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FLOOR DEBATE

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revenues of just over \$2 million and direct expenses of almost \$1.8 million for a profit, before indirect expenses, of \$244,000. But then there's indirect expenses, and I'm told that that \$454,000 is depreciation on buildings. Now there may be some other things. I haven't gotten specific information. Senator Vrtiska made some comments that he raised the same issue and apparently he was satisfied that there was...were just accounting practices that identified the difference between making money and losing money. The live racing, as I understand it, doesn't have to pay for the facilities, doesn't have some of those expenses. So, as I would view it, there's an offset. They may be charged back depreciation, but that seems fair when they're not actually paying the buildings and the maintenance and the upkeep, some of the things that maybe 309 has been doing that actually subsidize them. So I don't have exact figures or information on what these indirect expenses are, but live racing then comes up with, in 1993, by their figures here, and I will note it says these figures are unaudited and are exclusive of any fund-raising contributions, so I'm not sure what fund-raising contributions they may get, but a loss of \$209,000 on live racing. And then Senator Janssen said, but simulcast makes money for them. So I look at their figures again and it says revenues were \$3.67 million and indir...or, excuse me, direct expenses were \$2.786 million, for an indirect expense profit of \$863,000. However, they too had additional indirect expenses and those, again, aren't itemized. But if those are depreciation and some of the other charge-back kinds of accounting practices that offset also some of those building maintenance and building facility upgrades that are needed, even simulcast comes up with a loss. Now when I visited with the lobby, I was told that simulcast and live racing is the only thing at the State Fair that actually makes money. They may make money, but with the procedure of charging back, it doesn't show that, according to the Fair Board's projections, for the year 2003. And then the projections for 2005 show an additional loss of approximately \$230,000. So for last year, for...

SENATOR CUDABACK: One minute.

SENATOR PREISTER: ...and I don't see the figures for this year, but apparently this year is going to be a similar loss of two