

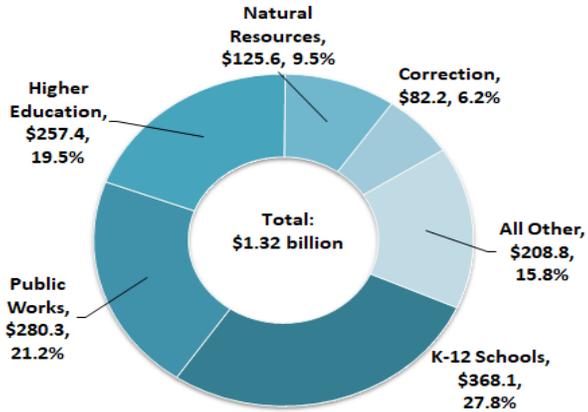


Legislative Budget Office of LSC

Capital Appropriations

October 2020

Capital Appropriation Expenditures, FY 2020 (\$ in millions)



2nd highest possible rating for Ohio's general obligation (GO) bonds from all three major rating agencies

Fitch Ratings	Moody's	Standard & Poor's
AA+	Aa1	AA+

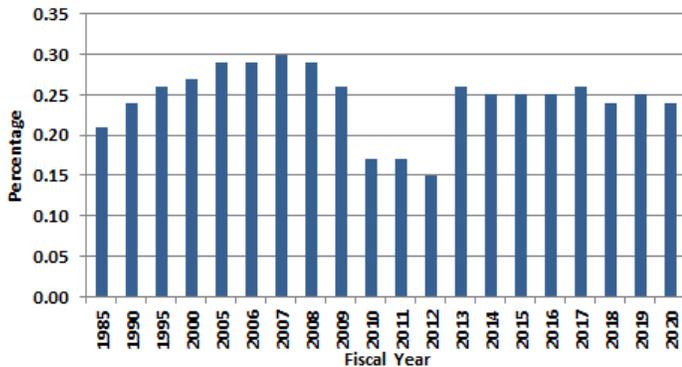
Biennial Capital Appropriations (\$ in millions)

H.B. 529—132nd G.A.	FY 2019-FY 2020	\$2,625.9
S.B. 310—131st G.A.	FY 2017-FY 2018	\$2,621.3
H.B. 497—130th G.A.	FY 2015-FY 2016	\$2,386.2

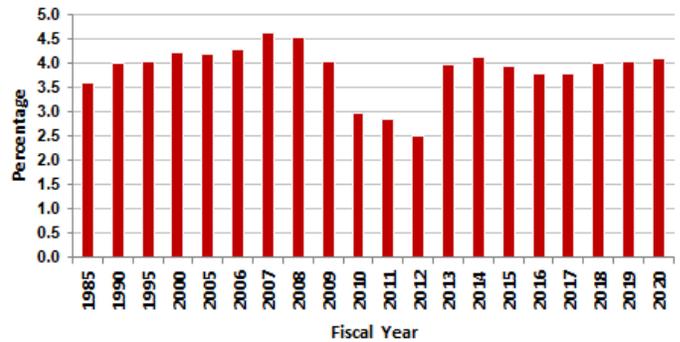
Capital Appropriation Expenditures (\$ in millions)

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
\$1,722.2	\$1,605.6	\$1,051.1	\$868.0	\$919.7	\$1,101.7	\$1,115.3	\$1,159.4	\$1,357.1	\$1,163.3	\$1,322.3

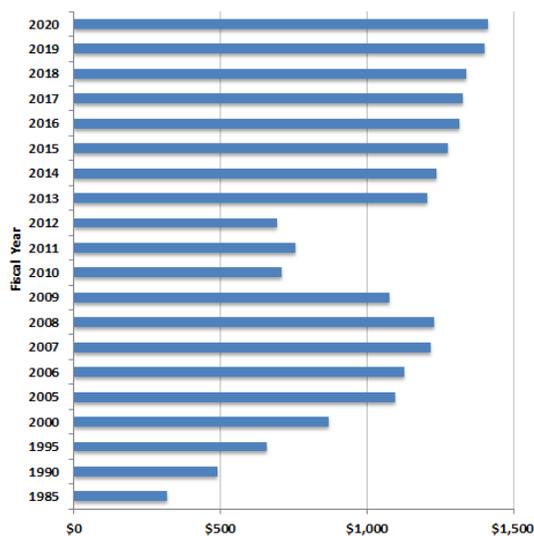
GRF Debt Service Payments as a % of Personal Income



Debt Service Ratio: GRF Debt Service Payments as a % of Combined GRF Revenue and Lottery Profits



GRF Debt Service Payments (\$ in millions)



- ◇ Lower GRF debt service payments (ratios) from FY 2009 to FY 2012 were primarily due to debt restructuring (which delayed certain debt service payments into later fiscal years) and tobacco securitization (which provided one-time cash for various capital projects).
- ◇ In November 1999, Ohio voters approved Section 17 of Article VIII of the state Constitution that established a 5% "cap" on the amount of GRF-backed debt the state may incur in a given year. That is, the state cannot issue additional GRF-backed debt if total debt service payments in any future 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 both houses.
- ◇ The Director of Budget and Management is responsible for making the 5% determinations and certifications. According to the recent 5% certification, dated September 24, 2020, the highest debt service ratio in future years is estimated to be 3.44%, and is to occur in FY 2022.