

LSC Redbook

Analysis of the Executive Budget Proposal

Capitol Square Review and Advisory Board

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ATTACHMENTS:

- Catalog of Budget Line Items
- Budget Spreadsheet By Line Item

Capitol Square Review and Advisory Board

- Appropriations of approximately \$15.6 million over the biennium
- GRF appropriations remain level with current amounts
- Parking garage revenues to be used for ongoing maintenance

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 of Representatives and Senate, the House and Senate clerks, and four members appointed by the Governor. The Governor's appointees include representatives from the Ohio History Connection, the Ohio Arts Council, and the general public, and the Governor's Chief of Staff. 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 full-time staff of 57. 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. Staffing levels since FY 2013 have not changed significantly.

Appropriation Overview

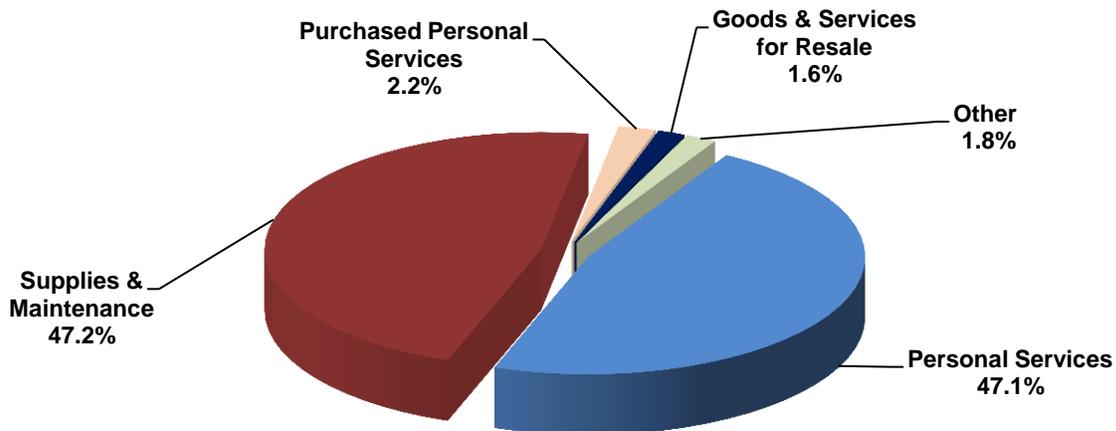
As shown in Table 1 below, the executive proposal for CSRAB recommends funding of approximately \$3.6 million from the GRF in FY 2016 and FY 2017, maintaining flat funding with FY 2015 GRF expenditures. Recommended funding of approximately \$3.5 million in each fiscal year from the Dedicated Purpose Fund is the next largest source of funding under the executive proposal. Internal Service Activity funding derived from Statehouse Museum Shop sales and other gifts and donations make up \$700,000 per year of the proposed budget. Overall, the recommended funding from all three sources totals about \$7.8 million in each fiscal year, a minimal increase over FY 2015 amounts.

Table 1. Executive Budget Recommendations by Fund Group, FY 2016-FY 2017					
Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$3,578,565	\$3,578,565	0.0%	\$3,578,565	0.0%
Internal Service Activity	\$629,409	\$700,000	11.2%	\$700,000	0.0%
Dedicated Purpose	\$3,502,622	\$3,502,740	0.0%	\$3,502,740	0.0%
TOTAL	\$7,710,596	\$7,781,305	0.9%	\$7,781,305	0.0%

*FY 2015 figures represent estimated expenditures.

Chart 1 breaks down CSRAB's proposed FY 2016-FY 2017 budget by expense category. Personal services (47.1%) and supplies and maintenance (47.2%) constitute the largest portions of CSRAB's recommended funding. Purchased personal services (2.2%) 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 1.6%. The remaining 1.8% consists of equipment, transfers, and debt service on the CSRAB warehouse.

Chart 1: Biennial Executive Budget Recommendations by Expense Category, FY 2016-FY 2017

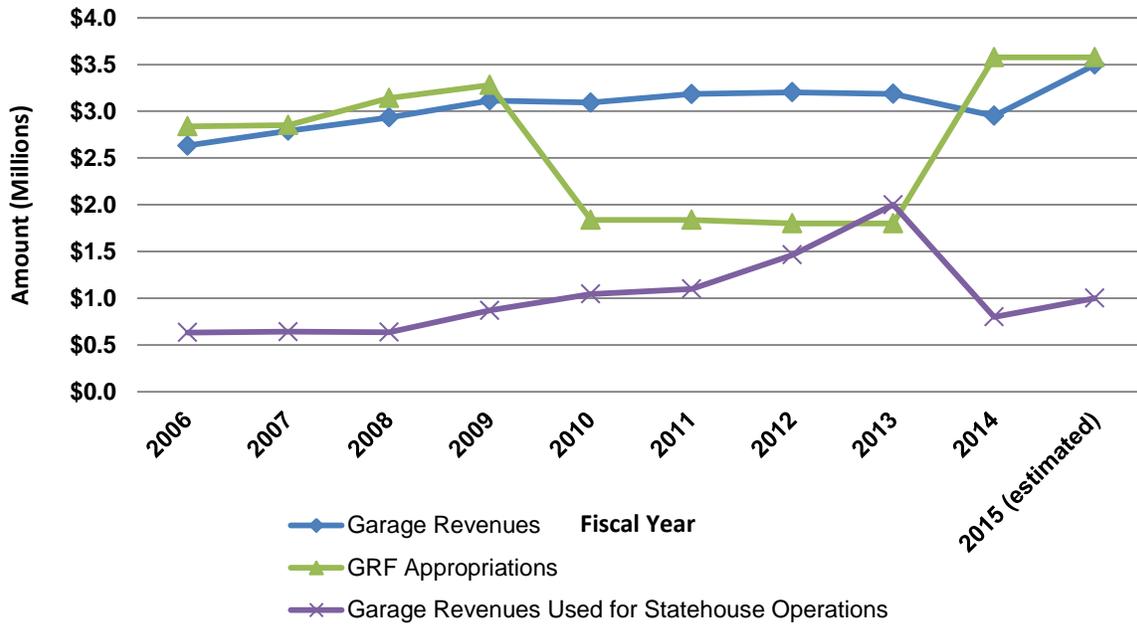


Budget Highlights

GRF and Parking Garage Funding

The executive proposal maintains CSRAB's level of GRF appropriations at \$3.6 million in each fiscal year. CSRAB saw a significant increase in GRF appropriation in FY 2014. Prior to that year, CSRAB was using a growing portion of revenue from the Underground Parking Garage Fund (Fund 2080) for Statehouse operations to make up for a shortfall in GRF appropriations. With the increased GRF appropriation beginning in FY 2014 and continued in the executive proposal, more parking garage revenue can be dedicated to maintenance and operation of the parking garage. Chart 2 shows the changes in CSRAB's GRF appropriation and use of parking garage revenues for Statehouse operations over the last several years. CSRAB estimates that approximately \$1 million of garage revenues in FY 2015 will be used for operating costs as well as needed maintenance and renovation projects at the Statehouse. 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 vs. GRF Appropriations, FY 2006-FY 2015



Major Maintenance Projects

In FY 2016 and FY 2017, CSRAB intends to use a portion of the garage receipts for garage renovations, including garage ceiling paint stripping, blacktop repair, and concrete maintenance. Additionally, garage funds will be used for ongoing maintenance in and around the Statehouse grounds. Within the Statehouse, CSRAB plans to replace the carpet in both the House and Senate chambers, as well as provide needed updates to Statehouse furnishings and upholstery.

ANALYSIS OF EXECUTIVE PROPOSAL

This section provides an analysis of the Governor's recommended funding for each line item in CSRAB's budget. The executive recommended appropriations for FY 2016 and FY 2017 are shown in the table below. A narrative is included for each line item that describes the use of the funds.

Governor's Recommended Amounts for CSRAB				
Fund		ALI and Name	FY 2016	FY 2017
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
Internal Service Activity Fund Group				
4S70	874602	Statehouse Gift Shop/Events	\$700,000	\$700,000
Internal Service Activity Fund Group Subtotal			\$700,000	\$700,000
Dedicated Purpose Fund Group				
2080	874601	Underground Parking Garage Operations	\$3,496,740	\$3,496,740
4G50	874603	Capitol Square Education Center and Arts	\$6,000	\$6,000
Dedicated Purpose Fund Group Subtotal			\$3,502,740	\$3,502,740
Total Funding: CSRAB			\$7,781,305	\$7,781,305

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 equal to FY 2015's estimated spending for this purpose. 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, equal to the estimated FY 2015 expenditures 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.

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 \$700,000 in each fiscal year for this purpose, an increase of 11.2% when compared to estimated FY 2015 spending of \$629,409 for these activities. The gift shop and events operations are self-supporting through revenues derived from gift shop sales and event fees. In FY 2014, the Statehouse Gift Shop and Events Fund (Fund 4S70) collected approximately \$703,000, of which about \$238,600 (34%) was gift shop revenue, \$456,600 (65%) 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 \$3.5 million in FY 2016 and FY 2017 for this line item, which draws upon parking fees that are deposited in the Underground Parking Garage Fund (Fund 2080). The executive proposal continues temporary law that permits the cash in this fund to be used for Statehouse operations. In previous years, large portions of this line item have been diverted for operating costs of the Statehouse. However, since FY 2014, CSRAB has been 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. In FY 2014, \$10,000 from this line item was used to support the 1st Ohio Light Artillery Battery A for the 150th Anniversary Reenactment of the Battle of Gettysburg; and \$300,000 was used for site preparation, utility placement, and other preliminary construction activities needed for the erection of the Holocaust memorial on the Capital Square grounds. In FY 2015, \$15,000 is being used for preparations in anticipation of the Lincoln Funeral Procession Train.

In the upcoming biennium, CSRAB intends to use about \$2.5 million in each fiscal year for equipment and maintenance projects in the Statehouse, parking garage, and on the Statehouse grounds, which includes making needed garage repairs and replacing outside granite pavers. Of the amount recommended by the Governor, about \$800,000 in each fiscal year will be used for payroll costs, an amount that is equal to current levels of spending in that category. 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.

Capitol Square Education Center and Arts (874603)

This line item receives appropriations of \$6,000 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). Donations into this fund have totaled just under \$3,000 each fiscal year, on average, since FY 2006. 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.

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Capitol Square Review and Advisory Board

General Revenue Fund

GRF 874100 Personal Services

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,272,013	\$1,271,843	\$2,417,412	\$2,417,467	\$2,417,467	\$2,417,467
	0.0%	90.1%	0.0%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 229.10 of Am. Sub. H.B. 59 of the 130th 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$547,153	\$540,400	\$1,137,687	\$1,161,098	\$1,161,098	\$1,161,098
	-1.2%	110.5%	2.1%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: ORC 105.41; Section 229.10 of Am. Sub. H.B. 59 of the 130th G.A.

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

Dedicated Purpose Fund Group

2080 874601 Underground Parking Garage Operations

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,678,469	\$3,441,373	\$2,095,329	\$3,496,740	\$3,496,740	\$3,496,740
	-6.4%	-39.1%	66.9%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Parking fees collected by the Statehouse underground parking garage

Legal Basis: ORC 105.41; Section 229.10 of Am. Sub. H.B. 59 of the 130th 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. Temporary law also allows the use of this item for the operating costs of the Statehouse.

Capitol Square Review and Advisory Board

4G50 874603 Capitol Square Education Center and Arts

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$3,551	\$2,616	\$673	\$5,882	\$6,000	\$6,000
	-26.3%	-74.3%	774.0%	2.0%	0.0%

Source: Dedicated Purpose Fund Group: Private donations

Legal Basis: ORC 105.41; Section 229.10 of Am. Sub. H.B. 59 of the 130th 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.

5NC0 874607 Recycling Grant

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$0	\$28,337	\$0	\$0	\$0
	N/A	N/A	-100%	N/A	N/A

Source: Dedicated Purpose Fund Group: One-time \$50,000 Special Assistance Grant from the Ohio Environmental Protection Agency for recycling.

Legal Basis: Discontinued line item (originally established by the Controlling Board on July 22, 2013)

Purpose: This line item funded a Special Assistance Grant from the Ohio EPA for equipment needed to implement a year-round recycling program. Funds were utilized to purchase a forklift, cardboard baler, and recycling containers.

Internal Service Activity Fund Group

4S70 874602 Statehouse Gift Shop/Events

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$629,251	\$668,799	\$660,644	\$629,409	\$700,000	\$700,000
	6.3%	-1.2%	-4.7%	11.2%	0.0%

Source: Internal Service Activity 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 229.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item pays 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.

FY 2016 - FY 2017 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016 % Change	Introduced FY 2017	FY 2016 to FY 2017 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
CSR Capitol Square Review and Advisory Board								
GRF	874100	Personal Services	\$ 2,417,412	\$ 2,417,467	\$ 2,417,467	0.00%	\$ 2,417,467	0.00%
GRF	874320	Maintenance and Equipment	\$ 1,137,687	\$ 1,161,098	\$ 1,161,098	0.00%	\$ 1,161,098	0.00%
General Revenue Fund Total			\$ 3,555,099	\$ 3,578,565	\$ 3,578,565	0.00%	\$ 3,578,565	0.00%
2080	874601	Underground Parking Garage Operations	\$ 2,095,329	\$ 3,496,740	\$ 3,496,740	0.00%	\$ 3,496,740	0.00%
4G50	874603	Capitol Square Education Center and Arts	\$ 673	\$ 5,882	\$ 6,000	2.01%	\$ 6,000	0.00%
5NC0	874607	Recycling Grant	\$ 28,337	\$ 0	\$ 0	N/A	\$ 0	N/A
Dedicated Purpose Fund Group Total			\$ 2,124,339	\$ 3,502,622	\$ 3,502,740	0.00%	\$ 3,502,740	0.00%
4S70	874602	Statehouse Gift Shop/Events	\$ 660,644	\$ 629,409	\$ 700,000	11.22%	\$ 700,000	0.00%
Internal Service Activity Fund Group Total			\$ 660,644	\$ 629,409	\$ 700,000	11.22%	\$ 700,000	0.00%
Capitol Square Review and Advisory Board Total			\$ 6,340,082	\$ 7,710,596	\$ 7,781,305	0.92%	\$ 7,781,305	0.00%