

LSC Redbook

Analysis of the Executive Budget Proposal

Treasurer of State

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February 2015

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 three sections.

1. Overview: Provides a brief description of TOS and an overview of the provisions of the executive budget that affect 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. 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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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

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 125 employees.

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. In FY 2014, over \$57 billion in revenues from various state taxes, court fees, and fines were collected by the Treasurer's Office or deposited into the state treasury. 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 \$14 billion in assets of the state investment portfolios (Regular Account, Ohio Lottery Deferred Prize Trust Fund, and Star Ohio). 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 Treasurer's Office serves as custodian of more than \$218 billion of moneys in the state treasury and certain moneys that are held, by law, in the custody of the Treasurer's Office, but 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 Treasurer's Office manages various Linked Deposit programs, provides online educational opportunities for public fund manager continuing education training, and provides educational resources related to personal financial education to all Ohioans.

The executive's recommended total funding is \$41.9 million each for FY 2016 and FY 2017. This amount is about \$1.0 million, or 2.5%, higher than total FY 2015 estimated expenditures. Of the recommended amounts, approximately \$30.2 million each year represents GRF appropriations. The remaining appropriations are drawn from four funds in the Dedicated Purpose Fund Group, and one in the Fiduciary Fund Group.

Appropriation Overview

The following table presents the executive recommendation by fund group for the Office of the Treasurer of State for the FY 2016-FY 2017 biennium.

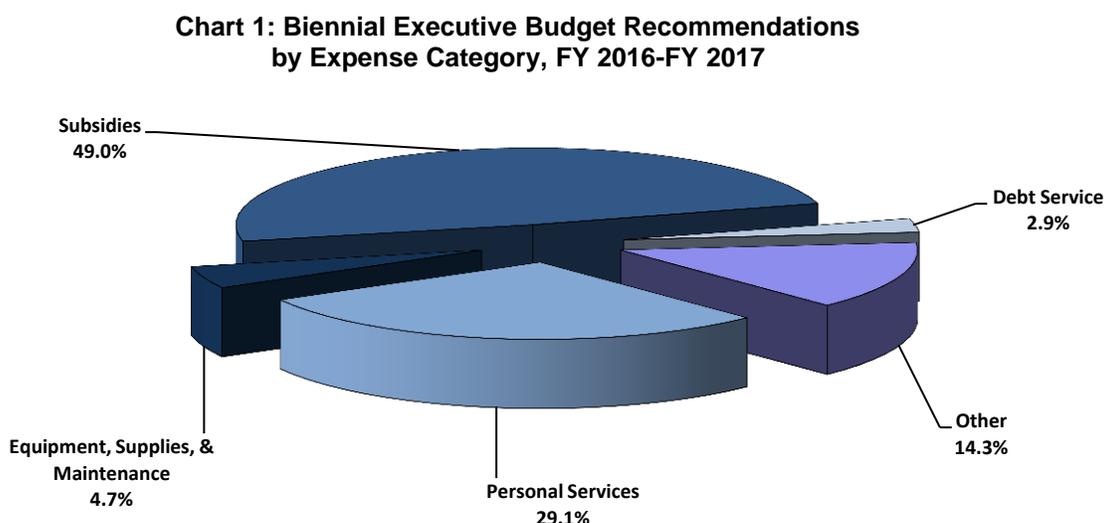
Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$29,206,559	\$30,243,959	3.6%	\$30,243,359	0.0%
Dedicated Purpose	\$5,620,057	\$5,620,057	0.0%	\$5,620,057	0.0%
Fiduciary	\$6,000,000	\$6,000,000	0.0%	\$6,000,000	0.0%
TOTAL	\$40,826,616	\$41,864,016	2.5%	\$41,863,416	0.0%

*FY 2015 figures represent estimated expenditures.

Recommended GRF funding for FY 2016 is \$30.2 million, the same as recommended funding for FY 2017. This amount is \$1.0 million, or 3.6%, higher than FY 2015 estimated expenditures. Of the recommended GRF funding, \$7.7 million in each year is recommended for line item 090321, Operating Expenses. This amount is the same as the FY 2015 estimated spending for that line item. Most of the recommended GRF funding, \$20.5 million, about 68% each fiscal year, is for subsidies that are administered by the Board of Police and Fire Pension Fund. This amount is slightly lower than FY 2015 estimated expenditures. The executive budget includes \$1.1 million each year in a new GRF line item, 090406, Treasury Management System Lease Rental Payments; see description below for more details. The remaining \$0.9 million each year in GRF funding is split between two appropriation items, each of which is recommended to receive the same amount as FY 2015 estimated expenditures. One of those line items funds the operations of the Commissioners of the Sinking Fund (see CSF 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 \$11.6 million in each of FY 2016 and FY 2017. This non-GRF funding comes from investment income, and fees and charges assessed on services provided by the Treasurer. Slightly over half of the non-GRF funding is for tax refunds, which are recommended to receive the same amount as the estimated expenditures for FY 2015. 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 \$5.6 million each year, the same amount as FY 2015 estimated expenditures.

The following chart presents the executive recommendation by expense category for the Office of the Treasurer of State for the FY 2016-FY 2017 biennium. The largest category is "Subsidies," which are 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, and purchased personal services.



Major New Initiatives

The Treasurer's Office was authorized by Am. Sub. H.B. 497 of the 130th General Assembly to acquire and implement a new Treasury Management System. The system was described in that act as an integrated treasury technology infrastructure system intended to replace separate cash, custody, investment, and accounting software and administration systems. The new GRF line item, 090406, Treasury Management System Lease Rental Payments provides funding to pay debt service on the costs of acquiring

and implementing the system. Uncodified language in the budget bill appropriates additional amounts if needed to pay such debt service.

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 five 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		
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 090406	Treasury Management System Lease Rental Payments	1: Treasurer's Office Operations
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
Dedicated Purpose 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
Fiduciary Fund Group		
4250 090635	Tax Refunds	5: Tax Refunds

Category 1: Treasurer's Office Operations (090321, 090406, 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 Funding for Treasurer of State Operations				
Fund	ALI and Name		FY 2016	FY 2017
General Revenue Fund				
GRF	090321	Operating Expenses	\$7,743,553	\$7,743,553
GRF	090406	Treasury Management System Lease Rental Payments	\$1,117,400	\$1,116,800
General Revenue Fund Subtotal			\$8,860,953	\$8,860,353
Dedicated Purpose Fund Group				
4E90	090603	Securities Lending Income	\$4,200,000	\$4,200,000
5770	090605	Investment Pool Reimbursement	\$550,000	\$550,000
6050	090609	Treasurer of State Administrative Fund	\$700,000	\$700,000
Dedicated Purpose Fund Group Subtotal			\$5,450,000	\$5,450,000
Total Funding: Treasurer of State Operations			\$14,310,953	\$14,310,353

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 2016 and FY 2017. This amount is the same as the estimated expenditures for FY 2015. The executive recommended amounts are sufficient to pay for the Treasurer's Office anticipated payroll expenses in the FY 2016-FY 2017 biennium.

Treasury Management System Lease Rental Payments (090406)

This GRF line item provides funding for debt service payments. The executive recommended funding is \$1.1 million in both FY 2016 and FY 2017. The executive recommended amounts are sufficient to pay for debt service payments related to the Treasury Management System in the FY 2016-FY 2017 biennium.

Securities Lending Income (090603)

This line item provides funding for the administration of the Securities Lending Program. The Treasurer's Office 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. Funding for the appropriation comes from earnings generated by the program.

The executive recommended funding is \$4.2 million each for FY 2016 and FY 2017. This amount is \$0.4 million, or 11.6%, higher than the estimated expenditure in FY 2015. Total recommended funding for FYs 2016 and 2017 is \$8.4 million, \$1.4 million, or 20.0%, higher than estimated funding for FYs 2014 and 2015.

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.

As of January 30, 2015, STAR Ohio had over \$3.1 billion in total assets, with 2,489 accounts. The primary users of STAR Ohio are school districts, with 884 accounts totaling approximately 27% of all STAR assets. Other entities that invest in STAR Ohio are cities, counties, townships, villages, libraries, public hospitals, and state custodial funds. STAR Ohio accountholders may also participate in the Treasurer of State's STAR Plus Program. STAR Plus is a bank deposit program for public fund managers.

The executive recommends \$0.6 million each year of the next biennium, which is \$0.3 million, or 35.3%, lower than estimated expenditures for FY 2015. Total recommended funding for FYs 2016 and 2017 is \$1.1 million, \$190,774, or 14.8%, lower than estimated funding for FYs 2014 and 2015.

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 \$0.7 million for FY 2016 and the same amount in FY 2017. This amount is \$0.1 million, or 16.2%, lower than the estimated expenditure for FY 2015. Total recommended funding for FYs 2016 and 2017 of \$1.4 million is about \$0.2 million (10.0%), lower than estimated funding for FYs 2014 and 2015.

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 Funding for Office of the Sinking Fund				
Fund	ALI and Name		FY 2016	FY 2017
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.

Estimated expenditure in FY 2015 is \$502,304, which is also the recommended funding for FY 2016 and for FY 2017. Total recommended funding for FYs 2016 and 2017 is \$1.0 million. Funding for FYs 2014 and 2015 is estimated to be \$0.9 million. The recommended funding for FYs 2016 and 2017 is \$126,017, or 14.3%, higher than estimated funding for FYs 2014 and 2015.

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 Funding for County Treasurer Education				
Fund	ALI and Name		FY 2016	FY 2017
General Revenue Fund				
GRF	090402	Continuing Education	\$377,702	\$377,702
General Revenue Fund Subtotal			\$377,702	\$377,702
Dedicated Purpose Fund Group				
5C50	090602	County Treasurer Education	\$170,057	\$170,057
Dedicated Purpose Fund Group Subtotal			\$170,057	\$170,057
Total Funding: County Treasurer Education			\$547,759	\$547,759

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 2016 and FY 2017. This amount is the same as the estimated expenditure for FY 2015. The recommended funding for FYs 2016 and 2017 is \$0.8 million. This amount is virtually the same as the estimated funding for FYs 2014 and 2015.

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 \$170,057 for FY 2016 and the same amount in FY 2017. This amount is the same as the estimated expenditure for FY 2015. The recommended funding for FYs 2016 and 2017 is \$0.3 million. This amount is about \$13,600 (4.2%) higher than estimated funding for FYs 2014 and 2015.

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 \$20.5 million each for FY 2016 and FY 2017. This amount is \$80,000 lower than the estimated expenditure for FY 2015. Funding for subsidies decreases each year for certain line items, as the number of members covered by the particular benefit declines.

Governor's Recommended Funding for Police and Fire Subsidies				
Fund	ALI and Name		FY 2016	FY 2017
General Revenue Fund				
GRF	090524	Police and Fire Disability Pension Fund	\$5,000	\$5,000
GRF	090534	Police and Fire Ad Hoc Cost of Living	\$55,000	\$55,000
GRF	090554	Police and Fire Survivor Benefits	\$443,000	\$443,000
GRF	090575	Police and Fire Death Benefits	\$20,000,000	\$20,000,000
General Revenue Fund Subtotal			\$20,503,000	\$20,503,000
Total Funding: Police and Fire Subsidies			\$20,503,000	\$20,503,000

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, corrections officers, drug agents, and the Bureau of Criminal Identification and Investigation's (BCII) investigators and special agents who die in the line of duty or who die from injuries sustained in the line of duty.

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 2016 and FY 2017. This funding is the same as the FY 2015 estimated expenditure. Actual tax refunds in FY 2014 were \$8.4 million.

Governor's Recommended Funding for Tax Refunds				
Fund	ALI and Name		FY 2016	FY 2017
Fiduciary Fund Group				
4250	090635	Tax Refunds	\$6,000,000	\$6,000,000
<i>Fiduciary Fund Group Subtotal</i>			\$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). Uncodified language in the budget bill appropriates additional funding if needed to pay qualified refunds.

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General Revenue Fund

GRF 090321 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$7,743,479	\$7,742,159	\$7,743,553	\$7,743,553	\$7,743,553	\$7,743,553
	0.0%	0.0%	0.0%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 113.06; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A.

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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$443,514	\$434,019	\$376,287	\$502,304	\$502,304	\$502,304
	-2.1%	-13.3%	33.5%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 129.06; Section 399.20 of Am. Sub. H.B. 59 of the 130th 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$363,021	\$368,197	\$377,986	\$377,702	\$377,702	\$377,702
	1.4%	2.7%	-0.1%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 399.10 of Am. Sub. H.B. 59 of the 130th 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 090406 Treasury Management System Lease Rental Payments

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$0	\$0	\$1,117,400	\$1,116,800
	N/A	N/A	N/A	N/A	-0.1%

Source: General Revenue Fund

Legal Basis:

Purpose:

GRF 090524 Police and Fire Disability Pension Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$6,834	\$5,950	\$5,180	\$6,000	\$5,000	\$5,000
	-12.9%	-12.9%	15.8%	-16.7%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.374; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$77,615	\$69,427	\$62,593	\$70,000	\$55,000	\$55,000
	-10.5%	-9.8%	11.8%	-21.4%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.3712; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally established by 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.

Treasurer of State

GRF 090554 Police and Fire Survivor Benefits

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$554,650	\$505,280	\$462,800	\$507,000	\$443,000	\$443,000
	-8.9%	-8.4%	9.6%	-12.6%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 742.361; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A.

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.

GRF 090575 Police and Fire Death Benefits

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$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 399.20 of Am. Sub. H.B. 59 of the 130th 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.

Dedicated Purpose Fund Group

4E90 090603 Securities Lending Income

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$4,077,250	\$2,755,927	\$3,232,311	\$3,765,000	\$4,200,000	\$4,200,000
	-32.4%	17.3%	16.5%	11.6%	0.0%

Source: Dedicated Purpose 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 135.47; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A.

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

Treasurer of State

5770 090605 Investment Pool Reimbursement

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$627,131	\$231,168	\$440,774	\$850,000	\$550,000	\$550,000
	-63.1%	90.7%	92.8%	-35.3%	0.0%

Source: Dedicated Purpose Fund Group: An investment pool administration fee paid by local governments who wish to participate in the program

Legal Basis: ORC 135.45; Section 399.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item funds the administrative costs incurred by the Treasurer of State for managing the local governments' investment pool, StarOhio, which consists of local subdivisions' deposits of interim moneys. These moneys 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.

5C50 090602 County Treasurer Education

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$109,128	\$80,186	\$156,418	\$170,057	\$170,057	\$170,057
	-26.5%	95.1%	8.7%	0.0%	0.0%

Source: Dedicated Purpose 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 399.10 of Am. Sub. H.B. 59 of the 130th 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.

Treasurer of State

6050 090609 Treasurer of State Administrative Fund

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,448	\$7,985	\$720,210	\$835,000	\$700,000	\$700,000
	451.4%	8,919.5%	15.9%	-16.2%	0.0%

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

Legal Basis: Section 399.10 of Am. Sub. H.B. 59 of the 130th 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.

Fiduciary Fund Group

4250 090635 Tax Refunds

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$18,681,127	\$7,058,021	\$8,356,967	\$6,000,000	\$6,000,000	\$6,000,000
	-62.2%	18.4%	-28.2%	0.0%	0.0%

Source: Fiduciary Fund Group: Money transferred to the Tax Refund Fund by the Treasurer of State is derived from current receipts of the tax or fee for which the refund arose

Legal Basis: ORC 5703.052; Section 399.10 of Am. Sub. H.B. 59 of the 130th 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 related to insurance and public utility excise taxes.

FY 2016 - FY 2017 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Estimate	Introduced	FY 2015 to FY 2016	Introduced	FY 2016 to FY 2017	
			FY 2014	FY 2015	FY 2016	FY 2016	FY 2017	
						% Change	% Change	
Report For Main Operating Appropriations Bill			Version: As Introduced					
TOS Treasurer of State								
GRF	090321	Operating Expenses	\$ 7,743,553	\$ 7,743,553	\$ 7,743,553	0.00%	\$ 7,743,553	0.00%
GRF	090401	Office of the Sinking Fund	\$ 376,287	\$ 502,304	\$ 502,304	0.00%	\$ 502,304	0.00%
GRF	090402	Continuing Education	\$ 377,986	\$ 377,702	\$ 377,702	0.00%	\$ 377,702	0.00%
GRF	090406	Treasury Management System Lease Rental Payments	\$0	\$ 0	\$ 1,117,400	N/A	\$ 1,116,800	-0.05%
GRF	090524	Police and Fire Disability Pension Fund	\$ 5,180	\$ 6,000	\$ 5,000	-16.67%	\$ 5,000	0.00%
GRF	090534	Police and Fire Ad Hoc Cost of Living	\$ 62,593	\$ 70,000	\$ 55,000	-21.43%	\$ 55,000	0.00%
GRF	090554	Police and Fire Survivor Benefits	\$ 462,800	\$ 507,000	\$ 443,000	-12.62%	\$ 443,000	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			\$ 29,028,399	\$ 29,206,559	\$ 30,243,959	3.55%	\$ 30,243,359	0.00%
4E90	090603	Securities Lending Income	\$ 3,232,311	\$ 3,765,000	\$ 4,200,000	11.55%	\$ 4,200,000	0.00%
5770	090605	Investment Pool Reimbursement	\$ 440,774	\$ 850,000	\$ 550,000	-35.29%	\$ 550,000	0.00%
5C50	090602	County Treasurer Education	\$ 156,418	\$ 170,057	\$ 170,057	0.00%	\$ 170,057	0.00%
6050	090609	Treasurer of State Administrative Fund	\$ 720,210	\$ 835,000	\$ 700,000	-16.17%	\$ 700,000	0.00%
Dedicated Purpose Fund Group Total			\$ 4,549,713	\$ 5,620,057	\$ 5,620,057	0.00%	\$ 5,620,057	0.00%
4250	090635	Tax Refunds	\$ 8,356,967	\$ 6,000,000	\$ 6,000,000	0.00%	\$ 6,000,000	0.00%
Fiduciary Fund Group Total			\$ 8,356,967	\$ 6,000,000	\$ 6,000,000	0.00%	\$ 6,000,000	0.00%
Treasurer of State Total			\$ 41,935,079	\$ 40,826,616	\$ 41,864,016	2.54%	\$ 41,863,416	0.00%