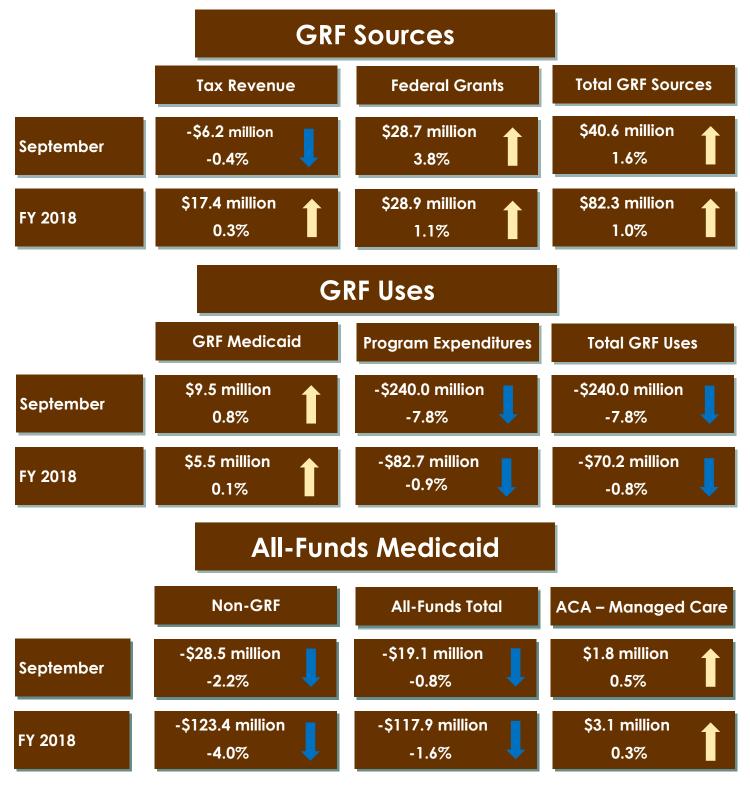
Ohio Legislative Service Commission

GRF & MEDICAID VARIANCE SUMMARY

October 2017

- GRF tax revenue exceeded OBM's estimate by \$17.4 million for the first quarter of FY 2018 and also exceeded actual receipts in the first quarter of FY 2017 by \$16.4 million. All three major taxes have outperformed their year-to-date (YTD) estimates. The underperformances in some smaller taxes partially offset the positive variances in the three major taxes.
- ♦ The sales and use tax was above the September and YTD estimates by \$15.3 million and \$6.7 million, respectively;
- September's personal income tax receipts were \$18.2 million below estimate; however, this tax's YTD receipts were \$16.5 million above estimate;
- The commercial activity tax was above the September and YTD estimates by \$1.8 million and \$9.3 million, respectively.
- GRF program expenditures as a whole were \$82.7 million below the YTD estimate. YTD expenditures from all program categories except Medicaid were below estimates. GRF Medicaid expenditures were \$5.5 million (0.1%) above estimate. However, all-funds Medicaid expenditures were below estimate by \$117.9 million, continuing the recent trend of spending less in Medicaid than projected.



- Key: An up arrow indicates a positive variance (i.e., the amount by which actual is above estimate) while a down arrow indicates a negative variance.
- GRF sources mainly consist of state tax revenue (63%) and federal grants (35%) but also include some state nontax revenue and transfers in.
- GRF uses mainly consist of various program expenditures (98%) but also include transfers out.
- Both GRF and non-GRF Medicaid expenditures contain federal and state moneys.
- The full edition of LSC's monthly Budget Footnotes may be accessed on LSC's website: <u>www.lsc.ohio.gov</u>