

LSC Greenbook

Analysis of the Enacted Budget

Capitol Square Review and Advisory Board

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July 2011

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ATTACHMENT:

Budget Spreadsheet By Line Item

Capitol Square Review and Advisory Board

- Appropriations of approximately \$11.5 million over the biennium
- Increasing share of parking garage revenues supplement Statehouse operations
- Capital appropriation of \$900,000 for boiler replacement project

OVERVIEW

Agency Overview

The Capitol Square Review and Advisory Board (CSRAB) oversees the buildings and grounds of the Ohio Statehouse complex in downtown Columbus, including the Statehouse itself (completed in 1861), the Senate Building (completed in 1901), the Atrium connecting the two buildings (completed in 1994), and the Statehouse underground parking garage (completed in 1964). CSRAB is charged with maintaining these facilities and the surrounding public green space, providing educational programs through the Statehouse Museum and the Education and Visitors Center, hosting special events, and protecting the historical and architectural significance of the buildings and grounds of Capitol Square.

The Board itself is comprised of 13 members, including the Speaker of the House of Representatives, the President of the Senate, one member of the minority party from both the House and Senate, the House and Senate clerks, and five members appointed by the Governor. The Governor's appointees include representatives from the Ohio Historical Society, the Ohio Building Authority, the Ohio Arts Council, the general public, and the Governor's Chief of Staff. Under law, the current Speaker of the House may appoint a former Speaker to the Board, and the current Senate President may appoint a former Senate President to the Board. CSRAB has a total staff of 52.

Appropriation Overview

As shown in Table 1 below, the budget funds CSRAB using approximately \$1.8 million from the GRF in FY 2012 and FY 2013, and approximately \$3.3 million in FY 2012 and \$3.2 million in FY 2013 from parking revenue deposited into the Underground Parking Garage Fund (Fund 2080). Finally, General Services funding derived from Statehouse Museum Shop revenues and other gifts and donations make up just over \$700,000 of the appropriations in each fiscal year. Overall, funding from all three sources totals about \$5.8 million in FY 2012 and \$5.7 million in FY 2013.

Table 1. Agency Appropriations by Fund Group, FY 2012-FY 2013

| Fund Group | FY 2011* | FY 2012 | % change, FY 2011-FY 2012 | FY 2013 | % change, FY 2012-FY 2013 |
|----------------------------|--------------------|--------------------|------------------------------|--------------------|------------------------------|
| General Revenue | \$1,826,126 | \$1,801,408 | -1.4% | \$1,801,408 | 0.0% |
| General Services | \$593,590 | \$701,708 | 18.2% | \$701,708 | 0.0% |
| Underground Parking Garage | \$3,107,642 | \$3,290,052 | 5.9% | \$3,186,573 | -3.2% |
| TOTAL | \$5,527,358 | \$5,793,168 | 4.8% | \$5,689,689 | -1.8% |

*FY 2011 figures represent actual expenditures.

Features of the Budget and Other Items of Interest

CSRAB as a Legislative Agency

The budget formally places CSRAB in the legislative branch of government and exempts it from Department of Administrative Services authority to contract for telephone, telecommunications, and computer services. The budget also specifies that CSRAB employees are in the unclassified civil service and serve at the pleasure of the Board. As such, any collective bargaining agreement in effect as of the budget's effective date will remain in effect until it expires, at which point it will not be renewed.

Boiler Replacement Project

In addition to operating appropriations, H.B. 153 includes a capital appropriation of \$900,000 from the Administrative Building Fund (Fund 7026) in FY 2012 to replace two boiler/chiller units that are used to heat and cool the Statehouse, Senate Building, and Atrium. This appropriation is expected to cover approximately 85% of the total project cost, with the remaining approximately \$160,000 coming from the Underground Parking Garage Fund (Fund 2080).

Statehouse Museum Project

In 2010, CSRAB completed the second phase of the Statehouse Museum project. The first phase, opened in 2009, saw the renovation of the former gift shop area in the Crypt into a new Statehouse Museum with interactive exhibits. The second phase involved the installation of displays in the main area of the Crypt. CSRAB received capital funding of \$540,367 in H.B. 562 of the 127th General Assembly for infrastructure improvements to the Statehouse that were required to undertake the project. However, a majority of the cost of the museum (approximately \$2.0 million) was supported through private funding from the Capitol Square Foundation.

Debt service

H.B. 1 of the 128th General Assembly, the main operating budget for FY 2010 and FY 2011, required the School Facilities Commission (SFC) to pay the outstanding debt obligations on bonds issued for the 1996 Statehouse renovations. This action was taken

in order to allow additional funding from CSRAB's Underground Parking Garage Fund to be used for Statehouse operations. SFC made the final payment of approximately \$1.7 million in March of 2011, retiring the last of the renovation bonds.

Additionally, CSRAB purchased a warehouse in FY 2009 using \$450,000 in state capital funding appropriated in H.B. 562 of the 127th General Assembly. The warehouse is being used for the storage of art, artifacts, and other property of the Capitol Collection Trust that is not on public display. In FY 2010, CSRAB began making annual debt service payments of up to \$48,000 for the warehouse from the Underground Parking Garage Fund. These payments will continue in FY 2012 and FY 2013.

Cost Savings Measures

In order to meet its statutory mandates with fewer resources in recent years, CSRAB has engaged in a number of measures intended to improve the efficiency of Statehouse maintenance and operations. These include expanding employees' job descriptions, reorganizing the education staff, implementing energy efficiency measures, reducing the use of print publications and mailings, and limiting staff travel and professional development. These efforts will continue in the FY 2012-FY 2013 biennium.

ANALYSIS OF ENACTED BUDGET

This section provides an analysis of the FY 2012-FY 2013 appropriations for each line item in CSRAB's budget. CSRAB's appropriations include line items that support Statehouse operations, maintenance, education, and retail activities. The funding levels appropriated for each fiscal year are shown in the table below. A narrative is included for each line item that describes the use of the funds and any changes affecting the appropriation that were enacted in H.B. 153.

| Appropriations for CSRAB | | | | |
|--|--------------|--|--------------------|--------------------|
| Fund | ALI and Name | | FY 2012 | FY 2013 |
| General Revenue Fund | | | | |
| GRF | 874100 | Personal Services | \$1,272,017 | \$1,272,017 |
| GRF | 874320 | Maintenance and Equipment | \$529,391 | \$529,391 |
| General Revenue Fund Subtotal | | | \$1,801,408 | \$1,801,408 |
| General Services Fund Group | | | | |
| 4G50 | 874603 | Capitol Square Education Center and Arts | \$15,000 | \$15,000 |
| 4S70 | 874602 | Statehouse Gift Shop/Events | \$686,708 | \$686,708 |
| General Services Fund Group Subtotal | | | \$701,708 | \$701,708 |
| Underground Parking Garage Fund Group | | | | |
| 2080 | 874601 | Underground Parking Garage Operations | \$3,290,052 | \$3,186,573 |
| Underground Parking Garage Fund Group Subtotal | | | \$3,290,052 | \$3,186,573 |
| Total Funding: Capitol Square Review and Advisory Board | | | \$5,793,168 | \$5,689,689 |

Personal Services (874100)

This line item funds payroll and fringe benefit costs for CSRAB's staff, which is expected to continue at a level of 52 full-time equivalent employees in FY 2012 and FY 2013. The appropriations of approximately \$1.3 million in each fiscal year reflect a decrease of 3.1% from FY 2011 spending for this purpose. Payroll costs not covered by this GRF line item are supported by Underground Parking Garage Fund line item 874601 (see below for further discussion of that line item).

Maintenance and Equipment (874320)

The budget provides funding of \$529,391 in each fiscal year to cover CSRAB's supplies and equipment expenses for the maintenance of the Statehouse complex and its grounds, an increase of 3.2% over FY 2011 expenditures for these purposes. While many projects are supported by state capital appropriations, this line item may be used to supplement available funding for certain costs. According to CSRAB, the appropriated amount will not provide adequate funding to carry out all planned

maintenance over the biennium. Among the projects CSRAB may defer are the installation of energy-efficient lighting in the parking garage, continued upkeep of stone pavers on the Capitol Square plaza, replacing the lift for disabled persons in the House gallery, and various other projects such as painting and routine repairs.

Capitol Square Education Center and Arts (874603)

This line item receives appropriations in the budget of \$15,000 in each fiscal year. Funds for this line item are derived from private donations that are deposited into the Capitol Square Gift Fund (Fund 4G50). This line item primarily supports the maintenance and acquisition of educational materials, art, and artifacts that are relevant to the Statehouse or Ohio history for display in the Capitol Square complex.

Statehouse Gift Shop/Events (874602)

This line item supports the operations of the Statehouse Museum Shop, the costs of special events held in the Capitol Square buildings and grounds, and tours and educational activities. The budget appropriates \$686,708 in each fiscal year, an increase of 16.1% over FY 2011 spending of \$591,557 for these purposes. The gift shop and events operations are self-supporting through revenues derived from gift shop sales and event fees. In FY 2011, the Statehouse Gift Shop and Events Fund (Fund 4S70) collected \$601,585, of which \$381,674 (63%) was generated by special events, \$207,170 (34%) was gift shop revenue, and the remainder derived from intrastate charges and other miscellaneous fees.

Underground Parking Garage Operations (874601)

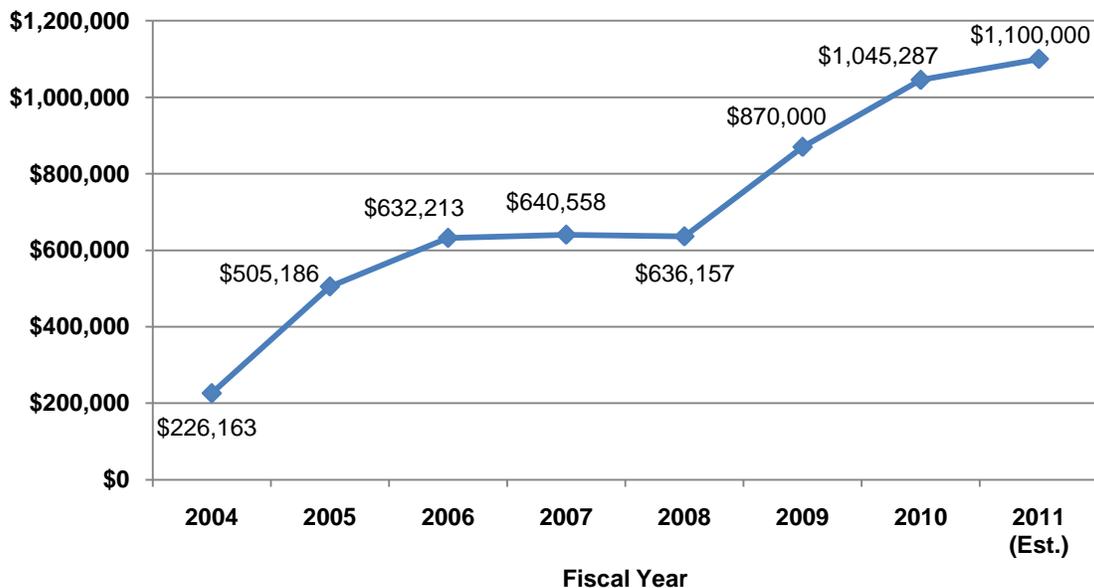
This line item supports the operations and maintenance of the Statehouse underground parking garage, which has a capacity of 1,200 spaces and is used by state employees, other downtown workers, and visitors. The budget includes appropriations of approximately \$3.3 million in FY 2012 and approximately \$3.2 million in FY 2013 for this line item, which draws upon parking fees that are deposited in the Underground Parking Garage Fund (Fund 2080). This line item was formerly used for annual debt service payments of \$755,000 to retire bonds issued for the 1996 Statehouse renovations, which were transferred to the School Facilities Commission in FY 2010 and ultimately paid off in March of 2011.

The budget provides for the continued payment from the Underground Parking Garage Fund of \$48,000 per year for debt service associated with the acquisition of a warehouse for the Capitol Collection Trust. In addition, uncodified law allows for a portion of these revenues to be diverted to pay for certain Statehouse operating costs. In addition, approximately \$160,000 will be paid from this fund toward the costs of replacing the Statehouse's two boiler/chiller units, a project that is expected to cost just over \$1 million in total.

Use of Garage Revenues for Statehouse Operations

As shown below in Chart 1, in recent years, CSRAB has increasingly relied on funds from Fund 2080 to subsidize Statehouse operating costs, primarily to pay utility bills and some payroll costs, due to a decline in GRF funding. Since FY 2004, the amount that CSRAB has diverted from parking garage revenues has increased by about 362%, from just over \$226,000 in FY 2004 to over \$1.0 million in FY 2010. CSRAB estimates that approximately \$1.1 million in parking garage revenues were diverted for Statehouse operating costs in FY 2011, although this figure is not final.

Chart 1: Garage Revenues Used for Statehouse Operations, FY 2004-FY 2011



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FY 2012 - FY 2013 Final Appropriation Amounts

All Fund Groups

| Line Item Detail by Agency | | | FY 2010 | FY 2011 | Appropriations FY 2012 | FY 2011 to FY 2012 % Change | Appropriations FY 2013 | FY 2012 to FY 2013 % Change |
|---|--------|--|-------------------------|---------------------|---------------------------|--------------------------------|---------------------------|--------------------------------|
| Report For Main Operating Appropriations Bill | | | Version: Enacted | | | | | |
| CSR Capitol Square Review and Advisory Board | | | | | | | | |
| GRF | 874100 | Personal Services | \$ 1,250,035 | \$ 1,312,945 | \$ 1,272,017 | -3.12% | \$ 1,272,017 | 0.00% |
| GRF | 874320 | Maintenance and Equipment | \$ 521,998 | \$ 513,181 | \$ 529,391 | 3.16% | \$ 529,391 | 0.00% |
| General Revenue Fund Total | | | \$ 1,772,033 | \$ 1,826,126 | \$ 1,801,408 | -1.35% | \$ 1,801,408 | 0.00% |
| 4G50 | 874603 | Capitol Square Education Center and Arts | \$ 7,469 | \$ 2,034 | \$ 15,000 | 637.48% | \$ 15,000 | 0.00% |
| 4S70 | 874602 | Statehouse Gift Shop/Events | \$ 609,636 | \$ 591,557 | \$ 686,708 | 16.08% | \$ 686,708 | 0.00% |
| General Services Fund Group Total | | | \$ 617,105 | \$ 593,590 | \$ 701,708 | 18.21% | \$ 701,708 | 0.00% |
| 5AQ0 | 874606 | Homeland Security Grant | \$ 14,825 | \$0 | \$ 0 | N/A | \$ 0 | N/A |
| State Special Revenue Fund Group Total | | | \$ 14,825 | \$0 | \$ 0 | N/A | \$ 0 | N/A |
| 2080 | 874601 | Underground Parking Garage Operations | \$ 2,580,306 | \$ 3,107,642 | \$ 3,290,052 | 5.87% | \$ 3,186,573 | -3.15% |
| Underground Parking Garage Fund Total | | | \$ 2,580,306 | \$ 3,107,642 | \$ 3,290,052 | 5.87% | \$ 3,186,573 | -3.15% |
| Capitol Square Review and Advisory Board Total | | | \$ 4,984,269 | \$ 5,527,358 | \$ 5,793,168 | 4.81% | \$ 5,689,689 | -1.79% |