

STATE OF CALIFORNIA  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 08/15)

Fiscal Year 16-17	Business Unit 3790	Department Parks and Recreation	Priority No. 1
Budget Request Name 3790-001-BCP-DP-2015-GB		Program 2840	Subprogram

Budget Request Description  
 Base Funding – Maintain Operations

Budget Request Summary

The Department of Parks and Recreation (Department) requests a one-time increase of \$16,968,000 in spending authority in Fiscal Year (FY) 2016-17 from the State Parks and Recreation Fund to sustain its operations and maintain its base support budget. Additionally, the Department requests a one-time redirection of \$31,000,000 in fuel tax revenues to the State Parks and Recreation Fund to maintain fund solvency.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR                      Project No.                                      Date:		

If proposal affects another department, does other department concur with proposal?  Yes  No  
 Attach comments of affected department, signed and dated by the department director or designee.

Prepared By <i>[Signature]</i>	Date 12/31/15	Reviewed By <i>[Signature]</i>	Date 12/31/15
Department Director <i>[Signature]</i>	Date 12-31-15	Agency Secretary <i>[Signature]</i>	Date 12/21/15

**Department of Finance Use Only**

Additional Review:  Capital Outlay     ITCU     FSCU     OSAE     CALSTARS     Dept. of Technology

BCP Type:                       Policy                       Workload Budget per Government Code 13308.05

PPBA	Original Signed by Amanda Martin	Date submitted to the Legislature 1-8-16
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# BCP Fiscal Detail Sheet

BCP Title: Base Operations Support

DP Name: 3790-005-BCP-DP-2016-GB

## Budget Request Summary

	CY	BY	BY+1	FY16	BY+2	BY+3	BY+4
<b>Operating Expenses and Equipment</b>							
5301 - General Expense	0	638	0	0	0	0	0
5302 - Printing	0	153	0	0	0	0	0
5304 - Communications	0	1,215	0	0	0	0	0
5306 - Postage	0	65	0	0	0	0	0
5308 - Insurance	0	90	0	0	0	0	0
5320 - Travel: In-State	0	389	0	0	0	0	0
5322 - Training	0	240	0	0	0	0	0
5324 - Facilities Operation	0	6,137	0	0	0	0	0
5326 - Utilities	0	1,074	0	0	0	0	0
5340 - Consulting and Professional Services -	0	3,014	0	0	0	0	0
5344 - Consolidated Data Centers	0	297	0	0	0	0	0
5346 - Information Technology	0	757	0	0	0	0	0
5368 - Non-Capital Asset Purchases - Equipment	0	1,057	0	0	0	0	0
539X - Other	0	1,842	0	0	0	0	0
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$16,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$16,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fund Summary</b>							
Fund Source - State Operations							
0392 - State Parks and Recreation Fund	0	16,968	0	0	0	0	0
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$16,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$16,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Program Summary</b>							
Program Funding							
2840 - Support of the Department of Parks and	0	16,968	0	0	0	0	0
<b>Total All Programs</b>	<b>\$0</b>	<b>\$16,968</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## Analysis of Problem

### A. Budget Request Summary

The Department of Parks and Recreation (Department) requests a one-time increase of \$16,968,000 in spending authority in Fiscal Year (FY) 2016-17 from the State Parks and Recreation Fund to sustain its operations and maintain its base support budget. Additionally, the Department requests a one-time redirection of \$31,000,000 in fuel tax revenues to the State Parks and Recreation Fund to ensure fund solvency.

### B. Background/History

The Department has faced budget reductions in recent years, including a \$22 million reduction to its General Fund appropriation. As the Department sought to fill the gaps to maintain its current operations amidst the budget reductions, the Department has faced two funding realities. The first is that the Department's appropriation isn't enough to sustain its base operations and current service level to the public. The second issue the Department is facing is that, in filling the funding gaps in recent years, the reliance on the State Parks and Recreation Fund has left the fund balance at a level that will not support base operations. In order to address these two issues, a one-time appropriation increase of \$16,968,000 to its State Parks and Recreation Fund, along with a one-time redirection of \$31,000,000 in fuel tax revenues to the State Parks and Recreation Fund is necessary.

In response to ongoing and serious funding problems discovered within the Department, the California Legislature passed both the California State Parks Stewardship Act of 2012 (AB 1589) and AB 1478. These pieces of legislation each call for the formation of a multidisciplinary advisory council to conduct an independent assessment of the current State Parks System and make recommendations to the California Legislature and Governor on future management, planning, and funding proposals that will ensure the long-term sustainability of the State Parks System. The Parks Forward Commission was created to fulfill these directives.

### C. State Level Considerations

This request is consistent with the Department's 2013-14 Strategic Action Plan.

### D. Justification

The Administration is continuing to take actions that strengthen the state parks system, improve visitors' experiences, and make the services provided by the state park system more relevant to a broader and more diverse group of people. Last year, the Administration established a Transformation Team to develop and lead the Department in executing structural and sustainable reforms. The Team includes experts from inside and outside the Department who will commit their broad collective experience and talents to setting in motion the actions necessary to strengthen the Department. While the Team is building upon many of the findings of the Parks Forward Commission, it has also identified additional opportunities for positive change. Among other initiatives, the Team is currently addressing the Department's budget through a Service Based Budgeting effort and is also working on an updated organizational structure. These two initiatives complement each other and will allow the Department to articulate the services that can be provided at various funding levels and how the Department will best deliver those services. Upon completion of these two paramount initiatives, the mission and values of the Department will be reflected in a streamlined continuum of budget and service that spans all major divisions and programs.

Without this increase to its State Parks and Recreation Fund appropriation and revenue transfer, the Department will continue operating within a structural deficit, and will not have sufficient funds to support its core operations. Additional funding is necessary now in order to keep the Department at a level that it can sustain basic operations. Additionally, without the redirection of fuel tax revenues, the State Parks and Recreation Fund will remain insolvent and unable to support its existing appropriation levels.

This request also includes funding for:

Staff Support for the United States Immigration Station Hospital at Angel Island State Park: \$342,000 in support funding to fund staff to open and operate the Hospital Building at the United States Immigration Station (USIS) at Angel Island State Park. The entire USIS area is in the process of being rehabilitated, and the barracks at the site were the first to open in 2009. With the rehabilitation of the Hospital

## Analysis of Problem

expected to be completed in January 2016, the following staff is necessary to provide public access and programming for the site: one State Park Interpreter I; one Guide 1-Historical Monument; one Park Maintenance Assistant; and four Guide Trainees-Historical Monument (seasonal). This request is in line with the recent recommendations from the Parks Forward Initiative to expand access to parks through enhanced interpretation and environmental education programs and park amenities that make experiences relevant to park visitors.

### E. **Outcomes and Accountability**

Funding this proposal will allow the Department to maintain its core operations in FY 2016-17.

### F. **Analysis of All Feasible Alternatives**

Alternative 1: Provide a one-time increase of \$16,968,000 million in spending authority in FY 2016-17 from the State Parks and Recreation Fund to sustain its operations and maintain its base support budget, along with a one-time redirection of \$31,000,000 of fuel tax revenues to the State Parks and Recreation Fund. This will ensure the Department's appropriation is sufficient to sustain its operations and maintain its base support budget. This will allow sufficient time for the Department to complete its service-based budgeting effort.

Alternative 2: Provide a one-time increase of \$14 million in spending authority in FY 2016-17 from the General Fund. This will keep funding at the 2013-14 level, but will not fully support the Department's base operations.

### G. **Implementation Plan**

To ensure proper implementation of this augmentation, the effective date will need to be July 1, 2016.

### H. **Supplemental Information**

See attached provisional language

### I. **Recommendation**

The Department recommends Alternative 1: Provide a one-time increase of \$16,968,000 million in spending authority in FY 2016-17 from the State Parks and Recreation Fund to sustain its operations and maintain its base support budget, along with a one-time redirection of \$31,000,000 of fuel tax revenues to the State Parks and Recreation Fund. This will ensure the Department's appropriation is sufficient to sustain its operations and maintain its base support budget. This will allow sufficient time for the Department to complete its service-based budgeting effort.

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SUPPLEMENTAL INFORMATION – PROVISIONAL LANGUAGE

3790-013-0061

Provision 1. Notwithstanding any other provision of law, including Section 83526 of the Revenue and Taxation Code, the amount appropriated in this item normally transferred to the Off-Highway Vehicle Trust Fund from the Motor Vehicle Fuel Account, Transportation Tax Fund, shall be available for transfer to the State Parks and Recreation Fund to support the statewide parks system.