

**Department 750 - Parks and Recreation Department
Senate Bill No. 2019**

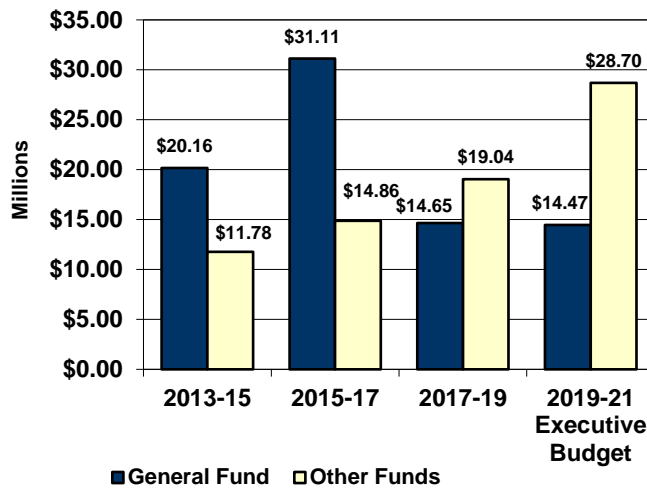
Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	61.50	\$14,468,648	\$28,695,514	\$43,164,162
2017-19 Legislative Appropriations	62.50	14,654,276	19,039,580	33,693,856
Increase (Decrease)	(1.00)	(\$185,628)	\$9,655,934	\$9,470,306

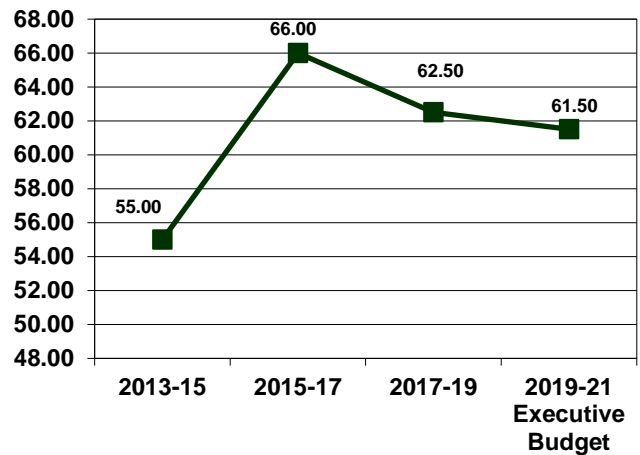
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$14,468,648	\$0	\$14,468,648
2017-19 Legislative Appropriations	14,654,276	0	14,654,276
Increase (Decrease)	(\$185,628)	\$0	(\$185,628)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$14,468,648	\$28,695,514	\$43,164,162
2019-21 Base Level	14,654,276	17,751,580	32,405,856
Increase (Decrease)	(\$185,628)	\$10,943,934	\$10,758,306

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$450,089 is for salary increases, \$249,415 is for health insurance increases, and \$58,258 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent for the 1st year of the biennium and 3 percent the 2nd year and increases in health insurance premiums from \$1,241 to \$1,427 per month. The Senate did not add funding for retirement contribution increases.	\$716,898	\$40,864	\$757,762
2. Transfers 1 FTE information technology position and related funding to the Information Technology Department (ITD) (\$177,868) and adds funding of \$191,314 for payments to ITD for the information technology unification initiative	\$13,446	\$0	\$13,446

3. Adjusts funding for salaries and wages	(\$105,086)	\$0	(\$105,086)
4. Increases federal funds spending authority relating to the land and water conservation fund	\$0	\$1,910,882	\$1,910,882
5. Adjusts funding for extraordinary repairs to provide a total of \$1,141,920 from the parks and recreation fund	(\$947,794)	\$947,794	\$0
6. Reduces funding for agency operations	\$0	(\$103,286)	(\$103,286)
7. Adds funding for Microsoft Office 365 licensing	\$68,138	\$23,071	\$91,209
8. Adjusts funding for Lewis and Clark Interpretive Center operations	\$49,484	\$516	\$50,000
9. Adds one-time funding from the state parks fund for additional extraordinary repairs	\$0	\$634,126	\$634,126
10. Adds one-time funding from the state parks fund for additional equipment	\$0	\$622,000	\$622,000
11. Adds one-time funding from the state parks fund for a state park survey	\$0	\$150,000	\$150,000
12. Adds one-time funding from the state parks fund for recreation mapping	\$0	\$75,000	\$75,000
13. Adds one-time funding from the state parks fund for traffic counters	\$0	\$75,000	\$75,000
14. Adds one-time funding from the strategic investment and improvements fund for capital projects	\$0	\$1,755,000	\$1,755,000
15. Adds one-time funding from the strategic investment and improvements fund for International Peace Garden projects. The Senate added one-time funding of \$2,000,000 from the strategic investment and improvements fund for International Peace Garden projects.	\$0	\$5,000,000	\$5,000,000

Other Sections in Senate Bill No. 2019

Game and fish operating fund - Transfer for boat ramp maintenance - Section 3 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which 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 2019-21 biennium.

Estimated income - Department of Transportation - Section 4 identifies \$100,000 of funding in the estimated income line item is from the Department of Transportation for defraying the expenses of the Lewis and Clark Interpretive Center for the 2019-21 biennium.

Appropriation - Additional federal funds or other funds - Section 5 appropriates any additional income from federal or other funds that may become available to the Parks and Recreation Department for the 2019-21 biennium.

Exemption - International Peace Garden - Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from the provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended appropriations. The section also requires the Parks and Recreation Department to review and accept engineering proposals and specifications before committing additional funds to the project and to assist with bidding and construction of any work associated with this section.

Exemption - Park enhancements - Section 7 exempts any funds remaining for park enhancements in Section 1 of Chapter 53 of the 2015 Session Laws from provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations.

Exemption - Sovereign lands - Section 8 exempts any funds remaining for recreation opportunities on sovereign lands in Section 1 of Chapter 18 of the 2017 Session Laws from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations.

Matching requirement - Capital projects - Section 9 requires, for the International Peace Garden capital projects in subdivision 2 of Section 1, a dollar-for-dollar matching of funds from nonstate sources. The section also requires the Parks and Recreation Department to review and accept engineering proposals and specifications before committing funds to projects and to assist with bidding and construction of any work associated with this section.

Strategic investment and improvements fund - Section 10 identifies \$3,755,000 from the strategic investment and improvements fund in the estimated income line item in Section 1, for International Peace Garden capital projects for the 2019-21 biennium.

State parks and recreation concession revolving fund - Section 11 amends Section 55-08-07.1 to authorize the Parks and Recreation Department to transfer any unexpended funds from the state parks and recreation concession revolving fund to the state park operating fund.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1014 - Identifies bond payments from the Parks and Recreation Department in the amount of \$66,875 during the biennium beginning July 1, 2019, and ending June 30, 2021.

Parks and Recreation Department - Budget No. 750
Senate Bill No. 2019
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	62.50	\$14,654,276	\$17,751,580	\$32,405,856	62.50	\$14,654,276	\$17,751,580	\$32,405,856
2019-21 Ongoing Funding Changes								
Base payroll changes		\$26,054	(\$187,033)	(\$160,979)		\$26,054	(\$187,033)	(\$160,979)
Salary increase		426,784	23,305	450,089		303,268	12,691	315,959
Salary increase - Market equity				0				0
Health insurance increase		234,892	14,523	249,415		270,431	24,067	294,498
Retirement contribution increase		55,222	3,036	58,258				0
Transfers 1 FTE for information technology unification	(1.00)	13,446		13,446	(1.00)	13,446		13,446
Adjusts funding for salaries and wages		(105,086)		(105,086)		(105,086)		(105,086)
Increases federal funds authority for the land and water conservation func			1,910,882	1,910,882			1,910,882	1,910,882
Adjusts funding for extraordinary repairs		(947,794)	947,794	0		(947,794)	947,794	0
Reduces funding for agency operations			(103,286)	(103,286)			(103,286)	(103,286)
Adjusts funding for Lewis and Clark Interpretive Center operations		49,484	516	50,000		49,484	516	50,000
Adjusts funding for International Peace Garden operations				0				0
Adds funding for Microsoft Office 365 licensing		68,138	23,071	91,209		68,138	23,071	91,209
Reduces funding for bond payments		(6,768)		(6,768)		(6,768)		(6,768)
Equipment over \$5,000				0				0
Total ongoing funding changes	(1.00)	(\$185,628)	\$2,632,808	\$2,447,180	(1.00)	(\$328,827)	\$2,628,702	\$2,299,875
One-time funding items								
Additional extraordinary repairs			\$634,126	\$634,126			\$634,126	\$634,126
Capital projects (Strategic investment and improvements fund)			6,755,000	6,755,000			3,755,000	3,755,000
Additional equipment			622,000	622,000			622,000	622,000
State park survey			150,000	150,000			150,000	150,000
Recreation mapping			75,000	75,000			75,000	75,000
Traffic counters			75,000	75,000			75,000	75,000
Total one-time funding changes	0.00	\$0	\$8,311,126	\$8,311,126	0.00	\$0	\$5,311,126	\$5,311,126
Total Changes to Base Level Funding	(1.00)	(\$185,628)	\$10,943,934	\$10,758,306	(1.00)	(\$328,827)	\$7,939,828	\$7,611,001
2019-21 Total Funding	61.50	\$14,468,648	\$28,695,514	\$43,164,162	61.50	\$14,325,449	\$25,691,408	\$40,016,857

Other Sections for Parks and Recreation Department - Budget No. 750

	Executive Budget Recommendation	Senate Version
Game and fish operating fund - Transfer for boat ramp maintenance	Section 3 would provide \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which 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 2019-21 biennium.	Section 3 provides \$122,000 from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, which 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 2019-21 biennium.
Estimated income - Department of Transportation	Section 5 would identify \$100,000 of grant funding in the estimated income line item is from the Department of Transportation for defraying the expenses of the Lewis and Clark Interpretive Center for the 2019-21 biennium.	Section 4 identifies \$100,000 of grant funding in the estimated income line item is from the Department of Transportation for defraying the expenses of the Lewis and Clark Interpretive Center for the 2019-21 biennium.

Other Sections for Parks and Recreation Department - Budget No. 750

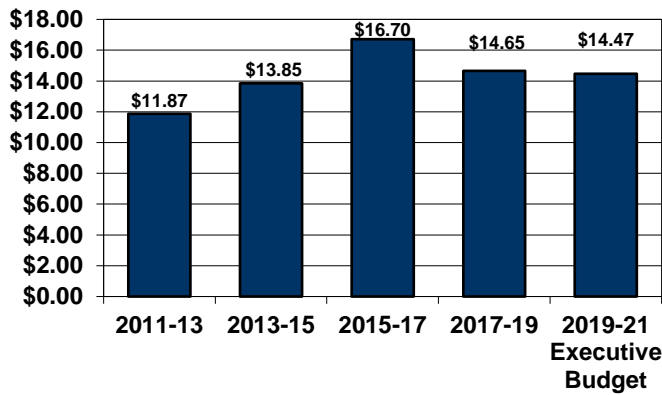
	<u>Executive Budget Recommendation</u>	<u>Senate Version</u>
Appropriation - Additional federal funds or other funds	Section 11 would appropriate any additional income from federal or other funds that may become available to the Parks and Recreation Department for the 2019-21 biennium.	Section 5 appropriates any additional income from federal or other funds that may become available to the Parks and Recreation Department for the 2019-21 biennium.
Exemption - International Peace Garden	Section 6 would exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations. The section would also require the Parks and Recreation Department to review and accept engineering proposals and specifications before committing additional funds to the project and to assist with bidding and construction of any work associated with this section.	Section 6 exempts any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 30 of Chapter 15 of the 2013 Session Laws, from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations. The section also requires the Parks and Recreation Department to review and accept engineering proposals and specifications before committing additional funds to the project and to assist with bidding and construction of any work associated with this section.
Exemption - Park enhancements	Section 7 would exempt any funds remaining for park enhancements in Section 1 of Chapter 53 of the 2015 Session Laws from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations.	Section 7 exempts any funds remaining for park enhancements in Section 1 of Chapter 53 of the 2015 Session Laws from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations.
Exemption - Sovereign lands		Section 8 exempts any funds remaining for recreation opportunities on sovereign lands in Section 1 of Chapter 18 of the 2017 Session Laws from the provisions of Section 54-44.1-11, relating to cancellation of unexpended appropriations.
Matching requirement - Capital projects	Section 8 would require, for the International Peace Garden capital projects in subdivision 2 of Section 1, a dollar-for-dollar matching of funds from nonstate sources. The section would also require the Parks and Recreation Department to review and accept engineering proposals and specifications before committing additional funds to the projects and to assist with bidding and construction of any work associated with this section.	Section 9 requires, for the International Peace Garden capital projects in subdivision 2 of Section 1, a dollar-for-dollar matching of funds from nonstate sources. The section also requires the Parks and Recreation Department to review and accept engineering proposals and specifications before committing additional funds to the projects and to assist with bidding and construction of any work associated with this section.
Transfer - Strategic investment and improvements fund	Section 9 would authorize the transfer of \$6,755,000, included in the estimated income line item in Section 1, for International Peace Garden capital projects for the 2019-21 biennium.	Section 10 identifies \$3,755,000 from the strategic investment and improvements fund in the estimated income line item in Section 1, for International Peace Garden capital projects for the 2019-21 biennium.
State parks and recreation concession revolving fund	Section 4 would amend Section 55-08-07.1 to authorize the Parks and Recreation Department to transfer any unexpended funds from the state parks and recreation concession revolving fund to the state park operating fund.	Section 11 amends Section 55-08-07.1 to authorize the Parks and Recreation Department to transfer any unexpended funds from the state parks and recreation concession revolving fund to the state park operating fund.
Line item transfers	Section 10 would authorize the Parks and Recreation Department to transfer up to 10 percent of the total appropriation between line items during the 2019-21 biennium.	

Department 750 - Parks and Recreation Department

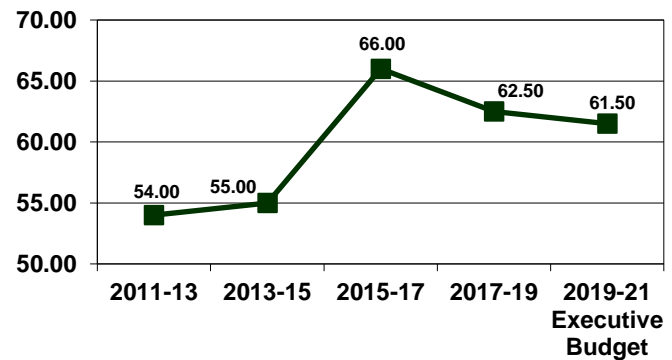
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$11,874,346	\$13,854,838	\$16,702,916	\$14,654,276	\$14,468,648
Increase (decrease) from previous biennium	N/A	\$1,980,492	\$2,848,078	(\$2,048,640)	(\$185,628)
Percentage increase (decrease) from previous biennium	N/A	16.7%	20.6%	(12.3)%	(1.3)%
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	16.7%	40.7%	23.4%	21.8%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- Added funding to increase temporary salaries by \$1 per hour for the 2013-15 biennium \$264,000
- Added funding for seasonal crews for maintaining trail systems \$65,200
- Added funding to convert a long-time temporary administrative assistant position to an FTE position \$87,172
- Added funding to increase the operational grant to the International Peace Garden for a total of \$933,688 for the 2013-15 biennium \$200,000
- Added funding for increased operating costs \$88,113
- Added funding for state employee salary increases \$499,523
- Added funding for the community grant program to provide a total of \$500,000 \$100,000
- Added funding to rent property in the Pembina Gorge area for office space \$300,000

2015-17 Biennium

- Added funding for 1 FTE position and related operating expenses for a park ranger at Cross Ranch State Park \$105,270
- Added funding to convert 5 temporary administrative assistant positions to FTE positions \$301,838
- Added funding to convert four .75 FTE positions into four 1 FTE positions \$93,647
- Increased funding for extraordinary repairs at various state parks \$345,521
- Added funding to increase temporary employee salaries by \$1 per hour \$220,220
- Added funding for 10 additional seasonal temporary employees at various state parks \$213,543
- Increased funding for operating expenses for administration, park operations and maintenance, and recreation by \$111,345, and Lewis and Clark Interpretive Center by \$368,000 \$479,345
- Added funding for 4 FTE positions for the Lewis and Clark Interpretive Center \$366,384

2017-19 Biennium

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|--|-------------|
| 1. Removed 2.5 FTE positions unspecified (\$292,187) and 1 FTE administrative assistant position (\$116,875) | (\$409,062) |
| 2. Reduced funding for salaries and wages in anticipation of savings from vacant positions and employee turnover | (\$239,959) |
| 3. Adjusted seasonal salaries and benefits | (\$586,406) |
| 4. Reduced funding for operating expenses for state parks from the general fund | (\$215,320) |
| 5. Reduced funding for extraordinary repairs | (\$150,760) |
| 6. Reduced funding for equipment from the general fund | (\$350,000) |

2019-21 Biennium (Executive Budget Recommendation)

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|---|-------------|
| 1. Transfers 1 FTE information technology position and related funding to ITD (\$177,868) and adds funding of \$191,314 for payments to ITD for the information technology unification initiative | \$13,446 |
| 2. Reduces funding for salaries and wages | (\$105,086) |
| 3. Adjusts funding for extraordinary repairs to provide a total of \$1,141,920 from the parks and recreation fund | (\$947,794) |
| 4. Adds funding for Microsoft Office 365 licensing | \$68,138 |
| 5. Adjusts funding for Lewis and Clark Interpretive Center operations | \$49,484 |

**GOVERNOR'S RECOMMENDATION FOR THE
PARKS AND RECREATION DEPARTMENT
AS SUBMITTED BY THE
OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the parks and recreation department for the purpose of defraying the expenses of the parks and recreation department, for providing funding to the Lewis and Clark Interpretive Center, and for providing a grant to the International Peace Garden, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	Base Level	Adjustments or Enhancements	Appropriation
Administration	\$2,668,728	\$(45,791)	\$2,622,937
Parks Operations and Maintenance	20,570,558	3,526,563	24,097,121
Recreation	<u>7,039,554</u>	<u>2,220,804</u>	<u>9,260,358</u>
Total all funds	\$30,278,840	\$5,701,576	\$35,980,416
Less estimated income	<u>17,389,561</u>	<u>5,971,015</u>	<u>23,360,576</u>
Total general fund	\$12,889,279	\$(269,439)	\$12,619,840
Full-time equivalent positions	62.50	(1.00)	61.50

Subdivision 2.

INTERNATIONAL PEACE GARDEN

	Base Level	Adjustments or Enhancements	Appropriation
Peace Garden	\$876,329	\$5,000,000	\$5,876,329
Total all funds	<u>876,329</u>	<u>5,000,000</u>	<u>5,876,329</u>
Less estimated income	0	0	5,000,000
Total general fund	\$876,329	\$0	\$876,329

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	Base Level	Adjustments or Enhancements	Appropriation
Lewis & Clark	<u>\$1,250,687</u>	<u>\$56,730</u>	<u>\$1,307,417</u>
Total all funds	1,250,687	56,730	1,307,417
Less estimated income	<u>362,019</u>	<u>(27,081)</u>	<u>334,938</u>

Total general fund	\$888,668	\$83,811	\$972,479
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Subdivision 4.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total all fund	\$32,405,856	\$10,758,306	\$43,164,162
Less estimated income	<u>17,751,580</u>	<u>10,943,934</u>	<u>28,695,514</u>
Total general funds	\$14,654,276	\$(185,628)	\$14,468,648

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium.

<u>One-time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Parks capital projects	\$0	\$1,755,000
Extraordinary repair		634,126
One-time equipment		622,000
State park survey		150,000
Recreation mapping		75,000
Traffic counters		75,000
International peace garden projects		<u>5,000,000</u>
Total all funds	\$0	\$8,311,126
Less estimated income	<u>0</u>	<u>\$8,311,126</u>
Total general fund	\$0	\$0

The 2019-21 one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. GAME AND FISH OPERATING FUND - TRANSFER - BOAT RAMP OPERATION AND MAINTENANCE. The sum of \$122,000 or so much of the sum as may be necessary, included in the park operations and maintenance line item in subdivision 1 of section 1 of this Act, is from the game and fish operating fund, or federal or other funds available to the game and fish department, and 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 biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 4. AMENDMENT. Section 55-08-07.1 of the North Dakota Century Code is amended and reenacted as follows:

55-08-07.1 State parks and recreation concession revolving fund.

The director shall maintain a state parks and recreation concession revolving fund to be used for the following:

1. Procurement and maintenance of an inventory of food, non- intoxicating beverages, and other merchandise and supplies of a suitable nature for the operation of concession stands, including payment of costs and travel expenses necessarily incurred to obtain or sell such items.
2. Repair, replacement, construction, and maintenance of concession buildings, facilities, and properties contained therein.

The parks and recreation department may transfer any surplus in this fund to the state park operating fund.

SECTION 5. ESTIMATED INCOME – DEPARTMENT OF TRANSPORTATION GRANT. The estimated income line items includes \$100,000 of grant funding from the department of transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 6. EXEMPTION. Any funds remaining in the international peace garden line for repair of the peace tower at the International Peace Garden, in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for capital projects during the biennium beginning July 1, 2019, and ending June 30, 2021. Funding available for use by the International Peace Garden in this section will be subject to the International Peace Garden raising one to one matching funds from non-state of North Dakota sources consistent with the 2013 North Dakota legislative language. The parks and recreation department shall review and accept engineering proposals and specifications before committing additional funds to the project and shall assist with bidding and construction of any work associated with this section.

SECTION 7. EXEMPTION. Any funds remaining for parks enhancements in subdivision 1 of section 1 of chapter 53 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for park enhancement projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. MATCHING REQUIREMENT – CAPITAL PROJECTS. The international peace garden capital projects in subdivision 2 of section 1 is subject to one to one matching funds raised from non-state of North Dakota sources. The parks and recreation department shall review and accept engineering proposals and specifications before committing funds to projects and shall assist with bidding and construction of any work associated with this section.

SECTION 9. SPECIAL FUNDS TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The less estimated income line item in section 1 of this Act includes

the sum of \$6,755,000, or so much of the sum as may be necessary, from the strategic investment and improvements fund which may be transferred at the direction of the parks and recreation department for parks capital projects and international peace garden capital projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 10. LINE ITEM TRANSFER. Notwithstanding section 54-16-04, the agency may transfer between line items within section 1 of this Act up to ten percent of the total appropriation contained in section 1 during the biennium beginning July 1, 2019, and ending June 30, 2021. The agency shall notify the office of management and budget and the legislative council of any transfer made pursuant to this section.

SECTION 11. APPROPRIATION - In addition to the amounts appropriated to the parks and recreation department in section 1 of this Act, there is appropriated any additional income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2019, and ending June 30, 2021.