

## Arizona State Parks Board

	FY 2012 ACTUAL	FY 2013 ESTIMATE	FY 2014 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	232.3	163.0	163.0
Personal Services	3,589,000	4,569,500	4,569,500
Employee Related Expenditures	1,782,200	2,232,200	2,232,200
Professional and Outside Services	186,900	0	0
Travel - In State	10,000	0	0
Other Operating Expenditures	3,585,100	3,300,100	3,300,100
Equipment	414,900	350,000	350,000
<b>OPERATING SUBTOTAL</b>	<b>9,568,100</b>	<b>10,451,800</b>	<b>10,451,800</b>
<b>SPECIAL LINE ITEMS</b>			
Kartchner Caverns State Park	1,998,100	2,197,700	2,197,700
<b>AGENCY TOTAL</b>	<b>11,566,200<sup>1/</sup></b>	<b>12,649,500<sup>2/</sup></b>	<b>12,649,500</b>
<b>FUND SOURCES</b>			
<u>Other Appropriated Funds</u>			
Law Enforcement and Boating Safety Fund	2,431,700	0	0
Reservation Surcharge Revolving Fund	481,600	0	0
State Parks Enhancement Fund	8,652,900	0	0
State Parks Revenue Fund	0	12,649,500	12,649,500
SUBTOTAL - Other Appropriated Funds	11,566,200	12,649,500	12,649,500
<b>SUBTOTAL - Appropriated Funds</b>	<b>11,566,200</b>	<b>12,649,500</b>	<b>12,649,500</b>
Other Non-Appropriated Funds	46,793,000	37,155,300	26,426,500
Federal Funds	2,685,100	3,815,000	3,815,000
<b>TOTAL - ALL SOURCES</b>	<b>61,044,300</b>	<b>53,619,800</b>	<b>42,891,000</b>

**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 \$10,451,800 and 127.2 FTE Positions from the State Parks Revenue Fund in FY 2014 for the operating budget. These amounts are unchanged from FY 2013.

### Kartchner Caverns State Park

The Baseline includes \$2,197,700 and 35.8 FTE Positions from the State Parks Revenue Fund in FY 2014 for Kartchner Caverns State Park. These amounts are unchanged from FY 2013.

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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 Revenue Fund for Fool Hollow State Park revenue sharing. If receipts to Fool Hollow exceed \$260,000 in FY 2014, an additional 10% of this increase of Fool Hollow receipts is appropriated from the State Parks Revenue Fund to meet the revenue sharing agreement with the City of Show Low and the United States Forest Service.

<sup>1/</sup> Includes a total of \$216,400 OF appropriated in FY 2012 for costs associated with an additional pay period. These expenditures were not reflected in the individual agency tables in the *FY 2012 Appropriations Report*.

<sup>2/</sup> In addition to these amounts, the FY 2013 General Appropriation Act included one-time FY 2013 adjustments for a state employee health insurance premium holiday and employee retention payments. The adjustments include an increase of \$132,800 OF for the employee retention payment.

During FY 2014, no more than \$5,000 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, 2014, a report to the Joint Legislative Budget Committee on out-of-state travel activities and expenditures for that fiscal year.

*Deletion of Prior Year Footnotes*

The Baseline would delete the footnote requiring that the Parks Board report the intended use of any expenditure in excess of the appropriation to the Reservation Surcharge Revolving Fund, since that fund has been merged into the State Parks Revenue Fund.

**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.

**OTHER ISSUES FOR LEGISLATIVE CONSIDERATION**

*Status of Parks*

As of December 2012, all 27 state parks are open to the public:

- 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 14 parks will be funded through agreements between the State Parks Board and local governments or the local government will assume operational control of the park.
- Of the 14, the following 12 are scheduled to be opened year round: 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.
- The remaining 2 parks will be operated on a seasonal basis. Lyman Lake is funded through an agreement between the State Parks Board and Apache County. Oracle is funded through an agreement between the State Parks Board and a private entity.

SUMMARY OF FUNDS	FY 2012 Actual	FY 2013 Estimate
<b>Arizona Trail Fund (PRA2525/A.R.S. § 41-511.15)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Legislative appropriations and donations.		
<b>Purpose of Fund:</b> To maintain and preserve the Arizona trail.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Development Rights Retirement Fund (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 revenues or expenditure estimates.		
<b>Funds Expended</b>	0	0
<b>Year-End Fund Balance</b>	0	0
<b>Federal Funds (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>	2,685,100	3,815,000
<b>Year-End Fund Balance</b>	1,151,500	1,021,500

SUMMARY OF FUNDS	FY 2012 Actual	FY 2013 Estimate
<b>Land Conservation Fund - Administration Account</b> (PRA2432/A.R.S. § 41-511.23)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> 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.		
<b>Purpose of Fund:</b> For operating expenses.		
<b>Funds Expended</b>	0	227,200
<b>Year-End Fund Balance</b>	0	0
<b>Land Conservation Fund - Donation Account</b> (PRA2432/A.R.S. § 41-511.23)		<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 Fund - Public Conservation Account</b> (PRA2432/A.R.S. § 41-511.23)		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> As approved by Arizona voters in November 1998, the fund received \$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.		
<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</b>	40,460,000	25,590,200
<b>Year-End Fund Balance</b>	42,847,000	17,479,600
<b>Law Enforcement and Boating Safety Fund</b> (PRA2111/A.R.S. § 5-383)		<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 (AORCC) distributes the grants. As session law, Laws 2011, Chapter 36 allowed 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 transferred 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>		
<b>Funds Expended</b>	2,431,700	0
<b>Year-End Fund Balance</b>	0	0
<b>Off-Highway Vehicle Recreation Fund</b> (PRA2253/A.R.S. § 28-1176)		<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. 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.		
<b>Funds Expended</b>	1,585,800	4,136,600
<b>Year-End Fund Balance</b>	3,297,400	1,860,800
<b>Partnership Fund</b> (PRA2448/A.R.S. § 41-511.04)		<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>	444,400	752,200
<b>Year-End Fund Balance</b>	373,000	9,400

SUMMARY OF FUNDS	FY 2012 Actual	FY 2013 Estimate
<b>Publications and Souvenir Revolving Fund (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. This fund has been consolidated into the State Parks Revenue Fund. <i>(See State Parks Revenue Fund for additional information.)</i>		
<b>Funds Expended</b>	372,300	149,100
<b>Year-End Fund Balance</b>	127,900	0
<b>Reservation Surcharge Revolving Fund (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. 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. This fund has been consolidated into the State Parks Revenue Fund. <i>(See State Parks Revenue Fund for additional information.)</i>		
<b>Purpose of Fund:</b> To staff and manage the reservation system.		
<b>Funds Expended</b>	481,600	0
<b>Year-End Fund Balance</b>	54,400	0
<b>State Lake Improvement Fund (PRA2105/A.R.S. § 5-382)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> 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.		
<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>	0	1,500,000
<b>Funds Expended - Operating (amount includes local grants)</b>	3,818,100	4,500,000
<b>Year-End Fund Balance</b>	4,411,000	3,411,000
<b>State Parks Enhancement Fund (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> 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. This fund has been consolidated into the State Parks Revenue Fund. <i>(See State Parks Revenue Fund for additional information.)</i>		
<b>Funds Expended - Operating (Appropriated)</b>	8,652,900	0
<b>Funds Expended - Operating (Non-Appropriated)</b>	0	0
<b>Funds Expended - Operating (Capital)</b>	0	0
<b>Year-End Fund Balance</b>	6,169,200	0
<b>State Parks Revenue Fund (PRA2202/A.R.S. § 41-511.21)</b>		<b>Appropriated</b>
<b>Source of Revenue:</b> State parks user fees and concession sales; sales of park posters, postcards, books and souvenirs; donations; and legislative appropriations.		
<b>Purpose of Fund:</b> To fund parks operations, acquisition and development. Capital projects that are funded using these monies are subject to JCCR review. As permanent law, the FY 2012 Environment Budget Reconciliation Bill (BRB), eliminated the State Parks Enhancement Fund, the Reservation Surcharge Revolving Fund, and the Publications and Souvenir Revolving Fund, and consolidated their revenue sources into a new appropriated State Parks Revenue Fund in FY 2013.		
<b>Funds Expended - Operating (Appropriated)</b>	0	12,649,500
<b>Funds Expended - Operating (Capital)</b>	0	0
<b>Year-End Fund Balance</b>	0	5,640,400

<b>SUMMARY OF FUNDS</b>	<b>FY 2012 Actual</b>	<b>FY 2013 Estimate</b>
<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>	112,400	300,000
<b>Year-End Fund Balance</b>	391,400	170,400