

## Arizona State Parks Board

	FY 2015 ACTUAL	FY 2016 ESTIMATE	FY 2017 BASELINE
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	163.0	163.0	163.0
Personal Services	4,257,200	4,928,400	4,928,400
Employee Related Expenditures	1,972,400	2,355,300	2,355,300
Professional and Outside Services	272,500	0	0
Travel - In State	0	7,000	7,000
Other Operating Expenditures	3,404,000	3,332,100	3,332,100
Equipment	324,300	0	0
<b>OPERATING SUBTOTAL</b>	<b>10,230,400</b>	<b>10,622,800</b>	<b>10,622,800</b>
<b>SPECIAL LINE ITEMS</b>			
Kartchner Caverns State Park	2,248,700	2,232,000	2,232,000
Yarnell Hill Memorial	346,900	0	0
<b>AGENCY TOTAL</b>	<b>12,826,000</b>	<b>12,854,800</b>	<b>12,854,800</b>
<b>FUND SOURCES</b>			
General Fund	346,900	0	0
<u>Other Appropriated Funds</u>			
State Parks Revenue Fund	12,479,100	12,854,800	12,854,800
SUBTOTAL - Other Appropriated Funds	12,479,100	12,854,800	12,854,800
<b>SUBTOTAL - Appropriated Funds</b>	<b>12,826,000</b>	<b>12,854,800</b>	<b>12,854,800</b>
Other Non-Appropriated Funds	9,033,000	16,427,300	12,854,600
Federal Funds	1,906,500	6,209,400	3,911,800
<b>TOTAL - ALL SOURCES</b>	<b>23,765,500</b>	<b>35,491,500</b>	<b>29,621,200</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 \$10,622,800 and 127.2 FTE Positions from the State Parks Revenue Fund in FY 2017 for the operating budget. These amounts are unchanged from FY 2016.

### Kartchner Caverns State Park

The Baseline includes \$2,232,000 and 35.8 FTE Positions from the State Parks Revenue Fund in FY 2017 for Kartchner Caverns State Park. These amounts are unchanged from FY 2016.

Kartchner Caverns is located in Benson, Arizona and was discovered in 1974. The State Parks Board acquired the property in 1988 and opened the caverns to the public in 1999.

### Yarnell Hill Memorial

The Baseline includes no funding from the General Fund in FY 2017 for the new Yarnell Hill Memorial State Park. This amount is unchanged from FY 2016.

The FY 2015 Environment Budget Reconciliation Bill (BRB) (Laws 2014, Chapter 13) established Yarnell Hill Memorial State Park and appropriated \$500,000 to establish it. The Environment BRB created the Yarnell Hill Memorial Site Board, which will determine whether to establish the new park, in addition to allowing the board to designate a site for the park. The \$500,000 General Fund appropriation has been used in part for land acquisition.

Furthermore, the Environment BRB established the Yarnell Hill Memorial Fund, which consists of legislative appropriations and donations for the purposes of land

acquisition, site maintenance and board member travel expenses. The Yarnell Hill Memorial Site Board will administer the fund until December 31, 2016, when the board's authority lapses. At that time, the State Parks Board will administer the fund.

Laws 2014, Chapter 273 contained the same language for Yarnell Memorial State Park as the FY 2015 Environment BRB, except for the \$500,000 General Fund appropriation. However, this separate legislation contains an emergency clause.

The FY 2016 Environment BRB (Laws 2015, Chapter 13) clarifies that the Yarnell Hill Memorial Site Board Fund can be used to purchase, design and construct the Yarnell Hill Memorial.

The Parks Board purchased land for the Yarnell Hill Memorial at a State Land Department auction on June 30, 2015.

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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 2017, an additional 10% of this increase of Fool Hollow receipts is appropriated from the State Parks Revenue Fund established by A.R.S. § 41-511.21 to meet the revenue sharing agreement with the City of Show Low and the United States Forest Service.

**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 in FY 2017.

**Other Issues**

**Status of Parks**

As of November 2015, all 27 state parks are open to the public:

- Eighteen open parks plan to use only existing state fund sources (Alamo Lake, Buckskin Mountain, Catalina, Cattail Cove, Dead Horse Ranch, Fool Hollow, Fort Verde, Jerome, Kartchner Caverns, Lake Havasu, Lost Dutchman, Lyman Lake, Oracle, Patagonia Lake, Picacho Peak, Roper Lake, Slide Rock, and Tonto Natural Bridge).
- Seven open parks will be funded and operated through agreements between the State Parks Board and local governments (Riordan Mansion, Boyce Thompson Arboretum, McFarland, Tombstone Courthouse, Tubac Presidio, Yuma Territorial Prison, and Yuma Quartermaster Depot).
- Two open parks receive minimal funding through agreements to fund part-time staff (Homolovi Ruins and Red Rock).

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Arizona Trail Fund</b> (PRA2525/A.R.S. § 41-511.15)		<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>Federal Funds</b> (PRA2000/A.R.S. § 41-511.04)		<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>	1,906,500	6,209,400
<b>Year-End Fund Balance</b>	644,200	610,900

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Land Conservation Fund - Administration Account (PRA2432/A.R.S. § 41-511.23)</b>		<b>Non-Appropriated</b>
<b>Source of Revenue:</b> Interest earnings from the Public Conservation Account, which received \$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>	315,700	870,000
<b>Year-End Fund Balance</b>	0	0
<b>Land Conservation Fund - Donation Account (PRA2432 B/A.R.S. § 41-511.23)</b>		<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 (PRA2432 C/A.R.S. § 41-511.23)</b>		<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>	738,100	0
<b>Year-End Fund Balance</b>	972,600	107,100
<b>Off-Highway Vehicle Recreation Fund (PRA2253/A.R.S. § 28-1176)</b>		<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. The FY 2016 Environment Budget Reconciliation Bill (BRB) (Laws 2015, Chapter 13) allows the use of \$692,100 for agency operating expenses.		
<b>Funds Expended</b>	1,330,700	3,040,100
<b>Year-End Fund Balance</b>	7,066,600	2,926,500
<b>Partnership Fund (PRA2448/A.R.S. § 41-511.04)</b>		<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>	192,100	192,500
<b>Year-End Fund Balance</b>	435,600	393,100

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<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 (JCCR).		
<b>Funds Expended - Capital</b>	417,500	3,697,900
<b>Funds Expended - Operating (amount includes local grants)</b>	5,951,200	8,280,000
<b>Year-End Fund Balance</b>	8,237,500	4,159,600
<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>	87,700	286,800
<b>Year-End Fund Balance</b>	0	0
<b>State Parks Revenue Fund (PRA5555/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 BRB (Laws 2011, Chapter 36) 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. As session law, the FY 2016 Capital Outlay Bill (Laws 2015, Chapter 9) appropriated \$1,500,000 for capital improvement projects. The appropriation for Capital Outlay is reflected below.		
<b>Funds Expended - Operating (Appropriated)</b>	12,479,100	12,854,800
<b>Funds Expended - Operating (Capital)</b>	815,000	1,500,000
<b>Year-End Fund Balance</b>	8,578,300	7,056,900
<b>Sustainable State Parks and Roads Fund</b>		<b>Non-Appropriated</b>
(PRA3125/A.R.S. § 41-511.17 and A.R.S. § 43-622)		
<b>Source of Revenue:</b> Voluntary contributions from individual income taxpayers via a donation on the individual income tax return form.		
<b>Purpose of Fund:</b> To operate, maintain and make capital improvements to buildings, roads, parking lots, highway entrances and any related structure used to operate state parks.		
<b>Funds Expended</b>	0	50,000
<b>Year-End Fund Balance</b>	35,400	35,400

SUMMARY OF FUNDS	FY 2015 Actual	FY 2016 Estimate
<b>Yarnell Hill Memorial Fund (PRA3124/A.R.S. § 41-519.02)</b>		<b>Non-Appropriated</b>
<p><b>Source of Revenue:</b> Legislative appropriations and donations to the fund. The FY 2015 Environment BRB included a one-time appropriation of \$500,000 from the General Fund in FY 2015 to establish Yarnell Hill Memorial State Park. The \$500,000 General Fund appropriation has been used in part for land acquisition and is not shown below to avoid double counting.</p> <p><b>Purpose of Fund:</b> The park is being created to honor 19 Prescott firefighters who were killed fighting a wildfire near Yarnell, Arizona. The FY 2015 Environment BRB establishes Yarnell Hill Memorial State Park. The FY 2015 Environment BRB creates the Yarnell Hill Memorial Site Board, which will determine whether to establish the new park, in addition to allowing the board to designate a site for the park. The Yarnell Hill Memorial Site Board will administer the fund until December 31, 2016, when the board's authority lapses. At that time, the State Parks Board will administer the fund. The FY 2016 Environment BRB clarified that the Yarnell Hill Memorial Site Board Fund can be used to purchase, design, and construct the Yarnell Hill Memorial.</p>		
<b>Funds Expended</b>	0	10,000
<b>Year-End Fund Balance</b>	2,100	2,100