

ROBERT SPRAGUE

OHIO TREASURER

September 27, 2024

To: Municipal Securities Rulemaking Board
www.emma.msrb.org

RE: Annual Information Filing for the Ohio Enterprise Bond Fund Program

In accordance with the continuing disclosure agreement made pursuant to SEC Rule 15c2-12(b), the State of Ohio herein provides annual financial information and operating data regarding the State Economic Development Revenue Bonds (Ohio Enterprise Bond Fund Program) as of and for the Fiscal Year ending June 30, 2024. This information is based in part on information received from the Ohio Department of Development. No representation is made as to the materiality or completeness of that information. Other information relating to Fiscal Year 2024 or to subsequent periods may exist that an investor would consider to be important when making an investment decision. Further, no representation is made that this 2024 Annual Filing is indicative of financial or operating results of the Ohio Enterprise Bond Fund Program after the end of Fiscal Year 2024 or of future financial or operating results. **Please refer to the CUSIP & Outstanding Bonds Report for a list of all the outstanding bonds and CUSIPs associated with this program.**

Any questions concerning this filing should be directed to the Office of Debt Management at (614) 466-7752.

Sincerely,



Robert Cole Sprague
Ohio Treasurer

Regarding This 2024 Annual Information Filing

The information and expressions of opinion in this 2024 Annual Information Filing are subject to change without notice and the delivery of this information shall not, under any circumstances, give rise to any implications that there has been no change in the status of this information subsequent to June 30, 2024 or the date of this Filing.

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BACKGROUND & HISTORY OF THE OHIO ENTERPRISE BOND FUND PROGRAM

The Ohio Enterprise Bond Fund (OEBF)¹ Program is an economic development financing program sponsored by the Ohio Department of Development (DOD), formerly known as the Ohio Development Services Agency. The OEBF Program was created in 1988 and is rated “AA+” by Standard & Poor’s (S&P). On March 28, 2012, S&P raised the OEBF Program’s rating to “AA+” from “AA-”, based on S&P’s application of criteria adopted for long-term municipal pools. The rating reflects S&P’s assessment of the following characteristics:

- A very strong enterprise risk profile, given that the pool is managed by a nonprofit, non-stock public corporation and the loan program has no geographic concentration; and
- An extremely strong financial risk profile, with a loss coverage score, operating performance, and financial policies consistent with this profile.

As the issuer for the OEBF Program, the Ohio Treasurer issues bonds on a project-by-project basis. The OEBF Program finances fixed assets and receives a first mortgage and/or security interest on all funded projects. All transactions must be approved by DOD staff prior to the S&P rating request. The credit quality of the Borrowers has remained relatively constant throughout the 36-year history of the OEBF Program.

- The Borrowers range in size from large corporations with rated debt to small, unrated corporations.
- The projects funded through the OEBF Program are essential to the success of the Borrowers.

Unless otherwise noted, all amounts shown for Reserve Fund, First and Second Half Accounts, and Future 166 Account Balances are all reported on a tax cost basis.

KEY FACTS

- As of June 30, 2024, 142 bonds had been issued totaling \$813,475,000.
- As of June 30, 2024, 16 bond issues were outstanding for \$147,045,000.
- The size of individual bond issues has ranged from \$650,000 to \$29 million.
- Bondholders are paid semi-annually or quarterly.
- No OEBF Program Bonds are in default.
- No OEBF Program Bonds have ever been in default.
- No Program Reserves have ever been accessed to cure a Borrower default.
- As of June 30, 2024:
 - Total Primary Reserves were \$20,283,304;
 - Total Program Reserves were \$11,340,313; and
 - Total 166 Loan Repayments pledged as additional security to the OEBF Bonds were \$196,340,304².

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¹ Any terms not defined herein have the meaning provided in the General Bond Order.

² Does not include repayments for forgivable loans. As of June 30, 2024, the outstanding balance of Chapter 166 Loans with forgivable terms was \$72,381,583. The forgivable loans include (i) a \$37,911,957 loan to the Cleveland Clinic Foundation with a maximum approved loan amount of \$100,000,000; (ii) a \$3,392,617 loan to the Franklin County Convention Facilities Authority with a maximum approved loan amount of \$10,000,000; (iii) a \$30,800,000 loan to The Sherwin-Williams Company with a maximum approved loan amount of \$35,000,000; and (iv) a \$2,277,009 loan to the Toledo-Lucas County Port Authority with a maximum approved loan amount of \$5,000,000.

FLOW OF FUNDS & SECURITY FOR THE OHIO ENTERPRISE BOND FUND BONDS

The OEBF Bonds are secured by a system of pooled debt service and reserve accounts. **They do not constitute an indebtedness of the State within the meaning of any constitutional or statutory limitations. Furthermore, such bonds neither constitute nor give rise to a charge against the general credit or taxing powers of the State, and neither the full faith and credit nor the taxing powers of the State are pledged to the payment of the OEBF Bonds or interest thereon.**

All Debt Service Charges on OEBF Bonds are payable from and secured equally and ratably by a pledge of the OEBF Accounts as follows:

- First, from any amounts on deposit in the Debt Service Account;
- Second, to the extent needed to cure defaults by a Contracting Party under its Project Financing Agreement, from any amounts on deposit in that Contracting Party's Collateral Proceeds Account;
- Third, to the extent needed to cure defaults by a Contracting Party under its Project Financing Agreement, from any amounts on deposit in the Contracting Party's Primary Reserve Account;
- Fourth, from any amounts in the First Half Account or the Second Half Account;
- Fifth, from any amounts in the Program Reserve Account;
- Sixth, from any amounts in the Primary Reserve Accounts of all Contracting Parties, on a pro rata basis (i.e., based on fractions, the numerator of which is the balance in each such Account and the denominator of which is the sum of the balances in all such Accounts);
- Seventh, from any amounts in the Collateral Proceeds Accounts of all Contracting Parties, on a pro rata basis as described above; and
- Eighth, from any amounts in the Future 166 Loan Account.

Payments of Debt Service Charges on all OEBF Bonds will be equally and ratably secured by a pledge of the OEBF Accounts (but not the Program Transfer Account) without priority by reason of series designation, form, number, date of authorization, issuance, sale, execution, authentication, delivery, dated date or maturity; provided, however, that nothing prevents payment of Debt Service Charges on one or more series of OEBF Bonds from being otherwise secured and payable from sources or by property and instruments not applicable to any other series of OEBF Bonds or not being secured or protected from other sources or by other property, instruments or documents applicable to one or more series of OEBF Bonds.

If the principal of all outstanding OEBF Bonds has become due or has been declared due and payable, and at that time the balance in the OEBF Accounts (together with any other amounts available to make such payment) is insufficient to pay all amounts due on those Bonds, all such funds shall be applied to the payment of the principal and interest due and unpaid upon the OEBF Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installments of interest, or of any OEBF Bond over any other OEBF Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege except as to any difference in the respective rates of interest specified in the OEBF Bonds. If the balance in the OEBF Accounts (together with any other amounts available to make such payment) is insufficient to pay all principal of, premium, if any, and interest due on OEBF Bonds at any time and at that time the principal of all OEBF Bonds has not become or been declared due, all such funds shall be applied first to pay, pro rata, the interest then due on all such OEBF Bonds, with any remaining balance applied to the pro rata payment of principal of the then due OEBF Bonds.

SUMMARY OF OUTSTANDING BONDS & OUTSTANDING RESERVES

Below is a summary of outstanding OEBF Bonds and reserves of the OEBF Program as of the end of each calendar year from 2020, and for the first half of 2024.

Outstanding Project Financing:	<u>6/30/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
Number:	16	16	16	15	21
Principal:	\$147,045,000	\$151,200,000	\$134,680,000	\$92,290,000	\$64,100,000

OHIO ENTERPRISE BOND FUND - SUMMARY OF OUTSTANDING RESERVES

<u>Current Reserves</u>	<u>6/30/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>
Primary Reserves	\$20,283,304	\$20,435,587	\$18,085,450	\$14,602,621	\$13,903,416
First Half Account ⁽¹⁾	\$3,981,040	\$1,060,186	\$7,360,209	\$7,125,269	\$6,186,825
Second Half Account ⁽¹⁾	\$3,292,433	\$2,161,467	\$4,037,002	\$5,780,010	\$4,684,302
Program Reserve	\$11,340,313	\$11,223,313	\$11,023,462	\$10,915,016	\$10,842,125
Program Transfer Account ⁽²⁾	\$21,890,359	\$28,354,689	\$29,338,479	\$140,538,800	\$225,239,396
Future 166 Loan Account ⁽³⁾	\$15,765,132	\$14,808,173	N/A	N/A	N/A

⁽¹⁾ All year end balances are as of November 30 of each year and all June 30th balances are as of May 31st.

⁽²⁾ Not pledged to the payment of Debt Service Charges, but covenanted to be used by ODOD if needed.

⁽³⁾ Pledged to the payment of Debt Service Charges. Funded with 50% of the First Half account on each December 31 and 50% of the Second Half account on each June 30.

Following a default in making payments on the OEBF Bonds, the OEBF Bonds are also payable from the Program Transfer Account to the extent funds are available therein and are not otherwise encumbered, and to the extent that the Director of Development and the State Controlling Board approve such transfer. However, the Program Transfer Account is not pledged and can be used for any purpose for which funds in the Facilities Establishment Fund can be used under the Ohio Revised Code (Revised Code) (as it presently exists or may exist if amended).

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OHIO ENTERPRISE BOND FUND PROGRAM OBLIGATIONS

The total of all OEBF Bonds currently outstanding is \$147,045,000. The following table sets forth the debt service requirements for all outstanding OEBF Bonds as of June 30, 2024.

Ohio Treasurer
Ohio Enterprise Bond Fund
Debt Service Schedule
As of June 30, 2024

<u>Fiscal</u> <u>Year (6/30)</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Debt</u> <u>Service</u>
2025	\$ 8,760,000	\$ 5,685,834	\$ 14,445,834
2026	8,795,000	5,339,444	14,134,444
2027	8,790,000	4,993,575	13,783,575
2028	7,495,000	4,651,112	12,146,112
2029	6,730,000	4,344,906	11,074,906
2030	5,790,000	4,113,548	9,903,548
2031	6,165,000	3,918,924	10,083,924
2032	6,375,000	3,702,025	10,077,025
2033	6,675,000	3,464,684	10,139,684
2034	6,685,000	3,214,212	9,899,212
2035	6,670,000	2,970,779	9,640,779
2036	6,530,000	2,731,529	9,261,529
2037	5,505,000	2,500,579	8,005,579
2038	3,985,000	2,318,065	6,303,065
2039	4,025,000	2,154,802	6,179,802
2040	4,735,000	1,979,374	6,714,374
2041	5,055,000	1,770,470	6,825,470
2042	4,445,000	1,571,074	6,016,074
2043	4,715,000	1,375,813	6,090,813
2044	5,005,000	1,167,872	6,172,872
2045	6,805,000	947,860	7,752,860
2046	5,875,000	648,859	6,523,859
2047	4,495,000	420,685	4,915,685
2048	6,940,000	143,138	7,083,138
Total	\$ 147,045,000	\$ 66,129,161	\$ 213,174,161

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SUMMARY OF ALL CURRENT BORROWER PAYMENT DEFAULTS

There are no Borrowers in payment default as of June 30, 2024. Additionally, through that date, all Bondholders have been paid as agreed since the inception of the OEBF Program in 1988.

SUMMARY OF CHAPTER 166 PROGRAMS

General Information

Under the Revised Code, moneys in the Facilities Establishment Fund can be used by the State to provide direct loans and to support guarantees of private loans to encourage and induce private sector capital projects for industry, commerce, distribution or research in the State, the operation of which will create or preserve jobs in the State. As with the OEBF Program, the proceeds of such direct loans and guaranteed loans are to be used only for the Allowable Costs of Project Facilities. Such proceeds may not be used for working capital. In addition, moneys in the Facilities Establishment Fund can be used by the State to acquire public facilities that comprise Project Facilities and to operate or contract for the operation of such facilities. Moneys transferred to the Facilities Establishment Fund from the State's Scrap Tire Management Fund created under Section 3734.82 of the Revised Code are required to be used exclusively for Project Facilities that involve the recovery of or recycling of energy from scrap tires.

The Revised Code also permits moneys in the Facilities Establishment Fund to be used for other economic development programs (the "Chapter 122 Programs") authorized by Chapter 122 of the Revised Code. To the extent moneys in the Facilities Establishment Fund are transferred to funds or used in connection with Chapter 122 Programs, any repayments or other moneys received in connection with such programs will not be pledged or available to repay OEBF Bonds. The proceeds of OEBF Bonds cannot be used for Chapter 122 Programs.

The General Assembly has authorized certain transfers of moneys involving the Facilities Establishment Fund for Chapter 122 Programs. The General Assembly, through Amended Substitute House Bill 33 of the 135th General Assembly, authorized the transfer from the Facilities Establishment Fund of (i) up to \$1,750,000 in each Fiscal Year of the 2024-2025 biennium to the Business Assistance Fund; (ii) up to \$1,000,000 in each Fiscal Year of the 2024-2025 biennium to the Capital Access Loan Fund; and (iii) up to \$14,000,000 to the One Time Priority Projects Fund. Of these authorized transfers, only the transfer to the Business Assistance Fund was completed as of June 30, 2024.

The Facilities Establishment Fund consists of proceeds of bonds, repayments of loans and recoveries on loan guarantees, including interest thereon, made from the Facilities Establishment Fund (or the Loan Guarantee Fund discussed below), and proceeds of the sale, lease or other disposition of property acquired or constructed with moneys in the Facilities Establishment Fund that are not used to pay debt service charges on obligations or placed in reserves that are pledged to secure any such obligations.

The State initially funded the Facilities Establishment Fund with the issuance of \$70,000,000 of Economic Development Bonds, Series 1982 (the "1982 Liquor Profits Bonds") which were advance refunded and defeased by part of the proceeds from the issuance of \$160,000,000 of State of Ohio State Economic Development Bonds, Series 1983 (Liquor Profits) (the "1983 Liquor Profits Bonds"). The net proceeds of the 1983 Liquor Profits Bonds that were not used for such advance refunding, or to fund reserves established in connection with the issuance of the 1983 Liquor Profits Bonds, were placed into the Facilities Establishment Fund. In 1989, the State issued \$147,684,607.90 of Liquor Profits Refunding Bonds (the "1989 Liquor Profits Bonds") to advance refund the 1983 Liquor Profits Bonds. In 1996, the State issued \$168,740,000 of Taxable Development Assistance Bonds (the "Taxable Development Assistance Bonds") to defease the 1989 Liquor Profits Bonds and to provide additional moneys for deposit in the Facilities Establishment Fund. In 1998, the State issued \$101,980,000 of Taxable Development Assistance Refunding Bonds (the "1998 Bonds") to defease portions of the 1996 Taxable Development Assistance Bonds, and the net proceeds of the 1998 Bonds that were not used for the refunding were placed into the Facilities Establishment Fund. Pursuant to the 2004A Supplemental Trust Agreement, the State issued Taxable Development Assistance Bonds, Series 2004A (Ohio 166 Loan Program) (the "Series 2004A Bonds") in the original aggregate principal amount of \$50,000,000. Pursuant to the 2010A Supplemental Trust Agreement, the State issued Taxable Development Assistance Bonds, Series 2010A (Ohio 166 Direct Loan Program) (the "Series 2010A Bonds") in the original aggregate principal amount

of \$40,000,000. Pursuant to the 2012B Supplemental Trust Agreement, the State issued Taxable Development Assistance Bond Anticipation Notes, Series 2012B (Ohio 166 Direct Loan Program) (the “Series 2012B Notes”) in the original aggregate principal amount of \$40,000,000. The Taxable Development Assistance Notes are to be repaid, subject to certain limitations, by profits realized by the State from the sale of spirituous liquor (“Liquor Profits”). The Taxable Development Assistance Bonds are not to be repaid from and they are not secured by a pledge of funds from the Facilities Establishment Fund, the OEBF Accounts, any loan repayments received under the Chapter 166 Direct Loan Program, or any OEBF Net Revenues. As of June 30, 2024, there was \$21,890,359 remaining in the Facilities Establishment Fund that had been approved for Chapter 166 Direct Loans by the State Controlling Board and that the Director of Development had either committed or was in the process of negotiating commitments.

The State’s 2012-13 appropriations act authorized the transfer of the State’s spirituous liquor system to JobsOhio, a not-for-profit corporation created and existing under Chapter 1702 of the Revised Code for the purpose of promoting economic development, job creation and retention, job training and recruitment of business to the State. On February 1, 2013, the transfer was completed and the State granted JobsOhio a 25-year franchise on the liquor enterprise. The transfer included provisions for the payment of outstanding bonds issued by the State for economic development and revitalization purposes. To the extent that the transfer of the State’s spirituous liquor system reduces the moneys available for lending under the Chapter 166 Programs, moneys available in the event of a default of an OEBF Bond may be reduced. As a result of the JobsOhio Beverage System transaction that occurred on February 1, 2013, the Treasurer legally defeased all existing Taxable Development Assistance Bonds.

The Chapter 166 Direct Loan Program

Commencing in 1982, the Director of Development began making loans from funds in the Facilities Establishment Fund that were derived from the sale of the 1982 Liquor Profits Bonds.

The State’s programs under the Revised Code, including the OEBF Program, are currently administered by loan officers from the Ohio Department of Development in conjunction with JobsOhio. Under Section 187.04 of the Revised Code, the Director of Development is required to enter into a contract with JobsOhio for JobsOhio to assist the Director of Development with providing services or otherwise carrying out the functions or duties of the Director of Development.

In connection with loans made under the Chapter 166 Direct Loan Program, the Director of Development ordinarily enters into a loan agreement with a borrower and receives a promissory note and a mortgage or security agreement (which may be subordinated to or on a parity with mortgages and security agreements securing other debt) from the borrower relating to the assets being financed by the loan. The loan agreement ordinarily sets forth procedures for disbursement of the loan and covenants, including financial covenants, regarding the borrower and its operations, defines events of default, and provides that if an event of default has occurred and is continuing, the Director of Development may accelerate all amounts due under the note and foreclose on the related mortgage or security agreement (which acceleration may be subject to the consent of senior or parity debt holders). The Director of Development also may, in their discretion, waive events of default.

Most loans made under the Chapter 166 Direct Loan Program have not been for more than 50 percent of the total reported Allowable Costs of the project being financed. In many cases, a commercial lender has loaned a significant portion of the Allowable Costs of the project not financed by the State’s loan. Approximately 90 percent of the loans outstanding under the Chapter 166 Direct Loan Program are secured by (i) first mortgages or security interests; or (ii) parity first mortgages or security interests in the property, the costs of which were financed by the loan. The remaining loans are generally secured by second priority mortgages or security interests in the property, the costs of which were financed by the loan.

In general, agreements relating to parity first mortgages or security interests provide that proceeds realized as the result of a foreclosure are to be divided among the lenders (typically the State and a commercial lender) on the basis of the principal balances outstanding under their respective loans. In some instances, however, proceeds realized as the result of a foreclosure are to be divided based on percentages established as the result of negotiation between the lenders, and may not relate to relative amounts the borrower owes to the lenders.

Chapter 166 Direct Loan Program Net Revenues

Set forth herein is a summary of the State's existing and historical Chapter 166 Direct Loan Program Net Revenues and other related facts, based on certain assumptions stated therein, and the Chapter 166 Direct Loan Program Net Revenues projected to be received by the State in the future from loans outstanding under the program.

The existing and future scheduled net loan repayments shown below are being generated by loans which were made from net proceeds of the 1982 Liquor Profits Bonds, the 1983 Liquor Profits Bonds and the Taxable Development Assistance Bonds. The loan repayments are not pledged to the payment of the 1983 Liquor Profits Bonds or the Taxable Development Assistance Bonds. As stated on the previous page, to the extent that the transfer of the State's spirituous liquor system reduces the moneys available for lending under the Chapter 166 Programs, moneys available in the event of a default of an OEBF Bond may be reduced.

As described herein, the loan repayments shown below and any future loan repayments from new loans issued pursuant to the Chapter 166 Programs, including the Chapter 166 Direct Loan Program, are and will be initially deposited in the First Half Account and Second Half Account. If such amounts are not needed to pay Debt Service Charges on the OEBF Bonds or to maintain the Program Reserve Requirement during the period of time they are held in such Accounts, subject to other directions given by the Director of Development under Section 166.09 of the Revised Code, fifty percent (50%) of such amounts will be transferred to the Program Transfer Account; and the remaining fifty percent (50%) of such amounts will be transferred to the Trustee for deposit into the Future 166 Loan Account. Such amounts transferred to the Future 166 Loan Account may be used to make loans under the Chapter 166 Program. Such amounts transferred to the Program Transfer Account may be used to make loans under the Chapter 166 Program (but may also be used for other purposes). Any additional loan repayments from future loans made under the Chapter 166 Programs, if made, will be also initially deposited to the First Half Account and the Second Half Account, and therefore will be available for payment of debt service charges on all OEBF Bonds.

For more information, relating to specific loans made under the Chapter 166 Direct Loan Program, see the Detailed Listing of All Chapter 166 Loans Outstanding section of this continuing disclosure document. As of June 30, 2024, there were 42 current loans outstanding under the Chapter 166 Direct Loan Program in an aggregate principal amount of \$248,909,251.

The Chapter 166 Direct Loan Program originated its first loan in 1982. Of the loans made under the Program, 591 loans in an aggregate original principal amount of \$892,258,650 had been paid in their entirety as of June 30, 2024. Since the inception of the Chapter 166 Direct Loan Program, there have been 707 total loans with a total principal amount of \$1,327,032,892.

In March 2020, due to the COVID-19 pandemic, the DOD gave Chapter 166 loan borrowers the option to suspend loan payments from April 1, 2020 through September 30, 2020, with no impact on the interest payments and servicing fees related to outstanding balances. The maturity date of the loans was adjusted to reflect the six-month suspension.

Since 1982, the Director of Development has written off 65 loans with an outstanding aggregate principal balance of \$46,577,127.

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HISTORICAL INFORMATION CHAPTER 166 LOAN PROGRAM

June 30, 2024

Period Ending:	<u>6/30/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	Total Since Inception
<u>New Loans Originated</u>						
Number	1	1	2	3	6	707
Original Principal	\$100,000,000	\$7,000,000	\$10,000,000	\$70,000,000	\$56,892,000	\$1,327,032,892
<u>Matured Loans</u>						
Number	1	2	5	3	9	237
Original Principal	\$750,000	\$3,500,000	\$8,595,173	\$6,100,000	\$11,146,090	\$331,115,016
<u>Prepaid Loans</u>						
Number	0	0	3	6	8	354
Prepaid Principal	\$0	\$0	\$4,005,211	\$2,328,982	\$2,270,057	\$265,879,522
Original Principal	\$0	\$0	\$14,452,000	\$26,285,000	\$10,105,056	\$561,143,634
<u>Loan Written Off</u>						
Number	0	0	0	0	0	65
Actual Principal	\$0	\$0	\$0	\$0	\$0	\$46,577,127
Original Principal	\$0	\$0	\$0	\$0	\$0	\$70,530,695
<u>Forgiven Loans</u>						
Number	1	0	0	1	0	5
Actual Amount	\$312,145	\$0	\$0	\$100,000	\$0	\$10,099,905
Period Ending:	<u>6/30/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	
<u>Average Loan Balance</u>	\$5,926,411	\$5,044,960	\$4,865,452	\$4,079,061	\$2,739,173	
<u>Outstanding Loans</u>						
Number	42	43	44	50	57	
Outstanding Balance	\$248,909,251	\$216,933,290	\$214,079,897	\$203,953,061	\$156,132,851	
Original Principal	\$308,322,746	\$271,213,929	\$262,660,789	\$275,707,962	\$233,839,537	
<u>Current Loans Outstanding</u>						
Number	42	43	44	50	55	
Outstanding Balance	\$248,909,251	\$216,933,290	\$214,079,897	\$203,953,061	\$149,839,628	
<u>Delinquent Loans</u>						
(60-120 days)						
Number	0	0	0	0	0	
Outstanding Principal	\$0	\$0	\$0	\$0	\$0	
(Over 120 days)						
Number	0	0	0	0	2	
Outstanding Principal	\$0	\$0	\$0	\$0	\$6,293,223	
Period Ending:	<u>6/30/2024</u>	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2020</u>	
<u>Account Balances</u>						
Program Transfer Account ⁽¹⁾⁽²⁾	\$21,890,359	\$28,354,689	\$29,338,479	\$140,538,800	\$225,239,396	
Future 166 Loan Account ⁽¹⁾⁽⁵⁾	\$15,765,132	\$14,808,173	N/A	N/A	N/A	
First Half ⁽³⁾⁽⁶⁾	\$3,981,040	\$1,060,186	\$7,360,209	\$7,125,269	\$6,186,825	
Second Half ⁽⁴⁾⁽⁶⁾	\$3,292,433	\$2,161,467	\$4,037,002	\$5,780,010	\$4,684,302	

Information provided by the Ohio Department of Development.

Notes to Summary Table

- ⁽¹⁾ Amount is available to make new Chapter 166 Program loans.
- ⁽²⁾ Amounts not pledged to pay Debt Service Charges, but covenanted to be used by ODOD if needed
(See "SOURCE OF PAYMENT OF AND SECURITY FOR THE BONDS - General Description").
- ⁽³⁾ Amounts available to pay Debt Service Charges (See "SOURCE OF PAYMENT OF AND SECURITY FOR THE BONDS - General Description")
On the last Business Day of December any remaining funds in this Account are transferred to Program Transfer Account.
- ⁽⁴⁾ Amounts available to pay Debt Service Charges (See "SOURCE OF PAYMENT OF AND SECURITY FOR THE BONDS - General Description")
On the last Business Day of June any remaining funds in this Account are transferred to Program Transfer Account.
- ⁽⁵⁾ Pledged to the payment of Debt Service Charges. Funded with 50% of the First Half account on each December 31 and 50% of the
Second Half account on each June 30.
- ⁽⁶⁾ All year end balances are as of November 30 of each year and all June 30th balances are as of May 31st.

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REPAYMENT SCHEDULE FOR THE CHAPTER 166 LOAN PORTFOLIO

The following table sets forth the annual Chapter 166 Direct Loan Program Net Revenues that will be received by the State from all loans outstanding under the program as of June 30, 2024. There can be no assurance that all payments will be received when scheduled.

Chapter 166 Program Repayment Schedule as of June 30, 2024

Fiscal Year (6/30)	Scheduled Loan Repayments*
2025	8,399,509
2026	15,348,865
2027	12,184,055
2028	19,308,382
2029	19,396,020
2030	8,986,882
2031	15,936,062
2032	8,032,617
2033	6,627,081
2034	6,097,808
2035	6,142,030
2036	5,236,580
2037	4,054,631
2038	3,964,110
2039	3,950,129
2040	3,961,173
2041	3,485,676
2042	3,119,158
2043	2,683,382
2044	2,320,890
2045	2,058,474
2046	895,299
2047	0
2048	20,000,000
2049	0
2050	10,000,000
2051	0
2052	0
2053	0
2054	0
2055	2,484,306
2056	0
2057	0
2058	1,667,187
Total	\$196,340,304

* Does not include repayments for forgivable loans. As of June 30, 2024, the outstanding balance of Chapter 166 Loans with forgivable terms was \$74,381,583. The forgivable loans include (i) a \$37,911,957 loan to the Cleveland Clinic Foundation with a maximum approved loan amount of \$100,000,000; (ii) a \$3,392,617 loan to the Franklin County Convention Facilities Authority with a maximum approved loan amount of \$10,000,000; (iii) a \$30,800,000 loan to The Sherwin-Williams Company with a maximum approved loan amount of \$35,000,000; and (iv) a \$2,277,009 loan to the Toledo-Lucas County Port Authority with a maximum approved loan amount of \$5,000,000.

Information provided by the Ohio Department of Development.

ISSUANCE OF ADDITIONAL OHIO ENTERPRISE BOND FUND BONDS

Pursuant to the General Bond Order, the Treasurer may, from time to time by issuance of a series bond order, issue other series of OEBF Bonds on a parity basis with the Bonds, payable from and secured by the OEBF Accounts as well as payable from the Program Transfer Account. The General Bond Order permits the State to issue OEBF Bonds to provide moneys to the Facilities Establishment Fund that are needed for the purpose of paying or making loans to pay Allowable Costs of Project Facilities and for the purpose of paying administrative expenses of the OEBF Program, for funding reserves or interest payable from the proceeds of a series of OEBF Bonds, and for refunding (including advance refunding) any outstanding series of OEBF Bonds. Proceeds of OEBF Bonds cannot be used for any other purpose.

Previously, under the Revised Code, the aggregate principal amount of Project Financing Obligations (including OEBF Bonds) issued cannot exceed \$300,000,000, plus the sum of the principal amount of any Project Financing Obligations retired by payment. Effective on September 28, 2012, the aggregate amount of debt service payable in any calendar year on Project Financing Obligations (OEBF Bonds) issued under section 166.08 of the Revised Code, exclusive of the make-whole call redemptions or other optional prepayments, shall not exceed \$50,000,000. Except for the statutory limitation described above, there are no limitations in the Trust Agreement, or General Bond Order which is incorporated into the Trust Agreement, regarding the aggregate principal amount of OEBF Bonds that may be issued. The maximum annual debt service as of June 30, 2024 is \$14,445,834 which occurs in FY 2025.

There is no assurance that the State will not pledge or agree to use moneys in the Facilities Establishment Fund, including moneys in the Program Transfer Account, to secure or repay any other obligations.

In accordance with the General Bond Order, the State may issue additional series of OEBF Bonds only if all the following conditions are satisfied:

- The State is not in default of any covenants or obligations contained in the Trust Agreement or in any outstanding OEBF Bonds, and the authentication and delivery of such series of OEBF Bonds will not result in any such default;
- The principal amount of such series of OEBF Bonds, and of other obligations then issued or outstanding, will not exceed in the aggregate the principal amount of obligations which may be issued or outstanding under the existing limitations imposed by of the General Assembly and the provisions of the Revised Code;
- If proceeds of the additional series of OEBF Bonds are to be used to finance Project Facilities, at the time of initial authentication and delivery of the series of bonds, the Director of Development must have entered into a Project Financing Agreement relating to those proceeds or must have otherwise entered into agreements which provide for a source of revenues sufficient to pay the Debt Service Charges on that series of OEBF Bonds or portion thereof allocable to the related Project Facilities. Each Project Financing Agreement is required to provide for the manner in which proceeds of such series of OEBF Bonds shall be applied to the acquisition and construction of such Project Facilities and for payments by the Contracting Party so benefited of amounts sufficient to pay all of the Debt Service Charges on such series of OEBF Bonds or the portion thereof allocable to the financing for that Contracting Party;
- The balance in the Program Reserve Account (including the aggregate amounts which may then be drawn under any letters of credit delivered to the Trustee to provide funds to the Program Reserve Account), valuing investments therein at the lower of cost or market, immediately after issuance of such series of OEBF Bonds, must be not less than the Program Reserve Requirement;
- The terms of obligations, including OEBF Bonds, may not exceed 25 years. Under the Trust Agreement, the State may not issue any series of OEBF Bonds if the issuance of that series would cause interest on any outstanding series of Tax-Exempt OEBF Bonds to be includable in gross income for purposes of federal income taxation; and
- The Trustee shall have received a certificate of the Director and the Treasurer certifying that, as of the date of issuance of the additional series of Ohio Enterprise Bond Fund Bonds, and with respect to each June 30 for so long as any Ohio Enterprise Bond Fund Bonds shall remain outstanding, commencing with the immediately following June 30, (i) principal and interest due on loans made under Ohio Revised Code Section 166.07, plus

(ii) principal and interest due on loans made with proceeds of the Ohio Enterprise Bond Fund Bonds, plus (iii) principal and interest due on the Projected Loans, as defined below, shall be no less than (iv) 125% of principal and interest due on all Ohio Enterprise Bond Fund Bonds outstanding, including the additional series of Ohio Enterprise Bond Fund Bonds. As an assumption for calculation purposes only, "Projected Loans" means loans assumed to have been extended from (a) funds available on deposit in the Future 166 Loan Account as of the date of issuance of the additional series of Ohio Enterprise Bond Fund Bonds and (b) funds projected to be available in the Future 166 Loan Account from scheduled principal and interest payments made on loans made under Ohio Revised Code Section 166.07, in each case with a term and interest rate determined by the Treasurer and its financial advisor based on recent loan activity under Ohio Revised Code Section 166.07 by the Department of Development and fully amortized.

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DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
1988-1	Program Reserve	Program Reserve	\$10,000,000	Taxable	04/11/88	N/A	N/A	\$0
1989-1	Globe Industries	Industrial Parts	\$2,500,000	Tax-Exempt	04/27/89	Lucas	Rossford	\$0
1989-2	Globe Industries	Industrial Parts	\$1,000,000	Tax-Exempt	06/08/89	Lucas	Oregon	\$0
1989-3	Harvard Industries	Automotive Accessories	\$7,200,000	Tax-Exempt	06/29/89	Seneca	Tiffin	\$0
1989-4	House of LaRose	Regional Beverage Distribution	\$8,255,000	Taxable	10/06/89	Cuyahoga	Cuyahoga Heights	\$0
1989-5A	Sponge, Inc.	Sponge Manufacturing	\$4,400,000	Tax-Exempt	10/05/89	Lorain	Elyria	\$0
1989-5B	Sponge, Inc.	Sponge Manufacturing	\$4,050,000	Tax-Exempt	10/05/89	Lorain	Elyria	\$0
1989-6	Triplett Corporation	Measuring Devices Manufacturing	\$3,810,000	Taxable	10/31/89	Allen	Bluffton	\$0
1990-1	Erie Terminal	Commercial Offices	\$1,555,000	Taxable	12/06/90	Mahoning	Youngstown	\$0
1990-2	Youngstown Sinter	Steel Manufacturing	\$7,400,000	Tax-Exempt	07/14/90	Trumbull	Warren	\$0
1990-3	Good Samaritan	Non-Profit Medical Center	\$1,900,000	Tax-Exempt	12/27/90	Muskingum	Zanesville	\$0
1991-1	Kinetic Noise Control	Noise Control Products	\$2,270,000	Taxable	03/28/91	Franklin	Dublin	\$0
1991-2	Superior Forge and Steel, Inc.	Steel Mill Rolls Manufacturing	\$7,715,000	Tax-Exempt	04/25/91	Allen	Lima	\$0
1991-3	Superior Forge and Steel, Inc.	Steel Mill Rolls Manufacturing	\$1,200,000	Tax-Exempt	04/25/91	Allen	Lima	\$0
1991-4	Atlas Technical Finishes, Inc.	Electrocoating Operation	\$1,310,000	Taxable	05/31/91	Cuyahoga	Cleveland	\$0
1991-5	Royal Appliance Manufacturing	Vacuum Cleaner Manufacturer	\$4,145,000	Tax-Exempt	05/30/91	Summit	Macedonia	\$0
1991-6	Burrows Paper Corporation	Specialty Tissue Manufacturer	\$1,435,000	Tax-Exempt	07/25/91	Knox	Mt. Vernon	\$0
1991-7	Burrows Paper Corporation	Specialty Tissue Manufacturer	\$650,000	Tax-Exempt	07/25/91	Knox	Mt. Vernon	\$0
1991-8	JJ&S Ltd. Partnership	Electromechanical Products Servicer	\$2,895,000	Taxable	08/15/91	Stark	Massillon	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
1991-9	Royal Appliance Manufacturing	Vacuum Cleaner Manufacturer	\$3,125,000	Tax-Exempt	08/29/91	Lake	Wickliffe	\$0
1991-10	Bellisio Foods	Food Manufacturer	\$6,715,000	Tax-Exempt	09/18/91	Jackson	Jackson	\$0
1991-11	RC Miller Refuse Services	Refuse Recycler	\$2,035,000	Tax-Exempt	10/30/91	Stark	Canton	\$0
1991-12	Fed-One Dayton	Glass Manufacturer	\$3,800,000	Taxable	11/15/91	Muskingum	Zanesville	\$0
1991-13	VSM Corporation	Noise Abatement Systems Manufacturer	\$2,605,000	Tax-Exempt	12/05/91	Summit	Twinsburg	\$0
1991-14	RC Miller Refuse Services	Refuse Recycler	\$1,605,000	Tax-Exempt	12/16/91	Stark	Canton	\$0
1991-15	Consumer Direct, Inc.	Fitness Equipment Distribution	\$2,710,000	Taxable	01/22/92	Stark	Canton	\$0
1992-1	Calex Corporation	Aluminum Extrusion Processor	\$10,185,000	Taxable	02/24/92	Mahoning	Campbell	\$0
1992-2	5 Bs, Inc.	Garment Manufacturer	\$2,070,000	Tax-Exempt	04/23/92	Muskingum	Zanesville	\$0
1992-3	Baileys Trans-Plastics	Plastic Injection Molder	\$3,170,000	Taxable	06/30/92	Ashtabula	Conneaut	\$0
1992-5	Stearns Technical Textiles	Textile Manufacturer	\$3,805,000	Tax-Exempt	06/30/92	Hamilton	Cincinnati	\$0
1992-6	Hercules Tire & Rubber	Rubber Tire Retreading Manufacturer	\$2,870,000	Tax-Exempt	06/30/92	Hancock	Findlay	\$0
1992-7	Osco Industries, Inc.	Gray Iron Castings Manufacturer	\$1,250,000	Taxable	11/19/92	Scioto	Portsmouth	\$0
1992-8	Landoll, Inc.	Book Publisher	\$7,580,000	Taxable	01/11/93	Ashland	Ashland	\$0
1993-1	Dayton-Phoenix Group	Locomotive Motors	\$3,095,000	Taxable	02/10/93	Montgomery	Dayton	\$0
1993-2	Chemron Corporation	Surfactants Mfg	\$1,630,000	Taxable	04/28/93	Wood	Bowling Green	\$0
1993-3	Bowling Green Ltd. Partnership	Surfactants Mfg	\$1,830,000	Taxable	04/28/93	Wood	Bowling Green	\$0
1993-4	Buffalo Molded Plastics	Auto Parts Manufacturer	\$3,070,000	Taxable	09/09/93	Ashtabula	Andover	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
1993-5	Foremost Mgmt.	Food Processing Facility	\$8,100,000	Taxable	09/21/93	Jackson	Jackson	\$0
1993-6	Globe Industries	Vibration Control Equipment Manufacturer	\$5,520,000	Taxable	09/08/93	Lucas	Oregon	\$0
1993-7	Checkfree Corporation	Commercial Financial Processing	\$7,515,000	Taxable	09/02/93	Franklin	Columbus	\$0
1993-8	Landair Services, Inc.	Transportation/Logistics Firm	\$6,280,000	Taxable	10/29/93	Franklin	Columbus	\$0
1993-9	Mills Pride, Ltd Partnership	Kitchen Cabinets, Vanities Manufacturer	\$10,415,000	Taxable	01/12/94	Pike	Waverly	\$0
1994-1	CR/PL Limited Partnership	Plumbing Equipment Manufacturer	\$3,060,000	Tax-Exempt	09/01/94	Richland	Mansfield	\$0
1994-2	Cheryl & Co.	Food Processing Facility	\$1,455,000	Tax-Exempt	01/01/94	Franklin	Westerville	\$0
1994-3	ABS Industries, Inc.	Forged Auto Parts Manufacturer	\$6,460,000	Tax-Exempt	04/21/94	Carroll	Minerva	\$0
1994-4	Orlando Baking Co.	Commercial Bakery	\$3,575,000	Tax-Exempt	06/16/94	Cuyahoga	Cleveland	\$0
1994-5	Consolidated Biscuit, Inc.	Commercial Bakery	\$1,815,000	Tax-Exempt	10/01/94	Erie	Sandusky	\$0
1994-6	Progressive Plastics Products	Molded Plastics Components Manufacturer	\$3,380,000	Tax-Exempt	12/01/94	Seneca	Seneca	\$0
1995-1	J.J.&W. Partnership	Chemical Manufacturer	\$3,425,000	Tax-Exempt	06/01/95	Stark	Massillon	\$0
1995-2	Wirt Metal Products, Inc.	Aluminum Billets Manufacturer	\$2,115,000	Tax-Exempt	07/01/95	Stark	Plain Twp	\$0
1995-3	Smith Steelite, Inc.	Metal Wall and Roof System Manufacturer	\$3,510,000	Tax-Exempt	11/15/95	Guernsey	Cambridge	\$0
1996-1	Sandusky Polymers Corp.	Vinyl Products Manufacturer	\$2,130,000	Taxable	03/01/96	Erie	Sandusky	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
1996-2	Ohio Coatings, Co.	Tinplate Manufacturer	\$10,000,000	Taxable	10/31/96	Jefferson	Yorkville	\$0
1998-1	The General Casting Company	Iron Castings Manufacturer	\$1,600,000	Taxable	04/30/98	Logan	W. Liberty	\$0
1998-2	Hamilton CIC	Cleaning Products Manufacturer	\$1,755,000	Taxable	04/30/98	Butler	Hamilton	\$0
1998-3	E-BEAM	Wire/Cable Conveyor System	\$2,290,000	Taxable	05/28/98	Warren	Lebanon	\$0
1998-4	OCHS Industries, Inc.	Computer Housings Manufacturer	\$3,185,000	Taxable	11/12/98	Montgomery	Vandalia	\$0
1998-5	Toledo Lucas County Port Authority	Port Authority	\$8,350,000	Taxable	11/12/98	Hancock	Findlay	\$0
1999-1	NEO Beam Inc.	Plastic Sterilization	\$4,075,000	Taxable	05/12/99	Geauga	Middlefield	\$0
1999-2	Euclid & Wickliffe Services	Custom Sheet Metal Manufacturer	\$5,325,000	Taxable	11/24/99	Lake	Eastlake	\$0
2000-1	Scotts	Garden Fertilizer Company	\$6,025,000	Taxable	05/11/00	Union	Marysville	\$0
2000-2	Timken Latrobe	Steel Company	\$6,185,000	Taxable	06/15/00	Trumbull	Vienna Twp	\$0
2001-1	Girindus	Pharmaceutical Company	\$3,505,000	Taxable	08/16/01	Hamilton	Reading	\$0
2002-1	Seaman Corp	Industrial Fabrics Manufacturer	\$3,140,000	Taxable	05/14/02	Wayne	Wooster	\$0
2002-2	Alloy Polymers, Inc.	Plastics compounder	\$7,185,000	Taxable	05/23/02	Franklin	Gahanna	\$0
2002-3	Milacron, Inc	Tool Manufacturer	\$11,500,000	Taxable	06/13/02	Hamilton	Batavia	\$0
2002-4	Astro Instrumentation, LLC	Medical Devices Manufacturer	\$2,845,000	Tax-Exempt	08/29/02	Cuyahoga	Strongsville	\$0
2002-5	Dana Corporation	Automotive Manufacturer	\$10,000,000	Taxable	11/07/02	Lucas	Monclova Twp	\$0
2002-6	Farber Development I, LLC	Automotive	\$2,450,000	Tax-Exempt	10/24/02	Franklin	Columbus	\$0
2002-7	Kahiki Foods	Frozen Foods	\$4,180,000	Tax-Exempt	12/12/02	Franklin	Gahanna	\$0
2003-1	Trillium	Soap Manufacturer	\$10,200,000	Taxable	04/23/03	Hamilton	Cincinnati	\$0
2003-2	EXAL Corporation	Aluminum Can Manufacturer	\$3,935,000	Taxable	04/24/03	Mahoning	Youngstown	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
2003-3	Patheon Pharmaceuticals, Inc.	Pharmaceutical Company	\$9,000,000	Taxable	06/12/03	Hamilton	Reading	\$0
2003-4	Burrows Paper Corporation	Paper Manufacturer	\$9,000,000	Taxable	06/18/03	Montgomery	Dayton	\$0
2003-5	Heidtman Steel	Steel Processor	\$5,645,000	Taxable	08/28/03	Cuyahoga	Cleveland	\$0
2003-6	Alliance Castings	Rail Car Side Frames	\$10,000,000	Taxable	12/18/03	Alliance	Stark	\$0
2004-1	Engineered Plastic Products	Plastic Automotive Components Manufacturer	\$3,460,000	Tax-Exempt	01/22/04	Allen	Ft. Shawnee	\$0
2004-2	Luiginos, Inc.	Frozen Foods	\$7,010,000	Taxable	03/31/04	Jackson	Jackson	\$0
2004-3	SUMCO	Silicon Wafer Manufacturer	\$8,000,000	Taxable	05/06/04	Warren	Maineville	\$0
2004-4	Stone Container	Packaging Material Manufacturer	\$4,650,000	Taxable	10/06/04	Tuscarawas	New Philadelphia	\$0
2005-1	Amantea Nonwovens, LLC	Non Woven Fabrics Manufacturer	\$3,535,000	Taxable	02/10/05	Hamilton	Cincinnati	\$0
2005-2	Goodyear Tire & Rubber	Tire Manufacturer	\$7,860,000	Taxable	05/12/05	Summit	Akron	\$0
2005-3	Taylor Chair Realty Company	Chair and Furniture Manufacturer	\$4,690,000	Tax-Exempt	07/26/05	Cuyahoga	Bedford	\$0
2005-4	Dover Chemical Corporation	Chemical Manufacturer	\$7,000,000	Taxable	09/21/05	Tuscarawas	Dover	\$0
2005-5	Rossford/Perrysburg Twp OI Levis	Office Building	\$8,000,000	Taxable	11/17/05	Wood	Perrysburg	\$0
2006-1	Lockheed Martin Corporation	Defense Contract - HAA	\$5,000,000	Taxable	02/01/06	Summit	Akron	\$0
2006-2	Klosterman Baking Co.	Bread Baking	\$4,830,000	Taxable	02/08/06	Hamilton	Cincinnati	\$0
2006-3	EXAL Corporation	Aluminum Containers	\$5,000,000	Taxable	02/16/06	Mahoning	Youngstown	\$0
2006-4	Associated Hygienic Products LLC	Disposable Sanitary Products	\$6,000,000	Taxable	07/19/06	Marion	Marion	\$0
2006-5	Clopay Corporatoin	Garage Door Manufacturer	\$7,790,000	Taxable	10/25/06	Miami	Troy	\$0
2007-1	Appleton Papers Inc	Paper Coating and Production	\$9,105,000	Taxable	07/24/07	Montgomery	West Carrollton	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
2007-2A	Golden Heritage Foods	Honey Food Products	\$4,500,000	Tax-Exempt	11/28/07	Van Wert	Van Wert	\$0
2007-2B	Golden Heritage Foods	Honey Food Products	\$1,030,000	Taxable	11/28/07	Van Wert	Van Wert	\$0
2008-1	Anchor Acquisition	Glassware	\$7,000,000	Taxable	03/27/08	Fairfield	Lancaster	\$0
2008-2	Technigraphics, Inc.	Software Services	\$4,390,000	Taxable	07/09/08	Wayne	Wooster	\$0
2008-3	Sigma OH Industries, Inc.	Composite and Metal Component Manufacturer	\$3,420,000	Taxable	08/22/08	Ashtabula	Village of Jefferson	\$0
2008-4	Xunlight Corporation	Flexible Solar Cell Manufacturer	\$4,000,000	Taxable	12/18/08	Lucas	Toledo	\$0
2009-1	Ohio Metal Technologies	Velocity Joints Manufacturer	\$4,545,000	Tax-Exempt	04/08/09	Licking	Herbron	\$0
2009-2	HCR Manor Care	Corporate Headquarters	\$11,605,000	Taxable	04/28/09	Lucas	Toledo	\$6,205,000
2009-3	Health Care REIT	Real Estate Investment Trust	\$10,750,000	Taxable	08/25/09	Lucas	Toledo	\$0
2009-4	Eaton Corporation	Electrical Systems Technology	\$10,000,000	Taxable	09/24/09	Cuyahoga	Beachwood	\$0
2009-5	Shearer's Foods Inc.	Brand Snack Food Maker	\$7,635,000	Tax-Exempt	10/01/09	Stark	Massillon	\$0
2009-6	National Bronze & Metal, Inc.	Metal Alloy Manufacturer	\$4,935,000	Taxable	10/29/09	Lorain	Lorain	\$0
2010-1	Comprehensive Logistics, Inc.	Warehouse and Transportation Management	\$4,315,000	Taxable	02/25/10	Mahoning	Austintown	\$0
2010-2	IRG Batavia I, LLC	Real Estate Developer	\$4,490,000	Tax-Exempt	04/01/10	Clermont	Batavia	\$0
2010-3	IRG Batavia I, LLC	Real Estate Developer	\$1,645,000	Taxable	04/01/10	Clermont	Batavia	\$0
2010-4	Intelligrated Systems, Inc.	Integrated Material Handling Systems Supplier	\$5,600,000	Taxable	03/04/10	Butler	West Chester	\$0
2010-5	Wornick Company	Food Rations Supplier	\$6,415,000	Taxable	08/19/10	Hamilton	Blue Ash	\$0

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
2010-6	Shawshank LLC	Roll and Sheet Stock Paper Converter	\$2,390,000	Taxable	08/12/10	Richland	Mansfield	\$0
2010-7	Vernon Manor Project	Parking Garage	\$4,300,000	Tax-Exempt	10/14/10	Hamilton	Cincinnati	\$2,895,000
2010-8	New Horizons Bakery	Bakery	\$6,115,000	Tax-Exempt	10/07/10	Huron	Norwalk	\$0
2010-9	Sugar Creek Packing Co.	Food Processing	\$3,025,000	Tax-Exempt	11/10/10	Montgomery	Dayton	\$0
2010-10	Novatex North America, Inc.	Infant Care Products	\$5,500,000	Tax-Exempt	12/16/10	Ashland	Ashland	\$0
2010-11	International Technical Coatings, Inc.	Wire Mesh Products Manufacturer	\$3,005,000	Tax-Exempt	12/15/10	Franklin	Columbus	\$0
2010-12	Flats East Development LLC	Urban Renewal Developer	\$15,000,000	Tax-Exempt	12/21/10	Cuyahoga	Cleveland	\$0
2011-1	General Data Company	Label Manufacturer	\$2,455,000	Tax-Exempt	09/02/11	Clermont	Milford	\$0
2011-2	Wilbert, Inc.	Plastic Injection Molder Manufacturer	\$5,285,000	Taxable	09/22/11	Sandusky	Bellevue	\$0
2011-3	MITEC, Inc.	Automotive Propulsion Technology Mfr	\$7,270,000	Taxable	11/03/11	Hancock	Findlay	\$0
2011-4	MAC LTT, LLC	Truck Trailer Manufacturing	\$3,150,000	Taxable	12/08/11	Portage	Kent	\$760,000
2011-5	Mt. Orab Port Authority	Truck Trailer Manufacturing	\$3,400,000	Taxable	12/15/11	Brown	Mt. Orab	\$0
2012-1	Seepex, Inc.	Cavity pumps, macerators and control systems manufacturing	\$5,855,000	Tax-Exempt	02/23/12	Clark	Enon	\$0*
2012-2	Isofoton North America, Inc.	Mono crystalline solar cells	\$7,080,000	Taxable	03/08/12	Henry	Napoleon	\$0

*Series 2012-1 Seepex bonds were defeased on March 15, 2023. Trustee is holding \$1,250,000 in principal plus interest due on the bonds through the final maturity date of December 1, 2026.

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
2012-3	FWT, LLC	Custom steel support products	\$4,040,000	Taxable	04/18/12	Defiance	Hicksville	\$0
2012-4	JDDC, Ltd.	Threaded parts manufacturer	\$3,135,000	Taxable	05/10/12	Lake	Mentor	\$0
2012-5	Southeastern Ohio Port Authority	Water screening, water supply and pumping	\$4,175,000	Taxable	06/21/12	Washington	Marietta	\$1,100,000
2012-6	Intelligrated Systems, Inc.	Material Handling	\$6,000,000	Taxable	10/03/12	Warren	Mason	\$0
2012-7	The Connor Group	Real Estate Developer	\$8,350,000	Taxable	08/23/12	Montgomery	Dayton	\$0
2012-8	Grob Systems, Inc.	Machinery and Robotics Supplier	\$9,400,000	Taxable	10/04/12	Hancock	Bluffton	\$2,580,000
2012-9	AMES, Inc.	Commercial Airline Engineering and Repair	\$9,055,000	Tax-Exempt	12/27/12	Clinton	Wilmington	\$5,705,000
2012-10	White Castle Distributing, LLC	Frozen Foods	\$9,850,000	Tax-Exempt	10/31/12	Montgomery	Vandalia	\$2,880,000
2012-11	Strauss/River Rail Development	Scrap Metals Recycler	\$6,150,000	Taxable	10/25/12	Jefferson	Steubenville	\$0
2012-12	West Troy Tool & Dye	Manufacturer of oil filters for passenger vehicles	\$2,350,000	Taxable	10/31/12	Miami	Troy	\$0
2013-1	The Eco-Groupe	Manufacturer of plastic bottle preforms	\$4,000,000	Taxable	04/04/13	Montgomery	Dayton	\$0
2013-2	Omnova Solutions	Manufacturer of emulsion polymers	\$7,000,000	Taxable	11/07/13	Cuyahoga	Beachwood	\$4,240,000

DETAILED LISTING OF ALL OHIO ENTERPRISE BOND FUND BONDS - As of June 30, 2024 (cont.)

Bond Series	Company Name	Type of Business	Original Principal	Tax Status	Closing Date	County	City	Outstanding Principal
2013-3	Pratt Industries	Paper and Packaging	\$7,000,000	Taxable	12/16/13	Preble	Lewisburg	\$1,070,000
2021-1	White Castle Distributing, LLC	Frozen Foods	\$15,000,000	Taxable	05/12/21	Montgomery	Vandalia	\$14,335,000
2021-2	810 Grandview, LLC	Mixed-Use Development	\$11,000,000	Taxable	11/16/21	Franklin	Columbus	\$10,440,000
2021-3	Northern Stamping, Inc.	Manufacturer of automotive stamping components	\$23,025,000	Taxable	11/04/21	Cuyahoga	Cleveland	\$22,180,000
2022-1	Jeffrey Place	Mixed-Use Development	\$13,770,000	Taxable	03/09/22	Franklin	Columbus	\$12,680,000
2022-2	The Foundry	Mixed-Use Development	\$29,000,000	Taxable	06/21/22	Hamilton	Cincinnati	\$28,040,000
2022-3	HOFV Center for Performance	Recreational Facility	\$7,500,000	Taxable	10/19/22	Stark	Canton	\$7,265,000
2023-1	Crawford Hoying Delco Project	Mixed-Use Development	\$24,670,000	Tax-Exempt	05/23/23	Montgomery	Dayton	\$24,670,000
Total Tax Exempt Original Principal			\$ 224,845,000	Total Tax Exempt Outstanding Principal			\$ 36,150,000	
Total Taxable Original Principal			\$ 588,630,000	Total Taxable Outstanding Principal			\$ 110,895,000	
Total Original Principal			\$ 813,475,000	Total Outstanding Principal*			\$ 147,045,000	
Total Transactions			142	Total Outstanding Transactions			16	

* Series 2012-1 Seepex bonds were defeased on March 15, 2023. Trustee is holding \$1,250,000 in principal plus interest due on the bonds through the final maturity date of December 1, 2026.

OUTSTANDING CHAPTER 166 DIRECT LOANS

Client	Loan Balance	Approved Loan Amount	Interest Rate	Board Approval Date	Forgiveness Terms	Disbursement Date	Final Maturity	City	County	Balloon Date
1400 Vine, LLC	51,000,000.00	51,000,000.00	1.00%	5/11/2020		9/10/2020	2025	Cincinnati	Hamilton	10/1/2025
3CDC Master Parking, LLC	4,600,000.00	7,000,000.00	1.00%	6/11/2012		6/20/2013	2028	Cincinnati	Hamilton	6/30/2028
Anderson and Dubose, Inc.	263,080.32	834,513.73	3.00%	4/5/2010		12/27/2012	2028	Lordstown	Trumbull	7/1/2028
Appalachian Growth Capital, LLC	10,000,000.00	10,000,000.00	0.00%	6/1/2020		7/24/2020	2047	Nelsonville	Athens	8/1/2047
Applied Industrial Technologies, Inc.	105,521.50	2,359,275.00	1.50%	4/30/2014		4/30/2014	2024	Cleveland	Cuyahoga	11/1/2024
ASW Peng, LLC	1,603,374.49	2,500,000.00	3.50%	4/23/2018		11/6/2018	2029	Bedford Heights	Cuyahoga	12/1/2029
Cleveland Clinic Foundation	37,911,957.29	100,000,000.00	1.12%	8/16/2021	20% 2029, 20% 2034, annual forgiveness for remainder of term	1/5/2024	2049	Cleveland	Cuyahoga	7/31/2032
Cleveland-Cuyahoga County Port Auth./Eaton	8,254,898.76	15,500,000.00	1.00%	11/17/2008		9/22/2009	2029	Cleveland	Cuyahoga	6/1/2029
Cleveland-Cuyahoga County Port Authority	2,093,837.97	3,000,000.00	0.00%	9/23/2013		11/7/2013	2036	Cleveland	Cuyahoga	11/1/2036
Clinton County Port Authority (AMES)	2,440,066.89	4,000,000.00	1.00%	6/11/2012		12/24/2012	2036	Wilmington	Clinton	5/15/2036
COCRF Investor 109, LLC	5,015,950.00	5,015,950.00	2.50%	12/4/2017		12/28/2017	2042	Columbus	Franklin	7/25/2042
Columbus-Franklin County Finance Authority	1,495,414.30	2,500,000.00	0.00%	12/4/2006		6/1/2007	2027	Columbus	Franklin	6/1/2027
Confluence Community Authority	24,197,000.00	25,000,000.00	0.00%	2/24/2021		3/18/2021	2045	Columbus	Franklin	12/1/2045
Court & Walnut, LLC	4,000,000.00	4,000,000.00	1.00%	10/16/2017		1/16/2018	2025	Cincinnati	Hamilton	8/1/2025
Dayton-Montgomery County Port Authority	736,331.72	2,000,000.00	3.00%	7/23/2012		11/6/2013	2028	Vandalia	Montgomery	12/1/2028
Development Finance Authority of Summit County	2,630,000.00	5,000,000.00	0.00%	1/31/2011		4/13/2011	2030	Akron	Summit	12/1/2030
Development Finance Authority of Summit County	1,667,187.42	2,000,000.00	0.00%	8/7/2017		10/23/2017	2057	Akron	Summit	12/1/2057
East Ohio Hospital, LLC	10,000,000.00	10,000,000.00	3.00%	9/28/2020		7/22/2021	2040	Martins Ferry	Belmont	11/1/2040
Economic and Community Development Institute, Inc	10,000,000.00	10,000,000.00	0.00%	7/13/2020		10/6/2020	2047	Columbus	Franklin	10/1/2047
Economic and Community Development Institute, Inc	10,000,000.00	10,000,000.00	0.00%	5/9/2022		9/23/2022	2049	Columbus	Franklin	9/1/2049
Fortuity Holding, LLC	2,584,050.00	2,584,050.00	2.50%	12/4/2017		12/28/2017	2042	Columbus	Franklin	12/1/2042
Fourth & Race Redevelopment, LLC	6,000,000.00	6,000,000.00	1.00%	10/30/2017		10/25/2018	2028	Cincinnati	Hamilton	7/1/2028
Franklin County Convention Facilities Authority	3,392,617.00	10,000,000.00	0.00%	12/12/2011	Loan balance credited annually for services rendered. Loan balance is a balloon for 2030	3/28/2012	2030	Columbus	Franklin	12/30/2030
Grob Systems, Inc.	232,152.33	1,500,000.00	3.00%	5/7/2012		3/29/2013	2028	Bluffton	Hancock	11/15/2028
Hamlet Protein, Inc.	611,740.35	2,000,000.00	3.00%	5/9/2011		10/31/2012	2028	Findlay	Hancock	5/1/2028
JRG Warren I, LLC	560,890.97	1,900,000.00	2.00%	7/11/2011		8/30/2011	2027	Warren	Trumbull	3/1/2027
MCIC Sinter Property	717,280.58	2,000,000.00	3.00%	10/15/2013		1/9/2014	2029	McConelsville	Morgan	2/1/2029
Morgan County Improvement	71,237.74	2,000,000.00	3.00%	6/21/2004		2/10/2005	2025	McConelsville	Morgan	3/1/2025
Morgan County Improvement	389,190.98	4,500,000.00	3.00%	8/4/2008		1/13/2009	2025	McConelsville	Morgan	8/1/2025
Ohio City Legacy, LLC	10,792,000.00	10,792,000.00	3.00%	12/6/2019		10/5/2020	2032	Northbrook	Hamilton	10/1/2032
Port of Greater Cincinnati Development Authority	2,484,305.67	2,500,000.00	0.00%	10/20/2014		4/29/2015	2055	Cincinnati	Hamilton	4/29/2055
Port of Greater Cincinnati Development Authority	6,711,928.96	7,425,000.00	3.00%	1/28/2019		4/2/2019	2043	Cincinnati	Hamilton	11/15/2043
Pratt Industries, Inc.	921,696.99	3,000,000.00	3.00%	9/23/2013		2/6/2015	2027	Lewisburg	Preble	9/1/2027
Sandridge Food Corporation	20,266.63	2,000,000.00	2.50%	12/3/2012		12/30/2013	2024	Medina	Medina	7/1/2024
Sherwin-Williams Company, The	30,800,000.00	35,000,000.00	0.00%	3/25/2020	100% forgiveness, \$1.4MM forgiven annually	12/8/2021	2046	Cleveland	Cuyahoga	1/1/2046
TNCC, LLC	361,795.53	1,000,000.00	3.00%	8/6/2012		4/24/2013	2028	Stuebenville	Jefferson	11/1/2028
Toledo-Lucas County Port Auth. (HCR Manorcare)	6,145,609.34	10,000,000.00	0.00%	11/17/2008		1/13/2009	2029	Toledo	Lucas	1/15/2029
Toledo-Lucas County Port Authority	2,277,009.13	5,000,000.00	1.00%	6/8/2015	\$5MM forgiven after \$5MM financed has been repaid. Balloon forgiveness in 2029	8/14/2015	2030	Toledo	Lucas	5/1/2030
West End Ventures, LLC	25,000,000.00	25,000,000.00	3.00%	12/16/2019		10/27/2020	2045	Cincinnati	Hamilton	11/1/2045
Whex Garage, LLC	7,000,000.00	7,000,000.00	1.00%	2/27/2023		6/9/2023	2030	Cincinnati	Hamilton	7/1/2030
Ziegler Park Leverage Lender, LLC/3CDC	3,250,000.00	4,000,000.00	1.00%	6/20/2016		11/2/2016	2028	Cincinnati	Hamilton	6/30/2028
Zucker Building Co., The	570,857.65	3,500,000.00	1.00%	1/31/2011		11/29/2010	2026	Cleveland	Cuyahoga	6/1/2026
Total:										
42 Loans	\$248,909,260.51	\$370,410,788.73								

Information provided by the Ohio Department of Development

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CUSIP & Outstanding Bonds Report
As of June 30, 2024

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LIST ISSUE

THE HUNTINGTON NATIONAL BANK

Issue Name	Ticker	CUSIP	Authorized	Outstanding
Issuer: OH ECON DEV OEBF (GOOD RIVER) 12-5 (OHIEF12-5) (1081047059)				
OH ECON DEV OEBF (GOOD 4.375% 06/01/27)	OED4327	677555Q23	4,175,000	1,100,000
			<u>4,175,000.00</u>	<u>1,100,000.00</u>
Issuer: OH ECON DEV OEBF CLEV-CUY PA OMNOVA (OHIEF13-2) (1081048156)				
OH ECON DEV OEBF CLEV-CU 4.47% 12/01/33	OED4433	677555X25	7,000,000	4,240,000
			<u>7,000,000.00</u>	<u>4,240,000.00</u>
Issuer: OH ECON DEV OEBF GROB SYS 12-8 (OHIEF12-8) (1081047558)				
OH ECON DEV OEBF GROB SY 3.44% 09/01/27	OED3427	677555Q56	9,400,000	2,580,000
			<u>9,400,000.00</u>	<u>2,580,000.00</u>
Issuer: OH ECON DEV OEBF MAC LTT 11-4 (OHIEF11-4) (1081046354)				
OH ECON DEV OEBF MAC LTT 11 5% 03/01/27	OED5027	677555M35	3,150,000	760,000
			<u>3,150,000.00</u>	<u>760,000.00</u>
Issuer: OH ECON DEV OEBF PRATT INDUSTRIES 13-3 (OHIEF13-3) (1081048352)				
OH ECON DEV OEBF PRATT I 3.85% 12/01/25	OED3825	677555X33	7,000,000	1,070,000
			<u>7,000,000.00</u>	<u>1,070,000.00</u>
Issuer: OH ECON DEV OEBF WHITE CASTLE 12-10 (OHIEF12-10) (1082255152)				
OH ECON DEV OEBF WHITE CAST 3% 12/01/24	OED3024	677555T20	1,535,000	390,000
OH ECON DEV OEBF WHITE C 3.25% 12/01/27	OED3227	677555S96	2,490,000	2,490,000
			<u>4,025,000.00</u>	<u>2,880,000.00</u>
Issuer: OH ENT BD FD OEBF-AMES 12-9 (OHIEF12-9) (1082255303)				
OH ENT BD FD OEBF-AMES 12-9 3% 12/01/24	OEB3024	677555V76	365,000	185,000
OH ENT BD FD OEBF-AMES 12-9 3% 12/01/25	OEB3025	677555V84	375,000	375,000

LIST ISSUE

THE HUNTINGTON NATIONAL BANK

Issue Name	Ticker	CUSIP	Authorized	Outstanding
OH ENT BD FD OEBF-AMES 3.125% 12/01/26	OEB3126	677555V92	385,000	385,000
OH ENT BD FD OEBF-AMES 3.125% 12/01/27	OEB3127	677555W26	400,000	400,000
OH ENT BD FD OEBF-AMES 3.125% 12/01/28	OEB3128	677555W34	410,000	410,000
OH ENT BD FD OEBF-AMES 1 3.25% 12/01/29	OEB3229	677555W42	425,000	425,000
OII ENT BD FD OEBF-AMES 1 3.25% 12/01/30	OEB3230	677555W59	435,000	435,000
OH ENT BD FD OEBF-AMES 12-9 5% 12/01/34	OEB5034	677555W75	1,960,000	1,960,000
OH ENT BD FD OEBF-AMES 1 3.75% 12/01/36	OEB3736	677555W83	1,130,000	1,130,000
			<u>5,885,000.00</u>	<u>5,705,000.00</u>
Issuer: OHIEF ECON REV GRANDVIEW CROSSING 2021-2 (OHIEF21-2) (1081001259)				
OHIEF ECON REV GRANDVIEW 1.309% 12/01/26	OER1326	677555X74	1,585,000	1,025,000
OHIEF ECON REV GRANDVIEW 2.174% 12/01/31	OER2131	677555X82	2,310,000	2,310,000
OIIIEF ECON REV GRANDVIEW 2.724% 12/01/36	OER2736	677555X90	2,515,000	2,515,000
OIIIEF ECON REV GRANDVIEW 3.161% 12/01/45	OER3145	677555Y24	4,590,000	4,590,000
			<u>11,000,000.00</u>	<u>10,440,000.00</u>
Issuer: OHIEF NORTHERN STAMPING CO ECON 2021-3 (OHIEF21-3) (1082009482)				
OHIEF NORTHERN STAMPING C 2.75% 12/01/36	ONS2736	677555X66	23,025,000	22,180,000
			<u>23,025,000.00</u>	<u>22,180,000.00</u>
Issuer: OHIO ECON DEV OEBF HCR MANOR 09-2 (OHIEF09-2) (1081041803)				
OHIO ECON DEV OEBF HCR MANO 8% 03/01/29	OED8029	677555YE8	11,605,000	6,205,000
			<u>11,605,000.00</u>	<u>6,205,000.00</u>
Issuer: OHIO ECON DEV OEBF SEEPEX 12-1 (OHIEF12-1) (1082253403)				
OHIO ECON DEV OEBF SEEPEX 3.7% 12/01/26	OED3726	677555P65	1,485,000	1,250,000
			<u>1,485,000.00</u>	<u>1,250,000.00</u>

LIST ISSUE

THE HUNTINGTON NATIONAL BANK

Issue Name	Ticker	CUSIP	Authorized	Outstanding
Issuer: OHIO ECON DEV OFBF VERNON MANOR 10-7 (OHIEF10-7) (1082250754)				
OHIO ECON DEV OFBF VERN 3.625% 12/01/24	OED3624	677555ZZ0	280,000	70,000
OHIO ECON DEV OFBF VERNON M 4% 12/01/27	OFD4027	677555A20	465,000	465,000
OHIO ECON DEV OFBF VERNO 4.75% 12/01/32	OFD4732	677555A38	1,335,000	1,335,000
OHIO ECON DEV OFBF VERNON 4.5% 06/01/35	OED4535	677555A46	1,025,000	1,025,000
			<u>3,105,000.00</u>	<u>2,895,000.00</u>

Issuer: OHIO ECON DEV REV OFBF DELCO GRG 2023-1 (OHIEF23-1) (1081001632)				
OHIO ECON DEV REV OFBF DELCO 4% 12/01/25	OED4025	677555Z31	50,000	50,000
OHIO ECON DEV REV OFBF DELCO 4% 12/01/26	OED4026	677555Z56	105,000	105,000
OHIO ECON DEV REV OFBF DELCO 4% 12/01/27	OED40270	677555Z72	155,000	155,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/28	OED50280	677555Z98	190,000	190,000
OHIO ECON DEV REV OFBF DELCO 4% 06/01/29	OED4029	677555ZA1	60,000	60,000
OHIO ECON DEV REV OFBF DELCO 4% 12/01/29	OED40290	677555ZB9	65,000	65,000
OHIO ECON DEV REV OFBF DELCO 4% 06/01/30	OED4030	677555ZC7	75,000	75,000
OHIO ECON DEV REV OFBF DELCO 4% 12/01/30	OED40300	677555ZD5	80,000	80,000
OHIO ECON DEV REV OFBF DELCO 5% 06/01/31	OED5031	677555ZE3	100,000	100,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/31	OED50310	677555ZF0	105,000	105,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/32	OED5032	677555ZH6	250,000	250,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/33	OED5033	677555ZK9	290,000	290,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/34	OED5034	677555ZL7	315,000	315,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/35	OED5035	677555ZM5	345,000	345,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/36	OED5036	677555ZN3	410,000	410,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/37	OED5037	677555ZP8	460,000	460,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/38	OED5038	677555ZQ6	480,000	480,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/39	OED5039	677555ZT0	755,000	755,000
OHIO ECON DEV REV OFBF DELCO 5% 12/01/40	OED5040	677555ZR4	1,275,000	1,275,000
OHIO ECON DEV REV OFBF DELCO 4% 12/01/41	OED4041	677555ZS2	1,520,000	1,520,000

LIST ISSUE

THE HUNTINGTON NATIONAL BANK

Issue Name	Ticker	CUSIP	Authorized	Outstanding
OHIO ECON DEV REV OEBF DE 4.25% 12/01/43	OED4243	6775552U7	3,305,000	3,305,000
OHIO ECON DEV REV OEBF D 4.125% 12/01/47	OED4147	6775552V5	14,280,000	14,280,000
			<u>24,670,000.00</u>	<u>24,670,000.00</u>
Issuer: OHIO ECON DEV REV OEBF JEFFREY PL 2022-1 (OHIEF22-1) (1081001375)				
OHIO ECON DEV REV OEBF J 1.998% 06/01/25	OED2025	677555Y32	1,540,000	450,000
OHIO ECON DEV REV OEBF J 2.316% 12/01/27	OED2326	677555Y40	1,170,000	1,170,000
OHIO ECON DEV REV OEBF J 2.826% 12/01/32	OED2832	677555Y57	2,570,000	2,570,000
OHIO ECON DEV REV OEBF J 3.376% 12/01/37	OED3337	677555Y65	2,885,000	2,885,000
OHIO ECON DEV REV OEBF J 3.737% 06/01/45	OED3745	677555Y73	5,605,000	5,605,000
			<u>13,770,000.00</u>	<u>12,680,000.00</u>
Issuer: OHIO ENTERPRISE BOND FUND REV 2022-2 (OHIEF22-2) (1081001428)				
OHIO ENTERPRISE BOND FUN 4.624% 06/01/47	OEB4647	677555Y81	29,000,000	28,040,000
			<u>29,000,000.00</u>	<u>28,040,000.00</u>
Issuer: OHIO ENTERPRISE BOND FUND REV 2022-3 (OHIEF22-3) (1081001482)				
OHIO ENTERPRISE BOND FUN 5.413% 12/01/46	OEB5446	677555Y99	7,500,000	7,265,000
			<u>7,500,000.00</u>	<u>7,265,000.00</u>
Issuer: OHIEF WHITE CASTLE DIST ECON DEV 2021-1 (OHIEF21-1) (1081001151)				
OHIEF WHITE CASTLE DIST 2.186% 09/01/31	OWC2131	677555X41	6,005,000	5,340,000
OHIEF WHITE CASTLE DIST 3.15% 03/01/41	OWC3141	677555X58	8,995,000	8,995,000
			<u>15,000,000.00</u>	<u>14,335,000.00</u>
		Grand Total	<u><u>180,795,000.00</u></u>	<u><u>148,295,000.00</u></u>

* The Series 2012-1 Secpex, Inc Bonds were defeased on March 15, 2023. The Huntington National Bank, as trustee, is holding cash for payment of \$1,940,000 principal plus interest due on the bonds described above through a final maturity date of 12/1/2026.

Office of Loan Administration's Financial Statements
Available as of June 30, 2024

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OFFICE OF LOAN ADMINISTRATION

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2022

**OHIO AUDITOR OF STATE
KEITH FABER**



**OFFICE OF LOAN ADMINISTRATION
FOR THE YEAR ENDED JUNE 30, 2022**

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OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Office of Loan Administration
77 S. High Street, 29th Floor
Columbus, OH 43215

To the Office of Loan Administration:

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Office of Loan Administration (the Office), an office within a department of the State of Ohio, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Office of Loan Administration of the State of Ohio, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Office, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Presentation

As discussed in Note 1, the financial statements of the Office of Loan Administration of the State of Ohio are intended to present the financial position and changes in financial position of only that portion of the Governmental Activities, General Fund of the State of Ohio that is attributable to the transactions of the Office of Loan Administration. They do not purport to, and do not, present fairly the financial position of the State of Ohio as of June 30, 2022, or the changes in its financial position of the State of Ohio for the year then ended in accordance with the accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Office's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic

financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's basic financial statements. The financial section's combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, financial section's combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2022, on our consideration of the Office'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. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's 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 Office's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

September 30, 2022

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Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

As management of the Office of Loan Administration (OLA) we are providing this overview of OLA's financial activities for the fiscal year ended June 30, 2022. Please read this overview in conjunction with the OLA's basic financial statements, which follow.

OLA, formerly Office of Financial Incentives, was created as part of the Ohio Department of Development (ODOD), on July 14, 1983, by action of the State of Ohio Legislature. OLA administers the 166 Direct Loan, Loan Guarantee, and Ohio Enterprise Bond Fund programs of the ODOD under Chapter 122 and 166 of the Ohio Revised Code, as well as the Urban Redevelopment, Rural Industrial, Rural Development Initiative, Research and Development, Innovation Ohio, and Logistics and Distribution Infrastructure loan and grant programs.

The 166 Direct Loan program provides direct loans for businesses locating or expanding in Ohio that demonstrate they will create or retain new jobs for Ohio citizens. The Ohio Enterprise Bond Fund program (OEBF) provides one-stop project financing for qualifying commercial, industrial, and manufacturing businesses in the State of Ohio. OEBF project amounts may range from \$2 million to \$10 million for up to 90% of the eligible project cost. The OEBF has achieved an investment grade rating of "AA+" by Standard & Poors (S&P). As a result, ODOD can issue, on behalf of all borrowers, investment grade economic development revenue bonds. The OEBF allows large and small creditworthy, but unrated, businesses access to national capital markets which they otherwise may not be able to independently enter.

OLA is included within the State of Ohio's Annual Comprehensive Financial Report as part of the primary government. OLA uses a special revenue fund to report its financial position and results of operations. These financial statements present all activities for which OLA is financially responsible.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year 2022 are as follows:

- The assets and deferred outflows of resources of the OLA exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately \$649.6 million (net position).
- The OLA's total net position increased by approximately \$1.8 million during the fiscal year.
- As of the close of the current fiscal year, the OLA's governmental funds reported combined ending fund balances of approximately \$649.9 million, an increase of approximately \$1.6 million in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to OLA's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the OLA's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the OLA's assets and deferred outflows of resources and all liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of OLA is improving or deteriorating.

The statement of activities presents information showing how OLA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash inflows or outflows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Fund financial statements

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. The OLA, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. All of the OLA's funds are governmental funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The OLA maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Operating Fund, Facilities Establishment Fund, Regional Agency Fund, Innovation Ohio Fund, and Research and Development Fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

In addition, GASB Statement No. 54, Fund Balance Reporting, became effective for years beginning after June 15, 2010. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. See Note 1.M. for further discussion of the effect of this pronouncement.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning OLA's progress in funding its obligation to provide pension and other postemployment benefits to its employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements.

Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

FINANCIAL ANALYSIS OF THE OFFICE OF LOAN ADMINISTRATION

Government-wide Financial Analysis

The following is a summary of OLA's net position as of June 30, 2022 compared to June 30, 2021.

	Net Position at June 30		
	<u>2022</u>	<u>2021</u>	<u>Change</u>
Assets			
Current and Other Non-Current Assets	\$ 709,586,428	\$ 725,371,701	\$ (15,785,273)
Capital Assets, Net	<u>231,524</u>	<u>231,524</u>	<u>-</u>
Total Assets	<u>709,817,952</u>	<u>725,603,225</u>	<u>(15,785,273)</u>
Deferred Outflows of Resources	<u>122,644</u>	<u>261,217</u>	<u>(138,573)</u>
Liabilities			
Current Liabilities	59,527,766	76,988,377	(17,460,611)
Long-term Liabilities	<u>322,117</u>	<u>601,115</u>	<u>(278,998)</u>
Total Liabilities	<u>59,849,883</u>	<u>77,589,492</u>	<u>(17,739,609)</u>
Deferred Inflows of Resources	<u>481,336</u>	<u>422,658</u>	<u>58,678</u>
Net Position			
Net Investment in Capital Assets	231,524	231,524	-
Restricted for Community and Economic Development	10,389,332	10,387,230	2,102
Unrestricted	<u>638,988,521</u>	<u>637,233,538</u>	<u>1,754,983</u>
Total Net Position	<u>\$ 649,609,377</u>	<u>\$ 647,852,292</u>	<u>\$ 1,757,085</u>

Current and Other Non-Current Assets decreased significantly in comparison with the prior fiscal year-end. This decrease is primarily the result of a decrease in Allocated Collateral on Lent Securities.

Current Liabilities decreased in comparison with the prior fiscal year. This decrease is primarily the result of decreases in accounts payable and the Allocated Obligations Under Securities Lending.

OLA's entire restricted net position balance represents unspent bond proceeds related to the Ohio Enterprise Bond Fund Program and the Logistics and Distribution Infrastructure Grants Program.

The net pension and net OPEB (asset)/liabilities and related deferred outflows and inflows of resources all fluctuated significantly in comparison with the prior fiscal year. These fluctuations are due to changes in the actuarial liabilities and related accruals that are passed through to OLA's financial statements. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows and net pension/net OPEB (asset)/liability are described in more detail in their respective notes.

Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)

FINANCIAL ANALYSIS OF THE OFFICE OF LOAN ADMINISTRATION (continued)

The following is a summary of OLA's Statement of Activities for the year ending June 30, 2022 compared to the year ending June 30, 2021.

Statement of Activity for the year ending June 30

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Revenues			
Program Revenues:			
Community and Economic Development	<u>\$ 4,270,588</u>	<u>\$ 4,056,141</u>	<u>\$ 214,447</u>
General Revenues			
Investment Income	1,168,444	2,582,183	(1,413,739)
Miscellaneous Revenues	<u>112,811</u>	<u>20,827</u>	<u>91,984</u>
Total General Revenues	<u>1,281,255</u>	<u>2,603,010</u>	<u>(1,321,755)</u>
Program Expenses			
Community and Economic Development	<u>3,799,954</u>	<u>6,345,218</u>	<u>(2,545,264)</u>
Transfers to and from Other Offices	<u>5,196</u>	<u>(36,000,000)</u>	<u>(36,005,196)</u>
Change in Net Position	1,757,085	(35,686,067)	37,443,152
Net Position at Beginning of Year	<u>647,852,292</u>	<u>683,538,359</u>	
Net Position at End of Year	<u>\$ 649,609,377</u>	<u>\$ 647,852,292</u>	

Investment income decreased significantly in comparison with the prior fiscal year. This decrease is the result of a decrease in the amount invested, coupled with a decline in rate of return on investments.

Program expenses decreased significantly in comparison with the prior fiscal year. This decrease is primarily the result of a significant decrease in bad debt expense. The significant decrease in bad debt expense is the result of decreases in several allowance for uncollectible loans.

**Office of Loan Administration
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2022
(Unaudited)**

FINANCIAL ANALYSIS OF THE OFFICE OF LOAN ADMINISTRATION (continued)

Financial Analysis of the Government's Funds

The following is a summary of OLA's fund balances as of June 30, 2022 compared to June 30, 2021.

Fund Balance at June 30

	<u>2022</u>	<u>2021</u>	Increase (Decrease)
Operating Fund	\$ 3,311,329	\$ 4,631,859	\$ (1,320,530)
Facilities Establishment Fund	442,387,991	441,999,958	388,033
Regional Agency Fund	68,607,823	68,156,260	451,563
Ohio Innovation Fund	58,230,927	56,819,883	1,411,044
Research and Development Fund	76,065,131	75,354,284	710,847
Nonmajor Governmental Funds	<u>1,327,243</u>	<u>1,322,532</u>	<u>4,711</u>
Total Fund Balance	<u>\$ 649,930,444</u>	<u>\$ 648,284,776</u>	<u>\$ 1,645,668</u>

The Operating Fund fund balance decreased significantly during fiscal year 2022. This decrease represents the amount in which personnel and operating expenditures exceeded fee and miscellaneous revenue and transfers in from other offices.

The increases in the Ohio Innovation Fund and Research and Development Fund represent the amount in which fee revenue, loan interest income, and investment income exceed operating expenditures.

BUDGET VARIANCES IN THE GENERAL FUND

Since OLA operates using only special revenue funds, an analysis of variations between original and final budget amounts for the General Fund has not been presented.

CAPITAL ASSETS

OLA has \$231,524 invested in net capital assets as of June 30, 2022. There were no acquisitions or dispositions during the fiscal year.

CONTACTING THE OFFICE OF LOAN ADMINISTRATION MANAGEMENT

This financial report is designed to provide an overview of OLA's finances and its accountability for the money it receives. If you have questions about this report or need additional financial information, contact Sharon Anthony, Senior Servicing Officer, Finance Division, Ohio Department of Development, Office of Loan Administration, 77 South High Street, 27th Floor, Columbus, Ohio 43216-1001.

BASIC FINANCIAL STATEMENTS

Office of Loan Administration
Statement of Net Position
June 30, 2022

	Governmental Activities
Assets	
Cash Equity with Treasurer	\$ 323,528,452
Cash and Cash Equivalents	69,486,630
Investments	10,232,111
Allocated Collateral on Lent Securities	58,904,130
Loans Receivable, Net	245,486,668
Other Assets	41,492
Due from Other Offices	1,804,405
Capital Assets, Net	231,524
Net Pension Asset	9,015
Net OPEB Asset	93,525
Total Assets	709,817,952
Deferred Outflows of Resources	
Pension	105,070
OPEB	17,574
Total Deferred Outflows of Resources	122,644
Liabilities	
Accounts Payable	150,068
Accrued Liabilities	52,452
Allocated Obligations Under Securities Lending	58,904,130
Due to Other Offices	421,116
Long Term Liabilities:	
Due in One Year	42,893
Due in More Than One Year:	
Net Pension Liability	248,883
Other Amounts Due in More Than One Year	30,341
Total Liabilities	59,849,883
Deferred Inflows of Resources	
Pension	373,915
OPEB	107,421
Total Deferred Inflows of Resources	481,336
Net Position	
Net Investment in Capital Assets	231,524
Restricted for Community and Economic Development	10,389,332
Unrestricted	638,988,521
Total Net Position	\$ 649,609,377

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

Office of Loan Administration
Statement of Activities
For the Fiscal Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Net (Expense) Revenue and Changes in Net Position Primary Governmental Activities</u>
Primary Government			
Governmental Activities			
Community and Economic Development	\$ 3,799,954	\$ 4,270,588	\$ 470,634
Total Governmental Activities	<u>3,799,954</u>	<u>4,270,588</u>	<u>470,634</u>
Total Primary Government	<u>\$ 3,799,954</u>	<u>\$ 4,270,588</u>	<u>\$ 470,634</u>
General Revenues:			
Investment Income			1,168,444
Miscellaneous Revenue			112,811
Total General Revenues			<u>1,281,255</u>
Transfers from Other Offices			<u>5,196</u>
Change in Net Position			1,757,085
Net Position, Beginning of Year			<u>647,852,292</u>
Net Position, End of Year			<u>\$ 649,609,377</u>

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

Office of Loan Administration
Balance Sheet
Governmental Funds
June 30, 2022

	Operating Fund	Facilities Establishment Fund	Regional Agency Fund
ASSETS:			
Cash Equity with Treasurer	\$ 3,513,849	\$ 205,100,892	\$ -
Cash and Cash Equivalents	-	18,315,764	50,232,955
Investments	-	10,232,111	-
Allocated Collateral on Lent Securities	639,759	37,342,279	-
Loans Receivable, Net	-	206,369,074	18,286,326
Other Assets	-	41,492	-
Due From Other Funds	-	1,759,842	103,217
Due From Other Offices	-	698,684	-
TOTAL ASSETS	<u>\$ 4,153,608</u>	<u>\$ 479,860,138</u>	<u>\$ 68,622,498</u>
LIABILITIES:			
Accounts Payable	\$ 150,068	\$ -	\$ -
Accrued Liabilities	52,452	-	-
Allocated Obligations Under Securities Lending	639,759	37,342,279	-
Due To Other Funds	-	104,092	10,000
Due To Other Offices	-	98	4,675
TOTAL LIABILITIES	<u>842,279</u>	<u>37,446,469</u>	<u>14,675</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	25,678	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>25,678</u>	<u>-</u>
FUND BALANCES:			
Restricted for Community and Economic Development	-	10,000,000	-
Committed	-	432,387,991	68,607,823
Assigned	3,311,329	-	-
TOTAL FUND BALANCES	<u>3,311,329</u>	<u>442,387,991</u>	<u>68,607,823</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,153,608</u>	<u>\$ 479,860,138</u>	<u>\$ 68,622,498</u>

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

Innovation Ohio Fund	Research and Development Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 53,040,398	\$ 61,483,981	\$ 389,332	\$ 323,528,452
-	-	937,911	69,486,630
-	-	-	10,232,111
9,656,951	11,194,256	70,885	58,904,130
6,400,767	14,430,501	-	245,486,668
-	-	-	41,492
875	10,985	-	1,874,919
955,137	150,584	-	1,804,405
<u>\$ 70,054,128</u>	<u>\$ 87,270,307</u>	<u>\$ 1,398,128</u>	<u>\$ 711,358,807</u>
\$ -	\$ -	\$ -	\$ 150,068
-	-	-	52,452
9,656,951	11,194,256	70,885	58,904,130
1,749,907	10,920	-	1,874,919
416,343	-	-	421,116
<u>11,823,201</u>	<u>11,205,176</u>	<u>70,885</u>	<u>61,402,685</u>
-	-	-	25,678
-	-	-	25,678
-	-	389,332	10,389,332
58,230,927	76,065,131	937,911	636,229,783
-	-	-	3,311,329
<u>58,230,927</u>	<u>76,065,131</u>	<u>1,327,243</u>	<u>649,930,444</u>
<u>\$ 70,054,128</u>	<u>\$ 87,270,307</u>	<u>\$ 1,398,128</u>	<u>\$ 711,358,807</u>

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

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Office of Loan Administration
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Total Fund Balances for Governmental Funds **\$ 649,930,444**

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 as assets in the governmental funds. 231,524

Some of the Office's revenues are collected after year-end but are not available soon enough to pay for the current period's (within 60 days of year-end) expenditures, and therefore, are reported as deferred in the funds. 25,678

The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.

Deferred Outflows - Pension	105,070
Deferred Inflows - Pension	(373,915)
Net Pension Asset	9,015
Net Pension Liability	(248,883)
Deferred Outflows - OPEB	17,574
Deferred Inflows - OPEB	(107,421)
Net OPEB Asset	93,525

Long term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Compensated Absences	(73,234)
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Total Net Position of Governmental Activities **\$ 649,609,377**

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

Office of Loan Administration
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Operating Fund	Facilities Establishment Fund	Regional Agency Fund
REVENUES:			
Fee Revenue	\$ 54,500	\$ 612,051	\$ 23,663
Loan Interest Income	-	2,150,323	679,696
Investment Income	-	534,877	24,991
Miscellaneous	-	8,120	104,691
TOTAL REVENUES	<u>54,500</u>	<u>3,305,371</u>	<u>833,041</u>
EXPENDITURES:			
Personnel	701,338	-	-
Operating	678,888	191,498	470,493
Bad Debts	-	2,725,840	(89,015)
TOTAL EXPENDITURES	<u>1,380,226</u>	<u>2,917,338</u>	<u>381,478</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,325,726)</u>	<u>388,033</u>	<u>451,563</u>
OTHER FINANCING SOURCES:			
Transfers from Other Offices	5,196	-	-
TOTAL OTHER FINANCING SOURCES	<u>5,196</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,320,530)	388,033	451,563
FUND BALANCES, JULY 1	4,631,859	441,999,958	68,156,260
FUND BALANCES, JUNE 30	<u>\$ 3,311,329</u>	<u>\$ 442,387,991</u>	<u>\$ 68,607,823</u>

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

Innovation Ohio Fund	Research and Development Fund	Nonmajor Governmental Funds	Total
\$ 180,875	\$ 41,651	\$ -	\$ 912,740
230,839	296,990	-	3,357,848
281,967	322,250	4,711	1,168,796
-	-	-	112,811
<u>693,681</u>	<u>660,891</u>	<u>4,711</u>	<u>5,552,195</u>
-	-	-	701,338
28,650	4,709	-	1,374,238
(746,013)	(54,665)	-	1,836,147
<u>(717,363)</u>	<u>(49,956)</u>	<u>-</u>	<u>3,911,723</u>
<u>1,411,044</u>	<u>710,847</u>	<u>4,711</u>	<u>1,640,472</u>
-	-	-	5,196
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,196</u>
1,411,044	710,847	4,711	1,645,668
56,819,883	75,354,284	1,322,532	648,284,776
<u>\$ 58,230,927</u>	<u>\$ 76,065,131</u>	<u>\$ 1,327,243</u>	<u>\$ 649,930,444</u>

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

Office of Loan Administration
Reconciliation of Change in Fund Balances of
Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds **\$ 1,645,668**

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

Some of the Office's revenues are collected after year-end but are not available soon enough to pay for the current period's (within 60 days of year-end) expenditures, and therefore, are deferred in the funds.

Accrued Interest Receivable (352)

Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.

31,829

Except for amounts reported as deferred inflows/outflows, changes in the net pension asset and net pension liability are reported as pension expense in the statement of activities.

24,966

Except for amounts reported as deferred inflows/outflows, changes in the net OPEB asset are reported as OPEB expense in the statement of activities.

32,661

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds

Change in Compensated Absences 22,313

Change in Net Position of Governmental Activities **\$ 1,757,085**

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

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Office of Loan Administration (OLA), as of June 30, 2022, and for the year then ended, conform with accounting principles generally accepted in the United States of America as applied to governments. The OLA is considered a single purpose governmental entity established to promote Community and Economic Development. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The GASB's *Codification of Governmental Accounting and Financial Reporting Standards* documents these principles. OLA's significant accounting policies are as follows:

A. Reporting Entity

The Office of Loan Administration, formerly the Office of Financial Incentives, was created as part of the Ohio Department of Development (ODOD), on July 14, 1983, by action of the State of Ohio Legislature. OLA administers the 166 Direct Loan, Loan Guarantee, and Ohio Enterprise Bond Fund (OEBF) programs of the ODOD under Chapter 122 and 166 of the Ohio Revised Code, as well as the Urban Redevelopment, Rural Industrial, Rural Development Initiative, Family Farm, Research and Development, Innovation Ohio, and Logistics and Distribution Infrastructure loan and grant programs. These programs loan money to qualified businesses throughout the state for the purpose of stimulating jobs and business within the state. The financial statements present only the financial position and results of operations of the transactions attributable to OLA, which is a part of the primary reporting entity of the State of Ohio, and they are not intended to present the financial position or the results of operations of the ODOD taken as a whole. The Annual Comprehensive Financial Report of the State of Ohio provides more extensive disclosure of the significant accounting policies of the State as a whole. Budgetary statements are not required since the budgetary level of control lies with the ODOD and not with the OLA.

B. Basis of Presentation

The Statement of Net Position and the Statement of Activities display information about OLA. These statements include the financial activities of the overall government and eliminations have been made for interfund transfers.

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

- The *Net Investment in Capital Assets* component consists of land that OLA acquired.
- The *Restricted Net Position* component represents 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.
- The *Unrestricted Net Position* component consists of net position that does not meet the definition of the preceding two components.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of OLA's governmental activities. 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. Generally, OLA does not incur expenses for which it has the option of first applying restricted or unrestricted resources for their payment.

Program revenues include loan interest income and fee revenue. Revenues that are not classified as program revenues include all unrestricted investment income and miscellaneous revenue.

The fund financial statements provide information about OLA's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The remaining governmental fund is reported as non-major. The funds maintained by OLA are all governmental special revenue fund types. Each accounts for specific revenues that are legally restricted or committed to expenditure for designated purposes.

1. Major Governmental Funds

Operating Fund (OAKS Fund 4510) – Accounts for operating activities related to the administration of several ODOD programs, including operating activities related to loans and loan guarantees made pursuant to Revised Code Sections 122.39 to 122.62 and Chapter 166. Operations are primarily funded through transfers from the Facilities Establishment Fund.

Facilities Establishment Fund (OAKS Funds 7037 and 4Z60) – Accounts for proceeds deposited by the Treasurer of the State of Ohio with OLA from bond sales, fee income, interest income, loan receipts and disbursements for loans made pursuant to Chapter 166 of the Code. In addition, this fund accounts for the Rural Industrial Park and Urban Redevelopment loan programs. Finally, this Fund provides a reserve for the Ohio Enterprise Bond Fund in the event of bondholder default.

Development Enterprise Bond Reserve Account - This account is used to account for the accumulation of payments made on type 166 loans. Funds are held in the account for a six month period to provide a secondary reserve in the event the OEBF Program Reserve Account exceeds the \$10,000,000 available balance.

OEBF Program Reserve Account - This reserve account was initially created from net proceeds of the 1988-1 State of Ohio bond issuance. The account is used to ensure adequate funds are available to repay Ohio Enterprise Bond Fund (OEBF) bondholders when due. The \$10,000,000 OEBF fund balance reserve will remain for OEBF bondholders within the Facilities Establishment Fund.

Regional Agency Fund – Reports funds deposited with the regional agencies from fee income, interest income, loan receipts, and loans disbursements made pursuant to Chapter 166 of the Code and transfers of funds from the Facilities Establishment Fund.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

Innovation Ohio Loan Fund (OAKS Fund 7009) – Created to assist existing Ohio companies develop next generation products within certain Targeted Industry Sectors by financing the acquisition, construction and related costs of technology, facilities and equipment.

Research and Development Investment Loan Fund (OAKS Fund 7010) – Created to position Ohio to compete aggressively for private-sector research and development investments that will create high wage jobs.

2. Non-major Governmental Funds

Loan Guarantee Fund - Records funds deposited with the Treasurer of the State of Ohio and accounts for payments made by OLA due to the default on contractual loan terms by borrowers on loans guaranteed pursuant to Chapter 166 of the Code. No payments were made during the fiscal year.

Logistics and Distribution Infrastructure Fund (OAKS Fund 7008) – Created to provide loans for eligible transportation, logistics, and infrastructure projects in the State of Ohio. Loans will be made on favorable terms, including interest at or below market rates, opportunities to earn forgiveness of principal and accrued interest based on attainment of defined performance measures and use of loan proceeds for construction financing.

- C. Measurement Focus and Basis of Accounting** – The government-wide financial statements (i.e. the statement of net position and the statement of activities) are reported 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 the timing of related cash flows. For revenues arising from exchange transactions (i.e., charges for goods or services), OLA defers revenue recognition when resources are received in advance of the exchange.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, OLA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

Significant revenue sources subject to accrual under the modified accrual basis of accounting include investment income (including net increase or decrease in the fair value of investments), loan interest income (including net increase or decrease in allowance for doubtful loans), and fee revenue.

- D. Estimates** – The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- E. Deposits and Investments** – OLA’s investments are stated at fair value in the accompanying statement of net position and the change in the fair value of the investments is recorded as Investment Income in the Statement of Activities.

During fiscal year 2022, OLA invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. OLA measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For the fiscal year 2022, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Investments with an original maturity of three months or less at the time they are purchased by OLA are presented on the financial statements as Cash and Cash Equivalents. Investments with an initial maturity of more than three months are reported as Investments.

- F. Securities Lending** – In accordance with GASB Statement No. 28, “Accounting and Financial Reporting for Securities Lending Transactions” (“GASB 28”), OLA reports cash received as collateral on securities lending transactions and any investments made with that cash as assets in the accompanying balance sheet. Liabilities to return the collateral to the borrower are also recognized. Securities received as collateral in connection with securities lending activities are not recorded as assets and liabilities of OLA, because OLA does not have the ability to pledge or sell the securities without borrower default.

- G. Loans Receivable, Net and Allowance for Uncollectible Loans** – Loans receivable includes amounts due to OLA for loans and loan guarantees entered into as part of its loan programs. Loans receivable is reported net of the allowance for uncollectible loans (See Note 4), which applies the following allowance methodology:

- 80% of loans certified to the Office of the Attorney General,
- 50% of loans outstanding within the Innovation Ohio Fund,
- 3% of loans outstanding 166 Direct loans within the Facilities Establishment Fund,
- 5% of loans outstanding within the Research and Development Fund,
- 2% of loans outstanding within the Regional Agency Fund,
- 0% of Rural Industrial Park and Urban Redevelopment loans outstanding within the Facilities Establishment Fund, and
- Varying percentages on specific loan balances as deemed necessary.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Loans Receivable, Net and Allowance for Uncollectible Loans (continued)

Direct loan write-offs are reported upon notification from the Attorney General that an account is uncollectible. Direct loan write-offs are charged against the allowance.

H. Other Assets – Other assets represents accrued interest receivable. Total other assets at fiscal year-end were \$41,492.

I. Accrued Liabilities – Accrued liabilities include wages and benefits payable of \$52,452 as of June 30, 2022.

J. Deferred Outflows/Inflows of Resources – In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the OLA, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB. The deferred outflows of resources related to pension and OPEB are explained in Notes 6 and 7.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For OLA, deferred inflows of resources include unavailable revenue, pension and OPEB. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For OLA, unavailable revenue includes accrued interest receivable. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB are reported on the government-wide statement of net position. (See Notes 6 and 7).

K. Pensions/Other Postemployment Benefits (OPEB) – For purposes of measuring the net pension/OPEB (asset) liability, deferred outflows of resources and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

L. Compensated Absences – The State of Ohio, which governs employee leave benefits and policies, pays compensation to separated employees for leave balances accumulated during the employee's term of service. In accordance with Governmental Accounting Standards Board Statement No. 16, *Accounting for Compensated Absences*, OLA calculated the compensated absences liability on employees' fiscal year-end balances for vacation, sick, and compensatory leaves. The total compensated absences balance for the period ending June 30, 2022 was \$73,234.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. Fund Balance/Net Position – GASB Statement No. 54, *Fund Balance Reporting* became effective for years beginning after June 15, 2010. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In accordance with this guidance, OLA classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. OLA may use the following categories:

Nonspendable – resources that cannot be spent because they are either (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted – resources with constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – resources with constraints imposed by formal action (House or Senate Bill) of OLA’s highest level of decision making authority (General Assembly).

Assigned – resources that are provided at the discretion of the Director of the Ohio Office of Budget and Management, as authorized by the General Assembly, but are neither restricted nor committed.

Unassigned – resources that are available for further appropriation and expenditure for general government purposes.

OLA applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position is available. OLA considers committed and assigned balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

None of OLA’s restricted net position at June 30, 2022 was due to enabling legislation.

N. Investment and Loan Interest Income – Investment income includes investment earnings from investments and the quarterly allocation of investment earnings from cash equity with treasurer and corresponding interest receivables. Loan interest income includes interest earned from the repayment of loans.

O. Fee Revenue and Miscellaneous Revenue – Fees include service fees for the administration of the loan processing and commitment and application fees paid by the borrower.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- P. Personnel and Operating Expenditures/Expenses** – Personnel expenditures/expenses include all payroll and fringe benefit costs paid by the OLA. Operating expenditures/expenses include various supplies and maintenance expenditures, equipment purchases, and regional agency trustee and administrative fees.
- Q. Grant Expenditures/Expenses** – The Logistics and Distribution Infrastructure Fund provides loans with opportunities to earn forgiveness of principal and accrued interest based on attainment of defined performance measures and use of loan proceeds for construction financing. No new disbursements were made in fiscal year 2022, however in prior fiscal years, OLA reported these disbursements as grants based on the high probability of forgiveness.
- R. Interfund Transfers and Transfers from Other Offices** –Transfers from Other Offices represent transfers from the State’s General Fund. These and other transfers are authorized by the General Assembly and require Controlling Board approval. Since the financial statements present only the financial information of OLA and do not present the consolidated financial information of the State of Ohio, taken as a whole, the total transfers to other offices would not reflect offsetting disbursements from state agencies. Transfers from other offices during the fiscal year totaled \$5,196.
- S. Self-Insurance** – The State of Ohio serves as the OLA’s primary government and is self-insured for claims covered under its traditional healthcare plan, vehicle liability, public fidelity blanket bonds, property losses, and tort liability. Additionally, the State of Ohio participates in a public entity risk pool which covers liabilities associated with claims submitted to the Bureau of Workers’ Compensation.

NOTE 2 – DEPOSITS AND INVESTMENTS

State statutes classify monies held by OLA into three categories.

Active deposits are public deposits necessary to meet the current demands on the treasury. Such monies must be maintained either as cash in the State Treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that OLA has identified as not required for use within the current two-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts. Interim deposits may be deposited or invested in the following instruments:

- Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest;

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

- Bonds, notes, debentures, or other obligations or securities issued by any federal government agency, or the Export-Import Bank of Washington;
- Repurchase agreements in the securities enumerated above;
- Interim deposits in the eligible institutions applying for interim moneys;
- Bonds and other obligations of the State of Ohio;
- The Treasurer of State’s investment pool;
- Linked deposits, reduced-rate deposits at financial institutions that provide reduced-rate loans to small businesses, as authorized under Section 135.63, Ohio Revised Code;
- Agricultural linked deposits, reduced-rate deposits at financial institutions that provide reduced-rate loans to agricultural businesses, as authorized under Section 135.74, Ohio Revised Code;
- Reverse repurchase 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;
- 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;
- Commercial paper, rated in one of the two highest rating categories by two nationally recognized rating agencies and not exceeding five percent of the investment portfolio;
- Bankers’ acceptances maturing in 270 days or less and not exceeding 10 percent of the investment portfolio;
- Debt of domestic corporations and foreign nations diplomatically recognized by the United States, rated investment grade by nationally recognized rating agencies and, in the aggregate, not exceeding five percent of the investment portfolio; and
- No-load money market funds consisting of U.S. government and agency obligations and repurchase agreements secured by such obligations.

Deposits – The primary government’s deposits must be held in insured depositories approved by the State Board of Deposit. At fiscal year-end, the bank balance of OLA’s deposits was \$17,350,908.

Custodial Credit Risk – Deposits – In the case of deposits, this is the risk that in the event of a bank failure, OLA’s deposits may not be returned to it. OLA maintains cash on deposit in two custodial accounts with the State Treasurer. The State 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. At year end, OLA’s deposits were not exposed to custodial credit risk.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Investments – At fiscal year-end, the fair values of OLA’s investments were as follows:

	Measurement Value	Percentage of Total	Credit Rating	Investment Maturities (in Years)		
				less than 1	1 - 3	greater than 3
Star Ohio	\$ 15,078,104	24%	AAAm	\$ 15,078,104	\$ -	\$ -
FFCB Bonds	464,837	1%	AA	-	-	464,837
FHLB Bonds	1,305,700	2%	AA	-	236,866	1,068,834
FHLMC Bonds	233,687	0%	AAA	-	233,687	-
FNMA Bonds	462,426	1%	AA	-	-	462,426
Negotiable Certificates of Deposit	3,298,946	5%	NR	1,275,779	1,558,198	464,969
Commercial Paper	299,987	0%	A	299,987	-	-
Money Market Fund	37,057,618	61%	NR	37,057,618	-	-
Municipal Bonds	1,401,031	2%	A	-	764,590	636,441
Municipal Bonds	2,667,657	4%	AA	291,847	1,100,228	1,275,582
Municipal Bonds	97,840	0%	AAA	-	97,840	-
Total Investments	<u>\$ 62,367,833</u>	<u>100%</u>		<u>\$54,003,335</u>	<u>\$ 3,991,409</u>	<u>\$ 4,373,089</u>

OLA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies OLA’s recurring fair value measurements as of June 30, 2022. OLA’s investments measured at fair value are valued using methodologies that incorporate market 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. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk – Interest rate risk is the risk that an interest rate change could adversely affect an investment’s fair value. The reporting of effective duration in the table below quantifies, to the fullest extent possible, the interest rate risk of OLA’s fixed income assets.

Credit Risk – Credit risk is the risk that an issuer or counterparty to an investment will be unable to fulfill its obligations. STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2022, is 35 days.

Concentration of Credit Risk – Concentration of credit risk is the risk of inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification.

Custodial Credit Risk - Investments – For an investment, this is the risk that, in the event of the failure of the counterparty, OLA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. OLA’s investments were not exposed to custodial credit risk at year end because all investments were registered in the OLA’s name.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 2 – DEPOSITS AND INVESTMENTS (continued)

Foreign Currency Risk – Foreign currency risk is the risk that changes in exchange rates between the U.S. Dollar and foreign currencies could adversely affect an investment’s fair value. OLA had no exposure to foreign currency risk at fiscal year-end.

NOTE 3 – SECURITIES LENDING TRANSACTIONS

OLA through the Treasurer of State’s Investment Department participates in a securities lending program for securities included in the “Equity in State of Ohio common cash and investments”. The State’s lending programs, authorized under Sections 135.143, 135.45 and 135.47, Ohio Revised Code, are administered by custodial agent banks, whereby certain securities are transferred to independent broker-dealers (borrowers) in exchange for collateral. OLA has minimized its exposure to credit risk due to borrower default by requiring the custodial agent to ensure that the lent securities are collateralized at no less than 102 percent of the market value at the time of the loan. At no point in time can the value of the collateral be less than 100 percent of the value of the underlying securities on loan. The market value of loaned securities shall not represent more than fifty percent (50%) of the Total Average Portfolio (TAP). TAP excludes all certificates of deposit and is equal to the numerical average of the five highest end-of-business day balances, based on market value, within the 12 month period immediately preceding the calculation date.

During the fiscal year, the State Treasurer lent Corporate Bonds and Notes and U.S. government and agency obligations. OLA cannot sell securities received as collateral unless the borrower defaults. At fiscal year-end, the collateral OLA had received for securities lent consisted entirely of cash. For State funds, the State Treasurer invests cash collateral in short-term obligations. At fiscal year-end, the weighted average maturity of all loans was 5.29 days while the weighted maturity of all collateral was 12.50 days.

For State funds, the securities lending agent shall indemnify the Treasurer of State for any losses resulting from the insolvency default of the lending counterparty. There were no recoveries during the fiscal year due to prior-period losses.

For the State funds lending program, since the lender owes the borrower more than the borrower owes the lender, there is no credit risk to the lender at year-end. The State’s Office of Budget and Management allocates the State’s pooled cash collateral to various funds within the State’s Ohio Administrative Knowledge System (OAKS) based on cash balances at year-end. As a result, OLA’s Allocated Collateral on Lent Securities and related Allocated Obligations Under Securities Lending at year-end was \$58,904,130.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 4 – LOAN PROGRAM ACTIVITY

The following table summarizes loan repayments and new loan activity of the various funds during the fiscal year:

Fund	Beginning Balance	Loan Additions	Loan Reductions	Ending Balance
Facilities Establishment	\$ 213,253,273	\$ 34,371,884	\$ (22,063,922)	\$ 225,561,235
Regional Agency	23,110,232	891,433	(5,342,149)	18,659,516
Innovation Ohio	30,036,344	-	(3,170,708)	26,865,636
Research and Development	22,123,173	-	(3,140,250)	18,982,923
Grand Total	<u>\$ 288,523,022</u>	<u>\$ 35,263,317</u>	<u>\$ (33,717,029)</u>	<u>\$ 290,069,310</u>

The allowance for loan losses is the result of management's review of loans, with consideration given to collateral values, borrower's financial condition and current economic environment. The allowance is maintained at the level management estimates adequately provide for potential loan losses. The total allowance for loan losses at fiscal year-end was \$44,582,642 (Facilities Establishment Fund was \$19,192,161; Regional Agency Fund was \$373,190; Innovation Ohio Fund was \$20,464,869; and Research and Development Fund was \$4,552,422).

NOTE 5 – COMMITMENTS AND CONTINGENCIES

A. Ohio Enterprise Bond Fund - Loans

Ohio Enterprise Bond Fund (OEBF) bonds are issued through the Treasurer of State for the purpose of financing “eligible projects” of private industry organizations, such as a company’s purchase of manufacturing equipment. The actual bonds are sold through private placement. At June 30, 2022, outstanding loan balances under this program aggregated \$130,465,000 with original terms up to 25 years at interest ranging from 2.0% to 10.0%. According to the Ohio Enterprise Bond Fund’s official bond statement, the 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 holders of the bonds to payments of amounts due there under are limited solely to the Ohio Enterprise Bond Fund Accounts. The scheduled payment of the bonds is, however, guaranteed through OLA. OLA only monitors OEBF activities and does not include the financial transactions within its financial statements.

All 17 Ohio Enterprise Bond Fund loans with outstanding principal balances were current in their repayment as of fiscal year-end.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 5 – COMMITMENTS AND CONTINGENCIES (continued)

B. Loan Commitments

These commitments primarily represent Chapter 166 loan commitments that were approved but not yet closed before fiscal year-end. Prior to September 24, 2012, these commitments were approved by the Development Financing Advisory Council (DFAC) and State’s Controlling Board. After September 24, 2012, these commitments are approved by the ODOD Director and JobsOhio as part of the terms of services covered under the services agreement. Below is a summary of OLA’s loan commitments outstanding at fiscal year-end:

<u>Fund</u>	<u>Commitment</u>
Facilities Establishment	\$ 125,352,101
Research and Development	<u>39,375,000</u>
Grand Total	<u>\$ 164,727,101</u>

The encumbrances do not include each individual agency’s pollution prevention program. These programs are administered by the local agencies on behalf of OLA.

C. Loan Guarantees

Under the Chapter 166 Loan Guarantee Program, OLA guarantees up to 75% of certain qualifying loans made by various financial institutions. The bonds issued by the State of Ohio to fund the loan and loan guarantee programs under 166 of the Code are to be repaid initially from revenue of the State. Repayment would come from the Facilities Establishment Fund only if such revenues were inadequate to service the debt. At fiscal year-end, OLA had no Chapter 166 loan guarantees outstanding.

NOTE 6 – DEFINED BENEFIT PENSION PLAN

The employees of OLA are covered by the Ohio Public Employees Retirement System. The State of Ohio accounts for the activities of the retirement systems and the amounts of these funds are not reflected in the accompanying financial statements.

Net Pension (Asset)/Liability

The net pension (asset)/liability reported on the statement of net position represents a (asset)/liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

The net pension (asset)/liability represents OLA's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension (asset)/liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits OLA's obligation for this (asset)/liability to annually required payments. OLA cannot control benefit terms or the manner in which pensions are financed; however, OLA does receive the benefit of employees' services in exchange for compensation including pension.

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term net pension liability on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year would be included in intergovernmental payable on both the accrual and modified accrual bases of accounting. OLA had no such liability at fiscal year-end.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Plan Description - OLA employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377. Senate Bill (SB) 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.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS Annual Comprehensive Financial Report referenced above for additional information including requirements for reduced and unreduced benefits):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 60 with 5 years of service credit or Age 55 with 25 years of service credit	Age and Service Requirements: Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	Formula: 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

2022 Statutory Maximum Contribution Rates		
Employer	14.0	%
Employee	10.0	%
2022 Actual Contribution Rates		
Employer		
Pension	14.0	%
Post-employment Health Care Benefits	0.0	
Total Employer	14.0	%
Employee	10.0	%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll. OLA’s contractually required pension contribution was \$66,500 for 2022. The entire amount was used to fund pension benefits.

Pension Assets, Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension asset and net pension liability for OPERS was measured as of December 31, 2021, and the total pension asset and liability used to calculate the net pension asset and net pension liability was determined by an actuarial valuation as of that date. OLA’s proportion of the net pension asset and net pension liability was based on OLA’s share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	OPERS Traditional Plan	OPERS Combined Plan	Total
Proportionate Share of the Net Pension (Asset)/Liability	\$248,883	(\$9,015)	\$239,868
2021 Proportion of the Net Pension Liability/(Asset)	0.002861%	0.002288%	
2020 Proportion of the Net Pension Liability/(Asset)	0.003414%	0.002735%	
2021 Change in Proportionate Share	-0.000553%	-0.000447%	
Pension Expense	(\$24,480)	(\$486)	(\$24,966)

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

At June 30, 2022, OLA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS Traditional Plan	OPERS Combined Plan	Total
	<u>Plan</u>	<u>Plan</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$12,689	\$57	\$12,746
Changes of assumptions	31,122	457	31,579
Changes in proportionate share	25,642	3,274	28,916
OLA contributions subsequent to the measurement date	<u>31,049</u>	<u>780</u>	<u>31,829</u>
Total Deferred Outflows of Resources	<u>\$100,502</u>	<u>\$4,568</u>	<u>\$105,070</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$5,460	\$1,011	\$6,471
Net difference between projected and actual earnings on pension plan investments	296,036	1,930	297,966
Changes in proportionate share	<u>68,504</u>	<u>974</u>	<u>69,478</u>
Total Deferred Inflows of Resources	<u>\$370,000</u>	<u>\$3,915</u>	<u>\$373,915</u>

OLA contributions subsequent to the measurement date of \$31,829 are reported as deferred outflows of resources. The contributions will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	OPERS Traditional Plan	OPERS Combined Plan	Total
	<u>Plan</u>	<u>Plan</u>	<u>Total</u>
2023	\$ (62,375)	\$ (43)	\$ (62,418)
2024	(121,496)	(269)	(121,765)
2025	(69,575)	16	(69,559)
2026	(47,101)	(100)	(47,201)
2027	-	118	118
Thereafter	<u>-</u>	<u>151</u>	<u>151</u>
Total	<u>\$ (300,547)</u>	<u>\$ (127)</u>	<u>\$ (300,674)</u>

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability was determined by an actuarial valuation as of December 31, 2021, using the following actuarial assumptions and methods applied to all periods included in the measurement:

Wage Inflation	2.75 percent
Projected Salary Increases	2.75 to 10.75 percent including wage inflation at 2.75 percent
COLA or Ad Hoc COLA	Pre-1/7/13 Retirees: 3% Simple; Post 1/7/13 Retirees: 3% Simple through 2022, then 2.05% Simple
Investment Rate of Return	6.90 percent
Actuarial Cost Method	Individual entry age normal

The most recent experience study was for the 5-year period ended December 31, 2020.

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables for males and females. Post-retirement mortality rates are based on 115 percent of the Pub-2010 Retiree Mortality Tables for males and females. Post-retirement mortality rates for disabled retirees are based on the PubNS-2010 Disabled Retiree Mortality Tables for males and females. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scales for males and females to these tables.

Discount Rate The discount rate used to measure the total pension (asset)/liability was 6.9 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 6 – DEFINED BENEFIT PENSION PLAN (continued)

The allocation of investment assets with the Defined Benefit portfolio is approved by the OPERS Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board’s investment consultant. For each major asset class that is included in the Defined Benefit portfolio’s target asset allocation as of December 31, 2021, these best estimates are summaries in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	24.00 %	1.03 %
Domestic Equities	21.00	3.78
Real Estate	11.00	3.66
Private Equity	12.00	7.43
International Equities	23.00	4.88
Risk Parity	5.00	2.92
Other investments	4.00	2.85
Total	<u>100.00 %</u>	<u>4.21 %</u>

Sensitivity of OLA’s Proportionate Share of the Net Pension (Asset)/Liability to Changes in the Discount Rate

The following table presents OLA’s proportionate share of the net pension (asset)/liability calculated using the current period discount rate assumption of 6.9 percent, as well as what OLA’s proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is one-percentage-point lower (5.9 percent) or one-percentage-point higher (7.9 percent) than the current rate:

	<u>1% Decrease (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
OLA's proportionate share of the net pension liability (asset)			
Traditional Plan	\$ 656,285	\$ 248,883	\$ (90,064)
Combined Plan	(6,727)	(9,015)	(10,799)

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN

The employees of OLA are covered by the Ohio Public Employees Retirement System. The State of Ohio accounts for the activities of the retirement systems and the amounts of these funds are not reflected in the accompanying financial statements.

Net OPEB Asset

The net OPEB asset reported on the statement of net position represents an asset for employees for other post-employment benefits (OPEB). OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB asset represents OLA’s proportionate share of the OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan’s fiduciary net position. The net OPEB asset calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits OLA’s obligation for this asset to annually required payments. OLA cannot control benefit terms or the manner in which OPEB are financed; however, OLA does receive the benefit of employees’ services in exchange for compensation including OPEB.

GASB 75 assumes the asset is solely the right of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits but does not require the retirement system to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB asset. Resulting adjustments to the net OPEB asset would be effective when the changes are legally enforceable. The retirement system may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of the plan’s unfunded benefits is presented as a net OPEB asset on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year would be included in accrued liabilities on both the accrual and modified accrual bases of accounting. OLA had no such liability at fiscal year-end.

Plan Description – Ohio Public Employees Retirement System (OPERS)

Health Care Plan Description - The Ohio Public Employees Retirement System (OPERS). OPERS administers three separate plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit plan with defined contribution features.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN (continued)

OPERS maintains one health care trust, the 115 Health Care Trust (115 Trust), which was established in 2014 to initially provide a funding mechanism for a health reimbursement arrangement (HRA), as the prior trust structure, the 401(h) Health Care Trust (401(h) Trust) and the Voluntary Employees' Beneficiary Association Trust (VEBA Trust), could not legally support the HRA. In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate health care assets into the 115 Trust. The 401(h) Trust was a pre-funded trust that provided health care funding for eligible members of the Traditional Pension Plan and the Combined Plan through December 31, 2015, when plans funded through the 401(h) Trust were terminated. The VEBA Trust accumulated funding for retiree medical accounts for participants in the Member-Directed Plan through June 30, 2016. The 401(h) Trust and the VEBA Trust were closed as of June 30, 2016 and the net positions transferred to the 115 trust on July 1, 2016. Beginning in 2016, the 115 Trust, established under Internal Revenue Code (IRC) Section 115, is the funding vehicle for all health care plans.

The OPERS health care plans are reported as other post-employment benefit plans (OPEB) based on the criteria established by the Governmental Accounting Standards Board (GASB). Periodically, OPERS modifies the health care program design to improve the ongoing solvency of the plans. Eligibility requirements for access to the OPERS health care options have changed over the history of the program for Traditional Pension Plan and Combined Plan members. Prior to January 1, 2015, 10 or more years of service were required to qualify for health care coverage. Beginning January 1, 2015, generally, members must be at least age 60 with 20 years of qualifying service credit to qualify for health care coverage or 30 years of qualifying service at any age.

Beginning with January 2016 premiums, Medicare-enrolled retirees could select supplemental coverage through the OPERS Medicare Connector (Connector), and may be eligible for monthly allowances deposited to an HRA to be used for reimbursement of eligible health care expenses. Coverage of non-Medicare retirees includes hospitalization, medical expenses and prescription drugs.

The Ohio Revised Code permits, but does not require, OPERS to provide OPEB benefits to its eligible benefit recipients. Authority to establish and amend health care coverage is provided in Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling (614) 222-5601 or 1-800-222-7377.

Funding Policy - The Ohio Revised Code provides the statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In fiscal year 2022, OLA contributed at a rate of 14 percent of earnable salary. The Ohio Revised Code currently limits the employer contribution rate not to exceed 14 percent of covered payroll. A portion of each employer contribution may be set aside for the funding of post-employment health care coverage. The portion of employer contributions allocated to health care was zero for 2022.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN (continued)

OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB asset for OPERS was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of that date. OLA’s proportion of the net OPEB asset was based on OLA’s share of contributions to the retirement system relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	OPERS Health Care Plan
Proportionate Share of the Net OPEB Asset	\$93,525
2021 Proportion of the Net OPEB Asset	0.002986%
2020 Proportion of the Net OPEB Asset	0.003627%
2021 Change in Proportionate Share	-0.000641%
OPEB Expense	(\$32,661)

At June 30, 2022, OLA reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPERS Health Care Plan
Deferred Outflows of Resources	
Changes in proportionate share	\$17,574
Total Deferred Outflows of Resources	\$17,574
 Deferred Inflows of Resources	
Differences between expected and actual experience	\$14,187
Net difference between projected and actual earnings on pension plan investments	44,588
Changes of assumptions	37,855
Changes in proportionate share	10,791
Total Deferred Inflows of Resources	\$107,421

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN (continued)

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	<u>OPERS Health Care Plan</u>
2023	\$ (49,263)
2024	(24,439)
2025	(9,740)
2026	<u>(6,405)</u>
Total	<u>\$ (89,847)</u>

Actuarial Assumptions - OPERS

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

Projections of health care costs for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of coverage provided at the time of each valuation and the historical pattern of sharing of costs between the System and plan members. The total OPEB asset was determined by an actuarial valuation as of December 31, 2020, rolled forward to the measurement date of December 31, 2021.

The actuarial valuation used the following key actuarial assumptions and methods applied to all periods included in the measurement:

Wage Inflation		2.75%
Projected Salary Increases	2.75% - 10.75% (includes wage inflation at 2.75%)	
Single Discount Rate		6.00%
Investment Rate of Return		6.00%
Municipal Bond Rate		1.84%
Health Care Cost Trend Rate	5.50% initial, 3.50% ultimate in 2034	
Actuarial Cost Method	Individual entry age normal	

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN (continued)

Pre-retirement mortality rates are based on 130 percent of the Pub-2010 General Employee Mortality tables for males and females. Post-retirement mortality rates are based on 115 percent of PubG-2010 Retiree Mortality Tables for males and females. Post-retirement mortality rates for disables retirees are based on the PubNS-2010 Disables Retiree Mortality Tables for males and females. For all of the previously described tables, the base year is 2010 and mortality rates for a particular calendar year are determined by applying MP-2020 mortality improvement scales for males and females to all of these tables.

Discount Rate A single discount rate of 6.00 percent was used to measure the total OPEB liability on the measurement date of December 31, 2021. Projected benefit payments are required to be discounted to their actuarial present value using a single discount rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the health care fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate are not met). The single discount rate was based on the actuarial assumed rate of return on the health care investment portfolio of 6.00 percent and a municipal bond rate of 1.84 percent. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. Based on these assumptions, the health care fiduciary net position and future contributions were sufficient to finance health care costs through the year 2120. As a result, the actuarial assumed long-term expected rate of return on health care investments was applied to projected costs through the year 2121, the duration of the projected period through which projected health care payments are fully funded.

The allocation of investment assets within the OPERS Health Care portfolio is approved by the Board as outlined in the annual investment plan. Assets are managed on a total return basis with a long-term objective of continuing to offer a sustainable health care program for current and future retirees. The System's primary goal is to achieve and maintain a fully funded status for benefits provided through the defined pension plans. Health care is a discretionary benefit. The long-term expected rate of return on health care investment assets was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future rates of return by the target asset allocation percentage, adjusted for inflation. Best estimates of arithmetic rates of return were provided by the Board's investment consultant.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 7 – DEFINED BENEFIT OPEB PLAN (continued)

For each major asset class that is included in the Health Care portfolio’s target asset allocation as of December 31, 2021, these best estimates are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Geometric)</u>
Fixed Income	34.00 %	0.91 %
Domestic Equities	25.00	3.78
REITs	7.00	3.71
International Equities	25.00	4.88
Risk Parity	2.00	2.92
Other investments	7.00	1.93
Total	<u>100.00 %</u>	<u>3.45 %</u>

Sensitivity of OLA’s Proportionate Share of the Net OPEB Asset to Changes in the Discount Rate

The following table presents OLA’s proportionate share of the net OPEB asset calculated using the single discount rate of 6.00 percent, and the expected net OPEB asset if it were calculated using a discount rate that is 1.0 percent lower or 1.0 percent higher than the current rate:

	<u>1% Decrease (5.00%)</u>	<u>Single Discount Rate (6.00%)</u>	<u>1% Increase (7.00%)</u>
OLA's proportionate share of the net OPEB asset	\$ (55,002)	\$ (93,525)	\$ (125,502)

Changes in the health care cost trend rate may also have a significant impact on the net OPEB asset. The following table presents the net OPEB asset calculated using the assumed trend rates, and the expected net OPEB asset if it were calculated using a health care cost trend rate that is 1.0 percent lower or 1.0 percent higher than the current rate.

	<u>1% Decrease</u>	<u>Current Health Care Cost Trend Rate Assumption</u>	<u>1% Increase</u>
OLA's proportionate share of the net OPEB asset	\$ (94,537)	\$ (93,525)	\$ (92,327)

Retiree health care valuations use a health care cost-trend assumption with changes over several years built into that assumption. The near-term rates reflect increases in the current cost of health care; the trend starting in 2022 is 5.50 percent. If this trend continues for future years, the projection indicates that years from now virtually all expenditures will be for health care. A more reasonable alternative is the health care cost trend will decrease at a level at, or near, wage inflation. On this basis, the actuaries project premium rate increases will continue to exceed wage inflation for approximately the next decade, but by less each year, until leveling off at an ultimate rate, assumed to be 3.50 percent in the most recent valuation.

Office of Loan Administration
Notes to the Financial Statements
For the Fiscal Year Ended June 30, 2022

NOTE 8 – LONG TERM LIABILITIES

Long term liability activity for the year ended June 30, 2022 is as follows:

Type	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>	<u>Amount Due in One Year</u>
Compensated Absences	\$ 95,547	\$ 48,638	\$ (70,951)	\$ 73,234	\$ 42,893
Net Pension Liability	<u>505,568</u>	<u>-</u>	<u>(256,685)</u>	<u>248,883</u>	<u>-</u>
Total Long Term Liabilities	<u>\$ 601,115</u>	<u>\$ 48,638</u>	<u>\$ (327,636)</u>	<u>\$ 322,117</u>	<u>\$ 42,893</u>

The compensated absences and pension liability will be paid from the operating fund.

NOTE 9 – CHANGE IN ACCOUNTING PRINCIPLES

For the fiscal year ended June 30, 2022, OLA has implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, certain provisions of GASB Statement No. 93, *Replacement of Interbank Offered Rates* and certain provisions of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans— an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*.

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. These changes were incorporated in OLA’s financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 93 addresses accounting and financial reporting effects that result from the replacement of interbank offered rates (IBORs) with other reference rates in order to preserve the reliability, relevance, consistency, and comparability of reported information. The implementation of paragraphs 13 and 14 of GASB Statement No. 93 did not have an effect on the financial statements of OLA.

GASB Statement No. 97 requirements that are related to a) the accounting and financial reporting for Section 457 plans and 2) determining whether a primary government is financially accountable for a potential component unit were implemented for fiscal year 2022. The implementation of GASB Statement No. 97 did not have an effect on the financial statements of OLA.

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**REQUIRED SUPPLEMENTARY
INFORMATION**

**Office of Loan Administration
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Ohio Public Employees Retirement System**

Last Nine Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Proportion of the Net Pension (Asset)/Liability									
Traditional Plan	0.002861%	0.003414%	0.002861%	0.001936%	0.004575%	0.007213%	0.008662%	0.007377%	0.007377%
Combined Plan	0.002288%	0.002735%	0.002683%	0.001528%	0.003491%	0.005667%	0.011535%	0.011078%	0.011078%
Proportionate Share of the Net Pension (Asset)/Liability									
Traditional Plan	\$ 248,883	\$ 505,568	\$ 565,514	\$ 530,304	\$ 717,698	\$ 1,638,013	\$ 1,500,406	\$ 889,725	\$ 869,629
Combined Plan	\$ (9,015)	\$ (7,894)	\$ (5,594)	\$ (1,709)	\$ (4,752)	\$ (3,154)	\$ (5,613)	\$ (4,265)	\$ (1,162)
Covered Payroll	\$ 465,628	\$ 555,727	\$ 466,910	\$ 307,282	\$ 712,866	\$ 1,112,664	\$ 1,291,037	\$ 1,078,762	\$ 1,239,977
Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of Covered Payroll	51.51%	89.55%	119.92%	172.02%	100.01%	146.93%	115.78%	82.08%	70.04%
Plan Fiduciary Net Position as a Percentage of the Total Pension (Asset)/Liability									
Traditional Plan	92.62%	86.88%	82.17%	74.70%	84.66%	77.25%	81.08%	86.45%	86.36%
Combined Plan	169.88%	157.67%	145.28%	126.64%	137.28%	116.55%	116.90%	114.83%	104.56%

(1) Information prior to 2013 is not available.

Amounts presented as of OLA's measurement date, which is December 31.

Office of Loan Administration
Required Supplementary Information
Schedule of Proportionate Share of the Net OPEB Liability (Asset)
Ohio Public Employees Retirement System

Last Six Years (1)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Proportion of the Net OPEB (Asset)/Liability Health Care Plan	0.002986%	0.003627%	0.003090%	0.002118%	0.005033%	0.008051%
Proportionate Share of the Net OPEB (Asset)/Liability Health Care Plan	\$ (93,525)	\$ (64,624)	\$ 426,878	\$ 276,201	\$ 546,531	\$ 813,227
Covered Payroll	\$ 465,628	\$ 555,727	\$ 466,910	\$ 307,282	\$ 712,866	\$ 1,112,664
Proportionate Share of the Net OPEB (Asset)/Liability as a Percentage of Covered Payroll	-20.09%	-11.63%	91.43%	89.89%	76.67%	73.09%
Plan Fiduciary Net Position as a Percentage of the Total OPEB (Asset)/Liability Health Care Plan	128.23%	115.57%	47.80%	46.33%	54.14%	68.52%

(1) Information prior to 2016 is not available.

Amounts presented as of OLA's measurement date, which is December 31.

**Office of Loan Administration
Required Supplementary Information
Schedule of Contributions
Ohio Public Employees System**

Last Ten Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution										
Pension	\$ 66,500	\$ 71,177	\$ 77,879	\$ 42,755	\$ 62,554	\$ 111,063	\$ 150,749	\$ 151,055	\$ 132,496	\$ 58,832
OPEB	-	-	-	-	2,317	13,328	25,125	25,176	15,900	12,790
Contributions in relation to the contractually required contribution	<u>(66,500)</u>	<u>(71,177)</u>	<u>(77,879)</u>	<u>(42,755)</u>	<u>(64,871)</u>	<u>(124,391)</u>	<u>(175,874)</u>	<u>(176,231)</u>	<u>(148,396)</u>	<u>(71,622)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 475,002	\$ 508,404	\$ 556,409	\$ 305,395	\$ 463,363	\$ 888,501	\$ 1,256,238	\$ 1,258,788	\$ 1,059,968	\$ 511,583
Contributions as a percentage of covered payroll										
Pension	14.00%	14.00%	14.00%	14.00%	13.50%	12.50%	12.00%	12.00%	12.50%	11.50%
OPEB	0.00%	0.00%	0.00%	0.00%	0.50%	1.50%	2.00%	2.00%	1.50%	2.50%

Office of Loan Administration
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2022

Net Pension Liability – Ohio Public Employees Retirement System

Changes of benefit terms - There were no significant changes of benefit terms in 2022.

Changes of assumptions - Amounts reported in 2022 reflect changes in both demographic and economic assumptions. The following reflects the changes made during 2022.

- Wage Inflation: 3.25 percent in 2021 down to 2.75 percent in 2022
- Projected Salary Increases: 3.25 to 10.75 percent including wage inflation at 3.25 percent in 2021 down to 2.75 to 10.75 percent including wage inflation of 2.75 percent in 2022
- COLA or Ad Hoc COLA: 2.15 percent simple in 2021 down to 2.05 percent simple in 2022
- Investment Rate of Return: 7.20 percent in 2021 down to 6.90 percent in 2022

Net OPEB Liability – Ohio Public Employees Retirement System

Changes of benefit terms - There were no significant changes of benefit terms in 2022.

Changes of assumptions - Amounts reported in 2022 reflect changes in both demographic and economic assumptions. The following reflects the changes made during 2022.

- Wage Inflation: 3.25 percent in 2021 down to 2.75 percent in 2022
- Projected Salary Increases: 3.25 to 10.75 percent including wage inflation at 3.25 percent in 2021 down to 2.75 to 10.75 percent including wage inflation of 2.75 percent in 2022
- Municipal Bond Rate: 2.00 percent in 2021 down to 1.84 percent in 2022
- Health Care Cost Trend Rate: 8.50 percent initial down to 5.50 percent ignition in 2022

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**SUPPLEMENTARY COMBINING
FINANCIAL STATEMENTS**

Office of Loan Administration
Balance Sheet
Nonmajor Funds
June 30, 2022

	Loan Guarantee Fund	Logistics and Distribution Infrastructure Fund	Totals
ASSETS:			
Cash Equity with Treasurer	\$ -	\$ 389,332	\$ 389,332
Cash and Cash Equivalents	937,911	-	937,911
Allocated Collateral on Lent Securities	-	70,885	70,885
TOTAL ASSETS	<u>\$ 937,911</u>	<u>\$ 460,217</u>	<u>\$ 1,398,128</u>
LIABILITIES:			
Allocated Obligations Under Securities Lending	\$ -	\$ 70,885	\$ 70,885
TOTAL LIABILITIES	<u>-</u>	<u>70,885</u>	<u>70,885</u>
FUND BALANCES:			
Restricted for Community and Economic Development	-	389,332	389,332
Committed	937,911	-	937,911
TOTAL FUND BALANCES	<u>937,911</u>	<u>389,332</u>	<u>1,327,243</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 937,911</u>	<u>\$ 460,217</u>	<u>\$ 1,398,128</u>

Office of Loan Administration
Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Funds
For the Fiscal Year Ended June 30, 2022

	Loan Guarantee Fund	Logistics and Distribution Infrastructure Fund	Totals
REVENUES:			
Investment Income	\$ 2,609	\$ 2,102	\$ 4,711
TOTAL REVENUES	<u>2,609</u>	<u>2,102</u>	<u>4,711</u>
EXPENDITURES:			
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	2,609	2,102	4,711
FUND BALANCES, JULY 1	<u>935,302</u>	<u>387,230</u>	<u>1,322,532</u>
FUND BALANCES, JUNE 30	<u>\$ 937,911</u>	<u>\$ 389,332</u>	<u>\$ 1,327,243</u>

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Office of Loan Administration
77 S. High Street, 29th Floor
Columbus, OH 43215

To the Office of Loan Administration:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Office of Loan Administration, (the Office), an office within a department of the State of Ohio, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's basic financial statements and have issued our report thereon dated September 30, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Office's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations,

contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio

September 30, 2022

OHIO AUDITOR OF STATE KEITH FABER



OFFICE OF LOAN ADMINISTRATION

FRANKLIN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 10/25/2022

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov