

State of Ohio Monthly Financial Report

DECEMBER 12, 2022

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

From: Kimberly Murnieks, Director



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Report Overview

**\$986.2 MILLION IN
NON-AUTO SALES AND
USE TAX COLLECTIONS**



**PERSONAL INCOME TAX
EXCEEDED THE ESTIMATE
BY \$50.0 MILLION**



**NOVEMBER COMMERCIAL
ACTIVITY TAX RECEIPTS
TOTALLED \$435.6 MILLION**



**NOVEMBER PUBLIC UTILITY
TAX EXCEEDED THE ESTIMATE
BY \$10.2 MILLION**



Economic Activity

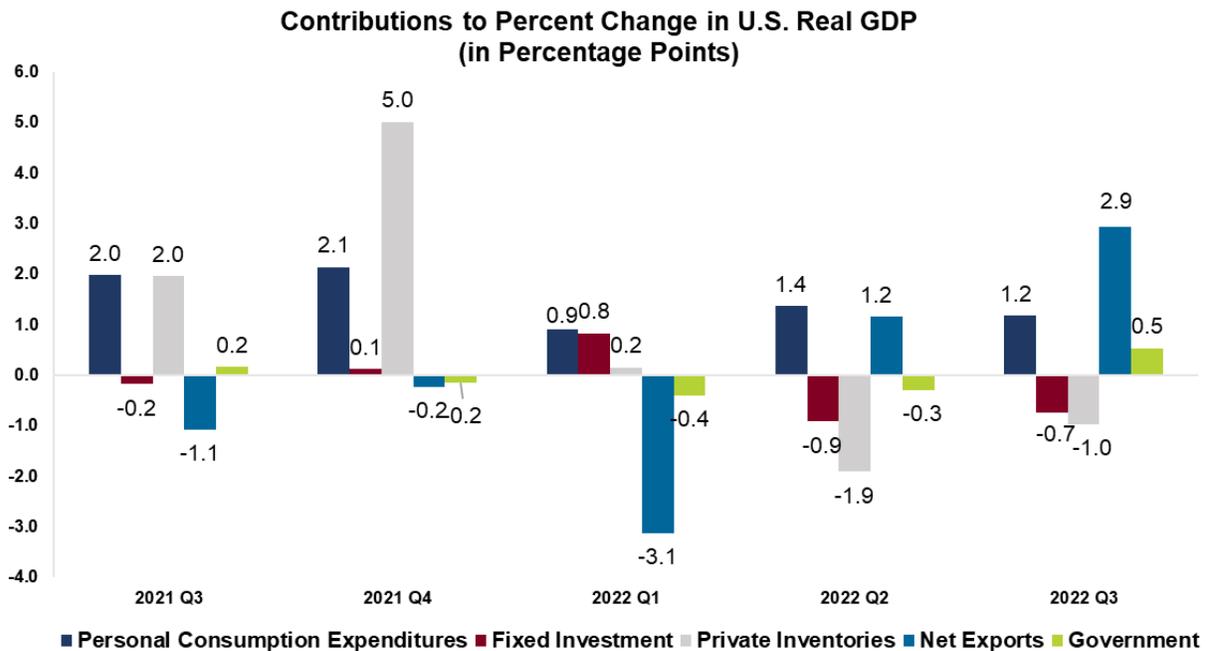
Economic Outlook

According to the Bureau of Economic Analysis's second estimate, the nation's **Real Gross Domestic Product (GDP)** increased in the third quarter of calendar year 2022 at an annualized rate of 2.9 percent. This upward revision of 0.3 percentage point compared to last month's advance estimate included revisions to nonresidential fixed investment, consumer spending and private inventory investment.



Source: Bureau of Economic Analysis

The third quarter increase in real GDP resulted from growths in net exports (2.9 percentage points), personal consumption expenditures (1.2 percentage points), and government expenditures (0.5 percentage point). These positive contributions were partially offset by decreases in private inventories (-1.0 percentage point) and in fixed investment (-0.7 percentage point).



Source: Bureau of Economic Analysis



The **Federal Reserve's Beige Book** evaluates current economic conditions across its 12 districts. According to the November report, economic activity in the Fourth District, which includes Ohio, slowed modestly over the last month. Sectors recently exhibiting strength, including manufacturing and professional services, saw slowing demand. Respondents reported that elevated interest rates impacted activity in financial services, construction, and residential real estate sectors. Consequently, the nonprofit sector reported rising costs constraining the supply of affordable housing for lower-income households. Labor demand still exceeded labor supply, with some respondents reporting raising wages to attract and retain workers.

In October, the Conference Board's **Leading Economic Index** decreased to 114.9, after declining 0.8 percent between September and October. The index is down 3.2 percent over the last six months and has fallen for eight consecutive months. The Conference Board's senior director of economics reported that in addition to high inflation and rising interest rates, declining prospects for housing construction and manufacturing sectors suggest an increased likelihood of a national recession through mid-2023.

Despite a positive third quarter GDP reading, economic forecasters continue to anticipate that the national economy will likely experience a recession in early 2023. After raising interest rates again in November, the Federal Reserve signaled willingness to continue to do so, albeit at a moderated rate. Labor market conditions loosened slightly in recent weeks but remain resilient to restrictive monetary policy. Ongoing positive jobs reports lead most forecasters to expect that any national recession will most likely be relatively short and mild.

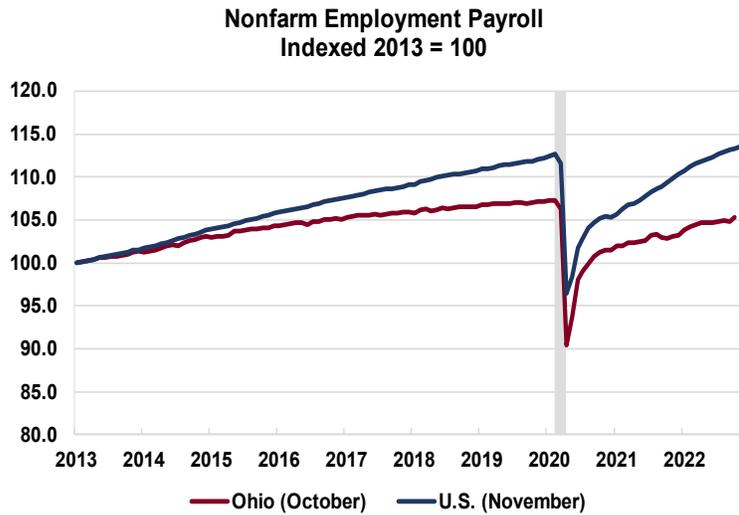
Economic Forecasts

Source	Date	4th Quarter 2022 Annualized GDP Forecast
IHS Markit GDP Tracker	12/05/2022	0.7%
Federal Reserve Bank of Atlanta (GDPNow)	12/01/2022	2.8%
Moody's Analytics High Frequency GDP Model	11/16/2022	2.8%
Wells Fargo	11/14/2022	1.0%
Wall Street Journal Survey of Economic Forecasters	11/10/2022	1.1%
Conference Board	11/09/2022	-0.5%

Ohio Labor Market

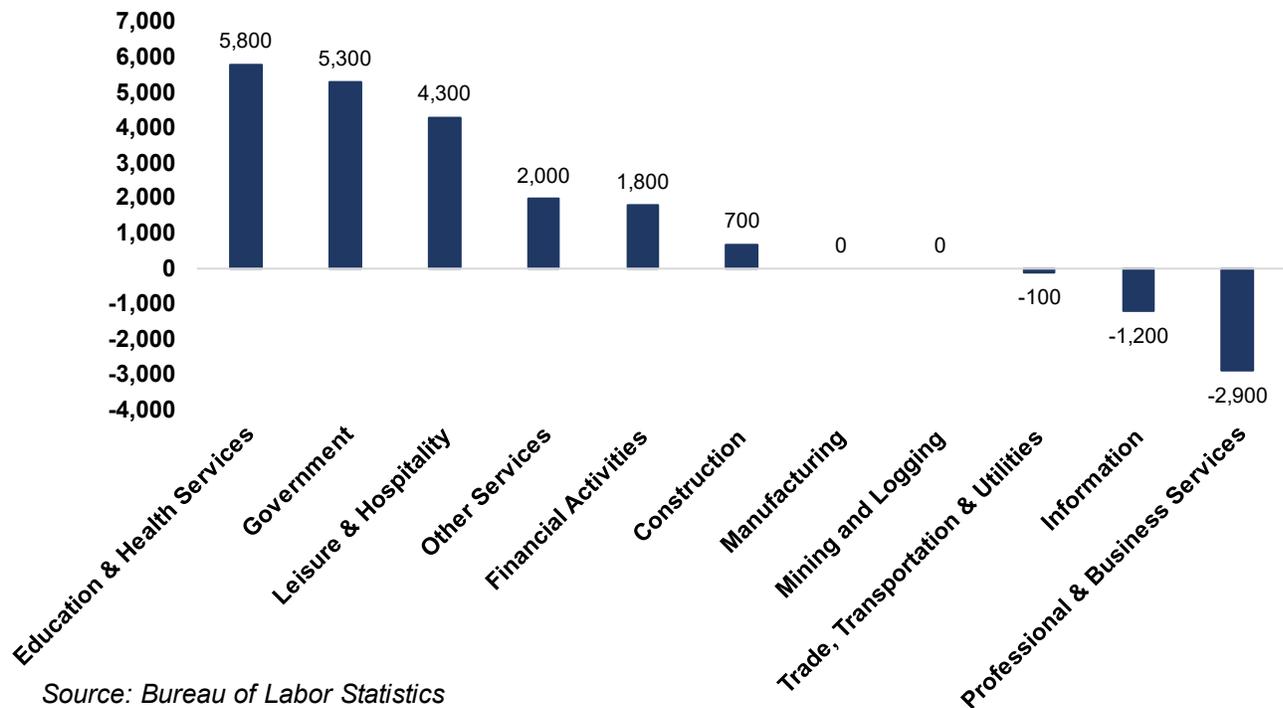
Following an upward revision of 13,200 jobs for September, **Ohio's nonfarm payroll employment** increased by an additional 15,700 jobs in October 2022. These increases brought the number of jobs in Ohio to 2.4 percent above October 2021 levels.

In Ohio, the education and health services industry had the largest increase in jobs in October, followed by government, and leisure and hospitality. Smaller losses in professional and business services, information, and trade, transportation, and utilities partially offset these gains.



Source: Bureau of Labor Statistics

Change in Ohio Employment September - October 2022 (by Industry)



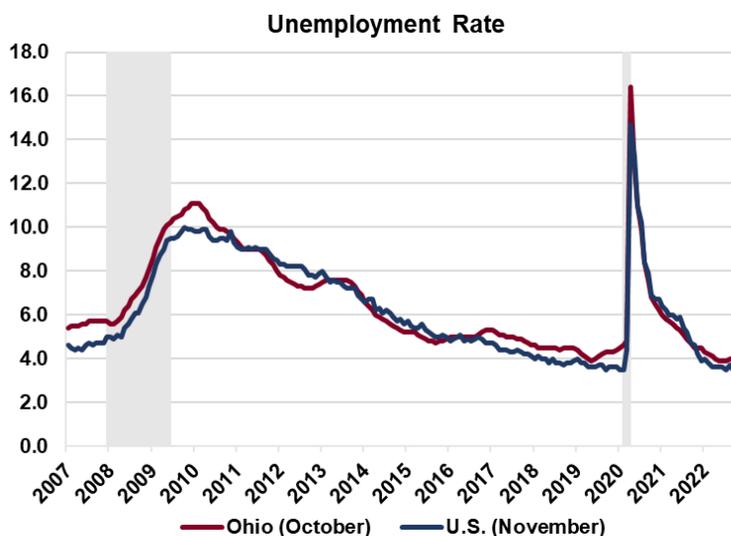
Source: Bureau of Labor Statistics



Ohio's seasonally adjusted **labor force participation rate** in October was 61.5 percent, a 0.3 percent decrease from September. The seasonally adjusted **employment-population ratio** was 58.9 in October, a 0.3 percent decrease from September 2022.

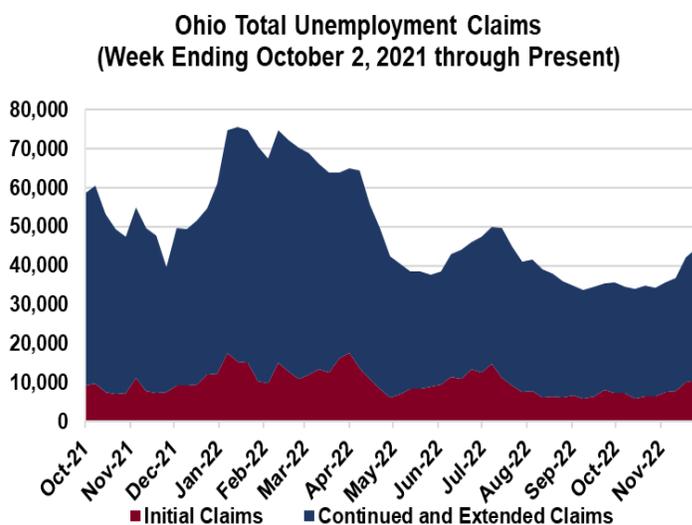
Ohio's **State-Level Coincident Index**, a measure of employment conditions in each state, increased 0.1 percent between July and October 2022. Compared to October 2021, the Ohio index increased 2.9 percent. This suggests a stable expansion in economic activity in the state over time. The U.S. coincident index increased 0.7 percent over the last three months, and 4.6 percent in the past year.

The **Ohio unemployment rate** increased 0.2 percentage point to 4.2 percent between September and October.



Source: Bureau of Labor Statistics through FRED

During the week ending November 26, 2022, individuals filed a total of 10,654 **initial unemployment claims**, a 5.7 percent increase from the previous week.



Source: Ohio Department of Job and Family Services

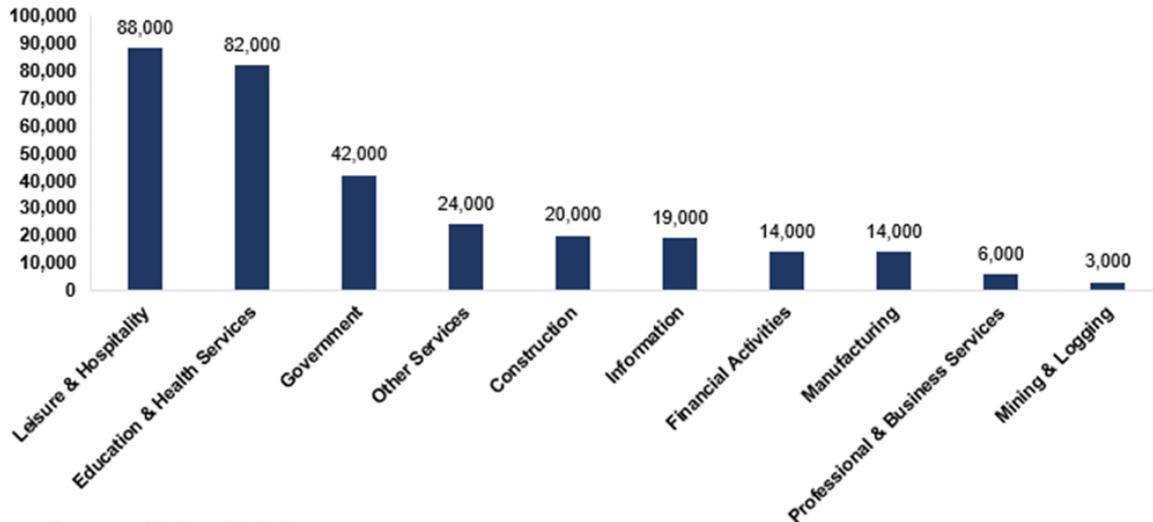
Individuals filing **continued and extended claims** during the same week totaled 33,588 claims, a 4.6 percent increase from the prior week. Even with these increases, Ohio unemployment claims continue to be near historic lows.

U.S. Labor Market

U.S. nonfarm payroll employment increased by 263,000 jobs in November. Job gains were widespread with the highest growth in leisure and hospitality, education and health services, and government.

263,000
Jobs Added

Change in U.S. Employment October - November 2022
(by Industry)



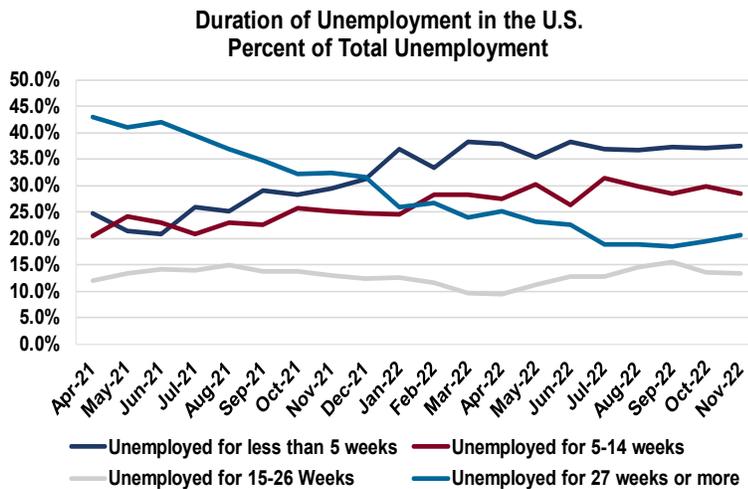
Source: Bureau of Labor Statistics

The **U.S. labor force participation rate** decreased by 0.2 percent to 62.1 percent in November. The **U.S. employment-population ratio** also decreased by 0.1 percentage point to 59.9 percent. Both measures remain below February 2020 levels by 1.3 percentage points.

The **U.S. unemployment rate** was unchanged in November at 3.7 percent. The number of unemployed individuals fell slightly to 6.0 million. The unemployment rate decreased for all racial groups except for those who identify as white, who saw no change. The largest decreases were for individuals who identify as Hispanic (-0.3 percentage point), followed by individuals who identify as Black or Asian (-0.2 percentage point). The unemployment rate for women decreased 0.1 percentage point between October and November. For men, the unemployment rate increased 0.1 percentage point to 3.4 percent. The unemployment rate for teenagers increased by 0.3 percentage point.

Unemployment Rates by Demographic Group

	September-22	October-22	November-22
Women	3.1%	3.4%	3.3%
Men	3.3%	3.3%	3.4%
Black	5.8%	5.9%	5.7%
White	3.1%	3.2%	3.2%
Asian	2.5%	2.9%	2.7%
Hispanic	3.8%	4.2%	3.9%



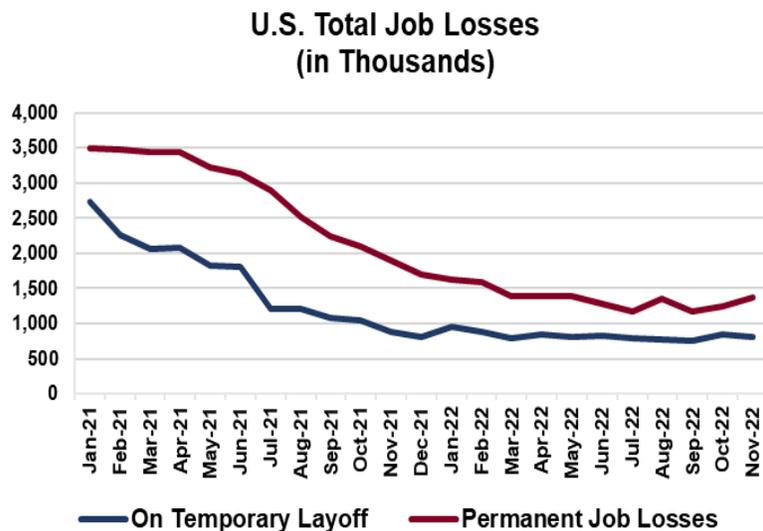
Source: Bureau of Labor Statistics

In November, 20.6 percent of unemployed individuals in the nation were unemployed for 27 or more weeks. This measure increased 1.3 percentage points from October but remains in line with pre-pandemic levels.

The number of **people not in the labor force who currently want a job** decreased by 2.9 percent to 5.6 million in November but remained above the February 2020 level by 554,000.

The number of unemployed people who were on **temporary layoff** decreased to 803,000 in November but was 23,000 more than in February 2020.

The number of people with **permanent job losses** increased by 127,000 in November to 1.4 million and remained 73,000 higher than in February 2020.



Consumer Income and Consumption

\$22.1 Trillion

Personal income increased by \$155.3 billion (0.7%) in October to \$22.1 trillion. Gains in October were primarily due to increases in wages and salaries of \$54.2 billion (0.5%), and government social benefits of \$35.2 billion (1.0%).

Personal consumption expenditures increased by \$147.8 billion (0.8%) between September and October. Overall spending on goods increased 1.4 percent. Increases in motor vehicles and parts (5.2%), and moderate increases in spending in other categories, like recreational goods and vehicles (0.8%), resulted in a 2.1 percent increase in spending on durable goods. An increase in spending on gasoline and other energy goods (4.1%), and food and beverages (0.9%), resulted in a 1.1 percent increase in spending on nondurable goods. Spending on services increased 0.5 percent in October, primarily due to food services and accommodations (2.1%) and transportation services (0.9%).

Consumer Spending by Industry, for Select Industries (\$ in Millions of Chained 2012 Dollars)

	September 2022	October 2022	1-Month Percent Change	12-Month Percent Change	24-Month Percent Change
Durable Goods	\$ 2,256,869	\$ 2,316,778	2.7%	2.0%	9.9%
Motor vehicles and parts	\$ 562,627	\$ 595,479	5.8%	1.1%	2.5%
Furnishings and durable household equipment	\$ 521,505	\$ 527,835	1.2%	-0.7%	4.0%
Recreational goods and vehicles	\$ 914,603	\$ 923,682	1.0%	5.5%	18.1%
Other durable goods	\$ 342,382	\$ 346,596	1.2%	1.1%	23.3%
Nondurable Goods	\$ 3,333,234	\$ 3,341,726	0.3%	-1.4%	5.6%
Clothing and footwear	\$ 503,524	\$ 505,205	0.3%	1.2%	14.7%
Gasoline and other energy goods	\$ 442,918	\$ 439,455	-0.8%	-1.0%	10.4%
Other nondurable goods	\$ 1,331,874	\$ 1,337,466	0.4%	1.1%	6.9%
Services	\$ 8,793,452	\$ 8,808,856	0.2%	2.8%	9.9%
Food services and accommodations	\$ 933,579	\$ 939,469	0.6%	6.7%	30.8%
Other Services	\$ 1,237,309	\$ 1,233,024	-0.3%	5.7%	18.5%
Health Care	\$ 2,311,590	\$ 2,318,336	0.3%	2.1%	6.5%

Note: The table above provides details on real personal consumption spending in chained 2012 dollars, which differs from the figures in the text that are not adjusted for inflation.

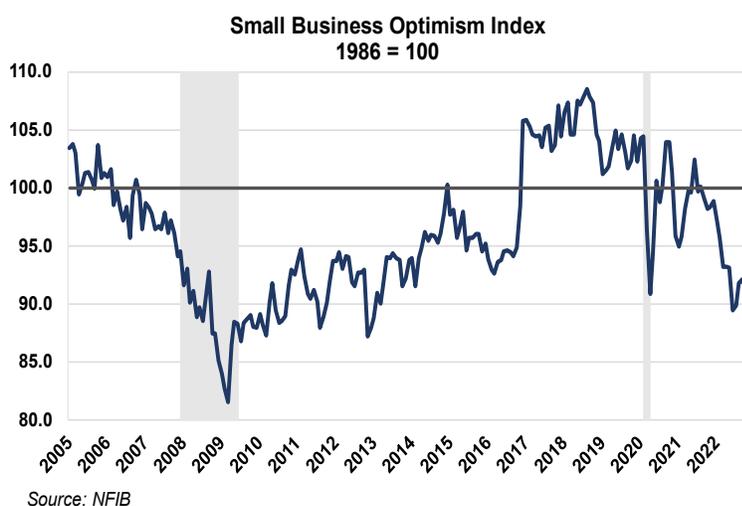
Source: Bureau of Economic Analysis, Table 2.4.6U Personal Consumption Expenditures by Type of Product



Personal saving was \$426.5 billion in October, a 4.8 percent decline compared to September's revised level and was 73.0 percent below the February 2020 level. The **personal savings rate** was 2.3 percent in October, down 0.1 percent from September's revised estimate.

The **Consumer Price Index for All Urban Consumers (CPI)** showed an increase of 0.4 percent in October, which followed a 0.4 percent increase in September. The "all items" index increased 7.7 percent over the last 12 months. This represents a potential sign of slowing inflation, as the 12-month increase fell below 8.0 percent for the first time since February 2022. In October, price increases were broad-based, though energy prices increased the most (1.8%) compared to September.

Consumer opinion surveys reported decreases in consumer confidence in November. Respondents in the University of Michigan's **Survey of Consumers** reported a 5.0 percent decrease in consumer sentiment to 56.8 compared to October. Buying conditions for durable goods, borrowing costs, and weakening labor market expectations all contributed negatively. The Conference Board's **Consumer Confidence Index** decreased by 2.0 points to 100.2 in November. Consumers expressed concerns about inflation and the elevated likelihood of recession.



The **Small Business Optimism Index** declined 0.8 point to 91.3 in October. This is the tenth consecutive month that the index was below 98, the 48-year average. Thirty-three percent of respondents identified inflation as the most important problem, a 3.0-point increase from September. Small business owners continue to report hiring challenges as 46.0 percent of owners reported job openings that they could not fill, unchanged from September.

Owners plan to continue trying to fill positions, with a seasonally adjusted net 20.0 percent planning to create new jobs in the next three months.

Travel and Tourism

Average airline checkpoint traffic decreased 5.4 percent in November compared to October. **Total travel throughput** in November 2022 was 12.3 percent higher than in November 2021 but stayed 5.7 percent lower than November 2019.

The **hotel occupancy rate** for the week ending November 26, 2022, which included the Thanksgiving holiday, was 50.4 percent, 0.5 percent below the comparable week in 2019. The **average daily rate** for a hotel room was \$135.49, a 20.4 percent increase from 2019. **Revenue per available room** was \$68.27, which was 19.9 percent more than in 2019.

Ohio **turnpike passenger vehicle miles traveled** in November 2022 increased 31.8 percent compared to a year ago and increased 36.8 percent compared to November 2019. **Turnpike commercial vehicle miles traveled** in Ohio during November 2022 increased 7.9 percent compared to a year ago and increased 29.2 percent compared to November 2019. **Total turnpike revenue** from November 2022, increased 16.6 percent compared to November 2021 and was 37.0 percent higher than November 2019.

Industrial Activity

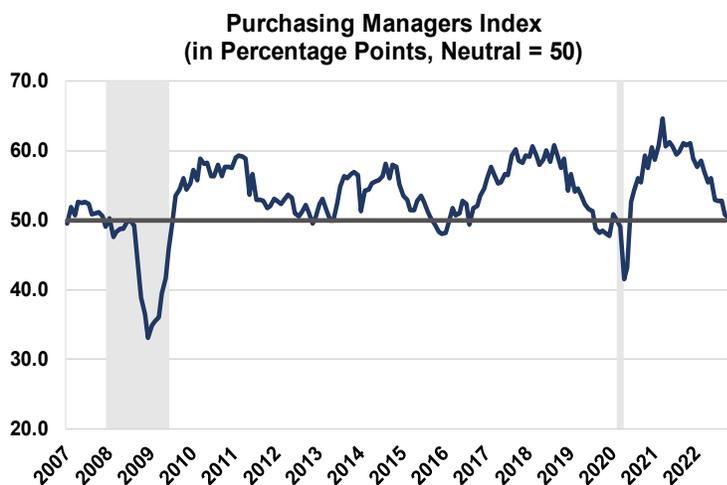
According to preliminary data from the Board of Governors of the Federal Reserve System, **total industrial production** decreased 0.1 percent between September and October 2022 and was 3.3 percent higher than in October 2021.

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

Manufacturing Sector	Percent Change August to September 2022	Percent Change September to October 2022	Percent Change October 2021 to October 2022
Aerospace and Other Transportation Equipment	-0.2%	1.9%	11.3%
Chemicals	-0.1%	-0.1%	1.6%
Electrical Equipment	0.6%	1.9%	4.0%
Fabricated Metal Products	1.0%	0.1%	4.0%
Food Beverage and Tobacco Products	0.3%	-0.3%	1.2%
Machinery	1.4%	1.0%	5.7%
Motor Vehicles and Parts	0.4%	2.0%	10.7%
Petroleum and Coal	1.7%	-1.9%	-0.6%
Plastics and Rubber Products	0.0%	0.3%	3.6%
Primary Metals	-0.6%	-0.2%	-4.7%

The preliminary data show the **Manufacturing Production Index** increased 0.2 percent in October to 102.9 and increased 2.7 percent since October 2021. Nationally, manufacturing in six of Ohio's top 10 industries increased production between September and October. Increases in aerospace and other transportation equipment (1.9%), electrical equipment and appliances (1.9%), and fabricated metal products (1.0%) were partially offset by decreases in the motor vehicle and parts (2.0%), and petroleum and coal products (-1.9%) sectors.





Source: Institute for Supply Management

reported growth in the last month, with primary metals, petroleum and coal, and transportation equipment products leading the way. The industries reporting the largest contraction were fabricated metal products, chemical products, and plastic and rubber products.

Anecdotal evidence from purchasing and supply executives nationwide surveyed by the Institute for Supply Management (ISM) suggest a softening of demand and mixed expectations around future economic conditions.

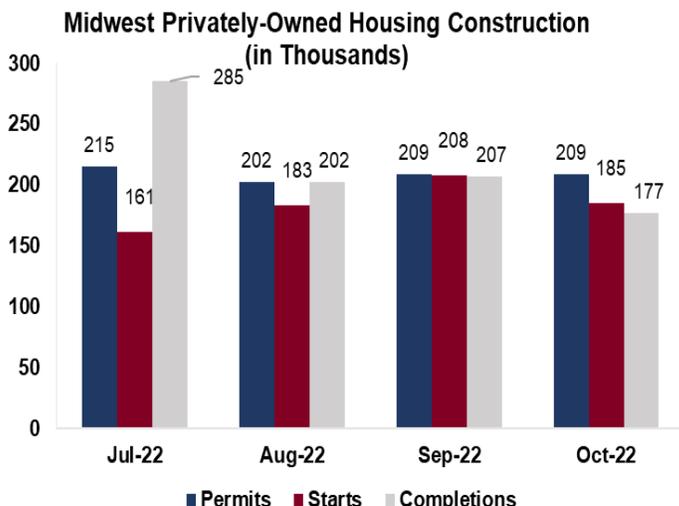
“Consumer goods are slowing down in several of our markets, although the U.S. economy seems decent. Cannot say the same for the European economy. [Food, Beverage, and Tobacco Products]”

“General economic uncertainty has created a slowdown in orders as we approach the end of the year, and many of our key customers are reducing their capital expenditures spend. [Machinery]”

Ohio and Midwest Construction and Housing Market

In Ohio, **building permits** for privately-owned housing units increased 42.0 percent between September and October and were 45.2 percent above the number of permits issued in October 2021.





Source: U.S. Census Bureau through FRED

Privately-owned housing starts in the Midwest decreased 11.1 percent between September and October and were 13.6 percent below October 2021 levels.

In October, privately-owned housing completions in the Midwest decreased 14.5 percent compared to September and were 3.5 percent above October 2021.

September and October and were 5.8 percent below October 2021.

New home sales in the Midwest increased 7.5 percent between

Activity in the Ohio housing market continued to show signs of deceleration in October. Total sales were 22.8 percent below October 2021 and the average sale price in Ohio was \$255,725, a 6.3 percent increase compared to October 2021. Ohio REALTORS expects an increase in the number of homes listed in many locations, resulting in expanded housing opportunities and a more balanced market.



Source: National Association of Home Builders

The **Housing Market Index** in the Midwest decreased one point in November to 36, three points above the national level. The national index has decreased for 11 months in a row, and the Midwest index declined in nine of the last 12 months. Builder confidence continues to drop and apart from the early stages of the pandemic, is at its lowest point since June 2012. Rising interest rates continue to negatively affect demand, as inflation leads to sustained higher building material costs.

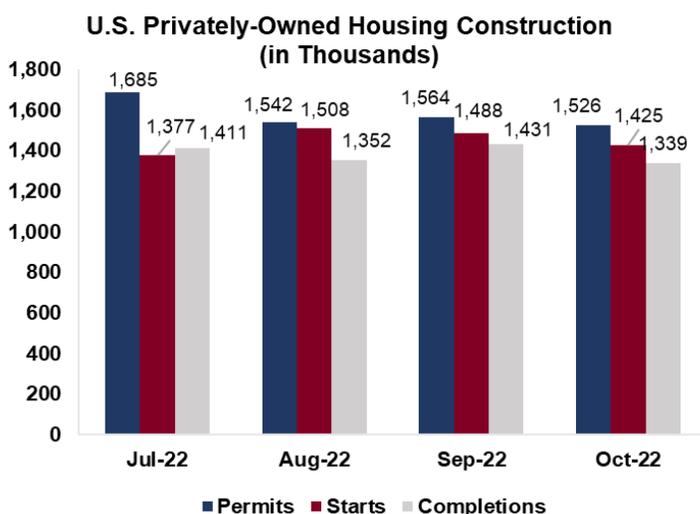


U.S. Construction and Housing Market

The U.S. Census Bureau reported **total construction spending** in October 2022 at an estimated \$1.8 trillion, a 0.3 percent decrease from the revised September estimate. The October 2022 estimate was 9.2 percent above October 2021 and 21.9 percent above October 2020.

Public sector construction spending increased 0.6 percent between September and October, bringing the seasonally adjusted annual total to \$374.6 billion. Spending on educational construction held steady in October at \$18.8 billion, 14.8 percent above October 2021 levels. Highway construction spending in October was 0.8 percent below the revised September estimate and 11.5 percent above October 2021.

Private sector construction spending decreased 0.5 percent between September and October 2022, leaving the seasonally adjusted annual total at \$1.42 trillion. However, private sector construction spending remained 8.6 percent above the October 2021 level. Residential construction in October was 0.3 percent below September and 8.6 percent above October 2021's estimate. Nonresidential construction in October decreased 0.8 percent from the revised September estimate and remained 9.5 percent above October 2021.



Source: U.S. Census Bureau through FRED

In the U.S., the number of **building permits** issued for privately-owned housing units decreased 2.4 percent between September and October, and fell 10.1 percent from the number of permits issued in October 2021.

Nationally, privately-owned housing starts decreased 1.0 percent between September and October, and were 8.8 percent below October 2021 levels.

In October, **newly built single-family home sales** increased 7.5 percent compared to September but remained 5.8 percent below sales in October 2021. The national median sales price in October 2022 was \$493,000, an 8.2 percent increase compared to September, and 5.4 percent higher compared to October 2021.

Existing home sales, as reported by the National Association of Realtors, decreased 5.9 percent in October compared to September. October's existing home sales declined to 4.4 million housing units, a 28.4 percent decrease from October 2021. The median sale price of all existing homes rose 6.6 percent from a year ago to \$379,100. October 2022 was the 128th consecutive month of year-over-year increases in existing median home sale prices. Available inventory in October 2022 totaled 1.2 million units, a 0.8 percent decrease from September, and was 0.8 percent below October 2021's inventory level.



Revenues

Total November GRF tax revenues exceeded the estimate by \$128.7 million (5.5%). Personal income tax once again had the month's largest positive variance, outperforming the estimate by \$50.0 million (6.9%). For the year, revenues have performed above expectations by \$478.5 million (4.3%). Personal income tax accounts for 55.0 percent of the year's total tax variance. November tax revenues grew by \$212.6 million (9.3%) from last year, exhibiting the strongest monthly growth amount and rate experienced this fiscal year. For the fiscal year-to-date, tax revenues have increased by \$696.2 million (6.4%).

Aggregate (tax and non-tax) GRF receipts totaled \$2.4 billion in November and were \$403.3 million (-14.2%) below estimate. As noted above, tax revenues were \$128.7 million (5.5%) above estimate. Non-tax receipts were \$532.0 million below estimate. For the year-to-date, tax revenues, non-tax revenues, and transfers are all above estimate, as shown in the table below.

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	\$ 478.5	4.3%
Non-Tax Receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	\$ 94.8	1.5%
Transfers	Budget stabilization, liquor transfers, capital reserve, other	\$ 0.6	12.7%
Total Revenue Variance:		\$ 573.9	3.3%
Non-Federal Revenue Variance		\$ 487.3	4.3%
Federal Grants Variance		\$ 86.6	1.4%



The table below shows that sources below estimate (a negative variance of \$546.9 million) in November outweighed the size of sources above estimate (a positive variance of \$143.6 million), resulting in a \$403.3 million net negative variance from estimate.

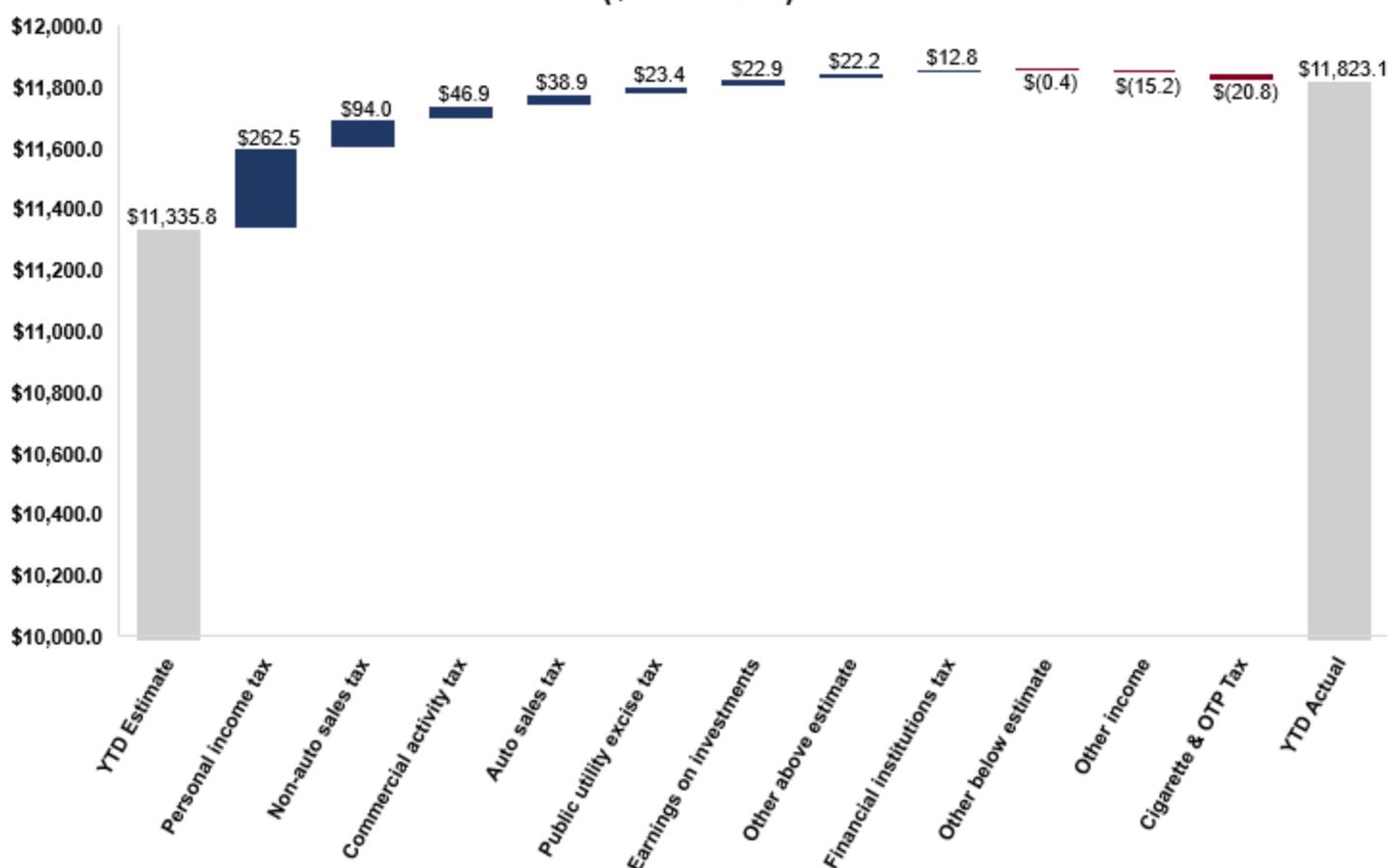
GRF Revenue Sources Relative to Monthly Estimates – November 2022
(\$ in Millions)

Individual Revenue Sources Above Estimate		Individual Revenue Sources Below Estimate	
Personal Income Tax	\$ 50.0	Federal grants	\$ (533.8)
Non-Auto Sales Tax	\$ 46.0	Cigarette and Other Tobacco Products Tax	\$ (6.2)
Commercial Activity Tax	\$ 28.6	Auto sales tax	\$ (3.9)
Public Utility Excise Tax	\$ 10.2	Other sources below estimate	\$ (3.0)
Foreign Insurance Tax	\$ 6.8		
Other sources above estimate	\$ 2.1		
Total	\$ 143.6	Total Below	\$ (546.9)

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



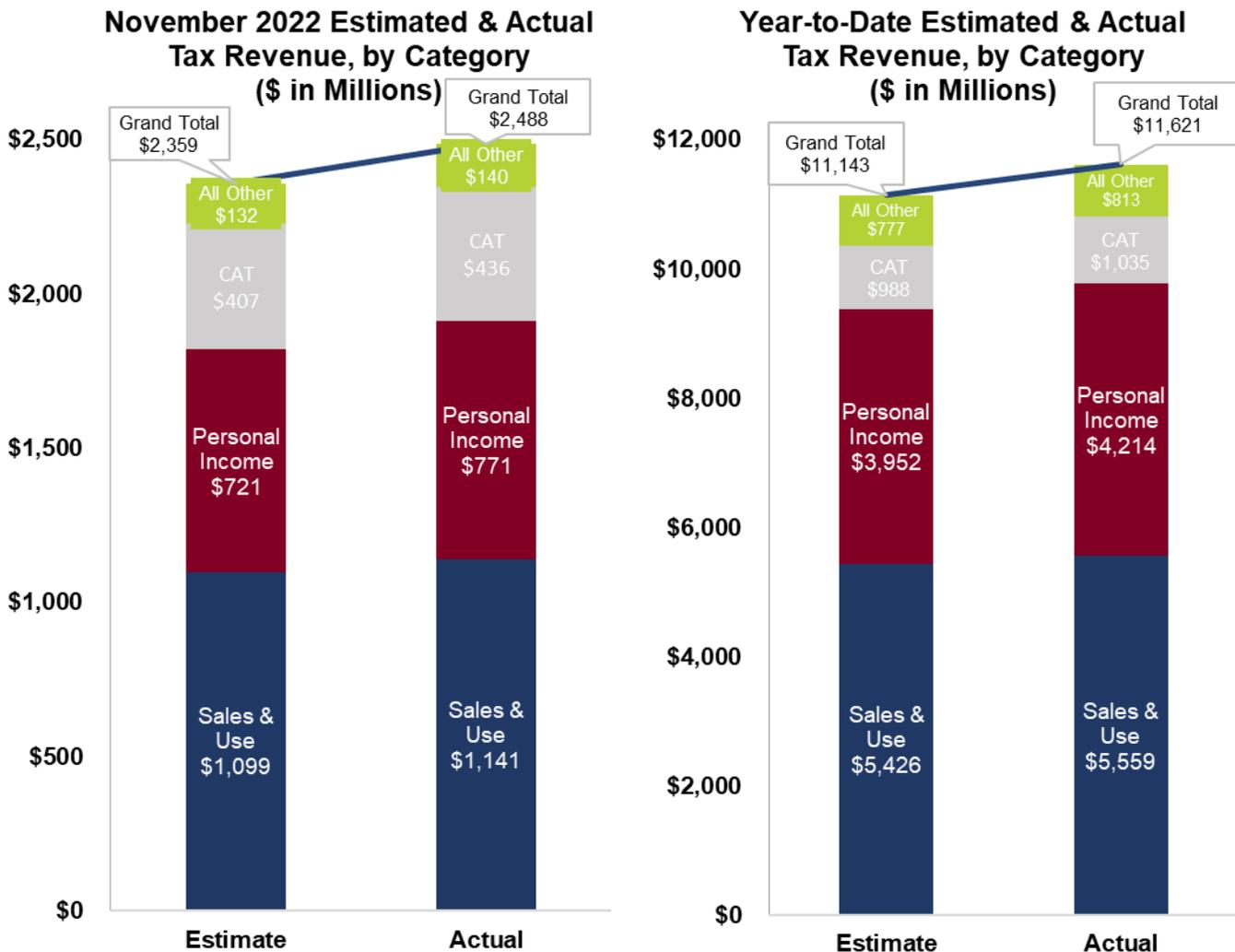
Actuals vs Estimates: YTD GRF Non-Federal Sources (\$ in Millions)



The preceding chart displays the relative contributions of various revenue sources to the overall variation between actual and estimated non-federal revenues for FY 2023 to date, with the net difference totaling \$487.3 million.

The following two graphs show the composition of estimated and actual GRF tax revenues for November 2022 and for the fiscal year-to-date. All tax sources are allocated among several major categories. The charts show the preponderant impact of the sales and use tax and the personal income tax on the GRF revenue structure. The graphs also show that although sales and use tax has generated more revenue than personal income tax for the year-to-date, the personal income tax has a larger positive variance from estimate.





For November, total receipts and transfers were \$732.0 million (-23.1%) below the previous year. Tax receipts increased by \$212.6 million (9.3%) and non-tax receipts decreased by \$942.7 million. Transfers declined by \$1.9 million. For the year-to-date, tax receipts are \$696.2 million (6.4%) above last year and non-tax receipts are \$1.5 billion (31.0%) above the prior year. Transfers are \$39.2 million (-87.4%) below last year on a year-to-date basis.

The source with the largest year-over-year increase during November was non-auto sales tax, at \$73.0 million (8.0%) above last year. The next-largest increases were personal income tax at \$50.7 million (7.0%), commercial activity tax at \$45.7 million (11.7%) and financial institutions tax at \$42.7 million (96.6%). The largest declines were experienced by Federal grants at \$943.6 million (-106.6%) and cigarette and other tobacco products tax at \$6.1 million (-8.1%).



Non-Auto Sales Tax

GRF non-auto sales and use tax collections in November totaled \$986.2 million and were \$46.0 million (4.9%) above the estimate. Through November, the source is \$94.0 million (2.0%) above estimate. Monthly revenue increased by \$73.0 million (8.0%) from last year while year-to-date revenue is now \$205.0 million (4.6%) above FY 2022. However, the monthly growth rates for the first quarter of FY 2023 were greatly diminished by refund payments, based on prior transactions, and not related to current retail activity. If July through September refunds had stayed at their FY 2022 levels, year-to-date GRF non-auto sales tax revenue would have increased by 7.0 percent.



The current national data release from the U.S. Census Bureau's Monthly Advance Retail Trade Survey (MARTS) program shows year-over-year retail sales growth in September close to the levels observed in July and August. Focusing on the retail categories that are predominantly subject to Ohio non-auto sales tax (NAICS codes 442, 443, 444, 448, 451, 452, 453, and 454), the MARTS data show a 6.4 percent year-over-year increase in national non-seasonally adjusted sales during October 2022. This compares to year-over-year growth of 8.3 percent in September and 9.3 percent in August. Meanwhile, year-over-year growth in Ohio all-funds non-auto sales tax revenue was 6.8 percent, 1.8 percent, and 5.8 percent during October, September, and August, respectively. The Ohio growth rates were substantially diminished by large, nonrecurring refunds unrelated to current retail sales. If refunds had stayed at FY 2022 levels, the all-funds growth rates in October, September, and August would have been 6.6 percent, 7.4 percent, and 7.2 percent, respectively.

The MARTS data also show modest retail sales growth on a month-over-month basis. Based on seasonally adjusted figures, October 2022 sales for the above-indicated retail categories increased by 0.6 percent from September, following a 0.4 percent increase in September from August.

Auto Sales Tax

November auto sales tax revenues were \$154.6 million, showing a \$3.9 million (-2.5%) negative variance from estimate. This source is \$38.9 million (4.8%) above estimate for the fiscal year. Revenues were \$268,000 (-0.2%) below last November. For the year, revenues are \$33.3 million (4.1%) above FY 2022.

The national new light vehicle unit sales figures declined in November after signs of improvement in October. According to the U.S. Department of Commerce Bureau of Economic Analysis, new light vehicle sales reached 14.1 million units, based on a seasonally adjusted annual rate, the number of sales that occurred during the month after adjustment for seasonal fluctuations and expressed as an annualized total. This is 6.5 percent below October and up 7.9 percent from a year ago. On an unadjusted basis, November light vehicle unit sales were at 1.12 million units. This is 4.2 percent below October and 10.4 percent above last November.

New vehicle transaction prices are higher than a year ago and prices were up on a month-over-month basis after consecutive declining months. TrueCar, Inc. estimates that the average transaction price for new vehicles was \$45,290 in November, up 2.8 percent relative to last year and up 1.2 percent from October. The most recent Consumer Price Index (CPI-U) data for new vehicles released by the Bureau of Labor Statistics showed declining price growth in October, with prices increasing by 0.4 percent from the September level, representing the slowest month-to-month increase since February. It also reported 8.4 percent price growth from last October, the slowest year-over-year growth rate since January.

Turning to used vehicles, TrueCar, Inc. estimates that the number of used vehicle units sold at retail during November to be three million, not annualized and not seasonally adjusted, even with last month and down 13.0 percent from last year. Used vehicle prices have grown considerably since the onset of the pandemic, but adjustments are underway as the market slowly begins to normalize. Year-over-year growth has been dropping in recent months and prices have been declining on a month-over-month basis. The Manheim used vehicle value index, a measure of wholesale vehicle prices, for the first half of November 2022 was 0.4 percent above the preceding month and was 13.7 percent lower than the previous year. The historic spike in used vehicle prices first impacted the Manheim index in October 2021 but index values receded each month during the February through October 2022 period. Only over the past two months has a year-over-year decline in prices emerged. The index in October and November reached the lowest levels observed since August 2021.



Personal Income Tax

November GRF personal income tax receipts totaled \$771.2 million and were \$50.0 million (6.9%) above the estimate. For the year-to-date, revenue is \$262.5 million (6.6%) above estimate. On a year-over-year basis, November income tax collections increased by \$50.7 million (7.0%). Year-to-date revenue for FY 2023 is \$292.9 million (7.5%) above the prior year.



Withholding collections amounted to \$864.2 million in November and were \$36.4 million (4.4%) above estimate. For the fiscal year-to-date, the withholding component exceeds estimate by \$191.0 million (4.7%). This component was \$68.8 million (8.6%) above last November and it is \$336.4 million (8.6%) above last year for the fiscal year-to-date. A 3.0 percent reduction in employer withholding tax rates took effect in September 2021. Fiscal year-to-date collections would have been an estimated \$382.2 million (9.6%) higher than the previous year if the withholding tax rate reduction had not taken effect.

November is a relatively modest month for other tax collection components. Even so, most of the collection categories exceeded monthly estimates. Quarterly estimated payments came in \$4.0 million (41.7%) above estimate and grew by \$3.1 million (29.4%) from last year. For the fiscal year, this component has exceeded estimate by \$43.3 million (14.9%) and has increased by \$20.5 million (6.5%) since the prior year. Since April 2022, when the first quarterly payment was due, estimated payments have exceeded estimates by \$97.7 million (15.0%). They have grown by \$52.3 million (7.5%) relative to the same period last year.

Annual tax return payments for October 2022 amounted to \$14.7 million and were \$7.8 million (112.9%) over the estimate. For the year-to-date, collections are \$99.4 million (98.8%) above estimate. Year-over-year growth in collections from this category are \$33.1 million (19.8%) for the year-to-date. For the calendar year 2022 filing season-to-date, these payments are \$773.6 million (70.5%) over the estimate and have increased by \$516.8 million (38.2%) compared to 2021.

November refunds were \$1.5 million (-1.7%) below estimate for the month. For the year-to-date, refunds are \$80.4 million (22.8%) above estimate. For the elapsed filing season, refund payments remain below estimate at \$327.0 million (-12.1%) below the mark. The month's refunds were \$11.7 million (15.2%) above last year. Refunds for the current fiscal year have increased by \$93.5 million (27.5%) from FY 2022 and for the filing season they have increased by \$450.7 million (23.3%).

November Personal Income Tax Receipts by Component (\$ in Millions)

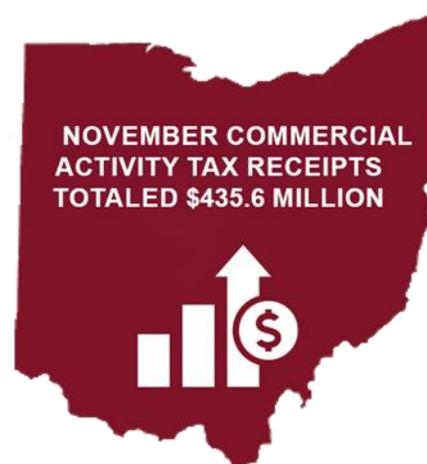
	Actual November	Estimate November	\$ Var	Actual Nov- 2022	Actual Nov- 2021	\$ Var Y-to-Y
Withholding	\$ 864.2	\$ 827.8	\$ 36.4	\$ 864.2	\$ 795.4	\$ 68.8
Quarterly Est.	\$ 13.5	\$ 9.5	\$ 4.0	\$ 13.5	\$ 10.4	\$ 3.1
Annual Returns/40 P	\$ 14.7	\$ 6.9	\$ 7.8	\$ 14.7	\$ 22.1	\$ (7.4)
Trust Payments	\$ (0.6)	\$ 0.4	\$ (1.0)	\$ (0.6)	\$ 0.5	\$ (1.1)
Other	\$ 8.5	\$ 5.0	\$ 3.5	\$ 8.5	\$ 7.3	\$ 1.1
Less: Refunds	\$ (88.5)	\$ (90.0)	\$ 1.5	\$ (88.5)	\$ (76.8)	\$ (11.7)
Local Distributions	\$ (40.5)	\$ (38.4)	\$ (2.1)	\$ (40.5)	\$ (38.4)	\$ (2.1)
Net to GRF	\$ 771.2	\$ 721.2	\$ 50.0	\$ 771.2	\$ 720.5	\$ 50.7

Commercial Activity Tax

November GRF revenues from the Commercial Activity Tax (CAT) were \$28.6 million (7.0%) above the estimate. Revenues are now \$46.9 million (4.7%) above estimate for the fiscal year. CAT receipts in November increased by \$45.7 million (11.7%) from last year while fiscal year-to-date receipts are \$98.7 million (10.5%) above the previous year.

Most CAT revenue comes from quarterly tax payments, so it is useful to analyze the tax in quarterly increments. Through the first quarter of this fiscal year, there have been eight consecutive quarters with a positive variation from estimate.

With one month still left in this quarter, the combined October and November intake is \$39.0 million (7.7%) over the estimate.



GRF Non-Tax Receipts

GRF non-tax receipts totaled negative \$54.0 million and were \$532.0 million (-111.3%) below estimate for the month of November. Year-to-date non-tax receipts totaled \$6.3 billion and were \$94.8 million (1.5%) above estimate.

The monthly variance was driven by the federal grants category, which totaled negative \$58.8 million, and was \$533.8 million (-112.4%) below estimate for the month. This variance was primarily attributable to the timing of regularly occurring end of month accounting adjustments for the Department of Medicaid's federal share disbursements and subsequent federal revenue receipt. The delay of these adjustments inflated October revenue receipts and November is a correction.

Other Income totaled \$2.7 million in November and was \$1.4 million (113.8%) above estimate. This variance was mostly due to a \$2.0 million reimbursement made to the Department of Medicaid.



12/8/2022

Table 1
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2023 VS ESTIMATE FY 2023
(\$ in thousands)

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	ACTUAL NOVEMBER	ESTIMATE NOVEMBER	\$ VAR	% VAR	ACTUAL Y-T-D	ESTIMATE Y-T-D	\$ VAR	% VAR
TAX RECEIPTS								
Non-Auto Sales & Use	986,193	940,200	45,993	4.9%	4,707,341	4,613,300	94,041	2.0%
Auto Sales & Use	154,596	158,500	(3,904)	-2.5%	851,257	812,400	38,858	4.8%
Subtotal Sales & Use	1,140,789	1,098,700	42,089	3.8%	5,558,598	5,425,700	132,898	2.4%
Personal Income	771,227	721,200	50,027	6.9%	4,214,414	3,951,901	262,513	6.6%
Corporate Franchise	17	0	17	N/A	14	200	(187)	-93.1%
Financial Institutions Tax	(1,506)	(1,000)	(506)	-50.6%	(10,964)	(23,800)	12,836	53.9%
Commercial Activity Tax	435,577	407,000	28,577	7.0%	1,035,297	988,400	46,897	4.7%
Petroleum Activity Tax	0	0	0	N/A	2,538	1,700	838	49.3%
Public Utility	37,659	27,500	10,159	36.9%	86,413	63,000	23,413	37.2%
Kilowatt Hour	20,482	22,300	(1,818)	-8.2%	129,172	128,000	1,172	0.9%
Natural Gas Distribution	5,313	5,100	213	4.2%	19,553	18,200	1,353	7.4%
Foreign Insurance	(750)	(7,500)	6,750	90.0%	197,217	182,800	14,416	7.9%
Domestic Insurance	90	0	90	N/A	17,620	17,700	(80)	-0.5%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	68,753	75,000	(6,247)	-8.3%	316,035	336,800	(20,765)	-6.2%
Alcoholic Beverage	5,167	5,800	(633)	-10.9%	30,813	27,700	3,113	11.2%
Liquor Gallonage	4,744	4,800	(56)	-1.2%	24,271	24,200	71	0.3%
Estate	0	0	0	N/A	5	0	5	1309.1%
Total Tax Receipts	2,487,561	2,358,900	128,661	5.5%	11,620,996	11,142,502	478,494	4.3%
NON-TAX RECEIPTS								
Federal Grants	(58,815)	474,954	(533,770)	-112.4%	6,068,643	5,982,051	86,591	1.4%
Earnings on Investments	0	0	0	N/A	44,490	21,600	22,890	106.0%
License & Fees	2,192	1,824	368	20.2%	13,211	12,622	590	4.7%
Other Income	2,671	1,250	1,421	113.8%	124,987	140,143	(15,156)	-10.8%
ISTV'S	2	0	2	N/A	13,789	13,901	(111)	-0.8%
Total Non-Tax Receipts	(53,950)	478,028	(531,978)	-111.3%	6,265,120	6,170,317	94,803	1.5%
TOTAL REVENUES	2,433,611	2,836,928	(403,318)	-14.2%	17,886,116	17,312,819	573,297	3.3%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	0	0	0	N/A	5,635	5,000	635	12.7%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	0	0	0	N/A	5,635	5,000	635	12.7%
TOTAL SOURCES	2,433,611	2,836,928	(403,318)	-14.2%	17,891,751	17,317,819	573,932	3.3%

12/8/2022

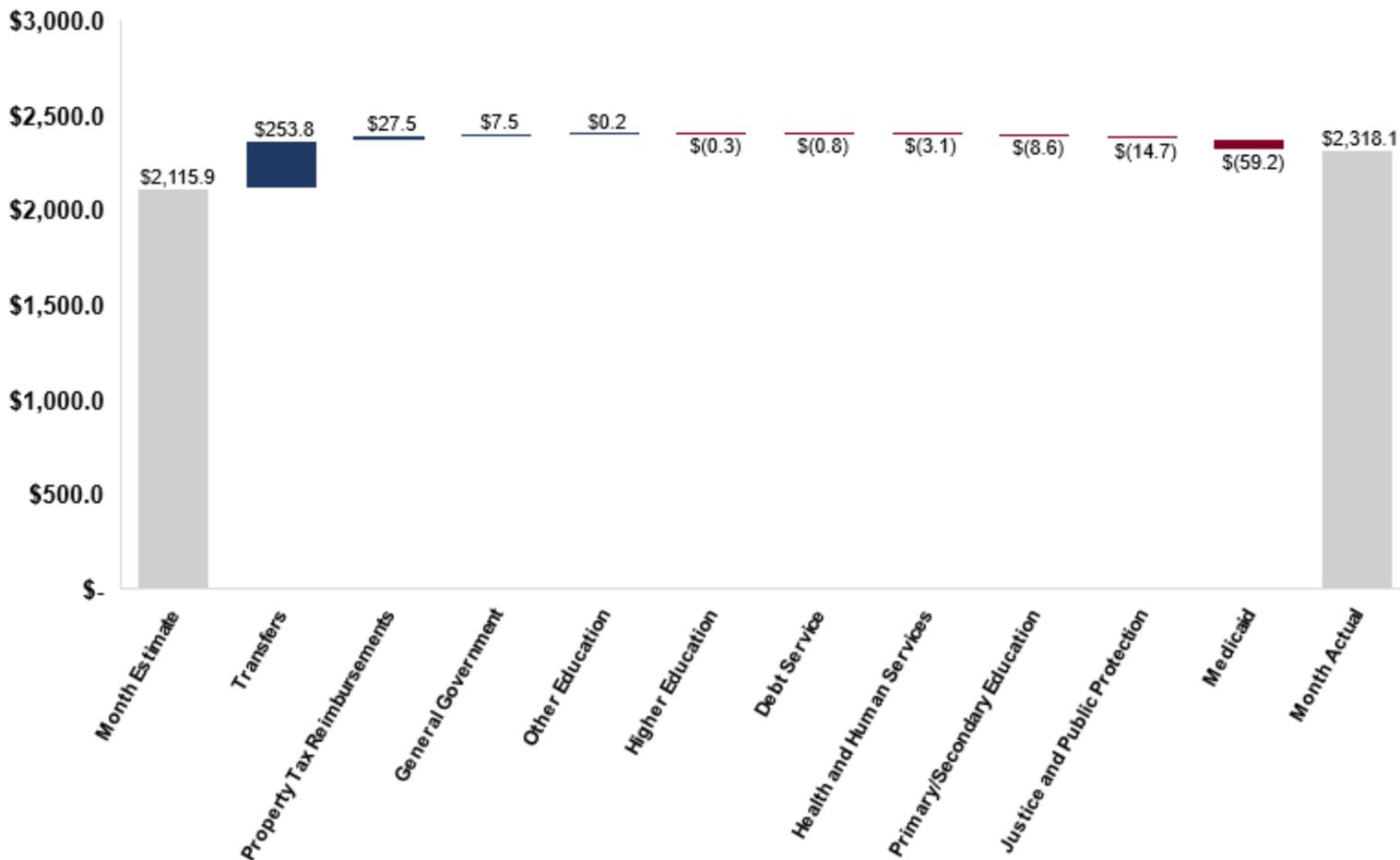
Table 2
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2023 VS ACTUAL FY 2022
(\$ in thousands)

REVENUE SOURCE	MONTH				YEAR-TO-DATE			
	NOVEMBER	NOVEMBER	\$	%	ACTUAL	ACTUAL	\$	%
	FY 2023	FY 2022	VAR	VAR	FY 2023	FY 2022	VAR	VAR
TAX RECEIPTS								
Non-Auto Sales & Use	986,193	913,182	73,010	8.0%	4,707,341	4,502,336	205,005	4.6%
Auto Sales & Use	154,596	154,864	(268)	-0.2%	851,257	817,966	33,291	4.1%
Subtotal Sales & Use	1,140,789	1,068,046	72,742	6.8%	5,558,598	5,320,303	238,296	4.5%
Personal Income	771,227	720,538	50,688	7.0%	4,214,414	3,921,516	292,898	7.5%
Corporate Franchise	17	38	(21)	-56.2%	14	538	(524)	-97.4%
Financial Institutions Tax	(1,506)	(44,183)	42,677	96.6%	(10,964)	(56,755)	45,791	80.7%
Commercial Activity Tax	435,577	389,917	45,659	11.7%	1,035,297	936,549	98,748	10.5%
Petroleum Activity Tax	0	0	0	N/A	2,538	1,425	1,113	78.1%
Public Utility	37,659	29,953	7,706	25.7%	86,413	69,931	16,482	23.6%
Kilowatt Hour	20,482	22,488	(2,006)	-8.9%	129,172	131,190	(2,017)	-1.5%
Natural Gas Distribution	5,313	4,857	456	9.4%	19,553	18,550	1,003	5.4%
Foreign Insurance	(750)	(494)	(257)	-52.0%	197,217	182,946	14,271	7.8%
Domestic Insurance	90	1	89	9060.1%	17,620	2,253	15,367	682.0%
Other Business & Property	0	0	0	N/A	0	0	0	N/A
Cigarette and Other Tobacco	68,753	74,846	(6,093)	-8.1%	316,035	342,494	(26,459)	-7.7%
Alcoholic Beverage	5,167	4,057	1,111	27.4%	30,813	29,182	1,631	5.6%
Liquor Gallonage	4,744	4,893	(149)	-3.0%	24,271	24,668	(397)	-1.6%
Estate	0	0	0	N/A	5	5	1	16.0%
Total Tax Receipts	2,487,561	2,274,958	212,602	9.3%	11,620,996	10,924,793	696,203	6.4%
NON-TAX RECEIPTS								
Federal Grants	(58,815)	884,828	(943,643)	-106.6%	6,068,643	4,604,826	1,463,817	31.8%
Earnings on Investments	0	0	0	N/A	44,490	11,882	32,608	274.4%
License & Fee	2,192	1,810	382	21.1%	13,211	12,837	374	2.9%
Other Income	2,671	2,125	546	25.7%	124,987	151,016	(26,029)	-17.2%
ISTV'S	2	1	1	89.2%	13,789	210	13,580	6473.9%
Total Non-Tax Receipts	(53,950)	888,764	(942,714)	-106.1%	6,265,120	4,780,771	1,484,349	31.0%
TOTAL REVENUES	2,433,611	3,163,722	(730,112)	-23.1%	17,886,116	15,705,564	2,180,552	13.9%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	0	1,909	(1,909)	N/A	5,635	44,854	(39,219)	-87.4%
Temporary Transfers In	0	0	0	N/A	0	0	0	N/A
Total Transfers	0	1,909	(1,909)	N/A	5,635	44,854	(39,219)	-87.4%
TOTAL SOURCES	2,433,611	3,165,632	(732,021)	-23.1%	17,891,751	15,750,418	2,141,333	13.6%

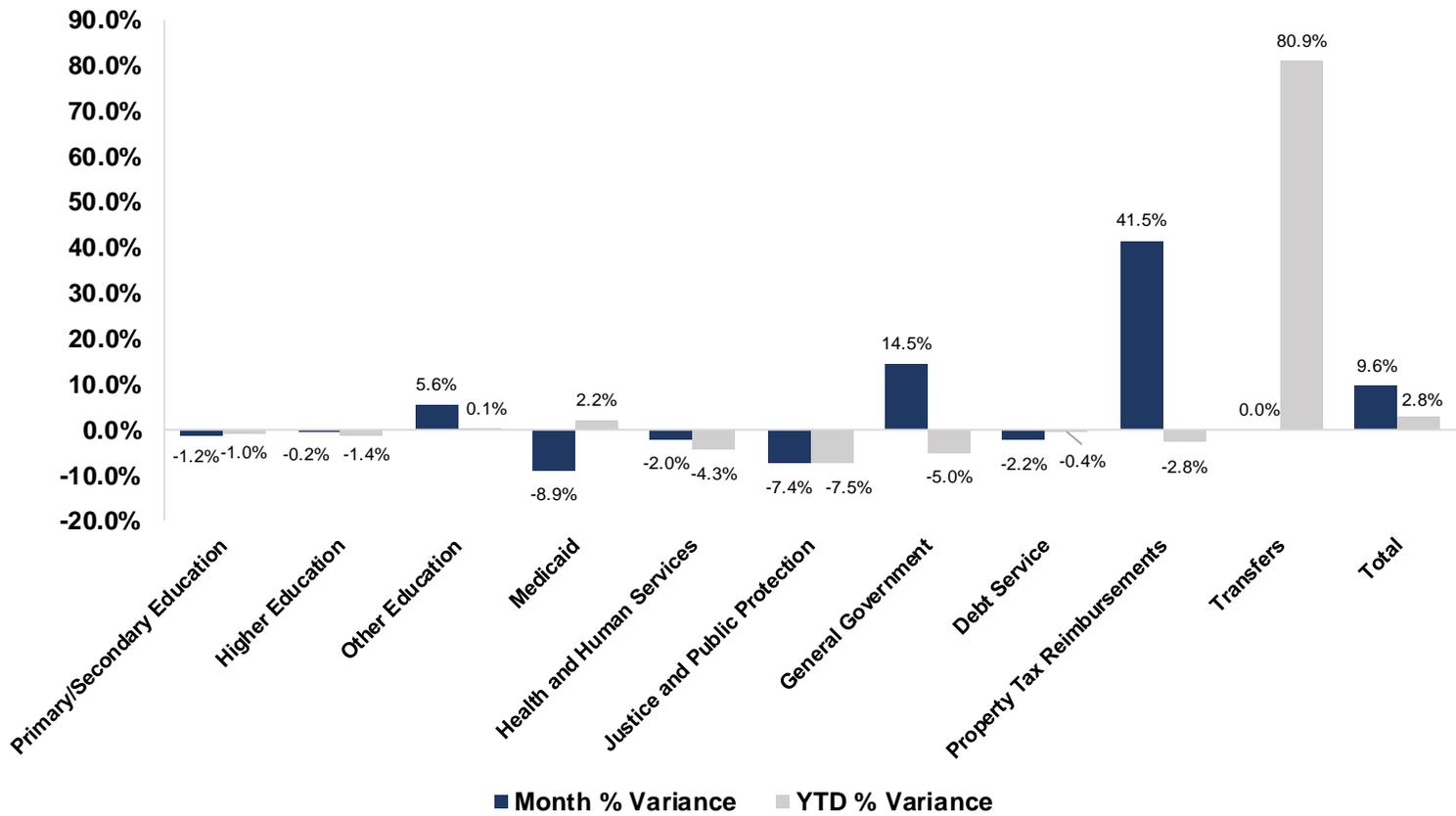
Disbursements

November GRF disbursements, across all uses, totaled \$2.3 billion and were \$202.2 million (9.6%) above estimate. This variance was primarily attributable to above estimate disbursements in transfers out and was partially offset by below estimated disbursements in Medicaid. On a year-over-year basis, November total uses were \$259.0 million (-10.1%) lower than those of the same month in the previous fiscal year, with Medicaid largely responsible for the difference.

November Disbursement Estimates vs. Actuals
(\$ in Millions)



Monthly and Year-to-Date Percent Variance from Budgeted Estimate



Primary and Secondary Education

This category contains GRF spending for the Ohio Department of Education. November disbursements for this category totaled \$716.0 million and were \$8.6 million (-1.2%) below estimate. This variance was primarily attributable to a FY 2022 final reconciliation payment for the pupil transportation formula. Reconciliation payments allow schools to verify and correct data reported to the department after the end of the fiscal year. The payment was \$3.0 million less than estimate because few data corrections occurred.

\$716.0 MILLION

Year-to-date disbursements were \$3.7 billion, which were \$38.3 million (-1.0%) below estimate. On a year-over-year basis, disbursements in this category were \$76.4 million (11.9%) higher than for the same month in the previous fiscal year, while year-to-date expenditures were \$159.1 million (4.5%) higher than the same point in FY 2022.

Medicaid

Note: Medicaid enrollment and spending estimates included in this report assumed authorization of the federally declared public health emergency (PHE) through October 13, 2022. Per federal law, the continuous eligibility requirement, which prohibits the Department of Medicaid from disenrolling individuals during the PHE, and the enhanced Federal Medical Assistance Percentage, which provides 6.2% more federal reimbursement during the PHE, are available for the entire quarter in which the public health emergency is declared. Any further reauthorization of the public health emergency or other changes at the federal level could impact future variances within this report.

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 the State Board of Pharmacy.

Medicaid Expenditures

November GRF disbursements for the Medicaid Program totaled \$604.9 million and were \$59.2 million (-8.9%) below estimate and \$716.6 million (-54.2%) below disbursements for the same month in the previous fiscal year. Year-to-date GRF disbursements were \$186.0 million (2.2%) above estimate.

The monthly GRF variance was due primarily to below estimate spending in the Managed Care Program where all major eligibility categories were slightly below estimate. In total managed care enrollment was approximately 13,300 below estimate. Additionally, Single Pharmacy Benefit Manager program system corrections offset the October variance. Offsetting some of the overall GRF variance was the fee-for-service- program where caseloads were approximately 19,000 above estimate. The year-over-year variance was primarily due to the timing and use of non-GRF funding sources; FY 2023 used more non-GRF funding sources in November when compared with FY 2022.

November all-funds disbursements for the Medicaid Program totaled \$2.5 billion and were \$415.8 million (-14.1%) below estimate and \$553.9 million (-18.0%) below disbursements for the same month in the previous fiscal year. Year-to-date all-funds disbursements were \$786.3 million (-5.3%) below estimate.

The all-funds monthly variance was primarily attributable to a delay in payments in the Hospital Care Assurance Program (HCAP). The payments were originally estimated to occur in November but will be made in December instead. Additionally, the below estimate spending in the Managed Care Program mentioned above contributed to the overall monthly variance. The year-over-year variance was also primarily attributable to the delays in HCAP spending. FY 2022 disbursed a large HCAP payment in November causing significantly higher spending when compared to November of this fiscal year. The year-to-date variance was primarily attributable to delays in both the HCAP disbursement and hospital related payments that were originally estimated to occur in October. As noted, the HCAP payment is expected to occur in December whereas the Hospital payments are expected to occur in January. Additionally, several delays in the Department of Developmental Disabilities continued, including the implementation of a direct care employee retention program and the disbursement of a normally occurring reconciliation payment to providers. Finally, administration expenses continue to report below estimate spending due to the delay of several large projects, as well as general underspending in the Department of Job and Family Services.

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

	Nov. Estimate	Nov. Actual	Variance	Variance %
GRF	\$ 664.0	\$ 604.9	\$ (59.2)	-8.9%
Non-GRF	\$ 2,279.7	\$ 1,923.1	\$ (356.7)	-15.6%
All Funds	\$ 2,943.8	\$ 2,528.0	\$ (415.8)	-14.1%



Medicaid Enrollment

Total November enrollment was 3.50 million, which was approximately 8,000 (0.2%) above estimate and 188,400 (5.7%) above enrollment for the same period last fiscal year. Year-to-date average monthly enrollment was 3.46 million and was 5,000 (0.2%) above estimate.

November enrollment by major eligibility category was: Covered Families and Children, 1.90 million; Group VIII Expansion, 944,000; and Aged, Blind and Disabled, 510,500.

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

Ohio Public Defender Commission

November disbursements for the Ohio Public Defender Commission totaled \$1.2 million and were \$13.1 million (-91.8%) below estimate as they have only processed three County Reimbursement payments through the first five months of the fiscal year. The County Reimbursement program reimburses counties for their costs in providing legal counsel to indigent persons in criminal and juvenile matters. Counties have been reimbursed approximately \$269.4 million over the last two fiscal years while handling over 436,000 cases.

Department of Transportation

November disbursements for the Department of Transportation totaled \$2.6 million and were \$4.1 million (-66.9%) below estimate. The variance is attributable to disbursements in the Public Transportation program which was \$2.2 million (-47.4%) below estimate. This program provides subsidy assistance for transit systems and grants to small urban and rural transit systems. Supply chain issues have slowed bus deliveries, which results in slower reimbursement to local governments. The variance was also attributable to disbursements in State Road Improvements which was \$1.5 million (-100.0%) below estimate due to the program ramping up more slowly than originally expected.

Department of Health

The Infant Vitality program is a multi-pronged population health approach to address infant mortality. This includes services such as the Cribs for Kids program, which provides cribs and safe sleep education to eligible families, and the Baby and Me Tobacco Free program, which provides smoking cessation support to pregnant women. Year-to-date the program has spent \$6.4 million, which is a \$3.2 million increase in spending from the same period in the previous fiscal year. However, the program spent \$897,095 below estimate in November 2022 as the department prepares contracts for service provision. The department projects spending to increase in coming months and plans to distribute over 9,000 cribs to eligible families and increase the number of smoking cessation support participants to 1,198 individuals this fiscal year.



Justice and Public Protection

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

November disbursements in this category totaled \$183.4 million and were \$14.7 million (-7.4%) below estimate due primarily to underspending in the Public Defender Commission's County Reimbursement program as described above. Year-to-date disbursements were \$1.2 billion and were \$96.6 million (-7.5%) below estimate. On a year-over-year basis, disbursements in this category were \$20.6 million (12.6%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$75.1 million (6.7%) higher than at the same point in FY 2022.

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.

November disbursements in this category totaled \$58.9 million and were \$7.5 million (14.5%) above estimate. This variance was primarily attributable to the timing of an economic development payment made by the Department of Development. Year-to-date disbursements were \$242.9 million and were \$12.7 million (-5.0%) below estimate. On a year-over-year basis, disbursements in this category were \$17.9 million (43.6%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$11.4 million (4.9%) higher than at the same point in FY 2022.

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, 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 spending to the extent that these agencies spend GRF to support Medicaid services.

November disbursements in this category totaled \$147.2 million and were \$3.1 million (-2.0%) below estimate due primarily to underspending in the Department of Health's Infant Vitality and Help Me Grow programs. Year-to-date disbursements were \$716.6 million and were \$31.9 million (-4.3%) below estimate. On a year-over-year basis, disbursements in this category were \$26.7 million (22.2%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$95.0 million (15.3%) higher than at the same point in FY 2022.

Transfers Out

November transfers out totaled \$253.8 million. Year-to-date transfers out totaled \$1.2 billion and were \$549.1 million (80.9%) above estimate. Both variances are attributable to transfers from the General Revenue Fund to various capital funds to support capital appropriations authorized in H.B. 687, the FY 2023-2024 capital budget. To date, OBM has transferred \$553.8 million of \$1.5 billion authorized in H.B. 687 from the GRF to various capital funds. Transferring \$553.8 million in cash instead of issuing new debt is estimated to save roughly \$249.0 million in gross interest.



Higher Education

November disbursements for the Higher Education category, which includes non-debt service GRF spending by the Department of Higher Education, totaled \$220.0 million and were \$342,000 (-0.2%) below the estimate. This variance was primarily attributable to spending in the department's grant scholarship programs due to the timing of requests for reimbursement from higher education institutions. Year-to-date disbursements were \$1.0 billion, which was \$14.5 million (-1.4%) below the estimate. On a year-over-year basis, disbursements in this category were \$712,000 (0.3%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$39.9 million (4.0%) higher than at the same point in FY 2022.

Property Tax Reimbursement

Local governments and school districts receive payments from the property tax reimbursement category. The reimbursement to these entities is for revenues foregone because of the 10 percent and 2.5 percent rollback, as well as the homestead exemption.

November property tax reimbursements totaled \$93.7 million and were \$27.5 million (41.5%) above estimate. Year-to-date reimbursements totaled \$898.6 million and were \$25.4 million (-2.8%) below estimate. The year-to-date variance is primarily timing related and is expected to offset with larger disbursements later in the fiscal year.

Other Education

This category includes non-debt service GRF expenditures made by the Broadcast Educational 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.

November disbursements in this category totaled \$3.8 million and were \$201,000 (5.6%) above estimate. This variance was due to a delayed rental payment paid out this month and backordered operations equipment for the Broadcast Educational Media Commission. On a year-over-year basis, disbursements in this category were \$187,000 (5.2%) higher than for the same month in the previous fiscal year while year-to-date expenditures were \$844,000 (1.7%) higher than at the same point in FY 2022.

Debt Service

November payments for debt service totaled \$36.5 million and were \$835,000 (-2.2%) below estimate. Year-to-date disbursements in this category totaled \$930.0 million and were \$3.5 million (-0.4%) below estimate. The year-to-date variance was primarily attributable to the utilization of available cash resources to redeem certain outstanding General Obligation bonds to reduce the State's overall debt service obligations.



12/8/2022

Table 3
GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2023 VS ESTIMATE FY 2023
(\$ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	ACTUAL NOVEMBER	ESTIMATED NOVEMBER	\$ VAR	% VAR	YTD ACTUAL	YTD ESTIMATE	\$ VAR	% VAR
Primary and Secondary Education	715,968	724,534	(8,566)	-1.2%	3,717,937	3,756,266	(38,329)	-1.0%
Higher Education	219,977	220,319	(342)	-0.2%	1,031,509	1,046,010	(14,501)	-1.4%
Other Education	3,784	3,583	201	5.6%	49,692	49,652	40	0.1%
Medicaid	604,864	664,042	(59,179)	-8.9%	8,708,155	8,522,167	185,987	2.2%
Health and Human Services	147,236	150,286	(3,050)	-2.0%	716,590	748,458	(31,868)	-4.3%
Justice and Public Protection	183,382	198,107	(14,725)	-7.4%	1,188,806	1,285,441	(96,635)	-7.5%
General Government	58,859	51,390	7,469	14.5%	242,864	255,535	(12,671)	-5.0%
Property Tax Reimbursements	93,747	66,261	27,486	41.5%	898,579	924,011	(25,433)	-2.8%
Debt Service	36,531	37,366	(835)	-2.2%	929,978	933,459	(3,481)	-0.4%
Total Expenditures & ISTV's	2,064,348	2,115,888	(51,540)	-2.4%	17,484,109	17,520,999	(36,890)	-0.2%
Transfers Out:								
BSF Transfer Out	0	0	0	N/A	0	0	0	N/A
Operating Transfer Out	253,750	0	253,750	N/A	1,227,964	678,900	549,064	80.9%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	253,750	0	253,750	N/A	1,227,964	678,900	549,064	80.9%
Total Fund Uses	2,318,098	2,115,888	202,210	9.6%	18,712,073	18,199,899	512,174	2.8%

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Table 4
GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2023 VS ACTUAL FY 2022
(\$ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	NOVEMBER FY 2023	NOVEMBER FY 2022	\$ VAR	% VAR	ACTUAL FY 2023	ACTUAL FY 2022	\$ VAR	% VAR
Primary and Secondary Education	715,968	639,560	76,407	11.9%	3,717,937	3,558,869	159,068	4.5%
Higher Education	219,977	219,265	712	0.3%	1,031,509	991,572	39,937	4.0%
Other Education	3,784	3,597	187	5.2%	49,692	48,848	844	1.7%
Medicaid	604,864	1,321,439	(716,575)	-54.2%	8,708,155	6,711,153	1,997,002	29.8%
Health and Human Services	147,236	120,535	26,701	22.2%	716,590	621,540	95,049	15.3%
Justice and Public Protection	183,382	162,830	20,552	12.6%	1,188,806	1,113,734	75,072	6.7%
General Government	58,859	40,982	17,877	43.6%	242,864	231,454	11,410	4.9%
Property Tax Reimbursements	93,747	42,826	50,921	118.9%	898,579	893,139	5,439	0.6%
Debt Service	36,531	26,104	10,427	39.9%	929,978	867,628	62,351	7.2%
Total Expenditures & ISTV's	2,064,348	2,577,138	(512,790)	-19.9%	17,484,109	15,037,936	2,446,173	16.3%
Transfers Out:								
BSF Transfer	0	0	0	N/A	0	0	0	N/A
Operating Transfer Out	253,750	0	253,750	N/A	1,227,964	2,972,942	(1,744,978)	-58.7%
Temporary Transfer Out	0	0	0	N/A	0	0	0	N/A
Total Transfers Out	253,750	0	253,750	N/A	1,227,964	2,972,942	(1,744,978)	-58.7%
Total Fund Uses	2,318,098	2,577,138	(259,040)	-10.1%	18,712,073	18,010,878	701,195	3.9%

**Table 5
FUND BALANCE
GENERAL REVENUE FUND
FY 2023
(\$ in Thousands)**

July 1, 2022, Beginning Cash Balance*	6,547,037.9
Plus FY 2023 Estimated Revenues	28,284,500.0
Plus FY 2023 Estimated Federal Revenues	13,513,145.2
Plus FY 2023 Estimated Transfers to GRF	5,000.0
Total Sources Available for Expenditures & Transfers	48,349,683.1
Less FY 2023 Estimated Disbursements**	39,594,760.2
Less FY 2023 Estimated Total Encumbrances as of June 30, 2023	1,182,274.1
Less FY 2023 Estimated Transfers Out***	1,790,150.0
Total Estimated Uses	42,567,184.4
FY 2023 ESTIMATED UNENCUMBERED ENDING FUND BALANCE	5,782,498.7

*Includes reservations of \$883.5 million for prior year encumbrances. After accounting for this adjustment, the unencumbered beginning fund balance for FY 2022 is \$5,663.5 million.

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

***Substitute House Bill 687, the capital budget for FY 2023-2024, included authority to transfer \$1.5 billion from the General Revenue Fund to various capital funds. The FY 2023 Transfers Out amount in the table above includes using \$1.1 billion of this authority. The remaining balance from this bill, and potential capital fund transfers in future bills, are listed below.

Authorized and Potential Non-Recurring Plans (\$ in thousands)	Amount
• Authorized Capital Fund Transfers from H.B. 687	400,000
• Additional Capital Fund Transfers (Potential)	1,300,000
Grand Total	1,700,000

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Glossary

Average Daily Rate	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.
Beige Book	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.
Building Permits	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.
Consumer Confidence	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.
Consumer Price Index for All Urban Consumers	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.
Continued and Extended Unemployment Claims	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.
Employment Trends Index	The Conference Board's Leading composite index indicates the direction of employment through the aggregation of eight leading employment indicators.
Existing Home Sales	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.



Hotel Occupancy Rate	A performance indicator that shows the percentage of hotel rooms that are occupied in the United States compared to total available space.
Housing Market Index	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.
Initial Unemployment Claims	The number of new jobless claims filed by Ohio workers seeking unemployment assistance for the first-time following a job loss.
Leading Economic Index	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.
Manufacturing Production Index	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.
Newly Built Single-Family Home Sales	A measure of the sales of newly built single family structures including houses and townhouses.
Ohio Employee-Population Ratio	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.
Ohio Labor Force Participation Rate	This rate represents the number of people in the Ohio labor force as a percentage of the Ohio civilian non-institutionalized population.
Ohio Nonfarm Payroll Employment	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.
Ohio Unemployment Rate	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.



People Not in the Labor Force Who Currently Want a Job	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.
Permanent Job Losses	Unemployed persons whose employment ended involuntarily, or completed a temporary job, and began looking for work.
Personal Consumption Expenditures	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.
Personal Income	Income that people receive from wages and salaries, Social Security and other government benefits, dividends and interest, business ownership, and other sources.
Personal Saving	Produced by the Bureau of Economic analysis, this is the difference between current-dollar disposable income (that is, after-tax income) and personal outlays.
Personal Savings Rate	Produced by the Bureau of Economic Analysis, this indicator calculates the percentage of an individual's incomes left after they pay taxes and spend money. It is the percentage of the disposable income that people save.
Purchasing Managers Index	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.
Real Gross Domestic Product	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.
Revenue Per Available Room	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.
Small Business Optimism Index	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.



State-Level Coincident Index	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.
Survey of Consumers	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.
Temporary Layoff	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.
Total Construction Spending	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.
Total Industrial Production	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.
Total Travel Throughput	The number of travelers that go through Transportation Security Administration checkpoints in airports across the United States.
Total Turnpike Revenue	The amount of revenue received through the operation of the Ohio Turnpike.
Turnpike Commercial Vehicle Miles Traveled	The number of miles traveled on the Ohio Turnpike by a commercial vehicle; a commercial vehicle is any car, truck, van, or other vehicle that a person uses to conduct business.
Turnpike Passenger Vehicle Miles Traveled	The number of miles traveled on the Ohio Turnpike by a passenger vehicle; a passenger vehicle is any vehicle that is not used for business or commercial purposes.



U.S. Labor Force Participation Rate	This rate represents the number of people in the United States labor force as a percentage of the United States civilian non-institutionalized population.
U.S. Nonfarm Payroll Employment	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.
U.S. Unemployment Rate	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.
Worker Adjustment and Retraining Notification (WARN) Act	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.

