SEMI-ANNUAL REPORT

FOR THE PERIOD JULY 1, 2008 THROUGH DECEMBER 31, 2008

Unaudited

February 13, 2009

State of Ohio
Commissioners of the Sinking Fund

Mary Taylor
Auditor of State
President
Term beginning January 8, 2007

Jennifer Brunner
Secretary of State
Secretary
Term beginning January 8, 2007

Ted Strickland
Governor
Member
Term beginning January 8, 2007

Kevin L. Boyce
Treasurer of State
Member
Term beginning January 7, 2009

Richard Cordray
Attorney General
Member
Term beginning January 7, 2009

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STATE OF OHIO
BOARD OF COMMISSIONERS OF THE SINKING FUND

30 East Broad Street, 9th Floor
Columbus, Ohio 43215

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614.752.8461 (FAX)

February 13, 2009

The Honorable Ted Strickland, Governor and
The Honorable Members of the Ohio General Assembly

In accordance with Section 11 of Article VIII, Ohio Constitution and Section 129.22, Ohio Revised Code, we are pleased to submit this full and detailed report of the Commission's proceedings to the Governor and to members of the General Assembly.

The Commission prepared this report, which covers general obligation bond balances and activity, as of and for the six months ended December 31, 2008, on the cash basis of accounting. All information presented herein is unaudited.

Brief summaries on the status of the State's general obligation bonds, debt service requirements, and funding sources, as of December 31, 2008, and the changes in debt principal, including issuances and maturities, interest and accreted principal paid, and net interest rate swap receipts realized and net interest rate swap payments made, for the period, July 1, 2008 through December 31, 2008, immediately follow this letter. The report also presents more detailed descriptions and financial information on the nine types of outstanding general obligation bonds and their associated debt service funds as well as historical information on past general obligation bond issues, which have been retired.

During the six-month period ending December 31, 2008, Richard Cordray and Nancy Rogers served as commission members in the capacity of Treasurer of State and Attorney General, respectively, along with Auditor of State Mary Taylor, Secretary of State Jennifer Brunner, and Governor Ted Strickland. The Commission did not convene any meetings during this period.

This semi-annual report is designed to provide the State of Ohio's citizens, taxpayers, customers, and investors and creditors with a general overview of the State's general obligation bonds and to demonstrate accountability for the money the State borrows. Questions regarding any of the information provided in this report or requests for additional information should be addressed to the Sinking Fund Commission, 30 East Broad Street, 9th Floor, Columbus, Ohio 43215, or by e-mail at treasurer@tos.ohio.gov.

Respectfully Submitted,

Mary Taylor, Auditor of State
President

Jennifer Brunner, Secretary of State
Secretary

Kevin L. Boyce, Treasurer of State
Member

Ted Strickland, Governor
Member

Richard Cordray, Attorney General
Member

STATE OF OHIO
SCHEDULE OF GENERAL OBLIGATION BONDS
As of December 31, 2008

Legal Authority & Date of Voter Authorization	HIGHWAY CAPITAL IMPROVEMENTS BONDS Section 2m of Article VIII, Ohio Constitution 11/07/95	COAL RESEARCH AND DEVELOPMENT BONDS Section 15 of Article VIII, Ohio Constitution 11/05/85	NATURAL RESOURCES CAPITAL FACILITIES BONDS Section 2l of Article VIII, Ohio Constitution 11/02/93
Bonds Authorized	$2,420,000,000	$231,000,000	$350,000,000
Bonds Issued (A)	1,945,000,000	158,000,000	295,000,000
Bonds Authorized, but not Issued	475,000,000	73,000,000	55,000,000
Bonds Matured	1,107,500,000	129,520,000	147,820,000
Outstanding Bonded Debt (B)	837,500,000	28,480,000	150,345,000
Total Interest Cost to Maturity	504,576,813	43,602,204	102,537,983
Interest Paid through 12/31/08	370,410,006	40,667,736	74,603,452
Remaining Interest through Maturity	134,166,807	2,934,468	27,934,531
Original Discount on Capital Appreciation Bonds	—	—	—
Accreted Principal Paid through 12/31/08	—	—	—
Remaining Discount through Maturity	—	—	—
Cash Balance in Bond Service Fund	115,144,100	415	1,881
Final Maturity Date	05/01/18	08/01/15	04/01/20
Funding Source(s)	Highway Use Tax, Gasoline Tax & International Registration Plan Fees	General Revenue Fund Appropriation	General Revenue Fund Appropriation

Legal Authority & Date of Voter Authorization	COMMON SCHOOLS CAPITAL FACILITIES BONDS Section 2n of Article VIII, Ohio Constitution 11/02/99	HIGHER EDUCATION CAPITAL FACILITIES BONDS Section 2n of Article VIII, Ohio Constitution 11/02/99	PUBLIC INFRASTRUCTURE CAPITAL IMPROVEMENTS BONDS Section 2m of Article VIII, Ohio Constitution 11/03/87
Bonds Authorized (D)	$3,345,000,000	$2,613,000,000	$2,880,000,000
Bonds Issued (A)	3,290,000,000	2,000,000,000	2,639,986,136
Bonds Authorized, but not Issued	55,000,000	613,000,000	240,013,864
Bonds Matured	554,140,000	434,325,000	1,114,195,753
Outstanding Bonded Debt (B)	2,728,550,000	1,564,135,000	1,522,546,212
Total Interest Cost to Maturity (C)	1,760,840,503	1,100,152,922	1,295,542,504
Interest Paid through 12/31/08	635,726,864	450,367,677	706,901,851
Remaining Interest through Maturity (C)	1,125,113,639	649,785,245	588,640,653
Original Discount on Capital Appreciation Bonds	—	—	281,518,034
Accreted Principal Paid through 12/31/08	—	—	164,069,246
Remaining Discount through Maturity	—	—	117,448,788
Cash Balance in Bond Service Fund	45,245	—	8,644
Final Maturity Date	09/15/26	11/01/26	09/01/28
Funding Source(s)	General Revenue Fund Appropriation & Net Lottery Proceeds	General Revenue Fund Appropriation	General Revenue Fund Appropriation

Legal Authority & Date of Voter Authorization	CONSERVATION PROJECTS BONDS Section 2o of Article VIII, Ohio Constitution 11/07/00	THIRD FRONTIER RESEARCH AND DEVELOPMENT PROJECTS BONDS Section 2p of Article VIII, Ohio Constitution 11/08/05	THIRD FRONTIER JOB READY SITE DEVELOPMENT BONDS Section 2p of Article VIII, Ohio Constitution 11/08/05
Bonds Authorized	$240,000,000	$350,000,000	$120,000,000
Bonds Issued (A)	200,000,000	120,700,000	30,000,000
Bonds Authorized, but not Issued	40,000,000	229,300,000	90,000,000
Bonds Matured	38,815,000	18,560,000	5,595,000
Outstanding Bonded Debt (B)	161,185,000	102,140,000	24,405,000
Total Interest Cost to Maturity	79,699,014	28,558,071	5,724,035
Interest Paid through 12/31/08	29,066,755	6,501,426	1,882,601
Remaining Interest through Maturity	50,632,259	22,056,645	3,841,434
Original Discount on Capital Appreciation Bonds	—	—	—
Accreted Principal Paid through 12/31/08	—	—	—
Remaining Discount through Maturity	—	—	—
Cash Balance in Bond Service Fund	1,914	—	—
Final Maturity Date	09/01/22	05/01/18	05/01/16
Funding Source(s)	General Revenue Fund Appropriation	General Revenue Fund Appropriation	General Revenue Fund Appropriation

Notes:

(A) The "Bonds Issued" balance includes bonds issued and refunded, but excludes refunding bonds in cases when issued. Also, not more than

- $220 million in Highway Capital Improvements Bonds may be issued in any fiscal year.
- $50 million in Natural Resources Capital Facilities Bonds may be issued in any fiscal year.
- $120 million in Public Infrastructure Capital Improvements Bonds may be issued annually through fiscal year 2013 and not more than $150 million may be issued annually in fiscal years 2014 through 2018; the total bonds issued may not exceed $3.75 billion.
- $50 million in Conservation Projects Bonds may be issued in any fiscal year.
- $100 million in Third Frontier Research and Development Projects Bonds may be issued in each of the first three fiscal years and not more than $50 million in any other fiscal year.
- $30 million in Third Frontier Job Ready Site Development Bonds may be issued in each of the first three fiscal years and not more than $15 million in any other fiscal year.

(B) The "Outstanding Bonded Debt "balance excludes bonds refunded, but includes refunding bonds in cases when issued. Also, not more than

- $1.2 billion in Highway Capital Improvements Bonds may be outstanding at any time.
- $100 million in Coal Research and Development Bonds may be outstanding at any time.
- $200 million in Natural Resources Capital Facilities Bonds may be outstanding at any time.
- $200 million in Conservation Projects Bonds may be outstanding at any time.

(C) The "Total Interest Cost to Maturity" and "Remaining Interest through Maturity" balances for the Common Schools Capital Facilities Bonds and the Public infrastructure Capital Improvements Bonds include estimates for interest payable on variable rate bonds in the future.

(D) The amounts of general obligations authorized for Common Schools Facilities and for Higher Education Facilities have been reduced by $800 million and $950 million, respectively, as a result of proceeds generated by the Buckeye Tobacco Settlement Financing Authority, which will be used to fund such purposes for fiscal year 2008 and 2009 in lieu of bonded debt.

STATE OF OHIO
SCHEDULE OF CHANGES IN GENERAL OBLIGATION DEBT PRINCIPAL, INTEREST AND ACCRETED PRINCIPAL PAID AND NET INTEREST RATE SWAP TRANSACTIONS
For the Six Months Ended December 31, 2008

Outstanding General Obligation Bond Principal, July 1, 2008:			
Highway Capital Improvements Bonds	$	837,500,000	
Coal Research and Development Projects Bonds		32,380,000	
Natural Resources Capital Facilities Bonds		160,425,000	
Common Schools Capital Facilities Bonds		2,769,170,000	
Higher Education Capital Facilities Bonds		1,589,085,000	
Public Infrastructure Capital Improvements Bonds		1,355,190,254	
Conservation Projects Bonds		166,425,000	
Third Frontier Research & Development Projects Bonds		62,160,000	
Third Frontier Job Ready Site Development Bonds		24,405,000	
Total Outstanding, July 1, 2008	$	6,996,740,254	
General Obligation Bonds issued - July 1 through December 31, 2008:			Date of Issue
Third Frontier Research & Development Projects Bonds, Series 2008A		39,980,000	August 19, 2008
Public Infrastructure Capital Improvements Bonds, Series 2008A		240,000,000	October 16, 2008
Total Issuances		279,980,000	
General Obligation Bonds Matured - July 1 through December 31, 2008:			
Coal Research and Development Bonds:			Date of Maturity
Series F		1,545,000	August 1, 2008
Series G		1,510,000	August 1, 2008
Series I		845,000	August 1, 2008
		3,900,000	
Natural Resources Capital Facilities Bonds:			
Series G		1,810,000	October 1, 2008
Series H		1,795,000	October 1, 2008
Series J		4,270,000	October 1, 2008
Series L		2,205,000	October 1, 2008
		10,080,000	
Common Schools Capital Facilities Bonds:			
Series 2001B		7,915,000	September 15, 2008
Series 2002A		8,040,000	September 15, 2008
Series 2002B		8,150,000	September 15, 2008
Series 2006A		7,515,000	September 15, 2008
Series 2006D		9,000,000	September 15, 2008
		40,620,000	
Higher Education Capital Facilities Bonds:			
Series 2002A		5,680,000	August 1, 2008
Series 2001B		7,245,000	November 1, 2008
Series 2002B		7,255,000	November 1, 2008
Series 2006B		4,770,000	November 1, 2008
		24,950,000	
Public Infrastructure Capital Improvements Bonds:			
Series 1991		2,719,440	August 1, 2008
Series 1992		1,910,229	August 1, 2008
Series 1993		1,095,241	August 1, 2008
Series 1995		1,262,995	August 1, 2008
Series 1996		1,404,920	August 1, 2008
Series 1997R		636,311	August 1, 2008
Series 1998		5,920,000	August 1, 2008
Series 1998R		1,784,986	August 1, 2008
Series 2001A		5,005,000	August 1, 2008
Series 2003A		35,125,000	August 1, 2008
Series 2003C		2,510,000	August 1, 2008
Series 2003E		205,074	August 1, 2008
Series 1989		5,274,846	September 1, 2008
Series 2005A		4,135,000	September 1, 2008
Series 2007A		3,655,000	September 1, 2008
		72,644,042	
Conservation Projects Bonds:			
Series 2002A		3,155,000	September 1, 2008
Series 2007A		2,085,000	September 1, 2008
		5,240,000	
Total Maturities		157,434,042	

(Continued)

Outstanding General Obligation Bond Principal, December 31, 2008:

Highway Capital Improvements Bonds	$	837,500,000
Coal Research and Development Projects Bonds		28,480,000
Natural Resources Capital Facilities Bonds		150,345,000
Common Schools Capital Facilities Bonds		2,728,550,000
Higher Education Capital Facilities Bonds		1,564,135,000
Public Infrastructure Capital Improvements Bonds		1,522,546,212
Conservation Projects Bonds		161,185,000
Third Frontier Research & Development Projects Bonds		102,140,000
Third Frontier Job Ready Site Development Bonds		24,405,000
Total Outstanding, December 31, 2008	$	7,119,286,212

Interest & Accreted Principal Paid, July 1 through December 31, 2008:		Interest		Accreted Principal
Highway Capital Improvements Bonds	$	19,225,907	$	-
Coal Research and Development Projects Bonds		635,714		-
Natural Resources Capital Facilities Bonds		3,221,692		-
Common Schools Capital Facilities Bonds		60,809,628		-
Higher Education Capital Facilities Bonds		38,903,669		-
Public Infrastructure Capital Improvements Bonds		27,417,691		23,115,958
Conservation Projects Bonds		3,776,811		-
Third Frontier Research & Development Projects Bonds		1,864,291		-
Third Frontier Job Ready Site Development Bonds		451,221		-
Total Interest and Accreted Principal Paid	$	156,306,624	$	23,115,958

Interest Rate Swap Agreements-Net Receipts & Payments, July 1 through December 31, 2008:		Net Swap Receipts		Net Swap Payments
Common Schools Capital Facilities Bonds	$	-	$	2,682,807
Public Infrastructure Capital Improvements Bonds		28,383		2,240,753
Total Net Receipts and Payments	$	28,383	$	4,923,560

STATE OF OHIO
SCHEDULE OF OUTSTANDING GENERAL OBLIGATION BOND PRINCIPAL BALANCES
THROUGH FINAL SCHEDULED MATURITY
As of December 31, 2008

As of	Highway Capital Improvements	Coal Research and Development	Natural Resources Projects	Common Schools Capital Facilities	Higher Education Capital Facilities	Public Infrastructure Capital Improvements	Conservation Projects	Third Frontier Research & Development Projects	Third Frontier Job Ready Site Development	Total Outstanding
12/31/08	$ 837,500,000	$ 28,480,000	$ 150,345,000	$ 2,728,550,000	$ 1,564,135,000	$ 1,522,546,212	$ 161,185,000	$ 102,140,000	$ 24,405,000	$7,119,286,212
06/30/09	678,500,000	25,450,000	141,475,000	2,635,505,000	1,506,425,000	1,492,921,212	155,425,000	89,345,000	21,735,000	6,746,781,212
06/30/10	539,500,000	18,245,000	121,505,000	2,496,880,000	1,420,195,000	1,375,675,636	143,595,000	76,845,000	18,965,000	6,211,405,636
06/30/11	423,000,000	12,315,000	102,645,000	2,353,340,000	1,330,325,000	1,267,257,848	131,335,000	63,810,000	16,075,000	5,700,102,848
06/30/12	326,500,000	6,145,000	83,035,000	2,203,975,000	1,236,635,000	1,157,755,915	118,600,000	50,210,000	13,085,000	5,195,940,915
06/30/13	230,000,000	3,360,000	67,455,000	2,048,740,000	1,138,500,000	1,058,863,266	105,355,000	35,975,000	9,980,000	4,698,228,266
06/30/14	147,000,000	2,295,000	51,300,000	1,887,080,000	1,035,675,000	945,191,998	91,530,000	28,770,000	6,780,000	4,195,621,998
06/30/15	80,000,000	1,175,000	37,365,000	1,733,845,000	927,695,000	840,533,600	77,045,000	21,200,000	3,450,000	3,722,308,600
06/30/16	47,000,000	-	25,550,000	1,573,685,000	841,035,000	738,225,000	61,805,000	13,230,000	-	3,300,530,000
06/30/17	14,000,000	-	15,065,000	1,406,465,000	749,920,000	638,975,000	45,925,000	4,830,000	-	2,875,180,000
06/30/18	-	-	4,120,000	1,231,780,000	654,255,000	545,410,000	33,980,000	-	-	2,469,545,000
06/30/19	-	-	2,100,000	1,049,215,000	553,935,000	467,080,000	21,480,000	-	-	2,093,810,000
06/30/20	-	-	-	858,270,000	448,525,000	395,365,000	12,850,000	-	-	1,715,010,000
06/30/21	-	-	-	673,650,000	338,005,000	329,870,000	8,775,000	-	-	1,350,300,000
06/30/22	-	-	-	481,025,000	234,100,000	261,245,000	4,495,000	-	-	980,865,000
06/30/23	-	-	-	296,150,000	138,785,000	199,025,000	-	-	-	633,960,000
06/30/24	-	-	-	168,700,000	76,700,000	151,830,000	-	-	-	397,230,000
06/30/25	-	-	-	80,520,000	33,595,000	111,610,000	-	-	-	225,725,000
06/30/26	-	-	-	17,580,000	11,505,000	71,145,000	-	-	-	100,230,000
06/30/27	-	-	-	-	-	45,595,000	-	-	-	45,595,000
06/30/28	-	-	-	-	-	18,665,000	-	-	-	18,665,000

STATE OF OHIO
General Obligation Bond Ratings

The table below shows the underlying ratings that have been assigned by the three major bond rating agencies, exclusive of any credit enhancement that may be attached to a particular issue.

Ratings in effect from time to time reflect only the views of the particular rating organization. An explanation of a specific rating agency's view on the meaning and significance of its assigned ratings may be obtained from the respective rating agency. There can be no assurance that the ratings assigned will continue for any given time, or that a rating will not be lowered or withdrawn by a rating agency if in its judgment circumstances so warrant.

On February 16, 2007, Moody's announced it had changed its "credit outlook" for the State from "stable" to "negative." According to Moody's, a change in "outlook" is not a ratings change, but does convey the rating agency's assessment that there are developing trends or events that could result in a more intensive assessment or ratings review. On December 15, 2008, Fitch announced it had changed its "credit outlook" for the State from "stable" to "negative." According to Fitch, a change in outlook is not a ratings change, but does indicate that a change is likely, although not inevitable, over the next one to two years.

State of Ohio
Ratings Assigned to General Obligations
As of December 31, 2008

	Bond Rating Agencies		
Purpose	**Fitch**	**Moody's**	**Standard & Poor's**
Highway Capital Improvements	AA+	Aa1	AAA
Coal Research and Development	AA+	Aa1	AA+
Natural Resources Capital Facilities	AA+	Aa1	AA+
Common Schools Capital Facilities	AA+	Aa1	AA+
Higher Education Capital Facilities	AA+	Aa1	AA+
Public Infrastructure Capital Improvements	AA+	Aa1	AA+
Conservation Projects	AA+	Aa1	AA+
Third Frontier Research and Development Projects and Job Ready Site Development	AA+	Aa1	AA+

Source: Ohio Office of Budget and Management

General Obligation Bond Sales

Details on bond sales that closed during the six-month period ended December 31, 2008 are as follows:

Issue	Date of Issue	Par Amount	Premium/(Discount)	Under-writer's Discount	Cost of Issuance	Net Bond Proceeds
Public Infrastructure Capital Improvements Bonds, Series 2008A	10/16/08	$240,000,000	$(908,093)	$(1,207,106)	$(300,000)	$237,584,801
Third Frontier Research & Development, Series 2008A	8/19/08	$39,980,000	$(4,830)	$(186,109)	$(125,325)	$39,663,736

HIGHWAY CAPITAL IMPROVEMENTS BONDS

Section 2m of Article VIII, Ohio Constitution, as approved by voters on November 7, 1995, authorizes the issuance of Highway Capital Improvements Bonds. The vote was: Yes–1,398,467; No–856,505.

Highway Capital Improvement Bonds finance the acquisition, construction, reconstruction, expansion, improvement, planning and equipping of highways, including those on the state highway system and urban extensions thereof, those within or leading to public parks or recreation areas, and those within or leading to municipal corporations, and for participation in such highway capital improvements with municipal corporations, counties, townships, or other governmental entities as designated by law, or any one or more of them, by grants, loans, or contributions to them for any such capital improvements.

Not more than $220 million in bond principal, plus the principal of Highway Capital Improvements Bonds that in any prior fiscal years could have been but were not issued within the $220 million fiscal-year limit, can be issued in any fiscal year, and not more than $1.2 billion in bond principal can be outstanding at any one time.

Highway Capital Improvements Bonds mature in not more than 30 years from the date of issuance, or if issued to retire or refund other obligations, within 30 years from the date the debt originally was contracted.

The moneys referred to in Section 5a of Article XII, Ohio Constitution, can be pledged to the payment of debt service on Highway Capital Improvements Bonds from the Highway Capital Improvement Bond Service Fund, as created under Section 151.06, Ohio Revised Code. In each year that moneys referred to in Section 5a of Article XII, Ohio Constitution, pledged to the payment of debt service on Highway Capital Improvements Bonds are available for such purpose, the moneys are to be appropriated thereto and the required application of any other excises and taxes are reduced in corresponding amount.

Section 2m of Article VIII, Ohio Constitution, was initially implemented by the General Assembly with the adoption of Senate Bill 257, in 1996, which enacted Sections 5528.51 to 5528.56, Ohio Revised Code.

The authority to issue Highway Capital Improvements Bonds in amounts authorized by the General Assembly was conferred upon the Sinking Fund Commission in House Bill 257. The Commission's authority to issue additional Highway Capital Improvements Bonds was withdrawn, however, when provisions in House Bill 640 became effective on September 14, 2000. The law enacted Sections 151.01 and 151.06, Ohio Revised Code, which called upon the Treasurer of State to become the issuer of the bonds. Section 52 of House Bill 640 provides for the Treasurer of State to supersede the Sinking Fund Commission in all matters relating to the bonds.

The authority to issue Highway Capital Improvements Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 257	121st	$340,000,000
House Bill 210 (as amended by Senate Bill 230)	122nd	432,500,000
House Bill 163	123rd	320,000,000
House Bill 73	124th	257,500,000
House Bill 87	125th	420,000,000
House Bill 68	126th	360,000,000
House Bill 67	127th	290,000,000
Total Authorizations, as of December 31, 2008		$2,420,000,000

Legislation authorizing the issuance of Highway Capital Improvements Bonds further requires that the obligations be issued from time to time in such amounts as necessary to provide sufficient moneys to the credit of the Highway Capital Improvement Fund, a fund created under Section 5528.53, Ohio Revised Code, to pay costs charged to that fund when due as estimated by the Director of Transportation.

Future bond service requirements for the Highway Capital Improvements Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009.....	$ 159,000,000	$ 19,225,907	$ 178,225,907
FY Ending June 30,			
2010	139,000,000	31,263,970	170,263,970
2011	116,500,000	24,914,146	141,414,146
2012	96,500,000	19,727,596	116,227,596
2013	96,500,000	15,198,839	111,698,839
2014-2018	230,000,000	23,836,349	253,836,349
Total	$ 837,500,000	$134,166,807	$ 971,666,807

STATE OF OHIO
SCHEDULE OF HIGHWAY CAPITAL IMPROVEMENTS BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 05/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
A	09/15/96	05/01/97	05/01/06	4.8425%	$ 50,000,000	$ 50,000,000	$ -	$ -	$ 12,415,563	$ 12,415,563	$ -
B	06/15/97	05/01/98	05/01/07	4.6609%	125,000,000	125,000,000	-	-	31,440,243	31,440,243	-
C	07/01/98	05/01/99	05/01/08	4.3728%	200,000,000	200,000,000	-	-	51,016,667	51,016,667	-
D	06/01/99	05/01/00	05/01/09	4.4346%	200,000,000	180,000,000	20,000,000	20,000,000	46,895,833	46,445,833	450,000
E	04/01/00	05/01/01	05/01/10	5.0475%	225,000,000	180,000,000	45,000,000	22,500,000	67,877,344	65,360,156	2,517,188
F	02/01/01	05/01/02	05/01/11	4.1271%	200,000,000	140,000,000	60,000,000	20,000,000	57,171,324	52,573,546	4,597,778
G	12/04/02	05/01/04	05/01/13	3.7500%	135,000,000	67,500,000	67,500,000	13,500,000	38,185,816	29,631,575	8,554,241
H	03/04/04	05/01/05	05/01/14	2.9603%	160,000,000	64,000,000	96,000,000	16,000,000	42,039,742	28,103,263	13,936,479
I	05/18/05	05/01/06	05/01/15	3.5103%	140,000,000	42,000,000	98,000,000	14,000,000	36,241,844	19,490,801	16,751,043
J	03/08/06	05/01/07	05/01/15	3.7830%	180,000,000	40,000,000	140,000,000	20,000,000	40,516,925	18,243,569	22,273,356
K	04/11/07	05/01/08	05/01/17	3.8404%	190,000,000	19,000,000	171,000,000	19,000,000	49,452,649	12,953,681	36,498,968
L	04/21/08	05/01/09	05/01/18	3.3579%	140,000,000	-	140,000,000	14,000,000	31,322,863	2,735,109	28,587,754
			TOTAL		$ 1,945,000,000	$ 1,107,500,000	$ 837,500,000	$ 159,000,000	$ 504,576,813	$ 370,410,006	$ 134,166,807

Note:

Interest rates for the Series A through Series E bonds reflect the net interest cost.

STATE OF OHIO
HIGHWAY CAPITAL IMPROVEMENTS BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION SEPTEMBER 1996
CASH BALANCE, JULY 1, 2008	**$ 8,017,453**	
CASH INFLOWS:		
Transfers from Other State Funds	126,365,651	$ 1,516,442,504
Bond Proceeds	-	48,263,522
Accrued Interest on Bonds Sold	-	1,875,117
Interest Earnings	94,347	27,459,817
TOTAL CASH INFLOWS	**126,459,998**	**1,594,040,960**
CASH OUTFLOWS:		
Principal Paid	-	1,107,500,000
Interest Paid	19,225,907	370,410,006
Bond Sale and Miscellaneous Expenses	107,444	986,854
TOTAL CASH OUTFLOWS	**19,333,351**	**1,478,896,860**
CASH BALANCE, DECEMBER 31, 2008	**$ 115,144,100**	**$ 115,144,100**

Note:
In addition to the December 31, 2008 cash balance reported above for the Highway Capital Improvements Bond Service Fund, the Sinking Fund Commission had $55,200 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $517 in investment earnings, which was transferred to the Highway Capital Improvements Bond Service Fund in January 2009; and $54,683 in administrative fees that remain unspent.

COAL RESEARCH AND DEVELOPMENT BONDS

Section 15 of Article VIII, Ohio Constitution, as approved by voters on November 5, 1985, authorizes the issuance of Coal Research and Development Bonds. The vote was: Yes–1,439,344; No–807,647.

Coal Research and Development Bonds provide the financing for financial assistance for research and development of coal technology that will encourage the use of Ohio coal.

Not more than $100 million in bond principal can be outstanding at any one time.

Funds to retire the bonds are paid when due, as to principal and interest, by a transfer of the Treasurer of State, of the amount certified by the Ohio Coal Development Office, from the State's General Revenue Fund to the Coal Research and Development Bond Service Fund, a fund created under Section 151.07, Ohio Revised Code.

Section 15 of Article VIII, Ohio Constitution, was initially implemented by the General Assembly with the adoption of House Bill 750, in 1986, which enacted Sections 1555.01 et seq., Ohio Revised Code, and with the adoption from time to time of laws authorizing the issuance of Coal Research and Development Bonds and appropriating the proceeds for the purposes for which the bonds may be issued.

The authority to issue Coal Research and Development Bonds in amounts authorized by the General Assembly was conferred upon the Sinking Fund Commission in House Bill 750. The Commission's authority to issue additional Coal Research and Development Bonds was withdrawn, however, when provisions in House Bill 640 became effective on September 14, 2000. The law enacted Sections 151.01 and 151.07, Ohio Revised Code, which called upon the Ohio Public Facilities Commission to become the issuer of the bonds. Section 52 of House Bill 640 provides for the Ohio Public Facilities Commission to supersede the Sinking Fund Commission in all matters relating to the bonds.

The authority to issue Coal Research and Development Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 206	119th	$50,000,000
House Bill 298	119th	50,000,000
House Bill 152	120th	50,000,000
House Bill 66	126th	15,000,000
House Bill 554	127th	66,000,000
Total Authorizations, as of December 31, 2008		$231,000,000

The legislation for each authorized issuance of Coal Research and Development Bonds further provides that the bonds are to be dated, issued, and sold from time to time in such amounts as necessary to provide sufficient moneys to the credit of the Coal Research and Development Fund, a fund created under Section 1555.15, Ohio Revised Code, to pay program costs charged to the fund, as determined by the Director of the Ohio Coal Development Office.

Future bond service requirements for the Coal Research and Development Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009.....	$ 3,030,000	$ 554,684	$ 3,584,684
FY Ending June 30,			
2010	7,205,000	920,919	8,125,919
2011	5,930,000	631,131	6,561,131
2012	6,170,000	406,878	6,576,878
2013	2,785,000	201,981	2,986,981
2014-2016	3,360,000	218,875	3,578,875
Total	$ 28,480,000	$ 2,934,468	$ 31,414,468

STATE OF OHIO
SCHEDULE OF COAL RESEARCH AND DEVELOPMENT BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 02/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
A	08/15/86	02/01/87	08/01/96	6.1750%	$ 50,000,000	$ 50,000,000	$ -	$ -	$ 17,608,443	$ 17,608,443	$ -
B	01/15/92	08/01/93	08/01/02	5.0205%	15,000,000	15,000,000	-	-	4,878,368	4,878,368	-
C	06/15/93	02/01/94	02/01/03	4.6351%	15,000,000	15,000,000	-	-	3,867,563	3,867,563	-
D	09/15/95	02/01/96	02/01/05	4.5413%	15,000,000	15,000,000	-	-	3,617,898	3,617,898	-
E	04/01/00	02/01/01	02/01/10	5.0249%	12,000,000	9,100,000	2,900,000	1,410,000	3,358,622	3,211,622	147,000
F	08/01/01	08/01/02	08/01/11	4.0330%	15,000,000	9,950,000	5,050,000	-	3,808,725	3,366,435	442,290
G	05/01/02	08/01/03	08/01/12	3.9950%	15,000,000	8,335,000	6,665,000	-	3,504,175	2,799,835	704,340
H	04/01/04	02/01/05	02/01/12	2.3885%	13,000,000	6,290,000	6,710,000	1,620,000	1,390,750	1,023,850	366,900
I	09/20/07	08/01/08	08/01/15	3.9700%	8,000,000	845,000	7,155,000	-	1,567,660	293,722	1,273,938
			TOTAL		$ 158,000,000	$ 129,520,000	$ 28,480,000	$ 3,030,000	$ 43,602,204	$ 40,667,736	$ 2,934,468

Note:

Interest rates for the Series A through Series E bonds reflect the net interest cost.

STATE OF OHIO
COAL RESEARCH AND DEVELOPMENT BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION AUGUST 1986
CASH BALANCE, JULY 1, 2008	**$ 39,153**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	4,548,733	$ 170,078,893
Bond Proceeds	-	157,732
Accrued Interest on Bonds Sold	-	207,442
Royalties from Research and Development Grants	-	98,673
Interest Earnings	415	178,501
TOTAL CASH INFLOWS	**4,549,148**	**170,721,241**
CASH OUTFLOWS:		
Principal Paid	3,900,000	129,520,000
Interest Paid	635,714	40,667,736
Bond Sale and Miscellaneous Expenses	52,172	533,090
TOTAL CASH OUTFLOWS	**4,587,886**	**170,720,826**
CASH BALANCE, DECEMBER 31, 2008	**$ 415**	**$ 415**

Note:
In addition to the December 31, 2008 cash balance reported above for the Coal Research and Development Bond Service Fund, the Sinking Fund Commission had $13,798 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $127 in investment earnings, which was transferred to the Coal Research and Development Bond Service Fund in January 2009; and $13,671 in administrative fees that remain unspent.

NATURAL RESOURCES CAPITAL FACILITIES BONDS

Section 2l of Article VIII, Ohio Constitution, as approved by voters on November 2, 1993, authorizes the issuance of Natural Resources Capital Facilities Bonds. The vote was: Yes–1,547,841; No–1,008,182.

Natural Resources Capital Facilities Bonds finance or assist in the financing of the costs of capital improvements for state and local parks and land and water recreation facilities; soil and water restoration and protection, land management, including preservation of natural areas and reforestation; water management, including dam safety, stream, and lake management, and flood control and flood damage reduction; fish and wildlife resource management; and other projects that enhance the use and enjoyment of natural resources by individuals. Such capital improvements include, without limitation, the cost of acquisition, construction, reconstruction, expansion, improvement, planning, and equipping.

Not more than $50 million in principal can be issued in any fiscal year, and not more than $200 million in principal can be outstanding at any one time

Natural Resources Capital Facilities Bonds mature not more than 25 years from the date of issuance, or, if issued to retire or refund other obligations issued under this section, within 25 years from the date the debt was originally contracted.

Funds to retire the bonds issued are paid when due, as to principal and interest, by a transfer from the State's General Revenue Fund to the Natural Resources Projects Bond Service Fund, as created under Section 151.05, Ohio Revised Code. The Commissioners of the Sinking Fund certify to the Director of Budget and Management the amount necessary to pay the bonds when due. Upon consultation with the Director, the Commissioners of the Sinking Fund transfer the amount so certified.

The General Assembly initially implemented Section 2l of Article VIII, Ohio Constitution, with the adoption of House Bill 790, in 1994, which enacted Sections 1557.01 et seq., Ohio Revised Code, and appropriated the proceeds for purposes for which the bonds are issued.

The authority to issue Natural Resources Capital Facilities Bonds in amounts authorized by the General Assembly was conferred upon the Sinking Fund Commission in House Bill 790. The Commission's authority to issue additional Natural Resources Capital Facilities Bonds was withdrawn, however, when provisions in House Bill 640 became effective on September 14, 2000. The law enacted Sections 151.01 and 151.05, Ohio Revised Code, which called upon the Ohio Public Facilities Commission to become the issuer of the bonds. Section 52 of House Bill 640 provides for the Ohio Public Facilities Commission to supersede the Sinking Fund Commission in all matters relating to the bonds.

The authority to issue Natural Resources Capital Facilities Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
House Bill 790	120th	$100,000,000
House Bill 748	121st	80,000,000
House Bill 850	122nd	48,000,000
House Bill 640	123rd	44,000,000
House Bill 675	124th	15,000,000
House Bill 16	126th	14,000,000
House Bill 530	126th	5,000,000
House Bill 699	126th	16,000,000
House Bill 562	127th	28,000,000
Total Authorizations, as of December 31, 2008		$350,000,000

Legislation authorizing the issuance of Natural Resources Capital Facilities Bonds further provides that the obligations are to be dated, issued, and sold from time to time in such amounts as necessary to provide sufficient moneys to the credit of the Ohio Parks and Natural Resources Fund, a fund created under Section 1557.04, Ohio Revised Code, to pay costs charged to the fund when due as estimated by the Director of Natural Resources.

Future bond service requirements for the Natural Resources Capital Facilities Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009.....	$ 8,870,000	$ 3,053,174	$ 11,923,174
FY Ending June 30,			
2010	19,970,000	5,467,980	25,437,980
2011	18,860,000	4,701,311	23,561,311
2012	19,610,000	3,926,258	23,536,258
2013	15,580,000	3,203,465	18,783,465
2014-2018	63,335,000	7,350,101	70,685,101
2019-2020	4,120,000	232,242	4,352,242
Total	$ 150,345,000	$ 27,934,531	$ 178,279,531

STATE OF OHIO
SCHEDULE OF NATURAL RESOURCES CAPITAL FACILITIES BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 04/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
A	10/01/94	10/01/95	10/01/04	5.5811%	$ 20,000,000	$ 11,600,000	$ 8,400,000	$ -	$ -	$ 7,140,100	$ 7,140,100	$ -
B	06/01/95	10/01/95	10/01/05	4.4777%	30,000,000	30,000,000	-	-	-	7,543,983	7,543,983	-
C	06/15/97	04/01/98	04/01/07	4.9058%	50,000,000	29,100,000	20,900,000	-	-	14,180,411	14,180,411	-
D	06/01/99	04/01/00	04/01/09	4.7670%	30,000,000	15,300,000	12,500,000	2,200,000	2,200,000	7,128,417	7,078,917	49,500
E	06/01/00	04/01/01	04/01/10	5.2186%	30,000,000	13,170,000	12,640,000	4,190,000	2,040,000	7,500,231	7,287,981	212,250
F	08/01/01	04/01/02	04/01/16	4.4462%	20,000,000	7,945,000	2,990,000	9,065,000	1,285,000	6,788,663	4,921,738	1,866,925
G	03/15/02	10/01/03	10/01/17	4.9054%	30,000,000	10,115,000	4,470,000	15,415,000	-	10,225,823	6,543,651	3,682,172
H	08/15/02	10/01/03	10/01/10	2.9924%	17,640,000	11,310,000	-	6,330,000	-	3,490,840	3,176,452	314,388
I	06/17/03	04/01/05	04/01/18	3.2244%	30,000,000	7,030,000	-	22,970,000	1,890,000	10,030,364	5,330,730	4,699,634
J	09/28/04	04/01/05	10/01/14	3.3163%	47,425,000	5,935,000	-	41,490,000	-	12,534,771	6,864,120	5,670,651
K	03/01/05	04/01/06	04/01/20	3.5730%	25,000,000	4,110,000	-	20,890,000	1,455,000	7,812,048	2,908,375	4,903,673
L	06/21/07	10/01/08	10/01/17	4.1897%	30,000,000	2,205,000	-	27,795,000	-	8,162,332	1,626,994	6,535,338
			TOTAL		$ 360,065,000	$ 147,820,000	$ 61,900,000	$ 150,345,000	$ 8,870,000	$ 102,537,983	$ 74,603,452	$ 27,934,531

Notes:

(A) Series H and J bonds refunded the following Natural Resources Capital Facilities Bonds:

	Series H		Series J		
	Principal Refunded	Maturities Refunded	Principal Refunded	Maturities Refunded	Total
Series A	$ 8,400,000	2005-2009	$ -	–	$ 8,400,000
Series C	3,800,000	2008	17,100,000	2009-2012	20,900,000
Series D	2,300,000	2010	10,200,000	2011-2014	12,500,000
Series E	2,260,000	2011	10,380,000	2012-2015	12,640,000
Series F	-	–	2,990,000	2012 & 2013	2,990,000
Series G	-	–	4,470,000	2013 & 2014	4,470,000
	$ 16,760,000		$ 45,140,000		$ 61,900,000

Refunding Bonds	
	Original Principal
Series H	$ 17,640,000
Series J	47,425,000
Total	$ 65,065,000

(B) Interest rates for the Series A through Series D bonds reflect the net interest cost.

STATE OF OHIO
NATURAL RESOURCES PROJECTS BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION OCTOBER 1994
CASH BALANCE, JULY 1, 2008	**$ 25,445**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	13,329,346	$ 221,282,383
Bond Proceeds	-	1,137,886
Accrued Interest on Bonds Sold	-	418,719
Interest Earnings	1,881	58,869
TOTAL CASH INFLOWS	**13,331,227**	**222,897,857**
CASH OUTFLOWS:		
Principal Paid	10,080,000	147,820,000
Interest Paid	3,221,692	74,603,452
Bond Sale and Miscellaneous Expenses	53,099	472,524
TOTAL CASH OUTFLOWS	**13,354,791**	**222,895,976**
CASH BALANCE, DECEMBER 31, 2008	**$ 1,881**	**$ 1,881**

Note:
In addition to the December 31, 2008 cash balance reported above for the Natural Resources Projects Bond Service Fund, the Sinking Fund Commission had $13,820 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $149 in investment earnings, which was transferred to the Natural Resources Projects Bond Service Fund in January 2009; and $13,671 in administrative fees that remain unspent.

COMMON SCHOOLS CAPITAL FACILITIES BONDS

Section 2n of Article VIII, Ohio Constitution, as approved by voters on November 2, 1999, authorizes the issuance of Common Schools Capital Facilities Bonds. The vote was: Yes–1,285,277; No–828,426.

Common Schools Capital Facilities Bonds finance the costs of facilities for a system of common schools throughout the state. Such costs include, without limitation, the cost of acquisition, construction, improvement, expansion, planning, and equipping.

Common Schools Capital Facilities Bonds mature not later than December 31 of the 25th calendar year after issuance, except that obligations issued to refund other obligations mature not later than December 31 of the 25th calendar year after the year in which the original obligation to pay was issued.

Section 2n of Article VIII, Ohio Constitution, was initially implemented by the General Assembly with the adoption of Senate Bill 206 in 1999. This legislation set forth, in uncodified law, temporary authority for the Treasurer of State to issue obligations under this section in an aggregate principal amount not to exceed $150 million (of which $140 million was issued) and specified the purposes and application of the proceeds of such obligations. There is not a limitation specified in the constitution as to the amount of bond principal that can be outstanding at any one time of the total par amount of bonds issued within a given year.

Subsequent to the passage of Senate Bill 206 and the initial issuance of obligations under this section by the Treasurer of State, the General Assembly passed House Bill 640, which enacted Sections 151.01 and 151.03, Ohio Revised Code, effective September 14, 2000, providing for the issuance of Common Schools Capital Facilities Bonds after that date by the Ohio Public Facilities Commission. Section 52.05 of House Bill 640 provides for the Ohio Public Facilities Commission to supersede the Treasurer of State in all matters relating to the bonds.

Funds to pay debt service and financing costs on the bonds are provided by a transfer from the State's General Revenue Fund and, in the judgment of the Director of the Office of Budget and Management, from net state lottery proceeds in the State Lottery Fund or the Lottery Profits Education Fund, to the Common Schools Capital Facilities Bond Service Fund, as created under Section 151.03, Ohio Revised Code. Certification is made to the Director of Budget and Management as to the amount of moneys required, and the sources of that money, during the fiscal year to meet all debt service and financing costs in full.

The authority to issue Common Schools Capital Facilities Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 206	123rd	$140,000,000
House Bill 640	123rd	810,000,000
House Bill 94	124th	300,000,000
Senate Bill 261	124th	345,000,000
House Bill 675	124th	265,000,000
Senate Bill 189	125th	522,000,000
House Bill 95	125th	123,000,000
House Bill 16	126th	530,000,000
House Bill 530	126th	580,000,000
House Bill 699	126th	530,000,000
House Bill 562[(A)]	127th	(800,000,000)
Total Authorizations, as of December 31, 2008		$3,345,000,000

Future bond service requirements for the Common Schools Capital Facilities Bonds, as of December 31, 2008, are as follows:

	Principal	Interest[(B)]	Total
January 1 through June 30, 2009.....	$ 93,045,000	$ 64,309,397	$ 157,354,397
FY Ending June 30,			
2010	138,625,000	123,127,986	261,752,986
2011	143,540,000	116,524,608	260,064,608
2012	149,365,000	109,922,195	259,287,195
2013	155,235,000	102,800,511	258,035,511
2014-2018	816,960,000	398,290,889	1,215,250,889
2019-2023	935,630,000	188,117,125	1,123,747,125
2024-2027	296,150,000	22,020,928	318,170,928
Total	$2,728,550,000	$1,125,113,639	$3,853,663,639

(A)The amounts of general obligations authorized for Common Schools Facilities have been reduced by $800 million as a result of proceeds generated by the Buckeye Tobacco Settlement Financing Authority, which will be used to fund such purposes for fiscal year 2008 and 2009 in lieu of bonded debt.

(B)The future funding of interest amounts in the above table include estimates calculated for the variable rate bonds using an interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until the variable rate bonds mature.

STATE OF OHIO
SCHEDULE OF COMMON SCHOOLS CAPITAL FACILITIES BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 03/15/09	Principal Maturing on 06/15/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
1999A	12/15/99	06/15/00	06/15/09	5.3915%	$ 140,000,000	$ 72,735,000	$ 57,550,000	$ 9,715,000	$ -	$ 9,715,000	$ 36,151,966	$ 35,878,400	$ 273,566
2001A	01/15/01	06/15/01	06/15/14	4.5250%	200,000,000	61,295,000	89,040,000	49,665,000	-	8,780,000	56,404,592	48,451,242	7,953,350
2001B	08/15/01	09/15/02	09/15/21	4.7040%	200,000,000	50,575,000	-	149,425,000	-	-	122,602,300	63,518,990	59,083,310
2002A	03/15/02	09/15/03	09/15/22	4.7969%	200,000,000	44,970,000	-	155,030,000	-	-	125,250,231	59,476,491	65,773,740
2002B	08/15/02	09/15/03	09/15/22	4.1586%	200,000,000	46,085,000	-	153,915,000	-	-	106,380,390	48,989,158	57,391,232
2003A	02/20/03	03/15/04	03/15/23	4.2525%	250,000,000	48,230,000	-	201,770,000	10,260,000	-	143,171,039	62,082,939	81,088,100
2003B	08/07/03	06/15/05	06/15/23	4.3501%	200,000,000	29,665,000	-	170,335,000	-	7,975,000	118,546,591	47,838,655	70,707,936
2003C	12/15/03	03/15/05	03/15/19	3.5640%	133,000,000	28,840,000	-	104,160,000	7,455,000	-	57,227,516	26,597,291	30,630,225
2003E	01/23/04	09/15/09	09/15/13	3.2380%	58,235,000	-	-	58,235,000	-	-	22,548,461	13,523,461	9,025,000
2004A	04/13/04	06/15/05	06/15/24	4.0442%	200,000,000	31,165,000	9,735,000	159,100,000	-	8,320,000	109,066,315	39,942,609	69,123,706
2004B	09/28/04	03/15/05	03/15/24	4.1748%	200,000,000	30,400,000	-	169,600,000	7,170,000	-	112,985,152	36,441,152	76,544,000
2004C	09/28/04	09/15/10	09/15/14	3.4579%	18,880,000	-	-	18,880,000	-	-	7,528,911	3,741,911	3,787,000
2005C	08/23/05	06/15/06	06/15/25	4.2020%	200,000,000	20,315,000	-	179,685,000	-	7,430,000	107,353,439	27,878,945	79,474,494
2005D	08/23/05	09/15/14	09/15/19	3.9234%	71,900,000	-	-	71,900,000	-	-	46,426,814	12,105,164	34,321,650
2006A	02/01/06	09/15/06	09/15/25	4.0932%	200,000,000	20,945,000	-	179,055,000	-	-	107,773,584	23,700,209	84,073,375
2006D	10/11/06	09/15/07	09/15/26	4.1104%	250,000,000	19,000,000	-	231,000,000	-	-	134,045,666	22,433,461	111,612,205
2007A	03/08/07	06/15/08	06/15/26	4.1467%	250,000,000	9,050,000	-	240,950,000	-	9,400,000	131,843,719	20,634,969	111,208,750
			TOTAL		$ 2,972,015,000	$ 513,270,000	$ 156,325,000	$ 2,302,420,000	$ 24,885,000	$ 51,620,000	$ 1,545,306,686	$ 593,235,047	$ 952,071,639

VARIABLE RATE BONDS

Series	Issue Date	Date of First Principal Payment	Final Maturity Date	Interest Rate Notes	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 03/15/08	Principal Maturing on 06/15/08	Total Estimated Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2003D	12/15/03	03/15/20	03/15/24	(C)	$ 67,000,000	$ -	$ -	$ 67,000,000	$ -	$ -	$ 44,098,459	$ 7,755,859	$ 36,342,600
2005A	04/01/05	03/15/06	03/15/25	(D)	100,000,000	12,575,000	-	87,425,000	4,250,000	-	41,950,375	9,914,875	32,035,500
2005B	04/01/05	03/15/06	03/15/25	(D)	100,000,000	12,575,000	-	87,425,000	4,250,000	-	41,770,440	9,734,940	32,035,500
2006B	06/15/06	06/15/07	06/15/26	(E)	100,000,000	7,860,000	-	92,140,000	-	4,020,000	43,813,230	7,499,030	36,314,200
2006C	06/15/06	06/15/07	06/15/26	(E)	100,000,000	7,860,000	-	92,140,000	-	4,020,000	43,901,313	7,587,113	36,314,200
			TOTAL		$ 467,000,000	$ 40,870,000	$ -	$ 426,130,000	$ 8,500,000	$ 8,040,000	$ 215,533,817	$ 42,491,817	$ 173,042,000
			GRAND TOTAL		$ 3,439,015,000	$ 554,140,000	$ 156,325,000	$ 2,728,550,000	$ 33,385,000	$ 59,660,000	$ 1,760,840,503	$ 635,726,864	$ 1,125,113,639

STATE OF OHIO
SCHEDULE OF COMMON SCHOOLS CAPITAL FACILITIES BONDS
As of December 31, 2008
(Continued)

Notes:

(A) Series 2003E, Series 2004C, and Series 2005D bonds refunded the following Common Schools Capital Facilities Bonds:

	Series 2003E		Series 2004C		Series 2005D		
	Principal Refunded	Maturities Refunded	Principal Refunded	Maturities Refunded	Principal Refunded	Maturities Refunded	Total
Series 1999A	$ 57,550,000	2010-2014	$ -	–	$ -	–	$ 57,550,000
Series 2001A	-	–	9,615,000	2011	79,425,000	2015-2020	89,040,000
Series 2004A	-	–	9,735,000	2015	-	–	9,735,000
	$ 57,550,000		$ 19,350,000		$ 79,425,000		$ 156,325,000

Refunding Bonds	Original Principal
Series 2003E	$ 58,235,000
Series 2004C	18,880,000
Series 2005D	71,900,000
Total	$ 149,015,000

(B) The interest rate for the Series 1999A bonds reflects the net interest cost.

(C) A fixed rate of 2.45 percent applied until mid-September 2007 at which time the bonds were subject to mandatory put for conversion to a variable rate with a weekly reset until maturity. in 2024. Therefore, the "Total Estimated Interest to Maturity" balance reported for the Series 2003D bonds was calculated on the basis of the 2.45-percent fixed interest rate in effect from the December 2003 issuance date on through September 14, 2007, and an estimated 4.00-percent adjustable rate effective from September 14, 2007 through the last maturity on March 15, 2024.

In September 2007, the State entered into a floating to fixed interest rate swap that will be in effect until March 15, 2024. Under this agreement, the State pays a 3.414-percent fixed rate to the counterparties while the counterparties pay a floating rate subject to a weekly reset on the basis of the London Interbank Offer Rate (LIBOR) Index, with terms of 65 percent of one-month LIBOR +25 basis-points. Prior to this agreement, the State participated in a fixed to floating agreement under which the counterparties paid a 2.665-percent fixed rate while the State paid the counterparties a floating rate subject to a weekly reset on the bases of the Bond Market Association (BMA) Index. This agreement terminated on September 1, 2007. Since the time of issuance of the Series 2003D bonds and through December 31, 2008, the State has received $1,186,870 and paid $1,516,708 in net interest rate swap transaction with counterparties. The Sinking Fund Commission accounts for the swap transactions in the Common Schools Capital Facilities Bond Service Fund.

(D) The "Total Estimated Interest to Maturity" balances reported for the variable rate Series 2005A and Series 2005B bonds were calculated on the basis of an estimated interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until maturity in 2025.

The State has entered into two separate floating to fixed interest rate swap agreements with the following terms: Swap #1 effective date of agreement from March 15, 2007 through March 15, 2025 with a fixed interest rate of 3.75-percent paid by the State and a variable interest rate of 62-percent of 10-year LIBOR (constant maturity swap) paid by the counterparties; Swap #2 effective date of agreement from January 15, 2008 through March 15, 2010 with a fixed interest rate of 3.75-percent paid by the State and a variable interest rate of 67-percent of one-month LIBOR +72.6 basis-points paid the the counterparties. Prior to the two agreements, the State participated in a floating to fixed agreement under which the State paid a 4.081-percent fixed rate while the counterparties paid a variable rate, which was reset on the basis of the BMA Index. This agreement terminated on March 15, 2007. Since the time of issuance of the Series 2005A and Series 2005B bonds and through December 31, 2008, the State has paid $2,881,237 and $2,881,348, respectively for each deal, in net interest rate swap transactions with counterparties. The Sinking Fund Commission accounts for the swap transactions in the Common Schools Capital Facilities Bond Service Fund.

(E) The "Total Estimated Interest to Maturity" balances reported for the variable rate Series 2006B and Series 2006C bonds were calculated on the basis of an estimated interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until maturity in 2026.

The State has entered into a floating to fixed interest rate swap agreement that will be in effect until June 15, 2026. Under the agreement, the State pays the 3.202-percent fixed rate to the counterparties while the counterparties pay a variable rate on the basis of the LIBOR with terms of 65 percent of one-month LIBOR+25 basis-points. Since the time of issuance of the Series 2006B and Series 2006C bonds and through December 31, 2008, the State has received $820,366 and $820,366, and has paid $883,359 and $883,359, respectively for each deal, in net interest rate swap transactions with counterparties.

STATE OF OHIO
COMMON SCHOOLS CAPITAL FACILITIES BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION DECEMBER 1999
CASH BALANCE, JULY 1, 2008	**$ 44,543**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	104,541,126	$ 1,088,047,705
Bond Proceeds	-	107,133,066
Accrued Interest on Bonds Sold	-	1,501,660
Net Receipts from Swap Agreements	-	2,827,603
Interest Earnings	7,885	877,411
Other	-	39,295
TOTAL CASH INFLOWS	**104,549,011**	**1,200,426,740**
CASH OUTFLOWS:		
Principal Paid	40,620,000	554,140,000
Interest Paid	60,809,628	635,726,864
Net Payments under Swap Agreements	2,682,807	9,046,010
Bond Sale and Miscellaneous Expenses	435,874	1,468,621
TOTAL CASH OUTFLOWS	**104,548,309**	**1,200,381,495**
CASH BALANCE, DECEMBER 31, 2008	**$ 45,245**	**$ 45,245**

Note:
In addition to the December 31, 2008 cash balance reported above for the Common Schools Capital Facilities Bond Service Fund, the Sinking Fund Commission had $164,716 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $1,364 in investment earnings, which was transferred to the Common Schools Capital Facilities Bond Service Fund in January 2009; and $163,352 in administrative fees that remain unspent.

HIGHER EDUCATION CAPITAL FACILITIES BONDS

Section 2n of Article VIII, Ohio Constitution, as approved by voters on November 2, 1999, authorizes the issuance of Higher Education Capital Facilities Bonds. The vote was: Yes–1,285,277; No–828,426.

Higher Education Capital Facilities Bonds finance the costs of facilities for state-supported and state-assisted institutions of higher education. Such costs include, without limitation, the cost of acquisition, construction, improvement, expansion, planning, and equipping.

Higher Education Capital Facilities Bonds mature not later than December 31 of the 25th calendar year after issuance, except that obligations issued to refund other obligations mature not later than December 31 of the 25th calendar year after the year in which the original obligation to pay was issued.

Section 2n of Article VIII, Ohio Constitution, was initially implemented by the General Assembly with the adoption of Senate Bill No. 206, in 1999. This legislation set forth, in uncodified law, temporary authority for the Ohio Public Facilities Commission to issue obligations under this section in an aggregate principal amount not to exceed $150 million (all of which was issued) and specified the purposes and application of the bond proceeds. There is not a limitation specified in the constitution as to the amount of bond principal that can be outstanding at any one time of the total par amount of bonds issued within a given year.

Subsequent to the passage of Senate Bill 206 and the initial issuance of obligations under this section, the General Assembly passed House Bill 640, which enacted Sections 151.01 and 151.04, Ohio Revised Code, effective September 14, 2000, providing for the issuance of Higher Education Capital Facilities Bonds after that date by the Ohio Public Facilities Commission.

Funds to pay debt service and financing costs on the bonds issued under this section are provided by a transfer from the State's General Revenue Fund to the Higher Education Capital Facilities Bond Service Fund, as created under Section 151.04, Ohio Revised Code.

The authority to issue Higher Education Capital Facilities Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 206	123rd	$150,000,000
House Bill 640	123rd	1,061,310,000
Senate Bill 261	124th	50,000,000
House Bill 675	124th	536,690,000
Senate Bill 189	125th	53,000,000
House Bill 16	126th	476,000,000
House Bill 530	126th	54,000,000
House Bill 699	126th	576,000,000
House Bill 562[(A)]	127th	(344,000,000)
Total Authorizations, as of December 31, 2008		$2,613,000,000

Future bond service requirements for the Higher Education Capital Facilities Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009	$ 57,710,000	$ 38,330,444	$ 96,040,444
FY Ending June 30,			
2010	86,230,000	73,472,009	159,702,009
2011	89,870,000	69,346,259	159,216,259
2012	93,690,000	64,961,824	158,651,824
2013	98,135,000	60,305,035	158,440,035
2014-2018	484,245,000	226,815,553	711,060,553
2019-2023	515,470,000	104,686,071	620,156,071
2024-2027	138,785,000	11,868,050	150,653,050
Total	$1,564,135,000	$649,785,245	$ 2,213,920,245

(A)The net reduction of general obligations authorized for Higher Education Facilities is a result of $950 million in proceeds generated by the Buckeye Tobacco Settlement Financing Authority, which will be used to fund such purposes for fiscal year 2008 and 2009 in lieu of bonded debt (Am. Sub. HB 562, Sec. 518.03), plus $606 million in additional obligations authorized (Am. Sub. HB 562, Sec. 233.60.30).

STATE OF OHIO
SCHEDULE OF HIGHER EDUCATION CAPITAL FACILITIES BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 02/01/09	Principal Maturing on 05/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2000A	02/01/00	02/01/01	02/01/15	5.3589%	$ 150,000,000	$ 74,500,000	$ -	$ 75,500,000	$ 9,200,000	$ -	$ 64,654,500	$ 49,985,900	$ 14,668,600
2000B	11/01/00	05/01/01	05/01/10	5.0604%	150,000,000	75,240,000	56,200,000	18,560,000	-	9,045,000	29,954,038	28,943,898	1,010,140
2001A	04/01/01	02/01/02	02/01/21	4.8344%	150,000,000	37,690,000	49,810,000	62,500,000	6,240,000	-	67,422,383	42,201,815	25,220,568
2001B	10/01/01	11/01/02	11/01/21	4.4619%	175,000,000	45,735,000	-	129,265,000	-	-	100,886,149	52,273,049	48,613,100
2002A	05/01/02	08/01/03	08/01/22	4.7918%	150,000,000	30,780,000	-	119,220,000		-	95,673,678	43,747,016	51,926,662
2002B	11/14/02	11/01/03	11/01/22	4.4916%	175,000,000	39,870,000	-	135,130,000	-		105,520,580	48,089,567	57,431,013
2002C	11/21/02	11/01/10	11/01/14	3.6478%	54,975,000	-	-	54,975,000	-	-	29,944,521	17,671,496	12,273,025
2003A	06/05/03	05/01/05	05/01/23	3.9450%	150,000,000	22,550,000	-	127,450,000	-	6,020,000	88,535,783	35,696,551	52,839,232
2004A	04/01/04	05/01/05	05/01/24	3.7685%	150,000,000	27,085,000	-	122,915,000	-	6,055,000	74,072,298	26,375,802	47,696,496
2004B	09/23/04	02/01/05	02/01/24	4.2010%	150,000,000	23,835,000	-	126,165,000	5,360,000	-	82,599,112	25,816,028	56,783,084
2005A	03/24/05	02/01/06	02/01/25	4.2516%	150,000,000	17,020,000	-	132,980,000	5,305,000	-	86,351,392	22,711,845	63,639,547
2005B	09/29/05	05/01/06	05/01/25	4.1350%	150,000,000	17,860,000	-	132,140,000	-	5,405,000	78,653,291	19,448,481	59,204,810
2005C	09/29/05	08/01/11	08/01/16	3.6526%	49,495,000	-	-	49,495,000	-	-	20,566,677	6,818,727	13,747,950
2006A	04/27/06	05/01/07	05/01/26	4.4320%	150,000,000	12,390,000	-	137,610,000	-	5,080,000	86,288,997	17,082,279	69,206,718
2006B	12/19/06	11/01/07	11/01/26	4.1520%	150,000,000	9,770,000	-	140,230,000	-		89,029,523	13,505,223	75,524,300
			TOTAL		$2,104,470,000	$ 434,325,000	$ 106,010,000	$ 1,564,135,000	$ 26,105,000	$ 31,605,000	$ 1,100,152,922	$ 450,367,677	$ 649,785,245

Notes:

(A) Series 2002C and Series 2005C bonds refunded the following Higher Education Capital Facilities Bonds:

	Series 2002C		Series 2005C		
	Principal Refunded	Maturities Refunded	Principal Refunded	Maturities Refunded	Total
Series 2000B	$ 56,200,000	2011-2015	$ -	–	$ 56,200,000
Series 2001A	-	–	49,810,000	2012-2017	49,810,000
	$ 56,200,000		$ 49,810,000		$ 106,010,000

Refunding Bonds	Original Principal
Series 2002C	$ 54,975,000
Series 2005C	49,495,000
Total	$104,470,000

(B) The interest rate for the Series 2000A bonds reflects the net interest cost.

STATE OF OHIO
HIGHER EDUCATION CAPITAL FACILITIES BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION FEBRUARY 2000
CASH BALANCE, JULY 1, 2008	**$ 125,620**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	63,934,987	$ 808,912,792
Bond Proceeds	-	74,099,440
Accrued Interest on Bonds Sold	-	1,626,556
Interest Earnings	1,743	595,947
TOTAL CASH INFLOWS	**63,936,730**	**885,234,735**
CASH OUTFLOWS:		
Principal Paid	24,950,000	434,325,000
Interest Paid	38,903,669	450,367,677
Bond Sale and Miscellaneous Expenses	208,681	542,058
TOTAL CASH OUTFLOWS	**64,062,350**	**885,234,735**
CASH BALANCE, DECEMBER 31, 2008	**$ -**	**$ -**

Note:
In addition to the December 31, 2008 cash balance reported above for the Higher Education Capital Facilities Bond Service Fund, the Sinking Fund Commission had $55,192 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $508 in investment earnings, which was transferred to the Higher Education Capital Facilities Bond Service Fund in January 2009; and $54,684 in administrative fees that remain unspent.

PUBLIC INFRASTRUCTURE CAPITAL IMPROVEMENTS BONDS

Section 2k of Article VIII, Ohio Constitution, as approved by voters on November 3, 1987, originally authorized the issuance of Public Infrastructure Capital Improvements Bonds.

The bonds financed or assisted in the financing of the costs of public infrastructure capital improvements of municipal corporation, counties, townships, and other governmental entities as designated by law. Capital improvements include, without limitation, the cost of acquisition, construction, reconstruction, expansion, improvement, planning, and equipping.

Under the original authorization, not more than $120 million in principal could be issued in any calendar year, provided, however that the aggregate total principal amount of bonds and other obligations issued did not exceed $1.2 billion. Of the authorized amount, the Treasurer of State issued bonds totaling $1,199,986,136.

On November 7, 1995, voters approved Section 2m, Article VIII, Ohio Constitution, which authorized the issuance of additional Public Infrastructure Capital Improvements Bonds only after the State had exhausted its authority to issue under Section 2k. The vote was: Yes–1,389,467; No–856,505.

The additional bond issues finance or assist in the financing of the costs of public infrastructure capital improvements of municipal corporations, counties, townships, and other governmental entities as designated by law. The capital improvements are limited to roads and bridges, wastewater treatment systems, water supply systems, solid waste disposal facilities, and storm water and sanitary collection, storage, and treatment facilities, including real property, interests in real property, facilities, and equipment related to or incidental thereto, and include without limitation, the cost of acquisition, construction, reconstruction, expansion, improvement, planning, and equipping.

Not more than $120 million in principal, plus the principal of Public Infrastructure Capital Improvements Bonds that in any prior fiscal years could have been but were not issued within the $120 million fiscal-year limit, can be issued in any fiscal year, and not more than $1.2 billion in principal can be issued under this additional authority. If bonds are issued under this section to retire or refund obligations previously issued under this section the new bonds are not counted against those fiscal year or total issuance limitations to the extent that their principal amount does not exceed the principal amount of the obligations to be refunded or retired.

Public Infrastructure Capital Improvements Bonds mature in not more than 30 years from the date of issuance, or if issued to retire or refund other obligations, within 30 years from the date the debt originally was contracted.

Section 2k of Article VIII, Ohio Constitution, was initially implemented by the General Assembly with the adoption of House Bill No. 704, in 1988, which enacted Chapter 164, Ohio Revised Code, and appropriated the proceeds for the purposes for which the bonds were issued. The authority to issue Public Infrastructure Capital Improvements Bonds in amounts authorized by the General Assembly was conferred upon the Treasurer of State.

The statutory provisions regarding the application of proceeds from additional Public Infrastructure Capital Improvements Bonds under Section 2m was continued in Chapter 164, Ohio Revised Code, however, the 123rd General Assembly passed House Bill 640, which enacted Sections 151.01 and 151.08, Ohio Revised Code, effective September 14, 2000, providing for the issuance of Public Infrastructure Capital Improvements Bonds after that date. Nonetheless, with that change, the issuing authority remained the Treasurer of State.

Subsequently, the 126th General Assembly passed House Bill 16, which amended Section 151.01, Ohio Revised Code, providing for further issuance of such obligations by the Ohio Public Facilities Commission. Section 39.02 of House Bill 16, which went into effect on July 1, 2005, provides for the Ohio Public Facilities Commission to supersede the Treasurer of State in all matters relating to the obligations.

The authority to issue Public Infrastructure Capital Improvements Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
All Acts Prior to Senate Bill 245	—	$1,560,000,000
Senate Bill 245	123rd	240,000,000
House Bill 524	124th	240,000,000
Senate Bill 189	125th	120,000,000
House Bill 16	126th	120,000,000
House Bill 530	126th	120,000,000
House Bill 699	126th	120,000,000
House Bill 496	127th	120,000,000
House Bill 554	127th	120,000,000
House Bill 562	127th	120,000,000
Total Authorizations, as of December 31, 2008		$2,880,000,000

Future bond service requirements for the Public Infrastructure Capital Improvements Bonds, as of December 31, 2008, are as follows:

	Principal	Interest*	Total
January 1 through June 30, 2009	$ 29,625,000	$ 33,464,980	$ 63,089,980
FY Ending June 30,			
2010	137,095,000	66,705,368	203,800,368
2011	131,435,000	61,625,951	193,060,951
2012	136,195,000	57,074,413	193,269,413
2013	129,030,000	52,851,044	181,881,044
2014-2018	531,205,000	194,447,368	725,652,368
2019-2023	346,385,000	95,755,329	442,140,329
2024-2028	180,360,000	26,214,578	206,574,578
2029	18,665,000	501,622	19,166,622
	1,639,995,000	588,640,653	2,228,635,653
Original Discount Applicable to Outstanding Capital Appreciation Bonds	(117,448,788)	—	(117,448,788)
Total	$1,522,546,212	$588,640,653	$2,111,186,865

*The future funding of interest amounts in the above table include estimates calculated for the variable rate bonds using an interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until the variable rate bonds mature.

STATE OF OHIO
SCHEDULE OF PUBLIC INFRASTRUCTURE CAPITAL IMPROVEMENTS BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series		Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 02/01/09	Principal Maturing on 03/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
1988		12/01/88	09/01/89	09/01/92	7.1800%	$ 120,000,000	$ 21,335,000	$ 98,665,000	$ -	$ -	$ -	$ 28,937,008	$ 28,937,008	$ -
1989		12/01/89	09/01/90	09/01/09	6.5870%	70,000,000	66,640,000	-	3,360,000	-	-	36,638,629	36,415,189	223,440
1991		12/01/91	08/01/92	08/01/01	6.2935%	79,975,000	62,250,000	17,725,000	-	-	-	22,636,876	22,636,876	-
1992		12/01/92	08/01/93	08/01/12	7.1152%	91,720,000	57,945,000	17,405,000	16,370,000	-	-	42,485,717	39,793,711	2,692,006
1992R		12/01/92	09/01/93	09/01/03	7.0015%	90,855,000	90,855,000	-	-	-	-	26,267,079	26,267,079	-
1993		11/01/93	08/01/94	08/01/03	5.1640%	94,575,000	41,215,000	53,360,000	-	-	-	35,911,961	35,911,961	-
1994		02/01/94	08/01/94	08/01/10	5.1640%	120,000,000	51,455,000	60,610,000	7,935,000	-	-	49,377,380	48,425,180	952,200
1995		01/01/95	08/01/95	08/01/05	6.1297%	98,505,000	52,030,000	46,475,000	-	-	-	26,946,049	26,946,049	-
1996		01/01/96	08/01/96	08/01/05	5.0609%	108,835,000	48,025,000	60,810,000	-	-	-	34,567,050	34,567,050	-
1997		01/01/97	08/01/97	08/01/14	5.2307%	120,000,000	45,455,000	57,965,000	16,580,000	-	-	48,840,152	43,970,172	4,869,980
1997R		01/01/98	02/01/98	08/01/14	4.9204%	44,400,000	7,505,000	-	36,895,000	-	-	27,279,372	21,002,259	6,277,113
1998A		01/01/98	08/01/98	08/01/12	4.6670%	120,000,000	49,965,000	49,405,000	20,630,000	-	-	40,521,071	37,659,221	2,861,850
1998B		07/01/98	02/01/99	02/01/14	4.9055%	120,000,000	45,850,000	59,150,000	15,000,000	-	-	37,910,656	33,962,656	3,948,000
1998R		08/01/98	08/01/99	08/01/07	4.5317%	10,850,000	10,850,000	-	-	-	-	3,439,525	3,439,525	-
1999		09/15/99	02/01/00	02/01/10	5.4396%	120,000,000	34,475,000	73,940,000	11,585,000	5,640,000	-	28,878,175	28,281,580	596,595
2000		10/15/00	02/01/01	02/01/10	5.3026%	120,000,000	37,310,000	72,420,000	10,270,000	5,000,000	-	19,533,930	18,957,643	576,287
2001A		11/15/01	08/01/03	08/01/13	4.1967%	56,100,000	26,955,000	-	29,145,000		-	19,960,718	15,248,986	4,711,732
2002A		08/15/02	02/01/13	02/01/20	4.3584%	59,920,000	-	-	59,920,000	-	-	46,675,147	19,393,953	27,281,194
2002B		11/01/02	03/01/04	03/01/21	4.5198%	120,000,000	24,925,000	62,855,000	32,220,000	-	4,490,000	21,728,874	15,344,057	6,384,817
2003A		02/01/03	08/01/03	08/01/15	3.3043%	233,585,000	105,200,000	-	128,385,000	-	-	74,381,163	54,225,700	20,155,463
2003C		02/26/03	08/01/04	08/01/08	3.2866%	11,630,000	11,630,000	-	-	-	-	2,046,618	2,046,618	-
2003F	(A)	12/04/03	02/01/05	02/01/23	4.1883%	120,000,000	19,625,000	9,070,000	91,305,000	5,175,000	-	55,864,788	19,718,647	36,146,141
2004C		10/05/04	08/01/09	08/01/14	3.4246%	39,530,000	-	-	39,530,000	-	-	13,926,622	7,554,622	6,372,000
2004D		12/01/04	03/01/05	03/01/24	4.5512%	120,000,000	17,155,000	-	102,845,000	-	4,445,000	65,661,253	19,725,703	45,935,550
2005A		12/01/05	09/01/06	09/01/25	4.4230%	120,000,000	11,985,000	-	108,015,000	-	-	69,338,270	15,014,989	54,323,281
2006A		11/16/06	03/01/07	03/01/26	4.3310%	120,000,000	11,010,000	-	108,990,000	-	4,180,000	62,804,140	9,409,771	53,394,369
2007A		09/20/07	09/01/08	09/01/27	4.5885%	120,000,000	3,655,000	-	116,345,000	-	-	71,000,132	5,471,582	65,528,550
2008A		10/16/08	09/01/09	09/01/28	5.2115%	240,000,000	-	-	240,000,000	-	-	147,720,385	-	147,720,385
				TOTAL		$ 2,890,480,000	$ 955,300,000	$ 739,855,000	$ 1,195,325,000	$ 15,815,000	$ 13,115,000	$ 1,161,278,740	$ 670,327,787	$ 490,950,953

(Continued)

STATE OF OHIO
SCHEDULE OF PUBLIC INFRASTRUCTURE CAPITAL IMPROVEMENTS BONDS
As of December 31, 2008
(Continued)

CAPITAL APPRECIATION BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 02/01/09	Principal Maturing on 03/01/09	Total Discount	Accreted Principal Paid through 12/31/08	Remaining Discount through Maturity
1989	12/01/89	09/01/95	09/01/09	6.5870%	$ 49,999,935	$ 48,008,291	$ -	$ 1,991,644	$ -	$ -	$ 58,370,064	$ 53,136,708	$ 5,233,356
1991	12/01/91	08/01/99	08/01/11	6.2935%	40,020,445	32,020,975	-	7,999,470	-	-	56,229,555	37,229,025	19,000,530
1992	12/01/92	08/01/00	08/01/12	7.1152%	28,275,727	20,989,430	-	7,286,297	-	-	36,194,273	20,890,570	15,303,703
1992R	12/01/92	09/01/99	09/01/00	7.0015%	7,800,739	7,800,739	-	-	-	-	13,509,261	13,509,261	-
1993	11/01/93	08/01/95	08/01/13	5.1640%	25,420,844	18,513,014	-	6,907,830	-	-	24,829,156	7,166,986	17,662,170
1995	01/01/95	08/01/02	08/01/14	6.1297%	21,494,889	13,590,866	-	7,904,023	-	-	26,540,111	11,284,134	15,255,977
1996	01/01/96	08/01/04	08/01/15	5.0609%	11,164,295	5,284,472	-	5,879,823		-	11,850,705	3,630,528	8,220,177
1997R	01/01/98	08/01/03	08/01/08	5.2307%	5,860,670	5,860,670	-	-	-	-	10,064,330	10,064,330	-
1998R	08/01/98	08/01/08	08/01/08	4.5317%	1,784,986	1,784,986	-	-	-	-	2,400,014	2,400,014	-
2003C	02/26/03	08/01/11	08/01/12	3.2866%	6,241,829	-	-	6,241,829	-	-	19,673,171	-	19,673,171
2003E	03/20/03	08/01/04	08/01/12	3.2313%	2,718,755	2,307,310	-	411,445	-	-	13,976,245	4,757,690	9,218,555
2004B	03/03/04	02/01/10	02/01/11	3.6346%	308,851	-	-	308,851	-	-	7,881,149	-	7,881,149
			TOTAL		$ 201,091,965	$ 156,160,753	$ -	$ 44,931,212	$ -	$ -	$ 281,518,034	$ 164,069,246	$ 117,448,788

VARIABLE RATE BONDS

Series	Issue Date	Date of First Principal Payment	Final Maturity Date	Interest Rate Notes	Original Principal	Principal Matured through 12/31/08	Principal Refunded through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 02/01/09	Principal Maturing on 03/01/09	Total Estimated Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2001B	11/29/01	08/01/14	08/01/21	(B)	$ 63,900,000	$ -	$ -	$ 63,900,000	$ -	$ -	$ 34,086,241	$ 9,202,241	$ 24,884,000
2003B	02/26/03	08/01/09	08/01/17	(C)	104,315,000	-	-	104,315,000	-	-	42,535,865	13,287,265	29,248,600
2003D	03/20/03	02/01/11	02/01/19	(D)	58,085,000	-	-	58,085,000	-	-	25,574,116	7,361,816	18,212,300
2004A	03/03/04	02/01/05	02/01/23	(E)	58,725,000	2,735,000	-	55,990,000	695,000	-	32,067,542	6,722,742	25,344,800
			TOTAL		$ 285,025,000	$ 2,735,000	$ -	$ 282,290,000	$ 695,000	$ -	$ 134,263,764	$ 36,574,064	$ 97,689,700
			GRAND TOTAL		$ 3,376,596,965	$ 1,114,195,753	$ 739,855,000	$ 1,522,546,212	$ 16,510,000	$ 13,115,000	$ 1,577,060,538	$ 870,971,097	$ 706,089,441

Notes:

(A) The State has entered into a fixed to floating interest rate swap agreement that will be in effect until February 1, 2010. Under the agreement, the counterparty pays the 2.54-percent fixed rate on the notional amount of $30,115,000 with the same principal amortization as the 2005-2010 maturities entered into relative to the Series 2003F bonds while the State pays the counterparty a floating rate subject to a weekly reset on the basis of the Bond Market Association (BMA) Index. Since the time of issuance of the Series 2003F bonds and through December 31, 2008, the State has received $504,465 and paid $387,591 in net interest rate swap transactions with the counterparty. The Sinking Fund Commission accounts for the swap transactions in the State Capital Improvements Bond Service Fund.

(B) The "Total Estimated Interest to Maturity" balance reported for the variable rate Series 2001B bonds was calculated on the basis of an estimated interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until maturity in 2021.

The State has entered into a floating to fixed interest rate swap agreement that will be in effect until August 1, 2021. Under the agreement, the State pays the 4.63-percent fixed rate to the counterparties while the counterparties pay a variable rate, which is reset weekly on the basis of the BMA Index. Since the time of issuance of the Series 2001B bonds and through December 31, 2008, the State has paid $10,459,122 in net interest rate swap transactions with counterparties. The Sinking Fund Commission accounts for the swap transactions in the State Capital Improvements Bond Service Fund.

(Continued)

(C) The "Total Estimated Interest to Maturity" balance reported for the variable rate Series 2003B bonds was calculated on the basis of an estimated interest rate of 2.96 percent through August 1, 2008, and 4.00 percent thereafter until maturity in 2017. The variable interest rate paid to bondholders is reset weekly until maturity in 2017.

The State had entered into a floating to fixed interest rate swap agreement effective until August 1, 2008. Under the agreement, the State pays the 2.96-percent fixed rate to the counterparty while the counterparty pays a variable rate equal to the variable rate the State pays to the bond holders. From the time of issuance of the Series 2003B bonds and through August 1, 2008, the State has paid $4,676,335 and received $1,195,544 in net interest rate swap transactions with the counterparty. The Sinking Fund Commission accounts for the swap transactions in the State Capital Improvements Bond Service Fund.

(D) The "Total Estimated Interest to Maturity" balance reported for the variable rate Series 2003D bonds was calculated on the basis of an estimated interest rate of 3.035 percent through February 1, 2010, and 4.00 percent thereafter until maturity in 2019. The variable interest rate paid to bondholders is reset weekly until maturity in 2019.

The State has entered into a floating to fixed interest rate swap agreement that will be in effect until February 1, 2010. Under the agreement, the State pays the 3.035-percent fixed rate to the counterparty while the counterparty pays a variable rate equal to the variable rate the State pays to the bond holders. Since the time of issuance of the Series 2003D bonds and through December 31, 2008, the State has paid $2,672,654 and received $578,579 in net interest rate swap transactions with the counterparty.

(E) The "Total Estimated Interest to Maturity" balances reported for the variable rate Series 2004A bonds were calculated on the basis of an estimated interest rate of 4.00 percent through maturity. The variable interest rate paid to bondholders is reset weekly until maturity in 2023.

The State has entered into a floating to fixed interest rate swap agreement that will be in effect until February 1, 2023. Under the agreement, the State pays the 3.51-percent fixed rate to the counterparty while the counterparty pays a variable rate on the basis of the London Inter-Bank Offer Rate (LIBOR) Index, with terms of 63 percent of one-month LIBOR+25 basis-points, if the average is below 5.00 percent or 68 percent of the average one-month LIBOR-USD fixed rate, if the average rate is 5.00-percent or above. Since the time of issuance of the Series 2004A bonds and through December 31, 2008, the State has paid $2,295,219 and received $63,836 in net interest rate swap transactions with counterparty. The Sinking Fund Commission accounts for the swap transactions in the State Capital Improvements Bond Service Fund.

(Continued)

STATE OF OHIO
SCHEDULE OF PUBLIC INFRASTRUCTURE CAPITAL IMPROVEMENTS BONDS
As of December 31, 2008
(Continued)

(F) The following table provides details on refunded Public Infrastructure Capital Improvements Bonds.

Refunded Bonds	Refunding Bonds									Total	Refunded Maturities
	1992R	1997R	1998R	2002A	2003A	2003B & 2003C	2003D & 2003E	2004A & 2004B	2004C		
1988	$ 98,665,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 98,665,000	1993-2003
1991	-	17,725,000	-	-	-	-	-	-	-	17,725,000	2002-2011
1992	-	-	12,635,000	-	4,770,000	-	-	-	-	17,405,000	2004-2008
1993	-	-	-	-	53,360,000	-		-	-	53,360,000	2004-2011
1994	-	-	-	-	60,610,000	-	-	-	-	60,610,000	2005-2009; 2011-2013
1995	-	32,540,000	-	-	13,935,000	-	-	-	-	46,475,000	2006-2014
1996	-	-	-	-	60,810,000	-	-	-	-	60,810,000	2006-2015
1997	-	-	-	-	6,270,000	38,190,000		6,920,000	6,585,000	57,965,000	2003, 2008-2012; 2015-2016
1998A	-	-	-	-	6,250,000	43,155,000		-	-	49,405,000	2003; 2009; 2013-2017
1998B	-	-	-	-	5,750,000	40,850,000		-	12,550,000	59,150,000	2009-2012; 2015-2018
1999	-	-	-	-	12,475,000	-	60,805,000	-	660,000	73,940,000	2004; 2011-2019
2000	-	-	-	60,450,000	11,450,000	-	-		520,000	72,420,000	2011-2020
2002B	-	-	-	-	-	-	-	52,115,000	10,740,000	62,855,000	2013-2014; 2017-2023
2003F	-	-	-	-	-	-	-	-	9,070,000	9,070,000	2014-2015
	$ 98,665,000	$ 50,265,000	$ 12,635,000	$ 60,450,000	$ 235,680,000	$ 122,195,000	$ 60,805,000	$ 59,035,000	$ 40,125,000	$ 739,855,000	

Refunding Bonds	Original Principal
Series 1992R	$ 98,655,739
Series 1997R	50,260,670
Series 1998R	12,634,986
Series 2002A	59,920,000
Series 2003A	233,585,000
Series 2003B	104,315,000
Series 2003C	17,871,829
Series 2003D	58,085,000
Series 2003E	2,718,755
Series 2004A	58,725,000
Series 2004B	308,851
Series 2004C	39,530,000
Total	$ 736,610,830

(G) The interest rates for the Series 1988, 1989, 1992, and 1992R bonds reflect the net interest cost.

STATE OF OHIO
STATE CAPITAL IMPROVEMENTS BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION DECEMBER 1988
CASH BALANCE, JULY 1, 2008	**$ 76,186**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	125,602,778	$ 1,963,376,386
Bond Proceeds	-	26,613,956
Accrued Interest on Bonds Sold	-	4,931,221
Net Receipts from Swap Agreements	28,383	11,496,620
Interest Earnings	8,644	1,194,399
Other	-	194
TOTAL CASH INFLOWS	**125,639,805**	**2,007,612,776**
CASH OUTFLOWS:		
Principal Paid	72,644,042	1,114,195,753
Interest Paid	27,417,691	706,901,851
Payments to Bondholders for Accreted Principal on Capital Appreciation Bonds	23,115,958	164,069,246
Net Payments under Swap Agreements	2,240,755	20,490,925
Bond Sale and Miscellaneous Expenses	288,901	1,946,357
TOTAL CASH OUTFLOWS	**125,707,347**	**2,007,604,132**
CASH BALANCE, DECEMBER 31, 2008	**$ 8,644**	**$ 8,644**

Note:
In addition to the December 31, 2008 cash balance reported above for the State Capital Improvements Bond Service Fund, the Sinking Fund Commission had $227,657 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $1,222 in investment earnings, which was transferred to the State Capital Improvements Bond Service Fund in January 2009; $81,228 in bond proceeds held for cost of issuance; and $145,207 in administrative fees that remain unspent.

CONSERVATION PROJECTS BONDS

Section 2o of Article VIII, Ohio Constitution, as approved by voters on November 7, 2000, authorizes the issuance of Conservation Projects Bonds. The vote was: Yes–2,197,773; No–1,628,716.

Conservation Projects Bonds provides financing to be used for conservation purposes, meaning conservation and preservation of natural areas, open spaces, and farmlands, and other lands devoted to agriculture, including by acquiring land or interests therein; provision of state and local park and recreation facilities, and other actions that permit and enhance the availability, public use and enjoyment of natural areas and open spaces in Ohio; and land, forest water, and other natural resources management projects.

Not more than $50 million principal amount of Conservation Projects Bonds, plus the principal amount of those obligations that in any prior fiscal year could have been but were not issued within the $50 million fiscal-year limit, can be issued in any fiscal year, and not more than $200 million principal amount can be outstanding at any one time.

Conservation Projects Bonds mature not later than December 31 of the 25th calendar year after issuance, except that obligations issued to refund other obligations mature not later than December 31 of the 25th calendar year after the year in which the original obligation to pay was issued.

Section 2o of Article VIII, Ohio Constitution, was implemented by the General Assembly with the adoption of House Bill 3, in 2001, which amended Section 154.01 and Sections 901.21 through 901.23, Ohio Revised Code, enacted Section 154.09, Sections 164.20 through 164.27, and Sections 1519.05 and 1519.06, Ohio Revised Code, and appropriated the proceeds for the purposes for which the bonds may be issued. The authority to issue Conservation Projects Bonds in amounts authorized by the General Assembly was conferred upon the Ohio Public Facilities Commission in House Bill 3.

Funds to retire the bonds are paid when due, as to principal and interest, by a transfer from the State's General Revenue Fund to the Conservation Projects Bond Service Fund, as created under Section 151.09, Ohio Revised Code. The Commissioners of the Sinking Fund certify to the Director of Budget and Management the amount necessary to pay the bonds when due. Upon consultation with the Director, the Commissioners of the Sinking Fund transfer the amount so certified.

The authority to issue Conservation Projects Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
House Bill 3	124th	$ 50,000,000
House Bill 675	124th	50,000,000
House Bill 16	126th	50,000,000
House Bill 530	126th	50,000,000
House Bill 562	127th	40,000,000
Total Authorizations, as of December 31, 2008		$240,000,000

The legislation authorizing the issuance of Conservation Projects Bonds further requires the issuance of bond when the Ohio Public Works Commission certifies amounts needed for the purposes of the Clean Ohio Conservation Fund, created in Section 164.27, Ohio Revised Code, the Clean Ohio Agricultural Easement Fund, created in Section 901.21, Ohio Revised Code, and the Clean Ohio Trail Fund, created in Section 1519.05, Ohio Revised Code.

Future bond service requirements for the Conservation Projects Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009	$ 5,760,000	$ 3,674,616	$ 9,434,616
FY Ending June 30,			
2010	11,830,000	7,047,083	18,877,083
2011	12,260,000	6,610,883	18,870,883
2012	12,735,000	6,133,133	18,868,133
2013	13,245,000	5,611,239	18,856,239
2014-2018	71,375,000	18,074,951	89,449,951
2019-2023	33,980,000	3,480,354	37,460,354
Total	$ 161,185,000	$ 50,632,259	$ 211,817,259

STATE OF OHIO
SCHEDULE OF CONSERVATION PROJECTS BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 03/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2002A	01/15/02	09/01/02	09/01/16	4.2932%	$ 50,000,000	$ 19,425,000	$ 30,575,000	$ -	$ 19,498,845	$ 12,282,533	$ 7,216,312
2004A	01/27/04	03/01/05	03/01/19	3.5530%	50,000,000	11,885,000	38,115,000	2,910,000	17,958,724	7,660,077	10,298,647
2005A	11/07/05	03/01/07	03/01/20	4.2106%	50,000,000	5,420,000	44,580,000	2,850,000	20,660,077	6,379,252	14,280,825
2007A	06/21/07	09/01/08	09/01/22	4.4230%	50,000,000	2,085,000	47,915,000	-	21,581,368	2,744,893	18,836,475
			TOTAL		$ 200,000,000	$ 38,815,000	$ 161,185,000	$ 5,760,000	$ 79,699,014	$ 29,066,755	$ 50,632,259

STATE OF OHIO
CONSERVATION PROJECTS BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION JANUARY 2002
CASH BALANCE, JULY 1, 2008	**$ 25,988**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	9,042,992	$ 63,050,849
Bond Proceeds	-	4,872,198
Accrued Interest on Bonds Sold	-	93,497
Interest Earnings	1,914	78,302
TOTAL CASH INFLOWS	**9,044,906**	**68,094,846**
CASH OUTFLOWS:		
Principal Paid	5,240,000	38,815,000
Interest Paid	3,776,811	29,066,755
Bond Sale and Miscellaneous Expenses	52,169	211,177
TOTAL CASH OUTFLOWS	**9,068,980**	**68,092,932**
CASH BALANCE, DECEMBER 31, 2008	**$ 1,914**	**$ 1,914**

Note:
In addition to the December 31, 2008 cash balance reported above for the Conservation Projects Bond Service Fund, the Sinking Fund Commission had $13,816 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $145 in investment earnings, which was transferred to the Conservation Projects Bond Service Fund in January 2009; and $13,671 in administrative fees that remain unspent.

THIRD FRONTIER RESEARCH AND DEVELOPMENT PROJECTS BONDS

On November 8, 2005, Ohio voters approved State Issue 1, a constitutional amendment that authorizes the State, under Section 2p of Article VIII, Ohio Constitution, to issue up to $2 billion in general obligation bonds to improve local government infrastructure, support research and development applicable to high-tech business, and enhance business site development. The vote was: Yes–1,512,669; No–1,282,571.

The State is authorized to issue the Third Frontier Research and Development Projects Bonds to provide financial assistance for research and development in support of Ohio industry, commerce, and business, including research and product innovation, development, and commercialization as provided for by law, but excluding purposes provided for in Section 15 of Article VIII, Ohio Constitution. The amendment also authorizes state-supported and state-assisted institutions of higher education to issue obligations to pay costs of research and development purposes.

Third Frontier Research and Development Projects Bonds can be issued in each of the first three fiscal years to no more than $100 million and in any other fiscal year to no more than $50 million (plus the principal amount of those obligations that in any prior fiscal year could have been but were not issued).

Funds to retire the bonds are paid when due, as to principal and interest, by a transfer from the State's General Revenue Fund to the Third Frontier Research and Development Projects Bond Service Fund, as created under Section 151.10, Ohio Revised Code.

The authority to issue Third Frontier Research and Development Projects Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 236	126th	$200,000,000
House Bill 119	127th	150,000,000
Total Authorizations, as of December 31, 2008		$350,000,000

Future bond service requirements for the Third Frontier Research and Development Projects Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009.....	$ 12,795,000	$ 2,434,205	$ 15,229,205
FY Ending June 30,			
2010	12,500,000	4,348,250	16,848,250
2011	13,035,000	3,816,518	16,851,518
2012	13,600,000	3,252,435	16,852,435
2013	14,235,000	2,616,573	16,851,573
2014-2018	35,975,000	5,588,664	41,563,664
Total	$ 102,140,000	$ 22,056,645	$ 124,196,645

STATE OF OHIO
SCHEDULE OF THIRD FRONTIER RESEARCH AND DEVELOPMENT PROJECTS BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 05/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2006A	08/24/06	05/01/07	05/01/13	3.9869%	$ 50,000,000	$ 16,015,000	$ 33,985,000	$ 6,265,000	$ 7,828,405	$ 3,891,274	$ 3,937,131
2007A	06/05/07	05/01/08	05/01/17	5.4231%	30,720,000	2,545,000	28,175,000	2,530,000	9,558,185	2,230,209	7,327,976
2008A	08/19/08	05/01/09	05/01/18	5.1795%	39,980,000	-	39,980,000	4,000,000	11,171,481	379,943	10,791,538
			TOTAL		$ 120,700,000	$ 18,560,000	$ 102,140,000	$ 12,795,000	$ 28,558,071	$ 6,501,426	$ 22,056,645

STATE OF OHIO
THIRD FRONTIER RESEARCH AND DEVELOPMENT PROJECTS BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION AUGUST 2006
CASH BALANCE, JULY 1, 2008	**$ 19,123**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	1,876,392	$ 24,454,633
Bond Proceeds	-	630,280
Interest Earnings	78	18,414
TOTAL CASH INFLOWS	**1,876,470**	**25,103,327**
CASH OUTFLOWS:		
Principal Paid	-	18,560,000
Interest Paid	1,864,291	6,501,426
Bond Sale and Miscellaneous Expenses	31,302	41,901
TOTAL CASH OUTFLOWS	**1,895,593**	**25,103,327**
CASH BALANCE, DECEMBER 31, 2008	**$ -**	**$ -**

Note:
In addition to the December 31, 2008 cash balance reported above for the Third Frontier Research and Development Projects Bond Service Fund, the Sinking Fund Commission had $43,352 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $352 in investment earnings, which was transferred to the State Capital Improvements Bond Service Fund in January 2009; $34,797 in bond proceeds held for cost of issuance; and $8,203 in administrative fees that remain unspent.

THIRD FRONTIER JOB READY SITE DEVELOPMENT BONDS

On November 8, 2005, Ohio voters approved State Issue 1, a constitutional amendment that authorizes the State, under Section 2p of Article VIII, Ohio Constitution, to issue up to $2 billion in general obligation bonds to improve local government infrastructure, support research and development applicable to high-tech business, and enhance business site development. The vote was: Yes–1,512,669; No–1,282,571.

For the development of sites and facilities (Job Ready Sites) in Ohio for and in support of industry, commerce, distribution, and research and development, the constitutional amendment limits Third Frontier Job Ready Site Development Bond issuances to $150 million with no more than $30 million in each of the first three fiscal years and no more than $15 million in any other fiscal year (plus the principal amount of those obligations that in any prior fiscal year could have been but were not issued).

Funds to retire the bonds are paid when due, as to principal and interest, by a transfer from the State's General Revenue Fund to the Third Frontier Job Ready Site Development Bond Service Fund, as created under Section 151.11.

The authority to issue Third Frontier Job Ready Site Development Bonds has been granted by the following legislation:

Legislation	General Assembly Session	Amount of Authorization
Senate Bill 236	126th	$30,000,000
House Bill 530	126th	30,000,000
House Bill 699	126th	30,000,000
House Bill 562	127th	30,000,000
Total Authorizations, as of December 31, 2008		$120,000,000

Future bond service requirements for the Third Frontier Job Ready Site Development Bonds, as of December 31, 2008, are as follows:

	Principal	Interest	Total
January 1 through June 30, 2009.....	$ 2,670,000	$ 451,221	$ 3,121,221
FY Ending June 30,			
2010	2,770,000	812,330	3,582,330
2011	2,890,000	718,843	3,608,843
2012	2,990,000	620,583	3,610,583
2013	3,105,000	517,427	3,622,427
2014-2016	9,980,000	721,030	10,701,030
Total	$ 24,405,000	$ 3,841,434	$ 28,246,434

STATE OF OHIO
SCHEDULE OF THIRD FRONTIER JOB READY SITE DEVELOPMENT BONDS
As of December 31, 2008

CURRENT INTEREST BONDS

Series	Issue Date	First Principal Payment Date	Final Maturity Date	Interest Rate	Original Principal	Principal Matured through 12/31/08	Outstanding Principal, as of 12/31/08	Principal Maturing on 05/01/09	Total Interest to Maturity	Interest Paid through 12/31/08	Remaining Interest through Maturity
2006A	12/05/06	05/01/07	05/01/16	3.7589%	$ 30,000,000	$ 5,595,000	$ 24,405,000	$ 2,670,000	$ 5,724,035	$ 1,882,601	$ 3,841,434
			TOTAL		$ 30,000,000	$ 5,595,000	$ 24,405,000	$ 2,670,000	$ 5,724,035	$ 1,882,601	$ 3,841,434

STATE OF OHIO
THIRD FRONTIER JOB READY SITE DEVELOPMENT BOND SERVICE FUND
Cash Flow Statement
For the Six Months Ended December 31, 2008

	JULY 1, 2008 THROUGH DECEMBER 31, 2008	CUMULATIVE SINCE INCEPTION DECEMBER 2006
CASH BALANCE, JULY 1, 2008	**$ 14,407**	
CASH INFLOWS:		
Transfers from the General Revenue Fund	457,620	$ 7,488,429
Bond Proceeds	-	12,968
Interest Earnings	63	1,946
TOTAL CASH INFLOWS	**457,683**	**7,503,343**
CASH OUTFLOWS:		
Principal Paid	-	5,595,000
Interest Paid	451,221	1,882,601
Bond Sale and Miscellaneous Expenses	20,869	25,742
TOTAL CASH OUTFLOWS	**472,090**	**7,503,343**
CASH BALANCE, DECEMBER 31, 2008	**$ -**	**$ -**

Note:
In addition to the December 31, 2008 cash balance reported above for the Third Frontier Job Ready Site Development Bond Service Fund, the Sinking Fund Commission had $5,519 in cash and investments on hand in a custodial fund with the Treasurer of State's office. The balance represents $51 in investment earnings, which was transferred to the Third Frontier Job Ready Site Development Bond Service Fund in January 2009; and $5,468 in administrative fees that remain unspent.

OVERVIEW OF RETIRED GENERAL OBLIGATION BOND ISSUES

This section of the semi-annual report provides historical information on the State of Ohio's general obligations bonds issued and retired in past years.

HIGHWAY OBLIGATIONS

Section 2i of Article VIII, Ohio Constitution, as approved by voters on November 5, 1968, authorized the issuance of Highway Obligations Bonds. The vote was: Yes– 1,732,512; No–1,550,959.

Highway Obligations Bonds financed construction, reconstruction or improvements for the state highway system. The bonds also provided funds for highway-related land acquisition, highway transportation research and development, and matching funds for joint projects with other governmental units. Section 5528.4, Ohio Revised Code, required that 50 percent of the first $500 million paid into the Highway Obligations Construction Fund was to be used for urban extensions of state highways and highways within or leading to municipal corporations.

Not more than $100 million in Highway Obligations Bonds was to be issued in any calendar year, and not more than $500 million in principal was to be outstanding at any one time. Also, Highway Obligations Bonds could not be outstanding for more than 30 years.

On November 7, 1995, voters approved Section 2m of Article VIII, Ohio Constitution, authorizing the issuance of Highway Capital Improvements Bonds. Section 2m specifically provides that, after December 31, 1996, no additional Highway Obligations Bonds could be issued for any highway purposes under Section 2i of Article VIII, Ohio Constitution, except to refund highway obligations issued under Section 2i that were outstanding on that date.

The State issued all of the $1.745 billion in Highway Obligations that had been authorized to be issued, and the bonds were fully retired by May 15, 2004.

DEVELOPMENT BONDS

Section 2h of Article VIII, Ohio Constitution, as approved by voters on May 4, 1965, authorized the issuance of Development Bonds. The vote was: Yes– 715,642; No– 548,557.

The bonds financed the following: construction of buildings at state-assisted colleges and universities, including land purchases; development costs of state lands for water impoundment, flood control, parks and recreational uses, or conservation of natural resources; development of state parks and recreational facilities, including construction, reconstruction and improvement of roads and highways; assistance to local governments for the costs of construction and extension of water and sewage lines and mains and the acquisition, construction, reconstruction, improvement, and equipping of water pipelines, stream flow improvements, airports, and historical or educational facilities.

The State issued all of the $290 million in Development Bonds that had been authorized to be issued. The final maturity for the bonds was August 15, 1995.

PUBLIC IMPROVEMENTS BONDS

Section 2i of Article VIII, Ohio Constitution, as approved by voters on November 5, 1968, authorized the issuance of Public Improvements Bonds. The vote was: Yes–1,732,512; No–1,550,959.

Public Improvements Bonds financed the costs of water pollution control and abatement projects and various construction projects at state facilities.

The State issued all of the $257 million in Public Improvements Bonds that had been authorized to be issued, and the bonds were fully retired by June 15, 1995.

HIGHWAY IMPROVEMENT BONDS

Section G of Article VIII, Ohio Constitution, as approved by voters on May 5, 1964, authorized the issuance of the issuance of Highway Improvement Bonds. The vote was: Yes–1,011,817; No–538,684.

Highway Improvement Bonds financed the acquisition of rights-of-way and the construction and reconstruction of highways on the state highway system and urban extensions thereof.

Fees, excises, or license taxes levied by the State of Ohio, relating to registration, operation, or use of vehicles on public highways, and gasoline excise and highway use taxes funded the debt.

The State issued all of the $500 million in Highway Improvement Bonds authorized to be issued. The final maturity date for the bonds was October 15, 1989.

IMPROVEMENT BONDS

Section 2f of Article VIII, Ohio Constitution, as approved by voters on November 5, 1963, authorized the issuance of Improvement Bonds. The vote was: Yes–Yes–1,397,971; No–922,687.

Improvement Bonds financed land acquisition and building construction projects for community colleges, municipal universities, and university branches and for state functions, activities, offices, and institutions. The bonds also provided funding for the construction of classroom facilities, for the public schools leased or sold by the State to public school districts unable to provide adequate facilities without assistance from the State and assistance in the development of the State by the acquisition of lands for water impoundment sites, park and recreational uses and conservation of natural resources.

Borrowing was limited to $100 million a calendar year, and the bonds could not be outstanding for more than 30 years.

Cigarette tax was the primary revenue source that funded the debt service on the bonds.

The State issued all of the $250 million in Improvement Bonds that had been authorized to be issued, and the bonds were fully retired by April 15, 1975.

CAPITAL IMPROVEMENTS CONSTRUCTION BONDS

Section 2e of Article VIII, Ohio Constitution, as approved by voters on November 8, 1955, authorized the issuance of $150 million in Capital Improvements Construction Bonds. The vote was: Yes–1,154,976; No–909,303.

The bonds financed the costs of acquiring, constructing, reconstructing and otherwise improving and equipping buildings and structures, excluding highways, and for the purpose of acquiring sites for such buildings and structures, for the State's penal, correctional, mental and welfare institutions; for the state-supported universities and colleges, for classroom facilities leased or sold by the State to public school districts unable within limitations provided by law to provide adequate facilities without assistance from the State; and for state offices.

The borrowing was limited to $30 million a calendar year. All Capital Improvements Construction Bonds matured within 20 years from the date of issuance, and no more than $75 million was expended for state-supported universities and colleges, public school classroom facilities and state offices, and no more than $75 million was expended for penal, correctional, mental and welfare institutions of the State. The State deposited the proceeds from the sale of the bonds in the Capital Improvements Construction Fund.

Cigarette tax was the primary source of revenue used to fund the debt, which was initially deposited in the Improvements Bond Retirement Fund for subsequent transfer to the Capital Improvement Bond Retirement Fund, the fund that serviced the costs of the Capital Improvements Construction Bonds.

The State issued all of the $150 million in Capital Improvements Bonds that had been authorized to be issued. Final maturity for the bonds was June 15, 1977.

MAJOR THOROUGHFARE CONSTRUCTION BONDS

Section 2c of Article VIII, Ohio Constitution, as approved by voters on November 3, 1953, authorized the issuance of $500 million in Major Thoroughfare Construction Bonds. The vote was: Yes–1,035,869; No–676,496.

The bonds financed the costs of rights-of-way acquisition and construction and reconstruction of highways on the state highway system. The borrowing was limited to $125 million per calendar year. The State deposited the proceeds from the sale of these bonds into the Major Thoroughfare Construction Fund.

Fees, excises, or license taxes levied by the State of Ohio, relating to registration, operation, or use of vehicles on public highways, and gasoline excise taxes funded the debt.

The State issued all of the $500 million in bonds that had been authorized to be issued. Final maturity for the bonds was September 15, 1972.

VIETNAM CONFLICT COMPENSATION BONDS

Section 2j of Article VIII, Ohio Constitution, as approved by voters on November 6, 1973, authorized the issuance of $300 million in Vietnam Conflict Compensation Bonds. The vote was: Yes–1,650,120; No–647,629.

The bonds financed compensation to those Ohioans who served in the military during the Vietnam Conflict. Compensation provided was in cash, or, if elected, in educational assistance.

The State only issued $185 million of the $300 million in Vietnam Conflict Compensation Bonds authorized to be issued, and the bonds were fully retired by October 15, 1989.

KOREAN CONFLICT COMPENSATION BONDS

Section 2d of Article VIII, Ohio Constitution, as approved by voters on November 6, 1956, authorized the issuance of Korean Conflict Compensation Bonds. The vote was: Yes–2,202,510; No–889,245.

The bonds financed the payment of bonuses to persons serving in the U.S. Armed Forces between June 25, 1950 and July 19, 1953. To qualify, a recipient had to be an Ohio resident for not less than one year immediately preceding entry into the armed forces and had to have been separated from the Armed Forces under honorable conditions or still be in the service.

The payment, which had to have been made before January 1, 1959, was set at $10 for each month of active domestic service and $15 for each month of active foreign service with the total amount of compensation to be paid to any one person not to exceed $400.

Of the $90 million authorized to be sold in bonds, only $60 million in bonds were sold on May 1, 1957. Funds to retire this debt were provided by a yearly 2/10 mill state levy on all taxable property on the general tax lists of all counties in the State of Ohio.

WORLD WAR II COMPENSATION BONDS

Section 2b of Article VIII, Ohio Constitution, as approved by voters on November 4, 1947, authorized the issuance of World War II Compensation Bonds. The vote was: Yes–1,497,804; No–478,701.

The Commissioners of the Sinking Fund were authorized to issue and sell a maximum of $300 million of the bonds to finance the payment of compensation to certain of Ohio's citizens who served in the U.S. Armed Forces during World War II or to certain of their survivors.

Of the $300 million in bonds authorized to be issued, the State issued only $212.5 million in bonds.

STATE OF OHIO
SCHEDULE OF DEBT SERVICE FUNDS OF RETIRED GENERAL OBLIGATION BOND ISSUES
Summary of Balances and Cumulative Cash Flow Statement
As of and Through December 31, 2008

BALANCES, AS OF December 31, 2008:	**HIGHWAY OBLIGATIONS**	**DEVELOPMENT**	**PUBLIC IMPROVEMENTS**	**HIGHWAY IMPROVEMENTS**	**IMPROVEMENT**	**CAPITAL IMPROVEMENT**
Cash on Deposit with Bond-Paying Agents	$ 169,997	$ 237,515	$ 148,808	$ 55,288	$ 130,255	$ 678
Matured Bonds Outstanding	$ 115,000	$ 135,000	$ 105,000	$ 40,000	$ 105,000	$ -
Matured Interest Coupons Outstanding	53,747	102,073	43,808	15,288	25,255	678
Working Fund Balance	1,250	442	-	-	-	-
TOTAL	**$ 169,997**	**$ 237,515**	**$ 148,808**	**$ 55,288**	**$ 130,255**	**$ 678**

CUMULATIVE SINCE INCEPTION:	*DECEMBER 1969*	*OCTOBER 1967*	*FEBRUARY 1970*	*MAY 1965*	*JULY 1964*	*NOVEMBER 1955*
CASH INFLOWS:						
Gasoline and Other Highway Taxes and Fees	$ 2,165,259,713	$ -	$ -	$ 619,248,216	$ -	$ -
Cigarette Taxes	-	-	-	-	365,571,441	110,429,425
State Property Tax Levy	-	-	-	-	-	-
State Appropriations	-	-	-	-	-	-
Interest Earnings	211,252,401	4,050,476	2,057,362	36,315,072	148,061,427	3,088,157
Accrued Interest on Bonds Sold	5,754,196	372,468	304,977	305,519	87,539	-
Transfers from the General Revenue Fund	-	505,670,464	404,276,812	250,000	10,431,302	-
Transfers from Other State Funds	-	-	-	513,140	223,353	60,511,782
Other Cash Receipts	-	250,000	200,000	250,000	277,607	200,780
TOTAL CASH INFLOWS	**2,382,266,310**	**510,343,408**	**406,839,151**	**656,881,947**	**524,652,669**	**174,230,144**
CASH OUTFLOWS:						
Principal Paid	1,744,885,000	289,865,000	258,895,000	499,960,000	249,895,000	150,000,000
Interest Paid	633,077,064	219,038,032	146,859,718	152,814,581	211,203,970	23,690,950
Bond Sale and Miscellaneous Expenses	3,260,016	1,070,536	582,606	540,692	559,773	315,163
Transfers to the General Revenue Fund	874,233	132,325	153,019	-	2,101,889	-
Transfers to Other State Funds	-	-	-	3,511,386	60,561,782	223,353
Other Cash Payments	-	-	200,000	-	200,000	-
TOTAL CASH OUTFLOWS	**2,382,096,313**	**510,105,893**	**406,690,343**	**656,826,659**	**524,522,414**	**174,229,466**
CASH BALANCE, December 31, 2008	**$ 169,997**	**$ 237,515**	**$ 148,808**	**$ 55,288**	**$ 130,255**	**$ 678**

BALANCES, AS OF December 31, 2008:	STATE HIGHWAY (Major Thoroughfare)	VIETNAM CONFLICT COMPENSATION	KOREAN CONFLICT COMPENSATION	WORLD WAR II COMPENSATION	TOTAL
Cash on Deposit with Bond-Paying Agents	$ 7,701	$ 28,354	$ 435	$ 240	$ 779,271
Matured Bonds Outstanding	$ 5,000	$ 15,000	$ -	$ -	$ 520,000
Matured Interest Coupons Outstanding	2,701	10,194	435	190	254,369
Working Fund Balance	-	3,160	-	50	4,902
TOTAL	**$ 7,701**	**$ 28,354**	**$ 435**	**$ 240**	**$ 779,271**

CUMULATIVE SINCE INCEPTION:	*OCTOBER 1954*	*MAY 1974*	*MAY 1957*	*MAY 1947*	
CASH INFLOWS:					
Gasoline and Other Highway Taxes and Fees	$ 583,203,680	$ -	$ -	$ -	$ 3,367,711,609
Cigarette Taxes	-	-	-	-	476,000,866
State Property Tax Levy	-	-	74,050,765	50,088,901	124,139,666
State Appropriations	-	-	-	200,000,000	200,000,000
Interest Earnings	19,660,055	1,183,471	7,471,684	3,225,690	436,365,795
Accrued Interest on Bonds Sold	-	365,708	65,000	-	7,255,407
Transfers from the General Revenue Fund	750,000	203,281,431	-	-	1,124,660,009
Transfers from Other State Funds	5,194,544	76,307,074	400,000	98,438	143,248,331
Other Cash Receipts	567,073	246,840	1,311,896	-	3,304,196
TOTAL CASH INFLOWS	**609,375,352**	**281,384,524**	**83,299,345**	**253,413,029**	**5,882,685,879**
CASH OUTFLOWS:					
Principal Paid	499,995,000	184,985,000	60,000,000	212,500,000	4,150,980,000
Interest Paid	108,470,175	95,746,648	15,846,015	33,991,795	1,640,738,948
Bond Sale and Miscellaneous Expenses	389,336	65,073	-	-	6,783,195
Transfers to the General Revenue Fund	-	559,449	-	6,430,861	10,251,776
Transfers to Other State Funds	513,140	-	7,197,705	-	72,007,366
Other Cash Payments	-	-	255,190	490,133	1,145,323
TOTAL CASH OUTFLOWS	**609,367,651**	**281,356,170**	**83,298,910**	**253,412,789**	**5,881,906,608**
CASH BALANCE, December 31, 2008	**$ 7,701**	**$ 28,354**	**$ 435**	**$ 240**	**$ 779,271**

GLOSSARY

Bond Proceeds	For purposes of this report, the "Bond Proceeds" account can include bond premiums to be applied to future debt service payments, proceeds from which bond issuance costs can be paid, and unspent proceeds also to be applied to future debt service payments in cases when actual bond issuance costs were less than originally estimated at the closing of a bond deal.
General Revenue Fund (GRF)	The GRF is the primary operating fund of the state. This fund receives the unrestricted revenues of the State, primarily from such sources as the personal income tax, the sales and use tax, the corporate franchise tax, and the public utilities excise tax.
Interest	The fee charged a borrower for the use of borrowed money, usually expressed as an annual percentage of the principal.
Interest Rate Swap	An exchange of interest payments on a specific principal amount, as agreed under a counterparty agreement. An interest rate swap usually involves two parties, but can involve more. Often, an interest rate swap is an exchange of a fixed amount per payment period for a payment that is not fixed (the floating side of the swap would usually be linked to another interest rate, often the London Inter-Bank Offer Rate, also known as the LIBOR rate or the Bond Market Association rate, also known as the BMA index). In an interest rate swap, the principal amount is never exchanged with a counterparty; rather, it is just a notional principal amount. Also, on a payment date, usually only the difference (i.e., the net) between the two payments is turned over to the party that is entitled to it, as opposed to exchanging the full interest amounts.
Maturity Date	The date when payment of a debt comes due.
Net Interest Cost (NIC)	Under the NIC method, the total dollar amount of interest payable of over the life of the bonds is adjusted by the amount of premium or discount; this method does not take into account the time value of money. Rates within this report using the NIC method are noted.
Principal	The amount of money borrowed.
Series	A group of bonds issued at the same time, but with different maturity dates and stated interest rates.
True Interest Cost (TIC)	Under the TIC method, interest cost is defined as the rate, compounded semiannually, necessary to discount the amounts payable on principal and interest maturity dates to the purchase price of the bonds; this method does take into consideration the time value of money. All rates within this report are reflected using the TIC method unless otherwise noted.

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