

ROBERT SPRAGUE

OHIO TREASURER

**Commissioners of the Sinking Fund and State Board of Deposit Budget Testimony
Zach Prouty, Director of Legislative Affairs for Ohio Treasurer Robert Sprague
Wednesday, April 21, 2021**

Good morning Chairwoman Gavarone, Vice-chair O'Brien, Ranking Member Maharath, and members of the Senate Local Government and Elections Committee. My name is Zach Prouty and I serve as Director of Legislative Affairs in the Office of Ohio Treasurer Robert Sprague. Thank you for allowing me to join you today to outline the biennial budget requests for the Commissioners of the Sinking Fund and the State Board of Deposit.

The Sinking Fund has five commissioners: The Auditor of State, Secretary of State, Governor, Treasurer of State, and Attorney General. The Commissioners of the Sinking Fund's primary responsibility is to administer debt service payments and expenses directly related to Ohio's general obligation bonds. The proceeds of these bonds have been used for primary and secondary education facilities, higher education facilities, coal research, parks and natural resources capital improvements, conservation projects, local infrastructure projects, highway capital improvements, site development for business, Third Frontier research, and compensation for veterans who served during the Persian Gulf, Afghanistan, and Iraq conflicts.

The board is requesting \$1.33 billion in FY 2022 and \$1.26 billion in FY 2023. All monies will be used to make debt service payments.

Additionally, the State Board of Deposit is comprised of the Treasurer of State, Auditor of State, and Attorney General. The Board is responsible for designating qualified financial institutions as state depositories, monitoring state deposits, approving payment of service charges, and providing oversight of state investments. The Board of Deposit employs no staff and receives no GRF funding. The Board is funded by the Investment Earnings Redistribution Fund (Fund 6080).

The Board is requesting \$1,688,400 for each year of the biennium. The request represents a 10% reduction from the estimated FY 2021 expenses. This funding will cover expenses related to the operation of the state's regular bank account and certain other state accounts.

Again, Madam Chair and members of the committee, thank you for inviting me to be here today. I am happy to answer any questions you may have.