

Arizona State Parks Board

	FY 2010 ACTUAL	FY 2011 ESTIMATE	FY 2012 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	232.3	232.3	232.3
Personal Services	3,035,600	4,631,100	4,631,100
Employee Related Expenditures	1,524,300	2,120,000	2,120,000
Professional and Outside Services	600	100,000	100,000
Travel - In State	1,400	1,300	1,300
Other Operating Expenditures	916,600	1,158,900	1,158,900
Equipment	0	28,500	28,500
OPERATING SUBTOTAL	5,478,500	8,039,800	8,039,800
SPECIAL LINE ITEMS			
Growing Smarter	20,000,000	20,000,000	0
Kartchner Caverns State Park	1,969,200	2,180,300	2,180,300
AGENCY TOTAL	27,447,700	30,220,100	10,220,100
FUND SOURCES			
General Fund	20,000,000	20,000,000	0
<u>Other Appropriated Funds</u>			
Law Enforcement and Boating Safety Fund	0	2,206,700	2,206,700
Reservation Surcharge Revolving Fund	339,700	206,400	206,400
State Parks Enhancement Fund	7,108,000	7,807,000	7,807,000
SUBTOTAL - Other Appropriated Funds	7,447,700	10,220,100	10,220,100
SUBTOTAL - Appropriated Funds	27,447,700	30,220,100	10,220,100
Other Non-Appropriated Funds	28,351,600	85,037,700	79,389,800
Federal Funds	3,631,600	5,309,600	5,309,600
TOTAL - ALL SOURCES	59,430,900	120,567,400	94,919,500

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 \$8,039,800 and 181.3 FTE Positions for the operating budget in FY 2012. These amounts consist of:

	FY 2012
State Parks Enhancement Fund (SPEF)	\$5,626,700
Law Enforcement and Boating Safety Fund (LEBSF)	2,206,700
Reservation Surcharge Revolving Fund	206,400

These amounts are unchanged from FY 2011.

Growing Smarter

The Baseline includes no funding from the General Fund for deposit into the Land Conservation Fund in FY 2012, as prescribed by A.R.S. § 41-511.23 and mandated by a

voter-passed referendum in 1998. FY 2012 adjustments would be as follows:

Eliminate Land Conservation Fund Deposit GF (20,000,000)

The Baseline includes a decrease of \$(20,000,000) from the General Fund to eliminate the annual deposit into the Land Conservation Fund in FY 2012. Under the referendum, the last appropriation occurs in FY 2011.

Kartchner Caverns State Park

The Baseline includes \$2,180,300 and 51 FTE Positions from the SPEF for Kartchner Caverns State Park in FY 2012. These amounts are unchanged from 2011.

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

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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 2012, 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 2012, 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, 2012, 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 2012. 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 \$206,400 in FY 2012 are appropriated to the Reservation Surcharge Revolving Fund. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess

of \$206,400 in FY 2012, the Arizona State Parks Board shall report the intended use of the monies to the Joint Legislative Budget Committee.

STATUTORY CHANGES

The Baseline would:

- As session law, continue to allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs.
- As session law, continue an FY 2011 provision to allow State Parks Enhancement Fund 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 2012.
- As session law, continue to allow the use of all LEBSF monies, less \$500,000 for grants to La Paz County and Mohave County, for operating costs.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Status of State Parks

As of November 2010, there are 23 parks that are open to the public, 2 that are closed with agreements in place to reopen later in FY 2011 and 2 that are closed. Nine of the parks that are currently open will remain open in FY 2011 using only existing state fund sources. The remaining parks will remain open for at least part of FY 2011, but they will either be funded through agreements between the State Parks Board and local governments or the local government will assume operational control of the park.

SUMMARY OF FUNDS	FY 2010 Actual	FY 2011 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	25,800	0
Year-End Fund Balance	0	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

SUMMARY OF FUNDS	FY 2010 Actual	FY 2011 Estimate
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	3,631,600	5,309,600
Year-End Fund Balance	999,900	770,700
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. Laws 2010, 7th Special Session, Chapter 12 redirected lottery distributions for the Heritage Fund to the General Fund as permanent law. In addition, the Heritage Fund was repealed. While this redirection is retroactive to February 1, 2010, the State Parks Board may spend monies deposited into the fund prior to the retroactive date until June 30, 2011.		
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	3,792,100	5,501,400
Funds Expended - Operating (amount includes local grants)	5,366,400	146,500
Year-End Fund Balance	5,637,900	0
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: For operating expenses.		
Funds Expended	1,607,600	970,400
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
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	10,781,100	68,378,200
Year-End Fund Balance	105,417,300	56,523,700
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. As session law, Laws 2010, 7th Special Session, Chapter 7 allows the use of all monies from this fund, less \$500,000 for grants to La Paz County and Mohave County, for operating expenses in FY 2011.		
Funds Expended	0	2,206,700
Year-End Fund Balance	2,278,100	2,278,100

SUMMARY OF FUNDS	FY 2010 Actual	FY 2011 Estimate
Off-Highway Vehicle Recreation Fund (PRA2253/A.R.S. § 28-1176)		Non-Appropriated
Source of Revenue: Transfer from the Motor Vehicle Fuel Tax, equivalent to 0.55% of the total license taxes on motor vehicle fuel.		
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; the remainder is transferred to the Arizona Game and Fish Department for enforcement.		
Funds Expended	1,099,200	2,740,000
Year-End Fund Balance	2,012,500	894,200
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	177,000	716,700
Year-End Fund Balance	279,300	110,200
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	442,900	289,800
Year-End Fund Balance	141,200	133,700
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	339,700	206,400
Year-End Fund Balance	74,400	75,000
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	213,100	694,700
Funds Expended - Operating (amount includes local grants)	4,736,000	5,250,000
Year-End Fund Balance	4,987,600	2,982,200

SUMMARY OF FUNDS	FY 2010 Actual	FY 2011 Estimate
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). Since completion of the Tonto lease-purchase payment was made in early FY 2011, the acquisition and development portion of the fund is subject to legislative appropriation. In FY 2010 and FY 2011, the permanent law provisions were suspended to permit less than 50% to be spent on capital.		
Funds Expended - Operating (Appropriated)	7,108,000	7,807,000
Funds Expended - Operating (Non-Appropriated)	12,500	0
Funds Expended - Operating (Capital)	0	0
Year-End Fund Balance	5,335,200	5,438,200
 State Parks Fund (PRA3117/A.R.S. § 41-511.11)		 Non-Appropriated
Source of Revenue: Private gifts, grants, and donations. The City of Yuma allocates \$150,000 annually for the operation of the Yuma Crossing State Historic Park.		
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	97,900	350,000
Year-End Fund Balance	530,200	214,400