

LBO BUDGET FOOTNOTES INFOGRAPHIC

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Volume: Fiscal Year 2026

Issue: September 2025

- ◆ GRF tax revenues started FY 2026 with a positive year-to-date (YTD) variance at the end of August of \$52.1 million (1.1%).
- ◆ The commercial activity tax (CAT) was above the YTD estimate by \$63.0 million (12.4%) and the personal income tax was above estimate by \$27.0 million (1.6%). These two positive variances were partially offset by a negative YTD variance of \$17.3 million (0.7%) for the sales and use tax.
- ◆ Federal grants, however, had a negative YTD variance (\$19.9 million, 0.6%). The state's nontax revenue, was also below the YTD estimate by \$2.8 million (23.7%). This resulted in a YTD positive variance of \$29.5 million (0.3%) in total GRF sources.
- ◆ GRF Medicaid spending was \$69.0 million (1.3%) below its YTD estimate. On the other hand, non-GRF Medicaid spending was over estimate (\$417.4 million, 30.1%), resulting in a positive YTD variance in all funds Medicaid spending of \$348.4 million (5.1%). The all funds variance can be attributed to hospital payments of \$429.2 million happening ahead of their forecasted September payment.
- ◆ GRF spending in all but two other program categories was also below the YTD estimate. These negative variances were partially offset by a timing-related positive variance in Debt Service. Total program expenditures were under the YTD estimate by \$45.1 million (0.5%) at the end of August.

GRF & Medicaid Variances – Actual vs. Estimate

Tax revenue

\$52.1 million
2.1% ↑

Federal grants

-\$19.9 million
-1.3% ↓

Total GRF sources

\$29.5 million
0.7% ↑

Program expenditures

-\$45.1 million
-1.0% ↓

Month of August

Total GRF uses

-\$44.1 million
-0.4% ↓

GRF Medicaid

-\$69.0 million
-2.9% ↓

Non-GRF Medicaid

\$417.4 million
42.8% ↑

All funds Medicaid

\$348.4 million
10.5% ↑

Tax revenue

\$52.1 million
1.1% ↑

Federal grants

-\$19.9 million
-0.6% ↓

Total GRF sources

\$29.5 million
0.3% ↑

Program expenditures

-\$45.1 million
-0.5% ↓

YTD through August

Total GRF uses

-\$44.1 million
-0.4% ↓

GRF Medicaid

-\$69.0 million
-1.3% ↓

Non-GRF Medicaid

\$417.4 million
30.1% ↑

All funds Medicaid

\$348.4 million
5.1% ↑