

Executive Director: Ken Travous

JLBC Analyst: Tim Sweeney

	FY 2002 Actual	FY 2003 Estimate	FY 2004 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	235.0	245.3	245.3 ^{1/}
Personal Services	6,175,500	6,032,200	6,032,200
Employee Related Expenditures	1,560,000	1,877,100	2,353,100
Professional and Outside Services	29,900	38,400	38,400
Travel - In State	97,900	113,500	113,500
Travel - Out of State	2,100	0	0
Other Operating Expenditures	3,120,800	3,288,700	3,317,200
Equipment	212,300	130,000	130,000
OPERATING SUBTOTAL	11,198,500	11,479,900	11,984,400^{2/}
SPECIAL LINE ITEMS			
Growing Smarter	20,000,000	20,000,000	20,000,000 ^{3/}
Kartchner Caverns	1,167,200	2,153,100	2,535,400
AGENCY TOTAL	32,365,700	33,633,000	34,519,800^{4/5/6/}
FUND SOURCES			
General Fund	27,355,300	20,037,500	22,310,500
<u>Other Appropriated Funds</u>			
Game and Fish Commission Heritage Fund	0	6,135,900	0
Land Conservation Fund – Administration Account	0	0	700,000
Law Enforcement and Boating Safety Fund	1,061,800	1,092,700	1,092,700 ^{7/}
Reservation Surcharge Revolving Fund	175,600	289,700	298,700 ^{8/}
State Parks Enhancement Fund	3,773,000	6,077,200	10,117,900
SUBTOTAL - Other Appropriated Funds	5,010,400	13,595,500	12,209,300
AGENCY TOTAL	32,365,700	33,633,000	34,519,800

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.*

- 1/ Includes 51 FTE Positions funded from Special Line Items in FY 2004.
- 2/ 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 2004, 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)
- 3/ 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 General Appropriation Act.
- 4/ General Appropriation Act funds are appropriated as a Operating Lump Sum with Special Line Items by Agency.
- 5/ During FY 2004, no appropriated or nonappropriated monies may be used for the purposes of out-of-state travel expenses by State Parks Board staff. (General Appropriation Act footnote)
- 6/ The State Parks Board shall submit to the Joint Legislative Budget Committee, on a quarterly basis, the operating expenditures of each state park. (General Appropriation Act footnote)
- 7/ 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 2004. 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)
- 8/ All Reservation Surcharge Revolving Fund receipts received by the Arizona State Parks Board in excess of \$298,700 in FY 2004 are appropriated to the Reservation Surcharge Revolving Fund Special Line Item. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess of \$298,700 in FY 2004, 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, as adjusted for statewide allocations.)

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Appropriation
• Annual park attendance (in millions)	2.45	2.41	2.50	2.6
• % of park visitors rating their experience “good” or “excellent”*	96	NA	96	96
• Average cost per state park visitor (in dollars)	0.22	0.67	0.17	0.17
• New acres of open space and parkland dedicated in Arizona	7,000	14,579	7,000	7,000
• % of agency staff turnover	9.2	11.5	9.2	10.0
• Administration as a % of total cost	5.9	4.7	5.9	4.8

Comments: Park visitor ratings surveys are conducted every 5 years. The most recent survey was conducted in FY 2001, and produced a rating for this measure at 95.

Technical Adjustments — The FY 2004 approved amount includes technical adjustments for Employee Related Expenditures, Other Fund health and dental insurance changes, Other Fund retirement changes, and Other Fund AFIS charges. *(Please see the General Provisions section at the end of this Appropriations Report for further details on these changes.)*

Restore General Fund — The approved amount includes a General Fund increase of \$2,310,500 above FY 2003 to replace one-time monies from the Heritage Fund used in FY 2003 for operating expenses.

Off Highway Vehicle Recreation Fund — The Public Finances Omnibus Reconciliation Bill (ORB) (Laws 2003, Chapter 263) includes a session law provision allowing the State Parks Board to spend \$692,100 from the Game and Fish Department allocation of the Off Highway Vehicle Recreation (OHV) Fund for agency operating costs. This is the amount equal to the 6th Special Session lump sum reduction taken for FY 2003 and carried forward into FY 2004.

Enhancement Fund — The approved amount includes a State Parks Enhancement Fund (SPEF) increase of \$4,040,700 above FY 2003 for operating costs and technical adjustments of the State Parks Board. These monies replace one-time monies from the Heritage Fund used in FY 2003 for operating expenses. Currently, one-half of SPEF revenues are used for operating costs and the other half for capital acquisition and development. The Public Finances ORB allows for the appropriation of all SPEF revenues for Parks Board operations in FY 2004.

Land Conservation Fund Interest — The approved amount includes a Land Conservation Fund (Growing Smarter) - Administration Account increase of \$700,000 above FY 2003 for operating costs of the State Parks Board. Historically, interest earnings on the Land Conservation Fund have totaled approximately \$1,000,000. The State Parks Board is allowed to use up to 5% of the annual Growing Smarter deposit (\$20 million in FY 2004), or \$500,000, to administer the Growing Smarter

grant program. In FY 2004, the required amount is expected to be approximately \$287,500. The remaining \$700,000 was appropriated to the State Parks Board for agency operating costs. The Governor line item vetoed a provision in the Public Finances ORB allowing the agency to spend the remaining interest earnings on operating expenses. *(See Vetoed Appropriations for more information on this issue.)*

Special Line Items

Growing Smarter — These monies 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, as mandated by a voter-passed referendum in 1998. Grant expenditures from the Land Conservation Fund are not subject to appropriation.

Kartchner Caverns — Monies in this line item are used for operating costs at Kartchner Caverns State Park, which opened in November 1999. This park collects the most revenue of all 28 state parks. The FY 2004 approved operating costs include only SPEF monies, and are unchanged from FY 2003 except for technical changes. This line item also includes 51 FTE positions.

Fund Transfers — The General Appropriation Act transfers \$6.8 million from the State Lake Improvement Fund and \$2 million from the Off-Highway Vehicle Recreation Fund to the General Fund in FY 2004. This transfer is not part of the agency’s appropriation and is not reflected in the table above.

Veto: Budget Reconciliation: Public Finances (Chapter 263) — This legislation included statutory changes that allowed the State Parks Board to spend Land Conservation Fund interest earnings in excess of an amount used to administer the Growing Smarter grant program to be used for general agency operating costs. The Governor vetoed this provision, but the appropriation in the Parks budget remains.

The Public Finances ORB as originally passed also contained language suspending the statutory distribution for the Heritage Fund in FY 2003 and FY 2004. The Governor vetoed this provision for FY 2004 only.

General Appropriation Act (Chapter 262) — This legislation contained a \$4,000,000 transfer from the State Parks portion of the Heritage Fund to the state General Fund. The Governor vetoed this transfer.

[Click here to return to the Table of Contents](#)