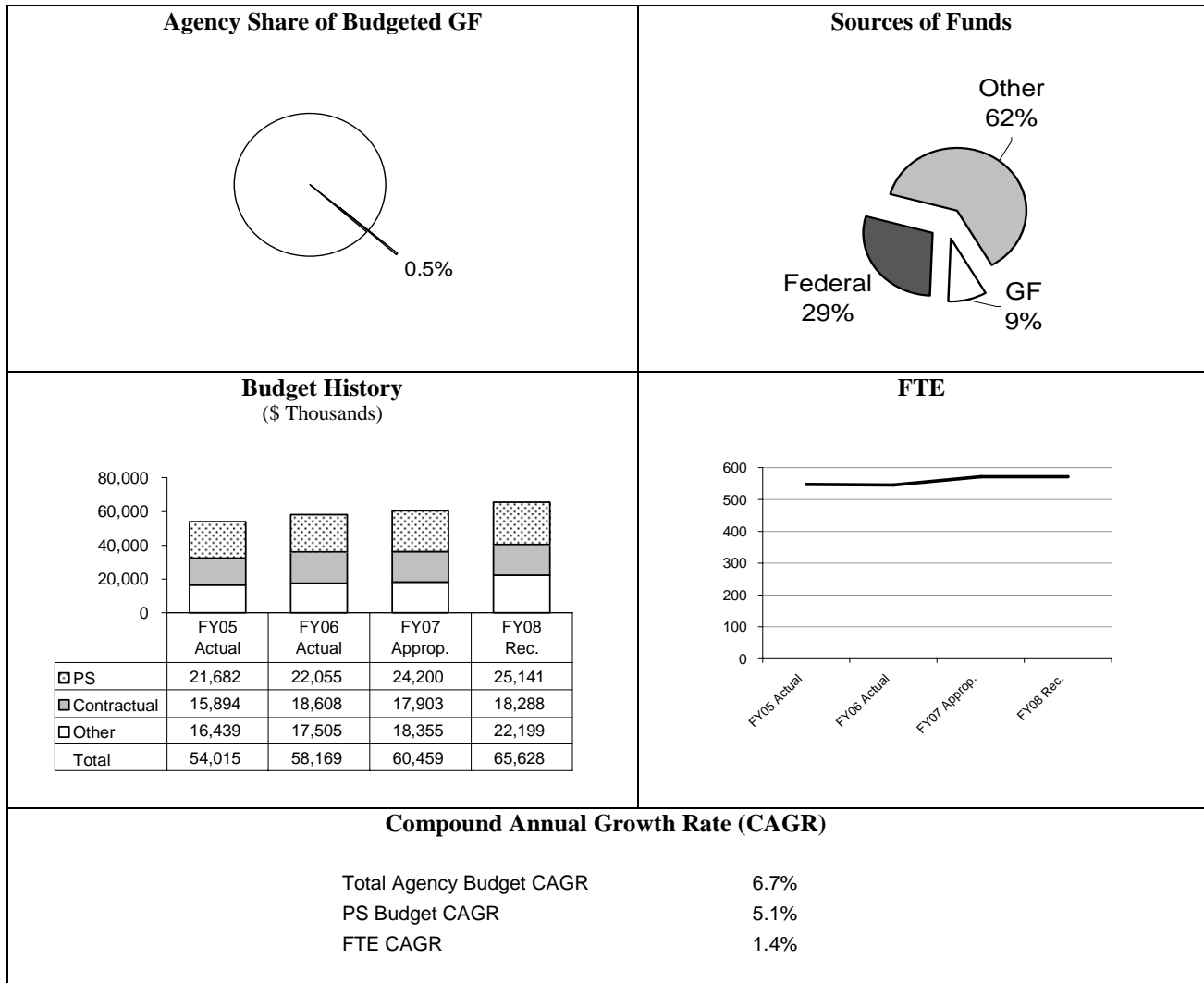


FY08 Budget Briefing

Department of Game, Fish, & Parks



Key Responsibilities

- To perpetuate, conserve, manage, protect, and enhance South Dakota's wildlife resources, parks, and outdoor recreational opportunities for the use, benefit, and enjoyment of the people of this state and its visitors.
- To give the highest priority to the welfare of this state's wildlife and parks, and their environment, in planning and decisions.

Key Personnel

Department Secretary, John Cooper
Finance Officer, Chris Peterson

Doug Hansen, Division of Wildlife
Doug Hofer, Division of Parks and Recreation

Department of Game, Fish, and Parks

For FY08, the Governor recommends an increase of \$5,169,025 from all funds and 0.0 FTE from FY07. The FY08 recommended budget consists of \$5,866,746 from general funds, \$18,768,145 in federal fund expenditure authority, and \$40,992,884 in other fund expenditure authority, for a total budget of \$65,627,775 and 570.7 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	22,055,462	24,200,439	24,200,439	25,141,448	941,009	3.9%
Travel	884,280	960,498	960,498	960,498	-	0.0%
Contractual Services	18,607,749	17,903,162	18,273,812	18,287,659	384,497	2.1%
Supplies & Materials	4,637,778	4,823,357	5,149,844	5,149,844	326,487	6.8%
Grants And Subsidies	2,343,867	3,450,862	3,509,049	3,509,049	58,187	1.7%
Capital Outlay	9,437,188	8,943,868	12,402,713	12,402,713	3,458,845	38.7%
Other	202,283	176,564	176,564	176,564	-	0.0%
Total	58,168,607	60,458,750	64,672,919	65,627,775	5,169,025	8.5%
Funding Types						
General	4,853,977	5,770,213	5,756,203	5,866,746	96,533	1.7%
Federal	15,050,935	14,319,300	18,613,472	18,768,145	4,448,845	31.1%
Other	38,263,695	40,369,237	40,303,244	40,992,884	623,647	1.5%
Total	58,168,607	60,458,750	64,672,919	65,627,775	5,169,025	8.5%
FTE	545.2	570.7	570.7	570.7	-	0.0%

The Governor's recommendation throughout this analysis also includes funding for Performance And Compensation Equity (PACE) movement of 2.5% for those employees who are paid under the job-worth of their pay range, a 3% across-the-board increase for all permanent employees, and an increase in the employer paid portion of the state health insurance plan.

	General Funds	Federal Funds	Other Funds	Total
2.5% PACE Movement	20,928	29,965	131,030	181,923
3% Across-the-Board	76,330	109,581	480,258	666,169
Health Insurance	13,285	15,127	64,505	92,917
Total	110,543	154,673	675,793	941,009

Major Expansions and Reductions

Budget Item	Agency Request			Governor's Recommendation		
	State General Fund	All Funds	FTE	State General Fund	All Funds	FTE
Wildlife- Info						
Hunter Safety	-	47,000	0.0	-	47,000	0.0
Information Service	-	80,000	0.0	-	80,000	0.0
Fish Research	-	292,177	0.0	-	292,177	0.0
Habitat Management	-	660,000	0.0	-	660,000	0.0
Game Management	-	(460,500)	0.0	-	(460,500)	0.0
Environmental Review	-	(291,470)	0.0	-	(291,470)	0.0
Wildlife- Dev/Imp	-	2,588,000	0.0	-	2,588,000	0.0
State Parks and Recreation						
Contractual Services	(7,975)	40,325	0.0	(7,975)	40,325	0.0
Supplies and Materials	-	65,100	0.0	-	65,100	0.0
State Parks and Recreation- Dev/Imp						
Waterbased Recreation	-	892,375	0.0	-	892,375	0.0
Preventative Maintenance	-	(1,186,300)	0.0	-	(1,186,300)	0.0
Other Development	-	904,800	0.0	-	904,800	0.0
Snowmobile Trails	-	165,600	0.0	-	165,600	0.0
Governor's Salary Policy	-	-	0.0	110,543	941,009	0.0
Total	(7,975)	3,797,107	0.0	102,568	4,738,116	0.0

Wildlife-Informational

Wildlife- Hunter Safety:

- Supplies and Materials- The agency requests an increase of \$47,000 in federal fund expenditure authority as a result of using volunteer, in kind labor instead of paying cash as the state's portion of federal funds. This in-kind labor is a result of tracking and recording volunteer hours from individuals such as HuntSAFE volunteers who work with the program. This results in additional federal funds that can be utilized by the program. Examples of how this money will be used include additional purchases of Laser Shot systems, archery equipment, portable sporting clay throwers, and up to date electronic equipment for volunteer instructors. By using this in-kind labor instead of cash, GF&P funds will be enhanced by \$47,000. The Governor recommends this request.

Wildlife- Information Service:

- Supplies and Materials- The agency requests an increase of \$80,000 in other fund expenditure authority due to an increase in the production costs of printed materials and in the number of publications being handled by the communications program. The Governor recommends this request.

Technical Services- Fish Research:

- Grants and Subsidies- The agency requests an increase of \$292,177 in federal fund expenditure authority for fish research grants. The Governor recommends this request.

Technical Services – Habitat Management:

- Contractual Services- The agency requests an increase of \$660,000 in federal fund expenditure authority in FY08. The increase includes:
 - \$130,000 for existing long-term habitat leasing program commitments.
 - \$530,000 for woody habitat, food plots, nesting habitat and habitat fencing program payments to private landowners through the Wildlife Partners Program. This increase is being shifted from the Game Management Program. The Governor recommends this request.

Technical Services- Game Management:

- Contractual Services- The agency requests a decrease of \$520,500 in other fund expenditure authority due to a shift of funds to the Habitat Management Program. The Governor recommends this request.
- Grants and Subsidies- The agency requests an increase of \$60,000 (\$12,900 federal, \$47,100 other) for the second year of a GF&P Commission approved study on mountain lions in SD. The Governor recommends this request.

Technical Services- Environmental Review:

- Grants and Subsidies- The agency requests a decrease of \$145,735 in federal fund expenditure authority and \$145,735 of other fund expenditure authority due to the completion of various studies. The Governor recommends this request.

Wildlife- Development/Improvement

- Capital Outlay- The agency requests an increase of \$2,588,000 (\$1,956,750 federal, \$631,250 other) in the Capital Development/Improvement budget for FY08. The Governor recommends this request.

State Parks and Recreation

- Contractual Services- The agency requests an increase of \$40,325 in FY08. This includes:
 - Region 1- Glacial Lakes- \$15,700 for garbage rate increases, telecommunications services at district offices, and electricity at Pelican Lake Recreation Area and Roy Lake State Park.
 - Region 2- Heartland- \$600 for equipment service and electricity for a new camping cabin at Snake Creek Recreation Area.
 - Region 3- Lewis and Clark- \$31,000 for electricity at the region's state parks.
 - Region 6- Southern Hills- \$1,000 increase in equipment rental and a \$7,975 decrease due to a reduction in Custer State Park's bond payment.The Governor recommends this request.
- Supplies and Materials- The agency requests an increase of \$65,100 in FY08.
 - Region 1- Glacial Lakes- \$24,100 for heating and cooking fuels, diesel fuel, gasoline, janitorial supplies, recreational supplies, postage, and credit card purchases for the Oakwood campground expansion.
 - Region 2- Heartland- \$700 for increased costs of heating and cooking fuels.
 - Region 4- West River- \$2,250 for increased costs and need for agricultural chemicals and fertilizers.
 - Region 6- Southern Hills- \$38,050 to develop and print new promotional brochures and increased costs and need for agricultural chemicals and fertilizers.The Governor recommends this request.

State Parks and Recreation- Dev/Imp

Waterbased Recreation:

- Capital Outlay- The agency requests an increase of \$851,894 in federal fund expenditure authority and \$40,481 in other fund expenditure authority to improve facilities for boaters and anglers in South Dakota. The main federal funding source is the Sportsman Restoration Fund (Dingell-Johnson Fund), which is derived from the excise tax on fishing and boating equipment. Other federal funding sources are the Bureau of Reclamation, Coast Guard Boater Safety, Missouri River Title VI, and the Land and Water Conservation Fund. The state match funding source is the Motor Boat Fuel Fund, which represents the state fuel taxes paid by boaters. The Motor Boat Fuel Fund is dedicated for the benefit of boaters. The federal/state match is 75% federal dollars to 25% state dollars for sportfish restoration. The matching ratio is 50% federal funds to 50% state funds for Bureau of Reclamation, Coast Guard Boater Safety, and Land and Water Conservation Fund. The Missouri River Title VI program utilizes federal funds from the U.S. Army Corps of Engineers to develop and improve recreational resources on the Missouri River. This program requires no matching dollars. The Governor recommends this request.

Preventative Maintenance:

- Capital Outlay- The agency requests a decrease of \$97,650 in federal fund expenditure authority and \$1,088,650 in other fund expenditure authority in FY08. Preventative maintenance is needed to restore and maintain the function and quality of existing facilities in the park system. It involves the renovation or replacement of existing facilities that have deteriorated because of age or use. The FY08 Preventative Maintenance budget includes 71 projects in 25 park areas throughout the state as well as 5 projects that extend statewide. This request for preventative maintenance is a small percentage of the total replacement value of park facilities statewide. The Governor recommends this request.

Other Development:

- Capital Outlay- The agency requests an increase of \$486,400 in federal fund expenditure authority and \$418,400 in other fund expenditure authority to develop new recreational facilities, amenities, and opportunities for the park system. The FY08 Other Development budget includes 23 projects in 13 park areas throughout the state. Other funds in this budget are being used to match federal sources such as the Recreational Trails Program, Bureau of Reclamation, Sportfish Restoration, Land & Water Conservation funds, Statewide Transportation Enhancement Funds, and Missouri River Title VI Funds. The Recreation Trail Program funds provide a generous matching ratio of 80% federal to 20% other funds. The Missouri River Title VI program utilizes federal funds from the U.S. Army Corps of Engineers to develop and improve recreational resources on the Missouri River in parks that were transferred to the state from the federal government. This program requires no matching dollars. The Governor recommends this request.

Snowmobile Trails

- Contractual Services- The agency requests an increase of \$12,000 in other fund expenditure authority for fleet and travel expenses due to an expected increase in gasoline prices and insurance expenses because of a new insurance requirement from the U.S. Forest Service to occupy the Hardy Camp facilities. The Governor recommends this request.
- Supplies and Materials- The agency requests an increase of \$23,500 in other fund expenditure authority for diesel fuel, gasoline, and heating fuel at Hardy Camp. The Governor recommends this request. The Governor recommends this request.
- Grants and Subsidies- The agency requests an increase of \$15,000 in other fund expenditure authority to offset the increased cost of diesel fuel which is needed to operate nine grooming machines used throughout the Snowmobile Grant in Aid Program in eastern South Dakota. In addition, grooming rates have been increased from \$55 to \$60 per hour for clubs using their own equipment to reflect the increased cost of diesel fuel. The Governor recommends this request.
- Capital Outlay- The agency requests an increase of \$115,100 (\$10,000 federal, \$105,100 other) for permanent trail easements in the Black Hills (\$100,000), machinery (\$10,000), recreation equipment (\$5,000), computer equipment (\$4,000) and a decrease in miscellaneous equipment (\$3,900). The Governor recommends this request.

Conservation Reserve Enhancement

To provide a state general fund appropriation for lease payments to the South Dakota Building Authority under the provisions of 1988 Session Laws, Chapters 50, 52, 129, and 379.

The total recommended budget for Conservation Reserve Enhancement consists of \$1,168,680 from general funds and 0.0 FTE.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	1,175,661	1,173,438	1,168,680	1,168,680	(4,758)	(0.4%)
Supplies & Materials	-	-	-	-	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
Total	1,175,661	1,173,438	1,168,680	1,168,680	(4,758)	(0.4%)
Funding Types						
General	1,175,661	1,173,438	1,168,680	1,168,680	(4,758)	(0.4%)
Federal	-	-	-	-	-	0.0%
Other	-	-	-	-	-	0.0%
Total	1,175,661	1,173,438	1,168,680	1,168,680	(4,758)	(0.4%)
FTE	-	-	-	-	-	0.0%

- Conservation Reserve Enhancement Program was initiated during the Governor Mickelson administration where the state purchased the landowners future payments from the Federal Conservation Reserve Program at a discounted present value, allowing the landowner a lump sum payment. The state issued bonds to purchase the future payments and uses the payments from the federal program to make the bond payments. Since the bonds were issued using the State of South Dakota as the borrower, the payments are required to be made from State General Funds. The receipts from the federal program are deposited into the State General Fund with an outcome of no cost to the state.

Administration

To provide administrative and technical support to the department's line divisions to enable them to provide the optimum in consumptive recreation, resource management, and informed use and enjoyment of the state's natural resources.

The total recommended budget for Administration consists of \$1,153,621 from general funds and \$3,180,855 in other fund expenditure authority for a total budget of \$4,334,476 and 27.1 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	1,546,282	1,648,173	1,648,173	1,714,319	66,146	4.0%
Travel	125,224	109,183	109,183	109,183	-	0.0%
Contractual Services	1,128,350	2,117,093	2,115,816	2,129,663	12,570	0.6%
Supplies & Materials	391,665	363,111	363,111	363,111	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	24,264	18,200	18,200	18,200	-	0.0%
Other	-	-	-	-	-	0.0%
Total	3,215,785	4,255,760	4,254,483	4,334,476	78,716	1.8%
Funding Types						
General	354,083	1,151,914	1,150,637	1,153,621	1,707	0.1%
Federal	-	-	-	-	-	0.0%
Other	2,861,702	3,103,846	3,103,846	3,180,855	77,009	2.5%
Total	3,215,785	4,255,760	4,254,483	4,334,476	78,716	1.8%
FTE	28.0	27.1	27.1	27.1	-	0.0%

Revenues

	<u>CY06</u>			<u>CY07</u>			<u>CY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Agent Fees	120,000	156,672	36,672	120,000	160,000	40,000	160,000
Total	120,000	156,672	36,672	120,000	160,000	40,000	160,000

- Personal Services- The Governor's recommended appropriation includes an increase of \$66,146 (\$2,984 general, \$66,146 other) for FY08 salary policy.
- Contractual Services- The agency requests a decrease of \$1,277 in revenue bond lease payments in FY08. The Governor recommends this request and an increase of \$13,847 to account for a recalculation in the method of recovering maintenance and repair funding for the Capitol Complex.

Selected Performance Indicators

	<u>FY06</u>			<u>FY07</u>			<u>FY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Engineering:							
Projects Greater/Less than \$15,000	80/110	64/75	n/a	50/90	50/90	n/a	50/90
Consultant Contracts	25	13	(12)	25	25	0	25
Section 10-404 Permits	45	25	(20)	40	40	0	40
Big Game Applications (1st Draw):							
West River Rifle Deer	21,281	21,281	0	22,000	20,666	(1,334)	21,000
East River Rifle Deer	40,003	40,003	0	41,000	40,000	(1,000)	40,000
Black Hills Rifle Deer	12,642	12,642	0	12,500	13,354	854	13,500
Rifle Antelope	8,876	8,876	0	8,900	9,115	215	9,000
Black Hills Rifle Elk	15,532	15,532	0	15,500	14,333	(1,167)	15,000
Prairie Elk	1,705	1,705	0	1,700	1,637	(63)	1,700
CSP Rifle "Any" Elk	12,169	12,169	0	12,000	11,699	(301)	12,000
CSP Rifle "Antlerless" Elk	4,306	4,306	0	4,300	4,102	(198)	4,300
CSP Big Horn Sheep	0	0	0	0	0	0	0
Mountain Goat	2,596	2,596	0	2,600	2,982	382	3,000
Big Horn Sheep	2,749	2,749	0	2,800	3,352	552	3,400

Wildlife - Info

To maintain maximum wildlife populations compatible with available habitat, recreational demands, and the public interest.

The total recommended budget for Wildlife- Info consists of \$9,994,424 in federal fund expenditure authority and \$23,260,085 in other fund expenditure authority for a total budget of \$33,254,509 and 291.2 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	12,676,484	13,854,875	13,854,875	14,406,160	551,285	4.0%
Travel	629,559	688,695	688,695	688,695	-	0.0%
Contractual Services	11,959,640	10,374,665	10,699,025	10,699,025	324,360	3.1%
Supplies & Materials	2,696,701	2,834,593	3,072,480	3,072,480	237,887	8.4%
Grants And Subsidies	1,788,453	2,375,862	2,419,049	2,419,049	43,187	1.8%
Capital Outlay	2,555,029	1,822,230	1,967,100	1,967,100	144,870	8.0%
Other	41,637	2,000	2,000	2,000	-	0.0%
Total	32,347,503	31,952,920	32,703,224	33,254,509	1,301,589	4.1%
Funding Types						
General	-	-	-	-	-	0.0%
Federal	9,470,407	8,789,676	9,865,954	9,994,424	1,204,748	13.7%
Other	22,877,095	23,163,244	22,837,270	23,260,085	96,841	0.4%
Total	32,347,502	31,952,920	32,703,224	33,254,509	1,301,589	4.1%
FTE	273.4	291.2	291.2	291.2	-	0.0%

Revenues

	FY06		Difference Over (Under) Estim.	FY07			FY08
	Original Estimate	Actual		Original Estimate	Current Estimate	Change in Estimate	Estimate
Game, Fish, and Parks' Fund:							
License Sales	24,866,630	25,736,219	869,589	26,613,275	26,613,275	0	26,684,360
Interest	800,000	380,690	(419,310)	600,000	500,000	(100,000)	500,000
Boat Licenses	70,000	70,000	0	70,000	70,000	0	70,000
Rent - Department Property	100,000	162,605	62,605	150,000	150,000	0	150,000
Miscellaneous Receipts	500,000	634,739	134,739	800,000	800,000	0	650,000
Miscellaneous Licenses	75,000	155,929	80,929	75,000	75,000	0	100,000
Animal Damage Control Fund:							
Counties	315,870	323,174	7,304	315,870	325,000	9,130	325,000
Game, Fish, and Parks' Fund	631,739	646,348	14,609	631,739	650,000	18,261	650,000
Other	5,000	118,294	113,294	5,000	150,000	145,000	150,000
Total	27,364,239	28,227,998	863,759	29,260,884	29,333,275	72,391	29,279,360

- Personal Services- The Governor's recommended appropriation includes an increase of \$551,285 (\$128,470 federal, \$422,815 other) for FY08 salary policy.

Wildlife- Hunter Safety:

- Supplies and Materials- The agency requests an increase of \$47,000 in federal fund expenditure authority as a result of using volunteer, in kind labor instead of paying cash as the state's portion of federal funds. This in-kind labor is a result of tracking and recording volunteer hours from individuals such as HuntSAFE volunteers who work with the program. This results in additional federal funds that can be utilized by the program. Examples of how this money will be used include additional purchases of Laser Shot systems, archery equipment, portable sporting clay throwers, and up to date electronic equipment for volunteer instructors. By using this in-kind labor instead of cash, GF&P funds will be enhanced by \$47,000. The Governor recommends this request.

Wildlife- Information Service:

- Supplies and Materials- The agency requests an increase of \$80,000 in other fund expenditure authority due to an increase in the production costs of printed materials and in the number of publications being handled by the communications program. The Governor recommends this request.

Technical Services- Fish Research:

- Grants and Subsidies- The agency requests an increase of \$292,177 in federal fund expenditure authority for fish research grants. The Governor recommends this request.

Technical Services – Habitat Management:

- Contractual Services- The agency requests an increase of \$660,000 in federal fund expenditure authority in FY08. The increase includes:
 - \$130,000 for existing long-term habitat leasing program commitments.
 - \$530,000 for woody habitat, food plots, nesting habitat and habitat fencing program payments to private landowners through the Wildlife Partners Program. This increase is being shifted from the Game Management Program. The Governor recommends this request.

Technical Services- Game Management:

- Contractual Services- The agency requests a decrease of \$520,500 in other fund expenditure authority due to a shift of funds to the Habitat Management Program. The Governor recommends this request.
- Grants and Subsidies- The agency requests an increase of \$60,000 (\$12,900 federal, \$47,100 other) for the second year of a GF&P Commission approved study on mountain lions in SD. The Governor recommends this request.

Technical Services- Environmental Review:

- Grants and Subsidies- The agency requests a decrease of \$145,735 in federal fund expenditure authority and \$145,735 of other fund expenditure authority due to the completion of various studies. The Governor recommends this request.

Selected Performance Indicators

	<u>FY06</u>			<u>FY07</u>			<u>FY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Taxes Paid	\$670,000	\$675,447	\$5,447	\$670,000	\$670,000	\$0	\$670,000
Acres of Public Land Managed	241,783	241,783	0	241,783	241,783	0	241,783
Acres of Trees and Shrubs Planted	50	35	(15)	50	50	0	50
Acres of Food and Cover Planted	12,500	11,256	(1,244)	12,500	12,500	0	12,500
Acres of Noxious Weed Controlled	18,500	17,750	(750)	18,500	18,500	0	18,500
Lakes and Streams Stocked	240	200	(40)	240	240	0	240
Lake Management Plans Completed	25	20	(5)	25	25	0	20
Lake Surveys	100	100	0	100	100	0	100
Creel Surveys Conducted	12	12	0	12	12	0	12
Warm/Cool Water Fish:							
Eggs Collected	97,000,000	89,000,000	(8,000,000)	100,000,000	100,000,000	0	100,000,000
Fry/Fingerling (Millions)/Adults Stocked	48/1.2/226,000	46/32/84,695	n/a	50/1.2/300,000	50/1.2/300,000	n/a	65/2/300,000
Cold Water Fish (Trout)	305,400	187,761	(117,639)	300,000	300,000	0	300,000
Cold Water Fish (Salmon)	102,501	119,364	16,863	200,000	200,000	0	200,001
Pheasants for Everyone:							
Acres of Walk-In Areas	1,000,000	1,080,000	80,000	1,000,000	1,000,000	0	1,100,000
Acres of Woody Habitat	2,100	1,150	(950)	2,100	2,100	0	1,200
Acres of Food Plots	10,000	11,256	1,256	10,000	10,000	0	12,000

Wildlife – Development/Improvement

To improve, replace, and construct new facilities necessary to the efficient accomplishment of the objectives of the Division of Wildlife.

The total recommended budget for Wildlife – Development/Improvement consists of \$2,218,750 in federal fund expenditure authority and \$1,141,250 in other fund expenditure authority for a total budget of \$3,360,000 and 0.0 FTE.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	-	-	-	-	-	0.0%
Travel	-	-	-	-	-	0.0%
Contractual Services	43,108	-	-	-	-	0.0%
Supplies & Materials	258	-	-	-	-	0.0%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	707,134	772,000	3,360,000	3,360,000	2,588,000	335.2%
Other	-	-	-	-	-	0.0%
Total	750,500	772,000	3,360,000	3,360,000	2,588,000	335.2%
Funding Types						
General	-	-	-	-	-	0.0%
Federal	90,000	262,000	2,218,750	2,218,750	1,956,750	746.9%
Other	660,500	510,000	1,141,250	1,141,250	631,250	123.8%
Total	750,500	772,000	3,360,000	3,360,000	2,588,000	335.2%
FTE	-	-	-	-	-	0.0%

- **Capital Outlay-** The agency requests an increase of \$2,588,000 (\$1,956,750 federal, \$631,250 other) in the Capital Development/Improvement budget for FY08. The Governor recommends this request. A list of requested Capital Development/Improvement projects for FY08 is shown below:

<u>Project Location</u>	<u>Description</u>	<u>Cost Estimate</u>
McNenny Fish Hatchery	Hatchery Maintenance	\$15,000
McKillican GPA- Codrington County	GPA Development	\$20,000
Dam Repair- Statewide	Dam Repairs and Construction	\$200,000
Centerville Dam- Lincoln County	Dam Renovation	\$200,000
Webster- Day County	Office Renovation	\$103,000
Aberdeen- Brown County	Office Renovation	\$12,000
Spring Creek Watershed- Pennington	Fish Habitat Enhancement	\$1,725,000
Dalton Lake- Lawrence County	Spillway Renovation	\$195,000
Canyon Lake- Pennington County	Sediment Removal	\$350,000
Spearfish Canyon- Lawrence County	Renovation Projects	\$100,000
Mirror Lake- Lawrence County	Fishing Access	\$35,000
Richmond Lake- Brown County	Fishing Jetty Project	\$55,000
Fishing Access Development- Statewide	Fishing Access Projects	\$350,000
Total		\$3,360,000

State Parks and Recreation

To provide diverse outdoor recreational opportunities; to act as a catalyst for a growing tourism economy; to preserve the resources with which we are entrusted; to accomplish this mission through efficient, responsive, and environmentally-sensitive management, and constructive communication with those we serve.

The total recommended budget for State Parks and Recreation consists of \$3,342,270 from general funds, \$1,793,645 in federal fund expenditure authority, and \$10,091,934 in other fund expenditure authority, for a total budget of \$15,227,849 and 242.0 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	7,495,807	8,314,749	8,314,749	8,623,593	308,844	3.7%
Travel	107,664	133,625	133,625	133,625	-	0.0%
Contractual Services	4,013,595	4,110,416	4,150,741	4,150,741	40,325	1.0%
Supplies & Materials	1,451,063	1,493,538	1,558,638	1,558,638	65,100	4.4%
Grants And Subsidies	-	-	-	-	-	0.0%
Capital Outlay	529,451	586,688	586,688	586,688	-	0.0%
Other	160,645	174,564	174,564	174,564	-	0.0%
Total	13,758,225	14,813,580	14,919,005	15,227,849	414,269	2.8%
Funding Types						
General	3,122,059	3,242,686	3,234,711	3,342,270	99,584	3.1%
Federal	1,617,855	1,759,947	1,770,447	1,793,645	33,698	1.9%
Other	9,018,311	9,810,947	9,913,847	10,091,934	280,987	2.9%
Total	13,758,225	14,813,580	14,919,005	15,227,849	414,269	2.8%
FTE	234.2	242.0	242.0	242.0	-	0.0%

- **Contractual Services-** The agency requests an increase of \$40,325 in FY08. This includes:
 - Region 1- Glacial Lakes- \$15,700 for garbage rate increases, telecommunications services at district offices, and electricity at Pelican Lake Recreation Area and Roy Lake State Park.
 - Region 2- Heartland- \$600 for equipment service and electricity for a new camping cabin at Snake Creek Recreation Area.
 - Region 3- Lewis and Clark- \$31,000 for electricity at the region's state parks.
 - Region 6- Southern Hills- \$1,000 increase in equipment rental and a \$7,975 decrease due to a reduction in Custer State Park's bond payment.

The Governor recommends this request.

- **Supplies and Materials-** The agency requests an increase of \$65,100 in FY08.
 - Region 1- Glacial Lakes- \$24,100 for heating and cooking fuels, diesel fuel, gasoline, janitorial supplies, recreational supplies, postage, and credit card purchases for the Oakwood campground expansion.
 - Region 2- Heartland- \$700 for increased costs of heating and cooking fuels.
 - Region 4- West River- \$2,250 for increased costs and need for agricultural chemicals and fertilizers.
 - Region 6- Southern Hills- \$38,050 to develop and print new promotional brochures and increased costs and need for agricultural chemicals and fertilizers.

The Governor recommends this request.

- Personal Services- The Governor's recommended appropriation includes an increase of \$308,844 (\$107,559 general, \$23,198 federal, \$178,087 other) for FY08 salary policy.

Revenues

	<u>FY06</u>			<u>FY07</u>			<u>FY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Park Entrance License Receipts	4,121,000	4,034,382	(86,618)	4,228,000	4,184,000	(44,000)	4,182,000
Camping Receipts	3,170,000	3,394,844	224,844	3,190,000	3,466,000	276,000	3,569,000
Firewood & Picnic Shelter Reserv.	72,000	72,302	302	74,000	74,000	0	74,000
Motorboat Fuel	1,471,316	1,471,316	0	1,472,000	1,483,000	11,000	1,485,000
Boat License	750,000	754,210	4,210	750,000	750,000	0	750,000
Timber Sales	322,202	337,798	15,596	339,000	300,000	(39,000)	300,000
Bison Sales	290,000	294,945	4,945	290,000	260,500	(29,500)	260,500
Big Game Licenses	157,085	211,065	53,980	153,000	151,000	(2,000)	151,000
Concession Franchise Fees	280,000	368,226	88,226	281,000	308,000	27,000	308,000
Promotion Fees	271,600	281,390	9,790	278,100	280,000	1,900	280,000
Miscellaneous	308,000	401,350	93,350	310,000	336,000	26,000	336,000
Total	11,213,203	11,621,828	408,625	11,365,100	11,592,500	227,400	11,695,500

These are "Other" fund sources of revenue to the Division of State Parks & Recreation and are used in the Maintenance and Operations Budget (0620) and in the Development Budget (0621).

SDCL 41-17-14 directs the receipts from the sale of park entrance licenses to be used for operating and maintaining areas within the state park system.

SDCL 10-47B-149, directs motor fuel tax on one hundred forty gallons of fuel for each licensed motorized boat to the Division of Parks & Recreation for improving boating opportunity. These funds are transferred from the Motor Fuel Tax Fund to the Division of Parks & Recreation in July of each year, based on the number of motorized boats registered on the previous December 31st.

Boat License revenue is utilized by the Division of State Parks & Recreation in the Maintenance and Operation program.

Miscellaneous receipts are comprised of such activities as seasonal trailer sites, concession lease payments, sale of park merchandise, timber sales, buffalo sales, CSP hunting licenses and land management practices. These funds are utilized to help fund a portion of the Maintenance and Operation Program and the Development and Improvement Program.

SDCL 41-17-22.1, approved by the 1989 legislature, authorizes the Division of State Parks & Recreation to collect three per cent on gross sales generated by concession operators at the Yankton Unit of Lewis & Clark Recreation Area, and the concessions within Custer State Park, with receipts to be used for promoting the facilities, attractions and activities at each of the parks. This revenue is budgeted for expenditure in the Maintenance and Operation Program in accordance with statutory direction.

Selected Performance Indicators

	<u>FY06</u>			<u>FY07</u>			<u>FY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Visitations:							
Custer State Park	1,606,000	1,590,576	(15,424)	1,638,000	1,600,000	(38,000)	1,650,000
Other State Parks	870,000	853,130	(16,870)	895,000	870,000	(25,000)	880,000
Lewis & Clark Recreation Area	920,000	922,926	2,926	939,000	940,000	1,000	960,000
Other Recreation Areas	2,644,000	2,750,309	106,309	2,697,000	2,880,000	183,000	3,000,000
Nature Areas	115,000	144,087	29,087	126,000	145,000	19,000	146,000
Lakeside Use Areas	1,081,000	941,947	(139,053)	1,102,000	950,000	(152,000)	950,000
Total Visitations	7,236,000	7,202,975	(33,025)	7,397,000	7,385,000	(12,000)	7,586,000
Camping Units (Nights of Camping)	226,000	228,278	2,278	230,500	230,500	0	236,000
Camp Site Nights Reserved	153,000	152,871	(129)	156,000	155,000	(1,000)	159,000
Development/Improvement Projects	154	152	(2)	172	177	5	182
Construct/upgrade miles of road	35	35	0	68	71	3	46
Prepare Concession Prospectus	3	1	(2)	3	1	(2)	2
Inspect lease areas./facilities	20	15	(5)	20	21	1	21
Prepare lease agreements easement	8	9	1	6	9	3	9
CSP Timber Stand Improvement	300	516	216	300	338	38	338
CSP Timber Harvested (CCF)	1,500	1,200	(300)	1,200	1,100	(100)	1,100
CSP Wildfires Suppressed	20	41	21	20	20	0	30

State Parks and Recreation – Dev/Imp

To construct park facilities within the State Park System to meet the recreational demands of the public; to renovate and replace existing park facilities in need of major repair through scheduled preventative maintenance; to administer South Dakota's annual federal Land and Water Conservation Fund apportionment for park development to state and local projects; to administer all other federal aid programs for the division, including Federal Aid in Sport Fish Restoration (Dingell-Johnson), Bureau of Reclamation Cost Sharing, and Coast Guard Cost Sharing; and to coordinate all division land transfers.

The total recommended budget for State Parks and Recreation – Dev/Imp consists of \$202,175 from general funds, \$4,647,326 in federal fund expenditure authority, and \$2,263,956 in other fund expenditure authority, for a total budget of \$7,113,457 and 1.3 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	71,321	74,367	74,367	77,372	3,005	4.0%
Travel	7,715	5,445	5,445	5,445	-	0.0%
Contractual Services	185,367	6,600	6,600	6,600	-	0.0%
Supplies & Materials	1,834	2,315	2,315	2,315	-	0.0%
Grants And Subsidies	453,032	800,000	800,000	800,000	-	0.0%
Capital Outlay	5,490,968	5,610,850	6,221,725	6,221,725	610,875	10.9%
Other	-	-	-	-	-	0.0%
Total	6,210,237	6,499,577	7,110,452	7,113,457	613,880	9.4%
Funding Types						
General	202,175	202,175	202,175	202,175	-	0.0%
Federal	3,759,362	3,403,677	4,644,321	4,647,326	1,243,649	36.5%
Other	2,248,700	2,893,725	2,263,956	2,263,956	(629,769)	(21.8%)
Total	6,210,237	6,499,577	7,110,452	7,113,457	613,880	9.4%
FTE	1.4	1.3	1.3	1.3	-	0.0%

- Personal Services- The Governor's recommended appropriation includes an increase of \$3,005 in federal fund expenditure authority for FY08 salary policy.

Waterbased Recreation:

- Capital Outlay- The agency requests an increase of \$851,894 in federal fund expenditure authority and \$40,481 in other fund expenditure authority to improve facilities for boaters and anglers in South Dakota. The main federal funding source is the Sportsman Restoration Fund (Dingell-Johnson Fund), which is derived from the excise tax on fishing and boating equipment. Other federal funding sources are the Bureau of Reclamation, Coast Guard Boater Safety, Missouri River Title VI, and the Land and Water Conservation Fund. The state match funding source is the Motor Boat Fuel Fund, which represents the state fuel taxes paid by boaters. The Motor Boat Fuel Fund is dedicated for the benefit of boaters. The federal/state match is 75% federal dollars to 25% state dollars for sportfish restoration. The matching ratio is 50% federal funds to 50% state funds for Bureau of Reclamation, Coast Guard Boater Safety, and Land and Water Conservation Fund. The Missouri River Title VI program utilizes federal funds from the U.S. Army Corps of Engineers to develop and improve recreational resources on the Missouri River. This program requires no matching dollars. The Governor recommends this request.

Preventative Maintenance:

- Capital Outlay- The agency requests a decrease of \$97,650 in federal fund expenditure authority and \$1,088,650 in other fund expenditure authority in FY08. Preventative maintenance is needed to restore and maintain the function and quality of existing facilities in the park system. It involves the renovation or replacement of existing facilities that have deteriorated because of age or use. The FY08 Preventative Maintenance budget includes 71 projects in 25 park areas throughout the state as well as 5 projects that extend statewide. This request for preventative maintenance is a small percentage of the total replacement value of park facilities statewide. The Governor recommends this request.

Other Development:

- Capital Outlay- The agency requests an increase of \$486,400 in federal fund expenditure authority and \$418,400 in other fund expenditure authority to develop new recreational facilities, amenities, and opportunities for the park system. The FY08 Other Development budget includes 23 projects in 13 park areas throughout the state. Other funds in this budget are being used to match federal sources such as the Recreational Trails Program, Bureau of Reclamation, Sportfish Restoration, Land & Water Conservation funds, Statewide Transportation Enhancement Funds, and Missouri River Title VI Funds. The Recreation Trail Program funds provide a generous matching ratio of 80% federal to 20% other funds. The Missouri River Title VI program utilizes federal funds from the U.S. Army Corps of Engineers to develop and improve recreational resources on the Missouri River in parks that were transferred to the state from the federal government. This program requires no matching dollars. The Governor recommends this request.

	FY07 Operating Budget	FY08 Total Requested	FY08 Expansion (Reduction)
Waterbased Recreation	2,812,075	3,704,450	892,375
Preventative Maintenance	2,391,475	1,205,175	(1,186,300)
Other Development	407,300	1,312,100	904,800
	<u>5,610,850</u>	<u>6,221,725</u>	<u>610,875</u>

	FY08 General Funds	FY08 Federal Funds	FY08 Other Funds
Waterbased Recreation	0	851,894	40,481
Preventative Maintenance	0	(97,650)	(1,088,650)
Other Development	0	486,400	418,400
	<u>0</u>	<u>1,240,644</u>	<u>(629,769)</u>

Snowmobile Trails - Info

To develop and maintain a statewide system of safe snowmobile trails and areas; to coordinate trail activities with the various land managers; to establish uniform criteria for designated trails; and, to provide trail information to users.

The total recommended budget for Snowmobile Trails consists of \$104,000 in federal fund expenditure authority and \$1,054,804 in other fund expenditure authority for a total budget of \$1,168,804 and 9.1 FTEs.

	Actual FY06	Budgeted FY07	Agency Req. FY08	Gov Rec. FY08	Inc/Dec FY08	% Change From FY07
Personal Services	265,568	308,275	308,275	320,004	11,729	3.8%
Travel	14,118	23,550	23,550	23,550	-	0.0%
Contractual Services	102,029	120,950	132,950	132,950	12,000	9.9%
Supplies & Materials	96,258	129,800	153,300	153,300	23,500	18.1%
Grants And Subsidies	102,381	275,000	290,000	290,000	15,000	5.5%
Capital Outlay	130,343	133,900	249,000	249,000	115,100	86.0%
Other	-	-	-	-	-	0.0%
Total	710,697	991,475	1,157,075	1,168,804	177,329	17.9%
Funding Types						
General	-	-	-	-	-	0.0%
Federal	113,310	104,000	114,000	114,000	10,000	9.6%
Other	597,387	887,475	1,043,075	1,054,804	167,329	18.9%
Total	710,697	991,475	1,157,075	1,168,804	177,329	17.9%
FTE	8.1	9.1	9.1	9.1	-	0.0%

Revenues

	FY06		Difference Over (Under) Estim.	FY07			FY08
	Original Estimate	Actual		Original Estimate	Current Estimate	Change in Estimate	Estimate
Two-Year Snowmobile License	116,000	141,138	25,138	109,000	109,000	0	120,000
Gas Tax Refunds	370,000	327,195	(42,805)	372,000	372,000	0	330,000
Interest	53,000	37,764	(15,236)	45,000	45,000	0	35,000
Five-Day Nonresident Permits	4,000	7,516	3,516	3,500	3,500	0	5,000
3% Initial Registration Fee	260,000	208,906	(51,094)	250,000	250,000	0	220,000
Contract Grooming	10,000	14,709	4,709	8,700	8,700	0	14,000
Total	813,000	737,228	(75,772)	788,200	788,200	0	724,000

SDCL 41-19-2 directs the Department of Game, Fish, and Parks to use snowmobile revenue from Motor Fuel Tax and Snowmobile Registrations for improving snowmobiling opportunities.

- Personal Services- The Governor's recommended appropriation includes an increase of \$11,729 in other fund expenditure authority for FY08 salary policy.
- Contractual Services- The agency requests an increase of \$12,000 in other fund expenditure authority for fleet and travel expenses due to an expected increase in gasoline prices and insurance expenses because of a new insurance requirement from the U.S. Forest Service to occupy the Hardy Camp facilities. The Governor recommends this request.

- **Supplies and Materials-** The agency requests an increase of \$23,500 in other fund expenditure authority for diesel fuel, gasoline, and heating fuel at Hardy Camp. The Governor recommends this request. The Governor recommends this request.
- **Grants and Subsidies-** The agency requests an increase of \$15,000 in other fund expenditure authority to offset the increased cost of diesel fuel which is needed to operate nine grooming machines used throughout the Snowmobile Grant in Aid Program in eastern South Dakota. In addition, grooming rates have been increased from \$55 to \$60 per hour for clubs using their own equipment to reflect the increased cost of diesel fuel. The Governor recommends this request.
- **Capital Outlay-** The agency requests an increase of \$115,100 (\$10,000 federal, \$105,100 other) for permanent trail easements in the Black Hills (\$100,000), machinery (\$10,000), recreation equipment (\$5,000), computer equipment (\$4,000) and a decrease in miscellaneous equipment (\$3,900). The Governor recommends this request.

Selected Performance Indicators

	<u>FY06</u>			<u>FY07</u>			<u>FY08</u>
	Original Estimate	Actual	Difference Over (Under) Estim.	Original Estimate	Current Estimate	Change in Estimate	Estimate
Groomed Trail Miles - Black Hills	330	330	0	350	350	0	350
Black Hills Grooming Repetitions	5/week	5/week	n/a	5/week	5/week	n/a	5/week
Groomed Trail Miles - East River	1,300	1,247	-53	1,325	1,269	-56	1,269
Grant-in-Aid Agreements - Sponsors	14	14	0	14	13	-1	13
Grooming Machines Operating	16	16	0	16	15	-1	15

Groomed miles of snowmobile trail in FY2006 will total 1,572 miles, with 1,247 miles located in eastern South Dakota, and 330 miles in the Black Hills.

In eastern South Dakota, trail systems are located at Aberdeen, Beresford, Brookings, Clear Lake, DeSmet, Faulkton, Huron, Milbank, New Effington, Hayti, Redfield, Sioux Falls, Webster, and White.

Other Departmental Issues

A. Interim Appropriation Actions

No interim appropriation actions were taken.

B. Letters of Intent- FY07

The Joint Appropriations Committee would like to thank the Department of Game Fish and Parks for providing a budget breakdown of Parks and Recreation and Custer State Park keeping them separate in the budget presentation and request that the department continue this process in the future.

The Joint Appropriations Committee requests that the Department of Game Fish & Parks publish the minutes of Game Fish and Parks Commission meetings within five days following each commission meeting. The Legislature strives to make the minutes during session and the interim available to the public as soon as possible to give earlier awareness of Legislative actions. The Joint Appropriations Committee understands that the minutes will be in draft form until they are approved by the commission.

C. Department of Game, Fish, and Parks

General Fund Reversions FY02-FY06

FY02- \$1,647,895

FY03- \$1,676,186

FY04- \$1,775

FY05- \$656

FY06- \$3,804