

LSC Redbook

Analysis of the Executive Budget Proposal

Capitol Square Review and Advisory Board

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TABLE OF CONTENTS

OVERVIEW	1
Agency Overview	1
Staffing.....	1
Appropriation Overview	2
Major Initiatives	3
Cost Savings Measures.....	3
Statehouse Museum Project	3
Debt service.....	3
ANALYSIS OF EXECUTIVE PROPOSAL	4
Personal Services (874100)	4
Maintenance and Equipment (874320).....	4
Capitol Square Education Center and Arts (874603)	5
Statehouse Gift Shop/Events (874602).....	5
Underground Parking Garage Operations (874601)	5

ATTACHMENTS:

- Catalog of Budget Line Items
- 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
- Second phase of the Statehouse Museum completed in 2010

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.

Staffing

The Executive Director, appointed by the Board, leads the day-to-day operations of CSRAB, which employs a full-time staff of 52. This number includes administrative staff, custodial and maintenance staff, gift shop staff, education and museum staff, and employees of the Statehouse underground parking garage. After significant staff reductions from 68 employees in FY 2009 to 53 in FY 2010, the current level of 52 employees is expected to remain constant for FY 2012 and FY 2013.

Appropriation Overview

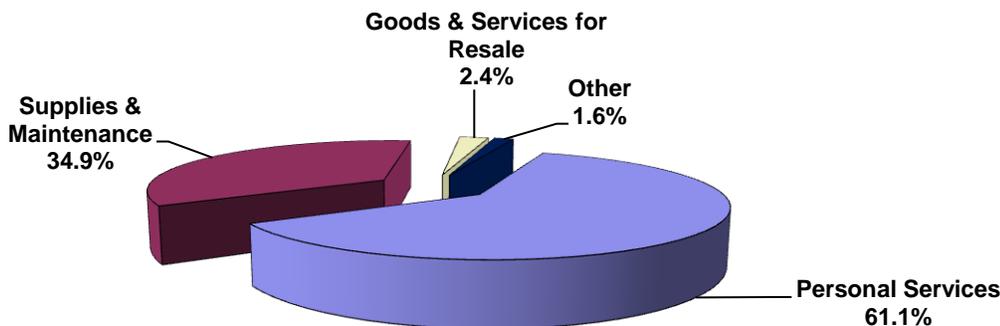
As shown in Table 1 below, the executive proposal for CSRAB recommends funding of approximately \$1.8 million from the GRF in FY 2012 and FY 2013, and funding of approximately \$3.3 million in FY 2012 and \$3.2 million in FY 2013 from the Underground Parking Garage Fund (Fund 2080). General Services funding derived from Statehouse Museum Shop revenues and other gifts and donations make up just over \$700,000, the proposed appropriations in each year. Overall, the recommended funding from all three sources totals about \$5.8 million in FY 2012 and \$5.7 million in FY 2013.

Table 1. Executive Budget Recommendations 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	\$1,838,171	\$1,801,408	-2.0%	\$1,801,408	0.0%
General Services	\$701,708	\$701,708	0.0%	\$701,708	0.0%
Underground Parking Garage	\$2,979,615	\$3,290,052	10.4%	\$3,186,573	1.9%
TOTAL	\$5,519,494	\$5,793,168	5.0%	\$5,689,689	-1.8%

*FY 2011 figures represent estimated expenditures.

Chart 1 breaks down CSRAB's proposed FY 2012-FY 2013 budget by expense category. Over half (61.1%) of CSRAB's funding is slated for payroll covering the agency's 52 employees. Supplies and maintenance costs comprise over one-third of recommended funding (34.9%). Goods and services for resale, which are expenses associated with the Statehouse Museum Shop, account for 2.4%. The remaining 1.6% consists of purchased personal services, equipment, transfers, and other amounts.

Chart 1. Biennial Executive Budget Recommendations by Expense Category, FY 2012-FY 2013



Major Initiatives

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 likely continue in the FY 2012-FY 2013 biennium.

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.

ANALYSIS OF EXECUTIVE PROPOSAL

This section provides an analysis of the Governor's recommended funding for each line item in CSRAB's budget. CSRAB's appropriations include line items that support Statehouse operations, maintenance, education, and retail activities. The executive recommended appropriations for FY 2012 and FY 2013 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 are being proposed by the Governor.

Governor's Recommended Amounts 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 employees in FY 2012 and FY 2013. The executive recommendations of approximately \$1.3 million in each fiscal year reflect a decrease of 3.0% from estimated 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 executive proposal recommends funding of \$529,391 in each fiscal year, an increase of 0.5% over estimated FY 2011 expenditures. Funds in this GRF line item cover CSRAB's supplies and equipment expenses for the maintenance of the Statehouse complex and its grounds. While many projects are supported by state capital moneys, this line item may be used to supplement available funding for certain costs. According

to CSRAB, the executive proposal 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 of \$15,000 in each fiscal year under the executive proposal. 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 executive proposal recommends \$686,708 in each fiscal year, flat funding for this line item at estimated FY 2011 levels. The gift shop and events operations are self-supporting through revenues derived from gift shop sales and event fees. In FY 2010, the Statehouse Gift Shop and Events Fund (Fund 4S70) collected just over \$636,000, of which \$241,400 (38%) was gift shop revenue, \$382,500 (60%) was generated by special events, and the remainder derived from intrastate charges and other miscellaneous fees.

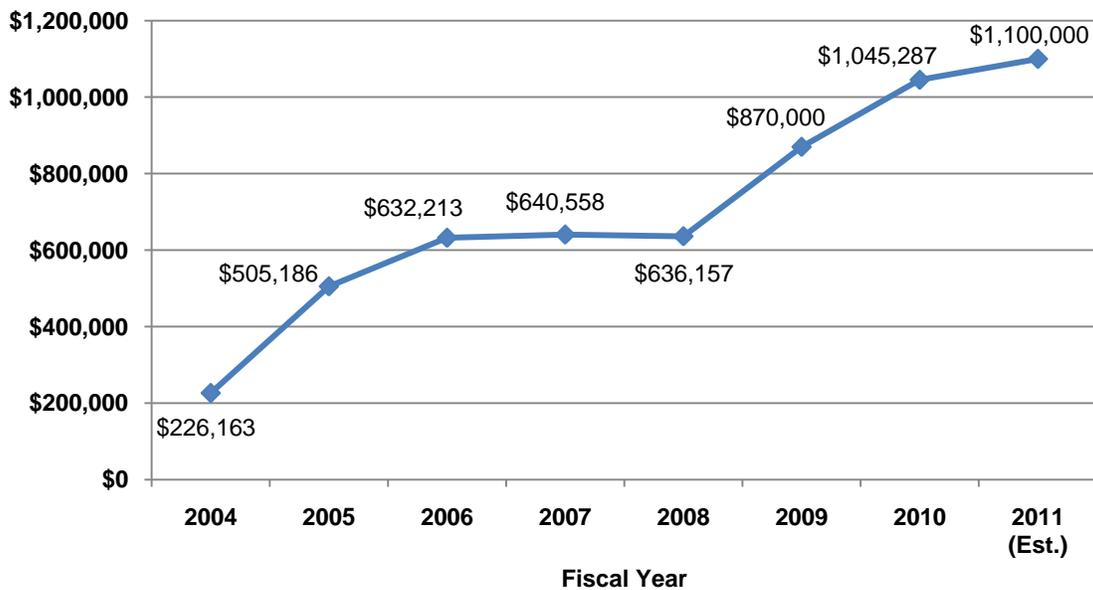
Underground Parking Garage Operations (874601)

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 executive recommendation 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. However, the executive proposal provides for the payment 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.

Use of Garage Revenues for Statehouse Operations

As shown below in Chart 2, 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 expects that a total of about \$1.1 million in parking garage revenues will be diverted for Statehouse operating costs in FY 2011.

Chart 2: Garage Revenues Used for Statehouse Operations, FY 2004-FY 2011



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Capitol Square Review and Advisory Board

General Revenue Fund

GRF 874100 Personal Services

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,056,221	\$1,990,843	\$1,250,035	\$1,311,358	\$1,272,017	\$1,272,017
	-3.2%	-37.2%	4.9%	-3.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 1 of the 128th G.A.

Purpose: This line item is used to fund payroll expenses for the staff of the Capitol Square Review and Advisory Board. The Board provides all educational, maintenance, support, and administrative services for the Capitol Square complex, the Statehouse, and its grounds.

GRF 874320 Maintenance and Equipment

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,071,782	\$897,507	\$521,998	\$526,813	\$529,391	\$529,391
	-16.3%	-41.8%	0.9%	0.5%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 1 of the 128th G.A.

Purpose: This line item is used to fund maintenance and equipment expenses of the Capitol Square Review and Advisory Board.

General Services Fund Group

4G50 874603 Capitol Square Education Center and Arts

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$6,845	\$1,878	\$7,469	\$15,000	\$15,000	\$15,000
	-72.6%	297.6%	100.8%	0.0%	0.0%

Source: General Services Fund Group: Donations received for the Capitol Square Renovation Project and the Capitol Square Foundation from non-governmental parties

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 1 of the 128th G.A.

Purpose: The line item is used to support the costs of certain educational programming for the Statehouse Museum and Education Center. In conjunction with private funding, it may also be used to fund the acquisition of art, antiques, and artifacts relevant to Ohio history and to the Statehouse.

Capitol Square Review and Advisory Board

4S70 874602 Statehouse Gift Shop/Events

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$646,887	\$633,808	\$609,636	\$686,708	\$686,708	\$686,708
	-2.0%	-3.8%	12.6%	0.0%	0.0%

Source: General Services Fund Group: Fees, receipts, and revenues received from the sale of merchandise in the Statehouse gift shop and from special events held at the Statehouse

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 1 of the 128th G.A.

Purpose: Moneys in this fund pay for inventories, services, and maintenance costs related to the Statehouse gift shop and the numerous special events that occur on Statehouse grounds annually. These funds also support Statehouse education and tour activities.

State Special Revenue Fund Group

5AQ0 874606 Homeland Security Grant

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$101,465	\$14,825	\$0	\$0	\$0
	N/A	-85.4%	-100%	N/A	N/A

Source: State Special Revenue Fund Group: One-time Homeland Security grant from Ohio Department of Public Safety

Legal Basis: Discontinued line item (originally established by the Controlling Board on July 21, 2008)

Purpose: This line item was used for the purchase of an emergency generator for the underground parking garage, as well as bollards and granite boulders to provide physical security on the Statehouse grounds.

Capitol Square Review and Advisory Board

Underground Parking Garage Fund

2080 874601 Underground Parking Garage Operations

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,947,508	\$2,919,318	\$2,580,306	\$2,979,615	\$3,290,052	\$3,186,573
	-1.0%	-11.6%	15.5%	10.4%	-3.1%

Source: Underground Parking Garage Fund: All fees, receipts, and revenues received by the Capitol Square Review and Advisory Board from the state underground parking garage

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Sub. H.B. 715 of the 120th G.A.)

Purpose: This line item is used to support the operation and maintenance of the Statehouse parking garage, certain Statehouse operating expenses, and debt service payments for the Capitol Collection warehouse.

FY 2012 - FY 2013 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2010	Estimate FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
CSR Capitol Square Review and Advisory Board								
GRF	874100	Personal Services	\$ 1,250,035	\$ 1,311,358	\$ 1,272,017	-3.00%	\$ 1,272,017	0.00%
GRF	874320	Maintenance and Equipment	\$ 521,998	\$ 526,813	\$ 529,391	0.49%	\$ 529,391	0.00%
General Revenue Fund Total			\$ 1,772,033	\$ 1,838,171	\$ 1,801,408	-2.00%	\$ 1,801,408	0.00%
4G50	874603	Capitol Square Education Center and Arts	\$ 7,469	\$ 15,000	\$ 15,000	0.00%	\$ 15,000	0.00%
4S70	874602	Statehouse Gift Shop/Events	\$ 609,636	\$ 686,708	\$ 686,708	0.00%	\$ 686,708	0.00%
General Services Fund Group Total			\$ 617,105	\$ 701,708	\$ 701,708	0.00%	\$ 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	\$ 2,979,615	\$ 3,290,052	10.42%	\$ 3,186,573	-3.15%
Underground Parking Garage Fund Total			\$ 2,580,306	\$ 2,979,615	\$ 3,290,052	10.42%	\$ 3,186,573	-3.15%
Capitol Square Review and Advisory Board Total			\$ 4,984,269	\$ 5,519,494	\$ 5,793,168	4.96%	\$ 5,689,689	-1.79%