Lottery Commission	4,288,457	4,859,512	571,055	27,875,000	26,732,942	(1,142,058)	-4.1%	0.0%	55,750,000
Transfers to Tax Relief Programs *	(23,859,754)	(23,394,660)	465,094	(47,550,917)	(49,315,363)	(1,764,446)	-3.7%	41.5%	(61,540,498)
Transfers for Municipal Revenue Sharing	(5,215,580)	(5,215,578)	2	(32,222,732)	(32,222,730)	2	0.0%	29.1%	(64,795,934)
Other Revenue *	959,156	1,054,297	95,141	4,511,113	4,878,729	367,616	8.1%	25.8%	41,077,521
Totals	243,512,054	248,648,611	5,136,557	1,355,083,556	1,356,277,189	1,193,633	0.1%	4.0%	3,074,377,614

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

General Fund Revenue Fiscal Year Ending June 30, 2014 (FY 2014) December 2013 Revenue Variance Report

Revenue Category				Fiscal Year-To-Date					FY 2014 Budgeted Totals
	December '13 Budget	December '13 Actual	December '13 Variance	Budget	Actual	Variance	Variance %	% Change from Prior Year	
Detail of Other Taxes and Fees:									
- Property Tax - Unorganized Territory	0	0	0	11,970,000	11,999,965	29,965	0.3%	24.3%	13,584,806
- Real Estate Transfer Tax	780,031	943,065	163,034	4,056,163	4,220,238	164,075	4.0%	-1.3%	9,176,840
- Liquor Taxes and Fees	1,757,158	1,697,406	(59,752)	10,345,696	11,424,706	1,079,010	10.4%	6.4%	20,818,837
- Corporation Fees and Licenses	152,475	148,788	(3,688)	1,342,174	1,404,025	61,851	4.6%	0.3%	8,313,649
- Telecommunication Excise Tax	0	0	0	0	(1,169,972)	(1,169,972)	N/A	-189.7%	8,000,000
- Finance Industry Fees	2,028,653	2,902,650	873,997	12,179,983	13,027,500	847,517	7.0%	8.7%	24,851,990
- Milk Handling Fee	104,859	89,967	(14,892)	574,786	559,893	(14,893)	-2.6%	-67.9%	1,203,936
- Racino Revenue	732,707	651,815	(80,892)	4,561,634	4,446,197	(115,437)	-2.5%	-40.2%	8,957,869
- Boat, ATV and Snowmobile Fees	174,137	352,658	178,521	1,727,463	1,711,504	(15,959)	-0.9%	-1.9%	4,523,561
- Hunting and Fishing License Fees	1,214,344	591,529	(622,815)	7,489,852	7,668,132	178,280	2.4%	4.8%	16,101,822
- Other Miscellaneous Taxes and Fees	634,882	934,579	299,697	3,984,899	4,063,549	78,650	2.0%	-62.9%	12,351,581
Subtotal - Other Taxes and Fees	7,579,246	8,312,457	733,211	58,232,650	59,355,738	1,123,088	1.9%	-11.2%	127,884,891
Detail of Other Revenue:									
- Liquor Sales and Operations	1,150	2,100	950	9,202	21,890	12,688	137.9%	102.7%	8,408,196
- Targeted Case Management (DHHS)	176,028	155,449	(20,579)	1,056,166	1,056,857	691	0.1%	13.5%	2,112,332
- State Cost Allocation Program	1,284,757	1,638,178	353,421	9,264,023	9,521,009	256,986	2.8%	22.1%	18,296,833
- Unclaimed Property Transfer	0	0	0	0	0	0	N/A	N/A	6,015,000
- Tourism Transfer	0	0	0	(10,381,884)	(10,381,884)	0	0.0%	-4.5%	(10,381,884)
- Transfer to Maine Milk Pool	0	0	0	(282,242)	0	282,242	100.0%	100.0%	(282,242)
- Transfer to STAR Transportation Fund	0	0	0	(6,069,901)	(6,069,901)	0	0.0%	1.1%	(6,069,901)
- Other Miscellaneous Revenue	(502,779)	(741,430)	(238,651)	10,915,749	10,730,758	(184,991)	-1.7%	-15.7%	22,979,187
Subtotal - Other Revenue	959,156	1,054,297	95,141	4,511,113	4,878,729	367,616	8.1%	25.8%	41,077,521
Detail of Transfers to Tax Relief Programs:									
- Me. Resident Prop. Tax Program (Circuitbreaker)	(1,000)	(692)	308	(756,484)	(756,864)	(380)	-0.1%	97.7%	(760,000)
- BETR - Business Equipment Tax Reimb.	(4,624,007)	(3,583,777)	1,040,231	(26,512,348)	(25,114,334)	1,398,014	5.3%	23.4%	(38,205,000)
- BETE - Municipal Bus. Equip. Tax Reimb.	(19,234,747)	(19,810,192)	(575,445)	(20,282,085)	(23,444,165)	(3,162,080)	-15.6%	-29.7%	(22,575,498)
Subtotal - Tax Relief Transfers	(23,859,754)	(23,394,660)	465,094	(47,550,917)	(49,315,363)	(1,764,446)	-3.7%	41.5%	(61,540,498)
Inland Fisheries and Wildlife Revenue - Total	1,489,230	1,119,328	(369,902)	9,706,948	9,929,943	222,995	2.3%	2.9%	21,532,511

Highway Fund Revenue Fiscal Year Ending June 30, 2014 (FY 2014) December 2013 Revenue Variance Report

Revenue Category	December '13			Fiscal Year-To-Date					FY 2014 Budgeted Totals
	December '13 Budget	December '13 Actual	December '13 Variance	Budget	Actual	Variance	% Variance	% Change from Prior Year	
Fuel Taxes:									
- Gasoline Tax	15,158,758	15,402,661	243,903	84,781,688	86,873,371	2,091,683	2.5%	0.6%	188,780,000
- Special Fuel and Road Use Taxes	4,083,335	4,184,264	100,929	18,867,887	20,689,888	1,822,001	9.7%	4.7%	42,980,000
- Transcap Transfers - Fuel Taxes	(1,414,658)	(1,441,621)	(26,963)	(9,175,184)	(9,510,890)	(335,706)	-3.7%	-1.7%	(17,027,938)
- Other Fund Gasoline Tax Distributions	(379,076)	(380,138)	(1,062)	(2,541,507)	(2,596,346)	(54,839)	-2.2%	-0.6%	(4,720,822)
Subtotal - Fuel Taxes	17,448,359	17,765,166	316,807	91,932,884	95,456,024	3,523,140	3.8%	1.4%	210,011,240
Motor Vehicle Registration and Fees:									
- Motor Vehicle Registration Fees	4,695,302	5,043,454	348,152	31,585,318	31,948,005	362,687	1.1%	1.8%	65,659,536
- License Plate Fees	237,969	265,658	27,689	1,725,857	1,834,424	108,567	6.3%	2.6%	3,351,681
- Long-term Trailer Registration Fees	493,961	438,576	(55,385)	2,488,537	2,588,908	100,371	4.0%	-0.4%	9,384,523
- Title Fees	845,985	907,821	61,836	6,249,065	6,611,872	362,807	5.8%	-44.4%	12,843,660
- Motor Vehicle Operator License Fees	596,827	591,596	(5,232)	4,128,544	4,111,128	(17,417)	-0.4%	-3.0%	8,522,204
- Transcap Transfers - Motor Vehicle Fees	(3,375,724)	(3,446,000)	(70,276)	(7,608,626)	(7,751,270)	(142,644)	-1.9%	17.0%	(15,398,687)
Subtotal - Motor Vehicle Reg. & Fees	3,494,320	3,801,105	306,785	38,568,695	39,343,066	774,371	2.0%	-7.6%	84,362,917
Motor Vehicle Inspection Fees	569,890	224,328	(345,562)	1,930,790	1,250,039	(680,751)	-35.3%	-34.4%	2,982,500
Other Highway Fund Taxes and Fees	90,997	90,075	(922)	679,493	606,210	(73,283)	-10.8%	-5.6%	1,313,165
Fines, Forfeits and Penalties	98,219	98,219	0	541,176	538,348	(2,828)	-0.5%	-2.2%	1,007,998
Interest Earnings	8,286	3,881	(4,405)	51,106	31,308	(19,798)	-38.7%	-10.9%	100,825
Other Highway Fund Revenue	479,999	432,670	(47,329)	5,669,955	5,660,126	(9,829)	-0.2%	3.3%	8,797,218
Totals	22,190,070	22,415,443	225,373	139,374,099	142,885,122	3,511,023	2.5%	-1.7%	308,575,863