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## Ohio now 'stable' financially, Moody's rating service says

By Darrel Rowland

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Ohio's improving economy caused one of the country's major financial rating services to remove a "negative" yesterday from the state's fiscal outlook.

Moody's upgraded Ohio to a "stable" outlook, as Standard and Poor's did last summer.

"The revision of Ohio's outlook to stable from negative is based on the modest improvement in the state's financial position that is expected to continue, given favorable fiscal 2012 revenue performance," Moody's said. "The outlook also reflects the expectation that the state will return to structural balance in fiscal 2013 and continue to replenish reserves with surplus revenues.

"The stable outlook also reflects the expectation that Ohio's economy and demographics will continue to stabilize, given recent growth in manufacturing, health care and energy exploration."

Gov. John Kasich said Ohio officials were able to convince Moody's that the state is no longer overly reliant on manufacturing, especially the auto industry.

"The ability to show them Ohio is not a one-trick pony matters," he said.

Moody's warned that the state still suffers from a "lack of certain best financial management practices" and the Ohio economy "remains vulnerable to high gas prices and external disruptions, given manufacturing industry exposure."

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