

Arizona State Parks Board

	FY 2016 ACTUAL	FY 2017 ESTIMATE	FY 2018 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	163.0	163.0	163.0 ^{1/}
Personal Services	4,041,100	4,450,700	4,450,700
Employee Related Expenditures	1,890,800	2,062,400	2,296,200
Professional and Outside Services	71,600	56,300	56,300
Travel - In State	4,100	13,000	13,000
Travel - Out of State	200	0	0
Other Operating Expenditures	3,211,800	5,342,500	5,142,500
Equipment	473,500	185,700	185,700
OPERATING SUBTOTAL	9,693,100	12,110,600 ^{2/}	12,144,400 ^{3/}
SPECIAL LINE ITEMS			
Arizona Trail Fund	0	150,000	0
Federal Contingency Funding	0	1,500,000	0
Kartchner Caverns State Park	2,201,200	2,226,300	2,257,100
Yarnell Hill Memorial	76,100	0	0
AGENCY TOTAL	11,970,400	15,986,900	14,401,500 ^{4/}
FUND SOURCES			
General Fund	76,100	0	0
<u>Other Appropriated Funds</u>			
State Parks Revenue Fund	11,894,300	15,986,900	14,401,500
SUBTOTAL - Other Appropriated Funds	11,894,300	15,986,900	14,401,500
SUBTOTAL - Appropriated Funds	11,970,400	15,986,900	14,401,500
Other Non-Appropriated Funds	9,714,600	19,366,000	12,991,000
Federal Funds	3,118,600	4,332,200	1,670,100
TOTAL - ALL SOURCES	24,803,600	39,685,100	29,062,600

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, and historic preservation.

Operating Budget

The budget includes \$12,144,400 and 127.2 FTE Positions from the State Parks Revenue Fund in FY 2018 for the operating budget. These amounts fund the following adjustments:

Increased Operating Costs

The budget includes an increase of \$500,000 from the State Parks Revenue Fund in FY 2018 for increased operating costs associated with increased state park attendance, such as utilities, vendors and supplies.

^{1/} Includes 35.8 OF FTE Positions funded from Special Line Items in FY 2018.

^{2/} Notwithstanding A.R.S. § 35-190D, the appropriation [of \$1,500,000] made in this act for FY 2017 that is unexpended on June 30, 2019 reverts to the fund from which the monies were appropriated. (Capital Outlay Appropriation Act footnote)

^{3/} 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 2018, 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. (General Appropriation Act footnote)

^{4/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Major Maintenance and Repairs

The budget includes a decrease of \$(700,000) from the State Parks Revenue Fund in FY 2018 for the elimination of a one-time FY 2017 supplemental and the addition of ongoing funding for major maintenance and repairs.

The FY 2018 Capital Outlay Bill (Laws 2017, Chapter 306) includes a FY 2017 supplemental appropriation of \$1,500,000 from the State Parks Revenue Fund for one-time major maintenance and repairs, which consists of projects that remedy damaged or inadequate capital resources. This amount is available for use through the end of FY 2019.

Of this amount, \$1,000,000 funds 6 water/wastewater facility projects, which includes replacement, repair, and reconstruction of wastewater plants, leach fields, septic tanks, and sewage lift stations. The remaining \$500,000 funds 4 historic structure rehabilitation projects, which includes upgrades and repairs of roofing, walls, and flooring and stabilization of structural weaknesses, some relating to fire suppression.

The budget includes an ongoing \$800,000 from the State Parks Revenue Fund in FY 2018 for new major maintenance and repair projects.

Retirement Rate Increase

The budget includes an increase of \$117,200 from the State Parks Revenue Fund in FY 2018 for an increase in the Public Safety Personnel Retirement System employer contribution rate. These monies fund an increase in the Parks Police employer contribution rate from 44.94% in FY 2017 to 57.35% in FY 2018.

Statewide Adjustments

The budget includes an increase of \$116,600 from the State Parks Revenue Fund in FY 2018 for statewide adjustments. *(Please see the Agency Detail and Allocations section.)*

Arizona Trail Fund

The budget includes no funding in FY 2018 for the Arizona Trail Fund. This amount funds the following adjustments:

Remove One-Time Funding

The budget includes a decrease of \$(150,000) from the State Parks Revenue Fund in FY 2018 for the elimination of a one-time transfer to the Arizona Trail Fund.

The Arizona Trail Fund is used to maintain and preserve the Arizona Trail, which is an 819-mile nonmotorized trail that crosses Arizona from the southern border to the northern border.

Federal Contingency Funding

The budget includes no funding in FY 2018 for the Federal Contingency Funding line item. This amount funds the following adjustments:

Remove One-Time Funding

The budget includes a decrease of \$(1,500,000) from the State Parks Revenue Fund in FY 2018 for the elimination of one-time contingency funding

This appropriation may only be spent after the board submits an agency expenditure plan for review by the Joint Legislative Budget Committee that demonstrates that the actual amount of federal funding the board will receive in FY 2017 is less than the actual amount of federal monies received by the board in FY 2016. The amount spent by the board may not exceed the estimated decrease in federal monies between FY 2016 and FY 2017. As of June 2017, the agency had not submitted a plan to JLBC for review to spend the appropriation.

Kartchner Caverns State Park

The budget includes \$2,257,100 and 35.8 FTE Positions from the State Parks Revenue Fund in FY 2018 for Kartchner Caverns State Park. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of \$30,800 from the State Parks Revenue Fund in FY 2018 for statewide adjustments.

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.

Other Issues

FY 2017 Supplemental

The budget includes an increase of \$1,500,000 from the State Parks Revenue Fund in FY 2017 for major maintenance and repairs. This amount is non-lapsing until the end of FY 2019. *(See Major Maintenance and Repairs above for additional information.)*

Additional Legislation

Operating Funding

As session law, the FY 2018 Environment BRB (Laws 2017, Chapter 308) continues to allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs in FY 2018.

Capital Projects

The FY 2018 Capital Bill Outlay (Laws 2017, Chapter 306) includes \$5,300,000 from the State Parks Revenue Fund in FY 2018 for Parks Board capital projects. This amount includes \$4,000,000 for the construction of Rockin' River Ranch State Park and \$1,300,000 for general capital improvement projects. These amounts are available for use through the end of FY 2019. *(Please see the Capital Outlay ADOA Building System section for more information.)*

Status of Parks

As of May 2017, 29 state parks are open to the public:

- Twenty open parks use only existing state fund sources (Alamo Lake, Buckskin Mountain, Catalina, Cattail Cove, Dead Horse Ranch, Fool Hollow, Fort Verde, Granite Mountain Hotshot Memorial, Jerome, Kartchner Caverns, Lake Havasu, Lost Dutchman, Lyman Lake, Oracle, Patagonia Lake, Picacho Peak, Roper Lake, River Island, Slide Rock, and Tonto Natural Bridge).
- Seven open parks are 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).

(Please see Table 1 for more information.)

Yarnell Hill Memorial

The FY 2015 Environment Budget Reconciliation Bill (BRB) (Laws 2014, Chapter 13) appropriated \$500,000 in non-lapsing General Fund monies for the establishment of the Yarnell Hill Memorial Park. The Environment BRB also created the Yarnell Hill Memorial Site Board, responsible for designating a site and approving the design and construction of the memorial.

Table 1

**Arizona State Parks
FY 2016 Visitation and Revenue ^{1/} ^{2/}**

Park	Visitation	Revenue
Alamo Lake	40,313	\$ 305,021
Boyce Thompson	84,209	11,400
Buckskin Mountain ^{3/}	96,870	713,874
Catalina	181,012	1,190,086
Cattail Cove	58,127	573,394
Dead Horse Ranch	162,370	1,022,419
Fool Hollow Lake	96,099	653,757
Fort Verde	10,828	51,517
Homolovi	21,209	112,456
Jerome	47,556	268,240
Kartchner	157,815	2,561,361
Lake Havasu	440,692	1,499,743
Lost Dutchman	159,765	890,529
Lyman Lake	10,330	120,298
McFarland	8,932	-
Oracle	6,941	16,709
Park Store	NA	59,080
Patagonia Lake	208,519	1,126,908
Picacho Peak	80,067	376,239
Red Rock	59,843	396,852
Riordan Mansion	23,866	-
Roper Lake	68,206	386,850
Slide Rock	398,977	1,493,860
Tombstone	46,549	-
Tonto Natural Bridge	123,431	707,629
Tubac Presidio	10,923	-
Yuma Quartermaster	15,307	-
Yuma Prison	62,948	-
Credit Card Fees	NA	(254,525)
Total	2,681,704	\$14,283,694

^{1/} ASPB does not receive revenues from certain partnership parks, including McFarland, Riordan Mansion, Tubac Presidio, Yuma Quartermaster, and Yuma Prison.

^{2/} Granite Mountain Hotshots Memorial State Park opened in FY 2017 and is therefore excluded from the table.

^{3/} Includes visitation and revenue figures for River Island State Park.

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 administered the fund until December 31, 2016, when the board's authority lapsed. The State Parks Board now administers 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.

The Yarnell Hill Memorial State Park, also referred to as the Granite Mountain Hotshots Memorial State Park, was opened to the public on November 30, 2016.