

**Parks and Recreation Department
Budget 750
House Bill No. 1019**

	FTE Positions	General Fund	Other Funds	Total
2013-15 legislative appropriation	55.00	\$20,032,338 ¹	\$11,775,731	\$31,808,069
2011-13 legislative appropriation	<u>54.00</u>	<u>16,623,556</u>	<u>12,669,532</u>	<u>29,293,088</u>
2013-15 appropriation increase (decrease) to 2011-13 appropriation	1.00	\$3,408,782	(\$893,801)	\$2,514,981

¹This amount includes \$6,177,500 of one-time funding. Excluding this amount, the agency's ongoing general fund appropriation is \$13,854,838.

Item Description

FTE changes - The 2013-15 biennium appropriation includes funding for 55 FTE positions, an increase of 1 FTE position from the 2011-13 authorized level of 54 FTE positions. The Legislative Assembly did not change the executive recommendation to convert a long-term temporary employee to a 1 FTE administrative assistant position.

Accrued leave payments - In Section 1 of House Bill No. 1019, the Legislative Assembly identified \$176,130 from the general fund and \$5,447 of other funds for accrued leave payments.

Marina purchase - Section 7 of House Bill No. 1019 requires the Parks and Recreation Department to obtain an appraisal from a certified appraiser prior to the purchase of a marina at Lake Sakakawea State Park.

One-time funding - In Section 2 of House Bill No. 1019, the Legislative Assembly identified \$7,447,800, of which \$6,177,500 is from the general fund, as one-time funding for parks capital projects and deferred maintenance (\$3,897,800), parks equipment (\$350,000), Lewis and Clark Interpretive Center grant (\$1,350,000), parks strategic plan (\$100,000), community grant program (\$500,000), and International Peace Garden capital projects (\$1,250,000).

Status/Result

The temporary employee was converted to a 1 FTE administrative position on July 1, 2013.

The Parks and Recreation Department has spent \$5,545 from the accrued leave payments line item related to employee turnover through March 2014. The department does not anticipate transferring funds from the accrued leave payments line item to the salaries and wages line item during the 2013-15 biennium.

The Parks and Recreation Department completed the purchase of the marina at Lake Sakakawea State Park in November 2013 for \$746,057 plus an appraisal fee of \$21,481.

Funding was approved for the operation of the marina at the March 2014 Budget Section meeting. The department anticipates that the revenue generated from boat slip rentals will provide funding for operating expenditures.

All one-time funding is anticipated to be used by the end of the 2013-15 biennium as follows:

Parks capital projects and deferred maintenance	The department anticipates all projects to be completed by the end of the 2013-15 biennium. See the Capital projects section below for more information.
Equipment	The department is receiving bids for equipment at various state parks. The department anticipates equipment purchases to be made by the end of May 2014.
Lewis and Clark Interpretive Center grant	The department provided the grant to the Lewis & Clark Fort Mandan Foundation on July 1, 2013.
Parks strategic plan	The department anticipates the parks strategic plan will be complete by the end of the biennium.
Community grant program	The department anticipates the community grants to be distributed by the end of the biennium.

International Peace Garden capital projects	The department transferred the funding to the International Peace Garden on July 1, 2013.
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Repairs and capital projects - The Legislative Assembly appropriated a total of \$7,362,894 for the following capital projects:

Project	General Fund	Other Funds	Total
Repairs and maintenance projects			
Sewer lift repairs at various sites	\$40,000		\$40,000
Beaver Lake State Park repair and maintenance projects	84,000		84,000
Cross Ranch State Park repair and maintenance projects	37,800		37,800
Fort Abraham Lincoln State Park repair and maintenance projects	32,500		32,500
Fort Ransom State Park repair and maintenance projects	95,000		95,000
Fort Stevenson State Park repair and maintenance projects	71,500	\$10,000	81,500
Grahams Island State Park repair and maintenance projects	70,000		70,000
Icelandic State Park repair and maintenance projects	77,800		77,800
Lake Metigoshe State Park multi trails rehabilitation	13,000		13,000
Lake Sakakawea State Park repair and maintenance projects	112,200	42,800	155,000
Lewis and Clark State Park repair and maintenance projects	82,794	90,000	172,794
Little Missouri State Park repair and maintenance projects	107,200		107,200
Turtle River State Park repair and maintenance projects	51,300	40,000	91,300
Capital projects			
Fort Stevenson State Park administration office, visitor contact facility	750,000		750,000
Lake Metigoshe State Park asphalt roads	960,000		960,000
Lake Sakakawea State Park campground comfort stations	300,000	200,000	500,000
Lewis and Clark State Park campsite expansion	520,000		520,000
Icelandic State Park Interpretive Center, Heritage Center completion		200,000	200,000

All repairs and maintenance projects are anticipated to be completed during the 2013-15 biennium. The department anticipates the major capital projects to be completed as listed below.

Capital projects	Actual or Estimated Completion Date
Fort Stevenson State Park administration office, visitor contact facility	November 2014
Lake Metigoshe State Park asphalt roads	September 2014
Lake Sakakawea State Park campground comfort stations	October 2014
Lewis and Clark State Park campsite expansion	Anticipate completion before next biennium
Icelandic State Park Interpretive Center, Heritage Center completion	May 2015
Lake Sakakawea State Park marina dock purchase	November 2013
Lewis and Clark Interpretive Center expansion grant	Funds were transferred July 1, 2013.
International Peace Garden capital projects	Funds were transferred July 1, 2013.

Lake Sakakawea State Park marina dock purchase	387,500	387,500	775,000
Lewis and Clark Interpretive Center expansion grant	1,350,000		1,350,000
International Peace Garden capital projects	1,250,000		1,250,000
Total	\$6,392,594	\$970,300	\$7,362,894

Game and fish operating fund - Section 3 of House Bill No. 1019 provides that \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, must be transferred to the Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the 2013-15 biennium.

International Peace Garden - The 2013-15 biennium appropriation includes \$2,223,699 from the general fund for the International Peace Garden, an increase of \$1,183,000 from the 2011-13 biennium appropriation amount of \$1,040,699. The Legislative Assembly did not change the executive recommendation to provide \$973,699 for the operating grant for the International Peace Garden, an increase of \$200,000 from the 2011-13 biennium level of \$773,699. The Legislative Assembly provided one-time funding of \$1,250,000 from the general fund for capital projects at the International Peace Garden, including repairs to the Peace Tower.

Emergency Commission and Budget Section approvals - The Parks and Recreation Department has received Emergency Commission or Budget Section approval to increase spending authority for various purposes.

The Game and Fish Department has transferred 20 percent of the funds and anticipates transferring the remaining 80 percent of the funds by the end of the biennium.

The Parks and Recreation Department transferred the first payment of \$486,850 on July 1, 2013, for the operations at the International Peace Garden. The second payment of \$486,849 will be made on July 1, 2014.

Funds for the International Peace Garden Tower repair and capital project were transferred on July 1, 2013. The department anticipates the project will be completed by the end of the biennium.

The Parks and Recreation Department received approval from the Emergency Commission and Budget Section for the following items:

- Increase special funds spending authority by \$129,000 in the natural resources line item relating to a grant from the North Dakota outdoor heritage fund for the department's natural resource stewardship project.
- Increase special funds spending authority by \$112,000 relating to a grant from the North Dakota outdoor heritage fund for the department's trail restoration and improvement project.
- Increase special funds spending authority by \$130,000 of parks revenue for expenses relating to the operation of the marina at Lake Sakakawea State Park.
- Increase special funds spending authority by \$150,000 from the department's operating account to relocate trails affected by energy development in Little Missouri State Park.

The Parks and Recreation Department received approval from the Budget Section to increase spending authority from the department's operating fund for various capital projects that had bids exceed original project authorization amounts. These projects include:

Project Description	2013-15 Budget	Bid Amount	Variance
Lewis and Clark State Park - Campsite expansion	\$520,000	\$669,000	\$149,000
Fort Stevenson State Park - Administration office	750,000	845,000	95,000
Lake Sakakawea State Park - Campground	500,000	554,000	54,000
Total	\$1,770,000	\$2,068,000	\$298,000

Mineral lease revenue - In a letter opinion dated October 18, 2011, the Attorney General stated the Parks and Recreation Department may deposit revenue from mineral lease bonus payments and lease royalties from lands under the management and control of the Parks and Recreation Department in the state park fund.

The Parks and Recreation Department began earning mineral lease bonus and royalty revenue in March 2011 and began depositing the revenue in the state park fund in October 2011. From March 2011 through March 2014, the department has received \$3,601,332 in mineral lease bonus and royalty payments which have been deposited in the state park fund. The department expended approximately \$2 million of the mineral lease bonus and royalty revenue during the 2011-13 biennium and anticipates spending approximately \$1,257,800 of the mineral lease bonus and royalty revenue during the 2013-15 biennium on the following projects:

Park/Project	Cost
Lake Sakakawea State Park	
Concrete for dump station	\$35,000
Vault toilets	7,800
Comfort station	200,000
Comfort station	375,000
Fort Ransom State Park	
Tractor replacement	60,000
Cross country ski groomers	40,000
Lake Metigoshe State Park	
Tractor replacement	60,000
Cross country ski groomers	40,000
Turtle River State Park	
Concession building	40,000
Cross country ski groomers	40,000
Icelandic State Park	
Interpretive exhibits	200,000
Fort Stevenson State Park	
Marina stairs	10,000
Lewis and Clark State Park	
Boat ramp repairs	90,000
Various locations	
Wood chipper	30,000
Crack seal machines	30,000
Total	\$1,257,800

The department anticipates a remaining balance of \$344,066 at the end of the 2013-15 biennium.