

Director: Larry Voyles

JLBC Analyst: Caitlin Acker

	FY 2008 ACTUAL	FY 2009 ESTIMATE	FY 2010 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	274.5	274.5	273.5
Personal Services	13,678,900	13,277,000	13,277,000
Employee Related Expenditures	6,326,200	7,225,000	7,225,000
Professional and Outside Services	1,402,300	534,000	909,000
Travel - In State	248,200	312,100	312,100
Travel - Out of State	90,000	30,700	30,700
Other Operating Expenditures	5,608,400	6,952,000	11,073,900
Equipment	2,008,800	1,556,600	1,166,500
OPERATING SUBTOTAL	29,362,800	29,887,400	33,994,200
SPECIAL LINE ITEMS			
Lower Colorado Multispecies Conservation	350,000	350,000	350,000
Performance Incentive Pay Program	51,000	346,800	346,800 ^{1/}
Pittman-Robertson/Dingell-Johnson	2,808,000	2,808,000	3,808,000 ^{2/}
Watercraft Grant Program	250,000	250,000	250,000
Watercraft Safety Education Program	1,275,000	1,175,000	1,175,000
Lump Sum Reduction	0	(247,100)	0
AGENCY TOTAL	34,096,800	34,570,100	39,924,000^{3/}
FUND SOURCES			
<u>Other Appropriated Funds</u>			
Game and Fish Fund	28,211,400	31,178,500	35,063,800
Game, Non-Game, Fish and Endangered Species Fund	234,500	329,900	332,000
Watercraft Licensing Fund	5,629,800	3,002,300	4,468,800
Waterfowl Conservation Fund	21,100	43,400	43,400
Wildlife Endowment Fund	0	16,000	16,000
SUBTOTAL - Other Appropriated Funds	34,096,800	34,570,100	39,924,000
SUBTOTAL - Appropriated Funds	34,096,800	34,570,100	39,924,000
Other Non-Appropriated Funds	35,980,500	31,986,400	30,005,200
Federal Funds	29,024,700	30,295,800	31,737,300
TOTAL - ALL SOURCES	99,102,000	96,852,300	101,666,500

AGENCY DESCRIPTION — The Arizona Game and Fish Department (AGFD) manages Arizona wildlife populations through the operation of hunting and fishing license programs, enforcement actions for the unlawful taking of game, and wildlife habitat protection and development. A 5-member commission appointed by the Governor oversees department operations.

^{1/} The \$300,000 from the Game and Fish Fund and \$46,800 from the Watercraft Licensing Fund in FY 2010 for the Performance Incentive Pay Program line item shall be used for Personal Services and Employee Related Expenditures associated with the department's Performance Incentive Pay Program. This appropriation is a continuing appropriation and is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations. (General Appropriation Act footnote)

^{2/} In addition to the \$3,808,000 for the Pittman-Robertson/Dingell-Johnson Act line item, the lump sum appropriation includes \$50,000 for cooperative fish and wildlife research which may be used for the purpose of matching federal and apportionment funds. (General Appropriation Act footnote)

^{3/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency. As appropriated by Laws 2009, 1st Regular Session, Chapter 12.

PERFORMANCE MEASURES	FY 2006	FY 2007	FY 2008	FY 2010
	Actual	Actual	Actual	Approved
• % of the public surveyed rating watercraft safety as “good” or “excellent”	72	NA	72	80
• % of anglers surveyed reporting they were satisfied with their angling experiences	75	85	81	81

Comments: The agency did not submit information for any measure labeled as "NA" as required by the General Appropriation Act.

Operating Budget

The budget includes \$33,994,200 and 274.5 FTE Positions for the operating budget in FY 2010. These amounts consist of:

	FY 2010
Game and Fish Fund	\$30,955,800
Game, Non-Game, Fish and Endangered Species Fund	332,000
Watercraft Licensing Fund	2,647,000
Waterfowl Conservation Fund	43,400
Wildlife Endowment Fund	16,000

These amounts fund the following adjustments:

Operating Related Costs

Eliminate One-Time Funding

The budget includes a decrease of \$(673,300) in FY 2010 for one-time items. This amount consists of:

Game and Fish Fund	(110,600)
Watercraft Licensing Fund	(562,700)

These amounts fund the following adjustments:

• Field Operations Equipment:	
Game and Fish Fund	(38,600)
Watercraft Licensing Fund	(16,700)
• 3 Watercraft Vehicles:	
Watercraft Licensing Fund	(150,000)
• Radio Tower Upgrade:	
Watercraft Licensing Fund	(296,000)
Funding for this item was shifted to the agency's capital outlay budget. (Please see the Arizona Department of Administration Capital Outlay Section for more information.)	
• Network Servers:	
Game and Fish Fund	(50,000)
• Fishing Management:	
Game and Fish Fund	(22,000)
• Watercraft Survey:	
Watercraft Licensing Fund	(100,000)

Continue One-Time Funding

The budget continues a \$605,000 increase in FY 2010 for one-time items. This amount consists of:

Game and Fish Fund	555,000
Watercraft Licensing Fund	50,000

These amounts fund the following adjustments:

- \$100,000 for shooting range grants from the Game and Fish Fund in FY 2010.
- \$180,000 for computer replacements from the Game and Fish Fund in FY 2010.
- \$200,000 for the north Kaibab deer habitat restoration project from the Game and Fish Fund in FY 2010.
- \$75,000 for the Lower Gila Wildlife Area from the Game and Fish Fund in FY 2010.
- \$50,000 for a life jacket loaner program from the Watercraft Licensing Fund in FY 2010.

Motor Pool

The budget includes a decrease of \$(234,300) from the Game and Fish Fund in FY 2010 for one-time motor pool funding. This would provide total one-time funding of \$837,000 in FY 2010. The department replaced 37 vehicles in FY 2009 and would replace 27 vehicles in FY 2010. The average cost per vehicle is \$31,000 and includes upgrading the vehicles for law enforcement purposes.

Point of Sale System

The budget includes an increase of \$200,000 from the Game and Fish Fund in FY 2010 for licensing. This amount represents one-time funding to purchase the hardware and software for a point of sale system. The system would be used to sell licenses through license dealers and public office locations. The system would allow the department to better track sales data, improving the reliability of information used to make marketing and management decisions.

Video Editing Equipment

The budget includes an increase of \$100,000 from the Game and Fish Fund in FY 2010 for video editing equipment. The department's equipment is between 5 and 10 years old and does not meet the Federal

Communications Commission's standards for digital formatting. The equipment is used to produce *Arizona Wildlife Views TV* as well as public service announcements and other public programs.

Headquarters Lease-Purchase

The budget includes an increase of \$80,000 from the Watercraft Licensing Fund in FY 2010 for the debt service payment. This amount would represent the Watercraft/Off-Highway Vehicle Division's portion of debt service payments for the Ben Avery headquarters building. This amount was previously included in the department's capital outlay budget.

Ben Avery Master Plan Support

The budget includes an increase of \$580,000 from the Game and Fish Fund in FY 2010 for the Ben Avery Master Plan. This funding will allow the department to extend the shooting range's hours of operation as well as provide additional outreach and education at the range.

Shooting Range Safety Projects

The budget includes an increase of \$150,000 from the Game and Fish Fund in FY 2010 for shooting range safety projects at the 5 commission-owned facilities. The facilities include Ben Avery, Rio Salado Sportsman's Club, 7-Mile Shooting Range, 3-Points Shooting Range and Sierra Vista Shooting Range.

Purchasing System Software

The budget includes an increase of \$407,800 from the Game and Fish Fund in FY 2010 for purchasing system software. This funding will allow the department to competitively solicit for purchasing software that is compatible with AFIS.

GIS Licensing Maintenance

The budget includes an increase of \$37,500 from the Game and Fish Fund in FY 2010 for software maintenance. This will provide funding to pay for regular software updates to keep licenses current, technical support, and registration fees for an annual user conference.

Environmental Review Tool

The budget includes an increase of \$90,000 from the Game and Fish Fund in FY 2010 for an environmental review tool. The department has been using this interactive tool to generate reports about the impact of development projects on special status species since July 2006. This funding will allow the department to contract with the developers of the tool to host the website and provide all maintenance and technical support.

Leadership Practices Inventory

The budget includes an increase of \$75,000 from the Game and Fish Fund in FY 2010 for leadership practices inventory. This assessment tool is used to identify potential department leaders and will be administered by

the Bob Ramsey Executive Program at Arizona State University.

Predator Control

The budget includes an increase of \$24,000 from the Game and Fish Fund for predator control. These monies will fund an agreement with the U.S. Department of Agriculture so that Game and Fish employees do not have to respond to nuisance wildlife calls.

Hunting Awareness

The budget includes an increase of \$25,000 from the Game and Fish Fund in FY 2010 for hunting awareness. The program introduces college students seeking degrees in the wildlife management field and exposes inexperienced department employees to hunting and shooting sports.

Sportsmen's Club Grants

The budget includes an increase of \$25,000 from the Game and Fish Fund in FY 2010 for sportsmen's club grants. Increased funding will allow the department to allocate additional grants in FY 2010.

Lapsed Angler Marketing

The budget includes an increase of \$50,000 from the Game and Fish Fund in FY 2010 for lapsed angler marketing. The department plans to reach out to anglers who have purchased licenses in the past but do not renew their licenses annually.

Angler Recruitment and Retention

The budget includes an increase of \$40,000 from the Game and Fish Fund in FY 2010 for angler retention programs. This funding would provide outreach to recruit and retain customers who purchase fishing licenses.

Other Operating Expenses Increase

The budget includes an increase of \$87,100 from the Game and Fish Fund in FY 2010 for other operating expenses. This amount includes \$7,100 for predator management, \$40,000 for a public health program, \$5,000 for postage, \$10,000 for a human resources file conversion, \$25,000 for identification badges.

Restore Funding for Watercraft Licensing

The budget includes an increase of \$972,100 from the Watercraft Licensing Fund in FY 2010 to restore funding for watercraft licensing. The midyear FY 2009 revisions transferred \$972,100 from the Watercraft Licensing Fund to the General Fund. The transfer included a \$(198,700) FRAT, a \$(48,400) salary lump sum reduction, a reduction of \$(225,000) for boating safety grants, and a reduction of \$(500,000) for Operating Under the Influence (OUI) programs.

Additional Funding for Watercraft Licensing

The budget includes an increase of \$960,900 from the Watercraft Licensing Fund in FY 2010 for watercraft

licensing. The additional funding restores reductions and transfers that occurred in FY 2008 and FY 2009.

Statewide Health Insurance Adjustments

The budget includes an increase of \$183,000 in FY 2010 for state employee health insurance statewide adjustments. This amount consists of:

Game and Fish Fund	164,700
Game, Non-Game and Endangered Species Fund	2,100
Watercraft Licensing Fund	16,200

(Please see the General Provisions section.)

Wildlife and Habitat Projects

Grassland Restoration

The budget includes an increase of \$350,700 from the Game and Fish Fund in FY 2010 for grassland restoration. This includes a decrease of \$(100,000) in one-time funding that was used to cut and clear about 800 acres of invasive shrub species. It also includes a one-time increase of \$450,700, which would be used to cut and clear additional acres of invasive shrub species and to prioritize and implement new projects to meet landscape goals.

Urban Fishing Program

The budget includes an increase of \$135,900 from the Game and Fish Fund in FY 2010 for the urban fishing program. Increased funding would be used to pay for increased fish purchase costs, program expansion, and to increase non-federal matching monies.

Cooperative Research

The budget includes an increase of \$10,000 from the Game and Fish Fund in FY 2010 for cooperative research. The department maintains an agreement with the University of Arizona to conduct cooperative fish and wildlife research. Four years ago, the department’s annual contribution increased from \$40,000 to \$50,000. Previously this amount has been funded from other funds, but due to budget constraints, this is no longer feasible.

Bighorn Sheep Restoration Project

The budget includes an increase of \$49,500 from the Game and Fish Fund in FY 2010 for the bighorn sheep restoration project. This funding will allow the department to hire full-time contract staff to implement predation measures for the bighorn sheep population in the Black Mountains.

KOFA Bighorn Sheep

The budget includes an increase of \$78,000 from the Game and Fish Fund in FY 2010 for KOFA bighorn sheep. This funding will be used to implement restoration projects on the Kofa National Wildlife Refuge, including development of new waters for bighorn sheep.

Mogollon Rim Projects

The budget includes an increase of \$200,000 from the Game and Fish Fund in FY 2010 for Mogollon Rim projects. This funding is part of an ongoing multi-year effort to restore aquatic and riparian habitats associated with 6 trout streams located immediately below the Mogollon Rim.

Canyon Creek Riparian Project

The budget includes an increase of \$100,000 from the Game and Fish Fund in FY 2010 for the Canyon Creek riparian habitat. The department will restore the Canyon Creek habitat that was burned by the 2002 Rodeo-Chediski fire.

Landowner Relations

The budget includes an increase of \$125,000 from the Game and Fish Fund in FY 2010 for landowner relations. The department provides financial assistance to landowners to conduct habitat improvement projects on both private property and state trust leases across the state.

Long-Term Access Projects

The budget includes an increase of \$125,000 from the Game and Fish Fund in FY 2010 for long-term access projects. The department secures agreements lasting 5 or more years to provide assistance to private landowners to conduct habitat improvement projects in exchange for agreements that provide for recreational access.

Lower Colorado Multispecies Conservation

The budget includes \$350,000 from the Watercraft Licensing Fund for the Lower Colorado River Multispecies Conservation Plan (MSCP) in FY 2010. This amount is unchanged from FY 2009.

The \$350,000 payment represents the department’s share of Arizona’s payment for the plan. This amount funds approximately 25% of the state’s annual payment. Currently, the total payment to MSCP is \$1,400,000. The Central Arizona Water Conservation District pays the remaining \$1,050,000 share of the state’s obligation under the plan. The total payment, including the state share, will be adjusted for inflation in future years.

Annual payments for the plan are made to the U.S. Bureau of Reclamation. The bureau uses the monies received from state payments to implement conservation measures under the MSCP agreement.

The MSCP is an agreement between Arizona, California, Nevada, Indian Tribes, and water and utility companies to protect species classified as threatened or endangered, and to prevent any additional species from being added to these lists. The MSCP implementation plan lasts for 50 years, is estimated to cost \$626 million, and is administered by the U.S. Bureau of Reclamation.

Performance Incentive Pay Program

The budget includes \$346,800 for the Performance Incentive Pay Program in FY 2010. This amount consists of:

Game and Fish Fund	300,000
Watercraft Licensing Fund	46,800

These amounts are unchanged from FY 2009.

These monies fund the department's performance incentive pay plan. Employee distributions are based on 50% work unit performance measures and 50% on agencywide performance measures. These measures are determined by internal and external customer surveys, cycle times, and other quantifiable data.

Pittman-Robertson/Dingell-Johnson

The budget includes \$3,808,000 from the Game and Fish Fund for the Pittman-Robertson/Dingell-Johnson Act in FY 2010. This amount funds the following adjustments:

State Match Increase

The budget includes an increase of \$1,000,000 from the Game and Fish Fund in FY 2010 for the state match. This would allow the department to utilize available federal assistance and would result in an additional \$3,000,000 in federal funding.

These monies fund the state's 25% match for federal aid matching funds for wildlife restoration projects.

Watercraft Grant Program

The budget includes \$250,000 from the Watercraft Licensing Fund for the Watercraft Grant Program Special Line Item in FY 2010. This amount is unchanged from FY 2009.

The program awards grants through a competitive grant process to Arizona watercraft enforcement agencies. These grants are used by agencies to expand Operation Under the Influence enforcement efforts, such as purchasing equipment, paying officers' overtime, or funding prevention and education programs.

Watercraft Safety Education Program

The budget includes \$1,175,000 from the Watercraft Licensing Fund for the Watercraft Safety Education Program Special Line Item (SLI) in FY 2010. This amount is unchanged from FY 2009.

Boating Safety Grant Fund Transfer

The midyear FY 2009 revisions included a reduction of \$(225,000) for boating safety grants as part of the agencywide lump sum reduction. The intent of the transfer was to partially eliminate funding for boating safety grants in FY 2009. The funding was restored by Laws 2009, 1st Special Session, Chapter 12. *(Please see the Restore Funding for Watercraft Licensing policy issue for more information.)*

The grants are provided annually on a competitive basis to watercraft agencies and other governments and organizations for boating safety education.

Operating Under the Influence (OUI) Fund Transfer

The midyear FY 2009 revisions included a reduction of \$(500,000) for the OUI reduction program as part of the agencywide lump sum reduction. The intent of the transfer was to partially eliminate funding for the program in FY 2009. The funding was restored by Laws 2009, 1st Special Session, Chapter 12. *(Please see the Restore Funding for Watercraft Licensing policy issue for more details.)*

The program funds a public education campaign using television, radio, billboards and print media to reduce the number of boaters who consume alcohol while operating watercraft.

The Watercraft Safety Education Program SLI funds a statewide marketing campaign designed to promote a boating education class and an internet-based education program. Department data indicate that 78% of all boaters involved in accidents have never received any formal boating education.

Lump Sum Reduction

The budget includes an agencywide lump sum reduction of \$(247,100) for the midyear FY 2009 revisions.

	FY 2009	FY 2010
Fund Reduction and Transfer		
Watercraft Licensing Fund	\$(198,700)	\$0
Personnel Expense Reduction		
Watercraft Licensing Fund	(48,400)	0

FTE Position Reduction

The budget includes a decrease of (1) FTE Position for a lump sum FTE Position reduction. *(Please see the General Provisions section.)*

Laws 2009, 3rd Special Session, Chapter 11, Section 17 requires every General Fund supported agency, board, commission, or other state entity to reduce its number of

FTE Positions by 5% on or before February 1, 2010. This reduction has not been recorded in the summary table above. The actual impact of this provision is to be determined.

<i>Fund Transfers</i>

The budget includes the following midyear FY 2009 revisions and FY 2010 transfers to the General Fund from the funds listed below:

	<u>FY 2009</u>	<u>FY 2010</u>
Heritage - Salary*	\$(197,900)	\$(471,200)
OHV Recreation - FRAT*	(37,100)	(46,700)
OHV Recreation - Salary*	(21,300)	(31,900)
Watercraft Licensing - Boating	(225,000)	0
Safety Grant Fund Transfer		
Watercraft Licensing - EBT	0	(951,500)
Watercraft Licensing - FRAT	(198,700)	0
Watercraft Licensing - OUI	(500,000)	0
Fund Transfer		
Watercraft Licensing - Salary	(48,400)	0
Wildlife Restoration and	(145,000)	0
Enhancement - EBT		

*These transfers are from non-appropriated funds.