

# State of Ohio

# Monthly Financial Report

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MAY 10, 2024

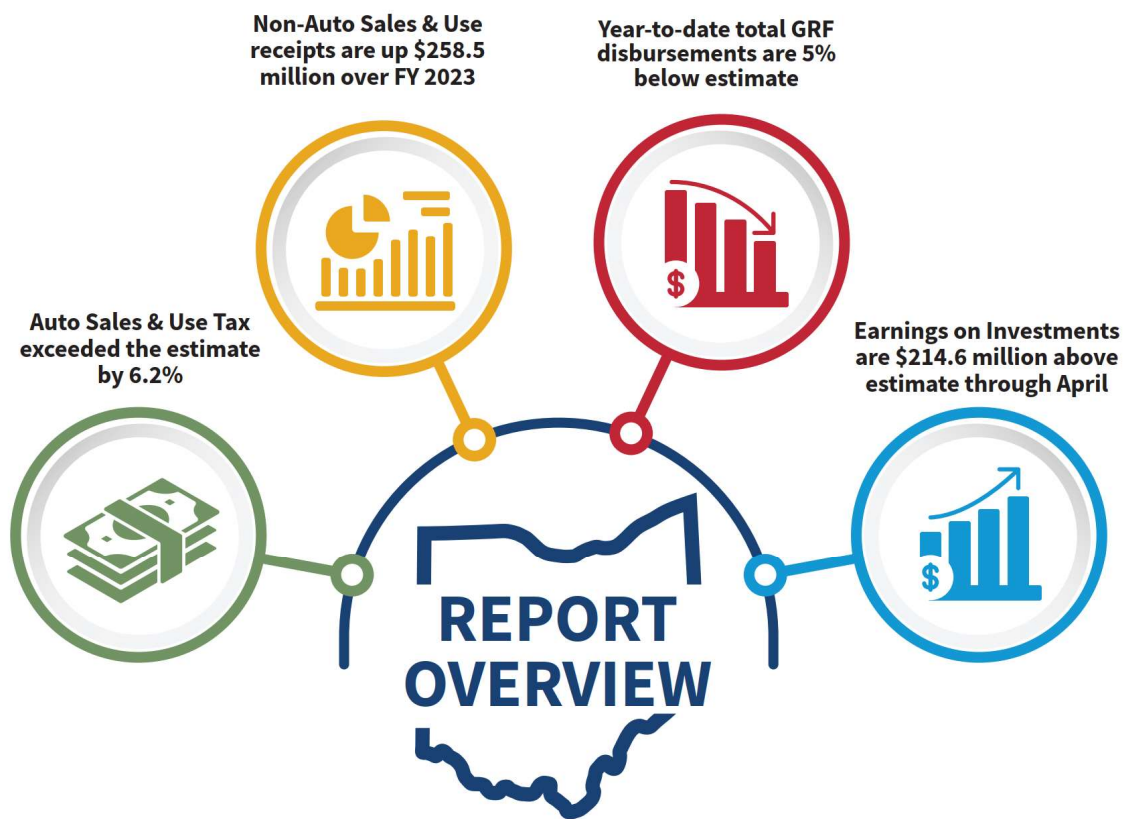
Memorandum to:  
The Honorable Mike DeWine, Governor  
The Honorable Jon Husted, Lt. Governor

From: Kimberly Murnieks, OBM Director



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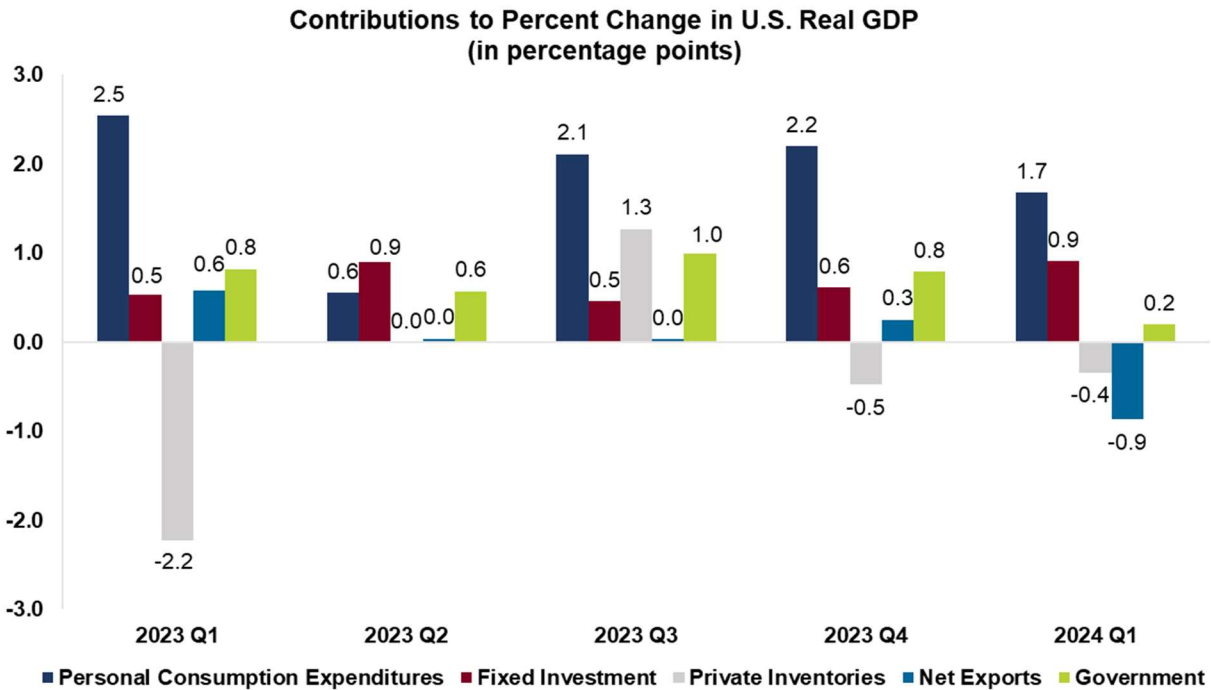


# Economic Activity

## Economic Outlook

According to the Bureau of Economic Analysis' advance estimate, the nation's **Real Gross Domestic Product (GDP)** increased in the first quarter of calendar year 2024 at an annualized rate of 1.6 percent. This is the seventh quarter in a row of growth.

The first quarter increase in real GDP resulted from growth in personal consumption expenditures (1.7 percentage points), fixed investments (0.9 percentage point), and government expenditures (0.2 percentage point). These increases were partially offset by decreases in net exports (-0.9 percentage point), and private inventories (-0.4 percentage point).



In March 2024, the Conference Board’s **Leading Economic Index** decreased 0.3 percent to 102.4, after increasing 0.2 percentage point in February. In the last six months, the Index decreased 2.2 percent. The Conference Board’s Senior Manager of Business Cycle Indicators reported that the Index points to a stable, yet still fragile outlook as elevated interest rates, persistent inflation pressures, and rising consumer debt pose downside risks to activity moving forward.

The **Federal Reserve’s Beige Book** evaluates current economic conditions across its 12 districts. According to the report released for April 2024, economic activity in the Fourth District, which includes Ohio, moderately increased in recent weeks. After a period of stabilization, the Beige Book reported moderate increases in employment levels. It also reported softer consumer spending, however some retailers continued to report softer discretionary spending. Residential construction demand edged back up in recent weeks, and nonresidential construction increased as well, powered by stronger demand for distribution and industrial center development.

The economic outlook continues to be durable, powered by ongoing resilience in the labor market and consistent GDP growth. While forecasters caution that more moderate growth and additional slack in the labor market may be on the horizon, employment growth has been solid to start 2024. Continued strength in the economy and recent statements from policy makers have tempered expectations that the Federal Reserve will lower interest rates as often in 2024; however, forecasters remain optimistic that as inflation continues to decelerate, the environment will allow for a lowering of interest rates in the second half of 2024.

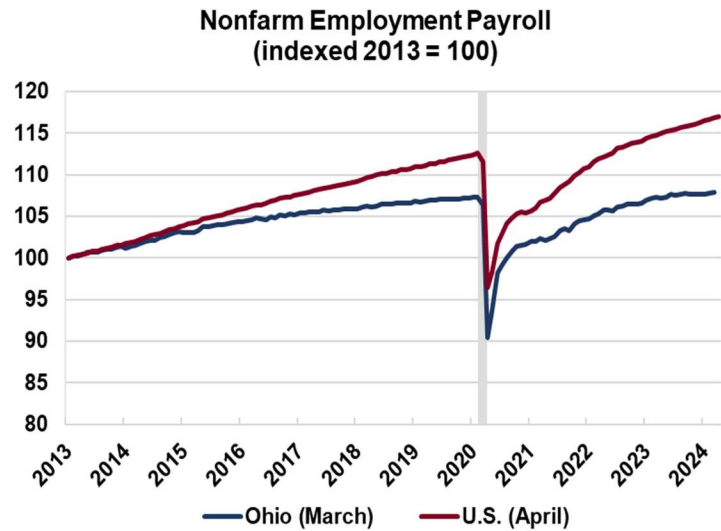
### Economic Forecasts

Source	Date	2 <sup>nd</sup> Quarter 2024 Annualized GDP Forecast
IHS Markit GDP Tracker	05/03/2024	2.2%
Federal Reserve Bank of New York (Nowcast)	05/03/2024	2.2%
Federal Reserve Bank of Atlanta (GDPNow)	05/02/2024	3.3%
Wall Street Journal Survey of Professional Forecasters	04/14/2024	1.6%
Conference Board	04/11/2024	0.6%
Wells Fargo	04/11/2024	1.9%

## Ohio Labor Market

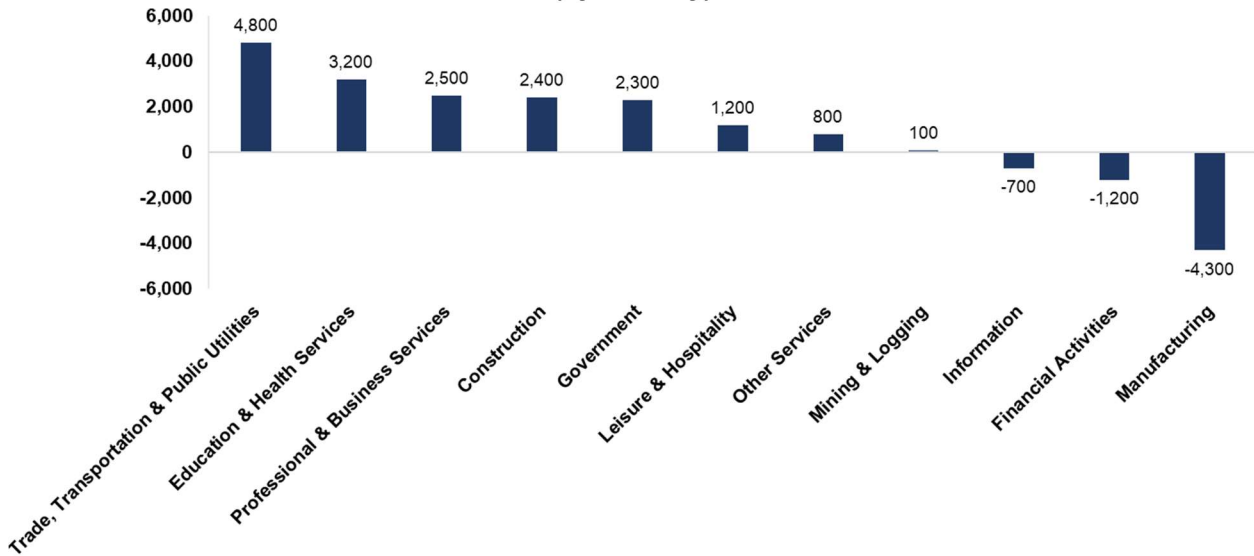
Ohio's nonfarm payroll employment increased by an estimated 11,500 jobs between February and March 2024 to 5.6 million, an increase of 0.6 percent over the prior year.

In Ohio, the trade, transportation, and public utilities industry experienced the largest employment gains in March, followed by education and health services, professional and business services, construction, government, and leisure and hospitality. These gains were partially offset by losses in the information, financial activities, and manufacturing industries.



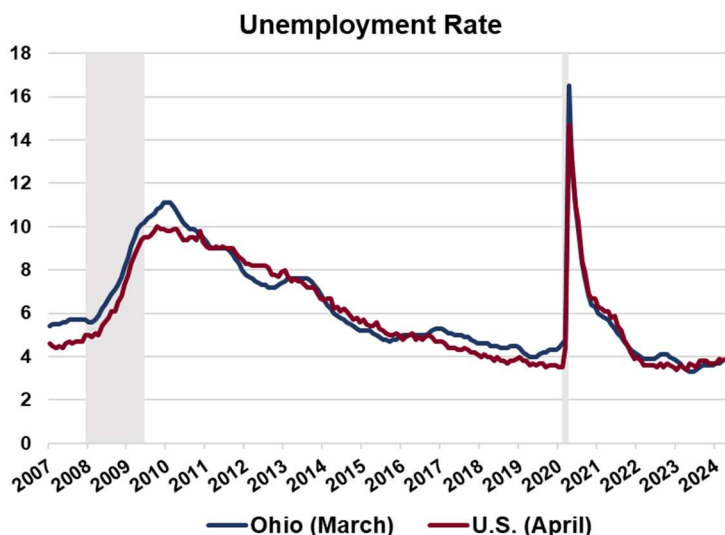
Source: Bureau of Labor Statistics

Change in Ohio Employment Between February 2024 and March 2024 (by industry)



Source: Bureau of Labor Statistics

Ohio's seasonally adjusted labor force participation rate in March 2024 was 61.8 percent, unchanged from February. The seasonally adjusted employment-population ratio was 59.4 in March 2024, a 0.1 percentage point decrease from February 2024.



Source: Bureau of Labor Statistics through FRED

The **Ohio unemployment rate** in March 2024 was 3.8 percent, a 0.1 percentage point increase from February 2024's revised rate and the same as the national rate at that time.

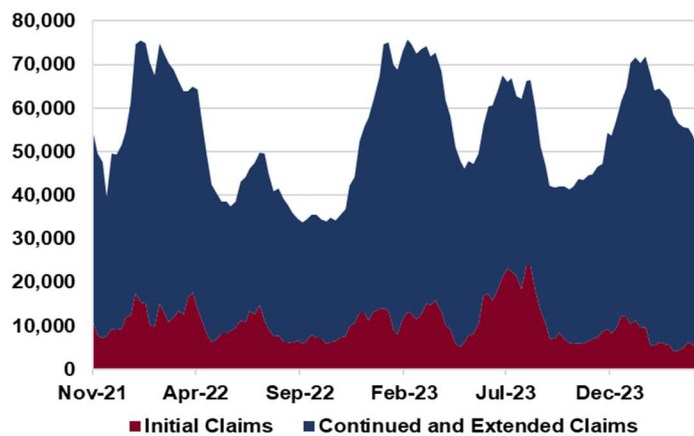
In March 2024, **initial unemployment claims** decreased 18.3 percent for men and 2.7 percent for women compared to February 2024.

Compared to February, initial claims filed in March decreased for individuals who did not

specify their race (-18%), and for those who identified as White (-17%), American Indian (-17%), Hispanic (-9.1%), and Asian/Pacific Islander (-7.3%). Increases in initial claims were seen for individuals who identified as Black (4.8%).

During the week ending April 27, 2024, individuals filed a total of 5,018 initial unemployment claims, a 7.1 percent increase from the previous week. Individuals filing **continued and extended claims** during the same week totaled 40,708 claims, a 5.4 percent decrease from the prior week.

Ohio Total Unemployment Claims (November 6, 2021 through April 27, 2024)



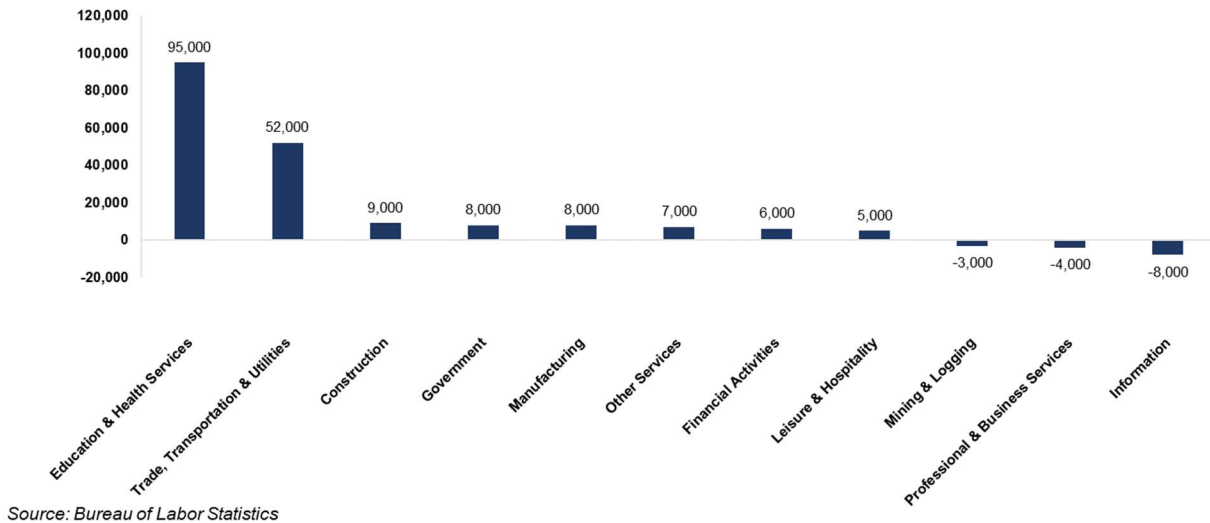
Source: Ohio Department of Job and Family Services

## U.S. Labor Market

**U.S. nonfarm payroll employment** increased by an estimated 175,000 jobs in April. Growth in employment was seen across multiple industries, with education and health services, and trade, transportation and utilities experiencing the largest gains.

**175,000**  
Jobs Added

Change in U.S. Employment March 2024 - April 2024  
(by industry)



The **U.S. labor force participation rate** was unchanged in April at 62.7 percent. The **U.S. employment-population ratio** decreased 0.1 percentage point from March to 60.2 percent. Both measures were below February 2020 levels by 0.6 percentage point and 0.9 percentage point, respectively.

### Unemployment Rates by Demographic Group

	February-24	March-24	April-24
Women	3.9%	3.9%	3.8%
Men	3.8%	3.7%	3.9%
Black	5.6%	6.4%	5.6%
White	3.4%	3.4%	3.5%
Asian	3.4%	2.5%	2.8%
Hispanic	5.0%	4.5%	4.8%

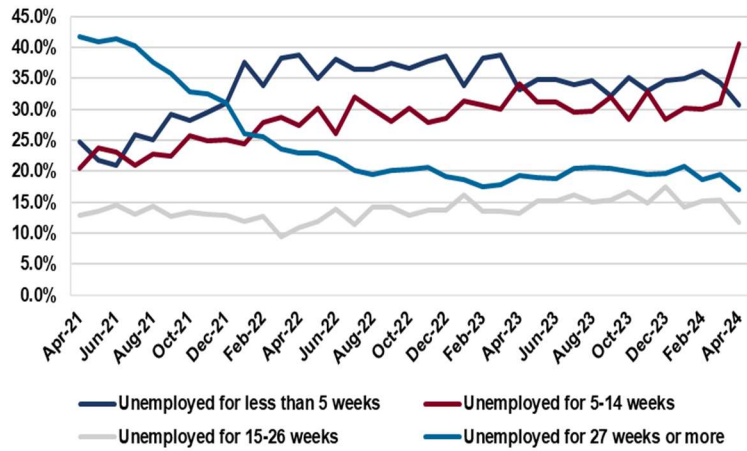


The **U.S. unemployment rate** increased 0.1 percentage point in April 2024 to 3.9 percent while the number of unemployed individuals increased to 6.5 million. The unemployment rate decreased 0.8 percentage point for individuals who identify between March and April 2024. Individuals who identified as Asian (0.3 percentage point), Hispanic (0.3 percentage point), or White (0.1 percentage point) experienced increases in unemployment. The unemployment rate for women decreased 0.1 percentage point between March and April 2024, while the unemployment rate for men increased 0.2 percentage point to 3.9 percent.

In April 2024, 46 percent of unemployed individuals in the nation were unemployed for 5-14 weeks, a 50.9 percent increase from March.

The number of **people not in the labor force who currently want a job** increased by 3.6 percent to 5.6 million people in April.

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

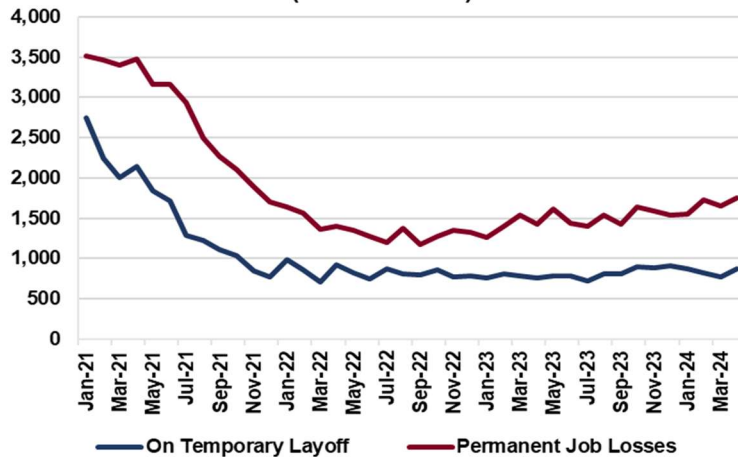


Source: Bureau of Labor Statistics

The number of unemployed people who were on **temporary layoff** increased to 871,000 in April 2024.

The number of people with **permanent job losses** increased by 101,000 in April to 1.7 million.

U.S. Total Job Losses (in thousands)



Source: Bureau of Labor Statistics

## Consumer Income and Consumption

# \$23.8 Trillion

**Personal income** increased by \$122 billion (0.5%) in March 2024 to \$23.8 trillion. The gains in March were primarily due to increases in compensation of employees of \$95.7 billion (0.6%).

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

	February 2024	March 2024	1-Month Percent Change	12-Month Percent Change	24-Month Percent Change
<b>Durable Goods</b>	\$ 2,066,897	\$ 2,085,856	0.9%	4.3%	6.4%
Motor vehicles and parts	\$ 585,108	\$ 589,973	0.8%	-2.9%	2.9%
Furnishings and durable household equipment	\$ 424,766	\$ 428,205	0.8%	5.6%	3.7%
Recreational goods and vehicles	\$ 803,437	\$ 812,934	1.2%	9.8%	12.9%
Other durable goods	\$ 295,650	\$ 297,600	0.6%	9.9%	5.5%
<b>Nondurable Goods</b>	\$ 3,373,551	\$ 3,416,330	1.3%	3.0%	2.5%
Clothing and footwear	\$ 510,550	\$ 507,463	-0.6%	3.0%	2.1%
Gasoline and other energy goods	\$ 305,321	\$ 318,591	4.4%	-0.3%	1.1%
Other nondurable goods	\$ 1,416,759	\$ 1,433,255	1.2%	4.7%	6.1%
<b>Services</b>	\$ 10,275,815	\$ 10,297,580	0.2%	2.8%	5.4%
Transportation services	\$ 483,699	\$ 480,278	-0.7%	4.2%	10.6%
Housing and utilities	\$ 2,577,537	\$ 2,578,379	0.0%	0.6%	1.5%
Food services and accommodations	\$ 1,071,644	\$ 1,074,607	0.3%	4.0%	7.8%
Financial services and insurance	\$ 1,070,243	\$ 1,074,747	0.4%	3.5%	4.1%

*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 2.8.6 Real Personal Consumption Expenditures by Major Type of Product.*

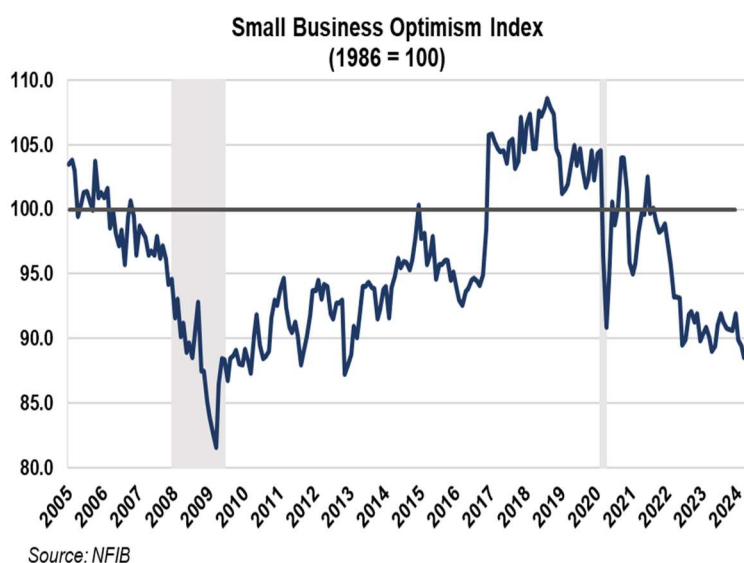
**Personal consumption expenditures** increased by \$160.9 billion (0.8%) between February and March 2024. Overall spending on goods increased by 1.3 percent in March. Spending on durable goods increased by one percent, with increased spending on recreational goods and vehicles (1.6%), other durable goods (1.2%), furnishings and durable household equipment (1.0%), and motor vehicles and parts (0.3%). Spending on nondurable goods increased 1.5 percent, driven by increased spending on gasoline and other energy goods (5.9%), and other nondurable goods (1.1%). Spending on services increased 0.6 percent in March 2024, driven by increased spending on recreation

services (1.0%), financial services and insurance (0.9%), transportation services (0.8%), health care (0.7%), and housing and utilities (0.5%).

**Personal saving** totaled \$671 billion in March 2024, a 9.2 percent decrease compared to February’s revised level and was 35.9 percent below the March 2023 level. The **personal saving rate** was 3.2 percent in March 2024, down 0.4 percentage point from February 2024.

The **Consumer Price Index for All Urban Consumers** (CPI) increased 0.4 percentage point in March 2024 compared to February 2024, which followed a 0.4 percentage point increase between January and February. The “all items” index increased 3.5 percent over the last 12 months. Compared to February, price increases in March were primarily concentrated in energy (1.1%) and shelter (0.4%).

Both consumer opinion surveys reported small changes in confidence in April 2024. Respondents in the University of Michigan’s **Survey of Consumers** reported a decrease (-2.8%) in consumer sentiment to 77.2 in April compared to March and has remained steady throughout the first four months of the year. The Conference Board’s **Consumer Confidence Index** decreased by 6.1 percentage points to 97.0 in April, down from a revised 103.1 in March. Despite moderating early this year, the Index continues to stay within the same relatively narrow range that it’s held for two years.



The **Small Business Optimism Index** decreased 0.9 percentage point to 88.5 in March, the 27<sup>th</sup> consecutive month the index was below 98, the 50-year average. Inflation became the top concern of small business owners again, with 25 percent of owners identifying it as their single most important problem in March. Quality of labor remained a top concern with 18 percent of owners identifying it as their single most important problem in March.

## 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 4.2 million **unlinked passenger trips** in April 2024. This was 8.8 percent above March 2024 ridership levels, and 26.1 percent above April 2023 ridership levels.

Nationally, 73.8 million travelers went through TSA checkpoints in April. Average airline checkpoint traffic decreased 4.3 percent in April 2024 compared to March 2024. **Total travel throughput** in April 2024 was 5.7 percent higher than in April 2023.

In the U.S., the **hotel occupancy rate** was 65.7 percent for the week ending April 27, 2024, a 1.2 percent decrease from the comparable week in 2023. The **average daily rate** for a hotel room was \$154.44, a 1.3 percent decrease from 2023. **Revenue per available room** was \$101.42, which was 2.5 percent lower than in 2023.

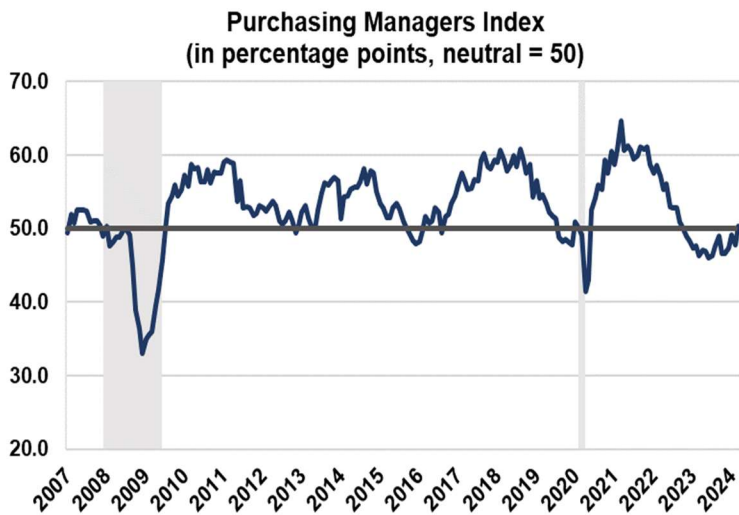
## Industrial Activity

According to data from the Board of Governors of the Federal Reserve System, **total industrial production** increased 0.4 percentage point between February 2024 and March 2024 and was unchanged from March 2023.

The **Manufacturing Production Index** increased 0.5 percentage point in March 2024 to 99.9 and was 0.8 percent higher than March 2023. Nationally, manufacturing in four of Ohio's top 10 industries increased production between February and March 2024. Increases in production for petroleum and coal (4.8%), motor vehicles and parts (3.1%), aerospace and other transportation equipment, and chemicals (0.7%) were partially offset by decreases in primary metals (-0.7 percentage point), food, beverage, and tobacco products (-0.5%), electrical equipment (-0.4%), and machinery (-0.4%).

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

Manufacturing Sector	Percent Change January and February 2024	Percent Change February and March 2024	Percent Change March 2023 to March 2024
Aerospace and Other Transportation Equipment	-0.4%	1.2%	7.3%
Chemicals	2.1%	0.7%	1.3%
Electrical Equipment	-0.3%	-0.4%	-0.4%
Fabricated Metal Products	0.2%	-0.2%	-0.4%
Food Beverage and Tobacco Products	0.5%	-0.5%	-2.1%
Machinery	2.2%	-0.4%	-3.1%
Motor Vehicles and Parts	3.4%	3.1%	10.5%
Petroleum and Coal	0.5%	4.8%	5.2%
Plastics and Rubber Products	0.4%	-0.2%	-0.4%
Primary Metals	1.1%	-0.7%	-0.6%



Source: Institute for Supply Management

In April 2024, the Institute for Supply Management reported the **Purchasing Managers Index** (PMI) for the United States was 49.2, a decrease of 1.1 percentage points from March’s reading. The index fell below 50, indicating contraction in the manufacturing sector.

Across the nation, nine of the 15 industries tracked by ISM increased production in April. These included nonmetallic mineral products, primary metals, chemical products, and

transportation equipment. Industries reporting the largest contractions were machinery, furniture and related products, wood products, and fabricated metal products. According to the chair of the survey committee, the manufacturing sector contracted because of a softening in demand; however, output remained positive. Anecdotal evidence from nationwide purchasing and supply executives surveyed by the Institute for Supply Management (ISM) described a stable return to normal with some suggestions that business is picking up.

*“Business is stable, and orders have been consistent. We’re quoting new business for the factory, and automotive builds continue at averages but not near maximum outputs. Workforce is stable, with turnover ratio dropping considerably. Salaries and hourly rates increasing to meet inflationary pressures. [Primary Metals]”*

*“Conditions are improving as demand is starting to recover. Costs continue to be a major concern as suppliers that rapidly increased prices in the follow-up from COVID-19 are slow to return to pre-pandemic levels. [Chemical Products]”*

## Ohio and Midwest Construction and Housing Market

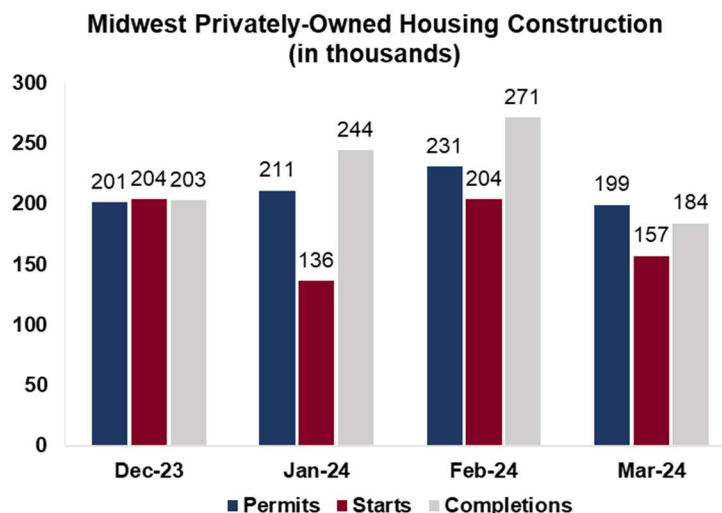
In Ohio, **building permits** for privately-owned housing units decreased 21.7 percent between February and March 2024 and were 33.8 percent below the number of permits issued in March 2023.

Privately-owned housing starts in the Midwest decreased 23 percent between February and March 2024 and were 18 percent above March 2023 levels.

In March 2024, privately-owned housing completions in the Midwest decreased 32.1 percent compared to February 2024 and were 14.4 percent below March 2023.

New home sales in the Midwest increased 5.3 percent between February and March 2024 and were 23.4 percent above March 2023.

The number of homes sold in Ohio decreased as average prices continued to rise in March. Total sales were 1.8 percent below March 2023 and the average sales price in Ohio was \$275,448, an 8.8 percent increase compared to March 2023. The president of Ohio REALTORS reported that overall, the sales data show the Ohio housing market remains stable to begin 2024, as the average monthly sales price continue to increase even with the slight decrease in number of homes sold.



Source: U.S. Census Bureau through FRED

Housing Market Index



Source: National Association of Home Builders

The **Housing Market Index** in the Midwest increased one point from March to April 2024 to 50, one point below the national level. The national index was unchanged in April from March.

## U.S. Construction and Housing Market

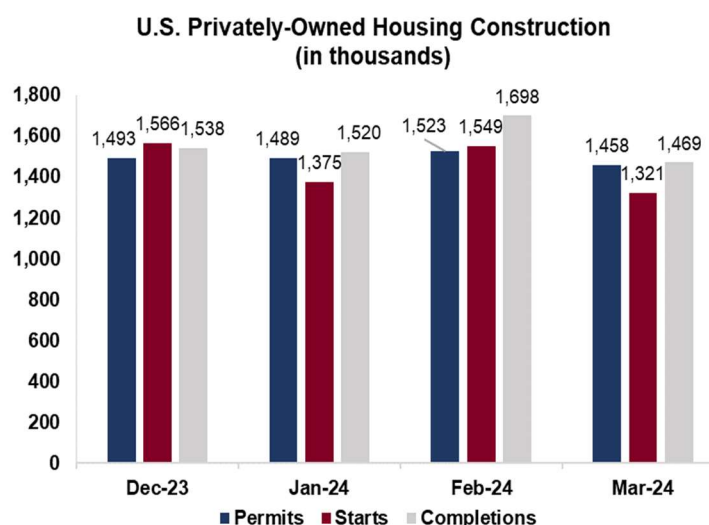
The U.S. Census Bureau reported **total construction spending** in February 2024 at a seasonally adjusted rate of \$2.1 trillion, a 0.2 percent decrease from the revised February estimate. The March 2024 estimate was 9.6 percent above spending in March 2023.

Public sector construction spending increased an estimated 0.8 percent in March 2024 compared to the revised February estimate, bringing the seasonally adjusted annual total to \$483.1 billion. Public spending on nonresidential construction increased 0.8 percent from February's revised estimate to \$399.8 billion in March 2024 and was 17.9 percent above March 2023 levels. Public spending on construction for health care in March was 1.9 percent above the revised February estimate and 10.5 percent above March 2023.

Private sector construction spending decreased 0.5 percent between February and March 2024 at a seasonally adjusted annual total of \$1.6 trillion and was 7.3 percent above March 2023 levels. Private residential construction in March was 0.7 percent below February's revised level but was 4.4 percent above March 2023's spending. Private nonresidential construction decreased by 0.2 percentage point in March 2024 but was 11.1 percent above March 2023.

In the U.S., the number of **building permits** issued for privately-owned housing units decreased 4.3 percent between February and March 2024 and was 1.5 percent above the number of permits issued in March 2023.

Nationally, privately-owned housing starts decreased 14.7 percent between February and March 2024 and were 4.3 percent below March 2023 levels.



Source: U.S. Census Bureau through FRED

In March, **newly built single-family home sales** increased by 8.8 percent compared to February and were 8.3 percent above sales in March 2023. The national median sales price in March 2024 was \$430,700, a six percent increase compared to the revised February median sales price, and was 1.9 percent lower compared to March 2023.

According to the National Association of Realtors, **existing home sales** decreased 4.3 percent in March compared to February. March's existing home sales decreased to an annual rate of 4.4 million housing units, a 3.7 percent decrease from March 2023. The median sale price of all existing homes increased 4.8 percent from a year ago to \$393,500. Available inventory in March 2024 totaled 1.1 million units, up 4.7 percent from February and 14.4 percent above March 2023's inventory level.



## Revenues

April GRF tax revenues were \$224.4 million (-8.4%) below estimate. Income tax refunds, which can greatly influence tax revenues during the income tax return filing season, were larger than anticipated and account for the majority of the month's tax revenue variance. Fiscal year to-date tax revenues are now \$446.7 million (-1.9%) below the estimate.

Total (tax and non-tax) GRF receipts for April totaled \$3.1 billion and were \$242.7 million (-7.2%) below the estimate. As noted above, tax revenues had a negative variance of \$224.4 million (-8.4%) from the estimate. Non-tax revenues were \$20.9 million (-2.9%) below the estimate while transfers were \$2.6 million above estimate. For the year-to-date, transfers are above estimate while tax revenues and non-tax revenues are below estimate, as shown in the table below.

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

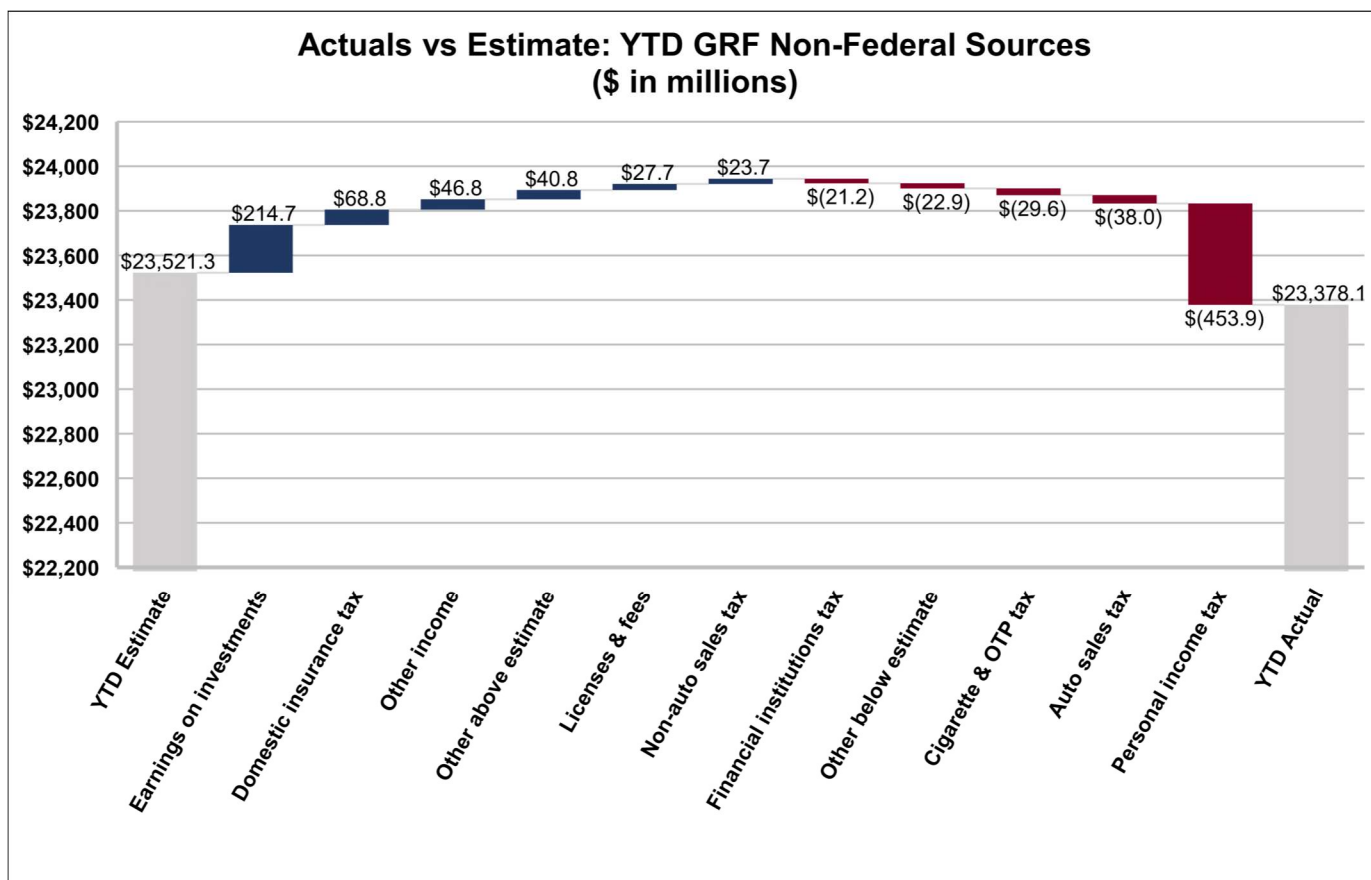
Category	Includes:	YTD Variance	% Variance
Tax Receipts	Sales & use, personal income, corporate franchise, financial institutions, commercial activity, natural gas distribution, public utility, kilowatt hour, foreign & domestic insurance, other business & property taxes, cigarette, alcoholic beverage, liquor gallonage, estate	\$ (446.7)	-1.9%
Non-Tax Receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	\$ (674.6)	-5.8%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	\$ 13.5	N/A
<b>Total Receipts and Transfer Variance</b>		<b>\$ (1,107.7)</b>	<b>-3.2%</b>
<b>Non-Federal Receipts and Transfer Variance</b>		<b>\$ (143.2)</b>	<b>-0.6%</b>
<b>Federal Grants Variance</b>		<b>\$ (964.6)</b>	<b>-8.6%</b>

The following table shows that in April, the number of sources below the estimate (a negative variance of \$350.9 million) exceeded the number of sources above the estimate (a positive variance of \$108.2 million), resulting in a net negative variance from the estimate of \$242.7 million.

**GRF Revenue Sources Relative to Monthly Estimates – April 2024**  
(\$ in millions)

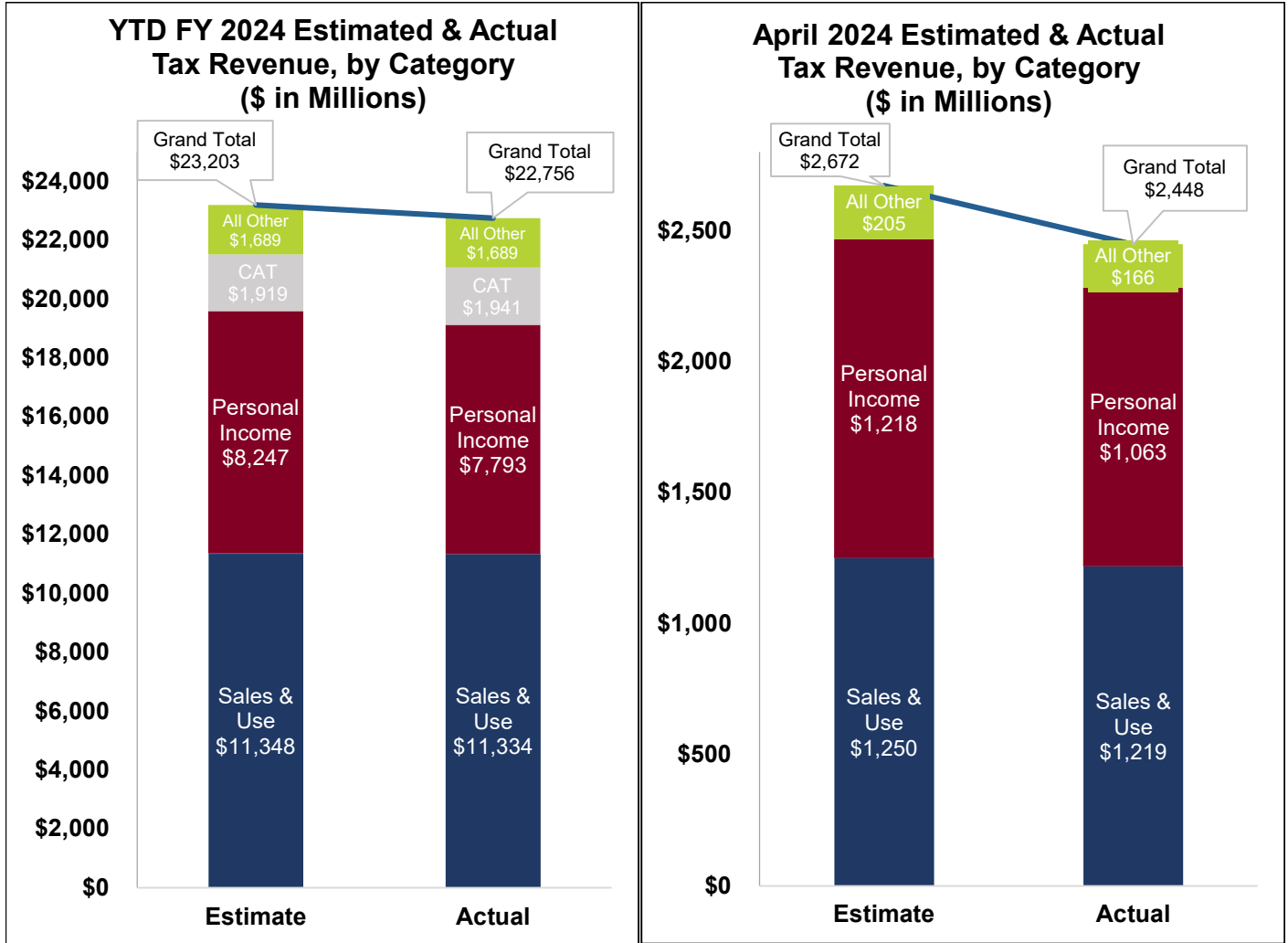
Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Earnings on Investments	\$ 75.0	Personal Income Tax	\$ (154.8)
Licenses and Fees	\$ 14.9	Federal Grants	\$ (110.1)
Auto Sales Tax	\$ 11.3	Non-Auto Sales Tax	\$ (42.3)
Other revenue sources above estimate	\$ 7.1	Commercial Activity Tax	\$ (39.9)
		Other revenue sources below estimate	\$ (3.9)
<b>Total Above</b>	<b>\$ 108.2</b>	<b>Total Below</b>	<b>\$ (350.9)</b>

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



The preceding chart shows how various sources have contributed to the variance between actual and estimated non-federal revenues and transfers through April 2024. Currently, the difference is \$143.2 million below the forecast.

The following chart shows estimated and actual GRF tax revenues for the year-to-date and April 2024, categorized by tax source. Sales and use tax revenues account for half of total tax revenues for the fiscal year to date.



In April, total receipts and transfers decreased by \$158.3 million (-4.8%) compared to last year. Tax revenues decreased \$325.3 million (-11.7%), while non-tax revenues increased \$165.1 million (31.3%) and transfers increased \$1.9 million (282.6%). Year-to-date, tax receipts are \$659.1 million (-2.8%) below last year, and non-tax receipts are \$305.3 million (-2.7%) below last year. On a year-to-date basis, transfers are \$1.8 million (15.7%) above last year.

The source with the largest year-over-year dollar increase in April was federal grants at \$120.5 million (28.3%), followed by auto sales tax at \$28.7 million (17.5%) and earnings on investments at \$27.9 million (33%). The largest decreases were in personal income tax at \$304.9 million (-22.3%) and commercial activity tax at \$55.9 million (-59.7%). The largest year-to-date increases are in non-auto sales tax at \$258.5 million (2.7%), followed by commercial activity tax at \$231.2 million (13.5%), and earnings on investments at \$145.4 million (73.5%). The largest year-to-date decreases are in personal income tax at \$1.04 billion (-11.8%) and federal grants at \$453.3 million (-4.2%).

## Non-Auto Sales Tax

For April, GRF non-auto sales and use tax collections totaled \$1 billion, which is \$42.3 million (-4%) below the estimate.

Year-to-date revenue is \$23.7 million (0.2%) above the estimate. April revenue was \$9.9 million (1%) above last year, and year-to-date revenue is \$258.5 million (2.7%) above last year.



This year's year-to-date growth was 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 1.4 percent. During the October 2023-April 2024 period, the average monthly growth rate has been 0.9 percent.

April has become a notable collections month for non-auto sales tax. During the three preceding years, only the months of December and January have had a consistently higher intake. The month became considerably more prominent in FY 2021, when revenue grew an historically elevated 30.7 percent rate from its FY 2019 level (and 49.6 percent from the pandemic-dampened FY 2020 amount). Through this April, it has experienced a 7.1 percent average annual growth rate since FY 2019. The month has consistently produced over \$1 billion during the FY 2021-2024 period, compared to the \$792 million pre-FY 2020 peak achieved in FY 2017. This April's intake might imply a change in seasonal purchasing patterns that are marginally reducing the month's relative share of revenues. Nonetheless, April remains a very prominent collections month, a position it will likely maintain.

The latest data from the U.S. Census Bureau's Monthly Advance Retail Trade Survey (MARTS) program shows year-over-year growth in March. Focusing on stores primarily covered by Ohio's non-auto sales tax (NAICS codes 442, 443, 444, 448, 451, 452, 453, and 454), the data from MARTS indicates a 3.4 percent increase in national sales, not seasonally adjusted, during March 2024. In February and January, year-over-year growth was 6.3 percent and 2.6 percent, respectively (although February's growth was inflated by the additional day). By comparison, Ohio's non-auto GRF sales tax revenue decreased by 0.5 percent in March and grew by 2.2 percent in February and 0.2 percent in January.

The latest MARTS data show improving month-over-month sales performance. On a seasonally adjusted basis, March 2024 sales for the retail categories listed above were 1.3 percent higher than February, following a 0.6 percent increase in February from January and a 0.3 percent decline in January from December.

## Auto Sales Tax

April auto sales tax revenues were \$192.9 million, which is \$11.3 million (6.2%) above estimate. Year-to-date revenues are \$38 million (-2.3%) below the estimate. Revenues were \$28.7 million (-17.5%) above last April and are \$28.5 million (-1.8%) below last year on a year-to-date basis.

FY 2024 auto sales tax revenues have reflected a mixture of positive and negative monthly variances from the estimate. April has the second-largest positive variance for the year to date and it immediately follows March's negative variance of -\$30 million.



According to the U.S. Department of Commerce's Bureau of Economic Analysis, national sales of new light vehicles 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 15.7 million units. April's sales were up 1.1 percent from March and up 0.4 percent from a year ago. On an unadjusted basis, light vehicle unit sales in April were at 1.31 million units. This is 9.1 percent below the previous month and 3.3 percent below last April.

While transaction prices for new vehicles remain high, price growth for the nation slowed significantly in calendar year 2023, and this trend has continued in 2024. The latest release of the Consumer Price Index (CPI-U) data from the Bureau of Labor Statistics shows a 0.2 percent month-over-month decrease in March. The slower pace in prices becomes apparent from recent year-over-year price changes. Compared to March 2023, the CPI-U for new motor vehicles in March 2024 was down 0.1 percent. This marks the first year-over-year decline since June 2020. Even with the significant slowdown over the past year, prices remain well above their pre-pandemic levels, with the CPI-U for new motor vehicles currently being 19.3 percent above its February 2020 level.

Turning to national used vehicle data, retail sales volumes accelerated in March 2024 according to data reported by Cox Automotive. Retailers sold 1.66 million units in March, a 10.9 percent year-over-year increase. This level also represents an 18.5 percent increase from February 2024.

Used vehicle prices peaked in January 2022, and have trended downward since then. The Manheim Used Vehicle Value Index, a measure of wholesale vehicle prices, was 14.7 percent lower in March 2024 than the previous March, when prices attained their most recent peak. Retail prices tend to move in the same direction as wholesale prices but with a lag. The March CPI-U for used vehicles was down by 7.9 percent from its peak in May 2023. On a year-over-year basis, the CPI-U was 1.9 percent lower than last March. Used-vehicle prices also remain well above their pre-pandemic levels, with the March 2024 CPI-U index being 31.3 percent higher than in January 2020. Growth in the Manheim index is nearly identical as the CPI-U over the same period.

## Personal Income Tax

April GRF personal income tax receipts totaled \$1.06 billion, which is \$154.8 million (-12.7%) below the estimate. Year-to-date revenue is \$453.9 million (-5.5%) below the estimate. On a year-over-year basis, April income tax collections are down \$304.9 million (-22.3%). Year-to-date revenue is \$1.04 billion (-11.8%) lower than last year.

Income tax bracket and rate reductions enacted in the FY 2024-2025 operating budget bill, which took effect in taxable year 2023, continue to impact income tax collections and refunds during the current tax return filing season. As a result, year-over-year growth in income tax revenues has been lower than would otherwise occur.

The refund component exceeded estimate by \$136.2 million (19.3%) and last April by \$150.8 million (21.9%). For the fiscal year, refunds are \$899.8 million (36.8%) above the estimate and \$856.2 million (34.4%) above FY 2023. The year-to-date refund variance from the estimate reflects two phases: the first phase occurred in the seven months of the fiscal year when refundable pass-through entity tax credits claimed on tax year 2022 resulted in large tax refunds, particularly impacting the month of December; the next phase began in calendar year 2024 when refunds on tax year 2023 returns exceeded the levels anticipated in the revenue estimates. Through the end of April, the number of refunds issued during this filing season is 0.5 percent below last year, while the average refund size is up 16 percent.

Monthly withholding showed strong performance in April. For the month, monthly withholding collections totaled \$893.2 million and were \$44 million (5.2%) above the estimate. For the fiscal year-to-date, this component is \$106.2 million (1.2%) above estimate. Monthly withholding was \$28.8 million (3.3%) above last April and is \$150.8 million (-1.6%) below last year for the fiscal year-to-date.

The monthly withholding category includes estimated taxes paid by certain types of pass-through entities on their taxable income (these are pass-through entity withholding

taxpayers, using the IT-1140ES estimated payment return). This is a separate revenue stream from the income tax withheld by employers and paid to the state. Beginning in tax year 2022 the Electing Pass-Through Entity (EPTE) tax became a filing and payment option. For the seven months following the enactment in June 2022, EPTE estimated taxes were paid using the IT-1140ES as an interim form, and these collections are included in the withholding category. Beginning in February 2023, EPTE estimated tax payments were made using the IT-4738ES form and these collections are included in the estimated payments category. Pass-through entity tax payments have shifted significantly from IT-1140ES returns to the IT-4738ES tax returns. This pronounced shift explains the decrease in FY 2024 year-to-date collections for this category from FY 2023 levels.

The details within the withholding category reveal vibrant performance for employer withholding this fiscal year. A reduction in the employer withholding tax rates went into effect in November 2023. The rate reductions were not uniform across the various withholding tax brackets but were estimated to result in an overall 10 percent decrease in withholding tax collections. Actual year-to-date employer withholding collections are \$198.6 million (2.3%) above last year, which is very respectable growth considering the rate reduction has now been in effect for six months.

Annual withholding represents the annual return payments made by pass-through entity withholding taxpayers. For April, collections from this component were \$32.1 million, \$7.5 million below the estimate. Year-to-date collections amount to -\$160 million, and \$250 million below the estimate. The collections figures for this category are after accounting adjustments attributable to taxpayers who remitted estimated payments using the IT1140ES return but ultimately filed the annual return as either an EPTE taxpayer or as a composite income taxpayer. Without the adjustment, tax collections would have been \$36.6 million in April, \$3 million less than the estimate. The adjustment has had a larger impact on year-to-date collections: absent the -\$262 million adjustment, annual withholding would have generated \$101.9 million through April, \$12 million above the estimate and \$77 million less than the previous year.

April is a pivotal month for annual tax return payments. Collections during April were \$800.7 million, representing a \$99.5 million (-11.1%) negative variance from estimate. For FY 2024 to date, these payments have exceeded estimates by \$261.8 million, which is 21.8 percent higher than expected. This payment category decreased by \$206.4 million (-20.5%) in April compared to last year; it has increased by \$49.8 million (3.5%) year to date.

The annual return category includes payments that accompany individual annual income tax returns. It also now includes collections from pass-through entities that use the EPTE tax filing option; in addition, collections from pass-through entities that are composite income taxpayers continue to be included in this category. Collections for this particular income tax reporting category have been inflated by the type of accounting adjustments mentioned above: just as annual withholding collections were adjusted downward, annual return collections have received a positive adjustment of \$262 million for the year to date. Without the adjustment, this component would have been \$1.2 billion million rather than



the \$1.46 billion official amount. Of this \$1.2 billion “pre-adjusted” collections amount, \$409.7 million is attributable to pass-through entity (EPTE and Composite Income Tax) annual tax returns and the remaining \$788.6 million attributable to payments made on individual income tax returns (via the IT-1140 return or 40P payment voucher). Pass-through entity annual return tax collections before the accounting adjustment have decreased \$72.7 million (-15.1%) from the previous year, while individual income annual return tax collections have decreased \$93.3 million (-10.6%).

Estimated payments for the first quarter of calendar year 2024 were also due in April. These payments came in \$26.7 million (19.5%) above estimate and \$3.2 million (2%) above last year. Year-to-date collections exceed the estimate by \$325.6 million (41.4%) and are \$233.3 million (26.5%) higher than last year. As explained above, the availability of the EPTE tax filing option and the delayed issuance of an EPTE-specific tax form has resulted in a shift of collections from the monthly withholding category to this category. After combining the pass-through entity portion of the quarterly estimated payments and monthly withholding categories, total estimated tax payments from pass-through entities have increased by \$70.7 million (10.3%) for the year to date. This reflects the net impact of a \$293 million decrease in PTE estimated taxes paid with IT-1140ES returns and a \$420.1 million increase in PTE estimated taxes paid with EPTE (IT-4738ES) and Composite Income Tax (IT-4708ES) returns. Meanwhile, estimated payments made by individuals have decreased by \$186.8 million (-29.7%) for the year to date.

Trust payments and other tax collections combined were \$14.8 million (49.6%) above the April estimate. For the fiscal year, the combined categories are \$1.5 million (-1.2%) below estimate and \$16.5 million (-12%) below last year.

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

	Actual Apr.	Estimate Apr.	\$ Var	Actual Apr. 2024	Actual Apr. 2023	\$ Var Y-to-Y
Monthly Withholding	\$ 893.2	\$ 849.2	\$ 44.0	\$ 893.2	\$ 864.4	\$ (28.8)
Annual Withholding	\$ 32.1	\$ 39.6	\$ (7.5)	\$ 32.1	\$ 29.5	\$ 2.6
Quarterly Est.	\$ 163.4	\$ 136.7	\$ 26.7	\$ 163.4	\$ 160.2	\$ 3.2
Annual Returns/40 P	\$ 800.7	\$ 900.2	\$ (99.5)	\$ 800.7	\$ 1,007.1	\$(206.4)
Trust Payments	\$ 28.8	\$ 18.0	\$ 10.8	\$ 28.8	\$ 17.8	\$ 11.0
Other	\$ 15.7	\$ 11.8	\$ 3.9	\$ 15.7	\$ 12.9	\$ 2.9
Less: Refunds	\$(841.2)	\$ (705.0)	\$(136.2)	\$ (841.2)	\$ (690.4)	\$(150.8)
Local Distributions	\$ (29.9)	\$ (32.8)	\$ 2.9	\$ (29.9)	\$ (33.8)	\$ 3.9
Net to GRF	\$1,062.9	\$ 1,217.7	\$(154.8)	\$ 1,062.9	\$ 1,367.8	\$(304.9)

## Commercial Activity Tax (CAT)

GRF revenues from the CAT were \$39.9 million (-51.4%) below the April estimate and \$21.4 million (1.1%) above the year-to-date estimate. April revenues were down \$55.9 million (-59.7%) from last year, while year-to-date revenues were up \$231.2 million (13.5%).

The FY 2024-2025 state operating budget made significant changes to the CAT. Beginning in July 2023, 99.35 percent of all CAT revenues after refunds are credited to the GRF; under prior law the GRF share was 84.45 percent. During the first nine months of FY 2024, this change increased GRF revenues relative to the previous law.

Additional changes to the CAT took effect in calendar year 2024, first affecting April 2024 revenues. These changes involve increasing the annual exclusion to \$3 million from the previous \$1 million level and repealing the “minimum tax.” The expanded exclusion will entirely exempt most CAT taxpayers from the tax while all other taxpayers (those remaining on the tax rolls) will realize a reduction in tax liability. Businesses remaining subject to the CAT will also experience a tax reduction from no longer paying the minimum tax. These two changes have their first impact on the CAT payments due in May 2024. But because some taxpayers opt to pay their tax in the month preceding the due date, the actual revenue impact began in April 2024.

The April revenue estimate anticipated a reduction from the tax policy changes. However, some of April’s negative variance from estimate may stem from the unpredictable monthly timing of the law change impact: it is possible a disproportionate share of the tax that under prior law would have been paid in April came from taxpayers that are now entirely excluded from paying the CAT, to a degree not fully anticipated in the April estimate. May 2024 will generate a more significant amount of revenue than April, so next month’s intake will provide a more complete indication of revenue performance.

Another factor that drove April’s negative GRF tax revenue variance was a large increase in tax refunds not predicted by the estimate. CAT refunds totaled \$29.1 million in April, higher than levels traditionally experienced in a given month. This amount greatly exceeds the refunds typically paid in April: over the preceding four years, refunds have averaged just \$6.3 million.

## GRF Non-Tax Receipts

GRF non-tax receipts totaled \$693.2 million and were \$20.9 million (2.9%) below the estimate for the month of April. Year-to-date non-tax receipts totaled \$10.9 billion and were \$674.6 million (5.8%) below estimate.

The monthly variance in non-tax receipts was mostly due to the Federal Grants category, which was \$110.1 million (16.8%) below estimate. This variance was due to lower than estimated Medicaid GRF disbursements, as discussed in the disbursement section of this report. The monthly variance was partially offset by above estimated investment returns, which were \$75 million (200.6%) above estimate.

The investments category is heavily influenced by national interest rate trends, which have remained elevated in the current fiscal year.



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

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	ACTUAL APRIL	ESTIMATE APRIL	\$ VAR	% VAR	ACTUAL Y-T-D	ESTIMATE Y-T-D	\$ VAR	% VAR
<b>TAX RECEIPTS</b>								
Non-Auto Sales & Use	1,026,027	1,068,300	(42,273)	-4.0%	9,739,692	9,716,000	23,692	0.2%
Auto Sales & Use	192,884	181,600	11,284	6.2%	1,594,156	1,632,200	(38,044)	-2.3%
<b>Subtotal Sales &amp; Use</b>	<b>1,218,911</b>	<b>1,249,900</b>	<b>(30,989)</b>	<b>-2.5%</b>	<b>11,333,848</b>	<b>11,348,200</b>	<b>(14,352)</b>	<b>-0.1%</b>
Personal Income	1,062,892	1,217,700	(154,808)	-12.7%	7,792,682	8,246,600	(453,918)	-5.5%
Commercial Activity Tax	37,638	77,500	(39,862)	-51.4%	1,940,533	1,919,100	21,433	1.1%
Foreign Insurance	362	900	(538)	-59.8%	368,624	386,200	(17,576)	-4.6%
Domestic Insurance	3	200	(197)	-98.5%	75,862	7,100	68,762	968.5%
Kilowatt Hour	29,282	26,700	2,582	9.7%	246,351	247,400	(1,049)	-0.4%
Financial Institutions Tax	30,876	29,200	1,676	5.7%	151,062	172,300	(21,238)	-12.3%
Public Utility	339	300	39	13.0%	122,639	120,200	2,439	2.0%
Natural Gas Distribution	145	0	145	N/A	36,232	35,200	1,032	2.9%
Petroleum Activity Tax	0	0	0	N/A	9,618	8,200	1,418	17.3%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Corporate Franchise	13	0	13	N/A	193	0	193	N/A
Cigarette and Other Tobacco	58,932	60,400	(1,468)	-2.4%	582,003	611,600	(29,597)	-4.8%
Alcoholic Beverage	3,979	4,700	(721)	-15.3%	48,955	51,200	(2,245)	-4.4%
Liquor Gallonage	4,677	4,900	(223)	-4.6%	47,191	49,200	(2,009)	-4.1%
Estate	0	0	0	N/A	0	0	0	N/A
<b>Total Tax Receipts</b>	<b>2,448,049</b>	<b>2,672,400</b>	<b>(224,351)</b>	<b>-8.4%</b>	<b>22,755,793</b>	<b>23,202,500</b>	<b>(446,707)</b>	<b>-1.9%</b>
<b>NON-TAX RECEIPTS</b>								
Earnings on Investments	112,355	37,377	74,978	200.6%	343,291	128,641	214,650	166.9%
License & Fees	34,652	19,729	14,923	75.6%	121,199	93,457	27,743	29.7%
Other Income	493	1,250	(757)	-60.6%	143,534	96,700	46,834	48.4%
ISTV'S	8	0	8	N/A	745	0	745	N/A
<b>TOTAL STATE SOURCE</b>	<b>2,595,557</b>	<b>2,730,757</b>	<b>(135,200)</b>	<b>-5.0%</b>	<b>23,364,563</b>	<b>23,521,298</b>	<b>(156,735)</b>	<b>-0.7%</b>
Federal Grants	545,694	655,784	(110,090)	-16.8%	10,295,757	11,260,311	(964,555)	-8.6%
Total Non-Tax Receipts	693,202	714,140	(20,938)	-2.9%	10,904,526	11,579,109	(674,584)	-5.8%
<b>TOTAL REVENUES</b>	<b>3,141,251</b>	<b>3,386,540</b>	<b>(245,289)</b>	<b>-7.2%</b>	<b>33,660,319</b>	<b>34,781,609</b>	<b>(1,121,290)</b>	<b>-3.2%</b>
<b>TRANSFERS</b>								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	2,598	0	2,598	N/A	13,548	0	13,548	N/A
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	2,598	0	2,598	N/A	13,548	0	13,548	N/A
<b>TOTAL SOURCES</b>	<b>3,143,849</b>	<b>3,386,540</b>	<b>(242,691)</b>	<b>-7.2%</b>	<b>33,673,867</b>	<b>34,781,609</b>	<b>(1,107,743)</b>	<b>-3.2%</b>

Table 2

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

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	APRIL FY 2024	APRIL FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
<b>TAX RECEIPTS</b>								
Non-Auto Sales & Use	1,026,027	1,016,153	9,874	1.0%	9,739,692	9,481,215	258,477	2.7%
Auto Sales & Use	192,884	164,203	28,681	17.5%	1,594,156	1,622,636	(28,480)	-1.8%
<b>Subtotal Sales &amp; Use</b>	<b>1,218,911</b>	<b>1,180,356</b>	<b>38,555</b>	<b>3.3%</b>	<b>11,333,848</b>	<b>11,103,851</b>	<b>229,997</b>	<b>2.1%</b>
Personal Income	1,062,892	1,367,785	(304,893)	-22.3%	7,792,682	8,832,078	(1,039,396)	-11.8%
Commercial Activity Tax	37,638	93,507	(55,869)	-59.7%	1,940,533	1,709,346	231,187	13.5%
Foreign Insurance	362	139	223	161.0%	368,624	400,231	(31,607)	-7.9%
Domestic Insurance	3	543	(540)	-99.4%	75,862	19,316	56,545	292.7%
Kilowatt Hour	29,282	27,013	2,269	8.4%	246,351	246,970	(618)	-0.3%
Financial Institutions Tax	30,876	31,223	(347)	-1.1%	151,062	184,548	(33,486)	-18.1%
Public Utility	339	715	(376)	-52.6%	122,639	131,238	(8,598)	-6.6%
Natural Gas Distribution	145	76	69	90.4%	36,232	37,273	(1,041)	-2.8%
Petroleum Activity Tax	0	0	0	N/A	9,618	11,367	(1,749)	-15.4%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Corporate Franchise	13	11	2	16.9%	193	99	94	95.1%
Cigarette and Other Tobacco	58,932	62,205	(3,273)	-5.3%	582,003	638,517	(56,513)	-8.9%
Alcoholic Beverage	3,979	5,027	(1,048)	-20.8%	48,955	52,205	(3,250)	-6.2%
Liquor Gallonage	4,677	4,736	(59)	-1.2%	47,191	47,837	(647)	-1.4%
Estate	0	0	0	N/A	0	34	(34)	-99.8%
<b>Total Tax Receipts</b>	<b>2,448,049</b>	<b>2,773,334</b>	<b>(325,285)</b>	<b>-11.7%</b>	<b>22,755,793</b>	<b>23,414,910</b>	<b>(659,117)</b>	<b>-2.8%</b>
<b>NON-TAX RECEIPTS</b>								
Earnings on Investments	112,355	84,492	27,863	33.0%	343,291	197,859	145,433	73.5%
License & Fee	34,652	17,990	16,662	92.6%	121,199	110,289	10,910	9.9%
Other Income	493	435	58	13.3%	143,534	138,587	4,947	3.6%
ISTV'S	8	1	7	654.7%	745	13,944	(13,199)	-94.7%
<b>TOTAL STATE SOURCE</b>	<b>2,595,557</b>	<b>2,876,253</b>	<b>(280,696)</b>	<b>-9.8%</b>	<b>23,364,563</b>	<b>23,875,589</b>	<b>(511,026)</b>	<b>-2.1%</b>
Federal Grants	545,694	425,204	120,490	28.3%	10,295,757	10,749,105	(453,348)	-4.2%
Total Non-Tax Receipts	693,202	528,122	165,080	31.3%	10,904,526	11,209,784	(305,258)	-2.7%
<b>TOTAL REVENUES</b>	<b>3,141,251</b>	<b>3,301,457</b>	<b>(160,206)</b>	<b>-4.9%</b>	<b>33,660,319</b>	<b>34,624,694</b>	<b>(964,374)</b>	<b>-2.8%</b>
<b>TRANSFERS</b>								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	2,598	679	1,919	282.7%	13,548	11,713	1,834	15.7%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	2,598	679	1,919	282.7%	13,548	11,713	1,834	15.7%
<b>TOTAL SOURCES</b>	<b>3,143,849</b>	<b>3,302,135</b>	<b>(158,286)</b>	<b>-4.8%</b>	<b>33,673,867</b>	<b>34,636,407</b>	<b>(962,540)</b>	<b>-2.8%</b>

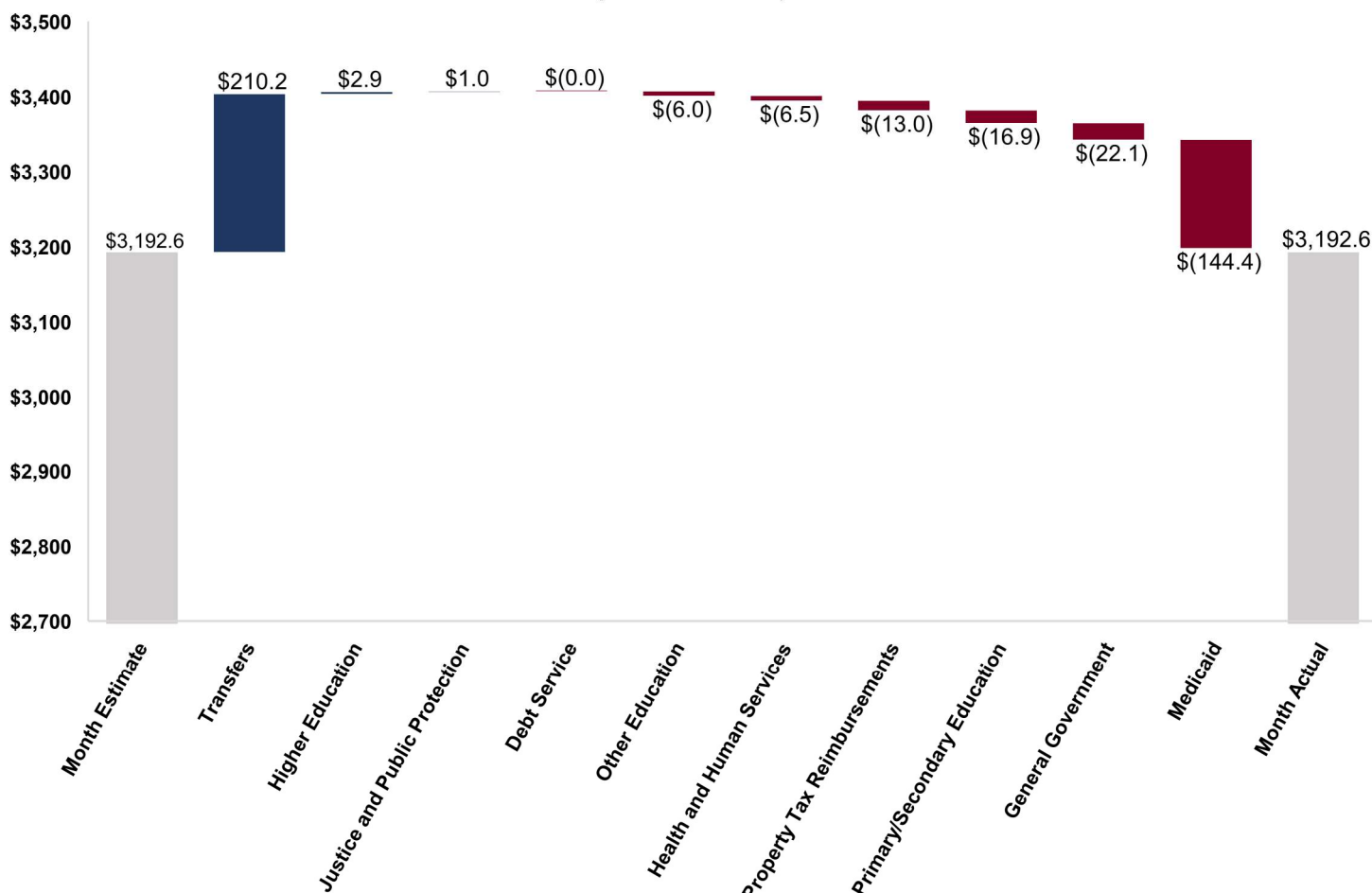
# Disbursements

April GRF disbursements, for all uses, totaled \$3.2 billion and were \$5.2 million (0.2%) above estimate. This variance was primarily due to higher-than-estimate transfers, and partially offset by lower-than-expected spending in the Medicaid category followed by General Government and Primary and Secondary Education categories.

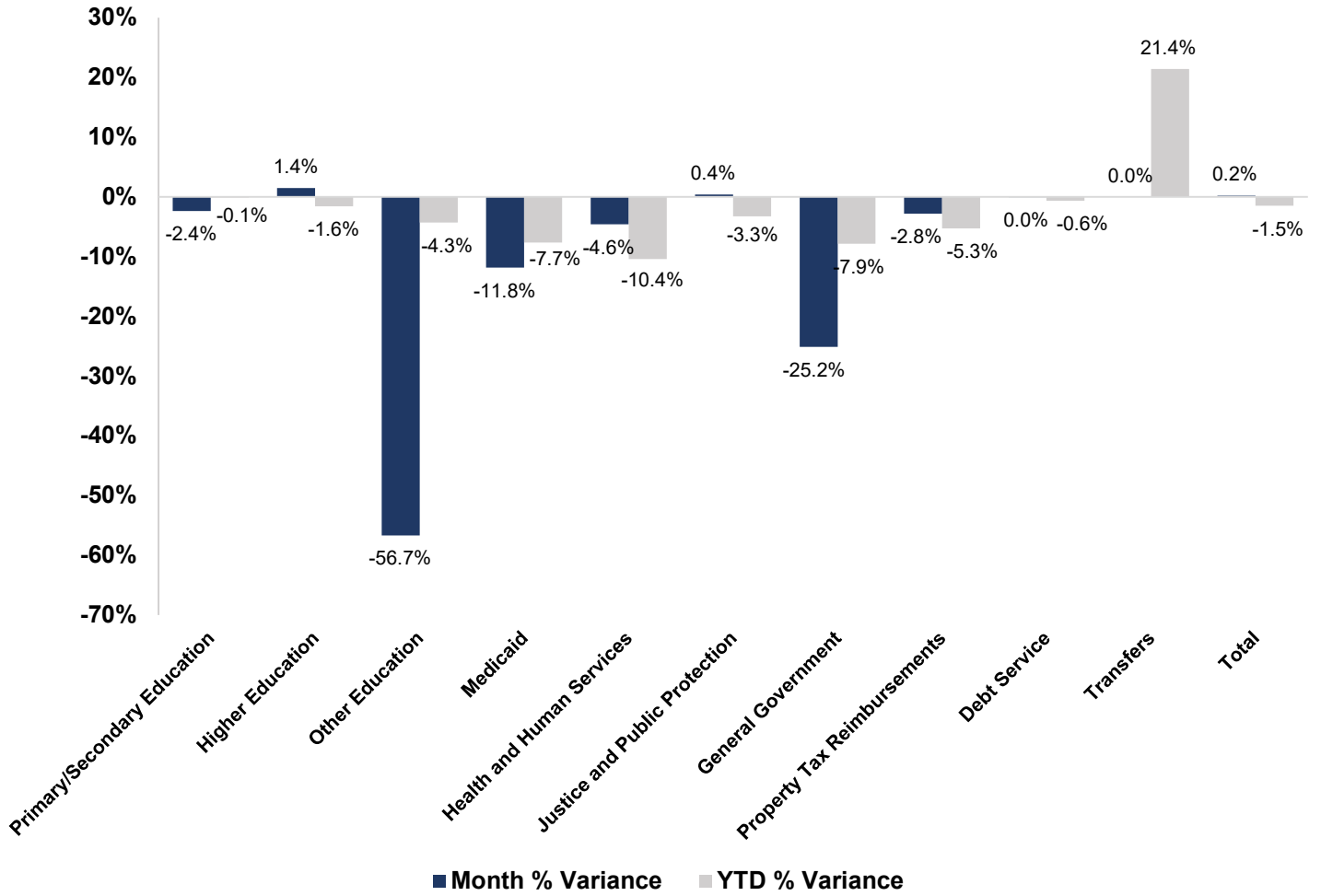
On a year-over-year basis, total April disbursements were \$710.3 million (28.6%) higher than those of the same month last fiscal year, with the Medicaid category largely responsible for the difference.



**April Disbursement Estimates vs. Actuals**  
(\$ in millions)



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



## Transfers

April transfers out totaled \$210.2 million. Year-to-date transfers totaled \$6.6 billion and are \$1.2 billion (22%) 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 developed, the timing of capital budget transfers was uncertain. As a result, these transfers were estimated to occur in June.

To date, OBM has transferred \$2 billion in cash to capital funds in lieu of issuing new debt, saving taxpayers approximately \$944 million in gross interest over what would have otherwise been the life of the bonds.

## 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

April GRF disbursements for the Medicaid Program totaled \$1.1 billion and were \$144.4 million (-11.8%) below estimate. Year-to-date GRF disbursements totaled \$16 billion and were \$1.3 billion (-7.7%) below estimate and \$576.2 million (3.7%) above disbursements for the same period in the previous fiscal year.

The April GRF disbursement variance was primarily attributable to below estimate caseloads. Total caseloads declined by 41,669 members, in April, as the Department continued the resumption of routine eligibility operations post federally declared public health emergency. The variance was also attributable to the continued delay of some payments to managed care organizations – these payments are still expected to be made in the coming months.

April all-funds disbursements for the Medicaid Program totaled \$3.2 billion and were \$297.5 million (-8.6%) below estimate. Year-to-date all-funds disbursements totaled \$31.6 billion and were \$1.9 billion (-5.6%) below estimate and \$1.7 billion (5.7%) above disbursements for the same period in the previous fiscal year. The all-funds disbursement variance was primarily attributable to below estimate caseloads and the delay of some payments to managed care organizations as mentioned above. Additionally, the year-to-date variance was partly due to lower-than-expected Medicaid program administrative costs.



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

	April Estimate	April Actual	Variance	Variance %
GRF	\$1,219.4	\$ 1,075.0	\$ (144.4)	-11.9%
Non-GRF	\$2,254.6	\$ 2,101.5	\$ (153.1)	-6.8%
All Funds	\$ 3,474.0	\$ 3,176.4	\$ (297.5)	-8.6%

*\*Totals may not add due to rounding.*

### Medicaid Enrollment

Total April enrollment was 3.12 million, which was 151,861 (-4.6%) below estimate and 462,066 (-12.9%) below enrollment for the same period last fiscal year. Year-to-date average monthly enrollment was 3.27 million and was 81,121 (-2.4%) below estimate. The Department resumed routine Medicaid eligibility operations in April 2023. Total enrollment has declined by approximately 462,000 in the last 12 months – an average decline of about 38,500 per month. Note that this number may be adjusted in the coming months as retroactive and backdated enrollments occur.

April enrollment by major eligibility category was: Covered Families and Children (CFC), 1.68 million; Group VIII Expansion, 805,455 and Aged, Blind and Disabled (ABD), 497,916.

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

### Property Tax Reimbursements

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. April reimbursements totaled \$449.9 million and were \$13.0 million (2.8%) below estimate. Year-to-date reimbursements totaled \$1.5 billion and were \$81.3 million (5.3%) below estimate. The monthly variance was due to the timing of county reimbursement requests and is expected to offset with larger disbursements in future months.

### 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.

April disbursements in this category totaled \$65.7 million and were \$22.1 million (25.2%) below the estimate. The majority of the variance in the category was in the Department of Development due to the timing of grants for local development projects. This was partially offset by spending in the Department of Agriculture, which was \$11.4 million over the estimated disbursement for April. This is primarily due to payments in the H2Ohio program going out later than anticipated.

## Primary and Secondary Education

This category contains GRF spending for the Ohio Department of Education and Workforce. April disbursements for this category totaled \$693.1 million and were \$16.9 million (2.4%) below the estimate. This variance was primarily attributable to below estimated disbursements for the foundation funding formula in the amount of \$6 million that offset positive variances in prior months. Additionally, the Pupil Transportation program was below estimate by \$4 million as a result of lower than projected statewide average costs per rider and costs per mile. Finally, contributing to the variance was a \$9.0 million payment for the School Lunch Match program that was not distributed in April as planned; this payment will instead go out in May.

Year-to-date disbursements total \$8.4 billion and are \$11.8 million (0.1%) below the estimate. On a year-over-year basis, disbursements in this category were \$74.5 million (12.0%) higher than for the same month in the previous fiscal year while year-to-date expenditures are \$867.4 million (11.5%) higher than 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.

April disbursements in this category totaled \$4.6 million and were \$6 million (-56.7%) below the estimate. This variance was primarily due to disbursements for the Ohio History Connection which were made in March instead of April as estimated. Year-to-date disbursements in this category total \$93.4 million and are \$4.2 million (-4.3%) below the estimate.

On a year-over-year basis, disbursements in this category were \$4.9 million (-51.5%) below the same month last fiscal year while year-to-date expenditures are \$12.8 million (15.9%) above the same point in FY 2023.

## Debt Service

April payments for debt service totaled \$65.7 million and were at estimate. Year-to-date disbursements in this category totaled \$1.2 billion and were \$8 million (-0.6%) below estimate.

## 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 child care, 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.

April disbursements in this category totaled \$133.4 million and were \$6.4 million (-4.6%) below the estimate. Year-to-date disbursements in this category total \$1.5 billion and are \$178.9 million (-10.4%) below the estimate. This variance was primarily due to below estimated spending by the Department of Mental Health and Addiction Services, and partially offset by spending by the Department of Job and Family Services. Federally required state maintenance of effort payments for TANF were \$15.1 million above the estimate due to the timing of payments related to TANF Child Care and quarterly TANF MOE payments. Previously, this category experienced underspending due to Cash Assistance vouchers paying at a lower percentage against TANF State/Maintenance of Effort than during the prior state fiscal year.

On a year-over-year basis, disbursements in this category were \$11.4 million (9.4%) higher than for the same month last fiscal year while year-to-date expenditures are \$113 million (7.9%) higher than at the same point in FY 2023.

## Higher Education

April disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled \$204 million and were \$2.9 million (1.4%) above the estimate. This variance was primarily attributable to spending in the War Orphans and Severely Disabled Veterans' Children and the National Guard Scholarship programs which were \$5.1 million above estimate due to higher-than-expected requests for reimbursement from higher education institutions. These are timing issues and do not impact the Department of Higher Education's mission or the recipients of these scholarship programs. Another significant source of the variance was the result of spending in the Higher Education Program Support line that was above estimate by \$2.4 million due to the MOU that was executed later than anticipated. This variance was partially offset by spending in the Choose Ohio First Scholarship and Ohio College Opportunity Grant scholarship programs which were \$4.2 million below estimate due to lower-than-expected requests for reimbursement from higher education institutions.

Year-to-date disbursements were \$2.2 billion, which was \$35.3 million (-1.6%) below the estimate. On a year-over-year basis, disbursements in this category were \$8.5 million (4.4%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$114.2 million (5.6%) higher than at the same point in FY 2023. The large year to date variance compared to 2023 is due to the significant increased investments in the State Share of Instruction and the Ohio College Opportunity Grant programs in the FY 2024 operating budget.

## Justice and Public Protection

This category includes non-debt service GRF expenditures made by the Department of Rehabilitation and Correction, the Department of Youth Services, the Attorney General, judicial agencies, and other justice-related entities. April disbursements in this category totaled \$269.4 million and were \$1 million (0.4%) above the estimate.

Year-to-date disbursements in this category total \$2.5 billion and are \$84.8 million (-3.3%) below the estimate. On a year-over-year basis, disbursements in this category were \$26.7 million (-9.0%) below the same month last fiscal year while year-to-date expenditures are \$201.5 million (8.7%) above 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 APRIL	ESTIMATED APRIL	\$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	\$ VAR	% VAR
Primary and Secondary Education	693,087	709,937	(16,850)	-2.4%	8,377,964	8,389,796	(11,832)	-0.1%
Higher Education	203,976	201,064	2,912	1.4%	2,166,777	2,202,041	(35,264)	-1.6%
Other Education	4,598	10,624	(6,026)	-56.7%	93,390	97,598	(4,208)	-4.3%
Medicaid	1,074,919	1,219,359	(144,440)	-11.8%	15,969,395	17,298,561	(1,329,167)	-7.7%
Health and Human Services	133,402	139,874	(6,472)	-4.6%	1,537,577	1,716,450	(178,872)	-10.4%
Justice and Public Protection	269,369	268,403	966	0.4%	2,517,883	2,602,639	(84,756)	-3.3%
General Government	65,662	87,731	(22,069)	-25.2%	1,112,775	1,207,744	(94,969)	-7.9%
Property Tax Reimbursements	449,860	462,886	(13,026)	-2.8%	1,456,405	1,537,737	(81,332)	-5.3%
Debt Service	92,737	92,739	(2)	0.0%	1,219,195	1,227,147	(7,952)	-0.6%
<b>Total Expenditures &amp; ISTV's</b>	<b>2,987,611</b>	<b>3,192,618</b>	<b>(205,007)</b>	<b>-6.4%</b>	<b>34,451,361</b>	<b>36,279,713</b>	<b>(1,828,352)</b>	<b>-5.0%</b>
<b>Transfers Out:</b>								
BSF Transfer Out	0	0	0	N/A	150,000	150,000	0	0.0%
Operating Transfer Out	210,224	0	210,224	N/A	6,644,830	5,447,298	1,197,532	22.0%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>210,224</b>	<b>0</b>	<b>210,224</b>	<b>N/A</b>	<b>6,794,830</b>	<b>5,597,298</b>	<b>1,197,532</b>	<b>21.4%</b>
<b>Total Fund Uses</b>	<b>3,197,835</b>	<b>3,192,618</b>	<b>5,217</b>	<b>0.2%</b>	<b>41,246,191</b>	<b>41,877,011</b>	<b>(630,820)</b>	<b>-1.5%</b>

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

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	APRIL FY 2024	APRIL FY 2023	\$ VAR	% VAR	ACTUAL FY 2024	ACTUAL FY 2023	\$ VAR	% VAR
Primary and Secondary Education	693,087	618,560	74,527	12.0%	8,377,964	7,510,587	867,377	11.5%
Higher Education	203,976	195,431	8,545	4.4%	2,166,777	2,052,617	114,160	5.6%
Other Education	4,598	9,479	(4,881)	-51.5%	93,390	80,553	12,837	15.9%
Medicaid	1,074,919	699,667	375,252	53.6%	15,969,395	15,393,230	576,164	3.7%
Health and Human Services	133,402	121,979	11,423	9.4%	1,537,577	1,424,618	112,959	7.9%
Justice and Public Protection	269,369	296,071	(26,701)	-9.0%	2,517,883	2,316,393	201,490	8.7%
General Government	65,662	86,962	(21,300)	-24.5%	1,112,775	490,645	622,130	126.8%
Property Tax Reimbursements	449,860	357,734	92,126	25.8%	1,456,405	1,330,794	125,611	9.4%
Debt Service	92,737	93,696	(959)	-1.0%	1,219,195	1,446,762	(227,567)	-15.7%
<b>Total Expenditures &amp; ISTV's</b>	<b>2,987,611</b>	<b>2,479,580</b>	<b>508,031</b>	<b>20.5%</b>	<b>34,451,361</b>	<b>32,046,199</b>	<b>2,405,162</b>	<b>7.5%</b>
<b>Transfers Out:</b>								
BSF Transfer	0	0	0	N/A	150,000	727,031	(577,031)	-79.4%
Operating Transfer Out	210,224	7,938	202,286	2,548.3%	6,644,830	1,532,639	5,112,191	333.6%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>210,224</b>	<b>7,938</b>	<b>202,286</b>	<b>2,548.3%</b>	<b>6,794,830</b>	<b>2,259,670</b>	<b>4,535,160</b>	<b>200.7%</b>
<b>Total Fund Uses</b>	<b>3,197,835</b>	<b>2,487,518</b>	<b>710,317</b>	<b>28.6%</b>	<b>41,246,191</b>	<b>34,305,869</b>	<b>6,940,322</b>	<b>20.2%</b>

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

<b>July 1, 2023, Beginning Cash Balance*</b>	<b>\$8,990,658.7</b>
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
<b>Total Sources Available for Expenditures &amp; Transfers</b>	<b>51,251,785.2</b>
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
<b>Total Estimated Uses</b>	<b>49,516,881.4</b>
<b>FY 2024 UNENCUMBERED ENDING FUND BALANCE***</b>	<b>\$1,734,903.8</b>

\*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.

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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 income 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>Unlinked Passenger Trips</b>	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.
<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.