

WAR MEMORIAL STADIUM COMMISSION

Enabling Laws

Act 233 of 2003
A.C.A. §22-3-1001

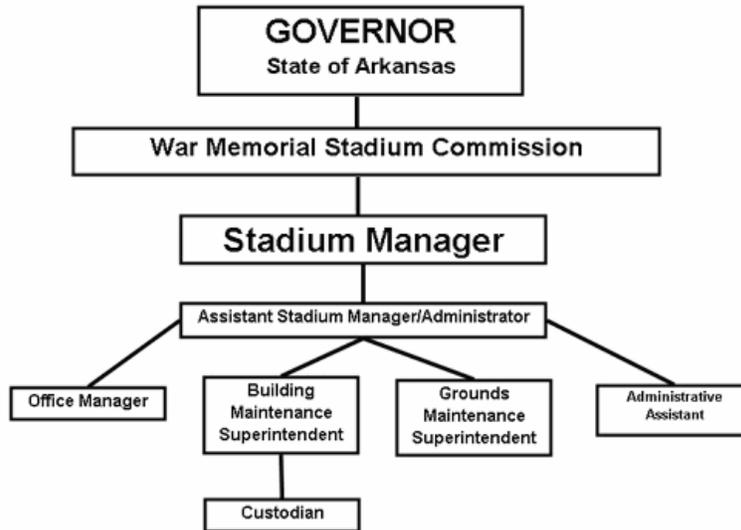
History and Organization

War Memorial Stadium's mission is to provide safe and adequate facilities for open-air events for schools, colleges, and universities of the State of Arkansas. In addition, the Stadium is available for use by other institutional and commercial organizations for various activities requiring a large open-air facility. The Stadium also allows various non-profit organizations to utilize the facilities for fund raising events as a community service. Funding for the operation and upkeep of the Stadium is from revenues that are generated by the use of the Stadium through rentals and profits from concession/novelty sales.

The Stadium Commission consists of eight (8) members appointed by the Governor with the advice and consent of the Senate. Each Congressional District in the State is represented by membership on this commission along with four (4) members from the State at large. This commission has exclusive jurisdiction over the operation of War Memorial Stadium.

Since its inception, the Stadium Commission has overseen a steady increase in the use of the Stadium. In the last biennium the Stadium was used over 50 times; 4 times by the University of Arkansas at Fayetteville, 2 times by Arkansas State University in Jonesboro, 1 time by the University of Central Arkansas in Conway, 1 time by the University of Arkansas in Pine Bluff, 10 times by the Arkansas Rhinos (a semi-pro football team), several special events including 2 Burlsworth camps, 2 high school marching band competitions, 2 Get Wild in Arkansas watch parties and wild game cook-offs. In addition, many high school football games are played in the stadium including 10 games for Little Rock Catholic High School and the State Championship games for all divisions of high school football. It is estimated that during the last biennium 500,000 citizens of the State of Arkansas and guests from other states have used the facility during these events. The Stadium Commission and its staff will continue to seek events to maximize the use of the facility. During the past year, we have had approximately 10 inquires regarding the use of the Stadium for events other than football.

Current renovations and continued upgrading of the facility will continue the upward trend of increased revenue volume and patron convenience at the Stadium that has served our State so well for over 50 years.



Agency Commentary

The 2005 - 2007 Biennial Budget Requests seek to provide for the maintenance and operations of the Stadium and for the cost of providing concessions and novelties for the events held at the Stadium. Additional phases of improvements are planned as financial conditions allow.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS WAR MEMORIAL STADIUM COMMISSION
FOR THE YEAR ENDED JUNE 30, 2003

| Findings | Recommendations |
|----------|-----------------|
| None | None |

Employment Summary

| | Male | Female | Total | % |
|-------------------------|------|--------|-------|-------|
| White Employees | 3 | 2 | 5 | 100 % |
| Black Employees | 0 | 0 | 0 | 0 % |
| Other Racial Minorities | 0 | 0 | 0 | 0 % |
| Total Minorities | | | 0 | 0 % |
| Total Employees | | | 5 | 100 % |

Cash Fund Balance Description as of June 30, 2004

| | | | |
|--------------|-----------|------------------|----------------------------------------------------|
| Fund Account | Balance | Type | Location |
| 3260000 | \$855,597 | Checking, CD, MM | Bank of America, Regions, 1st Ark. Bank & Trust |

Statutory/Other Restrictions on use:

Collateral for Series 1999 Revenue Bond Issue

Statutory Provisions for Fees, Fines, Penalties:

N/A

Revenue Receipts Cycle:

Revenue deposited per event. Excess cash place in CD's. Interest deposited monthly.

Fund Balance Utilization:

Used for operations, investment purposes, concession change for football games and other events.

Publications

A.C.A 25-1-204

| Name | Statutory Authorization | Required for | | # Of Copies | Reason (s) for Continued Publication and Distribution |
|------|-------------------------|--------------|------------------|-------------|-------------------------------------------------------|
| | | Governor | General Assembly | | |
| None | N/A | N | N | 0 | N/A |

Analysis of Budget Request

Appropriation / Program: A24 - War Memorial Operations

Funding Sources: 326- War Memorial Stadium-Cash

Created by Act 282 of 1967, the War Memorial Stadium Commission strives to keep the facility in the best possible condition for athletics, entertainment, events and community service events, which are all for the enjoyment of the citizens & visitors of our State. Funds to operate the Stadium are generated from rental of the stadium and profits from concession/novelty sales charged pursuant to Arkansas Code Annotated §22-3-1002.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for seven (7) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Agency requests Base Level amounts of \$5,669,471 for FY06 & \$5,680,986 for FY07 plus Change Level requests totaling \$145,000 for FY06 & \$135,000 for FY07. The request includes increases for Reimbursements to the University of Arkansas for tickets due to an increase of sales of tickets (\$65,000 each year), for repairs and equipment purchases for the stadium (\$50,000 in FY06 & \$30,000 in FY07), for Emergency Medical Services contract for events (\$10,000 each year), and for Certified Public Accountant Contract (\$20,000 for FY06 & \$30,000 for FY07) for accounting and bookkeeping services.

The Executive Recommendation provides for the Agency Request without the increase in Professional Fees and Services for the Certified Public Accountant due to the Agency's agreement to fill the currently budgeted but vacant position of Accountant/Bookkeeper in the biennium, which will reduce the need of Accounting/Bookkeeping services from the CPA contract.

Appropriation / Program Summary

Appropriation / Program: A24 War Memorial Operations
Funding Sources: 326- War Memorial Stadium-Cash

| Commitment Item | Historical Data | | | Agency Request and Executive Recommendation | | | | | |
|----------------------------------------|---------------------|---------------------|-------------------------|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| | 2003-2004 Actual | 2004-2005 Budget | 2004-2005 Authorized | 2005-2006 | | | 2006-2007 | | |
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 263,842 | 328,400 | 328,400 | 337,363 | 337,363 | 337,363 | 347,055 | 347,055 | 347,055 |
| #Positions | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Extra Help 5010001 | 39,714 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 |
| #Extra Help | 17 | 125 | 125 | 125 | 125 | 125 | 125 | 125 | 125 |
| Personal Services Matching 5010003 | 66,009 | 87,331 | 87,331 | 96,632 | 96,632 | 96,632 | 98,455 | 98,455 | 98,455 |
| Overtime 5010006 | 1,053 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 | 7,000 |
| Operating Expenses 5020002 | 492,813 | 572,555 | 572,555 | 572,555 | 572,555 | 572,555 | 572,555 | 572,555 | 572,555 |
| Travel-Conference Fees 5050009 | 566 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 |
| Professional Fees and Services 5060010 | 47,331 | 44,538 | 44,538 | 44,538 | 74,538 | 54,538 | 44,538 | 84,538 | 54,538 |
| Construction - Char 05 5090005 | 0 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| Data Processing 5090012 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Resale (COGS) 5090017 | 366,391 | 449,383 | 449,383 | 449,383 | 449,383 | 449,383 | 449,383 | 449,383 | 449,383 |
| Refund/Reimbursements 5110014 | 105,981 | 130,000 | 65,000 | 65,000 | 130,000 | 130,000 | 65,000 | 130,000 | 130,000 |
| Capital Outlay 5120011 | 16,135 | 20,000 | 20,000 | 0 | 50,000 | 50,000 | 0 | 30,000 | 30,000 |
| Contingency 5130018 | 0 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Total | 1,399,835 | 5,736,207 | 5,671,207 | 5,669,471 | 5,814,471 | 5,794,471 | 5,680,986 | 5,815,986 | 5,785,986 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 343,131 | 855,597 | | 619,390 | 619,390 | 619,390 | 304,919 | 304,919 | 324,919 |
| Cash Fund 4000045 | 1,847,301 | 1,500,000 | | 1,355,000 | 1,500,000 | 1,500,000 | 1,425,000 | 1,560,000 | 1,560,000 |
| Contribution / Bonds 4000165 | 65,000 | 4,000,000 | | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 | 4,000,000 |
| Total Funding | 2,255,432 | 6,355,597 | | 5,974,390 | 6,119,390 | 6,119,390 | 5,729,919 | 5,864,919 | 5,884,919 |
| Excess Appropriation/(Funding) | (855,597) | (619,390) | | (304,919) | (304,919) | (324,919) | (48,933) | (48,933) | (98,933) |
| Grand Total | 1,399,835 | 5,736,207 | | 5,669,471 | 5,814,471 | 5,794,471 | 5,680,986 | 5,815,986 | 5,785,986 |

Budget exceeds Authorized Appropriation in Refunds/Reimbursements due to a transfer from the Cash Fund Holding Account.

Change Level by Appropriation

Appropriation / Program: A24-War Memorial Operations
Funding Sources: 326- War Memorial Stadium-Cash

Agency Request

| Change Level | | 2005-2006 | Pos | Cumulative | % of BL | 2006-2007 | Pos | Cumulative | % of BL |
|--------------|-------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 5,669,471 | 7 | 5,669,471 | 100.0 | 5,680,986 | 7 | 5,680,986 | 100.0 |
| C01 | Existing Program | 145,000 | 0 | 5,814,471 | 102.5 | 135,000 | 0 | 5,815,986 | 102.3 |

Executive Recommendation

| Change Level | | 2005-2006 | Pos | Cumulative | % of BL | 2006-2007 | Pos | Cumulative | % of BL |
|--------------|-------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 5,669,471 | 7 | 5,669,471 | 100.0 | 5,680,986 | 7 | 5,680,986 | 100.0 |
| C01 | Existing Program | 125,000 | 0 | 5,794,471 | 102.2 | 105,000 | 0 | 5,785,986 | 101.8 |

Justification

| | |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| C01 | Increase requested for 145,000 in FY06 and 135,000 in FY07 for Reimbursements to University of Arkansas for sales of tickets, Capital Outlay for repairs and equipment purchases & Professional Fees and Services for EMS (10,000) and CPA contract services. |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|