

# **LSC Greenbook**

**Analysis of the Enacted Budget**

## **Ohio Cultural Facilities Commission**

*Brian Hoffmeister, Budget Analyst  
Legislative Service Commission*

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## **ATTACHMENT:**

Budget Spreadsheet By Line Item

# Ohio Cultural Facilities Commission

- Total appropriations of \$27.9 million in FY 2010 and \$29.8 million in FY 2011
- 95% of OCFC budget is for debt service payments
- Will fund the administration of 218 active capital projects

## OVERVIEW

### Agency Overview

The Ohio Cultural Facilities Commission (OCFC) administers the development of arts and sports facilities statewide using a combination of capital and operating dollars. The responsibilities of the Commission include the oversight of state funding for projects at theaters, music venues, museums, local historical facilities, arts education facilities, and publicly owned professional sports venues. The Commission is also responsible for administering the capital funding and debt service for projects at state historic sites managed by the Ohio Historical Society (OHS). The General Assembly and Governor assign projects to the Commission in the state's biennial capital appropriations bills. Once a project is assigned to the Commission, the staff works with communities and local project sponsors to assist them through required processes. These include project management assistance, administration of capital dollars, and contract oversight.

The Commission consists of nine members appointed by the Governor and three nonvoting members, consisting of one member each from the Senate and the House of Representatives and the Executive Director of the Ohio Arts Council. The Commission's staff of 12 full-time employees includes the executive, administrative, and fiscal staff, as well as project managers who oversee the progress of funded projects.

### Appropriation Overview

Fund Group	FY 2009	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue	\$32,000,731	\$26,553,536	-17.0%	\$28,400,236	6.9%
State Special Revenue	\$1,357,083	\$1,383,866	2.0%	\$1,383,866	0.0%
<b>TOTAL</b>	<b>\$33,357,814</b>	<b>\$27,937,402</b>	<b>-16.2%</b>	<b>\$29,784,102</b>	<b>6.6%</b>

\*FY 2009 figures represent actual expenditures.

Total appropriations for the Cultural Facilities Commission are approximately \$27.9 million in FY 2010 and \$29.8 million in FY 2011. The decrease of 16.2% from FY 2009 spending levels and the increase of 6.6% between FY 2010 and FY 2011 are attributable largely to changes in debt service payments from the GRF that are set by the Office of Budget and Management and not by OCFC itself. The amounts of these payments are dependent on the number and value of outstanding bond-funded capital improvement projects in OCFC's portfolio. In all, the vast majority (94.8%) of OCFC's budget is for debt service payments. The agency's total GRF appropriations of \$26.6 million in FY 2010 and \$28.4 million in FY 2011 consist mostly of debt service, along with some operating funding that is not provided through State Special Revenue appropriations.

## Major Initiatives

### Project Administration

OCFC will continue to administer its portfolio of 218 active projects, appropriations for which total approximately \$253.0 million. Under the most recent capital appropriations bill, Am. Sub. H.B. 562 of the 127th General Assembly, the Commission was appropriated \$43.1 million for 108 community projects. Of these 108 projects, 59 are brand new to the Commission, 34 are current OCFC projects that received additional appropriations, and 15 are Ohio Historical Society projects that receive capital funding through OCFC but are managed by OHS. The table below shows the total number of active projects by type that are currently being administered by OCFC, as well as a breakdown of the capital appropriations for these projects.

Category	No. of Projects	Total Appropriations
State Historical Facilities	31	\$46,362,018
Cultural Facilities	184	\$191,748,332
Sports Facilities	3	\$14,900,000
General Revenue Fund Capital Projects	4	\$243,719
<b>Total</b>	<b>218</b>	<b>\$253,010,350</b>

## ANALYSIS OF ENACTED BUDGET

This section provides an analysis of each appropriation item in OCFC's budget. OCFC's four line items are presented in the order in which they appear in H.B. 1. A narrative for each appropriation item describes how the funds are used as well as any changes affecting the appropriations that were enacted in the budget. OCFC's appropriations cover the costs for administering capital improvement projects at cultural, historical, and sports facilities statewide, as well as the debt service payments made to retire the bonds issued to fund the projects.

<b>Appropriations for the Ohio Cultural Facilities Commission</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>General Revenue Fund</b>				
GRF	371321	Operating Expenses	\$98,636	\$98,636
GRF	371401	Lease Rental Payments	\$26,454,900	\$28,301,600
<b>General Revenue Fund Subtotal</b>			<b>\$26,553,536</b>	<b>\$28,400,236</b>
<b>State Special Revenue Fund Group</b>				
4T80	371601	Riffe Theatre Equipment Maintenance	\$81,000	\$81,000
4T80	371603	Project Administration Services	\$1,302,866	\$1,302,866
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$1,383,866</b>	<b>\$1,383,866</b>
<b>Total Funding: Ohio Cultural Facilities Commission</b>			<b>\$27,937,402</b>	<b>\$29,784,102</b>

### Operating Expenses (371321)

This GRF line item supports the portion of the costs of payroll and supplies for OCFC that do not directly relate to the management of cultural and sports facilities capital projects. Funding for these purposes is \$98,636 in each fiscal year, 35.2% below FY 2009 expenditures of \$152,162.

### Lease Rental Payments (371401)

Appropriations for this line item are \$26.5 million in FY 2010 and \$28.3 million in FY 2011 under H.B. 1. These amounts are used for the repayment of bonds issued by the Treasurer of State, the proceeds of which go toward the costs of capital improvement and construction projects for cultural, sports, and state historic facilities. These debt service payments account for approximately 95% of OCFC's total budget.

### Riffe Theatre Equipment Maintenance (371601)

This line item receives appropriations of \$81,000 in each fiscal year under H.B. 1. These funds are used by OCFC pursuant to a contract with the Columbus Association for the Performing Arts (CAPA), under which OCFC provides support for repairs and equipment at the theaters in the Vern Riffe Center for Government and the Arts.

This line item is supported by rebates from a CAPA ticket surcharge that are deposited in the Cultural Facilities Commission Administration Fund (Fund 4T80).

**Project Administration Services (371603)**

The budget appropriates approximately \$1.3 million in each fiscal year for this line item. These funds support the majority of OCFC's payroll and other operating costs related to the administration of capital improvement and construction projects for cultural and sports facilities. The revenue that supports this appropriation consists of interest earnings on the cultural facilities bonds issued by the Treasurer of State that are deposited into the Cultural Facilities Commission Administration Fund (Fund 4T80). Supplemental funding for other administrative activities is provided through GRF line item 371321, Operating Expenses.

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**FY 2010 - 2011 Final Appropriation Amounts**

**All Fund Groups**

<i>Line Item Detail by Agency</i>			<i>FY 2008</i>	<i>FY 2009</i>	<i>FY 2010 Appropriations</i>	<i>% Change FY09 - FY10</i>	<i>FY 2011 Appropriations</i>	<i>% Change FY10 - FY11</i>
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>AFC Ohio Cultural Facilities Commission</b>								
GRF	371321	Operating Expenses	\$ 138,135	\$ 152,162	\$ 98,636	-35.18%	\$ 98,636	0.00%
GRF	371401	Lease Rental Payments	\$ 36,496,250	\$ 31,848,569	\$ 26,454,900	-16.94%	\$ 28,301,600	6.98%
<b>General Revenue Fund Total</b>			<b>\$ 36,634,385</b>	<b>\$ 32,000,731</b>	<b>\$ 26,553,536</b>	<b>-17.02%</b>	<b>\$ 28,400,236</b>	<b>6.95%</b>
4T80	371601	Riffe Theatre Equipment Maintenance	\$ 55,996	\$ 43,197	\$ 81,000	87.51%	\$ 81,000	0.00%
4T80	371603	Project Administration Services	\$ 1,327,831	\$ 1,313,886	\$ 1,302,866	-0.84%	\$ 1,302,866	0.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 1,383,827</b>	<b>\$ 1,357,083</b>	<b>\$ 1,383,866</b>	<b>1.97%</b>	<b>\$ 1,383,866</b>	<b>0.00%</b>
<b>Ohio Cultural Facilities Commission Total</b>			<b>\$ 38,018,212</b>	<b>\$ 33,357,814</b>	<b>\$ 27,937,402</b>	<b>-16.25%</b>	<b>\$ 29,784,102</b>	<b>6.61%</b>