

2008-09 Spending Plan	Agency Name: Office of Parks, Recreation and Historic Preservation
	Agency Head: Carol Ash, Commissioner

A. Overview of Proposed Plan

A.1 Overall Approach

The overall approach in the Office of Parks, Recreation and Historic Preservation's Financial Management Plan is to: a) achieve the required levels of FY2008-09 cash savings by reducing costs while minimizing the impact on public services; and b) identify actions that will result in recurring savings in 2009-10 and 2010-11. Given the current economic downturn and the high price of gasoline, many New Yorkers are looking for recreational and vacation opportunities close to home. In this climate, New York's State Parks must remain open, accessible and affordable.

A.2 Achievement of Savings on a Recurring Basis

The Financial Management Plan calls for 2008-09 General Fund savings of \$4.5 million. While our Financial Management Plan continues that level of savings into 2009-10 and 2010-11, it is anticipated that achieving such savings may require consideration of reductions in services or alternative approaches such as increased fee revenue or other non-state funding.

A.3 Protecting Key Priorities

Our 2008-09 Financial Management Plan protects key administration priorities:

First, the agency's over-riding new administration priority is the revitalization of the State Park and Historic Site System, which serves over 55 million visitors at 213 parks and historic sites every year. The current budget provides \$95 million in new capital funds, including \$75.5 million for the capital improvement of State Parks facilities. As required by statute, we have submitted our Capital Expenditure Plan to the Legislature and are in the process of advancing and implementing that plan. Our proposed Financial Management Plan for 2008-09 does not jeopardize the progress of our capital plan.

Second, our Financial Management Plan also preserves our agency's priority to enhance environmental and natural resource stewardship. The 2007-08 Budget allowed the agency to establish, for the first time in our history, regionally-based environmental stewardship positions. Coupled with increased Albany-based staffing (also provided in last year's budget), we will be able to begin to address long-standing environmental and planning needs and such emerging challenges as invasive species and biodiversity.

Third, we must continue to invest in improving state and local parks, trailways and green spaces. Providing increased public access to public open space – and connecting parcels to

each other – benefits not only recreation users but also improves the quality of life for communities, encourages smart growth and provides critical habitat for wildlife.

Fourth, we cannot retreat from our commitment to invest in the capacity of the park system, our people, our equipment and our technology. Over the last decade, these areas were sorely neglected and today we are paying the price. In the past year, we have re-established an independent Equal Opportunity Office, renewed our internal auditing capacity, adopted a multi-year agenda for staff development and training, and have begun to explore the benefits of renewed investments in technology. While the agency's 2008-09 Spending Plan will slow investment in these areas, we simply cannot allow ourselves to backslide.

Fifth, and most importantly, in these challenging economic times, with high gas prices, reduced disposable income, and increasing economic and social stress, we must maintain the state's commitment to the operations of state parks and historic sites. Parks support a wide range of administration priorities, from economic development, to energy conservation and smart growth, to public health and education. Our plan does not propose closing State Park facilities, as we must minimize the impacts on our core mission of visitor services.

A.4 Treatment of New Initiatives

The enacted 2008-09 Budget provides funding for several critical areas:

- \$95 million in capital funding for the State Parks Revitalization Initiative, including \$75.5 million in funding for OPRHP projects
- \$4.75 million for new facilities operations, including operation of a new Park Police Training Academy (at the former Camp Cass)
- \$450,000 for lifeguard recruitment and retention costs, including the cost of initiating background checks for all public safety personnel
- \$1.1 million for energy-based cost increases and other fixed costs

These new initiatives are preserved in the agency's 2008-09 Financial Management Plan.

B. Summary of General Fund Financial Impacts

GENERAL FUND -- SAVINGS SUMMARY (000s)			
	Required Reduction	2008-09 Savings	2009-10 Savings
Local Assistance	(75)	(125)	(825)
Personal Service	N/A	(1,800)	(1,100)
Non-personal Service	N/A	(2,600)	(2,600)
Total State Operations	(4,429)	(4,400)	(3,700)
Capital	-	-	-
TOTAL	(\$4,504)	(\$4,525)	(\$4,525)

GENERAL FUND -- YEAR-TO-YEAR CHANGE, AFTER SAVINGS (000s)			
	2007-08 Actual	Revised Projection	Percent Change
Local Assistance	3,914	6,700	71.2%
Personal Service	111,127	109,100	(1.8%)
Non-personal Service	23,739	23,224	(2.2%)
Total State Operations	134,866	132,324	(1.9%)
Capital	0	0	0
TOTAL	\$138,780	\$139,024	0.2%

C. Identification of Proposed General Fund Actions (000s)

	2008-09 Cash	2009-10 Cash	2010-11 Cash
GENERAL FUND			
Local Assistance			
1. Reduce boating enforcement grants	(75)	(75)	(75)
2. Restructure various commissions, task forces and advisory boards	(50)	(750)	(750)
State Operations			
1. Reduce operational services, supplies and material purchases, defer equipment maintenance and replacement, redeploy park and historic site staff to priority areas*	(2,700)	(2,700)	(2,700)
2. Implement additional fleet management efficiencies*	(50)	(50)	(50)
3. Reduce non-core programs	(750)	(750)	(750)
4. Workforce management savings (5 FTEs)	(900)	(200)	(200)

*In lieu of General Fund spending reductions in out years, consideration may need to be given to new revenue sources

D. Summary of Impact on Other Funds

Savings of \$1.9 million will be realized through the implementation of cash management actions in Special Revenue funds (including the Patron Services Account and the State Park Infrastructure Fund). Similar efficiencies will be implemented in additional SRO accounts.

OTHER FUNDS -- SAVINGS SUMMARY (000s)			
	Required Reduction	2008-09 Savings	2009-10 Savings
Local Assistance	(79)	(79)	(79)
Personal Service	N/A		
Non-personal Service	N/A		
Total State Operations	(1,944)	(1,944)	(1,944)
Capital			
TOTAL	(\$2,023)	(\$2,023)	(\$2,023)

OTHER FUNDS -- YEAR-TO-YEAR CHANGE, AFTER SAVINGS (000s)			
	2007-08 Actual	Revised Projection	Percent Change
Local Assistance	2,731	3,856	41.2%
Personal Service	24,326	24,448	0.5%
Non-personal Service	35,383	33,335	(5.8%)
Total State Operations	59,709	57,783	(3.2%)
Capital	42,937	105,258	145.1%
TOTAL	\$105,377	\$166,897	58.4%

E. Identification of Proposed Other Fund Actions (000s)

	2008-09 Cash	2009-10 Cash	2010-11 Cash
OTHER FUNDS (Note the fund/s affected by each proposal, in parentheses at the end of each entry)			
Local Assistance			
1. Cash management actions in Special Revenue funds	(79)	(79)	(79)
State Operations			
2. Cash management actions in Special Revenue funds (including the Patron Services Account and the State Park Infrastructure Fund)	(1,944)	(1,944)	(1,944)

F. Plan to Manage the Workforce

F.1 Overall Approach

The timing of the plan – at the start of the peak summer operating season – does not permit the immediate implementation of broad-based hiring restrictions in the current year. As we enter the height of public visitor season, the agency is generally at peak staffing corresponding with the period of greatest workload. However, the agency's staffing plan does anticipate attrition savings as positions are vacated after the summer season. During the summer, seasonal staff will be used to provide the needed coverage. As line item vacancies occur during the year (after September), they will be carefully scrutinized. Savings will be realized as vacated positions are held vacant during the fall and winter months. Given the significant loss of staff over the past decade and the importance of the State Parks Revitalization Initiative, our plan anticipates refilling critical vacancies as we gear up again for the 2009 season. The full implementation of new initiatives funded in the enacted 2008-09 Budget (including new staffing) will be deferred until the fall of 2008.

F.2 Plan for Refill of Vacant Positions (both current and anticipated vacancies)

Workforce Impact -- All Funds	
a. Initial Target: 2,276 [for reference]	-----
b. Current Fills PP# 3 or 4	2,235
c. Recurring impact of proposed actions (see Parts C & E)	(5)
d. Recurring impact of vacancy-refilling plan (see F.2)	41
e. Total FTEs March 31, 2009 (line b minus line c, plus/minus line d)	2,271
f. Change from Initial 2008-09 Target (line a minus line e)	(5)

G. Monthly Projections: All Funds Workforce; General Fund State Operations/Local/Capital

	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	TOTAL
A. Workforce - All Funds													
Est FTEs Month-end	2,212	2,228	2,238	2,248	2,254	2,260	2,260	2,260	2,260	2,262	2,267	2,271	
B. State Operations													
Personal Service													
1st PP	3,200	4,400	4,600	5,300	6,000	5,500	4,800	3,600	2,250	3,250	3,400	4,008	50,308
2nd PP	3,927	4,400	4,600	5,300	6,000	5,500	4,200	3,600	2,250	3,250	3,400	4,009	50,436
3rd PP (if applies)	4,400	0	0	0	0	0	4,000	0	0	0	0	0	8,400
Subtotal PS	11,527	8,800	9,200	10,600	12,000	11,000	13,000	7,200	4,500	6,500	6,800	8,017	109,144
NPS	1,607	1,375	2,298	1,900	2,700	1,250	1,750	1,600	1,550	2,200	3,000	1,950	23,180
Total Disbursements -- State Ops	13,134	10,175	11,498	12,500	14,700	12,250	14,750	8,800	6,050	8,700	9,800	9,967	132,324
C. Local Assistance													
Navigation Law	0	0	0	3,500	0	0	0	0	0	0	0	0	3,500
Natural Heritage Trails	170	30	80	104	140	300	110	155	370	782	494	465	3,200
Total Disbursements - Local	170	30	80	3,604	140	300	110	155	370	782	494	465	6,700
D. Capital Projects													
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Disbursements - Capital	0	0	0	0	0	0	0	0	0	0	0	0	0

H. Assumptions Underlying the Proposed Plan

Plan Development Process. The 2008-09 Financial Management Plan was developed by senior agency staff, in close consultation with regional and bureau directors. Each of our agency's regions was challenged to develop its own plan for savings in the current year, based on a review of current (and emerging) priorities. Priority was given to reductions that could be realized without compromising core patron services or jeopardizing key administration goals. As part of this process, an in-house directive was issued to all agency management staff to limit all hiring to "public health and safety and essential program positions." Stricter overtime review and approval processes were established. Positions which were previously approved to-fill (undergoing recruitment) were reviewed to determine whether they were consistent with this new standard and, as a result, some in-house approvals were rescinded. Further staff reviews included a re-evaluation of Local Assistance programs, service contracts, and potential "non-core mission" obligations.

Non Personal Service Spending Restrictions. With rising gasoline and energy prices and anticipated increases in visitation this year, achieving long-term and recurring NPS savings will be very difficult. As stated above, we have already taken action to curtail discretionary spending and defer purchasing of equipment and technology and we have initiated a “top-to-bottom” review of all ongoing contractual obligations.

Impact on Local Assistance. The 2% reduction requires recurring savings in Navigation Law Enforcement (\$75,000) – and our Financial Management Plan accomplishes that. In addition, our enacted 2008-09 Budget includes \$1.15 million in Local Assistance grants to subsidize the operations of special purpose local commissions and we have identified 30 special purpose local and independent boards and commissions associated with State Parks. Consistent with government reform and consolidation efforts and reductions in Local Assistance funding generally, we believe it is time to restructure these public entities.

Capital Program Management. As stated previously, the Governor recommended and the Legislature supported \$95 million in new capital appropriations for park projects (including \$75.5 for OPRHP facilities) as part of the Upstate Revitalization Initiative. As required by statute, we have provided our Capital Expenditure Plan to the Legislature for 2008-09, detailing the projects, locations and dates of construction. Continuation of this effort is essential not only for the benefit of park visitors (today and in the future) and to guarantee future revenues, but also to support upstate economic development (i.e., construction jobs now and tourism-based visitation later). Implementing this revitalization program will be a multi-year effort.

I. Management of Risks Inherent in the Plan

The agency Financial Management Plan assumes stable energy prices and normal levels of park visitation. In the event of significantly decreased park visitation stemming from rainy/cold weather on key summer weekends, or significant energy price increases, additional savings will be required to keep spending within 2008-09 assigned levels. Increased levels of visitation will require additional services to meet public demand, to be partially offset by increased revenues. The Financial Management Plan includes \$2.7 million in recurring expenditure reductions for the costs of maintaining and operating New York’s 213 State Parks and Historic Sites. Securing this level of cost savings may result in service reductions at certain parks and sites, such as: modest adjustments in operating hours; reduced expenditures on facility maintenance; deferred replacement of aging equipment and reduced recreational, educational and natural resource programming. Because these reductions may negatively impact the quality of visitor experiences and visitation rates, consideration may need to be given to identifying non-state revenue alternatives in lieu of achieving General Fund savings during 2009-10 and 2010-11.