

Ohio Legislative Service Commission

GRF & MEDICAID VARIANCE SUMMARY

April 2018

- ◆ The nonauto portion of the sales and use tax had a good month, beating the estimate for the month of March by \$30.1 million (5.1%), which resulted in a small positive year-to-date (YTD) variance of \$3.9 million (0.1%) for the sales and use tax as a whole.
- ◆ Personal income tax receipts lagged behind the monthly estimate by \$14.2 million (2.9%) but this tax continues to have the largest positive YTD variance of \$211.0 million (3.7%) at the end of March.
- ◆ The commercial activity tax also had a negative variance in March (\$13.7 million), turning this tax's YTD variance to a negative \$6.6 million (0.6%) at the end of March. On the other hand, the financial institution tax's positive YTD variance increased by \$14.0 million in March to \$24.1 million (24.7%).
- ◆ Overall, GRF tax receipts were \$27.9 million (2.0%) and \$229.8 million (1.4%), respectively, above the monthly and YTD estimates.
- ◆ YTD GRF Medicaid expenditures were \$291.5 million (2.6%) below estimate. There was also a YTD negative variance of \$103.9 million (9.5%) in property tax reimbursements primarily due to timing. Timing was also a large contributor to the positive YTD variance of \$99.7 million (1.6%) in primary and secondary education, the only program category that had a positive YTD variance.

GRF Sources

	Tax Revenue	Federal Grants	Total GRF Sources
March	\$27.9 million 2.0% ↑	-\$2.5 million -0.4% ↓	\$31.6 million 1.5% ↑
FY 2018 YTD	\$229.8 million 1.4% ↑	-\$249.2 million -3.4% ↓	-\$33.8 million -0.1% ↓

GRF Uses

	GRF Medicaid	Program Expenditures	Total GRF Uses
March	-\$35.0 million -3.4% ↓	-\$89.3 million -3.7% ↓	-\$89.3 million -3.7% ↓
FY 2018 YTD	-\$291.5 million -2.6% ↓	-\$430.8 million -1.8% ↓	-\$426.8 million -1.7% ↓

All-Funds Medicaid

	Non-GRF	All-Funds Total	ACA – Managed Care
March	-\$13.3 million -1.2% ↓	-\$48.3 million -2.2% ↓	-\$8.0 million -2.3% ↓
FY 2018 YTD	-\$35.9 million -0.4% ↓	-\$327.4 million -1.6% ↓	-\$36.0 million -1.2% ↓

- ◆ 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: www.lsc.ohio.gov.