

Arizona State Parks Board

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	FY 2009 ACTUAL	FY 2010 ESTIMATE	FY 2011 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	249.3	232.3	232.3
Personal Services	5,576,300	3,774,500	3,774,500
Employee Related Expenditures	3,032,600	1,350,000	1,350,000
Professional and Outside Services	13,100	2,000	2,000
Travel - In State	61,900	64,200	64,200
Travel - Out of State	2,000	0	0
Other Operating Expenditures	3,698,100	2,672,900	2,672,900
Equipment	48,500	0	0
OPERATING SUBTOTAL	12,432,500	7,863,600	7,863,600
SPECIAL LINE ITEMS			
Arizona Trail	125,000	0	0
Growing Smarter	20,000,000	20,000,000	20,000,000
Kartchner Caverns State Park	2,122,600	2,186,600	2,186,600
5th Special Session Reduction	0	(671,300)	(671,300)
AGENCY TOTAL	34,680,100	29,378,900	29,378,900
FUND SOURCES			
General Fund	23,609,500	20,000,000	20,000,000
Other Appropriated Funds			
Law Enforcement and Boating Safety Fund	1,845,300	1,092,700	1,092,700
Reservation Surcharge Revolving Fund	248,000	455,000	455,000
State Parks Enhancement Fund	8,977,300	7,831,200	7,831,200
SUBTOTAL - Other Appropriated Funds	11,070,600	9,378,900	9,378,900
SUBTOTAL - Appropriated Funds	34,680,100	29,378,900	29,378,900
Other Non-Appropriated Funds	74,433,100	46,684,400	46,684,400
Federal Funds	4,205,800	4,006,900	4,006,900
TOTAL - ALL SOURCES	113,319,000	80,070,200	80,070,200

CHANGE IN FUNDING SUMMARY

	FY 2010 to FY 2011 Baseline	
	\$ 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 Arizona State Parks Board Heritage Fund grant programs, and the administration of Growing Smarter Grants.

Operating Budget

The Baseline includes \$7,863,600 and 181.3 FTE Positions for the operating budget in FY 2011. These amounts consist of:

State Parks Enhancement Fund	\$6,315,900
Law Enforcement and Boating Safety Fund	1,092,700
Reservation Surcharge Revolving Fund	455,000

These amounts are unchanged from FY 2010.

Arizona Trail

The Baseline includes no funding for the Arizona Trail in FY 2011. These amounts are unchanged from FY 2010.

The Arizona Trail is an approximately 800-mile non-motorized trail that crosses Arizona from the southern border to the northern border. The appropriation was used solely for maintaining and preserving the trail. The legislation also established the Arizona Trail Fund to be administered by the State Parks Board consisting of legislative appropriations and donations to the fund. As of December 2009, approximately 763 miles of the Arizona Trail have been opened to the public. In the past, monies from the Arizona State Parks Board Heritage Fund have been used for the development of the Arizona Trail.

Growing Smarter

The Baseline includes \$20,000,000 from the General Fund deposited into the Land Conservation Fund in FY 2011, as prescribed by A.R.S. § 41-511.23 and mandated by a voter-passed referendum in 1998. This amount is unchanged from FY 2010. Grant expenditures from the Land Conservation Fund are not subject to appropriation. Because this appropriation is in permanent statute, it is not included in the General Appropriation Act. Under the referendum, the last appropriation occurs in FY 2011.

The State Parks Board is allowed by statute to use up to \$500,000 (or 5% of the yearly deposit into the fund, whichever is smaller) of the yearly interest earned by the Land Conservation Fund to administer the program.

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 State Park

The Baseline includes \$2,186,600 and 51 FTE Positions from the State Parks Enhancement Fund for Kartchner Caverns State Park in FY 2011. These amounts are unchanged from FY 2010.

This line item funds the operating costs at Kartchner Caverns State Park. This park collects the most revenue of all of the state parks.

5th Special Session Reduction

The Baseline includes \$(671,300) from the State Parks Enhancement Fund in FY 2011 to continue the 5th Special Session FY 2010 Lump Sum Reduction. This lump sum reduction would be allocated to specific line items in the FY 2011 General Appropriation Act.

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FORMAT — Operating Lump Sum with Special Line Items by Agency

FOOTNOTES

Standard Footnotes

All Other Operating Expenditures include \$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 2011, 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 2011, no more than \$5,000 each year from appropriated or non-appropriated monies may be used for the purposes of out-of-state travel expenses by State Parks Board staff. No appropriated or non-appropriated monies may be used for out-of-country travel expenses. The State Parks Board shall submit by June 30, 2011 a report to the Joint Legislative Budget Committee on out-of-state travel activities and expenditures for that fiscal year.

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 2011. 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 \$455,000 in FY 2011 are appropriated to the Reservation Surcharge Revolving Fund. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess of \$455,000 in FY 2011, the Arizona State Parks Board shall ~~submit~~ **REPORT** the intended use of the monies ~~for review by~~ **TO** the Joint Legislative Budget Committee.

STATUTORY CHANGES

The Baseline would:

- As permanent law, allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs. This provision was previously in session law.
- As session law, continue a FY 2010 provision to allow State Parks Enhancement Fund (SPEF) monies to be used for the operation of state parks as appropriated by the Legislature or for capital needs as approved by the Joint Committee on Capital Review (JCCR) in FY 2011.

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
Arizona Trail Fund (PRA2525/A.R.S. § 41-511.15)		Non-Appropriated
Source of Revenue: Legislative appropriations and donations.		
Purpose of Fund: To maintain and preserve the Arizona trail.		
Funds Expended	104,400	25,800
Year-End Fund Balance	25,800	0
Development Rights Retirement Fund (No Fund Number/A.R.S. § 41-511.15)		Non-Appropriated
Source of Revenue: Legislative appropriations, gifts, grants, and transfers.		
Purpose of Fund: 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 th Special Session, Chapter 1. There are currently no revenue or expenditure estimates.		
Funds Expended	0	0
Year-End Fund Balance	0	0
Federal Funds (PRA2000/A.R.S. § 41-511.04)		Non-Appropriated
Source of Revenue: Federal grants from the Department of the Interior, National Park Service, and other federal entities.		
Purpose of Fund: 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.		
Funds Expended	4,205,800	4,006,900
Year-End Fund Balance	967,600	802,300
Heritage Fund (PRA2296/A.R.S. § 41-502)		Non-Appropriated
Source of Revenue: Annual transfer from the Lottery Fund of up to \$10,000,000, and interest earnings. In FY 2009, the fund received the full \$10,000,000 transfer from the Lottery and \$697,800 in interest earnings. The FY 2010 expenditures below assume the fund will receive \$10,433,900 in revenue from the Lottery and from interest.		
Purpose of Fund: 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.		
Funds Expended - Capital	12,313,200	5,627,600
Funds Expended - Operating (amount includes local grants)	12,283,700	18,130,200
Year-End Fund Balance	26,025,900	4,316,600
Land Conservation Fund - Administration Account (PRA2432/A.R.S. § 41-511.23)		Non-Appropriated
Source of Revenue: Interest earnings from the Public Conservation Account, which receives \$20,000,000 annually from the General Fund in FY 2001 through FY 2011, as approved by Arizona voters in November 1998. Unobligated amounts at the end of each fiscal year revert to the Public Conservation Account.		
Purpose of Fund: Prior to the FY 2009 midyear budget revision, the agency could use up to \$500,000 to support the Conservation Acquisition Board and administer the Land Conservation Fund. As session law, Laws 2009, 1st Special Session, Chapter 3 allowed the State Parks Board to use interest earnings from the Public Conservation Account in excess of \$500,000 for operating expenses. Laws 2009, 3rd Special Session, Chapter 5 made this provision permanent law.		
Funds Expended - Non-Appropriated	2,212,000	2,225,000
Year-End Fund Balance	0	0
Land Conservation Fund - Donation Account (PRA2432/A.R.S. § 41-511.23)		Non-Appropriated
Source of Revenue: Donations from public and private entities.		
Purpose of Fund: 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.		
Funds Expended	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
Land Conservation Fund - Public Conservation Account (PRA2432/A.R.S. § 41-511.23)		Non-Appropriated
Source of Revenue: As approved by Arizona voters in November 1998, the fund receives \$20,000,000 annually from the General Fund in FY 2001 through 2011. Beginning in FY 2004, \$2,000,000 of this amount is deposited into the Livestock and Crop Conservation Fund, administered by the Department of Agriculture.		
Purpose of Fund: 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.		
Funds Expended	33,165,100	11,350,000
Year-End Fund Balance	96,180,900	104,830,900
Law Enforcement and Boating Safety Fund (PRA2111/A.R.S. § 5-383)		Appropriated
Source of Revenue: A portion of watercraft licensing taxes.		
Purpose of Fund: To provide grants to county law enforcement agencies for water and boating safety programs. The Arizona Outdoor Recreation Coordinating Commission distributes the grants.		
Funds Expended	1,845,300	1,092,700
Year-End Fund Balance	0	0
Off-Highway Vehicle Recreation Fund (PRA2253/A.R.S. § 28-1176)		Non-Appropriated
Source of Revenue: The Arizona State Parks Board receives 60% of off-highway user fees and annual collections from the Motor Vehicle Fuel Tax transfer, which is equivalent of up to 0.55% of the total license tax.		
Purpose of Fund: To plan, administer, and enforce off-highway vehicle recreation, and to develop facilities consistent with the off-highway vehicle plan. Sixty percent of the monies collected are to be used by the Arizona State Parks Board for planning, administration, and facilities development and 5 percent are to be used by the State Land Department for costs associated with off-highway vehicle use for land within its jurisdiction. The remainder is transferred to the Arizona Game and Fish Department for informational and educational programs on off-highway vehicle recreation and law enforcement activities.		
Funds Expended	1,393,200	1,721,400
Year-End Fund Balance	1,667,000	1,432,100
Partnership Fund (PRA2448/A.R.S. § 41-511.04)		Non-Appropriated
Source of Revenue: 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.		
Purpose of Fund: 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.		
Funds Expended	190,900	174,800
Year-End Fund Balance	524,500	297,700
Publications and Souvenir Revolving Fund (PRA4010/A.R.S. § 41-511.21)		Non-Appropriated
Source of Revenue: 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.		
Purpose of Fund: Production and distribution of agency publications, as well as the purchase of souvenir items for sale at state parks, and the operation of concessions.		
Funds Expended	522,700	462,500
Year-End Fund Balance	262,600	168,800
Reservation Surcharge Revolving Fund (PRA1304/A.R.S. § 41-511.24)		Appropriated
Source of Revenue: Surcharges on reservations made using an automated reservation system. Currently only Kartchner Caverns State Park utilizes the system. The surcharge is \$3.00 per reserved ticket. Any amount in excess of \$75,000 at the end of each fiscal year is transferred to the General Fund.		
Purpose of Fund: To staff and manage the reservation system.		
Funds Expended	248,000	455,000
Year-End Fund Balance	75,000	75,000

SUMMARY OF FUNDS	FY 2009 Actual	FY 2010 Estimate
State Lake Improvement Fund (PRA2105/A.R.S. § 5-382)		Non-Appropriated
Source of Revenue: Primarily a transfer from the Highway User 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.		
Purpose of Fund: 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.		
Funds Expended - Capital	845,200	1,325,300
Funds Expended - Operating (amount includes local grants)	10,647,400	5,193,500
Year-End Fund Balance*	3,234,000	(225,300)
State Parks Enhancement Fund (PRA2202/A.R.S. § 41-511.11)		Partially-Appropriated
Source of Revenue: State parks user fees and concession sales.		
Purpose of Fund: Under permanent law, one-half of this fund is appropriated for parks operations and the other half is used for park acquisition and development (including the lease-purchase payments for the Tonto Natural Bridge State Park). Upon completion of the Tonto lease-purchase payment, expected in FY 2012, the acquisition and development portion of the fund will be subject to legislative appropriation. In FY 2010, the permanent law provisions were modified to permit less than 50% to be spent on capital.		
Funds Expended - Operating (Appropriated)	8,977,300	7,831,200
Funds Expended - Operating (Non-Appropriated)	65,600	0
Funds Expended - Capital (Non-Appropriated)	372,700	448,300
Year-End Fund Balance	2,520,200	100,500
State Parks Fund (PRA3117/A.R.S. § 41-511.11)		Non-Appropriated
Source of Revenue: Private gifts, grants, and donations.		
Purpose of Fund: To meet the objectives of contributors, especially as they relate to acquisition, development, and preservation of the state's natural features.		
Funds Expended	317,000	0
Year-End Fund Balance	569,500	301,900

*As reported by the agency. Actual ending balance will not be negative.