

# **LSC Greenbook**

**Analysis of the Enacted Budget**

**Lake Erie Commission**

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## **ATTACHMENT:**

Budget Spreadsheet By Line Item

# Lake Erie Commission

- Non-GRF entity
- Funding reliant on reduced grants and license plate sales
- Mission to protect, restore, and grow Lake Erie

## OVERVIEW

### Duties and Responsibilities

The Lake Erie Commission's primary role is to coordinate state policy and programs pertaining to the protection, conservation, and development of Lake Erie and its surrounding areas. Specifically, the Commission is charged with protecting Lake Erie's natural resources and safeguarding its watershed's ecological quality against pollution while promoting responsible economic development along the shoreline. The Lake Erie watershed covers 33 of Ohio's 88 counties.

The Commission itself is comprised of six cabinet-level state officials: the directors of: (1) Environmental Protection, (2) Natural Resources, (3) Health, (4) Transportation, (5) Development, and (6) Agriculture. The Commission's office and staff are located in Toledo. The Commission employs the equivalent of between 3.0 and 3.5 full-time staff. Some of its member state agencies also provide staffing assistance. For example, the Ohio Environmental Protection Agency provides fiscal management, legal, and human resources services, and the Ohio Department of Natural Resources provides media relations and administrative support.

### Appropriation Summary

As seen in Table 1 below, the Commission's budget consists largely of money appropriated from the State Special Revenue Fund (SSR) Group. In terms of the Commission's total budget, the increase of about 16% from actual FY 2011 expenditures to the FY 2012-FY 2013 appropriations reflects the planned disbursement of two recently awarded federal Great Lakes Restoration Initiative project grants.

**Table 1. Commission Appropriations by Fund Group, FY 2012-FY 2013  
(Am. Sub. H.B. 153)**

Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
Federal Special Revenue	\$11,173	\$95,750	757.0%	\$95,750	0.0%
State Special Revenue	\$640,788	\$661,783	3.3%	\$650,143	-1.8%
<b>TOTAL</b>	<b>\$651,961</b>	<b>\$757,533</b>	<b>16.2%</b>	<b>\$745,893</b>	<b>-1.5%</b>

\*FY 2011 figures represent actual expenditures.

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

A major Commission initiative for the FY 2012-FY 2013 biennium is the continued management of 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: (1) developing watershed balanced growth plans that provide regional frameworks for local growth and conservation policies, (2) formulating a State Balanced Growth Incentives Strategy to help state agencies assist watersheds in implementing their plans, and (3) conducting awareness and training programs on local land use practices.

Since FY 2006, implementation of this initiative has been assisted by grants awarded by the Ohio Department of Natural Resources' Office of Coastal Management. These grants are backed by federal money awarded by the National Oceanic and Atmospheric Administration (NOAA) and that the Office of Coastal Management distributes for designated purposes. For the FY 2012-FY 2013 biennium, the Commission expects additional awards of \$50,000 in each year.

## **ANALYSIS OF ENACTED BUDGET**

Table 2 below summarizes the line items that finance the Commission's activities and services, as well as the enacted funding levels. It is then followed by a narrative describing how each appropriated amount will be used.

<b>Table 2. Lake Erie Commission Appropriations</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2012</b>	<b>FY 2013</b>
<b>Federal Special Revenue Fund (FED) Group</b>				
3EP0	780603	Lake Erie Federal Grants	\$95,750	\$95,750
<b>State Special Revenue Fund (SSR) Group</b>				
4C00	780601	Lake Erie Protection Fund	\$400,000	\$400,000
5D80	780602	Lake Erie Resources Fund	\$261,783	\$250,143
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$661,783</b>	<b>\$650,143</b>
<b>Total Funding: Lake Erie Commission</b>			<b>\$757,533</b>	<b>\$745,893</b>

### **Lake Erie Federal Grants (FED line item 780603)**

This is a relatively new line item created for the purpose of disbursing recently awarded federal grants totaling \$450,000. These grants will be used to undertake two Great Lakes Restoration Initiative projects as follows: (1) the Toledo Harbor Sediment Management Plan and (2) the Lake Erie Synthesis and Coordination Team. For this purpose, the budget appropriates \$95,750 in each fiscal year, all of which will be allocated for Commission payroll costs that would otherwise have been charged against the Lake Erie Resources Fund (Fund 5D80). The remainder of the federal money will be disbursed to the actual grant recipients at a date yet to be determined.

### **Lake Erie Protection Fund (SSR line item 780601)**

For this SSR line item, the budget appropriates \$400,000 in each fiscal year, to be disbursed in the form of approximately 20 project grants. The line item draws its money from the Lake Erie Protection Fund (Fund 4C00), which has a revenue stream that is generated primarily through the sale of Lake Erie license plates, and secondarily, grants, gifts, and donations. A point of concern for the Commission in this revenue stream is that, after netting close to \$900,000 in FY 1996 license plate sales, annual sales have decreased to less than \$300,000.

### **Lake Erie Resources Fund (SSR line item 780602)**

For this SSR line item, the budget appropriates \$261,783 in FY 2012 and \$250,143 in FY 2013, to be allocated for payroll, supplies and maintenance, purchased personal services, and equipment. Specific activities supported by these expenditures 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.

The line item draws its funding from the Lake Erie Resources Fund (Fund 5D80), which relies primarily on Ohio's share of the interest earned on money credited to the multi-state Great Lakes Protection Fund. The Great Lakes Protection Fund is an interstate trust fund established in 1989 to protect and restore the Great Lakes. One-third of the fund's annual earnings are designated for Ohio. A point of concern for the Commission is that the trust fund's interest earnings have decreased as a result of the downturn in the economy.

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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
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: Enacted</b>					
<b>LEC Lake Erie Commission</b>								
3EP0	780603	Lake Erie Federal Grants	\$0	\$ 11,173	\$ 95,750	756.98%	\$ 95,750	0.00%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$0</b>	<b>\$ 11,173</b>	<b>\$ 95,750</b>	<b>756.98%</b>	<b>\$ 95,750</b>	<b>0.00%</b>
4C00	780601	Lake Erie Protection Fund	\$ 383,214	\$ 378,240	\$ 400,000	5.75%	\$ 400,000	0.00%
5D80	780602	Lake Erie Resources Fund	\$ 299,629	\$ 262,548	\$ 261,783	-0.29%	\$ 250,143	-4.45%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 682,843</b>	<b>\$ 640,788</b>	<b>\$ 661,783</b>	<b>3.28%</b>	<b>\$ 650,143</b>	<b>-1.76%</b>
<b>Lake Erie Commission Total</b>			<b>\$ 682,843</b>	<b>\$ 651,961</b>	<b>\$ 757,533</b>	<b>16.19%</b>	<b>\$ 745,893</b>	<b>-1.54%</b>