

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

Executive Budget Comparison to Prior Biennium Appropriations

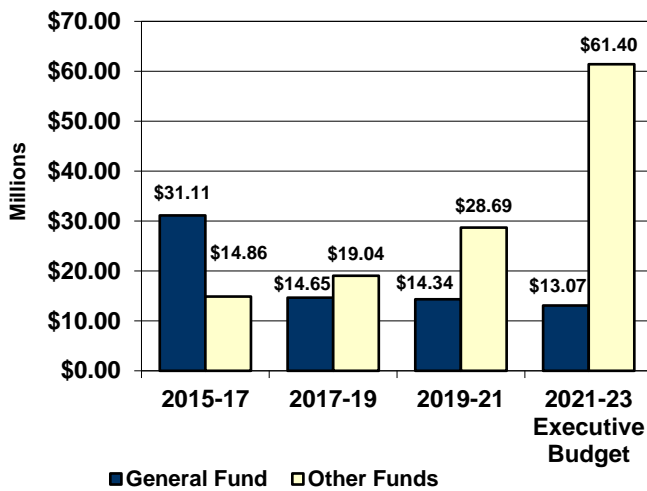
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	57.75	\$13,069,337	\$61,396,363	\$74,465,700
2019-21 Legislative Appropriations ¹	61.50	14,343,129	28,691,853	43,034,982
Increase (Decrease)	(3.75)	(\$1,273,792)	\$32,704,510	\$31,430,718

¹The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of \$250,985 resulting from Emergency Commission action during the 2019-21 biennium.

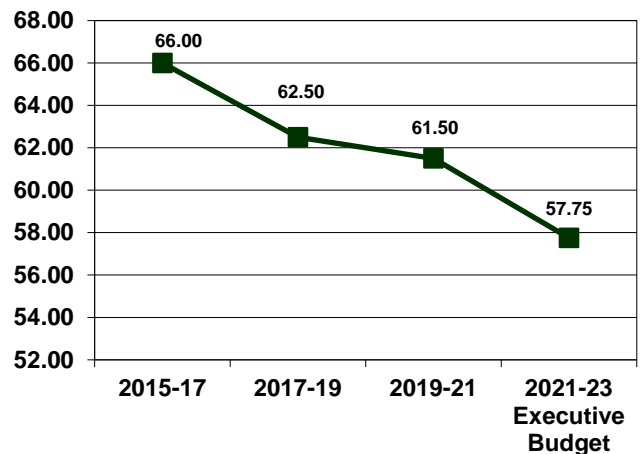
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$13,069,337	\$0	\$13,069,337
2019-21 Legislative Appropriations	14,343,129	0	14,343,129
Increase (Decrease)	(\$1,273,792)	\$0	(\$1,273,792)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$13,069,337	\$61,396,363	\$74,465,700
2021-23 Base Level	14,343,129	20,380,727	34,723,856
Increase (Decrease)	(\$1,273,792)	\$41,015,636	\$39,741,844

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$291,271 is for salary increases, \$3,467 is for health insurance increases, and \$57,102 is for retirement contribution increases	\$338,139	\$13,701	\$351,840
2. Increases funding for the Lewis and Clark Interpretive Center before its transfer to the State Historical Society	\$0	\$173,554	\$173,554
3. Transfers 3.75 FTE positions and the Lewis and Clark Interpretive Center operations from the Parks and Recreation Department to the State Historical Society	(\$840,596)	(\$587,999)	(\$1,428,595)
4. Increases federal funds authority for grants	\$0	\$2,308,426	\$2,308,426

5. Reduces funding for administration (\$155,653), park operations and maintenance (\$300,337), and recreation (\$680,123)	(\$202,990)	(\$933,123)	(\$1,136,113)
6. Reduces funding for the International Peace Garden to provide a total of \$744,880	(\$131,449)	\$0	(\$131,449)
7. Reduces funding for equipment over \$5,000 to provide a total of \$303,200	\$0	(\$511,800)	(\$511,800)
8. Increases funding for data processing to provide a total of \$1,295,981	\$410,250	\$7,664	\$417,914
9. Reduces funding for operating fees and services to provide a total of \$313,050	\$0	(\$245,853)	(\$245,853)
10. Adjusts funding for buildings, maintenance, and repairs by decreasing funding in the administration line item (\$45,000), recreation line item (\$20,000), and increasing funding in the parks operations & maintenance line item (\$295,079)	\$0	\$230,079	\$230,079
11. Adjusts funding for professional services by decreasing funding in the administration line item (\$30,000), recreation line item (\$216,875), and increasing funding in the parks operations & maintenance line item (\$286,999)	\$0	\$40,124	\$40,124
12. Adds funding for Microsoft Office 365 license expenses	\$19,751	\$6,687	\$26,438
13. Adds one-time funding from legacy fund earnings for state parks deferred maintenance	\$0	\$10,000,000	\$10,000,000
14. Adds one-time funding from bond proceeds for park district infrastructure grants	\$0	\$20,600,000	\$20,600,000
15. Adds one-time funding from bond proceeds for state park infrastructure improvements	\$0	\$9,885,000	\$9,885,000

**Other Sections Recommended to be Added in the Executive Budget
(As Detailed in the Attached Appendix)**

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 2021-23 biennium.

Appropriation - Additional federal funds or other funds - Section 4 would appropriate any additional income from federal or other funds that may become available to the Parks and Recreation Department for the 2021-23 biennium.

Exemption - International Peace Garden - Section 5 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 North Dakota Century Code 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.

Exemption - Park enhancements - Section 6 would exempt 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 - Conveyance of land and buildings - Lewis and Clark Interpretive Center - Section 7 directs the Parks and Recreation Department to convey ownership of the Lewis and Clark Interpretive Center and surrounding real property to the State Historical Society. The section also would exempt the conveyance from Sections 54-01-05.2 and 54-01-05.5 relating to the sale of state-owned land and the preparation of an assessment of the property.

Continuing appropriation - Parks matching grant program - Section 8 would create a parks matching grant program which requires the Parks and Recreation Department to provide a dollar-for-dollar matching grant on funds provided by a nonstate entity for the purpose of capital projects dedicated to the improvement of North Dakota state parks and recreation managed properties. The section also provides a continuing appropriation for the parks matching grant program.

State parks matching grant program - Section 9 authorizes the Parks and Recreation Department to use up to \$10,000,000, from funds transferred to the park gift fund from legacy fund earnings at the end of the 2019-21 biennium to establish a state parks matching grant program.

Continuing Appropriations

There are no continuing appropriations for this agency.

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. 1097- Amends Section 55-08-07.2 to provide a continuing appropriation to the Parks and Recreation Department from the state parks gift fund.

Parks and Recreation Department - Budget No. 750
House Bill No. 1019
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	61.50	\$14,343,129	\$20,380,727	\$34,723,856
2021-23 Ongoing Funding Changes				
Base payroll changes		(\$866,187)	\$29,176	(\$837,011)
Salary increase		279,929	11,342	291,271
Health insurance increase		3,332	135	3,467
Retirement contribution increase		54,878	2,224	57,102
Increases funding for the Lewis and Clark Interpretive Center			173,554	173,554
Transfers the Lewis and Clark Interpretive Center operations	(3.75)	(840,596)	(587,999)	(1,428,595)
Increases ongoing funding for grants, benefits, and claims			2,308,426	2,308,426
Decreases funding for agency operations		(202,990)	(933,123)	(1,136,113)
Reduces funding for the International Peace Garden		(131,449)		(131,449)
Decreases funding for equipment over \$5,000			(511,800)	(511,800)
Increases funding for data processing		410,250	7,664	417,914
Decreases funding for operating fees and services			(245,853)	(245,853)
Adjusts funding for buildings, maintenance, and repairs			230,079	230,079
Adjusts funding for professional services			40,124	40,124
Adds funding for Microsoft Office 365 license expense		19,751	6,687	26,438
Reduces funding for bond payment		(710)		(710)
Total ongoing funding changes	(3.75)	(\$1,273,792)	\$530,636	(\$743,156)
One-time funding items				
Adds funding from legacy fund earnings for parks deferred maintenance			\$10,000,000	\$10,000,000
Adds funding from bonds for park district infrastructure grants			20,600,000	20,600,000
Adds funding from bonds for state park infrastructure improvements			9,885,000	9,885,000
Total one-time funding changes	0.00	\$0	\$40,485,000	\$40,485,000
Total Changes to Base Level Funding	(3.75)	(\$1,273,792)	\$41,015,636	\$39,741,844
2021-23 Total Funding	57.75	\$13,069,337	\$61,396,363	\$74,465,700
<i>Total ongoing changes as a percentage of base level</i>	(6.1%)	(8.9%)	2.6%	(2.1%)
<i>Total changes as a percentage of base level</i>	(6.1%)	(8.9%)	201.2%	114.5%

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

	Executive Budget Recommendation
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 2021-23 biennium.
Appropriation - Additional federal funds or other funds	Section 4 would appropriate any additional income from federal or other funds that may become available to the Parks and Recreation Department for the 2021-23 biennium.
Exemption - International Peace Garden	Section 5 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.
Exemption - Park enhancements	Section 6 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.
Exemption - Conveyance of land and buildings - Lewis and Clark Interpretive Center	Section 7 directs the Parks and Recreation Department to convey ownership of the Lewis and Clark Interpretive Center and surrounding real property to the State Historical Society. The section also would exempt the conveyance from Sections 54-01-05.2 and 54-01-05.5 relating to the sale of state-owned land and the preparation of an assessment of the property.

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

Executive Budget Recommendation

Continuing appropriation - Parks matching grant program

Section 8 would create a parks matching grant program which requires the Parks and Recreation Department to provide a dollar-for-dollar matching grant on funds provided by a nonstate entity for the purpose of capital projects dedicated to the improvement of North Dakota state parks and recreation managed properties. The section also provides a continuing appropriation for the parks matching grant program.

State parks matching grant program

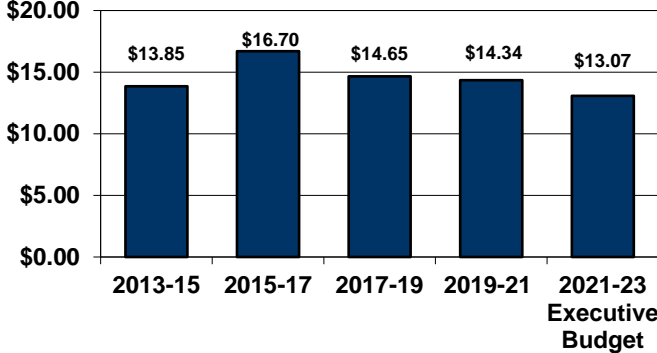
Section 9 authorizes the Parks and Recreation Department to use up to \$10,000,000, or however much is available from funds transferred to the park gift fund from legacy fund earnings at the end of the 2019-21 biennium, pursuant to the executive recommended House Bill No. 1015, which establishes a state parks matching grant program.

Department 750 - Parks and Recreation Department

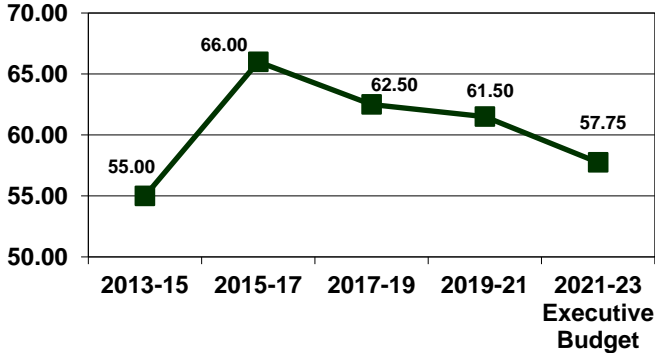
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$13,854,838	\$16,702,916	\$14,654,276	\$14,343,129	\$13,069,337
Increase (decrease) from previous biennium	N/A	\$2,848,078	(\$2,048,640)	(\$311,147)	(\$1,273,792)
Percentage increase (decrease) from previous biennium	N/A	20.6%	(12.3%)	(2.1%)	(8.9%)
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	20.6%	5.8%	3.5%	(5.7%)

Major Increases (Decreases) in Ongoing General Fund Appropriations

2015-17 Biennium

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

2017-19 Biennium

- 1. Removed 2.5 unspecified FTE positions (\$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

- 1. Transferred 1 FTE information technology position and related funding to the Information Technology Department (\$177,868) and added funding of \$191,314 for payments to the Information Technology Department for the information technology unification initiative \$13,446

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|--|-------------|
| 2. Adjusted funding for salaries and wages | (\$105,086) |
| 3. Adjusted funding for extraordinary repairs by reducing funding from the general fund (\$947,794) and increasing other funds (\$947,794) to provide a total of \$1,141,920 from the state parks fund | (\$947,794) |
| 4. Adjusted funding for operating expenses by adding funding for Microsoft Office 365 licensing, reducing other operating expenses, and reducing funding for bond payments | \$61,370 |
| 5. Added funding for Lewis and Clark Interpretive Center operations | \$49,484 |

2021-23 Biennium (Executive Budget Recommendation)

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|--|-------------|
| 1. Transfers 3.75 FTE positions and the Lewis and Clark Interpretive Center operations from the Parks and Recreation Department to the State Historical Society | (\$840,596) |
| 2. Reduces funding from the general fund and other funds for administration (\$155,653), park operations and maintenance (\$300,337), and recreation (\$680,123) | (\$202,990) |
| 3. Reduces funding for the International Peace Garden to provide a total of \$744,880 | (\$131,449) |
| 4. Increases funding for data processing | \$410,250 |
| 5. Adds funding for Microsoft Office 365 license expenses | \$19,751 |

**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, 2021 and ending June 30, 2023, as follows:

Subdivision 1.

PARKS AND RECREATION DEPARTMENT

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Administration	\$ 2,604,999	\$ 13,454	\$ 2,618,453
Parks Operations & Maintenance	20,614,593	19,864,435	40,479,028
Recreation	<u>9,323,560</u>	<u>21,285,397</u>	<u>30,608,957</u>
Total All Funds	\$32,543,152	\$41,163,286	\$73,706,438
Less Estimated Income	<u>20,046,607</u>	<u>41,349,756</u>	<u>61,396,363</u>
Total General Fund	\$12,496,545	\$ (186,470)	\$12,310,075
Full-Time Equivalent Positions	61.50	(3.75)	57.75

Subdivision 2.

INTERNATIONAL PEACE
GARDEN

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Peace Garden	\$876,329	\$(131,449)	\$744,880
Total All Funds	<u>\$876,329</u>	<u>0</u>	<u>0</u>
Less Estimated Income	0	0	0
Total General Fund	\$876,329	\$(131,449)	\$744,880

Subdivision 3.

LEWIS AND CLARK INTERPRETIVE CENTER

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Lewis & Clark	<u>\$1,304,375</u>	<u>\$(1,289,993)</u>	<u>\$14,382</u>
Total All Funds	1,304,375	(1,289,993)	14,382
Less Estimated Income	<u>334,120</u>	<u>(334,12)</u>	<u>0</u>
Total General Fund	\$ 970,255	\$ (955,873)	\$14,382

Subdivision 4.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand Total All Fund	\$34,723,856	\$39,741,844	\$74,465,700
Less Estimated Income	<u>20,380,727</u>	<u>41,015,636</u>	<u>61,396,363</u>
Total General Funds	\$14,343,129	\$(1,273,792)	\$13,069,337

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Parks Capital Projects	\$1,755,000	\$ 0
Extraordinary Repair	634,126	0
One-Time Equipment	622,000	0
State Park Survey	150,000	0
Recreation Mapping	75,000	0
Traffic Counters	75,000	0
International Peace Garden Projects	2,000,000	0
Parks Infrastructure	0	9,885,000
Park Deferred Maintenance Legacy Fund Earnings	0	10,000,000
Park District Infrastructure Grants	0	<u>20,600,000</u>
Total All Funds	\$5,311,126	\$40,485,000
Less Estimated Income	<u>\$5,311,126</u>	<u>\$40,485,000</u>
Total General Fund	\$ 0	\$ 0

The 2021-23 one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The parks and recreation department shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021 and ending June 30, 2023.

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, 2021 and ending June 30, 2023.

SECTION 4. ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts appropriated in section 1 of this Act, any additional federal or other funds that become available are appropriated to the parks and recreation department for the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 5. 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, 2021 and ending June 30, 2023. 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 6. 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, 2021 and ending June 30, 2023.

SECTION 7. CONVEYANCE OF LAND AND BUILDINGS – LEWIS AND CLARK INTERPRETIVE CENTER – EXEMPTION. The State of North Dakota, by and through the North Dakota parks and recreation department shall convey ownership of the Lewis and Clark interpretive center and surrounding real property to the state historical society. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

SECTION 8. Section 55-08-20 of the North Dakota Century Code is created and enacted as follows:

Section 55-08-20 Parks Matching Grant Program – Continuing Appropriation. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, North Dakota parks and recreation shall utilize one dollar in matching funds for every one dollar raised by a non-state entity for the purpose of capital projects dedicated to the improvement of North Dakota State parks and recreation managed properties. Any funds utilized pursuant to this section are appropriated on a continuing basis to the North Dakota parks and recreation for capital projects.

SECTION 9. STATE PARKS MATCHING GRANT PROGRAM. The department of parks and recreation is authorized to use up to \$10,000,000, or however much is available, of the amount transferred to the park gift fund from Legacy fund earnings at the end of the 2019-21 biennium, pursuant to 2021 House Bill 1015 to establish a state parks matching grant program as provided in section 8 of this Act.