

## **Role and Overview**

The Commissioners of the Sinking Fund facilitates the payment of debt service on fixed-rate, variable-rate, and derivative products for state general obligation bonds. This includes bonds issued for highways, coal research and development, local infrastructure, parks and natural resources, higher education, primary and secondary education, Third Frontier research and development, site development, and conservation purposes. Additional duties include the management and payment of financing costs and administrative expenses associated with the issuance and payment of state general obligation bonds. These costs are paid from the Office of Debt Management appropriation located in the Treasurer of State's budget. Pursuant to the Ohio Constitution and the Ohio Revised Code, the Commissioners of the Sinking Fund are required to submit a semi-annual report detailing the status of all general obligation debt of the state to the Governor and legislature.

More information regarding the Commissioners of the Sinking Fund is available at [tos.ohio.gov](https://tos.ohio.gov).

## **Agency Budget Highlights**

Recommended funding levels support principal and interest payments on general obligation bonds issued by the state.

## **Agency Goals and Objectives**

Facilitate the payment of debt service on state general obligation bonds.

Support debt service payments for general obligation bonds issued for highways, coal research and development, local infrastructure, parks and natural resources, conservation, higher education, primary and secondary education, Third Frontier research and development, and job-ready site development purposes.

## **Results**

In FY 2024, the Commissioners of the Sinking Fund made \$1.1 billion in debt service payments and related expenses on general obligation bonds.

Executive Recommendations by Line Item for FY 2026 and FY 2027

Fund	ALI	ALI Name	Actual			Estimated	Recommended			
			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	% Change	FY 2027	% Change
7070	155905	Third Frontier Research and Development Bond Retirement Fund	68,871,398	59,277,883	47,762,145	36,500,000	45,000,000	23.3%	45,000,000	0.0%
7072	155902	Highway Capital Improvement Bond Retirement Fund	153,664,613	158,098,244	171,178,640	136,000,000	118,500,000	-12.9%	131,500,000	11.0%
7073	155903	Natural Resources Bond Retirement Fund	20,480,199	29,849,241	19,933,766	16,800,000	14,300,000	-14.9%	14,300,000	0.0%
7074	155904	Conservation Projects Bond Retirement Fund	49,726,766	50,537,426	46,131,254	40,900,000	46,500,000	13.7%	39,000,000	-16.1%
7076	155906	Coal Research and Development Bond Retirement Fund	7,126,570	5,724,970	5,730,365	4,042,500	4,050,000	0.2%	2,525,000	-37.7%
7077	155907	State Capital Improvement Bond Retirement Fund	236,243,269	316,710,857	227,551,965	245,235,000	225,000,000	-8.3%	240,000,000	6.7%
7078	155908	Common Schools Bond Retirement Fund	417,945,269	381,517,559	367,092,030	297,000,000	255,000,000	-14.1%	230,000,000	-9.8%
7079	155909	Higher Education Bond Retirement Fund	324,767,026	298,749,367	248,449,566	275,000,000	250,000,000	-9.1%	210,000,000	-16.0%
7080	155901	Persian Gulf, Afghanistan, and Iraq Conflict Bond Retirement Fund	5,352,078	4,947,549	4,946,931	4,995,000	975,000	-80.5%	0	-100.0%
7090	155912	Job Ready Site Development Bond Retirement Fund	4,594,120	4,591,620	0	0	0		0	
		<b>Total Debt Service</b>	<b>1,288,771,309</b>	<b>1,310,004,716</b>	<b>1,138,776,662</b>	<b>1,056,472,500</b>	<b>959,325,000</b>	<b>-9.2%</b>	<b>912,325,000</b>	<b>-4.9%</b>
		<b>Grand Total - Commissioners of the Sinking Fund</b>	<b>1,288,771,309</b>	<b>1,310,004,716</b>	<b>1,138,776,662</b>	<b>1,056,472,500</b>	<b>959,325,000</b>	<b>-9.2%</b>	<b>912,325,000</b>	<b>-4.9%</b>

Agency's Budget by Expense Type

The Commissioners of the Sinking Fund's only expenditure category in FY 2024 was Debt Service.

(in Thousands) Expense Account Category	Actual			Estimated	Recommended			
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	% Change	FY 2027	% Change
591 Debt Service	1,288,771	1,310,005	1,138,777	1,056,473	959,325	-9.2%	912,325	-4.9%
<b>TOTAL</b>	<b>1,288,771</b>	<b>1,310,005</b>	<b>1,138,777</b>	<b>1,056,473</b>	<b>959,325</b>	<b>-9.2%</b>	<b>912,325</b>	<b>-4.9%</b>

