

- The Treasurer of State is the custodian and investor of state funds.
- The Treasurer of State manages several investment programs designed to help farmers and various businesses.

## Treasurer of State

*Ruhaiza Ridzwan, Economist*

### ROLE

The Treasurer of State collects, invests, and protects state funds. The Treasurer's Office functions as a custodian of the public's money and manager of the state's investment portfolio. The Treasurer of State is a constitutional officer elected to a four-year term.

The Treasurer of State performs the following tasks:

- Manages the state's investment portfolio by investing available funds in a variety of financial instruments under statutory guidance provided by the legislature. The rate of return on state investments was 2.6% in FY 2002, down from 5.8% in FY 2001.
- Serves as the custodian of moneys in the state treasury and certain moneys held, by law, in the custody of the Treasurer. The Treasurer is the custodian of over \$145 billion in state pensions, workers compensation, and other custodial funds.
- Ensures that sufficient cash is available to allow the state to make necessary payments.
- Operates the Linked Deposit program that helps farmers and businesses obtain low-cost loans.
- Manages the Star Ohio program (state regular account), pooling the investments of schools and political subdivisions to obtain safe returns. Star Ohio has approximately \$10 billion in assets.
- Manages the Bid Ohio program (which invests state "interim" funds), working to keep Ohio's investment dollars in Ohio.
- Manages the Securities Lending program, generating income by loaning securities on a short-term basis to selected brokerage firms and financial institutions for a fee.
- Administers a continuing education program for Ohio's public funds managers to ensure that local tax dollars are invested wisely and safely.
- Issues debt for public works, parks and recreation, mental health, mental retardation, highways, and student loan programs.


Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
151	\$71.9 million	\$72.8 million	\$37.1 million	\$38.4 million	Am. Sub. H. B. 95

\*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003.

## OVERVIEW

The total appropriation for FY 2004 is \$71,902,535. This amount is \$21,621,571 higher than FY 2003 actual expenditures, a 43% increase. The appropriation for FY 2005 is \$72,842,535. This amount is \$940,000 greater than FY 2004 appropriations, a 1.3% increase.

The GRF appropriation for FY 2004 is \$37,127,535. This amount is \$936,399 greater than FY 2003 actual spending, an increase of 2.6%. The GRF appropriation for FY 2005 is \$38,357,535. This amount is \$1,230,000 greater than FY 2004, a 3.3% increase.

The Treasurer's GRF operating appropriations for FY 2004 and FY 2005 are \$9,329,082 and \$9,619,082, respectively. The appropriation for FY 2004 is \$651,307 or 7.5% over the actual spending for FY 2003. The appropriation for FY 2005 is \$290,000 or 3.1% above the FY 2004 appropriation. The operating appropriations in FY 2004 and FY 2005 are shifting from non-GRF to GRF appropriations due to lower earnings on investment and securities lending income. 

**FY 2004 - 2005 Final Appropriation Amounts**

**All Fund Group**

**Line Item Detail by Agency**

**FY 2001:      FY 2002:      FY 2003:      FY 2004      % Change      FY 2005      % Change**  
**Appropriations:      Appropriations:      Appropriations:      Appropriations:      2003 to 2004:      Appropriations:      2004 to 2005:**

**Report For: Main Operating Appropriations Bill**

**Version: Enacted**

**TOS Treasurer of State**

GRF	090-321	Operating Expenses	\$ 7,321,402	\$ 9,412,744	\$8,677,775	\$ 9,329,082	7.51%	\$ 9,619,082	3.11%
GRF	090-401	Office of the Sinking Fund	\$ 425,503	\$ 377,505	\$270,718	\$ 554,868	104.96%	\$ 554,868	0.00%
GRF	090-402	Continuing Education	\$ 443,478	\$ 417,665	\$462,265	\$ 463,585	0.29%	\$ 463,585	0.00%
GRF	090-510	PERS Cost of Living	\$ 451	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-511	STRS Cost of Living	\$ 1,178	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-512	SERS Cost of Living	\$ 510	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-520	PERS Pension Benefits	\$ 111,056	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-521	STRS Pension Benefits	\$ 229,005	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-522	SERS Pension Benefits	\$ 60,152	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-523	Highway Patrol Retirement System	\$ 2,236	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-524	Police and Fire Disability Pension Fund	\$ 45,000	\$ 39,684	\$32,360	\$ 35,000	8.16%	\$ 30,000	-14.29%
GRF	090-530	PERS Ad Hoc Cost of Living	\$ 638,426	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-531	STRS Ad Hoc Cost of Living	\$ 1,283,545	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-532	SERS Ad Hoc Cost of Living	\$ 195,557	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-533	Highway Patrol Ad Hoc Cost of Living	\$ 20,295	---	\$0	\$ 0	N/A	\$ 0	N/A
GRF	090-534	Police & Fire Ad Hoc Cost of Living	\$ 280,826	\$ 250,446	\$223,908	\$ 225,000	0.49%	\$ 230,000	2.22%
GRF	090-544	Police and Fire State Contribution	\$ 1,200,000	\$ 1,200,000	\$1,200,000	\$ 1,200,000	0.00%	\$ 1,200,000	0.00%
GRF	090-554	Police and Fire Survivor Benefits	\$ 1,586,540	\$ 1,441,120	\$1,324,110	\$ 1,320,000	-0.31%	\$ 1,260,000	-4.55%
GRF	090-575	Police and Fire Death Benefits	\$ 21,280,000	\$ 23,000,000	\$24,000,000	\$ 24,000,000	0.00%	\$ 25,000,000	4.17%
<b>General Revenue Fund Total</b>			<b>\$ 35,125,159</b>	<b>\$ 36,139,163</b>	<b>\$ 36,191,136</b>	<b>\$ 37,127,535</b>	<b>2.59%</b>	<b>\$ 38,357,535</b>	<b>3.31%</b>
4E9	090-603	Securities Lending Income	\$ 4,822,596	\$ 4,191,274	\$2,282,537	\$ 2,400,000	5.15%	\$ 2,100,000	-12.50%
577	090-605	Investment Pool Reimbursement	\$ 735,887	\$ 242,136	\$592,086	\$ 600,000	1.34%	\$ 550,000	-8.33%
182	090-608	Financial Planning Commissions	\$ 6,927	\$ 8,467	\$1,888	\$ 0	-100.00%	\$ 0	N/A
605	090-609	Treasurer of State Administrative Fund	\$ 920,316	\$ 133,430	\$1,671,268	\$ 600,000	-64.10%	\$ 700,000	16.67%
4N0	090-611	Treasury Education	\$ 801	---	\$0	\$ 0	N/A	\$ 0	N/A
<b>General Services Fund Group Total</b>			<b>\$ 6,486,526</b>	<b>\$ 4,575,307</b>	<b>\$ 4,547,779</b>	<b>\$ 3,600,000</b>	<b>-20.84%</b>	<b>\$ 3,350,000</b>	<b>-6.94%</b>
5C5	090-602	County Treasurer Education	\$ 119,935	\$ 91,179	\$149,758	\$ 175,000	16.86%	\$ 135,000	-22.86%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 119,935</b>	<b>\$ 91,179</b>	<b>\$ 149,758</b>	<b>\$ 175,000</b>	<b>16.86%</b>	<b>\$ 135,000</b>	<b>-22.86%</b>
425	090-635	Tax Refunds	---	\$ 28,301,099	\$9,392,291	\$ 31,000,000	230.06%	\$ 31,000,000	0.00%

**FY 2004 - 2005 Final Appropriation Amounts**

**All Fund Group**

<i>Line Item Detail by Agency</i>	<i>FY 2001:</i>	<i>FY 2002:</i>	<i>FY 2003:</i>	<i>FY 2004 Appropriations:</i>	<i>% Change 2003 to 2004:</i>	<i>FY 2005 Appropriations:</i>	<i>% Change 2004 to 2005:</i>
<b>TOS Treasurer of State</b>							
Agency Fund Group Total	----	\$ 28,301,099	\$ 9,392,291	\$ 31,000,000	230.06%	\$ 31,000,000	0.00%
<i>Treasurer of State Total</i>	\$ 41,731,620	\$ 69,106,748	\$ 50,280,964	\$ 71,902,535	43.00%	\$ 72,842,535	1.31%