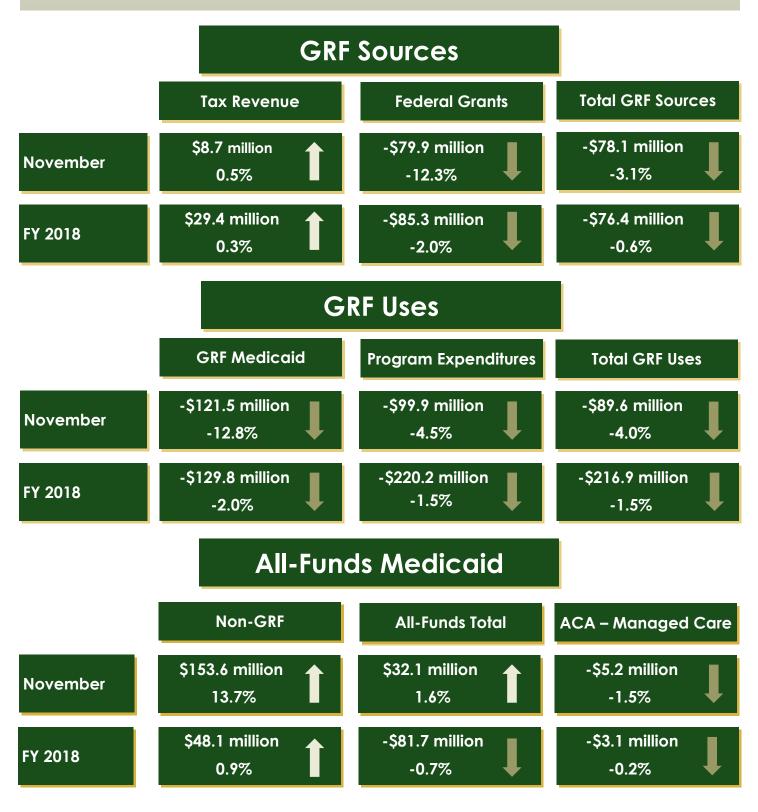
## **Ohio Legislative Service Commission**

## **GRF & MEDICAID VARIANCE SUMMARY**

## December 2017

- GRF tax revenue continued to come in very close to OBM's estimate in November. The year-to-date (YTD) positive variance in GRF tax revenue increased to \$29.4 million (0.3%). All three major GRF taxes sales and use, personal income, and commercial activity have outperformed their YTD estimates, by \$24.6 million, \$28.1 million, and \$10.1 million, respectively.
- ♦ Total GRF sources were below estimate for the YTD by \$76.4 million, largely due to a negative variance of \$85.3 million in federal grants, which is tied to lower than estimated GRF spending on Medicaid.
- ♦ Led by this negative YTD variance in Medicaid spending, which totaled \$129.8 million at the end of November, GRF program expenditures as a whole were \$220.2 million below the YTD estimate.



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