

**Parks and Recreation Department
Budget No. 750
Senate Bill Nos. 2019 and 2020**

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriation	65.00	\$14,264,880	\$125,316,715	\$139,581,595 ¹
2021-23 legislative appropriation	<u>57.75</u>	<u>13,573,491</u>	<u>50,132,393</u>	<u>63,705,884</u>
2023-25 appropriation increase (decrease) to 2021-23 appropriation	7.25	\$691,389	\$75,184,322	\$75,875,711

¹This amount does not include any transfers of appropriation authority from the Office of Management and Budget funding pools for targeted market equity adjustments, retirement contribution increases, or new and vacant FTE positions.

Item Description

Full-time equivalent changes - The Legislative Assembly approved 65 FTE positions for the Parks and Recreation Department for the 2023-25 biennium, an increase of 7.25 FTE positions from the 2021-23 biennium authorization of 57.75 FTE positions. The Legislative Assembly added 1 FTE position for the cabin construction project and converted 6.25 temporary seasonal positions to full-time positions.

Targeted market equity - The Legislative Assembly appropriated \$82.5 million, of which \$45.1 million is from the general fund, to the Office of Management and Budget for a targeted market equity pool to be distributed to state agencies.

New and vacant FTE funding pool - The Legislative Assembly reduced \$710,313 of 2023-25 biennium appropriation authority for the department for the new and vacant FTE funding pool, of which \$197,103 was for new FTE positions and \$513,210 was for estimated vacant salary savings. Of the total, \$547,095 was from the general fund and \$163,218 was from other funds.

One-time funding - The Legislative Assembly provided \$100.45 million of one-time funding for the department for the 2023-25 biennium as follows:

	Other Funds
Deferred maintenance and capital projects ¹	\$10,000,000
Pembina Gorge campground project ¹	6,000,000
Cabin construction project ¹	2,400,000
Theodore Roosevelt Presidential Library project ²	70,000,000
Lake Metigoshe reimagined project ¹	250,000
State park matching grant program ³	3,000,000
City, county, and tribal park system grants ¹	6,000,000
International Peace Garden pavilion construction ¹	800,000
Sovereign lands recreation use grants (Senate Bill No. 2020) ⁴	2,000,000
Total	\$100,450,000

Status/Result

The department converted 5.25 of the temporary seasonal positions to FTE positions in July 2023 and converted 1 temporary seasonal position to an FTE position in November 2023. The FTE position for the cabin construction project was funded beginning in fiscal year 2025. The department anticipates filling this position at the beginning of the fiscal year.

The department received \$446,515 for targeted market equity increases, of which \$427,146 is from the general fund and \$19,369 is from other funds. Equity increases were provided to 36 employees.

Through January 2024, the department received \$110,928 from the new and vacant FTE funding pool to fill 5 new FTE positions and had estimated vacant FTE position savings of \$149,495. The department used the savings for other purposes, including accrued leave payouts and extra salary increases. The number of vacancies in the agency has ranged from two to five with an average monthly vacancy rate of 3 FTE positions.

The following is a summary of the status of the department's one-time funding:

Deferred maintenance and capital projects	Through April 2024, the department has spent approximately \$500,000 for deferred maintenance and capital projects. It is unknown how much will be spent during the 2023-25 biennium.
Pembina Gorge campground project	The department has accepted a bid of \$5,867,752 for Phase 1 of the Pembina Gorge campground project, which will consist of underground water and sewer infrastructure, campsites, and cabin construction. Groundbreaking for the project is expected to begin in May 2024 with the goal of the campground being operational for the 2025 camping season. The department anticipates requesting additional funding during the 2025 legislative session to complete Phases 2

¹Funding for this item is from the strategic investment and improvements fund (SIIF).

²Funding for the Theodore Roosevelt Presidential Library project is from a Bank of North Dakota line of credit.

³Funding for the state park matching grant program is from SIIF (\$1.5 million) and nonstate sources (\$1.5 million).

⁴Funding for sovereign lands recreation use grants is from a State Water Commission grant.

Cabin construction project	and 3 of the project, which will consist of the construction of a visitor center, staff housing, and maintenance shops. Through April 2024, the department has begun planning and design work for the cabins but are in negotiations with the Army Corps of Engineers for permission to build the cabins on the shores of Lake Sakakawea. The completion date for the project is not yet known.
Theodore Roosevelt Presidential Library project	See the Theodore Roosevelt Presidential Library project section below.
Lake Metigoshe reimagined project	Through April 2024, the department has not spent any funding but has hired a consulting firm to begin planning and architecture work on the project. The department anticipates requesting additional funding during the 2025 legislative session for the project based on the results from the consulting firm. The project plans include the construction of new buildings, moving of old buildings, and redesigning the layout of the campground.
State park matching grant program	Through April 2024, the department has spent approximately \$25,000 from SIIF and has identified projects that may receive funding. During the 2021-23 biennium, the most common use of funding for the program was for the construction of shower, bathroom, and storm shelter facilities.
City, county, and tribal park system grants	See the City, county, and tribal grant program section below.
International Peace Garden pavilion construction	In February 2023, the Province of Manitoba awarded the International Peace Garden \$800,000 in Canadian dollars for the Willis pavilion project, which is approximately \$561,000 in American dollars. As a result, the department anticipates a maximum of \$561,000 will be spent on the project but the completion date is unknown. In March 2024, the International Peace Garden issued a notice for bids for the project.
Sovereign lands recreation use grants	The department has awarded \$1.55 million of the \$2 million appropriation through a competitive bidding process, including \$800,000 to Mandan Park District for a new boat ramp and \$750,000 to Northern Plains Heritage Foundation for a new waterfront park along the Missouri River in Bismarck. Through March 2024, no reimbursements have been made. Due to the timing of each organization obtaining permits, performing work on their project, and submitting requests for reimbursements, it is unknown how much of the funding will be spent during the 2023-25 biennium.

Theodore Roosevelt Presidential Library project - In Senate Bill No. 2019, the Legislative Assembly appropriated one-time funding of \$70 million from a Bank of North Dakota line of credit to the department to support activities related to the Theodore Roosevelt Presidential Library project. Section 3 of the bill requires any entity receiving funds from the line of credit to repay funds to the department, including accrued interest on the line of credit. If the amounts available from participating entities are not sufficient to repay the line of credit by June 30, 2027, the department is required to request a deficiency appropriation from the Legislative Assembly to repay the line of credit.

Funding appropriated for the Theodore Roosevelt Presidential Library project in prior bienniums includes:

- \$15 million appropriated from the general fund and transferred to the Theodore Roosevelt Presidential Library and Museum endowment fund for use by the Governor's office during the 2017-19 biennium.
- \$35 million Bank of North Dakota loan available to the Governor's office beginning in the 2017-19 biennium. The loan was transferred to the Theodore Roosevelt Presidential Library and Museum endowment fund, from which the Governor has continuing appropriation authority. In House Bill No. 1025 (2021), the Legislative Assembly appropriated \$17.5 million from the general fund as a 2019-21 biennium deficiency appropriation to repay a portion of the loan. In House Bill No. 1015 (2021), the Legislative Assembly appropriated a contingent \$17.5 million from the general fund to the Bank of North Dakota to repay the remaining balance of the loan during the 2021-23 biennium.

City, county, and tribal grant program - In Senate Bill No. 2019, the Legislative Assembly appropriated \$6 million from SIIF to the department for a city, county, and tribal grant program. Section 7 of the bill requires the department to make \$1 million of grant awards available to communities with a population of 15,000 or less and that no more than \$150,000 may be awarded to an entity under this category. The section provides \$5 million is available to communities with a population of more than 15,000 and that no more than \$1 million may be awarded to an entity under this category. Expenditures of the funds for the program require a \$1 for \$1 match from nonstate sources.

Through April 2024, the department has not drawn on the line of credit. The department anticipates drawing funding beginning in the fall of 2024. It has been reported that private donations and pledges are being collected at a faster rate than anticipated.

Through March 2024, the department has distributed approximately \$254,000 to local entities from the grant program.

Through March 2024, local entities with a population of 15,000 or less that have been awarded funding from the grant program include City of Beach, Neche Park District, City of Bowman, City of Reynolds, Zap Park District, Linton Park District, City of Wishek Park District, Grafton Parks and Recreation, City of Walhalla, City of Hillsboro, Turtle Mountain Band of Chippewa Indians, and the Spirit Lake Tribe.

Through March 2024, local entities with a population of more than 15,000 that have been awarded funding from the grant program include Grand Forks Park District, Minot Park District, West Fargo Park District, Fargo Park District, Williams County Parks, Jamestown Parks and Recreation, Williston Parks and Recreation, Mandan Parks and Recreation, and Bismarck Parks and Recreation.

Appropriation - Additional federal funds or other funds - Section 5 of Senate Bill No. 2019 appropriates any additional income from federal or other funds that may become available to the department for the 2023-25 biennium.

Through March 2024, the department has received the following amounts pursuant to Section 5 of Senate Bill No. 2019:

Funding Description	Federal Funds	Special Funds	Total
Transportation alternative grant	\$463,535		\$463,535
America the beautiful grant	5,375		5,375
Federal prairie orchid inventory grant	25,000		25,000
Federal Emergency Management Agency	122,762		122,762
North Dakota natural resources trust - Soil and wetland interpretive signage		\$17,450	17,450
Donations - 50 th anniversaries at state parks		50,000	50,000
Total	\$616,672	\$67,450	\$684,122

Exemptions - Park enhancements and extraordinary repairs - In Section 9 of Senate Bill No. 2019, the Legislative Assembly authorized the department to continue funds for park enhancements and extraordinary repairs from the 2013-15, 2019-21, and 2021-23 bienniums into the 2023-25 biennium.

The department continued \$26,100,000 of appropriation authority into the 2023-25 biennium, including \$106,516 from the general fund, \$640,144 from SIIF, \$276,918 from the department's operating fund, and \$25,112,546 from federal funds. Of the total, \$150,014 was from 2013-15 biennium funding for International Peace Garden capital projects, extraordinary repairs, and equipment. This funding has been spent.

Office of Outdoor Recreation - In May 2024, the Governor and Parks and Recreation Department announced the creation of the Office of Outdoor Recreation within the department.

The purpose of the Office of Outdoor Recreation is to grow North Dakota's outdoor recreation economy by strengthening partnerships with the private sector and increasing collaboration between public and private entities to take advantage of natural and economic opportunities in the state. The office is being funded using existing funding and personnel. The office will focus on promoting economic growth, workforce recruitment and retention, enhancing quality of life, and preserving the state's outdoor heritage. Other state agencies that will collaborate with the Parks and Recreation Department include the Game and Fish Department and Department of Commerce.