

Arizona State Parks Board

	FY 2022 ACTUAL	FY 2023 ESTIMATE	FY 2024 BASELINE
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	163.0	163.0	163.0 ^{1/}
Personal Services	6,091,100	7,157,000	7,157,000
Employee Related Expenditures	3,168,400	3,346,900	3,346,900
Professional and Outside Services	158,700	150,000	150,000
Travel - In State	9,600	10,000	10,000
Other Operating Expenditures	5,245,700	4,887,300	4,887,300
Equipment	208,000	200,000	200,000
OPERATING SUBTOTAL	14,881,500	15,751,200	15,751,200 ^{2/}
SPECIAL LINE ITEMS			
Arizona State Parks Heritage Fund Deposit	5,000,000	2,500,000	0
Arizona Trail	148,000	250,000	0
Kartchner Caverns State Park	2,275,400	2,534,900	2,534,900
One-Time Cabin Debt Payoff	398,000	0	0
SPRF Deposit to State Parks Store Fund	1,000,000	0	0
State Lake Improvement Fund Deposit	4,000,000	4,000,000	0
State Parks Store	964,700	1,011,300	1,011,300
AGENCY TOTAL	28,667,600	26,047,400	19,297,400 ^{3/}
FUND SOURCES			
General Fund	9,000,000	6,500,000	0
<u>Other Appropriated Funds</u>			
Off-Highway Vehicle Recreation Fund	16,700	16,700	16,700
State Park Store Fund	964,700	1,011,300	1,011,300
State Parks Revenue Fund	18,686,200	18,519,400	18,269,400
SUBTOTAL - Other Appropriated Funds	19,667,600	19,547,400	19,297,400
SUBTOTAL - Appropriated Funds	28,667,600	26,047,400	19,297,400
Other Non-Appropriated Funds	11,754,300	18,482,700	18,482,700
Federal Funds	2,556,600	13,060,000	13,060,000
TOTAL - ALL SOURCES	42,978,500	57,590,100	50,840,100

AGENCY DESCRIPTION — The Arizona State Parks Board (ASPB) 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.

FOOTNOTES

- ^{1/} Includes 35.8 OF FTE Positions funded from Special Line Items in FY 2024.
- ^{2/} In addition to the operating lump sum appropriation, an amount equal to the revenue share agreement with the United States forest service for Fool Hollow Lake recreation area is appropriated to the Arizona state parks board from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes. (General Appropriation Act footnote)
- ^{3/} General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

Operating Budget

The Baseline includes \$15,751,200 and 127.2 FTE Positions in FY 2024 for the operating budget. These amounts consist of:

	FY 2024
State Parks Revenue Fund	\$15,734,500
Off-Highway Vehicle Recreation Fund	16,700
These amounts are unchanged from FY 2023.	

Arizona State Parks Heritage Fund Deposit

The Baseline includes no funding in FY 2024 for the Arizona State Parks Heritage Fund Deposit line item. Adjustments are as follows:

Remove One-Time Deposit

The Baseline includes a decrease of \$(2,500,000) from the General Fund in FY 2024 for removal of a deposit to the Arizona State Parks Heritage Fund.

Pursuant to a General Appropriation Act footnote, monies in this line item are used for local, regional, and state historical projects; outdoor and environmental education; and local, regional, and state non-motorized trails. Statute directs the State Parks Board in consultation with the Historical Advisory Commission to establish criteria for the use of monies in the fund, and review and evaluate grant applications.

Arizona Trail

The Baseline includes no funding in FY 2024 for the Arizona Trail line item. Adjustments are as follows:

Remove One-Time Funding

The Baseline includes a decrease of \$(250,000) from SPRF in FY 2024 for removal of one-time funding for maintenance of the Arizona Trail. The FY 2022 and FY 2023 budgets each included one-time funding of \$250,000 for this purpose.

Monies in this line item are used to maintain the Arizona Trail. The Arizona Trail is an 800 mile-long, non-motorized trail beginning at the U.S.-Mexican border and running north-south through the state into Utah. A General Appropriation Act footnote requires the agency to manage these monies but permits the distribution of monies to a non-profit entity.

Kartchner Caverns State Park

The Baseline includes \$2,534,900 and 35.8 FTE Positions from SPRF in FY 2024 for Kartchner Caverns State Park. These amounts are unchanged from FY 2023.

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.

State Lake Improvement Fund Deposit

The Baseline includes no funding in FY 2024 for the State Lake Improvement Fund Deposit line item. Adjustments are as follows:

Remove One-Time Deposit

The Baseline includes a decrease of \$(4,000,000) from the General Fund in FY 2024 for removal of a one-time deposit to the State Lake Improvement Fund.

The FY 2022 budget's 3-year spending plan provided \$4,000,000 in one-time spending in both FY 2022 and FY 2023, but discontinues the funding in FY 2024.

Monies in the State Lake Improvement Fund are used 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.

State Parks Store

The Baseline includes \$1,011,300 from the State Parks Store Fund in FY 2024 for the State Parks Store line item. This amount is unchanged from FY 2023.

Monies in the State Parks Store line item are used to operate and maintain state-owned giftshops.

Other Issues

Auditor General Recommendations

In August 2022, the Auditor General published a sunset review for the Arizona State Parks Board covering the board's capital projects management, grant projects tracking, and compliance with conflict-of-interest laws. Specifically, the report contained the following recommendations: 1) The board should establish general procedures that it currently lacks for cash handling and capital project management, which has negatively affected its reporting to the Legislature, 2) The board should implement procedures to track grantees' compliance with project time frames and other grant conditions, and 3) The board should require public officers to complete conflict-of-interest forms once annually and should store all substantial interests in a special file available for public inspection.

In response to the audit, the department concurred with the recommendations.

State Parks Operations

As of October 2022, 31 state parks and natural areas are open to the public. Twenty-seven parks are funded and operated by the state with existing state funds. Four open parks are operated through agreements between the State Parks Board and local governments. (Please see the State Parks Visitation and Revenue Program Summary available on the JLBC website for additional information on the parks, visitation, and operations.)

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Arizona State Parks' Heritage Fund (PRA3126/A.R.S. § 41-502)		Non-Appropriated
Source of Revenue: Legislative appropriations, grants and donations.		
Purpose of Fund: Monies in the Heritage Fund are to be used as follows: 50% on parks for outdoor recreation and open space development, restoration or renovation; 30% on historic preservation, administered through the State Historic Preservation Officer; 10% on nonmotorized trails; and 10% on outdoor and environmental education. Expenditures are not displayed to avoid double counting the original General Fund appropriation to this fund.		
Funds Expended	0	0
Year-End Fund Balance	4,593,700	0
Coronavirus State and Local Fiscal Recovery Fund (PRA2985/U.S. P.L. 117-2)		Federal Funds
Source of Revenue: Federal monies appropriated in the American Rescue Plan Act (P.L. 117-2).		
Purpose of Fund: To provide emergency support to households, small businesses, nonprofits, workers performing essential work, and certain industries negatively impacted by the COVID-19 pandemic. To extend government services that received a reduction in revenue as a result of the COVID-19 pandemic. To make investments in water, sewer, and broadband infrastructure.		
Funds Expended	0	5,180,000
Year-End Fund Balance	5,180,000	0
Federal Funds (PRA2000/A.R.S. § 41-511.04)		Federal Funds
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	2,556,600	7,880,000
Year-End Fund Balance	1,101,000	0
Land Conservation Fund - Administration Account - NA (PRA2432/A.R.S. § 41-511.23)		Non-Appropriated
Source of Revenue: 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.		
Purpose of Fund: For operating expenses.		
Funds Expended	94,800	0
Year-End Fund Balance	0	0
Off-Highway Vehicle Recreation Fund (PRA2253/A.R.S. § 28-1176)		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: Appropriated monies are used to fund the Great Western Trail line item. Please see the Non-Appropriated portion of the fund for additional information.		
Funds Expended	16,700	16,700
Year-End Fund Balance	13,690,100	3,981,700

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 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. Please see the Appropriated portion of the fund for additional information.		
Funds Expended	743,900	2,959,000
Year-End Fund Balance	13,690,100	3,981,700
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; to operate 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	3,881,100	2,738,000
Year-End Fund Balance	1,312,900	1,312,900
State Lake Improvement Fund (PRA2106/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 (JCCR). Funds Expended totals exclude capital spending.		
Funds Expended	7,013,600	11,424,000
Year-End Fund Balance	14,212,700	9,309,400
State Park Store Fund (PRA4401/A.R.S. § 41-511.24)		Appropriated
Source of Revenue: Monies deposited pursuant to the fee schedule set by the agency to charge customers for gift shop items. Any balances above \$1,250,000 at the end of each fiscal year will be transferred to the State Parks Revenue Fund.		
Purpose of Fund: To operate and maintain state-owned gift shops.		
Funds Expended	964,700	1,011,300
Year-End Fund Balance	1,250,000	1,250,000
State Parks Fund (PRA3117/A.R.S. § 41-511.11)		Non-Appropriated
Source of Revenue: Private gifts, grants, and donations.		
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	20,900	887,600
Year-End Fund Balance	766,300	100,000
State Parks Revenue Fund (PRA2202/A.R.S. § 41-511.21)		Appropriated
Source of Revenue: State parks user fees and concession sales; sales of park posters, postcards, books and souvenirs; donations and legislative appropriations.		
Purpose of Fund: To fund parks operations, acquisition and development. Capital projects that are funded using these monies are subject to JCCR review. Funds Expended totals exclude capital spending.		
Funds Expended	18,686,200	18,519,400
Year-End Fund Balance	35,132,300	49,254,900

SUMMARY OF FUNDS	FY 2022 Actual	FY 2023 Estimate
Sustainable State Parks and Roads Fund (PRA3125/A.R.S. § 41-511.17 and A.R.S. § 43-622)		Non-Appropriated
Source of Revenue: Voluntary contributions from individual income taxpayers via a donation on the individual income tax return form.		
Purpose of Fund: To operate, maintain and make capital improvements to buildings, roads, parking lots, highway entrances and any related structure used to operate state parks.		
Funds Expended	0	474,100
Year-End Fund Balance	673,600	350,000