

Greenbook

LBO Analysis of Enacted Budget

Ohio Expositions Commission

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Ohio Expositions Commission

Quick look...

- The Ohio Expositions Commission (EXP) produces the annual Ohio State Fair and operates the Ohio Expo Center, a year-round multipurpose convention and meeting facility.
- The Commission is governed by a 14-member board, consisting of nine gubernatorial appointees, directors of the Development Services Agency, Agriculture, and Natural Resources, and chairs of the House and Senate standing committees that deal with agricultural issues.
- The Commission typically employs around 60 full-time staff, about 600 seasonal workers for the State Fair, and about 90 seasonal workers for nonfair events. Current headcount has been sharply reduced to 36 full-time staff and an overall total of 49 as of June 2021 because of health measures in place as a result of the COVID-19 pandemic.
- The budget appropriates \$33.0 million in funding over the biennium. Overall, 98.1% of the Commission’s budget comes from receipts collected at the State Fair and other events, with the remaining 1.9% coming from the GRF.

Fund Group	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
General Revenue	\$325,097	\$194,039	\$261,900	\$363,750
Dedicated Purpose	\$16,982,895	\$4,595,018	\$15,804,189	\$16,578,148
Total	\$17,307,992	\$4,789,057	\$16,066,089	\$16,941,898
% change	--	-72.3%	235.5%	5.5%
<i>GRF % change</i>	--	-40.3%	35.0%	38.9%

Agency overview

The Ohio Expositions Commission (EXP) is responsible for maintaining the buildings and grounds on an approximately 360-acre site in Columbus that is used as a year-round venue for large events and exhibitions. Overall, there are over one million square feet of event space in the 14 buildings that are part of the Ohio Expo Center. In a typical year, the Expo Center brings in approximately 200 events and exhibitions in addition to the annual Ohio State Fair. Income from these events makes up the bulk of operating revenue under EXP’s budget. This was not the case in FY 2021, when health measures in place because of the COVID-19 pandemic forced the cancelation of almost all revenue-generating events except for the mass vaccination clinics held onsite. EXP also collected some revenue for renting warehouse space to store personal protective equipment (PPE). Beyond what is appropriated for operating expenses in the main operating budget, EXP receives a substantial amount of funding under the capital budget to modernize the buildings and grounds in order to keep the Expo Center competitive among other venues in bidding for shows and exhibitions. The Commission is governed by a 14-member board.

Analysis of FY 2022-FY 2023 budget

Overall, the budget appropriates approximately \$16.1 million in FY 2022 and \$16.9 million in FY 2023 for the Commission's operations. Broken down by source, 98.1% of all EXP's funding comes from receipts collected from the State Fair and other events held at the state fairgrounds. The remaining 1.9% of funding comes from the GRF and is used to cover part of the cost of holding the Junior Fair which is held alongside the annual State Fair. With the level of funding provided in the budget, EXP will be able to restore much of its staffing and resume hosting events that had to be canceled in FY 2021 because of restrictions in place during the throes of the COVID-19 pandemic. This year's Ohio State Fair, however, will be limited to livestock and educational competitions only.

Junior Fair Subsidy (ALI 723403)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
GRF ALI 723403, Junior Fair Subsidy					
\$363,750	\$363,749	\$325,097	\$194,039	\$261,900	\$363,750
% change	0.0%	-10.6%	-59.7%	35.0%	38.9%

This line item is used to support the Junior Fair portion of the Ohio State Fair, which includes premium payments to participants; payments for judges, meals, and lodging for the All Ohio State Fair Band and Choir; and other related costs. The Junior Fair portion of the 2019 Ohio State Fair cost approximately \$750,000 to host. Based on the cost of the standard Junior Fair programming, this GRF subsidy would cover a little under 35% of this total cost in FY 2022 and 50% in FY 2023. Any costs that exceed this amount are paid from the Ohio Expositions Fund (Fund 5060).

Ohio State Fair Harness Racing (ALI 723602)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
Fund 4N20 ALI 723602, Ohio State Fair Harness Racing					
\$353,502	\$344,976	\$323,648	\$315,819	\$325,000	\$325,000
% change	-2.4%	-6.2%	-2.4%	2.9%	0.0%

This line item is used to pay cash awards for harness races held in conjunction with the State Fair. The Ohio State Fair Harness Racing Fund (Fund 4N20) is a pass-through fund which holds entry fee receipts for the harness races collected by the Commission. These amounts are then disbursed to Scioto Downs, where these races are held. Overall, Fund 4N20 collected \$287,404 in FY 2021.

Operating Expenses (ALI 723601)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
Fund 5060 ALI 723601, Operating Expenses					
\$14,999,642	\$15,864,236	\$16,359,250	\$3,979,497	\$15,179,189	\$15,953,148
% change	5.8%	3.1%	-75.7%	281.4%	5.1%

This line item is used to pay all expenses related to operations at the Expo Center. Also, any additional expenses for the Junior Fair portion of the Ohio State Fair in excess of the GRF subsidy for that purpose is covered by this line item. The Ohio Expositions Fund (Fund 5060) is comprised of fees charged during the annual State Fair and nonfair events. Income is derived from space rentals, exhibit entries, admissions, parking, and other such sources. Nonfair revenues consist of charges for building rentals, parking, and concession income from the 200 or so events held at the Expo Center throughout the year.

Since March 2020 and through the end of FY 2021, none of the typical revenue-generating events have been held at the Expo Center because of the COVID-19 pandemic. The Commission, however, has been able to collect some revenue from renting its facilities for things such as personal protective equipment (PPE) warehousing and drive-through COVID-19 testing and vaccinations. As a result of not hosting events throughout all of FY 2021, the July 2021 cash balance in Fund 5060 is considerably lower than normal and currently stands at just over \$530,000.

Ongoing uncodified law included in the budget allows the EXP General Manager, in consultation with the Director of Budget and Management, to submit a request to the Controlling Board to use available amounts in the State Fair Reserve Fund (Fund 6400) to supplement funding if revenues from the 2021 or 2022 Ohio State Fair are unexpectedly low. Due to the cancellation of the 2020 Ohio State Fair, the Commission exercised this authority in July 2020, and \$1.0 million was transferred from Fund 6400 to Fund 5060. Similarly, the Director of Budget and Management, in consultation with the EXP General Manager, may determine that Fund 5060 has a cash balance in excess of EXP's anticipated operating costs of the Exposition Commission for the fiscal year, in which case that excess cash may be transferred to Fund 6400.

Grounds Maintenance and Repairs (ALI 723604)

FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Appropriation	FY 2023 Appropriation
Fund 5060 ALI 723604, Grounds Maintenance and Repairs					
\$300,000	\$300,000	\$299,997	\$299,702	\$300,000	\$300,000
% change	0.0%	0.0%	-0.1%	0.1%	0.0%

This line item provides supplementary support for maintenance and repairs on the grounds of the Expo Center. It is also funded by receipts from the State Fair and other events that are deposited into Fund 5060. Upgrades to the fairgrounds are undertaken with the goal of

making the property more attractive to potential customers and increasing the number of nonfair events held at the fairgrounds. These improvements include renovations to the Celeste Center and the new agricultural and multipurpose facilities. Any such costs that exceed the amount appropriated under this line item would be paid instead from line item 723601, Operating Expenses.

In addition to this funding, EXP receives capital funding for building and grounds renovations, upgrades, and new construction. S.B. 310, the capital budget act for the FY 2021-FY 2022 capital biennium, provides the Commission with \$10.0 million to support an ongoing electrical project throughout the Expo Center. A further \$1.5 million is provided for emergency repairs and major equipment purchases.