

## STATE FAIR PARK BOARD

### GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY07 Adjusted Base	FY08 Recommended	% Change Over FY07	FY09 Recommended	% Change Over FY08
GPR	2,463,800	2,492,200	1.2	2,460,900	-1.3
PR-O	16,996,300	17,779,300	4.6	18,185,500	2.3
<b>TOTAL</b>	<b>19,460,100</b>	<b>20,271,500</b>	<b>4.2</b>	<b>20,646,400</b>	<b>1.8</b>

### FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY07 Adjusted Base	FY08 Recommended	FTE Change From FY07	FY09 Recommended	FTE Change From FY08
PR-O	28.40	29.40	1.00	29.40	0.00
<b>TOTAL</b>	<b>28.40</b>	<b>29.40</b>	<b>1.00</b>	<b>29.40</b>	<b>0.00</b>

### AGENCY DESCRIPTION

The park organization is headed by a 13-member board composed of seven members appointed by the Governor with the advice and consent of the Senate, four state legislators, the secretary of the Department of Tourism, and the secretary of the Department of Agriculture, Trade and Consumer Protection. The board is directed to oversee the park, set park policy and appoint a chief executive officer to manage and supervise its use for fairs, exhibits or promotional events for agriculture, commercial, educational and recreational purposes.

### MISSION

The mission of the board is to provide a year-round leading entertainment destination for agricultural, exhibition, entertainment, cultural and educational uses for purposes of enhancing economic and social benefits to the State of Wisconsin, its residents and visitors. This venue will be supported by the highest quality event and facility management professionals who seek to deliver value-added services to the park's visitors and customers and who are dedicated to continuous improvement in operating performance.

### PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

#### Program 1: State Fair Park

Goal: Addressing Wisconsin State Fair Park's financial condition is paramount. The board's priorities are to reduce the financial exposure associated with operating the Milwaukee Mile; increase the profitability of the State Fair while continuing to offer a low-cost, high-quality event; and reduce the financial exposure associated with the non-fair operations, including operations of the Youth Dormitory, RV Park, Beef Expo, Harvest Fair, and events of other promoters held on the fairgrounds.

Objective/Activity: Implement strategies to increase revenues. Program managers will detail specific strategies to the board.

Objective/Activity: Implement strategies to decrease expenditures. Program managers will detail specific strategies to the board.

Objective/Activity: Because unanticipated factors may lower or increase revenues and costs to a greater extent than could be anticipated, focus on managing operations to ensure bottom-line results.

### PERFORMANCE MEASURES

#### 2005 AND 2006 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2005	Actual 2005	Goal 2006	Actual 2006
1.	Increase revenues.				
	Milwaukee Mile	\$7,400,000	\$6,200,000	\$7,800,000	\$2,721,300
	Fair Event	\$12,050,000	\$11,900,000	\$12,100,000	\$13,048,600
	Non-Fair Events	\$1,625,000	\$2,900,000	\$1,650,000	\$2,771,700
1.	Reduce expenditures.				
	Milwaukee Mile	\$9,200,000	\$9,800,000	\$9,100,000	\$5,845,200
	Fair Event	\$10,550,000	\$11,721,000	\$10,500,000	\$11,685,100
	Non-Fair Events	\$2,175,000	\$3,002,000	\$2,150,000	\$2,728,000
1.	Regardless of results above, meet or exceed bottom-line targets.				
	Milwaukee Mile	-\$1,800,000	-\$3,600,000	-\$1,300,000	-\$3,123,900
	Fair Event	\$1,500,000	\$179,000	\$1,600,000	\$1,363,500
	Non-Fair Events	-\$550,000	-\$102,000	-\$500,000	\$43,800

Note: Based on fiscal year.

Budget goals assumed that the Milwaukee Mile operations would be licensed to a private promoter before the 2005 race season. Because this did not happen until January 1, 2006, Milwaukee Mile losses were substantially higher than expected. Traditional State Fair Park activity (fair and non-fair events combined) generated a larger surplus than budgeted. Furthermore, because the Milwaukee Mile is now licensed to a private promoter, future activity will be limited to the State Fair and non-fair activity centers.

## 2007, 2008 AND 2009 GOALS

Prog. No.	Performance Measure	Goal 2007	GOAL 2008	Goal 2009
1.	Increase revenues. Fair Event Non-Fair Events	\$12,921,000 \$5,138,000	\$13,275,000 \$5,175,000	\$13,600,000 \$5,210,000
1.	Limit expenditure growth. Fair Event Non-Fair Events	\$12,538,000 \$4,984,000	\$12,850,000 \$5,010,000	\$13,150,000 \$5,035,000
1.	Regardless of results above, meet or exceed bottom-line targets. Fair Event Non-Fair Events	\$383,000 \$154,000	\$425,000 \$165,000	\$450,000 \$175,000

Note: Based on fiscal year.

The 2007 goals were changed to reflect the board's approved FY07 budget, which takes into account the licensing of the Milwaukee Mile and expected sale of the Pettit Center. Bottom-line results are below 2006 actual performance primarily because of the unknown costs associated with state assessments and consolidation efforts.

## **STATE FAIR PARK BOARD**

### **GOVERNOR'S BUDGET RECOMMENDATIONS**

#### **RECOMMENDATIONS**

1. Head of Police
2. Increase Funding for Supplies and Services and LTEs
3. Debt Service Reestimate
4. Standard Budget Adjustments

**Table 1  
Department Budget Summary by Funding Source (in thousands of dollars)**

	ACTUAL FY06	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY08	FY09	FY08	FY09
GENERAL PURPOSE REVENUE	\$2,289.1	\$2,463.8	\$2,463.8	\$2,463.8	\$2,492.2	\$2,460.9
State Operations	2,289.1	2,463.8	2,463.8	2,463.8	2,492.2	2,460.9
PROGRAM REVENUE (2)	20,258.3	16,996.3	17,993.5	18,241.8	17,779.3	18,185.5
State Operations	20,258.3	16,996.3	17,993.5	18,241.8	17,779.3	18,185.5
TOTALS-ANNUAL	22,547.4	19,460.1	20,457.3	20,705.6	20,271.5	20,646.4
State Operations	22,547.4	19,460.1	20,457.3	20,705.6	20,271.5	20,646.4

(2) Includes Program Revenue-Service and Program Revenue-Other

**Table 2  
Department Position Summary by Funding Source (in FTE positions) (4)**

	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY08	FY09	FY08	FY09
PROGRAM REVENUE (2)	28.40	28.40	28.40	29.40	29.40
TOTALS-ANNUAL	28.40	28.40	28.40	29.40	29.40

(2) Includes Program Revenue-Service and Program Revenue-Other

(4) All positions are State Operations unless otherwise specified

**Table 3  
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY06	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY08	FY09	FY08	FY09
1. State fair park	\$22,547.4	\$19,460.1	\$20,457.3	\$20,705.6	\$20,271.5	\$20,646.4
TOTALS	22,547.4	19,460.1	20,457.3	20,705.6	20,271.5	20,646.4

**Table 4  
Department Position Summary by Program (in FTE positions) (4)**

	ADJUSTED BASE FY07	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY08	FY09	FY08	FY09
1. State fair park	28.40	28.40	28.40	29.40	29.40
TOTALS	28.40	28.40	28.40	29.40	29.40

(4) All positions are State Operations unless otherwise specified

**1. Head of Police**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	0	0.00	0	0.00	0	1.00	0	1.00
TOTAL	0	0.00	0	0.00	0	1.00	0	1.00

The Governor recommends providing position authority for a police officer at State Fair Park to coordinate security year-round and oversee contracted security staff.

**2. Increase Funding for Supplies and Services and LTEs**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	611,300	0.00	859,600	0.00	436,300	0.00	684,600	0.00
TOTAL	611,300	0.00	859,600	0.00	436,300	0.00	684,600	0.00

The Governor recommends providing funding to reflect projected LTE salaries, fringe benefits, and supplies and services expenditures.

**3. Debt Service Reestimate**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	28,400	0.00	-2,900	0.00
PR-O	0	0.00	0	0.00	-39,200	0.00	118,700	0.00
TOTAL	0	0.00	0	0.00	-10,800	0.00	115,800	0.00

The Governor recommends adjusting the board's base budget to reflect a reestimate of debt service on authorized bonds.

**4. Standard Budget Adjustments**

Source of Funds	Agency Request				Governor's Recommendation			
	FY08		FY09		FY08		FY09	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-O	385,900	0.00	385,900	0.00	385,900	0.00	385,900	0.00
TOTAL	385,900	0.00	385,900	0.00	385,900	0.00	385,900	0.00

The Governor recommends adjusting the board's base budget for: (a) full funding of continuing position salaries and fringe benefits (\$270,100 in each year); (b) overtime (\$115,200 in each year); and (c) night and weekend differential pay (\$600 in each year).