

Arizona State Parks Board

	FY 2011 ACTUAL	FY 2012 ESTIMATE	FY 2013 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	232.3	232.3	232.3
Personal Services	3,065,900	3,893,900	3,664,400
Employee Related Expenditures	1,492,800	1,893,700	1,821,000
Professional and Outside Services	1,000	0	0
Travel - In State	1,400	15,200	15,200
Other Operating Expenditures	2,163,000	3,483,000	1,620,200
Equipment	259,100	104,300	85,500
OPERATING SUBTOTAL	6,983,200	9,390,100	7,206,300
SPECIAL LINE ITEMS			
Growing Smarter	20,000,000	0	0
Kartchner Caverns State Park	2,256,000	2,180,300	2,180,300
AGENCY TOTAL	29,239,200	11,570,400^{1/}	9,386,600
FUND SOURCES			
General Fund	20,000,000	0	0
<u>Other Appropriated Funds</u>			
Law Enforcement and Boating Safety Fund	3,611,200	2,183,800	0
Reservation Surcharge Revolving Fund	278,200	500,000	500,000
State Parks Enhancement Fund	5,349,800	8,886,600	8,886,600
SUBTOTAL - Other Appropriated Funds	9,239,200	11,570,400	9,386,600
SUBTOTAL - Appropriated Funds	29,239,200	11,570,400	9,386,600
Other Non-Appropriated Funds	61,677,200	50,504,600	50,677,700
Federal Funds	2,003,000	4,357,100	4,357,100
TOTAL - ALL SOURCES	92,919,400	66,432,100	64,421,400

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 \$7,206,300 and 181.3 FTE Positions in FY 2013 for the operating budget. These amounts consist of:

	FY 2013
State Parks Enhancement Fund (SPEF)	\$6,706,300
Reservation Surcharge Revolving Fund	500,000

FY 2013 adjustments would be as follows:

Reservation Surcharge Adjustment OF 0

Pursuant to an FY 2012 General Appropriation Act footnote, the expenditure of revenues generated by the Reservation Surcharge Fund in excess of the appropriated

\$203,800 is permitted, but must be reported to the Joint Legislative Budget Committee (JLBC). The State Parks Board has notified JLBC Staff that the fund is expected to generate \$500,000 in FY 2012 and that the agency intends to spend the entire amount. The Baseline adjusts the FY 2012 appropriation to align Reservation Surcharge Revolving Fund expenditures with proceeds and continues this adjustment in FY 2013.

Transfer LEBSF Administration OF (2,183,800) to Treasurer

The Baseline includes a decrease of \$(2,183,800) from the Law Enforcement and Boating Safety Fund (LEBSF) in FY 2013 to shift the administration of LEBSF from the Arizona Outdoor Recreation Coordinating Commission (AORCC) to the State Treasurer.

^{1/} In addition to these amounts, a total of \$216,400 OF is appropriated in FY 2012 for costs associated with an additional pay period.

Laws 2011, Chapter 333 removes the requirement that grants are distributed by the AORCC and requires that the State Treasurer administer LEBSF monies beginning in FY 2013. The Treasurer will disburse monies to county law enforcement agencies in Apache, Coconino, Gila, La Paz, Maricopa, Mohave, Navajo, and Yuma counties in accordance with a distribution formula developed by the Game and Fish Commission.

Prior to Laws 2011, Chapter 333, the State Parks Board utilized the first \$750,000 in revenues for grants to county law enforcement agencies in La Paz, Mohave, and Yuma counties. The remaining monies were used for the operating costs of the agency.

Kartchner Caverns State Park

The Baseline includes \$2,180,300 and 51 FTE Positions from the SPEF in FY 2013 for Kartchner Caverns State Park. These amounts are unchanged from FY 2012.

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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 2013, 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 2013, 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, 2013, a report to the Joint Legislative Budget Committee on out-of-state travel activities and expenditures for that fiscal year.

All Reservation Surcharge Revolving Fund receipts received by the Arizona State Parks Board in excess of \$500,000 in FY 2013 are appropriated to the Reservation Surcharge Revolving Fund. Before the expenditure of any Reservation Surcharge Revolving Fund monies in excess of \$500,000 in FY 2013, the Arizona State Parks Board shall report the intended use of the monies to the Joint Legislative Budget Committee.

Deletion of Prior Year Footnotes

The Baseline would delete the footnote related to aligning LEBSF expenditures with revenues, since the fund is now administered by the State Treasurer.

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 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 2013.

OTHER ISSUES FOR LEGISLATIVE CONSIDERATION

Status of Parks

As of December 2011, there are 25 parks that are open to the public, 1 that is closed with an agreement in place to reopen on a limited basis in February 2012 (Oracle), and 1 that is closed with an agreement in place to reopen during the summer of 2012 (Lyman Lake). Thirteen open parks plan to use only existing state fund sources (Alamo Lake, Buckskin Mountain, Catalina, Cattail Cove, Dead Horse Ranch, Fool Hollow, Kartchner Caverns, Lake Havasu, Lost Dutchman, Patagonia Lake, Picacho Peak, Slide Rock and Tonto Natural Bridge). The remaining parks will remain open for at least part of FY 2012, 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 (Fort Verde, Homolovi Ruins, Jerome, Red Rock, Riordan Mansion, Roper Lake, Boyce Thompson Arboretum, McFarland, Tombstone Courthouse, Tubac Presidio, Yuma Territorial Prison, and Yuma Quartermaster Depot).

SUMMARY OF FUNDS	FY 2011 Actual	FY 2012 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	0	0
Year-End Fund Balance	0	0

SUMMARY OF FUNDS	FY 2011 Actual	FY 2012 Estimate
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 revenues 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	2,003,000	4,357,100
Year-End Fund Balance	1,206,800	755,300
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. 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 was retroactive to February 1, 2010, the State Parks Board was allowed to spend monies deposited into the fund prior to the retroactive date until June 30, 2011. The FY 2011 unused balance was deposited into the General Fund.		
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	5,521,500	0
Funds Expended - Operating (amount includes local grants)	142,200	0
Year-End Fund Balance	9,400	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	256,400	50,000
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
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 was 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	43,982,700	40,000,000
Year-End Fund Balance	82,203,000	42,752,800

SUMMARY OF FUNDS	FY 2011 Actual	FY 2012 Estimate
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 (AORCC) distributes the grants. As session law, Laws 2011, Chapter 36 allows the use of all monies from this fund, less \$750,000 for grants to La Paz County, Mohave County and Yuma County, for operating expenses in FY 2012. As permanent law, Laws 2011, Chapter 333 transfers administration of the fund from the AORCC to the State Treasurer beginning in FY 2013. <i>(Please see the State Treasurer for additional information.)</i>		
Funds Expended	3,611,200	2,183,800
Year-End Fund Balance	632,000	295,300
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	2,364,800	3,076,900
Year-End Fund Balance	2,272,500	1,555,500
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	595,700	644,800
Year-End Fund Balance	225,800	183,400
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	365,500	319,800
Year-End Fund Balance	149,400	110,500
Reservation Surcharge Revolving Fund (PRA1304/A.R.S. § 41-511.24)		Appropriated
Source of Revenue: Surcharges on reservations made using an automated reservation system. There are currently 14 parks that utilize the system for camping, cabin and recreational vehicle site reservations. In addition to overnight accommodations, Kartchner Caverns also utilizes the system for tour reservations. The surcharge is \$5.00 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	278,200	500,000
Year-End Fund Balance	75,000	0

SUMMARY OF FUNDS	FY 2011 Actual	FY 2012 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	587,100	216,300
Funds Expended - Operating (amount includes local grants)	7,633,200	6,100,200
Year-End Fund Balance	3,280,300	1,831,700
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 2012, the permanent law provisions were suspended to permit less than 50% to be spent on capital.		
Funds Expended - Operating (Appropriated)	5,349,800	8,886,600
Funds Expended - Operating (Non-Appropriated)	0	0
Funds Expended - Operating (Capital)	0	0
Year-End Fund Balance	6,206,900	4,966,700
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	228,100	96,600
Year-End Fund Balance	407,600	362,900