OBM

September 12, 2016

MEMORANDUM TO: The Honorable John R. Kasich, Governor
The Honorable Mary Taylor, Lt. Governor

FROM: Timothy S. Keen, Director TK

SUBJECT: Monthly Financial Report

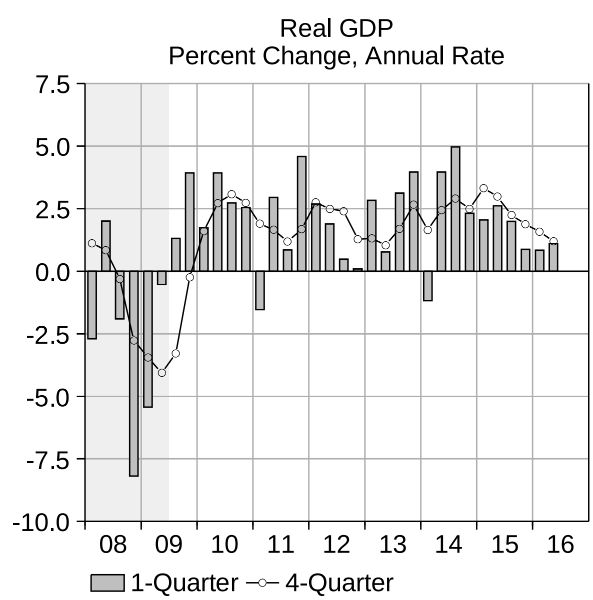
ECONOMIC SUMMARY

Economic Performance Overview

- Second-quarter real GDP growth was 1.1%, extending the streak of near-1% growth to three quarters. Forecasters still look for a moderate pickup in growth during the second half.
- U.S. employment growth slowed in August, but remained in the recent range. The unemployment rate was unchanged at 4.9%.
- Ohio nonfarm payroll employment increased by 10,300 jobs in July. The unemployment rate decreased 0.2 percentage points to 4.8%.
- Leading indicators point toward continued growth at a modest pace, fueled by a healthy household sector but restrained by weak manufacturing.

Economic Growth

The first revision to second-quarter real GDP growth was very small, reducing the initial report from 1.2% to 1.1%. The growth rate was 0.9% annualized during the most recent three quarters and 1.2% from a year earlier. The 3-quarter growth rate has been slower in only three other instances outside of recessions – in 1956, 2011, and 2012.



Consumer spending has been the major source of growth, while business investment has been very weak. Personal consumption expenditures grew at an annual rate of 2.8% during the most recent three quarters, while fixed business investment decreased at an annual rate of 2.6%. The decline in fixed investment is unusual but not unprecedented during a period of economic expansion.

Forecasters still expect economic growth to pick up this quarter and next, but have revised projections lower from one quarter ago, according to the Survey of Professional Forecasters conducted by the Philadelphia Federal Reserve Bank. The August forecast is for 2.6% growth in the third quarter and 2.3% growth in the fourth quarter. The forecast implies a reversion to the mean rather than a notable acceleration in activity, as growth is projected to slow to 2.2% in 2018 and 2019 – essentially in line with the 2.1% rate during the past seven years.

Recent patterns in economic indicators point to the potential for somewhat stronger growth, at least in the current quarter. Tracking estimates of GDP growth, which incorporate key economic data as they are released, point to growth of 2.5% to 3.5% for the third quarter. The Blue Chip consensus is for 2.8% growth.

The **Ohio economy** accelerated slightly over the summer. The Ohio coincident economic index from by the Philadelphia Federal Reserve increased by 0.4% for the second month in a row in July to 3.6% above its year earlier level. The index is composed of four measures of labor market activity, and has represented business conditions accurately over time.

Leading economic indicators have stabilized or picked up somewhat and remain consistent with a moderate pace of growth into early next year. The Leading Economic Index (LEI) from the Conference Board increased 0.4% in July on top of a 0.3% rise in June. Eight of the ten components made positive contributions in the most recent month, led by the length of the workweek in manufacturing, stock prices, and the interest rate spread. The only negative contributor was consumer expectations.

The year-over-year rate of change in the LEI increased to 1.2%, which is still low but breaks a long descent that began in mid-2014. The rate of change in the index regularly has turned negative in advance of recessions in the past, unlike the current situation. The weakness so far during this cycle appears to be related to manufacturing activity, which has been negatively affected by the strength of the dollar, weaker demand growth overseas, and the sharp pullback in the energy industry. Strength in labor markets and benefits from lower energy costs have continued to support consumer income and spending.

The message from state level coincident and leading composite indexes remained cautionary but was not alarming during July. The **Coincident Economic Index** for eight states declined in July. The June decline figure was revised down from nine states, a level that preceded each of the last five recessions with only one false signal in early 1986, when the number peaked at twelve.

The weakness in state coincident indexes was also reflected among state leading indexes. The **Leading Economic Index** for six states declined in July, up from a revised three states in June but down from a recent peak of nine in March. The June decline figure was revised down to three from five. In contrast, the number of states with negative readings has averaged fourteen three months in advance of the most recent three recessions and twenty-three during the first month.

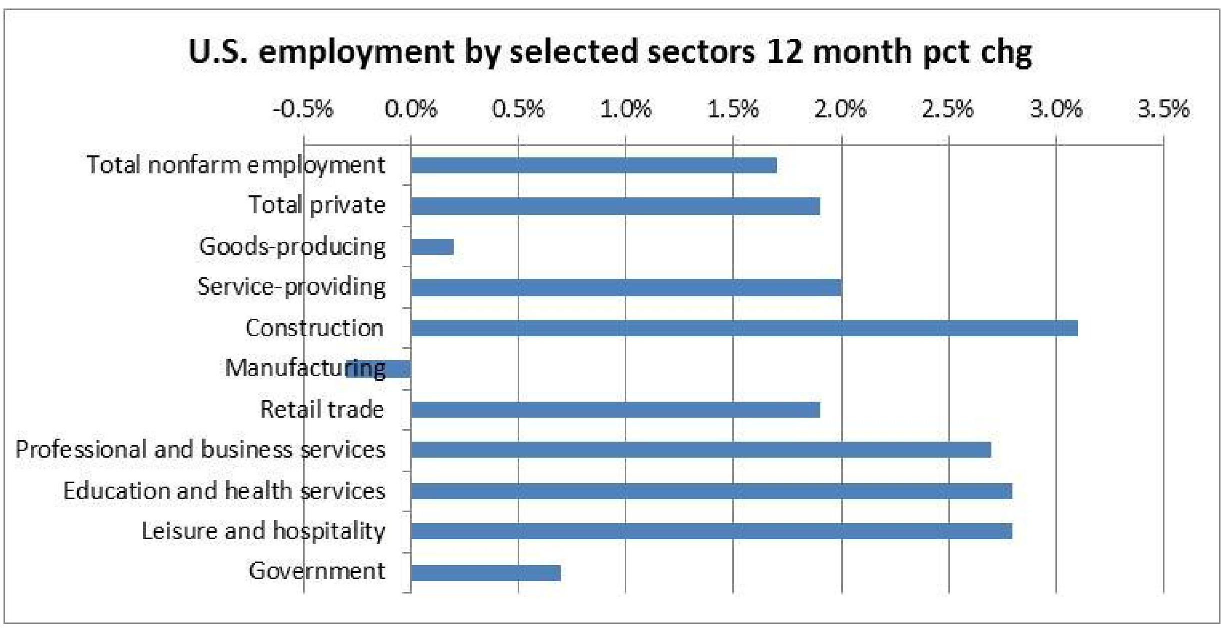
Closer to home, the **Ohio Leading Economic Index** from the Philadelphia Federal Reserve was 2.5% in July and the June figure was revised up from 1.9% to 2.1%. Designed to predict the rate of change in the coincident index during the next six months, the Ohio index has exceeded 2.0% for three months in a row. The recent pattern indicates that growth of the Ohio economy is likely to pick up through the fall and winter.

Employment

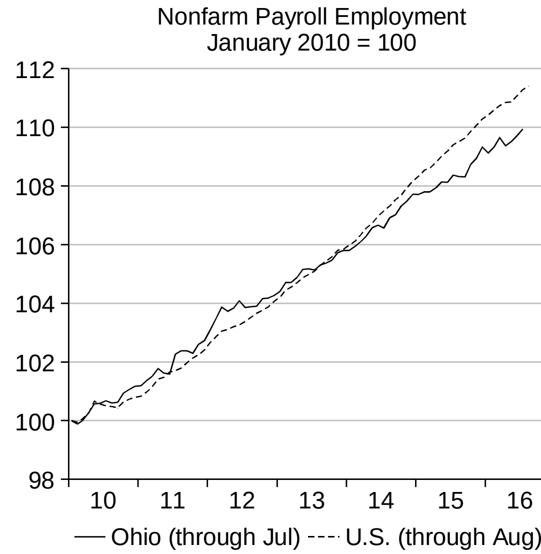
U.S. nonfarm payroll growth slowed in August to a gain of 151,000 jobs. Revisions to June and July data essentially canceled out. Employment growth has averaged 232,000 jobs in the most recent three months, despite the August slowdown. During the most recent twelve months, job growth has averaged 204,000 per month.

Private sector employment increased by 126,000 jobs in August, with more than all of that total in services, which added 150,000 jobs. The goods-producing sector actually lost 24,000 jobs, with losses in manufacturing (-14,000), construction (-6,000), and mining and logging (-4,000). Employment increases were led by education and health services (+39,000), retail trade (+15,000), transportation and warehousing (+15,000), and leisure and hospitality (+29,000). Government employment increased by 25,000 jobs and professional and business services employment grew by 22,000 jobs.

Over the past 12 month, the majority of U.S. employment growth has been in the services categories. In goods, construction has grown strongly, but manufacturing has actually declined.



The **unemployment rate** was 4.9% for the third month in a row, as both the number of unemployed and the labor force increased moderately. The broadest measure of unemployment – the U-6 unemployment rate – was unchanged at 9.7%. The U-6 unemployment rate includes those who want to work but have stopped looking because they believe they cannot find a job, as well as those working part time who would prefer full time work. Average hourly earnings rose 0.1% to 2.4% above the year earlier level.



Ohio nonfarm payroll employment increased by 11,400 jobs in July. Change in employment levels across sectors were mixed, as usual. Employment increased in education and health services (+5,000), government (+4,700), and trade, transportation, and utilities (+2,700). Ohio bucked the national trend as manufacturing jobs increased by 2,600. Reporting lower employment were construction (-3,600), financial activities (-1,500), information (-1,100), and leisure and hospitality (-1,000).

During the twelve months ending in July, Ohio employment increased by 78,800 jobs. The largest employment gains occurred in education and health services (+19,600), leisure and hospitality (+15,900), trade, transportation, and utilities (+11,800), and government (+14,300). Year-over-year declines occurred in mining and logging (-3,200), information (-500), and manufacturing (-100).

Among the **contiguous states**, year-over-year employment growth was strongest in Michigan (+2.5%), followed by Ohio (+1.5%), Kentucky and Pennsylvania (+1.0%), and Indiana (+0.9%). West Virginia employment fell 0.3% from a year earlier. Manufacturing employment increased year-over-year in Michigan (+3.1%), Kentucky (+1.8%), and Pennsylvania (+0.2%) and decreased in Indiana (-1.0%) and West Virginia (-1.5%). Manufacturing employment was unchanged in Ohio from a year earlier.

The **Ohio unemployment rate** declined for a third month in a row in July to 4.8%, back to its level at the end of last year. The rate is up 0.2 points from the cyclical low of 4.6% reached last September. The increase during the ten months resulted from a larger increase in the Ohio labor force (+96,751) than in total employment (+85,691). The unemployment rate has moved in a narrow range since the end of 2014.

Across the country in July, the unemployment rate increased by a statistically significant amount in seven states, decreased in three states, and was not statistically different from the month before in forty states. The unemployment rate was lower than a year earlier by a statistically significant margin in ten states and meaningfully higher in only three states, none in the Great Lakes region.

Consumer Income and Consumption

Stepped-up growth in personal income fueled solid growth in consumer spending again in July and lifted the saving rate by 0.2 percentage points to 5.7% – the first rise since March. **Personal income** increased 0.4%, and the May and June increases were revised higher from 0.2% to 0.3%, bringing the annual rate of increase during the five months ending in July to 4.7%. A key driver was wage and salary distributions, which increased 0.5% in July and rose at an annual rate of 5.8% during the most recent five months.

Inflation remains low, providing some support to consumer spending. The **Consumer Price Index** (CPI) was unchanged in July, and the year-over-year rate of change slipped to 0.9%. The price of oil, which decreased by approximately 8% during July, has been the key factor behind most recent short-term movements in consumer prices.

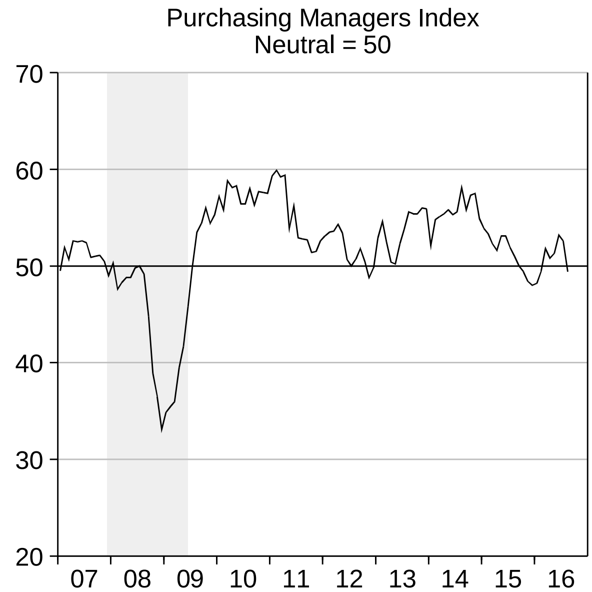
Excluding the volatile food and energy categories as a means of assessing the underlying trend, the CPI increased 0.1% in July to 2.2% above its year earlier level. The Median CPI from the Federal Reserve Bank of Cleveland, an alternative measure of the trend in inflation, continued to track a little bit higher at 2.5% year-over-year. The measure of inflation that is most closely watched by the Federal Reserve, the "core" (excluding food and energy) personal consumption expenditure (PCE) deflator increased 0.1% in July to 1.6% above its year earlier level, up marginally from the year-over-year rate last summer.

Personal consumption expenditures increased 0.3% in July following an upwardly revised 0.5% increase in June. Growth in consumer spending during the most recent four months has been the fastest of the expansion, and before that, the fastest since September 2005, when promotions boosted auto sales.

Increases in consumer spending occurred in durable goods (+1.6%) and services (+0.4%). Spending on non-durable goods decreased 0.5%. The source of strength in durable goods spending was the 6.4% increase in unit sales of light motor vehicles during July. The annual sales rate of 17.8 million units was the best since the 18.0 million unit pace last November. Growing employment, rising incomes, lower gasoline prices, and very low interest rates continue to support motor vehicle sales. The annual sales rate declined to a still-high 16.9 million pace in August.

Consumer confidence improved in August, judging by the Conference Board's survey. The composite index increased to its highest level since last September and expectations brightened to the best level since last October, while assessments of current conditions reached a new high for this 7-year expansion. A key factor behind the better assessments seems to be labor market conditions, as the percentage of respondents saying jobs are plentiful minus those saying jobs are hard to get was the highest since January 2008. These improvements were not evident in the University of Michigan/Reuters results for August, which deteriorated modestly.

Manufacturing



Industrial activity revived a bit in July, as industrial production increased by 0.7% on top of a 0.4% increase in June. Compared with a year earlier, however, industrial production was still down 0.5% for the eleventh straight year-over-year reading below zero. The industrial sector continues to be affected by the ongoing headwinds from the strengthening of the dollar during the past five years, the fallout from the big decline in the price of oil during the past two years, and the ongoing inventory adjustment. The increase in production during July does not yet appear to be the beginning of a lasting acceleration.

Manufacturing production increased 0.5% in July after a 0.3% increase the month before, but is up only 0.2% from a year earlier. The back-to-back monthly increases are not likely the beginning of a sustained revival in manufacturing. Production of motor vehicles and parts was a major contributor, with a 1.9% increase that followed a 5.3% increase the month before. Increases and decreases were spread evenly across other industries. Among those of particular importance to Ohio, primary metals production decreased 1.1%, while production of fabricated metal products increased 0.5% and output of machinery increased 0.7%.

Mining output advanced 0.7% in July, reflecting continued recovery in coal production from a steep drop earlier this year. Oil production decreased in July. Compared with a year earlier, mining output was lower by 10.2%. **Utility output** increased 2.1%, reflecting very hot weather during July. Compared with a year earlier, utility output was up by 3.5%, reflecting the warmer-than-usual June and July.

Reports from **purchasing managers** in the manufacturing sector turned abruptly negative in August, underscoring the uninspiring prospects for the sector. The PMI® decreased by 3.2 points to 49.4, just below the neutral level of 50 for the first time since February. Both the New Orders and Production indexes fell from above 55 to just below 50. The Import index fell from 52.0 to 47.0.

Of the eighteen industries tracked by the Manufacturing ISM® *Report on Business*, six reported growth in the latest month. Among the industries with a disproportionate effect on Ohio manufacturing employment, transportation equipment, machinery, primary metals, and fabricated metal products all reported contraction.

One survey respondent in the fabricated metal products industry reported that strength in commercial construction is supporting business. A representative of the machinery industry noted a recent improvement in sales. On the other hand, a purchasing manager in the transportation industry commented that “business conditions are generally flat.”

Construction

Construction activity was little changed in July after a large upward revision to June that turned that change from a decline into an increase. **Construction put-in-place** was unchanged after the upwardly revised incresase of 0.9% in June and a 0.1% rise in May. Private construction increased 1.0% while public construction decreased 3.1%. Compared with a year earlier, total construction was up 1.5%, down from the recent peak in year-over-year growth of 14.7% last September.

The increase in **private** construction put-in-place was widespread. Within the **private residential** segment, an increase in improvements balanced out decreases in both single-family and multi-family construction, which have been ongoing since spring. **Private nonresidential** construction put-in-place increased 1.7%, primarily reflecting increases in manufacturing and office construction.

Housing starts strengthened during the three months ending in July, reflecting a 0.3% increase in single-family starts and a 4.2% increase in multi-family starts. In contrast in the Midwest, both single-family and multi-family starts declined on a 3-month moving average basis. Compared with a year earlier, housing starts across the country were higher by 3.0% and higher by 16.2% in the Midwest on a 3-month moving average basis. The more-forward-looking housing permits data exhibited similar patterns, showing more subdued growth across the country and more modest declines in the Midwest.

Home sales generally remained at a high level in July on a 3-month moving average basis. Sales of newly built homes were up 4.9% on the month and 19.8% from a year earlier, while sales of existing homes edged down 0.2% on the month but remained 1.8% above a year earlier. The pattern was accentuated in the Midwest, with sales of new homes rising 10.6% and sales of existing homes falling 2.7% on a 3-month moving average basis.

Home prices across the country posted their 53rd consecutive increase in June, rising by 0.2% to 5.1% above the year earlier level, according to the Case-Shiller index. According to the Freddie Mac index, home prices increased 0.2% in June to 6.2% above the year earlier level. In comparison, prices across Ohio increased 1.4%% on the month and 4.6% from a year ago. In major metro areas in Ohio, prices increased 0.3% on the month and 3.5% from a year ago in Cleveland, 0.4% on the month and 5.8% from a year ago in Columbus, and 0.4% on the month and 5.0% from a year ago in Cincinnati after seasonal adjustment.

REVENUES

NOTE: The revenue tables in this report contain OBM's July 2016 revised estimates of fiscal year 2017 tax revenues, non-tax revenues, and transfers. These revisions incorporate both changes to the baseline and law changes enacted since January, 2016.

August **GRF receipts totaled $3,013.7 million** and were $128.2 million (4.1%) below the estimate. Monthly tax receipts totaled $1,938.4 million and were $80.9 million (4.0%) below the estimate, while non-tax receipts totaled $1,066.4 million and were $48.7 million (4.4%) below the estimate. Transfers were $1.4 million above estimate.

Variances for the fiscal year-to-date by category are similar to the August variances, since revenues were very close to estimate in July. For the year, GRF receipts were $145.4 million (2.5%) below the estimate. Tax receipts were $80.6 million (2.2%) below the estimate, while non-tax receipts totaled were $66.2 million (2.9%) below the estimate. Transfers were $1.4 million above estimate. The year-to-date variances are summarized in the table below.

The August revenue variance was mostly due to tax receipts, particularly the income tax. The income tax shortfall of $63.2 million and the non-auto sales tax shortfall of $16.5 million together accounted for all but $1.2 million of the $80.9 million tax receipts variance. In non-tax revenues, an $86.0 million shortfall in federal grants as a result of Medicaid underspending was partly offset by a $35.8 million overage in other income due to a liquor profits payment from JobsOhio to the GRF.

Category	Includes:	YTD Variance	% Variance
Tax receipts	Sales & use, personal income, corporate franchise, financial institutions, commercial activity, MCF, public utility, kilowatt hour, foreign & domestic insurance, other business & property taxes, cigarette, alcoholic beverage, liquor gallonage, & estate	($80.6 million)	-2.2%
Non-tax receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	($66.2 million)	-2.9%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	$1.4 million	11.1%
TOTAL REVENUE VARIANCE:		**($145.4 million)**	**-2.5%**

On a year-over-year basis, monthly receipts were $221.9 million (6.9%) lower than in August of the previous fiscal year. The change in federal grants was responsible for more than all of the decline, falling $325.4 million. Federal grants in the GRF were artificially high last August due to computer system changes that temporarily delayed the crediting of federal grants to funds other than the GRF, so the decline this August is not of material concern. Tax receipts grew by $57.3 million (3.0%) from August of last year, and transfers into the GRF grew by $8.8 million.

GRF Revenue Sources Relative to Monthly Estimates – August 2016
($ in millions)

Individual Revenue Sources Above Estimate		**Individual Revenue Sources Below Estimate**	
Auto Sales and Use Tax	$2.9	Personal Income Tax	($63.2)
Cigarette and Other Tobacco Tax	$4.7	Non-Auto Sales and Use Tax	($16.5)
Alcoholic Beverage Tax	$1.0	Commercial Activity Tax	($8.3)
Other Income	$35.8	Public Utility Excise Tax	($2.2)
License and Fees	$1.5	Federal Grants	($86.0)
Transfers In	$1.4		
Other Sources Above Estimate	$1.4	Other Sources Below Estimate	($0.7)
Total above	**$48.7**	**Total below**	**($176.9)**

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

Non-Auto Sales and Use Tax

August non-auto sales and use tax collections totaled $731.7 million and were $16.5 million (2.2%) below estimate. August's shortfall comes on top of a smaller shortfall in July. This brings year-to-date collections to $1,569.2 million, which is $19.3 million (1.2%) below year-to-date estimates. August collections were up only $5.0 million (0.7%) from a year ago, and for the first two months of fiscal year 2017 collections are up only 0.9%.

Retail sales at the national level are not showing strong growth. Census Bureau data shows that combined June and July retail and food services sales, less motor vehicles and parts, grew only 2.4% from the prior year. Bureau of Economic Analysis (BEA) data shows that the prices of retail goods generally have been falling on a year-over-year basis for several quarters, which is probably depressing non-auto revenue growth. However, even given these factors, non-auto sales tax growth of 0.9% is weak.

The national economic data generally is supportive of stronger growth in sales than the non-auto tax has shown over the past few months. This would suggest that the recent weakness in the non-auto tax should not persist. OBM continues to monitor the consumption and sales data very closely for information about the likely path of non-auto collections.

Auto Sales Tax

Auto sales tax collections totaled $133.3 million, surpassing estimates by $2.9 million (2.3%). This brings year-to-date collections to $245.6 million, which falls slightly short of estimates by

$2.3 million (0.9%). This bounce back in August collections was expected due to a strong performance in July national light vehicle sales at 17.9 million units.
Collections were up $11.2 million (9.2%) from a year ago. While the boom following the recession may be ending, a low interest rate environment and relatively low gasoline prices remain favorable to auto buyers. These factors are likely to persist at least in the near term with a cautious Federal Reserve Board and record gasoline reserves. While July's seasonally adjusted annual rate of 17.9 million unit sales pace was well above the 17.3 million average pace for the first six months of calendar year 2016, and close to the monthly average for the last six months of calendar year 2015, the pace fell to a rate of 16.9 million in August. This leads us to believe that collections growth may slow in September, but slower growth is assumed in the September estimate.

Personal Income Tax

August GRF personal income tax receipts totaled $657.4 million and were $63.2 million (8.8%) below the estimate. Almost all of the shortfall was in employer withholding, which was $60.3 million, or 8.0%, below estimate. This shortfall more than offset the $19.7 million withholding overage in July, leaving withholding for the year $40.7 million, or 3.0%, below estimate.

FY2017 PERSONAL INCOME TAX RECEIPTS BY COMPONENT ($ in millions)						
	ESTIMATE AUGUST	ACTUAL AUGUST	$ VAR AUGUST	ACTUAL AUG 2016	ACTUAL AUG 2015	$ VAR Y-over-Y
Withholding	$752.9	$692.6	($60.3)	$692.6	$656.0	$36.6
Quarterly Est.	$7.4	$9.6	$2.2	$9.6	$11.3	($1.7)
Trust Payments	$0.5	$0.3	($0.2)	$0.3	$0.6	($0.3)
Annual Returns & 40 P	$6.7	$8.9	$2.2	$8.9	$9.6	($0.7)
Other	$6.0	$7.7	$1.7	$7.7	$4.3	$3.4
Less: Refunds	($25.1)	($34.0)	($8.9)	($34.0)	($25.1)	($8.9)
Local Distr.	($27.8)	($27.7)	$0.1	($27.7)	($28.8)	$1.1
Net to GRF	**$720.6**	**$657.4**	**($63.2)**	**$657.4**	**$627.9**	**$29.5**

The magnitude of the withholding shortfall is surprising given that labor market data on employment and wage growth has generally been positive. Concerns about the August shortfall are mitigated somewhat by the fact that the August estimate may have overcompensated for calendar differences relative to last August. Additional collections were expected due to the fact that there were two more remittance days this August than last August, but the two day adjustment may have been too large. Similarly, the estimate assumed that withholding last August was paid in full compliance with the 3.1% rate cut that began that month, but if compliance was only partial, some downward adjustment should have been made for the rate differential between last year and this year. Taken together, these factors imply that a more finely tuned August estimate may have resulted in a shortfall in the $35 million to $40 million range.

Even so, the August withholding shortfall is concerning and OBM is looking at all available data, including not only economic data but also information on withholding performance in other states and at the federal level for clues to understanding August's weak performance. August federal withholding data is not yet available (data that some analysts use from the daily Treasury statements includes payroll tax amounts and is thus not directly comparable to state withholding collections) but will be closely studied once it is published.

On a year-over-year basis, August personal income tax receipts were $29.6 million (4.7%) above August 2015 collections, although this was largely due to the two additional withholding remittance days mentioned earlier.

Commercial Activity Tax

Commercial activity tax (CAT) August receipts deposited in the GRF totaled $251.0 million and were $8.3 million (3.2%) below the estimate. As the first CAT payment of the fiscal year was due August 10th, it is actually combined collections for July and August that reveal how the first payment performed relative to estimate. Combined collections were $4.8 million, or 1.6%, below estimate. As we have emphasized before in this report, net CAT collections are determined by the interaction of the performance of taxable gross receipts, which drive tax due before credits, and the numerous development credits that can be claimed against the tax. As the first and fourth quarters of the fiscal year are the quarters where the largest amount of credits are traditionally claimed, those quarters tend to have the largest uncertainty. Viewed in this light, the small shortfall in combined July-August collections is not yet a concern.

The second quarterly payment, due November 10th, should provide a clearer indicator of how the CAT is likely to perform relative to estimate in fiscal year 2017.

Some CAT revenues (25% after the subtraction of administrative amounts) are deposited to special funds used to make property tax replacement payments to school districts and local governments. Total, or "all funds" CAT revenues are thus larger than the GRF deposits. All funds August CAT receipts totaled $337.5 million and were $11.2 million (3.2%) below the estimate. For the year, all funds CAT receipts are $6.3 million below estimate. The 1.6% shortfall in all funds revenues is, as expected, the same as the 1.6% GRF shortfall.

Cigarette and Other Tobacco Tax

Cigarette and other tobacco tax collections were $4.7 million (5.7%) above estimate in August, more than making up for the $2.1 million July shortfall. For the year, collections are now $2.6 million, or 2.4%, above estimate. Collections are slightly below last year's pace, having declined by $0.7 million, or 0.6%. Year-to-year declines are built into the estimate, as cigarette consumption is generally declining each year, although recently at a slower pace than had been the average pace for some years.

GRF Non-Tax Receipts

GRF non-tax receipts totaled $1,066.4 million in August and were $48.7 million (4.4%) below the estimate. Federal grants were responsible for more than all of the shortfall, coming in $86.0 million (7.8%) below estimate. This is right in line with what one would expect of federal revenues given that Medicaid GRF spending was $138.0 million below estimate.

August other income was $35.8 million over estimate, offsetting almost half of the federal grant variance. This overage was due to a payment of liquor profit revenues to the GRF from JobsOhio being both larger than estimated, and earlier than estimated, as the payment was not expected to be received until October.

Table 1
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2017 VS ESTIMATE FY 2017
($ in thousands)

REVENUE SOURCE	MONTH ACTUAL AUGUST	MONTH ESTIMATE AUGUST	MONTH $ VAR	MONTH % VAR	YEAR-TO-DATE ACTUAL Y-T-D	YEAR-TO-DATE ESTIMATE Y-T-D	YEAR-TO-DATE $ VAR	YEAR-TO-DATE % VAR
TAX RECEIPTS								
Non-Auto Sales & Use	731,655	748,200	(16,545)	-2.2%	1,569,242	1,588,500	(19,258)	-1.2%
Auto Sales & Use	133,347	130,400	2,947	2.3%	245,589	247,900	(2,311)	-0.9%
Subtotal Sales & Use	865,003	878,600	(13,597)	-1.5%	1,814,831	1,836,400	(21,569)	-1.2%
Personal Income	657,448	720,600	(63,152)	-8.8%	1,197,516	1,258,700	(61,184)	-4.9%
Corporate Franchise	(482)	0	(482)	N/A	(298)	0	(298)	N/A
Financial Institutions Tax	470	0	470	N/A	773	0	773	N/A
Commercial Activity Tax	250,973	259,300	(8,327)	-3.2%	290,252	295,100	(4,848)	-1.6%
Petroleum Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	23,304	25,500	(2,196)	-8.6%	23,382	25,500	(2,118)	-8.3%
Kilowatt Hour	34,249	33,600	649	1.9%	60,347	58,300	2,047	3.5%
Natural Gas Distribution	10,773	10,900	(127)	-1.2%	11,918	12,100	(182)	-1.5%
Foreign Insurance	350	400	(50)	-12.6%	662	600	62	10.3%
Domestic Insurance	2	0	2	N/A	2,370	0	2,370	N/A
Other Business & Property	0	0	0	N/A	5	0	5	N/A
Cigarette and Other Tobacco	87,101	82,400	4,701	5.7%	110,567	108,000	2,567	2.4%
Alcoholic Beverage	5,138	4,100	1,038	25.3%	10,818	9,500	1,318	13.9%
Liquor Gallonage	4,067	3,900	167	4.3%	7,954	7,500	454	6.1%
Estate	(16)	0	(16)	N/A	(17)	0	(17)	N/A
Total Tax Receipts	1,938,380	2,019,300	(80,920)	-4.0%	3,531,079	3,611,700	(80,621)	-2.2%
NON-TAX RECEIPTS								
Federal Grants	1,022,537	1,108,543	(86,006)	-7.8%	2,191,259	2,294,164	(102,905)	-4.5%
Earnings on Investments	0	0	0	N/A	0	0	0	N/A
License & Fees	6,879	5,415	1,464	27.0%	7,701	6,555	1,146	17.5%
Other Income	36,947	1,175	35,772	3044.4%	37,610	2,115	35,495	1678.3%
ISTV'S	78	0	78	N/A	105	0	105	N/A
Total Non-Tax Receipts	1,066,442	1,115,133	(48,691)	-4.4%	2,236,675	2,302,834	(66,159)	-2.9%
TOTAL REVENUES	3,004,822	3,134,433	(129,612)	-4.1%	5,767,754	5,914,534	(146,781)	-2.5%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Liquor Transfers	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	8,893	7,500	1,393	18.6%	13,893	12,500	1,393	11.1%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	8,893	7,500	1,393	18.6%	13,893	12,500	1,393	11.1%
TOTAL SOURCES	3,013,715	3,141,933	(128,219)	-4.1%	5,781,647	5,927,034	(145,388)	-2.5%

Table 2
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2017 VS ACTUAL FY 2016
($ in thousands)

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	AUGUST FY 2017	AUGUST FY 2016	$ VAR	% VAR	ACTUAL FY 2017	ACTUAL FY 2016	$ VAR	% VAR
TAX RECEIPTS								
Non-Auto Sales & Use	731,655	726,627	5,028	0.7%	1,569,242	1,554,676	14,566	0.9%
Auto Sales & Use	133,347	122,161	11,187	9.2%	245,589	238,991	6,598	2.8%
Subtotal Sales & Use	865,003	848,788	16,214	1.9%	1,814,831	1,793,667	21,164	1.2%
Personal Income	657,448	627,891	29,557	4.7%	1,197,516	1,247,550	(50,034)	-4.0%
Corporate Franchise	(482)	279	(760)	-272.7%	(298)	1,320	(1,618)	-122.6%
Financial Institutions Tax	470	(65)	536	818.0%	773	179	594	332.9%
Commercial Activity Tax	250,973	242,325	8,647	3.6%	290,252	277,106	13,146	4.7%
Petroleum Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	23,304	28,218	(4,913)	-17.4%	23,382	28,258	(4,876)	-17.3%
Kilowatt Hour	34,249	32,726	1,523	4.7%	60,347	61,742	(1,395)	-2.3%
Natural Gas Distribution	10,773	10,871	(98)	-0.9%	11,918	12,101	(183)	-1.5%
Foreign Insurance	350	(243)	593	243.9%	662	(37)	699	1879.6%
Domestic Insurance	2	0	2	N/A	2,370	5	2,364	43198.8%
Other Business & Property	0	6	(6)	N/A	5	21	(17)	-79.1%
Cigarette and Other Tobacco	87,101	81,129	5,972	7.4%	110,567	111,276	(710)	-0.6%
Alcoholic Beverage	5,138	5,115	23	0.5%	10,818	10,420	398	3.8%
Liquor Gallonage	4,067	4,012	55	1.4%	7,954	7,660	294	3.8%
Estate	(16)	(13)	(3)	-22.6%	(17)	72	(89)	-123.5%
Total Tax Receipts	1,938,380	1,881,036	57,343	3.0%	3,531,079	3,551,341	(20,262)	-0.6%
NON-TAX RECEIPTS								
Federal Grants	1,022,537	1,347,901	(325,363)	-24.1%	2,191,259	2,540,219	(348,960)	-13.7%
Earnings on Investments	0	0	0	N/A	0	0	0	N/A
License & Fee	6,879	5,238	1,641	31.3%	7,701	6,146	1,555	25.3%
Other Income	36,947	974	35,972	3691.6%	37,610	1,903	35,707	1876.4%
ISTV'S	78	402	(324)	-80.5%	105	573	(468)	-81.7%
Total Non-Tax Receipts	1,066,442	1,354,515	(288,073)	-21.3%	2,236,675	2,548,842	(312,166)	-12.2%
TOTAL REVENUES	3,004,822	3,235,552	(230,730)	-7.1%	5,767,754	6,100,183	(332,429)	-5.4%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Liquor Transfers	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	8,893	73	8,820	12116.7%	13,893	163,073	(149,180)	-91.5%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	8,893	73	8,820	12116.7%	13,893	163,073	(149,180)	-91.5%
TOTAL SOURCES	3,013,715	3,235,624	(221,910)	-6.9%	5,781,647	6,263,255	(481,609)	-7.7%

DISBURSEMENTS

August GRF disbursements, across all uses, totaled $3,025.4 million and were $91.4 million (2.9%) below estimate. This was primarily attributable to lower than estimated disbursements in the Medicaid category being partially offset by higher than estimated disbursements in the Property Tax Reimbursements and Primary and Secondary Education categories. On a year-over-year basis, August total uses were $454.1 million (13.0%) lower than those of the same month in the previous fiscal year, with the Debt Service and Primary and Secondary Education categories largely responsible for the decrease. Year-to-date variances from estimate by category are provided in the table below.

Category	Description	YTD Variance	% Variance
Expenditures and transfers between agencies (ISTVs)	State agency operations, subsidies, tax relief, debt service payments, and pending payroll (if applicable)	($148.8 million)	-2.3%
Transfers	Temporary or permanent transfers out of the GRF that are not agency expenditures	$0.5 million	0.2%
TOTAL DISBURSEMENTS VARIANCE:		**($148.4 million)**	**-2.2%**

GRF disbursements are reported according to functional categories. This section contains information describing GRF spending and variances within each of these categories.

Primary and Secondary Education

This category contains GRF spending by the Ohio Department of Education. August disbursements for this category totaled $704.1 million and were $29.9 million (4.4%) above estimate. Expenditures for the school foundation program totaled $630.2 million and were $34.6 million (5.8%) above estimate. This variance was primarily attributable to greater than estimated prior year settlement payments within the foundation funding line item. Year-to-date disbursements were $1,442.9 million, which was $23.4 million (1.7%) above estimate.

On a year-over-year basis, disbursements in this category were $212.9 million (23.2%) lower than for the same month in the previous fiscal year while year-to-date expenditures were $141.5 million (8.9%) lower than the same point in fiscal year 2016. These variances were primarily due to the timing of school foundation payments. There were two payments made in August of the current fiscal year compared to three payments made in August of the previous fiscal year.

Higher Education

August disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled $192.9 million and were $5.0 million (2.5%) below estimate. This variance was primarily attributable to payments for the Co-Op Internship Program being $1.7 million below estimate due to outstanding grant agreements, and $1.4 million in lower than estimated requests for reimbursement from higher education institutions for the Ohio College Opportunity Grant Scholarship Program.

Year-to-date disbursements were $373.6 million, which was $5.7 million (1.5%) below the estimate. On a year-over-year basis, disbursements in this category were $5.2 million (2.8%) higher than for the same month in the previous fiscal year while year-to-date expenditures were $21.3 million (6.1%) higher than at the same point in fiscal year 2016.

Other Education

This category includes non-debt service GRF expenditures made by the Broadcast Education Media Commission, the Ohio Facilities Construction Commission, the Ohio State School for the Blind, the Ohio School for the Deaf, as well as disbursements made to libraries, cultural, and arts organizations.

August disbursements in this category totaled $7.0 million and were $7.4 million (51.6%) below estimate. This variance was primarily attributable to the timing of $6.2 million in grant program disbursements from the Ohio Arts Council which will occur in future months instead of August as estimated. Year-to-date disbursements in this category were $15.3 million, which was $7.9 million (34.1%) below estimate. On a year-over-year basis, disbursements in this category were $2.6 million (27.0%) lower than for the same month in the previous fiscal year while year-to-date expenditures were $1.2 million (7.2%) lower than at the same point in fiscal year 2016.

Medicaid

This category includes all Medicaid spending on services and program support by the following six 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, and the Department of Aging.

<u>Expenditures</u>
August GRF disbursements for the Medicaid Program totaled $1,528.4 million and were $138.6 million (8.3%) below the estimate, and $27.0 million (1.7%) below disbursements for the same month in the previous fiscal year. Year-to-date GRF disbursements totaled $3,228.7 million and were $165.7 million (4.9%) below the estimate, and $73.3 million (2.2%) below disbursements for the same point in the previous fiscal year.

August all funds disbursements for the Medicaid Program totaled $2,041.3 million and were $162.6 million (7.4%) below the estimate, and $248.6 million (10.9%) below disbursements for the same month in the previous fiscal year. Year-to-date all funds disbursements totaled $3,911.8 million and were $213.0 million (5.2%) below the estimate, and $606.3 million (13.4%) below disbursements for the same point in the previous fiscal year. The July and August 2015 non-GRF disbursements were unusually high because payments under the Hospital Care Assurance Program (HCAP) budgeted for May and June 2015 (fiscal year 2015) were delayed until July and August 2015 (fiscal year 2016).

The August all funds variance was due primarily to savings in the managed care and fee-for-service programs. Managed care costs were less than anticipated due to enrollment for the two more-costly groups, Aged, Blind and Disabled (ABD) adults and ABD children, being 21.6%

and 50.0% below estimate for the month, respectively. Other savings in the managed care program are attributed to lower monthly capitation rates which began in January 2016. Fee-for-service costs were below estimate due to enrollment in this program being 6.3% below estimate for the month. Other underspending in August resulted from a delay in program support payments to the counties through the Department of Job and Family Services. These payments are expected to be completed in the next month. Finally, administrative costs for the Department of Medicaid were below estimate for the month.

The year-to-date all funds variance is as described above, with similar enrollment variances having been seen in July.

The chart below shows the current month's disbursement variance by funding source.

(in millions, totals may not add due to rounding)

	August Actual	August Projection	Variance	Variance %
GRF	$ 1,528.4	$ 1,667.0	$ (138.6)	-8.3%
Non-GRF	$ 512.9	$ 537.0	$ (24.1)	-4.5%
All Funds	$ 2,041.3	$ 2,203.9	$ (162.6)	-7.4%

Enrollment

Total August enrollment across all categories was 3.05 million. The most significant components are the Covered Families and Children/Modified Adjusted Gross Income (CFC/MAGI) category, which increased by 1,900 persons to an August total of 2.50 million persons, and the Aged, Blind and Disabled (ABD) category, which increased by 34,288 persons to an August total of 398,774 covered lives.

Total enrollment across all categories for the same period last year was 3.06 million covered persons, including 2.48 million persons in the CFC/MAGI category and 400,971 people in the ABD category.

Please note that these data are subject to revision.

Health and Human Services

This category includes non-debt service GRF expenditures by the following state agencies: Job and Family Services, Health, Aging, Developmental Disabilities, Mental Health and Addiction Services, and others. Examples of expenditures in this category include: child care, TANF, 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. To the extent that these agencies spend GRF to support Medicaid services, that spending is reflected in the Medicaid category.

August disbursements in this category totaled $91.1 million and were $4.6 million (4.8%) below estimate. Year-to-date disbursements were $217.0 million, which was $23.4 million (9.7%) below estimate. On a year-over-year basis, disbursements in this category were $27.6 million

(23.3%) lower than for the same month in the previous fiscal year while year-to-date expenditures were $29.7 million (12.0%) lower than at the same point in fiscal year 2016.

Department of Job and Family Services
August disbursements for the Department of Job and Family Services totaled $37.8 million and were $7.2 million (15.9%) below estimate. This variance was primarily attributable to several line items. First, Family Assistance – Local disbursements were $3.9 million (41.3%) below estimate due to lower than estimated county draws. Second, Children and Families Subsidy disbursements were $1.6 million (39.3%) below estimate due to payments estimated for August being moved to future months. Third, disbursements for Information Technology Projects were $1.5 million (27.0%) below estimate due to the timing of payments. These variances were partially offset by earlier than anticipated disbursements for the Healthy Food Financing Initiative.

Department of Mental Health and Addiction Services
August disbursements for the Department of Mental Health and Addiction Services totaled $35.2 million and were $4.4 million (14.4%) above estimate. This variance was primarily attributable to the timing of disbursements for Hospital Services which were $3.9 million (24.2%) above estimate and Continuum of Care Services which were $6.3 million (376.3%) above estimate due to payments occurring in August instead of July as estimated. This variance was partially offset by lower than estimated disbursements for the Addiction Services Partnership with the Department of Rehabilitation and Correction, which were $3.3 million (72.2%) below estimate due to the timing of subsidy payments to community partners.

Department of Health
August disbursements for the Department of Health totaled $10.0 million and were $0.6 million (5.4%) below estimate. This variance was primarily attributable to Immunizations disbursements being $0.9 million (88.9%) below estimate due to payments estimated for August being moved to future months. This and other variances were partially offset by Help Me Grow disbursements being $1.4 million (48.2%) above estimate due to subsidy payments estimated for later months being moved to August.

Justice and Public Protection

This category includes non-debt service GRF expenditures by the Department of Rehabilitation & Correction, the Department of Youth Services, the Attorney General, judicial agencies, and other justice-related entities.

August disbursements in this category totaled $149.8 million and were $11.7 million (7.2%) below estimate. Year-to-date disbursements were $411.3 million, which was $14.6 million (3.4%) below estimate. On a year-over-year basis, disbursements in this category were $57.7 million (27.8%) lower than for the same month in the previous fiscal year while year-to-date expenditures were $5.8 million (1.4%) lower than at the same point in fiscal year 2016.

Department of Rehabilitation and Correction
August disbursements for the Department of Rehabilitation and Correction totaled $113.1 million and were $17.9 million (13.7%) below estimate. This variance was primarily attributable

to lower than estimated disbursements for Halfway Houses and Community Nonresidential Programs due to payments occurring in July instead of August as estimated. Disbursements for Institutional Operations were also lower than estimated due to some payments not being disbursed in August as estimated.

Department of Youth Services
August disbursements for the Department of Youth Services totaled $11.8 million and were $1.9 million (19.3%) above estimate. This variance was primarily attributable to higher than estimated disbursements for RECLAIM Ohio due to the timing of payments for Community Corrections Facilities.

Public Defender Commission
August disbursements for the Public Defender Commission totaled $5.7 million and were $5.1 million (908.3%) above estimate. This variance was primarily attributable to the timing of County Reimbursement payments, which occurred in August instead of September as estimated.

General Government

This category includes non-debt service GRF expenditures by the Department of Natural Resources, Development Services Agency, Department of Agriculture, Department of Taxation, Office of Budget and Management, non-judicial statewide elected officials, legislative agencies, and others.

August disbursements in this category totaled $43.6 million and were $3.9 million (8.3%) below estimate. Year-to-date disbursements were $77.1 million, which was $3.7 million (4.5%) below estimate. On a year-over-year basis, disbursements in this category were $5.9 million (15.8%) higher than for the same month in the previous fiscal year while year-to-date expenditures were $4.4 million (5.4%) lower than at the same point in fiscal year 2016.

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 as a result of the 10.0 percent and 2.5 percent rollback, as well as the homestead exemption. August property tax reimbursements totaled $135.4 million and were $49.3 million (57.3%) above estimate. Year-to-date disbursements totaled $135.5 million and were $48.7 million (56.2%) above estimate. Both the monthly and year-to-date variances are due to reimbursement requests being received from counties earlier than anticipated.

Debt Service

August payments for debt service totaled $130.2 million and were $0.2 million (0.2%) above estimate. Year-to-date debt service payments were $374.6 million and were at estimate.

Transfers Out

August transfers out totaled $42.9 million and were $0.4 million (0.9%) above estimate. Year-to-date transfers out were $242.1 million and were $0.5 million (0.2%) above estimate.

Table 3

GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2017 VS ESTIMATE FY 2017
($ in thousands)

	MONTH				YEAR-TO-DATE			
Functional Reporting Categories Description	ACTUAL AUGUST	ESTIMATED AUGUST	$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	$ VAR	% VAR
Primary and Secondary Education	704,111	674,234	29,877	4.4%	1,442,926	1,419,491	23,435	1.7%
Higher Education	192,926	197,920	(4,994)	-2.5%	373,603	379,315	(5,712)	-1.5%
Other Education	6,968	14,397	(7,429)	-51.6%	15,285	23,183	(7,899)	-34.1%
Medicaid	1,528,406	1,666,960	(138,554)	-8.3%	3,228,650	3,394,352	(165,702)	-4.9%
Health and Human Services	91,076	95,646	(4,570)	-4.8%	216,993	240,435	(23,442)	-9.7%
Justice and Public Protection	149,807	161,478	(11,671)	-7.2%	411,340	425,939	(14,599)	-3.4%
General Government	43,556	47,500	(3,944)	-8.3%	77,092	80,749	(3,657)	-4.5%
Property Tax Reimbursements	135,422	86,105	49,317	57.3%	135,496	86,761	48,735	56.2%
Capital Outlay	0	0	0	N/A	0	0	0	N/A
Debt Service	130,240	130,012	228	0.2%	374,645	374,642	3	0.0%
Total Expenditures & ISTV's	2,982,512	3,074,251	(91,739)	-3.0%	6,276,030	6,424,867	(148,837)	-2.3%
Transfers Out:								
BSF Transfer Out	0	0	0	N/A	29,483	29,483	0	0.0%
Operating Transfer Out	42,876	42,509	367	0.9%	212,614	212,159	455	0.2%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	42,876	42,509	367	0.9%	242,096	241,642	455	0.2%
Total Fund Uses	3,025,387	3,116,760	(91,373)	-2.9%	6,518,126	6,666,509	(148,383)	-2.2%

Table 4
GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2017 VS ACTUAL FY 2016
($ in thousands)

Functional Reporting Categories Description	MONTH AUGUST FY 2017	MONTH AUGUST FY 2016	MONTH $ VAR	MONTH % VAR	YEAR-TO-DATE ACTUAL FY 2017	YEAR-TO-DATE ACTUAL FY 2016	YEAR-TO-DATE $ VAR	YEAR-TO-DATE % VAR
Primary and Secondary Education	704,111	917,001	(212,891)	-23.2%	1,442,926	1,584,418	(141,492)	-8.9%
Higher Education	192,926	187,755	5,171	2.8%	373,603	352,284	21,319	6.1%
Other Education	6,968	9,551	(2,584)	-27.0%	15,285	16,465	(1,180)	-7.2%
Medicaid	1,528,406	1,555,434	(27,028)	-1.7%	3,228,650	3,301,914	(73,264)	-2.2%
Health and Human Services	91,076	118,718	(27,642)	-23.3%	216,993	246,645	(29,652)	-12.0%
Justice and Public Protection	149,807	207,519	(57,712)	-27.8%	411,340	417,154	(5,814)	-1.4%
General Government	43,556	37,615	5,941	15.8%	77,092	81,498	(4,406)	-5.4%
Property Tax Reimbursements	135,422	90,936	44,487	48.9%	135,496	92,486	43,010	46.5%
Capital Outlay	0	0	0	N/A	0	0	0	N/A
Debt Service	130,240	355,305	(225,064)	-63.3%	374,645	593,336	(218,690)	-36.9%
Total Expenditures & ISTV's	2,982,512	3,479,834	(497,323)	-14.3%	6,276,030	6,686,199	(410,169)	-6.1%
Transfers Out:								
BSF Transfer	0	0	0	N/A	29,483	425,500	(396,017)	-93.1%
Operating Transfer Out	42,876	(388)	43,263	11160.5%	212,614	346,000	(133,387)	-38.6%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	42,876	(388)	43,263	11160.5%	242,096	771,500	(529,404)	-68.6%
Total Fund Uses	3,025,387	3,479,447	(454,059)	-13.0%	6,518,126	7,457,699	(939,573)	-12.6%

FUND BALANCE

Table 5 describes the estimated General Revenue Fund (GRF) unencumbered ending fund balance for FY 2017. Based on the estimated revenue sources for FY 2017 and the estimated FY 2017 disbursements, transfers, and encumbrances, the GRF unencumbered ending fund balance for FY 2017 is an estimated $459.8 million.

The GRF unencumbered ending fund balance should not be considered as a balance available for expenditure in FY 2017 nor should it be considered as equivalent to the FY 2017 surplus calculation as defined in Section 131.44 of the Ohio Revised Code.

It is important to note that the GRF unencumbered ending fund balance will be impacted by any GRF expenditures or transfers that may be authorized by the General Assembly or by the Controlling Board during the course of the fiscal year.

Table 5
FUND BALANCE
GENERAL REVENUE FUND
FISCAL YEAR 2017
($ in thousands)

July 1, 2016 Beginning Cash Balance*	**$ 1,193,327**
Plus FY 2017 Estimated Revenues	22,897,600
Plus FY 2017 Estimated Federal Revenues	12,682,980
Plus FY 2017 Estimated Transfers to GRF	309,100
Total Sources Available for Expenditures & Transfers	**37,083,007**
Less FY 2017 Estimated Disbursements**	35,892,611
Less FY 2017 Estimated Total Encumbrances as of June 30, 2017	312,696
Less FY 2017 Estimated Transfers Out	417,875
Total Estimated Uses	**36,623,182**
FY 2017 ESTIMATED UNENCUMBERED ENDING FUND BALANCE	**459,825**

* Includes reservations of $428.6 million for prior year encumbrances and $54.5 million for transfers from the fiscal year 2016 ending balance executed during fiscal year 2017. After accounting for these amounts, the estimated unencumbered beginning fund balance for fiscal year 2017 is $710.2 million.

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

OBM staff that contributed to the development of this report are:

Jason Akbar, Ben Boettcher, Frederick Church, Jim Coons, Adam Damin, Erin DeGiralomo, Paul DiNapoli, Sharon Hanrahan, Kurt Kauffman, Sári Klepacz, Lauren Lopez, Ashley Nelson, Katherine Nickey, Steven Peishel, Craig Rethman, Katja Ryabtseva, Tara Schuler, Travis Shaul, Dex Stanger, and Chris Whistler.