

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill



Monthly Revenue Summary

| | FY 05 | FY 04 | Inc/(Dec) |
|------------------------|-----------------|----------------|------------------|
| Gen & Educ | \$ 103.1 | \$ 95.8 | \$ 7.3 |
| Highway | \$ 20.9 | \$ 20.3 | \$ 0.6 |
| Fish & Game | \$ 1.1 | \$ 0.6 | \$ 0.5 |

Current Month Analysis

| General & Education Funds | FY 05 Actuals | FY 05 Plan | Actual vs. Plan |
|--|--------------------------|-----------------------|----------------------------|
| Business Profits Tax | \$ 2.0 | \$ 3.0 | \$ (1.0) |
| Business Enterprise Tax | 6.4 | 4.4 | 2.0 |
| Subtotal | 8.4 | 7.4 | 1.0 |
| Meals & Rooms Tax | 21.1 | 20.8 | 0.3 |
| Tobacco Tax | 9.9 | 8.6 | 1.3 |
| Liquor Sales and Distribution | 10.7 | 10.0 | 0.7 |
| Interest & Dividends Tax | 0.8 | 0.5 | 0.3 |
| Insurance Tax | 0.8 | 0.7 | 0.1 |
| Communications Tax | 4.2 | 5.8 | (1.6) |
| Real Estate Transfer Tax | 15.4 | 11.9 | 3.5 |
| Estate & Legacy Tax | 0.7 | 1.0 | (0.3) |
| Court Fines & Fees | 2.1 | 2.6 | (0.5) |
| Securities Revenue | 0.4 | 0.4 | - |
| Utility Tax | 0.5 | 0.5 | - |
| Board & Care Revenue | 1.0 | 0.9 | 0.1 |
| Beer Tax | 1.3 | 1.4 | (0.1) |
| Racing Revenue | 0.4 | 0.4 | - |
| Flexible Grant | - | - | - |
| Other | 4.0 | 3.6 | 0.4 |
| Transfers from Sweepstakes | 5.7 | 5.9 | (0.2) |
| Tobacco Settlement | - | - | - |
| Utility Property Tax | - | - | - |
| Property Tax Not Retained Locally | - | - | - |
| Property Tax Retained Locally | - | - | - |
| Subtotal | 87.4 | 82.4 | 5.0 |
| Net Medicaid Enhancement Rev | 7.4 | 5.6 | 1.8 |
| Recoveries | 0.9 | 1.3 | (0.4) |
| Subtotal | 95.7 | 89.3 | 6.4 |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | 7.4 | 5.5 | 1.9 |
| Total | \$ 103.1 | \$ 94.8 | \$ 8.3 |

Unrestricted revenue for the General and Education Funds for August totaled \$103.1 million, which was above the plan by \$8.3 million and \$7.3 million above prior year. Year to date revenue totaled \$186.4 million, also above the plan and prior year by \$16.8 million and \$14.8 million, respectively.

Real Estate Transfer Tax (RET) continued its strong performance this month and brought in \$15.4 million which was \$3.5 million over plan and \$2.3 million ahead of prior year. For the first two months of this fiscal year, the RET is performing 41% and 32% ahead of plan and prior year, respectively.

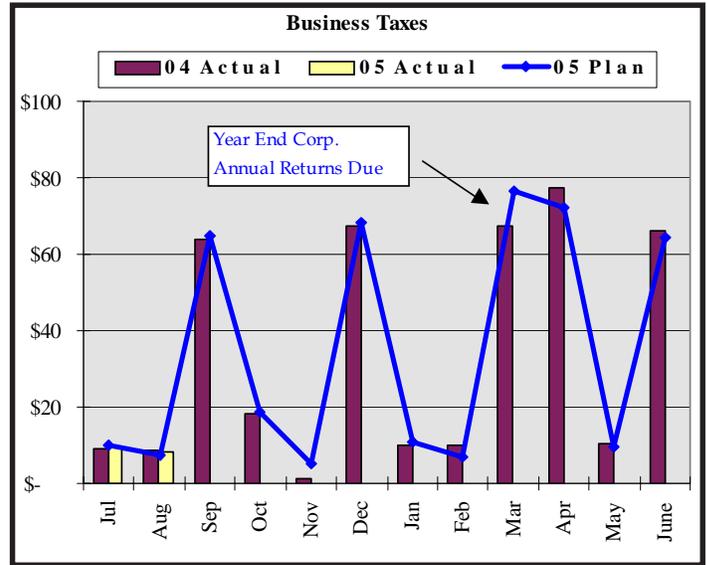
Business Taxes are tracking slightly ahead of both plan and prior year. Year to date collections totaled \$18.1 million, \$0.7 million above plan and \$0.4 million above prior year. Next month, 3rd quarter estimated payments by calendar year corporations will be due. (See graph on page 2).

During the month, the quarterly **New Hampshire Hospital Disproportionate Share (DSH)** transaction was processed and generated a net gain of \$7.3 million of Net Medicaid Enhancement revenue. Due to changes in federal legislation that increased the DSH cap, the State was able to realize additional funds over the original budget in the amount of \$1.8 million. According to DHHS, they will go to Fiscal and Governor and Council to get the authority to accept and expend the increased DSH monies later this fiscal year.

The status of the Education Trust Fund balance can be seen on page 3. The beginning balance is preliminary and unaudited. Pursuant to HB4, L'04 the distribution of the Education Block Grant will consist of 4 payments of 20% on September 1, 20% on November 1, 30% on January 1, and 30% on April 1.

YTD Revenue Summary

| | <u>FY 05</u> | <u>FY 04</u> | <u>Inc/(Dec)</u> |
|------------------------|--------------|--------------|------------------|
| Gen & Educ | \$ 186.4 | \$ 171.6 | \$ 14.8 |
| Highway | \$ 38.7 | \$ 39.6 | \$ (0.9) |
| Fish & Game | \$ 2.3 | \$ 1.5 | \$ 0.8 |



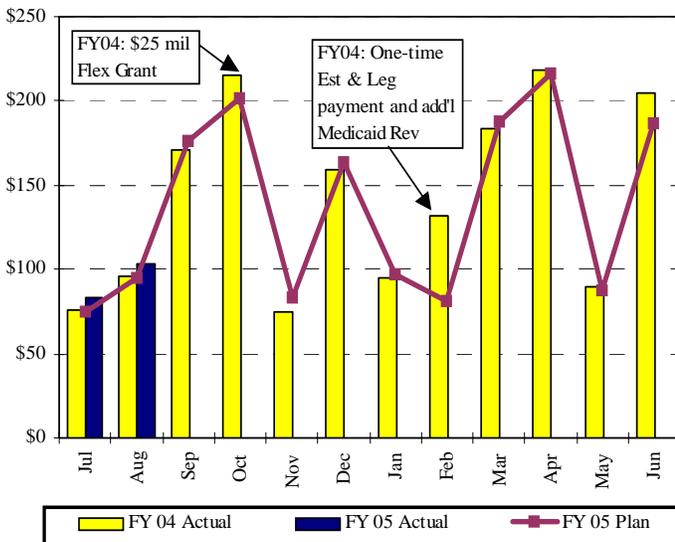
General & Education Funds Comparison to FY 04

| General & Education Funds | <u>Monthly</u> | | | <u>Year-to-Date</u> | | | |
|---|---------------------|---------------------|------------------|---------------------|---------------------|------------------|--------------------|
| | <u>FY05 Actuals</u> | <u>FY04 Actuals</u> | <u>Inc/(Dec)</u> | <u>FY05 Actuals</u> | <u>FY04 Actuals</u> | <u>Inc/(Dec)</u> | <u>% Inc/(Dec)</u> |
| Business Profits Tax | \$ 2.0 | \$ 1.6 | \$ 0.4 | \$ 4.5 | \$ 3.1 | \$ 1.4 | 45.2% |
| Business Enterprise Tax | 6.4 | 7.1 | (0.7) | 13.6 | 14.6 | (1.0) | -6.8% |
| Subtotal | 8.4 | 8.7 | (0.3) | 18.1 | 17.7 | 0.4 | 2.3% |
| Meals & Rooms Tax | 21.1 | 19.9 | 1.2 | 38.5 | 36.4 | 2.1 | 5.8% |
| Tobacco Tax | 9.9 | 9.3 | 0.6 | 18.1 | 18.1 | - | 0.0% |
| Liquor Sales and Distribution | 10.7 | 9.5 | 1.2 | 20.6 | 18.8 | 1.8 | 9.6% |
| Interest & Dividends Tax | 0.8 | (1.0) | 1.8 | 1.3 | (1.1) | 2.4 | 218.2% |
| Insurance Tax | 0.8 | 1.9 | (1.1) | 1.6 | 2.7 | (1.1) | -40.7% |
| Communications Tax | 4.2 | 5.2 | (1.0) | 10.9 | 11.1 | (0.2) | -1.8% |
| Real Estate Transfer Tax | 15.4 | 13.1 | 2.3 | 32.8 | 24.9 | 7.9 | 31.7% |
| Estate & Legacy Tax | 0.7 | 3.7 | (3.0) | 1.5 | 6.6 | (5.1) | -77.3% |
| Court Fines & Fees | 2.1 | 1.9 | 0.2 | 6.9 | 5.7 | 1.2 | 21.1% |
| Securities Revenue | 0.4 | 0.4 | - | 0.7 | 0.7 | - | 0.0% |
| Utility Tax | 0.5 | 0.5 | - | 1.0 | 1.0 | - | 0.0% |
| Board & Care Revenue | 1.0 | 1.0 | - | 1.6 | 2.0 | (0.4) | -20.0% |
| Beer Tax | 1.3 | 1.4 | (0.1) | 2.6 | 2.6 | - | 0.0% |
| Racing Revenue | 0.4 | 0.4 | - | 0.7 | 0.8 | (0.1) | -12.5% |
| Flexible Grant | - | - | - | - | - | - | - |
| Other | 4.0 | 3.6 | 0.4 | 6.8 | 7.3 | (0.5) | -6.8% |
| Transfers from Sweepstakes | 5.7 | 7.8 | (2.1) | 5.7 | 7.8 | (2.1) | -26.9% |
| Tobacco Settlement | - | - | - | - | - | - | - |
| Utility Property Tax | - | 0.2 | (0.2) | 1.1 | 0.2 | 0.9 | 450.0% |
| Property Tax Not Retained Locally | - | - | - | - | - | - | - |
| Property Tax Retained Locally | - | - | - | - | - | - | - |
| Subtotal | 87.4 | 87.5 | (0.1) | 170.5 | 163.3 | 7.2 | 4.4% |
| Net Medicaid Enhancement Rev | 7.4 | 4.2 | 3.2 | 7.6 | 4.2 | 3.4 | 81.0% |
| Recoveries | 0.9 | - | 0.9 | 0.9 | - | 0.9 | 100.0% |
| Subtotal | 95.7 | 91.7 | 4.0 | 179.0 | 167.5 | 11.5 | 6.9% |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | 7.4 | 4.1 | 3.3 | 7.4 | 4.1 | 3.3 | 80.5% |
| Total | \$ 103.1 | \$ 95.8 | \$ 7.3 | \$ 186.4 | \$ 171.6 | \$ 14.8 | 8.6% |

Year-to-Date Analysis

| General & Education Funds | General | | Education | | Total | | |
|---|----------|----------|-----------|---------|----------|----------|-----------------|
| | Actual | Plan | Actual | Plan | Actual | Plan | Actual vs. Plan |
| Business Profits Tax | \$ 4.5 | \$ 7.2 | \$ - | \$ - | \$ 4.5 | \$ 7.2 | \$ (2.7) |
| Business Enterprise Tax | 13.6 | 10.2 | - | - | 13.6 | 10.2 | 3.4 |
| Subtotal | 18.1 | 17.4 | - | - | 18.1 | 17.4 | 0.7 |
| Meals & Rooms Tax | 37.2 | 36.8 | 1.3 | 1.2 | 38.5 | 38.0 | 0.5 |
| Tobacco Tax | 13.7 | 12.2 | 4.4 | 4.9 | 18.1 | 17.1 | 1.0 |
| Liquor Sales and Distribution | 20.6 | 19.7 | - | - | 20.6 | 19.7 | 0.9 |
| Interest & Dividends Tax | 1.3 | 0.6 | - | - | 1.3 | 0.6 | 0.7 |
| Insurance Tax | 1.6 | 1.6 | - | - | 1.6 | 1.6 | - |
| Communications Tax | 10.9 | 11.5 | - | - | 10.9 | 11.5 | (0.6) |
| Real Estate Transfer Tax | 21.9 | 15.5 | 10.9 | 7.8 | 32.8 | 23.3 | 9.5 |
| Estate & Legacy Tax | 1.5 | 2.0 | - | - | 1.5 | 2.0 | (0.5) |
| Court Fines & Fees | 6.9 | 5.9 | - | - | 6.9 | 5.9 | 1.0 |
| Securities Revenue | 0.7 | 0.7 | - | - | 0.7 | 0.7 | - |
| Utility Tax | 1.0 | 1.1 | - | - | 1.0 | 1.1 | (0.1) |
| Board & Care Revenue | 1.6 | 1.6 | - | - | 1.6 | 1.6 | - |
| Beer Tax | 2.6 | 2.6 | - | - | 2.6 | 2.6 | - |
| Racing Revenue | 0.7 | 0.8 | - | - | 0.7 | 0.8 | (0.1) |
| Flexible Grant | - | - | - | - | - | - | - |
| Other | 6.8 | 6.0 | - | - | 6.8 | 6.0 | 0.8 |
| Transfers from Sweepstakes | - | - | 5.7 | 5.9 | 5.7 | 5.9 | (0.2) |
| Tobacco Settlement | - | - | - | - | - | - | - |
| Utility Property Tax | - | - | 1.1 | - | 1.1 | - | 1.1 |
| Property Tax Not Retained Locally | - | - | - | - | - | - | - |
| Property Tax Retained Locally | - | - | - | - | - | - | - |
| Subtotal | 147.1 | 136.0 | 23.4 | 19.8 | 170.5 | 155.8 | 14.7 |
| Net Medicaid Enhancement Rev | 7.6 | 5.7 | - | - | 7.6 | 5.7 | 1.9 |
| Recoveries | .9 | 2.6 | - | - | 0.9 | 2.6 | (1.7) |
| Subtotal | 155.6 | 144.3 | 23.4 | 19.8 | 179.0 | 164.1 | 14.9 |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | 7.4 | 5.5 | - | - | 7.4 | 5.5 | 1.9 |
| Total | \$ 163.0 | \$ 149.8 | \$ 23.4 | \$ 19.8 | \$ 186.4 | \$ 169.6 | \$ 16.8 |

Monthly Unrestricted Revenue



Excluding State Property Tax-Local

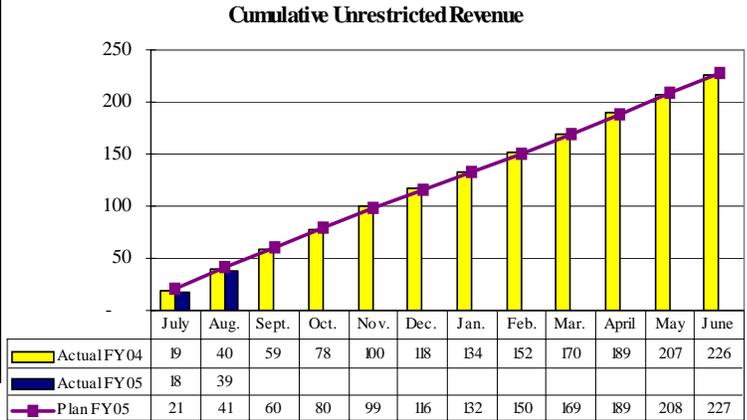
| Education Trust Fund Statement of Activity - FY 2005 July 1, 2004 to August 31, 2004 | |
|--|------------------|
| Description | In Millions |
| Beginning Cash Balance (unaudited) | \$ - |
| Unrestricted Revenue - See above | 23.4 |
| Transfers from General Fund Appropriations | 12.3 |
| Expenditures | |
| Education Grants & Adm Costs | (93.7) |
| Ending Cash Balance | \$ (58.0) |



Year-to-Date Analysis

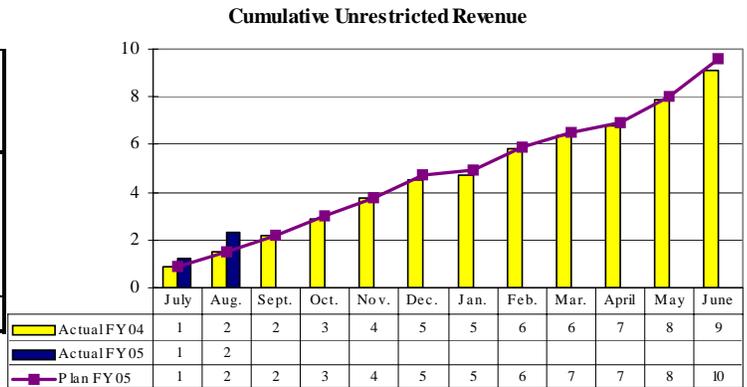
Highway Fund

| Revenue Category | FY 05 Actuals | FY 05 Plan | Actual vs. Plan |
|---------------------------|------------------|----------------|--------------------|
| Gasoline Road Toll | \$ 22.2 | \$ 22.5 | \$ (0.3) |
| Miscellaneous | (0.2) | 0.6 | (0.8) |
| Motor Vehicle Fees | | | |
| MV Registrations | 12.6 | 13.6 | (1.0) |
| MV Operators | 2.2 | 2.6 | (0.4) |
| Inspection Station Fees | 0.6 | 0.4 | 0.2 |
| MV Miscellaneous Fees | 0.6 | 0.7 | (0.1) |
| Certificate of Title | 0.7 | 0.5 | 0.2 |
| Total Fees | 16.7 | 17.8 | (1.1) |
| Total | \$ 38.7 | \$ 40.9 | \$ (2.2) |



Fish & Game Fund

| Revenue Category | FY 05 Actuals | FY 05 Plan | Actual vs. Plan |
|-----------------------------------|------------------|---------------|--------------------|
| Fish and Game Licenses | \$ 1.6 | \$ 1.4 | \$ 0.2 |
| Fines and Penalties | - | - | - |
| Miscellaneous Sales | 0.7 | - | 0.7 |
| Federal Recoveries Indirect Costs | - | 0.1 | (0.1) |
| Total | \$ 2.3 | \$ 1.5 | \$ 0.8 |



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