

1993-94 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

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➤ Committee Hearings ... CH

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➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

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➤ Miscellaneous ... Misc

➤ 93hrJC-Fi_Misc_pt21

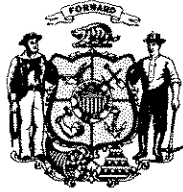
➤ Record of Comm. Proceedings ... RCP

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STATE OF WISCONSIN

Senate Chair
JOE LEEAN

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
608-266-0751



Assembly Chair
BEN BRANCEL

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
608-266-7746

JOINT COMMITTEE ON FINANCE

May 18, 1995

TO; Mr. James R. Klauser, Secretary
Department of Administration

FROM; Senator Joe Leean
Representative Ben Brancel
Co-Chair, Joint Committee on Finance

We have reviewed the request from the Department of Administration dated April 28, 1995 pursuant to s.16.515 and s.16.505(2) pertaining to requests from the Department of Corrections and the Department of Veterans Affairs.

There were no objections to these requests and accordingly they have been approved.

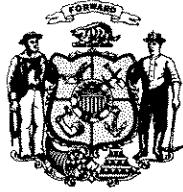
JL:BB:ns

cc: Richard Chandler
Robert Lang

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

April 28, 1995

MEMO TO: Members, Joint Committee on Finance

FROM: Senator Joe LLEAN, Senate Co-Chair
Representative Ben Brancel, Assembly Co-Chair
Joint Committee on Finance

Attached is a copy of a request from the Department of Administration dated April 28, 1995 pursuant to s.16.515 and s.16.505(2) pertaining to requests from the Department of Corrections and the Department of Veterans Affairs.

Please review these items and notify Senator LLEAN's office not later than Monday, May 15, 1995 if you have any concerns about the requests or would like the Committee to meet formally to consider them.

Also, please contact us if you need additional information.

JL:BB:ns

Attachments

CORRESPONDENCE/MEMORANDUMSTATE OF WISCONSIN
Department of Administration

Date: Apr. 28, 1995

To: Honorable Joseph Leraan, Co-Chair
Honorable Ben Brancel, Co-Chair

From: James R. Klauser
Secretary
Department of Administration

Subject: s. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1993-94</u>		<u>1994-95</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
D.O.C. 20.410(1) (kf)	Correctional Farms			\$ 80,500	
D.V.A. 20.485(1) (gm)	Sale of Fuel and Utility Service			14,450	
D.V.A. 20.485(1) (g)	Home Exchange			22,000	

As provided in s. 16.515, this request will be approved on May 19, 1995 unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Roger Grossman at 266-1072, or the analyst who approved the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments:

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: April 26, 1995

To: James R. Klauser, Secretary
Department of Administration

From: *Roger Fetterly*
Roger Fetterly, Budget Analyst
Division of Executive Budget and Finance

Subject: S. 16.515 Request from the Department of Corrections

REQUEST

The Department of Corrections (DOC) requests a one-time increase in expenditure authority of \$125,100 PR in FY95 in appropriation 20.410(1)(kf), Correctional Farms, to meet unanticipated costs for planning and design of a manure storage structure at the Waupun State Farm and supplies and services for planting new acreage, livestock care, dairy processing, and equipment replacement and repair for the correctional farms system.

BACKGROUND

Correctional Farms is a program revenue activity operating two farms consisting of 4,751 acres, 1,024 head of cattle and 1,502 swine. The farms have a supervisory and security staff of 21 FTE employes and provide employment for 163 inmates. The farms provide dairy products to the prisons and other state institutions. Excess farm produce and cash crops are sold on the open market or under contract.

ANALYSIS

DOC is requesting an increase in expenditure authority for the following purposes in priority order:

Supplies and services for increased herd size	\$44,000
Planting newly acquired land	\$18,000
Supplies and services for dairy products volume increase	\$14,000
New creamery startup	\$19,500
Equipment replacement and repair	\$20,000
Manure storage structure planning, design and consulting	<u>\$9,600</u>
Total	\$125,100

Supplies and services for increased herd size. DOC is requesting an increase in expenditure authority of \$44,000 PR in FY95 for additional supplies and services for livestock. The livestock herd has increased in FY95 by 12% over FY94 and the supplies and services cost is expected to increase by \$97,240 from \$442,000 in FY94 to \$539,240 in FY95. While a

portion of this increase can be absorbed, the additional expenditure authority requested is necessary to maintain a healthy and productive herd of dairy cattle and swine.

Planting newly acquired land. DOC acquired 225 acres of additional tillable land in a land swap with the Department of Transportation for which DOC requests additional expenditure authority of \$18,000 for spring planting at a cost of \$80 per acre (seed, \$20; fertilizer, \$30; chemicals, \$20; fuel/labor, \$10). The additional expenditure authority is necessary to get spring crops planted on time for the growing season and to provide feed and fodder which would otherwise have to be purchased in the open market at a higher cost. These crops are expected to have a harvest value of \$45,000.

Supplies and services for increase in volume of dairy products. DOC is requesting \$14,000 for the following items due to the increased volume of dairy products produced and distributed to state institutions:

• 13,000 6-gallon bag containers for milk	\$6,734
• Additional milk containers	\$2,968
• Maintenance, cleaning and lab supplies	\$1,375
• Equipment repair	\$2,283
• Farm to creamery milk transportation	<u>\$ 640</u>
	\$14,000

Recognizing that these items are DOC's 3rd priority and due to the limited funds available, this request could be reduced to \$7,400 by purchasing only half of the containers and reducing equipment repair and transportation expenditures.

New Creamery Startup. DOC is requesting \$19,500 to provide the following startup supplies and equipment at the new creamery at Burke Correctional Center which is scheduled to open on May 20, 1995:

• Required by DATCP for testing and sanitation	\$6,800
• Storage shelves, cabinets, racks and trays	\$3,080
• Parts and containers for 1/2 pint packaging equip	<u>\$9,620</u>
Total	\$19,500

These items are DOC's 4th priority and are further prioritized as listed above. Due to limited funds available, only the items required by the Department of Agriculture Trade and Consumer Protection should be approved.

Equipment Replacement and Repair. DOC is requesting \$20,000 for repair or replacement of the following items:

• Replacement of dairy compressors	\$2,500
• Replacement of a steer feeder	\$1,000
• Replacement of pickup truck	\$8,000
• Repair of farm machinery and 2 pickup trucks	<u>\$8,500</u>
	\$20,000

Except for the replacement of the dairy compressors and the steer feeder, which have already been replaced, and the need to repair farm machinery in the current year, funding should be deferred to FY96 for the remaining items.

Manure storage structure. DOC is requesting \$9,600 in additional expenditure authority for planning, design and geotechnical investigation services for a manure storage structure at the Waupun Farm to accommodate the disposal of 5,500 gallons of manure per day from 500 dairy cattle. The closing of the Winnebago farm dairy operation and transfer of the cattle to Waupun more than doubled the size of the Waupun herd which exceeds its manure storage capacity. Good land management practices and recommendations of the USDA-Soil Conservation Service requires sufficient storage capacity to allow spreading under appropriate conditions to avoid damage to the environment. The requested expenditure authority would help DOC to determine the most economical solution to this problem. However, given the financial condition of the farms this project could be paid for out of the appropriation for farm operations in FY96 which would be available in July of 1995.

Summary of current financial condition of appropriation 20.410(1)(kf). A 1992 Legislative Audit Bureau report of the correctional farms program identified the severe financial problems of the farms which had accumulated a \$5.3 million debt to the general fund. Since that time the debt has stabilized at that level due to budget changes which provided additional GPR supplements to the farms. The following is the current status of the farms appropriation:

	<u>FY95</u>
Opening balance	\$-5,225,674
Revenue:	
Revenue year-to-date 12/31/94	\$919,324
Revenue projected to June 30	<u>\$947,175</u>
Total FY95 revenue	\$1,866,499
Expenditures:	
Expenditures year-to-date 12/31/94	\$856,779
Expenditures projected to June 30	\$873,397
This s.16.515 supplemental request	<u>\$125,100</u>
Total FY95 expenditures	\$1,855,276
Closing balance	\$-5,214,451
FY95 reduction in the deficit to the general fund	\$11,223

The current FY95 budget for the farms projects a reduction of the deficit in the appropriation by \$55,823. Revised estimates which are included in this request increases revenue by an additional \$80,500 and increases expenditures by an additional \$125,100 which reduces the amount devoted toward reducing the debt to \$11,223.

To avoid further adverse effect on the General Fund, the increase in expenditure authority could be limited to the amount of additional revenue projected for FY95 (\$80,500) by deferring some of the items to FY96 where they may be more appropriately dealt with or when the liability may actually occur.

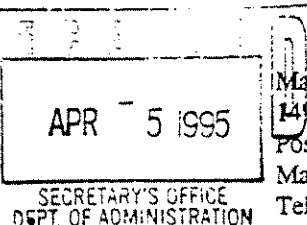
RECOMMENDATION:

Approve the following one-time expenditure authority increase in appropriation 20.410(1)(kf) for FY95:

Supplies and services for increased livestock	\$44,000
Planting newly acquired land	\$18,000
Supplies and services for dairy products volume increase	\$7,400
New creamery startup--DATCP requirements	\$6,800
Equipment replacement and repair:	
Replacement of dairy compressors	\$2,500
Replacement of steer feeder	\$1,000
Repair of farm machinery	<u>\$800</u>
Total	\$80,500

Tommy G. Thompson
Governor

Michael J. Sullivan
Secretary



Mailing Address
149 East Wilson Street
Post Office Box 7925
Madison, WI 53707-7925
Telephone (608) 266-2471

State of Wisconsin
Department of Corrections

CC CA RG
RF.

April 3, 1995

MEMORANDUM

TO: James R. Klauser, Secretary
Department of Administration

FROM: Michael J. Sullivan, Secretary
Department of Corrections

SUBJECT: S. 16.515(1) Request for Appropriation
20.410(1) (kf)
Numeric Appropriation 131, Correctional Farms
and Numeric Appropriation 121, Sale of Land

The Department of Corrections requests a one time increase in expenditure authority in Appropriation 20.410(1) (kf) (121) of \$9,600 in FY 95 to pay for planning, design and geotechnical investigation services for a manure storage structure at the Waupun State Farm. In addition, the Department requests a one time increase in expenditure authority in Appropriation 20.410(1) (kf) (131) of \$115,500 in FY 95 for seed, feed, livestock care, equipment repair and replacement, and supplies for dairy processing to meet unanticipated, unbudgeted cost increases in the Correctional Farm system.

Background

Appropriation 20.410(1) (kf) contains numeric appropriations 121 and 131. Summaries are attached showing the full alpha appropriation, 20.410(1) (kf), as well as numeric appropriations 121 and 131 separately.

20.410(1) (kf) (131) 1993 Wisconsin Act 16 provided expenditure authority to Correctional Farms Appropriation 131 in the amount of \$1,684,600 in FY 95. An expenditure carryover of \$36,798 for supplies and capital equipment purchases and \$5,779 pay plan adjustment increased the available expenditure authority for FY 95 to \$1,721,398.

Actual FY 95 expenditures through December 31, 1994 were \$856,799.83. Correctional Farms projected expenditures total \$1,842,677 for FY 95.

X A re-estimate of revenue projections for FY 95 is \$1,866,500. Approval of this request would allow a total spending authority of \$1,842,677 in appropriation 131.

20.410(1) (kf) (121) 1993 Wisconsin Act 16 provided expenditure authority to Correctional Farms Appropriation 121 in the amount of \$3,000 in FY 95. Correctional Farms is requesting an additional

James R. Klauser
April 3, 1995
Page 2

\$9,600 in spending authority.

A total fund condition and summaries of both appropriations are attached.

Program Needs-Numeric 121

A new manure storage structure is needed at the Waupun State Farm to accomplish proper land and waste management. When the Winnebago State Farm was closed, the dairy herd was moved to the Waupun State Farm. This resulted in more than doubling the herd size at the Waupun State Farm. Manure production since the opening of the new dairy barn has been 5,500 gallons per day. Current storage capacity is 3 to 5 days. Due to weather conditions the Farms cannot spread manure this frequently. This results in overspreading in designated areas which can cause excessive nutrient levels and potentially damaging groundwater and surface runoff pollution. There is sufficient land to spread the manure properly at Waupun and Fox Lake State Farms, if it can be stored until an opportune window occurs. Although there is presently no county animal waste storage ordinance in Dodge County, the proposal for a larger manure storage structure is in accordance with good land management practices and USDA-Soil Conservation recommendations.

Professional design and planning services with expertise in agricultural issues are needed to assist the Department in preparing the formal bid documents. The geotechnical investigation will include testing of the farm site and will provide information that will be used in exploring storage options. Estimated costs include the following:

Planning and Design	\$10,000
Geotechnical Investigations	\$ 2,500
minus current spending auth.	<u>(\$3,000)</u>
Total request	\$ 9,500

Budget Issues

The intent of land sale funds is to fund land purchase and construction of facilities. All agency capital funds are not available at this time.

On March 15, 1995, Appropriation 121 had a cash balance of \$301,290. Expenditure authority in this appropriation is currently set at \$3,000.

James R. Klauser
April 3, 1995
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Program Needs-Numeric 131

Land Swap Planting

The Department of Corrections and the Department of Transportation have been negotiating a land swap. The Department of Corrections will receive 225 acres of farm land in exchange for wetlands. Correctional Farms proposes to plant the 225 acres with corn at a cost of \$80 per acre. There is an Agreement for Rental of Vacant Land in place allowing DOC planting and harvesting rights to the land. Correctional Farms requests \$18,000 to plant this acreage.

Herd Increase

Correctional Farms has seen a rise of 22% in herd size since June 30, 1993. There was a correlating increase in expenditures for livestock feed and supplements, veterinarian costs, inseminations, and health care supplies and registrations. FY 94 expenditures for livestock care were approximately \$442,000. FY 95 costs are projected to be approximately \$539,240. The Department is requesting 10% of FY 94 costs, or \$44,000. The remaining increase will be absorbed within the current budget authority. This is possible because both the Waupun and Oregon farms had a bumper crop of corn in FY 95 and will not have to purchase feed from an outside vendor.

Replacement/Repair Items

Correctional Farms has had several unplanned, emergency equipment expenditures during the fiscal year and must make additional expenditures in the near future. Certain pieces of farming equipment are old and need to be replaced, or repaired, including:

Dairy compressors (replacement)	\$ 2,500
Steer feeder (replacement)	\$ 1,000
Pickup truck (replacement)	\$ 8,000
- 2 pickups and farm machinery (repair)	\$ 8,500
Total requested authority	\$20,000

Correctional Farms is requesting additional expenditure authority of \$20,000 for these items.

Creamery

A new creamery located in Waupun will become fully operational in mid-May and is expected to increase revenues by expanding product lines and markets. Building project funds did not include startup

James R. Klauser
April 3, 1995
Page 4

for minor equipment, supplies, parts, and testing which is scheduled to begin April 17. Correctional Farms is requesting \$19,500 for this purpose.

Population Increases of Dairy

In order to supply dairy products to the increasing Department of Corrections inmate population additional costs and expenditures for dairy products are necessary. The Department is requesting additional expenditure authority of \$14,000 for additional supplies, packaging material, transportation and equipment maintenance for FY 95.

Manure pit	\$ 9,600
Land swap planting	\$18,000
Herd Increase	\$44,000
Replacement/repair items	\$20,000
Creamery start-up	\$19,500
Increased dairy processing	<u>\$14,000</u>

TOTAL REQUESTED SPENDING	
AUTHORITY INCREASE	\$125,100

cc: Ave M. Bie, Dpty Sec. - DOC
Steve Kronzer, Dir. - BCE
Pamela Brandon, Admin. - DMS
Mary Cassady, Dir. - OPB
Terri Landwehr, Admin. - DPS

James R. Klauser
April 3, 1995
Page 5

Fund Condition Statement
20.410(1) (kf)

Fiscal Year 95

Opening Balance	(\$5,225,674.32)
Actual Revenue YTD (12-31-94)	\$919,324.21
Actual Expenditure YTD (12-31-94)	(\$856,779.83)
Addt Projected Revenue (6-30-95)	\$947,175.79
Addt Projected Expenditures (6-30-95)	(\$873,397.17)
16.515 Requested Authority	<u>(\$125,100.00)</u>
Closing FY 95 Balance	(\$5,214,451.32)

DEPARTMENT OF CORRECTIONS
 APPROPRIATION 20.410(1)(kf)
 SUMMARY – APPROPRIATION 121 (SALE OF LAND)

FY 95

REVENUE

OPENING CASH BALANCE	\$301,290
REVENUE YEAR-TO-DATE	\$0
ADD'L REVENUE PROJECTIONS TO 6/30	\$0

TOTAL NET REVENUE	\$301,290

<Less> EXPENDITURES

EXPENDITURES YEAR-TO-DATE	\$0
ADD'L EXPENDITURE PROJECTIONS TO 6/30	(\$3,000)
REQUESTED S. 16.505/16.515 SUPPLEMENT	(\$9,600)

TOTAL EXPENDITURES	(\$12,600)

PROGRAM REVENUE BALANCE

\$288,690

EXPENDITURE AUTHORITY

CHAPTER 20	\$3,000
ENCUMBRANCES FROM PRIOR YEAR	\$0
RE-ESTIMATES OF REV. & EXP. (YTD)	\$0

TOTAL EXPENDITURE AUTHORITY	\$3,000
REQUESTED ADD'L EXPENDITURE AUTHORITY	\$9,600

NEW PROPOSED EXPENDITURE AUTHORITY	\$12,600

DEPARTMENT OF CORRECTIONS
APPROPRIATION 20.410(1)(kf)
SUMMARY – APPROPRIATION 131

FY 95

REVENUE

OPENING CASH BALANCE	(\$5,526,964)
ADD'L REVENUE PROJECTIONS TO 6/30	\$1,866,500

TOTAL NET REVENUE	(\$3,660,464)

<Less> EXPENDITURES

EXPENDITURE PROJECTIONS w/o 16.515	(\$1,684,600)
CARRYOVER FY4	(\$36,798)
SALARY SUPPLEMENT	(\$5,779)
REQUESTED S. 16.505/16.515 SUPPLEMENT	(\$115,500)

TOTAL EXPENDITURES	(\$1,842,677)

PROGRAM REVENUE BALANCE (\$5,503,141)

EXPENDITURE AUTHORITY

CHAPTER 20	\$1,684,600
ENCUMBRANCES FROM PRIOR YEAR	\$36,798
PAY PLAN SUPPLEMENT	\$5,779

TOTAL EXPENDITURE AUTHORITY	\$1,727,177
REQUESTED ADD'L EXPENDITURE AUTHORITY	\$115,500

NEW PROPOSED EXPENDITURE AUTHORITY	\$1,842,677

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: April 24, 1995

To: James R. Klauser, Secretary
Department of Administration

From: Pamela Henning, Policy and Budget Analyst *PH*
Division of Executive Budget and Finance

Subject: s. 16.515 Request for the Sale of Fuel and Utility Services

Request

The Department of Veterans Affairs (DVA) requests an increase in expenditure authority of \$14,450 PR in fiscal year 1994-95 in appropriation s.20.485(1)(gm), Sale of Fuel and Utility Service, for the Veterans Home at King to fully fund costs, including those charges billed to the Chain of Lakes Sanitary District (COLSD) for its share of utilities consumed.

Analysis

The Veterans Home at King operates a waste water treatment facility and sells water treatment services to the local sanitary district because many people living on the Chain O' Lakes, where King is located, make use of King's water treatment facility. Expenditures for the operation of the facility are initially charged to the Home's general program operations appropriation, s. 20.485(1)(gk) for salaries, fringe benefits, and supplies and services for the utility services provided at the Home, and are then transferred to s. 20.485(1)(gm), Sale of Fuel and Utilities, when the exact amount allocable to the COLSD is known. Revenues from the COLSD are credited to s. 20.485(1)(gm), Sale of Fuel and Utilities.

The actual expenditures chargeable to the COLSD in FY95 exceeded budgeted amounts due to the increased costs related to operating the waste water treatment facility. The COLSD is billed an amount based on the percentage of total operating cost that corresponds to the percentage of waste generated.

If the increased expenditure authority is not provided in appropriation s. 20.485(1)(gm), the Home's general operations appropriation (s. 20.485(1)(gk)) would be covering \$14,450 in costs properly chargeable to the s. 20.485(1)(gm) appropriation. This is of concern because funds intended to provide care to residents at the Home would have to be used to cover waste water treatment costs related to the COLSD.

The current budget for DVA's Sale of Fuel and Utility Service appropriation is \$38,700 PR in fiscal year 1994-95. Actual fiscal year 1994-95 billings show a total expenditure level of \$53,150. As a result, an increase in expenditure authority of \$14,450 is needed. Current available revenues of \$54,720 in s. 20.485(1)(gm) are sufficient to support this request.

Recommendation

Approve the request.



**STATE OF WISCONSIN, DEPARTMENT OF VETERANS
AFFAIRS**

30 West Mifflin Street, P.O. Box 7843, Madison, WI 53707-7843

CORRESPONDENCE/MEMORANDUM

Date: April 18, 1995

To: Richard Chandler, Director
State Budget Office

From: Ken Abrahamsen, Director *KA*
Office of Policy, Planning and Budget

Subject: S.16.515 Request for Appropriation 20.485 (1) (gm) Sale of Fuel and Utility Service, Numeric
Appropriation 121 (D3) Sale of Fuel and Utilities

The Department of Veterans Affairs requests consideration under s. 16.515 to increase the expenditure authority for the Sale of Fuel and Utility Service Appropriation (s. 20.485 (1) (gm)) by \$14,450 in fiscal year 1994-95. This will provide sufficient spending authority under the appropriation to cover the costs billed to the Chain of Lakes Sanitary District (COLSD).

The Wisconsin Veterans Home provides water treatment services to the COLSD and charges them for their share of the cost to operate the waste treatment facility. These costs are initially charged to Appropriation 120 {s. 20,485 (1) (gk)} and transferred to Appropriation 121, Sale of Fuel and Utilities, when the exact amount chargeable to COLSD is known. The final billing for the fiscal year has been sent to COLSD. Those revenues will be credited to Appropriation 121 in fiscal year 1994-95.

Appropriation 121 is a program revenue appropriation used to monitor the cost of service provided and billed to customers. The actual expenditures chargeable to COLSD exceeded the budgeted amounts due to increased costs related to operating the waste treatment facility. The COLSD is billed an amount based on the percentage of total operating cost that corresponds to the percentage of waste they generate. While the amount of waste generated by the Home has remained fairly constant, the amount of waste generated by the COLSD continues to increase.

There are no other alternatives available for covering the increased costs. If the expenditures are not transferred from appropriation 120, funds intended to provide care to residents at the Home will be used to cover waste treatment costs related to the COLSD. From the data provided in the attached spreadsheet, revenues will exceed expenditures in fiscal year 1994-95. Therefore, it is requested that the s. 16.515 request for increased expenditure authority of \$14,450 be approved.

Thank you for your assistance with this matter. If you have any questions or need additional information, please call me at 6-0117.

cc: Bob Cocroft
Steve Handrich
David Larsen
✓ Pam Henning

WISCONSIN DEPARTMENT OF VETERANS AFFAIRS

S. 16.515 REQUEST

APPROPRIATION 121 (D3) - SALE OF FUEL & UTILITIES

4/17/95

Annual Revenues & Expenditures

	ACTUAL 1989-90	ACTUAL 1990-91	ACTUAL 1991-92	ACTUAL 1992-93	ACTUAL 1993-94	ACTUAL 1994-95*	BUDGET 1994-95	ACTUAL DIFFERENCE
Opening Balance	\$0.00	(\$102.95)	(\$0.00)	\$335.30	\$335.30	\$1,581.30	\$300.00	\$1,281.30
Revenues	\$35,779.31	\$31,428.67	\$33,718.55	\$45,873.69	\$39,946.00	\$53,139.06	\$38,700.00	\$14,439.06
Cash Available	\$35,779.31	\$31,325.72	\$33,718.55	\$46,208.99	\$40,281.30	\$54,720.36	\$39,000.00	\$15,720.36
<u>Expenditures</u>								
Perm. Salaries	\$19,631.38	\$15,063.97	\$15,668.66	\$20,929.51	\$15,700.00	\$25,899.53	\$15,700.00	\$10,199.53
LTE Salaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$5,889.41	\$6,455.99	\$6,500.00	\$8,790.39	\$6,500.00	\$11,351.77	\$6,500.00	\$4,851.77
Supplies & Svcs.	\$10,361.47	\$9,805.76	\$11,214.59	\$16,153.79	\$16,500.00	\$15,887.76	\$16,500.00	(\$612.24)
Perm. Property	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expend.	\$35,882.26	\$31,325.72	\$33,383.25	\$45,873.69	\$38,700.00	\$53,139.06	\$38,700.00	\$14,439.06
Closing Balance	(\$102.95)	(\$0.00)	\$335.30	\$335.30	\$1,581.30	\$1,581.30	\$300.00	\$1,281.30

Monthly Revenues & Expenditures

	JUL. '94	AUG. '94	SEP. '94	OCT. '94	NOV. '94	DEC. '94	JAN. '95	FEB. '95
Opening Balance	\$1,581.30	\$1,581.30	\$14,851.06	\$14,851.06	\$14,851.06	\$14,851.06	\$27,510.81	\$27,510.81
Revenues	\$0.00	\$13,269.76	\$0.00	\$0.00	\$0.00	\$12,659.75	\$0.00	\$14,080.97
Cash Available	\$1,581.30	\$14,851.06	\$14,851.06	\$14,851.06	\$14,851.06	\$27,510.81	\$27,510.81	\$41,591.78
<u>Expenditures</u>								
Perm. Salaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LTE Salaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies & Svcs.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Perm. Property	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Expend.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Closing Balance	\$1,581.30	\$14,851.06	\$14,851.06	\$14,851.06	\$14,851.06	\$27,510.81	\$27,510.81	\$41,591.78

* NOTE: Includes all billings for FY95. (bill on quarterly basis)

Prepared by: Ken Abrahamson

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: April 25, 1995

To: James R. Klauser, Secretary
Department of Administration

From: Pamela Henning, Policy and Budget Analyst *PH*
Division of Executive Budget and Finance

Subject: s. 16.515 Request for the Veterans Home Exchange

Request

The Department of Veterans Affairs (DVA) requests an increase in expenditure authority of \$22,000 PR in fiscal year 1994-95 in appropriation s.20.485(1)(g), Home Exchange, at the Veterans Home at King in order to fully fund costs for the current fiscal year.

Analysis

The Wisconsin Veterans Home operates an exchange store that serves residents, visitors and staff. The Home Exchange offers over-the-counter lunch items, snacks, candy, tobacco products., as well as crafts and handiwork made by the members. The Home Exchange is self-supporting operating on revenues received from sales of the products.

The projected expenditures of the Home Exchange will exceed budgeted amounts by \$22,000 in fiscal year 1994-95 due to several factors. First, an accounting error resulted in approximately \$2,000 in expenses incurred in fiscal year 1993-94 being paid in fiscal year 1994-95. Secondly, adjustments to the vending contract have increased inventory costs. To offset higher inventory costs, prices were increased for non-members. Changes in the vending contract are due to an expansion of the product line to meet expanding demand for new products.

If the increased expenditure authority is not approved in appropriation s. 20.485(1)(g), the Home Exchange store will have to close its doors for the last eight weeks of the fiscal year. This creates a major inconvenience for the residents at the Veterans Home who rely on the store for purchase of many daily products. In addition, net revenues will decline as a result of lost sales if the Home Exchange is closed.

The current budget for DVA's Home Exchange appropriation is \$198,400 PR in fiscal year 1994-95. Actual fiscal year 1994-95 expenses are projected to be \$220,400. As a result, an increase in expenditure authority of \$22,000 is required. Current available revenue of \$273,500 is sufficient to support this request.

Recommendation

Approve the request.



*STATE OF WISCONSIN, DEPARTMENT OF VETERANS
AFFAIRS*

30 West Mifflin Street, P.O. Box 7843, Madison, WI 53707-7843

CORRESPONDENCE/MEMORANDUM

Date: April 18, 1995

To: Richard Chandler, Director
State Budget Office

From: Ken Abrahamsen, Director *KA*
Office of Policy, Planning and Budget

Subject: S.16.515 Request for Appropriation 20.485 (1) (g) Home Exchange, Numeric Appropriation
131 (ED) Home Exchange

The Department of Veterans Affairs requests consideration under s. 16.515 to increase the expenditure authority for the Home Exchange Appropriation (s. 20.485 (1) (g)) by \$22,000 in fiscal year 1994-95. This will provide sufficient spending authority under the appropriation to cover expenditures for the current fiscal year.

The Wisconsin Veterans Home operates an exchange store that serves residents, visitors and staff. The Home Exchange offers over-the-counter lunch items, snacks, candy and tobacco products. It is the only place at the Veterans Home where residents are able to purchase tobacco products. Appropriation 131 (ED) is a program revenue appropriation that is used to monitor revenues and expenditures for the store.

Based on the data provided in the attached spreadsheet, projected expenditures will exceed budgeted amounts by \$22,000 in fiscal year 1994-95. The increase in expenditures is due to two factors. First, an accounting error resulted in approximately \$2,000 in expenses incurred in fiscal year 1993-94 being paid in fiscal year 1994-95. Second, adjustments to the vending contract have increased inventory costs. To offset the higher costs, prices were increased for non-members. Note that revenues are projected to be \$17,700 higher than fiscal year 1993-94.

There are no other alternatives available for covering the increased costs. If the spending authority is not increased, the exchange store will have to be closed for the last eight weeks of the fiscal year 1994-95. This would create a major inconvenience for residents at the Veterans Home and would reduce net revenues as a result of lost sales. The closing balance for the Home Exchange Appropriation is projected to be \$53,100, which is equivalent to nearly three months of average expenditures for the store. Therefore, it is requested that the s. 16.515 request for increased expenditure authority of \$22,000 be approved.

Thank you for your assistance with this matter. If you have any questions or need additional information, please call me at 266-0117.

cc: Bob Cocroft
Steve Handrich
David Larsen
✓ Pam Henning

WISCONSIN DEPARTMENT OF VETERANS AFFAIRS
 S. 16.515 REQUEST
 APPROPRIATION 131 (ED) - HOME EXCHANGE

4/17/95

Annual Revenues & Expenditures

	ACTUAL 1989-90	ACTUAL 1990-91	ACTUAL 1991-92	ACTUAL 1992-93	ACTUAL 1993-94	PROJECTED 1994-95*	BUDGET 1994-95	PROJECTED DIFFERENCE
Opening Balance	\$52,529.80	\$45,425.98	\$56,650.32	\$70,646.76	\$68,975.09	\$62,138.91	\$77,300.00	(\$15,161.09)
Revenues	\$164,754.28	\$188,748.14	\$193,202.06	\$196,664.78	\$193,618.00	\$211,352.57	\$189,100.00	\$12,252.57
Cash Available	\$217,284.08	\$234,174.12	\$249,852.38	\$267,311.54	\$262,593.09	\$273,491.48	\$276,400.00	(\$2,908.52)
<u>Expenditures</u>								
Perm. Salaries	\$24,269.60	\$24,450.88	\$24,769.36	\$25,667.92	\$26,212.88	\$20,656.04	\$25,500.00	(\$4,843.96)
LTE Salaries	\$20,300.11	\$21,442.91	\$22,074.23	\$25,700.00	\$27,255.22	\$31,770.45	\$30,000.00	\$1,770.45
Fringe Benefits	\$10,550.86	\$11,137.22	\$12,954.58	\$14,756.53	\$12,827.48	\$15,038.66	\$11,200.00	\$3,838.66
Supplies & Svcs.	\$116,737.53	\$119,474.59	\$119,407.45	\$129,370.00	\$127,500.00	\$151,199.98	\$129,400.00	\$21,799.98
Perm. Property	\$0.00	\$1,018.20	\$0.00	\$2,842.00	\$6,658.60	\$1,727.55	\$2,300.00	(\$572.45)
Total Expend.	\$171,858.10	\$177,523.80	\$179,205.62	\$198,336.45	\$200,454.18	\$220,392.68	\$198,400.00	\$21,992.68
Closing Balance	\$45,425.98	\$56,650.32	\$70,646.76	\$68,975.09	\$62,138.91	\$53,098.80	\$78,000.00	(\$24,901.20)

Monthly Revenues & Expenditures

	JUL. '94	AUG. '94	SEP. '94	OCT. '94	NOV. '94	DEC. '94	JAN. '95	FEB. '95
Opening Balance	\$62,138.91	\$60,788.33	\$62,169.49	\$59,146.40	\$54,603.71	\$52,508.02	\$47,589.65	\$37,340.05
Revenues	\$16,478.76	\$15,892.46	\$15,851.25	\$14,711.40	\$14,065.76	\$14,297.26	\$13,617.03	\$31,066.60
Cash Available	\$78,617.67	\$76,680.79	\$78,020.74	\$73,857.80	\$68,669.47	\$66,805.28	\$61,206.68	\$68,406.65
<u>Expenditures</u>								
Perm. Salaries	\$2,053.84	\$2,050.24	\$2,206.88	\$2,206.88	\$2,206.88	\$2,206.88	\$3,310.32	\$1,103.44
LTE Salaries	\$2,430.63	\$1,765.25	\$2,172.93	\$2,099.80	\$1,989.47	\$2,153.62	\$4,084.15	\$970.69
Fringe Benefits	\$1,159.54	\$1,947.51	\$1,102.58	\$1,096.99	\$1,091.02	\$1,120.89	\$1,520.09	\$772.04
Supplies & Svcs.	\$12,185.33	\$8,748.30	\$13,391.95	\$13,850.42	\$10,874.08	\$13,734.24	\$13,224.52	\$14,124.48
Perm. Property	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,727.55	\$0.00
Total Expend.	\$17,829.34	\$14,511.30	\$18,874.34	\$19,254.09	\$16,161.45	\$19,215.63	\$23,866.63	\$16,970.65
Closing Balance	\$60,788.33	\$62,169.49	\$59,146.40	\$54,603.71	\$52,508.02	\$47,589.65	\$37,340.05	\$51,436.00

* NOTE: Projection based on data provided by staff at the Veterans Home.

Prepared by: Ken Abrahamson