

2018

EDITION

OHIO

FACTS

OHIO LEGISLATIVE SERVICE COMMISSION



Ohio Facts

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



Ohio Legislative Service Commission

77 South High Street, 9th Floor

Columbus, Ohio 43215-6136

(614) 466-3615

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Introduction

The Ohio Legislative Service Commission (LSC) is pleased to present the 2018 edition of *Ohio Facts*. This publication is designed to provide 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 budget analysts and economists 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. In addition to the printed version, *Ohio Facts* may be found on LSC's website: www.lsc.ohio.gov under "Popular Publications" and "Budget Central."

The 2018 edition of *Ohio Facts* includes pages grouped into the following eight categories: Demographics, Economy, Natural Resources and Environment, Public Finances, K-12 Education, Higher Education, Health and Human Services, and Justice and Public Safety Systems.

Annual data in *Ohio Facts* may be presented for a calendar year, a state fiscal year (FY), or a federal fiscal year (FFY). The state fiscal year runs from July through June and is numbered by the calendar year in which it ends. So, FY 2018 ran from July 2017 through June 2018. The federal fiscal year runs from October through September and is also numbered by the calendar year in which it ends. So, FFY 2018 ran from October 2017 through September 2018.

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 Assistant Deputy Director Melaney Carter at (614) 466-6274.

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A Snapshot of Ohio's Population in 2016

Ohio and United States Population Statistics

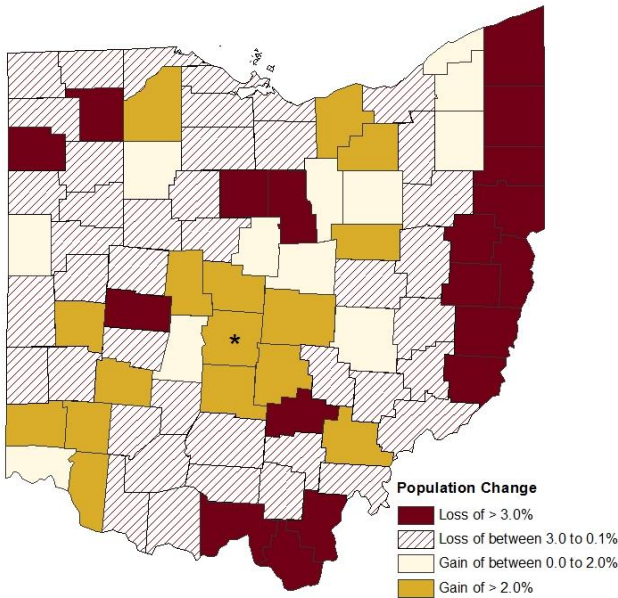
Category	Ohio	United States	Ohio's Rank
Population and Age			
Total population	11,614,373	323,127,515	7
Median age	39.3	37.9	15
Female persons	51.0%	50.8%	16
Foreign born	4.4%	13.5%	37
Persons under 5 years old	6.0%	6.1%	26
Persons under 18 years old	22.5%	22.7%	29
Persons 65 years old or over	16.2%	15.2%	17
Race and National Origin (Selected Groups)			
White	81.6%	72.6%	21
Black or African-American	12.4%	12.7%	17
American Indian or Alaska native	0.2%	0.8%	43
Asian	2.1%	5.4%	31
Hispanic or Latino (of any race)	3.6%	17.8%	41
Education (Persons 25 Years Old or Over)			
High school graduate or higher	90.0%	87.5%	25
College graduate or higher	27.5%	31.3%	37
Homes and Home Life			
Number of households	4,624,669	118,860,065	7
Persons per household	2.44	2.65	44
Households with persons under 18 years	29.4%	31.1%	32
Households with persons 60 years or over	39.0%	38.9%	23
Veterans (in total population 18 years or over)	8.1%	7.4%	29
Households that are married-couple families	45.9%	47.9%	44
Employed (16 years old and over)	59.5%	59.1%	26
Median household money income*	\$52,334	\$57,617	34
Median family income*	\$66,722	\$71,062	31
Median housing value	\$140,100	\$205,000	43
Mean travel to work (minutes)	23.4	26.6	33
Persons speaking a language other than English at home (age 5+)	7.0%	21.6%	38

*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

Central Ohio and Suburban Counties Have Been Responsible for Most of Ohio's Recent Population Growth

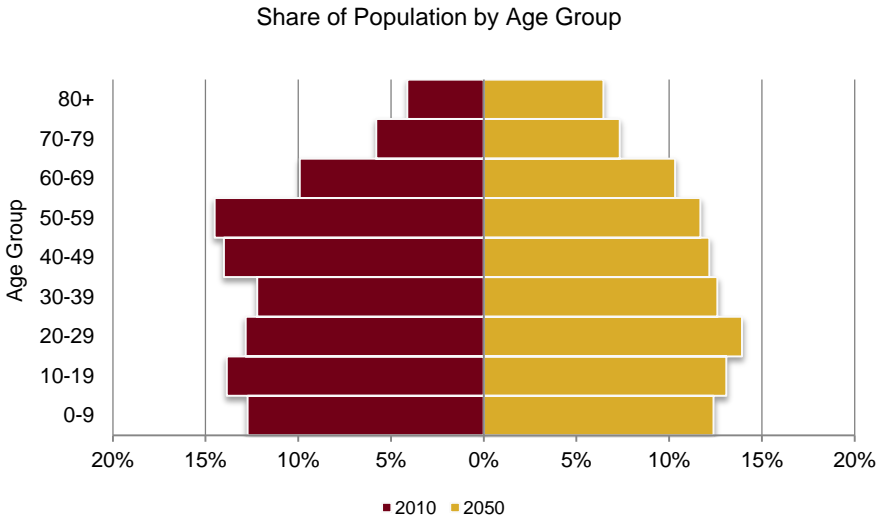
Ohio's Population Growth by County, 2010-2017



Source: U.S. Census Bureau

- Ohio's total population grew by 1.1% between the 2010 decennial census and 2017 census estimate, from 11.54 million to 11.66 million. This rate was below the average population growth of 1.9% for the 12 Midwestern states and below the national population growth rate of 5.3% during the same period.
- Twenty-eight Ohio counties gained population between 2010 and 2017. The average growth rate for these 28 counties was 4.9%. The other 60 counties saw a loss in population with an average declining rate of 2.2%.
- Between 2010 and 2017, the strongest population growth in the state was in central Ohio. Six central Ohio counties (Delaware, Franklin, Union, Fairfield, Licking, and Pickaway) were among the 16 counties that had population growth of 2% or higher. Various suburban counties around Cleveland, Cincinnati, and Toledo also saw population growth during this period.
- Between 2010 and 2017, the population of Delaware County grew by 26,250 people, giving it the highest growth rate in the state (15.1%), while Franklin County added the most total residents, 128,567 (11.1%). Carroll County lost 1,451 people, or 5% of its population, the largest percentage loss in the state, while Cuyahoga County lost the most total residents, 31,608 (2.5%), during this period.

Ohio's Population Is Expected to Continue Aging



Sources: Ohio Development Services Agency; U.S. Census Bureau

- In 2010, Ohio's population was approximately 11.5 million. By 2050, the population is anticipated to reach 11.6 million, an increase of about 110,000 individuals or 1.0%.
- Ohio's population is expected to continue aging over the next few decades. In fact, the percentage of Ohioans age 60 and over is expected to increase from 19.8% of the total population in 2010 to 24.1% in 2050. In other words, almost one in four Ohioans will be age 60 and over in 2050.
- During this same time period, the percentage of Ohioans age 19 and under is expected to decrease from 26.6% of the total population to 25.5%, while the percentage of individuals age 20 to 59 is expected to decrease from 53.6% to 50.4%.
- As a result of these population trends, Ohio's dependency ratio (the combined number of Ohioans age 19 and under and age 65 and over as a percentage of Ohioans age 20 to 64) is projected to increase from 68.5% in 2010 to 79.1% in 2050.
- High dependency ratios can contribute to a greater burden on working age individuals to provide support for younger and older people. It also creates a greater burden on the economy in general to provide social services for those who are economically dependent, including additional pressures to Social Security and public health systems.

Ohio's Economy Ranks 7th Largest Among States

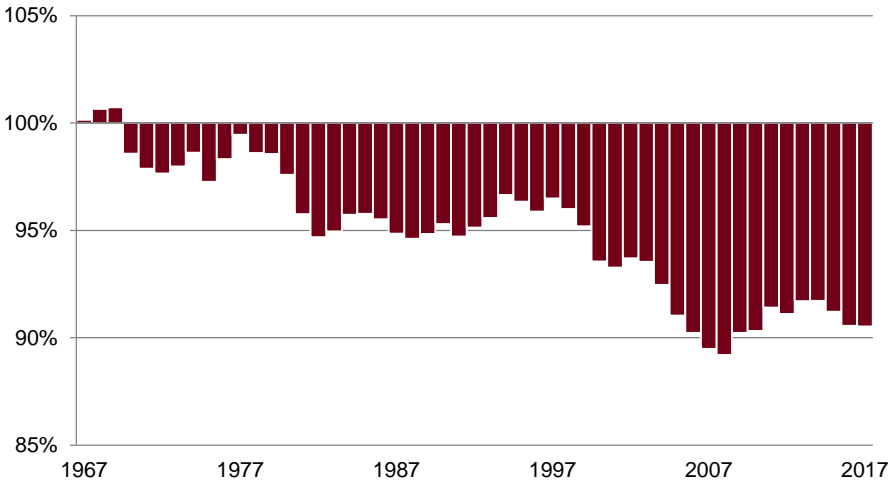
2017 Gross Domestic Product by State				
State	Total GDP (\$ in Billions)		Per Capita GDP	
	Amount	Rank	Amount	Rank
Ohio	\$649.1	7	\$55,678	26
Neighboring States				
Pennsylvania	\$752.1	6	\$58,730	21
Michigan	\$505.0	14	\$50,688	36
Indiana	\$359.1	16	\$53,867	28
Kentucky	\$202.5	28	\$45,464	44
West Virginia	\$76.8	40	\$42,291	47
Top Ranked State	\$2,746.9	California	\$77,943	New York
U.S.	\$19,263.4	--	\$59,141	--

Source: U.S. Bureau of Economic Analysis

- Ohio's gross domestic product (GDP), the broadest measure of economic production, totaled \$649.1 billion in 2017, which was the 7th largest in the U.S., between Pennsylvania (6th) and New Jersey (8th). Ohio's total GDP was higher than those of all neighboring states except for Pennsylvania.
- On a per capita basis, Ohio's GDP of \$55,678 ranked 26th largest in the nation in 2017. Among its neighboring states, only Pennsylvania ranked higher than Ohio, with per capita GDP of \$58,730 (21st).
- In 2017, Ohio's total GDP accounted for 3.4% of U.S. GDP, about the same percentage as a decade earlier. Ohio's economy grew more slowly than the U.S. as a whole during the ten years ending in 2017. In nominal terms (i.e., not adjusted for inflation), Ohio's GDP grew at an average rate of 2.8% per year during this period, while GDP for the U.S. grew by 3.0% per year.
- Over the last decade, average annual economic growth in two of Ohio's neighboring states was faster than in Ohio – Pennsylvania (3.0%), and Indiana (2.9%). The neighboring states with slower GDP growth than that of Ohio were Kentucky (2.7%), West Virginia (2.7%), and Michigan (2.3%).
- If Ohio's economy were compared with the U.S. and other nations, it would have ranked 21st largest in the world in 2017, with 0.8% of world GDP, based on a World Bank measure with GDP in domestic currencies converted into dollars at official exchange rates for almost all countries. On this basis, Ohio's ranking would have been just below Switzerland (20th).

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

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



Source: U.S. Bureau of Economic Analysis

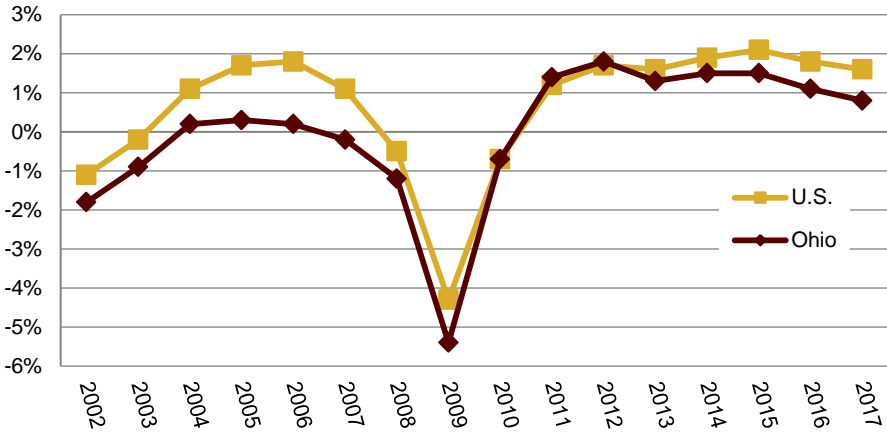
- Ohio's per capita income exceeded the U.S. average through 1969, but since that year, has remained below the U.S. average. The gap between Ohio's per capita income and the U.S. average widened over the years, increasing from less than 3 percentage points below in 1980 to over 10 percentage points below in 2007 and 2008; the gap has declined to about 9 percentage points in 2017.
- In 2017, Ohio's per capita income of \$45,615 ranked 29th in the nation. Connecticut's per capita income was the highest at \$70,121. The lowest, Mississippi, was \$36,346. 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 2017

State	National Rank	Per Capita Income
U.S.	--	\$50,392
Pennsylvania	16	\$52,096
Ohio	29	\$45,615
Michigan	30	\$45,255
Indiana	34	\$44,165
Kentucky	47	\$39,393
West Virginia	49	\$37,924

Ohio Employment Grows but Trails National Pace

Ohio and United States Employment Growth Rates

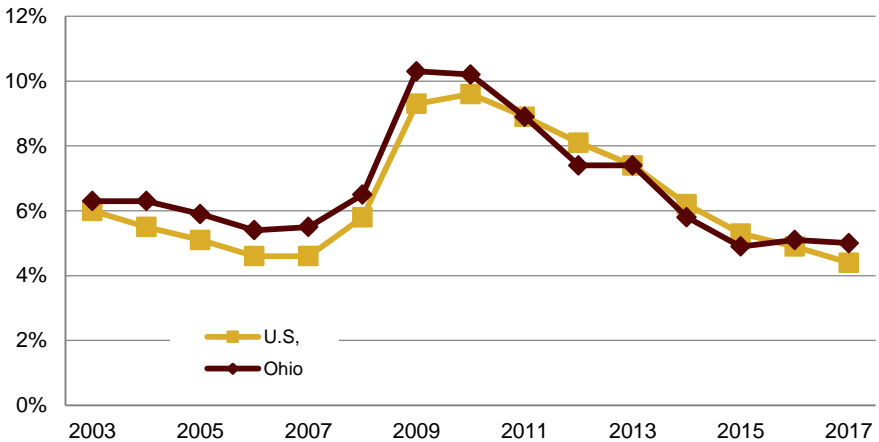


Source: U.S. Bureau of Labor Statistics

- The pace of employment growth in Ohio has trailed the national pace during the last 16 years, except for 2010, 2011, and 2012. From 2013 through 2017, Ohio nonfarm payroll employment grew at an average of 1.2% on an annual basis. During the same period, U.S. nonfarm payroll employment grew by 1.8% per year on average.
- Ohio's rate of job growth each year since 2011 was higher than any annual rate from 2002 through 2010.
- U.S. employment's pre-recession peak of 139.5 million people that occurred in November 2007 was regained in June 2014. By the end of 2017, employment rose to 148.5 million. Ohio's employment peaked at 5.7 million in December 1999, and has yet to regain that total, reaching 5.6 million in December 2017.
- Among neighboring states, employment growth from 2002 through 2017 was fastest in Kentucky, at 8.0%, followed by Indiana (6.8%), Pennsylvania (5.4%), and West Virginia (1.7%). Ohio employment grew by 1.5%. Michigan experienced a 2.6% employment decline over the period.
- Over the five years from 2012 to 2017, Ohio employment grew by 324,000 jobs (6.2%). Most of the employment growth was in education and health services (64,800), leisure and hospitality (59,200), and trade, transportation, and utilities (51,600). Employment grew by 35,200 in construction and 30,400 in manufacturing.

Ohio's Unemployment Rate Is Above National Rate

Ohio and United States Average Annual Unemployment Rates



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

- In 2017, Ohio's average unemployment rate was 5.0%, which was above the national average of 4.4%. Ohio's unemployment rate was higher than the national rate in 2016 as well, but was equal to or below the national rate from 2011 through 2015.
- The unemployment rate is measured as the number of the unemployed – people age 16 or over who do not currently have a job but are actively looking for one – as a percent of the labor force, which is made up of the employed and the unemployed.
- Between 2003 and 2017, Ohio's unemployment rate peaked at 10.3% in 2009, before falling to 4.9% in 2015, the lowest rate since 2001. During the same time period, Ohio's labor force peaked at 5.99 million in 2007 before declining to 5.70 million in 2015, its lowest point since 1997. The labor force then edged up to 5.78 million in 2017.
- Ohio's 2017 unemployment rate of 5.0% was higher than its neighboring states except West Virginia (5.2%). Indiana had the lowest rate (3.6%), followed by Michigan (4.6%), Kentucky (4.9%), and Pennsylvania (4.9%).
- Unemployment rates vary among Ohio's counties. Generally in 2017, the counties with the highest rates of unemployment were on the eastern and southern edges of the state. In total, 56 of Ohio's 88 counties (64%) had unemployment rates within one percentage point of the annual statewide rate (about 4.0% to 6.0%). The highest rate among counties was 8.5% (Monroe) and the lowest rate was 3.1% (Mercer).

Ohio Employment by Sector Stabilizes

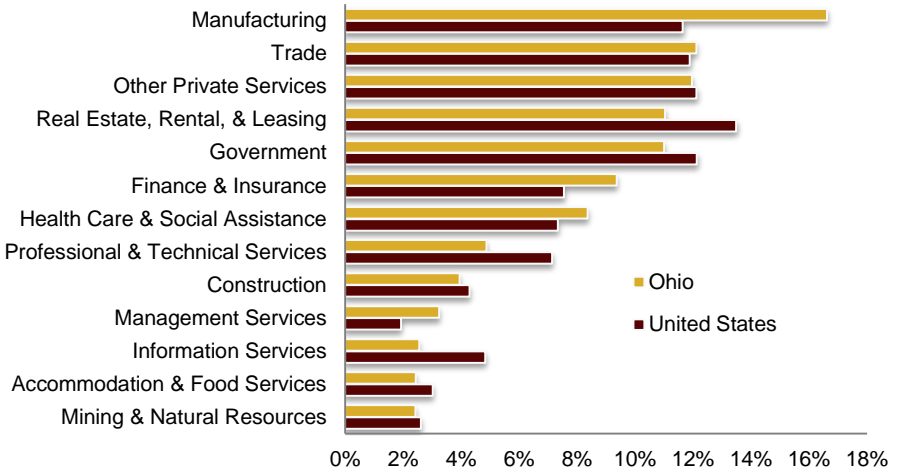
Ohio Nonfarm Employment by Sector (Number in Thousands)						
Sector	2000		2010		2017	
	Number	Share	Number	Share	Number	Share
Goods-Producing (Private)						
Mining/Natural Resources	12.9	0.2%	11.3	0.2%	11.4	0.2%
Construction	246.1	4.4%	168.8	3.4%	216.3	3.9%
Manufacturing	1,021.3	18.2%	620.8	12.3%	686.8	12.4%
<i>Subtotal</i>	<i>1,280.4</i>	<i>22.8%</i>	<i>800.9</i>	<i>15.9%</i>	<i>914.5</i>	<i>16.5%</i>
Service-Providing (Private)						
Trade (Retail & Wholesale)	919.0	16.3%	767.0	15.2%	810.7	14.7%
Transportation & Utilities	196.0	3.5%	180.4	3.6%	213.5	3.9%
Information	107.2	1.9%	77.6	1.5%	71.6	1.3%
Financial Activities	305.2	5.4%	276.7	5.5%	306.5	5.5%
Professional & Business	646.6	11.5%	627.4	12.5%	722.2	13.1%
Educational & Health	678.6	12.1%	839.1	16.7%	928.6	16.8%
Leisure and Hospitality	483.3	8.6%	475.3	9.4%	559.9	10.1%
Other Services	223.3	4.0%	206.0	4.1%	216.2	3.9%
<i>Subtotal</i>	<i>3,559.2</i>	<i>63.3%</i>	<i>3,449.4</i>	<i>68.5%</i>	<i>3,829.2</i>	<i>69.3%</i>
Government	785.1	14.0%	785.7	15.6%	782.2	14.2%
Total	5,624.7	100%	5,036.0	100%	5,525.9	100%

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

- Between 2000 and 2010, Ohio employment in private goods-producing industries decreased from 22.8% of Ohio employment to 15.9%, then edged up to 16.5% in 2017. Employment in private service-providing industries rose from 63.3% of employment in 2000 to 68.5% in 2010, then rose further to 69.3% in 2017. Employment in government fluctuated between 14% and 15% from 2000 to 2017, but peaked above 15% in 2010 and 2011.
- Employment in goods-producing industries fell by about 480,000 from 2000 to 2010, then grew almost 114,000 to 2017. Employment in manufacturing decreased by 400,000 in the earlier period, then grew by 66,000.
- Employment in the private service-providing sector decreased by 110,000 from 2000 to 2010, then grew by 380,000.
- Among private service industries, employment shares were stable or increased in both periods, with the notable exceptions of the trade sectors, retail and wholesale, and the information sector.

Manufacturing's Share of the Economy Is Larger in Ohio Than in Most Other States

Industry Shares of Gross Domestic Product in 2017



Source: U.S. Bureau of Economic Analysis

- Ohio's economy remains more concentrated in manufacturing than the nation as a whole. Output of factories accounted for 17% of Ohio's gross domestic product (GDP) in 2017, and 12% of the national economy.
- Other industry groups that comprise a greater share of Ohio's economy than nationwide include finance and insurance, management services, health care and social assistance, and to a lesser extent, trade.
- Manufacturing's larger share of Ohio's GDP reflects the state's historical specialization in the production of durable goods, particularly motor vehicles and parts, fabricated metal products, primary metals, electrical equipment and appliances, machinery, and nonmetallic mineral products, as well as nondurable goods including plastics and rubber products, and petroleum and coal products.
- Ten states derived higher shares of their GDP from manufacturing than Ohio in 2017: Indiana, Oregon, Louisiana, Michigan, North Carolina, Kentucky, Wisconsin, Iowa, Alabama, and South Carolina.
- Production of goods – in construction, natural resource industries, mining, and manufacturing – accounted for 23% of Ohio's GDP in 2017, higher than the comparable figure for the United States (19%). The service sector comprised the remaining 77% of the value of economic activity for Ohio and the remaining 81% for the nation.

Ohio Ranks 9th Nationally in the Value of Exports

Top Ten States in Exports				
2017 Rank	State	2016 (in billions)	2017 (in billions)	% Change 2016-2017
	U.S.	\$1,451.0	\$1,546.7	6.6%
1	Texas	\$231.1	\$264.1	14.3%
2	California	\$163.5	\$171.9	5.1%
3	Washington	\$79.6	\$77.0	-3.2%
4	New York	\$76.7	\$75.3	-1.9%
5	Illinois	\$59.8	\$64.9	8.6%
6	Michigan	\$54.7	\$59.8	9.3%
7	Louisiana	\$48.4	\$56.5	16.7%
8	Florida	\$52.0	\$55.0	5.7%
9	Ohio	\$49.3	\$50.1	1.6%
10	Pennsylvania	\$36.5	\$38.6	5.9%

Sources: U.S. Bureau of Economic Analysis; Ohio Development Services Agency

- In 2017, the value of Ohio's exports to foreign countries was \$50.1 billion, 9th highest among the 50 states. Ohio's export value increased 1.6% from 2016 to 2017, while the U.S. average increased by 6.6%. Overall, Ohio accounted for 3.2% of total U.S. exports in 2017.
- Ohio's export value was 7.7% of the state's gross domestic product (GDP) in 2017, slightly lower than the U.S. average of 8.0%.
- On a per capita basis, Ohio's exports ranked 18th highest in 2017. Ohio's per capita export value of \$4,294 in that year was 9.6% lower than the U.S. average of \$4,749.
- In 2017, sales of Ohio exports exceeded \$1 billion in each of nine markets: Canada, Mexico, China, the United Kingdom, Brazil, Japan, Germany, France, and South Korea. Canada was the largest market, purchasing \$18.9 billion (37.7%) of Ohio's exports, followed by Mexico at \$6.5 billion (13.0%). Ohio's largest overseas market was China, accounting for \$3.9 billion (7.8%).
- Eleven of Ohio's production sectors exported over \$1.0 billion each in 2017. Machinery was the largest at \$9.0 billion, followed by vehicles/not railway (\$7.6 billion), aircraft (\$4.8 billion), electrical machinery (\$3.4 billion), plastics (\$3.0 billion), oil seed/grain (\$1.8 billion), optical/medical instruments (\$1.7 billion), iron/steel products (\$1.4 billion), iron and steel (primary, \$1.2 billion), perfumery and cosmetics (\$1.1 billion), and rubber (\$1.1 billion). Together, these 11 sectors accounted for 72.2% of Ohio's exports in 2017.

Cash Receipts from Ohio's Agricultural Commodities Totalled \$8.3 Billion in 2016

Cash Receipts from Ohio's Agricultural Commodities in 2016		
Commodity	Receipts (\$ in Thousands)	% of Ohio Total Receipts
Soybeans	\$2,555,427	30.6%
Corn	\$1,756,844	21.0%
Dairy Products	\$924,840	11.1%
Hogs	\$582,775	7.0%
Cattle and Calves	\$560,523	6.7%
Top Five Subtotal	\$6,380,409	76.4%
All Commodities	\$8,348,246	100.0%

Source: U.S. Department of Agriculture

- Cash receipts from Ohio's five leading commodities totaled \$6.4 billion in 2016, accounting for 76.4% of the state's total commodity cash receipts of approximately \$8.3 billion in that year.
- Cash receipts from three of Ohio's five leading agricultural commodities ranked among the top ten in the nation in 2016. The highest ranking was for soybeans (6th), which has ranked in the top ten nationally for the past ten years. Overall, Ohio ranked 15th among all states in cash receipts from the sale of agricultural commodities.
- Between 2006 and 2016, Ohio's overall cash receipts from commodities increased by 53.7%, from \$5.4 billion to \$8.3 billion. This rate of increase was higher than the national average increase of 48.5% during the same period, but was the second lowest among the five states in the Cornbelt Production Region. Within this region, Ohio was behind Illinois (79.5%), Iowa (76.4%), and Indiana (67.7%), but ahead of Missouri (51.3%).
- Ohio's net farm income, or the return earned by farm operations, dropped by 63.1% between 2015 and 2016, from \$1.2 billion to \$422.6 million. National net farm income fell by 24.4% over this time, from \$81.4 billion to \$61.5 billion. Except for soybeans, cash receipts from Ohio's leading commodities all declined between 2015 and 2016. The largest decline in cash receipts was for corn, which fell by 11.5%.
- In 2016, Ohio had 74,500 total farms, 7th most in the nation, and approximately 14.0 million acres of farmland. The number of farms in Ohio represents 3.6% of the nearly 2.1 million farms nationwide.

Median Home Prices in Ohio's Eight Major Markets Continue to Climb, but the Gains Are Uneven

Median Sales Price of Existing Single-Family Homes in Ohio Metropolitan Statistical Areas, Pre and Post-Recession

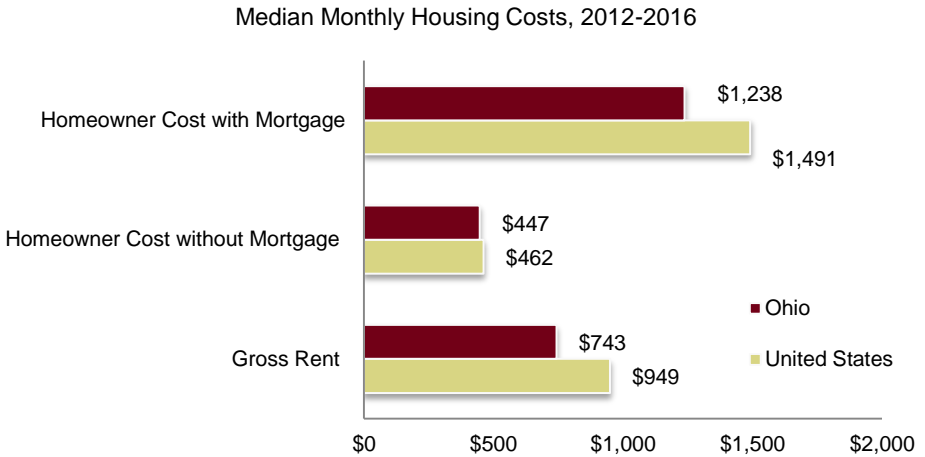
MSA	2005	2009	2017	% Change 2009-2017	% Change 2005-2017
Akron	\$120,500	\$93,200	\$135,100	45.0%	12.1%
Canton	\$102,200	\$86,200	\$129,800	50.6%	27.0%
Cincinnati	\$145,900	\$125,800	\$162,000	28.8%	11.0%
Cleveland	\$138,900	\$106,800	\$140,400	31.5%	1.1%
Columbus	\$152,000	\$134,900	\$189,900	40.8%	24.9%
Dayton	\$119,700	\$104,100	\$138,700	33.2%	15.9%
Toledo	\$117,300	\$83,400	\$119,700	43.5%	2.0%
Youngstown	\$85,600	\$66,500	\$86,100	29.5%	0.6%
Midwest	\$168,300	\$142,900	\$196,200	37.3%	16.6%
United States	\$219,000	\$172,100	\$248,800	44.6%	13.6%

Source: National Association of Realtors

- In 2017, median home prices in all eight of Ohio's metropolitan statistical areas (MSAs) were above their 2005 pre-recession levels, but the gains were uneven. The increases varied from 0.6% in Youngstown to 27.0% in Canton. Prices in five of Ohio's eight MSA areas increased at slower rates than both the Midwest region (16.6%) and the U.S. (13.6%) during this time.
- Median home prices in Ohio's eight MSAs have rebounded from their low ebb during the recession in 2009. Since then, values increased between 28.8% in Cincinnati and 50.6% in Canton. By comparison, median home prices increased 37.3% in the Midwest region, and 44.6% in the United States as a whole during this time.
- The median sales prices of existing single-family homes in Ohio's eight MSAs remained below the medians of both the United States and the Midwest region between 2009 and 2017. In 2017, the Columbus MSA had the highest median sales price in Ohio, at \$189,900, while the Youngstown MSA had the lowest, at \$86,100.
- The number of existing homes sold increased by 12.1% in the Midwest region, from 1.16 million in 2009 to 1.30 million in 2017.¹ The number of homes sold nationwide during this same period increased by 6.8%, from 5.16 million to 5.51 million.

¹ Existing homes includes single-family homes, condominiums, and co-ops.

Ohio Housing Costs Are Below the National Average



Source: U.S. Census, 2012-2016 American Community Survey

- American Community Survey estimates for the 2012-2016 period show that median monthly housing costs (including utilities, fuel costs, insurance, real estate taxes, and home fees) in Ohio were below the national median in three categories: (1) homeowner cost with mortgage, (2) homeowner cost without a mortgage, and (3) gross rent.
- Ohio's median monthly housing costs according to these three measures were third highest among the five surrounding states. Housing costs were higher in Pennsylvania and Michigan but lower in Indiana, Kentucky, and West Virginia.
- For the 2012-2016 period, the median value of an owner-occupied house in Ohio was \$131,900; the U.S. median value was \$184,700. Ohio's median home values ranged from \$85,200 in Crawford County to \$267,600 in Delaware County.
- Ohio's homeownership rate of 66.0% surpassed the U.S. homeownership rate of 63.9% during the 2012-2016 period. Homeownership rates were the highest in Geauga County at 85.4% and the lowest in Franklin County at 53.3%.
- Between 2007-2011 and 2012-2016, median gross rent in Ohio increased 3.4% and the number of renter households increased 9.7%. The 2012-2016 median rent in Ohio ranged from \$558 in Monroe County to \$969 in Delaware County. The median gross rent as a share of household income was 29.0% in Ohio during this time.

Ohio's Transportation Infrastructure Is One of the Largest and Most Used in Nation

Ohio Transportation Statistics

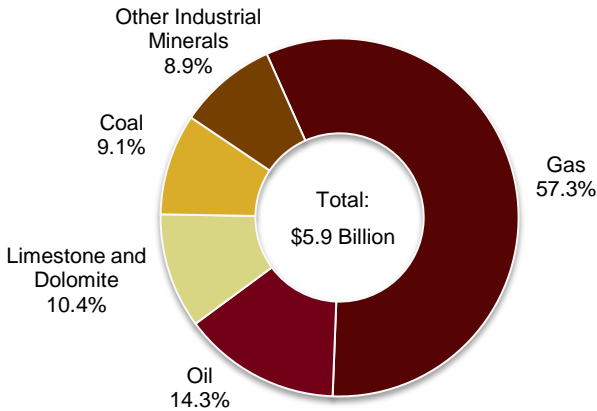
Measurement	Ohio Statistic	Ohio Ranking	50-State Average
Infrastructure			
Total area of state (square miles)	44,826	34th	75,934
Area of state that is water (%)	8.8%	15th	8.3%
Bridges	27,345	2nd	12,248
Centerline road miles	122,974	7th	82,772
Freight railroad miles	5,288	5th	2,770
Inland waterway miles	440	21st	759
Public transit vehicles (urban and rural)	3,024	12th	2,664
Annual Usage			
Motor vehicle registrations	10,686,057	6th	5,369,240
Licensed drivers per 1,000 in driving age population	856	39th	929
Vehicle miles traveled (VMT) (millions)	118,608	6th	63,416
VMT per person	10,212	30th	10,491
Public transit passenger trips (urban and rural)	115,093,894	14th	202,181,348
Airport enplanements	9,641,985	24th	15,254,782
Commercial Activity – Freight originating in the state (in 1,000 tons)			
Truck freight	454,525	5th	232,267
Rail freight	45,152	12th	36,704
Waterborne freight	4,376	18th	18,039
Air freight	147	13th	106

Sources: U.S. Geological Survey; Federal Highway Administration; Association of American Railroads and Federal Railroad Administration; U.S. Army Corps of Engineers; American Public Transportation Association and Federal Transit Administration; Federal Aviation Administration; FHWA and Bureau of Transportation Statistics – Freight Analysis Framework

- Although Ohio's land mass of 44,826 square miles ranks 34th in the nation, the state's transportation infrastructure is one of the largest and most used.
- Ohio's interstate, state route, and local road network consists of approximately 123,000 centerline road miles (7th highest among states) and almost 27,400 bridges (2nd among states).
- Ohio's freight transportation network includes five interstates, 13 intermodal rail terminals, 11 ports, four major airports, and three multimodal facilities.

Natural Gas Was Ohio's Dominant Mineral Resource in 2016

Value of Minerals Produced in Ohio, 2016

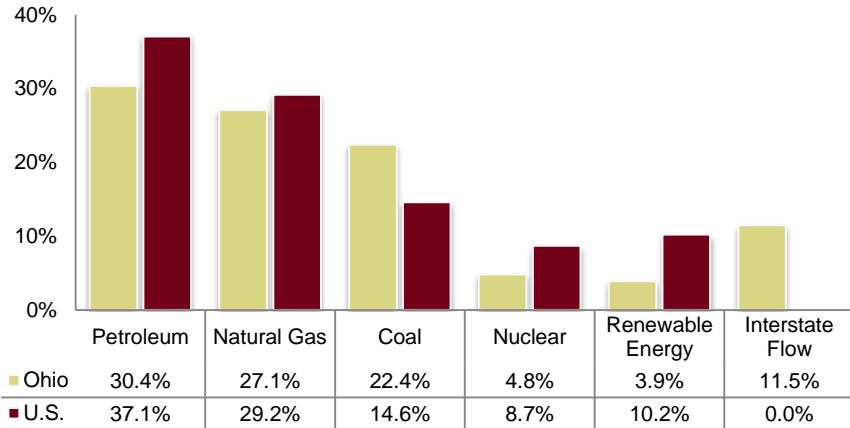


Source: Ohio Department of Natural Resources

- The value of mineral resources extracted in Ohio in 2016 totaled \$5.9 billion. Natural gas accounted for the largest share of this total at \$3.4 billion (57.3%), followed by oil at \$844.7 million (14.3%), and limestone and dolomite at \$615.7 million (10.4%). Coal ranked 4th at \$541.2 million (9.1%).
- The relative values of Ohio's mineral resources have shifted in the last few years. From 2014 to 2016, the value of natural gas increased by 74.9%. In contrast, the value of coal produced fell by 50.0% and the value of oil fell by 29.8% during this period. The total value of mineral resources increased by 11.3% over this period.
- Carroll County was the top natural gas and oil producing county in Ohio in 2016, yielding 161.8 million mcf (31.6%) of the natural gas produced and 4.14 million barrels (27.5%) of the oil produced statewide.
- Belmont County was top among the 12 coal producing counties, accounting for nearly 63.8% (just under 8.0 million tons) of the state's total production of nearly 12.5 million tons.
- Industrial minerals produced in Ohio include mostly limestone and dolomite and lesser amounts of sand and gravel, salt, sandstone and conglomerate, shale, and clay. Wyandot County had the most sales of limestone and dolomite in 2016 (7.6 million tons), while Stark County led in sales of sand and gravel (3.7 million tons). Geauga County led in sales of sandstone and conglomerate, Tuscarawas County led in sales of both clay and shale, and Cuyahoga County led in sales of salt.

Petroleum Is Ohio's Largest Energy Source, but Ohio Remains Strongly Reliant on Coal Relative to U.S.

Ohio and U.S. Energy Consumption by Source, 2016

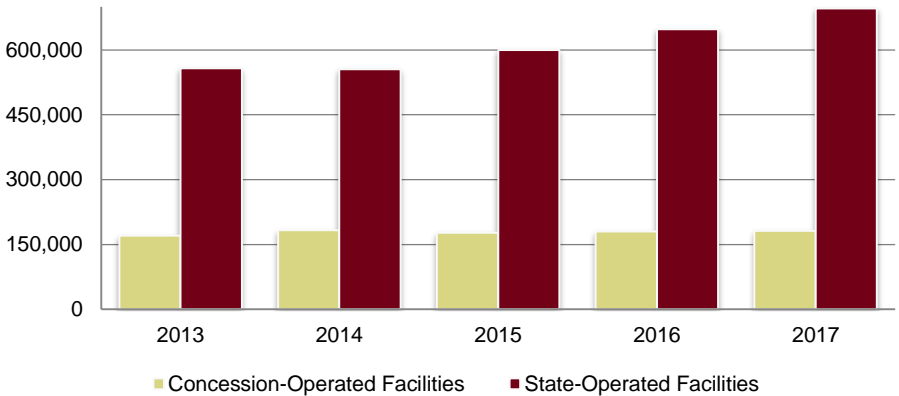


Source: United States Energy Information Administration

- In 2016, petroleum was the largest source of energy consumed in Ohio (30.4%) and in the U.S. (37.1%). Petroleum gained its top ranking in Ohio in 2012 for the first time since the U.S. Energy Information Administration began recordkeeping in 1960. Prior to 2012, coal was the primary source of energy in Ohio.
- Natural gas ranked 2nd among the energy sources consumed in Ohio in 2016, at 27.1%. It was also the 2nd largest source in the U.S., at 29.2% of consumption.
- Ohio coal consumption declined by 43.1% from 2006 to 2016 during which time it dropped from the primary energy source to the 3rd largest energy source. In 2016 coal accounted for 22.4% of Ohio's total energy consumption, still significantly higher than the national average of 14.6% for that year.
- Renewable sources made up 3.9% of energy consumed in Ohio in 2016; nationally, these sources made up 10.2%. The remaining 11.5% of Ohio's energy consumption came from sources in other U.S. states.
- Ohio was the 7th largest energy user among the 50 states in 2016, 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. Overall energy usage by Ohio's industrial customers was 6th among states in 2016, and ranked 3rd in electricity usage behind Texas and California.

Overnight Visits to Ohio State Parks Have Increased Five Years in a Row with Camping the Most Popular Option

Nights Used at Ohio State Park Overnight Facilities



Source: Ohio Department of Natural Resources

- The number of uses of overnight accommodations in Ohio's state parks has increased in each of the past five years. Overall, usage increased 20.6% from 728,095 nights in 2013 to 878,295 nights in 2017. Most of this growth can be attributed to overnight stays in state-operated accommodations.
- Of the total nights used in 2017, 696,322 (79.3%) were in state-operated campgrounds, cabins, getaway rentals, or group lodges, while 181,973 (20.7%) were in concession-operated lodges and cabins.
- Camping remains the most popular form of overnight stay in Ohio's state parks, comprising 73.3% of overnight stays in 2017. Lodges made up 16.1% of nights used, cabins comprised 9.4%, and getaway rentals comprised 1.2%.
- Among overnight accommodations at state parks, the number of overnight stays at state park campgrounds has increased the most since 2013 (27.2%). The number of overnight stays in state park cabins had the second highest increase over this time (7.0%).
- In FY 2018, approximately \$67.5 million was spent on state park operations. Of this amount, approximately 54.0% was funded by fees, charges, and other sources while 46.0% was funded by the GRF.
- In FY 2018, state parks generated approximately \$32.0 million in revenue, a 2.6% increase over FY 2017. The largest source of revenue was camping fees (45.2%), followed by cabin rentals (13.4%), dock permit fees (9.2%), camp store revenue (9.0%), and concession fees (3.8%).

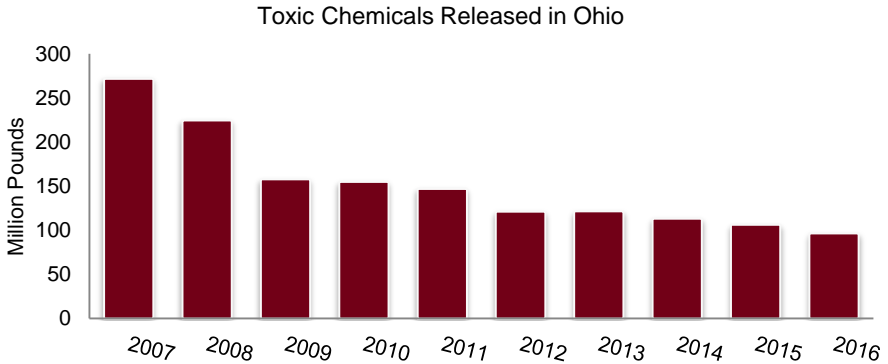
Ohio's 4,894 Public Water Systems Serve 11 Million People Daily

Ohio's Public Water Systems by Category, 2018				
Category	Surface Water	Ground Water	Total Systems	Population Served Daily
Community	297	947	1,244	10,418,601
Nontransient Noncommunity	10	718	728	209,917
Transient Noncommunity	11	2,911	2,922	405,885
Total	318	4,576	4,894	11,034,403

Source: Ohio Environmental Protection Agency

- Ohio's 4,894 public water systems (PWS) provide drinking water to a total of 11 million people daily. Approximately 31%, or 3.4 million, of that population is served by Cleveland, Columbus, and Cincinnati PWS. PWS are regulated by the Ohio Environmental Protection Agency.
- There are three types of PWS in Ohio:
 - *Community*: Serves at least 15 water connections used by year-round residents or regularly serves at least 25 year-round residents. Examples include cities, mobile home parks, and nursing homes.
 - *Nontransient noncommunity*: Serves at least 25 of the same persons over six months per year. Examples include schools, businesses, and factories.
 - *Transient noncommunity*: Serves at least 25 different persons over 60 days per year. Examples include parks, highway rest stops, and gas stations.
- Of the 4,894 PWS in Ohio, 4,576 (93.5%) use ground water (wells) which serve 31% of the population and the remaining 318 (6.5%) use surface water (lakes or rivers) which serve 69% of the population.
- In 2017, 4,239 (86.6%) PWS were in compliance with applicable federal Safe Drinking Water requirements. The remaining 655 (13.4%) recorded one or more compliance violations for a total of 1,211 violations of the following:
 - *Monitoring*: Failure to monitor, verify, or report contaminant levels (784/64.7%).
 - *Consumer Notification*: Failure to provide consumers required annual water quality report (245/20.2%).
 - *Maximum Contaminant Level*: Failure to notify public, monitor, and correct contaminant problems (125/10.3%).
 - *Treatment Techniques*: Failure to use established techniques to control unacceptable levels of certain contaminants (57/4.7%).

Ohio's Toxic Chemical Releases Decreased by 64.5% Over Past Ten Years



Source: U.S. Environmental Protection Agency

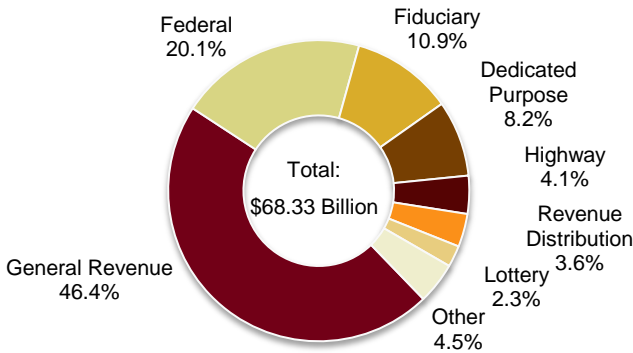
- The amount of toxic chemicals released or disposed of in Ohio, as reported in the Toxic Release Inventory (TRI), declined from 271.6 million pounds in 2007 to 96.6 million pounds in 2016, a decrease of 64.5% during this period.
- Three industries – chemicals (28.1 million pounds), primary metals (20.4 million pounds), and electric utilities (18.0 million pounds) – were responsible for 68.8% of Ohio's total releases in 2016.
- Three chemicals – zinc compounds (15.7 million pounds), sulfuric acid (7.4 million pounds), and nitrate compounds (7.1 million pounds) – were responsible for 31.3% of Ohio's total releases in 2016.
- Ohio ranked 8th nationally in total releases in 2016. Alaska released the largest amount of toxic chemicals (833.8 million pounds) while New Hampshire released the least (0.3 million pounds). As seen in the table below, Ohio ranked above all neighboring states except Indiana.
- Through TRI, a database to which facilities are required to report the release of toxic chemicals, the U.S. Environmental Protection Agency tracks the release of more than 650 specific toxic chemicals to air, water, and land. In 2016, 1,364 Ohio facilities reported toxic chemical releases.

Toxic Chemical Release Rankings for Ohio and Neighboring States, 2016

State	National Rank	Toxic Releases (Million Pounds)
Indiana	6	130.0
Ohio	8	96.6
Michigan	12	70.3
Pennsylvania	16	55.6
Kentucky	19	53.4
West Virginia	28	32.1

GRF Made Up 46.4% of Operating Spending in FY 2018

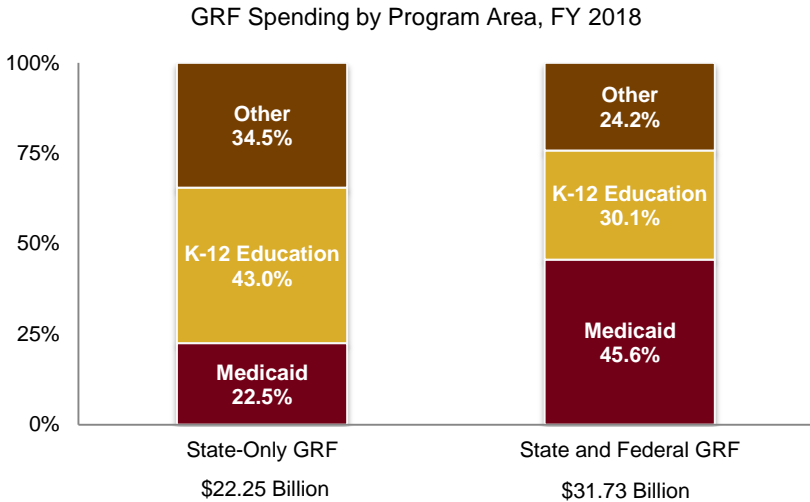
State Operating Spending by Fund Group, FY 2018



Source: Ohio Administrative Knowledge System

- In FY 2018, state operating spending totaled \$68.33 billion, of which \$31.73 billion (46.4%) was expended from the GRF. GRF spending supported Medicaid (45.6%), primary and secondary education (30.1%), higher education (8.0%), and other core government functions.
- The Federal Fund Group accounted for \$13.74 billion (20.1%) of total operating spending in FY 2018. This spending supported various federal programs that are subject to the state appropriation process. The federal share of FY 2018 total operating spending increases to 34.0% when the \$9.48 billion in federal reimbursements deposited into the GRF is counted.
- Spending from the Fiduciary Fund Group and the Revenue Distribution Fund Group was \$7.45 billion (10.9%) and \$2.43 billion (3.6%), respectively. This spending included tax distributions to local governments, tax refunds, state employee payroll and benefit deductions, and various state payments to local governments.
- Spending from the Dedicated Purpose Fund Group was \$5.59 billion (8.2%), which supported various programs with specific revenue sources.
- Spending from the Highway Operating Fund Group accounted for \$2.79 billion (4.1%). This spending supported the operations of the Ohio Department of Transportation, including highway construction and maintenance.
- Spending from the State Lottery Fund Group was \$1.57 billion (2.3%). This spending was for primary and secondary education, as well as lottery administration and prize payments.
- The remaining \$3.04 billion (4.5%) of spending was distributed from seven other smaller fund groups.

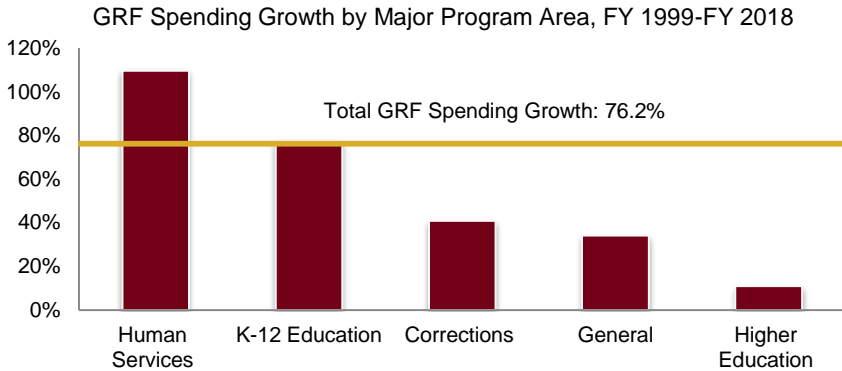
K-12 Education and Medicaid Are the Two Biggest Spending Areas in the GRF



Sources: Ohio Administrative Knowledge System; Ohio Legislative Service Commission

- GRF spending supported by only state sources totaled \$22.25 billion in FY 2018. Of this total, 43.0% (\$9.56 billion) went to K-12 Education. K-12 Education has traditionally comprised the largest share of state-only GRF spending, followed by Medicaid, which comprised 22.5% (\$5.00 billion) in FY 2018.
- The remainder of the state-only GRF in FY 2018 went to Higher Education (\$2.55 billion, 11.5%), Corrections (\$1.94 billion, 8.7%), General Government (\$1.93 billion, 8.7%), and non-Medicaid Human Services (\$1.26 billion, 5.6%).
- GRF spending for Medicaid is supported by federal reimbursements in addition to state revenue sources. In FY 2018, \$9.48 billion in federal reimbursements was deposited into the GRF, which brought total state and federal GRF spending to \$31.73 billion.
- Medicaid accounted for \$14.48 billion (45.6%) of total state and federal GRF spending in FY 2018. Medicaid has consistently made up the largest share of total GRF spending.
- K-12 Education ranked second in total state and federal GRF spending, at 30.1% in FY 2018.
- The Higher Education, Corrections, General Government, and non-Medicaid Human Services shares of FY 2018 total state and federal GRF spending were 8.0%, 6.1%, 6.1%, and 4.0%, respectively.

Total State and Federal GRF Spending Grew 76% in the Past Two Decades Due Primarily to Human Services

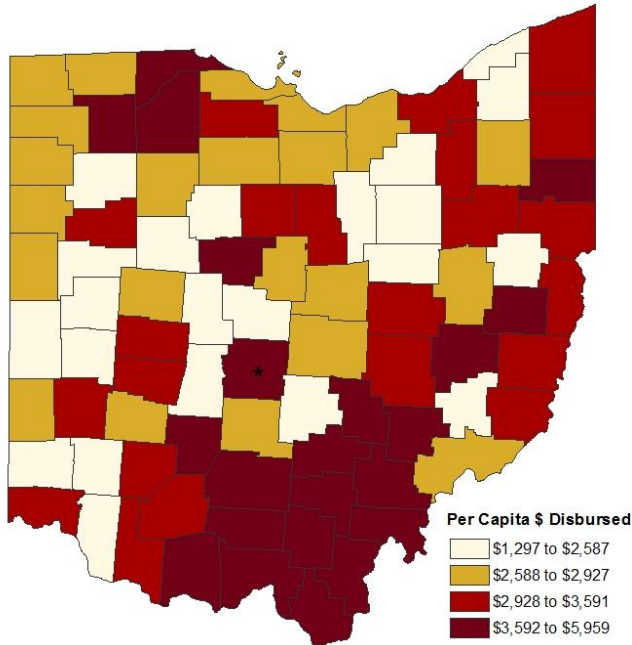


Sources: Ohio Administrative Knowledge System; Ohio Legislative Service Commission

- In nominal terms, total state and federal GRF spending increased by 76.2% over the 20 years from FY 1999 to FY 2018, with an average growth rate of 3.2% per year.
- Human Services, including Medicaid, is the main driver behind total GRF spending growth. It grew 109.6% from FY 1999 to FY 2018, much faster than total GRF spending. This spending area increased from 41.7% of total GRF spending in FY 1999 to 49.6% in FY 2018. A portion of this spending is funded by reimbursements from the federal government.
- K-12 Education spending increased slightly more than total GRF spending (77.8%). This spending area increased from 29.9% of total spending in FY 1999 to 30.1% in FY 2018.
- Corrections grew by 40.9% and General Government grew by 34.1% over this 20-year period. These two categories' shares of the total decreased from 7.7% and 8.0%, respectively, in FY 1999 to 6.1% for both in FY 2018.
- Higher Education spending growth was the lowest of all spending areas, increasing by 11.0% over the past two decades. This spending area decreased from 12.8% of total spending in FY 1999 to 8.0% in FY 2018. Higher Education spending of \$2.55 billion in FY 2018 is 5.7% lower than its all-time high of \$2.71 billion in FY 2008.
- Inflation (CPI-U) was 50.8% during this 20-year period. Human Services and K-12 Education are the two areas that grew faster than inflation.
- Overall GRF spending registered only two annual declines in the past two decades, a 9.9% decrease in FY 2010 due to the Great Recession and an 8.0% decrease in FY 2018 due to a tax policy change that moved some Medicaid spending out of the GRF into non-GRF funds.

State Spends More Dollars Per Capita in Rural Counties

FY 2017 Per Capita State Spending by County

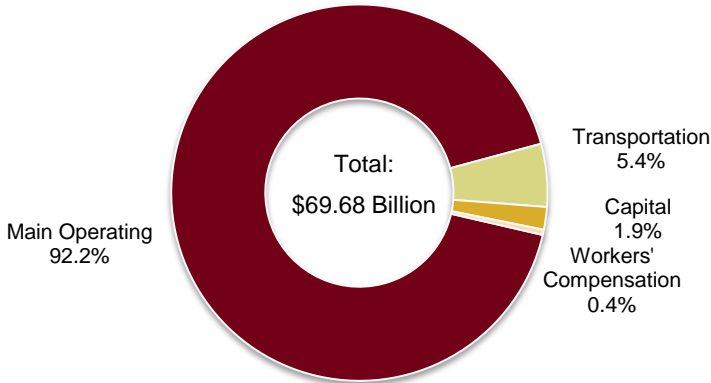


Source: Annual survey of state agencies by LSC

- A total of \$37.39 billion was spent on programs and projects in Ohio's 88 counties in FY 2017. The five counties in which the state spent the most money per capita in FY 2017 were Athens (\$5,959), Pike (\$5,891), Scioto (\$4,976), Gallia (\$4,815), and Vinton (\$4,807).
- The five counties in which the state spent the most total money were Franklin (\$4.72 billion), Cuyahoga (\$4.51 billion), Hamilton (\$2.87 billion), Summit (\$1.88 billion), and Lucas (\$1.87 billion).
- Of the \$37.39 billion total, \$35.66 billion (95.4%) was for subsidies that support Medicaid and public assistance programs, K-12 schools and higher education, distributions to political subdivisions to offset or supplement the costs of certain public services, and loans and grants for economic development. The remaining \$1.73 billion (4.6%) was for capital projects to acquire, construct, or improve land, buildings, and infrastructure.
- The largest portion of state subsidy and capital expenditures went toward health and human services (52.6%), followed by education (34.6%), transportation and infrastructure (5.6%), revenue distribution (3.7%), general government (2.0%), and justice and corrections (1.5%).

Main Operating Budget Authorized 92.2% of Total State Spending in FY 2018

State Spending by Budget, FY 2018

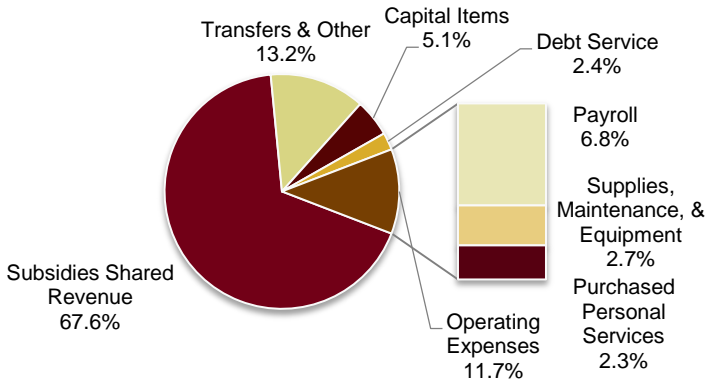


Source: Ohio Administrative Knowledge System

- In FY 2018, state spending totaled \$69.68 billion across all funds. Of this total, \$64.25 billion (92.2%) was authorized by the main operating budget act, \$3.77 billion (5.4%) by the transportation budget act, \$1.36 billion (1.9%) by the capital budget act, and \$310.1 million (0.4%) by the two budget acts for the workers' compensation system.
- The four noncapital budget acts are commonly referred to as the operating budget. 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 state agencies except the Bureau of Workers' Compensation (BWC) and Ohio Industrial Commission (OIC). BWC and OIC each has its own budget. While the departments of Transportation (DOT) and Public Safety (DPS) receive some funding from the main operating budget, the transportation budget provides the vast majority of funding for DOT and DPS.
- Medicaid and primary and secondary education dominate state spending, comprising 38.6% (\$26.34 billion) and 18.1% (\$12.36 billion), respectively, of total operating spending in FY 2018.

State Payroll Amounted to 6.8% of Total State Spending in FY 2018

State Spending by Category, FY 2018

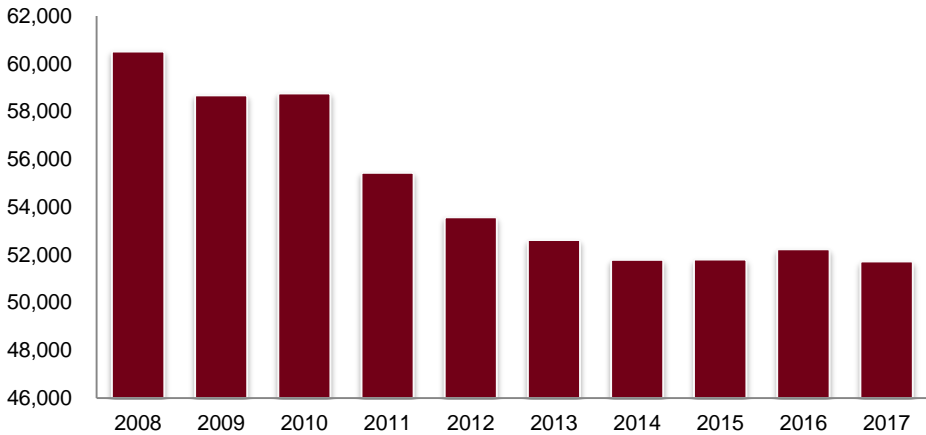


Source: Ohio Administrative Knowledge System

- In FY 2018, state spending totaled \$69.68 billion across all funds. State payroll totaled \$4.72 billion (6.8%). Of the state payroll amount, \$2.07 billion (43.9%) came from the GRF and the other \$2.65 billion (56.1%) came from various non-GRF funds.
- In addition to payroll, the state spent \$1.85 billion for supplies, maintenance, and equipment items and \$1.57 billion for purchased services. Combined with payroll, these three categories are commonly referred to as state government operating expenses, which totaled \$8.14 billion across all funds, representing 11.7% of total state spending in FY 2018.
- Earned wages, the largest share of payroll costs, totaled \$2.71 billion, 3.9% of total FY 2018 state spending. 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 \$1.36 billion in FY 2018.
- The largest category of state spending is subsidies and shared revenues. This spending totaled \$47.13 billion (67.6%) in FY 2018 and includes payments to Medicaid providers, school districts, colleges and universities, and other local and state entities.
- The remaining categories are transfers and other (\$9.17 billion/13.2%), which includes items such as tax refunds and distributions of local taxes collected by the state, capital items (\$3.59 billion/5.1%), and debt service (\$1.66 billion/2.4%).

The State Employee Headcount Dipped Slightly in 2017, Hitting a Ten-Year Low

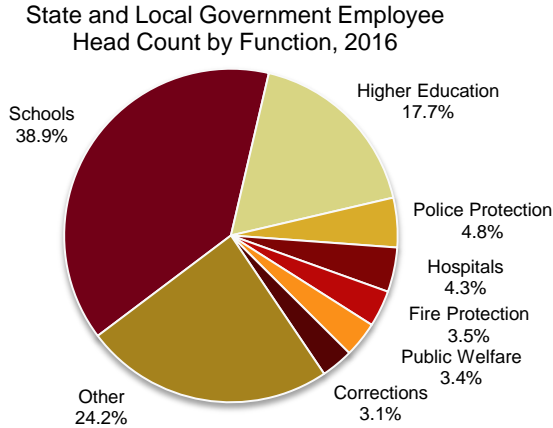
State Employee Head Count by Calendar Year



Source: Ohio Department of Administrative Services

- The number of state employees, including employees in the executive, legislative, and judicial branches, fell by 522 from 52,238 in December 2016 to 51,716 in December 2017, a ten-year low. The 2017 count was 14.5% lower than the 60,514 employees in the state workforce in December 2008.
- There were declines in state employment in all but three years over this ten-year period. The largest annual decline occurred between 2010 and 2011, when the employee roster dropped by 3,324 from 58,766 to 55,442 (5.7%). There were slight upticks of fewer than 100 employees in both 2010 and 2015 and a larger increase of 432 employees in 2016.
- Of the 51,716 employees in 2017, 46,534 (90.0%) were employed in permanent full-time positions.
- Overall, 35,418 (68.5%) employees were in bargaining unit positions.
- There were a total of 99 state employers in the executive, legislative, and judicial branches of government as of December 2017. Together, the ten largest employed 36,140 individuals, or 69.9% of all state employees.
- Two state agencies employed one-third of the state workforce in 2017. The Department of Rehabilitation and Correction was the largest state employer, with 12,289 (23.8%) of the total, followed by the Department of Transportation, with 5,479 (10.6%) state employees. In contrast, about half of the 99 state employers had 40 or fewer employees.

Over Half of Ohio Public Employees Worked for Schools and Institutions of Higher Education in 2016

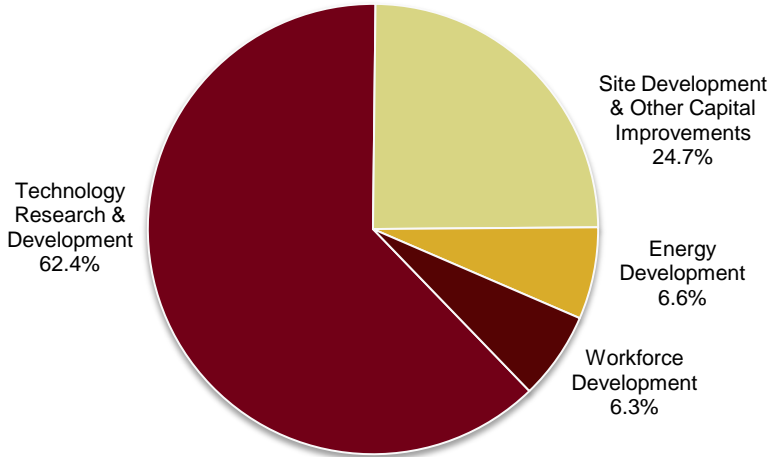


Source: U.S. Census Bureau

- Ohio's state and local government employee head count totaled 712,493 in 2016, of which 38.9% (277,405) worked for schools and 17.7% (126,066) worked for higher education institutions. Together, education accounted for 56.6% of total state and local government employment.
- The next largest public employee categories were police protection (4.8%, 34,219 employees), hospitals (4.3%, 30,769), fire protection (3.5%, 25,172), public welfare (3.4%, 24,556), and corrections (3.1%, 22,165). Together, these five sectors represented 19.2% (136,881) of the total state and local government employee head count in 2016.
- From 2006 to 2016, the number of public school employees decreased by 7.0% (20,986) from 298,391 to 277,405. Meanwhile, public school enrollment decreased by 4.2% (76,202) from 1.81 million in FY 2006 to 1.74 million in FY 2016.
- Employment at public institutions of higher education increased by 9.0% (10,451) from 115,615 in 2006 to 126,066 in 2016. Meanwhile, higher education enrollment increased by 0.2% (864) from 349,399 in FY 2006 to 350,263 in FY 2016.
- In 2016, the public school employee head count consisted of 187,121 (67.5%) instructional employees and 90,284 (32.5%) other employees, while the higher education employee head count included 39,643 (31.4%) instructional employees and 86,423 (68.5%) other employees.
- Ohio's public employee head count total decreased by 5.8% (44,144) from 2006 to 2016. Increases in higher education and hospitals were more than offset by decreases in other categories.

Over 60% of State Economic Development Assistance Was for Technology R&D Projects in FY 2018

State Expenditures on Economic Development Subsidies by Category, FY 2018



Source: Ohio Administrative Knowledge System

- In FY 2018, the Development Services Agency disbursed a total of \$126.6 million in state loans and grants for economic development assistance. Of this total, \$78.9 million (62.4%) was for programs to support research, development, and commercialization of new technologies, including \$61.0 million under the Third Frontier Program. This program aims to expand high-tech research and promote innovation to foster economic development in the state.
- Grants and loans issued to support private-sector site development and other capital improvements accounted for \$31.3 million (24.7%) of the total. These awards, such as Roadwork Development Grants and 166 Direct Loans, are intended to help businesses and local governments cover the capital costs involved with business location or expansion.
- State energy development incentives totaled around \$8.4 million (6.6%) in FY 2018. This spending was almost entirely made up of grants under the Coal Research and Development Program.
- Workforce development assistance accounted for the remaining \$8.0 million (6.3%) of the total economic development assistance funding in FY 2018. The majority of this funding, \$5.8 million, occurred under the Incumbent Workforce Training Voucher Program, providing vouchers of up to \$4,000 per employee for targeted industries to train their existing workers.

Ohio Taxes Were Lower Than the National Average on a Per Capita Basis in FY 2015

Combined State and Local Taxes, FY 2015				
State	Taxes Per Capita	National Rank	Taxes as % of Personal Income	National Rank
National Average	\$4,900	--	10.3%	--
Ohio	\$4,419	24	10.3%	22
<i>Neighboring States</i>				
Kentucky	\$3,790	38	10.0%	26
Indiana	\$3,846	36	9.3%	33
Michigan	\$4,010	32	9.6%	29
West Virginia	\$4,099	30	11.3%	9
Pennsylvania	\$4,954	16	10.1%	24

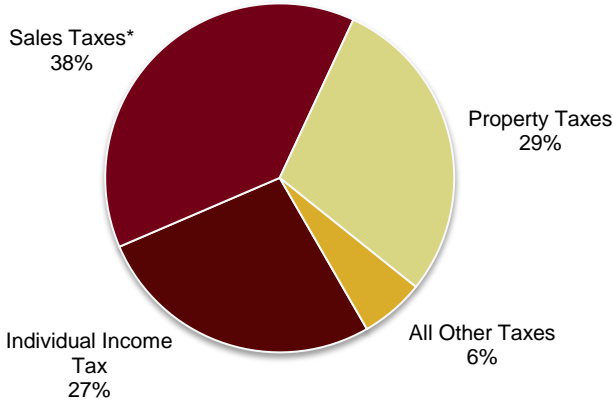
Sources: U.S. Census Bureau; Ohio Legislative Service Commission

- Ohio's combined state and local tax burden, measured by taxes per capita, was \$4,419 in FY 2015. This was lower than the national average of \$4,900 but higher than that of all neighboring states except Pennsylvania.
- Measured relative to personal income, Ohio's tax burden of 10.3% was about the same as the national average. Compared to its neighboring states, Ohio had higher taxes as a percentage of personal income than all except West Virginia.
- For FY 2015, Ohio's state taxes were \$2,439 per capita, below the national average of \$2,849. Local taxes in Ohio averaged \$1,979 per capita, also below the national average of \$2,051.
- For FY 2015, Ohio's state taxes were 5.7% of personal income, below the national average of 6.0%. Ohio's local taxes were 4.6% of personal income, above the national average of 4.3%.
- In FY 2015, North Dakota had the highest per capita combined state and local tax burden among the 50 states at \$9,307. Taxes per capita in the District of Columbia were higher at \$10,662. Alabama had the lowest burden at \$3,150.
- North Dakota also had the highest level of taxation as a percentage of personal income at 16.2% in FY 2015. Alaska had the lowest at 6.3%.¹

¹ Alaska's rank fell from highest in FY 2013 to lowest in FY 2015 primarily due to its heavy reliance on a petroleum severance tax that has relatively volatile receipts.

Ohio's State and Local Taxes Raise More Revenue From Taxation of Sales Than Property or Income

Ohio Combined State & Local Tax Revenue by Source, FY 2015

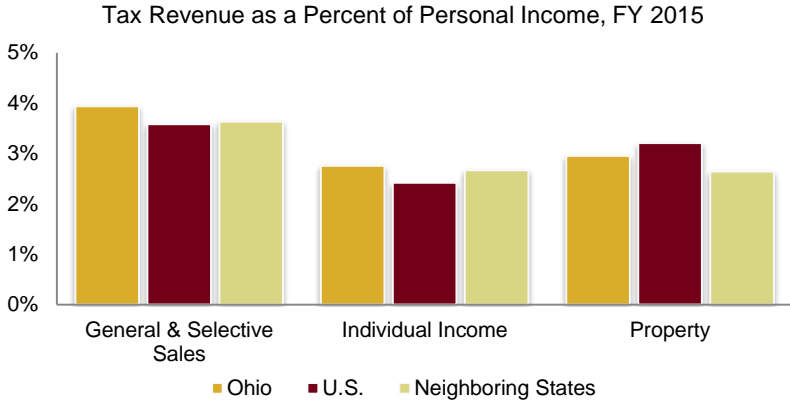


*Sales taxes include general state and local sales tax and gross receipts taxes on sales of specific products, including tobacco products, alcoholic beverages, motor fuels, and utility services.

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

- In FY 2015, state and local taxes on sales, property, and individual income in Ohio raised 94% of tax revenues. Sales and other gross receipts taxes raised about 38% of total tax receipts, property taxes raised 29%, and individual income taxes raised 27%.
- State taxes accounted for 55% of Ohio's combined state and local tax revenue in FY 2015. For the U.S. as a whole, state taxes were 58% of combined state and local tax revenue.
- Of Ohio's state tax revenue, 61% came from sales and gross receipts taxes – with the general sales tax accounting for 42 of those percentage points – and 31% came from the individual income tax. Nationwide, 47% of state taxes came from sales and gross receipts taxes – with general sales taxes accounting for 31 percentage points – and 37% of state taxes came from individual income taxes.
- Local taxes comprised 45% of Ohio's combined state and local tax revenue in FY 2015. For the U.S. as a whole, local taxes were 42% of combined state and local taxes.
- Of Ohio's local taxes, 64% came from property taxes, 21% from individual income taxes, and 11% from sales and gross receipts taxes. Nationwide, 72% of local taxes were derived from property taxes, 5% from individual income taxes, and 17% from sales and gross receipts taxes.

State and Local Governments in Ohio Rely More on Sales and Income Taxes Than Other States



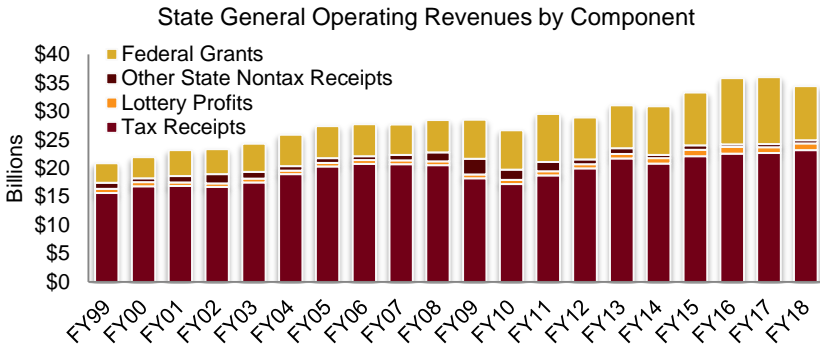
Sources: U.S. Census Bureau; Bureau of Economic Analysis

- In FY 2015, Ohio's general and selective sales tax receipts were 3.9% of total personal income, which was higher than the national average of 3.6% and was also higher than the average of its five neighboring states (3.6%). Selective sales taxes apply to specific products, including motor fuel, alcoholic beverages, tobacco products, and public utilities.
- Ohio's state and local individual income taxes as a percentage of total personal income were 2.8%, higher than the U.S. average of 2.4% and the average of its five neighboring states (2.7%). Ohio's percentage was 3.7% in FY 2006, but has been decreasing in recent years due primarily to income tax policy changes.
- Ohio's property taxes were 3.0% of total personal income, which was less than the national average (3.2%), but higher than the average of its five neighboring states (2.6%).

Tax Revenue as a Percent of Personal Income for Ohio and Neighboring States, FY 2015

State	Individual Income	Property	General & Selective Sales
Ohio	2.8%	3.0%	3.9%
Indiana	2.4%	2.4%	4.0%
Kentucky	3.2%	2.1%	3.7%
Michigan	2.2%	3.3%	3.2%
Pennsylvania	2.6%	3.0%	3.2%
West Virginia	2.9%	2.4%	4.1%

State General Operating Revenues Grew Almost 65% in the Past Two Decades

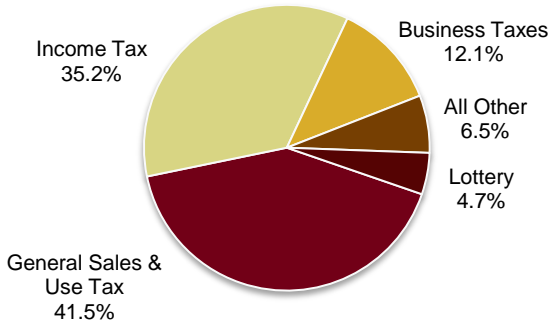


Sources: Ohio Administrative Knowledge System; Ohio Legislative Service Commission

- During the past 20 years, overall state general operating revenues increased by 64.7% from \$20.88 billion in FY 1999 to \$34.40 billion in FY 2018.
- Tax receipts, the largest component of state general operating revenues, reached an all-time high of \$23.18 billion in FY 2018, despite a decrease in sales tax revenue from FY 2017 due to the replacement of the sales tax on Medicaid health insuring corporations (MHICs) with a provider assessment. This policy change also led to decreases in federal grants (19.5%) and in overall state general operating revenues (4.4%) from FY 2017 to FY 2018.
- In the past two decades, overall tax receipts registered three notable annual decreases: decreases of 11.3% in FY 2009 and 5.4% in FY 2010 due primarily to the Great Recession and a decrease of 4.1% in FY 2014 due mainly to an 8.5% across-the-board income tax rate reduction in tax year 2013.
- The GRF receives the majority of tax receipts. In FY 2018, \$22.42 billion (96.7%) of total tax receipts went to the GRF and \$755.8 million (3.3%) was distributed to local governments and public libraries.
- The tax receipt share of state general operating revenues has decreased in recent years while the federal grant share has increased due partly to federal stimulus moneys provided during the Great Recession and the Medicaid expansion through the federal Affordable Care Act. From FY 2009 to FY 2018, the average annual share was 65.8% for tax receipts and 27.7% for federal grants compared to 73.7% and 19.3%, respectively, for the period from FY 1999 to FY 2008.
- In FY 2018, lottery profits and other state nontax receipts comprised 3.4% (\$1.17 billion) and 1.7% (\$578.6 million), respectively, of the state general operating revenue total. Lottery profits are constitutionally earmarked for primary and secondary education.

General Sales and Income Taxes Lead State-Source GRF and Lottery Profits Receipts

State-Source GRF and Lottery Profits Receipts, FY 2018

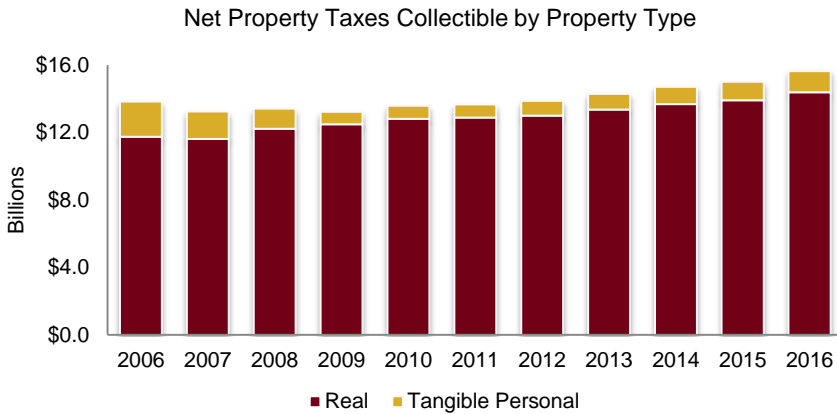


Source: Ohio Administrative Knowledge System

- In FY 2018, total state-source GRF and lottery profits receipts amounted to \$24.93 billion. The general sales and use tax (\$10.34 billion) and the personal income tax (\$8.78 billion) were the two largest revenue sources. Together, they accounted for 76.7% of total receipts in FY 2018.
- General sales and use tax exceeded personal income tax (PIT) as the largest state-source revenue stream the last five years. Prior to FY 2014, the PIT had been the largest revenue source each year since FY 1986. The switch was largely due to policy changes made to each respective tax rate in 2013.
- In FY 2018, business taxes¹ comprised 12.1% of total state-source GRF and lottery profits receipts, up from 11.4% in both FY 2016 and FY 2017, and from a low of 5.3% in FY 2010. Other than predominantly recession-related decreases from FY 2008 through FY 2012, business taxes generally comprised around 9% to 10% of total state-source GRF and lottery profits receipts over several years through FY 2015.
- All other receipts includes primarily the cigarette tax, but also various other tax and nontax revenue sources.
- Lottery profits, which totaled \$1.17 billion in FY 2018, are used to help fund state education aid for schools. Profits have grown an average of 7.8% annually since FY 2013 due primarily to income from the addition of video lottery terminals at seven horse racetracks.
- State-source GRF and lottery profits receipts increased 2.9% in FY 2018, after being flat the previous year. Revenue has increased by an average of 2.6% per year since FY 2012.

¹ Business taxes consisted primarily of the commercial activity tax, the financial institutions tax, utility-related taxes, and insurance taxes.

Property Tax Revenues Reached a New High in 2016

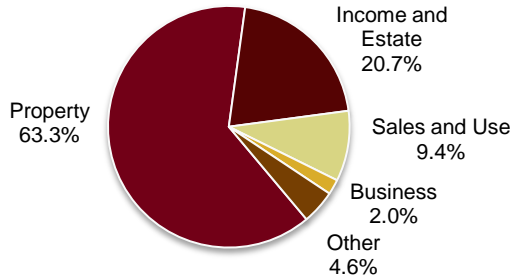


Sources: Ohio Department of Taxation; Ohio Legislative Service Commission

- Net property taxes collectible for 2016 reached an all-time high of \$15.66 billion. This was an increase of 4.2% (\$632 million) from 2015, which was the previous peak year.
- Increases in property taxes in recent years came from real property. From 2006 to 2016, net taxes collectible on real property rose 23%, while taxes on tangible personal property fell 40%.
- The tangible personal property tax was phased out in 2009 for general business and in 2011 for telephone and inter-exchange telecommunications companies. Public utilities (inclusive of certain pipeline operators) remain subject to the tax.
- 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.
- Generally, 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 certain homeowners who are age 65 or older or disabled. The state reimburses local governments for these tax rollbacks, except for levies approved after the November 2013 election, as enacted in H.B. 59 of the 130th General Assembly. The state GRF spent a total of about \$1.8 billion during FY 2018 on these reimbursements.
- In 2007, the homestead exemption was increased to \$25,000 of market value and an income test to qualify was eliminated. A new income test, which is adjusted annually for inflation, was enacted by H.B. 59 for all new applicants who become eligible on the basis of age or disability status after 2013. The income threshold was \$31,800 in 2017.

Property Taxes Accounted for 63% of Local Government Tax Revenue in 2015

Ohio's Local Tax Revenue by Source, 2015

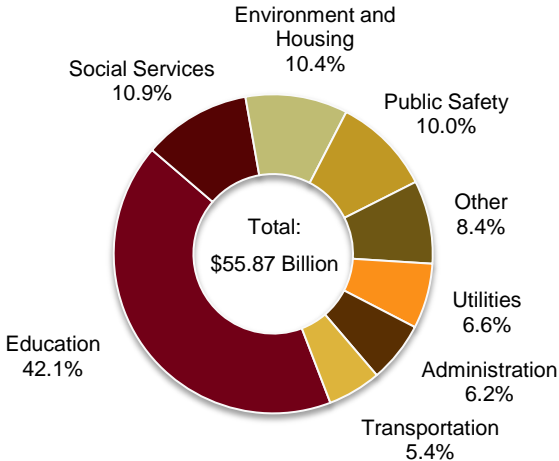


Source: Ohio Department of Taxation

- In 2015, local tax revenue in Ohio totaled \$26.07 billion. Property taxes amounted to \$16.49 billion. Receipts from municipal and school district income taxes and the local share of the estate tax were \$5.40 billion. Sales and use taxes provided \$2.46 billion. Business taxes, consisting of the commercial activity tax (CAT) and the kilowatt-hour tax (kWh), added \$0.53 billion. Other taxes (casino, admission, alcohol, cigarette, lodging, motor vehicle fuel, and motor vehicle license) generated the remaining \$1.19 billion.
- Property taxes accounted for 63.3% of total local tax revenue in 2015, down from a high of 67.9% in 2005. The decrease is primarily 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.
- Over the decade ending in 2015, total local tax revenue grew at an average of 2.6% per year. Annual growth rates were higher in the mid-2000s, slowed in 2008, 2009, and 2011, then grew modestly in the last four years. Tax revenue increased by 2.8% and 2.2% in 2014 and 2015, respectively.
- From 2005 to 2015, growth was fastest in the sales and use taxes category, averaging 5.1% annually, followed by the "other taxes" category with an average of 4.2% per year. Income and estate taxes grew at an average of 2.7% annually. Property tax growth averaged 1.9% per year.
- The state distributes some of CAT and kWh receipts to local governments to replace lost tangible personal property tax revenue. The receipts accounted for 2.0% of total local tax revenue in 2015, down from 2.5% in 2014.

Local Government Expenditures in Ohio Totalled \$55.87 Billion in FY 2015

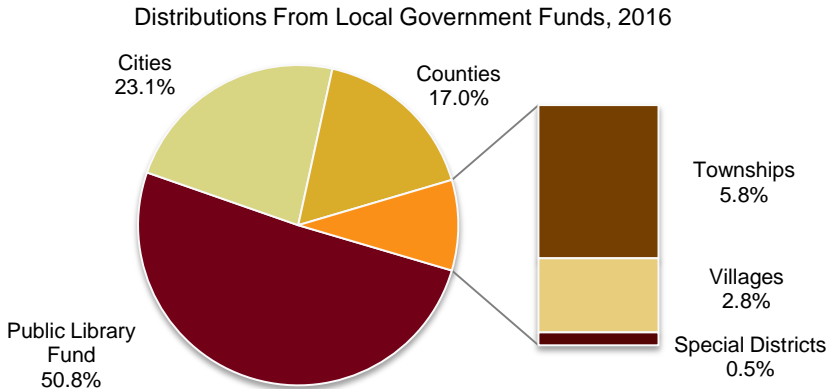
Ohio's Local Government Spending by Category, FY 2015



Source: U.S. Census Bureau

- Expenditures of Ohio's local governments totaled \$55.87 billion in FY 2015. Education was the largest spending area (\$23.53 billion, 42.1%), followed by Social Services (\$6.10 billion, 10.9%), Environment and Housing (\$5.79 billion, 10.4%), and Public Safety (\$5.58 billion, 10.0%). Almost three-quarters of local government spending in FY 2015 occurred in these four areas.
- Of the total spending, \$5.73 billion (10.2%) was for capital outlays and the remaining \$50.14 billion (89.8%) was for operating expenses.
- Local government payroll amounted to \$22.09 billion in FY 2015, representing 39.5% of total spending.
- Revenue among Ohio's local governments totaled \$56.90 billion in FY 2015.
- In FY 2015, local governments generated \$34.02 billion (59.8%) of revenue from their own sources, including \$14.77 billion from property taxes; \$8.19 billion from income, sales, and other taxes; and \$11.06 billion from charges and other earnings.
- Transfers from the state government accounted for 31.0% (\$17.61 billion) of local government revenue in FY 2015. Transfers from the federal government made up another 3.8% (\$2.14 billion) of local government revenue in that same year.
- There are 88 counties, 733 municipalities, 1,308 townships, 661 public school districts, and 841 special districts counted among local governments in Ohio.

Libraries Receive the Largest Share of Distributions From the Local Government Funds

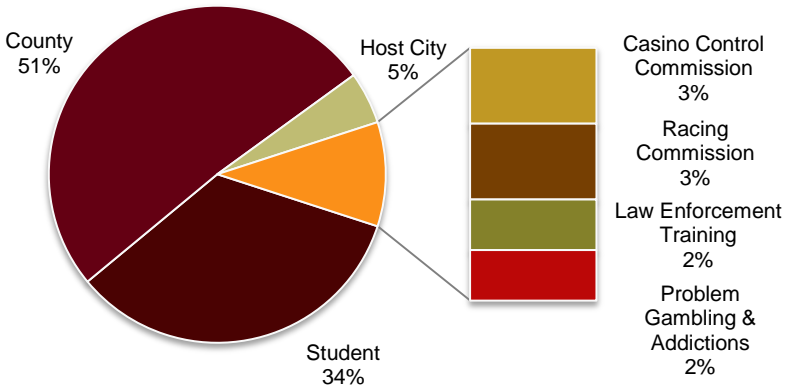


Sources: Ohio Department of Taxation; Ohio Legislative Service Commission

- In 2016, a total of \$743 million was distributed to libraries and political subdivisions across the state from the Public Library Fund (PLF) and the Local Government Fund (LGF), two revenue-sharing funds that receive a portion of GRF taxes. Of this total, \$377 million (50.8%) was distributed from the PLF and \$365 million (49.2%) from the LGF. The PLF amount does not include transfers that help support the Ohio Public Library Information Network and the Library for the Blind.
- Nearly all PLF distributions support public libraries; a small amount goes to local governments. LGF distributions went to cities (\$171 million or 23.1% of LGF and PLF combined distributions), counties (\$126 million, 17.0%), townships (\$43 million, 5.8%), villages (\$21 million, 2.8%), and special districts, mostly parks (\$4 million, 0.5%).
- County budget commissions determine the distribution of money from the local government funds to subdivisions based on rules set by each, or a statutory formula. Part of LGF money is retained for county use.
- Historically, municipalities received additional LGF distributions directly from the Department of Taxation if they received such distributions in 2007, based on income tax levies. Starting in FY 2016, part of this distribution was directed to law enforcement, townships, and small villages. In FY 2018 and FY 2019, the full amount goes to opioid addiction treatment, related enforcement, townships, and small villages.
- Under codified law, the LGF and PLF each receives 1.66% of total GRF tax revenues. For FY 2018 and FY 2019, however, the PLF's share is 1.68%.

Casino Tax Revenue Totaled \$270.5 Million in FY 2018

Casino Tax Revenue by Fund, FY 2018

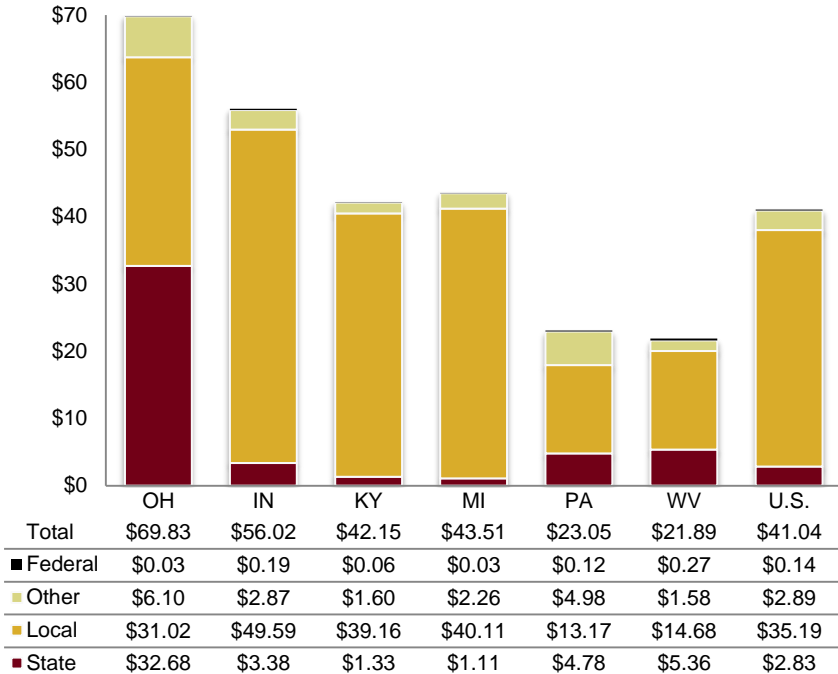


Source: Ohio Department of Taxation

- In FY 2018, casino tax revenue totaled \$270.5 million. Of this total, \$137.9 million (51%) was deposited into the County Fund, \$92.0 million (34%) into the Student Fund, \$13.5 million (5%) into the Host City Fund, \$8.1 million (3%) each into the Casino Control Commission and Racing Commission funds, and \$5.4 million (2%) each into the Law Enforcement Training and Problem Gambling and Addictions funds.
- Wagering at casinos totaled \$7.84 billion in FY 2018. Gamblers bet 85% of that amount at about 7,400 slot machines statewide, and the remainder at 412 tables. The resulting gross casino revenue was about \$827 million.
- Gross casino revenue is subject to the tax at a rate of 33%. Both the tax rate and the distribution of tax proceeds are specified in the Ohio Constitution.
- Moneys from the County Fund are distributed to all 88 counties, on a quarterly basis, based on each county's share of Ohio population. The cities of Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo, and Youngstown each receive 50% of their respective county's allocation.
- Moneys from the Student Fund are distributed to all school districts, in January and August, based on each school district's student population.
- As host cities, Cincinnati, Cleveland, Columbus, and Toledo receive 5% of the tax revenue generated from the casino located within their territory.
- From the first casino's opening in May 2012 through June 2018, a total of \$1.52 billion in casino tax revenue was distributed statewide. Of that total, \$776 million went to counties, \$517 million went to schools, and \$76 million went to host cities.

Ohio Leads Country in State Funding for Public Libraries

Per Capita Operating Revenue of Public Libraries, FY 2016

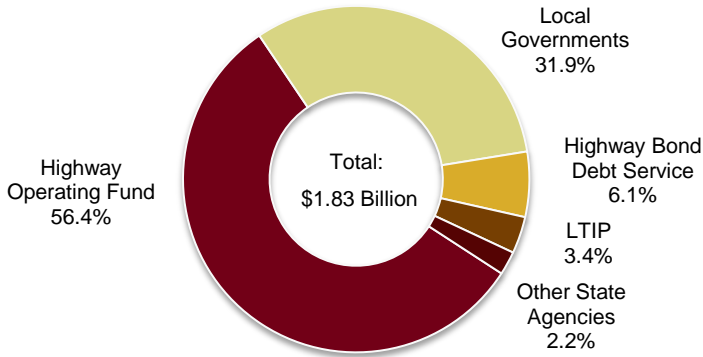


Source: Institute for Library and Museum Services

- Ohio leads the country in state per capita operating revenue of public libraries. In FY 2016, the state per capita operating revenue of public libraries in Ohio was \$32.68, almost 12 times higher than the U.S. average of \$2.83 and far exceeding that of neighboring states.
- Ohio's per capita state funding has been decreasing over the past ten years. In FY 2006, it was \$39.88. In FY 2016, it decreased 0.9% from its FY 2015 level of \$32.97.
- As state funding per capita decreased in Ohio, local funding per capita increased from \$17.89 in FY 2006 to \$31.02 in FY 2016. However, local funding per capita remains below the U.S. average of \$35.19 in FY 2016.
- Ohio's total funding per capita of \$69.83 for FY 2016 ranked 2nd in the nation, 3.6% lower than the highest state, New York (\$72.41). New York's state and local funding shares were 4.2% and 82.4%, respectively.
- In FY 2016, Ohio's total funding per capita was 70.2% higher than the U.S. average of \$41.04.
- Ohio has over 700 individual library locations in 251 public library systems.

Motor Fuel Tax Revenue Supports State and Local Roads and Bridges

Motor Fuel Tax Distribution in FY 2018



Sources: Ohio Administrative Knowledge System; American Petroleum Institute

- Revenue from the Ohio motor fuel tax (MFT) is distributed to various state agencies and local governments under a statutory formula to support roads and bridges across the state. Distributions totaled \$1.83 billion in FY 2018.
- The Highway Operating Fund, under the budget of the Ohio Department of Transportation (ODOT), received the largest share at 56.4% (\$1.03 billion) of the total MFT revenue distributed in FY 2018. Local governments received the second largest share at 31.9% (\$584.9 million).
- In FY 2018, 6.1% (\$111.6 million) of total MFT revenue was used to cover debt service on highway capital improvement bonds issued to fund highway construction and pavement and bridge preservation projects.
- Approximately 3.4% (\$63.1 million) went to the Public Works Commission's Local Transportation Improvement Program (LTIP), providing additional funding to local governments for road and bridge projects.
- The remaining 2.2% (\$40.3 million) supported roadwork development grants (Development Services Agency), waterway safety efforts (Department of Natural Resources), MFT administration costs (Department of Taxation), and rail-highway grade crossing devices (Public Utilities Commission of Ohio).
- The Ohio MFT is 28¢ per gallon for both gasoline and diesel fuel. The tax was last increased in 2005. Since then, MFT collections have remained fairly stable, ranging from approximately \$1.70 billion to \$1.80 billion per year.
- For both fuel types, the Ohio MFT rate ranks as the 29th highest in the nation. The federal taxes on gasoline (18.4¢ per gallon) and diesel (24.4¢ per gallon) have been fixed since 1993.

Ohio's Motor Vehicle License Taxes Generated \$494 Million in 2017 for Local Transportation Infrastructure

Distributions to Local Governments for Roads and Bridges, Calendar Year 2017 (\$ in Millions)			
Local Government	State Tax	Permissive Local Tax	Total
Counties	\$238.2	\$108.0	\$346.2
Municipalities	\$60.5	\$54.9	\$115.4
Townships	\$15.7	\$17.0	\$32.7
Total	\$314.4	\$179.9	\$494.3

Source: Ohio Department of Public Safety

- In 2017, a total of \$494.3 million in state and local permissive motor vehicle license tax revenue was distributed to counties, municipalities, and townships to provide funding for the planning, construction, and maintenance of roads and bridges. This total consisted of \$314.4 million in state motor vehicle tax license revenue and \$179.9 million in local permissive motor vehicle tax license revenue.
- Since 2008, the distribution of state and local permissive motor vehicle license tax revenue to local governments averaged \$471.1 million annually, ranging from a low of \$449.5 million in 2009 to a high of \$495.7 million in 2016.
- The total amount of state plus local permissive motor vehicle license taxes for a passenger car ranges from \$34.50 to \$59.50. Generally, all motor vehicles must be registered annually, with the owner of a passenger car paying a state motor vehicle license tax of \$34.50, distributed as follows: \$20 to local governments, \$11 to the Department of Public Safety for expenses incurred in the administration and enforcement of motor vehicle and traffic laws, and \$3.50 to deputy registrars or the Bureau of Motor Vehicles as a service fee. The state 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 \$25¹ per vehicle. Levy authority is as follows: (1) counties – up to \$20, (2) municipalities – \$5 to \$20, depending on the amount levied by the county, and (3) townships – \$5.
- Of the more than 12.5 million vehicle registrations processed by the Bureau of Motor Vehicles in 2017, over 8.7 million were passenger cars.

¹ Effective June 30, 2017, H.B. 26 of the 132nd General Assembly increased the maximum amount of local permissive motor vehicle taxes that a county may levy by \$5, from \$20 to \$25.

Local Governments Are Responsible for Most of Ohio's Roadways

Centerline Miles by Roadway Type			
Roadway Type	ODOT Maintained	Locally Maintained	Total
Interstate Routes*	1,333	--	1,333
U.S. Routes	3,022	896	3,918
State Routes	11,667	2,317	13,984
Local Public Roadways	0	102,346	102,346
Total	16,022	105,559	121,581

*Excludes the Ohio Turnpike

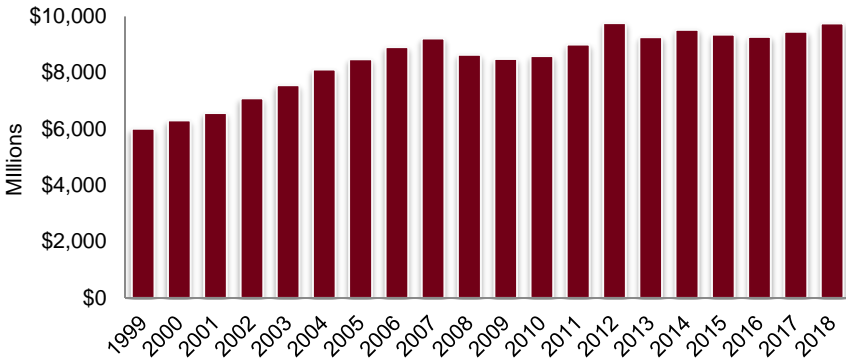
Source: Ohio Department of Transportation

- Ohio's public roadway system, consisting of numbered interstate routes, U.S. routes, state routes, and local public roadways, contains 121,581 centerline miles of roadway.¹ Local governments are responsible for maintaining 86.8% or 105,559 centerline miles.
- The Ohio Department of Transportation (ODOT) is responsible for maintaining the other 13.2% or 16,022 centerline miles. ODOT maintains 83.3% of the state highway system, consisting of interstate highways and U.S. and state routes.
- The parts of the state highway system not maintained by ODOT are (1) the Ohio Turnpike, a 241-mile toll road of interstate routes spanning Northern Ohio that is maintained by the Ohio Turnpike and Infrastructure Commission, and (2) U.S. and state routes within the borders of municipalities.
- As of November 2016, there were an estimated 184.8 million daily vehicle miles traveled (VMT) on the state highway system, on average. Passenger vehicles accounted for 87.7% of that total and trucks accounted for the remaining 12.3%.
- About 42.1% of average daily travel on the state highway system occurred on the interstate (77.8 million VMT), while the remaining 57.9% (107.0 million VMT) was on U.S. and state routes.

¹ Centerline miles are used to measure the total linear mileage of a roadway, regardless of the number of lanes. For example, a one-mile road with a lane in each direction and one mile of a divided freeway with four lanes in each direction are equal in centerline mile distance.

Outstanding GRF-Backed Debt in 2018 Nears 2012 Peak

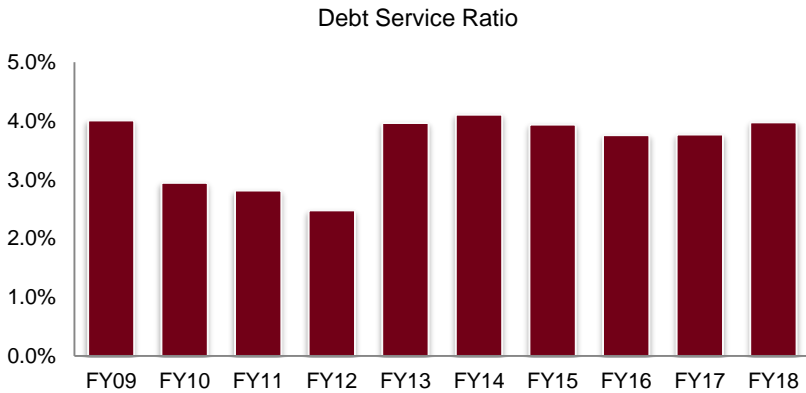
Total Outstanding GRF-Backed Debt as of July 1



Source: Ohio Office of Budget and Management

- As of July 1, 2018, Ohio's outstanding debt payable from the GRF totaled \$9.75 billion. This is an increase of 3.1% (\$296 million) from the previous year and 0.1% (\$14 million) below the 2012 peak level of \$9.76 billion.
- The 2012 peak was 6.0% (\$549 million) above the previous high of \$9.21 billion on July 1, 2007. Total GRF-backed debt declined in 2008 and 2009 due largely to the use of cash from securitization of Tobacco Master Settlement payments for various capital projects. After that, outstanding debt grew three years in a row and reached its peak level in 2012.
- From 1998 to 2018, total GRF-backed debt grew by 71.5%, with an average annual growth rate of 2.7% over the 20-year period.
- On a per capita basis, Ohio's outstanding debt payable from the GRF has grown from \$749 in 2008 to \$836 in 2018, a total increase of 11.6% during the most recent ten-year period.
- Of the total debt on July 1, 2018, \$7.90 billion was general obligation (GO) debt and \$1.85 billion was special obligation (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.

Ohio's Debt Service Ratio Remains Close to 4%



Source: Ohio Office of Budget and Management

- Ohio's debt service ratio was 3.98% at the end of FY 2018. Since FY 2013, this level has been close to 4% following a period of relatively low levels from FY 2010 to FY 2012. This ratio is measured by calculating debt service payable from the GRF as a percentage of the combined revenue from the GRF and net lottery profits.
- Decreases in the debt service ratio from FY 2009 to FY 2012 were primarily due to debt restructuring and tobacco securitization, which reduced GRF debt service payments. The 2007 tobacco securitization provided \$2.84 billion 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 0.30% in FY 2007 to 0.25% in FY 2018.
- 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 would 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, 2018, Ohio general obligation bonds received the second highest possible rating from all three 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.

Clean Ohio Conservation Awards Top \$600 Million Mark

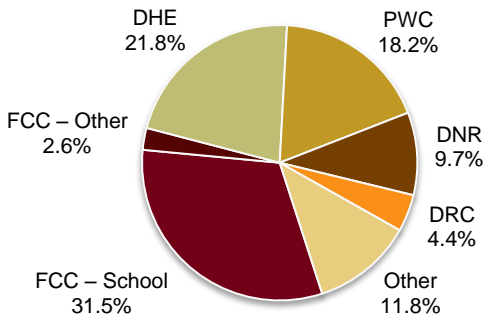
Clean Ohio Conservation Awards, FY 2003-FY 2018		
Award Component	Number of Awards	Total Amount Awarded
Public Works Commission		
Green Space Conservation Program	1,199	\$433,954,873
Department of Agriculture		
Agricultural Easement Purchase Program	489	\$95,179,478
Department of Natural Resources		
Recreational Trails Program	262	\$80,607,669
Total	1,950	\$609,742,020

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

- Since FY 2003, three state agencies have awarded \$609.7 million in grant funding for 1,950 projects under the Conservation component of the Clean Ohio initiative. These grants were awarded under three separate programs.
- The Public Works Commission has awarded approximately \$434.0 million in grants under the Green Space Conservation Program, comprising 71.2% of all Clean Ohio Conservation award funding. Under this program, local governments and nonprofit organizations compete for funding to preserve natural areas, watersheds, and other green space.
- Approximately \$95.2 million has been awarded under the Agricultural Easement Purchase Program overseen by the Department of Agriculture, enabling 489 easements to preserve over 79,317 acres of farmland in Ohio.
- Under the Recreational Trails Program administered by the Department of Natural Resources, \$80.6 million has been distributed among 262 projects sponsored by local governments and nonprofit community organizations to create or improve recreational trail networks.
- Voters approved the issuance of general obligation bonds to fund the Conservation component of the Clean Ohio initiative via ballot issues in 2000 and 2008. As long as not more than \$400 million in debt is outstanding at any one time, additional bonds may be issued to finance the conservation effort.
- The brownfield remediation and revitalization component of the Clean Ohio initiative, funded with bond debt backed by spirituous liquor profits and overseen by the Development Services Agency, was concluded in FY 2014. A little over \$400 million in grants were awarded under that component of Clean Ohio.

Capital Appropriation Expenditures Total \$1.36 Billion in FY 2018

Capital Appropriation Expenditures by Agency, FY 2018



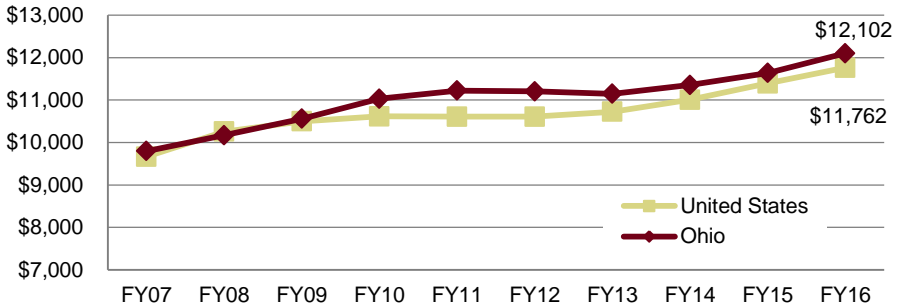
Source: Ohio Administrative Knowledge System

- In FY 2018, expenditures made from capital appropriations totaled \$1.36 billion.¹
- Of the total FY 2018 capital expenditures, \$427.5 million (31.5%) was expended by the Facilities Construction Commission (FCC) to support K-12 school facilities assistance programs. FCC spent an additional \$34.9 million (2.6%) on other capital projects, primarily for cultural and sports facilities throughout the state.
- The Department of Higher Education (DHE) had the second highest capital spending in FY 2018 at \$295.6 million (21.8%). This spending was for the construction and renovation of academic facilities at Ohio's public colleges and universities.
- The Public Works Commission's (PWC's) capital expenditures were \$247.5 million (18.2%) in FY 2018. This spending was for local infrastructure and conservation projects. These funds are largely distributed to the state's 18 PWC districts on a per-capita basis.
- Capital expenditures in FY 2018 for the Department of Natural Resources (DNR) totaled \$131.7 million (9.7%). This spending was for state and local parks and other natural resources.
- The Department of Rehabilitation and Correction's (DRC's) capital expenditures of \$59.2 million (4.4%) were mainly for state correctional institutions.
- Twenty other agencies spent the remaining \$160.7 million (11.8%).

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

Ohio's Public School Per-Pupil Operating Expenditures Continue to Exceed National Average

Per-Pupil Operating Expenditures for Ohio and U.S.



Source: U.S. Census Bureau

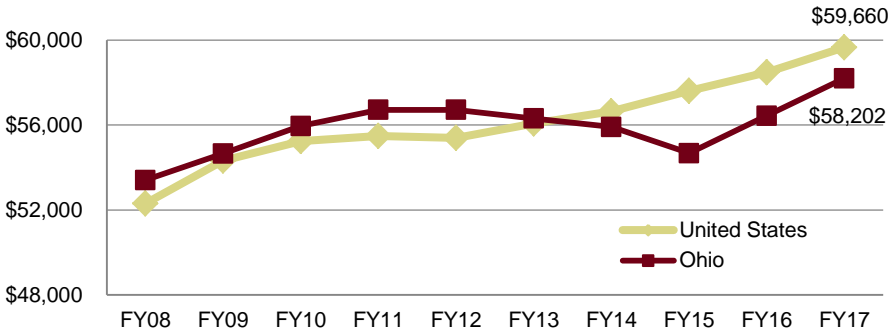
- In FY 2016, Ohio's public school per-pupil operating expenditures were \$12,102; this was \$340 (2.9%) above the national average of \$11,762.
- Except for FY 2008, Ohio's per-pupil operating expenditures have exceeded the national average every year since FY 2007. In FY 2008, Ohio's expenditures were less than 1% below the national average.
- During the ten-year period from FY 2007 to FY 2016, Ohio's per-pupil operating expenditures increased by \$2,303 (23.5%) and the national average increased by \$2,096 (21.7%). During the same period, inflation, as measured by the consumer price index (CPI), was 16.7%.
- In FY 2016, Ohio's per-pupil operating expenditures ranked 20th highest in the nation. As shown in the table below, compared to its neighboring states, Ohio's per-pupil operating expenditures were higher than West Virginia, Michigan, Indiana, and Kentucky but lower than Pennsylvania.

Per-Pupil Operating Expenditures for Ohio and Neighboring States, FY 2016

State	National Rank	Per-Pupil Expenditures
Pennsylvania	10	\$15,418
Ohio	20	\$12,102
Michigan	21	\$11,668
West Virginia	27	\$11,291
Kentucky	34	\$9,863
Indiana	35	\$9,856

Ohio's Average Teacher Salary Remains Below U.S. Average

Average Teacher Salaries for Ohio and U.S.



Sources: National Education Association; Ohio Department of Education

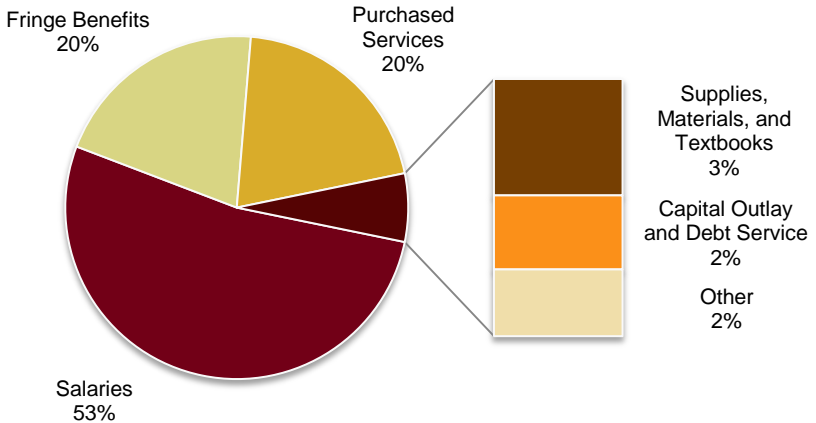
- After exceeding it from FY 2008 to FY 2013, Ohio's average teacher salary has been below the national average since FY 2014. In FY 2017, Ohio's average teacher salary was \$1,458 (2.5%) lower than the national average.
- Ohio's average teacher salary reached a peak of \$56,715 in FY 2011 then fell to a low of \$54,672 in FY 2015 before increasing to a new high of \$58,202 in FY 2017. The U.S. average has increased steadily since FY 2012.
- From FY 2008 to FY 2017, Ohio's average teacher salary increased by 9.0% while the national average increased by 14.1%. During the same period, the national rate of inflation was 14.6%, as measured by the consumer price index (CPI).
- In FY 2017, Ohio's average teacher salary ranked 15th in the nation (see 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 2017

State	National Rank	Average Salary
Pennsylvania	10	\$66,265
Michigan	12	\$62,287
Ohio	15	\$58,202
Indiana	26	\$54,308
Kentucky	29	\$52,338
West Virginia	49	\$45,555

School Districts Spend an Average of 73% of Their General Funds on Salaries and Fringe Benefits

Average Ohio School District Budget Composition, FY 2017



Source: Ohio Department of Education

- Salaries and fringe benefits accounted for approximately 73% of school district general fund budgets statewide in FY 2017. This percentage has decreased steadily over the past six years, from 78% in FY 2011.
- Of the five percentage point decrease, the share spent on salaries decreased by four percentage points and the share spent on fringe benefits decreased by one percentage point.
- The cost of fringe benefits as a percentage of the cost of salaries increased to 39% in FY 2017, from 38% in FY 2011.
- Public schools in Ohio employed about 325,000 full-time equivalent (FTE) workers in FY 2017, including about 113,300 FTE teachers.
- As the share of district budgets spent on salaries has declined, the portion spent on purchased services such as pupil transportation, utilities, maintenance and repairs, and other services not provided by district personnel has increased, from 16% in FY 2011 to 20% in FY 2017.
- State law requires each school district to set aside a uniform per pupil amount for capital and maintenance needs. In FY 2017, the required set-aside amount was approximately \$172 per pupil.

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

Spending Per Pupil by District Comparison Group, FY 2017

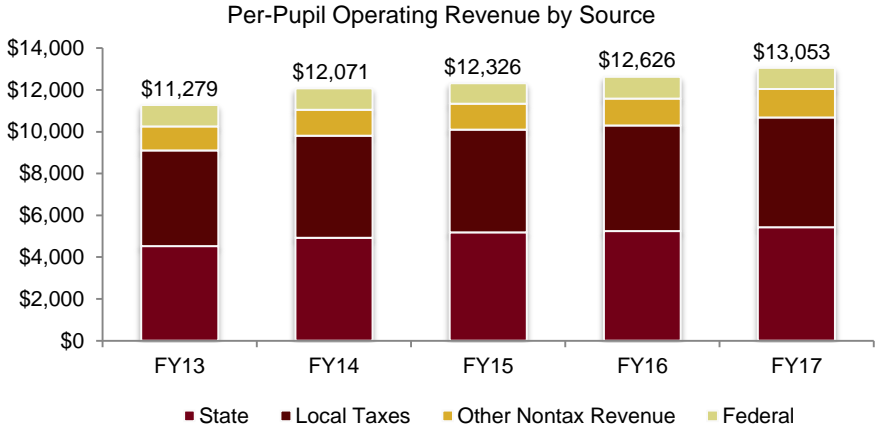
Comparison Group – Description		Number of Districts	Enrollment %	Spending Per Pupil
Rural	High poverty, small population	123	9.8%	\$10,881
Rural	Average poverty, very small population	106	6.4%	\$10,705
Small Town	Low poverty, small population	111	11.0%	\$10,047
Small Town	High poverty, average population	89	11.8%	\$10,474
Suburban	Low poverty, average population	77	19.8%	\$11,105
Suburban	Very low poverty, large population	46	15.6%	\$12,127
Urban	High poverty, average population	47	13.1%	\$11,861
Urban	Very high poverty, very large population	8	12.5%	\$14,931
State Total*		607	100.0%	\$11,603

*Three small outlier districts are not included.

Source: Ohio Department of Education

- In FY 2017, the average per-pupil spending within socioeconomic and geographic district comparison groups varied from a low of \$10,047 for low-poverty small town districts to a high of \$14,931 for very large urban districts with very high poverty. The state average was \$11,603.
- Very large urban districts with very high poverty spent 28.7% (\$3,328) above the state average. Large suburban districts with very low poverty had the second highest spending per pupil at \$12,127, which was 4.5% (\$523) above the state average. Smaller urban districts' spending of \$11,861 was also above the state average – by 2.2% (\$258).
- Small town districts tend to have the lowest spending per pupil, averaging \$10,268 for the two comparison groups, which is 11.5% (\$1,335) below the state average. Rural districts have the next lowest spending, averaging \$10,811 per pupil, which is 6.8% (\$792) below the state average. Finally, smaller suburban districts' spending of \$11,105 was also below the state average – by 4.3% (\$498).
- On average, school districts spent 67.7% of total operating spending on classroom instruction and the remaining 32.3% on nonclassroom activities.

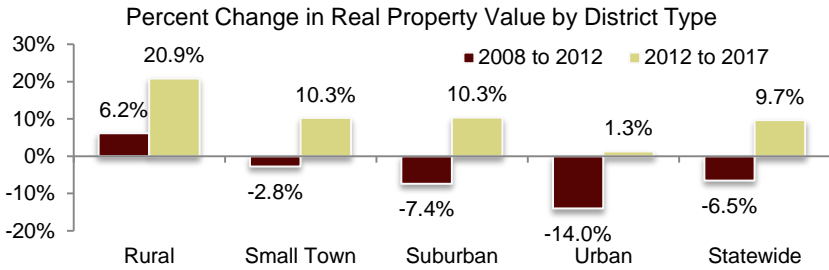
Per-Pupil Operating Revenue for Schools Increased 16% Since FY 2013



Sources: Ohio Department of Education; Ohio Legislative Service Commission

- Ohio schools' average per-pupil operating revenue from all sources was \$13,053 in FY 2017, an increase of 15.7% (\$1,773) over the past five years.
- During this time, state revenue per pupil increased 19.8% (\$896), local tax revenue per pupil increased 15.1% (\$691), other nontax revenue per pupil increased 17.8% (\$205), and federal revenue per pupil decreased 1.9% (\$19).
- State funds provided 41.6% (\$5,426 per pupil) of school revenue in FY 2017, the largest share. State funding is largely supported by the GRF, which receives revenue mainly from state taxes. Most state education funds are distributed through the school funding formula, followed by tax reimbursements and competitive and noncompetitive grants.
- The second largest source of school revenue was local taxes, at 40.3% (\$5,261 per pupil). Locally levied property taxes account for about 96% of total local tax revenue for schools, while school district income taxes account for the remaining 4%.
- Other nontax revenue represented 10.4% (\$1,362 per pupil) of school revenue in FY 2017. These revenues include tuition payments, charges for school breakfast and lunch, various fees, admissions and sales related to extracurricular activities, and state solvency assistance advances.
- Federal dollars amounted to 7.7% (\$1,004 per pupil) of school revenue in FY 2017. These funds focus on special education and disadvantaged students.

Aggregate Real Property Values Have Surpassed Pre-Recession Levels in All but Urban School Districts

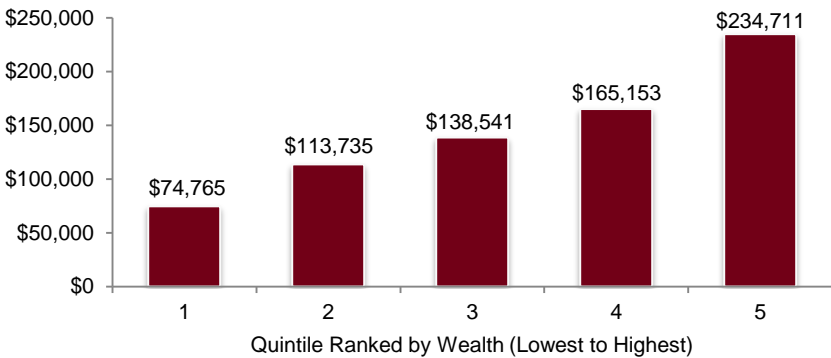


Sources: Ohio Department of Education; Ohio Department of Taxation

- School district real property valuation as a whole reached a new peak in 2017, having fully rebounded from the 6.5% decline in statewide real property valuation that occurred from 2008 to 2012. Since then, statewide real property valuation has increased 9.7%. While all school district types gained aggregate real property valuation during this time, growth rates among these comparison groups vary.
- Rural districts experienced the largest increases in real property valuation over the past ten years. Their valuation increased by 6.2% from 2008 to 2012 and by 20.9% from 2012 to 2017 due to steady increases in statewide agricultural real property value – 27.6% from 2008 to 2012 and 38.5% from 2012 to 2017. Agricultural real property valuation comprises a much larger share of total real property valuation for rural districts (31.5% in 2017) than for all districts as a whole (7.4%).
- From 2012 to 2017, real property valuation increased 10.3% for both small town and suburban school districts. From 2008 to 2012, these districts lost 2.8% and 7.4% of their valuation, respectively. Unlike other district types, urban district values have not fully recovered, growing 1.3% from 2012 to 2017, after losing 14.0% from 2008 to 2012.
- Residential real property accounts for 71.0% of total statewide real property valuation in 2017. From 2012 to 2017, this valuation increased 8.4% statewide. However, the gains varied from 11.4% in suburban districts to 1.0% in urban districts. From 2008 to 2012, residential real property decreased 8.8% statewide.
- The remaining 21.7% of real property valuation in 2017 is made up of commercial, industrial, mineral, and railroad real property. From 2012 to 2017, this property valuation increased 6.2% statewide following a decrease of 5.6% from 2008 to 2012.
- In 2017, real property valuation was \$247.3 billion, representing 93.8% of the total property valuation statewide.

School District Property Values Vary Widely Across Ohio

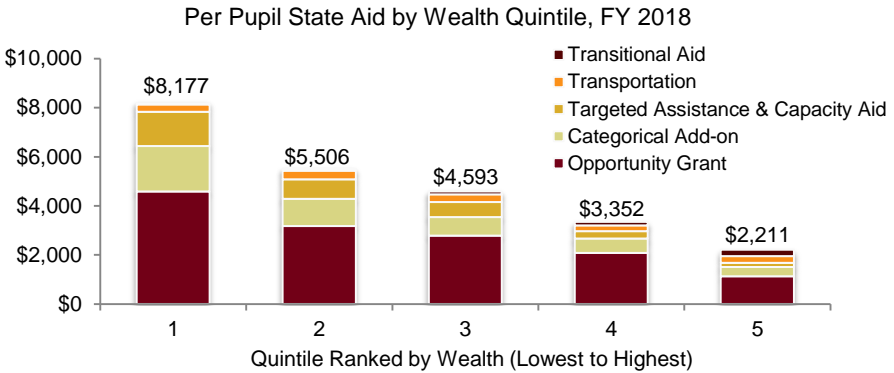
Average Per Pupil Valuation by Wealth Quintile, FY 2018



Sources: Ohio Department of Taxation; Ohio Department of Education

- To create the quintiles used on this and the following three 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 property wealth and districts in quintile 5 have the highest property wealth.
- In FY 2018, approximately 20% of Ohio's students resided in school districts with per pupil property valuations that averaged about \$75,000 while another 20% resided in school districts with per pupil property valuations that averaged about \$235,000. The statewide average valuation was \$145,000 per pupil.
- A 20-mill (2%) property tax levy generates \$1,500 per pupil for a district with a valuation per pupil of \$75,000 and \$4,700 per pupil for a district with a valuation per pupil of \$235,000.
- 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.
- 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 basic educational opportunities.
- To achieve this goal, Ohio's current school funding formula uses an index, based on a district's three-year average property valuation and in some circumstances median and average income, to direct more state funds to districts with lower wealth.

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

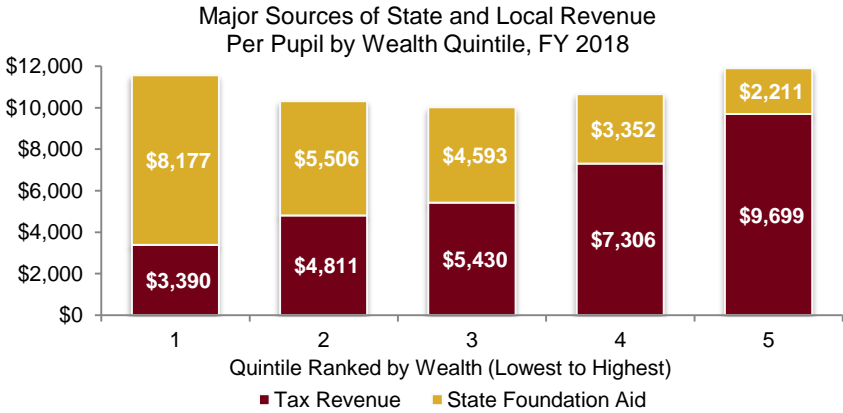


Source: Ohio Department of Education

- Low wealth districts receive more state foundation aid per pupil than high wealth districts. In FY 2018, the average per pupil state foundation aid for wealth quintiles 1 through 5 was \$8,177, \$5,506, \$4,593, \$3,352, and \$2,211, respectively.¹
- The opportunity grant (57.7% of total state foundation aid) consists of the state share of the per pupil formula amount (\$6,010 for FY 2018). In FY 2018, the average per pupil opportunity grant for wealth quintiles 1 through 5 was \$4,582, \$3,174, \$2,784, \$2,084, and \$1,125, respectively.
- Targeted assistance and capacity aid (13.7% of total) provide additional funding to low wealth districts and small districts with relatively low total property value. In FY 2018, the average per pupil assistance for wealth quintiles 1 through 5 was \$1,390, \$792, \$609, \$298, and \$169, respectively.
- Categorical add-ons include funding for special education (10.7% of total), economically disadvantaged (5.1%), K-3 literacy (1.3%), gifted (0.9%), career-technical education (0.9%), performance bonuses (0.4%), and limited-English proficiency (0.4%). In FY 2018, the average per pupil add-ons for wealth quintiles 1 through 5 was \$1,863, \$1,115, \$762, \$587, and \$387, respectively.
- Transportation funding (6.1% of total) is distributed to districts based on the number of miles or the number of pupils transported. In FY 2018, the average per pupil transportation funding for wealth quintiles 1 through 5 was \$297, \$349, \$312, \$233, and \$266, respectively.
- Transitional aid (2.8% of total) guarantees a district's state aid allocation for all of its resident students does not fall below 95% to 100% of its FY 2017 level, depending on its enrollment change from FY 2014 to FY 2016.

¹ See page 53 for an introduction to this analysis and a description of the quintiles.

State Foundation Aid Helps to Equalize Property Tax Revenues



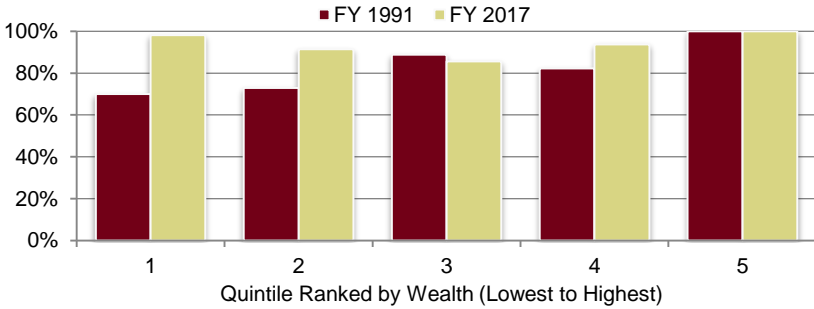
Source: Ohio Department of Education

- State foundation aid helps equalize school district property tax revenue, although the wealthiest districts still have more resources. In FY 2018, tax revenue plus state foundation aid per pupil for wealth quintiles 1 through 5 were \$11,567, \$10,317, \$10,023, \$10,658, and \$11,910, respectively.¹
- The percentage of revenue attributable to state foundation aid is much higher for lower wealth districts. This percentage was 70.7%, 53.4%, 45.8%, 31.4%, and 18.6%, respectively, for wealth quintiles 1 through 5 in FY 2018.
- In the chart, tax revenue includes locally paid school district property and income taxes, and state-paid property tax rollbacks, homestead exemption reimbursements, and tangible personal property (TPP) tax reimbursements.
- Wealthier districts are able to collect significantly more tax revenue per pupil. Per-pupil tax revenues for wealth quintiles 1 through 5 were \$3,390, \$4,811, \$5,430, \$7,306, and \$9,699, respectively, in FY 2018.
- In FY 2018, tax revenues in quintiles 1 through 4 were 35.0%, 49.6%, 56.0%, and 75.3%, respectively, of tax revenues in quintile 5. Adding state foundation aid, however, increases those percentages to 97.1%, 86.6%, 84.2%, and 89.5%, respectively.
- Tax 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. In FY 2018, seven wealthy districts raised more than \$15,000 per pupil and one raised more than \$20,000 per pupil.

¹ See page 53 for an introduction to this analysis and a description of the quintiles.

Interdistrict Equity Improved Since FY 1991

Average Quintile Revenue Per Pupil as a Percentage of Quintile 5



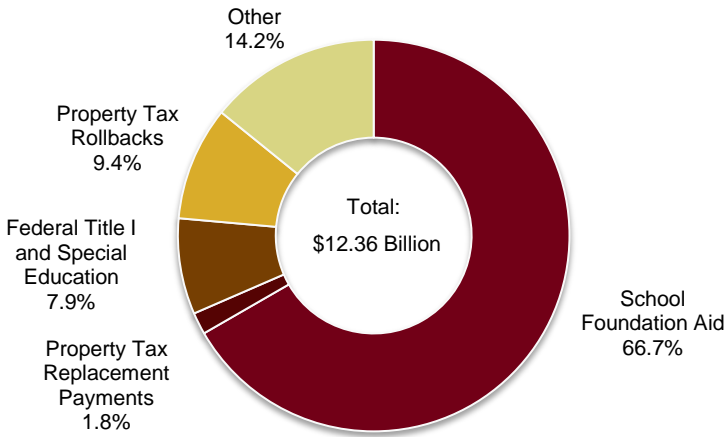
Source: Ohio Department of Education

- From FY 1991 to FY 2017, the average revenue per pupil of the districts in the lower wealth quintiles, except for those in quintile 3, moved much closer to that of the districts in the highest wealth quintile.¹
- The biggest changes came in the two lowest wealth quintiles. In FY 1991, the districts in quintile 1 had, on average, 70.0% of the revenue received by the districts in quintile 5. This percentage increased to 98.1% in FY 2017. At the same time, the percentage for quintile 2 rose from 72.9% to 91.4%.
- The percentage for quintile 4 also rose from 82.3% in FY 1991 to 93.7% in FY 2017. During this period, only quintile 3 lost ground, dropping from 88.8% in FY 1991 to 85.7% in FY 2017.
- Revenue on this page includes traditional school district operating revenue from all sources as reported by districts. From FY 1991 to FY 2017, per pupil operating revenue increased by 268.3% (\$9,969) in quintile 1, 229.1% (\$8,874) in quintile 2, 153.2% (\$7,227) in quintile 3, 199.0% (\$8,699) in quintile 4, and 162.5% (\$8,632) in quintile 5. The overall increase was 197.2% (\$8,678).
- In FY 1991, about 76% of the variation in per pupil revenue across districts could be explained by the variation in per pupil property value. In FY 2017, this percentage dropped to 14%. This indicates that, in FY 2017, the amount of financial resources available for the education of a student depends less on the wealth of the district in which the student attends school than it did in FY 1991. Some of the variation in per pupil revenue is also explained by the percentage of students in poverty (the state and federal governments both provide additional funds for these students) and local tax effort.

¹ See page 53 for an introduction to this analysis and a description of the quintiles.

School Foundation Aid Comprised Nearly Two-Thirds of Department of Education's Total Spending in FY 2018

Department of Education's Spending by Component, FY 2018

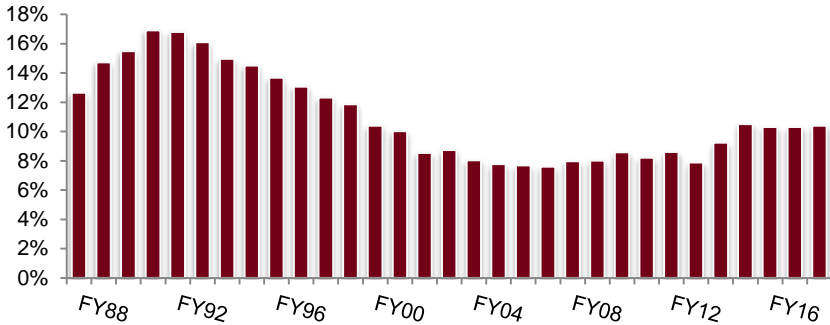


Source: Ohio Administrative Knowledge System

- In FY 2018, the Ohio Department of Education's (ODE) spending totaled \$12.36 billion across all funds. Of this total, \$8.24 billion (66.7%) was distributed as school foundation aid, the largest source of state funding for school operations. School foundation aid was funded by the state GRF (\$7.16 billion) and lottery profits (\$1.09 billion).
- The second largest spending component was property tax rollback payments at \$1.16 billion (9.4%). These payments reimburse school districts for revenue lost due to the 10% and 2.5% property tax rollback programs and the homestead exemption program.
- Federal Title I and special education programs that focus on disadvantaged students and students with disabilities made up \$979.5 million (7.9%).
- State direct payments for the phase-out of tangible personal property taxes accounted for another \$223.5 million (1.8%) of the total.
- ODE's spending for FY 2018 was mainly supported by the GRF (\$9.16 billion or 74.1%), followed by federal funds (\$1.83 billion or 14.8%), and the lottery (\$1.11 billion or 9.0%).
- In FY 2018, 98.3% (\$12.15 billion) of ODE's total spending was distributed as subsidies to schools and various other educational entities.
- ODE's payroll expenses of \$59.5 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 \$115.9 million or 0.9% of its total spending in FY 2018.

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

Lottery Profits as Share of Spending for K-12 Education

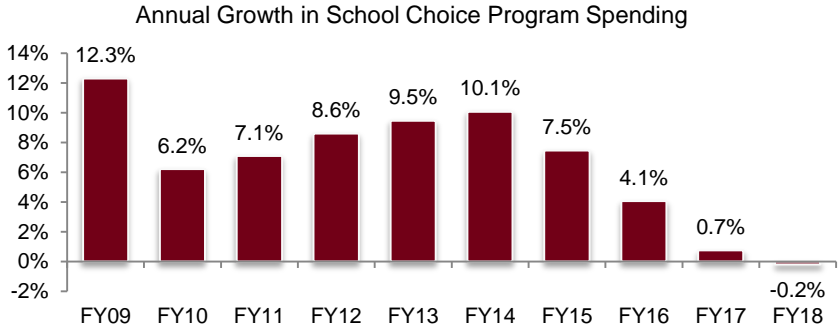


Sources: Ohio Lottery Commission; Ohio Legislative Service Commission

- 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 10.4% in FY 2018.
- 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 reached a record high of \$1.11 billion in FY 2018, a 63.0% increase compared to the recent low of \$682.0 million in FY 2013. This increase was mostly due to revenues from video lottery terminals (VLTs) at Ohio's seven horse racetracks (racinos), the first of which opened in June 2012. In FY 2018, VLT operations contributed about \$330 million to lottery profits.
- From FY 1988 to FY 2018, total GRF and lottery spending on primary and secondary education increased by \$7.2 billion (210.0%). Of this growth, \$675.9 million (9.3%) was provided by the lottery.
- FY 2018 produced record lottery sales and VLT net revenues of \$4.1 billion, an increase of 5.6% (\$218.9 million) from FY 2017. Traditional ticket sales and VLT net revenues both showed strong growth in FY 2018, increasing 5.3% and 6.5%, respectively, from the prior year.

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.

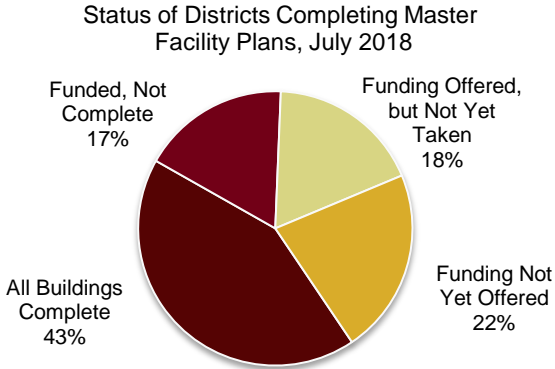
School Choice Program Spending Declined Slightly in FY 2018



Sources: Ohio Department of Education; Ohio Administrative Knowledge System

- Total spending on Ohio school choice programs decreased 0.2% (\$2.4 million) to \$1.21 billion in FY 2018, the first year such spending has declined. The decrease in FY 2018 follows three years of slowing growth rates. School choice programs include community and STEM schools, the Educational Choice (EdChoice) Scholarship Program, the Autism Scholarship Program, the Cleveland Scholarship and Tutoring Program (CSTP), and the Jon Peterson Special Needs (JPSN) Scholarship Program.
- Community and STEM schools, the largest component of school choice in Ohio, are funded primarily through state education aid transfers. Such transfers decreased for the third consecutive year in FY 2018, falling 2.8% (\$25.7 million) to \$887.4 million. These transfers represent 73.3% of school choice spending. Approximately 108,500 students were enrolled in community and STEM schools in FY 2018.
- The state also provides various scholarships for students to obtain education services from private providers. Scholarship payments increased 7.7% (\$23.2 million) in FY 2018 to \$323.9 million.
- Within the EdChoice Scholarship Program, 22,201 students received scholarships under the traditional "low-performing school" criteria and 10,000 students received scholarships under income-based criteria in FY 2018. Scholarship payments for each group of students totaled \$109.1 million and \$38.2 million in FY 2018, respectively, for a total of \$147.4 million, or 12.2% of total school choice spending.
- A combined 16,945 students received a total of \$176.5 million in scholarships under the remaining three programs in FY 2018: the Autism Scholarship Program (3,429 students, \$83.8 million), the JPSN Scholarship Program (5,154, \$55.3 million), and CSTP (8,362, \$37.4 million). Spending for these three programs comprised 14.6% of total school choice spending in FY 2018.

Full-Facility Fixes Have Been Completed in 43% of Ohio School Districts and JVSDs



Source: Ohio Facilities Construction Commission

- At the end of FY 2018, 43% of school districts and joint vocational school districts (JVSDs) had completed projects that fully addressed their facility needs as assessed by the Ohio Facilities Construction Commission (OFCC). These include 266 (44%) of the 610 regular school districts and 15 (31%) of the 49 JVSDs.
- Another 17% of districts have been funded, but their projects are not complete. These include 114 (19%) regular districts and one (2%) JVSD. These districts have buildings in the design or construction phase.
- An additional 18% 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 108 (18%) regular districts (77 deferred and 31 lapsed) and 11 (22%) JVSDs (nine deferred and two lapsed). Deferred and lapsed districts will be eligible for funding in the future.
- The final 22% of districts have not yet been offered funding. These include 122 (20%) regular districts and 22 (45%) JVSDs. Of these, 11 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. Overall, more than 100 districts have participated in ELPP.
- The total estimated cost of all projects funded by the end of FY 2018 was \$21.6 billion. Of that total, the state share was \$12.9 billion (60%) and the local share was \$8.8 billion (40%).
- Through the end of FY 2018, the General Assembly has appropriated \$13.5 billion and OFCC has disbursed a total of \$12.0 billion for school facilities projects.

Districts Fare Best on Graduation Rate Component and Worst on Prepared for Success

School District Report Card Results, 2016-2017 School Year					
Component	A	B	C	D	F
Graduation Rate	56%	27%	10%	4%	3%
Prepared for Success	2%	5%	25%	53%	15%
Gap Closing	1%	18%	18%	15%	48%
Achievement	2%	9%	35%	51%	3%
Progress	21%	34%	9%	25%	11%
K-3 Literacy	4%	24%	59%	12%	2%

Source: Ohio Department of Education

- For school year 2016-2017, school districts fared the best on the report card's graduation rate component and struggled most with the prepared for success component, which measures how well prepared Ohio's students are for work or college. While 83% of districts received A's or B's on the graduation rate component of the report card, 68% of districts received D's or F's on the prepared for success component.
- Districts also fared less well on the gap closing component, which is designed to measure achievement gaps between certain designated groups and all students. The total percentage of districts receiving A's or B's on this component was 19%, whereas the total percentage of D's and F's was 63%.
- Districts struggled on the achievement component, which measures performance and proficiency on state tests. Over half (54%) of districts received D's or F's while a total of 11% of districts received A's or B's. Due in part to more rigorous state tests in recent years, grades have fallen on the two measures that comprise this component – the performance index and performance indicators. The total percentage of districts receiving A's or B's on the former decreased from 77% in school year 2013-2014 to 20% in school year 2016-2017 while the percentage of districts receiving A's or B's on the latter decreased from 50% to 6% in the same time period.
- Districts fared better on the progress and K-3 literacy components. The progress component measures academic growth while K-3 literacy measures district success helping off-track readers read at grade level. The total percentage of A's or B's was 55% on the progress component and 28% on the K-3 literacy component whereas the total percentages of D's or F's on these measures were 36% and 14%, respectively.
- Due to recent changes to state tests, the General Assembly suspended many sanctions related to state test results for school years 2014-2015, 2015-2016, and 2016-2017.

School Enrollment Continues to Decline

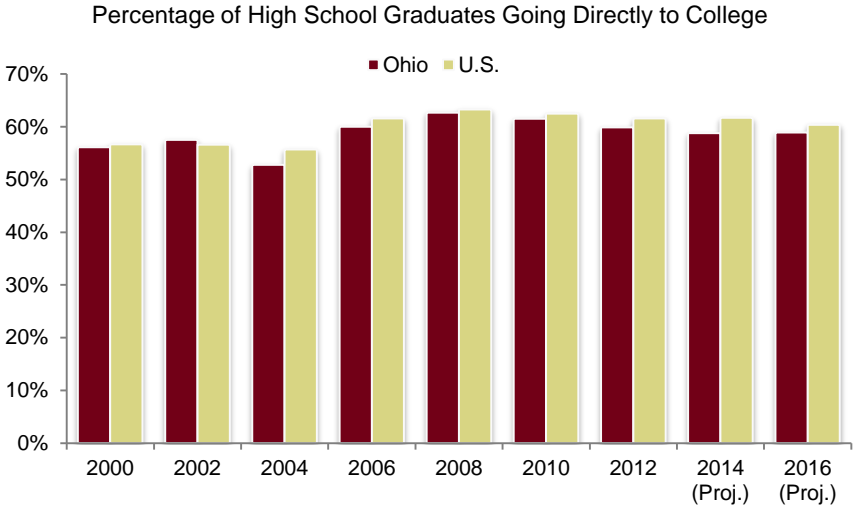
Ohio School Enrollment, FY 2007-FY 2017

Fiscal Year	Public		Nonpublic		Total	
	Enrollment	Annual Change	Enrollment	Annual Change	Enrollment	Annual Change
2007	1,803,226	-8,482	204,402	-2,652	2,007,628	-11,134
2008	1,794,134	-9,092	200,598	-3,804	1,994,732	-12,896
2009	1,790,809	-3,325	195,343	-5,255	1,986,152	-8,580
2010	1,782,713	-8,096	187,994	-7,349	1,970,707	-15,445
2011	1,774,538	-8,175	181,420	-6,574	1,955,958	-14,749
2012	1,760,902	-13,636	178,702	-2,718	1,939,604	-16,354
2013	1,753,068	-7,834	176,166	-2,536	1,929,234	-10,370
2014	1,747,528	-5,540	173,966	-2,200	1,921,494	-7,740
2015	1,742,777	-4,751	173,030	-936	1,915,807	-5,687
2016	1,735,506	-7,271	172,990	-40	1,908,496	-7,311
2017	1,724,858	-10,648	171,426	-1,564	1,896,284	-12,212
Total Change		-78,368	--	-32,976	--	-111,344

Source: Ohio Department of Education

- Total school enrollment in Ohio has declined every year during the past decade. Overall, it decreased by 111,344 students from 2.01 million in FY 2007 to 1.90 million in FY 2017.
- After annual declines averaging 12,790 students from FY 2007 through FY 2013, declines slowed to an annual average of 6,913 students from FY 2014 to FY 2016. In FY 2017, however, the annual decrease rose to 12,212.
- Of the total enrollment decrease since FY 2007, 29.6% (32,976) occurred in nonpublic schools and 70.4% (78,368) occurred in public schools. This represents a 16.1% decline in nonpublic school enrollment during this period, compared to a 4.3% decline in public school enrollment.
- In FY 2017, nonpublic school enrollment represented 9.0% of total enrollment in Ohio, compared to 10.2% in FY 2007.
- Both public and nonpublic school enrollments have decreased every year over the past decade. During this period, the largest annual decrease in public school enrollment was 13,636 students in FY 2012 while the smallest annual decrease was 3,325 students in FY 2009. The comparable figures for nonpublic school enrollment were 7,349 students in FY 2010 and 40 students in FY 2016.

Percentage of Ohio High School Graduates Going Directly to College Is Essentially Flat in 2016

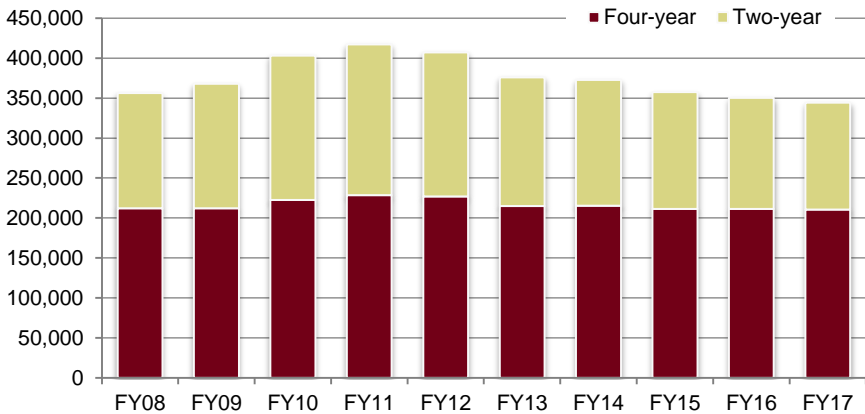


Sources: ACT; College Board; NCES; Pell Institute; Ohio Department of Higher Education

- The percentage of Ohio high school graduates going directly to college remained essentially unchanged in recent years, according to projections made by the Pell Institute. Ohio's percentage increased 0.1 percentage points from 58.8% in 2014 to 58.9% in 2016. Conversely, the national average decreased by 1.3 percentage points in the same period, from 61.7% to 60.4%.
- The percentage of Ohio high school graduates going directly to college has been below the national average in every year since 2000 except for 2002. In 2016, Ohio's percentage was 1.5 percentage points below the national average.
- In fall 2016, 39% of graduates from Ohio public high schools enrolled directly in an Ohio college or university – approximately 29% in a four-year institution and 10% in a two-year institution.
- In fall 2016, 30% of Ohio public high school graduates enrolled directly in Ohio colleges and universities were taking remedial mathematics or English courses, down from 31% in fall 2015 and 32% in fall 2014.
- ACT and SAT scores are indicators that help predict how well students will perform in college. Since 1996, ACT and SAT scores for Ohio high school seniors have been consistently higher than the national average.
- The average Ohio ACT score was 22.0 in 2017, in comparison with the national average of 21.0. Ohio's mean score on the new SAT that debuted in 2016 was 1149 in 2017, in comparison with the national mean score of 1060.

Higher Education Enrollment Continues Decline

Total Subsidy-Eligible FTE Students*



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

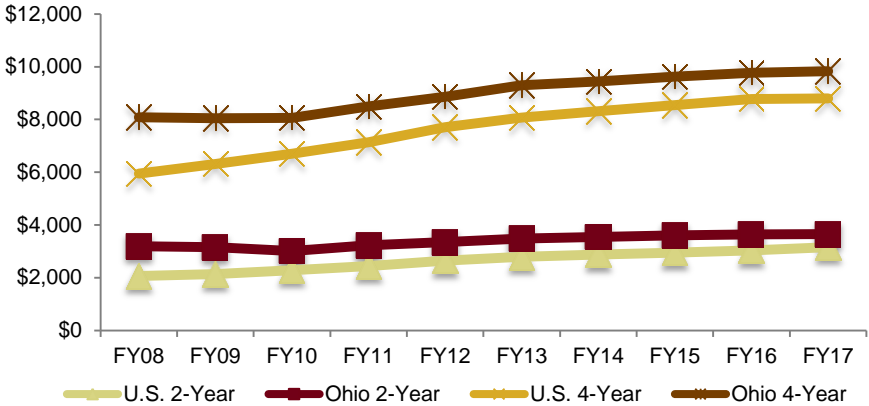
Sources: Ohio Department of Higher Education; State Higher Education Executive Officers

- Total student enrollment at public colleges and universities reached a peak of 416,931 in FY 2011 and has decreased every year since, falling by a total of 72,696 (17.4%) to 344,235 in FY 2017.
- Over 75% of this decrease occurred on the two-year campuses (community colleges and university branches) where enrollment fell by 54,892 (29.1%) since FY 2011. Over this same time period, enrollment at four-year campuses (universities) fell by 17,805 (7.8%).
- The annual enrollment decreases beginning in FY 2012 came after strong enrollment growth between FY 2008 and FY 2011, especially on two-year campuses. Total enrollment increased by 60,672 FTEs (17.0%) during that period, of which 44,414 (73.2%) occurred at two-year campuses.
- The FY 2008 to FY 2011 enrollment growth at two-year campuses may be partly due to the Great Recession. High growth in the two-year sector also occurred in prior periods of economic slowdown.
- According to a measure published by the State Higher Education Executive Officers, all but seven states¹ experienced a decrease in public higher education FTE enrollment from FY 2012 to FY 2017. The decrease in Ohio's enrollment was the 19th largest among the states.

¹ The states with positive enrollment growth during this period are Utah, Nevada, Connecticut, Arizona, Delaware, Texas, and California.

Gap Between Ohio's Average Public Higher Education Tuition and the Nation's Narrows in Recent Years

In-State Public Higher Education Tuition and Fees for Ohio and U.S.

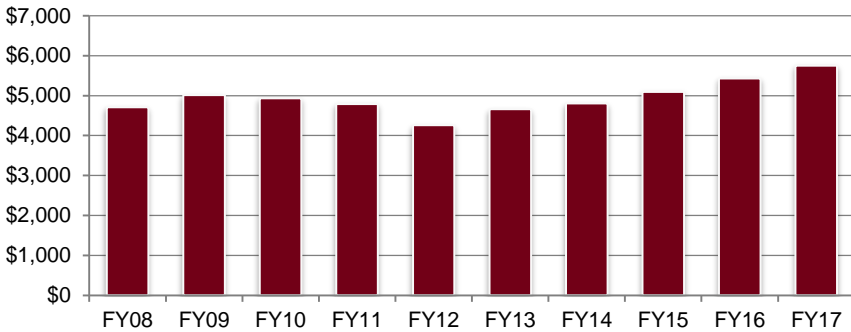


Source: National Center for Education Statistics

- The gap between Ohio's average public higher education tuition and fees and the nation's average narrowed steadily from FY 2008 to FY 2017. As a result, Ohio's ranking in the nation has dropped from 5th and 7th highest in FY 2008 to 15th and 29th highest in FY 2017 for four-year and two-year institutions, respectively.
- In FY 2008, Ohio's average tuitions were \$2,140 (36.0%) and \$1,139 (55.3%) higher than the nation's averages for four-year and two-year institutions, respectively.
- Ohio's averages remained above the nation's in FY 2017, but both the gap of \$1,023 (11.6%) for four-year institutions and the gap of \$499 (15.8%) for two-year institutions, were much smaller.
- From FY 2008 to FY 2017, average tuition and fees at four-year institutions in Ohio increased by \$1,744 (21.6%), from \$8,083 to \$9,827. Tuition and fees at Ohio two-year institutions increased by \$455 (14.2%), from \$3,200 to \$3,655, during the same period.
- The General Assembly has imposed caps or freezes on annual increases in tuition and general fees every year in the past decade. For FY 2016 and FY 2017, tuition and general fees were frozen at FY 2015 levels for all state-assisted institutions. The freeze did not apply to institutions participating in an Undergraduate Tuition Guarantee Program, which guarantees a cohort of students a fixed rate for general and instructional fees for four years.

SSI Funding Per Student Reached a Decade High in FY 2017

SSI Per FTE Student*



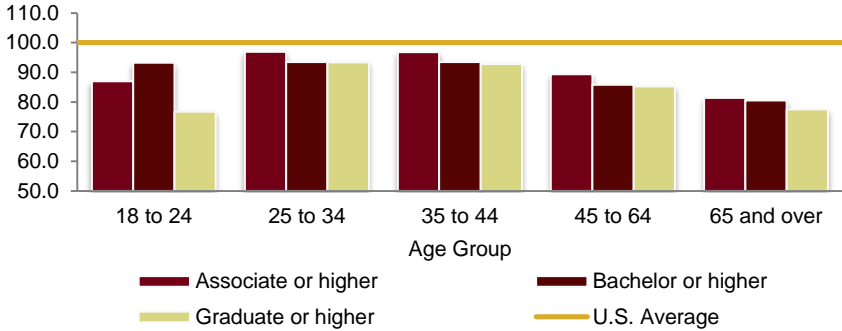
*An FTE (full-time equivalent) student takes the equivalent of 15 credit hours per semester. Out-of-state undergraduate students are not included as they are not eligible for state subsidy.

Source: Ohio Department of Higher Education

- On a per FTE student basis, FY 2017 State Share of Instruction (SSI), the main state subsidy to public colleges and universities, increased 5.8% (\$316) over FY 2016 and reached a decade high of \$5,750. The increase in FY 2017 was mainly due to increased SSI funding. Overall, total SSI funding increased by 4.0% from FY 2016 while enrollment at public higher education institutions decreased by 1.7%.
- The increase in SSI per FTE student was not equal across higher education sectors. From FY 2016 to FY 2017, SSI per FTE student increased by 4.7% (\$282) to \$6,236 at four-year universities and their regional campuses and by 8.5% (\$357) to \$4,563 at community colleges. Community colleges experienced a greater enrollment loss (-4.1%) than did four-year universities and their regional campuses (-0.7%) in that year.
- In FY 2017, total SSI funding was \$1.98 billion, \$76.1 million (4.0%) more than FY 2016 and \$300.8 million (17.9%) more than FY 2008. Total SSI funding peaked in FY 2011 at \$2.0 billion, including \$287.8 million in federal stimulus funding provided through the American Recovery and Reinvestment Act of 2009. With the loss of federal stimulus funding in FY 2012, SSI funding decreased in that year, on both a total and per-student basis.
- SSI, which helps support public institutions' core academic activities, is allocated to campuses mostly through formulas primarily based on institutional outcomes, such as student course and degree completion. Prior to FY 2010, SSI was allocated largely based on each campus's enrollment and courses offered.

Postsecondary Educational Attainment of Younger Ohioans Approaches National Average

Index of Ohio's Educational Attainment, 2016
(U.S. Average = 100)

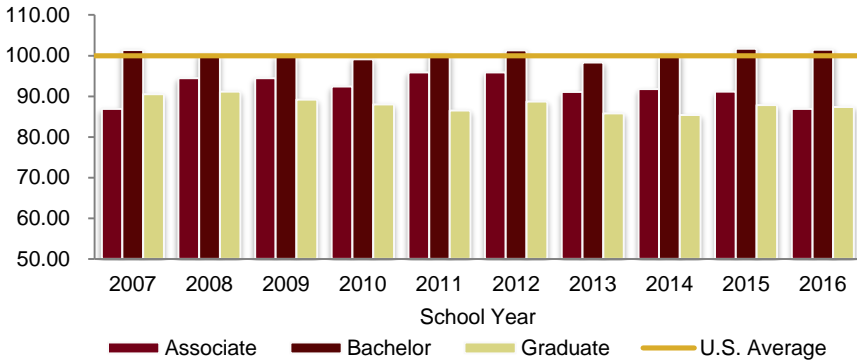


Source: U.S. Census Bureau

- 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 (ages 25 to 44) are closer to the national average than those for older Ohioans (45 and older).
- 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 93.2, 93.5, 93.5, 85.8, and 80.5, respectively.
- The percentage of Ohioans within each age group who hold at least a bachelor's degree is 10.1%, 32.6%, 32.8%, 25.9%, and 21.5%, respectively, compared to national averages of 10.8%, 34.9%, 35.1%, 30.2%, and 26.7%.
- Compared to all states plus Washington D.C. and Puerto Rico, Ohio's percentage of people with at least a bachelor's degree ranks 23rd for ages 18 to 24, 28th for ages 25 to 34, 33rd for ages 35 to 44, 40th for ages 45 to 64, and 42nd for 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, 25.4% of Ohioans had at least a bachelor's degree in 2016. Ohio ranks 37th in this percentage; the national average is 28.7%. Compared with contiguous states, Ohio's percentage is higher than Indiana (23.5%), Kentucky (21.6%), and West Virginia (19.4%), but lower than Pennsylvania (28.6%) and Michigan (25.9%).

Ohio Above National Average in Bachelor's Degrees Granted Per Capita

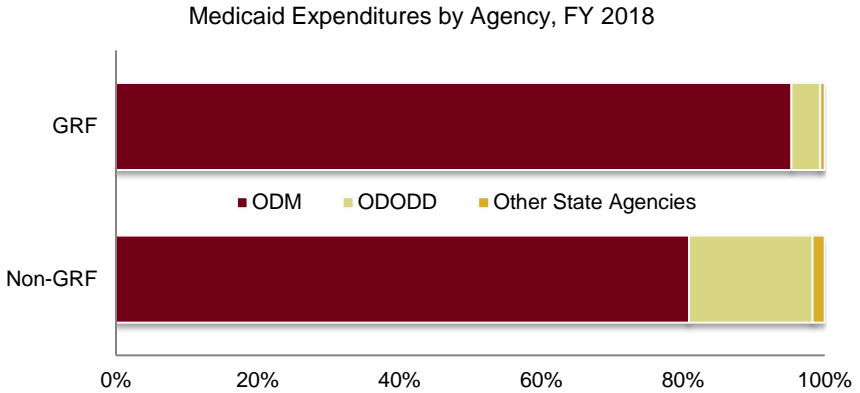
Index of Degrees Granted Per Capita
(U.S. Average = 100)



Sources: National Center for Education Statistics; U.S. Census Bureau

- 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 2016, the number of bachelor's degrees granted per capita in Ohio was slightly (1.5%) above the national average. In the last ten years, Ohio has hovered closely around the national average on this indicator.
- In 2016, the number of associate degrees granted per capita in Ohio was 13.1% below the national average, the same percentage difference as in 2007. Ohio had moved closest to the national average on this indicator in 2011 and 2012, when Ohio was 4.1% below the national average in both years. However, Ohio's average moved away from the national average by 9.0 percentage points from 2012 to 2016.
- In 2016, the number of graduate degrees granted per capita in Ohio was 12.6% below the national average. Overall, the state has moved away from the national average on this indicator over the past decade. Ohio's graduate degrees per capita were 9.5% below the national average in 2007.
- On a per capita basis, Ohio ranked 29th, 27th, and 28th highest among the states in 2016 for associate, bachelor's, and graduate degrees granted, respectively. Aggregating all postsecondary degrees granted, Ohio ranked 31st in the nation.
- In 2016, Ohio granted 31,495 associate degrees, 70,052 bachelor's degrees, and 30,259 graduate degrees. Public institutions accounted for 78.1%, 68.0%, and 67.9%, respectively, of the various degrees granted in the state.

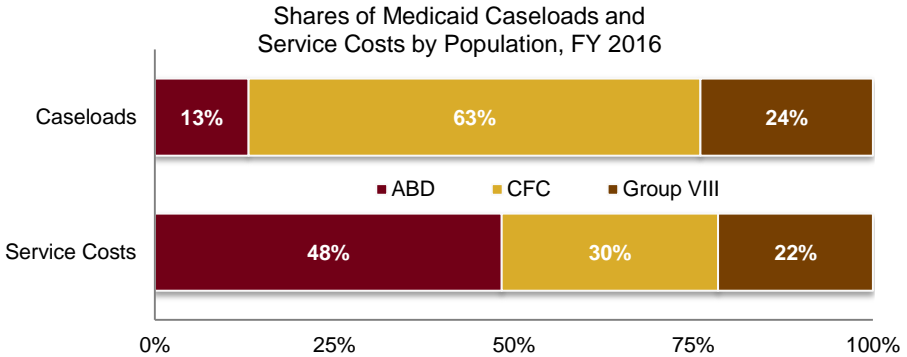
Department of Medicaid Disburses the Majority of Payments for Ohio Medicaid



Source: Ohio Administrative Knowledge System

- GRF Medicaid expenditures were \$14.48 billion in FY 2018, of which 95.3% (\$13.81 billion) was disbursed by the Ohio Department of Medicaid (ODM). Non-GRF Medicaid expenditures were \$11.86 billion in FY 2018, of which 80.9% (\$9.59 billion) was disbursed by ODM. Across all funds, Medicaid expenditures totaled \$26.34 billion. ODM accounted for 88.8% of this total.
- Ohio Medicaid is administered by ODM with the assistance of seven other state agencies – Developmental Disabilities, Job and Family Services, Mental Health and Addiction Services, Health, Aging, Education, and the Pharmacy Board – as well as various local entities.
- The Ohio Department of Developmental Disabilities (ODODD) had the second largest share of Medicaid expenditures, accounting for 4.0% (\$583.2 million) of the GRF total, 17.4% (\$2.07 billion) of the non-GRF total, and 10.1% of the all funds total. Together, ODM and ODODD accounted for 98.9% of the all funds total. The remaining 1.1% was accounted for by the other six agencies.
- GRF Medicaid expenditures are paid with a combination of state and federal resources. Of the \$14.48 billion GRF Medicaid expenditures in FY 2018, \$9.48 billion (65.5%) came from federal reimbursements and \$5.00 billion (34.5%) was funded with state resources.
- The practice of depositing federal Medicaid reimbursements into the GRF started in FY 1976. Since then, GRF appropriations for Medicaid include both state and federal dollars.
- In FY 2018, the federal government reimbursed about 68.3% of all Medicaid expenditures. The state was responsible for the remaining 31.7%.

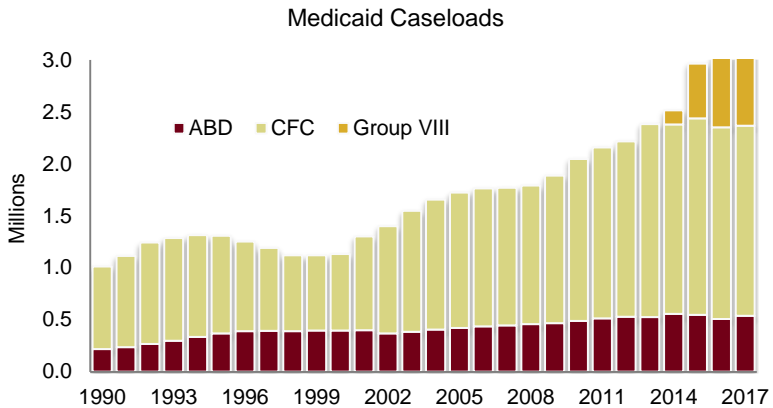
Aged, Blind, and Disabled Account for 13% of Medicaid Caseloads but 48% of Service Costs



Source: Ohio Department of Medicaid

- In FY 2016, the aged, blind, and disabled (ABD) population made up 13% of the Medicaid caseloads in Ohio, but accounted for 48% of the service costs. In contrast, the covered families and children (CFC) population made up 63% of caseloads, but only contributed 30% of the service costs. Lastly, the Medicaid expansion population (Group VIII) represented 24% of caseloads and 22% of service costs.
- In FY 2016, Ohio Medicaid caseloads totaled about 2.9 million, excluding individuals that receive only partial Medicaid coverage (e.g., premium assistance). Of this number, approximately 386,000 were ABD, 1.8 million were CFC, and 685,000 were Group VIII. Of the \$21.41 billion in total Medicaid service costs for these populations, \$10.34 billion was expended on the ABD population, while \$6.45 billion and \$4.62 billion was expended on the CFC and Group VIII populations, respectively.
- The ABD population includes low-income elderly who are age 65 or older and individuals with disabilities. The CFC population consists of low-income children and adults who are age 64 or younger. The Group VIII population includes recipients made newly eligible in 2014 who are age 19 to 64 with incomes at or below 138% of the federal poverty level.
- The average monthly Medicaid service cost was approximately \$2,235 for an ABD member, compared to \$300 for a CFC member and \$562 for a Group VIII member in FY 2016.
- The cost of long-term care, which is provided primarily to the ABD population, is one of the main reasons for the higher expense. Long-term care includes services provided in institutions, such as nursing facilities, or in the home or community through Medicaid waiver programs, such as PASSPORT or Individual Options.

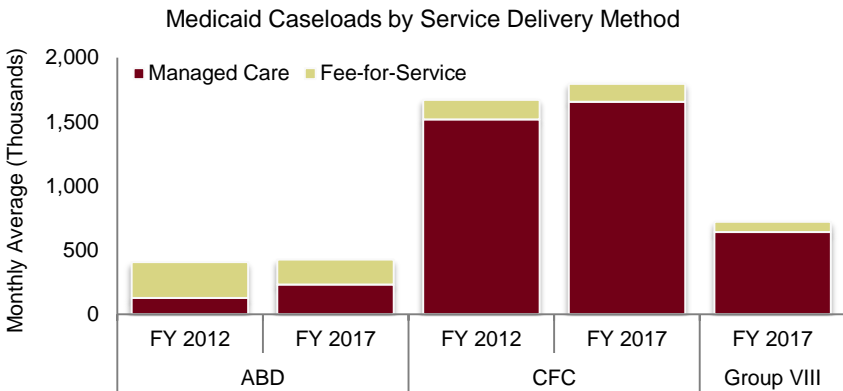
Medicaid Caseloads Continue to Increase



Source: Ohio Department of Medicaid

- In FY 2017, total Medicaid caseloads grew by 1.6% (49,000) to 3.1 million. The majority of the increases in recent fiscal years were the result of the Medicaid expansion that started in January 2014, which allowed previously ineligible adults between the ages of 19 to 64 with incomes below 138% of the federal poverty level to qualify for coverage (Group VIII). During the four-year period leading up to the Medicaid expansion (FY 2011-FY 2014) total caseloads grew at an average annual rate of 5.3% as the economy gradually improved following the Great Recession.
- CFC (covered families and children) caseloads experienced an increase in the four-year period after the Great Recession (FY 2011-FY 2014), growing on average 4.1% per year. This increase is partially due to the addition of family planning services as a limited Medicaid benefit, which was available from 2012 through 2015. CFC caseloads have remained relatively constant from FY 2015 to FY 2017, increasing at an average annual rate of 0.1%.
- ABD (aged, blind, and disabled) caseloads also experienced growth following the Great Recession, with caseloads increasing 3.3% on average from FY 2011 to FY 2014. Average annual ABD caseload growth has decreased over the following three-year period (FY 2015-FY 2017) at an average annual rate of 0.9%.
- Due to the Great Recession, total caseloads increased by 5.4% in FY 2009 and another 8.4% in FY 2010. Medicaid caseloads also increased rapidly in the early 2000s as a result of the economic slowdown and several eligibility expansions for family and child coverage. From FY 2000 to FY 2004, total caseloads increased by 8.2% per year on average.
- From FY 1990 to FY 2017, total caseloads tripled from 1.0 million to 3.1 million.

Medicaid Managed Care Caseloads Continue to Expand

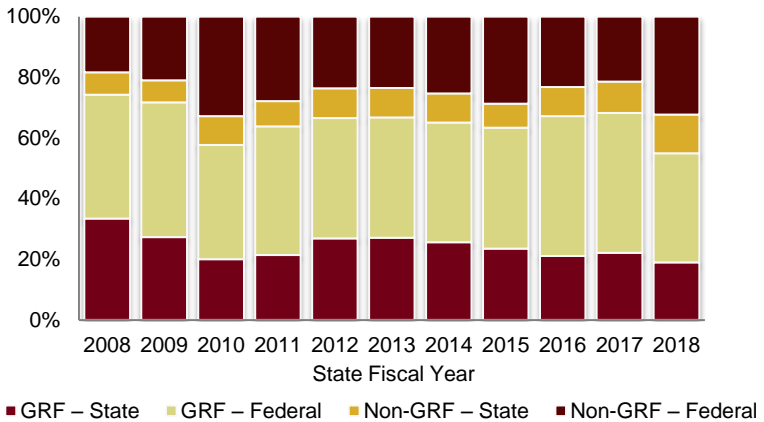


Source: Ohio Department of Medicaid

- Following expansions in Medicaid coverage in FY 2014, Medicaid managed care caseloads increased from 1.6 million in FY 2012 to 2.5 million in FY 2017. As a share of total Medicaid caseloads, the managed care portion increased from 79% in FY 2012 to 86% in FY 2017.
- Under the managed care system, the state pays a fixed monthly premium per enrollee for any health care included in the benefit package, regardless of the amount of services actually used. Under the fee-for-service system, Medicaid reimburses service providers based on set fees for the specific types of services rendered.
- For the aged, blind, and disabled (ABD) category, managed care caseloads grew from 127,000 to 232,000, increasing its share from 31% to 55%. This is due in part to the implementation of the MyCare Program in 2014. MyCare is a system of managed care plans that coordinate physical, behavioral, and long-term care services for individuals eligible for both Medicaid and Medicare (dual-eligibles). This includes older adults, individuals with disabilities, and individuals who receive behavioral health services.
- For the covered families and children (CFC) category, managed care caseloads grew from 1.5 million in FY 2012 to 1.7 million in FY 2017, increasing its share from 91% to 92%.
- Medicaid expansion through the federal Affordable Care Act began in January 2014 in Ohio. These individuals (Group VIII) are generally enrolled in managed care, but can receive services through fee-for-service until they choose a Medicaid managed care plan. Under the Group VIII category, managed care caseloads were 640,000 in FY 2017, or 89% of the Group VIII caseload total.

The GRF Is the Main Funding Source for Ohio Medicaid

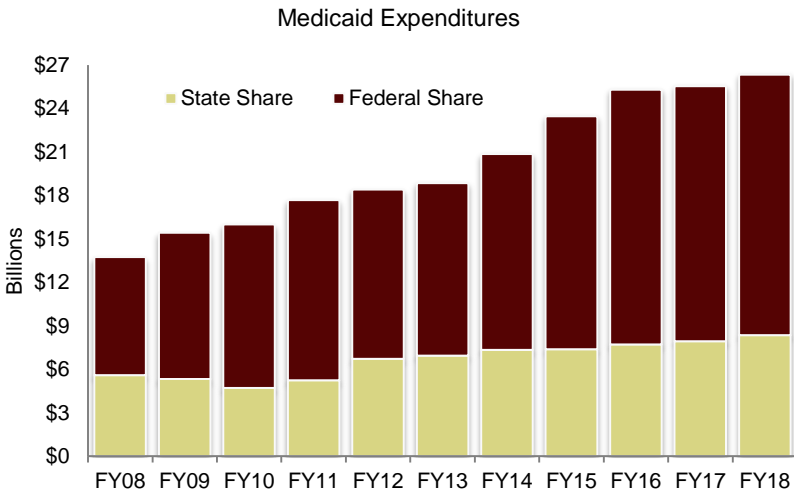
Medicaid Expenditures by Fund Group



Sources: Ohio Department of Medicaid; Ohio Administrative Knowledge System

- Ohio Medicaid is primarily funded by the GRF, but it is also supported by various non-GRF funds. From FY 2008 to FY 2018, on average, approximately two-thirds of Medicaid expenditures were made from the GRF, which consists of state tax receipts, state nontax receipts, and federal grants. The vast majority of federal grants deposited into the GRF are federal reimbursements for Medicaid.
- The lowest GRF share during this 11-year period was 55.0%, which was recorded in FY 2018. This shift in expenditures from GRF to non-GRF funds is largely due to the replacement of the sales tax on Medicaid managed care organizations with a franchise fee on all health insuring corporations (HICs). The sales tax was deposited into the GRF, whereas the HIC tax is deposited into a non-GRF fund.
- The GRF share increased from 63.3% in FY 2015 to 67.2% in FY 2016 due largely to an accounting practice change related to Group VIII individuals who became eligible for Ohio Medicaid beginning in January 2014 through the ACA expansion. Medicaid expenditures for these individuals were accounted for in non-GRF funds in FY 2014 and FY 2015 but in the GRF beginning in FY 2016.
- State non-GRF funds for Medicaid come from sources such as hospital assessments, HIC franchise fees, and nursing facilities franchise fees that are used for specific purposes. Federal non-GRF funds for Medicaid consist of federal reimbursements for expenditures made with these non-GRF funds.

Medicaid Expenditures Almost Doubled Since FY 2008

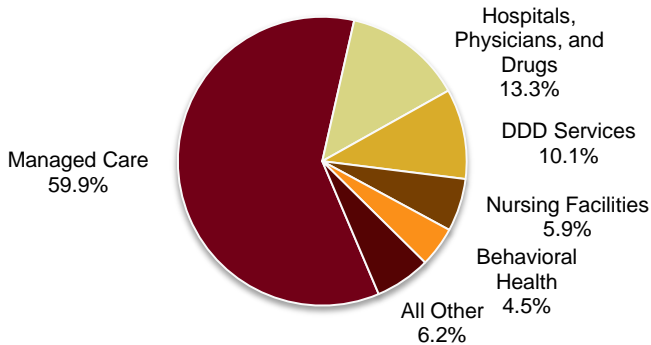


Source: Ohio Administrative Knowledge System

- From FY 2008 to FY 2018, Medicaid expenditures almost doubled, increasing from \$13.7 billion to \$26.3 billion. The average annual growth rate during this period was 6.8%.
- Medicaid expenditures increased by 10.6% from FY 2013 to FY 2014 and by 12.5% from FY 2014 to FY 2015. This is primarily due to the expansion in coverage for the Group VIII population, which began in January 2014.
- Medicaid expenditures are affected by policy, the economy, population, and health care prices. Due to the Great Recession, total Medicaid expenditures increased by 12.2% in FY 2009. In contrast, expenditures grew by 5.2% per year from FY 2010 to FY 2013 as the economy gradually expanded.
- The federal government typically reimburses more than 60% of Ohio's Medicaid expenditures. The federal share is determined annually based on the most recent per capita income for Ohio relative to that of the nation. However, from October 1, 2008 to June 30, 2011, federal reimbursement was enhanced under the American Recovery and Reinvestment Act of 2009 and P.L. 111-226.
- The federal share for certain Medicaid programs is higher than the typical share. For instance, the federal reimbursement for Group VIII was 100% through 2016 and 95% for 2017. It is 94% in 2018, 93% in 2019, and 90% in 2020 and beyond. In addition, the State Children's Health Insurance Program rate was about 74% through FFY 2015. Beginning in FFY 2016, the rate increased to about 97% as a result of Affordable Care Act provisions.

Managed Care Comprises Over Half of Total Medicaid Service Expenditures

Medicaid Service Expenditures by Category, FY 2018

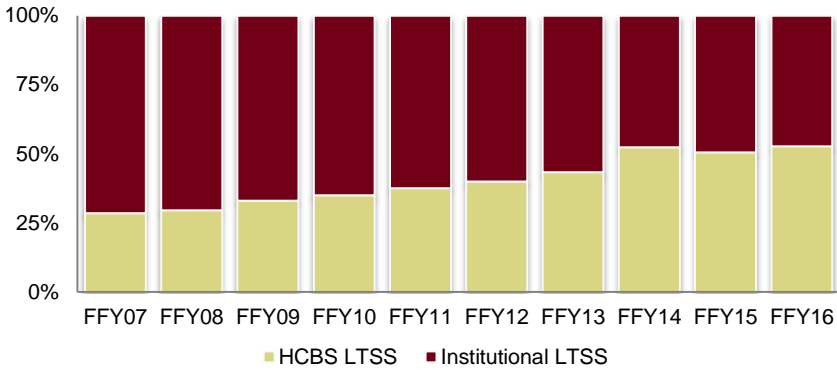


Source: Ohio Administrative Knowledge System

- In FY 2018, Medicaid service (excluding administration) expenditures totaled \$25.42 billion. Managed Care comprised the largest share at \$15.24 billion (59.9%), including \$4.07 billion for the Group VIII population. The Group VIII caseload averaged 692,000 in FY 2018. The federal reimbursement rate for this group is 94% in 2018, 93% in 2019, and 90% in 2020 and beyond.
- In FY 2018, spending totaled \$3.39 billion (13.3%) for the Hospitals, Physicians, and Drugs category. This figure represents spending for individuals that receive services through the fee-for-service Medicaid delivery system. Expenses for these services for individuals enrolled in Medicaid managed care are accounted for in the Managed Care category.
- Spending for DDD services totaled \$2.57 billion (10.1%) in FY 2018 and funds services for individuals with intellectual disabilities.
- Spending on Nursing Facilities (NF) totaled \$1.50 billion (5.9%) in FY 2018. This represents expenditures for 50,000 NF residents. NF expenditures for the MyCare Program, which serves recipients eligible for both Medicaid and Medicare (dual-eligibles), are included in the Managed Care category. Approximately 20,000 NF residents are enrolled on the MyCare Program.
- Behavioral Health spending, which totaled \$1.14 billion (4.5%) in FY 2018, supports enrollees with mental health or addiction-related needs.
- The \$1.58 billion (6.2%) spending in the All Other category includes expenditures for the following: Medicare Buy-In, which assists with premiums and coinsurance payments; Medicare Part D, which repays the federal government the amount the state would have spent on Medicaid prescription drugs for dual-eligibles; and Medicaid waiver programs, which allow individuals to receive home and community-based services.

Percentage of Medicaid Expenditures for Home and Community-Based Services Increases Steadily

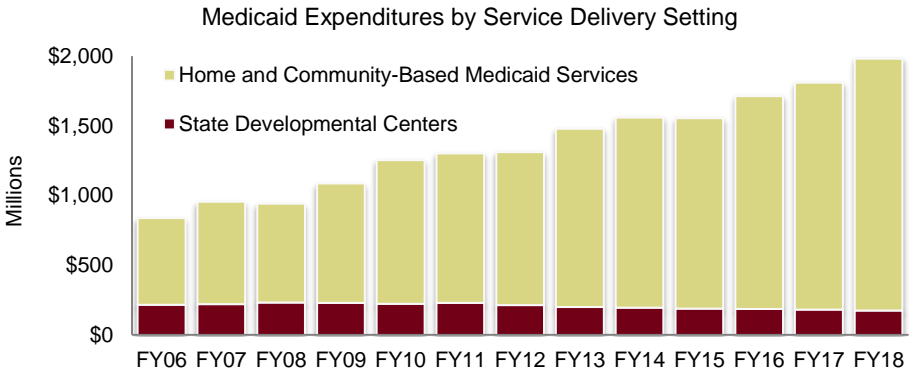
Percentage of Medicaid LTSS Expenditures by Setting



Sources: Centers for Medicare & Medicaid Services; Kaiser Family Foundation

- The home and community-based services (HCBS) share of Medicaid long-term services and supports (LTSS) expenditures increased from 28.5% in FFY 2007 to 52.7% in FFY 2016. In contrast, the percentage expended on institutional LTSS decreased from 71.5% to 47.3% during this time period.
- LTSS are medical and personal care services provided to individuals who have limitations in their capacity for self-care due to a physical, cognitive, or mental disability. LTSS are provided in institutional facilities (nursing facilities or intermediate care facilities for individuals with intellectual disabilities) or in the home or community through programs such as PASSPORT or Individual Options.
- LTSS spending for HCBS has increased for several reasons, including: recipient preference, HCBS are generally less expensive than institutional care, states are required by the Americans with Disabilities Act to provide persons with disabilities access to HCBS, and federal support for new initiatives to expand HCBS, such as the Balancing Incentive Program (BIP).
- BIP required at least 50% of a state's total Medicaid LTSS expenditures to be for HCBS by September 30, 2015 in return for additional Medicaid reimbursements. Ohio achieved this milestone on September 10, 2014. In total, Ohio received a total of \$169.1 million in BIP reimbursements.
- Between FFY 2012 (the first year of BIP operations) and FFY 2016, Ohio experienced a 12.7% increase in HCBS expenditures as a percentage of total Medicaid LTSS expenditures. This was the third highest increase in the nation. Only Missouri and Massachusetts had higher increases with 14.9% and 14.1%, respectively.

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

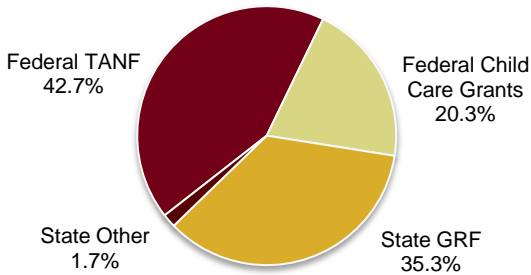


Source: Ohio Department of Developmental Disabilities

- From FY 2006 to FY 2018, Medicaid expenditures for home and community-based services (HCBS) for individuals with developmental disabilities increased 191% from \$621.7 million to \$1.81 billion, while expenditures for individuals in state developmental centers (DCs) decreased 19% from \$217.6 million to \$175.9 million.
- The Ohio Department of Developmental Disabilities (ODODD) administers three Medicaid HCBS waiver programs that enable individuals with developmental disabilities to remain in their homes or community settings. These programs provide services to increase skills, competencies, and self-reliance to maximize quality of life while ensuring health and safety.
- Enrollment in ODODD's HCBS waiver programs grew from about 18,200 in FY 2006 to 39,200 in FY 2018, an increase of 115%.
- ODODD currently operates eight regional DCs that provide habilitative environments for individuals with severe disabilities. Two DCs (Montgomery and Youngstown) closed near the end of FY 2017. In FY 2006, there were about 1,605 residents living in DCs. By FY 2018, the number of residents was 648, a decrease of roughly 60%.
- In FY 2018, the average monthly cost of an individual in a DC was about \$22,500, while the average monthly cost of an individual on an HCBS waiver was about \$900 for Level 1, \$5,900 for Individual Options, and \$1,000 for the Self-Empowered Life Funding waivers.
- In addition to state developmental centers and HCBS waiver services, Medicaid also pays for individuals in private intermediate care facilities. In FY 2006, payments to these facilities totaled \$516.5 million. By FY 2018, payments to these facilities totaled \$496.1 million, a decrease of about 4%.

Majority of Subsidized Child Care Was Funded by Federal Grants in FY 2017

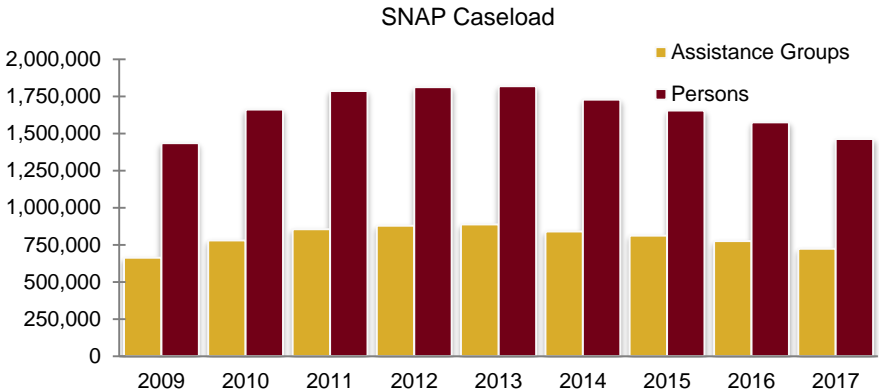
Child Care Expenditures by Funding Source, FY 2017



Sources: Ohio Department of Job and Family Services; Public Assistance Monthly Statistics

- Of the \$639.6 million Ohio spent on subsidized child care in FY 2017, \$403.3 million (63.0%) was from federal funds. A monthly average of 130,642 children received care, at an average monthly cost of \$408 per child.
- The federal Temporary Assistance for Needy Families (TANF) Block Grant portion totaled \$273.3 million, accounting for 67.8% of federal child care funding and 42.7% of the combined state-federal total. 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 \$130.0 million (20.3%) of the total. There are three separate CCDF grants: a discretionary grant, a mandatory grant, and a matching grant. In addition to direct child care spending, the grants are also used for administration, quality activities (e.g., rating program quality), and other nondirect services.
- State dollars accounted for the remaining \$236.4 million (37.0%), including \$225.5 million in GRF and \$10.8 million in other state funds paid by casino operators. Ohio is required by the federal government to annually expend approximately \$84.7 million to receive the CCDF mandatory and matching grants and \$416.9 million to meet the maintenance of effort requirements for TANF. Childcare spending makes up a significant portion of the required TANF spending.
- For families enrolled in, or transitioning out of, the Ohio Works First Program, child care is guaranteed. However, for most families, eligibility is based on income level. Families with incomes up to 130% of the federal poverty level (FPL) (\$27,014 for a family of three in 2018) are eligible for initial services if funding is available; families may remain eligible until their incomes rise above 300% FPL (\$62,340 for a family of three in 2018). Families pay copayments to providers on a sliding scale based on income.

Ohio's Supplemental Nutrition Assistance Program Caseload Drops for the 4th Consecutive Year



Sources: Ohio Department of Job and Family Services; Public Assistance Monthly Statistics

- The federal Supplemental Nutrition Assistance Program (SNAP) has seen a drop in the number of people and assistance groups receiving benefits in Ohio since 2013. In 2013, Ohio had an average monthly caseload of 1.82 million individuals in 888,000 assistance groups. By 2017, this decreased to 1.46 million individuals in 723,000 assistance groups.
- In 2017, Ohio disbursed \$2.17 billion in SNAP benefits, with an average benefit of \$124 per recipient per month. Benefits are paid entirely by the federal government and are transmitted directly to the processor Ohio contracts with to distribute benefits. This amount is never considered part of the state treasury and is not appropriated by the General Assembly.
- Determinations for SNAP benefits are made by county departments of job and family services. The federal government reimburses state and local administration costs at a rate of 50%.
- To qualify for benefits, recipients must earn less than 130% of the federal poverty level (\$27,014 annually for an assistance group of three in 2018). The benefit amount varies based on the income and size of the assistance group.
- An assistance group's monthly benefit is automatically loaded onto their Ohio Direction Card, which can be used like a debit card to purchase eligible food items. Most grocery stores accept the Ohio Direction Card.
- SNAP is a United States Department of Agriculture/Food and Nutrition Service program that assists low-income households to purchase food from authorized merchants. A household that receives benefits under the program is a group of people who purchase and prepare meals together. This would generally be a family, but may also include unrelated adults who share a home and meals.

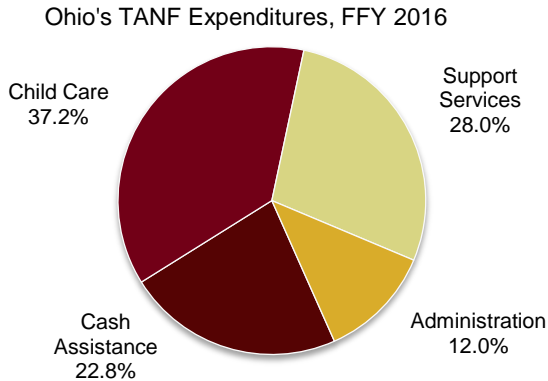
Ohio's Percentage of Preterm Births and Infant Mortality Rate Exceed National Statistics

Ohio and United States Population Statistics		
Category	Ohio	United States
% of Preterm Births, 2016	10.4%	9.9%
Non-Hispanic White	9.6%	9.0%
Non-Hispanic Black	14.6%	13.8%
Hispanic	11.0%	9.5%
Infant Mortality Rate (per 1,000 births), 2015	7.2	5.9
Non-Hispanic White	5.7	4.8
Non-Hispanic Black	15.1	11.7
Hispanic	6.0	5.2

Sources: Kaiser Family Foundation; Centers for Disease Control and Prevention

- In 2016, 10.4% of all births in Ohio were preterm births (less than 37 weeks of gestation) compared to the national average of 9.9%. Similar to the national pattern, the percentage of preterm births in Ohio for non-Hispanic black infants (14.6%) was higher than the percentage for both non-Hispanic white (9.6%) and Hispanic (11.0%) infants.
- In 2016, there were a total of 14,388 preterm births in Ohio. Preterm birth makes infants more vulnerable to developmental delays and both short-term and long-term medical problems. The average health care cost in the first year of life for a premature infant is about \$55,400 as compared to \$5,100 for a full-term, healthy infant.
- Factors that increase the risk of preterm birth include: having a previous preterm birth or a chronic medical condition, sustaining a physical injury, being very overweight or underweight before pregnancy, smoking or substance use, and having a birth interval shorter than 18 months.
- During 2015, Ohio's overall infant mortality rate of 7.2 (infant deaths per 1,000 live births) was higher than the national rate of 5.9. 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 causes of infant mortality are preterm birth, birth defects, sudden infant death syndrome, maternal pregnancy complications, and injury, such as accidental rollover or suffocation.

Child Care Accounted for Over a Third of Ohio's TANF Expenditures in Federal Fiscal Year 2016

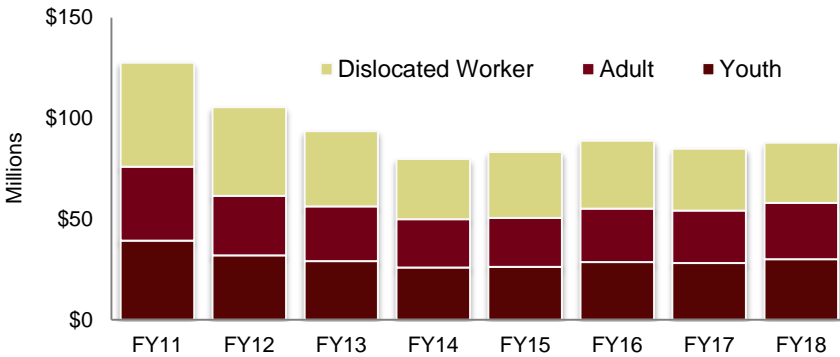


Source: U.S. Department of Health and Human Services

- In FFY 2016, subsidized child care accounted for \$419.2 million (37.2%) of Ohio's \$1.13 billion in total Temporary Assistance for Needy Families (TANF) expenditures. Subsidized child care is available to children in families with incomes up to 130% of the federal poverty level (FPL). An average of 117,000 children received subsidized child care each month in state fiscal year 2016. In addition to TANF dollars, other state and federal funds are also used to pay child care providers.
- Cash assistance payments provided under the Ohio Works First (OWF) program accounted for \$256.5 million (22.8%) of total TANF expenditures. In state fiscal year 2016, an average of 58,000 assistance groups per month received OWF benefits with an average benefit of \$194 per recipient.
- OWF assistance groups must include a minor child or pregnant woman and have income of no more than 50% of the FPL. Heads-of-household must sign a self-sufficiency contract that includes a work plan. Benefits are limited to 36 consecutive months (with a lifetime limit of 60 months), but time and income limits and work requirements do not apply to "child-only" cases, in which a relative caregiver receives the benefit on behalf of a child.
- Support services (\$315.0 million, 28.0%) are short-term noncash benefits provided at the local level and may include shelter, job-required clothing, household necessities, transportation, and other services allowable under federal law. Administration (\$135.2 million, 12.0%) 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.

Ohio's Federal Workforce Innovation and Opportunity Act Grants Remained Fairly Stable Since FY 2014

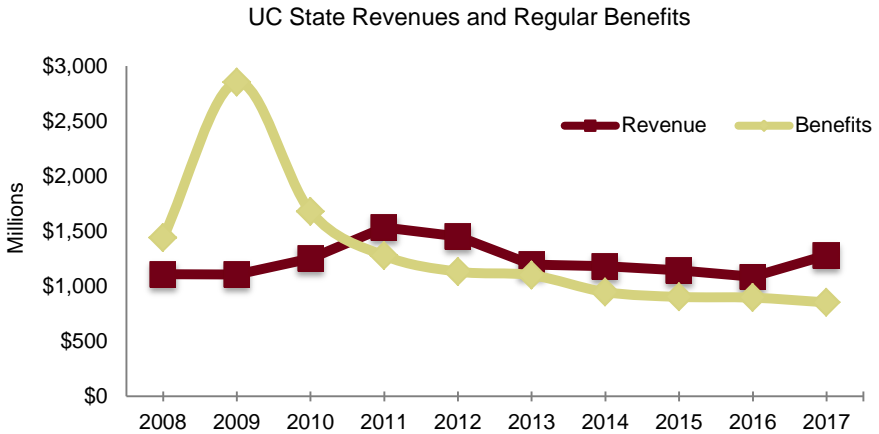
Ohio's Federal WIOA Allocations



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

- Ohio's federal Workforce Innovation and Opportunity Act (WIOA) grants, which superseded the Workforce Investment Act, fell from \$127.6 million in FY 2011 to \$87.9 million in FY 2018, a decrease of 31.1%. Grants decreased steadily from FY 2011 through FY 2014, but have remained fairly stable since that time.
- Ohio's WIOA grants in FY 2018 totaled \$87.9 million, including \$30.1 million for youth, \$28.0 million for adults, and \$29.8 million for dislocated workers.
- WIOA grants are largely distributed based on each state's share of the total unemployed and economically disadvantaged nationwide.
- WIOA is administered at the state level by the Ohio Department of Job and Family Services (ODJFS) and locally by 20 regional workforce investment boards. Service delivery is provided by 88 local OhioMeansJobs (One-Stop) centers, with one center in each county.
- ODJFS is required to distribute 85% of the state's total annual WIOA grants to Ohio's workforce investment boards for service delivery. Boards have two years to expend WIOA grants. The remaining WIOA 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 WIOA funds over three years for these purposes.
- Statewide WIOA activities include support for OhioMeansJobs.com, a statewide job posting board that is free for employers and job seekers.
- In addition to its regular WIOA grants, Ohio can receive Dislocated Worker Grants to respond to large, unexpected, numbers of dislocated workers due to layoffs, international trade effects, and natural disasters.

Ohio's Unemployment Compensation Revenues Exceeded Benefit Payments the Last Seven Years



Source: Ohio Department of Job and Family Services

- The state's regular unemployment compensation (UC) revenues have exceeded benefits every calendar year since 2011. In 2017, UC revenues totaled \$1.28 billion, \$426.9 million higher than net benefit payments of \$854.2 million.
- After depleting the Unemployment Compensation Fund in January 2009, Ohio borrowed \$3.39 billion from the federal government to continue paying benefits. The remaining balance of this federal debt was paid in August 2016 with an intrastate loan from the Department of Commerce's unclaimed funds. Since this date, Ohio has not borrowed any additional amounts.
- Of the total 2017 revenue, \$274.0 million was used to repay the intrastate loan. H.B. 390 of the 131st General Assembly raised additional revenue for repayment via a 0.6% surcharge on employer UC taxes in 2017. This surcharge will not be in effect in 2018 or in future years.
- Regular state 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 2017, tax rates ranged from 0.9% to 9.4% (including the 0.6% surcharge) and averaged about 3.0%, or \$270 per employee. S.B. 235 of the 131st General Assembly temporarily increases taxable wages to \$9,500 for 2018 and 2019.
- Recipients of UC are eligible to receive amounts equal to half their employed wages up to a maximum amount that is adjusted annually based on the statewide average weekly wage. In 2017, the average recipient received \$363 weekly for 14.7 weeks. S.B. 235 of the 131st General Assembly freezes maximum benefit amounts for 2018 and 2019 at the 2017 level.

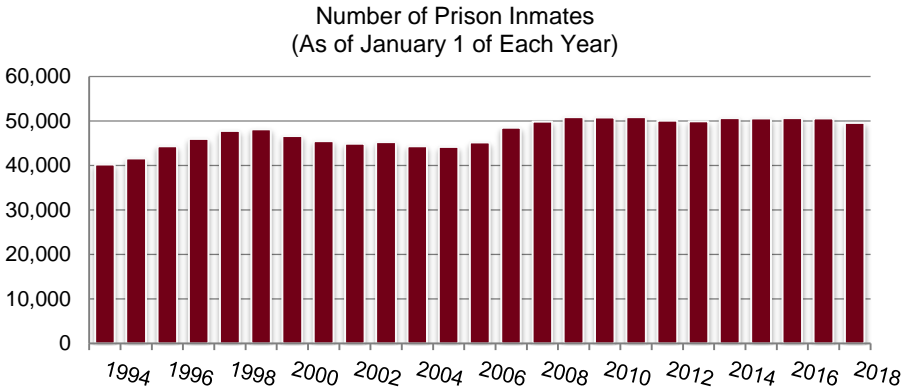
Workers' Compensation Claims and Benefits Continued to Decline in 2017

Workers' Compensation Benefits and Claims Paid from the State Insurance Fund					
	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Benefits (\$ in Millions)					
Medical	\$705.8	\$662.3	\$614.4	\$580.3	\$550.6
Lost Time	\$1,076.0	\$1,061.4	\$1,033.1	\$1,021.6	\$940.8
Total	\$1,781.8	\$1,723.7	\$1,647.4	\$1,601.9	\$1,491.4
Number of New Allowed Claims					
Total	97,041	97,572	93,936	88,170	86,290
Number of Open Claims					
Total	958,625	858,773	791,638	752,312	704,756

Source: Ohio Bureau of Workers' Compensation

- Total benefits paid by the Bureau of Workers' Compensation (BWC) for lost time and medical claims declined steadily between FY 2013 and FY 2017. In FY 2017, lost time and medical benefits paid totaled \$1.49 billion, 16.3% (\$290.4 million) less than the \$1.78 billion paid in FY 2013.
- From FY 2013 to FY 2017, medical claims declined by 22.0% (\$155.2 million) while lost-time benefits declined by 12.6% (\$135.2 million).
- Most claims come from the service industries, with the manufacturing and commercial industries constituting the next largest portion.
- Except for a slight uptick in new allowed claims in FY 2014, the number of claims, both new and open, also declined over this five-year span. Between FY 2013 and FY 2017, new allowed claims dropped 11.1% and open claims dropped 26.5%.
- BWC provided coverage to 242,474 employers in FY 2017, including 3,917 state and local public employers. Slightly fewer than 1,200 employers qualified to self-insure in FY 2017. Premiums and administrative assessments collected from BWC-insured employers totaled \$1.55 billion in FY 2017.
- BWC's net assets totaled almost \$9.76 billion at the close of FY 2017, 11.5% higher than the \$8.75 billion at the close of FY 2016.

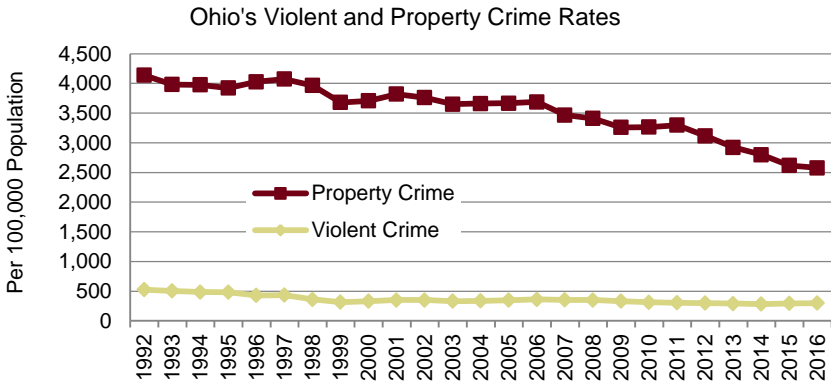
Prison Population Hovers Around 50,000 in Recent Years



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

- As of January 1, 2018, Ohio's prison population totaled 49,578, a decrease of 1.9% (978 inmates) from January 1, 2017.
- In November 2008, the prison population reached its all-time high of 51,273. It has hovered around 50,000 in each January of the past 11 years.
- During the 25-year period from 1994 to 2018, Ohio's prison population increased by 23.2% (9,325 inmates). The female share of the total prison population increased from 6.3% to 8.2% during this same period.
- From 1994 to 2018, the size of Ohio's prison population went through four phases. The population increased by an average of 3.7% per year from 1994 to 1999, followed by an average annual decline of 1.4% through 2005. The population grew again from 2006 to 2009, at an average rate of 3.6% per year. Since then, annual changes in Ohio's prison population have decreased by 0.3% per year on average through the start of 2018.
- As of June 1, 2018, Ohio's prison system consisted of 27 correctional institutions (two privately operated), 12,320 staff, and 49,379 inmates.
- The average cost to incarcerate an inmate in an Ohio prison was \$26,365 per year, or \$72.23 per day, as of June 2018. Security (supervision and control of inmates) makes up the largest part of the average cost (about 45%).
- As of December 31, 2016, Ohio's prison population ranked 5th in the nation, behind Texas, California, Florida, and Georgia. New York, Pennsylvania, Illinois, Arizona, and Michigan ranked just below Ohio. That year, Ohio accounted for 4.0% of the nation's prison population and 3.6% of its total population. The comparable statistics for the top ten states in prison population, including Ohio, were 55.2% and 53.2%, respectively.

Violent and Property Crimes Average 9% and 91%, Respectively, of Ohio's Total Annual Crime Rate

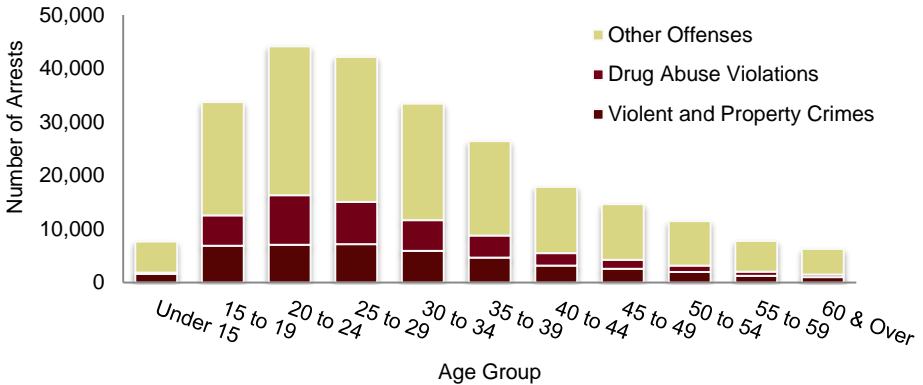


Source: Federal Bureau of Investigation, Uniform Crime Reporting Statistics

- As Ohio's violent and property crime rates have both fallen over the past 25 years, the overall relationship between violent and property crime rates, measured as a percentage of the total crime rate, has remained fairly stable. Between 1992 and 2016, violent crime averaged 9.3% of the total crime rate in Ohio; property crime constituted the remaining 90.7%.
- In 2016, Ohio's violent crime rate, as measured by the estimated number of murders, rapes, robberies, and aggravated assaults per 100,000 population, was 300, which was 42.9% lower than the 1992 rate of 526. Ohio's violent crime rate peaked at 562 in 1991.
- From 1992 to 2016, Ohio's annual property crime rate, as measured by the estimated number of burglaries, larceny-thefts, and motor vehicle thefts per 100,000 population, trended generally downward, from 4,140 in 1992 to a low of 2,578 in 2016, a 37.7% decrease. Ohio's property crime rate peaked at 4,471 in 1991.
- In 2016, Ohio's violent crimes totaled 34,877, of which 16,111 (46.2%) were aggravated assaults, 12,523 (35.9%) were robberies, 5,589 (16.0%) were rapes, and 654 (1.9%) were murders. From 1992 to 2016, the largest numbers of such crimes – aggravated assaults and robberies – declined by 45.5% and 42.9%, respectively. The number of rapes and murders also declined during this same period by 2.6% and 10.0%, respectively.
- In 2016, Ohio's property crimes totaled 299,357, consisting of 212,807 (71.1%) larceny-thefts, 66,883 (22.3%) burglaries, and 19,667 (6.6%) motor vehicle thefts. From 1992 to 2016, the number of motor vehicle thefts declined by 62.1%, burglaries by 35.9%, and larceny-thefts by 29.0%.

Ohioans Under 35 Years of Age Accounted for Nearly Two-Thirds of All Arrests in 2016

Arrests by Age Group, 2016

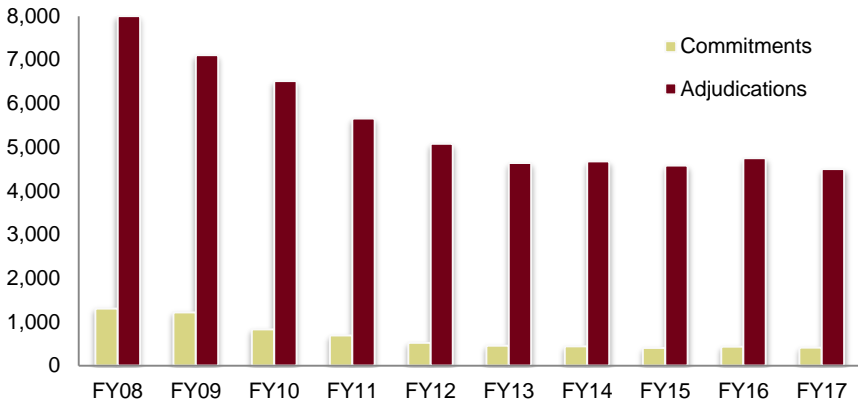


Source: FBI, Uniform Crime Report, Supplemental Data 2016

- In 2016, Ohio reported a total of 245,688 arrests to the FBI as part of the nationwide Uniform Crime Reporting Program, which excludes citations for traffic violations. Nearly two-thirds (65.5%, 161,044) of those arrested in 2016 were under age 35, including 3.1% (7,686) in the under 15 age group, 13.7% (33,704) in the 15-19 age group, 18.0% (44,114) in the 20-24 age group, 17.1% (42,124) in the 25-29 age group, and 13.6% (33,416) in the 30-34 age group.
- Of the total arrests reported in 2016, 17.7% (43,512) were for violent and property crimes (murder, nonnegligent manslaughter, rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson), 16.0% (39,387) were for drug abuse violations (possession, manufacture, or sale of drugs), and 66.3% (162,789) were for all other offenses. The comparable U.S. figures were 17.5%, 14.6%, and 68.0%, respectively.
- The 20-24 age group made up the largest share of Ohio arrests in two categories: drug abuse violations (23.5%, 9,253), and all other offenses (17.1%, 27,785). The 25-29 age group made up the largest share of violent and property crime arrests (16.5%, 7,182).
- Of the persons arrested in Ohio in 2016, 70.0% were white and 29.6% were black compared with the U.S. averages of 70.4% and 27.0%, respectively.
- Of the persons arrested in Ohio in 2016, 70.8% were male and 29.2% were female. The corresponding U.S. figures were 72.9% and 27.1%, respectively.
- In 2016, Ohio's arrests accounted for 2.8% of the nation's arrest total. For that same year, Ohio's population comprised 3.6% of the nation's total.

Number of Youth Felony Adjudications and Commitments Levels Out in Recent Years

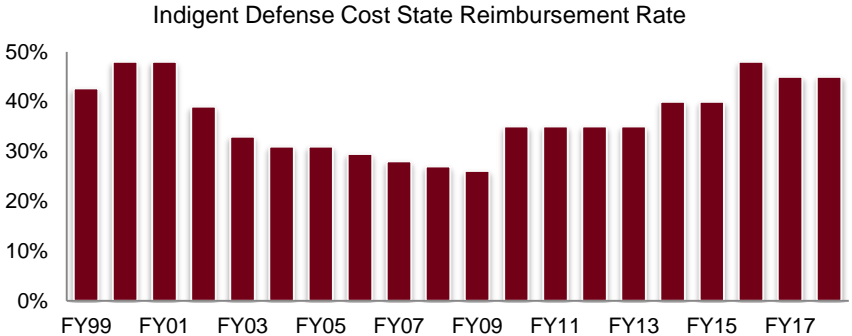
Annual Number of Youth Felony Adjudications and Commitments



Source: Ohio Department of Youth Services

- After falling from close to 8,000 in FY 2008, the number of youth adjudicated delinquent for a felony level offense in Ohio's juvenile courts leveled out at an average of about 4,600 since FY 2013. In FY 2017, the number was 4,496.
- Of the youth adjudicated over this ten-year period, 59.1% committed a felony of the fourth or fifth degree, 51.2% were age 16 or 17, 86.7% were male, and 48.9% were black.
- The number of youth committed to the Department of Youth Services (DYS) followed a similar pattern to adjudications, decreasing from about 1,300 in FY 2008, then leveling out to an average of about 430 starting in FY 2013. The number of commitments was 413 in FY 2017.
- Of those youth committed to DHS over this ten-year period, 47.9% were adjudicated delinquent for committing a felony of the first or second degree, 64.3% were age 16 or 17, 93.7% were male, and 59.2% were black.
- In FY 2008, DHS operated eight institutions with an average daily population of 1,685 youth and 2,023 institutional operations staff. By the end of FY 2017, DHS operated three institutions with an average daily population of 429 youth and 932 institutional operations staff.
- In FY 2017, the average daily cost for DHS to house, care, and treat a juvenile was \$507, an increase of \$271, or 114.8%, from the FY 2008 rate of \$236. The increase is largely a function of relatively fixed operating costs divided by a smaller average daily population.

State Reimbursement Rate for Indigent Defense Costs at 45%, Down From Recent High of 48%

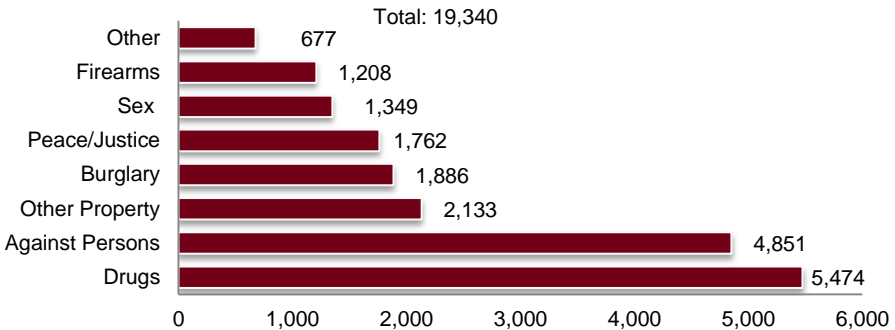


Source: Ohio Public Defender Commission

- In FY 2017 and FY 2018, the state reimbursed counties 45% of their indigent defense costs, down from the recent high of 48% recorded in FY 2016. 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, subject to available appropriations.
- The state reimbursement rate increased 20% from FY 2015 to FY 2016, due primarily to a \$13.6 million increase in GRF funding for this purpose.
- The state reimbursement rate declined during FY 2002-FY 2009, reaching a low of 26.1% in FY 2009. The FY 2010-FY 2011 biennial budget enacted several non-GRF revenue generating mechanisms that were used to increase the rate to 35% for FY 2010 through FY 2013. Increases in GRF funding further raised the rate to 40% in FY 2014 and FY 2015, then to 48% in FY 2016. The rate has since declined, as subsequent funding has not kept pace with a statewide increase in indigent defense cases and related costs.
- From FY 1999 to FY 2018, the total cost to the state and counties for providing indigent defense services increased by \$83.3 million (132.7%), from \$62.8 million to \$146.2 million.
- From FY 1999 to FY 2018, the total number of cases subject to the state's indigent defense reimbursement provisions increased by 162,079 cases (55.2%), from 293,615 to 455,694.
- Counties use one of four general methods of providing indigent defense services: court-appointed counsel (40 counties), county public defender (30 counties), contract with the state's Office of the Ohio Public Defender (10 counties), or contract with a nonprofit corporation (8 counties).

Drugs and Crimes Against Persons Accounted for Over Half of Prison Commitments in FY 2017

Prison Commitments by Offense Category, FY 2017



Source: Ohio Department of Rehabilitation and Correction

- In FY 2017, a total of 19,340 offenders were committed to prison, down 33.5% (9,729), from a peak of 29,069 in FY 2007. More than half of the FY 2017 commitments (53.4%/10,325) were for two offense categories: drug offenses and crimes against persons (excluding sex offenses).
- Drug offenders comprised 28.3% (5,474) of total commitments, including 2,926 commitments for drug possession, 1,792 for trafficking drugs, and 594 for illegal manufacturing of drugs.
- Commitments for crimes against persons (excluding sex offenses) comprised 25.1% (4,851) of the total, including 1,382 for robbery-related offenses, 792 for felonious assault, and 694 for domestic violence.
- Commitments for burglary and other property offenses constituted 9.8% (1,886) and 11.0% (2,133), respectively, of the total. The other property offenses included 1,098 for felony theft, 595 for receiving stolen property, and 296 for breaking and entering.
- Commitments for offenses against peace and the administration of justice made up 9.1% (1,762) of the total, including 450 for resisting arrest, 265 for escape, 264 for tampering with evidence, and 252 for having illegal weapons in a correctional facility.
- Sex offenders comprised 7.0% (1,349) of the total, including 410 for rape or attempted rape, 339 for registration violations, and 185 for gross sexual imposition.
- Commitments for firearm and other felony offenses made up 6.2% (1,208) and 3.5% (677) of the total, respectively. Other felony offenses include 380 fraud offenses and 284 motor vehicle offenses.

Two-Thirds of New Cases Were Filed in Municipal Courts in 2017

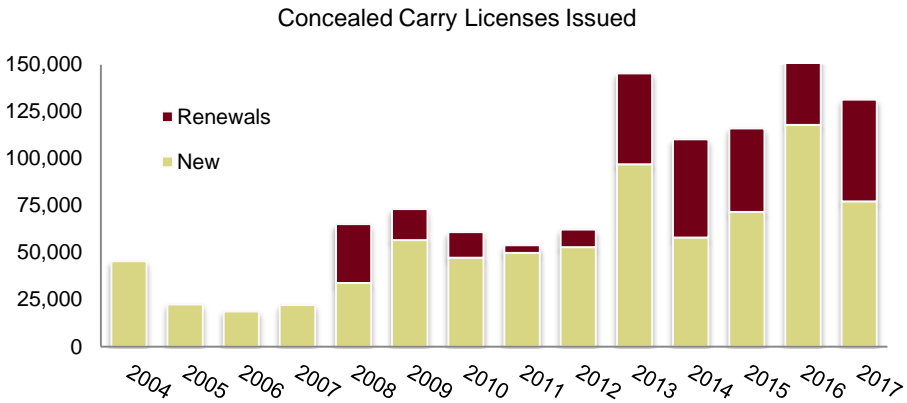
New Court Cases Filed in 2017 by Type of Court		
Type of Court	Number of New Cases Filed	% of Total New Cases Filed
Supreme Court	1,828	0.07%
Courts of Appeals	8,136	0.30%
Court of Claims	1,041	0.04%
Courts of Common Pleas	476,507	17.59%
<i>General Division</i>	172,175	6.36%
<i>Juvenile Division</i>	158,473	5.85%
<i>Probate Division</i>	85,341	3.15%
<i>Domestic Relations Division</i>	60,518	2.23%
Municipal Courts	1,827,822	67.47%
<i>Traffic*</i>	1,109,941	40.97%
County Courts	157,437	5.81%
<i>Traffic*</i>	112,111	4.14%
Mayor's Courts	236,255	8.72%
<i>Traffic*</i>	203,704	7.52%
Total	2,709,026	100.00%

*Traffic violations include OVI (Operating a Vehicle While Under the Influence).

Source: Ohio Supreme Court

- In 2017, a total of just over 2.7 million new cases were filed in various courts across the state. Approximately 1.8 million (68%) of those new cases were filed in municipal courts.
- Of the total number of new filings in 2017, 476,507 (18%) were filed in Ohio's courts of common pleas, mostly with two specialized divisions: (1) general, which hears criminal and civil cases, and (2) juvenile, which hears offenses involving minors and most paternity actions.
- In 2017, of the total new cases filed statewide in the general divisions of the courts of common pleas, 35,169 (20%) involved foreclosure, a decrease of 61% from a peak of 89,053 new foreclosure filings in 2009.
- Of the 2.7 million new filings in 2017, 54% (1.5 million cases) involved traffic law violations (including OVI), generally under the jurisdiction of municipal, county, and mayor's courts. Traffic violations accounted for 61%, 71%, and 86%, respectively, of all cases filed in municipal, county, and mayor's courts.
- The total number of new cases filed annually has declined in 11 of the past 12 years. The number of new cases filed in 2017 represents a decrease of 805,256 (23%) from a peak of 3.5 million new case filings in 2006.

Concealed Carry Licenses Issued Hit All-Time High in 2016



Source: Office of the Ohio Attorney General

- The number of concealed carry licenses issued annually in Ohio reached an all-time high of 158,939 (117,953 new licenses and 40,986 renewal licenses) in 2016. This total exceeded by 9.4% the prior all-time high of 145,342 licenses (96,972 new licenses and 48,370 renewal licenses) issued in 2013.
- In 2017, the number of concealed carry licenses issued in Ohio totaled 131,345, including 77,281 new licenses and 54,064 renewal licenses. This is a decrease of 27,594, or 17.4%, from 2016.
- Ohio's Concealed Handgun Law went into effect in April 2004. Since then, a total of 771,482 new concealed carry licenses have been issued.
- Concealed carry licenses expire five years after issuance. The first renewal period began in 2008. Since then, 314,891 licenses have been renewed.
- Sheriffs must deny an application by any person who fails to meet the eligibility criteria. In 2017, sheriffs denied 1,216 license applications.
- Sheriffs must 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. They also must revoke the license of any person who no longer meets the eligibility requirements. In 2017, sheriffs suspended 1,669 licenses and revoked 437 licenses.
- Ohio has reciprocity agreements with 36 other states, including all bordering states, allowing Ohioans with permits to carry concealed handguns in those jurisdictions and for those states' citizens with permits to carry concealed handguns in Ohio.

Ohio's Sex Offender Registry Includes More Than 18,400 Offenders

Registered, Nonincarcerated Sex Offenders in Ohio, June 2018

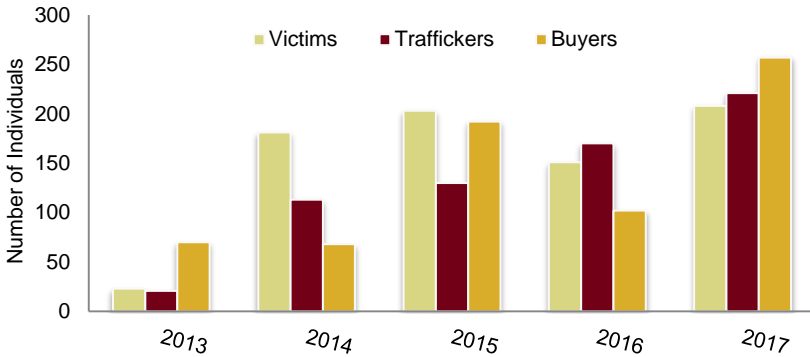
Sex Offender Classification System	Juvenile Offenders	Adult Offenders	Total Offenders
Sex Offender Registration and Notification (SORN) Law			
Tier I: Required to register for 15 years (adults) or 10 years (juveniles) and verify address annually	551	3,085	3,636
Tier II: Required to register for 25 years (adults) or 20 years (juveniles) and verify address every 180 days	268	4,308	4,576
Tier III: Required to register for life and verify address every 90 days	153	1,453	1,606
Megan's Law	225	8,374	8,599
Grand Total	1,197	17,220	18,417

Sources: Office of the Ohio Attorney General; National Center for Missing & Exploited Children

- As of June 2018, Ohio had 18,417 registered, nonincarcerated sex offenders. Of this total, 94% (17,220) were adults and 6% (1,197) were juveniles based on their age at the time of the initial offense.
- In 2017, the number of sex offenders per 100,000 population for Ohio and neighboring states was as follows: Indiana (149), Ohio (158), Pennsylvania (172), Kentucky (317), West Virginia (326), and Michigan (437). The national rate was 274.
- The SORN Law, effective January 1, 2008, replaced the state's prior sex offender classification system (Megan's Law) with an "offense-based" system that classifies offenders based upon the severity of the committed offense into three tiers with increasingly strict registration and notification requirements. The SORN Law also required the retroactive reclassification of Megan's Law registrants.
- In June 2010, the Ohio Supreme Court invalidated the retroactive reclassification of Megan's Law sex offenders. As a result, offenders previously classified under Megan's Law remain registered under that system. Megan's Law was a "risk-based" system that classified offenders based on their likelihood of committing a future sex offense. Offenders verify their addresses every 90 days or annually. Registration is required for 10 years, 20 years, or life.

766 Potential Victims of Human Trafficking Identified by Law Enforcement Since 2013

Potential Human Trafficking Victims, Traffickers, and Buyers

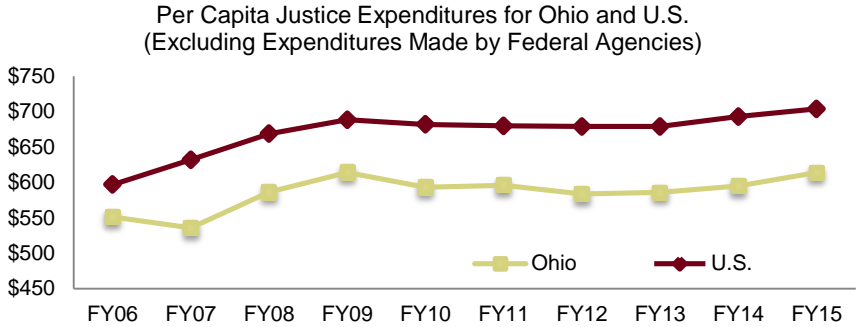


Source: Ohio Attorney General

- From 2013 to 2017, local law enforcement agencies identified and reported a total of 766 potential human trafficking victims, 655 suspected human traffickers, and 689 suspected buyers of services from victims to the Ohio Attorney General's Bureau of Criminal Investigation.¹
- Of the potential human trafficking victims for which demographic data was reported, 93% were victims of sex trafficking, 88% were female, and 52% were age 18-29. Individuals under age 18 accounted for 23% of reported human trafficking victims.
- A majority of the suspected traffickers for which demographic data was reported were suspected sex traffickers (96%), males (73%), and individuals ranging from age 21-40 (68%).
- Of the suspected buyers for which demographic data was reported, 85% were suspected sex buyers and 86% were males.
- Since 2013, local law enforcement agencies have reported a total of 554 human trafficking investigations, 367 human trafficking arrests, and 103 successful convictions.
- The majority of cases that reported risk factors leading a victim to be trafficked cited "drug/alcohol/other dependency" (44%). According to the Attorney General's Human Trafficking Commission, it is often unclear as to whether this dependency existed before the victimization, or during to ensure victim compliance or as a coping mechanism for the victim.

¹ H.B. 262 of the 129th General Assembly, effective June 2012, requires local law enforcement agencies to collect and report data on human trafficking investigations.

Ohio's Per Capita Justice Expenditures Remain Below National Amount



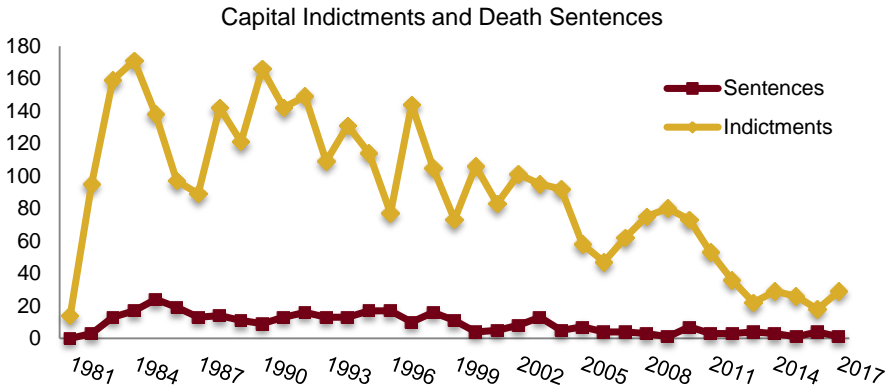
Source: U.S. Department of Justice, Bureau of Justice Statistics

- In FY 2015, Ohio's per capita justice expenditures were \$614, \$90 (12.8%) below the national amount of \$704. Per capita justice expenditures increased in FY 2015 in both Ohio (3.2%) and the U.S. as a whole (1.6%).
- From FY 2006 to FY 2015, Ohio's per capita justice expenditures increased by \$63 (11.4%), while the national amount increased by \$107 (17.9%). Inflation, as measured by the Consumer Price Index, was 18.9% during this period.
- Ohio's per capita justice expenditures for FY 2015 consisted of \$294 for police protection, \$150 for judicial services (including prosecution, courts, and public defense), and \$170 for corrections. The respective national amounts were \$328 (police), \$137 (judicial services), and \$239 (corrections).
- Ohio's justice expenditures totaled \$7.1 billion in FY 2015. Local governments spent \$5.0 billion (69.9%), while the state spent the remaining \$2.1 billion (30.1%).
- In FY 2015, Ohio's per capita justice expenditures ranked 28th highest in the nation among states and the District of Columbia. As shown in the table below, Ohio's per capita justice expenditures in that year were higher than all neighboring states, except for Pennsylvania.

Per Capita Justice Expenditures for Ohio and Neighboring States, FY 2015

State	National Rank	Per Capita Expenditures
Pennsylvania	18	\$699
Ohio	28	\$614
Michigan	29	\$613
West Virginia	43	\$516
Kentucky	49	\$444
Indiana	51	\$417

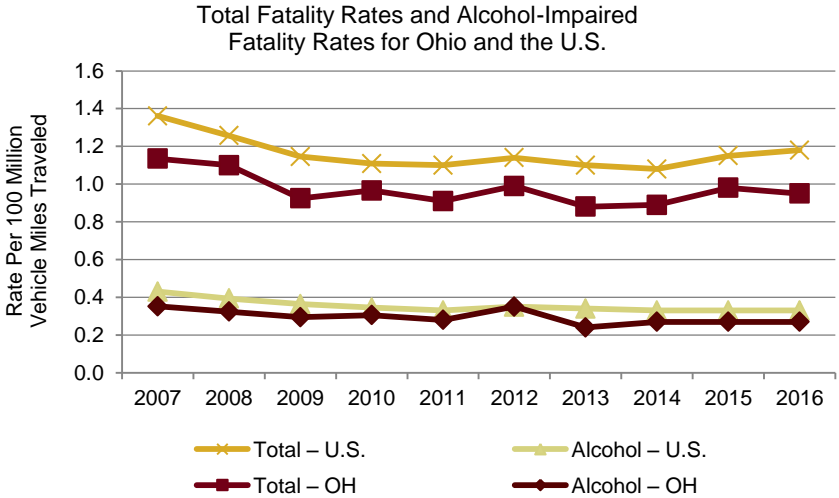
Long-Term Trend in Ohio Capital Indictments and Death Sentences Shows Continued Decline



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

- The trend in capital indictments and death sentences in Ohio has been a long-term decline since the mid-1980s. In the 1990s, there were an average of 121 capital indictments and 14 death sentences each year. During the past ten years (2008-2017), those numbers decreased to an average of 44 and three per year, respectively. In 2017, 29 individuals were indicted for capital murder and one individual was sentenced to death.
- Since Ohio's reinstatement of the death penalty in October 1981, a total of 3,321 capital indictments have been filed, resulting in 329 death sentences for 325 individuals. Four individuals received two death sentences each.
- Of the 325 individuals receiving a death sentence, 55 have been executed, with an average time served on death row of 16.9 years. The status of the remaining 270 individuals is as follows: active death sentence (137), removed based on judicial action (73), deceased prior to execution (28), commutation (19), ineligible for death sentence based on intellectual disability (8), and pending resentencing (3) or retrial (2).
- Of Ohio's 137 death row offenders about half were committed from one of four counties: Hamilton (24), Cuyahoga (22), Franklin (10), and Lucas (10). Thirty-two of Ohio's 88 counties have one or more offenders on death row.
- As of July 1, 2017, Ohio's death row population ranked seventh in the nation behind California (746), Florida (374), Texas (243), Alabama (191), Pennsylvania (169), and North Carolina (152). Arizona (125), Nevada (82), and Louisiana (73) ranked just below Ohio. Of the 2,817 death row inmates nationwide, these ten states accounted for 2,299, or 81.6%. Ohio is one of 31 states that authorize the death penalty.

Ohio's Traffic Fatality Rates Remain Below National Averages

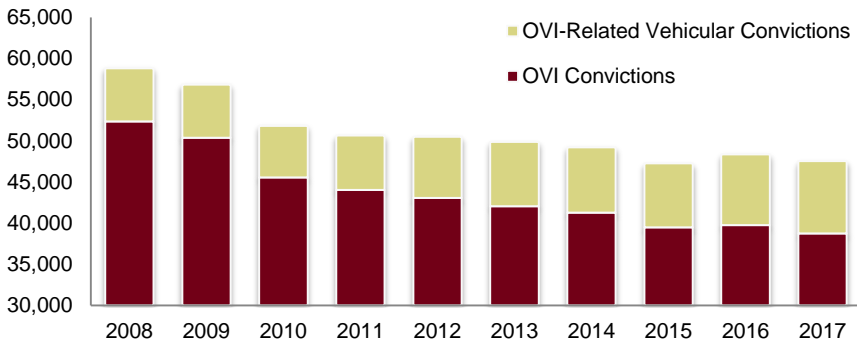


Sources: National Highway Traffic Safety Administration; Ohio Department of Public Safety

- From 2007 to 2016, Ohio's total traffic fatality and alcohol-impaired driving fatality rates, as measured by the number of fatalities per 100 million vehicle miles traveled (VMT), were largely 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.
- Ohio's total traffic fatality rate fell 16.3% from 1.13 in 2007 to 0.95 in 2016 and Ohio's alcohol-impaired fatality rate fell 23.2% from 0.35 in 2007 to 0.27 in 2016. In contrast, the corresponding national rates declined 13.3%, from 1.36 to 1.18 and 23.3% from 0.43 to 0.33, respectively.
- In 2016, Ohio reported a total of 305,964 traffic crashes, 74.3% (227,396) involved property damage only, 25.3% (77,514) involved nonfatal injuries, and 0.3% (1,054) involved fatal injuries.
- There were a total of 1,132 traffic fatalities in Ohio in 2016. Alcohol-impaired driving fatalities accounted for 28.6% (324) of total fatalities. Speeding-related crashes accounted for 22.7% (257) of total fatalities.
- Of these traffic fatalities, 51.5% (583) were the drivers, 16.8% (190) were passengers, 17.6% (199) were motorcyclists, 11.8% (134) were pedestrians, and 1.6% (18) were pedalcyclists. The remaining 0.7% (8) are unknown.

Total Convictions for OVI and Related Offenses Decreased by 19.2% Over Past Ten Years

Number of OVI and Related Vehicular Convictions in Ohio



Source: Ohio Bureau of Motor Vehicles

- Over the past ten years, the number of drivers convicted of either operating a motor vehicle under the influence of drugs or alcohol (OVI) or a related vehicular offense decreased by 19.2%, from 58,788 in FY 2008 to 47,519 in FY 2017, with an average decline of 2.3% per year.
- The number of drivers convicted specifically of OVI decreased by 26.0%, from 52,339 in 2008 to 38,751 in 2017. In contrast, OVI-related vehicular convictions¹ increased by 36.0%, from 6,449 in 2008 to 8,768 in 2017.
- In Ohio, the legal limit for a blood alcohol concentration (BAC) is at or above 0.08%. 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%. The number of drivers tested at or above 0.17% has decreased from 2,629 in 2008 to 1,527 in 2017.
- OVI convictions carry a mandatory fine ranging from \$375 to \$10,500, based on the facts and circumstances present. State law apportions the fine for various costs: enforcement and education, incarceration, indigent defense, drug and alcohol treatment, and vehicle immobilizing or disabling devices.
- Ohio's implied consent law requires suspected impaired drivers to submit to a test. A refusal triggers an immediate administrative license suspension pending a court hearing. On average, 1,482 drivers refused testing each year.
- Convictions for operating a motor vehicle after underage alcohol consumption decreased by 59.5%, from 1,084 in 2008 to 439 in 2017.

¹ These convictions consist almost entirely of "physical control" violations, meaning a driver is in the driver's seat of a vehicle with the ignition key and "under the influence," but the vehicle has not been either started or driven.



LEGISLATIVE SERVICE COMMISSION
77 SOUTH HIGH STREET, 9TH FLOOR
COLUMBUS, OHIO 43215-6136
(614) 466-3615