
Ohio Building Authority

*Financial Statements
for the Year Ended June 30, 2000
and Independent Auditors' Report*



STATE OF OHIO
OFFICE OF THE AUDITOR
JIM PETRO, AUDITOR OF STATE

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To the Members of the
Ohio Building Authority
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We have reviewed the independent auditor's report of the Ohio Building Authority, Franklin County, prepared by Deloitte & Touche LLP, for the audit period July 1, 1999 through June 30, 2000. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ohio Building Authority is responsible for compliance with these laws and regulations.

A handwritten signature in black ink, appearing to read "Jim Petro".

JIM PETRO
Auditor of State

October 25, 2000

OHIO BUILDING AUTHORITY

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INDEPENDENT AUDITORS' REPORT

To the Members of
The Ohio Building Authority and
The Honorable Jim Petro, Auditor of the State of Ohio:

We have audited the accompanying combined financial statements of the Ohio Building Authority, a component unit of the State of Ohio, as of and for the year ended June 30, 2000, as listed in the foregoing Table of Contents. These component unit financial statements are the responsibility of the Ohio Building Authority's management. Our responsibility is to express an opinion on these component unit financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the combined financial statements of the Ohio Building Authority are intended to present the financial position and results of operations and cash flows of only that portion of the funds and account groups of the State of Ohio that are attributable to the transactions of the Ohio Building Authority.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Ohio Building Authority as of June 30, 2000, and the results of its operations and cash flows of its Internal Service Funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the combined financial statements of the Authority taken as a whole. The combining financial statements listed in the table of contents are presented for the purposes of additional analysis and are not a required part of the component unit financial statements of the Ohio Building Authority. These combining financial statements are also the responsibility of the management of the Authority. Such additional information has been subjected to the auditing procedures applied in the audit of the combined financial statements and, in our opinion, is fairly presented in all material respects in relation to the combined financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated August 25, 2000 on our consideration of the Ohio Building Authority's internal control over reporting and our test of its compliance with certain provisions of laws, contracts and regulations. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

DELOITTE & TOUCHE LLP

August 25, 2000

OHIO BUILDING AUTHORITY

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS AS OF JUNE 30, 2000 (DOLLARS IN THOUSANDS)

ASSETS AND OTHER DEBITS	Debt Service	Capital Projects	Internal Service	General Fixed Assets Account Group	Long-Term Obligations Account Group	Total (Memorandum Only)
CASH			\$ 191			\$ 191
INVESTMENTS			1,712			1,712
RECEIVABLES:						
Leases			26,281			26,281
Interest	\$ 669	\$ 177	147			993
Due from other projects			87			87
Other			1,523			1,523
RESTRICTED ASSETS:						
Cash	18					18
Investments	50,007	12,671	41,824			104,502
FIXED ASSETS				\$290,269		290,269
OTHER ASSETS			376			376
AMOUNT AVAILABLE IN DEBT SERVICE FUND FOR SPECIAL LONG-TERM OBLIGATIONS					\$ 50,373	50,373
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF SPECIAL LONG-TERM OBLIGATIONS					<u>2,314,214</u>	<u>2,314,214</u>
TOTAL ASSETS AND OTHER DEBITS	<u>\$50,694</u>	<u>\$12,848</u>	<u>\$72,141</u>	<u>\$290,269</u>	<u>\$2,364,587</u>	<u>\$2,790,539</u>
LIABILITIES, FUND BALANCE AND OTHER CREDITS						
LIABILITIES:						
Accounts payable			\$13,385			\$ 13,385
Due to other projects			87			87
Deferred revenue			378			378
Special obligations bonds payable					\$2,364,587	2,364,587
Revenue bonds payable			28,808			28,808
Accrued interest	\$ 321		452			773
Total liabilities	<u>321</u>		<u>43,110</u>		<u>2,364,587</u>	<u>2,408,018</u>
FUND BALANCE AND OTHER CREDITS:						
Investment in general fixed assets				\$290,269		290,269
Retained earnings			29,031			29,031
Fund balances:						
Reserved for:						
Debt Service	50,373					50,373
Capital Projects		<u>\$12,848</u>				<u>12,848</u>
Total fund balance and other credits	<u>50,373</u>	<u>12,848</u>	<u>29,031</u>	<u>290,269</u>		<u>382,521</u>
TOTAL LIABILITIES, FUND BALANCE AND OTHER CREDITS	<u>\$50,694</u>	<u>\$12,848</u>	<u>\$72,141</u>	<u>\$290,269</u>	<u>\$2,364,587</u>	<u>\$2,790,539</u>

See notes to combined financial statements.

OHIO BUILDING AUTHORITY

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

	Debt Service	Capital Projects	Total (Memorandum Only)
REVENUES:			
State lease payments	\$ 239,755		\$ 239,755
Earnings on investments	<u>3,441</u>	<u>\$ 827</u>	<u>4,268</u>
Total revenues	<u>243,196</u>	<u>827</u>	<u>244,023</u>
EXPENDITURES:			
Capital outlay		9,019	9,019
Debt service:			
Principal	142,613		142,613
Interest	<u>128,000</u>		<u>128,000</u>
Total expenditures	<u>270,613</u>	<u>9,019</u>	<u>279,632</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(27,417)</u>	<u>(8,192)</u>	<u>(35,609)</u>
OTHER FINANCING SOURCES (USES):			
Bond proceeds		252,269	252,269
Transfers in	31,624		31,624
Transfers out	(8,091)	(22)	(8,113)
Transfers to other State agency		<u>(255,228)</u>	<u>(255,228)</u>
Total other financing sources	<u>23,533</u>	<u>(2,981)</u>	<u>20,552</u>
DEFICIENCY OF REVENUES AND OTHER FINANCING SOURCES UNDER EXPENDITURES AND OTHER FINANCING USES	(3,884)	(11,173)	(15,057)
FUND BALANCES, Beginning of year	<u>54,257</u>	<u>24,021</u>	<u>78,278</u>
FUND BALANCES, End of year	<u>\$ 50,373</u>	<u>\$ 12,848</u>	<u>\$ 63,221</u>

See notes to combined financial statements.

OHIO BUILDING AUTHORITY

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

OPERATING REVENUES:	
Rents	\$ 26,754
Other	<u>2,447</u>
Total operating revenues	<u>29,201</u>
OPERATING EXPENSES:	
Building maintenance and operations	24,319
Utilities	5,074
General administration	3,081
Other	<u>1,388</u>
Total operating expenses	<u>33,862</u>
Operating loss	<u>(4,661)</u>
NONOPERATING REVENUES (EXPENSES):	
State lease payments	25,125
Earnings on investments	1,798
Interest expense and other	<u>(1,926)</u>
Total nonoperating revenues	<u>24,997</u>
Income before operating transfers	20,336
OPERATING TRANSFERS IN	8,108
OPERATING TRANSFERS OUT	<u>(31,621)</u>
NET LOSS	(3,177)
RETAINED EARNINGS, Beginning of year	<u>32,208</u>
RETAINED EARNINGS, End of year	<u>\$ 29,031</u>

See notes to combined financial statements.

OHIO BUILDING AUTHORITY

COMBINED STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from customers:

State operating rent	\$ 22,776
Local operating rent	<u>4,205</u>
Total cash received from customers	26,981

Cash received from quasi-external operating transactions with other funds	1,004
Cash payments to suppliers for goods and services	(32,744)
Cash payments to employees for services	(1,221)
Miscellaneous fees and commissions	<u>2,128</u>

Net cash flows used in operating activities (3,852)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Other cash inflows (BWC debt service lease payments)	15,703
Other cash outflows (BWC principal and interest payments)	<u>(16,209)</u>

Net cash flows used in noncapital financing activities (506)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Principal payments on bonds	(3,039)
Interest paid	(1,882)
Principal receipts on capital leases	3,039
Other cash inflows (state debt service lease payments)	25,125
Other cash inflows (transfers in)	8,108
Other cash outflows (transfers out)	<u>(31,621)</u>

Net cash flows used in capital and related financing activities (270)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	105,437
Purchase of investments	(103,128)
Investment income received	<u>2,281</u>

Net cash flows provided by investing activities 4,590

Net increase in cash and cash equivalents (38)

RESTRICTED AND UNRESTRICTED - BEGINNING OF YEAR 229

RESTRICTED AND UNRESTRICTED - END OF YEAR \$ 191

See notes to combined financial statements.

OHIO BUILDING AUTHORITY

COMBINED STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2000

(DOLLARS IN THOUSANDS)

Operating loss	\$ (4,661)
Adjustments to reconcile operating loss from operations to net cash provided by operating activities:	
Investment income	(503)
Miscellaneous nonoperating expenses	460
Changes in assets and liabilities:	
Decrease in account receivable - other	(11)
Decrease in other assets	(35)
Decrease in deferred revenue	(75)
Increase in accounts payable	<u>973</u>
Net cash flows used by operating activities	<u>\$ (3,852)</u>

OHIO BUILDING AUTHORITY

NOTES TO THE COMBINED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2000

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - The Ohio Building Authority (the Authority), as created under the Ohio Revised Code, consists of five individuals appointed by the Governor with the advice and consent of the Senate. The Authority is an entity, both corporate and politic, of the State of Ohio.

The powers and duties of the Authority are assigned to it by Chapter 152 of the Ohio Revised Code. These powers and duties include the authorization to acquire, purchase, construct, reconstruct, equip, furnish, improve, alter, enlarge, maintain, repair and operate office buildings and related storage and parking facilities for use by departments and agencies of the State of Ohio (and local and federal agencies in certain circumstances) on one or more sites within the State and to issue revenue obligations or other obligations to finance the cost of its projects. In addition, the Authority has been given the power to finance the construction of new, and improvements to, existing arts, sports, correctional, highway safety and transportation facilities. The holders or owners of its obligations are not given the right to require the General Assembly to levy excises or taxes for the payment of debt service on such obligations.

The Authority is a component unit of the State of Ohio (the primary government) which uses funds and account groups to report on its combined financial position and results of its operations. Fund accounting is designed to demonstrate legal compliance and aid financial management by segregating transactions related to certain government functions or activities.

In October 1993, the Authority issued \$214,255,000 of bonds at rates from 3.3% to 5.1%, with payments due through 2014 on behalf of the Bureau of Workers' Compensation (BWC). The Authority acquired title to BWC's facility until the debt is repaid. Since BWC is a proprietary component unit of the State of Ohio, its financial statements report the asset and debt financed through the Authority. Accordingly, the Authority's General Fixed Asset Account Group does not include BWC's facility, and the Authority's Long-Term Obligations Account Group does not include BWC's debt issued by the Authority. The Authority's financial statements include a capital projects and internal service fund to report construction and certain general administrative costs, respectively, related to BWC. At June 30, 2000, \$187,255,000 BWC bonds were outstanding.

Basis of Presentation - Fund Accounting - A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting entity designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect expendable available financial resources. The financial transactions of the Authority are recorded in individual funds that are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate fund types. The Authority uses the following fund types and account groups:

1. Governmental Fund Types

Debt Service - The Debt Service Funds account for the accumulation of resources for the payment of long-term debt principal and interest.

Capital Projects - The Capital Projects Funds account for the acquisition and construction of major capital facilities and for major repairs and replacements other than those financed by Proprietary funds.

2. Proprietary Fund Type

Internal Service Funds - The Internal Service Funds account for the financing of management services provided to other State agencies or Ohio local governments.

3. Accounts Groups

General Fixed Assets - The General Fixed Account Group accounts for fixed assets acquired or constructed for use by the State for general governmental purposes for which title is retained by the Authority (except BWC, as described above).

Long-Term Obligations - The Long-Term Obligations Account Group reflects the Authority's unmatured special obligation bonds and other long-term obligations not required to be accounted for in the Proprietary funds (except BWC, as described above).

Basis of Accounting - The modified accrual basis of accounting has been applied to all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become both measurable and available. "Measurable" means the amount of the transaction can be determined, and "available" means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The State considers revenues available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Funds for payments to be made in the subsequent fiscal year.

The accrual basis of accounting has been applied to Internal Service Funds. Under this method, revenues are recorded when earned, and expenses are recorded when incurred.

The Authority's Internal Service Fund applies all applicable GASB pronouncements and the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements; Financial Accounting Standards Board (FASB)

Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Fixed Assets - General Fixed Assets - General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the General Fixed Assets Account Group. All purchased fixed assets are valued at cost. The costs of normal maintenance and repairs that do not add to the asset value or materially extend an asset's useful life are not capitalized. The cost of major improvements is capitalized. Interest costs associated with the acquisition of general fixed assets are not capitalized.

Assets in the General Fixed Assets Account Group are not depreciated.

Long-Term Obligations - Only that portion expected to be financed from expendable available financial resources is reported as a liability of a governmental fund. The remaining portion of such obligations is reported in the Long-Term Obligations Account Group. Long-term bonds are recognized as a liability of an Internal Service Fund at the date the funds are borrowed.

Interfund Transactions - Operating Transfers - Legally required transfers are reported when incurred as "operating transfers in" by the Receiving Fund and as "operating transfers out" by the Disbursing Fund.

Memorandum Only - Total Columns - Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with accounting principles generally accepted in the United States of America. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in aggregating this data.

Investments - Investments are reported at fair value. Securities are valued at the last sale price on the last business day of the fiscal year, as quoted on a recognized exchange or an industry standard pricing service. The calculation of realized gains is independent of the calculation of the net increase in fair value of investments. Realized gains and losses on investments that had been held in more than one fiscal year and sold in a given year may have been recognized as an increase or decrease in the fair value of investments reported in prior years. In fiscal year 2000, there were no realized gains and losses. The net increase in fair value of investments during 2000 is \$58,000. These amounts take into account all changes in fair value (including purchases and sales) that occur during each respective year. The unrealized appreciation on investments held at June 30, 2000 is \$470,000.

New Accounting Pronouncement - In June, 1999, the GASB issued Statement No. 34, *Basic Financial Statements-and Management, Discussion and Analysis for State and Local Governments*. This statement establishes new financial reporting requirements for state and local governments, which consist of Management's discussion and analysis and required supplementary information. The Authority will be required to implement this statement for the June 30, 2002 annual report. Management has not yet determined the impact of this statement on the Authority.

B. CASH AND INVESTMENTS

Cash includes demand deposits. The bank and financial statement balances of the Authority's unrestricted cash with custodians at June 30, 2000 was \$190,581. These balances were insured by the Federal Deposit Insurance Corporation.

Bond trust agreements authorize the Authority to invest, in general, in (1) U.S. Treasury obligations; (2) U.S. agency obligations; (3) collateralized certificates of deposits and repurchase agreements; (4) obligations of any state or political subdivision of any state of the United States (provided such obligations carry one of the two highest ratings of a nationally recognized rating service, provided further that the interest on such obligations is excluded from gross income for federal tax purposes); and (5) in certain circumstances, any money market fund invested solely in obligations described in clauses (1) and (2) above.

The Authority's investments are categorized below to give an indication of the level of risk assumed by the Authority at June 30, 2000. Category 1 includes investments that are insured or collateralized with securities held by the trustees in the Authority's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the trustees in the Authority's name. Category 3 includes uninsured and unregistered investments (or investments registered in book entry form) for which the securities are held by the broker or dealer, or by the trustees, but are not in the Authority's name.

	<u>Category (in thousands)</u>			Market Value
	1	2	3	
Total categorized investments - U.S. Treasury obligations			<u>\$ 106,185</u>	<u>\$ 106,185</u>

The total market value amount of deposits and investments included in the balance sheet are (in thousands):

	Cash	Investments	Total
Unrestricted assets	\$ 191	\$ 1,712	\$ 1,903
Restricted assets	<u>18</u>	<u>104,502</u>	<u>104,520</u>
Total	<u>\$ 209</u>	<u>\$ 106,214</u>	<u>\$ 106,423</u>

Of the investment balance at June 30, 2000, \$29 (market value) represents non-categorized investments in the State Treasury Asset Reserve.

C. RESTRICTED ASSETS

In general, the trust agreements related to the issuance of the bonds payable established various funds that are used for the deposit and disbursement of cash. Deposits are principally lease receipts, cost reimbursements, interest earnings, and miscellaneous income. Expenditures are principally for project costs, debt service payments, and operating expenses. Deposits to and disbursements from the funds are governed by the provisions of the trust agreements. The trust agreements also require the segregation of specific funds (pledged receipts) as security for the bonds. Certain trust agreements also specify that a required reserve fund be maintained at levels varying from 50% to 100% of the highest annual debt service due during the life of the bonds.

Pledged receipts and required reserves (in thousands) at June 30, 2000 by type of project were:

	Pledged Receipts	Required Reserves (1)
Rhodes State Office Tower	\$ 8,957	
Lausche State Office Building	6,622	\$ 3,156
DiSalle Government Center	18,519	7,347
Ocasek Government Office Building	6,478	1,711
Riffe Center for Government and the Arts	20,777	14,837
State Correctional Facilities	17,399	16,687
State Transportation Facilities	1,557	1,117
Local Jails	2,631	
DAS Data Center	631	
Juvenile Correctional Facilities	5	
Administrative Building Fund Projects	4,972	
Arts and Sports Facilities	66	
Bureau of Workers' Compensation	15,902	10,320
Highway Safety	<u>4</u>	
 Total	 <u><u>\$ 104,520</u></u>	 <u><u>\$ 55,175</u></u>

(1) Required reserves are also included in Pledged Receipts.

D. BONDS AND NOTES PAYABLE

The Authority issues bonds and notes to finance the costs of capital facilities for State departments and agencies and, in some cases, related facilities for local governments. Bonds issued for State agencies are reflected in the financial statements as special obligation bonds and bonds issued for local government facilities are shown as revenue bonds.

Special obligation bonds are collateralized by pledges of lease rental payments from biennial General Fund, Highway Operating Fund, and BWC Administrative Cost Fund appropriations, funds held by trustees pursuant to related trust agreements and other receipts. The leases generally coincide with the state biennium, and are renewable for successive two-year periods until the project bonds are retired.

Lease payments are based upon the estimated debt service and administrative costs. In addition, lease payments from the Department of Administrative Services include reimbursement for building operating costs. However, lease payments are limited to an amount appropriated by the Ohio General Assembly. Under the Ohio Constitution, an appropriation may not be made for more than a two-year period. Currently, appropriations are made on or before July 1 of each odd-numbered year. The appropriations for 2000 are as follows (in thousands):

	Rent	Operations
Ohio Department of Administrative Services - Office/ Administrative Facilities	\$ 89,400	\$ 25,498
Ohio Department of Rehabilitation and Correction - Correctional Facilities	120,900	
Ohio Department of Transportation - Transportation Facilities	18,000	
Ohio Department of Natural Resources - Fountain Square Project	1,087	
Ohio Department of Youth Services - Juvenile Facilities	13,675	
Ohio Arts and Sports Facilities Commission - Arts and Sports Facilities	24,400	
Ohio Department of Public Safety - Highway Safety Bureau of Workers' Compensation	<u>12,600</u> <u>16,209</u>	
Total	<u>\$ 296,271</u>	<u>\$ 25,498</u>

Changes in special obligations long-term debt were as follows (in thousands):

Special obligation bonds outstanding - June 30, 1999	\$2,264,079
Debt issued on behalf of other agencies under legislation enacted by the Ohio General Assembly	250,000
Accretion of deep discount debt	(6,879)
Principal retired	<u>(142,613)</u>
Special obligation bonds outstanding - June 30, 2000	<u>\$2,364,587</u>

Bonds and notes outstanding (in thousands) at June 30, 2000 are as follows:

	Amount of Obligation Issued	Bond Issue Date	Final Maturity Date	Interest Rates	2000 Balance
State Facilities Bonds:					
1985A (Lausche Building)	\$ 36,233	12-1-85	10-1-07	6.0%-9.75%	\$ 5,630
1985A (DiSalle Center)	84,174	12-1-85	10-1-07	6.0%-9.75%	13,059
1985A (Ocasek Building)	19,644	12-1-85	10-1-07	6.0%-9.75%	3,045
1985B (Riffe Center)	13,674	12-1-85	10-1-07	6.0%-9.75%	2,120
1991A (State Transportation)	25,000	5-1-91	9-1-03	6.1%-6.25%	10,060
1991A (Rhodes Tower)	71,105	10-1-91	6-1-11	6.0%	7,305
1992A (Administrative Building)	30,000	5-1-92	10-1-11	5.75%-6.0%	4,085
1992A (State Transportation)	17,000	9-1-92	9-1-07	5.4%-6.1%	9,055
1993A (DAS Data Center)	36,765	1-1-93	10-1-07	5.3%-5.9%	22,760
1993A (Administrative Building)	60,000	3-1-93	4-1-13	5.0%-5.6%	45,375
1993A (Aronoff Center)	35,000	6-1-93	4-1-08	4.85%-5.45%	21,660
1993A (Arts Facilities)	10,000	6-1-93	4-1-08	4.85%-5.45%	6,150
1994A (DNR Fountain Square)	9,290	1-1-94	4-1-09	4.1%-5.00%	7,865
1994A (Riffe Center)	96,405	1-1-94	4-1-09	4.1%-5.75%	78,290
1994A (Administrative Building)	80,000	9-15-94	10-1-11	5.2%-6.15%	62,545
1994A (State Transportation)	25,000	12-1-94	9-1-09	4.4%-6.5%	16,650
1994A (Highway Safety)	10,000	9-15-94	10-1-09	5.2%-6.0%	7,460
1995A (Administrative Building)	60,000	12-1-95	10-1-10	4.35%-6.0%	45,255
1996A (Arts Facilities)	10,000	4-1-96	10-1-05	4.6%-5.0%	6,800
1996A (Highway Safety)	18,200	4-1-96	9-1-10	4.4%-6.0%	14,865
1996A (State Transportation)	26,800	4-1-96	9-1-10	4.4%-6.0%	19,640
1996A (DiSalle Center)	38,570	8-15-96	10-1-05	5.0%-6.0%	26,090
1996A (Lausche Building)	16,545	8-15-96	10-1-05	5.0%-6.0%	11,180
1996A (Ocasek Building)	9,215	8-15-96	10-1-05	4.5%-5.0%	6,185
1996A (Riffe Center)	6,045	8-15-96	10-1-05	4.5%-5.0%	4,060
1997A (Administrative Building)	85,000	1-15-97	10-1-11	4.6%-5.5%	72,780
1997A (Arts Facilities)	40,000	1-15-97	10-1-06	4.5%-5.5%	30,005
1997A (Sports Facilities)	37,000	1-15-97	10-1-11	4.4%-5.375%	31,510
1997A (Highway Safety)	75,000	4-1-97	10-1-11	4.75%-6.0%	64,220
1998A (Administrative Building)	130,000	1-15-98	10-1-17	4.0%-5.375%	121,950
1998B (Administrative Building)	19,545	1-15-98	10-1-10	4.0%-5.25%	16,755
1998A (DAS Data Center)	15,605	1-15-98	10-1-10	4.0%-5.25%	13,370
1998A (State Transportation)	12,000	3-15-98	9-1-07	4.25%-4.50%	9,600
1998B (State Transportation)	34,800	3-15-98	9-1-07	4.25%-5.00%	28,900
1998A (Rhodes Tower)	43,735	9-15-98	6-1-11	4.0%-5.25%	42,410
1999A (Arts Facility)	75,000	3-15-99	10-1-08	5.00%	69,070
1999A (Sports Facilities)	39,000	3-15-99	10-1-13	4.0%-5.25%	37,090
1999A Administrative Building	100,000	5-15-99	10-1-18	4.0%-5.375%	96,160
1999B Administrative Building	18,930	5-15-99	10-1-11	3.5%-4.50%	18,610

Bonds and notes outstanding (in thousands) at June 30, 2000 are as follows (continued):

	Amount of Obligation Issued	Bond Issue Date	Final Maturity Date	Interest Rates	2000 Balance
State Correctional Facilities Bonds:					
1985C	\$160,000	12-1-85	1-1-05	9.75%	\$ 7,154
1991A	58,745	4-1-91	10-1-04	6.25%-6.50%	53,520
1993A	69,970	1-1-93	10-1-08	5.3%-6.00%	43,734
1994A	212,665	1-1-94	4-1-07	4.2%-4.85%	128,664
1996A	69,540	12-1-96	10-1-09	5.0%-6.0%	55,390
1992A (Adult Correctional)	30,000	5-1-92	10-1-11	5.75%-6.3%	21,740
1993A (Adult Correctional)	100,000	1-1-93	10-1-12	5.3%-6.125%	75,955
1994A (Adult Correctional)	125,000	3-15-94	4-1-14	5.10%-6.125%	100,525
1995A (Adult Correctional)	100,000	2-1-95	10-1-14	5.3%-5.95%	84,740
1996A (Adult Correctional)	85,000	4-1-96	4-1-16	4.70%-6.00%	74,175
1997A (Adult Correctional)	110,000	4-1-97	4-1-17	4.75%-6.0%	99,790
1998A (Adult Correctional)	100,000	3-15-98	10-1-18	5.0%-5.50%	93,850
1999A (Adult Correctional)	150,000	7-1-99	10-1-18	4.5%-5.50%	147,590
2000A (Adult Correctional)	100,000	6-1-00	4-1-15	4.5%-5.75%	100,000
1992A (Juvenile Correctional)	20,000	1-1-92	10-1-11	5.80 %	2,750
1992B (Juvenile Correctional)	43,000	9-1-92	10-1-12	5.4%-6.30%	7,665
1994A (Juvenile Correctional)	50,000	12-1-94	10-1-14	5.6%-6.50%	12,405
1999A (Juvenile Correctional)	50,000	2-1-99	10-1-18	3.1%-5.25%	48,325
1999B (Juvenile Correctional)	70,790	2-1-99	10-1-14	3.1%-5.25%	69,144
Local Jail Grant Bonds:					
1994A	43,305	1-1-94	4-1-09	4.1%-4.95%	35,030
Capital Appreciation Bond Accreted Values					21,990
Unamortized bond discount					<u>(360)</u>
Total bonds outstanding					<u>\$2,393,395</u>

State Facilities Bonds, State Correctional Facilities Bonds and Local Jail Grant Bonds maturing on or after specified dates are subject to redemption prior to maturity, in whole or in part, in inverse order of maturity. The redemption price varies from 103% to 100% dependent upon the terms of the particular series of the bonds and the date redeemed.

The maturities (in thousands) for all of the Authority's bonds and notes for the fiscal years ending June 30 are as follows:

	General Long-Term Obligations Account Group		Internal Service Funds	
	Principal	Interest	Principal	Interest
2000	\$ 156,005	\$ 124,726	\$ 3,194	\$ 1,728
2001	171,126	113,548	3,359	1,565
2002	179,969	104,679	3,531	1,394
2003	189,765	95,249	3,730	1,196
2004	191,697	92,913	2,478	2,446
Thereafter	1,456,927	403,076	9,988	2,512
Capital Appreciation Bond Accreted Values	19,102		2,888	
Unamortized bond discount			(360)	
Total	<u>\$2,364,591</u>	<u>\$ 934,191</u>	<u>\$28,808</u>	<u>\$ 10,841</u>

In prior years, the Authority has refunded various bonds by issuing refunding bonds. The proceeds of refunding bond issues were used to purchase U.S. Government securities in amounts sufficient, without further investment, to pay, when due, the principal and interest on the bonds being refunded. The U.S. Government securities referred to above are placed with an escrow agent pursuant to the terms of related escrow agreements. The escrow agents are responsible for future debt service on the refunded bonds until they are fully retired. The funding of the escrow agreements defeased the related trust agreements and, accordingly, escrow accounts assets and the related outstanding principal balance of the refunded bonds are not reflected in the accompanying combined financial statements.

For the year ended June 30, 2000, the Authority had no bond refundings.

The bond issues refunded in prior years and the remaining principal outstanding at June 30, 2000 are as follows (in thousands):

Issue Refunded	Balance Outstanding
1982A (Riffe Government Center)	\$ 83,950
1990A (Transportation Facilities)	30,050
1991A (Administrative Facilities)	17,460
1991A (DAS Data Center Project)	13,985
1991A (Rhodes Office Tower)	41,050
1992A (Administrative Buildings)	17,655
1992A (Juvenile Corrections)	11,905
1992B (Juvenile Corrections)	25,225
1994A (Juvenile Corrections)	<u>29,985</u>
Total	<u>\$ 271,265</u>

E. DEFINED BENEFIT PENSION PLAN

The Ohio Building Authority contributes to the Public Employees Retirement System of Ohio (PERS) a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio Revised Code. PERS issues a publicly available financial report that includes financial information for the plan. That report may be obtained by writing to PERS, 277 East Town Street, Columbus, Ohio 43215-4642.

Plan members are required to contribute 8.5% of their annual covered salary, while employers are required to contribute 13.31%. The Authority's contribution to PERS for the year ended June 30, 2000, June 30, 1999 and June 30, 1998, respectively, was \$165,101, \$158,734, and \$153,321 which equals the required contribution.

F. OTHER POSTEMPLOYMENT BENEFITS

PERS provides postemployment health care benefits to age and service retirants who retire with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability retirants is also available. As of December 31, 1999, there were 118,062 benefit recipients eligible for postemployment healthcare benefits.

The Authority and all employees are required by Chapter 145 of the ORC to contribute to PERS. A portion of each employer's contribution is set aside to fund postemployment health care benefits. Such contributions, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to sustain the program indefinitely. Of the 13.31% of employee payroll contributed by the Authority, 4.2% or approximately \$52,099 was the portion used to fund health care expenses.

G. GENERAL FIXED ASSETS

Various legislative bills, enacted by the Ohio General Assembly, revised the administrative procedures and financial responsibility for certain capital outlays financed from debt proceeds. Under the revised procedures, certain debt proceeds are deposited with the Treasurer of State rather than with a trustee selected by the Authority. Capital outlays that are funded from the proceeds are authorized by the agency for which the asset is being constructed. Assets thus constructed are titled to State agencies other than the Authority and are excluded from the fixed asset account group; these assets are reflected below as a net asset transfer out of Construction in Progress. Following is a summary of the Authority's fixed asset group (in thousands):

	<u>Land</u>	<u>Buildings</u>	<u>Total</u>
June 30, 1999 balance	<u>\$ 12,126</u>	<u>\$ 276,556</u>	<u>\$ 288,682</u>
June 30, 2000 balance	<u>\$ 12,126</u>	<u>\$ 278,143</u>	<u>\$ 290,269</u>

H. LEASES RECEIVABLE

The Authority has entered into long-term lease agreements for office space under financing leases for the DiSalle and Ocasek buildings with the cities of Toledo and Akron, respectively, and the counties of Lucas and Summit, respectively. These governments are charged a pro rata share of the buildings' debt service and operating costs based on the square footage occupied. A schedule of future payments due, net of executory costs, is as follows (in thousands):

Fiscal Year Ending June 30:	Lease Payments Due
2001	\$ 5,001
2002	5,008
2003	5,012
2004	5,036
2005	4,187
Thereafter	<u>16,670</u>
Total minimum lease payments	40,914
Less: amount representing interest	<u>(14,633)</u>
 Present value of minimum lease payments to be received	 <u><u>\$ 26,281</u></u>

I. INTERFUND PAYABLES AND RECEIVABLES

Amounts due to and from other projects at June 30, 2000 were as follows (in thousands):

	Projects	Projects
Rhodes State Office Tower	\$ (64)	
Lausche State Office Building		\$ 7
DiSalle Government Office Building		17
Ocasek Government Office Building		17
Riffe Government Center		8
State Correctional Facilities		34
State Transportation Facilities		3
DAS Data Center		1
DNR Fountain Square		
Administrative Fund Projects	(4)	
Juvenile Facilities		
Custodial Fund	(7)	
Workers' Compensation	(1)	
Highway Safety	(2)	
Arts and Sports Facilities	<u>(9)</u>	<u> </u>
 Total	 <u><u>\$ (87)</u></u>	 <u><u>\$ 87</u></u>

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OHIO BUILDING AUTHORITY

**COMBINING BALANCE SHEET - DEBT SERVICE FUNDS
AS OF JUNE 30, 2009 (DOLLARS IN THOUSANDS)**

ASSETS	Rhodes State Office Tower	Lausche State Office Building	DISalle Government Office Building	Ocseak Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	Administrative Fund Projects	Juvenile Correctional Facilities	Arts and Sports Facilities	Highway Safety	Total
RECEIVABLES - Interest	\$ 83	\$ 35	\$ 45	\$ 389	\$ 78	\$ 39							\$ 669
RESTRICTED ASSETS:													
Cash	\$ 11												
Investments	<u>21</u>	<u>7,800</u>	<u>1,848</u>	<u>15,353</u>	<u>20,031</u>	<u>1,557</u>	<u>3</u>	<u>41</u>	<u>4</u>	<u>11</u>	<u>3</u>	<u>18</u>	<u>50,007</u>
TOTAL ASSETS	<u>\$ 32</u>	<u>\$ 7,835</u>	<u>\$ 1,893</u>	<u>\$ 15,742</u>	<u>\$ 20,109</u>	<u>\$ 1,596</u>	<u>3</u>	<u>41</u>	<u>5</u>	<u>11</u>	<u>4</u>	<u>4</u>	<u>\$ 50,694</u>
LIABILITIES AND FUND BALANCE													
LIABILITIES - Accrued Interest													\$ 321
FUND BALANCE RESERVED FOR DEBT SERVICE	<u>\$ 32</u>	<u>\$ 7,835</u>	<u>\$ 1,893</u>	<u>\$ 15,742</u>	<u>19,788</u>	<u>1,596</u>	<u>3</u>	<u>41</u>	<u>5</u>	<u>11</u>	<u>4</u>	<u>4</u>	<u>50,373</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 32</u>	<u>\$ 7,835</u>	<u>\$ 1,893</u>	<u>\$ 15,742</u>	<u>\$ 20,109</u>	<u>\$ 1,596</u>	<u>3</u>	<u>41</u>	<u>5</u>	<u>11</u>	<u>4</u>	<u>4</u>	<u>\$ 50,694</u>

OHIO BUILDING AUTHORITY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

	Rhodes State Tower	Lausche State Office Building	DiSalle Government Office Building	Ocasek Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	ODNR Fountain Square	Administrative Fund Projects	Juvenile Correctional Facilities	Arts and Sports Facilities	Highway Safety	Total
REVENUES:														
State lease payments	\$ 42	\$ 215	\$ 451	\$ 118	\$ 1,019	\$ 118,707	\$ 15,475	\$ 5,191	\$ 1,065	\$ 48,775	\$ 13,251	\$ 27,205	\$ 10,086	\$ 239,755
Earnings on investments						1,202	127	12	2	123	15	102	13	3,441
Total revenues	<u>42</u>	<u>215</u>	<u>451</u>	<u>118</u>	<u>1,019</u>	<u>119,909</u>	<u>15,602</u>	<u>5,203</u>	<u>1,067</u>	<u>48,898</u>	<u>13,266</u>	<u>27,307</u>	<u>10,099</u>	<u>243,196</u>
EXPENDITURES -														
Debt Service:														
Principal	3,675	1,945	1,763	803	10,360	57,112	10,380	3,170	690	24,220	6,200	16,970	5,325	142,613
Interest	2,624	1,213	1,101	457	4,315	63,785	5,198	2,032	377	24,658	7,072	10,388	4,780	128,000
Total expenditures	<u>6,299</u>	<u>3,158</u>	<u>2,864</u>	<u>1,260</u>	<u>14,675</u>	<u>120,897</u>	<u>15,578</u>	<u>5,202</u>	<u>1,067</u>	<u>48,878</u>	<u>13,272</u>	<u>27,358</u>	<u>10,105</u>	<u>270,613</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(6,257)</u>	<u>(2,943)</u>	<u>(2,413)</u>	<u>(1,142)</u>	<u>(13,656)</u>	<u>(988)</u>	<u>24</u>	<u>1</u>		<u>20</u>	<u>(6)</u>	<u>(51)</u>	<u>(6)</u>	<u>(27,417)</u>
OTHER FINANCING SOURCES (USES):														
Transfers in	6,270	3,665	3,343	1,551	16,789	7				(148)	(1)			31,624
Transfers out		(655)	(3,151)	(359)	(3,655)	(123)								(8,091)
Total other financing sources (uses)	<u>6,270</u>	<u>3,010</u>	<u>192</u>	<u>1,192</u>	<u>13,134</u>	<u>(116)</u>				<u>(148)</u>	<u>(1)</u>			<u>23,533</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>13</u>	<u>67</u>	<u>(2,221)</u>	<u>50</u>	<u>(522)</u>	<u>(1,104)</u>	<u>24</u>	<u>1</u>		<u>(128)</u>	<u>(7)</u>	<u>(51)</u>	<u>(6)</u>	<u>(3,884)</u>
FUND BALANCES, Beginning of year	<u>19</u>	<u>3,356</u>	<u>10,056</u>	<u>1,843</u>	<u>16,264</u>	<u>20,892</u>	<u>1,572</u>	<u>2</u>		<u>169</u>	<u>12</u>	<u>62</u>	<u>10</u>	<u>54,257</u>
FUND BALANCES, End of year	<u>32</u>	<u>3,423</u>	<u>7,835</u>	<u>1,893</u>	<u>15,742</u>	<u>19,788</u>	<u>1,596</u>	<u>3</u>		<u>41</u>	<u>5</u>	<u>11</u>	<u>4</u>	<u>50,373</u>

OHIO BUILDING AUTHORITY

**COMBINING BALANCE SHEET - CAPITAL PROJECT FUNDS
AS OF JUNE 30, 2000 (DOLLARS IN THOUSANDS)**

ASSETS	Lausche State Office Building	Ocasek Government Office Building	DAS Data Center	Administrative Fund Projects	Arts and Sports Facilities	Bureau of Workers' Compensation	Total
RECEIVABLES - Interest		\$ 7	\$ 3	\$ 44		\$ 123	\$ 177
RESTRICTED ASSETS - Investments	\$ 33	<u>1,505</u>	<u>629</u>	<u>4,931</u>	\$ 35	<u>5,538</u>	<u>12,671</u>
TOTAL ASSETS	\$ 33	<u>\$1,512</u>	<u>\$632</u>	<u>\$4,975</u>	<u>\$ 35</u>	<u>\$5,661</u>	<u>\$12,848</u>
LIABILITIES AND FUND BALANCE							
LIABILITIES							
FUND BALANCE - Reserved for Capital Projects	\$ 33	\$1,512	\$632	\$4,975	\$ 35	\$5,661	\$12,848
TOTAL LIABILITIES AND FUND BALANCE	\$ 33	<u>\$1,512</u>	<u>\$632</u>	<u>\$4,975</u>	<u>\$ 35</u>	<u>\$5,661</u>	<u>\$12,848</u>

OHIO BUILDING AUTHORITY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECT FUNDS FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

	Lausche State Office Building	Ocasek Government Office Building	State Correctional Facilities	DAS Data Center	Administrative Fund Projects	Arts and Sports Facilities	Bureau of Workers' Compensation	Total
REVENUES - Earnings on investments	\$ 29	\$ 68		\$ 83	\$ 288	\$ 2	\$ 357	\$ 827
EXPENDITURES - Capital outlay	<u>1,586</u>			<u>502</u>	<u>1,566</u>		<u>5,365</u>	<u>9,019</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,557)</u>	<u>68</u>		<u>(419)</u>	<u>(1,278)</u>	<u>2</u>	<u>(5,008)</u>	<u>(8,192)</u>
OTHER FINANCING SOURCES (USES):								
Bonds proceeds			\$ 252,269					252,269
Transfers out	(17)		(5)	(2,959)				(22)
Transfers to other State Agencies			<u>(252,269)</u>	<u>(2,959)</u>				<u>(255,228)</u>
Total other financing sources (uses)	<u>(17)</u>		<u>(5)</u>	<u>(2,959)</u>				<u>(2,981)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(1,574)</u>	<u>68</u>	<u>(5)</u>	<u>(3,378)</u>	<u>(1,278)</u>	<u>2</u>	<u>(5,008)</u>	<u>(11,173)</u>
FUND BALANCES, Beginning of year	<u>1,607</u>	<u>1,444</u>	<u>5</u>	<u>4,010</u>	<u>6,253</u>	<u>33</u>	<u>10,669</u>	<u>24,021</u>
FUND BALANCES, End of year	<u>\$ 33</u>	<u>\$ 1,512</u>	<u>\$</u>	<u>\$ 632</u>	<u>\$ 4,975</u>	<u>\$ 35</u>	<u>\$ 5,661</u>	<u>\$ 12,848</u>

OHIO BUILDING AUTHORITY

**COMBINING BALANCE SHEET - INTERNAL SERVICE FUNDS
AS OF JUNE 30, 1999 (DOLLARS IN THOUSANDS)**

	Rhodes State Tower	Lausche State Office Building	DiSalle Government Office Building	Ocasek Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	ODNR Fountain Square	Administrative Fund Projects	Custodial Fund	Juvenile Correctional Facilities	Arts and Sports Facilities	Bureau of Workers' Compensation	Highway Safety	Total
ASSETS																
CASH						\$ 324	\$ 40	\$ 76	\$ 20	\$ 96	\$ 191	\$ 936	\$ 84	\$ 87	\$ 20	\$ 191
INVESTMENTS											29					1,712
RECEIVABLES:																
Leases			\$23,881	\$2,400												26,281
Interest	\$ 40	\$ 14	53	14	\$ 23	2										147
Due from other projects		7	17	17	8	34	3	1								87
Other	56	314	971	171	11											1,523
RESTRICTED ASSETS - Investments	8,924	3,249	10,717	3,127	5,424							20	20	10,363		41,824
OTHER ASSETS	106	50	52	23	93								24	28		376
TOTAL ASSETS	<u>\$9,126</u>	<u>\$3,634</u>	<u>\$35,691</u>	<u>\$5,752</u>	<u>\$5,539</u>	<u>\$3,600</u>	<u>\$43</u>	<u>\$77</u>	<u>\$20</u>	<u>\$96</u>	<u>\$220</u>	<u>\$936</u>	<u>\$129</u>	<u>\$10,478</u>	<u>\$20</u>	<u>\$72,141</u>
LIABILITIES AND RETAINED EARNINGS																
LIABILITIES:																
Accounts payable	\$1,182	\$ 196	\$ 293	\$ 246	\$ 826	\$ 36				\$ 4	\$213	\$378	\$ 9	\$10,393	\$ 2	\$13,885
Due to other projects	64										7			1		378
Deferred revenue			26,209	2,599												28,808
Revenue bonds payable			413	39												452
Accrued interest																
Total liabilities	1,246	196	26,915	2,884	826	36				4	220	378	9	10,394	2	43,110
RETAINED EARNINGS	7,880	3,438	8,776	2,868	4,733	324	\$ 43	\$ 77	\$ 20	92		558	120	84	18	29,031
TOTAL	<u>\$9,126</u>	<u>\$3,634</u>	<u>\$35,691</u>	<u>\$5,752</u>	<u>\$5,539</u>	<u>\$3,600</u>	<u>\$43</u>	<u>\$77</u>	<u>\$20</u>	<u>\$96</u>	<u>\$220</u>	<u>\$936</u>	<u>\$129</u>	<u>\$10,478</u>	<u>\$20</u>	<u>\$72,141</u>

OHIO BUILDING AUTHORITY

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - INTERNAL SERVICE FUNDS FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

	Rhodes State Tower	Lausche State Office Building	Disalle Government Office Building	Ocasak Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	ODNR Fountain Square	Administrative Fund Projects	Juvenile Correctional Facilities	Arts and Sports Facilities	Bureau of Workers' Compensation	Highway Safety	Total	
OPERATING REVENUES:																
Rents	\$ 7,216	\$ 3,574	\$ 5,830	\$ 2,006	\$ 6,423	\$ 475	\$ 75	\$ 10	\$ 75	\$ 200	\$ 75	\$ 775	\$ 75	\$ 20	\$ 26,754	
Other	748	558	587	20	534										2,447	
Total operating revenues	<u>7,964</u>	<u>4,132</u>	<u>6,417</u>	<u>2,026</u>	<u>6,957</u>	<u>475</u>	<u>75</u>	<u>10</u>	<u>75</u>	<u>200</u>	<u>75</u>	<u>775</u>	<u>75</u>	<u>20</u>	<u>29,201</u>	
OPERATING EXPENSES:																
Building maintenance and operations	7,033	2,610	4,836	2,805	6,385							650			24,319	
Utilities	1,783	689	928	357	1,317										5,074	
General administration	761	203	203	159	627	528	52	14	73	289		132	30	29	3,081	
Other	416	245	321	20	359								27		1,388	
Total operating expenses	<u>9,993</u>	<u>3,706</u>	<u>6,288</u>	<u>3,341</u>	<u>8,688</u>	<u>528</u>	<u>52</u>	<u>14</u>	<u>73</u>	<u>289</u>	<u>73</u>	<u>782</u>	<u>57</u>	<u>29</u>	<u>33,862</u>	
Operating income (loss)	<u>(2,029)</u>	<u>426</u>	<u>129</u>	<u>(1,315)</u>	<u>(1,731)</u>	<u>(53)</u>	<u>23</u>	<u>(22)</u>	<u>(4)</u>	<u>(89)</u>	<u>2</u>	<u>(7)</u>	<u>18</u>	<u>(9)</u>	<u>(4,661)</u>	
NONOPERATING REVENUES (EXPENSES):																
State lease payments	5,768	2,833	2,664	998	12,862	12	1	4	1	2	40	9	1	1	25,125	
Earnings on investments	540	188	499	187	313										1,798	
Interest expense			(1,710)	(166)											(1,876)	
Other		(49)													(50)	
Total nonoperating revenues	<u>6,308</u>	<u>2,972</u>	<u>1,453</u>	<u>1,019</u>	<u>13,175</u>	<u>12</u>	<u>1</u>	<u>4</u>	<u>1</u>	<u>1</u>	<u>40</u>	<u>9</u>	<u>1</u>	<u>1</u>	<u>24,997</u>	
INCOME (LOSS) BEFORE OPERATING TRANSFERS	4,279	3,398	1,582	(296)	11,444	(41)	24	(18)	(3)	(88)	42	2	19	(8)	20,336	
OPERATING TRANSFERS IN		672	3,151	359	3,656	123				147					8,108	
OPERATING TRANSFERS OUT	(6,270)	(3,665)	(3,345)	(1,551)	(16,789)		(1)								(31,621)	
Net income (loss)	(1,991)	405	1,388	(1,488)	(1,689)	82	23	(18)	(3)	59	42	2	19	(8)	(3,177)	
RETAINED EARNINGS - Beginning of year	9,871	3,033	7,388	4,356	6,422	242	20	95	23	33	516	118	65	26	32,208	
RETAINED EARNINGS - End of year	<u>\$ 7,880</u>	<u>\$ 3,438</u>	<u>\$ 8,776</u>	<u>\$ 2,868</u>	<u>\$ 4,733</u>	<u>\$ 324</u>	<u>\$ 43</u>	<u>\$ 77</u>	<u>\$ 20</u>	<u>\$ 92</u>	<u>\$ 558</u>	<u>\$ 120</u>	<u>\$ 84</u>	<u>\$ 18</u>	<u>\$ 29,031</u>	

OHIO BUILDING AUTHORITY

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)

	Rhodes State Office Tower	Lausche State Office Building	D/Sale Government Office Building	Ocasiek Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	ODNR Fountain Square	Administrative Fund Projects	Custodial Fund	Juvenile Correctional Facilities	Arts and Sports Facilities	Bureau of Workers' Compensation	Highway Safety	Total
CASH FLOWS FROM OPERATING ACTIVITIES:																
Cash received from customers:	\$ 7,216	\$ 3,575	\$ 2,516	\$ 1,417	\$ 6,422	\$ 475	\$ 75	\$ 10	\$ 10	\$ 200	\$ 1,004	\$ (75)	\$ 775	\$ 75	\$ 20	\$ 22,776
State operating rent		3,575	3,610	595	6,422	475	75		10	200			775	75	20	4,205
Local operating rent			6,126	2,012												26,981
Total cash received from customers											\$ 1,004					1,004
Cash received from quasi-external operating transactions with other funds											(444)					(32,744)
Cash payments to suppliers for goods and services	(8,907)	(3,862)	(6,302)	(3,280)	(8,042)	(492)	(53)	(22)	(15)	(289)			(810)	(27)	(29)	(1,221)
Cash payments to employees for services	(440)				(337)											
Other operating cash receipts:																
Miscellaneous fees and commissions	765	248	558	18	539											2,128
Other receipts	(8,882)	(3,614)	(5,744)	(3,562)	(7,840)	(492)	(53)	(22)	(15)	(289)	21	(75)	(810)	(27)	(29)	(30,833)
Total other operating cash receipts	(1,366)	(39)	382	(1,250)	(1,418)	(17)	22	(22)	(5)	(89)	21	(75)	(35)	48	(9)	(3,852)
Net cash flows provided (used) by operating activities																
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:																
Other cash inflows (BWC debt service lease payments)														15,703		15,703
Other cash outflows (BWC principal and interest payments)														(16,209)		(16,209)
Net cash flows provided (used) by noncapital financing activities														(506)		(506)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:																
Principal payments on bonds																(3,039)
Interest paid																(1,882)
Principal receipts on capital leases																3,039
Other cash inflows (state debt service lease payments)	5,768	2,833	2,664	998	12,862	123				147						25,125
Other cash inflows (transfers in)		672	3,151	359	3,656											8,108
Other cash outflows (transfers out)	(6,270)	(3,666)	(3,344)	(1,551)	(16,790)											(31,621)
Net cash flows provided (used) by capital and related financing activities	(502)	(161)	750	(355)	(272)	123				147						(270)
CASH FLOWS FROM INVESTING ACTIVITIES:																
Proceeds from sales and maturities of investments	15,706	9,569	10,112	5,169	26,782	464	54	22	15	163		75	475	37,402	29	105,437
Purchase of investments	(13,974)	(9,553)	(11,746)	(3,783)	(25,407)	(580)	(77)	(4)	(11)	(223)	(2)	(40)	(449)	(37,458)	(21)	(103,128)
Investment income received	536	184	478	182	312	10	1	4	1	2	2	40	9	514	1	2,281
Net cash flows provided (used) by investing activities	1,868	200	(1,156)	1,573	1,687	(106)	(22)	22	5	(58)		75	35	458	9	4,590
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS											21					(38)
RESTRICTED AND UNRESTRICTED, BEGINNING OF YEAR											170					229
RESTRICTED AND UNRESTRICTED, END OF YEAR											\$ 191					\$ 191

OHIO RUII DING AII THORITY

**COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2000 (DOLLARS IN THOUSANDS)**

	Rhodes State Office Tower	Lauseche State Office Building	DI SAlle Government Office Building	Ocasek Government Office Building	Riffe Government Center	State Correctional Facilities	State Transportation Facilities	DAS Data Center	ODNR Fountain Square	Administrative Fund Projects	Custodial Fund	Juvenile Correctional Facilities	Arts and Sports Facilities	Bureau of Workers' Compensation	Highway Safety	Total
Operating income (loss)	\$ (2,029)	\$ 426	\$ 129	\$ (1,315)	\$ (1,731)	\$ (53)	\$ 23	\$ (22)	\$ (4)	\$ (89)	\$ 21	\$ 2	\$ (7)	\$ 18	\$ (9)	\$ (4,661)
Adjustments to reconcile operating income (loss) from operations to net cash provided by operating activities:																
Investment income																
Miscellaneous nonoperating expenses		(46)												(503)		(503)
Changes in assets and liabilities:																
(Increase) decrease in account receivable - other	17	(307)	268	5	6											(11)
Decrease in other assets	(12)	2	(6)	(4)	(9)											(35)
Increase in deferred revenue												(75)				(75)
Increase (decrease) in accounts payable	658	(114)	(9)	64	316	36	(1)		(1)		21	(2)	(23)	30		973
Net cash flow provided (used) by operating activities	\$ (1,366)	\$ (39)	\$ 382	\$ (1,250)	\$ (1,418)	\$ (17)	\$ 22	\$ (22)	\$ (5)	\$ (89)	\$ 21	\$ (75)	\$ (35)	\$ 48	\$ (9)	\$ (3,852)

OHIO BUILDING AUTHORITY

COMBINING BALANCE SHEET - GENERAL FIXED ASSET ACCOUNT GROUP AS OF JUNE 30, 2000 (DOLLARS IN THOUSANDS)

ASSETS	Rhodes State Office Tower	Lausche State Office Building	DiSalle Government Office Building	Ocasek Government Office Building	Riffe Government Center	Total
Land	\$ 2,706	\$ 922	\$ 1,356	\$ 714	\$ 6,428	\$ 12,126
Building	<u>76,890</u>	<u>33,044</u>	<u>19,480</u>	<u>16,947</u>	<u>131,782</u>	<u>278,143</u>
Total assets	<u>\$79,596</u>	<u>\$33,966</u>	<u>\$20,836</u>	<u>\$17,661</u>	<u>\$138,210</u>	<u>\$290,269</u>
OTHER CREDITS						
INVESTMENT IN GENERAL FIXED ASSETS	<u>\$79,596</u>	<u>\$33,966</u>	<u>\$20,836</u>	<u>\$17,661</u>	<u>\$138,210</u>	<u>\$290,269</u>



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED UPON THE AUDIT PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To The Members of
The Ohio Building Authority and
The Honorable Jim Petro, Auditor of the State of Ohio:

We have audited the combined financial statements of the Ohio Building Authority (the Authority) as of and for the year ended June 30, 2000, and have issued our report thereon dated August 25, 2000. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether the Authority's combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit, we considered the Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the combined financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Directors and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

DELOITTE & TOUCHE LLP

August 25, 2000



STATE OF OHIO
OFFICE OF THE AUDITOR

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OHIO BUILDING AUTHORITY

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
NOVEMBER 14, 2000