

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Linda M. Hodgdon



Monthly Revenue Summary

	<u>FY 09</u>	<u>Plan</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 77.8	\$ 104.1	\$ (26.3)
Highway	\$ 19.8	\$ 20.9	\$ (1.1)
Fish & Game	\$ 1.4	\$ 1.4	\$ -

Current Month Analysis

General & Education Funds	<i>FY09 Actuals</i>	<i>FY09 Adj. Plan</i>	<i>Actual vs. Plan</i>
Business Profits Tax	\$ 0.9	\$ 6.0	\$ (5.1)
Business Enterprise Tax	8.5	13.6	(5.1)
Subtotal	9.4	19.6	(10.2)
Meals & Rooms Tax	14.4	16.3	(1.9)
Tobacco Tax *	15.8	15.3	0.5
Liquor Sales and Distribution *	11.3	12.7	(1.4)
Interest & Dividends Tax	0.1	0.3	(0.2)
Insurance Tax	1.1	(0.7)	1.8
Communications Tax	5.3	6.9	(1.6)
Real Estate Transfer Tax	4.6	11.7	(7.1)
Court Fines & Fees	2.2	2.7	(0.5)
Securities Revenue	0.7	2.3	(1.6)
Utility Tax	0.5	0.5	-
Board & Care Revenue	2.0	1.9	0.1
Beer Tax	1.0	0.9	0.1
Racing Revenue	0.2	0.3	(0.1)
Other	3.6	4.6	(1.0)
Transfers from Lottery	5.5	7.4	(1.9)
Transfers from Pari-Mutuel	-	0.1	(0.1)
Tobacco Settlement	-	-	-
Utility Property Tax	-	-	-
State Property Tax	-	-	-
Subtotal	77.7	102.8	(25.1)
Net Medicaid Enhancement Rev	0.1	0.1	0.0
Recoveries	-	1.2	(1.2)
Total	\$ 77.8	\$ 104.1	\$ (26.3)

* The FY 2009 Plan has been adjusted to reflect the anticipated increases in revenue as a result of the changes in the Tobacco Tax and Liquor discounts pursuant to Chapter 296, Laws of 2008 and as detailed in the October FY 2009 Revenue Focus.

Fiscal 2008 amounts are AUDITED
All funds reported in Millions and on a Cash Basis

Unrestricted revenue from the General and Education Funds for May totaled \$77.8 million, which was below plan by \$26.3 million and below prior year by \$12.1 million. Year to date (YTD) revenue totaled \$2,018.1 million, which was below plan by \$258.5 million and below prior year by \$116.9 million.

Business Taxes (BPT & BET) for May totaled \$9.4 million, which was below plan by \$10.2 million and below the prior year by \$4.5 million. YTD revenue of \$420.8 million is below the plan by \$155.8 million and below the prior year by \$105.1 million. The next significant month for business tax collections is June when 2nd quarter estimated payments are due.

Meals and Rooms Tax (M&R) collections for May were \$2.3 million below plan and \$0.9 million below the prior year. YTD, M&R is tracking \$17.3 million (8%) below plan and \$4.1 million (2%) below prior.

Liquor Sales for the month were \$1.4 million below the revised plan bringing YTD revenue to \$7.6 million (5%) below revised plan but \$12.6 million (11%) above the prior year.

Insurance Tax revenue for May came in \$1.8 million above plan due to timing of refunds processed. According to the Department of Insurance, approximately \$1.0 million in refunds are in process and will be issued next month. YTD, the Insurance Tax is \$5.5 million below plan and \$2.8 million below prior year.

Communication Tax revenue for May was \$1.6 million below plan. According to Department of Revenue the movement in the market from traditional communication devices to VOIP and "pay as you go" cell phones is leading to a decline in revenue as compared to plan.

The **Real Estate Transfer Tax (RET)** performed below estimates again in May with receipts totaling \$4.6 million, \$7.1 million below the plan and \$4.6 million below prior year. Year to date collections of \$78.6 million are below both plan and prior year by \$53.1 million (40%) and \$28.1 million (26%), respectively. See table on next page for the trend of RET.

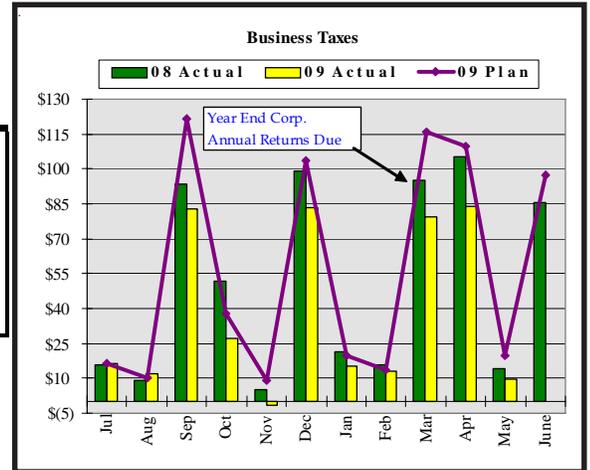
Securities Revenue for May was \$1.6 million below plan due to timing of payments with larger than expected revenue last month. On a YTD basis, Securities Revenue is tracking ahead of plan by \$0.5 million.

Other revenue for the month was \$1.0 million below plan due to timing of collections from statewide indirect cost billings. On a YTD basis, Other revenue is tracking slightly below plan by \$0.4 million.

Lottery Transfers to the Education Trust Fund continue to reflect ongoing weakness in ticket sales due to the challenging economy and the lack of significant jackpots. The transfers for May were \$1.9 million below plan bringing the YTD transfers below plan and prior year by \$17.9 million and \$9.8 million, respectively.

RET Analysis (in Millions)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
FY 09	11.5	9.9	9.4	8.1	8.8	6.6	6.5	4.1	3.7	5.4	4.6
FY 08	12.9	13.2	13.5	9.6	11.4	8.6	8.7	6.7	5.8	7.1	9.2
FY 07	16.5	12.3	13.5	11.7	15.2	10.6	11.0	8.7	7.7	10.5	9.9
FY 09 Plan	15.2	14.5	14.8	12.9	13.6	11.3	11.6	8.9	7.5	9.7	11.7
Month over(under) plan	(3.7)	(4.6)	(5.4)	(4.8)	(4.8)	(4.7)	(5.1)	(4.8)	(3.8)	(4.3)	(7.1)
% Month over(under) Plan	-24%	-32%	-36%	-37%	-35%	-42%	-44%	-54%	-51%	-44%	-61%
YTD over(under) Plan	(3.7)	(8.3)	(13.7)	(18.5)	(23.3)	(28.0)	(33.1)	(37.9)	(41.7)	(46.0)	(53.1)
% YTD over(under) Plan	-24%	-28%	-31%	-32%	-33%	-34%	-35%	-37%	-38%	-38%	-40%
% YTD over(under) Prior Year	-11%	-18%	-22%	-21%	-21%	-22%	-22%	-23%	-24%	-24%	-26%

Business Tax Refund Analysis (In Millions)											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
FY09	1.3	1.4	1.5	5.3	11.3	3.6	4.7	6.2	3.3	3.2	3.5
FY08	1.8	4.6	1.6	3.3	8.3	3.3	9.6	2.2	3.6	3.5	2.9
Mo over Mo	(0.5)	(3.2)	(0.1)	2.0	3.0	0.3	(4.9)	4.0	(0.3)	(0.3)	0.6
YTD Growth	(0.5)	(3.7)	(3.8)	(1.8)	1.2	1.5	(3.4)	0.6	0.3	-	0.6



General & Education Funds Comparison to FY 08

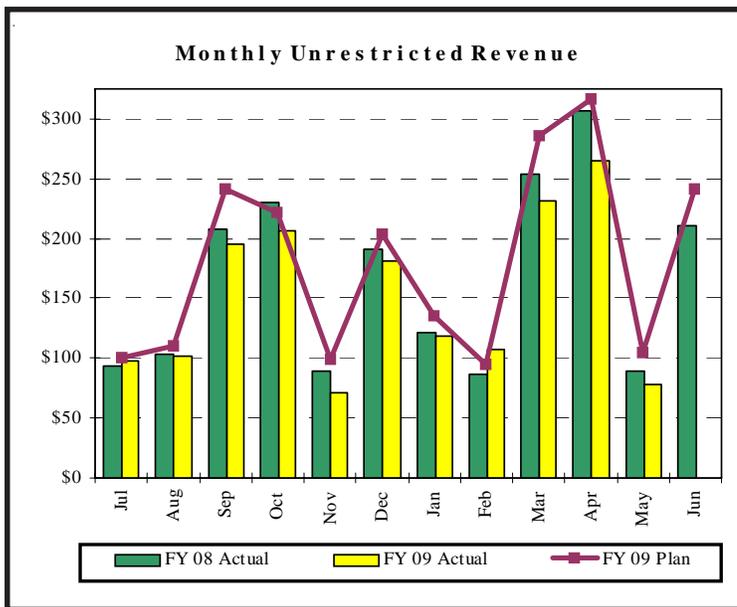
General & Education Funds	Monthly			Year-to-Date			%
	FY09 Actuals	FY08 Actuals	Inc/(Dec)	FY09 Actuals	FY08 Actuals	Inc/(Dec)	
Business Profits Tax	\$ 0.9	\$ 4.3	\$ (3.4)	\$ 242.5	\$ 297.4	\$ (54.9)	-18.5%
Business Enterprise Tax	8.5	9.6	(1.1)	178.3	228.5	(50.2)	-22.0%
Subtotal	9.4	13.9	(4.5)	420.8	525.9	(105.1)	-20.0%
Meals & Rooms Tax	14.4	14.9	(0.5)	193.7	197.4	(3.7)	-1.9%
Tobacco Tax	15.8	13.5	2.3	175.4	152.8	22.6	14.8%
Liquor Sales and Distribution	11.3	10.6	0.7	132.5	119.9	12.6	10.5%
Interest & Dividends Tax	0.1	-	0.1	85.2	100.3	(15.1)	-15.1%
Insurance Tax	1.1	(0.6)	1.7	93.5	96.3	(2.8)	-2.9%
Communications Tax	5.3	6.7	(1.4)	74.3	72.8	1.5	2.1%
Real Estate Transfer Tax	4.6	9.2	(4.6)	78.6	106.7	(28.1)	-26.3%
Court Fines & Fees	2.2	2.0	0.2	26.2	27.4	(1.2)	-4.4%
Securities Revenue	0.7	2.4	(1.7)	33.8	34.2	(0.4)	-1.2%
Utility Tax	0.5	0.5	-	5.6	5.8	(0.2)	-3.4%
Board & Care Revenue	2.0	1.7	0.3	19.1	17.6	1.5	8.5%
Beer Tax	1.0	1.0	-	11.5	11.6	(0.1)	-0.9%
Racing Revenue	0.2	0.3	(0.1)	1.9	2.8	(0.9)	-32.1%
Other	3.6	6.7	(3.1)	53.9	59.8	(5.9)	-9.9%
Transfers from Lottery	5.5	6.0	(0.5)	55.3	65.1	(9.8)	-15.1%
Transfers from Pari-Mutuel	-	-	-	1.0	1.0	-	0.0%
Tobacco Settlement	-	-	-	52.8	48.4	4.4	9.1%
Utility Property Tax	-	0.1	(0.1)	22.2	18.9	3.3	17.5%
State Property Tax	-	-	-	363.7	363.2	0.5	0.1%
Subtotal	77.7	88.9	(11.2)	1,901.0	2,027.9	(126.9)	-6.3%
Net Medicaid Enhancement Rev	0.1	-	0.1	101.2	91.5	9.7	10.6%
Recoveries	-	1.0	(1.0)	15.9	15.6	0.3	1.9%
Total	\$ 77.8	\$ 89.9	\$ (12.1)	\$ 2,018.1	\$ 2,135.0	\$ (116.9)	-5.5%



Year-to-Date Analysis

General & Education Funds	General			Education			Total		
	Actual	Adj. Plan	Actual vs. Plan	Actual	Adj. Plan	Actual vs. Plan	Actual	Adj. Plan	Actual vs. Plan
Business Profits Tax	\$ 206.5	\$ 271.7	\$ (65.2)	\$ 36.0	\$ 51.0	\$ (15.0)	\$ 242.5	\$ 322.7	\$ (80.2)
Business Enterprise Tax	95.9	111.2	(15.3)	82.4	142.7	(60.3)	178.3	253.9	(75.6)
Subtotal	302.4	382.9	(80.5)	118.4	193.7	(75.3)	420.8	576.6	(155.8)
Meals & Rooms Tax	187.9	203.1	(15.2)	5.8	7.5	(1.7)	193.7	210.6	(16.9)
Tobacco Tax*	55.0	56.0	(1.0)	120.4	118.3	2.1	175.4	174.3	1.1
Liquor Sales and Distribution *	132.5	140.1	(7.6)	-	-	-	132.5	140.1	(7.6)
Interest & Dividends Tax	85.2	106.4	(21.2)	-	-	-	85.2	106.4	(21.2)
Insurance Tax	93.5	99.0	(5.5)	-	-	-	93.5	99.0	(5.5)
Communications Tax	74.3	75.9	(1.6)	-	-	-	74.3	75.9	(1.6)
Real Estate Transfer Tax	51.9	87.8	(35.9)	26.7	43.9	(17.2)	78.6	131.7	(53.1)
Court Fines & Fees	26.2	29.9	(3.7)	-	-	-	26.2	29.9	(3.7)
Securities Revenue	33.8	33.3	0.5	-	-	-	33.8	33.3	0.5
Utility Tax	5.6	6.1	(0.5)	-	-	-	5.6	6.1	(0.5)
Board & Care Revenue	19.1	15.0	4.1	-	-	-	19.1	15.0	4.1
Beer Tax	11.5	11.6	(0.1)	-	-	-	11.5	11.6	(0.1)
Racing Revenue	1.9	2.7	(0.8)	-	-	-	1.9	2.7	(0.8)
Other	53.9	54.3	(0.4)	-	-	-	53.9	54.3	(0.4)
Transfers from Lottery	-	-	-	55.3	73.2	(17.9)	55.3	73.2	(17.9)
Transfers from Pari-Mutuel	-	-	-	1.0	1.2	(0.2)	1.0	1.2	(0.2)
Tobacco Settlement	12.8	9.3	3.5	40.0	40.0	-	52.8	49.3	3.5
Utility Property Tax	-	-	-	22.2	17.4	4.8	22.2	17.4	4.8
State Property Tax	-	-	-	363.7	363.0	0.7	363.7	363.0	0.7
Subtotal	1,147.5	1,313.4	(165.9)	753.5	858.2	(104.7)	1,901.0	2,171.6	(270.6)
Net Medicaid Enhancement Rev	101.2	91.6	9.6	-	-	-	101.2	91.6	9.6
Recoveries	15.9	13.4	2.5	-	-	-	15.9	13.4	2.5
Total	\$ 1,264.6	\$ 1,418.4	\$ (153.8)	\$ 753.5	\$ 858.2	\$ (104.7)	\$ 2,018.1	\$ 2,276.6	\$ (258.5)

* The FY 2009 Plan has been adjusted to reflect the anticipated increases in revenue as a result of the changes in the Tobacco Tax and Liquor discounts pursuant to Chapter 296, Laws of 2008 and as detailed in the October FY 2009 Revenue Focus.



Excluding State Property Tax

Education Trust Fund Statement of Activity - FY 2009 July 1, 2008 to May 31, 2009	
Description	In Millions
Beginning Surplus (Deficit) - unaudited	\$ -
Unrestricted Revenue - See above	753.5
Expenditures	
Education Grants & Adm Costs	(897.4)
Ending Surplus (Deficit)	\$ (143.9)

Fiscal 2009 Adequate Education Grant payments of \$527.4 million are paid 20% September 1, 20% November 1, 30% January 1 and 30% April 1. An additional \$363.7 million of grants are retained locally through the Statewide Property Tax.

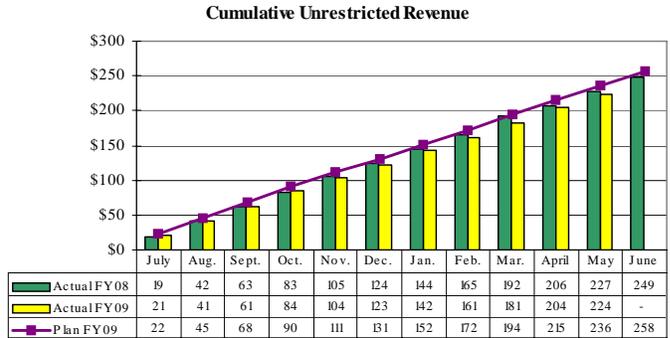
All grant payments have been made and Statewide Property Tax revenue has been retained. The remaining deficit will be covered by additional June revenues along with year-end General Fund transfers.



Year-to-Date Analysis

Highway Fund

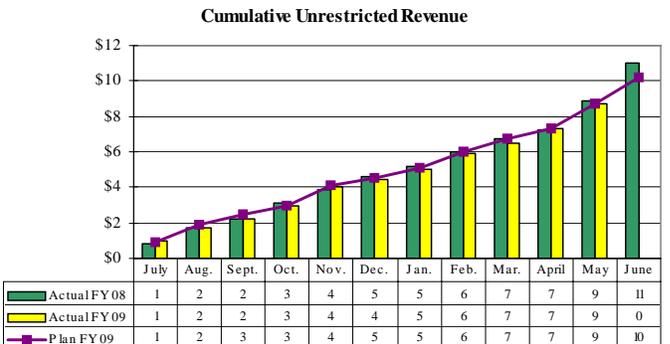
<i>Revenue Category</i>	<i>FY 09 Actuals</i>	<i>FY 09 Plan</i>	<i>Actual vs. Plan</i>
Gasoline Road Toll	\$ 120.7	\$ 127.9	\$ (7.2)
Miscellaneous	13.6	12.8	0.8
Motor Vehicle Fees			
MV Registrations	67.3	70.3	(3.0)
MV Operators	11.7	12.6	(0.9)
Inspection Station Fees	3.2	3.5	(0.3)
MV Miscellaneous Fees	3.6	4.1	(0.5)
Certificate of Title	4.1	5.1	(1.0)
Total Fees	89.9	95.6	(5.7)
Total	\$ 224.2	\$ 236.3	\$ (12.1)



Gasoline Road Toll is tracking \$7.2 million below plan year to date. According to Road Toll Operations, fuel consumption is below estimates and is tracking 4.1% below the same period last fiscal year.

Fish & Game Fund

<i>Revenue Category</i>	<i>FY 09 Actuals</i>	<i>FY 09 Plan</i>	<i>Actual vs. Plan</i>
Fish and Game Licenses	\$ 7.3	\$ 7.3	\$ -
Fines and Penalties	0.1	0.1	-
Miscellaneous Sales	0.7	0.5	0.2
Federal Recoveries Indirect Costs	0.6	0.8	(0.2)
Total	\$ 8.7	\$ 8.7	\$ -



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