

CASH BASIS - UNAUDITED

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Charles M. Arlinghaus, Commissioner

Dana M. Call, Comptroller



Monthly Revenue Summary

Analysis

	<i>(for month)</i>		
	FY 19 Actual	FY 19 Plan	Actual vs. Plan
Gen & Educ	\$249.8	\$253.8	\$(4.0)
Highway	\$19.0	\$20.3	\$(1.3)
Fish & Game	\$2.0	\$2.2	\$(0.2)

The revenue basis in this June 2019 Monthly Revenue Focus represents **PRELIMINARY CASH BASIS** results for both fiscal years presented and is unaudited. A preliminary accrual report is expected to be issued later in July and final revenue results will be available at the conclusion of the audit after year-end accounts receivable and other adjustments are analyzed.

Unrestricted revenue for the General and Education Funds received during June totaled \$249.8 million, which was below the plan by \$4.0 million (1.6%) and below the prior year by \$24.3 million (8.9%). YTD unrestricted revenue totaled \$2,669.7 million, which was above plan by \$198.0 million (8.0%) and above prior year by \$97.9 million (3.8%).

Business Taxes for June totaled \$108.4 million, which were \$0.5 million (0.5%) above plan and \$21.2 million (16.4%) below prior year. On a YTD basis, business tax collections are above plan by \$187.3 million (28.6%) and \$65.4 million (8.4%) above the prior year. According to the Dept. of Revenue Administration (DRA), the decrease in June revenue can be attributed to a decrease in return, estimate, extension, and tax notice payments as well as an increase in refund payments over the same period last year.

Meals and Rentals Tax (M&R) receipts for June came in at plan and above prior year by \$1.4 million (5.1%). YTD collections were \$1.8 million (0.5%) above plan and \$18.3 million (5.5%) above prior year. According to DRA, June collections (May activity) from hotels were up 1.8% while taxable meals were up 2.9% as compared to the same month last year.

Tobacco Tax receipts for the month were \$17.3 million, or \$3.7 million (17.6%) below plan and \$3.8 million (18.0%) below prior year. YTD collections were \$15.7 million (7.3%) below plan and \$17.4 million (8.0%) below the same YTD period last year. According to the DRA, stamp sales were down 12% in June as compared to the same month of the prior year, however, bond receivable balance is up 51% as compared to the same month in the prior year.

Transfer from Liquor Commission in June of \$11.0 million was below plan by \$2.1 million (16.0%) and below prior year by \$2.0 million (15.4%). The YTD transfer of \$131.2 million was below plan by \$15.7 million (10.7%) and below prior year by \$6.3 million (4.6%).

Interest and Dividends Tax (I&D) collections for the month were reported at \$16.1 million, which were \$2.7 million (20.1%) above plan and \$2.5 million above prior year. YTD collections through June were \$114.1 million, or \$16.1 million (16.4%) above plan and \$7.9 million (7.4%) above the prior year. DRA has reported that the increases in June interest and dividend collections compared to prior year were primarily attributable to an increase in estimate payments over the same month in the prior year.

Real Estate Transfer Taxes for June were \$14.6 million, which is \$0.8 million (5.2%) below plan and \$0.6 million (4.3%) above the same month last year. YTD collections were \$10.6 million (6.5%) below plan, but \$5.0 million (3.4%) above the same period in the prior year. According to DRA, the number of transactions reported by the counties for the month of June (May collections), was up 9.3% compared to the prior year, and transaction values were up 3.9% over the same period last year.

Utility Property Tax collections for June were \$8.1 million, which is \$2.4 million (22.9%) below plan and \$1.9 million (19.0%) below the same month last year. YTD collections were \$3.9 million (9.0%) below plan and \$5.7 million (12.6%) below the same period in the prior year. According to DRA, decrease is due to revaluations coming in lower than prior years.

Current Month

GENERAL & EDUCATION FUNDS	FY 19 Actuals	FY 19 Plan	Actual vs. Plan
Business Profits Tax	\$66.8	\$64.7	\$2.1
Business Enterprise Tax	41.6	43.2	(1.6)
Subtotal Business Taxes	108.4	107.9	0.5
Meals & Rentals Tax	28.9	28.9	-
Tobacco Tax	17.3	21.0	(3.7)
Transfer from Liquor Commission	11.0	13.1	(2.1)
Interest & Dividends Tax	16.1	13.4	2.7
Insurance Tax	1.7	0.6	1.1
Communications Tax	3.3	3.4	(0.1)
Real Estate Transfer Tax	14.6	15.4	(0.8)
Court Fines & Fees	1.1	1.2	(0.1)
Securities Revenue	0.9	0.8	0.1
Utility Consumption Tax	-	-	-
Beer Tax	1.3	1.2	0.1
Other	18.8	22.1	(3.3)
Transfer from Lottery Commission	17.0	13.5	3.5
Tobacco Settlement	-	-	-
Utility Property Tax	8.1	10.5	(2.4)
State Property Tax	-	-	-
Subtotal Traditional Taxes & Transfers	248.5	253.0	(4.5)
Recoveries	1.2	0.8	0.4
Total Receipts	\$249.8	\$253.8	\$(4.0)

All funds reported on a cash basis, dollars in millions.

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RET ANALYSIS

(In Millions)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June
FY19	15.6	17.5	17.4	12.9	13.9	12.2	12.0	8.1	8.2	9.2	12.1	14.6
FY18	15.1	14.6	14.9	13.7	13.0	11.4	14.4	9.0	6.5	9.6	12.5	14.0
FY17	15.8	14.1	13.9	13.9	12.9	11.0	12.4	11.4	7.4	8.1	9.3	12.0
Mo over Mo	0.5	2.9	2.5	(0.8)	0.9	0.8	(2.4)	(0.9)	1.7	(0.4)	(0.4)	0.6
% Mo over Mo	3%	20%	17%	-6%	7%	7%	-17%	-10%	26%	-4%	-3%	4%
YTD change over Prior Year	0.5	3.4	5.9	5.1	6.0	6.8	4.4	3.5	5.2	4.8	4.4	5.0
% YTD change	3%	11%	13%	9%	8%	8%	5%	3%	5%	4%	3%	3%

M&R ANALYSIS

	June			YTD		
	FY 19	FY 18	Diff	FY 19	FY 18	Diff
	Gross Collections	29.9	28.5	1.4	360.2	342.3
Bldg Aid Debt Srvc Transfer	(1.0)	(1.0)	-	(11.9)	(12.3)	0.4
Net Revenue	28.9	27.5	1.4	348.3	330.0	18.3

Business Tax Refund Analysis

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	YTD
FY19	1.7	1.7	6.4	10.1	4.2	8.5	6.2	2.0	3.7	2.8	2.2	3.3	52.8
FY 18	1.8	1.3	8.0	4.2	2.9	5.3	2.9	2.6	5.3	2.8	1.5	1.4	40.0
FY 17	2.4	0.8	1.1	11.3	11.0	1.2	3.4	4.0	3.2	2.2	1.7	2.3	44.6
Mo over Mo change	(0.1)	0.4	(1.6)	5.9	1.3	3.2	3.3	(0.6)	(1.6)	-	0.7	1.9	12.8
YTD change	(0.1)	0.3	(1.3)	4.6	5.9	9.1	12.4	11.8	10.2	10.2	10.9	12.8	

General & Education Funds Comparison to FY 18

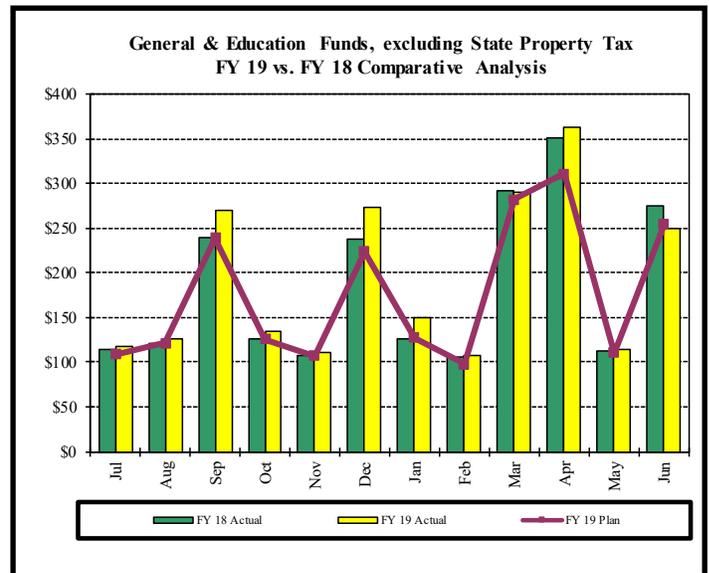
General & Education Funds	Monthly			Year-to-Date			% Change
	FY 19 Actuals	FY 18 Actuals	Inc/(Dec)	FY 19 Actuals	FY 18 Actuals	Inc/(Dec)	
Business Profits Tax	\$66.8	\$79.9	\$(13.1)	\$511.9	\$478.8	\$33.1	6.9%
Business Enterprise Tax	41.6	\$49.7	(8.1)	329.4	\$297.1	32.3	10.9%
Subtotal Business Taxes	108.4	129.6	(21.2)	841.3	775.9	65.4	8.4%
Meals & Rentals Tax	28.9	27.5	1.4	348.3	330.0	18.3	5.5%
Tobacco Tax	17.3	21.1	(3.8)	198.8	216.2	(17.4)	-8.0%
Transfer from Liquor Commission	11.0	13.0	(2.0)	131.2	137.5	(6.3)	-4.6%
Interest & Dividends Tax	16.1	13.6	2.5	114.1	106.2	7.9	7.4%
Insurance Tax	1.7	0.1	1.6	140.5	115.0	25.5	22.2%
Communications Tax	3.3	3.6	(0.3)	41.4	43.6	(2.2)	-5.0%
Real Estate Transfer Tax	14.6	14.0	0.6	153.7	148.7	5.0	3.4%
Court Fines & Fees	1.1	1.1	-	13.1	12.9	0.2	1.6%
Securities Revenue	0.9	0.5	0.4	42.6	43.3	(0.7)	-1.6%
Utility Consumption Tax	-	0.6	(0.6)	4.2	5.8	(1.6)	-27.6%
Beer Tax	1.3	1.3	-	12.8	13.1	(0.3)	-2.3%
Other	18.8	25.6	(6.8)	74.5	79.5	(5.0)	-6.3%
Transfer from Lottery Commission	17.0	12.1	4.9	101.8	85.9	15.9	18.5%
Tobacco Settlement	-	-	-	44.6	45.9	(1.3)	-2.8%
Utility Property Tax	8.1	10.0	(1.9)	39.5	45.2	(5.7)	-12.6%
State Property Tax	-	-	-	363.1	363.1	-	0.0%
Subtotal Traditional Taxes & Transfers	248.5	273.7	(25.2)	2,665.5	2,567.8	97.7	3.8%
Recoveries	1.2	0.4	0.8	4.2	4.0	0.2	5.0%
Total Receipts	\$249.8	\$274.1	\$(24.3)	\$2,669.7	\$2,571.8	\$97.9	3.8%

All funds reported on a cash basis, dollars in millions.

General and Education Funds										
YEAR-TO-DATE COMPARISON TO PLAN										
General & Education Funds	General			Education			Total			% Change
	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	Actual	Plan	Actual vs. Plan	
Business Profits Tax	\$413.5	\$323.8	\$89.7	\$98.4	\$68.5	\$29.9	\$511.9	\$392.3	\$119.6	30.5%
Business Enterprise Tax	86.9	76.2	10.7	242.5	185.5	57.0	329.4	261.7	67.7	25.9%
Subtotal Business Taxes	500.4	400.0	100.4	340.9	254.0	86.9	841.3	654.0	187.3	28.6%
Meals & Rentals Tax	338.3	336.1	2.2	10.0	10.4	(0.4)	348.3	346.5	1.8	0.5%
Tobacco Tax	117.7	120.1	(2.4)	81.1	94.4	(13.3)	198.8	214.5	(15.7)	-7.3%
Transfer from Liquor Commission	131.2	146.9	(15.7)	-	-	-	131.2	146.9	(15.7)	-10.7%
Interest & Dividends Tax	114.1	98.0	16.1	-	-	-	114.1	98.0	16.1	16.4%
Insurance Tax	140.5	117.5	23.0	-	-	-	140.5	117.5	23.0	19.6%
Communications Tax	41.4	40.7	0.7	-	-	-	41.4	40.7	0.7	1.7%
Real Estate Transfer Tax	102.5	111.8	(9.3)	51.2	52.5	(1.3)	153.7	164.3	(10.6)	-6.5%
Court Fines & Fees	13.1	13.2	(0.1)	-	-	-	13.1	13.2	(0.1)	-0.8%
Securities Revenue	42.6	46.5	(3.9)	-	-	-	42.6	46.5	(3.9)	-8.4%
Utility Consumption Tax	4.2	3.0	1.2	-	-	-	4.2	3.0	1.2	40.0%
Beer Tax	12.8	13.2	(0.4)	-	-	-	12.8	13.2	(0.4)	-3.0%
Other	74.5	74.8	(0.3)	-	-	-	74.5	74.8	(0.3)	-0.4%
Transfer from Lottery Commission	-	-	-	101.8	88.0	13.8	101.8	88.0	13.8	15.7%
Tobacco Settlement	4.6	-	4.6	40.0	35.0	5.0	44.6	35.0	9.6	27.4%
Utility Property Tax	-	-	-	39.5	43.4	(3.9)	39.5	43.4	(3.9)	-9.0%
State Property Tax	-	-	-	363.1	363.1	-	363.1	363.1	-	-
Subtotal Traditional Taxes & Transfers	1,637.9	1,521.8	116.1	1,027.6	940.8	86.8	2,665.5	2,462.6	202.9	8.2%
Recoveries	4.2	9.1	(4.9)	-	-	-	4.2	9.1	(4.9)	-53.8%
Total Receipts	\$1,642.1	\$1,530.9	\$111.2	\$1,027.6	\$940.8	\$86.8	\$2,669.7	\$2,471.7	\$198.0	8.0%

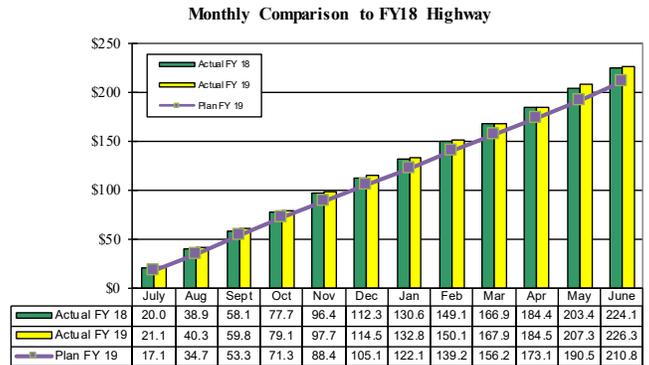
EDUCATION TRUST FUND	
Statement of Activity - FY 2019	
July 1, 2018 to June 30, 2019	
Description	Amount
Beginning Surplus (Deficit) - unaudited	\$11.4
Unrestricted Revenue - See above	1,027.6
Expenditures	
Education Grants & Adm Costs	(963.5)
Ending Surplus (Deficit) - unaudited	\$75.5

Ending surplus will be affected by any further year end accrual adjustments, after which any surplus will remain in the Education Trust Fund. The FY 2019 budget anticipated a deficit of \$9.6 million, to be covered by a General fund transfer at year end.



Highway Fund

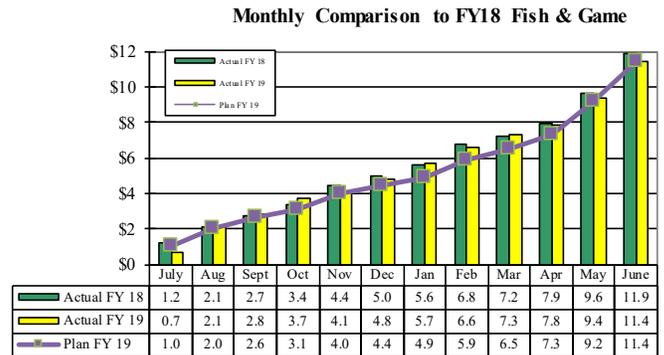
COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 18 Actuals
	FY 19 Actuals	FY 19 Plan	Actual vs. Plan	
Gasoline Road Toll	\$127.2	\$123.1	\$4.1	\$126.2
Miscellaneous	0.6	0.2	0.4	0.2
Motor Vehicle Fees				
MV Registrations	72.7	63.2	9.5	71.3
MV Operators	8.1	7.3	0.8	8.6
Inspection Station Fees	3.4	3.2	0.2	3.2
MV Miscellaneous Fees	8.0	7.9	0.1	8.2
Certificate of Title	6.3	5.9	0.4	6.4
Total Fees	98.5	87.5	11.0	97.7
Total	\$226.3	\$210.8	\$15.5	\$224.1



According to Road Toll Operations, actual fuel consumption is up approximately 1.56% YTD over the same period last year. The Highway Fund Plan for FY 2019 represents revenues included within HB144 (Ch. 155, Laws of 2017) adjusted for the removal of \$ 31.4 million of revenue associated with the cost of collection, which is no longer classified as unrestricted highway fund revenue and is instead classified as restricted revenue, per the Committee of Conference Highway Fund Surplus Statement.

Fish & Game Fund

COMPARISON TO PLAN				
Revenue Category	year-to-date			FY 18 Actuals
	FY 19 Actuals	FY 19 Plan	Actual vs. Plan	
Fish and Game Licenses	\$9.9	\$9.6	\$0.3	\$10.3
Fines and Penalties	0.1	0.1	-	0.1
Miscellaneous Sales	0.4	0.8	(0.4)	0.5
Federal Recoveries	1.0	0.9	0.1	1.0
Indirect Costs				
Total	\$11.4	\$11.4	\$0.0	\$11.9



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Other revenues for June of \$18.8 million were \$3.3 million (14.8%) below plan and \$6.8 million (26.5%) below prior year. June includes the annual legislated transfer of abandoned property, which totaled \$14.3 million, \$0.2 million below plan and \$3.8 million below prior year. YTD collections included in Other revenues of \$74.5 million were \$0.3 million (0.4%) below plan and \$5.0 million (6.3%) below prior year. The variances with the plan and prior year represent a combined impact of higher interest on surplus funds, offset by the decrease in revenues attributed to the reclassification of the Office of Professional Licensure and Certification revenues from unrestricted to dedicated funds as of July 1, 2018. Additional revenue and transfers will be recorded through the extended closing period.

Lottery Transfers during the year, in general, are made for operations of the prior month. In June, transfers are made for May and an estimate of June operations and nothing is transferred in July. Transfers for the month totaling \$17.0 million were \$3.5 million above plan for June, and \$13.8 million above plan YTD. As compared to prior year, for the month of June, transfers were up by \$4.9 million and YTD transfers were higher by \$15.9 million.

SALES OF CIGARETTE STAMPS			
Total sold (calendar month) July through June for each of last five years (number of stamps, in thousands)			
Prepared from data provided by DRA			
	Sales of Stamps	Volume Change	Percent Change
2019	106,330	(5,623)	-5.0%
2018	111,953	(4,547)	-3.9%
2017	116,500	(5,278)	-4.3%
2016	121,778	2,942	2.5%
2015	118,836	(1,041)	-0.9%



Department of Administrative Services

Charles M. Arlinghaus, Commissioner

State House Annex - Room 120

25 Capitol Street

Concord, New Hampshire 03301-6312

Phone: (603)271-3201 Fax: (603)271-6600

TDD Access: Relay NH 1-800-735-2964

Division of Accounting Services

Dana M. Call, Comptroller

State House Annex - Room 310

25 Capitol Street

Concord, New Hampshire 03301-6312

Phone: (603) 271-3190 Fax: (603) 271-6666

TDD Access: Relay NH 1-800-735-2964