

D28A03
Maryland Stadium Authority

Operating Budget Data

(\$ in Thousands)

	<u>FY 12</u> <u>Actual</u>	<u>FY 13</u> <u>Working</u>	<u>FY 14</u> <u>Allowance</u>	<u>FY 13-14</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$17,055	\$15,267	\$14,746	-\$521	-3.4%
Adjusted General Fund	\$17,055	\$15,267	\$14,746	-\$521	-3.4%
Special Fund	20,000	19,265	20,000	735	3.8%
Adjusted Special Fund	\$20,000	\$19,265	\$20,000	\$735	3.8%
Nonbudgeted Fund	45,653	48,466	41,920	-6,546	-13.5%
Adjusted Nonbudgeted Fund	\$45,653	\$48,466	\$41,920	-\$6,546	-13.5%
Adjusted Grand Total	\$82,708	\$82,998	\$76,666	-\$6,333	-7.6%

- The fiscal 2014 general fund allowance decreases by approximately \$521,000. This is due to lower payments for the convention center operating deficit subsidies and to lower debt service payments resulting from lower interest rates. Special funds, derived from lottery proceeds, increase by \$735,000.
- The fiscal 2014 allowance also includes reduced nonbudgeted funds due to fewer renovations to the Camden Yards complex.

Note: Numbers may not sum to total due to rounding.

For further information contact: Jody J. Sprinkle

Phone: (410) 946-5530

Personnel Data

	<u>FY 12 Actual</u>	<u>FY 13 Working</u>	<u>FY 14 Allowance</u>	<u>FY 13-14 Change</u>
Regular Positions	94.80	94.80	94.80	0.00
Contractual FTEs	<u>40.00</u>	<u>40.00</u>	<u>40.00</u>	<u>0.00</u>
Total Personnel	134.80	134.80	134.80	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.00	0.00%
Positions and Percentage Vacant as of 12/31/12	18.00	18.99%

- Full-time and contractual positions remain constant in fiscal 2014. Personnel expenses are entirely funded through nonbudgeted resources of the Maryland Stadium Authority (MSA).

Analysis in Brief

Major Trends

Consistent Project Management: MSA continues to provide construction management services to a consistent number of projects each year on schedule and within budget.

Seating Bowl Events Post Lower Revenue: Revenues from the use of the Camden Yards facilities for seating bowl events declined significantly in fiscal 2012. MSA was unable to attract a major concert or sporting event as it has in prior years. However, several major events have already been scheduled for fiscal 2014.

Measuring Facility Management Performance: MSA is responsible for the operation and maintenance of the professional baseball and football stadiums at the Camden Yards complex. However, there are no performance measures to gauge the authority's ability to meet this responsibility. MSA should consider the inclusion of such measures in its Managing for Results submissions in the future.

Issues

Responsibilities Expand Beyond Original Mission: MSA was created to construct, manage, and maintain the major sport stadiums in the State. Its mission has expanded to include the construction management of convention center and arts/entertainment facilities. The efficiency in which it has managed these projects has led to a further expansion of responsibilities, to a point that is potentially beyond the current resources of the authority. **The Department of Legislative Services recommends that the authority comment on its current mission, how it has evolved beyond the management of stadiums and convention centers, and to what extent it can maintain its effectiveness when pressed beyond its original responsibilities.**

Recommended Actions

1. Concur with Governor's allowance.

Updates

Bond Refinancing for Hippodrome, Montgomery County Conference Center: In 2012, MSA submitted two Amended Comprehensive Plans of Financing that described its intent to refund the original bonds that financed the construction of the Hippodrome Performing Arts Center and the Montgomery County Conference Center. The authority subsequently issued new lower rate debt to refund the original bonds, resulting in lower annual debt service payments.

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Project Updates: The statute authorizes MSA to assist State agencies and local governments in managing construction projects or conducting feasibility studies. Several projects/studies are recently completed or are still ongoing, such as the expansion of the Ocean City Convention Center and the study of a Maryland horse park.

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Maryland Stadium Authority

Operating Budget Analysis

Program Description

The Maryland Stadium Authority (MSA) was established in 1986 as an independent unit in the Executive Department responsible for the construction, operation, and maintenance of facilities for professional baseball and football teams.

Since the Ravens football and Orioles baseball stadiums were constructed, MSA's authority has been extended to include construction and financing for other projects. Legislation enacted in 1992 assigned MSA responsibility for the expansion of the Baltimore City Convention Center (BCCC), and in 1995, the authority was authorized to handle construction management of the Ocean City Convention Center (OCCC) expansion. Legislation in 1996 authorized MSA to participate with Montgomery County in the construction of a conference center, and in 2000, the authority was authorized to participate in construction of the Hippodrome Performing Arts Center in Baltimore.

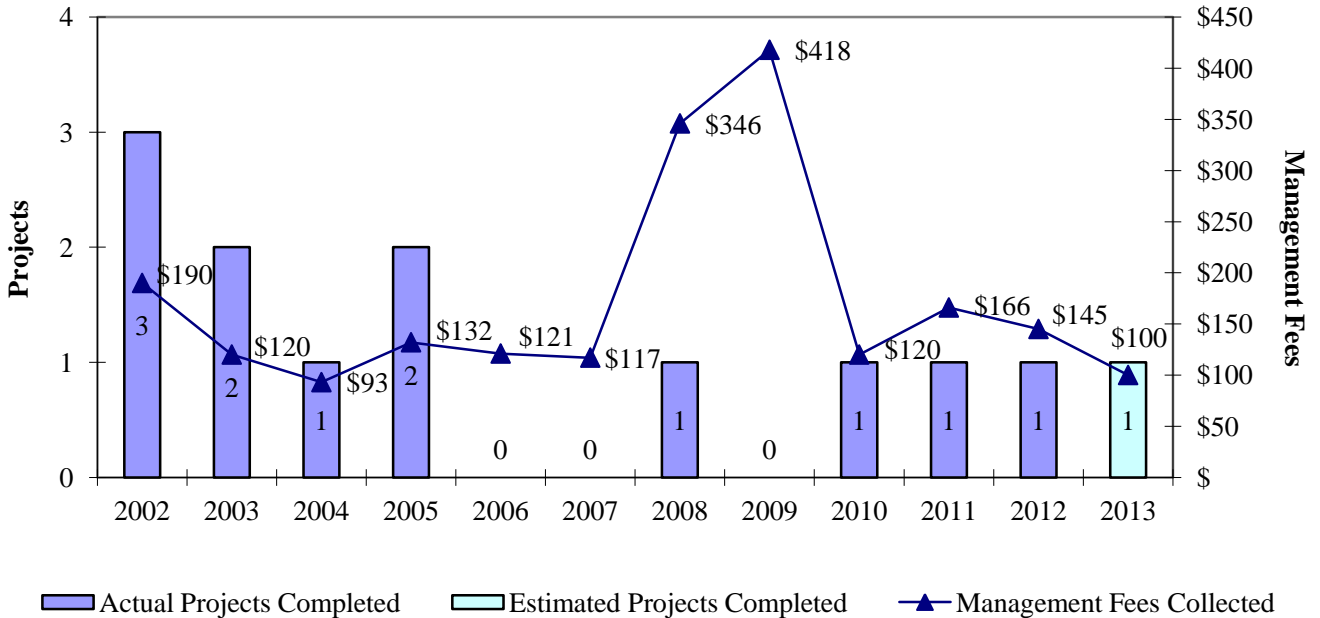
MSA may, in fact, manage any type of construction project for local governments and State agencies. The contracting agency must show that it can fund the project, and the budget committees have 30 days to review and comment on the proposed work. Furthermore, the statute authorizes MSA to use up to \$500,000 annually of its nonbudgeted funds to conduct feasibility studies, with the concurrence of the budget committees.

Performance Analysis: Managing for Results

1. Consistent Project Management

MSA is charged with facilitating the construction of various projects across the State and is paid management fees for this service. The authority strives to complete these projects within the prescribed timeframes and budgets. **Exhibit 1** shows the number of projects that MSA has completed each year. The authority has the capacity to complete between one and three projects annually. Management fees have remained fairly constant, except for fiscal 2008 and 2009. Those fees were associated with the completion of the Coppin State University Physical Education Complex that opened in February 2010. Fees have since returned to a more typical level. It should be noted that each project shown in the exhibit has been completed on time and within budget.

Exhibit 1
Construction Projects Completed and Management Fees Collected
Fiscal 2002-2013
(\$ in Thousands)



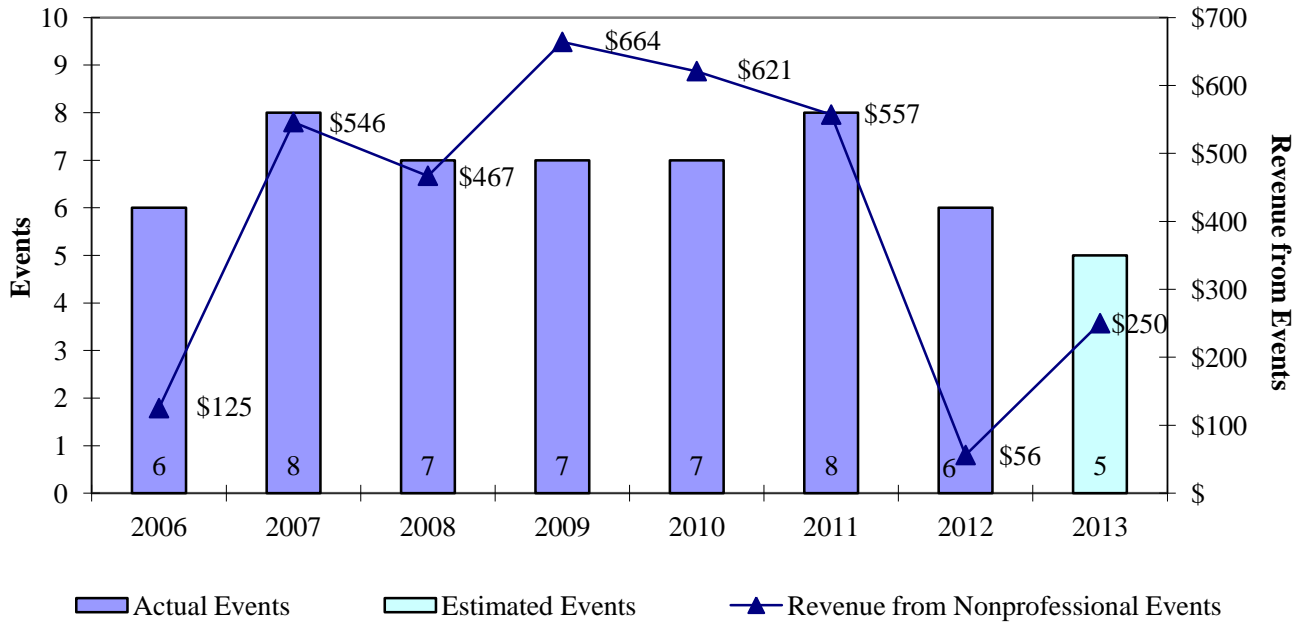
Source: Maryland Stadium Authority

2. Seating Bowl Events Post Lower Revenue

Nonprofessional sporting events and other seating bowl events are also held at the Camden Yards complex in order to supplement revenues. **Exhibit 2** shows that between five and eight seating bowl events have been held each year since fiscal 2006.

MSA was unable to attract many high profile/high revenue events in fiscal 2012 resulting in a significant decline in revenue. There were no major concerts or soccer games which in past years attracted many attendees. Similar results are expected in fiscal 2013. However, MSA expects a rebound in fiscal 2014 as three major college football games have been scheduled.

**Exhibit 2
Nonprofessional Sporting Events
Fiscal 2006-2013
(\$ in Thousands)**



Note: Nonprofessional sporting events include seating bowl events, not catered events.

Source: Maryland Stadium Authority

3. Measuring Facility Management Performance

The responsibility that is perhaps most crucial to MSA’s mission is the maintenance of the stadium facilities in a safe and cost effective manner. The authority has specified goals and objectives related to this responsibility. Specifically, MSA strives to “monitor maintenance schedules for all equipment and systems to maximize efficiency” and “competitively bid all service related contracts to obtain the most cost effective pricing.” However, MSA does not include any outcome or output data to measure how well it is fulfilling its goals.

It is recommended that MSA incorporate performance measurement data into its Managing for Results submission each year that adequately demonstrates the quality of its facility management. For example, it could consider including data on the number of maintenance issues identified and number of maintenance issues corrected. Additionally, results of a customer survey might also be useful in performance measurement.

Proposed Budget

MSA’s activities are supported by a combination of general, special, and nonbudgeted funds. **Exhibit 3** shows that the fiscal 2014 allowance is \$76.7 million, a decrease of \$6.3 million. The decline is largely attributable to the change in nonbudgeted funds based on the schedule of capital improvements at the Camden Yards facility. MSA’s budget by fund source and by program is shown in **Exhibit 4**.

Exhibit 3 Proposed Budget Maryland Stadium Authority (\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Nonbudgeted Fund	Total
2013 Working Appropriation	\$15,267	\$19,265	\$48,466	\$82,998
2014 Allowance	<u>14,746</u>	<u>20,000</u>	<u>41,920</u>	<u>76,666</u>
Amount Change	-\$521	\$735	-\$6,546	-\$6,333
Percent Change	-3.4%	3.8%	-13.5%	-7.6%
 Contingent Reductions	 \$0	 \$0	 \$0	 \$0
Adjusted Change	-\$521	\$735	-\$6,546	-\$6,333
Adjusted Percent Change	-3.4%	3.8%	-13.5%	-7.6%
 Where It Goes:				
General Funds				
Debt service and operating subsidy for the Baltimore City Conference Center				-\$108
Debt service and operating subsidy for the Ocean City Conference Center				-124
Debt service for the Montgomery County Conference Center				-124
Debt service for the Hippodrome				9
One-time study of potential soccer stadium in Baltimore				-175
Special Funds				
Increase in lottery proceeds				735
Nonbudgeted Funds				
Maryland Stadium Authority administration				-4
Capital expenditures				-6,523
Utility expenditures				118
Improvement fund projects				-383
Hippodrome ticket surcharge				183
Other				-45
Total				-\$6,333

Note: Numbers may not sum to total due to rounding.

Exhibit 4
Maryland Stadium Authority Budget Summary by Fund Source
Fiscal 2010-2014
(\$ in Thousands)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Working Appropriation 2013</u>	<u>Allowance 2014</u>	<u>Change 2013-14</u>
General Funds						
Baltimore City Convention Center – debt service and State operating deficit contribution	\$9,758	\$11,278	\$11,054	\$9,124	\$9,017	-\$108
Ocean City Convention Center – debt service and State operating deficit contribution	3,096	2,966	2,865	2,820	2,696	-124
Montgomery County Conference Center – State portion of construction costs	1,641	1,762	1,763	1,768	1,644	-124
Hippodrome Performing Arts Center – State portion of construction costs	1,000	1,436	1,373	1,380	1,389	9
One-time study of potential soccer stadium in Baltimore				175		-175
Subtotal General Funds	\$15,495	\$17,442	\$17,055	\$15,267	\$14,746	-\$521
Special Funds						
Lottery transfer to the Maryland Stadium Authority (MSA) Facilities Fund for debt service on Camden Yards projects						
Subtotal	\$19,600	\$20,000	\$20,000	\$19,265	\$20,000	\$735
Nonbudgeted Funds						
MSA general administration	3,253	3,115	3,511	3,345	3,341	-4
Camden Yards capital programs – construction, debt service, and other debt costs not funded by lottery revenues	19,341	12,223	15,775	21,003	14,479	-6,523
Facilities management for entire Camden Yards complex	24,583	24,160	21,931	23,279	23,460	181
Facilities management for Oriole Park improvements per Orioles lease	1,101	1,515	2,870	583	200	-383
Montgomery County Conference Center – County contribution and bond proceeds	121	0	0	0	0	0
Hippodrome Performing Arts Center – ticket surcharge and other revenues	356	428	1,072	257	440	183
Subtotal Nonbudgeted Funds	\$48,755	\$41,442	\$45,159	\$48,466	\$41,920	-\$6,546
Grand Total	\$83,849	\$78,884	\$82,214	\$82,998	\$76,666	-\$6,333

Source: Governor's Budget Books, Fiscal 2003-2014

Need for General Funds Declines

General funds comprise the smallest component of the MSA budget and are used to supplement debt service and operating costs for various economic development projects undertaken by the State.

- **BCCC:** Section 10-640 of the Economic Development Article requires MSA to contribute two-thirds toward the annual operating deficit of the BCCC through December 31, 2014. The fiscal 2014 general fund allowance for MSA's contribution to the BCCC operating deficit is \$3,700,000, representing a decrease of \$93,573 from the prior year's legislative appropriation. The financial status of the convention center appears to be improving. It should be noted that fiscal 2014 marks only the second time in seven years in which there was no deficiency required for the BCCC operating deficit subsidy.

Debt service costs for the authority's revenue bonds issued for the BCCC construction account for \$5,116,587. The allowance also provides \$200,000 for MSA's statutorily required contribution to a BCCC capital improvement fund.

- **OCCC:** MSA is also required under Section 10-643 of the Economic Development Article to contribute one-half of the annual operating deficits of the OCCC. The allowance provides \$1,175,000 for this purpose, a decrease of \$187,742 from the prior year appropriation. Again, in a break from recent history, the allowance does not include a fiscal 2013 deficiency for the operating deficit. A deficiency had been required in five of the previous six years. It should be noted that legislation was passed during the 2012 session (Chapter 630) that extended the timeframe for which the State is responsible for one-half of the annual operating deficit. The State will now retain this responsibility until fiscal 2036 (from fiscal 2016).

Debt service costs for the authority's revenue bonds issued for the OCCC construction account for \$1,470,715, a slight increase from the prior year. The allowance also provides an additional \$50,000 for MSA's statutorily required contribution to the OCCC capital improvement fund.

- **Hippodrome Performing Arts Center:** The allowance provides \$1,389,493 in general funds and \$440,000 in nonbudgeted funds to fund the fiscal 2014 debt service for MSA revenue bonds sold to fund a portion of the Hippodrome construction. To offset MSA's obligation to the debt service, statute requires the operator of the facility to pay to MSA an amount equal to \$2 per ticket sold for admission to the theater. As part of an agreement struck in 2012 to stabilize the Hippodrome finances, the theater operator has guaranteed the annual surcharge revenue of at least \$440,000.
- **Montgomery County Conference Center:** The fiscal 2014 allowance provides \$1.6 million in general funds for the debt service costs for the authority's revenue bonds. A recent refunding and reissuance of the original debt allowed for a decline in the debt service of \$191,991 in the

allowance. This (and the Hippodrome refunding) is discussed more thoroughly in the Updates section of this analysis.

Special Funds Increase

Lottery proceeds support debt service payments on the Camden Yards complex. The fiscal 2014 allowance includes \$20 million in special funds for this purpose, an increase of \$735,000. As has been the case in recent years, the lottery proceeds do not completely cover the cost of debt service. MSA expects to pay \$34.2 million in total debt service in fiscal 2014. Of this amount, approximately \$732,000 is for debt service on Camden Station, \$1.1 million is for energy projects, and \$992,000 is for equipment lease financing. MSA will contribute nonbudgeted funds for the remaining debt service.

Maryland Stadium Authority Financing Fund (Nonbudgeted Funds)

The MSA Financing Fund is a nonbudgeted account from which all MSA's operational expenses are paid, including the general administration of the Camden Yards complex, repairs, renovations, and debt service payments. The fund is primarily supported through lottery and bond proceeds but also includes additional revenue associated with rent from the Orioles, operations and maintenance reimbursement from the Ravens, lease agreements at the Warehouse and Camden Station, and stadium admission taxes.

As shown in Exhibit 4, nonbudgeted funds decrease by over \$6.5 million in the fiscal 2014 allowance. This is due to a reduction in the renovations that are scheduled in fiscal 2014. MSA has undertaken a multi-year renovation schedule for Oriole Park at Camden Yards and the B&O warehouse. These facilities have been in use for 20 years and have, therefore, been in need of repair. The bulk of those restorations have been completed, reducing the need for funds in fiscal 2014. However, some renovations have yet to be completed including an upgrade to security features, club level improvements, and replacement of escalators.

MSA is required to pay rent to the State equal to the difference between its actual revenues and budgeted expenses. The rent formula is built into the sublease agreements for M&T Bank Stadium, Oriole Park, Camden Station and the Warehouse, the BCCC, and the OCCC. The convention centers have always operated at a deficit, so no rent is due on these subleases. Therefore, activity at Camden Yards generates the State rent payment, if any. The authority advises that there is a rent payment scheduled for the current fiscal year of as much as \$1 million. In addition, the authority is expected to forward \$508,000 to the general fund which represents the final payment from Baltimore City related to the sale of the land from Memorial Stadium. No rent payment is budgeted in fiscal 2014. The Governor is currently counting a rent payment of \$637,000 in fiscal 2013 as part of his overall budget plan, which suggests that additional revenue may be forthcoming.

A complete cash flow statement of the financing fund is provided in **Appendix 2** of this analysis.

Issues

1. Responsibilities Expand Beyond Original Mission

MSA was established by the General Assembly in 1986 with the sole mission of building and maintaining sports facilities in order to retain major league baseball and to attract a National Football League franchise. Since that time, the authority has been entrusted with the construction and financing of a variety of facilities, notably convention and conference centers. In fact, according to the authority's Managing for Results submission, its current mission is "to facilitate and coordinate efforts between the State of Maryland, local jurisdictions, and the private sector to produce top quality sports facilities, convention and conference centers and arts/entertainment venues on time and on budget that enhance the quality of life for citizens of Maryland while stimulating economic development and community revitalization."

The successful management of projects across the State has led to a widely held belief that the authority is capable of the management of projects that are well beyond the realm of stadiums and convention centers. For example, the authority was asked to participate in the construction management of the State Center government office complex in Baltimore City. The authority's reputation for work that is "on time and on budget" is likely to lead to further requests for nontraditional project assistance. Additionally, each year the authority is asked to complete feasibility and economic studies for varied proposals that have the potential to develop into capital projects. For example, MSA recently released a study on the potential for a Maryland Horse Park. Similarly, MSA is currently undertaking a study on an Annapolis performing arts center. Each proposal has the potential to evolve into a capital project for which MSA may be asked to serve as construction manager.

It is not clear at what point beyond its original mission that the authority's efficiency may diminish. Current staffing levels and expertise may not be able to effectively manage projects that are completely unrelated to the authority's typical projects.

The Department of Legislative Services recommends that the authority comment on its current mission, how it has evolved beyond the management of stadiums and convention centers, and to what extent it can maintain its effectiveness when pressed beyond its original responsibilities.

Recommended Actions

1. Concur with Governor's allowance.

Updates

1. Bond Refinancing for Hippodrome, Montgomery County Conference Center

Hippodrome Performing Arts Center

Chapter 379 of 1999 and Chapter 185 of 2000 authorized MSA's involvement in the redevelopment of the Hippodrome Performing Arts Center and created a mechanism for funding that redevelopment including the issuance of MSA bonds. MSA oversaw the design and construction of the renovated Hippodrome, working with representatives of the Baltimore Center for the Performing Arts and the theater operator. The Hippodrome project was considered to be the catalyst for the renewal of 18 blocks associated with Baltimore's Westside.

The statute requires MSA to enter into an agreement with the theater operator where the operator agrees to pay a \$2 surcharge on each ticket sold to offset the annual debt service. There is no statutory requirement that the surcharge cover any particular amount of the debt service. However, based on original projections of ticket sales, the surcharge was to generate between \$810,000 and \$900,000, roughly half of the annual debt service each year for the life of the bonds (fiscal 2022).

Almost from its opening, the Hippodrome has attracted fewer patrons than were originally projected. A number of factors may have contributed to this underperformance including a sluggish economy and the slow redevelopment of Baltimore's Westside. Further, higher than expected operating costs (specifically utility costs) have led to difficulties in attracting some arts and entertainment groups. MSA has been obligated to pay the shortfall from the ticket surcharge with its own financing fund and with general funds.

The 2011 *Joint Chairmen's Report* included committee narrative that requested MSA to devise and submit a plan for a long-term solution to the funding shortfall. The narrative included a request that additional State financial contributions be kept to a minimum. On November 30, 2011, MSA submitted its plan to the budget committees. The plan called for a ticket surcharge guarantee from the operator, an MSA contribution to the theater's utility costs, and a refinancing of the existing debt. In June 2012, the Board of Public Works approved the refunding and reissuance of debt for the facility.

The financing is structured as taxable debt due to the private activity nature of the use of the funds. The new issuance is secured by payments, subject to appropriation by the State, of rentals by the State from MSA's lease of the project. MSA was able to reissue the debt at an interest rate of 2.15%, allowing for a \$3.2 million savings over the life of the bonds. Further, the refinancing did not extend the life of the debt for the project; the maturity date remains 2022.

Montgomery County Conference Center

Chapter 407 of 1996 and Chapter 184 of 2000 authorized MSA's involvement in the development of the Montgomery County Conference Center and created a mechanism for funding that development, including the issuance of MSA bonds. MSA oversaw the design and construction of the center, working with representatives of the county and a hotel developer. Currently, the center features 35,000 square feet of meeting space, including 21 meeting rooms and a 23,000-square-foot ballroom.

In fiscal 2013, MSA decided to request approval to refund and reissue the original debt associated with the conference center in order to further take advantage of the current interest rate climate. The new issuance is secured by payments, subject to appropriation by the State, of rentals by the State from MSA's lease of the project. The authority was able to secure an interest rate of 1.69%, which results in \$2.4 million in savings over the life of the bonds. Further, the refinancing did not extend the life of the debt for the project; the maturity date remains 2024.

2. Project Updates

Statute authorizes MSA to assist State agencies and local governments in managing construction projects. The budget committees must be notified, and funding must be provided entirely by the agency or local government requesting assistance unless funding is specifically provided in the budget for the project. The statute also authorizes MSA to conduct feasibility studies. Feasibility studies are often the first step in the process of evaluating the costs, financing options, economic impact, and market conditions of potential infrastructure projects. In many instances, the projects entail State and local government cooperation to finance and implement and offer opportunities for private sector contribution through public-private partnerships. The budget committees must give approval for the studies, and costs must add to no more than \$500,000 annually of MSA's nonbudgeted funds.

Current Projects

- **OCCC:** In December 2007, Ocean City asked MSA to conduct a feasibility study for another expansion of its convention center. The feasibility study was released in December 2008. The study recommended a moderate expansion and remodeling to the convention center to modernize audiovisual and technical amenities, provide more function space to accommodate multiple events, and increase prime exhibit space. In the fiscal 2011 capital budget bill, the General Assembly added \$4.3 million in general obligation bond funding to finance the State's share of the convention center expansion. State funds were matched with \$4.1 million from Ocean City. The fiscal 2013 capital budget bill provided an additional \$2.2 million in general obligation bond financing for the project provided that the city provide matching funds. The fiscal 2013 capital budget bill also provided a pre-authorization for fiscal 2014 of \$3.5 million (with a match requirement) that will allow MSA to complete the project, projected for fall 2014.

Recently Released Studies

- **Maryland Horse Park:** In October 2012, MSA released an updated study on the potential for a horse park in the State. The study represents an update from a similar study conducted in 2005. The Maryland Horse Industry Board within the Maryland Department of Agriculture requested and funded the study. The study concluded that the proposed horse park remains a viable development project for the State to further evaluate. The study recommends that the mission and goals of the project be refined and that costs/economic benefits/event utilization estimates be developed.
- **Washington Redskins Training Facility:** In June 2012, MSA released a study on the impact of a Washington Redskins training facility should one be relocated to Prince George's County. The study was completed at the request of Prince George's County; MSA and the county shared the cost of the study. The study concluded that such a training facility would generate substantial quantitative and qualitative benefits to the county and to the State. It does mention certain disadvantages such as traffic and interference with an existing development plan. The study further evaluates preliminary sites for the proposed facility.
- **Troy Park Tennis Complex:** In March 2012, MSA released a study on the feasibility of a tennis complex in Howard County. The study indicates that demand exists for such a facility but that most tennis complexes operate with a deficit. Further, it indicates that only minimal increment economic benefits would materialize. However, should a major tournament be attracted to the facility, fairly significant gains could accrue to the county and State.
- **Frederick Hotel and Conference Center:** In July 2012, MSA released a market and economic study on the potential for a hotel/conference center project for the downtown business district within the City of Frederick. The study concludes that there is sufficient demand for such a facility and that the city should proceed with a more detailed site comparison and a cost/benefit analysis.

Ongoing Studies

- **Annapolis Performing Arts Center:** The City of Annapolis and MSA are sharing the cost of a marketing and economic analysis on a new performing arts center, or on the expansion of an existing arts facility.
- **Show Place Arena and Prince George's County Equestrian Center:** The Maryland National Capital Parks and Planning Commission requested, and is funding, a study on the management practices and governance structure of the existing equestrian center in Prince George's County.
- **Bowie Lacrosse Stadium/Youth Sports Complex:** The Maryland National Capital Park and Planning Commission requested MSA to perform a market and economic impact study on the

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potential of a new lacrosse stadium to house the Chesapeake Bayhawks franchise. The cost of the study is shared with MSA and the Bayhawks team.

- **Perdue Stadium:** In June 2012, Wicomico County requested MSA to perform a market and economic impact study of the Arthur Perdue Stadium to determine what enhancements are necessary to keep the facility competitive. The cost of the study is shared between Wicomico County (two-thirds of the cost) and MSA (one-third).
- **Baltimore Soccer Stadium:** The authority's fiscal 2013 appropriation included \$175,000 in general funds for the completion of a study of the feasibility and costs of a stadium in Baltimore for the DC United major league soccer franchise. MSA has entered into a memorandum of understanding with the team that specifies that MSA will review and comment on preliminary design information from the team as part of the study. To date, the team has not provided the necessary information, and as such, the study has yet to be undertaken.

Current and Prior Year Budgets

Current and Prior Year Budgets Maryland Stadium Authority (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2012					
Legislative Appropriation	\$14,707	\$20,000	\$0	\$0	\$34,707
Deficiency Appropriation	2,348	0	0	0	2,348
Budget Amendments	0	0	0	0	0
Reversions and Cancellations	0	0	0	0	0
Actual Expenditures	\$17,055	\$20,000	\$0	\$0	\$37,055
Fiscal 2013					
Legislative Appropriation	\$15,267	\$19,265	\$0	\$0	\$34,532
Budget Amendments	0	0	0	0	0
Working Appropriation	\$15,267	\$19,265	\$0	\$0	\$34,532

Note: Numbers may not sum to total due to rounding.

Fiscal 2012

The original appropriation was increased by a deficiency that provided \$1,929,478 in general funds to cover the State's share of the BCCC fiscal 2011 operating deficit. By statute, MSA contributes two-thirds of the center's operating deficit annually. Similarly, the fiscal 2013 budget included a fiscal 2012 general fund deficiency of \$45,651 to cover the State's share of the OCCC 2011 operating deficit. By statute, MSA annually contributes one-half of the center's operating deficits. Additionally, a fiscal 2012 general fund deficiency of \$372,862 increased the original appropriation in order to fund an additional portion of the debt service for the Hippodrome Performing Arts Center. A surcharge on ticket sales, used to mitigate debt service costs for the State, did not meet projections.

**Maryland Stadium Authority Financing Fund for
Camden Yards Complex Activities
Fiscal 2010-2014
(\$ in Thousands)**

	<u>Actual 2010</u>	<u>Actual 2011</u>	<u>Actual 2012</u>	<u>Est. 2013</u>	<u>Est. 2014</u>
Beginning Balance	\$7,515	\$13,474	\$6,538	\$12,175	\$5,660
Bond Proceeds	10,000	1,002	13,160	10,000	8,000
Master Equip Lease Financing for Audio/Visual Equip.	4,000	0	0	0	0
Master Energy Program	9,314	0	0	0	0
Lottery Proceeds	19,600	20,000	20,000	19,265	20,000
<i>Subtotal Lottery/Bond</i>	<i>\$42,914</i>	<i>\$21,002</i>	<i>\$33,160</i>	<i>\$29,265</i>	<i>\$28,000</i>
Other Revenues					
Misc. Income	\$509	\$1,609	\$2,342	\$625	\$625
Parking	0	0	1,020	350	350
Catering Events	571	596	574	400	400
Memorial Stadium Land Sale	0	0	0	508	0
Admission Tax	8,146	9,499	9,847	8,850	9,000
Baseball Rent	5,598	5,612	5,479	6,250	6,250
Baseball Suite Amortization	506	702	712	776	747
Football Operations	8,616	7,868	9,076	8,253	8,478
Seating Bowl Events	621	557	0	0	0
Warehouse Lease	4,134	3,952	3,881	3,997	4,117
Construction Management Fee	120	166	256	100	100
Baltimore City	1,000	1,000	1,000	1,000	1,000
<i>Subtotal Other Revenues</i>	<i>\$29,821</i>	<i>\$31,561</i>	<i>\$34,187</i>	<i>\$31,109</i>	<i>\$31,067</i>
Total Funds Available	\$80,250	\$66,037	\$73,885	\$72,549	\$64,727
Uses					
MSA Administration	\$3,253	\$3,115	\$4,254	\$3,594	\$3,591
Camden Yards Operations	23,933	23,596	21,030	22,379	22,560
<i>Subtotal MSA/Camden Operating</i>	<i>\$27,186</i>	<i>\$26,711</i>	<i>\$25,284</i>	<i>\$25,973</i>	<i>\$26,151</i>
Capital Improvement Funds for Oriole Park*	\$400	\$400	\$400	\$400	\$400
Audio/Visual Equipment	2,977	-298	0	0	0

D28A03 – Maryland Stadium Authority

	<u>Actual</u> <u>2010</u>	<u>Actual</u> <u>2011</u>	<u>Actual</u> <u>2012</u>	<u>Est.</u> <u>2013</u>	<u>Est.</u> <u>2014</u>
Energy Projects	6,519	2,478	338	0	0
Baseball Suite Renovation	460	377	500	500	500
Baseball Stadium Capital Projects	5,100	4,237	7,929	12,072	0
Other (Ocean City Expansion)	0	0	0	572	0
Pit Lane Improvements	0	1,913	201	0	0
<i>Subtotal MSA/Camden</i>					
<i>Operating and Capital</i>	\$42,642	\$35,818	\$34,652	\$39,517	\$27,051
Debt Service and Financing	22,134	23,681	26,308	25,864	34,229
School Construction	0	0	0	0	0
State Rent Payment	2,000	0	750	1,508	0
Total Uses	\$66,776	\$59,499	\$61,710	\$66,889	\$61,280
Ending Balance	\$13,474	\$6,538	\$12,175	\$5,660	\$3,447

MSA: Maryland Stadium Authority

* These are revenues deposited into the account and originate from the parity settlement intended to equalize State support provided to the Ravens and Orioles teams.

Figures do not include interest or funds from the Hippodrome ticket surcharge.

Source: Maryland Stadium Authority

**Object/Fund Difference Report
Maryland Stadium Authority**

<u>Object/Fund</u>	<u>FY 12 Actual</u>	<u>FY 13 Working Appropriation</u>	<u>FY 14 Allowance</u>	<u>FY 13 - FY 14 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	94.80	94.80	94.80	0.00	0%
02 Contractual	40.00	40.00	40.00	0.00	0%
Total Positions	134.80	134.80	134.80	0.00	0%
Objects					
01 Salaries and Wages	\$ 7,324,633	\$ 7,715,481	\$ 7,715,481	\$ 0	0%
02 Technical and Spec. Fees	402,220	398,354	398,354	0	0%
03 Communication	56,070	50,180	49,660	-520	-1.0%
04 Travel	43,334	46,800	40,803	-5,997	-12.8%
06 Fuel and Utilities	4,165,762	3,921,168	4,038,803	117,635	3.0%
07 Motor Vehicles	67,657	72,710	54,028	-18,682	-25.7%
08 Contractual Services	26,615,995	26,219,914	13,064,298	-13,155,616	-50.2%
09 Supplies and Materials	715,256	1,011,237	1,040,238	29,001	2.9%
10 Equipment – Replacement	0	500,000	500,000	0	0%
11 Equipment – Additional	103,491	84,000	76,633	-7,367	-8.8%
12 Grants, Subsidies, and Contributions	25,616,687	24,674,315	25,125,000	450,685	1.8%
13 Fixed Charges	10,289,650	9,946,981	10,083,427	136,446	1.4%
14 Land and Structures	7,306,940	8,357,203	14,479,089	6,121,886	73.3%
Total Objects	\$ 82,707,695	\$ 82,998,343	\$ 76,665,814	-\$ 6,332,529	-7.6%
Funds					
01 General Fund	\$ 17,054,834	\$ 15,267,072	\$ 14,745,855	-\$ 521,217	-3.4%
03 Special Fund	20,000,000	19,265,000	20,000,000	735,000	3.8%
07 Nonbudgeted Fund	45,652,861	48,466,271	41,919,959	-6,546,312	-13.5%
Total Funds	\$ 82,707,695	\$ 82,998,343	\$ 76,665,814	-\$ 6,332,529	-7.6%

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.

**Fiscal Summary
Maryland Stadium Authority**

<u>Program/Unit</u>	<u>FY 12 Actual</u>	<u>FY 13 Wrk Approp</u>	<u>FY 14 Allowance</u>	<u>Change</u>	<u>FY 13 - FY 14 % Change</u>
02 Maryland Stadium Facilities Fund	\$ 20,000,000	\$ 19,265,000	\$ 20,000,000	\$ 735,000	3.8%
41 General Administration	4,005,240	3,519,592	3,340,692	-178,900	-5.1%
42 Capital Programs – Baseball/Football Pre-construction	15,774,772	21,002,540	14,479,089	-6,523,451	-31.1%
44 Facilities Management	21,930,536	23,279,013	23,460,178	181,165	0.8%
48 Facilities Management	2,870,236	583,022	200,000	-383,022	-65.7%
55 Baltimore Convention Center	11,053,884	9,124,406	9,016,587	-107,819	-1.2%
58 Ocean City Convention Center	2,865,156	2,819,505	2,695,715	-123,790	-4.4%
59 Montgomery County Conference Center	1,762,932	1,767,763	1,644,060	-123,703	-7.0%
60 Hippodrome Performing Arts Center	2,444,939	1,637,502	1,829,493	191,991	11.7%
Total Expenditures	\$ 82,707,695	\$ 82,998,343	\$ 76,665,814	-\$ 6,332,529	-7.6%
General Fund	\$ 17,054,834	\$ 15,267,072	\$ 14,745,855	-\$ 521,217	-3.4%
Special Fund	20,000,000	19,265,000	20,000,000	735,000	3.8%
Nonbudgeted Fund	45,652,861	48,466,271	41,919,959	-6,546,312	-13.5%
Total Appropriations	\$ 82,707,695	\$ 82,998,343	\$ 76,665,814	-\$ 6,332,529	-7.6%

Note: The fiscal 2013 appropriation does not include deficiencies. The fiscal 2014 allowance does not include contingent reductions.