

# Arizona State Parks Board

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DESCRIPTION	FY 2003	FY 2004	FY 2005	
	ACTUAL	ESTIMATE	OSPB	JLBC
<b>OPERATING BUDGET</b>				
<i>Full Time Equivalent Positions</i>	245.3	245.3		245.3
Personal Services	5,825,100	6,033,200		6,033,200
Employee Related Expenditures	1,795,200	2,766,200		2,766,200
Professional and Outside Services	62,600	38,400		38,400
Travel - In State	92,200	112,700		112,700
Other Operating Expenditures	3,010,100	3,184,000		3,184,000
Lump Sum Reduction	78,800	0		0
Equipment	173,100	130,000		130,000
<b>OPERATING SUBTOTAL</b>	<b>11,037,100</b>	<b>12,264,500</b>		<b>12,264,500</b>
<b>SPECIAL LINE ITEMS</b>				
Growing Smarter	20,000,000	20,000,000		20,000,000
Kartchner Caverns State Park	1,641,300	2,255,300		2,255,300
<b>AGENCY TOTAL</b>	<b>32,678,400</b>	<b>34,519,800</b>		<b>34,519,800</b>
<b>FUND SOURCES</b>				
General Fund	20,037,500	22,310,500		22,310,500
<u>Other Appropriated Funds</u>				
Game and Fish Commission Heritage Fund	6,073,000	0		0
Land Conservation Fund - Administration Account	0	700,000		700,000
Law Enforcement and Boating Safety Fund	1,117,000	1,092,700		1,092,700
Reservation Surcharge Revolving Fund	181,000	298,700		298,700
State Parks Enhancement Fund	5,269,900	10,117,900		10,117,900
SUBTOTAL - Other Appropriated Funds	12,640,900	12,209,300		12,209,300
<b>SUBTOTAL - Appropriated Funds</b>	<b>32,678,400</b>	<b>34,519,800</b>		<b>34,519,800</b>
Other Non-Appropriated Funds	19,718,000	27,684,800		27,684,800
Federal Funds	1,790,000	4,446,400		4,446,400
<b>TOTAL - ALL SOURCES</b>	<b>54,186,400</b>	<b>66,651,000</b>		<b>66,651,000</b>

## CHANGE IN FUNDING SUMMARY

FY 2004 to FY 2005 JLBC

	\$ Change	% Change
General Fund	0	0.0%
Other Appropriated Funds	0	0.0%
Total Appropriated Funds	0	0.0%
Non Appropriated Funds	0	0.0%
Total - All Sources	0	0.0%

**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 2003	FY 2003	FY 2004	FY 2005
	Appropriation	Actual	Appropriation	Recommend.
• Annual park attendance (in millions)	2.50	2.2	2.6	2.6
• % of park visitors rating their experience “good” or “excellent”	96	NA	96	96
• Average cost per state park visitor (in dollars)	0.17	0.67	0.17	0.17
• New acres of open space and parkland dedicated in Arizona	7,000	1,081	7,000	1,500
• % of agency staff turnover	9.2	19.6	10.0	10.0
• Administration as a % of total cost	5.9	4.7	4.8	4.8

**Comments:** Park visitor ratings surveys are conducted every 5 years and there is no rating to report for FY 2003, therefore it has been marked as “NA.” The most recent survey was conducted in FY 2001, and produced a rating for this measure at 95. Average cost per state park visitor is calculated by comparing the total park operating costs less total park revenue to the total yearly park attendance.

## RECOMMENDED CHANGES FROM FY 2004

### Operating Budget

The JLBC recommends \$12,264,500 for the operating budget in FY 2005. This amount includes \$2,310,500 from the General Fund, \$8,562,600 from the State Parks Enhancement Fund, \$1,092,700 from the Law Enforcement and Boating Safety Fund, and \$298,700 from the Reservation Surcharge Revolving Fund. These amounts are unchanged from FY 2004.

### Special Line Items

#### Growing Smarter

The JLBC recommends continuing the \$20,000,000 appropriation from the General Fund into the Land Conservation Fund in FY 2005, as prescribed by A.R.S. § 41-511.23 and mandated by a voter-passed referendum in 1998. Grant expenditures from the Land Conservation Fund are not subject to appropriation.

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.

#### Kartchner Caverns

The JLBC recommends \$2,255,300 for Kartchner Caverns in FY 2005. This amount includes \$1,555,300 from the State Parks Enhancement Fund and \$700,000 from the Land Conservation Fund Administration Account. These amounts are unchanged from FY 2004.

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 of the state parks. This line item also includes 51 FTE positions.

## Land Conservation Fund

### - Administration Account OF \$ 0

The JLBC recommends continuing the \$700,000 Land Conservation Fund Interest appropriation for FY 2005, and includes it as a funding source for the Kartchner Caverns Special Line Item.

In FY 2004, \$700,000 was appropriated from the Land Conservation Fund Administration Account for State Park operations in the General Appropriation Act. The Governor vetoed the ORB provision permitting the use of these monies for parks operation, subject to legislative appropriation. The State Parks Board authorized the expenditure of \$700,000 from the State Lake Improvement Fund (SLIF) for Other Operating Expenditures at Kartchner Caverns State Park in FY 2004, rather than use the existing Land Conservation appropriation, which was not vetoed.

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**JLBC RECOMMENDED FORMAT** — Operating Lump Sum with Special Line Items by Agency

## JLBC RECOMMENDED FOOTNOTES

### Standard Footnotes

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 2005, 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.

During FY 2005, no appropriated or nonappropriated monies may be used for the purposes of out-of-state travel expenses by State Parks Board staff.

The State Parks Board shall submit to the Joint Legislative Budget Committee, on a quarterly basis, the operating expenditures of each state park.

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 2005. 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.

All Reservation Surcharge Revolving Fund receipts received by the Arizona State Parks Board in excess of \$298,700 in FY 2005 are appropriated to the Reservation Surcharge Revolving Fund. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess of \$298,700 in FY 2005, the Arizona State Parks Board shall submit the intended use of the monies for review by the Joint Legislative Budget Committee.

**JLBC RECOMMENDED STATUTORY CHANGES**

The JLBC recommends:

- 1) As session law, continuing a FY 2004 provision allowing the State Parks Board to use \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs.
- 2) As session law, continuing a FY 2004 provision allowing the appropriation of all State Parks Enhancement Fund revenues, less an amount to cover the lease-purchase payment for the Tonto Natural Bridge State Park, to the State Parks Board for agency operations.

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
<b>Development Rights Retirement (No Fund Number/A.R.S. § 41-511.15)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations, gifts, grants, and transfers.		
<b>Purpose of Fund:</b> To make grants to public and private entities for the purchase, lease or transfer of development rights on private land in the state. This fund was created by Laws 2000, 4 <sup>th</sup> Special Session, Chapter 1. There are currently no revenue or expenditure estimates.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Federal (PRA2000/A.R.S. § 41-511.04)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Federal grants from the Department of the Interior, National Park Service, and other federal entities.		
<b>Purpose of Fund:</b> To expand and maintain the National Register of Historic Places, and to identify, evaluate and protect other historic properties. Also, to implement the State Comprehensive Outdoor Recreation Plan.		
<b>Funds Expended</b>	1,790,000	4,446,400
<b>Year-End Fund Balance</b>	1,291,500	1,194,200
<b>Heritage (PRA2296/A.R.S. § 41-502)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Annual transfer from the Lottery Fund of up to \$10,000,000, and interest earnings. In FY 2003, the fund received a \$9,307,400 transfer from the Lottery and \$609,900 in interest earnings. The FY 2004 expenditures below assume the fund will receive \$9,800,000 in revenue from the Lottery and from interest earnings in FY 2004.		
<b>Purpose of Fund:</b> To fund acquisition and development of local, regional, and state parks (35%); development of trails (5%); acquisition of natural areas (17%); maintenance and operation of natural areas (4%); environmental education (5%); State Parks acquisition and development (17%); and historic preservation projects (17%). Interest earnings are to be used for program administration.		
<b>Funds Expended - Capital</b>	8,778,600	9,000,000
<b>Funds Expended - Operating</b>	2,275,500	2,788,200
<b>Year-End Fund Balance</b>	30,328,800	28,340,600
<b>Heritage Fund - Game &amp; Fish Commission (PRA2270/A.R.S. § 17-297)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Appropriation from the Game and Fish Heritage Fund, which receives an annual transfer from the Lottery Fund of up to \$10,000,000, and interest earnings.		
<b>Purpose of Fund:</b> A one-time appropriation for the operation of state parks.		
<b>Funds Expended</b>	6,073,000	0
<b>Year-End Fund Balance</b>	0	0

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
<b>Land Conservation - Administration Account (PRA2432/A.R.S. § 41-511.23)</b>		<b>Partially Appropriated</b>
<b>Source of Revenue:</b> Interest earnings from the Public Conservation Account. Unobligated amounts at the end of each fiscal year revert to the Public Conservation Account.		
<b>Purpose of Fund:</b> The agency may use up to \$500,000 to support the Conservation Acquisition Board and administer the Land Conservation Fund.		
<b>Funds Expended - Non-Appropriated</b>	78,400	300,000
<b>Funds Expended - Appropriated</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Land Conservation - Donation Account (PRA2432/A.R.S. § 41-511.23)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Donations from public and private entities.		
<b>Purpose of Fund:</b> To match grants made to purchase state trust lands for conservation purposes. There are currently no estimates of donations that will be deposited to the account.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Land Conservation - Public Conservation Account (PRA2432/A.R.S. § 41-511.23)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> As approved by Arizona voters in November 1998, the fund receives \$20,000,000 annually from the General Fund in FY 2001 through FY 2011. Beginning in FY 2004, \$2,000,000 of this amount will be deposited into the Livestock and Crop Conservation Fund, administered by the Department of Agriculture.		
<b>Purpose of Fund:</b> For grants to the state or any of its political subdivisions, non-profit organizations, individual landowners, and agricultural lessees of state or federal land. Grants are made to purchase or lease state trust lands that are classified as suitable for conservation purposes. The Conservation Acquisition Board will recommend appropriate grants to the Arizona State Parks Board.		
<b>Funds Expended from the General Fund</b>	8,603,000	20,000,000
<b>Year-End Fund Balance</b>	40,655,000	45,655,000
<b>Law Enforcement and Boating Safety (PRA2111/A.R.S. § 5-383)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> A portion of watercraft licensing taxes.		
<b>Purpose of Fund:</b> To provide grants to county law enforcement agencies for water and boating safety programs. The Arizona Outdoor Recreation Coordinating Commission distributes the grants.		
<b>Funds Expended</b>	1,117,000	1,092,700
<b>Year-End Fund Balance</b>	0	0
<b>Off-Highway Vehicle Recreation (PRA2253/A.R.S. § 28-1176)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Transfer from the Motor Vehicle Fuel Tax, equivalent to 0.55% of the total license taxes on motor vehicle fuel.		
<b>Purpose of Fund:</b> To plan, administer, and enforce off-highway vehicle recreation, and to develop facilities consistent with the off-highway vehicle plan. Seventy percent of the monies collected are to be used by the Arizona State Parks Board for planning, administration, and facilities development; the remainder is transferred to the Arizona Game and Fish Department for enforcement.		
<b>Funds Expended</b>	1,171,300	1,694,000
<b>Year-End Fund Balance</b>	1,355,200	353,300
<b>Partnership (PRA2448/A.R.S. § 41-511.04)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Revenues received from federal, state, and local government agencies through intergovernmental agreements; reimbursements from local and county recipients of federal Land and Water Conservation grants.		
<b>Purpose of Fund:</b> To provide trails stewardship with funds received from the USDA Forest Service and the Bureau of Land Management; for operating costs of the multi-use water safety center at Lake Havasu State Park with funds received from the U.S. Coast Guard, Lake Havasu City, Mohave County, and the Arizona Game and Fish Department; and to administer federal Land and Water Conservation grants. Grant recipients must provide 10% of the grant amount to the Parks Board for administration.		
<b>Funds Expended</b>	106,800	298,800
<b>Year-End Fund Balance</b>	621,600	582,800

SUMMARY OF FUNDS	FY 2003 Actual	FY 2004 Estimate
<b>Publications and Souvenir Revolving (PRA4010/A.R.S. § 41-511.21)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Sales of books, postcards, posters, and souvenir items at state parks and proceeds from the operation of the lodge and restaurant at Tonto Natural Bridge State Park.		
<b>Purpose of Fund:</b> Production and distribution of agency publications, as well as the purchase of souvenir items for sale at state parks, and the operation of concessions.		
<b>Funds Expended</b>	428,400	749,600
<b>Year-End Fund Balance</b>	307,900	308,300
<b>Reservation Surcharge Revolving (PRA1304/A.R.S. § 41-511.24)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> Surcharges on reservations made using an automated reservation system. Currently only Kartchner Caverns State Park utilizes the system. The surcharge is \$2.00 per reserved ticket. Any amount in excess of \$12,500 at the end of each fiscal year is transferred to the General Fund.		
<b>Purpose of Fund:</b> To staff and manage the reservation system.		
<b>Funds Expended</b>	181,000	298,700
<b>Year-End Fund Balance</b>	12,500	7,500
<b>State Lake Improvement (PRA2105/A.R.S. § 5-382)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Primarily a transfer from the Highway Users Revenue Fund, based on a formula that estimates state gasoline taxes paid for boating purposes. Also included is a portion of the watercraft license tax collected by the Arizona Game and Fish Department.		
<b>Purpose of Fund:</b> To fund projects at boating sites, including launching ramps, parking areas, lake improvement and construction, campgrounds, and acquisition of property to provide access to boating sites. Project grant requests are reviewed by the Arizona Outdoor Recreation Coordinating Commission and approved by the Arizona State Parks Board. Approved projects must be reviewed by the Joint Committee on Capital Review.		
<b>Funds Expended - Capital</b>	4,566,400	8,500,000
<b>Funds Expended - Operating</b>	984,100	2,099,200
<b>Year-End Fund Balance</b>	23,917,900	14,018,700
<b>State Parks Enhancement (PRA2202/A.R.S. § 41-511.11)</b>		<b>Partially Appropriated</b>
<b>Source of Revenue:</b> State parks user fees and concession sales.		
<b>Purpose of Fund:</b> One-half of this fund is appropriated for parks operations. The other half is used for parks acquisition and development. The acquisition and development portion is earmarked to complete Kartchner Caverns State Park and for lease-purchase payments of Tonto Natural Bridge State Park. Upon completion of the acquisition payments and development of these parks, this portion of the fund will be subject to legislative appropriation. The completion of Kartchner Caverns is currently targeted for November 2003, while Tonto lease-purchase payments will not be finished until FY 2012.		
<b>Funds Expended - Capital (Non-Appropriated)</b>	1,144,000	2,055,000
<b>Funds Expended - Operating (Appropriated)</b>	5,269,900	10,117,900
<b>Year-End Fund Balance</b>	8,253,800	5,661,400
<b>State Parks Fund (PRA3117/A.R.S. § 41-511.11)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Private gifts, grants, and donations. The City of Yuma allocates \$150,000 annually for the operation of the Yuma Crossing State Historic Park.		
<b>Purpose of Fund:</b> To meet the objectives of contributors, especially as they relate to acquisition, development, and preservation of the state's natural features.		
<b>Funds Expended</b>	184,500	200,000
<b>Year-End Fund Balance</b>	536,500	536,500

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