



Testimony before the Senate Finance Committee on HB 49  
(in support of county investment authority amendment)  
by Cuyahoga County Treasurer Chris Murray  
June 7, 2017

Chairman Oelslager, Vice-Chairwoman Manning, Ranking Member Skindell and members of the Senate Finance Committee.

My name is Chris Murray and I am the Cuyahoga County Treasurer. Thank you for the opportunity to testify in support of a simple, proposed amendment that would bring counties in line with municipalities and school districts in regard to the percent of inactive county funds that can be invested in commercial paper.

Currently, municipalities and school districts can invest up to 40% of their inactive funds in commercial paper while counties are limited to only 25%. Cuyahoga County Executive Armond Budish would like to thank the Cuyahoga County Senate Delegation - Senator Dolan, Senator Skindell and Senator Williams - for their support of this modest, but meaningful request.

What does this change mean for counties? Based on the recommended changes before you, and given the current interest rate environment and economic conditions facing governmental entities, Cuyahoga County could earn an additional \$2 million to \$3 million in interest earnings alone without substantial risk of public dollars. This represents an approximately half a percent increase in earnings for Cuyahoga County. My assumption is that other counties in Ohio will see increased returns with minimal risk as well if they take advantage of this proposed new legislation.

As you aware, three of the primary responsibilities of county treasurers is the preservation of principal, the maintenance of liquidity, and to maximize the return of the portfolio. Executive Budish and I believe that this proposal will continue to meet these standards for investing public funds as well as provide revenue relief for counties.

While the demands on local governments continue to increase due to the opiate crisis, criminal justice and children's services needs, among others, so do requests for additional state funding. Executive Budish understands the need for local governments to contribute to finding solutions. This revision to state law is one small way to help the funding gap that is revenue-neutral on the state and our taxpayers.

Thank you for your consideration of approving this important amendment.

I am happy to answer any questions as this time.

