

- Appropriations to the Sinking Fund provide for debt service payments on Ohio's general obligation debt
- The Sinking Fund receives its operating funds through a line item in the Treasurer of State's budget

Commissioners of the Sinking Fund

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ROLE

The Commissioners of the Sinking Fund administer the debt service payments for state general obligation bonds issued for the following purposes: primary and secondary education facilities, higher education facilities, coal research and development, parks and natural resources capital improvements, conservation projects, local infrastructure projects, and highways.

Under Am. Sub. H.B. 640 of the 123rd General Assembly (effective September 14, 2000) the Sinking Fund authority to issue obligations for parks and natural resources capital improvements (pursuant to Section 21 of Article VIII of the Ohio Constitution) and coal research and development (pursuant to Section 15 of Article VIII of the Ohio Constitution) was transferred to the Ohio Public Facilities Commission. The authority to issue highway capital improvements general obligation bonds (pursuant to Section 2m of Article VII of the Ohio Constitution) was transferred to the Treasurer of State.

In addition Am. Sub. H.B. 3 of the 124th General Assembly (effective July 26, 2001) authorized the Ohio Public Facilities Commission to issue obligations for conservation projects pursuant to Section 20 of Article VIII of the Ohio Constitution and added appropriation authority to the Commissioners of the Sinking Fund to facilitate the debt service payments for those projects.

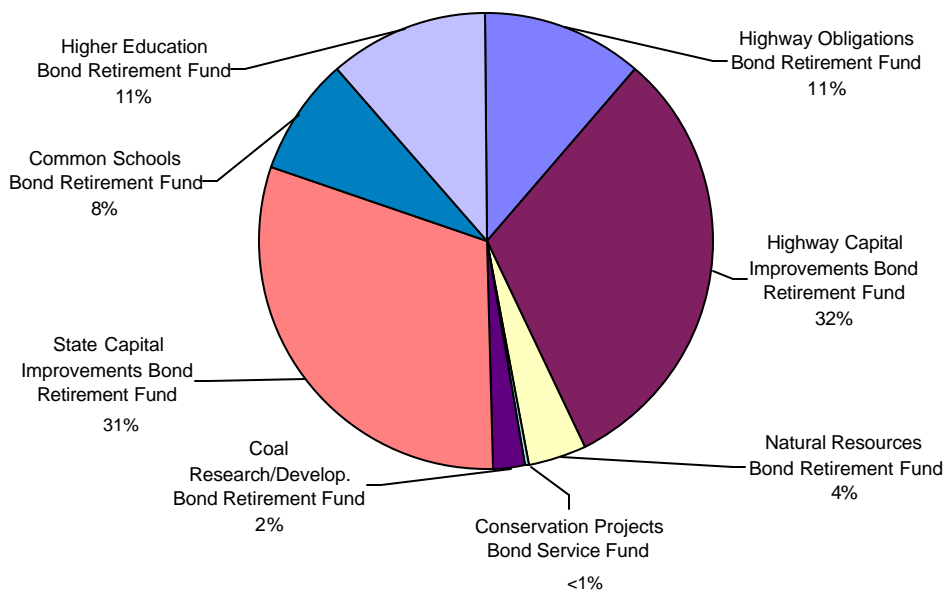
The Board of Commissioners of the Sinking Fund consists of five members. The Auditor of State serves as the president of the board and the Secretary of State serves as the secretary. The remaining three members are the Governor, the Treasurer of State, and the Attorney General. The Sinking Fund has an office in the Treasurer of State's office and receives its operating funds through a line item in the Treasurer of State operating budget (ALI 090-401).

Agency In Brief					
Number of Employees	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2002	2003	2002	2003	
0	\$439.1 million	\$513.8 million	\$0	\$0	Am. Sub. H.B. 94 and H.B. 3

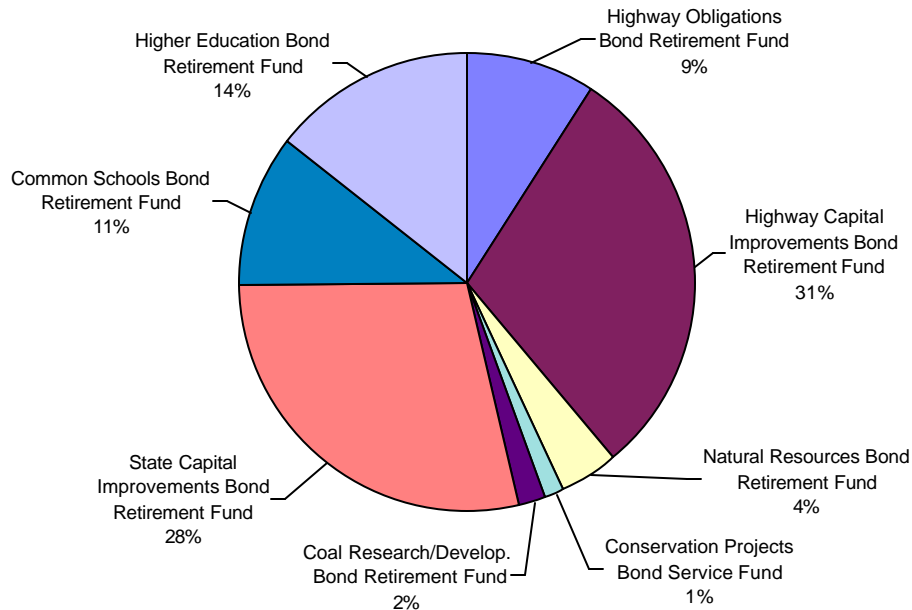
OVERVIEW

Appropriations for FY 2002 are \$439,079,700. This amount is \$39,970,342 more than FY 2001 actual expenditures, a 10.0 percent increase. Appropriations for FY 2003 are \$513,801,000. This amount is \$74,721,300 greater than FY 2002 appropriations, a 17.0 percent increase. Beginning with the FY 2002-2003 biennium, the Sinking Fund's GRF appropriations were discontinued and all the moneys were transferred to various agencies' budgets based on the purposes of the debt. All of the Sinking Fund's appropriations in FY 2002 are used to pay debt service on certain general obligation bonds that are authorized by the state constitution and the legislature for specific purposes: 071 155-901, Highway Obligations Bond Retirement Fund (11 percent); 072 155-902, Highway Capital Improvements Bond Retirement Fund (32 percent); 073 155-903, Natural Resources Bond Retirement Fund (4 percent); 076 155-906 Coal Research/Development Bond Retirement Fund (2 percent); 077 155-907 State Capital Improvements Bond Retirement Fund (32 percent); 078 155-908, Common Schools Bond Retirement Fund (8 percent); 079 155-909, Higher Education Bond Retirement Fund (11 percent); and 074 155-904, Conservation Projects Bond Service Fund (0.4 percent).


FY 2002 Appropriation: Debt Service Payments



FY 2003 Appropriation: Debt Service Payments



Appropriations to the Highway Obligations Bond Retirement Fund declines over the biennium (by 4 percent per year), but appropriations to the Highway Capital Improvements Bond Retirement Fund grow (by 21 percent in FY 2002 and by 10 percent in FY 2003). Nevertheless, as a portion of total debt service payments, shares of both funds decline from FY 2002 to FY 2003.

Appropriations to all other funds increase over the biennium. The fastest growing of the appropriations were the Common Schools Capital Facilities Bond Retirement Fund and the Higher Education Capital Facilities Bond Retirement Fund, which increase by an average rate of 48 percent and 41 percent, respectively, over the biennium. Appropriation to the Conservation Projects Bond Service fund, which was authorized by H.B. 3, increase dramatically between FY 2002 and 2003, but remain only 1.3 percent of the total in FY 2003. 

FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

FY 1999: *FY 2000:* *FY 2001:* **FY 2002** *% Change* **FY 2003** *% Change*
Appropriations: *Appropriations:* *Appropriations:* *2001 to 2002:* *Appropriations:* *2002 to 2003:*

Report For: Main Operating Appropriations Bill

Version: Enacted

CSF Sinking Fund, Commissioners of

GRF	155-900	Debt Service Sinking Fund	\$ 15,632,373	\$ 31,078,387	\$210,699,927	\$ 0	-100.00%	\$ 0	N/A
General Revenue Fund Total			\$ 15,632,373	\$ 31,078,387	\$ 210,699,927	\$ 0	-100.00%	\$ 0	N/A
076	155-900	Coal Research/Development Bond Reti	\$ 5,642,083	\$ 5,718,674	\$7,266,827	\$ 0	-100.00%	\$ 0	N/A
073	155-900	Natural Resources Bond Retirement	\$ 10,004,143	\$ 12,386,738	\$15,696,872	\$ 0	-100.00%	\$ 0	N/A
072	155-900	Highway Capital Improvement Bond Re	\$ 52,337,372	\$ 80,048,411	\$113,757,141	\$ 0	-100.00%	\$ 0	N/A
071	155-900	Highway Obligations Bond Retirement	\$ 70,596,301	\$ 53,690,869	\$51,671,061	\$ 0	-100.00%	\$ 0	N/A
059	155-900	Development Bond Retirement Fund	\$ 25,397	\$ 25,433	\$8,765	\$ 0	-100.00%	\$ 0	N/A
055	155-900	Public Improvement Bond Retirement	\$ 13,446	\$ 13,464	\$8,765	\$ 0	-100.00%	\$ 0	N/A
071	155-901	Highway Obligation Bond Retirement F	----	----		\$ 49,614,300	N/A	\$ 47,572,500	-4.12%
072	155-902	Highway Capital Improvement Bond Re	----	----		\$ 137,730,500	N/A	\$ 152,120,700	10.45%
073	155-903	Natural Resources Bond Retirement Fu	----	----		\$ 19,001,100	N/A	\$ 22,101,900	16.32%
074	155-904	Conservation Projects Bond Service F	----	----		\$ 1,595,000	N/A	\$ 6,695,000	319.75%
076	155-906	Coal Research/Development Bond Reti	----	----		\$ 8,971,700	N/A	\$ 9,420,300	5.00%
077	155-907	State Capital Improvement Bond Retire	----	----		\$ 135,693,200	N/A	\$ 146,210,200	7.75%
078	155-908	Common Schools Bond Retirement Fun	----	----		\$ 36,418,800	N/A	\$ 55,336,300	51.94%
079	155-909	Higher Education Bond Retirement Fun	----	----		\$ 50,055,100	N/A	\$ 74,344,100	48.52%
Debt Service Fund Group Total			\$ 138,618,742	\$ 151,883,589	\$ 188,409,431	\$ 439,079,700	133.05%	\$ 513,801,000	17.02%
Sinking Fund, Commissioners of Total			\$ 154,251,115	\$ 182,961,976	\$ 399,109,358	\$ 439,079,700	10.01%	\$ 513,801,000	17.02%