

Arizona State Parks
Senate Budget
March 16, 2011

Despite cuts totaling more than \$72 million over the past three years resulting in a vacancy rate of more than 50%, ASP, through partnership agreements, has managed to keep all but three of its parks open for the benefit of the rural economies and the people of Arizona.

SB 1612 General Appropriations

- FY12 \$2,090,000 Fund sweep, Enhancement Fund

ASP's operating budget for FY12 is predicated on the park system generating \$10 million in revenue, coupled with the agency's authority to spend the revenue it earns, and our partnership agreements (for Alamo Lake, Boyce Thompson Arboretum, Fort Verde, Homolovi, Jerome, Lost Dutchman, Lyman Lake, McFarland, Picacho Peak, Red Rock, Riordan Mansion, Roper Lake, Tombstone Courthouse, Tonto Natural Bridge, Tubac Presidio, Yuma Prison, Yuma Quartermaster Depot). ***Without the authority to expend its own earned revenues, even with intergovernmental and private partnership agreements, the park system cannot be sustained.*** The loss of the State Parks Heritage Fund means that the agency will have NO CAPITAL FUNDS available to repair any structural emergency.

- FY11 \$1,491,100 Fund sweep, State Lake Improvement Fund

The sweep will transfer the obligations for payroll, rent and risk management to the Enhancement Fund, where illogical limitations to ASP's spending authority, already make it nearly impossible to maintain partnership agreements and keep the park system open.

SB 1624 Environment BRB

- Sec 9 Law Enforcement Boating Safety Fund

Through stakeholders meetings, a solution was crafted with the help of Game and Fish, which would have kept the sheriff's budgets whole. This provision essentially results in an additional \$250,000 reduction to ASP's operating budget.

- Sec. 13 Privatization bundling

In response to a Request for Information, private sector operators indicated that they are most interested in bidding for park services which generate revenue, NOT operating entire state parks in the manner described by the bill, or operating small or historic parks. Additionally, through the first half of FY11, only five parks met the bill's criteria (operating at net profit, exclusive of administrative or indirect costs), and each of these has federal land or management restrictions, which may preclude the type of privatization dictated by the bill. Furthermore, by mandating that a contract be awarded by a specific date, the bill compromises the ability of ASP to negotiate a contract that is beneficial to the state and its taxpayers.

Jay Ziemann, Asst. Director
(cell) 602-525-4678