OBM

March 10, 2011

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

- Real GDP increased by 2.8% in the fourth quarter after a lull in the middle two quarters of the year. Continued acceleration in consumer spending accounted for essentially all of the growth. The consensus is that the economy will expand at a somewhat faster pace throughout 2011.
- U.S. employment increased by 192,000 jobs in February and was weaker than widely expected again in January, although severe winter weather complicates interpretation of the data. The unemployment rate fell to 9.0%, reflecting modest growth in jobs and a large decline in the labor force.
- Ohio employment decreased by 9,100 in December to 4,500 jobs below the December 2009 level. The unemployment rate decreased for the ninth month in a row to 9.6 percent.
- Leading economic indicators remain consistent with continuing economic recovery both nationally and in Ohio, but point to a moderate rate of growth.

Economic Growth

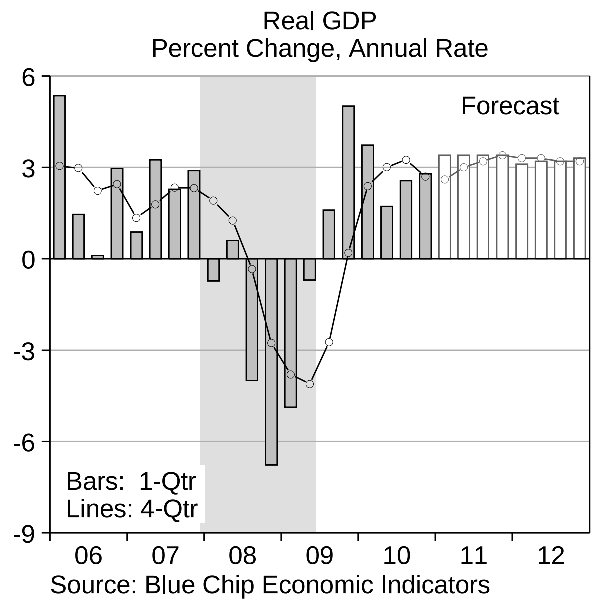
Economic activity continued apace during the fourth quarter, supported mainly by a surge in consumer spending. Real GDP increased 2.8% at an annual rate, about the same as the 2.6% rate of growth in the third quarter and up from 1.7% in the second quarter. The level of real GDP exceeded the level reached just before the recession, marking the technical transition from the recovery to the expansion phase of the business cycle.

Compared with a year earlier, real GDP increased 2.8% – the fastest increase during a 4-quarter span since the 3.0% rise in the third quarter of 2006. Growth during 2010 essentially matched the December 2009 and March 2010 projections by the Governor's Council of Economic Advisors of 2.8%, but remained below the long-run trend rate of approximately 3¼ percent.

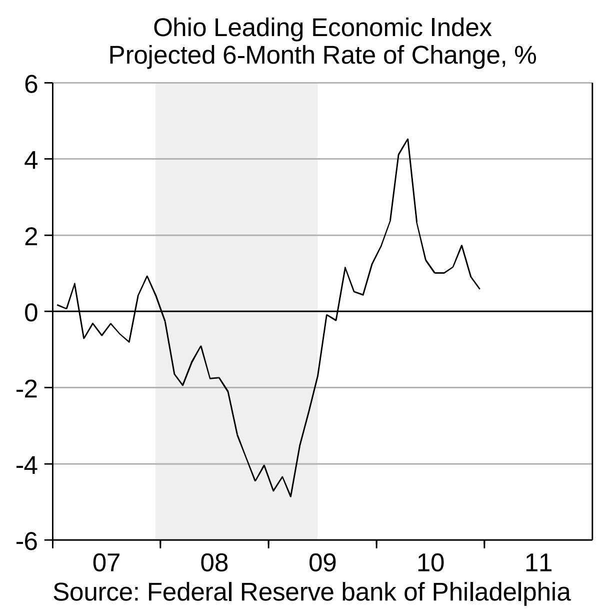
Personal consumption expenditures increased 4.1%, contributing 2.9 percentage points of the 3.2% increase in real GDP. Each major category of consumer spending increased, reflecting strong growth in income and an improvement in confidence corresponding to the pending temporary reduction in payroll taxes and the strong rise in stock prices. Personal income increased 3.9% at an annual rate, which exceeded growth in wage and salary disbursements of 3.4% annualized. The saving rate decreased for the second quarter in a row to 5.4 percent.

Outside of exports, which contributed 1.2 percentage points to real GDP growth, no other major category made a significant contribution to growth. Exports increased 9.6%, but growth in investment in plant and equipment slowed to 5.3% from 10.0% in the third quarter and 17.2% in the second quarter. Investment in residential structures increased 2.8%, following a decrease of 27.3% in the third quarter that took the level to its lowest mark since the early 1980s.

After a record accumulation of inventories during the summer, businesses added to inventories only modestly in the fourth quarter. The slowdown in inventory accumulation subtracted 3.7 percentage points from real GDP growth during the quarter. In part, the slowdown might have been related to the suspension by China of export subsidies for a wide range of goods that took place in July, prompting businesses in China to accelerate shipments to the U.S. from the fourth quarter to the third quarter. The pattern in inventories closely matched the pattern in U.S. imports of goods, which increased 40.5% in the second quarter and 17.4% in the third quarter before falling 14.1% in the fourth quarter.



Economic growth in the fourth quarter appears to have carried over into the first quarter. **Purchasing managers** reported the most widespread improvement in conditions during January and February since the heart of the 2001-07 expansion and, before that, early in the recovery from the 1981-82 recession. The **Leading Economic Index** increased for the seventh consecutive month in January. The ratio of coincident to lagging indexes – itself a leading indicator – increased for the fourth straight month. The rate of increase in each leading measure has slowed considerably during the past year. The 4-week average of the **Weekly Leading Index** accelerated to 6.8% in the final week of February, the ninth week in a row above zero.

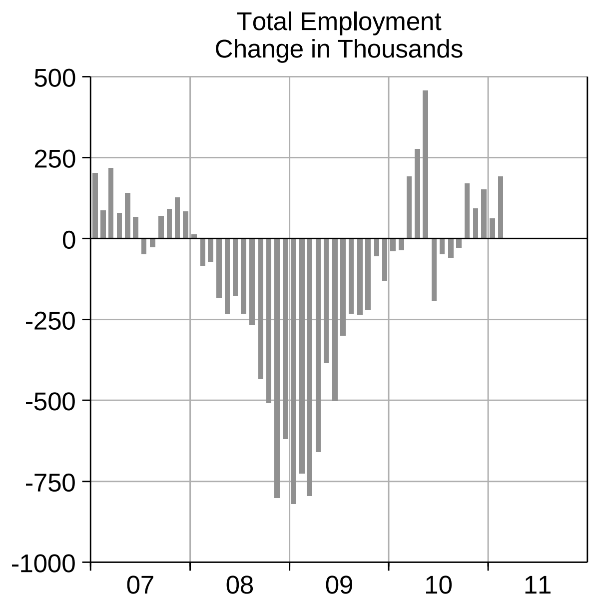


Forecasters have revised projections for real GDP in 2011 moderately higher since late summer. The March **Blue Chip Economic Indicators** consensus is for real GDP growth of 3.4% in each quarter of 2011, which would translate into an increase of 3.1% for all of 2011 compared with 2010. Forecasters expect inflation to remain relatively low and unemployment to remain relatively high during the year.

The **Ohio Coincident Economic Index**, compiled by the Federal Reserve Bank of Philadelphia, increased 0.1% in December for the sixteenth straight gain. Even so, the 6-month smoothed rate of change slipped for the sixth month in a row to 3.2% from the peak reached in June. A **leading index for Ohio**, also compiled by the Philadelphia Fed, increased for sixteen consecutive months ending in December, but indicated that activity has been losing momentum.

Employment

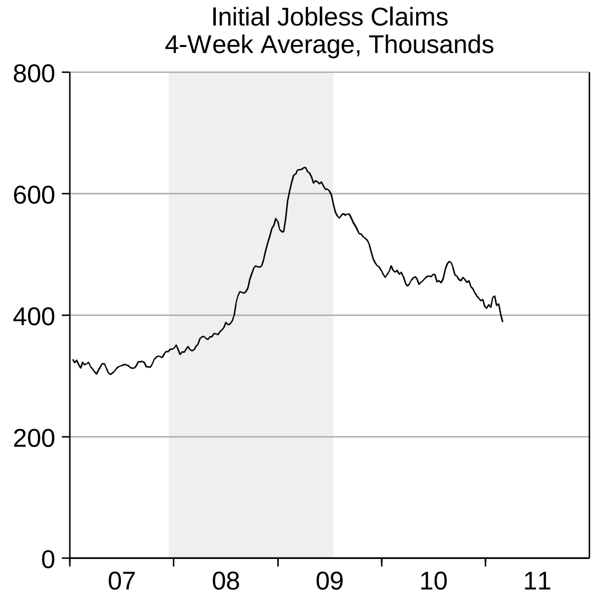
Nonfarm payroll employment increased by 192,000 jobs in February, and private sector employment increased by 222,000 jobs – the best showing since April 2010 and, before that, March 2006. Gains were boosted by the return of workers who were unable to work in January due to inclement weather. The unemployment rate edged down to 8.9 percent. The workweek lengthened by 0.1 hours overall and in manufacturing, and overtime hours in manufacturing increased from 4.0 hours to 4.2 hours – the most since June 2007. As a result, aggregate hours increased 0.4% to 2.3% above the year earlier level. Average hourly earnings edged higher to 2.1% above the year earlier level.



Various measures of the demand for labor have strengthened recently. Purchasing managers at non-manufacturing firms reported the most-widespread growth in employment since April 2006. Purchasing managers in manufacturing reported the most-widespread growth in employment since January 1973. The demand for labor among small businesses continued to strengthen in February, according to the National Federation of Independent Business, as plans to hire have been positive for four months in a row for the first time since the financial crisis hit in September 2008.

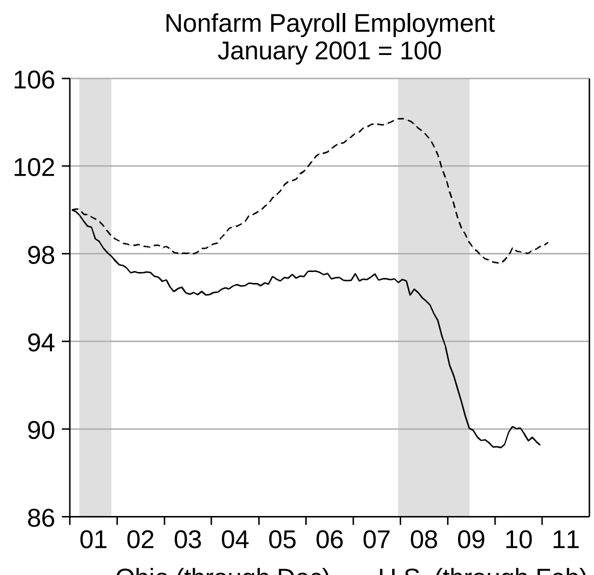
Gains in employment were broad-based, with 68.2% of 269 private sector industries reporting higher employment than in January. Among 82 manufacturing industries, 64.2% reported higher payrolls than in January. Manufacturing employment increased by 33,000 jobs – the fourth increase in a row. Construction employment also increased by 33,000 jobs, breaking a 5-month string of declines. The service sector added 152,000 jobs, led by professional and business services (+47,000), education and health services (+40,000), trade, transportation and utilities

(+27,000) and leisure and hospitality (+21,000). Government employment decreased by 30,000 jobs.



The recent pattern of **initial jobless claims** is consistent with ongoing improvement in labor market conditions. Initial claims fluctuated just above 450,000 per week during most of 2010, falling convincingly below that level late in the year. It is likely that the pace of layoffs has started to trend lower, but also is unclear whether the pace of hiring has picked up significantly. The result is that the **unemployment rate** remains high, despite decreasing from 9.5% last summer to 8.9% in February.

From its peak sixteen months ago in October 2009, the unemployment rate has decreased by 1.2 percentage points – a typical pattern at this stage in the business cycle during past half-century. This time, however, an unusual decline in the labor force has accounted for 40% of the decline in the unemployment rate, with only 60.0% resulting from an increase in employment. Every other instance of a decline in the unemployment of this size over a 16-month period since the 1960s has been accompanied by an increase rather than a decrease in the labor force, suggesting that labor markets are not as strong as implied by the recent drop in the unemployment rate.



The severity of unemployment also remained high. The average duration of unemployment increased to a record length of 37.1 weeks. The broadest measure of unemployment, which includes people who have given up seeking a job because they do not expect to find one and people working part-time because they cannot find a full-time job, improved again in February but was still 15.9 percent. In addition, the percentage of unemployed people who are not on temporary layoff was 52.0% in February, still close to the all-time high of 54.0 percent. Prior to the 2007-09 recession, the percentage had never been higher than 45.0 percent.

Ohio employment decreased by 9,100 jobs in December following a 10,100 job decline in November. For the year, Ohio employment increased by 4,500 jobs, rising during the winter and spring and falling through year-end. Ohio employment remains 450,400 jobs below the pre-recession peak reached in March 2006.

Changes in employment during 2010 were mixed across sectors. Declines in employment were concentrated in financial activities (-10,000), construction (-7,800), trade, transportation and utilities (-7,700), government (-7,600) and information (-3,600). The largest increases occurred in manufacturing (+12,000) and professional business services (+15,000), education and health services (+9,700) and leisure and hospitality (+5,800).

The **Ohio unemployment rate** fell again in December to 9.6% from the high for the cycle of 11.0% in March – the ninth consecutive monthly decline and the third consecutive reading below 10.0 percent. The unemployment rate had reached a cyclical low of 5.3% in April 2006.

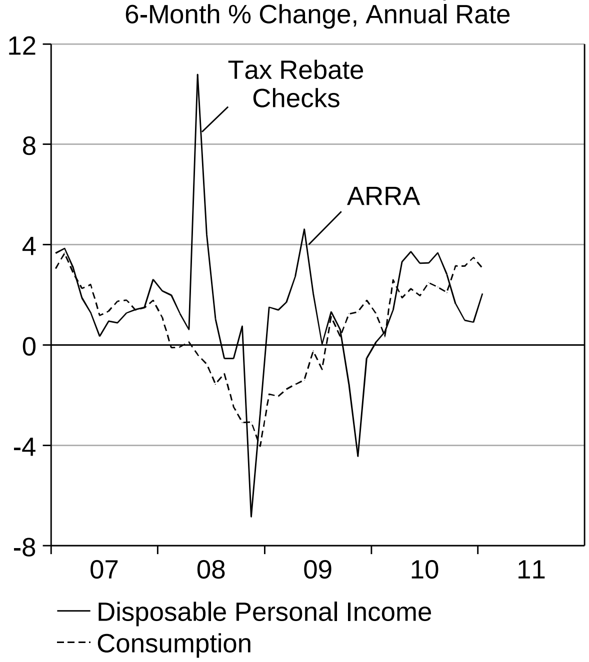
The pattern of employment in nearby states this year has been similar to that in Ohio – some strength in the spring followed by weakness over the summer. During the twelve months ending in December, employment increased in each of the **contiguous states** to Ohio, except for Michigan. On a year-over-year basis, employment increased 1.2% in Pennsylvania, 1.1% in West Virginia, 0.9% in Indiana, 0.7% in Kentucky and 0.1% in Ohio. Employment declined by 0.3% in Michigan, compared with the year earlier level.

For the Ohio and contiguous state region, employment increased 0.5% during the most recent twelve months, compared with a 0.7% increase for all states outside the region combined. The year-over-year change in employment in Ohio and the contiguous states had exceeded growth outside the region during the six months from April through September. The last time employment in the region grew faster than in the rest of the nation for as long as six months was February 1993.

<u>Consumer Income and Consumption</u>

Consumer income continued to advance in January, but higher prices slowed growth in inflation-adjusted consumption. Personal income increased 1.0% and disposable personal income increased 0.7% in January. Personal consumption expenditures increased 0.2%, but decreased 0.1% after inflation. The saving rate increased to 5.8% from 5.4% in December.

Real Income and Consumption
6-Month % Change, Annual Rate



The gains in **personal income** resulted largely from two special factors: reduced employee contributions for government social insurance and the expiration of Making Work Pay provisions. Excluding these two special factors, disposable personal income increased just 0.1%, following an increase of 0.4% in December. In real terms, adjusted disposable personal income decreased in the month. Wage and salary disbursements increased 0.3% in January to

3.8% above the previous year's level – the best year-over-year comparison since January 2008.

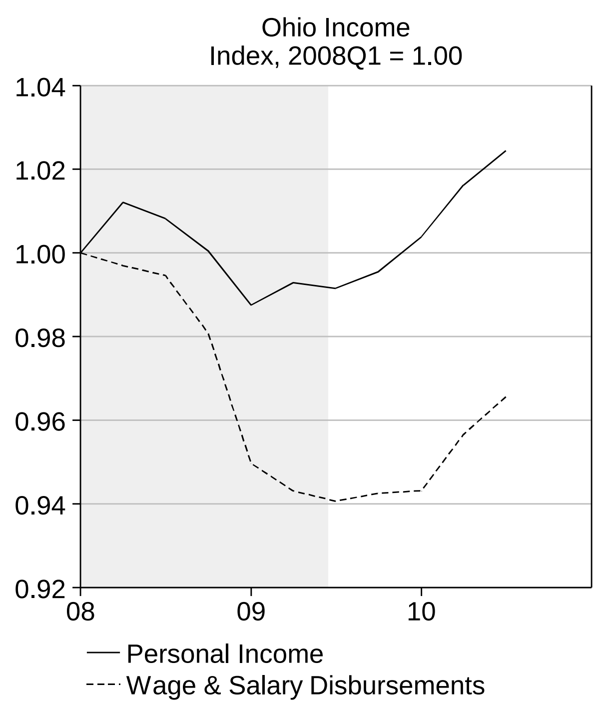
Personal consumption expenditures increased 0.2% to 4.0% above the previous year's level. Spending increases were concentrated in durable goods (+0.4%) and non-durable goods (+0.9%). Spending on services was little changed. Largely due to a 2.3% increase in the personal consumption deflator for energy goods, real personal consumption expenditures decreased 0.1% in January to 2.8% higher than a year ago.

The gap between year-over-year growth in wage and salary disbursements and personal income reflects strong growth in **federal transfer payments**. Personal transfers decreased 0.5% in January to 4.3% above a year earlier. Even so, transfers still accounted for a record 18.3% of total personal income for the past year, providing temporary support to consumer spending.
Retail sales increased 0.3% in January for the seventh straight monthly increase. Compared with a year earlier, retail sales were higher by 7.8 percent. Excluding purchases of cars and gas, retail sales increased 0.2% in the eighth consecutive gain to 5.4% above the year ago level. Sales of light motor vehicles increased marginally in January to 12.6 million units and then increase further to 13.4 million units in February – the best, other than during the cash-for-clunkers program, since June 2008.

Chain store sales continued to advance in February, rising 0.6% from January and 4.2% from a year earlier, according to the International Council of Shopping Centers. The gain came on top of the 1.9% January increase. Comparable chain-store sales surpassed the pre-recession level in December. Sales at department stores and wholesale clubs outperformed overall chain-store sales. Sales at apparel and discount stores, which outperformed in January, lagged in February.

Recent increases in consumer spending reflected improvements in **consumer confidence** that carried over into February. The Conference Board index of Consumer Confidence increased sharply again in February to its highest level since February 2008. The level of confidence is just above the average level observed in recessions in the past. Improved expectations have accounted for most of the recent increase in the index, as assessments of present conditions remain a bit below the average observed in past recession.

The Reuters/University of Michigan index of consumer sentiment continues to trace out a similar pattern. The overall index reached its highest mark since January 2008 in February, lifted by improvements in both expectations and assessments of present conditions.



Ohio personal income accelerated in the second and third quarters of 2010. After falling far more sharply than personal income and beginning to recover much more slowly, Ohio wage and salary disbursements have also accelerated. Personal income increased 3.3% at an annual rate in the third quarter for the fourth quarterly increase in a row. Personal income in Ohio has increased 3.3% from the third quarter of 2009. **Wage and salary disbursements** advanced 3.8% at an annual rate in the third quarter, also for the fourth quarterly increase in a row. The year-over-year change was 2.7 percent.

Manufacturing

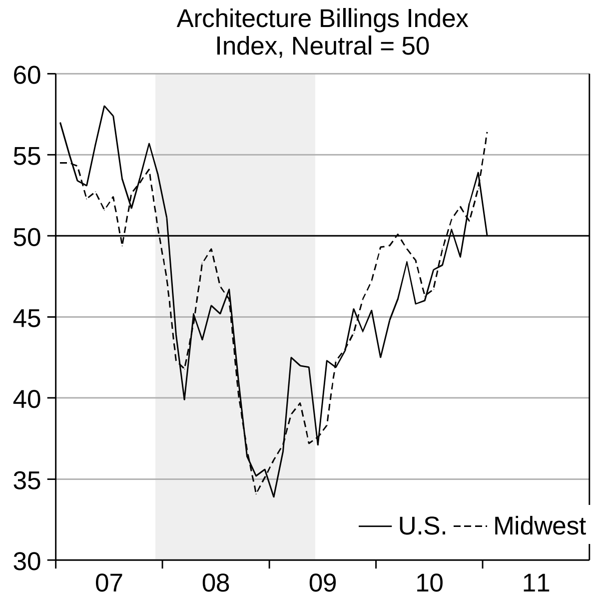
Manufacturing activity picked up steam, according to a variety of measures, as 2011 began. **Industrial production** decreased 0.1% in January, but the December increase was revised higher from 0.8% to 1.2 percent. A weather-related swing in utility output (up 4.1% in February and down 1.6% in January) was responsible for the pattern in overall production. Manufacturing output increased 0.3% in January, for the fourth strong increase in a row. Capacity utilization was 76.1%, up from the cyclical low of 68.2% in June 2009, but still below the cyclical peak of 81.7% in April 2007.

Compared with a year earlier, industrial production was up by 5.2%, but remained 5.5% below its July 2007 peak. Manufacturing production was up by 5.5% year-over-year, but remained 8.0% below its July 2007 peak. Production in three industries with particular importance for Ohio – primary metal, fabricated metal and machinery – was mixed during January, but higher by 9.3%, 11.7% and 16.5%, respectively, year-over-year. Production of motor vehicles and parts increased 3.2% in January to 5.3% above the year earlier level.

Midwest manufacturing output increased 0.3% in December, according to the Chicago Federal Reserve Bank. Production decreased 0.2% in the auto sector, but increased in the steel (+1.2%), machinery (+0.5%) and resource (+0.3%) sectors. Compared with a year earlier, Midwest manufacturing production was up by 8.3%, compared with a peak so far for this cycle of 14.0% in May. The level of Midwest production in December was 16.3% above the low in June 2009 but still 19.0% below the peak in January 2008.

Reports from **purchasing managers** in manufacturing were positive again in February, reflecting the most widespread improvement across the sector since December 1983. Reports of improvement in new orders were the most widespread since January 2004. All other sub-components reflected widespread improvements in conditions, particularly employment, which reflected the most widespread increases in employment since February 1951.

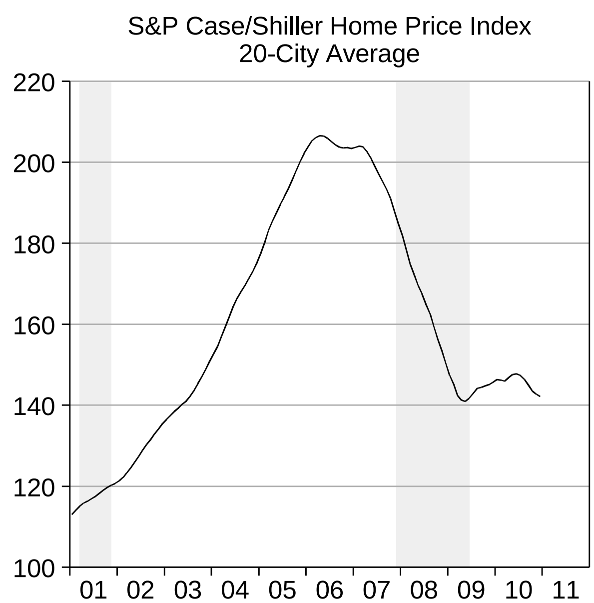
Construction



Total **construction put-in-place** decreased 0.7% in January, and just as in December, the decline was due to the severe weather. Excluding residential improvements, which are poorly estimated, construction fell 2.6 percent. Despite the considerable adjustments made to property prices and building activity in recent years, there remains no convincing evidence that construction has reached a trough.

Non-residential construction-put-in-place decreased 6.9% in January, led by lodging (-18.2%), power (-11.8%), and amusement and recreation (-10.8%). The **Architecture Billings Index** from the American Institute of Architects decreased to 50.0 in January, continuing the see-saw pattern that has defined the considerable increase from the trough of 33.9 in January 2009. The **Inquiries for New Work Index** also slipped to 56.5 in January from 61.6 in December. The **Billings Index for the Midwest** increased substantially in January to 56.4 – the best reading since February 2006. The setbacks in January were likely the result of the severe weather.

Residential construction-put-in-place increased 5.3% in January, but only because of the poorly estimated improvements component. Single-family construction increased 0.8%, and multi-family construction fell by 2.9 percent. The extreme weather complicates the interpretation of recent housing statistics. **Housing starts** increased 14.6% in January, reflecting a drop of 1.0% in single-family construction and an increase of 77.7% in multi-family construction. **Housing permits**, which are less affected by changes in weather, fell by 10.4%, but the decline reflected the aftermath of changes in state building codes in California, New York and Pennsylvania that boosted activity in December. Despite recent swings, housing construction remains approximately flat at a level well below the pre-recession peak.



Sales of existing homes increased 2.7% in January, and the 3-month average increase 6.9% from the previous month. Sales advanced 1.8% in the Midwest, and 7.3% on a 3-month moving average basis. The number of existing homes on the market declined to its lowest level since January 2010. The number of months required to clear the current supply at the recent sales pace fell to 7.6 months, down from the peak of 12.5 months in July 2010. **Sales of new homes** decreased 12.6%, reflecting building code changes in California that accelerated purchases into December. The number of unsold new homes fell to 188,000 units – the lowest since December 1967.

Home prices have turned lower in recent months after a modest bounce off of the cyclical trough reached in early 2009. Prices decreased for the sixth straight month in December, according to the S&P/Case-Shiller house price index for twenty large metro areas, to 2.4% below the year earlier level. The price indexes for ten of the twenty metro areas established new lows in December.

REVENUES

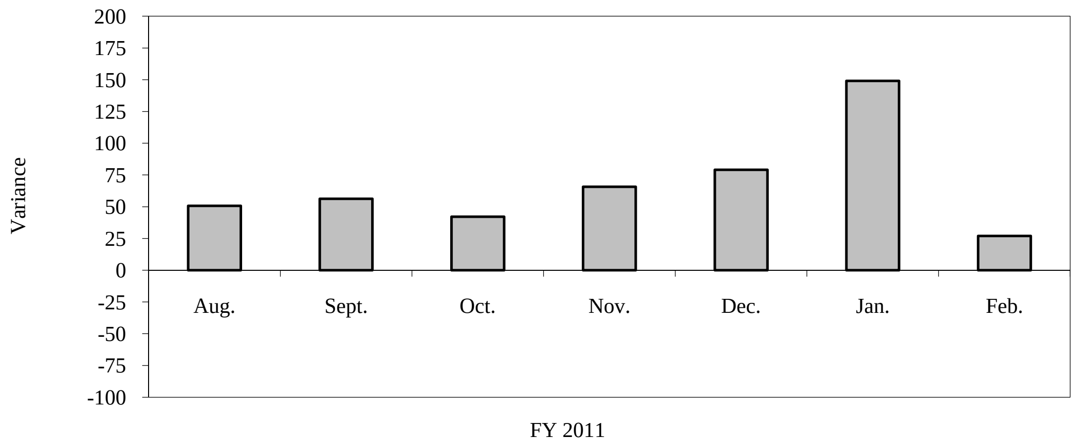
NOTE: Estimates reflected in the revenue tables are based on the original estimates for H.B. 1 as amended by H.B. 318 and do not include revised FY 2011 estimates. Updated FY 2011 estimates are expected to be released along with the Executive Budget on March 15, 2011.

During the month of February**, GRF receipts totaled $1,733.5 million** which was $296.7 million (14.6%) below the estimate**.** This overall negative performance relative to estimate was the result of a delay in the processing of a temporary transfer of $319.0 million, which was scheduled to post February 28th, but did not actually post until March 1st. For the month, tax receipts totaled $983.5 million and were $27.1 million (2.8%) above the estimate, while non-tax receipts totaled $736.8 million and were $21.0 million (2.8%) below the estimate. Transfers totaled $13.3 million and were $302.7 million (95.8%) below the estimate.

Category	**Includes:**	**YTD Variance**	**% Variance**
Tax receipts	Sales & use, personal income, corporate franchise, public utility, kilowatt hour, foreign & domestic insurance, other business & property taxes, cigarette, soft drink, alcoholic beverage, liquor gallonage, estate & horse racing	$470.0 million	4.5%
Non-tax receipts	Federal grants, earnings on investments, licenses & fees, other income, intrastate transfers	($482.6 million)	(7.5%)
Transfers	Budget stabilization, liquor transfers, capital reserve, other	($239.2 million)	(32.2%)
TOTAL REVENUE VARIANCE:		($251.7 million)	(1.4%)

A seventh consecutive month of better-than-expected receipts across most tax sources resulted in a February performance that exceeded estimates by $27.1 million (2.8%). Combined with the positive August through December variances, tax receipts through the first eight months of the fiscal year are now $470.0 million (4.5%) above the estimate. On a year-over-year basis, total tax receipts for February were $48.1 million (5.1%) greater than they were in February 2010. For the year-to-date, tax collections in fiscal year 2011 are $766.6 million (7.5%) higher than for the same period a year ago. The largest contributors to this year-over-year growth are the non-auto sales tax and personal income tax receipts. Personal income tax receipt growth has been driven by strong performance in both the withholding and the estimated payment components, which are $308.9 million (6.8%) and $97.0 million (15.5%) above those at the same point in fiscal year 2010.

GRF - Variance of Tax Sources by Month
($ in millions)



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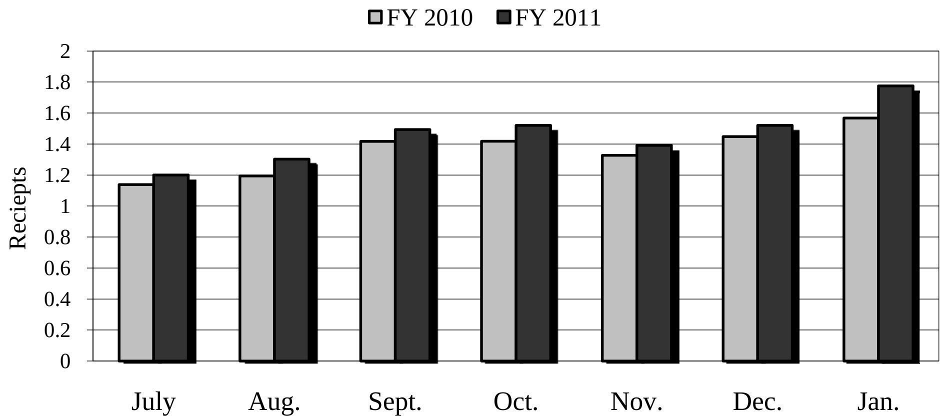
Individual Sources Above Estimate		Individual Sources Below Estimate	
Non-Auto Sales Tax	$10.2	Corporate Franchise Tax	($2.6)
Auto Sales Tax	$6.9	Public Utility Tax	($15.6)
Personal Income Tax	$1.5	Kilowatt Hour Tax	($3.6)
Cigarette Tax	$6.0	Federal Grants	($13.3)
Foreign Insurance Tax	$24.4	Licenses and Fees	($3.2)
Liquor Transfers	$2.0	Other Income	($4.8)
Other Sources Above Estimate	$0.7	Temporary Transfers In	($305.0)
		Other Sources Below Estimate	($0.2)
Total above	**$51.7**	**Total below**	**($348.3)**

FY 2010 - FY 2011 Tax Revenue Year Over
($ in billions)



Non-Auto Sales and Use Tax

February was another positive month for the non-auto sales tax, as receipts totaled $460.2 million, which was $10.2 million (2.3%) above the estimate. Year-to-date receipts now total $4,451.4 million and are $128.3 million (3.0%) above the estimate. On a year-over-year basis, this tax was $15.6 million (3.5%) above collections for the same month a year ago, with baseline growth in the tax increasing by approximately 4.6 percent. Year-to-date collections exceed those of fiscal year 2010 by $264.7 million (6.3%) with baseline growth of 5.4 percent.

Auto Sales Tax

February was also another strong month for the auto sales tax as receipts totaled $58.9 million, which was $6.9 million (13.2%) above the estimate. For the year-to-date, auto sales tax receipts now total $608.9 million and are $50.1 million (9.0%) above estimate. On a year-over-year basis, this tax source experienced an increase of $7.1 million (13.8%) over the receipts for the same month a year ago, while year-to-date collections exceed those of fiscal year 2010 by $58.5 million (10.6%). This growth is a result of continued higher-than-expected unit sales.

Personal Income Tax

While not nearly as impressive as January's double digit growth performance, personal income tax receipts were still positive in February totaling $285.0 million and exceeding the estimate by $1.5 million (0.5%). While withholding experienced a positive variance of $10.4 million (1.8%), negative variances in local government fund distribution of $6.3 million (9.8%) and in payments associated with annual returns of $4.2 million (16.9%) effectively neutralized the positive performance in withholding.

On a year-over-year basis, personal income tax collections through the first eight months of fiscal year 2011 are $377.2 million (8.5%) over the corresponding period in fiscal year 2010. A substantial portion of this growth is due to employer withholding, which accounted for a

$308.9 million (6.8%) increase during this period. Quarterly estimated payments also contributed significantly to this growth with an increase of $97.0 million (15.5%).

FY2011 PERSONAL INCOME TAX RECEIPTS BY COMPONENT ($ in millions)						
	ESTIMATE FEB	ACTUAL FEB	$ VAR FEB	ESTIMATE Y-T-D	ACTUAL Y-T-D	$ VAR Y-T-D
Withholding	$571.9	$582.3	$10.4	$4,709.3	$4,873.9	$164.6
Quarterly Est.	$8.9	$7.1	($1.8)	$643.3	$722.2	$78.8
Trust Payments	$0.2	$1.2	$1.0	$16.4	$17.4	$1.0
Annual Returns & 40 P	$24.8	$20.6	($4.2)	$162.0	$147.3	($14.7)
Other	$12.0	$13.3	$1.3	$58.8	$71.4	$12.6
Less: Refunds	($270.4)	($269.4)	$1.0	($551.8)	($544.0)	$7.8
Local Distr.	($63.9)	($70.2)	($6.3)	($437.7)	($456.2)	($18.6)
Net to GRF	**$283.5**	**$284.9**	**$1.4**	**$4,600.3**	**$4,832.0**	**$231.5**

Corporate Franchise Tax

Corporate franchise tax receipts for the month of February were below the estimate by $2.6 million (16.3%), with receipts of $13.4 million. However, when combined with the $12.0 million positive variance in January, receipts for the two months combined still exceeded the estimate by $9.4 million (14.5%). Recent months' performance of this tax reflects more closely the collections from financial institutions and certain financial holding companies than was the case earlier.

Commercial Activity Tax

In fiscal year 2011, receipts from the commercial activity tax (CAT) will continue to be distributed to non-GRF funds to reimburse school districts and local governments for the phase-out of the tangible personal property tax. During the month of February, CAT receipts totaled $318.1 million, an amount that was $12.9 million (4.2%) above the monthly estimate of $305.2 million. When combined with January's payments that were slightly less than estimated, the combined two-month performance of the CAT was above estimate by $10.7 million (3.1%).

Kilowatt-Hour Tax

Kilowatt-hour tax receipts during the month of February totaled $14.5 million and were $3.6 million (19.7%) below the estimate. Year-to-date receipts are $108.3 million and are $7.5 million (6.5%) below the estimate. On a year-over-year basis, receipts were $2.6 million (15.3%) lower than the same period in the prior fiscal year.

Cigarette Tax

Cigarette tax revenue experienced another positive month in February as receipts totaled $58.0 million and were $6.0 million (11.5%) above the monthly estimate. As a result of this monthly positive variance, this tax is now $37.7 million (7.9%) above estimate through the first eight months of the fiscal year. On a year-over-year basis, cigarette tax receipts were $0.1 million (0.3%) higher than the same month a year ago, while year-to-date collections have decreased by $18.5 million (3.5%).

GRF non-tax receipts totaled $736.7 million in February, with the performance coming in $21.0 million (2.8%) below estimate. Most of that variance was due to federal grants being lower than estimated. **GRF transfers** during the month of February totaled $13.3 million and were $302.7 million (95.8%) below the monthly estimate due to a delay in the posting of a temporary transfer back to the GRF. As a result, $319.0 million that was estimated to post in late February actually posted in early March. Thus, March receipts in this category should be above estimate by a similar amount.

Table 1
GENERAL REVENUE FUND RECEIPTS
ACTUAL FY 2011 VS ESTIMATE FY 2011
($ in thousands)

REVENUE SOURCE	Month: ACTUAL FEBRUARY	Month: ESTIMATE FEBRUARY	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	460,223	450,000	10,223	2.3%	4,451,412	4,323,100	128,312	3.0%
Auto Sales & Use	58,860	52,000	6,860	13.2%	608,904	558,800	50,103	9.0%
Subtotal Sales & Use	519,083	502,000	17,083	3.4%	5,060,316	4,881,900	178,415	3.7%
Personal Income	285,006	283,500	1,506	0.5%	4,831,916	4,600,300	231,616	5.0%
Corporate Franchise	13,385	16,000	(2,615)	-16.3%	70,390	27,400	42,990	156.9%
Commercial Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	25,200	40,800	(15,599)	-38.2%	81,616	115,900	(34,283)	-29.6%
Kilowatt Hour	14,533	18,100	(3,567)	-19.7%	108,284	115,801	(7,517)	-6.5%
Foreign Insurance	61,462	37,100	24,361	65.7%	193,762	169,850	23,912	14.1%
Domestic Insurance	1	0	1	N/A	(1,022)	134	(1,156)	-862.7%
Other Business & Property Tax	14	0	14	N/A	(993)	126	(1,119)	-887.7%
Cigarette	58,003	52,000	6,003	11.5%	516,480	478,800	37,680	7.9%
Alcoholic Beverage	4,081	4,300	(219)	-5.1%	37,122	37,700	(578)	-1.5%
Liquor Gallonage	2,688	2,600	88	3.4%	25,349	24,300	1,049	4.3%
Estate	0	0	0	N/A	27,436	28,400	(964)	-3.4%
Horse Racing	0	0	0	N/A	0	0	0	N/A
Total Tax Receipts	983,455	956,401	27,054	2.8%	10,950,656	10,480,611	470,045	4.5%
NON-TAX RECEIPTS								
Federal Grants	726,707	740,026	(13,319)	-1.8%	5,720,854	6,127,460	(406,606)	-6.6%
Earnings on Investments	0	0	0	N/A	4,664	41,500	(36,836)	-88.8%
License & Fees	6,988	10,163	(3,175)	-31.2%	31,290	45,154	(13,864)	-30.7%
Other Income	724	5,520	(4,796)	-86.9%	140,927	168,619	(27,691)	-16.4%
ISTV'S	2,321	2,000	321	16.1%	13,460	11,051	2,409	21.8%
Total Non-Tax Receipts	736,741	757,709	(20,968)	-2.8%	5,911,196	6,393,784	(482,589)	-7.5%
TOTAL REVENUES	1,720,196	1,714,110	6,086	0.4%	16,861,852	16,874,395	(12,543)	-0.1%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Liquor Transfers	13,000	11,000	2,000	18.2%	98,000	94,300	3,700	3.9%
Transfers In - Capital Reserve	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	262	0	262	N/A	23,225	6,106	17,119	280.4%
Temporary Transfers In	0	305,000	(305,000)	-100.0%	383,000	643,000	(260,000)	-40.4%
Total Transfers	13,262	316,000	(302,738)	-95.8%	504,225	743,406	(239,181)	-32.2%
TOTAL SOURCES	1,733,458	2,030,110	(296,652)	-14.6%	17,366,077	17,617,801	(251,724)	-1.4%

Table 2
GENERAL REVENUE FUND RECEIPTS
ACTUAL - FY 2011 VERSUS FY 2010
($ in thousands)

REVENUE SOURCE	Month: FEBRUARY FY 2011	Month: FEBRUARY FY 2010	Month: $ VAR	Month: % VAR	Year-to-Date: ACTUAL FY 2011	Year-to-Date: ACTUAL FY 2010	Year-to-Date: $ VAR	Year-to-Date: % VAR
TAX RECEIPTS								
Non-Auto Sales & Use	460,223	444,580	15,643	3.5%	4,451,412	4,186,745	264,667	6.3%
Auto Sales & Use	58,860	51,728	7,132	13.8%	608,904	550,406	58,498	10.6%
Subtotal Sales & Use	519,083	496,308	22,775	4.6%	5,060,316	4,737,151	323,165	6.8%
Personal Income	285,006	269,919	15,087	5.6%	4,831,916	4,454,696	377,220	8.5%
Corporate Franchise	13,385	19,430	(6,045)	-31.1%	70,390	2,885	67,505	2340.2%
Commercial Activity Tax	0	0	0	N/A	0	0	0	N/A
Public Utility	25,200	30,907	(5,706)	-18.5%	81,616	88,069	(6,453)	-7.3%
Kilowatt Hour	14,533	17,155	(2,622)	-15.3%	108,284	107,547	737	0.7%
Foreign Insurance	61,462	37,167	24,295	65.4%	193,762	170,013	23,748	14.0%
Domestic Insurance	1	5	(5)	-89.5%	(1,022)	1,247	(2,269)	-181.9%
Other Business & Property Tax	14	57	(43)	-76.0%	(993)	283	(1,276)	-450.5%
Cigarette	58,003	57,855	148	0.3%	516,480	534,995	(18,514)	-3.5%
Alcoholic Beverage	4,081	3,938	142	3.6%	37,122	36,586	537	1.5%
Liquor Gallonage	2,688	2,621	67	2.6%	25,349	24,713	636	2.6%
Estate	0	0	0	N/A	27,436	25,909	1,527	5.9%
Horse Racing	0	0	0	N/A	0	0	0	N/A
Total Tax Receipts	983,455	935,361	48,093	5.1%	10,950,656	10,184,093	766,563	7.5%
NON-TAX RECEIPTS								
Federal Grants	726,707	587,964	138,743	23.6%	5,720,854	5,075,855	645,000	12.7%
Earnings on Investments	0	0	0	N/A	4,664	21,355	(16,691)	-78.2%
License & Fee	6,988	13,381	(6,394)	-47.8%	31,290	51,984	(20,694)	-39.8%
Other Income	724	759	(35)	-4.6%	140,927	153,131	(12,203)	-8.0%
ISTV'S	2,321	3	2,318	N/A	13,460	6,988	6,472	92.6%
Total Non-Tax Receipts	736,741	602,108	134,633	22.4%	5,911,196	5,309,312	601,884	11.3%
TOTAL REVENUES	1,720,196	1,537,469	182,726	11.9%	16,861,852	15,493,405	1,368,447	8.8%
TRANSFERS								
Budget Stabilization	0	0	0	N/A	0	0	0	N/A
Liquor Transfers	13,000	13,000	0	0.0%	98,000	107,000	(9,000)	-8.4%
Transfers In - Capital Reserve	0	0	0	N/A	0	0	0	N/A
Transfers In - Other	262	0	262	N/A	23,225	20,951	2,274	10.9%
Temporary Transfers In	0	290,673	(290,673)	-100.0%	383,000	650,614	(267,614)	-41.1%
Total Transfers	13,262	303,673	(290,411)	-95.6%	504,225	778,566	(274,341)	-35.2%
TOTAL SOURCES	1,733,458	1,841,142	(107,684)	-5.8%	17,366,077	16,271,971	1,094,106	6.7%

DISBURSEMENTS

February 2011 GRF disbursements, across all fund uses, total $1,968.9 million. This was $43.6 million (2.2%) below the estimate for the month. On a year-to-date basis, total GRF disbursements are $19,081.4 million and are $64.9 million (0.3%) below the estimate. Year-to-date disbursements by category are provided in the following table ($ in millions).

Category	Description	YTD Disbursements	YTD Variance
Expenditures and transfers between agencies (ISTVs)	State agency operations, subsidies, tax relief, debt service payments, and pending payroll (if applicable)	$18,086.1	($156.2)
Transfers	Temporary or permanent transfers out of the GRF that are not agency expenditures	$995.3	$91.7
TOTAL GRF DISBURSEMENTS:		$19,081.4	($64.5)

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

Primary, Secondary and Other Education
This category includes expenditures made by the Department of Education, E-tech, the Ohio State School for the Blind, and the School for the Deaf. February disbursements in this category totaled $531.5 million, and are $14.0 million (2.6%) below the estimate.

Disbursements for the Department of Education alone totaled $529.3 million. This amount is $13.4 million (2.5 %) below the monthly estimate. Year-to-date disbursements totaled $4,768.8 million and were $15.4 million (0.3%) above the estimate for the year. The year-to-date variance will diminish between now and the end of the fiscal year as a result of the foundation's payment reconciliation process.

Higher Education
February disbursements for Higher Education were $214.3 million and were $6.9 million (3.3%) above the estimate for the month. Year-to-date disbursements were $1,655.2 million and were $8.4 million (0.56%) above the estimate. The monthly variance is due to spending in the Ohio College Opportunity Grant and Choose Ohio First Scholarship programs above the monthly estimate by $4.6 million.

Public Assistance and Medicaid
February expenditures in this category, which include all GRF expenditures by the Department of Job and Family Services (ODJFS), were $995.6 million and were $30.7 million (3.0%) below estimate for the month. Year-to-date expenditures total $8,019.1 million, which is $140.7 million (1.7%) below the estimate.

The following discussion of spending and variances to date addresses Public Assistance and Non-Medicaid programs separate from Medicaid.

Medicaid

This sub-category includes expenditures by the Department of Job and Family Services for Medicaid services contained primarily in the 600525 line item. Please note that administrative costs related to the ODJFS program are included in the previous sub-category.

Expenditures

GRF disbursements year-to-date for the Medicaid program are $7,482.5 million, which is $94.3 million (1.2%) below the estimate, and $884.5 million (13.4%) above the same point in the previous fiscal year. Disbursements for the month of February were $963.4 million, which was $20.7 million (2.1%) below the estimate and $220.7 million (29.7%) above the same period in the previous fiscal year.

All funds disbursements year-to-date are $9,271.0 million, which is $217.8 million (2.3%) below the estimate, and $754.3 million (8.1%) above disbursements for the same point in time in the previous fiscal year. Disbursements for January were $1,174.6 million, which was $20.8 million (1.7%) below projected expenditures and $137.1 million (11.7%) above the same period in the previous fiscal year.

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

	February Projection	February Actual	Variance	Variance %
GRF	$ 984,157,259	$ 963,435,663	$ (20,721,596)	-2.1%
Non-GRF	$ 211,179,580	$ 211,140,236	$ (39,344)	0.0%
All Funds	$ 1,195,336,839	$ 1,174,575,899	$ (20,760,940)	-1.8%

Specific variances across all funding sources include:

Prescription Drug – Disbursements for the month of February for the Prescription Drug category were $135.7 million, which was $24.4 million (15.2%) below projected expenditures. As in previous months, this is primarily due to a lower-than-projected per member per month cost.

Inpatient Hospital– Disbursements for the Inpatient Hospital category in February were $85.2 million, which was $3.0 million (3.4%) below estimate. This is due primarily to lower-than-projected member months and per member per month costs.

Caseload

Total caseload for the month of January, the most recent month available, was 2.16 million covered persons, which was an increase of 12,160 persons over the month of December. This number includes select non-Medicaid programs such as the Medicare premium assistance programs. Total Medicaid caseload for the month as of the month of January was 30,226 (1.4%) covered lives over projection.

The Covered Families and Children (CFC) category increased by 10,367 persons to a January total of 1.64 million persons. The Aged, Blind and Disabled (ABD) program increased by 737 people to a January total of 408,000 covered lives. The Premium Assistance category increased by 895 persons to a January total of 100,700 covered lives.

Total enrollment for the same period last year was 2.05 million covered persons, including 1.56 million persons in the CFC program, 391,900 people in the ABD category, and 90,740 in the Other Non-Medicaid program, including Premium Assistance. This represents total program growth over the last twelve months of 109,500 covered lives.

CFC increased of 10,367 persons to 1.64 million covered lives. Enrollment in this category was 7,163 (0.4%) above total projected enrollment. The increase was seen primarily in the Healthy Families category, the core eligibility group, and the Healthy Families Expansion group.

The ABD program showed a decrease of 1,632 people to a total of 408,000 covered lives. Enrollment was 10,234 persons (2.6%) over total projected enrollment for this category.

Public Assistance and Non-Medicaid

ODJFS, non-Medicaid, General Revenue Fund (GRF) disbursements totaled $32.2 million for the month of February. In the aggregate, GRF actual spending was $9.9 million (23.7%) lower than disbursement estimates for the month. Major variances within individual line items were attributable to the following:

- Computer Projects, ALI 600416, disbursements were $3.1 million below agency estimates due to Ohio Benefit Bank, Electronic Benefits Transfer, and Department of Administrative Office (DAS) Office of Information Technology invoices not received and paid as anticipated.
- Child, Family, and Adult Community & Protective Services, ALI 600533, subsidy payments were $1.8 million below agency estimates due to lower-than-anticipated county payments made within the line item.
- Entitlement Administration – Local, ALI 600521, subsidy disbursements were $1.8 million lower than original estimates due to lower-than-anticipated county payments made within the line item.
- Administration – Local, ALI 600502, expenditures were $1.3 million below original estimates due to lower-than-anticipated county subsidy spending within the line item.
- Over/under spending across remaining GRF line items also contributed to the variance.

Health and Human Services

This category includes GRF expenditures for the following state agencies: Health, Aging, Mental Health, Developmental Disabilities, and ODADAS. Examples of expenditures in this category include: 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 this category instead of the previous category.

February expenditures in this category were $59.9 million, which was $9.9 million (19.7%) above the estimate for the month. Year-to-date actual disbursements total $772.3 million and are $18.5 million (2.3%) below the estimate. Notable items include:

- For the year-to-date, the Department of Health disbursed a total of $57.9 million, which is $8.6 million (12.9%) below the estimate.
- February disbursements for the Department of Health totaled $9.1 million and were $6.9 million (313.6%) above the estimate. This is primarily attributable to the following:
  - The AIDS Prevention and Treatment line (440-444) was above the estimate by $0.4 million, due to payments being made in February that were originally scheduled for March.
  - The Help Me Grow line (440-459) was above the estimate by $6.8 million. This was due to payments being made in February that were originally scheduled for January.
- For the year-to-date, the Department of Aging disbursed $105.0 million, which was $0.3 million (0.3%) under the estimate.
- February disbursements for the Department of Aging totaled $11.5 million and were $0.1 million (0.8%) below the estimate. There were no significant line item differences.
- The Department of Mental Health disbursed a total of $17.3 million during the month of February. This is $0.6 million (3.7%) above the monthly estimate.
- The Department of Developmental Disabilities disbursed $18.2 million in the month of February, which was $2.5 million (16.0%) above the estimate. This is primarily attributable to the following:
  - The ICF/MR franchise fee payment of $1.9 million to the Department of Job and Family Services was planned for January but occurred in February.
  - The Developmental Center Operations line (323321) saw overspending of $1.6 million for the month of February. Funding for this line primarily comes from the GRF line 323321 and from federal Medicaid reimbursement. In February, the department shifted less funding off the GRF and onto federal funding than was estimated in the beginning of the fiscal year.
  - The Martin Settlement line (322504) experienced spending below the monthly estimate. Due to the enhanced Medicaid reimbursement rate made available through the American Recovery and Reinvestment Act, the department was able to shift additional funding for the Martin waivers off of the GRF and onto federal resources.

Justice and Public Protection

This category includes GRF expenditures by the Department of Rehabilitation & Corrections (DRC) and the Department of Youth Services (DYS). February disbursements in this category totaled $96.8 million and were $2.0 million (1.6%) below the estimate for the month. Notable items include:

- The Department of Rehabilitation & Corrections disbursed $85.6 million in the month of February, which was $8.8 million (9.3%) below the estimate for the month. This variance can be primarily attributed to continued savings in the mental health and medical services programs.

- The Department of Youth Services disbursed $11.2 million during the month of February and was $1.1 million (8.7%) below the monthly estimate. This variance can be attributed to reduced supply costs from a lower daily youth offender population.

General Government

For February, General Government disbursements totaled $14.1 million and were $6.6 million (31.9%) below the estimate for the month. Year-to-date actual expenditures are $186.9 million, which is $18.3 million (8.9%) below the estimate. Notable items include:

- In February, the Department of Administrative Services disbursed $1.1 million, which was $4.8 million (81.1%) below the estimate for the month. This occurred mainly because the state's OAKS and STARS lease rental payments ($3.8 million of the difference) that were estimated for February were instead paid in January. OAKS is the state's enterprise resource planning system, and STARS is the state's integrated tax collection and audit system. These two line items were over the estimate by the same amounts in January. Another $0.9 million of the February under-spending came from quarterly rent not yet billed to the State of Ohio Computer Center GRF line item. This is expected to occur in March instead.

Tax Relief and Other

February disbursements for the tax relief category totaled $2,765 and were $175,630 below the monthly estimate of $178,396. Year-to-date, total tax relief payments have totaled $846.7 million and are $45.2 million (5.6%) above the year-to-date estimate. Tax relief payments are made to local governments and school districts to reimburse for revenues foregone as a result of the 10.0 percent and 2.5 percent rollback, as well as the homestead exemption. Based on current expenditure trends, the line item appropriation for this purpose is likely insufficient, so there could be a need to rely on temporary law which authorizes automatic increases in appropriation necessary to cover reimbursement costs.

Debt Service

Debt service spending in February totaled $29.8 million and was $0.3 million (1.0%) below the estimate as a result of continued low interest rates on the state's variable rate debt. Year-to-date, debt service spending is $6.1 million (1.7%) below the estimate.

American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization Fund (SFSF)

The State of Ohio has been awarded approximately $1,789.4 million in SFSF. Of this amount, approximately $1,463.7 million is from the Education Stabilization Fund (ESF) and approximately $325.7 million is from the Government Services Fund (GSF). February SFSF disbursements were $111.2 million ($37.6 million from the Department of Education (ESF), $25.7 million from the Board of Regents (ESF), and $47.8 million from the Department of Rehabilitation and Correction (GSF)). For the program to date, the state has disbursed a total of $1,383.2 million in SFSF (77.3% of the total award amount). $738.5 million has been disbursed from the Department of Education (ESF), $486.9 million from the Board of Regents (GSF/ESF) and $157.8 million from the Department of Rehabilitation and Correction (GSF).

Table 3
GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2011 VS ESTIMATE FY 2011
($ in thousands)

	MONTH				YEAR-TO-DATE			
Functional Reporting Categories Description	**ACTUAL FEBRUARY**	**ESTIMATED FEBRUARY**	**$ VAR**	**% VAR**	**YTD ACTUAL**	**YTD ESTIMATE**	**$ VAR**	**% VAR**
Primary, Secondary and Other Education	531,530	545,523	(13,993)	-2.6%	4,806,848	4,793,389	13,458	0.3%
Higher Education	214,253	207,385	6,867	3.3%	1,655,163	1,646,790	8,372	0.5%
Public Assistance and Medicaid	995,640	1,026,351	(30,711)	-3.0%	8,019,050	8,159,733	(140,683)	-1.7%
Health and Human Services	59,882	50,024	9,858	19.7%	772,336	790,847	(18,511)	-2.3%
Justice and Public Protection	114,957	122,898	(7,942)	-6.5%	1,315,220	1,343,517	(28,297)	-2.1%
Environmental Protection and Natural Resources	3,426	3,558	(132)	-3.7%	51,965	52,859	(893)	-1.7%
Transportation	814	608	206	33.9%	10,729	10,240	489	4.8%
General Government	14,050	20,642	(6,591)	-31.9%	186,904	205,206	(18,302)	-8.9%
Community and Economic Development	4,363	5,177	(814)	-15.7%	65,440	76,217	(10,777)	-14.1%
Tax Relief and Other	3	178	(176)	-98.4%	846,685	801,455	45,230	5.6%
Capital Outlay	0	43	(43)	N/A	24	255	(232)	-90.6%
Debt Service	29,811	30,116	(305)	-1.0%	355,720	361,799	(6,078)	-1.7%
Pending Payroll	0	0	0	N/A	0	0	0	N/A
Total Expenditures & ISTV's	**1,968,727**	**2,012,503**	**(43,776)**	**-2.2%**	**18,086,085**	**18,242,309**	**(156,224)**	**-0.9%**
Transfers Out:								
OPER TRF OUT-OTH	220	0	220	N/A	49,622	27,600	22,021	79.8%
OPER TRF OUT-TEMPORARY	0	0	0	N/A	945,711	876,000	69,711	8.0%
Total Transfers (Out)	**220**	**0**	**220**	**N/A**	**995,333**	**903,600**	**91,733**	**10.2%**
Total Fund Uses	**1,968,947**	**2,012,503**	**(43,556)**	**-2.2%**	**19,081,418**	**19,145,909**	**(64,491)**	**-0.3%**

Table 4
GENERAL REVENUE FUND DISBURSEMENTS
ACTUAL FY 2011 VS ACTUAL FY 2010
($ in thousands)

Functional Reporting Categories Description	MONTH				YEAR-TO-DATE			
	FEBRUARY FY 2011	FEBRUARY FY 2010	$ VAR	% VAR	ACTUAL FY 2011	ACTUAL FY 2010	$ VAR	% VAR
Primary, Secondary and Other Education	531,530	509,825	21,704	4.3%	4,806,848	4,890,893	(84,045)	-1.7%
Higher Education	214,253	218,639	(4,386)	-2.0%	1,655,163	1,666,757	(11,594)	-0.7%
Public Assistance and Medicaid	995,640	796,523	199,117	25.0%	8,019,050	7,166,790	852,259	11.9%
Health and Human Services	59,882	50,490	9,392	18.6%	772,336	733,097	39,239	5.4%
Justice and Public Protection	114,957	126,678	(11,721)	-9.3%	1,315,220	1,340,904	(25,683)	-1.9%
Environmental Protection and Natural Resources	3,426	4,608	(1,182)	-25.7%	51,965	63,917	(11,951)	-18.7%
Transportation	814	1,604	(791)	-49.3%	10,729	12,782	(2,053)	-16.1%
General Government	14,050	14,195	(144)	-1.0%	186,904	196,351	(9,447)	-4.8%
Community and Economic Development	4,363	6,880	(2,517)	-36.6%	65,440	69,765	(4,326)	-6.2%
Tax Relief and Other	3	641	(638)	-99.6%	846,685	892,516	(45,831)	-5.1%
Capital Outlay	0	0	0	N/A	24	330	(306)	-92.8%
Debt Service	29,811	24,377	5,435	22.3%	355,720	277,347	78,373	28.3%
Pending Payroll	0	0	0	N/A	0	0	0	N/A
Total Expenditures & ISTV's	**1,968,727**	**1,754,460**	**214,267**	**12.2%**	**18,086,085**	**17,311,449**	**774,636**	**4.5%**
Transfers Out:								
OPER TRF OUT-BUD STABILIZATION	0	0	0	N/A	0	0	0	N/A
OPER TRF OUT-OTH	220	100	120	119.9%	49,622	53,790	(4,168)	-7.7%
OPER TRF OUT-TEMPORARY	0	0	0	N/A	945,711	971,337	(25,626)	-2.6%
Total Transfers (Out)	**220**	**100**	**120**	**119.9%**	**995,333**	**1,025,127**	**(29,795)**	**-2.9%**
Total Fund Uses	**1,968,947**	**1,754,560**	**214,387**	**12.2%**	**19,081,418**	**18,336,577**	**744,841**	**4.1%**

FUND BALANCE

Table 5 describes the General Revenue Fund (GRF) ending fund balance for FY 2011. Based on the estimated revenue for FY 2011 and the estimated FY 2011 disbursements, transfers, and encumbrances, the current GRF ending fund balance for FY 2011 is an estimated $153.9 million.

The GRF ending fund balance should not be considered as a balance available for expenditure in FY 2011 nor should it be considered as equivalent to the FY 2011 surplus calculation as defined in Section 131.44 of the Ohio Revised Code.

It is important to note that the GRF 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.

NOTE: Estimates reflected in the fund balance are based on the original estimates for H.B. 1 as amended by H.B. 318 and do not include revised FY 2011 estimates. Updated FY 2011 estimates are expected to be released along with the Executive Budget on March 15, 2011.

FUND BALANCE
GENERAL REVENUE FUND
FISCAL YEAR 2011
($ in thousands)

July 1, 2010 Beginning Cash Balance	**$ 510,401**
Plus FY 2011 Estimated Revenues	17,090,500
Plus FY 2011 Estimated Federal Revenues	8,370,930
Plus FY 2011 Estimated Transfers to GRF	1,372,840
Total Sources Available for Expenditure & Transfer	**27,344,671**
Less FY 2011 Estimated Disbursements	25,997,497
Less FY 2011 Estimated Total Encumbrances as of June 30, 2010	278,465
Less FY 2011 Estimated Transfers Out	914,800
Total Estimated Uses	**27,190,763**
FY 2011 ENDING FUND BALANCE	**153,908**

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