

Executive Director: Ken Travous

JLBC Analyst: Chris Earnest

	FY 2000 Actual	FY 2001 Estimate	FY 2002 Approved	FY 2003 Approved
PROGRAM BUDGET				
Administration	1,775,200	1,949,400	1,703,300	1,752,300
Parks Development and Operations	6,714,000	7,555,800	9,450,800	9,773,700
Kartchner Caverns State Park SLI	1,062,900	1,196,900	1,405,000	1,448,200
<i>Program Subtotal - Parks Development and Operations</i>	7,776,900	8,752,700	10,855,800	11,221,900
Partnerships and Grants				
<u>Subprograms</u>				
Growing Smarter	0	20,000,000	20,000,000 ^{1/}	20,000,000 ^{1/}
State Historic Preservation	185,200	165,100	179,400	187,000
Water-Based Grants	985,100	840,100	1,060,900 ^{2/}	1,092,700 ^{2/}
<i>Program Subtotal - Partnerships and Grants</i>	1,170,300	21,005,200	21,240,300	21,279,700
TOTAL APPROPRIATIONS	10,722,400	31,707,300	33,799,400	34,253,900
OPERATING BUDGET				
Full Time Equivalent Positions	213.5	223.0	235.0 ^{3/}	235.0 ^{3/}
Personal Services	5,010,800	5,693,600	6,535,500	6,865,100
Employee Related Expenditures	1,155,300	1,324,300	1,520,500	1,553,200
Professional and Outside Services	28,700	93,500	101,400	107,400
Travel - In State	111,200	103,500	113,500	113,500
Travel - Out of State	4,100	4,100	4,100	4,100
Other Operating Expenditures	2,932,400	23,141,600	23,672,200	23,715,200
Equipment	417,000	149,800	237,800	237,800
<i>Operating Subtotal</i>	9,659,500	30,510,400	32,185,000 ^{4/}	32,596,300 ^{4/}
Special Line Items (SLI)	1,062,900	1,196,900	1,405,000	1,448,200
SUBTOTAL	10,722,400	31,707,300	33,590,000	34,044,500
Additional Appropriations -				
PSPRS; Membership; Park Rangers, Ch. 353	0	0	209,400	209,400
TOTAL APPROPRIATIONS	10,722,400	31,707,300	33,799,400^{5/}	34,253,900^{5/}
FUND SOURCES				
General Fund	7,226,000	27,630,300	28,131,300	28,394,800
<u>Other Appropriated Funds</u>				
State Parks Enhancement Fund	2,400,500	2,986,900	4,355,500	4,507,800
Reservation Surcharge Revolving Fund	110,800	250,000	251,700 ^{6/}	258,600 ^{6/}
Law Enforcement Boating Safety Fund	985,100	840,100	1,060,900 ^{2/}	1,092,700 ^{2/}
<i>Subtotal - Other Appropriated Funds</i>	3,496,400	4,077,000	5,668,100	5,859,100
TOTAL APPROPRIATIONS	10,722,400	31,707,300	33,799,400	34,253,900

1/ A.R.S. § 41-511.23 annually appropriates \$20,000,000 from the General Fund to the Land Conservation Fund in FY 2001 through FY 2011. Because these appropriations are in permanent statute, they are not included in the annual General Appropriation Act.

2/ The appropriation for Law Enforcement and Boating Safety Fund Projects is an estimate representing all monies distributed to this fund, including balance forward, revenue and transfers during FY 2002 and FY 2003. These monies are appropriated to the Arizona State Parks Board for the purposes established in A.R.S. § 5-383. The appropriation shall be adjusted as necessary to reflect actual final receipts credited to the Law Enforcement and Boating Safety Fund. (General Appropriation Act footnote)

3/ Includes 35 FTE Positions funded from Special Line Items in FY 2002 and FY 2003.

AGENCY DESCRIPTION — *The Arizona State Parks Board is responsible for managing the state parks system, which includes recreational parks, historical parks, and natural areas. The Parks Board consists of 7 members appointed by the Governor. Major functions of the Parks Board, through its staff, include the maintenance and development of existing parks, new parks acquisitions, statewide recreational planning, historic preservation, the administration of the Heritage Fund grant programs, and the administration of Growing Smarter Grants.*

PERFORMANCE MEASURES	FY 1999	FY 2000	FY 2001	FY 2002-03
	Est./Actual	Est./Actual	Estimate	Estimate
• Annual park attendance (in millions)	2.26/2.18	2.28/2.37	2.40	2.45/2.50
• % of park visitors rating their experience “good” or “excellent”*	96/NA	96/NA	96	96
• Average cost per state park visitor (in dollars)	0.47/0.84	0.65/0.12	0.03	0.22/0.17
• New acres of open space and parkland dedicated in Arizona	NA/35,769	NA/5,000	7,000	7,000
• % of agency staff turnover	NA/12.6	NA/10.2	9.7	9.2
• Administration as a % of total cost	NA	15.5/NA	15.0	5.9

* Park visitor ratings surveys are conducted every 5 years. FY 1999 and FY 2000 estimates are based on actual FY 1996 data. The survey is again being conducted in FY 2001.

Administrative Program — This program provides general administrative support to the agency programs. Within this program is the External Affairs Division, which provides public information, marketing, and legislative support. The program is funded from the General Fund and State Parks Enhancement Fund. (See below.)

funded from the other one-half of SPEF revenues and from non-appropriated funds including the Heritage Fund.

The approved amount includes increases from a portion of new SPEF revenues generated since the opening of Kartchner Caverns State Park. In its first full year of operation, the park took in approximately \$2,700,000 in revenue. Only one-half, or \$1,350,000, of this amount is available for operating costs appropriations. The approved budget appropriates approximately \$890,000 of the \$1,350,000 to the Parks Development and Operations Program in both FY 2002 and FY 2003, as described below.

Table 1

Administrative Program by Fund Source

	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$1,350,200	\$1,398,400
State Parks Enhancement Fund	<u>353,100</u>	<u>353,900</u>
Total	\$1,703,300	\$1,752,300

Parks Development and Operations Program — Through this program the agency acquires, plans, develops, manages, and maintains the 28 state parks and other natural areas and resources. Only the operating expenditures of this program are appropriated. Operating expenditures are funded from the General Fund and from one-half of the revenues deposited in the State Parks Enhancement Fund (SPEF), which receives revenues from park entrance and user fees. (See below for a breakout of the appropriation budget.) The program’s capital acquisition and development expenditures are not subject to legislative appropriation. These expenditures are

Table 2

Parks Operations and Development Program by Fund Source

	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$5,996,400	\$6,181,900
State Parks Enhancement Fund	3,202,800	3,333,200
Reservation Surcharge		
Revolving Fund	<u>251,700</u>	<u>258,600</u>
Total	\$9,450,900	\$9,773,700

The approved amount includes a FY 2002 increase of \$631,200 and 12 FTE Positions above FY 2001 and a FY 2003 increase of \$637,200 and 12 FTE Positions above FY 2001 for additional parks staff and increased utility and

4/ All Other Operating Expenditures includes \$26,000 from the State Parks Enhancement Fund for Fool Hollow State Park revenue sharing. If receipts to Fool Hollow exceed \$260,000 in FY 2002 or FY 2003, an additional 10% of this increase of Fool Hollow receipts is appropriated from the State Parks Enhancement Fund to meet the revenue sharing agreement with the City of Show Low and the United States Forest Service. (General Appropriation Act footnote)

5/ General Appropriation Act funds are appropriated as a Lump Sum by Agency with Special Line Items.

6/ All Reservation Surcharge Revolving Fund receipts received by the Arizona State Parks Board in excess of \$250,000 in FY 2002 and \$250,000 in FY 2003 are appropriated to the Reservation Surcharge Revolving Fund Special Line Item. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess of \$250,000 in FY 2002 and \$250,000 in FY 2003, the Arizona State Parks Board shall submit the intended use of the monies for review by the Joint Legislative Budget Committee. (General Appropriation Act footnote)

land lease costs. These increases are appropriated from the SPEF. The positions are aimed at addressing the 30% increase in attendance at parks other than Kartchner Caverns over the last 10 years.

The approved amount also includes an increase of \$260,000 from the SPEF in both FY 2002 and FY 2003. This amount includes \$100,000 to provide stipends to park rangers that are certified law enforcement officers, \$100,000 to address equipment needs, and \$60,000 for marketing and outreach efforts.

Kartchner Caverns State Park Special Line Item

— Monies in this line item are used for operating costs at Kartchner Caverns State Park, which opened in November 1999. It is the most attended and collects the most revenue of all 28 state parks. The approved operating costs includes approximately 40% General Funds and 60% SPEF. (See below.)

	<u>FY 2002</u>	<u>FY 2003</u>
General Fund	\$605,400	\$627,500
State Parks Enhancement Fund	<u>799,600</u>	<u>820,700</u>
Total	\$1,405,000	\$1,448,200

The approved amount includes an increase of \$150,000 and 6 FTE Positions from the new Kartchner Caverns SPEF revenues in both FY 2002 and FY 2003. The positions will conduct cavern tours and address other staffing requirements. Also included in the approved amount are a FY 2001 supplemental adjustment of \$37,500 and 6 FTE Positions from the SPEF. The supplemental provides the park with the additional staff during the last 3 months of FY 2001.

Partnerships and Grants Program — This program aims at partnering with public and private entities to create, preserve, enhance, and maintain state and local parks, natural areas, and other cultural and recreational resources in the state. The program consists of several grant funds, including the Land Conservation Fund, the State Lake Improvement Fund, the Off-Highway Vehicle Fund, and the Heritage Fund. Grant payments from these funds represent the bulk of program expenditures, however, they are not subject to legislative appropriation. Only the 3 subprograms listed below are subject to appropriation.

Growing Smarter Subprogram — Monies in this subprogram are used to provide grants to purchase state trust land for conservation purposes. All grants must be matched by the public or private entity that is applying for the grant. Grant applications are reviewed by the Conservation Acquisition Board, which recommends grants to the State Parks Board.

A.R.S. § 41-511.23 appropriates \$20,000,000 annually from the General Fund to the Land Conservation Fund in each of FY 2001 through FY 2011. Grant expenditures from the Land Conservation Fund are not subject to appropriation. During the first grant cycle, \$7,700,000 was obligated for 4 grants. Grants were made to the City of Phoenix, Pima County, and the Desert Foothills Land Trust, which received 2 grants.

State Historic Preservation Subprogram — This subprogram is responsible for the identification and preservation of Arizona’s prehistoric and historic heritage resources. The program assists federal, state, and local agencies in meeting federal and state preservation requirements. They cooperate with the national Advisory Council on Historic Preservation to ensure that potential historic properties are considered in project planning. In addition, the program assists county assessors in reviewing properties that are eligible for the state’s historic property tax reduction program. The General Fund provides the appropriation for this program.

Water Based Grants Subprogram — The Water Based Grants subprogram consists of grants issued from 2 fund sources—the Law Enforcement Boating Safety Fund (LEBSF) and the State Lake Improvement Fund. Only the LEBSF is appropriated. Its revenues are from 47% of watercraft licensing fees collected by the Arizona Game and Fish Department. Monies are granted to counties for boating law enforcement and training. The approved amount includes a FY 2002 increase of \$220,800 above FY 2001 and a FY 2003 increase of \$252,600 above FY 2001. These increases reflect estimated fund revenues in each year. A General Appropriation Act footnote allows the LEBSF appropriation to be adjusted based on actual receipts to the fund.

Additional Appropriations: PSPRS; Membership; Park Rangers (Chapter 353) — This bill appropriates \$209,400 from the SPEF in both FY 2002 and FY 2003 to allow park rangers that are certified peace officers to join the Public Safety Personnel Retirement System (PSPRS). Previously, rangers were enrolled in the Arizona State Retirement System. The appropriation will enable the agency to pay the higher employer contribution that is required by PSPRS.

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