

# **LSC Greenbook**

**Analysis of the Enacted Budget**

**Lake Erie Commission**

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# TABLE OF CONTENTS

<b>OVERVIEW</b> .....	<b>1</b>
Agency Overview.....	1
Appropriation Overview .....	1
<b>Major Initiatives</b> .....	<b>2</b>
Lake Erie Balanced Growth Program .....	2
Lake Erie License Plate Marketing .....	2
<b>ANALYSIS OF ENACTED BUDGET</b> .....	<b>3</b>
Lake Erie Protection Fund (780601).....	3
Lake Erie Resources Fund (780602).....	4

**ATTACHMENT:**

Budget Spreadsheet By Line Item

# Lake Erie Commission

- Total biennial appropriations of approximately \$1.7 million
- Implementation of the Lake Erie Balanced Growth Program

## OVERVIEW

### Agency Overview

The Lake Erie Commission (LEC) coordinates state policy and programs pertaining to the protection, conservation, and development of Lake Erie and its surrounding areas. LEC is charged with protecting the lake's natural resources and safeguarding its watershed's ecological quality against pollution while promoting responsible economic development along the shoreline. LEC also produces reports such as the *State of the Lake Report/Lake Erie Quality Index* and the *Lake Erie Protection and Restoration Plan* for use by state government to develop strategic plans for the use and protection of Lake Erie.

The Commission itself is comprised of six cabinet-level state officials: the Director of Environmental Protection, the Director of Natural Resources, the Director of Health, the Director of Transportation, the Director of Development, and the Director of Agriculture. The Commission's staff is employed at the LEC office in Toledo and currently has two full-time and two part-time employees led by the Executive Director, who reports to the Commission.

### Appropriation Overview

The table below shows the appropriations for the Lake Erie Commission as enacted in H.B. 1.

Appropriations by Fund Group, FY 2010-FY 2011					
Fund Group	FY 2009	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
State Special Revenue	\$675,631	\$830,000	22.8%	\$833,000	0.4%
<b>TOTAL</b>	<b>\$675,631</b>	<b>\$830,000</b>	<b>22.8%</b>	<b>\$833,000</b>	<b>0.4%</b>

\*FY 2009 figures represent actual expenditures.

As the table above shows, LEC's budget consists entirely of State Special Revenue (SSR) funding. H.B. 1 appropriations of \$830,000 in FY 2010 represent a 22.8% increase from actual FY 2009 spending levels, while FY 2011 appropriations are slightly above those for FY 2010. The increase between FY 2009 expenditures and FY 2010

appropriations can be attributed to a smaller than expected amount of grants issued during FY 2009.

The majority of LEC's total budget of \$1,663,000 over the biennium is slated for grants to support Lake Erie research and protection efforts. The next largest category of expense is personal services, followed by supplies and maintenance, purchased personal services, and equipment.

## **Major Initiatives**

### **Lake Erie Balanced Growth Program**

The most significant initiative LEC is pursuing in the FY 2010-FY 2011 biennium is the Lake Erie Balanced Growth Program. Pursuant to recommendations in the *Lake Erie Protection and Restoration Plan*, this program provides assistance to watersheds in the Lake Erie basin for developing watershed balanced growth plans that provide regional frameworks for local growth and conservation policies, formulating a State Balanced Growth Incentives Strategy to help state agencies assist watersheds in implementing their plans, and conducting awareness and training programs on local land use practices.

Through FY 2009, LEC received support for pilot projects under the Balanced Growth Plan from the Ohio Water Development Authority (OWDA). However, there are no plans for further OWDA assistance for the program. Instead, for FY 2010 and FY 2011, LEC has been offered grants through the Office of Coastal Management in the Department of Natural Resources (DNR) for the implementation of the Balanced Growth Program. These are federal moneys from the National Oceanic and Atmospheric Administration (NOAA) that DNR distributes for designated purposes. LEC expects to receive \$22,478 in FY 2010 and \$24,527 in FY 2011 for this initiative. LEC also intends to pursue additional sources of funding as available.

### **Lake Erie License Plate Marketing**

LEC works with the Ohio Department of Agriculture's Marketing Division in promoting the Lake Erie license plate, sales of which generate income for the Lake Erie Protection Fund (Fund 4C00). Because revenues from these sales have declined in recent years, LEC is pursuing marketing initiatives to promote the plates, including incorporating the license plate program in the Commission's traveling Lake Erie Photo Gallery display, promoting the plates during the annual Coastweeks Program, and marketing plates to Lake Erie Protection Fund grant recipients with the aim of promotion by the grantees themselves.

## ANALYSIS OF ENACTED BUDGET

This section provides an analysis of the budget for the Lake Erie Commission. The section includes a table listing the appropriations for LEC in each fiscal year of the biennium. Following the table, a narrative describes how each appropriation is used and any changes that were enacted by H.B. 1.

<b>Appropriations for the Lake Erie Commission</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2010</b>	<b>FY 2011</b>
<b>State Special Revenue Fund Group</b>				
4C00	780601	Lake Erie Protection Fund	\$450,000	\$450,000
5D80	780602	Lake Erie Resources Fund	\$380,000	\$383,000
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$830,000</b>	<b>\$833,000</b>
<b>Total Funding: Lake Erie Commission</b>			<b>\$830,000</b>	<b>\$833,000</b>

### Lake Erie Protection Fund (780601)

This line item contains appropriations of \$450,000 in each fiscal year from the Lake Erie Protection Fund (Fund 4C00). This is an increase of 19.9% above actual FY 2009 expenditures, due in large part to fewer grants being issued than were expected in FY 2009. Assets in this fund are generated primarily through the sale of Lake Erie license plates, as well as other grants, gifts, and donations. Previously, the fund received grants from OWDA for the Lake Erie Balanced Growth Program, and will likely receive the NOAA-DNR grants referred to previously for the same purpose in FY 2010 and FY 2011. LEC also expects grants of \$15,750 in each fiscal year from the U.S. Department of Agriculture's Natural Resources Conservation Service (USDA-NRCS) for support of activities in the western Lake Erie basin.

The Lake Erie Protection Fund is used to provide grants and financial resources to entities that perform research and develop strategies on the conservation and responsible development of Lake Erie watersheds and Ohio's Lake Erie region. Activities include research on contamination of the lake and its tributaries, measurement and collection of water quality data, research and development of clean-up techniques, cooperative efforts between public and private entities within the Lake Erie basin, and other efforts to develop and implement Lake Erie protection programs.

At the funding level of \$450,000 in each fiscal year, LEC expects to award up to 20 grants totaling \$900,000 over the biennium. Activities performed under these grants also include local matching funds provided by grantees.

## Lake Erie Resources Fund (780602)

The Lake Erie Resources Fund (Fund 5D80) receives Ohio's share of the annual earnings from the multi-state Great Lakes Protection Fund, contributions from LEC's six member agencies, and other special grants and donations. Under H.B. 1, line item 780602, receives appropriations of \$380,000 in FY 2010 and \$383,000 in FY 2011 for the costs of LEC's staff and other operating expenses, including supplies, maintenance, and equipment associated with the administration of LEC's programs. Activities supported by this fund also include the annual Coastweeks Program, which hosts clean-up events along Lake Erie, publication of reports such as the *Lake Erie Protection and Restoration Plan*, organizing commission meetings, and representing Ohio at regional Great Lakes management forums.

LEC also partners with other state agencies for some administrative functions and program support. The Environmental Protection Agency (EPA) serves as LEC's fiscal agent and provides legal support; DNR produces publications and provides communications services and media relations; and the Department of Agriculture assists LEC with marketing the Lake Erie license plates.

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**FY 2010 - 2011 Final Appropriation Amounts**

**All Fund Groups**

<b>Line Item Detail by Agency</b>			<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010 Appropriations</b>	<b>% Change FY09 - FY10</b>	<b>FY 2011 Appropriations</b>	<b>% Change FY10 - FY11</b>
<b>Report For: Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>LEC Lake Erie Commission</b>								
4C00	780601	Lake Erie Protection Fund	\$ 526,304	\$ 375,444	\$ 450,000	19.86%	\$ 450,000	0.00%
5D80	780602	Lake Erie Resources Fund	\$ 301,087	\$ 300,187	\$ 380,000	26.59%	\$ 383,000	0.79%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 827,392</b>	<b>\$ 675,631</b>	<b>\$ 830,000</b>	<b>22.85%</b>	<b>\$ 833,000</b>	<b>0.36%</b>
<b>Lake Erie Commission Total</b>			<b>\$ 827,392</b>	<b>\$ 675,631</b>	<b>\$ 830,000</b>	<b>22.85%</b>	<b>\$ 833,000</b>	<b>0.36%</b>