

STATE FAIR PARK

Budget Summary							
Fund	2006-07 Base Year Doubled	2007-09 Governor	2007-09 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$4,927,600	\$4,953,100	\$4,953,100	\$0	0.0%	\$25,500	0.5%
PR	<u>33,992,600</u>	<u>35,964,800</u>	<u>35,964,800</u>	<u>0</u>	0.0	<u>1,972,200</u>	5.8
TOTAL	\$38,920,200	\$40,917,900	\$40,917,900	\$0	0.0%	\$1,997,700	5.1%
BR			- \$3,800,000				

FTE Position Summary					
Fund	2006-07 Base	2008-09 Governor	2008-09 Jt. Finance	Joint Finance Change to:	
				Governor	2006-07 Base
PR	28.40	29.40	29.40	0.00	1.00

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

PR	\$771,800
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Governor/Joint Finance: Provide adjustments to the base budget for: (a) full funding of salaries and fringe benefits (\$270,100 annually); (b) overtime (\$115,200 annually); and (c) night and weekend pay differential (\$600 annually).

2. LTE WAGE INCREASES

PR	\$612,100
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Governor/Joint Finance: Provide \$252,200 in 2007-08 and \$359,900 in 2008-09 for limited-term employee (LTE) costs mostly during the annual State Fair.

3. SUPPLIES AND SERVICES COSTS INCREASE

PR	\$508,800
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Governor/Joint Finance: Provide \$184,100 in 2007-08 and \$324,700 in 2008-09 for supplies and services primarily related to the Park's agricultural programs.

4. HEAD OF POLICE

Positions	
PR	1.00

Governor/Joint Finance: Provide 1.0 position to serve as head of police operations at State Fair Park.

Currently, a memorandum of understanding (MOU) between the State Fair Park and the Department of Administration (DOA) specifies that Capitol Police oversee State Fair Park in exchange for payment from the Park. However, the Department of Administration (DOA) terminated the MOU effective July 1, 2007. Beginning on July 1, 2007, State Fair Park will contract for officers on its own. The recommended position would serve as a coordinator for all police services provided at the Park. Associated annual costs of \$87,500 are shifted from the contract allocation to salary and fringe benefits.

5. DEBT SERVICE ESTIMATES

GPR	\$25,500
PR	79,500
Total	\$105,000

Governor/Joint Finance: Provide \$28,400 GPR and delete \$39,200 PR in 2007-08 and delete \$2,900 GPR and provide \$118,700 PR in 2008-09 to reflect estimated principal and interest payments on bonds. GPR debt service is primarily associated with the construction of a youth housing facility, agricultural buildings and a portion of certain infrastructure improvements and the purchase of land. Program revenue debt service, paid for by park revenue, is associated with the construction or renovation of numerous other park facilities including the grandstand, Pettit National Ice Center, and the racetrack.

In January, 2007, the state sold the Pettit National Ice Center and surrounding property to the nonprofit Pettit National Ice Center, Inc., (the corporation that operated the ice center while it was under state ownership). Revenues from this sale are kept in a bond redemption fund and used to make the scheduled debt service payments for the bonds used to build the ice center.

6. STATE FAIR PARK BONDING [LFB Paper 736]

BR	- \$3,800,000
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Joint Finance: Eliminate \$3.8 million in existing, authorized unissued program revenue-supported bonding authority for the State Fair Park. Under the bill, State Fair Park would have remaining program revenue-supported bonding authority of \$1,200,000 available in 2007-09. Of the total, approximately \$700,000 would be available for the purchase of two properties within the Park grounds and \$500,000 in all-agency funds for a professional site survey and emergency infrastructure repairs.

7. QUARTERLY AND ANNUAL REPORTS [LFB Paper 735]

Joint Finance: Require State Fair Park to submit quarterly reports to the Department of Administration (DOA) and the Joint Committee on Finance projecting the revenues and expenditures of the ensuing quarterly period for the Park's program revenue appropriation accounts.

In addition, require State Fair Park to submit to DOA an annual plan to bring Park expenditures in line with revenues and to address how the Park will reduce the existing deficit in the Park's PR appropriation accounts. Require DOA to submit this plan, or the plan with modifications, to the Joint Committee on Finance, under 14-day passive review procedures (the plan would be considered approved unless the Committee objected to the plan within 14 working days of the receipt of the plan, whereby a the Committee could hold a hearing on the plan), by November 15 of each year.

Sunset these requirements on December 31, 2013.

Under current law, DOA may require an agency with program revenue or segregated accounts to make quarterly and annual reports to DOA projecting the revenues and expenditures of the ensuing quarterly period for each program revenue or segregated appropriation in the agency. Any projected deficit in program revenues or segregated revenues revealed in these reports must then be reported to the Joint Committee on Finance. Currently, DOA is not requiring the State Fair Park to submit quarterly reports, and DOA is not submitting annual reports developed by the Park to the Joint Committee on Finance.

8. PETTIT NATIONAL ICE CENTER STATUTORY LANGUAGE [LFB Paper 736]

Joint Finance: Delete statutory language that specifies the State Fair Park Board has "sole responsibility" for the Pettit National Ice Center and all related land and facilities.

In addition, delete statutory language that allows the State Fair Park Board to enter into a lease for the operation of the ice center and, instead, specify the state may repurchase the Pettit National Ice Center should Pettit National Ice Center, Inc., discontinue its operation of the facility as an ice center.

Further, delete statutory language that allows the State Fair Park to make an annual grant to the city of West Allis for crowd and traffic control related to events held at the Pettit National Ice Center. (An annual grant for these purposes would still be allowed for events held at the State Fair Park.)

Furthermore, specify that property owned by a nonprofit corporation that operates an Olympic ice training center on land purchased from the state (including property leased to a nonprofit entity and up to 6,000 square feet of property leased to a for-profit entity), provided the property is located and primarily used at the center, is exempt from taxation.

These changes were made to reflect the January, 2007, sale of the Pettit National Ice Center to Pettit National Ice Center, Inc. (the nonprofit corporation that leased the ice center when it was under state ownership), the potential state repurchase of the ice center (as specified in the sales contract), and would preserve the current property tax exemption of the ice center (including the amount of property within the center currently leased to for-profit entities) and associated land and property.