

LSC Redbook

Analysis of the Executive Budget Proposal

Capitol Square Review and Advisory Board

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Capitol Square Review and Advisory Board

- Appropriations of approximately \$14.5 million over the biennium
- GRF appropriations nearly double over current levels
- Parking garage revenues to be used for needed maintenance projects

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 12 members, including one member of each party from both the House and Senate, the House and Senate clerks, and four members appointed by the Governor. The Governor's appointees include representatives from the Ohio Historical Society, the Ohio Arts Council, and 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. The Executive Director, appointed by the Board, leads the day-to-day operations of CSRAB, which employs a staff of 55. 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 2012, CSRAB added new maintenance, grounds, custodial, education, and events staff in FY 2013 while reducing staffing in the parking garage.

Appropriation Overview

As shown in Table 1 below, the executive proposal for CSRAB recommends funding of approximately \$3.6 million from the GRF in FY 2014 and FY 2015, nearly doubling estimated FY 2013 GRF expenditures of approximately \$1.8 million.

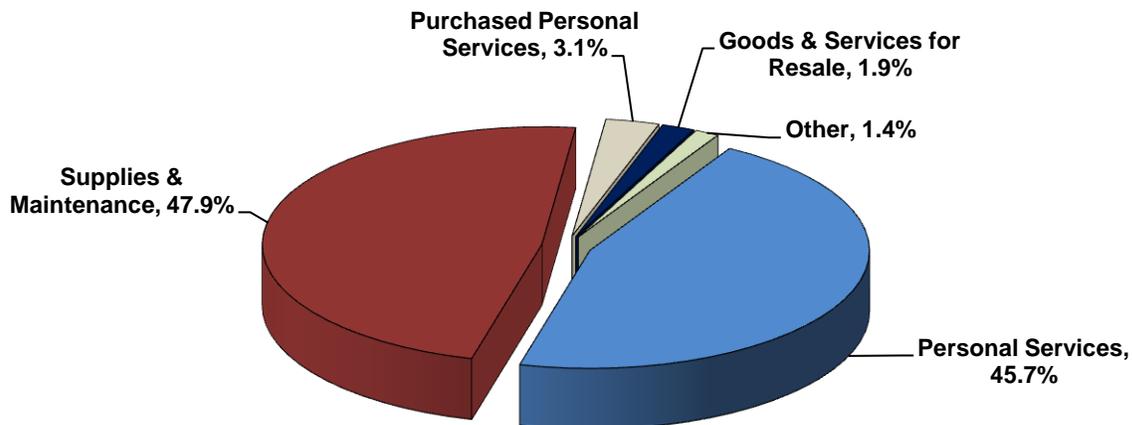
Recommended funding of approximately \$3.0 million in each fiscal year from the Underground Parking Garage Fund (Fund 2080) is the next largest source of funding under the executive proposal. General Services funding derived from Statehouse Museum Shop sales and other gifts and donations make up just over \$635,000 per year of the proposed budget. Overall, the recommended funding from all three sources totals about \$7.3 million in FY 2014 and \$7.2 million in FY 2015, a substantial increase over FY 2013 amounts.

Fund Group	FY 2013*	FY 2014	% change, FY 2013-FY 2014	FY 2015	% change, FY 2014-FY 2015
General Revenue	\$1,801,408	\$3,578,565	98.7%	\$3,578,565	0.0%
General Services	\$701,708	\$635,291	-9.5%	\$635,291	0.0%
Underground Parking Garage	\$3,186,573	\$3,039,740	-4.6%	\$2,981,740	-1.9%
TOTAL	\$5,689,689	\$7,253,596	27.5%	\$7,195,596	-0.8%

*FY 2013 figures represent estimated expenditures.

Chart 1 breaks down CSRAB's proposed FY 2014-FY 2015 budget by expense category. Payroll (45.7%) and supplies and maintenance (47.9%) constitute the largest portions of CSRAB's recommended funding. Purchased personal services (3.1%) represents the costs of contracting for various services, such as equipment repairs and catering for special events. Goods and services for resale, which are expenses associated with purchasing items to be sold at the Statehouse Museum Shop, account for 1.9%. The remaining 1.4% consists of equipment, transfers, and debt service on the CSRAB warehouse.

Chart 1. Biennial Executive Budget Recommendations by Expense Category, FY 2014-FY 2015

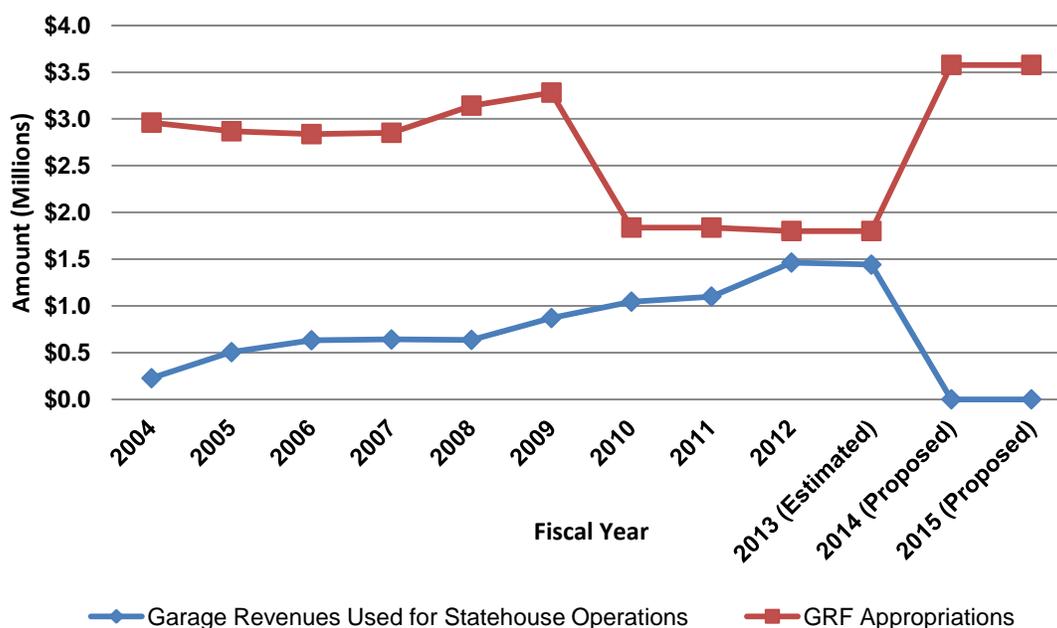


Budget Highlights

GRF and Parking Garage Funding

CSRAB's GRF appropriations grow by 98.7% from current levels under the executive proposal, to \$3.6 million in each year, its highest amount since FY 2001. This significant increase, according to CSRAB, is intended to reduce the agency's reliance on revenues from the underground parking garage for Statehouse operating costs. As shown in Chart 2 below, in recent years, CSRAB has been diverting dollars from the Underground Parking Garage Fund (Fund 2080) to make up for reductions in its GRF appropriations for operating expenses such as utility bills and some payroll costs. This has reduced the amount of garage funding available for maintenance and upkeep in both the garage and the Statehouse, and increased CSRAB's reliance on bond-funded state capital appropriations to carry out these projects. Since FY 2004, the amount that CSRAB has diverted from parking garage revenues increased by about 548%, from just over \$226,000 in FY 2004 to estimated spending of over \$1.4 million in FY 2013. However, under the executive proposal, no garage funds will be diverted for Statehouse operations in FY 2014 and FY 2015. Rather, by increasing CSRAB's GRF appropriations, the executive proposal would allow for parking garage revenues to be used for their intended maintenance purposes, potentially reducing the agency's need for bond-supported capital funding. For further details on the use of garage funds under the proposed budget, see line item 874601, Underground Parking Garage Operations, in the "**Analysis of Executive Proposal**" section of this Redbook.

Chart 2: Garage Revenues Used for Statehouse Operations vs. GRF Appropriations, FY 2004-FY 2015



Parking Garage Operations

In FY 2012, CSRAB purchased a new automated payment system for the underground parking garage, replacing the collection booths staffed by CSRAB employees. The new equipment requires users of the garage to take a ticket and pay at automated payment kiosks upon departure, where tickets are stamped based on the amount of time the driver was parked in the garage and then inserted into a machine at the gate on the way out. This change allows CSRAB to reduce staffing in the parking garage and frees up parking revenue for use on maintenance projects.

Major Maintenance Projects

Without the diversion of parking garage revenues to Statehouse operations in FY 2014 and FY 2015, CSRAB intends to use about \$1.1 million in garage receipts in each year to fund a series of needed maintenance projects for which it would otherwise apply for state capital funds. Table 2 below lists these planned projects.

Table 2. Proposed Major Maintenance to be Funded from Garage Receipts			
FY 2014 Project	FY 2014 Amount	FY 2015 Project	FY 2015 Amount
Garage ventilation fan replacement	\$427,000	House handicap lift replacement	\$150,000
Garage ceiling paint stripping	\$550,000	Freight elevator cab renovation	\$80,000
Garage stairwell door replacement	\$20,000	Hearing room sound system replacement	\$70,000
New garage exterior signage	\$51,000	Statehouse hall lighting controls and motion sensors	\$325,000
Garage and grounds equipment replacement	\$75,000	Cyclical maintenance planning	\$140,000
		Furniture replacement	\$150,000
		Interior and exterior stone cleaning	\$150,000
FY 2014 total	\$1,123,000	FY 2015 total	\$1,065,000

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 2014 and FY 2015 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 2014	FY 2015
General Revenue Fund				
GRF	874100	Personal Services	\$2,417,467	\$2,417,467
GRF	874320	Maintenance and Equipment	\$1,161,098	\$1,161,098
General Revenue Fund Subtotal			\$3,578,565	\$3,578,565
General Services Fund Group				
4G50	874603	Capitol Square Education Center and Arts	\$5,882	\$5,882
4S70	874602	Statehouse Gift Shop/Events	\$629,409	\$629,409
General Services Fund Group Subtotal			\$635,291	\$635,291
Underground Parking Garage Fund Group				
2080	874601	Underground Parking Garage Operations	\$3,039,740	\$2,981,740
Underground Parking Garage Fund Group Subtotal			\$3,039,740	\$2,981,740
Total Funding: CSRAB			\$7,253,596	\$7,195,596

Personal Services (874100)

This line item funds payroll and fringe benefit costs for CSRAB's nongift shop and nonparking garage staff. The executive recommendations of approximately \$2.4 million in each fiscal year are about 90% above estimated FY 2013 spending of about \$1.3 million for this purpose. This increase will reduce CSRAB's reliance on parking garage revenues to cover Statehouse operating costs. Payroll costs for employees of the Statehouse underground parking garage are not covered by this GRF line item, but are supported by Underground Parking Garage Fund line item 874601. Employees of the Statehouse Museum Shop are paid from line item 874602, Statehouse Gift Shop/Events.

Maintenance and Equipment (874320)

The executive proposal recommends funding of \$1.2 million in each fiscal year, more than twice estimated FY 2013 expenditures of \$529,391 for this purpose. 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 have been

supported by state capital moneys, this line item is the GRF source for most Statehouse maintenance and upkeep work. This line item will be used for general upkeep, while larger maintenance projects will be funded by a portion of the revenues from the underground parking garage, which are appropriated in line item 874601, Underground Parking Garage Operations, in the upcoming biennium.

Capitol Square Education Center and Arts (874603)

This line item receives appropriations of \$5,882 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 \$629,409 in each fiscal year for this purpose, a decrease of 8.3% when compared to estimated FY 2013 spending of \$686,708 for these activities. The gift shop and events operations are self-supporting through revenues derived from gift shop sales and event fees. In FY 2012, the Statehouse Gift Shop and Events Fund (Fund 4S70) collected approximately \$623,000, of which about \$286,000 (46%) was gift shop revenue, \$324,000 (52%) 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 Columbus workers, and visitors. The executive recommendation includes appropriations of \$3.04 million in FY 2014 and a slight (1.9%) decrease to \$2.98 million in FY 2015 for this line item, which draws upon parking fees that are deposited in the Underground Parking Garage Fund (Fund 2080). In previous years, large portions of this line item have been diverted for operating costs of the Statehouse, such as utilities and payroll. However, with the increase in GRF funding proposed in the executive budget, CSRAB will be able to direct more parking garage revenues to needed maintenance in the garage, the Statehouse, and the grounds, including some projects that would otherwise be funded out of bond-supported state capital appropriations. Specifically, CSRAB intends to use about \$1.1 million in each fiscal year for such items as new garage signage, new ventilation fans, a new Statehouse freight elevator and disabled lift for the House gallery, and new motion sensors and

lighting controls, among other projects. Of the amount recommended by the Governor, about \$500,000 in each fiscal year will be used for payroll costs, a significant decrease from the \$1.9 million expected to be spent in FY 2013, due to both the increase in GRF payroll appropriations for Statehouse employees and the installation of automated parking payment machines, which have reduced the need to staff the garage. Temporary law for this line item also provides for the continued payment of \$48,000 per year for debt service associated with the acquisition of a warehouse for the Capitol Collection Trust.

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Capitol Square Review and Advisory Board

General Revenue Fund

GRF 874100 Personal Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$1,250,035	\$1,312,945	\$1,272,013	\$1,272,017	\$2,417,467	\$2,417,467
	5.0%	-3.1%	0.0%	90.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: This line item is used to fund payroll expenses for most staff of the Capitol Square Review and Advisory Board, except for employees of the Statehouse underground parking garage and the Statehouse Museum Shop. 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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$521,998	\$513,181	\$547,153	\$529,391	\$1,161,098	\$1,161,098
	-1.7%	6.6%	-3.2%	119.3%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: This line item is used to fund general 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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$7,469	\$2,034	\$3,551	\$15,000	\$5,882	\$5,882
	-72.8%	74.6%	322.4%	-60.8%	0.0%

Source: General Services Fund Group: Private donations

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: The line item is used in conjunction with private funding to support the costs of certain educational programming for the Statehouse Museum and Education Center. 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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$609,636	\$591,557	\$629,251	\$686,708	\$629,409	\$629,409
	-3.0%	6.4%	9.1%	-8.3%	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. 153 of the 129th G.A.

Purpose: Moneys in this line item 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 some Statehouse education and tour activities.

State Special Revenue Fund Group

5AQ0 874606 Homeland Security Grant

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$14,825	\$0	\$0	\$0	\$0	\$0
	-100%	N/A	N/A	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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$2,580,306	\$3,107,642	\$3,678,469	\$3,186,573	\$3,039,740	\$2,981,740
	20.4%	18.4%	-13.4%	-4.6%	-1.9%

Source: Underground Parking Garage Fund: Parking fees collected by the Statehouse underground parking garage

Legal Basis: ORC 105.41; Section 231.10 of Am. Sub. H.B. 153 of the 129th 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, as well as for the costs of certain larger maintenance projects in the Statehouse and on the grounds. Of this line item, \$48,000 in each fiscal year is used to pay debt service on the Capitol Collection warehouse.

FY 2014 - FY 2015 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2012	Estimate FY 2013	Introduced FY 2014	FY 2013 to FY 2014 % Change	Introduced FY 2015	FY 2014 to FY 2015 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
CSR Capitol Square Review and Advisory Board								
GRF	874100	Personal Services	\$ 1,272,013	\$ 1,272,017	\$ 2,417,467	90.05%	\$ 2,417,467	0.00%
GRF	874320	Maintenance and Equipment	\$ 547,153	\$ 529,391	\$ 1,161,098	119.33%	\$ 1,161,098	0.00%
General Revenue Fund Total			\$ 1,819,167	\$ 1,801,408	\$ 3,578,565	98.65%	\$ 3,578,565	0.00%
4G50	874603	Capitol Square Education Center and Arts	\$ 3,551	\$ 15,000	\$ 5,882	-60.79%	\$ 5,882	0.00%
4S70	874602	Statehouse Gift Shop/Events	\$ 629,251	\$ 686,708	\$ 629,409	-8.34%	\$ 629,409	0.00%
General Services Fund Group Total			\$ 632,801	\$ 701,708	\$ 635,291	-9.47%	\$ 635,291	0.00%
2080	874601	Underground Parking Garage Operations	\$ 3,678,469	\$ 3,186,573	\$ 3,039,740	-4.61%	\$ 2,981,740	-1.91%
Underground Parking Garage Fund Total			\$ 3,678,469	\$ 3,186,573	\$ 3,039,740	-4.61%	\$ 2,981,740	-1.91%
Capitol Square Review and Advisory Board Total			\$ 6,130,437	\$ 5,689,689	\$ 7,253,596	27.49%	\$ 7,195,596	-0.80%