

Budget Brief – Division of Parks and Recreation

NUMBER: NRAS-BB-08-15

SUMMARY

The Division of Parks and Recreation is responsible for management and development of all state parks, statewide boating safety and off-highway vehicle safety. Utah has 42 state parks that are a combination of heritage, scenic, and recreation parks. The newest State Park is the Flight Park in Draper, established in 2006 and is known worldwide as one of the best training sites for both paragliding and hang gliding. For detailed information on this line item, please see Compendium of Budget Information for the 2008 General Session, pages 65-74.

ISSUES AND RECOMMENDATIONS

Capital Facilities Improvements

The Division is requesting for FY 2008 a supplemental appropriation of \$433,400 from the GFR—State Park Fees account for its incentive program for increased revenue collections. The Division Administration offers to parks that exceed their revenue goals a percentage of the extra funds for specific one-time park improvements or programs, such as construction of interpretive kiosks or development of a nature program. The Analyst recommends the Subcommittee fund this request.

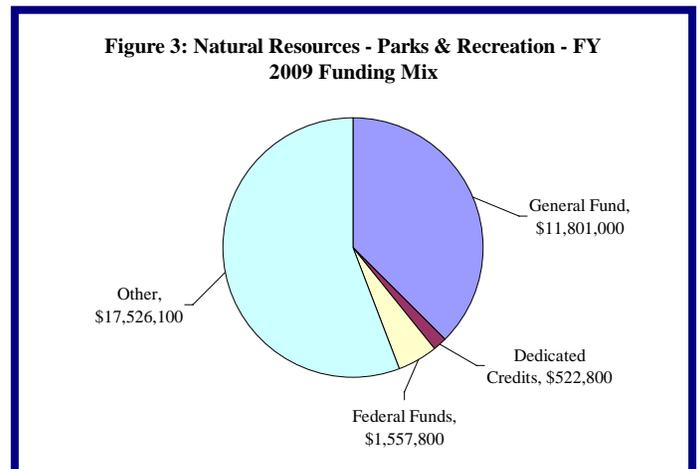
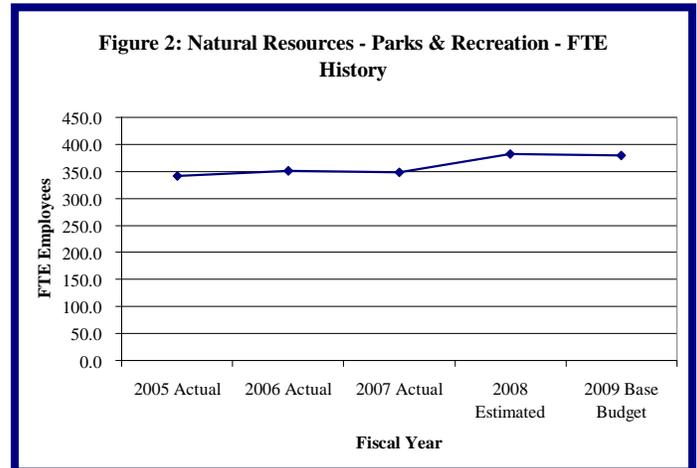
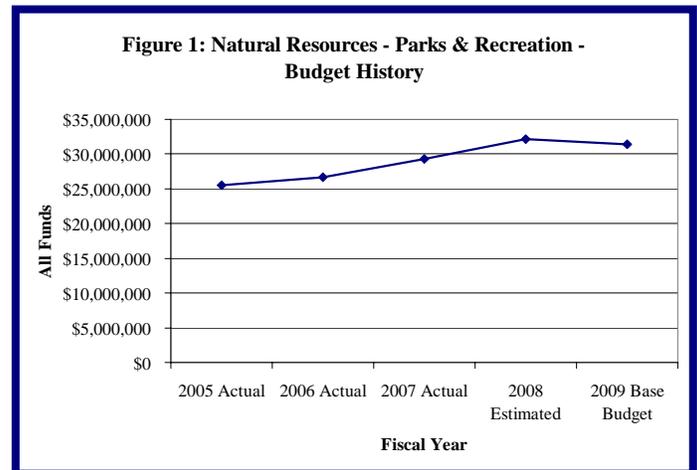
This Is The Place Heritage Park

The new management of the This Is The Place Foundation has requested an ongoing appropriation of \$100,000 from the General Fund to restore the state funding to the level of the original agreement between the State and the Foundation, \$800,000. The Analyst recommends the Committee place this request on its priority list for the Executive Appropriations Committee.

Wasatch Golf Reinvestment

In 2007 the Park’s Board increased certain golf fees with the intention to invest the increased revenues in the golfing program by providing a Tournament Coordinator, a journeyman maintenance worker, and funding for fertilizer and sand. The Analyst recommends the Subcommittee provide the following appropriation from the GFR—State Park Fees account:

- \$180,000 as a supplemental appropriation for FY 2008
- \$180,000 as an ongoing appropriation for FY 2009



Renovation and Repairs

Due to high use and aging many of the state parks need major infrastructure repairs and replacement of water lines, water tanks, sewer, electric lines, security fences, etc. The Analyst recommends the Subcommittee provide for FY 2009 a one-time appropriation of \$250,000 from the GFR—State Park Fees account.

OHV Center Enterprise

The Jordan River OHV Center is a motocross/ATV track located at the northern end of Rose Park. In the past the Center was operated as part of the Great Salt Lake State Park complex by regular park staff, and without the specialized knowledge and skills required for this type of facility, chronic track closures and cost overruns have plagued the Center. The Division is requesting funding to hire an OHV track professional and properly fund operating expenses in order to meet current and future demands. The Analyst recommends the Subcommittee provide the following appropriation from the GFR—Off-Highway Vehicle account:

- \$150,000 as a supplemental appropriation for FY 2008
- \$250,000 as an ongoing appropriation for FY 2009.

OHV Camp Program

The Division has identified two target markets within OHV users where there is significant demand and revenue generating opportunities. The proposal is to develop and administer two programs: an OHV Camp (a week-long program at Little Deer Creek, with focus on ATV safety and land stewardship) and the Utah Trails Tour (several 3 to 7-day treks located at various trail systems in the State). The Analyst recommends the Subcommittee provide the following funding from the GFR—Off-Highway Vehicle account:

- \$40,000 as a supplemental appropriation for FY 2008
- \$15,000 as a one-time appropriation for FY 2009.

Parks' Enterprise Projects

The Division has encouraged its staff to be creative and identify ways to generate additional revenues by providing new services such as installing vending machines or providing fishing boats for rent. The Division is planning on starting a new program which would assess the feasibility of the proposals and fund those that meet certain criteria. The funding for the new program is to be \$75,000 from the GFR—State Park Fees account.

ACCOUNTABILITY

The Division does not have a way of counting and producing the exact number of visitors per year. Several different estimation techniques have been used in the past, but due to the differences in the set of assumptions, the results cannot be used for yearly comparison or trend analysis.

In order to provide consistent visitation data, the Division is now using “visitor unit” measure, which represents the number of times fees are paid in the three major categories: day use, camping, and golfing. This measure is very accurate because it uses the actual revenues generated from the different activities. However, it does not account for how many people have visited the parks because some fees are charged per vehicle (day use) and others are charged per person (golf). The “visitor unit” can be used to see the trends of paying customer “units.”

The Visitor Unit data show that in the last three years the paying visitors have steadily increased in all three categories: day use, camping, and golf. Since these numbers represent paid fees, the increases equate to higher revenues for the Division.

Number of Visitor Units			
	FY 2005	FY 2006	FY 2007
Day Use	423,733	467,545	495,420
Camping	23,316	31,018	34,554
Golf	635,290	692,280	725,859

BUDGET DETAIL

Budget Recommendation

The Analyst recommends for the Parks and Recreation Operation line item for FY 2009 a base budget appropriation of \$31,407,700, with \$11,801,000 from the General Fund (see Budget Detail Table).

At this time the Executive Appropriations Committee (EAC) has not allocated any General Funds beyond the agencies’ base budgets. The Analyst recommends the Appropriations Subcommittee consider the Analyst’s recommendations in the Issues and Recommendations section of this Budget Brief and develop a funding priority list for the EAC.

None of the requests for funding increase are built in the tables and charts of this Budget Brief.

Intent Language

It is the intent of the Legislature that the Division of Park and Recreation report to the Natural Resources Appropriations Subcommittee during the 2009 General Session on the progress of the OHV Camp Program, by presenting results of an internal audit performed by the DNR Audit team.

BUDGET DETAIL TABLE

Natural Resources - Parks & Recreation						
Sources of Finance	FY 2007 Actual	FY 2008 Appropriated	Changes	FY 2008 Revised	Changes	FY 2009* Base Budget
General Fund	10,654,500	11,801,000	0	11,801,000	0	11,801,000
General Fund, One-time	5,700	222,000	0	222,000	(222,000)	0
Federal Funds	1,466,400	1,483,700	0	1,483,700	74,100	1,557,800
Dedicated Credits Revenue	288,300	522,800	0	522,800	0	522,800
GFR - Boating	3,718,900	3,912,200	0	3,912,200	0	3,912,200
GFR - Off-highway Vehicle	3,085,500	3,357,500	0	3,357,500	0	3,357,500
GFR - State Park Fees	10,298,200	10,359,500	0	10,359,500	(168,000)	10,191,500
Transfers	34,200	64,900	0	64,900	0	64,900
Beginning Nonlapsing	443,300	0	445,700	445,700	(445,700)	0
Closing Nonlapsing	(445,700)	0	0	0	0	0
Lapsing Balance	(247,800)	0	0	0	0	0
Total	\$29,301,500	\$31,723,600	\$445,700	\$32,169,300	(\$761,600)	\$31,407,700
Programs						
Executive Management	1,412,900	1,437,300	82,100	1,519,400	0	1,519,400
Board	0	7,000	(7,000)	0	0	0
Park Operation Management	20,597,200	22,567,400	455,300	23,022,700	(539,600)	22,483,100
Planning and Design	733,700	869,700	516,300	1,386,000	0	1,386,000
Support Services	2,228,800	2,283,100	(72,900)	2,210,200	0	2,210,200
Recreation Services	3,614,300	3,615,700	(384,700)	3,231,000	(122,000)	3,109,000
Park Management Contracts	714,600	943,600	(143,600)	800,000	(100,000)	700,000
Total	\$29,301,500	\$31,723,600	\$445,700	\$32,169,300	(\$761,600)	\$31,407,700
Categories of Expenditure						
Personal Services	17,565,800	19,870,000	98,100	19,968,100	(100,800)	19,867,300
In-State Travel	161,000	217,500	21,300	238,800	0	238,800
Out of State Travel	31,200	39,700	0	39,700	0	39,700
Current Expense	6,976,700	8,116,100	(375,300)	7,740,800	(438,800)	7,302,000
DP Current Expense	509,900	268,600	127,800	396,400	0	396,400
DP Capital Outlay	4,800	0	0	0	0	0
Capital Outlay	1,741,000	749,800	641,800	1,391,600	0	1,391,600
Other Charges/Pass Thru	2,311,100	2,461,900	(68,000)	2,393,900	(222,000)	2,171,900
Total	\$29,301,500	\$31,723,600	\$445,700	\$32,169,300	(\$761,600)	\$31,407,700
Other Data						
Budgeted FTE	349.0	355.6	26.2	381.7	(1.7)	380.0

*Does not include amounts in excess of subcommittee's state fund allocation that may be recommended by the Fiscal Analyst.