



# BUREAU OF BUDGET & MANAGEMENT RESEARCH

OFFICE OF THE GOVERNOR

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JUL 30 2010

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

Office of the Speaker  
Judith Won Pat  
Date \_\_\_\_\_  
Time \_\_\_\_\_  
Received by \_\_\_\_\_  
4:30 PM  
7/30/10

Dear Speaker Won Pat:

Attached is the Government of Guam Combined Comparative Statement of Revenues which include revenue totals for the months of October 2009 through June 2010, in partial fulfillment of Chapter XIII, Section 5 of Public Law 30-55.

Consistent with the FY 2009 auditors adjustment for Making Work Pay Credit (MWPC) reimbursements, the Department of Administration made the same adjustment for MWPC reimbursements received in FY 2010 and is reflected for the first time in FY 2010 in the June 2010 Revenue Statement. As a Result of these adjustments, the correlation between the revenue estimates adopted for FY 2010 and the actual revenue collections month to month, which drove the monthly tracking reports through May 2010, are no longer applicable for the remaining months of the Fiscal Year. Consequently, BBMR will not be issuing a revenue tracking report for the balance of FY 2010. However, the Government of Guam Combined Comparative Statement of Revenues produced by the Department of Administration showing actual monthly collections will continue to be reported and posted on the BBMR website for each month of the fiscal year.

The General Fund continues to experience a decline in revenue collections in FY 2010. Therefore, 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

Attachment(s)

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

	For the Months			Increase (Decrease)	Fiscal Year 2010	Year-To-Date Fiscal Year 2009	Increase (Decrease)
	June, 2010	June, 2009					
Income taxes:							
Individual	\$5,577,325	\$4,086,498	\$1,490,827	\$65,909,550	\$57,396,684	\$8,512,866	
Corporation	15,319,682	12,874,473	2,445,208	68,425,864	73,483,386	(5,057,522)	
Withholding	14,211,598	11,826,541	2,385,057	122,595,597	119,263,229	3,332,368	
Withholding - COLA	13,617	8,903,731	(8,890,114)	80,212	8,912,779	(8,832,567)	
Interest & penalties	578,920	1,232,281	(653,361)	3,220,692	4,211,373	(990,681)	
Provision for refunds	(9,962,946)	(8,664,647)	(1,298,299)	(78,916,987)	(68,641,392)	(10,275,595)	
Total Income Taxes	25,738,196	30,258,878	(4,520,681)	181,314,927	194,626,059	(13,311,132)	
Business privilege taxes:							
Gross Receipts Taxes	15,553,981	16,217,611	(663,630)	137,638,655	140,168,072	(2,529,417)	
Other Taxes:							
Admissions tax	14,450	68,500	(54,050)	14,925	70,188	(55,263)	
Use tax	322,754	217,803	104,951	2,340,428	2,799,470	(459,043)	
Total Business Privilege Taxes	15,891,186	16,503,914	(612,729)	139,994,007	143,037,730	(3,043,722)	
Total Licenses, Fees & Permits	2,725,211	2,630,957	94,254	3,577,349	3,496,269	81,080	
Total Use of Money & Property	5,810	64,632	(58,822)	268,159	305,792	(37,633)	
Federal Sources:							
Section 30							
Immigration fees	3,252,344	3,239,114	13,230	29,271,096	29,152,029	119,067	
Indirect cost recovery	133,200	247,535	(114,335)	1,267,375	1,219,480	47,895	
Total Federal Sources	3,385,544	3,519,901	(134,357)	30,720,936	30,570,130	150,806	
Department Charges:							
Agriculture	174	274	(100)	1,585	2,564	(979)	
Police & corrections	5	0	5	75	30	45	
Public works	3,315	10,348	(7,033)	239,628	32,823	206,805	
Public health	12,895	14,831	(1,936)	116,824	145,376	(28,552)	
Commerce	10,686	32,717	(22,031)	216,061	197,251	18,810	
Other charges	165,936	103,137	62,799	664,086	615,962	48,123	
Total Department Charges	193,011	161,307	31,704	1,238,259	994,007	244,252	
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$47,938,957</b>	<b>\$53,139,589</b>	<b>(\$5,200,631)</b>	<b>\$357,113,636</b>	<b>\$373,029,986</b>	<b>(\$15,916,349)</b>	

Note:

Revenues 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.

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Government Of Guam  
Actual Revenues Compared to Original Estimates  
General Fund

Nine Months Ended June 30, 2010

	For the Months		Favorable (Unfavorable)	Year-To-Date		Favorable (Unfavorable)
	Estimated	Actual		Estimated	Actual	
Income taxes:						
Individual						
Corporation	\$5,848,968	\$5,577,325	(\$271,643)	\$73,487,425	\$65,909,550	(\$7,577,875)
Withholding	15,306,447	15,319,682	13,235	76,753,498	68,425,864	(8,327,634)
Withholding - COLA	17,030,314	14,211,598	(2,818,716)	150,315,644	122,595,597	(27,720,047)
Interest & penalties	0	13,617	13,617	0	80,212	80,212
Provision for refunds	232,281	578,920	346,639	2,511,373	3,220,692	709,319
Provision for refunds	(9,962,946)	(9,962,946)	0	(78,916,987)	(78,916,987)	0
Total Income Taxes	28,455,064	25,738,196	(2,716,868)	224,150,953	181,314,927	(42,836,026)
Business privilege taxes:						
Gross Receipts Taxes	18,257,910	15,553,981	(2,703,929)	155,516,082	137,638,655	(17,877,427)
Other Taxes:						
Admissions tax	500	14,450	13,950	2,613	14,925	12,312
Use tax	306,946	322,754	15,808	3,094,845	2,340,428	(754,417)
Total Business Privilege Taxes	18,565,356	15,891,186	(2,674,170)	158,613,540	139,994,007	(18,619,533)
Total Licenses, Fees & Permits	2,865,575	2,725,211	(140,364)	3,701,395	3,577,349	(124,046)
Total Use of Money & Property	57,403	5,810	(51,593)	279,332	268,159	(11,173)
Federal Sources:						
Section 30						
Immigration fees	3,213,983	3,252,344	38,361	28,925,811	29,271,096	345,285
Indirect cost recovery	184,981	133,200	(51,781)	1,609,877	1,267,375	(342,502)
Total Federal Sources	499,249	0	(499,249)	1,257,086	182,465	(1,074,621)
Department Charges:						
Agriculture	3,898,213	3,385,544	(512,669)	31,792,774	30,720,936	(1,071,838)
Police & corrections	474	174	(300)	2,563	1,585	(978)
Public works	10	5	(5)	110	75	(35)
Public health	11,875	3,315	(8,560)	35,324	239,628	204,304
Commerce	16,831	12,895	(3,936)	146,093	116,824	(29,269)
Other charges	34,717	10,686	(24,031)	197,172	216,061	18,889
Total Department Charges	147,339	165,936	18,597	690,116	664,086	(26,030)
TOTAL GENERAL FUND REVENUES	211,246	193,011	(18,235)	1,071,378	1,238,259	166,881
2% General Fund Reserve	\$54,052,857	\$47,938,957	(\$6,113,900)	\$419,609,372	\$357,113,636	(\$62,495,736)
2 Appropriation	(1,108,257)	(1,108,257)	0	(9,974,313)	(8,866,056)	1,108,257
Note:	\$52,944,600	\$46,830,700	(\$6,113,900)	\$409,635,059	\$348,247,580	(\$61,387,479)

Revenues 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.

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