

Ohio Facts



2012 Edition

Ohio Legislative Service Commission



**A Broad Overview of
Ohio's Economy,
Public Finances, and
Major Government Programs**

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Introduction

The Ohio Legislative Service Commission (LSC) is pleased to present the 2012 edition of *Ohio Facts*. This publication provides Ohio legislators, legislative staff, and others with a broad overview of Ohio's economy, public finances, and major government programs. *Ohio Facts* offers a series of charts and tables that are generally expanded upon by brief comments. The pages address many questions frequently asked of our office. In all instances, LSC analysts have used the most up-to-date data available. Whether you are on the road or in the office, we hope that *Ohio Facts* will serve as a handy and valuable tool.

The 2012 edition of *Ohio Facts* covers 94 topics in as many pages. These pages are grouped into the following eight categories: Demographics, Economy, Natural Resources and Environment, Public Finances, K-12 Schools, Colleges and Universities, Health and Human Services, and Justice and Public Safety Systems. If you have any questions regarding the information included on an individual page or if you need additional information on that topic, please contact the LSC analyst listed at the bottom of that page. If you have questions regarding the publication as a whole, please contact LSC Deputy Director Wendy Zhan at (614) 728-4814.

In addition to the printed version, *Ohio Facts* may be viewed on LSC's web site at www.lsc.state.oh.us by clicking on *Publications* and then *Ohio Facts*.

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A Snapshot of Ohio's Population in 2010

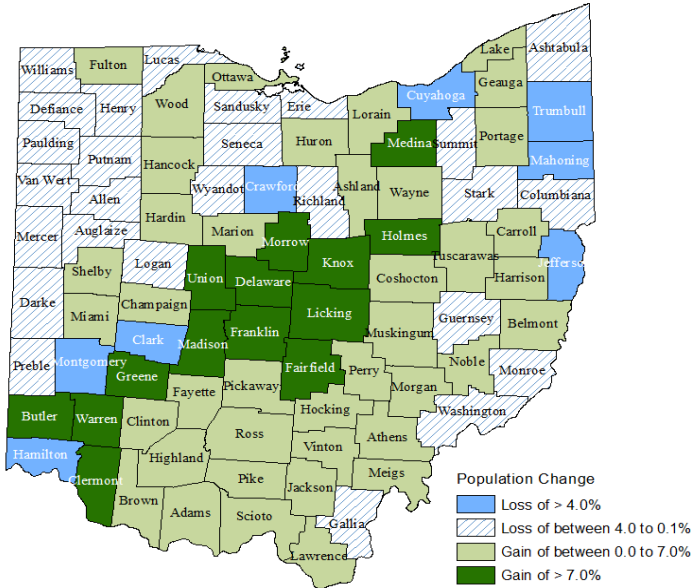
Population and Age	Ohio	United States	Ohio's Rank
Total population	11,536,504	308,745,538	7
Median age	38.8	37.2	13
Female persons	51.2%	50.8%	15
Foreign born	4.1%	12.9%	39
Persons under 5 years old	6.2%	6.5%	36
Persons under 18 years old	23.7%	24.0%	27
Persons 65 years old or over	14.1%	13.0%	15
Race and National Origin (Selected Groups)			
White	82.7%	72.4%	20
Black or African-American	12.2%	12.6%	17
American Indian or Alaska native	0.2%	0.9%	48
Asian	1.7%	4.8%	30
Hispanic or Latino (of any race)	3.1%	16.3%	41
Education (Persons 25 Years Old or Over)			
High school graduates	88.1%	85.6%	24
College graduates	24.6%	28.2%	37
Homes and Home Life			
Number of households	4,603,435	116,716,292	7
Persons per household	2.44	2.58	40
Households with persons under 18 years	31.3%	33.4%	35
Households with persons 65 years or over	25.3%	24.9%	20
Veterans (in total population 18 years or over)	10.1%	9.3%	26
Households that are married-couple families	47.2%	48.4%	41
Employed (16 years old and over)	56.7%	57.0%	33
Median household money income*	\$45,090	\$50,046	35
Median family income*	\$56,518	\$60,609	31
Median housing value	\$134,400	\$179,900	36
Mean travel to work (minutes)	22.8	25.3	33
Persons speaking a language other than English at home (age 5+)	6.7%	20.6%	40

* A household includes all the people who occupy a housing unit as their usual place of residence. It is possible to have a single-person household. In contrast, a family consists of a group of two or more individuals who reside together and who are related by birth, marriage, or adoption.

Source: U.S. Census Bureau

Ohio's Highest Population Growth Is Concentrated in Central and Southwest Ohio

Ohio's Population Growth by County, 2000-2010

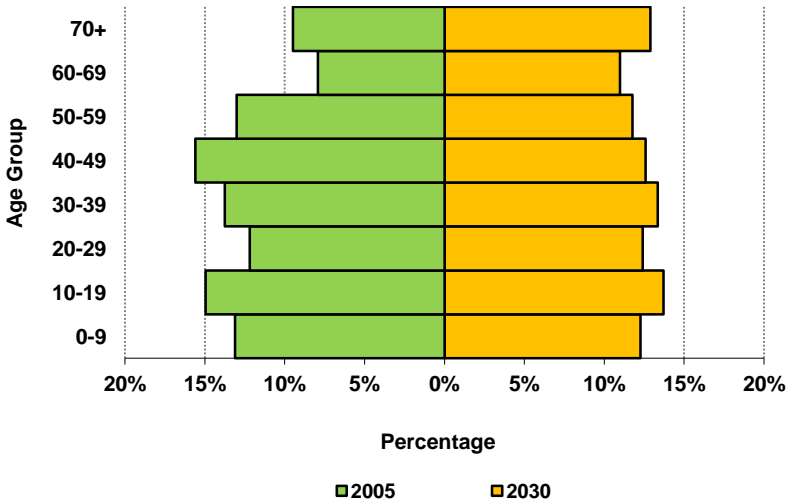


Source: U.S. Census Bureau

- Between the 2000 and 2010 decennial censuses, the largest areas of population growth in Ohio were in the central and southwest portions of the state. Overall, 54 counties gained in population with an average growth rate of 6.5%. The other 34 counties experienced a loss of population with an average declining rate of 5.0%.
- Fourteen counties experienced above average growth. The population of Delaware County in central Ohio grew by 64,225 people, giving it the highest growth rate in the state (58.4%).
- Six counties experienced above average losses. The population of Cuyahoga County in northern Ohio declined by nearly 114,000 people, giving it the highest rate of decline in the state (8.2%).
- Overall, Ohio's population grew by 1.6% over the 2000-2010 period, from 11.35 million in 2000 to 11.54 million in 2010. This rate is lower than the population growth rate of 3.9% among the 12 states in the Midwest region, and well below the national average growth rate of 9.7% during the same period.

Ohio's Population Is Expected to Continue Aging

Share of Population by Age Group



Source: Ohio Department of Development

- Ohio's population is expected to continue aging in the next few decades. The percentage of Ohioans age 60 to 69 is projected to increase from 7.9% in 2005 to 11.0% in 2030. The percentage of Ohioans age 70 or older is also projected to increase from 9.5% to 12.9%.
- During the same period, the percentage of Ohioans age 30 to 59 is expected to decrease from 42.3% in 2005 to 37.7% in 2030. The percentage of Ohioans age 19 or younger is also expected to decrease from 28.1% to 26.0%.
- There are about 3.3 million Baby Boomers (those born between 1946 and 1964) in Ohio. They accounted for 28.6% of Ohio's population in 2005. While they were in their prime working years (age 41 to 59) in 2005, Baby Boomers will be at least 65 years old by 2030.
- Ohio's dependency ratio (the combined number of Ohioans under age 20 and over age 65 as a percentage of Ohioans age 20 to 64) is also projected to increase from 69.7% in 2005 to 79.6% in 2030, an increase of 9.9 percentage points.

Ohio's Economy Ranks 8th Largest Among States

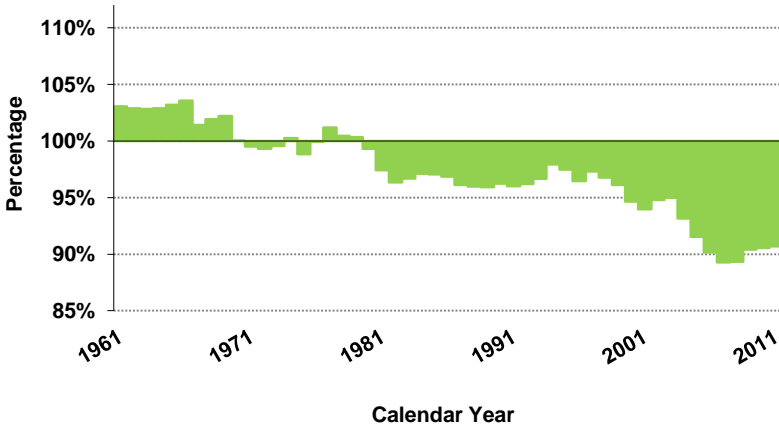
2011 Gross Domestic Product by State				
State	Total GDP (\$ in billions)		Per Capita GDP	
	Amount	Rank	Amount	Rank
Ohio	\$484.0	8	\$41,920	33
<i>Neighboring States</i>				
Pennsylvania	\$578.8	6	\$45,424	28
Indiana	\$278.1	17	\$42,678	32
Michigan	\$385.2	13	\$39,008	40
Kentucky	\$164.8	28	\$37,717	44
West Virginia	\$66.8	39	\$36,015	48
Top Ranked State	\$1,958.9	California	\$72,486	Delaware
U.S.	\$14,981.0	--	\$48,079	--

Source: U.S. Bureau of Economic Analysis

- Ohio's gross domestic product (GDP), the broadest measure of economic production, totaled \$484.0 billion in 2011, which was the 8th largest in the U.S., between New Jersey (7th) and North Carolina (9th). Among its neighboring states, only Pennsylvania's economy was larger at \$578.8 billion.
- On a per capita basis, Ohio's GDP of \$41,920 ranked 33rd largest in the nation in 2011. Among its neighboring states, Pennsylvania and Indiana ranked higher than Ohio, with per capita GDP of \$45,424 (28th) and \$42,678 (32nd), respectively.
- In 2011, Ohio's total GDP accounted for 3.2% of U.S. GDP, compared with 3.7% a decade earlier. Ohio's share of the U.S. economy has declined in most years as Ohio's economy has grown more slowly than the U.S. as a whole. In nominal terms, Ohio's GDP grew by an average rate of 2.4% per year during the ten years ending in 2011, while GDP for the U.S. grew by 3.9% per year.
- Over the last decade, average annual economic growth in Ohio's neighboring states was also slower than the U.S. average, with the exception of West Virginia where GDP growth averaged 4.5% per year. Michigan was the only neighboring state with slower GDP growth than that of Ohio, averaging 1.3% per year.
- If Ohio's economy were compared with the U.S. and other nations, it would rank 22nd largest in the world in 2010, based on a World Bank measure with GDP in domestic currencies converted into dollars at official exchange rates. On this basis, Ohio's ranking would have been between Belgium (21st) and Sweden (23rd).

Ohio's Per Capita Income Remains Below U.S. Average

Ohio's Per Capita Income as a Percentage of U.S. Average

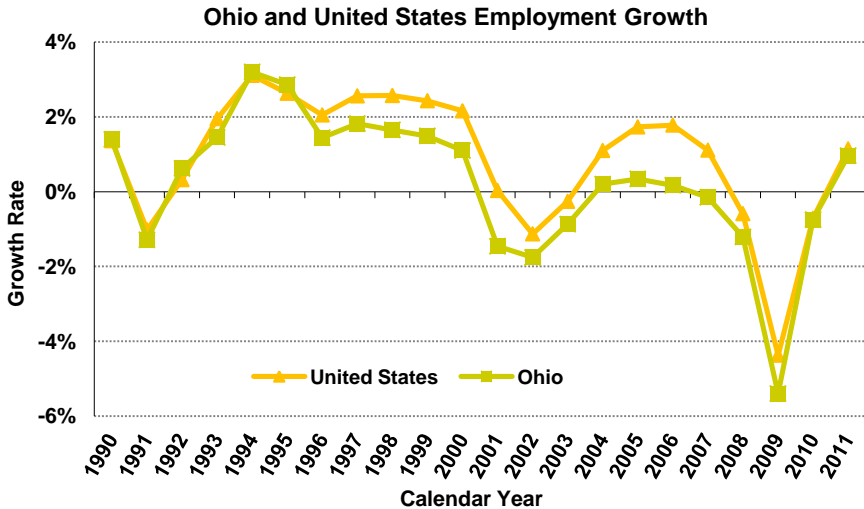


Source: U.S. Bureau of Economic Analysis

- Ohio's per capita income exceeded the U.S. average through the 1960s, but since 1980, has remained below the U.S. average. The gap between Ohio's per capita income and the U.S. average has widened over the years, increasing from less than 3 percentage points below in 1981 to over 9 percentage points below in 2011.
- In 2011, Ohio's per capita income of \$37,791 ranked 33rd in the nation. Connecticut's per capita income was the highest at \$56,889. The lowest, Mississippi, was \$32,176. As shown in the table below, Ohio's per capita income was higher than all neighboring states except Pennsylvania.

Per Capita Income for the U.S., Ohio, and Neighboring States in 2011		
State	National Rank	Per Capita Income
U.S.	--	\$41,663
Pennsylvania	18	\$42,478
Ohio	33	\$37,791
Michigan	36	\$36,533
Indiana	41	\$35,550
Kentucky	47	\$33,667
West Virginia	48	\$33,513

Ohio Employment Growth Mirrors National Pace Since 2010

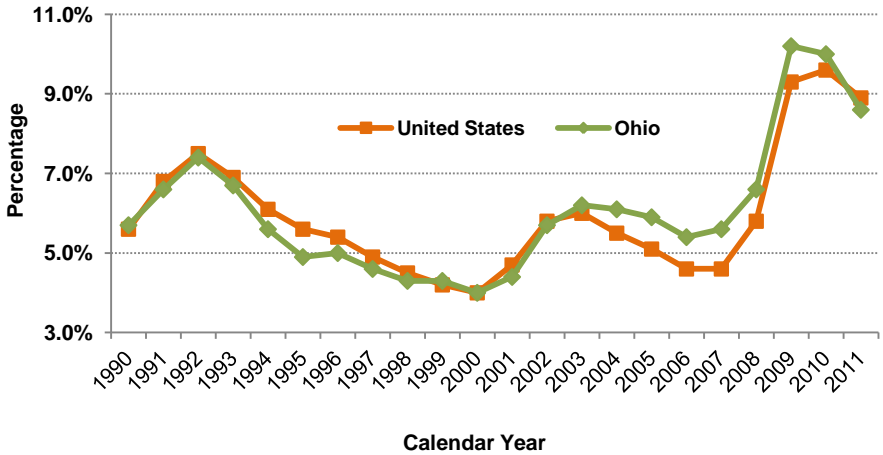


Source: U.S. Bureau of Labor Statistics

- Since the conclusion of the most recent recession, Ohio employment growth generally mirrored the U.S. average, which was a pattern not seen since 1990-1995. In the ensuing years, from 1996-2009, Ohio employment grew more slowly than the U.S. average in years where growth was positive and employment declined faster than the U.S. average when growth was negative. Ohio's divergent growth is related to Ohio's slower population growth and the industry structure of Ohio's economy.
- Total nonfarm payroll employment in Ohio peaked in 2000 at 5.62 million, and then fell to an intra-decade low of 5.03 million in 2010. Employment increased 1.0% in 2011 to 5.08 million, which is approximately 542,000 (9.6%) below its 2000 peak.
- U.S. nonfarm payroll employment of 131.36 million in 2011 was 0.3% below its 2000 level, and 4.5% below its 2007 peak level.
- Ohio's strongest job growth over the last decade was in educational and health services (2.0% annual average growth). Employment also grew in professional and business services (0.3%). Employment in all other industrial sectors declined between 2001 and 2011.
- The greatest employment loss occurred in manufacturing which lost jobs at an average annual rate of 3.9%. After declining following the 1990 recession, manufacturing employment rose to a peak of 1.04 million in 1995. From then through 2011, Ohio lost approximately 399,000 manufacturing jobs. However, manufacturing employment grew along with total employment in 2011.

Ohio's Unemployment Rate Fell Below National Average in 2011 for the First Time Since 2003

Unemployment Rates for Ohio and U.S.



Sources: U.S. Bureau of Labor Statistics; Ohio Labor Market Information

- In 2011, Ohio's unemployment rate was 8.6%, 0.3 percentage points lower than the national average of 8.9%. Prior to 2011, Ohio's unemployment rate exceeded the national rate for eight consecutive years, from 2003 to 2010.
- From 1990 to 2002, Ohio's unemployment rate exceeded the national average in only two years, 1990 and 1999.
- Between 1990 and 2011, the number of people unemployed in Ohio varied from a peak monthly average of 601,401 in 2009 to a low of 233,882 in 2000. From 2010 to 2011, the number of unemployed people decreased by 84,000.
- Compared to its neighboring states, Ohio's 2011 unemployment rate of 8.6% was higher than that of Pennsylvania (7.9%) and West Virginia (8.0%), but lower than that of Michigan (10.3%), Kentucky (9.5%), and Indiana (9.0%).
- Unemployment rates vary greatly among Ohio's counties. In 2011, 60 counties had unemployment rates that exceeded the statewide average and 28 counties had rates at or below the statewide average. The highest rate was 15.3% (Pike) and the lowest rate was 5.9% (Mercer).
- Among Ohio workers who were unemployed in 2011, the median duration of their unemployment was 22.1 weeks. Among all U.S. workers who were unemployed in 2011, the comparable figure was 21.4 weeks.

Ohio Employment Continues Shifting Toward Services

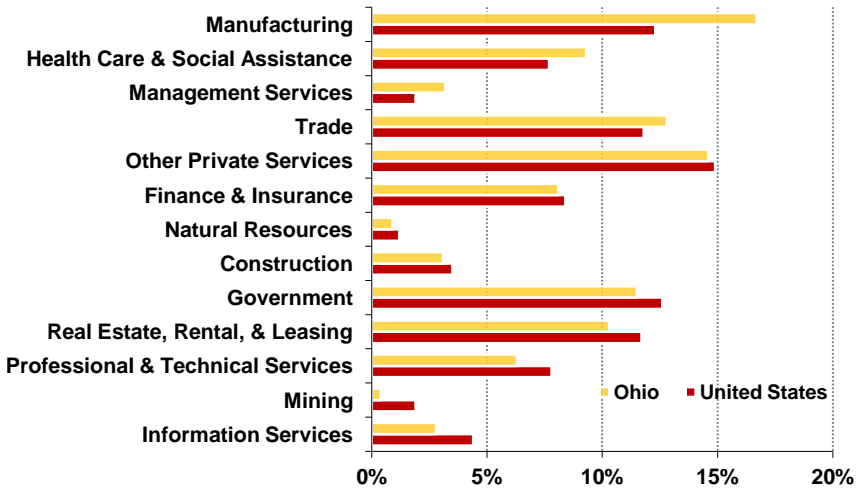
Ohio Employment by Sector (\$ in thousands)			
Sector	Calendar Year		Average Annual Growth 2001-2011
	2001	2011	
Goods-Producing			
Mining/Natural Resources	12.9	11.7	-1.0%
Construction	240.5	173.9	-3.2%
Manufacturing	953.0	638.4	-3.9%
Subtotal	1,206.5	823.9	-3.7%
Private Service-Providing			
Trade	904.1	770.8	-1.6%
Transportation & Utilities	191.7	182.8	-0.5%
Information	106.3	76.4	-3.2%
Financial Activities	307.3	278.1	-1.0%
Professional & Business Services	629.0	646.9	0.3%
Educational & Health Services	694.0	850.1	2.0%
Leisure, Hospitality, and Other Services	709.7	687.8	-0.3%
Subtotal	3,542.1	3,493.0	-0.1%
Government	794.0	766.2	-0.4%
Total	5,542.6	5,083.1	-0.9%

Sources: Ohio Labor Market Review; U.S. Bureau of Labor Statistics

- Between 2001 and 2011, Ohio employment in the private service-providing industries decreased by 0.1% per year and government employment decreased by 0.4% per year. In contrast, employment in the goods-producing industries fell by 3.7% per year during the same period.
- Due to the different growth rates, the goods-producing industries' share of total employment decreased from 21.8% in 2001 to 16.2% in 2011, while the private service-providing industries' share increased from 63.9% to 68.7%. The government sector share increased from 14.3% to 15.1%.
- The share of manufacturing employment in Ohio fell from 17.2% to 12.6% between 2001 and 2011, compared with a national decrease from 12.5% to 8.9%.
- Employment growth in the service sector occurred entirely in educational and health services and in professional and business services. Employment in these two sectors increased by 174,000 between 2001 and 2011, whereas the entire private service-providing sector decreased by 49,100 employees over the same period.

Manufacturing Comprises Larger Share of Ohio's Economy Than That of the Nation

Industry Shares of Gross Domestic Product in 2011



Source: U.S. Bureau of Economic Analysis

- Ohio's economy remains more concentrated in manufacturing than the nation as a whole. Output of the state's factories accounted for 17% of Ohio's gross domestic product (GDP) in 2011, while manufacturing's share of the national economy was 12%. Other industry groups in which Ohio's economy is more concentrated than the nation's economy include health care and social assistance, management services, and trade.
- Manufacturing's larger share of Ohio's GDP reflects the state's specialization in the production of durable goods, particularly fabricated metal products, primary metals, motor vehicles and parts, machinery, and electrical equipment and appliances, as well as nondurable goods including plastics and rubber products and chemicals. Ohio's economy has been heavily concentrated in manufacturing for decades.
- Six states derived higher shares of their GDPs from manufacturing than Ohio in 2011: Oregon, Indiana, Louisiana, North Carolina, Wisconsin, and Iowa. All other states derived lower shares from manufacturing.
- Production of goods – in construction, natural resource industries, mining, and manufacturing – accounted for 21% of Ohio's GDP in 2011, higher than the comparable figure for the nation (19%) because of the relatively large share of manufacturing in Ohio. The rest of the value of economic activity is in the service sector, for Ohio (79%) and the nation (81%).

Ohio Ranks 9th Nationally in the Value of Exports

Top Ten States in Exports				
2011 Rank	States	2010 (in billions)	2011 (in billions)	% Change 2010-2011
	U.S.	\$1,278.1	\$1,480.7	15.8%
1	Texas	\$206.6	\$249.9	20.9%
2	California	\$143.3	\$159.4	11.2%
3	New York	\$67.7	\$82.9	22.5%
4	Florida	\$55.2	\$64.8	17.3%
5	Washington	\$53.2	\$64.6	21.4%
6	Illinois	\$49.8	\$64.6	29.7%
7	Louisiana	\$41.3	\$55.1	33.3%
8	Michigan	\$44.5	\$50.8	14.2%
9	Ohio	\$41.4	\$46.4	12.0%
10	Pennsylvania	\$34.8	\$41.0	17.8%

Source: U.S. Census Bureau

- In 2011, the value of Ohio's exports to foreign countries was \$46.4 billion, 9th highest among the 50 states. Overall, Ohio accounted for 3.1% of total U.S. exports in 2011.
- Ohio's exports were 9.6% of the state's gross domestic product (GDP) in 2011, lower than the U.S. average of 9.9%.
- From 2010 to 2011, the value of Ohio's exports increased 12.0%, compared to an overall U.S. jump of 15.8%. Among the top ten exporting states, only California had a slower rate of export growth than Ohio.
- On a per capita basis, Ohio's exports ranked 25th highest in 2011. Ohio's per capita export value of \$4,023 in that year was 16% lower than the U.S. average of \$4,796.
- In 2011, sales of Ohio exports exceeded \$1 billion in each of eight markets: Canada, Mexico, China, France, Brazil, the United Kingdom, Japan, and Germany. Canada was the largest market, purchasing \$18.7 billion, or 40.4% of Ohio's exports. Mexico was Ohio's second largest export market at \$4.0 billion, or 8.7%. Ohio's largest overseas market was China, accounting for \$2.7 billion, or 5.9%.
- Nine of Ohio's production sectors exported over \$1 billion each in 2011. They were: machinery (\$8.5 billion), vehicles/not railway (\$7.0 billion), aircraft (\$5.2 billion), electrical machinery (\$2.9 billion), iron/steel (\$2.7 billion), plastics (\$2.4 billion), optical/medical instruments (\$1.9 billion), rubber (\$1.2 billion), and pharmaceuticals (\$1.0 billion). Together, these nine sectors accounted for 71.0% of Ohio's exports.

Ohio Ranks in the Top 15 Nationally in Receipts From Each of its Five Leading Agricultural Commodities

Cash Receipts and Rankings of Ohio's Five Leading Commodities in 2010

Commodity	Value of Receipts (Thousands of Dollars)	% of Ohio Total Receipts	% of U.S. Total Receipts	National Rank
Soybeans	\$2,269,806	28.8%	6.8%	6
Corn	\$1,908,888	24.2%	4.3%	8
Dairy Products	\$932,720	11.8%	3.0%	11
Hogs	\$580,673	7.4%	3.2%	9
Chicken Eggs	\$427,071	5.4%	6.6%	3
Top Five Subtotal	\$6,118,158	77.6%	2.8%	--
All Commodities	\$7,884,539	100.0%	2.5%	12

Sources: U.S. Department of Agriculture; U.S. Census Bureau

- In 2010, cash receipts from each of Ohio's five leading agricultural commodities ranked among the top 15 in the nation. The highest ranking was for chicken eggs (3rd). Cash receipts from these five leading commodities were \$6.1 billion and accounted for 77.6% of Ohio's total commodity cash receipts.
- Overall cash receipts of Ohio commodities (nearly \$7.9 billion) ranked 12th in the United States in 2010 and accounted for 2.5% of the nation's total commodity cash receipts.
- From 2000 to 2010, Ohio's overall cash receipts from commodities increased by 79.0%, from \$4.4 billion to \$7.9 billion. This rate of increase was higher than the national average increase of 63.6%, but was the lowest among the five states in the Cornbelt Production Region, behind Missouri (82.0%), Illinois (111.5%), Indiana (111.7%), and Iowa (115.7%).
- Ohio farm acreage declined from 14.8 million acres in 2000 to just over 13.7 million acres in 2010, a decline of 7.4%. This rate of loss exceeded the 2.7% decrease for the nation as a whole over the same period.
- In 2010, Ohio had 74,700 total farms, which ranks 11th nationally. The number of farms in Ohio represents 3.4% of the more than 2.2 million farms nationwide.

Ohio's Median Home Prices Remain Below National and Regional Levels

Median Sales Price of Existing Single-Family Homes in Ohio Metropolitan Statistical Areas			
Metropolitan Statistical Area	2005	2011	Change
Akron	\$120,500	\$90,900	-24.6%
Cincinnati-Middletown	\$145,900	\$122,300	-16.2%
Cleveland-Elyria-Mentor	\$138,900	\$105,100	-24.3%
Columbus	\$152,000	\$123,900	-18.5%
Dayton	\$119,700	\$93,300	-22.1%
Toledo	\$117,300	\$75,700	-35.5%
Midwest	\$168,300	\$135,800	-19.3%
United States	\$219,000	\$166,200	-24.1%

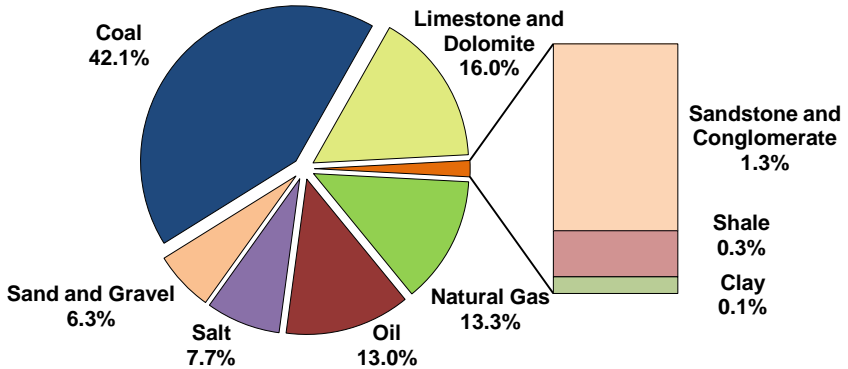
Source: National Association of Realtors

- The median sales prices of existing single-family homes in Ohio's six largest metropolitan statistical areas (MSAs) are below the medians of both the United States and the Midwest region.¹ In 2011, the Columbus MSA had the highest median sales price in Ohio, at \$123,900, while the Toledo MSA had the lowest, at \$75,700.
- Between 2005 and 2011, sales prices of homes in the Midwest region declined at a slower rate than the U.S. The Ohio MSA with the highest rate of decline was Toledo (35.5%), while the MSA with the lowest rate of decline was Cincinnati-Middletown (16.2%).
- The number of existing homes (including single-family homes, condominiums, and co-ops) sold in Ohio decreased by 19.2%, from approximately 286,900 in 2005 to approximately 231,900 in 2010. This compares to a decline of 30.7% nationally and a decline of 32.2% in the Midwest region.
- In comparison to the five border states, Ohio had the lowest decline in home sales from 2005 to 2010. Total existing home sales decreased significantly in Pennsylvania (37.2%), West Virginia (31.3%), Indiana (29.4%), Michigan (27.7%), and Kentucky (26.9%) during this period.

¹ Median home sales price data for the Canton-Massillon and Youngstown-Warren-Boardman MSAs were not available for 2011.

Coal Was Ohio's Most Valuable Mineral Resource in 2010

Value of Minerals Produced in Ohio, 2010



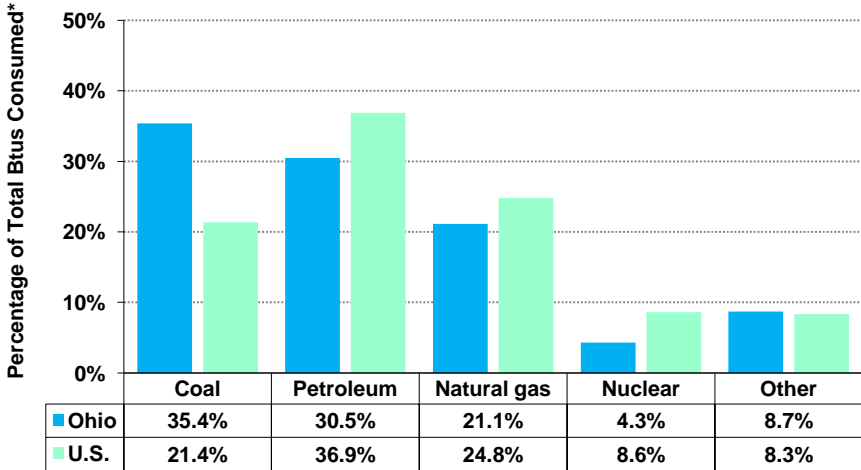
Source: Ohio Department of Natural Resources

- The total value of fuel and nonfuel mineral resources extracted in Ohio was \$2.73 billion in 2010.¹ Of this total, coal represents the largest portion at \$1.15 billion (42.1%). This is followed by limestone and dolomite at \$436.2 million (16.0%), natural gas at \$362.0 million (13.3%), and oil at \$356.1 million (13.0%).
- Ohio produced 111.3 million tons of coal and industrial minerals (limestone and dolomite, salt, sand and gravel, sandstone and conglomerate, shale, and clay) in 2010. Of this, limestone and dolomite comprised the largest portion at 48.8 million tons (43.9%), followed by coal at 28.4 million tons (25.5%), and sand and gravel at 26.8 million tons (24.1%).
- The top coal-producing county in Ohio in 2010 was Belmont, which accounted for 13.2 million tons, or 46.5% of the state's total. This was followed by Harrison at 3.4 million tons (11.9%) and Perry at 2.9 million tons (10.4%). Altogether, 17 Ohio counties produced coal in 2010, of which six produced more than 1 million tons.
- For industrial minerals, Ottawa County had the most sales of limestone and dolomite in 2010 (4.9 million tons), while Stark County led in sales of sand and gravel (2.7 million tons). Other top counties were Cuyahoga (salt), Tuscarawas (shale and clay), and Geauga (sandstone and conglomerate).
- Ohio produced 4.8 million barrels of oil and 78.1 billion cubic feet of natural gas in 2010. Cuyahoga and Trumbull counties led the state in the number of productive wells, with 25 each.

¹ The value of minerals represents the production value of the raw materials at the mine or wellhead and does not include value-added industries or applications (such as transportation, processing, or consulting).

Ohio's Reliance on Coal for Energy Needs Exceeds National Average

Ohio and U.S. Energy Consumption by Source, 2010



* A Btu (British thermal unit) is a heat unit with which energy consumption is measured. One Btu will raise the temperature of one pound of water by one degree Fahrenheit.

Source: United States Energy Information Administration

- Coal provided the largest source of energy consumed in Ohio in 2010 at 35.4%, but was the third largest source in the U.S. at 21.4%. Greater use of coal in Ohio reflects the state's legacy as a leading coal-producing state.
- Petroleum was Ohio's second largest source of energy consumed at 30.5%, but was the largest source in the U.S. at 36.9%.
- Natural gas was the third largest source of energy consumed in Ohio, at 21.2%, but was the second largest source in the U.S., at 24.8%.
- Other sources, including nuclear, hydroelectricity, biomass, and other renewable sources, made up the remaining 13.0% of energy consumed in Ohio. Nationally, these sources made up 16.9%.
- Ohio was the sixth largest energy user among the 50 states in 2010, due primarily to Ohio's relatively large population. On a per capita basis, Ohio ranked 22nd in the nation in energy consumption.
- Ohio's industrial base requires significant energy resources. In usage by industrial customers, Ohio ranked fifth among states in 2010 in overall energy usage and second behind Texas in electricity usage.

Visits to Ohio State Parks Increased Modestly in 2010

Ten Most Visited Ohio State Parks, 2010				
State Park	County	2009 Visits	2010 Visits	% Change
Cleveland Lakefront	Cuyahoga	8,430,273	9,285,452	10.1%
Headlands Beach	Lake	3,190,730	4,367,619	36.9%
Caesar Creek	Warren/Clinton/Greene	2,749,782	3,477,462	26.5%
Hocking Hills	Hocking	2,928,184	2,942,244	0.5%
Hueston Woods	Preble/Butler	2,911,659	2,721,359	-6.5%
Alum Creek	Delaware	2,375,786	1,841,162	-22.5%
Cowan Lake	Clinton	1,753,262	1,839,996	4.9%
East Harbor	Ottawa	1,471,570	1,559,915	6.0%
Indian Lake	Logan	1,780,733	1,536,315	-13.7%
Salt Fork	Guernsey	1,472,114	1,414,989	-3.9%
Total – Ten Most Visited State Parks		29,064,093	30,986,513	6.6%
Total – All State Parks		53,767,676	54,339,406	1.1%

Source: Ohio Department of Natural Resources

- There were 54.3 million visits to Ohio's 75 state parks in 2010, an increase of 1.1% over 2009 and 7.3% over 2008. The ten most visited parks accounted for nearly 31.0 million visits in 2010, or 57.0% of the total.
- The number of campsite rentals decreased by 8.8% and the number of cabin rentals decreased by 4.9% from 2009 to 2010. However, the number of lodge room nights rented increased by 2.8% over the same period.
- In FY 2012, state parks generated \$27.6 million in revenue, an increase of 3.1% from FY 2011. The largest source of revenue was camping fees (39.5%), followed by self-operated retail (14.0%), cottage rentals (13.5%), dock permits (11.4%), and concession fees (4.6%).
- In FY 2012, \$64.5 million was spent on state park operations, a decrease of 3.5% compared to the \$66.8 million spent in FY 2011. Of the FY 2012 amount, 46.7% was funded by the GRF. The remainder was funded by fees, charges, and other sources.
- Spending on state park capital improvements, including utility upgrades, wastewater system rehabilitations, lodge and cabin improvements, and other construction and renovation projects, decreased by 48.2% between FY 2010 and FY 2012, from \$24.2 million to \$12.5 million.
- Located in 60 counties across the state and encompassing over 174,000 acres of land and water, Ohio's 75 state parks contain 9 resort lodges, 518 cottages, and 56 campgrounds with nearly 9,200 sites, as well as 78 beaches, 38 visitor and nature centers, 456 picnic areas, and 1,343 miles of trails.

Ohio's 4,826 Public Water Systems Serve 10.8 Million People Daily

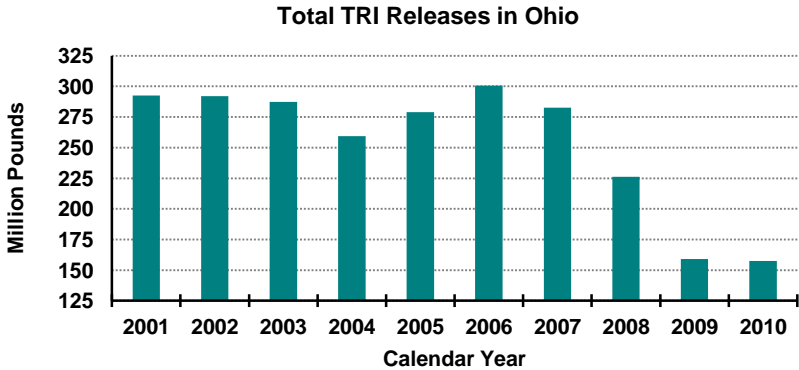
Ohio's Public Water Systems by Category, 2012

Category	Surface Water	Ground Water	Total Systems	Population Served Daily
Community	276	961	1,237	10,206,357
Nontransient Noncommunity	10	699	709	216,356
Transient Noncommunity	10	2,870	2,880	389,496
Total	296	4,530	4,826	10,812,209

Source: Ohio Environmental Protection Agency

- Ohio's 4,826 public water systems (PWSs) provide drinking water to 10.8 million people daily. PWSs, which range in size from large municipalities to small churches and restaurants that rely on a single well, are regulated by the Ohio Environmental Protection Agency (Ohio EPA). Private water systems are regulated by the Ohio Department of Health.
- There are three types of PWSs in Ohio:
 - *Community systems* serve at least 15 water connections used by year-round residents or regularly serve at least 25 year-round residents. Examples include cities and mobile home parks.
 - *Nontransient noncommunity systems* serve at least 25 of the same persons over six months per year. Examples include schools and businesses.
 - *Transient noncommunity systems* serve at least 25 different persons over 60 days per year. Examples include parks and highway rest stops.
- Of the 4,826 PWSs in Ohio, 4,530 (94%) use ground water (wells) and the remaining 296 (6%) use surface water (lakes or rivers).
- In 2011, 98% of community public water systems met all health-based water quality standards.
- In 2011, the Ohio Water Development Authority and the Ohio EPA awarded 91 drinking water project loans totaling \$107.3 million to 79 recipients, mostly local governmental agencies. These projects include the development or acquisition of potable water sources, construction and expansion of water treatment facilities, and installation or improvement of water distribution systems.
- Of the 2011 loan total, \$102.8 million was for construction and \$4.5 million was for planning and design. The largest amount went to the Mahoning Valley Sanitary District, which received two construction loans totaling \$24.3 million.

Ohio's Toxic Releases Declined in Recent Years but Still Ranked 5th in the Nation in 2010



Source: U.S. Environmental Protection Agency

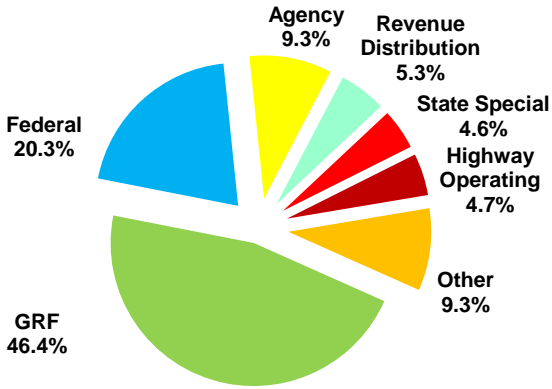
- During the 2000s, the amount of chemicals or compounds regulated under the Toxic Release Inventory (TRI) that were released or disposed of in Ohio peaked at 300.6 million pounds in 2006. Since then it declined every year to 157.5 million pounds in 2010 for a total decrease of 47.6%.
- TRI is a database that contains specific toxic chemical releases, transfers off-site for disposal and treatment, waste management, and pollution prevention activities in each state. The federal Emergency Management Planning and Right-to-Know Act of 1986 requires data collection and an annual TRI report.
- Ohio ranked 5th nationally in total TRI releases in 2010. Three industries – electric utilities (56.3 million pounds), chemicals (34.0 million pounds), and primary metals (31.0 million pounds) – were together responsible for 77.0% of Ohio's total TRI releases in that year.
- In 2010, Alaska was the top ranked state in total TRI releases at 835.7 million pounds while Vermont was the bottom ranked state at 227,825 pounds. As shown in the table below, Ohio's ranking was higher than all neighboring states.

Total TRI Releases and Rankings for Ohio and Neighboring States, 2010

State	National Rank	Toxic Releases (Pounds)
Ohio	5	157,527,299
Indiana	6	155,864,814
Pennsylvania	8	116,486,982
Kentucky	10	96,162,652
Michigan	16	76,781,002
West Virginia	23	45,723,349

General Revenue Fund Accounted for 46.4% of State Operating Spending in FY 2012

State Operating Spending by Fund Group, FY 2012

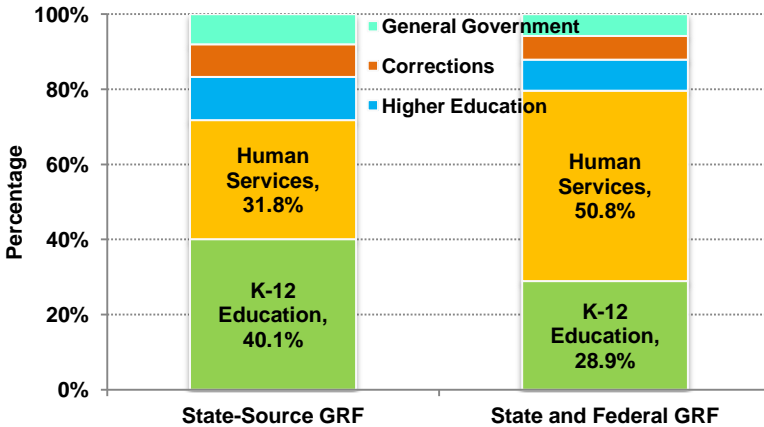


Source: Ohio Administrative Knowledge System

- In FY 2012 state operating spending totaled \$56.87 billion, of which \$26.39 billion (46.4%) was expended from the GRF. The GRF is mainly supported by state tax revenues but also receives federal reimbursements for Medicaid and certain other human service programs.
 - Medicaid comprised the largest share of total GRF spending at \$11.69 billion (44.3%) in FY 2012, followed by K-12 education (\$7.63 billion or 28.9%) and higher education (\$2.18 billion or 8.3%).
- The Federal Special Revenue Fund Group accounted for \$11.53 billion (20.3%) of overall operating spending in FY 2012. Moneys distributed under this fund group support various federal programs that are subject to the state appropriation process. Including the \$7.36 billion in federal funds that were deposited into the GRF increases the federal share of total operating spending to 33.2% in FY 2012.
- Main spending items from the Agency Fund Group (\$5.30 billion or 9.3%) and the Revenue Distribution Fund Group (\$3.04 billion or 5.3%) include tax refunds to individual Ohioans, state employee payroll and benefit deductions, payments to local governments for the phase-out of the tangible personal property tax, and tax revenue distributions to local governments.
- Spending from the Highway Operating Fund Group (\$2.70 billion or 4.7%) mainly supports the operations of the Ohio Department of Transportation while spending from the State Special Revenue Fund Group (\$2.61 billion or 4.6%) supports various programs with dedicated revenue sources.
- The remaining \$5.29 billion (9.3%) of FY 2012 total state operating spending was distributed from 26 other fund groups.

K-12 Education and Human Services Are the Two Biggest Spending Areas in State Budget

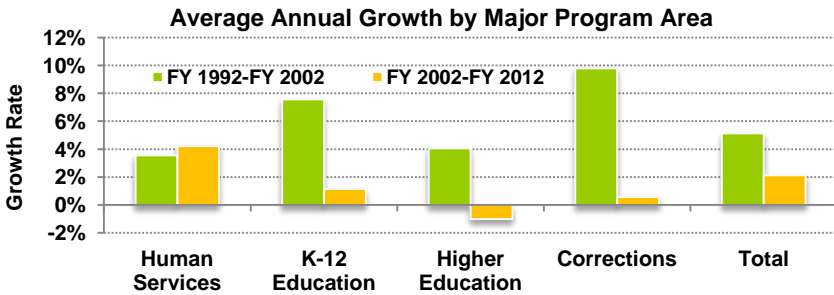
GRF Spending by Program Area, FY 2012



Sources: Ohio Administrative Knowledge System; Ohio Legislative Service Commission

- GRF spending supported by state sources totaled \$19.04 billion in FY 2012. Of this total, 40.1% (\$7.63 billion) went to K-12 Education. K-12 Education has traditionally comprised the largest share of state-source GRF spending, followed by Human Services, which comprised 31.8% (\$6.05 billion) in FY 2012.
- The remainder of the state-source GRF in FY 2012 went to Higher Education (\$2.18 billion, 11.5%), Corrections (\$1.67 billion, 8.7%), and General Government (\$1.52 billion, 8.0%).
- Spending for Human Services is also supported by federal reimbursements for Medicaid and certain other human service programs. In FY 2012, \$7.36 billion in federal reimbursements was deposited into the GRF, which brought total state and federal GRF spending to \$26.39 billion.
- Human Services accounted for 50.8% (\$13.40 billion) of total state and federal GRF spending in FY 2012, of which \$11.69 billion (87.2%) was expended for Medicaid services. Human Services has consistently ranked first in total state and federal GRF spending.
- While K-12 Education consumes the largest share of state-source GRF, it ranked second in total state and federal GRF spending, at 28.9% in FY 2012.
- The Higher Education, Corrections, and General Government shares of FY 2012 total state and federal GRF spending were 8.3%, 6.3%, and 5.8%, respectively.

Total State and Federal GRF Spending in Past Decade Grew at One-Third of the Rate for Prior Decade

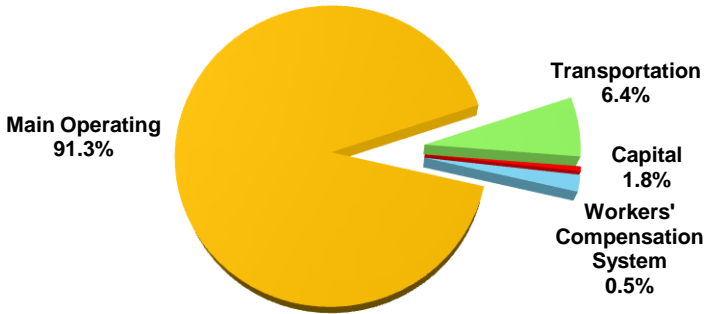


Sources: Ohio Administrative Knowledge System; Ohio Legislative Service Commission

- Total state and federal GRF spending increased by an average rate of 2.1% per year from FY 2002 to FY 2012 compared to 5.1% per year from FY 1992 to FY 2002. During this 20-year period, overall GRF spending increased by 101.3%, from \$13.12 billion in FY 1992 to \$26.39 billion in FY 2012.
- Slower growth in total GRF spending over the past decade was heavily influenced by the recent economic slowdown. Total GRF tax revenue decreased four years in a row from FY 2007 to FY 2010, including a 12.0% decrease in FY 2009 and a 5% decrease in FY 2010. Since FY 1975, FY 2002 is the only other year that saw a decrease in total GRF tax revenue (1.1%).
- Federal stimulus money provided under the American Recovery and Reinvestment Act of 2009 helped support a 4.1% increase in overall GRF spending in FY 2009. However, overall GRF spending decreased 9.9% in FY 2010, the only decline since FY 1975. The FY 2012 GRF spending level of \$26.39 billion was 1.5% below the FY 2009 spending level of \$26.78 billion.
- From FY 2002 to FY 2012, Human Services was the only category that grew faster than overall GRF spending; it averaged 4.2% per year. Spending in this area is heavily influenced by conditions in the overall economy and by Medicaid eligibility policy.
- K-12 Education spending increased by 1.1% per year on average over the past decade, much slower than the 7.6% annual growth rate for the prior decade. From FY 2010 to FY 2012, K-12 Education spending decreased 3.7%.
- Higher Education spending growth has been sensitive to changes in the overall state budget. Over the past decade, Higher Education spending decreased by an average of 1.0% per year due largely to a 12.5% decrease from FY 2010 to FY 2012.
- Due primarily to prison population growth, Corrections spending increased 9.8% per year from FY 1992 to FY 2002. Average growth in the past ten years slowed to 0.6% per year.

Main Operating Budget Authorized 91.3% of Total State Spending in FY 2012

State Spending by Budget, FY 2012
Total: \$57.92 billion



Source: Ohio Administrative Knowledge System

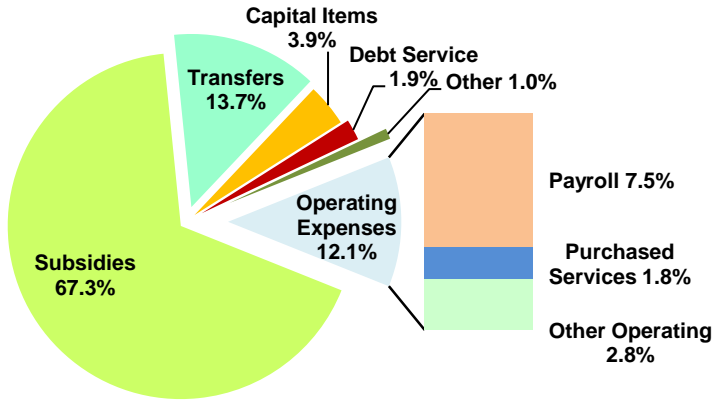
- In FY 2012, state spending totaled \$57.92 billion across all funds. Of this total, \$52.86 billion (91.3%) was authorized by the main operating budget act, \$3.70 billion (6.4%) by the transportation budget act, \$1.05 billion (1.8%) by the capital budget act, and \$310.1 million (0.5%) by the two budget acts for the workers' compensation system.
- The four noncapital budget acts are commonly referred to as the operating budget.¹ While capital appropriations are primarily funded by bonds, operating appropriations are supported by cash from sources such as taxes, fees, and federal grants. The Ohio Constitution requires a balanced operating budget.
- The main operating budget provides funding for all but four state agencies. These four agencies are the Department of Transportation (DOT), the Department of Public Safety (DPS), the Bureau of Workers' Compensation (BWC), and Ohio Industrial Commission (OIC). DOT and DPS are funded in the transportation budget while BWC and OIC each has its own budget.
- The departments of Job and Family Services and Education dominate state spending, comprising 38.8% (\$20.50 billion) and 21.3% (\$11.28 billion), respectively, of total operating spending in FY 2012.²

¹ See pages 19 and 22 for more information on state operating spending and page 41 for more information on capital spending.

² See pages 66 and 54 for additional information on these two agencies' operating spending.

State Payroll Amounted to 7.5% of the Total State Operating Budget in FY 2012

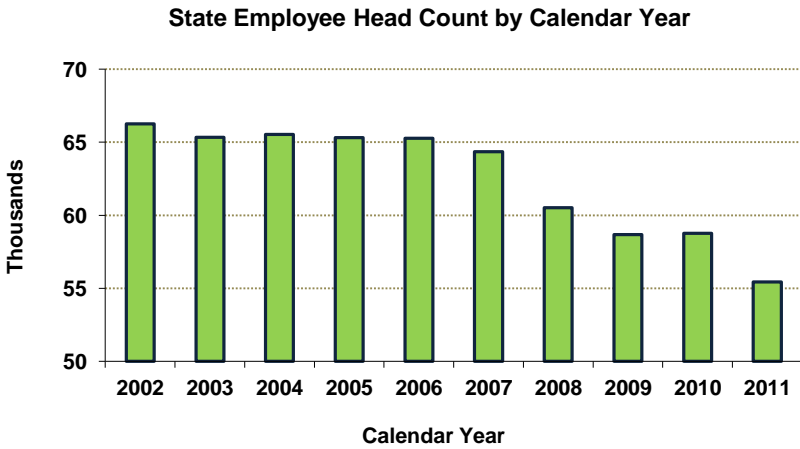
State Operating Budget by Category, FY 2012



Source: Ohio Administrative Knowledge System

- In FY 2012 state payroll totaled \$4.26 billion across all funds, representing 7.5% of the total state operating budget. Of this amount, \$1.82 billion (42.6%) came from the GRF and the other \$2.45 billion (57.4%) came from various non-GRF funds. As of June 2012, state employee head count totaled 54,681.
- In addition to payroll, the state spent \$1.02 billion for purchased services and \$1.61 billion for "other operating" (supplies, maintenance, and equipment) items. Combined with payroll, these three categories are commonly referred to as state government operating expenses, which totaled \$6.90 billion across all funds, representing 12.1% of the total state operating budget in FY 2012.
- Earned wages, the largest share of payroll costs, totaled \$2.50 billion, or 4.4% of the total FY 2012 state operating budget. This category includes wages for work performed, excluding paid vacation and sick leave time.
- Employee benefits – such as retirement contributions as well as health, vision, dental, and life insurance – represent the second largest portion of payroll costs, amounting to \$1.14 billion in FY 2012.
- The state operating budget for FY 2012 was \$56.87 billion across all funds. Of this total, \$48.29 billion (84.9%) went to three categories: \$38.28 billion (67.3%) for subsidies for various state and local entities, \$7.76 billion (13.7%) for "transfers," including items such as tax refunds and distributions of local taxes collected by the state, and \$2.25 billion (3.9%) for capital items funded with appropriations made in the operating budget.

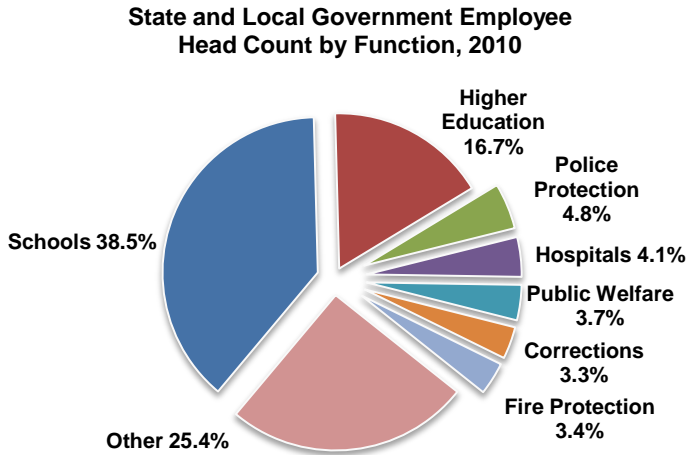
State Employee Head Count Fell to a Ten-Year Low in 2011



Source: Ohio Department of Administrative Services

- The number of state employees, including employees in the executive, legislative, and judicial branches, fell to a ten-year low of 55,442 in December 2011. This was a drop of 16.3% compared to the 66,266 employees in the state workforce in December 2002. Overall, the number of employees decreased every year during this span, except in 2004 and 2010.
- The largest annual decrease in state employees over the ten-year period occurred in 2008, when the number of state employees fell from 64,352 to 60,514, a 6.0% decline. The next largest decrease occurred between 2010 and 2011, when the number of employees dropped from 58,766 to 55,442, a 5.7% decline.
- Of the 55,442 employees on the state payroll in December 2011, 48,748 (87.9%) were employed in permanent full-time positions. Overall, 38,318 employees, or 69.1% of the total, were in bargaining unit positions.
- There were a total of 101 state employers in the executive, legislative, and judicial branches of government as of December 2011. Together, the ten largest employed 39,144 individuals, or 70.6% of all state employees. The Department of Rehabilitation and Correction was the largest state employer, with 12,509 (22.6%) of all state employees. In contrast, 41 of the 101 state employers had fewer than 20 employees.

Fifty-five Percent of Ohio Public Employees Worked for Schools and Institutions of Higher Education in 2010

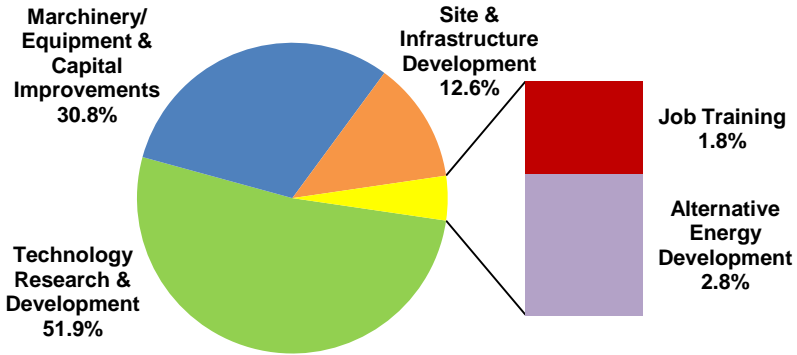


Source: U.S. Census Bureau

- Ohio's state and local government employee head count totaled 733,646 in 2010, of which 38.5% (282,247) worked for public schools and 16.7% (122,848) worked for public colleges and universities. Together, education accounted for 55.2% of the total state and local government employment.
- The other major public employee categories include police protection (4.8%, 35,149 employees), hospitals (4.1%, 30,306), public welfare (3.7%, 27,204), corrections (3.3%, 24,564), and fire protection (3.4%, 24,965). Together, these five sectors represented 19.3% (142,008) of the total state and local government employee head count in 2010.
- From 2000 to 2010, the number of public school employees increased by 6.6% (17,484) from 264,763 to 282,247. Public school enrollment decreased by 1.1% (21,114) from 1.84 million in FY 2000 to 1.82 million in FY 2010.
- Employment at public institutions of higher education increased by 13.1% (14,223) from 108,625 in 2000 to 122,848 in 2010. Meanwhile, higher education enrollment increased by 32.5% (98,735) from 304,257 in FY 2000 to 402,992 in FY 2010.
- Due primarily to increases in education employment, Ohio's public employee head count total increased by 1.2% (8,988) from 2000 to 2010. Most other categories experienced employment decreases in this period.
- In 2010, the public school employee head count consisted of 180,322 (63.9%) instructional employees and 101,925 (36.1%) other employees, while the higher education employee head count included 40,998 (33.4%) instructional employees and 81,850 (66.6%) other employees.

Over Half of Development Loan and Grant Spending in FY 2012 Was for Research and Development Assistance

Development Loan and Grant Expenditures by Category, FY 2012



Source: Ohio Administrative Knowledge System

- The Department of Development disbursed \$231.1 million in economic development and assistance loans and grants in FY 2012. Of this total, \$120.1 million (51.9%) was for programs providing support for research, development, and commercialization of new technologies, including \$72.9 million under the Third Frontier program.
- Grants and loans issued for machinery, equipment, and capital improvements accounted for \$71.3 million (30.8%) of the total. These awards, such as 166 Direct Loans, Rapid Outreach Grants, and Minority Business Enterprise Loans, assist business with machinery and equipment purchases, facility renovations, or real estate purchases.
- Site and infrastructure development grants that help businesses and local governments cover the capital costs involved with business placement or expansion amounted to \$29.1 million, representing 12.6% of the total. This included \$15.4 million for the Job Ready Sites Program and \$13.7 million for the Roadwork Development Grant Program.
- Alternative energy development spending totaled \$6.5 million (2.8%) in FY 2012. Of this amount, \$6.2 million was for grants under the Advanced Energy Fund and approximately \$250,000 was for grants under the Alternative Fuel Transportation Grant Program.
- Job training assistance grants under the Ohio Workforce Guarantee Program accounted for the remaining \$4.2 million (1.8%) of the total economic development assistance funding in FY 2012.

Ohio Taxes Were Lower Than the National Average on a Per Capita Basis, Higher as a Share of Personal Income

Combined State and Local Taxes, FY 2009

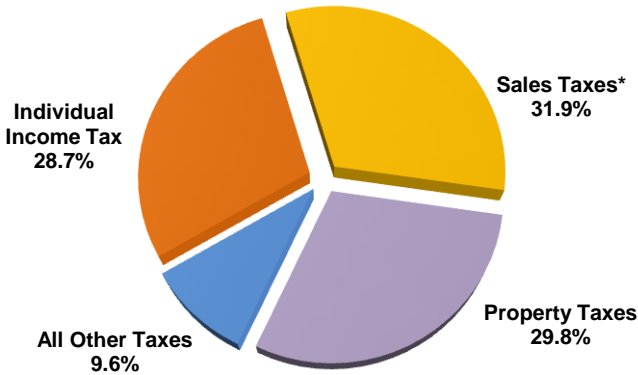
State	Taxes Per Capita	National Rank	Taxes as % of Personal Income	National Rank
National Average	\$4,141	--	10.4	--
Ohio	\$3,808	26	10.7	16
Neighboring States				
Indiana	\$3,717	29	10.9	12
Kentucky	\$3,213	40	10.0	28
Michigan	\$3,602	31	10.5	17
Pennsylvania	\$4,119	17	10.3	25
West Virginia	\$3,520	33	11.1	10

Sources: U.S. Census Bureau; Ohio Legislative Service Commission

- Ohio's FY 2009 combined state and local tax burden, measured by taxes per capita (\$3,808), was lower than the national average but higher than that in all neighboring states except Pennsylvania.
- Measured relative to personal income, however, Ohio's tax burden was higher than the national average and the tax burdens in three of its five neighboring states. The other two, Indiana and West Virginia, both had higher taxes as a percentage of personal income.
- For FY 2009, Ohio's state taxes were \$2,075 per capita, below the national average of \$2,331. Local taxes were \$1,733 per capita, below the national average of \$1,811.
- For FY 2009, Ohio's state taxes were 5.8% of personal income, just below the U.S. average of 5.9%. Ohio's local taxes were 4.9% of personal income, above the national average of 4.6%.
- In FY 2009, Alaska had the highest per capita combined state and local tax burden at \$9,104, while Alabama had the lowest at \$2,835.
- Alaska in FY 2009 also had the highest level of combined state and local taxes as a percentage of personal income at 20.8%. South Dakota had the lowest at 8.1%.

Ohio's State and Local Taxes Balance Among Income, Sales, and Property

Ohio Combined State & Local Tax Revenue by Source, FY 2009

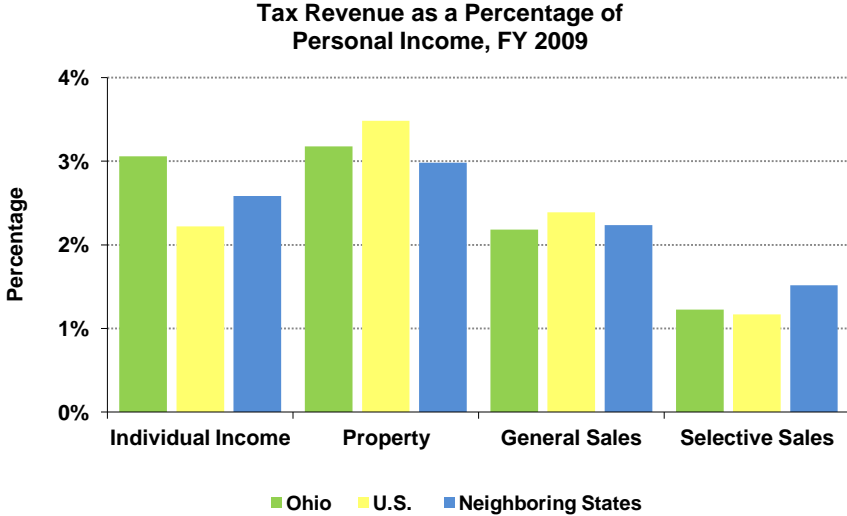


* Sales taxes include general state and local sales tax and gross receipts taxes on sales of specific products, including tobacco products, alcoholic beverages, motor fuels, and utility services.

Sources: U.S. Census Bureau; Ohio Legislative Service Commission

- In FY 2009, taxes on individual income, sales, and property in Ohio accounted for 90.4% of state and local tax revenues. The contribution of each of these three tax categories was about even.
- State taxes accounted for 54.5% of Ohio's combined state and local tax revenue in FY 2009. For the U.S. as a whole, state taxes were 56.3% of combined state and local tax revenue.
- Of Ohio's state tax revenue, 50.7% came from sales and gross receipts taxes – of which 30.6% was from the general sales tax – and 34.8% came from the individual income tax. Nationwide, 48.2% of state taxes came from sales and gross receipts taxes – with 32.0% from general sales taxes – and 34.4% came from individual income taxes.
- Local taxes comprised 45.5% of Ohio's combined state and local tax revenue in FY 2009. For the U.S. as a whole, local taxes were 43.7% of combined state and local taxes.
- Of Ohio's local taxes, 65.4% came from property taxes, 21.4% from individual income taxes, and 9.4% from sales and gross receipts taxes. Nationwide, 73.9% of local taxes were derived from property taxes, 16.0% from sales and gross receipts taxes, and 4.4% from individual income taxes.

Government in Ohio Relies More on Income Taxes Compared to Other States

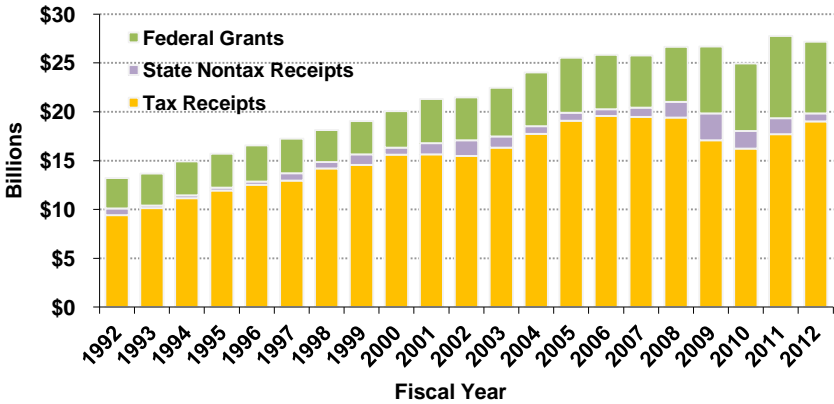


Sources: U.S. Census Bureau; Ohio Legislative Service Commission

- In FY 2009, Ohio's state and local individual income taxes were 3.1% of total personal income, which was higher than the national average (2.2%). Compared to the five neighboring states, Ohio's percentage was on par with that of Kentucky (3.1%), but higher than that of Pennsylvania (2.7%), West Virginia (2.7%), Indiana (2.6%), and Michigan (1.8%).
- Ohio's property taxes were 3.2% of total personal income, which was lower than the national average (3.5%). Ohio's percentage was lower than that of Michigan (4.2%) and Indiana (3.3%), but higher than that of Pennsylvania (3.1%), West Virginia (2.3%), and Kentucky (2.1%).
- Ohio's general sales tax receipts were 2.2% of total personal income, which was less than the national average (2.4%). Ohio's percentage was lower than that of Indiana (2.8%) and Michigan (2.6%), but higher than that of Kentucky (2.1%), West Virginia (1.9%), and Pennsylvania (1.7%).
- Ohio's selective sales tax receipts were 1.2% of total personal income, which was the same as the national average (1.2%). Ohio's percentage was higher than that of Michigan (1.1%), but lower than that of Indiana (1.3%), Pennsylvania (1.4%), Kentucky (1.7%), and West Virginia (2.1%). Selective sales taxes apply, for example, to motor fuel, alcoholic beverages, tobacco products, and public utilities.

GRF Tax Receipts in FY 2012 Remained Below the FY 2006 Peak

GRF Sources by Component, FY 1992-FY 2012

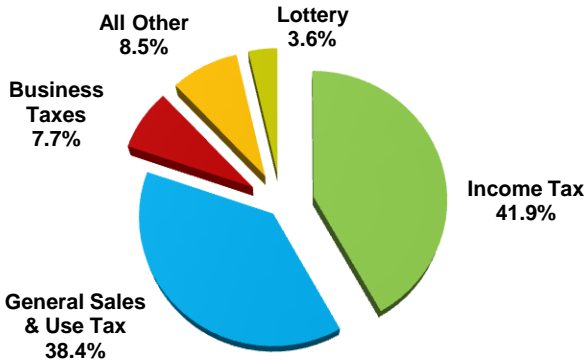


Source: Ohio Legislative Service Commission

- Tax receipts, the largest component of GRF sources, amounted to \$19.01 billion in FY 2012. These receipts were 2.9% (\$558.2 million) below the FY 2006 peak of \$19.56 billion. In fact, they were still 2.1% (\$414.3 million) lower than FY 2008, the beginning of the latest recession.
- GRF tax receipts decreased slightly in FY 2007 (0.5%) and FY 2008 (0.3%). They also decreased in FY 2009 (12.0%), and FY 2010 (5.0%) due primarily to the recent economic slowdown. However, GRF tax receipts increased in both FY 2011 (9.1% or \$1.47 billion) and FY 2012 (7.3% or \$1.30 billion).
- Over the last two decades, FY 2002 was the only other year that experienced a decrease in GRF tax receipts (1.1%).
- From FY 1992 to FY 2006, on average, tax receipts made up 74.8% of total GRF sources. This average dropped to 69.4% for the period from FY 2007 to FY 2010. In FY 2012, tax receipts represented 69.9% of total GRF sources.
- Federal grants and state nontax receipts are the other two components of GRF sources. Stimulus money provided under the American Recovery and Reinvestment Act of 2009 increased the federal grant share of GRF sources. From FY 2009 to FY 2011, federal grants made up an average of 27.9% of total GRF sources each year, compared to 21.3% for the period from FY 1992 to FY 2008. The federal grant share was 27.1% (\$7.36 billion) in FY 2012.
- State nontax receipts include fees, earnings on investments, and various transfers that are deposited into the GRF. In FY 2012, state nontax receipts represented 3.0% (\$0.82 billion) of total GRF sources.
- During the past two decades, total GRF sources increased by 105.9% from \$13.21 billion in FY 1992 to \$27.19 billion in FY 2012.

Income Tax and General Sales Tax Dominate State-Source GRF and Lottery Profits Receipts

Composition of State-Source GRF and Lottery Profits Receipts, FY 2012

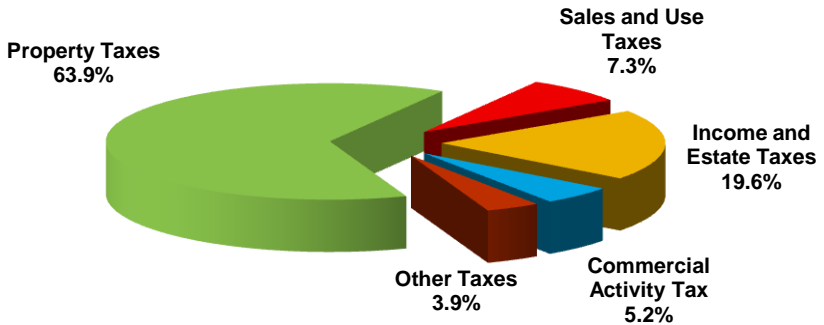


Source: Ohio Office of Budget and Management

- In FY 2012, total state-source GRF and lottery profits receipts amounted to \$21.5 billion. The personal income tax (\$9.0 billion) and the general sales and use tax (\$8.3 billion) were the two largest revenue sources. Together, they accounted for 80.3% of total receipts in FY 2012, up from 76.4% in FY 2002.
- From FY 2002 to FY 2008, state-source GRF and lottery profits receipts grew by an average of 3.1% per year. Total receipts decreased by 5.0% in FY 2009 and 8.7% in FY 2010 due to the economic slowdown, and then increased by 6.8% in FY 2011 and 2.1% in FY 2012.
- Personal income and general sales and use tax receipts followed a similar growth pattern over the last decade. From FY 2002 to FY 2012, personal income and general sales and use tax receipts increased by an average of 1.3% and 2.9% per year, respectively. These averages were influenced by the recent economic slowdown. Income tax receipts decreased by 15.4% in FY 2009 and 5.3% in FY 2010, while the comparable figures for general sales and use tax receipts were 6.9% in FY 2009 and 1.0% in FY 2010.
- In FY 2012, business taxes accounted for 7.7% of total state-source GRF and lottery profits receipts, up from 5.3% of the FY 2010 total due primarily to some commercial activity tax (CAT) receipts being deposited into the GRF beginning in FY 2012. CAT replaced the corporate franchise tax, which was phased out from 2006 to 2010, except for certain firms in the financial and insurance sectors.
- Lottery profits, totaling \$771.0 million in FY 2012, are used to help fund state education aid for schools.

Property Taxes Accounted for Almost 64% of Local Government Tax Revenue in 2009

Ohio's Local Tax Revenue by Source, 2009

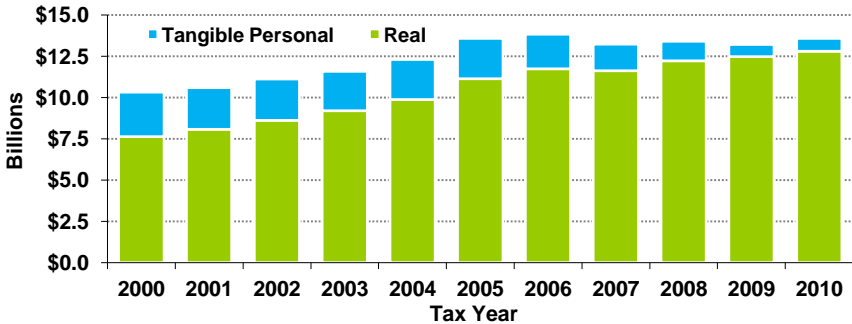


Sources: Ohio Department of Taxation; Ohio Office of Budget and Management

- In calendar year 2009, local tax revenue in Ohio totaled \$22.7 billion. Property taxes, the main source of local government funding, amounted to \$14.5 billion. Receipts from municipal and school district income taxes and the local share of the estate tax were \$4.5 billion. Sales and use taxes provided \$1.7 billion. The commercial activity tax (CAT) added \$1.2 billion. Other taxes (admission, alcohol, cigarette, lodging, motor vehicle fuel, and motor vehicle license) generated the remaining \$0.9 billion.
- The share of property taxes in the mix of total local tax revenue was 63.9% in 2009, down from a high of 68.9% in 2005. The decrease is the result of the phase-out of taxes on business tangible personal property (equipment, inventories, furniture, and fixtures) for general business from 2006 to 2009 and for telephone and inter-exchange telecommunications companies from 2007 to 2011.
- From 1999 to 2009, total local tax revenue grew at an average of 3.9% per year. Growth rates were higher in the earlier years, then slowed to just 0.4% from 2007 to 2008. From 2008 to 2009, tax revenue fell by \$84 million (0.4%).
- From 1999 to 2009, average growth in property taxes was 3.6% per year. Income and estate taxes grew at an average of 2.3% annually. Local sales and use taxes grew 2.7% per year. Growth in the "Other Taxes" category was higher than total tax revenue growth, averaging 8.2% annually.
- The state distributes CAT receipts to local governments to replace lost tangible personal property tax revenue. CAT receipts accounted for 5.2% of total local tax revenue in 2009, up from 5.0% in 2008.

Property Tax Revenues Increased in Tax Year 2010

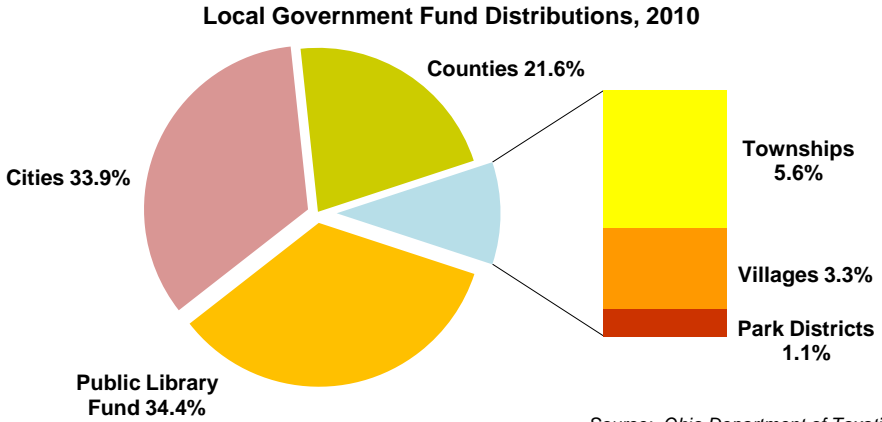
Net Property Taxes Collectible by Property Type



Sources: Ohio Department of Taxation; Ohio Legislative Service Commission

- Net property taxes collectible for tax year (TY) 2010 were \$13.6 billion, \$0.4 billion (2.8%) more than for TY 2009 as a result of higher taxes collectible on real property and on public utility tangible personal property. However, TY 2010 property tax revenues were less than the peak year, TY 2006, due to lower taxes collectible on tangible personal property.
- Taxation of tangible personal property of general business was phased out completely in TY 2009. Taxation of telephone and inter-exchange telecommunications companies was phased out completely by TY 2011. Public utilities remain subject to the tax.
- Increases in property taxes in recent years came mainly from higher taxes on real property. From TY 2000 to TY 2010, net taxes collectible on real property rose 68%, while taxes on tangible personal property fell 71%.
- Property taxes in Ohio fund local governments, except for a small deduction retained by the state for costs of tax administration. About \$2 of every \$3 in property taxes collected go to school districts.
- Taxes owed on residential and agricultural real property are net of a 10% reduction, an additional 2.5% reduction on owner-occupied residences, and a homestead exemption for homeowners age 65 or older, or disabled. The state reimburses local governments for these tax reductions. Prior to TY 2005, taxes on business real property were also reduced 10%, which was also reimbursed by the state.
- In TY 2007, the homestead exemption was increased to \$25,000 of market value and an income test to qualify was eliminated.
- Real and public utility property taxes are payable one year in arrears. Tangible personal property taxes of general business were paid in the current tax year.

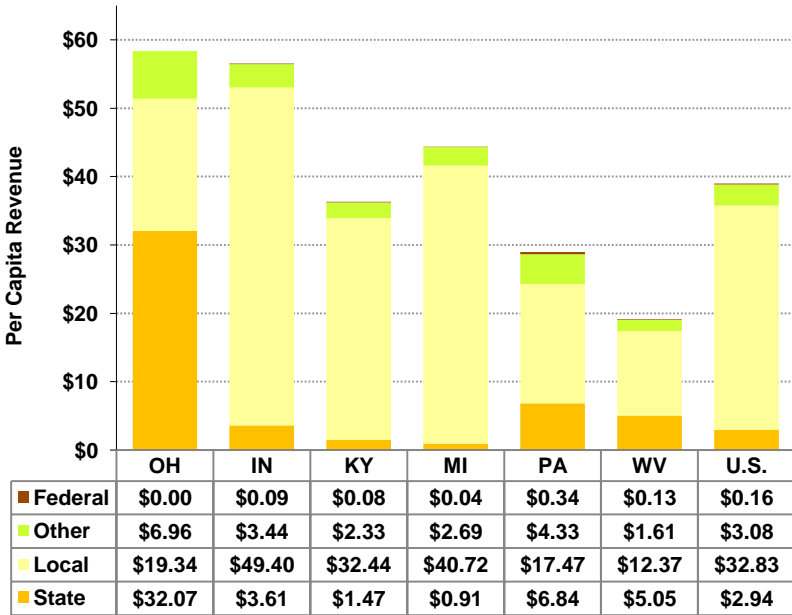
Libraries and Cities Receive the Largest Shares of Distributions From the Local Government Funds



- In 2010, a total of \$1.0 billion was distributed to subdivisions in Ohio from the two funds that support local governments using revenues from state taxes, the Local Government Fund (LGF) and the Public Library Fund (PLF).
- Of this total, \$348 million (34.4%) was distributed from the PLF, nearly all to public libraries, with a small amount to local governments. LGF distributions went to cities (\$342 million or 33.9% of total distributions from the two local government funds), counties (\$219 million or 21.6%), townships (\$57 million or 5.6%), villages (\$34 million or 3.3%), park districts (\$11 million or 1.1%), and, in two counties, public assistance (\$0.1 million).
- Counties distribute money from the local government funds to subdivisions, including county government itself, based on state-determined formulas and on rules set by each county budget commission. In addition, municipalities receive direct LGF distributions. To qualify, they must have received such distributions from the state in 2007, based on levying income taxes.
- Local government fund distributions were reduced beginning in August 2011. LGF distributions through June 2012 are 25% lower than in FY 2011, and in FY 2013, 50% lower, except that an additional \$50 million is distributed through the LGF statewide in FY 2012, including amounts to set a floor under distributions to smaller counties. PLF distributions are reduced 5%.
- From January 2008 through July 2011, fixed percentages of total GRF tax revenues were credited to the LGF and PLF each month. From July 2001 through December 2007, statutory formulas were suspended and local government fund amounts were set in the state operating budgets.

Ohio Leads Country in State Funding for Public Libraries

Per Capita Operating Revenue of Public Libraries, FY 2009

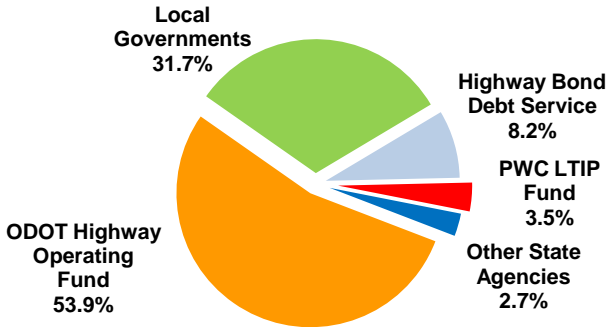


Source: Institute for Library and Museum Services

- Ohio leads the country in state per capita operating revenue of public libraries. In FY 2009, the state per capita operating revenue of public libraries in Ohio was \$32.07, over ten times higher than the U.S. average of \$2.94 and far exceeding that of neighboring states.
- Ohio's per capita state funding in FY 2009 remained the highest nationally in spite of being the lowest amount in any year since FY 2000. State funding per capita decreased \$11.52, or 26.4%, from FY 2000 to FY 2009.
- Overall, Ohio's total per capita operating revenue fell 9.1% from \$64.18 in FY 2006, when Ohio led all other states in total funding with its highest total funding in ten years, to \$58.37 in FY 2009, when Ohio was the fourth highest total in the country behind New York (\$65.70), Illinois (\$62.39), and New Jersey (\$60.28).
- Despite the decline in total per capita operating revenue, Ohio continued to be well above the U.S. average of \$39.01 in FY 2009.
- Ohio has over 700 individual library locations in 251 public library systems.

Motor Fuel Tax Revenue Supports State and Local Highways and Roads

Motor Fuel Tax Distribution in FY 2012



Sources: Ohio Administrative Knowledge System; American Petroleum Institute

- Revenue from the motor fuel tax (MFT) is distributed to various state agencies and local governments using a statutory formula. The Highway Operating Fund, which is used by the Ohio Department of Transportation (ODOT) to finance road and bridge construction and maintenance, received the largest share at 53.9% (\$925.7 million) of total MFT revenue in FY 2012, followed by local governments at 31.7% (\$544.8 million).
- Just over 8% (\$140.9 million) of FY 2010 MFT revenue was used for debt service on highway capital improvement bonds issued to fund highway construction and pavement and bridge preservation projects.
- One cent per gallon of the MFT, amounting to 3.5% (\$59.4 million) of the total distributed in FY 2012, is directed toward the Public Works Commission's Local Transportation Improvement Program (LTIP), which provides additional funding to local governments for road and bridge projects.
- The weak economic recovery is a factor that has restrained demand for motor fuel in recent years. Net MFT receipts in FY 2012 were \$1.70 billion, about 2.9% below the \$1.75 billion collected in FY 2011 and 0.6% below the \$1.71 billion collected in FY 2010.
- Ohio's motor fuel excise tax is 28¢ per gallon for both gasoline and diesel fuel. Coupled with the federal taxes on gasoline (18.4¢ per gallon) and diesel (24.4¢ per gallon), the price of motor fuel purchased in Ohio includes total taxes of 46.4¢ per gallon on gasoline and 52.4¢ per gallon on diesel. As of July 2012, Ohio's total MFT rates rank 21st in the nation for each type of fuel.

Ohio's Motor Vehicle License Taxes Generated \$461 Million in 2011 for Local Transportation Infrastructure

Distributions to Local Governments for Roads and Bridges, 2011 (\$ in Millions)			
Local Government	State Motor Vehicle License Tax	Permissive Local Motor Vehicle License Taxes	Total
Counties	\$229.5	\$91.6	\$321.1
Municipalities	\$58.6	\$48.6	\$107.2
Townships	\$15.2	\$17.8	\$33.0
Total	\$303.3	\$158.0	\$461.3

Source: Ohio Department of Public Safety

- In 2011, a total of \$461.3 million in motor vehicle license tax revenues was distributed to counties, municipalities, and townships for the planning, construction, and maintenance of roads and bridges. This total consisted of \$303.3 million in state motor vehicle tax license revenues and \$158.0 million in local permissive motor vehicle tax license revenues.
- Over the past ten years, the state and local permissive motor vehicle license tax revenues distributed to local governments averaged \$459.6 million per year, ranging from a low of \$449.5 million in 2009 to a high of \$466.4 million in 2004.
- All motor vehicles generally must be registered annually, for which drivers pay a state motor vehicle license tax of \$34.50 for a passenger car. The tax for other vehicles varies, with commercial trucks and tractors taxed according to weight.
- Permissive motor vehicle license taxes are levied by local governments in \$5 increments. The total amount cannot exceed \$20 per vehicle.
 - Counties may levy up to \$15.
 - Municipalities may levy from \$5 to \$20, depending on the amount levied by the county.
 - Townships may levy \$5.
- The total amount of state and local permissive motor vehicle license taxes for a passenger car ranges from \$34.50 to \$54.50.
- In 2011, the state processed more than 11.7 million vehicle registrations, including over 8.1 million passenger cars.

Ohio Department of Transportation Maintains Over 80% of Ohio's State Highway System

State Highway System Lane Miles			
Highway Type	Lane Miles		
	ODOT Maintained	Locally Maintained	Total
Interstate Routes*	6,774	0	6,774
U.S. Routes	8,151	2,939	11,090
State Routes	24,874	6,512	31,386
Total	39,799	9,451	49,250

* Does not include the Ohio Turnpike, which is maintained by the Ohio Turnpike Commission.

Source: Ohio Department of Transportation

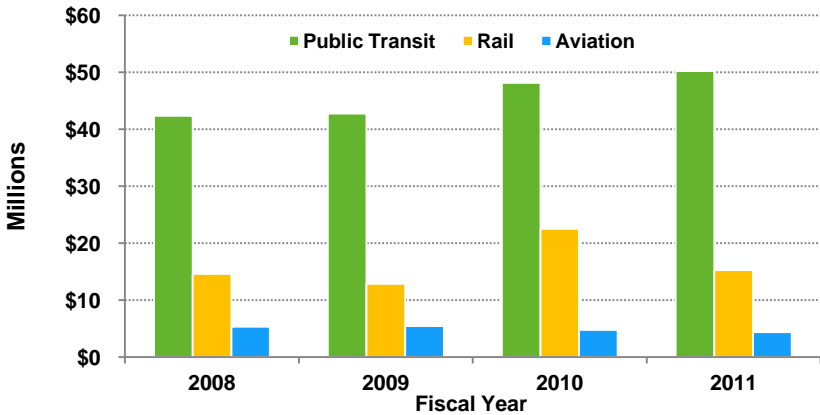
- The state highway system, consisting of numbered interstate routes, U.S. routes, and state routes, contains 49,250 lane miles¹ of roadway. The Ohio Department of Transportation (ODOT) is responsible for maintaining all interstate highways (excluding the Ohio Turnpike) and U.S. and state routes outside municipal boundaries. Municipal corporations (cities and villages) are responsible for U.S. and state routes within their borders.
- Of the 49,250 lane miles in the state highway system, ODOT is responsible for 39,799 lane miles (80.8%). Municipal corporations are responsible for maintaining 9,451 lane miles (19.2%).
- As of May 2011, there were an average of 183.7 million daily vehicle miles traveled on Ohio's state highway system. Of these, 160.1 million vehicle miles (87.2%) were traveled by passenger vehicles, and 23.6 million vehicle miles (12.8%) were traveled by trucks.
- Most of the capital spending on Ohio highways is devoted to the state-administered highway system. Total capital expenditures on Ohio highways in 2010 were approximately \$2.68 billion, of which \$1.71 billion (63.8%) was spent on state-administered roads.
- Overall, Ohio's highway transportation infrastructure system ranks 7th in the nation in the number of centerline miles² of public roadway with just over 123,000, and ranks 2nd in the number of bridges with about 28,000.

¹ Lane miles are the number of miles of linear traffic lanes in a road system. For example, a highway 100 miles long with four lanes, two in each direction, consists of 400 lane miles of road.

² Centerline miles are the number of two-way roads. A road with a lane in each direction and a divided freeway with four lanes in each direction may count equally in terms of centerline miles.

Public Transit Makes Up the Majority of Funding for Non-Highway Modes of Transportation

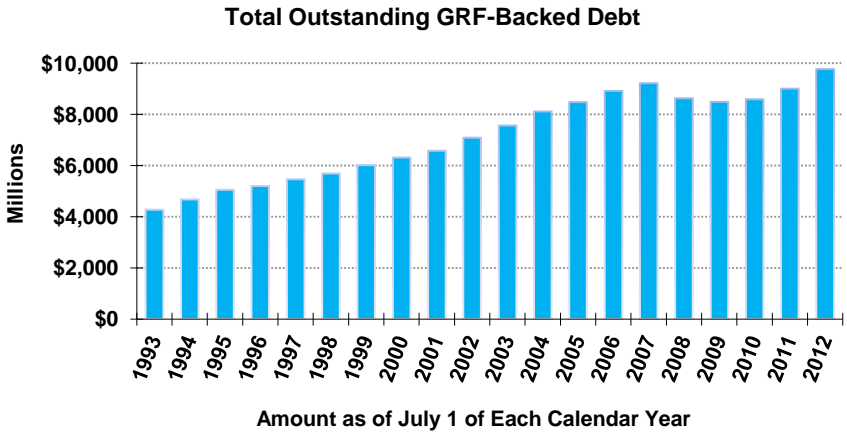
Non-Highway Transportation Spending, FY 2008-FY 2011



Source: Ohio Administrative Knowledge System

- In FY 2011, total expenditures on non-highway modes of transportation (public transit, rail, and aviation) by the Ohio Department of Transportation (ODOT) totaled \$69.9 million. Of this, the lion's share went toward public transit at \$50.2 million (71.8%), while \$15.3 million (21.9%) was spent on rail, and \$4.4 million (6.3%) was spent on aviation.
- Spending on both public transit and rail increased between FY 2008 and FY 2011. Public transit spending increased by 18.6%, from \$42.4 million to \$50.2 million. Rail spending grew by 4.7%, from \$14.6 million to \$15.3 million. On the other hand, aviation spending decreased by 17.9%, from \$5.4 million to \$4.4 million.
- Rail spending spiked in FY 2010, reaching approximately \$22.5 million due to an increase in spending on rail-highway grade crossings and studies for the cancelled 3C passenger rail project.
- Federal funds provide the majority of Ohio's spending on public transit and rail. Federal funds supported 81.8% of Ohio's public transit spending and 52.5% of Ohio's rail spending in FY 2011. Ohio did not spend any federal funds on aviation in FY 2011.
- Overall, spending on non-highway modes of transportation represented 2.5% of the total \$2.8 billion in transportation spending in FY 2011. Highway spending comprised 92.0% of the total, while the remainder consisted of spending on planning, administration, and other costs.

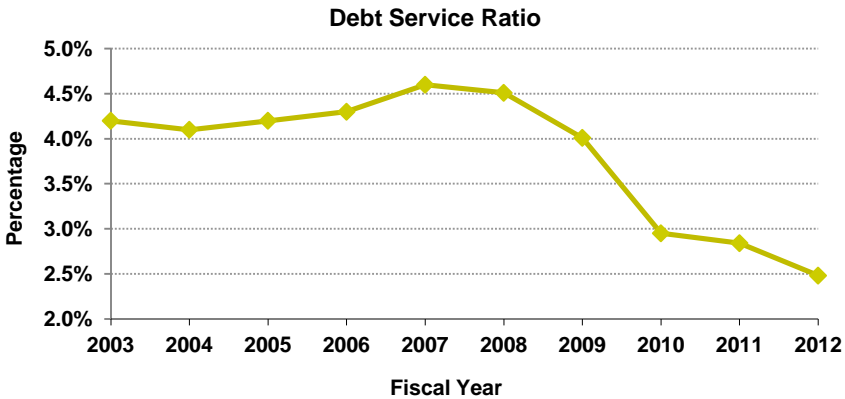
Outstanding GRF-Backed Debt Continues to Increase



Source: Ohio Office of Budget and Management

- Ohio's total outstanding debt payable from the GRF amounted to \$9.76 billion on July 1, 2012, an increase of 8.5% (\$764 million) from July 1, 2011. This was the largest increase since its pre-recession peak level of \$9.21 billion on July 1, 2007.
- Between 1993 and 2007, total GRF-backed debt increased consistently every year with an average growth rate of 5.7% per year. The overall growth rate during this period was 115%. Outstanding debt declined in 2008 and 2009 due to the use of cash for various capital projects. Since then, outstanding debt grew three years in a row with an average growth rate of 4.8% per year.
- The state's debt payable from the GRF is made up of general obligation (GO) and special obligation (SO) debt. The \$9.76 billion in outstanding GRF-backed debt as of July 1, 2012 includes \$7.76 billion of GO debt and \$2.00 billion of SO debt.
- The issuance of both GO and SO bonds must be authorized by the Ohio Constitution. Whereas debt service payments for GO bonds are secured by the full faith, credit, and taxing power of the state, debt service payments for SO bonds are subject to appropriations of the General Assembly.
- GO bonds have been issued for the following purposes: primary and secondary education; higher education; natural resources; conservation; local infrastructure; coal development; Third Frontier research and development; the development of sites for industry, commerce, distribution, and research and development; and veterans compensation.
- On a per capita basis, Ohio's outstanding debt payable from the GRF has grown from \$620 in 2002 to \$845 in 2012, an increase of 36.4%.

Ohio's Debt Service Ratio Continues to Decrease

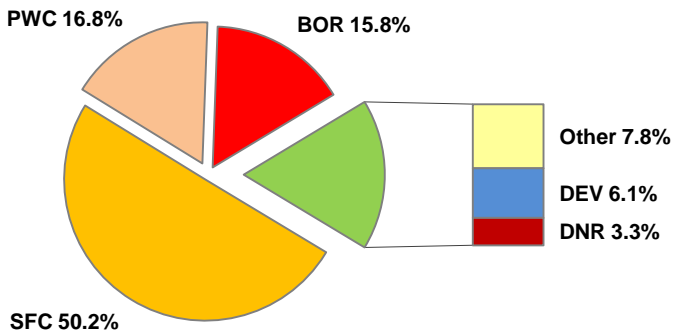


Source: Ohio Office of Budget and Management

- Ohio's debt service ratio was 2.48% at the end of FY 2012, having dropped for five consecutive years from a peak of 4.60% in FY 2007. This ratio is measured by calculating debt service payable from the GRF as a percentage of the total combined revenue from the GRF and net lottery profits.
- The debt service ratio decreases from FY 2008 to FY 2012 were primarily due to debt restructuring and tobacco securitization. The debt restructuring plan reduced GRF debt service payments for FY 2009 through FY 2012. The 2007 tobacco securitization provided cash for FY 2008 through FY 2010 for K-12 and higher education capital projects that would otherwise have been funded by GRF-backed debt.
- As a percentage of personal income, the state's total debt service payable from the GRF decreased from a peak of 0.29% in FY 2008 to 0.16% in FY 2012.
- In FY 2000, Ohio's Constitution established a 5% "cap" on the amount of GRF-backed debt that the state may incur in a given fiscal year. That is, the state cannot issue additional GRF-backed debt if total debt service payments in any future fiscal year exceed 5% of the total GRF and net lottery profits revenue in the year of issuance, unless the 5% cap is waived by voters or by a three-fifths vote of each house of the General Assembly.
- As of July 1, 2012, Ohio general obligation (GO) bonds received the second highest possible rating from all major rating agencies, AA+ by Standard & Poor's, AA+ by Fitch and Aa1 by Moody's. Bond ratings indicate a rating agency's opinion on an issuer's ability to manage its debt effectively and make the required payments on schedule.

School Facilities Commission Comprised Just Over 50% of FY 2012 Expenditures Made From Capital Appropriations

Capital Appropriation Expenditures by Agency, FY 2012



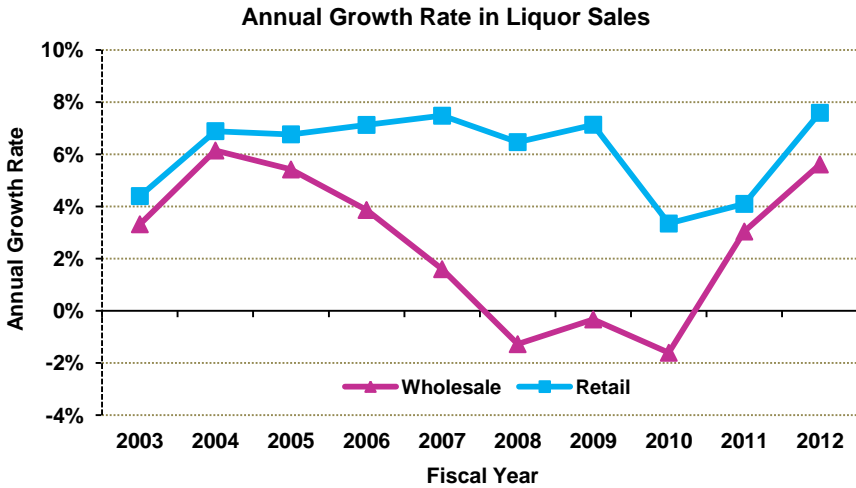
Source: Ohio Administrative Knowledge System

- In FY 2012, expenditures made from capital appropriations totaled \$1.05 billion.¹ Of this total, \$527.2 million (50.2%) was spent by the School Facilities Commission (SFC). These funds support the construction and renovation of public K-12 schools. Lower wealth school districts generally receive a greater share of state assistance than higher wealth districts, and also generally receive state assistance sooner.²
- The Public Works Commission (PWC) distributed \$176.4 million (16.8%) for local infrastructure and conservation projects. These funds are largely distributed to the state's 18 PWC districts on a per capita basis.
- The Board of Regents (BOR) distributed \$166.2 million (15.8%) for the construction and renovation of academic facilities at Ohio's public colleges and universities.
- Other agencies with large capital expenditures include the Department of Development (DEV) at \$64.0 million (6.1%), mainly for brownfield cleanup and redevelopment projects, and the Department of Natural Resources (DNR) at \$35.1 million (3.3%), mainly for state and local parks.
- FY 2012 capital appropriation expenditures decreased \$554.4 million (34.5%) from FY 2011, mainly due to a decrease in SFC expenditures. From FY 2008 to FY 2011, SFC expended an average of \$987.1 million per year from capital appropriations.

¹ This number excludes capital expenditures made from operating appropriations, such as state and federal funding for highway construction and maintenance.

² See page 57 for additional information on SFC's K-12 school facilities assistance program.

Retail and Wholesale Liquor Sales Increase in Recent Years



Source: Ohio Department of Commerce

- Total liquor sales amounted to \$824.5 million in FY 2012, an increase of \$53.8 million (7.0%) from total liquor sales of \$770.7 million in FY 2011.
- Retail dollar sales – those sales made by contract liquor agencies directly to consumers – reached \$572.7 million in FY 2012, 7.6% above FY 2011 sales of \$532.3 million. This was the highest rate of growth in the last ten years. Overall, retail dollar sales have increased every year from FY 2003 to FY 2012 with an average annual growth rate of 6.1%.
- Wholesale liquor dollar sales are sales made by contract liquor agencies to retailers, such as restaurants and bars. In FY 2012, wholesale liquor sales reached \$251.9 million, 5.6% above FY 2011 sales of \$238.5 million. This was the second consecutive year that wholesale sales increased after three years of decreases, and the second highest rate of growth in the last ten years.
- In FY 2012, retail sales accounted for 69.5% of total liquor sales in Ohio, up from 63.7% in FY 2003.
- The proceeds of liquor sales have been used to pay for the operating expenses of the Division of Liquor Control of the Department of Commerce, retire certain economic development and Clean Ohio revitalization bonds, and fund state liquor law enforcement and alcoholism treatment. After these expenses have been paid, the profits are transferred to the GRF. In FY 2012, transfers to the GRF from the Liquor Control Fund (Fund 7043) amounted to \$92.5 million.

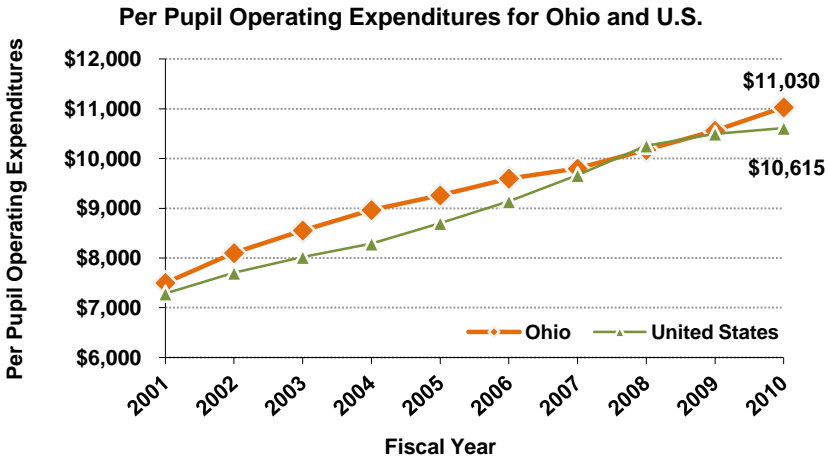
Clean Ohio Awards Total \$711.7 Million Since FY 2003

Clean Ohio Awards, FY 2003-FY 2012		
Program	Number of Awards	Total Amount Awarded
Department of Development		
Clean Ohio Revitalization Fund	160	\$315,231,174
Clean Ohio Assistance Fund	226	\$77,586,333
Public Works Commission		
Green Space Conservation Program	708	\$228,569,155
Department of Natural Resources		
Recreational Trails Program	152	\$40,241,744
Department of Agriculture		
Agricultural Easement Purchase Program	246	\$50,041,012
Total	1,492	\$711,669,418

Sources: Ohio Department of Development; Ohio Public Works Commission; Ohio Department of Natural Resources; Ohio Department of Agriculture

- Since FY 2003, four state agencies have awarded nearly \$711.7 million in grant funding for 1,492 projects under the Clean Ohio initiative. The first \$400 million for the program was authorized by voters in 2000, with an additional \$400 million approved in 2008.
- The Department of Development's two Clean Ohio programs have collectively awarded \$392.8 million to local governments for brownfield clean-up and redevelopment projects. These awards comprise 55.2% of the total Clean Ohio funds awarded through FY 2012.
- Altogether, \$228.6 million in grants have been awarded under the Clean Ohio Green Space Conservation Program administered by the Public Works Commission. The funding has supported 708 projects, or almost half the total number of funded Clean Ohio projects. Local governments and nonprofit community organizations are eligible to compete for this funding to preserve natural areas, sensitive watersheds, and other green space.
- Under the Clean Ohio Recreational Trails Program, administered by the Department of Natural Resources, nearly \$40.2 million has been distributed among 152 projects sponsored by local governments and nonprofit community organizations to create or improve recreational trail networks.
- The Department of Agriculture has awarded \$50.0 million under the Clean Ohio Agricultural Easement Purchase Program, which provides funding to farm owners who place agricultural easements on their property. Through FY 2012, the 246 awards under this program have preserved over 44,800 acres of productive farmland in Ohio.

Ohio's Public School Per Pupil Operating Expenditures Exceeded National Average in FY 2010



Source: U.S. Census Bureau

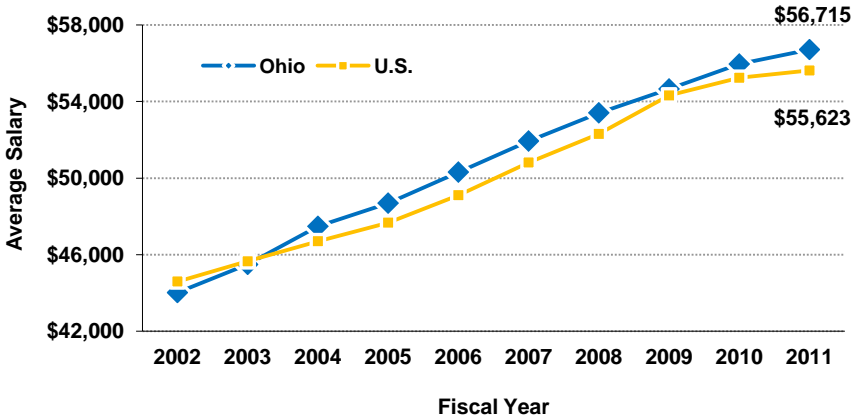
- In FY 2010, Ohio's public school per pupil operating expenditures were \$11,030, \$415 (3.9%) above the national average of \$10,615.
- Ohio's per pupil operating expenditures have exceeded the national average for two years in a row since falling slightly below the national average in FY 2008. Ohio's per pupil operating expenditures were also higher than the national average from FY 2001 to FY 2007.
- During the ten-year period from FY 2001 to FY 2010, Ohio's per pupil operating expenditures increased by \$3,531 (47.1%). The national average increased by \$3,331 (45.7%). During the same period, inflation, as measured by the consumer price index (CPI), was 23.8%.
- In FY 2010, Ohio's per pupil operating expenditures of \$11,030 ranked 18th in the nation. As shown in the table below, compared to its neighboring states, Ohio's per pupil operating expenditures were higher than Michigan, Indiana, and Kentucky, but lower than Pennsylvania and West Virginia.

Per Pupil Operating Expenditures for Ohio and Neighboring States, FY 2010

State	National Rank	Per Pupil Expenditures
Pennsylvania	10	\$12,995
West Virginia	16	\$11,527
Ohio	18	\$11,030
Michigan	22	\$10,644
Indiana	30	\$9,611
Kentucky	37	\$8,948

Ohio's Average Teacher Salary Maintains Edge Over U.S. Average

Average Teacher Salaries for Ohio and U.S.



Sources: National Education Association; Ohio Department of Education

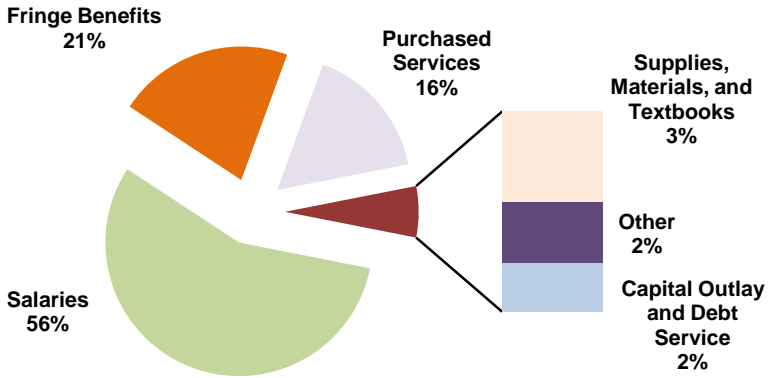
- Ohio's average teacher salaries have been slightly above the national average since FY 2004.
- Ohio's average teacher salary for FY 2011 was 2.0% (\$1,092) higher than the national average.
- Ohio's average teacher salary increased by 28.8% from \$44,019 in FY 2002 to \$56,715 in FY 2011. The national average increased by 24.7%, from \$44,600 in FY 2002 to \$55,623 in FY 2011. During the same period inflation, as measured by the consumer price index (CPI), was 24.1%.
- In FY 2011, Ohio's average teacher salary of \$56,715 ranked 14th in the nation. As shown in the table below, compared to its neighboring states Ohio's average teacher salary was higher than Indiana, Kentucky, and West Virginia, but lower than Pennsylvania and Michigan.

Average Teacher Salaries for Ohio and Neighboring States, FY 2011

State	National Rank	Average Salary
Michigan	9	\$63,940
Pennsylvania	12	\$60,760
Ohio	14	\$56,715
Indiana	24	\$50,801
Kentucky	29	\$48,908
West Virginia	49	\$44,260

School Districts Spend an Average of 77% of Their General Funds on Salaries and Fringe Benefits

Breakdown of a Typical School District Budget, FY 2011



Source: Ohio Department of Education

- Salaries and fringe benefits accounted for approximately 77% of school district general fund budgets statewide in FY 2011. This percentage has decreased over the past five years from 79% in FY 2007. This decrease is entirely due to a decrease in the portion spent on salaries, as the portion spent on fringe benefits has increased slightly.
- The cost of fringe benefits as a percentage of the cost of salaries increased to approximately 38% in FY 2011, up from 36% in FY 2007.
- Public schools in Ohio employed about 242,200 full-time equivalent (FTE) workers in FY 2011, including about 115,400 FTE teachers.
- As the percentage of district budgets spent on salaries has declined, the percentage spent on purchased services such as pupil transportation, utilities, maintenance and repairs, and other services not provided by district personnel has increased, from 14% in FY 2007 to 16% in FY 2011.
- State law requires each school district to set aside a uniform per pupil amount for capital and maintenance needs. In FY 2013, the required set-aside amount is about \$172 per pupil. H.B. 30 of the 129th General Assembly repealed, beginning in FY 2012, a similar set aside for textbooks and instructional materials.

Per Pupil Operating Spending Varies Across Different Types of Ohio School Districts

Spending Per Pupil by District Comparison Group, FY 2011				
Comparison Group – Description		Number of Districts	Enrollment %	Spending Per Pupil
Rural	Very low socioeconomic status (SES), very high poverty	97	8.9%	\$9,835
Small Rural	Low SES, low poverty	161	12.4%	\$9,032
Rural Town	Average SES, average poverty	81	7.9%	\$9,183
Urban	Low SES, high poverty	102	15.8%	\$10,191
Major Urban	Very high poverty	15	14.9%	\$14,079
Suburban	High SES, moderate poverty	107	24.4%	\$10,280
Suburban	Very high SES, low poverty	46	15.7%	\$11,417
State Total*		609	100%	\$10,731

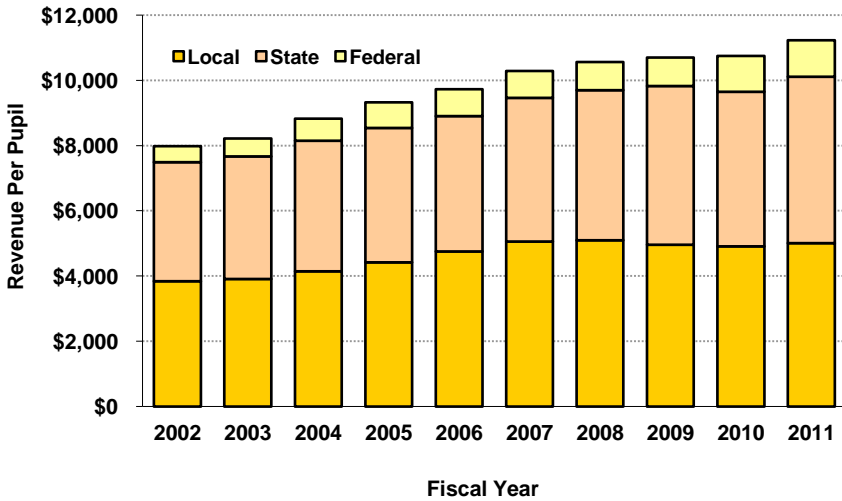
* Three small outlier districts are not included.

Source: Ohio Department of Education

- In FY 2011, the average per pupil spending for different district comparison groups varied from a low of \$9,032 for small rural, low poverty districts to a high of \$14,079 for major urban, very high poverty districts. The state average was \$10,731.
- Rural districts tend to have the lowest spending per pupil, averaging \$9,318 for the three rural comparison groups, which is 13.2% (\$1,413) below the state average. These districts comprise 29.2% of total state enrollment.
- Very high poverty major urban districts had the highest spending per pupil among all district comparison groups in FY 2011, spending 31.2% (\$3,348) above the state average. The highest income suburban districts had the second highest spending per pupil at 6.4% (\$686) above the state average.
- On average, school districts spent 55.5% on instruction, 19.1% on building operations, 11.5% on administration, 10.2% on pupil support, and 3.7% on staff support.
- This spending allocation varies only slightly across district comparison groups. Rural districts tend to spend a higher than average percentage on building operations, which includes pupil transportation; suburban districts tend to spend a higher than average percentage on instruction; and urban districts tend to spend a higher than average percentage on staff support.

Per Pupil Operating Revenue for Schools Has Increased 41% Since FY 2002

Per Pupil Operating Revenue Statewide

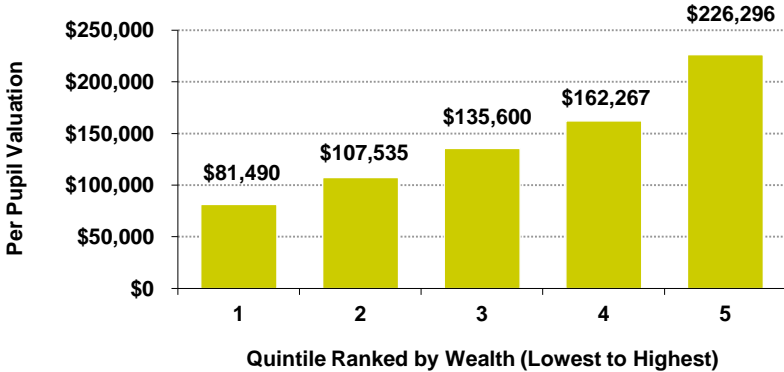


Source: Ohio Department of Education

- Ohio schools' per pupil operating revenue from all sources increased 40.7% from \$7,983 in FY 2002 to \$11,232 in FY 2011.
- During this ten-year period, state revenue per pupil increased 39.9% from \$3,653 to \$5,109; local revenue per pupil increased 30.4% from \$3,843 to \$5,011; and federal revenue per pupil increased 127.9% from \$488 to \$1,112.
- State revenues comprised 45.5% of total school revenues in FY 2011. State funding comes mainly from the General Revenue Fund, which receives revenues primarily from the state income and sales taxes. Most state funds are distributed through the school funding formula, second in importance are tax reimbursements, and finally some revenues are distributed through competitive and noncompetitive grants.
- Local revenues comprised 44.6% of total school revenues in FY 2011. Locally voted property taxes accounted for 96.5% of local revenues, while school district income taxes accounted for the remaining 3.5%.
- Federal revenues comprised 9.9% of total school revenues in FY 2011. These revenues mainly target special education and disadvantaged students.
- With passage of the No Child Left Behind Act of 2001, the federal share of total school revenues has increased from an average of 5.9% per year between FY 1996 and FY 2002 to an average of 8.4% between FY 2003 and FY 2011.

School District Property Values Vary Widely Across Ohio

Average Per Pupil Valuation by Wealth Quintile, FY 2011

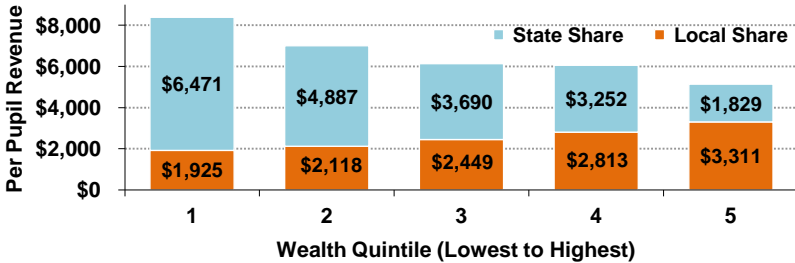


Sources: Ohio Department of Taxation; Ohio Department of Education

- In FY 2011, approximately 20% of Ohio's students resided in school districts with per pupil property valuations that averaged about \$81,000 while another 20% resided in school districts with per pupil property valuations that averaged about \$226,000. The statewide average valuation was \$142,000 per pupil.
- A 20-mill (2%) property tax levy generates \$1,620 per pupil for a district with a valuation per pupil of \$81,000 and \$4,520 per pupil for a district with a valuation per pupil of \$226,000.
- Since locally voted property tax levies represent about 96% of school district local revenues, per pupil valuation (also called district property wealth) indicates each district's capacity to raise local revenue.
- To create the quintiles used on this and the following four pages, school districts are first ranked from lowest to highest in property valuation per pupil. They are then divided into five groups, each of which includes approximately 20% of total students statewide. As can be seen in the chart above, districts in quintile 1 have the lowest wealth and districts in quintile 5 have the highest wealth.
- Since FY 1991, a major goal of the state's school funding formula is to neutralize the effect of local property wealth disparities on students' access to a common, basic level of education as defined by the state.
- To achieve this goal, the formula first has assumed a local contribution based on a uniform tax rate (for example, 22 mills or 2.2%), which results in different local contribution dollar amounts depending on a district's wealth. The formula then requires the state to make up the difference to bring the total up to a state-defined amount for each district.

Low-Wealth Districts Receive More State Aid Per Pupil Than High Wealth Districts

State and Local Contribution to Basic Education by Wealth Quintile, FY 2011

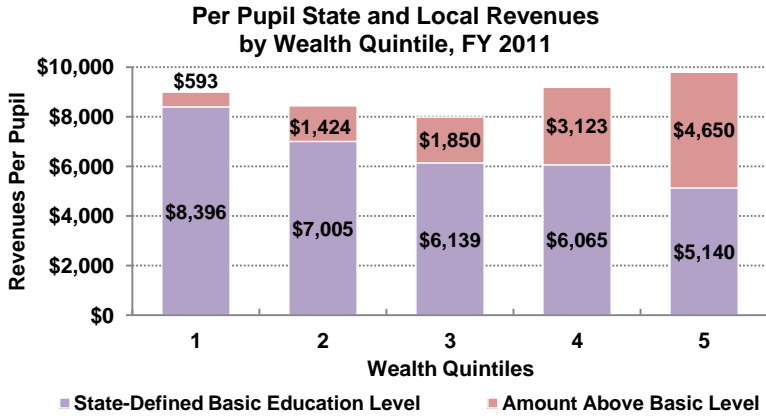


Source: Ohio Department of Education

- Low wealth districts receive more state aid per pupil than high wealth districts. In FY 2011, the quintile with the lowest wealth received \$6,471 per pupil on average whereas the quintile with the highest wealth received \$1,829 per pupil on average.¹
- For the state as a whole, the state share of the state-defined education cost in FY 2011 was 61.4%. This share averaged 76.8% for quintile 1, 69.4% for quintile 2, 59.8% for quintile 3, 53.2% for quintile 4, and 36.6% for quintile 5.
- Both of the recent school funding formulas, the Building Blocks and the Evidence-Based (EBM) models, directed more state aid toward lower wealth districts through a local share formula that used a uniform tax rate, which resulted in a relatively lower local share per pupil for lower wealth districts.
- In FY 2011, the revenue raised for the local contribution varied from an average of \$1,925 per pupil in quintile 1 to an average of \$3,311 per pupil in quintile 5.
- In addition to the local share formula, the EBM used the Educational Challenge Factor, which caused the total state-defined basic education cost per pupil to be higher for lower wealth districts. On the other hand, the Building Blocks model used parity aid to direct funding above the state-defined level to lower wealth districts.
- Both models incorporated a guarantee provision that increased the state share for certain districts. The EBM also included a cap that decreased the state share for certain districts. Funding for districts on the guarantee or under the cap is based primarily on historical funding rather than the current formula. In FY 2011, 347 districts were on the guarantee and 235 were under the cap, causing the regular formula to apply to only 30 districts.

¹ See page 49 for an introduction to this analysis and a description of the quintiles.

Local Revenues Above the State-Defined Basic Education Level Cause Revenue Disparities

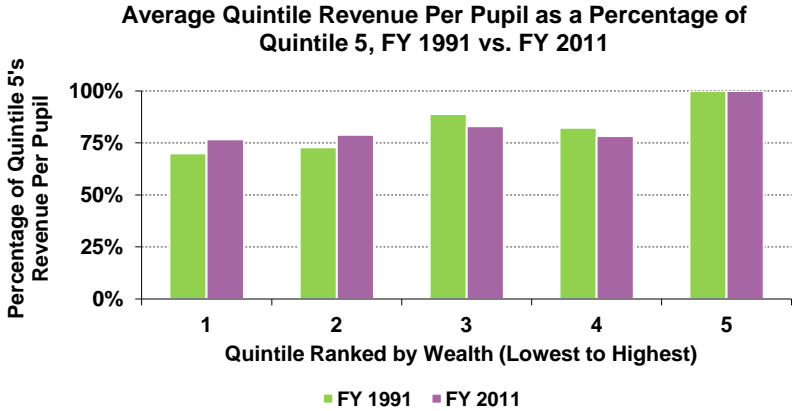


Source: Ohio Department of Education

- Although low wealth districts receive more state revenue per pupil, local revenues above the state-defined basic education level cause revenue disparities that favor the highest wealth districts.¹
- Local revenues are determined by a combination of the wealth of the district as well as the ability and willingness of the district's taxpayers to approve tax levies. In Ohio, there is no limit on the amount of taxes local voters may approve for their schools.
- The biggest disparity occurs between the highest wealth quintile and the other four quintiles. For FY 2011, the average per pupil local revenue above the basic level in quintile 5 (\$4,650) was 7.8, 3.3, 2.5, and 1.5 times that in quintiles 1, 2, 3, and 4 respectively.
- The state-defined basic education formula that directs more total funding and more state aid to low wealth districts helps narrow revenue disparities across Ohio's school districts. When taking into account state and local funding for education, quintile 5 districts still have the highest average revenue per pupil, at \$9,790 for FY 2011. This amount was 8.9%, 16.1%, 22.5%, and 6.6%, respectively, more than that in quintile 1 (\$8,989), quintile 2 (\$8,429), quintile 3 (\$7,989), and quintile 4 (\$9,187).
- Whereas the EBM resulted in higher state-defined basic education levels per pupil for lower wealth districts, the Building Blocks model provided funding above the state-defined level for lower wealth districts through parity aid.

¹ See page 49 for an introduction to this analysis and a description of the quintiles.

Interdistrict Equity Improves Since FY 1991 for the Lowest Wealth Districts

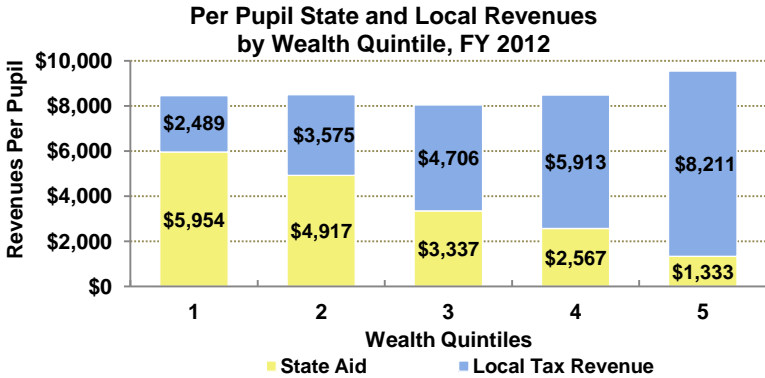


Source: Ohio Department of Education

- In FY 1991, the districts in quintile 1 received, on average, 70.0% of the revenue received by the districts in quintile 5. This percentage increased to 76.7% in FY 2011. Likewise, the percentage for quintile 2 rose from 72.9% in FY 1991 to 78.9% in FY 2011.¹
- In contrast, quintiles 3 and 4 have lost ground when compared to quintile 5. In FY 1991, quintiles 3 and 4 received an average of 88.8% and 82.3%, respectively, of the revenue received by quintile 5. This compares to 83.0% and 78.3% in FY 2011.
- This drop for quintiles 3 and 4 is recent. In FY 2009, quintiles 3 and 4 received 89.9% and 90.5%, respectively, of the revenue received by quintile 5, higher than the percentages from FY 1991. Quintiles 1 and 2 also had higher percentages in FY 2009 – 84.4% and 86.4%, respectively.
- In FY 2010 and FY 2011, most districts were not paid according to the formula, but instead according to either the guarantee or the cap (see page 50). This may have contributed to the changes in interdistrict equity from FY 2009 to FY 2011 as the equalizing provisions of the formula were not given full effect.
- In FY 2011, the guarantee provision increased average state aid per pupil for quintile 5 by \$715, compared to \$526 for quintile 4, \$363 for quintile 3, \$202 for quintile 2, and \$74 for quintile 1. In contrast, the cap reduced state aid per pupil in FY 2011 by \$426 for quintile 1, \$167 for quintile 2, \$113 for quintile 3, \$112 for quintile 4, and \$20 for quintile 5.

¹ See page 49 for an introduction to this analysis and a description of the quintiles.

Bridge Formula Directs More State Funding to Districts with Lower Capacity to Raise Local Revenues



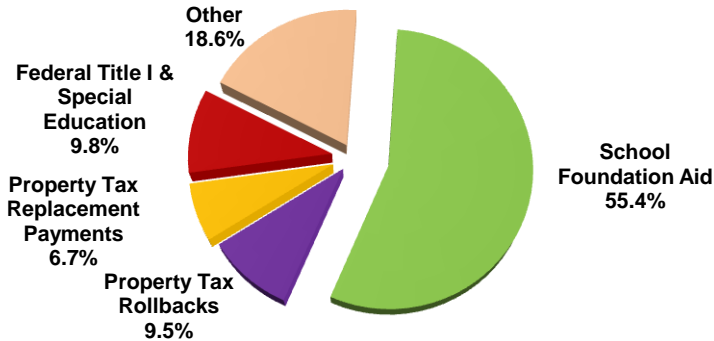
Source: Ohio Department of Education

- For FY 2012 and FY 2013, state aid is distributed to school districts under a bridge formula that is largely based on state aid for FY 2011 and continues to direct more state funding to lower wealth districts.¹
- Almost all districts experienced decreases in state aid for FY 2012. This is due to the loss of \$515.5 million in federal stimulus funding that supported state aid in FY 2011, which was not fully offset by the \$270.2 million increase in state-source GRF and lottery funding.
- The decreases in state aid per pupil were based on an index that, in general, resulted in smaller decreases for lower wealth districts. Average per pupil decreases for wealth quintiles 1 to 5 were \$97, \$127, \$156, \$157, and \$93, respectively.
- The bridge formula includes a supplement that guarantees districts are allocated at least the state aid they received for FY 2011 less the portion of that aid supported by the federal stimulus. This is the main reason for the relatively low average per pupil decrease for quintile 5 districts. The guarantee increased funding to quintile 5 districts by an average of \$166 per pupil, compared to about \$30 for quintile 4, \$2 for quintile 3, and less than \$1 for quintiles 1 and 2.
- The bridge formula also includes a performance-based supplement that provides \$17 per pupil to districts rated excellent or higher on the state report cards. This supplement also resulted in higher funding for districts in the higher wealth quintiles. On average, districts in the quintiles from 1 to 5 received \$2, \$8, \$9, \$12, and \$15 per pupil, respectively, from this supplement.

¹ See page 49 for an introduction to this analysis and a description of the quintiles.

School Foundation Aid Comprised Over Half of Department of Education's Total Spending in FY 2012

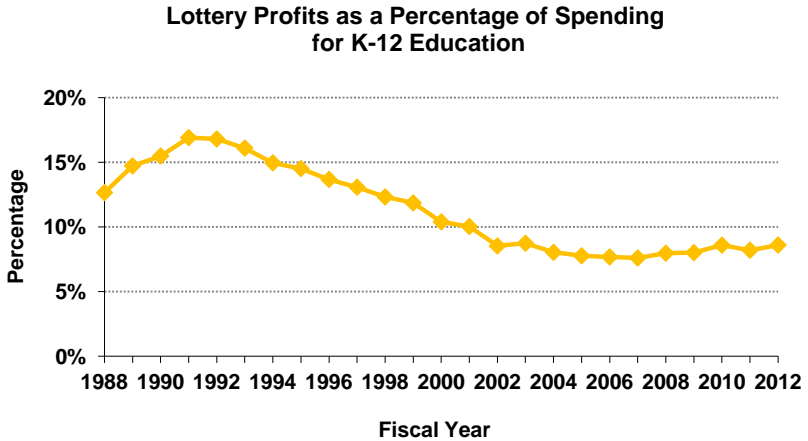
Department of Education's Spending by Component, FY 2012



Source: Ohio Administrative Knowledge System

- In FY 2012, the Ohio Department of Education's (ODE) spending totaled \$11.28 billion across all funds. Of this total, \$6.25 billion (55.4%) was distributed as school foundation aid, the largest source of state funding for school operations. School foundation aid is funded by the state GRF (\$5.53 billion) and lottery profits (\$717.5 million).
- The second largest spending component was the federal Title I and special education programs at \$1.10 billion (9.8%). These federal funds target disadvantaged students and students with disabilities. In FY 2012, \$142.7 million (13.0%) of this funding came from remaining federal stimulus funds.
- Property tax rollback payments (\$1.07 billion or 9.5%) reimburse school districts for revenue lost due to the 10% and 2.5% property tax rollback programs and the homestead exemption program.
- State direct payments for the phase-out of tangible personal property taxes accounted for another \$759.9 million (6.7%) of the total.
- ODE's spending for FY 2012 was mainly supported by the GRF (\$7.48 billion or 66.3%), followed by federal funds (\$2.24 billion or 19.8%).
- In FY 2012, 98.1% (\$11.06 billion) of ODE's total spending was distributed as subsidies to schools and various other educational entities.
- ODE's payroll expenses of \$55.0 million accounted for 0.5% of the total. Excluding purchased service spending for student assessments and supply and maintenance spending for school food programs, ODE's operating expenses totaled \$112.8 million or 1.0% of its total spending in FY 2012.

Lottery Profits Comprise a Small Percentage of State Spending on Primary and Secondary Education



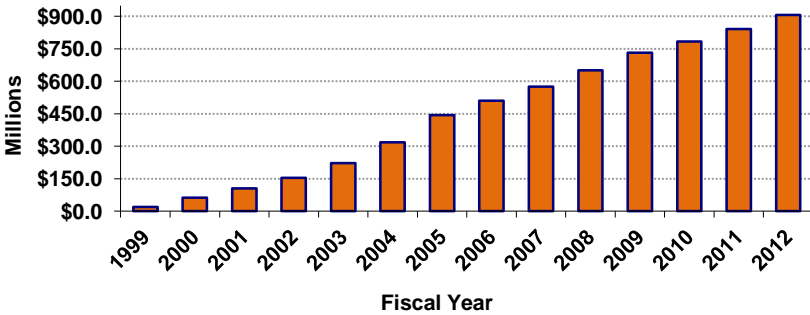
Sources: Ohio Lottery Commission; Ohio Legislative Service Commission

- Lottery profits in Ohio have always been a relatively small percentage of total GRF¹ and lottery spending on primary and secondary education. After reaching a peak of 16.9% in FY 1991, this percentage fell to a low of 7.6% in FY 2007 and has since increased to 8.6% in FY 2012.
- In 1973, voters amended the Ohio Constitution to allow the creation of the Ohio lottery. In 1987, voters approved an additional constitutional amendment that permanently earmarked lottery profits for education.
- Generally, lottery profits are combined with the GRF to support primary and secondary education in Ohio.
- Lottery profits spending on education increased for four consecutive years from FY 2007 to FY 2010, reaching a high of \$745.0 million in FY 2010. In FY 2012, lottery profits spending fell to \$717.5 million.
- From FY 1988 to FY 2012, total GRF and lottery spending on primary and secondary education increased by \$4.9 billion (142.5%). Of this growth, \$281.9 million (5.7%) was provided by the lottery.
- FY 2012 produced record lottery sales of \$2.7 billion. The increase in sales is due in part to the addition of Keno sales, which began in August 2008, the multi-state jackpot game, Powerball, in April 2010, and the record-setting Mega Millions jackpot in March 2012.

¹ In FY 2010 and FY 2011, GRF spending includes federal stimulus of \$417.6 million and \$515.5 million, respectively. There is no federal stimulus in prior or later years.

School Choice Program Spending Continues to Increase

Annual Spending on School Choice Programs

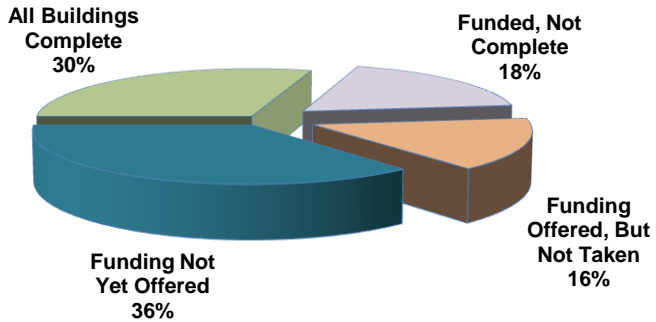


Source: Ohio Department of Education

- Ohio school choice programs include community schools, the Cleveland Scholarship and Tutoring Program (CSTP), the Educational Choice Scholarship, the Autism Scholarship, and, beginning in FY 2013, the Jon Peterson Special Education Scholarship. Spending on these programs has increased from \$19.7 million in FY 1999 to \$906.0 million in FY 2012.
- Unlike traditional public schools, community schools do not have taxing authority and are funded primarily through state education aid transfers. Since the establishment of community schools in FY 1999, the amount of state education aid transfers has increased from \$11.0 million to \$774.7 million in FY 2012. Community school enrollment has increased from 2,245 to 108,513 students.
- The CSTP provides state-funded scholarships for students in the Cleveland Municipal School District. After its establishment in FY 1997, the number of CSTP scholarship students grew from 1,994 to a peak of 6,272 in FY 2008, declining to 5,128 in FY 2012. State expenditures for CSTP increased from \$5.0 million in FY 1997 to \$17.8 million in FY 2012.
- The Educational Choice Scholarship Program began in FY 2007 and provides scholarships to students who are assigned to certain "low-performing" schools. Scholarships are financed by deductions from state aid to scholarship recipients' districts of residence. From FY 2007 to FY 2012, the number of students receiving scholarships increased from 3,169 to 15,219; funding for the program increased from \$13.0 million to \$75.4 million.
- The Autism Scholarship Program provides scholarships to qualified autistic children. Since its inception in FY 2004, the number of students involved in the program increased from approximately 725 to 2,413 in FY 2012; funding for the program has increased from \$3.3 million to \$38.1 million. Scholarships are also financed by deductions from state aid to scholarship recipients' districts of residence.

Full-Facility Fixes Completed in 30% of Ohio School Districts and JVSDs

Status of Districts Completing Master Facility Plans, July 2011



Source: Ohio School Facilities Commission

- At the end of FY 2011, 30% of school districts and joint vocational school districts (JVSDs) had completed projects that fully addressed their facility needs as assessed by the School Facilities Commission (SFC). These include 190 (31%) of the 612 regular school districts and seven (14%) of the 49 JVSDs.
- Another 18% of districts have been funded, but their projects are not complete. These include 110 (18%) regular districts and seven (14%) JVSDs. These districts have buildings in the design or construction phase.
- An additional 16% of districts have been offered funding, but have either deferred the offer or allowed it to lapse because they were unable to secure the required local share. These include 101 (17%) regular districts (51 deferred and 50 lapsed) and eight (16%) JVSDs (seven deferred and one lapsed). These districts will be eligible for funding in the future.
- The final 36% of districts have not yet been offered funding. These include 211 (35%) regular districts and 27 (55%) JVSDs. Of these, 36 regular districts and three JVSDs are participating in the Expedited Local Partnership Program (ELPP), whereby local funds spent on master facility plans now will be credited to the districts' local shares when they become eligible for state funding.
- The total estimated cost of all projects funded by the end of FY 2011 was \$17.1 billion. Of that total, the state share was \$10.9 billion (64%) and the local share was \$6.2 billion (36%).
- Through the end of FY 2011, the General Assembly has appropriated nearly \$10.9 billion and SFC has disbursed a total of \$9.5 billion for school facilities projects.

Ohio Schools Show Improvement on Report Card Ratings

Number of Districts by Report Card Rating,* FY 2007-FY 2011					
Rating	2007	2008	2009	2010	2011
Excellent with Distinction	--	74	116	81	86
Excellent	139	152	154	215	266
Effective	347	292	251	240	215
Continuous Improvement	113	83	79	64	36
Academic Watch	11	9	9	9	6
Academic Emergency	0	0	1	1	0

* These numbers may change as ODE reviews certain district ratings due to certain data issues.

Source: Ohio Department of Education

- In FY 2011, 567 districts (93.1%) were rated effective or higher, compared to 486 districts (79.7%) in FY 2007.
- A district's report card rating in FY 2011 depends on four basic measurements: (1) the number of state academic standards met, (2) the performance index score, (3) whether adequate yearly progress (AYP) has been met, and (4) the value-added designation, which was added in FY 2008.
- Ohio's 26 academic standards include minimum proficiency rates on all 24 achievement assessments, as well as minimum graduation and student attendance rates. In FY 2007, the state as a whole met 19 out of a possible 30 standards at that time. In FY 2011, the state met 17 of the current 26 standards.
- The performance index, ranging from 0 to 120, is a composite measure of achievement of all students on all achievement assessments. The index for the state as a whole improved from 92.1 in FY 2007 to 95.0 in FY 2011.
- AYP, a rating established by the federal No Child Left Behind Act, requires districts to meet annual performance goals for student subgroups. In FY 2007, 182 districts (29.7%) met AYP, compared to 309 districts (50.6%) in FY 2011.
- The value-added measure tracks an individual student's test scores from one year to another. Districts are rated on how their students' academic growth, as measured by the achievement assessments, compares to the expected growth standard set by the state.
- In FY 2011, 148 districts (24.3%) were above, 337 districts (55.2%) had met, and 125 districts (20.5%) were below the expected growth standard. In FY 2008, the first year the value-added measure was used, 274 districts (44.9%) were above, 142 districts (23.3%) had met, and 194 districts (31.8%) were below the expected growth standard.

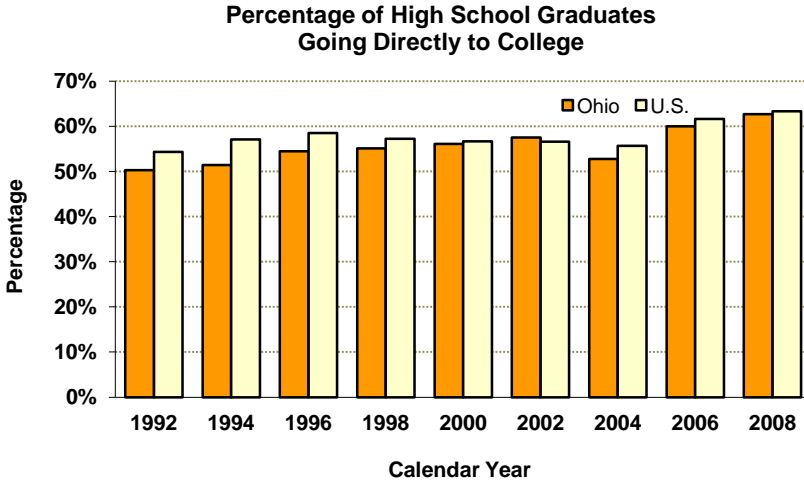
School Enrollment in Ohio Declines

Ohio School Enrollment, FY 2001-FY 2011						
Fiscal Year	Public		Nonpublic		Total	
	Enrollment	Annual Change	Enrollment	Annual Change	Enrollment	Annual Change
FY 2001	1,809,951	-1,479	242,845	-144	2,052,796	-1,623
FY 2002	1,805,163	-4,788	239,080	-3,765	2,044,243	-8,553
FY 2003	1,811,167	6,004	232,092	-6,988	2,043,259	-984
FY 2004	1,815,881	4,714	222,830	-9,262	2,038,711	-4,548
FY 2005	1,815,613	-268	213,312	-9,518	2,028,925	-9,786
FY 2006	1,811,708	-3,905	207,054	-6,258	2,018,762	-10,163
FY 2007	1,803,226	-8,482	204,402	-2,652	2,007,628	-11,134
FY 2008	1,794,134	-9,092	200,598	-3,804	1,994,732	-12,896
FY 2009	1,790,809	-3,325	195,343	-5,255	1,986,152	-8,580
FY 2010	1,782,713	-8,096	187,994	-7,349	1,970,707	-15,445
FY 2011	1,774,538	-8,175	181,420	-6,574	1,955,958	-14,749
Total Change		-35,413		-61,425		-96,838

Source: Ohio Department of Education

- Total school enrollment in Ohio has decreased by 96,838 students over the last decade, from 2.05 million in FY 2001 to 1.96 million in FY 2011.
- Total school enrollment in Ohio has declined every year during this same period.
- Of the total enrollment decrease since FY 2001, 63.4% (61,425) occurred in nonpublic schools and 36.6% (35,413) occurred in public schools. This represents a 25.3% decline in nonpublic school enrollment over those ten years, compared to a 2.0% decline in public school enrollment.
- In FY 2011, nonpublic school enrollment represented approximately 9.3% of total enrollment in Ohio, compared to 11.8% in FY 2001.
- Public school enrollment increased in fiscal years 2003 and 2004, for a total increase of 10,718 over these two years. However, these increases were more than offset by decreases in nonpublic school enrollment (a decrease of 16,250 over these two years).
- Public school enrollment has decreased every year since FY 2004. During these seven years, the largest annual decrease in public school enrollment was 9,092 students in FY 2008. The smallest annual decrease during these five years was 268 students in FY 2005.

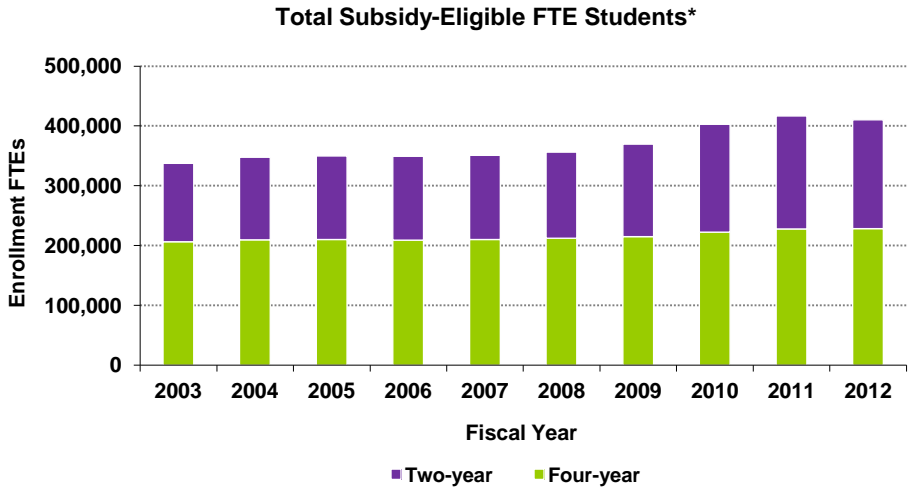
Percentage of Ohio High School Graduates Going Directly to College Increased in 2008



Sources: ACT; College Board; NCHEMS; Ohio Board of Regents

- The percentage of Ohio high school graduates going directly to college increased 2.7 percentage points from 60.0% in 2006 to 62.7% in 2008. The national average increased by 1.7 percentage points in the same period, from 61.6% to 63.3%.
- The percentage of Ohio high school graduates going directly to college has been below the national average in every year since 1992 except for 2002. In 2008, Ohio's percentage was 0.6 percentage points below the national average.
- In fall 2009, 44% of graduates from Ohio public high schools enrolled directly in an Ohio college or university – approximately 32% in a four-year institution and approximately 12% in a two-year institution.
- ACT and SAT scores are indicators that help predict how well students will perform in college. Since 1992, ACT and SAT scores for Ohio high school seniors have been consistently higher than the national average.
- The average Ohio ACT score was 21.8 in 2011, in comparison with the national average of 21.1. The mean Ohio SAT score was 1606 in 2011, in comparison with the national mean score of 1500.

Higher Education Enrollment Decreased in FY 2012, Particularly on Two-Year Campuses



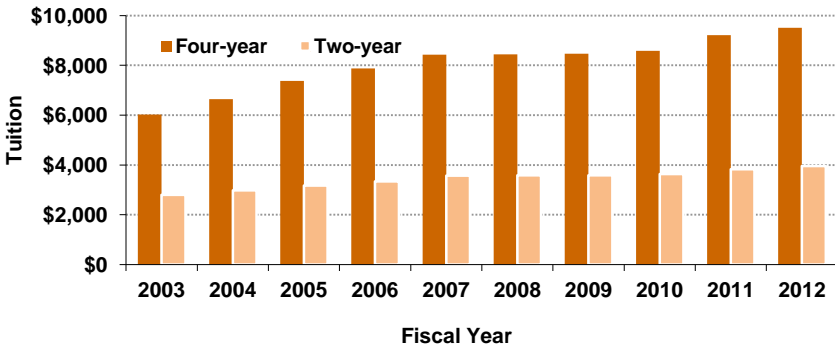
* An FTE (full-time equivalent) student is based on one student taking 15 credit hours per quarter or the equivalent. Subsidy-eligible FTEs include all but out-of-state undergraduate students.

Sources: Ohio Board of Regents; State Higher Education Executive Officers (SHEEO)

- In FY 2012, total student enrollment at public colleges and universities decreased by 6,268 FTEs (1.5%) from FY 2011. Despite a small increase of 450 FTEs (0.2%) in four-year campus enrollment, the decrease of 6,718 FTEs (3.6%) at two-year campuses resulted in an overall decline.
- Over the ten years from FY 2003 to FY 2012, total student enrollment increased by 72,886 FTEs (21.6%). Of this growth, 69.6% occurred at two-year campuses.
- The decline in enrollment in FY 2012 comes after strong enrollment growth between FY 2008 and FY 2011, especially on two-year campuses. Of the 60,394 FTE increase between FY 2008 and FY 2011, 44,414 (73.5%) occurred at two-year campuses.
- The FY 2008 to FY 2011 enrollment growth at two-year campuses may be partly due to the decline in the economy. High growth in the two-year sector also occurred in prior periods of economic slowdown.
- According to a measure published by SHEEO, Ohio's five-year enrollment growth from FY 2006 to FY 2011 (20.9%) was the 15th highest of all the states. Compared to neighboring states, Ohio's enrollment growth was higher than West Virginia (13.1%), Kentucky (13.5%), Michigan (14.5%), and Pennsylvania (14.6%), but lower than Indiana (22.5%).

Higher Education Tuition Continues to Increase in FY 2012

Average In-State Undergraduate Tuition
by Campus Type*

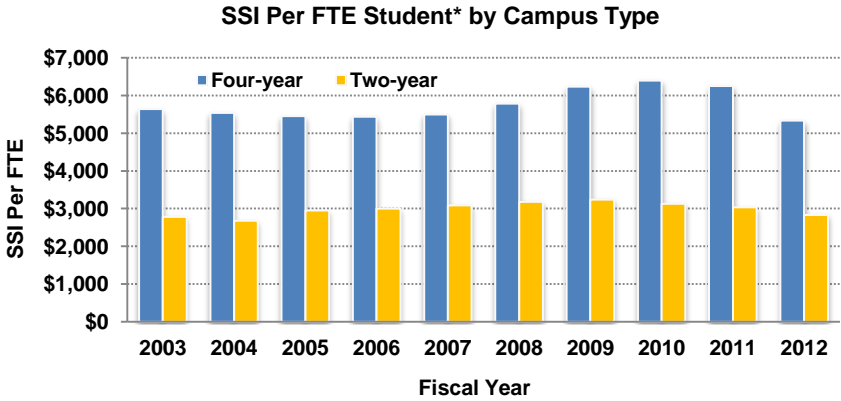


* Averages are weighted by each institution's full-time equivalent (FTE) enrollment.

Sources: Ohio Board of Regents; National Center for Education Statistics

- The General Assembly imposed caps on annual increases in tuition every year since FY 2004. The General Assembly capped in-state undergraduate tuition increases at 3.5% for Ohio's public colleges and universities in FY 2012 and FY 2013. In FY 2012, average in-state undergraduate tuition increased by 3.2% at four-year campuses and by 3.3% at two-year campuses.
- The largest annual tuition increase from FY 2003 to FY 2012 occurred in FY 2005 for four-year campuses (10.9% or \$724) and in FY 2007 for two-year campuses (6.9% or \$231).
- From FY 2003 to FY 2012, average in-state undergraduate tuition at four-year campuses increased from \$6,019 to \$9,510, a change of \$3,491 (58.0%). Tuition at two-year campuses increased from \$2,793 to \$3,951, a change of \$1,158 (41.5%).
- As tuition at four-year campuses has increased faster than at two-year campuses, the difference between the average tuitions at the two types of institutions has increased 72.3% from \$3,226 in FY 2003 to \$5,559 in FY 2012.
- In FY 2011, the average undergraduate tuition at two-year campuses in Ohio exceeded the U.S. average tuition by 32.3% (\$788), while the average tuition at four-year campuses exceeded the U.S. average by 19.1% (\$1,365).
- However, Ohio's ranking compared to other states has dropped, from 11th highest in the nation in FY 2009 to 15th highest in the nation in FY 2011 for four-year campuses and from 14th highest in the nation in FY 2009 to 23rd highest in the nation in FY 2011 for two-year campuses.

State Share of Instruction Per Student Decreased in FY 2012



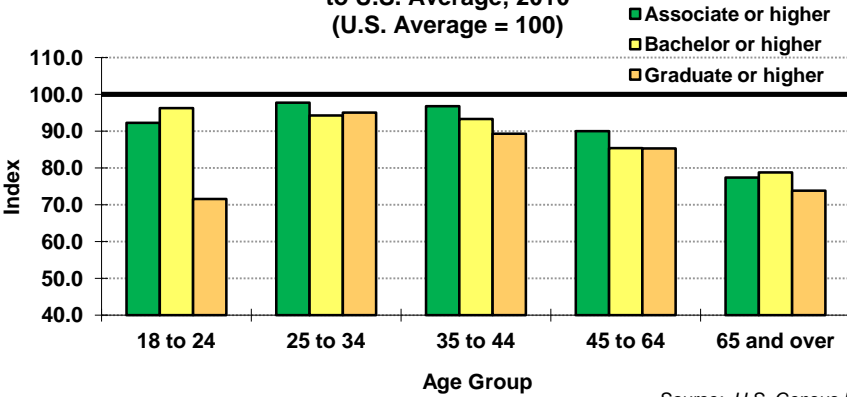
* An FTE (full-time equivalent) student takes the equivalent of 15 credit hours per quarter. Out-of-state undergraduate students are not included as they are not eligible for state subsidy.

Sources: Ohio Board of Regents; State Higher Education Executive Officers (SHEEO)

- In FY 2012, the State Share of Instruction (SSI) per student fell to its lowest level in ten years for four-year campuses (\$5,337) and its lowest level since FY 2004 for two-year campuses (\$2,834).
- SSI is the main state subsidy to public colleges and universities to help support the institutions' core academic activities. Although state-source funding for SSI increased by \$25.2 million (1.5%) in FY 2012, total SSI decreased by \$262.6 million (13.1%) due to the loss of federal stimulus funds through the American Recovery and Reinvestment Act, which provided \$287.8 million for SSI funding in FY 2011.
- The decrease in SSI per student in FY 2012 was the largest in ten years for both two-year campuses (6.6%) and four-year campuses (14.6%).
- SSI allocations to four-year campuses are higher than those to two-year campuses because four-year campuses offer higher cost baccalaureate, graduate, and professional degree courses.
- Most of the SSI is allocated to campuses through formulas. Prior to FY 2010, SSI was largely based on each campus's enrollment and courses offered. Starting in FY 2010, the formula was changed to include performance incentives for areas such as student course and degree completion.
- FY 2010 also saw the end of funding for various challenge programs that had previously provided incentives in different areas. These programs provided an average of \$357 per student in FY 2009.

Postsecondary Educational Attainment of Young Ohioans Approaches National Average

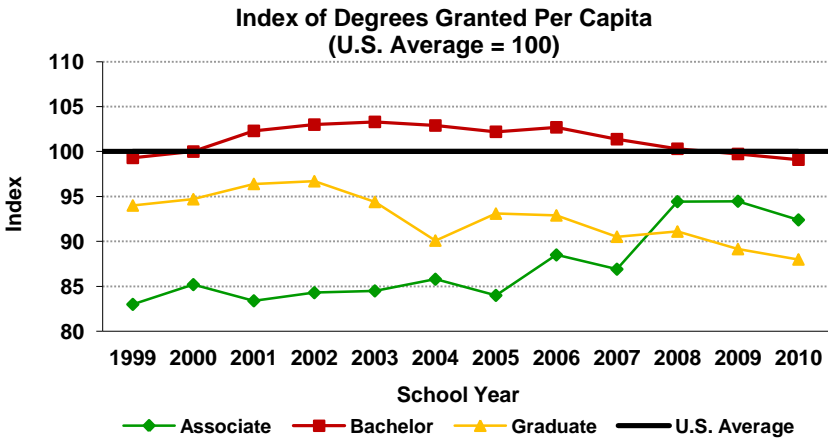
Ohio's Educational Attainment Compared to U.S. Average, 2010
(U.S. Average = 100)



Source: U.S. Census Bureau

- This index compares Ohio's educational attainment to the national average. An index score of 95 indicates that Ohio is 5% below the national average.
- Although the percentage of Ohioans with postsecondary degrees is below the national average for all age groups, the percentages for younger Ohioans are closer to the national average than those for older Ohioans.
- For each age group shown in the chart above (beginning with 18 to 24 year olds), the index for Ohioans with at least a bachelor's degree is 96.3, 94.3, 93.3, 85.4, and 78.8, respectively. The percentage of Ohioans within each age group who hold at least a bachelor's degree is 8.8%, 29.3%, 29.2%, 24.4%, and 16.8%, respectively, compared to the national average of 9.2%, 31.1%, 31.3%, 28.6%, and 21.3%.
- Compared to all states plus Washington D.C. and Puerto Rico, Ohio ranks 21st for the percentage of people aged 18 to 24 with at least a bachelor's degree. Ohio ranks 27th for ages 25 to 34, 33rd for ages 35 to 44, and 41st for both ages 45 to 64 and ages 65 and over.
- Ohio's relatively low educational attainment for older age groups may reflect the state's strong industrial and agricultural economic history. These industries often did not require a college education for many types of jobs.
- Aggregating over all age groups, 22.7% of Ohioans had at least a bachelor's degree in 2010. Ohio ranks 37th in this percentage; the national average is 25.7%. Compared with contiguous states, Ohio's percentage is higher than Indiana (20.6%), Kentucky (18.8%), and West Virginia (16.4%), but lower than Pennsylvania (25.1%) and Michigan (23.0%).

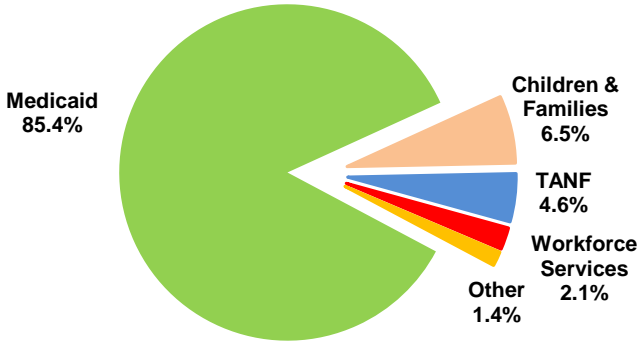
Ohio's Colleges and Universities Dip Below National Average in the Granting of Bachelor's Degrees



- This index compares degrees granted by Ohio's colleges and universities to the national average on a per capita basis. An index score of 105 indicates that Ohio is 5% above the national average; an index score of 95 indicates that Ohio is 5% below the national average.
- In 2010, the number of bachelor's degrees granted per capita in Ohio was about 0.9% below the national average. In the past ten years, 1999 and 2009 were the only other years that Ohio's bachelor's degrees per capita were below the national average.
- In 2010, the numbers of associate degrees and graduate degrees granted per capita in Ohio were about 7.6% and 12.0%, respectively, below the national average. Despite the decrease in 2010, Ohio's associate degrees per capita were still 9.4 percentage points closer to the national average than the ten-year low in 1999.
- On a per capita basis, in 2010 Ohio ranked 23rd highest among the states for associate degrees granted, 29th for bachelor's degrees, and 26th for graduate degrees. Aggregating all postsecondary degrees granted, Ohio ranked 27th in the nation.
- In 2010, Ohio granted 29,332 associate degrees, 61,085 bachelor's degrees, and 28,015 graduate degrees. Ohio's public institutions accounted for 67.6%, 64.2%, and 63.5%, respectively, of the various degrees granted.
- Of all students who pursued an associate degree at an Ohio institution in 2009, 27.1% graduated in three years or fewer, compared to 29.2% nationally. For bachelor's degree programs, 54.7% of Ohio students graduated in six years or fewer, compared to 55.5% nationally.

Medicaid Comprises Over 85% of ODJFS Expenditures

Job and Family Services Spending by Component, FY 2012

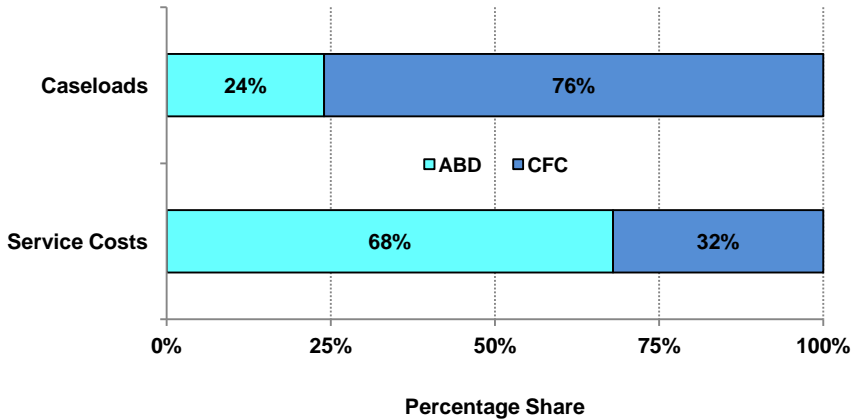


Source: Ohio Administrative Knowledge System

- In FY 2012, the Ohio Department of Job and Family Services (ODJFS) expended \$20.5 billion across all funds. Of this total, \$17.5 billion (85.4%) was spent on Medicaid, the largest single state program. Medicaid is funded by a combination of state and federal funds from GRF (\$11.7 billion) and non-GRF (\$5.8 billion) sources.
- The second largest spending component was Children and Families at \$1.3 billion (6.5%). This component includes adoption, child care, child support enforcement, child welfare, and foster care.
- Temporary Assistance for Needy Families (TANF) accounted for another \$1.0 billion (4.6%) of the total. TANF reduces the dependency of needy parents by promoting job preparation and work and provides cash assistance and noncash supports. It is mainly funded by a federal block grant and the GRF.
- Spending on Workforce Services was \$433.0 million (2.1% of the total), and was supported by federal Workforce Investment Act grants and federal funds for the administration of the unemployment compensation program.
- The "Other" component includes food assistance, computer projects, and support services. Spending on this component was \$284.5 million (1.4%).
- In FY 2012, 89.1% (\$18.3 billion) of ODJFS's total spending was distributed as subsidies to make payments to Medicaid providers and provide employment and financial assistance to families. Transfers, including federal Medicaid reimbursement to other state agencies, accounted for 7.8% (\$1.6 billion) of the total. Payroll expenses and purchased personal services were \$295.3 million (1.4%) and \$124.3 million (0.6%), respectively.

Aged, Blind, and Disabled Account for 24% of Medicaid Caseloads but 68% of Service Costs

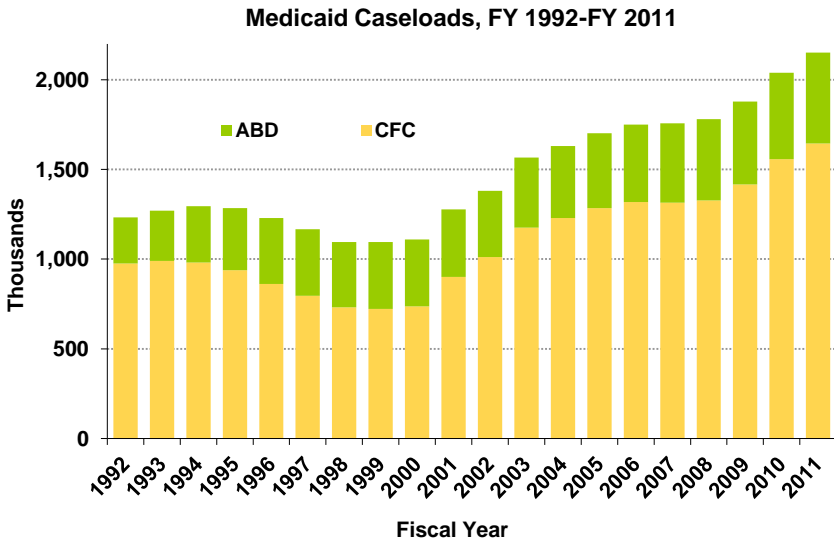
ABD and CFC Shares of Medicaid Caseloads and Service Costs, FY 2011



Source: Ohio Department of Job and Family Services

- In FY 2011, the aged, blind, and disabled (ABD) population made up 24% of the Medicaid caseloads but accounted for 68% of the service costs. In contrast, the covered families and children (CFC) population made up 76% of the Medicaid caseloads but only accounted for 32% of the service costs.
- Medicaid caseloads totaled 2.2 million in FY 2011, of which 0.5 million were ABD and 1.7 million were CFC. Of \$16 billion in Medicaid service costs in FY 2011, \$10.9 billion was incurred for the benefits of the ABD population and \$5.1 billion was incurred for the CFC population.
- In Ohio, Medicaid provides health insurance coverage to the ABD and CFC populations. The ABD population includes low-income elderly who are age 65 or older and individuals with disabilities. The CFC population includes children and parents from low-income families and low-income pregnant women.
- In FY 2011, the average monthly Medicaid cost was \$1,655 for an ABD member compared to \$251 for a CFC member.
- The cost of long-term care is one of the reasons for the higher expense of the ABD population. To illustrate, expenditures on nursing facilities alone, which are almost entirely for the benefit of the ABD population, accounted for 21% of the total Medicaid service expenditure in FY 2011.

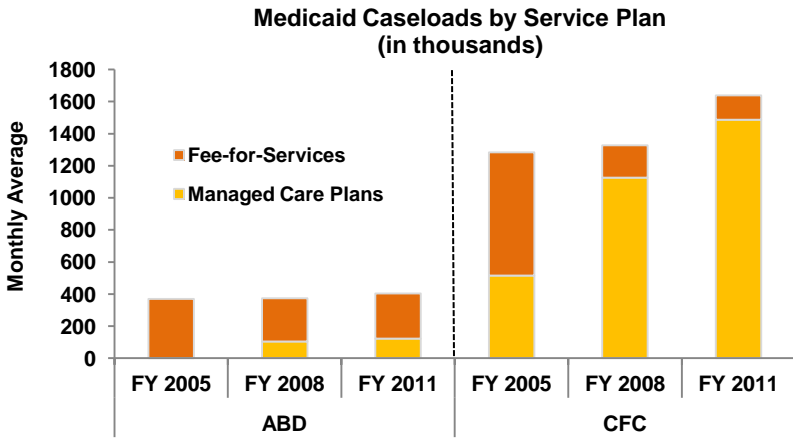
Medicaid Caseloads Continue to Increase



Source: Ohio Department of Job and Family Services

- Medicaid caseloads continued to increase in FY 2011 due to the recent economic downturn and weak recovery in labor markets. From FY 2008 to FY 2011, total caseloads increased by 21%, from 1.8 million to 2.2 million.
- Due to the economic slowdown and several eligibility expansions for family and child coverage, total Medicaid caseloads increased rapidly in the early 2000s. From FY 2000 to FY 2004, total Medicaid caseloads increased by 47%, from 1.1 million to 1.6 million.
- In Ohio, Medicaid provides health insurance coverage to the covered families and children (CFC) and aged, blind, and disabled (ABD) populations. CFC includes low-income children and parents and low-income pregnant women. ABD includes low-income individuals who are age 65 or older and persons of all ages with disabilities.
- Due to the decline in the Ohio Works First cash assistance caseload as a result of welfare reform, CFC caseloads declined steadily in the late 1990s, reaching a low of 0.7 million in FY 1999. CFC caseloads grew rapidly in the early 2000s, increasing 67% from FY 2000 to FY 2004 when they reached 1.2 million.
- ABD caseloads grew 10% annually, on average, in the first half of the 1990s. Then annual growth slowed to 0.4% on average from FY 1996 to FY 2000, followed by annual growth averaging 3% from FY 2001 to FY 2011.

Medicaid Managed Care Caseloads Expand

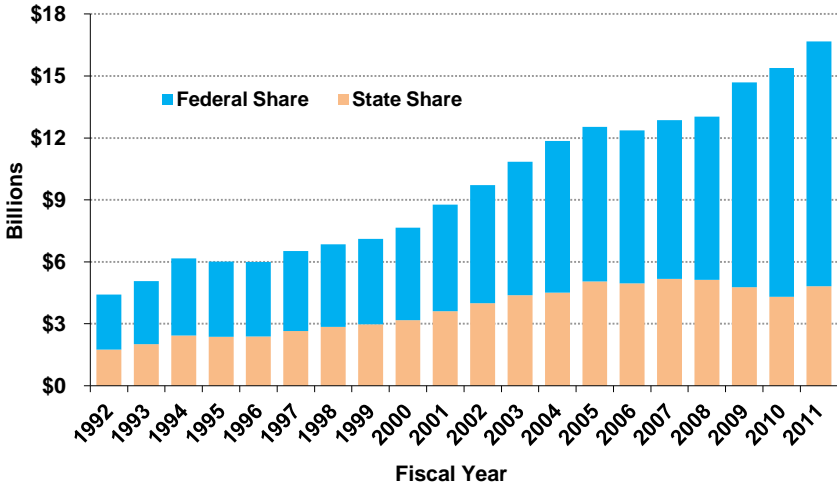


Source: Ohio Department of Job and Family Services

- Due primarily to the statewide expansion implemented in FY 2006, Medicaid managed care caseloads increased by 212% from FY 2005 to FY 2011. The managed care share of total Medicaid caseloads increased from 31% in FY 2005 to 79% in FY 2011.
- For the covered families and children (CFC) category, managed care caseloads grew from 517,000 in FY 2005 to 1.5 million in FY 2011, increasing CFC's managed care share from 40% to 91%. For the aged, blind, and disabled (ABD) category, managed care caseloads grew from 148 to 124,000, increasing its share from less than 0.3% to 31%.
- H.B. 66 of the 126th General Assembly required that the CFC population and certain ABD populations be enrolled in managed care plans.
- Ohio Medicaid began to use managed care in 1978. Prior to the mandated expansion in H.B. 66, Medicaid managed care was limited to large metro areas and exclusively focused on the CFC population.
- Under the fee-for-service system, Medicaid reimburses health care professionals and institutions for providing approved medical services and products based on set fees for the specific types of services rendered.
- Under the managed care system, a Medicaid enrollee typically receives all care through a single point of entry. The state pays a fixed monthly premium per beneficiary for any health care included in the benefit package, regardless of the amount of services actually used.

Medicaid Expenditures Continued to Rise in FY 2011

Medicaid Expenditures, FY 1992-FY 2011



Source: Centers for Medicare & Medicaid Services

- Ohio's Medicaid expenditures continued to rise in FY 2011 mainly due to the recent economic slowdown. From FY 2008 to FY 2011, on average Medicaid expenditures grew by 8.6% per year.
- Medicaid expenditures also rose rapidly in the early 1990s and early 2000s, averaging 22.6% per year from FY 1990 to FY 1994 and 11.5% per year from FY 2000 to FY 2004. Those high growth rates were a result of an economic downturn, poor labor market conditions, increasing health care costs, and eligibility expansions.
- Medicaid expenditures in FY 2011 totaled \$16.7 billion, 3.8 times greater than FY 1992 expenditures of \$4.4 billion. The average annual growth rate over this 20-year period was 7.2%.
- The only decrease in Medicaid expenditures in the 2000s occurred in FY 2006, due to the implementation of pharmacy benefits under Medicare Part D, which began January 1, 2006. As a result of Medicare Part D, Medicaid no longer pays for prescription drugs for individuals qualified for both Medicaid and Medicare.
- Generally, the federal government pays for 64% of Ohio's Medicaid expenditures and the state pays the remaining 36%. The federal share is determined annually based upon the most recent per capita income for Ohio relative to that of the nation. For the period of October 1, 2008 through June 30, 2011, federal reimbursement for Medicaid was enhanced under the American Recovery and Reinvestment Act of 2009 and P.L.111-226.

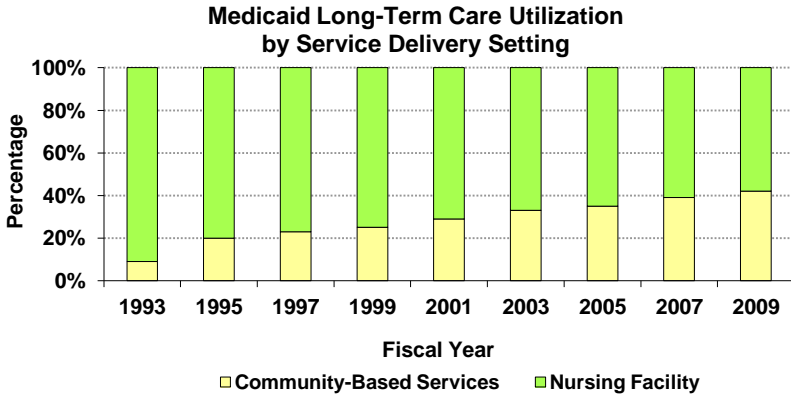
Managed Care Spending Outpaces All Other Medicaid Service Categories

ODJFS Medicaid Spending by Service Category (\$ in millions)					
Service Category	FY 2001		FY 2011		% Change
	Amount	% of Total	Amount	% of Total	
Managed Care	\$430	6%	\$5,112	37%	1,089%
NFs & ICFs/MR	\$2,679	39%	\$3,227	23%	20%
Drugs & Medicare Part D	\$1,057	15%	\$1,908	14%	81%
Other & Medicare Buy-in	\$659	10%	\$1,548	11%	135%
Hospital	\$1,495	22%	\$1,502	11%	0%
Physician	\$423	6%	\$338	2%	-20%
Home Care Waiver	\$141	2%	\$330	2%	134%
Total	\$6,884	100%	\$13,965	100%	103%

Source: Ohio Department of Job and Family Services

- Over the last decade, Medicaid spending growth has been concentrated in Managed Care. While overall Medicaid spending within the Ohio Department of Job and Family Services (ODJFS) increased by 103% from \$6.89 billion in FY 2001 to \$13.97 billion in FY 2011, spending for Managed Care grew more than ten times faster, by 1,089%. Consequently, Managed Care's share of total Medicaid spending increased from 6% in FY 2001 to 37% in FY 2011.
- The growth in Managed Care spending is largely due to H.B. 66 of the 126th General Assembly, which required that specific Medicaid populations be enrolled in managed care beginning in FY 2006.
- Although spending for nursing facilities (NFs) and intermediate care facilities for the mentally retarded (ICFs/MR) grew slower than overall Medicaid spending, spending for NFs and ICFs/MR continues to be one of the major Medicaid service categories. It accounted for 23% (\$3.23 billion) of total Medicaid spending in FY 2011.
- Home Care Waiver spending had the third highest growth rate at 134% during this period although it only comprised 2% (\$330 million) of total Medicaid spending in FY 2011. Implemented in the FY 1997-FY 1998 biennium, Home Care Waiver is a Medicaid waiver program providing home and community-based services to individuals with serious disabilities and unstable medical conditions who would otherwise be eligible for Medicaid nursing home services.
- Physician spending is the only category that experienced a decrease during this period due largely to the expansion of managed care.

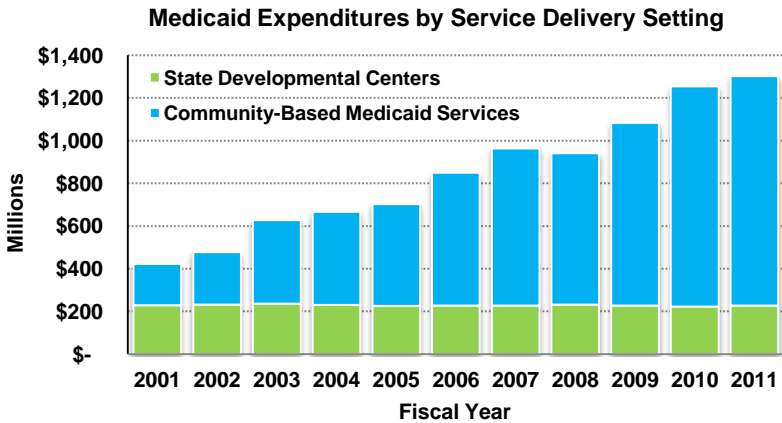
Percentage of Medicaid-Eligible Elderly Opting for Community-Based Long-Term Services Increases



Source: Scripps Gerontology Center, Miami University

- Since FY 1993, the number of Medicaid-eligible elderly choosing community-based long-term care services has increased steadily. Consequently, the share of community-based long-term care services increased from 9% in FY 1993 to 42% in FY 2009. In contrast, the nursing facility share decreased from 91% to 58% over the same period.
- In FY 2009, the average daily census at nursing facilities for Medicaid consumers age 60 and over was 42,379. These individuals were served at an average cost of \$4,281 per month. Many consumers who enter a nursing facility stay for less than six months to receive rehabilitative or recovery care.
- PASSPORT, the largest Medicaid waiver program, and Choices provide in-home long-term care services to elderly consumers. In FY 2009, an average of 27,039 consumers were served each month by these two programs at an average monthly cost of \$1,067 and \$1,500, respectively.
- The Transitions Aging Carve-Out Program provides community-based services to elderly consumers with serious disabilities and unstable medical conditions. In FY 2009, an average of 1,573 consumers were served by the program each month at an average cost of \$1,701.
- The Program for All Inclusive Care (PACE) provides seniors with site-based managed care services in the Cincinnati and Cleveland areas. In FY 2009, an average of 668 consumers were served by the program each month at an average monthly cost of \$2,643.
- Assisted Living provides long-term care services in certified residential care facilities for persons age 21 and older. In FY 2009, an average of 989 consumers were served by the program each month at an average monthly cost of \$1,518.

Spending on Community-Based Services Increases as Spending on State Developmental Centers Stagnates

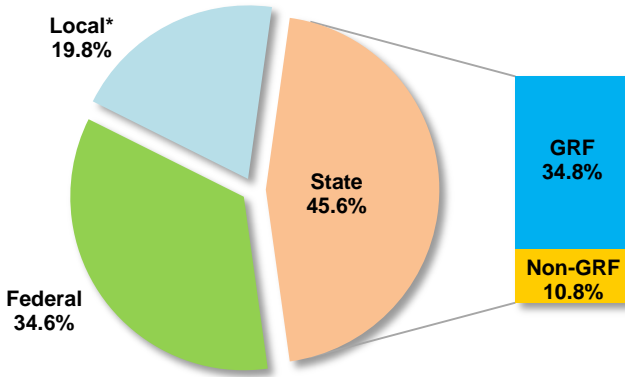


Source: Ohio Department of Developmental Disabilities

- From FY 2001 to FY 2011, Medicaid expenditures for home and community-based services increased 452% from \$194.6 million to \$1.07 billion, while Medicaid expenditures for individuals in state developmental centers held level at about \$229 million each year.
- The Department of Developmental Disabilities (DODD) administers two community-based Medicaid waiver programs that enable people with developmental disabilities to remain in their homes or community settings. Both programs provide services to increase skills, competencies, and self-reliance and to maximize quality of life while ensuring health and safety.
- Enrollment in DODD's two waiver programs grew from about 5,700 in FY 2001 to 25,400 in FY 2011, an increase of 346%. Enrollment levels must be approved by the federal government each year.
- DODD operates regional developmental centers that provide habilitative environments for individuals with severe disabilities. In FY 2001, there were 12 centers with about 1,970 residents. By FY 2011, two centers had closed and the number of residents had decreased 36% to 1,260. The average cost per person increased over this period, keeping total expenditures flat.
- In FY 2011, the average monthly cost of an individual in a developmental center was almost \$15,900, while the average monthly cost of an individual on a waiver program was about \$900 for the Level 1 waiver and about \$5,000 for the Individual Options waiver.
- In addition to state developmental centers and home and community-based services, Medicaid also pays for individuals in private intermediate care facilities. In FY 2011, payments to these facilities totaled \$550 million.

State Provided Close to 46% of Total Funding for Mental Health Services in FY 2011

Mental Health Services Spending by Funding Source, FY 2011



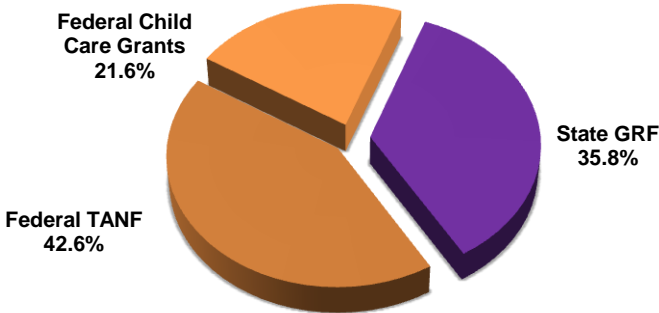
* Local funding includes levies for alcohol and drug addiction services.

Source: Ohio Department of Mental Health

- In FY 2011, mental health services spending totaled \$1.33 billion in Ohio. State funds comprised 45.6% of these expenditures at \$607.9 million, including \$464.1 million (34.8%) from the GRF and \$143.8 million (10.8%) from various non-GRF funds. The federal government provided \$461.2 million (34.6%) of the total, and the remaining \$264.5 million (19.8%) was from local levies and other county funds.
- The Ohio Department of Mental Health (ODMH) is responsible for ensuring that mental health services are available in the state through a system of local mental health boards and state mental hospitals.
- In FY 2011, Ohio's 50 community-based behavioral health boards served over 360,000 individuals throughout the state. These boards include 47 alcohol and drug addiction and mental health service boards and three county mental health service boards. Boards contract with various service providers to deliver mental health services to clients in the community.
- In FY 2011, ODMH operated five behavioral healthcare organizations that provided inpatient services at seven hospital sites. During FY 2011, state hospitals served 6,730 individuals at a cost of \$214.6 million. Average daily cost per resident was \$602.
- In FY 2011, approximately 268,500 individuals received Medicaid mental health services through ODMH. Of the \$461.2 million provided by the federal government in FY 2011, approximately \$391.4 million (84.9%) was federal reimbursement for Medicaid services.

Two-Thirds of Subsidized Child Care Was Funded by Federal Grants in FY 2011

Child Care Expenditures by Funding Source, FY 2011



Sources: Ohio Department of Job and Family Services; Ohio Administrative Knowledge System

- Of the \$612.1 million Ohio expended on subsidized child care in FY 2011, \$393.1 million (64.2%) was from federal grants. In that year, a monthly average of 107,868 children received subsidized child care, at an average monthly cost of \$473 per child.
- The federal TANF Block Grant accounted for most of these expenditures at \$260.6 million (42.6%). Ohio's TANF Block Grant is \$728 million per year and is also used for cash assistance and other programs for the indigent.
- Federal Child Care and Development Fund (CCDF) Grants accounted for \$132.5 million (21.6%) of the total. There are three separate CCDF grants: a discretionary grant, a mandatory grant, and a matching grant.
- State GRF dollars accounted for the remaining \$219.0 million (35.8%). Ohio is required by the federal government to expend about \$84.7 million each year to receive the CCDF mandatory grant and the CCDF matching grant.
- For families enrolled in or transitioning out of the Ohio Works First Program child care is guaranteed, but for most families, eligibility is based on income level. Families with incomes up to 125% FPG (\$23,863 annually for a family of three) are eligible for services if funding is available; families may remain eligible until their incomes rise above 200% FPG (\$38,180 annually). Families pay copayments to providers on a sliding scale based on income.
- In addition to paying providers for child care services, the federal CCDF and TANF grants are used for administration and licensing activities for all child care centers in the state. In FY 2011, \$45.6 million was expended for local and state level administration of subsidized child care and \$37.8 million was expended for licensing and inspecting child care facilities including the quality ratings program. At least 4% of CCDF funds must be used to improve child care quality.

Ohio's Percentage of Preterm Births and Infant Mortality Rate Exceed National Statistics

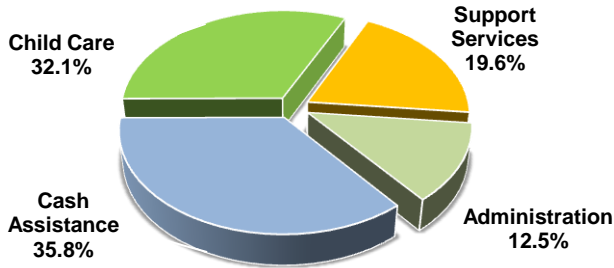
Ohio Infant Health Statistics by Race/Ethnicity		
Category	Ohio	U.S.
% of Preterm Births, 2009	12.3%	12.2%
Non-Hispanic White	11.1%	10.9%
Non-Hispanic Black	17.9%	17.5%
Hispanic	12.7%	12.0%
Infant Mortality Rate (per 1,000 births), 2005-2007	7.9	6.8
Non-Hispanic White	6.4	5.7
Non-Hispanic Black	15.3	13.4
Hispanic	6.6	5.5

Sources: Kaiser Family Foundation State Health Facts; Ohio Department of Health

- In 2009, 12.3% of all births in Ohio were preterm births (less than 37 weeks of gestation) compared to the national average of 12.2%. Similar to the national pattern, the percentage of preterm births in Ohio for non-Hispanic black infants (17.9%) was higher than the percentage for both non-Hispanic white (11.1%) and Hispanic (12.7%) infants.
- In 2009, there were a total of 17,824 preterm births in Ohio. Preterm birth makes infants more vulnerable to developmental and medical problems. The average hospital cost for a premature infant is approximately \$49,000 as compared to \$4,500 for a full-term, healthy infant.
- During 2005-2007, Ohio's overall infant mortality rate of 7.9 (infant deaths per 1,000 live births) ranked 11th highest among the states and was higher than the national rate of 6.8. The rate for non-Hispanic blacks in Ohio and in the United States was more than twice the rate for non-Hispanic white infants.
- The leading medical causes of infant mortality during the first year of life are premature birth, birth defects, and sudden unexpected infant deaths, including sudden infant death syndrome and accidental rollover or suffocation. Factors such as poverty, lack of education and prenatal care, and poor nutrition may increase the risk of infant mortality.

Cash Assistance Accounted for Almost 36% of Ohio's TANF Expenditures in Federal Fiscal Year 2011

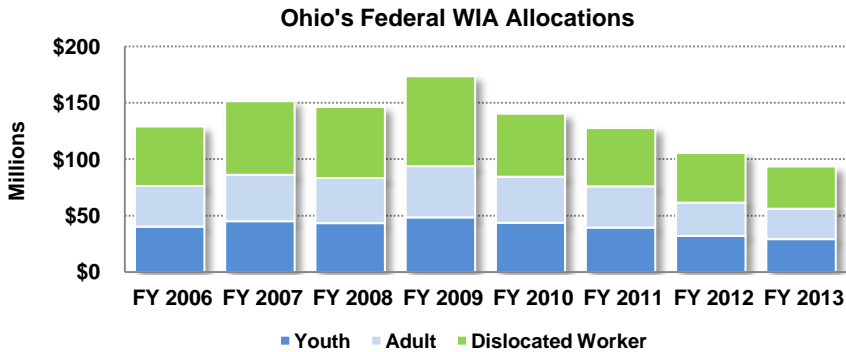
Ohio's TANF Expenditures, FFY 2011



Source: U.S. Department of Health and Human Services

- In FFY 2011, cash assistance payments, provided under the Ohio Works First (OWF) program, accounted for \$440.1 million (35.8%) of Ohio's \$1.23 billion in total Temporary Assistance for Needy Families (TANF) expenditures. In FFY 2011, an average of 99,470 assistance groups received OWF benefits each month with an average monthly benefit of \$369.
- Eligible OWF assistance groups must include a minor child or pregnant woman and have income of no more than 50% of the federal poverty guidelines (\$9,545 annually for a family of three). Heads-of-household must sign a self-sufficiency contract that includes a work plan. Benefits are time-limited to 36 months, but time and income limits and work requirements do not apply to "child-only" cases (about half of OWF assistance groups), in which a relative caregiver receives the benefit on behalf of a child.
- Subsidized child care, which accounted for \$395.0 million (32.1%) of TANF expenditures, is available to children in families with incomes up to 125% FPG (\$23,860 for a family of three). In FY 2011, a monthly average of 107,870 children received subsidized child care. In addition to TANF funds, other state and federal funds are used to pay child care providers.
- Support services (\$241.2 million) are short-term noncash benefits provided at the local level and may include shelter, job-required clothing, household necessities, home repair, transportation, and other services allowable under federal law. Administration (\$154.4 million) includes both state and local activities such as eligibility determination and case management.
- Ohio's TANF resources total about \$1.15 billion each year: \$728 million from the federal TANF Block Grant and \$417 million in state funds to meet the TANF maintenance of effort requirement. In FFY 2011, TANF expenditures exceeded regular TANF resources due to the additional federal TANF funds Ohio received under the American Recovery and Reinvestment Act of 2009.

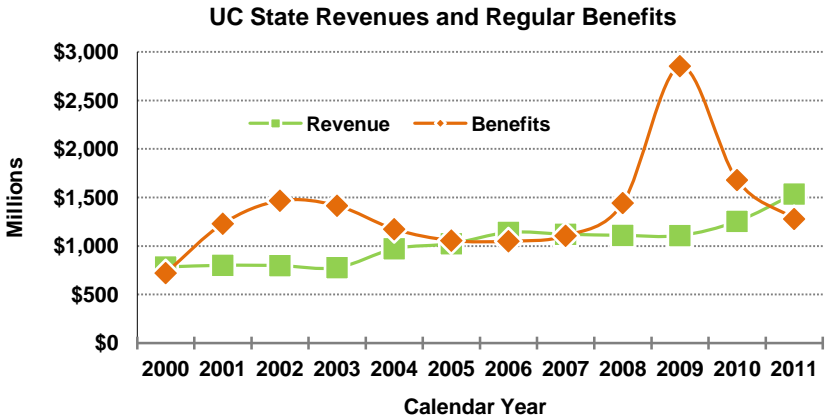
Ohio's Federal Workforce Investment Act Grants Decreased 46% Over Last Four Fiscal Years



Sources: U.S. Department of Labor; Federal Funds Information for States; ODJFS

- From FY 2009 to FY 2013, Ohio's federal Workforce Investment Act (WIA) grants decreased 46% from \$173.7 million to \$93.6 million. Over this time, Ohio's Dislocated Worker grant decreased by about 53%, while grants for Youth and Adults decreased by 40%.
- The recent decreases are due to reductions in: (1) the national WIA allocations, which are set by Congress each year, and (2) Ohio's proportion of unemployed and economically disadvantaged youth and adults compared to other states. Prior to FY 2010, Ohio's proportion of these individuals was increasing relative to other states, while the national WIA allocations remained fairly level.
- From FY 2009 to FY 2011, the decreases in Ohio's WIA grants were mitigated by \$138.1 million in additional WIA dollars received under the federal American Recovery and Reinvestment Act of 2009 (ARRA). Most ARRA WIA funds were expended in FY 2010; all were expended by the end of FY 2011.
- WIA is a federally funded program that delivers workforce services. At the state level, the program is administered by the Ohio Department of Job and Family Services (ODJFS). At the local level, 20 regional workforce investment boards administer the delivery of workforce services through 90 local One-Stop locations, with at least one in each county.
- Each year, in accordance with federal law, ODJFS distributes 85% of the state's total WIA grants to Ohio's workforce investment boards to deliver services. Boards have two years to expend WIA grants. The remaining WIA dollars are used by ODJFS to help areas in the state that experience mass layoffs (10%) and for administration and other statewide workforce programs (5%). ODJFS may expend WIA funds over three years for these purposes.

Ohio's Unemployment Compensation Revenues Exceeded Benefit Payments by \$257 Million in 2011



Source: Ohio Department of Job and Family Services

- In 2011, regular unemployment compensation (UC) revenues totaled \$1.54 billion, \$257 million higher than net benefit payments of \$1.28 billion. This was the first time in four years that revenues exceeded benefits.
- In 2011, benefits were 55% below their peak in 2009, while revenues were 39% greater. Generally, revenues increase a year or two after an increase in benefits, as employers' UC tax rates are adjusted upward to compensate for the years of higher benefits.
- UC revenue is derived from taxes paid by Ohio employers on the first \$9,000 of each employee's wages. Rates are set in state law and are based on an employer's "experience" of unemployment. In 2011, the tax rates ranged from 0.7% to 9.1% and averaged about 3.8%, or \$342 per employee.
- UC benefits exceeded revenues in eight of the past twelve years. During the years of shortfall, the state used the balance in Ohio's Unemployment Compensation Trust Fund to pay benefits. The balance of the fund peaked in August 2000, at \$2.42 billion, and steadily declined until January 2009, when the fund was depleted.
- Once the trust fund was depleted, Ohio began borrowing from the federal government to pay benefits. Ohio has borrowed \$2.88 billion as of July 2012. Thirty other states also borrowed federal dollars to pay benefits. States must pay back borrowed amounts out of their trust funds once balances have been restored. In 2011, Ohio made principal payments of \$533 million.
- Interest on borrowed amounts must be paid from state funds. The federal government waived interest in 2009 and 2010. In 2011, Ohio made an interest payment of \$70.7 million.

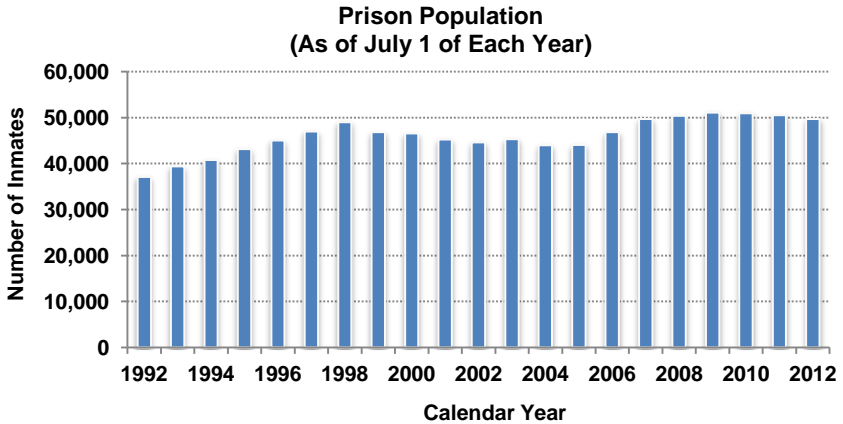
Workers' Compensation Paid \$1.8 Billion in Benefits to Injured Workers in FY 2011

Workers' Compensation Claim and Paid Benefit Statistics			
	FY 2009	FY 2010	FY 2011
Benefits (\$ in millions)			
Medical	\$833.5	\$800.8	\$778.9
Indemnity	\$1,130.8	\$1,085.6	\$1,053.7
Total	\$1,964.3	\$1,886.4	\$1,832.6
Number of New Allowed Claims			
Total	118,855	104,151	104,835
Number of Open Claims			
Total	1,321,214	1,221,302	1,129,873

Source: Ohio Bureau of Workers' Compensation

- The Bureau of Workers' Compensation (BWC) paid \$1.83 billion in indemnity benefits and medical claims in FY 2011. This was approximately 2.7% less than the \$1.89 billion paid in FY 2010 and approximately 6.6% less than the \$1.96 billion paid in FY 2009.
- Of the \$1.83 billion paid in FY 2011, 57.5% (\$1.05 billion) was for indemnity benefits and 42.5% (\$778.9 million) was for medical benefits.
- The total number of allowed claims in FY 2011 was 104,835, almost unchanged from the 104,151 allowed claims in FY 2010. The FY 2011 figure, however, was 11.8% lower than the 118,855 claims allowed in FY 2009.
- Continuing a recent trend, the total number of open claims decreased to 1.13 million in FY 2011, from 1.22 million in FY 2010 and 1.32 million in FY 2009.
- In FY 2011, BWC collected a total of \$1.86 billion in premiums and assessments to insure against claims. This was \$262.0 million less than what was collected in FY 2010 and \$504.5 million less than in FY 2009.
- BWC's net assets increased substantially between FY 2010 and FY 2011. As of June 30, 2011, BWC had total assets of \$26.10 billion and total liabilities of \$20.33 billion, for a total of \$5.77 billion in net assets. Net assets at the end of FY 2010 were \$3.83 billion. The increase was largely attributable to investment gains.
- BWC issued policies to roughly 256,000 employers in FY 2011, including close to 4,000 state and local public employers. Slightly more than 1,200 employers qualified to self-insure in FY 2011.

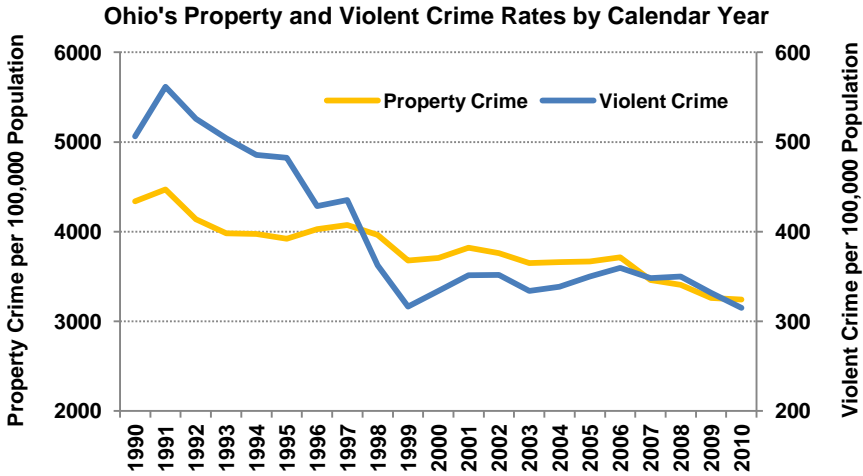
Prison Population Continues Three-Year Trend of Small Annual Decreases



Sources: Ohio Department of Rehabilitation and Correction; U.S. Bureau of Justice Statistics

- In 2012, Ohio's prison population continued a three-year trend of small annual decreases averaging about 0.9% per year. Since 2009, the inmate population has decreased by a total of 1,350 inmates or 2.6%.
- As of July 1, 2012, Ohio's adult prison system consisted of 28 correctional institutions, approximately 12,000 employees, and 49,710 inmates.
- Ohio's prison population grew from 37,116 in 1992 to 49,029 in 1998, a total increase of 32.1% and an average annual increase of 4.8%. In FY 1998, the Department of Rehabilitation and Correction's GRF spending exceeded \$1 billion for the first time. From 1999 to 2005, the prison population decreased by an average of 1.5% annually to 44,082. From 2006 to 2009, the prison population increased by an annual average of 3.8% to 51,060.
- As of December 31, 2010, Ohio's prison population (51,712) ranked 6th in the nation, behind Texas (173,649), California (165,062), Florida (104,306), New York (56,656), and Georgia (56,432). Pennsylvania (51,264), Illinois (48,418), Michigan (44,113), and Arizona (40,130) ranked just below Ohio. These ten states accounted for 56.4% of the total population in state prisons.
- Ohio's ratio of inmates per corrections officer peaked at 8.8:1 in 1993, subsequently decreased steadily to 5.7:1 by 2005, then gradually increased to 7.1:1 in 2012. As of September 30, 2010, the national average ratio of inmates per corrections officer was 6.7:1.
- For FY 2012, the average cost to incarcerate an inmate in an Ohio prison was \$24,870 per year, or \$68.14 per day. Security, which includes the supervision and control of inmates, typically consumes the largest portion of these costs at around 40%.

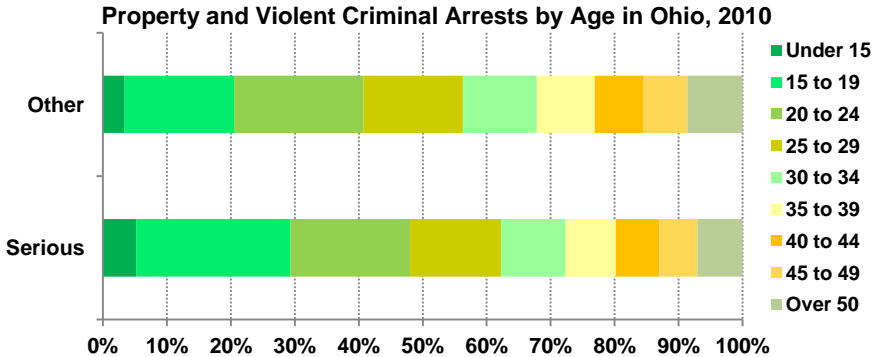
Property and Violent Crime Rates Continue to Decrease



Source: FBI, Uniform Crime Reporting Statistics

- Ohio's property and violent crime rates, as measured by the number of crimes per 100,000 population, have both decreased each year from 2006 to 2010. Over this four year period, Ohio's property and violent crime rates decreased by 12.3% and 12.7%, respectively.
- Ohio's property crime rate peaked in 1991 at 4,471. Since then the rate has generally trended downward to 3,245 in 2010, a 27.4% decrease. Over half of the decrease was attributable to a decline in larceny-theft.
- Ohio's violent crime rate also peaked in 1991 at 562. Since then the rate fell substantially in the 1990s to 316 in 1999, a decrease of 43.7%. The rate then increased in the first half of the 2000s before declining again to a rate of 315 in 2010. The 43.9% decrease since 1991 was largely attributable to declines in aggravated assault and robbery.
- The U.S. property crime rate also peaked in 1991 at 5,140. However, the U.S. property crime rate declined much faster than in Ohio in the 2000s. By 2010 the U.S. rate was 2,942, having declined 42.8% since 1991 compared with 27.4% for Ohio. Consequently, Ohio's property crime rate went from lower than the U.S. average in the 1990s to higher than the U.S. average in the 2000s.
- The U.S. violent crime rate, which also peaked in 1991, followed a trend similar to that of Ohio. The U.S. rate declined to 404 in 2010, a decrease of 46.8%. During this period Ohio's violent crime rate was consistently below the U.S. average.

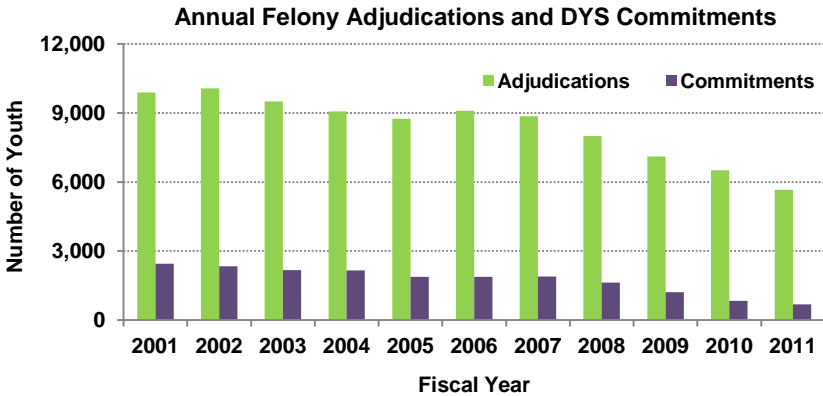
About One-Quarter of Serious Crimes Were Committed by 15-19 Year Olds in 2010



Source: FBI, Uniform Crime Report, Supplemental Data 2010

- In 2010 the 15-19 age group accounted for 24.1% (11,700) of the 48,537 serious property and violent crimes in Ohio as defined by the FBI's annual Uniform Crime Report, while the 20-24 age group made up 20.2% (40,926) of the 239,428 other property and violent crimes. Serious property and violent crimes include the offenses of murder, rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson.
- Overall, 72.3% of serious property and violent crimes (35,108) were committed by individuals younger than 35 years old, including 18.7% (9,093) by the 20-24 age group, 14.2% (6,886) by the 25-29 age group, and 10.1% (4,904) by the 30-35 age group. The peak individual age was 18.
- Individuals younger than 35 years old accounted for 67.9% (162,456) of all other property and violent crimes in Ohio, including 17.1% (40,926) by the 15-19 age group, 15.6% (37,248) by the 25-29 age group, and 11.6% (27,682) by the 30-34 age group. The peak individual ages were 19 to 22 years.
- In 2010, Ohio reported a total of 287,965 property and violent crimes to the FBI. The serious and other crimes' shares were 16.9% and 83.1%, respectively, which were identical to the respective national figures. Ohio's property and violent crimes represented 2.8% of the national total. Ohio's share of serious property and violent crimes was also at 2.8%.
- In 2010, 72% of Ohio arrestees were males and 70% were Caucasian. The corresponding figures for the nation as a whole were 75% and 70%, respectively.
- Since 2004 the number of property and violent crimes reported by Ohio law enforcement agencies has remained relatively stable, averaging 293,955 per year.

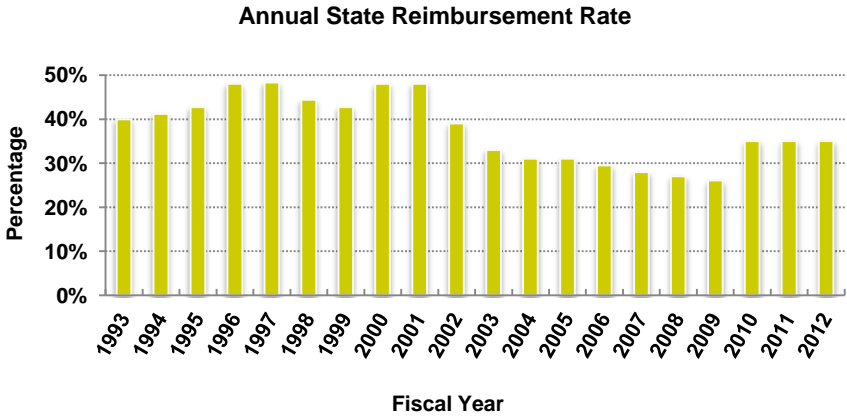
Felony Adjudications and Commitments to Youth Services Decrease Rapidly in Recent Years



Source: Ohio Department of Youth Services

- The number of felony cases adjudicated in juvenile courts decreased from 9,886 in FY 2001 to 5,654 in FY 2011 with an average declining rate of 5.3% per year. The average annual declining rate since FY 2007, however, was two times higher at 10.6%.
- From FY 2001 to FY 2011, the number of youth committed to institutions operated by the Department of Youth Services (DYS) decreased from 2,453 to 687 with an average declining rate of 11.3% per year. The rate of decrease was also much higher in recent years, at an average of 22.1% per year since FY 2007.
- The institutional population decrease is partly due to a component of RECLAIM Ohio, which diverts youth from state institutions by providing funds to county juvenile justice systems to subsidize community residential and nonresidential treatment and supervision programs, including community correctional facilities. Funding for RECLAIM Ohio grew from \$38.2 million in FY 2001 to \$53.0 million in FY 2011, an increase of 39%.
- In FY 2011, the average daily cost for DYS to house, care for, and treat a juvenile offender was \$442, an increase of 215.7% from FY 2001.
- In FY 2001, DYS operated ten institutions with an average daily population of 2,177 youth and 1,195 direct care staff. By the end of FY 2011, DYS had five institutions with an average daily population of 823 youth and 912 direct care staff.
- In the past four years, DYS has closed four institutions (Marion, Mohican, Ohio River Valley juvenile correctional facilities, and the Freedom Center in Delaware County) due to the decreasing institutional population and budgetary constraints.

State Reimbursement Rate for County Indigent Defense Costs Unchanged Since FY 2010

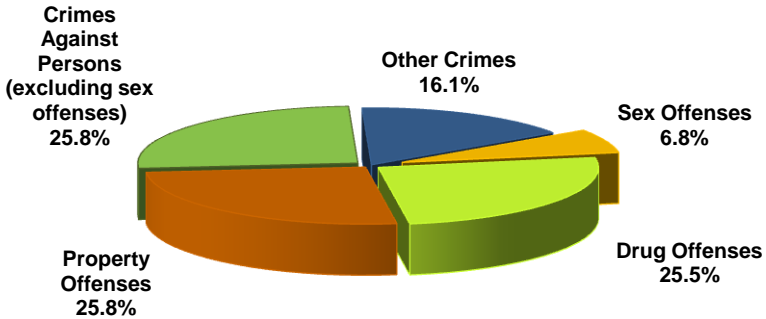


Source: Ohio Public Defender Commission

- From FY 2010 to FY 2012, the state reimbursement rate for county indigent defense costs remained at 35%, up from a 20-year low of 26.2% in FY 2009. The FY 2010 increase, which reversed the general decline in the reimbursement rate during the 2000s, reflected the enactment of several new non-GRF funding sources in the FY 2010-FY 2011 biennial budget that boosted the amount of annual funding available for reimbursement.
- In Ohio, counties are required to provide and pay for legal counsel for indigent persons when a right to counsel exists. The state reimburses counties up to 50% of allowable costs. If the amount appropriated is insufficient to pay the full 50%, available funds are prorated to the counties.
- FY 1991 was the last year the state reimbursed counties for 50% of their allowable costs.
- From FY 1991 to FY 2012, the total cost to the state and counties for providing indigent defense services increased by 213.7% (\$79.5 million), from \$37.2 million to \$116.7 million. Over the same period, the total number of cases subject to the state's indigent defense reimbursement provisions increased by 109.3%, from 196,501 to 411,310.
- The board of county commissioners in each county determines the method of providing indigent defense services. Currently, counties use one of four methods: court appointed counsel (39 counties), county public defenders (29 counties), contract with the state's Office of the Ohio Public Defender (11 counties), or contract with nonprofit corporations (9 counties).

Most Crimes That Put Offenders Into Prison Fall Into Three Main Categories

Prison Commitments by Offense Category, FY 2011



Source: Ohio Department of Rehabilitation and Correction

- In FY 2011, 22,162 offenders were committed to prison, of which 17,083 (77.1%) were committed under the categories of property offenses, crimes against persons (excluding sex offenses), and drug offenses.
- Property crime offenders totaled 5,722 in FY 2011, accounting for 25.8% of total commitments. Of this total, 4,024 (70.3%) were convicted of burglary (2,348) or theft (1,676) offenses. The property offense share of total commitments has decreased from around 50% in the early 1980s to around 25% in recent years.
- Offenders committed for crimes against persons (excluding sex offenses) totaled 5,707 in FY 2011, representing 25.8% of total commitments. Of this total, 1,816 (31.8%) were convicted of a robbery-related offense. Since the late 1990s, this category has constituted around 25% of total commitments.
- Drug offenders totaled 5,654 in FY 2011, accounting for 25.5% of total commitments. Of this total, 2,461 (43.5%) were convicted of drug possession and 2,534 (44.8%) were convicted of trafficking in drugs. The drug offense share of total commitments has decreased steadily in recent years, down from 30.1% in FY 2007.
- Offenders committed for a sex offense totaled 1,513 in FY 2011, largely consisting of registration violations (456), rape (320), and gross sexual imposition (257). Sex offenders have historically accounted for around 6% of total commitments.
- Other crimes for which offenders were committed to prison in FY 2011 included firearms (1,040), resisting arrest/failure to comply (393), driving under the influence (344), and forgery (340).

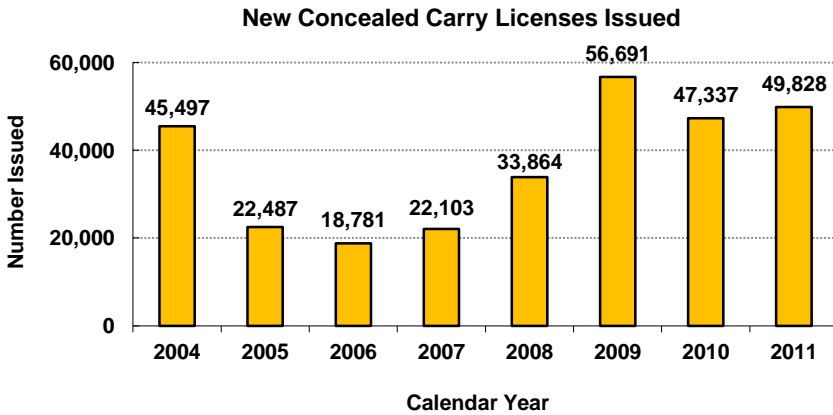
Seventy-Three Percent of New Cases Were Filed in Municipal Courts in 2011

Type of Court	Number of New Cases Filed	% of Total
Supreme Court	2,207	0.08%
Courts of Appeals	9,508	0.35%
Court of Claims	1,337	0.05%
Courts of Common Pleas	575,963	21.25%
<i>General Division</i>	221,181	8.16%
<i>Domestic Relations Division</i>	71,499	2.64%
<i>Probate Division</i>	86,929	3.21%
<i>Juvenile Division</i>	196,354	7.25%
Municipal Courts	1,968,708	72.64%
County Courts	152,421	5.62%
Total	2,710,144	100.00%

Source: Ohio Supreme Court

- In 2011, a total of 2.7 million new cases were filed in Ohio's courts. Of this total, 1.97 million (72.6%) were filed in municipal courts. County courts, which handle similar cases, accounted for another 152,421 (5.6%). A county court exists when an area of the county is not served by a municipal court.
- Of the total number of new filings in 2011, 21.3% were filed in Ohio's 88 courts of common pleas. All but five courts of common pleas have specialized divisions to hear cases involving different subject matter. Adams, Morgan, Morrow, Noble, and Wyandot counties' courts of common pleas have no specialized divisions.
- In 2011, a total of 221,181 (8.2%) new cases were filed statewide in the general division of the courts of common pleas, of which 71,553 (32.4%) involved foreclosure. Since peaking at 89,053 in 2009, the number of new foreclosure filings has decreased: 85,483 in 2010 and 71,553 in 2011.
- Of the 2.7 million new filings in 2011, 45.5% involved traffic law violations, which are generally under the jurisdiction of municipal and county courts.
- Over the last ten years the total annual number of new filings statewide has been decreasing consistently from 3.4 million in 2002 to 2.7 million in 2011, a decrease of 16.4%.
- The Supreme Court, the courts of appeals, and the courts of common pleas are created by the Ohio Constitution. The Court of Claims, county courts, and municipal courts are created by statute.

Concealed Carry Licenses Down From All-Time High



Source: Office of the Ohio Attorney General

- Since Ohio's Concealed Handgun Law went into effect in April 2004, county sheriffs have issued close to 300,000 new concealed carry licenses. The number of new licenses issued annually has ranged from a low of 18,781 in 2006 to a high of 56,691 in 2009.
- Licenses expire five years after issuance. The first renewal period began in 2008. Since then, 65,699 licenses have been renewed.
- Sheriffs are permitted to issue a temporary emergency license, which allows a person who submits evidence of imminent danger to receive an immediate nonrenewable 90-day license. The number of temporary emergency licenses issued annually has averaged around 71.
- Sheriffs must immediately suspend any license upon notification that the licensee has been arrested or charged with certain offenses or if the licensee is the subject of a protection order issued by a court. The number suspended annually ranged from a low of 78 in 2004 to a high of 946 in 2011.
- Sheriffs must revoke the license of any person who no longer meets the eligibility requirements to carry a concealed handgun. The number revoked annually ranged from a low of 42 in 2004 to a high of 378 in 2009. In 2011, 212 licenses were revoked.
- Sheriffs must deny an application by any person who fails to meet the eligibility criteria. The number denied annually ranged from a low of 384 in 2006 to a high of 788 in 2011.
- Ohio has reciprocity agreements with 22 other states, including Kentucky and Michigan.

Ohio Is Below the National Average in Number of Registered Sex Offenders Per 100,000 Population

Number of Registered Sex Offenders for the U.S., Ohio, and Neighboring States, as of November 2011		
State	Per 100,000 Population	Total
U.S.	238	747,408
Pennsylvania	90	11,427
Ohio	169	19,461
West Virginia	195	3,617
Kentucky	201	8,747
Indiana	224	14,567
Michigan	479	47,329

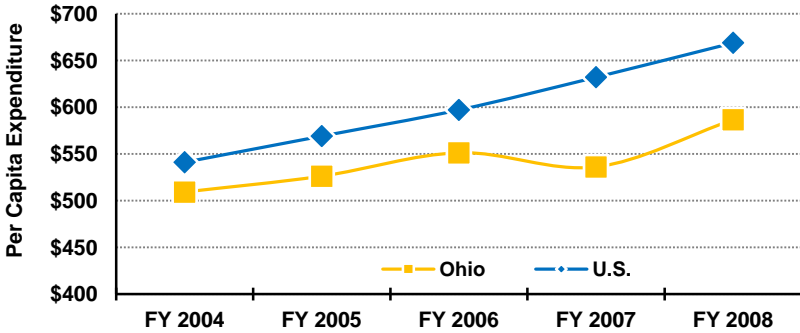
Source: National Center for Missing & Exploited Children

- As of November 2011, the number of registered sex offenders per 100,000 population was 169 for Ohio, well below the national rate of 238. Among its neighboring states, Ohio's rate is higher than that of Pennsylvania, but lower than that of West Virginia, Kentucky, Indiana, and Michigan.
- As of November 2011, Ohio had 19,461 registered sex offenders,¹ accounting for 2.6% of the total 747,408 registered sex offenders in the nation.
- In September 2009, Ohio became the first state in the nation to substantially comply with the federal Sex Offender Registration and Notification Act (SORNA). This was accomplished by the enactment of S.B. 10 of the 127th General Assembly, which replaced the state's prior sex offender classification system (Megan's Law) with a system that classifies offenders as Tier I, Tier II, or Tier III sex offenders/child-victim offenders.
- In June 2010, the Ohio Supreme Court invalidated parts of S.B. 10 that retroactively reclassified sex offenders who had already been convicted prior to the bill's enactment. As a result, 4,446 offenders reverted back to their prior classifications and registration requirements. Ohio effectively operates two sex offender registration systems, which differ primarily in the length and frequency of time that an offender is required to register with a county sheriff's department.
- As of July 2012, 44 jurisdictions have substantially implemented SORNA's requirements, including 15 states, 27 tribes, and 2 territories.

¹ An additional 10,000 sex offenders were incarcerated. In Ohio no registration is required while a sex offender is incarcerated.

Ohio's Per Capita Justice Expenditures Remain Below National Average

Per Capita Justice Expenditures for Ohio and U.S.
(Excluding expenditures made by federal agencies)



Source: U.S. Department of Justice, Bureau of Justice Statistics

- In FY 2008, Ohio's per capita justice expenditures were \$586.44, \$82.39 (12.3%) below the national average of \$668.83.
- Ohio's per capita justice expenditures for FY 2008 consisted of \$270.20 for police protection, \$144.29 for judicial services (including prosecution, courts, and public defense), and \$171.95 for corrections. The U.S. averages for these components were \$293.43, \$136.30, and \$239.10, respectively.
- From FY 2004 to FY 2008, Ohio's per capita justice expenditures increased by 15.2% (\$77.44). The national average increased by 23.4% (\$126.84). Inflation, as measured by the consumer price index, was 13.8% during this period.
- Ohio's justice expenditures totaled \$6.74 billion in FY 2008. Of this total, local governments spent 68.7% (\$4.63 billion), while the state spent the remaining 31.3% (\$2.11 billion).
- In FY 2008, Ohio's per capita justice expenditures ranked 26th highest in the nation. As shown in the table below, compared to its neighboring states, Ohio's per capita justice expenditures were higher than Kentucky, Indiana, and West Virginia, but lower than Pennsylvania and Michigan.

Per Capita Justice Expenditures for Ohio and Neighboring States, FY 2008

State	National Rank	Per Capita Expenditures
Pennsylvania	22	\$597.70
Michigan	23	\$597.65
Ohio	26	\$586.44
Kentucky	46	\$438.42
Indiana	47	\$438.30
West Virginia	48	\$425.41

Ohio Is Below the National Average in Number of Full-Time Law Enforcement Personnel Per 100,000 Residents

Full-Time Law Enforcement Personnel for the U.S., Ohio, and Neighboring States, 2008 ¹					
State	Number of Agencies	Total Personnel		Sworn Personnel	
		Per 100,000 Residents	Number	Per 100,000 Residents	Number
U.S.	17,985	373	1,133,915	251	765,246
Ohio	831	324	37,295	225	25,992
Indiana	482	312	19,940	206	13,171
Pennsylvania	1,117	268	33,670	218	27,413
Michigan	571	264	26,395	190	19,009
Kentucky	389	243	10,412	183	7,833
West Virginia	233	243	4,411	186	3,382

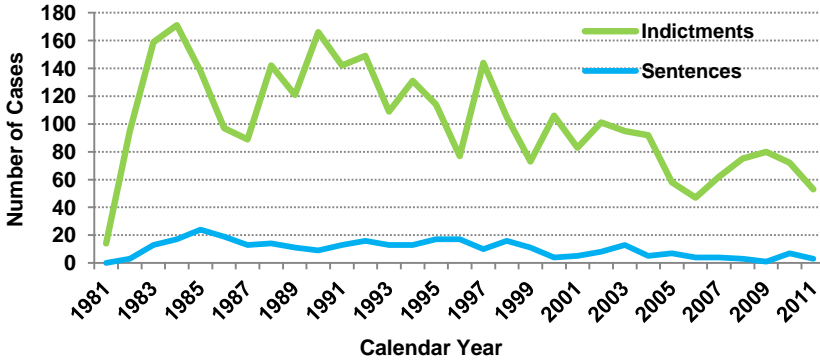
Source: U.S. Department of Justice, Bureau of Justice Statistics

- In 2008, Ohio had 324 total full-time law enforcement personnel per 100,000 residents, of which 225 were sworn personnel (defined as those with general arrest powers). Ohio's total and sworn law enforcement personnel ratios, which ranked 33rd and 30th highest, respectively, were both below the national averages.
- Although lower than the national averages, Ohio's total and sworn law enforcement personnel ratios in 2008 were higher than that of all five neighboring states. Washington, D.C. ranked 1st in both ratios in the nation. Kentucky and West Virginia tied for the lowest in total law enforcement personnel ratio while Washington state had the lowest sworn personnel ratio.
- In 2008, 831 Ohio state and local law enforcement agencies employed a total of 37,295 full-time personnel, accounting for 3.3% of the total law enforcement personnel in the nation. Of Ohio's total, 20,755 (55.7%) were employed by 678 local police departments and 11,372 (30.5%) were employed by 88 county sheriffs' offices.
- Ohio's full-time sworn law enforcement personnel totaled 25,992 in 2008, representing 3.4% of the national total. Of Ohio's total, local police departments and sheriffs' offices employed 16,944 (65.2%) and 5,748 (22.1%), respectively. The Ohio State Highway Patrol employed another 1,560 (6.0%).

¹ Agencies employing less than one full-time officer or the equivalent in part-time officers are excluded in the Bureau of Justice Statistics' Census of State and Local Enforcement Agencies, which is conducted every four years.

Capital Indictment Filings Vary While Death Sentences Issued Remain Stable

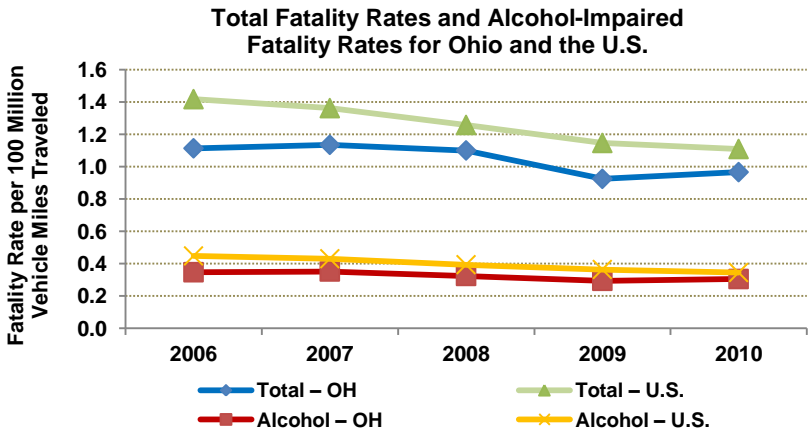
Capital Indictment Filings and Death Sentences Issued



Sources: Office of the Ohio Attorney General; Supreme Court of Ohio; Death Penalty Information Center

- Over the past 30 years, the number of capital indictments filed per year varied substantially, ranging from a high of 171 in 1984 and a low of 47 in 2006. The overall number of death sentences issued, however, remained relatively stable each year, ranging from a high of 24 in 1985 to a low of 1 in 2009.
- Since the death penalty was reinstated in October 1981 through the end of 2011, a total of 3,160 capital indictments were filed, resulting in 313 death sentences being issued against a total of 309 individuals.
- At year end 2011, 46 of those 309 individuals have been executed, 16 received a commutation, 22 died prior to execution, 8 were found ineligible due to mental retardation, 63 were removed based on judicial action, and 154 had active death sentences. For those who have been executed, the average amount of time spent on death row has been 16.26 years.
- As of January 1, 2012, Ohio's death row population (154) ranked seventh in the nation behind California (723), Florida (402), Texas (312), Pennsylvania (211), Alabama (202), and North Carolina (166). Arizona (153), Georgia (99), and Louisiana (89) ranked just below Ohio. These ten states accounted for 80% of the total pending death sentences nationwide. Ohio is one of 33 states that authorize the death penalty.
- Ohio's death row population is primarily located at the Chillicothe Correctional Institution and all executions take place at the Southern Ohio Correctional Facility in Lucasville. Since November 2001, all death sentences in Ohio have been carried out using lethal injection.

Ohio's Total Traffic Fatality and Alcohol-Impaired Fatality Rates Remain Below National Averages

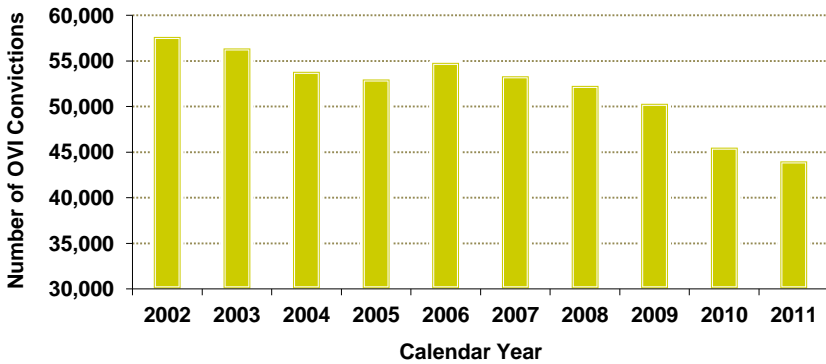


Sources: National Highway Traffic Safety Administration; Ohio Bureau of Motor Vehicles

- From 2006 to 2010, Ohio's total traffic fatality and alcohol-impaired driving fatality rates, as measured by the number of fatalities per 100 million vehicle miles traveled, were both below the corresponding national rates.
- During this period, alcohol-impaired driving fatalities accounted for about one-third of total traffic fatalities in both Ohio and the nation as a whole. An alcohol-impaired driving fatality involves a vehicle operator with a blood alcohol concentration (BAC) at 0.08% or higher.
- Although below the national average, Ohio's total traffic fatality rate of 0.97 for 2010 was an increase of 4.5% from 2009. Similarly, Ohio's alcohol-impaired driving fatality rate also increased by 3.8% to 0.30 in 2010. In contrast, the corresponding national rates both declined in 2010 to 1.11 (a decrease of 3.3%) and 0.34 (a decrease of 5.2%), respectively.
- Ohio's total traffic fatalities were 1,080 in 2010, of which 341 (31.6%) were alcohol-impaired and 307 (28.4%) were speeding-related fatalities.
- The 25-34 age group had the largest share of the total fatalities in 2010 at 16.8% (181), followed by the 45-54 age group at 15.6% (168) and the 35-44 age group at 13.2% (143). Together, the 25-54 age group accounted for 45.6% (492) of the total.
- Across the state, Franklin County had the highest traffic fatalities in 2010 at 76, followed by Cuyahoga County (63) and Montgomery County (51).
- Ohio's OVI (operating a vehicle while under the influence of drugs or alcohol) convictions decreased by 16.9% from 2006 to 2010, from 54,841 to 45,546. Less than 1% of the OVI convictions involved a traffic fatality.

OVI Convictions Declined by 23.7% in Past Ten Years

OVI Convictions in Ohio, 2002-2011



Source: Bureau of Motor Vehicles

- Over the past ten years, OVI (operating a vehicle under the influence of drugs or alcohol) convictions have declined every year in Ohio except in 2006, which saw an increase of 3.4% (1,798 convictions). Overall, OVI convictions decreased by 23.7%, from 57,704 in 2002 to 44,041 in 2011, with an average annual decrease of 2.9%. The largest annual decrease occurred in 2010 (9.6% or 4,832 convictions). The majority of drivers convicted of an OVI offense were first-time offenders.
- In Ohio, a driver is considered intoxicated with a blood alcohol concentration (BAC) at or above 0.08%. The penalties may include incarceration, treatment intervention, fine, license suspension, and vehicle immobilization or forfeiture, and are enhanced for BAC levels that are at or above 0.17%. On average, 2,451 drivers tested at the elevated BAC levels each year.
- The mandatory minimum OVI fine ranges from \$375 to \$1,350, while the driver's license reinstatement fee is \$475. They are earmarked for purposes such as OVI enforcement, incarceration, indigent defense, alcohol and drug addiction services, and alcohol and drug abuse resistance education.
- Ohio's implied consent law requires drivers to submit to a test if suspected of driving while intoxicated. A refusal triggers an immediate administrative license suspension pending a court hearing. On average, 1,464 drivers refused to be tested each year.
- The Department of Public Safety maintains a web-based Registry of Habitual OVI Offenders, which allows the public to search for information on those convicted, after September 30, 2009, of their fifth or subsequent OVI conviction. As of July 2012, the registry included information on 420 habitual OVI offenders.



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