



















## 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)
<b>Total Structural Gap/Shortfalls - 124th 1st Regular Session</b>	<b>(\$269.5)</b>	<b>(\$640.2)</b>	<b>(\$765.2)</b>	<b>(\$1,674.9) 100.0%</b>

### 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%
<b>Total Net Transfers/Adjustments</b>	<b>\$173.2</b>	<b>\$21.9</b>	<b>(\$15.3)</b>	<b>\$179.8</b>	<b>10.7%</b>
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%
<b>Total General Fund Revenue Increases (Decreases)</b>	<b>\$29.0</b>	<b>\$91.2</b>	<b>\$120.0</b>	<b>\$240.2</b>	<b>14.3%</b>
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%
<b>Total Increase (Decrease) to Appropriations</b>	<b>(\$118.7)</b>	<b>(\$486.2)</b>	<b>(\$650.3)</b>	<b>(\$1,255.2)</b>	<b>74.9%</b>
<b>Net Increase (Decrease) General Fund Balance</b>	<b>\$320.9</b>	<b>\$599.3</b>	<b>\$755.0</b>	<b>\$1,675.3</b>	<b>100.0%</b>
<b>Net Increase (Decrease) to Ending Balances</b>	<b>\$51.3</b>	<b>(\$41.1)</b>	<b>(\$9.9)</b>	<b>\$0.3</b>	

**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
<b>General Fund</b>								
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
<b>Totals</b>	<b>474,622,122</b>	<b>444,341,825.33</b>	<b>(30,280,296.67)</b>	<b>2,854,763,148</b>	<b>2,811,368,294.60</b>	<b>(43,394,853.40)</b>	<b>-1.5%</b>	<b>2,854,763,148</b>
<b>Highway Fund</b>								
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
<b>Totals</b>	<b>50,317,657</b>	<b>49,973,538.05</b>	<b>(344,118.95)</b>	<b>325,149,640</b>	<b>324,242,149.26</b>	<b>(907,490.74)</b>	<b>-0.3%</b>	<b>325,149,640</b>

## 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
<b>GENERAL FUND</b>										
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%
<b>TOTAL GENERAL FUND REVENUE</b>	<b>\$2,790,845,053.41</b>	<b>4.0%</b>	<b>\$2,931,825,686.62</b>	<b>5.1%</b>	<b>\$3,019,595,389.38</b>	<b>3.0%</b>	<b>\$3,087,818,992.10</b>	<b>2.3%</b>	<b>\$2,811,368,294.60</b>	<b>-9.0%</b>
<b>HIGHWAY FUND</b>										
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%
<b>TOTAL HIGHWAY FUND REVENUE</b>	<b>\$326,078,155.26</b>	<b>4.5%</b>	<b>\$326,546,156.53</b>	<b>0.1%</b>	<b>\$330,821,082.80</b>	<b>1.3%</b>	<b>\$328,136,578.57</b>	<b>-0.8%</b>	<b>\$324,242,149.26</b>	<b>-1.2%</b>

Adjusted for Service Provider Tax Split