

State of Ohio

Monthly Financial Report

DECEMBER 11, 2023

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

From: Kimberly Murnieks, OBM Director

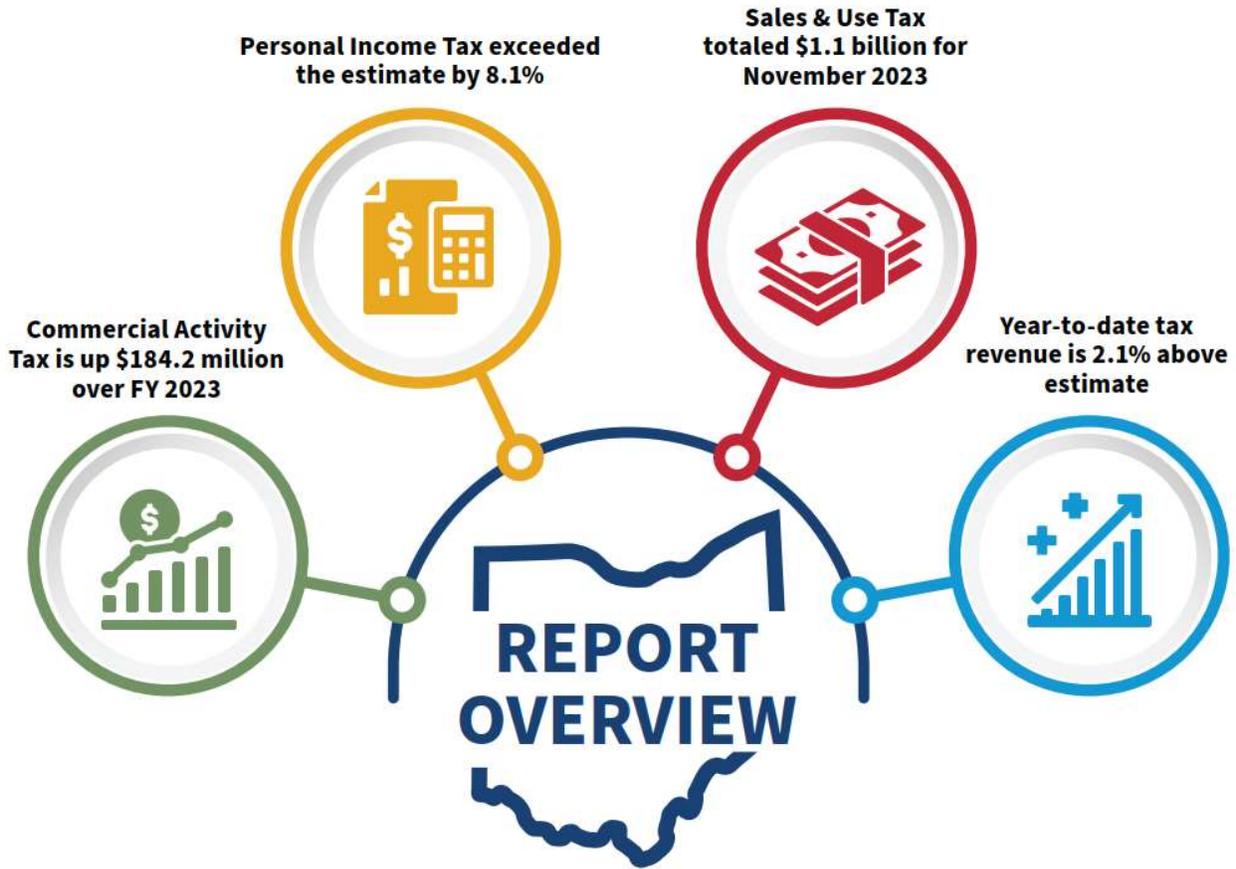


    YouTube

Table of Contents

Report Overview	3
Spotlight on Results	4
Economic Activity	5
Revenues	18
Disbursements	29
Glossary	38





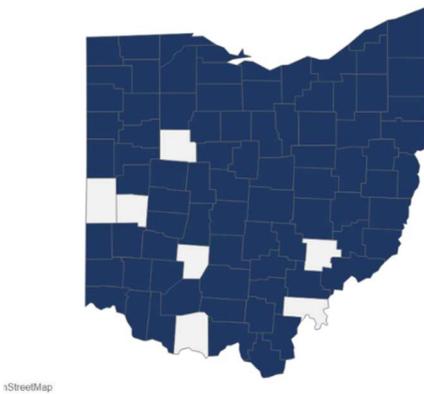
Spotlight on Results

Spotlighting: Ohio Narcotics Intelligence Center

Created by Governor Mike DeWine in 2019, the Ohio Narcotics Intelligence Center (ONIC) serves the Ohio law enforcement community. With regional offices in Columbus, Cleveland, Toledo, and Cincinnati, the ONIC provides investigative support through extraction and analysis of digital evidence stored on cell phones and other electronic

“Digital evidence plays a large role in drug trafficking today, and our ONIC teams provide expert criminal intelligence support through things like cell phone analysis, cryptocurrency tracing, and dark web investigations.”
[Governor Mike DeWine, April 2022]

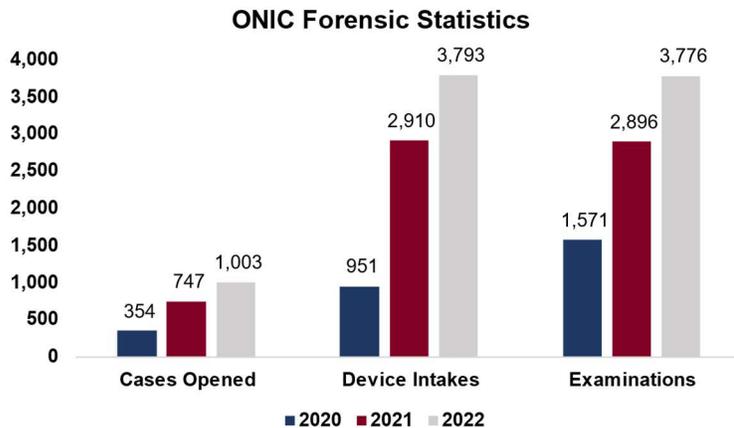
Counties Served by ONIC (2019-2022)



devices with the goal of solving cases and working toward a safer Ohio. This technologically sophisticated analysis may not otherwise be available to all law enforcement agencies across the state. Additionally, the ONIC facilitates statewide information sharing and collaboration through several recurring calls focused on topics such as forensic drug science and quick response teams.

The ONIC has expanded the reach of their forensic and intelligence assistance operations since 2019. In 2022, the ONIC supported more than 1,000 investigations across 61 Ohio counties. During that period, 70 percent of the agencies requesting assistance were local law enforcement, 21 percent of requests came from Ohio drug task forces, and the remaining requests were split among state and federal agencies. The number of digital forensic cases opened by the ONIC increased from 354 in 2020, to 1,003 cases in 2022, an increase of 183 percent. Similarly, the number of devices processed for intake by the ONIC increased from 951 to 3,793 devices in 2022, an increase of almost 300 percent. The ONIC also supported 531 intelligence cases across the state in 2022. The ONIC continues to serve Ohio communities and expand their services, with \$13.1 million budgeted for FY 2024 and 2025.

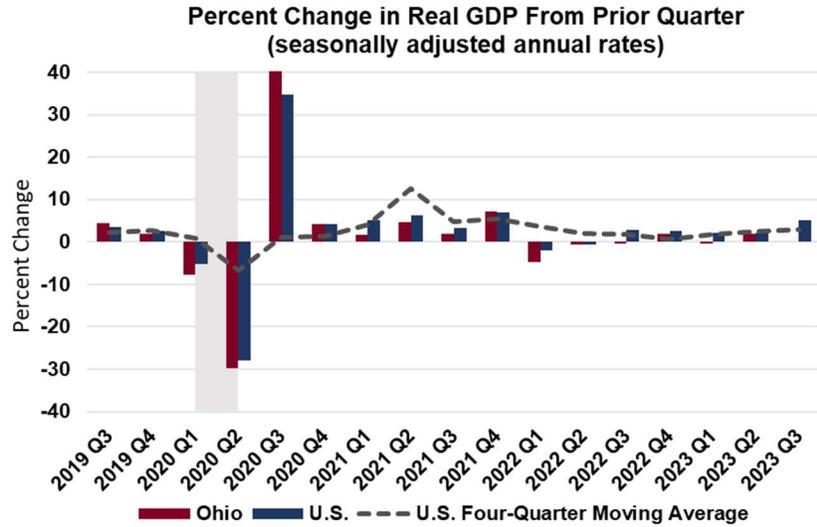
The ONIC has expanded the reach of their forensic and intelligence assistance operations since 2019. In 2022, the ONIC supported more than 1,000 investigations across 61 Ohio



Economic Activity

Economic Outlook

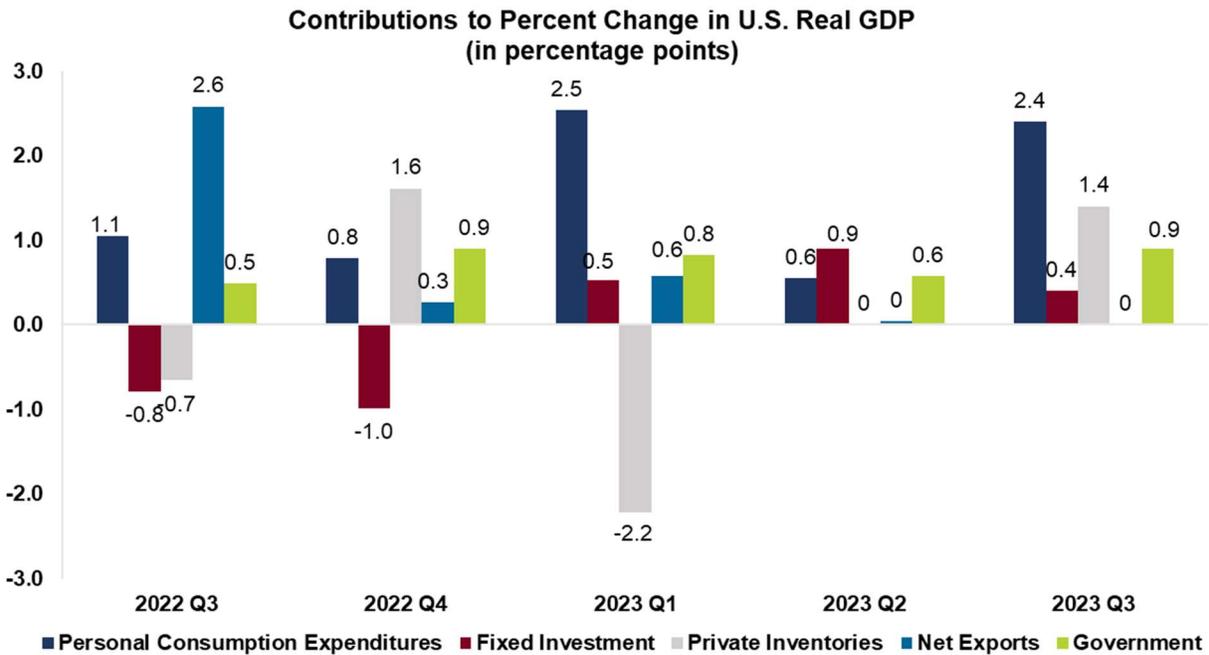
According to the Bureau of Economic Analysis' second estimate, the nation's **Real Gross Domestic Product (GDP)** increased in the third quarter of calendar year 2023 at an annualized rate of 5.2 percent. This is the fifth quarter in a row of growth, after declines in the first half of 2022.



Source: Bureau of Economic Analysis

The third quarter increase in real GDP resulted from

growth in personal consumption expenditures (2.4 percentage points), private inventories (1.4 percentage points), government expenditures (0.9 percentage point), and fixed investments (0.4 percentage point). Net exports made a small negative contribution to GDP growth in the third quarter.



Source: Bureau of Economic Analysis



Ohio's real GDP increased by 1.9 percent during the second quarter of 2023, which was 0.2 percentage point below the national average. The growth in GDP in Ohio largely reflected positive contributions in utilities (0.8 percentage point), durable goods manufacturing (0.7 percentage point), nondurable goods manufacturing (0.6 percentage point), trade transportation and warehousing (0.4 percentage point), and professional, scientific, and technical services (0.3 percentage point). These increases were partially offset by decreases in wholesale trade (0.4 percentage point), retail trade (0.3 percentage point), state and local government (0.2 percentage point), accommodation and food service (0.2 percentage point), and agriculture, forestry, fishing, and hunting (0.2 percentage point).

In October 2023, the Conference Board's **Leading Economic Index** decreased 0.8 percent to 103.9, after declining 0.7 percent in September. The index fell for the 19th consecutive month and in the last six months decreased 3.3 percent. The Conference Board's Senior Manager of Business Cycle Indicators reported negative contributions from expectations for business conditions, falling equities, and tighter credit conditions. Following a pause in September, the Leading Economic Index resumed signaling potential near-term recession.

The **Federal Reserve's Beige Book** evaluates current economic conditions across its 12 districts. According to the report released for November 2023, economic activity in the Fourth District, which includes Ohio, declined slightly in comparison to October's report. Employment saw minimal growth during the reporting period, and wage pressures continued to ease. Consumer spending decreased in recent weeks, including spending on discretionary goods, something most Federal Reserve respondents are hoping to see reverse with the holiday season.

The economic outlook for the remainder of 2023 remains vibrant, with this month's estimate of third quarter GDP stronger than last month's estimate, and continued employment growth in November boosting expectations. However, forecasters continue to cite ongoing headwinds due to elevated inflation, dissipating pandemic savings, accelerating consumer debt, and high interest rates as reasons for consumer pullback in early 2024. The labor market continues to outperform forecasters' expectations, leading some to believe that the Federal Reserve's next step will be to maintain higher rates in the first quarter of 2024, rather than continue with additional raises.

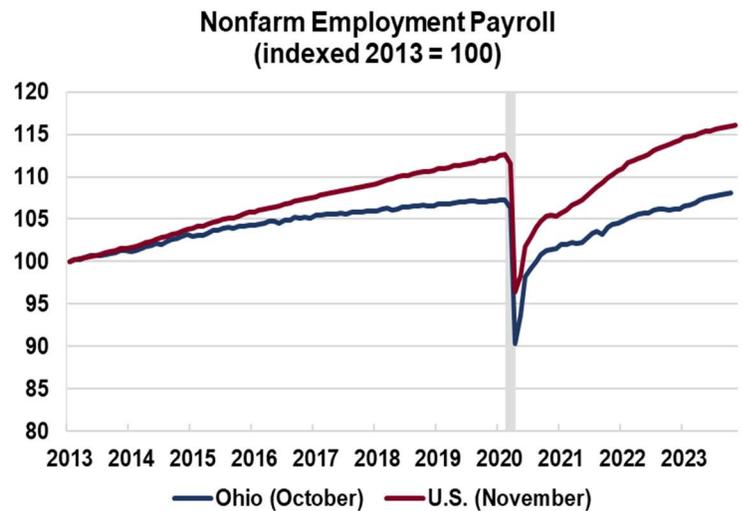
Economic Forecasts

Source	Date	4th Quarter 2023 Annualized GDP Forecast
Federal Reserve Bank of Atlanta (GDPNow)	12/06/2023	1.3%
IHS Markit GDP Tracker	12/04/2023	0.8%
Moody's Analytics High Frequency GDP Model	12/03/2023	1.6%
Federal Reserve Bank of New York (Nowcast)	12/01/2023	2.3%
Conference Board	11/15/2023	0.8%
Federal Reserve Bank of Philadelphia Survey of Professional Forecasters	11/13/2023	1.3%
Wells Fargo	11/09/2023	0.7%

Ohio Labor Market

Ohio's nonfarm payroll employment increased by an estimated 7,700 jobs between September and October 2023 to 5.7 million, an increase of 2 percent over the prior year.

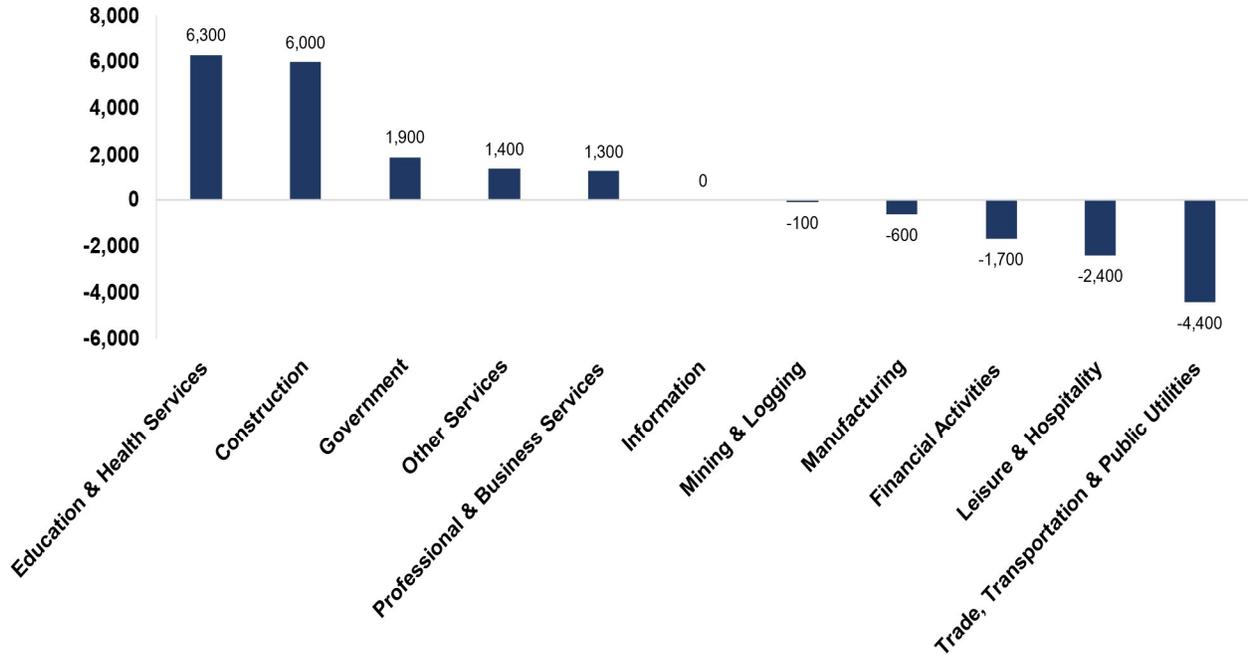
In Ohio, education and health services had the largest employment gains in October, followed by construction, government, other services, and professional and business services. These gains were partially offset by losses in mining and logging, manufacturing, financial activities, leisure and hospitality, and trade transportation and utilities.



Source: Bureau of Labor Statistics

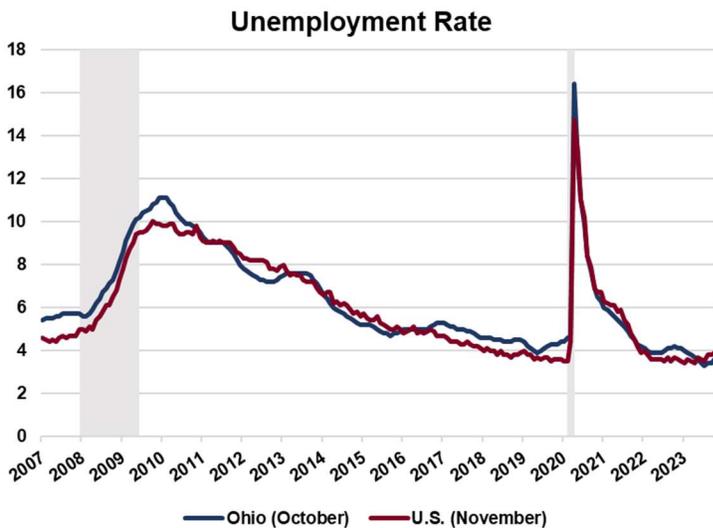


Change in Ohio Employment Between September and October 2023 (by industry)



Source: Bureau of Labor Statistics

Ohio’s seasonally adjusted **labor force participation rate** in October was 62 percent, a 0.1 percentage point decrease from September 2023. The seasonally adjusted **employment-population ratio** was 59.8 in October, a 0.2 percentage point decrease from September 2023.



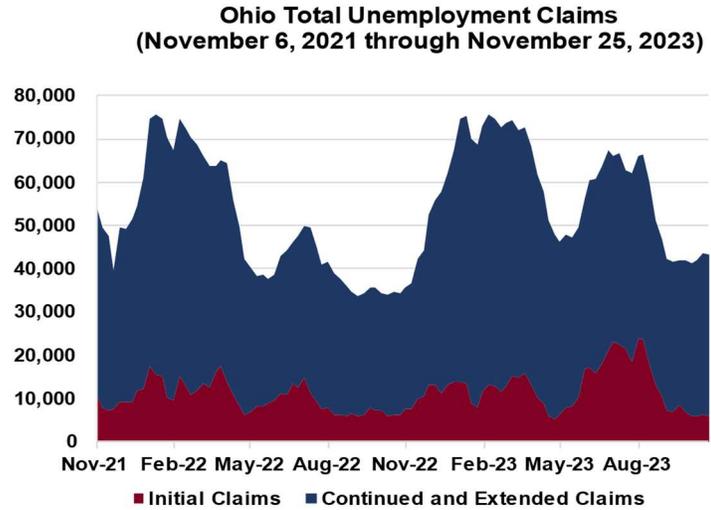
Source: Bureau of Labor Statistics through FRED

The **Ohio unemployment rate** in October 2023 was 3.6 percent, a 0.2 percentage point increase from September 2023’s revised rate, remaining 0.3 percentage point below the national rate in October.

In October 2023, **initial unemployment claims** decreased 6.4 percent for men and 19.9 percent for women compared to September 2023. During the same period, initial claims decreased for those who identified as Black (-8.9%), White (-6.7%), and Hispanic (-0.5%) along with those who did not specify a race (-59%). Those who identified as American Indian (8.8%) and Asian/Pacific Islander (7%) saw increases.



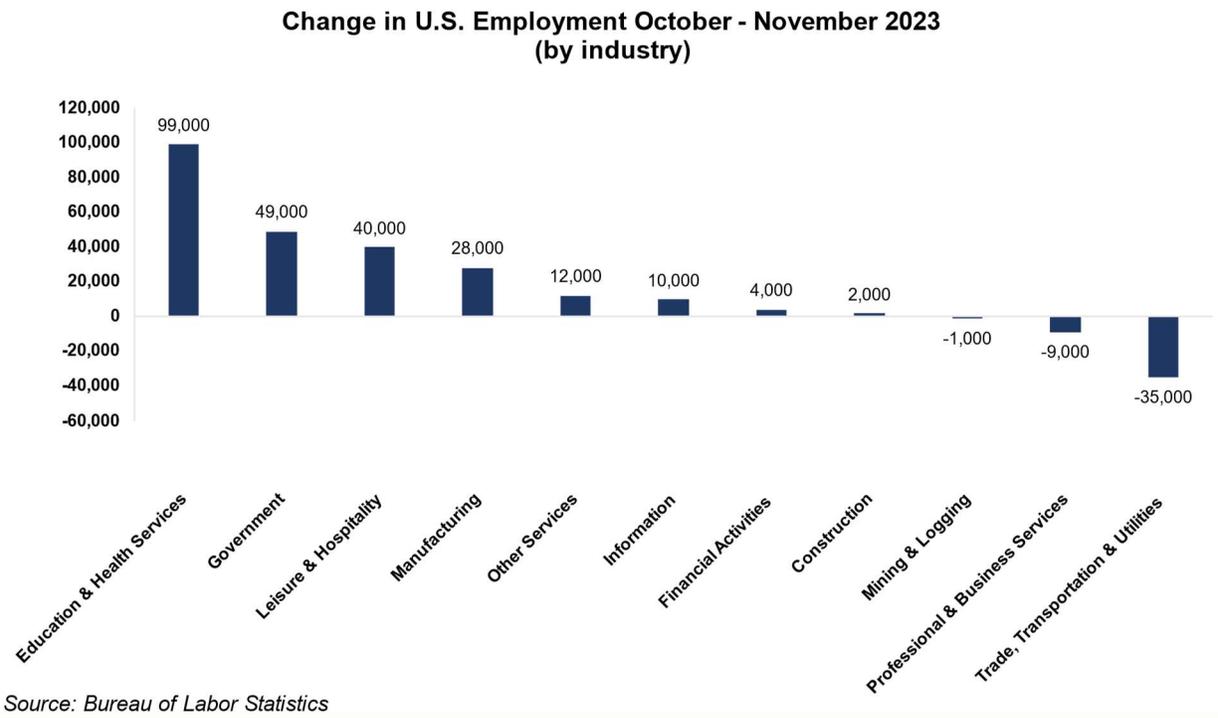
During the week ending November 25, 2023, individuals filed a total of 8,678 initial unemployment claims, a 15.9 percent increase from the previous week. Individuals filing **continued and extended claims** during the same week totaled 38,493 claims, a 1.1 percent decrease from the prior week.



U.S. Labor Market

U.S. nonfarm payroll employment increased by 199,000 jobs in November. Job gains were concentrated in education and health services, government, leisure and hospitality, manufacturing, and other services.

199,000
Jobs Added



The **U.S. labor force participation rate** increased 0.1 percentage point in November to 62.8 percent. The **U.S. employment-population ratio** decreased 0.3 percentage point in November to 60.5 percent. Both measures remained below their February 2020 levels by 0.5 percentage point and 0.6 percentage point, respectively.

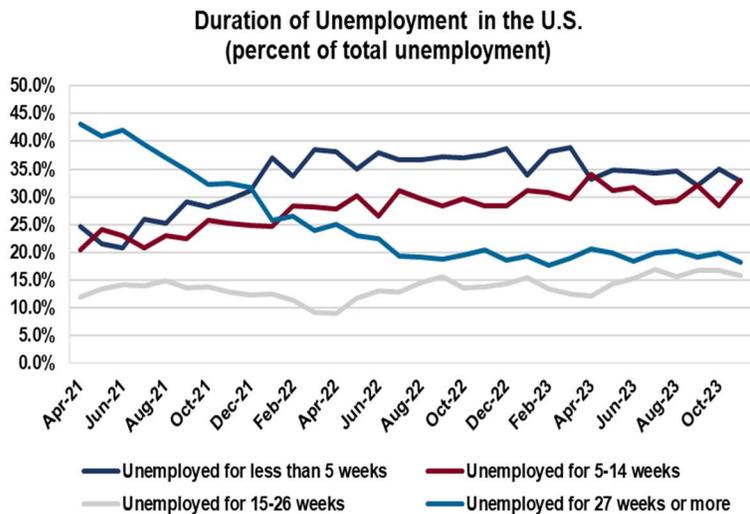
Unemployment Rates by Demographic Group

	September-23	October-23	November-23
Women	3.4%	3.6%	3.4%
Men	4.1%	4.1%	4.0%
Black	5.7%	5.8%	5.8%
White	3.4%	3.5%	3.3%
Asian	2.8%	3.1%	3.5%
Hispanic	4.6%	4.8%	4.6%

The **U.S. unemployment rate** fell 0.2 percentage point in November to 3.7 percent while the number of unemployed individuals fell to 6.3 million. The unemployment rate decreased or remained unchanged for most racial categories between October and November 2023, while the unemployment rate for individuals who identify as Asian increased by 0.4 percentage point. The unemployment rate for those who identify as White or Hispanic decreased (0.2 percentage point), and the unemployment rate for individuals who identified as Black was unchanged. The unemployment rate for women decreased 0.2 percentage point to 3.4 percent between October and November, while the unemployment rate for men decreased 0.1 percentage point to four percent.

In November, 32.9 percent of unemployed individuals in the nation were unemployed for less than five weeks. This measure decreased 8.8 percent from October and remained in line with pre-pandemic levels.

The number of **people not in the labor force who currently want a job** decreased by 0.9 percent to 5.3 million people in November and remained in line with pre-pandemic levels.



Source: Bureau of Labor Statistics





The number of unemployed people who were on **temporary layoff** increased to 892,000 in November and was 112,000 more than in February 2020.

The number of people with **permanent job losses** increased by 24,000 in November to 1.6 million.

Consumer Income and Consumption

\$23.2 Trillion

Personal income increased by \$57.1 billion (0.2%) in October to \$23.2 trillion. The gains in October were primarily due to increases in government wages and salaries of \$11.5 billion (0.7%).

Personal consumption expenditures increased by \$41.2 billion (0.2%) between September and October. Overall spending on goods decreased by 0.2 percent in October. Spending on nondurable goods was unchanged, with decreased spending on gasoline and other energy goods (-1.8%) and clothing and footwear (-0.4%) offset by increases in other nondurable goods (0.4%) and food and beverages purchased for off-premises consumption (0.3%). Spending on durable goods decreased 0.5 percent, driven by decreases in motor vehicles and parts (-1.2%) and furnishings and durable household equipment (-0.8%). Spending on services increased by 0.4 percent in October 2023, led by other services (1%), transportation services (0.9%), health care services (0.7%), and housing utilities (0.5%).

Consumer Spending by Industry, for Select Industries (\$ in millions of chained 2017 dollars)

	September 2023	October 2023	1-Month Percent Change	12-Month Percent Change	24-Month Percent Change
Durable Goods	\$ 2,068,081	\$ 2,062,783	-0.3%	3.7%	5.1%
Motor vehicles and parts	\$ 604,353	\$ 599,339	-0.8%	2.5%	2.3%



Furnishings and durable household equipment	\$ 419,695	\$ 417,103	-0.6%	0.1%	-1.4%
Recreational goods and vehicles	\$ 799,306	\$ 802,950	0.5%	9.1%	15.4%
Other durable goods	\$ 281,162	\$ 281,650	0.2%	1.0%	1.1%
Nondurable Goods	\$ 3,367,660	\$ 3,377,664	0.3%	1.3%	0.5%
Clothing and footwear	\$ 503,351	\$ 501,646	-0.3%	-0.3%	0.8%
Gasoline and other energy goods	\$ 308,161	\$ 317,162	2.9%	1.2%	-1.4%
Other nondurable goods	\$ 1,415,909	\$ 1,415,262	0.0%	3.4%	5.1%
Services	\$ 10,118,502	\$ 10,139,056	0.2%	2.3%	4.4%
Transportation services	\$ 477,744	\$ 478,373	0.1%	1.0%	0.4%
Housing and utilities	\$ 2,571,109	\$ 2,573,456	0.1%	1.0%	1.9%
Recreation services	\$ 585,423	\$ 581,676	-0.6%	1.8%	4.0%
Financial services and insurance	\$ 1,048,749	\$ 1,046,256	-0.2%	1.8%	4.0%

Note: The table above provides details on real personal consumption spending in chained 2017 dollars, which differs from the figures in the text that are not adjusted for inflation.

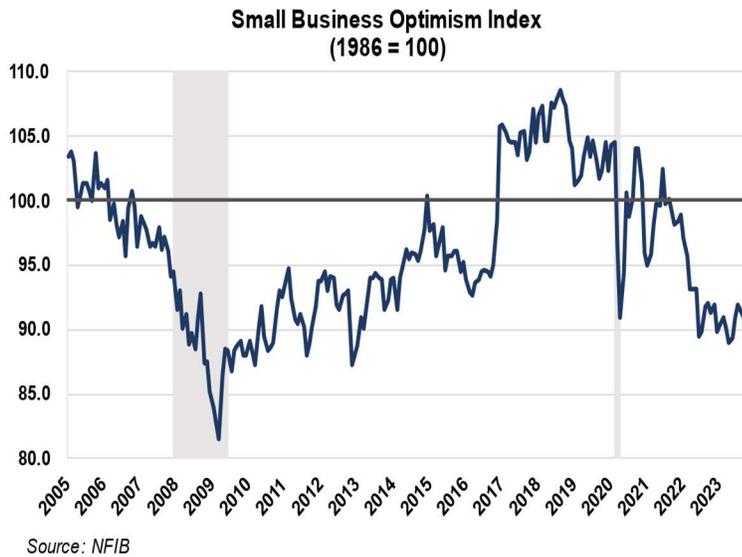
Source: Bureau of Economic Analysis, Table 2.3.6U Real Personal Consumption Expenditures by Type of Product

Personal saving totaled \$768.6 billion in October, a 2.6 percent increase compared to September's revised level and was 32.7 percent above the October 2022 level. The **personal saving rate** was 3.8 percent in October, up 0.1 percentage point from September's revised estimate.

The **Consumer Price Index for All Urban Consumers** (CPI) was unchanged in October compared to September, which followed a 0.4 percent increase between August and September. The "all items" index increased 3.2 percent over the last 12 months. October price increases were concentrated primarily in shelter (0.3%) and food (0.3%). These increases were partially offset by decreases in energy (-2.5%) and used cars and trucks (-0.8%).

Consumer opinion surveys reported mixed results in confidence in November. Respondents in the University of Michigan's **Survey of Consumers** reported a decline (-2.5%) in consumer sentiment to 61.3 in November 2023 compared to October 2023. Consumers reported decreased expectations around business conditions, with younger and middle-aged consumers reporting the largest declines in sentiment. Conversely, the Conference Board's **Consumer Confidence Index** increased by 2.9 points to 102 in November, up from a downwardly revised 99.1 in October. Despite the increase in confidence, the Chief Economist cautioned that consumers are still concerned about rising prices, war/conflicts, and higher interest rates. Increases in confidence predominantly occurred in consumers aged 55 and up and across all income levels.





The **Small Business Optimism Index** decreased 0.1 percentage point to 90.7 in October, the 22nd consecutive month the index was below 98, the 49-year average. Inflation was the top concern of small business owners in October, with 22 percent of owners identifying it as their single most important problem, a slight decrease from September. Hiring also remained a concern, with 43 percent of owners who were actively hiring reporting job openings that were hard to fill, a level unchanged from September.

Travel and Tourism

Ohio's three largest transit authorities, the Greater Cleveland Regional Transit Authority, Central Ohio Transit Authority, and Southwest Ohio Regional Transit Authority, provided an estimated combined 4,828,306 **unlinked passenger trips** in November 2023. This was 19.3 percent higher than October 2023, and 20.4 percent higher than November 2022 ridership levels.

National average airline checkpoint traffic decreased 5.4 percent in November 2023 compared to October. **Total travel throughput** in November 2023 was 9.4 percent higher than in November 2022 and 10.2 percent higher than in November 2019.

The **hotel occupancy rate** in the U.S. for the week ending November 18, 2023, was 62.4 percent, 0.6 percent below the comparable week in 2022. The **average daily rate** for a hotel room was \$156.47, a 7 percent increase from 2022. **Revenue per available room** was \$97.31, which was 6.3 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 0.6 percent between September and October 2023 and was 0.7 percent lower than in October 2022.

Preliminary data show the **Manufacturing Production Index** decreased 0.7 percent in October 2023 to 99 and was -1.7 percent lower than October 2022. Nationally, manufacturing in four of Ohio's top 10 industries increased production between September and October 2023. Increases in petroleum and coal products (2.2%), electrical

equipment (1.5%), aerospace and other transportation equipment (1%), and food, beverage, and tobacco products (0.2%) were offset by decreases in motor vehicles and parts (-10%), plastics and rubber products (-2.2%), primary metals (-1.7%), machinery (-0.7%), chemicals (-0.6%), and fabricated metals (-0.1%).

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

Manufacturing Sector	Percent Change August and September 2023	Percent Change September and October 2023	Percent Change October 2022 to October 2023
Aerospace and Other Transportation Equipment	0.3%	1.0%	4.5%
Chemicals	0.9%	-0.6%	1.3%
Electrical Equipment	-0.7%	1.5%	-1.0%
Fabricated Metal Products	0.4%	-0.1%	-1.9%
Food Beverage and Tobacco Products	-0.2%	0.2%	-3.6%
Machinery	0.4%	-0.7%	-5.0%
Motor Vehicles and Parts	-0.5%	-10.0%	-6.0%
Petroleum and Coal	-1.2%	2.2%	1.4%
Plastics and Rubber Products	1.2%	-2.2%	-7.0%
Primary Metals	1.2%	-1.7%	-0.8%



Source: Institute for Supply Management

In November 2023, the Institute for Supply Management reported the **Purchasing Managers Index (PMI)** for the United States was 46.7, a level unchanged from October’s reading. The index remained below 50 for the 13th straight month, indicating continued contraction in the manufacturing sector.

Across the nation, two of the 10 most important industries to Ohio’s manufacturing sector increased production in November. The manufacturing of food, beverage, and tobacco products; and transportation equipment reported growth in the last month. The industries reporting the largest contraction were electrical equipment; machinery; primary metals; chemical



products; fabricated metal products; and plastics and rubber products. According to the chair of the survey committee, the manufacturing sector fell back into contraction after one month of slight expansion. Anecdotal evidence from nationwide purchasing and supply executives surveyed by the Institute for Supply Management (ISM) described some slowing in markets, and lingering uncertainty about long-term conditions.

“Starting to feel softening in the economy, with labor still a challenge to backfill critical roles. The 2024 forecast looks challenging, specially from a cost perspective. [Chemical Products]”

“The end of the major construction season and early pullback in customer capital expenditures purchases have resulted in a lower backlog in the fourth quarter. [Machinery]”

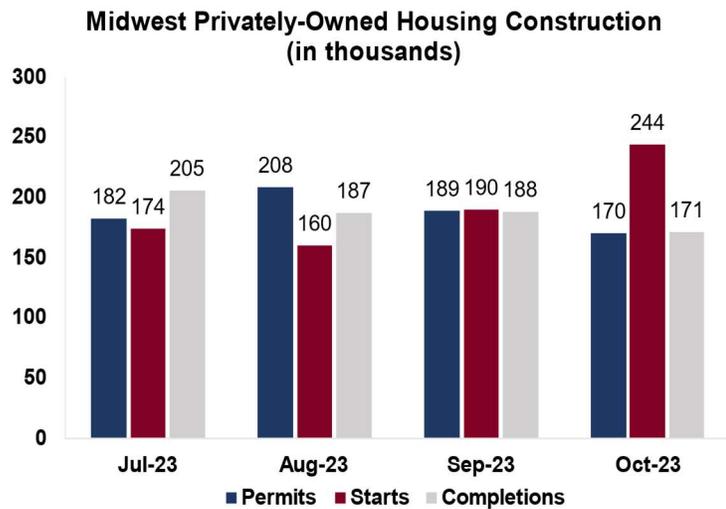
Ohio and Midwest Construction and Housing Market

In Ohio, **building permits** for privately-owned housing units decreased 20.7 percent between September and October 2023 and were 50.5 percent below the number of permits issued in October 2022.

Privately-owned housing starts in the Midwest increased 28.4 percent between September and October and were 5.2 percent above October 2022 levels.

In October 2023, privately-owned housing completions in the Midwest decreased 9 percent compared to September and were 7.1 percent below October 2022.

New home sales in the Midwest increased 16.4 percent between September and October 2023 and were 8.5 percent above October 2022.



Source: U.S. Census Bureau through FRED



The number of homes sold in Ohio continued to slow while average prices increased slightly in October. Total sales were 9.2 percent below October 2022 and the average sale price in Ohio was \$273,683, a 7.3 percent increase compared to October 2022. The president of Ohio REALTORS reported that higher interest rates and lower inventory levels were leading to higher home prices in the Ohio housing market in October 2023.

The **Housing Market Index** in the Midwest decreased five points in November to 32, two points below the national level. The national index decreased six points during the same period, following increases for the majority of 2023.

U.S. Construction and Housing Market

The U.S. Census Bureau reported **total construction spending** in October 2023 at a seasonally adjusted annual rate of \$2.03 trillion, a 0.6 percent increase from the revised September estimate. The October 2023 estimate was 10.7 percent above October 2022.



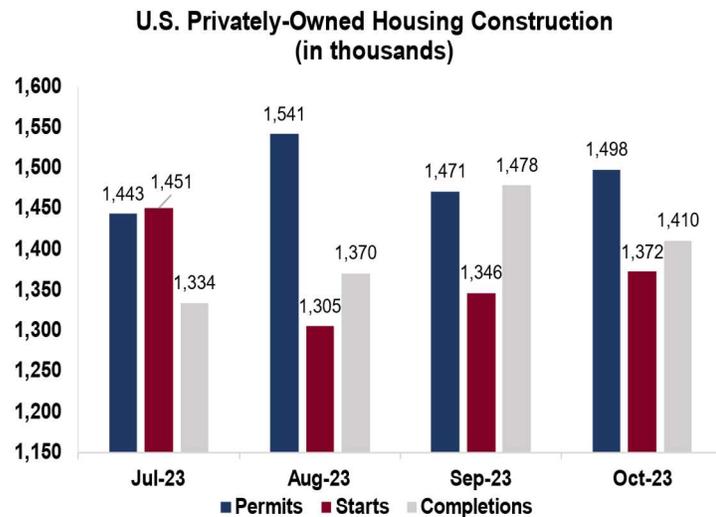
Source: National Association of Home Builders

Public sector construction spending increased 0.2 percent between September and October, bringing the seasonally adjusted annual total to \$447.9 billion. Spending on educational construction increased 0.4 percent above the revised September estimate to \$97.2 billion in October, 16.5 percent above October 2022 levels. Highway construction spending in October was 0.3 percent below the revised September estimate and 12.7 percent above October 2022.

Private sector construction spending increased 0.7 percent between September and October to a seasonally adjusted annual total of \$1.6 trillion and 9.2 percent above October 2022 levels. Residential construction in October was 1.2 percent above September's revised level and 0.7 percent below the October 2022 level. Nonresidential construction in October 2023 increased 0.1 percent from September's revised level and was 22.4 percent above October 2022.

In the U.S., the number of **building permits** issued for privately-owned housing units increased 1.8 percent between September and October and was 3.7 percent below the number of permits issued in October 2022.

Nationally, privately-owned housing starts increased 1.9 percent between September and October and were 4.2 percent below October 2022 levels.



Source: U.S. Census Bureau through FRED

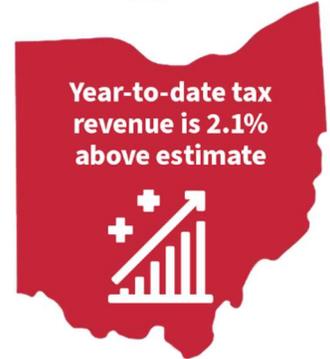
In October, **newly built single-family home sales** decreased by 5.6 percent compared to September and were 17.7 percent above sales in October 2022. The national median sales price in October 2023 was \$409,300, a 3.1 percent decrease compared to September, and 10.4 percent lower compared to October 2022.

According to the National Association of Realtors, **existing home sales** decreased 4.1 percent in October compared to September. October's existing home sales decreased to an annual rate of 3.8 million housing units, a 14.6 percent decrease from October 2022. The median sale price of all existing homes increased 3.4 percent from a year ago to \$391,800. Available inventory in October 2023 totaled 1.1 million units, up 1.8 percent from September and 5.7 percent below the October 2022 inventory level.

Revenues

November GRF tax revenues exceeded the estimate by \$26.1 million (1%). Tax revenues are now \$244.7 million (2.1%) above the estimate, with a positive variance each month this year. November's performance was led by personal income tax, which was \$59.8 million (8.1%) above its anticipated level. This source now accounts for two-thirds of the total year-to-date GRF tax revenue variance. Through November, total tax revenues have increased \$365.8 million (3.1%) from the prior year.

Aggregate (tax and non-tax) GRF receipts totaled \$3.8 billion in November and were \$11.3 million (0.3%) below estimate. As noted above, tax revenues were \$26.1 million (1%) above estimate. Non-tax receipts were \$37.5 million (-2.8%) below estimate. For the year-to-date, tax receipts and transfers are above estimate while non-tax receipts are below estimate, as shown in the table below.



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	\$ 244.7	2.1%
Non-Tax Receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	\$ (110.7)	-1.6%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	\$ 2.5	N/A
Total Revenue Variance		\$ 136.5	0.7%
Non-Federal Revenue Variance		\$ 362.8	3.1%
Federal Grants Variance		\$ (226.3)	-3.3%

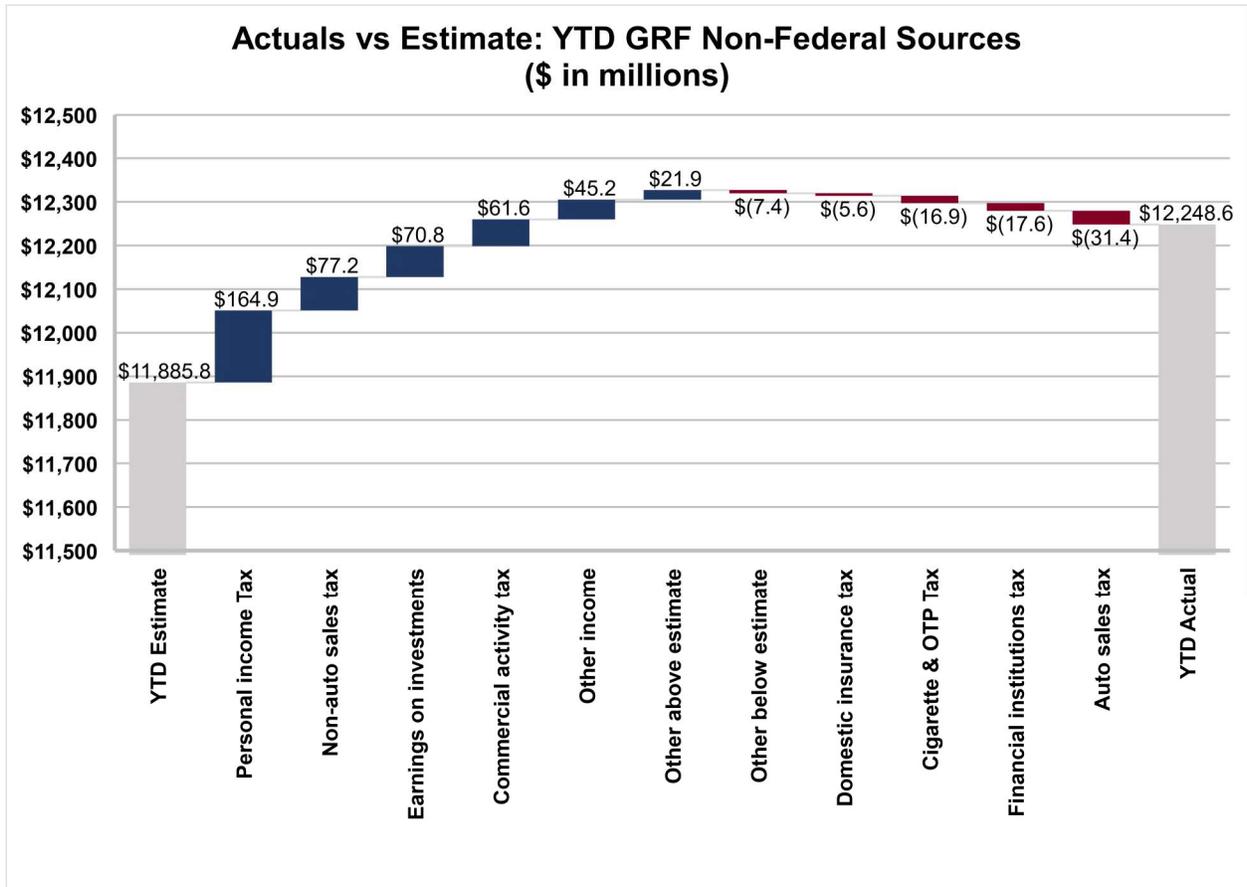
The following table shows that sources below estimate (a negative variance of \$87 million) in November outweighed the number of sources above estimate (a positive variance of \$75.7 million), resulting in a net negative variance from estimate of \$11.3 million.

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

Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Personal Income Tax	\$ 59.8	Federal Grants	\$ (39.2)
Foreign Insurance Tax	\$ 11.7	Domestic Insurance Tax	\$ (14.9)
Other Income	\$ 2.3	Financial Institutions Tax	\$ (14.1)
Other revenue sources above estimate	\$ 1.9	Commercial Activity Tax	\$ (5.4)
		Auto Sales Tax	\$ (5.1)
		Other revenue sources below estimate	\$ (8.3)
Total Above	\$ 75.7	Total Below	\$ (87.0)

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

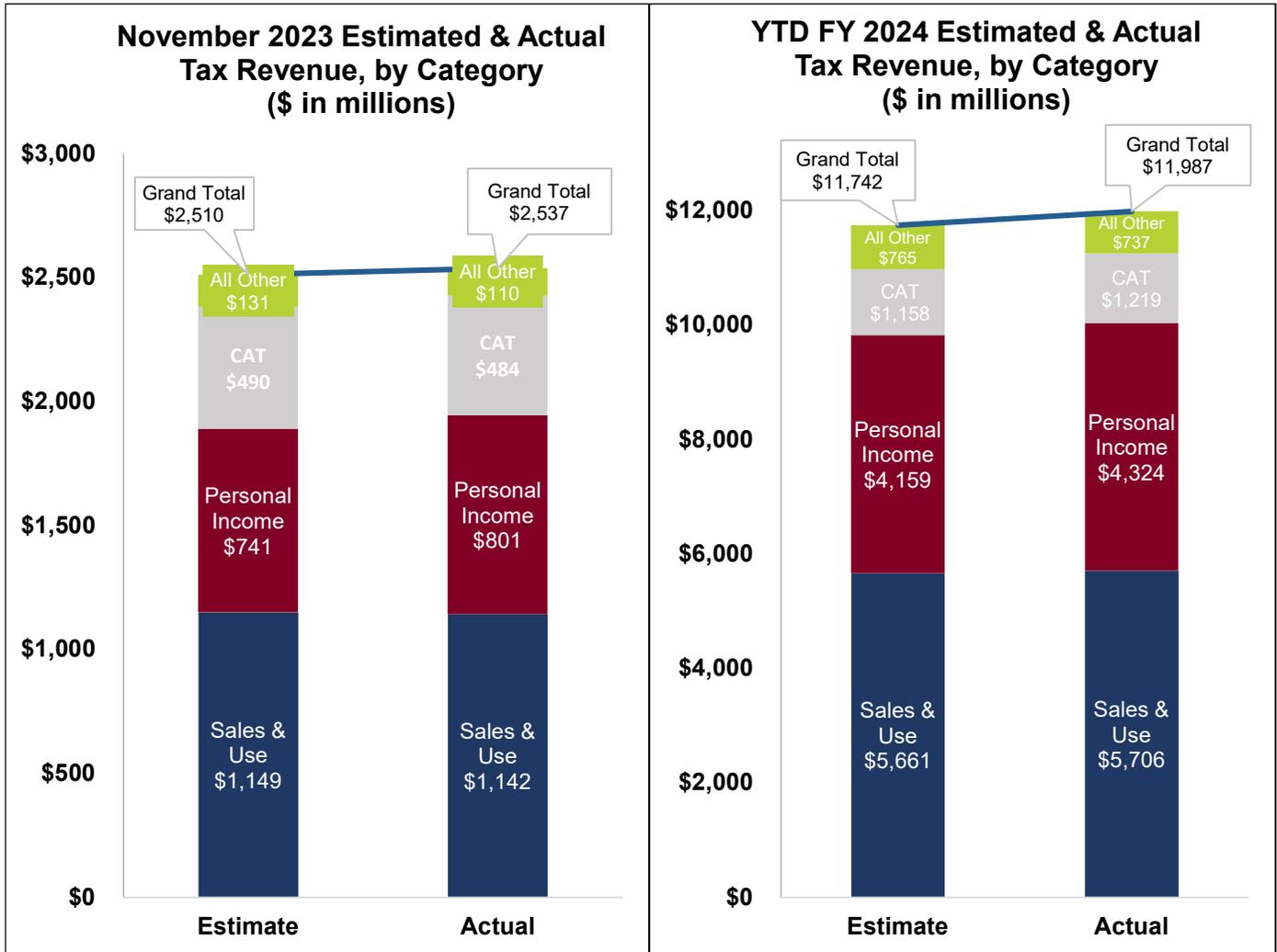




The preceding chart shows how different revenue sources contributed to the difference between actual and estimated non-federal revenues through November 2023. The total net difference is \$362.8 million.



The following chart shows the composition of estimated and actual GRF tax revenues for November 2023 and the year-to-date. All tax sources are allocated among several major categories. The chart shows that sales and use tax revenues have generated just under half of the tax revenues for the first five months of the fiscal year.



In November, total receipts and transfers were \$1.4 billion (56.8%) above last year. Tax receipts increased by \$49 million (2%) and non-tax receipts increased by \$1.3 billion. For the year-to-date, tax receipts are \$365.8 million (3.1%) above last year and non-tax receipts are \$540.5 million (8.6%) above last year. Transfers are \$3.2 million (-56%) below last year on a year-to-date basis.

The source with the largest year-over-year dollar increase during November was federal grants, at \$1.3 billion, followed by commercial activity tax at \$48.7 million (11.2%). The largest decreases were in financial institutions tax at \$17.8 million and domestic insurance tax at \$15 million.

Non-Auto Sales Tax

GRF non-auto sales and use tax collections for November totaled \$989.9 million and were \$1.4 million (-0.1%) below the estimate. Year-to-date revenue is \$77.2 million (1.6%) above estimate. November revenue was \$3.7 million (0.4%) above last year and revenue intake has increased by \$182.7 million (3.9%) for the year-to-date.

This year's elapsed growth has been boosted in part by last year's unusually large refund payments which suppressed last year's GRF collections. If the July-September 2022 refunds had equaled the amounts paid this year, year-to-date GRF non-auto sales tax revenue would have increased by 0.9 percent.

The newest data from the Monthly Advance Retail Trade Survey (MARTS) program of the U.S. Census Bureau reveals retail sales growth between two to four percent year-over-year consistently in recent months. Focusing on stores that mainly fall under Ohio's non-auto sales tax (NAICS codes 442, 443, 444, 448, 451, 452, 453, and 454), the data from MARTS illustrates a 3 percent increase in national sales without seasonal adjustments during October 2023. This is compared to a 2 percent growth in September and 2.9 percent in August, year over year. In Ohio, non-auto sales tax revenue decreased by 1.5 percent, but increased by 0.6 percent and 3.3 percent in October, September, and August compared to the previous year, respectively. These figures have been adjusted to include this year's refund amounts in last year's September and August revenues.

MARTS data show month-over-month sales growth for retail categories subject to Ohio sales tax. Based on seasonally adjusted figures, October 2023 sales for the retail categories listed above were 0.2 percent below September, following a 0.8 percent increase in September from August and a 0.1 percent decrease in August from July.

Auto Sales Tax

November auto sales tax revenues were \$152.1 million, \$5.1 million (-3.2%) below the estimate. Year-to-date revenues are \$31.4 million (-3.7%) below estimate. Revenues were \$2.5 million (-1.6%) below last November and are \$34.9 million (-4.1%) below last year during the first five months of the fiscal year.

Auto sales tax receipts reflect a complex set of cross-cutting forces. Despite the headwinds from higher interest rates, new vehicle demand remains solid. Vehicle supply issues that were evident a year ago have improved, but the used vehicle market continues to face challenges. For most of this calendar year, revenues appear to reflect the combination of steady but modest growth in new vehicle sales and a reduction in used vehicle sales from the boosted levels of 2022.

National sales of new light vehicles in November were similar to the levels observed throughout most of the calendar year. According to the U.S. Department of Commerce's Bureau of Economic Analysis, new light vehicle sales reached a seasonally adjusted annual rate (the number of sales that occurred during the month adjusted for seasonal variations and expressed as an annualized total) of 15.3 million units. The average monthly level during the January-November 2023 period is 15.4 million units. November's sales amount is 0.7 percent below October and up 7.4 percent from a year ago. Seasonally adjusted sales have declined in each of the last two months. On an unadjusted basis, November 2023 light vehicle unit sales were at 1.22 million units. This is 1.9 percent above the previous month and 7.3 percent above last November.

Transaction prices for new vehicles remain high, although price growth has slowed this calendar year. The latest release of Consumer Price Index (CPI-U) data from the Bureau of Labor Statistics shows a 1.9 percent year-over-year price increase for new vehicles in October, and a 0.1 percent decrease from the previous month. Cumulative price growth this year has been modest; compared to December 2022, the CPI-U for new motor vehicles in October 2023 has increased by only 0.8 percent. In comparison, October 2022 prices were 4.8 percent higher than in December 2021. Even with this year's slowdown, prices remain well above their pre-pandemic levels: the CPI-U for new motor vehicles has increased 21.3 percent since February 2020.

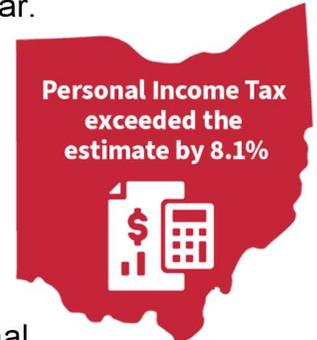
Turning to used vehicles, Cox Automotive estimates there were 2.97 million used vehicle sales transactions in October, not annualized or seasonally adjusted, down 3.5 percent from last year and down 0.4 percent from September. The pandemic disrupted the used vehicle market, as supply failed to meet underlying demand and prices rose. Prices peaked in January 2022, and have generally trended downward since then. More recently, the Manheim Used Vehicle Value Index, a measure of wholesale vehicle prices, was 1.6 percent below the previous month during the first half of November 2023 and has dropped 13.4 percent since its most recent peak in March 2023. The measure was 5.3 percent lower than last November.

Retail prices typically move in the same direction as wholesale prices but with a lag. The October CPI-U for used vehicles shows a 6.2 percent decline since its most recent high in May. On a year-over-year basis, the CPI-U was 7.1 percent lower than last October. Used-vehicle prices also remain well above their pre-pandemic levels, with the October 2023 CPI-U index being 35.3 percent higher than in January 2020.

Personal Income Tax

November GRF personal income tax receipts totaled \$800.9 million and were \$59.8 million (8.1%) above the estimate. Year-to-date revenue is \$164.9 million (4%) above estimate. On a year-over-year basis, November income tax collections are up \$29.5 million (3.8%). Year-to-date revenue is \$109.5 million (2.6%) above last year.

Withholding collections for November amounted to \$909.9 million and were \$74.5 million (8.9%) above estimate. For the fiscal year-to-date, the withholding component is \$10.9 million (-0.3%) below estimate. This component was \$45.6 million (5.3%) above last November and is \$0.9 million (0%) below last year for the fiscal year-to-date.



A decrease in employer withholding tax rates took effect in November 2023. The withholding rate reduction accompanies the reduced personal income tax rates on non-business income that were enacted as part of the FY 2024-2025 state operating budget. The lower withholding tax rates give relief to individuals who can enjoy the tax relief when they receive each paycheck and do not have to wait for a full-year tax reduction when they file their annual tax return. The new tax rate will reduce monthly collections by an estimated 10 percent.

The withholding category includes taxes paid by certain types of pass-through entities on their taxable income. This is a separate revenue stream from the income tax withheld by employers and paid to the state. Beginning in tax year 2022, an additional filing option for pass-through entities became available. Collections from this new filing option are not reported in the withholding category but rather in the annual tax return and estimated payment categories, as appropriate. The shift to this pass-through entity tax filing option explains much of the negative elapsed variance from estimate for the withholding category and the muted growth in collections from last year. Employer withholding has performed significantly better than the overall withholding category: excluding pass-through entity tax payments and adjusting for the effects of the new withholding rates, year-to-date withholding collections are up \$303.6 million (7.4%) from last year.

The 2022 tax filing season effectively ended in October, with individual taxpayers having submitted their annual returns even after using all available extensions. After October, additional returns and payments are still sent to the Department of Taxation for processing and booking. In November, annual tax return payments exceeded estimates by \$27.9 million (179.8%). This section grew by \$28.7 million (195.3%) compared to last year. For the January through November filing season, collections from annual returns exceeded estimates by \$491.9 million (36%) but were \$12.2 million (0.6%) lower than the previous year's collection. The annual return category now includes collections from pass-through entities that used a new filing option, resulting in a shift from the withholding category to the annual return category. The revenue forecast for this filing season anticipated a significant decline from the historic highs of last year; as the decline has been much less than expected, there is a strong positive variance from the estimate year-to-date.

November is not a significant month for quarterly estimated payments. Nonetheless, collections for the month exceeded the estimate by \$8.4 million (72.9%) and were \$6.4 million (47.8%) above last year. The combined March through November results, reflecting the first three quarterly payments for calendar year 2023, show a strong positive variance of \$271.2 million (44.9%). Year-over-year growth during the March-November period is \$105.1 million (13.7%). As with annual return payments, the availability of another pass-through entity filing option has resulted in a shift of some collections from the withholding category to this category.

The two remaining tax collection categories (trust payments and other) were collectively even with the November estimate. For the elapsed filing season, the combined categories are \$49.3 million (-24.4%) below estimate and are down \$94.3 million (-38.2%) from last year. The negative variance and most of the year-over-year decrease is in the trust category, likely reflecting lower taxable investment income experienced in tax year 2022.

November refunds were \$48.2 million (54.8%) above estimate. Refunds for the month were \$47.4 million (53.6%) larger than last year. Total refund issuance for the January-November period has exceeded estimates by \$337.3 million (13.6%) and is up \$428.2 million (18%) from the last filing season. Details from the Department of Taxation show that both the number of refunds and the average refund value for the past filing season are up 11 percent and 7 percent, respectively, from last year. Average refund growth has been more pronounced during this fiscal year, at 45 percent, compared to much milder 2 percent growth during the January-June 2023 period.

**November Personal Income Tax Receipts by Component
(\$ in millions)**

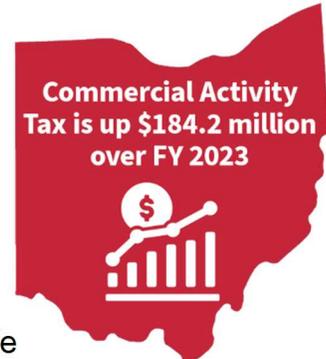
	Actual Nov	Estimate Nov	\$ Var	Actual Nov-2023	Actual Nov-2022	\$ Var Y-to-Y
Withholding	\$ 909.9	\$ 835.4	\$ 74.5	\$ 909.9	\$ 864.2	\$ 45.6
Quarterly Est.	\$ 19.9	\$ 11.5	\$ 8.4	\$ 19.9	\$ 13.5	\$ 6.4
Annual Returns/40 P	\$ 43.4	\$ 15.5	\$ 27.9	\$ 43.4	\$ 14.7	\$ 28.7
Trust Payments	\$ 0.7	\$ 0.0	\$ 0.7	\$ 0.7	\$ (0.6)	\$ 1.4
Other	\$ 6.6	\$ 7.4	\$ (0.8)	\$ 6.6	\$ 8.5	\$ (1.9)
Less: Refunds	\$(136.0)	\$ (87.8)	\$ (48.2)	\$ (136.0)	\$ (88.5)	\$ (47.4)
Local Distributions	\$ (43.8)	\$ (41.0)	\$ (2.8)	\$ (43.8)	\$ (40.5)	\$ (3.3)
Net to GRF	\$ 800.7	\$ 741.0	\$ 59.7	\$ 800.7	\$ 771.2	\$ 29.5



Commercial Activity Tax (CAT)

GRF revenues from the CAT were \$5.4 million (-1.1%) below the November estimate and are \$61.6 million (5.3%) above the year-to-date estimate. November revenues increased by \$48.7 million (11.2%) compared to last year, while year-to-date revenues rose \$184.2 million (17.8%).

Since CAT revenue is based on quarterly tax payments, it is helpful to analyze the revenue flow on a quarterly basis. CAT revenue has shown impressive performance over the past three years, with the previous 12 quarters all exceeding expectations. Next month will determine if the current quarter extends this trend. Although November fell short of expectations, October's performance was strong, resulting in a current positive variance of \$11.2 million (1.8%) for the quarter. The December estimate is \$19.6 million so it is possible that the current quarter may exceed this estimate.



The 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 that all CAT revenues (less the two fund deposits mentioned above) be credited to the GRF. Under the new law, the GRF share is reduced only to the extent that deposits are required to be made to the school district and local government tangible personal property tax replacement funds to cover the semiannual statutory reimbursements paid to those entities. An all-fund analysis provides a purer measure of this year's underlying CAT revenue production by removing the effects of the change in revenue accounting. For the fiscal year to date, all-fund CAT revenue is up \$1.5 million (0.1%) over the prior year.

GRF Non-Tax Receipts

GRF non-tax receipts totaled \$1.3 billion and were \$37.5 million (-2.8%) below estimate for the month of November. Year-to-date non-tax receipts totaled \$6.8 billion and were \$110.7 million (-1.6%) below estimate.

The monthly variance in non-tax receipts was due to the federal grants category, which was \$39.2 million (-3%) below estimate. This variance was primarily attributable to lower than estimated Medicaid GRF disbursements, as discussed in the disbursement section of this report.

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

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	ACTUAL NOVEMBER	ESTIMATE NOVEMBER	\$ VAR	% VAR	ACTUAL Y-T-D	ESTIMATE Y-T-D	\$ VAR	% VAR
TAX RECEIPTS								
Non-Auto Sales & Use	989,911	991,300	(1,389)	-0.1%	4,890,090	4,812,900	77,190	1.6%
Auto Sales & Use	152,143	157,200	(5,057)	-3.2%	816,348	847,700	(31,352)	-3.7%
Subtotal Sales & Use	1,142,054	1,148,500	(6,446)	-0.6%	5,706,438	5,660,600	45,838	0.8%
Personal Income	800,750	741,000	59,750	8.1%	4,323,941	4,159,000	164,941	4.0%
Corporate Franchise	5	0	5	N/A	129	0	129	N/A
Financial Institutions Tax	(19,261)	(5,200)	(14,061)	-270.4%	(35,213)	(17,600)	(17,613)	-100.1%
Commercial Activity Tax	484,229	489,600	(5,371)	-1.1%	1,219,476	1,157,900	61,576	5.3%
Petroleum Activity Tax	0	0	0	N/A	2,931	2,000	931	46.5%
Public Utility	33,264	33,600	(336)	-1.0%	80,141	77,900	2,241	2.9%
Kilowatt Hour	19,580	21,000	(1,420)	-6.8%	119,861	125,000	(5,139)	-4.1%
Natural Gas Distribution	5,815	4,800	1,015	21.1%	19,331	18,700	631	3.4%
Foreign Insurance	11,630	(100)	11,730	11730.1%	209,728	194,600	15,128	7.8%
Domestic Insurance	(14,942)	0	(14,942)	N/A	845	6,400	(5,555)	-86.8%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	62,484	66,400	(3,916)	-5.9%	287,403	304,300	(16,897)	-5.6%
Alcoholic Beverage	6,309	5,800	509	8.8%	27,950	28,200	(250)	-0.9%
Liquor Gallonage	4,628	5,000	(372)	-7.4%	23,877	25,100	(1,223)	-4.9%
Estate	0	0	0	N/A	0	0	0	N/A
Total Tax Receipts	2,536,545	2,510,400	26,145	1.0%	11,986,839	11,742,100	244,739	2.1%
NON-TAX RECEIPTS								
Federal Grants	1,274,741	1,313,936	(39,195)	-3.0%	6,546,332	6,772,606	(226,274)	-3.3%
Earnings on Investments	0	0	0	N/A	119,938	49,179	70,759	143.9%
License & Fees	588	1,503	(915)	-60.9%	12,896	13,658	(762)	-5.6%
Other Income	3,513	1,250	2,263	181.1%	126,025	80,850	45,175	55.9%
ISTV'S	384	0	384	N/A	411	0	411	N/A
Total Non-Tax Receipts	1,279,227	1,316,689	(37,462)	-2.8%	6,805,602	6,916,293	(110,691)	-1.6%
TOTAL REVENUES	3,815,772	3,827,089	(11,317)	-0.3%	18,792,441	18,658,393	134,048	0.7%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	0	0	0	N/A	2,478	0	2,478	N/A
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	0	0	0	N/A	2,478	0	2,478	N/A
TOTAL SOURCES	3,815,772	3,827,089	(11,317)	-0.3%	18,794,919	18,658,393	136,526	0.7%

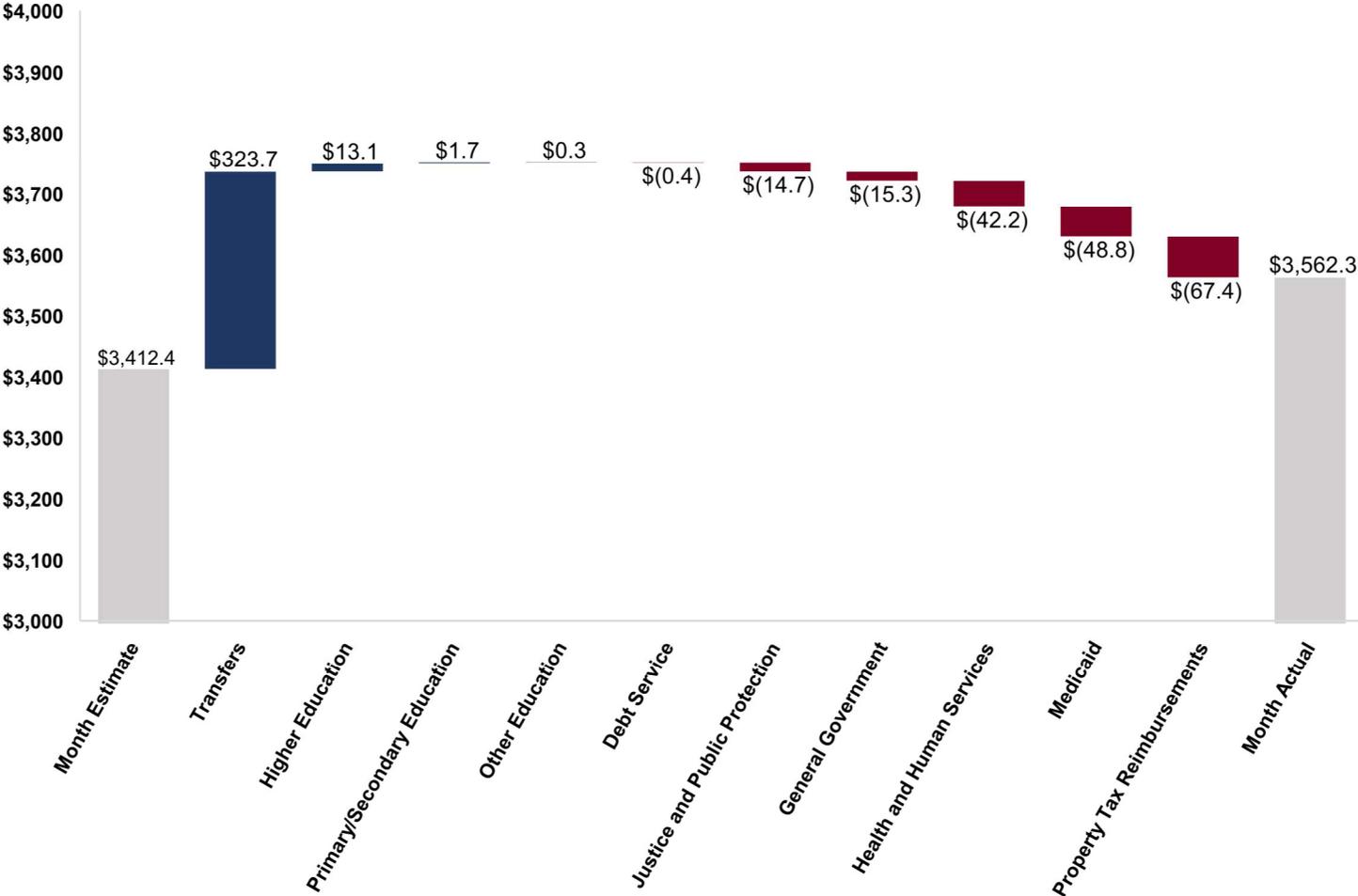
Table 2
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2024 VS ACTUAL FY 2023
(\$ in thousands)

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	NOVEMBER FY 2024	NOVEMBER FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
TAX RECEIPTS								
Non-Auto Sales & Use	989,911	986,193	3,719	0.4%	4,890,090	4,707,341	182,749	3.9%
Auto Sales & Use	152,143	154,596	(2,453)	-1.6%	816,348	851,257	(34,909)	-4.1%
Subtotal Sales & Use	1,142,054	1,140,789	1,265	0.1%	5,706,438	5,558,598	147,840	2.7%
Personal Income	800,750	771,227	29,523	3.8%	4,323,941	4,214,414	109,528	2.6%
Corporate Franchise	5	17	(12)	-70.8%	129	14	115	840.2%
Financial Institutions Tax	(19,261)	(1,506)	(17,755)	-1179.0%	(35,213)	(10,964)	(24,249)	-221.2%
Commercial Activity Tax	484,229	435,577	48,653	11.2%	1,219,476	1,035,297	184,179	17.8%
Petroleum Activity Tax	0	0	0	N/A	2,931	2,538	393	15.5%
Public Utility	33,264	37,659	(4,395)	-11.7%	80,141	86,413	(6,271)	-7.3%
Kilowatt Hour	19,580	20,482	(901)	-4.4%	119,861	129,172	(9,311)	-7.2%
Natural Gas Distribution	5,815	5,313	502	9.5%	19,331	19,553	(222)	-1.1%
Foreign Insurance	11,630	(750)	12,380	1650.1%	209,728	197,217	12,511	6.3%
Domestic Insurance	(14,942)	90	(15,032)	-16740.1%	845	17,620	(16,775)	-95.2%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	62,484	68,753	(6,269)	-9.1%	287,403	316,035	(28,632)	-9.1%
Alcoholic Beverage	6,309	5,167	1,141	22.1%	27,950	30,813	(2,862)	-9.3%
Liquor Gallonage	4,628	4,744	(117)	-2.5%	23,877	24,271	(394)	-1.6%
Estate	0	0	0	N/A	0	5	(5)	-98.9%
Total Tax Receipts	2,536,545	2,487,561	48,984	2.0%	11,986,839	11,620,996	365,843	3.1%
NON-TAX RECEIPTS								
Federal Grants	1,274,741	(58,815)	1,333,556	2267.4%	6,546,332	6,068,643	477,689	7.9%
Earnings on Investments	0	0	0	N/A	119,938	44,490	75,448	169.6%
License & Fee	588	2,192	(1,604)	-73.2%	12,896	13,211	(316)	-2.4%
Other Income	3,513	2,671	843	31.5%	126,025	124,987	1,038	0.8%
ISTV'S	384	2	382	17985.2%	411	13,789	(13,379)	-97.0%
Total Non-Tax Receipts	1,279,227	(53,950)	1,333,177	2471.1%	6,805,602	6,265,120	540,482	8.6%
TOTAL REVENUES	3,815,772	2,433,611	1,382,161	56.8%	18,792,441	17,886,116	906,325	5.1%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	0	0	0	N/A	2,478	5,635	(3,157)	-56.0%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	0	0	0	N/A	2,478	5,635	(3,157)	-56.0%
TOTAL SOURCES	3,815,772	2,433,611	1,382,161	56.8%	18,794,919	17,891,751	903,168	5.0%

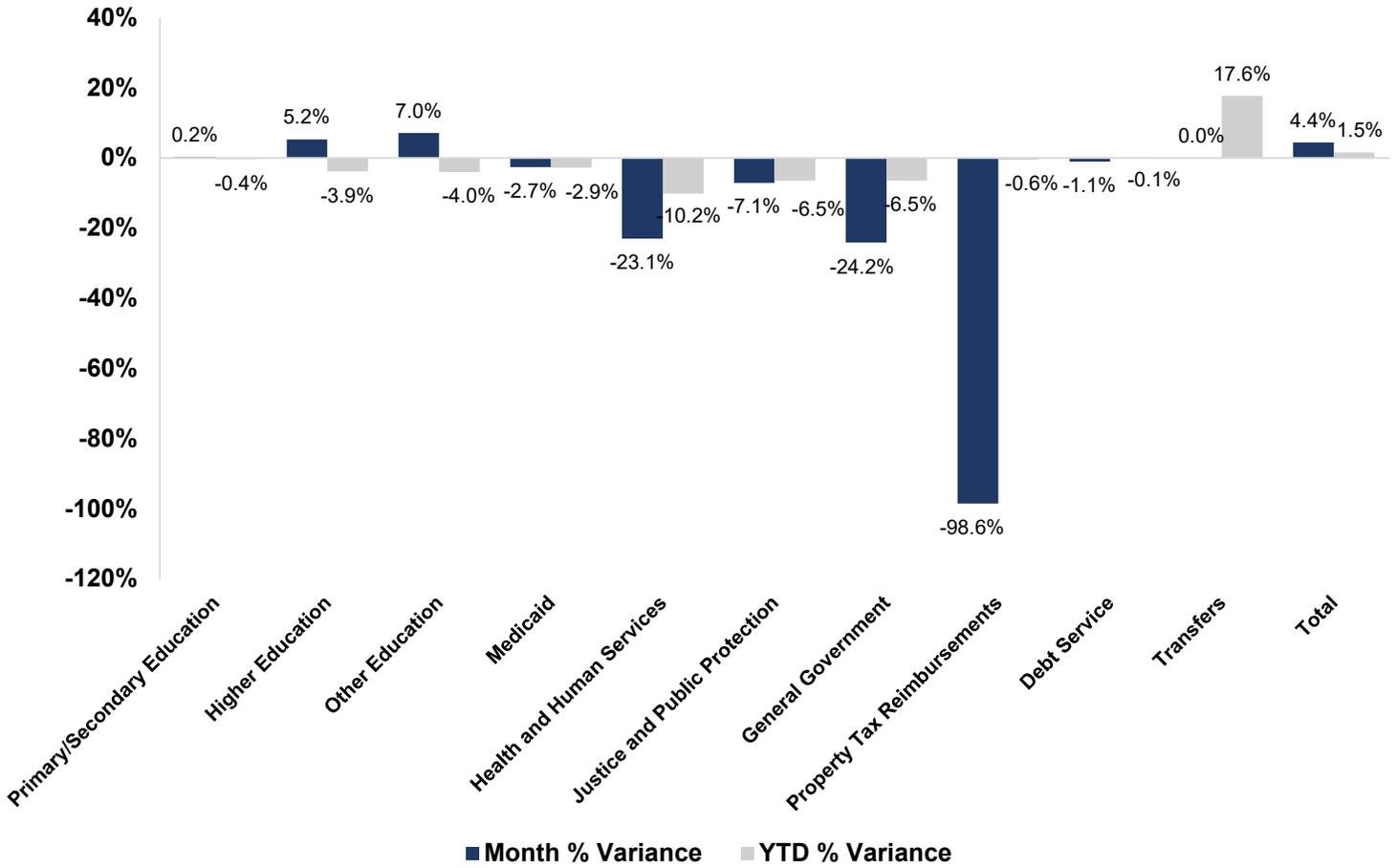
Disbursements

November GRF disbursements, for all uses, totaled \$3.6 billion and were \$149.9 million (4.4%) above estimate. This variance was primarily due to above-estimate transfers to various capital funds authorized in the FY 2023-2024 capital budget. The variance was partially offset by lower than estimated disbursements in the property tax reimbursement category. On a year-over-year basis, total November disbursements were \$1.2 billion (53.7%) higher than those of the same month last fiscal year, with the Medicaid category largely responsible for the difference.

November Disbursement Estimates vs. Actuals
(\$ in millions)



Monthly and Year-to-Date Percent Variance from Budgeted Estimate



Transfers Out

November transfers totaled \$323.7 million. Year-to-date transfers total \$6.6 billion and are \$986.5 million (17.6%) above estimate. The monthly and year-to-date variances are due to transfers to various capital funds authorized in the FY 2023-2024 capital budget. When monthly disbursement estimates were established, the timing of capital budget transfers was uncertain and therefore the transfers were estimated to occur in June. Because the total cash necessary to support the capital budget was planned for in the biennial budget estimates, the variances will resolve over the course of the biennium.

\$323.7 MILLION

To date, OBM has transferred \$1.8 billion in cash to capital funds in lieu of issuing new debt, saving taxpayers approximately \$853 million in gross interest over what would have otherwise been the life of bonds.

Property Tax Reimbursement

Payments from the property tax reimbursement category are made to local governments and school districts to reimburse these entities for revenues foregone because of the 10 percent and 2.5 percent rollback, as well as the homestead exemption.

November reimbursements totaled \$1 million and were \$67.4 million (98.6%) below estimate. Year-to-date reimbursements total \$916.5 million and are \$5.7 million (-0.6%) below estimate. The monthly variance was due to the timing of county reimbursement requests and offset overspending that occurred in October.

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 Workforce, and the State Board of Pharmacy.

Medicaid Expenditures

November GRF disbursements for the Medicaid Program totaled \$1.8 billion and were \$48.8 million (-2.7%) below estimate. Year-to-date GRF disbursements total \$9.8 billion and are \$290.6 million (-2.9%) below estimate and \$1.1 billion (13.0%) above disbursements for the same period in the previous fiscal year.

The November GRF disbursement variance was primarily due to lower than estimated caseloads. Total caseloads decreased by approximately 53,900 members as the Department continued to resume routine eligibility operations post federally declared public health emergency. In addition, some payments to managed care organizations

continue to be delayed but are still expected to be made in the coming months. The Department's year-over-year spending variance is primarily due to the timing and use of non-GRF funds and was heavily influenced by the mix of spending in November. This variance will continue to change as the agency balances the use of different funding sources.

November all-funds disbursements for the Medicaid Program totaled \$3.1 billion and were \$122.9 million (-3.8%) below estimate. Year-to-date all-funds disbursements total \$15.3 billion and are \$572.9 million (-3.6%) below estimate and \$1.2 billion above disbursements for the same period in the previous fiscal year.

The all-funds disbursement variance was primarily due to lower than estimated caseloads and the delay of some payments to managed care organizations as mentioned above. In addition, there were delays in some reconciliation payments made by the Department of Developmental Disabilities. Some of the delayed payments are expected to occur in December while others will occur over the coming months.

Current Month's Disbursement Variance by Funding Source (\$ in Millions)

	November Estimate	November Actual	Variance	Variance %
GRF	\$ 1,810.5	\$ 1,761.7	\$ (48.8)	-2.7%
Non-GRF	\$ 1,454.9	\$ 1,380.8	\$ (74.1)	-5.1%
All Funds	\$ 3,265.4	\$ 3,142.5	\$ (122.9)	-3.8%

Medicaid Enrollment

Total November enrollment was 3.27 million, which was approximately 83,750 (-2.5%) below estimate and 223,700 (-6.5%) below enrollment for the same period last fiscal year. Year-to-date average monthly enrollment was 3.36 million and was approximately 44,400 (-1.3%) below estimate. The Department resumed routine Medicaid eligibility operations in April 2023. Total enrollment has declined by approximately 315,740 between April and November – an average decline of about 40,000 per month. Note that this number may be adjusted in the coming months as retroactive and backdated enrollments occur.

November enrollment by major eligibility category was: Covered Families and Children (CFC), 1.76 million; Group VIII Expansion, 872,868; and Aged, Blind and Disabled (ABD), 503,331.

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

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.

November disbursements in this category totaled \$48.2 million and were \$15.3 million (-24.2%) below the estimate. The majority of the variance in this category was due to the Department of Agriculture as the Department's disbursements were \$15.1 million (-85.9%) below the estimate due to delayed payments for two subsidy programs. Payments for the Soil and Water Phosphorus Program and to the Soil and Water Conservation Districts (SWCDs) are now expected to be made in December and January. Both programs are part of H2Ohio, a comprehensive, data-driven approach to improving water quality across the state.

Year-to-date disbursements total \$852.4 million and are \$59.3 million (-6.5%) below estimate. On a year-over-year basis, disbursements in this category were \$10.7 million (-18.2%) lower than for the same month in the previous fiscal year while year-to-date expenditures are \$609.6 million (251%) higher than at the same point in FY 2023.

Debt Service

November payments for debt service totaled \$38.1 million and were \$424,876 (-1.1%) below estimate. Year-to-date payments in this category total \$738.1 million and are \$1.1 million (-0.1%) below estimate. The monthly variance was primarily due to the presence of variable rate debt in the portfolio.

Health and Human Services

This 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 expenditures to the extent that these agencies spend GRF to support Medicaid services.

November disbursements in this category totaled \$140.9 million and were \$42.2 million (-23.1%) below estimate. The variance was primarily due to underspending by the Department of Job and Family Services and the Department of Mental Health and Addiction Services. The variance for the Department of Job and Family Services was due to the timing of payments for TANF Ohio Works First Assistance as well as Early Care and Education payments made for income eligible employment activities. Spending for the Department of Mental Health and Addiction Services was below estimate due to timing of payments for Continuum of Care and Criminal Justice Services. The departments expect the November underspending to be corrected in future months.

Year-to-date disbursements in this category are \$768.2 million and are \$86.9 million (-10.2%) below estimate. On a year-over-year basis, disbursements in this category were \$6.3 million (-4.3%) lower than for the same month in the previous fiscal year while year-to-date expenditures are \$51.6 million (7.2%) higher than at the same point in FY 2023.

Other Education

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

November disbursements in this category totaled \$4.7 million and were \$310,940 (7%) above estimate. On a year-over-year basis, disbursements in this category were \$1 million (25.4%) higher than for the same month last fiscal year while year-to-date expenditures are \$7.8 million (15.8%) higher than at the same point in FY 2023.

Primary and Secondary Education

This category includes GRF expenditures for the Ohio Department of Education and Workforce. November disbursements for this category totaled \$787.7 million and were \$1.7 million (0.2%) above the estimate.

Year-to-date disbursements total \$4.1 billion and are \$17.3 million (-0.4%) below the estimate. On a year-over-year basis, disbursements in this category were \$71.7 million (10%) higher than for the same month last fiscal year while year-to-date expenditures are \$354.8 million (9.5%) higher than the same point in FY 2023.

Justice and Public Protection

November disbursements in this category totaled \$191.4 million and were \$14.7 million (-7.1%) below estimate. Year-to-date disbursements have totaled \$1.3 billion and are \$88.2 million (-6.5%) below estimate. On a year-over-year basis, disbursements in this category were \$8 million (4.4%) higher than for the same month last fiscal year while year-to-date expenditures were \$86.8 million (7.3%) higher than at the same point in FY 2023.

Higher Education

November disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled \$264.9 million and were \$13.1 million (5.2%) above the estimate. A significant source of the variance was the result of spending in the National Guard Scholarship, the Ohio College Opportunity Grant, and the War Orphans and Severely Disabled Veterans' Children Scholarship programs, which were \$6.1 million above estimate due to higher-than-expected requests for reimbursement from higher education institutions.

Year-to-date disbursements are \$1.1 billion, which is \$43.4 million (-3.9%) below estimate. On a year-over-year basis, disbursements in this category were \$45 million (20.4%) higher than for the same month in the previous fiscal year while year-to-date expenditures are \$42.7 million (4.1%) higher than at the same point in FY 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 NOVEMBER	ESTIMATED NOVEMBER	\$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	\$ VAR	% VAR
Primary and Secondary Education	787,686	785,950	1,736	0.2%	4,072,767	4,090,080	(17,313)	-0.4%
Higher Education	264,928	251,848	13,080	5.2%	1,074,186	1,117,577	(43,391)	-3.9%
Other Education	4,745	4,434	311	7.0%	57,541	59,947	(2,406)	-4.0%
Medicaid	1,761,709	1,810,526	(48,817)	-2.7%	9,838,639	10,129,267	(290,629)	-2.9%
Health and Human Services	140,913	183,159	(42,246)	-23.1%	768,198	855,093	(86,895)	-10.2%
Justice and Public Protection	191,371	206,060	(14,689)	-7.1%	1,275,564	1,363,718	(88,153)	-6.5%
General Government	48,169	63,514	(15,344)	-24.2%	852,419	911,743	(59,324)	-6.5%
Property Tax Reimbursements	968	68,404	(67,436)	-98.6%	916,545	922,251	(5,706)	-0.6%
Debt Service	38,129	38,554	(425)	-1.1%	738,066	739,160	(1,094)	-0.1%
Total Expenditures & ISTV's	3,238,618	3,412,450	(173,832)	-5.1%	19,593,923	20,188,835	(594,912)	-2.9%
Transfers Out:								
BSF Transfer Out	0	0	0	N/A	150,000	150,000	0	0.0%
Operating Transfer Out	323,714	0	323,714	N/A	6,433,788	5,447,298	986,490	18.1%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	323,714	0	323,714	N/A	6,583,788	5,597,298	986,490	17.6%
Total Fund Uses	3,562,333	3,412,450	149,883	4.4%	26,177,712	25,786,133	391,578	1.5%

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

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	NOVEMBER FY 2024	NOVEMBER FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
Primary and Secondary Education	787,686	715,968	71,719	10.0%	4,072,767	3,717,937	354,830	9.5%
Higher Education	264,928	219,977	44,951	20.4%	1,074,186	1,031,509	42,677	4.1%
Other Education	4,745	3,784	961	25.4%	57,541	49,692	7,848	15.8%
Medicaid	1,761,709	604,864	1,156,845	191.3%	9,838,639	8,708,155	1,130,484	13.0%
Health and Human Services	140,913	147,236	(6,323)	-4.3%	768,198	716,590	51,608	7.2%
Justice and Public Protection	191,371	183,382	7,988	4.4%	1,275,564	1,188,806	86,758	7.3%
General Government	48,169	58,859	(10,690)	-18.2%	852,419	242,864	609,555	251.0%
Property Tax Reimbursements	968	93,747	(92,779)	-99.0%	916,545	898,579	17,966	2.0%
Debt Service	38,129	36,531	1,598	4.4%	738,066	929,978	(191,912)	-20.6%
Total Expenditures & ISTV's	3,238,618	2,064,348	1,174,270	56.9%	19,593,923	17,484,109	2,109,814	12.1%
Transfers Out:								
BSF Transfer	0	0	0	N/A	150,000	0	150,000	N/A
Operating Transfer Out	323,714	253,750	69,964	27.6%	6,433,788	1,227,964	5,205,824	423.9%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	323,714	253,750	69,964	27.6%	6,583,788	1,227,964	5,355,824	436.2%
Total Fund Uses	3,562,333	2,318,098	1,244,235	53.7%	26,177,712	18,712,073	7,465,638	39.9%

Table 5
FUND BALANCE
GENERAL REVENUE FUND
FISCAL YEAR 2024
(\$ in thousands)

July 1, 2023, Beginning Cash Balance*	\$8,990,658.7
Plus FY 2024 Estimated Revenues	28,807,300.0
Plus FY 2024 Estimated Federal Revenues	13,453,826.5
Plus FY 2024 Estimated Transfers to GRF	0.0
Total Sources Available for Expenditures & Transfers	51,251,785.2
Less FY 2024 Estimated Disbursements**	42,205,312.9
Less FY 2024 Estimated Total Encumbrances as of June 30, 2024	853,783.1
Less FY 2024 Estimated Transfers Out	6,457,785.4
Total Estimated Uses	49,516,881.4
FY 2024 UNENCUMBERED ENDING FUND BALANCE***	\$1,734,903.8

*Includes reservations of \$1,633.5 million for prior year encumbrances. After accounting for this adjustment, the unencumbered beginning fund balance for fiscal year 2024 is \$7,357.1 million.

**Disbursements include estimated spending against current year appropriations and prior year encumbrances.

***The FY 2024 unencumbered ending fund balance will be carried forward in accordance with provisions under the Ohio Revised Code that govern ending General Revenue Fund balances.

OBM staff that contributed to the development of this report are:

Jason Akbar, Miranda Ames, Khada Chapagai, Todd Clark, Tara Clayton, Luis da Cruz, Adam Damin, Chris Guerrini, Chris Hall, Diane Hare, Richard Hurley, Charlotte Kirschner, Sári Klepacz, Taylor Pair, Steven Peishel, Mikaela Perkins, Craig Rethman, Maya Sattler, Matthew Sladek, Melissa Snider, Nick Strahan, and Jasmine Winston.



Glossary

Average Daily Rate	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.
Beige Book	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.
Building Permits	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.
Consumer Confidence	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.
Consumer Price Index for All Urban Consumers	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.
Continued and Extended Unemployment Claims	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.
Employment Trends Index	The Conference Board’s Leading composite index indicates the direction of employment through the aggregation of eight leading employment indicators.
Existing Home Sales	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.



Hotel Occupancy Rate	A performance indicator that shows the percentage of hotel rooms that are occupied in the United States compared to total available space.
Housing Market Index	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.
Initial Unemployment Claims	The number of new jobless claims filed by Ohio workers seeking unemployment assistance for the first-time following a job loss.
Leading Economic Index	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.
Manufacturing Production Index	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.
Newly Built Single-Family Home Sales	A measure of the sales of newly built single family structures including houses and townhouses.
Ohio Employee-Population Ratio	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.
Ohio Labor Force Participation Rate	This rate represents the number of people in the Ohio labor force as a percentage of the Ohio civilian non-institutionalized population.
Ohio Nonfarm Payroll Employment	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.
Ohio Unemployment Rate	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.



People Not in the Labor Force Who Currently Want a Job	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.
Permanent Job Losses	Unemployed persons whose employment ended involuntarily, or completed a temporary job, and began looking for work.
Personal Consumption Expenditures	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.
Personal Income	Income that people receive from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.
Personal Saving	Produced by the Bureau of Economic analysis, this is the difference between current-dollar disposable income (that is, after-tax income) and personal outlays.
Personal Saving Rate	Produced by the Bureau of Economic Analysis, this indicator calculates the percentage of an individual's income left after they pay taxes and spend money. It is the percentage of the disposable income that people save.
Purchasing Managers Index	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.
Real Gross Domestic Product	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.
Revenue Per Available Room	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.
Small Business Optimism Index	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.

State-Level Coincident Index	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.
Survey of Consumers	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.
Temporary Layoff	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.
Total Construction Spending	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.
Total Industrial Production	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.
Total Travel Throughput	The number of travelers that go through Transportation Security Administration checkpoints in airports across the United States.
Unlinked Passenger Trips	The number of times a passenger takes a public transit trip on a public transit vehicle regardless of fare paid, transfer pass used, received a free ride, or paid using another method. If a passenger transfers to another vehicle, that person takes two unlinked passenger trips.
U.S. Labor Force Participation Rate	This rate represents the number of people in the United States labor force as a percentage of the United States civilian non-institutionalized population.
U.S. Nonfarm Payroll Employment	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.

U.S. Unemployment Rate	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.
Worker Adjustment and Retraining Notification (WARN) Act	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.

