

**DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
78 STATE HOUSE STATION
AUGUSTA, ME 04333-0078**

**PHONE: 207-624-7800
FAX: 207-624-7804
TDD: 207-287-4537**

M E M O R A N D U M

TO: Governor Paul R. LePage
Members, Legislative Council
Members, Joint Standing Committee on Appropriations and Financial Affairs
Members, Joint Standing Committee on Taxation

FROM: Acting Commissioner David R. Lavway
Department of Administrative & Financial Services

DATE: August 3, 2017

SUBJECT: Revenues – June

June General Fund revenues were over budget by \$37.9 million or 10.2 percent. General Fund revenues ended fiscal year 2017 \$41.4 million over budget (+1.2 percent). Compared to last fiscal year, fiscal year 2017 General Fund revenues increased by 2.6 percent (+\$88.7 million).

The revenue surplus contributed to an overall net unappropriated surplus at fiscal year 2017 year-end of \$110.9 million (see attachment). After accounting for budgeted priority transfers, including \$57.1 million budgeted balance forward to fiscal year 2018, \$46 million was available for “final priority reserve” transfers to the Budget Stabilization Fund (BSF) and the Tax Relief Fund for Maine Residents. Per statute, 80 percent of the \$46 million was transferred to the BSF (\$36.8 million) and the remaining 20 percent (\$9.2 million) to the tax relief fund. As a result of these transfers, as of June 30, 2017, the BSF stands at \$196.3 million and the tax relief fund at \$9.4 million. The \$196.3 million in the BSF represents 5.7 percent of FY17 General Fund revenue.

May taxable sales (June revenue) increased 7.5 percent over a year ago. For the month, sales and use and service provider taxes, combined, were over budget by \$0.9 million. A significant refund budgeted for May that was paid out in June is the reason for the relatively small revenue variance given the very strong year-over-year taxable sales growth. Auto/transportation sales increased by 14 percent over last May and are up 6.1 percent year-over-year for the three-month period ending in May.

The strong performance by Maine automobile dealers in May was well above the flat growth experienced nationally and budgeted by the Revenue Forecasting Committee. Tourism-related sales, specifically those tied to restaurants and lodging, both increased, 5.5 percent and 17 percent, respectively. Building supply (+5.8 percent) and business operating (+5 percent) were other areas with strong year-over-year results. Some of the growth in lodging and general merchandise sales (10.1 percent) is attributable to new taxpayers who began collecting and remitting Maine sales and use tax in April. Broad robust May sales growth is likely a timing issue associated with spring activity that was delayed because of the cool wet weather in March and April, and may have continued into June.

Individual income tax revenues were over budget in June by \$19 million and ended the fiscal year over budget by \$9.5 million (0.6 percent). Very strong withholding and an unexpectedly large second estimated payment contributed to the monthly overage. The surtax likely contributed to both of these sources being over budget. With the repeal of the surtax in the budget this should be considered a one-time surplus that will be refunded later this fiscal year.

Corporate income tax receipts exceeded budget in June by \$5.8 million and ended fiscal year 2017 over budget by \$11 million. The year-end surplus is the result of unusually large audit payments that are not part of the ongoing baseline forecast issued on May 1. A large portion of this one-time revenue has been appropriately used to enhance the Budget Stabilization Fund.

Sales & Use Taxes

Revenue was \$771,755 under budget for the month and \$4.9 million or 0.4 percent over budget fiscal year-to-date. Revenue was \$62.8 million or 4.9 percent over prior fiscal year-to-date collections.

Taxable Sales

Total taxable sales for the month of May (June revenue) were 7.5 percent over May 2016. The annual rate of change, excluding utilities, was 5.3 percent. Building supply sales were up 5.8 percent for the month and 2.5 percent for the year ending in May. Sales of taxable items in food stores were up 2.3 percent for the month and 16 percent for the year. General merchandise sales (primarily sales of goods sold in large department and discount stores) were up 10.1 percent for the month and 5 percent for the year. Sales in other retail stores such as jewelry, drug, sporting goods, book, antique, pet, photo, toy, and craft stores were up 5.3 percent for the month and 6.2 percent for the year. Auto/transportation sector sales were up 14 percent for the month and 2.5 percent for the year. Sales of meals and other prepared foods were up 5.5 percent for the month and 4.8 percent for the year. Lodging sales were up 17 percent for the month and 11 percent for the year. Business operating sales (primarily use tax paid by businesses) were up 5 percent for the month and 2.6 percent for the year.

Service Provider Tax

Revenue was \$1.7 million over budget for the month and \$2.1 million or 3.5 percent over budget fiscal year-to-date. Revenue was \$16.3 million or 36.3 percent over prior fiscal year-to-date collections.

Individual Income Tax

Revenue was \$19 million or 12.5 percent over budget for the month and \$9.5 million or 0.6 percent over budget fiscal year-to-date. Fiscal year-to-date withholding payments were 2 percent under fiscal year 2016. Estimated payments were up 3.3 percent and final payments were up 2.6 percent fiscal year-to-date. Revenue was \$18.8 million or 1.2 percent under prior fiscal year-to-date collections.

Corporate Income Tax

Revenue was \$5.8 million or 18.5 percent over budget for the month and \$11.1 million or 6.8 percent over budget fiscal year-to-date. Estimated payments were down 2.3 percent and final payments were up 3.5 percent fiscal year-to-date. Revenue was \$37.7 million or 27.5 percent over prior fiscal year-to-date collections.

Cigarette & Tobacco Taxes

Cigarette and tobacco products tax revenue was \$6.3 million over budget for the month and \$5.1 million or 3.6 percent over budget fiscal year-to-date. Fiscal year-to-date revenue was \$2.8 million or 2 percent over prior fiscal year-to-date collections.

Insurance Companies Taxes

The Insurance Companies Taxes were \$1.7 million over budget for the month and \$146,408 under budget fiscal year-to-date.

Estate Tax

The estate tax was \$1.2 million under budget for the month and \$4.7 million under budget fiscal year-to-date.

Property Tax Relief Programs

Refunds for the Business Equipment Tax Reimbursement (BETR) and Business Equipment Tax Exemption (BETE) programs were on budget in June and ended the fiscal year \$0.5 million under budget.

Municipal Revenue Sharing

Revenue sharing was close to budget in June and for the fiscal year.

Lottery

Lottery revenues were over budget for the month by \$2.6 million and were over budget for the fiscal year by \$3.3 million.

Other Revenues

Other Revenues were over budget for the month by \$0.1 million. For the fiscal year, other revenues were over budget by \$1.9 million or 8.4 percent.

Highway Fund

Motor fuel excise tax receipts were over budget in June by \$3.1 million. The Highway Fund, as a whole, was over budget for the month by \$4.3 million (+17 percent). For the fiscal year, motor fuel excise tax revenues were over budget by \$4.2 million and total Highway Fund receipts were over budget by \$7 million. Some of the monthly and annual surplus was from payments made on the final day of June that were expected to be received during the first week of July.

The Highway Fund ended fiscal year 2017 with a net unappropriated surplus of \$16.1 million. After accounting for budgeted balance forward and other minor adjustments, \$8.5 million is available to the Department of Transportation for fiscal year 2018 (see attachment).

National Economy

Economic growth rebounded in the second quarter, growing 2.6 percent on an annualized basis. When combined with the revised 1.2 percent growth in the first quarter, the first half of 2017 is close to the 2 percent growth rate the U.S. has experienced over the course of the eight years of the current economic recovery/expansion. Inflation remains subdued despite tight labor markets. The low rate of inflation has caused the Federal Reserve's Federal Open Market Committee (FOMC) to delay interest rate increases until later in the year when its expected inflation will stabilize around the committee's target rate of 2 percent. The FOMC noted that they "expect economic conditions will evolve in a manner that will warrant gradual increases in the federal funds rate."

Maine Economy

As explained earlier in this report the financial position of the State of Maine once again improved at the end of fiscal year 2017. The state enters fiscal year 2018 with total reserves of \$218.1 million, \$196.3 million of which resides in the Budget Stabilization Fund.

These results become more impressive when compared to other states. In its spring 2017 fiscal survey, the National Association of State Budget Officers (NASBO) reported that 33 states were expected to end fiscal year 2017 below original budgeted revenue projections. As a result of the revenue shortfalls, at least 23 states needed to make mid-year budget reductions, the highest number of states making net mid-year cuts since 2010. Total rainy day fund balances at the end of fiscal year 2017 are expected to be the same as fiscal year 2016, as many states were unable to increase their reserves or needed to draw them down to remain in balance at the end of fiscal year 2017.

DRL: mja

Attachments

cc: John McGough
Aaron Chadbourne
Nick Adolphsen
Grant Pennoyer
Chris Nolan
Marc Cyr
Amanda Rector
Jim Breece
Jerome Gerard
Melissa Gott

STATE OF MAINE

Undedicated Revenues - General Fund
For the Twelfth Month Ended June 30, 2017
For the Fiscal Year Ending June 30, 2017
Comparison to Budget

EXHIBIT I

| | Month | | | | Year to Date | | | | Total Budgeted Fiscal Year Ending 6-30-2017 |
|---------------------------------------|--------------------|--------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|---|
| | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | |
| Sales and Use Tax | 113,443,533 | 114,215,288 | (771,755) | (0.7%) | 1,336,944,791 | 1,332,011,722 | 4,933,069 | 0.4% | 1,332,011,722 |
| Service Provider Tax | 6,545,949 | 4,879,955 | 1,665,994 | 34.1% | 61,211,051 | 59,149,448 | 2,061,603 | 3.5% | 59,149,448 |
| Individual Income Tax | 171,834,062 | 152,785,503 | 19,048,559 | 12.5% | 1,523,852,981 | 1,514,348,976 | 9,504,005 | 0.6% | 1,514,348,976 |
| Corporate Income Tax | 36,820,794 | 31,062,145 | 5,758,649 | 18.5% | 175,239,114 | 164,093,471 | 11,145,643 | 6.8% | 164,093,471 |
| Cigarette and Tobacco Tax | 17,846,472 | 11,512,207 | 6,334,265 | 55.0% | 144,243,207 | 139,179,000 | 5,064,207 | 3.6% | 139,179,000 |
| Insurance Companies Tax | 28,092,587 | 26,417,610 | 1,674,977 | 6.3% | 76,553,592 | 76,700,000 | (146,408) | (0.2%) | 76,700,000 |
| Estate Tax | (220,631) | 943,061 | (1,163,692) | (123.4%) | 11,717,686 | 16,378,323 | (4,660,637) | (28.5%) | 16,378,323 |
| Fines, Forfeits & Penalties | 1,656,651 | 2,522,132 | (865,481) | (34.3%) | 19,589,175 | 19,375,448 | 213,727 | 1.1% | 19,375,448 |
| Income from Investments | 853,339 | 470,609 | 382,730 | 81.3% | 3,592,268 | 3,128,076 | 464,192 | 14.8% | 3,128,076 |
| Transfer from Lottery Commission | 6,835,082 | 4,223,069 | 2,612,013 | 61.9% | 58,219,690 | 54,900,000 | 3,319,690 | 6.0% | 54,900,000 |
| Transfers for Tax Relief Programs | (88,900) | (68,340) | (20,560) | (30.1%) | (63,961,530) | (64,448,340) | 486,810 | 0.8% | (64,448,340) |
| Transfer to Municipal Revenue Sharing | (8,319,031) | (8,276,721) | (42,310) | (0.5%) | (65,228,793) | (65,208,251) | (20,542) | (0.0%) | (65,208,251) |
| Other Taxes and Fees | 16,805,927 | 13,636,956 | 3,168,971 | 23.2% | 148,183,240 | 141,032,892 | 7,150,348 | 5.1% | 141,032,892 |
| Other Revenues | 18,839,092 | 18,727,739 | 111,353 | 0.6% | 24,747,389 | 22,828,191 | 1,919,198 | 8.4% | 22,828,191 |
| Total Collected | 410,944,928 | 373,051,213 | 37,893,715 | 10.2% | 3,454,903,862 | 3,413,468,956 | 41,434,906 | 1.2% | 3,413,468,956 |

NOTES: (1) Included in the above is \$8,319,031 for the month and \$65,228,793 year to date, that was set aside for Revenue Sharing with cities and towns.

(2) Figures reflect estimates of the Maine State Revenue Forecasting Committee approved in May 2017.

(3) This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - General Fund
For the Twelfth Month Ended June 30, 2017 and 2016
For the Fiscal Years Ending June 30, 2017 and 2016
Comparison to Prior Year

EXHIBIT II

| | Month | | | | Year to Date | | | |
|---------------------------------------|--------------------|--------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|
| | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) |
| Sales and Use Tax | 113,443,533 | 115,431,376 | (1,987,843) | (1.7%) | 1,336,944,791 | 1,274,144,957 | 62,799,834 | 4.9% |
| Service Provider Tax | 6,545,949 | 154,282 | 6,391,667 | 4142.9% | 61,211,051 | 44,916,959 | 16,294,092 | 36.3% |
| Individual Income Tax | 171,834,062 | 142,414,395 | 29,419,667 | 20.7% | 1,523,852,981 | 1,542,687,615 | (18,834,634) | (1.2%) |
| Corporate Income Tax | 36,820,794 | 34,836,018 | 1,984,777 | 5.7% | 175,239,114 | 137,492,442 | 37,746,672 | 27.5% |
| Cigarette and Tobacco Tax | 17,846,472 | 10,922,234 | 6,924,238 | 63.4% | 144,243,207 | 141,464,095 | 2,779,112 | 2.0% |
| Insurance Companies Tax | 28,092,587 | 28,002,897 | 89,690 | 0.3% | 76,553,592 | 81,250,784 | (4,697,192) | (5.8%) |
| Estate Tax | (220,631) | 3,778,176 | (3,998,807) | (105.8%) | 11,717,686 | 27,198,153 | (15,480,467) | (56.9%) |
| Fines, Forfeits & Penalties | 1,656,651 | 1,920,060 | (263,408) | (13.7%) | 19,589,175 | 20,610,571 | (1,021,396) | (5.0%) |
| Income from Investments | 853,339 | 461,781 | 391,559 | 84.8% | 3,592,268 | 1,483,723 | 2,108,546 | 142.1% |
| Transfer from Lottery Commission | 6,835,082 | 3,005,099 | 3,829,983 | 127.4% | 58,219,690 | 56,972,851 | 1,246,839 | 2.2% |
| Transfers for Tax Relief Programs | (88,900) | (300,503) | 211,603 | 70.4% | (63,961,530) | (64,744,050) | 782,520 | 1.2% |
| Transfer to Municipal Revenue Sharing | (8,319,031) | (8,054,938) | (264,093) | (3.3%) | (65,228,793) | (67,355,586) | 2,126,793 | 3.2% |
| Other Taxes and Fees | 16,805,927 | 15,370,138 | 1,435,788 | 9.3% | 148,183,240 | 143,422,794 | 4,760,447 | 3.3% |
| Other Revenues | 18,839,092 | 21,670,494 | (2,831,402) | (13.1%) | 24,747,389 | 26,645,824 | (1,898,435) | (7.1%) |
| Total Collected | 410,944,928 | 369,611,508 | 41,333,420 | 11.2% | 3,454,903,862 | 3,366,191,131 | 88,712,730 | 2.6% |

NOTE: This report has been prepared from preliminary month end figures and is subject to change

STATE OF MAINE

Undedicated Revenues - General Fund
For the Twelfth Month Ended June 30, 2017
For the Fiscal Year Ending June 30, 2017
Comparison to Budget

EXHIBIT III

| | Month | | | | Year to Date | | | | Total Budgeted Fiscal Year Ending 6-30-2017 |
|---|------------|------------|--------------------------|-------------------------|--------------|-------------|--------------------------|-------------------------|---|
| | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | |
| <u>Detail of Other Taxes & Fees</u> | | | | | | | | | |
| 0100s All Others | 3,783,373 | 3,061,579 | 721,794 | 23.6% | 33,493,272 | 34,587,212 | (1,093,940) | (3.2%) | 34,587,212 |
| 0300s Aeronautical Gas Tax | 23,388 | 23,114 | 274 | 1.2% | 273,523 | 270,355 | 3,168 | 1.2% | 270,355 |
| 0400s Alcohol Excise Tax | 1,879,099 | 1,707,540 | 171,559 | 10.0% | 19,266,418 | 18,061,850 | 1,204,568 | 6.7% | 18,061,850 |
| 0700s Corporation Taxes | 2,041,828 | 1,956,625 | 85,203 | 4.4% | 10,540,087 | 9,538,649 | 1,001,438 | 10.5% | 9,538,649 |
| 0800s Public Utilities | - | - | - | - | 6,248,478 | 6,250,000 | (1,522) | (0.0%) | 6,250,000 |
| 1000s Banking Taxes | 3,366,800 | 2,196,090 | 1,170,710 | 53.3% | 29,693,436 | 26,900,870 | 2,792,566 | 10.4% | 26,900,870 |
| 1100s Alcoholic Beverages | 560,552 | 524,231 | 36,321 | 6.9% | 7,024,636 | 5,053,838 | 1,970,798 | 39.0% | 5,053,838 |
| 1200s Amusements Tax | - | - | - | - | - | - | - | - | - |
| 1300s Harness Racing Pari-mutuel | 849,842 | 670,990 | 178,852 | 26.7% | 8,624,011 | 8,424,243 | 199,768 | 2.4% | 8,424,243 |
| 1400s Business Taxes | 1,478,536 | 1,223,022 | 255,514 | 20.9% | 11,765,847 | 11,376,797 | 389,050 | 3.4% | 11,376,797 |
| 1500s Motor Vehicle Licenses | 686,005 | 368,816 | 317,189 | 86.0% | 4,512,857 | 4,281,202 | 231,655 | 5.4% | 4,281,202 |
| 1700s Inland Fisheries & Wildlife | 2,093,422 | 1,874,990 | 218,432 | 11.6% | 16,268,782 | 15,878,217 | 390,565 | 2.5% | 15,878,217 |
| 1900s Other Licenses | 43,083 | 29,959 | 13,124 | 43.8% | 471,893 | 409,659 | 62,234 | 15.2% | 409,659 |
| Total Other Taxes & Fees | 16,805,927 | 13,636,956 | 3,168,971 | 23.2% | 148,183,240 | 141,032,892 | 7,150,348 | 5.1% | 141,032,892 |
| <u>Detail of Other Revenues</u> | | | | | | | | | |
| 2200s Federal Revenues | 15,703 | 27,917 | (12,214) | (43.8%) | 235,576 | 335,000 | (99,424) | (29.7%) | 335,000 |
| 2300s County Revenues | - | - | - | - | - | - | - | - | - |
| 2400s Revenues from Cities and Towns | 140,499 | 7,596 | 132,903 | 1749.6% | 254,149 | 277,996 | (23,847) | (8.6%) | 277,996 |
| 2500s Revenues from Private Sources | 208,086 | 178,710 | 29,376 | 16.4% | 1,619,463 | 1,545,000 | 74,463 | 4.8% | 1,545,000 |
| 2600s Current Service Charges | 2,202,661 | 1,718,213 | 484,448 | 28.2% | 26,606,432 | 26,416,310 | 190,122 | 0.7% | 26,416,310 |
| 2700s Transfers from Other Funds | 16,227,632 | 16,748,637 | (521,005) | (3.1%) | (4,296,845) | (5,879,715) | 1,582,870 | 26.9% | (5,879,715) |
| 2800s Sales of Property & Equipment | 44,511 | 46,666 | (2,155) | (4.6%) | 328,614 | 133,600 | 195,014 | 146.0% | 133,600 |
| Total Other Revenues | 18,839,092 | 18,727,739 | 111,353 | 0.6% | 24,747,389 | 22,828,191 | 1,919,198 | 8.4% | 22,828,191 |

NOTE: This report has been prepared from preliminary month end figures and is subject to change

STATE OF MAINE

Undedicated Revenues - General Fund
For the Twelfth Month Ended June 30, 2017 and 2016
For the Fiscal Years Ending June 30, 2017 and 2016
Comparison to Prior Year

EXHIBIT IV

| | Month | | | | Year to Date | | | |
|---|--------------|------------|-----------------------|----------------------|--------------|-------------|-----------------------|----------------------|
| | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) |
| <u>Detail of Other Taxes & Fees</u> | | | | | | | | |
| 0100s All Others | 3,783,373 | 1,925,342 | 1,858,032 | 96.5% | 33,493,272 | 31,169,229 | 2,324,044 | 7.5% |
| 0300s Aeronautical Gas Tax | 23,388 | 23,063 | 325 | 1.4% | 273,523 | 267,902 | 5,620 | 2.1% |
| 0400s Alcohol Excise Tax | 1,879,099 | 1,771,109 | 107,990 | 6.1% | 19,266,418 | 18,740,870 | 525,548 | 2.8% |
| 0700s Corporation Taxes | 2,041,828 | 2,440,648 | (398,820) | (16.3%) | 10,540,087 | 10,052,935 | 487,152 | 4.8% |
| 0800s Public Utilities | - | (137,691) | 137,691 | 100.0% | 6,248,478 | 6,403,740 | (155,262) | (2.4%) |
| 1000s Banking Taxes | 3,366,800 | 3,377,900 | (11,100) | (0.3%) | 29,693,436 | 29,463,631 | 229,805 | 0.8% |
| 1100s Alcoholic Beverages | 560,552 | 571,890 | (11,339) | (2.0%) | 7,024,636 | 5,438,818 | 1,585,819 | 29.2% |
| 1200s Amusements Tax | - | - | - | - | - | - | - | - |
| 1300s Harness Racing Pari-mutuel | 849,842 | 794,311 | 55,531 | 7.0% | 8,624,011 | 8,753,125 | (129,114) | (1.5%) |
| 1400s Business Taxes | 1,478,536 | 1,584,385 | (105,849) | (6.7%) | 11,765,847 | 11,944,615 | (178,768) | (1.5%) |
| 1500s Motor Vehicle Licenses | 686,005 | 520,194 | 165,811 | 31.9% | 4,512,857 | 4,276,410 | 236,447 | 5.5% |
| 1700s Inland Fisheries & Wildlife | 2,093,422 | 2,457,986 | (364,564) | (14.8%) | 16,268,782 | 16,432,790 | (164,008) | (1.0%) |
| 1900s Other Licenses | 43,083 | 41,003 | 2,080 | 5.1% | 471,893 | 478,729 | (6,836) | (1.4%) |
| Total Other Taxes & Fees | 16,805,927 | 15,370,138 | 1,435,788 | 9.3% | 148,183,240 | 143,422,794 | 4,760,447 | 3.3% |
| <u>Detail of Other Revenues</u> | | | | | | | | |
| 2200s Federal Revenues | 15,703 | 46,680 | (30,978) | (66.4%) | 235,576 | 351,811 | (116,235) | (33.0%) |
| 2300s County Revenues | - | - | - | - | - | - | - | - |
| 2400s Revenues from Cities and Towns | 140,499 | 78,122 | 62,377 | 79.8% | 254,149 | 311,206 | (57,057) | (18.3%) |
| 2500s Revenues from Private Sources | 208,086 | 176,857 | 31,228 | 17.7% | 1,619,463 | 1,712,208 | (92,745) | (5.4%) |
| 2600s Current Service Charges | 2,202,661 | 3,062,866 | (860,205) | (28.1%) | 26,606,432 | 26,449,346 | 157,086 | 0.6% |
| 2700s Transfers from Other Funds | 16,227,632 | 18,536,267 | (2,308,635) | (12.5%) | (4,296,845) | (2,334,288) | (1,962,557) | (84.1%) |
| 2800s Sales of Property & Equipment | 44,511 | (230,300) | 274,811 | 119.3% | 328,614 | 155,540 | 173,074 | 111.3% |
| Total Other Revenues | 18,839,092 | 21,670,494 | (2,831,402) | (13.1%) | 24,747,389 | 26,645,824 | (1,898,435) | (7.1%) |

NOTE: This report has been prepared from preliminary month end figures and is subject to change

STATE OF MAINE

Undedicated Revenues - Highway Fund
For the Twelfth Month Ended June 30, 2017
For the Fiscal Year Ending June 30, 2017
Comparison to Budget

EXHIBIT V

| | Month | | | | Year to Date | | | | Total Budgeted Fiscal Year Ending 6-30-2017 |
|-----------------------------------|-------------------|-------------------|--------------------------|-------------------------|--------------------|--------------------|--------------------------|----------------------|---|
| | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | Actual | Budget | Variance Over/(Under) | Percent Over/(Under) | |
| Fuel Taxes | 21,907,330 | 18,758,917 | 3,148,413 | 16.8% | 228,291,442 | 224,110,357 | 4,181,085 | 1.9% | 224,110,357 |
| Motor Vehicle Registration & Fees | 6,492,149 | 5,613,072 | 879,077 | 15.7% | 90,977,458 | 88,134,415 | 2,843,043 | 3.2% | 88,134,415 |
| Motor Vehicle Inspection Fees | 337,481 | 75,209 | 262,272 | 348.7% | 3,410,700 | 2,982,500 | 428,200 | 14.4% | 2,982,500 |
| Miscellaneous Taxes & Fees | 145,158 | 134,263 | 10,895 | 8.1% | 1,378,595 | 1,280,229 | 98,366 | 7.7% | 1,280,229 |
| Fines, Forfeits & Penalties | 57,925 | 37,524 | 20,401 | 54.4% | 719,555 | 739,039 | (19,484) | (2.6%) | 739,039 |
| Earnings on Investments | 58,748 | 18,398 | 40,350 | 219.3% | 348,432 | 364,114 | (15,682) | (4.3%) | 364,114 |
| All Other | 657,172 | 700,236 | (43,064) | (6.1%) | 9,191,942 | 9,680,335 | (488,393) | (5.0%) | 9,680,335 |
| Total Collected | 29,655,963 | 25,337,619 | 4,318,344 | 17.0% | 334,318,123 | 327,290,989 | 7,027,134 | 2.1% | 327,290,989 |

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

STATE OF MAINE

Undedicated Revenues - Highway Fund
For the Twelfth Month Ended June 30, 2017 and 2016
For the Fiscal Years Ending June 30, 2017 and 2016
Comparison to Prior Year

EXHIBIT VI

| | Month | | | | Year to Date | | | |
|-----------------------------------|-------------------|-------------------|-----------------------|----------------------|--------------------|--------------------|-----------------------|----------------------|
| | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) | Current Year | Prior Year | Variance Over/(Under) | Percent Over/(Under) |
| Fuel Taxes | 21,907,330 | 18,711,362 | 3,195,968 | 17.1% | 228,291,442 | 221,173,367 | 7,118,075 | 3.2% |
| Motor Vehicle Registration & Fees | 6,492,149 | 5,663,842 | 828,308 | 14.6% | 90,977,458 | 90,497,732 | 479,726 | 0.5% |
| Motor Vehicle Inspection Fees | 337,481 | 328,317 | 9,164 | 2.8% | 3,410,700 | 3,515,288 | (104,589) | (3.0%) |
| Miscellaneous Taxes & Fees | 145,158 | 151,253 | (6,095) | (4.0%) | 1,378,595 | 1,660,604 | (282,009) | (17.0%) |
| Fines, Forfeits & Penalties | 57,925 | 66,860 | (8,935) | (13.4%) | 719,555 | 791,496 | (71,941) | (9.1%) |
| Earnings on Investments | 58,748 | 56,187 | 2,561 | 4.6% | 348,432 | 255,421 | 93,011 | 36.4% |
| All Other | 657,172 | 690,580 | (33,409) | (4.8%) | 9,191,942 | 9,553,791 | (361,850) | (3.8%) |
| Total Collected | 29,655,963 | 25,668,402 | 3,987,561 | 15.5% | 334,318,123 | 327,447,700 | 6,870,423 | 2.1% |

NOTE: This report has been prepared from preliminary month end figures and is subject to change.

**Maine Revenue Services
Taxable Sales by Sector
In Thousands of Dollars**

| | May '17 | % Ch. | May '16 | % Ch. | May '15 | Average Last 3 Mos. Vs. Last Yr. % Change | Moving Total Last 12 Mos. Vs. Prior % Change | YTD Growth CY'17 vs. '16 Thru. May % Change |
|-----------------------------|----------------------|--------------|----------------------|--------------|----------------------|--|---|--|
| Building Supply | \$254,435.9 | 5.8% | \$240,526.2 | 3.8% | \$231,815.5 | 1.4% | 2.5% | 2.5% |
| Food Store | \$189,531.4 | 2.3% | \$185,355.1 | 24.6% | \$148,808.0 | 2.4% | 16.0% | 3.2% |
| General Merchandise | \$295,700.4 | 10.1% | \$268,690.2 | 1.5% | \$264,831.9 | 6.4% | 5.0% | 3.2% |
| Other Retail | \$208,729.6 | 5.3% | \$198,180.5 | 5.9% | \$187,164.1 | 4.5% | 6.2% | 4.3% |
| Auto/Transportation | \$475,854.3 | 14.0% | \$417,316.1 | 0.4% | \$415,586.8 | 6.1% | 2.5% | 3.9% |
| Restaurant | \$224,262.7 | 5.5% | \$212,480.6 | 0.3% | \$211,935.4 | 4.3% | 4.8% | 2.9% |
| Lodging | \$73,688.2 | 17.0% | \$62,958.8 | 5.4% | \$59,751.9 | 16.1% | 11.0% | 13.2% |
| Consumer Sales | \$1,722,202.5 | 8.6% | \$1,585,507.5 | 4.3% | \$1,519,893.6 | 4.9% | 5.6% | 3.7% |
| Business Operating | \$188,756.5 | 5.0% | \$179,801.5 | -0.4% | \$180,538.7 | 1.0% | 2.6% | 3.9% |
| Total | \$1,910,959.0 | 8.3% | \$1,765,309.0 | 3.8% | \$1,700,432.3 | 4.5% | 5.3% | 3.7% |
| Utilities | \$98,546.1 | -4.5% | \$103,179.5 | 0.3% | \$102,834.7 | | | |
| Total plus Utilities | \$2,009,505.1 | 7.5% | \$1,868,488.5 | 3.6% | \$1,803,267.0 | | | |