

- Debt Service payments for projects continue to represent a lion's share — nearly 97% of AFC's GRF budget
- Funding for agency operations reflect continued service levels

Arts and Sports Facilities Commission

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ROLE

The Ohio Arts Facilities Commission (AFC) was created in 1988 to provide for the development, performance, and presentation of the arts in Ohio. Those responsibilities include the provision, operation, and management of arts facilities in cooperation with local government and nonprofit project sponsors, and the appropriate state agencies. The commission reports to the Governor and the General Assembly on the need for any additional facilities, and conducts reviews to ensure that the uses of Ohio arts facilities are consistent with statewide interests and the commission's purposes.

Through Am. H.B. 748 of the 121st General Assembly (as amended by Am. Sub. S.B. 310), AFC's authority was expanded to permit it to own, construct, furnish, and manage sports facilities. Since 1997, a total of \$320 million has been appropriated for sports facilities projects in Akron, Cincinnati, Cleveland, and Columbus, and the commission is now responsible for 110 arts and sports facilities projects.

With the addition of two new members, the commission now consists of seven voting members appointed by the Governor, and three nonvoting members: a member of the Senate appointed by the President of the Senate, a member of the House appointed by the Speaker of the House, and the Executive Director of the Ohio Arts Council. The commission staff includes an executive director, a finance director, an information systems director, three project managers, and an administrative assistant.

Agency In Brief					
Number of Employees	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2002	2003	2002	2003	
8	\$34.6 million	\$37.5 million	\$33.6 million	\$36.5 million	Am. Sub. H.B. 94

OVERVIEW

AFC's current portfolio consists of 110 projects that include arts facilities, sports facilities, and state historical facilities. Appropriations for these projects (funded through the biennial capital bill) total \$297,447,171. (For project detail, see AFC Redbook 2002-2003 biennium, Additional Facts and Figures, Capital Project Summary.) AFC's annual operating expense as a percentage of total capital appropriations is approximately 1-2 percent over the last three years.

During the FY 2000-2001 biennium, the agency completed 12 projects including the Valentine Theatre in Toledo, Center of Science and Industry (COSI) Columbus, Cleveland Browns Stadium, Fort Hill State Memorial, Carillon Historical Park, and Paul Brown Stadium in Cincinnati. Other major projects currently under construction include the Dayton Performing Arts Center, the Cincinnati Contemporary Arts Center, sports facilities projects in Cincinnati, Toledo, and Youngstown, and the Campus Martius Museum Historical Facility.

Appropriations for FY 2002 total \$34,571,303 and reflect an increase of 20.6 percent above FY 2001 spending levels. The nearly \$6 million funding increase can be traced to GRF line item 371-401, Lease Rental Payments, which provides funds to retire the debt of revenue bonds for projects under renovation or construction. The apparent 90 percent decrease in line item 371-321, Operating Expenses, is really a shift in those funds to 371-603, Project Administration. This Project Administration line item will use interest earned on revenue bonds to pay for the operating expenses of the commission, replacing GRF funds previously used for this purpose.

Appropriations for FY 2003 total \$37,456,762 and reflect an increase of 8.3 percent above FY 2002 appropriations. Almost \$3 million in additional funds has been provided for the Lease Rental Payments line item to cover increased debt service payments for newly funded capital bill projects. As with previous AFC budgets, GRF debt service payments account for more than 97 percent of this agency's budget. While capital project spending fluctuates between fiscal years, actual operations of AFC (including the newly funded line item 371-603) receive an increase of 4 percent per year, sufficient to fund current service levels.

BUDGET ISSUES

STAFFING DECREASES

Due to reductions in AFC's budget, two staffing positions, the director of operations and a project manager position, will be eliminated. These two positions are currently vacant and will not involve the layoffs of any current staff members in order to make this staffing adjustment.

PROJECT ADMINISTRATION

A new line item 371-603, Project Administration, has been created to provide funding for the operating expenses of the commission. This line item will be funded solely through the interest earned on the revenue bonds issued for capital project renovations and construction. This new line item replaces GRF funds that were previously needed by the commission for their day-to-day operations.


CHANGES TO PREVIOUS CAPITAL BILLS

Temporary law amends sections 6.01, 6.02, and 18 of Am. H.B. 640 of the 123rd General Assembly to expand the scope of the Cooper Stadium Relocation Feasibility Study project; the Crawford Museum of Transportation and Industry had its appropriation amount decreased by \$500,000 within the AFC, and a \$500,000 earmark and appropriation for the Euclid Beach Carousel project was added to the Department of Administrative Services.

Cooper Stadium Relocation Feasibility Study

Section 6.02 has been amended to expand the purposes for which money appropriated for the Cooper Stadium Relocation Feasibility Study can be spent to also include paying the costs of renovation of Cooper Stadium. Previously, the use of the money was limited to paying the costs of preparing a financial or development plan or feasibility study, and purchasing engineering and architectural services, designs, plans, specifications, surveys, and estimates of costs for Cooper Stadium.

Crawford Museum of Transportation and Industry

Section 18 has been amended to reduce the appropriation amount of CAP-018, Crawford Museum of Transportation and Industry, from \$3,000,000 to \$2,500,000, and added \$500,000 to the Department of Administrative Services, CAP-785 Rural Area Historical Projects, for the newly created Euclid Beach Carousel project. 

FY 2002 - 2003 Final Appropriation Amounts

All Fund Groups

<i>Line Item Detail by Agency</i>			<i>FY 1999:</i>	<i>FY 2000:</i>	<i>FY 2001:</i>	<i>FY 2002 Appropriations:</i>	<i>% Change 2001 to 2002:</i>	<i>FY 2003 Appropriations:</i>	<i>% Change 2002 to 2003:</i>
Report For: Main Operating Appropriations Bill			Version: Enacted						
AFC Arts and Sports Facilities Commission									
GRF	371-321	Operating Expenses	\$ 774,591	\$ 793,933	\$1,036,292	\$ 98,500	-90.49%	\$ 98,500	0.00%
GRF	371-401	Lease Rental Payments	\$ 20,429,683	\$ 21,329,654	\$27,628,607	\$ 33,526,100	21.35%	\$ 36,413,200	8.61%
General Revenue Fund Total			\$ 21,204,274	\$ 22,123,587	\$ 28,664,899	\$ 33,624,600	17.30%	\$ 36,511,700	8.59%
5A1	371-602	Capital Donations	\$ 5,336,753	\$ 0		\$ 0	N/A	\$ 0	N/A
General Services Fund Group Total			\$ 5,336,753	\$ 0	----	\$ 0	N/A	\$ 0	N/A
4T8	371-601	Riffe Theatre Equipment Maintenance	\$ 3,735	\$ 18,068	\$9,509	\$ 22,628	137.96%	\$ 23,194	2.50%
4T8	371-603	Project Administration	----	----		\$ 924,075	N/A	\$ 921,868	-0.24%
State Special Revenue Fund Group Total			\$ 3,735	\$ 18,068	\$ 9,509	\$ 946,703	9,855.86%	\$ 945,062	-0.17%
Arts and Sports Facilities Commission Total			\$ 26,544,762	\$ 22,141,655	\$ 28,674,408	\$ 34,571,303	20.57%	\$ 37,456,762	8.35%