

Financial Section

REQUIRED SUPPLEMENTARY INFORMATION



Infrastructure Assets Accounted for Using the Modified Approach

Pavement Network

The Ohio Department of Transportation conducts annual condition assessments of its Pavement Network. The State manages its pavement system by means of annual, visual inspections by trained pavement technicians. Technicians rate the pavement using a scale of 1 (minimum) to 100 (maximum) based on a Pavement Condition Rating (PCR). This rating examines items such as cracking, potholes, deterioration of the pavement, and other factors. It does not include a detailed analysis of the pavement's subsurface conditions.

Ohio accounts for its pavement network in two subsystems: *Priority*, which comprises interstate highways, freeways, and multi-lane portions of the National Highway System, and *General*, which comprises two-lane routes outside of cities.

For the Priority Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 65, and to allow no more than 25 percent of the pavement to fall below a 65 PCR level. For the General Subsystem, it is the State's intention to maintain at least 75 percent of the pavement at a PCR level of at least 55, and to allow no more than 25 percent of the pavement to fall below a 55 PCR level.

Pavement Network Condition Assessment Data

Priority Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)								Total	
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 65-74		Poor PCR = Below 65			
	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%
2019	7,895	57.53	3,981	29.01	1,404	10.23	444	3.23	13,724	100.00
2018	8,236	59.47	3,856	27.85	1,331	9.61	426	3.07	13,849	100.00
2017	8,103	59.06	4,345	31.67	990	7.22	282	2.05	13,720	100.00
2016	8,245	59.97	4,309	31.34	933	6.79	261	1.90	13,748	100.00
2015	8,724	63.51	3,944	28.71	901	6.56	168	1.22	13,737	100.00

General Subsystem

Fiscal Year	Pavement Condition Ratings (PCR)								Total	
	Excellent PCR = 85-100		Good PCR = 75-84		Fair PCR = 55-74		Poor PCR = Below 55			
	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%	Lane- Miles	%
2019	16,392	55.31	7,080	23.89	5,420	18.29	745	2.51	29,637	100.00
2018	15,589	52.87	7,395	25.08	6,090	20.65	413	1.40	29,487	100.00
2017	14,022	47.58	8,472	28.74	6,755	22.92	224	0.76	29,473	100.00
2016	12,940	43.91	8,884	30.15	7,480	25.38	166	0.56	29,470	100.00
2015	14,213	48.25	8,556	29.04	6,506	22.08	186	0.63	29,461	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Pavement Network
Comparison of Estimated-to-Actual Maintenance and Preservation Costs
(dollars in thousands)

Priority Subsystem

Fiscal Year	Estimated	Actual
2019	\$444,620	\$443,984
2018	447,590	504,877
2017	416,249	491,309
2016	619,382	533,788
2015	482,291	526,202

General Subsystem

Fiscal Year	Estimated	Actual
2019	\$299,640	\$426,696
2018	303,715	404,677
2017	314,433	427,531
2016	283,059	369,117
2015	287,411	361,582

Bridge Network

The Ohio Department of Transportation conducts annual inspections of all bridges in the State's Bridge Network. The inspections cover major structural items such as piers and abutments, and assign a General Appraisal Condition Rating (GACR) from 0 (minimum) to nine (maximum) based on a composite measure of these major structural items.

It is the State's intention to maintain at least 85 percent of the square feet of deck area at a general appraisal condition rating level of at least five, and to allow no more than 15 percent of the number of square feet of deck area to fall below a general appraisal condition rating level of five.

Bridge Network
Condition Assessment Data
(square feet in thousands)

Fiscal Year	General Appraisal Condition Ratings (GACR)									
	Excellent GACR = 7-9		Good GACR = 5-6		Fair GACR = 3-4		Poor GACR = 0-2		Total	
	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%	Sq Ft Deck Area	%
2019	72,499	67.01	34,012	31.44	1,680	1.55	4	0.00	108,195	100.00
2018	70,768	65.91	34,831	32.44	1,772	1.65	0	0.00	107,371	100.00
2017	69,581	64.73	35,891	33.39	2,017	1.88	0	0.00	107,489	100.00
2016	67,201	63.05	37,216	34.92	2,163	2.03	0	0.00	106,580	100.00
2015	64,945	61.15	38,702	36.44	2,541	2.39	18	0.02	106,206	100.00



Infrastructure Assets Accounted for Using the Modified Approach (Continued)

Bridge Network
Comparison of Estimated-to-Actual Maintenance and Preservation Costs
(dollars in thousands)

Fiscal Year	Estimated	Actual
2019	\$424,377	\$451,586
2018	462,821	452,276
2017	469,804	526,003
2016	499,522	552,021
2015	534,578	571,689



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY/(ASSET)

OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FIVE YEARS ^(A)

(dollars in thousands)

Traditional Plan:	2018	2017	2016
Employer's Proportion of the Collective Net Pension Liability.....	20.86%	20.85%	20.95%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 5,714,426	\$ 3,271,382	\$ 4,736,652
Covered Payroll.....	\$ 2,862,809	\$ 2,791,773	\$ 2,754,860
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	199.61%	117.18%	171.94%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	74.70%	84.66%	77.25%
Combined Plan:			
Employer's Proportion of the Collective Net Pension/(Asset).....	19.59%	19.13%	19.67%
Employer's Proportionate Share of the Collective Net Pension/(Asset).....	\$ (21,905)	\$ (26,038)	\$ (10,623)
Covered Payroll.....	\$ 85,111	\$ 81,048	\$ 77,885
Employer's Proportionate Share of the Collective Net Pension/(Asset) as a Percentage of the Employer's Covered Payroll.....	25.74%	32.13%	13.64%
Plan Fiduciary Net Position as a Percentage of the Total Pension Asset.....	126.64%	137.28%	116.55%

Notes:

^(A) This table will present ten years of information as it becomes available.



2015	2014
20.65%	20.73%
\$ 3,561,458	\$ 2,496,359
\$ 2,589,575	\$ 2,608,075
137.53%	95.72%
81.08%	86.45%
19.64%	20.23%
\$ (9,355)	\$ (7,577)
\$ 72,010	\$ 69,383
12.99%	10.92%
116.90%	114.83%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE LAST FIVE FISCAL YEARS ^{(A)(B)}
(dollars in thousands)

	2019	2018	2017
Traditional Plan:			
Statutorily Required Employer Contribution.....	\$ 407,968	\$ 383,973	\$ 343,330
Actual Employer Contributions Received.....	407,968	383,973	343,330
Difference.....	\$ -	\$ -	\$ -
Covered Payroll.....	\$ 2,903,850	\$ 2,834,015	\$ 2,794,847
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.05%	13.55%	12.28%
Combined Plan:			
Statutorily Required Employer Contribution.....	\$ 12,139	\$ 11,345	\$ 9,977
Actual Employer Contributions Received.....	12,139	11,345	9,977
Difference.....	\$ -	\$ -	\$ -
Covered Payroll.....	\$ 86,407	\$ 83,734	\$ 81,219
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.05%	13.55%	12.28%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Ohio Public Employees Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).



2016	2015
\$ 314,599	\$ 308,797
314,599	308,797
<u>\$ -</u>	<u>\$ -</u>
\$ 2,613,331	\$ 2,573,692
12.04%	12.00%
\$ 9,366	\$ 8,587
9,366	8,587
<u>\$ -</u>	<u>\$ -</u>
\$ 77,801	\$ 71,573
12.04%	12.00%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITY

STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FIVE YEARS ^(A)

(dollars in thousands)

	2018	2017	2016
Employer's Proportion of the Collective Net Pension Liability.....	0.37%	0.38%	0.38%
Employer's Proportionate Share of the Collective Net Pension Liability.....	\$ 81,261	\$ 90,418	\$ 126,919
Covered Payroll.....	\$ 42,066	\$ 41,881	\$ 39,990
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered Payroll.....	193.18%	215.89%	317.38%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability.....	77.31%	75.29%	66.78%

Notes:

^(A) This table will present ten years of information as it becomes available.



2015	2014
0.39%	0.41%
\$ 107,522	\$ 99,431
\$ 40,509	\$ 41,996
265.43%	236.76%
72.10%	74.71%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

STATE TEACHERS RETIREMENT SYSTEM

FOR THE LAST FIVE FISCAL YEARS ^{(A)(B)}

(dollars in thousands)

	2019	2018	2017
Statutorily Required Employer Contribution.....	\$ 5,929	\$ 5,888	\$ 5,863
Actual Employer Contributions Received.....	5,929	5,888	5,863
Difference.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll.....	\$ 42,360	\$ 42,066	\$ 41,881
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	14.00%	14.00%	14.00%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Starting in fiscal year 2017, the 2015 and 2016 data presented was adjusted to reflect the State's fiscal reporting year rather than measurement date.



2016	2015
\$ 5,692	\$ 5,671
5,692	5,671
<u>\$ -</u>	<u>\$ -</u>
\$ 39,990	\$ 40,509
14.23%	14.00%



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST FIVE YEARS ^(A)
(dollars in thousands)

	2018	2017	2016
Total Pension Liability:			
Service Cost.....	\$ 19,679	\$ 19,635	\$ 18,094
Interest on the Total Pension Liability.....	89,298	85,936	84,195
Benefit Changes.....	-	(5,681)	-
Difference between Expected and Actual Experience.....	538	17,854	(8,633)
Assumption Changes.....	256,572	-	-
Benefit Payments.....	(71,577)	(75,393)	(65,720)
Refunds.....	(717)	(1,075)	(1,731)
Net Change in Total Pension Liability.....	293,793	41,276	26,205
Total Pension Liability - Beginning.....	1,178,545	1,137,269	1,111,064
Total Pension Liability - Ending (a).....	<u>\$ 1,472,338</u>	<u>\$ 1,178,545</u>	<u>\$ 1,137,269</u>
Plan Fiduciary Net Position:			
Employer Contributions.....	\$ 26,014	\$ 26,110	\$ 25,384
Employee Contributions.....	14,452	14,505	14,101
Pension Plan Net Investment Income.....	(37,810)	101,482	46,423
Benefit Payments.....	(71,577)	(75,393)	(65,721)
Refunds.....	(717)	(1,075)	(1,731)
Pension Plan Administrative Expense.....	(1,436)	(1,437)	(1,353)
Other.....	199	479	357
Net Change in Plan Fiduciary Net Position.....	(70,875)	64,671	17,460
Plan Fiduciary Net Position - Beginning.....	786,356	721,685	704,225
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 715,481</u>	<u>\$ 786,356</u>	<u>\$ 721,685</u>
Net Pension Liability - Ending (a) - (b).....	<u>\$ 756,857</u>	<u>\$ 392,189</u>	<u>\$ 415,584</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability.....	48.59%	66.72%	63.46%
Covered Payroll..... ^(B)	\$ 116,010	\$ 112,705	\$ 108,789
Net Pension Liability as a Percentage of Covered Payroll.....	652.41%	347.98%	382.01%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



2015	2014
\$ 17,805	\$ 17,657
81,577	79,175
-	-
(6,366)	-
40,773	-
(66,213)	(64,526)
(858)	(2,177)
66,718	30,129
1,044,346	1,014,217
<u>\$ 1,111,064</u>	<u>\$ 1,044,346</u>

\$ 22,895	\$ 22,325
13,686	11,577
(5,702)	45,105
(66,213)	(64,526)
(858)	(2,177)
(1,084)	(1,031)
839	421
(36,437)	11,694
740,662	728,968
<u>\$ 704,225</u>	<u>\$ 740,662</u>

<u>\$ 406,839</u>	<u>\$ 303,684</u>
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63.38%	70.92%
\$ 99,983	\$ 99,212
406.91%	306.10%



STATE OF OHIO

SCHEDULE OF EMPLOYER PENSION CONTRIBUTIONS

STATE HIGHWAY PATROL RETIREMENT SYSTEM

FOR THE LAST TEN FISCAL YEARS (B)

(dollars in thousands)

	2019	2018	2017	2016	2015
Actuarially Determined Contribution.....	\$ 26,014	\$ 25,349	\$ 24,407	\$ 22,446	\$ 29,767
Actual Employer Contributions Received.....	26,014	26,110	25,383	22,895	22,325
Difference.....	\$ -	\$ (761)	\$ (976)	\$ (449)	\$ 7,442
Covered Payroll..... (A)	\$ 116,010	\$ 112,705	\$ 108,789	\$ 99,983	\$ 99,212
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	22.42%	23.17%	23.33%	22.90%	22.50%

Notes:

- (A) Covered payroll includes Deferred Retirement Option Program (DROP) employees.
- (B) State Highway Patrol Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is now fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).

Actuarial Assumptions

Valuation Date	December 31, 2017
Notes	Actuarially determined contribution rates are calculated as of December 31, which is one day prior to the beginning of the fiscal year in which contributions are reported.
Actuarial Cost Method	Entry Age
Amortization Method	Level-Percentage Closed
Remaining Amortization Period	27 years
Asset Valuation Method	Four-year smoothed market
Inflation	3.5 percent wage inflation; 2.75 percent price inflation
Salary Increases	3.8 percent to 13.5 percent including inflation
Investment Rate of Return	7.75 percent
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Mortality Tables for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for females was then established to be 2012. Mortality rates for a particular calendar year are determined by applying the MP-2015 mortality improvement scale to the above described tables.
Other Information	There were no assumption changes during the year. There were benefit changes beginning with the December 31, 2017 annual actuarial valuation, which include changes to age and service pension eligibility, off-duty disability, and survivor benefits.



STATE OF OHIO
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

JUNE 30, 2019

2014	2013	2012	2011	2010
\$ 35,430	\$ 30,488	\$ 26,956	\$ 22,872	\$ 19,978
22,908	23,766	22,966	21,212	20,454
<u>\$ 12,522</u>	<u>\$ 6,722</u>	<u>\$ 3,990</u>	<u>\$ 1,660</u>	<u>\$ (476)</u>
\$ 98,520	\$ 98,117	\$ 93,126	\$ 94,768	\$ 94,825
23.25%	24.22%	24.66%	22.38%	21.57%



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TWO YEARS ^(A)
(dollars in thousands)

All Plans:	2018	2017
Employer's Proportion of the Collective Net OPEB Liability.....	20.75%	20.74%
Employer's Proportionate Share of the Collective Net OPEB Liability.....	\$ 2,704,808	\$ 2,252,428
Covered Payroll.....	\$ 2,986,152	\$ 2,915,630
Employer's Proportionate Share of the Collective Net OPEB Liability as a Percentage of the Employer's Covered Payroll.....	90.58%	77.25%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability.....	46.33%	54.14%

Notes:

^(A) This table will present ten years of information as it becomes available.



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM
FOR THE LAST TWO FISCAL YEARS ^{(A)(B)}

(dollars in thousands)

	2019	2018
Actuarially Determined Employer Contribution.....	\$ 176,568	\$ 153,362
Actual Employer Contributions Received.....	0	18,802
Difference.....	<u>\$ 176,568</u>	<u>\$ 134,560</u>
Covered Payroll.....	\$ 3,070,283	\$ 2,994,040
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.63%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Ohio Public Employees Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).



STATE OF OHIO

SCHEDULE OF PROPORTIONATE SHARE OF THE COLLECTIVE NET OPEB LIABILITY/(ASSET)

STATE TEACHERS RETIREMENT SYSTEM

AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TWO YEARS ^(A)

(dollars in thousands)

	2018	2017
Employer's Proportion of the Collective Net OPEB Liability/(Asset).....	0.37%	0.38%
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset).....	\$ (5,939)	\$ 14,850
Covered Payroll.....	\$ 42,066	\$ 40,918
Employer's Proportionate Share of the Collective Net OPEB Liability/(Asset) as a Percentage of the Employer's Covered Payroll.....	14.12%	36.29%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability/(Asset).....	176.00%	47.11%

Notes:

^(A) This table will present ten years of information as it becomes available.



STATE OF OHIO

SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS

STATE TEACHERS RETIREMENT SYSTEM

FOR THE LAST TWO FISCAL YEARS ^(A)

(dollars in thousands)

	2019	2018
Actuarially Determined Employer Contribution.....	\$ -	\$ 910
Actual Employer Contributions Received.....	-	-
Difference.....	<u>\$ -</u>	<u>\$ 910</u>
Covered Payroll..... ^(B)	\$ 42,360	\$ 42,066
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	0.00%	0.00%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) The covered payroll amount includes a small portion of the defined contribution plan payroll; which this portion of the plan is not covered for OPEB.



STATE OF OHIO

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
AS OF THE CURRENT MEASUREMENT DATE FOR THE LAST TWO YEARS ^(A)
(dollars in thousands)

	2018	2017
Total OPEB Liability:		
Service Cost.....	\$ 26,137	\$ 23,657
Interest on the Total OPEB Liability.....	19,663	19,243
Benefit Changes.....	-	709
Difference between Expected and Actual Experience.....	(74,912)	(1,204)
Assumption Changes.....	(68,878)	46,862
Benefit Payments, including refunds of employee contributions.....	(8,539)	(9,434)
Net Change in Total OPEB Liability.....	(106,529)	79,833
Total OPEB Liability - Beginning.....	566,130	486,297
Total OPEB Liability - Ending (a).....	<u>\$ 459,601</u>	<u>\$ 566,130</u>
Plan Fiduciary Net Position:		
Employer Contributions.....	\$ 4,623	\$ 4,640
Employee Contributions.....	-	-
Net Investment Income.....	(5,852)	14,467
Benefit Payments, including refunds of employee contributions.....	(8,538)	(9,433)
Administrative Expense.....	(204)	(204)
Other.....	-	-
Net Change in Plan Fiduciary Net Position.....	(9,971)	9,470
Plan Fiduciary Net Position - Beginning.....	111,799	102,329
Plan Fiduciary Net Position - Ending (b).....	<u>\$ 101,828</u>	<u>\$ 111,799</u>
Net OPEB Liability - Ending (a) - (b).....	<u>\$ 357,773</u>	<u>\$ 454,331</u>
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability.....	22.16%	19.75%
Covered Payroll..... ^(B)	\$ 116,010	\$ 112,705
Net OPEB Liability as a Percentage of Covered Payroll.....	308.39%	403.11%

Notes:

^(A) This table will present ten years of information as it becomes available.

^(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.



STATE OF OHIO
SCHEDULE OF EMPLOYER OPEB CONTRIBUTIONS
STATE HIGHWAY PATROL RETIREMENT SYSTEM
FOR THE LAST TWO FISCAL YEARS ^{(A)(C)}
(dollars in thousands)

	2019	2018
Actuarially Determined Contribution.....	\$ 22,105	\$ 30,774
Actual Employer Contributions Received.....	4,623	4,640
Difference.....	<u>\$ 17,482</u>	<u>\$ 26,134</u>
Covered Payroll..... ^(B)	\$ 116,010	\$ 112,705
Actual Employer Contributions Received as a Percentage of Covered Payroll.....	3.99%	4.12%

Notes:

- (A) This table will present ten years of information as it becomes available.
(B) Covered payroll includes Deferred Retirement Option Program (DROP) employees.
(C) State Highway Patrol Retirement System reports on a December 31 calendar yearend, but is included in the State's fiscal yearend of June 30. Year reflected is now fiscal year instead of calendar year (ex. CY 2017 is reflected as FY 2018, etc.).

Actuarial Assumptions

Valuation Date	December 31, 2016 and December 31, 2017
Notes	Actuarially determined contribution rate for the period July 1, 2017 through June 30, 2018 was based upon the December 31, 2016 valuation. The actuarially determined contribution rate for the period July 1, 2018 through June 30, 2019 was based upon the December 31, 2017 valuation. The calendar year actuarially determined contribution is an average
Actuarial Cost Method	Individual Entry Age
Amortization Method	Level percent of pay - open
Remaining Amortization Period	30 years
Asset Valuation Method	Four-year smoothed market
Inflation	3.5 percent wage inflation; 2.75 percent price inflation
Salary Increases	3.8 percent to 13.5 percent including inflation
Investment Rate of Return	7.75 percent, net of OPEB plan investment expense, including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Mortality Table and RP-2014 Healthy Annuitant mortality table for males and females, adjusted for mortality improvement back to the observation period base year of 2006. The base year for females was then established to be 2012. Mortality rates for a particular calendar year are determined by applying the MP-2018 mortality improvement scale.



STATE OF OHIO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND AND MAJOR SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2019
(dollars in thousands)

	GENERAL			VARIANCE WITH FINAL BUDGET POSITIVE/ (NEGATIVE)
	BUDGET			
	ORIGINAL	FINAL	ACTUAL	
REVENUES:				
Income Taxes.....	\$ 9,150,767	\$ 9,283,167	\$ 9,313,381	\$ 30,214
Sales Taxes.....	10,568,248	10,796,148	10,803,572	7,424
Corporate and Public Utility Taxes.....	2,858,246	2,930,546	2,940,313	9,767
Motor Vehicle Fuel Taxes.....	1,139,407	1,139,407	1,139,407	—
Cigarette Taxes.....	917,000	921,100	918,179	(2,921)
Other Taxes.....	701,344	730,635	722,804	(7,831)
Licenses, Permits and Fees.....	1,199,327	1,205,528	1,205,786	258
Sales, Services and Charges.....	136,845	136,845	156,072	19,227
Federal Government.....	10,353,144	9,741,881	9,876,985	135,104
Tobacco Settlement.....	122	122	386	264
Investment Income.....	108,218	135,479	143,025	7,546
Other.....	1,877,297	1,874,591	1,841,649	(32,942)
TOTAL REVENUES.....	39,009,965	38,895,449	39,061,559	166,110
BUDGETARY EXPENDITURES:				
CURRENT OPERATING:				
Primary, Secondary and Other Education.....	9,722,993	9,726,283	9,654,394	71,889
Higher Education Support.....	3,235,131	3,244,028	2,803,090	440,938
Public Assistance and Medicaid.....	17,359,485	17,652,838	16,859,749	793,089
Health and Human Services.....	840,428	871,749	819,027	52,722
Justice and Public Protection.....	3,359,998	3,488,650	3,333,359	155,291
Environmental Protection and Natural Resources.....	137,357	142,892	125,349	17,543
Transportation.....	25,063	25,079	24,918	161
General Government.....	1,488,786	1,688,353	1,437,993	250,360
Community and Economic Development.....	3,492,631	3,778,178	2,634,310	1,143,868
CAPITAL OUTLAY.....	—	—	—	—
DEBT SERVICE.....	1,443,639	1,443,974	1,433,213	10,761
TOTAL BUDGETARY EXPENDITURES.....	41,105,511	42,062,024	39,125,402	2,936,622
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) BUDGETARY EXPENDITURES.....	(2,095,546)	(3,166,575)	(63,843)	3,102,732
OTHER FINANCING SOURCES (USES):				
Bonds, Notes, and COPs Issued.....	586,655	586,655	586,655	—
Transfers-in.....	1,910,002	1,952,845	976,970	(975,875)
Transfers-out.....	(2,130,639)	(2,142,416)	(1,214,283)	928,133
TOTAL OTHER FINANCING SOURCES (USES).....	366,018	397,084	349,342	(47,742)
NET CHANGE IN FUND BALANCES.....	\$ (1,729,528)	\$ (2,769,491)	285,499	\$ 3,054,990
BUDGETARY FUND BALANCES (DEFICITS), JULY 1.....			4,930,057	
Outstanding Encumbrances at Beginning of Fiscal Year.....			918,097	
BUDGETARY FUND BALANCES (DEFICITS), JUNE 30.....			\$ 6,133,653	



JOB, FAMILY AND OTHER HUMAN SERVICES			
BUDGET			VARIANCE WITH FINAL BUDGET
ORIGINAL	FINAL	ACTUAL	POSITIVE/ (NEGATIVE)
		\$ —	
		—	
		—	
		—	
		1,236	
		2,134,378	
		—	
		7,296,008	
		—	
		11,811	
		1,794,044	
		<u>11,237,477</u>	
\$ 24	\$ 24	23	\$ 1
750	750	—	750
12,650,439	13,107,673	11,494,102	1,613,571
388,504	392,615	353,564	39,051
73,925	77,482	72,235	5,247
—	—	—	—
—	—	—	—
3,335	3,356	2,968	388
—	—	—	—
39,245	39,245	9,104	30,141
—	—	—	—
<u>\$ 13,156,222</u>	<u>\$ 13,621,145</u>	<u>11,931,996</u>	<u>\$ 1,689,149</u>
		<u>(694,519)</u>	
		—	
		5,803	
		<u>(241,529)</u>	
		<u>(235,726)</u>	
		(930,245)	
		(725,840)	
		<u>1,038,926</u>	
		<u>\$ (617,159)</u>	



Note: GAAP versus NON-GAAP BUDGETARY BASIS

In the accompanying *Schedule of Revenues, Expenditures and Changes in Fund Balances — Budget and Actual (Non-GAAP Budgetary Basis) — General Fund and Major Special Revenue Fund*, actual revenues, transfers-in, expenditures, encumbrances, and transfers-out reported on the non-GAAP budgetary basis do not equal those reported on the GAAP basis in the *Statement of Revenues, Expenditures and Changes in Fund Balances — Major Governmental Funds*.

This inequality results primarily from basis differences in the recognition of accruals, deferred resources, interfund transactions, and loan transactions, and from timing differences in the budgetary basis of accounting for encumbrances. On the non-GAAP budgetary basis, the State recognizes encumbrances as expenditures in the year encumbered, while on the modified accrual basis, the State recognizes expenditures when goods or services are received regardless of the year encumbered.

Original Budget amounts in the accompanying budgetary schedules have been taken from the first complete appropriated budget for fiscal year 2019. An appropriated budget is the expenditure authority created by appropriation bills that are signed into law and related estimated revenues. The original budget also includes actual appropriation amounts automatically carried over from prior years by law, including the automatic rolling forward of appropriations to cover prior-year encumbrances.

Final Budget amounts represent original appropriations modified by authorized transfers, supplemental and amended appropriations, and other legally authorized legislative and executive changes applicable to fiscal year 2019, whenever signed into law or otherwise legally authorized.

For fiscal year 2019, no excess expenditures over appropriations were reported in individual funds.

A reconciliation of the fund balances reported under the GAAP basis and budgetary basis for the General Fund and the major special revenue fund is presented on the following page.



Note: GAAP versus NON-GAAP BUDGETARY BASIS (Continued)

Primary Government
Reconciliation of GAAP Basis Fund Balances to Non-GAAP Budgetary Basis Fund Balances
For the General Fund and Major Special Revenue Fund
As of June 30, 2019
(dollars in thousands)

	General	Job, Family & Other Human Services
Total Fund Balances — GAAP Basis	\$ 7,718,152	\$ 286,547
Less: Nonspendable Fund Balances.....	55,497	-
Less: Restricted Fund Balances.....	1,592,716	140,600
Less: Committed Fund Balances.....	728,698	145,947
Less: Assigned Fund Balances.....	2,885,896	-
Unassigned Fund Balances — GAAP Basis	2,455,345	-
BASIS DIFFERENCES		
Revenue Accruals/Adjustments:		
Cash Equity with Treasurer	(93,177)	(29,837)
Taxes Receivable	(1,673,275)	-
Intergovernmental Receivable	(432,840)	(187,405)
Loans Receivable, Net	(1,133,170)	-
Other Receivables	(291,824)	(551,483)
Unearned Revenue	-	427,049
Total Revenue Accruals/Adjustments	(3,624,286)	(341,676)
Expenditure Accruals/Adjustments:		
Cash Equity with Treasurer	(72,056)	(4,628)
Inventories	(22,643)	-
Other Assets	(90)	-
Accounts Payable	242,936	146,923
Accrued Liabilities	166,591	22,758
Medicaid Claims Payable	627,403	4,364
Intergovernmental Payable	694,832	130,809
Interfund Payable	398,574	10,574
Payable to Component Units	19,862	1,009
Refund and Other Liabilities	1,038,258	2,905
Liability for Escheat Property	335,738	-
Total Expenditure Accruals/Adjustments	3,429,405	314,714
Deferred Inflows of Resources.....	1,028,899	68,696
Other Adjustments:		
Fund Balance Reclassifications:		
From Unassigned (Non-GAAP Budgetary Basis) to:		
Nonspendable	55,497	-
Restricted.....	1,592,716	140,600
Committed	728,698	145,947
Assigned.....	2,885,896	-
Cash and Investments Held Outside State Treasury	(1,555,981)	(2,891)
Total Other Adjustments	3,706,826	283,656
Total Basis Differences	4,540,844	325,390
TIMING DIFFERENCES		
Encumbrances	(862,536)	(942,549)
Budgetary Fund Balances (Deficits) — Non-GAAP Basis	\$ 6,133,653	\$ (617,159)