

Program Biennium Comparison

The following table compares the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Biennium Comparison				
Budget Item	Appropriated Budget 20-21	Requested Budget 22-23	Biennium Change	Biennium % Change
Personal Services	11,164,602	11,635,125	470,523	4.21 %
Operating Expenses	4,777,132	5,531,583	754,451	15.79 %
Equipment & Intangible Assets	958,476	838,476	(120,000)	(12.52)%
Capital Outlay	7,500	0	(7,500)	(100.00)%
Grants	1,001,890	1,035,392	33,502	3.34 %
Benefits & Claims	12,100	8,000	(4,100)	(33.88)%
Total Expenditures	\$17,921,700	\$19,048,576	\$1,126,876	6.29 %
State/Other Special Rev. Funds	16,960,031	18,061,302	1,101,271	6.49 %
Federal Spec. Rev. Funds	961,669	987,274	25,605	2.66 %
Total Funds	\$17,921,700	\$19,048,576	\$1,126,876	6.29 %
Total Ongoing	\$17,621,700	\$19,048,576	\$1,426,876	8.10 %
Total OTO	\$300,000	\$0	(\$300,000)	(100.00)%

Program Biennium Comparison -

The biennial comparison table shows an increase in total expenditures of 6.3% or \$1.1 million, and an increase of ongoing expenditures of 8.1% or \$1.4 million.

Program Description

Montana State Parks is responsible for conserving the scenic, historic, archaeological, scientific, and recreational resources of the state, and for providing for their use and enjoyment. The program includes 55 park units and 12 affiliated lands. The division also manages recreational trails, OHV, snowmobile, and LWCF grants which provide support for recreation on local, state, and federal lands for use by all citizens.

Program Highlights

Parks Division Major Budget Highlights
<p>The executive proposes an increase in total appropriation of 6.3% or \$1.1 million and an increase in ongoing appropriation of 8.1% or \$1.4 million, including:</p> <ul style="list-style-type: none"> • Increased funding for snowmobile equipment: \$600,000 • Increased operating costs for state parks: \$400,000 • Increase of 1.89 FTE for Milltown State Park: \$258,600 • Smith River Corridor increased operating costs: \$200,000 • Additional support for park rangers: \$148,700 • Statewide present law adjustments: \$82,800 <p>One-time-only appropriations of \$300,000 from the previous biennium were not renewed.</p>

Program Actuals and Budget Comparison

The following table compares FY 2020 actual expenditures to the 2021 biennium appropriated budget and the 2023 biennium budget request by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2020	Approp. Fiscal 2020	Approp. Fiscal 2021	Request Fiscal 2022	Request Fiscal 2023
FTE	0.00	81.48	81.48	83.37	83.37
Personal Services	5,414,479	5,544,460	5,620,142	5,810,417	5,824,708
Operating Expenses	1,931,849	2,358,964	2,418,168	2,859,671	2,671,912
Equipment & Intangible Assets	811,713	839,238	119,238	419,238	419,238
Capital Outlay	8,350	7,500	0	0	0
Grants	395,976	484,194	517,696	517,696	517,696
Benefits & Claims	6,782	8,100	4,000	4,000	4,000
Total Expenditures	\$8,569,149	\$9,242,456	\$8,679,244	\$9,611,022	\$9,437,554
State/Other Special Rev. Funds	8,305,006	8,746,424	8,213,607	9,117,385	8,943,917
Federal Spec. Rev. Funds	264,143	496,032	465,637	493,637	493,637
Total Funds	\$8,569,149	\$9,242,456	\$8,679,244	\$9,611,022	\$9,437,554
Total Ongoing	\$8,294,144	\$8,942,456	\$8,679,244	\$9,611,022	\$9,437,554
Total OTO	\$275,005	\$300,000	\$0	\$0	\$0

Program Discussion -

FY 2020 Appropriations Compared to FY 2020 Actual Expenditures

The Parks Division expended 92.7% of the \$9.2 million HB 2 appropriation in FY 2020. The unexpended appropriations totaling \$673,300 include:

- Unexpended budget for operating expenditures total \$427,100
- Personal services were 97.7% expended leaving \$130,000 unexpended
- Unexpended grants funded from state sources totaled \$88,200
- Other unexpended appropriations of \$28,000

FY 2020 Appropriations Compared to FY 2021 Appropriations

The FY 2021 appropriations are \$563,200 lower when compared to FY 2020 appropriations. The lower appropriation in the second year of the biennium are due primarily to appropriations for snowmobile and parks equipment budgeted only in the first year of the biennium totaling \$700,000. This is offset by increases in authority for operating expenditures and personal services.

Personal Services

Personal services appropriations in FY 2021 totaled \$5.6 million or 64.8% of total appropriations. The FY 2021 appropriation funded 81.48 FTE. The executive proposes SWPL adjustments that increases personal services by \$61,018 in FY 2022 and \$75,232 in FY 2023. In addition to DP 1 the executive proposes an increase of 1.89 FTE and \$129,000 in each year of the biennium. The adjustments for this program are funded with state special revenue and federal sources. All employees received statutory adjustments, and 20 positions had adjustments for longevity. Adjustments are partially offset by employee turnover and retirements.

Executive Request

The executive proposes to increase the Parks Division budget by 6.3% or \$1.1 million and increase FTE by 1.89. Total appropriations for the biennium of \$19.0 million are funded 94.8% or \$18.1 million from state special revenue sources, 5.2% or \$1.0 million from federal sources. In addition to statewide present law

adjustments the executive proposes increased funding for the operation of state parks including funding for modified FTE, funding for the Smith River corridor, and restoration of base funding for snowmobile trail grooming equipment. The executive proposes an increase in funding for the Milltown State Park at the confluence of the Clark Fork and Blackfoot rivers, as federal grants used to operate the park are expiring. To operate the park into the future the executive proposes an increase of 1.89 FTE and funding from coal taxes and state parks miscellaneous accounts.

Funding

The following table shows proposed program funding by source of authority.

Department of Fish, Wildlife, and Parks, 06-Parks Division Funding by Source of Authority							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	0	0	0	0	0	0.00 %	
02051 Private Contracts & Grants	0	0	0	0	0	0.00 %	
02171 Smith R. Corridor Enhancement	561,390	0	0	0	561,390	2.60 %	
02213 Off Highway Vehicle Gas Tax	140,252	0	0	0	140,252	0.65 %	
02239 Off Hwy Vehicle Acct (Parks)	38,524	0	0	0	38,524	0.18 %	
02273 Motorboat Fees	318,376	0	0	0	318,376	1.47 %	
02274 FWP Accommodations Tax	0	0	0	3,531,409	3,531,409	16.35 %	
02328 Parks OHV Fuel Safety/Educ	26,628	0	0	0	26,628	0.12 %	
02330 Parks Snomo Fuel Tax Sfty/Educ	97,138	0	0	0	97,138	0.45 %	
02331 Motorboat Certification-Parks	41,664	0	0	0	41,664	0.19 %	
02332 Snowmobile Registration-Parks	729,498	0	0	0	729,498	3.38 %	
02407 Snowmobile Fuel Tax	1,433,588	0	0	0	1,433,588	6.64 %	
02408 Coal Tax Trust Account	1,906,018	0	0	0	1,906,018	8.83 %	
02409 General License	3,196,760	0	0	0	3,196,760	14.80 %	
02411 State Parks Miscellaneous	7,129,895	0	0	0	7,129,895	33.02 %	
02412 Motorboat Fuel Tax	2,245,181	0	0	0	2,245,181	10.40 %	
02055 Snowmobile Trail Pass	130,458	0	0	0	130,458	0.60 %	
02057 OHV Noxious Weeds	54,796	0	0	0	54,796	0.25 %	
02059 OHV Education	11,136	0	0	0	11,136	0.05 %	
State Special Total	\$18,061,302	\$0	\$0	\$3,531,409	\$21,592,711	91.24 %	
03097 Fish(WB)-Wildf(Pr) Restor Grnt	779,274	0	0	0	779,274	78.93 %	
03098 Parks Federal Revenue	208,000	0	0	0	208,000	21.07 %	
03403 Misc Federal Funds	0	0	0	0	0	0.00 %	
Federal Special Total	\$987,274	\$0	\$0	\$0	\$987,274	4.17 %	
06068 MFWP Visitor Services	0	0	1,086,467	0	1,086,467	100.00 %	
Proprietary Total	\$0	\$0	\$1,086,467	\$0	\$1,086,467	4.59 %	
Total All Funds	\$19,048,576	\$0	\$1,086,467	\$3,531,409	\$23,666,452		

The program is funded with revenue from day-use park entry fees, camping fees, cabin site rentals, a portion of state gasoline dealers license and distribution tax, coal tax dollars, recreational and commercial user fees for floating and camping on the Smith River, and other miscellaneous taxes, fees, and permit revenue. Statutory appropriations come from 6.5% of the total bed accommodation tax and is used for the maintenance of facilities in state parks that have both resident and non-resident use (15-65-121(2)(c), MCA).

Program Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the [glossary](#).

Budget Summary by Category									
Budget Item	-----General Fund-----				-----Total Funds-----				
	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	Budget Fiscal 2022	Budget Fiscal 2023	Biennium Fiscal 22-23	Percent of Budget	
2021 Base Budget	0	0	0	0.00 %	8,679,244	8,679,244	17,358,488	91.13 %	
SWPL Adjustments	0	0	0	0.00 %	28,185	54,640	82,825	0.43 %	
PL Adjustments	0	0	0	0.00 %	774,336	574,336	1,348,672	7.08 %	
New Proposals	0	0	0	0.00 %	129,257	129,334	258,591	1.36 %	
Total Budget	\$0	\$0	\$0		\$9,611,022	\$9,437,554	\$19,048,576		

Present Law Adjustments

The "Present Law" Adjustments table shows the changes from the base appropriation to the proposed budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	33,018	28,000	61,018	0.00	0	47,232	28,000	75,232
DP 3 - Inflation Deflation	0.00	0	(32,833)	0	(32,833)	0.00	0	(20,592)	0	(20,592)
DP 608 - Statewide Parks Operation Increase	0.00	0	200,000	0	200,000	0.00	0	200,000	0	200,000
DP 613 - Park Ranger Enhancement	0.00	0	74,336	0	74,336	0.00	0	74,336	0	74,336
DP 616 - Refund 02411 to 02409	0.00	0	0	0	0	0.00	0	0	0	0
DP 618 - Smith River Corridor Enhancement	0.00	0	200,000	0	200,000	0.00	0	0	0	0
DP 621 - Snowmobile Equipment (Biennial) and Increase	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
Grand Total All Present Law Adjustments	0.00	\$0	\$774,521	\$28,000	\$802,521	0.00	\$0	\$600,976	\$28,000	\$628,976

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The executive requests adjustments to the present law personal services budget. This request has been broken into the following categories, and further detail is shown in the agency summary:

- Formula based
- Personal services management decisions
- Modifications made to the personal services budget in the 2021 biennium

DP 3 - Inflation Deflation -

The executive requests adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include food, postage, gasoline, and others.

DP 608 - Statewide Parks Operation Increase -

The executive proposes an increase in appropriation of \$200,000 per year in operating expenditures to address increases in park visits and extended park season. The executive proposes to fund the appropriation from miscellaneous fees for

parcs services and motorboat fuel taxes.

LFD COMMENT

Visitation to state parks has increased at an annualized rate of 2.7% between 2009 and 2019.

The table below shows total visits to the states 55 state parks from 2009 through September of 2020. Total visits through September of 2020 have already reached 3.0 million.

Visits to Montana State Parks (millions of visits per calendar year)											
<u>CY 2009</u>	<u>CY 2010</u>	<u>CY 2011</u>	<u>CY 2012</u>	<u>CY 2013</u>	<u>CY 2014</u>	<u>CY 2015</u>	<u>CY 2016</u>	<u>CY 2017</u>	<u>CY 2018</u>	<u>CY 2019</u>	<u>CY 2020</u>
2.0	2.0	1.9	2.0	2.2	2.2	2.5	2.7	2.5	2.6	2.6	3.0

Typical maintenance costs at state park facilities are weed spraying, toilet pumping, garbage services, and utility costs.

DP 613 - Park Ranger Enhancement -

The executive proposes an increase in state special revenue from miscellaneous fees for parks services and motorboat fuel taxes to support ranger functions, and an extended park season.

DP 616 - Refund 02411 to 02409 -

The executive proposes a transfer of appropriation authority between state special revenue accounts. This amendment does not increase overall appropriation. The state water-based park systems are heavily utilized by hunter/anglers and this proposal reflects this activity by shifting funding from the state parks miscellaneous account to the general license account. The general license account is funded by hunters and anglers.

DP 618 - Smith River Corridor Enhancement -

The executive proposes an increase in appropriation for the biennium in operational expenses for the Smith River Corridor, and fund the appropriation from float fees, outfitter fees and other permit fees on the Smith River.

DP 621 - Snowmobile Equipment (Biennial) and Increase -

This decision package would renew the appropriation of the 2021 Legislature and increase funding by \$180,000 over the biennium. The executive proposes an increase of \$300,000 per year in operating expense for grooming snowmobile trails and to fund the appropriation from snowmobile fuel taxes.

LFD COMMENT

Snowmobile Biennial Appropriation not included in base funding.

The past several biennia, the legislature has approved this appropriation as biennial allowing the agency the flexibility to spend the appropriation in either year of the biennium. In the 2021 biennium the agency was appropriated \$210,000 in each year of the biennium and expended \$420,000 in the first year and by doing so the funding was excluded from the base calculation in the 2023 biennium.

This decision package would renew the appropriation of the 2021 Legislature and increase funding by \$180,000 over the biennium.

New Proposals

The New Proposals table shows new changes to spending

New Proposals	-----Fiscal 2022-----					-----Fiscal 2023-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 602 - Milltown State Park	1.89	0	129,257	0	129,257	1.89	0	129,334	0	129,334
Total	1.89	\$0	\$129,257	\$0	\$129,257	1.89	\$0	\$129,334	\$0	\$129,334

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 602 - Milltown State Park -

The executive proposes an increase in FTE and state special revenue appropriation for the continued operation of Milltown State Park. Initial funding for the park is a grant from Natural Resource Damage Program (NRDP) which will expire in FY 2021.

Proposed appropriation will fund 1.89 FTE

- Park Manager 0.59 FTE
- Park Ranger 0.55 FTE
- Groundskeeper 0.75 FTE

Other Issues -

Fund 06068 - Enterprise Account

Proprietary Program Description

Section 23-1-105 (5), MCA, authorizes the Parks Division of Montana Fish, Wildlife and Parks to establish an enterprise fund for the purpose of managing state park visitor services revenue. The fund is used by the department to provide inventory through purchase, production, or donation and for the sale of educational, commemorative, and interpretive merchandise and other related goods and services at department sites and facilities. The fund was established primarily to better manage Montana State Parks visitor centers that sell books, clothing, and commemorative items at parks like First Peoples Buffalo Jump, Makoshika, and Chief Plenty Coups as well as parks that sell items like firewood and ice. Monies generated go back into the purchase of inventory and the improvement of visitor services in state parks and FWP overall.

Revenues and Expenses

Revenues are generated by the sales of interpretive and educational merchandise at park visitor centers and regional offices. The expenses associated with the enterprise fund include personal services, office supplies, merchandising materials, and the purchase of inventory to replenish stock.

06068 - Montana Fish, Wildlife, and Parks Visitor Services Proprietary Fund						
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Forecast</u>	<u>Budgeted</u>	<u>Budgeted</u>
Beginning Fund Balance	\$591,700	\$654,428	\$736,068	\$468,743	\$376,752	\$223,944
Revenues	287,304	360,846	317,906	384,527	392,519	400,486
Expenditures	(223,956)	(264,931)	(585,231)	(476,518)	(545,327)	(541,140)
Other	(619)	(14,275)	-	-	-	-
Ending Balance	<u>\$654,428</u>	<u>\$736,068</u>	<u>\$468,743</u>	<u>\$376,752</u>	<u>\$223,944</u>	<u>\$83,290</u>