

PRELIMINARY ACCRUAL - UNAUDITED

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Vicki V. Quiram, Commissioner

Gerard J. Murphy, Comptroller



Analysis

This June 2016 Monthly Revenue Focus represents **PRELIMINARY ACCRUAL-BASED** revenues for fiscal 2016 and is **UNAUDITED and subject to change**. Further changes could occur even before the September 30th draft financial statements are prepared, with any such changes incorporated into the September 30th financial statements. Changes could also occur after September 30th as well, with any such changes being included as part of the final audited financial statements to be issued on or before December 31.

Estimated accrual basis revenues are derived using cash basis results, deducting cash collected during the fiscal year on prior year receivables (revenue was already included in FY15 results) and adding the currently estimated receivables due to the State as of June 30, 2016. These estimated amounts as well as the total annual amounts reported are subject to validation and audit, and are not finalized until conclusion of the audit. When comparing 2016 to the prior year, note that fiscal 2015 revenues also represent preliminary accrual results.

Fiscal 2016 unrestricted preliminary accrual-based revenue for the General and Education Funds totaled \$2,400.9 million, \$109.8 million (4.8%) above plan, as adjusted by Chapter 274 Laws of 2015 (SB9), and \$139.8 million (6.2%) above prior year. In addition, as noted in the June **CASH BASIS** report, a total of \$19.0 million in tax amnesty receipts was collected in Fiscal 2016.

When comparing this report to the June **CASH BASIS** report, these accrual results were higher by \$10.3 million, due largely to the accrual basis increases and decreases to revenues. The increase was comprised of accrual adjustments to Business Taxes, Meals & Rentals Tax, Tobacco Tax and Real Estate Transfer Taxes totaling \$6.0 million, with the remaining \$4.3 million representing accrual adjustments to Other Revenues.

Revenue Results Summary – Fiscal Year 2016:

- Business Taxes were 14% above the plan and above prior year by 16%.
- Meals & Rentals Tax was above the plan by 3% and above prior year by 7%
- Tobacco Tax was above both plan and prior year by 2%
- Transfers from Liquor Commission were slightly below plan but above prior year by 3%
- Interest & Dividends taxes were below the plan by 6% and below prior year by 9%
- Insurance Tax was above plan by 4% and above prior year by 8%
- Communications Tax was below plan by 10% and below prior year by 9%
- Real Estate Transfer taxes were above plan by 14% and above prior year by 15%
- Securities Revenue was 4% above plan and 3% above prior year
- Lottery Commission contributed 4% more than plan for the year and 2% above prior year
- Utility Property Tax was 5% above plan and 6% above prior year

It should be noted that the total reported for Business Taxes is net of \$30 million of April 2016 collections which have been excluded from this Revenue Focus report, as DRA has determined that this amount may be subject to valid refund requests in the current or future fiscal years. This analysis is ongoing and any of the revenue that qualifies for recognition will be reflected in the final audited results.

For additional information and discussion on revenues, please refer to the analysis which accompanied the June **CASH BASIS** report.

General & Education Funds Comparison - FY 16 to FY 15

General & Education Funds	FY 16 Actuals	FY 15 Actuals	Inc/(Dec)	% Inc/ (Dec)
Business Profits Tax	\$387.6	\$340.9	\$46.7	13.7%
Business Enterprise Tax	258.7	215.0	43.7	20.3%
Subtotal Business Taxes	646.3	555.9	90.4	16.3%
Meals & Rentals Tax	299.8	280.5	19.3	6.9%
Tobacco Tax	226.2	221.4	4.8	2.2%
Transfer from Liquor Commission	142.8	138.7	4.1	3.0%
Interest & Dividends Tax	87.5	96.4	(8.9)	-9.2%
Insurance Tax	123.4	114.6	8.8	7.7%
Communications Tax	52.3	57.4	(5.1)	-8.9%
Real Estate Transfer Tax	134.7	117.6	17.1	14.5%
Court Fines & Fees	13.5	13.4	0.1	0.7%
Securities Revenue	43.7	42.5	1.2	2.8%
Utility Consumption Tax	5.9	6.0	(0.1)	-1.7%
Board & Care Revenue	-	-	-	-
Beer Tax	13.1	13.1	-	0.0%
Other	75.8	73.3	2.5	3.4%
Transfer from Lottery Commission	75.6	74.2	1.4	1.9%
Transfer from Racing & Charitable Gaming	3.3	3.1	0.2	6.5%
Tobacco Settlement	41.5	41.9	(0.4)	-1.0%
Utility Property Tax	43.3	41.0	2.3	5.6%
State Property Tax	363.1	363.4	(0.3)	-0.1%
Subtotal Traditional Taxes & Transfers	2,391.8	2,254.4	137.4	6.1%
Recoveries	9.1	6.7	2.4	35.8%
Subtotal Receipts	\$2,400.9	\$2,261.1	\$139.8	6.2%
Tax Amnesty Receipts	19.0		19.0	100.0%
Total Receipts	\$2,419.9	\$2,261.1	\$158.8	7.0%

Education Trust Fund Statement of Activity - FY 2016 July 1, 2015 to June 30, 2016	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$-
Unrestricted Revenue - See above	927.6
Expenditures	
Education Grants & Adm Costs	(956.7)
Ending Surplus (Deficit) - unaudited	\$(29.1)

Ending deficit will be affected by any further year end accrual adjustments, after which any remaining deficit will be funded by the General Fund. The FY 2016 budget anticipated a deficit of \$79.4 million

All funds reported are unaudited, dollars in millions.

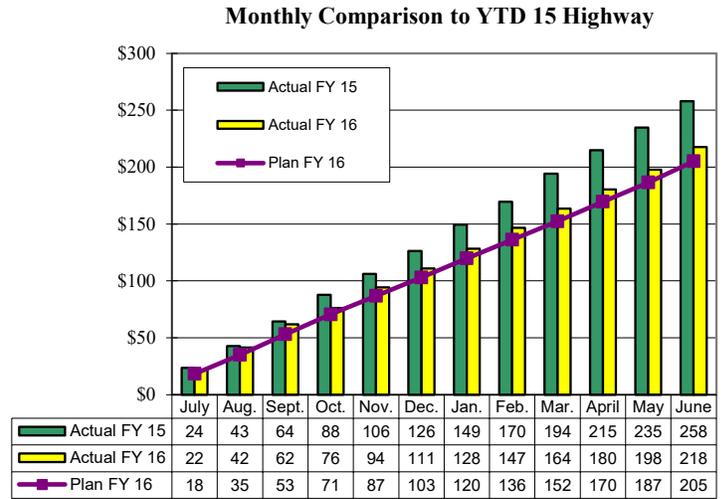
General and Education Funds

Year-to-Date Comparison to Plan										
General & Education Funds	General			Education			Total			% Inc/ (Dec)
	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>	<i>Actual</i>	<i>Plan</i>	<i>Actual vs. Plan</i>	
Business Profits Tax	\$313.6	\$278.9	\$34.7	\$74.0	\$61.2	\$12.8	\$387.6	\$340.1	\$47.5	14.0%
Business Enterprise Tax	78.1	74.6	3.5	180.6	151.8	28.8	258.7	226.4	32.3	14.3%
Subtotal Business Taxes	391.7	353.5	38.2	254.6	213.0	41.6	646.3	566.5	79.8	14.1%
Meals & Rentals Tax	291.3	282.8	8.5	8.5	8.7	(0.2)	299.8	291.5	8.3	2.8%
Tobacco Tax	131.9	124.7	7.2	94.3	98.1	(3.8)	226.2	222.8	3.4	1.5%
Transfer from Liquor Commission	142.8	143.6	(0.8)	-	-	-	142.8	143.6	(0.8)	-0.6%
Interest & Dividends Tax	87.5	93.1	(5.6)	-	-	-	87.5	93.1	(5.6)	-6.0%
Insurance Tax	123.4	118.3	5.1	-	-	-	123.4	118.3	5.1	4.3%
Communications Tax	52.3	58.1	(5.8)	-	-	-	52.3	58.1	(5.8)	-10.0%
Real Estate Transfer Tax	89.8	79.3	10.5	44.9	39.0	5.9	134.7	118.3	16.4	13.9%
Court Fines & Fees	13.5	13.8	(0.3)	-	-	-	13.5	13.8	(0.3)	-2.2%
Securities Revenue	43.7	42.2	1.5	-	-	-	43.7	42.2	1.5	3.6%
Utility Consumption Tax	5.9	6.0	(0.1)	-	-	-	5.9	6.0	(0.1)	-1.7%
Beer Tax	13.1	13.0	0.1	-	-	-	13.1	13.0	0.1	0.8%
Other	75.8	71.9	3.9	-	-	-	75.8	71.9	3.9	5.4%
Transfer from Lottery Commission	-	-	-	75.6	73.0	2.6	75.6	73.0	2.6	3.6%
Transfer from Racing & Charitable Gaming	-	-	-	3.3	2.5	0.8	3.3	2.5	0.8	32.0%
Tobacco Settlement	1.5	2.3	(0.8)	40.0	40.0	-	41.5	42.3	(0.8)	-1.9%
Utility Property Tax	-	-	-	43.3	41.3	2.0	43.3	41.3	2.0	4.8%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	1,464.2	1,402.6	61.6	927.6	878.7	48.9	2,391.8	2,281.3	110.5	4.8%
Recoveries	9.1	9.8	(0.7)	-	-	-	9.1	9.8	(0.7)	-7.1%
Subtotal Receipts	1,473.3	1,412.4	60.9	927.6	878.7	48.9	2,400.9	2,291.1	109.8	4.8%
Tax Amnesty Receipts	19.0						19.0			
Total Receipts	\$1,492.3			\$927.6			\$2,419.9			

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Highway Fund

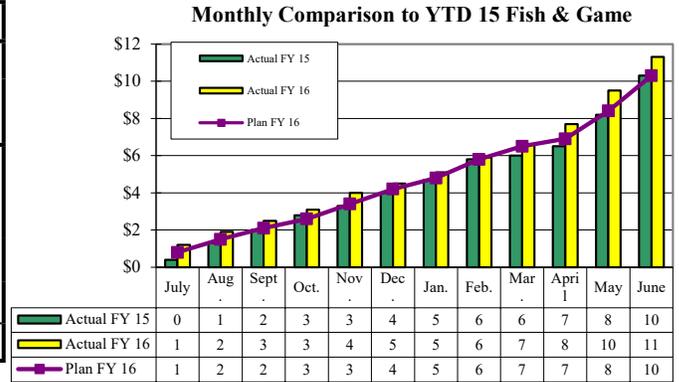
Comparison to Plan				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Gasoline Road Toll	\$123.5	\$120.7	\$2.8	\$125.7
Miscellaneous	0.7	1.4	(0.7)	14.6
Motor Vehicle Fees				
MV Registrations	68.4	60.6	7.8	81.5
MV Operators	4.1	2.5	1.6	12.4
Inspection Station Fees	3.5	3.2	0.3	4.0
MV Miscellaneous Fees	9.4	9.9	(0.5)	10.5
Certificate of Title	6.5	6.7	(0.2)	8.8
Total Fees	91.9	82.9	9.0	117.2
Total	\$216.1	\$205.0	\$11.1	\$257.5



Total Highway Fund revenue came in 5.4% above plan and 16% below the prior year. FY 16 actual results and plan amounts for the Highway Fund do not include the cost of collections.

Fish & Game Fund

Comparison to Plan				
Revenue Category	year-to-date			FY 15 Actuals
	FY 16 Actuals	FY 16 Plan	Actual vs. Plan	
Fish and Game Licenses	\$9.8	\$8.5	\$1.3	\$7.9
Fines and Penalties	0.1	\$0.1	-	0.2
Miscellaneous Sales	0.6	\$0.8	(0.2)	0.9
Federal Recoveries Indirect Costs	0.9	\$0.9	-	1.1
Total	\$11.4	\$10.3	\$1.1	\$10.1



Total Unrestricted Fish & Game Fund revenue came in 10.7% above plan and 12.9% above the prior year.

All funds reported are unadited, dollars in millions.

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