

# Redbook

## LBO Analysis of Executive Budget Proposal

### Ohio Treasurer of State

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Attachments:

Catalog of Budget Line Items (COBLI)

Appropriation Spreadsheet

# LBO Redbook

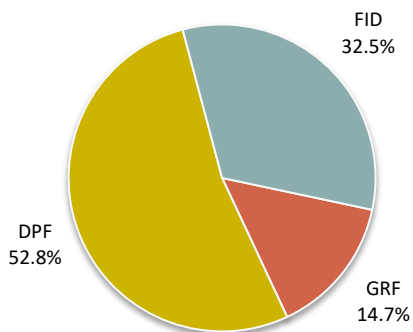
## Ohio Treasurer of State

### Quick look...

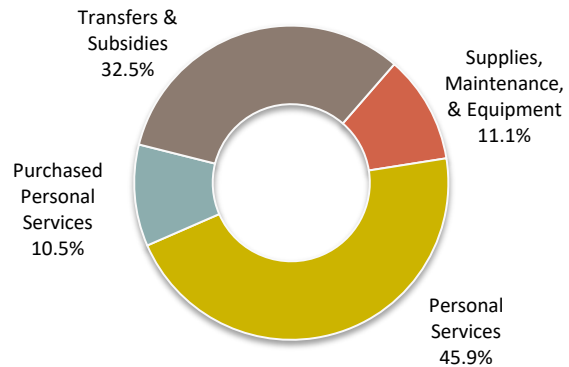
- The Treasurer of State (TOS) oversees the safeguarding and investment performance of moneys held in state accounts.
  - TOS manages banking services for all state agencies and collects taxes, fees, and fines on behalf of state entities.
  - The agency manages over \$276 billion in public assets.
  - Over \$91 billion was deposited in the Ohio treasury in FY 2024.
- TOS is charged with oversight of multiple state/local investment cooperatives and provides ongoing training for public funds managers and county treasurers. The agency also oversees Ohio’s STABLE Program, ResultsOhio, and financial transparency initiatives, and supports operations of the state Board of Deposit (BDP) and Commissioners of the Sinking Fund (CSF).
- Recommended GRF appropriation amounts are about \$5.4 million for both FY 2026 and FY 2027.

Fund Group	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
General Revenue (GRF)	\$7,648,404	\$11,053,250	\$5,432,000	\$5,432,000
Dedicated Purpose (DPF)	\$14,251,847	\$17,912,905	\$19,278,428	\$19,769,026
Fiduciary (FID)	\$30,358,422	\$33,000,000	\$12,000,000	\$12,000,000
Total	\$52,258,674	\$61,966,155	\$36,710,428	\$37,201,026
% change	--	18.6%	-40.8%	1.3%
<i>GRF % change</i>	--	44.5%	-50.9%	0.0%

**Chart 1: TOS Budget by Fund Group  
FY 2026-FY 2027 Biennium**



**Chart 2: TOS Budget by Expense Category  
FY 2026-FY 2027 Biennium**



Biennial total: \$73.9 million

# Overview

## Agency overview

The Treasurer of State (TOS) is a constitutional officer elected to a four-year term. The Treasurer serves as the state’s cash manager and chief investment officer; the Treasurer’s Office oversees about \$276 billion in public assets. TOS manages the banking services of all state agencies and is responsible for collecting a wide range of taxes, fees, and fines on behalf of state entities. In addition to overseeing treasury operations, the Treasurer 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), as well as a member of other boards, commissions, and authorities.

TOS offers opportunities to political subdivisions for collaboration through the Ohio Market Access Program (OMAP) and the State Treasury Access Reserve (STAR) Program; the overall goal of these programs is to pool funds, provide less capitalized subdivisions with more investment options, provide strong market-based returns to participants, and reduce aggregate investment risk. The Office of the Treasurer of State manages an investment portfolio of about \$25.5 billion as of January 31, 2025.<sup>1</sup> In order to facilitate the proper practices of public investment managers, TOS provides continuing education for public funds managers through the Center for Public Investment Management (CPIM).

The agency manages various other initiatives designed to strengthen Ohio’s businesses and residents. The State Achieving a Better Life Experience (STABLE) Program allows individuals with disabilities access to tax-incentivized savings accounts. TOS’s linked deposit programs reduce certain borrowing costs for the state’s small businesses, conservation enterprises, and farming communities. In addition, the agency works with financial institutions on bond offerings.

## Appropriation summary

The executive budget for TOS recommends appropriation amounts totaling \$36.7 million in FY 2026 and \$37.2 million in FY 2027. The table and Chart 1 shown in the “**Quick look**” section present the executive recommended appropriations by fund group. As shown in Chart 1, the GRF serves as the source of about 15% of total appropriation amounts for the biennium, while Dedicated Purpose Funds (DPFs) are the source of around 53% of appropriations. GRF items fund general TOS operations and other initiatives. The Fiduciary Fund (FID) group provides moneys for tax refunds. Chart 2 in the “**Quick look**” section shows the executive recommended appropriations by object of expense. Personal services (45.9%), transfers and subsidies (32.5%), and supplies, maintenance, and equipment (11.1%) are the categories that contain the largest dollar spending amounts.

The executive budget recommends \$5.4 million each in GRF-funded appropriations for FY 2026 and FY 2027, or about \$5.6 million less than FY 2025 estimated GRF expenditures, a 50.9% decrease. The entire amounts are dedicated to TOS GRF appropriation line item (ALI) 090321,

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<sup>1</sup> [Daily Ledger Report of State Funds \(PDF\)](#) as of January 31, 2025. TOS also administered an investment pool of about \$26.3 billion (unaudited), through [STAR \(PDF\)](#) as of December 31, 2024, which consists of investments made on behalf of political subdivisions.

Operating Expenses, in FY 2026 and FY 2027. The higher FY 2025 GRF amount is primarily due to a one-time \$4.5 million appropriation to ALI 090409, County Recorder Electronic Record Modernization Program, as authorized by S.B. 94 of the 135<sup>th</sup> General Assembly. Additionally, two line items that were previously funded through the GRF (ALI 090613, STABLE Account Administration; ALI 090406, Treasury Management System Lease Rental Payments) do not receive any recommended funding in the upcoming biennium.

Approximately \$39.0 million (52.8%) of the proposed FY 2026-FY 2027 TOS budget is appropriated through various DPF line items. Generally, DPFs are agency-funded line items whose revenue is generated through imposing fees and retaining shares of investment income. The largest appropriation in the section is ALI 090603, Securities Lending Income, which would provide the largest single source of operational funding for the agency for the FY 2026-FY 2027 biennium under the proposal. A total of \$13.0 million is recommended for ALI 090603 in FY 2026, or about \$1.9 million (17.2%) more than FY 2025 estimated expenditures. Recommended funding in FY 2027 is \$13.4 million, or \$0.4 million (3.4%) more than FY 2026 recommended funding. Additionally, ALI 090639, STABLE Maintenance Fee Subsidy, is to receive \$0.9 million per year in the upcoming biennium's executive budget, to cover account maintenance fees charged to Ohio residents that have STABLE accounts.

A total of \$12.0 million per year in the executive budget recommendation is to be allocated from the FID group. The only line item under this heading is ALI 090635, Tax Refunds. The reduced funding in the upcoming biennium reflects the variability of tax refunds related to insurance and public utility excise taxes. A provision of uncodified law allows the appropriation to be increased if necessary to cover refund payments.

## Summary of fund activity – Fund 4E90

The funding source for the largest recommended increase among DPF appropriations is Fund 4E90. Fund 4E90 receives funding from net income generated from the securities lending program, not to exceed a rate of 0.25% of total daily par value of assets in the program. The table below shows a summary of revenues, expenditures, and cash balances for the fund from FY 2024 through FY 2027. Figures for FY 2025 through FY 2027 are estimated amounts derived from the TOS budget request, dated October 30, 2024. As shown in the table, the cash balance increased to nearly \$33.6 million by the end of FY 2024. The projected increase in expenditures between FY 2025 and FY 2027, which surpasses the expected revenue, will result in a continuous decline in the fund balance from the end of FY 2024.

Summary of Fund Activity – Fund 4E90				
Source	FY 2024	FY 2025 Estimate	FY 2026 Estimate	FY 2027 Estimate
Beginning Cash Balance	\$32,086,645	\$33,553,682	\$31,984,777	\$27,612,333
Revenue and Transfers In	\$11,515,112	\$9,500,000	\$9,500,000	\$9,500,000
Expenditures and Transfers Out	\$10,048,075	\$11,068,905	\$13,872,444	\$14,308,214
Net of Revenue and Expenditures	\$1,467,037	-\$1,568,905	-\$4,372,444	-\$4,808,214
Ending Cash Balance	\$33,553,682	\$31,984,777	\$27,612,333	\$22,804,119

# Analysis of FY 2026-FY 2027 budget proposal

## Introduction

This section provides an analysis of the Governor’s recommended funding for each appropriation line item (ALI) included in the Treasurer of State (TOS) and Pension Subsidies (PEN) sections of the main operating budget. All four GRF ALIs in PEN are administered by TOS, are funded by GRF appropriations, and are not part of TOS’s budget. These pension subsidies are to be transferred to the Board of the Police and Fire Pension Fund; for the majority of these ALI appropriations, any moneys not disbursed by the Board are returned to the GRF.

For organizational purposes, the TOS line items below are grouped into four major categories. To aid the reader in locating each ALI in the analysis, the table below shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the TOS section of the budget bill.

In the analysis, each appropriation item’s estimated expenditures for FY 2025 and recommended appropriations for FY 2026 and FY 2027 are listed in a table. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriations that are proposed by the Governor.

Categorization of TOS Line Items for Analysis of FY 2026-FY 2027 Budget Proposal				
Fund	ALI	ALI Name		Category
<b>General Revenue Fund Group</b>				
GRF	090321	Operating Expenses	1	Operations and Administration
<b>Dedicated Purpose Fund Group</b>				
4E90	090603	Securities Lending Income	1	Operations and Administration
4E90	090639	STABLE Maintenance Fee Subsidy	3	Achieving a Better Life Experience
4X90	090614	Political Subdivision Obligation	1	Operations and Administration
5770	090605	Investment Pool Reimbursement	1	Operations and Administration
5BE1	090638	Ohio Treasurer of State Information Technology Reserve	1	Operations and Administration
5C50	090602	County Treasurer Education	2	Treasury Education Operations
6050	090609	Treasurer of State Administrative Fund	1	Operations and Administration
<b>Fiduciary Fund Group</b>				
4250	090635	Tax Refunds	4	Tax Refunds

## Category 1: Operations and Administration

This category of appropriation line items supports the operating expenses of the Treasurer’s Office, including personal services, supplies, maintenance, and equipment. The Treasurer’s Office has submitted their budget request in conformity with the biennium’s guidelines set forth by the Office of Budget and Management, and these appropriations allow TOS to continue providing its necessary services to the state.

**C1:1: Operating Expenses (ALI 090321)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 090321, Operating Expenses	\$5,432,000	\$5,432,000	\$5,432,000
% change	--	0.0%	0.0%

This line item supports some activities of the Treasurer's Office and funds payroll and fringe benefits; 100% of the appropriation in each year is for the personal services expense category. The executive recommended funding is \$5.4 million in FY 2026 and FY 2027, which is the same as the estimated expenditure for FY 2025.

**C1:2: Securities Lending Income (ALI 090603)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 4E90 ALI 090603, Securities Lending Income	\$11,068,905	\$12,972,444	\$13,408,214
% change	--	17.2%	3.4%

This line item funds administration of the Securities Lending Program. TOS 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 this appropriation comes from earnings generated by the Securities Lending Program. More than half of the amount recommended for the biennium is for personal services expenses, while the rest is allocated to supplies and equipment to support the program. The executive's budget recommendation for this line item is around \$13.0 million for FY 2026, or about \$1.9 million more than FY 2025 estimated expenditures, a 17.2% increase. Recommended funding for FY 2027 is \$13.4 million, or \$0.4 million more than FY 2026 recommended funding, a 3.4% increase. Additional funding in this line item will be used to offset several unfunded GRF line items that were used for TOS operations prior to FY 2026.

**C1:3: Political Subdivision Obligation (ALI 090614)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 4X90 ALI 090614, Political Subdivision Obligation	\$35,000	\$38,332	\$39,460
% change	--	9.5%	2.9%

This line item provides for expenses incurred by TOS to maintain the Ohio Market Access Program (OMAP). OMAP is a credit enhancement program offered through TOS that is designed to lower borrowing costs on short-term notes issued by Ohio schools, cities, and local governments by insuring the debt in cases of default.

The revenue stream for this line item comes from a fee imposed on program participants. The executive budget appropriates \$38,332 in FY 2026 and \$39,460 in FY 2027, reflecting personnel costs associated with the collective bargaining agreement.

**C1:4: Investment Pool Reimbursement (ALI 090605)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 5770 ALI 090605, Investment Pool Reimbursement	\$1,700,000	\$1,838,291	\$1,885,100
% change	--	8.1%	2.5%

This line item provides funding for administrative services provided by the Treasurer's Office with regards to the Ohio Subdivisions Fund, commonly referred to as STAR Ohio. The State Treasury Asset Reserve of Ohio (STAR) is an investment fund that allows government subdivisions to invest funds in a public investment pool in order to receive a higher return on their invested funds, similar in concept to a money market fund. The program is managed by TOS private fund managers and staff. Funding for the program is derived from fees paid by fund participants.

STAR Ohio provides participants a tool for investing in an array of affordable, diversified, and safe short-term assets. The portfolio is composed of assets such as U.S. government obligations, U.S. government securities, commercial paper, collateralized certificates of deposit, and other secure investment vehicles. Over 2,800 accounts invest with STAR, including those of school districts, cities, counties, townships, villages, libraries, public hospitals, and state custodial funds. The executive recommendation provides \$1.8 million for FY 2026 and \$1.9 million for FY 2027. Additional funding in this line item will offset some unfunded GRF line items that were used for TOS operations prior to FY 2026.

**C1:5: Ohio Treasurer of State Information Technology Reserve (ALI 090638)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 5BE1 ALI 090638, Ohio Treasurer of State Information Technology Reserve	\$1,559,000	\$1,459,000	\$1,459,000
% change	--	-6.4%	0.0%

This line item is used to cover costs associated with the acquisition or maintenance of hardware, software, or contract services necessary for the efficient operation of the Treasurer of State's Office. Unexpended amounts remain in the fund and are reserved for future technology needs. The appropriation is funded by surplus amounts from the Securities Lending Program Fund (Fund 4E90) and the TOS Health Care and Education Reconciliation Act (HCERA) custodial account. The executive's budget allocates \$1.5 million for each year of the biennium, or \$0.1 million less than the anticipated FY 2025 expenditures.



**C1:6: Ohio Treasurer of State Administrative Fund (ALI 090609)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 6050 ALI 090609, Treasurer of State Administrative Fund	\$1,800,000	\$1,820,361	\$1,827,252
% change	--	1.1%	0.4%

This line item provides funding for custodial services provided by the Treasurer’s Office to other state agencies. The appropriation is funded by fees received from those entities. Services include safekeeping and disbursing funds, as well as the administration of moneys and assets such as the retirement systems’ funds. The executive’s budget allocates \$1.8 million for each year of the biennium, reflecting a sufficient fund balance and decreased reliance on GRF funding.

**Category 2: Treasury Education Operations**

This category funds the Center for Public Investment Management (CPIM), which provides continuing education to public finance professionals throughout the state.

**C2:1: County Treasurer Education (ALI 090602)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 5C50 ALI 090602, County Treasurer Education	\$250,000	\$250,000	\$250,000
% change	--	0.0%	0.0%

This line item provides funding for ongoing costs associated with CPIM, including personnel, supplies and maintenance, and equipment. The Center administers a continuing education training program for county treasurers throughout the state. CPIM’s objective is to ensure public tax dollars are invested wisely and safely and to assure that county treasurers are equipped with a proper skill set to do so.

Funding for this appropriation comes from fees paid by participants of the training program. The executive recommends \$250,000 each for FY 2026 and FY 2027. No noteworthy reallocations among expenditure categories are budgeted.

**Category 3: Achieving a Better Life Experience**

This category primarily funds the STABLE Program. This program was established by H.B. 155 of the 131<sup>st</sup> General Assembly and offers federally tax-advantaged savings accounts used to pay for a person’s qualified disability expenses. According to the [TOS FY 2024 Annual Report \(PDF\)](#), there were more than 44,000 STABLE administered accounts for active members in FY 2024.

### C3:1: STABLE Maintenance Fee Subsidy (ALI 090639)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
DPF 4E90 ALI 090639, STABLE Maintenance Fee Subsidy	\$0	\$900,000	\$900,000
% change	--	N/A	0.0%

This newly proposed line item is for offsetting the annual account maintenance fees charged to Ohio residents that have STABLE accounts. The entire amount recommended for the biennium is exclusively allocated for this purpose – no payroll or personnel costs are incorporated into the appropriation amount. The executive’s budget allocates \$0.9 million for each year of the biennium.

### Category 4: Tax Refunds

This spending category provides liquid moneys for certain tax refunds to Ohio taxpayers, as well as to pay certain permissive tax distributions that are not refunds. Taxes included are the county permissive sales and use, transit authority permissive sales and use, cigarette excise (Cuyahoga County), alcoholic beverage (Cuyahoga County), and liquor gallonage (Cuyahoga County).

#### C4:1: Tax Refunds (ALI 090635)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
FID 4250 ALI 090635, Tax Refunds	\$33,000,000	\$12,000,000	\$12,000,000
% change	--	-63.6%	0.0%

This line item enables tax refunds to be paid. The executive recommendation provides \$12.0 million per year for FY 2026 and FY 2027; however, amounts required to be paid each year are difficult to predict. During FY 2024, \$30.4 million in refunds were disbursed under this line item. Uncodified language in the budget bill appropriates additional funding to pay qualified refunds, if required.

### Pension subsidy programs

The following GRF line items are administered by TOS, but are not part of the TOS budget. They are found in a separate section of the budget bill, Pension Subsidies. The program provides subsidies to be transferred to the Board of the Police and Fire Pension Fund. These subsidies provide supplemental moneys to specified members of Ohio’s retirement systems, as well as surviving spouses and children of first responders who die in the line of duty or who die from injuries sustained in the line of duty.

**Police and Fire Disability Pension Fund (ALI 090524)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 090524, Police and Fire Disability Pension Fund	\$500	\$300	\$300
% change	--	-40.0%	0.0%

This GRF line item provides funds for 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 (ALI 090534)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 090534, Police and Fire Ad Hoc Cost of Living	\$17,000	\$14,000	\$14,000
% change	--	-17.6%	0.0%

This GRF line item subsidizes a 5% benefit increase for retirees who belonged to the PFDPF system and were receiving an age and service or disability pension prior to January 1, 1974.

**Police and Fire Survivor Benefits (ALI 090554)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 090554, Police and Fire Survivor Benefits	\$165,500	\$138,000	\$138,000
% change	--	-16.6%	0.0%

This GRF line item subsidizes payments to all persons who received survivors’ benefits from the PFDPF prior to July 1, 1981. For survivors who began receiving benefits after that date, the PFDPF system makes payments from its own resources.

**Police and Fire Death Benefits (ALI 090575)**

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 090575, Police and Fire Death Benefits	\$36,000,000	\$40,000,000	\$40,000,000
% change	--	11.1%	0.0%

This GRF line item subsidizes death benefits to the surviving spouses and children of first responders, drug agents, Bureau of Criminal Investigation (BCI)<sup>2</sup> investigators and special agents,

<sup>2</sup> Section 742.63 of the Revised Code, which governs eligibility for these benefits, refers to the Bureau of Criminal Identification and Investigation.

gaming agents employed by the Casino Control Commission (CAC), and tax investigators employed by the Department of Taxation (TAX) who die in the line of duty or who die from injuries sustained in the line of duty.<sup>3</sup>

S.B. 296 of the 132<sup>nd</sup> General Assembly enhanced the benefits paid by way of this line item, thereby increasing the funding requirements. The benefit enhancements included increasing the “transitional benefit” paid by the pension fund, extending the period of time for which the initial death benefit is paid, and eliminating a requirement that the death benefit amount be reduced by any survivor benefits or annuity payable by the officer’s retirement system. The bill also permitted death benefit fund recipients, i.e., survivors, to elect to participate in medical, dental, or vision benefit plans provided to state employees.

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<sup>3</sup> S.B. 11 of the 131<sup>st</sup> General Assembly expanded the eligibility for benefits to eligible survivors of gaming agents employed by CAC and TAX investigators.

## Treasurer of State

### General Revenue Fund

#### GRF 090321 Operating Expenses

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,422,688	\$8,288,207	\$6,472,459	\$5,432,000	\$5,432,000	\$5,432,000
% change	-1.6%	-21.9%	-16.1%	0.0%	0.0%

**Source:** General Revenue Fund

**Legal Basis:** R.C. 113.06; Section 413.10 of H.B. 33 of the 135th G.A.

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

#### GRF 090401 Office of the Sinking Fund

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$460,116	\$458,508	\$0	\$0	\$0	\$0
% change	-0.3%	-100.0%	N/A	N/A	N/A

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established under R.C. 129.06)

**Purpose:** This line item covered all costs incurred by 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 was reimbursed from the Highway Capital Improvement Bond Retirement Fund for financing costs incurred involving Highway Capital Improvement obligations. H.B. 33 of the 135th G.A. did not provide any appropriation under this line item for the FY 2024-2025 biennium due to the availability of sufficient revenue and fund balances in several DPF funds; beginning in FY2024 this program is funded through various DPF line items as TOS shifts the primary source of funding for its operations from GRF to non-GRF line items.

#### GRF 090402 Continuing Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$174,861	\$174,926	\$0	\$0	\$0	\$0
% change	0.0%	-100.0%	N/A	N/A	N/A

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by H.B. 117 of the 121st G.A.)

**Purpose:** This line item paid for costs associated with the registration and enrollment into classes for continuing education by public portfolio managers. H.B. 33 of the 135th G.A. did not provide any appropriation under this line item for the FY 2024-2025 biennium due to the availability of sufficient revenue and fund balances in several DPF funds; beginning in FY2024 this program is funded through various DPF line items as TOS shifts the primary source of funding for its operations from GRF to non-GRF line items.

## Treasurer of State

### General Revenue Fund

#### GRF 090406 Treasury Management System Lease Rental Payments

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,114,370	\$1,115,853	\$1,115,212	\$1,121,250	\$0	\$0
% change	0.1%	-0.1%	0.5%	-100.0%	N/A

**Source:** General Revenue Fund

**Legal Basis:** Sections 413.10 and 413.30 of H.B. 33 of the 135th G.A.

**Purpose:** This line item is used to make lease rental payments related to the acquisition, development, implementation, and integration of the Treasury Management System.

#### GRF 090409 County Recorder Electronic Record Modernization Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$4,500,000	\$0	\$0
% change	N/A	N/A	N/A	-100.0%	N/A

**Source:** General Revenue Fund

**Legal Basis:** Sections 4 and 6 of S.B. 94 of the 135th G.A.

**Purpose:** This line item is to be used to reimburse counties for costs incurred under the County Recorder Electronic Record Modernization Program. The program is for counties to provide an electronic method of recording and accessing specified instruments on the county recorder's website.

#### GRF 090613 STABLE Account Administration

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,361,497	\$1,014,303	\$60,733	\$0	\$0	\$0
% change	-25.5%	-94.0%	-100.0%	N/A	N/A

**Source:** General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by H.B. 155 of the 131st G.A.)

**Purpose:** This line item was used to pay for initial costs associated with the implementation and administration of an Achieve a Better Living Experience (ABLE) account program. The program, which was created under H.B. 155 of the 131st G.A., offers federally tax-advantaged savings accounts used to pay for a person's qualified disability expenses. H.B. 33 of the 135th G.A. did not provide any appropriation under this line item for the FY 2024-2025 biennium due to the availability of sufficient revenue and fund balances in several DPF funds; beginning in FY2024 this program was funded through various DPF line items as TOS shifts the primary source of funding for its operations from GRF to non-GRF line items.

## Treasurer of State

### Dedicated Purpose Fund Group

#### 4E90 090603 Securities Lending Income

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,560,574	\$6,901,021	\$10,048,075	\$11,068,905	\$12,972,444	\$13,408,214
% change	-19.4%	45.6%	10.2%	17.2%	3.4%

**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:** R.C. 135.47; Section 413.10 of H.B. 33 of the 135th G.A.

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

#### 4E90 090639 STABLE Maintenance Fee Subsidy

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$0	\$900,000	\$900,000
% change	N/A	N/A	N/A	N/A	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:** Proposed by the Executive Budget

**Purpose:** This line item is used to cover the annual account maintenance fees charged to Ohio residents that have the State Achieving a Better Life Experience (STABLE) accounts.

#### 4X90 090614 Political Subdivision Obligation

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$47,384	\$46,837	\$34,264	\$35,000	\$38,332	\$39,460
% change	-1.2%	-26.8%	2.1%	9.5%	2.9%

**Source:** Dedicated Purpose Fund Group: A fee imposed by TOS as consideration for an agreement to purchase obligations for a political subdivision

**Legal Basis:** R.C. 135.143; Section 413.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 225 of the 129th G.A.)

**Purpose:** This line item provides for expenses incurred by TOS to maintain the Ohio Market Access Program (OMAP). OMAP is a credit enhancement program offered through TOS that is designed to lower borrowing costs on short-term notes issued by Ohio schools, cities, and local governments.

## Treasurer of State

### Dedicated Purpose Fund Group

#### 5770 090605 Investment Pool Reimbursement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,110,051	\$1,100,904	\$1,435,734	\$1,700,000	\$1,838,291	\$1,885,100
% change	-0.8%	30.4%	18.4%	8.1%	2.5%

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

**Legal Basis:** R.C. 135.45; Section 413.10 of H.B. 33 of the 135th G.A.

**Purpose:** This line item funds the administrative costs incurred by the Treasurer of State for managing the local governments' investment pool, State Treasury Asset Reserve of Ohio (STAR Ohio), 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.

#### 5BD1 090576 County Recorder Electronic Record Supplement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$1,500,000	\$0	\$0
% change	N/A	N/A	N/A	-100.0%	N/A

**Source:** Dedicated Purpose Fund Group: Cash transfer of \$1,500,000 from the Assurance Fund (TOS custodial fund) in FY 2025 for the County Recorder Electronic Record Modernization Program

**Legal Basis:** Sections 4 and 6 of S.B. 94 of the 135th G.A.

**Purpose:** This line item, in combination with GRF line item 090409, is used for costs associated with the County Recorder Electronic Record Modernization Program, which provides an electronic method for recording and accessing specified instruments on the county recorder's website.

#### 5BE1 090638 Ohio Treasurer of State Information Technology Reserve

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$707,970	\$1,559,000	\$1,459,000	\$1,459,000
% change	N/A	N/A	120.2%	-6.4%	0.0%

**Source:** Dedicated Purpose Fund Group: Transfers of unexpended amounts from the Securities Lending Income Fund (Fund 4E90) and the Treasurer of State Health Care and Education Reconciliation Act (HCERA) custodial account

**Legal Basis:** R.C. 113.02, 3366.05; Established by the Controlling Board on October 30, 2023

**Purpose:** This line item is used to cover costs associated with the acquisition or maintenance of hardware, software, or contract services necessary for the efficient operation of the Treasurer of State's office. Unexpended amounts remain in the fund and are reserved for future technology needs.



## Treasurer of State

### Dedicated Purpose Fund Group

#### 5C50 090602 County Treasurer Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$169,446	\$200,472	\$245,288	\$250,000	\$250,000	\$250,000
% change	18.3%	22.4%	1.9%	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:** R.C. 135.22, 321.46; Section 413.10 of H.B. 33 of the 135th G.A. (originally established by 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.

#### 5NH0 090610 OhioMeansJobs Workforce Development

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$252,108	\$258,544	\$0	\$0	\$0	\$0
% change	2.6%	-100.0%	N/A	N/A	N/A

- Source:** Dedicated Purpose Fund Group: Primarily principal repayments on loans disbursed by the program, plus various other fees associated with the program, in addition to interest earnings on deposited funds
- Legal Basis:** Discontinued line item (originally established by S.B. 1 of the 130th G.A.)
- Purpose:** Moneys from this line item were used to provide loans for workforce training programs by the Treasurer of State's Office (TOS) under the OhioMeansJobs Workforce Development Revolving Loan Program. TOS was permitted to use up to \$250,000 each year for administrative expenses. A separate appropriation from Fund 5NH0, line item 235517 in the Department of Higher Education budget, provides funding to to community colleges, university regional campuses, and Ohio technical centers to operate workforce credential and certificate programs.

## Treasurer of State

### Dedicated Purpose Fund Group

#### 5VZ0 090615 State Pay for Success Contract Fund

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$1,165,000	\$35,000	\$0	\$0	\$0
% change	N/A	-97.0%	-100.0%	N/A	N/A

**Source:** Dedicated Purpose Fund Group: Initially funded by a transfer from the GRF; subsequent funding comes from moneys received from state sources for the purpose of making payments to service intermediaries for successful pay for success contracts. Interest accruing to the fund's balance was also credited to the fund

**Legal Basis:** Discontinued line item (originally established by H.B. 166 of the 133rd G.A.)

**Purpose:** Moneys in this line item were used for the purpose of implementing and administering a pay for success contracting program within the state, and to pay service intermediaries for successfully completed contracts. H.B. 110 of the 134th G.A. directed the Treasurer to use the appropriation for a pay for success contracting program to focus on vision care projects through the Foundation for Appalachian Ohio.

#### 6050 090609 Treasurer of State Administrative Fund

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$626,596	\$714,691	\$1,745,517	\$1,800,000	\$1,820,361	\$1,827,252
% change	14.1%	144.2%	3.1%	1.1%	0.4%

**Source:** Dedicated Purpose Fund Group: Fees charged to the entities which receive custodial services from the Treasurer's Office; fees collected by the Treasurer of State related to the Ohio Pooled Collateral Program

**Legal Basis:** R.C. 113.20; Section 413.10 of H.B. 33 of the 135th G.A. (originally established by 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. The line item also pays for administrative costs associated with the Ohio Pooled Collateral Program.

## Treasurer of State

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### Fiduciary Fund Group

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#### 4250 090635 Tax Refunds

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$47,914,738	\$22,335,114	\$30,358,422	\$33,000,000	\$12,000,000	\$12,000,000
% change	-53.4%	35.9%	8.7%	-63.6%	0.0%

**Source:** Fiduciary Fund Group: Transfers of current receipts of the tax or fee for which refunds arise

**Legal Basis:** R.C. 5703.052; Sections 413.10 and 413.20 of H.B. 33 of the 135th G.A. (originally established by H.B. 705 of the 106th G.A.)

**Purpose:** Moneys from this line item are used to pay various types of domestic and foreign insurance tax refunds, which are often attributable to overpayments, amendments to past tax filings, or the claim of historical and job creation credits. A provision of uncodified law increases the amount appropriated if needed to pay refunds.

**FY 2026 - FY 2027 Appropriations - As Introduced  
All Fund Groups - Detail**

**Main Operating Appropriations Bill**

Detail by Agency			FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
<b>TOS Treasurer of State</b>								
GRF	090321	Operating Expenses	\$6,472,459	\$5,432,000	\$5,432,000	\$5,432,000	0.00%	0.00%
GRF	090406	Treasury Management System Lease Rental Payments	\$1,115,212	\$1,121,250	\$0	\$0	-100.00%	N/A
GRF	090409	County Recorder Electronic Record Modernization Program	\$0	\$4,500,000	\$0	\$0	-100.00%	N/A
GRF	090613	STABLE Account Administration	\$60,733	\$0	\$0	\$0	N/A	N/A
<b>General Revenue Fund Subtotal</b>			<b>\$7,648,404</b>	<b>\$11,053,250</b>	<b>\$5,432,000</b>	<b>\$5,432,000</b>	<b>-50.86%</b>	<b>0.00%</b>
4E90	090603	Securities Lending Income	\$10,048,075	\$11,068,905	\$12,972,444	\$13,408,214	17.20%	3.36%
4E90	090639	STABLE Maintenance Fee Subsidy	\$0	\$0	\$900,000	\$900,000	N/A	0.00%
4X90	090614	Political Subdivision Obligation	\$34,264	\$35,000	\$38,332	\$39,460	9.52%	2.94%
5770	090605	Investment Pool Reimbursement	\$1,435,734	\$1,700,000	\$1,838,291	\$1,885,100	8.13%	2.55%
5BD1	090576	County Recorder Electronic Record Supplement	\$0	\$1,500,000	\$0	\$0	-100.00%	N/A
5BE1	090638	Ohio Treasurer of State Information Technology Reserve	\$707,970	\$1,559,000	\$1,459,000	\$1,459,000	-6.41%	0.00%
5C50	090602	County Treasurer Education	\$245,288	\$250,000	\$250,000	\$250,000	0.00%	0.00%
5VZ0	090615	State Pay for Success Contract Fund	\$35,000	\$0	\$0	\$0	N/A	N/A
6050	090609	Treasurer of State Administrative Fund	\$1,745,517	\$1,800,000	\$1,820,361	\$1,827,252	1.13%	0.38%
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$14,251,847</b>	<b>\$17,912,905</b>	<b>\$19,278,428</b>	<b>\$19,769,026</b>	<b>7.62%</b>	<b>2.54%</b>
4250	090635	Tax Refunds	\$30,358,422	\$33,000,000	\$12,000,000	\$12,000,000	-63.64%	0.00%
<b>Fiduciary Fund Group Subtotal</b>			<b>\$30,358,422</b>	<b>\$33,000,000</b>	<b>\$12,000,000</b>	<b>\$12,000,000</b>	<b>-63.64%</b>	<b>0.00%</b>
<b>Treasurer of State Total</b>			<b>\$52,258,674</b>	<b>\$61,966,155</b>	<b>\$36,710,428</b>	<b>\$37,201,026</b>	<b>-40.76%</b>	<b>1.34%</b>
<b>Main Operating Appropriations Bill Total</b>			<b>\$52,258,674</b>	<b>\$61,966,155</b>	<b>\$36,710,428</b>	<b>\$37,201,026</b>	<b>-40.76%</b>	<b>1.34%</b>