

# State of Ohio Monthly Financial Report

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AUGUST 10, 2023

Memorandum to:  
The Honorable Mike DeWine, Governor  
The Honorable Jon Husted, Lt. Governor

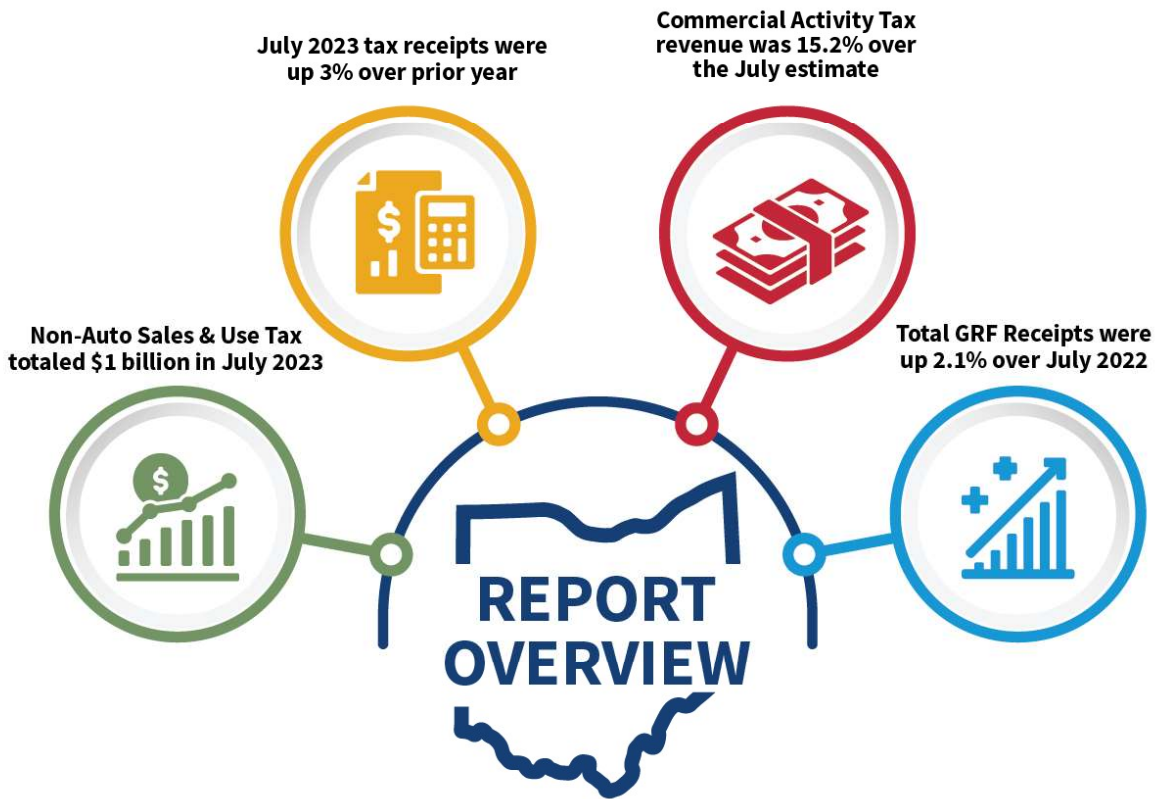
From: Kimberly Murnieks, OBM Director



# Table of Contents

Report Overview .....	3
Economic Activity .....	4
Revenues .....	16
Disbursements .....	27
Glossary .....	36

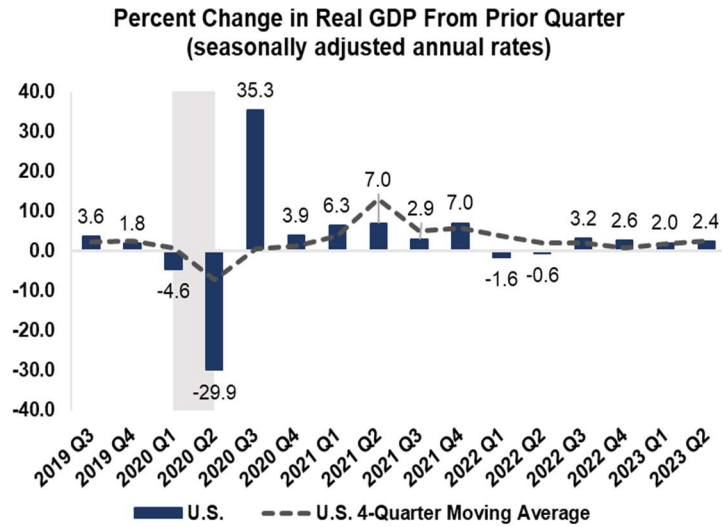




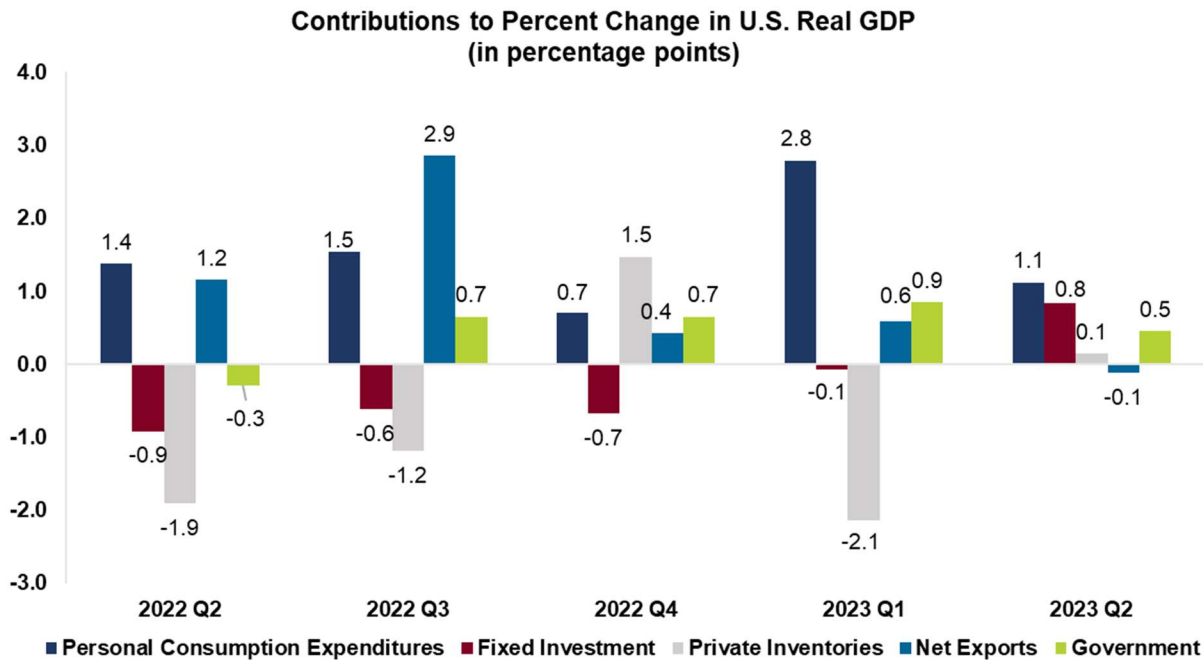
# Economic Activity

## Economic Outlook

According to the Bureau of Economic Analysis' advance estimate, the nation's **Real Gross Domestic Product (GDP)** increased in the second quarter of calendar year 2023 at an annualized rate of 2.4 percent. This is the fourth quarter in a row of increases, after declines in the first half of 2022.



The second quarter increase in real GDP resulted from growth in personal consumption expenditures (1.1 percentage point), fixed investments (0.8 percentage point), government expenditures (0.5 percentage point), and private inventories (0.1 percentage point). These positive contributions were partially offset by a decrease in net exports (0.1 percentage point).



Source: Bureau of Economic Analysis



The **Federal Reserve's Beige Book** evaluates current economic conditions across its 12 districts. According to the report released in July 2023, economic activity in the Fourth District, which includes Ohio, was stable in comparison to the May report. The labor market remains strong, while higher interest rates have delayed projects for some businesses. Accordingly, banks reported lower consumer and business loan volumes in this month's report. Recession expectations for 2023 have softened, but uncertainty remains and may lead to more cautious business behavior in the second half of the year. Consumer spending was relatively unchanged compared to the May report, as warm weather helped increase sales for restaurants and some other retailers. However, community organizations reported increases in food insecurity as elevated food prices combined with the loss of pandemic-era Supplemental Nutrition Assistance Program benefits caused additional strain on households.

In June 2023, the Conference Board's **Leading Economic Index** decreased 0.7 percent to 106.1, after declining 0.6 percent in May. The index fell for the 15th consecutive month and in the last six months decreased 4.2 percent. The Conference Board's Senior Manager of Business Cycle Indicators reported that the weakness in the Index was primarily driven by a reduction in housing construction, weaker new orders, and increases in initial unemployment claims. The Conference Board continues to forecast a recession in the last quarter of 2023 and first quarter of 2024, resulting in part from tightening monetary policy and lower levels of government spending.

As with previous months, forecasters continue to expect stable economic growth for the third quarter of 2023. However, many continue to predict a minor downturn towards the end of this calendar year, or early in the next. Though growth moderated in recent months, the labor market maintained enduring strength. Consumers' willingness to spend on services could face additional headwinds as wage growth has moderated, interest rates continue to increase, and student loan payments are set to resume later in the year. In response to lingering inflation, the Federal Reserve raised the federal funds rate at their July meeting and indicated a willingness to raise rates again before the end of the year as necessary.

### Economic Forecasts

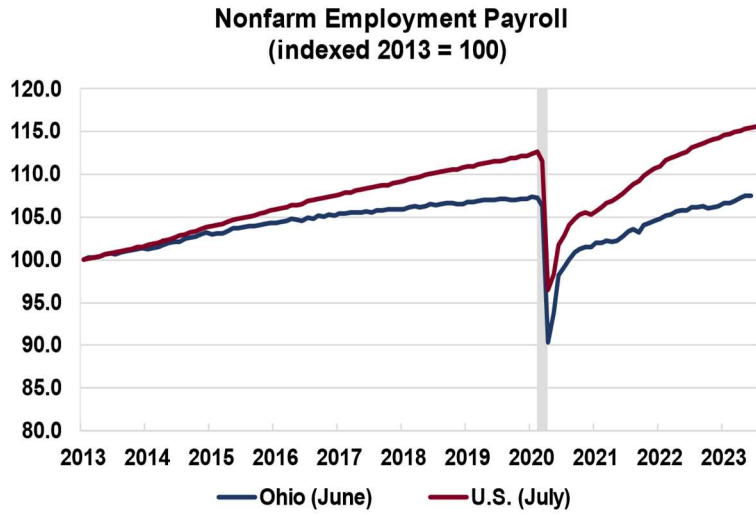
Source	Date	3rd Quarter 2023 Annualized GDP Forecast
IHS Markit GDP Tracker	08/04/2023	2.2%
Moody's Analytics High Frequency GDP Model	08/03/2023	4.1%
Conference Board	08/02/2023	1.3%
Federal Reserve Bank of Atlanta (GDPNow)	08/01/2023	3.9%
Wall Street Journal Survey of Professional Forecasters	07/15/2023	0.6%
Wells Fargo	07/13/2023	1.7%



## Ohio Labor Market

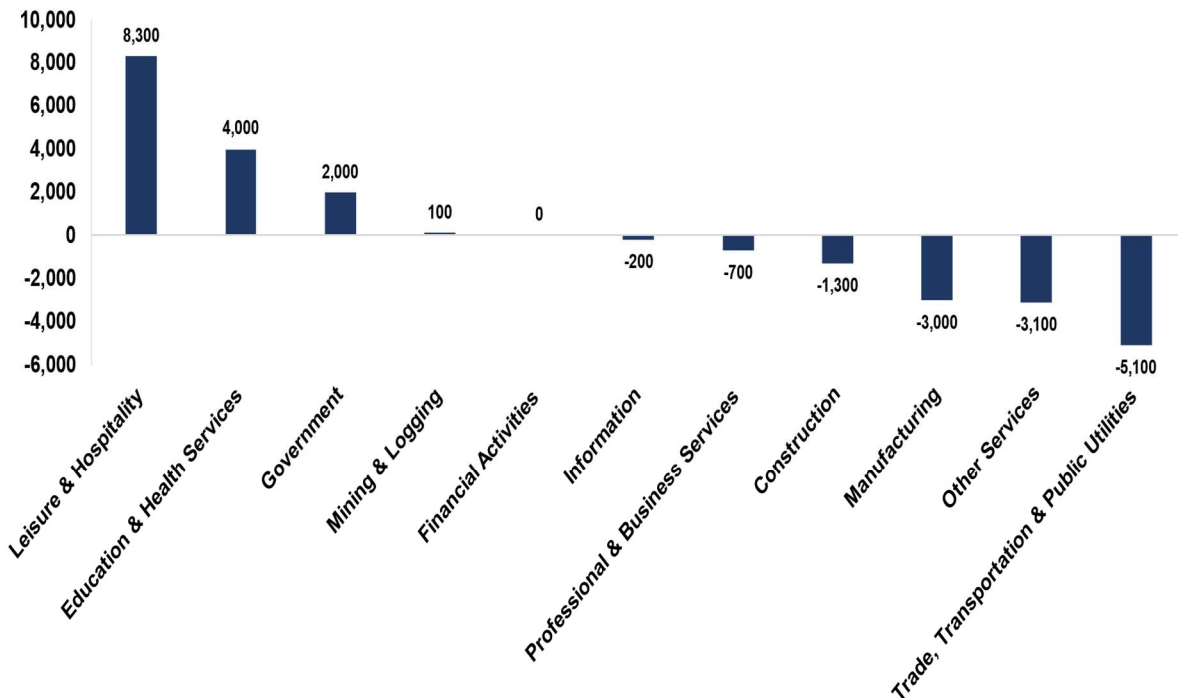
**Ohio's nonfarm payroll employment** increased by an estimated 1,000 jobs between May and June 2023 to 5.6 million, an increase of 1.7 percent over the prior year.

In Ohio, the leisure and hospitality industry had the largest employment gains in June, followed by the education and health services and government sectors. These gains were partially offset by losses in trade, transportation, and public utilities; other services; manufacturing; and construction services.



Source: Bureau of Labor Statistics

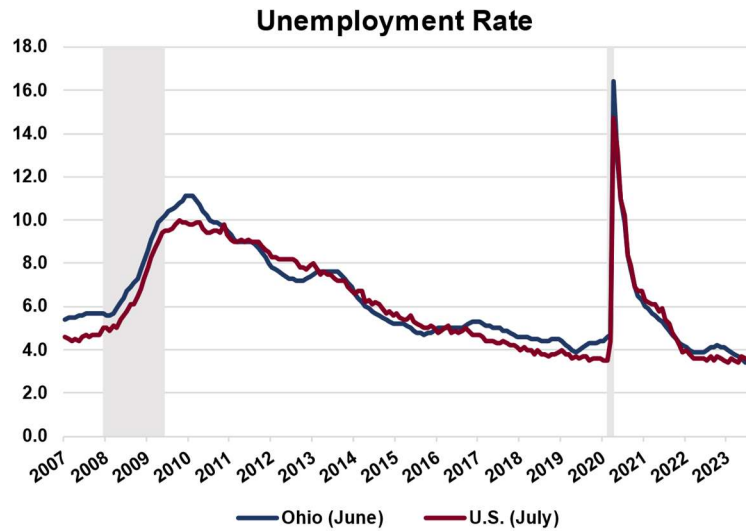
Change in Ohio Employment Between May and June 2023 (by industry)



Source: Bureau of Labor Statistics



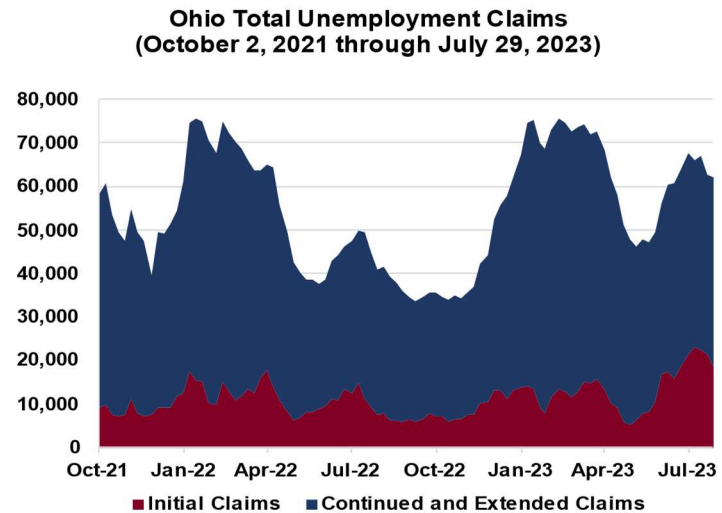
Ohio’s seasonally adjusted **labor force participation rate** in June was 62.1 percent, unchanged from May 2023. The seasonally adjusted **employment-population ratio** was 60 in June, a 0.2 percent increase from May 2023.



Source: Bureau of Labor Statistics through FRED

The **Ohio unemployment rate** in June 2023 was 3.4 percent, a decrease of 0.2 percentage point from the May 2023 revised rate. This is the lowest unemployment rate in Ohio’s history (the data set goes back to 1976).

During the week ending July 29, 2023, individuals filed a total of 18,501 initial unemployment claims in Ohio, a 13.7 percent decrease from the previous week. Individuals filing **continued and extended claims** during the same week totaled 43,637 claims, a 5.5 percent increase from the prior week.



Source: Ohio Department of Job and Family Services

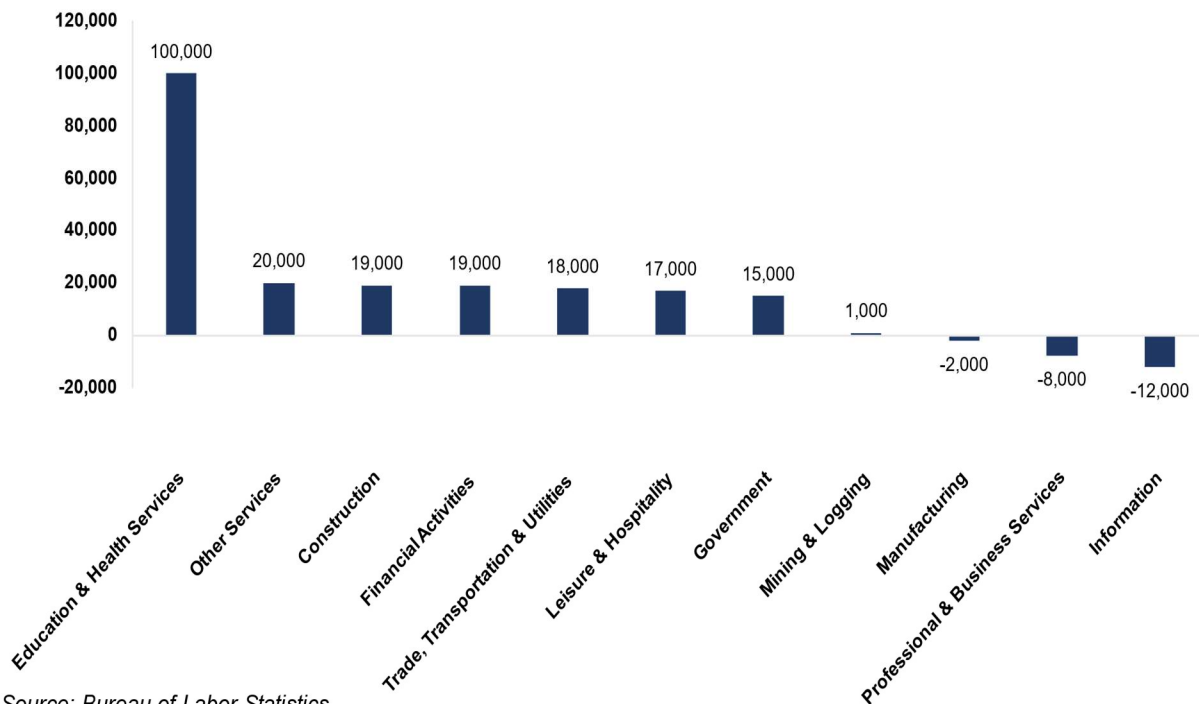


## U.S. Labor Market

**U.S. nonfarm payroll employment** increased by 187,000 jobs in July. Job gains were widespread with the highest growth in education and health services; other services; construction; financial activities; trade, transportation, and utilities; and leisure and hospitality.

**187,000**  
Jobs Added

Change in U.S. Employment June - July 2023  
(by industry)



Source: Bureau of Labor Statistics

The **U.S. labor force participation rate** was unchanged in July at 62.6 percent. The **U.S. employment-population ratio** increased 0.1 percentage point in July to 60.4 percent. Both measures remained below February 2020 levels by 0.7 percentage point.

The **U.S. unemployment rate** decreased in July to 3.5 percent while the number of unemployed individuals decreased to 5.8 million. The unemployment rate decreased or remained unchanged across most racial categories between June and July 2023, while individuals who identified as Hispanic saw an increase (0.1 percentage point). Individuals who identified as Asian had the largest decrease (0.9 percentage point) followed by individuals who identified as Black (0.2 percentage point) and individuals who identified as White had no change in unemployment rate. The unemployment rate for women was unchanged at 3.4 percent between June and July, while the unemployment rate for men decreased 0.1 percentage point to 3.6 percent.





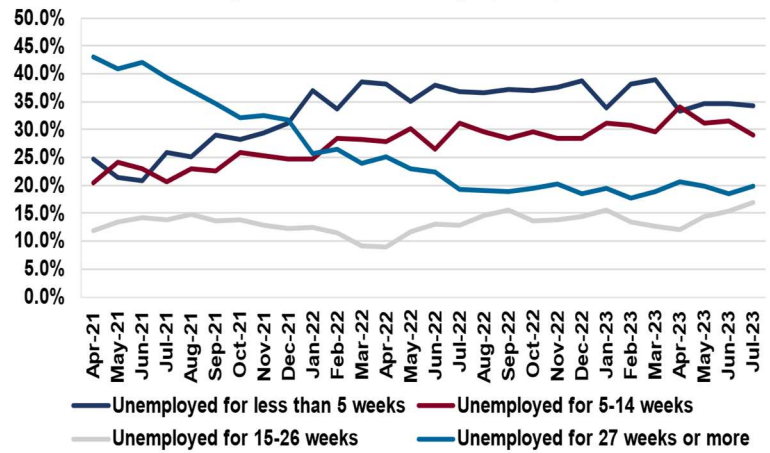
### Unemployment Rates by Demographic Group

	May-23	June-23	July-23
Women	3.6%	3.4%	3.4%
Men	3.7%	3.7%	3.6%
Black	5.6%	6.0%	5.8%
White	3.3%	3.1%	3.1%
Asian	2.9%	3.2%	2.3%
Hispanic	4.0%	4.3%	4.4%

In July 2023, 34.3 percent of unemployed individuals in the nation were unemployed for less than five weeks. This measure decreased 3.1 percent from June and remained in line with pre-pandemic levels.

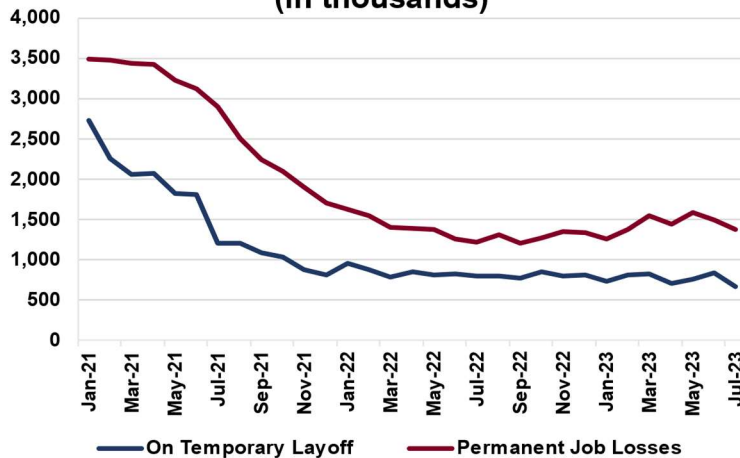
The number of **people not in the labor force who currently want a job** decreased by 2.6 percent to 5.2 million people in July and remains in line with pre-pandemic levels.

Duration of Unemployment in the U.S. (percent of total unemployment)



Source: Bureau of Labor Statistics

U.S. Total Job Losses (in thousands)



Source: Bureau of Labor Statistics

The number of unemployed people who were on **temporary layoff** decreased to 667,000 in July and was 113,000 fewer than in February 2020.

The number of people with **permanent job losses** decreased by 121,000 in July to 1.4 million.



## Consumer Income and Consumption

**\$22.8 Trillion**

**Personal income** increased by \$69.5 billion (0.3%) in June to \$22.8 trillion. The gains in June were primarily due to increases in wages and salaries of \$66.7 billion (0.6%), and personal interest income of \$13.5 billion (0.7%).

**Personal consumption expenditures** increased by \$100.4 billion (0.5%) between May and June. Overall spending on goods increased by 0.8 percent in June. Spending on durable goods increased 1.4 percent, driven by increases in motor vehicles and parts (2%), other durable goods (1.3%), and recreational goods and vehicles (1.2%). Spending on nondurable goods increased 0.5 percent, driven by increases in spending on gasoline and other energy goods (2.4%) and clothing and footwear (0.5%). Spending on services increased by 0.4 percent in June 2023, led by recreation services (1.8%) and financial services (1.7%).

### Consumer Spending by Industry, for Select Industries (\$ in millions of chained 2012 dollars)

	May 2023	June 2023	1-Month Percent Change	12-Month Percent Change	24-Month Percent Change
<b>Durable Goods</b>	\$ 2,319,841	\$ 2,359,955	1.7%	4.7%	3.4%
Motor vehicles and parts	\$ 597,805	\$ 611,025	2.2%	7.1%	-1.0%
Furnishings and durable household equipment	\$ 523,694	\$ 530,133	1.2%	2.0%	-1.0%
Recreational goods and vehicles	\$ 941,108	\$ 958,478	1.8%	6.9%	12.9%
Other durable goods	\$ 337,565	\$ 341,282	1.1%	-0.7%	2.0%
<b>Nondurable Goods</b>	\$ 3,324,535	\$ 3,336,902	0.4%	0.6%	-1.1%
Clothing and footwear	\$ 486,436	\$ 487,489	0.2%	-0.3%	-2.4%
Gasoline and other energy goods	\$ 448,167	\$ 455,328	1.6%	4.9%	1.4%
Other nondurable goods	\$ 1,339,306	\$ 1,345,123	0.4%	1.5%	2.5%
<b>Services</b>	\$ 8,940,559	\$ 8,953,442	0.1%	2.5%	6.8%
Transportation services	\$ 448,803	\$ 446,117	-0.6%	2.0%	12.6%
Housing and utilities	\$ 2,194,885	\$ 2,193,749	-0.1%	1.2%	2.0%
Recreation services	\$ 497,962	\$ 504,312	1.3%	4.5%	16.4%
Financial services and insurance	\$ 910,459	\$ 922,392	1.3%	3.6%	6.1%

*Note: The table above provides details on real personal consumption spending in chained 2012 dollars, which differs from the figures in the text that are not adjusted for inflation.*

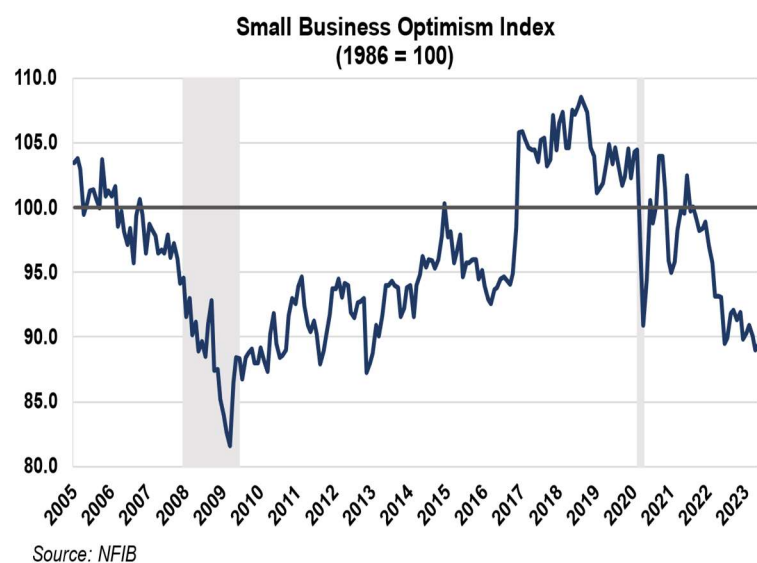
*Source: Bureau of Economic Analysis, Table 2.3.6U Real Personal Consumption Expenditures by Type of Product*



**Personal saving** totaled \$862.4 billion in June 2023, a 4.6 percent decrease compared to May’s revised level and was 70.3 percent above the June 2022 level. The **personal saving rate** was 4.3 percent in June, down 0.3 percentage point from May’s revised estimate.

The **Consumer Price Index for All Urban Consumers (CPI-U)** showed an increase of 0.2 percent in June, which followed a 0.1 percent increase in May. The “all items” index increased 3 percent over the last 12 months. June price increases compared to May 2023 were concentrated primarily in shelter (0.4%) and energy (0.6%). These increases were partially offset by decreases in used cars and trucks (-0.5%).

Both consumer opinion surveys reported increases in confidence in July. Respondents in the University of Michigan’s **Survey of Consumers** reported an 11.2 percent increase in consumer sentiment to 71.6 in July 2023 compared to June 2023. This increase was primarily attributed to the continued slowdown of inflation and sustained strength of the labor market. The Conference Board’s **Consumer Confidence Index** increased by 6.9 points to 117 in July, up from a revised 110.1 in June. The chief economist at the Conference Board noted that consumer expectations were at the highest level since July 2021. Increases in confidence predominantly occurred in all age groups and those earning incomes under \$50,000 and over \$100,000.



The **Small Business Optimism Index** increased 1.6 percentage points to 91 in June, the 18<sup>th</sup> consecutive month the index was below 98, the 49-year average. Inflation and labor quality were tied as the top concerns of small business owners in June, and 92 percent of owners who were hiring or trying to hire reported few or no qualified applicants.

## Travel and Tourism

Average airline checkpoint traffic stayed the same in July compared to June. **Total travel throughput** in July 2023 was 12 percent higher than in July 2022 and 1.1 percent lower than in July 2019.

The **hotel occupancy rate** for the week ending July 29, 2023, was 72.2 percent, or 0.6 percent above the comparable week in 2022. The **average daily rate** for a hotel room was \$161.83, a 2.3 percent increase from 2022. **Revenue per available room** was \$116.91, which was 2.9 percent more than in 2022.

## Industrial Activity

According to preliminary data from the Board of Governors of the Federal Reserve System, **total industrial production** decreased 0.5 percent between May and June 2023 and was 0.4 percent higher than in June 2022.

### Rate of Change in U.S. Industrial Production by the Manufacturing Sector

Manufacturing Sector	Percent Change April to May 2023	Percent Change May to June 2023	Percent Change June 2022 to June 2023
Aerospace and Other Transportation Equipment	1.8%	1.6%	2.5%
Chemicals	-0.6%	0.8%	1.8%
Electrical Equipment	0.0%	0.1%	-0.5%
Fabricated Metal Products	0.9%	0.2%	1.6%
Food Beverage and Tobacco Products	-0.5%	-1.3%	-2.3%
Machinery	-1.5%	-0.8%	-2.8%
Motor Vehicles and Parts	0.8%	-3.0%	9.5%
Petroleum and Coal	0.7%	-1.6%	1.8%
Plastics and Rubber Products	-0.4%	-0.8%	-5.0%
Primary Metals	-0.3%	0.7%	-0.7%

Preliminary data show the **Manufacturing Production Index** decreased 0.3 percent in June 2023 to 99.6 and was 0.3 percent lower than June 2022. Nationally, manufacturing in five of Ohio's top 10 industries increased production between May and June 2023. Increases in aerospace and other transportation equipment (1.6%), chemicals (0.8%), primary metals (0.7%), fabricated metal products (0.2%), and electrical equipment (0.1%) were offset by decreases in motor vehicles and parts (-3%), petroleum and coal (-1.6%), food beverage and tobacco products (-1.3%), machinery (-0.8%), and plastics and rubber products (-0.8%).





Source: Institute for Supply Management

In July 2023, the Institute for Supply Management reported the **Purchasing Managers Index** (PMI) for the United States was 46.4, an increase of 0.4 percentage point from June’s reading. The index remained below 50 for the ninth month, indicating contraction in the manufacturing sector.

Across the nation, one of the 10 most important industries to Ohio’s manufacturing sector increased production in July. Petroleum and coal products reported growth in the last

month. The industries reporting the largest contraction were plastics and rubber products, electrical equipment, chemical products, and primary metals. According to the chair of the survey committee, the manufacturing sector contracted at a slower rate than in June, and future expectations for business conditions were mixed. Anecdotal evidence from nationwide purchasing and supply executives surveyed by the Institute for Supply Management (ISM) described softening demand and uncertainty in the long-term, across industries.

“Stable demand for the next four to six months, but longer-term uncertainty. While customer growth is projected, we cannot point to fundamentals that sustain it. [Fabricated Metal Products]”

“Sales in our industry are extremely slow entering into the second half of the year, no upturn is expected until at least the fourth quarter. [Chemical Products]”

## Ohio and Midwest Construction and Housing Market

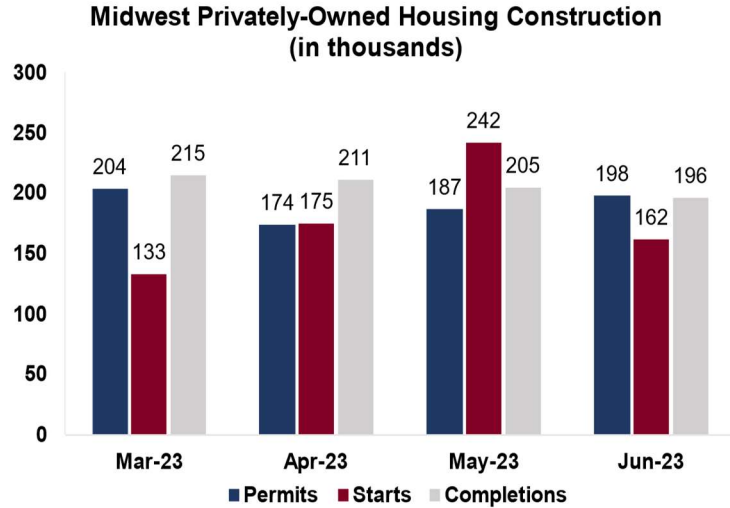
In Ohio, **building permits** for privately-owned housing units increased 31.2 percent between May and June 2023 and were 25.9 percent above the number of permits issued in June 2022.



Privately-owned housing starts in the Midwest decreased 33.1 percent between May and June and were 21 percent below June 2022 levels.

In June 2023, privately-owned housing completions in the Midwest decreased 4.4 percent compared to May and were 0.5 percent above June 2022.

New home sales in the Midwest were unchanged between May and June and were 19.5 percent below June 2022.



Source: U.S. Census Bureau through FRED

Activity in the Ohio housing market continued to slow while prices increased slightly in June. Total sales were 13.5 percent below June 2022 and the average sale price in Ohio was \$292,433, a 3.7 percent increase compared to June 2022. The president of Ohio REALTORS reported higher mortgage rates and ongoing low inventory levels continue to present challenges for potential homebuyers in the Ohio housing market in June 2023.



Source: National Association of Home Builders

The **Housing Market Index** in the Midwest decreased two points in July to 46, 10 points below the national level. The national index increased for the eighth consecutive month after decreasing for most of the calendar year 2022. The Midwest index decreased in July, following three months of gains.

## U.S. Construction and Housing Market

The U.S. Census Bureau reported **total construction spending** in June 2023 at a seasonally adjusted annual rate of \$1.9 trillion, a 0.5 percent increase from the revised May estimate. The June 2023 estimate was 3.5 percent above June 2022. Public sector



construction spending increased 0.3 percent between May and June, bringing the seasonally adjusted annual total to \$412.4 billion. Spending on educational construction decreased 0.1 percent below the revised May estimate to \$88.9 billion in June, 5.6 percent above June 2022 levels. Highway construction spending in June was 0.1 percent below the revised May estimate and 20.4 percent above June 2022.

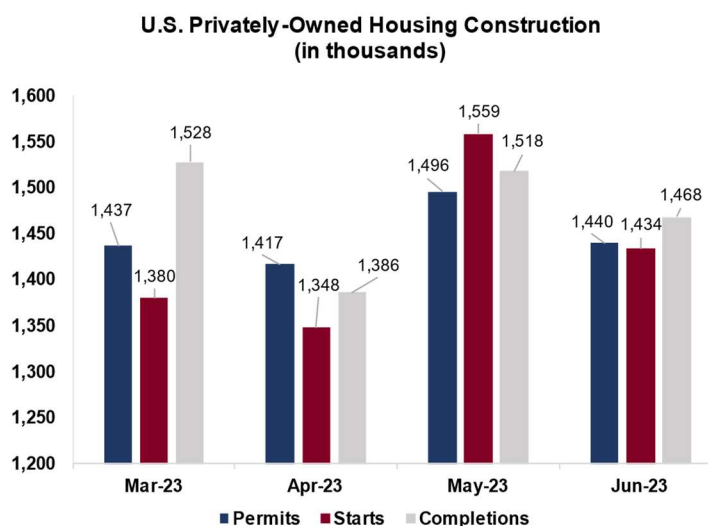
Private sector construction spending increased 0.5 percent between May and June to a seasonally adjusted annual total of \$1.5 trillion and 1 percent above June 2022 levels. Residential construction in June was 0.9 percent above May's revised level and 10.4 percent below June 2022's level. Nonresidential construction in June was unchanged from May's revised level and was 20.9 percent above June 2022.

In the U.S., the number of **building permits** issued for privately-owned housing units decreased 3.7 percent between May and June and was 15.3 percent below the number of permits issued in June 2022.

Nationally, privately-owned housing starts decreased 8 percent between May and June and were 8.1 percent below June 2022 levels.

In June, **newly built single-family home sales** decreased by 2.5 percent compared to May and were 23.8 percent above sales in June 2022. The national median sales price in June 2023 was \$415,400, a 0.5 percent decrease compared to May, and 4 percent lower compared to June 2022.

According to the National Association of Realtors, **existing home sales** decreased 3.3 percent in June compared to May. June's existing home sales decreased slightly to an annual rate of 4.2 million housing units, an 18.9 percent decrease from June 2022. The median sale price of all existing homes declined 0.9 percent from the all-time high recorded a year ago to \$410,200. Available inventory in June 2023 totaled 1.1 million units, unchanged from May and 13.6 percent below the June 2022 inventory level.



Source: U.S. Census Bureau through FRED

# Revenues

FY 2024 began with July’s GRF tax revenues exceeding the estimate by \$13.2 million (0.6%). Non-auto sales tax exceeded estimate by \$26.1 million (2.6%). This source amounted to \$1 billion, the first time that non-auto sales tax revenue reached that level in the month of July. Total GRF tax revenues increased by \$60.6 million (3%) from last year.



Aggregate (tax and non-tax) GRF receipts totaled \$3.8 billion in July and were \$12.3 million (0.6%) above estimate. As noted above, tax revenues were \$13.2 million (0.6%) above estimate. Non-tax receipts had a \$0.9 million negative variance from estimate (-0.1%).

## YTD and Percent Variance for Revenues (\$ in millions)

Category	Includes:	YTD Variance	% Variance
Tax Receipts	Sales & use, personal income, corporate franchise, financial institutions, commercial activity, natural gas distribution, public utility, kilowatt hour, foreign & domestic insurance, other business & property taxes, cigarette, alcoholic beverage, liquor gallonage, & estate	\$ 13.2	0.6%
Non-Tax Receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	\$ (0.9)	-0.1%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	\$ 0.0	N/A
<b>Total Revenue Variance</b>		<b>\$ 12.3</b>	<b>0.3%</b>
<b>Non-Federal Revenue Variance</b>		<b>\$ 12.3</b>	<b>0.6%</b>
<b>Federal Grants Variance</b>		<b>\$ 0.0</b>	<b>0.0%</b>





The table below shows that sources above estimate (a positive variance of \$56 million) in July outweighed the size of sources below estimate (a negative variance of \$43.7 million), resulting in a \$12.3 million net positive variance from estimate.

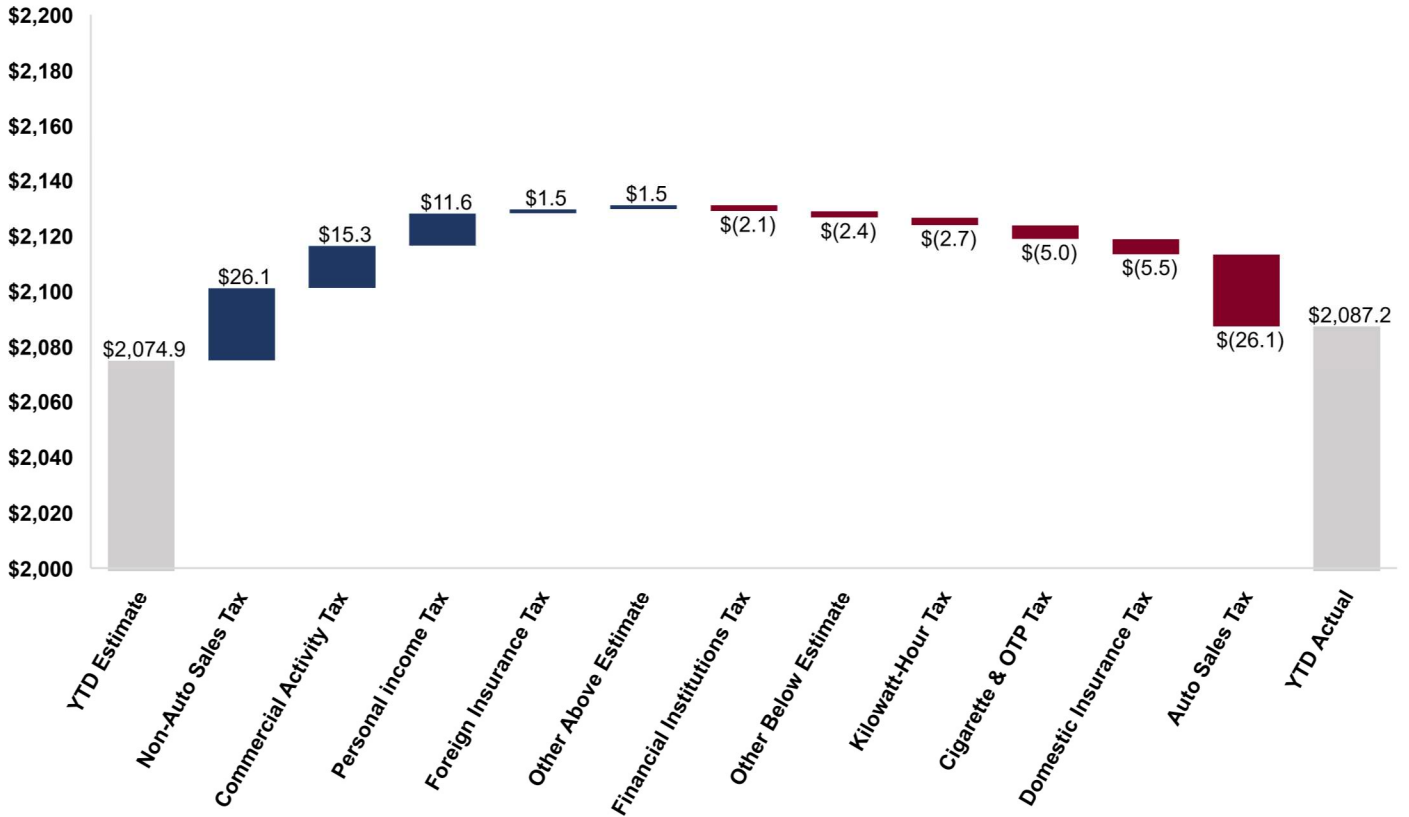
**GRF Revenue Sources Relative to Monthly Estimates – July 2023**  
(\$ in millions)

Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Non-Auto Sales Tax	\$ 26.1	Auto Sales Tax	\$ (26.1)
Domestic Insurance Tax	\$ 15.3	Domestic Insurance Tax	\$ (5.5)
Personal Income Tax	\$ 11.6	Cigarette and Other Tobacco Products Tax	\$ (5.0)
Other revenue sources above estimate	\$ 3.0	Other revenue sources below estimate	\$ (7.1)
<b>Total Above</b>	<b>\$ 56.0</b>	<b>Total Below</b>	<b>\$ (43.7)</b>

*Note: Due to the rounding of individual sources, the combined sum of sources above and below estimate may differ slightly from the total variance.*



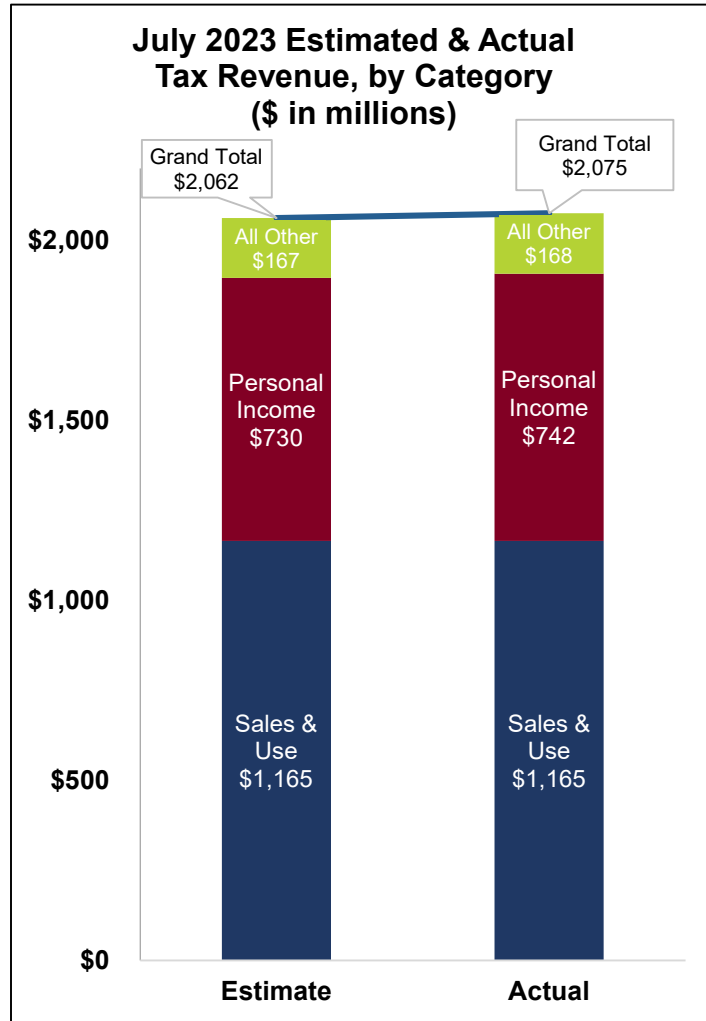
### Actuals vs Estimates: YTD GRF Non-Federal Sources (\$ in millions)



The preceding chart displays the relative contributions of various revenue sources to the overall variation between actual and estimated non-federal revenues for July 2023, with the net difference totaling \$12.3 million.



The following graph shows the composition of estimated and actual GRF tax revenues for July 2023. All tax sources are allocated among several major categories. The chart shows that sales and use tax revenue generated most of the tax revenue during the month. Auto sales tax and non-auto sales tax revenues had offsetting positive and negative variances from estimate, the source as a whole shows no deviation from estimate.



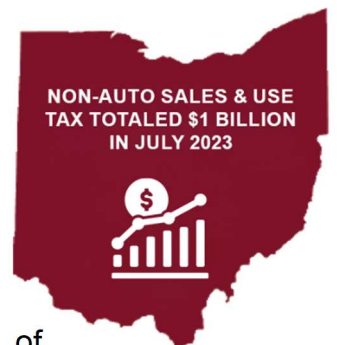
For July, total receipts and transfers were \$77.9 million (2.1%) above the previous year. Tax receipts increased by \$60.6 million (3%) and non-tax receipts increased by \$22.4 million (1.3%). Transfers decreased by \$5 million from last year.

The source with the largest year-over-year increase during July was non-auto sales tax, at \$66.8 million (7%) above last year. The next-largest increases were federal grants at \$21.2 million (1.2%), personal income tax at \$17.5 million (2.4%), and commercial activity tax at \$15.2 million (15.1%). The largest declines were experienced by domestic insurance tax at \$16.9 million (-96.4%) and auto sales tax at \$13 million (-8.2%).



## Non-Auto Sales Tax

GRF non-auto sales and use tax collections in July totaled \$1 billion and were \$26.1 million (2.6%) above the estimate. Revenue increased by \$66.8 million (7%) from last year. Growth was boosted by last July's large non-recurring refund payments that suppressed last year's GRF intake. If last year's refunds had equaled the amount paid this year, this July's GRF non-auto sales tax revenue would have increased by 2.9 percent.



Even with an adjustment for last year's refunds, the July 2023 revenue performance has significance. July marks two consecutive months of meaningful revenue growth, coming off the nearly flat levels experienced in April and May. This could be a sign that taxable retail activity has turned upward after its static performance during the spring. In addition, non-auto sales tax revenue exceeded \$1 billion in July 2023, the first time on record that July revenue has reached that level. It was only the ninth time in which monthly revenue has exceeded that dollar amount (the threshold was first reached in April 2021).

The current national data release from the U.S. Census Bureau's Monthly Advance Retail Trade Survey (MARTS) program shows year-over-year retail sales growth has steadily slowed over the last several months. Focusing on the retail categories that are predominantly subject to Ohio non-auto sales tax (NAICS codes 442, 443, 444, 448, 451, 452, 453, and 454), the MARTS data show a 3.4 percent year-over-year increase in national non-seasonally adjusted sales during June 2023. This compares to year-over-year growth of 3.8 percent in May and 0.3 percent in April. Meanwhile, year-over-year growth in Ohio all-funds non-auto sales tax revenue was 3.2 percent, 3.1 percent, and 0.6 percent in June, May, and April, respectively.

The MARTS data also show sales growth on a month-over-month basis for retail categories subject to Ohio sales tax. Based on seasonally adjusted figures, June 2023 sales for the above-indicated retail categories increased by 0.7 percent from May, following a 0.5 percent increase in May from April and a 0.7 percent increase in April from March.

## Auto Sales Tax

July auto sales tax revenues were \$145.4 million, an amount that was \$26.1 million (-15.2%) below estimate. Revenues were \$13 million (-8.2%) below last July. Collections in early August suggest that some revenue typically expected to be received in July was instead booked in the next month; this shift appears to have amounted to an estimated \$17 million. Accordingly, without this shift the July results would have been considerably stronger than suggested by the month's official figures.

National new light vehicle unit sales in July were consistent with the stronger monthly levels observed in the first half of the calendar year. According to the U.S. Department of Commerce Bureau of Economic Analysis, new light vehicle sales reached 15.7 million units, based on a seasonally adjusted annual rate (the number of sales that occurred during the month after adjustment for seasonal fluctuations and expressed as an annualized total). This is 0.5 percent above June and up 18.2 percent from a year ago. On an unadjusted basis, July 2023 light vehicle unit sales were at 1.3 million units. This is 5.1 percent below June and 15.3 percent above last July.

New vehicle transaction prices remain high although price growth has slowed this calendar year. The most recent release by the Bureau of Labor Statistics of Consumer Price Index (CPI-U) data shows 4.1 percent price growth for new vehicles in June compared to the prior year. June's price index is even with the previous month, marking three consecutive months of flat or negative growth which follow 24 unbroken months of price increases. Year-to-date growth has been slower than during the last half of 2022. Relative to December 2022, the CPI-U for new motor vehicles in June 2023 increased by 0.4 percent; in comparison, prices in December 2022 were 3.6 percent above June 2022. Even with the recent slowdown, prices remain considerably higher than their pre-pandemic levels: the CPI-U for new motor vehicles has increased 20.8 percent since February 2020.

Turning to used vehicles, Cox Automotive estimates that the number of used vehicle units sold at retail during June to be 2.8 million, not annualized and not seasonally adjusted, up 2.8 percent from last year and up 3 percent from May. The pandemic upended the used vehicle market, as supply could not meet underlying demand and prices increased. Prices peaked in January 2022, and have generally trended downward since then; despite a brief growth episode during the first quarter of 2023, prices have resumed a downward path. The Manheim Used Vehicle Value Index, a measure of wholesale vehicle prices, for the first half of July 2023 was 0.9 percent below the previous month. The measure was 11.1 percent lower than July 2022. As wholesale price movements typically lead retail prices by several months, consumer price declines may soon become apparent, with June's 0.5 percent decline in used vehicle CPI-U from May being a possible first sign. Nonetheless, used vehicle prices remain much higher than their pre-pandemic levels, with the Manheim index currently at 36.1 percent above January 2020.

Ohio-specific data for the second quarter of calendar year 2023 provide updated details on the state's motor vehicle market. According to figures reported by the Bureau of Motor Vehicles, aggregate used vehicle sales in the second quarter decreased on a year-over-year basis by \$659.3 million (-10.5%) while new vehicle sales increased by \$361.2 million (10.6%). Combined new and used motor vehicle sales in the second quarter decreased by \$298.1 million (-3.1%) from last year. The total number of transactions decreased by 2.8 percent in the second quarter compared to the prior year, with new vehicle transactions growing and used vehicle transactions declining. Average prices also went in different directions. There was a 4.6 percent increase in new vehicle prices while used vehicle prices dropped by 6 percent; composite prices dropped by 0.2 percent. For FY 2023, total taxable sales increased by 5.5 percent from FY 2022 while average prices grew by 6.8 percent.

## Personal Income Tax

July GRF personal income tax receipts totaled \$741.7 million and were \$11.6 million (1.6%) above the estimate. On a year-over-year basis, July income tax collections increased by \$17.5 million (2.4%).

Withholding collections amounted to \$780 million in July and were \$9.7 million (-1.2%) below estimate. This component was \$15 million (2%) above last July. The withholding category includes tax paid by certain types of pass-through entities on their taxable income. This is a different stream of revenue than that emanating from income tax withheld by employers and paid to the state. After excluding pass-through entity tax payments from this category, July withholding collections grew by \$36.7 million (4.9%) from last year.

July is not among the most significant months for quarterly estimated payments, with the preceding month being more notable since payments for the second quarter are due on June 15. Nonetheless, July collections came in at a substantial \$46.1 million (266.2%) above estimate. They were \$44.3 million (233.1%) above last year. The combined March through July results reflect the first two quarterly payments for calendar year 2023; the positive \$180.6 million (58.4%) variance across the five months could be a positive sign of strong performance for the calendar year.

Annual tax return payments exceeded the estimate in July, ending \$24.1 million (194.2%) above the mark. This component increased by \$22.5 million (159.7%) from last year. The tax year 2022 annual return filing season continues, although now mostly consisting of returns filed by taxpayers that took filing extensions. Payments for this category are \$288.3 million (23.6%) above estimate for the elapsed (January-July) filing season while they are now \$172 million (-10.2%) below the prior year. The revenue forecast for this filing season anticipated a significant decrease from the historic highs of the previous year; because the decline has been lower than expected, there is a positive year-to-date variance from estimate.

The two remaining tax collection categories (trust and other) were collectively \$1.4 million (-19.2%) below the July estimate. For the elapsed filing season, the combined categories are \$44.9 million (-27.7%) below estimate and have decreased by \$80.1 million (-40.7%) from the prior year. The negative variance and most of the year-over-year decrease is from the trust category, likely reflecting reduced taxable investment income experienced by trusts during tax year 2022.

July refunds were \$47.4 million (100%) above estimate, continuing a pattern observed throughout the calendar year that was only interrupted in May. The month's refunds were \$67.8 million (90.3%) above last year. Total refund issuances during the January-July period have exceeded estimates by \$205.8 million (9.8%). Refunds have increased by \$330.7 million (16.7%) from the last filing season.

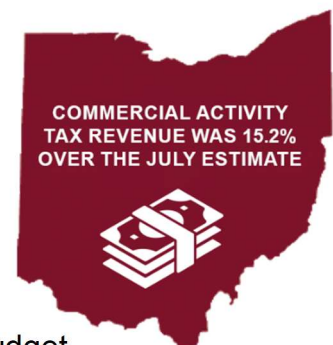
### July Personal Income Tax Receipts by Component (\$ in millions)

	Actual July	Estimate July	\$ Var	Actual July-2023	Actual July-2022	\$ Var Y-to-Y
Withholding	\$ 780.0	\$ 789.7	\$ (9.7)	\$ 780.0	\$ 765.0	\$ 15.0
Quarterly Est.	\$ 63.4	\$ 17.3	\$ 46.1	\$ 63.4	\$ 19.0	\$ 44.3
Annual Returns/40 P	\$ 36.5	\$ 12.4	\$ 24.1	\$ 36.5	\$ 14.1	\$ 22.5
Trust Payments	\$ 0.7	\$ 1.8	\$ (1.1)	\$ 0.7	\$ 4.0	\$ (3.3)
Other	\$ 5.4	\$ 5.8	\$ (0.3)	\$ 5.4	\$ 5.8	\$ (0.3)
Less: Refunds	\$ (94.8)	\$ (47.4)	\$ (47.4)	\$ (94.8)	\$ (35.9)	\$ (58.9)
Local Distributions	\$ (49.5)	\$ (49.5)	\$ (0.0)	\$ (49.5)	\$ (47.7)	\$ (1.8)
Net to GRF	\$ 741.7	\$ 730.1	\$ 11.6	\$ 741.7	\$ 724.2	\$ 17.5

### Commercial Activity Tax (CAT)

GRF revenues from the CAT were \$15.3 (15.2%) above the estimate for the month. Receipts in July increased by \$15.2 million (15.1%) from last year.

The recently enacted FY 2024-2025 state operating budget changed the portion of CAT revenue to be credited to the GRF. Previously, the GRF received 85 percent of monthly CAT receipts remaining after making required deposits into the Tax Refund Fund and CAT Administration Fund. Beginning in July 2023, the new budget requires all CAT revenue (net of the two fund deposits mentioned above) to be credited to the GRF. According to the new law, the GRF share will only be reduced to the extent that deposits need to be made to the school district and local government tangible personal property tax replacement funds to cover the semi-annual statutory reimbursements paid to those entities.



An all-fund analysis provides a purer measurement of July's underlying CAT revenue performance, removing the effects of the amended revenue accounting. In July, all-fund CAT revenue decreased by \$2.5 million (-2.1%) from the prior year. However, there was an \$8 million increase in refunds during July compared to the preceding year; CAT all-fund revenue would have increased by 4.8 percent if refunds had stayed even with their July 2022 level.

August is a more fiscally significant month than July since it is the month when CAT payments for the second quarter of calendar year 2023 are due. July's positive variance from estimate could be an indication that August will also exceed expectations.

## **GRF Non-Tax Receipts**

GRF non-tax receipts in July totaled \$1.8 billion and were \$22.4 million (1.3%) above the same month in the previous fiscal year.

Most of the year-over-year variance in non-tax receipts was in the federal grants category, which was \$21.2 million (1.2%) above July 2022. This variance was primarily attributable to increased year-over-year GRF disbursements, as discussed in the disbursement section of this report. As is typically the case in the first fiscal year of the biennium, federal grants estimates were set equal to actual revenues for the month of July.



8/4/2023

**Table 1**  
**GENERAL REVENUE FUND RECEIPTS**  
**ACTUAL FY 2024 VS ESTIMATE FY 2024**  
**(\$ in thousands)**

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	ACTUAL JULY	ESTIMATE JULY	\$ VAR	% VAR	ACTUAL Y-T-D	ESTIMATE Y-T-D	\$ VAR	% VAR
<b>TAX RECEIPTS</b>								
Non-Auto Sales & Use	1,020,004	993,900	26,104	2.6%	1,020,004	993,900	26,104	2.6%
Auto Sales & Use	145,372	171,500	(26,128)	-15.2%	145,372	171,500	(26,128)	-15.2%
Subtotal Sales & Use	1,165,376	1,165,400	(24)	0.0%	1,165,376	1,165,400	(24)	0.0%
Personal Income	741,747	730,100	11,647	1.6%	741,747	730,100	11,647	1.6%
Corporate Franchise	44	0	44	N/A	44	0	44	N/A
Financial Institutions Tax	(1,436)	700	(2,136)	-305.2%	(1,436)	700	(2,136)	-305.2%
Commercial Activity Tax	115,887	100,600	15,287	15.2%	115,887	100,600	15,287	15.2%
Petroleum Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	867	200	667	333.5%	867	200	667	333.5%
Kilowatt Hour	18,450	21,100	(2,650)	-12.6%	18,450	21,100	(2,650)	-12.6%
Natural Gas Distribution	290	0	290	N/A	290	0	290	N/A
Foreign Insurance	1,700	200	1,500	750.1%	1,700	200	1,500	750.1%
Domestic Insurance	629	6,100	(5,471)	-89.7%	629	6,100	(5,471)	-89.7%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	21,395	26,400	(5,005)	-19.0%	21,395	26,400	(5,005)	-19.0%
Alcoholic Beverage	5,606	6,500	(894)	-13.8%	5,606	6,500	(894)	-13.8%
Liquor Gallonage	4,912	5,000	(88)	-1.8%	4,912	5,000	(88)	-1.8%
Estate	0	0	0	N/A	0	0	0	N/A
Total Tax Receipts	2,075,468	2,062,300	13,168	0.6%	2,075,468	2,062,300	13,168	0.6%
<b>NON-TAX RECEIPTS</b>								
Federal Grants	1,753,468	1,753,468	0	0.0%	1,753,468	1,753,468	0	0.0%
Earnings on Investments	0	0	0	N/A	0	0	0	N/A
License & Fees	400	1,770	(1,370)	-77.4%	400	1,770	(1,370)	-77.4%
Other Income	11,329	10,850	479	4.4%	11,329	10,850	479	4.4%
ISTV'S	1	0	1	N/A	1	0	1	N/A
Total Non-Tax Receipts	1,765,198	1,766,088	(890)	-0.1%	1,765,198	1,766,088	(890)	-0.1%
<b>TOTAL REVENUES</b>	<b>3,840,666</b>	<b>3,828,388</b>	<b>12,278</b>	<b>0.3%</b>	<b>3,840,666</b>	<b>3,828,388</b>	<b>12,278</b>	<b>0.3%</b>
<b>TRANSFERS</b>								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	1	0	1	N/A	1	0	1	N/A
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	1	0	1	N/A	1	0	1	N/A
<b>TOTAL SOURCES</b>	<b>3,840,667</b>	<b>3,828,388</b>	<b>12,280</b>	<b>0.3%</b>	<b>3,840,667</b>	<b>3,828,388</b>	<b>12,280</b>	<b>0.3%</b>

8/4/2023

**Table 2**  
**GENERAL REVENUE FUND RECEIPTS**  
**ACTUAL FY 2024 VS ACTUAL FY 2023**  
(\$ in thousands)

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	JULY FY 2024	JULY FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
<b>TAX RECEIPTS</b>								
Non-Auto Sales & Use	1,020,004	953,233	66,771	7.0%	1,020,004	953,233	66,771	7.0%
Auto Sales & Use	145,372	158,358	(12,985)	-8.2%	145,372	158,358	(12,985)	-8.2%
Subtotal Sales & Use	1,165,376	1,111,591	53,786	4.8%	1,165,376	1,111,591	53,786	4.8%
Personal Income	741,747	724,249	17,499	2.4%	741,747	724,249	17,499	2.4%
Corporate Franchise	44	306	(263)	-85.7%	44	306	(263)	-85.7%
Financial Institutions Tax	(1,436)	(698)	(738)	-105.8%	(1,436)	(698)	(738)	-105.8%
Commercial Activity Tax	115,887	100,657	15,230	15.1%	115,887	100,657	15,230	15.1%
Petroleum Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	867	633	234	37.0%	867	633	234	37.0%
Kilowatt Hour	18,450	20,658	(2,208)	-10.7%	18,450	20,658	(2,208)	-10.7%
Natural Gas Distribution	290	17	272	1559.9%	290	17	272	1559.9%
Foreign Insurance	1,700	428	1,272	296.9%	1,700	428	1,272	296.9%
Domestic Insurance	629	17,529	(16,901)	-96.4%	629	17,529	(16,901)	-96.4%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	21,395	27,720	(6,325)	-22.8%	21,395	27,720	(6,325)	-22.8%
Alcoholic Beverage	5,606	6,936	(1,330)	-19.2%	5,606	6,936	(1,330)	-19.2%
Liquor Gallonage	4,912	4,855	58	1.2%	4,912	4,855	58	1.2%
Estate	0	5	(5)	N/A	0	5	(5)	N/A
Total Tax Receipts	2,075,468	2,014,887	60,581	3.0%	2,075,468	2,014,887	60,581	3.0%
<b>NON-TAX RECEIPTS</b>								
Federal Grants	1,753,468	1,732,222	21,246	1.2%	1,753,468	1,732,222	21,246	1.2%
Earnings on Investments	0	0	0	N/A	0	0	0	N/A
License & Fee	400	476	(76)	-16.0%	400	476	(76)	-16.0%
Other Income	11,329	10,145	1,185	11.7%	11,329	10,145	1,185	11.7%
ISTV'S	1	1	0	48.4%	1	1	0	48.4%
Total Non-Tax Receipts	1,765,198	1,742,843	22,355	1.3%	1,765,198	1,742,843	22,355	1.3%
<b>TOTAL REVENUES</b>	<b>3,840,666</b>	<b>3,757,731</b>	<b>82,936</b>	<b>2.2%</b>	<b>3,840,666</b>	<b>3,757,731</b>	<b>82,936</b>	<b>2.2%</b>
<b>TRANSFERS</b>								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	1	5,000	(4,999)	-100.0%	1	5,000	(4,999)	-100.0%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	1	5,000	(4,999)	-100.0%	1	5,000	(4,999)	-100.0%
<b>TOTAL SOURCES</b>	<b>3,840,667</b>	<b>3,762,731</b>	<b>77,937</b>	<b>2.1%</b>	<b>3,840,667</b>	<b>3,762,731</b>	<b>77,937</b>	<b>2.1%</b>

## Disbursements

*NOTE: At the beginning of each fiscal year, the Office of Budget and Management (OBM) and agencies undertake the process of estimating GRF spending by month for the upcoming year. These spending estimates are built on a combination of appropriation levels set by H.B. 33 of the 135<sup>th</sup> General Assembly and estimated spending against prior year encumbrances. In addition to accounting for policy changes and spending to meet prior year encumbrances, OBM and the agencies also take this opportunity to review any changes in caseloads, payrolls, or other demands for services that might impact the level and pattern of spending during the coming year. The FY 2024 GRF disbursement estimates will be completed in August and included in the Monthly Financial Report published in September. As a result, OBM has set disbursement estimates for July at the actual disbursement amounts for the month, and Table 3 in this report shows no monthly variances.*

July GRF disbursements, across all uses, totaled \$10.1 billion. On a year-over-year basis, July total uses were \$5.2 billion (107.3%) higher than those of the same month in the previous fiscal year, with Operating Transfers Out largely responsible for the difference.

Year-over-year variances from the estimate by category are provided in the table below.

Category	Description	Year-Over-Year Variance (\$ in millions)	% Variance
Expenditures and transfers between agencies (ISTVs)	State agency operations, subsidies, tax relief, debt service payments, and pending payroll (if applicable)	\$ 129.8	3.1%
Transfers	Temporary or permanent transfers out of the GRF that are not agency expenditures	\$ 5,080.2	810.3%
Total Disbursements Variance		\$ 5,210.0	107.3%



## Primary and Secondary Education

This category contains GRF spending for the Ohio Department of Education. July disbursements for this category totaled \$839 million and were \$35.2 million (4.4%) above disbursements for the same month of the previous fiscal year primarily attributable to spending for student assessments. Expenses for student assessments were \$19.6 million (601.2%) above the prior year as invoices from the vendor were received in a pattern different from FY 2023. Payments occur quarterly for various state assessments, including the Alternate Assessment for Students with the Most Significant Cognitive Disabilities, the English Language Proficiency Assessments, and the Ohio State Tests for English Language Arts, Mathematics, Science, and Social Studies. The foundation funding program was \$12.3 million (1.6%) above spending for the same month in the previous fiscal year as formula changes enacted in H.B. 45 of the 134<sup>th</sup> General Assembly provided additional support to schools and districts for Disadvantaged Pupil Impact Aid and pupil transportation. Increased reconciliation payments for FY 2023 scholarship recipients and increased preschool special education enrollment also contributed to increased spending for the foundation funding program in July 2023.

**\$839 MILLION**

## Medicaid

This category includes all Medicaid spending on services and program support by the following eight agencies: The Department of Medicaid, the Department of Mental Health and Addiction Services, the Department of Developmental Disabilities, the Department of Health, the Department of Job and Family Services, the Department of Aging, the Department of Education, and the State Board of Pharmacy.

### Medicaid Expenditures

July GRF disbursements for the Medicaid Program totaled \$2.7 billion and were \$273.5 million (11.3%) above spending for the same month in the previous fiscal year. The year-over-year variance was primarily attributable to higher caseloads and costs associated with the federally declared public health emergency and the continuous eligibility requirement, both of which have now ended.

July all-funds disbursements for the Medicaid Program totaled \$3 billion and were \$384.7 million (14.5%) above spending for the same month in the previous fiscal year. This year-over-year variance was also largely attributable to increased costs associated with the federally declared public health emergency. Additionally, there were some delayed payments from June that were disbursed in July.

### July Year-Over-Year Variance (\$ in millions)

	July FY 2024	July FY 2023	Variance	Variance %
GRF	\$ 2,696.3	\$ 2,422.8	\$ 273.5	11.3%
Non-GRF	\$ 336.2	\$ 225.1	\$ 111.2	49.4%
All Funds	\$ 3,032.6	\$ 2,647.9	\$ 384.7	14.5%

#### Medicaid Enrollment

Total July enrollment was 3.43 million and was 6,900 above enrollment for the same period last fiscal year. The Department resumed routine Medicaid eligibility operations in April, which will result in decreasing caseloads as members are redetermined for eligibility during the fiscal year. Total enrollment declined by an estimated 157,500 between April and July. Note that this number may be adjusted in the coming months as retroactive and backdated enrollments occur.

*\*Please note that enrollment data are subject to revision.*

#### Public Defender Commission

July spending for the Public Defender Commission totaled \$15.9 million, an \$11 million increase from July 2022, which can be attributed to the timing of county reimbursement payments. Last July, the agency processed several holdover requests from prior months, but this year were able to process the first reimbursements of the new biennium.

#### Department of Transportation

July disbursements for the Department of Transportation totaled \$5.7 million and were \$4.2 million (283%) above July 2022 expenses. Most of the increase (\$3.6 million) is due to the timing of payments in the Department's public transportation program. Operating-related reimbursement requests from rural subrecipients which were projected to be received and processed in May and June were not received and processed until July of the new fiscal year. The Department's Rural Transit Program provides state and federal funds to assist with operating and capital expenses for public transportation services in rural and small urban areas. State General Revenue funds are used to provide up to 30 percent of eligible operating costs and up to 10 percent of the costs of capital projects.



## Department of Agriculture

July expenses for the Department of Agriculture totaled \$2.1 million and were \$5.6 million (-72.8%) below spending in July 2022. The variance is largely due to a one-time appropriation in S.B. 109 of the 134<sup>th</sup> General Assembly for \$4.45 million used as grants to 94 eligible counties and independent agricultural societies. There is no appropriation for local fair grants in FY 2024, but \$4.7 million is appropriated in FY 2025.

## Department of Administrative Services

July expenses for the Department of Administrative Services totaled \$1.3 million and were \$2.5 million below July 2022 (-185.3%). In July 2022, the Department paid approximately \$3 million in rent which included billings for May 2022 and June 2022. Rent expenses in July 2023 totaled approximately \$331,000 and account for the majority of the variance.



## Justice and Public Protection

The category of Justice and Public Protection includes non-debt service GRF expenditures by the Department of Rehabilitation and Correction, the Department of Youth Services, the Attorney General, judicial agencies, and other justice-related entities.

July disbursements in this category totaled \$308.8 million. On a year-over-year and year-to-date basis, disbursements in this category were \$3.9 million (1.3%) higher than for the same month and at the same point in FY 2023.

## General Government

This category includes non-debt service GRF expenditures by the Department of Administrative Services, Department of Natural Resources, Department of Development, Department of Agriculture, Department of Taxation, Department of Transportation, Office of Budget and Management, non-judicial statewide elected officials, legislative agencies, and others.

July disbursements in this category totaled \$45.6 million. On a year-over-year and year-to-date basis, disbursements in this category were \$1.4 million (3.1%) higher than for the same month in FY 2023.

## Health and Human Services

The Health and Human Services category includes non-debt service GRF expenditures by the following state agencies: Job and Family Services, Health, Aging, Developmental Disabilities, Mental Health and Addiction Services, and others. Examples of expenditures in this category include childcare, Temporary Assistance for Needy Families (TANF) maintenance of effort, administration of the state's psychiatric hospitals, operating subsidies to county boards of developmental disabilities, various immunization programs, and Ohio's long-term care ombudsman program. The Medicaid category reflects spending to the extent that these agencies spend GRF to support Medicaid services.

July disbursements in this category totaled \$122.7 million. On a year-over-year and year-to-date basis, disbursements in this category were \$35.3 million (-22.3%) lower than for the same month and at the same point in FY 2023.

## Transfers Out

July transfers out totaled \$5.7 billion. On a year-over-year basis, this category was \$5.08 billion above transfers out for the same month in the previous fiscal year. The year-over-year variance is primarily attributable to one-time transfers that were authorized in the recently enacted operating budget, H.B. 33 of the 135<sup>th</sup> General Assembly.

## Higher Education

July disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled \$179.1 million and were \$14.1 million (-7.3%) below disbursements for the same month in the previous fiscal year. A significant source of the variance was due to lower than anticipated spending in the Ohio College Opportunity Grant Program from reimbursement requests from the previous year.

## Other Education

This category includes non-debt service GRF expenditures made by the Broadcast Educational Media Commission, the Ohio Facilities Construction Commission, the Ohio State School for the Blind, the Ohio School for the Deaf, as well as disbursements made to libraries, cultural, and arts organizations.

July disbursements in this category totaled \$12.7 million. On a year-over-year and year-to-date basis, disbursements in this category were \$4.3 million (50.4%) higher than for the same month and at the same point in FY 2023.

## Debt Service

July payments for debt service totaled \$156.1 million and were \$138.9 million (-47.1%) below disbursements the same month in the previous fiscal year. This variance was primarily attributable to the redemption of certain outstanding general obligation bonds to reduce the state's overall debt service obligations.





8/4/2023

**Table 3**  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2024 VS ESTIMATE FY 2024**  
(\$ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	ACTUAL JULY	ESTIMATED JULY	\$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	\$ VAR	% VAR
Primary and Secondary Education	839,031	839,031	0	0.0%	839,031	839,031	0	0.0%
Higher Education	179,136	179,136	0	0.0%	179,136	179,136	0	0.0%
Other Education	12,680	12,680	0	0.0%	12,680	12,680	0	0.0%
Medicaid	2,696,334	2,696,334	0	0.0%	2,696,334	2,696,334	0	0.0%
Health and Human Services	122,686	122,686	0	0.0%	122,686	122,686	0	0.0%
Justice and Public Protection	308,763	308,763	0	0.0%	308,763	308,763	0	0.0%
General Government	45,578	45,578	0	0.0%	45,578	45,578	0	0.0%
Property Tax Reimbursements	(114)	(114)	0	0.0%	(114)	(114)	0	0.0%
Debt Service	156,082	156,082	0	0.0%	156,082	156,082	0	0.0%
<b>Total Expenditures &amp; ISTV's</b>	<b>4,360,175</b>	<b>4,360,175</b>	<b>0</b>	<b>0.0%</b>	<b>4,360,175</b>	<b>4,360,175</b>	<b>0</b>	<b>0.0%</b>
<b>Transfers Out:</b>								
BSF Transfer Out	150,000	150,000	0	0.0%	150,000	150,000	0	0.0%
Operating Transfer Out	5,557,136	5,557,136	0	0.0%	5,557,136	5,557,136	0	0.0%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>5,707,136</b>	<b>5,707,136</b>	<b>0</b>	<b>0.0%</b>	<b>5,707,136</b>	<b>5,707,136</b>	<b>0</b>	<b>0.0%</b>
<b>Total Fund Uses</b>	<b>10,067,311</b>	<b>10,067,311</b>	<b>0</b>	<b>0.0%</b>	<b>10,067,311</b>	<b>10,067,311</b>	<b>0</b>	<b>0.0%</b>

8/4/2023

**Table 4**  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2024 VS ACTUAL FY 2023**  
(\$ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	JULY FY 2024	JULY FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
Primary and Secondary Education	839,031	803,836	35,195	4.4%	839,031	803,836	35,195	4.4%
Higher Education	179,136	193,237	(14,101)	-7.3%	179,136	193,237	(14,101)	-7.3%
Other Education	12,680	8,429	4,251	50.4%	12,680	8,429	4,251	50.4%
Medicaid	2,696,334	2,422,793	273,541	11.3%	2,696,334	2,422,793	273,541	11.3%
Health and Human Services	122,686	157,968	(35,282)	-22.3%	122,686	157,968	(35,282)	-22.3%
Justice and Public Protection	308,763	304,852	3,912	1.3%	308,763	304,852	3,912	1.3%
General Government	45,578	44,213	1,364	3.1%	45,578	44,213	1,364	3.1%
Property Tax Reimbursements	(114)	0	(114)	N/A	(114)	0	(114)	N/A
Debt Service	156,082	295,017	(138,936)	-47.1%	156,082	295,017	(138,936)	-47.1%
<b>Total Expenditures &amp; ISTV's</b>	<b>4,360,175</b>	<b>4,230,345</b>	<b>129,830</b>	<b>3.1%</b>	<b>4,360,175</b>	<b>4,230,345</b>	<b>129,830</b>	<b>3.1%</b>
<b>Transfers Out:</b>								
BSF Transfer	150,000	0	150,000	N/A	150,000	0	150,000	N/A
Operating Transfer Out	5,557,136	626,959	4,930,177	786.4%	5,557,136	626,959	4,930,177	786.4%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>5,707,136</b>	<b>626,959</b>	<b>5,080,177</b>	<b>810.3%</b>	<b>5,707,136</b>	<b>626,959</b>	<b>5,080,177</b>	<b>810.3%</b>
<b>Total Fund Uses</b>	<b>10,067,311</b>	<b>4,857,304</b>	<b>5,210,007</b>	<b>107.3%</b>	<b>10,067,311</b>	<b>4,857,304</b>	<b>5,210,007</b>	<b>107.3%</b>

## **FUND BALANCE**

*Note: The Office of Budget and Management (OBM) is currently working to complete the analysis necessary for the preparation of the FY 2024 General Revenue Fund (GRF) ending balance estimate. As mentioned above, OBM is currently finalizing the FY 2024 projections of disbursements, transfers, and encumbrances. This analysis is expected to be completed in August and reflected in the Monthly Financial Report published in September.*

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## Glossary

<b>Average Daily Rate</b>	A measure of a hotel's profit and performance, the average rate paid per hotel room that is occupied at United States hotel properties. It is calculated by dividing room revenue by rooms sold.
<b>Beige Book</b>	This report published by the Board of Governors of the Federal Reserve System evaluates current economic conditions across the 12 Federal Reserve districts in the United States, highlighting changes in economic conditions since the previous report.
<b>Building Permits</b>	The number of privately-owned housing units authorized for construction in Ohio or in the United States. Permits for a house, an apartment, a group of rooms, or a single room intended for occupancy as separate living quarters are included in this measure.
<b>Consumer Confidence</b>	The Conference Board's measure reflects present and anticipated business conditions. The monthly report measures consumer attitudes, buying intentions, vacation plans, and consumers expectations on inflations, stock prices, and interest rates in the United States.
<b>Consumer Price Index for All Urban Consumers</b>	Computed by the Bureau of Labor Statistics, this index measures the average change in prices paid by consumers for goods and services over time. The index is based on spending patterns of urban consumers for more than 200 items and over 120 different combinations of items such as food and beverages, housing, and energy.
<b>Continued and Extended Unemployment Claims</b>	Continued unemployment claims include the number of Ohio residents filing for ongoing unemployment benefits for a period up to 26 weeks, after their initial claim. In some cases, the federal government may extend the period that unemployment benefits may be received, even if the worker has exhausted regular unemployment insurance period.
<b>Employment Trends Index</b>	The Conference Board's Leading composite index indicates the direction of employment through the aggregation of eight leading employment indicators.
<b>Existing Home Sales</b>	A measure of the number of sales of existing homes, which includes single-family, townhomes, condominiums, and co-ops. This number is based on transaction closings from the Multiple Listing Services.



<b>Hotel Occupancy Rate</b>	A performance indicator that shows the percentage of hotel rooms that are occupied in the United States compared to total available space.
<b>Housing Market Index</b>	Produced by the National Association of Home Builders (NAHB) and Wells Fargo, the index is based on a monthly survey of NAHB members designed to take the pulse of the single-family housing market. Respondents are asked to rate market conditions for the sale of new homes at the present time and in the next six months as well as the traffic of prospective buyers of new homes.
<b>Initial Unemployment Claims</b>	The number of new jobless claims filed by Ohio workers seeking unemployment assistance for the first-time following a job loss.
<b>Leading Economic Index</b>	The Conference Board's Leading Composite Index is designed to reveal patterns in economic data by smoothing the volatility of its 10 individual components. The Leading Economic Index is a predictive index that anticipates business cycle inflexion points.
<b>Manufacturing Production Index</b>	A measure produced by the Board of Governors of the Federal Reserve System; the index measures the real output of the United States manufacturing industry by sector. The reference period for the index is 2017.
<b>Newly Built Single-Family Home Sales</b>	A measure of the sales of newly built single family structures including houses and townhouses.
<b>Ohio Employee-Population Ratio</b>	The proportion of Ohio civilian employment to the Ohio civilian non-institutional population. The ratio is primarily used as a measure of job holders and to track the pace of job creation compared to the adult population over time.
<b>Ohio Labor Force Participation Rate</b>	This rate represents the number of people in the Ohio labor force as a percentage of the Ohio civilian non-institutionalized population.
<b>Ohio Nonfarm Payroll Employment</b>	A measure of the number of workers in Ohio excluding farm workers as well as some government workers, private household employees, proprietors, unpaid volunteers, and the unincorporated self-employed.
<b>Ohio Unemployment Rate</b>	A measure of the share of workers in the Ohio labor force who do not currently have a job that are actively looking for work. People who have not looked for work in the past four weeks are not included in this measure.

<b>People Not in the Labor Force Who Currently Want a Job</b>	Individuals who want a job but are not counted as unemployed because they were not actively looking for work over the last four weeks or were unavailable to take a job for a variety of reasons including caring for children or other family members.
<b>Permanent Job Losses</b>	Unemployed persons whose employment ended involuntarily, or completed a temporary job, and began looking for work.
<b>Personal Consumption Expenditures</b>	Produced by the Bureau of Economic Analysis, this indicator reflects price and consumer changes of national household expenditures for goods and services exchanged in the United States economy.
<b>Personal Income</b>	Income that people receive from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.
<b>Personal Saving</b>	Produced by the Bureau of Economic analysis, this is the difference between current-dollar disposable income (that is, after-tax income) and personal outlays.
<b>Personal Saving Rate</b>	Produced by the Bureau of Economic Analysis, this indicator calculates the percentage of an individual's incomes left after they pay taxes and spend money. It is the percentage of the disposable income that people save.
<b>Purchasing Managers Index</b>	Produced by the Institute for Supply Management that measures expansions and contractions of the manufacturing economy. An index score reading above 50 percent indicates that the manufacturing economy is generally expanding, while below 50 percent it is generally contracting.
<b>Real Gross Domestic Product</b>	Produced by the Bureau of Economic Analysis, this is a measure of the inflation adjusted value of the goods and services produced by labor and property located in the United States.
<b>Revenue Per Available Room</b>	This is a standard performance measure used in the hotel industry calculated by multiplying a hotel's average daily room rate by its occupancy rate.
<b>Small Business Optimism Index</b>	The National Federation of Independent Business calculates this index to provide an indication of the health of small businesses in the United States through a composite of 10 seasonally adjusted components.

<b>State-Level Coincident Index</b>	Produced by the Federal Reserve Bank of Philadelphia, this index is a composite of four labor market indicators – nonfarm payroll employment, average hours worked in manufacturing, the unemployment rate, and real wage and salary disbursements.
<b>Survey of Consumers</b>	The University of Michigan's Survey of Consumers reports a measure of consumer confidence in the overall health of the economy in the United States. Information is gathered from a monthly telephone survey of consumer expectations for the economy.
<b>Temporary Layoff</b>	People who have been given a date to return to work or who expect to return to work within six months. Those on temporary layoff do not need to be looking for work to be classified as unemployed.
<b>Total Construction Spending</b>	The Census Bureau's estimate of the total dollar value of construction work done in the United States for the month on new structures or improvements to existing structures for private and public sectors. Estimates include the cost of architectural and engineering work, the cost of labor and materials, overhead costs, interest, and taxes paid during construction, and contractor's profits.
<b>Total Industrial Production</b>	A measure produced by the Board of Governors of the Federal Reserve System, the index measures the real output of the manufacturing, mining, and electric and gas utilities industries. The reference period for the index is 2017.
<b>Total Travel Throughput</b>	The number of travelers that go through Transportation Security Administration checkpoints in airports across the United States.
<b>Total Turnpike Revenue</b>	The amount of revenue received through the operation of the Ohio Turnpike.
<b>U.S. Labor Force Participation Rate</b>	This rate represents the number of people in the United States labor force as a percentage of the United States civilian non-institutionalized population.
<b>U.S. Nonfarm Payroll Employment</b>	A measure of the number of workers in the United States excluding farm workers as well as some government workers, private household employees, proprietors, unpaid volunteers, and the unincorporated self-employed.

<b>U.S. Unemployment Rate</b>	A measure of the share of workers in the United States labor force who do not currently have a job but are actively looking for work. People who have not looked for work in the past four weeks are not included in this measure.
<b>Worker Adjustment and Retraining Notification (WARN) Act</b>	The WARN Act requires employers to provide written notices of at least 60 days in advance of covered plant closings and mass layoffs in Ohio to the Ohio Department of Job and Family Services.

