



STATE OF OHIO
STATE ECONOMIC DEVELOPMENT BONDS

ANNUAL REPORT OF THE TREASURER OF STATE
FISCAL YEAR ENDING
JUNE 30, 2010

This annual report for the fiscal year ending June 30, 2010 (the "Fiscal Year") is prepared pursuant to Section 18(e) of the General Bond Order (the "Order") contained in the amended and restated Trust Agreement, dated as of June 1, 2009 (the "Trust Agreement"), between the State of Ohio and U.S. Bank, as successor trustee (the "Trustee"), and shall be submitted to the Trustee, the Original Purchasers (as defined in the Trust Agreement), holders of Bonds (as defined in the Trust Agreement) who have filed their names and addresses with the Trustee for the purpose of receiving this report, the Governor of Ohio, the presiding officer of each house of the Ohio General Assembly, the Director of the Ohio Department of Development, the Superintendent of the Ohio Department of Commerce's Division of Liquor Control and the Director of the Office of Budget and Management.

As of June 30, 2010, there were two classes of Obligations outstanding, as defined in the Trust Agreement. The first class, bonds issued under the Trust Agreement (the "Liquor Bonds"), are secured by the Pledged Receipts, as defined in the Trust Agreement, consisting primarily of Pledged Liquor Profits, as defined in the Trust Agreement. The second class consists of obligations issued under the Ohio Enterprise Bond Fund program ("OEBF and OEBF-Related bonds"). OEBF and OEBF-Related bonds are not secured by the Pledged Receipts. Part I of this report sets forth the information required by Section 18 (e) of the Order with respect to the Liquor Bonds. Part II of this report sets forth the information required by Section 18(e) of the Order with respect to the OEBF and OEBF-Related Bonds.

In February 2009, the U.S. Congress enacted the American Recovery and Reinvestment Act (the Act), certain provisions of which pertain to the issuance of municipal bonds. During this reporting period bonds were issued under a new class of taxable governmental bonds created in the Act entitled "Build America Bonds - Direct Payment" (BABs). BABs are taxable obligations that provide for the issuer to receive a payment from the United States Treasury equal to thirty-five percent (35%) of the applicable interest, on or about each interest payment date. Issuances of BABs are represented on a gross basis, exclusive of expected direct payments from the United States Treasury. New schedules have been incorporated within this report detailing payments expected and received from the United States Treasury.

Part I Liquor Bonds:

- 1) The following Liquor Bonds were sold by the Treasurer of State during the fiscal year:

\$28,000,000 of Ohio Taxable Development Assistance Bonds, Series 2009C (Advanced Energy Program) by negotiated sale to an underwriting group consisting of RBC Capital Markets and Cabrera Capital Markets, LLC at a true interest cost rate of 4.818214%. The Series 2009C Bonds, dated November 5, 2009 and delivered November 5, 2009, were issued to provide monies to deposit into the State's Advanced Energy Research and Development Taxable Fund, for use in making loans to persons for the purpose of paying Allowable Costs of Eligible Advanced Energy Projects. The total interest over the 15-year life of the bond is \$12,025,516.92.

\$40,000,000 of Ohio Taxable Development Assistance Bonds, Series 2010A (Ohio 166 Direct Loan Program) by negotiated sale to an underwriting group consisting of J.P. Morgan, The Huntington Investment Company, Fifth Third Securities, Inc. and Melvin Securities, LLC at a true interest cost rate of 5.601407%. The Series 2010A Bonds, dated February 18, 2010 and delivered February, 18, 2010, were issued to provide monies to deposit into the State's Facilities Establishment Fund. The total interest over the 19-year life of the bond is \$27,217,650.84.

\$20,000,000 of Ohio Taxable Development Assistance Bonds, Series 2010B (Innovation Ohio Loan Program) by negotiated sale to an underwriting group consisting of Loop Capital Markets and George K. Baum & Company at a true interest cost rate of 5.314928%. The Series 2010B Bonds, dated June 15, 2010 and delivered June 15, 2010, were issued to provide monies to deposit into the State's Innovation Ohio Loan Fund. The total interest over the 20-year life of the bond is \$12,427,953.59.

- 2) At the end of Fiscal Year 2010, \$410,675,000 in principal amount of Liquor Bonds was outstanding.
- 3) During Fiscal Year 2010, \$12,550,000 in principal amount of Liquor Bonds was retired from monies in the Bond Service Fund, as defined in the Trust Agreement, which moneys were derived primarily from Pledged Liquor Profits.
- 4) The amounts required for Bond Service Charges as defined in the Trust Agreement on such Liquor Bonds during the twelve-month period ending June 30, 2011 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
October 1, 2010	\$ 13,160,000.00	\$ 11,993,278.63	\$ 25,153,278.63
April 1, 2011	<u>2,785,000.00</u>	<u>11,612,188.51</u>	<u>14,397,188.51</u>
Total	\$ 15,945,000.00	\$ 23,605,467.14	\$ 39,550,467.14

- 5) Schedule A attached hereto sets forth information regarding deposits, disbursements and balances in the accounts in the Bond Service Fund at the end of the Fiscal Year 2010.
- 6) Schedule B and C attached hereto sets forth information regarding Build America Bond Issuances.

Part II OEBF and OEBF-Related Bonds:

1) The following OEBF Bonds were sold during Fiscal Year 2010:

\$10,750,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2009-3 (HEALTH CARE REIT, Inc.) (Taxable Bonds) to acquire and improve approximately 59.7 acres of land and a building of approximately 138,861 square feet located in Toledo, Ohio to be used in the Borrower's business equity real estate investment in the health care industry, and pay certain costs of issuance of the Bonds. The Bonds are dated August 25, 2009 and bear interest at 6.125% per annum payable quarterly in March, June, September, and December, commencing December 1, 2009 and ending September 1, 2019.

\$10,000,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2009-4 (Eaton Corporation Project) (Taxable Bonds) for the purpose of financing a portion of the costs related to the acquisition of an approximately 53 acre parcel of real property located in the City of Beachwood in connection with the capital lease financing and construction by the borrower of a new corporate world headquarters for Eaton Corporation. The Bonds are dated 9/24/09 and bear interest at 6.00% per annum, payable semi-annually in June and December, commencing December 1, 2009 and ending December 1, 2020.

\$7,635,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2009-5 (Shearer's Foods, Inc. Project) (Tax Exempt Bonds) to finance a portion of the costs of acquiring and constructing an approximately 46,500 square foot production facility in Missillon, Ohio. The Bonds are dated October 1, 2009 and bear interest at 2.00 - 5.00% per annum payable semi-annually in June and December, commencing December 1, 2009 and ending December 1, 2024.

\$4,935,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2009-6 (National Bronze and Metals, Inc. Project) (Taxable Bonds) to finance the cost of the acquisition and installation of new foundry equipment which will allow for both vertical copper casting and horizontal copper casting processes at the Borrower's facility in Lorain, Ohio. The Bonds are dated October 29, 2009 and bear interest at 5.875% per annum payable quarterly in March, June, September, and December, commencing December 1, 2009 and ending September 1, 2019.

\$4,315,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2010-1 (Comprehensive Logistics Co., Inc. Project) (Taxable Bonds) for the acquisition and installation of certain equipment at the Borrower's facility in Austintown Township, Ohio. The Bonds are dated February 25, 2010 and bear interest at 4.75% per annum payable quarterly in March, June, September, and December, commencing June 1, 2010 and ending September 1, 2015.

\$4,490,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2010-2 (IRG Batavia I, LLC Project) (Tax Exempt Bonds) for financing a portion of the cost, acquisition and renovation of an approximately 1.9 million square foot industrial building and fixtures and acquisition of approximately 186.66 acres of real property in Batavia, Ohio. The Bonds are dated April 1, 2010 and bear interest at 3.25-4.125% per annum payable semi-annually in June and December, commencing June 1, 2010 and ending December 1, 2024.

\$1,645,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2010-3 (IRG Batavia I, LLC Project) (Taxable Bonds) for financing a portion of the cost, acquisition and renovation of an approximately 1.9 million square foot industrial building and fixtures and acquisition of approximately 186.66 acres of real property in Batavia, Ohio. The Bonds are dated April 1, 2010 and bear interest at 3.00% per annum payable semi-annually in June and December, commencing June 1, 2010 and ending December 1, 2014.

\$5,600,000 State of Ohio Economic Development Revenue Bonds (Ohio Enterprise Bond Fund) Series 2010-4 (Butler County Port Authority-Intelligrated Inc. Project) (Taxable Bonds) to finance a portion of the cost acquisition of an approximately 282,000 square foot facility located in West Chester, Ohio in connection with the capital lease financing by the Borrower of a manufacturing facility that included logistics and distribution functions for Intelligrated, Inc. The Bonds are dated March 4, 2010 and bear interest at 6.00% per annum payable quarterly in March, June, September and December, commencing June 1, 2010 and ending March 1, 2030.

- 2) The total principal amount of OEBF Bonds outstanding at the end of the Fiscal Year was \$197,080,000.
- 3) Schedule D attached hereto set forth the OEBF Bonds that were subject to mandatory redemption during Fiscal Year 2010.
- 4) No OEBF-Related Bonds were sold during Fiscal Year 2010.
- 5) No principal amount of OEBF-Related Bonds were outstanding at the end of the Fiscal Year 2010.
- 6) No OEBF-Related Bond were subject to mandatory redemption during Fiscal Year 2010.
- 7) OEBF and OEBF-Related Bonds are not issued under the Trust Agreement, and therefore:
 - a) There are no Bond Service Charges with respect to the OEBF or OEBF-Related Bonds.
 - b) No deposits were made to accounts in the Bond Service Fund with respect to OEBF and OEBF-Related Bonds.

Respectfully submitted,



KEVIN L. BOYCE

Treasurer of State of Ohio

Schedule A

Economic Development (Liquor Profits)
Bond Service Fund

Statement of Activity
For the Fiscal Year ending
June 30, 2010

Balance July 1, 2009	<u>\$ 15,290,662.19</u>
Excess Issuance Cost Applied to Debt Service.....	15,100.06
Funds reserved for Issuance Costs.....	61,577.21
Amount Deposited from Pledged Liquor Receipts.....	35,864,506.89
Investment Earnings.....	13,691.26
Debt Service Payments.....	<u>(32,660,300.96)</u>
Balance June 30, 2010	<u><u>\$ 18,585,236.65</u></u>

Schedule B

Economic Development (Liquor Profits)
Bond Service Fund

Schedule of American Recovery and Reinvestment Act Bonds
For the Fiscal Year ending
June 30, 2010

BUILD AMERICA BONDS - DIRECT PAYMENTS

Name	Issue Date	First Payment Date	Final Payment Date	Original Principal	Original Interest	Total Payments Expected	Payments		Remaining Payments Expected
							Received Through 06/30/10	Expected	
<u>Logistics and Distribution Bonds</u>									
Series 2009B.....	06/18/09	04/01/10	10/01/28	23,710,000.00	25,036,555.62	8,762,794.52	417,975.73	8,344,818.79	
TOTAL \$ 23,710,000.00 \$ 25,036,555.62 \$ 8,762,794.52							\$ 417,975.73	\$ 8,344,818.79	

Schedule C

Economic Development (Liquor Profits) Bond Service Fund

Schedule of Expected Payments - Associated with the American Recovery and Reinvestment Act Through Maturity

As of	Facilities Establishment	Innovation Ohio Loan	Research & Development	Logistics & Distribution	Advanced Energy	Total Payments
06/30/11	-	531,700.58	-	-	-	531,700.58
06/30/12	-	531,700.58	-	-	-	531,700.58
06/30/13	-	531,700.58	-	-	-	531,700.58
06/30/14	-	531,700.58	-	-	-	531,700.58
06/30/15	-	531,700.58	-	-	-	531,700.58
06/30/16	-	531,700.58	-	-	-	531,700.58
06/30/17	-	531,700.58	-	-	-	531,700.58
06/30/18	-	531,700.58	-	-	-	531,700.58
06/30/19	-	531,700.58	-	-	-	531,700.58
06/30/20	-	531,700.58	-	-	-	531,700.58
06/30/21	-	531,700.58	-	-	-	531,700.58
06/30/22	-	531,700.58	-	-	-	531,700.58
06/30/23	-	499,154.43	-	-	-	499,154.43
06/30/24	-	432,483.80	-	-	-	432,483.80
06/30/25	-	362,241.42	-	-	-	362,241.42
06/30/26	-	288,149.22	-	-	-	288,149.22
06/30/27	-	210,263.11	-	-	-	210,263.11
06/30/28	-	128,647.75	-	-	-	128,647.75
06/30/29	-	43,472.10	-	-	-	43,472.10
06/30/30	-	-	-	-	-	-

Schedule D

OEBF Bonds

Bonds Subject to mandatory redemption during FY2010

<u>Transaction</u>	<u>9/1/2009</u>	<u>12/1/2009</u>	<u>3/1/2010</u>	<u>6/1/2010</u>
1988-1 *	\$ -	\$ -	\$ -	\$ -
1989-1 *	-	-	-	-
1989-2 *	-	-	-	-
1989-3 *	-	-	-	-
1989-4 * House of LaRose(East 49th)	-	-	-	-
1990-1 * Erie Terminal	-	-	-	-
1991-1 Kinetic Noise Control	50,000.00	50,000.00	55,000.00	55,000.00
1991-4 * Atlas Technical Finishes, Inc.	-	-	-	-
1991-5 * Royal Appliance Manufacturing	-	-	-	-
1991-7 Burrows Paper Corporation	-	30,000.00	-	30,000.00
1991-9 Royal Appliance Manufacturing	-	-	-	-
1993-5 Foremost Mgmt.	150,000.00	155,000.00	160,000.00	160,000.00
1994-2 * Cheryl & Co.	-	-	-	-
1994-4 Orlando Baking Co.	-	185,000.00	-	-
1994-5 * Consolidated Biscuit, Inc.	-	-	-	-
1994-6 Progressive Plastic Products	-	120,000.00	-	-
1995-1 ** J.J. & W. Partnership	-	-	-	-
1996-2 Ohio Coatings, Co.	285,000.00	290,000.00	295,000.00	305,000.00
1998-1 * General Casting Company	-	-	-	-
1998-2 * Hamilton CIC	-	-	-	-
1998-3 * E-BEAM	-	-	-	-
1998-4 * OCHS Industries, Inc.	-	-	-	-
1998-5 Toledo Lucas County Port Authority	100,000.00	105,000.00	105,000.00	105,000.00
1999-1 NEO Beam Inc.	45,000.00	45,000.00	45,000.00	50,000.00
1999-2 Euclid & Wickliffe Services	60,000.00	60,000.00	65,000.00	65,000.00
2000-1 Scotts-Union Co	60,000.00	65,000.00	65,000.00	65,000.00
2000-2 Timken Latrobe	65,000.00	65,000.00	65,000.00	70,000.00
2001-1 Girindus	105,000.00	105,000.00	110,000.00	110,000.00
2002-1 Seaman Corporation	50,000.00	50,000.00	55,000.00	55,000.00
2002-2 * Alloy Polymers, Inc.	-	-	-	-
2002-3 Milacron Inc.	325,000.00	330,000.00	335,000.00	345,000.00
2002-4 Astro Instrumentation LLC	-	60,000.00	-	60,000.00
2002-5 Dana Corporation	50,000.00	50,000.00	50,000.00	50,000.00
2002-6 Farber Development I, LLC	-	80,000.00	-	80,000.00
2002-7 Kahiki Foods	-	85,000.00	-	90,000.00

(Continued)

Schedule D

OEBF Bonds

Bonds Subject to mandatory redemption during FY2010

(Continued)

	<u>Transaction</u>	<u>9/1/2009</u>	<u>12/1/2009</u>	<u>3/1/2010</u>	<u>6/1/2010</u>
2003-1	Trillium -St. Bernard	\$ 385,000.00	\$ 390,000.00	\$ 395,000.00	\$ 400,000.00
2003-2	EXAL Corporation	180,000.00	185,000.00	185,000.00	-
2003-3 *	Patheon Pharmaceuticals Inc.	-	-	-	-
2003-4	Burrows Paper Corporation	140,000.00	145,000.00	145,000.00	150,000.00
2003-5	Heidtman Steel	160,000.00	165,000.00	165,000.00	170,000.00
2003-6	Alliance Castings	400,000.00	405,000.00	405,000.00	410,000.00
2004-1 **	Engineered Plastics	-	-	-	-
2004-2	Luigino's, Inc.	105,000.00	105,000.00	105,000.00	105,000.00
2004-3	SUMCO Phoenix Inc.	350,000.00	355,000.00	360,000.00	360,000.00
2004-4 *	Stone Container	-	-	-	-
2005-1	Amantea Nonwovens, LLC	95,000.00	95,000.00	95,000.00	100,000.00
2005-2	Goodyear	205,000.00	205,000.00	210,000.00	210,000.00
2005-3	Taylor Chair	-	85,000.00	-	85,000.00
2005-4	Dover Chemical	300,000.00	305,000.00	305,000.00	310,000.00
2005-5	Owens-Illinois	100,000.00	100,000.00	100,000.00	105,000.00
2006-1	Lockheed Martin	185,000.00	190,000.00	190,000.00	195,000.00
2006-2	Hearth Grains	80,000.00	80,000.00	80,000.00	80,000.00
2006-3	EXAL Corporation	115,000.00	115,000.00	115,000.00	115,000.00
2006-4	Associated Hygienic Prod	195,000.00	200,000.00	200,000.00	205,000.00
2006-5	Clopay	100,000.00	100,000.00	100,000.00	100,000.00
2007-1	Appleton Papers	205,000.00	210,000.00	210,000.00	215,000.00
2007-2A	GHF Properties, LLC	-	-	-	-
2007-2B	GHF Properties, LLC	-	190,000.00	-	195,000.00
2008-1	Anchor Acquisition, LLC	-	110,000.00	165,000.00	165,000.00
2008-2	TechniGraphics, Inc.	45,000.00	45,000.00	45,000.00	45,000.00
2008-3	Sigma OH Ind.	50,000.00	50,000.00	55,000.00	55,000.00
2008-4	Xunlight Corp	-	-	-	-
2009-1	Ohio Metal Technologies	-	60,000.00	-	190,000.00
2009-2	HCR Manor Care Services Inc	25,000.00	25,000.00	25,000.00	25,000.00
2009-3	Health Care REIT	-	195,000.00	200,000.00	200,000.00
2009-4	Eaton	-	-	-	-
2009-5	Shearer's Food	-	-	-	-
2009-6	National Bronze & Metals	-	-	-	-
2010-1	Comprehensive	-	-	-	-
2010-2	IRG	-	-	-	-
2010-3	IRG	-	-	-	-
2010-4	Intelligrated	-	-	-	5,000.00

*Bond issue retired

** Bond issue defeased