

# State of Ohio Monthly Financial Report

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SEPTEMBER 10, 2024

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

From: Kimberly Murnieks, OBM Director



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# Spotlight on Results

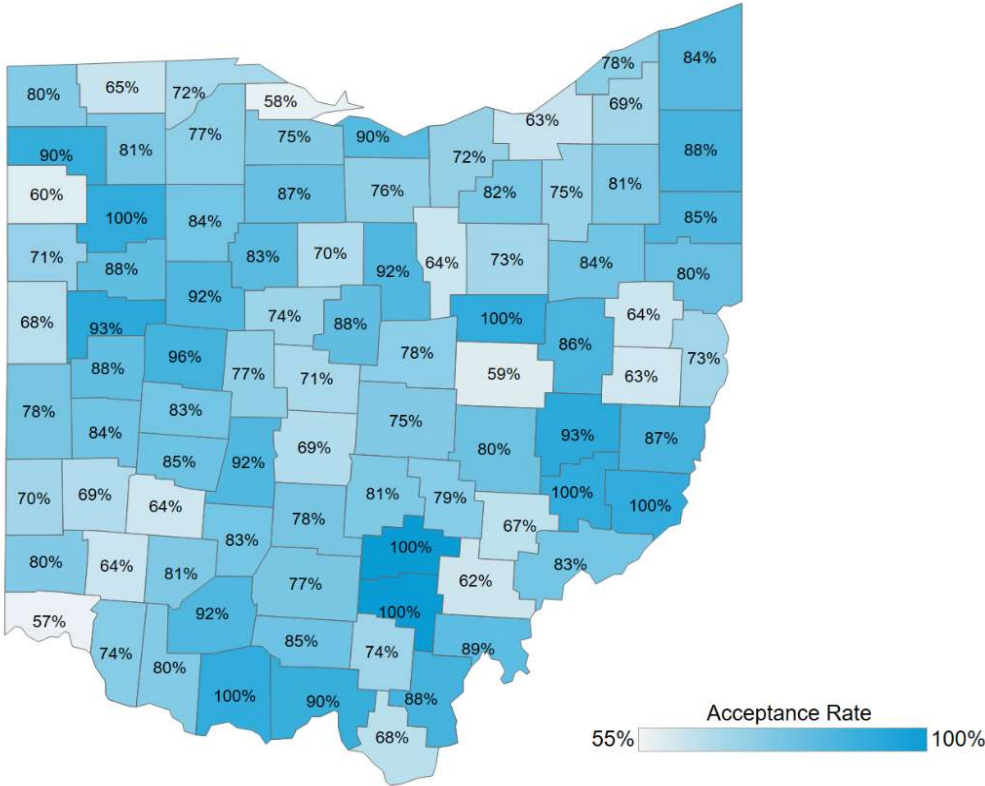
## Spotlighting: Governor’s Merit Scholarship Program

The Governor’s Merit Scholarship provides up to \$5,000 per year in financial assistance to students who are identified as graduating in the top five percent of their high school class to attend an Ohio college or university. The goal of this program is to encourage high-achieving high school graduates to remain in Ohio to pursue their postsecondary studies and contribute to Ohio’s expanding economic opportunities.

*“With so many world-class higher education institutions in Ohio, we want to encourage all students to stay in-state as they continue their education and transition into careers.”*  
Ohio Governor Mike DeWine

Ohio’s graduating high school class of 2024 included 6,200 students eligible for the Governor’s Merit Scholarship. Of these eligible students, 73.9 percent accepted the scholarship to attend an Ohio college or university beginning fall 2024. While three counties had scholarship acceptance rates between 55 and 59.9 percent, seven counties had acceptance rates of 100 percent.

**Governor’s Merit Scholarship Acceptance Rate**  
(For enrollment in fall 2024, by county)



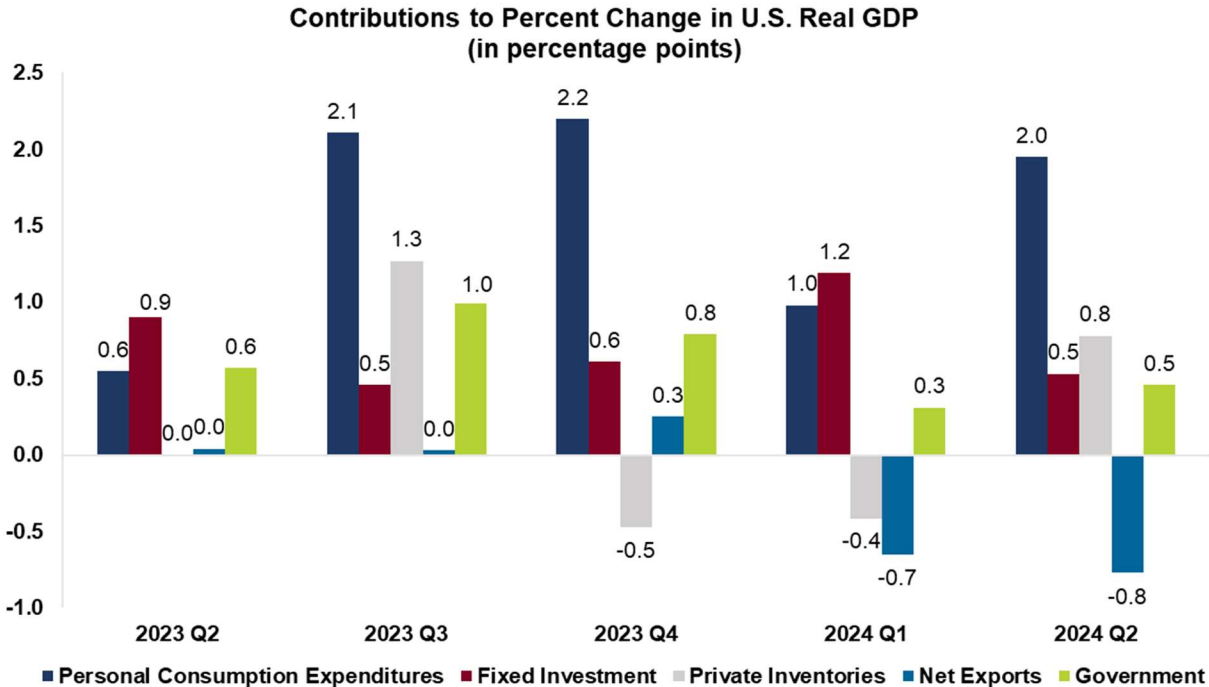
# Economic Activity

## Economic Outlook

According to the Bureau of Economic Analysis' second estimate, the nation's **Real Gross Domestic Product (GDP)** increased in the second quarter of calendar year 2024 at an annualized rate of three percent, a 0.2 percentage point increase from last month's advance estimate. This is the eighth consecutive quarter of growth.



The second quarter increase in real GDP resulted from growth in personal consumption expenditures (2 percentage points), private inventories (0.8 percentage point), fixed investment (0.5 percentage point), and government



expenditures (0.5 percentage point). These increases were partially offset by decreases in net exports (-0.8 percentage point). In July 2024, the Conference Board's **Leading Economic Index** decreased 0.6 percent to 100.4, after decreasing 0.2 percent in June. In the last six months, the Index decreased 2.1 percent. The Conference Board's Senior Manager of Business Cycle Indicators reported that although the Index continued to decline, the six-month contraction was smaller than in prior months. Poor consumer expectations of business conditions, fewer building permits, and fewer hours worked in manufacturing are drivers that lead the Conference Board to anticipate slower economic growth in the second half of the year.

The **Federal Reserve's Beige Book** evaluates current economic conditions across its 12 districts. According to the report released covering the August 2024 reporting period, economic activity in the Fourth District, which includes Ohio, declined slightly in recent weeks. Employment levels remained relatively stable for the reporting period, and on average firms expect to increase employment slightly over the coming months. Consumer spending decreased moderately during the reporting period, particularly for low-income and price-sensitive consumers, while demand for professional and business services continued to grow, and further near-term increases are expected. Both residential and nonresidential construction activity fell slightly as elevated mortgage rates and construction costs remained a deterrent and respondents reported declines in the number of projects available for bid.

The economic outlook remains strong, powered by ongoing resilience in the labor market and consistent GDP growth. While forecasters continue to caution that more moderate GDP readings may be on the horizon, employment growth have moderated recently and as vacancies continue to fall, the labor market seems close to finding its new equilibrium. Recent statements from policy makers at the Federal Reserve indicate that the Committee may begin to shift to a less restrictive policy as soon as the September meeting.

### Economic Forecasts

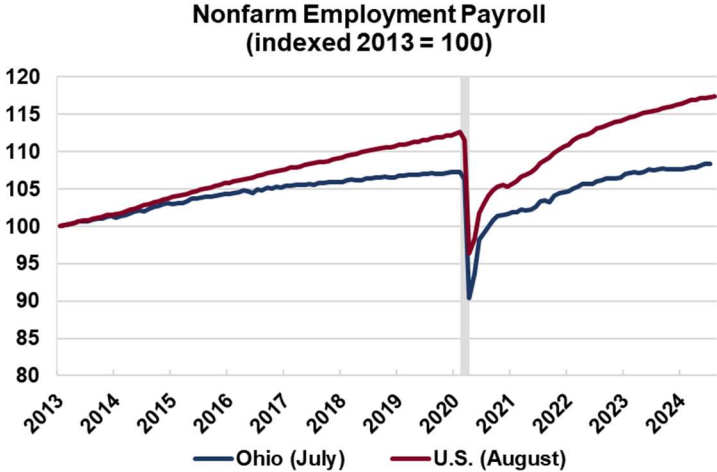
Source	Date	3rd Quarter 2024 Annualized GDP Forecast
Federal Reserve Bank of Atlanta (GDPNow)	09/04/2024	2.1%
IHS Markit GDP Tracker	09/03/2024	2.0%
Federal Reserve Bank of New York (Nowcast)	08/30/2024	2.5%
Conference Board	08/14/2024	0.6%
Federal Reserve Bank of Philadelphia (Quarterly Survey of Professional Forecasters)	08/09/2024	1.9%
Wells Fargo	08/07/2024	1.6%



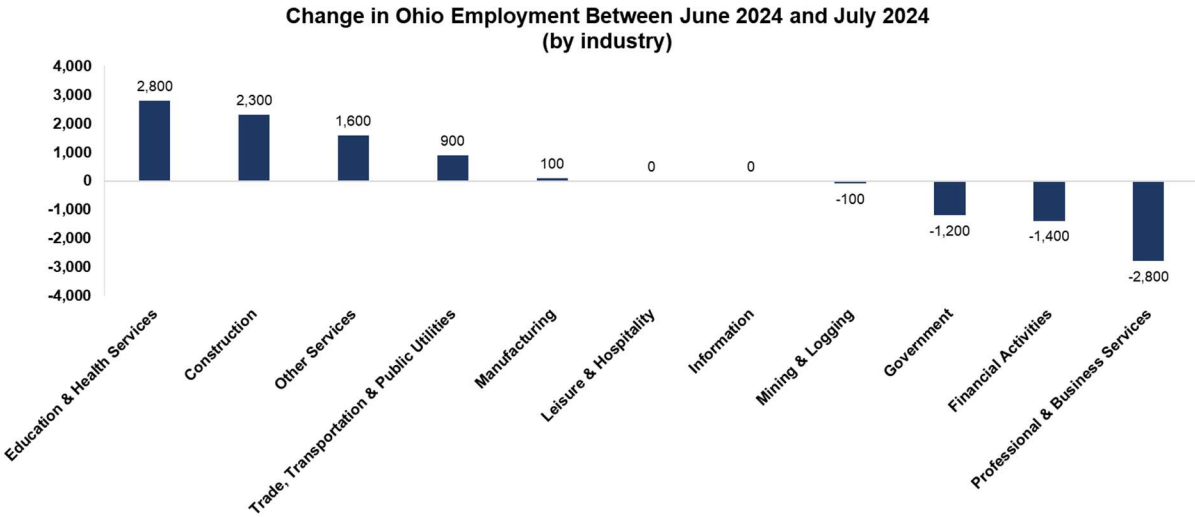
## Ohio Labor Market

**Ohio’s nonfarm payroll employment** increased by an estimated 2,200 jobs between June and July 2024 to 5.7 million. With this increase, nonfarm employment is 0.8 percentage point above levels in July 2023.

In Ohio, education and health services, construction, and other services, had the largest increases in employment. These gains were partially offset by decreases in the professional and business services and financial activities industries in July.



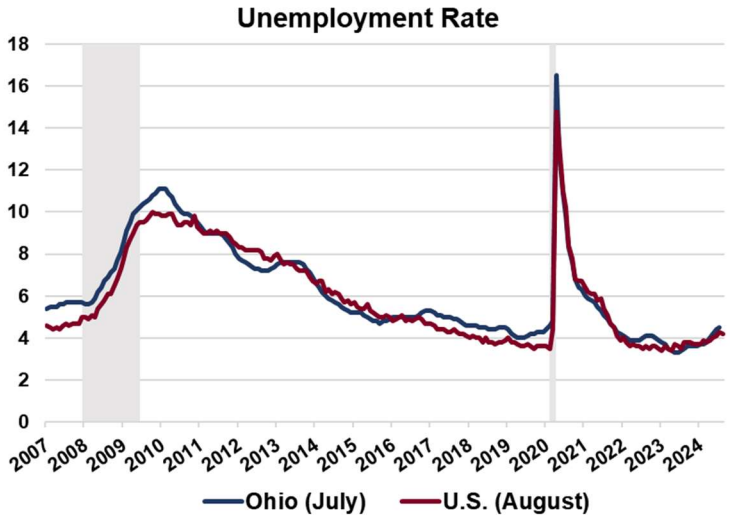
Source: Bureau of Labor Statistics



Source: Bureau of Labor Statistics

Ohio’s seasonally adjusted **labor force participation rate** in July 2024 was 62.3 percent, a 0.2 percentage point increase from June. The seasonally adjusted **employment-population ratio** was 59.5 in July 2024, a 0.1 percentage point increase from June 2024.





Source: Bureau of Labor Statistics through FRED

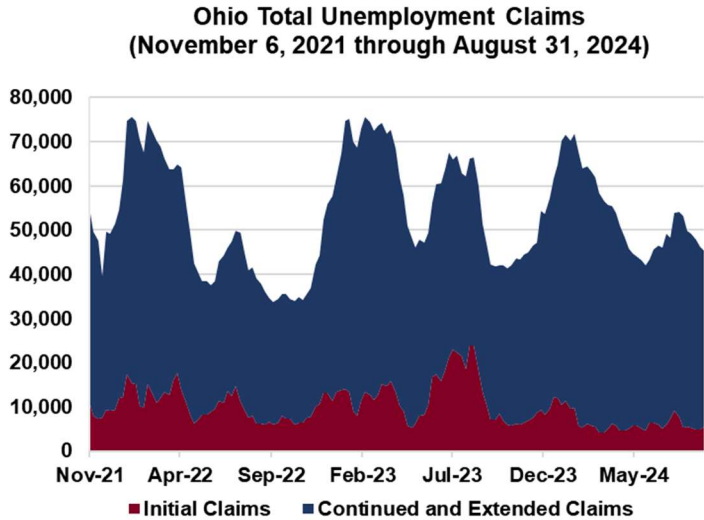
The **Ohio unemployment rate** in July 2024 was 4.5 percent, a 0.1 percentage point increase from June 2024’s revised rate and 0.2 percentage point above the national rate at that time.

In July 2024, **initial unemployment claims** increased 45.5 percent for men and 22.7 percent for women compared to June 2024.

Compared to June, initial claims filed in July decreased for those who identified as Hispanic

(9.2%). Increases in initial claims were seen for individuals who identified as White (22.5%), Black (68.6%), American Indian (48.8%), Asian/Pacific Islander (25.3%), and Not Specified (35.3%).

During the week ending August 31, 2024, individuals filed a total of 5,610 initial unemployment claims, a 16.9 percent increase from the previous week. Individuals filing **continued and extended claims** during the same week totaled 39,845 claims, a 4.2 percent decrease from the prior week.



Source: Ohio Department of Job and Family Services

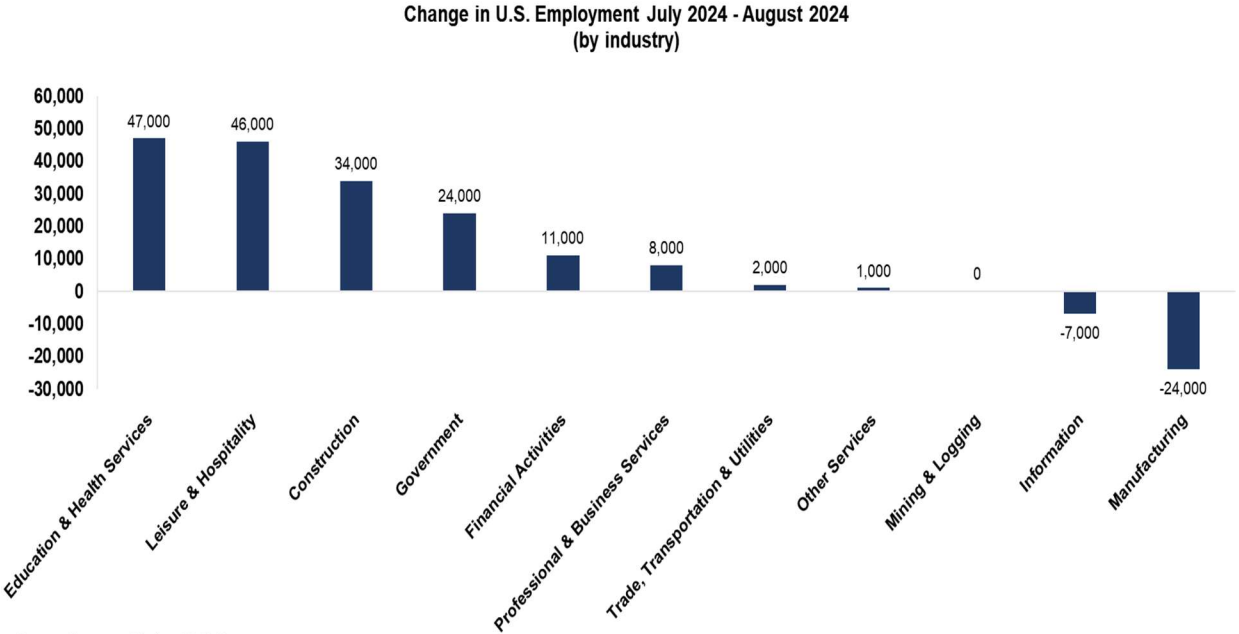




## U.S. Labor Market

**U.S. nonfarm payroll employment** increased by an estimated 142,000 jobs in August. Growth in employment was seen across multiple industries, with education and health services, leisure and hospitality, construction, and government experiencing the largest gains. These gains were partially offset by employment losses in manufacturing.

**142,000**  
Jobs Added



The **U.S. labor force participation rate** was unchanged between July and August at 62.7 percent. The **U.S. employment-population ratio** was also unchanged from July at 60 percent. The labor force participation rate was 0.1 percentage point lower and the employment-population ratio was 0.4 percentage point lower than in August 2023.

The **U.S. unemployment rate** decreased 0.1 percentage point in August 2024 to 4.2 percent while the number of unemployed individuals decreased by 48,000 to 7.1 million. Between July and August 2024, the unemployment rate was unchanged for individuals who identified as White. Individuals who identified as Asian (0.4 percentage point), or Hispanic (0.2 percentage point) experienced increases in unemployment rate in August, while individuals who identified as Black experienced a 0.2 percentage point decrease. The unemployment rate was unchanged for both men and women between July and August 2024, at 4.4 percent and 4.1 percent, respectively.



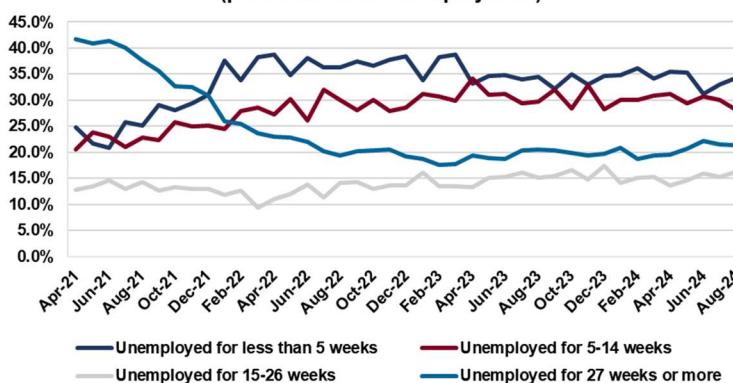
### Unemployment Rates by Demographic Group

	June-2024	Jul-2024	Aug-2024
Women	4.0%	4.1%	4.1%
Men	4.1%	4.4%	4.4%
Black	6.3%	6.3%	6.1%
White	3.5%	3.8%	3.8%
Asian	4.1%	3.7%	4.1%
Hispanic	4.9%	5.3%	5.5%

In August 2024, 34.7 percent of unemployed individuals in the nation were unemployed for less than 5 weeks, a 5 percent increase from July.

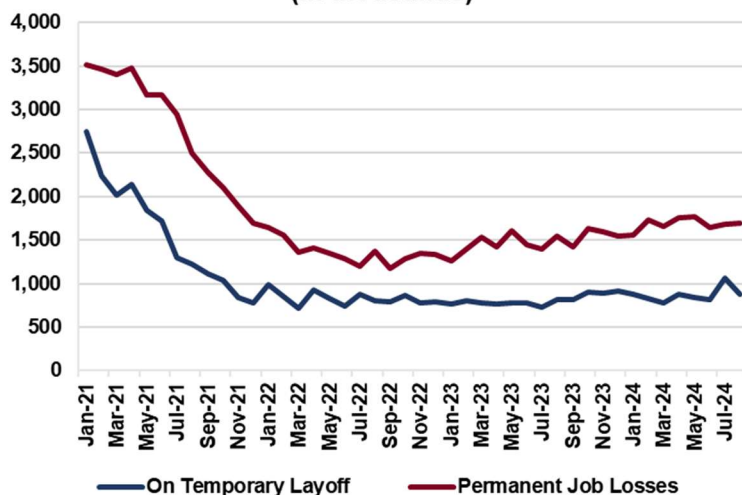
The number of **people not in the labor force who currently want a job** increased by 37,000 (0.7%) to 5.6 million people in August.

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



Source: Bureau of Labor Statistics

U.S. Total Job Losses (in thousands)



Source: Bureau of Labor Statistics

The number of unemployed people who were on **temporary layoff** decreased by 17.9 percent to 872,000 in August 2024.

The number of people with **permanent job losses** increased by 0.4 percent in August to 1.7 million people.



## Consumer Income and Consumption

# \$24.0 Trillion

**Personal income** increased by \$75.1 billion (0.3%) in July 2024 to \$24.0 trillion. The gains in July were primarily due to increases in wages and salaries of \$43 billion (0.3%).

**Personal consumption expenditures** increased by \$103.8 billion (0.5%) between June and July 2024. Overall spending on goods increased by 0.7 percent in July. Spending on durable goods increased 1.7 percent, driven by a 4.1 percent increase in motor vehicle and parts spending. Spending on nondurable goods increased 0.2 percent, driven by increased spending on clothing and footwear (0.6%) and gasoline and other energy goods (0.1%). Spending on services increased 0.2 percent in July 2024, driven by increased spending on recreation services (0.4%) and transportation services (0.3%).

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

	June 2024	July 2024	1-Month Percent Change	12- Month Percent Change	24-Month Percent Change
<b>Durable Goods</b>	\$2,086,250	\$2,121,480	1.7%	3.4%	8.4%
Motor vehicles and parts	\$576,239	\$599,808	4.1%	0.2%	7.0%
Furnishings and durable household equipment	\$435,724	\$438,996	0.8%	4.3%	6.3%
Recreational goods and vehicles	\$830,779	\$833,239	0.3%	5.4%	13.5%
Other durable goods	\$291,337	\$293,440	0.7%	6.1%	4.3%
<b>Nondurable Goods</b>	\$3,413,579	\$3,421,720	0.2%	1.7%	3.6%
Clothing and footwear	\$1,165,562	\$1,172,685	0.6%	1.5%	1.2%
Gasoline and other energy goods	\$510,258	\$510,658	0.1%	2.1%	3.3%
Other nondurable goods	\$321,846	\$321,669	-0.1%	0.9%	6.4%
<b>Services</b>	\$10,346,874	\$10,367,793	0.2%	2.9%	5.3%
Transportation services	\$484,854	\$486,345	0.3%	4.5%	4.9%
Housing and utilities	\$2,591,637	\$2,596,336	0.2%	1.1%	1.8%
Food services and accommodations	\$1,067,239	\$1,069,955	0.3%	1.6%	4.9%
Financial services and insurance	\$1,064,369	\$1,065,174	0.1%	0.3%	3.2%

*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.*

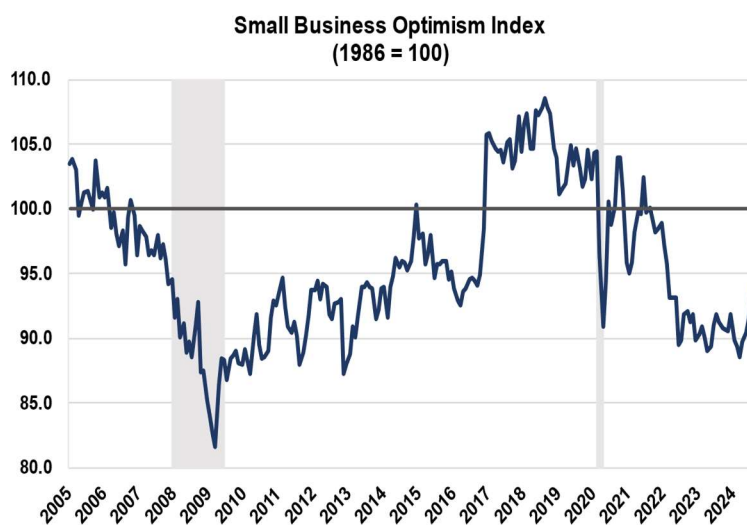
*Source: Bureau of Economic Analysis, Table 2.8.6 Real Personal Consumption Expenditures by Major Type of Product*



**Personal saving** totaled \$598.8 billion in July 2024, a 7.5 percent decrease compared to June’s revised level and was 32.7 percent below the July 2023 level. The **personal saving rate** was 2.9 percent in July 2024, a decrease of 0.2 percentage point from June 2024.

The **Consumer Price Index for All Urban Consumers** (CPI) increased (0.2%) in July 2024 compared to June 2024, after a 0.1 percent decrease between May and June. The “all items” index increased 2.9 percent over the last year. Compared to June, price increases in July were primarily concentrated in shelter (0.4%) and food (0.2%), while energy prices were unchanged.

Both consumer opinion surveys reported incremental changes in confidence in July 2024. Respondents in the University of Michigan’s **Survey of Consumers** reported a slight increase (1.5 points) in consumer sentiment to 67.9 in August compared to July. In the Michigan survey, consumer attitudes toward the economy were guarded, particularly among low-income consumers amid the burden of higher prices. The Conference Board’s **Consumer Confidence Index** increased by 1.4 percentage points to 103.3 in August, up from a revised 101.9 in July. Despite the modest increase in July, the Index continues to stay within the same relatively narrow range that it’s held for two years. Although consumers seem relatively positive about the labor market, concerns about prices, interest rates, and uncertainty about the future remain.



Source: NFIB

The **Small Business Optimism Index** increased 2.2 percentage points to 93.7 in July, the 31<sup>st</sup> consecutive month the index was below 98, the 50-year average. Inflation remained the top concern of 25 percent of small business owners, up four points from June. Thirty-eight percent of small business owners reported job openings that they could not fill in July, up one point from June.

## 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 4.5 million unlinked passenger trips in August 2024. This was 35.8 percent above July 2024 ridership levels, and two percent above August 2023 ridership levels.

Nationally, 79 million travelers went through TSA checkpoints in August. Average airline checkpoint traffic decreased 5.2 percent in August compared to July. **Total travel throughput** in August 2024 was 5.4 percent higher than in August 2023.

In the U.S., the **hotel occupancy rate** was 66.1 percent for the week ending August 24, 2024, 1.7 percent higher than the comparable week in 2023. The **average daily rate** for a hotel room was \$154.80, a 2.7 percent increase from 2023. **Revenue per available room** was \$102.30, 4.5 percent higher than in the same week in 2023.

## Industrial Activity

According to data from the Board of Governors of the Federal Reserve System, **total industrial production** decreased 0.6 percent between June and July 2024 and was 0.2 percent above July 2023.

The **Manufacturing Production Index** decreased 0.3 percent in July 2024 to 99.5 and was 0.1 percent higher than July 2023. The decline in manufacturing output was largely driven by the production of motor vehicles and parts which fell 7.8 percent; excluding motor vehicles and parts production, the manufacturing index rose 0.3 percent. Nationally, manufacturing in six of Ohio's top 10 industries increased production between June and July 2024. Increases in production were led by petroleum and coal (1.7%), machinery (1.4%), and primary metals (1.3%).

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

Manufacturing Sector	Percent Change May 2024 and June 2024	Percent Change June 2024 and July 2024	Percent Change July 2023 and July 2024
Aerospace and Other Transportation Equipment	1.2%	0.4%	3.2%
Chemicals	0.1%	0.5%	2.5%
Electrical Equipment	2.1%	-0.7%	0.8%
Fabricated Metal Products	-1.0%	-0.7%	-1.5%
Food Beverage and Tobacco Products	0.7%	-0.5%	0.1%
Machinery	-1.5%	1.4%	-0.9%
Motor Vehicles and Parts	0.3%	-7.8%	-9.4%
Petroleum and Coal	0.7%	1.7%	6.5%
Plastics and Rubber Products	0.0%	0.7%	-0.2%
Primary Metals	-3.7%	1.3%	-0.6%

In August 2024, the Institute for Supply Management reported the **Purchasing Managers Index** (PMI) for the United States was 47.2 percent, an increase of 0.4 percentage points from July's reading. This is the fifth consecutive month that the Index indicated a contraction of the manufacturing economy.





Source: Institute for Supply Management

Across the nation, five of the 16 industries tracked by ISM increased production in August. Of those industries with a large presence in Ohio, the manufacturing of primary metals, petroleum and coal products and food, beverage and tobacco products increased the most, whereas plastics and rubber products, electrical equipment products, and fabricated metal products experienced the largest declines.

According to the chair of the survey committee, contraction of the manufacturing industry has started to wane. However, anecdotal evidence from nationwide purchasing and supply executives surveyed by the Institute for Supply Management (ISM) suggests that demand is scaling back across many industries.

*“A noticeable slowdown in business activity. ... Previous optimism about future growth has been dashed.” [Chemical Products]*

*“Our order levels are on a slow, steady decline; it looks like the trend will continue through the end of the year.” [Fabricated Metal Products]*

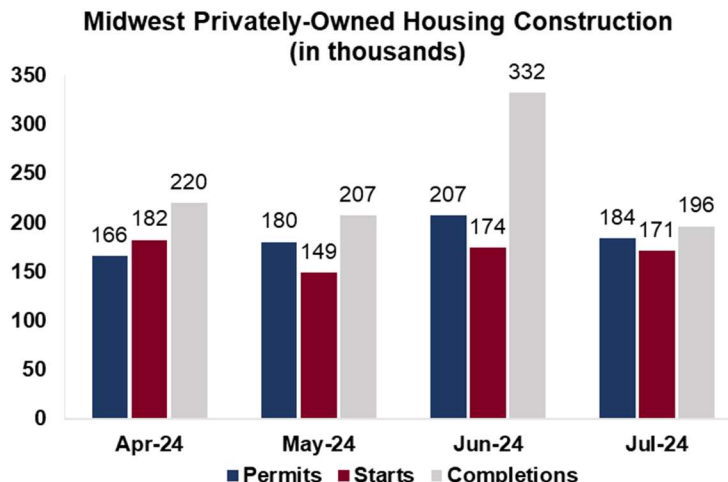
## Ohio and Midwest Construction and Housing Market

In Ohio, **building permits** for privately-owned housing units decreased 9.6 percent between June and July 2024 and were 18 percent above the number of permits issued in July 2023.



Privately-owned housing starts in the Midwest decreased 1.7 percent between June and July 2024 and were 1.7 percent below July 2023 levels.

In July 2024, privately-owned housing completions in the Midwest decreased 41 percent compared to June 2024 and were 5.3 percent below July 2023.



Source: U.S. Census Bureau through FRED

New home sales in the Midwest increased 9.9 percent between June and July 2024 to 89,000 units and were 17.1 percent above July 2023.

In July 2024, 12,521 homes sold in Ohio, a 6.9 percent increase from July 2023. The average sales price in Ohio was \$304,802, a 6.4 percent increase compared to July 2023. The president of Ohio REALTORS reported that overall, the sales data continue to show that Ohio’s housing market remains strong and demonstrates an increase in confidence and stability within Ohio’s housing sector.



Source: National Association of Home Builders

The **Housing Market Index** in the Midwest was unchanged from July to August 2024 at 39, which was the same at the national level. The national index fell two points in August compared to July.



## U.S. Construction and Housing Market

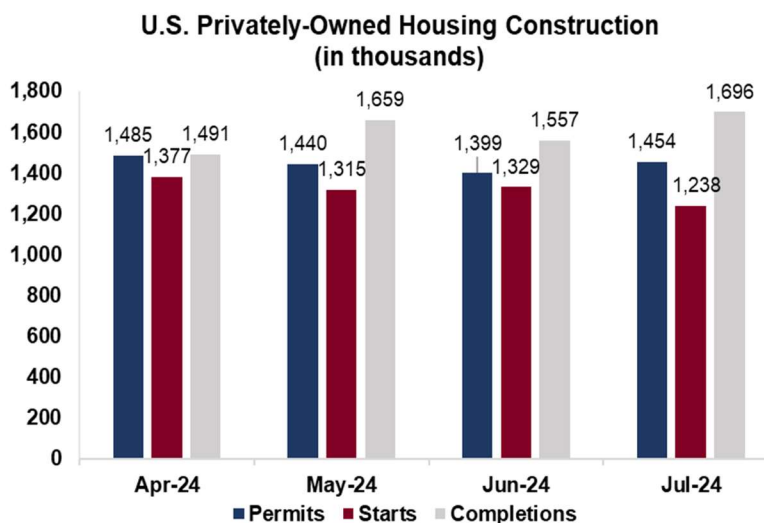
The U.S. Census Bureau reported **total construction spending** in July at a seasonally adjusted rate of \$2.2 trillion, a 0.3 percentage point decrease from the revised June estimate. The July 2024 spending estimate was 6.7 percent above spending in July 2023.

Public sector construction spending increased an estimated 0.4 percentage point in July 2024 compared to the revised July estimate, bringing the seasonally adjusted annual total to \$484 billion. Public spending on nonresidential construction increased 0.2 percent from June's revised estimate to \$472.6 billion in July 2024 and was 8.2 percent above July 2023 levels.

Private sector construction spending decreased 0.4 percent between June and July 2024 at a seasonally adjusted annual total of \$1.7 trillion and was 6.3 percent above July 2023 levels. Private residential construction in July was 0.4 percent below June's revised level and was 7.7 percent above July 2023's spending. Private nonresidential construction decreased by 0.4 percent in July 2024 compared to June 2024 and was 4.5 percent above July 2023.

In the U.S., the number of **building permits** issued for privately-owned housing units decreased 3.3 percent between June and July 2024 and was 6.3 percent below the number of permits issued in July 2023.

Nationally, privately-owned housing starts decreased 6.8 percent between June and July 2024 and were 16.0 percent below July 2023 levels.



Source: U.S. Census Bureau through FRED

In July, **newly built single-family home sales** decreased by 9.8 percent compared to June and were 13.8 percent above sales in July 2023. The national median sales price in July 2024 was \$429,800, a 3.1 percent increase compared to the revised June median sales price and was 1.4 percent lower compared to July 2023.

According to the National Association of Realtors, **existing home sales** increased 1.3 percent between June and July 2024 to an annual rate of 3.95 million housing units. Sales in July 2024 decreased 2.5 percent compared to July 2023. The median sale price of all existing homes increased 4.2 percent from a year ago to \$422,600. Available inventory in July totaled 1.3 million units, a 0.8 percent increase compared to June 2024 and a 19.8 percent increase compared to July 2023's inventory level.



## Revenues

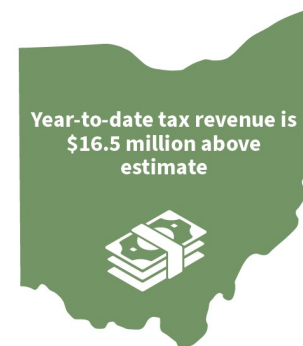
*As referenced in the August Monthly Financial Report, the Office of Budget and Management (OBM) completed an analysis of the FY 2025 revenue forecast. As part of this analysis, OBM reviewed actual revenues generated during the first fiscal year of the FY 2024-2025 biennium and anticipated economic performance during FY 2025. During FY 2024, tax receipts totaled \$27.9 billion and were \$484.7 million (-1.7%) below estimate. Personal income tax accounted for \$457.8 million of that variance. As a result, OBM revised the FY 2025 revenue estimates that were developed in June 2023, when the current operating budget was enacted.*

*The revised FY 2025 estimates assume total GRF tax revenues of \$27.6 billion. Total GRF tax revenues in FY 2025 are estimated to be slightly lower than FY 2024 actual receipts, declining by \$348.3 million (-1.2%). The revised FY 2025 estimates also include positive updates to non-tax categories, notably to Investment Earnings and Other Income.*

*Adjustments to FY 2025 revenue estimates were completed in August. Due to this timing, July estimates were set equal to that month's actual revenues, as reflected in last month's report. FY 2025 monthly estimates are used beginning with August revenues and are presented following the GRF Fund Balance (Table 5) at the conclusion of this month's report.*

Total GRF tax revenues in August exceeded estimate by \$16.5 million (0.6%). Major tax sources generally performed above their estimates, led by the income tax with a \$9.6 million (1.2%) positive variance. Tax revenues were \$89.5 million (-3.4%) below last August, as continuing implementation of enacted tax policy changes have a transitory impact on year-over-year comparisons.

GRF sources for August totaled \$4.1 billion and were \$79.9 million (-1.9%) below the estimate. As noted above, tax revenues were \$16.5 million (0.6%) above the estimate. Non-tax revenues were \$96.5 million (-6.1%) below the estimate while transfers were \$97,000 above the estimate. For the year-to-date, tax revenues and transfers are above the estimate and non-tax revenues are below estimate.



**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	\$ 16.5	0.4%
Non-Tax Receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	\$ (96.5)	-2.9%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	\$ 0.1	N/A
<b>Total Receipts and Transfer Variance</b>		<b>\$ (79.9)</b>	<b>-1.0%</b>
<b>Non-Federal Receipts and Transfer Variance</b>		<b>\$ 15.9</b>	<b>0.3%</b>
<b>Federal Grants Variance</b>		<b>\$ (95.9)</b>	<b>-3.0%</b>



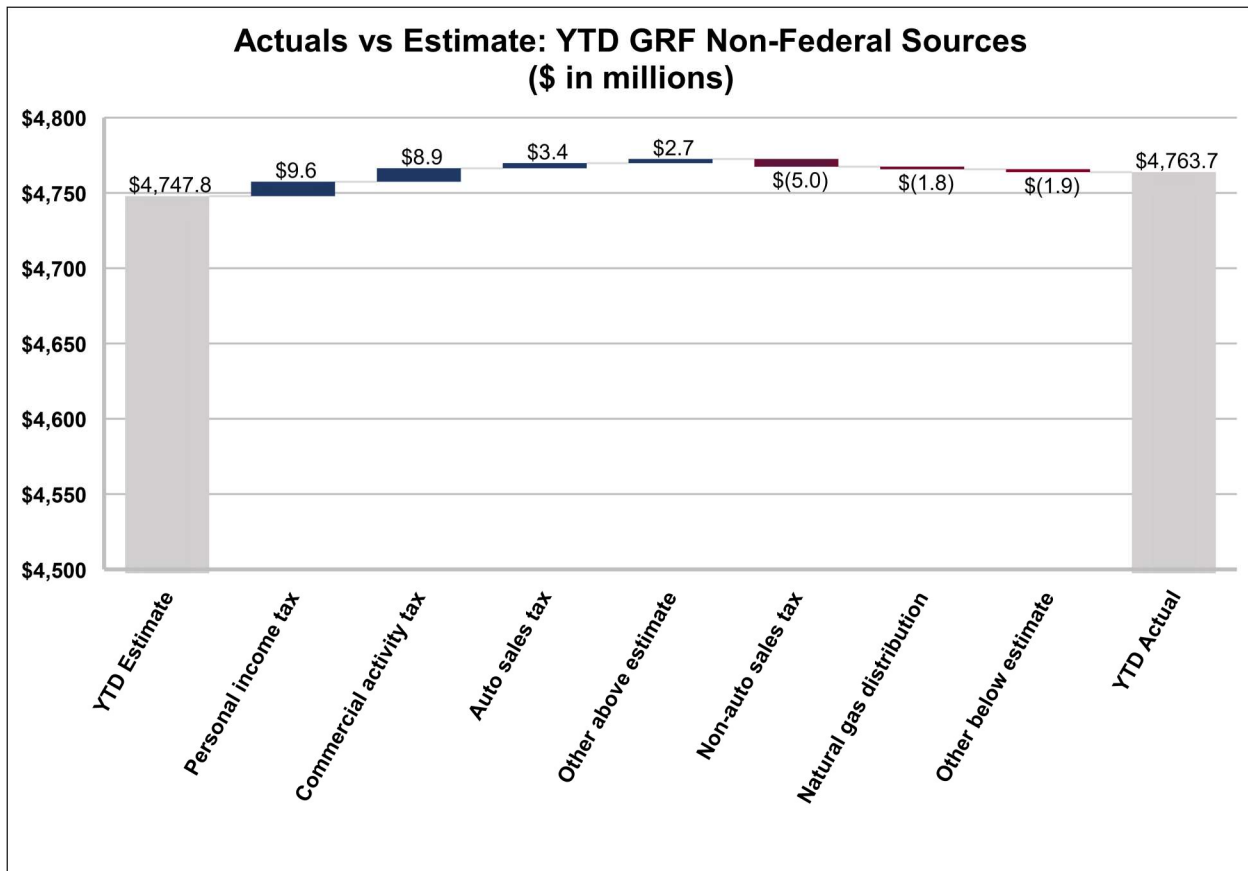
The following table shows that in August, the negative variances from estimate (\$104.5 million) exceeded the positive variances (\$24.6 million), resulting in a net negative variance from the estimate of \$79.9 million.

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

Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Personal Income Tax	\$ 9.6	Federal Grants	\$ (95.9)
Commercial Activity Tax	\$ 8.9	Non-Auto Sales Tax	\$ (5.0)
Auto Sales Tax	\$ 3.4	Natural Gas Distribution Tax	\$ (1.8)
Alcoholic Beverage Tax	\$ 1.0	Other revenue sources below estimate	\$ (1.9)
Other revenue sources above estimate	\$ 1.7		
<b>Total Above</b>	<b>\$ 24.6</b>	<b>Total Below</b>	<b>\$ (104.5)</b>

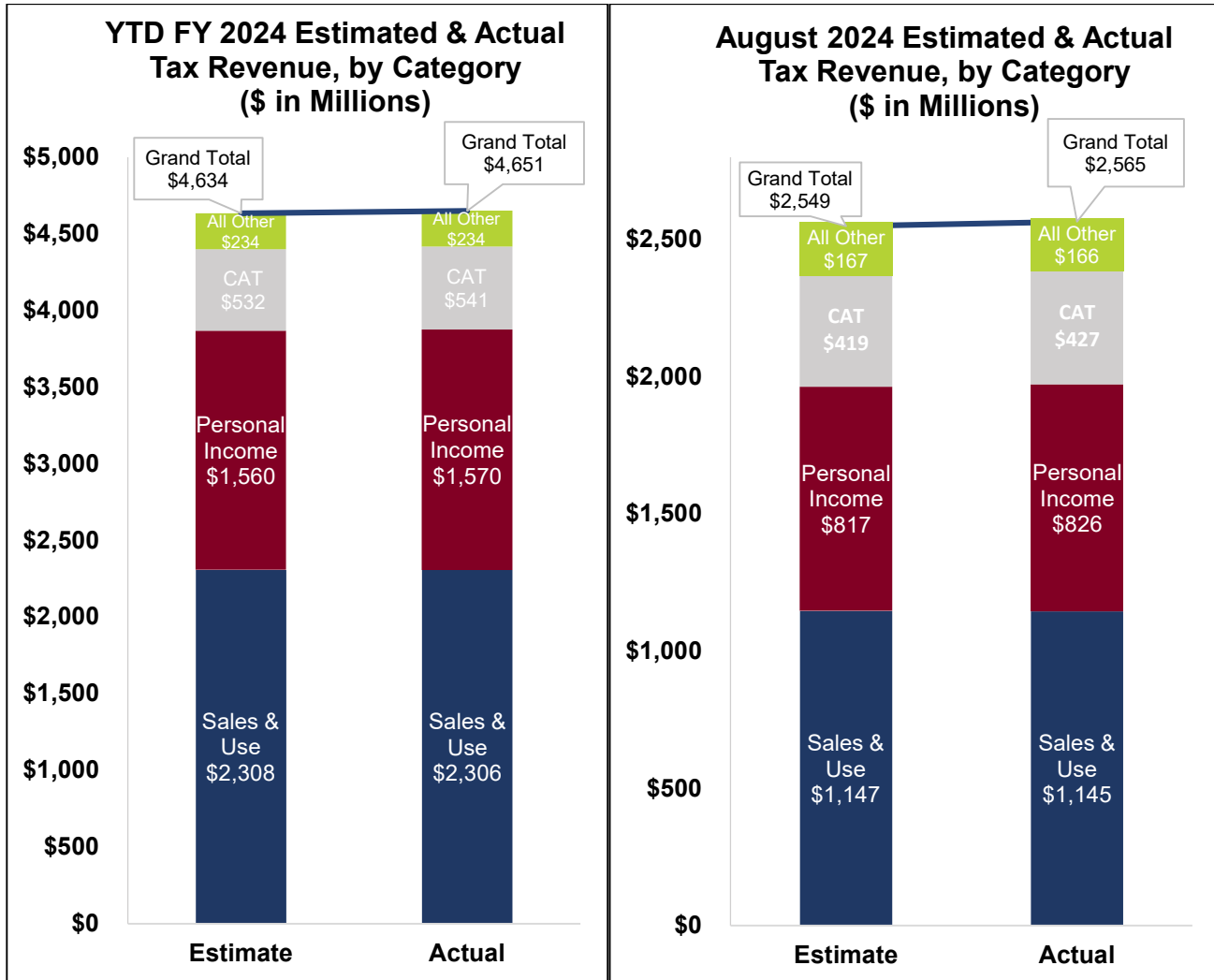
*Note: Due to rounding of individual sources, the combined sum of sources above and below estimate may differ slightly from the total variance.*





The preceding chart shows how various sources have contributed to the variance between actual and estimated non-federal revenues and transfers through August 2024. There is a \$15.9 million difference between actual and forecasted non-federal revenues.

The following chart shows estimated and actual GRF tax revenues for the year and for August 2024, categorized by tax source. Sales and use tax revenues account for 49.6 percent of total tax revenues for the fiscal year to date.



In August, total receipts and transfers decreased by \$50.7 million (-1.2%) compared to last year. Tax revenues decreased \$89.5 million (-3.4%), while non-tax revenues increased \$39.1 million (2.7%) and transfers decreased \$301,000 (-75.6%). Year-to-date, tax receipts are \$79.5 million (-1.7%) below last year, and non-tax receipts are \$22 million (0.7%) above last year. On a year-to-date basis, transfers are \$302,000 (-75.7%) below last year.



The source with the largest year-over-year dollar increase in August was federal grants at \$49.8 million (3.7%), followed by kilowatt-hour tax at \$5.4 million (18.7%), auto sales tax at \$3.9 million (2.1%), and public utility excise tax at \$3.2 million (7.9%). The largest decreases were in personal income tax at \$35.6 million (-4.1%), commercial activity tax at \$35.5 million (-7.7%), and non-auto sales tax at \$24 million (-2.5%). The largest year-to-date increases are in federal grants at \$33.7 million (1.1%), followed by auto sales tax at \$13.8 million (4.1%), and kilowatt-hour tax at \$10.6 million (22.4%). The largest year-to-date decreases are in non-auto sales tax at \$38.2 million (-1.9%), commercial activity tax at \$38.1 million (-6.6%), and personal income tax at \$34 million (-2.1%).

## Non-Auto Sales Tax

For August, GRF non-auto sales and use tax collections totaled \$952.2 million, which is \$5 million (-0.5%) below the estimate. Year-to-date revenue is \$5 million (-0.3%) above the estimate. August revenue for this category was \$24 million (-2.5%) below last year, and year-to-date revenue is \$38.2 million (-1.9%) below last year.

Collections for the year to date would have been larger if not for unusually elevated July refund payments, amounting to \$37.2 million. In comparison, July refunds averaged \$8.2 million across four of the preceding five years (FY 2020, 2021, 2022, and 2024); only those refunds paid in July 2022 exceeded the July 2024 level. If July 2024 refunds had been \$8.2 million, year-to-date revenues would have decreased 0.5 percent from the prior year.

The latest data from the U.S. Census Bureau's Advance Monthly Retail Trade Survey (MARTS) program shows mild year-over-year growth in July. Focusing on establishments 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 5.8 percent increase in national sales, not seasonally adjusted, during July 2024. In June and May, year-over-year growth was 1.5 percent and 3.3 percent, respectively. By comparison, Ohio's non-auto GRF sales tax revenue increased by 0.5 percent in July, 1.2 percent in June, and 2.4 percent in May.

The MARTS data show continuing growth in recent month-over-month sales performance. On a seasonally adjusted basis, July 2024 sales for the retail categories listed above were 0.3 percent higher than June, following a 1.2 percent increase in June from May, and a 0.3 percent increase in May from April.

## Auto Sales Tax

August auto sales tax revenues were \$193.1 million, which is \$3.4 million (1.8%) above estimate. Year-to-date revenues are \$3.4 million (1%) above the estimate. Revenues were \$3.9 million (2.1%) above last August and are \$13.8 million (4.1%) above last year on a year-to-date basis.



Collections during the two preceding months were apparently distorted by the effects of the CDK Global cyberattack in mid-June. That month's collections declined by a significant amount from the previous year, in the wake of the cyberattack. July appears to have reflected a recovery, as dealers began to catch up in completing sales transactions delayed in June. As of August, auto sales collections no longer appear to be materially impacted by the cyberattack.

Economic indicators provide some national context for the auto sales tax. According to the U.S. Department of Commerce's Bureau of Economic Analysis, August 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 15.3 million units. August sales were down 4.5 percent from July and down 1.1 percent from a year ago. On an unadjusted basis, light vehicle unit sales in August were at 1.42 million units. This is 11.2 percent above the previous month and 7.6 percent above last August.

While transaction prices for new vehicles remain high, price growth for the nation slowed significantly in calendar year 2023; since then, prices have experienced a modest decline. The latest release of the Consumer Price Index for All Urban Consumers (CPI-U) data from the U.S. Bureau of Labor Statistics shows a 0.2 percent month-over-month decrease in July, representing the sixth consecutive monthly decline. Recent year-over-year price changes show a downturn. The CPI-U for new motor vehicles in July 2024 was down one percent from July 2023, marking the fifth consecutive month of annual price declines. Until March of this year, there have been no year-over-year declines since June 2020. Despite a large price slowdown in 2023 and reductions during 2024, new vehicle prices remain significantly above pre-pandemic levels, with the CPI-U for new motor vehicles being 19.1 percent higher than in February 2020.

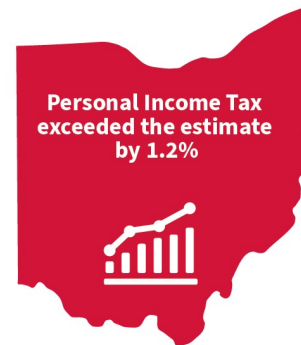
Turning to national used vehicle data, July 2024 retail sales were at 1.64 million units according to data reported by Cox Automotive. The CDK Global cyberattack suppressed the prior month's results, but July reflects a catch-up. The July sales figure is 16.5 percent higher than July 2023 and 27.6 percent above the prior month. Retail unit sales during the first seven months of this calendar year are 3.3 percent higher than the previous year.

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, is 4.8 percent lower in July 2024 than the preceding July; the Index is 15.3 percent below March 2023

when prices attained their most recent peak. Retail prices tend to move in the same direction as wholesale prices but with a lag. The July CPI-U for used vehicles is down 12.1 percent from its peak in May 2023. However, used-vehicle prices remain significantly higher than pre-pandemic levels, with the July 2024 CPI-U index being 25.3 percent higher than in January 2020.

## Personal Income Tax

August GRF personal income tax receipts totaled \$826.3 million, which is \$9.6 million (1.2%) above the estimate. Year-to-date revenue is \$9.6 million (0.6%) above the estimate. On a year-over-year basis, August income tax collections are down \$35.6 million (-4.1%). Year-to-date revenue is \$34 million (-2.1%) lower than last year.



The FY 2024-2025 operating budget bill enacted income tax bracket and rate reductions, which took effect in taxable year 2023 with additional rate reductions in taxable year 2024 that achieve full phase-in. These tax law changes first impacted income tax collections and refunds during the tax return filing season that commenced in January 2024. An accompanying change involves two stages of reductions in employer withholding tax rates. The first stage took effect in November 2023; although rate reductions varied across withholding brackets, the change was estimated to result in an 8.9 percent drop in the average effective withholding tax rate. The second stage occurred in July 2024. With this second reduction in tax rates, the cumulative estimated decrease from the pre-November 2023 average withholding rate is 12.5 percent.

Employer withholding had solid performance in August. For the month, withholding collections totaled \$870.7 million and were \$11.1 million (1.3%) above the estimate. For the fiscal year-to-date, this component is 0.6% above estimate. Collections were \$72.5 million (-7.7%) below last August and are \$63.8 million (-3.6%) below last year for the fiscal year. Considering the withholding rate reduction that has taken effect since last year and the fact there was one less business day this August than last year, the month demonstrated very respectable year-over-year growth. Year-to-date collections growth is also vibrant.

Estimated taxes paid by pass-through entities (PTEs) amounted to \$9.6 million in August, \$4.3 million (-30.8%) below estimate. Year-to-date collections amount to \$65.4 million, 6.1 percent below the estimate, and representing a \$10.3 million (-13.6%) decrease from the prior year. September will be a more significant collections month than August, as payments for the third quarterly estimated tax return are due.

Annual tax return payments made by PTEs amounted to \$9.1 million in August, which was \$1.3 million (16.2%) above the estimate and \$5.4 million (-37.5%) below the previous year. For the fiscal year to date, this component is 6.4 percent above estimate and



\$4.6 million (-18%) below last year. Collections in September will be much higher than August, as taxpayers approach the October 15 filing due date on their taxable year 2023 annual returns.

Estimated tax payments made by individuals amounted to \$10.9 million in August, \$5.7 million (111.3%) above estimate; this amount also represents a \$5.6 million (106.5%) increase from last year. On a year-to-date basis, collections are 31.5 percent above estimate and \$10.1 million (72.5%) above FY 2024. However, August is a relatively low collections month for this component; the September intake will be much higher since the third estimated payment for calendar year 2024 is due during the month.

The individual annual returns category primarily reflects payments that accompany individual annual income tax return filings. Such payments amounted to \$12.8 million in August, \$4.3 million (50%) above estimate. The month's intake was \$4.5 million (54.3%) above the prior year. For the year to date, annual return payments have increased \$2 million (9.4%) from FY 2024.

Trust payments and other tax collections combined were \$7.6 million in August, which was \$0.6 million (8.5%) above estimate. Collections from these categories were \$0.5 million (6.8%) above last August, and for the year are \$6.4 million (48.6%) above FY 2024.

In August, refunds amounted to \$55.9 million, which was \$9.1 million (19.4%) above the estimate. For the year-to-date, refunds are 4.3 percent above estimate. August refunds were \$35.2 million (-38.7%) below the previous year. The month's refunds were well below amounts posted in most months, reaching the lowest level since September 2022. On a year-to-date basis, refunds are \$24 million (-9.9%) below last year.

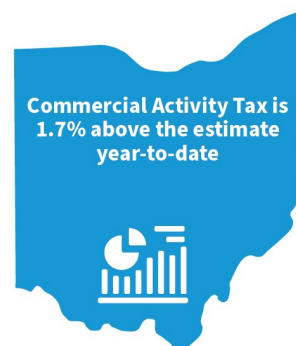
## August Personal Income Tax Receipts by Component (\$ in millions)

	Actual Aug	Estimate Aug	\$ Var	Actual Aug-2024	Actual Aug-2023	\$ Var Y-to-Y
Employer Withholding	\$ 870.7	\$ 859.6	\$ 11.1	\$ 870.7	\$ 943.2	\$ (72.5)
Pass-Through Entity Annual Returns	\$ 9.1	\$ 7.8	\$ 1.3	\$ 9.1	\$ 14.5	\$ (5.4)
Pass-Through Entity Estimated Payments	\$ 9.6	\$ 13.8	\$ (4.3)	\$ 9.6	\$ 12.9	\$ (3.3)
Individual Estimated Payments	\$ 10.9	\$ 5.1	\$ 5.7	\$ 10.9	\$ 5.3	\$ 5.6
Individual Annual Returns	\$ 12.8	\$ 8.5	\$ 4.3	\$ 12.8	\$ 8.3	\$ 4.5
Trust Payments	\$ 0.6	\$ 0.6	\$ 0.0	\$ 0.6	\$ 0.6	\$ (0.0)
Other	\$ 7.0	\$ 6.5	\$ 0.6	\$ 7.0	\$ 6.5	\$ 0.5
Less: Refunds	\$ (55.9)	\$ (46.8)	\$ (9.1)	\$ (55.9)	\$ (91.1)	\$ 35.2
Local Distributions	\$ (38.4)	\$ (38.4)	\$ (0.0)	\$ (38.4)	\$ (38.3)	\$ (0.1)
Net to GRF	\$ 826.3	\$ 816.7	\$ 9.6	\$ 826.3	\$ 861.9	\$ (35.6)

### Commercial Activity Tax (CAT)

August GRF revenues from the CAT were \$427.4 million, \$8.9 million (2.1%) above the estimate. For the fiscal year-to-date, revenues exceed estimate by \$8.9 million (1.7%). August revenues were \$35.5 million (-7.7%) below the prior year while year to date intake is \$38.1 million (-6.6%) below FY 2024.

A year over year comparison is significantly impacted by changes to the CAT that 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 entirely exempts 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 also experience a tax reduction from no longer paying the minimum tax. These two changes had their first impact on the CAT payments due in May 2024. Because some taxpayers opt to pay their tax in the month preceding the due date, the actual revenue impact began in April 2024.



The CAT is paid on a quarterly basis, with the due date on the 15<sup>th</sup> day of the second month following the end of each quarter. August 2024 is the month in which the tax is due



for taxable gross receipts realized during the April-June 2024 reporting period. Accordingly, as a supplement to its monthly tracking, OBM tracks revenue performance across an entire quarter: revenue received during the July-September period reflects the vast majority of the tax to be paid on activity that occurred during the April-June reporting period. The month's solid performance, in conjunction with a mild amount of anticipated September receipts, makes it likely that revenues across the current quarter will exceed estimate.

## **GRF Non-Tax Receipts**

GRF non-tax receipts totaled \$1.5 billion and were \$96.5 million (-6.1%) below estimate for the month of August. Year-to-date non-tax receipts total \$3.2 billion and are \$96.5 million (-2.9%) below estimate.

The monthly variance in non-tax receipts was mostly due to the federal grants category, which was \$95.9 million (-6.5%) below estimate. The monthly and year-to-date variances were primarily attributable to timing and are expected to offset in future months.



**Table 1**  
**GENERAL REVENUE FUND RECEIPTS**  
**ACTUAL FY 2025 VS ESTIMATE FY 2025**  
(\$ in thousands)

REVENUE SOURCE	MONTH			
	ACTUAL AUGUST	ESTIMATE AUGUST	\$ VAR	% VAR
<b>TAX RECEIPTS</b>				
Non-Auto Sales & Use	952,184	957,212	(5,028)	-0.5%
Auto Sales & Use	193,087	189,641	3,446	1.8%
<b>Subtotal Sales &amp; Use</b>	<b>1,145,272</b>	<b>1,146,853</b>	<b>(1,581)</b>	<b>-0.1%</b>
Personal Income	826,329	816,701	9,628	1.2%
Commercial Activity Tax	427,385	418,531	8,854	2.1%
Foreign Insurance	4	(519)	523	100.8%
Domestic Insurance	742	232	510	219.8%
Kilowatt Hour	34,410	34,228	182	0.5%
Financial Institutions Tax	(211)	446	(657)	-147.3%
Public Utility	44,035	43,871	164	0.4%
Natural Gas Distribution	11,498	13,258	(1,760)	-13.3%
Petroleum Activity Tax	0	0	0	N/A
Other Business & Property	0	0	0	N/A
Corporate Franchise	15	(4)	19	519.3%
Cigarette and Other Tobacco	64,928	65,061	(133)	-0.2%
Alcoholic Beverage	5,936	4,955	981	19.8%
Liquor Gallonage	4,743	5,018	(275)	-5.5%
Estate	1	(2)	3	142.1%
<b>Total Tax Receipts</b>	<b>2,565,087</b>	<b>2,548,629</b>	<b>16,458</b>	<b>0.6%</b>
<b>NON-TAX RECEIPTS</b>				
Earnings on Investments	0	0	0	N/A
License & Fees	8,103	7,913	190	2.4%
Other Income	94,274	95,101	(827)	-0.9%
ISTV'S	4	0	4	N/A
<b>TOTAL STATE SOURCE</b>	<b>2,667,469</b>	<b>2,651,642</b>	<b>15,826</b>	<b>0.6%</b>
Federal Grants	1,385,030	1,480,891	(95,861)	-6.5%
Total Non-Tax Receipts	1,487,411	1,583,904	(96,493)	-6.1%
<b>TOTAL REVENUES</b>	<b>4,052,498</b>	<b>4,132,533</b>	<b>(80,035)</b>	<b>-1.9%</b>
<b>TRANSFERS</b>				
Budget Stabilization	0	0	0	N/A
Transfers In - Other	97	0	97	N/A
Temporary Transfers In	0	0	0	N/A
Total Transfers	97	0	97	N/A
<b>TOTAL SOURCES</b>	<b>4,052,596</b>	<b>4,132,533</b>	<b>(79,938)</b>	<b>-1.9%</b>

REVENUE SOURCE	YEAR-TO-DATE			
	ACTUAL Y-T-D	ESTIMATE Y-T-D	\$ VAR	% VAR
<b>TAX RECEIPTS</b>				
Non-Auto Sales & Use	1,958,073	1,963,100	(5,028)	-0.3%
Auto Sales & Use	348,347	344,900	3,446	1.0%
<b>Subtotal Sales &amp; Use</b>	<b>2,306,419</b>	<b>2,308,000</b>	<b>(1,581)</b>	<b>-0.1%</b>
Personal Income	1,569,628	1,560,000	9,628	0.6%
Commercial Activity Tax	540,654	531,800	8,854	1.7%
Foreign Insurance	23	(500)	523	104.6%
Domestic Insurance	810	300	510	170.0%
Kilowatt Hour	58,082	57,900	182	0.3%
Financial Institutions Tax	844	1,500	(657)	-43.8%
Public Utility	44,364	44,200	164	0.4%
Natural Gas Distribution	11,941	13,700	(1,760)	-12.8%
Petroleum Activity Tax	0	0	0	N/A
Other Business & Property	0	0	0	N/A
Corporate Franchise	19	0	19	N/A
Cigarette and Other Tobacco	95,167	95,300	(133)	-0.1%
Alcoholic Beverage	13,282	12,300	981	8.0%
Liquor Gallonage	9,326	9,600	(275)	-2.9%
Estate	3	0	3	N/A
<b>Total Tax Receipts</b>	<b>4,650,560</b>	<b>4,634,102</b>	<b>16,458</b>	<b>0.4%</b>
<b>NON-TAX RECEIPTS</b>				
Earnings on Investments	0	0	0	N/A
License & Fees	8,481	8,290	190	2.3%
Other Income	104,553	105,380	(827)	-0.8%
ISTV'S	5	1	4	543.7%
<b>TOTAL STATE SOURCE</b>	<b>4,763,599</b>	<b>4,747,773</b>	<b>15,826</b>	<b>0.3%</b>
Federal Grants	3,122,445	3,218,306	(95,861)	-3.0%
Total Non-Tax Receipts	3,235,484	3,331,977	(96,493)	-2.9%
<b>TOTAL REVENUES</b>	<b>7,886,044</b>	<b>7,966,079</b>	<b>(80,035)</b>	<b>-1.0%</b>
<b>TRANSFERS</b>				
Budget Stabilization	0	0	0	N/A
Transfers In - Other	97	0	97	N/A
Temporary Transfers In	0	0	0	N/A
Total Transfers	97	0	97	N/A
<b>TOTAL SOURCES</b>	<b>7,886,141</b>	<b>7,966,079</b>	<b>(79,938)</b>	<b>-1.0%</b>

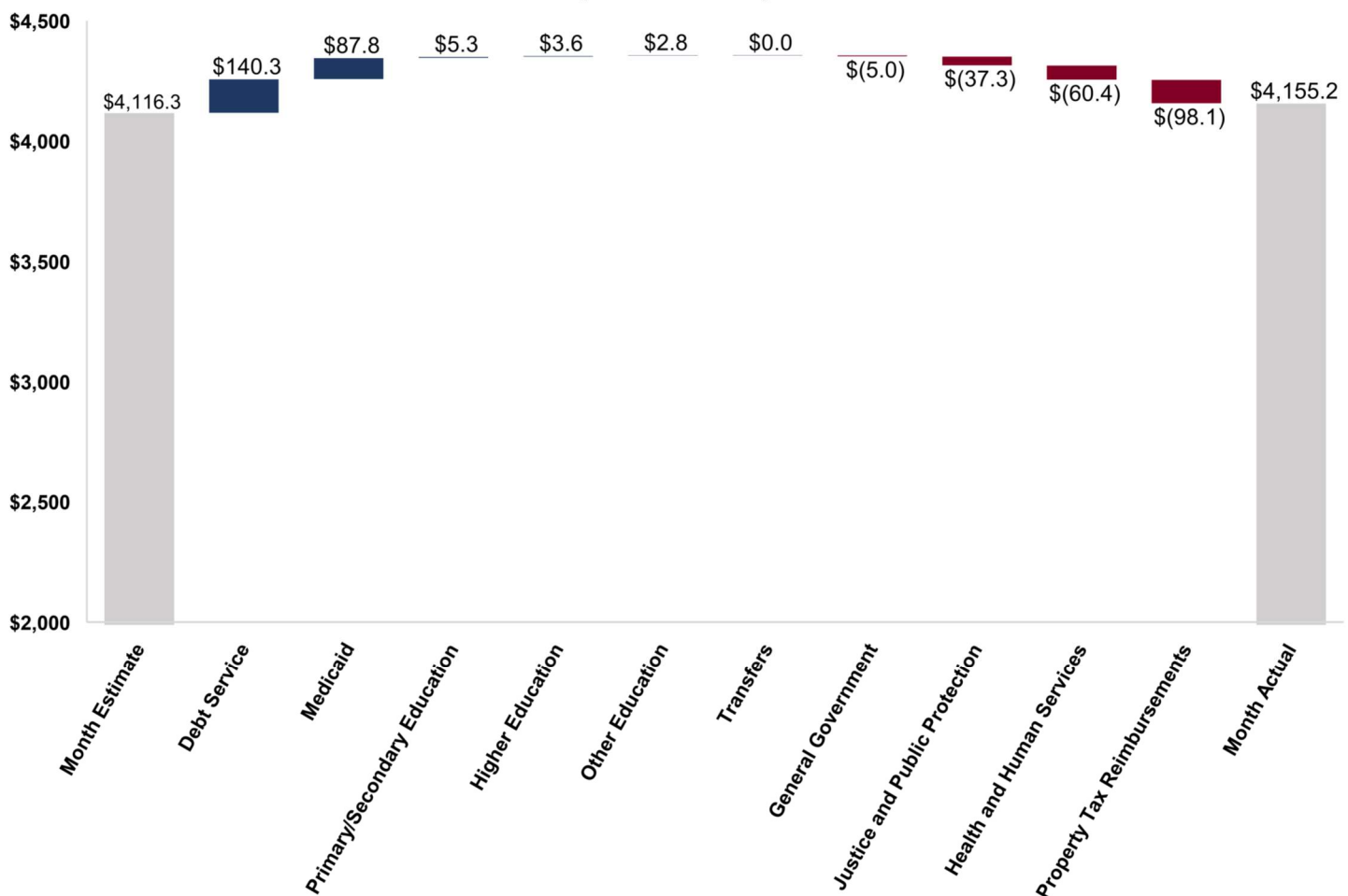
**Table 2**  
**GENERAL REVENUE FUND RECEIPTS**  
**ACTUAL FY 2025 VS ACTUAL FY 2024**  
**(\$ in thousands)**

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	AUGUST FY 2025	AUGUST FY 2024	\$ VAR	% VAR	ACTUAL FY 2025	ACTUAL FY 2024	\$ VAR	% VAR
<b>TAX RECEIPTS</b>								
Non-Auto Sales & Use	952,184	976,231	(24,046)	-2.5%	1,958,073	1,996,235	(38,162)	-1.9%
Auto Sales & Use	193,087	189,144	3,943	2.1%	348,347	334,517	13,830	4.1%
<b>Subtotal Sales &amp; Use</b>	<b>1,145,272</b>	<b>1,165,375</b>	<b>(20,104)</b>	<b>-1.7%</b>	<b>2,306,419</b>	<b>2,330,752</b>	<b>(24,332)</b>	<b>-1.0%</b>
Personal Income	826,329	861,886	(35,557)	-4.1%	1,569,628	1,603,633	(34,005)	-2.1%
Commercial Activity Tax	427,385	462,873	(35,488)	-7.7%	540,654	578,759	(38,106)	-6.6%
Foreign Insurance	4	(458)	462	100.9%	23	1,243	(1,219)	-98.1%
Domestic Insurance	742	191	550	287.4%	810	820	(10)	-1.3%
Kilowatt Hour	34,410	28,992	5,418	18.7%	58,082	47,442	10,640	22.4%
Financial Institutions Tax	(211)	691	(902)	-130.5%	844	(745)	1,589	213.2%
Public Utility	44,035	40,809	3,226	7.9%	44,364	41,676	2,688	6.4%
Natural Gas Distribution	11,498	13,208	(1,709)	-12.9%	11,941	13,497	(1,557)	-11.5%
Petroleum Activity Tax	0	0	0	N/A	0	0	0	N/A
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Corporate Franchise	15	40	(25)	-62.5%	19	84	(65)	-77.7%
Cigarette and Other Tobacco	64,928	70,113	(5,186)	-7.4%	95,167	91,509	3,658	4.0%
Alcoholic Beverage	5,936	6,008	(72)	-1.2%	13,282	11,614	1,667	14.4%
Liquor Gallonage	4,743	4,832	(88)	-1.8%	9,326	9,744	(418)	-4.3%
Estate	1	0	1	1521.9%	3	0	3	5370.5%
<b>Total Tax Receipts</b>	<b>2,565,087</b>	<b>2,654,561</b>	<b>(89,474)</b>	<b>-3.4%</b>	<b>4,650,560</b>	<b>4,730,029</b>	<b>(79,469)</b>	<b>-1.7%</b>
<b>NON-TAX RECEIPTS</b>								
Earnings on Investments	0	0	0	N/A	0	0	0	N/A
License & Fee	8,103	7,783	320	4.1%	8,481	8,183	298	3.6%
Other Income	94,274	105,242	(10,969)	-10.4%	104,553	116,572	(12,019)	-10.3%
ISTV'S	4	6	(1)	-25.0%	5	6	(1)	-21.6%
<b>TOTAL STATE SOURCE</b>	<b>2,667,469</b>	<b>2,767,592</b>	<b>(100,123)</b>	<b>-3.6%</b>	<b>4,763,599</b>	<b>4,854,790</b>	<b>(91,191)</b>	<b>-1.9%</b>
Federal Grants	1,385,030	1,335,258	49,772	3.7%	3,122,445	3,088,726	33,719	1.1%
Total Non-Tax Receipts	1,487,411	1,448,289	39,123	2.7%	3,235,484	3,213,487	21,997	0.7%
<b>TOTAL REVENUES</b>	<b>4,052,498</b>	<b>4,102,849</b>	<b>(50,351)</b>	<b>-1.2%</b>	<b>7,886,044</b>	<b>7,943,516</b>	<b>(57,472)</b>	<b>-0.7%</b>
<b>TRANSFERS</b>								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	97	398	(301)	-75.6%	97	399	(302)	-75.6%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	97	398	(301)	-75.6%	97	399	(302)	-75.6%
<b>TOTAL SOURCES</b>	<b>4,052,596</b>	<b>4,103,247</b>	<b>(50,652)</b>	<b>-1.2%</b>	<b>7,886,141</b>	<b>7,943,914</b>	<b>(57,773)</b>	<b>-0.7%</b>

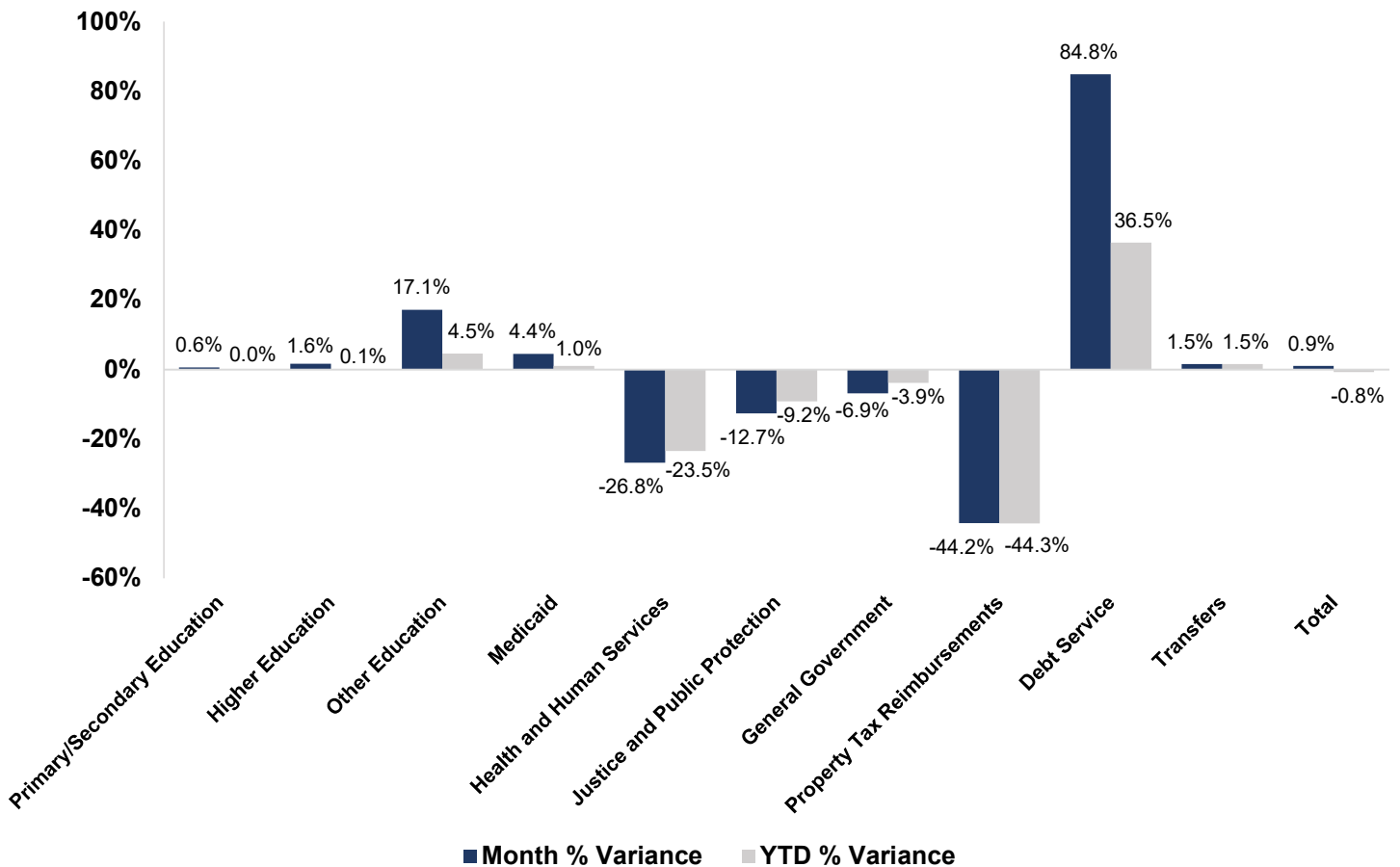
## Disbursements

August GRF disbursements, for all uses, totaled \$4.1 billion and were \$38.9 million (0.9%) above estimate. Higher-than-estimate Debt Service and Medicaid spending were partially offset by lower-than-estimate spending on Property Tax Reimbursements, Health and Human Services, and Justice and Public Protection. On a year-over-year basis, total August disbursements were \$347.3 million (9.1%) higher than those of the same month last fiscal year, with the Medicaid and Debt Service categories largely responsible for the difference. The Medicaid and Debt Service above-estimate expenditures each largely resulted from timing as payments were made earlier in the fiscal year than was originally anticipated.

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



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

August disbursements in this category totaled \$165.0 million and were \$60.4 million (-26.8%) below the estimate. The variance is primarily because spending by the Department of Children and Youth was \$53.6 million (-74.5%) below estimate. Spending in several major programs transferred to the new Department were below estimate for the

month: Child Care Maintenance of Effort (-\$10.9 million), Early Childhood Education (-\$10.4 million), Imagination Library (-\$8.0 million), Early Care and Education (-\$8.2 million), and Family and Children Services (-\$7.1 million). The variance for Child Care Maintenance of Effort is due to prioritization of other funding sources to meet federal maintenance of effort requirements but the agency anticipates using GRF more in line with estimates in the coming months. Payments for the Early Childhood Education line were disbursed by Department of Education and Workforce, as the agencies continue to transition program operations to the new Department of Children and Youth. Imagination Library was below estimate in August due to the timing of a payment.

On a year-over-year basis, disbursements in this category were \$14.3 million (9.5%) higher than for the same month last fiscal year while year-to-date expenditures are \$64.3 million (23.5%) higher than at the same point in FY 2023.

## 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

August GRF disbursements for the Medicaid Program totaled \$2.1 billion and were \$87.8 million (4.4%) above estimate. Year-to-date GRF disbursements totaled \$4.9 billion and were \$49.9 million (1%) above estimate and \$312.5 million (6.8%) above disbursements for the same period in the previous fiscal year.

The August GRF disbursement variance occurred primarily due to the Department of Medicaid receiving federal Centers for Medicare and Medicaid Services (CMS) program approval earlier than anticipated, allowing a state directed payment to hospitals and providers to be made this month rather than in November as previously planned.

August all-funds disbursements for the Medicaid Program totaled \$3.6 billion and were \$89.5 million (-2.5%) below estimate. Year-to-date all-funds disbursements totaled \$6.8 billion and were \$144.8 million (-2.1%) below estimate and \$822.4 million (13.8%) above disbursements for the same period in the previous fiscal year. The year-to-date variance was primarily due to lower-than-expected Medicaid program administrative costs and a delay in the collection of Hospital Care Assurance Program (HCAP) assessments, which will now be processed for HCAP payment in September.



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

	August Estimate	August Actual	Variance	Variance %
GRF	\$ 1,992.1	\$ 2,079.8	\$ 87.8	4.4%
Non-GRF	\$ 1,652.2	\$ 1,474.9	\$ (177.3)	-10.7%
All Funds	\$ 3,644.2	\$ 3,554.7	\$ (89.5)	-2.5%

### Medicaid Enrollment

Total August enrollment was 3.05 million, which was an 8,786 decline from the prior month and 355,044 (-10.4%) below enrollment for the same period last year. Year-to-date average monthly enrollment was 3.06 million and was 1,495 (0.1%) above estimate. The Department resumed routine Medicaid eligibility operations in April 2023. Total enrollment has declined by approximately 532,636 since April 2023. Note that this number may be adjusted in the coming months as retroactive and backdated enrollments occur.

August enrollment by major eligibility category was: Covered Families and Children (CFC), 1.63 million; Group VIII Expansion, 786,658, and Aged, Blind and Disabled (ABD), 497,604.

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

### 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. August disbursements in this category totaled \$257.3 million and were \$37.3 million (-12.7%) below the estimate.

The variance in this category was primarily attributed to the Department of Rehabilitation and Correction. Spending by the Department of Rehabilitation and Correction was \$40.3 million (-18.7%) under their estimate for August. This was due to the Institutional Operations and Institution Medical Services lines being \$19.1 million (-12.3%) and \$18.6 million (-49.5%) under estimate. The variance in Institutional Operations is due to general underspending, while the variance in Institution Medical Services is largely driven by a delayed \$12.7 million payment to Ohio State University for medical services provided.

Year-to-date disbursements in this category total \$600.7 million and are \$61.1 million (-9.2%) below the estimate. On a year-over-year basis, disbursements in this category were \$32.9 million (14.6%) above the same month last fiscal year while year-to-date expenditures are \$67.4 million (12.7%) above the same point in FY 2024.

## 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. August reimbursements totaled \$123.9 million and were \$98.1 million (44.2%) below estimate. The monthly variance is primarily due to the timing of county reimbursement requests and is expected to offset with larger disbursements in future months.



## Primary and Secondary Education

This category contains GRF spending for the Ohio Department of Education and Workforce. August disbursements for this category totaled \$912.6 million and were \$5.3 million (0.6%) above the estimate.

On a year-over-year basis, disbursements in this category were \$49.0 million (5.7%) higher than for the same month in the previous fiscal year while year-to-date expenditures are \$146.4 million (8.6%) higher than the same point in FY 2024.

## Higher Education

August disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled \$222.4 million and were \$3.5 million (-1.6%) below the estimate.

On a year-over-year basis, disbursements in this category were \$21.8 million (10.8%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$65 million (17.1%) higher than at the same point in FY 2024.

## Debt

August payments for debt service totaled \$305.6 million and were \$140.3 million (84.8%) above estimate. Year-to-date disbursements in this category total \$524.9 million and are \$140.3 million (36.5%) above estimate. The monthly and year-to-date variances are primarily attributable to the timing of a debt service payment for common schools. This payment was originally estimated to occur in early September but disbursed in late August.

## 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.

August disbursements in this category totaled \$19.0 million and were \$2.7 million (-17.1%) below the estimate. On a year-over-year basis, disbursements in this category were \$1.9 million (11.4%) above the same month last fiscal year.

## 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.

August disbursements in this category totaled \$66.9 million and were \$4.9 million (-6.9%) below the estimate. On a year-over-year basis, disbursements in this category were \$23.5 million (54.0%) above the same month last fiscal year.



**Table 3**  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2025 VS ESTIMATE FY 2025**  
(\$ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	ACTUAL AUGUST	ESTIMATED AUGUST	\$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	\$ VAR	% VAR
Primary and Secondary Education	912,652	907,351	5,302	0.6%	1,849,134	1,848,463	671	0.0%
Higher Education	223,452	219,884	3,567	1.6%	445,758	445,309	448	0.1%
Other Education	18,965	16,191	2,774	17.1%	30,993	29,647	1,346	4.5%
Medicaid	2,079,833	1,992,054	87,779	4.4%	4,903,881	4,853,936	49,945	1.0%
Health and Human Services	165,039	225,467	(60,428)	-26.8%	337,657	441,392	(103,735)	-23.5%
Justice and Public Protection	257,291	294,607	(37,316)	-12.7%	600,708	661,800	(61,092)	-9.2%
General Government	66,922	71,892	(4,971)	-6.9%	135,483	141,010	(5,527)	-3.9%
Property Tax Reimbursements	123,949	222,065	(98,116)	-44.2%	123,876	222,483	(98,607)	-44.3%
Debt Service	305,609	165,332	140,277	84.8%	524,928	384,665	140,262	36.5%
<b>Total Expenditures &amp; ISTV's</b>	<b>4,153,712</b>	<b>4,114,843</b>	<b>38,869</b>	<b>0.9%</b>	<b>8,952,418</b>	<b>9,028,706</b>	<b>(76,288)</b>	<b>-0.8%</b>
<b>Transfers Out:</b>								
BSF Transfer Out	0	0	0	N/A	0	0	0	N/A
Operating Transfer Out	1,522	1,500	22	1.5%	727,115	727,093	22	0.0%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>1,522</b>	<b>1,500</b>	<b>22</b>	<b>1.5%</b>	<b>727,115</b>	<b>727,093</b>	<b>22</b>	<b>1.5%</b>
<b>Total Fund Uses</b>	<b>4,155,234</b>	<b>4,116,343</b>	<b>38,892</b>	<b>0.9%</b>	<b>9,679,533</b>	<b>9,755,799</b>	<b>(76,266)</b>	<b>-0.8%</b>

**Table 4**  
**GENERAL REVENUE FUND DISBURSEMENTS**  
**ACTUAL FY 2025 VS ACTUAL FY 2024**  
**(\$ in thousands)**

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	AUGUST FY 2025	AUGUST FY 2024	\$ VAR	% VAR	ACTUAL FY 2025	ACTUAL FY 2024	\$ VAR	% VAR
Primary and Secondary Education	912,652	863,649	49,004	5.7%	1,849,134	1,702,680	146,454	8.6%
Higher Education	223,452	201,671	21,781	10.8%	445,758	380,806	64,951	17.1%
Other Education	18,965	17,018	1,947	11.4%	30,993	29,697	1,296	4.4%
Medicaid	2,079,833	1,895,057	184,776	9.8%	4,903,881	4,591,390	312,491	6.8%
Health and Human Services	165,039	150,653	14,386	9.5%	337,657	273,339	64,318	23.5%
Justice and Public Protection	257,291	224,466	32,825	14.6%	600,708	533,229	67,479	12.7%
General Government	66,922	43,470	23,452	54.0%	135,483	89,048	46,435	52.1%
Property Tax Reimbursements	123,949	121,295	2,654	2.2%	123,876	121,181	2,696	2.2%
Debt Service	305,609	180,564	125,045	69.3%	524,928	336,646	188,282	55.9%
<b>Total Expenditures &amp; ISTV's Transfers Out:</b>	<b>4,153,712</b>	<b>3,697,842</b>	<b>455,870</b>	<b>12.3%</b>	<b>8,952,418</b>	<b>8,058,017</b>	<b>894,401</b>	<b>11.1%</b>
BSF Transfer	0	0	0	N/A	0	150,000	(150,000)	N/A
Operating Transfer Out	1,522	110,082	(108,560)	-98.6%	727,115	5,667,218	(4,940,103)	-87.2%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
<b>Total Transfers Out</b>	<b>1,522</b>	<b>110,082</b>	<b>(108,560)</b>	<b>-98.6%</b>	<b>727,115</b>	<b>5,817,218</b>	<b>(5,090,103)</b>	<b>-87.5%</b>
<b>Total Fund Uses</b>	<b>4,155,234</b>	<b>3,807,924</b>	<b>347,310</b>	<b>9.1%</b>	<b>9,679,533</b>	<b>13,875,235</b>	<b>(4,195,702)</b>	<b>-30.2%</b>

**Table 5**  
**FUND BALANCE**  
**GENERAL REVENUE FUND**  
**FISCAL YEAR 2025**  
**(\$ in thousands)**

<b>July 1, 2024 Beginning Cash Balance*</b>	<b>2,141,622.3</b>
Plus FY 2025 Estimated Revenues	28,152,448.7
Plus FY 2025 Estimated Federal Revenues	14,121,392.6
Plus FY 2025 Estimated Transfers to GRF	949,300.0
<b>Total Sources Available for Expenditures &amp; Transfers</b>	<b>45,364,763.6</b>
Less FY 2025 Estimated Disbursements**	43,707,773.4
Less FY 2025 Estimated Total Encumbrances as of June 30, 2025	686,297.1
Less FY 2025 Estimated Transfers Out	739,408.2
<b>Total Estimated Uses</b>	<b>45,133,478.7</b>
<b>FY 2025 Estimated Unencumbered Ending Fund Balance</b>	<b>231,284.9</b>

\*Includes reservations of \$1,050.5 million for prior year encumbrances. After accounting for this adjustment, the unencumbered beginning fund balance for fiscal year 2025 is \$1,091.2 million.

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

**Fiscal Year 2025 GRF Revenue Estimates**  
**Enacted vs. Revised Budget**  
(Dollars in Millions)

Revenue Source	FY 2025 Enacted	FY 2025 Revision	\$ Change	% Change
<b><u>Tax Revenue</u></b>				
Non-Auto Sales & Use	11,567.6	11,372.2	(195.4)	-1.7%
Auto Sales & Use	2,030.0	1,904.0	(126.0)	-6.2%
<b>Subtotal Sales &amp; Use</b>	<b>13,597.6</b>	<b>13,276.2</b>	<b>(321.4)</b>	<b>-2.4%</b>
Personal Income	10,451.5	9,770.2	(681.3)	-6.5%
Corporate Franchise	-	-	-	N/A
Financial Institutions Tax	241.0	218.0	(23.0)	-9.5%
Commercial Activity Tax	2,175.3	2,197.0	21.7	1.0%
Petroleum Activity Tax	11.5	11.5	-	0.0%
Public Utility	167.4	172.4	5.0	3.0%
Kilowatt Hour	279.1	293.9	14.8	5.3%
MCF Tax	67.3	67.3	-	0.0%
Foreign Insurance	358.4	417.3	58.9	16.4%
Domestic Insurance	361.4	351.0	(10.4)	-2.9%
Other Business & Property Tax	0.4	0.4	-	0.0%
Cigarette and Other Tobacco Tax	766.7	703.5	(63.2)	-8.2%
Alcoholic Beverage	62.0	60.5	(1.5)	-2.4%
Liquor Gallonage	60.0	57.0	(3.0)	-5.0%
Estate	-	-	-	N/A
<b>Total Taxes</b>	<b>28,599.6</b>	<b>27,596.2</b>	<b>(1,003.4)</b>	<b>-3.5%</b>
<b><u>Non-Tax Revenue</u></b>				
Business License and Fees	100.0	135.0	35.0	35.0%
Investment Earnings	150.0	275.0	125.0	83.3%
ISTVs	13.9	27.9	14.0	100.7%
Other Income	80.0	118.3	38.3	47.9%
<b>Total Non-Tax</b>	<b>343.9</b>	<b>556.2</b>	<b>212.3</b>	<b>61.7%</b>
<b><u>Transfers</u></b>				
Budget Stabilization	-	-	-	N/A
Transfers In - Other	784.3	949.3	165.0	21.0%
Temporary Transfers In	-	-	-	N/A
<b>Total Transfers</b>	<b>784.3</b>	<b>949.3</b>	<b>165.0</b>	<b>21.0%</b>
<b><u>Federal Revenue</u></b>				
Medicaid 525 Total	15,224.6	14,116.9	(1,107.7)	-7.3%
Build America Bonds (BABS)	4.5	4.5	-	0.0%
<b>Total Federal</b>	<b>15,229.1</b>	<b>14,121.4</b>	<b>(1,107.7)</b>	<b>-7.3%</b>
<b>Total Sources</b>	<b>44,956.9</b>	<b>43,223.1</b>	<b>(1,733.8)</b>	<b>-3.9%</b>



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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.