

State of Ohio

Annual Comprehensive Financial Report

Ohio Office of Budget and Management



Governor

Mike DeWine

Fiscal Year Ended

June 30, 2021

Director

Kimberly A. Murnieks

www.obm.ohio.gov

ACKNOWLEDGMENTS

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Special appreciation is given to all fiscal and accounting personnel throughout the State whose extra efforts to contribute accurate, timely financial data for their agencies made this report possible.

STATE OF OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended
June 30, 2021



Office of Budget and Management

Kimberly A. Murnieks
Director

Melvin Striblin
Deputy Director
State Accounting and Reporting

Prepared by OBM State Accounting and Reporting

STATE OF OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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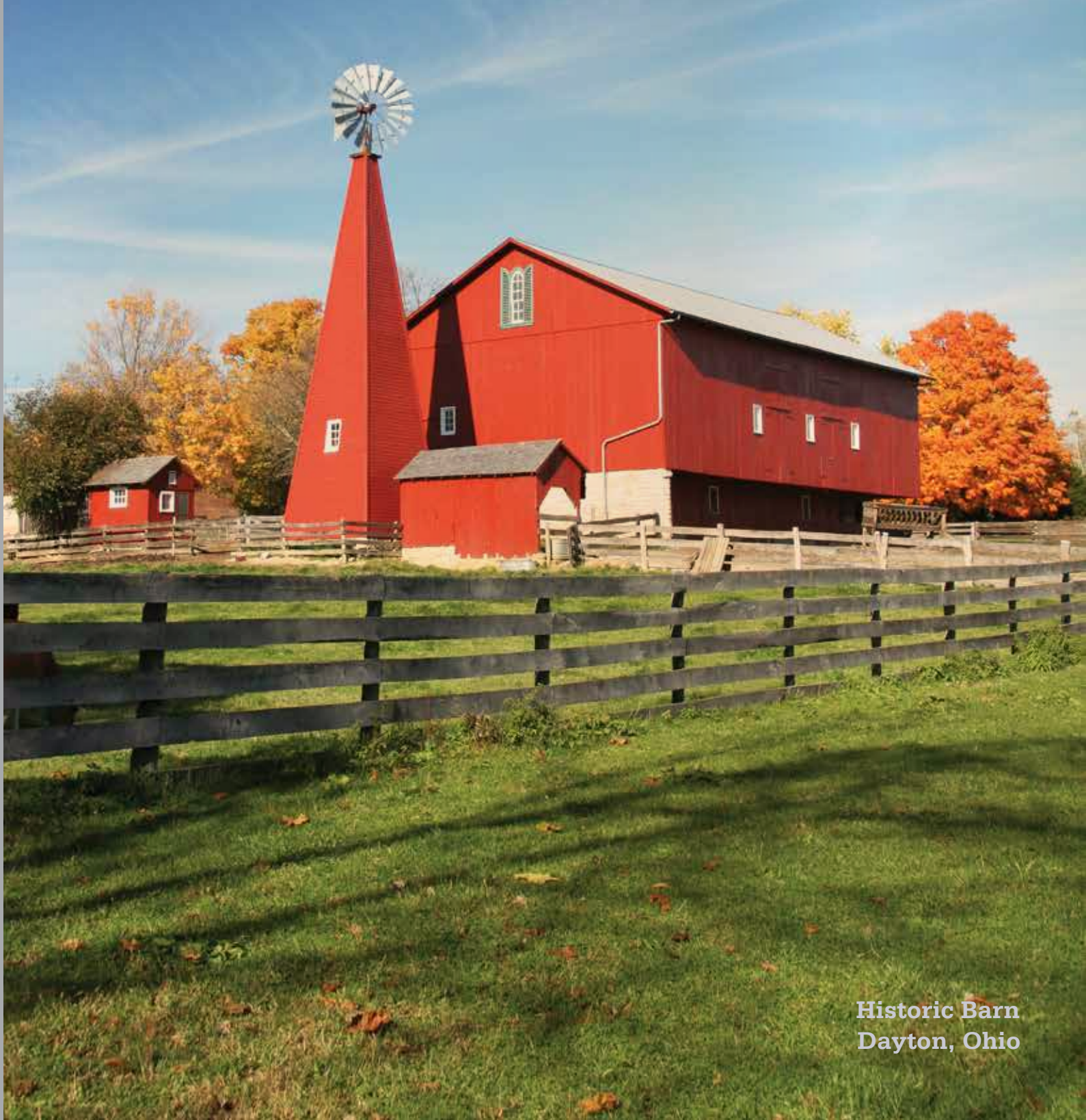
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Introductory Section



Historic Barn
Dayton, Ohio



**Office of Budget
and Management**

Mike DeWine, Governor
Jon Husted, Lt. Governor

Kimberly Murnieks, Director

December 22, 2021

The Honorable Mike DeWine, Governor of Ohio;
The Honorable Jon Husted, Lieutenant Governor of Ohio;
Members of the General Assembly;
Agencies, Boards, Commissions;
And fellow Ohioans:

It is my privilege to present the State of Ohio's Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021, prepared in accordance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

The Office of Budget and Management (OBM) prepared this report pursuant to Section 126.21 of the Ohio Revised Code. The report includes the state's basic financial statements, providing an overview of the state's financial position and the management of Ohio's financial operations. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Office of Budget and Management (OBM).

To the best of my knowledge and belief, the information presented is accurate in all material respects and reported in a manner that fairly depicts the financial position and results of operations of the state of Ohio. All disclosures necessary for a reasonable understanding of the state's financial activities have been included.

This letter of transmittal is intended to complement management's discussion and analysis (MD&A) and should be read in conjunction with it. The MD&A provides an overview of the state's financial activities addressing both governmental and business-type activities reported in the government-wide financial statements.

The reporting format for our ACFR is significantly different from the way the State more typically presents its finances on a non-GAAP budgetary basis. The most obvious difference is that the "General Fund" in the ACFR includes more than just the state's General Revenue Fund (GRF). The General Fund also includes the reimbursement-supported funds used for activities administered by state agencies for which special revenue or proprietary fund classifications were inappropriate.

The state is responsible for establishing and maintaining internal control designed to ensure that the state's assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and that the valuation of costs and benefits requires estimates and judgments by management.

INDEPENDENT AUDIT RESULTS

In compliance with Ohio Revised Code, an annual financial audit has been performed by the Office of the Auditor of State. The audit was conducted in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States. This opinion indicates a qualification on Business-Type Activities and the Unemployment Compensation Fund related to a new benefits system. The unmodified section of the opinion indicates all other financial statements present fairly, in all material respects, in accordance with GAAP.

Additionally, the state's Single Audit report is audited by the Office of the Auditor of State to meet the requirements of the federal Single Audit Act Amendments of 1996 and related Office of Management and Budget (OMB) Uniform Guidance. The Single Audit report will be issued separately from the state's ACFR.

PROFILE OF THE GOVERNMENT

History

Ohio's first constitution was adopted in 1802, and Ohio entered the union in 1803. Ohio's present constitution was modified by a state constitutional convention in 1851 and has since been amended on numerous occasions. The Constitution establishes a state governmental structure like the federal model, with three separate branches of government — executive, legislative, and judicial.

Governmental Structure

The executive branch consists of the Governor and Lieutenant Governor, who are jointly elected, and four additional statewide elected officials: Attorney General, Auditor of State, Secretary of State, and Treasurer of State. Each of these officials are elected to four-year terms.

Approximately 100 agencies, boards, and commissions are part of the executive branch of government and receive appropriations from the legislature, along with several judicial and legislative agencies. An organizational chart of state government can be found on pages x and xi.

The state legislature in Ohio is referred to as the General Assembly and consists of two separate chambers, the Senate, a 33-member body, and the House of Representatives, a 99-member body. Each member of the General Assembly is elected to represent the residents of a geographical district for a specified term. Members of the General Assembly are subject to term-limits; senators are restricted to serving two consecutive four-year terms, and representatives are restricted to serving four consecutive two-year terms. Each chamber has a presiding officer to call the chamber to order and direct the calendar of events. The presiding officer in the Senate is the President of the Senate, and the presiding officer of the House of Representatives is the Speaker of the House. A new General Assembly is convened in January of each odd-numbered year.

Within the Judicial system, the Supreme Court is the court of last resort in Ohio. Most of its cases are appeals from the 12 district courts of appeal. The Chief Justice and six justices are elected to six-year terms on a nonpartisan ballot.

Reporting Entity and Its Services

For financial reporting purposes, the state's reporting entity consists of (1) the primary government, (2) component units for which the primary government is financially accountable, and (3) other component units for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria set forth in Governmental Accounting Standards Board's (GASB) Statement 14, the Financial Reporting Entity, Statement 39, Determining Whether Certain Organizations are Component Units, an amendment of GASB

14, Statement 61, the Financial Reporting Entity: Omnibus, an amendment of GASB 14 and Statement 80, Blending Requirements for Certain Component Units, an amendment of GASB 14, are used to determine the organizations for which the state is financially accountable. NOTE 1A to the financial statements explains more fully which financial activities are included in the state's reporting entity.

The state provides a wide range of services and support to its citizenry that are accounted for in the following functions or programs: primary, secondary and other education, higher education support, public assistance and Medicaid, health and human services, justice and public protection, environmental protection and natural resources, transportation, general government, community and economic development, workers' compensation, lottery, unemployment compensation, tuition credits, and other business-type activities.

Retirement Systems

Employees of the primary government or its component units may be eligible to participate in the Ohio Public Employees Retirement System, State Teachers Retirement System of Ohio, State Highway Patrol Retirement System, or an alternative retirement plan. Further information on the state's participation in the different retirement systems can be found in NOTE 9 to the financial statements.

Risk Management

As discussed in NOTE 1Q to the financial statements, the state's primary government is self-insured for claims under its traditional healthcare plan and its vehicle liability plan. Employee and public official fidelity bonding are placed with a private insurer. Tort liability is self-funded; however, several state agencies have also acquired private insurance. State-owned buildings are covered under a catastrophic property policy for both real and personal property losses. All other liability risk to State property is self-funded on a pay-as-you-go basis. The state's primary government and its component units participate in a public entity risk pool, which is accounted for in the Workers' Compensation Enterprise Fund, for the financing of their workers' compensation liability.

Budgetary Control and Accounting System

Ohio's Constitution requires a balanced state budget. The state's biennial operating budget begins on July 1 of odd-numbered years and ends 24 months later, on June 30. The state maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the General Assembly. Budgets are entered into the statewide accounting system once the appropriations bill becomes law. Controls are maintained first at the agency level, with additional control at the fund and appropriation level to ensure that expenditures do not exceed authorized limits.

The state's non-GAAP budgetary schedules are prepared on a modified cash basis of accounting. This means that revenues are recognized when cash is received, and expenditures are recognized when cash is paid. Encumbrances, reservations of appropriation authority as of June 30, the end of the state fiscal year, are reflected as expenditures on the budgetary basis of accounting.

Budget-to-actual comparisons can be found in this report for each governmental fund for which an appropriated annual budget has been adopted. For the General Fund and Job, Family and Other Human Services Special Revenue Fund, these comparisons are presented as part of the required supplementary information. For other budgeted non-major governmental funds with appropriated annual budgets, budget-to-actual comparisons are in the non-major governmental funds section of the ACFR.

Additional discussion of the budgetary and GAAP bases of accounting is provided in NOTE 1 to the financial statements.

The accounting system maintains all non-GAAP budgetary basis transactions and most GAAP basis adjustments. In addition to the information obtained from the accounting system for financial reporting,

selected financial information provided by the state's agencies is compiled to complete the GAAP basis financial statements.

Differences between the two basis of accounting (GAAP vs. non-GAAP budgetary) include: 1) entity differences — the GAAP reporting entity may include organizations such as financing authorities and other component units that are not included in the state's budget; 2) basis differences — the GAAP basis results in the reporting of accruals while the non-GAAP budgetary basis results in the reporting of cash transactions; and 3) timing differences — for example, GAAP recognizes expenditures for payables for goods and services received, whereas the non-GAAP budgetary basis considers unliquidated encumbrances as expenditures. Reconciliation between the GAAP basis and non-GAAP budgetary basis fund balances is presented in the ACFR as a note to the budgetary section of required supplementary information.

ECONOMIC OVERVIEW AND OUTLOOK

The Economy in 2021

The national economy suffered a tremendous blow when the global COVID-19 pandemic began to impact the United States in early 2020. As the country and the state braced for uncertainty, mitigation efforts were implemented to stabilize the economy by saving lives. As a result, the Ohio economy surged forward in fiscal year 2021.

According to the Bureau of Economic Analysis, Real Gross Domestic Product (GDP) grew at a seasonally adjusted annual rate of a historically high 33.8 percent in the first quarter of fiscal year 2021. Growth then continued at 4.5 percent in the second quarter, and then increased to 6.3 percent and 6.7 percent in the third and fourth quarters, respectively. The four quarters of remarkable gains brought GDP above pre-pandemic levels. The increases in GDP reflected positive contributions in personal consumption and private inventory investment but were partially offset by a decrease in exports.

Overall, Ohio's seasonally adjusted GDP growth during fiscal year 2021 was robust. During the first two quarters, Ohio's GDP grew at a slightly faster rate than the country. In the third quarter, Ohio's growth continued at 3.5 percent and then grew even faster in the fourth quarter by increasing to 5.2 percent. Increases throughout the fiscal year reflected positive contributions from most sectors including construction, manufacturing, accommodation and food services, and professional, scientific, and technical services.

Ohio's unemployment rate dramatically decreased throughout the fiscal year. In July 2020, the unemployment rate was 9.3 percent having come down from its pandemic high of 16.4 percent in just three months. By the end of fiscal year 2021, the unemployment rate was down to 5.2 percent and has further declined to 4.8 percent as of November 2021.

Nationally, real disposable personal income was higher in the third quarter of fiscal year 2021 than any prior quarter in history, in large part due to an increase in transfer receipts from the federal government provided by the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan Act.

Real personal consumption also grew at a 7.8 percent seasonally adjusted annual rate over the course of the fiscal year. During the first six months of the fiscal year growth was relatively modest. With the second round of stimulus checks reaching eligible Americans in mid-December and early January, there was a large increase in consumption in January, and an even bigger increase with the third round of stimulus payments in March. Since March's increase, consumption has remained at or near the same level.

Overall, the economy improved substantially over the course of fiscal year 2021. The Back-to-Normal Index created by Moody's Analytics and CNN to track the economic recovery provides evidence of this growth. In

July 2020, Ohio's index averaged 81.6 percent, 6.7 percentage points above the national average of 74.9. By June 2021, Ohio's average index value was 94.6 percent, suggesting that Ohio's strong economy was largely back to its pre-pandemic levels and would continue to grow on pace with the national recovery heading into fiscal year 2022. Ohio's index has continually outpaced the national index.

Ohio's Economic Outlook

While fiscal year 2021 ended with COVID-19 receding, the delta variant surged across the nation just as schools were reopening in August and September. As a result, fiscal year 2022 opened with more measured economic growth than was forecasted prior to the identification of the delta variant. Despite the start, the economic outlook is still strong. In recent months, forecasters moderated growth estimates in the near term, and increased their estimates for the next year and beyond. The October 2021 Wall Street Journal Survey of Economists reported that the average respondent forecasted GDP to increase 5.2 percent in calendar year 2021, 3.6 percent in calendar year 2022 and 2.5 percent in calendar year 2023.

The COVID-19 pandemic has been a major factor impacting the economy since March 2020. As of the end December 2021, more than 70 percent of adult Ohioans have received at least an initial vaccination, more than 2.7 million Ohioans have already received a booster, and all school-age children are now eligible to receive a vaccine. The State's economic outlook continues to be strong based on proactive management of the pandemic and related economic effects. In the months to come, the national economic outlook will likely continue to be impacted by the secondary effects of the pandemic such as the rise in prices, supply shortages and labor uncertainty.

As the economy restarted, demand for goods surged sparking global supply chain shortages. Issues in the supply chain continue to permeate throughout Ohio and around the globe. Shortages of raw materials, key components, and worker shortages hampered those efforts, as container ships filled with goods headed to the U.S. have been stranded offshore or on docks waiting to be unloaded. Once unloaded, goods have not been delivered on time, as shortages of truck drivers have exacerbated the issue. As such, prices have risen to record highs for deliveries.

Many economists are forecasting that the bottlenecks and labor uncertainty affecting the supply chain will persist for the rest of fiscal year 2022 and potentially continue into fiscal year 2023. As many manufacturers and companies use just-in-time inventory and production methods, there is no 'catch-all' solution that will instantly fix the issue. Additionally, countries around the globe have different policies regarding and access to COVID vaccinations, leading to many production facilities shutting down when an outbreak occurs.

In Ohio and across the United States, labor shortages are adding to the supply chain challenges. As federal stimulus programs ended in the fourth quarter of the fiscal year, the prevailing thought was that people would return to the workforce. The first quarter of fiscal year 2022 has shown that there is a mismatch between job seekers and potential employers, as employment has grown at a much slower pace: 1.1 percent nationally and 0.6 percent in Ohio. Current data suggests that many workers chose to retire early due to the pandemic, while others chose to stay at home to take care of children or other family members. Ohio is positioned to move ahead despite these challenges given the state budget's proactive focus on economic development, community supports, primary and secondary and higher education, and workforce.

Although uncertainty remains, the Ohio economy has proven resilient and pandemic mitigation efforts remain balanced and focused.

Fiscal Year 2021 State Finances in Review

Ohio's fiscal year 2021 General Revenue Fund (GRF) performance reflected the early and ongoing recovery from the onset of the COVID-19 pandemic, as federal fiscal policies provided economic support and as Ohio's citizens and businesses adapted to the evolving public health environment.

For the fiscal year as a whole, GRF tax revenues surged by \$3,843.7 million (17%) from fiscal year 2020. Furthermore, fiscal year 2021 GRF tax revenues displayed a positive variance from estimate, exceeding anticipated levels by \$1,538.0 million (6.2%). Some of the year-over-year growth stemmed from a postponement in various calendar year 2020 personal income tax payment deadlines, which were extended from April 15/June 15 to July 15. This shifted an estimated \$719 million from fiscal year 2020, and into early fiscal year 2021. However, this shift in revenue was incorporated into the fiscal year 2021 revenue estimates, so the positive revenue variance figure shown here is not inflated by the income tax due date postponements.

The variances for the major tax categories – non-auto sales, auto sales, personal income, and commercial activity – ranged from 0.8 percent for the commercial activity tax to 16.6 percent for the auto sales tax.

	Actual FY 2021	Estimated FY 2021	Variance	Percent Variance
Non-Auto Sales & Use	\$10,334.0	\$9,588.7	\$745.3	7.8%
Auto Sales & Use	\$1,856.6	\$1,592.0	\$264.6	16.6%
Personal Income	\$10,201.3	\$9,765.8	\$435.5	4.5%
Commercial Activity Tax	\$1,666.8	\$1,653.0	\$13.7	0.8%

Total tax and non-tax GRF receipts exceeded the fiscal year 2021 estimate by \$1,574.3 million (4.2%). Federal grant revenue was modestly below estimate for the year (by \$30.3 million, or -0.2%) while other non-tax sources were \$66.7 million above the estimate.

Most of the positive fiscal year 2021 revenue results occurred in the final quarter. During the spring, additional federal fiscal stimulus lifted consumer spending and economic conditions improved as COVID virus caseloads fell. Accordingly, Ohio sales tax revenues during the fiscal year's final quarter grew at high rates and reached historically large levels. Non-auto GRF sales tax revenue not only greatly exceeded the suppressed levels of late fiscal year 2020 (by \$763.4 million, or 35.1%) but was also \$564.4 million above the final quarter of pre-pandemic fiscal year 2019, increasing at a 11.3 percent annualized rate. Auto sales tax revenue grew at a similar percentage pace. Such large growth was not anticipated in the revenue forecast and as a result, combined auto and non-auto sales tax revenue performance for the final quarter exceeded the estimate by \$532.5 million (18%).

Through the first five months of the 2022-2023 budget biennium, revenues demonstrate that the state's conservative, balanced budget is on firm footing and that Ohio's economic resurgence continues. Ohio tax revenues have outperformed estimates through November 2021. July-November 2021 sales tax revenues grew by 7.9 percent and were 2.3 percent above estimates. Total GRF tax revenues are above estimate by \$337 million, or 3.2 percent, with positive variances in all major categories. The revenue performance demonstrated so far in fiscal year 2022 and the relatively modest tax revenue growth assumptions for the remainder of the fiscal year augur well for attaining anticipated revenue levels for the year as a whole.

While the global pandemic remains a factor, Ohio's actions have proven successful. OBM continues vigilant monitoring of revenue performance, poised to take actions necessary to ensure a balanced budget as the biennium proceeds.

ACKNOWLEDGEMENTS

In conclusion, I wish to express my appreciation to the Financial Reporting staff of OBM's State Accounting Section and staffs of the various state agencies whose time and dedicated efforts made this report possible. I encourage you to access Ohio's Annual Comprehensive Financial Report at obm.ohio.gov.

Very respectfully yours,



Kimberly A. Mumieks
Director

STATE OF OHIO OFFICIALS

As of June 30, 2021

EXECUTIVE

Mike DeWine
Governor

Jon Husted
Lieutenant Governor

Dave Yost
Attorney General

Keith Faber
Auditor of State

Robert Sprague
Treasurer of State

Frank LaRose
Secretary of State

LEGISLATIVE

Matt Huffman
President of the Senate

Robert Cupp
Speaker of the House

JUDICIAL

Maureen O'Connor
Chief Justice
Supreme Court

STATE OF OHIO ORGANIZATION CHART

FINANCIAL REPORTING ENTITY

PRIMARY GOVERNMENT

LEGISLATIVE Senate (33 Members) House of Representatives (99 Members)	EXECUTIVE Governor Lieutenant Governor Attorney General Auditor of State Secretary of State Treasurer of State State Board of Education (11 Elected Members, and 8 At-Large Members)	JUDICIAL Supreme Court Chief Justice and 6 Justices
<p>Governmental Activities: <i>General Government:</i> Senate House of Representatives Legislative Service Commission Legislative Committees</p>	<p>Governmental Activities: <i>Primary, Secondary and Other Education:</i> Arts Council Broadcast Educational Media Commission Department of Education School for the Blind School for the Deaf State Library Board</p> <p><i>Higher Education Support:</i> Department of Higher Education State Board of Career Colleges and Schools</p> <p><i>Public Assistance and Medicaid:</i> Department of Job and Family Services Department of Medicaid</p> <p><i>Health and Human Services:</i> Commission on Hispanic/Latino Affairs Commission on Minority Health Department of Aging Department of Developmental Disabilities Department of Health Department of Mental Health and Addiction Services Department of Veteran Services Opportunities for Ohioans with Disabilities</p> <p><i>Justice and Public Protection:</i> Adjutant General's Department Board of Tax Appeals Civil Rights Commission Department of Public Safety Department of Rehabilitation and Correction Department of Youth Services Ethics Commission Office of the Attorney General Public Defender Commission</p> <p><i>Environmental Protection and Natural Resources:</i> Department of Natural Resources Environmental Protection Agency Environmental Review Appeals Commission Lake Erie Commission</p> <p><i>Transportation:</i> Department of Transportation</p>	<p>Governmental Activities: <i>Justice and Public Protection:</i> Supreme Court Judicial Conference Judiciary Court of Claims</p>

PRIMARY GOVERNMENT (Continued)

	<p><i>General Government:</i> Capitol Square Review & Advisory Board Consumers' Counsel Department of Administrative Services Department of Commerce Department of Insurance Department of Taxation Office of Budget and Management Office of the Governor Office of the Inspector General Office of the Lieutenant Governor Office of the Secretary of State Office of the Treasurer of State Public Utilities Commission Sinking Fund Commission State Racing Commission Other Boards and Commissions</p> <p><i>Community and Economic Development:</i> Department of Agriculture Department of Development Expositions Commission Public Works Commission Southern Ohio Agricultural & Community Development Foundation</p> <p>Business-Type Activities: Bureau of Workers' Compensation and Industrial Commission Department of Job and Family Services—Unemployment Compensation Program Lottery Commission Office of the Auditor of State Tuition Trust Authority</p>	
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COMPONENT UNITS

<p>Blended Component Units: Buckeye Tobacco Settlement Financing Authority (included as Governmental Activities)</p> <p>Fiduciary Component Unit: State Highway Patrol Retirement System</p> <p>Discretely Presented Component Units: <i>Financing Authorities and Commissions:</i> Ohio Air Quality Development Authority Ohio Capital Fund Ohio Facilities Construction Commission Ohio Turnpike and Infrastructure Commission</p> <p><i>Nonprofit Organizations:</i> Jobs Ohio</p>	<p>Discretely Presented Component Units (continued): <i>State Universities:</i></p> <table border="0" style="width: 100%;"> <tr> <td>Bowling Green State University</td> <td>Ohio University</td> </tr> <tr> <td>Central State University</td> <td>Shawnee State University</td> </tr> <tr> <td>Cleveland State University</td> <td>University of Akron</td> </tr> <tr> <td>Kent State University</td> <td>University of Cincinnati</td> </tr> <tr> <td>Miami University</td> <td>University of Toledo</td> </tr> <tr> <td>Northeast Ohio Medical University</td> <td>Wright State University</td> </tr> <tr> <td>Ohio State University</td> <td>Youngstown State University</td> </tr> </table> <p><i>State Community Colleges:</i></p> <table border="0" style="width: 100%;"> <tr> <td>Cincinnati State</td> <td>Owens State</td> </tr> <tr> <td>Clark State</td> <td>Southern State</td> </tr> <tr> <td>Columbus State</td> <td>Terra State</td> </tr> <tr> <td>Edison State</td> <td>Washington State</td> </tr> <tr> <td>Northwest State</td> <td></td> </tr> </table>	Bowling Green State University	Ohio University	Central State University	Shawnee State University	Cleveland State University	University of Akron	Kent State University	University of Cincinnati	Miami University	University of Toledo	Northeast Ohio Medical University	Wright State University	Ohio State University	Youngstown State University	Cincinnati State	Owens State	Clark State	Southern State	Columbus State	Terra State	Edison State	Washington State	Northwest State	
Bowling Green State University	Ohio University																								
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Kent State University	University of Cincinnati																								
Miami University	University of Toledo																								
Northeast Ohio Medical University	Wright State University																								
Ohio State University	Youngstown State University																								
Cincinnati State	Owens State																								
Clark State	Southern State																								
Columbus State	Terra State																								
Edison State	Washington State																								
Northwest State																									

FIDUCIARY

STABLE Program STAR Ohio Variable College Savings Plan Custodial Funds

JOINT VENTURES

RELATED ORGANIZATIONS

Great Lakes Protection Fund Local Community Colleges Technical Colleges	Higher Educational Facility Commission Ohio Housing Finance Agency Ohio Legal Assistance Foundation Ohio Water Development Authority Petroleum Underground Storage Tank Release Compensation Board
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Financial Section



Downtown Skyline
Cleveland, Ohio

OHIO AUDITOR OF STATE KEITH FABER



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(614) 466-3402 or (800) 443-9275
StateRegion@ohioauditor.gov

INDEPENDENT AUDITOR’S REPORT

The Honorable Mike DeWine, Governor
State of Ohio
Columbus, Ohio 43215

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Ohio (the State), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the State’s basic financial statements as listed in the table of contents.

Management’s Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the following organizations which represent the percentages of total assets and expenditures/expenses/deductions indicated for the related opinion units:

Opinion Unit	Organization	Percent of Opinion Unit’s Total	
		Assets	Expenditures/ Expenses/ Deductions
Governmental Activities (GA)	Treasurer of State Lease Revenue Bonds and Buckeye Tobacco Settlement Financing Authority (BTSFA)	2%	1%
Business-Type Activities (BTA)	Ohio Bureau of Workers’ Compensation	95%	27%
GA/BTSFA Revenue Bonds	Buckeye Tobacco Settlement Finance Authority	100%	100%
BTA / Workers’ Compensation	Ohio Bureau of Workers’ Compensation	100%	100%
Aggregate Discretely Presented Component Units	Bowling Green State University; Cleveland State University; Columbus State Community College; JobsOhio; Kent State University; Miami University; Ohio State University; Ohio University; Shawnee State University; University of Akron; University of Cincinnati; University of Toledo; Wright State University; and Youngstown State University.	91%	93%
Aggregate Remaining Fund Information	State Highway Patrol Retirement System; State Treasury Asset Reserve of Ohio; and Treasurer of State Lease Revenue Bonds	40%	1%

Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for these independently audited organizations, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement. The other auditors audited the financial statements of JobsOhio, which represents five percent of the total assets and twelve percent of the total expenses of the aggregate discretely presented component units, in accordance with auditing standards generally accepted in the United States of America and not in accordance with *Government Auditing Standards*.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the State's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the State's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Summary of Opinions

Opinion Unit	Type of Opinion
Governmental Activities	Unmodified
Business-Type Activities	Qualified
Aggregate Discretely Presented Component Units	Unmodified
Governmental - General Fund	Unmodified
Governmental - Job Family & Other Human Services Fund	Unmodified
Governmental - BTSFA Revenue Bonds Fund	Unmodified
Governmental - Pandemic Relief Funds	Unmodified
Enterprise - Workers' Compensation Fund	Unmodified
Enterprise - Lottery Commission Fund	Unmodified
Enterprise - Unemployment Compensation Fund	Qualified
Aggregate Remaining Fund Information	Unmodified

Basis for Qualified Opinions on Business-Type Activities and Unemployment Compensation Fund

The State has outsourced unemployment benefit claims processing to a service organization for the federal pandemic unemployment benefits. The financial statements report benefits and claims expenses in the Unemployment Compensation Fund (a major enterprise fund) and in the Business-Type Activities. The State or the service organization did not provide us with sufficient information regarding the proper operation of internal controls related to eligibility for recipient benefits and claims processing during the audit period. We were, therefore, unable to obtain sufficient appropriate audit evidence about the proper processing of federal pandemic unemployment benefits and claims expenses. Those transactions represent 30% of expenses reported within Business-Type Activities and 53% of the expenses reported within the Unemployment Compensation Fund. Consequently, the amount by which the lack of sufficient internal

controls at the State or service organization would affect the unemployment benefits and claims expenses of the Unemployment Compensation Fund and the Business-Type Activities cannot be reasonably determined.

Qualified Opinions

In our opinion, based on our audit and the report of other auditors, except for the effects of the matters described in the *Basis for Qualified Opinions on Business-Type Activities and Unemployment Compensation Fund* paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the Unemployment Compensation Fund of the State, as of June 30, 2021, and the respective changes in its financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, aggregate discretely presented component units, the General Fund, the Job Family and Other Human Services Fund, the BTSFA Revenue Bonds fund, the Pandemic Relief Funds, the Workers' Compensation fund, the Lottery Commission fund, and the aggregate remaining fund information of the State, as of June 30, 2021, and the respective changes in its financial position and, where applicable its cash flows, thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the financial statements, during 2021, the State adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

As discussed in Note 20 to the financial statements, the State reported to the U.S. Department of Labor Unemployment Compensation overpayments totaling \$3.75 billion as of June 30, 2021. Of these total overpayments, \$474.6 million was identified as fraud and \$3.27 billion as non-fraud relating to regular unemployment as well as federal pandemic unemployment benefits. The federal government gave discretion to states to waive the need for repayment of pandemic funding related to non-fraud. Due to the nature of these known overpayments along with federal waiver discretion, most of these monies have not been subject to a collection process. Additionally, the State has flagged as possible overpayments, certain claims with one or more fraud identifiers. These flagged claims were both regular unemployment and federal pandemic unemployment benefits with an accumulated amount of \$1.41 billion. Despite being flagged as potential overpayments, until the claims are fully adjudicated, no determination can be made on the outcome. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's Discussion and Analysis, Required Budgetary Comparison Schedules, Schedules for Infrastructure Assets Accounted for using the Modified Approach, Schedules of Net Pension and Other Post-employment Benefit Liabilities, and Pension and Other Post-Employment Benefit Contributions* listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about

the methods of preparing the information, and comparing the information for consistency with management's responses to our inquiries and to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the State's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules, and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2021 on our consideration of the State's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the State's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 22, 2021

State of Ohio

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2021

(Unaudited)

Introduction

This section of the State of Ohio's annual financial report presents management's discussion and analysis of the State's financial performance during the fiscal year ended June 30, 2021. The management's discussion and analysis section should be read in conjunction with the preceding transmittal letter and the State's financial statements, which follow.

Financial Highlights

Government-wide Financial Statements

During fiscal year 2021, net position of the State's primary government increased by \$4.16 billion (after a restatement of beginning balance) and ended fiscal year 2021 with a \$34.62 billion balance. Net position of the State's component units increased by \$6.26 billion (after a restatement of beginning balance) and ended fiscal year 2021 with a \$16.81 billion balance. See additional discussion beginning on page 9.

Fund Financial Statements

Governmental funds reported a combined ending fund balance of \$21.71 billion that was comprised of \$371.6 million in nonspendable, \$9.59 billion restricted for specific purposes, \$2.18 billion committed, \$3.86 billion in assigned, and \$5.71 billion in unassigned. See additional discussion beginning on page 12.

As of June 30, 2021, the General Fund's fund balance was approximately \$12.06 billion, including \$47 million in nonspendable, \$1.61 billion in restricted, \$837.6 million in committed, \$3.86 billion in assigned, and \$5.72 billion in unassigned. The General Fund's fund balance increased by \$3.47 billion (after restatement and exclusive of a \$6 million decrease in inventories) or 40.3 percent during fiscal year 2021. See additional discussion beginning on page 13.

Proprietary funds reported net position of \$8.8 billion, as of June 30, 2021, a decrease of \$2.84 billion or 24.4 percent over the prior fiscal year. This decrease is largely due to the net decrease of \$2.21 billion in the Workers' Compensation Fund along with a \$735.8 million decrease in the Unemployment Compensation Fund. For more information, see additional discussion beginning on page 14.

Capital Assets

The carrying amount of capital assets for the State's primary government increased to \$29.5 billion at June 30, 2021. The majority of the \$400.5 million increase during fiscal year 2021 was from additions made to the construction in progress and land. See additional discussion beginning on page 14.

Long-Term Debt — Bonds and Notes Payable and Certificates of Participation Obligations

Overall, the carrying amount of total long-term debt for the State's primary government increased \$248.1 million or 1.3 percent during fiscal year 2021, for an ending balance of \$18.97 billion. During the year, the State issued a par amount of \$1.6 billion dollars in long-term debt of which \$319 million was refunding bonds and certificates of participation. See additional discussion beginning on page 16.

Overview of the Financial Statements

This annual report consists of three required components: management's discussion and analysis, basic financial statements, including the accompanying notes to the financial statements, and required supplementary information. In addition, this report includes an optional section that contains combining statements and schedules for the nonmajor governmental funds, nonmajor proprietary funds, fiduciary funds, and nonmajor discretely presented component unit funds.

The basic financial statements are comprised of the government-wide financial statements and fund financial statements. The table on the following page summarizes the major features of these statements.

Major Features of the State of Ohio's Government-wide and Fund Financial Statements				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire State government (except fiduciary funds) and the State's component units	The activities of the State that are not proprietary or fiduciary, such as general government, transportation, justice and public protection, etc.	Activities the State operates similar to private businesses, such as the workers' compensation insurance program, lottery, tuition credit program, etc.	Instances in which the State is the trustee or agent for someone else's resources
Required Financial Statements	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures and Changes in Fund Balances 	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Revenues, Expenses and Changes in Fund Net Position • Statement of Cash Flows 	<ul style="list-style-type: none"> • Statement of Fiduciary Net Position • Statement of Changes in Fiduciary Net Position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements – Reporting the State as a Whole

The two government-wide financial statements, prepared on a basis and focus similar to those used by private-sector companies, report the State's net position and how it has changed. Net position — the difference between the State's assets/deferred outflows of resources and liabilities/deferred inflows of resources — is one way to measure the State's financial health, or position. Over time, increases or decreases in the State's net position indicate whether its financial health has improved or deteriorated, respectively. However, a reader should consider additional nonfinancial factors, such as changes in the State's economic indicators and the condition of the State's highway system, when assessing the State's overall financial status.

These statements, found on pages 22 through 25 of this report, are divided into three categories as follows.

Governmental Activities — Most of the State's basic services are reported under this category, such as primary, secondary and other education, higher education support, public assistance and Medicaid, and transportation. Taxes, federal grants, and charges for services, fees, fines and forfeitures finance most of these activities.

Business-type Activities — The State charges fees to customers to help cover the costs of certain services it provides. The State reports the following programs and activities as business-type: workers' compensation insurance program, lottery operations, unemployment compensation program, guaranteed college tuition credit program, and the Auditor of State's governmental auditing and accounting services.

Component Units — The State presents the financial activities of the Ohio Facilities Construction Commission, Ohio State University, and other entities as discretely presented component units under a separate column in the government-wide financial statements. The Buckeye Tobacco Settlement Financing Authority is presented as a blended component unit with its activities blended and included under governmental activities. Although legally separate, the State is financially accountable for its component units. For further explanation and a complete list of component units, see NOTE 1A. to the financial statements.

Fund Financial Statements – Reporting more detail about the State’s most significant funds

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. State law and bond covenants mandate the use of some funds. The Ohio General Assembly establishes other funds to control and manage money for particular purposes or to show that the State is properly using certain taxes and grants. The State employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The basic fund financial statements can be found on pages 26 through 45 of this report while the combining fund statements and schedules can be found on pages 183 through 255. The State has three kinds of funds as follows:

Governmental Funds — Most of the State’s basic services are included in governmental funds, which focus on how cash and other financial assets that can readily be converted to cash flow in and out (i.e., near-term inflows and outflows of spendable resources) and the balances remaining at year-end that are available for spending (i.e., balances of spendable resources). Consequently, the governmental fund financial statements provide a detailed short-term view that helps the financial statement reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the State’s programs. Because these statements do not encompass the long-term focus of the government-wide statements, a reconciliation schedule, which follows each of the governmental fund financial statements, explains the relationship (or differences) between them.

The State’s governmental funds include the General Fund, Job, Family and Other Human Services Special Revenue Fund, Buckeye Tobacco Settlement Financing Authority Revenue Bonds Debt Service Fund, and Pandemic Relief Funds Special Revenue Fund, all of which are considered major funds. Data from the other governmental funds, which are classified as nonmajor funds, are combined into an aggregated presentation under a single column on the basic governmental fund financial statements. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

For budgeted governmental funds, the State also presents budgetary comparison schedules in required supplementary information and combining statements to demonstrate compliance with the appropriated budget. The State’s budgetary process is explained further in NOTE 1D. to the financial statements.

Proprietary Funds — Services for which the State charges customers a fee are generally reported in proprietary funds. Financial statements for the proprietary funds, which are classified as enterprise funds, provide both long- and short-term financial information.

Presented under separate columns on the three statements is information for the Workers’ Compensation, Lottery Commission, and Unemployment Compensation enterprise funds, all of which are considered to be major funds. Data from the other enterprise funds, which are classified as nonmajor funds, are combined into an aggregated presentation under a single column on the statements. Individual fund data for each of these nonmajor proprietary funds is provided in the form of combining statements elsewhere in this report.

The enterprise funds are the same as the State’s business-type activities reported in the government-wide financial statements, but the proprietary fund financial statements provide more detail and additional information, such as information on cash flows.

Fiduciary Funds — The State is the trustee, or fiduciary, for assets that — because of a trust arrangement — can only be used for the trust beneficiaries. The State is also the fiduciary of some custodial funds. The State is responsible for ensuring the assets reported in these funds are used for their intended purposes. The State Highway Patrol Retirement System Pension Trust Fund, Private Purpose Trust Funds, STAR Ohio Investment Trust Fund, and the Custodial Funds are presented on two statements. Fiduciary information is excluded from the government-wide financial statements because the State cannot use these assets to finance its operations. Individual fund data for the Private Purpose Trust Funds and Custodial Funds is provided in the form of combining statements elsewhere in this report.

Discretely Presented Component Unit Statements (Component Unit)

Following the fund financial statements, the State includes statements for its major discretely presented component units within the basic financial statements section. Nonmajor discretely presented component units are also presented in aggregation under a single column in the component unit financial statements and in combining statements elsewhere in this report.

Notes to the Financial Statements

The basic financial statements section includes notes that more fully explain the information in the government-wide and fund financial statements; the notes provide additional detail that is essential to a full understanding of the data presented in the financial statements. The notes can be found on pages 50 through 148 of this report.

Required Supplementary Information

Following the notes is a section of required supplementary information in three parts. The first part discusses the assessed condition and estimated and actual maintenance and preservation costs of the state's highway and bridge infrastructure assets that are reported using the modified approach. Limited in application to a government's infrastructure assets, the modified approach provides an alternative to the traditional recognition of depreciation expense. The second part presents schedules disclosing the following for the various retirement systems in which the State participates: the State's share of pension and other postemployment benefit (OPEB) obligations, required employer contributions for pension/actuarially determined employer contributions for OPEB as compared to employer contributions actually paid, and covered payroll. The final part is the budgetary comparison schedule for the General Fund and major special revenue funds and the accompanying note that explains the GAAP versus budgetary basis. Required supplementary information can be found on pages 149 through 181 of this report.

FINANCIAL ANALYSIS OF THE STATE AS A WHOLE

Net Position

During fiscal year 2021, as shown in the table below, the combined net position of the State's primary government increased by \$4.16 billion (after a restatement of beginning balance) or by 13.6 percent. Net position reported for governmental activities increased approximately \$7 billion (after restatement) or 37.2 percent, compared to the net position on July 1, 2020, and business-type activities decreased \$2.84 billion, or 24.4 percent. Condensed financial information derived from the Statement of Net Position for the primary government is presented in the following table.

	Net Position					
	As of June 30, 2021 and 2020					
	(dollars in thousands)					
	As of June 30, 2021			As of June 30, 2020 (as restated)		
	Govern- mental Activities	Business- Type Activities	Total Primary Government	Govern- mental Activities	Business- Type Activities	Total Primary Government
Current and Other Assets	\$ 35,992,871	\$ 25,592,938	\$ 61,585,809	\$ 26,111,513	\$ 28,405,731	\$ 54,517,244
Capital Assets	29,391,217	106,726	29,497,943	28,983,214	114,253	29,097,467
Total Assets	65,384,088	25,699,664	91,083,752	55,094,727	28,519,984	83,614,711
Deferred Outflows of Resources	4,905,832	30,417	4,936,249	5,314,116	68,905	5,383,021
Current and Other Liabilities	15,769,199	2,236,992	18,006,191	10,816,307	692,521	11,508,828
Noncurrent Liabilities	24,268,507	14,510,132	38,778,639	27,418,195	16,154,457	43,572,652
Total Liabilities	40,037,706	16,747,124	56,784,830	38,234,502	16,846,978	55,081,480
Deferred Inflows of Resources	4,425,762	184,556	4,610,318	3,346,892	102,024	3,448,916
Net Position:						
Net Investment in Capital Assets	25,297,331	91,810	25,389,141	24,838,706	111,342	24,950,048
Restricted	5,905,280	9,480,977	15,386,257	4,783,877	11,674,798	16,458,675
Unrestricted	(5,376,159)	(774,386)	(6,150,545)	(10,795,134)	(146,253)	(10,941,387)
Total Net Position	\$ 25,826,452	\$ 8,798,401	\$ 34,624,853	\$ 18,827,449	\$ 11,639,887	\$ 30,467,336

As of June 30, 2021, the primary government's Net Investment in Capital Assets (e.g., land, buildings, infrastructure, and construction-in-progress) was \$25.39 billion. Restricted net position was approximately \$15.39 billion, resulting in an unrestricted \$6.15 billion deficit. Net position is restricted when constraints placed on their use are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) legally imposed through constitutional or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets." The State's Budget Stabilization Fund balance of over \$2.69 billion at June 30, 2021, is included within unrestricted net position.

The government-wide Statement of Net Position reflects a \$5.38 billion deficit for unrestricted governmental activities, which is primarily attributable to the following three factors:

1) The State of Ohio, like many other state governments, issues general and special obligation debt, the proceeds of which benefit local governments and component units. The proceeds are used to build facilities for public-assisted colleges and universities and local school districts and finance infrastructure improvements for local governments. The policy of selling general obligation and special obligation bonds for these purposes has been the practice for many years. Of the \$12.07 billion of outstanding general obligation and special obligation debt at June 30, 2021, \$8.41 billion is attributable to debt issued for state assistance to component units (Ohio Facilities Construction Commission and the colleges and universities) and local governments. The balance sheets of component unit and local government recipients reflect ownership of the related constructed capital assets without the burden of

recording the debt. Unspent proceeds related to these bond issuances are included on the Statement of Net Position as restricted net position. By issuing such debt, the State is left to reflect significant liabilities without the benefit of recording the capital assets constructed with the proceeds from the debt issuances.

2) The State reported liabilities of \$3.42 billion as of June 30, 2021, for its proportionate share of the net pension liability of the associated pension plans that provide benefits to State employees. This liability was a 21.3 percent decrease from fiscal year 2020.

3) The State reported OPEB liabilities of \$633.4 million as of June 30, 2021. This liability was a net 79.7 percent decrease from the fiscal year 2020 amount.

For more information related to pensions and OPEB see NOTES 9, 14, 15, and 18.

Condensed financial information derived from the Statement of Activities, which reports how the net position of the State's primary government changed during fiscal years 2021 and 2020 follows.

Changes in Net Position
For the Fiscal Years Ended June 30, 2021 and 2020
(dollars in thousands)

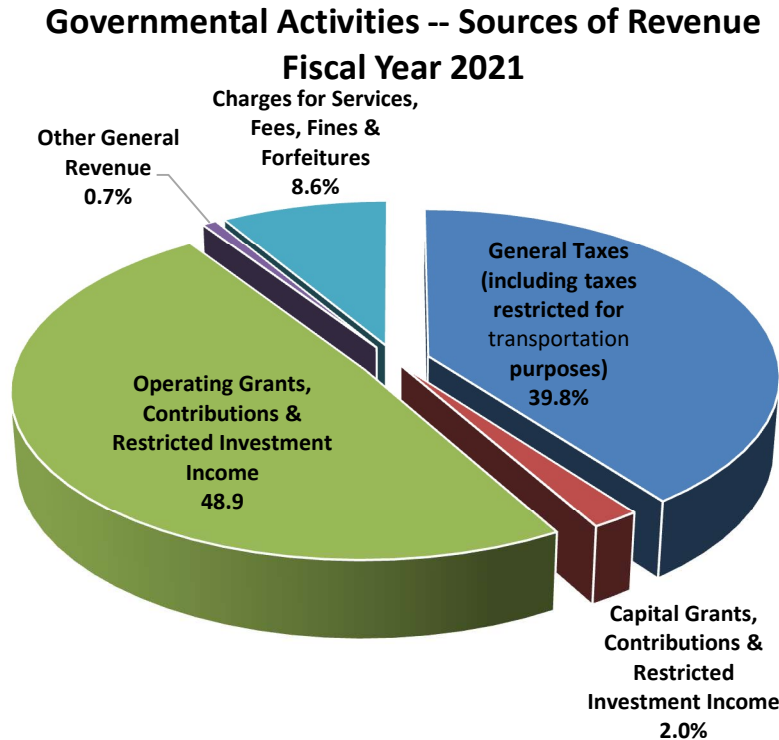
	Fiscal Year 2021			Fiscal Year 2020 (as restated)		
	Governmental Activities	Business-Type Activities	Total Primary Government	Governmental Activities	Business-Type Activities	Total Primary Government
Program Revenue:						
Charges for Services, Fees,						
Fines and Forfeitures	\$ 6,509,382	\$ 8,008,488	\$14,517,870	\$ 5,644,997	\$ 6,766,392	\$12,411,389
Operating Grants, Contributions and Restricted Investment Income/ (loss)...	36,859,973	16,042,228	52,902,201	28,334,834	9,011,299	37,346,133
Capital Grants, Contributions and Restricted Investment Income/ (loss)...	1,485,791	-	1,485,791	1,509,920	-	1,509,920
Total Program Revenues.....	<u>44,855,146</u>	<u>24,050,716</u>	<u>68,905,862</u>	<u>35,489,751</u>	<u>15,777,691</u>	<u>51,267,442</u>
General Revenues:						
General Taxes.....	27,422,768	-	27,422,768	24,775,978	-	24,775,978
Taxes Restricted for Transportation.....	2,547,613	-	2,547,613	2,593,158	-	2,593,158
Tobacco Settlement.....	362,378	-	362,378	324,269	-	324,269
Escheat Property.....	230,265	-	230,265	194,814	-	194,814
Unrestricted Investment Income.....	(22,994)	7	(22,987)	210,539	21	210,560
Other.....	723	552	1,275	67	15	82
Total General Revenues.....	<u>30,540,753</u>	<u>559</u>	<u>30,541,312</u>	<u>28,098,825</u>	<u>36</u>	<u>28,098,861</u>
Total Revenue.....	<u>75,395,899</u>	<u>24,051,275</u>	<u>99,447,174</u>	<u>63,588,576</u>	<u>15,777,727</u>	<u>79,366,303</u>
Expenses:						
Primary, Secondary and Other Education	14,679,666	-	14,679,666	13,500,953	-	13,500,953
Higher Education Support.....	3,008,618	-	3,008,618	2,696,257	-	2,696,257
Public Assistance and Medicaid.....	37,646,142	-	37,646,142	32,728,623	-	32,728,623
Health and Human Services.....	1,898,068	-	1,898,068	1,894,296	-	1,894,296
Justice and Public Protection.....	3,303,035	-	3,303,035	4,209,070	-	4,209,070
Environmental Protection and Natural Resources.....	457,657	-	457,657	505,950	-	505,950
Transportation.....	2,565,694	-	2,565,694	2,661,529	-	2,661,529
General Government.....	2,085,214	-	2,085,214	1,331,397	-	1,331,397
Community and Economic Development..	4,003,838	-	4,003,838	3,498,595	-	3,498,595
Interest on Long term Debt (excludes interest charged as program expense).....	91,499	-	91,499	98,824	-	98,824
Workers' Compensation.....	-	6,845,396	6,845,396	-	2,772,348	2,772,348
Lottery Commission.....	-	4,091,517	4,091,517	-	3,209,778	3,209,778
Unemployment Compensation.....	-	14,539,576	14,539,576	-	9,765,240	9,765,240
Tuition Trust Authority.....	-	31,902	31,902	-	44,813	44,813
Office of Auditor of State.....	-	41,946	41,946	-	95,221	95,221
Total Expenses.....	<u>69,739,431</u>	<u>25,550,337</u>	<u>95,289,768</u>	<u>63,125,494</u>	<u>15,887,400</u>	<u>79,012,894</u>
Surplus/ (Deficiency) Before Gains (Losses) and Transfers.....						
Transfers - Internal Activities.....	1,342,535	(1,342,535)	-	1,109,508	(1,109,508)	-
Change In Net Position.....	6,999,003	(2,841,486)	4,157,517	1,572,590	(1,219,181)	353,409
Net Position, July 1 (as restated).....	18,827,449	11,639,887	30,467,336	17,254,859	12,859,068	30,113,927
Net Position, June 30.....	<u>\$25,826,452</u>	<u>\$ 8,798,401</u>	<u>\$34,624,853</u>	<u>\$18,827,449</u>	<u>\$11,639,887</u>	<u>\$30,467,336</u>

Governmental Activities

Revenues exceeded expenses during fiscal year 2021 for governmental activities. Revenues of \$75.4 billion for fiscal year 2021 were \$11.81 billion higher (after restatement) than those reported for fiscal year 2020. General Taxes (including taxes restricted for transportation purposes) comprised 39.8 percent of fiscal year 2021 total revenues, an increase of 9.5 percent over the prior fiscal year. Operating Grants, Contributions, and Restricted Investment Income, making up 48.9 percent of total revenues, increased by 30.9 percent (after restatement) compared

to fiscal year 2020. Expenses for fiscal year 2021 increased \$6.61 billion or 10.5 percent (after restatement) from over the prior fiscal year primarily in the Public Assistance and Medicaid and Primary, Secondary and Other Education functions. Fiscal year 2021 net transfers-in of \$1.34 billion reflect an increase of 21 percent over the prior fiscal year.

The following chart illustrates revenues by source of governmental activities as percentages of total reported for the fiscal year ended June 30, 2021.



Total FY 2021 Revenue for Governmental Activities = \$75.4 Billion

The following table presents the total expenses and net cost of each of the State's governmental programs for the fiscal year ended June 30, 2021, with comparative numbers from June 30, 2020. The net cost (total program expenses less revenues generated by the program) represents the financial burden that was placed on the State's taxpayers by each of these programs. This cost is essentially funded with the State's general revenues from taxes, Tobacco Settlement, Escheat Property, and Unrestricted Investment Income.

Program Expenses and Net Costs of Governmental Activities by Program
For the Fiscal Years Ended June 30, 2021 and 2020
(dollars in thousands)

Program	Program Expenses	Percent of Total Expense	Net Cost of Program		Net Cost as Percentage of Total Expenses for Program		Net Cost as Percentage of Total Expenses — All Programs	
			2021	2020	2021	2020	2021	2020
Primary, Secondary and								
Other Education.....	\$ 14,679,666	21.0%	\$ 11,832,061	\$ 11,551,466	80.6%	85.6%	17.0%	18.3%
Higher Education Support.....	3,008,618	4.3%	2,672,008	2,667,194	88.8%	98.9%	3.8%	4.2%
Public Assistance and Medicaid....	37,646,142	54.1%	5,345,039	5,862,560	14.2%	17.9%	7.7%	9.3%
Health and Human Services.....	1,898,068	2.7%	204,528	360,956	10.8%	18.8%	0.3%	0.5%
Justice and Public Protection.....	3,303,035	4.7%	1,502,929	2,823,042	45.5%	67.0%	2.2%	4.5%
Environmental Protection								
and Natural Resources.....	457,657	0.7%	79,068	170,329	17.3%	33.7%	0.1%	0.3%
Transportation.....	2,565,694	3.7%	485,726	896,290	18.9%	33.7%	0.7%	1.4%
General Government.....	2,085,214	3.0%	(233,875)	776,160	-11.2%	58.3%	-0.3%	1.2%
Community and								
Economic Development.....	4,003,838	5.7%	2,905,302	2,702,852	72.6%	77.3%	4.2%	4.3%
Interest on Long-Term Debt.....	91,499	0.1%	91,499	98,824	100.0%	100.0%	0.1%	0.2%
Total Governmental Activities.....	<u>\$ 69,739,431</u>	<u>100.0%</u>	<u>\$ 24,884,285</u>	<u>\$ 27,909,673</u>	<u>35.7%</u>	<u>44.2%</u>	<u>35.6%</u>	<u>44.2%</u>

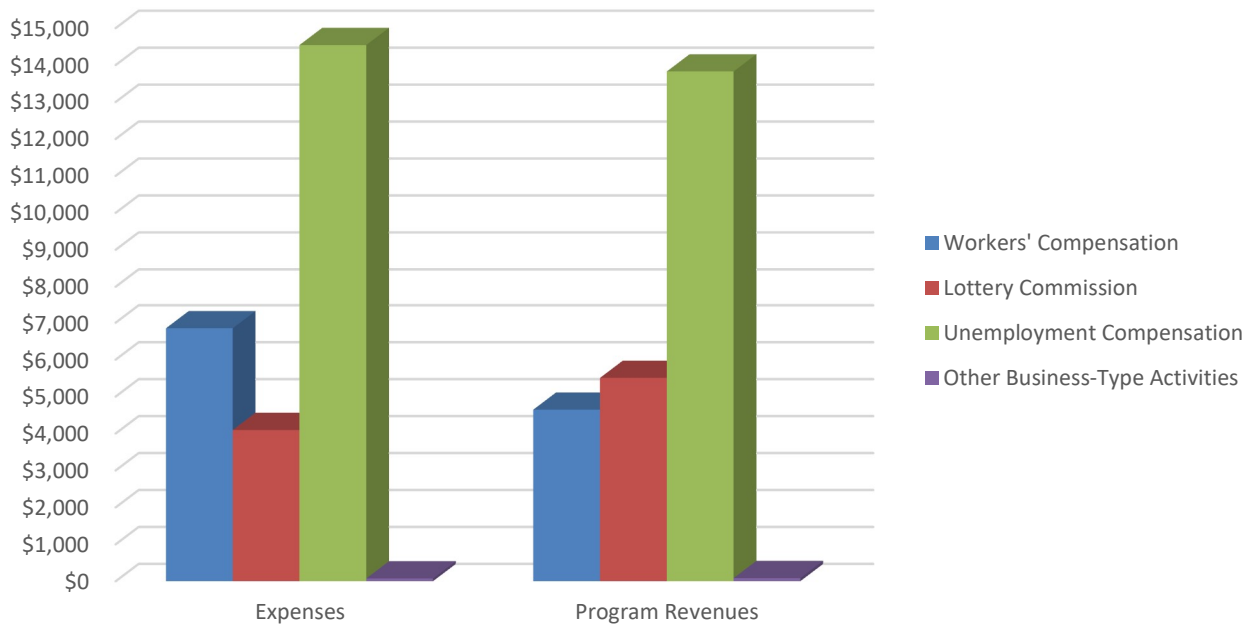
Table not restated for GASB 84

Business-Type Activities

The State’s enterprise funds reported net position of \$8.8 billion, as of June 30, 2021, compared to \$11.64 billion, as of June 30, 2020, a decrease of \$2.84 billion, or 24.4 percent. The Unemployment Compensation Fund reported a \$735.8 million decrease in net position during fiscal year 2021, primarily due to the novel coronavirus (COVID-19) pandemic and the resulting spike in unemployment rates. The Workers’ Compensation Fund reported a \$2.21 billion decrease in net position during fiscal year 2021 primarily from a reduction in premium rates for employers and distribution of \$6.2 billion in dividends to policy holders.

The chart below compares program expenses and program revenues for business-type activities. Additional analysis of the Business-Type Activities’ revenues, expenses, and other changes in net position is included with the discussion of the Proprietary Funds beginning on page 14.

Business-Type Activities — Expenses and Program Revenues
Fiscal Year 2021
(dollars in millions)



FINANCIAL ANALYSIS OF THE STATE’S FUNDS

The State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

Governmental funds reported the following results, as of and for the fiscal years ended June 30, 2021, and June 30, 2020 (dollars in thousands).

	As of and for the Fiscal Year Ended June 30, 2021			
	General Fund	Other Major Funds	Nonmajor	Total
			Governmental Funds	Governmental Funds
Unassigned Fund Balance (Deficit).....	\$ 5,717,927	\$ (6,674)	\$ -	\$ 5,711,253
Total Fund Balance.....	12,063,898	5,030,070	4,615,946	21,709,914
Total Revenues.....	42,950,405	20,509,247	11,887,437	75,347,089
Total Expenditures.....	38,782,210	20,280,569	14,671,242	73,734,021

	As of and for the Fiscal Year Ended June 30, 2020 (as restated)			
	General Fund	Other Major Funds	Nonmajor	Total
			Governmental Funds	Governmental Funds
Unassigned Fund Balance (Deficit).....	\$ 2,924,183	\$ -	\$ -	\$ 2,924,183
Total Fund Balance.....	8,600,905	4,731,605	3,863,853	17,196,363
Total Revenues.....	38,124,841	15,452,503	9,882,243	63,459,587
Total Expenditures.....	36,005,625	15,692,379	13,264,124	64,962,128

General Fund

The main operating fund of the State is the General Fund. During fiscal year 2021, General Fund revenue increased by \$4.83 billion (after restatement). Federal grant revenue rose \$2.21 billion or 21.9 percent primarily due to increased funding for Medicaid and recognition of revenue for COVID-19 pandemic related expenditures. Income and Sales tax revenues each rose over \$1 billion. The increase in income tax revenue is primarily due to employees returning to work in early fiscal year 2021 after a spike in unemployment starting with the onset of the COVID-19 pandemic in March 2020. Additionally, in late fiscal year 2020 into early fiscal year 2021, restrictions eased and economic recovery began at a slow pace resulting in increased consumer spending and associated increased sales tax revenue in fiscal year 2021. Expenditures increased \$2.78 billion, or 7.7 percent, from the prior year. Public Assistance and Medicaid showed increased expenditures of \$2.27 billion largely due to increased public assistance needs in response to the COVID-19 pandemic. Total fund balance at June 30, 2021, increased by \$3.47 billion or 40.3 percent (after restatement and exclusive of a \$6 million decrease in inventories). The State's Budget Stabilization Fund remained unchanged with a balance of over \$2.69 billion that is included within unassigned fund balance.

General Fund Budgetary Highlights

The State ended the second year of its 2020-21 biennial budget on June 30, 2021, with a General Fund budgetary fund balance (i.e., cash less encumbrances) of \$9.66 billion. Total budgetary sources for the General Fund (including \$929.5 million in transfers from other funds) in the amount of \$47.76 billion were below final estimates by 143.6 million or 0.3 percent during fiscal year 2021. Primarily this shortfall was the result of lower-than-expected transfers from other funds. Total tax receipts were above final estimates by \$363.1 million or 1.3 percent due to higher-than-expected income and sales tax receipts.

Total budgetary uses for the General Fund (including \$1.34 billion in transfers to other funds) in the amount of \$45.06 billion were below final estimates by \$3.9 billion or 7.9 percent for fiscal year 2021. The majority of lower than appropriated spending came from Medicaid, economic development programs, and higher education. Additionally, there were lower than expected transfers to other funds. There was no budget stabilization designation at June 30, 2020, for use in balancing the final fiscal year 2021 budget.

The main appropriations act (Act) for the 2020-21 biennium for the General Revenue Fund (GRF), the largest, non-GAAP, budgetary-basis operating fund included in the State's General Fund, was passed by the General Assembly and signed (with selective vetoes) by the Governor on July 18, 2019, following a 17-day interim appropriations act. Reflecting a goal of making wise investments to positively impact Ohio's future, the budget targeted resources to children and families, as well as to Ohio's education system, workforce, local communities, environment, and mental health and addiction recovery efforts. The Act provided for GRF appropriations of approximately \$36 billion in fiscal year 2021, a 6 percent increase from fiscal year 2020 appropriations. The underlying economic forecast does not consider the possible economic effects of the COVID-19 pandemic.

GRF appropriations for major program categories in 2021, relative to 2020 appropriations, reflect the following changes: 11.8 percent increase in Medicaid; increase of 0.2 percent, which included transfers from the GRF in support of student wellness and success, for primary and secondary education; increase of 2.6 percent for higher education; 2.8 percent increase for mental health and developmental disabilities; and an increase of 3.5 percent for corrections and youth services.

The Act reflected tax law changes that were projected to decrease GRF revenues by approximately \$177 million in fiscal year 2021. These items included an across-the-board four percent reduction in State personal income tax rates and elimination of the bottom two tax brackets (effective in tax year 2019). Also reflected in the 2020-21 Act was the creation of the H2Ohio Fund to pay for water quality projects in Lake Erie and across Ohio's rivers, lakes, and waterways.

As is customary in the second year of a biennium, the State revised its fiscal year 2021 GRF revenue forecast to reflect updated economic assumptions (influenced largely by the COVID-19 Pandemic) and actual fiscal year 2020 revenue performance. Initial revised fiscal year 2021 revenue projections indicated State revenue receipts and balances would be \$2.43 billion less than originally estimated and additional cost savings measures were implemented. In January 2021 the final fiscal year 2021 budget reductions were lower than previously anticipated. On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021 (ARPA). Under ARPA, Ohio directly received approximately \$5.6 billion, with an additional \$274 million specifically to use in State capital projects, to help mitigate fiscal effects resulting from COVID-19 pandemic.

The Ohio Constitution prohibits the State from borrowing money to fund operating expenditures in the GRF. Therefore, by law, the GRF's budget must be balanced so that appropriations do not exceed available cash receipts and cash balances for the current fiscal year.

The State ended fiscal year 2021 with a GRF cash balance of \$4.72 billion and a GRF budgetary fund balance of \$4.03 billion. In addition to meeting the State's statutory target to maintain an ending fund balance reflecting one-half of one percent of fiscal year 2021 GRF revenues, the State transferred \$1.2 billion into the Health and Human Services Fund, \$132 million to the H2Ohio fund, \$100 million to the Investing in Ohio fund, and \$66.3 million to three other purposes in early fiscal year 2022.

Other Major Governmental Funds

The *Job, Family and Other Human Services Fund* had a fund balance of \$742.8 million at June 30, 2021, an increase of \$342.7 million (after restatement), or 85.6 percent, compared to fiscal year 2020. During fiscal year 2021, Federal Government revenue increased \$2.28 billion and Public Assistance and Medicaid expenditures increased \$2.59 billion related to Food Assistance Programs and Medicaid spending partly due to COVID-19 pandemic effects. Contributing in part to the increase in fund balance was a \$289.3 million increase in Licenses, Permits and Fees revenue.

The fund balance for the *Buckeye Tobacco Settlement Financing Authority Revenue Bonds Fund*, as of June 30, 2021, totaled approximately \$4.18 billion dollars, a decrease of \$122.9 million or 2.9 percent over the prior fiscal year. Refunding bonds were issued in fiscal year 2020 resulting in a decrease of \$287.2 million in Debt Service expenditures and a net decrease in other sources/uses of \$293.4 million in fiscal year 2021. Overall expenditures exceeded revenues resulting in a net decrease in fund balance.

Fund balance for the *Pandemic Relief Funds* (formerly named the *Coronavirus Relief Fund*), was \$103.2 million at June 30, 2021, a net increase of \$78.6 million (including a \$78.8 million increase in inventories), or 319.6 percent since June 30, 2020. The fund was created in late fiscal year 2020 to receive federal funding for emergency expenditures related to the COVID-19 pandemic. During fiscal year 2021, Federal Government revenue recognition increased \$2.28 billion. Fiscal year total expenditures were \$2.7 billion, an increase of \$2.27 billion, or 528.2% over the prior fiscal year. General Government expenditures comprised \$1.42 billion for allowable distributions to local governments to cover expenses incurred due to the public health emergency. Additionally, expenditures for both Higher Education Support and Health and Human Services exceeded \$300 million each, with \$648.1 in other expenditure categories to cover allowable COVID-19 pandemic related costs. The balance of funding received but not expended as of June 30, 2021, is reported as a \$4.46 billion Unearned Revenue liability.

Proprietary Funds

Major Proprietary Funds

The State's proprietary fund financial statements report the same type of information found in the business-type activities portion of the government-wide financial statements, but in a slightly different format.

The *Workers' Compensation Fund's* fiscal year 2021 net position decreased by \$2.21 billion, or 19.1 percent, to \$9.36 billion, as compared to the prior year. An increase in operating expenses primarily due to the distribution of \$6.2 billion in dividends to policy holders resulted in the significant decrease in net position over the prior year.

For fiscal year 2021, the *Lottery Commission Fund* reported \$1.41 billion in net income before transfers of approximately \$1.36 billion to the Lottery Profits Education Fund. Net position at June 30, 2021, in the amount of \$297.2 million, increased 20.5 percent from fiscal year 2020.

The Unemployment Compensation Fund ended fiscal year 2021 with a \$912.4 million deficit. The \$735.8 million net position decrease in the Unemployment Compensation Fund over the prior year is due to the economic impact of the COVID-19 pandemic and resulting high unemployment rates. The unemployment rate decreased from its initial spike starting late in fiscal year 2020 but remained high throughout fiscal year 2021 at an average of 6.1 percent. Federal Government revenue increased \$5.46 billion due to additional funding in response to the ongoing COVID-19 pandemic. Unemployment Benefits and Claims expense increased \$4.77 billion over the previous fiscal year due to continued pandemic high unemployment rates and associated unemployment claims. Federal repayable advances (loans) with an outstanding balance of \$1.47 billion at June 30, 2021, were repaid in full to the federal government in early fiscal year 2022.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2021, and June 30, 2020, the State's primary government had invested \$29.5 billion and \$29.1 billion, respectively, net of accumulated depreciation of \$5.21 billion and \$4.99 billion, respectively, in a broad range of capital assets, as detailed in the table on the following page.

The total increase in the State's capital assets, net of accumulated depreciation, for the current fiscal year was 1.4 percent (a 1.4 percent increase for governmental activities and a 6.6 percent decrease for business-type activities).

Depreciation expense increased 8 percent for governmental activities and decreased 23.7 percent for business-type activities.

The State completed construction on a variety of infrastructure, facilities, and software projects during fiscal year 2021 totaling approximately \$397.5 million, as compared with \$1.01 billion in the previous fiscal year when the construction for a major bypass was completed. As further detailed in the notes to the financial statements (NOTE 20D), the State had \$527.6 million in major construction commitments (unrelated to infrastructure), as of June 30, 2021, compared to \$487.9 million for the prior year.

Capital Assets, Net of Accumulated Depreciation						
As of June 30, 2021 and 2020						
<i>(dollars in thousands)</i>						
	As of June 30, 2021			As of June 30, 2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 2,622,710	\$ 9,466	\$ 2,632,176	\$ 2,519,465	\$ 9,466	\$ 2,528,931
Buildings	1,695,070	7,181	1,702,251	1,644,209	7,960	1,652,169
Land Improvements	168,402	-	168,402	172,476	-	172,476
Machinery and Equipment	520,118	88,684	608,802	505,189	21,491	526,680
Vehicles	197,831	1,395	199,226	226,724	1,413	228,137
Infrastructure:						
Highway Network:						
General Subsystem	9,097,505	-	9,097,505	9,074,849	-	9,074,849
Priority Subsystem	9,210,434	-	9,210,434	9,143,435	-	9,143,435
Bridge Network	2,994,689	-	2,994,689	2,996,353	-	2,996,353
Parks, Recreation, and Natural Resources System	218,230	-	218,230	225,860	-	225,860
	<u>26,724,989</u>	<u>106,726</u>	<u>26,831,715</u>	<u>26,508,560</u>	<u>40,330</u>	<u>26,548,890</u>
Construction-in-Progress	2,666,228	-	2,666,228	2,474,654	73,923	2,548,577
Total Capital Assets, Net	<u>\$ 29,391,217</u>	<u>\$ 106,726</u>	<u>\$ 29,497,943</u>	<u>\$ 28,983,214</u>	<u>\$ 114,253</u>	<u>\$ 29,097,467</u>

Modified Approach

For reporting its highway and bridge infrastructure assets, the State has adopted the use of the modified approach. To use this approach, a government must maintain an asset management system and demonstrate that the infrastructure is being preserved approximately at or above an established condition level. Under this approach, infrastructure is not depreciated, and maintenance and preservation costs are expensed. Infrastructure assets accounted for using the modified approach include approximately 43,433 lane miles of highway and approximately 109 million square feet of deck area that comprises 14,265 bridges for which the State has the responsibility for ongoing maintenance.

Ohio accounts for its pavement network in two subsystems: Priority and General. It is the State's goal to allow no more than 25 percent of the total lane-miles reported for each of the priority and general subsystems to be classified with a "poor" condition rating. The most recent condition assessment, completed by the Ohio Department of Transportation (ODOT) for fiscal year 2021, indicates that 3.2 percent and 1.8 percent of the priority and general subsystems, respectively, were assigned a "poor" condition rating. Comparatively, 4.1 percent and 2.2 percent of the priority and general subsystems, respectively, were assigned a "poor" condition rating in fiscal year 2020.

For the bridge network, it is the State's intention to allow no more than 15 percent of the total number of square feet of deck area to be in "fair" or "poor" condition. The most recent condition assessment, completed by ODOT for fiscal year 2021, indicates that only 1.6 percent of the number of square feet of bridge deck area was considered to be in "fair" or "poor" conditions, a 0.2 percent increase over the prior year.

Fiscal year 2021 total actual maintenance and preservation costs for the pavement network were \$834.4 million, compared to estimated costs of \$707.1 million, while total actual maintenance and preservation costs for the bridge network were \$397 million, \$27.5 million above estimate. In the previous fiscal year, total actual maintenance and preservation costs for the pavement network were \$898.5 million, compared to estimated costs of \$699.2 million, while total actual maintenance and preservation costs for the bridge network were \$447.5 million, \$55.4 million above estimate. Overall, the State's costs for actual maintenance and preservation for highway infrastructure

assets have exceeded estimates over the past two years due to steadily increasing underlying costs for the materials and labor associated with infrastructure projects.

More detailed information on the State’s capital assets can be found in NOTE 8 to the financial statements and in the Required Supplementary Information Infrastructure section of this report.

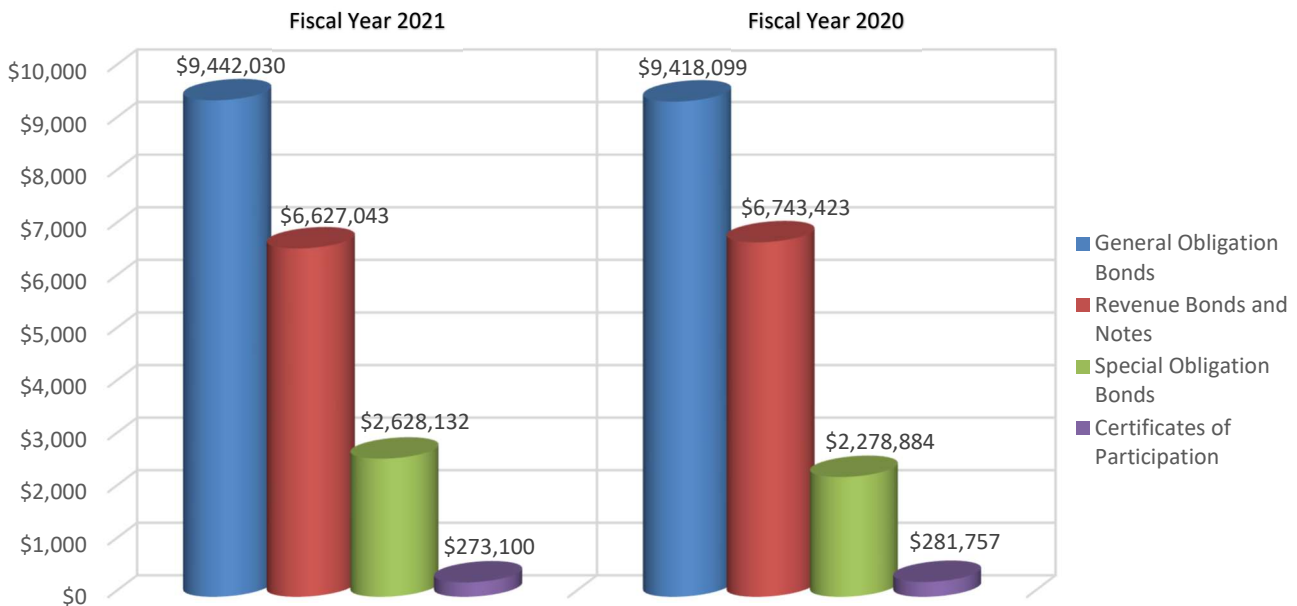
Debt — Bonds and Notes Payable and Certificates of Participation Obligations

The State’s general obligation bonds are backed by its full faith and credit. Revenue bonds and notes are secured with revenues pledged for the retirement of debt principal and the payment of interest. Special obligation bonds are supported with lease payments from tenants of facilities constructed with the proceeds from the bonds. Under certificate of participation (COPs) financing arrangements, the State is required to pay base rent (subject to appropriation) that approximates interest and principal payments made by trustees to certificate holders.

During fiscal year 2021, the State issued a par amount of \$799.1 million in general obligation bonds, \$150.2 million in revenue bonds, \$563.7 million in special obligation bonds, and \$88.5 million in certificates of participation. Of the general obligation bonds, revenue bonds, special obligation bonds, and certificates of participation issued, \$126 million, \$58.2 million, \$66.8 million, and \$68 million, respectively, were refunding bonds and certificates. The total increase in the State’s debt for the current fiscal year, based on carrying amount, was 1.3 percent, all in governmental activities.

As of June 30, 2021, and June 30, 2020, the State had total debt, all in governmental activities, of approximately \$18.97 billion and \$18.72 billion, respectively, as shown in the chart below.

**Bonds and Notes Payable and Certificates of Participation
As of June 30, 2021 and 2020
(dollars in thousands)**



Credit Ratings

Both the State’s general and special obligation bonds carry a “stable” credit outlook from all three credit rating agencies. A credit outlook is an indication of the pressure on the rating over the near-to-intermediate term and should not be viewed as a precursor to a rating change. On August 5, 2021, Fitch elevated the State’s credit outlook to positive. That puts Ohio’s bond rating and outlook at the highest level in 42 years. In addition, Buckeye Tobacco Settlement Financing Authority’s 2031 A-2 maturity was upgraded from A- to A on September 30, 2021.

The ratings and rating outlooks in effect from time to time reflect only the views of the particular rating organization. An explanation of its view of the meaning and significance of its rating or outlook may be obtained from the respective rating agency. Generally, the rating agencies base their rating on submitted information and on their own investigations, studies, and assumptions. There can be no assurance that the ratings or outlooks assigned will continue for any given time. Rating agencies may lower or withdraw a rating at any time, if in its judgment circumstances so warrant.

The State's bonds and notes are rated as follows:

Credit Ratings							
As of June 30, 2021							
Bonds and Notes	Issuer	Fitch Inc.	Kroll Bond Agency Rating	Moody's Investor Services, Inc.	S & P Global Ratings	Security and Source of Funds	
General Obligations Bonds:							
Common Schools Capital Facilities ..	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Higher Education Capital Facilities ...	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Highway Capital Improvements	Treasurer of State	AA+	AAA	Aa1	AAA	Highway User Receipts	
Infrastructure Improvements	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Coal Research and Development	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Natural Resources Capital Facilities	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Conservation Projects	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Third Frontier Research and Development	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Site Development	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Veterans' Compensation	Ohio Public Facilities Commission	AA+	N/A	Aa1	AA+	General Revenue Funds	
Revenue Bonds:							
Major New State Infrastructure.....	Treasurer of State	N/A	N/A	Aa2	AA	Federal Transportation Grants	
Tobacco Settlement Asset-Backed.	Buckeye Tobacco Settlement Financing Authority	N/A	N/A	N/A	BBB+ to A*	Pledged Receipts from the Tobacco Master Settlement Agreement	
*The Class 2 Senior Current Interest Bonds and the Class 2 Turbo Capital Appreciation Bonds are Non-Rated. The 2030 A-2 maturity was upgraded from A- to A on February 25, 2021							
Special Obligation Bonds:							
Mental Health Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Parks and Recreation Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Cultural and Sports Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Adult Correctional Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Administrative Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Juvenile Correctional Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	General Revenue Funds	
Transportation Building Projects.....	Treasurer of State	AA	N/A	Aa1	AA	Highway User Receipts	
Highway Safety Facilities.....	Treasurer of State	AA	N/A	Aa2	AA	Highway User Receipts	

Limitations on Debt

Section 17 of Article VIII of the Ohio Constitution, approved by Ohio voters in November 1999, establishes an annual debt service "cap" applicable to future issuances of direct obligations payable from the GRF or net state lottery proceeds. Generally, new obligations may not be issued if debt service for any future fiscal year on those new and the then outstanding bonds of those categories would exceed five percent of the total of estimated GRF revenues plus net state lottery proceeds for the fiscal year of issuance.

Those direct obligations of the State include general obligation and special obligation bonds that are paid from the State's GRF but exclude general obligation debt for Third Frontier Research and Development, development of sites and facilities, and veterans' compensation, and general obligation bonds payable from non-GRF funds (such as highway bonds that are paid from highway user receipts). Pursuant to the implementing legislation, the Governor has designated the Director of the Ohio Office of Budget and Management as the State official responsible for making the five percent determinations and certifications. Application of the five percent cap may be waived in a particular instance by a three-fifths vote of each house of the Ohio General Assembly and may be changed by future constitutional amendments.

The State met the requirements of Section 17 of Article VIII of the Ohio Constitution. More detailed information on the State's long-term debt, including changes during the year, can be found in NOTES 10 through 13 and NOTE 15 to the financial statements.

Conditions Expected to Affect Future Operations

Economic Factors

Through October 2021, the economy continues to recover from the decrease in economic activity due to the COVID-19 pandemic. Ohio's unemployment rate decreased from 5.6 percent in October 2020 to 5.1 percent in October 2021. At the beginning of November 2021, the consensus among forecasters suggests the economy will have robust acceleration in the fourth quarter. In October 2021, Ohio's nonfarm payroll employment increased by almost 10 thousand jobs but still remained 4.5 percent lower than February 2020's pre-pandemic levels.

Nationally, real gross domestic product (GDP) expanded in the third quarter at an annualized rate of 2 percent. Growth has slowed from the second quarter due to a decrease in consumer spending resulting from a surge in the delta variant of COVID-19 and the end of federal pandemic assistance. Persistent disruptions to the supply chain and labor shortages have resulted in high prices for goods and services.

The national labor market outlook strengthened further in October 2021, as the level of nonfarm payroll employment increased by 531 thousand jobs. While employment was up significantly from April 2020 during the height of the pandemic, employment was still below February 2020's pre-pandemic levels by 4.2 million jobs. The U.S. unemployment rate for October 2021 was 4.6 percent, down from 6.9 percent in October 2020.

The 2022-23 Biennial Budget

The main appropriations act (Act) for the 2022-23 biennium for the General Revenue Fund (GRF), the largest, non-GAAP, budgetary-basis operating fund included in the State's General Fund, was passed by the General Assembly, and signed (with selective vetoes) by the Governor on June 30, 2021. Reflecting a conservative underlying economic forecast, the Act provides for GRF appropriations of approximately \$34.9 billion in fiscal year 2022, a 2 percent decrease over fiscal year 2021 actual expenditures, and \$39.3 billion in fiscal year 2023, a 12.6 percent increase over fiscal year 2022 appropriations.

GRF appropriations for major program categories in fiscal years 2022, relative to 2021 expenditures, and 2023, relative to 2022 appropriations, reflect the following changes: for Medicaid, 11.7 percent decrease in fiscal year 2022 and 26.1 percent increase in fiscal year 2023; for elementary and secondary education, including transfers in support of student wellness and success, 5.8 percent increase in fiscal year 2022, and 2 percent increase in fiscal year 2023; for higher education, 2.7 percent increase in fiscal year 2022, and 0.1 percent increase in fiscal year 2023; for health and human services (excluding Medicaid), 18 percent increase in fiscal year 2022, and 0.6 percent decrease in fiscal year 2023; for corrections services, 8.1 percent increase in fiscal year 2022, and 3.4 percent increase in fiscal year 2023; and for general government, 17.1 percent increase in fiscal year 2022, and 0.2 percent increase in fiscal year 2023. The large increase in GRF Medicaid spending in fiscal year 2023 is partly due to the expected end to the federal enhanced rate for Medicaid.

The Act reflects certain tax policy changes, resulting in estimated net GRF revenue decreases of \$1 billion in fiscal year 2022 and \$977 million in fiscal year 2023. Included in these changes are an across-the-board 4 percent reduction in personal income tax rates (effective in tax year 2019), establishes new non-refundable tax credits related to home-schooling and non-chartered private schools and repeals sales and use tax on employment services. The Act also revised the school funding formula to consider resident income levels in addition to property tax values and authorized the Budget Stabilization Fund to retain interest earnings.

General Revenue Fund

For fiscal year 2022, total fiscal year-to-date GRF receipts collected through October 2021 are \$125.6 million above estimates and \$939.9 million less than collections through October of the prior fiscal year. Total fiscal year-to-date GRF disbursements through October 2021 are \$701.2 million below estimates for the first four months of fiscal year 2022 and \$708.2 million less than expenditures for the first four months of the prior fiscal year. As of October 2021, receipts were 1 percent above budget estimates and disbursements were 5.3 percent below budget estimates for fiscal year 2022. Fiscal year 2022 receipts are 7 percent behind of receipts for the first four months of fiscal year 2021, due largely to a significant amount of pandemic related federal grant funding received in fiscal year 2021. Disbursements for fiscal year 2022 are 5.4 percent below disbursements for the same time period of fiscal year 2021.

Budget Stabilization Fund

The Budget Stabilization Fund (BSF) is Ohio's rainy day savings account, a reserve balance set aside in good economic times to protect the State's budget from cyclical changes in revenues and expenditures should the economy become weakened unexpectedly. By law, the target balance for the BSF can be up to 8.5 percent of the prior fiscal year's GRF revenues. The BSF continues to maintain a balance of over \$2.69 billion.

Workers' Compensation Fund

The Ohio Bureau of Workers' Compensation (BWC) continues to take actions to address the impact on its financial position and the economic challenges its customers are experiencing related to the COVID-19 pandemic. These actions include: reducing private employer estimated payroll by 20 percent; approving \$28 million in federal COVID-19 pandemic Indoor Air Quality Assistance Grants to improve heating, ventilation and air conditioning systems for adult day cares, nursing homes and assisted living facilities; shipping masks to employers; utilizing personnel to monitor retail establishments for compliance with COVID-19 pandemic safety protocols; and assisting the Ohio Department of Job and Family Services in fielding calls due to the large influx of unemployment claims. In addition, statewide average base rates will decrease an average of 15 percent for private employers for the July 1, 2021, policy year and for public taxing district (PEC) employers for the January 1, 2022, policy year.

Contacting the Ohio Office of Budget and Management

This financial report is designed to provide the State's citizens, taxpayers, customers, investors and creditors with a general overview of the State's finances and to demonstrate the State's accountability for the money it receives. Questions regarding any of the information provided in this report or requests for additional financial information should be addressed to the Ohio Office of Budget and Management, Financial Reporting Section, 30 East Broad Street, 34th Floor, Columbus, Ohio 43215-3457 or through the OBM Website at [Contact Us | Office of Budget and Management \(ohio.gov\)](#).

Financial Section

Basic Financial Statements



Boston Mills
Brecksville, Ohio

STATE OF OHIO
STATEMENT OF NET POSITION
JUNE 30, 2021
(dollars in thousands)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS:				
Cash Equity with Treasurer.....	\$ 21,494,882	\$ 168,124	\$ 21,663,006	\$ 360,550
Cash and Cash Equivalents.....	165,769	801,962	967,731	2,273,810
Deposit with Federal Government.....	—	487,435	487,435	—
Investments.....	1,944,921	21,939,232	23,884,153	17,121,304
Collateral on Lent Securities.....	4,778,901	37,447	4,816,348	79,991
Taxes Receivable.....	1,946,068	—	1,946,068	—
Intergovernmental Receivable.....	1,275,415	6,316	1,281,731	104,061
Premiums and Assessments Receivable.....	—	584,853	584,853	—
Investment Trade Receivable.....	—	354,319	354,319	—
Loans Receivable, Net.....	1,405,354	—	1,405,354	278,314
Receivable from Primary Government.....	—	—	—	22,347
Receivable from Component Units.....	9,849	—	9,849	—
Other Receivables.....	1,137,454	515,866	1,653,320	1,875,375
Inventories.....	344,280	—	344,280	217,276
Other Assets.....	411,700	34,177	445,877	2,308,027
Restricted Assets:				
Cash Equity with Treasurer.....	—	43	43	—
Cash and Cash Equivalents.....	22	736	758	632,244
Investments.....	372,036	578,159	950,195	3,214,609
Collateral on Lent Securities.....	—	84,269	84,269	—
Other Receivables.....	706,220	—	706,220	—
Capital Assets Being Depreciated, Net.....	2,732,901	97,260	2,830,161	15,078,786
Capital Assets Not Being Depreciated.....	26,658,316	9,466	26,667,782	1,937,078
TOTAL ASSETS.....	65,384,088	25,699,664	91,083,752	45,503,772
DEFERRED OUTFLOWS OF RESOURCES.....	4,905,832	30,417	4,936,249	1,244,058
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	70,289,920	25,730,081	96,020,001	46,747,830
LIABILITIES:				
Accounts Payable.....	925,414	52,414	977,828	938,616
Accrued Liabilities.....	465,656	6,206	471,862	876,110
Medicaid Claims Payable.....	619,973	—	619,973	—
Obligations Under Securities Lending.....	4,778,901	121,716	4,900,617	79,991
Investment Trade Payable.....	—	588,755	588,755	—
Intergovernmental Payable.....	1,711,378	1,472,566	3,183,944	1,198
Internal Balances.....	486,076	(486,076)	—	—
Payable to Primary Government.....	—	—	—	10,482
Payable to Component Units.....	22,347	—	22,347	—
Unearned Revenue.....	5,319,843	379,206	5,699,049	993,916
Benefits Payable.....	—	13,446	13,446	—
Refund and Other Liabilities.....	1,439,611	88,759	1,528,370	243,570
Noncurrent Liabilities:				
Bonds and Notes Payable:				
Due in One Year.....	1,305,084	—	1,305,084	639,209
Due in More Than One Year.....	17,392,121	—	17,392,121	10,677,061
Certificates of Participation:				
Due in One Year.....	31,314	—	31,314	—
Due in More Than One Year.....	241,786	—	241,786	—
Other Noncurrent Liabilities:				
Due in One Year.....	204,824	1,915,886	2,120,710	534,913
Due in More Than One Year.....	5,093,378	12,594,246	17,687,624	8,707,440
TOTAL LIABILITIES.....	40,037,706	16,747,124	56,784,830	23,702,506
DEFERRED INFLOWS OF RESOURCES.....	4,425,762	184,556	4,610,318	6,238,531
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	44,463,468	16,931,680	61,395,148	29,941,037

The notes to the financial statements are an integral part of this statement.

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
NET POSITION (DEFICITS):				
Net Investment in Capital Assets.....	25,297,331	91,810	25,389,141	9,577,066
Restricted for:				
Primary, Secondary and Other Education.....	135,713	—	135,713	—
Higher Education Support.....	76,044	—	76,044	—
Public Assistance and Medicaid.....	442,377	—	442,377	—
Health and Human Services.....	487,403	—	487,403	—
Justice and Public Protection.....	166,156	—	166,156	—
Environmental Protection and Natural Resources.....	417,404	—	417,404	—
Transportation.....	2,849,466	—	2,849,466	204,899
General Government.....	280,968	—	280,968	—
Community and Economic Development.....	1,049,749	—	1,049,749	6,950
Lottery Prizes.....	—	91,013	91,013	—
Workers Compensation.....	—	9,275,737	9,275,737	—
Tuition Trust Authority.....	—	114,227	114,227	—
Nonexpendable for				
Colleges and Universities.....	—	—	—	4,804,873
Expendable for				
Colleges and Universities.....	—	—	—	4,413,647
Unrestricted.....	(5,376,159)	(774,386)	(6,150,545)	(2,200,642)
TOTAL NET POSITION (DEFICITS).....	\$ 25,826,452	\$ 8,798,401	\$ 34,624,853	\$ 16,806,793

STATE OF OHIO
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			
		CHARGES FOR SERVICES, FEES, FINES AND FORFEITURES	OPERATING GRANTS, CONTRIBUTIONS AND RESTRICTED INVESTMENT INCOME/(LOSS)	CAPITAL GRANTS, CONTRIBUTIONS AND RESTRICTED INVESTMENT INCOME/(LOSS)	NET (EXPENSE) REVENUE
PRIMARY GOVERNMENT:					
GOVERNMENTAL ACTIVITIES:					
Primary, Secondary					
and Other Education.....	\$ 14,679,666	\$ 18,346	\$ 2,829,259	\$ —	\$ (11,832,061)
Higher Education Support	3,008,618	2,221	334,389	—	(2,672,008)
Public Assistance and Medicaid	37,646,142	3,516,188	28,784,915	—	(5,345,039)
Health and Human Services	1,898,068	145,002	1,548,538	—	(204,528)
Justice and Public Protection	3,303,035	1,197,262	602,835	9	(1,502,929)
Environmental Protection					
and Natural Resources.....	457,657	281,670	95,095	1,824	(79,068)
Transportation	2,565,694	221,025	393,770	1,465,173	(485,726)
General Government	2,085,214	662,303	1,656,773	13	233,875
Community and Economic					
Development.....	4,003,838	465,365	614,399	18,772	(2,905,302)
Interest on Long-Term Debt					
(excludes interest charged as					
program expense).....	91,499	—	—	—	(91,499)
TOTAL GOVERNMENTAL ACTIVITIES.....	69,739,431	6,509,382	36,859,973	1,485,791	(24,884,285)
BUSINESS-TYPE ACTIVITIES:					
Workers' Compensation.....	6,845,396	1,176,954	3,464,053	—	(2,204,389)
Lottery Commission.....	4,091,517	5,515,487	(12,683)	—	1,411,287
Unemployment Compensation.....	14,539,576	1,264,495	12,559,560	—	(715,521)
Tuition Trust Authority.....	31,902	6,261	31,298	—	5,657
Office of Auditor of State.....	41,946	45,291	—	—	3,345
TOTAL BUSINESS-TYPE ACTIVITIES.....	25,550,337	8,008,488	16,042,228	—	(1,499,621)
TOTAL PRIMARY GOVERNMENT.....	\$ 95,289,768	\$ 14,517,870	\$ 52,902,201	\$ 1,485,791	\$ (26,383,906)
COMPONENT UNITS:					
Ohio Facilities Construction Commission.....	\$ 60,872	\$ 6,019	\$ 1,985	\$ —	\$ (52,868)
Ohio State University.....	6,446,704	5,861,865	840,451	78,942	334,554
Other Component Units.....	8,079,589	5,678,650	1,430,516	30,029	(940,394)
TOTAL COMPONENT UNITS.....	\$ 14,587,165	\$ 11,546,534	\$ 2,272,952	\$ 108,971	\$ (658,708)

The notes to the financial statements are an integral part of this statement.

PRIMARY GOVERNMENT

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
CHANGES IN NET POSITION:				
Net (Expense) Revenue.....	\$ (24,884,285)	\$ (1,499,621)	\$ (26,383,906)	\$ (658,708)
General Revenues:				
Taxes:				
Income.....	9,852,014	—	9,852,014	—
Sales.....	12,338,794	—	12,338,794	—
Corporate and Public Utility	3,137,355	—	3,137,355	—
Cigarette.....	928,637	—	928,637	—
Other.....	1,165,968	—	1,165,968	—
Restricted for Transportation Purposes:				
Motor Vehicle Fuel Taxes.....	2,547,613	—	2,547,613	—
Total Taxes.....	29,970,381	—	29,970,381	—
Tobacco Settlement.....	362,378	—	362,378	—
Escheat Property.....	230,265	—	230,265	—
Unrestricted Investment Income.....	(22,994)	7	(22,987)	3,024,376
State Assistance	—	—	—	2,535,898
Other.....	723	552	1,275	1,220,840
Gain (Loss) on Extinguishment of Debt.....	—	111	111	—
Additions to Endowments				
and Permanent Fund Principal.....	—	—	—	132,840
Transfers-Internal Activities.....	1,342,535	(1,342,535)	—	—
TOTAL GENERAL REVENUES, GAINS (LOSSES), CONTRIBUTIONS, SPECIAL ITEMS AND TRANSFERS.....				
	31,883,288	(1,341,865)	30,541,423	6,913,954
CHANGE IN NET POSITION.....	6,999,003	(2,841,486)	4,157,517	6,255,246
NET POSITION (DEFICITS), JULY 1 (as restated)...	18,827,449	11,639,887	30,467,336	10,551,547
NET POSITION (DEFICITS), JUNE 30.....	\$ 25,826,452	\$ 8,798,401	\$ 34,624,853	\$ 16,806,793

STATE OF OHIO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021
(dollars in thousands)

	MAJOR FUNDS		
	GENERAL	JOB, FAMILY AND OTHER HUMAN SERVICES	BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY REVENUE BONDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 11,585,403	\$ 844,787	\$ —
Cash and Cash Equivalents.....	114,076	2,842	22
Investments.....	1,886,150	—	372,036
Collateral on Lent Securities.....	2,571,741	188,162	—
Taxes Receivable	1,757,567	—	—
Intergovernmental Receivable.....	320,513	311,361	—
Loans Receivable, Net	1,219,505	—	—
Receivable from Component Units.....	—	—	—
Other Receivables	314,860	778,528	706,220
Inventories	19,714	—	—
Other Assets	47	—	—
TOTAL ASSETS	19,789,576	2,125,680	1,078,278
DEFERRED OUTFLOWS OF RESOURCES.....	—	—	3,811,934
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	\$ 19,789,576	\$ 2,125,680	\$ 4,890,212
LIABILITIES:			
Accounts Payable	\$ 286,453	\$ 215,272	\$ —
Accrued Liabilities.....	212,134	31,319	—
Medicaid Claims Payable.....	419,838	—	—
Obligations Under Securities Lending.....	2,571,741	188,162	—
Intergovernmental Payable.....	1,184,931	130,717	—
Interfund Payable.....	374,647	8,771	—
Payable to Component Units.....	11,010	3,611	—
Unearned Revenue.....	—	720,070	—
Refund and Other Liabilities.....	1,436,629	2,982	—
Liability for Escheat Property.....	314,195	—	—
TOTAL LIABILITIES.....	6,811,578	1,300,904	—
DEFERRED INFLOWS OF RESOURCES.....	914,100	81,928	706,220
FUND BALANCES (DEFICITS):			
Nonspendable.....	47,018	—	—
Restricted.....	1,605,009	182,022	4,183,992
Committed.....	837,568	567,500	—
Assigned.....	3,856,376	—	—
Unassigned.....	5,717,927	(6,674)	—
TOTAL FUND BALANCES (DEFICITS)	12,063,898	742,848	4,183,992
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 19,789,576	\$ 2,125,680	\$ 4,890,212

The notes to the financial statements are an integral part of this statement.

<u>PAIDEMIC RELIEF FUNDS</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
\$ 4,490,968	\$ 4,573,724	\$ 21,494,882
—	48,851	165,791
—	58,771	2,316,957
1,000,285	1,018,713	4,778,901
—	188,501	1,946,068
—	643,541	1,275,415
—	185,849	1,405,354
—	9,849	9,849
—	44,066	1,843,674
103,230	221,336	344,280
—	—	47
<u>5,594,483</u>	<u>6,993,201</u>	<u>35,581,218</u>
—	—	3,811,934
<u>\$ 5,594,483</u>	<u>\$ 6,993,201</u>	<u>\$ 39,393,152</u>
\$ 24,854	\$ 398,812	\$ 925,391
426	79,247	323,126
—	200,135	619,973
1,000,285	1,018,713	4,778,901
—	395,730	1,711,378
6,011	96,647	486,076
—	7,726	22,347
4,459,677	140,096	5,319,843
—	—	1,439,611
—	—	314,195
<u>5,491,253</u>	<u>2,337,106</u>	<u>15,940,841</u>
—	40,149	1,742,397
103,230	221,336	371,584
—	3,622,732	9,593,755
—	771,878	2,176,946
—	—	3,856,376
—	—	5,711,253
<u>103,230</u>	<u>4,615,946</u>	<u>21,709,914</u>
<u>\$ 5,594,483</u>	<u>\$ 6,993,201</u>	<u>\$ 39,393,152</u>

STATE OF OHIO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2021 (dollars in thousands)

Total Fund Balances for Governmental Funds..... **\$ 21,709,914**

Total net position reported for governmental activities in the Statement of Net Position is different because:

Net Pension Assets Reported for Governmental Activities are not Financing Resources and therefore are not Reported in the Funds..... 411,653

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. Those assets consist of:

Land.....	2,622,710
Buildings and Improvements, net of \$2,711,457 accumulated depreciation.....	1,695,070
Land Improvements, net of \$400,004 accumulated depreciation.....	168,402
Machinery and Equipment, net of \$1,282,423 accumulated depreciation.....	520,118
Vehicles, net of \$347,699 accumulated depreciation.....	197,831
Infrastructure, net of \$66,212 accumulated depreciation.....	21,520,858
Construction-in-Progress.....	<u>2,666,228</u>
Total Capital Assets.....	<u>29,391,217</u>

The following Deferred Outflows of Resources are not related to the current period and therefore, are not reported in the funds.

Hedging Derivative Instruments.....	8,396
Loss on Debt Refundings.....	203,314
Net Pension and OPEB Liability/Asset.....	<u>882,188</u>
Total Deferred Outflows of Resources.....	<u>1,093,898</u>

The following liabilities are not due and payable in the current period, and therefore, are not reported in the funds.

Accrued Liabilities:	
Interest Payable.....	(142,530)
Accounts Payable.....	(23)
Bonds and Notes Payable:	
General Obligation Bonds.....	(9,442,030)
Revenue Bonds and Notes.....	(6,627,043)
Special Obligation Bonds.....	(2,628,132)
Certificates of Participation.....	(273,100)
Other Noncurrent Liabilities:	
Compensated Absences.....	(572,734)
Net Pension Liability.....	(3,416,948)
Net OPEB Liability.....	(633,413)
Capital Leases Payable.....	(27,394)
Derivative Instruments.....	(11,756)
Pollution Remediation.....	(1,829)
Infrastructure Liabilities.....	<u>(319,933)</u>
Total Liabilities.....	<u>(24,096,865)</u>

The following Deferred Inflows of Resources are not related to the current period and therefore, are not reported in the funds.

Resources from the Sale of Future Revenues.....	(936,692)
Net Pension and OPEB Liability/Asset.....	(2,721,944)
Debt Refundings.....	<u>(25,149)</u>
Less Unavailable Resources Reported in the Funds:	
Taxes Receivable.....	121,554
Intergovernmental Receivable.....	142,267
Other Receivables.....	<u>736,599</u>
Total Deferred Inflows of Resources.....	<u>(2,683,365)</u>

Total Net Position of Governmental Activities..... **\$ 25,826,452**

The notes to the financial statements are an integral part of this statement.

STATE OF OHIO

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	MAJOR FUNDS		
	GENERAL	JOB, FAMILY AND OTHER HUMAN SERVICES	BUCKEYE TOBACCO SETTLEMENT FINANCING AUTHORITY REVENUE BONDS
REVENUES:			
Income Taxes.....	\$ 9,843,394	\$ —	\$ —
Sales Taxes.....	12,338,794	—	—
Corporate and Public Utility Taxes.....	3,092,343	—	—
Motor Vehicle Fuel Taxes.....	1,429,435	—	—
Cigarette Taxes.....	928,637	—	—
Other Taxes.....	794,540	946	—
Licenses, Permits and Fees.....	1,329,822	2,642,761	—
Sales, Services and Charges.....	98,976	—	—
Federal Government.....	12,272,448	14,386,865	—
Tobacco Settlement.....	252	—	306,162
Escheat Property.....	230,265	—	—
Investment Income.....	31,450	4,303	988
Other.....	560,049	456,724	37
TOTAL REVENUES.....	42,950,405	17,491,599	307,187
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	10,194,210	—	99,163
Higher Education Support.....	2,563,549	—	—
Public Assistance and Medicaid.....	18,272,285	16,769,141	—
Health and Human Services.....	708,769	334,438	—
Justice and Public Protection.....	3,355,971	57,026	—
Environmental Protection and Natural Resources.....	120,487	—	—
Transportation.....	47,531	—	—
General Government.....	586,390	3,033	1,800
Community and Economic Development.....	2,933,018	—	—
CAPITAL OUTLAY.....	—	7,117	—
DEBT SERVICE.....	—	—	306,490
TOTAL EXPENDITURES.....	38,782,210	17,170,755	407,453
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	4,168,195	320,844	(100,266)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	737,411	—	—
Refunding Bonds and COPs Issued.....	—	—	—
Payment to Refunded Bond and COPs Escrow Agents.....	—	—	—
Premiums/Discounts.....	188,996	—	—
Capital Leases.....	1,634	—	—
Transfers-in.....	281,440	27,321	18
Transfers-out.....	(1,908,638)	(5,465)	(22,614)
TOTAL OTHER FINANCING SOURCES (USES).....	(699,157)	21,856	(22,596)
NET CHANGE IN FUND BALANCES.....	3,469,038	342,700	(122,862)
FUND BALANCES (DEFICITS), July 1 (as restated).....	8,600,905	400,148	4,306,854
Increase (Decrease) for Changes in Inventories.....	(6,045)	—	—
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 12,063,898	\$ 742,848	\$ 4,183,992

The notes to the financial statements are an integral part of this statement.

<u>PADEMIC RELIEF FUNDS</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
\$ —	\$ —	\$ 9,843,394
—	—	12,338,794
—	45,012	3,137,355
—	1,118,178	2,547,613
—	—	928,637
—	370,482	1,165,968
—	827,970	4,800,553
—	26,205	125,181
2,696,329	8,793,154	38,148,796
—	2,275	308,689
—	—	230,265
13,812	15,246	65,799
320	688,915	1,706,045
<u>2,710,461</u>	<u>11,887,437</u>	<u>75,347,089</u>
147,925	4,013,417	14,454,715
304,943	29,976	2,898,468
30,719	2,763,636	37,835,781
330,095	1,046,860	2,420,162
175,765	552,303	4,141,065
6,557	377,736	504,780
—	2,797,892	2,845,423
1,419,254	398,992	2,409,469
287,103	736,673	3,956,794
—	505,174	512,291
—	1,448,583	1,755,073
<u>2,702,361</u>	<u>14,671,242</u>	<u>73,734,021</u>
8,100	(2,783,805)	1,613,068
—	545,069	1,282,480
—	318,995	318,995
—	(479,744)	(479,744)
—	155,500	344,496
—	—	1,634
17	3,435,358	3,744,154
(8,253)	(456,649)	(2,401,619)
<u>(8,236)</u>	<u>3,518,529</u>	<u>2,810,396</u>
(136)	734,724	4,423,464
24,603	3,863,853	17,196,363
78,763	17,369	90,087
<u>\$ 103,230</u>	<u>\$ 4,615,946</u>	<u>\$ 21,709,914</u>

STATE OF OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

Net Change in Fund Balances -- Total Governmental Funds.....	\$ 4,423,464
Change in Inventories.....	<u>90,087</u>
	4,513,551

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital Outlay Expenditures.....	682,482
Depreciation Expense.....	<u>(274,479)</u>
Excess of Capital Outlay Over Depreciation Expense.....	<u>408,003</u>

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. In the current period, proceeds were received from:

General Obligation Bonds.....	(673,060)
Revenue Bonds and Notes.....	(91,980)
Special Obligation Bonds.....	(496,940)
Refunding Bonds, including Bond Premium/Discount, Net.....	(360,669)
Certificates of Participation.....	(20,500)
Premiums and Discounts, Net:	
General Obligation Bonds.....	(176,801)
Revenue Bonds and Notes.....	(23,633)
Special Obligation Bonds.....	(97,672)
Certificates of Participation.....	<u>(4,716)</u>
Total Debt Proceeds.....	<u>(1,945,971)</u>

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts consist of:

<i>Debt Principal Retirement and Defeasements:</i>	
General Obligation Bonds.....	860,395
Revenue Bonds and Notes.....	267,184
Special Obligation Bonds.....	275,328
Certificates of Participation.....	<u>96,406</u>
Total Long-Term Debt Repayment.....	<u>1,499,313</u>

The notes to the financial statements are an integral part of this statement.

Some revenues and expenses reported in the Statement of Activities are not reported as revenue and expenditures in the governmental funds. Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses, liabilities, and deferred resources are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. This adjustment combines the changes in the following balances:

<i>Increase in Other Assets.....</i>	367,750	
<i>Increase in Capital Leases Payable.....</i>	(3,116)	
<i>Increase in Accrued Interest and Other Accrued Liabilities.....</i>	(4,449)	
<i>Increase in Accounts Payable.....</i>	(23)	
<i>Amortization of Bond Premiums/Accretion of Bond Discount, Net.....</i>	198,516	
<i>Increase in Refunding Loss Included in Deferred Outflows of Resources.....</i>	122,066	
<i>Decrease in Pension/OPEB Related Balances Included in Deferred Outflows of Resources.....</i>	(259,175)	
<i>Decrease in Resources of a Future Period.....</i>	(143,820)	
<i>Increase in Compensated Absences.....</i>	(56,839)	
<i>Decrease in Derivative Instrument Liabilities (Excluding Hedging Derivative Instruments)</i>	2,642	
<i>Decrease in Pollution Remediation.....</i>	51	
<i>Decrease in Infrastructure Liability.....</i>	22,062	
<i>Decrease in Net Pension Liability.....</i>	922,372	
<i>Decrease in OPEB Liability.....</i>	2,487,058	
<i>Increase in Deferred Inflow of Resources.....</i>	<u>(1,130,988)</u>	
<i>Total Additional Revenues and Expenditures.....</i>		<u>2,524,107</u>
Change in Net Position of Governmental Activities.....		<u>\$ 6,999,003</u>

STATE OF OHIO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS -- ENTERPRISE
JUNE 30, 2021
(dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 23,538	\$ 111,330	\$ —
Cash and Cash Equivalents.....	593,875	196,798	—
Deposit with Federal Government.....	—	—	487,435
Collateral on Lent Securities.....	5,243	24,797	—
Restricted Assets:			
Cash Equity with Treasurer.....	—	43	—
Investments.....	—	41,931	—
Collateral on Lent Securities.....	—	84,269	—
Intergovernmental Receivable.....	—	—	813
Premiums and Assessments Receivable.....	550	—	26,620
Investment Trade Receivable.....	354,319	—	—
Interfund Receivable.....	46,904	—	—
Other Receivables.....	394,141	54,070	66,758
Other Assets.....	600	2,952	20
TOTAL CURRENT ASSETS.....	1,419,170	516,190	581,646
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	736	—	—
Investments.....	—	322,573	—
Investments.....	21,939,232	—	—
Premiums and Assessments Receivable.....	557,683	—	—
Interfund Receivable.....	438,047	—	—
Other Assets.....	19,339	3,431	—
Capital Assets Being Depreciated, Net.....	73,715	22,889	—
Capital Assets Not Being Depreciated.....	9,466	—	—
TOTAL NONCURRENT ASSETS.....	23,038,218	348,893	—
TOTAL ASSETS.....	24,457,388	865,083	581,646
DEFERRED OUTFLOWS OF RESOURCES.....	20,083	3,125	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	24,477,471	868,208	581,646
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	24,422	27,144	—
Accrued Liabilities.....	—	—	—
Obligations Under Securities Lending.....	5,243	109,066	—
Investment Trade Payable.....	588,755	—	—
Intergovernmental Payable.....	—	—	1,472,566
Prize Awards Payable.....	—	41,975	—
Interfund Payable.....	—	106	—
Unearned Revenue.....	376,746	1,357	—
Benefits Payable.....	1,294,961	—	13,446
Refund and Other Liabilities.....	591,207	42,476	8,065
TOTAL CURRENT LIABILITIES.....	2,881,334	222,124	1,494,077
NONCURRENT LIABILITIES:			
Prize Awards Payable.....	—	288,308	—
Interfund Payable.....	—	758	—
Benefits Payable.....	10,593,651	—	—
Refund and Other Liabilities.....	1,522,900	40,285	—
TOTAL NONCURRENT LIABILITIES.....	12,116,551	329,351	—
TOTAL LIABILITIES.....	14,997,885	551,475	1,494,077
DEFERRED INFLOWS OF RESOURCES.....	120,668	19,536	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	15,118,553	571,011	1,494,077
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	83,181	7,973	—
Restricted for Lottery Prizes.....	—	91,013	—
Unrestricted.....	9,275,737	198,211	(912,431)
TOTAL NET POSITION (DEFICITS).....	\$ 9,358,918	\$ 297,197	\$ (912,431)

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	33,256	\$	168,124
	11,289		801,962
	—		487,435
	7,407		37,447
	—		43
	24,000		65,931
	—		84,269
	5,503		6,316
	—		27,170
	—		354,319
	1,989		48,893
	897		515,866
	—		3,572
	<u>84,341</u>		<u>2,601,347</u>
	—		736
	189,655		512,228
	—		21,939,232
	—		557,683
	—		438,047
	7,835		30,605
	656		97,260
	—		9,466
	<u>198,146</u>		<u>23,585,257</u>
	<u>282,487</u>		<u>26,186,604</u>
	<u>7,209</u>		<u>30,417</u>
	<u>289,696</u>		<u>26,217,021</u>
	848		52,414
	6,206		6,206
	7,407		121,716
	—		588,755
	—		1,472,566
	—		41,975
	—		106
	1,103		379,206
	24,000		1,332,407
	1,961		643,709
	<u>41,525</u>		<u>4,639,060</u>
	—		288,308
	—		758
	84,900		10,678,551
	<u>64,202</u>		<u>1,627,387</u>
	<u>149,102</u>		<u>12,595,004</u>
	<u>190,627</u>		<u>17,234,064</u>
	<u>44,352</u>		<u>184,556</u>
	<u>234,979</u>		<u>17,418,620</u>
	656		91,810
	—		91,013
	54,061		8,615,578
\$	<u>54,717</u>	\$	<u>8,798,401</u>

STATE OF OHIO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS – ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
OPERATING REVENUES:			
Charges for Sales and Services.....	\$ —	\$ 5,515,487	\$ 48,636
Premium and Assessment Income.....	1,169,595	—	1,077,602
Federal Government.....	—	—	12,567,930
Investment Income.....	—	—	—
Other.....	7,359	—	127,815
TOTAL OPERATING REVENUES.....	1,176,954	5,515,487	13,821,983
OPERATING EXPENSES:			
Costs of Sales and Services.....	—	—	—
Administration.....	27,348	143,505	—
Bonuses and Commissions.....	—	1,085,109	—
Prizes.....	—	2,841,590	—
Benefits and Claims.....	526,258	—	14,539,576
Depreciation.....	14,224	8,398	—
Other.....	6,277,566	—	—
TOTAL OPERATING EXPENSES.....	6,845,396	4,078,602	14,539,576
OPERATING INCOME (LOSS).....	(5,668,442)	1,436,885	(717,593)
NONOPERATING REVENUES (EXPENSES):			
Investment Income.....	3,464,053	(12,683)	2,072
Interest Expense.....	—	(46)	—
Other.....	—	(12,869)	—
TOTAL NONOPERATING REVENUES (EXPENSES).....	3,464,053	(25,598)	2,072
INCOME (LOSS) BEFORE GAIN (LOSS) AND TRANSFERS.....	(2,204,389)	1,411,287	(715,521)
Gain on Extinguishment of Debt.....	—	—	111
Transfers-in.....	8,253	—	—
Transfers-out.....	(8,923)	(1,360,689)	(20,423)
TOTAL GAIN (LOSS) AND TRANSFERS.....	(670)	(1,360,689)	(20,312)
NET INCOME (LOSS).....	(2,205,059)	50,598	(735,833)
NET POSITION (DEFICITS), JULY 1.....	11,563,977	246,599	(176,598)
NET POSITION (DEFICITS), JUNE 30.....	\$ 9,358,918	\$ 297,197	\$ (912,431)

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL	
\$	51,536	\$	5,615,659
	—		2,247,197
	—		12,567,930
	7,598		7,598
	23,716		158,890
	82,850		20,597,274
	35,277		35,277
	14,425		185,278
	—		1,085,109
	—		2,841,590
	23,955		15,089,789
	191		22,813
	—		6,277,566
	73,848		25,537,422
	9,002		(4,940,148)
	7		3,453,449
	—		(46)
	552		(12,317)
	559		3,441,086
	9,561		(1,499,062)
	—		111
	39,247		47,500
	—		(1,390,035)
	39,247		(1,342,424)
	48,808		(2,841,486)
	5,909		11,639,887
\$	54,717	\$	8,798,401

STATE OF OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – ENTERPRISE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers.....	\$ —	\$ 5,533,901	\$ —
Cash Received from Multi-State Lottery for Grand Prize Winner.....	—	390	—
Cash Received from Premiums and Assessments.....	1,166,717	—	1,149,061
Cash Received from Interfund Services Provided.....	37,483	—	—
Other Operating Cash Receipts.....	28,287	(951)	12,697,865
Cash Payments to Suppliers for Goods and Services.....	(80,982)	(91,800)	—
Cash Payments to Employees for Services.....	(218,030)	(37,335)	—
Cash Payments for Benefits and Claims.....	(1,448,122)	—	(13,687,078)
Cash Payments for Lottery Prizes.....	—	(2,884,319)	—
Cash Payments for Bonuses and Commissions.....	—	(1,085,109)	—
Cash Payments for Premium Reductions and Refunds.....	(6,433,444)	—	—
Cash Payments for Interfund Services Used.....	(39,401)	(10,416)	—
Other Operating Cash Payments.....	—	(6,536)	(944,536)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	(6,987,492)	1,417,825	(784,688)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Federal Advance (Loan)	—	—	1,254,076
Other.....	—	—	—
Transfers-in	8,253	—	—
Transfers-out	(8,923)	(1,360,689)	(20,423)
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES.....	(670)	(1,360,689)	1,233,653
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal Payments on Bonds, Notes and Capital Leases.....	—	(1,945)	—
Acquisition and Construction of Capital Assets	(419)	(1,043)	—
Proceeds from Sales of Capital Assets	221	—	—
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES.....	(198)	(2,988)	—
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments.....	(12,522,010)	(39,953)	—
Proceeds from the Sales and Maturities of Investments	19,130,501	75,443	—
Investment Income Received	565,385	(1,787)	2,072
Borrower Rebates and Agent Fees.....	(54,995)	(96)	—
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES.....	7,118,881	33,607	2,072
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	130,521	87,755	451,037
CASH AND CASH EQUIVALENTS, JULY 1	487,628	220,416	36,398
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 618,149	\$ 308,171	\$ 487,435

The notes to the financial statements are an integral part of this statement.

NONMAJOR PROPRIETARY FUNDS		TOTAL
\$ 36,512	\$ 5,570,413	
—	390	
—	2,315,778	
10,589	48,072	
6,400	12,731,601	
(8,451)	(181,233)	
(82,079)	(337,444)	
—	(15,135,200)	
—	(2,884,319)	
—	(1,085,109)	
—	(6,433,444)	
(4,636)	(54,453)	
(23,955)	(975,027)	
(65,620)	(6,419,975)	
—	1,254,076	
552	552	
39,079	47,332	
—	(1,390,035)	
39,631	(88,075)	
—	(1,945)	
(95)	(1,557)	
—	221	
(95)	(3,281)	
(39,763)	(12,601,726)	
64,617	19,270,561	
252	565,922	
—	(55,091)	
25,106	7,179,666	
(978)	668,335	
45,523	789,965	
\$ 44,545	\$ 1,458,300	

(continued)

STATE OF OHIO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS – ENTERPRISE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)
(continued)

	MAJOR PROPRIETARY FUNDS		
	WORKERS' COMPENSATION	LOTTERY COMMISSION	UNEMPLOYMENT COMPENSATION
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss).....	\$ (5,668,442)	\$ 1,436,885	\$ (717,593)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Investment Income.....	—	—	—
Depreciation	14,224	8,398	—
Provision for Uncollectible Accounts.....	28,471	—	—
Decrease (Increase) in Assets:			
Intergovernmental Receivable.....	—	—	(435)
Premiums and Assessments Receivable.....	32,633	—	38,207
Interfund Receivable.....	20,035	—	—
Other Receivables	(179,725)	17,663	(45,947)
Other Assets	—	2,337	—
Increase (Decrease) in Liabilities:			
Accounts Payable	5,846	13,224	—
Accrued Liabilities.....	—	—	—
Intergovernmental Payable.....	—	—	(2,815)
Prize Awards Payable.....	—	(35,263)	—
Interfund Payable.....	—	(92)	—
Unearned Revenue	40,778	(201)	—
Benefits Payable.....	(880,042)	—	(61,898)
Refund and Other Liabilities.....	(401,270)	(25,126)	5,793
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ (6,987,492)	\$ 1,417,825	\$ (784,688)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Change in Fair Value of Investments.....	\$ 2,995,025	\$ (50,741)	\$ —
Gain on Extinguishment of Debt.....	—	—	111
Acquiring a Capital Asset through a Capital Lease.....	—	13,900	—

The notes to the financial statements are an integral part of this statement.

<u>NONMAJOR PROPRIETARY FUNDS</u>	<u>TOTAL</u>
\$ 9,002	\$ (4,940,148)
(7,598)	(7,598)
191	22,813
—	28,471
(16,499)	(16,934)
—	70,840
(168)	19,867
(454)	(208,463)
—	2,337
(28,107)	(9,037)
538	538
—	(2,815)
—	(35,263)
—	(92)
1,103	41,680
(23,700)	(965,640)
72	(420,531)
<u>\$ (65,620)</u>	<u>\$ (6,419,975)</u>

\$ —	\$ 2,944,284
—	111
—	13,900

STATE OF OHIO

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2021

(dollars in thousands)

	PENSION TRUST - STATE HIGHWAY PATROL RETIREMENT SYSTEM (as of 12/31/20)	PRIVATE- PURPOSE TRUST FUNDS	INVESTMENT TRUST - STAR OHIO
ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	36,992	297,398	824,382
Investments (at fair value):			
U.S. Government and Agency Obligations.....	15,497	—	1,668,913
Common and Preferred Stock.....	75,112	—	—
Corporate Bonds and Notes.....	16,991	—	652,706
Foreign Stocks and Bonds.....	5,086	—	—
Commercial Paper.....	—	—	6,111,385
Repurchase Agreements.....	—	—	338,756
Mutual Funds.....	529,464	16,010,827	5,348,417
Real Estate.....	68,139	—	—
Partnership and Hedge Funds.....	284,738	—	—
State Treasury Asset Reserve of Ohio (STAR Ohio).....	—	—	—
Collateral on Lent Securities.....	—	—	—
Employer Contributions Receivable.....	559	—	—
Employee Contributions Receivable.....	1,670	—	—
Other Receivables.....	1,192	69,907	11,698
Other Assets.....	73	—	—
TOTAL ASSETS.....	1,035,513	16,378,132	14,956,257
DEFERRED OUTFLOWS OF RESOURCES.....	293	—	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	1,035,806	16,378,132	14,956,257
LIABILITIES:			
Accounts Payable.....	522	—	—
Accrued Liabilities.....	7,377	4,401	575
Obligations Under Securities Lending.....	—	—	—
Intergovernmental Payable.....	—	—	—
Refund and Other Liabilities.....	1,476	55,905	60
TOTAL LIABILITIES.....	9,375	60,306	635
DEFERRED INFLOWS OF RESOURCES.....	417	—	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	9,792	60,306	635
NET POSITION (DEFICITS):			
Restricted for:			
Employees' Pension Benefits.....	907,391	—	—
Employees' Postemployment Healthcare Benefits.....	118,623	—	—
Individuals, Organizations and Other Governments.....	—	16,317,826	—
Pool Participants.....	—	—	14,955,622
TOTAL NET POSITION (DEFICITS).....	\$ 1,026,014	\$ 16,317,826	\$ 14,955,622

The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

\$ 263,632
101,960

15,928

—

—

—

—

—

—

18,802

58,720

—

—

—

—

459,042

—

459,042

—

—

58,720

239,837

96,105

394,662

—

394,662

—

—

64,380

—

\$ 64,380

STATE OF OHIO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	PENSION TRUST - STATE HIGHWAY PATROL RETIREMENT SYSTEM (as of 12/31/20)	PRIVATE- PURPOSE TRUST FUNDS	INVESTMENT TRUST - STAR OHIO
ADDITIONS:			
Contributions from:			
Employer.....	\$ 32,855	\$ —	\$ —
Employees.....	17,334	—	—
Plan Participants.....	—	6,111,085	—
Other.....	8,250	—	—
Total Contributions.....	58,439	6,111,085	—
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments.....	129,019	2,406,368	—
Interest, Dividends and Other.....	16,964	533,985	27,958
Total Investment Income.....	145,983	2,940,353	27,958
Less: Investment Expense.....	8,617	40,829	6,020
Net Investment Income.....	137,366	2,899,524	21,938
Capital Share and Individual Account Transactions:			
Shares Sold.....	—	—	29,019,598
Reinvested Distributions.....	—	—	24,561
Shares Redeemed.....	—	—	(26,501,263)
Net Capital Share and Individual Account Transactions.....	—	—	2,542,896
Tax Collections for Local Governments.....	—	—	—
Child Support Collections.....	—	—	—
Detainee / Resident Home Personal Accounts.....	—	—	—
Other Organizations' Accounts.....	—	—	—
Miscellaneous.....	—	—	—
TOTAL ADDITIONS.....	195,805	9,010,609	2,564,834
DEDUCTIONS:			
Pension Benefits Paid to Participants or Beneficiaries.....	78,594	—	—
Healthcare Benefits Paid to Participants or Beneficiaries.....	15,726	—	—
Refunds of Employee Contributions.....	2,553	—	—
Administrative Expense.....	1,710	—	—
Transfers to Other Retirement Systems.....	54	—	—
Distributions to Shareholders, Plans, Participants.....	—	5,747,939	21,938
Tax Distributions to Local Governments.....	—	—	—
Child Support Payments.....	—	—	—
Detainee / Resident Home Personal Accounts.....	—	—	—
Other Organizations' Accounts.....	—	—	—
Miscellaneous.....	—	—	—
TOTAL DEDUCTIONS.....	98,637	5,747,939	21,938
CHANGE IN NET POSITION RESTRICTED FOR:			
Employees' Pension Benefits.....	89,532	—	—
Employees' Postemployment Healthcare Benefits.....	7,636	—	—
Individuals, Organizations and Other Governments.....	—	3,262,670	—
Pool Participants.....	—	—	2,542,896
TOTAL CHANGE IN NET POSITION.....	97,168	3,262,670	2,542,896
NET POSITION (DEFICITS), JULY 1 (as restated).....	928,846	13,055,156	12,412,726
NET POSITION (DEFICITS), JUNE 30.....	\$ 1,026,014	\$ 16,317,826	\$ 14,955,622

The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

\$ —
2,065,002
—
—
2,065,002

—
41
41
—
41

39,210
—
(47,143)
(7,933)
3,931,442
2,004,866
109,262
168,211
2,150
8,273,041

—
—
—
—
—
2,065,617
3,931,442
2,004,866
97,547
169,794
2,234
8,271,500

—
—
1,541
—
1,541
62,839
\$ 64,380

STATE OF OHIO
COMBINING STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2021
(dollars in thousands)

	MAJOR COMPONENT UNITS		
	OHIO FACILITIES CONSTRUCTION COMMISSION	OHIO STATE UNIVERSITY	NONMAJOR COMPONENT UNITS
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 359,134	\$ —	\$ 1,416
Cash and Cash Equivalents.....	—	938,144	1,335,666
Investments.....	2,514	2,813,669	3,963,585
Collateral on Lent Securities.....	79,991	—	—
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	244,696
Investments.....	—	—	64,444
Intergovernmental Receivable.....	—	11,187	92,874
Loans Receivable, Net.....	—	25,231	24,122
Receivable from Primary Government.....	—	442	21,905
Other Receivables.....	—	877,786	630,113
Inventories.....	—	95,891	121,385
Other Assets.....	—	59,308	100,321
TOTAL CURRENT ASSETS.....	441,639	4,821,658	6,600,527
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	—	276,243	111,305
Investments.....	—	—	3,150,165
Investments.....	—	7,390,200	2,951,336
Loans Receivable, Net.....	—	37,566	191,395
Other Receivables.....	—	97,441	270,035
Other Assets.....	—	479,315	1,669,083
Capital Assets Being Depreciated, Net.....	13	5,278,831	9,799,942
Capital Assets Not Being Depreciated.....	—	1,232,103	704,975
TOTAL NONCURRENT ASSETS.....	13	14,791,699	18,848,236
TOTAL ASSETS.....	441,652	19,613,357	25,448,763
DEFERRED OUTFLOWS OF RESOURCES.....	—	467,600	776,458
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	441,652	20,080,957	26,225,221
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	3,281	615,171	320,164
Accrued Liabilities.....	271	193,256	682,583
Obligations Under Securities Lending.....	79,991	—	—
Intergovernmental Payable.....	221,037	—	927
Unearned Revenue.....	—	640,827	386,086
Refund and Other Liabilities.....	2,644	250,306	271,770
Payable to Primary Government.....	—	—	10,482
Bonds and Notes Payable.....	—	344,779	294,430
TOTAL CURRENT LIABILITIES.....	307,224	2,044,339	1,966,442
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	154,178	—	19,710
Unearned Revenue.....	—	—	24,117
Refund and Other Liabilities.....	1,293	4,442,628	4,065,514
Bonds and Notes Payable.....	—	2,912,463	7,764,598
TOTAL NONCURRENT LIABILITIES.....	155,471	7,355,091	11,873,939
TOTAL LIABILITIES.....	462,695	9,399,430	13,840,381
DEFERRED INFLOWS OF RESOURCES.....	3,104,058	1,796,237	1,338,236
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	3,566,753	11,195,667	15,178,617
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	—	3,742,876	5,834,190
Restricted for:			
Transportation.....	—	—	204,899
Community and Economic Development.....	6,950	—	—
Nonexpendable:			
Scholarships and Fellowships.....	—	—	494,711
Research.....	—	—	97,517
Endowments and Quasi-Endowments.....	—	1,789,304	1,843,523
Loans, Grants and Other College and University Purposes.....	—	—	579,818
Expendable:			
Scholarships and Fellowships.....	—	—	503,425
Research.....	—	—	167,778
Instructional Department Uses.....	—	—	199,328
Student and Public Services.....	—	—	116,833
Academic Support.....	—	—	231,313
Debt Service.....	—	—	21,552
Capital Purposes.....	—	2,006	137,197
Endowments and Quasi-Endowments.....	—	877,452	406,338
Current Operations.....	—	1,151,470	44,912
Loans, Grants and Other College and University Purposes.....	—	—	554,043
Unrestricted.....	(3,132,051)	1,322,182	(390,773)
TOTAL NET POSITION (DEFICITS).....	\$ (3,125,101)	\$ 8,885,290	\$ 11,046,604

The notes to the financial statements are an integral part of this statement.

TOTAL

\$ 360,550
2,273,810
6,779,768
79,991

244,696
64,444
104,061
49,353
22,347
1,507,899
217,276
159,629
11,863,824

387,548
3,150,165
10,341,536
228,961
367,476
2,148,398
15,078,786
1,937,078
33,639,948
45,503,772
1,244,058
46,747,830

938,616
876,110
79,991
221,964
1,026,913
524,720
10,482
639,209
4,318,005

173,888
24,117
8,509,435
10,677,061
19,384,501
23,702,506
6,238,531
29,941,037

9,577,066

204,899
6,950

494,711
97,517
3,632,827
579,818

503,425
167,778
199,328
116,833
231,313
21,552
139,203
1,283,790
1,196,382
554,043
(2,200,642)
\$ 16,806,793

STATE OF OHIO
COMBINING STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	MAJOR COMPONENT UNITS		
	OHIO FACILITIES CONSTRUCTION COMMISSION	OHIO STATE UNIVERSITY	NONMAJOR COMPONENT UNITS
EXPENSES:			
Primary, Secondary and Other Education.....	\$ 5,675	\$ —	\$ —
Transportation.....	—	—	276,142
Community and Economic Development.....	55,195	—	1,660,828
Education and General:			
Instruction and Departmental Research.....	—	965,286	1,908,470
Separately Budgeted Research.....	—	457,996	329,749
Public Service.....	—	145,797	240,720
Academic Support.....	—	190,097	445,742
Student Services.....	—	52,086	273,069
Institutional Support.....	—	252,338	633,213
Operation and Maintenance of Plant.....	—	96,389	301,002
Scholarships and Fellowships.....	—	146,187	386,484
Auxiliary Enterprises.....	—	206,123	492,418
Hospitals.....	—	3,336,465	386,587
Interest on Long-Term Debt.....	—	127,236	319,578
Depreciation.....	2	470,704	664,716
Other.....	—	—	(239,129)
TOTAL EXPENSES.....	60,872	6,446,704	8,079,589
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	6,019	5,861,865	5,678,650
Operating Grants, Contributions and Restricted Investment Income.....	1,985	840,451	1,430,516
Capital Grants, Contributions and Restricted Investment Income.....	—	78,942	30,029
TOTAL PROGRAM REVENUES.....	8,004	6,781,258	7,139,195
NET PROGRAM (EXPENSE) REVENUE	(52,868)	334,554	(940,394)
GENERAL REVENUES:			
Unrestricted Investment Income.....	—	1,860,926	1,163,450
State Assistance.....	454,795	550,103	1,531,000
Other.....	—	394,229	826,611
TOTAL GENERAL REVENUES.....	454,795	2,805,258	3,521,061
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	63,157	69,683
CHANGE IN NET POSITION.....	401,927	3,202,969	2,650,350
NET POSITION (DEFICITS), JULY 1 (as restated).....	(3,527,028)	5,682,321	8,396,254
NET POSITION (DEFICITS), JUNE 30.....	\$ (3,125,101)	\$ 8,885,290	\$ 11,046,604

The notes to the financial statements are an integral part of this statement.

<u>TOTAL</u>	
\$	5,675
	276,142
	1,716,023
	2,873,756
	787,745
	386,517
	635,839
	325,155
	885,551
	397,391
	532,671
	698,541
	3,723,052
	446,814
	1,135,422
	(239,129)
	<u>14,587,165</u>
	11,546,534
	2,272,952
	<u>108,971</u>
	<u>13,928,457</u>
	<u>(658,708)</u>
	3,024,376
	2,535,898
	<u>1,220,840</u>
	<u>6,781,114</u>
	132,840
	<u>6,255,246</u>
	<u>10,551,547</u>
\$	<u><u>16,806,793</u></u>



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the State of Ohio, as of June 30, 2021, and for the year then ended, conform with generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles, which are included in the GASB's *Codification of Governmental Accounting and Financial Reporting Standards*. The State's significant accounting policies are as follows.

A. Financial Reporting Entity

The State of Ohio's primary government includes all funds, elected officials, departments and agencies, bureaus, boards, commissions, and authorities that make up the State's legal entity. Component units, legally separate organizations for which the State's elected officials are financially accountable, also comprise, in part, the State's reporting entity. Additionally, other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete should be included in a government's financial reporting entity.

GASB 14, *The Financial Reporting Entity*, as amended by GASB 39, *Determining Whether Certain Organizations are Component Units*, GASB 61, *The Financial Reporting Entity: Omnibus*, and GASB 80, *Blending Requirements for Certain Component Units*, defines financial accountability. The criteria for determining financial accountability include the following circumstances:

- appointment of a voting majority of an organization's governing authority and the ability of the primary government to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or
- an organization is fiscally dependent on the primary government and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

1. Blended Component Units

The Buckeye Tobacco Settlement Financing Authority (BTSFA) is a legally separate organization for which the State has financial accountability through voting majority and the State has the potential to receive a financial benefit. The BTSFA provides services entirely, or almost entirely, to the State or otherwise exclusively, or almost exclusively, for the benefit of the State. Therefore, the State reports this organization's balances and transactions as though they were part of the primary government using the blending method.

2. Fiduciary Component Units

The State Highway Patrol Retirement System is a legally separate organization that provides services entirely, or almost entirely, to the State or otherwise exclusively, or almost exclusively, for the benefit of the State. Therefore, the State reports this organization's balances and transactions separately in the fiduciary fund financial statements.

3. Discretely Presented Component Units

The component units' columns in the basic financial statements include the financial data of another 28 organizations. The separate discrete column labeled, "Component Units," emphasizes these organizations' separateness from the State's primary government. Officials of the primary government appoint a voting majority of each organization's governing board.

The primary government can impose its will on the following organizations by modifying or approving their respective budgets, through policy modification authority, or by modifying or approving rate or fee changes.

Ohio Facilities Construction Commission
Ohio Air Quality Development Authority
Ohio Capital Fund
JobsOhio

The Ohio Turnpike and Infrastructure Commission has the potential to provide a financial benefit to the primary government.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following organizations impose or potentially impose financial burdens on the primary government:

Ohio State University
University of Cincinnati
Ohio University
Miami University
University of Akron
Bowling Green State University
Kent State University
University of Toledo
Cleveland State University
Youngstown State University
Wright State University
Shawnee State University
Northeast Ohio Medical University
Central State University
Terra State Community College
Columbus State Community College
Clark State Community College
Edison State Community College
Southern State Community College
Washington State Community College
Cincinnati State Community College
Northwest State Community College
Owens State Community College

The Ohio Facilities Construction Commission, a governmental component unit, does not issue separately audited financial reports.

Information on how to obtain financial statements for the State's component units that do issue their own separately audited financial reports is available from the Ohio Office of Budget and Management.

4. Joint Ventures and Related Organizations

As discussed in more detail in NOTE 19, the State participates in several joint ventures and has related organizations. The State does not include the financial activities of these organizations in its financial statements, in conformity with GASB 14, as amended by GASB 39, GASB 61 and GASB 80.

B. Basis of Presentation

Government-wide Statements — The Statement of Net Position and the Statement of Activities display information about the primary government (the State) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities.

Fiduciary funds of the primary government and component units that are fiduciary in nature are reported only in the statements of fiduciary net position and changes in fiduciary net position.

For the government-wide financial statements, eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the State. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole, or in part, by fees charged to external parties for goods or services.

The Statement of Net Position reports all financial and capital resources using the economic resources measurement focus and the accrual basis of accounting. The State presents the statement in a format that displays *assets and deferred outflows of resources less liabilities and deferred inflows of resources equal net position*. The *net position* section is displayed in three components:



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- The *Net Investment in Capital Assets* component consists of 1) capital assets, net of accumulated depreciation, and deferred outflows of resources that are attributable to the acquisition, construction, or improvements of those assets or related debt less 2) outstanding balances of any bonds or other borrowings and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt. The portion of debt and deferred inflows of resources attributable to significant unspent related debt proceeds at year-end is not included in the calculation of this net position component.
- The *Restricted Net Position* component represents the net position with constraints placed on its use that are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. For component units with permanent endowments, restricted net position is displayed in two additional components — nonexpendable and expendable. Nonexpendable net position is for those endowments that are required to be retained in perpetuity.
- The *Unrestricted Net Position* component consists of the net position that does not meet the definition of the preceding two components.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the State's governmental activities and for the different business-type activities of the State. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular program or function. Centralized expenses have been included in direct expenses. Indirect expenses have not been allocated to the programs or functions reported in the Statement of Activities.

Program revenues include licenses, permits and other fees, fines, forfeitures, charges paid by the recipients of goods or services offered by the programs, and grants, contributions, and investment earnings that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all tax, tobacco settlement, escheat property revenues, unrestricted investment income, and state assistance, are presented as general revenues.

Fund Financial Statements — The fund financial statements provide information about the State's funds, including the fiduciary funds and blended component units. Separate statements for each fund category — governmental, proprietary, and fiduciary — are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as nonmajor funds.

Governmental fund types include the General, special revenue, debt service, and capital projects funds. The proprietary funds consist of enterprise funds. Fiduciary fund types include pension trust, private-purpose trust, investment trust, and custodial funds.

Operating revenues for the State's proprietary funds mainly consist of charges for sales and services and premium and assessment income since these revenues result from exchange transactions associated with the principal activity of the respective enterprise fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Revenue from the federal government for the underfunded regular and extended unemployment benefits is also reported as operating revenues for the Unemployment Compensation Fund since this source provides significant funding for the payment of unemployment benefits — the fund's principal activity. Investment income for the Tuition Trust Authority Fund is also reported as operating revenue since this source provides significant funding for the payment of tuition benefits. Nonoperating revenues for the proprietary funds result from nonexchange transactions or ancillary activities; nonoperating revenues are primarily comprised of investment income and federal operating grants.

Proprietary fund operating expenses principally consist of expenses for the cost of sales and services, administration, bonuses and commissions, prizes, benefits and claims, and depreciation. Nonoperating expenses principally consist of interest expense on debt and the amortization of discount on lottery prize liabilities, which is reported under "Other" nonoperating expenses.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The State reports the following major governmental funds:

General — The General Fund, the State's primary operating fund, accounts for resources of the general government, except those required to be accounted for in another fund.

Job, Family and Other Human Services Special Revenue Fund — This fund accounts for public assistance programs primarily administered by the Ohio Department of Job and Family Services, which provides financial assistance, services, and job training to those individuals and families who do not have sufficient resources to meet their basic needs. The primary sources of revenue for this fund are licenses, permits and fees and the federal government.

Buckeye Tobacco Settlement Financing Authority Revenue Bonds Debt Service Fund — This fund accounts for the payment of principal and interest on the revenue bonds issued to fund long-lived capital projects at State-supported institutions of higher education and to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State.

Pandemic Relief Funds — This fund accounts for federal pandemic funds to provide relief to the State for necessary expenditures incurred due to the novel coronavirus (COVID-19) pandemic.

The State reports the following major proprietary funds:

Workers' Compensation Enterprise Fund — This fund accounts for the operations of the Ohio Bureau of Workers' Compensation and the Industrial Commission of Ohio, which provide workers' compensation insurance services.

Lottery Commission Enterprise Fund — This fund accounts for the State's lottery operations.

Unemployment Compensation Enterprise Fund — This fund, which is administered by the Ohio Department of Job and Family Services, accounts for unemployment compensation benefit claims.

The State reports the following fiduciary fund types:

Pension Trust Fund — The State Highway Patrol Retirement System Pension Trust Fund accounts for resources that are required to be held in trust for members and beneficiaries of the defined benefit plan. The financial statements for the State Highway Patrol Retirement System Pension Trust Fund are presented for the fiscal year ended December 31, 2020.

Private-Purpose Trust Fund — The Private-Purpose Trust Fund accounts for trust arrangements under which principal and income benefit participants in the Variable College Savings Plan, which is administered by the Tuition Trust Authority and the STABLE Program, which is administered by the Treasurer of State's Office.

Investment Trust Fund — The STAR Ohio Investment Trust Fund accounts for the state-sponsored external investment pool, which the Treasurer of State administers for local government participants.

Custodial Funds — These funds account for the receipt, deposit, temporary investment, and remittance of fiduciary resources held on behalf of individuals, private organizations, and other governments.

The State reports the following major discretely presented component unit funds:

The *Ohio Facilities Construction Commission Fund* primarily accounts for grants that provide assistance to local entities for the construction of school buildings. The fund also provides construction services for arts and sports facilities.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The *Ohio State University Fund* is a business-type activity that uses proprietary fund reporting. It reports the university's operations, including the University's health system, supercomputer center, agricultural research and development center, and other legally separate entities subject to the control of the university's board.

C. Measurement Focus and Basis of Accounting

Government-wide, Enterprise Fund, and Fiduciary Fund Financial Statements — The State reports the government-wide financial statements and the proprietary fund and fiduciary fund financial statements using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

The State recognizes revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions when the exchange takes place. When resources are received in advance of the exchange, the State reports the unearned revenue as a liability.

Nonexchange transactions, in which the State gives (or receives) value without directly receiving (or giving) equal value in exchange, include derived taxes, grants, and entitlements. The revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from nonexchange transactions are recognized in accordance with the requirements of GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB 65, *Items Previously Reported as Assets and Liabilities*.

Under the accrual basis, the State recognizes assets from derived tax revenues (e.g., personal income, sales, and motor vehicle fuel taxes) in the fiscal year when the exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. The State recognizes derived tax revenues, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred.

Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Resources transmitted in advance of the State meeting eligibility requirements are reported as unearned revenue.

Investment income includes the net increase (decrease) in the fair value of investments.

Governmental Fund Financial Statements — The State reports governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The State considers revenues reported in the governmental funds to be available when the revenues are collectible within 60 days after year-end or soon enough thereafter to be used to pay liabilities of the current period.

Significant revenue sources susceptible to accrual under the modified accrual basis of accounting include:

- Personal income taxes
- Sales and use taxes
- Motor vehicle fuel taxes
- Charges for goods and services
- Federal government grants
- Tobacco settlement
- Investment income

The State recognizes assets from derived tax revenues (e.g., personal income, sales, and motor vehicle fuel taxes) in the fiscal year when the exchange transaction on which the tax is imposed occurs or when the resources are received, whichever occurs first. The State recognizes derived tax revenues, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred, and the revenues are collected during the availability period.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For revenue arising from exchange transactions (e.g., charges for goods and services), the State recognizes deferred inflows of resources when resources earned from the exchange are not received during the availability period and reports unearned revenue when resources are received in advance of exchange.

The governmental funds recognize federal government revenue in the period when all applicable eligibility requirements have been met and resources are available. Resources transmitted in advance of the State meeting eligibility requirements are reported as unearned revenue. The State recognizes deferred inflows of resources for reimbursement-type grant programs if the reimbursement is not received during the availability period.

Licenses, permits, fees, and certain other miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. The "Other" revenue account is comprised of refunds, reimbursements, recoveries, and other miscellaneous income.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, capital lease obligations, compensated absences, and claims and judgments. The governmental funds recognize expenditures for these liabilities to the extent they have matured or will be liquidated with expendable, available financial resources.

Capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds from long-term debt issuances, including refunding bond proceeds, premiums, and acquisitions under capital leases are reported as other financing sources while discounts and payments to refunded bond escrow agents are reported as other financing uses.

D. Budgetary Process

As the Ohio Revised Code requires, the Governor submits biennial operating and capital budgets to the General Assembly.

The General Assembly approves operating appropriations in annual amounts and capital appropriations in two-year amounts.

The General Assembly enacts the budget through passage of specific departmental line-item appropriations, the legal level of budgetary control. Line-item appropriations are established within funds by program or major object of expenditure. The Governor may veto any item in an appropriation bill. Such vetoes are subject to legislative override.

The State's Controlling Board can transfer or increase a line-item appropriation within the limitations set under Sections 127.14 and 131.35, Ohio Revised Code.

All governmental funds are budgeted except the following activities within the debt service and capital projects fund types:

- Improvements General Obligations
- Highway Improvements General Obligations
- Development General Obligations
- Highway General Obligations
- Public Improvements General Obligations
- Vietnam Conflict Compensation General Obligations
- Infrastructure Bank Revenue Bonds
- Buckeye Tobacco Settlement Financing Authority Revenue Bonds
- Lease Rental Special Obligations
- Certificates of Participation as follows:
 - MARCS Certificates of Participation
 - OAKS Certificates of Participation
 - STARS Certificates of Participation
 - TMS Certificates of Participation
 - EDCS Certificates of Participation



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BCIRS Certificates of Participation
VSA Certificates of Participation
UIS Certificates of Participation
MARCS Project
OAKS Project
STARS Project
TMS Project
EDCS Project
BCIRS Project
UIS Project

For budgeted funds, the State's Ohio Administrative Knowledge System (OAKS) controls expenditures by appropriation line-item, so at no time can expenditures exceed appropriations and financial-related legal compliance is assured. The State uses the modified cash basis of accounting for budgetary purposes.

The *Detailed Appropriation Summary by Fund Report* is available for public inspection at the Ohio Office of Budget and Management and on its web site at <https://obm.ohio.gov/wps/portal/gov/obm/areas-of-interest/state-accounting/financial-reporting/dasf>. This Summary provides a more comprehensive accounting of activity on the budgetary basis at the legal level of budgetary control.

In the *Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget and Actual (Non-GAAP Budgetary Basis) — General Fund and Major Special Revenue Funds*, the State reports estimated revenues and other financing sources and uses for the General Fund only; the State does not estimate revenue and other financing sources and uses for the major special revenue funds or its budgeted nonmajor governmental funds.

Additionally, in the non-GAAP budgetary basis schedules, "actual" budgetary expenditures include cash disbursements and outstanding encumbrances, as of June 30.

The State Highway Patrol Retirement System Pension Trust Fund, the Variable College Savings Plan and STABLE Program Private-Purpose Trust Funds, and the STAR Ohio Investment Trust Fund are not legally required to adopt budgets. The State is not legally required to report budgetary data and comparisons for the budgeted proprietary funds. Also, the State does not present budgetary data for its discretely presented component units.

Because the State budgets on a modified cash basis of accounting, which differs from GAAP, the budgetary required supplementary information notes present a reconciliation of the differences between the GAAP basis and non-GAAP budgetary basis of reporting.

E. Cash Equity with Treasurer and Cash and Cash Equivalents

Cash equity with Treasurer consists of pooled demand deposits and investments carried at fair value. The State's cash pool under the Treasurer of State's administration has the general characteristics of a demand deposit account whereby additional cash can be deposited at any time and can also be effectively withdrawn at any time, within certain budgetary limitations, without prior notice or penalty.

Cash and cash equivalents include amounts on deposit with financial institutions and cash on hand. The cash and cash equivalents account also includes investments with original maturities of three months or less from the date of acquisition for the Workers' Compensation Enterprise Fund.

The Unemployment Compensation Enterprise Fund Trust Account has the general characteristics of a demand deposit account whereby additional cash can be deposited at any time and can also be effectively withdrawn at any time, without prior notice or penalty. The balance in the account at fiscal year-end is reported by the State as "Deposit with Federal Government" and is considered a cash equivalent for cash flow purposes.

Cash equity with Treasurer and cash and cash equivalents, including the portions reported under "Restricted Assets" and the Deposit with Federal Government are considered to be cash equivalents, as defined in GASB Statement No. 9, for purposes of the Statement of Cash Flows.

Additional disclosures on the State's deposits can be found in NOTE 4.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Investments

Investments include long-term investments that may be restricted by law or other legal instruments. With the exception of certain money market investments, which have remaining maturities at the time of purchase of one year or less and are carried at amortized cost, and holdings in the State Treasury Asset Reserve of Ohio (STAR Ohio) investment pool, the State primarily reports investments at fair value. STAR Ohio reports investments at amortized cost, which approximates fair value.

The colleges and universities report investments received as gifts at their fair value on the donation date.

The primary government does not manage or provide investment services for investments reported in the Fiduciary Custodial Funds that are owned by other entities that are not part of the State of Ohio's reporting entity.

Additional disclosures on the State's investments can be found in NOTE 4.

G. Taxes Receivable

Taxes receivable represent amounts due to the State at June 30, which will be collected sometime in the future. In the government-wide financial statements, revenue has been recognized for the receivable. In the fund financial statements, only the portion of the receivable collected during the 60-day availability period has been recognized as revenue while the remainder is recorded as deferred inflows of resources. Additional disclosures on taxes receivable can be found in NOTE 5.

H. Intergovernmental Receivable

The intergovernmental receivable balance is primarily comprised of amounts due from the federal government for reimbursement-type grant programs. Advances of resources to recipient local governments before eligibility requirements have been met under government-mandated and voluntary nonexchange programs and amounts due for exchanges of State goods and services with other governments are also reported as intergovernmental receivables. Additional details on the intergovernmental receivable balance can be found in NOTE 5.

I. Inventories

Inventories are valued at cost. Principal inventory cost methods applied include first-in/first-out, average cost, moving-average, and retail.

In the governmental fund financial statements, the State recognizes the costs of material inventories as expenditures when purchased. Inventories do not reflect current appropriable resources in the governmental fund financial statements. Therefore, the State reports an equivalent portion of fund balance as nonspendable.

J. Restricted Assets

The primary government reports assets restricted primarily for the payment of lottery prize awards payable, revenue bonds, and tuition benefits.

Generally, the component unit funds hold assets in trust under bond covenants or other financing arrangements that legally restrict the use of these assets.

K. Capital Assets

Primary Government

The State reports capital assets purchased with governmental fund resources in the government-wide financial statements at historical cost, or at estimated historical cost when no historical records exist. Donated capital assets are reported at acquisition value as of the donation date. The State does not report capital assets purchased with governmental fund resources in the fund financial statements. Governmental capital assets are reported net of accumulated depreciation, except for land, construction-in-progress, transportation infrastructure assets, and individual works of art and historical treasures, including historical land improvements and buildings. Transportation infrastructure assets are reported using the "modified approach," as discussed below, and therefore are not depreciable. Individual works of art and historical treasures, including historical land improvements and buildings, are considered to be inexhaustible, and therefore, are not depreciable.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The State reports capital assets purchased with enterprise fund resources and fiduciary fund resources in the government-wide and the fund financial statements at historical cost, or at estimated historical cost when no historical records exist. Donated capital assets are reported at acquisition value as of the donation date. Capital assets, except for land and construction-in-progress, are reported net of accumulated depreciation.

The State has elected to capitalize its transportation infrastructure assets, defined as bridges, general highways, and priority highways, using the modified approach. Under this approach, the infrastructure assets are not depreciated because the State has committed itself to maintaining the assets at a condition level that the Ohio Department of Transportation (ODOT) has determined to be adequate to meet the needs of the citizenry. Costs of maintaining the bridge and highway infrastructure are not capitalized. New construction that represents additional lane-miles of highway or additional square-footage of bridge deck area and improvements that add to the capacity or efficiency of an asset are capitalized.

ODOT maintains an inventory of its transportation infrastructure capital assets and conducts annual condition assessments to establish that the condition level that the State has committed itself to maintaining is, in fact, being achieved. ODOT also estimates the amount that must be spent annually to maintain the assets at the desired condition level.

For its other types of capital assets, the State does not capitalize the costs of normal maintenance and repairs that do not add to an asset’s value or materially extend its useful life. Costs of major improvements are capitalized. Interest costs associated with the acquisition of capital assets purchased using governmental fund resources are not capitalized, while those associated with acquisitions purchased using enterprise and fiduciary fund resources are capitalized.

The State does not capitalize collections of works of art or historical treasures that can be found at the Governor’s residence, Malabar Farm (i.e., Louis Bromfield estate), which the Ohio Department of Natural Resources operates, the Ohio Arts Council, the State Library of Ohio, and the Capitol Square Review and Advisory Board for the following reasons:

- The collection is held for public exhibition, education, or research in furtherance of public service rather than for financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

The State has established the following capitalization thresholds:

Buildings	\$ 15,000
Building Improvements	100,000
Land, including easements	All, regardless of cost
Land Improvements	15,000
Machinery and Equipment.....	15,000
Vehicles	15,000
Infrastructure:	
Highway Network.....	500,000
Bridge Network	500,000
Park and Natural Resources Network..	All, regardless of cost

For depreciable assets, the State applies the straight-line method over the following estimated useful lives:

Buildings.....	20-45 Years
Land Improvements	10-30 Years
Machinery and Equipment	3-15 Years
Vehicles	7-15 Years
Park and Natural Resources	
Infrastructure Network	10-50 Years

NOTE 8 contains additional disclosures about the primary government’s capital assets.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit Funds

The discretely presented component unit funds value capital assets at cost and donated capital assets at acquisition value on the donation date. They apply the straight-line method to depreciable capital assets. Additional disclosures about the discretely presented component unit funds' capital assets can be found in NOTE 8.

L. Medicaid Claims Payable

The Medicaid claims liability, which has an average maturity of one year or less, includes an estimate for incurred, but not reported claims.

M. Noncurrent Liabilities

Government-wide Financial Statements — Liabilities whose average maturities are greater than one year are reported in two components — the amount due in one year and the amount due in more than one year. Additional disclosures as to the specific liabilities included in noncurrent liabilities can be found in NOTES 10 through 15.

Fund Financial Statements — Governmental funds recognize noncurrent liabilities to the extent they have matured or will be liquidated with expendable, available financial resources.

The proprietary funds and discretely presented component unit funds report noncurrent liabilities expected to be financed from their operations.

N. Compensated Absences

Employees of the State's primary government earn vacation leave, sick leave, and personal leave at various rates within limits specified under collective bargaining agreements or under law. Generally, employees accrue vacation leave at a rate of 3.1 hours every two weeks for the first four years of employment, up to a maximum rate of 9.2 hours every two weeks after 24 years of employment. Employees may accrue a maximum of three years vacation leave credit. At termination or retirement, the State pays employees, at their full rate, 100 percent of unused vacation leave, personal leave, and, in certain cases, compensatory time and 50 to 55 percent of unused sick leave.

Such leave is liquidated in cash, under certain restrictions, either annually in December, or at the time of termination from employment.

For the governmental funds, the State reports the matured compensated absences liability as a fund liability (included in the "Accrued Liabilities" account as a component of wages payable) to the extent it will be liquidated with expendable, available financial resources. For the primary government's proprietary funds and its discretely presented component unit funds, the State reports the compensated absences liability as a fund liability included in the "Refund and Other Liabilities" account.

The State's primary government accrues vacation, compensatory time, and personal leaves as liabilities when an employee's right to receive compensation is attributable to services already rendered and it is probable that the employee will be compensated through paid time off or some other means, such as at termination or retirement.

Sick leave time that has been earned but is unavailable for use as paid time off or as some other form of compensation because an employee has not met a minimum service time requirement, is accrued to the extent that it is considered to be probable that the conditions for compensation will be met in the future.

The State's primary government accrues sick leave using the vesting method. Under this method, the liability is recorded on the basis of leave accumulated by employees who are eligible to receive termination payments, as of the balance sheet date, and on leave balances accumulated by other employees who are expected to become eligible in the future to receive such payments.

Included in the compensated absences liability is an amount accrued for salary-related payments directly and incrementally associated with the payment of compensated absences upon termination. Such payments include the primary government's share of Medicare taxes.

For the colleges and universities, vacation and sick leave policies vary by institution.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension and net OPEB liabilities/(assets), Deferred Outflows of Resources, Deferred Inflows of Resources, and pension and OPEB expense, information about the fiduciary net position and additions to/deductions from each fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, pension benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Health care benefits are also recognized when due and payable, net of certain health care receipts, in accordance with benefit terms. The pension systems report investments at fair value. Additional disclosures on the pension systems can be found in NOTE 9.

P. Fund Balance Classification; Budget Stabilization Fund; Net Position/Fund Balance Spending Order

Fund balance reported in the governmental fund financial statements is classified as follows:

Nonspendable

The *nonspendable* fund balance classification includes amounts that cannot be spent because they are either 1) not in spendable form, such as prepaids and inventories or 2) legally or contractually required to be maintained intact, such as the corpus of a permanent fund.

Restricted

Fund balance amounts should be *restricted* when constraints placed on the use of resources are either 1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or 2) imposed by law through constitutional provisions or enabling legislation.

Unrestricted

Committed

Amounts constrained for specific purposes by formal action (i.e., legislation) of the government's highest level of decision-making authority (i.e., General Assembly) should be reported as *committed* fund balance. Committed amounts cannot be used for other purposes unless the General Assembly passes legislation to remove the constraints.

Assigned

Amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed, should be reported as *assigned* fund balance, except for stabilization arrangements. The intent should be conveyed by the governing body itself or through delegation to a body or official authorized on behalf of the government to assign amounts to be used for specific purposes. The Controlling Board created under Chapter 127, Ohio Revised Code, is an example of a body delegated by the government to make assignments. The Director of the Office of Budget and Management is an example of an authorized official granted assignment authority through legislative language, including enacted budget bills. While both the committed and assigned fund balance classifications include amounts constrained for specific use by actions taken by the government itself, the authority for making an assignment is not required to be the government's highest level of decision-making authority. Amounts should not be reported as assigned if the assignment would result in a deficit in unassigned fund balance.

Unassigned

Unassigned fund balance is the residual classification for the General Fund. This classification represents spendable fund balance that has not been otherwise restricted, committed or assigned to specific purposes within the General Fund. In funds other than the General Fund, the unassigned classification should only be used to report a deficit balance due to overspending amounts that are restricted or committed.

Fund balance in the State's Budget Stabilization Fund, as discussed in Sections 131.43 and 131.44, Ohio Revised Code, does not meet the criteria to be classified as restricted or committed and is, therefore, reported as unassigned in the General Fund.

For reporting purposes, restricted amounts are generally considered to have been spent first, followed by unrestricted amounts. Within the unrestricted fund balance amounts, the spending order is generally committed, followed by assigned, and then unassigned when expenditures are incurred for purposes for which amounts in any unrestricted fund balance classification could be used.



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Risk Management

The State's primary government is self-insured for claims under its traditional healthcare plan and for vehicle liability while it has placed employee and public official fidelity bonding with a private insurer. The State self-funds tort liability although several agencies also choose to participate in private insurance programs. All State-owned buildings are covered under a catastrophic property policy that covers both real and personal property losses. All other liability risk to State property is self-funded on a pay-as-you-go basis.

While not the predominant participants, the State's primary government and its discretely presented component units participate in a public entity risk pool, which is accounted for in the Workers' Compensation Enterprise Fund, for the financing of their respective workers' compensation liabilities. These liabilities are reported in the governmental and proprietary funds under the "Interfund Payable" account. (See NOTE 7).

R. Interfund Balances and Activities

Interfund transactions and balances have been eliminated from the government-wide financial statements to the extent that they occur within either the governmental or business-type activities. Balances between governmental and business-type activities are presented as internal balances and are eliminated in the total column. Revenues and expenses associated with reciprocal transactions within governmental or within business-type activities have not been eliminated.

In the fund financial statements, interfund activity within and among the three fund categories (governmental, proprietary, and fiduciary) is classified and reported as follows:

Reciprocal interfund activity is the internal counterpart to exchange and exchange-like transactions. This activity includes:

Interfund Loans — Amounts provided with a requirement for repayment, which are reported as interfund receivables in lender funds and interfund payables in borrower funds. When interfund loan repayments are not expected within a reasonable time, the interfund balances are reduced and the amount that is not expected to be repaid is reported as a transfer from the fund that made the loan to the fund that received the loan.

Interfund Services Provided and Used — Sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and as expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Nonreciprocal interfund activity is the internal counterpart to nonexchange transactions. This activity includes:

Interfund Transfers — Flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

Interfund Reimbursements — Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are not displayed in the financial statements.

Details on interfund balances and transfers are disclosed in NOTE 7.

S. Intra-Entity Balances and Activities

Balances due between the primary government and its discretely presented component units are reported as receivables from component units or primary government and payables to component units or primary government. For the discretely presented component units, the nature and amount of significant transactions with the primary government are disclosed in NOTE 7.

Resource flows between the primary government and its discretely presented component units are reported like external transactions (i.e., revenues and expenses).



NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. Derivative Instruments

The State's derivative instruments include investment derivative instruments and interest rate swaps. Interest rate swaps that are ineffective hedging derivative instruments are reported within the investment derivative instruments classification.

The State reports its derivative instruments at fair value in the Statement of Net Position. Changes in fair value for investment derivative instruments are recorded as investment income in the Statement of Activities. Changes in fair value for effective hedging derivative instruments are reported as deferred outflows/inflows of resources in the Statement of Net Position and disclosed in NOTE 18.

Additional disclosures on the State's investment derivative instruments and its hedging derivative instruments can be found in NOTE 4 and NOTE 10, respectively.

U. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

**NOTE 2 RESTATEMENTS, CHANGES IN ACCOUNTING PRINCIPLES,
EXTINGUISHMENTS OF DEBT AND SPECIAL ITEMS**

A. Restatements

Restatements of fund balance/net position, as of June 30, 2020, for governmental, discretely presented component units and fiduciary funds are presented in the following table (dollars in thousands):



Government-Wide Financial Statements:

	Governmental Activities	Total Discretely Presented Component Units
Net Position, as of June 30, 2020, As Previously Reported	\$ 18,553,519	\$ 10,552,791
<i>Implementation of a New Accounting Standard:</i>		
GASB Statement No. 84.....	241,302	2,042
<i>Change in Reporting Entity:</i>		
Wright State University.....	-	(3,286)
<i>Correction of an Error:</i>		
Community & Economic Development and Health-PPP Inventory.....	32,628	-
Total Changes in Net Position.....	273,930	(1,244)
Net Position, July 1, 2020, As Restated	<u>\$ 18,827,449</u>	<u>\$ 10,551,547</u>

Governmental Fund Financial Statements:

	General Fund	Job, Family and Other Human Services	Nonmajor Governmental Funds
Fund Balance, as of June 30, 2020, As Previously Reported	\$ 8,367,212	\$ 312,491	\$ 3,911,273
<i>Implementation of a New Accounting Standard:</i>			
GASB Statement No. 84.....	233,693	87,657	(80,048)
<i>Correction of an Error:</i>			
Community & Economic Development and Health-PPP Inventory.....	-	-	32,628
Total Changes in Fund Balance.....	233,693	87,657	(47,420)
Fund Balance, July 1, 2020, As Restated	<u>\$ 8,600,905</u>	<u>\$ 400,148</u>	<u>\$ 3,863,853</u>

Fiduciary Fund Financial Statements:

	Private- Purpose Trust Funds	Custodial Funds
Net Position, as of June 30, 2020, As Previously Reported	\$ 12,938,339	\$ -
<i>Implementation of a New Accounting Standard:</i>		
GASB Statement No. 84.....	-	62,839
<i>Change in Reporting Entity:</i>		
STABLE Program.....	116,817	-
Total Changes in Net Position.....	116,817	62,839
Net Position, July 1, 2020, As Restated	<u>\$ 13,055,156</u>	<u>\$ 62,839</u>

B. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

For the fiscal year ended June 30, 2021, the State implemented the provisions of:

GASB 84, *Fiduciary Activities*, enhances consistency and comparability by 1) establishing criteria to identify and report fiduciary activities and 2) clarifying whether and how business-type activities should report their fiduciary activities.

GASB 90, *Majority Equity Interests-An Amendment of GASB Statements No. 14 and No. 61*, improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. There was no material impact to the primary government.

GASB 93, *Replacement of Interbank Offered Rates*, address implications to accounting and financial reporting resulting from the replacement of the London Interbank Offered Rate also known as (LIBOR). GASB 93 is implemented, in part, in fiscal year 2021. There was no material impact to the primary government.



**NOTE 2 RESTATEMENTS, CHANGES IN ACCOUNTING PRINCIPLES,
EXTINGUISHMENTS OF DEBT AND SPECIAL ITEMS (Continued)**

GASB 98, *The Annual Comprehensive Financial Report*, establishes the term annual comprehensive financial report along with the acronym ACFR. This replaces the previous term comprehensive annual financial report along with its associated acronym. The State early implemented GASB 98. There was no material impact to the primary government.

C. New GASB Pronouncements for Fiscal Year 2022 Implementation

During the June 2017 issuance of GASB Statement No. 87, *Leases*, the provisions of GASB 87 were effective for reporting periods beginning after December 15, 2019. However, GASB 95 provided for the postponement of this implementation date by 18 months. This statement improves usefulness for financial statement users by recognition of certain lease assets along with lease liabilities. Furthermore, the statement also provides a single model to follow for lease accounting.

During the June 2018 issuance of GASB Statement No. 89, *Accounting for Interest Cost Incurred Before The end of a Construction Period*, the provisions of GASB 89 were effective for reporting periods beginning after December 15, 2019. However, GASB 95 provided for the postponement of this implementation date by one year. This statement establishes accounting requirements regarding interest costs acquired prior to the end of a construction period.

In January 2020, GASB Statement No. 92, *Omnibus 2020*, was issued with effective dates primarily beginning for reporting periods after June 15, 2020. However, GASB 95 provided for the postponement of this implementation date by one year. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments.

During March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*, with effective dates for paragraph 13 and 14 only for fiscal year periods beginning after June 15, 2021. The objective of this statement is to address implications to accounting and financial reporting resulting from the replacement of the London Interbank Offered Rate (LIBOR).

During June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The effective dates are for fiscal year and reporting periods beginning after June 15, 2021, as applied to specific paragraphs. This statement primarily requires that an IRC Section 457 plan should be classified as either a pension plan or other employee benefit plan and clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The statement also addresses whether a primary government is financially accountable for a potential component unit in the absence of a governing board.

Management is assessing the impact that the new GASB pronouncements will have on the State's financial statements.

D. Extinguishments of Debt – Major Funds

As of June 30, 2021, the State had no material extinguishments of debt to report.

NOTE 3 TAX ABATEMENTS

As of June 30, 2021, the State offers the following tax abatement programs – Job Creation Credit, Sales of Qualified Property Used in an Eligible Computer Data Center (Computer Data Center), Job Retention Credit, Historic Preservation Tax Credit, Motion Picture Tax Credit and New Markets Tax Credit. The programs are described below:



NOTE 3 TAX ABATEMENTS (Continued)

Job Creation Credit

As established in Ohio Revised Code 122.17, a taxpayer proposing a project to create new jobs in the state may be granted a refundable tax credit through an agreement with the Ohio Tax Credit Authority. This tax credit applies to non-retail projects or the non-retail portion of a project only. The credit equals an agreed upon percentage of the taxpayer's "excess payroll", which is the taxpayer's "Ohio employee payroll" less "baseline payroll." "Ohio employee payroll" is compensation paid by an employer that is subject to Ohio income tax withholding requirements. "Baseline payroll" is "Ohio employee payroll," for the 12 months immediately preceding the agreement. The Ohio Tax Credit Authority must determine that the project will increase payroll; is economically sound, will provide increasing opportunities for employment, and will strengthen the economy; and the tax credit was a major factor in the decision to go forward with the project. The taxpayer is required to maintain operations at the project location for at least the greater of seven years or the term of the credit plus three years. The types of taxes to be abated are insurance, financial institutions, foreign insurance, petroleum activity, income, and commercial activity.

The tax abatements are subject to recapture if the taxpayer fails to maintain operations at the project location, or has failed to meet its commitments, which information should be included in annual reports the taxpayer is required to file.

The computer data center tax abatement, established in Ohio Revised Code 122.175, also requires job creation and is included in the job creation credit category on the following tax abatement table. Sales, storage, use or other consumption of computer data center equipment used or to be used at an eligible computer data center are exempt from the sales and use tax. To be eligible for this tax exemption, the Ohio Tax Credit Authority must determine: that the computer data center will increase payroll and the corresponding taxes withheld; the applicant is economically sound, can affect the completion of the capital investment project, and intends to maintain operations at the project site for the term of agreement; and the exemption was a major factor in the applicant's decision to be part of the capital investment project. The taxpayer operating a computer data center at the project site will in the aggregate pay annual compensation that is subject to the withholding obligation of at least \$1.5 million to employees at the eligible computer data center. If it is determined that a taxpayer who received the exemption no longer meets eligibility criteria, and/or is no longer in compliance with the agreement, the agreement may be terminated or the taxpayer may have to pay to the state all or a portion of the taxes the taxpayer would have owed.

Job Retention Credit

The job retention credit, established in Ohio Revised Code 122.171, allows an eligible business to be granted a nonrefundable tax credit through an agreement with the Ohio Tax Credit Authority. The credit is equal to a designated percentage of the taxpayer's Ohio employee payroll. The taxpayer is required to maintain operations at the project location for at least the greater of seven years or the term of the credit plus three years. The taxpayer must also retain at least 500 full-time equivalent employees at the project site and within this state for the entire term of the credit, maintain an annual Ohio employee payroll of at least \$35 million dollars for the entire term of the credit, or remain located in a foreign trade zone for the entire term of the credit. The types of taxes to be abated are insurance, financial institutions, foreign insurance, petroleum activity, income, and commercial activity.

The tax abatements are subject to recapture if the taxpayer fails to maintain operations at the project location, or has failed to meet its commitments, which information should be included in annual reports the taxpayer is required to file.

Historic Preservation Tax Credit

Ohio Revised Code section 149.311 establishes the historic preservation tax credit. The program provides a tax credit to leverage the private redevelopment of historically designated buildings. The State uses a cost-benefit analysis to determine whether rehabilitation of the historic building will result in a net revenue gain in state taxes once the building is placed into use. The analysis must be completed prior to eligibility approval. The credit shall equal 25 percent of the taxpayer's qualified rehabilitation expenditures. The credit claimed shall not exceed \$5 million for any calendar or tax year. Tax credits received by the applicant shall be deemed to be an unpaid tax assessment subject to collection if all required criteria are not met. The tax credit can be applied to the financial institution tax, foreign and domestic insurance taxes and individual income tax.



NOTE 3 TAX ABATEMENTS (Continued)

Motion Picture Tax Credit

The motion picture tax credit is established by Ohio Revised Code 122.85. A refundable tax credit may be claimed for Ohio production expenditures by eligible motion picture or Broadway theatrical productions. The credit equals 30 percent of eligible expenditures. The credit is based on the lesser of initially budgeted production expenditures or actual production expenditures. No credits will be issued until a minimum of \$300 thousand in eligible expenditures have been made. The total amount of issued credits may not exceed \$40 million per fiscal year. The abated tax types are insurance, financial institutions, foreign insurance, and income tax.

No tax credits may be taken until the production is complete and a report has been filed showing the expenses that were incurred, which provides the basis for determining the amount of the tax credit. The Department of Taxation has the authority, under Ohio Revised Code 122.85(C)(3), to examine the claimed expenses for validity.

New Markets Tax Credit

Ohio Revised Code sections 5725.33, 5726.54, and 5729.16 establish the new markets tax credit. Taxpayers with an equity investment in a qualified community development entity may claim a nonrefundable tax credit equal to a designated percentage of the adjusted purchase price of qualified low-income community investments. The credit percentage is zero percent in the first two years of the investment, seven percent in the third year of the investment, and eight percent in the following four years. The taxes abated are insurance, financial institutions, and foreign insurance.

The foregone revenue through tax abatements for fiscal year 2021 is presented in the following table (dollars in thousands):

<u>Abatement Program</u>	<u>Amount of Taxes Abated</u>
Job Creation Credit	\$ 280,027
Job Retention Credit.....	47,983
Historic Preservation Tax Credit	48,111
Motion Picture Tax Credit	29,122
New Markets Tax Credit	9,820
Total of Tax Abatements	<u>\$ 415,063</u>

NOTE 4 DEPOSITS AND INVESTMENTS

A. Legal Requirements

The deposit and investment policies of the Treasurer of State and the State Board of Deposit are governed by the Uniform Depository Act, Chapter 135, Ohio Revised Code, which requires state moneys to be maintained in one of the following three classifications:

Active Deposits – Moneys required to be kept in cash or near cash status to meet current demands. Such moneys must be maintained either as cash in the State’s treasury or in any of the following: a commercial account that is payable or about to be withdrawn, in whole or in part, on demand, a negotiable order of withdrawal account, a money market deposit account or a designated warrant clearance account.

Inactive Deposits – Those moneys not required for use within the current two-year period of designation of depositories. Inactive moneys may be deposited or invested only in certificates of deposit maturing not later than the end of the current period of designation of depositories.

Interim Deposits – Those moneys not required for immediate use but needed before the end of the current period of designation of depositories. Interim deposits may be deposited or invested in the following instruments:

- US Treasury bills, notes, bonds or other obligations or securities issued by or guaranteed as to principal and interest by the United States;



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

- Bonds, notes, debentures, or other obligations or securities issued by any federal government agency or instrumentality;
- Bonds and other direct obligations of the State of Ohio issued by the Treasurer of State and of the Ohio Public Facilities Commission, the Ohio Housing Finance Agency, the Ohio Water Development Authority, and the Ohio Turnpike and Infrastructure Commission;
- Commercial paper issued by any corporation that is incorporated under the laws of the United States or a state;
- Written repurchase agreements with any eligible Ohio financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank, or any registered U.S. government securities dealer;
- No-load money market mutual funds;
- Securities lending agreements with any eligible financial institution that is a member of the Federal Reserve System or Federal Home Loan Bank, or any recognized U.S. government securities dealer;
- Bankers' acceptances of any domestic bank or federally chartered domestic branch office of a foreign bank;
- Certificates of deposit in the eligible institutions applying for interim moneys as provided in section 135.08 of the Ohio Revised Code, including linked deposits, as authorized under Sections 135.61 to 135.67, Ohio Revised Code, agricultural linked deposits, as authorized under Sections 135.71 to 135.76, Ohio Revised Code, business linked deposits as authorized under Sections 135.77 to 135.774, Ohio Revised Code, and housing linked deposits, as authorized under Sections 135.81 to 135.87, Ohio Revised Code;
- The Treasurer of State's investment pool, as authorized under section 135.45, Ohio Revised Code;
- The Treasurer of State's STAR Plus program;
- Debt interests, other than commercial paper as described above, of corporations incorporated under the laws of the United States or a state, or foreign nations diplomatically recognized by the United States, or any instrument based on, derived from, or related to such interests that are denominated and payable in U.S. funds;
- Bonds, notes, and other obligations of any state or political subdivision thereof;
- Obligations of a board of education, as authorized under Section 133.10, Ohio Revised Code; and
- Obligations of a political subdivision issued under Chapter 133, Ohio Revised Code.

The reporting entity's deposits must be held in insured depositories approved by the State Board of Deposit or appropriate governing authority and generally must be fully collateralized. However, financial institutions that are part of the Ohio Pooled Collateral System may apply to the Treasurer of State to be approved for a reduced collateral floor, at a level as low as 50 percent. The Treasurer of State then conducts an analysis to determine if the financial institution is eligible for a reduced collateral floor. The financial institution will then notify the Treasurer of State of each account holder's contractual collateral floor.

Deposit and investment policies of certain individual funds and component units are established by Ohio Revised Code provisions other than the Uniform Depository Act and by bond trust agreements. In accordance with applicable statutory authority, the State Highway Patrol Retirement System Pension Trust Fund, the Tuition Trust Authority Enterprise Fund, the Workers' Compensation Enterprise Fund, and the higher education institutions may also invest in common and preferred stocks, domestic and foreign corporate and government bonds and notes, mortgage loans, limited partnerships, venture capital, real estate, and other investments.

B. State-Sponsored Investment Pool

The Treasurer of State is the investment advisor and administrator of the State Treasury Asset Reserve of Ohio (STAR Ohio), a statewide external investment pool authorized under Section 135.45, Ohio Revised Code. STAR Ohio issues a stand-alone financial report, copies of which may be obtained by making a written request to: Director of Investments, Treasurer of State, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215, by calling 1-800-648-7827, or by accessing the Treasurer of State's website at www.tos.ohio.gov.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

C. Deposit and Investment Risks

Although exposure to risks is minimized by complying with the legal requirements explained above and internal policies adopted by the Treasurer of State and the investment departments at the various state agencies, the State's deposits and investments are exposed to risks that may lead to losses of value.

The following risk disclosures report investments by type. The "U.S. Agency Obligations" category includes securities issued by federal government agencies and instrumentalities, including government sponsored enterprises.

1. Custodial Credit Risk

Custodial credit risk for deposits exists when a government is unable to recover deposits or recover collateral securities that are in the possession of an outside party in the event of a failure of a depository financial institution.

Deposits of the primary government and its component units are exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

In Ohio, legal requirements for depositor-governments are met when uninsured deposits are collateralized in one of two methods. The Treasurer's office administers the Ohio Pooled Collateral System (OPCS) that allows eligible financial institutions to pool collateral to secure Ohio's public deposits. The total market value of pledged securities is 102 percent of all uninsured public deposits or at a percentage determined by the Treasurer's rules. Another option is for the financial institutions outside of OPCS to pledge 105 percent of the uninsured public deposits. In both methods, a qualified trustee must hold the eligible securities in an account indicating the public depositor's security interest in the eligible securities. The State's reporting entity has not established specific policies for managing custodial credit risk exposure for deposits.

The table below reports the carrying amount of deposits, as of June 30, 2021, held by the primary government, including fiduciary activities, and its major discretely presented component unit and the extent of exposure to custodial credit risk.

Primary Government (including Fiduciary Activities) and Major Discretely Presented Component Unit					
Deposits—Custodial Credit Risk					
As of June 30, 2021					
<i>(dollars in thousands)</i>					
			Uninsured Portion of Reported Bank Balance		
	Carrying Amount	Bank Balance	Uncollateralized	Collateralized with Securities Held by the Pledging Institution's Trust Department or Agent but not in the Depositor- Government's Name	Collateralized with Securities Held by the Pledging Institution
<i>Primary Government</i>	\$ 1,978,040	\$2,018,915	\$ 63,059	\$ 52,487	\$ -
<i>Major Discretely Presented Component Unit:</i>					
Ohio State University.....	1,115,582	1,116,644	-	-	1,111,754



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Custodial credit risk for investments exists when a government is unable to recover the value of investments or collateral securities that are in the possession of an outside party in the event of a failure of a counterparty to a transaction.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department but not in the government's name.

The State's reporting entity has not established specific policies for managing custodial credit risk exposure for investments.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

The following table reports the fair value, as of June 30, 2021, of investments by type for the primary government, including fiduciary activities, and the extent of exposure to custodial credit risk:

Primary Government (including Fiduciary Activities)		
Investments - Fair Value and Custodial Credit Risk		
As of June 30, 2021		
<i>(dollars in thousands)</i>		
	Fair Value	Uninsured, Unregistered, and Held by the Counterparty's Trust Department or Agent but not in the State's Name
<i>Investments Subject to Custodial Credit Risk Exposure:</i>		
U.S. Government Obligations.....	\$ 7,717,350	\$ 549,264
U.S. Government Obligations - strips.....	581,326	499,120
U.S. Agency Obligations.....	4,656,791	-
U.S. Agency Obligations-strips.....	69,768	-
Common and Preferred Stock.....	4,276,492	-
Corporate Bonds and Notes.....	5,651,396	-
Municipal Obligations.....	275,089	-
Negotiable Certificates of Deposit.....	23,110	-
Commercial Paper.....	14,022,300	-
Repurchase Agreements.....	408,542	-
Mortgage and Asset-Backed Securities.....	617,253	-
International Investments:		
Foreign Stocks.....	5,086	-
Foreign Bonds.....	1,168,529	-
Securities Lending Collateral:		
Corporate Bonds and Notes.....	34,994	-
Commercial Paper.....	254,120	-
Repurchase Agreements.....	4,368,881	-
Variable Rate Notes.....	223,557	-
		<u>\$ 1,048,384</u>
<i>Investments Not Subject to Custodial Credit Risk Exposure:</i>		
<i>Investments Held by Broker-Dealers under Securities Loans with Cash Collateral:</i>		
U.S. Government Obligations.....	4,746,501	
U.S. Government Obligations-strips.....	82,431	
U.S. Agency Obligations.....	67,316	
Corporate Bonds and Notes.....	58,056	
International Investments:		
Commingled Equity Funds.....	2,494,562	
Equity Mutual Funds.....	16,692,016	
Bond Mutual Funds.....	12,226,394	
Real Estate.....	3,601,599	
Partnerships and Hedge Funds.....	284,739	
Deposit with Federal Government.....	487,435	
Component Units' Equity in State Treasurer's Cash and Investment Pool.....	(440,541)	
Component Units' Equity in the State Treasury Asset Reserve of Ohio.....	(816,377)	
Total Investments — Primary Government.....	<u>\$ 83,838,715</u>	



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

The following table reports investments with custodial credit risk exposure for the major discretely presented component unit. The Ohio Facilities Construction Commission Component Unit also participates in the State Treasurer’s Cash and Investment Pool. Risks associated with the Ohio Facilities Construction Commission’s share of the pool are included in the disclosures for the Primary Government. The Ohio State University’s policy is to hold investments in custodial accounts with the securities registered solely in the name of the university.

Major Discretely Presented Component Unit
Investments - Fair Value and Custodial Credit Risk
As of June 30, 2021
(dollars in thousands)

<i>Ohio State University</i>	Fair Value	Uninsured, Unregistered, and Held by the Counterparty
U.S. Government Obligations.....	\$ 201,357	\$ 201,357
U.S. Agency Obligations.....	112,954	112,954
Common and Preferred Stock.....	1,182,412	1,182,412
Corporate Bonds and Notes.....	1,622,424	1,622,424
Municipal Obligations.....	44,584	44,584
Negotiable Certificates of Deposit.....	428,243	428,243
Commercial Paper.....	32,534	32,534
International Investments:		
Foreign Stocks.....	513,586	513,586
Foreign Bonds.....	66,547	66,547
Securities Lending Collateral:		
Repurchase Agreements.....	72,042	72,042
Total Ohio State University.....		<u>\$ 4,276,683</u>

2. Credit Risk

The risk that an investment’s issuer or counterparty will not satisfy its obligation is called credit risk. The exposure to this risk has been minimized through the laws and policies adopted by the State.

For investments that are included in the treasury’s cash and investment pool and reported as “Cash Equity with Treasurer” and other investment securities managed by the Treasurer of State’s Office, Chapter 135, Ohio Revised Code, requires such investments to carry certain credit ratings at the time of purchase as follows:

- Commercial paper must carry ratings in the two highest categories by two nationally recognized rating agencies;
- Debt interests (other than commercial paper) must carry ratings in the three highest categories by two nationally recognized rating agencies. This requirement is met when either the debt interest or the issuer of the debt interest carries this rating;
- No-load money market mutual funds must carry a rating of the highest category by one nationally recognized rating agency; and
- Bonds and notes of any other State or political subdivision thereof must be rated in the three highest categories by one nationally recognized rating agency.

Investment policies of the Treasurer of State’s Office further define required credit ratings as follows:

- Commercial paper must have a short-term debt rating in the two highest categories by two or more of the nationally recognized statistical rating organizations (NRSROs);
- Bonds and notes of any other State or political subdivision thereof must be rated in the three highest categories by at least one NRSRO;



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

- Corporate bonds and notes must be rated in the three highest categories by two nationally recognized rating agencies;
- Banker acceptances must carry a minimum of “A+” for long-term debt (“AAA” for foreign issuers) by a majority of the nationally recognized rating agencies rating the issuer. For short-term debt, the rating must be at least “A-1” or equivalent by at least two nationally recognized rating agencies;
- Foreign debt, or the implicit rating of the issuer of the debt, must be rated in one of the three highest categories by at least two nationally recognized rating agencies;
- Repurchase agreements must, in the case when issued by a counterparty that is not either: an Ohio financial institution that is a member of the Federal Reserve System, or a Federal Home Loan Bank, or a recognized government securities dealer, then such counterparty must have a short-term debt rating in the two highest categories by one or more of the NRSROs, if the counterparty is not explicitly rated in such a category, the counterparty must possess a guarantee from an NRSRO-rated parent company; and
- Registered investment companies open-end, no-load money market mutual funds must be rated in the highest category from one or more of the NRSROs.

Investment policies regarding credit risk that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State’s reporting entity are as follows:

Workers’ Compensation Enterprise Fund

The Fund requires investment-grade ratings by at least two of the following nationally recognized bond rating services: Moody’s, Fitch or Standard & Poor’s, for fixed income securities. If only one of the rating services rates a security, the rating must be investment grade.

Variable College Savings Plan Private-Purpose Trust Fund

The fixed income portfolio should consist primarily of domestic investment grade bonds and may be partially invested in below investment grade bonds. Any portion of the portfolio in below-investment grade securities should be mostly invested in “BB” and “B” rated securities.

STAR Ohio Investment Trust Fund

Investment policies governing the STAR Ohio external investment pool generally require that all securities must be rated the equivalent of “A-1+” or “A-1” by Standard & Poor’s rating agency. Exceptions to the general policy are: mutual funds must be rated “AAA” or “AAAm” by Standard and Poor’s, while commercial paper, corporate bonds and notes, and bankers’ acceptances must have a second equivalent rating from another nationally recognized rating agency, and municipal obligations must be rated in the three highest categories by Standard & Poor’s.

The Ohio Facilities Construction Commission Component Unit also participates in the State Treasurer’s Cash and Investment Pool. Risks associated with the Ohio Facilities Construction Commission’s share of the pool are included in the disclosures for the Primary Government.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

All investments, as categorized by credit ratings in the tables below and on the following page, meet the requirements of the State's laws and policies, when applicable.

Primary Government (including Fiduciary Activities)

Investment Credit Ratings

As of June 30, 2021

(dollars in thousands)

Investment Type	Credit Rating					
	AAA/Aaa	AA/Aa	A/A-1	BBB/Baa	BB/Ba	B
U.S. Agency Obligations.....	\$ 133,463	\$4,564,345	\$ -	\$ 3,018	\$ 7,460	\$ 3,597
U.S. Agency Obligations-strips.....	1,622	68,146	-	-	-	-
Corporate Bonds and Notes.....	181,666	795,614	2,433,728	2,006,741	214,869	69,368
Municipal Obligations.....	27,539	168,454	62,131	12,241	3,987	-
Negotiable Certificates of Deposit.....	-	-	-	-	-	-
Commercial Paper.....	6,428,775	935,564	4,638,928	-	-	-
Repurchase Agreements.....	3,463	-	-	-	-	-
Mortgage and Asset-Backed Securities..	317,703	40,330	85,360	123,431	19,197	7,787
Bond Mutual Funds.....	9,358,227	1,600,506	472,193	450,270	73,843	20,167
International Investments:						
Foreign Bonds.....	1,124	47,253	361,412	617,983	107,877	26,543
Securities Lending Collateral:						
Corporate Bonds and Notes.....	-	-	34,994	-	-	-
Commercial Paper.....	-	-	254,120	-	-	-
Repurchase Agreements.....	-	-	2,835,000	1,533,881	-	-
Variable Rate Notes.....	-	-	223,557	-	-	-
Bond Mutual Funds.....	159,032	-	-	-	-	-
Total Primary Government.....	<u>\$16,612,614</u>	<u>\$8,220,212</u>	<u>\$11,401,423</u>	<u>\$4,747,565</u>	<u>\$ 427,233</u>	<u>\$127,462</u>

Investment Type	Credit Rating				
	CCC/Caa	CC/Ca	D	Unrated	Total
U.S. Agency Obligations.....	\$ -	\$ -	\$ -	\$ 12,224	\$ 4,724,107
U.S. Agency Obligations-strips.....	-	-	-	-	69,768
Corporate Bonds and Notes.....	7,466	-	-	-	5,709,452
Municipal Obligations.....	-	-	-	737	275,089
Negotiable Certificates of Deposit.....	-	-	-	23,110	23,110
Commercial Paper.....	-	-	-	2,019,033	14,022,300
Repurchase Agreements.....	-	-	-	405,079	408,542
Mortgage and Asset-Backed Securities..	20,905	2,540	-	-	617,253
Bond Mutual Funds.....	6,482	-	17	85,657	12,067,362
International Investments:					
Foreign Bonds.....	5,298	-	1,039	-	1,168,529
Securities Lending Collateral:					
Corporate Bonds and Notes.....	-	-	-	-	34,994
Commercial Paper.....	-	-	-	-	254,120
Repurchase Agreements.....	-	-	-	-	4,368,881
Variable Rate Notes.....	-	-	-	-	223,557
Bond Mutual Funds.....	-	-	-	-	159,032
Total Primary Government.....	<u>\$ 40,151</u>	<u>\$ 2,540</u>	<u>\$ 1,056</u>	<u>\$2,545,840</u>	<u>\$44,126,096</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Major Discretely Presented Component Unit

Investment Credit Ratings

As of June 30, 2021

(dollars in thousands)

Ohio State University: Investment Type	Credit Rating					
	AAA/Aaa	AA/Aa	A/A-1	BBB/Baa	BB/Ba	B
U.S. Agency Obligations.....	\$ 2,536	\$ 34,488	\$ 75,786	\$ -	\$ -	\$ -
Corporate Bonds and Notes.....	99,056	159,131	555,200	574,991	35,585	9,584
Municipal Obligations.....	655	24,122	13,591	1,483	-	-
Negotiable Certificates of Deposit.....	36,984	-	-	-	-	-
Commercial Paper.....	4,996	3,165	22,623	1,750	-	-
Bond Mutual Funds.....	147,795	110,424	258,630	275,279	31,049	17,565
International Investments:						
Foreign Bonds.....	30,738	5,860	7,841	9,982	-	-
Securities Lending Collateral:						
Repurchase Agreements.....	-	-	-	-	-	-
Total Ohio State University.....	<u>\$ 322,760</u>	<u>\$ 337,190</u>	<u>\$ 933,671</u>	<u>\$863,485</u>	<u>\$66,634</u>	<u>\$ 27,149</u>

Ohio State University (continued): Investment Type	Credit Rating		
	CCC/Caa	Unrated	Total
U.S. Agency Obligations.....	\$ -	\$ 144	\$ 112,954
Corporate Bonds and Notes.....	-	188,877	1,622,424
Municipal Obligations.....	-	4,733	44,584
Negotiable Certificates of Deposit.....	-	391,259	428,243
Commercial Paper.....	-	-	32,534
Bond Mutual Funds.....	7,173	223,236	1,071,151
International Investments:			
Foreign Bonds.....	-	12,126	66,547
Securities Lending Collateral:			
Repurchase Agreements.....	-	72,042	72,042
Total Ohio State University.....	<u>\$ 7,173</u>	<u>\$ 892,417</u>	<u>\$3,450,479</u>

At June 30, 2021, the Ohio Facilities Construction Commission had \$2.5 million invested in Bond Mutual Funds with a credit rating of AAA.

Descriptions of the investment credit ratings shown in the tables are as follows:

Rating	General Description of Credit Rating
AAA/Aaa	Extremely strong
AA/Aa	Very strong
A/A-1	Strong
BBB/Baa	Adequate
BB/Ba	Less vulnerable
B	More vulnerable
CCC/Caa	Currently vulnerable to nonpayment
CC/Ca	Currently highly vulnerable to nonpayment
C	Currently highly vulnerable to nonpayment due to certain conditions (e.g., filing of bankruptcy petition or similar action by issuer)
D	Currently highly vulnerable to nonpayment for failure to pay by due date



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

3. Concentration of Credit Risk

The potential for loss of value increases when investments are not diversified. The State has imposed limits on the types of authorized investments to prevent this type of loss.

For investments that are included in the treasury’s cash and investment pool, and reported as “Cash Equity with Treasurer” and other investment securities managed by the Treasurer of State’s Office, Chapter 135, Ohio Revised Code, requires the following:

- Investments in commercial paper may not exceed 40 percent of the State’s total average portfolio;
- Bankers acceptances cannot exceed ten percent of the State’s total average portfolio;
- Debt interest (other than commercial paper) shall not exceed 25 percent of the State’s total average portfolio, and when combined with commercial paper, the amount of a single issuer may not exceed five percent of the total average portfolio; and
- Debt interests in foreign nations may not exceed two percent of the State’s portfolio.

Investment policies of the Treasurer of State further restrict concentrations of investments. Maximum concentrations are as follows:

Investment Type	Maximum % of Total Average Portfolio
U.S. Treasury	100
Federal Agency (fixed rate)	100
Federal Agency (callable)	55
Federal Agency (variable rate)	10
Repurchase Agreements	50
Bankers’ Acceptances	10
Commercial Paper	40
Corporate Notes	25
Foreign Notes	2
Certificates of Deposit	20
Municipal Obligations	20
STAR Ohio	25
Mutual Funds	100

The investment policies of the Treasurer of State’s Office also specify that:

- Commercial paper, when combined with investments in other corporate obligations of a single issuer, are further limited to no more than five percent of the book value of the portfolio;
- Bankers’ Acceptances are further limited to no more than five percent of the book value of the portfolio in any single issuer;
- Mutual funds are limited in that the Treasurer’s holdings in a single mutual fund cannot be more than ten percent of the total assets of that mutual fund, nor more than ten percent of the book value of the portfolio;
- Repurchase Agreements are limited in that any one counterparty may not exceed ten percent of the book value of the portfolio; and
- Municipal obligations are limited to no more than 2.5 percent of the book value of the portfolio in any single issuer.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Investment policies regarding concentration of investments that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State’s reporting entity are as follows:

Lottery Commission Enterprise Fund

No more than two percent of the total average portfolio may be invested in the securities of any single issuer with the following exceptions: U.S. government obligations, 100 percent maximum; repurchase agreements, limited at the lesser of five percent or \$250 million; and mutual funds, 10 percent maximum.

State Highway Patrol Retirement System Pension Trust Fund

Policy prohibits the investment of more than ten percent of its fixed income portfolio in securities of any one issuer except for U.S. government securities, or the investment of more than five percent of the Fund’s total investments in any one issue except for U.S. government securities.

STAR Ohio Investment Trust Fund

Investments in a single issuer are limited to no more than five percent of the net assets except as follows:

- U.S. Treasury obligations, limited at 100 percent;
- U.S. Agency obligations, limited to 100 percent with no single U.S. Agency exceeding 33 percent unless maturing in 30 days or less and rated “AA-“ or higher;
- Repurchase agreements with terms to maturity of 5 days or less, limited at 100 percent; investments with any one counterparty limited at a maximum of 5 percent for “A-2” rated counterparties, a maximum of 25 percent for “A-1” rated counterparties, and at a maximum of 50 percent for “A-1+” rated counterparties, with further limitations based on the maturity of the investment;
- Mutual funds, limited at 100 percent; with no more than 10 percent of the total average portfolio invested in any single mutual fund and limited to STAR Ohio representing no more than 10 percent of the total assets under management of any single mutual fund;
- Corporate obligations, limited to 25 percent, and when added to investments in commercial paper, no more than five percent invested with any single issuer;
- Municipal bonds, limited at 10 percent and limited to no more than 2.5 percent with any single issuer;
- Commercial paper, limited to 40 percent, and when added to investments in other corporate obligations, no more than 5 percent invested with any single issuer; and
- Bankers’ acceptances, limited at 10 percent, with no more than 5 percent invested with any single issuer.

As of June 30, 2021, all investments meet the requirements of the State’s law and policies, when applicable. However, investments in certain issuers are at least five percent of investment balances, as follows (dollars in thousands):

Issuer	Amount	Percentage of Investment Balance
<i>STAR Ohio Investment Trust Fund:</i>		
Federal Farm Credit Bank.....	\$ 980,036	6%

4. Interest Rate Risk

Certain of the State’s investments are exposed to interest rate risk. This risk exists when changes to interest rates will negatively impact the fair value of an investment. The State has adopted laws and policies to mitigate this risk.

For investments that are included in the treasury’s cash and investment pool and reported as “Cash Equity with Treasurer” and other investment securities managed by the Treasurer of State’s Office, Chapter 135, Ohio Revised Code, requires that Bankers Acceptances must mature in 270 days or less.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Investment policies governing the treasury's cash and investment pool, which is reported as "Cash Equity with Treasurer" and is managed by the Treasurer of State's Office, limit maturities of short-term investments to no more than 18 months with a weighted average maturity not to exceed 90 days. For long-term investments, maturities are limited to five years or less, except for those that are matched to a specific obligation or debt of the State. A duration target of three years or less has been established for long-term investments. Policy also limits maturities for specific investment types as follows:

- Corporate notes - five years;
- Commercial paper - 397 days;
- Repurchase agreements - 90 days; and
- Foreign debt - five years.

Investment policies regarding investment maturities that are in addition to Ohio Revised Code requirements and are specific to the following significant entities reported in the State's reporting entity are as follows:

Workers' Compensation Enterprise Fund

Policy requires each fixed-income portfolio to be invested with duration characteristics that are within a range consistent with Bloomberg Barclay's Fixed Income Index ranges.

Lottery Commission Enterprise Fund

Investments are required to have maturities of 30 years or less. In no case may the maturity of an investment exceed the expected date of disbursement of those funds.

Variable College Savings Plan Private-Purpose Trust Fund

Policy requires the fixed-income portfolio to be invested with duration characteristics that are within a range consistent with Barclay's Aggregate Index ranges.

STAR Ohio Investment Trust Fund

Investment policies limit maturities of investments to a final stated maturity of 397 days or less, with a 762-day limit for floating rate U.S. Treasury and U.S. Agency obligations. Repurchase agreements are limited to maturities of 30 days and both commercial paper and bankers' acceptances are limited to maturities of 270 days.

As of June 30, 2021, investments reported as "Cash Equity with Treasurer" have terms that make their fair values highly sensitive to interest rate changes. The U.S. agency obligations investment type includes \$2.20 billion with call dates from fiscal years 2022 through 2024, and maturity dates from fiscal years 2023 through 2026. The Corporate Bonds and Notes investment type has \$896 million with call dates and maturity dates from fiscal years 2022 through 2026.

Additionally, several investments reported as "Investments" have terms that make their fair values highly sensitive to interest rate changes. U.S. agency obligations of \$10 million have call dates from fiscal year 2022 through 2023, and maturity dates from fiscal years 2023 through 2025. Corporate bonds in the amount of \$492.8 million have call dates and maturity dates in fiscal year 2022.

The tables that follow list the investment maturities of the investments for the primary government, including fiduciary activities, and its major discretely presented component units. All investments at June 30, 2021, meet the requirements of the State's laws and policies, when applicable. The Ohio Facilities Construction Commission Component Unit Fund also participates in the State Treasurer's Cash and Investment Pool. Risks associated with the Ohio Facilities Construction Commission's share of the pool are included in the disclosures for the Primary Government.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

**Primary Government (including Fiduciary Activities)
Investments Subject to Interest Rate Risk
As of June 30, 2021
(dollars in thousands)**

Investment Type	Investment Maturities (in years)				Total
	< 1	1 - 5	6 - 10	> 10	
U.S. Government Obligations.....	\$ 5,316,177	\$5,364,154	\$1,028,065	\$ 755,455	\$ 12,463,851
U.S. Government Obligations - strips.....	428,795	71,101	2,579	161,282	663,757
U.S. Agency Obligations.....	1,701,418	2,658,965	44,877	318,847	4,724,107
U.S. Agency Obligations-strips.....	19,762	41,739	8,267	-	69,768
Corporate Bonds and Notes.....	1,038,286	1,321,211	452,448	2,897,507	5,709,452
Municipal Obligations.....	55,515	23,667	5,929	189,978	275,089
Negotiable Certificates of Deposit.....	4,173	18,937	-	-	23,110
Commercial Paper.....	14,022,300	-	-	-	14,022,300
Repurchase Agreements.....	408,542	-	-	-	408,542
Mortgage and Asset-Backed Securities..	201,399	67,425	35,725	312,704	617,253
Bond Mutual Funds.....	10,070,506	136,505	1,127,578	732,773	12,067,362
International Investments:					
Foreign Bonds.....	45,070	292,711	187,569	643,179	1,168,529
Securities Lending Collateral:					
Corporate Bonds and Notes.....	34,994	-	-	-	34,994
Commercial Paper.....	254,120	-	-	-	254,120
Repurchase Agreements.....	4,368,881	-	-	-	4,368,881
Variable Rate Notes.....	223,557	-	-	-	223,557
Bond Mutual Funds.....	159,032	-	-	-	159,032
Total Primary Government.....	<u>\$38,352,527</u>	<u>\$9,996,415</u>	<u>\$2,893,037</u>	<u>\$6,011,725</u>	<u>\$ 57,253,704</u>

**Major Discretely Presented Component Unit
Investments Subject to Interest Rate Risk
As of June 30, 2021
(dollars in thousands)**

Investment Type	Investment Maturities (in years)				Total
	< 1	1 - 5	6 - 10	> 10	
<i>Ohio State University:</i>					
U.S. Government Obligations.....	\$ 38,719	\$ 146,540	\$ 3,612	\$ 12,486	\$ 201,357
U.S. Agency Obligations.....	1,351	22,288	32,047	57,268	112,954
Corporate Bonds and Notes.....	375,809	968,458	146,402	131,755	1,622,424
Municipal Obligations.....	5,803	31,732	253	6,796	44,584
Negotiable Certificates of Deposit.....	428,243	-	-	-	428,243
Commercial Paper.....	32,534	-	-	-	32,534
Bond Mutual Funds.....	337,095	478,265	114,819	140,972	1,071,151
International Investments:					
Foreign Bonds.....	10,148	19,537	3,951	32,911	66,547
Securities Lending Collateral:					
Repurchase Agreements.....	72,042	-	-	-	72,042
Total Ohio State University.....	<u>\$1,301,744</u>	<u>\$1,666,820</u>	<u>\$301,084</u>	<u>\$382,188</u>	<u>\$3,651,836</u>

At June 30, 2021, the Ohio Facilities Construction Commission had \$2.5 million invested in Bond Mutual Funds with a maturity of less than one year.

5. Foreign Currency Risk

Investments in stocks and bonds denominated in foreign currencies are affected by foreign currency risk which arises from changes in currency exchange rates.

As of June 30, 2021, investments denominated in the currency of foreign nations, as detailed in the following tables for the primary government, including fiduciary activities, and the Ohio State University, a major discretely presented component unit, meet the requirements of the State's laws and policies, when applicable.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

**Primary Government (including Fiduciary Activities)
International Investments—Foreign Currency Risk
As of June 30, 2021
(dollars in thousands)**

Currency	Commingled International Equity	Total
Argentinean Peso.....	\$ 59	\$ 59
Australian Dollar.....	98,792	98,792
Bermudian Dollar.....	1,146	1,146
Brazilian Real.....	37,396	37,396
British Pound.....	183,789	183,789
Canadian Dollar.....	160,707	160,707
Caymanian Dollar.....	223	223
Chilean Peso.....	3,191	3,191
Chinese Renminbi.....	254,922	254,922
Colombian Peso.....	1,128	1,128
Czech Koruna.....	725	725
Danish Krone.....	36,421	36,421
Egyptian Pound.....	410	410
Euro.....	492,519	492,519
Hong Kong Dollar.....	60,000	60,000
Hungarian Forint.....	1,592	1,592
Indian Rupee.....	70,952	70,952
Indonesian Rupiah.....	7,853	7,853
Israeli Shekel.....	8,592	8,592
Japanese Yen.....	327,021	327,021
Kuwait Dinar.....	3,652	3,652
Macau Pataca.....	1,081	1,081
Malaysian Ringgit.....	8,862	8,862
Manx Pound.....	1,426	1,426
Mexican Peso.....	12,612	12,612
New Zealand Dollar.....	4,478	4,478
Norwegian Krone.....	8,825	8,825
Pakistani Rupee.....	134	134
Papua New Guinea Kina.....	410	410
Peruvian New Sol.....	136	136
Philippines Peso.....	4,486	4,486
Polish Zloty.....	4,529	4,529
Qatari Rial.....	4,517	4,517
Russian Ruble.....	20,294	20,294
Saudi Riyal.....	20,652	20,652
Singapore Dollar.....	15,435	15,435
South African Rand.....	24,885	24,885
South Korean Won.....	94,847	94,847
Swedish Krona.....	49,709	49,709
Swiss Franc.....	144,458	144,458
Taiwan Dollar.....	98,449	98,449
Thailand Baht.....	11,545	11,545
Turkish Lira.....	1,672	1,672
United Arab Emirates Dirham.....	5,027	5,027
Investments Held in Foreign Currency.....	<u>\$ 2,289,559</u>	<u>2,289,559</u>
Foreign Investments Held in U.S. Dollars.....		1,378,618
Total Foreign Investments - Primary Government, including Fiduciary Activities.....		<u>\$ 3,668,177</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

**Major Discretely Presented Component Unit
International Investments—Foreign Currency Risk
As of June 30, 2021
(dollars in thousands)**

Ohio State University:

Currency	Stocks	Bonds	Commingled International Equity	Total
Australian Dollar.....	\$ 13,268	\$ 12,060	\$ -	\$ 25,328
Brazilian Real.....	904	-	-	904
British Pound.....	57,597	28,686	284,936	371,219
Canadian Dollar.....	34,149	10,822	-	44,971
Chilean Peso.....	82	-	-	82
Chinese Renminbi.....	(202)	-	-	(202)
Colombian Peso.....	27	-	-	27
Czech Koruna.....	27	-	-	27
Danish Krone.....	3,142	-	-	3,142
Egyptian Pound.....	14	-	-	14
Euro.....	157,006	8,218	173,594	338,818
Hong Kong Dollar.....	37,836	-	-	37,836
Hungarian Forint.....	41	-	-	41
Indian Rupee.....	1,739	-	-	1,739
Indonesian Rupiah.....	192	-	-	192
Israeli Shekel.....	123	5,860	-	5,983
Japanese Yen.....	142,466	901	-	143,367
Kuw aiti Dinar.....	96	-	-	96
Malaysian Ringgit.....	219	-	-	219
Mexican Peso.....	301	-	-	301
New Zealand Dollar.....	253	-	-	253
Norwegian Krone.....	6,052	-	-	6,052
Philippines Peso.....	109	-	-	109
Polish Zloty.....	109	-	-	109
Qatari Rial.....	109	-	-	109
Russian Ruble.....	397	-	-	397
Saudi Riyal.....	506	-	-	506
Singapore Dollar.....	868	-	-	868
South African Rand.....	616	-	-	616
South Korean Won.....	13,612	-	-	13,612
Swedish Krona.....	12,766	-	-	12,766
Swiss Franc.....	21,945	-	26,429	48,374
Taiwan Dollar.....	6,806	-	-	6,806
Thailand Baht.....	274	-	-	274
Turkish Lira.....	41	-	-	41
United Arab Emirates Dirham.....	96	-	-	96
Total Foreign Currency Investments - Ohio State University.....	<u>\$ 513,586</u>	<u>\$ 66,547</u>	<u>\$ 484,959</u>	<u>\$ 1,065,092</u>

The State's laws and investment policies include provisions to limit the exposure to this type of risk. According to Chapter 135, Ohio Revised Code, investments managed by the Treasurer of State's Office, and reported as "Cash Equity with Treasurer", are limited to the debt of nations diplomatically recognized by the United States and that are backed by the full faith and credit of that foreign nation, and provided that all denomination of principal and interest be in U.S. dollars.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

D. Securities Lending Transactions

The Treasurer of State participates in the securities lending programs for securities included in the “Cash Equity with Treasurer” and “Investments” accounts. Each lending program is administered by a custodial agent bank, whereby certain securities are transferred to an independent broker-dealer (borrower) in exchange for collateral.

At the time of the loan, the Treasurer of State requires its custodial agents to ensure that the State’s lent securities are collateralized at no less than 102 percent of fair value, with the exception of U.S. Treasury Bills, which are purchased at a discount and are collateralized at par. At no point in time can the value of the collateral be less than 100 percent of the underlying securities.

Consequently, as of June 30, 2021, the State had no credit exposure since the amount the State owed to the borrowers at least equaled or exceeded the amount borrowers owed to the State.

The State invests cash collateral in short-term obligations, which have a weighted average maturity of 28 days while the weighted average maturity of securities loans is four days.

According to the lending contracts the Treasurer of State executes for the State’s cash and investment pool and for the Ohio Lottery Commission Enterprise Fund, the securities lending agent is to indemnify the Treasurer of State for any losses resulting from the insolvency default of the lending counterparty.

During fiscal year 2021, the State had not experienced any losses due to credit or market risk on securities lending activities.

In fiscal year 2021, the Treasurer of State lent U.S. government and agency obligations and corporate notes in exchange for cash collateral.

E. Investment Derivative Instruments

As of June 30, 2021, the State reports the following investment derivative instruments in its financial statements:

Investment Derivative Instruments					
As of June 30, 2021					
<i>(dollars in thousands)</i>					
	Notional	Fair Value at 6/30/2021		Increase (Decrease) in Fair Value	
		Amount	Reported as	Amount	Reported as
<i>Governmental Activities:</i>					
Investment Derivative Instruments:					
Pay-Fixed Interest Rate Swaps	\$ 49,400	\$ (3,360)	Other Noncurrent Liability	\$ 2,643	Operating Restricted Investment Gain - Primary, Secondary and Other Education Function

For governmental activities, the pay-fixed swaps included in the table above do not meet the criteria for hedging derivative instruments as of June 30, 2021, and are reported as investment derivative instruments. The increase in fair value for fiscal year 2021 of \$2.6 million is reported as operating restricted investment gains for the primary, secondary, and other education function in the Statement of Activities.

The credit quality ratings of JPMorgan Chase, the counterparty, are “Aa2/A+/AA” as of June 30, 2021. The State was not exposed to credit risk because these swaps had negative fair values at June 30, 2021. However, should interest rates change and the fair values of the swaps become positive, the State would be exposed to credit risk in the amount of the derivative instrument’s positive fair value.



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Each swap counterparty is required to post collateral to a third party when their respective credit rating, as determined by specified nationally recognized credit rating agencies, falls below the trigger level defined in the swap agreement and based on the fair value of the swap. This arrangement protects the State by mitigating the credit risk, and therefore termination risk, inherent in the swap. Collateral on all swaps must be in the form of cash or U.S. government securities held by a third-party custodian. Net payments are made on the same date, as specified in the agreements.

These swaps, maturing March 15, 2025, are associated with Common Schools Bonds, Series 2005A and Series 2005B. The underlying index is a variable rate based on 62 percent of the 10-year LIBOR. The combination of the variable-rate bonds and a floating-to-fixed swap creates a low-cost, long-term synthetic fixed-rate debt that protects the State from rising interest rates.

F. Fair Value Disclosures

The State categorizes fair value measurements of its investments within the fair value hierarchy shown in the following tables:

Primary Government (including Fiduciary Activities)				
Investments - Fair Value Disclosures				
As of June 30, 2021				
<i>(dollars in thousands)</i>				
	Fair Value	Amount of Fair Value Measured Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments Measured by Fair Value Level:				
U.S. Government Obligations.....	\$ 12,462,745	\$ 3,828,242	\$ 8,634,503	\$ -
U.S. Government Obligations - strips.....	663,757	663,757	-	-
U.S. Agency Obligations.....	4,724,970	1,779	4,723,191	-
U.S. Agency Obligations-strips.....	69,768	-	69,768	-
Common and Preferred Stock.....	4,276,492	4,276,333	-	159
Corporate Bonds and Notes.....	4,988,742	-	4,984,717	4,025
Corporate Bonds and Notes - Strips.....	720,271	-	720,271	-
Municipal Obligations.....	275,089	-	275,089	-
Negotiable Certificates of Deposit.....	5,141	-	5,141	-
Commercial Paper.....	7,588,916	-	7,588,916	-
Repurchase Agreements.....	408,542	8,542	400,000	-
Mortgage and Asset-Backed Securities.....	617,253	-	508,300	108,953
Equity Mutual Funds.....	16,051,708	16,051,462	246	-
Bond Mutual Funds.....	9,463,548	9,393,364	70,184	-
International Investments:				
Foreign Stocks.....	5,086	5,086	-	-
Foreign Bonds.....	1,168,529	-	959,275	209,254
Commingled Equity Funds.....	20,467	20,467	-	-
Securities Lending Collateral:				
Corporate Bonds and Notes.....	34,994	-	34,994	-
Variable Rate Notes.....	223,557	-	223,557	-
Bond Mutual Funds.....	159,032	159,032	-	-
	<u>\$ 63,928,607</u>	<u>\$ 34,408,064</u>	<u>\$ 29,198,152</u>	<u>\$ 322,391</u>
Investment Derivative Instruments:				
Interest Rate Sw ap.....	\$ (3,360)	\$ -	\$ (3,360)	\$ -
	<u>\$ (3,360)</u>	<u>\$ -</u>	<u>\$ (3,360)</u>	<u>\$ -</u>



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

Primary Government (including Fiduciary Activities)
Investments - Fair Value Disclosures
As of June 30, 2021
(dollars in thousands)

	Net Asset Value
Investments Measured at Net Asset Value Level:	
Equity Mutual Funds.....	\$ 639,235
Bond Mutual Funds.....	1,942,998
Real Estate.....	3,601,599
Partnerships and Hedge Funds.....	284,739
International Investments:	
Commingled Equity Funds.....	2,474,095
	<u>\$ 8,942,666</u>

For investments held by the Treasurer of State, \$2.50 billion classified in Level 1 were valued using inputs based on published share price. Level 2 classifications in the amount of \$12.30 billion were valued using either matrix pricing, or, in the case of variable rate notes, were valued by discounting the current and future coupons using a yield calculation or scale based on the characteristics of the security. For matrix pricing, inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications were used. Interactive Data pricing used by the Treasurer’s office also monitors market indicators, and industry and economic events. The Ohio Lottery Commission’s structured investments are included in the Treasurer of State’s Level 2 investments noted above. Investments in the amount of \$200 million, classified in Level 3, were bonds for which there is no secondary market, and were therefore, valued at the original principal.

For investments held by the STAR Ohio investment pool, \$6.31 billion in open-end investment companies, including money market funds, were classified in Level 1 and were valued using the daily redemption value as reported by the underlying fund, while the \$10.36 billion in short-term investments classified in Level 2 was valued using market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids and offers. Market indicators and industry and economic events were also monitored to see if further market data was needed.

Investments held by the Department of Commerce in the amount of \$1.05 billion for escheat property classified in Level 1, were valued using quoted prices for identical securities in an active market. Investments held by other state agencies in the amount \$35.2 million classified in Level 1, were valued using quoted prices in a large and active market.

For investments held by independently audited organizations of the primary government, more information regarding investment valuations can be found in the organizations’ stand-alone financial reports. The stand-alone financial reports for the independently audited organizations included in the table above may be found as follows:

- STAR Ohio investment pool at the Treasurer of State’s Office, at <http://www.tos.ohio.gov/>;
- Development Services Agency-Office of Loan Administration, at <https://development.ohio.gov/>;
- Buckeye Tobacco Settlement Financing Authority, [Issuers | Office of Budget and Management \(ohio.gov\)](https://issuers.budget.ohio.gov/);
- Southern Ohio Agricultural and Community Development Foundation, at <http://www.soacdf.net/>;
- Bureau of Workers’ Compensation/Industrial Commission of Ohio, at <https://www.bwc.ohio.gov/>;
- Tuition Trust Authority, at <https://www.collegeadvantage.com/>;
- STABLE, contact the Ohio Treasurer of State’s office at (800) 228-1102 to request a copy of the report.
- State Highway Patrol Retirement System, at <https://www.ohprs.org/ohprs/>;



NOTE 4 DEPOSITS AND INVESTMENTS (Continued)

The fair value investment hierarchy for the Ohio State University, a major discretely presented component unit, is reported in the table below:

Major Discretely Presented Component Unit				
Investments - Fair Value Disclosures				
As of June 30, 2021				
<i>(dollars in thousands)</i>				
	Fair Value	Amount of Fair Value Measured Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>Ohio State University:</i>				
<i>Investments Measured by Fair Value Level:</i>				
U.S. Government Obligations.....	\$ 201,357	\$ 605	\$ 200,752	\$ -
U.S. Agency Obligations.....	112,954	-	112,954	-
Common and Preferred Stock.....	1,182,412	1,182,412	-	-
Corporate Bonds and Notes.....	1,622,424	-	1,622,424	-
Municipal Obligations.....	44,584	-	44,584	-
Negotiable Certificates of Deposit.....	428,243	382,020	46,223	-
Commercial Paper.....	32,534	-	32,534	-
Equity Mutual Funds.....	358,408	358,408	-	-
Bond Mutual Funds.....	948,828	948,828	-	-
Real Estate.....	143,424	127,615	-	15,809
Partnerships and Hedge Funds.....	137,009	-	-	137,009
Life Insurance.....	3,552	-	-	3,552
<i>International Investments:</i>				
Foreign Stocks.....	513,586	513,586	-	-
Foreign Bonds.....	66,547	-	66,547	-
Commingled Equity Funds.....	365,192	-	-	365,192
<i>Securities Lending Collateral:</i>				
Repurchase Agreements.....	72,042	-	72,042	-
	<u>\$ 6,233,096</u>	<u>\$ 3,513,474</u>	<u>\$ 2,198,060</u>	<u>\$ 521,562</u>
<i>Ohio State University:</i>				
<i>Investments Measured at Net Asset Value</i>				
Equity Mutual Funds	\$ 851,850			
Bond Mutual Funds	122,323			
Real Estate	16			
Partnerships and Hedge Funds	2,890,547			
<i>International Investments:</i>				
Commingled Equity Funds	119,767			
	<u>\$ 3,984,503</u>			

More information on Ohio State University's fair value investment valuations can be found in its audited stand-alone financial report at <https://www.osu.edu/>.

The Ohio Facilities Construction Commission's investments in the amount of \$2.5 million were classified in Level 1 based on their valuation using the market approach.



NOTE 5 RECEIVABLES

A. Taxes Receivable – Primary Government

Current taxes receivable is expected to be collected in the next fiscal year while noncurrent taxes receivable is not expected to be collected until more than one year from the balance sheet date. As of June 30, 2021, approximately \$121.6 million of the net taxes receivable balance is also reported as Deferred Inflows of Resources on the governmental funds' balance sheet, all of which is reported in the General Fund.

Refund liabilities for income taxes, totaling approximately \$1.26 billion are reported as "Refund and Other Liabilities" for governmental activities on the Statement of Net Position and in the General Fund on the governmental funds' Balance Sheet.

The following table summarizes taxes receivable for the primary government (dollars in thousands):

	Governmental Activities		
	General	Nonmajor	
		Governmental Funds	Total Primary Government
Current-Due Within One Year:			
Income Taxes	\$ 358,871	\$ -	\$ 358,871
Sales Taxes	588,755	-	588,755
Motor Vehicle Fuel Taxes	175,441	169,073	344,514
Commercial Activity Taxes	524,401	13,607	538,008
Public Utility Taxes	92,289	-	92,289
Casino Taxes	-	5,821	5,821
	<u>1,739,757</u>	<u>188,501</u>	<u>1,928,258</u>
Noncurrent-Due in More Than One Year:			
Income Taxes	17,810	-	17,810
Taxes Receivable, Net	<u>\$ 1,757,567</u>	<u>\$ 188,501</u>	<u>\$ 1,946,068</u>

B. Intergovernmental Receivable – Primary Government

The intergovernmental receivable balance reported for the primary government, all of which is expected to be collected within the next fiscal year, consists of the following, as of June 30, 2021 (dollars in thousands):

	From Nonexchange Programs		From Sales of Goods and Services		Total Primary
	Federal Government	Local Government	Other State Governments	Local Government	
	Governmental Activities:				
Major Governmental Funds:					
General	\$ 320,513	\$ -	\$ -	\$ -	\$ 320,513
Job, Family and Other Human Services	295,679	15,682	-	-	311,361
Nonmajor Governmental Funds	555,300	70,871	-	17,370	643,541
Total Governmental Activities	<u>1,171,492</u>	<u>86,553</u>	<u>-</u>	<u>17,370</u>	<u>1,275,415</u>
Business-Type Activities:					
Major Proprietary Funds:					
Unemployment Compensation	-	-	813	-	813
Nonmajor Proprietary Funds	-	-	-	5,503	5,503
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>813</u>	<u>5,503</u>	<u>6,316</u>
Intergovernmental Receivable	<u>\$1,171,492</u>	<u>\$ 86,553</u>	<u>\$ 813</u>	<u>\$ 22,873</u>	<u>\$ 1,281,731</u>



NOTE 5 RECEIVABLES (Continued)

C. Loans Receivable

Loans receivable for the primary government, as of June 30, 2021, are detailed in the following table (dollars in thousands):

Loan Program	Primary Government - Loans Receivable		
	Governmental Activities		
	General	Nonmajor Governmental Funds	Total Primary Government
Economic Development Office of Loan Administration.....	\$ 238,691	\$ -	\$ 238,691
Local Infrastructure Improvements	641,116	-	641,116
Housing Finance	339,698	-	339,698
Highway, Transit, & Aviation Infrastructure Bank.....	-	141,332	141,332
Third Frontier Program Loans.....	-	43,754	43,754
Wayne Trace Local School District	-	-	-
Capital Access Loan Program.....	-	763	763
Loans Receivable, Net	<u>\$ 1,219,505</u>	<u>\$ 185,849</u>	<u>\$ 1,405,354</u>
Current-Due Within One Year	\$ 108,045	\$ 24,054	\$ 132,099
Noncurrent-Due in More Than One Year	1,111,460	161,795	1,273,255
Loans Receivable, Net	<u>\$ 1,219,505</u>	<u>\$ 185,849</u>	<u>\$ 1,405,354</u>

The “Loans Receivable” balance reported in the major discretely presented component units, as of June 30, 2021, is comprised of student loans and other miscellaneous loans.



NOTE 5 RECEIVABLES (Continued)

D. Other Receivables

The other receivables balances reported for the primary government, as of June 30, 2021, consists of the following (dollars in thousands):

Primary Government - Other Receivables					
Governmental Activities					
Major Governmental Funds					
Types of Receivables	General	Job, Family & Other Human Services	Buckeye Tobacco Settlement Financing Authority Revenue Bonds	Nonmajor Governmental Funds	Total
Manufacturers' Rebates	\$ 253,393	\$ 586,732	\$ -	\$ 106	\$ 840,231
Tobacco Settlement	-	-	706,220	34,100	740,320
Health Facility Bed Assessments	-	104,357	-	-	104,357
Managed Care Franchise Fees.....	-	68,059	-	-	68,059
Interest	20,031	-	-	-	20,031
Accounts	13,671	19,380	-	9,860	42,911
Miscellaneous	27,765	-	-	-	27,765
Other Receivables, Net.....	<u>\$ 314,860</u>	<u>\$ 778,528</u>	<u>\$ 706,220</u>	<u>\$ 44,066</u>	<u>\$ 1,843,674</u>
Current-Due Within One Year	\$ 314,860	\$ 778,528	\$ -	\$ 9,966	\$ 1,103,354
Noncurrent-Due in More Than One Year.....	-	-	706,220	34,100	740,320
Other Receivables, Net.....	<u>\$ 314,860</u>	<u>\$ 778,528</u>	<u>\$ 706,220</u>	<u>\$ 44,066</u>	<u>\$ 1,843,674</u>
Business-Type Activities					
Major Proprietary Funds					
Types of Receivables	Workers' Compensation	Lottery Commission	Unemployment Compensation	Nonmajor Proprietary Funds	Total
Accounts.....	\$ 317,774	\$ -	\$ 113,802	\$ -	\$ 431,576
Interest and Dividends (including restricted portion)..	77,623	-	-	897	78,520
Lottery Sales Agents.....	-	54,579	-	-	54,579
Other Receivables, Gross.....	395,397	54,579	113,802	897	564,675
Estimated Uncollectible.....	(1,256)	(509)	(47,044)	-	(48,809)
Other Receivables, Net-Due Within One Year.....	<u>\$ 394,141</u>	<u>\$ 54,070</u>	<u>\$ 66,758</u>	<u>\$ 897</u>	<u>\$ 515,866</u>
Total Primary Government.....					<u>\$ 2,359,540</u>

The "Other Receivables" balance reported in the fiduciary funds as of June 30, 2021, is comprised of interest due of approximately \$6.8 million and investment trade receivables of \$76 million.

In the major discretely presented component units, the "Other Receivables" balance reported, as of June 30, 2021, is comprised of accounts receivable, interest receivable, pledges receivable, unbilled charges receivable, grants receivable, and other miscellaneous receivables.



NOTE 6 PAYABLES

A. Accrued Liabilities

Details on accrued liabilities for the primary government and fiduciary activities, as of June 30, 2021, follow (dollars in thousands):

Primary Government and Fiduciary Activities - Accrued Liabilities				
	Wages and Employee Benefits	Accrued Interest	Total Accrued Liabilities	
Governmental Activities:				
Major Governmental Funds:				
General.....	\$ 212,134	\$ -	\$ 212,134	
Job, Family and Other Human Services.....	31,319	-	31,319	
Pandemic Relief Funds.....	426	-	426	
Nonmajor Governmental Funds.....	79,247	-	79,247	
	<u>323,126</u>	<u>-</u>	<u>323,126</u>	
Reconciliation of fund level statements to government- wide statements due to basis differences.....	-	142,530	142,530	
Total Governmental Activities.....	<u>323,126</u>	<u>142,530</u>	<u>465,656</u>	
Business-Type Activities:				
Nonmajor Proprietary Funds.....	6,206	-	6,206	
Total Primary Government.....	<u>\$ 329,332</u>	<u>\$ 142,530</u>	<u>\$ 471,862</u>	
Fiduciary Activities:				
	Wages and Employee Benefits	Health Benefit Claims	Management and Administrative Expenses	Total Accrued Liabilities
State Highway Patrol Retirement System Pension Trust (12/31/2020).....	\$ 6,931	\$ 446	\$ -	\$ 7,377
Private-Purpose Trust:				
Variable College Savings Plan.....	-	-	4,307	4,307
STABLE Program.....	-	-	94	94
STAR Ohio Investment Trust.....	-	-	575	575
Total Fiduciary Activities.....	<u>\$ 6,931</u>	<u>\$ 446</u>	<u>\$ 4,976</u>	<u>\$ 12,353</u>

The "Accrued Liabilities" balance reported in the major discretely presented component units, as of June 30, 2021, is comprised largely of payables similar to those of the primary government, such as wages and employee benefits, self-insurance, and accrued interest.



NOTE 6 PAYABLES (Continued)

B. Intergovernmental Payable

The intergovernmental payable balances for the primary government and fiduciary activities, as of June 30, 2021, are comprised of the following (dollars in thousands):

Primary Government and Fiduciary Activities - Intergovernmental Payable					
	Local Government				
	Shared Revenue and Local Permissive Taxes	Subsidies and Other	Federal Government	Other States	Total
Governmental Activities:					
Major Governmental Funds:					
General	\$ 1,077,923	\$ 64,930	\$ 42,078	\$ -	\$ 1,184,931
Job, Family and Other Human Services	-	130,717	-	-	130,717
Nonmajor Governmental Funds	108,040	287,690	-	-	395,730
Total Governmental Activities	<u>\$ 1,185,963</u>	<u>\$ 483,337</u>	<u>\$ 42,078</u>	<u>\$ -</u>	<u>\$ 1,711,378</u>
Business-Type Activities:					
Major Proprietary Funds:					
Unemployment Compensation	\$ -	\$ 170	\$ 1,472,396	\$ -	\$ 1,472,566
Total Business-Type Activities	<u>\$ -</u>	<u>\$ 170</u>	<u>\$ 1,472,396</u>	<u>\$ -</u>	<u>\$ 1,472,566</u>
Total Primary Government.....					<u>\$ 3,183,944</u>
Fiduciary Activities:					
Custodial Funds.....	\$ 239,837	\$ -	\$ -	\$ -	\$ 239,837
Total Fiduciary Activities	<u>\$ 239,837</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 239,837</u>

As of June 30, 2021, the Ohio Facilities Construction Commission, a major discretely presented component unit, reported an intergovernmental payable balance totaling approximately \$375.2 million for long-term funding contracts the Commission has with local school districts. In the government-wide Statement of Net Position, the intergovernmental payable balance for the Commission is included with "Other Noncurrent Liabilities." The contracts commit the State to cover the costs of construction of facilities of the school districts once the districts have met certain eligibility requirements.



NOTE 6 PAYABLES (Continued)

C. Refund and Other Liabilities

Refund and other liabilities for the primary government and fiduciary activities, as of June 30, 2021, consist of the balances, as follows (dollars in thousands):

Primary Government and Fiduciary Activities - Refund and Other Liabilities						
	Personal Income Tax Estimated Refund Claims	Payroll Withholding and Health Care Benefits	Other	Total		
Governmental Activities:						
Major Governmental Funds:						
General	\$ 1,261,042	\$ 143,977	\$ 31,610	\$ 1,436,629		
Job, Family and Other Human Services	-	-	2,982	2,982		
Total Governmental Activities	<u>\$ 1,261,042</u>	<u>\$ 143,977</u>	<u>\$ 34,592</u>	<u>\$ 1,439,611</u>		
	Reserve for Compensation Adjustment	Net Pension / OPEB Liability	Refund and Security Deposits	Compensated Absences	Other	Total
Business-Type Activities:						
Major Proprietary Funds:						
Workers' Compensation	\$ 1,649,999	\$ 149,066	\$ -	\$ 34,732	\$ 280,310	\$ 2,114,107
Lottery Commission	-	24,150	29,664	5,383	23,564	82,761
Unemployment Compensation	-	-	8,065	-	-	8,065
Nonmajor Proprietary Funds	-	53,974	-	12,189	-	66,163
	1,649,999	227,190	37,729	52,304	303,874	2,271,096
Reconciliation of balances included in the "Other Noncurrent Liabilities" balance in the government-wide financial statements.....	(1,649,999)	(227,190)	-	(52,304)	(252,844)	(2,182,337)
Total Business-Type Activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,729</u>	<u>\$ -</u>	<u>\$ 51,030</u>	<u>\$ 88,759</u>
Total Primary Government						<u>\$ 1,528,370</u>
				Child Support Collections	Other	Total
Fiduciary Activities:						
State Highway Patrol Retirement						
System Pension Trust (12/31/2020).....				\$ -	\$ 1,476	\$ 1,476
Private Purpose Trust Funds:						
Variable College Savings Plan.....				-	55,886	55,886
STABLE Program.....				-	19	19
STAR Ohio Investment Trust				-	60	60
Custodial Funds.....				88,237	7,868	96,105
Total Fiduciary Activities				<u>\$ 88,237</u>	<u>\$ 65,309</u>	<u>\$ 153,546</u>

In the major discretely presented component units, the "Refunds and Other Liabilities" balance reported, as of June 30, 2021, is comprised largely of payables similar to the primary government, such as refund and security deposits, compensated absences, capital leases, and other miscellaneous payables.



NOTE 7 INTERFUND BALANCES AND TRANSFERS AND SIGNIFICANT TRANSACTIONS WITH COMPONENT UNITS

A. Interfund Balances

Interfund balances, as of June 30, 2021, consist of the following (dollars in thousands):

Due from	Due To		Total
	Workers' Compensation	Nonmajor Proprietary Funds	
General	\$ 372,658	\$ 1,989	\$ 374,647
Job, Family and Other Human Services	8,771	-	8,771
Pandemic Relief Funds	6,011	-	6,011
Nonmajor Governmental Funds	96,647	-	96,647
Lottery Commission	864	-	864
Total.....	<u>\$ 484,951</u>	<u>\$ 1,989</u>	<u>\$ 486,940</u>

Interfund balances result from the time lag between dates that 1) interfund goods and services are provided or reimbursable expenditures/expenses occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The State's primary government is permitted to pay its workers' compensation liability on a terminal-funding (pay-as-you-go) basis. As a result, the Workers' Compensation Enterprise Fund recognized \$485 million as an interfund receivable for the unbilled premium due for the primary government's share of the Bureau's actuarially determined liability for compensation. In the Statement of Net Position, the State includes the liability in the internal balance reported for governmental activities.

B. Interfund Transfers

Interfund transfers, for the fiscal year ended of June 30, 2021, consist of the following (dollars in thousands):

Transferred from	Transferred to					Total
	General	Job, Family & Other Human Services	Other Major Governmental Funds	Nonmajor Governmental Funds	Proprietary Funds	
General	\$ -	\$ 13,683	\$ 17	\$ 1,855,691	\$ 39,247	\$1,908,638
Job, Family and Other Human Services ..	-	-	-	5,465	-	5,465
Buckeye Tobacco Settlement						
Financing Authority Revenue Bonds....	22,614	-	-	-	-	22,614
Pandemic Relief Funds.....	-	-	-	-	8,253	8,253
Nonmajor Governmental Funds	241,268	171	18	215,192	-	456,649
Workers' Compensation	8,923	-	-	-	-	8,923
Lottery Commission	1,679	-	-	1,359,010	-	1,360,689
Unemployment Compensation	6,956	13,467	-	-	-	20,423
Total.....	<u>\$ 281,440</u>	<u>\$ 27,321</u>	<u>\$ 35</u>	<u>\$ 3,435,358</u>	<u>\$ 47,500</u>	<u>\$3,791,654</u>

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts, to the debt service fund as the debt service payments become due, and 3) utilize unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budget authorizations.



NOTE 7 INTERFUND BALANCES AND TRANSFERS AND SIGNIFICANT TRANSACTIONS WITH COMPONENT UNITS (Continued)

C. Discretely Presented Component Units

For fiscal year 2021, the discretely presented component units reported \$2.54 billion in state assistance revenue from the primary government in the Statement of Activities.

Included in "Primary, Secondary, and Other Education" expenses reported for the governmental activities, is the funding that the primary government provided to the Ohio Facilities Construction Commission for capital construction at local school districts. The primary government also transferred bond proceeds to the Ohio Facilities Construction Commission to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State.

Additionally, the primary government provided financial support to the colleges and universities in the form of state appropriations for instructional and non-instructional purposes and capital appropriations for construction. This assistance is included in "Higher Education Support" expenses reported for governmental activities.

Details of balances and activity reported in the government-wide financial statements between the primary government and its discretely presented component units are summarized below:

Primary Government <i>(dollars in thousands)</i>						
Program Expenses for State Assistance to Component Units						
	Receivable from the Component Units	Payable to the Component Units	Primary, Secondary, and Other Education Function	Higher Education Support Function	Transportation Function	Total State Assistance to the Component Units
Major Governmental Funds:						
General	\$ -	\$ 11,010	\$ 454,795	\$ 2,078,413	\$ 2,690	\$ 2,535,898
Job, Family and Other Human Services ...	-	3,611	-	-	-	-
Nonmajor Governmental Funds	9,849	7,726	-	-	-	-
Total Primary Government.....	<u>\$ 9,849</u>	<u>\$ 22,347</u>	<u>\$ 454,795</u>	<u>\$ 2,078,413</u>	<u>\$ 2,690</u>	<u>\$ 2,535,898</u>

Discretely Presented Component Units <i>(dollars in thousands)</i>			
	Receivable from the Primary Government	Payable to the Primary Government	Total State Assistance from the Primary Government
Major Discretely Presented Component Units:			
Ohio Facilities Construction Commission.....	\$ -	\$ -	\$ 454,795
Ohio State University	442	-	550,103
Nonmajor Discretely Presented Component Units	21,905	10,482	1,531,000
Total Discretely Presented Component Units	<u>\$ 22,347</u>	<u>\$ 10,482</u>	<u>\$ 2,535,898</u>



NOTE 8 CAPITAL ASSETS

A. Primary Government

Capital asset activity, for the year ended June 30, 2021, reported for the primary government was as follows (dollars in thousands):

	Primary Government			
	Balance July 1, 2020	Increases	Decreases	Balance June 30, 2021
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,519,465	\$ 115,986	\$ (12,741)	\$ 2,622,710
Buildings	62,464	2,847	-	65,311
Land Improvements	1,439	-	-	1,439
Construction-in-Progress	2,474,654	515,128	(323,554)	2,666,228
Infrastructure:				
Highway Network:				
General Subsystem	9,074,849	22,656	-	9,097,505
Priority Subsystem	9,143,435	66,999	-	9,210,434
Bridge Network	2,996,353	16,487	(18,151)	2,994,689
Total Capital Assets Not Being Depreciated.....	26,272,659	740,103	(354,446)	26,658,316
Other Capital Assets:				
Buildings	4,187,790	166,287	(12,861)	4,341,216
Land Improvements	552,577	16,869	(2,479)	566,967
Machinery and Equipment	1,750,949	104,181	(52,589)	1,802,541
Vehicles	549,832	25,642	(29,944)	545,530
Infrastructure:				
Parks, Recreation and Natural Resources Network.....	284,421	21	-	284,442
Total Other Capital Assets at Historical Cost.....	7,325,569	313,000	(97,873)	7,540,696
Less Accumulated Depreciation for:				
Buildings	2,606,045	116,725	(11,313)	2,711,457
Land Improvements	381,540	20,004	(1,540)	400,004
Machinery and Equipment	1,245,760	78,461	(41,798)	1,282,423
Vehicles	323,108	51,638	(27,047)	347,699
Infrastructure:				
Parks, Recreation and Natural Resources Network.....	58,561	7,651	-	66,212
Total Accumulated Depreciation	4,615,014	274,479	(81,698)	4,807,795
Other Capital Assets, Net	2,710,555	38,521	(16,175)	2,732,901
Governmental Activities - Capital Assets, Net.....	<u>\$ 28,983,214</u>	<u>\$ 778,624</u>	<u>\$ (370,621)</u>	<u>\$ 29,391,217</u>
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 9,466	\$ -	\$ -	\$ 9,466
Construction-In Progress.....	73,923	-	(73,923)	-
Total Capital Assets Not Being Depreciated.....	83,389	-	(73,923)	9,466
Other Capital Assets:				
Buildings	209,439	-	-	209,439
Machinery and Equipment	197,691	88,997	(1,267)	285,421
Vehicles	3,700	466	(543)	3,623
Total Other Capital Assets at Historical Cost.....	410,830	89,463	(1,810)	498,483
Less Accumulated Depreciation for:				
Buildings	201,479	779	-	202,258
Machinery and Equipment	176,200	21,741	(1,204)	196,737
Vehicles	2,287	401	(460)	2,228
Total Accumulated Depreciation	379,966	22,921	(1,664)	401,223
Other Capital Assets, Net	30,864	66,542	(146)	97,260
Business-Type Activities - Capital Assets, Net.....	<u>\$ 114,253</u>	<u>\$ 66,542</u>	<u>\$ (74,069)</u>	<u>\$ 106,726</u>



NOTE 8 CAPITAL ASSETS (Continued)

For fiscal year 2021, the State charged depreciation expense to the following functions (dollars in thousands):

	<i>Depreciation Expense</i>
<i>Governmental Activities:</i>	
Primary, Secondary and Other Education.....	\$ 2,773
Public Assistance and Medicaid.....	17,997
Health and Human Services.....	14,029
Justice and Public Protection.....	66,389
Environmental Protection and Natural Resources.....	27,052
Transportation.....	80,119
General Government.....	65,554
Community and Economic Development.....	7,156
Total Depreciation Expense for Governmental Activities.....	<u>281,069</u>
Gains (Losses) on Capital Asset Disposals Included in Depreciation.....	<u>(6,590)</u>
Fiscal Year 2021 Increases to Accumulated Depreciation.....	<u><u>\$ 274,479</u></u>
<i>Business-Type Activities:</i>	
Workers' Compensation.....	\$ 14,224
Lottery Commission.....	8,398
Tuition Trust Authority.....	8
Office of Auditor of State.....	183
Total Depreciation Expense for Business-Type Activities.....	<u>22,813</u>
Gains (Losses) on Capital Asset Disposals Included in Depreciation.....	<u>108</u>
Fiscal year 2020 Increase to Accumulated Depreciation.....	<u><u>\$ 22,921</u></u>

As of June 30, 2021, the State considered the following governmental capital asset balances as being impaired and removed from service (dollars in thousands):

	<i>Net Book Value</i>
<i>Governmental Activities:</i>	
Permanently Impaired Assets Removed from Service:	
Buildings.....	\$ 4,198
Land Improvements	225
Total.....	<u><u>\$ 4,423</u></u>



NOTE 8 CAPITAL ASSETS (Continued)

B. Major Discretely Presented Component Unit

Capital asset activity, for the year ended June 30, 2021, reported for major discretely presented component unit funds with significant capital asset balance was as follows (dollars in thousands):

	Major Discretely Presented Component Unit			
	Balance			Balance
	July 1, 2020	Increases	Decreases	June 30, 2021
<u>Ohio State University:</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 139,597	\$ 2,071	\$ -	\$ 141,668
Construction-in-Progress	950,722	1,005,694	(884,446)	1,071,970
Patents and Trademarks.....	18,589	-	(124)	18,465
Total Capital Assets Not Being Depreciated.....	<u>1,108,908</u>	<u>1,007,765</u>	<u>(884,570)</u>	<u>1,232,103</u>
Other Capital Assets:				
Buildings	7,038,077	587,797	(24,749)	7,601,125
Land Improvements	979,039	30,215	(9)	1,009,245
Machinery, Equipment and Vehicles	1,771,655	330,227	(36,677)	2,065,205
Library Books and Publications	196,468	3,943	(220)	200,191
Total Other Capital Assets at Historical Cost.....	<u>9,985,239</u>	<u>952,182</u>	<u>(61,655)</u>	<u>10,875,766</u>
Less Accumulated Depreciation for:				
Buildings	3,313,930	239,217	(20,844)	3,532,303
Land Improvements	400,326	45,523	1,334	447,183
Machinery, Equipment and Vehicles	1,285,345	180,107	(24,942)	1,440,510
Library Books and Publications	172,531	4,626	(218)	176,939
Total Accumulated Depreciation	<u>5,172,132</u>	<u>469,473</u>	<u>(44,670)</u>	<u>5,596,935</u>
Other Capital Assets, Net	<u>4,813,107</u>	<u>482,709</u>	<u>(16,985)</u>	<u>5,278,831</u>
Total Capital Assets, Net	<u>\$ 5,922,015</u>	<u>\$ 1,490,474</u>	<u>\$ (901,555)</u>	<u>\$ 6,510,934</u>

For fiscal year 2021, Ohio State University reported approximately \$470.7 million in depreciation expense. Increases to accumulated depreciation not included in depreciation expense include \$1.2 million related to a loss on the sale of capital assets.

NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

All part-time and full-time employees and elected officials of the State, including its component units (unless otherwise excluded in Ohio Revised Code), are eligible to be covered by one of the following retirement plans:

- Ohio Public Employees Retirement System
- State Teachers Retirement System of Ohio
- State Highway Patrol Retirement System
- Alternative Retirement Plan

GASB 68 and 75 require employers participating in cost-sharing multiple-employer retirement plans to recognize a proportionate share of net pension and OPEB assets/liabilities, expenses, and deferrals. For the year ended June 30, 2021, the State recognized total pension expense for all retirement plans of \$139 million, net pension liabilities of \$3.64 billion, net pension assets of \$57.3 million, deferred outflows of \$430.1 million, and deferred inflows of \$1.61 billion. The State also recognized total OPEB expense of \$(2.21) billion, net OPEB liabilities of \$633.4 million, net OPEB assets of \$384.9 million, deferred outflows of \$483 million, and deferred inflows of \$1.3 billion.

A. Ohio Public Employees Retirement System (OPERS)

Pension Benefits

OPERS is a cost-sharing, multiple-employer public employee retirement system that administers three separate pension plans – the Traditional Pension Plan (Traditional Plan) which is a defined benefit plan, the Member-Directed Plan which is a defined contribution plan, and the Combined Plan with features of both the defined benefit plan and the defined contribution plan.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

OPERS issues a stand-alone financial report, which may be obtained by visiting <https://www.opers.org> or by making a written request to Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or calling (800) 222-7377.

As established under Chapter 145, Ohio Revised Code, OPERS provides retirement and disability benefits, annual cost-of-living adjustments, and survivor and death benefits to plan members and beneficiaries enrolled in the defined benefit and combined plans.

New employees hired on or after January 1, 2003, are eligible to select one of the OPERS retirement plans, as listed above, in which they wish to participate. Members not eligible to select a plan include law enforcement officers, who must participate in the defined benefit plan, college and university employees who choose to participate in one of the university's alternative retirement plans (see NOTE 9D), and re-employed OPERS retirees.

Senate Bill 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. Members eligible to retire under the law in effect prior to Senate Bill 343 or who will be eligible to retire no later than five years after January 7, 2013, comprise Transition Group A. Members with 20 years of service credit prior to January 7, 2013, or who will be eligible to retire no later than 10 years after January 7, 2013, are included in Transition Group B. Those members who are not in Group A or B or were hired after January 7, 2013, are in Transition Group C.

The age and service requirements for State and Law Enforcement employees in all transition groups are shown in the table below:

Unreduced Benefit	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
State	Any	30	52	31	55	32
	N/A	N/A	Any	32	N/A	N/A
	65	5	66	5	67	5
Law Enforcement	48	25	50	25	52	25
	62	15	64	15	64	15

Reduced Benefit	Group A		Group B		Group C	
	Age	Service	Age	Service	Age	Service
State	55	25	55	25	57	25
	60	5	60	5	62	5
Law Enforcement	52	15	52	15	56	15
	N/A	N/A	48	25	48	25

The retirement allowance for the Traditional Plan (defined benefit) is calculated based on age, years of credited service, and the final average salary. The annual allowance for regular employees for members in Transition Groups A and B is determined by multiplying the final average salary by 2.2 percent for each year of Ohio contributing service up to 30 years and by 2.5 percent for all other years in excess of 30 years of credited service. The annual allowance for regular employees for members in Transition Group C is determined by multiplying the final average salary by 2.2 percent for each year of Ohio contributing service up to 35 years and by 2.5 percent for all other years in excess of 35 years of credited service. The annual allowance for law enforcement employees is determined by multiplying the final average salary by 2.5 percent for the first 25 years of Ohio contributing service, and by 2.1 percent for each year of service over 25 years. Retirement benefits increase three percent annually of the original base amount regardless of changes in the Consumer Price Index for those who retired prior to January 7, 2013. For those retiring after January 7, 2013, beginning in calendar year 2019, the increase will be based on the average increase in the Consumer Price Index, capped at three percent.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

The retirement allowance for the Combined Plan (defined benefit portion) is calculated based on age, years of credited service, and the final average salary. The annual allowance for regular employees for members in Transition Groups A and B is determined by multiplying the final average salary by one percent for each year of Ohio contributing service up to 30 years and by 1.25 percent for all other years in excess of 30 years of credited service. The annual allowance for regular employees for members in Transition Group C is determined by multiplying the final average salary by one percent for each year of Ohio contributing service up to 35 years and by 1.25 percent for all other years in excess of 35 years of credited service. Retirement benefits for the defined benefit portion of the plan increase three percent annually of the original base amount regardless of changes in the Consumer Price Index, for those who retired prior to January 7, 2013. For those retiring after January 7, 2013, the increase will be based on the average increase in the Consumer Price Index, capped at three percent. Additionally, retirees receive the proceeds of their individual retirement plans in a manner similar to retirees in the defined contribution plan, as discussed below.

Certain retirees and benefit recipients may also choose to take part of their retirement benefit in a Partial Lump-Sum Option Plan (PLOP). Under this option, the amount of the monthly pension benefit paid to the retiree is actuarially reduced to offset the amount received initially under the PLOP. The amount payable under the PLOP cannot be less than six times or more than 36 times the monthly amount that would be payable to the member under the plan of payment selected and cannot result in a monthly allowance that is less than 50 percent of that monthly amount.

Regular employees who participate in the Member-Directed Plan (defined contribution) may retire after they reach the age of 55. The retirement allowance for the defined contribution plan is based entirely on the total member and vested employer contributions to the plan, plus or minus any investment gains or losses. Employer contributions vest at a rate of 20 percent per year over a five-year vesting period. Retirees may choose from various payment options including monthly annuities, a PLOP, rollovers to another eligible retirement plan, or made payable to the member, or various combinations of these options. Participants direct the investment of their accounts by selecting from professionally managed OPERS investment options.

Employer and employee required contributions to OPERS are established by the Retirement Board and are within the limits authorized by the Ohio Revised Code. The contribution rates are based on percentages of covered employees' gross salaries, which are calculated annually by the retirement system's actuaries. The Ohio Revised Code currently limits the employer contribution to a rate not to exceed 14 percent of covered payroll for regular employees and 18.1 percent of covered payroll for law enforcement employees.

Contribution rates for fiscal year 2021, which are the same for the defined benefit, defined contribution, and combined plans, were as follows:

	Contribution Rates	
	Employee Share	Employer Share
<u>Regular Employees:</u>		
July 1, 2020 through June 30, 2021.....	10.00%	14.00%
<u>Law Enforcement Employees:</u>		
July 1, 2020 through June 30, 2021.....	13.00%	18.10%

In the Combined Plan, the employer's share finances the defined benefit portion of the plan, while the employee's share finances the defined contribution portion of the plan. In the Member Directed defined contribution plan, both the employee and employer share of the costs are used to finance the plan.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

At June 30, 2021, the State reports a liability of \$3.16 billion for its proportionate share of the net pension liability for the Traditional Plan and an asset for its proportionate share of the net pension asset of \$57.3 million for the Combined Plan. Ohio State University discretely presented component unit reports liabilities of \$1.5 billion for its proportionate share of the net pension liability for the Traditional Plan. The net pension liability/asset was measured as of December 31, 2020. The Plan's total pension liability used to calculate the Plan's net pension liability/asset was determined by an actuarial valuation as of December 31, 2020. The State's proportion of the net pension liability/asset is determined by a measure of the State's proportionate relationship of employer contributions made to OPERS to the total contributions made to OPERS by all employers and non-employer contributing entities to the Plan. At December 31, 2020, the State's proportion was 21.37 percent for the Traditional Plan based on employer contributions of \$421.7 million, as compared to the December 31, 2019, proportion of 20.82 percent. For the Combined Plan, the State's proportion at December 31, 2020, was 19.85 percent based on employer contributions of \$11.8 million, as compared to the December 31, 2019, proportion of 19.36 percent. The proportion for the Traditional Plan for Ohio State University discretely presented component unit was 10.4 percent based on employer contributions totaling \$240.1 million compared to 10.2 percent for the previous fiscal year. For purposes of measuring the net pension liability/asset, Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions, and pension expense, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, deductions are recorded when the liability is incurred, and revenues are recognized when earned. Refunds are payable two months after termination of the member's employment. All investments are reported at fair value.

For the year ended June 30, 2021, the State recognized pension expense of \$103.9 million for the Traditional Plan, and \$1.2 million for the Combined Plan. Ohio State University discretely presented component unit, recognized \$(134.8) million in pension expense.

At June 30, 2021, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

	Pension	
	Primary Government	Ohio State University
Traditional Plan		
Deferred Outflow of Resources:		
Differences Between Expected and Actual Experience	\$ -	\$ 1,578
Changes of Assumptions	109	2,577
Change in Employers' Proportionate Share	91,752	4,836
Contributions Subsequent to the Measurement Date	181,516	118,738
Total	<u>\$ 273,377</u>	<u>\$ 127,729</u>
Deferred Inflow of Resources:		
Net Difference Between Projected and Actual Earnings		
on Pension Plan Investments	\$ (1,233,458)	\$ (602,692)
Change in Employers' Proportionate Share	(4,447)	(21)
Differences Between Expected and Actual Experience	(132,688)	(72,258)
Total	<u>\$ (1,370,593)</u>	<u>\$ (674,971)</u>
Combined Plan		
Deferred Outflow of Resources:		
Change in Employers' Proportionate Share	\$ 289	
Change in Assumptions	3,473	
Contributions Subsequent to the Measurement Date	5,088	
Total	<u>\$ 8,850</u>	
Deferred Inflow of Resources:		
Change in Employers' Proportionate Share	\$ (852)	
Net Difference Between Projected and Actual Earnings		
on Pension Plan Investments	(8,272)	
Differences Between Expected and Actual Experience	(10,494)	
Total	<u>\$ (19,618)</u>	

Deferred Outflows of Resources of \$181.5 million related to pensions resulting from State contributions subsequent to the measurement date for the Traditional Plan will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Deferred Outflows of Resources of \$5.1 million resulting from State contributions subsequent to the measurement period for the Combined Plan will be recognized as an increase to the net pension asset in the year ended June 30, 2022. Ohio State University, a discretely presented component unit, will recognize \$118.7 million resulting from contributions subsequent to the measurement period as a reduction of its net pension liability in the following year.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Traditional Plan	Pension	
	Primary Government	Ohio State University
Year Ended June 30:		
2022.....	\$ (490,149)	\$ (245,432)
2023.....	(142,231)	(91,050)
2024.....	(478,048)	(244,892)
2025.....	(168,266)	(83,567)
2026.....	(20)	(457)
Thereafter.....	(18)	(582)

Combined Plan	Primary Government
Year Ended June 30:	
2022.....	\$ (4,062)
2023.....	(2,610)
2024.....	(4,518)
2025.....	(2,156)
2026.....	(991)
Thereafter.....	(1,519)

OPEB Benefits

In addition to the pension plan, OPERS maintains a cost-sharing, multiple-employer postemployment health care plan for the Traditional Plan and Combined Plan, which includes hospitalization, medical expenses and prescription drugs for non-Medicare retirees and eligible dependents. Medicare Eligible retirees must select coverage through the OPERS Medicare Connector and may receive an allowance to offset a portion of the monthly premium to retirees and eligible dependents. The allowance is deposited into a Health Retirement Account to be used to reimburse eligible health care expenses. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage, but qualify for a Retiree Medical Account.

The Ohio Revised Code permits, but does not mandate, OPERS to provide OPEB benefits to its eligible recipients, with one exception. Ohio law currently requires OPERS to provide a Medicare Part A equivalent plan or reimbursement for members and dependents who do qualify for Medicare Part A. Authority to establish and amend OPEB benefits is provided in Chapter 145 of the Ohio Revised Code as well.

To qualify for postemployment health care coverage, age-and-service retirees under the Traditional and Combined plans must have 20 years of qualifying Ohio service credit with a minimum age of 60, or 30 or more years of qualifying service at any age. The Member Directed Plan participants can use vested retiree medical account funds upon retirement for reimbursement of qualified medical expenses. Currently, an employee's interest in the medical account for qualifying health care expenses vests based on length of service, with 100 percent vesting attained after five years of credited service for employees hired prior to July 1, 2015. Members who elect the Member-Directed Plan after July 1, 2015, will vest at 15 years of service at a rate of 10 percent each year starting with the sixth year of participation.

Medicare-eligible retirees who choose to become re-employed in an OPERS covered position must enroll in the employer's health care plan if the employer offers a plan. After the two-month forfeiture period, the retiree may continue participation in an OPERS health care plan. The coverage provided by the employer plan is primary coverage and the OPERS health care plan is secondary coverage. OPERS provides a monthly allowance to offset a portion of the monthly premium. Medicare eligible spouses and dependents can also enroll in this plan if the retiree is enrolled. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. Spouses eligible for Medicare will have access to OPERS Medicare Connector and, if not yet eligible for Medicare, will have access to OPERS group coverage at full cost to the spouse.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

The Ohio Revised Code provides the statutory authority which allows public employers to fund post-retirement health care through their contributions to OPERS. A portion of each employer's contribution to OPERS may be set aside for the funding of post-retirement health care benefits. Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding of postemployment health care benefits. The OPEB contribution rates for regular and law enforcement employees for 2020 and 2021 was zero percent for the Traditional and Combined Plans. The employer contribution to the Member Directed Plan participants health care accounts for 2020 was four percent. Employers make no further contributions to a member's health care account after retirement, nor do employers have any further obligation to provide postemployment health care benefits.

At June 30, 2021, the State reports an asset of \$378.6 million for its proportionate share of the net OPEB asset compared to a liability of \$2.86 billion at June 30, 2020. Ohio State University discretely presented component unit reports assets of \$189.8 million for its proportionate share of the net OPEB asset, as compared to a liability of \$1.44 billion as of June 30, 2020. The net OPEB asset was measured as of December 31, 2020. The Plan's total OPEB liability used to calculate the Plan's net OPEB asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to the measurement date of December 31, 2020, by incorporating the expected value of health care cost accruals, the actual health care payments, and interest accruals during the year. The State's proportion of the net OPEB asset is determined by a measure of the State's proportionate relationship of employer contributions made to OPERS to the total contributions made to OPERS by all employers. At December 31, 2020, the State's proportion was 21.25 percent based on total employer contributions to OPERS of \$449.8 million, as compared to the December 31, 2019, proportion of 20.71 percent. The proportion for the Ohio State University discretely presented component unit was 10.7 percent based on employer contributions totaling \$240.1 million compared to 10.4 percent for the previous fiscal year. For purposes of measuring the net OPEB asset, Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB, and OPEB expense, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, deductions are recorded when the liability is incurred, and revenues are recognized when earned.

For the year ended June 30, 2021, the State recognized OPEB expense of \$(2.26) billion. Ohio State University discretely presented component unit, recognized \$(1.12) billion in OPEB expense. At June 30, 2021, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Deferred Outflow of Resources:		
Changes of Assumptions	\$ 186,068	\$ 91,112
Change in Employers' Proportionate Share	51,962	3,076
Total	<u>\$ 238,030</u>	<u>\$ 94,188</u>
Deferred Inflow of Resources:		
Differences Between Expected and Actual Experience	\$ (341,543)	\$ (170,003)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	(201,666)	(100,068)
Changes of Assumptions	(613,367)	(307,493)
Change in Employers' Proportionate Share	(2,373)	-
Total	<u>\$ (1,158,949)</u>	<u>\$ (577,564)</u>

There were no State contributions related to OPEB subsequent to the measurement date and therefore, there will be no increase of the net OPEB asset resulting from state contributions subsequent to the measurement date recognized in the year ended June 30, 2022.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Year Ending June 30:		
2022.....	\$ (486,740)	\$ (251,639)
2023.....	(331,787)	(176,653)
2024.....	(78,635)	(43,175)
2025.....	(23,757)	(11,909)

Actuarial Assumptions for Pension and OPEB Liabilities

The total pension and OPEB liabilities were determined using the following actuarial assumptions listed in the individual tables below, applied to all periods included in the measurement:

	Pension	
	Traditional Plan	Combined Plan
Wage Inflation	3.25%	3.25%
Salary Increases (including wage inflation)	3.25-10.75%	3.25-8.25%
Investment Rate of Return	7.20%	7.20%
COLA or Ad Hoc COLA *	3.00%	3.00%
Actuarial Cost Method	Individual Entry Age (Both Plans)	

*The COLA, for both the Traditional and Combined Plans, for retirees prior to January 7, 2013, is three percent simple. For retirees after that date, the COLA is 0.50 percent simple through 2021, and then becomes 2.15 percent simple.

	OPEB
Wage Inflation	3.25%
Salary Increases (including wage inflation)	3.25%-10.75%
Single Discount Rate	6.00%
Investment Rate of Return	6.00%
Municipal Bond Rate	2.00%
Health Care Cost Trend Rate	8.50% initial, 3.50% ultimate in 2035
Actuarial Cost Method	Individual Entry Age Normal

The cost-of-living adjustments rate assumption for pensions for post January 7, 2013, retirees changed since the prior measurement date from 1.4 percent simple through 2020 to 0.5 percent through 2021. The discount rate used to measure the total pension liability was 7.2 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at statutory contribution rates. Based on the projection, the plan's fiduciary net position would be available to make all projected benefit payments for all current plan members. Therefore, the long-term expected rate of return of 7.2 percent was applied to all periods of projected benefit payments to determine the total liability.

A single discount rate of 6 percent was used to measure the OPEB asset on the measurement date of December 31, 2020, as compared to a single discount rate of 3.16 percent on the measurement date of December 31, 2019. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects a long-term expected rate of return on OPEB plan investments and tax-exempt municipal bond rates based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. This single discount rate was based on an expected rate of return on the health care investment portfolio of 6 percent and a municipal bond rate of 2 percent. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made at the actuarially determined rate; therefore, the contributions were sufficient for health care costs to 2120. The health care investment rate was applied to projected costs to 2120, and the municipal bond rate applied thereafter.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

For both tables, mortality rates are based on the RP-2014 Employees mortality table. For disabled retirees, mortality rates are based on the RP-2014 Disabled mortality table. The Healthy Annuitant Mortality tables were adjusted for mortality improvements back to the observation period base year of 2006, and then established the base year as 2010 for females, and 2015 for males.

The actuarial assumptions used in the December 31, 2020, valuation were based on the results of an actuarial experience study covering a five-year period between 2011 through 2015 and updated in conjunction with an Investment Return Assumption performed between the December 31, 2017, and December 31, 2018, valuations. The pension and health care valuation results are valued and presented as of December 31, 2020, and December 31, 2019, respectively.

An estimate range for investment return assumption for pension and OPEB is developed and based on the target allocation adopted by the OPERS Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Pension		OPEB	
	Target Allocation	Weighted, Average Long-Term Expected Real Rate of Return*	Target Allocation	Weighted, Average Long-Term Expected Real Rate of Return*
Fixed Income	25%	1.32%	34%	1.07%
Domestic Equity	21%	5.64%	25%	5.64%
Real Estate	10%	5.39%	7%	6.48%
Private Equity	12%	10.42%	0%	0.00%
International Equities	23%	7.36%	25%	7.36%
Other Investments	9%	4.75%	9%	4.02%
Total Fund	100%	5.43%	100%	4.43%

*Arithmetic.

Sensitivity of the State's Proportionate Share of the Net Pension Liability/(Asset) to Changes in the Discount Rate – The following table represents the net pension liability/(asset) as of December 31, 2020, calculated using the current period discount rate assumption of 7.2 percent. Also shown is what the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.2 percent) or one percentage point higher (8.2 percent) than the current assumption (dollars in thousands):

	Pension		
	1% Decrease 6.2%	Current Discount Rate 7.2%	1% Increase 8.2%
<u>Traditional Plan</u>			
Net Pension Liability:			
Primary Government	\$ 6,035,855	\$ 3,164,266	\$ 776,545
Ohio State University	2,906,112	1,503,497	338,004
<u>Combined Plan</u>			
Net Pension (Asset):			
Primary Government	\$ (39,906)	\$ (57,311)	\$ (70,275)

The table below represents sensitivity of the State's proportionate share of the net OPEB liability/(asset) to changes in the current period single discount rate assumption of 6 percent, as of December 31, 2020. The table below shows the expected net OPEB liability/(asset) if it were calculated using a discount rate that is one percentage point lower (5 percent) or one percentage point higher (7 percent) than the current single discount rate (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

	OPEB		
	Current Single		
	1% Decrease 5.00%	Discount Rate 6.00%	1% Increase 7.00%
Net OPEB Liability/(Asset):			
Primary Government	\$ (94,128)	\$ (378,552)	\$ (612,371)
Ohio State University	(47,204)	(189,776)	(307,093)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB liability/(asset) . Retiree health care valuations use a health care cost trend assumption that changes over several years built into the assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2021 is 8.5 percent. The actuaries project premium rate decreases to a level at, or near, wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.5 percent in the most recent valuation. The following table represents the net OPEB liability/(asset) calculated using the assumed trend rates, and the expected net OPEB liability/(asset) if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current health care cost trend rate assumption (dollars in thousands):

	OPEB		
	Current Health		
	1% Decrease	Care Cost Trend Rate Assumption	1% Increase
Net OPEB Liability/(Asset):			
Primary Government	\$ (387,777)	\$ (378,552)	\$ (368,229)
Ohio State University	(194,464)	(189,776)	(184,661)

Early Retirement Incentives (ERI)

State agencies, or departments within agencies, may offer voluntary ERI under Section 145.297, Ohio Revised Code. Through the ERI Program, the State can offer to purchase up to a maximum of five years' worth of service credit from OPERS on behalf of employees who would then meet the age and service requirements to qualify for retirement. The ERI plan must remain in effect for at least one year and the employees must be given at least thirty days' notice before terminating the plan.

State agencies are also required under Section 145.298, Ohio Revised Code, to offer a generally similar ERI when the terminations equal or exceed the lesser of 350 employees or 40 percent of the agency's workforce, as a result of a closure of the agency or a lay-off within a six-month period. Under these circumstances, qualifying employees must decide whether to accept the offer in the time between the announcement of the layoffs and the effective date. The amount of service credit offered cannot exceed five years or 20 percent of the total service credited to any participant. The ERI agreements establish an obligation to pay specific amounts on fixed dates.

As of June 30, 2021, the State had no significant liabilities relative to existing ERI agreements with state employees covered by OPERS. During fiscal year 2021, the State did not incur any significant expenditures/expenses related to ERI agreements.

B. State Teachers Retirement System of Ohio (STRS)

Pension Benefits

STRS is a cost-sharing, multiple-employer public employee retirement system that administers three separate pension plans – the Defined Benefit Plan, the Defined Contribution Plan, and the Combined Plan with features of both the defined benefit plan and the defined contribution plan. STRS benefits are established under Chapter 3307, Ohio Revised Code.

STRS also provides death, survivor, and disability benefits to members in the Defined Benefit and Combined Plans.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

STRS issues a stand-alone financial report, copies of which may be obtained by making a written request to State Teachers Retirement System of Ohio, Attention: Chief Financial Officer, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877 or by visiting the STRS Website at <https://www.strsoh.org>.

For retirement dates between August 1, 2019, and July 1, 2021, participants in the Defined Benefit Plan may retire with an unreduced benefit after 33 years of credited service regardless of age, or age 65 with five years of credited service. Effective between August 1, 2019, and July 1, 2021, any member may retire with reduced benefit amounts at any age with 30 years of service, or at age 55 with 28 years of credited service, or at age 60 with 5 years of credited service. Eligibility changes will be phased in through August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60. Retirement eligibility for reduced benefits will be five years of service credit and age 60; or 30 years of service credit regardless of age. Benefits are based on the final average salary based on the five highest years of earnings, and by multiplying 2.2 percent times the number of years of service credit. Retirees are entitled to a maximum annual retirement benefit, payable in monthly installments for life, equal to the "formula benefit" calculation

For members who were eligible to retire on July 1, 2015, or later, the annual benefit amount will be the greater of either the benefit amount calculated under the current benefit formula as described above, or the benefit amount calculated as of July 1, 2015, under the previous benefit formula, as described below.

The previous benefit formula was based on years of credited service and the final average salary, which is the average of the member's three highest salary years. The annual allowance is determined by multiplying the final average salary by 2.2 percent for the first 30 years of credited service. Each year over 30 years is incrementally increased by 0.1 percent, starting at 2.5 percent for the 31st year of contributing service up to a maximum allowance of 100 percent of final average salary. Upon reaching 35 years of Ohio service, the first 31 years of Ohio contributing service are multiplied by 2.5 percent, and each year over 31 years is incrementally increased by 0.1 percent starting at 2.6 percent for the 32nd year.

Retirees choose from one of four payment options, including annuity options and a "partial lump-sum" option. Under the partial lump-sum option, retirees may take a lump-sum payment that equals from six to 36 times their monthly service retirement benefit. Subsequent monthly benefits are reduced proportionally.

Employees hired after July 1, 2001, may choose to participate in the Combined Plan or the Defined Contribution Plan, in lieu of participation in the Defined Benefit Plan.

Employer and employee required contributions to STRS are established by the Board and limited under the Ohio Revised Code to employer and employee rates of 14 percent and are based on percentages of covered employees' gross salaries, which are calculated annually by the retirement system's actuary.

Contribution rates for fiscal year 2021 were 14 percent for employers and 14 percent for employees for the Defined Benefit, Defined Contribution, and Combined Plans.

Participants in the Defined Contribution Plan are eligible to retire at age 50. All employee contributions and 9.53 percent of earned compensation is placed into individual member accounts (the remaining 4.47 percent of earned compensation is allocated to the defined benefit unfunded liability), and members direct the investment of their accounts by selecting from various professionally managed investment options. Members vest 20 percent per year in employer contributions, including associated gains and losses on those contributions. Employee contributions vest immediately. Retirees may select from various annuity payment plans or a lump-sum payment option.



NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)

Participants in the Combined Plan may start to collect the unreduced defined benefit portion of the plan at age 60 with five years of service, or participants may collect a reduced defined benefit portion of the plan before age 60 with five years of service. Of employee contributions, 12 percent of earned compensation is deposited into the defined contribution portion of the plan, while the remaining two percent is deposited into the defined benefit portion of the plan. Employee contributions are allocated among investment choices by the member, and employer contributions are used to fund a defined benefits payment. The annual allowance for the defined benefit portion of the Plan is determined by multiplying the final average salary for the five highest paid years by one percent for each year of Ohio contributing service credit. Participants in the Combined Plan may also participate in the partial lump-sum option plan, as described previously, for the portion of their retirement benefit that is provided through the defined benefit portion of the plan. The defined contribution portion of the Plan may be taken as a lump sum if the member withdraws before the age of 50, or as a lifetime monthly annuity, if paid on or after the age of 50.

A retiree of STRS or any other Ohio public retirement system is eligible for re-employment as a teacher after two months from the date of retirement. Members and the employer make contributions during the period of re-employment. Upon termination or the retiree reaches the age of 65, whichever comes later, the retiree is eligible for an annuity benefit or a lump-sum payment in addition to the original retirement allowance. Alternatively, the retiree may receive a refund of member contributions with interest before age 65, once employment is terminated.

At June 30, 2021, the State reports a liability of \$88 million for its proportionate share of the net pension liability, as compared to \$80.2 million at June 30, 2020. Ohio State University discretely presented component unit reports a net pension liability of \$1.18 billion for its proportionate share, as compared to \$1.04 billion at June 30, 2020. The net pension liability was measured as of June 30, 2020. The Plan's total pension liability was used to calculate the net pension liability, as determined by an actuarial valuation as of June 30, 2020. The State's proportion of the net pension liability is determined by a measure of the State's proportionate relationship of employer contributions made to STRS to the total contributions made to STRS by all employers and non-employer contributing entities to the plan. At June 30, 2021, the State's proportion of .36 percent, remained the same as the prior year, based on employer contributions totaling \$6.3 million. Ohio State University's proportionate share was 4.9 percent based on employer contributions of \$86.9 million, as compared to 4.7 percent for June 30, 2020.

For purposes of measuring the net pension liability, and related deferred inflows and outflows of resources and pension expenses, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by STRS. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2021, the State recognized pension expense of \$10.2 million and Ohio State University discretely presented component unit recognized pension expense of \$90.4 million.

At June 30, 2021, the State and Ohio State University reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

	Pension	
	Primary Government	Ohio State University
Deferred Outflows of Resources:		
Differences Between Expected and Actual Experience	\$ 197	\$ 2,638
Changes of Assumptions	4,724	63,120
Differences Between Projected and Actual Investment Earnings	4,280	57,181
Change in Employer Proportionate Share	256	1,947
Employer Contributions Subsequent to the Measurement Date	6,284	87,064
Total	<u>\$ 15,741</u>	<u>\$ 211,950</u>
Deferred Inflows of Resources:		
Differences Between Expected and Actual Experience	\$ (563)	\$ (7,519)
Change in Employer Proportionate Share	(1,637)	-
Total	<u>\$ (2,200)</u>	<u>\$ (7,519)</u>

Deferred Outflows of Resources of \$6.3 million related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Ohio State University discretely presented component unit will recognize \$87.1 million as a reduction of its net pension liability.

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

	Pension	
	Primary Government	Ohio State University
Year Ended June 30:		
2022.....	\$ 2,331	\$ 39,364
2023.....	745	19,960
2024.....	2,193	32,020
2025.....	1,988	26,023

OPEB Benefits

Additionally, STRS offers a cost-sharing, multiple employer health care plan which provides access to health care to eligible retirees who participate in the Defined Benefit Plan or Combined Plan. Benefits include hospitalization, physician's fees, prescription drugs and reimbursement of a portion of the monthly Medicare Part B premiums. Retirees enrolled in the Defined Contribution Plan receive no postemployment health care benefits.

Ohio Revised Code Chapter 3307 gives the STRS board discretionary authority over how much, if any, of associated health care costs are absorbed by the health care plan. All benefit recipients of the health care plan, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Medicare Part D allows STRS Ohio to recover part of the health care cost for providing prescription coverage through its health care plans which include creditable prescription drug coverage. For the Defined Benefit and Combined Plans, all employer contributions are used to fund pension obligations, and none was allocable to postemployment health care benefits for 2021. Under Ohio law, funding for the postemployment health care may be deducted from employer contributions. This action will reduce the amortization period for the pension fund. The Board has authority to direct part of the employer contribution back to the Health Care Fund in the future.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

At June 30, 2021, the State reports a net OPEB asset of \$6.4 million for its proportionate share, as compared to \$6 million at June 30, 2020. Ohio State University discretely presented component unit reports a net OPEB asset of \$85.4 million for its proportionate share, as compared to \$77.9 million as of June 30, 2020. The net OPEB asset was measured as of June 30, 2020. The Plan's total OPEB liability was used to calculate the net OPEB asset determined by an actuarial valuation as of June 30, 2020. The State's proportion of the net OPEB asset is determined by a measure of the State's proportionate relationship of employer contributions made to STRS to the total contributions made to STRS by all employers to the plan. At June 30, 2021, the State's proportion of 0.36 percent, remained the same as the prior year, based on employer contributions totaling \$6.3 million. Ohio State University's proportionate share was 4.9 percent based on employer contributions of \$86.9 million, as compared to 4.7 percent at June 30, 2020.

For purposes of measuring the net OPEB asset, related deferred inflows and outflows of resources and expenses, information about the fiduciary net position of the system and additions to and deductions from the fiduciary net position have been determined on the same basis as they are reported by STRS. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

For the year ended June 30, 2021, the State recognized OPEB expense of \$(440.1) million and Ohio State University discretely presented component unit recognized OPEB expense of \$(4.8) million.

At June 30, 2021, the State and Ohio State University reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):

	OPEB	
	Primary Government	Ohio State University
Deferred Outflows of Resources:		
Differences Between Expected and Actual Experience	\$ 409	\$ 5,472
Changes of Assumptions	105	1,410
Differences Between Projected and Actual Investment Earnings	224	2,993
Change in Employer Proportionate Share	35	119
Total	<u>\$ 773</u>	<u>\$ 9,994</u>
Deferred Inflows of Resources:		
Differences Between Expected and Actual Experience	\$ (1,273)	\$ (17,012)
Changes of Assumptions	(6,071)	(81,122)
Change in Employer Proportionate Share	(296)	-
Total	<u>\$ (7,640)</u>	<u>\$ (98,134)</u>

There were no State contributions to OPEB subsequent to the measurement date and therefore, there will be no increase of the net OPEB asset resulting from subsequent contributions recognized in the year ended June 30, 2022

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

	OPEB	
	Primary	Ohio
	Government	State University
Year Ending June 30:		
2022.....	\$ (1,711)	\$ (21,688)
2023.....	(1,559)	(19,791)
2024.....	(1,506)	(19,085)
2025.....	(1,484)	(18,664)
2026.....	(298)	(4,439)
Thereafter.....	(309)	(4,473)

Actuarial Assumptions for Pension and OPEB Liabilities

The total pension and OPEB liabilities in the June 30, 2020, actuarial valuations were determined using the following actuarial assumptions, respectively, applied to all periods included in the measurement:

	Pension	
Actuarial Cost Method	Entry Age Normal	
Inflation	2.50	percent
Salary Increases	12.50	percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45	percent, net of pension plan investment expenses, including inflation
Discount Rate	7.45	percent
COLA or Ad Hoc COLA	0	percent

	OPEB	
Actuarial Cost Method	Entry Age Normal	
Salary Increases	12.50	percent at age 20 to 2.50 percent at age 65
Payroll Increases	3.00	percent
Municipal Bond Yield	2.21	percent as of June 30, 2019
Discount Rate	7.45	percent, based on a blend of 3.50% municipal bond yield/expected return
COLA or Ad Hoc COLA	0	percent
Health Care Cost Trends	-6.69-11.87	percent initial; 4 percent ultimate

Pension and OPEB mortality rates were based on the RP-2014 Annuitant mortality table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. The disabled rates are based on the RP-2014 Disabled mortality table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. The actuarial assumptions used in the valuation were adopted by the board based on the results of an actuarial experience study for July 1, 2011 through June 30, 2016.

The pension and OPEB actuarial assumptions used in this valuation for fiscal year 2020 are the same as those recommended for the prior actuary. The total pension liability for 2020 was determined by an actuarial valuation as of June 30, 2020, using actuarial assumptions related to inflation of 2.5 percent, investments rate of return of 7.45 percent, and zero percent for COLA. Projected salary increases range from 2.5 percent at age 65 to 12.5 percent at age 20.

An estimate range for investment return assumption is developed and based on the target allocation adopted by the STRS Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Asset Class	Pension and OPEB	
	Target Allocation*	Long-Term Expected Real Rate of Return**
Domestic Equity	28%	7.35%
International Equity	23%	7.55%
Alternatives	17%	7.09%
Fixed Income	21%	3.00%
Real Estate	10%	6.00%
Liquidity Reserves	1%	2.25%
Total Fund	100%	

*10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and does not include investment expenses.

Discount Rate - The discount rate used to measure the total pension liability was 7.45 percent. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at statutory contribution rates. Only employer contributions that are intended to fund benefits of current plan members and beneficiaries are included. Therefore, the long-term expected rate of return of 7.45 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2020.

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table represents the net pension liability as of the June 30, 2020, measurement date, calculated using the current period discount rate assumption of 7.45 percent. Also shown in the table below is what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption (dollars in thousands):

	Pension		
	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
Net Pension Liability:			
Primary Government	\$ 125,302	\$ 88,004	\$ 56,397
Ohio State University	1,674,185	1,175,835	753,526

The projection of cash flows used to determine the net OPEB liability/(asset) discount rates assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2020. Shown in the table below is what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption (dollars in thousands):



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

	OPEB		
	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
Net OPEB Liability/(Asset):			
Primary Government	\$ (5,562)	\$ (6,392)	\$ (7,097)
Ohio State University	(74,309)	(85,406)	(94,822)

Sensitivity of the net OPEB liability/(asset) to changes in the health care cost trend rates calculated using the assumed trend rates as well as what the plan's net OPEB liability/(asset) would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher is presented below (dollars in thousands):

	OPEB		
	1% Decrease	Current Health Care Cost Trend Rate Assumption	1% Increase
Net OPEB Liability/(Asset):			
Primary Government	\$ (7,053)	\$ (6,392)	\$ (5,587)
Ohio State University	(94,237)	(85,406)	(74,649)

There were no economic assumption changes from the prior year. The only changes since the last valuation were updates to the benefit percentage elections to reflect current elections for blended premiums. The July 1, 2020, and June 30, 2021, claims costs were developed based on the average premium rates paid to vendors, the average projected employer group waiver program recoveries expected to receive, prescription filled dates, and estimates of drug rebates for non-Medicare population resulting in a per person per month cost and then adjusted using age curves. Retiree subsidies paid out to Non-Medicare retirees, Medicare retirees, and Medicare Part B premiums are accounted for as well. A weighted average total cost across medical plans is used as the STRS Ohio subsidy.

**C. State Highway Patrol Retirement System (SHPRS)
Pension Benefits**

SHPRS, a component unit of the State, was established in 1941 by the General Assembly as a single-employer, defined benefit pension plan and is administered by the State. The plan covers employees of the State Highway Patrol, including officers with arrest authority, cadets in training, and members with the radio division.

The plan issues a stand-alone financial report that includes financial statements and required supplementary information, and the State reports the plan as a pension trust fund. Copies of the financial report may be obtained by writing to the Ohio State Highway Patrol Retirement System, 1900 Polaris Parkway, Suite 201, Columbus, Ohio 43240-4037, or by calling (614) 431-0781 or (800) 860-2268. SHPRS's Comprehensive Annual Financial Report for the year ended December 31, 2020, may also be found at <https://www.ohprs.org>.

SHPRS is authorized under Chapter 5505, Ohio Revised Code, to provide retirement and disability benefits to retired members and survivor benefits to qualified dependents of deceased members of the Ohio State Highway Patrol.

Chapter 5505, Ohio Revised Code, requires contributions by active members and the Ohio State Highway Patrol. The employer and employee contribution rates are established by the General Assembly, and any change in the rates requires legislative action. By law, the employer rate may not exceed three times the employee contribution rate, nor be less than the employee rate paid by contributing members.

SHPRS' investments are reported at fair value. Fair value is the amount that the plan can reasonably expect to receive for an investment in a current sale, between a willing buyer and a willing seller – that is, other than in a forced or liquidation sale.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Securities traded on a national exchange are valued at the last reported sales price at the current exchange rate. The fair value of real estate and private equity investments are based on information provided by the Fund's managers or by independent appraisals. For actuarial purposes, assets are valued with a method that amortizes the difference between actual and assumed return over a closed, four-year period.

Employees are eligible for an age and service pension, and health care benefits, upon reaching both an age and service requirement. Employees with at least 20 years of service credit, but less than 25 years of service credit may retire at age 52 with unreduced benefits, or age 48 with reduced benefits. Employees with more than 25 years of service may retire at age 48 with unreduced benefits. The pension benefit is a percentage of the member's final average salary, which is the average of the member's five highest salary years. For members with 20 or more years of service credit, the percentage is determined by multiplying 2.5 percent for the first 20 years of service, plus 2.25 percent for the next five years of service, plus two percent for each year in excess of 25 years of service. A member's pension may not exceed 79.25 percent of the final average salary.

Employees who left SHPRS prior to meeting the requirements for receiving an age and service pension, but who have at least 15 years of service credit, are eligible for a deferred pension. Such employees who have less than 20 years of service credit, may collect a pension at age 55, at a percentage of their final average salary determined by multiplying 1.5 percent times the number of years of service credit. These employees are not eligible for health care benefits. Employees who are eligible for the deferred pension and who have at least 20 years of service credit, may receive a pension once they meet the age requirements for the age and service pension, calculated in the same manner as the age and service pension described above.

Membership data for SHPRS is presented in the table below:

Membership Data as of December 31, 2020

Active Members	1,542
Retirees Receiving Benefits	1,730
Retirees not Receiving Benefits	26
	3,298

The SHPRS Board sets employee contribution rates and cost-of-living adjustment rates. Employee contribution rates may range between 10 and 14 percent and cost-of-living adjustments range between zero and three percent. The Board may set the cost-of-living adjustments annually, but in no case shall it exceed three percent. The cost-of-living adjustment eligibility is 60 years of age, or age 53 for members retired prior to January 7, 2013.

The employer and employee contribution rates, as of December 31, 2020, were 26.5 percent and 14 percent, respectively. During calendar year 2020, none of the employers' contributions funded postemployment health care. The employees' contributions funded pension benefits only.

The State's net pension liability was determined by an actuarial valuation as of December 31, 2019, using key actuarial assumptions, methods, and other inputs as of December 31, 2020. Detailed information about SHPRS' pension plan fiduciary net position and the OPEB plan fiduciary net position is available in the separately issued SHPRS financial report. SHPRS uses the accrual basis of accounting, under which expenses are recorded when incurred and revenues are recorded when earned and measurable. Member and employer contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investment purchases and sales are recorded at the trade date.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

The Schedule of Changes in Net Pension Liability is presented below (dollars in thousands):

Fiscal year ending December 31, 2020	Pension
Total Pension Liability:	
Service Cost	\$ 20,462
Interest on the Total Pension Liability	90,171
Difference Between Expected and Actual Experience	5,922
Benefit Payments	(81,133)
Net Change in Total Pension Liability	35,422
Total Pension Liability - Beginning	1,263,838
Total Pension Liability - Ending (a)	<u>\$ 1,299,260</u>
Plan Fiduciary Net Position:	
Employer Contributions	\$ 32,855
Employee Contributions	18,107
Pension Plan Net Investment Income	121,213
Benefit Payments	(81,133)
Pension Plan Administrative Expense	(1,509)
Net Change in Plan Fiduciary Net Position	89,533
Plan Fiduciary Net Position - Beginning	817,859
Plan Fiduciary Net Position - Ending (b)	<u>\$ 907,392</u>
Net Pension Liability - Ending (a) - (b)	\$ 391,868
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	69.84%
Covered Payroll*	\$ 117,996
Net Pension Liability as a Percentage of Covered Payroll	332.10%
Notes to Schedule:	N/A

*Includes members of the DROP.

For the year ended June 30, 2021, the State recognized pension expense of \$23.7 million. The amount of employer contributions from the State for the calendar year ended December 31, 2020, totaled \$32.9 million for pension. At June 30, 2021, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources (dollars in thousands):

	Pension
Deferred Outflows of Resources:	
Differences Between Expected and Actual Experience	\$ 9,144
Changes of Assumptions	107,185
Contributions Subsequent to Measurement Date	15,796
Total	<u>\$ 132,125</u>
Deferred Inflows of Resources:	
Difference Between Expected and Actual Experience	\$ (4,772)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	(68,214)
Changes of Assumptions	(144,812)
Total	<u>\$ (217,798)</u>



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Deferred Outflows of Resources of \$15.8 million related to pensions resulting from State contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions will be recognized in pension expense as follows (dollars in thousands):

	Pension
Year Ending June 30:	
2022.....	\$ (13,878)
2023.....	(6,807)
2024.....	(69,355)
2025.....	(11,429)

OPEB Benefits

In addition to providing pension benefits, SHPRS, a single employer plan, is authorized by Chapter 5505, Ohio Revised Code, to provide a postemployment health care plan which includes medical, hospitalization and prescription drug coverage. Health care benefits are not guaranteed and are subject to change at any time, as determined by the Board and certified by the Office of Budget and Management. For actuarial purposes, assets are valued with a method that amortizes the difference between actual and assumed return over a closed, four-year period. Qualifications for postemployment health care coverage are described along with pension qualifications under the Pension Plan section.

During calendar year 2020, the employer’s contribution rate for postemployment health care benefits was zero percent of payroll. None of the employees’ contributions funded postemployment health care. The cost of retiree health care benefits is recognized as claims are incurred and premiums are paid.

The pension and OPEB plans’ fiduciary net position has been determined on the same basis used by the pension plan.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

The Schedule of Changes in Net OPEB Liability is presented as follows (dollars in thousands):

Fiscal year ending December 31, 2020	OPEB
<u>Total OPEB Liability:</u>	
Service Cost	\$ 19,270
Interest on the Total OPEB Liability	19,150
Difference Between Expected and Actual Experience	(26,654)
Assumption Changes	167,137
Benefit Payments	(8,303)
Net Change in Total OPEB Liability	<u>170,600</u>
Total OPEB Liability - Beginning	581,436
Total OPEB Liability - Ending (a)	<u>\$ 752,036</u>
<u>Plan Fiduciary Net Position:</u>	
Net Investment Income	\$ 16,141
Benefit Payments (includes refunds of employee contributions)	(8,303)
OPEB Plan Administrative Expense	(201)
Net Change in Plan Fiduciary Net Position	<u>7,637</u>
Plan Fiduciary Net Position - Beginning	110,986
Plan Fiduciary Net Position - Ending (b)	<u>\$ 118,623</u>
Net OPEB Liability - Ending (a) - (b)	\$ 633,413
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	15.77%
Covered Payroll*	\$ 117,996
Net OPEB Liability as a Percentage of Covered Payroll	536.81%
Notes to Schedule:	N/A

*Includes members of the DROP.

For the year ended June 30, 2021, the State recognized OPEB expense of \$51.4 million. At June 30, 2021, the State reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources (dollars in thousands):

	OPEB
<u>Deferred Outflows of Resources:</u>	
Changes of Assumptions	\$ 244,228
Total	<u>\$ 244,228</u>
<u>Deferred Inflows of Resources:</u>	
Difference Between Expected and Actual Experience	\$ (83,240)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	(8,884)
Changes of Assumptions	(38,136)
Total	<u>\$ (130,260)</u>

There were no State contributions to OPEB subsequent to the measurement date and therefore, there will be no reduction of the net OPEB liability resulting from subsequent state contributions recognized in the year ending June 30, 2022.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

Other amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows (dollars in thousands):

	OPEB
Year Ending June 30:	
2022.....	\$ 20,478
2023.....	21,824
2024.....	15,602
2025.....	20,095
2026.....	35,969

Actuarial Assumptions for Pension and OPEB Liabilities

The pension and OPEB actuarial assumptions are the same as those recommended for the prior actuary. The total pension and OPEB liabilities at December 31, 2020, were determined using the following actuarial assumptions applied to all periods included in the measurement: an investment rate of return of 7.25 percent compounded annually, projected salary increase of 3 percent attributable to inflation and additional projected salary increases ranging from 3.8 percent to 13.5 percent attributable to seniority and merit, and price inflation of 2.5 percent annually. The actuarial assumptions were based off a December 31, 2019, actuarial valuation date and rolled forward to December 31, 2020. A five-year experience study covering the five-year period ending December 31, 2018 was the basis for the assumptions.

Mortality rates were based on the PubS-2010 total healthy public safety employee amount weighted mortality rates with a static projection of mortality improvements from 2010-2024 using Scale MP-2020 for pension and mortality improvements from 2010-2023 using Scale MP-2019 for OPEB. Static projected mortality rates for male and female contingent survivors have been adjusted to reflect 105% of gender-specific table rates at each age for both pension and OPEB.

An estimate range for investment return assumptions is developed and based on the target allocation adopted by the SHPRS' Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Pension and OPEB	
	Target Allocation	Long-Term Expected Real Rate of Return*
Cash	3%	0.00%
Domestic Equity	21%	5.20%
Global Equity	24%	7.50%
Non-US Equity	6%	5.20%
Opportunistic Fixed Income	9%	4.30%
Core Fixed Income	6%	0.00%
Real Estate	8%	8.30%
Private Equity	13%	9.00%
Absolute Return	6%	3.50%
Real Assets	4%	5.30%
Total Fund	100%	

*Long-Term expected rates of return as shown were calculated arithmetically.



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

The single discount rate used to measure the total pension liability was 7.25 percent. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent and the municipal bond rate of 1.93 percent. The projection of cash flows used to determine the discount rate assumes employer contribution rates allocated to pensions will be 26.5 percent for each year, and employee contribution rates of 14 percent in each year. Based on these assumptions, the pension plan's fiduciary net position and future contributions were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.25 percent on investments and 1.93 percent on municipal bonds, was applied to all periods of projected benefit payments to determine the total pension liability as of December 31, 2020.

Sensitivity of the State's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table represents the net pension liability as of December 31, 2020, calculated using the current period discount rate assumption of 7.25 percent. Also shown is what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current assumption (dollars in thousands):

Pension		
	Current Single	
1% Decrease	Discount Rate	1% Increase
6.25%	7.25%	8.25%
\$ 537,780	\$ 391,869	\$ 269,499

Net OPEB Liability uses a single discount rate of 2.03 percent as compared to a single discount rate of 3.36 percent as of measurement date December 31, 2019. This Single Discount Rate was based on an expected rate of return on OPEB plan investments of 7.25 percent and a municipal bond rate of 1.93 percent. The projection of cash flows used to determine this Single Discount Rate assumed no contributions and total payroll for the initial projection year consists of the payroll of the active membership as of the valuation date who are expected to be actively employed on the measurement date, the net position and contributions were sufficient through 2029. Therefore, the long-term expected rate of return was applied through 2029 and the municipal rate was applied thereafter. Shown in the table below is what the net OPEB liability would be if it were calculated using a single discount rate that is one percentage point lower (1.03 percent) or one percentage point higher (3.03 percent) than the current assumption (dollars in thousands):

OPEB		
	Current Single	
1% Decrease	Discount Rate	1% Increase
1.03%	2.03%	3.03%
\$ 807,168	\$ 633,413	\$ 502,369

It is assumed health care cost will increase between 4 percent and 8.25 percent per year until 2028, ultimately declining to 3.5 percent for future years. The sensitivity of the net OPEB liability to changes in the health care cost trend rates calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher is presented below (dollars in thousands):

OPEB		
	Current Health	
1% Decrease	Care Cost Trend	1% Increase
	Rate Assumption	
\$ 484,338	\$ 633,413	\$ 836,727



**NOTE 9 PENSION AND OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS
(Continued)**

D. Alternative Retirement Plan (ARP)

Pension Benefits

The ARP is a defined contribution retirement plan that is authorized under Section 3305.02, Ohio Revised Code. The ARP provides at least four or more alternative retirement plans for academic and administrative employees of Ohio's institutions of higher education, who otherwise would be covered by OPERS or STRS. Unclassified civil service employees hired on or after August 1, 2005, are also eligible to participate in the ARP.

The Board of Trustees of each public institution of higher education enters into contracts with each approved retirement plan provider. Once established, full-time faculty and unclassified employees who are hired subsequent to the establishment of the ARP, or who had less than five years of service credit under the existing retirement plans, may choose to enroll in the ARP. The choice is irrevocable for as long as the employee remains continuously employed in a position for which the ARP is available. For those employees that choose to join the ARP, any prior employee contributions that had been made to OPERS or STRS would be transferred to the ARP. The Ohio Department of Higher Education has designated the companies that are eligible to serve as plan providers for the ARP.

Ohio law requires that employee contributions be made to the ARP in an amount equal to those that would otherwise have been required by the retirement system that applies to the employee's position. For the fiscal year ended June 30, 2021, these contribution rates are 10 percent for OPERS and 14 percent for STRS. Employees may also voluntarily make additional contributions to the ARP.

For the year ended June 30, 2021, each public institution of higher education was required to contribute 2.44 percent of a participating employee's salary to OPERS in cases when the employee would have otherwise been enrolled in OPERS.

Ohio law also requires each public institution of higher education to contribute 4.47 percent of a participating employee's gross salary, for the year ended June 30, 2021, to STRS in cases when the employee would have otherwise been enrolled in STRS.

The employer contribution amount is subject to actuarial review every fifth year to determine if the rate needs to be adjusted to mitigate any negative financial impact that the loss of contributions may have on OPERS and STRS. The Board of Trustees of each public institution of higher education may also make additional payments to the ARP based on the gross salaries of employees multiplied by a percentage the respective Board of Trustees approves.

The ARP vesting of all contributions made on behalf of participants is based on the employer's vesting requirements. The contributions are directed to one of the investment management companies as chosen by the participants. The ARP does not provide disability benefits, annual cost-of-living adjustments, postretirement health care benefits, or death benefits. Benefits are entirely dependent on the sum of the contributions and related investment income generated by each participant's choice of investment options.

For the State's major discretely presented component unit, employer and employee contributions required and made for the year ended June 30, 2021, for the ARP follow (dollars in thousands):

<u>Major Component Unit:</u>	<u>OPERS</u>	<u>STRS</u>
Ohio State University:		
Employer Contributions	\$ 32,035	\$ 36,544
Employee Contributions	27,712	53,685

NOTE 10 GENERAL OBLIGATION BONDS

At various times since 1921, Ohio voters, by 20 constitutional amendments (the last adopted May 2014 for a ten-year extension of the local government infrastructure program adopted in 2005), have authorized the incurrence of general obligation debt for the construction and improvement of common school and higher education facilities, highways, local infrastructure improvements, research and development of coal technology, natural resources, re-



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

search and development support for high-tech business, business site development, and veterans compensation. Issuances for highway capital improvements, natural resources, and conservation are, in part, used for acquisition, construction or improvement of capital assets. In practice, general obligation bonds are retired over periods of 10 to 25 years. The State's general obligation bonds are described below.

A 1999 constitutional amendment provided for the issuance of Common School Capital Facilities Bonds and Higher Education Capital Facilities Bonds. As of June 30, 2021, the General Assembly had authorized the issuance of \$6.05 billion in Common Schools Capital Facilities Bonds, of which \$5.61 billion has been issued. As of June 30, 2021, the General Assembly had also authorized the issuance of \$4.85 billion in Higher Education Capital Facilities Bonds, of which \$4.37 billion has been issued.

Through the approval of the November 1995 amendment, voters authorized the issuance of Highway Capital Improvements Bonds in amounts up to \$220 million in any fiscal year (plus any prior fiscal years' principal amounts not issued under the new authorization), with no more than \$1.2 billion outstanding at any time. As of June 30, 2021, the General Assembly has authorized the issuance of approximately \$3.74 billion in Highway Capital Improvements Bonds, of which \$3.38 billion has been issued.

Constitutional amendments in 1995, 2005, and 2014 allowed for the issuance of \$5.63 billion of general obligation bonds for infrastructure improvements (Infrastructure Bonds). Not more than \$175 million of Infrastructure Bonds may be issued in each fiscal year beginning in 2018 through fiscal year 2022 and \$200 million in each fiscal year beginning in fiscal year 2023 through fiscal year 2027, plus any obligations unissued from previous fiscal years. As of June 30, 2021, the General Assembly had authorized \$4.9 billion of these bonds to be sold (excluding any amounts for unaccreted discount on capital appreciation bonds at issuance), of which \$4.38 billion had been issued (net of \$214 million in unaccreted discounts at issuance).

Coal Research and Development Bonds and Parks, Recreation, and Natural Resources Bonds may be issued as long as the outstanding principal amounts do not exceed \$100 and \$200 million, respectively. Not more than \$50 million of Natural Resources Bonds may be issued in any fiscal year. As of June 30, 2021, the General Assembly had authorized the issuance of \$262 million in Coal Research and Development Bonds, of which \$254 million had been issued. Legislative authorizations for the issuance of Natural Resources Capital Facilities Bonds totaled \$512 million, as of June 30, 2021, of which \$484.5 million had been issued.

Constitutional amendments in 2000 and 2008 allowed for outstanding Conservation Projects Bonds of up to \$400 million. No more than \$50 million may be issued during a fiscal year (plus any obligations unissued from previous fiscal years). As of June 30, 2021, the General Assembly had authorized the issuance of \$800 million in Conservation Projects Bonds of which \$642.2 million had been issued.

Through approval of the November 2005 and May 2010 amendments, voters authorized the issuance of \$1.2 billion of Third Frontier Research and Development Bonds. Obligations that may be issued are limited to \$175 million in any fiscal year (plus any obligations unissued from previous fiscal years). As of June 30, 2021, the General Assembly had authorized the issuance of \$1.2 billion in Third Frontier Research and Development Bonds, of which \$971 million had been issued.

A November 2005 amendment authorized the issuance of \$150 million of Site Development Bonds. As of fiscal year 2014, all \$150 million had been issued.

A 2009 constitutional amendment provided for the issuance of up to \$200 million in Veterans Compensation Bonds. No obligations may be issued after December 31, 2013. The General Assembly authorized all \$200 million in Veterans' Compensation Bonds, of which \$83.9 million had been issued.

General obligation bonds outstanding and future general obligation debt service requirements, as of June 30, 2021, are presented in the table below. For the variable-rate bonds, using the assumption that current interest rates remain the same over their term, the interest and net swap payment amounts are based on rates as of June 30, 2021. As rates vary, variable-rate bond interest payments and net swap payments vary.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

Primary Government-Governmental Activities

**Summary of General Obligation Bonds
and Future Funding Requirements**

As of June 30, 2021

(dollars in thousands)

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance	Authorized But Unissued
Common Schools Capital Facilities	2004-21	1.3%-5.0%	2041	\$2,969,176	\$ 433,800
Higher Education Capital Facilities	2010-21	0.2%-5.3%	2041	2,549,562	478,555
Highway Capital Improvements	2010-20	3.0%-5.0%	2035	1,001,055	359,000
Infrastructure Improvements	2002-21	1.3%-5.5%	2040	2,066,961	522,774
Coal Research and Development	2012-20	2.0%-5.0%	2030	31,839	8,000
Natural Resources Capital Facilities	2010-20	2.0%-5.0%	2035	148,942	27,510
Conservation Projects	2010-21	2.0%-5.0%	2035	352,730	157,825
Third Frontier Research and Development	2012-20	1.8%-5.0%	2029	292,614	229,000
Site Development	2014	4.0%	2023	8,981	-
Veterans' Compensation	2020	1.7%-2.1%	2026	20,170	116,090
Total General Obligation Bonds				<u>\$9,442,030</u>	<u>\$2,332,554</u>

Future Funding of Fixed-Rate Bonds:

Year Ending June 30,	Principal	Interest	Total
2022.....	\$ 846,730	\$ 368,071	\$ 1,214,801
2023.....	804,945	326,600	1,131,545
2024.....	771,225	290,149	1,061,374
2025.....	736,380	254,527	990,907
2026.....	610,290	222,441	832,731
2027-2031.....	2,460,935	753,531	3,214,466
2032-2036.....	1,579,190	302,288	1,881,478
2037-2041.....	512,570	49,888	562,458
Total Fixed-Rate Bonds	<u>\$ 8,322,265</u>	<u>\$ 2,567,495</u>	<u>\$10,889,760</u>

Future Funding of Variable-Rate Bonds:

Year Ending June 30,	Principal	Interest	Interest Rate Swaps, Net	Total
2022.....	\$ 54,300	\$ 5,789	\$ 724	\$ 60,813
2023.....	46,560	4,174	452	51,186
2024.....	39,315	2,648	248	42,211
2025.....	26,060	1,330	110	27,500
2026.....	13,620	409	56	14,085
Total Variable-Rate Bonds	<u>\$ 179,855</u>	<u>\$ 14,350</u>	<u>\$ 1,590</u>	<u>\$ 195,795</u>

Total General Obligation Bonds	\$8,502,120
Unamortized Premium/(Discount), Net.....	939,910
Total.....	<u>\$9,442,030</u>

Selected maturities of the following Higher Education General Obligation Bonds, Series 2012A (2/1/2024 and 2/1/2025), Series 2015A (8/1/2026), Series 2015C (11/1/2031), Series 2017A (5/1/2037), Series 2018A (2/1/2038) and Series 2019A (5/1/2039) were defeased on June 23, 2021. The State used cash and some interest earnings to purchase eligible investments in an escrow account to make principal and interest payments until final maturity. The debt service is secured solely by the escrow account and is no longer considered State debt.

For the year ended June 30, 2021, NOTE 15 summarizes changes in general obligation bonds.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

Hedging Derivative Instruments

As of June 30, 2021, approximately \$117 million of Infrastructure Improvement Bonds and Common Schools Bonds have associated cash flow hedges with a fair value of (\$8.4) million. The value of these bonds is reported as part of the Bonds and Notes Payable section and the negative fair value of the cash flow hedges is reported in the Other Noncurrent Liabilities section on the Statement of Net Position. The fair value increased \$5.6 million during fiscal year 2021. This increase is reported on the Statement of Net Position as part of Deferred Outflows of Resources. Fair value of the cash flow hedges is determined using the zero-coupon method. For information on the State's Deferred Outflows of Resources and Deferred Inflows of Resources, see NOTE 18.

Terms and objectives of the State's hedging derivative instruments are provided in the following table:

Hedging Derivative Instruments							
As of June 30, 2021							
<i>(dollars in thousands)</i>							
Issue	Type of Cash Flow Hedge	Notional Amount	Underlying Index	Counterparty's Sw ap Rate at 06/30/2021	State's Sw ap Rate at 06/30/2021	Effective Date	Termination (Maturity) Date
Infrastructure Improvements, Series 2001B	Pay-fixed interest rate sw ap	\$9,300	SIFMA Index	0.03%	4.63%	11/29/2001	8/1/2021
Objective: Convert Series 2001B variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates							
Embedded Option: JPMorgan Chase may elect to terminate its portion of the sw ap if the SIFMA index averages 7 percent or higher over a 180-day period.							
Credit Quality Ratings of Counterparty:		50% Aa2/A+/AA JPMorgan Chase; 50% Aa2/A+/AA- Wells Fargo					
Infrastructure Improvements, Refunding Series 2004A	Pay-fixed interest rate sw ap	\$16,860	LIBOR (See terms below)	0.31%	3.51%	3/3/2004	2/1/2023
Objective: Convert Series 2004A variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates							
Credit Quality Ratings of Counterparty:		Aa2/A+/AA- Wells Fargo					
Terms: 63% of 1-month LIBOR + 25 basis points							
Common Schools, Series 2003D	Pay-fixed interest rate sw ap	\$41,415	LIBOR (see terms below)	0.30%	3.41%	9/14/2007	3/15/2024
Objective: Convert Series 2003D variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates							
Credit Quality Ratings of Counterparty:		50% Aa2/A+/AA JPMorgan Chase; 50% Aa2/A+/AA- Wells Fargo					
Terms: 65% of 1-month LIBOR + 25 basis points							
Common Schools, Series 2006B	Pay-fixed interest rate sw ap	\$24,700	LIBOR (see terms below)	0.07%	3.20%	11/21/2014	6/15/2026
Objective: Convert Series 2006B variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates							
Credit Quality Ratings of Counterparty:		A1/AA-/AA- US Bank National Association					
Terms: 65% of 1-month LIBOR + 25 basis points							
Common Schools, Series 2006C	Pay-fixed interest rate sw ap	\$24,700	LIBOR (see terms below)	0.07%	3.20%	6/15/2006	6/15/2026
Objective: Convert Series 2006C variable-rate bonds into a synthetic fixed rate to minimize exposure to changing interest rates							
Credit Quality Ratings of Counterparty:		Aa2/AA-/AA Royal Bank of Canada					
Terms: 65% of 1-month LIBOR + 25 basis points							



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

The State was not exposed to credit risk because these swaps had negative fair values at June 30, 2021. However, should interest rates change and the fair values of the swaps become positive, the State would be exposed to credit risk in the amount of the derivative instrument's positive fair value.

Each swap counterparty is required to post collateral to a third party when their respective credit rating, as determined by specified nationally recognized credit rating agencies, falls below the trigger level defined in the swap agreement. This arrangement protects the State by mitigating credit risk, and therefore termination risk, inherent in the swap. Collateral on all swaps must be in the form of cash or U.S. government securities and held by a third-party custodian. Net payments are made on the same date, as specified in the agreements.

The combination of the variable-rate bonds and a floating-to-fixed swap creates a low-cost, long-term synthetic fixed-rate debt that protects the State from rising interest rates.

These swaps expose the State to basis risk or a mismatch between the floating rate received on the swap and the variable rate paid on the underlying variable-rate bonds. A mismatch would increase or decrease the interest cost paid by the State.

For Infrastructure Improvements, Series 2001B, the SIFMA municipal swap index has proven to be an effective proxy for the State's variable-rate debt and substantially mitigates basis risk.

For Infrastructure Improvements, Series 2004A and for Common Schools, Series 2003D, 2006B, and 2006C, the State assumes the risk of reductions in marginal federal tax rates or elimination of the tax preference for municipal securities, given that the variable swap receipt is based on a taxable index (LIBOR). Those changes would increase the interest rates on the underlying variable-rate debt but would not impact the variable-rate swap receipt based on the LIBOR index.

The State retains the right to terminate any swap agreement at the market value prior to maturity. The State has termination risk under the contracts, particularly upon the occurrence of an additional termination event (ATE), as defined in the swap agreements. An ATE occurs if either the credit rating of the bonds associated with a specific swap or the credit rating of the swap counterparty falls below a threshold defined in each swap agreement. If the swap was terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of the termination the swap has a negative fair value, the State may be liable to the counterparty for a payment. Other termination events include failure to pay, bankruptcy, merger without assumption, and illegality. No termination events have occurred.

Refundings

During fiscal year 2021, there were two refundings of general obligation bonds. Proceeds of the refunding (new) bonds were placed in irrevocable trusts to provide for all future debt service payments of the refunded (old) bonds. These refunded amounts are considered defeased and no longer outstanding. The various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. Details on the refunding are presented in the table on the following page.

In prior years, the State defeased certain bond issues by placing the proceeds of refunding (new) bonds in irrevocable trusts to provide for all future debt service payments on the refunded (old) bonds. Accordingly, the various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. At June 30, 2021, Common School Bonds of \$296.4 million, Higher Education Bonds of \$449.1 million, Infrastructure Improvement Bonds of \$184.6 million, Natural Resources Bonds of \$39.4 million, and Highway Capital Improvement Bonds of \$143 million are outstanding and considered defeased.



NOTE 10 GENERAL OBLIGATION BONDS (Continued)

Primary Government — Governmental Activities
General Obligation Bonds
Details of Refundings
For the Year Ended June 30, 2021
(dollars in thousands)

Refunding Bond Issue	Date of Refunding	Amount of Refunding Bonds Issued	True Interest Cost Rates of Refunding Bonds	Carrying Amount of Bonds Refunded (in substance)	Refunding Bond Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
Common Schools, Series 2021B ...	3/17/2021	\$111,385	1.28%	\$ 146,675	\$148,424	\$ 45,887 / 13 yrs	\$ 40,659
Conservation, Series 2020C.....	12/22/2020	14,610	0.44%	17,630	17,984	3,418 / 8 yrs	3,265
Total		<u>\$125,995</u>		<u>\$ 164,305</u>	<u>\$166,408</u>		<u>\$ 43,924</u>

NOTE 11 REVENUE BONDS AND NOTES

The State Constitution permits state agencies and authorities to issue bonds and notes that are not supported by the full faith and credit of the State. These bonds and notes pledge income derived from user fees and rentals on the acquired or constructed assets to pay the debt service.

The Treasurer of State and the Buckeye Tobacco Settlement Financing Authority (BTSFA) issue revenue bonds and notes for the primary government. The Treasurer of State issues bonds and notes on behalf of the Ohio Department of Transportation. The Ohio State University issues revenue bonds and notes as a major discretely presented component unit.

A. Primary Government

The Treasurer of State, since fiscal year 1998, has issued a total of \$3.01 billion in State Infrastructure Bank Bonds for various transportation construction projects financed by the Department of Transportation. The State has pledged federal highway receipts and loan repayments received under the State Infrastructure Bank Loan Program as the primary source of moneys for meeting the principal and interest requirements on the bonds.

Issuances for the State Infrastructure Bank are, in part, used for the acquisition, construction, or improvement of capital assets. Total pledged federal highway receipts and loan repayments through the maturity of the bonds in 2033 are estimated at approximately \$1.06 billion. For fiscal year 2021, principal and interest payments on the revenue bonds was \$227.8 million and pledged receipts was \$166.7 million.

BTSFA is authorized by the Ohio General Assembly to issue and to sell obligations, the aggregate principal amount of which shall not exceed \$6 billion, exclusive of obligations issued to refund, renew, or advance refund other obligations issued or incurred. On October 29, 2007, BTSFA successfully securitized 100 percent of the projected tobacco settlement receipts through the issuance of five series of asset-backed revenue bonds, aggregating in the amount of \$5.53 billion (Series 2007 Bonds). On March 4, 2020, the authority issued \$5.35 billion in Asset-Backed Refunding Bonds, Series 2020 Senior Bonds (Series 2020 Bonds), the proceeds of which were used to refund, through redemption and defeasance, all of the Authority's Series 2007 Bonds.



NOTE 11 REVENUE BONDS AND NOTES (Continued)

The Authority has pledged future tobacco settlement receipts, including related investment earnings, and net of specified operating and enforcement expenses, to repay the bonds, which have a final stated maturity in 2057. Annual principal and interest payments on the bonds will require 100 percent of the net tobacco settlement receipts.

As of June 30, 2021, the total principal and interest payments remaining to be paid on the bonds was \$9.77 billion. Principal and interest paid and total net tobacco settlement receipts for fiscal year 2021 were \$306.5 million and \$305.3 million, respectively.

The Series 2007 Bonds were issued on a tax-exempt basis to fund long-lived capital projects at state-supported institutions of higher education and to pay the State's share of the cost of rebuilding elementary and secondary school facilities across the State. The Series 2020 Bonds were issued on a federally-tax basis and on a tax-exempt basis. After the bonds and any related operating expenses have been fully paid, any remaining tobacco settlement receipts will become payable to the State. Additional information on these bonds can be found in BTSFA's stand-alone financial report.

Revenue bonds and notes outstanding and future bond service requirements for the primary government, as of June 30, 2021, are presented in the following tables:

**Primary Government-Governmental Activities
Summary of Revenue Bonds and Notes
As of June 30, 2021
(dollars in thousands)**

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance
Treasurer of State: State Infrastructure Bank	2007-21	0.2%-6.0%	2033	\$ 970,634
Buckeye Tobacco Settlement Financing Authority.....	2020	1.5%-5.6%	2057	5,656,409
Total Revenue Bonds and Notes.....				<u>\$6,627,043</u>

**Primary Government-Governmental Activities
Future Funding Requirements for Revenue Bonds and Notes
As of June 30, 2021
(dollars in thousands)**

Year Ending June 30,	Principal	Interest	Total
2022.....	\$ 288,825	\$ 257,458	\$ 546,283
2023.....	215,680	244,782	460,462
2024.....	221,325	236,230	457,555
2025.....	227,740	227,359	455,099
2026.....	200,690	218,534	419,224
2027-2031.....	1,088,000	942,157	2,030,157
2032-2036.....	991,985	691,655	1,683,640
2037-2041.....	1,227,325	430,892	1,658,217
2042-2046.....	1,165,177	655,834	1,821,011
2047-2050.....	378,099	916,743	1,294,842
	<u>6,004,846</u>	<u>4,821,644</u>	<u>10,826,490</u>
Unamortized Premium/(Discount), Net.....	622,197	-	622,197
Total	<u>\$6,627,043</u>	<u>\$ 4,821,644</u>	<u>\$11,448,687</u>

For the year ended June 30, 2021, NOTE 15 summarizes changes in revenue bonds and notes.



NOTE 11 REVENUE BONDS AND NOTES (Continued)

The preceding future funding table for the Authority’s portion includes (i) serial bond maturities that the Authority must pay as of specific distribution dates in order to avoid an event of default under the Trust Indenture, (ii) turbo term bond payments that the Authority would pay according to the Trust Indenture if sufficient tobacco settlement receipts are collected; however, a failure to pay before final maturity does not constitute an event of default under the Trust Indenture, and (iii) capital appreciation turbo term bond maturities.

Refundings

During fiscal year 2021, there was one refunding of a State Infrastructure Bank Bonds. Proceeds of the refunding (new) bonds were placed in irrevocable trusts to provide for all future debt service payments of the refunded (old) bonds. These refunded amounts are considered defeased and no longer outstanding. The various trust accounts’ assets and liabilities for the defeased bonds are not included in the State’s financial statements. Details on the refunding are presented in the table below.

In prior years, the State defeased certain bond issues by placing cash and other monetary assets and proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the various trust accounts’ assets and liabilities for the defeased bonds are not included in the State’s financial statements. At June 30, 2021, Economic Development Bonds of \$5.9 million and Buckeye Tobacco Settlement Financing Authority Bonds of \$274.8 million are outstanding are considered defeased.

Primary Government — Governmental Activities

Revenue Bonds and Notes

Details of Refundings

For the Year Ended June 30, 2021

(dollars in thousands)

Refunding Bond Issue	Date of Refunding	Amount of Refunding Bonds Issued	True Interest Cost Rates of Refunding Bonds	Carrying Amount of Bonds Refunded (in substance)	Refunding Bond Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
Treasurer of State: State Infrastructure							
Bank, Series 2021-1B.....	6/8/2021	\$ 58,220	0.49%	\$ 55,220	\$ 57,883	\$ 3,313 / 5 yrs	\$ 3,239
Total		\$ 58,220		\$ 55,220	\$ 57,883		\$ 3,239

B. Major Discretely Presented Component Units

Future bond service requirements for revenue bonds and notes reported for the major discretely presented component units, as of June 30, 2021, are shown in the following table:



NOTE 11 REVENUE BONDS AND NOTES (Continued)

Major Discretely Presented Component Units
Future Funding Requirements for Revenue Bonds and Notes
As of June 30, 2021
(dollars in thousands)

Year Ending June 30,	Ohio State University		
	Principal	Interest	Total
2022.....	\$ 344,778	\$ 134,156	\$ 478,934
2023.....	80,760	130,872	211,632
2024.....	74,598	126,910	201,508
2025.....	75,030	123,097	198,127
2026.....	62,065	119,386	181,451
2027 – 2031.....	309,844	550,110	859,954
2032 – 2036.....	171,969	492,030	663,999
2037 – 2041.....	831,987	416,140	1,248,127
2042 – 2046.....	101,056	246,932	347,988
2047 – 2051.....	350,026	177,248	527,274
2052 – 2056.....	-	170,600	170,600
2057 – 2061.....	250,000	125,060	375,060
2062 – 2066.....	-	120,000	120,000
2067 – 2071.....	-	122,556	122,556
2072 – 2076.....	-	120,000	120,000
2077 – 2081.....	-	120,000	120,000
2082 – 2086.....	-	120,000	120,000
2087 – 2091.....	-	120,000	120,000
2092 – 2096.....	-	120,000	120,000
2097 – 2101.....	-	120,000	120,000
2102 – 2106.....	-	120,000	120,000
2107 – 2111.....	500,000	120,000	620,000
	<u>3,152,113</u>	<u>4,015,097</u>	<u>7,167,210</u>
Unamortized Premium/(Discount), Net.....	105,129	-	105,129
Total.....	<u>\$3,257,242</u>	<u>\$ 4,015,097</u>	<u>\$7,272,339</u>

The bonds and notes of the state universities and state community colleges are payable from the institutions' available receipts, including student fees, rental income, and gifts and donations, as may be provided for in the respective bond and note agreements. The proceeds of the bonds and notes are used for the construction of educational and student resident facilities and auxiliary facilities such as dining halls, hospitals, parking facilities, bookstores, and athletic facilities. The State is not obligated for the debt of its discretely presented component units.

The Ohio State University, a major discretely presented component unit, has entered into two pay fixed/receive floating interest rate swap agreements, which are considered effective hedging derivative instruments, to convert all or a portion of variable-rate debt into a synthetic fixed rate to protect against the potential of rising interest rates. Both swaps have a notional amount of \$164.4 million, effective date of June 1, 2023, termination date of June 1, 2043, and cancellation option June 1, 2035, at the University's option. The two swaps differ in their June 30, 2021, fair value, counterparty credit rating, and what fixed rate the University pays, with the respective information as: Swap one \$6.8 million, A1/A, and 1.19 percent and Swap two \$5.5 million, Aa2/A+, and 1.26 percent. The derivative instruments are reported at fair value in noncurrent assets and changes in fair value are part of deferred inflows on the Statement of Net Position.

NOTE 12 SPECIAL OBLIGATION BONDS

Under the authority of Chapter 154, Ohio Revised Code, the Treasurer of State is the issuer of special obligation bonds that finance the cost of capital facilities for mental health and developmental disabilities institutions, parks and recreation, cultural and sports facilities, correctional facilities, office buildings for state departments and agencies, transportation, and, in some cases, related facilities for local governments. These issuances are, in part, used for acquisition, construction, or improvement of capital assets.



NOTE 12 SPECIAL OBLIGATION BONDS (Continued)

Pledges of lease rental payments from appropriations made to the General Fund and the Highway Safety and Highway Operating special revenue funds, moneys held by trustees pursuant to related trust agreements, and other receipts, as required by the respective bond documents, secure the special obligation bonds. The lease rental payments are reported in the fund financial statements as interfund transfers.

Special obligation bonds outstanding, bonds authorized but unissued, and future debt service requirements, as of June 30, 2021, are presented in the following tables:

Primary Government-Governmental Activities
Summary of Special Obligation Bonds
As of June 30, 2021
(dollars in thousands)

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance	Authorized but Unissued
Treasurer of State Lease Rental Bonds.....	2012-2021	0.02-5.00%	2041	\$2,628,132	\$1,226,335
Total Special Obligation Bonds.....				<u>\$2,628,132</u>	<u>\$1,226,335</u>

Future Funding of Special Obligation Bonds:

Year Ending June 30,	Principal	Interest	Total
2022.....	\$ 214,135	\$ 92,442	\$ 306,577
2023.....	219,780	86,466	306,246
2024.....	216,385	77,242	293,627
2025.....	209,010	68,275	277,285
2026.....	153,660	60,081	213,741
2027-2031.....	729,730	191,402	921,132
2032-2036.....	385,355	60,630	445,985
2037-2041.....	214,765	11,571	226,336
	<u>2,342,820</u>	<u>648,109</u>	<u>2,990,929</u>
Unamortized Premium/(Discount), Net.....	285,312	-	285,312
Total	<u>\$ 2,628,132</u>	<u>\$ 648,109</u>	<u>\$ 3,276,241</u>

For the year ended June 30, 2021, NOTE 15 summarizes changes in special obligation bonds.

During fiscal year 2021, the Treasurer of State Lease Rental had three refunding issues. Details on the refundings for fiscal year 2021 are presented in the table below:

Primary Government — Governmental Activities
Special Obligation Bonds
Details of Refundings
For the Year Ended June 30, 2021
(dollars in thousands)

Refunding Bond Issue	Date of Refunding	Amount of Refunding Bonds Issued	True Interest Cost Rates of Refunding Bonds	Carrying Amount of Bonds Refunded (in substance)	Refunding Bond Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
Treasurer of State Lease Rental Bonds:							
Parks & Recreation 2020 Series A.....	8/12/2020	\$ 2,300	0.49%	\$ 2,415	\$ 2,427	\$ 62 / 2 yrs	\$ 79
Administrative Building 2020 Series D.....	8/12/2020	58,960	1.39%	49,750	58,501	1,357 / 16 yrs	954
Juvenile Correctional 2020 Series A.....	9/24/2020	5,500	0.56%	5,795	5,943	518 / 5 yrs	514
Total		<u>\$ 66,760</u>		<u>\$ 57,960</u>	<u>\$ 66,871</u>		<u>\$ 1,547</u>



NOTE 12 SPECIAL OBLIGATION BONDS (Continued)

In prior years, the Treasurer of State defeased certain bond issues by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the various trust accounts' assets and liabilities for the defeased bonds are not included in the State's financial statements. At June 30, 2021, \$106.5 million of lease rental special obligations bonds outstanding are considered defeased.

NOTE 13 CERTIFICATES OF PARTICIPATION

As of June 30, 2021, approximately \$273.1 million in certificate of participation (COP) obligations were reported in governmental activities.

Beginning in fiscal year 2015, the Ohio Department of Administrative Services participated in the issuance of \$105.4 million of COP obligations to finance the cost of acquisition of the Enterprise Data Center Solutions (EDCS).

Beginning in fiscal year 2013, the Ohio Department of Administrative Services participated in the issuance of \$72 million of COP obligations to finance the upgrade of the Ohio Multi-Agency Radio Communications System (MARCS).

Beginning in fiscal year 2005, the Ohio Department of Administrative Services participated in the issuance of \$204.3 million of COP obligations to finance the acquisition of the Ohio Administrative Knowledge System (OAKS), a statewide Enterprise Resource Planning (ERP) system. These issuances are, in part, used for the acquisition, construction, or improvement of capital assets.

Beginning in fiscal year 2008, the Ohio Department of Administrative Services participated in the issuance of \$67.1 million of COP obligations to finance the cost of acquisition of the State Taxation Accounting and Revenue System (STARS).

In fiscal year 2015, the Ohio Treasurer of State's Office participated in the issuance of \$8.8 million of COP obligations to finance the cost of acquisition of the Treasury Management System (TMS).

In fiscal year 2017, the Ohio Attorney General's Office participated in the issuance of \$19.6 million of COP obligations to finance the cost of acquisition of the Bureau of Criminal Investigation Records System (BCIRS).

Beginning in fiscal year 2019, the Ohio Secretary of State participated in the issuance of \$92.9 million of COP obligations to finance Voting Systems Acquisitions (VSA).

In fiscal year 2020, the Ohio Department of Administrative Services participated in the issuance of \$12.2 million of COP obligations to finance the Unemployment Insurance System (UIS).

Under the COP financing arrangements, the State is required to make rental payments from the General Fund (subject to biennial appropriations) that approximate the interest and principal payments made by trustees to certificate holders.

Obligations outstanding and future commitments for the primary government under COP financing arrangements, as of June 30, 2021, are presented in the following tables:



NOTE 13 CERTIFICATES OF PARTICIPATION (Continued)

Primary Government — Governmental Activities
Summary of Certificate of Participation Obligations
As of June 30, 2021
(dollars in thousands)

	Fiscal Years Issued	Interest Rates	Maturing Through Fiscal Year	Outstanding Balance
Attorney General:				
Bureau of Criminal Investigation Records System (BCIRS).....	2017-21	0.3%-4.0%	2027	\$ 13,702
Department of Administrative Services:				
Enterprise Data Center Solutions (EDCS).....	2015-20	1.4%-5.0%	2030	78,891
Multi-Agency Radio Communications System (MARCS)	2021	0.2%-1.3%	2028	43,800
Ohio Administrative Knowledge System (OAKS)	2017	5.0%	2027	13,833
State Taxation Accounting and Revenue System (STARS).....	2015-21	0.4%-5.0%	2027	15,336
Unemployment Insurance System (UIS).....	2020	2.5%-5.0%	2030	12,789
Secretary of State:				
Voting Systems Acquisitions (VSA).....	2019-21	5.0%	2030	90,461
Treasurer of State:				
Treasury Management Systems (TMS).....	2015	5.0%	2025	4,288
Total Certificates of Participation				<u>\$ 273,100</u>

Future Commitments for Certificate of Participation Obligations:			
Year Ending June 30,	Principal	Interest	Total
2022.....	\$ 30,935	\$ 9,155	\$ 40,090
2023.....	35,140	7,748	42,888
2024.....	36,350	6,514	42,864
2025.....	37,600	5,268	42,868
2026.....	31,050	4,052	35,102
2027-2031.....	81,620	5,704	87,324
	252,695	38,441	291,136
Unamortized Premium, Net.....	20,405	-	20,405
Total	<u>\$ 273,100</u>	<u>\$ 38,441</u>	<u>\$ 311,541</u>

For the year ended June 30, 2021, NOTE 15 summarizes changes in COP obligations.

Refundings

During fiscal year 2021, there were three refundings of certificate of participation (COP) obligations. Proceeds of the refunding (new) COPs were placed in irrevocable trusts to provide for all future debt service payments of the refunded (old) COPs. These refunded amounts are considered defeased and no longer outstanding. The various trust accounts' assets and liabilities for the defeased COPs are not included in the State's financial statements. Details on the refundings are presented in the following table.



NOTE 13 CERTIFICATES OF PARTICIPATION (Continued)

**Primary Government — Governmental Activities
Certificate of Participation Obligations (COP)
Details of Refundings
For the Year Ended June 30, 2021
(dollars in thousands)**

Refunding COP Issue	Date of Refunding	Amount of Refunding COPs Issued	True Interest Cost Rates of Refunding COPs	Carrying Amount of COPs Refunded (in substance)	Refunding COP Proceeds Placed in Escrow	Reduction (Increase) in Debt Service Payments	Economic Gain / (Loss) Resulting from Refunding
BCIRS, Series 2021.....	2/9/2021	\$ 11,775	0.79%	\$ 10,880	\$ 11,689	\$ 1,314 / 7 yrs	\$ 1,244
MARCS, Series 2021.....	2/9/2021	43,800	0.93%	40,820	43,543	3,166 / 8 yrs	3,088
STARS, Series 2021.....	2/9/2021	12,445	0.78%	11,500	12,356	1,055 / 7 yrs	1,044
Total		<u>\$ 68,020</u>		<u>\$ 63,200</u>	<u>\$ 67,588</u>		<u>\$ 5,376</u>

NOTE 14 OTHER NONCURRENT LIABILITIES

As of June 30, 2021, in addition to bonds, notes, and certificates of participation obligations discussed in NOTES 10 through 13, the State reports the following noncurrent liabilities in its financial statements (dollars in thousands):

Non-Current Liabilities	
Governmental Activities:	
Compensated Absences	\$ 572,734
Net Pension Liability.....	3,416,948
Net OPEB Liability.....	633,413
Capital Leases Payable	27,394
Derivative Instruments.....	11,756
Pollution Remediation Liabilities.....	1,829
Infrastructure, Capital Assets.....	319,933
Liability for Escheat Property	314,195
Total Governmental Activities	<u>5,298,202</u>
Business-Type Activities:	
Compensated Absences	52,304
Net Pension Liability.....	227,190
Capital Leases Payable	14,917
Workers' Compensation:	
Benefits Payable	11,888,612
Other	1,887,926
Prize Awards Payable	330,283
Tuition Benefits Payable	108,900
Total Business-Type Activities	<u>14,510,132</u>
Total Primary Government	<u>\$ 19,808,334</u>

For the year ended June 30, 2021, NOTE 15 summarizes the changes in other noncurrent liabilities. Explanations of certain significant noncurrent liability balances reported in the financial statements follow:

A. Compensated Absences

For the primary government, the compensated absences liability, as of June 30, 2021, was \$625 million, of which \$572.7 million is allocable to governmental activities and \$52.3 million is allocable to business-type activities.

As of June 30, 2021, major discretely presented component units reported a total of \$240.1 million in compensated absences liabilities, as detailed by major discretely presented component unit in NOTE 15.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

B. Net Pension Liability and Net OPEB Liability

The State recognizes a net pension liability in the amount of \$3.64 billion, as of June 30, 2021, for the primary government of which \$3.42 billion is allocable to governmental activities and \$227.2 million is allocable to business-type activities. The net pension liability represents the State's proportionate share of the difference between the total pension liability and the fiduciary net position for OPERS, STRS, and SHPRS.

For the primary government, the State recognizes a net OPEB liability in the amount of \$633.4 million as of June 30, 2021, allocable to governmental activities. The net OPEB liability represents the State's proportionate share of the difference between the total OPEB liability and the fiduciary net position for SHPRS, whereas OPERS and STRS resulted in a net OPEB asset. See NOTE 9 for further details.

C. Lease Agreements

The State's primary government leases office buildings, computers, and office equipment. Although the lease terms vary, most leases are renewable subject to biennial appropriations by the General Assembly. If the likelihood of the exercise of a fiscal funding clause in the lease agreement is, in the management's judgment, remote, then the lease is considered noncancelable for financial reporting purposes and is reported as a fund expenditure/expense for operating leases or as a liability for capital leases.

Operating leases (leases on assets not recorded in the Statement of Net Position) contain various renewable options as well as some purchase options. Any escalation clauses, sublease rentals, and contingent rents are considered immaterial to the future minimum lease payments and current rental expenditures. Operating lease payments are recorded as expenditures or expenses of the related funds when paid or incurred. The primary government's total operating lease expenditures/expenses for fiscal year 2021 were approximately \$137 million. Fiscal year 2022 future minimum lease commitments for operating leases judged to be noncancelable, as of June 30, 2021, were \$4.5 million.

Assets acquired through capital leasing are valued at the lower of fair value or the present value of the future minimum lease payments at the lease's inception. Capital leases are used for the acquisition of capital assets. Future minimum lease commitments for capital leases judged to be noncancelable, as of June 30, 2021, are as follows (dollars in thousands):

Year Ending June 30,	Capital Leases		
	Governmental Activities	Business-Type Activities	Total
2022.....	\$ 9,816	\$ 3,478	\$ 13,294
2023.....	7,564	11,438	19,002
2024.....	5,428	-	5,428
2025.....	3,729	-	3,729
2026.....	1,739	-	1,739
2027-2028.....	288	-	288
Total Minimum Lease Payments.....	28,564	14,916	43,480
Amount for Interest.....	(1,170)	-	(1,170)
Present Value of Net Minimum Lease Payments	\$ 27,394	\$ 14,916	\$ 42,310

As of June 30, 2021, the primary government had the following capital assets under capital leases (dollars in thousands):

	Capital Assets		
	Governmental Activities	Business-Type Activities	Total
Equipment	\$ 12,221	\$ 126,207	\$ 138,428
Vehicles	47,320	-	47,320
Total	\$ 59,541	\$ 126,207	\$ 185,748



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

Amortization expense for the proprietary funds within the Statement of Activities is included with depreciation expense. Capital leases are reported under the "Refund and Other Liabilities" account in the proprietary and discretely presented component unit funds.

Future minimum lease commitments for capital leases judged to be noncancelable and capital assets under capital leases for the major discretely presented component unit funds, as of June 30, 2021, (dollars in thousands):

Capital Leases	
Major Discretely Presented Component Units	
Year Ending June 30,	Ohio State University
2022.....	\$ 9,904
2023.....	8,777
2024.....	5,794
2025.....	2,837
Total Minimum Lease Payments.....	27,312
Amount for Interest.....	(1,166)
Present Value of Net Minimum Lease Payments.....	<u>\$ 26,146</u>
Equipment & Vehicles.....	\$ 55,824
Total	<u>\$ 55,824</u>

D. Derivative Instruments

For governmental activities, the State has reported \$(11.8) million of investment and hedging derivative instruments as of June 30, 2021. Additional information regarding the State's derivative instruments is included in NOTE 4, NOTE 10, and NOTE 18.

E. Pollution Remediation Liabilities

The State recognizes a liability for pollution remediation in the amount of \$1.8 million, as of June 30, 2021. This represents the cost to the State to the extent that is probable for future clean up and reclamation of polluted sites within the State. See NOTE 20 for further detail.

F. Infrastructure, Capital Assets

The State records a liability for the Portsmouth Bypass Highway. Since the completion of construction in fiscal year 2020, the State has recognized payments of \$109.8 million. As of June 30, 2021, the liability totaled approximately \$319.9 million.

G. Litigation Liabilities

In instances when the unfavorable outcome of a pending litigation has been assessed to be probable, liabilities are recorded in the financial statements. As of June 30, 2021, no noncurrent liabilities ultimately payable from various governmental funds have been recorded for this purpose. For more information on the State's loss contingencies arising from pending litigation, see NOTE 20.

H. Estimated Claims Payable

The State had no estimated claims payable to report at June 30, 2021.

I. Liability for Escheat Property

The State records a liability for escheat property to the extent that it is probable that the escheat property will be reclaimed and paid to claimants. As of June 30, 2021, the liability totaled approximately \$314.2 million.



NOTE 14 OTHER NONCURRENT LIABILITIES (Continued)

J. Worker’s Compensation

Benefits Payable

As discussed in NOTE 21, the Worker’s Compensation Enterprise Fund provides benefits to employees for losses sustained from job-related injury, disease, or death. The Bureau has computed a reserve for compensation, as of June 30, 2021, in the amount of approximately \$11.9 billion. The reserve, which includes estimates for reported claims and claims incurred but not reported, is included in the “Benefits Payable” balance reported for the enterprise fund.

K. Prize Awards Payable

Future installment payments for the prize awards payable are reported at present value based upon interest rates that the Treasurer of State provides to the Lottery Commission Enterprise Fund. The interest rates, ranging from two to eight percent, represent the expected long-term rate of return on the assets restricted for the payment of prize awards. Once established for a particular prize award, the interest rate does not fluctuate with changes in the expected long-term rate of return. The difference between the present value and gross amount of the obligations is amortized into income over the terms of the obligations using the interest method. The State reduces prize liabilities by an estimate of the amount of the prize that will ultimately be unclaimed. As of June 30, 2021, the prize awards payable totals \$330.3 million.

Future payments of prize awards, stated at present value, as of June 30, 2021, follow (dollars in thousands):

Year Ending June 30,	
2022.....	\$ 51,563
2023.....	40,038
2024.....	36,134
2025.....	31,602
2026.....	26,700
2027-2031.....	119,357
2032-2036.....	63,053
2037-2041.....	22,948
2042-2046.....	6,980
	398,375
Unamortized Discount	(68,092)
Net Prize Liability	\$ 330,283

L. Tuition Benefits Payable

The actuarial present value of future tuition benefits payable from the Tuition Trust Authority Enterprise Fund was approximately \$108.9 million, as of June 30, 2021. The valuation method reflects the present value of estimated tuition benefits that will be paid in future years and is adjusted for the effects of projected tuition increases in state universities and state community colleges and termination of participant contracts under the plan.

The following assumptions were used in the actuarial determination of tuition benefits payable: 1.4 percent rate of return, compounded annually, on the investment of current and future assets, a tuition inflation assumption equal to the maximum amount of tuition and mandatory fee increases permitted by the State of Ohio biennial budget of 4 percent.

As of June 30, 2021, the market value of actuarial net position available for the payment of the tuition benefits payable was \$192.9 million.

M. Other Liabilities

The Workers’ Compensation Enterprise Fund reports approximately \$1.89 billion in other noncurrent liabilities, as of June 30, 2021, of which 1) \$1.65 billion is comprised of the compensation adjustment expenses liability for estimated future expenses to be incurred in the settlement of claims, as discussed further in NOTE 21, 2) \$172.2 million consists of retrospective rating adjustments for employers within similar industries that are enrolled in group experience rating plans, 3) \$4.5 million is contingent liabilities, and 4) \$61.2 million consists of other miscellaneous liabilities.



NOTE 15 CHANGES IN NONCURRENT LIABILITIES

A. Primary Government

Changes in noncurrent liabilities, for the year ended June 30, 2021, are presented for the primary government in the following table:

**Primary Government
Changes in Noncurrent Liabilities
For the Fiscal Year Ended June 30, 2021
(dollars in thousands)**

Governmental Activities:	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Amount Due Within One Year
Bonds and Notes Payable:					
General Obligation Bonds (NOTE 10)	\$ 9,418,099	\$ 1,016,967	\$ 993,036	\$ 9,442,030	\$ 909,932
Revenue Bonds and Notes (NOTE 11)	6,743,423	173,832	290,212	6,627,043	137,706
Special Obligation Bonds (NOTE 12)	2,278,884	661,936	312,688	2,628,132	257,446
Total Bonds and Notes Payable	<u>18,440,406</u>	<u>1,852,735</u>	<u>1,595,936</u>	<u>18,697,205</u>	<u>1,305,084</u>
Certificates of Participation (NOTE 13)	<u>281,757</u>	<u>93,236</u>	<u>101,893</u>	<u>273,100</u>	<u>31,314</u>
Other Noncurrent Liabilities (NOTE 14):					
Compensated Absences	515,895	384,379	327,540	572,734	73,401
Net Pension Liability	4,339,320	7,818	930,190	3,416,948	-
Net OPEB Liability	3,120,471	162,963	2,650,021	633,413	-
Capital Leases Payable	24,278	3,116	-	27,394	9,253
Derivative Instruments	19,976	-	8,220	11,756	-
Pollution Remediation Liabilities	1,880	-	51	1,829	65
Infrastructure, Capital Assets	341,995	-	22,062	319,933	25,465
Liability for Escheat Property	332,217	52,940	70,962	314,195	96,640
Total Other Noncurrent Liabilities	<u>8,696,032</u>	<u>611,216</u>	<u>4,009,046</u>	<u>5,298,202</u>	<u>204,824</u>
Total Noncurrent Liabilities	<u>\$ 27,418,195</u>	<u>\$ 2,557,187</u>	<u>\$ 5,706,875</u>	<u>\$24,268,507</u>	<u>\$ 1,541,222</u>
Business-Type Activities:					
Other Noncurrent Liabilities (NOTE 14):					
Compensated Absences	\$ 45,621	\$ 27,822	\$ 21,139	\$ 52,304	\$ 5,086
Net Pension Liability	302,434	-	75,244	227,190	-
Net OPEB Liability	209,938	-	209,938	-	-
Capital Leases Payable	2,911	13,950	1,944	14,917	3,479
Workers' Compensation:					
Benefits Payable	12,768,654	472,569	1,352,611	11,888,612	1,294,961
Other:					
Adjustment Expenses Liability	1,749,500	53,431	152,932	1,649,999	435,182
Miscellaneous	372,246	249,638	383,957	237,927	111,203
Unemployment Compensation:					
Intergovernmental Payable	217,826	1,254,076	1,471,902	-	-
Prize Awards Payable	352,727	31,097	53,541	330,283	41,975
Tuition Benefits Payable	132,600	-	23,700	108,900	24,000
Total Other Noncurrent Liabilities	<u>\$ 16,154,457</u>	<u>\$ 2,102,583</u>	<u>\$ 3,746,908</u>	<u>\$14,510,132</u>	<u>\$ 1,915,886</u>

The State makes payments on bonds and notes payable and certificate of participation obligations that pertain to its governmental activities from the debt service funds. The General Fund and the nonmajor governmental funds will primarily liquidate the other noncurrent liabilities balance attributable to governmental activities.

For fiscal year 2021, the State's primary government included interest expense on its debt issues in the following governmental functions rather than reporting it separately as interest expense. The related borrowings are essential to the creation or continuing existence of the programs they finance and accordingly, such expense is not reported separately on the Statement of Activities under the expense category for interest on long-term debt. The various state subsidy programs supported by the borrowings provide direct state assistance to local governments for their respective capital and construction or research projects.



NOTE 15 CHANGES IN NONCURRENT LIABILITIES (Continued)

	<i>(in 000s)</i>
Governmental Activities:	
Primary, Secondary and Other Education	\$ 362,774
Higher Education Support	177,494
Health and Human Services.....	447
Environmental Protection and Natural Resources	1,524
Transportation.....	45,672
Community and Economic Development.....	98,423
Total Interest Expense Charged to Governmental Functions	<u>\$ 686,334</u>

B. Major Discretely Presented Component Units

Changes in noncurrent liabilities, for the year ended June 30, 2021, are presented in the following table for the State's major discretely presented component units:

**Major Discretely Presented Component Units
Changes in Noncurrent Liabilities
For the Fiscal Year Ended June 30, 2021
*(dollars in thousands)***

	Balance			Balance	Amount Due
	June 30, 2020	Additions	Reductions	June 30, 2021	Within One
					Year
<i>Ohio Facilities Construction Commission</i>					
Intergovernmental Payable	\$ 648,292	\$ -	\$ 273,077	\$ 375,215	\$ 221,037 *
Compensated Absences*	1,223	727	527	1,423	130
Total	<u>\$ 649,515</u>	<u>\$ 727</u>	<u>\$ 273,604</u>	<u>\$ 376,638</u>	<u>\$ 221,167</u>
<i>Ohio State University:</i>					
Compensated Absences*	\$ 225,561	\$ 37,451	\$ 24,292	\$ 238,720	\$ 24,291
Capital Leases Payable* (NOTE 14).....	24,698	11,468	10,018	26,148	9,393
Hedging Derivative Instruments*.....	6,629		6,629	-	-
Net Pension Liability*	3,025,029	-	345,696	2,679,333	-
Net OPEB Liability*	1,459,572		1,436,889	22,683	-
Advance from Concessionaire*	1,002,769	-	21,816	980,953	-
Other Liabilities*	427,454	635,182	435,805	626,831	98,356
Revenue Bonds & Notes Payable (NOTE 11)	3,234,377	101,773	78,908	3,257,242	344,779 *
Total	<u>\$ 9,406,089</u>	<u>\$ 785,874</u>	<u>\$ 2,360,053</u>	<u>\$ 7,831,910</u>	<u>\$ 476,819</u>

*Liability is reported under the "Refund and Other Liabilities" account.

NOTE 16 CONDUIT DEBT

The State of Ohio, by action of the General Assembly, created various financing authorities for the expressed purpose of making available to non-profit and, in some cases, for profit private entities, lower cost sources of capital financing for facilities and projects found to be for a public purpose. Fees are assessed to recover related processing and application costs incurred. The authorities' debt instruments represent a limited obligation payable solely from payments made by the borrowing entities. Most of the bonds are secured by the property financed. Upon repayment of the bonds, ownership of acquired property transfers to the entity served by the bond issuance.

This debt is not deemed to constitute debt of the State or a pledge of the faith and credit of the State. Accordingly, these bonds are not reflected in the accompanying financial statements.



NOTE 16 CONDUIT DEBT (Continued)

Ohio Enterprise Bond Fund bonds are issued through the Treasurer of State for the purpose of financing eligible projects of private industry organizations. The actual bonds are sold through private placement. These bonds are not general obligations of the State of Ohio or of any political subdivision and are not payable from any tax source; therefore, the rights of the holders of the bonds for payments of amounts due are limited solely to the pledged receipts deposited into the Ohio Enterprise Bond Fund Accounts. The bonds represent conduit debt and are not reflected in the accompanying financial statements. The scheduled payment of the bonds currently outstanding is, however, guaranteed through the Development Services Agency, Office of Loan Administration, under Chapter 166, Ohio Revised Code. As of June 30, 2021, no liability has been recorded in the accompanying financial statements for guarantees extended to defaulted organizations. See NOTE 14H for additional information.

The Development Services Agency also participates in the issuance of Hospital Facilities Bonds, as authorized under Chapter 140, Ohio Revised Code. These revenue bonds are payable solely from payments made by the borrowing entities and are secured by the property financed. This debt is not deemed to constitute debt of the State or a pledge of the faith and credit of the State. Accordingly, these bonds are not reflected in the accompanying financial statements.

Under Chapter 5531, Ohio Revised Code, the Ohio Department of Transportation is authorized to issue State Infrastructure Bond Program debt issuances through the Treasurer of State for highway and transit capital projects of eligible Ohio political subdivisions. These bonds are not general obligations of the State of Ohio or of any political subdivision and are not payable from any tax source; therefore, the rights of the holders of the bonds for payments of amounts due are limited to the pledged receipts and those special funds pledged by each debt issuance. The bonds represent conduit debt and are not reflected in the accompanying financial statements. The scheduled payment of the bonds currently outstanding is, however, guaranteed through the State Infrastructure Bank program of the Ohio Department of Transportation. In the event of a borrower's default, amounts recovered from the secured capital project would be used to replenish any reserve funds and any remaining amounts would be transferred to the State Infrastructure Bank accounts. Any amounts provided to repay bonds using appropriations of the Ohio Department of Transportation would be submitted to the Attorney General's Office for collection. Currently, guarantees are outstanding through fiscal year 2044, when the bonds mature, and no circumstances presently exist that indicate the State will be required to make any payments as a result of these guarantees.

As of June 30, 2021, revenue bonds and notes outstanding that represent conduit debt for the State were as follows (dollars in thousands):

	<u>Outstanding Amount</u>
Primary Government:	
Development Services Agency:	
Ohio Enterprise Bond Program	\$ 74,940
Hospital Facilities Bonds	4,895
Ohio Department of Transportation:	
State Transportation Infrastructure Bond Fund Program.....	75,880
Total Primary Government	<u>\$ 155,715</u>

NOTE 17 FUND DEFICITS AND FUND BALANCE REPORTING

A. Fund Balance Reporting-Constraints by Purpose

Fund balance constraints reported in the governmental funds, as of June 30, 2021, are presented by purpose in the table on the following page:



Primary Government
Fund Balance Constraints by Purpose
(dollars in thousands)

	Major Funds					Total
	General	Job, Family & Other Human Services	Buckeye Tobacco Settlement Financing Authority Bonds	Pandemic Relief Funds	Nonmajor Governmental Funds	
Fund Balance:						
<i>Nonspendable</i>						
Inventories.....	\$ 19,714	\$ -	\$ -	\$ 103,230	\$ 221,336	\$ 344,280
Advances to Local Government.....	27,304	-	-	-	-	27,304
Total Nonspendable.....	47,018	-	-	103,230	221,336	371,584
<i>Restricted</i>						
Primary, Secondary and Other Education.....	19	-	-	-	133,793	133,812
Higher Education Support.....	285,295	-	-	-	3,350	288,645
Public Assistance and Medicaid.....	-	146,032	-	-	240,674	386,706
Health and Human Services.....	-	-	-	-	37,949	37,949
Justice and Public Protection.....	41,883	2,420	-	-	17,419	61,722
Environmental Protection and Natural Resources	17,171	-	-	-	275,879	293,050
Transportation.....	-	-	-	-	10,145	10,145
Transit Project Loans.....	-	-	-	-	242,447	242,447
Highway Construction/Preservation.....	-	-	-	-	1,475,173	1,475,173
General Government.....	28,777	33,562	-	-	97,163	159,502
Community and Economic Development.....	58,762	8	-	-	380,725	439,495
Grants/Loans-Local Government Capital Projects	926,287	-	-	-	-	926,287
Local Government Road/Bridge Improvements....	246,815	-	-	-	-	246,815
Capital Outlay.....	-	-	-	-	700,158	700,158
Debt Service.....	-	-	4,183,992	-	7,857	4,191,849
Total Restricted.....	1,605,009	182,022	4,183,992	-	3,622,732	9,593,755
<i>Committed</i>						
Primary, Secondary and Other Education.....	-	-	-	-	88,489	88,489
Higher Education Support.....	-	-	-	-	1,357	1,357
Public Assistance and Medicaid.....	-	545,551	-	-	74,808	620,359
Health and Human Services.....	377	-	-	-	31,393	31,770
Justice and Public Protection.....	1,133	4,208	-	-	95,203	100,544
Environmental Protection and Natural Resources	-	-	-	-	265,268	265,268
Transportation.....	-	-	-	-	1,820	1,820
General Government.....	84,042	17,741	-	-	112,469	214,252
Community and Economic Development.....	118,750	-	-	-	101,071	219,821
Business Development Loans.....	633,266	-	-	-	-	633,266
Total Committed.....	837,568	567,500	-	-	771,878	2,176,946
<i>Assigned</i>						
Primary, Secondary and Other Education.....	46,516	-	-	-	-	46,516
Higher Education Support.....	20,061	-	-	-	-	20,061
Public Assistance and Medicaid.....	695,783	-	-	-	-	695,783
Health and Human Services.....	123,030	-	-	-	-	123,030
Justice and Public Protection.....	215,152	-	-	-	-	215,152
Environmental Protection and Natural Resources	150,994	-	-	-	-	150,994
General Government.....	660,771	-	-	-	-	660,771
Escheat Investments for Mortgage Insurance/ Minority Contractor Bonding/Housing Loans.....	1,865,928	-	-	-	-	1,865,928
Community and Economic Development.....	78,141	-	-	-	-	78,141
Total Assigned.....	3,856,376	-	-	-	-	3,856,376
<i>Unassigned</i>	5,717,927	(6,674)	-	-	-	5,711,253
Total Fund Balance.....	\$ 12,063,898	\$ 742,848	\$ 4,183,992	\$ 103,230	\$ 4,615,946	\$ 21,709,914



NOTE 17 FUND DEFICITS AND FUND BALANCE REPORTING (Continued)

As of June 30, 2021, the Budget Stabilization Fund had a fund balance of \$2.69 billion, which was included as a part of the unassigned fund balance in the General Fund.

B. Fund Deficits

The following individual funds reported deficits that are reflected in the State's basic financial statements, as of June 30, 2021 (dollars in thousands):

Primary Government:

Major Proprietary Fund:

Unemployment Compensation..... \$ (912,431)

Nonmajor Proprietary Fund:

Office of Auditor of State..... (59,529)

Total Primary Government..... \$ (971,960)

Discretely Presented Component Units:

Major Component Unit:

Ohio Facilities Construction Commission \$ (3,125,101)

Nonmajor Component Units:

Ohio Turnpike and Infrastructure Commission..... (25,515)

Ohio Capital Fund..... (88,672)

Total Component Units..... \$ (3,239,288)

Deficits are due to the timing of revenue recognition and the accrual of expenses not recorded under the cash basis of accounting.

NOTE 18 DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

A. Deferred Outflows of Resources

Details on deferred outflows of resources for the primary government, as of June 30, 2021, follow (dollars in thousands):

Primary Government - Deferred Outflows of Resources					
	Net Pension and OPEB Liability/Asset	Hedging Derivative Instruments	Loss on Debt Refundings	Resources of a Future Period	Total
Governmental Activities:					
Major Governmental Funds:					
Buckeye Tobacco Settlement Financing Authority Revenue Bonds.....	\$ -	\$ -	\$ -	\$ 3,811,934	\$ 3,811,934
Total Governmental Activities	-	-	-	3,811,934	3,811,934
Reconciliation of fund level statements to government-wide statements due to basis differences.....					
	882,188	8,396	203,314	-	1,093,898
Total Governmental Activities	<u>\$ 882,188</u>	<u>\$ 8,396</u>	<u>\$ 203,314</u>	<u>\$ 3,811,934</u>	<u>\$ 4,905,832</u>
Business-Type Activities:					
Major Proprietary Funds:					
Workers' Compensation.....	\$ 20,083	\$ -	\$ -	\$ -	\$ 20,083
Lottery Commission.....	3,125	-	-	-	3,125
Nonmajor Proprietary Funds	7,209	-	-	-	7,209
Total Business-Type Activities	<u>\$ 30,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,417</u>
Total Primary Government.....					<u>\$ 4,936,249</u>

As of June 30, 2021, The Ohio State University, a major discretely presented component unit, reported Deferred Outflows of Resources totaling approximately \$443.9 million for net pension and OPEB liability/asset, \$22.2 million for losses on debt-related transactions and \$1.5 million for future asset retirement obligation.



NOTE 18 DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES (Continued)

B. Deferred Inflows of Resources

The deferred inflows of resources for the primary government, as of June 30, 2021, are comprised of the following (dollars in thousands):

Primary Government - Deferred Inflows of Resources					
	Net Pension and OPEB Liability/Asset	Resources from the Sale of Future Revenues	Unavailable Resources	Debt Refundings	Total
Governmental Activities:					
Major Governmental Funds:					
General	\$ -	\$ 707,877	\$ 206,223	\$ -	\$ 914,100
Job, Family and Other Human Services	-	-	81,928	-	81,928
Buckeye Tobacco Settlement Financing					
Authority Revenue Bonds	-	-	706,220	-	706,220
Nonmajor Governmental Funds	-	34,100	6,049	-	40,149
Total Governmental Activities	-	741,977	1,000,420	-	1,742,397
Reconciliation of fund level statements to government-wide statements due to basis differences					
	2,721,944	936,692	(1,000,420)	25,149	2,683,365
Total Governmental Activities	<u>\$ 2,721,944</u>	<u>\$ 1,678,669</u>	<u>\$ -</u>	<u>\$ 25,149</u>	<u>\$ 4,425,762</u>
Business-Type Activities:					
Major Proprietary Funds:					
Workers' Compensation	\$ 120,668	\$ -	\$ -	\$ -	\$ 120,668
Lottery Compensation	19,536	-	-	-	19,536
Nonmajor Proprietary Funds	44,352	-	-	-	44,352
Total Business-Type Activities	<u>\$ 184,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 184,556</u>
Total Primary Government					<u>\$ 4,610,318</u>

As of June 30, 2021, the Ohio Facilities Construction Commission, a major discretely presented component unit, reported Deferred Inflows of Resources totaling approximately \$3.10 billion pertaining to resources from the sale of future revenues. In addition, the Ohio State University, another major discretely presented component unit, reported Deferred Inflows of Resources of \$1.36 billion for net pension and OPEB liability/asset, \$30.6 million for gains on debt-related transactions, \$10.1 million for irrevocable split-interest agreements, and \$397.3 million related to service concession arrangements.

NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS

A. Joint Ventures

Great Lakes Protection Fund (GLPF)

The Great Lakes Protection Fund is an Illinois non-profit organization that was formed to further federal and state commitments to the restoration and maintenance of the Great Lakes Basin's ecosystem. The governors of seven of the eight states that border on the Great Lakes comprise the GLPF's membership. Under the GLPF's articles of incorporation, each state is required to make a financial contribution. Income earned on the contributions provides grants to projects that advance the goals of the Great Lakes Toxic Substances Control Agreement and the binational Great Lakes Water Quality Agreement.

Each governor nominates two individuals to the GLPF's board of directors who serve staggered two-year terms. All budgetary and financial decisions rest with the board, except when they are restricted by the GLPF's articles of incorporation.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

Annually, one-third of the GLPF’s net earnings is allocated and paid to the member states in proportion to their respective cash contributions to the GLPF. The allocation is based on the amount and period of time the state’s contributions were invested. GLPF earnings distributions are to be used by the states to finance projects that are compatible with the GLPF’s objectives. Ohio applies its distribution (approximately \$219 thousand) to operations of its own protection program, known as the Lake Erie Protection Program, which is modeled after the GLPF.

Required contributions and contributions received from the states, which border the Great Lakes, as of December 31, 2020 (the GLPF’s year-end), are presented below (dollars in thousands):

	Contribution Required	Contribution Received	Contribution Percentage
Michigan	\$ 25,000	\$ 25,000	30.9%
Indiana*	16,000	-	-
Illinois	15,000	15,000	18.4%
Ohio	14,000	14,000	17.3%
New York	12,000	12,000	14.8%
Wisconsin	12,000	12,000	14.8%
Minnesota	1,500	1,500	1.9%
Pennsylvania	1,500	1,500	1.9%
Total	<u>\$ 97,000</u>	<u>\$ 81,000</u>	<u>100%</u>

*The State of Indiana has not yet elected to join the Great Lakes Protection Fund.

Summary Financial information for the GLPF, for the fiscal year ended December 31, 2020, was as follows (dollars in thousands):

Cash and Investments	\$ 152,377
Other Assets	96
Total Assets	<u>\$ 152,473</u>
Total Liabilities	\$ 1,434
Total Net Position	151,039
Total Liabilities and Net Position	<u>\$ 152,473</u>
Total Revenues and Other Additions.....	\$ 16,832
Total Expenditures and Other Deductions.....	(6,257)
Change in Net Position	<u>\$ 10,575</u>

In the event of the Fund’s dissolution, the State of Ohio would receive a residual portion of the Fund’s assets equal to the lesser of the amount of such assets multiplied by the ratio of its required contribution to the required contributions of all member states, or the amount of its required contribution.

Local Community and Technical Colleges

The State’s primary government has an ongoing financial responsibility for the funding of six local community colleges and eight technical colleges. With respect to the local community colleges, State of Ohio officials appoint three members of each college’s respective nine-member board of trustees; county officials appoint the remaining six members.

The governing boards of the technical colleges consist of either seven or nine trustees, of which State officials appoint two or three members, respectively; the remaining members are appointed by the local school boards located in the respective technical college district.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

The Ohio General Assembly appropriates moneys to these institutions from the General Fund to subsidize operations so that higher education can become more financially accessible to Ohio residents. The primary government also provides financing for the construction of these institutions' capital facilities by meeting the debt service requirements for the Tobacco Settlement revenue bonds issued by the Buckeye Tobacco Settlement Financing Authority, the Higher Education Capital Facilities general obligation bonds issued by the Ohio Public Facilities Commission (OPFC), and the Higher Education Facilities special obligation bonds, previously issued by the OPFC, for these purposes. The bonds provide funding for capital appropriations, which are available to the local community and technical colleges for spending on capital construction.

Fiscal year 2021 expenses that were included in the "Higher Education Support" function under governmental activities in the Statement of Activities for state assistance to the local community and technical colleges are presented below (dollars in thousands):

	Operating Subsidies	Capital Subsidies	Total
Local Community Colleges:			
Cuyahoga	\$ 70,876	\$ 4,937	\$ 75,813
Eastern Gateway.....	11,980	279	12,259
Lakeland	20,131	2,514	22,645
Lorain County	30,374	981	31,355
Rio Grande	5,787	17	5,804
Sinclair	54,658	2,425	57,083
Total Local Community Colleges.....	<u>193,806</u>	<u>11,153</u>	<u>204,959</u>
Technical Colleges:			
Belmont	4,378	266	4,644
Central Ohio	11,292	3,089	14,381
Hocking	10,779	2,441	13,220
James A. Rhodes	10,885	9,700	20,585
Marion	8,087	202	8,289
Zane	7,175	978	8,153
North Central	9,478	123	9,601
Stark	29,896	1,271	31,167
Total Technical Colleges	<u>91,970</u>	<u>18,070</u>	<u>110,040</u>
Total	<u>\$ 285,776</u>	<u>\$ 29,223</u>	<u>\$ 314,999</u>

Information for obtaining complete financial statements for each of the primary government's joint ventures is available from the Ohio Office of Budget and Management.

B. Related Organizations

Officials of the State's primary government appoint a voting majority of the governing boards of the Ohio Housing Finance Agency, the Ohio Water Development Authority, the Petroleum Underground Storage Tank Release Compensation Board, the Higher Education Facility Commission, and the Ohio Legal Assistance Foundation. However, the primary government's accountability for these organizations does not extend beyond making the appointments.



NOTE 19 JOINT VENTURES AND RELATED ORGANIZATIONS (Continued)

During fiscal year 2021, the State had the following related-party transactions with its related organizations:

- The General Fund reports a \$339.7 million loans receivable balance due from the Ohio Housing Finance Agency. The State made the loans to finance and support the agency's housing programs.
- Separate funds, established for the Ohio Housing Finance Agency, the Petroleum Underground Storage Tank Release Compensation Board, and the Higher Education Facility Commission, were accounted for on the primary government's Ohio Administrative Knowledge System. The primary purpose of the funds is to streamline payroll and other administrative disbursement processing for these organizations. The financial activities of the funds, which do not receive any funding support from the primary government, have been included in the custodial funds.
- From the Job, Family and Other Human Services Fund, the Public Defender's Office paid the Ohio Legal Assistance Foundation approximately \$3.5 million for administrative services performed under contract for the distribution of state funding to nonprofit legal aid societies.

NOTE 20 CONTINGENCIES AND COMMITMENTS

A. Litigation

The State, its units, and employees are parties to numerous legal proceedings, which normally occur in governmental operations. Pending litigation affecting the Department of Natural Resources is discussed below. All other legal proceedings are not, in the opinion of management after consultation with the Attorney General, likely to have a material adverse effect on the State's financial position.

Department of Natural Resources (DNR)

In 2014, in response to several earthquakes, the Department of Natural Resources suspended drilling activity on a well owned by American Water Management Services (AWMS) Water Solutions, L.L.C., AWMS Holdings L.L.C., and AWMS Rt. 169, L.L.C. (collectively "AWMS"). AWMS originally instituted an action alleging that this suspension constituted a taking of private property, requiring the State to pay for such taking. Litigation proceeded over the last few years, resolving procedural issues but establishing an issue of material fact whether the State's suspension of activity at this well constituted a total taking and to determine any potential economic injury related to that issue.

On December 2, 2020, the Ohio Supreme Court found that there continues to be an issue of material fact whether the State's suspension of AWMS' operations constituted a total taking depriving AWMS of all economically beneficial use of the well. In addition, the Court held that the State waived a nuisance defense to this total takings claim and ordered the court of appeals on remand to weigh evidence related the economic impact, interference with investment-backed expectations, and the character of the State's actions with respect to this claim.

Trial in the Eleventh District Court of Appeals concluded on September 30, 2021, with post-trial briefing anticipated to wrap-up by the end of calendar year 2021.

Given the recent action in this litigation, the outcome cannot be presently determined. Accordingly, no provision for any liability resulting from this case has been reported in the financial statements.

Department of Rehabilitation and Correction (DRC)

A lawsuit was filed in US District Court for the Southern District of Ohio, Eastern Division, in April of 2020, regarding a use-of-force incident involving several then-DRC corrections officers and other prison personnel at the Chillicothe Correctional Institution, during which an inmate suffered a cervical spine injury. While DRC is not a defendant in the action, DRC has the potential responsibility of indemnifying some of the then-employees.

Mediation was scheduled for early November 2021, and parties are working through the settlement process, without direct timeline for completion. Accordingly, no provision for any liability resulting from this case has been reported in the financial statements.



NOTE 20 CONTINGENCIES AND COMMITMENTS (Continued)

B. Unemployment Compensation

The COVID-19 Pandemic, starting in March 2020, presented the Ohio Department of Job and Family Services with many challenges and obstacles including a sharp increase in the volume of unemployment claims as well as the expansion of regular unemployment benefits by the federal government. The Department did not have the manpower or technology resources to adequately deal with this drastic increase in claim activity and the addition of new federal unemployment funding. The Department's legacy unemployment System, Ohio Job Insurance (OJI), has been in place since 2004. Due to its age and functionality, it was unable to handle the increased volume of claimants brought on by the pandemic. Therefore, the Department contracted with a service organization for processing of pandemic unemployment benefits and maintaining key functions of the benefit claims processing, which were customized to fit Ohio's needs (effective May 14, 2020). This outside system, the Unemployment Framework for Automated Claim & Tax Services (uFACTS) System, was used for certain pandemic benefits only.

During this timeframe, the fraud imposters recognized the opportunity presented by the unprecedented increase in unemployment claim activity, the relaxed federal eligibility and employment/earnings verification requirements associated with the new expansion of benefits, and the stress being placed on the Department and its systems to get benefits processed and into the hands of unemployed Ohioans. The combination of high claim volume and the increase in imposter fraud negatively impacted the Department's ability to keep up, creating a backlog of claims pending adjudication.

During fiscal year 2021, Unemployment Compensation operating expenses related to benefits and claims amounted to \$14.53 billion. The Department reported known fraud and non-fraud overpayments totaling \$3.75 billion to the U.S. Department of Labor (DOL) as of June 30, 2021. Of the total overpayments reported to the DOL, \$474.6 million was fraud and \$3.27 billion was non-fraud. These overpayments were regular unemployment as well as federal pandemic unemployment benefits. The federal government gave discretion to states to waive the need for repayment of pandemic funding related to non-fraud. Due to the nature of these known overpayments along with federal waiver discretion, most of these monies have not been subject to a collection process.

Additionally, the Department has flagged as possible overpayments, certain claims with one or more fraud identifiers. These flagged claims were both regular unemployment and federal pandemic unemployment benefits with an accumulated amount of \$1.41 billion. Despite being flagged as potential overpayments, until the claims are fully adjudicated, no determination can be made on the outcome.

C. Federal Awards

The State of Ohio receives significant awards from the Federal Government in the form of grants and entitlements, including certain non-cash programs. Receipt of grants is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable federal regulations, including the spending of resources for eligible purposes. Substantially all grants are subject to either the Federal Single Audit or to financial compliance audits by the grantor agencies of the federal government or their designees. Disallowances and sanctions as a result of these audits may become liabilities to the State.

Federal Single Audit

As a result of the fiscal year 2020 State of Ohio Single Audit (issued in May 2021), \$426 thousand of federal expenditures were in question as not being appropriate under the terms of the respective grants. No provision for any liability or adjustments has been recognized for these questioned costs in the state's financial statements for the fiscal year ended June 30, 2021.

D. Tobacco Settlement

In November 1998, the Attorneys General of 46 states, five U.S. territories, and the District of Columbia signed the Master Settlement Agreement (MSA) with the nation's largest tobacco manufacturers. This signaled the end of litigation brought by the Attorneys General against the manufacturers in 1996 for state healthcare expenses attributed to smoking-related claims. The remaining four states (Florida, Minnesota, Mississippi, and Texas) settled separately.

According to the MSA, participating tobacco manufacturers are required to adhere to a variety of new marketing and lobbying restrictions and provide payments to the states in perpetuity.



NOTE 20 CONTINGENCIES AND COMMITMENTS (Continued)

As of October 23, 2007, the State transferred future rights to the Master Settlement Agreement revenue to the Buckeye Tobacco Settlement Financing Authority (BTSFA).

While BTSFA's share of the total base payments to the states through 2057 will not change over time, estimating the amount of annual payments that actually will be received in any given year can be complex, since under the terms of the MSA, payments are subject to a number of adjustment factors, including an inflation adjustment, a volume adjustment, and a potential adjustment for market share losses of participating manufacturers. Some of these adjustments, such as the inflation adjustment, result in BTSFA receiving higher payments. Other factors, such as the volume adjustment and the market share adjustment can work to reduce the amount of the State's annual payments.

In addition to the base payments in 2008 through 2017, BTSFA received payments from the Strategic Contribution Fund. The Strategic Contribution Fund was established to reward states that played leadership roles in the tobacco litigation and settlement negotiations. Allocations from the fund were based on a state's contribution to the litigation and settlement with the tobacco companies. These payments were also subject to the adjustment factors outlined in the MSA. Strategic contribution payments ended in 2017. Beginning in 2018, payments consist solely of the base payment plus amounts, if any, paid by participating manufacturers relating to prior years and amounts, if any, released from the disputed payment account.

During fiscal year 2021, Ohio received \$306.2 million, which is approximately \$21.6 million or 6.58 percent less than the pre-adjusted base payment for the year.

In March 2020, the Authority issued \$5.35 billion in Asset-Backed Refunding Bonds (Series 2020 Bonds) to advance refund and current refund the outstanding 2007 Series Bonds. The Series 2020 Bonds have a final stated maturity in 2057.

As of June 30, 2021, the estimated tobacco settlement receivable in the amount of \$740.3 million is included in "Other Receivables" reported for the governmental funds. The receivable includes \$544.2 million for payments withheld from BTSFA beginning fiscal year 2008 and \$34.1 million for payments withheld from the State for fiscal years 2006 and 2007. These amounts were withheld by the cigarette manufacturers when they exercised the market share loss provisions of the MSA. The moneys are on deposit in an escrow account until pending litigation between the States and the manufacturers is resolved. Both the Authority and the State contend that they have met their obligations under the MSA and are due the payments withheld.

The Tobacco Settlement receipts provide funding for the construction of primary and secondary school capital facilities, education technology for primary and secondary education and for higher education, programs for smoking cessation and other health-related purposes, biomedical research and technology, and assistance to tobacco-growing areas in Ohio.

The BTSFA revenue bonds are secured by and payable solely from the tobacco settlement receipts and other pledged collateral. In the event that the assets of BTSFA have been exhausted, no amounts will thereafter be paid on the bonds.

The enforcement of the terms of the MSA has been challenged by lawsuits and may continue to be challenged in the future. In the event of an adverse court ruling, BTFSA may not have adequate financial resources to make payment on the bonds.

A schedule of pre-adjusted base payments for the State of Ohio in future years follows (dollars in thousands):



NOTE 20 CONTINGENCIES AND COMMITMENTS (Continued)

Year Ending June 30,	Pre-Adjusted MSA Base Payments
2022.....	\$ 324,045
2023.....	322,070
2024.....	319,878
2025.....	318,116
2026.....	317,112
2027-2031.....	1,588,441
2032-2036.....	1,603,879
2037-2041.....	1,615,426
2042-2046.....	1,622,972
2047-2051.....	1,629,583
2052-2056.....	1,637,797
2057.....	328,842
Total	<u>\$ 11,628,161</u>

E. Construction Commitments

As of June 30, 2021, the Ohio Department of Transportation had total contractual commitments of approximately \$2.52 billion for highway construction projects. Funding for future projects is expected to be provided from federal, primary government, general obligation and revenue bonds, and local government sources in amounts of \$1.45 billion, \$714.6 million, \$296 million, and \$67.8 million, respectively.

As of June 30, 2021, other major non-highway construction commitments for the primary government’s budgeted capital projects funds and major discretely presented component unit were as follows (dollars in thousands):

Primary Government	
Mental Health/Developmental Disabilities Facilities Improvements	\$ 153,829
Parks and Recreation Improvements	149,393
Administrative Services Building Improvements	41,640
Youth Services Building Improvements	6,989
Adult Correctional Building Improvements	149,711
Ohio Parks and Natural Resources	26,080
Total	<u>\$ 527,642</u>
Major Discretely Presented Component Unit	
Ohio State University	\$ 1,767,371

F. Pollution Remediation Activities

During fiscal year 2021, the State was involved in remediation activities for pollution as described in the following paragraph. These activities include site investigation, cleanup, and monitoring. The associated estimated cost of remediation activities is shown below (in general, projects with a liability of less than \$1 million at June 30 are not listed).

The Ohio Department of Transportation has been named as a responsible party to remediate pollution resulting from contaminated soil on the agency-owned property and contaminated groundwater on the surrounding properties. The June 30 liability to eliminate the pollution and continue monitoring activities is estimated to be \$1.8 million. Cost was estimated by the onsite coordinators using actual invoices to date.



NOTE 20 CONTINGENCIES AND COMMITMENTS (Continued)

The liability described above is reported as “Other Noncurrent Liabilities-Due in One Year” and “Other Noncurrent Liabilities-Due in More Than One Year” for governmental activities in the government-wide Statement of Net Position. The reported liability for this activity is an estimate and subject to change over time. Variances in the final costs may result from changes in technology, changes in responsible parties, results of environmental studies, and changes in laws and regulations. Future recoveries from other responsible parties may also reduce the final cost paid by the State.

Capital assets may be created during the pollution remediation process. These capital assets will be reported in accordance with the State’s capital assets policy. As of June 30, 2021, no capital assets were created nor reported as a result of any pollution remediation process.

G. Encumbrances

At June 30, 2021, the State has significant encumbrances of \$1.12 billion in the General Fund, \$1.41 billion in the Job, Family and Other Human Services Special Revenue Fund, \$884 million in the Pandemic Relief Funds and \$4.58 billion in the nonmajor governmental funds.

NOTE 21 RISK FINANCING

A. Workers’ Compensation Benefits

The Ohio Workers’ Compensation System, which the Ohio Bureau of Workers’ Compensation and the Industrial Commission of Ohio administer, is the exclusive provider of workers’ compensation insurance to private and public employers in Ohio who are not self-insured. The Workers’ Compensation Enterprise Fund (Fund) provides benefits to employees for losses sustained from job-related injury, disease, or death.

“Benefits Payable” of \$11.89 billion is reported in the Fund as of June 30, 2021. This amount represents reserves for indemnity and medical claims resulting from work-related injuries or illnesses, including actuarial estimates for both reported claims and claims incurred but not reported. The liability is based on the estimated ultimate cost of settling claims, including the effects of inflation and other societal and economic factors and projections as to future events, including claims frequency, severity, persistency, and inflationary trends for medical claims reserves. The compensation adjustment expenses liability, which is included in “Other Liabilities” in the amount of approximately \$1.65 billion, is an estimate of future expenses to be incurred in the settlement of claims. The estimate for this liability is based on projected claim-related expenses, estimated costs of the managed care Health Partnership Program, nonincremental adjustment expense, and the reserve for compensation.

Management of the Bureau of Workers’ Compensation and the Industrial Commission believes that the recorded reserves for compensation and compensation adjustment expenses make for a reasonable and appropriate provision for expected future losses. While management uses available information to estimate the reserves for compensation and compensation adjustment expenses, future changes to the reserves for compensation and compensation adjustment expenses may be necessary based on claims experience and changing claims frequency and severity conditions. The methods of making such estimates and for establishing the resulting liabilities are reviewed quarterly and updated based on current circumstances. Any adjustments resulting from changes in estimates are recognized in the current period.

Benefits payable and the compensation adjustment expenses liability have been discounted at four percent to reflect the present value of future benefit payments. The selected discount rate approximates an average yield on United States government securities with durations similar to the expected claims underlying the Fund’s reserves.

The undiscounted reserves for the benefits and compensation adjustment expenses totaled \$21.7 billion, as of June 30, 2021, and \$23.7 billion, as of June 30, 2020. For additional information, refer to the Fund’s separately audited financial report, for the fiscal year ended June 30, 2021.

Changes in the balance of benefits payable and the compensation adjustment expenses liability for the Workers’ Compensation Program during the past two fiscal years are presented in the table below:



NOTE 21 RISK FINANCING (Continued)

Primary Government
Changes in Workers' Compensation Benefits Payable
and Compensation Adjustment Expenses Liability
Last Two Fiscal Years
(dollars in millions)

	Fiscal Year 2021	Fiscal Year 2020
Benefits Payable and Compensation Adjustment Expenses Liability, as of July 1	\$ 14,518	\$ 14,934
Incurred Compensation and Compensation Adjustment Benefits.....	526	1,261
Incurred Compensation and Compensation Adjustment Benefit Payments and Other Adjustments	<u>(1,505)</u>	<u>(1,677)</u>
Benefits Payable and Compensation Adjustment Expenses Liability, as of June 30	<u>\$ 13,539</u>	<u>\$ 14,518</u>

B. State Employee Healthcare Plan

Employees of the State's primary government have the option of participating in the State of Ohio medical plan (Plan). The Plan offers two options: the Ohio Med PPO (preferred provider organization) and the Ohio Med HDHP (high deductible health plan). The Plan is managed by two third party administrators (TPAs) who are responsible for processing claims for separate regions throughout the State.

When it is probable that a loss has occurred and the amount of the loss can be reasonably estimated, liabilities are reported in the governmental and proprietary funds for claims that have been incurred but not reported. The Plan's actuaries calculate estimated claims liabilities based on prior claims data, employee enrollment figures, medical trends, and experience.

Governmental and proprietary funds pay a share of the costs for claims settlement based on the number of employees opting for plan participation and the type of coverage selected by participants. The payments are accumulated in the State Employee Health Benefit Fund, accounted for within the General Fund, until such time that the accumulated resources are distributed to the TPAs for claims settlement.

For governmental funds, claims are recognized as expenditures to the extent that the amounts are payable with expendable available financial resources. For governmental and business-type activities, claims are recognized in the Statement of Activities as expenses when incurred.

As of June 30, 2021, approximately \$318.7 million in total assets was available in the General Fund to cover healthcare claims. Changes in the balance of claims liabilities for the Plan during the past two fiscal years were as follows (dollars in thousands):

Ohio Med PPO		
	Fiscal Year 2021	Fiscal Year 2020
Claims Liabilities, as of July 1	\$ 66,272	\$ 75,439
Incurred Claims	867,083	802,902
Claims Payments	<u>(851,381)</u>	<u>(812,069)</u>
Claims Liabilities, as of June 30	<u>\$ 81,974</u>	<u>\$ 66,272</u>

As of June 30, 2021, the resources on deposit in the General Fund were more than the estimated claims liability by approximately \$236.8 million, thereby resulting in a funding surplus.



NOTE 21 RISK FINANCING (Continued)

C. Other Risk Financing Programs

The primary government has established programs to advance fund potential losses for vehicular liability and theft in office. The potential amount of loss arising from these risks, however, is not considered material in relation to the State's financial position.

NOTE 22 SUBSEQUENT EVENTS

Bond Issuances

Subsequent to June 30, 2021, the State issued major debt as detailed in the table below:

Debt Issuances			
Subsequent to June 30, 2021			
<i>(dollars in thousands)</i>			
	Date Issued	Net Interest Rate or True Interest Cost	Amount
Primary Government:			
<i>Ohio Public Facilities Commission (OPFC)- General Obligation Bonds:</i>			
Infrastructure Improvements, Series 2021A.....	10/27/2021	2.14%	\$140,710
Conservation Projects, Series 2021A.....	10/27/2021	1.41%	40,450
Infrastructure Improvements, Refunding Series 2021B.....	10/27/2021	1.20%	47,905
Common Schools Capital Facilities, Refunding Series 2021C.....	10/27/2021	1.23%	100,130
Total General Obligation Bonds.....			<u>329,195</u>
<i>Treasurer of State-Special Obligation Bonds:</i>			
Cultural and Sports Capital Facilities, Series 2021A	08/17/2021	0.94%	56,785
Parks and Recreation Facilities, Series 2022A.....	12/09/2021 *	1.08%	75,000
State Facilities (Administrative Building), Series 2022A.....	12/09/2021 *	1.05%	10,420
Total Special Obligation Bonds			<u>142,205</u>
<i>Attorney General's Office - Certificates of Participation:</i>			
Claims Fund Project, Series 2021.....	10/20/2021	1.90%	21,385
Total Certificates of Participation.....			<u>21,385</u>
Total Primary Government.....			<u>\$492,785</u>
Major Component Units:			
<i>The Ohio State University:</i>			
General Receipts Bonds-Tax Exempt, Series 2021A.....	09/30/2021	2.46%	\$600,000
Total The Ohio State University			<u>\$600,000</u>

* Anticipated bond closing is 01/05/2022

Financial Section

Required Supplementary Information



Downtown
Cincinnati, Ohio



Infrastructure Assets Accounted for Using the Modified Approach

Pavement Network

The Ohio Department of Transportation conducts annual condition assessments of its Pavement Network. The State manages its pavement system by means of annual, visual inspections by trained pavement technicians. Technicians rate the pavement using a scale of 1 (minimum) to 100 (maximum) based on a Pavement Condition Rating (PCR). This rating examines items such as cracking, potholes, deterioration of the pavement, and other factors. It does not include a detailed analysis of the pavement's subsurface conditions.

Ohio accounts for its pavement network in two subsystems: *Priority*, which comprises interstate highways, freeways, and multi-lane portions of the National Highway System, and *General*, which comprises two-lane routes outside of cities.

For the Priority Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 65, and to allow no more than 25 percent of the pavement to fall below a 65 PCR level. For the General Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 55, and to allow no more than 25 percent of the pavement to fall below a 55 PCR level.

**Pavement Network
Condition Assessment Data**

Priority Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)									
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 65-74		Poor PCR = Below 65		Total	
	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%
2021	8,326	60.21	3,175	22.96	1,884	13.62	444	3.21	13,829	100.00
2020	8,020	58.10	3,548	25.71	1,667	12.08	568	4.11	13,803	100.00
2019	7,895	57.53	3,981	29.01	1,404	10.23	444	3.23	13,724	100.00
2018	8,236	59.47	3,856	27.85	1,331	9.61	426	3.07	13,849	100.00
2017	8,103	59.06	4,345	31.67	990	7.22	282	2.05	13,720	100.00

General Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)									
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 55-74		Poor PCR = Below 55		Total	
	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%	Lane-Miles	%
2021	15,701	53.03	7,452	25.17	5,910	19.97	541	1.83	29,604	100.00
2020	16,186	54.65	7,406	25.00	5,379	18.16	648	2.19	29,619	100.00
2019	16,392	55.31	7,080	23.89	5,420	18.29	745	2.51	29,637	100.00
2018	15,589	52.87	7,395	25.08	6,090	20.65	413	1.40	29,487	100.00
2017	14,022	47.58	8,472	28.74	6,755	22.92	224	0.76	29,473	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Pavement Network
Comparison of Estimated-to-Actual Maintenance and Preservation Costs
(dollars in thousands)

Priority Subsystem

Fiscal Year	Estimated	Actual
2021	\$427,159	\$483,633
2020	406,088	499,858
2019	444,620	443,984
2018	447,590	504,877
2017	416,249	491,309

General Subsystem

Fiscal Year	Estimated	Actual
2021	\$279,971	\$350,792
2020	293,150	398,642
2019	299,640	426,696
2018	303,715	404,677
2017	314,433	427,531

Bridge Network

The Ohio Department of Transportation conducts annual inspections of all bridges in the State's Bridge Network. The inspections cover major structural items such as piers and abutments, and assign a General Appraisal Condition Rating (GACR) from 0 (minimum) to nine (maximum) based on a composite measure of these major structural items.

It is the State's intention to maintain at least 85 percent of the square feet of deck area at a general appraisal condition rating level of at least five, and to allow no more than 15 percent of the number of square feet of deck area to fall below a general appraisal condition rating level of five.

Bridge Network
Condition Assessment Data
(square feet in thousands)

Fiscal Year	General Appraisal Condition Ratings (GACR)									
	Excellent GACR = 7-9		Good GACR = 5-6		Fair GACR = 3-4		Poor GACR = 0-2		Total	
	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%
2021	76,048	69.76	31,214	28.64	1,741	1.60	4	0.00	109,007	100.00
2020	73,766	68.05	33,080	30.52	1,552	1.43	3	0.00	108,401	100.00
2019	72,499	67.01	34,012	31.44	1,680	1.55	4	0.00	108,195	100.00
2018	70,768	65.91	34,831	32.44	1,772	1.65	0	0.00	107,371	100.00
2017	69,581	64.73	35,891	33.39	2,017	1.88	0	0.00	107,489	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Bridge Network
Comparison of Estimated-to-Actual Maintenance and Preservation Costs
(dollars in thousands)

Fiscal Year	Estimated	Actual
2021	\$369,529	\$396,994
2020	392,111	447,480
2019	424,377	451,586
2018	462,821	452,276
2017	469,804	526,003



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY/(ASSET)
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST SEVEN YEARS ^(A)
 (dollars in thousands)

	2020	2019	2018
Traditional Plan:			
Employer's Proportion of the Collective Net Pension Liability.....	21.37%	20.82%	20.86%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 3,164,266	\$ 4,115,589	\$ 5,714,426
Covered Payroll.....	\$ 3,032,613	\$ 2,952,641	\$ 2,862,809
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	104.34%	139.39%	199.61%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	86.88%	82.17%	74.70%
Combined Plan:			
Employer's Proportion of the Collective Net Pension/(Asset).....	19.85%	19.36%	19.59%
Employer's Proportionate Share of the Collective Net Pension/(Asset).....	\$ (57,311)	\$ (40,375)	\$ (21,905)
Covered Payroll.....	\$ 88,168	\$ 86,872	\$ 85,111
Employer's Proportionate Share of the Collective Net Pension/(Asset) as a Percentage of the Employer's Covered Payroll.....	65.00%	46.48%	25.74%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset.....	157.67%	145.28%	126.64%

Notes:

^(A) This table will present ten years of information as it becomes available.



2017	2016	2015	2014
20.85%	20.95%	20.65%	20.73%
\$ 3,271,382	\$ 4,736,652	\$ 3,561,458	\$ 2,496,359
\$ 2,791,773	\$ 2,754,860	\$ 2,589,575	\$ 2,608,075
117.18%	171.94%	137.53%	95.72%
84.66%	77.25%	81.08%	86.45%
19.13%	19.67%	19.64%	20.23%
\$ (26,038)	\$ (10,623)	\$ (9,355)	\$ (7,577)
\$ 81,048	\$ 77,885	\$ 72,010	\$ 69,383
32.13%	13.64%	12.99%	10.92%
137.28%	116.55%	116.90%	114.83%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 FOR THE LAST SEVEN FISCAL YEARS ^{(A)(B)}

(dollars in thousands)

	2021	2020	2019
Traditional Plan:			
Statutorily Required Employer Contribution.....	\$ 428,702	\$ 421,955	\$ 407,968
Actual Employer Contributions Received.....	428,702	421,955	407,968
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll.....	\$ 3,050,925	\$ 3,003,237	\$ 2,903,850
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.05%	14.05%	14.05%
Combined Plan:			
Statutorily Required Employer Contribution.....	\$ 12,547	\$ 12,317	\$ 12,139
Actual Employer Contributions Received.....	12,547	12,317	12,139
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll.....	\$ 89,294	\$ 87,664	\$ 86,407
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.05%	14.05%	14.05%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Ohio Public Employees Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).



2018	2017	2016	2015
\$ 383,973	\$ 343,330	\$ 314,599	\$ 308,797
<u>383,973</u>	<u>343,330</u>	<u>314,599</u>	<u>308,797</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,834,015	\$ 2,794,847	\$ 2,613,331	\$ 2,573,692
13.55%	12.28%	12.04%	12.00%
\$ 11,345	\$ 9,977	\$ 9,366	\$ 8,587
<u>11,345</u>	<u>9,977</u>	<u>9,366</u>	<u>8,587</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 83,734	\$ 81,219	\$ 77,801	\$ 71,573
13.55%	12.28%	12.04%	12.00%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY
 STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST SEVEN YEARS ^(A)

(dollars in thousands)

	2020	2019	2018
Employer's Proportion of the Collective Net Pension Liability.....	0.36%	0.36%	0.37%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 88,004	\$ 80,186	\$ 81,261
Covered Payroll.....	\$ 47,303	\$ 42,360	\$ 42,066
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	186.04%	189.30%	193.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	75.50%	77.40%	77.31%

Notes:

^(A) This table will present ten years of information as it becomes available.



2017	2016	2015	2014
0.38%	0.38%	0.39%	0.41%
\$ 90,418	\$ 126,919	\$ 107,522	\$ 99,431
\$ 41,881	\$ 39,990	\$ 40,509	\$ 41,996
215.89%	317.38%	265.43%	236.76%
75.29%	66.78%	72.10%	74.71%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
 STATE TEACHERS RETIREMENT SYSTEM
 FOR THE LAST SEVEN FISCAL YEARS ^{(A)(B)}
 (dollars in thousands)

	2021	2020	2019
Statutorily Required Employer Contribution.....	\$ 6,141	\$ 6,622	\$ 5,929
Actual Employer Contributions Received.....	6,141	6,622	5,929
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll.....	\$ 43,872	\$ 47,303	\$ 42,360
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.00%	14.00%	14.00%

Notes:

- ^(A) This table will present ten years of information as it becomes available.
- ^(B) Starting in fiscal year 2017, the 2015 and 2016 data presented was adjusted to reflect the State's fiscal reporting year rather than measurement date.



2018	2017	2016	2015
\$ 5,888	\$ 5,863	\$ 5,692	\$ 5,671
5,888	5,863	5,692	5,671
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 42,066	\$ 41,881	\$ 39,990	\$ 40,509
14.00%	14.00%	14.23%	14.00%



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST SEVEN YEARS ^(A)
(dollars in thousands)

	2020	2019	2018
Total Pension Liability:			
Service Cost.....	\$ 20,462	\$ 29,856	\$ 19,679
Interest on the Total Pension Liability.....	90,171	85,534	89,298
Benefit Changes.....	-	-	-
Difference between Expected and Actual Experience.....	5,922	(7,403)	538
Assumption Changes.....	-	(241,353)	256,572
Benefit Payments.....	(81,133)	(75,134)	(71,577)
Refunds.....	-	-	(717)
Net Change in Total Pension Liability.....	<u>35,422</u>	<u>(208,500)</u>	<u>293,793</u>
Total Pension Liability - Beginning.....	1,263,838	1,472,338	1,178,545
Total Pension Liability - Ending (a).....	<u>\$ 1,299,260</u>	<u>\$ 1,263,838</u>	<u>\$ 1,472,338</u>
Plan Fiduciary Net Position:			
Employer Contributions.....	\$ 32,855	\$ 33,107	\$ 26,014
Employee Contributions.....	18,107	16,253	14,452
Pension Plan Net Investment Income.....	121,213	129,802	(37,810)
Benefit Payments.....	(81,133)	(75,134)	(71,577)
Refunds.....	-	-	(717)
Pension Plan Administrative Expense.....	(1,509)	(1,650)	(1,436)
Other.....	-	-	199
Net Change in Plan Fiduciary Net Position.....	<u>89,533</u>	<u>102,378</u>	<u>(70,875)</u>
Plan Fiduciary Net Position - Beginning.....	817,859	715,481	786,356
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 907,392</u>	<u>\$ 817,859</u>	<u>\$ 715,481</u>
Net Pension Liability - Ending (a) - (b).....	<u>\$ 391,868</u>	<u>\$ 445,979</u>	<u>\$ 756,857</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability.....	69.84%	64.71%	48.59%
Covered Payroll..... ^(B)	\$ 117,996	\$ 118,370	\$ 116,010
Net Pension Liability as a Percentage of Covered Payroll.....	332.10%	376.77%	652.41%

Notes:

- ^(A) This table will present ten years of information as it becomes available.
- ^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



2017	2016	2015	2014
\$ 19,635	\$ 18,094	\$ 17,805	\$ 17,657
85,936	84,195	81,577	79,175
(5,681)	-	-	-
17,854	(8,633)	(6,366)	-
-	-	40,773	-
(75,393)	(65,720)	(66,213)	(64,526)
(1,075)	(1,731)	(858)	(2,177)
41,276	26,205	66,718	30,129
1,137,269	1,111,064	1,044,346	1,014,217
<u>\$ 1,178,545</u>	<u>\$ 1,137,269</u>	<u>\$ 1,111,064</u>	<u>\$ 1,044,346</u>
\$ 26,110	\$ 25,384	\$ 22,895	\$ 22,325
14,505	14,101	13,686	11,577
101,482	46,423	(5,702)	45,105
(75,393)	(65,721)	(66,213)	(64,526)
(1,075)	(1,731)	(858)	(2,177)
(1,437)	(1,353)	(1,084)	(1,031)
479	357	839	421
64,671	17,460	(36,437)	11,694
721,685	704,225	740,662	728,968
<u>\$ 786,356</u>	<u>\$ 721,685</u>	<u>\$ 704,225</u>	<u>\$ 740,662</u>
<u>\$ 392,189</u>	<u>\$ 415,584</u>	<u>\$ 406,839</u>	<u>\$ 303,684</u>
66.72%	63.46%	63.38%	70.92%
\$ 112,705	\$ 108,789	\$ 99,983	\$ 99,212
347.98%	382.01%	406.91%	306.10%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS (B)
(dollars in thousands)

	2021	2020	2019	2018	2017
Actuarially Determined Contribution.....	\$ 32,265	\$ 31,270	\$ 26,014	\$ 25,349	\$ 24,407
Actual Employer Contributions Received.....	32,855	33,107	26,014	26,110	25,383
Difference.....	\$ (590)	\$ (1,837)	\$ -	\$ (761)	\$ (976)
Covered Payroll..... (A)	\$ 117,996	\$ 118,371	\$ 116,010	\$ 112,705	\$ 108,789
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	27.84%	27.97%	22.42%	23.17%	23.33%

Notes:

- (A) Covered payroll includes Deferred Retirement Option Program (DROP) employees.
- (B) State Highway Patrol Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is now fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).

Actuarial Assumptions	
Valuation Date	December 31, 2019
Notes	Actuarially determined contribution amounts for the measurement period ending on December 31, 2020 are calculated as of December 31, 2018 (for the period beginning January 1, 2019 and ending on December 31, 2019) and December 31, 2019 (for the period beginning January 1, 2020 and ending on December 31, 2020). The actuarial assumptions and methods as of December 31, 2019 were used to determine the actuarially determined Employer contribution amounts reported for the fiscal year ending on December 31, 2020.
Actuarial Cost Method	Entry age normal (level percent of pay)
Amortization Method	Level-percentage closed
Remaining Amortization Period	23 years
Asset Valuation Method	Four-year smoothed market with a 20 percent corridor
Inflation	3.0 percent wage inflation; 2.50 percent price inflation
Salary Increases	3.8 percent to 13.5 percent including inflation
Investment Rate of Return	7.25 percent
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	Healthy Active Lives: PubS-2010 (amount-weighted) employee tables. Retiree/Vested Terminated Lives: PubS-2010 (amount-weighted) healthy retiree tables adjusted by 94 percent. Contingent Survivor Lives: PubS-100 (amount-weighted, above-median) contingent survivor tables adjusted by 105 percent. Disabled Lives: PubS-100 (amount-weighted) disabled retiree tables. Mortality assumptions for all participants are sex distinct with mortality improvement projected five years beyond the valuation date using scale MP-2019 and a base year of 2010.
Other Information	The wage and price inflation assumptions were lowered from 3.5 and 2.75 percent, respectively, to 3.0 and 2.50 percent, respectively, for the 2019 actuarial valuation, and the mortality table was updated from MP-2018 to PubS-2010.



STATE OF OHIO
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

JUNE 30, 2021

2016	2015	2014	2013	2012
\$ 22,446	\$ 29,767	\$ 35,430	\$ 30,488	\$ 26,956
22,895	22,325	22,908	23,766	22,966
<u>\$ (449)</u>	<u>\$ 7,442</u>	<u>\$ 12,522</u>	<u>\$ 6,722</u>	<u>\$ 3,990</u>
\$ 99,983	\$ 99,212	\$ 98,520	\$ 98,117	\$ 93,126
22.90%	22.50%	23.25%	24.22%	24.66%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY/(ASSET)
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FOUR YEARS ^(A)
 (dollars in thousands)

All Plans:	2020	2019	2018
Employer's Proportion of the Collective Net OPEB Liability/(Asset).....	21.25%	20.71%	20.75%
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset).....	\$ (378,552)	\$ 2,859,959	\$ 2,704,808
Covered Payroll.....	\$ 3,187,089	\$ 3,103,935	\$ 2,986,152
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset) as a Percentage of the Employer's Covered Payroll.....	11.88%	92.14%	90.58%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset).....	115.57%	47.80%	46.33%

Notes:

^(A) This table will present ten years of information as it becomes available.



2017

20.74%

\$ 2,252,428

\$ 2,915,630

77.25%

54.14%



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
 OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
 FOR THE LAST FOUR FISCAL YEARS ^{(A)(B)}
 (dollars in thousands)

	2021	2020	2019
Actuarially Determined Employer Contribution.....	\$ 209,912	\$ 177,136	\$ 176,568
Actual Employer Contributions Received.....	0	0	0
Difference.....	<u>\$ 209,912</u>	<u>\$ 177,136</u>	<u>\$ 176,568</u>
Covered Payroll.....	\$ 3,225,871	\$ 3,173,961	\$ 3,070,283
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	0.00%

Notes:

- ^(A) This table will present ten years of information as it becomes available.
- ^(B) Ohio Public Employees Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).



	2018
\$	153,362
	18,802
\$	<u>134,560</u>
\$	2,994,040
	0.63%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY/(ASSET)

STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FOUR YEARS ^(A)

(dollars in thousands)

	2020	2019	2018
Employer's Proportion of the Collective Net OPEB Liability/(Asset).....	0.36%	0.36%	0.37%
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset).....	\$ (6,392)	\$ (6,005)	\$ (5,939)
Covered Payroll.....	\$ 47,303	\$ 42,360	\$ 42,066
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset) as a Percentage of the Employer's Covered Payroll.....	13.51%	14.18%	14.12%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset).....	182.13%	174.74%	176.00%

Notes:

^(A) This table will present ten years of information as it becomes available.



2017

0.38%

\$ 14,850

\$ 40,918

36.29%

47.11%



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

STATE TEACHERS RETIREMENT SYSTEM

FOR THE LAST FOUR FISCAL YEARS ^(A)

(dollars in thousands)

	2021	2020	2019
Actuarially Determined Employer Contribution.....	\$ -	\$ -	\$ -
Actual Employer Contributions Received.....	-	-	-
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll..... ^(B)	\$ 44,888	\$ 47,303	\$ 42,360
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	0.00%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) The covered payroll amount includes a small portion of the defined contribution plan payroll; which this portion of the plan is not covered for OPEB.



	2018
\$	910
	-
\$	910
<hr/>	
\$	42,066
	0.00%



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FOUR YEARS ^(A)
(dollars in thousands)

	2020	2019	2018
Total OPEB Liability:			
Service Cost.....	\$ 19,270	\$ 18,125	\$ 26,137
Interest on the Total OPEB Liability.....	19,150	16,992	19,663
Benefit Changes.....	-	-	-
Difference between Expected and Actual Experience.....	(26,654)	(26,860)	(74,912)
Assumption Changes.....	167,137	122,197	(68,878)
Benefit Payments, including refunds of employee contributions.....	(8,303)	(8,619)	(8,539)
Net Change in Total OPEB Liability.....	170,600	121,835	(106,529)
Total OPEB Liability - Beginning.....	581,436	459,601	566,130
Total OPEB Liability - Ending (a).....	<u>\$ 752,036</u>	<u>\$ 581,436</u>	<u>\$ 459,601</u>
Plan Fiduciary Net Position:			
Employer Contributions.....	\$ -	\$ -	\$ 4,623
Employee Contributions.....	-	-	-
Net Investment Income.....	16,141	18,006	(5,852)
Benefit Payments, including refunds of employee contributions.....	(8,303)	(8,619)	(8,538)
Administrative Expense.....	(201)	(229)	(204)
Net Change in Plan Fiduciary Net Position.....	7,637	9,158	(9,971)
Plan Fiduciary Net Position - Beginning.....	110,986	101,828	111,799
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 118,623</u>	<u>\$ 110,986</u>	<u>\$ 101,828</u>
Net OPEB Liability - Ending (a) - (b).....	<u>\$ 633,413</u>	<u>\$ 470,450</u>	<u>\$ 357,773</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability.....	15.77%	19.09%	22.16%
Covered Payroll..... ^(B)	\$ 117,996	\$ 118,370	\$ 116,010
Net OPEB Liability as a Percentage of Covered Payroll.....	536.81%	397.44%	308.39%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



2017

\$	23,657
	19,243
	709
	(1,204)
	46,862
	(9,434)
	<hr/> 79,833
	486,297
\$	<hr/> <hr/> 566,130

\$	4,640
	-
	14,467
	(9,433)
	(204)
	<hr/> 9,470
	102,329
\$	<hr/> <hr/> 111,799

\$ 454,331

19.75%
\$ 112,705
403.11%



STATE OF OHIO
 SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
 STATE HIGHWAY PATROL RETIREMENT SYSTEM
 FOR THE LAST FOUR FISCAL YEARS ^{(A)(C)}

(dollars in thousands)

	2021	2020	2019	2018
Actuarially Determined Contribution.....	\$ 17,304	\$ 15,228	\$ 22,105	\$ 30,774
Actual Employer Contributions Received.....	-	-	4,623	4,640
Difference.....	<u>\$ 17,304</u>	<u>\$ 15,228</u>	<u>\$ 17,482</u>	<u>\$ 26,134</u>
Covered Payroll..... ^(B)	\$ 117,996	\$ 118,370	\$ 116,010	\$ 112,705
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%	3.99%	4.12%

Notes:

- (A) This table will present ten years of information as it becomes available.
- (B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.
- (C) State Highway Patrol Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is now fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).

Actuarial Assumptions	
Valuation Date	December 31, 2018 rolled forward to December 31, 2019
Notes	Actuarially determined contribution amounts for the measurement period ending on December 31, 2020 are calculated as of December 31, 2018 (for the period beginning July 1, 2019 and ending on December 31, 2019) and December 31, 2019 (for the period beginning January 1, 2020 and ending on December 31, 2020). The actuarial assumptions and methods as of December 31, 2019 were used to determine the actuarially determined Employer contribution amounts reported for the second half of the fiscal year ending on December 31, 2019.
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percent of pay over open period
Remaining Amortization Period	30 years
Asset Valuation Method	Four-year smoothed market with a 20 percent Corridor
Inflation	3.25 percent wage inflation
Salary Increases	3.25 percent to 10.75 percent, includes wage inflation of 3.25 percent
Investment Rate of Return	6.00 percent
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Healthy Annuitant and RP-2014 Disabled mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for males and females was then established to be 2015 and 2010, respectively. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale.



STATE OF OHIO

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND AND MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

(dollars in thousands)

	GENERAL			VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	BUDGET		ACTUAL	
	ORIGINAL	FINAL		
REVENUES:				
Income Taxes.....	\$ 10,217,275	\$ 10,412,415	\$ 10,652,810	\$ 240,395
Sales Taxes.....	11,438,768	12,323,468	12,448,700	125,232
Corporate and Public Utility Taxes.....	2,961,050	2,957,505	2,958,465	960
Motor Vehicle Fuel Taxes.....	1,361,348	1,361,348	1,361,348	—
Cigarette Taxes.....	871,700	932,700	926,884	(5,816)
Other Taxes.....	754,639	792,239	794,573	2,334
Licenses, Permits and Fees.....	1,314,944	1,344,252	1,344,515	263
Sales, Services and Charges.....	200,386	200,386	209,802	9,416
Federal Government.....	12,850,753	12,759,790	12,820,413	60,623
Tobacco Settlement.....	126	126	252	126
Investment Income.....	34,766	58,487	66,760	8,273
Other.....	2,697,626	2,702,326	2,703,640	1,314
TOTAL REVENUES.....	44,703,381	45,845,042	46,288,162	443,120
BUDGETARY EXPENDITURES:				
CURRENT OPERATING:				
Primary, Secondary and Other Education.....	10,015,162	10,021,631	9,813,058	208,573
Higher Education Support.....	3,169,138	3,385,127	2,808,214	576,913
Public Assistance and Medicaid.....	19,313,608	20,055,657	19,542,953	512,704
Health and Human Services.....	947,614	959,616	884,879	74,737
Justice and Public Protection.....	3,739,550	3,837,375	3,552,793	284,582
Environmental Protection and Natural Resources.....	194,148	237,688	215,103	22,585
Transportation.....	124,080	135,080	126,943	8,137
General Government.....	2,571,410	2,666,571	2,340,783	325,788
Community and Economic Development.....	3,206,447	4,160,673	3,211,908	948,765
CAPITAL OUTLAY.....	—	—	—	—
DEBT SERVICE.....	1,539,464	1,539,680	1,218,383	321,297
TOTAL BUDGETARY EXPENDITURES.....	44,820,621	46,999,098	43,715,017	3,284,081
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....	(117,240)	(1,154,056)	2,573,145	3,727,201
OTHER FINANCING SOURCES (USES):				
Bonds, Notes, and COPs Issued.....	546,268	546,268	546,268	—
Transfers-in.....	1,955,601	1,516,229	929,486	(586,743)
Transfers-out.....	(1,914,261)	(1,923,144)	(1,341,276)	581,868
TOTAL OTHER FINANCING SOURCES (USES).....	587,608	139,353	134,478	(4,875)
NET CHANGE IN FUND BALANCES.....	\$ 470,368	\$ (1,014,703)	2,707,623	\$ 3,722,326
BUDGETARY FUND BALANCES (DEFICITS), JULY 1 (as restated).....			5,891,024	
Outstanding Encumbrances at Beginning of Fiscal Year...			1,057,754	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....			\$ 9,656,401	

JOB, FAMILY AND OTHER HUMAN SERVICES				PANDEMIC RELIEF FUNDS			
BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)	BUDGET		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
ORIGINAL	FINAL			ORIGINAL	FINAL		
		\$ —				\$ —	
		—				—	
		—				—	
		—				—	
		946				—	
		2,652,655				—	
		97,031				—	
		8,924,954				3,869,229	
		—				—	
		4,303				13,812	
		1,917,406				538	
		<u>13,597,295</u>				<u>3,883,579</u>	
\$ —	\$ —	—	\$ —	\$ —	\$ 170,000	147,497	\$ 22,503
375	375	—	375	—	305,000	304,943	57
13,273,180	17,720,111	14,134,213	3,585,898	—	56,000	35,625	20,375
407,423	446,823	377,953	68,870	44,283	504,524	394,042	110,482
76,467	80,551	58,171	22,380	48,094	310,372	191,401	118,971
—	—	—	—	—	7,000	7,000	—
—	—	—	—	—	—	—	—
2,800	2,800	2,724	76	18,944	1,513,027	1,440,034	72,993
—	—	—	—	465,000	1,113,603	1,107,773	5,830
24,188	41,073	17,574	23,499	—	—	—	—
—	—	—	—	—	—	—	—
<u>\$ 13,784,433</u>	<u>\$ 18,291,733</u>	<u>14,590,635</u>	<u>\$ 3,701,098</u>	<u>\$ 576,321</u>	<u>\$ 3,979,526</u>	<u>3,628,315</u>	<u>\$ 351,211</u>
		<u>(993,340)</u>				<u>255,264</u>	
		—				—	
		14,442				17	
		(6,053)				—	
		<u>8,389</u>				<u>17</u>	
		<u>(984,951)</u>				<u>255,281</u>	
		(719,507)				3,216,103	
		<u>1,103,056</u>				<u>111,320</u>	
		<u>\$ (601,402)</u>				<u>\$ 3,582,704</u>	



Note: GAAP versus NON-GAAP BUDGETARY BASIS

In the accompanying *Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget and Actual (Non-GAAP Budgetary Basis) — General Fund and Major Special Revenue Fund*, actual revenues, transfers-in, expenditures, encumbrances, and transfers-out reported on the non-GAAP budgetary basis do not equal those reported on the GAAP basis in the *Statement of Revenues, Expenditures and Changes in Fund Balances — Major Governmental Funds*.

This inequality results primarily from basis differences in the recognition of accruals, deferred resources, interfund transactions, and loan transactions, and from timing differences in the budgetary basis of accounting for encumbrances. On the non-GAAP budgetary basis, the State recognizes encumbrances as expenditures in the year encumbered, while on the modified accrual basis, the State recognizes expenditures when goods or services are received regardless of the year encumbered.

Original Budget amounts in the accompanying budgetary schedules have been taken from the first complete appropriated budget for fiscal year 2021. An appropriated budget is the expenditure authority created by appropriation bills that are signed into law and related estimated revenues. The original budget also includes actual appropriation amounts automatically carried over from prior years by law, including the automatic rolling forward of appropriations to cover prior-year encumbrances.

Final Budget amounts represent original appropriations modified by authorized transfers, supplemental and amended appropriations, and other legally authorized legislative and executive changes applicable to fiscal year 2021, whenever signed into law or otherwise legally authorized.

For fiscal year 2021, no excess expenditures over appropriations were reported in individual funds.

A reconciliation of the fund balances reported under the GAAP basis and budgetary basis for the General Fund and the major special revenue fund is presented on the following page.



Note: GAAP versus NON-GAAP BUDGETARY BASIS (Continued)

Primary Government
Reconciliation of GAAP Basis Fund Balances to Non-GAAP Budgetary Basis Fund Balances
For the General Fund and Major Special Revenue Funds
As of June 30, 2021
(dollars in thousands)

	General	Job, Family & Other Human Services	Pandemic Relief Funds
Total Fund Balances — GAAP Basis	\$ 12,063,898	\$ 742,848	\$ 103,230
Less: Nonspendable Fund Balances	47,018	-	103,230
Less: Restricted Fund Balances	1,605,009	182,022	-
Less: Committed Fund Balances	837,568	567,500	-
Less: Assigned Fund Balances	3,856,376	-	-
Unassigned Fund Balances — GAAP Basis	<u>5,717,927</u>	<u>(6,674)</u>	<u>-</u>
BASIS DIFFERENCES			
Revenue Accruals/Adjustments:			
Cash Equity with Treasurer	(206,482)	43,410	-
Taxes Receivable	(1,757,567)	-	-
Intergovernmental Receivable	(320,512)	(311,361)	-
Loans Receivable, Net	(1,219,505)	-	-
Other Receivables	(314,860)	(778,528)	-
Unearned Revenue	-	720,070	4,459,677
Total Revenue Accruals/Adjustments	<u>(3,818,926)</u>	<u>(326,409)</u>	<u>4,459,677</u>
Expenditure Accruals/Adjustments:			
Cash Equity with Treasurer	(361,770)	(5,128)	(735)
Inventories	(19,714)	-	(103,230)
Other Assets	(47)	-	-
Accounts Payable	286,453	215,272	24,854
Accrued Liabilities	212,134	31,319	426
Medicaid Claims Payable	419,838	-	-
Intergovernmental Payable	1,184,931	130,717	-
Interfund Payable	374,647	8,771	6,011
Payable to Component Units	11,010	3,611	-
Refund and Other Liabilities	1,436,629	2,982	-
Liability for Escheat Property	314,195	-	-
Total Expenditure Accruals/Adjustments	<u>3,858,306</u>	<u>387,544</u>	<u>(72,674)</u>
Deferred Inflows of Resources	<u>914,100</u>	<u>81,928</u>	<u>-</u>
Other Adjustments:			
Fund Balance Reclassifications:			
From Unassigned (Non-GAAP Budgetary Basis) to:			
Nonspendable	47,018	-	103,230
Restricted	1,605,009	182,022	-
Committed	837,568	567,500	-
Assigned	3,856,376	-	-
Cash and Investments Held Outside State Treasury	(2,000,226)	(2,842)	-
Total Other Adjustments	<u>4,345,745</u>	<u>746,680</u>	<u>103,230</u>
Total Basis Differences	<u>5,299,225</u>	<u>889,743</u>	<u>4,490,233</u>
TIMING DIFFERENCES			
Encumbrances	(1,360,751)	(1,484,471)	(907,529)
Budgetary Fund Balances (Deficits) — Non-GAAP Basis	<u>\$ 9,656,401</u>	<u>\$ (601,402)</u>	<u>\$ 3,582,704</u>

Financial Section

Combining Financial Statements and Schedules



**Serpent Mound
Peebles, Ohio**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes.

Debt Service Funds

The Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Capital Projects Funds

The Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

STATE OF OHIO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2021
 (dollars in thousands)

	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 3,871,665	\$ 219	\$ 701,840
Cash and Cash Equivalents.....	48,282	569	—
Investments.....	16,513	7,420	34,838
Collateral on Lent Securities.....	862,343	48	156,322
Taxes Receivable	188,501	—	—
Intergovernmental Receivable.....	643,541	—	—
Loans Receivable, Net	185,849	—	—
Receivable from Component Units.....	9,849	—	—
Other Receivables	44,066	—	—
Inventories	221,336	—	—
TOTAL ASSETS.....	\$ 6,091,945	\$ 8,256	\$ 893,000
LIABILITIES:			
Accounts Payable	\$ 361,942	\$ 351	\$ 36,519
Accrued Liabilities.....	79,247	—	—
Medicaid Claims Payable.....	200,135	—	—
Obligations Under Securities Lending.....	862,343	48	156,322
Intergovernmental Payable.....	395,730	—	—
Interfund Payable.....	96,647	—	—
Payable to Component Units.....	7,726	—	—
Unearned Revenue.....	140,096	—	—
TOTAL LIABILITIES.....	2,143,866	399	192,841
DEFERRED INFLOWS OF RESOURCES.....	40,149	—	—
FUND BALANCES (DEFICITS):			
Nonspendable.....	221,336	—	—
Restricted.....	2,914,716	7,857	700,159
Committed.....	771,878	—	—
TOTAL FUND BALANCES (DEFICITS).....	3,907,930	7,857	700,159
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 6,091,945	\$ 8,256	\$ 893,000

TOTAL

\$ 4,573,724
48,851
58,771
1,018,713
188,501
643,541
185,849
9,849
44,066
221,336
\$ 6,993,201

\$ 398,812
79,247
200,135
1,018,713
395,730
96,647
7,726
140,096
2,337,106
40,149

221,336
3,622,732
771,878
4,615,946

\$ 6,993,201

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	<u>SPECIAL REVENUE FUNDS</u>	<u>DEBT SERVICE FUNDS</u>	<u>CAPITAL PROJECTS FUNDS</u>
REVENUES:			
Corporate and Public Utility Taxes.....	\$ 45,012	\$ —	\$ —
Motor Vehicle Fuel Taxes.....	1,118,178	—	—
Other Taxes.....	370,482	—	—
Licenses, Permits and Fees.....	827,970	—	—
Sales, Services and Charges.....	26,205	—	—
Federal Government.....	8,793,154	—	—
Tobacco Settlement.....	2,275	—	—
Investment Income (Loss).....	11,802	469	2,975
Other.....	688,829	5	81
TOTAL REVENUES.....	11,883,907	474	3,056
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	4,013,417	—	—
Higher Education Support.....	29,976	—	—
Public Assistance and Medicaid.....	2,763,636	—	—
Health and Human Services.....	1,046,860	—	—
Justice and Public Protection.....	552,303	—	—
Environmental Protection and Natural Resources.....	377,736	—	—
Transportation.....	2,797,892	—	—
General Government.....	398,992	—	—
Community and Economic Development.....	736,673	—	—
CAPITAL OUTLAY.....	12,484	—	492,690
DEBT SERVICE.....	—	1,448,583	—
TOTAL EXPENDITURES.....	12,729,969	1,448,583	492,690
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(846,062)	(1,448,109)	(489,634)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	—	629	544,440
Refunding Bonds and COPs Issued.....	—	316,695	2,300
Payment to Refunded Bond and COPs Escrow Agents.....	—	(479,744)	—
Premiums/Discounts.....	—	51,558	103,942
Transfers-in.....	1,877,485	1,557,862	11
Transfers-out.....	(456,649)	—	—
TOTAL OTHER FINANCING SOURCES (USES).....	1,420,836	1,447,000	650,693
NET CHANGE IN FUND BALANCES.....	574,774	(1,109)	161,059
FUND BALANCES (DEFICITS), July 1 (as restated).....	3,315,787	8,966	539,100
Increase (Decrease) for Changes in Inventories.....	17,369	—	—
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 3,907,930	\$ 7,857	\$ 700,159

TOTAL

\$ 45,012
1,118,178
370,482
827,970
26,205
8,793,154
2,275
15,246
688,915
11,887,437

4,013,417
29,976
2,763,636
1,046,860
552,303
377,736
2,797,892
398,992
736,673
505,174
1,448,583
14,671,242

(2,783,805)

545,069
318,995
(479,744)
155,500
3,435,358
(456,649)
3,518,529

734,724

3,863,853
17,369

\$ 4,615,946

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for specific revenues that are legally restricted to expenditure for particular purposes.

Education Fund

The Education Fund accounts for programs administered by the Department of Education, the Department of Higher Education, and other various state agencies, which prescribe the State's minimum educational requirements and which provide funding and assistance to local school districts for basic instruction and vocation and technical job training, and to the State's colleges and universities for post-secondary education.

Highway Operating Fund

The Highway Operating Fund accounts for programs administered by the Department of Transportation, which is responsible for the planning and design, construction, and maintenance of Ohio's highways, roads, and bridges and for Ohio's public transportation programs.

Community and Economic Development Fund

The Community and Economic Development Fund accounts for programs administered by the Development Services Agency and other various state agencies, which were created to assure the efficient use of resources for the State's community and economic growth and development.

Health Fund

The Health Fund accounts for public health programs primarily administered by the Department of Health, which promotes the prevention and treatment of diseases and illnesses through technical assistance, health education, and research.

Mental Health and Developmental Disabilities Fund

The Mental Health and Developmental Disabilities Fund accounts for mental health care and developmental disabilities programs primarily administered by the Department of Mental Health and Addiction Services and the Department of Developmental Disabilities, which provide assistance, services, and medical care to those individuals with mental health and developmental disability problems.

Highway Safety Fund

The Highway Safety Fund accounts for public safety programs primarily administered by the Department of Public Safety, which enforces traffic-related laws for the purpose of reducing accidents, deaths, injuries, and property damages on Ohio's highways.

Natural Resources Fund

The Natural Resources Fund accounts for environmental programs administered by the Department of Natural Resources, the Environmental Protection Agency, and other various state agencies, which promote, protect, and manage the State's natural resources and environment.

Wildlife and Waterways Safety Fund

The Wildlife and Waterways Safety Fund accounts for programs administered by the Department of Natural Resources' Divisions of Wildlife and Watercraft, which promote, protect, and manage the State's wildlife and waterways and which provide technical assistance and education to the public.

Tobacco Settlement Fund

The Tobacco Settlement Fund accounts for various health, education, economic, and law enforcement-related programs funded with moneys received under the Master Settlement Agreement with the nation's largest tobacco companies.

STATE OF OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2021
 (dollars in thousands)

	EDUCATION	HIGHWAY OPERATING	COMMUNITY AND ECONOMIC DEVELOPMENT
ASSETS:			
Cash Equity with Treasurer.....	\$ 251,828	\$ 1,557,439	\$ 845,968
Cash and Cash Equivalents.....	—	500	38,724
Investments.....	—	—	3,970
Collateral on Lent Securities.....	56,090	346,893	188,422
Taxes Receivable	—	163,293	20,511
Intergovernmental Receivable.....	259,255	138,758	37,913
Loans Receivable, Net	—	141,332	44,517
Receivable from Component Units.....	—	9,849	—
Other Receivables	—	6,686	—
Inventories	5,873	68,257	1,697
TOTAL ASSETS.....	\$ 573,046	\$ 2,433,007	\$ 1,181,722
LIABILITIES:			
Accounts Payable	\$ 8,068	\$ 213,222	\$ 76,379
Accrued Liabilities.....	2,373	33,361	11,311
Medicaid Claims Payable.....	—	—	—
Obligations Under Securities Lending.....	56,090	346,893	188,422
Intergovernmental Payable.....	236,624	—	123,403
Interfund Payable.....	2,200	46,122	4,191
Payable to Component Units.....	516	780	5,059
Unearned Revenue.....	27,829	—	27,692
TOTAL LIABILITIES.....	333,700	640,378	436,457
DEFERRED INFLOWS OF RESOURCES.....	—	6,049	—
FUND BALANCES (DEFICITS):			
Nonspendable.....	5,873	68,257	1,697
Restricted.....	143,439	1,717,872	488,241
Committed.....	90,034	451	255,327
TOTAL FUND BALANCES (DEFICITS).....	239,346	1,786,580	745,265
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 573,046	\$ 2,433,007	\$ 1,181,722

HEALTH	MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES	HIGHWAY SAFETY	NATURAL RESOURCES	WILDLIFE AND WATERWAYS SAFETY	TOBACCO SETTLEMENT
\$ 121,250	\$ 467,298	\$ 58,317	\$ 480,964	\$ 85,122	\$ 3,479
—	—	—	8,542	—	516
—	—	—	12,543	—	—
27,006	104,083	12,989	107,126	18,959	775
116	—	—	—	4,581	—
28,478	179,137	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
106	44	—	3,130	—	34,100
145,509	—	—	—	—	—
\$ 322,465	\$ 750,562	\$ 71,306	\$ 612,305	\$ 108,662	\$ 38,870
\$ 44,611	\$ 7,444	\$ 1,604	\$ 7,421	\$ 3,066	\$ 127
5,698	8,125	2,878	11,274	4,204	23
—	200,135	—	—	—	—
27,006	104,083	12,989	107,126	18,959	775
17,343	18,360	—	—	—	—
2,043	31,180	2,438	3,831	4,640	2
293	575	25	106	372	—
10,441	64,096	—	10,038	—	—
107,435	433,998	19,934	139,796	31,241	927
—	—	—	—	—	34,100
145,509	—	—	—	—	—
51,615	226,995	8,155	266,407	11,988	4
17,906	89,569	43,217	206,102	65,433	3,839
215,030	316,564	51,372	472,509	77,421	3,843
\$ 322,465	\$ 750,562	\$ 71,306	\$ 612,305	\$ 108,662	\$ 38,870

(continued)

STATE OF OHIO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021
(dollars in thousands)
(continued)

	TOTAL
ASSETS:	
Cash Equity with Treasurer.....	\$ 3,871,665
Cash and Cash Equivalents.....	48,282
Investments.....	16,513
Collateral on Lent Securities.....	862,343
Taxes Receivable	188,501
Intergovernmental Receivable.....	643,541
Loans Receivable, Net	185,849
Receivable from Component Units.....	9,849
Other Receivables	44,066
Inventories	221,336
TOTAL ASSETS.....	\$ 6,091,945
LIABILITIES:	
Accounts Payable	\$ 361,942
Accrued Liabilities.....	79,247
Medicaid Claims Payable.....	200,135
Obligations Under Securities Lending.....	862,343
Intergovernmental Payable.....	395,730
Interfund Payable.....	96,647
Payable to Component Units.....	7,726
Unearned Revenue.....	140,096
TOTAL LIABILITIES.....	2,143,866
DEFERRED INFLOWS OF RESOURCES.....	40,149
FUND BALANCES (DEFICITS):	
Nonspendable.....	221,336
Restricted.....	2,914,716
Committed.....	771,878
TOTAL FUND BALANCES (DEFICITS).....	3,907,930
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 6,091,945

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
 (dollars in thousands)

	<u>EDUCATION</u>	<u>HIGHWAY OPERATING</u>	<u>COMMUNITY AND ECONOMIC DEVELOPMENT</u>
REVENUES:			
Corporate and Public Utility Taxes.....	\$ —	\$ —	\$ 45,012
Motor Vehicle Fuel Taxes.....	—	1,085,744	7,158
Other Taxes.....	—	—	303,206
Licenses, Permits and Fees.....	35	50,953	471,580
Sales, Services and Charges.....	—	381	13,339
Federal Government.....	2,724,766	1,847,699	754,231
Tobacco Settlement.....	—	—	—
Investment Income.....	1,528	7,481	1,443
Other.....	3,046	168,688	47,818
TOTAL REVENUES.....	<u>2,729,375</u>	<u>3,160,946</u>	<u>1,643,787</u>
EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	4,013,417	—	—
Higher Education Support.....	23,554	—	6,422
Public Assistance and Medicaid.....	4,997	—	—
Health and Human Services.....	2,033	—	—
Justice and Public Protection.....	9,644	—	459,122
Environmental Protection and Natural Resources.....	—	—	409
Transportation.....	—	2,795,711	2,181
General Government.....	229	—	393,429
Community and Economic Development.....	—	—	723,340
CAPITAL OUTLAY.....	—	—	8,611
TOTAL EXPENDITURES.....	<u>4,053,874</u>	<u>2,795,711</u>	<u>1,593,514</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>(1,324,499)</u>	<u>365,235</u>	<u>50,273</u>
OTHER FINANCING SOURCES (USES):			
Transfers-in.....	1,359,378	454,715	39,804
Transfers-out.....	(4,844)	(376,024)	(74,034)
TOTAL OTHER FINANCING SOURCES (USES).....	<u>1,354,534</u>	<u>78,691</u>	<u>(34,230)</u>
NET CHANGE IN FUND BALANCES.....	30,035	443,926	16,043
FUND BALANCES (DEFICITS), July 1 (as restated).....	209,311	1,365,428	729,222
Increase (Decrease) for Changes in Inventories.....	—	(22,774)	—
FUND BALANCES (DEFICITS), JUNE 30.....	<u>\$ 239,346</u>	<u>\$ 1,786,580</u>	<u>\$ 745,265</u>

<u>HEALTH</u>	<u>MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES</u>	<u>HIGHWAY SAFETY</u>	<u>NATURAL RESOURCES</u>	<u>WILDLIFE AND WATERWAYS SAFETY</u>	<u>TOBACCO SETTLEMENT</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	25,276	—
4,292	—	—	62,984	—	—
17,295	65,840	13,592	151,069	57,606	—
—	370	4,044	7,512	559	—
872,201	2,487,042	22,362	55,815	29,038	—
—	—	—	—	—	2,275
238	1	323	486	302	—
50,106	333,716	27,467	54,540	3,444	4
944,132	2,886,969	67,788	332,406	116,225	2,279
—	—	—	—	—	—
—	—	—	—	—	—
30,079	2,728,560	—	—	—	—
889,586	155,091	150	—	—	—
6,661	—	75,331	296	—	1,249
—	—	—	276,885	100,442	—
—	—	—	—	—	—
853	—	—	4,411	—	70
4,019	—	—	8,532	—	782
—	—	—	—	3,873	—
931,198	2,883,651	75,481	290,124	104,315	2,101
12,934	3,318	(7,693)	42,282	11,910	178
5,353	6,637	8,813	2,353	432	—
(134)	(1)	(1,594)	—	—	(18)
5,219	6,636	7,219	2,353	432	(18)
18,153	9,954	(474)	44,635	12,342	160
156,734	306,610	51,846	427,874	65,079	3,683
40,143	—	—	—	—	—
\$ 215,030	\$ 316,564	\$ 51,372	\$ 472,509	\$ 77,421	\$ 3,843

(continued)

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	<u>TOTAL</u>
REVENUES:	
Corporate and Public Utility Taxes.....	\$ 45,012
Motor Vehicle Fuel Taxes.....	1,118,178
Other Taxes.....	370,482
Licenses, Permits and Fees.....	827,970
Sales, Services and Charges.....	26,205
Federal Government.....	8,793,154
Tobacco Settlement.....	2,275
Investment Income.....	11,802
Other.....	688,829
TOTAL REVENUES.....	<u>11,883,907</u>
EXPENDITURES:	
CURRENT OPERATING:	
Primary, Secondary and Other Education.....	4,013,417
Higher Education Support.....	29,976
Public Assistance and Medicaid.....	2,763,636
Health and Human Services.....	1,046,860
Justice and Public Protection.....	552,303
Environmental Protection and Natural Resources.....	377,736
Transportation.....	2,797,892
General Government.....	398,992
Community and Economic Development.....	736,673
CAPITAL OUTLAY.....	12,484
TOTAL EXPENDITURES.....	<u>12,729,969</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	<u>(846,062)</u>
OTHER FINANCING SOURCES (USES):	
Transfers-in.....	1,877,485
Transfers-out.....	(456,649)
TOTAL OTHER FINANCING SOURCES (USES).....	<u>1,420,836</u>
NET CHANGE IN FUND BALANCES.....	574,774
FUND BALANCES (DEFICITS), July 1 (as restated).....	3,315,787
Increase (Decrease) for Changes in Inventories.....	17,369
FUND BALANCES (DEFICITS), JUNE 30.....	<u>\$ 3,907,930</u>

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	EDUCATION		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Corporate and Public Utility Taxes.....		\$ —	
Motor Vehicle Fuel Taxes.....		—	
Other Taxes.....		—	
Licenses, Permits and Fees.....		35	
Sales, Services and Charges.....		—	
Federal Government.....		2,509,025	
Tobacco Settlement.....		—	
Investment Income.....		1,528	
Other.....		11,553	
TOTAL REVENUES.....		2,522,141	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ 4,795,107	3,835,692	\$ 959,415
Higher Education Support.....	66,161	30,113	36,048
Public Assistance and Medicaid.....	9,388	5,121	4,267
Health and Human Services.....	6,614	3,802	2,812
Justice and Public Protection.....	14,874	12,384	2,490
Environmental Protection and Natural Resources.....	—	—	—
Transportation.....	—	—	—
General Government.....	287	253	34
Community and Economic Development.....	—	—	—
CAPITAL OUTLAY.....	—	—	—
DEBT SERVICE.....	—	—	—
TOTAL BUDGETARY EXPENDITURES.....	\$ 4,892,431	3,887,365	\$ 1,005,066
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(1,365,224)	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		1,359,438	
Transfers-out.....		(4,844)	
TOTAL OTHER FINANCING SOURCES (USES).....		1,354,594	
NET CHANGE IN FUND BALANCES.....		(10,630)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1 (as restated).....		194,061	
Outstanding Encumbrances at Beginning of Fiscal Year...		28,088	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		\$ 211,519	

HIGHWAY OPERATING			COMMUNITY AND ECONOMIC DEVELOPMENT		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ —			\$ 39,629	
	1,088,683			7,150	
	—			219,613	
	50,953			454,131	
	425			97,625	
	1,804,231			724,439	
	—			—	
	7,481			1,443	
	275,058			66,875	
	<u>3,226,831</u>			<u>1,610,905</u>	
\$ —	—	\$ —	\$ 5,501	4,913	\$ 588
—	—	—	8,000	6,422	1,578
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	722,340	562,392	159,948
—	—	—	614	400	214
7,010,778	5,237,614	1,773,164	9,233	7,966	1,267
—	—	—	435,930	339,245	96,685
—	—	—	1,528,537	1,312,284	216,253
—	—	—	49,326	15,391	33,935
197,773	183,264	14,509	—	—	—
<u>\$ 7,208,551</u>	<u>5,420,878</u>	<u>\$ 1,787,673</u>	<u>\$ 2,759,481</u>	<u>2,249,013</u>	<u>\$ 510,468</u>
	<u>(2,194,047)</u>			<u>(638,108)</u>	
	450,715			49,835	
	(188,760)			(84,065)	
	<u>261,955</u>			<u>(34,230)</u>	
	<u>(1,932,092)</u>			<u>(672,338)</u>	
	(1,434,428)			144,623	
	<u>2,489,629</u>			<u>573,317</u>	
	<u>\$ (876,891)</u>			<u>\$ 45,602</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	HEALTH		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Corporate and Public Utility Taxes.....		\$ —	
Motor Vehicle Fuel Taxes.....		—	
Other Taxes.....		4,400	
Licenses, Permits and Fees.....		17,351	
Sales, Services and Charges.....		—	
Federal Government.....		563,565	
Tobacco Settlement.....		—	
Investment Income.....		238	
Other.....		112,376	
TOTAL REVENUES.....		697,930	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ —	—	\$ —
Higher Education Support.....	—	—	—
Public Assistance and Medicaid.....	34,436	34,027	409
Health and Human Services.....	1,234,534	959,313	275,221
Justice and Public Protection.....	15,935	12,040	3,895
Environmental Protection and Natural Resources.....	—	—	—
Transportation.....	—	—	—
General Government.....	1,991	1,214	777
Community and Economic Development.....	8,215	7,529	686
CAPITAL OUTLAY.....	—	—	—
DEBT SERVICE.....	—	—	—
TOTAL BUDGETARY EXPENDITURES.....	\$ 1,295,111	1,014,123	\$ 280,988
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(316,193)	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		5,353	
Transfers-out.....		(134)	
TOTAL OTHER FINANCING SOURCES (USES).....		5,219	
NET CHANGE IN FUND BALANCES.....		(310,974)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1 (as restated).....		(10,310)	
Outstanding Encumbrances at Beginning of Fiscal Year...		147,377	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ (173,907)	

MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES			HIGHWAY SAFETY		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ —			\$ —	
	—			—	
	—			—	
	65,935			13,719	
	370			4,044	
	2,719,194			22,362	
	—			—	
	1			323	
	326,265			28,071	
	<u>3,111,765</u>			<u>68,519</u>	
\$ —	—	\$ —	\$ —	—	\$ —
—	—	—	—	—	—
3,373,844	3,256,178	117,666	—	—	—
352,461	276,665	75,796	276	150	126
—	—	—	142,727	104,625	38,102
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
<u>\$ 3,726,305</u>	<u>3,532,843</u>	<u>\$ 193,462</u>	<u>\$ 143,003</u>	<u>104,775</u>	<u>\$ 38,228</u>
	<u>(421,078)</u>			<u>(36,256)</u>	
	6,637			8,813	
	(1)			(16)	
	<u>6,636</u>			<u>8,797</u>	
	<u>(414,442)</u>			<u>(27,459)</u>	
	176,267			30,930	
	324,252			26,841	
	<u>\$ 86,077</u>			<u>\$ 30,312</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	NATURAL RESOURCES		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Corporate and Public Utility Taxes.....		\$ —	
Motor Vehicle Fuel Taxes.....		—	
Other Taxes.....		62,983	
Licenses, Permits and Fees.....		147,301	
Sales, Services and Charges.....		7,514	
Federal Government.....		55,949	
Tobacco Settlement.....		—	
Investment Income.....		486	
Other.....		57,317	
TOTAL REVENUES.....		331,550	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ —	—	\$ —
Higher Education Support.....	—	—	—
Public Assistance and Medicaid.....	—	—	—
Health and Human Services.....	—	—	—
Justice and Public Protection.....	334	301	33
Environmental Protection and Natural Resources.....	454,633	375,025	79,608
Transportation.....	—	—	—
General Government.....	5,846	4,604	1,242
Community and Economic Development.....	9,192	9,092	100
CAPITAL OUTLAY.....	13	13	—
DEBT SERVICE.....	—	—	—
TOTAL BUDGETARY EXPENDITURES.....	\$ 470,018	389,035	\$ 80,983
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(57,485)	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		3,884	
Transfers-out.....		(1,531)	
TOTAL OTHER FINANCING SOURCES (USES).....		2,353	
NET CHANGE IN FUND BALANCES.....		(55,132)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1 (as restated).....		346,400	
Outstanding Encumbrances at Beginning of Fiscal Year...		88,623	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ 379,891	

WILDLIFE AND WATERWAYS SAFETY			TOBACCO SETTLEMENT		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ —			\$ —	
	24,559			—	
	—			—	
	57,020			—	
	1,145			—	
	29,038			—	
	—			2,275	
	302			—	
	3,590			234	
	<u>115,654</u>			<u>2,509</u>	
\$ —	—	\$ —	\$ —	—	\$ —
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	2,000	2,000	—
—	—	—	2,982	2,173	809
135,719	124,086	11,633	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	301	248	53
33,685	14,465	19,220	—	—	—
—	—	—	—	—	—
<u>\$ 169,404</u>	<u>138,551</u>	<u>\$ 30,853</u>	<u>\$ 5,283</u>	<u>4,421</u>	<u>\$ 862</u>
	<u>(22,897)</u>			<u>(1,912)</u>	
	2,312			—	
	(1,880)			—	
	<u>432</u>			<u>—</u>	
	<u>(22,465)</u>			<u>(1,912)</u>	
	47,604			2,249	
	<u>24,988</u>			<u>2,332</u>	
	<u>\$ 50,127</u>			<u>\$ 2,669</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR SPECIAL REVENUE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	TOTAL		VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	BUDGET		
	FINAL	ACTUAL	
REVENUES:			
Corporate and Public Utility Taxes.....		\$ 39,629	
Motor Vehicle Fuel Taxes.....		1,120,392	
Other Taxes.....		286,996	
Licenses, Permits and Fees.....		806,445	
Sales, Services and Charges.....		111,123	
Federal Government.....		8,427,803	
Tobacco Settlement.....		2,275	
Investment Income.....		11,802	
Other.....		881,339	
TOTAL REVENUES.....		11,687,804	
BUDGETARY EXPENDITURES:			
CURRENT OPERATING:			
Primary, Secondary and Other Education.....	\$ 4,800,608	3,840,605	\$ 960,003
Higher Education Support.....	74,161	36,535	37,626
Public Assistance and Medicaid.....	3,417,668	3,295,326	122,342
Health and Human Services.....	1,595,885	1,241,930	353,955
Justice and Public Protection.....	899,192	693,915	205,277
Environmental Protection and Natural Resources.....	590,966	499,511	91,455
Transportation.....	7,020,011	5,245,580	1,774,431
General Government.....	444,054	345,316	98,738
Community and Economic Development.....	1,546,245	1,329,153	217,092
CAPITAL OUTLAY.....	83,024	29,869	53,155
DEBT SERVICE.....	197,773	183,264	14,509
TOTAL BUDGETARY EXPENDITURES.....	\$ 20,669,587	16,741,004	\$ 3,928,583
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(5,053,200)	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		1,886,987	
Transfers-out.....		(281,231)	
TOTAL OTHER FINANCING SOURCES (USES).....		1,605,756	
NET CHANGE IN FUND BALANCES.....		(3,447,444)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1 (as restated).....		(502,604)	
Outstanding Encumbrances at Beginning of Fiscal Year....		3,705,447	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		\$ (244,601)	

NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

Coal Research/Development General Obligations Fund

The Coal Research/Development General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 15 of Article VIII, Ohio Constitution, to finance coal research and development projects.

Local Infrastructure Improvements General Obligations Fund

The Local Infrastructure Improvements General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2k of Article VIII, Ohio Constitution, to finance the cost of local government's public infrastructure improvement projects.

State Projects General Obligations Fund

The State Projects General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2l of Article VIII, Ohio Constitution, to finance capital improvements at state and local parks and other natural resources-related projects.

Highway Capital Improvements General Obligations Fund

The Highway Capital Improvements General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2m of Article VIII, Ohio Constitution, to finance capital improvements to the state highway system.

Higher Education Capital Facilities General Obligations Fund

The Higher Education Capital Facilities General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2n of Article VIII, Ohio Constitution, to finance the costs of capital facilities for state-supported and state-assisted institutions of higher education, including those for technical education.

Common Schools Capital Facilities General Obligations Fund

The Common Schools Capital Facilities General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2n of Article VIII, Ohio Constitution, to finance the costs of facilities for a system of common schools throughout Ohio.

Conservation Projects General Obligations Fund

The Conservation Projects General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2o of Article VIII, Ohio Constitution, to finance the purchase of additional "greenspace" land or interest in land devoted to natural areas, open spaces, and agriculture.

Third Frontier Research/Development General Obligations Fund

The Third Frontier Research/Development General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2p of Article VIII, Ohio Constitution, to finance research and development in support of Ohio industry, commerce, and business.

Job Ready Site Development General Obligations Fund

The Job Ready Site Development General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2p of Article VIII, Ohio Constitution, to finance the development of sites for industry, distribution, commerce, and research and development.

Persian Gulf Conflict Compensation General Obligations Fund

The Persian Gulf Conflict Compensation General Obligations Fund accounts for the payment of principal and interest on general obligation bonds that have been authorized under Section 2r of Article VIII, Ohio Constitution, to pay compensation to veterans of the Persian Gulf, Afghanistan, and Iraq Conflicts.

Infrastructure Bank Revenue Bonds Fund

The Infrastructure Bank Revenue Bonds Fund accounts for the payment of principal and interest on revenue bonds issued to finance various highway construction projects sponsored by the Department of Transportation.

Lease Rental Special Obligations Fund

The Lease Rental Special Obligations Fund accounts for the payment of principal and interest on special obligation bonds issued to finance the construction of higher education facilities, mental health facilities, parks and recreation projects and facilities, and Ohio Facilities Construction Commission projects.

Certificates of Participation Fund

The Certificates of Participation Fund accounts for the payment of certificate of participation-related obligations that finance some of the State's capital projects including the Multi Agency Radio Communications (MARCS), the Ohio Administrative Knowledge System (OAKS), the State's Taxation Accounting and Revenue System (STARS), the Treasury Management System (TMS), the Enterprise Data Center Solutions (EDCS), the Bureau of Criminal Investigation Records System (BCIRS), the Voters System Acquisition (VSA) project, and the Unemployment Insurance System (UIS).

STATE OF OHIO
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2021
 (dollars in thousands)

	LOCAL INFRASTRUCTURE IMPROVEMENTS GENERAL OBLIGATIONS	HIGHWAY CAPITAL IMPROVEMENTS GENERAL OBLIGATIONS	HIGHER EDUCATION CAPITAL FACILITIES GENERAL OBLIGATIONS
ASSETS:			
Cash Equity with Treasurer.....	\$ 6	\$ 187	\$ 15
Cash and Cash Equivalents.....	—	—	—
Investments.....	—	—	—
Collateral on Lent Securities.....	1	42	3
TOTAL ASSETS.....	\$ 7	\$ 229	\$ 18
LIABILITIES:			
Accounts Payable	\$ —	\$ —	\$ —
Obligations Under Securities Lending.....	1	42	3
TOTAL LIABILITIES.....	1	42	3
FUND BALANCES (DEFICITS):			
Restricted.....	6	187	15
TOTAL FUND BALANCES (DEFICITS).....	6	187	15
TOTAL LIABILITIES AND FUND BALANCES	\$ 7	\$ 229	\$ 18

COMMON SCHOOLS CAPITAL FACILITIES GENERAL OBLIGATIONS	THIRD FRONTIER RESEARCH/ DEVELOPMENT GENERAL OBLIGATIONS	INFRASTRUCTURE BANK REVENUE BONDS	LEASE RENTAL SPECIAL OBLIGATIONS	CERTIFICATES OF PARTICIPATION	TOTAL
\$ 5	\$ 6	\$ —	\$ —	\$ —	\$ 219
—	—	—	537	32	569
—	—	6,471	—	949	7,420
1	1	—	—	—	48
\$ 6	\$ 7	\$ 6,471	\$ 537	\$ 981	\$ 8,256
\$ —	\$ —	\$ 166	\$ 185	\$ —	\$ 351
1	1	—	—	—	48
1	1	166	185	—	399
5	6	6,305	352	981	7,857
5	6	6,305	352	981	7,857
\$ 6	\$ 7	\$ 6,471	\$ 537	\$ 981	\$ 8,256

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	COAL RESEARCH/ DEVELOPMENT GENERAL OBLIGATIONS	LOCAL INFRASTRUCTURE IMPROVEMENTS GENERAL OBLIGATIONS	STATE PROJECTS GENERAL OBLIGATIONS
REVENUES:			
Investment Income.....	\$ —	\$ 12	\$ —
Other.....	5	—	—
TOTAL REVENUES.....	5	12	—
EXPENDITURES:			
CURRENT OPERATING:			
DEBT SERVICE.....	7,094	134,373	20,296
TOTAL EXPENDITURES.....	7,094	134,373	20,296
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(7,089)	(134,361)	(20,296)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	—	—	—
Refunding Bonds and COPs Issued.....	—	—	—
Payment to Refunded Bond and COPs Escrow Agents.....	—	—	—
Premiums/Discounts.....	—	822	—
Transfers-in.....	7,086	133,520	20,292
TOTAL OTHER FINANCING SOURCES (USES).....	7,086	134,342	20,292
NET CHANGE IN FUND BALANCES.....	(3)	(19)	(4)
FUND BALANCES (DEFICITS), July 1 (as restated).....	3	25	4
FUND BALANCES (DEFICITS), JUNE 30.....	\$ —	\$ 6	\$ —

HIGHWAY CAPITAL IMPROVEMENTS GENERAL OBLIGATIONS	HIGHER EDUCATION CAPITAL FACILITIES GENERAL OBLIGATIONS	COMMON SCHOOLS CAPITAL FACILITIES GENERAL OBLIGATIONS	CONSERVATION PROJECTS GENERAL OBLIGATIONS	THIRD FRONTIER RESEARCH/ DEVELOPMENT GENERAL OBLIGATIONS	JOB READY SITE DEVELOPMENT GENERAL OBLIGATIONS
\$ 286	\$ 33	\$ 29	\$ 2	\$ 11	\$ —
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<u>286</u>	<u>33</u>	<u>29</u>	<u>2</u>	<u>11</u>	<u>—</u>
<u>156,472</u>	<u>195,664</u>	<u>278,512</u>	<u>43,332</u>	<u>84,726</u>	<u>9,876</u>
<u>156,472</u>	<u>195,664</u>	<u>278,512</u>	<u>43,332</u>	<u>84,726</u>	<u>9,876</u>
<u>(156,186)</u>	<u>(195,631)</u>	<u>(278,483)</u>	<u>(43,330)</u>	<u>(84,715)</u>	<u>(9,876)</u>
—	149	—	—	—	—
—	—	111,385	14,610	—	—
—	(120,963)	(148,424)	(17,984)	—	—
—	1,150	38,815	3,767	—	—
<u>155,733</u>	<u>315,300</u>	<u>276,431</u>	<u>42,931</u>	<u>84,712</u>	<u>9,874</u>
<u>155,733</u>	<u>195,636</u>	<u>278,207</u>	<u>43,324</u>	<u>84,712</u>	<u>9,874</u>
<u>(453)</u>	<u>5</u>	<u>(276)</u>	<u>(6)</u>	<u>(3)</u>	<u>(2)</u>
<u>640</u>	<u>10</u>	<u>281</u>	<u>6</u>	<u>9</u>	<u>2</u>
<u>\$ 187</u>	<u>\$ 15</u>	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ 6</u>	<u>\$ —</u>

(continued)

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	PERSIAN GULF CONFLICT COMPENSATION GENERAL OBLIGATIONS	INFRASTRUCTURE BANK REVENUE BONDS	LEASE RENTAL SPECIAL OBLIGATIONS
REVENUES:			
Investment Income.....	\$ —	\$ 95	\$ —
Other.....	—	—	—
TOTAL REVENUES.....	—	95	—
EXPENDITURES:			
CURRENT OPERATING:			
DEBT SERVICE.....	5,469	169,150	303,979
TOTAL EXPENDITURES.....	5,469	169,150	303,979
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(5,469)	(169,055)	(303,979)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	—	—	480
Refunding Bonds and COPs Issued.....	—	58,220	64,460
Payment to Refunded Bond and COPs Escrow Agents.....	—	(57,883)	(66,902)
Premiums/Discounts.....	—	613	5,682
Transfers-in.....	5,469	166,730	300,404
TOTAL OTHER FINANCING SOURCES (USES).....	5,469	167,680	304,124
NET CHANGE IN FUND BALANCES.....	—	(1,375)	145
FUND BALANCES (DEFICITS), July 1 (as restated).....	—	7,680	207
FUND BALANCES (DEFICITS), JUNE 30.....	\$ —	\$ 6,305	\$ 352

<u>CERTIFICATES OF PARTICIPATION</u>	<u>TOTAL</u>
\$ 1	\$ 469
<u>—</u>	<u>5</u>
<u>1</u>	<u>474</u>
39,640	1,448,583
<u>39,640</u>	<u>1,448,583</u>
<u>(39,639)</u>	<u>(1,448,109)</u>
—	629
68,020	316,695
(67,588)	(479,744)
709	51,558
39,380	1,557,862
<u>40,521</u>	<u>1,447,000</u>
882	(1,109)
<u>99</u>	<u>8,966</u>
<u>\$ 981</u>	<u>\$ 7,857</u>

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR DEBT SERVICE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	COAL RESEARCH/DEVELOPMENT GENERAL OBLIGATIONS		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 1	
Other.....		7,091	
TOTAL REVENUES.....		<u>7,092</u>	
BUDGETARY EXPENDITURES:			
DEBT SERVICE.....	\$ 7,683	7,094	\$ 589
TOTAL BUDGETARY EXPENDITURES.....	<u>\$ 7,683</u>	<u>7,094</u>	<u>\$ 589</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		<u>(2)</u>	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		<u>—</u>	
NET CHANGE IN FUND BALANCES.....		<u>(2)</u>	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		3	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		<u>\$ 1</u>	

**LOCAL INFRASTRUCTURE IMPROVEMENTS
GENERAL OBLIGATIONS**

STATE PROJECTS GENERAL OBLIGATIONS

LOCAL INFRASTRUCTURE IMPROVEMENTS GENERAL OBLIGATIONS			STATE PROJECTS GENERAL OBLIGATIONS		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ 12			\$ —	
	133,520			20,292	
	<u>133,532</u>			<u>20,292</u>	
\$ 231,755	133,551	\$ 98,204	\$ 20,421	20,296	\$ 125
<u>\$ 231,755</u>	<u>133,551</u>	<u>\$ 98,204</u>	<u>\$ 20,421</u>	<u>20,296</u>	<u>\$ 125</u>
	(19)			(4)	
	—			—	
	(19)			(4)	
	25			4	
	<u>\$ 6</u>			<u>\$ —</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	HIGHWAY CAPITAL IMPROVEMENTS GENERAL OBLIGATIONS		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 286	
Other.....		—	
TOTAL REVENUES.....		<u>286</u>	
BUDGETARY EXPENDITURES:			
DEBT SERVICE.....	\$ 164,694	156,472	\$ 8,222
TOTAL BUDGETARY EXPENDITURES.....	<u>\$ 164,694</u>	<u>156,472</u>	<u>\$ 8,222</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		<u>(156,186)</u>	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		155,733	
TOTAL OTHER FINANCING SOURCES (USES).....		<u>155,733</u>	
NET CHANGE IN FUND BALANCES.....		(453)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		640	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		<u>\$ 187</u>	

HIGHER EDUCATION CAPITAL FACILITIES
GENERAL OBLIGATIONS

COMMON SCHOOLS CAPITAL FACILITIES
GENERAL OBLIGATIONS

HIGHER EDUCATION CAPITAL FACILITIES GENERAL OBLIGATIONS			COMMON SCHOOLS CAPITAL FACILITIES GENERAL OBLIGATIONS		
<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
	\$ 32			\$ 28	
	315,300			276,431	
	<u>315,332</u>			<u>276,459</u>	
\$ 348,550	315,329	\$ 33,221	\$ 424,826	276,736	\$ 148,090
<u>\$ 348,550</u>	<u>315,329</u>	<u>\$ 33,221</u>	<u>\$ 424,826</u>	<u>276,736</u>	<u>\$ 148,090</u>
	3			(277)	
	—			—	
	—			—	
	3			(277)	
	10			281	
	<u>\$ 13</u>			<u>\$ 4</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	CONSERVATION PROJECTS GENERAL OBLIGATIONS		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 3	
Other.....		42,931	
TOTAL REVENUES.....		42,934	
BUDGETARY EXPENDITURES:			
DEBT SERVICE.....	\$ 44,395	42,938	\$ 1,457
TOTAL BUDGETARY EXPENDITURES.....	\$ 44,395	42,938	\$ 1,457
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(4)	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		—	
NET CHANGE IN FUND BALANCES.....		(4)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1.....		6	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		\$ 2	

THIRD FRONTIER RESEARCH/DEVELOPMENT
GENERAL OBLIGATIONS

JOB READY SITE DEVELOPMENT
GENERAL OBLIGATIONS

THIRD FRONTIER RESEARCH/DEVELOPMENT GENERAL OBLIGATIONS			JOB READY SITE DEVELOPMENT GENERAL OBLIGATIONS		
<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
	\$ 11			\$ 1	
	84,712			9,874	
	<u>84,723</u>			<u>9,875</u>	
\$ 87,403	84,726	\$ 2,677	\$ 9,880	9,876	\$ 4
<u>\$ 87,403</u>	<u>84,726</u>	<u>\$ 2,677</u>	<u>\$ 9,880</u>	<u>9,876</u>	<u>\$ 4</u>
	(3)			(1)	
	—			—	
	<u>—</u>			<u>—</u>	
	(3)			(1)	
	9			2	
	<u>\$ 6</u>			<u>\$ 1</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR DEBT SERVICE FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	PERSIAN GULF CONFLICT COMPENSATION GENERAL OBLIGATIONS		
	BUDGET		VARIANCE WITH FINAL BUDGET
	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ —	
Other.....		5,469	
TOTAL REVENUES.....		5,469	
BUDGETARY EXPENDITURES:			
DEBT SERVICE.....	\$ 5,587	5,469	\$ 118
TOTAL BUDGETARY EXPENDITURES.....	\$ 5,587	5,469	\$ 118
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		—	
OTHER FINANCING SOURCES (USES):			
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		—	
NET CHANGE IN FUND BALANCES.....		—	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		—	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ —	

TOTAL		
BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ 374	
	895,620	
	895,994	
\$ 1,345,194	1,052,487	\$ 292,707
\$ 1,345,194	1,052,487	\$ 292,707
	(156,493)	
	155,733	
	155,733	
	(760)	
	980	
	\$ 220	

NONMAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Infrastructure Bank Obligations Fund

The Infrastructure Bank Obligations Fund accounts for revenue bond proceeds that finance various highway construction projects sponsored by the Department of Transportation.

Mental Health/Developmental Disabilities Facilities Improvements Fund

The Mental Health/Developmental Disabilities Facilities Improvements Fund accounts for special obligation bond proceeds that finance the construction of mental health and developmental disabilities facilities.

Parks and Recreation Improvements Fund

The Parks and Recreation Improvements Fund accounts for special obligation bond proceeds that finance the capital improvement of parks and recreation facilities.

Administrative Services Building Improvements Fund

The Administrative Services Building Improvements Fund accounts for special obligation bond proceeds that finance capital improvements for the Department of Administrative Services.

Youth Services Building Improvements Fund

The Youth Services Building Improvements Fund accounts for special obligation bond proceeds that finance capital improvements for the Department of Youth Services.

Adult Correctional Building Improvements Fund

The Adult Correctional Building Improvements Fund accounts for special obligation bond proceeds that finance capital improvements for the Department of Rehabilitation and Correction.

Ohio Parks and Natural Resources Fund

The Ohio Parks and Natural Resources Fund accounts for general obligation bond proceeds that finance capital improvements for state and local parks and other natural resources-related projects.

Highway Capital Improvement Fund

The Highway Capital Improvement Fund accounts for general obligation bond proceeds that finance capital improvements to the state highway system.

Transportation Building Improvements Fund

The Transportation Building Improvements Fund accounts for special obligation bond proceeds that finance capital improvements for the Department of Transportation.

Certificates of Participation Projects Fund

The Certificates of Participation Projects Fund accounts for certificates of participation proceeds that finance the costs of the Ohio Administrative Knowledge System (OAKS), the Treasury Management System (TMS), the Enterprise Data Center Solutions (EDCS), the Bureau of Criminal Investigation Records System (BCIRS), and the Unemployment Insurance System (UIS).

STATE OF OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021
 (dollars in thousands)

	<u>INFRASTRUCTURE BANK OBLIGATIONS</u>	<u>MENTAL HEALTH/ DEVELOPMENTAL DISABILITIES FACILITIES IMPROVEMENTS</u>	<u>PARKS AND RECREATION IMPROVEMENTS</u>
ASSETS:			
Cash Equity with Treasurer.....	\$ 120,695	\$ 186,373	\$ 47,516
Investments.....	—	—	—
Collateral on Lent Securities.....	26,883	41,511	10,583
TOTAL ASSETS.....	<u>\$ 147,578</u>	<u>\$ 227,884</u>	<u>\$ 58,099</u>
LIABILITIES:			
Accounts Payable	\$ 7,362	\$ 7,924	\$ 3,889
Obligations Under Securities Lending.....	26,883	41,511	10,583
TOTAL LIABILITIES.....	<u>34,245</u>	<u>49,435</u>	<u>14,472</u>
FUND BALANCES (DEFICITS):.....			
Restricted.....	113,333	178,449	43,627
TOTAL FUND BALANCES (DEFICITS).....	<u>113,333</u>	<u>178,449</u>	<u>43,627</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 147,578</u>	<u>\$ 227,884</u>	<u>\$ 58,099</u>

ADMINISTRATIVE SERVICES BUILDING IMPROVEMENTS	YOUTH SERVICES BUILDING IMPROVEMENTS	ADULT CORRECTIONAL BUILDING IMPROVEMENTS	OHIO PARKS AND NATURAL RESOURCES	HIGHWAY CAPITAL IMPROVEMENT	TRANSPORTATION BUILDING IMPROVEMENTS
\$ 118,834	\$ 34,991	\$ 112,523	\$ 28,097	\$ 51,638	\$ 1,173
—	—	—	—	—	—
26,468	7,794	25,063	6,258	11,501	261
\$ 145,302	\$ 42,785	\$ 137,586	\$ 34,355	\$ 63,139	\$ 1,434
\$ 2,819	\$ 257	\$ 9,440	\$ 587	\$ 1,653	\$ 380
26,468	7,794	25,063	6,258	11,501	261
29,287	8,051	34,503	6,845	13,154	641
116,015	34,734	103,083	27,510	49,985	793
116,015	34,734	103,083	27,510	49,985	793
\$ 145,302	\$ 42,785	\$ 137,586	\$ 34,355	\$ 63,139	\$ 1,434

(continued)

STATE OF OHIO
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2021
 (dollars in thousands)
 (continued)

	CERTIFICATES OF PARTICIPATION PROJECTS	TOTAL
	<u> </u>	<u> </u>
ASSETS:		
Cash Equity with Treasurer.....	\$ —	\$ 701,840
Investments.....	34,838	34,838
Collateral on Lent Securities.....	—	156,322
TOTAL ASSETS.....	<u>\$ 34,838</u>	<u>\$ 893,000</u>
LIABILITIES:		
Accounts Payable	\$ 2,208	\$ 36,519
Obligations Under Securities Lending.....	—	156,322
TOTAL LIABILITIES.....	<u>2,208</u>	<u>192,841</u>
FUND BALANCES (DEFICITS):		
Restricted.....	32,630	700,159
TOTAL FUND BALANCES (DEFICITS).....	<u>32,630</u>	<u>700,159</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 34,838</u>	<u>\$ 893,000</u>

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	INFRASTRUCTURE BANK OBLIGATIONS	MENTAL HEALTH/ DEVELOPMENTAL DISABILITIES FACILITIES IMPROVEMENTS	PARKS AND RECREATION IMPROVEMENTS
REVENUES:			
Investment Income (Loss).....	\$ 463	\$ 283	\$ 526
Other.....	—	63	—
TOTAL REVENUES.....	463	346	526
EXPENDITURES:			
CAPITAL OUTLAY.....	134,899	46,396	99,584
TOTAL EXPENDITURES.....	134,899	46,396	99,584
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(134,436)	(46,050)	(99,058)
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....	91,980	150,000	110,765
Refunding Bonds and COPs Issued.....	—	—	2,300
Premiums/Discounts.....	23,020	32,507	14,250
Transfers-in.....	—	—	—
TOTAL OTHER FINANCING SOURCES (USES).....	115,000	182,507	127,315
NET CHANGE IN FUND BALANCES.....	(19,436)	136,457	28,257
FUND BALANCES (DEFICITS), July 1 (as restated).....	132,769	41,992	15,370
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 113,333	\$ 178,449	\$ 43,627

ADMINISTRATIVE SERVICES BUILDING IMPROVEMENTS	YOUTH SERVICES BUILDING IMPROVEMENTS	ADULT CORRECTIONAL BUILDING IMPROVEMENTS	OHIO PARKS AND NATURAL RESOURCES	HIGHWAY CAPITAL IMPROVEMENT	TRANSPORTATION BUILDING IMPROVEMENTS
\$ 419	\$ 268	\$ 267	\$ 236	\$ 465	\$ 30
—	—	18	—	—	—
<u>419</u>	<u>268</u>	<u>285</u>	<u>236</u>	<u>465</u>	<u>30</u>
62,582	9,036	61,142	13,388	34,804	4,214
<u>62,582</u>	<u>9,036</u>	<u>61,142</u>	<u>13,388</u>	<u>34,804</u>	<u>4,214</u>
<u>(62,163)</u>	<u>(8,768)</u>	<u>(60,857)</u>	<u>(13,152)</u>	<u>(34,339)</u>	<u>(4,184)</u>
77,940	—	113,755	—	—	—
—	—	—	—	—	—
22,060	—	12,105	—	—	—
—	—	—	11	—	—
<u>100,000</u>	<u>—</u>	<u>125,860</u>	<u>11</u>	<u>—</u>	<u>—</u>
<u>37,837</u>	<u>(8,768)</u>	<u>65,003</u>	<u>(13,141)</u>	<u>(34,339)</u>	<u>(4,184)</u>
78,178	43,502	38,080	40,651	84,324	4,977
<u>\$ 116,015</u>	<u>\$ 34,734</u>	<u>\$ 103,083</u>	<u>\$ 27,510</u>	<u>\$ 49,985</u>	<u>\$ 793</u>

(continued)

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR CAPITAL PROJECTS FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	CERTIFICATES OF PARTICIPATION PROJECTS	TOTAL
REVENUES:		
Investment Income (Loss).....	\$ 18	\$ 2,975
Other.....	—	81
TOTAL REVENUES.....	18	3,056
EXPENDITURES:		
CAPITAL OUTLAY.....	26,645	492,690
TOTAL EXPENDITURES.....	26,645	492,690
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES.....	(26,627)	(489,634)
OTHER FINANCING SOURCES (USES):		
Bonds, Notes, and COPs Issued.....	—	544,440
Refunding Bonds and COPs Issued.....	—	2,300
Premiums/Discounts.....	—	103,942
Transfers-in.....	—	11
TOTAL OTHER FINANCING SOURCES (USES).....	—	650,693
NET CHANGE IN FUND BALANCES.....	(26,627)	161,059
FUND BALANCES (DEFICITS), July 1 (as restated).....	59,257	539,100
FUND BALANCES (DEFICITS), JUNE 30.....	\$ 32,630	\$ 700,159

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
 NONMAJOR CAPITAL PROJECT FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	INFRASTRUCTURE BANK OBLIGATIONS		
	BUDGET		VARIANCE
	FINAL	ACTUAL	WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 463	
Other.....		—	
TOTAL REVENUES.....		463	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	\$ 392,280	326,217	\$ 66,063
TOTAL BUDGETARY EXPENDITURES.....	\$ 392,280	326,217	\$ 66,063
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(325,754)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		115,000	
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		115,000	
NET CHANGE IN FUND BALANCES.....		(210,754)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		(116,769)	
Outstanding Encumbrances at Beginning of Fiscal Year...		253,511	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ (74,012)	

**MENTAL HEALTH/DEVELOPMENTAL
DISABILITIES FACILITIES IMPROVEMENTS**

PARKS AND RECREATION IMPROVEMENTS

<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
	\$ 284			\$ 527	
	63			—	
	<u>347</u>			<u>527</u>	
\$ 346,575	195,031	\$ 151,544	\$ 487,289	250,122	\$ 237,167
<u>\$ 346,575</u>	<u>195,031</u>	<u>\$ 151,544</u>	<u>\$ 487,289</u>	<u>250,122</u>	<u>\$ 237,167</u>
	<u>(194,684)</u>			<u>(249,595)</u>	
	182,507			127,315	
	—			—	
	<u>182,507</u>			<u>127,315</u>	
	<u>(12,177)</u>			<u>(122,280)</u>	
	(9,965)			(168,426)	
	<u>54,652</u>			<u>188,790</u>	
	<u>\$ 32,510</u>			<u>\$ (101,916)</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

	ADMINISTRATIVE SERVICES BUILDING IMPROVEMENTS		
	BUDGET		VARIANCE
	FINAL	ACTUAL	WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
REVENUES:			
Investment Income.....		\$ 419	
Other.....		—	
TOTAL REVENUES.....		419	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	\$ 245,967	106,623	\$ 139,344
TOTAL BUDGETARY EXPENDITURES.....	\$ 245,967	106,623	\$ 139,344
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		(106,204)	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		100,000	
Transfers-in.....		—	
TOTAL OTHER FINANCING SOURCES (USES).....		100,000	
NET CHANGE IN FUND BALANCES.....		(6,204)	
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....		21,107	
Outstanding Encumbrances at Beginning of Fiscal Year...		62,144	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....		\$ 77,047	

YOUTH SERVICES BUILDING IMPROVEMENTS

ADULT CORRECTIONAL BUILDING IMPROVEMENTS

<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
	\$ 269			\$ 266	
	—			18	
	<u>269</u>			<u>284</u>	
\$ 71,391	16,787	\$ 54,604	\$ 537,097	205,421	\$ 331,676
<u>\$ 71,391</u>	<u>16,787</u>	<u>\$ 54,604</u>	<u>\$ 537,097</u>	<u>205,421</u>	<u>\$ 331,676</u>
	<u>(16,518)</u>			<u>(205,137)</u>	
	—			125,860	
	—			—	
	<u>—</u>			<u>125,860</u>	
	<u>(16,518)</u>			<u>(79,277)</u>	
	32,907			(96,455)	
	<u>11,607</u>			<u>138,544</u>	
	<u>\$ 27,996</u>			<u>\$ (37,188)</u>	

(continued)

STATE OF OHIO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) NONMAJOR CAPITAL PROJECT FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

(continued)

OHIO PARKS AND NATURAL RESOURCES			
	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
REVENUES:			
Investment Income.....		\$ 236	
Other.....		—	
TOTAL REVENUES.....		<u>236</u>	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	<u>\$ 60,384</u>	<u>39,108</u>	<u>\$ 21,276</u>
TOTAL BUDGETARY EXPENDITURES.....	<u>\$ 60,384</u>	<u>39,108</u>	<u>\$ 21,276</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		<u>(38,872)</u>	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		—	
Transfers-in.....		<u>11</u>	
TOTAL OTHER FINANCING SOURCES (USES).....		<u>11</u>	
NET CHANGE IN FUND BALANCES.....		<u>(38,861)</u>	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1.....		10,091	
Outstanding Encumbrances at Beginning of Fiscal Year...		<u>30,785</u>	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		<u>\$ 2,015</u>	

HIGHWAY CAPITAL IMPROVEMENTS			TRANSPORTATION BUILDING IMPROVEMENTS		
BUDGET		VARIANCE WITH FINAL BUDGET	BUDGET		VARIANCE WITH FINAL BUDGET
FINAL	ACTUAL	POSITIVE/ (NEGATIVE)	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
	\$ 464			\$ 31	
	<u>—</u>			<u>—</u>	
	<u>464</u>			<u>31</u>	
\$ 202,346	136,436	\$ 65,910	\$ 66,523	4,337	\$ 62,186
<u>\$ 202,346</u>	<u>136,436</u>	<u>\$ 65,910</u>	<u>\$ 66,523</u>	<u>4,337</u>	<u>\$ 62,186</u>
	<u>(135,972)</u>			<u>(4,306)</u>	
	<u>—</u>			<u>—</u>	
	<u>—</u>			<u>—</u>	
	<u>—</u>			<u>—</u>	
	<u>(135,972)</u>			<u>(4,306)</u>	
	5,580			3,956	
	<u>80,782</u>			<u>1,523</u>	
	<u>\$ (49,610)</u>			<u>\$ 1,173</u>	

(continued)

STATE OF OHIO

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

(dollars in thousands)

(continued)

	<u>TOTAL</u>		
	<u>BUDGET</u>		<u>VARIANCE WITH FINAL BUDGET</u>
	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE/ (NEGATIVE)</u>
REVENUES:			
Investment Income.....		\$ 2,959	
Other.....		81	
TOTAL REVENUES.....		<u>3,040</u>	
BUDGETARY EXPENDITURES:			
CAPITAL OUTLAY.....	<u>\$ 2,409,852</u>	<u>1,280,082</u>	<u>\$ 1,129,770</u>
TOTAL BUDGETARY EXPENDITURES.....	<u>\$ 2,409,852</u>	<u>1,280,082</u>	<u>\$ 1,129,770</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....		<u>(1,277,042)</u>	
OTHER FINANCING SOURCES (USES):			
Bonds, Notes, and COPs Issued.....		650,682	
Transfers-in.....		11	
TOTAL OTHER FINANCING SOURCES (USES).....		<u>650,693</u>	
NET CHANGE IN FUND BALANCES.....		(626,349)	
BUDGETARY FUND BALANCES			
(DEFICITS), JULY 1.....		(317,974)	
Outstanding Encumbrances at Beginning of Fiscal Year...		<u>822,338</u>	
BUDGETARY FUND BALANCES			
(DEFICITS), JUNE 30.....		<u>\$ (121,985)</u>	

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds may be used to report any activity for which a fee is charged to external users for goods or services.

Tuition Trust Authority Fund

The Tuition Trust Authority Fund accounts for the operations of the Ohio Tuition Trust Authority, including the sale of tuition credits under its guaranteed return option program.

Office of Auditor of State Fund

The Office of Auditor of State Fund accounts for the operations of the Ohio Auditor of State's Office, which provides government audit and management advisory services to Ohio's public offices.

STATE OF OHIO

COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE JUNE 30, 2021

(dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ 1,134	\$ 32,122	\$ 33,256
Cash and Cash Equivalents.....	11,289	—	11,289
Collateral on Lent Securities.....	253	7,154	7,407
Restricted Assets:			
Investments.....	24,000	—	24,000
Intergovernmental Receivable.....	—	5,503	5,503
Interfund Receivable.....	—	1,989	1,989
Other Receivables.....	897	—	897
TOTAL CURRENT ASSETS.....	37,573	46,768	84,341
NONCURRENT ASSETS:			
Restricted Assets:			
Investments.....	189,655	—	189,655
Other Assets.....	251	7,584	7,835
Capital Assets Being Depreciated, Net.....	20	636	656
TOTAL NONCURRENT ASSETS.....	189,926	8,220	198,146
TOTAL ASSETS.....	227,499	54,988	282,487
DEFERRED OUTFLOWS OF RESOURCES.....	229	6,980	7,209
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	227,728	61,968	289,696
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	756	92	848
Accrued Liabilities.....	564	5,642	6,206
Obligations Under Securities Lending.....	253	7,154	7,407
Unearned Revenue.....	—	1,103	1,103
Benefits Payable.....	24,000	—	24,000
Refund and Other Liabilities.....	—	1,961	1,961
TOTAL CURRENT LIABILITIES.....	25,573	15,952	41,525
NONCURRENT LIABILITIES:			
Benefits Payable.....	84,900	—	84,900
Refund and Other Liabilities.....	1,622	62,580	64,202
TOTAL NONCURRENT LIABILITIES.....	86,522	62,580	149,102
TOTAL LIABILITIES.....	112,095	78,532	190,627
DEFERRED INFLOWS OF RESOURCES.....	1,387	42,965	44,352
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	113,482	121,497	234,979
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	20	636	656
Unrestricted.....	114,226	(60,165)	54,061
TOTAL NET POSITION (DEFICITS).....	\$ 114,246	\$ (59,529)	\$ 54,717

STATE OF OHIO

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NONMAJOR PROPRIETARY FUNDS – ENTERPRISE FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
OPERATING REVENUES:			
Charges for Sales and Services.....	\$ 6,261	\$ 45,275	\$ 51,536
Investment Income.....	7,598	—	7,598
Other.....	23,700	16	23,716
TOTAL OPERATING REVENUES.....	37,559	45,291	82,850
OPERATING EXPENSES:			
Costs of Sales and Services.....	—	35,277	35,277
Administration.....	7,939	6,486	14,425
Benefits and Claims.....	23,955	—	23,955
Depreciation.....	8	183	191
TOTAL OPERATING EXPENSES.....	31,902	41,946	73,848
OPERATING INCOME (LOSS).....	5,657	3,345	9,002
NONOPERATING REVENUES (EXPENSES):			
Investment Income.....	—	7	7
Other.....	—	552	552
TOTAL NONOPERATING REVENUES (EXPENSES).....	—	559	559
INCOME (LOSS) BEFORE GAIN (LOSS) AND TRANSFERS.....	5,657	3,904	9,561
Transfers-in.....	—	39,247	39,247
TOTAL GAIN (LOSS) AND TRANSFERS.....	—	39,247	39,247
NET INCOME (LOSS).....	5,657	43,151	48,808
NET POSITION (DEFICITS), JULY 1.....	108,589	(102,680)	5,909
NET POSITION (DEFICITS), JUNE 30.....	\$ 114,246	\$ (59,529)	\$ 54,717

STATE OF OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS – ENTERPRISE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	TUITION TRUST AUTHORITY	OFFICE OF AUDITOR OF STATE	TOTAL NONMAJOR PROPRIETARY FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Customers.....	\$ —	\$ 36,512	\$ 36,512
Cash Received from Interfund Services Provided.....	—	10,589	10,589
Other Operating Cash Receipts.....	5,808	592	6,400
Cash Payments to Suppliers for Goods and Services.....	(6,151)	(2,300)	(8,451)
Cash Payments to Employees for Services.....	(2,706)	(79,373)	(82,079)
Cash Payments for Interfund Services Used.....	(479)	(4,157)	(4,636)
Other Operating Cash Payments.....	(23,955)	—	(23,955)
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	(27,483)	(38,137)	(65,620)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Other	—	552	552
Transfers-in	—	39,079	39,079
NET CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES.....	—	39,631	39,631
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and Construction of Capital Assets	—	(95)	(95)
NET CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES.....	—	(95)	(95)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Investments.....	(39,763)	—	(39,763)
Proceeds from the Sales and Maturities of Investments	64,617	—	64,617
Investment Income Received	245	7	252
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES.....	25,099	7	25,106
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS.....	(2,384)	1,406	(978)
CASH AND CASH EQUIVALENTS, JULY 1	14,807	30,716	45,523
CASH AND CASH EQUIVALENTS, JUNE 30	\$ 12,423	\$ 32,122	\$ 44,545

STATE OF OHIO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS -- ENTERPRISE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	<u>TUITION TRUST AUTHORITY</u>	<u>OFFICE OF AUDITOR OF STATE</u>	<u>TOTAL NONMAJOR PROPRIETARY FUNDS</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating Income (Loss).....	\$ 5,657	\$ 3,345	\$ 9,002
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Investment Income.....	(7,598)	—	(7,598)
Depreciation	8	183	191
Decrease (Increase) in Assets:			
Intergovernmental Receivable.....	—	(16,499)	(16,499)
Interfund Receivable.....	—	(168)	(168)
Other Receivables	(454)	—	(454)
Increase (Decrease) in Liabilities:			
Accounts Payable	16	(28,123)	(28,107)
Accrued Liabilities.....	99	439	538
Unearned Revenue.....	—	1,103	1,103
Benefits Payable.....	(23,700)	—	(23,700)
Refund and Other Liabilities.....	(1,511)	1,583	72
NET CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES.....	\$ (27,483)	\$ (38,137)	\$ (65,620)

PRIVATE-PURPOSE TRUST FUNDS

Private-Purpose Trust Funds account for trust arrangements under which principal and income benefits participants in the plan/program.

Variable College Savings Plan

The Variable College Savings Plan accounts for assets held by the Tuition Trust Authority which are eventually made available to participants for college tuition and education related expenses.

STABLE Program

The STABLE Program accounts for assets held by the Treasurer of State which are eventually made available to participants for disability-related expenses.

STATE OF OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS
 JUNE 30, 2021
 (dollars in thousands)

	VARIABLE COLLEGE SAVINGS PLAN	STABLE PROGRAM	TOTAL
ASSETS:			
Cash and Cash Equivalents.....	\$ 296,840	\$ 558	\$ 297,398
Investments (at fair value):			
Mutual Funds.....	15,803,346	207,481	16,010,827
Other Receivables.....	69,901	6	69,907
TOTAL ASSETS.....	16,170,087	208,045	16,378,132
LIABILITIES:			
Accrued Liabilities.....	4,307	94	4,401
Refund and Other Liabilities.....	55,886	19	55,905
TOTAL LIABILITIES.....	60,193	113	60,306
NET POSITION (DEFICITS):			
Restricted for:			
Individuals, Organizations and Other Governments.....	16,109,894	207,932	16,317,826
TOTAL NET POSITION (DEFICITS).....	\$ 16,109,894	\$ 207,932	\$ 16,317,826

The notes to the financial statements are an integral part of this statement.

STATE OF OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS - PRIVATE-PURPOSE TRUST FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

(dollars in thousands)

	VARIABLE COLLEGE SAVINGS PLAN	STABLE PROGRAM	TOTAL
ADDITIONS:			
Contributions from:			
Plan Participants.....	\$ 6,003,160	\$ 107,925	\$ 6,111,085
Total Contributions.....	<u>6,003,160</u>	<u>107,925</u>	<u>6,111,085</u>
Investment Income:			
Net Appreciation (Depreciation) in Fair Value of Investments.....	2,394,276	12,092	2,406,368
Interest, Dividends and Other.....	532,714	1,271	533,985
Total Investment Income.....	<u>2,926,990</u>	<u>13,363</u>	<u>2,940,353</u>
Less: Investment Expense.....	40,611	218	40,829
Net Investment Income.....	<u>2,886,379</u>	<u>13,145</u>	<u>2,899,524</u>
TOTAL ADDITIONS.....	<u>8,889,539</u>	<u>121,070</u>	<u>9,010,609</u>
DEDUCTIONS:			
Distributions to Shareholders, Plans, Participants.....	5,717,984	29,955	5,747,939
TOTAL DEDUCTIONS.....	<u>5,717,984</u>	<u>29,955</u>	<u>5,747,939</u>
CHANGE IN NET POSITION RESTRICTED FOR:			
Individuals, Organizations and Other Governments.....	3,171,555	91,115	3,262,670
TOTAL CHANGE IN NET POSITION.....	<u>3,171,555</u>	<u>91,115</u>	<u>3,262,670</u>
NET POSITION (DEFICITS), JULY 1 (as restated).....	<u>12,938,339</u>	<u>116,817</u>	<u>13,055,156</u>
NET POSITION (DEFICITS), JUNE 30.....	<u>\$ 16,109,894</u>	<u>\$ 207,932</u>	<u>\$ 16,317,826</u>

The notes to the financial statements are an integral part of this statement.

CUSTODIAL FUNDS

Custodial Funds account for resources the State holds in a purely custodial capacity for individuals, private organizations, or other governments.

Local Government Tax Fund

The Local Government Tax Fund accounts for assets held by the state which are later distributed to local governments.

Child Support Fund

The Child Support fund accounts for assets temporarily held to be distributed to custodial parents.

Other Fund

The Other Fund accounts for assets held for others, which are not accounted for in another custodial fund.

STATE OF OHIO

COMBINING STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS - CUSTODIAL FUNDS

JUNE 30, 2021

(dollars in thousands)

	LOCAL GOVERNMENT TAX	CHILD SUPPORT	OTHER CUSTODIAL FUNDS
ASSETS:			
Cash Equity with Treasurer.....	\$ 239,837	\$ 21,401	\$ 2,394
Cash and Cash Equivalents.....	—	66,836	35,124
Investments (at fair value):			
U.S. Government and Agency Obligations.....	—	—	15,928
State Treasury Asset Reserve of Ohio (STAR Ohio).....	—	6,345	12,457
Collateral on Lent Securities.....	53,569	4,780	371
TOTAL ASSETS.....	293,406	99,362	66,274
LIABILITIES:			
Obligations Under Securities Lending.....	53,569	4,780	371
Intergovernmental Payable.....	239,837	—	—
Refund and Other Liabilities.....	—	88,237	7,868
TOTAL LIABILITIES.....	293,406	93,017	8,239
NET POSITION (DEFICITS):			
Restricted for:			
Individuals, Organizations and Other Governments.....	—	6,345	58,035
TOTAL NET POSITION (DEFICITS).....	\$ —	\$ 6,345	\$ 58,035

The notes to the financial statements are an integral part of this statement.

TOTAL

\$ 263,632
101,960

15,928
18,802
58,720

459,042

58,720
239,837
96,105

394,662

64,380

\$ 64,380

STATE OF OHIO

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS - CUSTODIAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 (dollars in thousands)

	LOCAL GOVERNMENT TAX	CHILD SUPPORT	OTHER CUSTODIAL FUNDS
ADDITIONS:			
Contributions from:			
Employees.....	\$ —	\$ —	\$ 2,065,002
Total Contributions.....	—	—	2,065,002
Investment Income:			
Interest, Dividends and Other.....	—	10	31
Total Investment Income.....	—	10	31
Capital Share and Individual Account Transactions:			
Shares Sold.....	—	—	39,210
Shares Redeemed.....	—	—	(47,143)
Net Capital Share and Individual Account Transactions.....	—	—	(7,933)
Tax Collections for Local Governments.....	3,931,442	—	—
Child Support Collections.....	—	2,004,866	—
Detainee / Resident Home Personal Accounts.....	—	—	109,262
Other Organizations' Accounts.....	—	—	168,211
Miscellaneous.....	—	—	2,150
TOTAL ADDITIONS.....	3,931,442	2,004,876	2,336,723
DEDUCTIONS:			
Distributions to Shareholders, Plans, Participants.....	—	—	2,065,617
Tax Distributions to Local Governments.....	3,931,442	—	—
Child Support Payments.....	—	2,004,866	—
Detainee / Resident Home Personal Accounts.....	—	—	97,547
Other Organizations' Accounts.....	—	—	169,794
Miscellaneous.....	—	1	2,233
TOTAL DEDUCTIONS.....	3,931,442	2,004,867	2,335,191
CHANGE IN NET POSITION RESTRICTED FOR:			
Individuals, Organizations and Other Governments.....	—	9	1,532
TOTAL CHANGE IN NET POSITION.....	—	9	1,532
NET POSITION (DEFICITS), JULY 1 (as restated).....	—	6,336	56,503
NET POSITION (DEFICITS), JUNE 30.....	\$ —	\$ 6,345	\$ 58,035

The notes to the financial statements are an integral part of this statement.

TOTAL

\$ 2,065,002

2,065,002

41

41

39,210

(47,143)

(7,933)

3,931,442

2,004,866

109,262

168,211

2,150

8,273,041

2,065,617

3,931,442

2,004,866

97,547

169,794

2,234

8,271,500

1,541

1,541

62,839

\$ 64,380

NONMAJOR DISCRETELY PRESENTED COMPONENT UNIT FUNDS

Nonmajor Discretely Presented Component Unit Funds account for the financial activities of the State of Ohio's component units, organizations that are legally separate from the State's primary government and for which the primary government is financially accountable.

Ohio Turnpike and Infrastructure Commission Fund

The Ohio Turnpike and Infrastructure Commission Fund accounts for the operations of the Ohio Turnpike and Infrastructure Commission, including its projects to construct, maintain and operate public roadways, express or limited access highways, superhighways, or motorways necessary for safe movement of traffic including bridges, tunnels, overpasses, underpasses, interchanges, entrance plazas, approaches, and toll booths. The Commission's Financial Statements are presented for the fiscal year end December 31, 2018. The Commission is located in Berea, Ohio.

Ohio Air Quality Development Authority Fund

The Ohio Air Quality Development Authority Fund accounts for the Ohio Air Quality Development Authority's operations, including programs that assist Ohio's businesses, government agencies, and not-for-profit organizations with financing projects that increase energy efficiency and reduce air pollution. The Authority's financial statements are presented for the fiscal year ended December 31, 2018.

Ohio Capital Fund

The Ohio Capital Fund accounts for the operations of the State's venture capital program.

JobsOhio Fund

The JobsOhio Fund accounts for the operations of the nonprofit corporation, JobsOhio, including promoting economic development, job creation, job retention, job training, and the recruitment of business to the State of Ohio.

University of Cincinnati Fund

The University of Cincinnati Fund accounts for the operations of University of Cincinnati and The University of Cincinnati Foundation. The university is located in Cincinnati, Ohio.

Ohio University Fund

The Ohio University Fund accounts for the operations of Ohio University and the Ohio University Foundation. The university is located in Athens, Ohio.

Miami University Fund

The Miami University Fund accounts for the operations of Miami University and the Miami University Foundation. The university is located in Oxford, Ohio.

University of Akron Fund

The University of Akron Fund accounts for the operations of the University of Akron, the University of Akron Foundation, and the University of Akron Research Foundation.

Bowling Green State University Fund

The Bowling Green State University Fund accounts for the operations of Bowling Green State University and the Bowling Green State University Foundation.

Kent State University Fund

The Kent State University Fund accounts for the operations of Kent State University and the Kent State University Foundation.

University of Toledo Fund

The University of Toledo Fund accounts for the operations of the University of Toledo, the University of Toledo Foundation, and the University of Toledo Physicians, Clinical Faculty, Inc.

Cleveland State University Fund

The Cleveland State University Fund accounts for the operations of Cleveland State University, the Cleveland State University Foundation, and the Euclid Avenue Housing Corporation.

Youngstown State University Fund

The Youngstown State University Fund accounts for the operations of Youngstown State University and the Youngstown State University Foundation.

Wright State University Fund

The Wright State University Fund accounts for the operations of Wright State University and the Wright State University Foundation. The university is located in Dayton, Ohio.

Shawnee State University Fund

The Shawnee State University Fund accounts for the operations of Shawnee State University and the Shawnee State University Development Foundation. The university is located in Portsmouth, Ohio.

Northeast Ohio Medical University Fund

The Northeast Ohio Medical University Fund accounts for the operations of Northeast Ohio Medical University and NEOMED Foundation. The college is located in Rootstown, Ohio.

Central State University Fund

The Central State University Fund accounts for the operations of Central State University and the Central State University Foundation. The university is located in Wilberforce, Ohio with a branch campus in Dayton, Ohio.

Terra State Community College Fund

The Terra State Community College Fund accounts for the operations of Terra State Community College and Terra College Foundation. The college is located in Fremont, Ohio.

Columbus State Community College Fund

The Columbus State Community College Fund accounts for the operations of Columbus State Community College and the Columbus State Community College Development Foundation, Inc.

Clark State Community College Fund

The Clark State Community College Fund accounts for the operations of Clark State Community College and the Clark State Community College Foundation. The college is located in Springfield, Ohio.

Edison State Community College Fund

The Edison State Community College Fund accounts for the operations of Edison State Community College and the Edison Foundation, Inc. The college is located in Piqua, Ohio.

Southern State Community College Fund

The Southern State Community College Fund accounts for the operations of Southern State Community College and the Southern State Community College Foundation. The college is located in Hillsboro, Ohio.

Washington State Community College Fund

The Washington State Community College Fund accounts for the operations of Washington State Community College and the Washington State Foundation. The college is located in Marietta, Ohio.

Cincinnati State Community College Fund

The Cincinnati State Community College Fund accounts for the operations of Cincinnati State Technical and Community College.

Northwest State Community College Fund

The Northwest State Community College Fund accounts for the operations of Northwest State Community College and the Northwest State Community College Foundation. The college is located in Archbold, Ohio.

Owens State Community College Fund

The Owens State Community College Fund accounts for the operations of Owens State Community College and the Owens State Community College Foundation. The college is located in Toledo, Ohio with a branch campus in Findlay, Ohio.

STATE OF OHIO
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2021
(dollars in thousands)

	OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION (as of 12/31/20)	OHIO AIR QUALITY DEVELOPMENT AUTHORITY (as of 12/31/20)	OHIO CAPITAL FUND
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ 1,416	\$ —
Cash and Cash Equivalents.....	40,758	1,355	4,872
Investments.....	165,723	4,224	—
Restricted Assets:			
Cash and Cash Equivalents.....	15,252	—	—
Investments.....	64,444	—	—
Intergovernmental Receivable.....	—	—	—
Loans Receivable, Net.....	—	—	—
Receivable from Primary Government.....	—	—	—
Other Receivables.....	20,860	5	—
Inventories.....	5,232	—	—
Other Assets.....	1,767	14	—
TOTAL CURRENT ASSETS.....	314,036	7,014	4,872
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	360,806	—	—
Investments.....	—	1,924	70,001
Loans Receivable, Net.....	—	—	—
Other Receivables.....	—	—	—
Other Assets.....	702	—	—
Capital Assets Being Depreciated, Net.....	1,518,317	18	—
Capital Assets Not Being Depreciated.....	90,910	—	—
TOTAL NONCURRENT ASSETS.....	1,970,735	1,942	70,001
TOTAL ASSETS.....	2,284,771	8,956	74,873
DEFERRED OUTFLOWS OF RESOURCES.....			
	62,327	123	—
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	2,347,098	9,079	74,873
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	13,093	118	—
Accrued Liabilities.....	30,867	15	7,565
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	33,353	—	—
Payable to Primary Government.....	10,482	—	—
Bonds and Notes Payable.....	36,370	—	14,235
TOTAL CURRENT LIABILITIES.....	124,165	133	21,800
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	126,529	431	62,197
Bonds and Notes Payable.....	2,095,340	—	79,548
TOTAL NONCURRENT LIABILITIES.....	2,221,869	431	141,745
TOTAL LIABILITIES.....	2,346,034	564	163,545
DEFERRED INFLOWS OF RESOURCES.....			
	26,579	174	—
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	2,372,613	738	163,545
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	1,151,197	18	—
Restricted for:			
Transportation.....	204,899	—	—
Nonexpendable:			
Scholarships and Fellowships.....	—	—	—
Research.....	—	—	—
Endowments and Quasi-Endowments.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	—	—
Expendable:			
Scholarships and Fellowships.....	—	—	—
Research.....	—	—	—
Instructional Department Uses.....	—	—	—
Student and Public Services.....	—	—	—
Academic Support.....	—	—	—
Debt Service.....	—	—	—
Capital Purposes.....	—	—	—
Endowments and Quasi-Endowments.....	—	—	—
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	—	—
Unrestricted.....	(1,381,611)	8,323	(88,672)
TOTAL NET POSITION (DEFICITS).....	\$ (25,515)	\$ 8,341	\$ (88,672)

<u>JOBSOHIO</u>	<u>UNIVERSITY OF CINCINNATI</u>	<u>OHIO UNIVERSITY</u>	<u>MIAMI UNIVERSITY</u>	<u>UNIVERSITY OF AKRON</u>	<u>BOWLING GREEN STATE UNIVERSITY</u>
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
179,723	257,400	135,959	234,082	18,522	12,445
666,350	200,837	390,861	732,561	206,685	264,207
229,444	—	—	—	—	—
—	—	—	—	—	—
—	—	3,629	14,885	—	—
9,328	2,194	988	4,093	949	1,501
—	5,950	359	385	—	—
6,453	125,646	70,925	22,316	47,772	46,274
94,012	2,258	2,413	1,946	551	609
13,249	31,227	12,208	7,130	1,104	3,410
<u>1,198,559</u>	<u>625,512</u>	<u>617,342</u>	<u>1,017,398</u>	<u>275,583</u>	<u>328,446</u>
—	—	55,530	30,388	503	—
—	1,354,901	—	685,221	4,704	22,450
17,283	420,679	980,047	—	328,441	285,845
117,499	15,717	8,929	1,006	4,052	2,583
58,849	76,362	14,278	63,956	9,667	5,825
915,365	488,046	52,536	26,685	13,297	20,069
8,484	1,542,772	1,076,839	1,303,253	585,940	579,318
—	115,955	77,678	47,004	52,502	25,752
<u>1,117,480</u>	<u>4,014,432</u>	<u>2,265,837</u>	<u>2,157,513</u>	<u>999,106</u>	<u>941,842</u>
<u>2,316,039</u>	<u>4,639,944</u>	<u>2,883,179</u>	<u>3,174,911</u>	<u>1,274,689</u>	<u>1,270,288</u>
17,448	123,991	62,071	50,940	71,201	32,715
<u>2,333,487</u>	<u>4,763,935</u>	<u>2,945,250</u>	<u>3,225,851</u>	<u>1,345,890</u>	<u>1,303,003</u>
29,721	86,910	33,968	34,415	3,876	8,996
387,701	20,672	37,861	19,698	27,395	11,907
—	—	—	—	—	—
—	109,702	36,989	14,484	30,691	34,812
512	97,167	12,972	12,888	1,949	7,567
—	—	—	—	—	—
52,460	31,330	13,558	36,885	14,083	7,465
<u>470,394</u>	<u>345,781</u>	<u>135,348</u>	<u>118,370</u>	<u>77,994</u>	<u>70,747</u>
—	14,963	—	—	—	4,747
—	22,709	—	—	—	—
20,538	689,320	360,930	304,404	292,024	207,687
<u>1,193,690</u>	<u>1,063,545</u>	<u>633,805</u>	<u>673,810</u>	<u>368,556</u>	<u>276,072</u>
<u>1,214,228</u>	<u>1,790,537</u>	<u>994,735</u>	<u>978,214</u>	<u>660,580</u>	<u>488,506</u>
<u>1,684,622</u>	<u>2,136,318</u>	<u>1,130,083</u>	<u>1,096,584</u>	<u>738,574</u>	<u>559,253</u>
—	204,811	164,312	121,250	93,167	61,788
<u>1,684,622</u>	<u>2,341,129</u>	<u>1,294,395</u>	<u>1,217,834</u>	<u>831,741</u>	<u>621,041</u>
8,484	558,459	691,192	737,246	271,281	348,604
—	—	—	—	—	—
—	240,019	—	—	—	75,382
—	75,213	—	—	—	746
—	608,887	277,371	390,362	261,170	11,345
—	440,850	15,871	—	—	34,644
—	75,963	16,104	81,091	926	76,534
—	101,557	1,853	2,421	42,895	648
—	42,454	38,783	21,990	—	47,729
—	90,656	9,162	2,361	—	—
—	33,587	8,702	74,610	—	—
—	—	—	—	242	—
—	22,336	4,013	—	915	21,597
—	88,032	227,893	—	52,320	6,950
—	—	11,756	15,775	—	—
—	174,797	10,134	86,695	—	—
640,381	(130,004)	338,021	595,466	(115,600)	57,783
<u>\$ 648,865</u>	<u>\$ 2,422,806</u>	<u>\$ 1,650,855</u>	<u>\$ 2,008,017</u>	<u>\$ 514,149</u>	<u>\$ 681,962</u>

(continued)

STATE OF OHIO
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2021
(dollars in thousands)
(continued)

	KENT STATE UNIVERSITY	UNIVERSITY OF TOLEDO	CLEVELAND STATE UNIVERSITY
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	53,614	175,690	11,574
Investments.....	583,111	—	182,115
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	—	—	—
Intergovernmental Receivable.....	7,687	20,276	—
Loans Receivable, Net.....	—	2,249	—
Receivable from Primary Government.....	1,257	2,124	—
Other Receivables.....	26,498	87,985	54,412
Inventories.....	784	9,244	1,255
Other Assets.....	5,950	8,382	2,172
TOTAL CURRENT ASSETS.....	678,901	305,950	251,528
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	8,223	3,063	—
Investments.....	—	432,737	—
Investments.....	151,676	238,480	119,977
Loans Receivable, Net.....	21,465	4,027	7,089
Other Receivables.....	9,401	5,031	9,994
Other Assets.....	36,999	46,351	13,970
Capital Assets Being Depreciated, Net.....	855,063	492,994	465,484
Capital Assets Not Being Depreciated.....	47,626	59,542	72,219
TOTAL NONCURRENT ASSETS.....	1,130,453	1,282,225	688,733
TOTAL ASSETS.....	1,809,354	1,588,175	940,261
DEFERRED OUTFLOWS OF RESOURCES.....			
	90,605	91,423	28,924
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	1,899,959	1,679,598	969,185
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	32,088	30,046	6,924
Accrued Liabilities.....	36,707	58,671	2,231
Intergovernmental Payable.....	—	631	—
Unearned Revenue.....	25,208	56,451	7,232
Refund and Other Liabilities.....	18,680	31,580	15,971
Payable to Primary Government.....	—	—	—
Bonds and Notes Payable.....	25,439	15,214	9,694
TOTAL CURRENT LIABILITIES.....	138,122	192,593	42,052
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	976
Refund and Other Liabilities.....	468,587	462,256	198,025
Bonds and Notes Payable.....	374,772	247,050	240,340
TOTAL NONCURRENT LIABILITIES.....	843,359	709,306	439,341
TOTAL LIABILITIES.....	981,481	901,899	481,393
DEFERRED INFLOWS OF RESOURCES.....			
	151,593	201,556	62,877
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	1,133,074	1,103,455	544,270
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	473,629	252,659	266,906
Restricted for:			
Transportation.....	—	—	—
Nonexpendable:			
Scholarships and Fellowships.....	—	75,159	49,964
Research.....	—	14,720	894
Endowments and Quasi-Endowments.....	94,245	—	15,938
Loans, Grants and Other College and University Purposes.....	—	59,651	1,503
Expendable:			
Scholarships and Fellowships.....	—	126,286	37,197
Research.....	—	13,001	1,290
Instructional Department Uses.....	—	—	11,982
Student and Public Services.....	—	—	5,204
Academic Support.....	—	93,925	—
Debt Service.....	—	19,590	—
Capital Purposes.....	—	50,901	—
Endowments and Quasi-Endowments.....	—	—	—
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	178,748	27,306	35,988
Unrestricted.....	20,263	(157,055)	(1,951)
TOTAL NET POSITION (DEFICITS).....	\$ 766,885	\$ 576,143	\$ 424,915

YOUNGSTOWN STATE UNIVERSITY	WRIGHT STATE UNIVERSITY	SHAWNEE STATE UNIVERSITY	NORTHEAST OHIO MEDICAL UNIVERSITY	CENTRAL STATE UNIVERSITY	TERRA STATE COMMUNITY COLLEGE
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
27,306	98,706	2,455	5,682	10,324	609
282,364	—	—	18,640	—	235
—	—	—	—	—	—
—	—	—	—	—	—
4,109	15,889	—	3,176	—	979
335	1,741	124	521	—	77
5,312	3,681	—	423	—	46
12,127	19,620	9,774	1,947	17,191	5,704
61	67	7	264	—	9
1,993	2,591	306	2,723	1,870	163
<u>333,607</u>	<u>142,295</u>	<u>12,666</u>	<u>33,376</u>	<u>29,385</u>	<u>7,822</u>
18	—	1,815	1,325	3,488	—
104,032	—	21,468	95,351	—	—
15,497	184,029	8,791	—	6,435	6,523
33	3,885	—	5,068	—	—
6,037	5,097	421	155	—	622
9,486	15,653	3,662	4,301	4,234	—
204,618	324,518	74,390	195,807	138,000	28,130
20,348	4,920	17,870	3,012	4,061	535
<u>360,069</u>	<u>538,102</u>	<u>128,417</u>	<u>305,019</u>	<u>156,218</u>	<u>35,810</u>
<u>693,676</u>	<u>680,397</u>	<u>141,083</u>	<u>338,395</u>	<u>185,603</u>	<u>43,632</u>
<u>19,958</u>	<u>23,815</u>	<u>5,293</u>	<u>7,845</u>	<u>6,311</u>	<u>3,468</u>
<u>713,634</u>	<u>704,212</u>	<u>146,376</u>	<u>346,240</u>	<u>191,914</u>	<u>47,100</u>
5,042	7,491	1,382	3,206	1,850	1,658
7,000	8,187	2,347	5,467	3,461	—
296	—	—	—	—	—
6,693	21,924	1,709	4,949	11,665	2,386
3,389	18,060	230	593	1,691	13
—	—	—	—	—	—
4,180	5,880	983	3,823	2,136	150
<u>26,600</u>	<u>61,542</u>	<u>6,651</u>	<u>18,038</u>	<u>20,803</u>	<u>4,207</u>
—	—	—	—	—	—
—	430	—	—	—	2
114,936	175,141	33,086	53,362	27,608	18,002
65,866	53,187	20,877	151,426	17,782	4,830
<u>180,802</u>	<u>228,758</u>	<u>53,963</u>	<u>204,788</u>	<u>45,390</u>	<u>22,834</u>
<u>207,402</u>	<u>290,300</u>	<u>60,614</u>	<u>222,826</u>	<u>66,193</u>	<u>27,041</u>
<u>43,243</u>	<u>82,853</u>	<u>13,470</u>	<u>18,095</u>	<u>10,442</u>	<u>3,329</u>
<u>250,645</u>	<u>373,153</u>	<u>74,084</u>	<u>240,921</u>	<u>76,635</u>	<u>30,370</u>
156,189	269,918	63,095	46,785	123,133	23,644
—	—	—	—	—	—
—	24,453	4,638	7,507	5,087	2,909
—	5,944	—	—	—	—
141,619	—	—	16,882	—	—
—	20,481	6,351	—	—	—
13,057	30,692	2,818	—	6,281	2,528
262	3,829	22	—	—	—
7,079	29,203	—	—	—	—
2,606	1,632	—	—	—	1,057
2,807	17,682	—	—	—	—
—	—	—	—	—	—
4,960	2,939	—	—	—	297
19,743	—	—	—	—	—
1,571	—	—	15,775	—	—
—	29,797	8,898	—	—	127
113,096	(105,511)	(13,530)	18,370	(19,222)	(13,832)
<u>\$ 462,989</u>	<u>\$ 331,059</u>	<u>\$ 72,292</u>	<u>\$ 105,319</u>	<u>\$ 115,279</u>	<u>\$ 16,730</u>

(continued)

STATE OF OHIO
COMBINING STATEMENT OF NET POSITION
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 2021
(dollars in thousands)
(continued)

	COLUMBUS STATE COMMUNITY COLLEGE	CLARK STATE COMMUNITY COLLEGE	EDISON STATE COMMUNITY COLLEGE
ASSETS:			
CURRENT ASSETS:			
Cash Equity with Treasurer.....	\$ —	\$ —	\$ —
Cash and Cash Equivalents.....	14,783	15,744	5,455
Investments.....	167,380	28,021	3,233
Restricted Assets:			
Cash and Cash Equivalents.....	—	—	—
Investments.....	—	—	—
Intergovernmental Receivable.....	—	4,642	—
Loans Receivable, Net.....	—	22	—
Receivable from Primary Government.....	—	979	—
Other Receivables.....	20,342	3,772	2,335
Inventories.....	1,884	98	3
Other Assets.....	1,099	265	217
TOTAL CURRENT ASSETS.....	205,488	53,543	11,243
NONCURRENT ASSETS:			
Restricted Assets:			
Cash and Cash Equivalents.....	2,801	—	—
Investments.....	63,252	—	487
Investments.....	85,043	—	3,095
Loans Receivable, Net.....	—	—	—
Other Receivables.....	4,035	—	—
Other Assets.....	7,755	1,283	1,103
Capital Assets Being Depreciated, Net.....	147,421	47,028	18,264
Capital Assets Not Being Depreciated.....	33,245	2,978	791
TOTAL NONCURRENT ASSETS.....	343,552	51,289	23,740
TOTAL ASSETS.....	549,040	104,832	34,983
DEFERRED OUTFLOWS OF RESOURCES.....			
	37,848	6,381	2,712
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES.....	586,888	111,213	37,695
LIABILITIES:			
CURRENT LIABILITIES:			
Accounts Payable.....	5,201	1,680	323
Accrued Liabilities.....	3,395	2,060	1,028
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	9,734	106	778
Refund and Other Liabilities.....	8,489	452	307
Payable to Primary Government.....	—	—	—
Bonds and Notes Payable.....	15,654	790	250
TOTAL CURRENT LIABILITIES.....	42,473	5,088	2,686
NONCURRENT LIABILITIES:			
Intergovernmental Payable.....	—	—	—
Unearned Revenue.....	—	—	—
Refund and Other Liabilities.....	217,202	38,411	12,478
Bonds and Notes Payable.....	160,645	9,414	1,410
TOTAL NONCURRENT LIABILITIES.....	377,847	47,825	13,888
TOTAL LIABILITIES.....	420,320	52,913	16,574
DEFERRED INFLOWS OF RESOURCES.....			
	24,996	5,353	4,507
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES.....	445,316	58,266	21,081
NET POSITION (DEFICITS):			
Net Investment in Capital Assets.....	148,785	39,832	17,769
Restricted for:			
Transportation.....	—	—	—
Nonexpendable:			
Scholarships and Fellowships.....	5,152	—	—
Research.....	—	—	—
Endowments and Quasi-Endowments.....	—	15,102	212
Loans, Grants and Other College and University Purposes.....	—	—	—
Expendable:			
Scholarships and Fellowships.....	17,328	7,999	—
Research.....	—	—	—
Instructional Department Uses.....	—	81	—
Student and Public Services.....	—	4,155	—
Academic Support.....	—	—	—
Debt Service.....	—	—	—
Capital Purposes.....	26,108	2,393	—
Endowments and Quasi-Endowments.....	—	—	1,600
Current Operations.....	—	—	—
Loans, Grants and Other College and University Purposes.....	—	—	124
Unrestricted.....	(55,801)	(16,615)	(3,091)
TOTAL NET POSITION (DEFICITS).....	\$ 141,572	\$ 52,947	\$ 16,614

SOUTHERN STATE COMMUNITY COLLEGE	WASHINGTON STATE COMMUNITY COLLEGE	CINCINNATI STATE COMMUNITY COLLEGE	NORTHWEST STATE COMMUNITY COLLEGE	OWENS STATE COMMUNITY COLLEGE	TOTAL NONMAJOR COMPONENT UNITS
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,416
3,284	10,119	4,689	3,410	7,106	1,335,666
—	—	32,348	1,236	33,454	3,963,585
—	—	—	—	—	244,696
—	—	—	—	—	64,444
—	2,605	9,423	1,461	4,113	92,874
—	—	—	—	—	24,122
—	62	662	665	—	21,905
3,551	2,291	10,213	3,962	8,138	630,113
10	—	85	593	—	121,385
755	225	1,094	40	367	100,321
<u>7,600</u>	<u>15,302</u>	<u>58,514</u>	<u>11,367</u>	<u>53,178</u>	<u>6,600,527</u>
909	—	3,242	—	—	111,305
3,085	1,671	—	—	—	3,150,165
—	—	4,026	10,275	13,269	2,951,336
—	—	—	—	42	191,395
—	—	—	—	305	270,035
1,038	560	2,668	816	2,504	1,669,083
21,162	14,521	69,326	16,872	71,403	9,799,942
7,649	980	6,968	1,761	10,669	704,975
<u>33,843</u>	<u>17,732</u>	<u>86,230</u>	<u>29,724</u>	<u>98,192</u>	<u>18,848,236</u>
<u>41,443</u>	<u>33,034</u>	<u>144,744</u>	<u>41,091</u>	<u>151,370</u>	<u>25,448,763</u>
1,986	2,335	11,538	4,026	11,174	776,458
<u>43,429</u>	<u>35,369</u>	<u>156,282</u>	<u>45,117</u>	<u>162,544</u>	<u>26,225,221</u>
—	1,335	1,077	2,338	7,426	320,164
167	—	4,183	339	3,659	682,583
—	—	—	—	—	927
—	1,870	5,429	633	2,641	386,086
1,295	211	1,908	342	2,151	271,770
—	—	—	—	—	10,482
935	—	2,916	—	—	294,430
<u>2,397</u>	<u>3,416</u>	<u>15,513</u>	<u>3,652</u>	<u>15,877</u>	<u>1,966,442</u>
—	—	—	—	—	19,710
—	—	—	—	—	24,117
12,369	12,745	66,737	22,569	67,940	4,065,514
10,540	—	22,093	—	—	7,764,598
<u>22,909</u>	<u>12,745</u>	<u>88,830</u>	<u>22,569</u>	<u>67,940</u>	<u>11,873,939</u>
25,306	16,161	104,343	26,221	83,817	13,840,381
5,498	1,689	17,625	3,797	15,232	1,338,236
<u>30,804</u>	<u>17,850</u>	<u>121,968</u>	<u>30,018</u>	<u>99,049</u>	<u>15,178,617</u>
17,337	15,502	51,822	18,632	82,072	5,834,190
—	—	—	—	—	204,899
—	724	—	1,460	2,257	494,711
—	—	—	—	—	97,517
3,132	—	7,258	—	—	1,843,523
—	—	—	—	467	579,818
187	914	—	5,682	1,838	503,425
—	—	—	—	—	167,778
—	—	—	27	—	199,328
—	—	—	—	—	116,833
—	—	—	—	—	231,313
—	—	1,720	—	—	21,552
—	373	—	365	—	137,197
—	—	9,800	—	—	406,338
—	—	—	35	—	44,912
—	—	—	89	1,340	554,043
(8,031)	6	(36,286)	(11,191)	(24,479)	(390,773)
<u>\$ 12,625</u>	<u>\$ 17,519</u>	<u>\$ 34,314</u>	<u>\$ 15,099</u>	<u>\$ 63,495</u>	<u>\$ 11,046,604</u>

STATE OF OHIO
COMBINING STATEMENT OF ACTIVITIES
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	OHIO TURNPIKE AND INFRASTRUCTURE COMMISSION <i>(as of 12/31/20)</i>	OHIO AIR QUALITY DEVELOPMENT AUTHORITY <i>(as of 12/31/20)</i>	OHIO CAPITAL FUND
EXPENSES:			
Transportation.....	\$ 276,142	\$ —	\$ —
Community and Economic Development.....	—	2,609	1,606
Education and General:			
Instruction and Departmental Research.....	—	—	—
Separately Budgeted Research.....	—	—	—
Public Service.....	—	—	—
Academic Support.....	—	—	—
Student Services.....	—	—	—
Institutional Support.....	—	—	—
Operation and Maintenance of Plant.....	—	—	—
Scholarships and Fellowships.....	—	—	—
Auxiliary Enterprises.....	—	—	—
Hospitals.....	—	—	—
Interest on Long-Term Debt.....	96,397	—	5,797
Depreciation.....	82,612	4	—
Other.....	—	—	—
TOTAL EXPENSES.....	455,151	2,613	7,403
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	303,541	70	—
Operating Grants, Contributions and Restricted Investment Income.....	3,239	260	—
Capital Grants, Contributions and Restricted Investment Income.....	—	—	—
TOTAL PROGRAM REVENUES.....	306,780	330	—
NET PROGRAM (EXPENSE) REVENUE	(148,371)	(2,283)	(7,403)
GENERAL REVENUES:			
Unrestricted Investment Income.....	7,430	67	11,949
State Assistance.....	2,690	—	—
Other.....	—	—	—
TOTAL GENERAL REVENUES.....	10,120	67	11,949
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	—	—
CHANGE IN NET POSITION.....	(138,251)	(2,216)	4,546
NET POSITION (DEFICITS), JULY 1 (as restated).....	112,736	10,557	(93,218)
NET POSITION (DEFICITS), JUNE 30.....	\$ (25,515)	\$ 8,341	\$ (88,672)

JOBSOHIO	UNIVERSITY OF CINCINNATI	OHIO UNIVERSITY	MIAMI UNIVERSITY	UNIVERSITY OF AKRON	BOWLING GREEN STATE UNIVERSITY
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
1,656,613	—	—	—	—	—
—	353,193	241,184	193,715	75,377	115,065
—	150,996	37,995	11,608	10,976	9,156
—	59,870	54,229	6,281	8,106	18,939
—	82,265	61,336	52,538	17,380	20,353
—	41,442	44,557	22,760	7,695	13,761
—	139,054	54,743	61,796	26,321	28,479
—	27,367	47,123	27,230	11,307	16,127
—	59,364	40,488	43,708	29,931	27,532
—	95,471	48,778	70,739	23,209	49,024
—	—	—	—	—	—
44,926	47,303	26,191	27,665	15,560	7,614
1,361	133,567	61,372	73,794	47,447	40,028
—	223	(94,721)	(61,044)	400	25,195
1,702,900	1,190,115	623,275	530,790	273,709	371,273
1,685,904	942,495	296,435	415,746	144,997	219,677
—	504,894	50,394	118,378	34,756	124,078
—	9,763	1,139	1,577	5,806	2,911
1,685,904	1,457,152	347,968	535,701	185,559	346,666
(16,996)	267,037	(275,307)	4,911	(88,150)	(24,607)
4,603	20,811	286,758	267,396	88,222	94,098
—	253,595	202,212	85,257	101,150	90,460
16	4,025	181,930	—	60,013	10,077
4,619	278,431	670,900	352,653	249,385	194,635
—	432	16,543	31,130	1,399	10,136
(12,377)	545,900	412,136	388,694	162,634	180,164
661,242	1,876,906	1,238,719	1,619,323	351,515	501,798
\$ 648,865	\$ 2,422,806	\$ 1,650,855	\$ 2,008,017	\$ 514,149	\$ 681,962

(continued)

STATE OF OHIO
COMBINING STATEMENT OF ACTIVITIES
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)
(continued)

	KENT STATE UNIVERSITY	UNIVERSITY OF TOLEDO	CLEVELAND STATE UNIVERSITY
EXPENSES:			
Transportation.....	\$ —	\$ —	\$ —
Community and Economic Development.....	—	—	—
Education and General:			
Instruction and Departmental Research.....	225,543	188,177	112,667
Separately Budgeted Research.....	19,351	43,870	10,756
Public Service.....	12,434	9,107	8,850
Academic Support.....	54,450	63,917	29,028
Student Services.....	35,162	24,264	18,477
Institutional Support.....	95,458	27,515	41,046
Operation and Maintenance of Plant.....	38,346	33,373	23,443
Scholarships and Fellowships.....	55,919	18,624	21,319
Auxiliary Enterprises.....	57,137	57,111	25,111
Hospitals.....	—	386,587	—
Interest on Long-Term Debt.....	7,095	12,996	8,046
Depreciation.....	56,058	55,906	29,981
Other.....	(85,993)	18,590	(46,669)
TOTAL EXPENSES.....	570,960	940,037	282,055
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	326,139	631,232	187,747
Operating Grants, Contributions and Restricted Investment Income.....	140,124	83,799	46,809
Capital Grants, Contributions and Restricted Investment Income.....	—	859	—
TOTAL PROGRAM REVENUES.....	466,263	715,890	234,556
NET PROGRAM (EXPENSE) REVENUE	(104,697)	(224,147)	(47,499)
GENERAL REVENUES:			
Unrestricted Investment Income.....	143,273	125,017	3,032
State Assistance.....	160,082	125,686	93,624
Other.....	24,474	332,656	56,392
TOTAL GENERAL REVENUES.....	327,829	583,359	153,048
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	—	—
CHANGE IN NET POSITION.....	223,132	359,212	105,549
NET POSITION (DEFICITS), JULY 1 (as restated).....	543,753	216,931	319,366
NET POSITION (DEFICITS), JUNE 30.....	\$ 766,885	\$ 576,143	\$ 424,915

YOUNGSTOWN STATE UNIVERSITY	WRIGHT STATE UNIVERSITY	SHAWNEE STATE UNIVERSITY	NORTHEAST OHIO MEDICAL UNIVERSITY	CENTRAL STATE UNIVERSITY	TERRA STATE COMMUNITY COLLEGE
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	—	—
61,345	111,536	16,540	19,852	12,549	4,843
2,453	17,654	—	8,706	5,962	—
2,650	9,282	3,266	5,506	7,856	435
8,493	20,663	1,368	7,092	5,604	462
6,201	8,370	6,467	179	4,414	1,772
15,447	25,372	9,291	6,481	1,802	5,671
13,420	9,248	2,413	6,511	6,870	1,130
31,191	16,556	5,064	708	4,028	101
15,310	11,761	4,428	11,294	10,243	422
—	—	—	—	—	—
3,352	2,377	584	7,787	1,182	173
14,138	18,608	3,502	11,279	7,869	1,432
22	2,267	—	191	641	82
174,022	253,694	52,923	85,586	69,020	16,523
115,170	112,989	20,229	40,544	22,038	3,612
75,846	82,598	4,382	22,189	45,178	3,344
6,388	1,586	—	—	—	—
197,404	197,173	24,611	62,733	67,216	6,956
23,382	(56,521)	(28,312)	(22,853)	(1,804)	(9,567)
58,684	10,226	5,483	19,103	1,101	1,374
53,273	96,191	18,057	27,669	15,805	6,450
977	49,582	22,710	16,285	11,847	3,205
112,934	155,999	46,250	63,057	28,753	11,029
9,011	—	—	427	—	—
145,327	99,478	17,938	40,631	26,949	1,462
317,662	231,581	54,354	64,688	88,330	15,268
\$ 462,989	\$ 331,059	\$ 72,292	\$ 105,319	\$ 115,279	\$ 16,730

(continued)

STATE OF OHIO
COMBINING STATEMENT OF ACTIVITIES
NONMAJOR DISCRETELY PRESENTED COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)
(continued)

	COLUMBUS STATE COMMUNITY COLLEGE	CLARK STATE COMMUNITY COLLEGE	EDISON STATE COMMUNITY COLLEGE
EXPENSES:			
Transportation.....	\$ —	\$ —	\$ —
Community and Economic Development.....	—	—	—
Education and General:			
Instruction and Departmental Research.....	79,168	13,983	6,897
Separately Budgeted Research.....	—	—	—
Public Service.....	27,017	1,728	231
Academic Support.....	7,835	930	474
Student Services.....	16,485	4,600	1,091
Institutional Support.....	37,378	7,002	5,678
Operation and Maintenance of Plant.....	16,746	3,282	1,070
Scholarships and Fellowships.....	13,264	4,882	1,994
Auxiliary Enterprises.....	8,171	1,066	7
Hospitals.....	—	—	—
Interest on Long-Term Debt.....	2,770	368	62
Depreciation.....	9,296	2,000	1,189
Other.....	24	848	—
TOTAL EXPENSES.....	218,154	40,689	18,693
PROGRAM REVENUES:			
Charges for Services, Fees, Fines and Forfeitures.....	125,064	10,312	6,399
Operating Grants, Contributions and Restricted Investment Income.....	17,287	18,116	1,301
Capital Grants, Contributions and Restricted Investment Income.....	—	—	—
TOTAL PROGRAM REVENUES.....	142,351	28,428	7,700
NET PROGRAM (EXPENSE) REVENUE	(75,803)	(12,261)	(10,993)
GENERAL REVENUES:			
Unrestricted Investment Income.....	2,922	5,259	6
State Assistance.....	81,647	17,032	10,216
Other.....	11,414	—	6,065
TOTAL GENERAL REVENUES.....	95,983	22,291	16,287
ADDITIONS (DEDUCTIONS) TO ENDOWMENTS AND PERMANENT FUND PRINCIPAL.....	—	274	—
CHANGE IN NET POSITION.....	20,180	10,304	5,294
NET POSITION (DEFICITS), JULY 1 (as restated).....	121,392	42,643	11,320
NET POSITION (DEFICITS), JUNE 30.....	\$ 141,572	\$ 52,947	\$ 16,614

SOUTHERN STATE COMMUNITY COLLEGE	WASHINGTON STATE COMMUNITY COLLEGE	CINCINNATI STATE COMMUNITY COLLEGE	NORTHWEST STATE COMMUNITY COLLEGE	OWENS STATE COMMUNITY COLLEGE	TOTAL NONMAJOR COMPONENT UNITS
\$ —	\$ —	\$ —	\$ —	\$ —	\$ 276,142
—	—	—	—	—	1,660,828
3,798	4,205	22,503	17,294	29,036	1,908,470
—	—	—	—	266	329,749
1,385	—	1,706	27	1,815	240,720
1,216	2,047	4,595	967	2,729	445,742
2,183	1,322	3,803	2,130	5,934	273,069
1,725	3,355	18,074	6,516	15,009	633,213
1,019	1,762	5,359	1,018	6,838	301,002
1,484	1,273	3,560	2,486	3,008	386,484
903	—	602	1,105	526	492,418
—	—	—	—	—	386,587
419	—	914	—	—	319,578
1,108	928	3,452	1,542	6,243	664,716
—	—	720	12	83	(239,129)
15,240	14,892	65,288	33,097	71,487	8,079,589
5,276	3,739	17,493	14,097	27,705	5,678,650
2,491	6,511	33,266	6,656	4,620	1,430,516
—	—	—	—	—	30,029
7,767	10,250	50,759	20,753	32,325	7,139,195
(7,473)	(4,642)	(14,529)	(12,344)	(39,162)	(940,394)
577	494	2,901	1,598	1,066	1,163,450
11,334	6,617	31,973	11,503	28,477	1,531,000
4,308	298	8,452	—	21,885	826,611
16,219	7,409	43,326	13,101	51,428	3,521,061
—	—	—	—	331	69,683
8,746	2,767	28,797	757	12,597	2,650,350
3,879	14,752	5,517	14,342	50,898	8,396,254
\$ 12,625	\$ 17,519	\$ 34,314	\$ 15,099	\$ 63,495	\$ 11,046,604

STATE OF OHIO
BALANCE SHEET
OHIO FACILITIES CONSTRUCTION COMMISSION
DISCRETELY PRESENTED COMPONENT UNIT
JUNE 30, 2021
(dollars in thousands)

	OHIO FACILITIES CONSTRUCTION COMMISSION
ASSETS:	
Cash Equity with Treasurer.....	\$ 359,134
Investments.....	2,514
Collateral on Lent Securities.....	79,991
TOTAL ASSETS.....	\$ 441,639
LIABILITIES:	
Accounts Payable.....	\$ 3,281
Accrued Liabilities.....	271
Obligations Under Securities Lending.....	79,991
Intergovernmental Payable.....	375,215
Refund and Other Liabilities.....	2,514
TOTAL LIABILITIES.....	461,272
DEFERRED INFLOWS OF RESOURCES.....	3,104,058
FUND BALANCES (DEFICITS):	
Restricted for:	
Community and Economic Development.....	6,950
Unassigned.....	(3,130,641)
TOTAL FUND BALANCES (DEFICITS).....	(3,123,691)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 441,639

STATE OF OHIO
 RECONCILIATION OF THE BALANCE SHEET
 TO THE STATEMENT OF NET POSITION
 OHIO FACILITIES CONSTRUCTION COMMISSION
 DISCRETELY PRESENTED COMPONENT UNIT
 JUNE 30, 2021
 (dollars in thousands)

OHIO FACILITIES
 CONSTRUCTION
 COMMISSION

Total Fund Balances (Deficits)..... \$ **(3,123,691)**

Total net position reported for governmental activities in the Statement of Net Position is different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. Those assets consist of:

Machinery and Equipment, net of \$3,921 accumulated depreciation..... 13

The following liabilities are not due and payable in the current period, and therefore, are not reported in the funds:

Refund and Other Liabilities-Compensated Absences..... (1,423)

Total Net Position (Deficits)..... \$ **(3,125,101)**

STATE OF OHIO
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
OHIO FACILITIES CONSTRUCTION COMMISSION
DISCRETELY PRESENTED COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

	OHIO FACILITIES CONSTRUCTION COMMISSION
REVENUES:	
State Assistance.....	\$ 454,795
Investment Income.....	1,985
Other.....	6,019
TOTAL REVENUES.....	<u>462,799</u>
EXPENDITURES:	
CURRENT OPERATING:	
Primary, Secondary and Other Education.....	5,475
Community and Economic Development.....	55,195
TOTAL EXPENDITURES.....	<u>60,670</u>
NET CHANGE IN FUND BALANCES.....	<u>402,129</u>
FUND BALANCES (DEFICITS), JULY 1.....	<u>(3,525,820)</u>
FUND BALANCES (DEFICITS), JUNE 30.....	<u>\$ (3,123,691)</u>

STATE OF OHIO

RECONCILIATION OF THE STATEMENT OF REVENUES,
 EXPENDITURES AND CHANGES IN FUND BALANCES
 TO THE STATEMENT OF ACTIVITIES
 OHIO FACILITIES CONSTRUCTION COMMISSION
 DISCRETELY PRESENTED COMPONENT UNIT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(dollars in thousands)

**OHIO FACILITIES
 CONSTRUCTION
 COMMISSION**

Net Change in Fund Balances..... **\$ 402,129**

The change in net position reported for governmental activities in the Statement of Activities is different because:

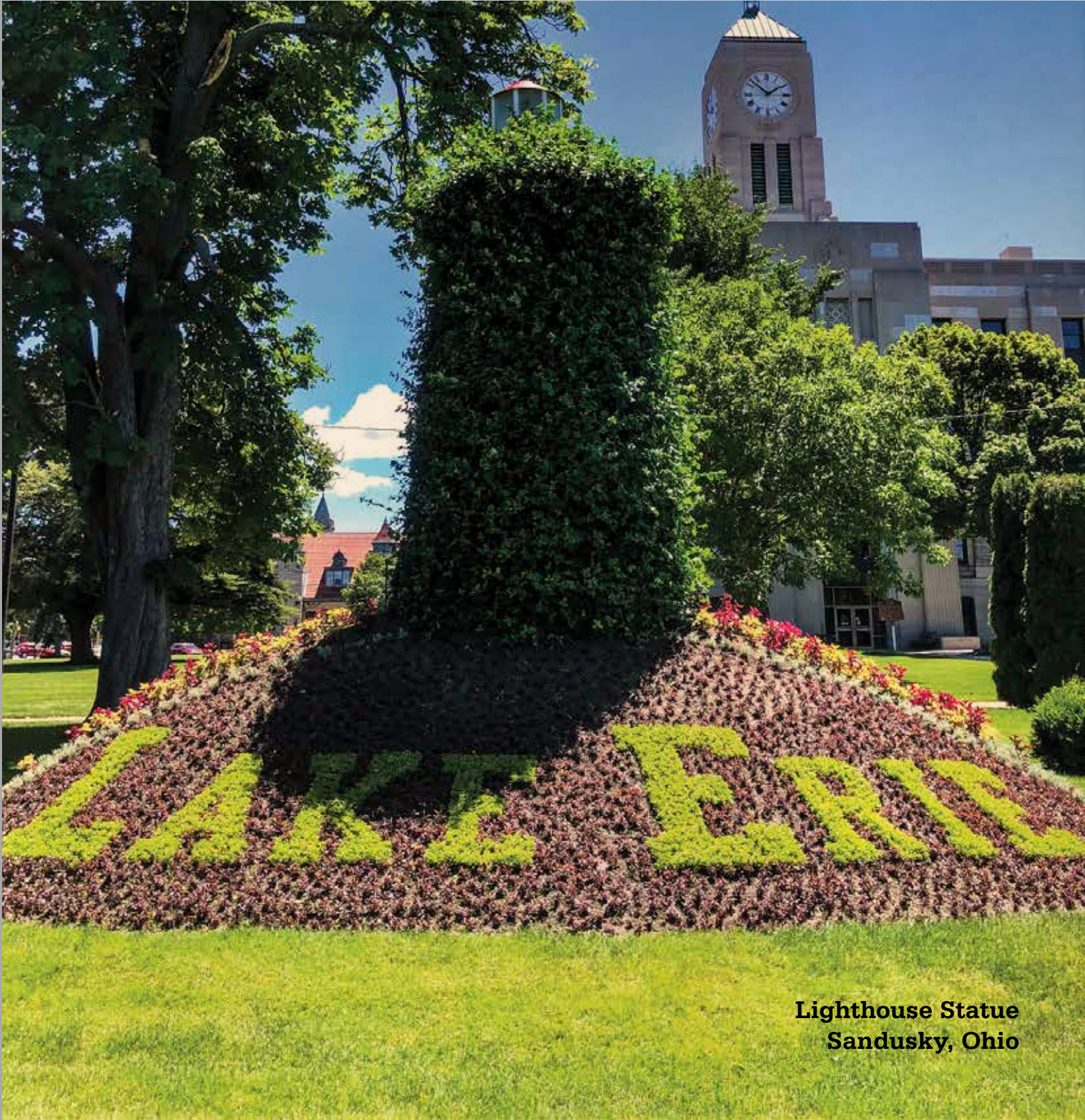
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays were in excess/deficient over depreciation in the current period.

Depreciation Expense..... (2)

Expenses for compensated absences reported in the Statement of Activities are not reported as expenditures in the governmental funds. (200)

Change in Net Position..... **\$ 401,927**

Statistical Section



**Lighthouse Statue
Sandusky, Ohio**

STATISTICAL SECTION

This section of the State of Ohio's Annual Comprehensive Financial Report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information.

	<u>Pages</u>
Financial Trends	280-293
<p>These schedules contain trend information to assist the reader in understanding how the State's financial performance and condition have changed over time.</p>	
Revenue Capacity	294-307
<p>These schedules contain information to assist the reader in assessing the State's two most significant own-source revenues: income taxes and sales taxes.</p>	
Debt Capacity	308-315
<p>These schedules present information to assist the reader in assessing the affordability of the State's current levels of outstanding debt and its ability to issue additional debt in the future.</p>	
Economic and Demographic Information	316-319
<p>These schedules offer economic and demographic indicators to assist the reader in understanding the environment within which the State's financial activities take place.</p>	
Operating Information	320-327
<p>These schedules contain service and infrastructure data to assist the reader in understanding how the information in the State's financial report relates to the services the State provides and to the activities it performs.</p>	

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

STATE OF OHIO
NET POSITION BY COMPONENT
FOR THE LAST TEN FISCAL YEARS
(accrual basis of accounting)
(dollars in thousands)

	2021	2020	2019	2018
GOVERNMENTAL ACTIVITIES:				
Net Investment in Capital Assets.....	\$ 25,297,331	\$ 24,838,706	\$ 24,458,022	\$ 24,363,007
Restricted for:				
Primary, Secondary and Other Education.....	135,713	101,891	133,130	139,583
Higher Education Support.....	76,044	7,710	14,444	23,579
Public Assistance and Medicaid.....	442,377	419,930	459,789	500,747
Health and Human Services.....	487,403	192,898	126,724	116,726
Justice and Public Protection.....	166,156	99,642	38,126	159,884
Environmental Protection and Natural Resources.....	417,404	339,004	359,593	275,626
Transportation.....	2,849,466	2,421,542	1,919,480	2,534,052
General Government.....	280,968	245,143	218,522	277,782
Community and Economic Development.....	1,049,749	855,297	659,085	529,084
Total Restricted Net Position.....	<u>5,905,280</u>	<u>4,683,057</u>	<u>3,928,893</u>	<u>4,557,063</u>
Unrestricted.....	<u>(5,376,159)</u>	<u>(10,968,244)</u>	<u>(11,132,056)</u>	<u>(12,787,140)</u>
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION.....	<u>\$ 25,826,452</u>	<u>\$ 18,553,519</u>	<u>\$ 17,254,859</u>	<u>\$ 16,132,930</u>
BUSINESS-TYPE ACTIVITIES:				
Net Investment in Capital Assets.....	\$ 91,810	\$ 111,342	\$ 134,728	\$ 162,367
Restricted for:				
Workers' Compensation.....	9,275,737	11,466,770	11,178,867	9,791,094
Lottery Prizes.....	91,013	99,467	57,181	27,954
Unemployment Compensation.....	—	—	1,303,856	974,990
Tuition Trust Authority.....	114,227	108,561	105,906	97,366
Total Restricted Net Position.....	<u>9,480,977</u>	<u>11,674,798</u>	<u>12,645,810</u>	<u>10,891,404</u>
Unrestricted.....	<u>(774,386)</u>	<u>(146,253)</u>	<u>78,530</u>	<u>64,432</u>
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION.....	<u>\$ 8,798,401</u>	<u>\$ 11,639,887</u>	<u>\$ 12,859,068</u>	<u>\$ 11,118,203</u>
PRIMARY GOVERNMENT:				
Net Investment in Capital Assets.....	\$ 25,389,141	\$ 24,950,048	\$ 24,592,750	\$ 24,525,374
Restricted.....	15,386,257	16,357,855	16,574,703	15,448,467
Unrestricted.....	<u>(6,150,545)</u>	<u>(11,114,497)</u>	<u>(11,053,526)</u>	<u>(12,722,708)</u>
TOTAL PRIMARY GOVERNMENT NET POSITION.....	<u>\$ 34,624,853</u>	<u>\$ 30,193,406</u>	<u>\$ 30,113,927</u>	<u>\$ 27,251,133</u>

Source:
Ohio Office of Budget and Management

Note:

When practical or material, net position reported on the above table has been restated for prior period adjustments, corrections, and reclassifications. However, restatements do not include changes in reporting entity. For comparative purposes, however, the effects of such adjustments and corrections on the revenue and expense activity reported for the applicable fiscal years on the "Changes in Net Position" table may not have been determined for presentation on that table.

2017	2016	2015	2014	2013	2012
\$ 24,140,366	\$ 23,925,328	\$ 23,396,447	\$ 22,627,911	\$ 22,489,929	\$ 22,147,262
95,110	148,740	110,978	137,427	236,391	129,353
25,999	26,255	25,974	26,320	—	—
736,002	810,132	746,730	508,588	535,410	219,153
143,264	103,534	81,982	54,834	100,424	101,056
160,990	132,257	122,305	30,570	42,623	29,516
191,591	199,490	199,409	160,607	147,955	148,200
3,369,425	3,191,913	3,370,828	3,238,716	3,064,127	2,613,620
266,681	169,286	200,748	133,877	131,823	93,089
424,992	329,909	243,166	164,784	250,797	245,631
5,414,054	5,111,516	5,102,120	4,455,723	4,509,550	3,579,618
(10,571,925)	(9,089,117)	(9,180,751)	(5,828,679)	(5,784,139)	(7,128,873)
\$ 18,982,495	\$ 19,947,727	\$ 19,317,816	\$ 21,254,955	\$ 21,215,340	\$ 18,598,007
\$ 176,237	\$ 186,037	\$ 159,466	\$ 129,804	\$ 92,290	\$ 67,331
9,603,996	8,596,001	9,125,985	9,334,215	6,690,414	7,760,634
46,998	77,464	66,332	73,751	85,085	123,724
644,872	315,980	—	—	—	—
97,985	74,559	89,896	73,631	39,379	—
10,393,851	9,064,004	9,282,213	9,481,597	6,814,878	7,884,358
154,915	131,660	(163,314)	(670,679)	(1,085,302)	(1,383,125)
\$ 10,725,003	\$ 9,381,701	\$ 9,278,365	\$ 8,940,722	\$ 5,821,866	\$ 6,568,564
\$ 24,316,603	\$ 24,111,365	\$ 23,555,913	\$ 22,757,715	\$ 22,582,219	\$ 22,214,593
15,807,905	14,175,520	14,384,333	13,937,320	11,324,428	11,463,976
(10,417,010)	(8,957,457)	(9,344,065)	(6,499,358)	(6,869,441)	(8,511,998)
\$ 29,707,498	\$ 29,329,428	\$ 28,596,181	\$ 30,195,677	\$ 27,037,206	\$ 25,166,571

STATE OF OHIO
 CHANGES IN NET POSITION
 FOR THE LAST TEN FISCAL YEARS
(accrual basis of accounting)
(dollars in thousands)

	2021	2020	2019
EXPENSES:			
GOVERNMENTAL ACTIVITIES:			
Primary, Secondary and Other Education.....	\$ 14,679,666	\$ 13,500,953	\$ 13,115,806
Higher Education Support.....	3,008,618	2,696,257	2,731,166
Public Assistance and Medicaid.....	37,646,142	32,728,623	30,187,506
Health and Human Services.....	1,898,068	1,922,794	1,926,151
Justice and Public Protection.....	3,303,035	4,213,200	4,383,344
Environmental Protection and Natural Resources.....	457,657	505,950	557,249
Transportation.....	2,565,694	2,661,529	2,715,640
General Government.....	2,085,214	1,331,397	1,223,453
Community and Economic Development.....	4,003,838	3,498,595	3,386,936
Interest on Long-Term Debt (excludes interest charged as program expense).....	91,499	98,824	102,143
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES.....	69,739,431	63,158,122	60,329,394
BUSINESS-TYPE ACTIVITIES:			
Workers' Compensation.....	6,845,396	2,772,348	2,113,612
Lottery Commission.....	4,091,517	3,209,778	3,242,547
Unemployment Compensation.....	14,539,576	9,765,240	841,040
Ohio Building Authority.....	—	—	—
Tuition Trust Authority.....	31,902	44,813	50,778
Liquor Control.....	—	—	—
Office of Auditor of State.....	41,946	95,221	102,347
TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES.....	25,550,337	15,887,400	6,350,324
TOTAL PRIMARY GOVERNMENT EXPENSES.....	\$ 95,289,768	\$ 79,045,522	\$ 66,679,718
PROGRAM REVENUES:			
GOVERNMENTAL ACTIVITIES:			
Charges for Services, Fees, Fines and Forfeitures:			
Public Assistance and Medicaid.....	\$ 3,516,188	\$ 2,887,667	\$ 2,663,006
Justice and Public Protection.....	1,197,262	1,091,454	1,125,871
General Government.....	662,303	438,463	500,983
Community and Economic Development.....	465,365	447,166	402,064
Other Activities.....	668,264	639,319	591,294
Operating Grants, Contributions and Restricted Investment Income/(Loss).....	36,859,973	28,234,460	25,555,901
Capital Grants, Contributions and Restricted Investment Income/(Loss).....	1,485,791	1,509,920	1,481,791
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES.....	44,855,146	35,248,449	32,320,910
BUSINESS-TYPE ACTIVITIES:			
Charges for Services, Fees, Fines and Forfeitures:			
Workers' Compensation.....	1,176,954	1,257,429	1,299,895
Lottery Commission.....	5,515,487	4,294,220	4,423,668
Unemployment Compensation.....	1,264,495	1,162,361	1,154,235
Liquor Control.....	—	—	—
Other Activities.....	51,552	52,382	51,387
Operating Grants, Contributions and Restricted Investment Income/(Loss).....	16,042,228	9,011,299	2,303,277
TOTAL BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES.....	24,050,716	15,777,691	9,232,462
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES.....	\$ 68,905,862	\$ 51,026,140	\$ 41,553,372

	2018	2017	2016	2015	2014	2013	2012
\$	13,244,868	\$ 13,227,781	\$ 12,728,780	\$ 12,767,328	\$ 12,287,325	\$ 11,461,600	\$ 12,340,848
	2,771,493	2,760,035	2,603,480	2,536,850	2,474,851	2,403,149	2,348,154
	30,454,468	29,873,408	29,103,304	28,265,942	25,283,157	21,624,298	21,206,515
	1,744,243	1,636,753	1,656,750	1,576,185	1,579,156	3,504,235	3,835,369
	3,670,780	3,883,836	3,587,845	3,210,965	3,385,337	3,136,239	3,202,970
	567,788	571,532	586,001	507,889	419,539	437,297	407,379
	2,598,688	2,860,338	2,602,708	2,660,362	2,706,248	2,657,961	2,564,702
	951,063	946,923	948,796	921,426	835,785	921,636	599,639
	3,458,487	3,256,655	3,353,699	3,518,678	3,448,735	3,510,004	3,867,888
	97,799	94,290	99,819	102,980	103,283	114,859	118,902
	59,559,677	59,111,551	57,271,182	56,068,605	52,523,416	49,771,278	50,492,366
	2,227,977	2,419,185	3,322,700	2,533,883	2,417,674	3,428,859	1,945,190
	3,022,690	2,882,887	2,866,920	2,724,306	2,310,169	2,100,887	2,001,671
	929,460	985,624	1,021,152	1,034,060	1,444,870	1,976,518	2,754,835
	—	—	—	—	—	—	13,010
	57,115	63,711	67,385	71,801	72,215	80,560	80,157
	—	—	—	—	—	310,209	543,729
	81,574	91,100	78,917	70,032	70,586	65,845	69,183
	6,318,816	6,442,507	7,357,074	6,434,082	6,315,514	7,962,878	7,407,775
\$	65,878,493	65,554,058	64,628,256	62,502,687	58,838,930	57,734,156	57,900,141
\$	2,680,920	\$ 1,746,969	\$ 1,946,102	\$ 1,438,860	\$ 1,506,096	\$ 1,152,467	\$ 1,289,463
	1,129,008	1,135,411	1,103,131	1,071,484	1,030,928	1,078,277	943,142
	460,910	532,489	557,775	480,796	548,649	418,085	543,699
	343,546	500,766	571,317	519,685	506,511	594,030	406,022
	615,324	641,013	749,346	709,606	632,883	950,819	852,501
	25,162,423	25,070,684	24,721,794	23,965,473	21,454,316	20,189,757	20,053,479
	1,424,697	1,442,906	1,430,936	1,398,463	1,523,237	1,695,846	1,573,765
	31,816,828	31,070,238	31,080,401	29,584,367	27,202,620	26,079,281	25,662,071
	1,172,347	1,554,566	1,451,585	1,962,587	2,093,962	1,504,112	1,958,593
	4,153,363	3,933,361	3,987,235	3,776,450	3,288,039	2,939,773	2,781,737
	1,253,015	1,311,094	1,178,304	1,228,403	1,270,232	1,342,217	1,674,456
	—	—	—	—	—	485,607	791,454
	54,954	55,109	57,035	52,811	57,531	60,028	73,707
	1,402,895	1,959,320	1,444,535	609,269	3,398,375	1,697,735	3,568,089
	8,036,574	8,813,450	8,118,694	7,629,520	10,108,139	8,029,472	10,848,036
\$	39,853,402	39,883,688	39,199,095	37,213,887	37,310,759	34,108,753	36,510,107

STATE OF OHIO
 CHANGES IN NET POSITION
 FOR THE LAST TEN FISCAL YEARS

(accrual basis of accounting)
 (dollars in thousands)
 (continued)

	2021	2020	2019
NET (EXPENSE) REVENUE:			
Governmental Activities.....	\$ (24,884,285)	\$ (27,909,673)	\$ (28,008,484)
Business-Type Activities.....	(1,499,621)	(109,709)	2,882,138
TOTAL PRIMARY GOVERNMENT NET (EXPENSE).....	\$ (26,383,906)	\$ (28,019,382)	\$ (25,126,346)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION:			
GOVERNMENTAL ACTIVITIES:			
TAXES:			
Income.....	\$ 9,852,014	\$ 8,793,396	\$ 9,532,285
Sales.....	12,338,794	11,000,053	10,791,460
Corporate and Public Utility.....	3,137,355	2,964,107	3,072,683
Cigarette.....	928,637	913,712	917,278
Other.....	1,165,968	1,104,710	1,074,712
Restricted for Transportation Purposes:			
Motor Vehicle Fuel Taxes.....	2,547,613	2,593,158	1,874,409
TOTAL TAXES.....	29,970,381	27,369,136	27,262,827
Tobacco Settlement.....	362,378	324,269	343,125
Escheat Property.....	230,265	194,814	147,736
Unrestricted Investment Income.....	(22,994)	210,539	235,370
Other.....	723	67	20
Gain (Loss) on Extinguishment of Debt.....	—	—	—
Transfers-Internal Activities.....	1,342,535	1,109,508	1,141,335
TOTAL GOVERNMENTAL ACTIVITIES.....	31,883,288	29,208,333	29,130,413
BUSINESS-TYPE ACTIVITIES:			
Unrestricted Investment Income.....	7	21	24
Other.....	552	15	38
Gain on Extinguishment of Debt.....	111	—	—
Transfers-Internal Activities.....	(1,342,535)	(1,109,508)	(1,141,335)
TOTAL BUSINESS-TYPE ACTIVITIES.....	(1,341,865)	(1,109,472)	(1,141,273)
TOTAL PRIMARY GOVERNMENT.....	\$ 30,541,423	\$ 28,098,861	\$ 27,989,140
CHANGE IN NET POSITION:			
Governmental Activities.....	\$ 6,999,003	\$ 1,298,660	\$ 1,121,929
Business-Type Activities.....	(2,841,486)	(1,219,181)	1,740,865
TOTAL PRIMARY GOVERNMENT	\$ 4,157,517	\$ 79,479	\$ 2,862,794

Source:

Ohio Office of Budget and Management

Note:

During fiscal year 2014, Ohio House Bill 59 line item restructuring resulted in increases to Public Assistance and Medicaid expenses and decreases to Health and Human Services expenses.

Ohio Building Authority ceased operations December 31, 2011.

On February 1, 2013, the State granted a 25-year franchise on its spirituous liquor system. Activity of the Liquor Control Enterprise Fund ceased as of January 31, 2013.

Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

2018	2017	2016	2015	2014	2013	2012
\$ (27,742,849)	\$ (28,041,313)	\$ (26,190,781)	\$ (26,484,238)	\$ (25,320,796)	\$ (23,691,997)	\$ (24,830,295)
1,717,758	2,370,943	761,620	1,195,438	3,792,625	66,594	3,440,261
\$ (26,025,091)	\$ (25,670,370)	\$ (25,429,161)	\$ (25,288,800)	\$ (21,528,171)	\$ (23,625,403)	\$ (21,390,034)
\$ 8,474,637	\$ 8,021,202	\$ 7,984,708	\$ 8,906,476	\$ 8,356,216	\$ 9,826,097	\$ 9,017,760
10,358,501	10,804,340	10,548,038	10,170,995	9,386,554	8,635,076	8,304,263
2,843,017	2,754,290	2,737,316	2,687,540	2,682,274	2,560,420	2,501,140
939,953	979,973	1,008,677	808,270	813,056	828,812	843,180
1,024,397	1,019,058	1,006,342	953,339	888,059	993,217	708,041
1,891,116	1,952,512	1,798,483	1,827,134	1,782,437	1,774,781	1,800,473
25,531,621	25,531,375	25,083,564	25,353,754	23,908,596	24,618,403	23,174,857
352,355	350,378	341,130	284,267	362,472	336,255	333,148
158,770	159,585	161,904	220,486	192,184	167,140	153,556
24,741	2,975	70,897	36,462	1,733	25,881	3,702
17	30	1,683	275	839	239,435	48,078
—	—	—	1,276	—	(154,607)	—
1,168,236	1,031,738	1,160,878	1,082,061	955,721	1,082,887	949,952
27,235,740	27,076,081	26,820,056	26,978,581	25,421,545	26,315,394	24,663,293
15	12	8	5	3	3	3
—	—	—	—	11	—	5
—	4,085	502,586	402,562	281,938	273,851	—
(1,168,236)	(1,031,738)	(1,160,878)	(1,082,061)	(955,721)	(1,082,887)	(949,952)
(1,168,221)	(1,027,641)	(658,284)	(679,494)	(673,769)	(809,033)	(949,944)
\$ 26,067,519	\$ 26,048,440	\$ 26,161,772	\$ 26,299,087	\$ 24,747,776	\$ 25,506,361	\$ 23,713,349
\$ (507,109)	\$ (965,232)	\$ 629,275	\$ 494,343	\$ 100,749	\$ 2,623,397	\$ (167,002)
549,537	1,343,302	103,336	515,944	3,118,856	(742,439)	2,490,317
\$ 42,428	\$ 378,070	\$ 732,611	\$ 1,010,287	\$ 3,219,605	\$ 1,880,958	\$ 2,323,315

STATE OF OHIO

CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

	2021	2020	2019	2018	2017
REVENUES:					
Income Taxes.....	\$ 9,843,394	\$ 8,777,091	\$ 9,503,674	\$ 8,463,731	\$ 8,035,064
Sales Taxes.....	12,338,794	11,000,053	10,791,460	10,358,501	10,804,340
Corporate and Public Utility Taxes.....	3,137,355	2,964,107	3,072,683	2,843,017	2,754,290
Motor Vehicle Fuel Taxes.....	2,547,613	2,593,159	1,874,409	1,891,116	1,952,512
Cigarette Taxes.....	928,637	913,712	917,278	939,953	979,973
Other Taxes.....	1,165,968	1,104,710	1,074,712	1,024,397	1,019,058
Licenses, Permits and Fees.....	4,800,553	4,302,210	4,043,779	4,004,408	3,281,235
Sales, Services and Charges.....	125,181	146,829	154,222	152,991	149,800
Federal Government.....	38,148,796	29,335,110	26,813,932	26,294,572	26,258,500
Tobacco Settlement.....	308,689	289,064	298,121	331,911	270,680
Escheat Property.....	230,265	194,814	147,736	158,770	159,585
Investment Income.....	65,799	423,991	485,415	157,172	74,314
Other	1,706,045	1,173,435	1,206,735	1,194,775	1,219,676
TOTAL REVENUES.....	75,347,089	63,218,285	60,384,156	57,815,314	56,959,027
EXPENDITURES:					
Current Operating:					
Primary, Secondary and					
Other Education.....	14,454,715	13,186,680	12,689,272	12,881,773	12,836,664
Higher Education Support.....	2,898,468	2,568,093	2,585,035	2,627,892	2,620,509
Public Assistance and Medicaid.....	37,835,781	32,682,274	30,105,826	30,327,824	29,666,058
Health and Human Services.....	2,420,162	1,770,136	1,689,843	1,643,314	1,528,658
Justice and Public Protection.....	4,141,065	3,866,732	3,659,939	3,495,950	3,444,724
Environmental Protection and					
Natural Resources.....	504,780	448,235	420,258	442,004	420,190
Transportation.....	2,845,423	2,708,547	2,627,115	2,518,937	2,689,150
General Government.....	2,409,469	1,211,884	1,007,616	898,737	827,684
Community and Economic					
Development.....	3,956,794	3,402,872	3,268,371	3,344,971	3,156,209
Capital Outlay.....	512,291	740,143	820,209	771,797	673,399
Debt service:					
Principal.....	1,010,970	1,381,785	1,249,145	1,196,470	1,209,865
Interest.....	744,103	1,027,375	843,917	806,468	796,699
TOTAL EXPENDITURES.....	73,734,021	64,994,756	60,966,546	60,956,137	59,869,809
EXCESS (DEFICIENCY) OF					
REVENUES OVER (UNDER)					
EXPENDITURES.....	1,613,068	(1,776,471)	(582,390)	(3,140,823)	(2,910,782)

	2016	2015	2014	2013	2012
\$	7,996,349	\$ 8,906,259	\$ 8,411,694	\$ 9,811,982	\$ 9,076,284
	10,548,038	10,170,995	9,386,554	8,643,468	8,304,705
	2,737,316	2,687,540	2,682,274	2,555,959	2,500,905
	1,798,483	1,827,134	1,782,437	1,774,781	1,800,473
	1,008,677	808,270	813,056	828,812	843,180
	1,006,342	953,339	888,059	993,217	708,041
	3,498,903	3,000,470	3,058,221	3,207,414	3,002,172
	145,147	115,672	107,676	95,686	96,982
	26,281,700	24,533,971	22,920,755	21,537,101	21,395,852
	300,051	285,916	331,129	295,086	295,736
	161,904	220,486	208,508	175,284	151,601
	113,375	62,431	21,356	38,255	30,121
	1,392,958	1,307,559	1,126,759	1,207,030	1,091,765
	<u>56,989,243</u>	<u>54,880,042</u>	<u>51,738,478</u>	<u>51,164,075</u>	<u>49,297,817</u>
	12,383,787	12,385,866	11,908,976	11,029,898	11,928,522
	2,467,060	2,400,039	2,335,509	2,263,026	2,210,547
	28,937,506	28,632,189	25,302,660	21,660,378	21,211,351
	1,560,412	1,519,151	1,586,232	3,369,506	3,723,084
	3,324,692	3,195,731	3,091,789	3,062,006	3,073,862
	411,046	413,028	403,119	416,875	390,474
	2,841,556	2,835,705	2,647,937	2,637,989	2,510,742
	875,371	782,777	794,985	821,512	525,706
	3,226,354	3,431,424	3,329,205	3,376,928	3,717,160
	678,594	510,109	379,698	352,670	377,983
	1,199,620	1,229,971	1,177,305	1,813,180	702,345
	802,556	729,002	732,849	72,103	805,399
	<u>58,708,554</u>	<u>58,064,992</u>	<u>53,690,264</u>	<u>50,876,071</u>	<u>51,177,175</u>
	<u>(1,719,311)</u>	<u>(3,184,950)</u>	<u>(1,951,786)</u>	<u>288,004</u>	<u>(1,879,358)</u>

STATE OF OHIO

CHANGES IN FUND BALANCES FOR GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in thousands)

(continued)

	2021	2020	2019	2018	2017
OTHER FINANCING SOURCES (USES):					
Bonds, Notes and COPs Issued.....	\$ 1,282,480	\$ 1,192,590	\$ 1,001,327	\$ 1,937,489	\$ 1,391,350
Refunding Bonds and COPs Issued.....	318,995	6,372,546	—	748,540	—
Payment to Refunded Bond and COPs					
Escrow Agents.....	(479,744)	(6,655,367)	—	(925,161)	—
Premiums.....	344,496	821,820	156,207	454,339	220,157
Capital Leases.....	1,634	1,042	792	198	540
Transfers-in.....	3,744,154	3,802,681	4,036,526	4,055,349	3,579,105
Transfers-out.....	(2,401,619)	(2,693,173)	(2,895,191)	(2,887,113)	(2,547,367)
TOTAL OTHER FINANCING SOURCES (USES).....	2,810,396	2,842,139	2,299,661	3,383,641	2,643,785
SPECIAL ITEMS.....	-	-	-	-	-
NET CHANGE IN FUND BALANCES.....	\$ 4,423,464	\$ 1,065,668	\$ 1,717,271	\$ 242,818	\$ (266,997)
Debt Service as a Percentage of Noncapital Expenditures.....	2.4%	3.7%	3.5%	3.3%	3.4%
Additional Information:					
Increase (Decrease) for Changes in Inventories.....	\$ 90,087	\$ 55,914	\$ 14,738	\$ (16,831)	\$ (19,689)

Source:

Ohio Office of Budget and Management

Note:

During fiscal year 2014, Ohio House Bill 59 line item restructuring resulted in increases to Public Assistance and Medicaid expenditures and decreases to Health and Human Services expenditures.

Revenues, expenditures, and other financing sources (uses) have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

2016	2015	2014	2013	2012
\$ 1,070,000	\$ 1,110,591	\$ 1,347,005	\$ 712,470	\$ 1,357,640
473,270	254,590	407,540	470,520	1,374,660
(584,504)	(382,933)	(479,249)	(1,465,468)	(1,604,658)
273,422	219,999	207,372	209,381	379,506
—	—	2,196	108	560
3,751,704	3,673,216	3,426,036	4,448,253	2,803,070
(2,590,826)	(2,591,155)	(2,470,315)	(3,365,366)	(1,853,118)
<u>2,393,066</u>	<u>2,284,308</u>	<u>2,440,585</u>	<u>1,009,898</u>	<u>2,457,660</u>
-	-	-	1,463,506	-
<u>\$ 673,755</u>	<u>\$ (900,642)</u>	<u>\$ 488,799</u>	<u>\$ 2,761,408</u>	<u>\$ 578,302</u>
3.5%	3.4%	3.6%	3.7%	3.0%
\$ 26,495	\$ 924	\$ 14,593	\$ (21,245)	\$ 14,982

STATE OF OHIO
 FUND BALANCES OF GOVERNMENTAL FUNDS
 FOR THE LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)
 (dollars in thousands)

	2021	2020	2019	2018	2017
GENERAL FUND:					
Nonspendable.....	\$ 47,018	\$ 60,524	\$ 55,497	\$ 52,267	\$ 43,576
Restricted.....	1,605,009	1,410,994	1,592,716	1,465,460	1,370,010
Committed.....	837,568	764,322	728,698	772,528	739,749
Assigned.....	3,856,376	3,207,189	2,885,896	2,539,407	2,995,792
Unassigned.....	5,717,927	2,924,183	2,455,345	667,887	239,478
TOTAL GENERAL FUND.....	12,063,898	8,367,212	7,718,152	5,497,549	5,388,605
ALL OTHER GOVERNMENTAL FUNDS:					
Nonspendable, reported in:					
Special Revenue Funds.....	324,566	139,742	92,572	84,330	94,241
Restricted, reported in:					
Special Revenue Funds.....	3,096,738	2,715,280	2,257,872	2,277,693	2,348,843
Debt Service Funds.....	4,191,849	4,315,820	4,435,344	4,524,129	4,634,898
Capital Projects Funds.....	700,159	539,100	564,484	910,048	512,771
Committed, reported in:					
Special Revenue Funds.....	1,339,378	845,279	738,669	777,030	864,815
Unassigned, reported in:					
Special Revenue Funds.....	(6,674)	-	(1,079)	(1,937)	(1,318)
Capital Projects Funds.....	-	-	(5,163)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS.....	9,646,016	8,555,221	8,082,699	8,571,293	8,454,250
TOTAL GOVERNMENTAL FUNDS.....	\$ 21,709,914	\$ 16,922,433	\$ 15,800,851	\$ 14,068,842	\$ 13,842,855

Source:
 Ohio Office of Budget and Management

Note:

When practical or material, fund balances reported on the above table have been restated for prior period adjustments, corrections, and reclassifications; however, restatements do not include changes in reporting entity. For comparative purposes, however, the effects of such adjustments and corrections on the revenue and expenditure activity reported for the applicable fiscal years on the "Changes in Fund Balances for Governmental Funds" table and the "Condensed Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund" table may not have been determined for presentation on each of the two respective tables.

2016	2015	2014	2013	2012
\$ 45,953	\$ 49,655	\$ 69,787	\$ 59,896	\$ 86,982
1,270,315	1,153,828	1,462,971	1,126,686	1,027,885
820,878	803,551	773,730	751,615	824,607
2,653,290	2,585,575	2,366,979	2,042,246	1,666,177
863,925	411,190	1,255,489	1,259,670	(415,658)
5,654,361	5,003,799	5,928,956	5,240,113	3,189,993
109,665	80,141	76,987	59,902	86,691
2,326,231	2,197,584	2,460,777	2,671,751	2,039,390
4,764,200	4,869,269	4,989,278	5,087,771	5,216,312
528,827	672,113	474,897	387,874	222,778
746,685	606,055	631,086	613,984	561,849
(428)	(306)	(163)	(395)	(547)
-	-	-	(5,388)	—
8,475,180	8,424,856	8,632,862	8,815,499	8,126,473
\$ 14,129,541	\$ 13,428,655	\$ 14,561,818	\$ 14,055,612	\$ 11,316,466

STATE OF OHIO

CONDENSED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE GENERAL FUND FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)
(dollars in thousands)

	2021	2020	2019	2018	2017
REVENUES:					
Income Taxes.....	\$ 9,843,394	\$ 8,777,052	\$ 9,503,588	\$ 8,463,620	\$ 8,034,901
Sales Taxes.....	12,338,794	11,000,053	10,791,460	10,358,501	10,804,340
Corporate and Public Utility Taxes	3,092,343	2,895,596	2,984,810	2,776,908	2,697,003
Motor Vehicle Fuel Tax.....	1,429,435	1,391,745	1,153,540	1,139,218	1,175,285
Cigarette Taxes	928,637	913,712	917,278	939,953	979,973
Other Taxes	794,540	756,390	722,801	694,845	706,841
Licenses, Permits and Fees	1,329,822	1,175,303	1,200,753	1,186,458	748,344
Sales, Services and Charges	98,976	112,172	115,337	121,708	93,120
Federal Government	12,272,448	10,064,078	9,404,643	9,239,529	11,593,813
Tobacco Settlement.....	252	214	386	117	449
Escheat Property	230,265	194,814	147,736	158,770	159,585
Investment Income	31,450	351,873	416,878	111,458	41,986
Other	560,049	258,146	294,125	309,746	270,734
TOTAL REVENUES	42,950,405	37,891,148	37,653,335	35,500,831	37,306,374
EXPENDITURES:					
Current Operating	38,782,210	36,005,625	34,554,711	34,908,401	36,730,447
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	38,782,210	36,005,625	34,554,711	34,908,401	36,730,447
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	4,168,195	1,885,523	3,098,624	592,430	575,927
OTHER FINANCING SOURCES (USES):					
Bonds, Notes and COPs Issued.....	737,411	497,000	617,435	855,000	849,941
Premiums	188,996	115,596	89,878	93,912	71,161
Capital Leases	1,634	1,042	792	198	540
Transfers-in	281,440	312,304	531,759	629,232	292,078
Transfers-out	(1,908,638)	(2,165,522)	(2,119,050)	(2,062,561)	(2,054,788)
TOTAL OTHER FINANCING SOURCES (USES).....	(699,157)	(1,239,580)	(879,186)	(484,219)	(841,068)
SPECIAL ITEMS.....	-	-	-	-	-
NET CHANGE IN FUND BALANCES.....					
	3,469,038	645,943	2,219,438	108,211	(265,141)
FUND BALANCES, JULY 1 (as restated).....	8,600,905	7,718,152	5,497,549	5,388,605	5,654,361
Increase (Decrease) for Changes in Inventories	(6,045)	3,117	1,165	733	(615)
FUND BALANCES, JUNE 30	\$ 12,063,898	\$ 8,367,212	\$ 7,718,152	\$ 5,497,549	\$ 5,388,605

Source:

Ohio Office of Budget and Management

Note:

The July 1 fund balances, revenues, and expenditures have been restated for prior period adjustments, corrections, and reclassifications, when practical or material.

	2016	2015	2014	2013	2012
\$	7,995,959	\$ 8,895,192	\$ 8,398,840	\$ 9,798,658	\$ 9,063,827
	10,547,926	10,166,332	9,380,762	8,637,501	8,297,544
	2,670,854	2,597,993	2,680,923	2,554,965	2,499,601
	1,109,241	1,114,542	1,091,123	1,087,748	1,104,127
	1,008,677	808,270	813,056	828,812	843,180
	691,250	648,099	661,870	747,882	670,831
	706,064	734,839	722,403	816,564	781,717
	85,579	76,208	68,918	59,839	64,025
	11,309,010	8,942,561	8,313,226	7,225,992	7,131,978
	2,953	94	38,620	-	-
	161,904	220,486	208,508	175,284	151,601
	93,014	47,438	8,662	26,454	19,654
	354,151	244,296	246,632	283,339	300,150
	36,736,582	34,496,350	32,633,543	32,243,038	30,928,235
	34,842,685	33,941,965	30,970,485	29,451,874	29,972,837
	-	-	734	42	-
	34,842,685	33,941,965	30,971,219	29,451,916	29,972,837
	1,893,897	554,385	1,662,324	2,791,122	955,398
	530,000	460,000	800,000	178,000	1,109,228
	56,696	48,536	28,310	7,911	60,983
	-	-	2,196	108	560
	286,624	321,156	221,697	545,356	314,048
	(2,116,780)	(2,072,234)	(2,026,789)	(2,928,231)	(1,472,254)
	(1,243,460)	(1,242,542)	(974,586)	(2,196,856)	12,565
	-	-	-	1,463,506	-
	650,437	(688,157)	687,738	2,057,772	967,963
	5,004,435	5,695,511	5,240,486	3,188,956	2,223,608
	(511)	(3,555)	732	(6,615)	(1,578)
	\$ 5,654,361	\$ 5,003,799	\$ 5,928,956	\$ 5,240,113	\$ 3,189,993

STATE OF OHIO

TAX REVENUES OF GOVERNMENTAL FUNDS BY MAJOR SOURCE AND EFFECTIVE STATE INCOME TAX RATE FOR THE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

(dollars in millions)

<u>INCOME TAX</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Personal Income Tax Revenue.....	\$9,843	\$8,777	\$9,504	\$8,464	\$8,035
Personal Income(A).....	<u>\$627,231</u>	<u>\$586,784</u>	<u>\$569,727</u>	<u>\$544,828</u>	<u>\$517,918</u>
Average Effective State Income Tax Rate.....	<u>1.57%</u>	<u>1.50%</u>	<u>1.67%</u>	<u>1.55%</u>	<u>1.55%</u>
<u>SALES TAX</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
State Sales Tax Revenue.....	\$12,339	\$11,000	\$10,791	\$10,359	\$10,804

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management

Note:

(A) Data presented is as of December 31 of the given fiscal year.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$7,996	\$8,906	\$8,412	\$9,812	\$9,076
<u>\$505,950</u>	<u>\$489,695</u>	<u>\$472,846</u>	<u>\$462,424</u>	<u>\$436,818</u>
<u>1.58%</u>	<u>1.82%</u>	<u>1.78%</u>	<u>2.12%</u>	<u>2.08%</u>

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$10,548	\$10,171	\$9,387	\$8,643	\$8,305

STATE OF OHIO

PERSONAL INCOME BY INDUSTRY, EFFECTIVE TAX RATE, EXEMPTIONS, AND INCOME TAX RATES FOR THE LAST TEN CALENDAR YEARS

STATE INCOME TAX BY INDUSTRY

(dollars in millions)

	2020	2019	2018	2017	2016
Services.....	\$ 167,823	\$ 168,726	\$ 162,998	\$ 157,563	\$ 149,264
Manufacturing.....	57,126	59,254	58,528	55,478	54,677
Government.....	62,376	61,287	59,721	58,272	57,702
Wholesale and Retail Trade.....	46,399	45,863	44,369	43,680	42,530
Finance, Insurance, and Real Estate.....	33,565	32,430	31,650	30,219	27,024
Construction.....	26,000	24,984	24,072	23,727	20,997
Transportation and Public Utilities.....	23,637	22,642	20,990	19,090	19,605
Other	210,305	171,598	167,399	156,799	146,119
Total Personal Income.....	<u>\$ 627,231</u>	<u>\$ 586,784</u>	<u>\$ 569,727</u>	<u>\$ 544,828</u>	<u>\$ 517,918</u>
Average Effective State Income Tax Rate.....	<u>1.57%</u>	<u>1.50%</u>	<u>1.67%</u>	<u>1.55%</u>	<u>1.55%</u>

EXEMPTIONS BY CALENDAR YEAR

Exemptions	2020	2019	2018	2017	2016
Personal/Dependent Exemption:					
\$0-\$40,000.....	2,400	2,350	2,350	2,300	2,250
\$40,001-80,000.....	2,150	2,100	2,100	2,050	2,000
\$80,001 and above.....	1,900	1,850	1,850	1,800	1,750
Exemption Credit per Taxpayer, Spouse, and Dependent(A).....	20	20	20	20	20

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management
Ohio Department of Taxation

Note:

(A) The \$20 personal and dependent exemption credit is only available to taxpayers with Ohio taxable income of less than \$30,000.

2015	2014	2013	2012	2011
\$ 147,288	\$ 142,532	\$ 137,541	\$ 132,344	\$ 123,939
54,536	52,490	50,541	50,024	48,612
56,281	54,715	53,485	53,886	49,969
42,141	40,997	39,565	38,687	37,048
26,349	28,766	27,397	25,873	24,116
19,967	18,837	17,523	16,341	15,473
17,363	15,129	15,207	14,837	13,813
142,025	136,229	131,587	130,432	123,848
<u>\$ 505,950</u>	<u>\$ 489,695</u>	<u>\$ 472,846</u>	<u>\$ 462,424</u>	<u>\$ 436,818</u>
<u>1.58%</u>	<u>1.82%</u>	<u>1.78%</u>	<u>2.12%</u>	<u>2.08%</u>

2015	2014	2013	2012	2011
2,200	2,200	1,700	1,700	1,650
1,950	1,950	1,700	1,700	1,650
1,700	1,700	1,700	1,700	1,650
20	20	20	20	20

STATE OF OHIO

PERSONAL INCOME BY INDUSTRY, EFFECTIVE TAX RATE, EXEMPTIONS, AND INCOME TAX RATES FOR THE LAST TEN CALENDAR YEARS

(continued)

INCREMENTAL TAX RATES BY CALENDAR YEAR

Ohio Income Tax Brackets (A)	2020 (B)	2019	2018	2017
Tax Bracket 1.....	0.000%	0.000%	0.000%	0.000%
Tax Bracket 2.....	2.850%	2.850%	1.980%	1.980%
Tax Bracket 3.....	3.326%	3.326%	2.476%	2.476%
Tax Bracket 4.....	3.802%	3.802%	2.969%	2.969%
Tax Bracket 5.....	4.413%	4.413%	3.465%	3.465%
Tax Bracket 6.....	4.797%	4.797%	3.960%	3.960%
Tax Bracket 7.....	(D)	(D)	4.597%	4.597%
Tax Bracket 8.....			4.997%	4.997%
Tax Bracket 9.....			(C)	(C)

TAX BRACKETS BY CALENDAR YEAR

Ohio Income Tax Brackets (A)	2020 (B)	2019	2018	2017
Tax Bracket 1.....	\$0- \$22,150	\$0- \$21,750	\$0- \$10,850	\$0- \$10,650
Tax Bracket 2.....	22,151- 44,250	21,751- 43,450	10,851- 16,300	10,651- 16,000
Tax Bracket 3.....	44,250- 88,450	43,450- 86,900	16,300- 21,750	16,000- 21,350
Tax Bracket 4.....	88,450-110,650	86,900-108,700	21,750- 43,450	21,350- 42,650
Tax Bracket 5.....	110,650- 221,300	108,700- 217,400	43,450- 86,900	42,650- 85,300
Tax Bracket 6.....	221,300 & above	217,400 & above	86,900- 108,700	85,300- 106,650
Tax Bracket 7.....	(D)	(D)	108,700- 217,400	106,650- 213,350
Tax Bracket 8.....			217,400 & above	213,350 & above
Tax Bracket 9.....			(C)	(C)

Source:

Ohio Department of Taxation

Note:

(A) O.R.C. 5747.02 (A) directs that the Tax Commission will adjust the income brackets for inflation.

(B) Calendar year 2020 is most recent year for which data available.

(C) Starting in calendar year 2017, there are only eight tax brackets.

(D) Starting in calendar year 2019, there are only 6 tax brackets.

2016	2015	2014	2013	2012	2011
0.495%	0.495%	0.528%	0.537%	0.587%	0.587%
0.990%	0.990%	1.057%	1.074%	1.174%	1.174%
1.980%	1.980%	2.113%	2.148%	2.348%	2.348%
2.476%	2.476%	2.642%	2.686%	2.935%	2.935%
2.969%	2.969%	3.169%	3.222%	3.521%	3.521%
3.465%	3.465%	3.698%	3.760%	4.109%	4.109%
3.960%	3.960%	4.226%	4.296%	4.695%	4.695%
4.597%	4.597%	4.906%	4.988%	5.451%	5.451%
4.997%	4.997%	5.333%	5.421%	5.925%	5.925%

2016	2015	2014	2013	2012	2011
\$0- \$5,250	\$0- \$5,200	\$0- \$5,200	\$0- \$5,200	\$0- \$5,200	\$0- \$5,100
5,250- 10,500	5,200- 10,400	5,200- 10,400	5,200- 10,400	5,200- 10,400	5,101- 10,200
10,500- 15,800	10,400- 15,650	10,400- 15,650	10,400- 15,650	10,400- 15,650	10,201- 15,350
15,800- 21,100	15,650- 20,900	15,650- 20,900	15,650- 20,900	15,650- 20,900	15,351- 20,450
21,100- 42,100	20,900- 41,700	20,900- 41,700	20,900- 41,700	20,900- 41,700	20,451- 40,850
42,100- 84,200	41,700- 83,350	41,700- 83,350	41,700- 83,350	41,700- 83,350	40,851- 81,650
84,200- 105,300	83,350- 104,250	83,350- 104,250	83,350- 104,250	83,350- 104,250	81,651- 102,100
105,300- 210,600	104,250- 208,500	104,250- 208,500	104,250- 208,500	104,250- 208,500	102,101- 204,200
210,600 & above	208,500 & above	208,500 & above	208,500 & above	208,500 & above	204,200 & above

STATE OF OHIO

STATE INDIVIDUAL INCOME TAX RETURNS AND LIABILITY BY INCOME LEVEL FOR TAX YEAR 2019 WITH COMPARATIVES FOR TAX YEAR 2010 (NINE YEARS PRIOR)

2019 TAX YEAR (most recent information available)			
Income Level	Federal Adjusted Gross Income (in thousands)	Ohio Tax Returns	
		Number	Percentage of Total Returns
\$200,001 & Above	\$241,657,711	280,840	4.88%
100,001-200,000	101,007,801	754,628	13.11%
80,001-100,000	37,603,716	420,295	7.30%
40,001-80,000	87,141,435	1,523,682	26.47%
20,001-40,000	39,096,275	1,316,924	22.87%
15,001-20,000	6,194,543	354,509	6.16%
10,001-15,000	4,718,737	377,648	6.55%
5,001-10,000	2,759,767	368,933	6.41%
5,000 & Under	923,974	359,856	6.25%
	<u>\$521,103,959</u>	<u>5,757,315</u>	<u>100.00%</u>

2010 TAX YEAR			
Income Level	Federal Adjusted Gross Income (in thousands)	Ohio Tax Returns	
		Number	Percentage of Total Returns
\$200,001 & Above	\$116,340,886	135,193	2.59%
100,001-200,000	58,995,477	449,878	8.63%
80,001-100,000	30,324,262	339,991	6.52%
40,001-80,000	77,292,686	1,354,903	25.99%
20,001-40,000	37,935,606	1,292,420	24.79%
15,001-20,000	7,141,872	409,086	7.85%
10,001-15,000	5,569,789	445,638	8.55%
5,001-10,000	3,199,656	423,884	8.13%
5,000 & Under	980,350	362,298	6.95%
	<u>\$337,780,584</u>	<u>5,213,291</u>	<u>100.00%</u>

Source:

Ohio Department of Taxation

Note:

(A) The effective tax rate is calculated by dividing Ohio income tax receipts by federal adjusted gross income.

Ohio Income Tax Liability		
Tax Receipts (in thousands)	Percentage of Total Taxes	Effective Tax Rate (A)
\$3,356,967	40.53%	1.39%
2,375,795	28.68%	2.35%
757,550	9.15%	2.01%
1,480,678	17.88%	1.70%
310,683	3.75%	0.79%
449	0.01%	0.01%
262	0.00%	0.01%
307	0.00%	0.01%
228	0.00%	0.02%
<u>\$8,282,919</u>	<u>100.00%</u>	1.59%

Ohio Income Tax Liability		
Tax Receipts (in thousands)	Percentage of Total Taxes	Effective Tax Rate (A)
\$2,747,650	33.64%	2.36%
2,024,034	24.77%	3.43%
877,016	10.73%	2.89%
1,851,465	22.66%	2.40%
598,933	7.33%	1.58%
53,749	0.66%	0.75%
16,909	0.21%	0.30%
248	0.00%	0.01%
173	0.00%	0.02%
<u>\$8,170,177</u>	<u>100.00%</u>	2.42%

STATE OF OHIO

SALES TAX REVENUE BY TYPE, TAX REVENUES OF GOVERNMENTAL FUNDS FOR THE LAST TEN FISCAL YEARS

(cash basis of accounting)

(dollars in thousands)

	2021	2020	2019	2018
Vendors' Sales.....	\$ 10,514,664	\$ 9,365,035	\$ 9,234,581	\$ 8,865,860
Motor Vehicles and Watercraft.....	1,893,763	1,526,635	1,524,842	1,461,660
Alcoholic Beverages.....	99,804	81,022	67,565	61,751
Delinquencies and Assessments.....	42,891	45,807	60,900	64,119
Permissive Taxes:				
County Levies.....	23,806	22,437	21,554	20,862
Transit Authorities.....	5,736	4,806	4,686	4,592
Total Sales Tax Revenue.....	<u>\$ 12,580,664</u>	<u>\$ 11,045,742</u>	<u>\$ 10,914,128</u>	<u>\$ 10,478,844</u>
Base State Sales Tax Rates.....	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>

Source:

Ohio Department of Taxation

Ohio Office of Budget and Management

2017	2016	2015	2014	2013	2012
\$ 9,370,739	\$ 9,128,017	\$ 8,816,637	\$ 8,132,482	\$ 7,485,702	\$ 7,190,870
1,413,448	1,363,324	1,332,239	1,224,236	1,110,055	1,066,141
58,688	55,005	50,285	46,087	41,683	38,814
65,500	90,158	60,793	62,726	63,708	74,956
21,288	20,848	19,221	17,163	16,046	14,970
4,789	4,691	4,474	4,180	4,008	3,845
<u>\$ 10,934,452</u>	<u>\$ 10,662,043</u>	<u>\$ 10,283,649</u>	<u>\$ 9,486,874</u>	<u>\$ 8,721,202</u>	<u>\$ 8,389,596</u>
<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.75%</u>	<u>5.50%</u>

STATE OF OHIO

WORKERS' COMPENSATION ENTERPRISE FUND ACTIVE EMPLOYERS, PREMIUM AND ASSESSMENT INCOME AND ACTUAL AVERAGE COLLECTED PREMIUM RATE FOR THE LAST TEN FISCAL YEARS

	2021	2020	2019	2018	2017
Active Employers by Type					
Private.....	248,256	245,040	244,247	236,591	237,249
Public (Local).....	3,805	3,802	3,796	3,784	3,796
Public (State).....	114	114	115	115	121
Self-Insured.....	1,110	1,139	1,160	1,173	1,166
Black Lung.....	20	26	26	28	28
Marine Fund.....	131	129	128	121	114
Total.....	<u>253,436</u>	<u>250,250</u>	<u>249,472</u>	<u>241,812</u>	<u>242,474</u>
Premium & Assessment Income <i>(dollars in thousands)</i>					
Premium & Assessment Income.....	\$ 1,198,066	\$ 1,263,961	\$ 1,322,274	\$ 1,202,517	\$ 1,574,212
Provision for Uncollectibles.....	(28,471)	(15,202)	(31,775)	(39,577)	(29,662)
Total Premium & Assessment Income.....	<u>\$ 1,169,595</u>	<u>\$ 1,248,759</u>	<u>\$ 1,290,499</u>	<u>\$ 1,162,940</u>	<u>\$ 1,544,550</u>
Average Published Rate per \$100 of Payroll:					
Private Employers.....	\$0.67	\$0.76	\$0.95	\$0.95	\$1.10
Public Employers-Taxing Districts.....	0.69	0.77	0.85	0.97	1.03

Source:

Ohio Bureau of Workers' Compensation Year-End Statistics Report

2016	2015	2014	2013	2012
239,331	247,829	249,602	249,085	249,668
3,796	3,807	3,815	3,794	3,801
121	121	121	129	122
1,178	1,180	1,197	1,205	1,196
31	34	36	36	35
138	135	146	139	132
<u>244,595</u>	<u>253,106</u>	<u>254,917</u>	<u>254,388</u>	<u>254,954</u>

\$ 1,456,855	\$ 1,993,706	\$ 2,142,549	\$ 1,533,153	\$ 1,992,018
(17,712)	(39,532)	(56,728)	(40,764)	(47,540)
<u>\$ 1,439,143</u>	<u>\$ 1,954,174</u>	<u>\$ 2,085,821</u>	<u>\$ 1,492,389</u>	<u>\$ 1,944,478</u>

\$1.07	\$1.17	\$1.30	\$1.43	\$1.43
1.03	1.12	1.23	1.24	1.31

STATE OF OHIO

LOTTERY COMMISSION ENTERPRISE FUND TICKET SALES BY MAJOR GAME TYPE FOR THE LAST TEN FISCAL YEARS *(dollars in millions)*

	2021	2020	2019	2018	2017
Online Games:					
Pick 3.....	\$ 485.9	\$ 400.6	\$ 354.0	\$ 340.1	\$ 340.0
Pick 4.....	284.0	240.5	216.9	205.1	201.0
Pick 5 (B).....	66.1	51.2	44.5	40.8	38.1
Rolling Cash 5.....	57.0	51.7	52.1	53.0	55.5
Classic Lotto/Kicker(A).....	28.0	28.8	31.4	34.4	30.9
Raffle.....	-	-	-	-	3.6
Kicker(A).....	-	-	-	-	-
Mega Millions/Megaplier(A).....	152.7	102.0	192.7	120.1	93.3
EZPLAY.....	112.2	88.4	100.4	113.2	120.2
Ten-OH!(B).....	-	-	-	-	-
Keno.....	577.4	439.4	453.9	421.1	396.3
Power Ball/Power Play.....	120.1	85.2	143.3	148.1	129.8
EZPLAY TAP(C).....	44.8	38.9	40.8	31.8	30.0
EZPLAY Touch & Win(D)(E).....	35.2	31.4	30.4	19.5	16.0
Lucky for Life(D).....	22.2	19.5	20.4	20.7	19.9
The Lucky One(F).....	28.7	20.1	16.9	11.6	-
Total Online Games.....	2,014.3	1,597.7	1,697.7	1,559.5	1,474.6
Instant Games.....	1,873.8	1,873.8	1,663.0	1,600.6	1,527.1
Total Ticket Sales.....	\$ 3,888.1	\$ 3,471.5	\$ 3,360.7	\$ 3,160.1	\$ 3,001.7

Source:

Ohio Lottery Commission

Note:

- (A) In fiscal year 2011, the Kicker was retired and the Megaplier was added. Kicker was reintroduced in 2012 as an add-on to Classic Lotto.
- (B) August 2012, the Ten-Oh game was replaced by Pick 5.
- (C) In fiscal year 2015, the EZPLAY TAP game was introduced.
- (D) In fiscal year 2016, the EZPLAY QUICKENO and Lucky for Life was introduced.
- (E) In fiscal year 2018, EZPLAY QUICKENO was rebranded to EZPLAY Touch & Win.
- (F) In fiscal year 2018, the Lucky One was introduced.

	2016	2015	2014	2013	2012
\$	343.0	\$ 338.0	\$ 339.0	\$ 345.2	\$ 357.4
	200.3	192.8	185.8	189.8	207.9
	36.4	33.3	27.9	28.0	-
	60.3	62.6	63.4	61.5	63.8
	35.8	31.0	54.1	41.5	42.3
	-	7.0	1.0	9.1	10.0
	-	4.7	6.0	5.1	0.9
	102.2	113.3	133.4	102.8	179.3
	115.2	99.8	84.8	68.0	46.5
	-	-	-	0.8	8.3
	365.9	329.5	298.1	251.5	209.8
	193.5	105.0	122.8	166.6	105.3
	31.5	24.0	-	-	-
	0.7	-	-	-	-
	14.1	-	-	-	-
	-	-	-	-	-
	<u>1,498.9</u>	<u>1,341.0</u>	<u>1,316.3</u>	<u>1,269.9</u>	<u>1,231.5</u>
	1,560.7	1,551.0	1,426.8	1,428.0	1,507.5
\$	<u><u>3,059.6</u></u>	<u><u>2,892.0</u></u>	<u><u>2,743.1</u></u>	<u><u>2,697.9</u></u>	<u><u>2,739.0</u></u>

STATE OF OHIO
 RATIOS OF OUTSTANDING DEBT BY TYPE
 FOR THE LAST TEN FISCAL YEARS

(dollars in thousands)

Governmental Activities

As of June 30,	General Obligation Bonds	Revenue Bonds and Notes	Special Obligation Bonds	Certificates of Participation	Capital Leases
2021	\$ 9,442,030	\$ 6,627,043	\$ 2,628,132	\$ 273,100	\$ 27,394
2020	9,418,099	6,743,423	2,278,884	281,757	24,278
2019	9,570,682	6,570,318	2,213,180	277,452	21,044
2018	9,734,361	6,689,337	2,237,096	204,620	19,632
2017	9,297,641	6,394,647	2,016,991	241,627	17,361
2016	9,283,156	6,261,882	1,930,592	194,899	8,806
2015	9,149,055	6,409,774	1,906,844	231,837	2,072
2014	9,366,348	6,355,222	1,836,136	173,603	3,055
2013	8,812,499	6,486,884	1,925,252	198,266	2,294
2012	8,888,085	7,129,786	2,090,889	156,664	4,199

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
 Ohio Office of Budget and Management

Note:

Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical.

(dollars in thousands)

Business-Type Activities

Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
\$ -	\$ 14,917	\$ 19,012,616	3.03%	1,626
-	2,911	18,749,352	3.20%	1,604
-	4,654	18,657,330	3.27%	1,596
-	3,164	18,888,210	3.47%	1,620
-	6,277	17,974,544	3.47%	1,548
-	10,077	17,689,412	3.50%	1,523
-	13,094	17,712,676	3.62%	1,528
-	15,357	17,749,721	3.75%	1,534
15,422	33,009	17,473,626	3.78%	1,514
31,633	45,289	18,346,545	4.21%	1,589

STATE OF OHIO

RATIOS OF GENERAL AND SPECIAL OBLIGATION BONDED DEBT OUTSTANDING FOR THE LAST TEN FISCAL YEARS

As of June 30,	Bonded Debt (<i>dollars in thousands</i>)				
	General Obligation Bonds	Special Obligation Bonds	Total Bonded Debt	Percentage of Personal Income	Per Capita Total Bonded Debt
2021	\$ 9,442,030	\$ 2,628,132	\$ 12,070,162	1.92%	1,032
2020	9,418,099	2,278,884	11,696,983	1.99%	1,001
2019	9,570,682	2,213,180	11,783,862	2.07%	1,008
2018	9,734,361	2,237,096	11,971,457	2.20%	1,027
2017	9,297,641	2,016,991	11,314,632	2.18%	974
2016	9,283,156	1,930,592	11,213,748	2.22%	966
2015	9,149,055	1,906,844	11,055,899	2.26%	954
2014	9,366,348	1,836,136	11,202,484	2.37%	968
2013	8,812,499	1,925,252	10,737,751	2.32%	930
2012	8,888,085	2,090,889	10,978,974	2.52%	951

Source:

U.S. Department of Commerce, Bureau of Economic Analysis
Ohio Office of Budget and Management

Note:

This table includes general and special obligation bonds for which debt service payments have been made from the following combining funds in the Debt Service and Capital Projects Funds. Balances have been restated for prior period adjustments, corrections, and reclassifications, when practical.

In fiscal year 2018, the table was restated to reflect Total Bonded Debt rather than Net Bonded Debt for the ten year period. The Total Bonded Debt, Percentage of Personal Income, and Per Capita Total Bonded Debt were restated accordingly.

Debt Service Fund:

Coal Research/Development General Obligations
Local Infrastructure Improvements General Obligations
State Projects General Obligations
Highway Capital Improvements General Obligations
Higher Education Capital Facilities General Obligations
Common Schools Capital Facilities General Obligations
Conservation Projects General Obligations
Third Frontier Research/Development General Obligations
Job Ready Site Development General Obligations
Persian Golf Conflict Compensation General Obligations
Lease Rental Special Obligations*

Capital Projects Fund:

Mental Health/Developmental Disabilities Facilities Improvements
Adult Correctional Building Improvements

* As of fiscal year 2012, Lease Rental Special Obligations encompasses Chapter 154 Special Obligations, Higher Education Facilities Special Obligations, Mental Health Facilities Special Obligations, Parks and Recreation Facilities Special Obligations, and Ohio Building Authority Special Obligations.

STATE OF OHIO

ANNUAL LIMITATION ON DEBT SERVICE EXPENDITURES (BUDGETARY BASIS) FOR THE LAST TEN FISCAL YEARS

(dollars in thousands)

	2021(A)	2020	2019	2018	2017
Debt Service Expenditures.....	\$ 1,061,721	\$ 1,414,867	\$ 1,402,757	\$ 1,338,396	\$ 1,328,277
General Revenue Fund (GRF)					
Revenues and Transfers from the Lottery Enterprise Fund.....	\$ 40,723,295	\$ 34,551,772	\$ 34,921,508	\$ 33,642,813	\$ 35,218,700
Calculation of Annual 5% Debt Service Cap.....	\$ 2,036,165	\$ 1,727,589	\$ 1,746,075	\$ 1,682,141	\$ 1,760,935
Amount Under the Debt Service Expenditure Cap.....	\$ 974,444	\$ 312,722	\$ 343,318	\$ 343,745	\$ 432,658
Ratio of Debt Service Expenditures to Total GRF Revenues and Lottery Transfers.....	2.61%	4.09%	4.02%	3.98%	3.77%

Limitations on Debt

A 1999 amendment to the Ohio Constitution provides an annual debt service "cap" on general obligation bonds and other direct obligations payable from the General Revenue Fund (GRF) or net state lottery proceeds. Generally, such bonds may not be issued if the future fiscal year debt service on the new bonds and previously issued bonds exceeds five percent of total estimated GRF revenues plus net state lottery proceeds during the fiscal year of issuance. Application of the cap may be waived in a particular instance by a three-fifths vote of each house of the General Assembly and may be changed by future constitutional amendments. Direct obligations of the State include, for example, special obligation bonds issued by the Ohio Building Authority and the Treasurer of State that are paid from GRF appropriations, but exclude bonds such as highway bonds that are paid from highway user receipts.

Source:

Ohio Office of Budget and Management

Note:

(A) Debt Service Expenditures reflect the restructuring of net debt service payments into later fiscal years.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012(A)</u>
\$ 1,314,513	\$ 1,278,259	\$ 1,237,701	\$ 1,204,776	\$ 692,776
\$ 34,997,700	\$ 32,463,100	\$ 30,137,140	\$ 30,362,815	\$ 27,956,513
\$ 1,749,885	\$ 1,623,155	\$ 1,506,857	\$ 1,518,141	\$ 1,397,826
\$ 435,372	\$ 344,896	\$ 269,156	\$ 313,365	\$ 705,050
3.76%	3.94%	4.11%	3.97%	2.48%

STATE OF OHIO
REVENUE BOND AND NOTE COVERAGE
FOR THE LAST TEN FISCAL YEARS
(dollars in thousands)

Buckeye Tobacco Settlement Financing Authority Revenue Bonds

Buckeye Tobacco Settlement Financing Authority Revenue Bonds Fund				Debt Service Requirements			
Fiscal Year	Gross Revenues (A)	Direct Operating Expenses Exclusive of Depreciation	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2021	\$307,187	N/A	\$307,187	\$85,010	\$221,480	\$306,490	1.00
2020 (B)	294,613	N/A	294,613	395,807	197,905	593,712	0.50
2019	307,169	N/A	307,169	11,890	288,351	300,241	1.02
2018	337,774	N/A	337,774	44,590	290,659	335,249	1.01
2017	282,512	N/A	282,512	38,995	292,609	331,604	0.85
2016	299,239	N/A	299,239	35,000	294,359	329,359	0.91
2015	286,914	N/A	286,914	26,640	295,691	322,331	0.89
2014	293,573	N/A	293,573	23,995	296,892	320,887	0.91
2013	296,261	N/A	296,261	12,320	285,700	298,020	0.99
2012	295,259	N/A	295,259	20,295	274,874	295,169	1.00

Infrastructure Bank Revenue Bonds
Issuer: Treasurer of State

Highway Operating Fund				Debt Service Requirements			
Fiscal Year	Gross Revenues (C)	Direct Operating Expenses	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2021	\$166,730	N/A	\$166,730	\$182,174	\$45,672	\$227,846	0.73
2020	179,823	N/A	179,823	144,495	38,797	183,292	0.98
2019	185,013	N/A	185,013	139,380	48,461	187,841	0.98
2018	149,213	N/A	149,213	117,555	34,154	151,709	0.98
2017	151,170	N/A	151,170	124,280	38,571	162,851	0.93
2016	176,933	N/A	176,933	144,405	35,414	179,819	0.98
2015	170,368	N/A	170,368	200,801	38,699	239,500	0.71
2014	167,653	N/A	167,653	136,415	41,511	177,926	0.94
2013	160,339	N/A	160,339	123,685	44,357	168,042	0.95
2012	152,561	N/A	152,561	123,235	50,338	173,573	0.88

(continued)

Notes:

- (A) The Buckeye Tobacco Settlement Financing Authority revenue bonds were first issued in fiscal year 2008. Gross revenues consist of tobacco settlement receipts (TSRs) and investment income.
- (B) In March 2020, BTSFA refunded its outstanding bonds and issued Series 2020 Senior Bonds. Because of the refunding, fiscal year 2020 principal amount also includes bond issuance costs and the advance refunding payment to escrow.
- (C) The gross revenue for Infrastructure Bank Revenue Bonds includes GARVEE receipts, which stands for Grant Anticipation Revenue Vehicles, and other revenue. GARVEE receipts are capital market borrowings repaid by federal transportation funds deposited in the State's Highway Operating Fund.

STATE OF OHIO
REVENUE BOND AND NOTE COVERAGE
FOR THE LAST TEN FISCAL YEARS
(dollars in thousands)
(continued)

Economic Development and Revitalization Project Revenue Bonds and Notes
Issuer: Treasurer of State

Fiscal Year	Liquor Control Enterprise Fund			Debt Service Requirements			
	Gross Liquor Revenues	Direct Operating Expenses Exclusive of Depreciation	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2013 (D)	\$485,607	\$310,209	\$175,398	\$26,440	\$15,168	\$41,608	4.22
2012 (E)	791,454	543,375	248,079	119,625	31,613	151,238	1.64

Bureau of Workers' Compensation Revenue Bonds
Issuer: Ohio Building Authority

Fiscal Year	Workers' Compensation Enterprise Fund			Debt Service Requirements			
	Gross Revenues (F)	Direct Operating Expenses Exclusive of Depreciation	Net Revenue Available For Debt Service	Principal	Interest	Total	Coverage
2014 (G)	\$5,107,570	\$2,408,977	\$2,698,593	\$15,200	\$751	\$15,951	169.18
2013 (H)	2,404,966	3,419,204	(1,014,238)	15,915	1,543	17,458	N/A
2012	4,002,237	1,934,524	2,067,713	15,890	2,326	18,216	113.51

Source:

Ohio Office of Budget and Management

Note (continued):

- (D) On February 1, 2013, the State granted a 25-year franchise on its spirituous liquor system. Activity of the Liquor Control Enterprise Fund ceased as of January 31, 2013. The final debt service payments on the Economic Development and Revitalization Project Revenue Bonds and Notes were made during fiscal year 2013.
- (E) Fiscal year 2012 debt service requirements includes payments for Bond Anticipation Notes (BANS), the term of which is no longer than one year.
- (F) Gross revenues consist of operating revenues and investment income.
- (G) The final debt service payments on the Bureau of Workers' Compensation Revenue Bonds were made during fiscal year 2014.
- (H) During fiscal year 2013, the Bureau of Workers' Compensation (BWC) adjusted its premium rates and recorded a premium rebate.

STATE OF OHIO

DEMOGRAPHIC AND ECONOMIC STATISTICS FOR THE LAST TEN CALENDAR YEARS

Calendar Year	Population <i>(in thousands)</i>				Per Capita Personal Income		
	U.S.	Change from Prior Period	Ohio	Change from Prior Period	U.S.	Ohio	Ohio as a Percentage of U.S.
2020	329,484	1,244	11,693	4	\$59,510	\$53,641	90.1%
2019	328,240	1,073	11,689	0	56,490	50,199	88.9%
2018	327,167	1,448	11,689	30	54,446	48,739	89.5%
2017	325,719	2,591	11,659	45	51,640	46,732	90.5%
2016	323,128	1,709	11,614	1	49,246	44,593	90.6%
2015	321,419	2,562	11,613	19	48,112	43,566	90.6%
2014	318,857	2,728	11,594	23	46,049	42,236	91.7%
2013	316,129	2,215	11,571	27	44,543	40,865	91.7%
2012	313,914	2,322	11,544	(1)	42,693	40,057	93.8%
2011	311,592	2,242	11,545	9	41,663	37,791	90.7%

Source:

U.S. Department of Commerce, Bureau of Economic Analysis for Population, Income, and Employment

Ohio Department of Job and Family Services for unemployment rates

Ohio Department of Education for school enrollment

Ohio Department of Public Safety for motor vehicle registrations

Civilian Labor Force
(in thousands)

Ohioans Employed	Ohio's Unemployment Rate	Public School Enrollment in Ohio (in thousands)	Motor Vehicles Registered in Ohio (in thousands)
6,706	8.1%	1,727	12,374
7,142	4.1%	1,776	13,285
7,093	4.6%	1,783	13,232
6,995	5.0%	1,791	13,127
6,958	4.9%	1,790	13,157
6,886	4.9%	1,784	13,039
6,753	5.7%	1,799	11,443
6,663	7.4%	1,845	11,998
6,617	7.2%	1,850	11,840
6,521	8.6%	1,860	11,788

STATE OF OHIO
 PRINCIPAL EMPLOYERS
 FOR CALENDAR YEARS 2020 AND 2011

Employer	2020			2011		
	Employees	Rank	Percentage of Total State Employment	Employees	Rank	Percentage of Total State Employment
United States Government	81,890	1	1.22%	80,543	1	1.24%
Cleveland Clinic	52,800	2	0.79%	39,400	4	0.60%
Wal-Mart	50,400	3	0.75%	52,275	3	0.80%
State of Ohio	47,883	4	0.71%	52,599	2	0.81%
Kroger Company	35,950	5	0.54%	39,000	5	0.60%
The Ohio State University	35,800	6	0.53%	28,300	7	0.43%
Bon Secours Mercy Health	32,300	7	0.48%			
University Hospitals Health System	30,650	8	0.46%	21,000	8	0.32%
OhioHealth	30,000	9	0.45%			
Amazon.com, Inc	23,500	10	0.35%			
Catholic Healthcare Partners				30,300	6	0.46%
JP Morgan				19,500	9	0.30%
Giant Eagle				17,000	10	0.26%

Source:
 U.S. Department of Commerce, Bureau of Economic Analysis
 Ohio Development Services Agency, Office of Strategic Research
 State of Ohio Comprehensive Annual Financial Report Fiscal Year 2012

STATE OF OHIO

FULL-TIME AND PART-TIME PERMANENT STATE EMPLOYEES DURING THE MONTH OF JUNE BY FUNCTION/PROGRAM FOR THE LAST TEN FISCAL YEARS

Function/Program	Number of Employees			
	2021	2020	2019	2018
Primary, Secondary and Other Education.....	1,011	998	998	982
Higher Education Support.....	63	66	67	68
Public Assistance and Medicaid.....	1,112	2,032	2,176	2,209
Health and Human Services.....	8,053	8,279	8,244	8,195
Justice and Public Protection.....	19,031	20,026	20,102	20,189
Environmental Protection and Natural Resources.....	2,529	2,640	2,620	2,630
Transportation.....	4,780	4,860	4,925	4,874
General Government.....	4,453	4,568	4,643	4,635
Community and Economic Development.....	795	854	866	861
Workers' Compensation.....	1,615	1,718	1,721	1,721
Lottery Commission.....	371	377	387	375
Unemployment Compensation.....	1,525	654	581	636
Other.....	801	811	808	821
Total.....	<u>46,139</u>	<u>47,883</u>	<u>48,138</u>	<u>48,196</u>

Source:

Ohio Department of Administrative Services
Ohio Department of Job and Family Services

2017	2016	2015	2014	2013	2012
997	1,014	950	971	971	970
69	72	71	73	70	70
2,229	2,202	2,259	2,638	2,621	2,769
8,273	8,303	8,128	8,290	8,301	8,604
20,285	20,194	20,114	19,827	19,974	20,196
2,662	2,606	2,651	2,700	2,712	2,745
4,917	4,873	4,884	4,913	4,964	5,218
4,705	4,705	4,739	4,826	4,839	4,984
990	870	853	870	860	820
1,744	1,778	1,784	1,842	1,847	1,882
378	378	376	355	335	326
703	744	786	524	587	611
817	818	805	806	799	818
<u>48,769</u>	<u>48,557</u>	<u>48,400</u>	<u>48,635</u>	<u>48,880</u>	<u>50,013</u>

STATE OF OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 FOR THE LAST TEN FISCAL YEARS

Function/Program	2021	2020	2019	2018	2017
<i>Primary, Secondary and Other Education</i>					
Ohio Department of Education:					
Fall Student Enrollment (Public Schools).....	1,727,048	1,779,475	1,782,974	1,791,218	1,790,089
Public School Districts (A).....	609	610	610	610	610
Community School Districts (A).....	315	313	320	340	362
Vocational School Districts.....	49	49	49	49	49
High School Graduation Rate (by School year).....	(B)	87.2%	85.9%	85.3%	84.1%
<i>Higher Education Support</i>					
Ohio Department of Higher Education (I):					
Student Enrollment at State-Assisted Institutions.....	492,702	492,424	490,082	490,243	491,402
State-Assisted Institutions.....	37	37	37	37	37
Ohio College Opportunity Grant Recipients.....	51,823	56,482	60,756	69,454	68,495
<i>Public Assistance and Medicaid</i>					
Ohio Department of Job and Family Services:					
Individuals with Medicaid Coverage (G)(J).....	—	—	—	—	—
Individuals Receiving Cash Assistance (OWF).....	91,920	93,904	90,247	101,602	103,900
Individuals on Medicaid Waiver (G)(J).....	—	—	—	—	—
Ohio Department of Medicaid:					
Individuals with Medicaid Coverage (G).....	3,109,148	2,830,520	2,866,000	3,007,745	3,083,568
Individuals on Medicaid Waiver (G).....	7,225	6,590	5,854	5,819	5,503
Ohio Department of Aging:					
Individuals on PASSPORT Waiver (J).....	24,404	24,209	24,014	25,083	23,111
Ohio Department of Developmental Disabilities:					
Individuals on DDD Waiver.....	41,972	41,293	40,349	39,627	38,487
<i>Health and Human Services</i>					
Ohio Department of Aging:					
Clients Served-PASSPORT (H).....	27,463	32,982	28,007	28,215	28,048
Clients Served-Congregate Meals (E).....	19,034	43,422	44,263	45,085	45,435
Clients Served-Home Delivered Meals.....	64,665	50,302	40,269	39,546	38,781
Clients Served-Transportation Provided.....	12,287	14,182	20,004	18,968	19,691
Ohio Department of Health:					
Average Monthly Caseload-Women, Infants, & Children.....	168,884	186,526	195,897	212,420	224,816
Ohio Department of Mental Health & Addiction Services:					
Clients Served (Addiction Services) (F).....	123,802	137,999	127,641	139,464	154,870
Facilities' Admissions.....	3,317	4,733	5,932	5,948	6,542
Facilities' Average Daily Residence Population.....	930	1,027	1,070	1,068	1,050
Individuals Served-Community Facilities (D).....	403,918	375,219	448,391	535,022	415,639
Ohio Department of Developmental Disabilities:					
Individuals Served-Community Facilities (D).....	95,431	94,885	94,768	92,980	93,892
Facilities' Average Daily Residence Population.....	617	618	640	661	701
<i>Justice and Public Protection</i>					
Ohio Department of Public Safety:					
Crashes Investigated.....	58,092	57,710	63,773	66,485	65,726
Total Arrests.....	457,378	420,955	570,520	634,084	578,579
Ohio Department of Rehabilitation and Correction:					
Inmate Population.....	43,046	46,657	49,031	49,379	50,174
<i>Environmental Protection and Natural Resources</i>					
Ohio Department of Natural Resources:					
Licenses and Registrations (C).....	2,255,360	2,308,423	2,232,201	2,299,572	2,308,438

2016	2015	2014	2013	2012
1,784,397	1,799,107	1,845,441	1,850,281	1,859,821
611	612	612	612	612
372	382	393	369	341
49	49	49	49	49
83.5%	83.0%	82.2%	82.2%	81.3%
492,555	498,276	510,794	521,368	539,058
37	37	37	37	37
76,171	80,344	86,435	94,479	98,751
—	—	—	2,382,381	2,213,104
108,262	114,913	124,033	140,368	181,934
—	—	—	10,941	13,410
3,024,213	2,960,279	2,509,360	—	—
5,630	6,896	10,715	—	—
23,106	21,492	38,771	38,379	42,060
36,627	35,119	34,411	29,066	28,077
28,064	27,513	43,593	42,521	42,060
46,473	47,225	47,384	48,541	50,347
38,130	37,441	35,298	35,960	36,056
20,818	20,058	20,095	20,273	21,702
237,987	246,142	252,253	267,011	277,379
112,777	97,673	94,685	104,058	99,605
6,933	7,282	7,761	7,089	6,756
1,028	1,027	1,021	1,013	1,008
417,963	—	—	—	—
94,056	514,579	546,041	466,634	451,907
806	926	942	1,000	1,184
66,027	68,967	70,170	63,599	64,519
642,268	606,888	603,094	576,700	554,794
51,001	50,407	50,420	50,153	49,774
2,346,769	2,345,788	2,426,968	2,387,225	2,506,036

STATE OF OHIO
 OPERATING INDICATORS BY FUNCTION/PROGRAM
 FOR THE LAST TEN FISCAL YEARS
 (continued)

Function/Program	2021	2020	2019	2018	2017
<i>Transportation</i>					
Ohio Department of Transportation:					
Pavement Resurfacing (in miles):					
Two-Lane.....	2,223	2,478	2,854	3,103	4,029
Four-Lane.....	1,003	942	625	1,236	1,112
Interstate.....	913	1,164	1,014	980	1,145
<i>Workers' Compensation</i>					
Ohio Bureau of Workers' Compensation:					
Claims Filed.....	75,834	81,863	96,604	97,185	97,931
Open Claims.....	579,101	609,965	646,379	672,188	704,756
<i>Lottery</i>					
Ohio Lottery Commission:					
Prize Awards Paid (in billions).....	\$ 2.84	\$ 2.26	\$ 2.14	\$ 2.00	\$ 1.91
Bonuses and Commissions Paid (in millions).....	\$ 296.3	\$ 233.6	\$ 223.4	\$ 206.1	\$ 185.7
Transfers to					
Lottery Profits Education Fund (in millions).....	\$ 958.6	\$ 846.3	\$ 810.1	\$ 794.7	\$ 739.4
<i>Unemployment Compensation</i>					
Ohio Department of Job and Family Services:					
Initial Claims.....	1,862,245	1,641,914	354,259	384,578	414,766
Continuing Claims.....	9,632,997	9,738,755	2,715,458	3,009,916	3,250,737

Source:

Various state agencies, as noted above.

Note:

- (A) The number of school districts include only those with enrollment.
- (B) Data for the year indicated was not readily available.
- (C) Data includes hunting licenses, fishing licenses, permits, and boating licenses.
- (D) Prior to fiscal year 2016, the clients served by both the Department of Mental Health & Addiction Services and Department of Developmental Disabilities were reported as one total.
- (E) Department of Aging began using a new reporting system in fiscal year 2012, resulting in lower count for Congregate Meals served.
- (F) Beginning in fiscal year 2014, the Department of Mental Health and the Department of Alcohol & Drug Addiction Services merged to form the Department of Mental Health & Addiction Services (MHAS).
- (G) In fiscal year 2014, the Ohio Department of Medicaid was formed and the Medicaid and Medicaid Waiver operations were transferred to the new agency from the Ohio Department of Job and Family Services.
- (H) In fiscal year 2015, a number of clients transferred from the PASSPORT program to the MyCare Ohio program.
- (I) In fiscal year 2016, the Ohio Board of Regents was renamed the Ohio Department of Higher Education.
- (J) Average total.

2016	2015	2014	2013	2012
3,347	2,843	2,362	2,296	2,683
1,018	1,048	892	624	1,098
1,147	680	1,024	1,589	1,417
99,082	104,997	108,549	108,090	112,613
752,312	791,638	858,773	958,625	1,070,056
\$ 1.93	\$ 1.88	\$ 1.70	\$ 1.67	\$ 1.68
\$ 188.6	\$ 179.2	\$ 169.9	\$ 166.9	\$ 172.0
\$ 784.1	\$ 990.0	\$ 904.3	\$ 803.1	\$ 771.0
440,484	472,813	548,361	629,525	635,733
3,400,000	3,647,400	4,492,364	4,942,305	5,388,767

STATE OF OHIO
 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
 FOR THE LAST TEN FISCAL YEARS

Function/Program	2021	2020	2019	2018	2017
<i>Primary, Secondary and Other Education</i>					
Historical Sites Owned by the State.....	38	38	38	38	33
Historical Sites Jointly Owned by the State and the Ohio Historical Society.....	8	8	9	9	12
<i>Health and Human Services</i>					
Developmental Disabilities Institutions.....	8	8	8	10	10
Mental Health Institutions.....	6	6	6	6	6
<i>Justice and Public Protection</i>					
Rehabilitation and Correction Institutions.....	25	25	25	25	25
Youth Services Institutions.....	3	3	3	3	3
State Highway Patrol Structures.....	77	77	75	75	75
Number of Readiness Centers (B).....	49	57	48	48	48
<i>Environmental Protection and Natural Resources</i>					
Number of State Parks.....	75	75	75	74	74
Area of State Parks, Natural & Wildlife Lands (in acres).....	381,927	351,581	345,539	342,795	333,727
Area of State Forest Lands (in acres).....	202,114	201,695	200,690	200,183	200,185
<i>Transportation</i>					
Buildings.....	857	838	836	805	819
Number of Rest Stops.....	83	84	85	88	89
Licensed Vehicles.....	5,129	5,308	5,107	4,987	4,265
Infrastructure Assets(A):					
Pavement (in lane-miles):					
Priority Subsystem.....	13,829	13,803	13,724	13,849	13,720
General Subsystem.....	29,604	29,619	29,637	29,487	29,473
Bridges:					
Number of Bridges.....	14,265	14,352	14,344	14,305	14,276
Deck Area (in thousand square feet).....	109,007	108,401	108,195	107,372	107,489
<i>General Government</i>					
State Office Buildings (C).....	9	9	9	10	5
<i>Community and Economic Development</i>					
Permanent Agricultural Easement Land (in acres).....	95,916	83,549	75,996	71,420	65,860

Source:

- Ohio Department of Developmental Disabilities
- Ohio Department of Mental Health and Addiction Services
- Ohio Department of Rehabilitation and Correction
- Ohio Department of Youth Services
- Ohio Department of Natural Resources
- Ohio Department of Transportation
- Ohio Department of Agriculture
- Ohio Department of Administrative Services
- Ohio Department of Public Safety
- Ohio Historical Society
- Ohio Adjutant General's Department

Note:

- (A) The Priority Subsystem includes the interstate highways, freeways, and multi-lane portions of the National Highway System. The General Subsystem consists of two-lane routes outside of cities.
- (B) Three buildings were previously classified as armories/readiness centers.
In 2013 changes in federal regulation have changed the classifications of the three buildings.
- (C) Prior to fiscal year 2018, State Office Buildings consisted of state owned office towers.
Starting in fiscal year 2018, State Office Building includes state owned office towers and buildings.

2016	2015	2014	2013	2012
32	33	34	35	35
12	11	9	8	8
10	10	10	10	10
6	6	6	6	6
25	25	25	26	26
3	3	3	4	4
75	75	76	76	77
48	49	48	51	50
74	74	74	74	74
333,525	333,196	332,903	332,754	332,106
199,344	204,247	204,054	203,736	203,078
809	818	828	830	830
91	96	96	96	116
4,247	4,029	4,428	4,475	4,604
13,748	13,737	13,650	13,499	13,109
29,470	29,461	29,512	29,591	29,918
14,266	14,229	14,236	14,223	14,182
106,580	106,206	106,474	105,690	105,309
5	5	5	5	5
62,942	56,761	54,214	52,452	47,424

Prepared by

Ohio Office of Budget and Management
State Accounting and Reporting