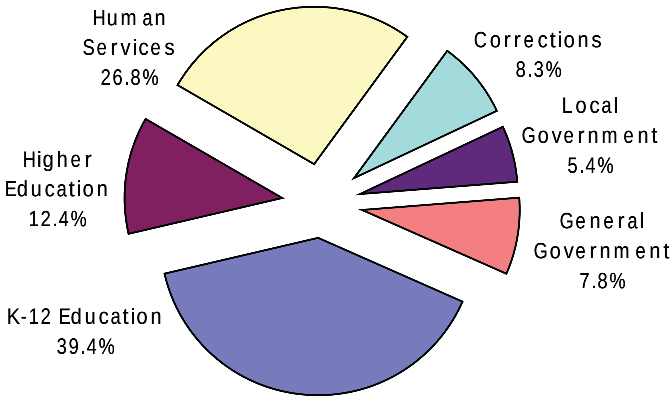
K-12 Education Comprises Largest Share of State Spending

State Spending by Program Area, FY 2008



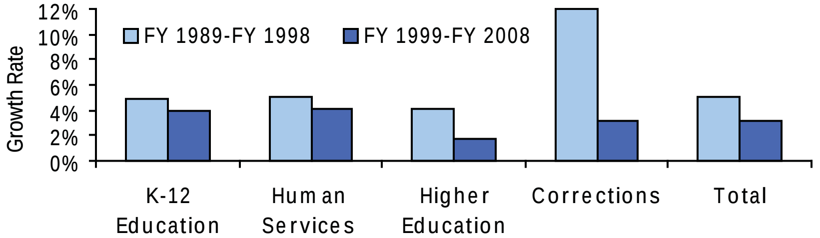
For purposes of this page, state spending includes expenditures made from the GRF (excluding spending reimbursed by the federal government), lottery profits, and local government funds.

Source: Ohio Legislative Service Commission

- State spending totaled $21.94 billion in FY 2008, an increase of 1.4% over FY 2007. Of this total, $8.65 billion (39.4%) went to K-12 Education. The majority ($6.61 billion or 76.4%) of this spending was distributed to schools through a formula based largely on a district's enrollment and property wealth.
- Human Services, the second largest spending area, accounted for $5.88 billion (26.8%) of total spending in FY 2008, of which $3.86 billion (65.6%) was for the state share of Medicaid expenditures.
- Higher Education spending amounted to $2.71 billion (12.4%). Of this total, $1.68 billion (62.0%) was distributed to colleges and universities through a formula based largely on enrollment and courses offered at an institution.
- Corrections spending totaled $1.81 billion (8.3%), of which $1.55 billion (85.6%) was incurred by the Department of Rehabilitation and Correction.
- Spending for the General Government category totaled $1.70 billion (7.8%). Examples of the agencies included in this category are the Department of Natural Resources, the Department of Transportation, and the Governor's Office, as well as the legislative and judiciary branches of the government.
- The remaining $1.19 billion (5.4%) in state spending in FY 2008 was distributed as subsidies to local governments.

State Spending Increased More Slowly in the 2000s than in the 1990s

Average Annual Growth by Major Program Area



For purposes of this page, state spending includes expenditures made from the GRF (excluding spending reimbursed by the federal government), lottery profits, and local government funds.

Source: Ohio Legislative Service Commission

- Total state spending increased by an average rate of 3.2% per year from FY 1999 to FY 2008 compared to 5.1% per year from FY 1989 to FY 1998. During this 20-year period, total state spending increased 121.3%, from \$9.9 billion to \$21.9 billion.

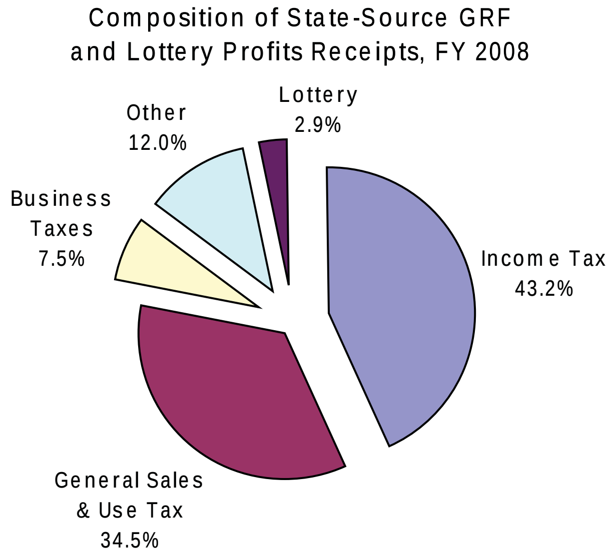
- K-12 Education has consistently been the largest spending area. It grew slightly slower than overall spending in the first ten years, averaging 4.9% per year, but faster in the second ten-year period, averaging 4.0% per year. K-12 Education comprised about 35.5% of total spending in the early and mid 1990s. This share began increasing in the late 1990s and reached 39.4% in FY 2008.

- Human Services' average annual growth of 5.1% for the first ten years was on par with overall spending growth. The 4.1% average annual growth for the second ten years exceeded overall spending growth. Spending in this area is heavily influenced by conditions in the overall economy and by Medicaid eligibility policy. Human Services accounted for around 28.0% of total spending in the early 1990s. The share decreased in the mid and late 1990s but increased again in recent years. The share for FY 2008 was 26.8%.

- Higher Education spending growth has been sensitive to changes in the overall state budget. Although its average annual growth rates of 4.1% and 1.8% were lower than overall spending in both periods, Higher Education experienced the highest growth in FY 2008 at 6.3%. Its share of the budget decreased from a high of 15.5% in FY 1989 to a low of 11.6% in FY 2005. The share increased to 12.4% in FY 2008.

- Due primarily to prison population growth, Corrections spending increased 12.0% per year for the first period, more than twice the overall budget growth. Growth in the second period was on par with the overall budget. Corrections' share of the budget increased from 4.7% in FY 1989 to a peak of 8.7% in FY 2000. Since then, the share has decreased somewhat, to 8.3% in FY 2008.

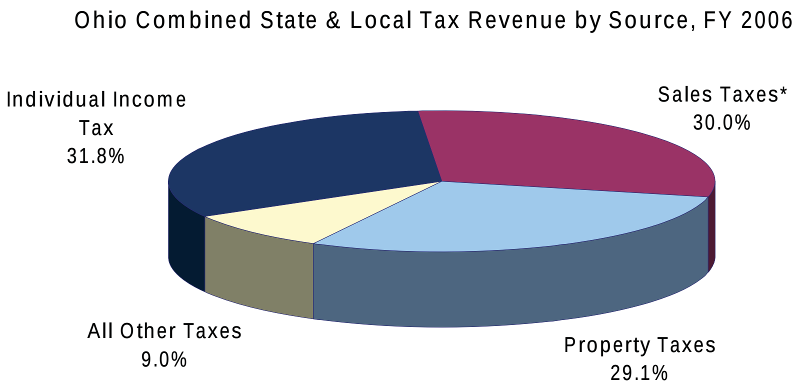
Income Tax and General Sales Tax Dominate State-Source GRF & Lottery Profits Receipts



Source: Ohio Office of Budget and Management

- In FY 2008, total state-source GRF and lottery profits receipts amounted to $22.8 billion. The personal income tax ($9.8 billion) and the general sales and use tax ($7.9 billion) were the two largest revenue sources, accounting for almost 78% of total receipts.
- From FY 1998 to FY 2008, state-source GRF and lottery profits receipts increased by an average of 3.2% per year.
- During the same period, Ohio personal income grew at an average rate of 3.6% per year.
- Over the past decade, the relative importance of income and sales tax receipts increased from 75% of the total to 78%. Slower growth in the "business taxes," including the corporate franchise tax, decreased the relative importance of these taxes from 14% of the total in FY 1998 to 8% in FY 2008. The corporate franchise tax is being phased out from 2006 to 2010, except for certain firms in the financial and insurance sectors.
- Lottery profits, totaling $672 million in FY 2008, are used to help fund state education aid for schools.

Ohio's State and Local Taxes Balanced among Income, Sales, and Property



* Sales taxes include general state and local sales tax and excise taxes on specific products like tobacco, alcohol, motor fuels, and utility services.

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

- In FY 2006, income, sales, and property taxes financed 91% of state and local government expenditures. The contribution of each of these three taxes was about even.
- Ohio's state taxes accounted for 56.7% of combined state and local tax revenue in FY 2006. For the U.S. as a whole, state taxes were 59.5% of combined state and local tax revenue.
- Of Ohio's state tax revenue, 46.2% came from sales and gross receipts taxes and 40.2% came from the individual income tax. For the U.S., 46.8% of state taxes came from sales and gross receipts taxes and 34.6% came from the individual income tax.
- Ohio's local taxes comprised 43.3% of combined state and local tax revenue in FY 2006. For the U.S. as a whole, local taxes comprised 40.5% of combined state and local taxes.
- Of Ohio's local taxes, 67.1% came from property taxes, 20.9% from individual income taxes, and 8.7% from sales taxes. Nationwide, 71.7% of local taxes were from property taxes, 16.3% from sales taxes, and 4.7% from the individual income tax.

Ohio Below National Average in Tax Revenue per Capita, Above National Average in Portion of Personal Income Paid in Taxes

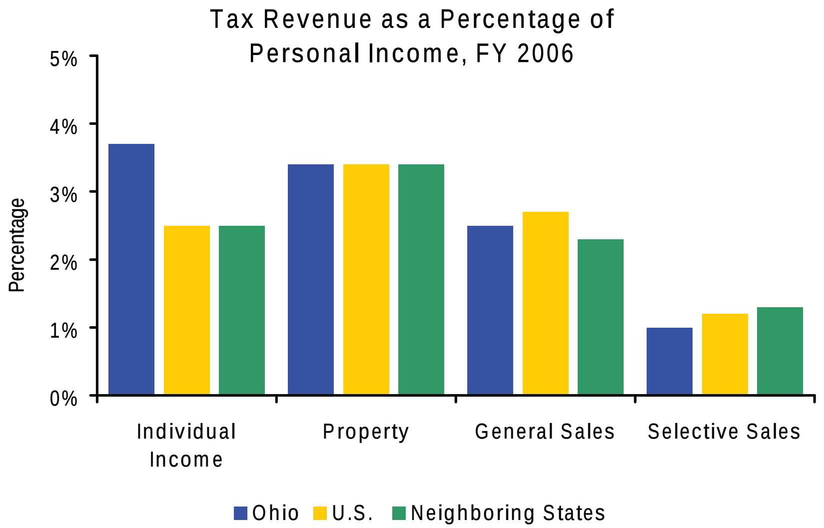
Combined State and Local Taxes, FY 2006

State	Taxes Per Capita	Rank	Taxes as % of Personal Income	Rank
National Average	$4,013		11.2	
Ohio	**$3,773**	**23**	**11.6**	**16**
Neighboring States				
Indiana	$3,655	26	11.6	15
Kentucky	$3,238	40	11.1	24
Michigan	$3,564	30	10.7	31
Pennsylvania	$3,961	19	11.0	25
West Virginia	$3,255	39	11.9	12

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

- Ohio's FY 2006 combined state and local tax burden, measured by taxes per capita ($3,773), was lower than the national average and higher than those of its neighbors, except Pennsylvania. Taxes as a percentage of personal income (11.6%) were higher than the national average and those of its neighbors, except West Virginia and Indiana.
- For FY 2006, Ohio's state taxes were $2,141 per capita, below the national average of $2,396. Local taxes were $1,632 per capita, slightly above the national average of $1,617.
- For FY 2006, Ohio's state taxes were 6.6% of personal income, just below the U.S. average of 6.7%. Ohio's local taxes were 5.0% of personal income, above the national average of 4.5%.
- In FY 2006, New York had the highest per capita combined state and local tax burden at $6,417, while Alabama had the lowest at $2,797.
- Wyoming had the highest level of combined state and local taxes as a percentage of personal income at 15.8% in FY 2006, while New Hampshire had the lowest at 8.9%.

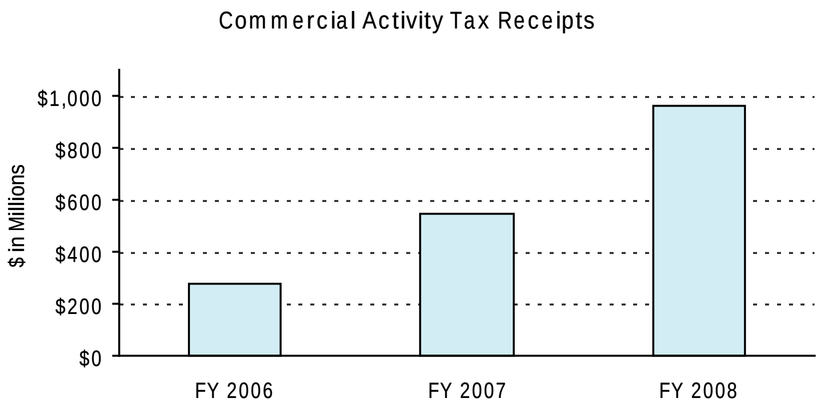
Governments in Ohio Relied More on Income Taxes Compared to Other States in FY 2006



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

- In FY 2006, Ohio's state and local individual income taxes were 3.7% of total personal income. This was higher than the national average (2.5%) and each of Ohio's five neighboring states: Kentucky (3.2%), Pennsylvania (2.8%), West Virginia (2.6%), Indiana (2.5%), and Michigan (2.0%).
- FY 2006 was the first year affected by a five-year phase-in of the 21% reduction in state individual income tax rates enacted by H.B. 66 of the 126th General Assembly. As the reductions continue to be phased in, Ohio's state and local income tax revenues as a percentage of personal income are likely to decline.
- Ohio's property taxes were 3.4% of personal income, on par with the national average. Ohio's percentage was higher than that of Kentucky (2.0%), West Virginia (2.1%), and Pennsylvania (3.2%), but lower than that of Indiana (4.2%) and Michigan (4.0%).
- Ohio's general sales tax receipts were 2.5% of personal income, which was less than the U.S. as a whole (2.7%). Ohio's percentage was lower than that of Indiana (2.7%) but higher than all other neighboring states: Pennsylvania (1.9%), West Virginia (2.3%), Kentucky (2.3%), and Michigan (2.4%).
- Ohio's selective sales tax receipts were 1.0% of personal income, which was lower than the national average and all five neighboring states. Selective sales taxes apply, for example, to motor fuel, alcoholic beverages, tobacco products, and public utilities.

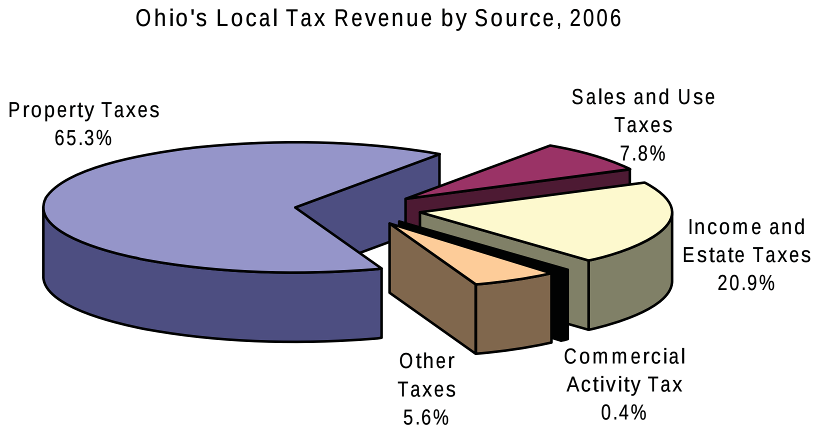
Commercial Activity Tax Phase-In Brings Increased Receipts



Source: Ohio Department of Taxation

- Commercial activity tax (CAT) receipts totaled $959.6 million in FY 2008, up from $273.4 million in FY 2006 and $549.9 million in FY 2007. Receipts grew substantially over the last three years as a result of the five-year phase-in of the tax. By FY 2010, CAT taxpayers will be paying 100% of their tax liability.
- Enacted by H.B. 66 of the 126th General Assembly, the CAT is a privilege tax on business entities operating in Ohio. The tax applies to any Ohio business with more than $150,000 in annual taxable gross receipts in Ohio, unless the business entity is specifically excluded. For example, financial institutions, public utilities, dealers in intangibles, and insurance companies are exempt from the CAT (though they are subject to other taxes).
- The CAT also applies to out-of-state businesses with taxable Ohio receipts. An out-of-state business is taxable if it has over $50,000 in real or personal property in Ohio, $50,000 in payroll for work in Ohio, $500,000 in taxable gross receipts in Ohio, or 25% of its activity in Ohio.
- For taxable gross receipts between $150,000 and $1 million, businesses pay a fixed amount of $150 per year. The rate for taxable gross receipts in excess of $1 million will be 0.26% when the CAT is fully phased in.
- Revenues from the CAT are earmarked for the GRF and for reimbursing school districts and other local governments for the phase-out of local taxes on general business tangible personal property. School districts receive 70% of total CAT receipts each year. Distributions to the GRF and other local governments vary from year to year.
- The majority ($185.1 million) of CAT receipts were deposited into the GRF in FY 2006. Distributions to the GRF were not made in FY 2007 and FY 2008, and will not resume until FY 2012.

Property Taxes Account for About Two-Thirds of Local Government Tax Revenue



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

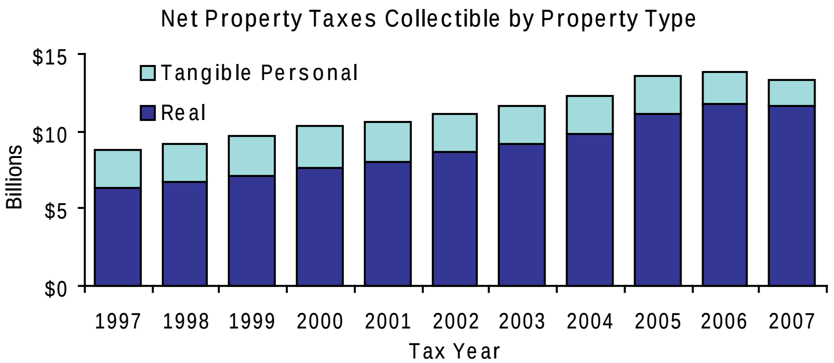
- In 2006, local tax revenue in Ohio totaled $21.2 billion. Property taxes, the main source of local government funding, amounted to $13.9 billion. Income and estate taxes combined generated $4.4 billion. Sales and use taxes provided $1.7 billion. The local share of the new commercial activity tax (CAT) added $0.1 billion. Other taxes (admission, alcohol, cigarette, lodging, motor vehicle fuel, and motor vehicle license) generated $1.2 billion.

- From 1996 to 2006, total local tax revenue grew at an average of 4.8% annually. Growth in property taxes was higher, averaging 5.1% annually. Hence the share of property taxes in the mix of total local government revenue, which was 63.4% in 1996, increased to 65.3% by 2006.

- Taxes on business tangible personal property – equipment, inventories, furniture, and fixtures – are being phased out for general business from 2006 to 2009 and for telephone and inter-exchange telecommunications companies from 2007 to 2011. The phase-out of these taxes, previously about 14% of total property taxes, may decrease somewhat the property tax share of total revenue. State payments to local governments from CAT receipts are being phased in.

- The second largest source of local government tax revenue includes receipts from municipal and school district income taxes and the local share of the estate tax. This category grew at a 4.2% annual rate from 1996 to 2006. Local sales and use taxes grew at a 4.6% annual rate during this period. Other local tax revenues grew at a 3.2% rate.

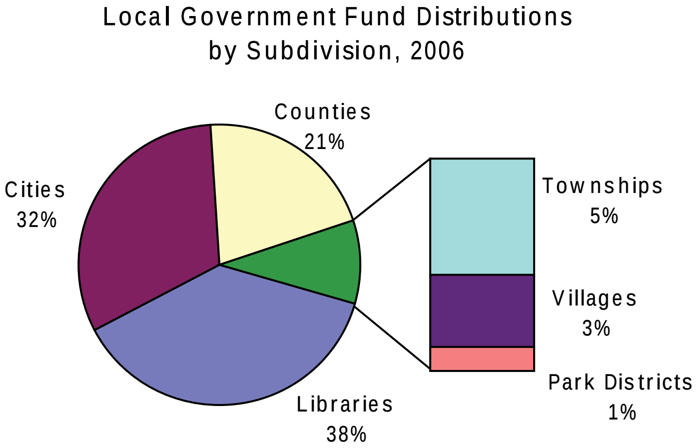
Growth of Property Taxes Halts As Most Tangible Personal Property Taxes Begin Phase-Out



Sources: Ohio Department of Taxation; Ohio Legislative Service Commission

- Net property taxes collectible for tax year (TY) 2007 were $13.3 billion, 4.3% lower than for TY 2006 mainly as a result of lower taxes collectible on tangible personal property.
- Taxation of tangible personal property of general business is being phased out by TY 2009, and that of telephone and inter-exchange telecommunications companies by TY 2011. Public utilities remain subject to the tax.
- Real property taxes collectible fell in TY 2007, after slow growth in TY 2006, as taxes due on business property declined.
- Increases in property taxes in recent years came from higher taxes on real property. From TY 1997 to TY 2007, net taxes collectible on real property rose 85%, while other property taxes fell 35%. Most of the increase in real property taxes resulted from rising property values, not higher effective tax rates.
- Property taxes in Ohio fund local governments, except for a small deduction retained by the state for costs of tax administration. About $2 of every $3 in property taxes collected go to school districts.
- Taxes owed on residential and agricultural real property are net of a 10% reduction, a 2.5% reduction on owner-occupied residences, and a homestead exemption for homeowners who are either age 65 or older or are disabled. The state reimburses local governments for these tax reductions. Prior to TY 2005, taxes owed on business real property were also reduced 10%.
- The homestead exemption was expanded in TY 2007 to eliminate the tax on the first $25,000 of a primary residence's value, without regard to income.
- The assessed value of taxable property in Ohio was $256 billion in TY 2007; real property accounted for 92%. Assessed values are 35% of market values for real property; percentages for other types of property vary.
- Property taxes are payable one year in arrears, except for tangible personal property of general business which is paid in the year taxes are due.

Libraries Receive the Largest Share of Distributions from Local Government Funds

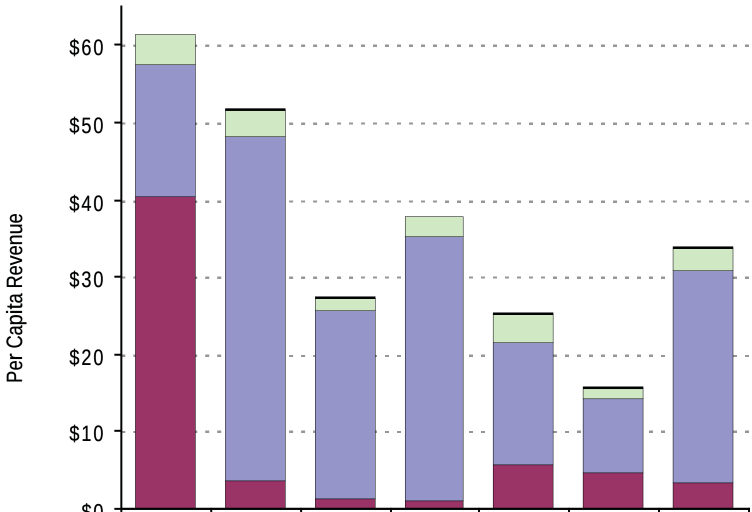


Source: Ohio Department of Taxation

- In 2006, a total of $1.2 billion was distributed to subdivisions in Ohio from the three local government funds that received revenues from state taxes: the Local Government Fund (LGF), the Local Government Revenue Assistance Fund (LGRAF), and the Library and Local Government Support Fund (LLGSF). Of this total, $458.0 million (38%) was distributed to libraries, $393.6 million (32%) to cities, $258.5 million (21%) to counties, $66.2 million (5%) to townships, $39.3 million (3%) to villages, and $12.9 million (1%) to park districts.
- Each county distributes all of the money received from the local government funds to subdivisions within a county, including the county government itself. Distributions to each subdivision within a county are based on state-determined formulas and on rules established by each county budget commission. In addition, each city that levies an income tax receives direct distributions from the LGF.
- The funding of the local government funds from state taxes is generally based on statutory formulas. However, from July 2001 through December 2007, the formulas were suspended and the amount deposited in each year was specified in the state operating budgets.
- Beginning in January 2008, under new statutory funding formulas from H.B. 119 of the 127th General Assembly, 3.68% and 2.22% of total tax revenues credited to the GRF in the preceding month are deposited into the LGF and the LLGSF each month. H.B. 119 also merged the LGRAF into the LGF. In June 2008, S.B.185 of the 127th General Assembly renamed the LLGSF the Public Library Fund (PLF).

Ohio Leads Nation in Funding Public Libraries

Per Capita Operating Revenue of Public Libraries, FY 2005

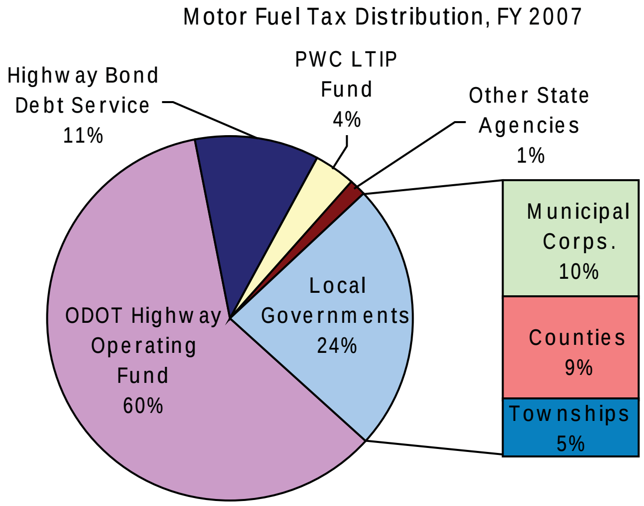


	OH	IN	KY	MI	PA	WV	U.S.
Total	$61.41	$51.69	$27.42	$37.73	$25.51	$15.80	$33.87
Federal	$0.08	$0.09	$0.27	$0.05	$0.29	$0.25	$0.18
Other	$3.85	$3.44	$1.50	$2.57	$3.75	$1.23	$2.85
Local	$17.18	$44.63	$24.48	$33.97	$15.69	$9.56	$27.59
State	$40.30	$3.52	$1.18	$1.14	$5.77	$4.76	$3.26

Source: Institute for Library and Museum Services

- Ohio ranks first in the nation in total per capita operating revenue of public libraries. In FY 2005, the total per capita operating revenue of public libraries in Ohio was $61.41, 81.3% higher than the U.S. average of $33.87.
- A much higher level of state funding is the main reason Ohio's public libraries lead the nation in per capital operating revenue. In Ohio, state funding accounted for 65.6% of the total per capita operating revenue of public libraries. Ohio's per capita state funding of $40.30 was the highest among the states and the District of Columbia. Per capita state funding for the second-ranked state, Hawaii, was $21.05, just 52.3% of Ohio's funding level.
- Ohio currently has 251 public library systems with over 700 individual locations.

Motor Fuel Tax Revenue Supports State and Local Highways and Roads



Sources: Ohio Department of Taxation; American Petroleum Institute

- Revenue from the motor fuel tax (MFT) is distributed to various state agencies and local governments using a statutory formula. The Ohio Department of Transportation's Highway Operating Fund, which finances road and bridge construction and maintenance, receives the majority of MFT revenue (60%) while local governments receive approximately 24%.
- One cent per gallon of the MFT, amounting to 4% of the total distributed in FY 2007, is directed toward the Public Works Commission's Local Transportation Improvement Program (LTIP), which provides additional funding to local governments for road and bridge projects.
- In FY 2007, the state collected \$1.85 billion in MFT revenue, an increase of 0.6% above FY 2006 collections of \$1.84 billion.
- Motor fuel consumption has been relatively flat over the last four fiscal years. Increases in MFT revenue have resulted from a 6¢ per gallon increase in the state tax rate, which was phased in from FY 2004 through FY 2006.
- Including all state and local excise taxes on motor fuel as of July 1, 2008, Ohio's MFT rate for gasoline and diesel (28¢ per gallon for each) ranks 17th and 19th highest in the nation, respectively.
- Coupled with the federal government's taxes on gasoline (18.4¢ per gallon) and diesel (24.4¢ per gallon), motor fuel purchased by motorists in Ohio includes total taxes of 46.4¢ per gallon on gasoline and 52.4¢ per gallon on diesel.

Ohio's Motor Vehicle License Taxes Generated $464 Million in 2007 for Local Transportation Infrastructure

Distributions to Local Governments for Roads and Bridges, 2007 (Dollars in millions)			
Local Government	State Motor Vehicle License Tax	Permissive Local Motor Vehicle License Taxes	Total
Counties	$234.8	$92.6	$327.4
Municipalities	$61.7	$46.2	$107.9
Townships	$15.6	$13.0	$28.6
Total	**$312.1**	**$151.8**	**$463.9**

Source: Ohio Department of Public Safety

- In 2007, a total of $463.9 million in motor vehicle tax revenues was distributed to counties, municipalities, and townships, including $312.1 million in state motor vehicle tax revenues and $151.8 million in local permissive motor vehicle tax revenues.

- The state and local permissive motor vehicle tax revenues distributed to local governments have increased by approximately $50 million over the past ten years. These revenues must be used for purposes related to the planning, construction, and maintenance of roads and bridges.

- All motor vehicles generally must be registered annually, for which drivers pay a state motor vehicle license tax of $34.50 for a passenger car. The tax for other vehicles varies, with commercial trucks and tractors taxed according to weight.

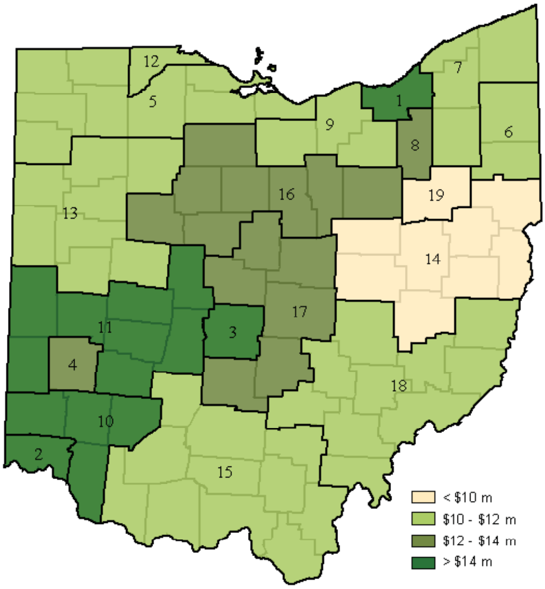
- Permissive motor vehicle taxes are levied by local governments in $5 increments. The total amount cannot exceed $20 per vehicle.
  - Counties may levy up to $15.
  - Municipalities may levy from $5 to $20, depending on the amount levied by the county.
  - Townships may levy $5.

- The total amount of state and local permissive motor vehicle taxes for a passenger car ranges from $34.50 to $54.50.

- In 2007, the state registered more than 12 million vehicles, including 8.3 million passenger cars.

Public Works Commission Awarded $270 Million for Local Infrastructure and Conservation Projects in FY 2007

PWC Project Awards by District, FY 2007



Source: Ohio Public Works Commission

- In FY 2007, the Public Works Commission (PWC) awarded a total of $270.3 million for local projects through three programs: $156.4 million (57.9%) from the State Capital Improvements Program (SCIP), including the SCIP Revolving Loan Program, $73.1 million (27.0%) from the Local Transportation Improvement Program (LTIP), and $40.8 million (15.1%) from the Clean Ohio Conservation Program (COCP). Funds are distributed largely on a per capita basis to each of the 19 PWC districts across the state.

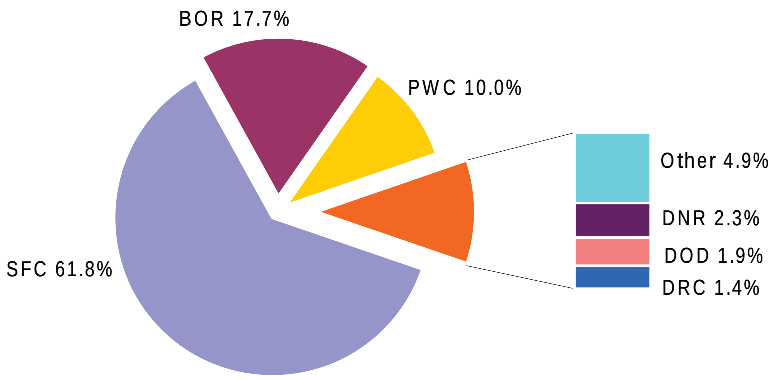
- PWC awards are used to assist local governments with infrastructure needs and open space and conservation projects. While SCIP and COCP are funded by bond proceeds, LTIP is funded by one cent per gallon of the motor fuel tax.

- Cities receive the largest share of the awards under SCIP and LTIP (42.5%), followed by counties (30.5%), villages (16.6%), townships (9.1%), and water/sanitary districts (1.4%).

- A total of $360 million will be available for SCIP during the FY 2009-FY 2010 biennium due to recent enactments of three appropriations bills – the capital reappropriations act (H.B. 496), the economic stimulus act (H.B. 554), and the capital appropriations act (H.B. 562), all of the 127th General Assembly. Each of these three acts contains $120 million in appropriations for SCIP.

School Facilities Commission Comprises Almost 62% of FY 2008 Expenditures Made from Capital Appropriations

Capital Appropriation Expenditures by Agency, FY 2008



Source: Ohio Administrative Knowledge System

- In FY 2008, expenditures made from capital appropriations totaled $1.60 billion.[1] Of this total, $987.2 million (61.8%) was spent by the School Facilities Commission (SFC). These funds support the construction and renovation of public K-12 schools. Lower wealth school districts generally receive a greater share of state assistance than higher wealth districts, and also generally receive state assistance sooner.[2]

- The Board of Regents (BOR) distributed $283.4 million (17.7%) for the construction and renovation of academic facilities at Ohio's public colleges and universities. Capital funding for higher education is distributed largely based on the size and age of buildings and the student enrollment at each institution.

- The Public Works Commission (PWC) distributed $160.1 million (10.0%) for local infrastructure and conservation projects. These funds are largely distributed to the state's 18 PWC districts on a per capita basis.

- Other agencies with large amounts of capital expenditures include the Department of Natural Resources (DNR) at $36.4 million (2.3%), mainly for state and local parks; the Department of Development (DOD) at $30.5 million (1.9%), mainly for brownfield cleanup and redevelopment projects; and the Department of Rehabilitation and Correction (DRC) at $22.1 million (1.4%), for maintaining state adult correctional facilities.

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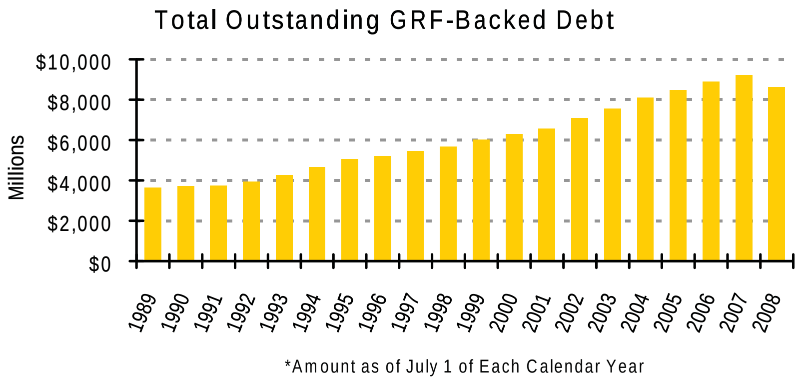
[1] This number excludes capital expenditures made from operating appropriations, such as state and federal funding for highway construction and maintenance.

[2] See page 48 for additional information on SFC's K-12 school facilities assistance program.

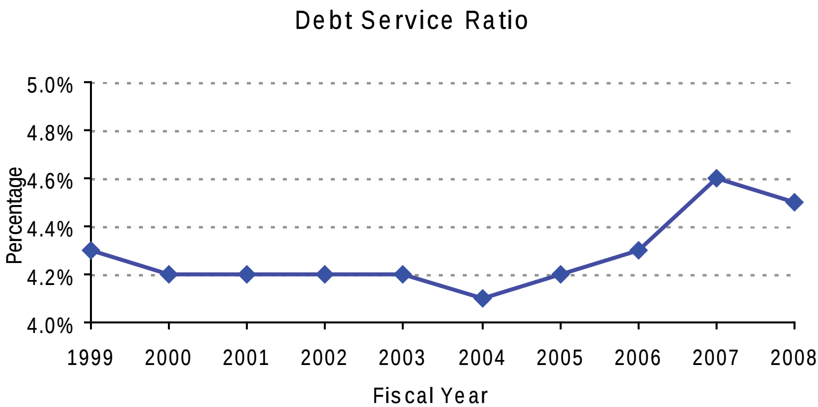
Ohio's Outstanding GRF-Backed Debt Registers Its First Decrease in the Last 20 Years



Source: Ohio Office of Budget and Management

- Ohio's total outstanding debt payable from the GRF amounted to \$8.6 billion on July 1, 2008, down from its peak level of \$9.2 billion on July 1, 2007, a decrease of 6.3%. This was the first decrease in 20 years. Between 1989 and 2007, total GRF-backed debt increased consistently every year with an average growth rate of 5.3% per year. The overall growth rate during this period was 152.4%.
- The decrease in 2008 was a result of tobacco securitization. In 2007, the state securitized its tobacco settlement receipts under the 1998 Master Settlement Agreement. The proceeds are to be used to fund capital expenditures for higher education and primary and secondary education over three years. These expenditures would otherwise be funded from GRF-backed debt.
- The state's debt payable from the GRF is made up of general obligation (GO) and special obligation (SO) debt. The \$8.6 billion in outstanding GRF-backed debt as of July 1, 2008 includes \$6.1 billion of GO debt and \$2.5 billion of SO debt.
- The issuance of both GO and SO bonds must be authorized by the Ohio Constitution. Whereas debt service payments for GO bonds are secured by the full faith, credit, and taxing power of the state, debt service payments for SO bonds are subject to appropriations of the General Assembly.
- GO bonds have been issued for the following purposes: primary and secondary education; higher education; natural resources; conservation; local infrastructure; coal development; Third Frontier research and development; and the development of sites for industry, commerce, distribution, and research and development.
- On a per capita basis, Ohio's outstanding debt payable from the GRF has grown from \$534 in 1999 to \$753 in 2008, an increase of 41.0%.
- As of July 1, 2006, Ohio's overall outstanding state debt per capita was \$2,156, lower than the national average (\$2,915), also lower than any of its neighbors: Kentucky (\$2,325), Pennsylvania (\$2,590), Indiana (\$2,748), Michigan (\$2,869), and West Virginia (\$2,989).

Ohio's Debt Service Ratio Remains Within the Constitutional Limit



Source: Ohio Office of Budget and Management

- After declining slightly from FY 1999 to FY 2004, Ohio's debt service ratio peaked at 4.6% in FY 2007 and then decreased to 4.5% in FY 2008. This ratio is measured by calculating debt service payable from the GRF as a percentage of the total combined revenue from the GRF and net lottery profits.
- The state's total debt service payable from the GRF, which is made up of interest and principal payments, was $1.23 billion in FY 2008, up from $1.22 billion in FY 2007.
- As a percentage of personal income, the state's total debt service payable from the GRF was 0.3% in FY 2008, similar to the level in FY 2007.
- Beginning in FY 2000, Ohio's Constitution establishes a 5% "cap" on the amount of GRF-backed debt that the state may incur in a given fiscal year. That is, the state cannot issue additional GRF-backed debt if total debt service payments in any future fiscal year exceed 5% of the total GRF and net lottery profits revenue in the year of issuance, unless the 5% cap is waived by a three-fifths vote of each house of the General Assembly.
- As of July 1, 2008, Ohio general obligation bonds received the second highest possible ratings from all three bond rating agencies: AA+ by Fitch, Aa1 by Moody's, and AA+ by Standard & Poor'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.

Over 53 Million Visits Made to Ohio State Parks in 2007

Top Ten Visited State Parks in Ohio in 2007			
State Park	**County**	**Visitor Occasions**	**Acreage (Land & Water)**
Cleveland Lakefront	Cuyahoga	8,500,876	419
Alum Creek	Delaware	2,946,633	8,017
Hocking Hills	Hocking	2,895,878	2,373
Hueston Woods	Preble/Butler	2,694,105	3,561
Headlands Beach	Lake	2,352,938	120
Mosquito Lake	Trumbull	2,296,452	6,483
Caesar Creek	Warren/Clinton/Greene	2,150,402	6,571
Cowan Lake	Clinton	1,811,010	1,775
Indian Lake	Logan	1,695,752	6,600
East Harbor	Ottawa	1,478,061	1,831
Total – Top Ten State Parks		**28,822,107**	**37,750**
Total – All State Parks		**53,577,927**	**174,212**

Source: Ohio Department of Natural Resources

- In 2007, there were a total of 53.6 million visitor occasions to Ohio's 74 state parks, an increase of 6.3% over 2006. The ten most-visited parks accounted for almost 54% (28.8 million) of the total visitor occasions.
- Located in 60 counties across the state and encompassing over 174,000 acres in land and water, Ohio's 74 state parks contain 9 resort lodges, 518 cottages, and 87 campgrounds with 9,379 sites, as well as 80 beaches, 36 visitor and nature centers, 463 picnic areas, and 1,167 miles of trails.
- The number of cottage, getaway rental, and campsite reservations in Ohio's state parks increased by 8.0% in 2007, and the number of nights stayed increased by 6.2%.
- In 2007, state parks generated $28.9 million in revenue, an increase of 8.4% over 2006. The largest source of revenue was camping fees at 39%, followed by self-operated retail (14%), cottage rentals (10%), dock permits (10%), concession agreements (10%), and golf greens fees (6%).
- In FY 2008, the Division of Parks and Recreation in the Department of Natural Resources spent $72.4 million on state park operations. Of this amount, 54% was funded by GRF and the remainder was funded by fees and charges.
- During FY 2008, the Division of Parks and Recreation completed just under $10 million in capital improvement projects, including utility upgrades, wastewater system rehabilitations, lodge/cabin improvements, and other construction and renovation projects.

Ohio's 5,340 Public Water Systems Serve 11 Million People Daily

Ohio's Public Water Systems by Category, 2008				
Category	**Surface Water**	**Ground Water**	**Total**	**Population Served Daily**
Community	296	1,000	1,296	10,414,078
Nontransient Noncommunity	9	909	918	229,338
Transient Noncommunity	24	3,102	3,126	457,391
Total	**329**	**5,011**	**5,340**	**11,100,807**

Source: Ohio Environmental Protection Agency

- Ohio's 5,340 public water systems (PWSs) serve about 11.1 million people daily with an average production rate of 1.7 billion gallons per day, resulting in an average daily water use of 153 gallons per person.
- There are three types of PWSs in Ohio:
    - o *Community systems* serve at least 15 water connections used by year-around residents or regularly serve at least 25 year-round residents. Examples include cities and mobile home parks.
    - o *Nontransient noncommunity systems* serve at least 25 of the same persons over six months per year. Examples include schools and businesses.
    - o *Transient noncommunity systems* serve at least 25 different persons over 60 days per year. Examples include parks and highway rest stops.
- Of the 5,340 PWSs, 5,011 (94%) use ground water and the remaining 329 (6%) use surface water.
- In FY 2008, the Ohio EPA issued $276.2 million in low-interest loans to local governments for maintaining PWSs. This included $66.7 million in drinking water loans and $209.5 million in water pollution control loans. These loans are funded by grants from the U.S. EPA and the required matching funds (20%) from the Ohio EPA.
- Drinking water loans were granted for 31 projects to protect the quality and quantity of drinking water in 25 communities. Water pollution control and water quality restoration loans were issued to fund 44 new projects. Also, 11 previously awarded loans received supplemental funding. Overall, projects supported by these water pollution control and water quality restoration loans benefited 47 communities.