



BUREAU OF BUDGET & MANAGEMENT RESEARCH

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OCT 28 2010

2010 NOV -4 AM 10:07

The Honorable Judith Won Pat
Speaker
I Mina' Trenta Na Liheslaturan Guåhan
Thirtieth Guam Legislature
155 Hesler Place
Hagåtña, Guam 96910

Dear Speaker Won Pat:

Attached is the Government of Guam Combined Comparative Statement of Revenues which includes revenue totals for the months of October 2009 through September 2010.

Consistent with the FY 2009 auditor's adjustment for Making Work Pay Credit (MWPC) reimbursements, the Department of Administration made the same adjustment for MWPC reimbursements received in FY 2010 which were reflected in the June, July and August statements. As a result, monthly revenue tracking could not be produced with any degree of reasonableness or accuracy for the balance of the fiscal year. However, the Department of Administration has made an adjustment to reinstate the MWPC in the September statement due to the inclusion of MWPC in the provision for tax refunds in FY 2010 as amended by Public Law 30-196.

The General Fund experienced a decline in revenue collections in FY 2010. Pursuant to Title Pursuant to Title 5 GCA, Chapter 4, Section 4109(f) which states, in part, "...If said Directors determine that projected fiscal year revenues, based on actual revenues collected, are three percent (3%) or more less than revenue projections adopted by the annual budget Act, I Maga'lahen Guahan shall submit to the Speaker of I Liheslaturan Guahan a Fiscal Realignment Plan that shall address the revenue disparity. Said Plan may include, but is not limited, to cost containment and austerity measures....". BBMR Circular 10-01 dated September 18, 2009, imposed a 3% reserve on General Fund appropriations in FY 2010 This is on top of the expenditure cap of 98% mandated in P.L. 30-55.

Should you have any questions, please do not hesitate to call me.

Sincerely,

BERTHA M. DUENAS

30-10-0937

Office of the Speaker

With T. Won Pat, Ed. D.

Attachment

	A	E	F	G	H	I	J	K	L	M
1	Government of Guam									
2	Fiscal Year 2010 Revenue Tracking Report									
3	P.L. 30-55 Chapter XIII Section 5									
4										
5		(1)	(2)	(3)		(4)	(5)	(6)		(7)
6										
7										
8		FY 2010 Adopted Revenue (P.L. 30-55 and as amended by P.L. 30-196)	Oct - Sept 2009 Revenue Stmt	Oct - Sept 2010 Revenue Stmt		Year To Date Variance (3-2)	Baseline Tracking	Revenue Adjustments		Adjusted Tracking (5+6)
9	Tax Categories						Net of Adjustments			
10	Income Taxes									
11	Individual	85,574,693	68,246,652	75,892,578	11.20%	7,645,926	68,926,987	6,965,591 1/		75,892,578
12	Corporation	103,059,690	97,435,697	92,615,015	-4.95%	(4,820,682)	92,615,015	0		92,615,015
13	Wholding, Interest & Penalties	205,705,323	170,995,564	204,410,607	19.54%	33,415,043	204,410,607	0		204,410,607
14	Provision for refunds	(134,260,000)	(88,600,000)	(134,260,000)	51.53%	(45,660,000)	(134,260,000)	0		(134,260,000)
15	Total Income Taxes	260,079,706	248,077,913	238,658,200	-3.80%	(9,419,713)	231,692,609	6,965,591		238,658,200
16										
17	Business Privilege Taxes									
18	Gross Receipt Taxes	207,429,867	184,098,063	188,841,249	2.58%	4,743,186	188,841,249	0		188,841,249
19	Other Taxes	3,925,264	3,710,836	3,873,574	4.39%	162,738	3,873,574	0		3,873,574
20	Total Bus Priv Taxes	211,355,131	187,808,899	192,714,823	2.61%	4,905,924	192,714,823	0		192,714,823
21										
22	Total Licenses, Fees, & Permits	4,942,859	4,470,061	4,545,208	1.68%	75,147	4,545,208	0		4,545,208
23										
24	Total Use of Money & Property	599,890	479,353	328,132	-31.55%	(151,221)	328,132	0		328,132
25										
26	Total Federal Sources	42,479,346	40,806,610	41,044,106	0.58%	237,496	41,044,106	0		41,044,106
27										
28	Total Department Charges	1,660,791	1,620,336	1,755,306	8.33%	134,970	1,755,306	0		1,755,306
29										
30	TOTAL GENERAL FUND	521,117,723	483,263,172	479,045,775	-0.87%	(4,217,397)	472,080,184	6,965,591		479,045,775
31										
32	Two Percent (2%) Reserve	(13,299,085)	0	0		0	0	0		0
33										
34	TOTAL GENERAL FUND	507,818,638	483,263,172	479,045,775	(0)	(4,217,397)	472,080,184	6,965,591		479,045,775
35										
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43	Bertha Duenas, Director, Bureau of Budget and Management Research									
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45	<i>Loures m Perez</i>									
46	Loures Perez, Director, Department of Administration									
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48	<i>Artemio B Illagan</i>									
49	Artemio B. Illagan, Director, Department of Revenue & Taxation									


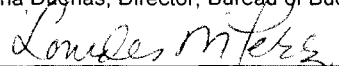
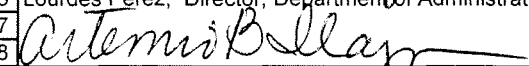
Tracking vs Adopted Revenues for Operations -5.67%

FOOTNOTES:

Section 22436, Chapter 22 of Title 5 GCA requires an appropriation cap of 98% of General Fund Revenues.

1/ - Adjusted for Additional Child Tax Credit

Certified By:


 OCT 28 2010
 Bertha Duenas, Director, Bureau of Budget and Management Research Date

 Loures Perez, Director, Department of Administration Date

 Artemio B. Illagan, Director, Department of Revenue & Taxation Date

Government Of Guam
 Combined Comparative Statement Of Revenues
 General Fund
 September 30, 2010 & 2009

	For the Months		Increase (Decrease)	Fiscal Year 2010	Year-To-Date Fiscal Year 2009	Increase (Decrease)
	September, 2010	September, 2009				
Income taxes:						
Individual	\$4,487,205	\$4,080,974	\$406,231	\$75,892,578	\$68,246,652	\$7,645,926
Corporation	20,653,635	18,170,527	2,483,107	92,615,014	97,435,697	(4,820,683)
Withholding	17,757,621	10,939,319	6,818,302	199,888,630	155,101,552	44,787,078
Withholding - COLA	10,888	0	10,888	99,291	9,048,216	(8,948,925)
Interest & penalties	253,480	1,637,329	(1,383,849)	4,422,686	6,845,796	(2,423,109)
Provision for refunds	(11,324,835)	(7,506,701)	(3,818,134)	(134,260,000)	(88,600,000)	(45,660,000)
Total Income Taxes	31,837,993	27,321,448	4,516,545	238,658,200	248,077,913	(9,419,713)
Business privilege taxes:						
Gross Receipts Taxes	17,005,085	14,763,372	2,241,713	188,841,249	184,098,063	4,743,186
Other Taxes:						
Admissions tax	50	250	(200)	26,676	87,700	(61,024)
Use tax	441,427	236,262	205,165	3,846,898	3,623,136	223,761
Total Business Privilege Taxes	17,446,562	14,999,884	2,446,678	192,714,823	187,808,900	4,905,923
Total Licenses, Fees & Permits	123,940	135,371	(11,432)	4,545,208	4,470,061	75,147
Total Use of Money & Property	12,718	41,648	(28,930)	328,132	479,353	(151,221)
Federal Sources:						
Section 30	3,252,352	3,239,114	13,238	39,028,136	38,869,372	158,764
Immigration fees	173,540	218,895	(45,355)	1,754,678	1,612,140	142,538
Indirect cost recovery	47,670	117,250	(69,580)	261,293	325,098	(63,806)
Total Federal Sources	3,473,562	3,575,259	(101,697)	41,044,106	40,806,610	237,496
Department Charges:						
Agriculture	100	171	(71)	2,158	2,969	(811)
Police & corrections	0	0	0	75	30	45
Public works	895	23,789	(22,894)	243,773	155,195	88,578
Public health	12,545	13,117	(572)	161,576	187,468	(25,892)
Commerce	42,742	14,465	28,277	306,266	258,485	47,781
Other charges	125,113	141,700	(16,587)	1,041,458	1,016,189	25,269
Total Department Charges	181,395	193,241	(11,846)	1,755,306	1,620,336	134,970
TOTAL GENERAL FUND REVENUES	\$53,076,169	\$46,266,852	\$6,809,318	\$479,045,775	\$483,263,173	(\$4,217,398)

Note:

¹Revenues are based on a modified accrual basis. During the year, revenues are recognized on a cash basis, but at year end an accrual is made for actual collections relating to prior years taxes 60 days after 09/30. (In accordance with GASB 33 - Accounting Financial Reporting for non-exchange transactions). Estimates are recorded for the provision for 2008 Refunds & Section 30 is prorated for 12 months.

²In accordance with Public Law 30-196, \$31,267,500 in receipts have been included pertaining to "Make Work Pay Credit" receipts from US Treasury with a corresponding amount included for provision for tax refund payments

Government Of Guam
Actual Revenues Compared to Original Estimates
General Fund
Twelve Months Ended September 30, 2010

	For the Months			Year-To-Date		
	Estimated	Actual	Favorable (Unfavorable)	Estimated	Actual	Favorable (Unfavorable)
Income taxes:						
Individual	\$7,496,284	\$4,487,205	(\$3,009,079)	\$85,574,693	\$75,892,578	(\$9,682,115)
Corporation	17,773,208	20,653,635	2,880,427	103,059,690	92,615,014	(10,444,676)
Withholding	18,429,091	17,757,621	(671,470)	201,559,527	199,888,630	(1,670,897)
Withholding - COLA	0	10,888	10,888	0	99,291	99,291
Interest & penalties	637,329	253,480	(383,849)	4,145,796	4,422,686	276,890
Provision for refunds	(11,324,835)	(11,324,835)	0	(134,260,000)	(134,260,000)	0
Total Income Taxes	33,011,077	31,837,993	(1,173,084)	260,079,706	238,658,200	(21,421,506)
Business privilege taxes:						
Gross Receipts Taxes	17,521,417	17,005,085	(516,332)	207,429,867	188,841,249	(18,588,618)
Other Taxes:						
Admissions tax	250	50	(200)	3,726	26,676	22,950
Use tax	131,015	441,427	310,412	3,921,538	3,846,898	(74,640)
Total Business Privilege Taxes	17,652,682	17,446,562	(206,120)	211,355,131	192,714,823	(18,640,308)
Total Licenses, Fees & Permits	182,337	123,940	(58,397)	4,942,859	4,545,208	(397,651)
Total Use of Money & Property	191,740	12,718	(179,022)	599,890	328,132	(271,758)
Federal Sources:						
Section 30	3,213,984	3,252,352	38,368	38,567,761	39,028,136	460,375
Immigration fees	35,682	173,540	137,858	2,100,075	1,754,678	(345,397)
Indirect cost recovery	257,694	47,670	(210,024)	1,811,510	261,293	(1,550,217)
Total Federal Sources	3,507,360	3,473,562	(33,798)	42,479,346	41,044,106	(1,435,240)
Department Charges:						
Agriculture	171	100	(71)	3,308	2,158	(1,150)
Police & corrections	10	0	(10)	140	75	(65)
Public works	21,353	895	(20,458)	143,272	243,773	100,501
Public health	11,117	12,545	1,428	185,185	161,576	(23,609)
Commerce	12,465	42,742	30,277	254,408	306,268	51,860
Other charges	122,210	125,113	2,903	1,074,480	1,041,458	(33,022)
Total Department Charges	167,326	181,395	14,069	1,660,791	1,755,306	94,515
TOTAL GENERAL FUND REVENUES	\$54,712,522	\$53,076,169	(\$1,636,353)	\$521,117,723	\$479,045,775	(\$42,071,948)
² 2% General Fund Reserve	(1,092,297)	(1,092,297)	0	(13,107,554)	(13,107,554)	0
² Appropriation	\$53,820,225	\$51,983,872	(\$1,636,353)	\$508,010,169	\$465,938,221	(\$42,071,948)

Note:

¹Revenues are based on a modified accrual basis. During the year, revenues are recognized on a cash basis, but at year end an accrual is made for actual collections relating to prior years taxes 60 days after 09/30. (In accordance with GASB 33 - Accounting Financial Reporting for non-exchange transactions). Estimates are recorded for the provision for 2008 Refunds & Section 30 is prorated for 12 months.

²Appropriations Cap of 98% of General Fund Revenue, 22436, Chapter 22 of the Title 5 GCA. No available revenues to reserve.

³In accordance with Public Law 30-196, \$31,287,500 in receipts have been included pertaining to "Make Work Pay Credit" receipts from US Treasury with a corresponding amount included for provision for tax refund payments.