

Redbook

LBO Analysis of Executive Budget Proposal

Office of the Governor

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LBO Redbook

Office of the Governor

Quick look...

- The Office of the Governor (GOV) oversees the operations of state government. Under the Ohio Constitution, the Governor is the chief executive officer of the state, elected to a four-year term.
- The Governor’s major duties include formulating and implementing administrative policy for state agencies, submitting biennial capital and operating budgets, and appointing judges, agency directors, and board and commission members. The Governor also serves as commander-in-chief of the Ohio National Guard.
- GOV houses the Office of the Lieutenant Governor, who is elected jointly with the Governor and may be appointed as an administrative department head or head of an office within GOV.
- Currently, GOV directly employs a staff of 32, including 28 full-time permanent employees.
- Overall, the executive budget recommends an increase of about \$439,000 (14.2%) in FY 2020 and \$64,000 (1.8%) in FY 2021.
 - The additional funding primarily supports the creation of a new, non-GRF funded federal relations office in Washington, D.C.
 - Sources of the budget: GRF (82.7%) and fees charged to executive branch agencies (17.3%).
 - Uses of the budget: 82.8% for personal services (payroll and benefit costs), 14.9% for supplies and maintenance, and 2.3% for purchased personal services.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Estimate	FY 2020 Introduced	FY 2021 Introduced
GRF ALI 040321, Operating Expenses					
\$2,065,447	\$2,225,859	\$2,107,849	\$2,775,943	\$2,914,740	\$2,973,034
% change	7.8%	-5.3%	31.7%	5.0%	2.0%
Fund 5AK0 ALI 040607, Governmental Relations					
\$222,266	\$287,676	\$311,980	\$313,870	\$613,870	\$619,988
% change	29.4%	8.4%	0.6%	95.6%	1.0%
Total funding:					
\$2,287,713	\$2,513,534	\$2,419,829	\$3,089,813	\$3,528,610	\$3,593,022
% change	9.9%	-3.7%	27.7%	14.2%	1.8%

Analysis of FY 2020-FY 2021 budget proposal

The GOV budget contains two appropriation items that provide operating funding. The preceding table shows GOV’s actual expenditures from these line items for FY 2016 through FY 2018, appropriations for FY 2019, and recommended appropriations for FY 2020 and

FY 2021. As can be seen in the table, most (83.7%) of GOV’s operations costs are supported by the GRF through appropriation item 040321, Operating Expenses. The \$139,000 (5.0%) and \$58,000 (2.0%) increases in FY 2020 and FY 2021, respectively, primarily support higher payroll and benefit costs for existing employees.

A smaller portion (17.3%) of GOV’s budget is supported by fees assessed to executive branch agencies and deposited into the Government Relations Fund (Fund 5AK0). These non-GRF funds support ALI 040607, Governmental Relations, which covers the costs of presenting the interests of Ohio to federal and local governments and membership dues for Ohio’s participation in regional and national associations. The proposed increase of roughly \$300,000 per year for this line item supports the creation of a federal relations office in Washington, D.C.

Executive recommendations by expense category

The chart below shows the \$7.1 million proposed budget for the biennium by expense category. As shown, the personal services category accounts for the largest share of GOV’s budget at about 83%. This category provides the wages and benefits for GOV staff. The next largest expenditure category for GOV is supplies and maintenance, totaling about 15% of the budget. This category includes office supplies, telecommunications services, subscriptions, information technology and other services provided by DAS and other state agencies, as well as reimbursements for travel and other necessary expenses. The remaining 2% or so of the budget is allocated for purchased personal services.

**GOV Budget by Expense Category
FY 2020-FY 2021 Biennium**

