

LSC Redbook

Analysis of the Executive Budget Proposal

Treasurer of State

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March 2011

READER'S GUIDE

The Legislative Service Commission prepares an analysis of the executive budget proposal for each agency. These analyses are commonly called "Redbooks." This brief introduction is intended to help readers navigate the Redbook for the Treasurer of State (TOS), which includes the following four sections.

1. Overview: Provides a brief description of TOS and an overview of the provisions of the executive budget that affect TOS, including major new initiatives proposed for TOS.
2. Analysis of Executive Proposal: Provides a detailed analysis of the executive budget recommendations for TOS, including funding for each appropriation line item. The line items for TOS are organized into four categories.
3. Requests Not Funded: Compares TOS's budget request with the executive budget recommendations.
4. Attachments: Includes the catalog of budget line items (COBLI) for TOS, which briefly describes each line item, and the LSC budget spreadsheet for TOS.

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Treasurer of State

- The Treasurer's budget includes funding for the Sinking Fund's operations, subsidies, and tax refunds
- About two-thirds of the Treasurer's budget is used for subsidies and tax refunds

OVERVIEW

Agency Overview

The Office of the Treasurer of State (TOS), which was established over 200 years ago, is responsible for protecting, managing, and investing state funds. The Treasurer is a constitutional officer elected to a four-year term. The Treasurer also serves as chairman of the State Board of Deposit (BDP), a member of the Commissioners of the Sinking Fund (CSF), a member of the Petroleum Underground Storage Tank Release Compensation Board (UST), and a member of other boards, commissions, and authorities. Currently, the Office of the Treasurer of State employs approximately 114 full-time equivalent (FTE) employees.¹

The Treasurer's Office 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. The Treasurer's Office collects over \$16 billion in revenues annually from 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.

Furthermore, the Treasurer's Office administers and invests over \$12 billion in total assets of the five state investment portfolios.² The types of financial instruments that the Treasurer's Office may invest in are statutorily defined in the Ohio Revised Code. The regular account contains money from the General Revenue Fund (GRF) and other moneys held on behalf of various state agencies.

The Treasurer's Office also manages the Bid Ohio Program, which competitively auctions off about \$100 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

¹ Derived from *Monthly Report - Number of Employees*, prepared by the Department of Administrative Services, March 16, 2011.

² Market value as of February 28, 2011 – Regular Account, \$6.3 billion; Ohio Lottery DPTF, \$0.7 billion; STAR Ohio, \$4.6 billion; Buckeye Tobacco (School Facilities), \$0.7 billion; and Buckeye Tobacco (Board of Regents), \$0.03 billion.

Treasurer's Office to reinvest public funds in more communities and keeps Ohio's investment dollars in Ohio. The Treasurer's Office 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.

The Treasurer's Office serves as custodian of over \$150 billion of moneys in the state treasury and certain moneys that are held, by law, in the custody of the Treasurer's Office outside the state treasury. The Treasurer's Office also safeguards the funds of the state's five public pension systems. Additionally, the Treasurer is authorized to issue various bonds for specified purposes.

The executive's recommended total funding for FY 2012 is \$41.0 million. This amount is about \$25.1 million, or 37.9%, lower than total FY 2011 estimated expenditures. Recommended funding for FY 2013 is the same as for FY 2012. Of these amounts, approximately \$29.3 million each year represents GRF appropriations. The remaining appropriations are drawn from four funds in the General Services Fund Group, and one in the Agency Fund Group.

The following table presents the number of filled positions for the Office of the Treasurer of State since 2009. Figures for FY 2011 are for all funded positions. Figures for FY 2012 and FY 2013 are estimates. The Treasurer plans to fill its vacancies in the upcoming biennium.

Table 1. Treasurer of State Staffing Levels					
	FY 2009	FY 2010	FY 2011	FY 2012 est.	FY 2013 est.
Treasurer of State	117	135	135	123	123
Office of the Sinking Fund	5	5	5	5	5
TOTAL	122	140	140	128	128

Appropriation Overview

The following table presents the executive recommendation by fund group for the Office of the Treasurer of State for the FY 2012-FY 2013 biennium.

Table 2. Executive Budget Recommendations by Fund Group, FY 2012-FY 2013					
Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$30,000,557	\$29,318,459	-2.3%	\$29,318,459	0.0%
General Services	\$5,085,000	\$5,714,441	12.4%	\$5,714,441	0.0%
Agency Fund	\$31,000,000	\$6,000,000	-80.6%	\$6,000,000	0.0%
TOTAL	\$66,085,557	\$41,032,900	-37.9%	\$41,032,900	0.0%

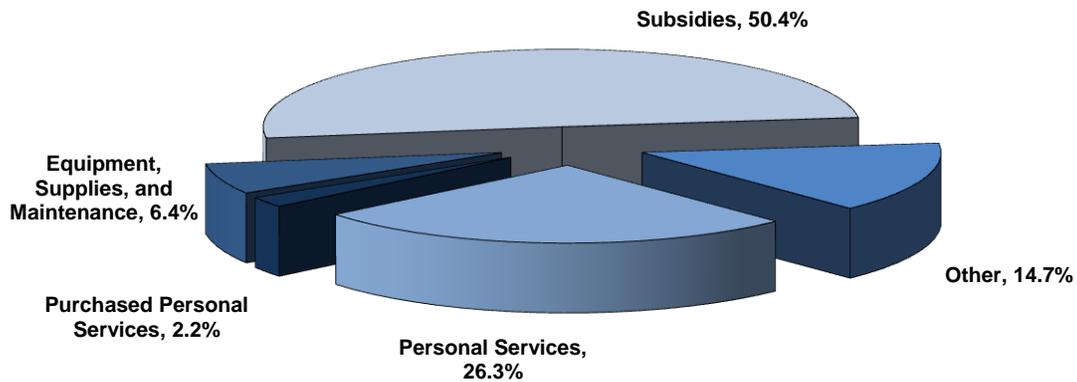
*FY 2011 figures represent estimated expenditures.

Recommended GRF funding for FY 2012 is \$29.3 million. This amount is \$0.7 million, or 2.3%, lower than FY 2011 estimated expenditures. Recommended GRF funding for FY 2013 is also \$29.3 million, the same as the recommended funding for FY 2012. Of the recommended GRF funding, \$7.7 million is recommended for line item 090321, Operating Expenses, in FY 2012. This amount is about \$0.5 million, or 6.5%, lower than FY 2011 estimated spending for that line item. The amount recommended for this line item for FY 2013 is the same as for FY 2012. Most of the recommended GRF funding, \$20.7 million each fiscal year or just over 70% of the GRF funding for the biennium, is for subsidies that are administered by the Board of Police and Fire Pension Fund. This amount is \$82,600, or 0.4%, lower than FY 2011 estimated expenditures. The remaining \$880,000 each year in GRF funding is split between two appropriation items, each of which is recommended to receive 6.5% less than FY 2011 estimated expenditures in each year. One of those line items funds the operations of the Commissioners of the Sinking Fund (see separate Redbook), and the other funds continuing education programs for local government officials.

The executive budget provides the Treasurer's Office with non-GRF funding of \$11.7 million in FY 2012. Slightly over half of this is for tax refunds, which are recommended to receive a 80.6% reduction in FY 2012 from FY 2011 estimated expenditures. The remaining funding is split between four appropriation line items that fund operation of the Office and educational programs for local government financial officials. The total amount recommended for the four line items is about \$0.6 million, or 12.4%, higher than FY 2011 estimated expenditures. This non-GRF funding comes from investment income, and fees and charges assessed on services provided by the Treasurer.

The following chart presents the executive recommendation by expense category for the Office of the Treasurer of State for the FY 2012-FY 2013 biennium. The largest category is "Subsidies," which is the funds transferred to the Board of the Police and Fire Pension Fund. The category "Other" includes tax refunds. The Personal Services category includes payroll and benefit costs for the Treasurer's employees.

Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2012-FY 2013



Major Initiatives

In the next biennium, the Treasurer's Office will continue to work toward the goal of protecting state funds, administering state and local government pool investments, and collecting state taxes. The Treasurer's Office will work to increase transparency and accountability in the Treasurer's Office. It will create additional online educational opportunities for public fund manager continuing education training and for financial literacy programs, as part of its plan to reduce costs and improve efficiency. The Treasurer also plans to reduce the number of regional offices, and related staffing, throughout the state. In addition, the Treasurer will continue to manage and promote various Linked Deposit programs, including the new SaveNOW Program, which helps Ohioans with reduced-rate loans and savings.

ANALYSIS OF EXECUTIVE PROPOSAL

Introduction

This section provides an analysis of the Governor's recommended funding for each appropriation item in TOS's budget. In this analysis, TOS's line items are grouped into five major categories. For each category, a table is provided listing the recommended appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. If the appropriation is earmarked, the earmarks are listed and described. The four categories used in this analysis are as follows:

1. Treasurer's Office Operations;
2. Office of the Sinking Fund;
3. County Treasurer Education;
4. Police and Fire Subsidies; and
5. Tax Refunds.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Categorization of TOS's Appropriation Line Items for Analysis of Executive Proposal		
Fund	ALI and Name	Category
General Revenue Fund Group		
GRF 090321	Operating Expenses	1: Treasurer's Office Operations
GRF 090401	Office of the Sinking Fund	2: Office of the Sinking Fund
GRF 090402	Continuing Education	3: County Treasurer Education
GRF 090524	Police and Fire Disability Pension Fund	4: Police and Fire Subsidies
GRF 090534	Police and Fire Ad Hoc Cost of Living	4: Police and Fire Subsidies
GRF 090554	Police and Fire Survivor Benefits	4: Police and Fire Subsidies
GRF 090575	Police and Fire Death Benefits	4: Police and Fire Subsidies
General Services Fund Group		
4E90 090603	Securities Lending Income	1: Treasurer's Office Operations
5770 090605	Investment Pool Reimbursement	1: Treasurer's Office Operations
5C50 090602	County Treasurer Education	3: County Treasurer Education
6050 090609	Treasurer of State Administrative Fund	1: Treasurer's Office Operations
Agency Fund Group		
4250 090635	Tax Refunds	5: Tax Refunds

Category 1: Treasurer's Office Operations (090321, 090603, 090605, and 090609)

This category of line items provides funding for operations of the Treasurer's Office. The executive recommendation provides the funding necessary to maintain the Treasurer's Office operations at current levels.

Governor's Recommended Amounts for Treasurer of State Operations				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	090321	Operating Expenses	\$7,743,553	\$7,743,553
General Revenue Fund Subtotal			\$7,743,553	\$7,743,553
General Services Fund Group				
4E90	090603	Securities Lending Income	\$4,829,441	\$4,829,441
5770	090605	Investment Pool Reimbursement	\$550,000	\$550,000
6050	090609	Treasurer of State Administrative Fund	\$135,000	\$135,000
General Services Fund Group Subtotal			\$5,514,441	\$5,514,441
Total Funding: Treasurer of State Operations			\$13,257,994	\$13,257,994

Operating Expenses (090321)

This GRF line item supports activities of the Treasurer's Office and provides funding for payroll, fringe benefits, maintenance, and equipment.

The executive recommended funding is \$7.7 million in both FY 2012 and FY 2013. This amount is 6.5% lower than the estimated expenditure for FY 2011. The executive recommended amounts are likely to be sufficient to pay for the Treasurer's Office anticipated payroll expenses in the FY 2012-FY 2013 biennium.

Securities Lending Income (090603)

This line item provides funding for the administration of the Securities Lending Program. It loans securities on a short-term basis to selected brokerage firms and financial institutions. Funding for the appropriation comes from earnings generated by the program.

The executive recommended funding is \$4.8 million each for FY 2012 and FY 2013. This amount is approximately \$0.6 million, or 15.0%, higher than the estimated expenditure in FY 2011. The executive recommendation increases the appropriation in the next biennium to provide sufficient resources to cover operating expenses.

Investment Pool Reimbursement (090605)

This line item pays for administrative services provided by the Treasurer's Office related to the Ohio Subdivision's Fund, which is commonly referred to as STAR Ohio.

STAR Ohio is an AAA-rated investment alternative created for eligible governmental subdivisions as defined in section 135.45 of the Revised Code, and is similar in concept to a money market mutual fund. The investment program is co-managed by investment staff of the Treasurer's Office and a private fund manager. Funding for the program is from fees paid by governmental subdivisions that participate in the fund.

STAR Ohio affords the participants a convenient tool for investing in an affordable and 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.

On February 28, 2011, the fund's assets totaled over \$4.6 billion, with 2,920 accounts. School districts are among the primary users of STAR Ohio, with 1,003 accounts totaling approximately 32% of all STAR assets. State custodial funds, cities, counties, townships, villages, libraries, and some public hospitals also invest in STAR Ohio.

The executive recommends \$550,000 for FY 2012 and the same amount in FY 2013. This amount is the same as the estimated expenditure for FY 2011.

Treasurer of State Administrative Fund (090609)

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. Funding is from fees paid by those entities who receive the services.

The executive recommends \$135,000 for FY 2012 and the same amount in FY 2013. This amount is \$50,000, or 27%, lower than the estimated expenditure for FY 2011. The executive recommendation decreases the Treasurer of State's appropriation from this line item in the next biennium because most transactions are paid electronically through electronic funds transfers.

Category 2: Office of the Sinking Fund (090401)

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.

Governor's Recommended Amounts for Office of the Sinking Fund				
Fund	ALI and Name		FY 2012	FY 2013
General Revenue Fund				
GRF	090401	Office of the Sinking Fund	\$502,304	\$502,304
General Revenue Fund Subtotal			\$502,304	\$502,304
Total Funding: Office of The Sinking Fund			\$502,304	\$502,304

Office of the Sinking Fund (090401)

This GRF line item provides funding for payroll, fringe benefits, maintenance, and equipment for the Office of the Commissioners of the Sinking Fund's employees.

The recommended funding for FY 2012 is \$502,304, or 6.5%, lower than the estimated expenditure in FY 2011. The recommended funding for FY 2013 is the same as the recommended funding for FY 2012.

Category 3: County Treasurer Education (090402 and 090602)

This category of line items provides funding for county treasurer education. The executive recommendation provides the funding necessary to maintain the county treasurer education at current levels.

Governor's Recommended Amounts for County Treasurer Education				
Fund		ALI and Name	FY 2012	FY 2013
General Revenue Fund				
GRF	090402	Continuing Education	\$377,702	\$377,702
General Revenue Fund Subtotal			\$377,702	\$377,702
General Services Fund Group				
5C50	090602	County Treasurer Education	\$200,000	\$200,000
General Services Fund Group Subtotal			\$200,000	\$200,000
Total Funding: County Treasurer Education			\$577,702	\$577,702

Continuing Education (090402)

This GRF line item provides funding for costs associated with registration and enrollment for classes that are organized by the Center for Public Investment Management (CPIM) within the Treasurer's Office. The Center organizes financial education conferences and maintains continuing education requirements for all public funds managers with investing authority throughout the state, as required by the Ohio Revised Code.

The executive recommended funding is \$377,702 in both FY 2012 and FY 2013. This amount is 6.5% lower than the estimated expenditure for FY 2011.

County Treasurer Education (090602)

This line item provides funding for CPIM. As required by the Ohio Revised Code, the Treasurer's Office administers a continuing education training program for all public funds managers with investing authority through the Center. This continuing education program ensures that local tax dollars are invested wisely and safely. Funding for the appropriation comes from fees imposed by the Treasurer for these training programs.

The executive recommends \$200,000 for FY 2012 and the same amount in FY 2013. This amount is \$50,000, or 33.3%, higher than the estimated expenditure for FY 2011.

Category 4: Police and Fire Subsidies (090524, 090534, 090554, and 090575)

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.

The recommended subsidies are \$20.7 million each for FY 2012 and FY 2013, or 0.4% below estimated expenditure for subsidies for FY 2011. Funding for subsidies decreases each year for certain line items, as the number of members covered by the particular benefit declines.

Governor's Recommended Amounts for Police and Fire Subsidies				
Fund		ALI and Name	FY 2012	FY 2013
General Revenue Fund				
GRF	090524	Police and Fire Disability Pension Fund	\$7,900	\$7,900
GRF	090534	Police and Fire Ad Hoc Cost of Living	\$87,000	\$87,000
GRF	090554	Police and Fire Survivor Benefits	\$600,000	\$600,000
GRF	090575	Police and Fire Death Benefits	\$20,000,000	\$20,000,000
General Revenue Fund Subtotal			\$20,694,900	\$20,694,900
Total Funding: Police and Fire Subsidies			\$20,694,900	\$20,694,900

Police and Fire Disability Pension Fund (090524)

This GRF line item subsidizes 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.

Police and Fire Ad Hoc Cost of Living (090534)

This GRF line item subsidizes a 5% benefit increase for retirees who belonged to the PFDPF system.

Police and Fire Survivor Benefits (090554)

This GRF line item subsidizes payments to all persons who first received survivors' benefits from the PFDPF prior to July 1, 1981. For survivors first receiving benefits after that date, the system will make such payments from its own resources.

Police and Fire Death Benefits (090575)

This GRF line item subsidizes 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. With the passage of Am. Sub. S.B. 267 in the 127th General Assembly, the benefits covered by this line item

were expanded to drug agents and the Bureau of Criminal Identification and Investigation's (BCII) investigators and special agents.

Category 5: Tax Refunds (090635)

This category provides moneys for certain tax refunds to Ohio taxpayers. The executive proposal provides \$6.0 million for tax refunds for FY 2012 and FY 2013. This funding is 80.6% lower than the FY 2011 estimated expenditure. Actual tax refunds in FY 2010 were \$4.3 million.

Governor's Recommended Amounts for Tax Refunds				
Fund		ALI and Name	FY 2012	FY 2013
Agency Fund Group				
4250	090635	Tax Refunds	\$6,000,000	\$6,000,000
Agency Fund Group Subtotal			\$6,000,000	\$6,000,000
Total Funding: Tax Refunds			\$6,000,000	\$6,000,000

Tax Refunds (090635)

This line item is used to pay tax 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 (Cuyahoga County), alcoholic beverage (Cuyahoga County), and liquor gallonage (Cuyahoga County).

REQUESTS NOT FUNDED

This section describes agency requests that are not funded in the executive budget. The requested amounts shown below were prepared by the staff of the previous Treasurer of State. The staff of the current Treasurer report that the recommended amounts match their requests.

New Initiatives						
Fund Line Item	FY 2012 Recommended	FY 2012 Requested	Difference	FY 2013 Recommended	FY 2013 Requested	Difference
GRF 090321	\$7,743,553	\$8,281,875	(\$538,322)	\$7,743,553	\$8,281,875	(\$538,322)
GRF 090401	\$502,304	\$537,223	(\$34,919)	\$502,304	\$537,223	(\$34,919)
GRF 090402	\$377,702	\$403,959	(\$26,257)	\$377,702	\$403,959	(\$26,257)
4250 090635	\$6,000,000	\$31,000,000	(\$25,000,000)	\$6,000,000	\$31,000,000	(\$25,000,000)

The requests not funded were Treasurer's Office Operations, Office of the Sinking Fund, and County Treasurer Education line items. The requests for the GRF line items were not funded because of the executive ordered budget reductions to all agencies' GRF line items. The other request not funded was for a non-GRF line item, Tax Refunds (090635), which was not funded because of lower anticipated tax refunds in the next biennium.

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Treasurer of State

General Revenue Fund

GRF 090321 Operating Expenses

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$9,449,508	\$8,415,373	\$7,986,939	\$8,281,875	\$7,743,553	\$7,743,553
	-10.9%	-5.1%	3.7%	-6.5%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 113.06

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

GRF 090401 Office of the Sinking Fund

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$525,250	\$518,394	\$478,316	\$537,223	\$502,304	\$502,304
	-1.3%	-7.7%	12.3%	-6.5%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 129.06; Section 403.20 of Am. Sub. H.B. 1 of the 128th 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 bonds, special obligation bonds, or notes and costs related to the issuance and ongoing administration of those bonds and notes. The General Revenue Fund will be reimbursed from the Highway Capital Improvement Bond Retirement Fund for financing costs incurred involving Highway Capital Improvement obligations.

GRF 090402 Continuing Education

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$481,507	\$389,716	\$376,897	\$403,959	\$377,702	\$377,702
	-19.1%	-3.3%	7.2%	-6.5%	0.0%

Source: General Revenue Fund

Legal Basis: Section 403.10 of Am. Sub. H.B. 1 of the 128th 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.

Treasurer of State

GRF 090524 Police and Fire Disability Pension Fund

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$10,950	\$9,968	\$8,000	\$7,500	\$7,900	\$7,900
	-9.0%	-19.7%	-6.3%	5.3%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.374 (originally established in H.B. 284 of the 109th G.A.)

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. Members who were receiving a pension benefit prior to July 1, 1968 were eligible for an additional monthly payment of \$2.00 for each year between their effective date of retirement and December 31, 1971.

GRF 090534 Police and Fire Ad Hoc Cost of Living

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$121,133	\$107,515	\$95,000	\$90,000	\$87,000	\$87,000
	-11.2%	-11.6%	-5.3%	-3.3%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.3712 (originally established in H.B. 204 of the 113th G.A.)

Purpose: This subsidy funds a 5% benefit increase for retirees who belonged to the Police and Firemen's Disability and Pension Fund (PFDPF) system. Members who were receiving an age and service or disability pension prior to January 1, 1974 were eligible for a supplemental payment of 5% of the first \$5,000 of their annual pension.

GRF 090554 Police and Fire Survivor Benefits

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$836,290	\$738,930	\$679,060	\$680,000	\$600,000	\$600,000
	-11.6%	-8.1%	0.1%	-11.8%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.361

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 090544 (PFDPF State Contribution) line item as the 090504 Police and Firemen's Disability and Pension Fund appropriation item.

Treasurer of State

GRF 090575 Police and Fire Death Benefits

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	0.0%	0.0%	0.0%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.63; Section 403.20 of Am. Sub. H.B. 1 of the 128th G.A.

Purpose: This subsidy provides benefits to the surviving spouses and children of law enforcement officers, firefighters, correction officers, drug agents, and special agents and investigators of the Bureau of Criminal Identification and Investigation (BCII), who die in the line of duty or who die from injuries sustained in the line of duty.

General Services Fund Group

4E90 090603 Securities Lending Income

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,325,550	\$2,838,220	\$3,712,760	\$4,200,000	\$4,829,441	\$4,829,441
	-14.7%	30.8%	13.1%	15.0%	0.0%

Source: General Services Fund Group: 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.

5770 090605 Investment Pool Reimbursement

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$453,512	\$313,123	\$270,843	\$550,000	\$550,000	\$550,000
	-31.0%	-13.5%	103.1%	0.0%	0.0%

Source: General Services Fund Group: 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.

Treasurer of State

5C50 090602 County Treasurer Education

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$116,884	\$96,476	\$89,946	\$150,000	\$200,000	\$200,000
	-17.5%	-6.8%	66.8%	33.3%	0.0%

Source: General Services Fund Group: Fees imposed by the Treasurer of State and the Auditor of State for education and training programs for county treasurers

Legal Basis: Section 403.10 of Am. Sub. H.B. 1 of the 128th 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.

6050 090609 Treasurer of State Administrative Fund

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$500,923	\$317,840	\$209,864	\$185,000	\$135,000	\$135,000
	-36.5%	-34.0%	-11.8%	-27.0%	0.0%

Source: General Services Fund Group: Fees charged to the entities which receive custodial services from the Treasurer's Office

Legal Basis: Section 403.10 of Am. Sub. H.B. 1 of the 128th 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.

Treasurer of State

Agency Fund Group

4250 090635 Tax Refunds

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,700,270	\$5,555,359	\$4,392,939	\$31,000,000	\$6,000,000	\$6,000,000
	50.1%	-20.9%	605.7%	-80.6%	0.0%

Source: Agency Fund Group: GRF

Legal Basis: ORC 5703.052; Section 403.20 of Am. Sub. H.B. 1 of the 128th 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).

FY 2012 - FY 2013 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	Estimate FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
TOS Treasurer of State								
GRF	090321	Operating Expenses	\$ 7,986,939	\$ 8,281,875	\$ 7,743,553	-6.50%	\$ 7,743,553	0.00%
GRF	090401	Office of the Sinking Fund	\$ 478,316	\$ 537,223	\$ 502,304	-6.50%	\$ 502,304	0.00%
GRF	090402	Continuing Education	\$ 376,897	\$ 403,959	\$ 377,702	-6.50%	\$ 377,702	0.00%
GRF	090524	Police and Fire Disability Pension Fund	\$ 8,000	\$ 7,500	\$ 7,900	5.33%	\$ 7,900	0.00%
GRF	090534	Police and Fire Ad Hoc Cost of Living	\$ 95,000	\$ 90,000	\$ 87,000	-3.33%	\$ 87,000	0.00%
GRF	090554	Police and Fire Survivor Benefits	\$ 679,060	\$ 680,000	\$ 600,000	-11.76%	\$ 600,000	0.00%
GRF	090575	Police and Fire Death Benefits	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	0.00%	\$ 20,000,000	0.00%
General Revenue Fund Total			\$ 29,624,212	\$ 30,000,557	\$ 29,318,459	-2.27%	\$ 29,318,459	0.00%
4E90	090603	Securities Lending Income	\$ 3,712,760	\$ 4,200,000	\$ 4,829,441	14.99%	\$ 4,829,441	0.00%
5770	090605	Investment Pool Reimbursement	\$ 270,843	\$ 550,000	\$ 550,000	0.00%	\$ 550,000	0.00%
5C50	090602	County Treasurer Education	\$ 89,946	\$ 150,000	\$ 200,000	33.33%	\$ 200,000	0.00%
6050	090609	Treasurer of State Administrative Fund	\$ 209,864	\$ 185,000	\$ 135,000	-27.03%	\$ 135,000	0.00%
General Services Fund Group Total			\$ 4,283,413	\$ 5,085,000	\$ 5,714,441	12.38%	\$ 5,714,441	0.00%
4250	090635	Tax Refunds	\$ 4,392,939	\$ 31,000,000	\$ 6,000,000	-80.65%	\$ 6,000,000	0.00%
Agency Fund Group Total			\$ 4,392,939	\$ 31,000,000	\$ 6,000,000	-80.65%	\$ 6,000,000	0.00%
Treasurer of State Total			\$ 38,300,564	\$ 66,085,557	\$ 41,032,900	-37.91%	\$ 41,032,900	0.00%