

# **Summary of Second Supplemental Budget LD 1903 as Amended**

## **Table of Contents**

<b>Changes to General Fund Balance.....</b>	<b>Page 1</b>
<b>General Fund Spending Initiatives .....</b>	<b>Pages 2 &amp; 3</b>
<b>General Fund Savings Initiatives .....</b>	<b>Pages 4 &amp; 5</b>
<b>Changes in Authorized Positions.....</b>	<b>Page 6</b>
<b>Tax and Fee Changes .....</b>	<b>Page 7</b>

**Prepared by the  
Office of Fiscal and Program Review**

**April 12, 2012**

**Second Supplemental Budget Bill (LD 1903 as Amended)**  
**Summary of Committee Amendment**  
**Summary of Changes to General Fund Balance**

	FY 12	FY 13
<b>Budgeted Ending Balances - Prior to LD 1903</b>	<b>\$365,866</b>	<b>(\$7,301,626)</b>

**Summary of Appropriations and Revenue/Transfers - LD 1903 as Amended**

<b>Resources (Transfers/Adjustments to Balance and Revenue):</b>		
- General Fund Transfers and Adjustments to Balance	\$4,028,593	\$13,450,000
- General Fund Revenue	(\$107,207)	(\$246,450)
<b>Net Increase (Decrease) to Resources</b>	<b>\$3,921,386</b>	<b>\$13,203,550</b>
<b>General Fund Appropriations:</b>		
- General Fund Appropriations	\$4,154,053	\$2,357,044
<b>Net Increase (Decrease) of Appropriations</b>	<b>\$4,154,053</b>	<b>\$2,357,044</b>
<b>Net Increase (Decrease) to Balance - Gov's Supplemental</b>	<b>(\$232,667)</b>	<b>\$10,846,506</b>

**Summary General Fund "Spending" and "Savings" - LD 1903 as Amended**

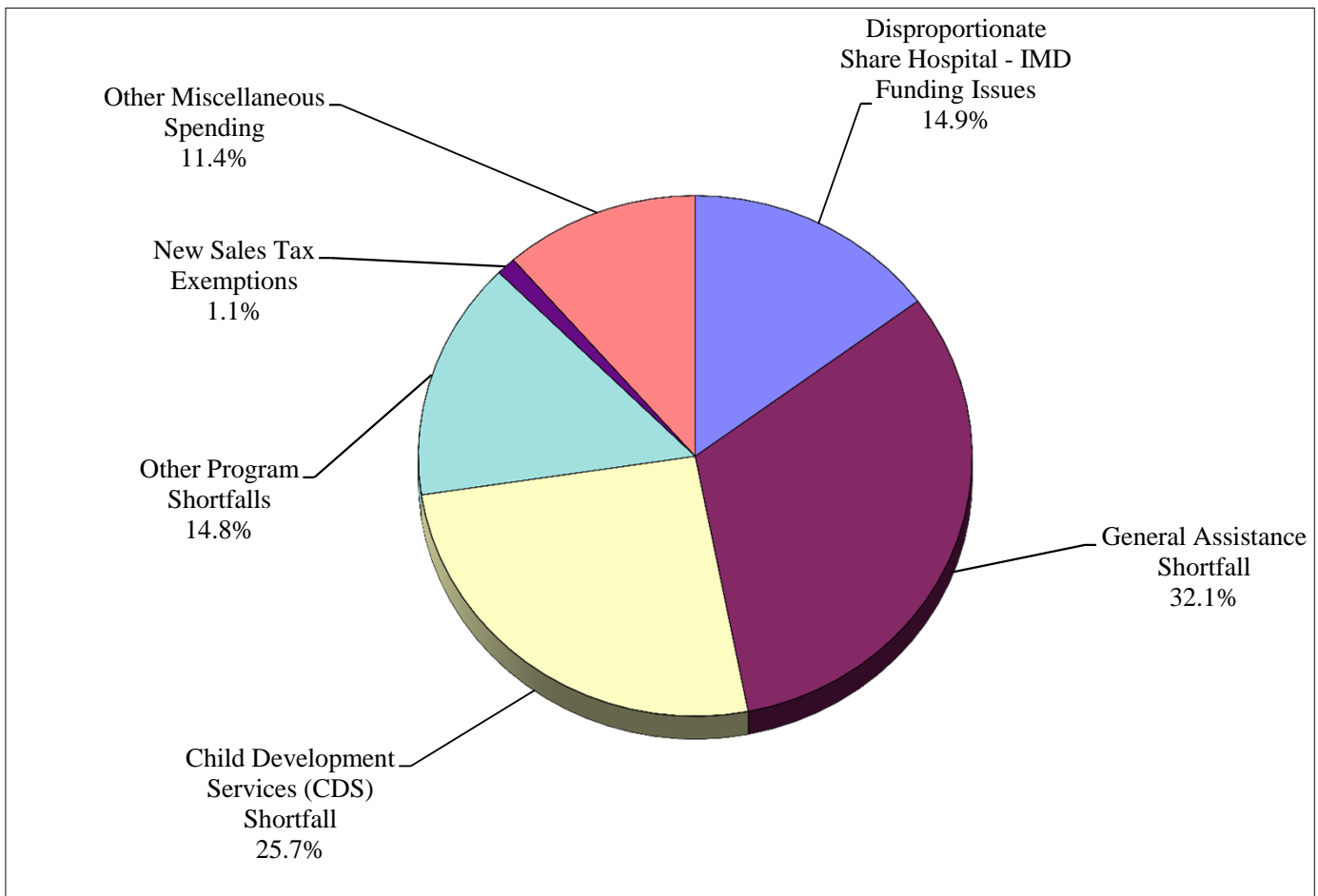
<b>Initiatives Decreasing Resources ("Spending")</b>		
- Funding for Program Shortfalls (see Summary Pages 2 and 3)	(\$11,193,783)	(\$16,041,011)
- Other Spending Initiatives (see Summary Pages 2 and 3)	(\$646,138)	(\$3,262,850)
<b>Total Items Increasing Resources ("Savings")</b>		
- Savings Initiatives (see Summary Pages 4 and 5)	\$24,107,254	\$17,650,367
<b>Other Initiatives</b>		
- Decrease Interfund Borrowing	(\$12,500,000)	\$12,500,000
<b>Net Increase (Decrease) to General Fund Resources</b>	<b>(\$232,667)</b>	<b>\$10,846,506</b>

<b>General Fund Budgeted Ending Balances - After LD 1903 as Amended</b>	<b>\$133,199</b>	<b>\$3,312,213</b>
---	------------------	--------------------

## Second Supplemental Budget Bill (LD 1903 as Amended)

### General Fund "Spending" Initiatives

	FY 12	FY 13	Biennium	% of Total
Disproportionate Share Hospital - IMD Funding Issues	\$0.0	\$4.6	\$4.6	14.9%
General Assistance Shortfall	\$4.0	\$6.0	\$10.0	32.1%
Child Development Services (CDS) Shortfall	\$3.5	\$4.5	\$8.0	25.7%
Other Program Shortfalls	\$3.7	\$0.9	\$4.6	14.8%
New Sales Tax Exemptions	\$0.1	\$0.2	\$0.4	1.1%
Other Miscellaneous Spending	\$0.5	\$3.0	\$3.6	11.4%
<b>TOTAL SPENDING INITIATIVES</b>	<b>\$11.8</b>	<b>\$19.3</b>	<b>\$31.1</b>	<b>100.0%</b>



*Amounts may not add due to rounding*

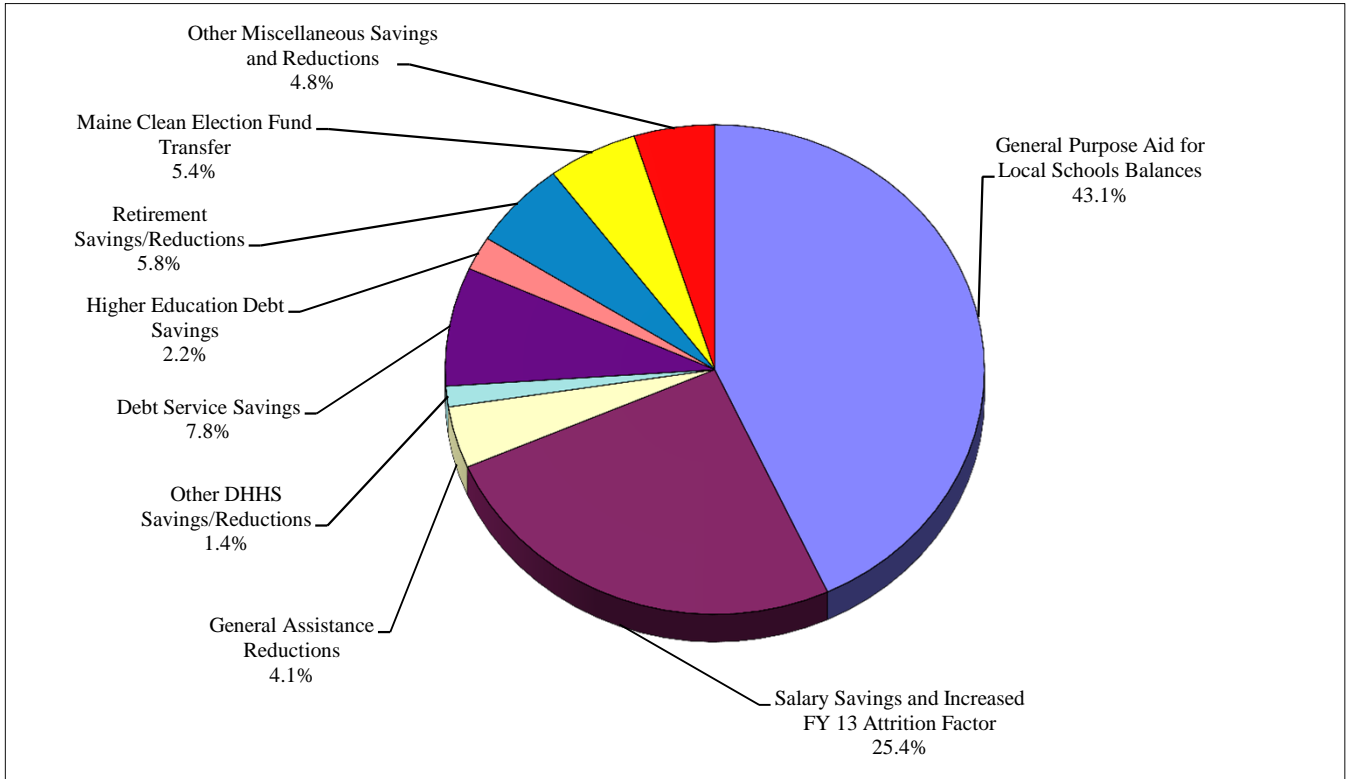
**Second Supplemental Budget Bill (LD 1903 as Amended)**  
**Summary of General Fund Spending Initiatives**

	FY 12	FY 13
<b>General Fund Spending for Shortfalls</b>		
Disproportionate Share Hospital - IMD Funding Issues	\$0	\$3,176,972
Other Adult MH/Disproportionate Share Funding Issues	\$0	\$1,449,607
General Assistance Shortfall	\$3,991,196	\$6,000,000
Child Development Services Shortfall	\$3,500,000	\$4,500,000
Fuel for State-owned Buildings	\$646,454	\$0
Disaster Assistance Funding - State Share	\$700,000	\$0
Indigent Legal Services Shortfall	\$750,000	\$0
Public Safety - Transfer to Other Special Revenue for Shortfalls	\$1,300,000	\$0
Gambling Control Board - Casino Regulation Needs	\$155,918	\$796,231
Approved Reclassifications and Range Changes - Part B	\$150,215	\$118,201
<b>Total General Fund Spending for Shortfalls</b>	<b>\$11,193,783</b>	<b>\$16,041,011</b>
<b>Other General Fund Spending Initiatives</b>		
New Sales Tax Exemption - Breathing Equipment	\$107,207	\$247,950
Computer Crime Lab Funding	\$0	\$362,535
Courts - Security Funding	\$0	\$638,312
Dorothea Dix funding for dental clinical	\$0	\$500,000
DHHS Licensing - Travel and Operating Expenses	\$382,710	\$765,420
DHHS Management Initiatives - Spending Initiatives	\$0	\$196,764
Other Miscellaneous Net Spending	\$156,221	\$551,869
<b>Total Other General Fund Spending Initiatives</b>	<b>\$646,138</b>	<b>\$3,262,850</b>
<b>NET COST FROM SPENDING INITIATIVES</b>	<b>\$11,839,921</b>	<b>\$19,303,861</b>

## Second Supplemental Budget Bill (LD 1903 as Amended)

### General Fund "Savings" Initiatives

	FY 12	FY 13	Biennium	% of Total
General Purpose Aid for Local Schools Balances	\$13.5	\$4.5	\$18.0	43.1%
Salary Savings and Increased FY 13 Attrition Factor	\$6.0	\$4.6	\$10.6	25.4%
General Assistance Reductions	\$0.0	\$1.7	\$1.7	4.1%
Other DHHS Savings/Reductions	\$0.2	\$0.4	\$0.6	1.4%
Debt Service Savings	\$0.3	\$2.9	\$3.3	7.8%
Higher Education Debt Savings	\$0.9	\$0.1	\$0.9	2.2%
Retirement Savings/Reductions	\$0.7	\$1.7	\$2.4	5.8%
Maine Clean Election Fund Transfer	\$1.3	\$1.0	\$2.3	5.4%
Other Miscellaneous Savings and Reductions	\$1.2	\$0.8	\$2.0	4.8%
<b>TOTAL ADJUSTMENTS INCREASING BALANCE</b>	<b>\$24.1</b>	<b>\$17.7</b>	<b>\$41.8</b>	<b>100.0%</b>



*Amounts may not add due to rounding*

## Second Supplemental Budget Bill (LD 1903 as Amended)

### Summary of General Fund Savings Initiatives

	FY 12	FY 13
<b>General Purpose Aid for Local Schools Savings/Reductions:</b>		
General Purpose Aid for Local Schools - Lapsed Balances	(\$10,009,774)	\$0
General Purpose Aid for Local Schools - Other Balances Available	(\$3,500,000)	(\$4,500,000)
<b>DHHS Savings/Reductions:</b>		
General Assistance - FY 13 Limits on Benefits and Reimbursements	\$0	(\$1,702,301)
Dorothea Dix - Net after \$2.5 million offset	(\$182,335)	(\$212,334)
DHHS Management Savings	\$0	(\$174,446)
<b>Retirement Savings/Reductions:</b>		
Excess Appropriations to Pay-as-you-go Governors' Retirement	(\$1,122,570)	(\$1,122,570)
Retirement Incentive Adjustment	\$420,154	(\$583,432)
<b>Transfers from Other Funds and Lapsed Appropriations Balances:</b>		
Transfer from Maine Clean Elections Fund	(\$1,300,000)	(\$950,000)
Miscellaneous Lapsed General Fund Balances	(\$518,819)	\$0
<b>Salary and Personal Services Savings/Reductions:</b>		
Salary Savings Prior to Lapsing to Salary Plan	(\$6,000,000)	\$0
Increased Attrition Factor from 5% to 6% in FY13	\$0	(\$3,454,047)
Statewide Deappropriation for Central Services Rate Reductions	\$0	(\$1,134,518)
<b>Debt Savings</b>		
Treasury Debt Service Savings	(\$333,333)	(\$2,939,607)
Higher Education - University of Maine System - Debt Savings	(\$850,000)	(\$82,050)
<b>Other Miscellaneous Savings/Reductions:</b>		
Net Savings from State Planning Office Reorganization	\$0	(\$229,349)
Maine Revenue Services - Savings Initiatives	\$0	(\$306,449)
Department of Corrections - Savings Initiatives	(\$500,000)	\$0
Offsets to Approved Reclassifications and Range Changes (Part B)	(\$150,215)	(\$118,201)
Other Miscellaneous Savings Initiatives	(\$60,362)	(\$141,063)
<b>TOTAL SAVINGS FROM LD 1903 AS AMENDED</b>	<b>(\$24,107,254)</b>	<b>(\$17,650,367)</b>

**Second Supplemental Budget Bill (LD 1903 as Amended)**  
**Summary of Authorized Position Count Changes**

<b><u>Fund</u></b>	<b><u>Net Change in</u></b> <b><u>Authorized</u></b> <b><u>Positon Counts</u></b>
General Fund	(17.673)
Highway Fund	0.000
Federal Expenditures Fund	7.000
Fund for a Healthy Maine	0.000
Other Special Revenue Fund	(88.052)
Federal Block Grant	(9.000)
Other Funds	1.000
<b>Total Change of Authorized Positions</b>	<b><u>(106.725)</u></b>

## Tax and Fee Changes Affecting State and Local Tax Burden Second Supplemental Budget (LD 1903 as Amended)

Description of Tax or Fee Change	Supplemental Budget Bill Part	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
<b>Sales and Use Tax</b>					
Creates a new sales and use tax exemption for positive airway pressure equipment used in respiratory ventilation, and for supplies, repair parts and replacement parts for such equipment.	Part PP	(\$112,850)	(\$261,000)	(\$269,613)	(\$279,319)
<b>Total Impact of Tax and Fee Changes</b>		<u>(\$112,850)</u>	<u>(\$261,000)</u>	<u>(\$269,613)</u>	<u>(\$279,319)</u>