

Budget Footnotes

A NEWSLETTER OF THE OHIO LEGISLATIVE SERVICE COMMISSION

OCTOBER 2007

REVENUE AND EXPENDITURES

— Jean Botomogno and Phil Cummins

Status of the General Revenue Fund

As noted in this space last month, Ohio's transition at the beginning of FY 2008 to a new accounting system, the financial component of the Ohio Administrative Knowledge System (OAKS), has disrupted the flow of information on state revenues and spending. Specifically, payroll expenses totaling \$517.0 million for the first three months of the fiscal year have not been assigned to specific agency line items. The books have not yet been closed on July, August, and September. Agency totals for these months will increase as this payroll expense, labeled "Pending Payroll" in the accompanying table, is booked to specific agencies. Consequently, comparisons of actual agency expenditures to estimates for the latest month and for the year to date are less useful for monitoring purposes than in past fiscal years.

Also, spending is recognized in the new OAKS accounting system when a liability is incurred. Under the old accounting system, through the end of FY 2007, spending was recorded at the time of cash outlays. Revenues continue to be recorded when received. The current method of accounting is known as the modified accrual basis.

Through September, fiscal year-to-date General Revenue Fund (GRF) receipts of \$5,933.6 million were \$62.1 million (1.0%) below the August 2007 estimate of the Office of Budget and Management (OBM). State-source receipts were below estimate by \$57.9 million (1.3%) and federal grants were below estimate by \$4.2 million (0.3%). Tax revenues were below estimate by \$10.6 million (0.2%). Nonauto sales and use tax revenue was above estimate by \$19.4 million (1.2%). Cigarette tax revenue was above estimate by \$11.1 million (6.1%). Personal income tax revenue was above estimate by \$8.5 million (0.4%). Corporate franchise tax revenue was below estimate by \$21.4 million (178.2%). Auto sales and use tax revenue was below estimate by \$20.7 million (7.7%). Public utility tax revenue was \$3.3 million (7.2%) below estimate. Kilowatt-hour tax revenue was \$0.5 million (0.5%) above estimate. Revenue from earnings on investments was below

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- Year-to-date GRF receipts through September were \$62.1 million (1.0%) below OBM's estimate
 - Year-to-date GRF expenditures and transfers out were \$111.6 million (1.5%) below estimate
 - Agency spending continues understated because of payroll not yet posted in the new OAKS system

- Tracking the Economy 15
- Second quarter real U.S. GDP growth revised downward to 3.8%
 - Ohio's unemployment rate rose to 5.9% in September
 - Housing starts decreased by 10% from August to September

ISSUES OF INTEREST

- Lottery Ticket Sales and Profit
Transfers, First Quarter 20

Budget Footnotes examines the fiscal position of the state General Revenue Fund on a periodic basis.

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estimate by \$46.2 million (99.9%) as a result of delay in posting first-quarter interest to the general ledger. Compared to FY 2007, total GRF receipts were up 0.9%, state-source receipts were down 2.5%, and federal grants were up 11.9%. Tax revenues were down 0.8%. Nonauto sales and use tax revenue was up 4.4%. Revenue from the personal income tax was down 1.4%. Cigarette tax revenue was down 0.4%. Corporate franchise tax revenue was down 116.6%. Auto sales and use tax revenue was down 2.5%.

Year-to-date GRF expenditures, including transfers out, of \$7,234.2 million were \$111.6 million (1.5%) below estimate. Year-to-date expenditures from the GRF were \$25.9 million (0.4%) higher than a year earlier.

Further details are shown in the accompanying table entitled "General Revenue Fund Uses." Spending is less than estimate for almost all program categories shown, with the exception of Pending Payroll, for which no estimate was made, and Tax Relief and Other, over estimate by \$22.3 million (6.9%) for the first three months of the fiscal year. Most of the latter category is transfers to local governments offsetting loss of property tax revenues because of state-mandated relief programs, and this category should not be affected by subsequent booking of pending payroll.¹

The discussion above and the information in the accompanying tables are based on OBM's *Monthly Financial Report* dated October 10.

¹ Other components of the Tax Relief and Other category include reissued warrants, Controlling Board payments, and pension fund payments.

General Revenue Fund Sources
Preliminary Actual vs. Estimate
FY 2008 as of September 30, 2007
(\$ in thousands)

	Actual	Estimate*	Variance	Percent	FY 2007	Percent Change
TAX REVENUE						
Auto Sales	\$246,925	\$267,600	-\$20,675	-7.7%	\$253,171	-2.5%
Nonauto Sales & Use	\$1,658,757	\$1,639,400	\$19,357	1.2%	\$1,588,942	4.4%
Total Sales & Use Taxes	\$1,905,682	\$1,907,000	-\$1,318	-0.1%	\$1,842,113	3.5%
Personal Income	\$2,029,677	\$2,021,200	\$8,477	0.4%	\$2,057,662	-1.4%
Corporate Franchise	-\$9,380	\$12,000	-\$21,380	-178.2%	\$56,391	-116.6%
Public Utility	\$41,646	\$44,900	-\$3,254	-7.2%	\$45,061	-7.6%
Kilowatt Hour Excise	\$94,386	\$93,900	\$486	0.5%	\$93,796	0.6%
Commercial Activity Tax**	\$0	\$0	\$0	---	\$0	---
Foreign Insurance	\$5,360	\$6,700	-\$1,340	-20.0%	\$6,860	-21.9%
Domestic Insurance	\$194	\$600	-\$406	-67.7%	\$235	-17.4%
Business & Property	\$216	\$680	-\$464	-68.2%	\$367	-41.1%
Cigarette	\$194,823	\$183,700	\$11,123	6.1%	\$195,647	-0.4%
Alcoholic Beverage	\$15,630	\$15,400	\$230	1.5%	\$15,701	-0.5%
Liquor Gallonage	\$8,957	\$8,900	\$57	0.6%	\$8,635	3.7%
Estate	\$3,451	\$6,300	-\$2,849	-45.2%	\$4,762	-27.5%
Total Tax Revenue	\$4,290,642	\$4,301,280	-\$10,638	-0.2%	\$4,327,230	-0.8%
NONTAX STATE-SOURCE REVENUE						
Earnings on Investments	\$45	\$46,200	-\$46,155	-99.9%	\$50,250	-99.9%
Licenses and Fees	\$14,153	\$13,251	\$902	6.8%	\$13,633	3.8%
Other Revenue	\$11,955	\$16,404	-\$4,449	-27.1%	\$20,615	-42.0%
Nontax State-Source Revenue	\$26,153	\$75,855	-\$49,702	-65.5%	\$84,498	-69.0%
TRANSFERS						
Liquor Transfers	\$52,000	\$49,000	\$3,000	6.1%	\$35,000	48.6%
Budget Stabilization	\$0	\$0	\$0	---	\$0	---
Other Transfers In	\$15,670	\$16,260	-\$590	-3.6%	\$48,717	-67.8%
Total Transfers In	\$67,670	\$65,260	\$2,410	3.7%	\$83,717	-19.2%
TOTAL GRF before Federal Grants	\$4,384,465	\$4,442,395	-\$57,930	-1.3%	\$4,495,445	-2.5%
Federal Grants	\$1,549,144	\$1,553,301	-\$4,157	-0.3%	\$1,383,937	11.9%
TOTAL GRF SOURCES	\$5,933,609	\$5,995,696	-\$62,087	-1.0%	\$5,879,382	0.9%

* August 2007 estimates of the Office of Budget and Management.

** Existing law requires all CAT revenue during FY 2007-FY 2011 to go to school districts and local governments.

Detail may not sum to total due to rounding.

General Revenue Fund Uses
Preliminary Actual vs. Estimate
FY 2008 as of September 30, 2007
(\$ in thousands)

PROGRAM	Actual	Estimate*	Variance	Percent	FY 2007	Percent Change
Primary and Secondary Education (1)	\$1,749,621	\$1,842,642	-\$93,020	-5.0%	\$1,793,320	-2.4%
Higher Education	\$594,369	\$605,182	-\$10,813	-1.8%	\$536,108	10.9%
Total Education	\$2,343,990	\$2,447,824	-\$103,834	-4.2%	\$2,329,428	0.6%
Public Assistance and Medicaid	\$2,793,852	\$2,846,098	-\$52,246	-1.8%	\$2,645,300	5.6%
Health and Human Services	\$232,967	\$345,887	-\$112,920	-32.6%	\$335,832	-30.6%
Total Welfare and Human Services	\$3,026,819	\$3,191,985	-\$165,166	-5.2%	\$2,981,132	1.5%
Justice and Public Protection	\$313,448	\$620,495	-\$307,047	-49.5%	\$608,051	-48.5%
Environment and Natural Resources	\$10,204	\$30,134	-\$19,930	-66.1%	\$27,713	-63.2%
Transportation	\$3,814	\$5,018	-\$1,204	-24.0%	\$4,120	-7.4%
General Government	\$105,689	\$155,135	-\$49,446	-31.9%	\$142,364	-25.8%
Community and Economic Development	\$41,869	\$54,750	-\$12,881	-23.5%	\$58,917	-28.9%
Capital	\$6	\$321	-\$315	-98.2%	\$50	-88.5%
Total Government Operations	\$475,030	\$865,853	-\$390,823	-45.1%	\$841,215	-43.5%
Tax Relief and Other	\$347,104	\$324,788	\$22,316	6.9%	\$363,611	-4.5%
Debt Service	\$236,437	\$236,300	\$137	0.1%	\$215,928	9.5%
Total Other Disbursements	\$583,541	\$561,088	\$22,453	4.0%	\$579,539	0.7%
Pending Payroll	\$516,971	\$0	\$516,971	---	\$0	---
Total Program Disbursements	\$6,946,350	\$7,066,750	-\$120,400	-1.7%	\$6,731,313	3.2%
TRANSFERS						
Budget Stabilization	\$0	\$0	\$0	---	\$394,034	-100.0%
Other Transfers Out	\$287,884	\$279,078	\$8,806	3.2%	\$82,981	246.9%
Total Transfers Out	\$287,884	\$279,078	\$8,806	3.2%	\$477,015	-39.6%
TOTAL GRF USES	\$7,234,234	\$7,345,828	-\$111,595	-1.5%	\$7,208,328	0.4%
(1) Includes Other Education.						
* August 2007 estimates of the Office of Budget and Management.						
Detail may not sum to total due to rounding.						

TRACKING THE ECONOMY

— Ross Miller

The final estimate of U.S. real¹ gross domestic product (GDP) growth in the second quarter was 3.8%, but indications are that growth in the third quarter will be slower. Manufacturing output decreased in August, according to data from both the Federal Reserve (Fed) and the U.S. Census Bureau, and then grew very slightly in September. The slump in residential construction continued in August and September. Global Insight² projected in October that third quarter growth in real GDP will be 2.7%.

The Fed's "Beige Book," released October 17, indicated that the economy in the Cleveland Federal Reserve District³ continued to grow since late August, but more slowly than during the preceding reporting period. It attributed the slower growth primarily to a weakening in manufacturing output. Ohio nonfarm payroll employment fell by 2,600, or less than 0.1%, in September. The number of unemployed Ohioans rose by 18,000 for the month, causing the unemployment rate to increase to 5.9%.

The primary concern with the economy continues to be the residential construction sector and the stability of related financial markets. The number of housing starts in September fell to the lowest level seen since the early 1990s both nationally and (with the exception of just one month that was lower—this last February) in the Midwest. Monetary policy decisions that Fed officials made in September seemed to have led to greater stability in financial markets, but October 17 saw developments in financial markets that resembled the volatility seen in August that led to Fed action. Standard and Poor's cut its rating of another \$23.4 billion in mortgage-backed securities. That, together with the housing start numbers, apparently resulted in another "flight to quality," an increase in demand for U.S. Treasury securities and an accompanying decrease in demand for privately issued securities, especially asset-backed commercial paper. One indication of the situation, reported by Bloomberg.com, was an increase in the spread between three-

month Treasury bill yields and the three-month London Interbank Offered Rate (LIBOR), which increased 24 basis points to 120 basis points, its highest level since September 7. By way of comparison, the spread had averaged 39 points through the first seven months of the year. It is simply too early to say whether this portends another round of unusually large volatility or the possibility of a credit crunch for businesses. But there is little doubt that Fed officials are monitoring these events closely.

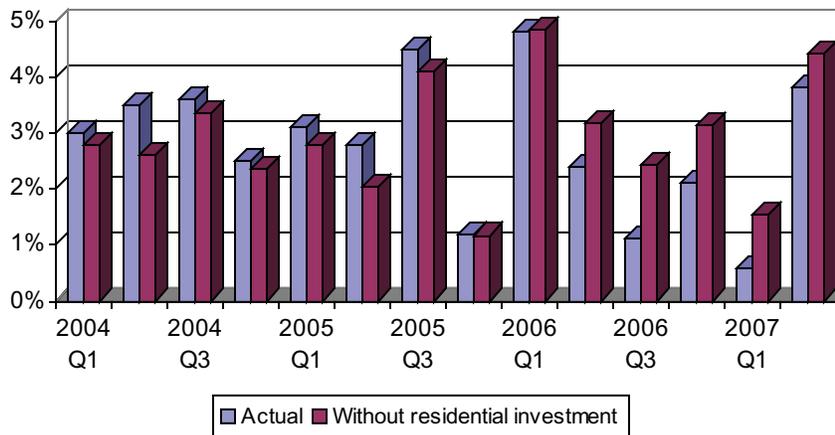
Production and Income

Real U.S. GDP grew by (an annualized) 3.8% in the second quarter of 2007. This "final estimate" of growth was revised downward from a preliminary estimate of 4.0%, primarily due to an upward revision to imports and to a downward revision to investment in nonresidential construction. In the final estimate consumer spending contributed exactly 1.00 percentage point to growth in output, and contributions to growth came from all the other major spending categories: gross private domestic investment (0.71 percentage point), net exports of goods and services (1.32 points), and government consumption expenditures and gross investment (0.79 point). As in the preliminary estimate and in the last several quarters, fixed residential investment, a subcomponent of gross private domestic investment, acted as a drag on growth, subtracting 0.62 percentage point from growth.

The following chart shows real GDP growth in recent quarters and the change in the role residential construction has played (from aiding growth in 2005 to restricting it starting in mid-2006).

Personal income increased by 0.3% in August, at a seasonally adjusted annual rate, and disposable personal income (DPI) increased by 0.4%. In both cases the growth rate decelerated from July, when the rates were 0.5% and 0.6%, respectively. Real DPI, personal income minus

Growth Rate in Real GDP



personal current taxes, increased by 0.6% in August and by a revised 0.3% in July.

Employment, Unemployment, and Productivity

U.S. nonfarm payroll employment increased by 110,000 in September, after seasonal adjustment, which brought total U.S. employment to 138.3 million. This was a welcome turnaround from the 4,000 drop in employment originally reported for August, and in fact the August figure was revised in September to an increase of 89,000. Employment growth slowed over the summer even after the revisions. Employment growth averaged 90,000 per month from June to September, after having increased by an average of 147,000 per month during the first five months of the year.

The U.S. unemployment rate increased slightly to 4.7% (after seasonal adjustment). The rate has moved slightly higher in recent months. Prior to September the rate had fluctuated between 4.4% and 4.6% since August 2006. The Bureau of Labor Statistics tracks, in addition to the number of unemployed, the number of discouraged workers each month—those who are classified as out of the labor force, rather than unemployed, because they did not look for a job during the four weeks preceding the survey specifically because they did not believe that they would find one. There were 276,000 discouraged workers in September nationwide, in addition to the 7.2 million unemployed workers. The number of discouraged workers has decreased somewhat

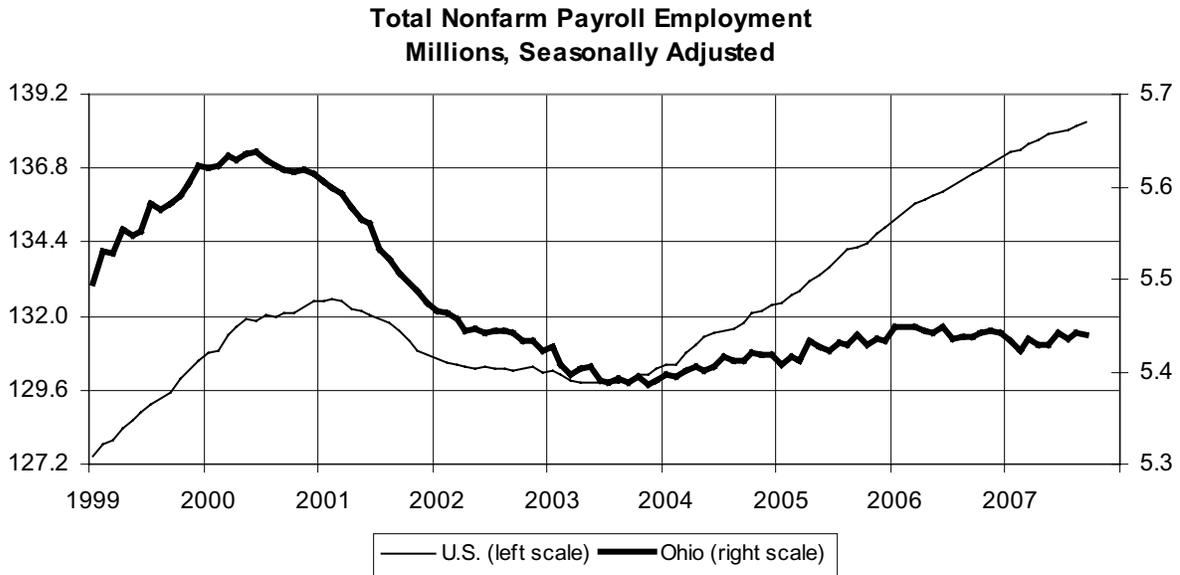
over the last year (from 325,000 the preceding September), while the number of unemployed workers has increased (from 6.9 million the year before).

Ohio's nonfarm payroll employment fell by 2,600 in September (less than 0.1%), to just under 5.44 million. Employment increased by 900 in goods-producing industries but decreased in service-providing industries by 3,500. Ohio's (seasonally adjusted) unemployment rate rose in September from 5.7% to 5.9%. The number of unemployed Ohioans increased from 337,000 to 355,000.

For the year ending in September, Ohio's payroll employment increased by 700. This was due to service-providing industries, where employment rose by 12,600, led by educational and health services (9,200), professional and business services (4,800), and government (3,500). The principal service-providing industry to see employment decreases was financial activities, where it fell by 3,700. Employment in goods-producing industries fell by 11,900 for the year, led by a decline of 12,600 in manufacturing employment.

Manufacturing

Shipments of manufactured goods decreased by 1.6% (to \$417.9 billion) in August, the month after attaining the highest level reached since 1992. Total shipments in the first eight months of 2007 were little changed from the year-earlier rate after gains of 4% in 2006 and 10% in 2005.



Shipments of durable goods decreased by a matching 1.6% (also one month after achieving their highest level since 1992).⁴ The biggest contributor to the decline was transportation equipment, shipments of which decreased by 4.3%. Defense spending did not impact the numbers for the month, as shipments excluding defense also decreased by 1.6% for the month.

New orders for manufactured goods also fell in August, by 3.3% after seasonal adjustment, the second decrease in the last six months. Year-to-date orders were about even with a year earlier, after increases of 5% in 2006 and 11% in 2005. New orders for durable goods fell by 4.9% (also the second decrease in six months). Transportation equipment was a major driver here too, with orders falling by 11.1% for the month.

Federal Reserve data on industrial production confirm weakness in manufacturing during August and September. The Fed's index of industrial production for August was at the same level as July, and it increased by just 0.1% in September. The manufacturing component of the index, about 82% of the total index, showed a 0.4% fall in production in August, followed by a 0.1% increase in September. The increase for September came despite a 2.8% decrease in the index for automotive products, which was due in part to the two-day nationwide strike against General Motors. Total industrial production was

1.9% higher in September than it had been in September 2006. The biggest gainer in the index was business equipment production, which rose 0.4% for the month to 4.1% above September 2006, mostly because of strong gains in output of information processing equipment and civilian aircraft.

The Fed's "Beige Book" indicated that conditions in the Cleveland District manufacturing sector grew weaker since late August. Specifically, it said "most District manufacturers reported that production has been flat or decreasing since late August. Further, a majority said their companies showed a slight decrease in output on a year-over-year basis. Looking forward, almost all of our contacts anticipate production remaining at current levels or decreasing slightly."

Housing Markets and Construction

The biggest news related to housing and construction continues to be what is happening with home foreclosures. RealtyTrac, a private company that tracks foreclosure filing data nationally, reports that the number of foreclosures in September fell by 8% from August. Even so the number was still the second-highest figure since the company began tracking such data two years ago and was nearly twice as high as the number in September 2006. The national foreclosure rate was one for every 557 households, down from one for every 510 households in August. Nevada,

Florida, and California had the highest foreclosure rates among states in September, with Ohio's rate ranking seventh-highest. Despite the decrease in the number of foreclosures in the most recent month, the number of foreclosures is widely expected to rise over the next several months as the number of adjustable rate mortgages (ARMs) on which the interest rate is scheduled to reset is increasing.⁵

Sales of new homes decreased a seasonally adjusted 8.3% in August nationally and were 21.2% below their level of the preceding year. Prices also fell nationally, with the median price decreasing from a revised \$246,200 in July to \$225,700 in August. In the Midwest new home sales rose in August by 20.5% but were nevertheless at a level 11.2% below the previous year.

Construction-related statistics reinforce the view of a sector that is in a slump. Nationally, the number of housing starts in September was 10.2% below August's level and 30.8% below the preceding September's; it was the lowest since early 1993. The number of building permits issued fell nearly as sharply, down by 7.3% since August and 25.9% since the preceding September. Midwest housing starts decreased even more sharply than the national rates, by 28.4% since August and by 34.8% since the preceding September; the Midwest number was the second-lowest since early 1991. Midwest building permits were 3.0% higher in September than in August but were still down 16.9% for the year.

The "Beige Book" indicates that most industry contacts in the Cleveland District reported "a slight uptick" in sales since the preceding publication but that they believe this to be due to seasonal factors rather than the beginning of a trend. These contacts are reportedly uncertain about when the housing market might begin to recover in the district.

Retail Sales

U.S. retail sales rose 0.6% in September to 5.0% higher than a year earlier. The increase in September reflected in part an upturn in sales of

motor vehicle and parts dealers, which rose 1.2% in September after increasing 3.3% in August. Excluding motor vehicles, retail sales rose 0.4% last month. Other sectors showing strength in September include gasoline stations, probably largely reflecting an upturn in gasoline prices following a general downtrend through much of the summer, catalog and Internet sales, health and personal care stores, and electronics and appliance stores. Weaker segments include furniture and home furnishings stores, department stores, clothing and accessories, and building materials. Third quarter total consumer spending probably rose at somewhat less than a 4% annual rate.

The "Beige Book" depicted retail activity in the Cleveland District as flat or declining since the last edition (dated September 5). It indicated that general merchandise sales had decreased slightly but that sales of food products were stable.

Inflation and Prices

The consumer price index for all urban consumers (CPI-U) increased by 0.3% in September after seasonal adjustment, putting it 2.8% higher than its level in September 2006. Energy prices reversed course, increasing by 0.3% for the month, following three straight monthly declines. Prices for food and beverages were up 0.5%. The index excluding food and energy, often referred to as measuring core inflation, rose by 0.2% for the month, putting it 2.1% higher than the year before.

The producer price index for finished goods increased by 1.1% in September (seasonally adjusted). Prices of food (up 1.5%) and energy (up 4.1%) played major roles—excluding them, the index increased by 0.1%. For the year, the index increased by 2.2%.

Last month's issue of *Budget Footnotes* reported an (apparently temporary) jump in Ohio's average retail gasoline price that was not matched by national data. More recent data confirm that the jump was temporary—Ohio's average price was below the national average, according to the U.S. Energy Information Administration (EIA), during the weeks of October 1, October 8, and October 15. Crude oil prices are close to

historical highs, though—the near month futures contract price for West Texas Intermediate crude set an all-time record price (without adjusting for inflation) of \$87.61 per barrel on October 16. The October edition of EIA publication *Short Term*

Energy Outlook contains a baseline forecast of prices easing during coming months due both to a recent announcement that OPEC will increase supplies by 500,000 barrels per day and to easing seasonal demand in the U.S.

¹ Economists use the term “real” to indicate that a number, in this case gross domestic product, has been adjusted for inflation.

² Global Insight is a private economic forecasting firm.

³ The Cleveland District includes all of Ohio, plus parts of Pennsylvania, West Virginia, and Kentucky.

⁴ As pointed out in the news release, 1992 was the first year that data were reported on the basis of NAICS classifications. Prior to that they had been reported on the basis of SIC classifications.

⁵ The September issue of *Budget Footnotes* includes a fuller explanation of this point.

Issues of Interest

LOTTERY TICKET SALES AND PROFIT TRANSFERS FIRST QUARTER, FISCAL YEAR 2008

— Jean Botomogno

Ticket Sales

The State Lottery Commission commenced Ten-Oh on August 6, 2007. The newest game's wager is \$1 per ticket. Ticket buyers select ten numbers from a pool of numbers from 1 to 80, and can win the \$500,000 jackpot by matching ten numbers from the 20 numbers drawn twice daily. Table 1 summarizes ticket sales by game in the first quarter of FY 2008. Total ticket sales were \$565.7 million. Online ticket sales¹ were \$241.6 million (42.7% of quarterly sales), and Instant ticket sales were \$324.1 million (57.3% of quarterly sales).

Compared to first-quarter results a year ago, ticket sales were up \$31.9 million (6.0%) this fiscal year. Instant ticket sales increased \$8.8 million (2.8%). Online ticket sales grew \$23.1 million (10.6%). New Sunday drawings, a six-week roll² of Mega Millions during the

quarter, and the addition of Ten-Oh fueled the growth of On-line sales. In the first quarter of FY 2007, the Ohio Lottery introduced "Raffle to Riches," a limited-print, occasional Online game. Sales were \$10.0 million. So far in FY 2008, this game has not been offered to players.

Sales of Rolling Cash 5 declined \$0.1 million (0.3%). Sales of Mega Millions increased \$19.0 million (46.5%). Sales of Classic Lotto fell \$0.4 million (3.8%).³ Sales of Kicker (which is linked to Mega Millions) grew \$1.2 million (26.6%). Sales of Pick 3 and Pick 4 increased \$3.8 million (4.2%) and \$3.8 million (8.9%), respectively.

Transfers to the Lottery Profits Education Fund

Table 2 shows monthly transfers from operations to the Lottery Profits Education Fund

Table 1: First Quarter Lottery Ticket Sales by Game in FY 2008, in millions of dollars

	Pick 3	Pick 4	Kicker	Raffles to Riches	Rolling Cash 5	Classic Lotto	Mega Millions	Ten-Oh	On-line	Instants	Total
July	\$31.8	\$15.9	\$1.7	\$0.0	\$7.0	\$3.2	\$14.6	\$0.0	\$74.2	\$114.4	\$188.6
August	\$32.0	\$16.0	\$2.9	\$0.0	\$5.9	\$3.2	\$33.8	\$3.2	\$97.0	\$108.4	\$205.4
September	\$30.6	\$15.6	\$1.4	\$0.0	\$5.6	\$3.3	\$11.5	\$2.5	\$70.4	\$101.2	\$171.7
Total	\$94.4	\$47.5	\$5.9	\$0.0	\$18.4	\$9.7	\$59.9	\$5.7	\$241.6	\$324.1	\$565.7

Totals may not add up due to rounding.

Table 2: Quarterly Lottery Ticket Sales and Transfers to LPEF in FY 2008, in millions of dollars

Quarter	Tickets	Actual	Projected	Dollar	Percentage	FY 2007	Dollar	Percentage
	Sales	Transfers	Transfers	Variance	Variance	Transfers	Variance	Variance
July	\$188.6	\$58.3	\$57.7	\$0.6	1.1%	\$56.1	\$2.3	4.0%
August	\$205.4	\$48.8	\$47.7	\$1.1	2.3%	\$51.0	-\$2.2	-4.3%
September	\$171.7	\$58.3	\$48.2	\$10.1	21.0%	\$55.9	\$2.4	4.3%
Total	\$565.7	\$165.5	\$153.6	\$11.9	7.7%	\$163.0	\$2.5	1.5%

Totals may not add up due to rounding.

(LPEF) in FY 2008. First-quarter transfers were \$165.5 million, \$10.5 million (6.7%) higher than transfers in the fourth quarter of FY 2007. First-quarter transfers were also \$11.9 million (9.7%) higher than the State Lottery Commission's estimates for the quarter. Transfers were 30.5% of ticket sales.

Compared to transfers a year ago, FY 2008 transfers were \$2.5 million, 1.5% higher than transfers in the first quarter of FY 2007.

¹ Online games refer to Pick 3, Pick 4, Kicker, Raffle to Riches, Rolling Cash 5, Classic Lotto, Ten-Oh, and Mega Millions. These games are played via a terminal at a Lottery sales agent. Those terminals are linked to Ohio Lottery headquarters' computers. Online games do not refer to Internet lottery sales.

² Number of weeks without a jackpot winner (drawings for Mega Millions are twice a week).

³ This comparison is between Lot' O Play and Classic Lotto, which replaced the previous game in January 2007.