

### Fiscal Estimate - 2005 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>05-2747/1</b>	<b>Introduction Number</b> <b>AB-732</b>
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**Subject**  
 Mirror Lake camping surcharge

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations     
  Increase Existing Revenues  
 Decrease Existing Appropriations     
  Decrease Existing Revenues  
 Create New Appropriations

Increase Costs - May be possible to absorb within agency's budget  
 Yes       No  
 Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
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<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.370(1)(mu)	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DNR/ Joe Polasek (608) 266-2794	Joe Polasek (608) 266-2794	9/21/2005

## Fiscal Estimate Narratives

DNR 10/7/2005

LRB Number	<b>05-2747/1</b>	Introduction Number	<b>AB-732</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Mirror Lake camping surcharge					

### Assumptions Used in Arriving at Fiscal Estimate

#### BILL SUMMARY

This bill would establish a \$5 per night surcharge to be added to the nightly camping rate currently charged to all campers at Mirror Lake State Park. The proceeds from this surcharge would not be deposited with other park revenues into the Conservation Funds - Parks Segregated Account but would be used instead to create a grant program exclusively available to a non-profit group to be composed of at least one-half of Mirror Lake lakefront property owners. The grants must be used to protect and improve water quality in Mirror Lake, and the organization receiving a grant must provide 20% matching funds. Of the 40 properties in the Wisconsin State Park System that are on bodies of water, there are currently no similar surcharges.

#### FISCAL ESTIMATE

In 2004, Mirror Lake State Park generated \$160,923 of camping revenue and \$216,325 of vehicle admission sticker sales. There are 148 campsites at Mirror Lake that experienced an occupancy rate of 51.04% on weekdays and 94.37% on weekends, with a total occupancy rate of 68.26%. The number of camping nights recorded in 2004 was 15,423.

Wisconsin residents make up 70.08% of the campers in the park, 86% of the reservations are made for 3 or less nights. In addition to the nightly camping fee, a camper must have a vehicle admission sticker on their vehicle. As of January 1, 2006, annual admission stickers will be \$25 for Wisconsin Residents, \$35 for Non-Residents, and \$10 for Wisconsin Senior Citizens. Daily stickers will cost \$7 for Wisconsin Residents, \$10 for Non-Residents and \$3 for Wisconsin Seniors.

The following summary shows total impact of the various fees, effective in 2006, for residents and non-residents when combined with the proposed \$5 surcharge:

#### A. Tent Site Fees

##### 1. Week-days:

Resident = \$13 + \$7 daily admission fee = \$20 + proposed \$5 surcharge = \$25 per night

Non-resident = \$15 + \$10 daily admission fee = \$25 + proposed \$5 surcharge = \$30 per night

##### 2. Friday and Saturday nights:

Resident = \$15 + \$7 daily admission fee = \$22 + proposed \$5 surcharge = \$27 per night

Non-resident = \$17 + \$10 daily admission fee = \$27 + proposed \$5 surcharge = \$32 per night

#### B. Electric Site Fees

##### 1. Week-days:

Resident = \$18 + \$7 daily admission fee = \$25 + proposed \$5 surcharge = \$30 per night

Non-resident = \$20 + \$10 daily admission fee = \$30 + proposed \$5 surcharge = \$35 per night

##### 2. Friday and Saturday nights:

Resident = \$20 + \$7 daily admission fee = \$27 + proposed \$5 surcharge = \$32 per night

Non-resident = \$22 + \$10 daily admission fee = \$32 + proposed \$5 surcharge = \$37 per night

If the surcharge is implemented, the total fee for Wisconsin residents on a Friday or Saturday night, including a park vehicle admission will range from \$27 per night for a tent site to \$32 per night for a site with electricity. The cost for a non-resident in the same time period will range from \$32 per night for a tent site to \$37 for a site with electricity.

Based on input from Mirror Lake staff, discussions with customers, and previous experience with price increases, we estimate the 30% fee increase caused by the camping surcharge will result in approximately a

20-22% decrease in the number of campers visiting Mirror Lake. This will result in a 20-22% decrease in camping revenues and a 10-11% decrease in park sticker sales. It is projected that this will result in an annual camping revenue decrease of \$32,000 - \$35,000 and a sticker revenue decrease of \$21,000 - \$23,000. Devil's Lake State Park is located 15 miles away and Rocky Arbor State Park is located 7 miles away, some campers will move to those parks, however, the high occupancy rate at these parks will result in a large net number of campers still being lost by the system. The number of camper nights after the decrease would be in the 12,000 - 12,300 range, which would generate up to \$61,500 for the non-profit association and result in approximately a \$56,000 revenue decrease for the state.

If the surcharge were implemented, the Wisconsin State Park Reservation System database would have to be reprogrammed to handle the new fee structure, fees types and revenue distribution reports. We anticipate the programming and testing necessary would require 120 hours of programming time at \$110 per hour for a cost of approximately \$13,200. Park publications would need to be edited and reprinted, websites would have to be changed, and park signage would need to be revised at an estimated one-time cost of \$5,800.

### **Long-Range Fiscal Implications**

None

## Fiscal Estimate Worksheet - 2005 Session

Detailed Estimate of Annual Fiscal Effect

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  Updated     
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  Supplemental

<b>LRB Number</b> 05-2747/1		<b>Introduction Number</b> AB-732	
<b>Subject</b>			
Mirror Lake camping surcharge			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
\$19,000			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			-56,000
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>-\$56,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$-56,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	
		<b>Date</b>	
		9/21/2005	