

Treasurer of State

House Agriculture and Development Subcommittee

*Ruhaiza Ridzwan, Economist
Legislative Service Commission*

March 29, 2007

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LSC Redbook

for the

Treasurer of State

House Agriculture and Development Subcommittee

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Legislative Service Commission

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Catalog of Budget Line Items
LSC Budget Spreadsheet By Line Item

March 29, 2007

Treasurer of State

- The Treasurer of State collects, invests, and protects state funds
- The Treasurer of State uses GRF money, fees, interest earnings, and other funds

OVERVIEW

The Treasurer of State collects, invests, and protects state funds. The Treasurer's Office functions as a custodian of the public's money, manager of the state's investment portfolio, and collector of taxes and fees. The Treasurer of State is a constitutional officer elected to a four-year term. The Treasurer of State also serves as chairman of the State Board of Deposits and member of the Commissioners of the Sinking Fund. Currently, the Treasurer of State employs approximately 154 full-time equivalent employees and six interns. The major responsibilities of the Treasurer of State can be summarized in the following areas.

Collections and Banking Services

The Treasurer of State manages banking services for all state agencies, clearing and reconciling transactions, and collects various state taxes, court fees, and fines on behalf of certain state entities. Annually, the Treasurer of State collects over \$17.4 billion of various state taxes, court fees, and fines. Currently, most of these collections are paid electronically through electronic funds transfer (EFT). The Treasurer's Office also handles automated clearinghouse (ACH) and credit card transactions on behalf of state entities.

Investment Services

The Treasurer of State manages and invests over \$13.2 billion in total assets¹ of the three state's investment portfolios – Regular Account, Ohio Lottery Deferred Prizes Trust Fund, and STAR Ohio. The types of financial instruments that the State Treasurer may invest in are statutorily defined in the Ohio Revised Code.

The Regular Account contains money from the General Revenue Fund and other moneys held on behalf of various state agencies.

The Ohio Subdivision's Fund, commonly referred to as STAR Ohio, is a Standard's and Poor's AAA rated investment alternative created for eligible governmental subdivisions as defined in section 135.45 (E)(2) of the Ohio Revised Code. The investment pool is managed by the Treasurer's investment staff. It is similar in concept to money market mutual funds. This alternative investment pool allows its participants to invest in an affordable, convenient, and diversified pool of high quality short-term assets. On February 28, 2007, the fund had a total of over \$5.1 billion in assets with a monthly average yield of 5.16%. In February 2007, over 1,600 local subdivisions, statewide, participated in the fund with 3,166 accounts² (school districts have the highest number of accounts, 1,027 or 37% of the total, while the remaining accounts belong to state custodial funds, cities, counties, townships, villages, libraries, and

¹ Market value as of February 28, 2007 ~ Regular Account, \$7.4 billion; Ohio Lottery DPTF, \$0.72 billion; and STAR Ohio, \$5.1 billion.

² Participants may have more than one account in STAR Ohio at a particular time.

some public hospitals). Currently, the portfolio is invested in U.S. government obligations, U.S. government agency securities, fully collateralized certificates of deposit, repurchase agreements, eligible bankers' acceptances, and commercial paper. While the fund is not insured, it is backed by the underlying securities of the portfolio.

The Treasurer also manages the Bid Ohio program, which competitively auctions off about \$50 million of interim money on a monthly basis. The program allows the state to receive higher yields and competitive six-month Certificate of Deposit (CD) rates from participating Ohio public depositories. The program allows the Treasurer to reinvest public funds in more communities and keeps Ohio's investment dollars in Ohio.

The Treasurer also manages the Securities Lending program, which generates income by loaning securities on a short-term basis to selected brokerage firms and financial institutions for a fee.

Custodian of Funds

The Treasurer serves as custodian of both moneys in the state treasury and certain moneys that are held, by law, in the custody of the Treasurer outside the state treasury. The Treasurer also safeguards the funds of the state's five public pension systems.

Other Duties

The Treasurer issues debt for parks and recreation, mental health and mental retardation, Clean Ohio Revitalization projects, and cultural and sports facilities buildings.

The Treasurer administers the Small Business Linked Deposit Program that helps small Ohio businesses create or retain jobs in Ohio. This program provides about \$100 million annually in reduced rate loans. The Treasurer's Office also administers the Agricultural Linked Deposit program (Agri-Link), which provides \$125 million annually in reduced rate loans to Ohio's farmers and small agricultural businesses. In addition, the Treasurer's Office also administers the Access for Individuals linked deposit program.

As required by the Ohio Revised Code, the Treasurer administers a continuing education training program for all public funds managers with investing authority through the Center for Public Investment Management (CPIM). This program ensures that local tax dollars are invested wisely and safely.

The Treasurer's Office also provides the Women & Money program to improve the financial literacy of women in Ohio. This program offers finance, budgeting, and investment workshops throughout the state.

Summary of FYs 2008-2009 Budget Issues

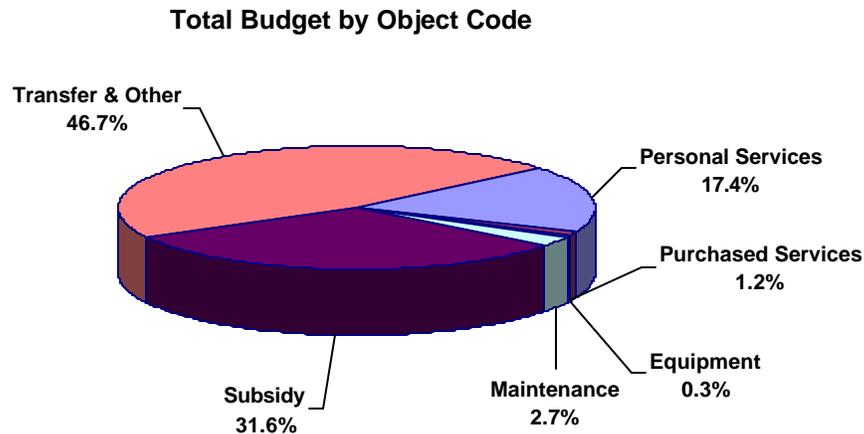
The Executive recommendation provides the funding necessary to maintain the Treasurer of State's operations at current levels and to work toward the goal of protecting state funds, administering state and local government pool investments, and collecting state taxes. The executive recommendation also includes subsidies for the Police and Fire Pension Fund and money to pay tax refunds.

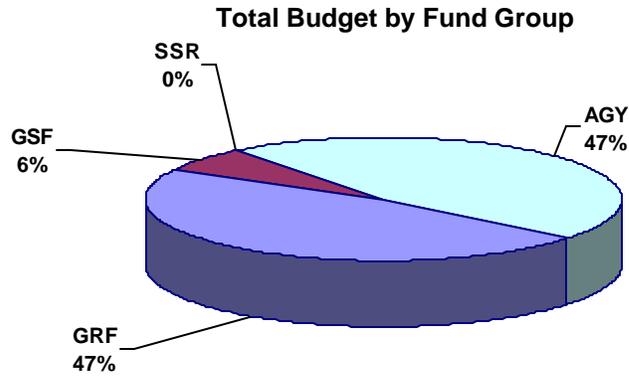
The executive's recommended total funding for FY 2008 is \$66,562,261. This amount is \$193,978 higher than FY 2007, a 0.3% increase. Recommended funding for FY 2009 is \$66,655,261. This amount is \$93,000 higher than FY 2008, a 0.1% increase.

Recommended GRF funding for FY 2008 is \$31,363,261. This amount is \$193,978 higher than FY 2007 estimated spending, an increase of 0.6%. Recommended GRF funding for FY 2009 is \$31,306,261. This amount is \$57,000 lower than FY 2008, a 0.2% decrease. Of the recommended GRF funding, \$10,299,261 is recommended for operating expenses in FY 2008. This amount is \$299,978, or 3%, higher than FY 2007 estimated spending. Recommended GRF operating line items funding for FY 2009 is the same as FY 2008. The remaining GRF funding of \$21,170,000 for FY 2008 is recommended for subsidies to the Police and Fire Pension Fund. This amount is \$106,000, or 0.5%, lower than FY 2007 estimated subsidies.

The executive recommendation also increases the Treasurer of State's appropriation from Securities Lending income in FY 2008 and FY 2009. Recommended funding is needed to provide sufficient resources to cover operating expenses.

The following charts present the executive recommendation by object code and by fund group.





Staffing Levels

The following table presents staffing by program since 2004.

Treasurer of State Staffing Levels						
Program Series/Division	2004	2005	2006	2007	Estimated	
					2008	2009
Program Management	130.6	128.6	128.6	145	145	145
Sinking Fund	3	4	4	4	4	4
CPIM	6	5	5	5	5	5
Totals	139.6	137.6	137.6	154	154	154

ANALYSIS OF EXECUTIVE PROPOSAL

Program Series

1: Investment of Assets

Purpose: This program series provides funding for Treasurer operations. The Treasurer of State collects, invests, and protects state funds. The Treasurer's Office functions as a custodian of the public's money, manager of the state's investment portfolio, and collector of taxes and fees.

The following table shows the line items that are used to fund Program Management, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	090-321	Operating Expenses	\$9,313,195	\$9,313,195
General Revenue Fund Subtotal			\$9,313,195	\$9,313,195
General Services Fund				
GSF	090-603	Securities Lending Income	\$3,164,000	\$3,314,000
GSF	090-605	Investment Pool Reimbursement	\$550,000	\$550,000
GSF	090-609	Treasurer of State Administrative Fund	\$350,000	\$350,000
General Services Fund Subtotal			\$4,064,000	\$4,214,000
Total Funding: Program Management			\$13,377,195	\$13,527,195

This analysis focuses on the following specific programs within the Program Management program series:

- **Program 1.1: Treasury Management**
- **Program 1.2: Custodial Funds**
- **Program 1.3: STAR Ohio Investment and Management**

Program 1.1: Treasury Management

Program Description: This program provides funds for payroll, fringe benefits, maintenance, and equipment for the Treasurer of State.

Funding Source: GRF

Line Items: GRF, 090-321

Implication of Executive Recommendation: The recommended funding for FY 2008 is \$9,313,195. This amount is a \$271,258, or a 3%, increase from the estimated spending for FY 2007. The recommended funding for FY 2009 is the same as the recommended funding for FY 2008. The recommended funding for FYs 2008-2009 is \$291,648 or 1.6% above the estimated expenditures for FYs 2006-2007. Total recommended funding for FYs 2008-2009 is \$18.6 million. Spending for operations in FYs 2006-2007 is estimated at \$18.3 million.

Temporary and Permanent Law Provisions

None

Program 1.2: Custodial Funds

Program Description: This line item pays for custodial services provided by the Treasurer's Office. These services include safekeeping, disbursing, and administering custodial moneys and assets such as the retirement systems funds and various other agency funds.

This program also administers the Securities Lending program. It loans securities on a short-term basis to selected brokerage firms and financial institutions.

Funding Source: GSF – fees charged to the entities receiving custodial services

Line Items: 090-603 (Fund 4E9) and 090-609 (Fund 605)

Implication of Executive Recommendation: The recommended funding for FY 2008 of \$3,514,000 is same as the estimated spending for FY 2007. The recommended funding for FY 2009 is \$3,664,000, or 4.3%, higher than recommended funding for FY 2008. Total recommended funding for FYs 2008-2009 is \$7.2 million. Spending for FYs 2006-2007 is estimated at \$6.2 million. The recommended funding for FYs 2008-2009 is \$1 million, or 16.1%, higher than estimated spending for FYs 2006-2007.

Temporary and Permanent Law Provisions

None

Program 1.3: STAR Ohio Investment and Management

Program Description: The Ohio Subdivision's Fund is commonly referred to as STAR Ohio. It is a AAA rated investment alternative created for eligible governmental subdivisions as defined in section 135.45 of the Revised Code. The investment pool is managed by a full-time investment staff with the Treasurer of State and is similar in concept to a money market mutual fund. STAR Ohio affords the participants a convenient tool for investing in a diversified pool of high quality short-term assets. Most of the portfolio is invested in U.S. government obligations and U.S. government agency securities. The remainder of the portfolio is invested in fully collateralized certificates of deposit, repurchase agreements, eligible bankers' acceptances, and commercial paper. While the fund is not insured, it is backed by the underlying securities of the portfolio.

Funding Source: GSF – investment pool administration fee paid by local governments who participate in the program

Line Items: 090-605

Implication of Executive Recommendation: The recommended funding for FY 2008 is unchanged from estimated spending for FY 2007. The recommended funding for FY 2009 is the same as the recommended funding for FY 2008. Total recommended funding for FYs 2008-2009 is \$1.1 million. Spending for FYs 2006-2007 is estimated at \$978,647. The recommended funding for FYs 2008-2009 is \$121,353, or 12.4%, higher than estimated spending for FYs 2006-2007.

Temporary and Permanent Law Provisions

None

Program Series

2: Sinking Fund Management

Purpose: The role of the Commissioners of the Sinking Fund is to issue and pay the debt service on certain general obligation bonds that are authorized by the state constitution and the legislature for specific purposes.

The following table shows the line item used to fund Sinking Fund Management, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	090-401	Office of the Sinking Fund	\$537,223	\$537,223
General Revenue Fund Subtotal			\$537,223	\$537,223
Total Funding: Sinking Fund Management			\$537,223	\$537,223

This analysis focuses on the following specific program within the program series:

■ **Program 2.1: Sinking Fund Management**

Program 2.1: Sinking Fund Management

Program Description: This line item covers costs incurred by order of or on behalf of the Commissioners of the Sinking Fund relative to the issuance and sale of bonds or other obligations. The GRF is reimbursed from the affected issuance's bond retirement fund.

Funding Source: GRF

Line Items: 090-401

Implication of Executive Recommendation: The recommended funding for FY 2008 is \$15,647, or 3%, higher than estimated spending for FY 2007. The recommended funding for FY 2009 is the same as the recommended funding for FY 2008. Total recommended funding for FYs 2008-2009 is \$1.07 million. Spending for FYs 2006-2007 is estimated at \$934,478. The recommended funding for FYs 2008-2009 is \$139,968, or 15.0%, higher than estimated spending for FYs 2006-2007.

Temporary and Permanent Law Provisions

Specifies that GRF appropriation item 090-401, Office of the Sinking Fund, be used for financing and other costs incurred for the issuance of general obligation bonds. Also, the GRF will be reimbursed for its costs by the relevant bond retirement fund.

Program Series**3: Refunds and Subsidies Oversight**

Purpose: This program series provides funding for certain tax refunds, permissive tax distributions, and subsidies to Ohio Police and Fire Pension Fund.

The following table shows the line items that are used to fund the Refunds and Subsidies Oversight, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund				
GRF	090-524	Police & Fire Disability Pension Fund	\$14,000	\$12,000
GRF	090-534	Police and Fire Ad Hoc Cost of Living	\$140,000	\$130,000
GRF	090-554	Police and Fire Survivor Benefits	\$910,000	\$865,000
GRF	090-575	Police and Fire Death Benefits	\$20,000,000	\$20,000,000
General Revenue Fund Subtotal			\$21,064,000	\$21,007,000
Agency Fund				
AGY	090-635	Tax Refunds	\$31,000,000	\$31,000,000
General Services Fund Subtotal			\$31,000,000	\$31,000,000
Total Funding: Refunds and Subsidies Oversight			\$52,064,000	\$52,007,000

This analysis focuses on the following specific programs within the Refunds and Subsidies Oversight program series:

- **Program 3.1: Police and Fire Subsidies**
- **Program 3.2: Tax Refunds**

Program 3.1: Police and Fire Subsidies

Program Description: These subsidies provide supplemental moneys to specified members of Ohio's retirement systems and to surviving spouses and children of law enforcement officers, firefighters, and corrections officers who die in the line of duty or who die from injuries sustained in the line of duty.

Funding Source: GRF

Line Items: 090-524, 090-534, 090-554, 090-575

Implication of Executive Recommendation: The recommended subsidies for FY 2008 are \$106,000 or 0.5% below estimated subsidies for FY 2007. The recommended subsidies for FY 2009 are \$57,000 or 0.3% lower than for FY 2008. Funding for subsidies decreases each year for certain accounts, as the number of members covered by the particular benefit declines. These subsidies provide benefits to the surviving spouses and children of law enforcement officers, firefighters, and corrections officers who die in the line of duty or who die from injuries sustained in the line of duty. Total recommended subsidies for FYs 2008-2009 are about \$42.1 million. Subsidies spending for FYs 2006-2007 are estimated at \$42.4million. The recommended subsidies for FYs 2008-2009 are \$284,989 or 0.7% lower than estimated subsidies for FYs 2006-2007.

Temporary Law Provisions

Specifies that GRF appropriation item 090-575, Police and Fire Death Benefit Fund, will be disbursed quarterly by the Treasurer of State at the beginning of each quarter of each fiscal year to the Board of the Ohio Police and Fire Pension Fund. Also, requires the quarterly payment to be certified by the 20th day of June of each fiscal year and the unused money returned to the state.

Program 3.2: Tax Refunds

Program Description: Moneys from this line item are used to pay refunds to Ohio taxpayers and to pay permissive tax distributions that are not refunds. Taxes included are county permissive sales and use, transit authority permissive sales and use, cigarette excise tax (Cuyahoga County), alcoholic beverage tax (Cuyahoga County), and liquor gallonage tax (Cuyahoga County).

Funding Source: AGY

Line Items: 090-635

Implication of Executive Recommendation: The recommended level of funding for FY 2008 is the same as the estimated FY 2007 spending, and the recommended appropriation for FY 2009 is unchanged from that of FY 2008.

Temporary Law Provisions

Designates appropriation 090-635, Tax Refunds (Fund 425) in the Agency Fund Group, to be used to pay for required tax refunds. If the Director of Budget and Management finds that additional amounts are necessary, the amounts are appropriated.

Program Series

4: County Treasurer Education

Purpose: The Treasurer administers a continuing education training program for all public funds managers with investing authority through the Center for Public Investment Management (CPIM). This program ensures that local tax dollars are invested wisely and safely.

The following table shows the line items that are used to fund County Treasurer Education, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2004	FY 2005
General Revenue Fund				
GRF	090-402	Continuing Education	\$448,843	\$448,843
General Revenue Fund Subtotal			\$448,843	\$448,843
State Special Revenue Fund				
SSR	090-602	County Treasurer Education	\$135,000	\$135,000
State Special Revenue Fund Subtotal			\$135,000	\$135,000
Total Funding: County Treasurer Education			\$583,843	\$583,843

This analysis focuses on the following specific program within the program series:

■ **Program 4.1: Continuing Education**

Program 4.1: Continuing Education

Program Description: This line item provides funding for the Center for Public Investment Management (CPIM). It provides education programs for Ohio's public fund managers who have investment authority.

Funding Source: GRF and SSR

Line Items: GRF 090-402 and SSR 090-602 (Fund 5C5)

Implication of Executive Recommendation: The recommended funding for FY 2008 is \$13,073, or 2.3%, higher than estimated spending for FY 2007. The recommended funding for FY 2009 is same as FY 2008.

Temporary and Permanent Law Provisions

None

REQUESTS NOT FUNDED

The requests not funded were for the police and fire subsidies line items. These subsidies provide supplemental moneys to specified members of Ohio's retirement systems and to surviving spouses and children of law enforcement officers and firefighters who die in the line of duty or who die from injuries sustained in the line of duty. Funding decreases each year for certain accounts, as the number of members covered by the particular benefit declines.

Fund Line Item	FY 2008 Requested	FY 2008 Recommended	Difference	FY 2009 Requested	FY 2009 Recommended	Difference
GRF 090-524	\$20,000	\$14,000	(\$6,000)	\$20,000	\$12,000	(\$8,000)
GRF 090-534	\$150,000	\$140,000	(\$10,000)	\$150,000	\$130,000	(\$20,000)
GRF 090-554	\$1,000,000	\$910,000	(\$90,000)	\$1,000,000	\$865,000	(\$135,000)
TOTALS	\$1,170,000	\$1,064,000	(\$106,000)	\$1,170,000	\$1,007,000	(\$163,000)

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General Revenue Fund

GRF 090-321 Operating Expenses

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$8,936,388	\$8,845,881	\$9,292,805	\$9,041,937	\$9,313,195	\$9,313,195
	-1.0%	5.1%	-2.7%	3.0%	0.0%

Source: GRF

Legal Basis: ORC 113.06

Purpose: This line item provides funds for payroll, fringe benefits, maintenance, and equipment for the Treasurer of State.

GRF 090-401 Office of the Sinking Fund

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$454,935	\$375,143	\$412,902	\$521,576	\$537,223	\$537,223
	-17.5%	10.1%	26.3%	3.0%	0.0%

Source: GRF

Legal Basis: ORC 129.06; Section 212.15.03 of Am. Sub. H.B. 66 of the 126th G. A.

Purpose: This line item covers all costs incurred by order of or on behalf of the Commissioners of the Sinking Fund, the Ohio Public Facilities Commission, or the Treasurer of State with respect to State of Ohio general obligation notes. The GRF is reimbursed from the affected issuance's bond retirement fund.

GRF 090-402 Continuing Education

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$423,512	\$438,569	\$387,029	\$435,770	\$448,843	\$448,843
	3.6%	-11.8%	12.6%	3.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 212.15 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Am. Sub. H.B. 117 of the 121st G.A.)

Purpose: This line item pays for costs associated with the registration and enrollment into classes for continuing education by public portfolio managers.

GRF 090-524 Police and Fire Disability Pension Fund

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$27,832	\$23,250	\$18,568	\$20,000	\$14,000	\$12,000
	-16.5%	-20.1%	7.7%	-30.0%	-14.3%

Source: GRF

Legal Basis: ORC 742

Purpose: This subsidy provides supplemental retirement benefits to members of the Police and Firemen's Disability and Pension Fund (PFDPF) system who were retired and eligible to receive pension benefits prior to July 1, 1968.

GRF 090-534 Police & Fire Ad Hoc Cost of Living

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$199,428	\$176,971	\$156,671	\$150,000	\$140,000	\$130,000
	-11.3%	-11.5%	-4.3%	-6.7%	-7.1%

Source: GRF

Legal Basis: ORC 742

Purpose: This subsidy funds a 5% benefit increase for retirees who belonged to the Police and Firemen's Disability and Pension Fund (PFDPF) system.

GRF 090-544 Police and Fire State Contribution

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,200,000	\$1,200,000	\$0	\$0	\$0	\$0
	0.0%				

Source: GRF

Legal Basis: Discontinued line item (originally established under the ORC 742)

Purpose: This line item received the annual \$1,200,000 state contribution paid by the Treasurer of State. Prior to FY 1982, appropriations for this purpose were combined with payments for surviving spouses, children and dependent parents in the 504 Police and Firemen's Disability and Pension Fund. State contributions for survivors are now contained in the 554 Police and Firemen's Disability and Pension Fund Survivor Benefits appropriation item.

GRF 090-554 Police and Fire Survivor Benefits

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$1,208,650	\$1,101,250	\$1,010,750	\$1,000,000	\$910,000	\$865,000
	-8.9%	-8.2%	-1.1%	-9.0%	-4.9%

Source: GRF

Legal Basis: ORC 742

Purpose: This subsidy funds payments to all persons who first received survivors' benefits from the Police and Firemen's Disability and Pension Fund prior to July 1, 1981. For survivors first receiving benefits after that date, the system will make such payments from its own resources. Prior to FY 1982, this line item was consolidated with the 544 (PFDPF State Contribution) line item as the 504 Police and Firemen's Disability and Pension Fund appropriation item.

GRF 090-575 Police and Fire Death Benefits

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$24,000,000	\$25,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	4.2%	-20.0%	0.0%	0.0%	0.0%

Source: GRF

Legal Basis: ORC 742.63; Section 212.15.03 of Am. Sub. H.B. 66 of the 126th G. A.

Purpose: This subsidy provides benefits to the surviving spouses and children of law enforcement officers, firefighters and correction officers who die in the line of duty or who die from injuries sustained in the line of duty.

General Services Fund Group

4E9 090-603 Securities Lending Income

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$2,189,910	\$1,786,369	\$2,129,309	\$2,814,000	\$3,164,000	\$3,314,000
	-18.4%	19.2%	32.2%	12.4%	4.7%

Source: GSF: Net income generated from the securities lending program, not to exceed a rate of one quarter of one percent of the total average daily par value of assets in the securities lending program (all other such income is credited to the GRF)

Legal Basis: ORC 135

Purpose: This line item is used to fund the operations of the office of the Treasurer of State.

577 090-605 Investment Pool Reimbursement

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$386,897	\$153,104	\$428,647	\$550,000	\$550,000	\$550,000
	-60.4%	180.0%	28.3%	0.0%	0.0%

Source: GSF: An investment pool administration fee paid by local governments who wish to participate in the program

Legal Basis: ORC 135

Purpose: The local governments' investment pool, named StarOhio, consists of local subdivisions' deposits of interim moneys, which are then invested. The money invested and the interest earned are returned to the local subdivisions when needed. The Treasurer is reimbursed for administrative expenses, which are initially paid out of the investment earnings.

605 090-609 Treasurer of State Administrative Fund

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$434,110	\$544,796	\$538,681	\$700,000	\$350,000	\$350,000
	25.5%	-1.1%	29.9%	-50.0%	0.0%

Source: GSF: Fees charged to the entities which receive custodial services from the Treasurer's Office

Legal Basis: Section 212.15 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Sub. H.B. 201 of the 116th G.A.)

Purpose: This line item pays for custodial services provided by the Treasurer's office. These services include safekeeping, disbursing, and administering custodial moneys and assets, such as the retirement systems' funds and various other agency funds.

State Special Revenue Fund Group

5C5 090-602 County Treasurer Education

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$146,728	\$148,161	\$114,141	\$135,000	\$135,000	\$135,000
	1.0%	-23.0%	18.3%	0.0%	0.0%

Source: SSR: Fees imposed by the Treasurer of State and the Auditor of State for education and training programs for county treasurers

Legal Basis: Section 212.15 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Am. Sub. S.B. 81 of the 121st G.A.)

Purpose: Moneys from this line item are used for the expenses associated with conducting education programs for county treasurers. These programs are to enhance the background and working knowledge of county treasurers in the areas of governmental accounting, investments, portfolio reporting and compliance, and cash and portfolio management.

Agency Fund Group

425 090-635 Tax Refunds

2004	2005	2006	2007 Estimate	2008 Executive Proposal	2009 Executive Proposal
\$16,202,694	\$20,524,563	\$4,768,872	\$31,000,000	\$31,000,000	\$31,000,000
	26.7%	-76.8%	550.0%	0.0%	0.0%

Source: AGY: GRF

Legal Basis: ORC 5703.052; Section 212.15.03 of Am. Sub. H.B. 66 of the 126th G.A. (originally established by Am. Sub. H.B. 705 of the 106th G.A.)

Purpose: Moneys from this line item are used to pay tax refunds to Ohio taxpayers and to pay permissive tax distributions that are not refunds. The taxes included are county permissive sales and use, transit authority permissive sales and use, cigarette excise tax (Cuyahoga County), alcoholic beverage tax (Cuyahoga County), and liquor gallonage tax (Cuyahoga County).

LSC Budget Spreadsheet by Line Item, FY 2008 - FY 2009

<i>Fund</i>	<i>ALI</i>	<i>ALI Title</i>	<i>2006</i>	<i>Estimated 2007</i>	<i>Executive 2008</i>	<i>% Change 2007 to 2008</i>	<i>Executive 2009</i>	<i>% Change 2008 to 2009</i>
<i>TOS Treasurer of State</i>								
GRF	090-321	Operating Expenses	\$ 9,292,805	\$9,041,937	\$ 9,313,195	3.0%	\$ 9,313,195	0.0%
GRF	090-401	Office of the Sinking Fund	\$ 412,902	\$521,576	\$ 537,223	3.0%	\$ 537,223	0.0%
GRF	090-402	Continuing Education	\$ 387,029	\$435,770	\$ 448,843	3.0%	\$ 448,843	0.0%
GRF	090-524	Police and Fire Disability Pension Fund	\$ 18,568	\$20,000	\$ 14,000	-30.0%	\$ 12,000	-14.3%
GRF	090-534	Police & Fire Ad Hoc Cost of Living	\$ 156,671	\$150,000	\$ 140,000	-6.7%	\$ 130,000	-7.1%
GRF	090-554	Police and Fire Survivor Benefits	\$ 1,010,750	\$1,000,000	\$ 910,000	-9.0%	\$ 865,000	-4.9%
GRF	090-575	Police and Fire Death Benefits	\$ 20,000,000	\$20,000,000	\$ 20,000,000	0.0%	\$ 20,000,000	0.0%
General Revenue Fund Total			\$ 31,278,726	\$ 31,169,283	\$ 31,363,261	0.6%	\$ 31,306,261	-0.2%
4E9	090-603	Securities Lending Income	\$ 2,129,309	\$2,814,000	\$ 3,164,000	12.4%	\$ 3,314,000	4.7%
577	090-605	Investment Pool Reimbursement	\$ 428,647	\$550,000	\$ 550,000	0.0%	\$ 550,000	0.0%
605	090-609	Treasurer of State Administrative Fund	\$ 538,681	\$700,000	\$ 350,000	-50.0%	\$ 350,000	0.0%
General Services Fund Group Total			\$ 3,096,637	\$ 4,064,000	\$ 4,064,000	0.0%	\$ 4,214,000	3.7%
5C5	090-602	County Treasurer Education	\$ 114,141	\$135,000	\$ 135,000	0.0%	\$ 135,000	0.0%
State Special Revenue Fund Group Total			\$ 114,141	\$ 135,000	\$ 135,000	0.0%	\$ 135,000	0.0%
425	090-635	Tax Refunds	\$ 4,768,872	\$31,000,000	\$ 31,000,000	0.0%	\$ 31,000,000	0.0%
Agency Fund Group Total			\$ 4,768,872	\$ 31,000,000	\$ 31,000,000	0.0%	\$ 31,000,000	0.0%
Total All Budget Fund Groups			\$ 39,258,376	\$ 66,368,283	\$ 66,562,261	0.3%	\$ 66,655,261	0.1%