

Snowmobile Recreation Council
Finance Committee
Monday, September 14th, 2020
Zoom Meeting

Notice is given that the Finance Committee of the Snowmobile Recreation Council will convene at 9 a.m. on Monday, September 14th, 2020 via Zoom. Information on connecting to this meeting is provided below.

Notice is further given that matters concerning the Council's responsibilities specified in Section 350.14, Wisconsin Statutes, which arise after the publication of this agenda, may be added to the agenda and publicly noticed no less than 24 hours before the scheduled council meeting, if the Council Chair determines that the matter is urgent.

AGENDA

1. Call to order - Chair, Lee Van Zeeland
2. Agenda repair
3. Acceptance of minutes of previous meeting
4. Committee Chair comments
5. Public comments
6. DNR - Funding Report
7. ACTION ITEM: Funding amount recommendation
8. Member reports/comments
9. Items for next meeting
10. Adjourn

Join Zoom Meeting

<https://zoom.us/j/93404909784?pwd=d0hmdW96aWxyNUNrN0kzWmRFMEJpQT09>

Meeting ID: 934 0490 9784

Passcode: 946541

One tap mobile

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Find your local number: <https://zoom.us/u/acjDkZvmLb>

Snowmobile Development Funding Available
Snowmobile Grant Funding for '2020-2021 (FY21) season
Unassigned Accounts

Updated 8/27/2020

| | |
|--|-----------------------|
| F1 Opening balance FY21 (Ending unassigned balance from FY20) | \$7,964,287 |
| F2 Gas Tax Total (214,004 active vehicles) | \$ 3,306,362 |
| F3 Gas Tax unused/underspent from prior years | \$ 27,103 |
| Subtotal | \$ 11,297,752 |
| F4 Less: Maintenance at \$300/mile - 19,043.38 total miles | \$ (5,720,544) |
| F5 Less: Required Reserve | \$ (250,000) |
| F6 Less: NR Trail Pass Revenue ¹ (22,438 passes) | \$ (1,054,586) |
| F7 Total Non-Supp. Funds Available | \$ 4,272,622 |

F1 #37 From the financial statement
F2 # x 50 x .309 = gas tax to be received this FY
F3 Money returned upon completion when actual cost is less than grant amount.
F4 FY 21 Actual funded miles x \$300 plus miscellaneous adjustments for FY 20 projects
F5 DNR set amount
F6 # x \$47
F7

Assigned Accounts

| | |
|---|-----------------------|
| F8 Gas Tax Multiplier (55% of Gas Tax Total) | \$ 1,818,499 |
| F9 Less: '2019-2020 Supplemental requests (actual) | \$ (3,217,848) |
| Subtotal | (\$1,399,349) |

F8 F2 (from this sheet) x .55
F9 Supplemental requests are due August 1.

F10 Nonresident Trail Pass (FY 21 revenue + FY 20 carryover cash balance) \$ 2,657,076

F10 NR Trail Pass revenue is earmarked for supplemental, the remainder may be spent on Development or held for a future big snow year to reduce the pro-rate.

F11 Total Supplemental Funds Available \$ 1,257,727

F11 After we pay out supplemental in any year, we can use the balance for development costs. This is the available balance in the supplemental account.

F12 Total available for Development in FY21 \$ 5,530,350

F12 F7 + F11 = Funding available for Development grants, but would use all of the Supplemental funds and would, therefore, not leave any Supplemental reserve for a big snow season.

| | |
|---|---------------------|
| Total available for Development while maintaining Supplemental reserve | \$ 4,272,622 |
|---|---------------------|

This amount holds supplemental funds in reserve in anticipation of being able to reduce the prorate percentage when the next big snow season occurs.

Non-Resident Trail Pass History

| | |
|------------------------|---------------------|
| FY21 | \$ 1,054,586 |
| FY 20 unused | \$ 1,602,490 |
| Total Available | \$ 2,657,076 |

**WISCONSIN SNOWMOBILE PROGRAM
PRELIMINARY FISCAL YEAR END REPORT JUNE 30, 2020 (FY2020)**

REGISTRATION REVENUES & EXPENDITURES

| | |
|--|----------------------------|
| <u>Continuing Balance</u> | |
| June 30, 2019: | |
| 1 Unobligated Balance | \$7,040,987 |
| 2 Encumbered-Unpaid Grant Obligations | \$2,358,216 |
| 3 Adjustment from FY 2019 preliminary to FY 2019 Actuals | <u>\$1,169</u> |
| Total Continuing Balance into FY2020 | <u>\$9,400,372</u> |
| | |
| <u>FY 2020 Revenues²</u> | |
| 4 Snowmobile Public Registration | \$2,323,707.75 |
| 5 Snowmobile Dealer Registrations | \$6,300.00 |
| 6 Snowmobile Municipal Registration | \$160.00 |
| 7 Snowmobile Dealer Decal | \$10,170.00 |
| 8 Snowmobile Dealer Replacement Decal | \$105.00 |
| 9 Snowmobile Replacement Decal | \$13,770.00 |
| 10 Snowmobile Replacement Certificate | \$9,975.00 |
| 11 Antique Registrations | \$26,047.00 |
| 12 Antique Renewals | \$7,426.00 |
| 13 Snowmobile Resident Pass | \$2,395,596.50 |
| 14 Non-Resident Stickers | \$1,117,049.50 |
| 15 Snowmobile Club Pass | \$647,570.00 |
| 16 Ownership Transfer Fees | \$131,274 |
| 17 Interest Distribution | \$137,720.18 |
| 18 Refund of Prior Year Expenditures | \$75,519.55 |
| 19 Snowmobile Pending | (\$852.50) |
| 20 Transaction Fees ¹ | (\$25,565.21) AGENT SWEEP |
| 21 Agency 855 Revenue | \$542.20 |
| 22 NR Trail Pass transfer to Supplement | <u>(\$915,419)</u> |
| TOTAL REVENUES COLLECTED | <u>\$5,961,096</u> |
| | |
| TOTAL FY2019 CONTINUING BALANCE AND REVENUES | <u>\$15,361,468</u> |

| | |
|---|---------------------------|
| <u>FY 2020 Expenditures²</u> | |
| 23 County Trail Maintenance | \$1,525,745 |
| 24 County Projects | \$934,993 |
| 25 County Supplemental | \$0 |
| 26 State Trail Maintenance | \$142,383 |
| 27 State Projects | (\$3,014) |
| 28 Snowmobile Enforcement/Training ³ | \$119,600 |
| 29 County Law Enforcement Aids | \$396,000 |
| 30 Aids Admin-Snow Admin | \$186,591 |
| 31 Aids Admin-Council | \$6,251 |
| 32 Registration Admin | \$344,223 |
| 33 Administrative Services | \$42,356 |
| 34 DOA Charges | <u>\$542</u> |
| TOTAL EXPENDITURES | <u>\$3,695,671</u> |
| | |
| 35 Encumbered-Unpaid Grant Obligations | \$3,701,511 |
| 36 Adjustment - DOA Prior Year Adjustment | <u>\$0</u> |
| TOTAL OBLIGATIONS | <u>\$3,701,511</u> |
| | |
| TOTAL EXPENDITURES AND OBLIGATIONS | <u>\$7,397,182</u> |
| | |
| PRELIMINARY BALANCE AS OF JUNE 30, 2020 | <u>\$7,964,287</u> |

| | |
|---|---------------------------|
| <u>PENDING GRANTS APPROVED BY COUNCIL</u> | |
| | <u>\$0</u> |
| 37 ***PRELIMINARY ADJUSTED PROGRAM BALANCE | <u>\$7,964,287</u> |

ASSIGNED SEGREGATED REVENUE & EXPENDITURES

| | |
|---|----------------------------|
| <u>Continuing Balance</u> | |
| June 30, 2019: | |
| 38 Unobligated Balance | \$2,915,953 |
| 39 Encumbered-Unpaid Grant Obligations | \$2,757,225 |
| 40 Adjustment from FY 2019 preliminary to FY 2019 Actuals | <u>(\$14,974)</u> |
| Total Continuing Balance into FY2020 | <u>\$5,658,204</u> |
| | |
| <u>FY 2020 Revenues²</u> | |
| 41 Gas Tax Formula | \$3,385,976 |
| 42 Gas Tax Supplement (.55 Multiplier) | \$1,862,287 |
| 43 Snowmobile Safety Course Fees | \$36,844 |
| 44 NR Trail Pass transfer to Supplement | <u>\$915,419</u> |
| TOTAL REVENUES COLLECTED | <u>\$6,200,526</u> |
| | |
| TOTAL FY 2020 CONTINUING BALANCE AND REVENUES | <u>\$11,858,730</u> |
| | |
| <u>FY2020 Expenditures²</u> | |
| 45 County Trail Maintenance - Gas Tax | \$4,299,327 |
| 46 County Project - Gas Tax | \$116,933 |
| 47 County Supplemental - Gas Tax | \$1,862,287 |
| 48 County Supplemental - Trail Passes | \$1,677,430 |
| 49 Law Enforcement and Safety | <u>\$34,009</u> |
| TOTAL EXPENDITURES | <u>\$7,989,986</u> |
| | |
| TOTAL EXPENDITURES AND OBLIGATIONS | <u>\$10,157,455</u> |
| | |
| 52 PRELIMINARY BALANCE AS OF JUNE 30, 2020 | <u>\$1,701,275</u> |
| | |
| <u>PENDING GRANTS APPROVED BY COUNCIL</u> | |
| | <u>\$0</u> |
| ***PRELIMINARY ADJUSTED PROGRAM BALANCE | <u>\$1,701,275</u> |
| | |
| PRELIMINARY ADJUSTED REGISTRATION & ASSIGNED PROGRAM BALANCE | <u>\$9,665,561</u> |

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|---|---------------|
| March 31, 2019 Registrations (Gas Tax FY20 Revenue) | 219,157 |
| Active Vehicles as of June 30, 2020 | 220,348 |
| Vehicles registered during FY20 | 79,379 |
| WI Resident Trail Passes Sold during FY20 | 80,017 |
| Discount Trail Passes Sold during FY20 | 64,757 |
| NR Trail Passes Sold during FY20 | <u>22,438</u> |

Footnotes

- ¹ These are contra revenues NOT expenses. They are classified on DNR's accounting system as contra revenues and our revenue total will not tie out without these in this section. A contra revenue is defined a deduction from the gross revenue reported by a business, which results in net revenue.
- ² The question has been raised why aren't expenses shown as a negative on this financial. We did this for simplicity. True accounting format would have revenues with a negative balance, and contra revenues and expenses with a positive balance. This can be confusing to users so we chose to present all amounts as positive.
- ³ Snowmobile Enforcement and Training Costs are moved onto this appropriation (370) if necessary. There are other appropriations within DNR that can pay for these costs. Those other appropriations do not appear on this financial statement. In a low snow year, we may not see any charges here. That is not because there were no snowmobile enforcement and training costs, but rather a different appropriation covered those costs. The decision of how much cost to transfer here is made by the Law Enforcement Management Accountant.

Reference # Description of Line Item

| Revenues (unassigned) | |
|------------------------------|--|
| 1 | Prior year unused balance from Preliminary Fiscal Year End Report June 30, 2019 (FY2019) |
| 2 | Carryover encumbrances from FY2019 |
| 3 | The report from FY2019 used preliminary information. This line adjusts the preliminary information to the actual balance per the final condition statement. |
| 4 | #C x \$30 less expenses (C = Active registrations during FY) |
| 5 | \$30 x dealer registrations less transaction expenses |
| 6 | Municipal registrations |
| 7 | \$30 x dealer registrations less transaction expenses |
| 8 | Snomobile Dealer Replacement Decals |
| 9 | Snowmobile Replacement Decals |
| 10 | Snowmobile Replacement Certificates |
| 11 | Antique Registrations |
| 12 | Antique Renewals |
| 13 | # x \$30 less transaction expense |
| 14 | # x \$50 less transaction expense |
| 15 | # X \$10 less transaction expense |
| 16 | \$5 per less transaction expense |
| 17 | Interest distribution for snowmobile accounts |
| 18 | Grant from a prior year that were either cancelled or cost less than the advance, so money was returned to the snowmobile fund. |
| 19 | Pending financial transactions |
| 20 | Finance/accounting item for licensing agents |
| 21 | Revenue from other sources. |
| 22 | Moves to segregated side because must be used for supplemental maintenance first. |
| Expenses | |
| 23 | Appropriation 574 Maintenance |
| 24 | Appropriation 574 Development |
| 25 | Appropriation 574 supplemental |
| 26 | Maintenance on DNR-managed trails |
| 27 | Development project expenditures on DNR-managed trails |
| 28 | Snowmobile Enforcement and Training Costs are moved onto this appn (370) if necessary. There are other appns within DNR that can pay for these costs. Those other appns do not appear on this financial statement. In a low snow year, we may not see any charges here. That is not because there were no snowmobile enforcement and training costs, but rather a different appn covered those costs. The decision of how much cost to transfer here is made by the Law Enforcement Management Accountant. |
| 29 | Appropriation 552 |
| 30 | All state administration: Staff from grants, registration, finance, technology services and DNR & DOA administrative charges. |
| 31 | Council expenditures during FY (Council's budget) |
| 32 | All state administration: Staff from grants, registration, finance, technology services and DNR & DOA administrative charges. |
| 33 | All state administration: Staff from grants, registration, finance, technology services and DNR & DOA administrative charges. |

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|---|--|
| 34 | All state administration: Staff from grants, registration, finance, technology services and DNR & DOA administrative charges. |
| 35 | Amount committed to grants that haven't been completed at fiscal year end (maintenance and/or development) |
| 36 | For miscellaneous Adjustments |
| 37 | Used in calculation to determine available funds for development grants (August funding meeting) |
| Assigned Revenue (must be used for certain purposes) | |
| 38 | We spend gas tax funds first, the carryover hear is due to the NR trail pass supplemental surplus we're maintaining for a big snow year. This balance is close to \$0.00 after a big snow year when supplemental is pro-rated. |
| 39 | Carryover encumbrances from FY2019 |
| 40 | The report from FY2019 used preliminary information. This line adjusts the preliminary information to the actual balance per the final condition statement. |
| 41 | Registrations from prior year x 50 x .309 = Gas Tax Transfer amount |
| 42 | #41 x .55 = Gas Tax Supplement amount |
| 43 | Snowmobile Safety Education Revenue |
| 44 | #22 moved to the assigned revenue side for supplemental use |
| Expenses | |
| 45 | Appropriation 575 Maintenance |
| 46 | Appropriation 575 Development |
| 47 | Appropriation 575 Supplementatl |
| 48 | Appropriation 569 Supplemental |
| 49 | Safety and Training expenses - can vary based on Law Enforcement accountant's discretion and lapse requirements |
| 50 | Amount committed to grants that haven't been completed at fiscal year end (maintenance and/or development) - funds have been reserved on the accounting system |
| 51 | Miscellaneous adjustments. |
| 52 | Used to determine available funds for development grants (August funding meeting) |